



KARNATAKA LOKAYUKTA

Compt/Uplok/MYS-2406/2014/PP

Multi-storeyed Building,
Dr. B. R. Ambedkar Veedhi,
Bengaluru, dated 28.02.2018.REPORT UNDER SECTION 12(1) OF THE
KARNATAKA LOKAYUKTA ACT, 1984

Sub: Initiation of civil and criminal proceedings against respondent Nos. 1 to 64 (except R3 and R21) in respect of the work of Varahi Project - reg.

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1. On the complaint dated 24.06.2014 submitted by Shri Gururaja Kulal of Bemmarki Village of Kundapur Taluk of Udupi District, investigation was taken up under Section of Karnataka Lokayukta Act. The complainant alleged that, about 34 years back the work to construct 'Varahi Irrigation Project' commenced with the aid from the State and Central Government. So far, an amount of Rs.569.53 crores has been spent, however till today the Project has not been completed even after passage of such a long period, even a kilometer of Canal work has not been completed. Since the Varahi River mainly flows in the Western Ghats and due to this, water diversion project, the eco and environment has been damaged and destroyed, the Flora and Fauna of the area where the project work

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has been undertaken has been affected. Some of the farmers have lost their fertile land for the purpose of this project. The contract for construction of dam for the purpose of lift irrigation has given way to the influential persons to erect the Hydro Electric Power Project. Crores of rupees have been spent on this project without there being any benefit to the farmers in whose benefit this project commenced. This project is not feeding water to the Agricultural land. On account of this, the farmers of the surrounding area of the Project have stopped growing sugar cane, and resulted in the closure of sugar factory at Brahmavara. He further alleged that, crores of rupees have been mismanaged and misappropriated by the officers and contractors involved in this project.

2. In response to the allegation in the complaint, comments were submitted by the Executive Engineer, Varahi Project, inter alia explaining the cause for the delay in implementation of the Project. It is stated that, due to the acute shortage of food grains faced by South Canara District in the year 1949 led to an idea of harnessing the river Varahi and it was first thought of in the year 1956. At that time the Project was named as Haladi Reservoir Project. The proposal underlined the idea of the construction of Reservoir with the height of 96.50 meters within the limits of Haladi Village along with proposal to construct Left Bank Canal to a stretch of 28.80 K.M's with the intention of irrigating 4040 Hectares (10000 Acres) of land for the first crop and 2020 Hectares of land i.e. 5000 Acres for the 3<sup>rd</sup> Crop. The estimated cost of the said construction of dam and canal was Rs. 188.00 lakhs. The period within which the

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project was to be completed was five years. However, Karnataka Government by its letter dated 01/02/1962 decided to take up investigation with regard to the construction of diversion weir across main Varahi River instead of high raised dam in order to facilitate the installation of Hydro Electric Power plant near the initial reaches. Several proposals were submitted basing on the said investigation report. The tail race water of 13.15 cumecs (1 cumec = 100 cusecs) of water was expected to flow from Hydrel Project that was planned to construct near Mani Village. The discharge water was proposed to be utilized for irrigation by constructing weir across the river Varahi at Hariabbe in Kundapur Taluk. The Varahi Irrigation Project was launched during the year 1979. For that an administrative approval was accorded with preliminary cost of Rs.9.43 Crores by the Government vide its order No.PWD 71 GIP dated 21/03/1979. At that point of time, it was planned to construct a dam with crust level of 36.88 meters with MWL of 42.88 meters, the Right Bank Canal to a length of 78.80 K.M's covering 1992 Hectares of Agricultural land for the purpose of Irrigation, the LBC to a length of 70.20 K.M's covering 10987 Hectares of Agricultural land. Further Lift Irrigation Canal of 53.00 K.M's length covering 27223 Hectares of land. Sanction was accorded to the said proposal by the Government and foundation stone was laid on 30/12/1980 by the then Hon'ble Chief Minister of Karnataka. Later, it was decided by the Government to cancel the tender process citing the reason of further investigation with regard to the feasibility and viability of the Project. Again on 19/05/1981, a project report was prepared

showing the cost of the project as Rs.40.47 crores. Keeping in mind that, this project is mainly for irrigation purpose, the Government vide their letter No.PWD/9GHK/81 dated 05/09/1981 directed the concerned to work out a case for truncated section required for storage of water for a period of 7 days.

3. Again another project report for the first stage was prepared showing the estimate cost of Rs.50.42 crores based on 1981-82 SR and submitted the same to Technical Advisory Committee on 31/05/1982. The Technical Advisory Committee after examining the project report suggested to examine the ways and means to increase the power generation and to minimize the cost of irrigation. In the back drop of this suggestion of TAC a revised project report with an estimate amount of Rs.48.60 crores was submitted basing the SR of 1982-83. Subsequently, the Technical Advisory Committee which met in the month of August 1982 suggested to prepare a project report only for irrigation purpose. Accordingly, the project report for the first stage at an estimate cost of Rs.57.865 crores basing the SR of 1983-84 was submitted. With regard to the matter of de-reservation of forest coming in the way of implementation of project, a forest committee was formed to find out the way and means to minimize the de-reservation of forest. The said committee submitted a report to minimize the de-reservation of forest in order to protect flora and fauna and proposed to reduce the height of the dam.
4. Taking into consideration of the letter of Chief Conservator of Forest (General) vide No.B3/GFL/CR/339/82-83

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dated 23/14-05-1989, TAC suggested the reduction of the dam height so as to minimise submergence of forest area. It was also advised to construct concrete dam instead of masonry dam. Further, it was recommended to modify the estimate so as to adopt radial gates to pick up dam. Considering these suggestions of the Technical Advisory Committee, after due deliberation at Government level a modified project report was submitted in the year 1992 with the following changes:-

1. Minimum submergence of 275 Hectares
2. Storage capacity for 10 days
3. To reduce the length of LBC to minimize the loss of forest.

5. The Government issued an order vide No.ನೀ.ಇ:102: ಎನ್.ಹೆಚ್.ಪಿ: ದಿ: 22/10/1992 to proceed with the left bank canal work from 0.00 K.M to 21.00 K.M with the following details of dam, canals and the achkat area covering under the said project.

|    |                  |   |            |       |                      |
|----|------------------|---|------------|-------|----------------------|
| 1. | Dam              |   |            |       |                      |
|    | Crust level      | - | 37.50 mts. |       |                      |
|    | MWL              | - | 49.50 mts. |       |                      |
|    |                  |   | Length     |       | Achkat               |
| 2. | Right Bank Canal |   | 78.80 K.M  |       | 1992 Hectares        |
|    | Left Bank Canal  |   | 46.20 K.M  |       | 10987 Hectares       |
|    | Lift Canal       |   | 53.00 K.M  |       | <u>2723 Hectares</u> |
|    |                  |   |            | Total | 15702 Hectares       |

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6. The revised project report was submitted to the Secretary, Irrigation Department. In turn, they have forwarded the said project report to the Central Water Commission on 29/01/1993 for approval. The said project report was verified by CWC and had sought clarification with regard to the following points (1) Hydrology (2) Yield series; (3) Environment and Ecology; (4) Outflow of the water from the said dam and (5) Type of crop. After a detailed deliberation with the CWC, the CWC through their letter dated 29/10/1998 instructed to change the design of the flood by considering the flow at the rate of 1600 cusecs and further instructed to prepare the project report keeping in mind the suggestions made by the CWC.
7. In the meanwhile anticipating the delay that would be caused in getting the land from the forest department, Government of Karnataka passed an order in No. ನೀಇ 102 ಎನ್‌ಹೆಚ್‌ಪಿ, ದಿನಾಂಕ: 22/10/1992, it was decided to take up lift irrigation project at 1<sup>st</sup> stage of Varahi Project with an estimated cost of Rs.1455 lakhs, even for the said project report administrative sanction was obtained and technical sanction was obtained on 30/09/1994 from the Chief Engineer, Hemavathi Project, Goruru. In the said estimate it was proposed to lift water from Head works of Lift Irrigation Project and to pump out water through the pipe lines from 0.000 K.M to 21.00 K.M's of main canal and also it was decided to construct distributaries coming under the umbrella of the said project to cover 2723 Hectares of Achkat area. Accordingly, the head works and the work of LBC was undertaken

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in the year 1993. During this period through the letter No. F(C)/A/16-01/KER/34/IP dated 03/01/1996 15.40 Hectares of protected forest land was released for the said project by the Forest Department. In the month of November 2000 the Central Forest Advisory Committee visited Varahi Project and in order to save the Forest land, it was decided by the said Advisory Committee to have diversion weir in place of pick up dam. Further, it is the decision of the said Advisory Committee to get released 129.60 Hectares of Forest land instead of 259.60 Hectares of land (as proposed earlier). The main design of the Varahi Project was designed with the following changes

1. RL of the dam - 37.50 mts..
2. Right Bank Common Canal - 0.00 K.M to 18.75 K.M
3. Right Bank Canal - 18.725 K.M to 42.73 K.M
4. Left Bank Canal - 0.00 K.M to 44.35 K.M
5. Lift Irrigation Canal - 0.00 K.M to 33.00 K.M

After considering the above said design revised estimate with an estimated cost of Rs.569.53 crores was presented to the Government.

8. Through the letter No. 8-107/84 dated 12/15-3-2004 the Forest and Environment Department of the Centre released 129.60 Hectares of land to Varahi Project. Even the Karnataka Pollution Control Board through their letter No. 58/2004-05 dated 24/07/2004 has given permission to the project. As per the above said orders the Chief Engineer No.2, Varahi Reservoir Project Division, Siddapura remitted an amount that was to be deposited to Deputy Conservator of Forest, Kundapura and got executed an agreement

with the Deputy Conservator of Forest on 25/01/2005 with regard to the said land.

9. As per the revised project report Water Resource Department prepared an estimate for the year 2003-04 and obtained the administrative sanction in No.ಡಬ್ಲ್ಯುಆರ್ಡಿ.17:ಎಮ್‌ಎಮ್ ಎಮ್ 2006 ದಿನಾಂಕ: 20/03/2006 with an estimated cost of Rs.569.53 crores. Considering the enormous delay caused in acquisition of forest land, patta land and the delay caused in deciding the design of the Project, Government of Karnataka decided to carry out the Varahi Project and handed over Varahi Project to Karnataka Neeravari Nigama Ltd on 31/12/2003. After handing over the project to Karnataka Neeravari Nigama Ltd., work was undertaken on fast track in order to construct Varahai Diversion Weir, Right Bank Canal river aqueduct, remaining works of Left Bank Canal and salt exclusion dam.
10. As it could be seen from above discussed points the Varahi Project has been undergoing such a long gestation period, this seems to be due to lack of Technical skill to assess the topographical, technical and environmental implications. Sitting was held by me at Circuit House Udipi on 21/11/2014 and 22/11/2014 and 02/01/2015. Earlier the Tender was cancelled in the year 1979. During the course of that enquiry it was informed that the 1<sup>st</sup> Tender Notification was issued on 09/08/1993. This tender was invited for design, supply and erection and commissioning of electrically driven turbines, pumps and motors including civil works such as

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approach to the canal, jack well cum pump house, raising main delivery cistern, cost of drainage works etc. The tender was awarded to M/s Water and Engineering Power Company for Rs.6.28 Crores to complete the work in 15 months inclusive of rainy season. Accordingly, the Executive Engineer, Varahi Project and M/s. Water and Power Engineering Company entered into an agreement with the condition of completing the project within 7 months from the date of handing over the site. However, the supplementary agreement was entered into on 25/06/1988 on the ground of extra work suggested to the work mentioned in the original agreement with an estimate cost of Rs. 4,93,167/-. According to S.E, Varahi Project the site was handed over and directed the contractor to commence the work on 16/11/1994. As per the agreement the contract included the rainy season to complete the contractual work, however no proper reason has been assigned by the said S.E as to why the contractual work was not completed within 7 months. But the reason given by the officers who were on the helm of affairs are that (1) the land to be used for the project was not acquired (2) and some of the lands were acquired but the award amount was not released to the concerned land owners, hence, the farmers protested to hand over the land (3) Since, most of the area covered under the project was coming under Malanad Region, the rainy season hindered the project work and (4) during the course of excavation it is found that the soil which was loamy causing landslides which resulted in change in size of the canal.

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11. As per the oral instructions of Hon'ble Upalokayukta, the Superintending Engineer (SE) - Shri B. Doreswamy of Technical Audit Cell (TAC) of this Institution conducted spot inspection between 07/09/2015 and 11/09/2015; and 27/12/2015 and 29/12/2015; and he has also verified the documents pertaining to the Varahi Project. As per his report, the Varahi Project was taken up in the year 1979. An amount of Rs.943.00 lakhs was estimated for the said Project and the Administrative Sanction was obtained on 27/03/1979. This was to harness the River water by constructing the dam to cater water to the Agricultural lands coming within the Achkat area. Most part of the Canal of the said Project run through protected forest. For the purpose of the Project, about 259.60 hectares of forest land was to be released and further the permission of the Central Government was necessary, therefore a proposal was sent to Forest and Environment Department, New Delhi from the Principal Conservator of Forest.
12. Subsequent to this in 1992 a meeting was held in the level of Secretaries and the feasibility and viability of the Project was discussed and the total area that would be submerged due to the implementation of the said Project was decided as 275.00 hectares. For this it was decided to construct diversion weir, in order to store water with the capacity of 10 days requirement. Instead of having left bank canal starting from the point of the said dam, it was decided to have the left bank canal from 33<sup>rd</sup> K.M. Considering the above proposals of the Technical Sub-Committee as per the S.R of 1990-91, an estimate was prepared to an amount of Rs.12250.00

lakhs and the same was submitted for approval. The Secretary, Irrigation Department submitted the proposal along with the Estimate on 29/01/1993 to the Central Water Commission for its approval. The Central Water Commission after verifying the Estimate sought for clarification by addressing a letter to the State Government through its letter dated 09/06/1993. Subsequent to this an Estimate was prepared to an amount of Rs.569.63 Crores and got approval to the same. After number of communications between the Central and State Government, finally a design of the flood with 160000 Cusecs, it was decided to submit the Project Report on 29/10/1998. Anticipating the delay that would cause in getting permission to utilize the protected forest area for the said project from the Central Government, on 22/10/1992 permission was accorded by the Karnataka State Government to implement Lift Irrigation as a first step in the implementation of Varahi Project with an expenditure of Rs.1455.00 lakhs. To the said Administrative Sanction, the Chief Engineer of Hemavathi Project, Gorur has accorded Technical Sanction. It was the proposal to leave water under lift irrigation project directly to the LBC starting from Ch.0.00 K.M., to 21.00 K.M. The idea of implementing this lift irrigation project was to cater river water to 2723 hectares of land through Distributaries. Accordingly, the head work of lift irrigation project and left bank canal was taken up in the year 1993-94. For the said lift irrigation project about 15.40 hectares of forest land has been handed over to the Irrigation Department for the purpose of lift irrigation project through the order No. F(C)A/16-01/KER/34/IP dated 03/01/1996. During the month of

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November 2000 the Central Advisory Committee of Varahi Project visited the Project Area and once again studied the Pros and Cons of the Project passing through the protected forest area. Therefore, the said committee proposed to have diversion weir instead of pick up dam. For this purpose the advisory committee instructed to change the estimate. Further, it was decided to request the Central Government to permit the utilization of 129.60 hectares of protected forest, instead of earlier request of 259.00 hectares. After considering the instructions of Advisory Committee, it was proposed to change the design and also the project report. It was decided to have the RL of dam to an height of 37.50 metres. It was also decided to have common canal from 0.00 K.M., to 18.725 K.M. Further, it was decided to have Right Bank Canal from 18.725 K.M., to 42.730 K.M. It was also decided to have the Left Bank Canal to a length of 0.00 K.M to 44.35 K.M. Further, it was decided to have Lift Irrigation Canal from 0.00 K.M., to 33.00 K.M. By incorporating these proposals an estimate was prepared for the period 2003-04 for an amount of Rs.569.34 crores. Since the land acquisition proceedings was delayed and the progress of the project was found to have been delayed. It was decided by the Government to implement the Project on fast track basis.

13. Therefore, the Project of Varahi was handed over to Karnataka Neeravari Nigama Ltd. (KNNL), on 31/12/2003. The Ministry of Environment and Forest (FC Division), released 129.60 Hectares of Reserved Forest Land vide its letter No.107/84 dated 12/15-03-2004. Even the Karnataka State Pollution Control Board accorded

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permission to go ahead with the Project vide its letter No. CFE-CELL/VIP/EIA-58/2004-2005 dated 24/07/2004. The Government of India, Department of Forest and Environment through its letter No.5-12011/4/114-2004 dated 30/05/2005 has given clearance to the Project. After this clearance from the Ministry of Environment and Forest, the cost of the Project was revised to 569.63 crores as per the SR of 2003-04 as the basis for the estimate. But the investigating officer (S.E, TAC, KLA, Bengaluru) has made following observation after conducting spot inspection. The I.O has analyzed the reasons for the delay caused in implementing and executing the Varahi Project.

14. The I.O has stated that while preparing the project report of Varahi project, it was observed that Varahi weir region was considered to be a 2<sup>nd</sup> seismic zone. Accordingly, estimate was prepared on the advice of Major Irrigation Project Control Board (MIPC). Even the advice of Technical Advisory Board was also considered while preparing the estimate. But Department of Forest and Environment while giving the permission, advised to have diversion weir. Similarly, the Managing Director of Varahi Project advised to have diversion weir in seismic 3<sup>rd</sup> zone instead of seismic 2<sup>nd</sup> zone. Therefore, by considering the above said advise, changes were effected in the design and drawing of the said project. The same was discussed on 05/08/2005 by the Technical Advisory Board in its 26<sup>th</sup> Meeting. Again it was discussed by the Technical Sub-Committee in its 59<sup>th</sup> Meeting and gave advise to effect the changes in the design of the project. Accordingly,

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drawings were changed, estimate was prepared and Technical and Administrative sanctions were obtained to execute the project. During the construction of weir when earth work was undertaken to put up basement, it was found that even after digging the earth to a depth of 2.00 mtrs., proper foundation strata could not be found. Further, the Technical advise of Professor V.R. Shastry, NITK, Surathkal and Retired Chief Engineer Shri T.D. Mohan was taken and as per their advise it was decided to have 4.00 mtrs. depth to find proper foundation strata and also to have stilling basin width upto river training wall. As per the advise of the Forest Department, it was decided to have a bridge in the Forest Area to have a proper connectivity and also to have access for supervision of work in forest area. Therefore, this work was also incorporated in the Varahi Project. Shri Chandrashekarappa, Secretary to Government, Irrigation Department advised to have boulders in front of the weir to be removed so as to have free flow of water from weir. Accordingly, this work was also incorporated in the estimate which was not found earlier in the original estimate. Therefore, the I.O found that since the above additional works incorporated later in the estimate were the cause for the delay in execution of work.

15. The I.O has found that while constructing the diversion weir near Harihabbe, the proper study is not found to have been made with regard to the seismic zone under which the said diversion weir is coming. Earlier it was found that the said weir was coming in 2<sup>nd</sup> seismic zone. But later it was decided to be in the 3<sup>rd</sup> seismic zone.

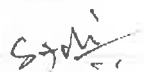
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Even though it was known that the diversion weir was to be constructed in the protected Forest area, before taking up the project, action was not found to have been taken to get the forest land right before the commencement of the said diversion weir.

16. It has been observed by the I.O that the officers concerned in the execution of Varahi Project should have held meeting with senior officers of Forest Department and should have taken the possession of the protected forest area and also should have made provisions to build bridges and other accessories to facilitate the supervision by the forest officials in the original estimate itself. But such provisions were not there in the original estimate, therefore, the additional said works has caused delay in execution of work of diversion weir. Even this has resulted in Extra Financial Implications.
17. So far as the work of RBC of Varahi Project from 0.300 K.M to 1.00 K.M., an estimate cost of Rs.410.00 lakhs was shown in the sanctioned estimate. Sanction was accorded to the estimate on 25/02/2006 and tender was invited on 12/07/2006. The tender amount was Rs.399.45 lakhs and the tender was awarded to one Shri Anand Markal, Contractor. According to the agreement the contractor should have completed the said work within 18 months inclusive of rainy season. But in this case the land required for the said work was not handed over to the contractor as its acquisition proceedings were not yet completed at that point of time. Even it has been found that there was delay in payment of compensation to the land owners whose lands were acquired for the said

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purpose. Therefore, there was delay in taking the possession of the land. It has been found that the possession of the land was taken on 27/12/2007. Since, it was decided to have the canal duct of 6.00 mtrs. instead of 1.00 mt. and to have a berm width of 3.00 mtrs. with lining using paver equipment, as advised by the Technical Sub-Committee the additional work had to be carried out by incurring 156.82 lakhs as there was no provision for the said works in the original estimate. For the said work the total expenditure incurred was Rs.529.21 lakhs. It has been observed by the I.O that the concerned officers of the project have delayed (1½ years) in obtaining the permission for the above said additional works. This is because the land was handed over on 27/12/2007 after completing the acquisition proceedings. But the estimate for the additional work was submitted on 08/06/2009 to obtain approval from the competitive authority. To the said proposal Technical Sub-Committee has accorded permission in its 104<sup>th</sup> meeting held on 18/11/2009. But the work was found to have been completed on 10/06/2010. But as per the original estimate and also the agreement entered into between the concerned project officer and the contractor, it was 11/01/2008 to complete the work. Therefore, there is delay of more than 1½ years and also there is extra financial implication in executing the said work. Work pertaining to the chainage 1.00 K.M to 2.00 K.M of RBC, 1<sup>st</sup> approval for the estimate was on 25/02/2006 with an estimated cost of Rs.427.00 lakhs. Tender was invited on 25/01/2007. Tender amount was Rs.313.66 lakhs. One Shri V.K. Ganghadhar, contractor whose tender was accepted and it was the agreement to complete the said





work in 18 months inclusive of rainy season. Here in this case also there was delay in land acquisition proceedings and the land was handed over 27/12/2007. Here in this case as per the Technical Sub-Committees decision was to have 3mts. berm instead of having 1.00 mtr.. width berm (for every 6.00 metre depth digging), where the depth of the canal exceeded 10.00 mtrs.. For the said additional work sanction was obtained on 18/11/2009, therefore there was delay in executing the said work of RBC between Ch.1.00 K.M and Ch.2.00 K.M. Even it has been observed by the I.O that due to this delay and additional work, the extra financial implication (EFI) is Rs.216.52 lakhs.

18. It has also been observed by the I.O that in spite of Extra Financial Implications, the contractor has not yet completed the said work. The earth work is found to have been carried out upto 1.500 K.M's and upto CBL level. It has also been found that the contractor has not carried out lining work. Further, it was found that between Ch.1.785 K.M to 2.00 K.M, the earth work should have been 3.0 mtrs. deep but the depth of that canal in the said Chainage was found to be 2.00 mtrs. only. It has been found by the I.O that since the land required for the project was found to have not been acquired. The land between Ch.1.725 and Ch.1.785 was not handed over to the contractor as there was no land acquisition. CD work between the Ch.1.698 K.M and Ch. 1.736 K.M and concrete lining between Ch.1.00 K.M to Ch.2.00 K.M is found to have not been carried out by the contractor. Subsequently, the contractor has submitted a requisition to extend the time to complete the said

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work and also to give revised date to the work to be completed. His request was rejected on 19/01/2011 by considering risk and cost of the work. The said contractor submitted his bill for the work he had carried out and further an amount of Rs.328.09 lakhs was found to have been released, for the remaining work as per the SR of 2011-12 and an estimate was prepared for Rs.315.00 lakhs and sanction was accorded on 04/08/2011. The work was entrusted to the contractor to Shri Naveen Chandra Shetty. The work was found to have been completed on 20/03/2014. The contractor should have completed the said work before 04/06/2013. But as said earlier the work came to be completed on 20/03/2014. The I.O has observed that as per the Technical advice of Technical Sub-Committee. The concerned authority should have prepared the estimate and obtained permission in the original estimate itself (On 26/10/2006 in the 69<sup>th</sup> meeting of Technical Sub-Committee advise was given with regard to the Earth work and also the design of the canal and to that effect order was also there). But approval to the original estimate has been taken on 25/01/2007 without incorporating the additional works as advised by the Technical Sub-Committee. Therefore, this has resulted in delay in carrying out the project work and also has resulted in Extra Financial Implication. For the Right Bank Canal work between Ch.2.00 K.M and 3.00 K.M, estimated cost was 391.00 lakhs and the estimate was approved on 25/02/2006. Tender was invited and allotted the work to M/s. Ramki Infrastructure Limited. The Tender amount was Rs.424.26 lakhs. The said company completed the earth work upto 2.75 K.M's. The lining

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work was completed upto 2.50 K.M's. From 2.750 K.M to 3.00 K.M canal work could not be completed by the contractor, as the land was not handed over to the contractor pertaining to that extent (as the land acquisition proceeding was not completed) the tender was cancelled on 24/11/2011. Due to the change in prism level, berm width and also the depth of the canal as per the advice of TAC and KNNL, Extra Financial Implication of Rs.183.79 lakhs has been incurred. And for the remaining work between the Ch.2.75 K.M and 3.00 K.M, an estimate for Rs.525.00 lakhs was prepared and permission was obtained from the concerned. The said work was entrusted to M/s. SNC Power Corporation (Pvt) Ltd., on 19/04/2012. The said company should have completed the said remaining work on or before 18/10/2013. But the time was extended up to 30/04/2016 without any penalty.

19. The I.O has observed during the time of inspection that 115M-15 Grade Cement Concrete Gravity Retaining Wall has been constructed to prevent the land slide between Ch.2.500 K.M. and 2.60 K.M on the right side and left side between Ch.2.500 K.M and 2.530 K.M.
20. Further, between Ch.2.67 k.m and 2.745 k.m on the right side of the canal and between 2.675 k.m and 2.715 k.m on the left side of the canal. The I.O has tested the quality of the said Gravity wall by using Rebound hammer equipment and has found that the quality is satisfactory. It has been observed by the I.O that after 2.60 K.M Gravity wall has not been constructed but concrete lining on the right side of the canal has been constructed and the same is found

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to have slid due to land slide to an extent of 30.00 mtrs. in length. In the said region the I.O has observed that in the area where the land slide has occurred canal has become hollow and water was found seeping out from the said hollow region. Even in the area between Ch.2.735 and 2.790 K.M., the land slide found to have occurred from the top of the canal. So the I.O has found that the said area required the construction of Gravity Wall in order to prevent the land slide and this would result Extra Financial Implication. The I.O has observed that in the meeting held on 13/01/2016 by the Technical Advisory Board with regard to the arrears of work viz., Earth work, CD work and lining work pertaining to the Chainage 2.00 K.M to 3.00 K.M, 4.00 K.M, 8.40 K.M to 9.00 K.M, 10.00 K.M to 11.00 K.M and 14.00 K.M to 18.725 K.M's permission has been accorded to incur Extra Financial Implication of Rs.1928.75 lakhs by approving the proposal. This approval has been given in view of the Technical Advice given on 25/09/2014 by Professor V.R. Shastry, NITK, Surathkal.

21. With regard to the Right Bank Canal from Ch.3.00 K.M to 4.00 K.M the estimated cost for Earth work, CC lining, construction of CD was Rs. 710.00 lakhs. Sanction was accorded vide No. CER/14/2005-06 dated 25/02/2006. With regard to the said work tender was invited, amount put to tender was Rs.696.34 lakhs. Tender of the contractor, Shri G. Shankar was accepted and the contract amount was Rs.543.14 lakhs. As per the contractual terms the work should have been started on 07/08/2006 and should have been completed on 02/01/2008. But the time was extended

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upto 30/06/2009 for first time and again it was extended upto 30/06/2010 for the second time. On both occasions time extension was without any penalty. Here it has been observed by the I.O due to delay in land acquisition of patta land, kumki land and buildings where the canal alignment runs in Ullur Village. Even though land acquisition proposal was submitted to Revenue Department on 15/10/2003, the said proposal came to be approved on 17/04/2012. The first agency had requested the Department on 24/05/2010 to close the contract as is where basis due to the reason that the land was not ready to execute the work and the land owners where the canal alignment was running were obstructing to execute the work, since the compensation towards the land acquisition was found to have not been settled. And another reason for rescinding the contract was that in the reaches of the Canal from Ch. 3.475 K.M to 3.875 K.M, the sides of the Canal were found to be sliding down and the same required to be provided with cut and cover to sides of the Canal. Further, the depth of the Canal required to be deepened as against the provisions made in the estimate. Therefore, the contractor submitted a letter to the Department on 25/04/2010 requesting to close the contract as he could not execute the work as per the earlier contractual rates. Therefore, the estimate for the balance work was approved by 124<sup>th</sup> Technical Sub-Committee Meeting held on 05/08/2011 for Rs.2450.00 lakhs and entrusted the work to the second agency M/s. SNC Power Corporation Ltd. As per the said agreement dated 19/04/2012 the said arrears of work should have been completed in 18 months including rainy season. The I.O



has observed that at Ch.3.255 K.M to Ch.3.350 K.M while carrying out the work, in the sides of the Canal there was land slide and debris found to have collected in the Canal. As per the Technical Advice of expert from NITK, Surathkal it was decided to construct RCC Cut and Cover Canal. For that the I.O has estimated the Extra Financial Implication would be Rs.339.41 lakhs. Further, the I.O has observed that the work of cut and cover canal has been completed during his 2<sup>nd</sup> visit to the site. The I.O has further observed that in the above said Chainage of RBC Canal, the depth of the Canal is comparatively high and the topographical study of the area covering the said RBC in the said chainage is covered with loamy silt soil and he has anticipated the collection of silt in the canal due to land slide in the area. Therefore, the I.O has opined that it would be very difficult to remove the silt from the canal. Therefore, with all these information the I.O has opined that before taking up the Canal work, the concerned officers should have studied the topographical factors surrounding the area and should have prepared the estimate by anticipating the above said problem that has been faced during the course of construction of RBC, so that the Extra Financial Implication would have been avoided and saved lot of amount to the exchequer (even this has been discussed by Technical Sub-Committee in its 115<sup>th</sup> and 124<sup>th</sup> Minutes of the Meeting).

22. With regard to the construction of RBC between Ch.4.00 K.M and 5.00 K.M, estimate was sanctioned vide No.CER/15/2005-06 dated 25/02/2006 and tender was invited for Earth work, CC

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lining, construction of CD. The amount put to tender was Rs.427.17 lakhs. The date of tender agreement is 12/07/2006. The tender period was for 18 months including rainy season. The date of completion of the work is 31/05/2012. But as per the agreement the work should have been completed by 11/01/2008. The contractual time is found to have been extended from 30/06/2008 to 31/05/2010 and 31/05/2010 to 30/06/2011 and from 30/06/2011 to 31/05/2012. All these time extensions are without penalty. The delay in completion of the work, as observed by the I.O is due to delay in land acquisition of patta land, kumki land and buildings where the canal alignment runs in Ullur village. Here in this case also even though the land acquisition proposal was submitted to Revenue Department on 15/10/2003 for acquisition of kumki land and buildings, it was approved on 17/04/2012 and the compensation paid to the land owners during October 2012. It has been observed by the I.O that payment has been made towards the land acquisition during August and October 2012. It has also been observed by the I.O that payment of compensation towards land acquisition of kumki land and buildings was approved by the Government on 17/04/2012 and the payment has been made during the month of August and October 2012. Therefore, the 1<sup>st</sup> Agency (i.e. the contractor) claimed a payment for the construction of canal at the S.R pertaining to the year 2011-12. In this case Extra Financial Implication has been approved for Rs.228.22 lakhs and requested to rescind the contract on 28/12/2013 without risk and cost. Since the canal runs in the land of Smt.. Radha Naik from Ch. 4.22 K.M

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to Ch. 4.325 K.M and in the land of Smt.. Jyothi Maheshi from Ch. 4.045 K.M to 4.07 K.M and Ch.4.80 K.M to 4.90 K.M which belongs to Shri Raghu Kulal, Smt.. Gowri Kulal, Smt.. Bhavani Kulal. These lands are found to be kumki land. Since, these lands were not handed over to the contractor, work could not be executed in this stage. Therefore, the contractor/agency requested to give the current SR for the balance work in the above reach or to close the contract as per the tender clause 43(3), as the owners of the land were objecting to execute the work. In view of the above said circumstances as observed by the I.O the department had rescinded the contract. For the balance of work in these reaches, tenders were invited and entrusted to M/s. Nagappa D. Voddar (Class I contractor) on 24/02/2014 amounting to Rs. 391.45 lakhs at 19.12% above the amount put to Tender. So, the total contractual amount in this case is Rs. 754.24 lakhs, the EFI Amount is Rs.288.22 lakhs. The I.O has observed that the balance work has been completed and the expenditure for the said balance work up to the end of December 2014 for the 2<sup>nd</sup> Agency is Rs.207.26 lakhs. Therefore, the work with regard to the Ch.4.00 to Ch.5.00 K.M has been completed after such a long period of 8 years from the date of its commencement. This delay would have been avoided if the planned execution of work had been taken up by the department. The delay in land acquisition and delay in handing over the site to the contractor, improper assessment of the topography, lack of fore thought has resulted in the delay of execution of wok and incurring of EFI.



23. Construction of Right Bank Canal at Ch. 5.00 to 6.385 K.M. For this work estimate was approved vide sanction No.CER/16/2005-06 dated 25/02/2006 (Annexure-50A). The date of tender agreement is 12/07/2006 and the contractual amount was Rs.396.07 lakhs. The estimated cost of the said work was Rs.380.00 lakhs. As per the tender agreement the said work should have been completed within 8 months from the date of its commencement. The date of commencement of the said work is 12/07/2006. As per the tender agreement this work should have been completed by 11/01/2008. But, it has been observed by the I.O the time to complete the work has been extended from 11/01/2008 to 30/06/2010 and from 30/06/2010 to 31/03/2011 and again from 31/03/2011 to 31/12/2011 and 31/12/2011 to 31/05/2012 and from 31/05/2012 to 30/06/2013. As the agency/contractor did not complete the work even after giving so much of extension, the time extension for the 5<sup>th</sup> time was given with penalty. As in the earlier case the I.O observed the delay in execution of the canal work between the Ch.5.00 and Ch. 6.385 K.M's was due to delay in land acquisition of patta land, kumki land and the buildings where the canal alignment runs in Ullur Village. Due to change in berm width at water prism level i.e. from 1.00 mtrs. to 3.00 mtrs. slide slopes as against sanctioned estimate and change in slide slopes by providing 1.00 mtr..., berm width for every 6.00 mts. vertical cutting and 2.00 mts., in soil strata. It was also decided to use the paver machines to lay lining instead of manual lining, as per the recommendations of 69<sup>th</sup> Technical Sub-Committee held on 26/10/2006.



24. Construction of tunnel from Ch.6.720 to 8.100 K.M, the estimate was sanctioned vide sanction no. CER/17/2005-06 dated 25/02/2006 which is at Annexure-54A. The date of tender agreement is 02/08/2006 (Annexure-55A) and the contractual amount is Rs.1851.92 lakhs. The tender period to complete the work was 2 years including rainy season. The date of commencement of the work is 02/08/2006 and the work should have been completed as per the agreement by 01/08/2008. The contractor/agency was M/s. SNC Power Corporation Ltd. As per the tender agreement the work included construction of approach canal from Ch.6.385 K.M to 6.72 K.M, construction of tunnel from Ch.6.720 K.M to Ch.8.10 K.M and the exit canal in Ch. 8.10 K.M to 8.40 K.M. Since the said work could not be completed on 01/08/2008 time was extended from 01/08/2008 to 31/12/2010 and from 31/12/2010 to 31/12/2011 and 31/12/2011 to 30/06/2012 and from 30/06/2012 to 31/05/2014. All these extended periods are without any penalty. It has been observed by the I.O, the 1<sup>st</sup> time extension was due to delay in acquisition of kumki land and buildings and also due to change in dimension of the estimate like berm width at water prism level which was increased to 3.00 mtrs. from 1.00 mt. (as found in the earlier estimate), change in slide slopes by providing 1.00 mtr., berm for every 6.00 mt., vertical cutting and 2.00 mtr., in soil strata and also adopted to use the paver machines to lay lining instead of manual lining as per the recommendations of 69<sup>th</sup> Technical Sub Committee meeting held on 26/10/2006. 2<sup>nd</sup> time extension was due to the problem of Kumki land and change in slope of the canal

as recommended by the Technical Advisory Committee and also due to the recommendation made to change in tunnel alignment. The 3<sup>rd</sup> extension was given due to the fact that there was cave formation in the crown portion of the tunnel and 4<sup>th</sup> time extension was approved as there was change in tunnel construction methodology in the reaches where the tunnel found to have collapsed. These reasons for the extension of time and delay in construction were resulted in additional work and also extra financial implication to the tune of Rs.818.92 lakhs. This work is found to have been completed and up to the end of December 2014, the expenditure was Rs.2670.90 lakhs.

25. With regard to construction of Right Bank Canal at Ch.8.40 K.M to 9.00 K.M which included earth work, CC lining and construction of C.D. Estimate was approved through the Sanction No. CER/14/2007-8 dated 20/09/2007 (Annexure-62A). The tender agreement was signed on 06/06/2008 and the estimated cost of the said work was Rs.566.00 lakhs. The contractual amount was Rs.319.80 lakhs. The tender period from the date of the commencement of the work was 18 months inclusive of rainy season and as per the tender agreement the said work ought to have been completed by 05/12/2009. The said work has been completed, as observed by the I.O on 20.09.2012. The 1<sup>st</sup> Agency i.e. M/s. Durga Construction Company executed only the item of Earthwork excavation of 95639 cu.mt. and his contract was rescinded due to the delay in handing over the site and he was not able to execute the work at the tendered rate since the market rates

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for the materials to be used increased at that stage, as there was no provision in the tender condition to give the current market rates. For the remaining work tender was invited and entrusted the work to the contractor as per the SR of 2011-12. The estimated cost of that work was Rs.525.00 lakhs and to that estimate sanction has been given on 07/01/2012 (Annexure-67A). This work was entrusted to M/s. SNC Power Corporation Pvt., Ltd. In this case the I.O has observed that when the contractual amount was less than 35.90% of the tender amount. The authorities should have assessed that with this lower amount the tenderer could complete the work entrusted to him as the margin between the tender amount and the contractual amount was huge.

26. So far as the Right Bank Canal work pertaining to Ch.9.00 to 10.00 K.M, the work involved Earth Excavation work, CC lining work and construction of CD work. The estimate cost for the said work was Rs.455.30 lakhs and sanction was accorded to the estimate vide sanction No.CER/15/2007-08 dated 20/09/2009. The amount put to tender was Rs.389.90 lakhs. The contractual amount was Rs.588.95 lakhs. The tender period was 18 months from the date of commencement of the work including rainy season. As per the tender agreement this work should have been completed by 11/10/2011. The agency to which the work was entrusted was M/s. J.N. Shetty. But it has been found that the work pertaining to this chainage between 9.00 K.M and 10.00 K.M of RBC was not completed in the stipulated period. First time the time extension was given from 11/10/2011 to 31/05/2012 without penalty and

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again for the 2<sup>nd</sup> time it was extended from 31/05/2012 to 31/01/2013. The first time extension was given for the reason that delay was there in land acquisition of Kumki and patta land and also due to delay in payment of compensation to the land owners. 2<sup>nd</sup> time extension was given due to the fact that in obtaining the approval for the work slip proposal for additional quantity of work to remove hard rock found during the excavation of the Earth and this proposal was approved in 143<sup>rd</sup> Technical Sub-Committee Meeting held on 26/11/2012. The said work found to have been completed on 17/09/2013 and final bill amount has been paid on 12/08/2013. The total cost incurred for the said work is 608.17 lakhs. It has been observed by the I.O that due to the delay in execution of this work, there is extra financial implication of 19.22 lakhs.

27. For the said work the estimated cost was Rs.561.30 lakhs, the estimate was approved vide Sanction No. CER/16/2007-08 dated 20/09/2007. The amount put to tender was Rs.495.14 lakhs. Contractual amount was Rs.299.59 lakhs. The tender period was 18 months inclusive of monsoon season. As per the tender agreement the date of completion of work should have been 30/04/2010. The time to complete the work was extended from 30/04/2010 to 30/06/2011. This extension of time was without any penalty. The reason for extension of time was as the alignment of canal from Ch.10.00 K.M to Ch.10.05 K.M runs in patta land and from Ch.10.075 K.M to 10.275 K.M runs in reserved forest area and from Ch.10.275 K.M to Ch.10.700 K.M is in Kumki

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land and due to the delay in land acquisition of patta land, kumki land and buildings where the canal alignment runs in the said reaches, the land owners did not allow the agency to execute the work. Though the land acquisition proposal was submitted on 10/02/2004, the award was on 26/02/2007. The land owners were not allowing the contractor to execute the work as the payment was not made to the owners of the land till 19/02/2009 (i.e. when the full payment was made to the owners of the land). Further, delay in execution of work occurred due to the reason that the tree cutting with the permission of forest department and delay in shifting the electrical poles where the electrical line was running from Ch.10.05 K.M. Therefore, the contractor/agency requested the department in the letter dated 25/06/2011 and 03/02/2012 to revise the rates at current SR as the work was not completed within the stipulated period for the above said reason as there was no provision to consider the current rate of SR, the contractor requested to rescind the contract. Accordingly, the contract was rescinded. Therefore, the balance of work pending was entrusted to the 2<sup>nd</sup> Contractor. While preparing the estimate for the remaining part of canal work in the said reach, it was considered to construct aqua duct across. But at the time of preparation of the estimate, even though the width of the road was to be considered as 12.00 mts. instead of 5.50 mts., the estimate was prepared with 5.50 mts. road width. Therefore, it was decided to construct a tunnel where the earlier canal was proposed. Since the 12.00 mts. width of the canal was not considered in the earlier estimate as it was shown as 5.50 mts., while executing the canal work delay has

occurred and extra work of constructing tunnel was to be carried out. For that Extra Financial Implication was Rs.164.38 lakhs (inclusive of construction of gravity retaining wall). Therefore, the I.O has observed that while preparing the estimate, if above said facts were taken into consideration before hand, Extra Financial Implication would have been avoided and the delay cause would have been minimized. The I.O during the course of his inspection at site has observed that on either side of the canal due to rain land slide had occurred and even the concrete lining to a length of 40.00 mts. on the right side and 10.00 mts. on the left side of the canal found to have slid. These facts reveal that the topographical study of the pores of the canal has not been properly studied and assessed before executing the work.

28. The work pertaining to RBC at Ch.11.00 to Ch.12.00 K.M's, the I.O has observed that the estimate of the said work was Rs.445.00 lakhs. The Estimate was approved vide sanction No. CER/17/2007-08 dated 20/09/2007 (Annexure-81A). The amount put to tender was Rs.396.42 lakhs, the contractual amount was Rs.588.48 lakhs. At first instance the tender of Shri Shivaprasad Reddy was approved as per Annexure-82A. Since the contractor was asked to accept the tender agreement by incorporating minimum rate mentioned in the tender after the expiry of 180 days, the tenderer refused to enter in the said agreement. Therefore, once again tender was invited for the said work, at that time the tender of Shri Ashok V. Shetty was accepted. The contractual amount for the said tender was Rs.598.48 lakhs, this

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work should have been completed by 11/10/2011 as per the tender agreement but the time was extended up to 31/05/2014 the date of completion of this work is 27/05/2014. The reason for delay in execution of work is once again there was delay in acquiring the patta land and delay in payment of compensation to the farmers of patta land and kumki land. During the execution of canal as observed by the I.O due to the slippage of soil from Ch.11.40 K.M. to 11.57 K.M as the soil was loamy and the stratum in the canal alignment hard core was not there. It was proposed to construct retaining wall to avoid land slide, this has resulted in additional work and also Extra Financial Implication, further delay in execution of work. In this case the EFI is Rs.247.18 lakhs. This EFI has been approved in 144<sup>th</sup> Technical Advisory Committee (the said minutes of the meeting is at Annexure-85A). The total expenditure for the said work has come to Rs.815.77 lakhs. The I.O has observed that the tender ought not to have been invited till the land acquisition proceedings are completed. He further observed that it was not proper in accepting the tender of the agency where it has quoted the tender amount 41.58% less than the amount put to tender.

29. So far as the work of Construction of RBC between Ch.12.00 K.M and Ch.13.00 K.M., the estimate for the said construction of canal was prepared for Rs. 765.00 lakhs and sanction was obtained vide sanction No.CER/18/2007-08 dated 20/09/2007 which is at Annexure-87A. The amount put to tender was Rs.673.83 lakhs and the contractual amount was Rs.1026.74 lakhs. The tender of M/s.

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G. Shankar was accepted and the work is found to have been entrusted to the said contractor as per Annexure-88A. As per the tender agreement, the contractor should have completed the work by 11/10/2011. But the work came to be completed on 16/10/2012. Time has been extended up to 31/10/2012 without penalty. The delay in execution of work as observed by the I.O is due to delay in payment of compensation to the farmers of Kumki land and the same was found to have been paid in the month of August 2012. The extra financial implication in this case is 48.96 lakhs. This is due to change in design in escape. Whereas, in the tender agreement it was proposed to provide syphon at Ch.12.207 K.M. and it was modified to provide super passage at that chainage. Accordingly, the estimate was prepared, got the sanction and executed the work. So this has resulted in delay in execution of the work. Added to it the delay in payment of compensation amount to the farmers has also resulted in delay in execution of the work. Due to the above said change and additional work an Extra Financial Implication of Rs.48.96 lakhs has resulted. It is the observation of the I.O that the tender should have been invited only after getting the site cleared (completion of land acquisition proceedings, payment of compensation amount, etc), so as to avoid delay in execution of the work. So far as EFI is concerned, it is the observation of the I.O that the same would have been avoided, if proper study and analysis had been done, while preparing the estimate.



30. In construction of Right Bank Canal at Ch.13.00 to 14.00 K.M, the estimate for the same was got approved vide Sanction No. CER/19/2007-08 dated 20/09/2007 (which is at Annexure-92A). The estimated cost of the said work was Rs.1008.00 lakhs and the amount put to tender was Rs.889.32 lakhs, the date of the tender agreement is 12/04/2010 (at Annexure-93A). The contractual amount for the said work is Rs.1386.94 lakhs i.e., 20% above the amount put to tender. As per the tender agreement the work should have been completed within 18 months including rainy season. The date of commencement of work was 12/04/2010 and date of completion of work is Rs.24/06/2013. So, the time has been extended from 12/04/2010 to 31/05/2012 at 1<sup>st</sup> instance without any penalty, but the same has been extended from 31/05/2012 to 30/06/2013. The 1<sup>st</sup> time extension due to delay in payment of compensation to the farmers of kumki land. The 2<sup>nd</sup> time extension was given to the contractor as there was delay in progress of the work and this time extension was with penalty. This work was entrusted to M/s. Manjushree constructions. The total expenditure incurred for the said work is Rs.1032.19 lakhs.

31. So far as the work of RBC at Ch.15.00 K.M to Ch.16.00 K.M, tender of M/s. SNC power corporation Ltd., was found to have been accepted (as per Annexure-96A). The estimated cost of this work was Rs.975.00 lakhs. The sanction for the said estimate was obtained on 11/11/2011 (as per Annexure-95A). As per the tender agreement the contractor should have completed the work by 18/10/2013. But the time has been extended beyond 22/12/2014.

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It has been observed by the I.O that the area coming under the course of the said stretch of RBC was protected forest area. The Department of Forest, Ecology and Environment has given permission to cut the trees on 22/12/2014 (as per Annexure-97A). In this case at Ch.15.222 K.M the Canal was running across Siddapura-Shankarnarayan District Highway, it was decided to have 7.5 mt. width T-Beam Deck slab Bridge across the said road. But as per the PWD Rules the Bridge passing District Highway should be having width of 12.00 mtrs. But provision was made in the estimate to construct the bridge with the width of 7.50 mts. only. So it was decided to have a bridge with width of 12.00 mts. While constructing the said bridge in the adjacent area of the said canal slided, it was decided on 30/08/2014 to have gravity retaining wall (as per the Technical advice of the experts from NITK, Surathkal which is at Annexure-98A). Accordingly, those additional works were taken up which resulted in Extra Financial Implication to the tune of Rs.314.32 lakhs, for which the 156<sup>th</sup> Technical Sub-Committee has given approval (which is at Annexure-99A). Therefore, the I.O has observed that the proper understanding of the topography prior to the approval of the estimate and entrusting of the work to the contractor would have saved time and money to the state exchequer with regard to the construction of canal in this reach.

32. Construction of RBC at Ch.18.00 K.M to Ch.18.725 K.M, the estimated cost was Rs.762.00 lakhs, the estimate was approved on 11/11/2011 (vide Annexure-100A). The tender of M/s.SNC Power

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Corporation Ltd., has been accepted and as per the tender agreement this work should have been completed by 18/10/2013. Since the course of this canal was coming within the protected forest area, as there was delay in getting the permission from the forest authorities to cut trees, there was delay in execution of canal work and the said work came to be completed in the month of December 2014. Even in this work also cut and cover construction has been undertaken as additional work as per the Technical advice of experts from NITK, Surathkal, since it was found that there was land slide in the sides of the canal where the work of construction of bridge at Ch.18.007 K.M was undertaken. This additional work has resulted in Extra Financial Implication to the tune of Rs.524.65 lakhs. This has been approved by the Technical Sub-Committee in its 156<sup>th</sup> Meeting. The Minutes of the Meeting is at Annexure-99A.

33. The balance of works of construction of Varahi RBC including Earth work excavation, CC lining and CD works from Ch.2.00 K.M to 3.00 K.M, Ch.3.00 K.M to 4.00 K.M, Ch.8.40 K.M to 9.00 K.M, Ch.10.00 K.M to 11.00 K.M and fresh work of construction of Varahi RBC including Earthwork excavation, CC lining, CD works from Ch.14.00 to 15.00 K.M, Ch.15.00 to 16.00 K.M, Ch.16.0 K.M to 17.00 K.M (including aqueduct at 18.00 K.M) Ch.17.00 K.M to 18.00 K.M including tunnel to the length of 415.00 mtrs. and Ch.18.00 K.M to 18.875 K.M's). The work was entrusted to M/s. SNC Power Corporation Pvt .Ltd., The estimated cost for the balance work from Ch.2.00 to 3.00 K.M is Rs.525.00 lakhs; from Ch.3.00 to 4.00

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K.M is Rs.29.50 lakhs; from Ch.8.40 to 9.00 K.M is Rs.525.00 lakhs; from Ch.10.00 to 11.00 K.M is Rs.280.00 lakhs; from Ch.14.00 to 15.00 K.M is Rs.923.00 lakhs; from 15.00 to 16.00 K.M is Rs.975.00 lakhs; from Ch.16.00 to 17.00 K.M is Rs.1289.00 lakhs; from Ch.17.00 to 18.00 K.M is Rs.1764.00 lakhs and from Ch.18.00 to 18.725 K.M is Rs.762.00 lakhs (Total Ra.9522.50 lakhs). The above estimate have been approved vide Sanction Order No.CER/1. Dated 07/01/2012; CER/2. Dated 07/01/2012; CER/3. Dated 07/01/2012; CER/4. Dated 07/01/2012; CER/5. Dated 07/01/2012; CER/14 Dated 11/11/2011; CER/15 Dated 11/11/2011; CER/16 Dated 11/11/2011; CER/17 Dated 11/11/2011; CER/18 Dated 11/11/2011 respectively. With regard to the above works, the tender agreement was entered into on 19/04/2012 and the contractual amount was Rs.1657.98 lakhs. The amount put to tender was Rs.9275.58 lakhs. The tender amount was 9.38% above the amount put to tender. The contractor should have completed these works on or before 18/10/2013. But the I.O has observed in his report that, the above said works were expected to be completed by end of February 2015. The contractual time has been extended from time to time due to the delay in shifting the electrical poles and lines on the proposed canal by MESCOM in the reaches from Ch.2.00 to 3.00 K.M; from Ch.3.00 K.M to 4.00 K.M and from Ch.10.00 K.M to 11.00 K.M and in this regard, payment for shifting has been made to the MESCOM on 19/04/2012. The farmers in the reach from 10.00 K.M to 11.00 K.M had protested demanding for higher compensation and had stopped the canal work in the said reach.

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Even Forest Department had refused to cut the trees in the Canal reach from 11.00 K.M to 18.725 K.M and in this regard a meeting was convened by the Additional Chief Secretary on 13/02/2014 and as per the decision taken in the meeting a demand notice from the Forest Department was issued to pay the expenditure towards tree cutting. Further, the I.O has observed that there was land sliding at Ch.17.165 K.M where the tunnel work was under progress due to which there was delay in progress of the work. Heavy rain caused the soil slipping from the top and deposited in the excavated canal in Reach from Ch.3.00 to Ch.4.00 K.M.

34. So far as the work of construction of aquaduct across VRBC and VLBC connecting each other was taken up with the estimate cost of Rs.834.00 lakhs and the said Estimate was approved vide Sanction Order dated 24/11/2004 which is at Annexure 103A. The tender of Shri S.N. Anand, Contractor was accepted and the work was commenced on 03/03/2005. But the work should have been completed by 02/09/2006. But the concerned Chief Engineer visited the spot on 30/03/2005 and has given advice to increase the width of basement and also to increase the slope of the side walls in 2:1 proportion. Even it has been found that advice had been given to increase the depth of the canal till the availability of the hard core. Therefore, the design of the sketch of the aquaduct had to be changed and along with aquaduct service core construction was also advised. For the above said additional works proposal was placed before the Technical Sub-Committee in its 59<sup>th</sup> Meeting and approval has been taken as per Annexure-

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107A. Due to the increase in basement of aqueduct weir, increase in quantity of concrete was there. Apart from that due to the low level approach roads wearing out of peer was anticipated and in order to prevent such wear out, extra additional 30 works were undertaken which resulted in additional expense of Rs.373.00 lakhs. This additional expense has been approved by the 66<sup>th</sup> Technical Advisory Committee Meeting. Since there was deep dike found in the middle of the Varahi river, TRFI advised to have six steel truss underneath the six spans which has resulted in additional expenditure, so all these above said additional works has resulted in extra financial implication of Rs.1079.96 lakhs which has been approved by Technical Sub-Committee in its 77<sup>th</sup> Meeting (the minutes of meeting is at Annexure-108A). So with regard to these aqueduct the total EFI came to be Rs.1878.42 lakhs. Even in execution of this work delay has been caused due to the delay in acquisition of the land required for this work. Therefore, it has been found by the I.O that the time to complete the work has been extended from 02/09/2006 to 31/12/2007 and from 31/12/2007 to 30/06/2009 and from 01/07/2009 to 31/03/2010. All these three time extensions are without any penalty (Annexure-110A). The contractor has completed his work on 18/03/2010 and the total expenditure incurred on the above said work is Rs.2786.10 lakh.

35. So far as the construction of Left Bank Canal is concerned, by construction of this canal, it was anticipated to irrigate 15705 Hectares of Agricultural land in Udipi District. It has been

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observed by the I.O that in the Varahi Project, earlier it was proposed to construct RBC to a length of 43.73 K.M's but after construction of diversion weir, the length of the RBC have been restricted to 18.725 K.M's where aquaduct had been constructed to link RBC to Left Bank Canal. Thereafter, constructing 44.35 K.M's long Left Bank Canal is the intention of this Project. From Ch.1.00 K.M to 2.00 K.M of Left Bank Canal of Varahi Project the construction cost was estimated to be Rs.63.00 lakhs as on the date 15/11/1995. For the said estimate the then Chief Engineer of Hemavathi Project, Goruru had accorded sanction vide Annexure-1B. The tender was invited on 07/05/1996 for the said work. The amount put to tender was Rs.58.37 lakhs. The tender of M/s. Eagle Earth Movers, Bengaluru was accepted and the tender period for the completion of the said work was 12 months including the rainy season. It has been observed by the I.O that the work was entrusted to the contractor after monsoon period i.e. on 10/12/1996. Therefore, as per the tender agreement the contractor ought to have completed the work by 09/12/1997. At the chainage 1.600 K.M to 1.750 K.M since hard rock and soft rock were found and the same was found to have been cleared by using controlled explosive. Therefore, the I.O has observed that due to the said additional work, additional expenditure had been incurred. The I.O has observed that the work has been completed on 10/06/2001 and the total expenditure incurred for the said work is Rs.52.53 lakhs. Since there was land slide at Ch.1.40 K.M to 1.475 K.M, construction of concrete retaining wall was proposed and for that an estimate for Rs.19.75 lakhs was prepared and got

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the approval on 07/03/2002. Since the LBC work between Ch.1.00 to 2.00 K.M was completed by the contractor, to construct the concrete retaining wall at 1.40 K.M to 1.475 K.M, tender was invited and the work was entrusted to Shri Vishwanath Shetty, First Grade Contractor. The said additional work has been completed on 12/02/2004 by the Contractor. Since the Contractor could not complete the work in the stipulated period, for the period between 13/02/2004 to 31/02/2004 and 01/04/2004 to 10/01/2006 penalty of Rs.5/- per day has been imposed by the Superintending Engineer, Varahi Project Circle. In the mean while for extra earth work in the said chainage area additional expense of Rs.55,400/- found to have been incurred and for the said expenditure, the approval of the Managing Director, KNNL is found to have been obtained. So, total extra financial implication came to be Rs.148.51 lakhs. So far as the Left Bank Canal construction between Ch.2.00 and Ch.4.00 K.M, the I.O has found that, the said canal has found to have been constructed 10 years back from the date of his site inspection and he has found the said canal intact as there is no chance of land slide, but he has found the construction of cut and cover in the canal at Ch.3.375 to Ch.3.460 K.M of LBC as the soil in the said area found to be loamy soil. Since for the construction of cut and cover which is an additional work provision had not been made in the earlier estimate. The EFI to the tune of Rs.58.87 lakhs has been incurred and the same has been approved by the Chief Engineer, Varahi Project Zone vide letter No.840 dated 27/01/2006. So far as LBC at Ch.5.00 K.M to Ch.6.00 K.M, the I.O has found that the said LBC is intact.

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36. Construction of Left Bank Canal between Ch.7.00 K.M and 8.00 K.M, the I.O has observed that an estimate with a cost of Rs.129.05 lakhs has been approved by the Chief Engineer, Hemavathi Project, Goruru, 18/09/2003. The said work was entrusted to Shri B. Uday Kumar Shetty, 1<sup>st</sup> Grade Contractor and the contractor ought to have completed the said work on or before 30/01/2005. During the course of Earth work since the laterite was found, the same was to be removed by using controlled explosive. For the said work additional cost of Rs.22.71 lakhs has been incurred. The Chief Engineer of Varahi Project Zone has approved these expenditure on 04/08/2006 (as per Annexure-7). On account of these impediments faced during the course of execution of the said work, there was delay in completing the work. Therefore, it has been observed by the I.O that extension of time was given from 30/11/2005 to 31/03/2007 without any penalty (as per Annexure-4). The said work found to be completed on 14/03/2007. The total expenditure for the said work is Rs.165.63 lakhs. It has been found by the I.O that at Ch.7.250 to 7.34 K.M RCC Cut and Cover has been constructed as there was land slide in the said area. For this construction of cut and cover additional amount of Rs.89.50 lakhs has been spent and for the said expenditure approval has been taken on 15/03/2005 (as per Annexure-5B). For the said construction of RCC cut and cover tender of Shri Uday Kumar Shetty is found to have been accepted and the said work has been entrusted for Rs.107.04 lakhs as per the tender agreement (Annexure-8). The said tenderer commenced the work on 07/10/2005 and has completed the work on 13/02/2007. In the

canal between the Ch.7.525 K.M and 7.575 K.M, the I.O has observed that RCC cut and cover has been constructed between Ch.7.340 and Ch.7.400 K.M RCC box culvert has been constructed. For these additional works tender had been invited and the work was entrusted to Shri Gokul Shetty, 1<sup>st</sup> Grade Contractor with a cost of Rs.145.93 lakhs at the rate of SR of 2006-07.

37. As per the tender agreement, the contractor has found to have commenced the work on 30/01/2006 and completed the work on 13/02/2007. The total expenditure incurred for these works is Rs.144.95 lakhs. Since, the above said additional works were not there in the original estimate, the EFI for the said additional work has come to Rs.248.57 lakh. So far as the construction of LBC between Ch.8.00 and 10.00 K.M, the I.O has found that the construction even though has been carried out 10 years back from the date of its site visit he found the canal intact in that area. So far as construction of LBC between Ch.1.00 K.M and 11.00 K.M, estimate was found to have been prepared for Rs.59.00 lakhs in the year 1994-95, the same is found to have been approved by the Chief Engineer, Hemavathi Project, Goruru on 18/06/1994 (Annexure-8B). The tender amount was Rs.59.65 lakhs and the tender of Shri Hiriyanna Shetty was found to have been accepted (Annexure-9B). The contractor had to complete the work within 12 months from the date of its commencement. The contractor had commenced the work on 12/02/1997 and has completed the work on 31/10/2004. Since during the course of excavation of the work laterite was found at Ch.10.130 K.M to Ch.10.175 K.M and at

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Ch.10.200 K.M to Ch.10.275 K.M. The clearance of laterite had been undertaken by using controlled explosive. For the said additional work, the Chief Engineer, Varahi Project Zone has given approval on 30/06/1997. For the reason of the above said additional work, the progress of the construction of canal in this reach was delayed and extension of time is found to have been given from 11/02/1998 to 09/08/2001 without penalty and from 10/08/2001 to 31/10/2004 with penalty (as per Annexure-10B).

38. From Ch.10.065 to 10.125 K.M the depth of the canal was found to be 17.00 to 19.00 mtrs. and it has been found by the I.O that due to rain the land slide in the side wall had occurred in the above said reach. Therefore, construction of RCC retaining wall is found to have been undertaken. For that estimate had been prepared with an estimated cost of Rs.13.80 lakhs. The approval for the said estimate is found to have been given on 14/03/2002 (as per Annexure-11B). For the said additional work tender has been invited and the work has been entrusted to Shri Ashok Shetty, 2<sup>nd</sup> Grade Contractor on 28/08/2003. The tender amount was Rs.11.29 lakhs. The contractor is found to have commenced the work on 28/08/2003 and has completed the work on 31/03/2006. The total expenditure for this work is Rs.11.00 lakhs. The I.O has observed that in the Left Bank Canal, when the work was undertaken in the year 1995, considering the discharge from lift irrigation unit, the full level of water in the canal was contemplated to be 1.50 meters. For that lining work had been undertaken. But after the construction of aquaduct and construction of Right Bank Canal,

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since the water discharge has to go through the Left Bank Canal, the lining had to be increased from 1.50 mtr. to 3.30 mtr. Therefore, for the said shortfall work of CC lining was undertaken in the year 2007. The estimate for this was prepared in the year 2006 at the rate of SR of the year 2003-04. The same has been approved by the Chief Engineer, Hemavathi Project, Goruru on 30/11/2006 (as per Annexure-12B). Tender of Shri M. Vishwanath Shetty, 1<sup>st</sup> Grade contractor is found to have been accepted as per the SR of Water Resource Department. The said contractor commenced the work on 03/03/2007 and has completed the work on 15/05/2007. For the said additional work an amount of Rs.23.53 lakhs has been incurred. Since the depth of the Canal at 10.050 K.M to 10.125 K.M was found to be 19.00 mtrs., the I.O has observed that due to rain in the said reach, land slide had occurred. For the said reason RCC cut and cover had been constructed at a cost of Rs.96.00 lakhs. For the estimate of the said Rs.96.00 lakhs approval has been obtained from the concerned as per Annexure-13B. Shri Vishwanath Shetty has undertaken this work as per the tender procedures followed. The said work is found to have been entrusted to the said Contractor for the contractual amount of Rs.104.24 lakhs. The contractor had commenced his work on 18/10/2008 and completed the work on 27/01/2010. The total expenditure for the said work incurred is 104.32 lakhs. For the above said approved additional works the total expenditure has come to Rs.138.75 lakhs. Since the above said three additional works were not there in the earlier original

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estimate, new estimates were to be prepared and additional expenditure of Rs.138.75 lakhs was to be incurred.

39. So far as the construction of LBC from Ch.11.00 K.M to 12.00 K.M the I.O has observed the canal work was found to be satisfactory and it is intact. He has also found that there was no extra financial implication and additional work pertaining to this stretch of canal work.
40. So far as construction of Left Bank Canal from Ch.12.00 to 13.00 K.M, it has been found by the I.O that the estimate was for Rs.47.00 lakhs in the year 1994-95. The estimate has been approved by the Chief Engineer, Hemavathi Project, Goruru on 18/06/1994 (as per Annexure-12). The said work has found to have been entrusted to Shri A. Naveen Chandra (as per SR of 2000-2001 - Annexure-13). As per the tender agreement, the said work should have been completed within 12 months including rainy season. The work is found to have been commenced on 19/03/2001. During the course of excavation at Ch.12.925 K.M to Ch.12.950 K.M, due to the occurrence of laterite rock the same had to be cleared by using controlled explosive. This has resulted in the additional work as the same was not in the original estimate. Therefore, for the said additional work, additional expenditure of Rs.8.35 lakhs has been included. For the said additional expense, the Managing Director, Karnataka Neeravari Nigama Ltd., has accorded permission on 30/12/2004 (Annexure-14). The said work is found to have been completed on 26/03/2008 and the expenditure has been approved by the Managing Director, KNNL. After the completion of the

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said work during the rainy season, since land slide occurred in the said chainage, it was decided to have RCC retaining wall at the cost of Rs.10.04 lakhs for which an estimate is found to have been prepared and obtained the permission on 20/03/2002 (as per Annexure-15). For the said estimate, permission was received on 28/07/2003 by accepting tender of one Shri Vishwanath Shetty, 1<sup>st</sup> Grade Contractor, the contractual amount was Rs.8.20 lakhs. For the said work totally Rs.5.78 lakhs is found to have been spent by the said contractor. As said earlier to construct RCC cut and cover at Ch.12.280 K.M to Ch.12.319 K.M due to land slide. Therefore, tender is found to have been invited for the construction of RCC Cut and cover, the lowest bidder has been entrusted with the said work. Accordingly, the construction is found to have been commenced on 09/03/2010 and the work has been completed on 12/11/2010. For the said construction of cut and cover the estimated cost was Rs.118.00 lakhs. But the total amount spent on it comes to Rs.108.85 lakhs. Since, the above said additional works was not incorporated in the original estimate, the cost of the additional works came to be Rs.222.39 lakhs. Therefore, these additional expenditure came to be EFI i.e. Rs.222.39 lakhs.

41. So far as construction of LBC at Ch.13.00 K.M to 14.00 K.M, estimate for Rs.97.50 lakhs was found to have been approved on 18/06/1994 by the Chief Engineer, Hemavathi Project, Goruru (Annexure-20). For the said work tender of M/s. Eagle Earth Movers for Rs.105.06 lakhs has been accepted as per the SR of 2000-01 (Annexure-21). The work should have been completed by

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23/03/2001 as per the tender agreement inclusive of rainy season. During the course of excavation of earth at Ch.13.850 K.M, Ch.13.875 K.M, Ch.13.925 K.M, Ch.13.97 K.M; the laterite rock that was found was to be removed or to be cleared by using controlled explosive. For that additional expenditure of Rs.24.51 lakhs was to be incurred. For this extra additional work the Chief Engineer, Varahi Project Zone is found to have given approval on 22/06/2004 (Annexure-22). On account of these additional works, the time stipulated for the completion of the work is found to have been extended from 22/06/2002 to 31/05/2005 with penalty. The work is found to have been completed on 31/03/2005. For this work the total expenditure came to be Rs.124.51 lakhs as per the records. Since there was land slide at Ch.13.380 K.M to 13.405 K.M and again at Ch.13.940 K.M to 13.970 K.M, it is found to have been decided to construct RCC retaining wall at the cost of Rs.23.50 lakhs. For the said additional expenditure this work has been completed by the tenderer Shri B. Uday Kumar Shetty who is found to have completed the additional work with the expense of Rs.20.42 lakhs. Again at Ch.13.200 K.M to Ch.13.260 K.M and Ch.13.775 to Ch.13.85 K.M and Ch.13.940 K.M to Ch.13.965 K.M, since the depth of the canal was found to be more than 13.00 to 14.00 mtrs. and landslides were occurring in the said stretch of canal, it is found that decision had been taken to construct RCC retaining wall. For that additional expenditure of Rs.31.50 lakhs is found to have approved (Annexure-26). This additional work was entrusted to the tenderer Shri Philip D'costa, 1<sup>st</sup> Grade Contractor as per Annexure-27. The said contractor is found to have

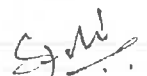


commenced work on 25/06/2004. Due to land slide during rainy season at Ch.13.200 K.M to Ch.13.350 K.M and Ch.13.940 K.M of LBC, the contractor could not complete the work in the stipulated period. Therefore, the contract was rescinded on 09/05/2005 as and where condition. For the said work carried out by the tenderer bill has been passed for Rs.20.31 lakhs. As per the Technical advice of NITK, Surathkal RCC cut and cover construction was taken up with an estimated cost of Rs.135.60 lakhs, for which the approval has been obtained as per Annexure-29. The said work is found to have been entrusted to Shri M. Mahesh Hegde, 1<sup>st</sup> Grade Contractor on 04/12/2006. The said contractor found to have commenced work on 04/02/2006 and completed the work on 03/03/2009. For the said work, the total expenditure incurred is Rs.172.29 lakhs. At Ch.13.775 K.M to Ch.13.845 K.M as per the advice of the expert from NITK, RCC cut and cover has been constructed. The estimate for the said construction is found to have been approved with the estimated cost of Rs.204.00 lakhs on 24/01/2012. For the said additional work tender was invited and the work is found to have been entrusted to Shri Dinesh Hegde, 1<sup>st</sup> Grade Contractor and the said work was entrusted to the Tenderer for a tender amount of Rs.161.43 lakhs. The said tenderer commenced the work on 21/01/2012 and completed the work on 21/01/2013. The total expenditure incurred for this additional work is Rs.161.40 lakhs. Since the above said four additional works were not there in the original estimate, the EFI for the said four works is Rs.398.93 lakhs. So these additional works were to be executed only after finding

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landslides in the above said reaches which ought to have been anticipated by the respondents who were in charge of the said works before submitting the original estimate. Such type of submission of estimate without proper study of topography and submission of estimate without anticipating the above said four additional works has resulted in Extra Financial Implications to the State Exchequer and also has caused delay for execution of the Project work.

42. For Construction of Canal work between Ch.14.00 K.M to Ch.15.00 K.M estimated cost of Rs.81.00 lakhs is found to have been approved by the Chief Engineer, Hemavathi Project, Goruru on 18/06/1994 (as per Annexure-31). But tender is found to have been invited on 05/02/2001. The work was entrusted to Shri V.I. Shetty, First Grade Contractor vide Annexure-32. The tender amount was Rs.91.29 lakhs and the contractor should have completed the work within 12 months from the date of the work entrustment. The contractor is found to have commenced the work on 23/03/2001. During the course of Earth excavation the contractor found hard laterite rock and the same was to be cleared by using controlled explosives. For the said additional work since there was no EIRL and work slip, the proposal dated 26/07/2005 was placed before the Chief Engineer, Varahi Project Zone and for the said estimated amount of Rs.42.65 lakhs, approval is found to have been obtained vide Annexure-33. Since the progress of the said work was slow the stipulated period in the tender contract was extended from 22/11/2002 to 30/02/2005 without penalty.



The contractor is found to have completed the work on 30/05/2005. The total expenditure incurred for the above said works i.e. Rs.130.05 lakhs is found to have been spent for the said work. Since land slide had occurred at Ch.14.200 K.M to Ch.14.325 K.M, additional work of constructing RCC retaining wall at the estimated cost of Rs.32.00 lakhs (Annexure-34). For the said estimate approval was obtained on 11/02/2004 as per Annexure-34. Thereafter, tender is found to have been invited and the work is found to have been entrusted to Shri Vasanth R. Hegde, First Grade Contractor, for Rs.32.13 lakhs (as per Annexure-35). The said contractor commenced the work on 24/06/2004 and completed the same on 08/04/2007. The total cost incurred for the said work is found to be Rs.33.38 lakhs. Even after construction of RCC retaining wall since land slide was there from the top of the hillock, it was decided to construct RCC cut and cover at the estimated cost of Rs.104.00 lakhs. For the estimate of the above said cost approval is found to have been obtained on 02/12/2005 vide Annexure-36 and for the said additional work tender has been invited and the work is found to have been entrusted to Shri Vishwanatha Shetty for Rs.115.06 lakhs as per Annexure-37. The tenderer is found to have commenced the work on 10/01/2006 and completed the same on 08/05/2007. The total expenditure for the said work came to be Rs.114.87 lakhs.

43. Since landslides were found to have occurred at Ch.14.175 K.M to Ch.14.210 K.M and the depth of the canal was 16.00 meters, it was decided to construct RCC cut and cover at cost of Rs.65.00 lakhs.



The approval to the estimate is found to have been obtained on 02/12/2009 as per Annexure-38. Tender is found to have been invited and tender of Shri Ashok kumar shetty has been accepted for the contractual sum of Rs.56.68 lakhs as per Annexure-39-1. The contractor commenced the work on 30/04/2010 and completed the work on 20/05/2011.

44. Since the above said three additional works were not included in the earlier original estimate, the total cost incurred for the above said three works is found to be Rs.245.40 lakhs as EFI.
45. For the construction of Left Bank Canal at Ch.15.00 K.M to Ch.16.00 K.M. the estimate for Rs.81.00 lakhs is found to have been approved by the Chief Engineer of Gorur on 18/06/1994. Tender is found to have been invited and Tender amount of Rs.90.58 lakhs is found to have been accepted and the work was entrusted to Shri V.I. Shetty, First Grade Contractor. The said contractor should have completed the work within a stipulated period of 12 months but the work is found to have been completed on 28/05/2005. Since during the course of excavation of the earth in the said stretch of canal, laterite rock was found, in order to clear the said rock controlled explosives is found to have been used for the said additional work. EIRL and work slip was got approved with regard to this additional work on 03/08/2004 from the Chief Engineer, Varahi Project Zone. This additional work caused delay in execution of the canal work at Ch.15.00 K.M to Ch.16.00 K.M. Therefore, the tender period was extended from 18/10/2002 to 28/05/2005 with penalty. The said work is found to have been



completed on 28/05/2005. The total expenditure for the said canal work came to be Rs.91.05 lakhs. Since at Ch.15.325 K.M. to Ch.15.355 K.M, Ch. 15.90 K.M to 15.51 K.M and Ch. 15.873 K.M to Ch.15.940 K.M landslides said to have occurred in the said reaches of the canal. It was decided to construct RCC retaining wall and for that estimate for Rs.19.00 lakhs was got approved and inviting tender the work is found to have been entrusted to Shri M. Vishwantha Shetty, 1<sup>st</sup> Grade Contractor as per Annexure-39. The said contractor found to have commenced the work on 03/09/2003 and completed the work on 02/02/2007. For this work the total expenditure came to be Rs.13.72 lakhs, as per the records verified by the I.O.

46. At Ch.15.685 K.M since there was landslides it was decided to have RCC retaining wall and also partial slope retention work was undertaken by spending Rs.40.60 lakhs for which earlier permission was found to have been granted. Thereafter, the work was entrusted to the contractor Shri Vishwanath N. Shetty by inviting tender. The contractual amount was Rs.42.92 lakhs. The said contractor commenced the work on 29/11/2004 and found to have completed the work on 15/02/2007. The total expenditure at this stretch of canal work came to be Rs.46.71 lakhs.
47. At Ch.15.835 to 15.925 K.M since the depth of the canal is 15.00 mts. from CBL level, it was found that after the completion of the canal work during rainy season, there were landslides in the stretch. Therefore, it was decided to have 20.00 mtrs. long RCC retaining wall and to have inlet and relieving weir. For this

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additional work estimate for Rs.14.270 lakhs was approved and this work is found to have been entrusted on 14/02/2006 to Shri Vishwanath N. Shetty, 1<sup>st</sup> Grade Contractor by following tender procedures. The contractual amount was Rs.15.39 lakhs. The contractor found to have commenced the work on 14/02/2006 and completed on 04/12/2006. The I.O has found that due to some additional work in this Chainage, the amount spent on the work came to be 17.46 lakhs, which is more than contractual amount of Rs.15.39 lakhs.

48. At Ch.15.873 to 15.940 K.M since there was landslides during rainy season, decision is found to have been taken RCC cut and cover construction at the estimated cost of Rs.66.00 lakhs. Estimate is found to have been approved on 20/09/2007 and the tender of Shri Vishwanath Shetty, 1<sup>st</sup> Grade contractor is found to have been accepted on 10/12/2007. The contractual amount was Rs.79.86 lakhs and the contractor is found to have commenced the work on 10/12/2012 and is found to have completed the work on 30/05/2008. The total expenditure of the said work at Ch.15.00 to Ch.16.00 came to be Rs.156.72 lakhs inclusive of additional expenditure (EFI) towards additional works.
49. Construction of Left Bank Canal in the reach Ch.16.00 K.M to Ch.17.00 K.M, Estimate for Rs.76.00 lakhs was approved by the Chief Engineer, Hemavathi Project, Gorur on 18/06/1994 as per Annexure-40. Work was entrusted to Shri P.K.Shivaram, 1<sup>st</sup> Grade Contractor as Annexure-17B. As per the contractual term the work should have been completed within 12 months from the date of its

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commencement inclusive of rainy season. The contractor found to have commenced the work on 02/11/2001 and should have completed the work on 15/02/2002. But during the excavation of the Earth at Ch.16.300 and Ch.16.305 K.M because of laterite rocks found in the area and the same had to be cleared by using controlled explosive resulting in additional work with an expenditure of Rs.14.42 lakhs for which EIRL and work slip proposal was placed and obtained the permission on 31/12/2004 from Chief Engineer, Varahi Zone vide Annexure-41. Because of the said Additional work bill is found to have been cleared on 09/11/2006. Therefore, the total expenditure for the said work came to be Rs.188.95 lakhs wherein EFI is Rs.117.95 lakhs. Since, landslides said to have occurred at Ch.16.025 to Ch.16.075 K.M, at Ch.16.160 to Ch.16.175 K.M and Ch.16.200 K.M to Ch.16.215 K.M, Ch.16.275 K.M to Ch.16.295 K.M, Ch.16.375 K.M to Ch.16.510 K.M, Ch.16.600 K.M to Ch.16.625 K.M. RCC retaining wall is found to have been constructed in the above said Chainage. At Ch.16.025 K.M to Ch.16.300 K.M even inlet is found to have been constructed. The total cost of this additional work came to be Rs.46.00 lakhs, which was not included in the first estimate pertaining for this stretch of canal work. The said additional work is found to have been entrusted to one Shri M.Chandrashekar Hegde, 1<sup>st</sup> Grade Contractor as per Annexure-18B. The said contractor is found to have commenced the work on 23/01/2004 and completed the work on 24/03/2006. For the said work the expenditure came to be Rs.45.33 lakhs at Ch.16.350 to Ch.16.415 K.M, since there was landslides during rainy season the additional

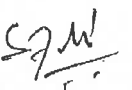
work of RCC cut and cover construction with a estimated cost of Rs.54.75 lakhs found to have been undertaken approval for the estimate of the said work is found to have been given on 03/03/2005. The tender for the additional work of CC cut and cover construction was obtained on 03/03/2005. The said additional work is found to have been entrusted to one Shri Shivaram Shetty, 1<sup>st</sup> Grade Contractor for the contractual amount of Rs.65.63 lakhs as per Annexure-42. The said contractor is found to have commenced the work on 07/10/2005 and completed the work on 17/07/2007. Therefore, the total expenditure for the said work came to be Rs.74.71 lakhs which included the additional work of preparation of basement bed from Ch.55.00 K.M to Ch.65.00 K.M for which IERL/work slip for an amount of Rs.9.34 lakhs (vide Annexure-19D).

50. At Ch.16.00 K.M to Ch.16.010 K.M and at Ch.16.018 K.M to Ch.16.086 K.M, at Ch.16.295 K.M to Ch.16.305 K.M, of LBC since the landslides said to have occurred before the completion of canal work, decision to construct RCC Retaining wall in the above said area for the said additional work tender is found to have been invited and entrusted the work to Shri Ananthaiah Shetty, 1<sup>st</sup> Grade Contractor for a sum of Rs.17.46 lakhs (which is at Annexure-20B). The said contractor (Shri Ananthaiah Shetty) is found to have commenced the work on 13/01/2006 and completed the said work on 05/06/2006. For the said additional work an amount of Rs.16.30 lakhs is found to have been spent.

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51. At Ch.16.820 K.M to Ch.16.910 K.M of LBC since the depth of the canal was 15.00 mtrs. upto CBL from basement and landslides said to have occurred there it was found to have been decided to construct RCC cut and cover at the cost of Rs.75.00 lakhs and for the same estimate is found to have been prepared and obtained the permission on 02/12/2005 as per Annexure-21B. Thereafter, for the said additional work tender has been invited and the work is found to have been entrusted to one Shri K. Sadananda Shetty, 1<sup>st</sup> Grade Contractor, to complete the work at the cost of Rs.95.98 lakhs. The said work is found to have been commenced on 01/02/2006 and completed on 31/03/2007. The total expenditure for the said work in the above said stretch is Rs.119.77 lakhs, wherein, Rs.9.21 lakhs EIRL is included (Extra item rate list).
52. At Ch.16.275 to Ch.16.340 K.M of LBC the depth of the canal upto CBL level was found to be 13.00 mtrs.. After the completion of the original work, the landslides said to have occurred in the above said extent area, therefore decision is found to have been taken to construct RCC Cut and Cover at the cost of Rs.74.00 lakhs. The estimate for the said work has been approved on 20/09/2007, vide Annexure-23B. For the said additional work tender of Shri Ramesh P Chinnakara is found to have been accepted and entrusted the work at the contractual amount of Rs.70.00 lakhs vide Annexure-24B. The said contractor appears to have commenced the work on 28/01/2008 and completed the work on 02/05/2009.



53. At Ch.16.415 K.M to Ch.16.515 K.M of LBC since the depth of the canal from CBL level was found to be 13.00 mts. and 14.00 mts. decision had been taken to construct RCC cut and cover in that area as landslides are said to have taken place. For the said additional work the estimate for Rs.108.00 lakhs, sanction has been given on 20/09/2007 vide Annexure-25B. The said additional work is found to have been entrusted to the tenderer to Shri N. Chandrashekar reddy, 1<sup>st</sup> Grade contractor for the contractual amount of Rs.137.43 lakhs vide Annexure-26B. The work has been commenced on 16/10/2008 and completed on 08/03/2010. The total expenditure for the said work came to be Rs.137.29 lakhs.
54. At Ch.16.00 to 16.0275 K.M and at Ch.16.0395 K.M to Ch.16.081 K.M of LBC after the completion of the canal work since during the rainy season landslides said to have occurred, it is found to have been decided to construct RCC cut and cover and for the said construction of RCC cut and cover, the estimate for Rs.86.00 lakhs is found to have been approved vide Annexure-27B, on 20/09/2007. The said work is found to have been entrusted to the tenderer Shri Vishwanath Shetty, 1<sup>st</sup> Grade Contractor for contractual amount of Rs.86.66 lakhs vide Annexure-43. The said contractor appears to have commenced the work on 18/10/2008 and completed the work on 18/04/2009. For the said work a total expenditure is Rs.86.58 lakhs. Between Ch.16.140 K.M to Ch.16.160 K.M and Ch.16.180 K.M to Ch.16.252 K.M, since the landslides said to have occurred decision is found to have been taken to construct RCC retaining wall between the Ch.16.14 K.M to

Ch.16.160 K.M, since the depth of the canal was more and landslides said to have occurred, decision to construct RCC retaining wall in the above said stretch. Further, it is found to have been decided to entrust the matter to Shri Jayasheelan N.T, 1<sup>st</sup> Grade contractor and the work is found to have been entrusted to the contractor. The contractual amount is found to be Rs.100.22 lakhs and entrusted the work to the said Shri Jayasheelan N.T. The said contractor is found to have commenced the work on 17/12/2008 and is found to have completed the work on 08/05/2009. For the said stretch of work the total amount spent came to be Rs.98.10 lakhs.

55. At Ch.16.252 K.M to 16.272 K.M of LBC, since there was landslides said to have occurred, decision to construct RCC retaining wall in the said stretch at the cost of Rs.18.02 lakhs, estimate for the said amount is found to have been approved on 11/02/2010 and the said additional work is found to have been entrusted to Shri Chandrashekar Hegde for the contractual amount of Rs.13.86 lakhs. The tenderer has commenced the work on 21/03/2011 and completed the said work on 11/04/2011. The total expenditure incurred for this piece of work came to be Rs.92.32 lakhs. Since the proposal for the expenditure for the above said works was not there in the original estimate, the total expenditure came to be Rs.753.14 lakhs (EFI).

56. With regard to the construction of LBC at Ch.17.00 K.M to 18.00 K.M, original estimate said to have been prepared for Rs.79.00 lakhs in the year 1994-95 and the same is found to have been

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sanctioned by Chief Engineer, Hemavathi Project, Goruru on 18/06/1994 vide Annexure-34B. The work has been entrusted to M/s. Eagle Earth Movers for contractual amount of Rs.45.087 lakhs and the work had been completed within 12 months from the date of its commencement. The contractor is found to have commenced the work on 05/02/2001. Since during the course of Earth work excavation the laterite rock was found, the same was to be cleared by using controlled explosive. For that additional work EIRL and work slip proposal was approved by the Chief Engineer, Varahi Zone on 23/09/2004 for Rs.58.57 lakhs vide Annexure-35B. For the said reason of additional work the progress is found to have not been there. Therefore, the contractual stipulated time is found to have been extended from 07/04/2002 to 31/03/2005 without penalty and from 01/04/2005 to 30/04/2005 with penalty (vide Annexure-46). The contractor is found to have completed the work on 28/05/2005, the total expenditure for the said work came to be Rs.114.33 lakhs as per the records. At Ch.17.650 to Ch.17.750 K.M of LBC before the completion of the said canal work, the landslides said to have occurred and due to this decision has been taken to construct retaining wall in that stretch at the cost of Rs.45.50 lakhs and estimate for the said amount is found to have been approved (vide Annexure-36B), thereafter for the said additional work tender is found to have been invited and entrusted the work to the contractor Shri Subhash Chandra Shetty, 1<sup>st</sup> Grade Contractor for the contractual amount of Rs.48.71 lakhs vide Annexure-37B. The work is found to have been commenced on 07/10/2005 and completed on 15/06/2010. The total

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expenditure came to be Rs.53.06 lakhs for the said work as per the records.

57. At Ch.17.750 to Ch.17.785 K.M of LBC after the completion of the canal work, landslides are said to have occurred in the said stretch. Therefore, decision has been taken to construct retaining wall at the cost of Rs.62.50 lakhs and estimate has been approved for the same on 02/12/2005 vide Annexure-38B. The said work is found to have been entrusted to the tenderer Shri K. Subhash Chandra Shetty, 1<sup>st</sup> Grade Contractor for a contractual amount of Rs.59.49 lakhs vide Annexure-47. The contractor said to have commenced the work on 01/07/2006 and completed the same on 15/06/2011. So the total cost of the said work came to be Rs.61.34 lakhs as per the records.

58. So far as the work at Ch.17.350 to Ch.17.410 K.M, even though the original work was completed the landslides said to have occurred after the said completion of work in the above said stretch of canal during rainy season. Therefore, decision has been taken to construct RCC cut and cover at the cost of Rs.47.00 lakhs and the estimate for the said amount was sanctioned on 02/12/2005 vide Annexure-48. By following the tender procedure the work is found to have been entrusted to Shri S. Ananthaiah Shetty, 1<sup>st</sup> Grade contractor on 21/04/2006 for the contractual amount of Rs.57.85 lakhs vide Annexure-39B. The contractor had commenced the work on 21/04/2006 and completed the same on 30/09/2007. The total expenditure for the said work came to be Rs.69.15 lakhs as per the records.

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59. Between Ch.17.115 K.M to Ch.17.175 K.M, even though work was found to have been completed, the landslides found to have occurred. Therefore, decision found to have been taken to construct RCC cut and cover at the cost of Rs.83.00 lakhs. For the said amount of Rs.83.00 lakhs estimate is found to have been approved on 20/09/2007 vide Annexure - 40B. Thereafter the said work was entrusted to the Tenderer Shri Dinesh Hegde, 1<sup>st</sup> Grade Contractor after following the tender procedure for contractual amount of Rs.99.69 lakhs vide Annexure-41B. The said contractor commenced the work on 10/12/2007 and found to have completed on 25/05/2008. The total expenditure for the said work came to be Rs.96.82 lakhs as per the records.
60. At Ch.17.000 K.M to Ch.17.085 K.M the landslides said to have occurred even after the completion of the canal work. For the said reason in the said stretch RCC cut and cover construction found to have been proposed and for the said additional work estimate for the amount of Rs.95.00 lakhs has been approved on 20/09/2007 vide Annexure-42B. The said additional work is found to have been entrusted to the tenderer Shri Uday Kumar Shetty, 1<sup>st</sup> Grade Contractor, on 17/01/2008 for a sum of Rs.96.51 lakhs as contractual amount vide Annexure-43B. The contractor is found to have commenced the work on 17/01/2008 and completed the work on 28/04/2009. The total amount spent on this work as per the records is Rs. 89.94 lakhs. Between the Chainage 17.300 to Ch.17.350 K.M, after the completion of the original work since the landslides said to have occurred at that stretch, decision taken to

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construct RCC cut and cover at the cost of Rs.64.00 lakhs and the estimate for the said amount is found to have been approved on 20/09/2007 vide Annexure-44B. Thereafter, the said additional work is found to have been entrusted to one Shri Sunil Shetty, 1<sup>st</sup> Grade Contractor vide Annexure-49. The said contractor is found to have commenced the work on 28/01/2008 and completed the same on 22/06/2009. The total amount spent on this additional work as per the record is Rs.61.01 lakhs. Since, the above said additional works did not find place in the original estimate, the additional works resulted in EFI. The total expenditure for the said work is Rs.431.40 lakhs as per the records.

61. So far as the construction of LBC between the Ch.18.00 K.M to Ch.19.00 K.M, estimate is found to have been prepared in the year 1994-95 itself for a sum of Rs.51.00 lakhs. The same is found to have been approved by the Chief Engineer, Hemavathi Project, Goruru on 18/06/1994 as per Annexure-45B. But the I.O has observed that there is no record to show that for the said work, tender was invited and the work was entrusted to the contractor. But, the I.O has observed that as per the SR of 1999-2000, estimate is found to have been prepared for Rs.94.00 lakhs and obtained Technical approval and inviting tender, the said work is found to have been entrusted to one Shri K. Venkatesh Murthy, 1<sup>st</sup> Grade Contractor (as per Annexure-46B). The said contractor ought to have completed the work within 12 months inclusive of rainy season. The contractor is found to have commenced the work on 16/02/2001. During the course of Earth excavation since the

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laterite rock appeared, extra EIRL and work slip was prepared and proposal is found to have been placed for approval. For the said proposal the Managing Director, Karnataka Neeravari Nigama Limited has given approval on 22/06/2010 for a sum of Rs.4.88 lakhs. Even though the contractor completed the work within the stipulated period, for the additional work to get the approval for the Extra Financial Implication is found to have been delayed. Therefore, the contractor is found to have completed the work on 09/11/2005. For the said additional work the total expenditure came to be Rs.78.79 lakhs as per the records.

62. At Ch.18.000 to Ch.18.045 K.M, since landslides occurred prior to the completion of work due to rain, it is found to have been decided and constructed RCC retaining wall at above said Chainage, the approval for the construction of above said RCC retaining wall for a sum of Rs.46.00 lakhs was obtained vide Annexure -48B. The said work is found to have been entrusted to Shri Gokul Shetty, 1<sup>st</sup> Grade contractor on 23/01/2004. The contractual amount is found to be Rs.44.05 lakhs vide Annexure-49B. The said contractor is found to have commenced the work on 23/01/2004 and completed the work on 26/04/2005. The amount spent for this work is Rs.42.59 lakhs.
63. At Ch.18.150 to Ch.18.250 K.M, Ch.18.295 K.M to Ch.18.325 K.M and at Ch.18.760 K.M to Ch.18.810 K.M, the I.O has found that the landslides have occurred in the above said chainage, for the said reason decision is found to have been taken to construct RCC retaining wall at the cost of Rs.83.50 lakhs. For the said amount

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estimate is found to have been prepared and approved on 20/09/2007 vide Annexure-50B. The said additional work is found to have been entrusted to Shri M. Vishwanath Shetty, 1<sup>st</sup> Grade Contractor as per Annexure-50. The contractor is found to have commenced the work on 18/10/2008 and completed the same on 15/06/2009. The total expenditure for the said work as per the records is Rs.152.80 lakhs. Since, these two additional works were not there in the original estimate, these two additional works have resulted in Extra Financial Implication of Rs.124.01 lakhs.

64. At Ch.19.00 to Ch. 20.00 K.M LBC construction is concerned estimate said to have been prepared in the year 1994-95 at an estimated cost of Rs.64.00 lakhs and the approval for the estimate was given by the Chief Engineer, Hemavathi Project, Goruru on 18/06/1994 vide Annexure-51B. But the Investigating Officer has submitted that pertaining to the said estimate records are not found with regard to the invitation of tender and accepting the tender of the person who had quoted lowest tender amount. As per the SR of 1999-2000 estimate for Rs.120.00 lakhs, Technical Sanction is found to have been given on 05/02/2001. The tender of M/s. Eagle Earth Movers is found to have been accepted vide Annexure-52B. The said work ought to have been executed within 12 months including rainy season. The contractor had commenced the work on 08/02/2001 and during the course of Earth work excavation since laterite stone found, the same had to be cleared by using controlled explosive. Further, additional work EIRL and

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work slip proposal was prepared and obtained the approval on 23/09/2004 from the Chief Engineer, Varahi Project Zone with the estimated cost of Rs.21.90 lakhs vide Annexure-53B. Further, it has been observed by the I.O that the passage of the said canal was through Patta lands and the acquisition of those patta lands was delayed, Extra Financial Implication was there. Even the approval of this Extra Financial Implication was delayed. As per the contractual terms on 07/06/2005, the work should have been completed on 07/06/2005, but due to the above said reason, the time was extended from 07/06/2005 to 31/03/2005 without penalty and from 01/04/2005 to 30/06/2005 with penalty vide Annexure-54B. The said work is found to have been completed on 15/06/2005. The total expenditure for the said work came to be Rs.78.17 lakhs as per the records.

65. At the Ch.19.215 to Ch.19.260 K.M of LBC even though the original work was completed, since there were landslides on the above said reaches, decision was taken to construct RCC Retaining Wall. Further, it was also decided to have inlet at Ch.19.250 K.M, at the cost of Rs.20.20 lakhs. For the said additional work estimate was approved on 15/03/2008 as per Annexure-55B. The work is found to have been entrusted to one Shri B. Suryanarayana shetty, 1<sup>st</sup> Grade Contractor for the contractual amount of Rs.22.20 lakhs. The said contractor is found to have commenced the work on 07/10/2005 and completed the same on 16/06/2006. The total amount spent on this additional work came to be Rs.21.88 lakhs as per the records.

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66. At Ch.19.075 to Ch.19.100 K.M, Ch.19.300 to Ch.Ch.19.325 K.M and Ch.19.700 to Ch.19.720 K.M, it is found to have been decided to construct RCC retaining wall at the cost of Rs.35.00 lakhs as the land slides said to have occurred in the said reaches. The estimate for the said work is found to have been approved vide Annexure-56B. The said work is found to have been entrusted to one Shri Sachidananda Shetty, 1<sup>st</sup> Grade contractor for Rs.31.73 lakhs. The contractual amount found to be Rs.31.73 lakhs (vide Annexure-52). The contractor commenced the work on 18/02/2008 and completed on 30/04/2010. The total cost incurred for the said work was Rs. 31.59 lakhs as per the records. For the above said additional works EFI came to be Rs.75.35 lakhs as per the I.O's finding.
67. So far as construction of canal of LBC from Ch.20.00 K.M to Ch.21.00 K.M, the said work is found to have been completed in the year 2000 itself. It has been found that when the said work was in progress laterite stone was found in the said Chainage. In order to clear the said laterite stone, proposal for Rs.39.83 lakhs EIRL and work slip was prepared and obtained permission. It is the observation of the Investigating Officer that even though the canal work found to be satisfactory at the time of inspection, due to rainfall at Ch.20.40 to 20.475 K.M on the left side of the canal, the concrete lining constructed was found to be damaged due to land slide. In the said area the depth of the canal was found to be 20.00 mtrs., and the said canal is to be right of service road. Therefore, the I.O has stated that he could not reach the spot where the land slide exactly occurred and collect the samples of soil for testing.



68. For the construction of canal at Ch.21.00 to Ch.22.00 K.M of LBC, estimate is found to have been approved by Chief Engineer, Hemavathi Project, Goruru on 05/01/2007 vide Annexure-57B. The tender of Shri A. Naveen Chandrashetty is found to have been accepted and the work was entrusted to him vide Annexure-58B. The contractor should have completed the work within 12 months from the date of its commencement as per the agreement inclusive of rainy season. But the contractor is found to have executed the work on 20/03/2008. But during the course of Earth excavation because of the land slide that occurred in the canal, for the clearance of the debris EIRL is found to have been approved by the Chief Engineer, Varahai Project, Goruru on 25/02/2014 for the estimated cost of Rs.113.09 lakhs. For the above said reason, the time stipulated in the tender agreement is found to have been extended from 20/11/2009 to 31/12/2011 without penalty and 01/01/2012 to 15/06/2014 with penalty vide Annexure-60B, this work found to have been completed on 22/02/2014. The total expenditure for the said canal at reach Ch.21.00 K.M to Ch.22.00 K.M is found to be Rs.133.09 lakhs as per the records.

69. At Ch.21.670 K.M to Ch. 21.730 K.M the depth of the canal as observed by the I.O is 10.00 mtrs. from CBL. Landslides said to have occurred in the said reaches. Therefore, decision had been taken to construct RCC retaining wall at the estimated cost of Rs.45.80 lakhs and estimate was got approved on 10/12/2009 and after this the tenderer Shri A. Naveen Chandrasheety, 1<sup>st</sup> Grade contractor is found to have been entrusted with the said work. The

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tenderer was entrusted with this work with the contractual sum of Rs.51.77 lakhs. The above said two additional works were not there in the original bill. The EFI came to be Rs.184.86 lakhs. It has been found the I.O during the course of spot inspection at Ch.21.18 K.M of LBC, the concrete lining to the length of 5.00 to 6.00 mts. was found to have been damaged due to land slide. The I.O has tested the quality of the retaining walls and it has been found satisfactory.

70. At the Ch.22.00 K.M to 23.00 K.Ms of LBC, it has been found by the I.O that in order to construct canal in the above said reaches, PWD Department had taken up the SR of 2003-04 as per the SR notified by PWD Department, Mangalore Circle. Since, transfer of kumki and patta lands for canal construction was delayed, the tender of Shri Uday kumar Shetty which was accepted on 06/08/2010 was rescinded and the remaining work was entrusted to Shri Praveen Kumar on 25/02/2014, by accepting this tender vide Annexure-63B, the contractual amount for this work was Rs.519.68 lakhs and the stipulated time to complete the work was 11 months including the rainy season. Between Ch.22.440 to Ch.22.605 the I.O found that instead of concrete lining, as per the advice of the Managing Director, Retaining Wall construction was going on as on the date of the inspection by the I.O in the above stretch. This work was undertaken due to the reason that there were landslides in that reach. It has also been observed by the I.O as on the date of inspection another 15.00 mtrs. long Retaining wall had to be constructed from Ch.22.605 K.M and onwards. So far as the

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construction of Left Bank Canal from Ch.23.000 K.M to Ch.24.000 K.M, approval for the estimate for Rs.221.00 lakhs is found to have been given by the Chief Engineer, Hemavathi Circle, Goruru on 05/01/2007 vide Annexure-64B. Tender of Shri Sadananda Shetty is found to have been accepted on 27/03/2008 and work was entrusted to him vide Annexure-65B. It has been found by the I.O that the contractor had commenced the work on 27/03/2008 and during the course of Earth Excavation due to the appearance of hard laterite stone, the same had to be cleared by using controlled explosive. For that additional expenditure had to be incurred. Apart from that the I.O has observed that due to the reason of landslides at Ch.23.094 K.M to Ch.23.113 K.M. It was decided to construct concrete gravity retaining wall, since the said work was not there in the original estimate. For the said additional work EIRL and work slip had to be prepared for Rs.32.00 lakhs. The proposal for that EIRL and work slip approval is found to have been given on 22/05/2012 by the Chief Engineer, Varahi Project Zone vide Annexure-66B. Due to the said additional work and also for the reason that there was delay in handing over the patta land and forest land, the stipulated time to complete the said work was to be extended from 27/11/2009 to 31/12/2011 without penalty and again the time extension is found to have been given on 01/01/2012 to 15/06/2012 with penalty. Further, it has been found that the said work has been completed by the contractor on 28/05/2012. The contractor is found to have completed the work on 28/05/2012. For the above said work the total expenditure is

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found to have been completed on 28/05/2012 and the total amount spent for the said work is Rs.364.44 lakhs.

71. The construction of Left Bank Canal between the Ch.24.00 K.M to Ch.25.00 K.M, the Chief Engineer, Hemavathi Project, Goruru is found to have given approval to the Estimate for Rs.249.00 lakhs at the rate of 2003-04. The approval has been given by the said Chief Engineer on 05/01/2007. The work is found to have been entrusted to Shri Gokula Shetty, 1<sup>st</sup> Grade Contractor on 23/05/2008. The contractual amount for the said work was Rs.412.06 lakhs and the contractor had to complete the work within 12 months excluding rainy season. The tender was accepted and work order is found to have been given to Shri K. Gokul Shetty vide Annexure-67B. As per the records, the contractor commenced the work on 23/05/2008. During the course of work of Earth excavation between Ch.24.00 K.M to Ch.24.100 K.M since landslides said to have occurred, it was decided to have CC Gravity Retaining Wall. For the said additional work an amount of Rs.94.87 lakhs EIRL and work slip proposal is found to have been approved on 25/02/2014 by the Chief Engineer, Varahi Project Zone vide Annexure-68B. Further, the I.O has observed that due to the delay in handing over the land due to the delay in acquisition of patta land and getting permission from Forest Department to cut the trees in the forest land, execution of work is found to have been delayed. Apart from that even the contractor has also delayed the execution of work. Therefore, the time stipulated the complete the work is

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found to have been extended from 23/11/2009 to 31/03/2011, from 01/04/2011 to 30/04/2012, from 14/01/2012 to 13/05/2014 with penalty. The said work is found to have been completed by the contractor on 13/05/2014. So, it has been observed by the I.O this delay in execution of work and additional work, Extra Financial Implication has occurred.

72. Even though in the 69<sup>th</sup> Meeting of Technical Sub-Committee, it was decided and advised to have cut and cover wherever the depth of the canal is 10.00 mtrs. and above, as it has been observed by the Technical Sub-Committee that the left side hillock of the canal is prone to landslides and the soil in the entire area is found to be loose soil. During the course of execution of Left Bank Canal proposal was placed to construct canal without cut and cover. This was without following the instructions given by the Technical Sub-Committee, however whenever and wherever landslides occurred proposal for construction of cut and cover and construction of side wall is found to have been proposed and got approval. This has resulted in additional work and Extra Financial Implication, apart from the delay in execution of the work. Therefore, the I.O has observed that, had the advice of 69<sup>th</sup> Technical Sub-Committee was considered before taking up the canal work, the extension of time in execution of work, the extra financial implication would have been avoided. This would have saved not only the time but also the Extra Financial Implication to the Exchequer.

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73. It has been observed by the I.O that, had the above said additional works had been incorporated in the original estimates by anticipating the landslides after a thorough study of the soil condition (and topography) prevailing in the area where LBC and also by postponing the tender notification till the land is acquired and handed over to the project, the delay that has been caused in execution of the said work, the expenditure of EFI that has been caused would have been avoided. So the I.O has observed that the concerned officers/officials are responsible in not following the instructions of the Technical Sub-Committee especially minutes of the 69<sup>th</sup> Meeting of Technical Sub-Committee. The concerned officers/officials have committed dereliction of duty. He further observed that even during the course of construction of diversion weir the concerned officer/officials have not studied topography of the area in which the said diversion weir is constructed. Even though it was known to the concerned that the diversion weir is coming in the forest area, before taking up the construction of the diversion weir, they ought to have had discussions with the officers of Forest Department, Revenue Department and other Departments concerned to the project and should have taken permission on hand before construction was begun. The I.O has opined that the causes for EFI and the additional works for which estimate/EIRL and work slip were prepared by the concerned are due to the improper assessment of topography, lack of forethought and delay in submission of the estimate soon after the handing over of site as observed earlier in pars supra. Following are the details of the EFI incurred by the Department:-

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| Sl.No. | Details of Work                                                                                                                                                                                         | Amount in lakhs                                        | Name of the Contractor                                                                          |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1.     | Construction of Diversion weir areas river Varahi near Hariabbe                                                                                                                                         | 5885.75                                                | Shri. G. Shankar                                                                                |
| 2.     | Construction of right bank canal from 0.300 to 1.00 km [Extra Item & work slip]                                                                                                                         | 156.82                                                 | Shri. Anand Markar                                                                              |
| 3.     | Construction of right bank canal from 1.00 to 2.00 km [Extra Item & work slip]<br>Balance work                                                                                                          | 216.52<br>315.00                                       | Shri. B.K. Gangadhar<br>Shri. Navinchandra Shetty                                               |
| 4.     | Construction of right bank canal from 2.00 to 3.00km [Extra Item & work slip]<br>Balance work                                                                                                           | 183.79<br>525.00                                       | M/s Ramki Infrastructure<br>M/s SNC Power Corpn. Pvt. Ltd.                                      |
| 5.     | Construction of right bank canal from 3.00 to 4.00km [Extra Item : cut & cover]                                                                                                                         | 339.41                                                 | M/s SNC Power Corpn.Pvt. Ltd.                                                                   |
| 6.     | Construction of right bank canal from 4.00 to 5.00km<br>Balance work                                                                                                                                    | 228.22<br>391.45                                       | Shri. Subashchandra Shetty<br>Shri. Nagappa.D.waddar                                            |
| 7.     | Construction of right bank canal from 5.00 to 6.385 km [EIRL & work slip]                                                                                                                               | 279.63                                                 | Shri. B.Udayakumar Shetty                                                                       |
| 8.     | Construction of right bank canal from 6.385 to 6.720 km approach canal from 6.720 to 8.100km & tunnel from 8.100 to 8.400km [EIRL -work slip]<br>Tunnel [Fore poling method]<br>Change in tunnel design | 179.58<br>265.56<br>373.78<br>-----<br>818.90<br>----- | M/s SNC Power Corpn.Pvt. Ltd.<br>M/s SNC Power Corpn.Pvt. Ltd.<br>M/s SNC Power Corpn.Pvt. Ltd. |
| 9.     | Construction of right bank canal from 9.00 to 10.00 km [Excavation of hard rock with controlled blast]                                                                                                  | 19.22                                                  | Shri. J.N. Shetty                                                                               |
| 10.    | Construction of right bank canal from 10.00 to 11.00 km [for increase in bridge width]<br>For gravity retaining wall from 10.850 to 10.975km                                                            | 100.92<br>164.38                                       | M/s SNCPC Pvt. Ltd.<br>M/s SNCPC Pvt. Ltd.                                                      |
| 11.    | Construction of right bank canal from 11.00 to 12.00 km<br>For gravity retaining wall from 11.400 to 11.570 km                                                                                          | 247.19                                                 | Shri. Ashok.V.Shetty                                                                            |
| 12.    | Construction of right bank canal from 12.00 to 13.00 km<br>For construction of super papage instead of siphon@ ch.12.207 km                                                                             | 48.96                                                  | Shri. G. Shankar                                                                                |
| 13.    | Construction of right bank canal                                                                                                                                                                        | -                                                      | -                                                                                               |

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|     |                                                                                                                                                                                                                                                         |                                                      |                                                                               |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|-------------------------------------------------------------------------------|
|     | from 13.00 to 14.00 km                                                                                                                                                                                                                                  |                                                      |                                                                               |
| 14. | Construction of right bank canal from 14.00 to 15.00 km                                                                                                                                                                                                 | -                                                    | -                                                                             |
| 15. | Construction of right bank canal from 15.00 to 16.00 km<br>For increase in width of bridge @ ch.15.22 km                                                                                                                                                | 314.32                                               | M/s SNC Power Pvt. Ltd.                                                       |
| 16. | Construction of right bank canal from ch.18.00 to 18.725 km<br>For construction of cut & cover from 18.05 to 18.143 km                                                                                                                                  | 525.65                                               | M/s SNC Power Corpn. Pvt. Ltd.                                                |
| 17. | Construction of aqueduct between RBC & LBC<br>For changing in design in construction of peirs & construction of service road]<br>For construction of causeway, approach, reducing the level of fly of road.<br>For providing steel trusses below 6 span | 473.65<br>373.00<br><u>1079.00</u><br><u>1926.61</u> | Shri. S.M. Anand<br>Shri. S.M. Anand<br>Shri. S.M. Anand                      |
| 18. | Construction of Left Bank Canal from 0.00 to 1.00km EIRL/work slip<br>For construction of bridge.                                                                                                                                                       | 12.25<br>1.90                                        | Shri. B. UdayaKumar Shetty<br>Shri. K. Subhash Chandra Shetty                 |
| 19. | Construction of left Bank canal from 1.00 to 2.00 Km<br>➤ EIRL for excavation of hard rock<br>➤ Construction of Retaining wall from 1.150 to 1.175, 1.400 to 1.475 km & EIRL<br>➤ Construction of RCC Cut & Cover from Chainage 1.400 to 1.500 km       | 7.50<br>148.51<br>132.72                             | M/s. Eagle Earth Movers.<br>Shri. Vishwanath Shetty<br>Shri. Sadananda Shetty |
| 20. | Construction of Left Bank Canal from 2.00 to 4.00km.<br>Construction of Cut & cover                                                                                                                                                                     | 58.87                                                |                                                                               |
| 21. | Construction of Left Bank Canal from 3.00 to 4.00km<br>Construction of CD                                                                                                                                                                               | 18.52                                                | Shri. Suresh Malphani                                                         |
| 22. | Construction of Left Bank Canal from 0.00 to 4.00km<br>Balance lining work                                                                                                                                                                              | 23.18                                                | Shri. Chandrashekar Hegde                                                     |
| 23. | Construction of Left Bank Canal from 4.00 to 5.00km (Cross Drainage)                                                                                                                                                                                    | 74.88                                                | Shri. P.K. Shivaram                                                           |
| 24. | Construction of Left Bank Canal from 5.00 to 6.00km (Cross Drainage)                                                                                                                                                                                    | 10.23<br>9.58                                        | M/s. Manjushri Construction<br>-/-<br>-/-                                     |

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|     |                                                                                                                                                                                                                                                                                                                                               |                                                            |                                                                                                                                          |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
|     | <ul style="list-style-type: none"> <li>➤ Construction of retaining wall.</li> <li>➤ Construction of Cut &amp; cover.</li> </ul>                                                                                                                                                                                                               | 6.54                                                       |                                                                                                                                          |
| 25. | <p>Construction of Left Bank Canal from 6.00 to 7.00km</p> <ul style="list-style-type: none"> <li>➤ Construction of service road from 6.875 to 6.975 km.</li> </ul>                                                                                                                                                                           | 1.07                                                       | Shri. S. Ananthaiah Shetty                                                                                                               |
| 26. | <p>Construction of Left Bank Canal from 7.00 to 8.00km</p> <ul style="list-style-type: none"> <li>➤ Excavation of hard rock.</li> <li>➤ RCC cut &amp; cover from 7.250 to 7.340</li> <li>➤ RCC cut &amp; cover from 7.525 to 7.575</li> </ul>                                                                                                 | 22.72<br>103.59<br>144.95                                  | Shri. B. Udayakumar Shetty<br>- "-<br>G. Gokula Shetty                                                                                   |
| 27. | <p>Construction of Left Bank Canal from 8.00 to 9.00km</p> <p>Balance work of Earth work and CC lining and cross drainage</p>                                                                                                                                                                                                                 | 5.82                                                       | Shri. Subash Chandra Shetty                                                                                                              |
| 28. | <p>Construction of Left Bank Canal from 9.00 to 10.00km</p> <p>Cross drainage/EW/CC lining (super passage)</p>                                                                                                                                                                                                                                | 58.83                                                      | Shri. Naveen Chandra Shetty                                                                                                              |
| 29. | <p>Construction of Left Bank Canal from 10.00 to 11.00km</p> <ul style="list-style-type: none"> <li>➤ Excavation of hard rock.</li> <li>➤ Cross drainage from 10.500 to 10.672 km</li> <li>➤ RCC retaining wall @ 10.625 to 10.125 km</li> <li>➤ Balance lining from 10.00 to 11.00 km</li> <li>➤ RCC cut &amp; cover (Box drain)</li> </ul>  | 11.68<br>Rs. 84.94<br>Rs. 11.00<br>Rs. 23.53<br>Rs. 104.22 | Shri. H. Hirannayya Shetty<br>M/s. Supradha construction.<br>Shri. Ashok Shetty<br>M. Vishwanatha Shetty<br>- "-                         |
| 30. | <p>Construction of Left Bank Canal from 11.00 to 12.00km</p> <ul style="list-style-type: none"> <li>➤ EIRL &amp; workslip</li> <li>➤ Construction of super panage from 11.170 to 11.575 (CD)</li> </ul>                                                                                                                                       | 9.55<br>217.45                                             | Shri. Navinchandra Shetty<br>Shri. G. Shankar                                                                                            |
| 31. | <p>Construction of Left Bank Canal from 12.00 to 13.00km</p> <ul style="list-style-type: none"> <li>➤ EIRL &amp; workslip</li> <li>➤ RCC Retaining work from 12.290 to 12.350.</li> <li>➤ RCC Cut &amp; Cover from 12.319 to 12.350 km</li> <li>➤ RCC Cut &amp; Cover from 12.280 to 12.319 km</li> <li>➤ RCC Cut &amp; Cover from</li> </ul> | 8.35<br>5.78<br>55.30<br>44.11<br>108.85                   | Shri. Naveen Chandra Shetty<br>Shri. M. Vishwanath Shetty<br>Shri. K. Subhash Chandra Shetty<br>Shri. Dinesh Hegde<br>Shri. Dinesh Hegde |

|     | 12.370 to 12.454 km                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                |                                                                                                                                                                                         |
|-----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 32. | <p>Construction of Left Bank Canal from 13.00 to 14.00km</p> <ul style="list-style-type: none"> <li>➤ EIRL &amp; workslip</li> <li>➤ RCC Retaining work from 13.380 to 13.405 Km</li> <li>➤ Cut &amp; Cover from 13.200 to 13.350 km</li> <li>➤ Cut &amp; Cover from 13.770 to 13.845 km</li> <li>➤ Construction of loop canal from 13.150 to 13.310 km.</li> <li>➤ EIRL &amp; Workslip</li> </ul>                                              | <p>24.51</p> <p>20.42</p> <p>172.18</p> <p>161.41</p> <p>2.23</p> <p>24.51</p> | <p>M/s. Eagle Earth Movers.<br/>Shri. B. Udayakumar Shetty</p> <p>Shri. M. Mahesh Hegde</p> <p>Shri. Dinesh Hegde</p> <p>Shri. Praveen Kumar Shetty</p> <p>M/s. Eagle Earth movers.</p> |
| 33. | <p>Construction of Left Bank Canal from 14.00 to 15.00km</p> <ul style="list-style-type: none"> <li>➤ EIRL &amp; workslip</li> <li>➤ RCC Retaining work from 14.200 to 14.325 Km &amp; 14.675 to 14.700 km.</li> <li>➤ RCC cut &amp; Cover from 14.200 to 14.255</li> <li>➤ RCC cut &amp; cover from 14.175 to 14.210</li> </ul>                                                                                                                | <p>42.65</p> <p>33.38</p> <p>114.87</p> <p>54.50</p>                           | <p>Shri. V.I. Shetty</p> <p>Shri. Vasanth R. Hegde</p> <p>Shri. Vishwanath Shetty</p> <p>Shri. Ashok Kumar Shetty</p>                                                                   |
| 34. | <p>Construction of Left Bank Canal from 15.00 to 16.00km</p> <ul style="list-style-type: none"> <li>➤ EIRL &amp; workslip</li> <li>➤ RCC Retaining work from 15.325 to 15.355 Km, 15.355 to 15.590 &amp; 15.873 km to 15.940 km.</li> <li>➤ Compaction left side slap &amp; near RCC retaining wall @ 15.685 km</li> <li>➤ RCC retaining wall/Relieving weir @ 15.835 to 15.925</li> <li>➤ RCC cut &amp; cover from 15.873 to 15.940</li> </ul> | <p>7.44</p> <p>13.72</p> <p>46.71</p> <p>17.46</p> <p>78.83</p>                | <p>Shri. V.I. Shetty</p> <p>Shri. M. Vishwanath Shetty<br/>Shri. N. Vishwanath Shetty</p> <p>Shri. N. Vishwanath Shetty</p> <p>Shri. M. Vishwanath Shetty</p>                           |
| 35. | <p>Construction of Left Bank Canal from 16.00 to 17.00km</p> <ul style="list-style-type: none"> <li>➤ EIRL &amp; workslip</li> <li>➤ EIRL &amp; workslip</li> </ul>                                                                                                                                                                                                                                                                             | <p>14.42</p> <p>117.95</p>                                                     | <p>Shri. P.K. Shivaram</p> <p>Shri. P.K. Shivaram</p>                                                                                                                                   |

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|-----|--------------------------------------------------------------------------------------------------------------|--------------------------|----------------------------------------------------------------------------------------|
|     | ➤ RCC Retaining wall from 16.025 to 16.625 (selected reach) & Intet @ ch. 16.025 to 16.300                   | 45.33                    | Shri. N. Chandrashekar Hegde                                                           |
|     | ➤ Cut & cover from 16.350 to 16.415km                                                                        | 74.71                    | Shri. Shivaram Shetty                                                                  |
|     | ➤ RCC Retaining wall from 16.000 to 16.010, 16.081 to 16.086 & 16.295 to 16.305                              | 16.30                    | Shri. Ananthaiah Shetty                                                                |
|     | ➤ RCC cut & cover from 16.820 to 16.910 km                                                                   | 119.77                   | Shri. K. Sadananda Shetty                                                              |
|     | ➤ RCC cut & cover from 16.275 to 16.340 km                                                                   | 68.92                    | Shri. Ramesha.P. Chinnakara                                                            |
|     | ➤ RCC cut & cover from 16.415 to 16.515 km                                                                   | 137.29                   | Shri. N. Chandrashekar Hegde                                                           |
|     | ➤ RCC cut & cover from 16.415 to 16.515 km                                                                   | 86.58                    | Shri. Vishwanatha Shetty                                                               |
|     | ➤ RCC cut & cover from 16.000 to 16.0275 & 16.0395 to 16.081 km                                              | 98.102<br>13.82<br>92.32 | Shri. Jayasheelan N Shetty<br>Shri. N. Chandrashekar Hegde<br>Shri. Vishwanatha Shetty |
|     | ➤ RCC retaining wall & cut & cover from 16.140 to 16.160 (Retaining wall) & 16.180 to 16.252km (Cut & cover) |                          |                                                                                        |
|     | ➤ RCC retaining wall from 16.252 to 16.272 km                                                                |                          |                                                                                        |
|     | ➤ RCC retaining wall from 16.675 to 16.775 km.                                                               |                          |                                                                                        |
| 36. | Construction of Left Bank Canal from 17.00 to 18.00km                                                        |                          |                                                                                        |
|     | ➤ EIRL & workslip                                                                                            | 58.57                    | M/s. Eagle Earth Movers.                                                               |
|     | ➤ RCC retaining wall from 17.650 to 17.750 km                                                                | 53.06                    | Shri. Subhash Chandra shetty                                                           |
|     | ➤ RCC retaining wall from 17.750 to 17.785.                                                                  | 61.34                    | ---                                                                                    |
|     | ➤ RCC cut & cover from 17.350 to 17.410 km                                                                   | 69.15                    | Shri. S. Ananthaiah Shetty                                                             |
|     | ➤ RCC cut & cover from 17.115                                                                                | 96.82<br>89.94<br>61.09  | Shri. Dinesh Hegde<br>Shri. Udaya Kumar Shetty<br>Shri. Suneel Shetty                  |

|     |                                                                                                                                                                                                                                                         |                         |                                                                                       |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------------------------------------------------------------------|
|     | to 17.175 km<br>➤ RCC cut & cover from 17.000 to 17.085km<br>➤ RCC cut & cover from 17.300 to 17.350km                                                                                                                                                  |                         |                                                                                       |
| 37. | Construction of Left Bank Canal from 18.00 to 19.00km<br>➤ EIRL & workslip<br>➤ RCC retaining wall from 18.00 to 18.045 & 18.150 to 18.235<br>➤ RCC retaining wall from 18.150 to 18.250, 18.295 to 18.325 & 18.765 to 18.810                           | 28.85<br>42.59<br>81.42 | Shri. K. Venkatesh Murthy<br>Shri. G. Gokula Shetty<br>Shri. M. Vishwanatha Shetty    |
| 38. | Construction of Left Bank Canal from 19.00 to 20.00km<br>➤ EIRL & workslip<br>➤ RCC Retaining wall from 19.215 to 19.260 km & construction of Inlet @ ch. 19.250.<br>➤ RCC retaining wall from 19.075 to 19.100, 19.300 to 19.325 & 19.700 to 19.720km. | 21.90<br>21.88<br>31.59 | M/s. Eagle Earth Movers.<br>Shri. P. Suryanarayana Shetty<br>Shri Sachidananda Shetty |
| 39. | Construction of Left Bank Canal from 20.00 to 21.00km<br>➤ EIRL & workslip                                                                                                                                                                              | 39.83                   | Shri. P.K. Shivaram                                                                   |
| 40. | Construction of Left Bank Canal from 21.00 to 22.00km<br>➤ EIRL & workslip<br>➤ RCC retaining wall from 21.670 to 21.730                                                                                                                                | 313.99                  | Shri. Naveen Chandra Shetty                                                           |
| 41. | Construction of Left Bank Canal from 22.00 to 23.00 km<br>➤ Retaining wall work is under progress.                                                                                                                                                      | -                       | -                                                                                     |
| 42. | Construction of Left Bank Canal from 23.00 to 24.00km<br>➤ EIRL & workslip                                                                                                                                                                              | 32.00                   | Shri. K. Sadananda Shetty                                                             |
| 43. | Construction of Left Bank Canal                                                                                                                                                                                                                         |                         |                                                                                       |

|  |                                            |       |                       |
|--|--------------------------------------------|-------|-----------------------|
|  | from 24.00 to 25.00km<br>➤ EIRL & workslip | 94.87 | Shri. K. Gokul Shetty |
|--|--------------------------------------------|-------|-----------------------|

74. Based on the detailed project report Karnataka State Government by order No.PWD 71 GIP 76 dated 27.3.1979 had given Administrative Approval for Varahi Irrigation Project with an estimated cost of Rs.943.00 lakhs subject to the clearance from Government of India. However approval was accorded for preliminary works for construction of approach roads and colony buildings, though the Government order specified that the project was subject to the clearance of Government of India, the Hon'ble Chief Minister laid the foundation on 20<sup>th</sup> December 1980 promising the public of immediate irrigation facilities. Earlier it was decided to construct weir but Karnataka Power Corporation Limited in its letter dated 29.01.1980 informed the Government that if the height of the dam is increased with storage capacity to match the tale race level, there was possibility of generating of 150 million watt energy and suggested that the KPC would examine the possibilities of generating power by constructing the dam and power house at the proposed site. As a result of the said letter, the Under Secretary, PWD held a meeting on 18/12/1981 with the Chief Engineer, Hemavathy Project and Chief Engineer of KPC and decided to cancel the Tender Notifications already issued and also to decided to explore the possibility raising the height of RL of the dam to 81.00 mtrs.. The cost of the proposed construction of increased height of the dam was estimated at Rs.5042.00 lakhs in 1981-82 and to that effect a report was submitted to the

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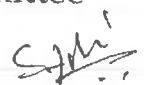
Government on 31.05.1982. This proposal is found to have been modified in the year 1992 with the intention of avoiding submersion of reserved forest area. The Central Water Commission directed to comply with the observation made in its communication dated 09.06.1993 and Central Government by its letter dated 20/03/2001 suggesting to modify the scope of project by constructing diversion weir instead of pickup dam, without any storage, but to cater irrigation needs only as stipulated in the original project report prepared during 1979. These facts clearly emphasize that the project was only for the purpose of irrigation and not for hydro electricity production. But it was decided by the Government to have hydro electricity generating station and as the above narrated facts disclosed that to facilitate the Hydro Electricity Power Generation, it was decided to construct aquaduct to release the water to see the flow of water in LBC and RBC.

75. With regard to the diversion weir, the I.O has observed that the topography of the land where diversion weir has come has not been properly studied. He has also observed that diversion weir comes within the protected forest area and permission to use that forest land is found to have been obtained after much delay. In spite of the fact that was known to the department that permission had to be taken from the Forest department, the concerned officers have not exercised due care and wisdom before inviting tender. It has also been observed by the I.O that proper study has not been taken up to know the requirement of service roads, bridges across the canal. He has observed that such


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incidental work has been carried out by the department only whenever it was found to be necessary and also according to the exigency. Even it has been observed by the I.O the concerned should have taken proper decision before preparing the estimate for diversion weir as the guide wall bridge that has been constructed after approval of diversion weir construction where the work of guide wall bridge construction was not at all incorporated. Because of this the S.R rate that was prevailing at the time of submission of proposal for the said additional work had to be considered and because of the said additional work and because of the SR that was prevailing had to be given to the contractor have resulted in EFI in huge amount and also the extension of time to complete the canal in the said reach was to be considered by the department. It has been observed by the I.O that at Ch.0.900 K.M to Ch.1.00 K.M, even though the land required for the said purpose of construction was found to have been acquired on 27/12/2007 itself by completing all the acquisition proceedings the proposal for additional work is found to have been submitted for approval only after 1½ years i.e. on 08/06/2009. The said work is found to have been completed on 10/06/2010. It has been further observed by the I.O that had the permission to execute the work soon after the completion of land acquisition proceedings, considerable amount of EFI would have been avoided.

76. With regard to the canal work of RBC at Ch.1.00 to Ch.2.00 K.M, even though there was decision of the 69<sup>th</sup> Technical Committee



Meeting to change the design as per the requirement for canal excavation, the estimate for the canal construction was submitted without effecting any modification in the estimate according to the requirement for excavation and obtained approval on 25/01/2007. This has resulted in time extension in executing the canal work and also has caused Extra Financial Implication. At Ch.1.736 K.M of RBC at the time of super passage and construction of draft canal at Ch.1.750 K.M, the construction of permanent ramp had been undertaken. For the said work of construction of permanent ramp, provision has not been made in the approved estimate. Because of this Extra Financial Expenditure was to be borne by the Government. Likewise, it has been found by the I.O due to the fact that even though land acquisition proceedings were found to have not been completed, action has been initiated by the concerned by inviting tenders for the construction of canal and work is said to have been commenced on 02.08.2006 by the contractor. But two times time extension has been given to the contractor to construct canal even though the land acquisition proceedings were found to have not been completed. The tender is found to have been invited and work has been entrusted to the contractor. But due to above said reason, time extension has been given without penalty. Therefore, Government had to incur Extra Financial Implication, because of the reason that the land had not been handed over to the project. Further, it has been observed by the I.O that due to the reason that the contractor has been given the work order without getting the land acquired. Therefore, this has resulted in Extra Financial Implication and even the tender had to be rescinded.



77. Even though the Technical Sub-Committee in its 69<sup>th</sup> meeting has given its approval to have 3.00 mts. berm width, instead of 1.00 mt. wherever the depth of the canal is more than 10.00 mts. The concerned officers have not taken care to include the said extra work in the modified estimates and to get the approval at the earliest by taking consent of the contractor. This has resulted in Extra Financial Implication and delay in execution of work. It has been seen from the 115<sup>th</sup> and 124<sup>th</sup> Meeting proceedings of the Technical Sub-Committee that advice has been given to the concerned to invite tender only after taking the possession of the land. But it has been observed that over looking such said advice, tenders have been invited before taking the land into the possession of the department eventually leading to cancellation of tender and delay in canal work. So from the above material discussed above in para supra it is clear that Varahi project has been delayed due to the reason that (1) in not properly studying and assessing the topography of the land in which the Varahi project runs through (2) not placing the estimates in time for approval after noticing the changes in the berm width, (3) increase in depth of the canal, (4) landslides due to loamy soil (5) extra additional work due to the finding of laterite during the course of excavation and unavailability of land due to the delay in land acquisition etc.
78. During the course of investigation sitting at Udupi, IB on 21/11/2014 and 22/11/2014 was held in the presence of the concerned Engineers, the Superintending Engineer, Varahi Project

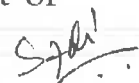


Zone, the complainant and the advocates representing the complainant and enquiry was conducted. During the course of enquiry it was submitted by the Superintending Engineer (I/c. Chief Engineer) that the proposed construction of dam with increased height with the estimated cost of Rs.5042/- lakhs in the year 1981-82. This proposal was modified in the year 1992 to avoid major submergence of Reserved Forest Area. Due to the fact that Forest Conservation Act, 1980 envisaged reservation of forest. Therefore the idea of having left bank canal was dropped in view of the coverage of meager achkat area. Therefore, a fresh proposal was sent to the Central Water Commission on 29/01/1993 for approval. Central Water Commission directed to comply with the observation made in its communication dated 09/06/1993 and Central Government by its letter dated 20/03/2001 suggesting to modify the scope of the project by constructing diversion weir instead of pick up dam without any stage, but to cater only irrigation needs, as stipulated in the original project report.

79. The Ministry of Environment and Forest, Government of India released 129.60 acres of Reserved Forest subject to certain conditions of afforestation and providing compensation to non forest land which included the cost of rising trees.
80. According to the information furnished by the S.E, 1<sup>st</sup> Tender notification was issued on 09/08/1993, inviting tender for design, supply, erection and commissioning of Electrically driven turbines, pumps and motors including sealed works. Such as approach canals, jack well, pump house, raising main delivery

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cistern etc. According to the Executive Engineer the tender was awarded to M/s. Water & Power Engineering Company for Rs.6.28 crores with the condition to complete the work in 15 months including rainy season. Accordingly the Executive Engineer, Varahi Project and M/s. Water & Power Engineering Company entered into an agreement. However, supplementary agreement was entered into on 25/06/1998 on the ground that extra work was suggested to original agreement with an estimated cost of Rs.4,93,167/-. According to the S.E of Varahi Project the site was handed over to the contractor and directed to commence the work on 16/11/1994. It has been observed that no reason forthcoming as to why the work was not completed within the stipulated period of 7 months and commencement of rainy season. The S.E was present during the enquiry was not in a position to explain as to why the tender was called in 1993 and work order was issued. However, he sought to clarify by giving the reason that the delay in clearing the project by the Government and also the commencement of the Left Bank Canal from other valley from the river aquaduct point up to 21.00 K.M's. He further submitted that as there was no clearance necessary for undertaking head works, the tender notification was issued. At that juncture there was no clearance from the Central Water Commission, Ministry of Environment and Forest- Government of India and Karnataka State Pollution Control Board for taking up the project in view of the fact that some of the forest areas were falling in the proposed LBC and also RBC. In order to construct Left Bank Canal, the Ministry of Environment and Forest Department, Government of



India released 15.40 Hectares of Forest land through their letter dated 03/01/1996. So it is clear from the above discussion that even before getting the clearance from MOEF, GOI, Karnataka State Pollution Control Board and Central Water Commission, tender is said to have been invited.

81. However, Government proposed to acquire land for construction of Left and Right Bank Canals with effect from 1994 and first preliminary notification came to be issued on 10/10/1995. In some cases awards were passed in 1999-2000 onwards. It is stated that before the land acquisition proposal proceedings were initiated, the canal work at some places were already commenced. According to the land acquisition officer, in respect of 14 cases for area measuring 53.54 acres, the land acquisition officer returned the file in view of the fact that the new land acquisition act came into force and in respect of 11 cases for an area measuring 141.41 acres they are pending at different stages. It was informed during the course of enquiry that up to 30.00 K.M LBC is under near completion and distributaries up to 23.00 K.M are completed. Further, it has been submitted that RBC at point between chainage 3.00 to 4.00 K.M, 10.00 to 11.00 K.M, 14.00 to 16.00 K.M and 17.00 to 18.00 K.Ms there were bottle neck. However, it was submitted that water has been provided for irrigation up to 17.00 K.M in LBC covering an area measuring 3541.84 acres. But the Tahasildar, Kundapur in whose jurisdiction the substantial area comes submitted that on discreet enquiry from owners of land of Haradalli and Mandalli Village stated that they have not received

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any water. Even according to Tahasildar, Kundapur in respect of three villages nearly 599.37 acres of land have not received any water so far. It was also observed that it was a serious issue that the farmers who were likely to get water in LBC were not receiving water from the LBC. No record has been produced to show that water was discharged for farmers as it has not been declared by the Irrigation Department with regard to the discharge of water in the canal nor entries in revenue records. The Tahasildar submitted that she has not received any information of discharge of water to any of the land up to 17.00 K.M's of LBC. But S.E., Varahi Project Zone produced paper cutting dated 19/03/2010, wherein, news item dated 18/03/2010 showed "On trial basis water is discharged on 17/03/2010".

82. Normally for any irrigation facility there has to be an entry in revenue records in relevant column and also there should be a mention with regarding to the corresponding crops. But on verification of records there is no mention of 2<sup>nd</sup> crop of sugar cane and 3<sup>rd</sup> crop of paddy in the revenue records, except the mention about crop produced during rainy season. Even the S.E., submitted that they have not declared about the discharge of water into the distributaries and main canal in the news paper. As regard to the Right Bank Canal, the S.E., TAC, Karnataka Lokayukta had made inspection and as per his report had held inspection and as per his report RBC was yet to be completed and he has pointed out that in between Ch.2.675 to 2.800 K.M's, Ch.3.285 K.M to Ch.3.380 K.M; Ch.3.40 K.M to Ch.3.44 K.M and Ch.15.595 K.M to Ch.15.675

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K.M, work was found to be incomplete. Portions between Ch.3.00 K.M to Ch.4.00 K.M; Ch.10.00 K.M to Ch.11.00 K.M and Ch.15.00 to Ch.16.00 K.M and Ch.17.00 to Ch.18.00 K.M were also found to be incomplete. As per S.E., TAC, KLA, Bengaluru he has found the rocky area. On verification of tender proceedings actual cost of the completed work is not been given. Even the advocates who participated in the enquiry submit that, certain documents secured under the provisions of RTI Act. In the said document the Secretary to Government of Karnataka (Technical person)-1 has issued as to the amount spent on Varahi. Surprisingly, there is expenditure incurred right from 1983-84 towards construction of canal and distributaries, even though there was no construction of canal till 2006, except the work of LBC.

83. Right from the day on which the project was envisaged i.e. right from 1943, the construction of diversion weir was exclusively for irrigation purpose in between Karnataka Power Corporation came out with proposal to increase the height of dam with an object of installing 115 MW Electricity. Even after examination and detailed discussion the said proposal was rejected and it was decided to go ahead with the project only for irrigation purpose. Though the intention was to complete the project at the earliest as promised ensuring the irrigation as on the date of the said enquiry, the project was found to be incomplete and the farmers have not received the benefit of the said project. But on contrary Government of Karnataka by its order dated 14/10/2005 accorded the permission for minor Hydro Electric Plant in favour of M/s.

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Shamili Hydal Project and the said Government order appears to have come in existence on the basis of the proceedings of the Technical Committee dated 30/09/2005. After verifying the records it appears that selection of M/s. Shamili Hydal Project is found to be unilateral. Before this it is stated that one Krishna Power Technology was granted permission to have 6 Megawatt Hydro Electric Power Station. The sanction of Mini Hydal Project was subject to the condition that the Hydal Project was to be commissioned without affecting interest of farmers even whenever there is lean flow in the river. The 67<sup>th</sup> Meeting Proceedings of Technical Sub-Committee has discussed about the erection of 12 Mega Watt Mini Hydal Project and the minutes of the meeting is reproduced here under:-

1. The Government (Energy Department) has accorded approval to implement 6 MW Mini Hydel Project near Hariabbe, right bank of Varahi River Kundapur Taluk, Udupi District through M/s. Krishna Power Technologies Pvt., Ltd., vide G.O. No. DE/165/NCE/2003 Bangalore dated 15.10.03. Also, the Government (WRD) has accorded approval for implementation of 6MW Mini Hydal Scheme vide letter no. WRD 96 MMM 2003 dated 9.10.03 (addressed to CE, VPZ, Siddapura).
2. The Government of Karnataka (Energy Department) in their G.O. No. EN 296 NCE 2005, Bangalore dated 14.10.05 has granted permission for installation of 6 MW Mini Hydel Power Project as left bank of Varahi diversion weir to M/s. Shamili Hydel Power Project Company subject to condition that, necessary permission should be obtained from Water Resources Department in addition other conditions. The project report of M/s. Shamili Hydel Power Projects Pvt., Ltd., received from WRD, GOK letter dated 15.12.05

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was placed in the 62<sup>nd</sup> TSC meeting held on 25.1.06. As per the recommendation of the TSC, the proposal was approved by the Board in its 29<sup>th</sup> meeting held on 29.3.06.

3. Now the WRD GOK in their letter no. WRD 20 MMM 05 dated 14.7.06 has requested to communicate opinion on the project report submitted by M/s. Shamili Hydel Power Projects Pvt., Ltd., Udupi for installation of 12 MW Mini Hydel Scheme on left bank of Varahi diversion scheme. The proposal (Project Report) received from the Government (WRD) was communicated to CE, VPZ, Siddapura to give their opinion in this regard. The CE, VPZ, Siddapura has given his consent subject to certain conditions.
4. The CE reported that M/s. Krishna Power Technologies Pvt., Ltd., Bangalore has merged with M/s. Shamili Mini Hydel Projects, Udupi and a new company by name M/s. Shamili Hydel Power Projects Pvt., Ltd., Udupi has come into existence.
5. The detailed project report of 12MW Mini Hydel Scheme on Left Bank of Varahi Diversion Weir received from M/s. Shamili Hydel Power Projects Pvt., Ltd., was placed before the TSC for deliberation.
6. The TSC noted that, 6 MW mini hydel scheme on left and right bank of Varahi diversion weir are now combined together and proposed to construct 12 MW mini hydel scheme at left bank of Varahi diversion weir. The CE reported to the Committee that, M/s. Krishna Power Technologies Pvt., Ltd., Bengaluru has merged with M/s. Shamili Mini Hydel Projects, Udup and a new company by name M/s. Shamili Hydel Power Projects Pvt., Ltd., Udupi has come into existence.
7. The TSC discussed the subject in detail. The TSC decided that the conditions imposed during approval given for 6 MW power project to M/s. Shamili mini Hydel Project during 62<sup>nd</sup> meeting of TSC and approved by 29<sup>th</sup> meeting of Board of Directors of KNNL are to be reiterated and also to impose the conditions that (i)

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withdrawal of water for power generation should not affect the irrigation needs of Varahi Irrigation Project (ii) the controlling arrangements at the intake should be provided and it should be strictly under the control of KNNL. The installation of power generation units should not affect the withdrawal of water for Varahi right bank common canal i.e. RL 33.14M. Further TSC also said that irrigation needs should dominate over power generation, whenever there is lean flow in the river. After detailed deliberations, the TSC recommended to clear 12 MW Hydel Project instead of two 6 MW projects & instructed to bring this to the perusal of the Board.

84. It has been observed by me that, during course of enquiry held at inspection bungalow Udupi on 21/11/2014 that irrigation need will dominate the power generation whenever there is lean flow in the river. Therefore, the object of the project was to ensure that farmers would get full benefit of the project. But there are several interference and obstructions in the way of the completion of the project. As on the date of enquiry it appeared prima facie that the only beneficiary was the mini Hydel Project company. The proprietor of the said Hydel Electricity generating Company is Shri G. L. Shankar. As long as the Varahi project is delayed the mini Hydel Project would get sufficient quantity of water so as to generate Electricity and to make profit. It has also been observed that Government in another order dated 13/06/2006 has sanctioned additional production of 6 MW Hydel Project. This agreement was entered into between Mangalore Electricity Supply Company and M/s. Shamili Hydel Project. The facts and figures placed before the enquiry disclosed that as on 14<sup>th</sup> August 2006



purchase of power produced by the said mini Hydel Project is at Rs.2.80 per unit as on the date of enquiry an average of 2.11 million units of Electricity said to have been supplied by the Company to MESCOM at the cost of Rs.59.00 lakhs. As on the date of enquiry the MESCOM was said to have paid Rs.49,89,00,000/- to the said mini Hydel Project company towards purchase of Electricity. It has been observed during the course of enquiry that the Hydel Project company has not paid even a single paisa to the Irrigation Department for utilization of water as royalty and no contract has been entered into so far. Therefore, this has led to the conclusion that as long as the RBC is not completed, the main beneficiary would be the Hydel Project company as there will not be any chance of insufficiency of water and no hindrance for the utilization of the same (LBC admittedly starts at the downstream of the mother river valley). During the course of enquiry the advocates appearing for the complainant pleaded that the major portion of the RBC work has been delayed because the same was entrusted to the contractor by name Shri G.L. Shankar who is none other than the owner of the very same Hydel Project Company. As per the records and the extracts of the proceedings of 67<sup>th</sup> meeting of Technical Sub-Committee, the Government of Karnataka (Energy Dept) is found to have accorded the approval to implement 6 MW mini Hydel Project near Hariabbe, Right Bank of Varahi river, Kundapur Taluk, Udupi District through M/s. Krishna Power Technologies Pvt., Ltd., vide G.O. No. DE/165/NCE/2003 Bangalore dated 15.10.2003. In turn Water Resource Department had accorded approval for implementation



of 6 MW mini hydel scheme vide letter No. WRD 96 MMM 2003 dated 9.10.2003. The Government of Karnataka (Energy Department) in their G.O. No. EN 296 NCE 2005, Bangalore dated 14.10.2005 have granted permission for installation of 6MW Mini Hydel Power Project at Left Bank of Diversion Weir to M/s. Shamili Hydel Power Project company subject to condition that necessary permission could be obtained from Water Resource Department in addition to other conditions. As per the recommendations of the Technical Sub-Committee the said proposal of starting 6MW Hydel Power Project is found to have been approved by Board in its 29<sup>th</sup> Meeting held on 29/02/2006. Further, it was proposed to have 12 MW Hydel Power Project by M/s. Shamili Hydel Power Project Pvt. Ltd., Udupi on Left Bank of Varahi Diversion Weir. The proposal for the said project was received by the Government of Karnataka (Water Resource Department) and the same was communicated to C.E, Varahi Project Zone, Siddapur to give their opinion in that regard. For the said project the CE, Varahi project zone is found to have given consent subject to certain conditions. In the meanwhile it was found reported by CE, Varahi project zone that, M/s. Krishna Power Technologies Pvt., Ltd., has merged with M/s. Shamili mini Hydel Projects, Udupi. But as per the agreement between MESCOM and the hydro electricity company there is no clause at which the company required to pay the amount for utilization of water to the Hydel Project. Admittedly, the company has not paid even a single paisa to the irrigation department for utilization of water. Therefore, it has been concluded that "this gives an



impression that as long as RBC is not completed, the main beneficiary would be Hydel Project as there is no chance of water to RBC. During the course of the said enquiry by me the advocates representing the complainant alleged that the work of RBC has been delayed for the reason that, the contractual work of construction of canal work has been entrusted to the same owner who has taken up Hydel Electricity Project as mentioned above.

85. With regard to the salt water exclusion dam is concerned, the same has been constructed with the object of supplying drinking water to Hatti Kudru Island. The I.O has observed that since earlier design of the dam was to be changed due to defect in it, construction of dam was delayed. Therefore, extension of time was given to the Tenderer from 23/11/2008 to 30/06/2009 without penalty. IO has observed that during rainy season flow of water into sea would be without any hindrance. But during the period when the flow of river slows down due to lean period, the high tide in sea would cause the flood gates to close. This will result in collection of water on the other side of the dam affecting the lands and residents of the neighbourhood.

86. The I.O called for the list of officers who prepared Estimates, proposed, who accorded sanction, who implemented the project. Accordingly the CE/SE of Project Varahi furnished the list. Thereafter, those officers enlisted by the Chief Engineer, Varahi Project Zone were impleaded as Respondents No.9 to 64 and their comments were called for by sending the copy of IO's report to them. Received the reply/comments of the majority of the

respondents (As some of the officers are reported to be dead and some of them reported to have been transferred, the present address could not be furnished by the Water Resources Department, since the same was not within their knowledge.

(i) R1, Shri Panduranga D.R

It has been reported by the Dy.SP, KLA, Udupi that the notices issued to Shri B.R. Panduranga (R1), Executive Engineer, have been served. But, reply has not been received to the I.O's report. Hence, it has been taken that he has no reply to the I.O's report.

(ii) R3, Shri Bellappa M.C, Executive Engineer

It has been reported by the Dy.SP, KLA, Udupi that on enquiry it has been found that the name Shri Bellappa M.C is not correct. But the name of the Executive Engineer is Chennappa M.C. He further submitted that the said Shri Chennappa M.C is reported to be dead and the Death Certificate discloses that, he died on 12/10/2002.

(iii) R4, Shri Shivalingaiah Executive Engineer (Retd.)

He submitted that he worked in No.2 Varahi Project Division as Executive Engineer from 17/09/2013 to 31/05/2014. During his tenure some of the works of the Project were completed. Some works were in progress and some of the works were delayed due to technical reasons. So far as the works under progress and the works which were delayed were concerned, he had taken action to complete those works as early as possible as per the Departmental

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rules and also the directions of the higher ups. He submitted that the work of construction of Right Bank Canal of Varahi Project at Ch.2.00 K.M to Ch.3.00 K.M, Ch.3.00 to Ch.4.00 K.M was under progress and even during his tenure the said work could not be completed. He has further submitted that Varahi Right Bank Canal at Ch.4.00 to Ch.5.00 K.M, Ch.5.00 to Ch.6.385 K.M of RBC, at Ch.6.385 to Ch.6.720 K.M approach canal of RBC and construction of tunnel at Ch.6.720 K.M to Ch.8.10 K.M of RBC and construction of exit canal at Ch.8.10 K.M to Ch.8.40 K.M were under progress and the work continued to be under progress throughout his tenure. He further submitted that construction of Varahi Right Bank Canal from Ch.8.40 K.M to Ch.9.00 K.M was under progress when he took charge and it continued to be under progress when he left Varahi Project Zone on transfer. With regard to the construction of Right Bank Canal of Varahi at Ch.9.00 K.M to Ch.10.00 K.M, he submitted that the said canal was already constructed when he took charge at Varahi Project. He further submitted that the work of construction of RBC at Ch.10.00 K.M to Ch.11.00 K.M was under progress and it continued to be under progress at the time he left Varahi Project on transfer. Construction of RBC at Ch.11.00 K.M to Ch.12.00 K.M, Ch.12.00 K.M to Ch.13.00 K.M and Ch.13.00 K.M to 14.00 K.M was under progress when he took charge of Varahi Project and these works were completed during his tenure. Construction of RBC at Ch.15.00 K.M to Ch.16.00 K.M was under progress when he took charge at Varahi Project and the said work was still under progress when he left the Varahi Project on transfer. Construction of RBC at

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Ch.18.00 K.M to Ch.18.725 K.M was under progress when he took charge at Varahi Project and some progress was achieved during his tenure and it was still under progress when he left the project on transfer. Therefore, he submitted that during his tenure as Executive Engineer (i.e. from 17/09/2013 to 31/05/2014) he could achieve substantially construction of RBC and those works were carried out as per the instructions and advice of higher ups. Therefore, there is no dereliction of duty or illegality in his duty. Therefore, he has requested to drop the proceedings against him.

(iv) R5, Shri Narayan Shetty.C, Executive Engineer

He has submitted that he worked in Varahi Project Zone from 15/07/2002 to April 2003 i.e. for a period of 10 months. He further submitted that he worked as Deputy Chief Engineer in the O/o Chief Engineer and he was not entrusted with any work or responsibility. Therefore, there is no misappropriation of fund or dereliction of duty by him. Hence, he has requested to drop the proceedings against him.

(v) R6, Shri V.K. Rajendra, Superintending Engineer (the then E.E)

He has submitted that during his tenure he has taken utmost care and caution in order to prevent the delay in works of the Varahi project. He further submitted that he has hastened the land acquisition process and taken the grants to the possession of Irrigation Department, obtained No objection Certificate from Central Government to take protected Forest land. He further submitted that the observation made with regard to the

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construction of RBC at reach 0.30 K.M to 8.40 K.M estimate has not been prepared and work was also not carried out during his tenure. With regard to the Right Bank Canal at Ch.0.30 K.M to 1.00 K.M land acquisition was not properly processed by the Revenue Department. There was delay by the Revenue Department in handing over the kumki land. Therefore, there was no dereliction of duty on the part of the officers of his Department. The delay was due to the negligence on the part of the Revenue Department officials. Even there was delay in disbursement of compensation to the owners of the land whose lands were acquired for the project. Even with regard to the observation made by the I.O with regard to the construction of RBC at reaches 1.00 K.M to 2.00 K.M and 2.00 K.M to 3.00 K.M, 3.00 K.M to 6.385 K.M R6 has given the same reply as narrated above. Therefore, he has requested to drop the proceedings against him.

(vi) R8 and R28 T. Lakshmanappa, Executive Engineer

He has submitted that he worked in Varahi Project Zone from 16/10/2009 to 25/06/2012. The construction of Left Bank Canal from Ch.0.00 K.M to Ch.44.35 K.M and also the work of construction of distributaries to LBC were coming under his jurisdiction. He further submitted at the time when he took charge, the LBC of Varahi Project from 0.00 K.M to 21.00 K.M of main canal was already completed. The construction of work at Ch.22.00 K.M, 24.00 K.M, 25.00 K.M, 26.00 K.M and 29.00 K.M were under progress. Even the work at Ch.30.00 K.M tender had been invited with regard to the construction of canal at reaches

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23.00 and 27.00 K.M. With regard to the work of land acquisition there was separate staff and office from the Revenue Department and action was in progress from the officials of Revenue Department. Even though the construction of canal work had been completed at reach 0.00 K.M to 21.00 K.M, wherever, the depth of the canal was more than 10.00 mtrs. and landslides occurred, cut and cover, Gravitation Retain Wall are constructed as per the advice of Technical Advisory Committee and approval of Technical Sub-Committee. He further submitted that construction cut and cover was carried out as additional work at reaches from 1.400 K.M to 1.500 K.M, 10.00 K.M to 11.00 K.M, 12.00 K.M to 13.00 K.M, 12.370 K.M to 12.450 K.M, 13.770 K.M to 13.845 K.M, 14.175 K.M to 14.210 K.M, 15.325 K.M to 15.355 K.M, 15.355 K.M to 15.590 K.M, 15.873 K.M to 15.940 K.M, 16.415 K.M to 16.515 K.M, construction of RCC retaining wall 16.252 K.M to 16.272 K.M, 17.650 K.M to 17.750 K.M and 19.075 K.M to 19.100 K.M, 19.300 K.M to 19.325 K.M, 19.700 K.M to 19.720 K.M of LBC. He further submitted that construction of LBC between Ch.21.00 K.M and Ch.22.00 K.M was in progress. Since at Ch.21.67 K.M to Ch.21.730 K.M landslides occurred decision was taken to construct RCC Gravity Retaining Wall. At Ch.21.16 K.M of LBC Gravity Retaining Wall has been constructed. Since the water was seeping out from the top of the hillock, the lining seems to have slid due to the loose soil. He further submitted that the construction of Left Bank Canal between Ch.22.00 K.M and Ch.23.00 K.M, tender of Shri Uday Kumar Shetty has been accepted and the work was entrusted to him. Since there was delay in land acquisition and



also due to the dearth of staff the work of canal construction in the above said reach could not be entrusted to the tender in time. Further, he submitted that the remaining work of the construction of canal in the said reach was entrusted to Shri Praveen Kumar on 25/02/2014 and the said contractor has completed the construction work. Even at reach 23.095 K.M to 23.133 K.M Gravity Retaining Wall has been constructed due to the occurrence of landslides. Even additional expenditure has been incurred to clear hard laterite stones occurred during the excavation. For those extra additional works approval of the competitive authority has been obtained. He further submitted that water has already been released to the farmers through aquaduct running from 0.00 K.M to 18.25 K.M of Right Bank Common Canal and 0.00 K.M to 26.00 K.M of LBC. He further submitted that there is no misappropriation of fund as alleged by the complainant in construction of LBC. Therefore, he has requested to drop the proceedings against him.

(vii) R9, Shri R. Rudraiah, Managing Director, KNNL

He has submitted in his comments that he was not the Managing Director of KNNL during the period in which the 26<sup>th</sup> Board Meeting of KNNL and 36<sup>th</sup> Board Meeting of KNNL held on 05/08/2005, 14/02/2006 and 08/08/2007 respectively. He submitted that he was the M.D of KNNL from 05/11/2012 to 27/02/2017. So far as the observation made by the I.O in his investigation report at page 27, for the said EFI approval has been given in the meeting held on 21/12/2009 in the 105<sup>th</sup> TSC Meeting

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and 48<sup>th</sup> Board Meeting of KNNL held on 26/03/2010, in the 119<sup>th</sup> TSC Meeting held on 03/02/2011 and 52<sup>nd</sup> Board Meeting of KNNL held on 04/02/2011 and 144<sup>th</sup> Technical Sub-Committee held on 24/01/2013 and 61<sup>st</sup> Board Meeting of KNNL held on 04/02/2014. He further submitted that during his tenure as Managing Director of KNNL for EFI proposals after getting approval from Estimate review Committee and Tender Review Committee, Estimates have been placed in the board for approval and in the said Board meeting EFI has been approved. The Varahi project was inaugurated on 04/05/2015 by Hon'ble Chief Minister of Karnataka and Minister of Water Resource Department. After the inauguration water has been released upto 18.75 K.M's of Right Bank Canal and 30.00 K.M's in Left Bank Canal covering 3372 Hectares of Agricultural land. Therefore, he has submitted that there is no dereliction of duty on his part and requested to drop the proceedings against him.

(viii) R10 , Shri N. Lakshman Rao Peshwe, Chief Engineer

He has submitted that with regard to the EFI mentioned in Page No.17 of the I.O's report, approval is given in the 26<sup>th</sup>, 32<sup>nd</sup> and 36<sup>th</sup> Board Meeting of KNNL held on 05/08/2005, 14/02/2006 and 08/08/2007 respectively. Similarly, Technical Advisory Committee has given approval in the meeting held on 05/08/2005, 28/02/2006 and 23/07/2007 respectively. During the period of said meetings he was not the Managing Director of KNNL. He further submitted that he was the Managing Director of KNNL from 03/02/2011 to 22/06/2012. He further submitted that during

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his tenure as M.D of KNNL has not received any proposal from the Chief Engineer, Varahi Project Zone with regard to EFI. Therefore, he has requested to drop the proceedings against him.

(ix) R11, Shri N. Natesh, Chief Engineer

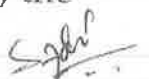
He has submitted that he worked in Varahi Project Zone as Superintending Engineer from 06/12/2004 to 13/08/2007 and with regard to the additional works executed in construction of Left Bank Canal and Right Bank Canal and Diversion Weir approval of Technical Sub-Committee, Technical Advisory Committee and Managing Director of Karnataka Neeravari Nigama has been taken and even for EFI due to execution of additional works such as construction of cut and cover, Gravity Retaining Wall, Ramps and Service Roads, approval of the above said committee and board has been taken. Therefore, there is no dereliction of duty on his part. Further, he submitted that the delay in land acquisition process has caused the delay in completion of Varahi project. The required amount of land was intimated through the Revenue Department even before the initiation of project work. But in handing over the land by the Revenue Department to the Irrigation Department was delayed because of the delay in land acquisition process and settlement of compensation amount to the land owners. He further submitted that the delay in approval of estimate pertaining to the construction of Right Bank Canal at Ch.1.00 K.M to Ch.2.00 K.M in the 69<sup>th</sup> Meeting of Technical Sub-Committee which was held on 26/10/2006 recommended certain proposals for the protection of

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works. The same was submitted in April 2007 itself. However, the original estimate was approved in the 62<sup>nd</sup> Technical Subcommittee meeting on 25/01/2006 and not on 25/01/2007 as noticed by the I.O. Therefore, there is no delay in approval of said estimate. The additional works were proposed as per the Technical Advisory Board's advice according to the exigency. The additional works were carried out in places where such additional works were not anticipated due to the unpredictable soil condition. He further submitted that as per section 323 of PWD Code, the Divisional officer i.e., the Executive Engineer is held primarily responsible for affording information in cases of probability of excess over estimated cost of work and he is expected not to allow any delay to occur in reporting to Superintending Engineer or Chief Engineer Hence, he submitted that there is no dereliction of duty on his part.

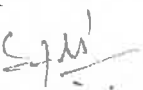
(x) R12 & R59, Shri H.L. Prasanna, Chief Engineer

He has submitted that he reported to duty on 08/05/2007 at Varahi Project Zone. The original estimate was sanctioned prior to date of reporting to his duty at the said project as Chief Engineer. He further submitted that so far as the construction of Right Bank Canal at Ch.8.40 K.M to Ch.9.00 K.M, though the tenderers quoted very low tender premium, the tenders were accepted as the work involved large quantity of Earth work. As the works were mainly labour oriented quoting of low tender rates was found reasonable and advantageous to Government. He further submitted that there were no other compelling reasons to reject the tender. Hence, the





tenders were accepted. It was also submitted that this matter was deliberated in the 83<sup>rd</sup> Technical Sub-Committee Meeting on 26/12/2007 and it was concluded that rejection of tenders may invite the objections of the A.G. With regard to the construction of Right Bank Canal at Ch.9.00 K.M to Ch.10.00 K.M, this respondent submitted that the land acquisition proposal was submitted to the Revenue Department in the year 2006 itself. 4(1) Notification was issued in the year 2006 and 6(1) was notified in the year 2008 and work was also awarded during 2008 in anticipation of final award. Considering the fact that the land acquisition proceedings were in the final stages, this work was put to tender and entrusted to the agency in anticipation of land acquisition in the best interest of Government to avoid cost escalation. But due to delay in final award by the Revenue Department, the land acquisition for the work could not be finalized. Hence, the work could not be commenced. After the conclusion of land acquisition proceeding the project work was taken up and completed the canal work in the said reach. He further submitted because of the delay in execution of work for the above said reason, there was cost excalation resulting in Extra Financial Implication which was unintentional and inevitable. Therefore, he submitted that there is no dereliction of duty on his part as the work which was carried out during his tenure at reaches Ch.10.00 K.M to Ch.11.00 K.M of Right Bank Canal. He further submitted that he was transferred from Varahi Project Zone on 03/03/2008. Therefore, he has submitted that the changes in the design were effected in the best interest of the work due to changes in site conditions. He further



submitted that all the changes that have been effected in the execution of Varahi Project have been placed before the Technical Sub-Committee and Technical Board and approval have been obtained. He further submitted that the rates paid to the tenderer are as per the tender conditions and no excess payment has been made for EFI's, approval of Technical Sub-Committee and the Technical Board has been obtained, therefore, there is no loss caused to the Government.

(xi) R13, Shri S. Natraj, Chief Engineer

He has submitted that, he worked as Chief Engineer in Varahi Project Zone, Siddapura from 01/10/2009 to 19/10/2011 and retired in the month of August 2012. He has submitted that, the details given in the report at page 27 by the I.O with regard to Extra Financial Implication, the approval of 105<sup>th</sup> TSC meeting held on 21/12/2009 and the meeting of KNNL held on 26/03/2010 as per Annexure-57A and also obtained the approval of 119<sup>th</sup> Technical Sub-Committee Meeting and 144<sup>th</sup> TSC meeting held on 24/01/2013 and 61<sup>st</sup> Board Meeting of KNNL held on 04/02/2014 as per Annexure-61A. He submitted that, the estimate of works to be carried out would be sent to the O/o the Chief Engineer from there it would be sent to the Managing Director, KNNL, Bengaluru. In turn, the Managing Director (M.D), KNNL will place the estimate before Estimate Review Committee and also before Technical Review Committee. After getting the approval of ERC and TRC, the estimate would be placed before the M.D and in turn before the Government. Then the Irrigation Board would

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give the approval for additional expenditure. The Chief of the Irrigation Board is the Chief Minister. He further submitted that the delay in execution of work is due to the following reason:-

1. For any project i.e. to be carried out by the Irrigation Department, because of the delay in land acquisition process, inflation caused and the fluctuations that caused in construction materials, natural calamities such as heavy rainfall, due to change in weather conditions, delay in taking permission from different departments such Forest, Environment, Central Water Commission etc.
2. Further, it has been submitted that on 04/05/2015 the Right Bank Canal (Ch.18.75 K.M) and Left Bank Canal (Ch.30.00 K.M) construction work has been completed and water has been released covering totally 3372 hectares of agricultural land. Therefore, he submitted that the allegations made against him are not true. Therefore, he has requested to drop the proceedings against him.

(xii) R14, Shri J.R.K. Karadi, Retd. Chief Engineer

He has submitted that with regard to the observations made by the I.O at Page 17 pertaining to Extra Financial Implications, the respondent has given reasons for the EFI he has stated that because of the delay in land acquisition process at the beginning of the work, because of the variation in cost of cement, steel and other materials required to be used in the project, natural calamities such as heavy rain and extremities in weather condition, delay in according permission by Forest, Environment Department and Central Water Resource Department and also Central Water Commission. He further submitted that on 04/05/2015 Hon'ble Chief Minister and Hon'ble Minister for Water Resource

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Department have inaugurated Right Bank Canal in an extent of 18.75 K.M and Left Bank Canal to a length of 30.00 K.M covering the water flow to 3372 Hectares of land. Therefore, there is no dereliction of duty on his part particularly with regard to the EFI. Hence, he has requested to drop the proceedings against him.

(xiii) R15, Shri Jayasheelan, Executive Engineer (Retd.)

He has submitted that he worked in Division No.2 Varahi Project, KNNL, Siddapura as Executive Engineer from 24/04/2006 to 30/04/2013 and retired after attaining superannuation on 30/04/2013. Comments of this respondent are same as that of R32, Shri Sadananda.

(xiv) R16 Shri R. Natraj, Superintending Engineer - returned unserved. Therefore, no comments.

(xv) R17, Shri V.N. Pukale, Superintending Engineer

He submitted that, he worked as S.E., in Upper Tunga Project Circle, Shimoga. He further submitted that as his memory goes he had visited once or twice to see jackwell and rising main of Varahi Project. He further submitted that most of the project work of Varahi project is found to have been carried out after his transfer. Therefore, he submitted that there is no any role of his in Varahi Project.

(xvi) R18, Shri Divakar Nayak, Superintending Engineer

He has submitted that, he worked as Superintending Engineer in Varahi Project Zone, Siddapura as Superintending Engineer from

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04/09/2008 to 29/05/2012. Before taking charge of the said post, the technical sanction for the estimate for the construction of Diversion Weir across Varahi River at Horiyebbe near Siddapura of Udupi District had already been obtained. Even Tender agreement was entered into to construct the said Diversion Weir at Ch.0.00 to Ch.0.30 K.M of Right Bank Canal. The construction of guide wall and construction of bridge were under progress when he took charge. He further submitted that even for construction of Right Bank Canal at Ch.0.300 K.M to Ch.1.000 K.M, the delay in submitting the proposal for extra financial implication for having carried out additional work in the said reach was only due to the reason that land acquisition proceeding was delayed and even though the said land was kumki land, the farmers protested for compensation. So in order to resolve the said problem time was taken which resulted in the delay in carrying out the project work. Further, he submitted that as per the Technical advice of Technical Advisory Committee, the design of the slope of the Canal has been modified. Accordingly, the depth of the canal has been increased. Therefore, these additional works have caused Extra Financial Implication. For the said EFI approval of the Technical Sub-Committee and the approval of Karnataka Neeravari Nigama has been taken. Similarly, with regard to the construction of super passage and construction of Ramp at Ch.1.00 to Ch.2.00 K.M approval of Technical Sub-Committee has been obtained. With regard to the construction of Right Bank Canal at Ch.3.00 K.M to Ch.4.00 K.M the work was under progress. At the time of implementing the project at this chainage, there was delay in



handing over of land by the Revenue Department to the Irrigation Department. Therefore, the delay has been caused which was inevitable. Similarly, in other reaches of Varahi Right Bank Canal i.e., up to 18.725 K.M additional works have been carried out by constructing cut and cover, Gravity Retaining Wall wherever the landslides occurred due to the fact that the soil found in those areas were loamy soil and loosely formed. Therefore, those additional works have resulted in Extra Financial Implication as there was no provision for these additional works in the original estimate. Even in case of construction of Varahi Left Bank Canal from Ch.0.00 K.M to Ch.44.35 K.M because of the loose structure of the soil and also landslides had occurred, the additional works like construction of cut and cover and construction of Gravity Retaining Wall were to be taken up. This had resulted in Extra Financial Implication. So to carry out the said additional works and also to incur EFI, approval of Technical Sub-Committee and also the approval of Managing Director of Karnataka Neeravari Nigama Limited (KNLL) has been obtained. Therefore, he submitted that there is no dereliction of duty on his part. Therefore, he requested to drop the proceedings against him.

(xvii) R19, Shri Shantha Murthy D.K, Superintending Engineer (Retd).

Notice has been served on Shri Shantha Murthy D.K, but his son has given reply stating that his father is bed ridden and is unable to write and speak (as he has suffered stroke two years back). Therefore, he has enclosed the Medical Report of Shri D.K. Shantha Murthy and also the photo. Therefore, it has been taken

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that Respondent R19 Shri D.K. Shantha Murthy could not submit his reply to the Investigation Report.

(xviii) R20, Shri C.Sathyannarayan, Superintending Engineer

He has submitted that, para (1) to (7) of the I.O's report is not applicable to him as those works of items mentioned in paras (1) to (10) are not carried out during his tenure. He further submitted that inviting tender supervision of execution of work are not concerned to the Superintending Engineer. All the works to be executed were supervised by the Executive Engineer. Even the work of inviting tender is not of that of Superintendent Engineer. Those works would be carried out by the Executive Engineer. Inviting tender and according technical sanction, preparation of estimate are all the responsibilities of Superintending Engineer. He further submitted that Technical advice and approval of Technical Sub-Committee and also the Board (KNNL) has been taken at each stage. Therefore, there is no dereliction of duty on his part. Hence, requested to drop the proceedings.

(xix) R21, Shri Hanumanthappa, Executive Engineer

Reported to be dead

(xx) R23, Shri Manjunath M.R, Executive Engineer

He has submitted that, Extra Financial Implications due to construction of Gravity Retaining Wall at Ch.2.00 K.M to Ch.3.00 K.M of Varahi Right Bank Canal is due to unpredictable behavior of sub-strata particularly soil of that area and earlier there was no

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provision in the original estimate for the additional work. Therefore, in some reaches because of the litho marge soil cut and cover were to be constructed wherever the depth of the canal was more than 10.00 mtrs. These works are incidental to the prevailing circumstances. The delay in listed project works was due to delay in land acquisition process, even though the required area of land was intimated to the Revenue Authorities before the commencement of listed project works. Since the Revenue Department delayed the process of handing over the kumki land and also other land, the project was delayed. Further, there was delay in handing over forest land. All these facts resulted in delay in project work, consequentially resulted in EFI. Even in case of extra width for berm, extra EFI was incurred and the same has been approved by the Technical Sub-Committee. He has reiterated the above reasons for EFI and delay in construction of RBC at reach 6.385 K.M to 6.720 K.M, 6.720 K.M to 8.100 K.M and 8.100 K.M to 8.400 K.M, 8.400 K.M to 9.00 K.M, 10.00 K.M to 11.00 K.M, 15.00 K.M to 16.00 K.M. Therefore, he submitted that there is no dereliction of duty on his part and requested to drop the proceedings against him.

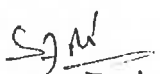
(xxi) R24 and R43, K. Nagaraj, Assistant Executive Engineer

He has submitted that, construction of Left Bank Canal from 0.00 K.M to 1.00 K.M and from 1.00 K.M to 2.00 K.M, preparation of EIRL for excavation of hard rock, construction of retaining wall from 1.150 K.M to 1.75 K.M, 1.400 K.M to 1.475 K.M, construction of RCC Cut and cover from Ch.1.400 K.M to Ch.1.500 K.M,

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approval of the competitive authority has been taken. He further submitted that construction of cut and cover at Ch.2.00 K.M to Ch.4.00 K.M of Left Bank Canal, construction of CD at Ch.3.00 K.M to Ch.4.00 K.M of Left Bank Canal, construction of balance lining work at Ch.0.00 K.M to Ch.4.00 K.M of Left Bank Canal, construction of CD at Ch.4.00 K.M to Ch.5.00 K.M of LBC, Construction of Gravity Retaining Wall at Ch.4.00 K.M to Ch.5.00 K.M., Construction of CD from Ch.5.00 K.M to Ch.6.00 K.M., Construction of Retaining Wall and construction of cut and cover at Ch.5.00 to Ch.6.00 K.M., Construction of LBC from Ch.6.00 K.M to Ch.7.00 K.M and construction of service road from Ch.6.875 K.M to Ch.6.975 K.M., Construction of Left Bank Canal from Ch.7.00 K.M to Ch.8.00 K.M. Excavation of Hard rock, RCC cut and cover from Ch.7.250 K.M to Ch. 7.340 K.M., Construction of LBC from Ch.8.00 K.M to Ch.9.00 K.M., Construction of LBC from 9.00 K.M to 10.00 K.M., Construction of LBC from Ch.10.000 K.M to 11.00 K.M., Work of excavation of hard rock, construction of cross drainage from Ch.10.500 K.M to Ch.10.672 K.M., RCC retaining wall at Ch.10.625 K.M to Ch.10.125 K.M. , Balance of work of lining from Ch.10.00 K.M to Ch.11.00 K.M and construction of RCC cut and cover (box drain), construction of Left Bank Canal from CH 11.00 K.M to 12.00 K.M and preparation of EIRL and work slip, construction of super passage from Ch.11.170 K.M to Ch.11.575 K.M (construction of CD), Construction of LBC from Ch.12.00 K.M to Ch.13.00 K.M, preparation of EIRL and work slip, work of construction of RCC Retaining Wall from Ch.12.290 K.M to Ch.12.395 K.M, work of construction of RCC cut and cover from



Ch.12.280 K.M to Ch.12.319 K.M and work of construction of cut and cover from Ch.12.319 K.M to Ch.12.350 K.M., Construction work of RCC cut and cover from Ch.12.370 K.M to Ch.12.454 K.M., Construction of LBC from Ch.13.00 K.M to Ch.14.00 K.M., Preparation of EIRL and work slip, construction of RCC Retaining Wall from Ch.13.380 K.M to Ch.13.405 K.M, construction of cut and cover from Ch.13.200 K.M to Ch.13.350 K.M, construction of cut and cover from Ch.13.770 K.M to Ch.13.845 K.M. Construction of loop canal from Ch.13.150 K.M to Ch.13.310 K.M and for that additional work preparation of EIRL and work slip, construction of LBC from Ch.14.00 K.M to Ch.15.00 K.M, preparation of EIRL and work slip, construction of RCC Retaining Wall work from Ch.14.200 K.M to Ch.14.325 K.M, Ch.14.675 K.M to Ch.14.700 K.M, construction of RCC cut and cover from Ch.14.200 K.M to Ch.14.255 K.M, construction of cut and cover from Ch.14.175 K.M to Ch.14.210 K.M, construction of LBC from Ch.15.00 K.M to Ch.16.00 K.M. For all these works the approval of the competitive authority has been taken, the work has been carried out as per the instructions given by the higher ups and also by considering the local requirements and also by studying the feasibility of carrying out those works. Therefore, he submitted that, there is no dereliction of duty on his part.

(xxii) R25, Shri S.B. Surendra, Executive Engineer - returned unserved. Therefore, no comments.

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(xxiii)R26, Shri Jayadevappa

He has submitted that he worked as Assistant Engineer in Varahi Project No.2 Sub-division, KNNL, Siddapura for a period of one year i.e., up to 31/07/2001 and he further submitted that during his tenure whatever the works that were carried out during his tenure, for all those works the competitive authority has given approval from time to time and as per their instructions he has carried out those works. He submitted that the construction work of LBC from Ch.7.00 to Ch.10.00 K.M was carried out after taking approval from the competitive authority. Even he submitted that, the work of construction of cross drainage, construction of gravity retaining wall and construction of cut and cover at Ch.5.00 to Ch.6.00 K.M, construction of CD/EW/CC lining (construction of super passage) at Ch.9.00 K.M to Ch.10.00 K.M., Construction of LBC at Ch.10.00 to Ch.11.00 K.M and construction of cross drainage from Ch.10.500 K.M to Ch.10.672 K.M, construction of RCC Retaining Wall at Ch.10.625 to Ch.10.125 K.M, the work of balance lining from Ch.10.00 to Ch.11.00 K.M, construction of RCC cut and cover (Box drain) in the reach of Ch.10.00 K.M to Ch.11.00 K.M., Construction of LBC from Ch.11.00 K.M to Ch.12.00 K.M., Preparation of EIRL and work slip and the work of construction of super passage from Ch.11.170 to Ch.11.572 (CD construction), Construction of RCC cut and cover from Ch.12.319 K.M to Ch.12.350 K.M., Construction of RCC cut and cover from Ch.12.280 K.M to Ch.12.319 K.M. Construction of cut and cover from 12.370 K.M to Ch.14.454 K.M., Construction of RCC Gravity Retaining

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Wall from Ch.13.380 K.M to 13.405 K.M., Construction of cut and cover from Ch.13.770 K.M to Ch.13.845 K.M., Work of construction of cut and cover from Ch.13.770 to Ch.13.845 K.M., Construction of RCC Retaining Wall from Ch.14.200 K.M to Ch.14.325 K.M and Ch.14.675 K.M to Ch.14.700 K.M., Work of construction of RCC cut and cover from Ch.14.200 K.M to Ch.14.255 K.M, Work of construction of RCC cut and cover from Ch.14.175 K.M to Ch.14.210 K.M, Construction of RCC Retaining Wall of LBC from Ch.15.325 K.M to Ch.15.355 K.M, Ch.15.355 K.M to Ch.15.590 K.M, Ch.15.590 K.M to Ch.18.873 K.M, Ch.15.873 K.M to Ch.15.940 K.M, Work of compaction of left side slope and near RCC Retaining Wall, work of compaction of left side slope and also construction of RCC Retaining Wall at Ch.15.685 K.M, construction of RCC retaining wall/relieving Weir at Ch.15.835 K.M to Ch.15.925 K.M, Construction of RCC cut and cover from Ch.15.873 K.M to Ch.15.940 K.M of LBC. Therefore, he submitted that during his tenure there was no delay or dereliction in carrying out the above said works. Hence, he has requested to drop the proceedings against him.

(xxiv) R27, Shri Sreekantaiah, Executive Engineer (Retd.)

He has submitted that the Right Bank Canal work and Left Bank Canal work have not been carried out during his tenure as Assistant Engineer except construction of Left Bank Canal at Ch.21.00 K.M to Ch.22.00 K.M and Ch.23.00 K.M to Ch.24.00 K.M and for the said work approval of competent authority has been

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taken. Therefore, he has submitted that there is no dereliction of duty on his part.

(xxv) R29, Shri C.P. Jagadish, Assistant Executive Engineer

He has submitted that, he worked as Assistant Executive Engineer from 28/10/2005 to 03/10/2009 at Varahi Project No.2 Sub-division, Siddapura, Udupi District. He has submitted that during his tenure approval for construction of Diversion Weir to Varahi River was got approved and the work was commenced. During his tenure construction work of Diversion weir was carried out as per the sanctioned estimate and intentionally no work has been carried out and no extra financial implication was there. He further submitted that honestly he has discharged his duty as Assistant Executive Engineer in the said Project.

(xxvi) R30, Shri B.G. Beldar, Executive Engineer

This respondent has submitted the comments as same as that of Respondent No.48.

(xxvii) R32, Shri K.S. Sadananda has submitted his comments stating that, the designs and estimates for the Varahi work were prepared based on the prevailing zonal classification of seismic zone which was earlier classified under Zone II as per IS1893-1984. In the meeting of the expert committee which was held on 09/02/2005 it was suggested to adopt the classification as per IS 1893-2002 under which the project came under Zone III, therefore instructions were issued by the MD, KNNL to redo

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the design as applicable to seismic Zone III. Accordingly, revision of estimate was carried out which was unavoidable.

With regard to the consultation of project work with the Forest Department, it has been submitted that all necessary approvals were obtained before hand and all the instructions were followed. The Forest Department has given their approval as per MOEF 12/15-03-2004. After paying required compensatory afforestation charges/net present value to the department and handing over of equivalent non forest land in Shivamogga District. He further submitted that the excavation work was carried out with controlled blasting wherever hard laterite was found and construction of Gravity Retaining Wall, Cut and cover, construction of concrete lining etc were carried out, wherever and whenever exigency called for those constructions. Because of this Extra Financial Implication was to be incurred as these additional works were not incorporated in the original estimates. Delay in land acquisition and delay in taking possession of kumki land as the farmers of kumki land protested to hand over the land and as there was delay in disbursing compensation. Therefore, he submitted that the delay in handing over the site was due to the above said reasons. For those delay they are not responsible as they have submitted estimate of land requirement to the Revenue Department before the listed project works were taken up. He further submitted that due to the unpredictable property of the soil, different treatments were proposed at RBC and LBC by the Technical Sub-Committee. As per the advice of Technical Sub-

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Committee and also the Board cut and cover, Gravity retaining walls were constructed as per the requirement. The Extra Financial Implication because of the additional work were approved by the Technical Sub-Committee and also by Board. Therefore, he submitted that, there is no dereliction of duty on his part. Hence, requested to drop the proceedings against him.

(xxviii) R34, Shri T.H. Lingaraju, A.E.E (Retd.)

He has submitted that during his tenure, the work of Left Bank Canal at Ch.7.00 K.M to 8.00 K.M, Ch.16.00 to Ch.17.00 K.M; Ch.17.00 K.M to Ch.18.00 K.M; Ch.18.00 K.M to Ch.18.235 K.M; Ch.20.00 K.M to Ch.21.00 K.M have been carried out during his tenure and for those works approval of competent authority has been taken and for those additional works of construction of Retaining wall cut and cover work have been carried out, wherever it was found necessary. Technical advice of the Technical Advisory Committee and Technical approval of the Technical Sub-Committee have been taken before carrying out the above said works. Hence, he has submitted that, there is no dereliction of duty on his part.

(xxix) R35 & R46 Shri N.S. Patil, has submitted his comments stating that, the designs and estimates for the Varahi work were prepared based on the prevailing zonal classification of seismic zone which was earlier classified under Zone II as per IS1893-1984. In the meeting of the expert committee which was held on 09/02/2005 it was suggested to adopt the classification as

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per IS 1893-2002 under which the project came under Zone III, therefore, instructions were issued by the M.D, KNNL to redo the design as applicable to seismic Zone III. Accordingly, revision of estimate was carried out which was unavoidable.

With regard to the consultation of project work with the Forest Department, it has been submitted that all necessary approvals were obtained before hand and all the instructions were followed. The Forest Department has given their approval as per MOEF 12/15-03-2004. After paying required compensatory afforestation charges/net present value to the department and handing over of equivalent non forest land in Shivamogga District. He further submitted that the excavation work was carried out with controlled blasting wherever hard laterite was found and construction of Gravity Retaining Wall, Cut and cover, construction of concrete lining etc were carried out, wherever and whenever exigency called for those constructions. Because of this Extra Financial Implication was to be incurred as these additional works were not incorporated in the original estimates. Delay in land acquisition and delay in taking possession of kumki land as the farmers of kumki land protested to hand over the land and as there was delay in disbursing compensation. Therefore, he submitted that the delay in handing over the site was due to the above said reasons. For those delay they are not responsible as they have submitted estimate of land requirement to the Revenue Department before the listed project works were taken up. He further submitted that due to the unpredictable property of the

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soil, different treatments were proposed at RBC and LBC by the Technical Sub-Committee. As per the advice of Technical Sub-Committee and also the Board cut and cover, Gravity retaining walls were constructed as per the requirement. The Extra Financial Implication because of the additional work were approved by the Technical Sub-Committee and also by Board. Therefore, he submitted that, there is no dereliction of duty on his part. Hence, requested to drop the proceedings against him.

(xxx) R36 and R56 Shri Ramachandrappa, Technical Assistant

He has submitted that during his tenure in Varahi Project Zone, construction of Left Bank Canal from Ch.2.00 K.M to Ch.4.00 K.M, Ch.9.00 K.M to Ch.10.00 K.M, Ch.10.00 K.M to Ch.11.00 K.M, Ch.11.00 K.M to Ch.12.00 K.M, Ch.13.00 K.M to Ch.14.00 K.M., Preparation of EIRL and work slip for the additional work at Ch.13.00 K.M to Ch.14.00 K.M., Construction of Cross Drainage/EW and CC lining (super passage construction) at Ch.9.00 K.M to Ch.10.00 K.M., Construction of Cross drainage from Ch.10.500 K.M to Ch.10.672 K.M. ,Construction of RCC Retaining Wall at Ch.10.625 K.M to Ch.10.125 K.M., Balance of work of laying of lining from Ch.10.00 K.M to Ch.11.00 K.M., Construction of RCC Cut and Cover (Box drain) within the Ch.10.00 K.M to Ch.11.00 K.M., Construction of super passage from Ch.11.170 K.M to Ch.11.575 K.M (construction of CD), preparation of EIRL and work slip for construction of additional work at Ch.11.00 K.M to Ch.12.00 K.M., Construction of RCC Retaining Wall work from Ch.13.380 K.M to Ch.13.405 K.M.,

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Construction of cut and cover from Ch.13.200 K.M to Ch.13.350 K.M, work of construction of cut and cover from Ch.13.200 K.M to Ch.13.350 K.M, work of construction of cut and cover from Ch.13.770 K.M to Ch.13.845 K.M, construction of loop canal from Ch.13.150 K.M to Ch.13.310 K.M, preparation of EIRL and work slip for the additional works, work of construction of RCC cut and cover at Ch.14.200 K.M to Ch.14.255 K.M were carried out during his tenure by taking approval of competitive authority. All the said works were carried out as per the instructions and advice of Technical Advisory Committee. Therefore, there is no dereliction of duty on his part. He further submitted that, the delay in construction of canal was due to the fact that some of the area landslides were there because of loose soil and loamy soil. Due to these physical factors of the terrain, the additional works were to be carried out. Therefore, he submitted that there is no dereliction of duty on his part.

(xxxii) R37, Shri Manjappa, K, Assistant Executive Engineer

He has submitted that, the work of Excavation of Hard Rock, Construction of Retaining Wall from Ch.1.150 K.M to Ch.1.175 K.M, Ch.1.400 K.M to Ch.1.475 K.M, Construction of RCC Cut and Cover work from Ch.1.400 K.M to Ch.1.50 K.M of LBC, Construction of Retaining Wall work, construction of cut and cover work at Ch.5.00 K.M to Ch.6.00 K.M of LBC, Construction of RCC Cut and Cover from Ch.7.250 K.M to Ch.7.340 K.M., Construction of RCC Cut and Cover work from Ch.7.525 K.M to Ch.7.575 K.M of LBC, Excavation of hard rock in Ch.7.00 K.M to

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Ch.8.00 K.M, Construction of RCC Retaining wall work from Ch.12.290 K.M to Ch.12.350 K.M of LBC, Construction of Loop Canal from Ch.13.150 K.M to Ch.13.310 K.M., Construction of Left Bank Canal from Ch.15.00 K.M to Ch.16.00 K.M., Construction of RCC Retaining Wall and Compaction of Left Side Slope at Ch.15.685 K.M of LBC were all undertaken during his tenure and he has submitted that for all those works approval of Technical Sub-Committee and Technical Advisory Committee has been taken. Therefore, he submitted that, there is no dereliction of duty on his part. Hence, requested to drop the proceedings against him.

(xxxii) R38, Shri D.R. Achyuth, Assistant Engineer

He has submitted that, construction of balance lining work in Left Bank Canal at Ch.0.00 K.M to Ch.4.00 K.M, balance of lining work at Ch.10.00 K.M to Ch.11.00 K.M, construction of RCC cut and cover (box drain), construction of cut and cover at Ch.12.319 K.M to Ch.12.350 K.M, Construction of RCC cut and cover at Ch.12.280 K.M to Ch.12.319 K.M, construction of RCC cut and cover from Ch.12.370 K.M to Ch.12.454 K.M, construction of RCC Retaining wall work from Ch.13.380 K.M to Ch.13.405 K.M of LBC, construction of cut and cover from Ch.13.770 K.M to Ch.13.845 K.M of LBC, Construction of RCC cut and cover at Ch.14.175 K.M to Ch.14.210 K.M, compaction work and construction of RCC retaining wall at Ch.15.685 K.M of LBC and construction of RCC Retaining Wall/Relieving Weir at Ch.15.835 K.M to Ch.15.925 K.M were carried out during his tenure and for all those works the approval of competitive authority has been taken and those

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additional works were carried out only after taking Technical advice of Technical Advisory Committee and approval by Technical Sub-Committee. Therefore, he has submitted that, there is no dereliction of duty on his part and requested to drop the proceedings against him.

(xxxiii) R39, Shri Alwin Agera, Assistant Engineer

He has submitted that, the construction of RCC Retaining Wall at Ch.16.025 K.M to Ch.16.075 K.M, Ch.16.160 K.M to Ch.16.175 K.M, Ch.16.200 K.M to Ch.16.215 K.M, Ch.16.275 K.M to Ch.16.295 K.M, Ch.16.375 K.M to Ch.16.510 K.M and also construction of inlet at Ch.16.025 K.M to Ch.16.300 K.M, construction of RCC cut and cover at Ch.16.350 K.M to Ch.16.415 K.M of LBC, construction of RCC cut and cover was due to the fact that the depth of the canal was more than 10.00 mts. and where the depth was less than 10.00 mts. and lithomargic soil was encountered, cut and cover and gravity retaining wall were constructed as per the advice of Technical Sub-Committee at Ch.16.275 K.M to Ch.16.340 K.M of LBC where the depth of the canal was more than 13.00 mtrs. as per the advice of Technical Sub-Committee construction of RCC Cut and Cover and also Gravity Retaining Wall was constructed. For the additional works the approval of competitive authority has been taken. Therefore, he submitted that, there is no dereliction of duty on his part.



(xxxiv) R40, Shri M.Sunil, Assistant Engineer

He has submitted that construction of Retaining wall work at Ch.22.00 K.M to Ch.23.00 K.M of Left Bank Canal was undertaken during his tenure and approval for the said additional work has been taken from competitive authority. In construction of retaining wall, the advice of Technical Committee has been taken into consideration. Therefore, he has submitted that, there is no dereliction of duty on his part.

(xxxv) R41, Shri Raghavendra Naik, A.E

He has submitted that the additional works carried out in LBC at Chainage 17.00 K.M to Ch. 17.085 K.M; Ch.17.300 K.M to Ch.17.350 K.M; Ch.23.000 K.M to Ch.24.000 K.M; Ch.24.00 K.M to Ch.25.00 K.M approval of the competitive authority has been taken. Estimate has been prepared as per the advice of the Technical Advisory Committee. So far as the other works are concerned, they are not carried out during his tenure and they were not coming under his jurisdiction. He further submitted that, those additional works which were carried out during his tenure were tackled as and when the exigency arouse, but for all those works the approval of Technical Sub-Committee and Technical Advisory Committee have been taken. Therefore, he has requested to drop the proceedings.

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(xxxvi) R42, Shri Ashok, Assistant Engineer

He has submitted that he was working in Varahi Project Zone as Assistant Engineer since 22/11/2010. He has submitted that construction of LBC from Ch.23.00 K.M to Ch.24.00 K.M of LBC was undertaken during his tenure. For the said work approval of Technical Sub-Committee has been taken.

He has submitted that the additional works pertaining to the Left Bank Canal of Varahi from Ch.24.000 K.M to Ch.25.00 K.M were carried out during his tenure. And for the said additional works of constructing concrete gravity retaining wall the approval of competent authority has been taken. Construction of Concrete Retaining Wall or cut and cover works in the reaches from 0.00 K.M to 25.00 K.M of LBC were carried out as and when the problem of land slide are placed in those reaches. Accordingly, such constructions were carried out according to the exigency, but construction of Gravity Retaining Wall or construction of cut and cover throughout LBC wherever the depth of the canal is more than 10.00 mtrs. is not feasible. Therefore, he has submitted that, there is no dereliction of duty on his part and requested to drop the proceedings against him.

(xxxvii) R44, H.K. Prabhakar, Executive Engineer

He has submitted that, the construction of Retaining wall from Ch.1.150 K.M. to Ch.1.175 K.M, Ch.1.400 to Ch.1.475 K.M, construction of RCC cut and covers work from Ch.1.400 K.M to Ch.1.500 K.M, construction of LBC from Ch.0.00 K.M to Ch.4.00

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K.M. Similarly, construction of LBC from Ch.5.00 K.M to Ch.6.00 K.M. Construction of LBC from Ch.9.00 to Ch.10.00 K.M and cross drainage/EW and CC lining work (super passage), construction of Left Bank Canal from Ch.10.00 K.M to Ch.11.00 K.M, Excavation of hard rock, construction of cross drainage from Ch.10.500 K.M to Ch.10.672 K.M, RCC retaining wall at Ch.10.625 K.M of LBC to Ch.10.125 K.M, Balance lining work from Ch.10.00 K.M to Ch.11.00 K.M of LBC, RCC cut and cover (box drain work), construction of LBC from Ch.10.00 to Ch.12.00 K.M, construction of super passage from Ch.11.170 K.M to Ch.11.575 K.M (CD) of LBC, construction of RCC cut and cover from Ch.12.319 K.M to Ch.12.350 K.M and RCC cut and cover from Ch.12.280 K.M to Ch.12.319 K.M, construction of RCC retaining wall work from Ch.13.380 K.M to Ch.13.405 K.M, construction of cut and cover from Ch.13.200 K.M to Ch.13.350 K.M, construction of cut and cover from Ch.13.770 K.M to Ch.13.845 K.M, construction of RCC retaining wall work from Ch.14.200 K.M to Ch.14.325 K.M and Ch.14.675 K.M to Ch.14.700 K.M, RCC cut and cover from Ch.14.200 K.M to Ch.14.255 K.M, RCC retaining wall work from Ch.15.325 K.M to Ch.15.355 K.M, Ch.15.355 K.M to Ch.15.590 K.M, Ch.15.590 K.M to Ch.18.873 K.M and Ch.18.873 K.M to Ch.15.940 K.M of LBC and compaction work of left side slope of LBC and construction of RCC retaining wall at Ch.15.685 K.M, construction of LBC from Ch.22.00 K.M to Ch.23.00 K.M, construction of Retaining wall work undertaken during his tenure and for all those works mentioned above, the said respondent Shri H.K. Prabhakar has submitted that approval of the competitive authority has been taken and whenever it was

found necessary additional works were undertaken and for the said works also the approval of the competitive authority has been taken and before carrying out the work advise of Technical Advisory Committee has been taken. Therefore, he has submitted that there is no dereliction of duty on his part and requested to drop the proceedings against him.

(xxxviii) R45, Shri N. Jaykar, A.E

This respondent has submitted in his comments that he is not concerned to the work of Right Bank Canal. So far as Left Bank Canal is concerned, he has submitted that, at Ch.16.415 to Ch.16.515 for additional work the approval of competitive authority has been taken and work has been executed. Even with regard to the additional work carried out at Ch.16.252 K.M to Ch.16.27 K.M, Ch.16.675 K.M to Ch.16.775 K.M, Ch.17.650 K.M to Ch.17.750 K.M, Ch.17.750 K.M to Ch. 17.785 K.M, Ch.19.075 K.M to Ch.19.100 K.M, Ch.19.300 K.M to Ch.19.325 K.M, Ch.19.700 K.M to Ch.19.720 K.M, Ch.21.00 K.M to Ch.22.00 K.M, Ch.21.670 K.M to Ch.21.730 K.M, at Ch.21.18 K.M for the additional works carried out the approval of the competitive authority has been obtained and works have been executed. At Ch.21.00 K.M to Ch.22.00 K.M five Retaining walls have been constructed on either side walls of the Left Bank Canal and for that additional work, the approval of the competitive authority has been taken and construction has been carried out. At Ch.23.00 K.M to Ch.25.00 K.M for additional work of removal of laterite stone by using controlled explosive, EIRL and work slip has been prepared and approval of the

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competitive authority for the said additional work has been taken. At Ch.24.000 K.M to Ch.25.000 K.M of LBC additional work has been carried out by constructing Gravity Retaining Wall and for that approval has been obtained from the competitive authority. He further submitted that in LBC from Ch.0.00 to Ch.25.00 K.M wherever the depth of the canal exceeded more than 10.00 mtrs. and wherever there was land slide RCC cut and cover construction and Retaining wall construction work had been undertaken. Retaining wall construction and cut and cover construction has not been taken to the entire stretch as it has not been found feasible. Therefore, he submitted all the works those have been carried out during his tenure were only after obtaining approval from the concerned. With regard to the other works he has submitted those works are not carried out during his tenure.

(xxxix) R47, Shri D.Prakash, Assistant Engineer

This respondent has submitted the comments as same as that of Respondent No.48

(xl) R48, Shri G.L. Markandeya, Assistant Engineer

He has submitted that, the Technical Sub-Committee recommended certain proposals for the protection of works in the 69<sup>th</sup> Meeting held on 26/10/2006, which was submitted in April 2007. However, the original estimate was approved in the 62<sup>nd</sup> TSC dated 25.01.2006. However the original estimate was approved in the 62<sup>nd</sup> Technical sub-committee meeting on 25/01/2006 itself and not on 25/01/2007 as observed by the I.O.

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Therefore, he submitted that, there is no delay. At the time of preparation of estimate actual ground conditions were not visible to the naked eye as the site was covered with thick forest and bushes. Only when the site was cleared of all jungles and bushes, the small hallas which are not perennial and are only flowing during rainy seasons were detected. Therefore, it was necessary for providing super passage and ramp, was felt subsequently. The site was also inspected by the Chief Engineer on 03/01/2007 who gave instructions to provide super passage and ramp based on the site condition. Therefore, this item of work could not be envisaged and included in the original estimate. Before the listed project works were taken up, the land requirement was intimated to the Revenue authorities. As per the handing over note, it was certified that the land was not under any encumbrances, including kumki land holding. But Revenue authorities proceeded with the tender and entrusted the work to the agencies. Therefore, the availability of free hold land was ensured before the works were taken up and entrusted the work to the agencies. Hence, availability of free hold of land was ensured before the works were taken up. He further submitted that even though there is a slight delay in submission of EFI proposal, no additional cost was incurred as the agency was paid at tenderers tendered rates and new rates have not been paid for the excess quantities, even though the agency was eligible for CSR rates plus or minus tender premium as per tender. The tender of original agency was rescinded due to Kumki land problem. All the payments were made only on tendered rates. The balance portion of work was re estimated based on the recommendations

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of TSC and entrusted to another agency on tender. The portion of reach passing through the kumki lands which were not tackled by the original agency was also found to have soil slippages requiring additional quantities towards protection. However, these additional quantities of works were paid at the tendered rate and not new rates. While preparing the estimates the designs for the berms were adopted as per the irrigation norms. As per the prevailing norms 1.00 mtr.. berm was to be provided for every 6mts. depth of cut in canal and the estimates were prepared accordingly. However, the Technical Sub-Committee while inspecting the works in LBC portion had noticed that there were slippages of cement concrete lining due to unpredictable soil properties. As RBC works were also in the same type of soil characteristics, the same treatment as proposed in LBC works were also suggested to be carried out in RBC works also. The TSC in their inspection notes had instructed to provide 3.00 mts. berm instead of 1.00 mt. berm provided in the estimate. He further submitted that the behavior of sub strata particularly soil has been quite unpredictable. Therefore, estimates cannot be accurately prepared due to the said reason. He further submitted that extra cost was unavoidable due to ground surprises. Therefore, he has submitted that all the works have been duly executed and satisfactorily completed.

(xli) R49, Shri Kiran Padthi, Assistant Engineer

He has not submitted his comments. But he has requested for one month time to submit his comments. Accordingly time had been

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given but he has not submitted his comments. Therefore, it has been taken that he has no comments to submit.

(xlii) R50, Shri Umar Farooq, Junior Engineer

This respondent has submitted the comments as same as that of Respondent No.48.

(xliii) R51, Shri D.R. Shankar, Assistant Engineer

This respondent has submitted the comments as same as that of Respondent No.48

(xliv) R52, Shri Pramod Shetty, Assistant Engineer

He has not submitted his comments, but he has requested for one month time to submit his comments. Accordingly time had been given but he has not submitted his comments. Therefore, it has been taken that he has no comments to submit.

(xlv) R53, Shri N.G. Bhat, Assistant Engineer

He has not submitted his comments, but he has requested for one month time to submit his comments. Accordingly, time had been given but he has not submitted his comments. Therefore, it has been taken that he has no comments to submit.

(xlvi) R57, Shri Vijaya Shetty, Assistant Engineer

He has submitted that he took charge from Shri Alwin Agera, Assistant Engineer on 20/06/2011 and work has been executed as per the sanctioned estimate. There is no any dereliction of duty on

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his part. The extra work like providing cut and covers in reaches where the depth of cut is more than 10.00 mtrs. and construction of retaining wall in other reaches where litho marginic soil was encountered such sensitive places were verified by the higher ups and approval of the Managing Director of KNNL has been obtained. Even Technical approval of the Technical Advisory Committee has been taken.

(xlvi) R58, Shri S.M. Vaghamare, Chief Engineer (Retd.)

He has submitted that, the Estimates prepared with regard to Varahi Project Zone, Siddapura, Udipi District, the concerned sub-divisional office will send the estimate to the Chief Engineer through Circle office, where the Chief Engineer after verifying the estimate will forward the same to the Managing Director, KNNL, Bengaluru. Only in the O/o Managing Director, KNNL, the estimates would be reviewed and the Technical Review Committee after verifying the estimate approve the estimate. Approved estimates would be submitted to Government through Managing Director. In the Government level under the **presidentship** of the Chief Minister, the high level meeting of Board, the expenditure towards additional works would be approved. The Irrigation Board is a statutory Board and has legal status. The Chief Minister of the State will be the President of the said Board. The Minister for Water Resource Department would be the Vice-President. The Principal Secretary, the Chief Secretary and the Principal Secretary of the Finance Department, the Principal Secretary of the Water Resource Department and the

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President of the Technical Advisory Committee are the members of Irrigation Board. So the matter pertaining to the Extra Financial Implication of Varahi Project has been discussed in the said Irrigation Board and after the approval of the said Board, the Managing Director of KNNL would pass orders to that effect. He further submitted that on 04/05/2015 the Varahi Project has been inaugurated by the Chief Minister and also by the Minister of Water Resource Department. Up to 18.75 K.M's in Right Bank Canal and up to 30.00 K.M's in Left Bank Canal water from the project has been left out for the Irrigation use by the farmers. By this about 3372 Hectares of land has been irrigated. Therefore, the allegations made by the complainant are baseless. Hence, he has requested to drop the proceedings against him.

(xlviii) R61, Shri Manjunath Nayri, Executive Engineer (Retd.)

He has submitted that, he worked as Executive Engineer from 2004 to August 2006 in Varahi Project Zone, KNNL, Siddapura. During his tenure as Executive Engineer, Varahi Project, construction of cross drainage work were undertaken at Ch.5.00 K.M to Ch.6.00 K.M of LBC, work of construction of retaining wall and work of construction of cut and cover in between the above said chainage of LBC. Work of construction of cross drainage/EW/CC lining (super passage) at Ch.9.00 to Ch.10.00 K.M, work of construction of cross drainage from Ch.10.500 K.M to Ch.10.672 K.M, construction of RCC retaining wall at Ch.10.625 K.M to Ch.10.725 K.M, balance of lining work from Ch.10.00 K.M to Ch.11.00 K.M, work of construction of cut and cover (box drain), construction of

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RCC retaining wall from Ch.12.290 K.M to Ch.12.350 K.M, construction of RCC cut and cover from Ch.12.319 K.M to Ch.12.350 K.M, construction work of RCC cut and cover from Ch.12.280 K.M to Ch.12.319 K.M of LBC, construction of cut and cover from Ch.13.200 K.M to Ch.13.350 K.M, construction work of cut and cover from Ch.13.770 K.M to Ch.13.350 K.M, construction of loop canal from Ch.13.150 K.M to Ch.13.310 K.M, construction work of RCC Retaining wall from Ch.14.200 K.M to Ch.14.325 K.M and Ch.14.675 K.M to Ch.14.700 K.M, construction of RCC cut and cover from Ch.14.200 K.M to Ch.14.255 K.M of LBC, construction work of RCC Retaining wall from Ch.15.325 K.M to Ch.15.355 K.M, from Ch.15.355 K.M to Ch.15.590 K.M, Ch.15.590 K.M to Ch.18.873 K.M, Ch.15.873 K.M to Ch.15.940 K.M of LBC were carried out by taking the approval of competitive authority, therefore there is no dereliction of duty on his part. Hence, requested to drop the proceedings against him.

(xlix) R62, Shri P.Raju, Executive Engineer

He has submitted that, during his tenure construction of LBC from Ch.5.00 K.M to Ch.6.00 K.M (cross drainage), construction of Gravity Retaining Wall and construction of cut and cover works were carried out by taking approval of competent authority. Similarly construction of Left Bank Canal at Ch.9.00 K.M to 10.00 K.M and cross drainage/ EW/CC lining (super passage) works were carried out by taking approval of competitive authority. Similarly for construction of LBC from 10.00 K.M to 11.00 K.M excavation work of hard rock, cross drainage from Ch.10.500 K.M

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to Ch.10.672 K.M, construction of Retaining wall at Ch.10.625 K.M to Ch.10.125 K.M, balance work of lining from Ch.10.00 K.M to Ch.11.00 K.M and RCC cut and cover (box drain) were also carried out. Similarly construction of LBC from Ch.11.00 K.M to Ch.12.00 K.M, construction of super passage from Ch.11.170 K.M to Ch.11.575 K.M (cross drain construction work), construction of RCC cut and cover from Ch.12.319 K.M to Ch.12.350 K.M, RCC cut and cover work from Ch.12.280 K.M to Ch.12.319 K.M, cut and cover construction work from Ch.13.200 K.M to Ch.13.350 K.M, RCC Retaining wall work from Ch.14.200 K.M to Ch.14.325 K.M and Ch.14.675 K.M to Ch.14.700 K.M, RCC cut and cover work from Ch.14.200 K.M to Ch.14.255 K.M, RCC Retaining Wall work from Ch.15.325 K.M to Ch.15.355 K.M, Ch.15.355 K.M to Ch.15.590 K.M and Ch.15.590 K.M to Ch.18.873 K.M. Construction of Left Bank Canal from Ch.18.00 K.M to 19.00 K.M. Construction of RCC Retaining walls in the said reach, construction of LBC from 19.00 K.M to 20.00 K.M. Construction of RCC Gravity Retaining wall from 19.215 to Ch.19.260 K.M, construction of inlet at Ch.19.250 K.M. Construction of RCC Gravity Retaining wall from Ch.19.075 K.M to Ch.19.100 K.M, Ch.19.300 to 19.325 K.M and Ch.19.700 K.M to 19.720 K.M. Construction of RCC Gravity Retaining wall from Ch.21.670 K.M to Ch.21.730 K.M, construction of LBC from Ch.23.00 to Ch.24.00 K.M, construction of LBC from Ch.24.00 K.M to Ch.25.00 K.M, the approval of competitive authority has been taken. He has further submitted that as per the exigency the said RCC retaining wall in Left Bank Canal have been constructed by taking approval of the competitive authority and also as per the

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instructions of the higher ups. Therefore, he has submitted that there is no dereliction of duty on his part.

(1) R64, Shri C. Murali, Retd. Executive Engineer

He has submitted that, he worked from 16/01/2003 to 10/06/2005 in Varahi Project No.3 Sub-division as Assistant Executive Engineer. He submitted that, to construct Varahi Diversion Weir estimate was prepared and for the said estimate Technical Sub-Committee and Technical Advisory Committee of Major Irrigation Projects have given administrative approval. The Chief Engineer has given the Technical Sanction. As per the decisions taken by MOU Expert Committee on 09/02/2005 and as per the orders of the Managing Director of KNNL, Varahi Project was considered to be in seismic zone III instead of seismic zone II. Accordingly, the design of the project was approved by the 59<sup>th</sup> Meeting of Technical Sub-Committee. Therefore, each and every decision with regard to the Varahi Project has been taken by the Technical Sub-Committee and Technical Advisory Committee. Therefore, in the field level the officers of sub-division have not taken any independent decision.

R2, R7, R22, R33, R54, R60, R63 have not submitted their comments.

87. By looking into the reply of the respondents, the reply of them cannot be accepted for the reasons that :- (1) even though the Project was mainly for Irrigation purpose, the idea of installation of Hydroelectric Project was proposed & given importance to the

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same. The owner of the Hydel Project Shri G.L. Shankar is also one of the Tenderers who participated in construction of RBC, LBC and Diversion Weir. As said earlier the work of LBC and RBC had been delayed. One of the reasons for the delay seems to be this Hydel Project. It seems that even though the Varahi Project failed to irrigate the estimated area of land even after such a long period of 36 years (as on 2015), it was successful in Hydro Electric Generation, by which the owner of the said Hydel Plant seems to have been benefitted for the reasons stated early.

88. All the respondent are in chorus in saying that the reasons for delay in completion of the Varahi Project are (1) that there was delay in land acquisition process and handing over of site to the Irrigation Department (2) delay in handing over the site by the Forest Department (3) the unpredictable nature of the soil in the course of the canal and (4) as per the advice of the Technical Sub-Committee. Technical Advisory Committee, the works have been carried out and the EFIs have been approved by the Technical Sub-Committee and Board (KNNL).
89. So far as Land Acquisition Process is concerned, of course the Irrigation Department earlier had intimated the Revenue Department about the required amount of land for the project. But there is no consistent follow up by the Department to get the land required to achieve progress in the Project either by the officers concerned or by the persons who were in helm of affair. Responsibility cast upon each and everyone throughout. Otherwise the Project work would not have been stretched to such

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a long period of 37 years. Even after spot inspection held by me on 29.01.2018 and also the report dated 12.02.2018 along with the e-mail details dated 26.02.2018 of the Land Acquisition Officer and Asst. Commissioner, Kundapura Sub-division, Kundapura, it has been found that still land acquisition proceedings to a major extent is pending and the same has not been handed over to the project concerned. Further, it has also been observed that work of some of the distributaries has not yet been taken up. It is also found that, because of the incompleteness of the above said works, Varahi river water has been wastefully let out to the sea. Therefore, the water that ought to have been utilized for the irrigation purpose has been found wasted. The paper publication in Vijaya Karnataka Bangalore Edition dated 13.02.2018 (at page 7) discloses that, Varahi Project is incomplete as on date and still many distributaries are to be constructed and canal work is still pending. After inspection of the project by the TSC on 25/26-10-2006 made the following recommendations with regard to the construction of:-

A. Left Bank Canal

- i. Wherever the depth of the Canal is more than 10.00 mts. cut and cover shall be provided.
- ii. In case of other reaches Retaining Wall with easening slopes with proper berms at regular intervals shall be provided. Thereafter, soil nailing with jack hammer drilling, providing of mesh with

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guniting/short cleting on the front face of the slope shall be done. Drainage pipes should also be provided.

- iii. These treatments shall be restricted to only problematic reaches where the lithomarge soil is encountered.
- iv. The Retaining Wall built as per the design has failed in sliding and has disturbed the lining. This is to be dismantled and rebuilt as per the subsequent design. While dismantling care is to be taken to see that no disturbance takes place to the existing slope and also to the pitching done. As far as possible there should not be loss of time between dismantling of existing retaining wall and rebuilding the same as per the subsequent design.
- v. The estimates on the above lines shall be prepared and remedial work may be taken up on tender basis after clearance by TSC.
- vi. Immediate commissioning of LIS by completing the remaining two rows of raising main to feed water up to 21<sup>st</sup> K.M

Lift Irrigation Canal:-

- i. The Investigation, survey, design and estimates including identifying the problematic reaches based on experience in LBC and the same shall be placed before TSC before taking up of the work of Lift Canal.
- ii. The Lift Canal work to be planned only after completing the work under VLBC and VRBC.

VLBC high level canal

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- i. The possibility of providing irrigation for the area on the Left Bank between the Weir and starting point of VLBC may be investigated.

Varahi Diversion Weir:-

- i. A detailed comprehensive programme for both block wise as well as fortnight wise should be drawn and submitted to TSC.
- ii. The methodology of laying the concrete including the machinery details required for deployment should be furnished.
- iii. The keying provided seems to be insufficient. Keying into the abutment rock may be provided by extending the non over flow section/sluice block and about the same into the rock by cutting a niche of at least 3 mts.

Varahi Right Bank Canal:-

- i. At FSB + FB.3 mts. berm shall be of 1mt. width. In AKS, 2mt. berm may be retained as suggested earlier.
  - ii. The lining work shall be carried out using paver machines.
90. So, in spite of such advice by Technical Advisory Committee/Technical Sub-Committee estimates have been submitted without making provision for incorporating such cut and cover construction or construction of gravity retaining wall. This has resulted in time loss and Extra Financial Implication as observed by the I.O.

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91. Even though, as said earlier, land availability was not there, the respondents ventured to invite Tender and entrust the work to the Tenderers, then rescinded the contract and once again invited the Tender to the remaining work. These exercises by the concerned appear to be raw deal (lacking professional approach). The frequent changes in design support this inference.
92. In some cases of 'Additional works' Estimates/EIRL has been submitted after much loss of time from the date of approval from the Technical Sub Committee.
93. It has also been observed by the I.O, that in future also, there is every chance of collection of loamy soil in cut and cover i.e., RCC Deck Slab due to land slide and to clear such collection of debris, heavy maintenance cost has to be incurred. Even in case of Salt Water Exclusion Dam as observed by the I.O, lack of vision has caused the collection of water on the rear side of the dam during lean period causing denudation of Agricultural land and Residential areas found on either side of the Canal. These above facts clearly indicate that the Varahi Project has been executed without proper vision and application of Technical know-how. Therefore, for the aforesaid reasons the comments of the respondents cannot be accepted.
94. Since respondent No.3 - Shri Chennappa M.C, Executive Engineer; and respondent No.21 - Shri Hanumanthappa, Executive Engineer are reported to be dead, investigation against them is discontinued (The list of respondents is herewith enclosed for easy reference).

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95. Accordingly, in exercise of power under Section 12(1) of the Karnataka Lokayukta Act, 1984, it is hereby recommended to the Competent Authority to initiate proceedings against the above mentioned officers (except R3 & R21 since reported to be dead) as well as the contractors who have caused loss to the Exchequer to the tune of more than one hundred crores of rupees (Rs.100 crores) by way of civil and criminal proceedings.

96. The Competent Authority shall intimate the action taken or proposed to be taken on this report within one month from the date of receipt of this report as contemplated under Section 12(2) of the Karnataka Lokayukta Act, 1984.

97. Connected original records are enclosed.

 28/2/18  
(JUSTICE SUBHASH B ADI)  
Upalokayukta,  
State of Karnataka.

