



सत्यमेव जयते

**REPORT  
OF THE  
COMPTROLLER  
AND  
AUDITOR GENERAL OF  
INDIA**

*For the year ended 31 March 2000*

**(CIVIL)**

---

---

**GOVERNMENT OF BIHAR**

---

---





## TABLE OF CONTENTS

	Reference to:	
	Para	Page
Preface		XIII
Overview		XV- XXXIV
<b>CHAPTER – I</b>		
<b>AN OVERVIEW OF THE FINANCES OF THE STATE GOVERNMENT</b>		
Introduction	1.1	3
Financial position of the State	1.2	3
Sources and applications of fund	1.3	3-8
Financial operations of the State Government	1.4	9-12
Revenue receipts	1.5	12
Revenue expenditure	1.6	12-14
Capital expenditure	1.7	14-15
Quality of expenditure	1.8	15-16
Financial management	1.9	16-23
Public debt	1.10	23-25
Indicators of financial performance	1.11	25-31
<b>CHAPTER – II</b>		
<b>APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE</b>		
Introduction	2.1	36
Summary of Appropriation Accounts	2.2	36-37
Results of Appropriation Audit	2.3	37-42
Expenditure and budgetary control	2.4	43-45

	Reference to:	
	Para	Page
<b>CHAPTER III</b>		
<b>CIVIL DEPARTMENTS</b>		
<b>SECTION-A: REVIEWS</b>		
<b>HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE DEPARTMENT</b>		
National Family Welfare Programme	3.1	49-67
<b>SECONDARY, PRIMARY AND ADULT EDUCATION DEPARTMENT</b>		
Working of District Primary Education Programme (DPEP)	3.2	68-77
<b>RELIEF AND REHABILITATION DEPARTMENT AND HOME (SPECIAL) DEPARTMENT</b>		
Utilisation of Relief Fund	3.3	78-90
<b>URBAN DEVELOPMENT DEPARTMENT</b>		
Urban Employment Generation Programme	3.4	91-103
<b>SECTION-B : PARAGRAPHS</b>		
<b>ANIMAL HUSBANDARY DEPARTMENT</b>		
Irregular expenditure due to illegal appointment of staff	3.5	104
<b>CABINET SECRETARIAT AND CO-ORDINATION DEPARTMENT (ELECTION BRANCH)</b>		
Unauthorised drawal of election funds and infructuous expenditure on election to JAAC	3.6	105
<b>FINANCE DEPARTMENT</b>		
Central grants as recommended by 10 Finance Commission	3.7	106-108
<b>AGRICULTURE, FINANCE, HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE, SECONDARY, PRIMARY AND ADULT EDUCATION DEPARTMENTS</b>		
Defalcations: Rs 54.65 lakh by 4 DDOs in 4 Departments	3.8	108-112



	Reference to:	
	Para	Page
<b>FOREST AND ENVIRONMENT DEPARTMENT</b>		
Neglect of the work of compensatory afforestation	3.9	112-113
Unauthorised creation of liability	3.10	113-114
Unauthorised deployment of staff	3.11	114-115
Wastage of public funds in the name of advance work	3.12	115-116
<b>HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE DEPARTMENT</b>		
Imported mobile medical clinic vans misused for Garib Rally	3.13	116-117
Rupees 47.40 lakh spent on training staff who provided no training for 10 years	3.14	117
<b>HOME (JAIL) DEPARTMENT</b>		
Pilferage of food articles in 2 Central Jails:Rs 23.59 lakh	3.15	118
<b>HUMAN RESOURCE DEVELOPMENT DEPARTMENT</b>		
Irregular appointment of teachers	3.16	119
<b>INDUSTRIES DEPARTMENT</b>		
Nugatory expenditure of Rs 24.96 lakh on pay and allowances of staff of non-functional industrial centres	3.17	119-120
<b>LAND REFORMS AND REVENUE DEPARTMENT</b>		
Infructuous expenditure of Rs 62.21 lakh on a non-functional training institute	3.18	120
<b>PLANNING AND DEVELOPMENT DEPARTMENT</b>		
Infructuous expenditure on incomplete and abandoned schemes under district plans :Rs 56.36 lakh	3.19	121-122
<b>REVENUE DEPARTMENT</b>		
Irregular engagement of daily wages workers	3.20	122
Misutilisation of departmental receipts	3.21	122-123
<b>RURAL DEVELOPMENT DEPARTMENT</b>		
Members of Parliament Local Area Development Scheme	3.22	123-129

	Reference to:	
	Para	Page
Misappropriation of development fund and loss of Government money: Rs 41.29 lakh	3.23	130
Misutilisation of Indira Awas Yojna funds	3.24	130-131
Serious financial irregularities in Rural Development Department	3.25	131-134
<b>VIDHAN PARISHAD SECRETARIAT</b>		
Irregular appointment/ promotion of officials by subverting rules and procedures: Rs 9.49 crore	3.26	135-138
Irregular payment of TA Bills: Rs 74.36 lakh	3.27	138-139
Loss of Rs 1.02 crore due to misuse of Railway Travel Coupons (RTCs)	3.28	139
Overpayment of pay and allowances: Rs 6.74 lakh	3.29	139-140
Payment against fake TA Bills: Rs 6.65 lakh	3.30	140
Non-recovery of Motor Car advance: Rs 18.53 lakh	3.31	141
<b>VIDHAN SABHA SECRETARIAT</b>		
Misuse/ misappropriation/ loss of Railway Travel Coupons (RTC): Rs 11.62 crore	3.32	141-142
Payment against fake TA bills: Rs 32.68 lakh	3.33	142-143
Telephone charges not recovered: Rs 2.14 crore	3.34	143
<b>WELFARE DEPARTMENT</b>		
Non-implementation of central scheme due to locking up of funds	3.35	144-145
Non-utilisation of Special Central Assistance meant for benefit of tribal population	3.36	145
<b>CHAPTER IV</b>		
<b>WORKS EXPENDITURE</b>		
<b>SECTION-A-REVIEWS</b>		
<b>ROAD CONSTRUCTION DEPARTMENT</b>		
Working of Road Construction Department	4.1	149-166
<b>SECTION-B-PARAGRAPHS</b>		
<b>BUILDING CONSTRUCTION AND HOUSING DEPARTMENT</b>		
Misappropriation of Rs 30.71 lakh by a Junior Engineer	4.2	167-168



	Reference to:	
	Para	Page
Unfruitful expenditure of Rs 1.21 crore due to departmental lapses	4.3	168
<b>HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE DEPARTMENT</b>		
Excess drawal of Rs 80.00 lakh	4.4	169
Idle investment of Rs 72.39 lakh on incomplete construction of Referral Hospitals	4.5	170
<b>MINOR IRRIGATION, PUBLIC HEALTH ENGINEERING AND RURAL DEVELOPMENT DEPARTMENT</b>		
Payment of Rs 13.44 lakh on fake muster rolls	4.6	171
<b>PUBLIC HEALTH ENGINEERING DEPARTMENT</b>		
Excess expenditure of Rs 30.36 lakh on drilling tubewells	4.7	172
Misutilisation of Accelerated Rural Water Supply Programme (ARWSP) fund: Rs 46.74 lakh	4.8	173
Unauthorised diversion of fund :Rs 19.70 lakh	4.9	173-174
<b>ROAD CONSTRUCTION DEPARTMENT</b>		
Irregularities in construction of Karaikella to Kera temple road	4.10	174-175
<b>RURAL DEVELOPMENT DEPARTMENT</b>		
Wasteful expenditure of Rs 21.73 lakh on incomplete construction of screw-pile bridge	4.11	175
<b>WATER RESOURCES DEPARTMENT</b>		
Payment of Rs 45.12 lakh on pay and allowances of unauthorisedly appointed work charged staff	4.12	176
Unauthorised occupation of government residences	4.13	176-177
<b>CHAPTER – V</b>		
<b>STORES AND STOCK</b>		
<b>SECTION – B – PARAGRAPHS</b>		
<b>HOME (POLICE) DEPARTMENT</b>		
Stores Management in Home (Police) Department	5.1	181-189
<b>WATER RESOURCES DEPARTMENT</b>		
Store Management in Subernrekha Multipurpose Project	5.2	189-197

	Reference to:	
	Para	Page
<b>CHAPTER – VI</b>		
<b>FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS</b>		
<b>SECTION – A – REVIEW</b>		
<b>FOREST AND ENVIRONMENT DEPARTMENT</b>		
Compliance of Environmental Acts and Rules relating to Water Pollution	6.1	201-210
<b>HOUSING DEPARTMENT</b>		
Working of Bihar State Housing Board	6.2	211-224
<b>URBAN DEVELOPMENT DEPARTMENT</b>		
Working of Gaya Municipal Corporation	6.3	225-233
<b>SECTION – B – PARAGRAPHS</b>		
Grants-in-aid to non-government bodies/ institutions	6.4	234-235
Bodies and authorities substantially financed by Government Grants and Loans	6.5	235-236
<b>HIGHER EDUCATION DEPARTMENT</b>		
Working of Kameshwar Singh Darbhanga Sanskrit University, Darbhanga	6.6	236-244
Irregular payment to Daily Wages Staff by the University/ Constituent Colleges	6.7	244
Irregular payment of Bonus and Interim Relief	6.8	244-245
Irregular payment to staff of newly Constituent Colleges of Magadh University working on recommended posts	6.9	245-246
Loss of huge amounts due to negligence to respond to the orders of Income Tax Department	6.10	246-247
<b>HIGHER EDUCATION/ URBAN DEVELOPMENT/ AGRICULTURE DEPARTMENTS</b>		
Non co-operation with audit	6.11	247
<b>RURAL DEVELOPMENT DEPARTMENT</b>		
Misutilisation of IRDP fund of Rs 27.05 lakh	6.12	248



		Reference to:	
		Para	Page
<b>SECONDARY EDUCATION DEPARTMENT</b>			
Irregular investment of insurance fund in share market		6.13	248-250
<b>SOCIAL WELFARE DEPARTMENT</b>			
Irregular payment of loan without ensuring recovery		6.14	250-251
<b>URBAN DEVELOPMENT DEPARTMENT</b>			
Belated release of Government grants and loans by the Special Officer, Urban Development Department		6.15	251-252
Failure to deposit Provident Fund amounts by Mineral Area Development Authority, Dhanbad		6.16	252-253
Surcharge notices remained ineffective		6.17	253
<b>CHAPTER – VII</b>			
<b>COMMERCIAL ACTIVITIES</b>			
<b>SECTION – B PARAGRAPHS</b>			
General		7.1	257
<b>FOREST &amp; ENVIRONMENT DEPARTMENT</b>			
Doubtful purchase of spare parts valued at Rs 23.20 lakh		7.2	257-258
Nugatory expenditure for 7 years on staff without work		7.3	258
<b>LABOUR DEPARTMENT</b>			
Working of the Bihar Secretariat Canteen		7.4	259-261
<b>APPENDICES</b>			
I	Government Accounts	1.1	265
II	Statement of large savings under State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes	1.8.3	266-285
III	List of incomplete irrigation projects where huge capital was blocked	1.9.2	286
IIIA	List of 40 treasury months short listed on the basis of excess expenditure in April-December 1999	1.9.6	287

		Reference to:	
		Para	Page
IV	List of indices/ratios and basis for their calculation	1.11.2	288-289
V	Working papers to financial indicators	1.11.2	290-291
VI	Statement of excesses requiring regularisation	2.3.1	292-293
VII	Cases where supplementary provision proved unnecessary	2.3.3	294-295
VIII	Cases where supplementary provision proved excessive	2.3.3	296
IX	Cases where expenditure fell short	2.3.6	297-306
X	Cases of persistent savings exceeding Rs 2 crore in each case	2.3.7	307-308
XI	Expenditure on new services/ new instrument of services in excess of the budget provision	2.3.8	309-310
XII	Expenditure on new services/ new instrument of services without budget provision	2.3.8	311-312
XIII	Anticipated savings not surrendered	2.3.9	313-314
XIV	Statement of unjustified/ excessive surrenders	2.3.10	315-317
XV	Cases of drawal from Contingency Fund where the expenditure was not such as could not have been foreseen	2.3.11(ii)	318-320
XVI	Statement of unreconciled expenditure	2.3.12	321
XVII	Statement of Tubectomy operations conducted in post partum centres attached to Sadar Hospital test-checked during 1995-2000	3.15.4	322
XVIII	Details of calamity and extent of damages/loss	3.3.1	323
XIX	Statement of misappropriations and losses	3.3.6.2	324-326
XX	Statement of Misutilisation/ Diversion of Relief fund	3.3.6.3	327-329
XXI	Statement of substandard work	3.22(ii)9(b)	330-331
XXII	Statement of irregular payment of TA bills	3.27	332
XXIII	Statement of Misuse/ Misappropriation/ Loss of RTC during 1994-2000	3.28	333



		Reference to:	
		Para	Page
XXIV	Statement of MLCs who were at Patna as per RTC register/ under medical treatment at Patna/ Delhi and were on tour as per TA bills	3.30	334
XXV	Statement of motorcar advance which remained unrecovered from MLCs	3.31	335
XXVI	Statement of RTCs received by Members of Bihar Vidhan Sabha during 1995-2000	3.32	336-340
XXVII	Statement of Members of Bihar Vidhan Sabha, who were at Patna as per RTC register and were on tour as per TA bills	3.33	341-346
XXVIII	Statement of telephone charges not recovered from Members of Bihar Vidhan Sabha	3.34	347-354
XXIX	Statement showing unnecessary supplementary grants	4.1.4 (i)	355
XXX	Fund provided remained fully unutilised	4.1.4 (i)	356-357
XXXI	Statement showing excess expenditure under certain grants	4.1.4 (ii)	358-359
XXXII	Statement showing expenditure without budget provision	4.1.4 (iii)	360
XXXIII	Statement of allotment and expenditure on repair works in divisions	4.1.4.1 (ii)	361
XXXIV	Statement of award of work to contractors beyond their capabilities	4.1.6.2.1 (ii)	362
XXXV	Statement of unfruitful expenditure on incomplete works	4.1.6.2.2 (i)	363-365
XXXVI	Statement of doubtful expenditure	4.1.6.3(ii)	366-367
XXXVII	Statement of cases of shortages and misappropriations	4.1.7 (vi)	368-369
XXXVIII	Details of major financial irregularities communicated through Inspection Reports	4.1.9	370
XXXIX	Statement of unutilised stores	5.2 (ii) (b)	371
XL	Statement of misappropriation of stores	5.2. (iv) (c)	372-373
XLI	Utilisation certificates relating to grants in aid paid upto March 2000 but not received upto 30 September 2000	6.4.1	374

		Reference to:	
		Para	Page
XLII	Statement showing the Teacher-Student ratio in Acharya classes	6.6.7.3	375
XLIII	Statement of surcharge notices issued to DM/ DC during 1994-95 to 1998-99 and amount involved therein	6.17	376
XLIV	Departmentally managed commercial/ quasi- commercial undertakings which have not prepared proforma accounts since their inception	7.1	377
XLV	Departmentally managed commercial/ quasi- commercial undertakings, the proforma accounts of which are in arrears	7.1	378

# *Preface*

---

- 1     **T**his Report has been prepared for submission to the Governor under Article 151 of the Constitution.
- 2     Chapter I and II of this Report respectively contain Audit observations on matters arising from examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2000.
- 3     The remaining chapters deal with the findings of performance audit and audit of transactions in the various departments including the Public Works and Irrigation Department, audit of Stores and Stock, audit of Autonomous Bodies and departmentally run commercial undertakings.
- 4     The Report containing the observations arising out of audit of Statutory Corporations, Boards and Governments Companies and the Report containing such observations on Revenue Receipts are presented separately.
- 5     The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts during the year 1999-2000 as well as those which had come to notice in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 1999-2000 have also been included wherever necessary.








## OVERVIEW


This Report includes two chapters on the finances and accounts of the Government of Bihar and 5 chapters comprising 8 reviews and 64 paragraphs arising from the audit of selected schemes and programmes and of financial transactions of Government. A summary of main audit findings contained in the audit reviews and the important paragraphs is presented in this overview.

### 1. An overview of the finances of the State Government


 The liability of the State Government grew by 13 per cent while the assets declined by 0.72 per cent during 1999-2000 mainly due to high growth in the deficit on the Government account by 48 per cent. The assets include investment (29 per cent of the total assets) in the loss making Government Companies.


 Revenue receipts increased by 15 per cent but their relative share in Government spending went down from 71.70 per cent in 1998-99 to 63.95 per cent in 1999-2000. The share of recoveries of loans and advances also went down from 0.08 per cent to 0.07 per cent. The share of net receipt from Public Account went up from 2.86 per cent in 1998-99 to 7.55 per cent in 1999-2000. The receipt from public debt steeply went down from 23.39 per cent to 16.04 per cent. A notable change during 1999-2000 was that an amount of Rs 2060.67 crore was drawn from the cash balance over and above the receipts to meet mounting deficits.


 Revenue expenditure accounted for 86 per cent of Government's total expenditure during 1999-2000, while the share of capital expenditure was insignificant at 7 per cent. Low investment in capital expenditure was the main reason of low growth of assets. Wastage in public expenditure, diversion of funds and funds blocked in incomplete projects impinged negatively on the quality of expenditure.

 Plan performance of the State Government was poor. Annual plan outlay for the year 1999-2000 was Rs 3630 crore which was drastically reduced to Rs 2472 crore in the revised outlay stage. Against this Rs 2334 crore were spent. State Government obtained Central loan, market borrowing and grants from Central Government aggregating Rs 2597 crore during 1999-2000. Out of this, State Government saved Rs 263 crore and did not contribute to the plan expenditure from its own resources. Various State Plan Schemes, Centrally Sponsored Schemes and Central Plan Schemes were marred by huge savings of Rs 1735.96 crore.



 While Government was raising high cost borrowings from the market its investment in Government Companies fetched no return. There was huge idle investment of Rs 1895.31 crore in 23 incomplete irrigation projects.

 During 1995-1999 Government borrowed excessively for Plan expenditure but did not spend the amounts while the Plan schemes languished. As a result, Rs 2388 crore was accumulated in CBIA. During 1999-2000, Government utilised Rs 2306 crore out of these accumulations mostly for revenue expenditure which increased by a whopping 44 per cent over the previous year. Expenditure under two departments (Education and Rural Development) alone was Rs 4861 crore i.e. an increase of Rs 1618 crore (50 per cent) over the previous year. In Education, amounts were spent mostly on arrears payments for salaries and wages. In Rural Development Department, moneys were spent for Employment Assurance Scheme (EAS), Indira Awas Yojna (IAY), Basic Minimum Service Scheme (BMSS) and execution of development schemes based on the recommendation of the Members of State Legislators. Scrutiny of implementation of EAS revealed fraudulent payments through muster rolls, excessive purchase of materials, fictitious purchase of materials, unauthorised execution of works through contractors, low generation of employment and unauthorised retention of government funds outside government account. Under IAY, payments were irregularly made to the beneficiaries with doubtful eligibility and also to ineligible beneficiaries. There were huge unspent balances and only 16 per cent of the houses taken up were completed. DRDAs drew huge funds for State Legislators Area Development Schemes and kept the amounts in banks in violation of Government orders; DDOs unauthorisedly held huge cash balances. In violation of norms, works under the schemes were executed by private agencies. Large payment through doubtful muster rolls and fictitious purchase of materials were noticed in audit. Genuineness of expenditure incurred by various departments calls for investigation by the Government.


 The above analysis indicates that the financial mismanagement which led to grave financial condition of the government during 1995-99 worsened during the past year. The imprudent and unjustified market borrowings in the previous years and their investment in the Treasury Bills instead of Plan expenditure are now coming home in the shape of an unsustainable interest burden and absence of any productive asset. The state made no attempt to contain its revenue expenditure and on the other hand spent huge amounts on revenue accounts by drawing down its cash balance. The expenditure was bound to have serious risk of misuse of funds. The increased interest burden and staff cost pushed the revenue deficit and fiscal deficit to its highest level. Even while its revenue deficit soared, the government did not improve its tax compliance and thus depended mainly upon the transfers from the Central Government to finance its expanding revenue expenditure. Its assets are not covering its liabilities. As these assets are mainly investments in the loss making





PSUs, the true extent of its vulnerability is not reflected even in the poor ratio of assets and liabilities. Unless the government improves its financial and fiscal management takes steps to prevent the endemic frauds and financial irregularities in its departments and improves the tax compliance, the financial decline of the government can not be assorted.


*(Paragraph 1.1 to 1.11.4 and 3.25)*


## 2. Appropriation Audit and control over expenditure


 State Government incurred expenditure of Rs 20543 crore during 1999-2000 against the total budget provision of Rs 23651 crore including supplementary. The overall savings of Rs 3108 crore was the result of savings of Rs 3422 crore in 47 cases of grants and 11 cases of appropriations, partly offset by excess expenditure of Rs 326 crore requiring regularisation under Article 205 of the Constitution of India. As of December 2000, excess expenditure of Rs 6253.89 crore pertaining to the years 1977-78 to 1999-2000 had also not been regularised. Of the total excesses of Rs 6254 crore occurring since 1977-78, the excess of Rs 5140 crore (79 per cent) occurred during the last 10 years period (1990-91 to 1999-2000).

 The supplementary provision of Rs 5147 crore obtained by the government during the year 1999-2000 constituted 27.82 per cent of the original budget provision of Rs 18504 crore as against 14.59 per cent in 1998-99. Out of this, the supplementary provision of Rs 707 crore in 52 cases proved wholly unnecessary. In 16 more cases, supplementary provision of Rs 910 crore proved excessive by Rs 550 crore.

 Persistent savings exceeding Rupees one crore in each case ranging from 3 to 75 per cent occurred in 49 grants over a period of two years.

 Savings exceeding Rupees one crore in each case in 53 grants and 1 appropriation aggregating Rs 3131 crore were not surrendered, while in 36 cases surrenders of Rs 157.99 crore were unjustified/excessive.

 Explanations for saving/excess were not received in the office of the Principal Accountant General (A&E) in respect of 772 out of 986 sub-heads where reasons for variations were called for. Controlling Officers administering the grants consistently failed to discharge their responsibility of providing explanations for saving/excess.


 Non-reconciliation of departmental figures with those appearing in the books of Accountant General was being pointed out in the Reports of the Comptroller and Auditor General of India over the years. During 1999-2000 expenditure under 1453 units of Appropriation involving a sum of Rs 6489.61 crore remained unreconciled.


*(Paragraph 2.1 to 2.4)*





### 3. National Family Welfare Programme


National Family Welfare Programme, centrally sponsored and fully financed by Government of India aimed at stabilising population at a level consistent with national development and facilitating attainment of twin goals of 'Health for All' and a 'Net Reproductive Rate of Unity (NRR-1)' by the year 2000.


 Compared to national goals crude birth rate was higher by 53 percent, couple protection rate was low by 61 percent and annual population growth rate was higher by 76 percent in 1998 indicating that the goals seemed unachievable in the State.

 The implementation of the programme in the State faltered due to absence of effective monitoring and corrective actions on the deficiencies pointed out by Government of India. Both physical and financial aspects of the programme remained mismanaged and implementation of the programme was affected by huge persistent savings every year during 1995-2000, deficiencies in accounts, defalcation/ misappropriations/ mis-utilisation of funds and medical materials, non-availability of essential drugs/ contraceptives/ vaccines, procurement and distribution of substandard medical articles and inadequate health care providers etc. Physical performance in almost all the components of the programme was either low, nil or negligible and possibility of attainment of intended goal appeared remote.


 Fifteen to 42 percent of budget provisions remained unutilised during 1995-2000. Central Government did not reimburse Rs 17.78 crore spent upto 1997-98 by the State due to unsettled objections.


 Number of Health Centre in rural areas was inadequate to meet the need of family welfare under Minimum Needs Programme. Against the norm of sub centre population ratio of 1:5000 and PHC population ratio of 1:30000, actual as of March 2000 was 1:6750 and 1:169898 respectively. Of Rs 4.30 crore provided to the districts (September 1999) for civil works in PHCs, Rs 3.59 crore remained unutilised and renovation of PHCs in the districts was not done.


 State Family Welfare Bureau had no information on performance under Sterilisation Bed Scheme, Post Partum, PAP Smear Test Facility Programme and All India Hospital Post Partum Programme in the State. The programmes were not monitored.


 As per the survey conducted (1998) in respect of 5 districts test-checked, utilisation of ante natal services varied between 20 and 37 percent only.





 During 1995-2000 except for BCG and OPV in all cases of immunisation achievement never went beyond 50 percent of targets. Except for BCG there was significant decline during 1995-2000.


 Compared to 1995-96, target of sterilisation in 1997-2000 reduced by 32 percent and of IUD by 14 percent. Even then, during 1995-2000 targets in sterilisation, IUD, CC users and OP users were achieved only for 29 to 46 percent, 36 to 47 percent, 12 to 24 percent and 18 to 37 percent respectively.


 Only 10 percent of funds (Rs 42.02 lakh) for awareness generation training and 3 percent of funds (Rs 89.43 lakh) for integrated skill development training were utilised.

 IEC activities for dissemination of information on family welfare programmes were inadequate.

 In 8 family welfare offices Rs 97.48 lakh were spent on medicine in excess of norm during 1996-2000. In 4 health units essential drugs/ contraceptives/ vaccines were not available. In 3 health units sub-standard medical articles were procured and distributed risking human life.

 Twelve officers did not furnish Detailed Contingent Bills for Rs 1.31 crore for the amounts drawn on Abstract Contingent Bills during 1995-99. Accounting of the programme was mismanaged and entailed serious financial risks including defalcation of Rs 11.56 lakh in 5 offices test-checked.

 Rupees 9.38 lakh of programme funds were misutilised by 7 Drawing and Disbursing Officers (DDO) while 15 DDOs retained Rs 96.90 lakh, meant for implementation of the programme, in bank/ cash. Three officers kept Rs 18.55 lakh of programme funds unauthorisedly in 'Civil Deposits' for 4 to 8 years.


 Monitoring of the programme was ineffective.


*(Paragraph 3.1)*


#### 4. Working of District Primary Education Programme (DPEP)


District Primary Education Programme was a centrally sponsored programme which aimed to revitalise primary education system by raising level of basic literacy and numeracy competency in children. Implementation of the programme was ineffective and poor. The programme faltered midway due to poor release/ utilisation of funds, misutilisation of funds and inadequate and ineffective monitoring.





 During 1997-98 only 38 percent (Rs 117.05 crore) of the budget provision (Rs 305.19 crore) was released by the Centre and the State. Poor release of central share was attributable to non-submission of utilisation certificate by the State.

 Sharp decline in enrolment of children and increase in gap between genders indicated failure of one of the main objectives of the programme.

 Only 60 percent (32426) of habitations in the project area had the facility of primary education, while 16 percent (17280) of posts of teachers was vacant and there was wide variance in teacher-student ratio. 39 percent of schools (12950) had no drinking water facility. 83 percent (27653) of schools were not provided with toilet facility, while toilet facility was provided for girl students in negligible 5 percent of schools in the project area. 26 to 32 percent of children enrolled did not get sitting accommodation in class rooms. Teaching and learning materials were not provided to 30 percent of students of focus group (SC, ST and girls) enrolled.

 There was heavy shortfall in performance of other various components of the programme.


 Fraudulent encashment, fictitious purchase of vehicle, avoidable payment of excise duty, irregular payment of employee's share, loss of revenue, irregular incentive to Mahila Samooh, excess payment of pay and allowances to staff, shortage of books etc. as noticed in test-check aggregated Rs 1.37 crore.

 There was total absence of monitoring of the programme.

*(Paragraph 3.2)*


## 5. Utilisation of relief fund


Administration of relief measures to the people affected by natural and man made calamities was grossly mismanaged in the State resulting in denial of relief assistance to a large number of needy people. Management of relief assistance suffered from large scale irregularities such as non/mis-utilisation of funds, diversion of funds and material, inadmissible/ excess payments, misappropriation of funds and material and parking of funds in 'Civil Deposits'/ banks, non-maintenance of accounts of relief funds etc. Mismanagement in relief assistance was aggravated by absence of monitoring of relief activities and financial transactions both at the State and the district levels.


 No relief assistance was provided to 7.77 lakh flood affected people in 1242 villages of 11 districts during 1995-99 though Rs 2.86 crore were allotted to the District Magistrates concerned for flood relief measures.





Rupees 5.12 crore were allotted during 1995-99 to 15 District Magistrates for flood relief, though there was no flood report from these districts.


 Though required, no fund (out of Rs 273.53 crore) was invested for generation of income during 1995-2000.


 Eight District Magistrates did not submit to the Accountant General Detailed Contingent Bills for Rs 138.81 crore drawn by them on 431 Abstract Contingent Bills during 1995-2000.


 Of Rs 467.76 crore, Rs 335.47 crore were spent and Rs 132.29 crore (28 per cent) lapsed during 1995-2000. Of Rs 49.45 crore allocated by GOI during 1996-99 for providing relief to the victims of natural calamities of rare severities, Rs 28.00 crore (57 per cent) had not been utilised.


 Of Rs 7.00 crore received during 1995-2000 from the Prime Minister's Relief Fund, Rs 2.18 crore remained unutilised and were retained in the bank accounts of the Department. Besides, in 5 districts test-checked Rs 83.03 lakh remained unutilised in bank accounts.

 In 2 districts 1.60 crore were paid to 145 families (Gaya: Rs 10.50 lakh: 13 families; Jahanabad: Rs 1.49 crore: 132 families ) of the deceased killed in extremist violence at the rate varying from Rs 0.50 lakh to Rs 1.25 lakh in excess of the norm (Rs 0.20 lakh) fixed by the Government. No relief was paid to 53 victims and 32 wounded.

 Six District Magistrates drew Rs 136.48 crore from treasuries for flood and fire relief assistance during 1995-2000. Against this, Rs 24.47 crore remained unutilised. This included Rs 88.00 lakh drawn by District Magistrate, Patna for distribution of food, chura, sattu and cash dole assistance to the flood affected people of 1999 but kept (30 March 2000) in a Bank. Besides, District Magistrate, Katihar kept funds of Rs 63.51 lakh (March 2000) for flood relief assistance in 'Civil Deposits'.

 Misappropriation and loss of money and material as noticed in audit aggregated Rs 19.20 crore. Overdue advances awaiting recovery/adjustment aggregated Rs 7.63 crore.

 Relief funds of Rs 6.27 crore were misutilised in the test-checked districts. District Magistrates and the departments did not submit utilisation certificates for 85 per cent of the funds allotted to them during 1995-2000.


 Monitoring of relief assistance by State Level Committee was ineffective. Preventive measures against routine and large scale abuse and misappropriation of CRF were not evident.


(Paragraph 3.3)





## 6. Urban Employment Generation Programme


The Urban Employment Generation Programme broadly aimed at improving the quality of life of urban poor by providing gainful employment through setting up self employment ventures and creation of socially and economically useful assets and shelter upgradation.


 The programme was a total failure in the State as physical achievement was within 21 percent against targets. The programme was ineffectively implemented without any perspective or annual action plan and without selection of economically viable projects/works. The programme was marred by inadequate release of funds, poor utilisation of funds, misutilisation of funds, exhibiting inflated figures of mandays created and expenditure incurred every year and absence of monitoring.

 Even basic requirement of survey for identification of target group of beneficiaries was not conducted after 1991.


 During 1995-2000 on an average 19 percent of available funds under different components of the scheme was released per year to implementing agencies by the State and meagre 18 percent (Rs 20.02 crore) of available fund was utilised. Industry Department also did not release any fund (out of Rs 1.64 crore) during 1997-2000. Funds of Rs 20.39 crore drawn from Patna Secretariat treasury were unauthorisedly kept in 'Civil Deposit'.


 Vast discrepancy of Rs 4.05 crore in accounts remained unreconciled. Secretary, Urban Development Department unauthorisedly locked Rs 12 crore on 10 March 1998 in 3 term deposits in banks.


 Physical achievement under SUME (Subsidy and training) was approximately 19 percent of target, while expenditure exceeded by Rs 5.75 crore over the amount admissible as per norm. In respect of wage employment under SUWE, expenditure did not commensurate with physical achievement. Employment through housing and shelter upgradation scheme (SHASU) was nil or negligible. Only 18 percent of the willing beneficiaries were benefited under Urban Self Employment Programme through setting up micro enterprises and skill development. Training needs of the programme were ignored. The scheme of Development of Women and Children in Urban Areas remained a non-starter. The department had no information on material and wage component for Urban Wage Employment Programme. The number of loan disbursed against loan sanctioned and the loan disbursed against targeted number of beneficiaries under PMRY steadily declined every year during 1995-2000.

 Generation of employment under NRY, SJSRY was low during 1995-2000. Even figures of mandays generated and expenditure incurred were inflated.



 Administrative expenditure under SJSRY was high at 18 percent against the norm of 5 percent resulting in inadmissible expenses of Rs 97.12 lakh. Besides, Rs 5.08 crore were spent on schemes which remained incomplete.


 Doubtful expenditure on training and misutilisation of fund, as noticed in test-check, aggregated Rs 1.46 crore. DRDA, Munger spent Rs 2.16 lakh out of NRY funds on purchase of sofa set, furniture etc. for Collector and printing charges during 1992-99. In 8 districts test-checked Rs 75.93 lakh pertaining to NRY and SJSRY were diverted to other purposes like purchase of chairs, payment of salary to staff, repairs of tractor, construction of chairman's chamber, badminton hall etc.


 Monitoring of the programme was totally absent.


*(Paragraph 3.4)*


## 7. Working of Road Construction Department

Road Construction Department was responsible for construction and maintenance of State and National Highways and major district roads and bridges.


 The financial, works, material and manpower administrations were grossly mismanaged in the Road Construction Department as was evident from large savings offset by excesses every year under certain subheads of accounts, unnecessary supplementary provisions, drawals of money without budget provisions, excess/ inadmissible payments in execution of works, misutilisation/ misappropriation of funds and materials, funds locked in incomplete road-bridge works, excess/ illegal appointments, high incidence of establishment expenditure, lack of monitoring in road-bridge works etc.


 Financial administration of the department was mismanaged as budget provision was tentative, 11 to 60 percent of Plan funds were not spent, non-plan expenditure exceeded budget provisions by 7 to 19 percent during 1995-2000. Allotment registers and related files for allotment of funds to DDOs, appropriation/re-appropriation for plan/non-plan works etc. for 1996-99 were reported to be seized by Central Bureau of Investigation.


 Temporary advance for Rs 1.43 crore to 63 Junior/ Assistant Engineers of 16 divisions were overdue for recovery/ adjustment for 1 to 27 years. Misappropriation of large part of these funds was a distinct possibility.


 Establishment expenditure varied from 31 to 103 percent of capital outlay on works during 1995-2000 against the norm of 10 percent.





 There was no addition of length of roads other than National Highway during 1996-2000. Road and bridge works (348) sanctioned/ taken up during 1980-2000 remained incomplete, though Rs 652.51 crore were spent on them.


 Rupees 61.43 crore meant for construction of roads in naxal infested districts were diverted towards construction of 21 roads (438 km) in other districts, while no road work was taken up in 5 terrorist infested districts.


 Deficient contract management for Rs 31.59 crore in the test-checked divisions resulted in increase in cost and extra expenditure.


 In 7 Road Construction Divisions work for Rs 45.65 crore was awarded to incompetent contractors resulting in expenditure for Rs 24.98 crore on incomplete works.


 In Chapra-Siwan road under Road Construction Division, Chapra, inferior road works resulted in failure of road crust estimated to cost Rs 1.14 crore.


 CE/ SE sanctioned inadmissible claims for Rs 1.30 crore to contractors beyond the terms of contract for payments by 2 Road Construction Divisions during May 1999 to March 2000.


 Unfruitful and idle investment on incomplete and abandoned road works aggregated Rs 48.47 crore in 6 Road Construction and 14 NH Divisions test-checked.


 Unauthorised execution of road works in 350 to 369 km of NH 31 by NH Division, Purnea aggregated Rs 77.20 lakh.

 In 2 NH Divisions contractors were allowed to start works for Rs 5.42 crore before finalisation of tender for undue favour to contractors.


 Inflated measurement of works and allowance of extra percentage on material resulted in excess payment of Rs 68.25 lakh.


 Fourteen divisions created additional liability of Rs 5.99 crore on repair works. Road works for Rs 64.63 lakh in 5 divisions were doubtful.


 Seven divisions spent Rs 2.75 crore on doubtful maintenance and repairs of roads.


 Tolls of Rs 9.46 crore collected by 2 divisions were not remitted to MOST as of March 2000.




 Four hot mix plants and one mobile bridge inspection machine procured (1998-99) by 2 NH Divisions at Rs 8.02 crore remained inoperative due to non-commissioning of plants and lack of operational staff.

 Thirteen Road Construction and 12 National Highway Divisions did not initiate action for recovery of advance payments (March 1997 to March 2000) of Rs 15.65 crore (including interest of Rs 42.38 lakh) from oil companies.

 Shortages of materials valued at Rs 96.49 lakh in 7 Road and 1 NH Divisions were not recovered from concerned officials.


 Eight Road and 2 NH Divisions diverted bitumen valued at Rs 1.50 crore to other works.


 Payment to staff without work and illegal appointees in divisions test-checked aggregated Rs 51.98 crore.


*(Paragraph 4.1)*

## 8. Compliance of Environmental Acts and Rules relating to Water Pollution


Government and Bihar State Pollution Control Board did not effectively implement Environmental Acts and Rules relating to water pollution and resultantly failed to ensure prevention of water pollution. Industrial and domestic waste water polluted surface water in the state, chemical and bacteriological values of drinking water in Patna exceeded the desirable range. In Ranchi town heavily contaminated water was supplied to people from Kanke Dam Gonda Hill Reservoir, while in Purnea town also water with high iron content was being supplied entailing risks to human health. There was no comprehensive programme planning and negligible capital expenditure on programmes. Steel plants, leather industries, thermal power plants and distilleries polluted surface water.


 Compliance of Environmental Acts and Rules relating to Water Pollution by State Government was highly deficient.


 Bihar State Pollution Control Board did not plan a comprehensive programme for prevention, control or abatement of pollution of streams and wells in the State and develop no mechanism for its implementation.


 During 1995-2000 chemical and bacteriological values of drinking water in Patna town exceeded the desirable range. In Ranchi town heavily contaminated water was supplied to people from Kanke Dam Gonda Hill Reservoir and in Purnea town water with high iron content was supplied.




 As per data made available by Bihar Rajya Jal Parishad 79 ML/D untreated sewage was being discharged into river Ganga besides direct discharge to the river through other non-point sources.

 Bihar State Pollution Control Board granted conditional consent to the industries like Bokaro Thermal Power Plant, Bokaro Steel Plant, 3 distilleries and 5 Leather Industries test-checked which did not comply with the statutory standards and discharged their effluents and sewerage untreated into rivers etc.

 During 1994-99 administrative and miscellaneous expenditure was on average 88 per cent of total expenditure of the Board. Large amount of budgeted funds were not spent every year.


 A mobile water sampling van was not collecting the water samples but was misutilised on other purposes and thus, expenditure of Rs 22.59 lakh was wasted.


 Water pollutions increased in 8 locations of river water analysed.


(Paragraph 6.1)

## 9. Working of Bihar State Housing Board


Bihar State Housing Board aimed at providing housing plots/houses/flats to the people of different income groups at the lowest and affordable cost. The Board failed to provide housing plots and houses/ flats to the people at the lowest and affordable cost. The schemes undertaken by the Board faltered midway due to time and cost overruns. The Board was in debt trap and suffered from gross financial mismanagement despite high level government nominees in the Board. Revenue expenditure included the establishment charge (51 percent) and interest payment (44 percent) during 1994-98. Housing schemes undertaken were marred by serious cases of avoidable expenditure. Personnel management was also poor as cadre control mechanism was absent in the Board. It resorted to irregular appointments and operations of posts beyond their sanctioned strength.


 During 1994-98 total revenue expenditure of Rs 41.49 crore, included Rs 18.30 crore (44 percent) spent on interest payments and Rs 21.36 crore (51 percent) on establishment.


 Excess administrative cost of Rs 19.67 crore over the norm was made by diversion of funds meant for execution of schemes.


 Board was in debt trap. Interest of Rs 13.78 crore due to HUDCO was paid during 1994-98 by diversion of fund borrowed for execution of schemes. It repaid Rs 1.30 crore to LIC out of loan of Rs 2.98 crore obtained from HUDCO. As of March 1998 loans of Rs 127.18 crore and interest of Rs 55.77 crore were outstanding for repayment.





 In 9 divisions Rs 100.07 crore (90 percent) out of the total demand of Rs 111.79 crore remained unrealised as of March 1999.


 Rupees 804.42 crore were blocked in idle investments due to encroachment, non-allotment and non-execution of agreement of plots/houses/flats. Rupees 19.08 crore were spent on 34 schemes which remained incomplete for 4 to 11 years. Expenditure included Rs 2.62 crore spent without technical sanctions on 7 schemes in Ranchi division.


 Due to lack of basic social infrastructure, 24 percent of groups of schemes were not allotted, agreements of 33 percent of the groups of schemes allotted were not executed and possession of 31 percent of agreements were not given to the allottees.


 Avoidable loss due to non-execution of agreements with the allottees, non-allotment of flats, deferment of repayment of loans (including interest charges) and payment of cost of civic services to be borne by the Patna Municipal Corporation aggregated Rs 5.35 crore.

 Rupees 2.57 crore were spent unauthorisedly during 1994-2000 on pay and allowances of 100 number of staff working on posts without sanctions. Irregular promotions of staff involved unauthorised payment of Rs 96.05 lakh and nugatory expenditure of Rs 50.60 lakh was incurred on staff who remained without work.

 Negative balance of Rs 5.42 crore in stores account of the Board as of 31 March 1998 indicated losses of stores, reasons of which were not investigated and no responsibility was fixed by the Board.

 'Miscellaneous Public Works - Advances' was routinely abused by the Divisional Officers and a huge sum of Rs 10.01 crore remained unadjusted/ unrecovered under the head as of March 1998. This could facilitate possible misutilisation/ misappropriation of material and non-preparation of accounts. Further, in Ranchi Division Rs 75.91 lakh advanced to staff and suppliers during 1995-99 also remained un-recovered/ unadjusted as of May 2000.

 The Board incurred liability of Rs 25.93 crore to the Government due to default in repayment of loan and non-deposit of earnest money into treasury and additional liability of Rs 7.17 crore to the allottees due to encroachment on land at Digha by unauthorised persons.

 Due to default in payment of energy bills, 2 divisions acquired liability of Rs 2.47 crore upto November 1999.

(Paragraph 6.2)





## **10. Working of Gaya Municipal Corporation**


Gaya Municipal Corporation was to provide civic amenities to the persons living within the jurisdiction of the corporation. For this purpose the Corporation realised taxes, fees and fines and received grant and loans from State Government and other agencies for meeting recurring charges and implementation of various schemes.


Performance of the Corporation was poor as seen from diversion of Government Grants, loss of revenue due to irregular reduction of annual valuation and for not processing the pending certificate cases. There was failure of monitoring of key functions because of frequent transfer of Administrators.


Several irregularities were noticed in audit in the utilisation of grants and loans, assessment of taxes, engagement of daily wages staff, payment of advances and implementation of schemes etc. as paraphrased below:


 Irregular reduction in valuation of 224 holdings resulted into loss of Rs 8.64 lakh during 1996-97 to 1999-2000. The Corporation also suffered loss of Rs 45.45 lakh due to allowing arbitrary rebate of 4 to 50 percent by the Administrator in annual valuation of 1829 holdings.


 A loan of Rs 50.00 lakh was received from the District Rural Development Agency, Gaya for construction of Market Complex out of which Rs 25.00 lakh were diverted towards payment of salary to the staff.


 Government grants amounting to Rs 86.00 lakh received for specific schemes were diverted for meeting establishment and other charges during June 1995 to August 1998.

 The Corporation incurred irregular expenditure of Rs 27.66 lakh on payment of wages to its employees working on daily wages basis during 1994-95 to 1998-99 violating the Government directives.

 Against Government grant of Rs 1.23 crore received during 1997-99 for construction of 340 houses for poorest community in the society, only 16 houses were completed and Rs 19.47 lakh was diverted for other purposes.

 Government released Rs 1.01 crore during 1997-99 to the Corporation for construction of road, drain, and water supply, out of which Rs 55.33 lakh only was paid as advance to the executing agents for this purpose and Rs 24.66 lakh was diverted towards other purposes.


 Certificate cases lying pending since last 17 years resulted into non realisation of revenue to the tune of Rs 65.82 lakh.

 Advance of Rs 3.19 crore was outstanding as on 31 March 1999.


*(Paragraph 6.3)*




## 11. Defalcation/ misappropriation/ loss

 Disregard of rules by 4 Drawing and Disbursing Officers, their Controlling Officers and 4 Treasury Officers concerned in maintenance of cash book and accounts facilitated defalcation of Rs 54.65 lakh.


*(Paragraph 3.8)*

 In Special Central Jail and Central Jail at Bhagalpur food articles valued at Rs 23.59 lakh were pilfered during 1992 to November 1999.


*(Paragraph 3.15)*

 Genuineness of public purpose served in 219 TA bills for Rs 74.36 lakh preferred by the members of Vidhan Parishad and paid was questionable.


*(Paragraph 3.27)*

 Unutilised Railway Travel Coupons valued at Rs 1.02 crore issued to 18 members of Vidhan Parishad during 1994-2000 were not returned by them to the Vidhan Parishad Secretariat. Possible misutilisation/ misappropriation of the coupons for private purposes was not ruled out.


*(Paragraph 3.28)*

 Nine members of Vidhan Parishad were either at Patna as per RTC issue register or at Patna/ Delhi for medical treatment, while they were on official tour as per their TA bills for Rs 6.65 lakh. Thus, Rs 6.65 lakh were paid to them against fake TA bills.


*(Paragraph 3.30)*

 Unutilised Railway Travel Coupons (RTC) valued at Rs 11.62 crore were not returned by 253 members of Vidhan Shabha to Vidhan Shabha Secretariat. Possible misutilisation/ misappropriation/ loss of RTC valuing Rs 11.62 crore by the members was not ruled out.

*(Paragraph 3.32)*


 There was payment of Rs 32.68 lakh to 80 members of Vidhan Shabha against fake TA bills.

*(Paragraph 3.33)*


 In Patna Building Division repeated payment of advances during 1996-98 by an Assistant Engineer to the Junior Engineer without adjustment of previous advances resulted in misappropriation of Rs 30.71 lakh.

*(Paragraph 4.2)*




 Failure to observe codal provisions in regard to check of muster rolls by Sub divisional and Divisional Officers facilitated payment of Rs 13.44 lakh on fake muster rolls in 4 divisions.


(Paragraph 4.6)

 Loss of Rs 4.04 crore occurred due to unauthorised occupation of 450 government residential quarters in Tenughat Dam Division of Water Resources Department.


(Paragraph 4.13)

 Seven universities, 8 constituent colleges and 11 other funds did not produce 2831 vouchers for Rs 18.96 crore for scrutiny by Audit. Possibility of serious financial irregularities such as embezzlement and frauds could not be ruled out.


(Paragraph 6.11)

 Without approval of government, Chairman, Bihar School Examination Board invested money surreptitiously in shares through a broker of doubtful credential resulting in loss of Rs 84.92 lakh.

(Paragraph 6.13)


 There was doubtful expenditure of Rs 23.20 lakh on purchase of spares in State Trading Division, Chaibasa during 1991-94.

(Paragraph 7.2)


 During 1994-99 sale proceeds of Rs 57.76 lakh were routinely and unauthorisedly retained for 1 to 9 months by Manager, Bihar Secretariat Canteen and were misutilised. Credit sale for Rs 38.96 lakh were overdue for recovery in the canteen, while the tea counter of Chief Minister's residence sustained a loss of Rs 29.78 lakh.

(Paragraph 7.4)

## 12. Avoidable/ unfruitful/infructuous expenditure


 Sixteen forest divisions spent Rs 1.30 crore during March 1994 to March 1999 on pay and allowances of 116 employees who were posted in the divisions in excess of sanctioned strength.

(Paragraph 3.11)


 Rupees 24.96 lakh were wasted on staff who remained without work for 7 years in 3 non-functional industrial centres under District Industries Centre, Chapra.

(Paragraph 3.17)




 There was infructuous expenditure of Rs 62.21 lakh on a non-functional training institute meant for imparting training to officers and staff associated with land consolidation work.


*(Paragraph 3.18)*

 Indiscreet decision of Deputy Commissioner, Lohardaga to take up a large number of district plan schemes without ensuring their timely completion resulted in miscarriage of the schemes and infructuous expenditure of Rs 56.36 lakh on incomplete and abandoned schemes.

*(Paragraph 3.19)*


 Delay in administrative approval of estimates for construction of 21 buildings and workshop sheds in different Industrial Training Institutes of Bihar, increase in cost and non-availability of funds resulted in unfruitful expenditure of Rs 1.21 crore on incomplete works.

*(Paragraph 4.3)*


 Failure of the Registrar and Finance Officer, Patna University to deposit PF money and appear before Income Tax authorities resulted in avoidable expenditure of Rs 51.59 lakh.

*(Paragraph 6.10)*


### 13. Non-achievement of objectives

 Schemes for upgradation of standard of administration and tackling special problems during 1996-2000 in the health care and development of Tal and Diara land were grossly mismanaged. Their implementation was marred by poor spending/non-spending/misutilisation of funds and absence of monitoring at all levels. Further, benefit of admissible grant of a huge sum of Rs 165.42 crore was not available due to non-submission of utilisation certificates to Government of India for the funds received by the State. Physical achievement of the schemes was poor.

*(Paragraph 3.7)*

 Twenty seven imported mobile medical vans valuing Rs 5.40 crore meant for health care of rural people remained non-functional/ idle for years. Some of the medical vans were misutilised for garib rally 1997 after repairs. Rupees 1.62 crore were spent upto May 1999 on pay and allowances of 27 drivers and 27 cleaners who remained without work.


*(Paragraph 3.13)*

 Implementation of Members of Parliament Local Area Development Scheme (MPLADS) in 5 districts test-checked was grossly mismanaged as there was absence of monitoring, reporting and evaluation of the schemes resulting in poor utilisation of available funds, misutilisation of fund, irregular, illegal and inflated payments, a large




number of incomplete works, doubtful execution of works, execution of works beyond the scope of the scheme etc. Thus, the scheme was ineffectively implemented. It faltered and failed to yield intended results.


*(Paragraph 3.22)*

 District Welfare Officer, Hajipur parked Rs 2.35 crore (March 1998 and March 1999) for 2 years in bank resulting in non-implementation of Central schemes for benefits of scheduled caste families, while banks thrived on government money.

*(Paragraph 3.35)*


 Intended benefit under SCA was denied to tribal population of Katihar district as SCA funds of Rs 39 lakh was kept in "Civil Deposits" and bank for 6 years.

*(Paragraph 3.36)*


 PH (Mechanical) Division, Dhanbad misutilised Rs 46.74 lakh which was meant for implementation of Accelerated Rural Water Supply Scheme Programme for other purposes resulting in denial of intended benefit of safe drinking water facility to rural people.

*(Paragraph 4.8)*

#### **14. Mismanagement of stores**

 Stores management in Home (Police) Department was grossly mismanaged. State failed to meet requirement of arms for maintenance of law and order in the State. No accountability was fixed for loss of Rs 26.74 lakh due to excess procurement of ammunitions. Rupees 37.88 lakh were blocked in unnecessary procurement of pistols. During 1997-99 injudicious decision of purchase committee resulted in extra expenditure of Rs 19.17 lakh on clothing, besides avoidable extra expenditure of Rs 55.83 lakh on purchase of clothings from DGS&D . In order to utilise available funds IG (Provisions) placed repeat orders during February- March 1999 for Rs 2.05 crore on 8 agencies for supply of 8 clothing items. Entire quantity supplied against this remained unutilised. Repeat orders extended undue financial aid to supply agencies as the procurement was made at the rate higher than the tendered rates at extra payment of Rs 27.08 lakh. Recovery of Rs 1.04 crore due from suppliers was not effected. No responsibility was fixed for misappropriation of clothing material valued at Rs 15.46 lakh (Rs 9.14 lakh+Rs 6.32 lakh) and procurement of substandard hunter shoes valuing Rs 37.45 lakh.

*(Paragraph 5.1)*


 Administration of stores in Subernrekha Project was grossly mismanaged due to non-functional inventory control procedures, misappropriation and loss of stores, non-remission of material account by the Junior Engineers, non-recovery of cost of material lying with Junior Engineers, lapses of the Divisional Officers in not recovering advances




from suppliers etc. Besides, the project which was estimated to be completed by 1993-94 at a cost of Rs 228.83 crore remained incomplete as of March 2000, while Rs 913.82 crore were spent. Increase in total project cost was loaded by at least Rs 31.03 crore due to losses, and other irregularities.

(Paragraph 5.2)


#### 15. Payments on illegal/ irregular appointments/ excess operation of posts

 Regional Deputy Director of Education, Patna irregularly appointed 8 teachers in Government High School, Gardanibag. Rupees 29.37 lakh were spent on pay and allowances of those irregularly appointed teachers during 1982 to 1999 (Upto August 1999).


(Paragraph 3.16)


 Rupees 9.49 crore were spent on irregular appointment/promotion of a large number of gazetted and non-gazetted officials in Vidhan Parishad Secretariat upto October 2000.

(Paragraph 3.26)


 Fourteen work charged staff were unauthorisedly appointed in 2 offices of Subernrekha Project and Rs 45.12 lakh were spent on pay and allowances of such unauthorisedly appointed staff.

(Paragraph 4.12)


 Kameshwar Singh Darbhanga Sanskrit University, Darbhanga did not prescribe forms and procedure for maintenance of accounts in the university or its constituent colleges as required under Bihar State Universities Act 1976, resulting in improper maintenance of accounts. On an average 129 non-teaching staff were working beyond the sanctioned strength on various categories of posts during 1994-99 involving financial impact of Rs 2.58 crore. Rupees 19.30 lakh were paid to teachers in constituent colleges during five years ending March 1999 without any job.

 The State Government did not accord approval for affiliation of 7 affiliated colleges for the period April 1994 to June 1999, yet the university spent Rs 3.22 crore over pay and allowances to the staff of those colleges for this period. Similarly in 9 Shastri standard colleges, though not approved for affiliation, Rs 2.45 crore were paid towards salary of the staff during 1994-99 by the university. The university did not monitor admission of students in colleges. Consequently inadequate number of students appeared at the examination held in 5 years during 1994 to 1998, though Rs 32.28 crore were spent on pay and allowances of teachers and staff.




 In two constituent colleges revenue for Rs 14.63 lakh during 1994-99 from the land owned by these colleges was not credited to the University Fund.


(Paragraph 6.6)

 Four Universities and 8 constituent colleges paid Rs 67.66 lakh irregularly to non-teaching staff working on daily wages during 1992-97 without approval of government.

(Paragraph 6.7)


 Four Universities and 16 constituent colleges paid Rs 1.70 crore to teaching and non-teaching staff as bonus (Rs 70.30 lakh) and interim relief (Rs 99.76 lakh) without sanction of government.

(Paragraph 6.8)


 In 6 constituent colleges under Magadh University Rs 26.31 crore were spent during 1991-2000 on payment of salary to 766 teaching and non-teaching staff without sanction of posts for them by government.

(Paragraph 6.9)


## 16. Other points of interest

 Seven forest divisions created liability of Rs 61.28 lakh towards completion of plantation during plantation year 1997 to 1999 in disregard of rules.


(Paragraph 3.10)

 Telephone charges for Rs 2.14 crore paid during 1995-2000 by the Vidhan Shabha Secretariat on behalf of 242 members of Vidhan Shabha in excess of the limits for the telephone calls prescribed were not recovered.

(Paragraph 3.34)

 Rupees 3.40 crore were drawn from the treasury during 1991-92 against the allotment of Rs 2.60 crore and were spent without sanction of legislature. The excess drawal was rendered possible mainly because the Executive Engineer, State Family Welfare Bureau Division, Patna drew entire funds hastily without following instructions for drawal of funds in phased manner.

(Paragraph 4.4)

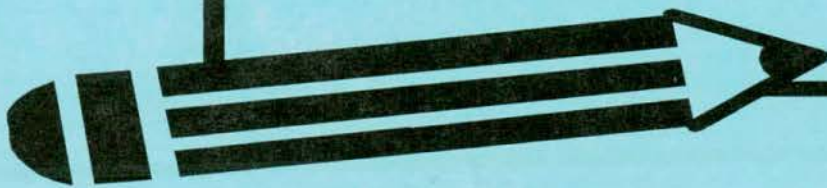
 Public Health (Mechanical) Division, Ranchi incurred excess expenditure of Rs 30.36 lakh on drilling tubewells due to excess consumption / purchase of material and payment to work charged staff in excess of norm.

(Paragraph 4.7)



# CHAPTER-I

An Overview of the Finances of the State  
Government









# CHAPTER – I

## AN OVERVIEW OF THE FINANCES OF THE STATE GOVERNMENT

### *1.1 Introduction*

This chapter discusses the financial position of the State Government, based on the analysis of the information contained in the Finance Accounts. The analysis is based on the trends in the receipts and expenditure, the quality of expenditure and the financial management of the state government. In addition, the chapter also contains a section on the analysis of indicators of financial performance of the government, based on certain ratios and indices developed on the basis of the information contained in the Finance Accounts and other information furnished by the State Government. Some of the terms used in this chapter are described in the Appendix –I to this chapter.

### *1.2 Financial position of the State*

In the Government accounting system comprehensive accounting of the fixed assets like land and buildings etc., owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred by the Government. Exhibit I gives an abstract of such liabilities and the assets as on 31 March 2000, compared with the corresponding position on 31 March, 1999. While the liabilities in this statement consist mainly of external and internal borrowings, loans and advances from the Government of India, receipts from the Public Account and Reserve Funds, the assets comprise mainly the capital outlay, loans and advances given by the State Government and the cash balances. It would be seen from Exhibit–I that while the liabilities grew by 12.58 percent, the assets declined by 0.72 percent during 1999-2000, mainly as a result of a huge increase (48.09 percent) in the deficit on the Government account. The assets included investments (58.91 crore) in loss making PSUs having little capacity for any return. Hence, the financial position would be even worse.

### *1.3 Sources and applications of fund*

**1.3.1** Exhibit III gives the position of sources and applications of funds during the current and the preceding year. The main sources of funds include



the revenue receipts of the Government, recoveries of loans and advances, public debt and receipts in the Public Account. These are applied mainly on revenue and capital expenditure and lending for developmental purposes.

Revenue receipts constituted the most significant source of fund for the State Government. In absolute terms though there was increase in revenue receipts by 14.67 percent, their relative share in total receipts went down from 71.70 percent in 1998-99 to 63.95 percent during 1999-2000. The share of recoveries of loans and advances was insignificant all along and even that also went down from 0.08 percent to 0.07 percent. The share of net receipts from the Public Account went up from 2.86 percent in 1998-99 to 7.55 percent in 1999-2000 mainly due to sharp increase in small savings (Rs 936 crore). The receipts from the public debt steeply went down from 23.39 percent to 16.04 percent. Resultantly a huge sum of Rs 2060.67 crore was drawn from the cash balance to meet the mounting revenue deficit which increased by Rs 1436 crore during the year.

**1.3.2** The funds were mainly applied for revenue expenditure, whose share (86.17 percent) was significantly higher than the share of revenue receipts (63.95 percent) in the total receipts of the State Government. This led to an increase of 63 percent in Revenue deficit from Rs 2267 crore in 1998-99 to Rs. 3703 crore in 1999-2000. During the year the percentage of capital expenditure continued to be a negligible 7.40 percent. Lending for development purposes went up from 4.46 percent to 6.43 percent. However, this was mainly due to large amount of loans (Rs 981 crore) given to Bihar State Electricity Board which included Rs 216 crore as loans for discharge of guarantees on behalf of BSEB.



**EXHIBIT – I****Summarised financial position of the Government of Bihar as on 31 March 2000**

Liabilities				
As on 31 March 1999 (Rupees in crore)			As on 31 March 2000 (Rupees in crore)	
5395.24		<b>Internal Debt</b>		5581.69
	5365.86	Market Loans bearing interest	5692.18	
	156.50	Market Loans not bearing interest	0.87	
	18.72	Loans from LIC	18.58	
	6.73	Loans from GIC	6.32	
	(-) 152.57*	Loans from other institutions	(-) 136.26#	
1085.50		<b>Shortfall in Deposit with Reserve Bank</b>		851.40
13374.89		<b>Loans and Advances from Central Government</b>		15862.01
	1027.07	Pre 1984-85 loans	947.17	
	5509.15	Non-Plan Loans	6847.11	
	6688.01	Loans for state plan scheme	7921.09	
	16.62	Loans for central plan scheme	15.57	
	25.54	Loans for Centrally Sponsored Plan Scheme	22.57	
	108.50	Ways and means advances	108.50	
347.40		<b>Contingency Fund</b>		350.00
6374.34		<b>Small Saving, Provident Fund etc.</b>		7310.57
1665.24		<b>Deposits</b>		1832.14
16.82		<b>Reserve funds</b>		25.57
28259.43		<b>Total</b>		31813.38
Assets				
10309.80		<b>Gross capital outlay on fixed assets</b>		11543.25
	646.34	Investment in shares of companies corporation etc.	649.08##	
	9663.46	Other Capital Outlay	10894.17	
5223.26		<b>Loans and advances</b>		6282.97
	3449.62	Loans for power project	4435.52	
	1715.69	Other Development Loans	1782.64	
	57.95	Loans to Government servants and Misc. loans	64.81	
85.19		<b>Advances</b>		89.93
1491.22		<b>Remittance Balance</b>		1520.99
994.97		<b>Suspense and Misc. Balance</b>		813.12
2454.27		<b>Cash</b>		159.50
		Cash in Treasuries and Local Remittances		
	66.37	Departmental Cash Balance	77.47	
	0.15	Permanent advances	0.15	
	0.10	Investment of earmarked funds	0.10	
	2387.65	Cash Balance Investment	81.78	
7700.72		<b>Deficit on Government Accounts</b>		11403.62
	2267.12	Revenue deficit of the current year	3702.90	
	5433.60	Accumulated deficit upto 31 March 1999	7700.72	
28259.43		<b>Total</b>		31813.38

\* Minus balance is under investigation.

## Excludes Rs 9.05 crore investment made out of Revenue account.



**EXHIBIT – II**

**Abstract of Receipts and Disbursements for the year 1999-2000**

Receipts				Disbursement					
1998-99			1999-2000	1998-99		Non plan	Plan	Total	1999-2000
(Rupees in crore)				(Rupees in crore)					
SECTION – A REVENUE									
9296.19	I Revenue receipts		10659.53	11563.31	I Revenue expenditure				14362.43
2681.35	- Tax revenue	3084.79		5309.57	General Services	6328.06	176.59	6504.65	
1146.29	- Non – Tax Revenue	1165.86		4011.80	Social Services	5033.89	449.56	5483.45	
4441.23	- State's share of union taxes	4962.59		2583.98	Education Sport, Art and Culture	3811.07	105.43	3916.50	
104.97	- Non plan grants	189.96		673.84	- Health and Family Welfare	529.13	255.87	785.00	
569.51	- Grant for State Plan Scheme	677.22		196.12	- Water Supply, Sanitation Housing and Urban Development	292.20	12.73	304.93	
352.84	- Grants for Central and Centrally Sponsored Plan Scheme	579.11		12.01	- Information and Broadcasting	16.53	0.63	17.16	
				158.94	- Welfare of Scheduled Caste Scheduled Tribes and other Backward Classes	127.19	5.84	133.03	
				40.84	- Labour and Labour Welfare	56.02	0.56	56.58	
				339.38	- Social Welfare and Nutrition	192.55	68.50	261.05	
				6.69	- Others	9.20		9.20	
				2239.73	-Economic Service	1410.87	915.39	2236.26	
				347.07	-Agriculture and Allied Activities	369.61	54.51	424.12	
				962.72	- Rural Development	298.76	773.65	1072.41	
				1.01	- Special Area Programme	1.02		1.02	
				357.11	- Irrigation and Flood control	393.47	39.47	432.94	
				164.37	- Energy	-	2.71	2.71	
				51.05	- Industry and Minerals	36.15	27.82	63.97	
				303.62	- Transport	255.54	12.60	268.14	
				52.78	- General Economic services	56.32	4.63	60.95	
				2.21	- Grants – in- aid Contributions	48.07	--	48.07	48.07
9296.19			10659.53	11563.31	Total	12820.89	1541.54	14362.43	14362.43
2267.12	II Revenue deficit carried over to Section – B		3702.90		II. Revenue Surplus Carried over to Section – B				
SECTION – B									
1624.75	III. Opening cash including permanent Advances and Cash Balance Investment		1368.77 <sup>1</sup>	Nil	III. Opening Overdraft from RBI				
	IV. Miscellaneous capital receipts		--	823.57	IV. Capital Outlay				1233.45
				9.43	General Services	--	10.90	10.90	
				149.20	Social Services	--	96.90	96.90	
				12.41	-Education Sports, Art and culture	--	0.39	0.39	
				3.80	- Health and family welfare	--	1.36	1.36	
				105.32	- Water supply, sanitation	--	41.53	41.53	
				25.37	- Housing and urban development	--	46.34	46.34	
				2.30	- Welfare of scheduled Castes Scheduled Tribes and Other Backward Classes	--	7.28	7.28	
				664.94	- Economic Services	0.06	1125.59	1125.65	
				3.20	-Agriculture and Allied Activities		2.74	2.74	
				112.71	- Rural development Special areas Programmes		271.24	271.24	
				385.69	-Irrigation and Flood Control		619.60	619.60	
					Energy		74.00	74.00	
				--	-Industry and Minerals		--	--	
				150.34	- Transport		158.01	158.01	
				13.00	Other Economic Services		0.06	0.06	
10.09	V. Recoveries of Loans and Advances		12.09	578.56	V. Loans and Advances disbursed				1071.79

<sup>1</sup> Increased by Rs 0.10 crore due to inclusion of investment of earmarked funds.



Receipts			Disbursement				
1998-99		1999-2000	1998-99	Non plan	Plan	Total	1999 - 2000
(Rupees in crore)			(Rupees in crore)				
0.24	- From Power Project	0.06	532.85	- For Power project		985.96	
5.88	- From Government servants	6.94	18.32	-To Government servants		14.65	
3.97	- From other	5.09	27.39	To others		71.18	
	VI. Revenue surplus brought down		2267.12	VI- Revenue deficit brought down			3702.90
3542.93	VII. Public debt receipts	3472.62	510.36	VII – Repayment of Public Debt			709.05
734.00	-Internal debt other than ways and means Advance and overdraft	426.65	14.85	- Internal debt other than Ways and Means Advances and overdraft		240.20	
	Net transactions under Ways and means advance and overdraft	Nil					
2808.93	-Loans and Advances from Central Government	3045.97	495.51	Repayment of Loans and Advances from Central Government		558.85	
	VIII- Appropriation to Contingency Fund						
	IX-Amount transferred to Contingency Fund	2.60					
4084.60	X Public Account receipts	5032.57		VIII- Appropriation to Contingency Fund			
971.47	-Small Savings and Provident Fund	1540.44		IX-Expenditure from Contingency Fund			
3.57	Reserve funds	16.87	3713.99	X-Public Account Disbursements			3773.36
76.03	-Suspense and Misc. Allowances	181.91	506.53	-Small Savings and Provident Funds		604.21	
1442.97	Remittance funds	1755.55	1.66	-Reserve Fund		8.12	
1590.56	Deposit and Advances	1537.81	212.56	-Suspense and Misc.		0.06	
			1465.24	-Remittances		1785.32	
			1528.00	-Deposit and Advances		1375.66	
	XI-Closing Overdraft from Reserve Bank of India		1368.77	XI-Cash Balance at end			(-) 691.90
				-Cash in Treasuries and Local Remittances			
			(-) 1085.50	-Deposit with Reserve Bank		(-) 851.40	
			66.52	-Department Cash Balance Including Advance		77.62	
			0.10	Investment of earmarked funds		0.10	
			2387.65	-Cash Balance Investment		81.78	
<b>9262.37</b>	<b>Total</b>	<b>9888.65</b>	<b>9262.37</b>				<b>9888.65</b>

\* Receipts and disbursement under ways & means advances and overdraft were equal (Rs 3076.07 crore).



**EXHIBIT – III**  
**SOURCES AND APPLICATION OF FUNDS**

		Sources	
1998-99			1999-2000
(Rupees in crore)			
9296.19		1. Revenue receipts	10659.53
10.09		2. Recoveries of loans and advances	12.09
3032.57		3. Increase in public debt other than overdraft	2673.57
370.61		4. Net receipts from public account	1259.21
	464.94	Increase in small savings	936.23
	62.56	Increase in deposit and advances	162.15
	1.91	Increase in reserve fund	8.75
	(-)136.53	Net effect of suspense and miscellaneous transaction	181.85
	(-) 22.27	Net effect of remittance transactions	(-) 29.77
Nil		5. Net effect of Contingency Fund transactions	2.60
255.98		6. Decrease in closing cash balance	2060.67
<b>12965.44</b>		<b>Total</b>	<b>16667.67</b>
<b>Application</b>			
1998-99			1999-2000
11563.31		1. Revenue expenditure	14362.43
578.56		2. Lending for development and other purposes	1071.79
823.57		3. Capital expenditure	1233.45
---		4. Increase in closing cash balance	
<b>12965.44</b>		<b>Total</b>	<b>16667.67</b>

**Explanatory notes for Exhibit I, II and III:**

1. The abridged accounts in the foregoing statements have to be read with comments and explanations in the Finance Accounts.
2. Government accounts being mainly on cash basis, the deficit on Government account, as shown in Exhibit I, indicates the position on cash basis, as opposed to accrual basis in commercial accounting. Consequently, items payable or receivable or items like depreciation or variation in stock figures etc., do not figure in the accounts.
3. Remittance, Suspense and miscellaneous balances include cheques issued but not paid, payments made on behalf of other states and other transactions pending settlement etc.



#### **1.4 Financial operations of the State Government**

**1.4.1** Exhibit II gives the details of the receipts and disbursements made by the State Government. The Revenue expenditure (Rs 14362 crore) during the year exceeded the revenue receipts (Rs 10659 crore) resulting in a revenue deficit of Rs 3703 crore. Revenue receipts comprised tax revenue (Rs 3085 crore), non-tax revenue (Rs 1166 crore), State's share of Union Taxes and duties (Rs 4963 crore) and grants-in-aid from the Central Government (Rs 1446 crore). The main sources of tax revenue were sales tax (67 percent), state excise (9 percent), stamps and registrations fees (11 percent) and Taxes on Vehicles (6 percent). Non tax revenue came mainly from Non-Ferrous Mining and Metallurgical Industries (65 percent) and interest receipts (12 percent). The increase of Rs 1363 crore in Revenue Receipts during 1999-2000 was mainly on account of larger share of Union Taxes (Rs 521 crore) and more grants in aid from Central Government (Rs 419 crore) more collection under sale tax (Rs 246 crore), State excise (Rs 34 crore), Stamp & Registration (Rs 47 crore), Goods and passengers tax (Rs 34 crore).

**1.4.2** The Capital receipt comprised Rs 3473 crore from Public Debt and Rs 12 crore from recoveries of loans and advances. Against this, the expenditure was Rs 1233 crore on Capital outlay, Rs 1072 crore on disbursement of loans and advances and Rs 799 crore on repayment of Public debt. The receipts in the Public Account amounted to Rs 5033 crore, against which Rs 3773 crore were disbursed. The net effect of the transactions in the Consolidated Fund, Contingency Fund and Public Account was a decrease of Rs 2061 crore in the cash balance at the end of the year.

**1.4.3** The financial operations of the State Government pertaining to its receipts and expenditure are discussed in the following paragraphs, with reference to the information contained in Exhibit II and the time series data for the five year's period from 1995-96 to 1999-2000, presented in Exhibit IV.



**EXHIBIT – IV**

**Time series data on State Government Finances  
(Refer to Paragraph 1.4.3)**

	1995-96	1996-97	1997-98	1998-99	1999-2000
	(Rupees in crore)				
<b>Part A Receipts</b>					
<b>I. Revenue Receipts</b>	7382	8408	9479	9296	10659
<b>(a) Tax revenue</b>	167 (27)	2251 (27)	2400 (25)	2682 (29)	3085(29)
Sales Tax	1310 (67)	1496 (66)	1568 (65)	1822 (68)	2068 (67)
State Excise	182 (9)	219 (10)	226 (9)	240 (9)	278 (9)
Taxes on Vehicles	158 (8)	161 (7)	174 (7)	165 (6)	178 (6)
Stamps and Registration fees	205 (10)	227 (10)	253 (11)	279 (10)	326 (11)
Land Revenue	29 (1)	25 (1)	23 (1)	25 (1)	29 (1)
Taxes on goods and passengers	6	29 (1)	87 (4)	60 (2)	94 (3)
Other Taxes	77 (4)	94 (4)	68 (3)	91 (3)	112 (4)
<b>(b) Non Tax Revenue</b>	919 (12)	1034 (12)	1225 (13)	1146 (12)	1166 (11)
<b>(c) State's share in union taxes</b>	3485 (47)	4078 (49)	4074 (43)	4441 (48)	4962 (46)
<b>(d) Grant in aid from GOI</b>	1010 (14)	1045 (12)	1780 (19)	1027 (11)	1446 (14)
<b>II. Capital Receipts</b>	2324	2388	2469	3440	3349
Internal debt	513	566	717	734	427
Loans and advances from GOI	1154	1341	1792	2809	3046
Small savings, PF etc. (Net receipt)	759	706	588	465	936
Net of F-Loans and Advances	(-) 102	(-) 225	(-) 628	(-) 568	(-) 1060
<b>Part B Expenditure</b>	8699	9766	11733	12965	16668
<b>I. Revenue Expenditure</b>	8207 (94)	9027 (92)	10530 (90)	11563(89)	14362 (86)
Plan	829 (10)	1068 (12)	1700 (16)	1737 (15)	1541 (11)
Non Plan	7378 (90)	7959 (88)	8830 (84)	9826 (85)	12821 (89)
General Services	3441 (42)	4001(44)	4499 (43)	5309 (46)	6505 (45)
Economic Service	1804 (22)	1820 (20)	2133 (20)	2240 (19)	2326 (16)
Social Services	2959 (36)	3204 (35)	3897 (37)	4012 (35)	5483 (38)
Interest payments	1668(20)	1942 (22)	2062 (20)	2412 (21)	2867 (20)
<b>II. Capital Expenditure</b>	382 (4)	503 (5)	560 (5)	824 (6)	1233 (7)
Plan	382 (100)	502 (100)	560 (100)	818 (100)	1233 (100)
Non Plan	Negligible	01	Negligible	6	Negligible
General Services	3 (01)	6 (01)	8 (01)	10 (01)	11 (01)
Economic Services	294 (77)	381 (76)	445 (80)	665 (81)	1125 (91)
Social Services	85 (22)	116 (23)	107 (19)	149 (18)	97 (8)
Arrears of Revenue (% tax & non tax revenue receipt)	525 (18)	1284 (39)	1272 (35)	1616 (42)	2211(52)

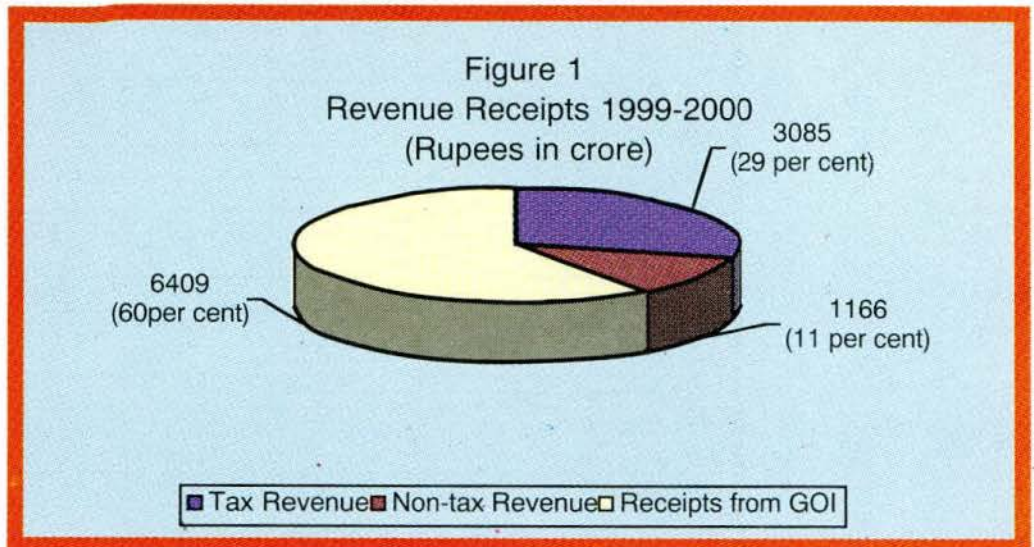


	1995-96	1996-97	1997-98	1998-99	1999-2000
Fin. Assistance to local bodies etc.	848	794	790	859	705
Loans and advances given	111	235	642	579	1072
<b>Part C. Deficit</b>					
Revenue Deficit (-) Surplus (+)	(-) 825	(-) 619	(-) 1052	(-) 2267	(-) 3703
Fiscal Deficit	1309	1348	2239	3659	5996
Budgetary deficit(-) / surplus (+)	Nil	(-) 48	(-) 12	(-) 1228	(+) 125
<b>Part D. Other Data</b>					
Ways and Means Advances (days)	5	Nil	Nil	Nil	117
Interest on WMA	0.06			Nil	2
GSDP	46472	58487	60870	66253	72083*
Outstanding Debt (year end)	12281	13756	15738	18770	21444
Guarantees given during the year	1777	650	244	190	172
Number of incomplete projects	23	23	23	23	23
Capital blocked in incomplete project (Rupees in crore)	37	40	53	86	138

Note: Figure in brackets represent percentage (rounded) to total of each sub heading.

\* Quick estimates figure provided by the Government of Bihar.





### **1.5 Revenue receipts**

**1.5.1** The revenue receipts consists mainly of tax and non-tax revenue and receipts from Government of India (GOI). Their relative shares are shown in Figure 1. The revenue receipts grew at an average rate of 9 percent during 1995-96 to 1999-2000.

#### **1.5.2 Tax revenue**

These constituted 29 percent of the revenue receipts. Their share remained static at 29 percent during 1998-99 and 1999-2000 Exhibit IV shows that the relative contribution of major constituents of tax revenue, viz., Sales Tax, State Excise, Stamp and Registration remained nearly stagnant during the period 1995-2000.

#### **1.5.3 Non-tax revenue**

The non-tax revenue contributed 11 percent of the revenue receipts of the Government down from 12 percent in 1995-96.

#### **1.5.4 State's share of Union taxes and duties and grants-in-aid from the Central Government**

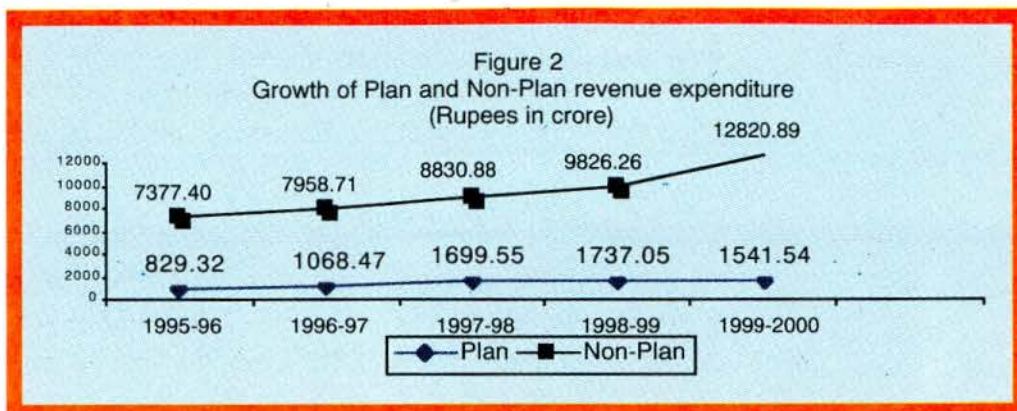
These constituted the major share (60 percent) of the revenue receipts. The State's share of Union taxes (excise duties and income and corporation taxes) increased by 12 percent during the year, while the grants in aid from the Central government increased by 41 percent. As a percentage of revenue receipts they (both taken together) increased by 43 percent during 1995-2000.

### **1.6 Revenue expenditure**

**1.6.1** The revenue expenditure accounted for the most (86 percent) of the expenditure of the State Government and increased by 24 percent over the previous year. While there was a decrease of 11 percent on the plan side, the non-plan revenue expenditure increased by 30 percent during the year. The increase (Rs 2995 crore) in Non Plan revenue expenditure was mainly due to



payment of arrears of salaries (Rs 1435 crore) in the revised pay scale, more pension payments (Rs 216.50 crore), more interest payments (Rs 455 crore) and election expenses (Rs 156 crore).



**1.6.2** Sector wise analysis shows that while the expenditure on General Services increased by 89 percent, from Rs 3441 crore in 1995-96 to Rs 6505 crore in 1999-2000, the corresponding increase in expenditure on Social Services and Economic Services were 85 and 29 percent respectively. As a proportion of total expenditure, the share of General Services increased from 42 percent in 1995-96 to 45 percent in 1999-2000, and that of Social Services from 36 percent to 38 percent whereas the share of Economic Services declined from 22 percent to 16 percent. Most of the expenditure in General Services was on the non-plan.

### 1.6.3 Interest payments

Interest payments increased steadily by 72 percent from Rs 1668 crore in 1995-96 to Rs 2867 crore in 1999-2000. During the year interest payment increased by Rs 455 crore (19 per cent) from previous year. This is further discussed in the section (Para 1.11) on financial indicators.

### 1.6.4 Financial assistance to local bodies and other institutions

The quantum of assistance provided to different local bodies etc., during the period of five years ending 1999-2000 was as follows: -

	1995-96	1996-97	1997-98	1998-99	1999-2000
	(Rupees in crore)				
University and Education Institutions	273.29	337.93	382.82	417.34	518.65
Municipal Corporations and Municipalities	15.19	33.20	25.90	27.21	115.44
Zilla parishads and Panchayati Raj Institutions	31.47	4.34	26.37	5.89	6.93
Development agencies	513.76	335.73	241.64	226.86	34.76
Other Institutions	14.47	82.85	113.45	181.93	29.29
Total	848.18	794.05	790.18	859.23	705.07
Percentage of growth over previous year	(-) 11.50	(-) 6.38	(-) 0.49	9	(-) 17.94
Assistance as a percent of revenue expenditure	10	9	8	7	5



Compared to 1995-96, assistance to Zila Parishads and Panchayati Raj institutions declined by 78 percent mainly because there were no representative bodies in the panchayats\* while assistance to Municipal Corporations and Municipalities and University Educational institutions increased by 660 percent and 90 percent respectively during 1999-2000. On overall basis compared to 1995-96 financial assistance to local bodies and other institutions declined by 27 percent during 1995-2000.

### **1.7 Capital expenditure**

Capital expenditure leads to assets creation. In addition, financial assets arise from moneys invested in institutions or undertakings outside Government i.e. public sector undertakings (PSUs), corporations etc., and loans and advances.

**1.7.1** During the last two years viz, 1998-99 and 1999-2000, the share of capital expenditure increased marginally from 6 percent to 7 percent of the total expenditure. Exhibit IV shows that most of the capital expenditure was incurred on economic and social services on plan side. Under economic services the outlay during the year was mainly on other Irrigation and Flood Control (Rs 620 crore), Rural Development Programmes (Rs 271 crore), Roads and Bridges (Rs 158 crore) and Power Project (Rs 74 crore) while those under social services was mainly on Urban Development (Rs 43 crore), Water Supply (Rs 42 crore), Welfare of Scheduled Casts, Scheduled Tribes and Other Backward Classes (Rs 7 crore) and Housing (Rs 4 crore). Low investment in capital expenditure was the main reason for the low growth of assets.

### **1.7.2 Loans and Advances by the State Government**

The Government gives loans and advances to Government companies corporations, local bodies, autonomous bodies, co-operatives, non-Government institutions etc., for developmental and non-developmental activities. The position for the last five years given below shows that during 1995-2000 repayments were negligible (less than 1 percent of the opening balance) and the closing balance increased by about 20 percent. The negligible recovery of loans was one of the major reasons for poor financial health of the State Government and contributed significantly to the increase in Fiscal Deficit.

Out of loans advanced to local bodies, statutory corporations, private institutions, companies and individuals the detailed accounts of which were kept by the Principal Accountant General (Accounts and Entitlements) Bihar, recovery was always insignificant and Rs 3041.23 crore (principal Rs 1385.02 crore and interest Rs 1656.21 crore) was in arrears as on 31 March 2000. Details in respect of loans, the detailed accounts of which were maintained by

---

\* *As per conditions laid down by 10th Finance Commission for releasing assistance to Panchayati Raj Institutions.*



the departmental officers, had not been furnished to the Principal Accountant General (Accounts and Entitlements). Hence the actual amount of loans overdue for recovery are understated.

	1995-96	1996-97	1997-98	1998-99	1999-2000
	(Rs in crore)				
Opening balance	3669.51	3801.67	4027.15	4654.79	5223.25
Amount advanced during the year	110.57	235.43	642.18	578.56	1071.79
Amount repaid during the year	8.41 (0.22)	9.95 (0.26)	14.54 (0.36)	10.09 (0.22)	12.08 (0.23)
Closing balance	3801.67	4027.15	4654.79	5223.25	6282.95
Net addition	102.16	225.48	627.64	568.47	1059.71
Interest received	4.94 (0.13)	2.64 (0.07)	7.11 (0.18)	2.31 (0.05)	22.31 (0.43)

Note: Figures in brackets represent percentages to opening balance.

## 1.8 Quality of expenditure

**1.8.1** Government spends money for different activities ranging from maintenance of law and order and regulatory functions to various developmental activities. Government expenditure is broadly classified into Plan and Non-plan and revenue and capital. While the Plan and Capital expenditure are usually associated with asset creation; the non plan and revenue expenditure are identified with expenditure on establishment, maintenance and services. By definition, therefore, in general, the Plan and Capital expenditure can be viewed as contributing to the quality of expenditure.

**1.8.2** Wastage in public expenditure, diversions of funds and funds blocked in incomplete projects would also impinge negatively on the quality of expenditure. Similarly, funds transferred to Deposit heads in the Public Account, after booking them as expenditure, can also be considered as a negative factor in judging the quality of expenditure. As the expenditure was not actually incurred in the concerned year it should be excluded from the figures of expenditure for that year. Another possible indicator is the increase in the expenditure on General Services, to the detriment of Economic and Social Services.

The following table lists out the trend in these indicators:

**Table I**

		1995-96	1996-97	1997-98	1998-99	1999-2000
		(Rs in crore)				
1.	Plan expenditure as a Percentage of:					
	- Revenue Expenditure	10	12	16	15	11
	- Capital Expenditure	100	100	100	100	100
2.	Capital expenditure (Per cent)	4	5	5	6	7
3.	Expenditure on General Services (Per cent)					
	- Revenue	42	44	43	46	45
	- Capital	01	01	01	01	01
4.	Non-remunerative Expenditure on incomplete project	37	40	53	86	138



It would be seen that the share of Plan expenditure on the revenue side has gone down from 16 percent in 1997-98 to 11 percent in 1999-2000. The share of capital expenditure in the total expenditure remained consistently low at an average of 6 percent during the period. The expenditure on General Services, has been on increase on the revenue side mainly due to more interest payments, more expenditure on Pensions and other retirement benefits, elections and other administrative services.

### **1.8.3 Poor plan performance**

Poor performance of the Bihar Government in respect of Plan expenditure was commented in the Report of the Comptroller and Auditor General of India for the year ended 31 March 1999 (Civil). Poor performance persisted during the year 1999-2000 also as discussed below:

The approved Annual Plan outlay for the year 1999-2000 was Rs 3630 crore (GOI contribution: Rs 2390 crore and State Government contribution: Rs 1240 crore) which was drastically reduced to Rs 2472 crore in the revised outlay stage. Against this, only Rs 2333.74 crore (including loans and advances) were spent. Scrutiny revealed that while State Government obtained central loan (Rs 1577.25 crore), market borrowings (Rs 400.02 crore) and grants from Central Government (Rs 619.69 crore) aggregating Rs 2596.96 crore for State Plan Schemes during 1999-2000, it did not spend 10 per cent (Rs 263.22 crore) of these grants and borrowings. Thus, State Government did not contribute to the Plan expenditure from its own resources.

It was also seen from the Appropriation Accounts of the State Government for the year 1999-2000 that out of the budgeted provisions, the State Government failed to spend Rs 1735.96 crore (38 percent) under various State Plan Schemes (Rs 1241.38 crore) as well as Centrally Sponsored Schemes (Rs 446.77 crore) and Central Plan Schemes (Rs 47.81 crore) vide Appendix II. The overall savings constituted 7 percent of the total budget provisions. Further discussion on savings are included in paragraph 2.3.

## **1.9 Financial management**

The issue of financial management in the Government should relate to efficiency, economy and effectiveness of its revenue and expenditure operations. Subsequent chapters of this report deal extensively with these issues especially as they relate to the expenditure management in the Government, based on the findings of the test audit. Some other parameters, which can be segregated from the accounts and other related financial information of the Government, are discussed in this section.

### **1.9.1 Investments and returns**

Investments are made out of the capital outlay by the Government to promote developmental, manufacturing, marketing and social activities. The sector-wise details of investments made and the number of concerns involved were as under:



Sector	Number of concerns	Amount invested	
		As on 31 March 2000	During 1999-2000
(Rupees in crore)			
(i) Statutory Corporations	3	99.67	--
(ii) Government Companies	36	327.34*	0.12
(iii) Joint Stock companies	10	3.88	--
(iv) Cooperative Institutions	NA	227.24	2.62
<b>Total</b>		<b>658.13</b>	<b>2.74</b>

The returns realized by Government during the last five years by way of dividend and interest from its investments were insignificant.

Year	Investment during the year	Investment at the end of the year	Return	Percentage of return	Rate of interest on Government borrowing (%)
	(Rs. In crore)				
1995-96	14.38	620.70	Nil	Nil	14.00
1996-97	20.52	641.22	Rs 2883 only	Nil	13.85
1997-98	0.09	641.31	Rs 1000 only	Nil	13.75
1998-99	14.03	646.34	Rs 192 only	Nil	12.5
1999-2000	2.74	649.08	Rs 1.10 crore	0.17	11.3

Thus, while the Government was raising high cost borrowings from the market, its investments in Government companies etc., fetched either negligible or nil return. Accounts of all the 50 companies (including 19 subsidiaries) in the State were in arrears for 1 to 23 years as on 30 September, 2000. Out of 4 statutory corporations, finalisation of accounts of 3 corporations was in arrear.

According to latest finalised accounts of 45 Government Companies and 4 Statutory Corporations, 43 companies and 3 corporations had incurred an aggregate accumulated loss of Rs 547.80 crore and Rs 4520.78 crore respectively and the remaining 2 companies and 1 corporation earned an aggregate accumulated profit of Rs 4.33 crore and Rs 4.40 crore respectively. Five companies have not finalised their accounts since their inception. Fresh investments in such companies, only funded these losses.

### 1.9.2 Incomplete projects

Of 23 Irrigation Projects (major : 12; medium : 11) capital of Rs 1895.31 crore was blocked in 20 Irrigation Projects (major : 10 and medium : 10) as of March 2000 vide Appendix III Figures of capital blocked in 3 Irrigation Projects (major : 2; medium : 1) were not available. The projects which got substantial investments during 1999-2000 were (i) Subernrekha Multipurpose Project (Rs 61.20 crore) (ii) Western Kosi Canal Project (Rs 38.85 crore), (iii) North Koel Project (Rs 9.03 crore), (iv) Sone Canal Modernisation Project (Rs 7.76 crore) and (v) Sonua Reservoir Scheme (Rs 7.00 crore). This showed

\* Includes investment made out of Revenue (prior to 1995-96/ Rs 0.05 crore and in 1998- 99/ Rs 9.00 crore)



that the government was spreading its resources thinly which failed to yield any return.

### **1.9.3 Arrears of revenue**

As on 31 March 2000, arrears of revenue pending collection under eight of the principle heads of revenue, as reported by the departments were Rs 2210.61 crore of which Rs 906.08 crore (41 percent) were pending for more than five years and pertained mainly to Taxes on Sales, Trade etc. (Rs 664.20 crore). Non-Ferrous Mining and Metallurgical Industries (Rs. 97.94 crore), Taxes and Duties on Electricity (Rs 38.14 crore), Irrigation Water rents (Rs 56.43 crore) and State Excise (Rs 45.21 crore). The amount of arrears of revenue mentioned above was understated as information was not furnished by Secretaries of other departments of the Government (December, 2000).

### **1.9.4 Ways and means advances and overdraft**

Under an agreement with the Reserve Bank of India, the State Government had to maintain with the Bank minimum daily cash balance of Rs 0.70 crore since raised to Rs 2.18 crore with effect from 1<sup>st</sup> July, 1999. If the balance fell below the agreed minimum on any day, the deficiency had to be made good by taking ways and means advances (WMA)/overdraft (OD) from the Bank. In addition, special ways and means advances are also made by the Bank whenever necessary. Recourse to WMA/OD means a mismatch between the receipts and expenditure of the Government, and hence reflects poorly on the financial management in Government. During the year 1999-2000, the Government took ways and means advance of Rs 3076.07 crore (117 days) and overdraft of Rs 109.93 crore (2 days) and Reserve Bank of India recovered interest of Rs 1.54 crore on WMA during 1999-2000 and Rs 6.45 crore (WMA Rs 6.42 crore, Overdraft: Rs 0.03 crore) in April 2000 on these.

### **1.9.5 Deficit**

**1.9.5.1** Deficits in Government account represent gaps between the receipts and expenditure. The nature of deficit is an important indicator of the prudence of financial management in the Government. Further, the ways of financing the deficit and the application of the funds raised in this manner are important pointers of the fiscal prudence of the Government. The discussion in this section relates to three concepts of deficit viz, Revenue Deficit, Fiscal Deficit and Primary Deficit.

**1.9.5.2** The Revenue Deficit is the excess of revenue expenditure over revenue receipts. The Fiscal Deficit may be defined as the excess of revenue and capital expenditure (including net loans given) over the revenue receipts (including grants-in-aid received). Primary deficit is fiscal deficit less interest payments. The following exhibit gives a break up of the deficit in Government account.



CONSOLIDATED FUND (CF)				(Rupees in crore)	
Receipt	Amount		Disbursement	Amount	
Revenue	10659	<b>Revenue deficit 3703</b>	Revenue	14362	
Misc. capital receipts	Nil			Capital	1233
Recovery of loans and advances	12			Loans and advances disbursement	1072
<b>Sub Total</b>	<b>10671</b>	<b>Gross fiscal deficit 5996</b>	<b>Sub Total</b>	<b>16667</b>	
Public debt	3473			Public debt repayment	799
Total	14144	<b>A: Deficit in C.F. 3322</b>		17466	
	02*	<b>B: CONTINGENCY FUND  PUBLIC ACCOUNT</b>			
Small saving PF etc	1540			Small saving PF etc	604
Deposits & advances	1538			Deposits & advances	1376
Reserve funds	17			Reserve funds	8
Suspense & misc.	182			Suspense & misc.	Nil
Remittances	1755			Remittances	1785
Total Public Account	5032	<b>C: Deficit in CF financed by Public Account 1259</b>		3773	
<b>Decrease in cash balance (B+C -A): 2061</b>					

The table shows that the Revenue Deficit of Rs. 3703 crore was met by borrowings. The Fiscal Deficit of Rs. 5996 crore was financed by net proceeds of the public debt (Rs. 2674 crore) and partly by the surplus from Public Account (Rs 1259 crore) and by drawal of cash balance (Rs 2061 crore). Both the deficits had rapidly increased over the last 5 years and during the year there was a steep increase of Revenue Deficit by 63 percent and of Fiscal Deficit by 64 percent indicating that the financial condition of the Government has become precarious.

### 1.9.5.3 Application of the borrowed funds (Fiscal Deficit)

The fiscal deficit represents total net borrowings of the Government. These borrowings are applied for meeting the Revenue Deficit (RD), for making the Capital Expenditure (CE) and for giving loans to various bodies for developmental and other purposes. The relative proportions of these applications would indicate the financial prudence of the State Government and

\* Recoupment of expenditure met out of the advance from Contingency Fund during 1997-98.



also the sustainability of its operations because continued borrowing for revenue expenditure would not be sustainable in the long run. The following table shows the position in respect of the Government of Bihar for the last five years.

Ratio	1995-96	1996-97	1997-98	1998-99	1999-2000
RD/FD	0.63	0.46	0.47	0.62	0.62
CE/FD	0.29	0.37	0.25	0.22	0.20
Net loans/FD	0.08	0.17	0.28	0.16	0.18
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

It would be seen that during the last 5 years except for 2 years, more than 60 percent of the borrowed funds were applied for meeting the revenue expenditure. As the revenue expenditure steeply increased the capital formation suffered.

### 1.9.6 Depletion in cash balance

Cash balance of the State refers to the combined balances of the Consolidated Fund, the Contingency Fund and the Public Accounts of the State, while the Cash Balance Investment Account (CBIA) represents investment out of the cash balance of the State in the securities of the Government of India , securities of other State Governments and its own securities. The balances in the CBIA as on 31<sup>st</sup> March every year during five years ended 31 March 2000 were as under:

Year	Balance as on 31 <sup>st</sup> March (Rupees in crore)
1995-96	887.36
1996-97	1497.72
1997-98	1881.41
1998-99	2387.65
1999-2000	81.78

#### (a) Sudden growth and depletion of CBIA during 1995-2000

As mentioned in paragraphs 1.9.3 and 1.10.4 of the Reports of the Comptroller and Auditor General of India (Civil) for the years ended 31 March 1998 and 31 March 1999 respectively the State Government resorted to market borrowings purportedly for plan expenditure during 1994-99. It was observed that the State failed to use borrowed funds for intended plan expenditure and these funds carrying rates of interest between 12.5 percent to 14 percent per annum remained invested (out of the cash balances) in low yielding Treasury Bills for years fetching a meagre return of 3.5 to 5 percent on such investments. State Government had accumulated Rs 2388 crore in the CBIA at the end of 31 March 1999 in the low yielding Treasury Bills and while the State Government had to bear interest payment liabilities of Rs 91.75 crore per annum upto 1998-99 on the market borrowings, it received negligible amount of interest from its investments in low yielding Treasury Bills.



During 1999-2000 Rs 2306 crore of the investment in low yielding Treasury Bills were used up mostly in meeting revenue expenditure of the government, which increased by a whopping Rs 2799 crore (24 percent) over the previous year. The revenue deficit of the State Government also increased by Rs 1436 crore (63 per cent) in 1999-2000 over 1998-99. An overall increase of Rs 7066.99 crore in outgo of the Consolidated Fund of the State during 1999-2000 (Rs 20542.99 crore) over 1998-99 (Rs 13475.80 crore), increased outgo of Rs 6830.48 crore was on account of the following.

		1998-99	1999-2000	Increase
		(Rupees in crore)		
1	Repayment on Account of Principal + Interest for internal debt (inclusive of ways and means advance)	596	4025	3429
2.	Repayment of Principal + Interest for Central loans and advances	1788	2180	392
3.	Total assistance to BSEB and Hydel Power Project inclusive of resource gap grant, deduction by Central Government from normal Central assistance on account of arrears of CPUs and repayment of boards/ financial institution of boards guaranteed by Government of Bihar	532.85	985.96	453.11
4.	Total pay and allowances and Payment of bonus etc. (Non-plan)	6106.13	7540.99	1434.86
5.	Payment on account of Pension and retirement benefits	1024.16	1240.66	216.50
6.	Grants to universities and other educational institutions i.e. minority schools etc.	417.34	518.65	101.31
7.	MLA/MLC fund	45.88	190.93	145.05
8.	State plan capital expenditure	818	1233	415
9.	Elections (Assembly & Parliament)	4.01	86.82	155.42
		<u>1.52</u>	<u>74.13</u>	
		5.53	160.95	
10.	Assistance to Municipal Corporations and Municipalities	27.21	115.44	88.23
	<b>Total</b>	<b>11361.10</b>	<b>18191.58</b>	<b>6830.48</b>

**(b) Cash Balance depleted mostly during April-December 1999**

Of total depletion of Rs 2306 crore in CBIA during 1999-2000, 82 per cent of the depletion (Rs 1898 crore) occurred during April-December 1999 and balance depletion of Rs 408 crore (18 per cent) during January-March 2000. Audit scrutiny revealed that compared to 42 selected treasury months for the year 1998-99 (between June and December 1998), expenditure in corresponding months in 1999 registered an increase of Rs 1398 crore (Refer: Appendix-III A). Thus the balance in CBIA which stood at Rs 2388 crore as on 31 March 1999 depleted sharply to Rs 82 crore on 31 March 2000.

**(c) Analysis of major expenditure in selected departments**

Compared to 1998-99 there was increased/asymmetrical expenditure during 1999-2000 under certain heads (2202 General Education; 2505 Rural



Employment; 4515 Capital outlay on other Rural Development Programme) in Education (Primary, Secondary and Adult Education) and Rural Development Departments. Increase in expenditure during 1999-2000 under these heads was :

Major heads	1998-99	1999-2000	Increase
	(Expenditure: Rupees in crore)		(Rupees in crore)
2202 General Education	2533	3859	1326
2505 Rural Employment	597	731	134
4515 Capital outlay on other Rural Development Programmes	113	271	158
<b>Total</b>	<b>3243</b>	<b>4861</b>	<b>1618</b>

Fourteen district offices were selected for test-check between July 2001 and November 2001. Test-check of expenditure in selected offices of these districts disclosed serious irregularities eg. large scale misutilisation/ misappropriation of funds, doubtful execution of works, doubtful purchases, erroneous payment etc. by Drawing and Disbursing Officers in various offices, which raised serious doubts regarding the genuineness of these expenditure (vide comments in paragraph 3.25). Funds were drawn from the treasuries, even though these were not required for immediate disbursements. This resulted in accumulations of huge cash balances in various offices test-checked. The retention of huge cash balances by the Drawing and Disbursing Officers entailed serious risks of misuse/ misutilisation of funds.

The seriousness of the irregularities noticed warrant immediate attention of the Government (the departmental heads and the Finance Department) and investigation into the huge drawals from the treasuries during 1999-2000 mostly to meet revenue expenditure, that caused depletion of Cash Balance Investment Account by Rs 2306 crore during 1999-2000. Genuineness of the expenditure incurred by various departments against funds drawn also required investigation by the Government.

#### **1.9.7 Guarantees given by the State Government**

Guarantees are given by the State Government for due discharge of certain liabilities like repayment of loans, share capital, etc., raised by the statutory corporations, Government companies and cooperative institutions etc., and payment of interest and dividend by them. They constitute contingent liability of the State. No law under Article 293 of the constitution had been passed by the State Legislature laying down the maximum limits within which Government may give guarantees on the security of the Consolidated Fund of the State. The position regarding the amount of guarantees given by the Government for payment of loan, payment of interest thereon and sums outstanding at the end of the years 1995-96 to 1999-2000 was as under:-



Position at the end of the year	Amount guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
(Rupees in crore)			
1995-96	1777.27	1183.79	Not intimated by Government
1996-97	649.61	549.89	--do--
1997-98	243.78	199.34	--do--
1998-99	190.17	962.28	--do--
1999-2000	171.92	852.25	--do--

These guarantees have been given on behalf of 4 Statutory Corporations/Boards, 11 Government Companies, 3 Joint Stock Companies, 5 Autonomous Bodies, 2 Co-operative Banks and several Co-operative Societies. In case of default of repayment of principal and interest by the loanees, the responsibility of repayment of loan with interest will devolve on the State Government.

It was mentioned in Paragraph 1.10.4 (a) of the Report of the Comptroller and Auditor General of India for the year ended March 1998 (Civil) that Rs 718.17 crore were paid by the government in discharge of guarantees during 1990-98. Amount paid on discharge of guarantees during 1998-99 was not furnished by the State Government. During 1999-2000 government paid a total sum of Rs. 221.66 crore in discharge of guarantees for repayment of principal and payment of arrear of interest for the period 1<sup>st</sup> January 1997 to 31<sup>st</sup> December 1998 on the bonds issued by Bihar State Electricity Board (principal: Rs. 153.73 crore and interest: Rs. 62.22 crore), Bihar State Road Transport Corporation (principal: Rs. 3.91 crore and interest: Rs. 0.70 crore) and Bihar State Housing Board (interest: Rs. 1.10 crore). These payments were treated as loans to the institutions concerned.

In view of heavy payments (Rs 939.83 crore) made by Government during 1990-2000 in discharge of guarantees, the risk of liability to repay the large amount of outstanding guarantees in future year also cannot be ruled out.

### **1.10 Public debt**

**1.10.1** The Constitution of India provides that a State may borrow within the territory of India, upon the security of Consolidated Fund of the State within such limits, if any, as may from time to time, be fixed by an Act of Legislature of the State. No law had been passed by the State Legislature laying down any such limit.

The details of the total liabilities of the State Government as at the end of the last five years are given in the following table. During the five year period, the total liabilities of the Government have grown by 65 percent. This was on account of 59 percent growth in internal debt, 81 percent growth in loans and advances from Government of India and 44 percent growth in other liabilities. During 1999-2000, Government borrowed Rs 400 crore in the open market at interest rates of 11.3 percent per annum.



Year	Internal debt	Loans and advances from Central Government	Total Public debt	Other liabilities*	Total Liabilities	Ratio of debt to GSDP
(Rupees in crore)						
1995-96	3509	8772	12281	6312	18593	32
1996-97	4016	9740	13756	6876	20632	32
1997-98	4676	11061	15737	7525	23262	33
1998-99	5395	13375	18770	8056	26826	40
1999-2000	5582	15862	21444	9169	30613	42

**1.10.2** The amounts of funds raised through public debt, the amount of repayment and net funds available are given in the following table:

	1995-96	1996-97	1997-98	1998-99	1999-2000
(Rupees in crore)					
<u>Internal Debt including Ways &amp; Means advances and Overdraft</u>					
-Receipts	595	566	717	734	3503
-Repayment (Principal + interest)	527	527	500	596	4025
-Net funds available	68	39	217	138	(-)520
(Percent)	11	7	30	19	(-)15
<u>Loans &amp; advances from GOI</u>					
-Receipt during the year	1154	1341	1792	2809	3046
-Repayment (principal + interest)	1170	1320	1562	1792	2180
-Net funds available	(-)16	21	230	1017	866
(Percent)	(-)1	2	13	38	28
<u>Other liabilities*</u>					
Receipt during the year	2751	2537	2385	2503	3019
-Repayment (principal + interest)	2549	2508	2263	2511	2445
-Net funds available	202	37	122	(-) 8	574
(Percent)	7	1	5	(-) 0.31	19

It would be seen that while only 28 percent of loans and advances from GOI were available after meeting repayment obligations for capital formation, this was substantially negated by the overwhelming repayment obligation of the Internal debt comprising mainly of market borrowings. Considering that the outstanding debt has been increasing year after year and obligation for repayment of debts are increasing the net availability of funds through public borrowings is going to reduce further.

### 1.10.3 Loans and advances from the Central Government

Position of loans and advances from Government of India for the last five years was as under:

\* Small savings, Provident funds etc., reserve funds and deposits.

\* Small savings, provident funds etc. reserve funds and deposits.



Year	Additions during the year	Repayment of loans + interest		Total	Net inflow	Percentage of column 5 to column 2
		Principal	Interest			
1	2	3	4	5	6	7
(Rupees in crore)						
1995-96	1154.19	339.12	830.80	1169.92	(-)15.73	101
1996-97	1340.94	373.54	946.38	1319.92	21.02	98
1997-98	1791.80	470.04	1092.07	1562.11	229.69	87
1998-99	2808.93	499.51	1292.27	1791.78	1017.15	64
1999-2000	3045.97	558.85	1621.64	2180.49	865.48	72

### 1.11 Indicators of financial performance

**1.11.1** A Government may either wish to maintain its existing level of activity or increase its level of activity. For maintaining its current level of activity it would be necessary to know how far the means of financing are sustainable. Similarly, if Government wishes to increase its level of activity it would be pertinent to examine the flexibility of the means of financing and finally, Government's increased vulnerability in the process. All the State Governments continue to increase the level of their activity principally through Five Year Plans which translate to annual development plans and are provided for in the State Budget. Broadly, it can be stated that non-plan expenditure represents Government maintaining the existing level of activity\*, while plan expenditure entails expansion of activity. Both these activities require resource mobilization increasing Government's vulnerability. In short, financial health of a Government can be described in terms of sustainability, flexibility and vulnerability. These terms are defined as follows:

#### (i) Sustainability

Sustainability is the degree to which a Government can maintain existing programmes and meet existing creditor requirements without increasing the debt burden.

#### (ii) Flexibility

Flexibility is the degree to which a Government can increase its financial resources to respond to rising commitments by either its revenues or increasing its debt burden.

#### (iii) Vulnerability

Vulnerability is the degree to which a Government becomes dependent on and therefore vulnerable to sources of funding outside its control or influence, both domestic and international.

#### (iv) Transparency

There is also the issue of financial information provided by the Government. This consists of Annual Financial Statement (Budget) and the Accounts. As

\* There are exceptions to this, notably transfer of plan to the Non-plan at the end of plan period.



regards the budget, the important parameters are timely presentation indicating the efficiency of budgetary process and the accuracy of the estimates. As regards, accounts, timeliness in submission, for which milestones exist and completeness of accounts would be the principal criteria.

**1.11.2** Information available in Finance Accounts can be used to flesh out Sustainability, Flexibility and Vulnerability that can be expressed in terms of certain indices/ratios worked out from the Finance Accounts. The list of such indices/ratios is given in Appendix-IV and V. Exhibit V indicates the behavior of these indices/ratios over the period from 1995-96 to 1999-2000.

**1.11.3** The implications of these indices/ratios for the state of the financial health of the State Government are discussed in the following paragraphs:



**EXHIBIT – V**

**FINANCIAL INDICATORS FOR GOVERNMENT OF BIHAR**

(1)	1995-96 (2)	1996-97 (3)	1997-98 (4)	1998-99 (5)	1999-2000 (6)
<b>Sustainability</b>					
BCR (Rs in crore)	(-) 652.39	(-) 192.67	(-) 43.74	(-) 1452	(-)3418
Primary deficit (PD) (Rs in crore)	(-) 358.65	(-) 593.84	177.55	1247	3129
Interest Ratio	0.22	0.23	0.21	0.25	0.27
Capital outlay/capital receipts	0.16	0.21	0.23	0.24	0.37
<b>Total Tax Receipts/GSDP</b>	0.12	0.11	0.11	0.11	0.11
State Tax Receipts/GSDP	0.04	0.04	0.04	0.04	0.04
Return on Investment Ratio	Nil	Nil	Nil	Nil	Negligible
<b>Flexibility</b>					
BCR (Rs in crore)	(-) 652.39	(-) 192.67	(-) 43.74	(-) 1452	(-) 3418
Capital repayment/capital borrowing	0.27	0.23	0.21	0.14	0.23
State Tax Receipts/GSDP	0.04	0.04	0.04	0.04	0.04
Debt/GSDP	0.40	0.40	0.42	0.40	0.42
<b>Vulnerability</b>					
Revenue deficit (RD) (Rs in crore)	825	619	1052	2267	3703
Fiscal deficit (FD) (Rs in crore)	1309	1348	2239	3659	5996
Primary deficit (PD) (Rs in crore)	(-) 359	(-) 594	178	1247	3129
PD/FD	(-) 0.07	(-) 0.44	0.08	0.34	0.52
RD/FD	0.63	0.46	0.47	0.62	0.62
Outstanding Guarantees/revenue receipts	0.16	0.16	0.02	0.10	0.08
Assets/Liabilities	0.80	0.79	0.77	0.73	0.64

Note: 1. The interest payment in 1995-96 and 1996-97 was more than the fiscal deficit, hence the negative figure for primary deficit.



**(i) Balance from current revenue (BCR)**

BCR is defined as revenue receipts minus plan assistance grants minus non-plan revenue expenditure. A positive BCR shows that the State Government has surplus from its revenues for meeting plan expenditure. The table shows that the State Government had no surplus from current revenues in all the five years and the negative BCR in 1999-2000 increased more than 135 percent from the previous year. Government not only had to depend on borrowings for meeting its entire plan expenditure, but had also to bridge the substantial gap in current revenues from borrowing.

**(ii) Interest ratio**

The higher the ratio the lesser the ability of the Government to service any fresh debt and meet its revenue expenditure from its revenue receipts. In case of Bihar the ratio has steadily increased from 0.21 to 0.27 during 1997-2000. During 1999-2000 the ratio went up to 0.27 from 0.25 in the previous year. This led to the increased revenue deficits and to enhanced borrowing affecting in the process, the sustainability of its operations. The increased interest burden was mostly attributable to the unjustified market borrowings during the 8<sup>th</sup> plan period and thereafter when Government raised high cost borrowings to Finance Plan expenditure but did not spend them and allowed the cash balance investment to swell. This investment fetched low interest compared to the high interest paid for the same. Due to lack of unproductive investment, there is little possibility for any useful return to mitigate the interest burden.

**(iii) Capital outlay / Capital receipts**

This ratio would indicate as to what extent the capital receipts are applied for capital formation. A ratio of less than one would not be sustainable in the long term in as much as it indicates that a part of the capital receipt is being diverted to unproductive revenue expenditure. On the contrary, a ratio of more than one would indicate that capital investments are being made from revenue surplus as well. The trend analysis of this ratio would throw light on the fiscal performance of the State Government. A rising trend would mean an improvement in the performance. In the case of Bihar, the ratio has all along been less than one and ranged between a low of 0.16 and 0.37 indicating that 63 to 84 percent of capital receipts were used for other purpose than investment. The reason for improvement in the ratio during 1999-2000 was due to increased capital outlay met from surplus cash balance of previous years. Considering that the state was perennially in a situation of high revenue deficit, the low ratio would explain why the capital expenditure of the Government stagnated at around 5 to 7 percent of the total expenditure.

**(iv) Tax receipts Vs Gross State Domestic Product (GSDP)**

Tax receipts consists of state taxes and state's share of central taxes. The latter can also be viewed as central taxes paid by people living in the state. Tax receipts suggest sustainability. But the ratio of tax receipts to GSDP would



have implications for the flexibility as well. While a low ratio would imply that the Government can tax more, and hence its flexibility, a high ratio may not only point to the limits of this source of finance but also its flexibility. Time series analysis shows that in case of Bihar this ratio has been constant at 0.11 throughout the 1996-97 to 1999-2000 period. Similarly, the ratio of state tax receipts compared to GSDP has also been constant at 0.04 during 1995-96 to 1999-2000. The low State tax to GSDP ratio suggests that government failed to make adequate efforts to improve its tax base. The collection of arrear taxes have also not improved.

**(v) Return on Investment (ROI)**

The ROI is the ratio of the earnings to the capital employed. A high ROI suggests sustainability. The table presents the return on Government's investments in statutory corporations, Government companies, joint stock companies and cooperative institutions. The investments have mostly gone to finance their losses and therefore return from the investment remained at negligible level.

**(vi) Capital repayments vs capital borrowings**

This ratio indicates the extent to which the borrowings are available for investment, after repayment of capital. The lower the ratio, the higher would be the availability of capital for investment. In case of Bihar Government this ratio though showed a declining trend from 0.27 in 1995-96 to 0.14 in 1998-99 mainly due to availability of funds due to increased borrowing when repayments were yet to start, it moved up sharply to 23 percent during 1999-2000 due to higher repayment obligation under Internal Debt.

**(vii) Debt vs Gross State Domestic Product (GSDP)**

The GSDP is the total internal resource base of the State Government, which can be used to service debt. An increasing ratio of Debt/ GSDP would signify a reduction in the Government's ability to meet its debt obligations and therefore increasing risk for the lender. In the case of Bihar, this ratio has remained at a high level around 0.40 upto 1998-99 and 0.42 in 1999-2000 indicating that states resource base was under strain to support heavy amount of borrowings. Unless the borrowing is controlled, further borrowing in future years will be difficult as the State failed to generate any revenues out of its investments and its asset, remained unproductive.

**(viii) Revenue deficit/fiscal deficit**

The revenue deficit is the excess of revenue expenditure over revenue receipts and represents the revenue expenditure financed by borrowing etc. Evidently, the higher the revenue deficit, the more vulnerable is the state. Since fiscal deficit represents the aggregate of all the borrowings the revenue deficit as a percentage of fiscal deficit would indicate the extent to which the borrowings of the Government are being used to finance non-productive revenue expenditure. Thus the higher the ratio the worse off the state because that would indicate that the debt burden is increasing without adding to the repayment capacity of the state. During 1996-2000, the ratio has rapidly gone



up from 0.46 in 1996-97 to 0.62 in 1998-99 and 1999-2000 indicating that most of the borrowed funds are employed for revenue expenditure leaving little funds to invest for other purposes.

**(ix) Primary deficit vs fiscal deficit**

Primary deficit is the fiscal deficit minus interest payments. This means that the lower the value the lesser the availability of funds for capital investment. In case of Government of Bihar, this ratio was negative in 1995-96 and 1996-97 when interest payments were more than the net borrowings. The position was marginally better in 1997-2000 when the interest payments accounted for 92, 66 and 48 percent respectively of the net borrowed funds. However the burden of interest payment continued to be substantial.

**(x) Guarantees Vs revenue receipts**

Outstanding guarantees, including the letters of comfort issued by the Government, indicate the risk exposure of a State Government and should therefore be compared with the ability of the Government to pay viz, its revenue receipts. Thus, the ratio of the total outstanding guarantees to total revenue receipts of the Government would indicate the degree of vulnerability of the State Government. In case of Bihar this ratio declined from 0.16 in 1995-96 to 0.08 in 1999-2000. However this is to be considered in the context of the fact that the figures of outstanding guarantees are not reliable as the information regarding total guarantees outstanding against Cooperative Societies etc. were not furnished by the State Government. As Government had to spend larger amounts on discharge of guarantees, possibility of huge outstanding guarantees cannot be ruled out. Hence the extent of governments liability on this count and the risk exposure of state revenue due to guarantees are not known.

**(xi) Assets Vs Liabilities**

This ratio indicates the solvency of the Government. A ratio of more than, 1 would indicate the State Government is solvent (assets are more than the liabilities) while a ratio of less than 1 would be a contra indicator. This ratio has progressively decreased from 0.8 in 1995-96 to 0.64 in 1999-2000. It suggests continued deterioration in the solvency of the State Government. Even this ratio is to be considered in the context of the fact that the assets includes mainly financial assets (29 percent of total assets) in the shape of investments in the loss making government Companies.

**(xii) Budget**

There was no delay in submission of the budget and their approval. Chapter-II of this Report carries a detailed analysis of variations in the budget estimates and the actual expenditure as also of the quality of budgetary procedure and control over expenditure. It indicates defective budgeting and inadequate control over expenditure, as evidenced by the persistent resumption (surrenders) of significant amounts every year vis-a-vis the final modified grant. During 1999-2000, 13 percent of the total budgeted funds was not spent (savings) which casts a shadow on the reliability of the budget. Further,



supplementary provision obtained during the year constituting 28 per cent of the original estimates also indicated un-reliable and incorrect budgeting.

**(xiii) Accounts**

Government of Bihar has been endemically delaying the accounts for many months due to which its annual accounts could not be compiled in time. During 1999-2000 the treasuries and other accounting units like Public Works and Forest Divisions were not rendering accounts on due dates. For example March 2000 accounts were delayed between 30 and 180 days by 43 treasuries 260 Public Works Division and 132 Forest Divisions. Consequently, for most of the months of the year the accounts did not reflect the actual level of expenditure.

**1.11.4 Conclusion**

The above analysis indicates that the financial mismanagement which led to grave financial condition of the government during 1995-99 worsened during the past year. The imprudent and unjustified market borrowings in the previous years and their investment in the Treasury Bills instead of Plan expenditure are now coming home in the shape of an unsustainable interest burden and absence of any productive asset. The state made no attempt to contain its revenue expenditure and on the other hand spent huge amounts on revenue accounts by drawing down its cash balance. The expenditure was bound to have serious risk of misuse and misutilisation of funds. The increased interest burden and staff cost pushed the revenue deficit and fiscal deficit to its highest level. Even while its revenue deficit soared, the government did not improve its tax compliance and thus depended mainly upon the transfers from the Central Government to finance its expanding revenue expenditure. Its assets are not covering its liabilities. As these assets are mainly investments in the loss making PSUs, the true extent of its vulnerability is not reflected even in the poor ratio of assets and liabilities. Unless the government improve its financial and fiscal management, takes steps to prevent the endemic frauds and financial irregularities in its departments and improves the tax compliance, the financial decline of the government can not be assorted.







# **CHAPTER-II**

**Appropriation Audit and Control Over  
Expenditure**









**CHAPTER -II**  
**APPROPRIATION AUDIT AND CONTROL OVER**  
**EXPENDITURE**

**SUMMARY OF APPROPRIATION ACCOUNTS –**  
**1999-2000**

**Appropriation Accounts**

*Total number of grants: 47*

*Total number of appropriations: 5*

*Total provision and actual expenditure*

Provision	Amount (Rupees in crore)	Expenditure	Amount (Rupees in crore)
Original	18503.50		
Supplementary	5147.27		
Total gross provision	23650.77	Total gross expenditure	20542.79
Deduct-Estimated recoveries in reduction of expenditure	--	Deduct-Actual recoveries in reduction of expenditure	--
<b>Total net provision</b>	<b>23650.77</b>	<b>Total net expenditure</b>	<b>20542.79</b>

*Voted and Charged provision and expenditure*

	Provision		Expenditure	
	Voted	Charged	Voted	Charged
	(Rupees in crore)			
Revenue	14090.20	2956.28/	11412.36	2950.07
Capital	2986.49	3617.80	2305.24	3875.12
Total Gross	17076.69	6574.08	13717.60	6825.19
Deduct-recoveries in reduction of expenditure	---	---	---	---
Total Net	17076.69	6574.08	13717.60	6825.19

## APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE

### 2.1 Introduction

The Appropriation Accounts are prepared every year indicating the details of amounts on various specified services actually spent by government vis-à-vis those authorised by the Appropriation Act.

The objective of appropriation audit is to ascertain whether the expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

### 2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 1999-2000 against grants/ appropriations was as follows:

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving(-)/ Excess (+)
(Rupees in crore)						
Voted	I. Revenue	12904.79	1185.41	14090.20	11412.36	(-)2677.84
	II. Capital	1597.63	374.00	1971.63	1233.45	(-)738.18
	III. Loan and Advances	447.26	567.61	1014.87	1071.79	(+) 56.92
<b>Total Voted</b>		<b>14949. 68</b>	<b>2127. 02</b>	<b>17076. 70</b>	<b>13717. 60</b>	<b>(-)3359. 10</b>
Charged	IV. Revenue	2859.58	96.69	2956.27	2950.07	(-)6.20
	V. Capital	--	0.14	0.14	--	(-) 0.14
	VI. Public Debt	694.24	2923.42	3617.66	3875.12	(+) 257.46
<b>Total Charged</b>		<b>3553.82</b>	<b>3020.25</b>	<b>6574.07</b>	<b>6825.19</b>	<b>(+)251.12</b>
<b>Grand Total</b>		<b>18503. 50</b>	<b>5147 . 27</b>	<b>23650 . 77</b>	<b>20542 . 79</b>	<b>(-)3107. 98</b>

The expenditure was understated at least to the extent of Rs 10.35 crore, vouchers for which were not received by the Principal Accountant General and the amount remained unaccounted for in the Consolidated Fund of the State.

The total expenditure is inflated at least to the extent of Rs 147.14 crore which were drawn from the treasuries by various Drawing and Disbursing



Officers on Abstract Contingent Bills during 1999-2000 but Detailed Contingent Bills for which were not submitted.

### 2.3 Results of Appropriation Audit

**2.3.1** The overall saving of Rs 3107.98 crore (13 per cent of the total provision) was the net result of saving of Rs 3434.39 crore (22 per cent) in 47 cases of grants and 15 cases of appropriations and excess of Rs 326.41 crore (4 per cent) in 2 grants and 3 appropriations. Out of the total savings, Rs 2689.79 crore (78 per cent) pertained to Revenue and Rs 744.60 crore (22 percent) pertained to Capital. Out of the excess of Rs 326.41 crore, Rs 5.74 crore (2 percent) pertained to Revenue and Rs 320.67 crore (98 percent) pertained to Capital. Out of this, excess to the extent of only Rs 196.23 crore requires regularisation under Article 205 of the Constitution as shown in Appendix VI. Most of the savings occurred in the voted section of Revenue and Capital expenditure as shown below:

	Total Provision	(Original + Suppl.)	Savings	Per cent
	Voted Section			
	(Rupees in crore)			
1.	Revenue expenditure	14090.20	2677.84	19
2.	Capital expenditure	1971.63	738.18	37

Scrutiny revealed that the major savings on Revenue Account (Rs 1955 crore) pertained to Pension (Rs 587 crore), Rural Development Department (Rs 390 crore), Middle, Primary and Public Education Department (Rs 302 crore), Health, Medical, Education and Family Welfare Department (Rs 242 crore), Welfare Department (Rs 235 crore), and Home Department (Rs 199 crore). In capital account the major savings (Rs 565 crore) occurred in Public Health Engineering Department (Rs 95 crore) Road Construction Department (Rs 82 crore), Rural Development Department (Rs 97 crore), Urban Development Department (Rs 65 crore) and Water Resources Department (Rs 226 crore).

Of these, reasons for savings of at least Rs 1847 crore (59 per cent) were not explained by the concerned Heads of Departments. Explanation for the savings to the extent furnished by the Government pertained mainly to release of funds by Government of India for Centrally Sponsored Schemes, reduction of Plan outlay, delay in supply/ shortage of material, belated sanction of schemes, holding of Assembly election, non-issue of order of allotment of funds, delay in transfer of forest land and in land acquisition.

Government of Bihar failed to arrest excess expenditure in various departments. The overall excess expenditure of Rs 326.41 crore should also be considered in the context of significant excess by the Departmental Officers under various sub-heads within each grant and appropriation. Due to large overall savings under these grants, the excesses under sub-heads were off set as shown below:

Grant No.	Department	Savings	Excess	Overall saving
(Rupees in crore)				
1.	Agriculture Department (Revenue)	66.60	4.36	48.69
3.	Building Construction and Housing Department Revenue	30.09	9.29	21.18
	Capital	15.76	2.80	11.62
20.	Health, Medical Education and Family Welfare Department - Revenue	283.08	50.30	241.58
21.	Higher Education -Revenue	35.78	4.46	35.53
30.	Minority Welfare – (Capital)	50.00	7.28	42.72
36.	Public Health Engineering Department - Revenue	24.66	10.99	11.67
41.	Road construction Department - Revenue	49.16	27.95	18.22
	Capital	113.70	35.12	81.65
42.	Rural Development Department Revenue	415.68	29.38	389.74

Thus, the persisting phenomenon of excess expenditure continued even during the year in some of the departments due to failure of the Controlling Officers and the Secretaries of the Government to exercise due control over their departmental grants. Other cases of excesses have been discussed in paragraph 2.3.10.

**2.3.2** Supplementary provision obtained during the year constituted 27.82 per cent of the original budget provision as against 14.59 per cent in the preceding year. Such high amount of supplementary provisions indicates weak budgeting due to unreliable and incorrect original estimates.

**2.3.3** Supplementary provision of Rs 707.02 crore obtained in 57 cases (Appendix-VII) in August 1999, January 2000 and March 2000 was wholly unnecessary as the expenditure did not come up in these cases even to the level of the original provision. In 16 more cases (Appendix-VIII), additional funds required were only Rs 360.47 crore, while the supplementary grant of Rs 910.20 crore was obtained resulting in saving in each case exceeding Rs 10 lakh.

**2.3.4** Supplementary provision of Rs 517.65 crore and Rs 0.05 crore obtained under Grants No. 10 -Energy Department (capital section) and Gr. No. 40–Revenue and Land Reforms Department (capital section) respectively proved inadequate leaving uncovered excess expenditure of Rs 63.20 crore and Rs 0.01 crore respectively.

**2.3.5** As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. However, the Government failed to



discharge its constitutional obligation by not regularising the excesses from the Legislature (December 2000) for the years 1977-78 to 1998-99 amounting to Rs 6057.66 crore as detailed below:

Year	No. of grants/ Appropriation	Grant/ Appropriation Number	Amount of excess	Amount for which explanation not furnished to PAC
			(Rupees in crore)	
1977-78	4	4,5,9,24	14.51	14.51
1978-79	4	4,9,17,27	31.11	31.11
1979-80	4	3,4,6,17	34.50	34.50
1980-81	7	4,6,8,10,12,16,17	27.92	27.92
1981-82	14	1,3,4,8,9,10,11,12, 13, 15,16,17, 21,24	80.30	80.30
1982-83	5	6,8,12,16,22	5.25	5.25
1983-84	4	6,9,11,12	227.36	227.36
1984-85	4	3,4,8,14	2.66	2.66
1985-86	4	4,8,10,13	15.17	15.17
1986-87	3	4,6,13	87.43	87.43
1987-88	13	1,4,5,9,12,14,18,1 9,25,31,38,42, 48	420.66	420.66
1988-89	6	4,9,12,18,25,38	166.92	166.92
1989-90	6	4,18,25,27,38,45	228.65	228.65
1990-91	8	12,18,36,37,38,42, 43, 47	330.07	330.07
1991-92	8	1,4,6,11,12,18,38, 43	1228.67	1228.67
1992-93	6	1,4,12,18,25,38	1462.10	1462.10
1993-94	4	12,18,25,37	702.17	702.17
1994-95	2	12,37	318.23	318.23
1995-96	5	4,12,25,36,37	405.08	405.08
1996-97	4	4,12,20,23,36,37	256.38	256.38
1997-98	4	4,7,12,15	12.19	12.19
1998-99	1	30	0.33	0.33
1999- 2000	5	10,13,14,40,50	196.23*	196.23
	<b>Total</b>		<b>6253.89</b>	<b>6253.89</b>

\* Adjusted figure vide Appendix V.

**2.3.6** In 43 cases expenditure fell short by Rs 2 crore or more and also by more than 10 per cent of the total provisions as indicated in Appendix-IX.

**2.3.7** In 49 cases, there were persistent savings in excess of Rs 2 crore in each case vide Appendix-X.

### **2.3.8** *Expenditure on new service/new instrument of service*

Expenditure on 'New Service' not contemplated in the Annual Financial Statement (i.e. the Budget) for that year and 'New Instrument of Service' needs authorisation by the Legislature. The State Public Accounts Committee in its 30th Report recommended the monetary limits for reckoning expenditure as 'New Service' (since accepted by the State Government in September 1971).

According to the criteria laid down by the Legislature, cases (other than expenditure on staff etc., expenditure on increase in staff and additional works, grants and contributions (for existing purposes), Loans and Advances carrying interest not covered by the provisions in the budget, committee constituted by Government from time to time and revision of scale of pay for which separate criteria has been prescribed) in respect of which the increase over the grant previously voted exceeds two times the previous grant or Rs 2 lakh whichever is more are to be treated as "New Service". In 42 cases, expenditure totalling Rs 44.79 crore in excess of the provision by more than two times of original provision which were to be treated as "New Service"/ "New Instrument of Service" was incurred without obtaining the requisite approval of Legislature. Details of these cases are given in Appendix-XI. In 10 cases, expenditure totalling Rs 56.33 crore was incurred without budget provision vide Appendix-XII.

### **2.3.9 *Anticipated savings not surrendered***

According to rules framed by Government the spending departments are required to surrender the grants/ appropriations or portion thereof to the Finance Department as and when the savings are anticipated. However, at the close of the year 1999-2000 there were 33 grants and one appropriation in Revenue section and 10 grants in Capital section in which large savings of Rs 1480.91 crore, exceeding Rs 1 crore in each case, had not been surrendered by the Departments vide Appendix-XIII.

Against the total savings of Rs. 3107.98 crore (net) Rs. 1989.65 crore (64 per cent) only was surrendered during 1999-2000 of which surrender of Rs. 1956.31 crore (98 percent) was made only on the last day of the financial year. This indicated that the Financial discipline and budgetary control was significantly at large in the government as a whole.

### **2.3.10 *Unjustified/ excessive surrender***

Rule 135 of the Bihar Budget Manual lays down that when need for a surrender manifests itself, the controlling officer should carefully estimate the amount that he can surrender. The aim should be to keep the expenditure just within the modified grant.

In 36 cases, the actual expenditure far exceeded the modified grant rendering surrenders of Rs 157.99 crore unjustified/ excessive vide Appendix-XIV.

The above instances of budgetary irregularity are reported from year to year in Chapter – II of the Audit Report. If the precautions envisaged in Rule 135 of the Bihar Budget Manual are taken by all the departments, these could be minimised to a great extent.



### **2.3.11 Advances from Contingency Fund**

The Contingency Fund of the State of Bihar was established under the Bihar Contingency Fund Act, 1950 in terms of the provisions of Article 267(2) of the Constitution of India with the initial corpus of Rs 1.00 crore. It was raised from time to time by amendments to the aforesaid Act. As on 31 March 2000 it stood at Rs 350 crore (since 1987-88). The Fund is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances for meeting unforeseen expenditure which could not be postponed, including expenditure on 'New Service', pending authorisation by the Legislature.

At the commencement of the year, an advance of Rs 260.30 lakh sanctioned during 1997-98 was outstanding for recoupment. The advance was recouped during 1999-2000.

A review of the operation of the Contingency Fund disclosed that during 1999-2000 altogether 237 no. of advances involving Rs 590.39 crore were sanctioned.

It was noticed that-

(i) All these advances were recouped through the first supplementary grants / appropriations (43 sanctions involving Rs. 232.30 crore), second supplementary grants / appropriations (120 sanctions involving Rs. 286.20 crore) and third supplementary grants / appropriations (74 sanctions involving Rs. 71.89 crore).

(ii) A few illustrative cases detailed in Appendix-XV would show that advances from Contingency Fund were obtained to incur expenditure aggregating Rs. 81.11 crore, though the expenditure was not such as could not have been foreseen / or postponed.

### **2.3.12 32 per cent of expenditure was not reconciled**

Financial rules require that the Departmental Controlling Officers should reconcile periodically the departmental figures of expenditure with those booked by the Accountant General. During the year 1999-2000 expenditure under 1453 units of appropriation was not reconciled by 84 Controlling Officers for a total amount of Rs 6489.61 crore approximately up to the final closure of the accounts for the year in spite of repeated reminders at the highest level. The un-reconciled expenditure accounted for 32 per cent of the total expenditure.

Even though non-reconciliation of departmental figures was repeatedly pointed out in previous Audit Reports and need for reconciliation was stressed, apathy on the part of the Controlling Officers in this regard persisted and departmental control over expenditure during 1999-2000 remained relaxed. Department-wise break-up of details of the amounts that remained unreconciled during 1999-2000 were as in Appendix-XVI.

It was seen that Rs 6244.58 crore out of the total un-reconciled amount of Rs 6489.61 crore pertained to Departments of the Revenue and Land Reform Department, Finance Department, Rural Development Department, Health Medical Education and Family Welfare Department, Welfare Department, Panchayati Raj Department, Agriculture Department and Urban Development Department.

Controlling Officers were requested time to time for reconciliation of departmental figures with those booked in accounts as laid down in the financial rules. The fact of non-reconciliation was also mentioned in the Appreciation Notes sent with the Monthly Civil Accounts to Finance Commissioner (by name) by the Principal Accountant General (A&E). In spite of these reminders huge expenditure remained un-reconciled (details in Appendix-XVI).

Non reconciliation of expenditure by the Controlling Officers of various departments was fraught with the risk of serious irregularities like embezzlement, frauds and defalcations remaining undetected as was seen in the case of the Animal Husbandry Department upto 1996-97.

### **2.3.13 Failure to furnish explanations for savings/excesses by the Controlling Officers**

After close of the financial year, the detailed Appropriation Accounts showing the final grants/appropriations, the actual expenditure and the resultant variations sub-headwise are sent by the Principal Accountant General (A&E) to the Controlling Officers requiring them to explain significant variations under the head.

During 1999-2000, there was an excess expenditure of Rs 326.41 crore and net savings of Rs 3107.97 crore which constituted 13.14 per cent of the total budget provision.

Year	Total savings	Amount for which explanation not received	Total excess	Number of cases of excess and savings requiring explanations	Number of cases in which explanations were not received	Percentage
(Rupees in crore)						
1995-96	2601	2601	409.00	865	604	70
1996-97	2026	2026	256.00	823	556	68
1997-98	3134	2607	12.00	771	664	86
1998-99	5471	1981	0.33	1188	970	82
1999-2000	3108	1847	326.00	986	772	78

The above table shows that the Controlling Officers administering the Grants consistently failed to provide explanation for the excesses/savings. Consequently, the Government failed to discharge its constitutional responsibility of accountability to the Legislature.



**2.4 Expenditure and budgetary control**

**2.4.1 Reserve Funds - Non-observance of accounting procedure for budgeting**

**(i) Grant No. 39 – Relief and Rehabilitation Department**

In paragraph 2.9 of the Report of the Comptroller and Auditor General of India for the year ending 31st March 1995, mention was made about the creation of a Calamity Relief Fund for providing calamity relief with annual contribution of Rs 35 crore by the Government of India (75 per cent) and the State Government (25 per cent) and non-investment of the accretion of the fund. Mention was also made about non-observance of the procedure for making budget provision for relief expenditure under the expenditure head “2245-Relief on account of Natural Calamities” and incorrect accounting of the transactions under the head. These observations were not acted upon by the Government. As in the previous seven years from 1991-92, so also in 1999-2000, the budgeting procedure stipulated in the scheme was not followed and the relief expenditure was being met directly from the funds meant for transfer to the Reserve Fund “8235 - General and Other Reserve Fund - 111 - Calamity Relief Fund” This amounted to diversion of funds to a purpose other than that voted by the legislature and incurring expenditure on various items of relief works without the approval of the legislature.

Tenth Finance Commission recommended the continuance of the current scheme till 1999-2000 with certain modification. During 1999-2000 Government of India’s contribution to the Fund was Rs 71.97 crore.

**2.4.2 Mistakes in the schedule to the Appropriation Act- Co-operative Department (Grant No. 9)**

The second Supplementary Demands for grants for the year 1999-2000 relating to Demand/ grant no. 9 Co-operative Department presented to and voted by the Legislative Assembly included Rs. 10.70 lakh in the Revenue section and Rs. 156.82 lakh in the Capital section. However, in the scheduled appended to the related appropriation Bill/Act these amounts were varied and shown as Rs. 138.61 lakh in the Revenue section and Rs. 28.91 lakh in the Capital section. As per the provisions of Articles 203 and 204 of the Constitution read together, there should not be any variation in the amount “so made by the Assembly” and the amount included in the Appropriation Bill / Act.

On scrutiny it was noticed that plan provision totalling Rs. 138.61 lakh (Revenue section Rs. 9.70 lakh and Capital section Rs. 128.91 lakh) and non-plan provision totalling Rs. 28.91 lakh (Revenue section: Rs. 1.00 lakh and Capital section 27.91 lakh) shown in the Second Supplementary Statement of the Expenditure 1999-2000 were shown in Revenue section and Capital section respectively in the scheduled appended to the related Appropriation Bill/Act.

### 2.4.3 Error in Budget

The Grant/Appropriation specified in the schedule to an Appropriation Act is a single total sum appropriated to the purposes set out in it. Its distribution among the various subheads and items is given in the detailed budget estimates. In the following cases, the sub-headwise distribution of the amount was either more or less than the amounts specified in the schedule appended to the Appropriation Act relating to the original/ supplementary grants/ appropriations.

Sl. No.	Number and Name of Grant/Appropriations	Excess distributed over subheads		Less distributed over subheads	
		Original	Supplementary	Original	Supplementary
	<b>Grants</b>				
		(Rupees in lakh)			
1.	3 - Building Construction and Housing Department - Capital	200.00			
2.	4 - Cabinet Secretariat and Co-ordination Department - Revenue		6.50		
3.	12- Finance Department- Revenue		3.50		
4.	21 - Higher Education Department -Revenue			386.67	
5.	22 - Home Department- Revenue				1.00
6.	26 - Labour Employment and Training Department - Revenue				2.91
7.	40- Revenue and Land Reform Department - Revenue			1.00	
8.	42- Rural Development Department -Revenue				200.00
9.	43- Science and Technology Department	2.20			
	<b>Appropriation</b>				
1.	22-Home Department- Revenue		1.00		

### 2.4.4 Expenditure debitable to grant debited to the Suspense head 'Material Purchase Settlement Suspense Account below 8658-Suspense Account'

The Suspense head '8658-Suspense Accounts- 129-Material Purchase Settlement Suspense Account is operated in the books of Public Works Divisions. The cost of stores received either by purchase or through inter-divisional transfers is accounted for initially under this suspense head in all cases where the payment had not been made in the same month of receipt of stores. This head is cleared by contra entry (minus credit) on making payment to the Supplier / Division supplying stores. It means that under this head there should always be credit and minus credit transactions during the year and credit balance at the end of the year for the value of materials stores received but not paid for or adjusted. In the accounts of Government of Bihar, this head is being operated by the Public Works



Divisions since 1996-97. The transactions during the last four years were as follows:

Year	Opening balance	Credit balance	Debits	Closing balance
(Rupees in lakh)				
1996-97	--	--	24,79.64	Dr. 24,79.64
1997-98	Dr. 24,79.64	(-) 60.30	14,03.33	Dr. 39,43.27
1998-99	Dr. 39,43.27	(-) 9.16	7,42.54	Dr. 46,94.97
1999-2000	Dr. 46,94.97	89.00	6.21	Dr. 46,12.17

The transactions during 1996-97 were booked by Public Health Engineering Divisions. The debits during the respective years shown above were suggestive of booking of expenditure relating to functional heads concerned to suspense head with a view to hide excess over budget provision.









# CHAPTER-III

## Civil Departments

**Section-A:** Contains performance appraisals of the following:

-  National Family Welfare Programme
-  Working of District Primary Education Programme
-  Utilistion of relief Fund
-  Urban Employment Generation Programme

**Section-B:** Contains other major audit points on transactions in Civil Departments







**CHAPTER - III**  
**CIVIL DEPARTMENTS**

**SECTION - A : REVIEWS**

**HEALTH, MEDICAL EDUCATION AND FAMILY  
WELFARE DEPARTMENT**

**3.1 National Family Welfare Programme**

*Highlights*

*National Family Welfare Programme, centrally sponsored and fully financed by Government of India aimed at stabilising population at a level consistent with national development and facilitating attainment of twin goals of 'Health for All' and a 'Net Reproductive Rate of Unity (NRR-1)' by the year 2000.*

*Compared to national goals crude birth rate was higher by 53 percent, couple protection rate was low by 61 percent and annual population growth rate was higher by 76 percent in 1998 indicating that the goals seemed inachievable to the State.*

*The implementation of the programme in the State faltered due to absence of effective monitoring and corrective actions on the deficiencies pointed out by Government of India. Both physical and financial aspects of the programme remained mismanaged and implementation of the programme was affected by huge persistent savings every year during 1995-2000, deficiencies in accounts, defalcation/ misappropriations/ mis-utilisation of funds and medical materials, non-availability of essential drugs/ contraceptives/ vaccines, procurement and distribution of substandard medical articles and inadequate health care providers etc. Physical performance in almost all the components of the programme was either low, nil or negligible and possibility of attainment of intended goal appeared remote.*

**Fifteen to 42 percent of budget provisions remained unutilised during 1995-2000. Central Government did not reimburse Rs 17.78 crore spent upto 1997-98 by the State due to unsettled objections.**

*(Paragraph 3.1.4)*

**Number of Health Centres in rural areas was inadequate to meet the need of family welfare under Minimum Needs Programme. Against the norm of sub centre population ratio of 1:5000 and PHC population ratio of 1:30000, actual as of March 2000 was 1:6750 and 1:169898 respectively. Of Rs 4.30 crore provided to the districts (September 1999) for civil works in PHCs, Rs 3.59 crore remained unutilised and renovation of PHCs in the districts was not done.**

*(Paragraph 3.1.5.1)*

**State Family Welfare Bureau had no information on performance under Sterilisation Bed Scheme, Post Partum, PAP Smear Test Facility**



Programme and All India Hospital Post Partum Programme in the State. The programmes were not monitored.

(Paragraph 3.1.5.2 to 3.1.5.4)

As per the survey conducted (1998) in respect of 5 districts test-checked, utilisation of ante natal services varied between 20 and 37 percent only.

(Paragraph 3.1.5.5)

During 1995-2000 except for BCG and OPV in all cases of immunisation achievement never went beyond 50 percent of targets. Except for BCG there was significant decline during 1995-2000.

(Paragraph 3.1.5.6 (i))

Compared to 1995-96, target of sterilisation in 1997-2000 reduced by 32 percent and of IUD by 14 percent. Even then, during 1995-2000 targets in sterilisation, IUD, CC users and OP users were achieved only for 29 to 46 percent, 36 to 47 percent, 12 to 24 percent and 18 to 37 percent respectively.

(Paragraph 3.1.5.6 (ii) (a))

Only 10 percent of funds (Rs 42.02 lakh) for awareness generation training and 3 percent of funds (Rs 89.43 lakh) for integrated skill development training were utilised.

(Paragraph 3.1.5.6 (iii))

IEC activities for dissemination of information on family welfare programmes were inadequate.

(Paragraph 3.1.5.7)

In 8 family welfare offices Rs 97.48 lakh were spent on medicine in excess of norm during 1996-2000. In 4 health units essential drugs/ contraceptives/ vaccines were not available. In 3 health units sub-standard medical articles were procured and distributed risking human life.

(Paragraph 3.1.5.8, 3.1.5.10 and 3.1.5.11)

Twelve officers did not furnish Detailed Contingent Bills for Rs 1.31 crore for the amounts drawn on Abstract Contingent Bills during 1995-99. Accounting of the programme was mismanaged and entailed serious financial risks including defalcation of Rs 11.56 lakh in 5 offices test-checked.

(Paragraph 3.1.7 (i) and 3.1.7 (iv) (a), (b), (c))

Rupees 9.38 lakh of programme funds were misutilised by 7 Drawing and Disbursing Officers (DDO) while 15 DDOs retained Rs 96.90 lakh, meant for implementation of the programme in bank/ cash. Three officers kept Rs 18.55 lakh of programme funds unauthorisedly in 'Civil Deposits' for 4 to 8 years.

(Paragraph 3.1.7 (iv) (d), (e) and (g))



**Monitoring of the programme was ineffective.***(Paragraph 3.1.8)***3.1.1 Introduction**

**Aimed at stabilising population and facilitating attainment of 'Health for All' and 'Net Reproductive Rate of Unity (NRR-1)'.**

National Family Welfare Programme is a centrally sponsored programme, fully financed by GOI. The programme aimed at stabilising population at a level consistent with the needs of national development by (i) bringing down the birth and death rates, (ii) persuading people to adopt small family norms and (iii) providing medical services, medicines, incentives, etc., free of cost at the doorsteps of the acceptor of family welfare measures. The programme also envisaged to facilitate attainment of twin goals of "Health for All" and a "Net Reproductive Rate of Unity" (NRR-1) by the year 2000.

The entire expenditure incurred by the State under Family Welfare Programme was reimbursable by the Central Government on the basis of utilisation certificate and audit certificate from the State. However, expenditure on Orientation Training of Medical and Para-medical personnel was shared by Central and State Governments in the ratio of 50:50. Besides, funding supports both in cash and kinds were provided from external donors like UNICEF, WHO including World Bank and European Commission. Assistance in kinds by the GOI comprised medicines, vaccines, contraceptives, oral pills, drug kits etc. Government of India provided during 1995-2000 to the State Government assistance in kind valued at Rs 202.20 crore.

The demographic goals of the state were far below the national goals as shown below :

**Demographic goals remained unrealised.**

Sl. No.	Particulars	Targets (National goals)	Achievements			
			National level (1995)	State	National level (1998)	State (projected)
(i)	Crude birth rate (per thousand)	21	28.3	32.1	26.4	31.1
(ii)	Crude death rate (per thousand)	9	9	10.5	9	9.4
(iii)	Infant mortality rate (per thousand)	Less than 60	74	73	72	67
(iv)	Couple protection rate (percent)	More than 60	46.5	23.6	44	19.7
(v)	Maternal mortality (per thousand)	Below 2	NA	NA	4.58	4.70
(vi)	Net reproductive rate	1	NA	NA	NA	NA
(vii)	Annual growth rate	1.2	1.98	2.11	1.61	1.78
(viii)	Life expectancy	64	59	56.4	M-63.87 F- 65.27	M-61.5 F- 62.7

Besides, low literacy rate of the State (38.54 percent) against the national average rate of 52.21 percent (based on 1991 census) also affected effective implementation of the programme.



The population of Bihar in 1991 was 8.63 crore which increased approximately to 9.99 crore (16 percent) in March 2000.

### 3.1.2 Organisational set-up

The Programme was administered in the State by the Health, Medical Education and Family Welfare department headed by Commissioner and Secretary who was assisted by State Family Welfare Bureau. At the district level programme was implemented through Civil Surgeon and Chief Medical Officer (CMO) and Additional Chief Medical Officer (ACMO) who headed District Family Welfare Bureau. They were assisted by District Reproductive and Child Health (RCH) Officer and District Mass Media Officer.

### 3.1.3 Audit coverage

Implementation of the Family Welfare Programme during 1995-2000 was reviewed through test-check of records of Secretariat and offices of CMOs, ACMOs, RCH Officers, District Mass Media Officers, 82 PHCs of 11 districts<sup>1</sup> as well as of 11 district hospitals and 4 Medical College Hospitals (Gaya, Bhagalpur, Jamshedpur and Darbhanga) during December 1999 to June 2000.

### 3.1.4 Funding arrangement

Budget provision and expenditure for the programme during 1995-2000 were as under:

Year	Budget provision					
	Original	Supplementary	Total	Expenditure	Savings	Percentage
(Rs in crore)						
1995-96	145.55	3.51	149.06	127.25	21.81	15
1996-97	131.04	29.63	160.67	101.49	59.18	37
1997-98	185.04	5.14	190.18	157.09	33.09	17
1998-99	150.94	35.60	186.54	108.37	78.17	42
1999-2000	253.29	--	253.29	208.39	44.90	18

(Source: Appropriation Accounts of relevant years)

**Persistent savings and no justification for supplementary provision.**

During 1995-2000, 15 to 42 percent of the budget provisions could not be spent by the Government. Overall saving of Rs 93.58 crore in 1999-2000 was off set by excess expenditure of Rs 48.68 crore on account of adjustment of cost of material and equipment supplied by Government of India resulting in net saving of Rs 44.90 crore (18 percent). Large saving occurred in rural family welfare sector.

**Objectionable expenditure.**

Government of India reimbursed as of April 2000 entire amount due to the State upto 1997-98 except Rs 17.78 crore held up due to audit objections.

<sup>1</sup> Bhagalpur, Dhanbad, Darbhanga, East Singhbhum, East Champaran, Gaya, Hazaribag, Katihar, Nawada, Rohtas and Siwan



### 3.1.5 Programme management

Family Welfare Programme had mainly the following components:

- (i) Minimum Needs Programme
- (ii) Sterilisation Bed Scheme
- (iii) PAP Smear Test Facility
- (iv) All India Hospital Post Partum Programme
- (v) Population Research Centre Scheme
- (vi) Reproductive and Child Health (RCH) Programme comprising immunisation, sterilisation, RCH training
- (vii) Information, Education and Communication(IEC) activities

Performance of various programmes.

In Bihar, Family Welfare services were provided to the community through a network of 588 PHCs, 1621 APHCs, 587 Rural FW centres and 14799 Health sub-centres in the rural areas and 32 Sub-divisional hospitals, 148 referral hospitals, 91 Post-partum centres, 27 Urban FW centres, 54 District Hospitals and 9 Medical College Hospitals in the urban areas. Performance of the various components of the programmes during 1995-2000 was as under:

#### 3.1.5.1 Minimum Needs Programme

Under Minimum Needs Programme one sub-centre for every 5 thousand population (3000 for tribal and hilly areas), one PHC for every 30 thousand population (20 thousand for tribal and hilly areas) and one Community Health Centre (CHC) for one lakh population were to be set up by 2000 AD in a phased manner. The ratios of Sub-centres, PHCs and APHCs to population (9.99 crore) in the state as of 2000 were as follows:

Number of PHC, APHC and health centres was not adequate to meet the need.

Centres	Number	Ratio to population	Norms
(i) Sub-centres	14799	1:6750	1 : 5000
(ii) PHCs	588	1:169898	1 : 30000
(iii) APHCs	1621	1:61629	NA

Large funds remained unutilised and renovation of PHCs remained non-starter.

Though, number of Sub centres, Primary Health Centres and Additional Primary Health Centres was not adequate during 1995-2000, no new PHC, APHC and Health Sub-centres were established. Buildings of all the 588 PHCs in the state were in dilapidated condition\*. Most of the APHCs were in hired buildings. Government of India provided Rs 4.30 crore to the State in April-May 1999 for minor civil work comprising repair of labour room, arrangement of water supply and electricity in PHCs. State Bureau of Family Welfare distributed the funds to Chief Medical Officers of the districts in September 1999 for completion of the works by December 1999. However, against this, Rs 71.12 lakh (1.65 percent) were spent and balance Rs 3.59 crore remained unutilised as of March 2000 with the Chief Medical Officers. Further, no amount out of Rs 1.07 crore provided to 11 districts test-checked

\* As per the Administrative Report of State Government Department and Union Secretary's inspection report of December 1999.



was spent as of March 2000 and renovation of the PHC in those districts remained a non-starter.

### **3.1.5.2 Sterilisation Bed Scheme**

Physical performance report not furnished.

Beds were reserved in hospitals run by Government, local bodies and voluntary organisations to provide facilities for tubectomy operations. With the introduction of Post Partum (PP) programme, some of the beds were transferred to Post Partum (PP) programme implemented in hospitals. There were 30 Post Partum centres attached with district sadar hospitals. The department did not furnish details of physical performance in respect of these centres.

### **3.1.5.3 PAP Smear Test Facility Programme**

PAP Smear Test Facility Programme was to be conducted in Medical Colleges for early detection of cervical cancer among women. All the medical colleges implementing the programme were required to send quarterly returns to Government of India through State Family Welfare Bureau.

Performance report not furnished.

Neither the Secretary, FW, nor the State Family Welfare Bureau (SFWB) furnished information on availability of PAP Smear Test Facility, submission of quarterly progress reports and returns and physical performance reports regarding number of slides prepared and examined etc. Even the 4 (out of 5) Medical College hospitals (Darbhanga, Gaya, Bhagalpur and Dhanbad) test-checked also did not furnish the information. Programme Director, M.G.M. Hospital, Jamshedpur stated (March 2000) that PAP Smear Tests were not conducted due to non-availability of Cyto-Technicians.

### **3.1.5.4 All India Hospitals Post partum Programme**

Post Partum centres were required to motivate women within the reproductive age group (15-44 years) and their husbands for adopting small family norms. The programme aimed to provide an integral package of maternal, child health and family welfare services, in-service training to medical/para-medical personnel to establish referral linkage for high risk pregnancies etc.

State level performance report not available. In districts test-checked tubectomy operations declined.

Secretary, FW or SFWB had not centralised information on the performance of the programme during 1995-2000 in the State. However, in the 10 (out of 11) districts test-checked tubectomy operations steadily declined from 6158 in 1995-96 to 4745 in 1998-99 (Refer: Appendix XVII). Thus, there was no effective monitoring of the programme at the State level.

### **3.1.5.5 Population Research Centre Scheme (PRCS)**

Deficiencies noticed in Rapid Household survey.

In Bihar, there was one Population Research Centre at Patna which undertook/completed 37 projects/ studies (excluding Rapid Household Survey of 21 districts conducted in 1998) during 1995-2000. Rapid Household Survey (RCH project) with the object of assessing quality of health care services and peoples perception of these services conducted in 1998 by PRC, Patna in respect of 5 (out of 11 districts) test-checked districts covering a total



population of 133.83 lakh (as per 1991 census) (Hazaribag-28.44 lakh, Katihar-18.25 lakh, East Champaran-30.43 lakh, Rohtas-29 lakh and Siwan-27.71 lakh) indicated that:

- (i) Utilisation of ante natal care services during pregnancy varied between 20 percent (in Katihar) and 37 percent (in Hazaribag) only;
- (ii) Tetanus Toxide (TT) injections were not administered to 21 (Katihar) to 44 percent (Rohtas) of pregnant women;
- (iii) Intake of Iron and Folic acid (IFA) tablets was 11 (Katihar) to 24 percent (Siwan) among pregnant women only;
- (iv) Complications in pregnancy arose in 55 (Rohtas) to 100 percent (Katihar) of pregnant women and less than 31 percent of them sought treatment;
- (v) Larger percentage of deliveries in all the districts took place at home. Less than 21 percent of deliveries were done at hospitals/health centres. Institutional deliveries in rural areas were 4 percent (Katihar) to 21 percent (Rohtas) only;
- (vi) No vaccination was provided to 12 (Hazaribag) to 73.6 percent (Rohtas) of children born between January 1995 to June 1997. BCG vaccines were given to 18 (Rohtas) to 54 percent (Hazaribag) of children. Polio vaccines were given to 16.8 (Rohtas) to 56 percent (Hazaribag) of children. Measles vaccines were given to 8.6 (Rohtas) to 35 percent (Hazaribag) of children. DPT vaccines were given to 17.3 (Rohtas) to 48.2 percent (Siwan) of children born;
- (vii) Intake of vitamin 'A' doses varied between 0 percent (Rohtas and Siwan) and 14.7 percent (Katihar) by pregnant women;
- (viii) Contraceptives non-users were 75.2 (Hazaribag) to 81.1 percent (Katihar) of eligible couples;
- (ix) Female sterilisation varied between 15.5 percent (Katihar) and 19 percent (Hazaribag), while male sterilisation was less than 1 percent in all the districts test-checked.

Less than 21 per cent of the deliveries were done at hospitals/health centres.

Government took no action as of June 2000 on these findings.

### **3.1.5.6 Child Survival and Safe Motherhood (CSSM) and Reproductive and Child Health (RCH) Programme**

In the 8 Five Years Plan various programmes like Universal Immunisation Programme (UIP), Oral Rehydration Therapy (ORT) and various related programmes under Maternal and Child Health (MCH) were integrated under CSSM Programme. In 9 Five Years Plan various programmes under MCH, CSSM were further integrated under Reproductive and Child Health (RCH)



programme. RCH Programme incorporated additional components like Sexually Transmitted Diseases (STD) and Reproductive Tract Infection (RTI).

For implementation of RCH programme, Government of India released funds to State level registered society named as State Committee on Voluntary Action (SCOVA) headed by the State Chief Secretary as Chairman. District level RCH society, which was to work as branch of state SCOVA, was registered in 6 (out of 55) districts only. Performance of the various components of the programme under RCH during 1995-2000 was as under:

(i) **Immunisation**

Universal Immunisation Programme (UIP) aimed to reduce mortality and morbidity among infants and younger children by application of preventive vaccines for Polio, Tetanus, DPT, DT, Measles etc. Pulse Polio Immunisation campaign, taken up for eradication of Polio by the year 2000, supplemented the programme. Analysis of achievement of immunisation during 1995-2000 in the state (furnished by the State Family Welfare Bureau) revealed that except for BCG and OPV, in all cases, achievements never went beyond 50 percent. Further, except for BCG, for all vaccines there was significant decline during 1995-2000. In 1999-2000 except for BCG achievement for other vaccines ranged between 29 to 48 percent as shown below:

Decline in administration of vaccines in the State.

Year	T.T. (P.W.)		DPT		OPV		BCG		Measles	
	T	A	T	A	T	A	T	A	T	A
(Figures in lakh)										
1995-96	32.16	11.11 (35)	29.12	14.66 (50)	29.12	15.70 (54)	29.12	19.03 (65)	29.12	14.96 (51)
1996-97	33.22	12.31 (37)	30.18	16.58 (55)	30.18	19.55 (65)	30.18	24.24 (80)	30.18	16.00 (53)
1997-98	33.92	10.67 (31)	30.25	15.39 (51)	30.25	16.12 (53)	30.25	18.94 (62)	30.25	11.80 (39)
1998-99	33.92	10.68 (31)	29.69	13.17 (44)	29.69	15.62 (53)	29.69	17.17 (58)	29.69	12.95 (44)
1999-2000	33.92	9.84 (29)	29.69	13.35 (45)	29.69	14.25 (48)	29.69	18.28 (62)	29.69	11.17 (39)

(T:Target; A: Achievement and figures in bracket indicate percentage)

Physical targets and achievements in 11 districts test-checked were as follows:

Year	T.T. (P.W.)		DPT		OPV		BCG		Measles	
	T	A	T	A	T	A	T	A	T	A
(Figures in lakh)										
1995-96	7.74	2.98 (38)	7.00	3.54 (50)	7.00	4.07 (58)	7.00	4.26 (61)	7.00	3.40 (49)
1996-97	5.29	2.81 (53)	5.36	3.37 (62)	6.07	4.78 (79)	5.42	4.63 (85)	5.48	3.65 (67)
1997-98	5.59	2.55 (45)	5.53	3.70 (67)	5.98	4.46 (75)	5.20	4.00 (77)	5.69	2.60 (46)
1998-99	6.43	2.54 (39)	5.49	2.80 (51)	7.28	4.68 (64)	6.13	3.55 (58)	6.18	2.62(42)
1999-2000	7.04	2.16 (31)	6.83	3.09 (45)	6.72	3.25 (48)	6.39	3.92 (61)	6.38	2.44 (38)

(T:Target; A: Achievement and figures in bracket indicate percentage)

Physical achievements declined sharply after 1997-98.

(a) Compared to 1995-96 there was steep decline in all vaccines except BCG in 1999-2000 and compared to 1997-98, decline in the following two years was very pronounced. No reason for such poor performance was available with the District Family Welfare Bureau.



Cold-chain equipment non-functional.

(b) Though availability for cold chain facility was pre-requisite for preserving potency of the vaccines, a large number of cold chain equipment was either non-functional or beyond repairs. Government of India released Rs 33.38 lakh (October 1998 – Rs 16.09 lakh and July 1999 – Rs 17.29 lakh) for maintenance of cold chain equipment. The department released Rs 32.02 lakh to districts in November 1999. Against this, Rs 10.54 lakh were spent upto March 2000. Large number of non-functional cold chain equipment affected effective implementation of Immunisation Programme.

(ii) ***Sterilisation, Intra-Uterine Devices (IUD), Conventional Contraceptive (CC) users and Oral Pills (OP) users***

The physical performance of sterilisation and other spacing methods of family welfare programmes during the years 1995-2000 (excluding performance of NGOs) in the State was as under:

Year	Sterilisation			IUD			C.C Users			O.P Users		
	Target	Achievement	Per cent	Target	Achievement	Per cent	Target	Achievement	Per cent	Target	Achievement	Per cent
	(Number in lakh)			(Number in lakh)			(Number in lakh)			(Number in lakh)		
1995-96	6.79	2.66	39	5.75	2.70	47	-	1.91	-	1.80	0.67	37
1996-97	5.15	1.66	32	4.89	2.26	46	5.63	1.34	24	2.88	0.59	20
1997-98	4.64	1.96	42	4.92	2.23	45	6.36	0.79	12	3.22	0.56	18
1998-99	4.64	1.35	29	4.92	1.78	36	6.36	1.03	16	3.22	0.58	18
1999-2000	4.64	2.16	46	4.92	2.23	45	6.36	1.05	16	3.22	0.75	23

Low physical achievement in use of family planning devices.

Points noticed were as under:

(a) Compared to 1995-96, target of sterilisation in 1997-2000 was reduced by 32 percent and of IUD by 14 percent. Even then, during 1995-2000, achievements against targets in sterilisation, intra-uterine contraceptive device, conventional contraceptive users and oral pill users were low varying from only 29 to 46 percent, 36 to 47 percent, 12 to 24 percent and 18 to 37 percent respectively of the target.

(b) During 1996-2000 number of sterilisation operations conducted in March every year was much more than the operations conducted during past eleven months of the year. The details were as follows:

Year	Total number of sterilisation operations conducted		Total
	Upto February	In March	
	(number in lakh)		
1996-97	0.68	0.98	1.66
1997-98	0.83	1.13	1.96
1998-99	0.65	0.70	1.35
1999-2000	0.87	1.29	2.16

Physical achievement increased in March.

Thus implementation of the programme was slack throughout the year while number of sterilisation operation increased in March every year.

(c) In certain districts the achievement against target was meagre and less than 10 percent as shown below:



Imbalance in implementation of the programme.

Name of district	Year	Sterilisation		
		Target	Achievement	Per cent
		(In number)		
1. Dumka	1998-99	16840	1436	8.53
2. Chatra	1997-98	2660	11	0.41
3. Sahebganj	1998-99	3587	319	8.89
4. Pakur	1998-99	3000	47	1.57
5. Araria	1997-98	3650	Nil	0
6. Siwan	1998-99	18684	1132	6.05
7. Gopalganj	1998-99	13209	1013	7.67
8. Sheohar	1998-99	2600	9	0.35

Male participation negligible.

(d) Participation of male in sterilisation operations was negligible as was evident from the table below:

Year	Total sterilisation operations conducted (Number in lakh)	Vasectomy operations conducted (In Number)	Per cent
1997-98	1.96	1128	0.58
1998-99	1.35	776	0.57
1999-2000	2.16	5072	2.35

Thus, adoption of sterilisation in males was negligible and participation of males in sterilisation operation was less than one and half percent of the sterilisation operations done in all the years in the State during 1997-2000. This indicated failure of the department in popularising this device of family welfare among males.

Performance of family welfare measures in the districts test-checked was low as shown below:

Performance of family welfare measures low.

Year	Sterilisation			IUD			C.C Users			O.P Users		
	Target	Achievement	Per cent	Target	Achievement	Per cent	Target	Achievement	Per cent	Target	Achievement	Per cent
	(Number in lakh)			(Number in lakh)			(Number in lakh)			(Number in lakh)		
1995-96	1.92	0.65	33	1.64	0.84	51	-	0.56	-	0.46	0.55	64
1996-97	1.60	0.41	26	1.43	0.61	43	1.42	0.48	34	0.86	0.36	42
1997-98	1.31	0.52	40	1.14	0.58	51	1.41	0.35	25	0.70	0.17	24
1998-99	1.17	0.39	33	1.02	0.46	50	1.16	0.49	42	0.73	0.24	33
1999-2000	1.05	0.45	43	0.87	0.42	48	1.24	0.23	18	0.77	0.32	42

Further, in 18 Primary Health Centres<sup>2</sup> test-checked no sterilisation operation was conducted in different years. No reason for this was furnished by Additional Chief Medical Officers of the districts for such poor performance.

### (iii) RCH Training

Meagre/ negligible expenditure on this component.

Government of India released Rs 42.02 lakh for Awareness Generation Training (AGT) and Rs 89.43 lakh for Integrated Skill Development Training (ISDT) in October 1999 under RCH training programme. Against this, expenditure on AGT and ISDT upto March 2000 was only Rs 4.14 lakh (10 percent) and Rs 3.06 lakh (3 percent) respectively.

As per status reports of 29 December 1999 and 1 June 2000 prepared by the department, the deficiencies on implementation of RCH Programme in Bihar were as follows:

<sup>2</sup> PHC:Dhanbad:Topchanchi:1996-97 and 1998-99; Singhbhum:All the 9 PHCs:1995-2000; Hazaribag: Satagawan: 1995-96, Keradari: 1996-97 and 1998-2000, Barhi: 1996-97, Pratapur:1996-97, Barkatha:1999-2000, Darbhanga: Barhi:1996-97, Kusheswarsthan:1995-96, Urban FW Centre: 1996-97



Blood supply to FRUs/PHCs	Project was not finalised
Training of selected Medical Officers for conducting MTP	Not done
Contractual doctors for conducting MTP at PHCs	Not done
Supply of MTP equipments to selected medical clinics on Non-govt. Organisation	Not done
RTI/STI Services Training	Training modules not formulated
Indian system of medicine - Training awareness, Research and Vanaspati Van	No activity was done
Special Programme for Tribal Region	No special strategy was formulated
FRU(First Referral Units) operation system	Only two FRUs were functioning out of 143 identified
Referral Transport system through Panchayats	The Panchayati Raj system is non-existent in Bihar

### 3.1.5.7 Information Education and Communication Activities

IEC activities were inadequate.

Audio-video vans supplied to 39 districts for dissemination of information on family welfare programmes during 1988-89 were out of order beyond repair and needed replacement. Of them, only three Audio-Video vans were replaced in 1996-97 and balance 36 vans were not replaced as of March 2000. In State Health Store, Gulzarbag, Patna, of 4800 video cassettes received from Government of India in October 1991 for training purposes, only 1820 cassettes were issued to different institutions and balance 2980 cassettes remained in the store (July 2000).

### 3.1.5.8 Expenditure on medicines exceeded the GOI norms: Rs 97.48 lakh

Expenditure beyond norm not permissible.

Government of India revised in March 1996 the scale of expenditure on payment of compensation, remuneration to medical officers and para-medical staff and purchase of medicines for each case of vasectomy (Rs 55), Laproscopy (Rs 55), tubectomy (Rs 85) and IUD (Rs 16). Test-check revealed that ACMOs purchased medicines valuing Rs 97.48 lakh in excess of prescribed norm during 1996-2000. Details were as under.

Sl. No.	Name of district offices	Year	Sterilisation operations	IUD	Admissible Expenditure on medicine as per norm	Expenditure	Excess expenditure
			(In number)		(Rupees in lakh)		
1.	ACMO, Bhagalpur	1996-99	12827	15670	13.41	22.07	8.66
2.	ACMO, Nawada	1995-2000	12609	18457	13.67	24.61	10.94
3.	ACMO, Siwan	1996-97	1570	15158	3.76	5.62	1.86
4.	ACMO, Hazaribag	1997-99	11068	7898	10.67	17.35	6.68
5.	ACMO, Katihar	1996-2000	9778	10160	9.94	33.68	23.74
6.	ACMO, Rohtas	1995-98	14805	26854	16.88	41.06	24.18
7.	ACMO, Darbhanga	1995-2000	15317	22448	16.61	24.18	7.57
8.	Director, P.P. Programme, Darbhanga	1995-2000	6746	466	5.84	19.69	13.85
	<b>Total</b>		<b>84720</b>	<b>117111</b>	<b>90.78</b>	<b>188.26</b>	<b>97.48</b>

**3.1.5.9 Misappropriation of medicine/contraceptives**

**Misappropriation of FA&FS tablets.**

(i) Against issue of 50000 Folic Acid and Ferrous Sulphate (FA&FS) tablets (large) by ACMO, Bhagalpur on 10 February 1998, only 5000 tablets were taken in stock account in PHC, Pirpainty, resulting in misappropriation of 45000 tablets of FA&FS (large).

**Misappropriation of contraceptives.**

(ii) ACMO, Gaya issued family welfare commodities to PHC, Manpur (Gaya) on 28 October 1996 (Nirodh:6000 pieces; Mala N:1000 tablets; Copper T:200 pieces. ORS:5000 packets) and on 4 April 1998 (Nirodh:24000 pieces; Mala N : 1000 tablets; Copper T : 800 pieces; ORS : 9000 packets). These commodities were not received in the stock account of PHC, Manpur as of May 2000.

**Drugs and contraceptives misappropriated.**

(iii) It was also noticed in test-check that closing balance of 1997-98 in a large quantity of drugs/contraceptives<sup>3</sup> etc was not carried over in the stock register of 1998-99 by PHC, Akbarpur (Nawada).

**3.1.5.10 Non-availability of essential drugs/contraceptives/vaccines**

**Non-availability of essential drugs/contraceptives/vaccines.**

In the following 4 health institutions pre-operative and intra-operative sedation and analgesic drugs, contraceptives and vaccines essentially required for sterilisation operations were not available:

Sl. No.	Name of office/Unit	Particulars of drugs and goods	Period of non-availability	Number of sterilisation operations conducted during the period
1.	ACMO, Siwan	Atropin and Fortwin injections	1999-2000	2829
2.	ACMO, Hazaribag	Nirodh	July 1997 to June 1998 and July 1999 to June 2000	--
		Copper T	June 1999 to July 2000	--
3.	PP Centre, Sadar Hospital, Hazaribag	Longacillin injection	5.12.1995 to 3.1.1996	278
			5.2.1997 to 5.5.1997	435
		Fortwin injection	12.2.1997 to 5.5.1997	349
			29.10.1999 to 21.12.1999	266
		Diazepam/ Calmpose injections	12.10.1999 to 26.10.1999	9
		Tetvac injections	22.1.1997 to 30.1.1997	139
			21.2.1997 to 2.3.1997	310

<sup>3</sup> Mala N : 4750 tablets; Copper T : 770 pieces; Ether : 40 bottles; Longacillin : 379 vials; Fortwin : 379 vials; Phenargan : 58 ampoules; Atropin : 179 ampoules; Tet vac : 379 ampoules; Ibrufen : 176 tablets; Cotrimexazole : 1290 tablets.



Sl. No.	Name of office/Unit	Particulars of drugs and goods	Period of non-availability	Number of sterilisation operations conducted during the period
4.	PHC, Barhi (Hazaribag)	Copper T Nirodh	1.11.1999 to 3.12.1999 1.7.1999 to 15.8.1999 (as per stock account of ANMs)	--

Non-availability of essential drugs put financial burden on the acceptors of family planning measures as they had to purchase these injections and family welfare commodities themselves.

### 3.1.5.11 Expired medicines/contraceptives

Officers-in-charge of medical stores of the following health units did not periodically (quarterly) verify the shelf-life of medicines/ medical stores resulting in expiry of shelf-life of a large number of medical stores:

**Shelf-life of a large number of medical stores expired before their use.**

Sl. No.	Name of Health centre	Name of Medicine/drugs, vaccines etc.	Date of supply	Date of expiry	Number of vials expired
1.	PHC, Maharajganj, Siwan	Atropin Sulphate	Prior to 1996-97	Feb 1999	368 ampoules
		Miquil injection	November 1997	Jan 1999	195 ampoules
2.	ACMO, Nawada	Ether	February 1998	9/99	475 bottles
3.	- do -	Tetvac	N.A.	6/99	400 ampoules
4.	- do -	Novacan	N.A.	8/95	376 ampoules
5.	ACMO, Hazaribag	Tincture Iodine (Batch no 75266)	NA	1/2000	101 bottle
		Copper T	NA	5/2000	8914 pieces
		OPV (Batch no 1466 and 75)	NA	6/2000	1590 vialsx20 dozes
		Measles (Batch no 698 and 699)	NA	12/1999	4302x5 dozes
		BCG (Batch no 208 and 308)	NA	6/2000	1397x20 dozes
6.	PHC, Keredari, Hazaribag	Ether	NA	NA	30 bottle
7.	PHC, Patratu, Hazaribag	Fortwin injection	NA	NA	52 ampoules
8.	PHC, Barhi, Hazaribag	Copper T	NA	10/99	42 pieces
9.	PHC, Bikramganj (Rohtas)	Copper T	NA	NA	365 pieces

It was also noticed that 42 ampoules of Miquil injection (expired in January 1998) and 60 ampoules of Atropin injection (expired in April 1998) were issued to Pharmacist for administration to patients in Primary Health Centres at Patratu and Churchu respectively in Hazaribag district risking human health. In the following 3 districts test-checked also sub-standard medicine/ medical articles were procured and distributed:

Sub-standard medical articles procured and distributed.

Sl. No.	Name of DDO/ office	Particulars of drugs found substandard	Batch No.	Date of expiry	Quantity	Remarks
1.	ACMO, Bhagalpur	FA and FS tablets (small)	1FTS477	June 1996	2.53 lakh tablets	Sample was taken for test in June 1995. By the time test report was received (September/1996) entire quantity was issued.
2.	ACMO, Hazaribag	Anaesthetic ether	AN57	January 2000	500 bottles	Ether supplied by M/S Kabra Drugs Ltd, Indore was found substandard and was considered fatal for human life. By the time report was received (10 September 1999), 425 bottles were already distributed to PHCs.
3.	ACMO, Hazaribag	Gauze Than(18 metre 90 cms)			600 Thans	Found substandard in laboratory; test reported in July 1999.

### 3.1.6 Man power management

Inadequate health care providers.

Sanctioned strength and men-in-position as on December 1999 for implementation of Family Welfare Programme in the state as furnished by the department were as under:

Sl. No.	Category of Personnel	Sanctioned strength	Men-in-position	Shortage	Percentage of shortage
		(In number)			
1.	Medical Officer (Allopathy)	9593	7768	1825	19
2.	District Extension and Media Officer	39	13	26	67
3.	Deputy Mass Media Officer.(Male)	39	31	8	21
4.	Deputy Mass Media Officer (Female)	39	Nil	39	100
5.	Driver-cum-Projectionist	39	28	11	28
6.	Health Educator	587	427	160	27
7.	Block Extension Educator	587	427	160	27
8.	Nurse (Grade A)	2608	2523	85	3
9.	A.N.M.	18401	9801	8600	47
10.	Laboratory Technician	1441	494	947	66
11.	State Health Education Officer	1	Nil	1	100

Inadequate number of health care providers affected the services under the family welfare programme.



### 3.1.7 Other points of interest

#### (i) Non-submission of Detailed Contingent (DC) Bills

Non-submission of DC bills entailed risks of misappropriation of government money.

Detailed Contingent bills for the amount drawn on AC (Abstract Contingent) bills were required to be furnished to the Accountant General not later than the 25 of the month following that to which they relate as per provision of note below Rule 322 of Bihar Treasury Code Vol. I. However, 12 offices did not furnish DC bills for Rs 1.31 crore to the Accountant General for the amount drawn on AC bill during 1995-99 as per details below:

Sl. No.	Name of district office	Amount drawn on AC bills (Rs in lakh)					Amount of pending DC bills (Rs in lakh)				
		1995-96	1996-97	1997-98	1998-99	Total	1995-96	1996-97	1997-98	1998-99	Total
1.	ACMO, Darbhanga	9.43	3.80	8.10	3.28	24.61	0.51	1.80	4.10	0.75	7.16
2.	DMCH, Darbhanga (PP Programme)	8.25	4.60	4.77	4.80	22.42	8.25	4.60	4.77	4.80	22.42
3.	ACMO, Rohtas	10.65	7.40	5.20	4.40	27.65	2.70	3.20	2.60	1.00	9.50
4.	ACMO, Katihar	9.40	2.16	5.60	2.15	19.31	3.59	1.34	3.40	2.15	10.48
5.	ACMO, Siwan	N.A.	3.08	2.82	1.34	7.24	N.A.	0.10	0.04	0.30	0.44
6.	ACMO, Hazaribag	8.82	6.75	3.97	4.20	23.74	0.85	1.75	0.62	3.20	6.42
7.	ACMO, Dhanbad	N.A.	7.77	1.50	5.27	14.54	Nil	0.05	0.29	1.27	1.61
8.	ACMO, Bhagalpur	9.56	3.98	9.30	5.00	27.84	0.20	0.35	9.30	1.45	11.30
9.	ACMO, Nawada	8.41	4.10	4.60	3.10	20.21	1.66	1.40	2.93	2.50	8.49
10.	ACMO, Gaya	15.26	6.71	5.96	5.24	33.17	15.26	6.71	5.96	5.04	32.97
11.	ACMO, East Singhbhum	Nil	Nil	7.70	Nil	7.70	Nil	Nil	7.70	Nil	7.70
12.	ACMO, East Champaran	N.A.	6.15	7.45	6.00	19.60	N.A.	2.30	4.35	5.40	12.05
<b>Total</b>		<b>79.78</b>	<b>56.50</b>	<b>66.97</b>	<b>44.78</b>	<b>248.03</b>	<b>33.02</b>	<b>23.60</b>	<b>46.06</b>	<b>27.86</b>	<b>130.54</b>

Delay in submission of DC bills was fraught with the risk of misappropriation of government money.

#### (ii) Non-utilisation of incentive money: Rs 6.57 crore

Non-utilisation of incentive money affected programme implementation.

In 11 districts test-checked, of incentive money of Rs 13.08 crore allotted during 1995-2000 for purchase of medicines for family planning purposes and payment of incentives to family planning acceptors, medical officers and para-medical staff etc., Rs 6.57 crore were lapsed which affected effective implementation of family welfare programmes and sterilisation operations.

#### (iii) Utilisation certificates/expenditure report were not furnished : Rs 23.22 crore

In absence of utilisation certificates misutilisation of funds was not ruled out.

Test-check revealed that expenditure report/ utilisation certificates for Rs 21.29 crore received from different sources during 1996-2000 were not furnished to the Government of India and other funding agencies by the department as of May 2000, though required. Details were as under:



Sl. No.	Sources of receipt	Period	Funds received	Amount for which utilisation certificate not sent
			(Rs in lakh)	
1.	Government of India through Regional Director, Health and Family Welfare, Patna	1996-99	938.37	791.36
2.	Government of India through SCOVA (for PPI)	1998-99	672.63	148.13
		1999-2000	1136.86	756.52
3.	UNICEF through State Government	1997-2000	11970.66	432.98
4.	UNICEF (direct to ACMOs: East Singhbhum, Giridih, Hazaribag and Katihar)	NA	3.78	3.78
5.	UNICEF direct to CMO : Nawada, Gaya, Kaimur, Katihar, Muzaffarpur, Siwan, Vaishali, West Champaran, Dhanbad, Patna and Sheikhpura	NA	32.04	28.59
<b>Total</b>			<b>14754.34</b>	<b>2161.36</b>

Besides expenditure report in support of utilisation of fund and report of progress of work done against advance of Rs 1.61 crore by the department to Executive Engineer, Engineering Cell between September and December 1995 under "Social Safety Net Scheme" for renovation of PHCs were not available as of June 2000. Following CMOs furnished utilisation certificates for Rs 64.50 lakh to the department without obtaining supporting vouchers and ascertaining expenditure during 1995-2000 from implementing units:

Sl. No.	Name of office	Name of Programme	Amount (Rs in lakh)	Period
1.	CMO, Siwan	Pulse Polio Immunisation	26.44	1996-2000
2.	CMO, Dhanbad	-do-	10.12	1999-2000
3.	CMO, Bhagalpur	PPI and others	27.94	1995-2000
<b>Total</b>			<b>64.50</b>	

(iv) *Deficient Accounting*

**Deficient management of accounts entailed risks.**

(a) Administrative Officer, State Family Welfare Bureau did not maintain programme-wise record of receipt of fund and expenditure. He did not reconcile bank balances with balances appearing in cash books. Difference of Rs 41 lakh appeared in 3 bank accounts as on 31 March 2000.

(b) There was no voucher for expenditure of Rs 15.38 lakh incurred by Administrative Officer, SFWB during November 1995 to October 1998. As of 7 December 1999 huge advances aggregating Rs 25.73 lakh remained unrecovered.

**Balances in previous cash books not carried over.**

(c) New cash books were opened by the Drawing and Disbursing Officers without carrying forward the previous balances resulting in defalcation of Rs 11.56 lakh as under:



at Rs 19.18 crore on advance payment and failed to procure books from the Corporation at the subsidised rate of Rs 9.59 crore.

### 3.2.7.4 Construction of school buildings etc.

Physical progress was severely poor.

Civil Works<sup>7</sup> under the programme were to be completed in the second year of the programme (March 1999) upto March 2000 except in block resource centre. Only 1 to 2 percent of the works were completed. Thus progress of civil works under the programme was a non-starter due to non-formation of Village Education Committee which were to implement the programme.

Quality/ quantity of work not assured.

Further, building materials valued at Rs 8.45 lakh were utilised/consumed in civil works of 22 Block Resource Centres in 7 test-checked districts<sup>8</sup> in excess of estimate and measurement of work done was not recorded and checked by the departmental Engineers. As a result quantity and quality of civil works done was doubtful.

### 3.2.7.5 Sanctioned strength vs men-in-position

Posts sanctioned/ planned and men-in-position under the programme in the State as of 31 March 2000 were as under:

Shortage of staff deterrent to performance of the programme.

Posts	Sanctioned/planned post	Post Filled up	Vacant Post
(In Number)			
(i) Primary School Teachers	5690	516	5174 (91)
(ii) Cluster teacher	1581	Nil	1581 (100)
(iii) DIET Training staff	42	2	40 (95)
(iv) ECCE Instructors	1338	814	524 (39)
(v) State project office	56	45	11 (20)
(vi) District Project Staff	658	422	236 (36)
(vii) Block Resource Centre staff	189	Nil	189 (100)
(viii) Cluster Resource Centre staff	1581	--	1581 (100)
(ix) Non Formal Education Instructor	7988	2368	5620 (70)

(Figures in bracket indicate percent)

As per Project agreement among World Bank, Government of India and Bihar Government, number of teachers required were to be deployed in primary schools of the project districts by the State Government. However, the government did not make arrangement for deployment of adequate number of teachers in schools. Chatra and Hazaribag districts suffered the most.

### 3.2.7.6 Training

During 1997-2000 against targeted training of 705 Master Trainer/ Resource persons, 2.23 lakh teachers, 2766 NFE Instructors, 1.93 lakh Village

<sup>7</sup> New School buildings, Additional Class rooms, Toilets, Block Resource Centre, Cluster Resource Centre, Works relating to drinking water.

<sup>8</sup> Dumka: 1.53 lakh; Gaya: 2.46 lakh; East Singhbhum: 1.69 lakh; Rohtas: 0.93 lakh, Vaishali: 1.81 lakh, Ranchi: 0.10 lakh; Sitamarhi: 0.64 lakh.

Education Committee members/ NGO leaders/activists, number of persons trained was 705, 1 lakh, 2550 and 1.24 lakh respectively.

### 3.2.7.7 Performance of other components

Shortfalls in performance of other components of the programme were as under:

Component of the programme	Target	Achievement	Shortfall (percent)	Remarks
	(In number)			
Development of pre-school material (PSM)	NA	Nil	100	No information furnished by BSPP.
Opening of Early Childhood Care Education Centre (ECEC)	119325	553	99	No reason available.
Opening of Non-formal Education Centre (NFE)	7988	2540	68	No reason available.
Development of Teaching Learning Material (books)	64	16	75	No reason available.
Integrated Education to disabled (IED)	NA	Nil		No activity.
Distance Education Programme (DEP) – Audio, Video, self instrumental materials to support training programmes	Not fixed	2700 VHS cassettes distributed.	--	2700 VHS cassettes distributed without any video cassettes player.
Identification and education of other disadvantaged groups (ODG)	Not fixed	Nil	--	No activity.
Formation of Village Education Committees (VECs)	32554	11038	66	No reason on record.
Micro planning and school mapping	5099	2637	48	No reason available.

### 3.2.7.8 Strengthening of State and district level institutions

**Strengthening of SIEMAT not done.**

(a) State Institute of Educational Management and Training (SIEMAT) was an apex institution at state level to sustain pedagogical inputs of the programme by training to educational officials, research work, field activities in education etc. However, all the activities except training to educational officials remained a non-starter. Even the training started/ organised during 1999-2000 was (17) far behind the target (20). Further, 11 of the 21 posts<sup>9</sup> sanctioned for SIEMAT were filled up as of May 2000.

**Poor activity in SCERT.**

(b) State Council of Educational Research and Training (SCERT) was identified for strengthening under the programme through 21 activities undertaken by it in the areas of preparation of modules for training and other curriculum, alternative schooling, early childhood care education etc. Ten

<sup>9</sup> Academic Staff including Additional Director:10; Technical and Administrative Staff:11



additional posts sanctioned for carrying out these activities were not filled in as of August 2000. There was no other activity other than Rs 1.21 lakh only spent on advertisement.

**BSTBPC misutilised funds.**

(c) Bihar State Text Book Publishing Corporation Limited (BSTBPC) was responsible for qualitative production of text books for project districts. Rupees 6.00 lakh provided by BSPP to BSTBPC (1998-99) for carrying out these activities were misutilised for other purposes.

**DIETs not strengthened.**

(d) District Institutes for Educational Training (DIETs) was identified for strengthening. None of the 14 DIETs<sup>10</sup> sanctioned under DPEP was strengthened as of August 2000.

### 3.2.8 Other deficiencies

**No accountability for fraudulent encashment.**

**3.2.8.1** Rupees 1.39 lakh (Rs 67000 and Rs 72000) were fraudulently encashed (15 April 1999 and 26 April 1999) by an Assistant Engineer from SBI, Ratu account no.408 of Block Resource Centre Construction Committee, Ratu (Ranchi). FIR was lodged (19 May 1999) with the Police by Mrs. Archana Prakash, Asstt. Engineer of DPEP, Ranchi. The audit found that the office was not maintaining accounts records viz. register of valuables, stock book of cheque, cheque issue register etc properly. The cash book pages were not numbered and transactions in the cash book were not authenticated by the officer in-charge of the Cash Book.

**Doubtful purchase of vehicle.**

**3.2.8.2** As per cash book of SCERT, Patna Rs 3.50 lakh were paid on 4 March 1998 to a firm in Patna for purchase of Matador Vehicle. However, no vehicle was supplied by the firm as of August 2000. Even the firm was non-existent. Thus the amount was misappropriated by payment to a non-existent firm.

**Avoidable payment of excise duty on purchase of vehicles.**

**3.2.8.3** As per Excise Duty Tariff Act-1995-96 excise duty was not leviable on the purchase of vehicles for use in World Bank assisted project. On the contrary, BSPP made avoidable payment of Rs 41.65 lakh as excise duty on purchase of 54 vehicles (Jeeps) valued at Rs 1.85 crore during 1998-99.

**3.2.8.4** As per Employees Provident Fund Rules, when employees pay exceeded Rs 5000 per month, employer's share was not to be borne by the BSPP. On the contrary, BSPP contributed Rs 14.76 lakh as employer's shares during October 1997 to March 2000 for 82 employees whose pay exceeded Rs 5000 per month.

**Loss due to non-recovery of royalty.**

**3.2.8.5** As per Mines and Mineral Concession Act 1972, each disbursing officer had to recover from supplier royalty on purchase of mineral material and deposit the same in government account. On the contrary, 7 District Programme Coordinators, test-checked, did not recover royalty of Rs 1.70 lakh from the suppliers of sand consumed in construction of 72 Block Resource Centre buildings.

<sup>10</sup> Muzaffarpur, West Champaran, Sitamarhi, Rohtas, Gaya, Chatra, West Singhbhum (Chaibasa), Munger, Dumka, Vaishali, Bhagalpur, East Singhbhum, (PTEC Chakulia), Bhojpur and Purnea.



Irregular incentive for promoting saving.

**3.2.8.6** As per norms no grant out of DPEP fund was admissible to Mahila Samooh to promote saving in bank account. However, 11 District programme coordinators paid Rs 64.20 lakh during October 1997 to March 2000 to 2076 Mahila Samooh for promoting saving in bank accounts.

Excess payment to irregular appointees.

**3.2.8.7** As per BSPP Service Regulation, amount payable to a contract appointees was to be 50 percent of the basic pay received by him at the time of his superannuation plus the dearness and other allowances as admissible. In violation of this regulation, 4 retired persons were appointed as Administrator (1), Civil Works Manager (1) and Resource Persons (2) in BSPP at higher pay retrospectively resulting in excess payment of Rs 8.55 lakh during October 1997 to June 2000.

No responsibility for shortage of books.

**3.2.8.8** A Master Trainer of Block Resource Centre, Dalmianagar, Rohtas lifted (19 February 1998) 47200 books from the godown of Bihar State Text Book Publishing Corporation, Patna. Of these, 10 thousand books (Come, Learn, Mathematics-in Hindi) were short received at Rohtas. However, no responsibilities was fixed by the District Programme Coordinator, Rohtas as of August 2000 for the shortages of books valued at Rs 1.40 lakh.

Asset register not maintained at State or district levels. Physical and financial performance not reported to GOI.

**3.2.8.9** Asset register in respect of assets acquired under the programme was to be maintained and a certified copy of it was to be sent to Government of India at the close of each financial year. No such register was maintained either at State or district levels test-checked. Further, Government of Bihar did not send quarterly progress reports indicating physical and financial target and achievement to Government of India as of August 2000, though required.

**3.2.8.10** In 5 districts<sup>11</sup> test-checked furniture valued at Rs 14.56 lakh were purchased (in January 2000) without completion of Block Resource Centre buildings. As a result, the furniture purchased valued at Rs 14.56 lakh remained unutilised as of August 2000.

**3.2.8.11** Duplicating machines valued at Rs 25.40 lakh purchased during 1998-2000 in the 6 districts<sup>12</sup> test-checked were lying idle for want of typewriters and construction of buildings of Cluster Resource Centres.

### 3.2.9 Monitoring

Inadequate and ineffective monitoring.

State Resource Group (SRG) was formed for 2 (out of 6) components only. No schedule of inspection for the State and the district level officers was framed by the BSPP and no any inspection note of officers was available either at State or at districts levels. No district resource group was formed to ensure effective implementation of the programme. Accounts records of the BSPP was not inspected by officer of State Government, though required.

<sup>11</sup> Ranchi:0.99 lakh; Dumka:2.88 lakh; Gaya:0.17 lakh; East Singhbhum:0.52 lakh; Sitamarhi:10.00 lakh

<sup>12</sup> Ranchi:2.50 lakh; Vaishali:3.92 lakh, Dumka: 3.00 lakh; East Singhbhum:3.92 lakh; Gaya: 1.69 lakh; Sitamarhi:10.37 lakh.



Each Block Centre had to adopt 12 schools with low enrolment and low retention of students for the improvement every year. However, no school was adopted for improvement in any of the districts test-checked.

Besides, Project Management System and Student Management Information Service were not developed at district and State levels. As a result, status of the project and degree of benefits extended to students were not ascertainable. Thus, there was total absence of monitoring of the programme.

The points were referred to government (September 2000); their reply had not been received (January 2001).

**RELIEF AND REHABILITATION DEPARTMENT AND HOME  
(SPECIAL) DEPARTMENT**

**3.3 Utilisation of relief fund**

*Highlights*

*Administration of relief measures to the people affected by natural and man made calamities was grossly mismanaged in the State resulting in denial of relief assistance to a large number of needy people. Management of relief assistance suffered from large scale irregularities such as non/misutilisation of funds, diversion of funds and material, inadmissible/ excess payments, misappropriation of funds and material and parking of funds in 'Civil Deposits'/ banks, non-maintenance of accounts of relief funds etc. Mismanagement in relief assistance was aggravated by absence of monitoring of relief activities and financial transactions both at the State and the district levels.*

No relief assistance was provided to 7.77 lakh flood affected people in 1242 villages of 11 districts during 1995-99 though Rs 2.86 crore were allotted to the District Magistrates concerned for flood relief measures. Rupees 5.12 crore were allotted during 1995-99 to 15 District Magistrates for flood relief, though there was no flood report from these districts.

*(Paragraph 3.3.4)*

Though required, no fund (out of Rs 273.53 crore) was invested for generation of income during 1995-2000.

*(Paragraph 3.3.5.1)*

Eight District Magistrates did not submit to the Accountant General detailed contingent bills for Rs 138.81 crore drawn by them on 431 abstract contingent bills during 1995-2000.

*(Paragraph 3.3.5.2)*

Of Rs 467.76 crore, Rs 335.47 crore were spent and Rs 132.29 crore (28 per cent) lapsed during 1995-2000. Of Rs 49.45 crore allocated by GOI during 1996-99 for providing relief to the victims of natural calamities of rare severities, Rs 28.00 crore had not been utilised.

*(Paragraph 3.3.5.3 (a) & (iii))*

Of Rs 7.00 crore received during 1995-2000 from the Prime Minister's Relief Fund, Rs 2.18 crore remained unutilised and were retained in the bank accounts of the Department. Besides, in 5 districts test-checked Rs 83.03 lakh remained unutilised in bank accounts. Though there was no flood or death due to flood in Jahanabad district in 1996, the District Magistrate misutilised Rs 15.00 lakh for payment to the survivors of 30 persons who died in boat accident due to overloading.

*(Paragraph 3.3.5.3 (b), (i) & (ii))*



In 2 districts Rs 1.60 crore were paid to 145 families (Gaya: Rs 10.50 lakh: 13 families; Jahanabad: Rs 1.49 crore: 132 families ) of the deceased killed in extremist violence at the rate varying from Rs 0.50 lakh to Rs 1.25 lakh in excess of the norm (Rs 0.20 lakh) fixed by the Government. No relief was paid to 53 victims and 32 wounded.

(Paragraph 3.3.5.3 (c) (i), (iii))

Six District Magistrates drew Rs 136.48 crore from treasuries for flood and fire relief assistance during 1995-2000. Against this, Rs 24.47 crore remained unutilised which included Rs 88.00 lakh drawn by District Magistrate, Patna for distribution of food, chura, sattu and cash dole assistance to the flood affected people of 1999 and kept (30 March 2000) in a Bank. Besides, District Magistrate, Katihar kept funds of Rs 63.51 lakh (March 2000) for flood relief assistance in 'Civil Deposits'.

(Paragraph 3.3.6.1 (a) (b) & (c))

Misappropriation and loss of money and material as noticed in audit aggregated Rs 19.20 crore.

(Paragraph 3.3.6.2)

Relief fund of Rs 6.27 crore were misutilised in the test-checked districts.

(Paragraph 3.3.6.3)

Overdue advances awaiting recovery/ adjustment aggregated Rs 7.63 crore.

(Paragraph 3.3.7)

District Magistrates and the departments did not submit utilisation certificates for 85 per cent of the funds allotted to them during 1995-2000.

(Paragraph 3.3.8)

Monitoring of relief assistance by state level committee was ineffective. Preventive measure against routine and large scale abuse and misappropriation of CRF were not evident.

(Paragraph 3.3.9)

### 3.3.1 Introduction

**CRF to provide relief assistance to people affected by natural and man-made calamities.**

As per the recommendation of the Ninth Finance Commission, Calamity Relief Fund (CRF) was set up in the State in January 1991 for expenditure on relief measure in the wake of natural calamities such as drought, flood, fire, cyclone etc. The CRF continued upto March 2000. The corpus of the CRF was shared by the Central and State Governments in the ratio of 3:1. Relief measures to the people affected by calamities of rare severity were funded by the National Fund for Calamities Relief (NFCR) established (1995) by Government of India. Besides, Government of Bihar introduced (September 1987) funding of relief measures for the benefit of the people affected by man-made calamities like communal and caste riots, terrorist and naxal activities etc. The major calamities which hit the State during 1995-2000 were flood, cyclone and fire incidents resulting in huge loss of life and property as detailed in Appendix–XVIII.



### 3.3.2 Organizational set up

Administered by Relief and Rehabilitation and Home (Police) departments.

A State Level Committee (SLC) headed by the Chief Secretary of the State as ex-officio Chairman and Relief, Finance and Development Commissioners as members, was responsible to oversee operation of the Calamity Relief Fund, accounts of which was maintained by the Relief Commissioner. Relief operations in the calamity affected areas was administered by the Relief Commissioner who was assisted by District Magistrates, Block Development Officers and Circle Officers in the fields. Relief assistance to the people affected by communal and caste riots, terrorist and naxal activities was administered by the Secretary, Home (Special) Department assisted by the District Magistrates/ Deputy Commissioners, Block Development Officers and Circle Officers in fields.

### 3.3.3 Audit coverage

Expenditure out of Calamity Relief Fund and National Fund for Calamity Relief and man made calamities during 1995-2000 was reviewed (November 1999 and May 2000) through test-check of records of Relief and Rehabilitation, Health and Family Welfare, Home (Special) and Energy Departments. Records of 8 Districts Magistrates<sup>1</sup>, 12 Sub-Divisional Officers<sup>2</sup>, 35 Block Development Officers<sup>3</sup>, 87 Circle Officers<sup>4</sup>, and Health Engineering Cell<sup>5</sup> were also test-checked.

<sup>1</sup> Darbhanga, East Champaran, Gaya, Jahanabad, Katihar, Muzaffarpur, Patna and Sitamarhi

<sup>2</sup> Areraj, Barsoi, Belsund, Benipur, Biraul, Chakiya, Darbhanga (Sadar), Danapur, Motihari (Sadar), Muzaffarpur (East), Pakridayal, Raxaul.

<sup>3</sup> Adapur, Banjariya, Bajpatti, Benipur, Bargania, Bathnaha, Barari, Bochaha, Belganj, Darbhanga, Dumra, Dhaka, Dandkhora, Gurary, Gurua, Hayaghat, Jahanabad, Kiratpur, Kusheshwarsthan (East), Kurshela, Korha, Kadwa, Manigachhi, Majorganj, Motihari, Manihari, Mushahri, Parasauni, Phalka, Sursand, Suppi, Sangrampur, Sameli, Sahebganj, Sherghati.

<sup>4</sup> Adapur, Areraj, Ajamnagar, Amedabad, Aurai, Amas Baheri, Benipur, Biraul, Bargania, Bajpatti, Belsund, Bathnaha, Barsoi, Balrampur, Bandra, Bochaha, Bankebazar, Belaganj, Barh, Bakhtiyarpur, Bihta, Bikram, Chiraiya, Chaurandano, Choraut, Chakiya, Darbhanga, Dumra, Dhanarua, Dhaka, Ghanshyampur, Ghorasahan, Guraru, Gurua, Ghosi, Harsiddhi, Hayaghat, Jahanabad, Keoti, Korha, Kadwa, Katihar, Kesariya, Kalyanpur, Khijarsarai, Kako, Karpi, Katra, Kurhni, Kanti, Manigachhi, Majorganj, Maner, Madhuban, Muraul, Mehsi, Mokama, Motihari, Manihari, Motipur, Mohanpur, Manpur, Nanpur, Naubatpur, Parihar, Pupri, Punpun, Pandarak, Patahi, Paharpur, Pakridayal, Pranpur, Phalka, Paraiya, Raxaul, Runnisaidpur, Riga, Ramgarhwa, Sherghati, Sugauli, Sakra, Sahebganj, Sonbersa, Sursand, Turkoliya, Tankuppa.

<sup>5</sup> Engineering Cell, State Family Welfare Bureau, Patna



### 3.3.4 Relief to flood victims

No relief assistance to a large number of people and large amount of funds remained unutilised.

Scrutiny of flood reports of the Relief and Rehabilitation Department revealed that 7.77 lakh population in 1242 villages of 11 districts<sup>6</sup> were affected by flood during 1995-99. However, no relief assistance was provided to the flood affected people of these districts, though Rs 2.86 crore were allotted to the District Magistrates of these districts for flood relief measures by the Relief Commissioner on the recommendation of the State Relief Committee. In 2 districts<sup>7</sup> (out of 11) test-checked funds of Rs 1.10 crore allotted were drawn and kept by the District Magistrates in 2 banks unutilised. Reasons of non-utilisation of allotted funds were not furnished by the District Magistrates.

Fund provided to District Magistrates without estimation of damages.

During 1995-99 Rs 5.12 crore were allotted by the Relief Commissioner to 15 District Magistrates<sup>8</sup> for flood relief measures though there was no report of flood from these District Magistrates. Against this, 8 District Magistrates<sup>9</sup> partly surrendered Rs 1.18 crore while the balance Rs 3.94 crore were retained by the District Magistrates.

### 3.3.5 No accounts for calamity relief

Accounts improperly maintained.

Relief Commissioner responsible for maintenance of accounts of Calamity Relief Fund had no centralised record of expenditure and utilisation of fund. District Magistrates drew allotted funds from the treasuries and deposited the same initially in banks and thereafter advanced the amount by cheques to the concerned officers for expenditure on relief works. The District Magistrates did not obtain details of expenditure from these officers out of the funds provided by them, as required under rules. Thus, there was no monitoring of expenditure at State and district levels.

#### 3.3.5.1 Calamity Relief Fund not created

Calamity Relief Fund not created and contribution to relief funds not invested.

Every State was to create a Calamity Relief Fund (CRF) for financing natural calamity and accretion to the fund was to be invested outside the general revenues of the State. Income earned on such investments as well as the funds invested was to be used to meet expenditure on relief assistance.

However, no such fund was created and no fund out of Rs 273.53 crore (Government of India: Rs 205.14 crore and the State Government: Rs 68.39 crore) available during 1995-2000 was invested outside the general revenues. Joint Secretary, Relief and Rehabilitation Department stated (May 2000) that as Finance Department did not approve proposals for investment in reserve funds no fund was invested outside the general revenue.

<sup>6</sup> Araria, Banka, Buxar, Begusarai, East Champaran, Lakhisarai, Munger, Patna, Sheikhpura, Siwan, Sheohar.

<sup>7</sup> East Champaran (Rs 72.16 lakh in 1999-2000), Patna (Rs 37.60 lakh in 1998-99).

<sup>8</sup> Araria, Buxar, Bhojpur, Chaibasa, East Champaran, Jamui, Kishanganj, Lakhisarai, Munger, Patna, Saran, Siwan, Sahebganj, Vaishali, West Champaran.

<sup>9</sup> Bhojpur, Buxar, Chaibasa, Munger, Patna, Siwan, Sahebganj, Vaishali.



### 3.3.5.2 Detailed contingent bills not submitted

Accounts for 431 abstract contingent bills for Rs 138.81 crore not rendered.

In 8 districts Rs 138.81 crore were drawn by the District Magistrates on 431 Abstract Contingent Bills for meeting relief expenditure during 1995-2000. However, no Detailed Contingent Bills were prepared and submitted to the Accountant General as of June 2000 though required to be so done within one month of the drawal of AC bills. District Magistrates repeatedly drew abstract contingent bills (AC bills) without recording necessary certificates on the bills that the detailed contingent bills for abstract bills drawn in previous months had been submitted for countersignature of the Controlling Officer and to the Accountant General. The Treasury Officers of concerned districts did not insist on this requirement and passed AC bills in disregard of rules. Therefore there was no information with the DMs to verify whether these amounts were actually spent for the purposes for which these were drawn.

AC bills drawn for expenditure already incurred.

District Magistrate, Patna irregularly drew Rs 8.04 lakh in August 1998 (Rs 6.04 lakh) and October 1998 (Rs 2.00 lakh) on two AC bills against the expenditure already incurred and adjusted against unadmitted vouchers. The vouchers so adjusted were not booked in the cash book. Hence, readjustment of unadmitted and irregularly spent amounts against AC bills and misappropriation thereof were not ruled out. The matter required investigation.

### 3.3.5.3 Provision of funds and expenditure

#### (a) Calamity Relief Fund and National Fund for Calamity Relief

Budget provision and expenditure under the head 2245-Relief on account of natural calamity during 1995-2000 were as under:

Year	Receipt of Central Share			State contribution			Budget provision	Expenditure	Savings (-)
	CRF	NFCR	Total	CRF	NFCR	Total			
(Rupees in crore)									
1995-96	36.78	--	36.78	12.26	4.62	16.88	53.66	22.93	30.73
1996-97	38.97	21.00	59.97	13.99	1.54	15.53	75.50	47.15	28.35
1997-98	41.12	--	41.12	13.71	1.54	15.25	56.37	25.55	30.82
1998-99	43.22	10.00	53.22	123.41	1.54	124.95	178.17	148.76	29.41
1999-2000	45.05	11.45	56.50	46.02	1.54	47.56	104.06	91.08	12.98
<b>Total</b>	<b>205.14</b>	<b>42.45</b>	<b>247.59</b>	<b>209.39*</b>	<b>10.78</b>	<b>220.17</b>	<b>467.76</b>	<b>335.47</b>	<b>132.29</b>

\* Includes Rs 141 crore drawn by the State from the Bihar Contingency Fund.

Scrutiny revealed the following:

Large amount lapsed.

(i) As no investment of surplus funds were made, provision of Rupees 132.29 crore lapsed.

State share not contributed to NFCR reserve.

(ii) A National Fund for Calamity Relief (NFCR) was constituted by Government of India with an allocation of Rs 700 crore for the period 1995-2000 for dealing with calamity of rare severities. The corpus of the NFCR was shared by the Central and State Government in the ratio of 3:1. The State share of Rs 10.78 crore included in the budget for 1995-2000 was not contributed by the State to the NFCR Reserve and lapsed.

Fund provided by centre not utilised.

(iii) For providing relief to the victims of natural calamity of rare severities Rs 49.45 crore were allocated to the State by the Government of India during



1996-97 to 1998-99 while State Government made budget provision for Rs 42.45 crore. Rupees 28.00 crore of central funds had not been utilised.

**(b) Prime Minister's Relief Fund**

Large funds remained in bank accounts of the department.

State received Rs 7.00 crore during 1995-2000 from the Prime Minister's Relief Fund for extending relief to the next kin of the victims of natural (1236) and man made (81) and other (1) calamities. The receipt of the amounts were not recorded in the cash books and were kept in Saving Bank Accounts. Of the funds credited to bank Rs 4.82 crore were paid to 38 District Magistrates<sup>10</sup> for disbursement to the deceased families in the districts. Balance Rs 2.18 crore were lying unutilised as of March 2000.

The department had no information regarding utilisation of the funds. Points noticed in the districts test-checked were as under:

**(i) Unutilised funds**

Large funds remained unutilised in bank accounts of District Magistrates.

In 5 districts test-checked (Darbhanga, Jahanabad, Muzaffarpur, Patna, Sitamarhi) the District Magistrates received Rs 2.31 crore from Prime Minister Relief Fund for ex-gratia payment to the families of deceased of natural and man made calamities. Out of this, they paid Rs 1.43 crore to the beneficiaries. District Magistrate (Sitamarhi) refunded Rs 4.50 lakh to the Relief Commissioner and balance Rs 83.03 lakh remained unutilised in the bank accounts of the District Magistrates (Patna: Rs 1.50 lakh; Sitamarhi: Rs 23.00 lakh; Darbhanga: Rs 25.50 lakh; Jahanabad: Rs 8.53 lakh; Muzaffarpur: Rs 24.50 lakh) as of June 2000 since August 1996.

Substantial funds diverted for other works.

District Magistrate, Jahanabad did not furnish reason of non-payment of relief of Rs 8.53 lakh to the beneficiaries while in 4 districts Rs 74.50 lakh were not utilised due to non-identification of the beneficiaries. Besides, District Magistrate, Jahanabad diverted Rs 2.47 lakh, meant for cash payment to the families of deceased and wounded in Laxamanpur-Bathe carnage, towards purchase of food and other articles for families of the victims without sanction of the State Relief Committee.

**(ii) Inadmissible payment**

Inadmissible payment on account of boat accident due to overloading.

Relief Commissioner allotted (December 1997) Rs 15.00 lakh to the District Magistrate, Jahanabad from Prime Minister Relief Fund for payment of relief to the 30 families of boat accident victims in Jahanabad district. As the boat accident was due to overloading and not due to flood or by flood, the payment of Rs 15 lakh to the survivors only of flood relief amounts was not

<sup>10</sup> Araria, Aurangabad, Begusarai, Bhagalpur, Bhojpur, Buxar, Darbhanga, Deoghar, East Champaran, Garhwa, Gaya, Giridih, Godda, Gopalganj, Hazaribag, Jehanabad, Kaimur, Kishanganj, Katihar, Khagaria, Lakhisarai, Munger, Madhepura, Madhubani, Muzaffarpur, Nalanda, Patna, Purnea, Saharsa, Sahibganj, Samastipur, Saran, Seikhpura, Sheohar, Sitamarhi, Supaul, Rohtas, Vaishali.



admissible. Moreover, as per the flood report of the Government, there was no flood or death due to flood in Jahanabad district during 1996.

**(c) Man-made calamities**

**Fund allotted to districts treated as expenditure.**

During 1995-2000 budget provision of Rs 7.24 crore for extending relief assistance to the victims of man-made calamities Rs 6.74 crore were spent. Controlling officer did not obtain monthly statement of expenditure from the DDOs as per rules and treated the funds allotted as expenditure.

As per norms fixed by the Home (Special) Department (September 1987) Rs 0.20 lakh was to be paid to the families of the victims of caste/ communal riots and militants' activities. This norm was increased (October 1989) to Rs 1.00 lakh for the payment to next kin of the victims of communal riots. Cases of violation of this norm were as under:

**Payment in excess of norm.**

(i) Department allotted Rs 29.93 lakh between 1995 and 2000 to the District Magistrate, Gaya for payment of relief to 74 families of deceased killed by extremist violence (46), bus accident (27) and police firing (01) between March 1991 and August 1998. Of Rs 14.30 lakh paid by the District Magistrate between September 1993 and February 1999 to the next kin of 32 deceased (between July 1991 and August 1998) of extremist's violence Rs 10.50 lakh were paid to 13 families<sup>11</sup> of the deceased at the rate varying from Rs 0.50 lakh to Rs 1.00 lakh. Balance Rs 15.63 lakh was not paid to the families of 42 victims and 32 wounded so far (December 1999).

(ii) In 14 districts<sup>12</sup> there were 77 cases of extremist (69), communal (6) and caste (2) violence where delay in release of fund for relief payments varied from 4 months to 18 years. In 5 districts<sup>13</sup> delay in payments to victims of communal and extremist violence was 4 to 18 years mainly due to administrative delay and delay in police investigation.

**Discriminatory payment of relief assistance.**

(iii) In Jahanabad District Rs 1.55 crore were paid between April 1995 and December 1999 to the next kin of 147 persons died (Rs 1.52 crore) in extremist violence and 19 persons wounded (Rs 2.65 lakh) between June 1991 and March 1999. Out of these amounts, Rs 1.49 crore were paid to 132 families of the deceased at the rates varying between Rs 0.80 lakh and Rs 1.25 lakh on proclamation of the Chief Minister. Payments were made to 15 families at the rate of Rs 20000 per family and no payment was made to the families of 11 victims who died in extremist violence although fund was

<sup>11</sup> Abdul Wahid (Rs 1.00 lakh), Babban Yadav (Rs 0.50 lakh), Ramlakhan Yadav (Rs 0.50 lakh), Balram Kumar Yadav (Rs 1.00 lakh), Sadhu Yadav (Rs 0.80 lakh) Arun Kumar Yadav (Rs 0.80 lakh), Sitaram Yadav (Rs 0.80 lakh), Deolal Yadav (Rs 1.00 lakh), Kedar Yadav (Rs 1.00 lakh), Deo Nandan Yadav (Rs 1.00 lakh), Raj Kumar Singh Yadav (Rs 1.00 lakh), Hardwar Singh Yadav (Rs 0.60 lakh), Akhilesh Kumar (Rs 0.50 lakh).

<sup>12</sup> Araria, Aurangabad, Bhabhua, Bhojpur, Bokaro, Chatra, Garhwa, Gaya, Jehanabad, Jamshedpur, Nawada, Patna, Samastipur and Sitamarhi.

<sup>13</sup> Araria, Bokaro, Jamshedpur, Sitamarhi, Samastipur



available during period of occurrence (September 1995 to March 2000). Further the District Magistrate paid Rs 0.10 lakh to a person (Vijay Kumar, son of Kauleshwar Yadav of Laleshwar Bigha) for treatment of heart.

(iv) On the proclamation of the Chief Minister, the District Magistrate, Patna paid Rs 10.00 lakh through the Sub-divisional Officer, Danapur in October 1998 to the families of 10 deceased of Haibaspur, Ranitalab, Patna district at the rate of Rs 1.00 lakh each who were killed on 23 March 1997 by extremists against the norm of Rs 0.20 lakh each.

(v) On the instruction of the Chief Minister (July 1995) District Magistrate, Patna paid Rs 1.00 lakh in May 1998 to the families of the two deceased persons who were kidnapped and killed by criminals. The payment of relief in such cases was not covered under the norms of the government.

(vi) The District Magistrate, Patna paid Rs 10.00 lakh to the widow of an ex-minister who was killed on 13 April 1998 in the premises of the Indira Gandhi Institute of Medical Sciences, Patna. Case file including application from the widow of the deceased, copy of FIR/ investigation report of the police and other senior officers was not made available by the District Magistrate. In absence of basic record admissibility of payment was not ascertainable.

### 3.3.6 Major deficiencies in operation of Calamity Relief Fund in the districts

#### 3.3.6.1 Unutilised relief fund: Rs 24.47 crore

(a) Though no funds should be drawn without immediate requirements, District Magistrates in 6 districts<sup>14</sup> test-checked drew Rs 136.48 crore from treasury for flood/ fire relief assistance during 1995-2000 while there was balance of Rs 3.40 crore with them at the end of March 1995. Against this, Rs 24.47 crore (18 percent) remained unutilised in the districts (Rs 16.14 crore), and in 9 Sub-divisional Offices<sup>15</sup>, 20 Block Development Offices<sup>16</sup> and 71 Circle Offices<sup>17</sup> (Rs 8.33 crore) at the end of March 2000.

<sup>14</sup> Darbhanga, East Champaran, Jahanabad, Katihar, Muzaffarpur, Sitamarhi

<sup>15</sup> Areraj, Barsoi, Belsund, Chakiya, Danapur, Pakridayal, Motihari, Muzaffarpur, Raxaul.

<sup>16</sup> Bargania, Bathnaha, Bajpatti, Dumra, Dandkhora, Darbhanga, Jahanabad, Hayaghat, Kodwa, Kurshela, Kusheshwarasthan (E), Kiratpur, Majorganj, Manihari, Phalka, Parsauni, Sangrampur, Sameli, Sursand, Suppi.

<sup>17</sup> Adapur, Areraj, Ajamnagar, Amedabad, Aurai, Baheri, Balrampur, Barsoi, Bochaha, Banda, Biraul, Bairganiya, Bajpatti, Belsand, Bathnaha, Barh, Bakhtiyarpur, Chiraiya, Chauradano, Chakiya, Choraut, Dhaka, Darbhanga, Dumra, Dhanarua, Ghorasahan, Ghosi, Ghanshyampur, Harsiddhi, Hayaghat, Jahanabad, Kalyanpur, Kesariya, Kako, Karpi, Katihar, Kadwa, Korha, Kanti, Katra, Kurhni, Keoti, Madhuban, Mehsi, Motihari, Manihari, Motipur, Muraul, Manigachhi, Majorganj, Maner, Mokama, Nanpur, Patahi, Paharpur, Pakridayal, Pranpur, Phalka, Parihar, Pupri, Punpun, Pandarak, Raxaul, Ramgarhwa, Runni-Saidpur, Riga, Sugauli, Sahebganj, Sakra, Sursand, Turkoliya.

Heavy unutilised funds entailed risks of their misutilisation/ misappropriation



Retention of heavy unutilised balance was fraught with the risks of misuse/ misappropriation of government money.

**Funds drawn kept in 'Civil Deposits.'**

(b) Relief Commissioner allotted Rs 1.39 crore for flood relief assistance to the Katihar district in 1999-2000. Of this, Rs 63.51 lakh was kept in 'Civil Deposits' by the District Magistrate (Rs 60.51 lakh) and Block Development Officer, Phalka (Rs 3.00 lakh) in March 2000, though not permissible.

**Funds drawn and kept in bank.**

(c) District Magistrate, Patna drew Rs 88 lakh at the fag end of financial year 1999-2000 (30 March 2000) and kept the amount unauthorisedly in a bank though the funds were allotted in the month of August 1999 for food (Rs 64 lakh), chura-sattu (Rs 8 lakh) and cash dole (Rs 16 lakh) assistance to the flood affected people during 1999. Due to the long delay in drawing this fund, there was little scope of providing the relief. Possibility of misutilisation and misappropriation of Relief Fund was not ruled out.

### 3.3.6.2 *Misappropriations and losses: Rs 19.20 crore*

Misappropriations/ losses of funds (cash : Rs 6.84 crore) and materials (Food articles : Rs 11.27 crore, other articles : Rs 1.09 crore) in the 8 districts test-checked aggregated Rs 19.20 crore (14 percent) of the funds (of Rs 139 crore drawn). The magnitude of misappropriation and losses could be much more, as all the transactions in the district concerned were not covered in audit. For details refer Appendix-XIX.

### 3.3.6.3 *Misutilisation of Relief Fund: Rs 6.27 crore*

Misutilisation/ diversion of Relief fund on unintended objects in 8 test-checked districts aggregated Rs 6.27 crore. However, misutilisation of funds could be still more which could not be ascertained in Audit as all the transactions of the districts concerned were not test-checked (for details refer Appendix-XX). The grounds on which funds were misutilised were mainly as under:

		(Rupees in lakh)
(i)	Miscellaneous office expenses	125.20
(ii)	Operation and maintenance of vehicles	76.61
(iii)	Repair of road and buildings	41.86
(iv)	Purchase of transformers	200.0
(v)	Drilling of hand pump	2.84
(vi)	Air ticket to Union Minister	0.56
(vii)	Unadmitted vouchers	107.99
(viii)	Others	71.94
	<b>Total</b>	<b>627.00</b>

### 3.3.6.4 *Excess and wasteful expenditure: Rs 20.84 lakh*

Ignoring the tendered (October 1995) rate of Rs 58.50 per piece, dhoti and saree of Divisional Manager, National Textiles Corporation (NTC), Patna, District Magistrate, Sitamarhi procured 15 thousand dhotis and sarees between December 1995 and January 1996 at higher rate of Rs 65 and Rs 75 each piece from local supplier at a total cost of Rs 10.20 lakh involving excess expenditure of Rs 1.52 lakh.

**Irregular purchase of dhoti-saree at higher rate caused excess expenditure.**



- Wasteful expenditure on purchase of dhoti-saree without assessing requirement.

The District Magistrate, Darbhanga purchased 83.4 thousand dhotis and sarees between November 1995 and February 1996 at a cost of Rs 49.25 lakh. Of the supply received, 50.7 thousand dhotis and sarees (25560+25160) valued at Rs 29.93 lakh were distributed in 4 years (between December 1995 and March 1999) without identification of flood victims for whom dhotis and sarees were purchased. Balance 32.7 thousand dhotis and sarees valued at Rs 19.32 lakh transferred by the District Magistrate to the Sub-Divisional Officer, Benipur (5142), Biraul (12000) and Darbhanga Sadar (15600) between November 1999 and January 2000 remained undistributed so far (June 2000).

### 3.3.7 Overdue advances:Rs 7.63 crore

Overdue advances awaiting recovery/ adjustment as noticed in 7 districts test-checked aggregated Rs 7.63 crore which was 6 percent of funds drawn as per details below:

Districts/ Officers	Period of advance	Purpose of advance	Number of officials from whom recovery was done	Balance outstanding advance (Rupees in lakh)
East Champaran	1998-99	Transportaion of boat	2	0.11
Sub-divisional Officer, Sadar	1994-95	Construction of helipad and supply of food	2	0.52
10 Circle Officers (Adapur, Areraj, Chiraiya, Keshariya, Kalyanpur, Madhuban, Motihari, Pakridayal, Paharpur, Raxaul)	1987-2000	For flood relief works	132	4.36
Darbhanga 3 Circle Officer (Biraul, Darbhanga, Hayaghat) and 3 Block Development Officers (Hayaghat, Kiratpur, Kusheshwarsthan)	1993-2000	Distribution of cash dole, fodder, repair of boat and other contingent expenditure	177	130.60
Katihar	1995-99	For supply of wheat to BSFC, Katihar	--	246.34
	1997-2000	For purchase of medicine to Civil Surgeon, Katihar	--	1.39
	1998-99	For purchase of animal medicine to DAHO, Katihar	--	0.77

Districts/ Officers	Period of advance	Purpose of advance	Number of officials from whom recovery was done	Balance outstanding advance (Rupees in lakh)
	1999-2000	For supply of drinking water to PHED, Katihar	--	1.00
	1998-99	For miscellaneous Relief Purposes	32	167.12
8 Circle Officers (Ajamnagar, Barsoi, Balrampur, Katihar, Kadwa, Manihari, Pranpur, Phalka)	1969-2000	For boat fare and other miscellaneous purposes	522	58.27
Block Development Officer, Kurshela	1998-99	For boat fare	62	0.35
Muzaffarpur 3 Circle Officers (Aurai, Bochaha, Katra)	1985-2000	For flood relief purposes	137	26.71
Patna	February 1997 to October 1998	Various relief purposes	21	15.66
3 Circle Officers (Barh, Punpun, Pandarak)	NA	NA	NA	3.07
Sitamarhi	Prior to 1990-91 to August 1999	Supply of foods, fodder, boat and other relief purposes	20	9.31
8 Circle Officers (Bairgania, Belsund, Bathnaha, Choraut, Nanpur, Parihar, Pupri, Riga) and 3 Block Development Officers (Bairganiya, Dumra, Majorganj)	1985-86 to September 1999	Distribution of cash dole, fodder, repair of roads, boat etc.	264	47.81
4 District Magistrates (Darbhanga, East Champaran, Jahanabad, Sitamarhi)	1997-2000	Supply of wheat for distribution among flood affected people	--	49.61
<b>Total</b>				<b>763.00</b>

Scrutiny revealed that the District Magistrates and his disbursing officers made advances to persons/bodies without recovery/ adjustment of previous



advances. Possibility of misappropriation of funds in these cases of long pending recoveries can not be ruled out.

### 3.3.8 *Utilisation certificate not furnished: Rs 284.38 crore*

Utilisation certificates not furnished for 85 per cent of funds.

The District Magistrates and other departmental officers receiving funds from the Calamity Relief Fund for relief works were required to furnish utilisation certificates to the Relief Commissioner at the end of each financial year.

The Relief Commissioner allotted Rs 335.51 crore to 55 District Magistrates<sup>18</sup> (Rs 297.37 crore) and 5 departments<sup>19</sup> (Rs 38.14 crore) for relief works during 1995-2000. Against this, utilisation certificates for Rs 51.13 crore (15 percent) only were furnished by 18 District Magistrates<sup>20</sup> (March 2000). The Relief Commissioner was in the dark about disbursement of relief to intended beneficiaries for the remaining amount. Relief Commissioner did not pursue the matter effectively with the District Magistrates and other spending departments and failed to bring this to the notice of State Level Committee.

### 3.3.9 *Lack of monitoring of Calamity Relief Fund*

Monitoring of Calamity Relief fund was absent.

State Level Committee headed by the Chief Secretary was to ensure that money drawn from the CRF was utilised for the purpose for which the fund had been set up. Besides, District and Block Level Relief Committees were to be formed to ensure effective implementation of relief measures.

Though the State Level Committee met regularly, its deliberations were confined to mainly deciding quantum of funds to be allocated to the districts and other departments. It did not monitor proper disbursement of relief funds

<sup>18</sup> Araria, Aurangabad, Bhojpur, Buxar, Begusarai, Bhagalpur, Banka, Bokaro, Chatra, Chaibasa, Darbhanga, Deoghar, Dumka, Dhanbad, East Champaran, Gaya, Gopalganj, Giridih, Garhwa, Gumla, Godda, Hazaribag, Jamui, Jahanabad, Jamshedpur, Katihar, Kishanganj, Khagaria, Kaimur, Koderma, Lakhisarai, Lohardagga, Muzaffarpur, Munger, Madhubani, Madhepura, Nalanda, Nawada, Patna, Pakur, Purnea, Palamu, Ranchi, Rohtas, Saran, Siwan, Sitamarhi, Sheohar, Samastipur, Sheikhpura, Sahebganj, Saharsa, Supaul, Vaishali, West Champaran.

<sup>19</sup> Energy, Health and Family Welfare, Relief and Rehabilitation, Road Construction, Water Resources.

<sup>20</sup> Araria, Bhojpur, Deoghar, Gopalganj, Garhwa, Gaya, Jamshedpur, Katihar, Khagaria, Koderma, Muzaffarpur, Madhubani, Munger, Purnea, Sahebganj, Sitamarhi, Sheohar, Saran

and relief operations. No Relief Committee at District and Block levels existed in the test-checked districts. The Relief Commissioner did not institute internal controls to ensure proper/timely/efficient use of relief fund. Consequently, the disbursements were mismanaged and cases of misuse and misappropriation etc. increased. There was total absence of preventive measures against routine and large scale misuse/ misappropriation of CRF.

The points were referred to government (August 2000); their reply had not been received (January 2001).



## URBAN DEVELOPMENT DEPARTMENT

### 3.4 Urban Employment Generation Programme

#### *Highlights*

*The Urban Employment Generation Programme broadly aimed at improving the quality of life of urban poor by providing gainful employment through setting up self employment ventures and creation of socially and economically useful assets and shelter upgradation.*

*The programme was a total failure in the State as physical achievement was within 21 percent against targets. The programme was ineffectively implemented without any perspective or annual action plan and without selection of economically viable projects/works. The programme was marred by inadequate release of funds, poor utilisation of funds, misutilisation of funds, exhibiting inflated figures of mandays created and expenditure incurred every year and absence of monitoring.*

**Even basic requirement of survey for identification of target group of beneficiaries was not conducted after 1991.**

*(Paragraph 3.4.4)*

**During 1995-2000 on an average 19 percent of available funds under different components of the scheme was released per year to implementing agencies by the State and meagre 18 percent (Rs 20.02 crore) of available fund was utilised. Industry Department also did not release any fund (out of Rs 1.64 crore) during 1997-2000. Funds of Rs 20.39 crore drawn from Patna Secretariat treasury were unauthorisedly kept in 'Civil Deposit'**

*(Paragraph 3.4.5 (a))*

**Vast discrepancy of Rs 4.05 crore in accounts remained unreconciled. Secretary, Urban Development Department unauthorisedly locked Rs 12 crore on 10 March 1998 in 3 term deposits in banks.**

*(Paragraph 3.4.5 (b) and (c))*

**Physical achievement under SUME (Subsidy and training) was approximately 19 percent of target, while expenditure exceeded by Rs 5.75 crore over the amount admissible as per norm. In respect of wage employment under SUWE, expenditure did not commensurate with physical achievement. Employment through housing and shelter upgradation scheme (SHASU) was nil or negligible. Only 18 percent of the willing beneficiaries were benefited under Urban Self Employment Programme through setting up micro enterprises and skill development. Training needs of the programme were ignored. The scheme of Development of Women and Children in Urban Areas remained a non-starter. The department had no information on material and wage component for Urban Wage Employment Programme. The number of loan disbursed against loan sanctioned and the loan disbursed against**



targeted number of beneficiaries under PMRY steadily declined every year during 1995-2000.

(Paragraph 3.4.6.1 (a), (b), (d) and (e))

Generation of employment under NRY, SJSRY was low during 1995-2000. Even figures of mandays generated and expenditure incurred were inflated.

(Paragraph 3.4.7)

Administrative expenditure under SJSRY was high at 18 percent against the norm of 5 percent resulting in inadmissible expenses of Rs 97.12 lakh. Besides, Rs 5.08 crore were spent on schemes which remained incomplete.

(Paragraph 3.4.8)

Doubtful expenditure on training and misutilisation of fund, as noticed in test-check, aggregated Rs 1.46 crore. DRDA, Munger spent Rs 2.16 lakh out of NRY funds on purchase of sofa set, furniture etc. for Collector and printing charges during 1992-99. In 8 districts test-checked Rs 75.93 lakh pertaining to NRY and SJSRY were diverted to other purposes like purchase of chairs, payment of salary to staff, repairs of tractor, construction of chairman's chamber, badminton hall etc.

(Paragraph 3.4.12.1 to 3.4.12.4)

Monitoring of the programme was totally absent.

(Paragraph 3.4.13)

### 3.4.1 Introduction

Government of India (GOI) implemented various schemes aimed at alleviating poverty among the urban and rural poor through provision of employment by giving necessary training and financial assistance for setting up self-employment ventures and by providing wage employment. The urban poverty alleviation schemes under implementation since 1989 were as under :

Scheme	Period of operation	Sharing pattern Central: State	Components/ objectives	Executing Authority/ Department
Nehru Rozgar Yojna (NRY)	October 1989 to November 1997, Merged with SJSRY from December 1997	60:40	Scheme for setting up Urban Micro Enterprise (SUME), Scheme for Urban Wage Employment (SUWE). Scheme of Employment through Housing and Shelter Upgradation (SHASU)	Commissioner-cum-Secretary, Urban Development Department
Urban Basic Services for the Poor (UBSP)	7 Five Year Plan integrated with NRY from December 1994	60:40	Effective Achievement of Social Sector Goals, Community Organisation, Mobilisation & Empowerment Convergence through Sustainable support system.	Commissioner-cum-Secretary, Urban Development Department
Prime Minister's Rojgar Yojna (PMRY)	From October 1993 onwards	100:0	Setting up of Urban Micro Enterprise.	Commissioner-cum-Secretary, Industry Department



Scheme	Period of operation	Sharing pattern Central: State	Components/ objectives	Executing Authority/ Department
Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP)	October 1995 to November 1997. Merged with SJSRY from December 1997	0:100 to 100:0	Self employment through setting up micro enterprises, Environmental improvement through basic physical amenities and shelter upgradation (implemented in 28 out of 178 Urban Local Bodies in the State)	Commissioner-cum-Secretary, Urban Development Department
Swarn Jayanti Shahri Rojgar Yojna (SJSRY)	From December 1997 onwards	75:25	Urban Self Employment Programme (USEP) Urban Wage Employment Programme (UWEP)	Commissioner-cum-Secretary, Urban Development Department

### 3.4.2 Organisational Set up

At the State level, the Commissioner-cum-Secretary, Urban Development Department was the nodal officer for NRY, UBSP, PMIUPEP and SJSRY. Commissioner-cum-Secretary, Industry Department was the nodal officer for PMRY in the State. They were assisted by State Level Co-ordination Committees (SLCCs)/ High Power Committee. At the district level District Urban Development Agency (DUDA)/PMRY Committee, headed by the District Collector/Deputy Commissioner as Chairman, was responsible for implementation of the programmes.

### 3.4.3 Scope of Audit

Implementation of NRY, UBSP and PMIUPEP during 1995-98, PMRY during 1995-2000 and SJSRY during 1998-2000 was reviewed between November 1999 and March 2000 through test-check of records of Urban Development Department and Industry Department, 13 selected districts<sup>1</sup> (out of 55), 5 Regional Development Authorities<sup>2</sup> (out of 7), 5 Municipal Corporations<sup>3</sup> (out of 6), 33 Notified Area Committees<sup>4</sup> (out of 95), 11 Municipalities<sup>5</sup> (out of 70) and 13 District Industry Centers<sup>6</sup> (out of 39) covering 25 percent of total expenditure on them with a view to assessing efficiency and effectiveness in their implementation. Points noticed are discussed below:

<sup>1</sup> Bhagalpur, Bhojpur, Darbhanga, Dhanbad, Dumka, East-Singhbhum, Gaya, Katihar, Munger, Muzaffarpur, Nalanda, Ranchi and Saran.

<sup>2</sup> Bhagalpur, Darbhanga, Gaya, Muzaffarpur and Ranchi.

<sup>3</sup> Bhagalpur, Darbhanga, Gaya, Muzaffarpur and Ranchi.

<sup>4</sup> Bundu, Bodh-Gaya, Bihia, Basukinath, Chatatand, Chirkunda, Dighwara, Fusro, Hilsa, Havelikharagpur, Islampur, Jamsheedpur, Jamtara, Jharia, Koelwar, Katras, Khunti, Kanti, Marhaura, Manihari, Mihijam, Mango, Motipur, Naugachia, Piro, Revilganj, Rajgir, Sultanganj, Sonapur, Silao, Sherghati, Shahpur and Sindri.

<sup>5</sup> Biharsharif, Bhojpur, Chapra, Dhanbad, Dumka, Jagdishpur, Jugalsalai, Jamalpur, Kahalgaoon, Munger and Tekari.

<sup>6</sup> Bhagalpur, Bhojpur, Darbhanga, Dhanbad, Dumka, East-Singhbhum, Gaya, Katihar, Munger, Muzaffarpur, Nalanda, Ranchi and Saran.



### 3.4.4 Survey for identification of target group

No survey of target group conducted after 1991.

Target group under the Urban Employment Generation Programme (1991 survey) comprised of the urban poor below poverty line with special attention to women (not less than 30 percent of beneficiaries), persons belonging to Scheduled Castes/ tribes (in the ratio of their strength in local population), disabled persons (3 percent of the beneficiaries) and other such categories as indicated by government from time to time. No such survey was conducted after 1991.

### 3.4.5 Financial outlay and expenditure

Year-wise release of funds by Central and State governments during 1995-2000 and expenditure as furnished by the Industry and Urban Development departments were as under:

Name of Scheme	Year	O.B.	Central release	State share	HUD-CO	Total fund available	Total fund released to DUDA/ DRDAs	Amount retained by the Department	Utilisation of fund by DUDA/ DRDAs of the total fund available
(Rupees in lakh)									
NRY, UBSP, PMIUPEP (upto 30.11.1997) and SJSRY since 1.12.1997	1995-96	4547.76	1375.97	1174.08	16.65	7114.46	1782.85 (25)	5331.61	1829.30 (26)
	1996-97	5331.61	1015.67	721.09		7068.37	1419.39 (20)	5648.98	172.32 (2)
	1997-98	5648.98	--	65.96		5714.94	1096.83 (19)	4618.11	Nil
	1997-98	4618.11	506.09	126.52		5250.72	1139.03 (22)	4111.69	Nil
	1998-99	4111.69	779.22	229.08		5119.99	479.32 (9)	4640.67	NA
	1999-2000	4640.67	408.63	151.90		5201.20	963.18 (19)	4238.02	NA
	<b>Total</b>	<b>4547.76*</b>	<b>4085.58</b>	<b>2468.63</b>	<b>16.65</b>	<b>11118.62</b>	<b>6880.60</b> <b>(62)</b>	<b>4238.02</b>	<b>2001.62</b> <b>(18)</b>
PMRY	1995-96	75.70	94.17			169.87	136.08 (80)	33.79	67.75 (25)
	1996-97	33.79	105.97			139.76	42.44 (30)	97.32	30.76 (22)
	1997-98	97.32	66.57			163.89	Nil	163.89	19.82 (12)
	1998-99	163.89	Nil			163.89	Nil	163.89	11.71 (7)
	1999-00	163.89	Nil			163.89	Nil	163.89	Nil
<b>Total</b>	<b>75.70*</b>	<b>266.71</b>			<b>342.41</b>	<b>178.52</b> <b>(52)</b>	<b>163.89</b>	<b>130.04</b> <b>(38)</b>	

(Figures in bracket indicate percent to total fund available)

(\* Figure denotes OB as on 1995-96)

Scrutiny revealed as under:

Poor release of funds and most of the funds released were not utilised.

(a) During 1995-2000 on an average 19 percent of the available funds of NRY, UBSP, PMIUPEP and SJSRY was released per year to the implementing agencies by the State and meagre 18 percent (Rs 20.02 crore) of the available funds was utilised. Scheme funds varying from Rs 41.12 crore to Rs 56.49 crore were kept by the Urban Development Department in current (2) and saving (4) accounts in 3 banks. Industry Department did not release any amount (out of Rs 1.64 crore) during 1997-2000 for implementation of the programme under PMRY. Further, Urban Development Department had no information of utilisation of funds by DUDA/DRDA on SJSRY during 1998-2000, though required.

Funds kept unauthorisedly in 'Civil Deposits' for 12 to 48 months:

Secretary, Urban Development Department withdrew Rs 20.39 crore from Patna Secretariat Treasury during 1989-95 for implementation of NRY and kept the same unauthorisedly in "Civil Deposits". Of this Rs 17.11 crore



remained in “Civil Deposits” for 12 to 48 months and Rs 3.28 crore remained in “Civil Deposits” as of March 2000.

Huge discrepancy in accounts remained un-reconciled.

(b) Urban Development Department had a closing balance of Rs 38.33 crore (excluding interest : Rs 2.82 crore) as per the cash book as on 31 March 2000, while as per the statement of expenditure of BUDA, the closing balance was Rs 42.38 crore. Department did not furnish reason of discrepancy of Rs 4.05 crore.

Locking up of funds in term deposits in banks not permissible.

(c) Secretary of the Urban Development Department unauthorisedly deposited Rs 12.00 crore of scheme funds in March 1998 in 3 term deposits in State Bank of India, though not permissible. The term deposits continued as of July 2000. Thus, the bank thrived on government money while the implementation of employment generation programme did not take off.

State did not furnish utilisation certificates to GOI.

(d) Utilisation certificates for Rs 0.24 crore (out of Rs 114.61 crore) only was furnished to Government of India during 1995-2000.

### 3.4.6 Programme Planning and implementation

Absence of programme planning and implementation.

State Government did not prepare urban agglomerations/town/city wise perspective plans and annual action plan for implementation of the programme. They did not survey the resources for selection of economically viable projects/works and did not prepare shelf of projects for execution, rendering implementation of the schemes in unplanned manner.

#### 3.4.6.1 Physical and financial performance

##### (a) Nehru Rozgar Yojana (NRY)

Physical and financial performance of the NRY during 1995-98 were as under:

Component	Target	Achievement	Amount per beneficiary admissible	Fund allotted	Total amount admissible on achievement	Amount of expenditure shown in account	Excess/inflated amount
	(In number)		(In Rupees)		(Rupees in crore)		
(i) SUME (subsidy)	32617	5643 (17)	4525	5.28	2.56	8.28	5.72
(ii) SUME (training)	16315	3134 (19)	1200	1.99	0.38	0.41	0.03
(iii) SUWE (wage employment)	840000	830000 (99)	39.70	14.20	3.30	2.99	--
<b>Total</b>				<b>21.47</b>	<b>6.24</b>	<b>11.68</b>	<b>5.75</b>

Physical achievement against target was 19 percent under SUME.

The table showed that while physical achievement under SUME (Subsidy and training) was only approximately 19 percent of target, while expenditure exceeded by Rs 5.75 crore. In respect of wage employment (SUWE) also, expenditure was not commensurate with the physical achievements. Thus, the physical achievements reported under wage employment were inflated and payment of wages was not as per norm.



**(b) Negligible performance under employment through Housing And Shelter Upgradation Scheme (SHASU)**

Reason of nil or negligible performance was not available.

The scheme intended to provide financial assistance of Rs 4000 to households belonging to economically weaker sections to construct simple dwellings or to upgrade their dwellings. Physical achievements against targets during 1995-1998 (upto 30.11.1997) were nil or negligible as under:

Year	Dwelling units to be upgraded	Achievement	Percentage	Target of man-days (in lakh)	Achievement (in lakh mandays)	Percentage
1995-96	98000	1196	1	31.58	0.89	3
1996-97	13408	N.A.	N.A.	6.37	Nil	Nil
1997-98	N.A.	Nil	Nil	Nil	Nil	Nil
<b>Total</b>	<b>111408</b>	<b>1196</b>	<b>1</b>	<b>37.95</b>	<b>0.89</b>	<b>2</b>

Reason of such abysmal performance of the scheme in State was not furnished by the Department. Besides, the admissible expenditure on upgradation of 1196 dwelling units was for Rs 0.48 crore only while Rs 2.27 crore were spent resulting in excess expenditure of Rs 1.79 crore.

**(c) Prime Minister's Integrated Urban Poverty Eradication Programme (PMIUPEP)**

No target for expenditure and Department had no information on types of enterprises established.

This scheme was designed to encourage under employed/unemployed urban youth to set up small enterprises. Government did not fix any target for this. During 1995-98, of Rs 24.48 crore available for implementation of this scheme, Rs 1.72 crore (7 percent) only were spent. Department did not obtain information from the districts on the types of enterprises established.

**(d) Swarna Jayanti Shahari Rojgar Yojana**

**(i) Urban Self Employment Programme (USEP) through setting up micro-enterprises and skill development**

The scheme intended to encourage under employed/unemployed urban youth below poverty line to set up small enterprises. The maximum unit cost of establishing an enterprise was to be Rs 50,000. Against this, maximum subsidy allowable was 15 percent of the project cost and rest of the cost was to be funded by loan.

Urban Development Department did not fix targets for the scheme in any of the years during 1998-2000. Analysis of physical achievement of the scheme during 1998-2000 was as under:

Only 18 percent of willing beneficiaries benefited.

Year	Achievement		Amount of subsidy disbursed (Rs in crore)	Percentage of subsidy disbursed to total application sent to banks	Total number of beneficiaries	Number of women beneficiaries	Percentage of women to total beneficiaries	Fund available (Rs in crore)
	No. of application sent to banks	No. of application sanctioned and disbursed						
1998-99	NA	102	0.11	NA	102	08	8	7.12
1999-2000	4119	629	0.16	15.27	629	78	12	2.35
<b>Total</b>	<b>4119</b>	<b>731</b>	<b>0.27</b>	<b>17.75</b>	<b>731</b>	<b>86</b>	<b>12</b>	<b>9.47</b>



Thus, only 3 percent of the available fund was disbursed on subsidy, only 18 percent of the willing beneficiaries benefited under the scheme, while women beneficiaries was only 12 percent against requirement of 30 percent. Reason for poor progress of the scheme was not furnished by the department.

**(ii) Training**

Training needs were ignored.

Training was to be imparted to the urban poor youth to help them set up self-employment ventures or secure salaried employment. Department did not fix physical targets for conducting training course during 1998-2000 and did not make use of available funds of Rs 35.06 lakh (59 percent) for training. The remaining funds were used to train only 1133 youth during 1998-2000. Out of those trained only 731 received loans.

Year	Persons trained (in number)	Allotment	Expenditure	Per capita expenditure	Percentage of utilisation
		(Rupees in lakh)		(In Rupees)	
1998-99	Nil	27.93	Nil	Nil	Nil
1999-2000	1133	31.21	24.08	2125	77
<b>Total</b>	<b>1133</b>	<b>59.14</b>	<b>24.08</b>	<b>2125</b>	<b>41</b>

**(iii) Development of Women and Children in Urban Areas (DWCUA)**

Scheme was not implemented though funds were available.

Under this scheme, special incentive was to be extended to urban poor women to set up self employment ventures in a group for adoption of economic activity suited to their skill, training, aptitude and local conditions. The scheme remained a non-starter as no amount out of Rs 1.14 crore available during 1998-2000 was spent. Besides, Rs 51.42 lakh available in these years for operation of thrift and credit society and Rs 1.84 crore for community structure also were not utilised.

**(iv) Urban Wage Employment Programme (UWEP)**

No information on expenditure on material and wage component.

This scheme intended to provide wage employment to urban poor by utilising their labour for construction of socially and economically useful public assets in the urban area. Of total allotment of Rs 9.04 crore during 1997-2000, Rs 2.77 crore only (31 percent) were spent. Department had no information on expenditure incurred on wage and material components separately. Analysis of the expenditure showed that only 27 districts were benefited in the State.

**(e) Prime Minister Rozgar Yojana (PMRY)**

This scheme was designed to provide self-employment to educated urban youth by setting up self-employment ventures in industry, service or business routes who were educated upto matric-failed/ passed and above. For this, Government of India provided loan to the beneficiaries upto 95 percent of the project cost with a ceiling of Rs 1.00 lakh. A subsidy of 15 percent of the project cost subject to a ceiling of Rs 7500 was allowed and 5 percent of the project cost was to be borne by the beneficiaries.

The table below indicated the target and achievement for five years up to 1999-2000:



Year	Targeted beneficiary	No. of application received and sent to banks (In number)	Loan sanctioned		Loan disbursed		Percentage of loan disbursed to loan sanctioned	Percentage of loan distributed to targeted beneficiaries
			Application	Amount (Rs in crore)	Application (In Number)	Amount (Rs in crore)		
			1995-96	22150	39366	16937		
1996-97	22150	49910	18227	140.71	15589	115.61	82	70
1997-98	21500	33314	13030	110.06	11076	82.19	75	52
1998-99	20500	26608	11145	91.19	6726	46.30	51	33
1999-2000	21800	52967	10501	94.80	4021	27.91	29	18
<b>Total</b>	<b>108100</b>	<b>202165</b>	<b>69840</b>	<b>562.06</b>	<b>52215</b>	<b>377.33</b>	<b>67</b>	<b>48</b>

Disbursement of loan declined.

Number of loan disbursed against targeted number of beneficiaries steadily declined from 70 percent in 1996-97 to merely 18 percent in 1999-2000. Besides, loans were sanctioned only to 35 percent of the applicants. Reason for decline in sanction and disbursement of loan was not furnished by Industries Department.

### 3.4.7 Generation of employment in the State

Generation of employment under various components of the Urban Employment Generation Programme in the State during 1995-2000 was as under:

#### NRY : Urban Wage Employment

Mandays provided to a worker in a year was for a day or less.

Year	No. of BPL	Mandays to be generated	Mandays generated	Mandays provided to each worker in a year
		(Number in lakh)		(Day)
1995-96	42.49	2.80	2.87	1.02
1996-97	42.49	2.80	2.46	0.87
1997-98	42.49	2.80	2.97	1.06
<b>Total</b>	<b>42.49</b>	<b>8.40</b>	<b>8.30</b>	<b>0.99</b>

With the funds of Rs 14.20 crore available during 1995-98 target should have been fixed at 35.78 lakh mandays, while it was low fixed at 8.40 lakh mandays. Further, with the expenditure of Rs 2.99 crore 7.55 lakh mandays should have been generated, while the mandays generated was reported as 8.30 lakh inflating the figure by 0.77 lakh mandays.

#### SUME : Subsidy and Training

Year	Subsidy			Training		
	Target	Achievement	Percent	Target	Achievement	Percent
	(Number)			(Number)		
1995-96	23334	2318	10	13492	1941	14
1996-97	9283	1629	18	2823	683	24
1997-98	Not Fixed	1696	--	Not fixed	510	--
<b>Total</b>	<b>32617</b>	<b>5643</b>	<b>17</b>	<b>16315</b>	<b>3134</b>	<b>19</b>

Poor achievement.

Achievement against targets for payment of subsidy and imparting training to beneficiaries was poor during 1995-1998 in the State. Further, the payment of subsidy to 5643 beneficiaries under NRY should involve expenditure of Rs 2.56 crore during 1995-98. Against this, payment of subsidy was made for Rs 8.28 crore, inflated by Rs 5.72 crore. Besides mandays to be created as per



wage rate (Rs 39.70) should have been 7.50 lakh with expenditure of Rs 2.98 crore during 1995-98 on wage component, while the State generated 8.30 lakh mandays during 1995-98. Thus physical achievement figure was inflated by 0.80 lakh mandays.

No information on generation of secondary employment.

Besides, no information was available either at State or at districts levels regarding generation of secondary employment out of the subsidy provided to the entrepreneurs for setting up micro enterprises.

### *SJSRY : Self Employment and Training*

Year	Self Employment				Training		
	Target	Application sent to bank for loans	Achievement	Percent	Target	Achievement	Percent
	(In number)				(In number)		
1998-99	Not fixed	NA	102	--	Not fixed	Nil	Nil
1999-2000	Not fixed	4119	629	15	Not fixed	1133	--
<b>Total</b>	<b>Not fixed</b>	<b>4119</b>	<b>731</b>	<b>18</b>	<b>Not fixed</b>	<b>1133</b>	<b>--</b>

Loan paid to small percent of intending beneficiaries.

No target was fixed for self-employment and imparting training to beneficiaries under SJSRY during 1998-2000. As a result, adequacy of achievement was not evaluated in Audit. Payment of loan was made to 18 percent of the intending beneficiaries.

### *SJSRY : Wage Employment*

Year	Target	Achievement (Mandays generated)	Employment provided to BPL people	
			Number of BPL people	Number of mandays
			(Number in lakh)	
1998-99	Not fixed	0.10	42.49	0.00
1999-2000	Not fixed	57.20	42.49	1.35
<b>Total</b>	<b>Not fixed</b>	<b>57.30</b>	<b>42.49</b>	<b>1.35</b>

Employment provided for little over one day in a year.

Employment provided to BPL people was little over one day in a year.

#### *3.4.7.1 Physical progress of programmes in test-checked districts*

##### *(i) Nehru Rozgar Yojana (NRY)*

Under SUWE component of Nehru Rozgar Yojana no target for generation of employment was fixed for the 13 districts test-checked by the department during 1995-98. With expenditure of Rs 66.74 lakh on wage component in those districts, 1.68 lakh mandays should have been generated, while 3.54 lakh mandays were shown as generated resulting in inflated exhibition of 1.86 lakh mandays.

##### *(ii) Swarna Jayanti Sahari Rozgar Yojana (SJSRY)*

Meagre percent of funds utilised.

In the 13 districts test-checked a meagre 7 percent (Rs 47.07 lakh) of the available funds (Rs 634.77 lakh) was utilised on payment of subsidy under



**Efficacy of training programme not judged. Excess expenditure entailed risks of misappropriation.**

Urban Self Employment Programme (USEP) during 1997-2000. Further, records showing income generated by the persons setting up micro-enterprises were not maintained by any of the districts test-checked. So, impact of payment of subsidy on setting up of micro enterprises under the scheme was not ascertained. Further, training under the USEP organised during 1997-2000 were 879 against expenditure of Rs 21.03 lakh, though as per norm, 1051 persons should have been trained with the expenditure of Rs 21.03 lakh resulting in excess expenditure of Rs 3.45 lakh.

Generation of employment under Urban Wage Employment Programme (UWEP) during 1997-2000 in the districts test-checked was as under:

Year	Total employment generated in mandays (in lakh)	No. of BPL families	No. of days of employment provided in a year to a person	Total expenditure (Rupees in lakh)
1997-98	0.44	1.05	0.01	14.40
1998-99	37.91	1.05	37.54	153.38
1999-2000	0.92	1.05	1.18	97.94
<b>Total</b>	<b>39.27</b>	<b>3.15</b>	<b>38.73</b>	<b>265.72</b>

None of the districts test-checked fixed target for generation of employment under the scheme. As a result adequacy of employment generated was not assessed. Besides, there was no target and achievement under Thrift and Credit Societies, Community structure, DWCUA, Urban Basic Services for Poor (UBSP) and Prime Minister Integrated Urban Poverty Eradication Programme (PMIUPEP) in the test-checked districts.

**(iii) Prime Minister Rozgar Yojana (PMRY)**

Target and achievements under Prime Minister Rozgar Yojana in the districts test-checked during 1995-2000 were as under:

**Poor disbursement of loan.**

Year	Target	Application received	Total loan sanctioned		Total loan disbursed	
	(In Number)	(In Number)	Number	Amount (Rupees in lakh)	Number	Amount (Rupees in lakh)
1995-96	8403	22484	6488	4947.52	4702	3099.39
1996-97	8596	24039	7210	5652.61	5461	3764.42
1997-98	8298	19987	5629	4487.72	4420	3175.71
1998-99	7685	17149	4304	3518.85	3525	2590.94
1999-2000	7712	20427	3837	3502.30	1448	1115.47
<b>Total</b>	<b>40694</b>	<b>104086</b>	<b>27468</b>	<b>22109.00</b>	<b>19556</b>	<b>13745.93</b>

During 1995-2000 loan was disbursed to only 48 percent of the targeted beneficiaries and only to 19 percent of the willing applicants. Besides, loans of Rs 83.63 crore sanctioned were not paid to 7912 beneficiaries.

**3.4.8 Execution of works**

Schemes undertaken for execution and expenditure thereagainst during 1995-2000 were as under:



Year	No. of scheme	Estimated cost	Funds allotted	Total expenditure	Expenditure on material	Expenditure on labour	Administrative expenditure	Percentage of labour cost to total expenditure	Percentage of administrative expenses to total allotment of fund
(Rupees in lakh)									
<b>NRY</b>									
1995-96	605	380.92	2566.70	405.57	167.75	114.45	14.96	24	0.58
1996-97	380	224.25	1736.76	239.00	111.66	108.93	9.80	46	0.56
1997-98	136	81.53	698.57	191.31	101.88	75.23	0.01	39	Negligible
<b>Total</b>	<b>1121</b>	<b>686.70</b>	<b>5002.03</b>	<b>835.88</b>	<b>381.29</b>	<b>298.61</b>	<b>24.77</b>	<b>36</b>	<b>0.49</b>
<b>SJSRY</b>									
1997-98	11	2.34	NA	8.39	1.65	0.94	5.80	11	--
1998-99	172	234.13	1008.30	224.38	119.95	38.31	66.12	17	18.46
1999-2000	129	229.72	560.53	280.93	58.07	19.22	103.64	7	18.48
<b>Total</b>	<b>312</b>	<b>466.19</b>	<b>6570.86</b>	<b>513.70</b>	<b>179.67</b>	<b>58.47</b>	<b>175.56</b>	<b>11</b>	<b>--</b>

**High administrative expenditure.**

Of total expenditure, expenditure on wages during 1995-2000 varied between 24 and 46 percent under NRY and between 7 and 17 percent under SJSRY against the permissible material and wage ratio of 60:40. The administrative expenditure was substantially high at 18 percent of funds allotted in the schemes executed under SJSRY against the norm of 5 percent resulting in excess inadmissible expenses of Rs 97.12 lakh.

**Large funds spent on incomplete schemes.**

Besides, the works which were taken up by the ULBs of the State under NRY during 1995-98 and under SJSRY during 1998-2000 and were due for completion within three months remained incomplete as of March 2000. The details were as under:

Year	NRY		SJSRY		Total (Rupees in lakh)
	Number of incomplete works	Expenditure incurred (Rs in lakh)	No. of incomplete works	Expenditure incurred (Rs in lakh)	
1995-96	604	220.58	--	-	220.58
1996-97	112	37.48	--	-	37.48
1997-98	56	18.01	6	5.80	23.81
1998-99	--	--	48	26.45	26.45
1999-2000	--	--	89	199.78	199.78
<b>Total</b>	<b>772</b>	<b>276.07</b>	<b>143</b>	<b>232.03</b>	<b>508.10</b>

**Funds not drawn for years though revalidated by GOI.**

Rupees 5.08 crore were spent on schemes which remained incomplete as of March 2000. Further, Rs 31.00 lakh (Rs 17.26 lakh + Rs 13.74 lakh) allotted under PMRY by the Government of India during 1998-2000 were not encashed by State Government despite revalidation by Government of India for their utilisation in subsequent years.

### 3.4.9 Maintenance of inventory of assets

**Inventory of assets created not maintained.**

Inventory of assets created was not maintained in any of the districts test-checked or at State level. There was no evidence of handing over of assets created under NRY and SJSRY to regular department for their maintenance. Inspection of assets created was not also conducted periodically by the district level officials. As a result, shortage or existence of assets created was not ascertainable.

### 3.4.10 Engagement of contractors

As per guidelines the works under the schemes were to be executed departmentally and engagement of contractors was prohibited. On the



contrary, in 13 districts test-checked contractors were engaged for execution of works as under:

Contractors engaged, though prohibited.

Name	Year	Total Allotment (Rs in lakh)	No. of works	Estimated cost (Rs in lakh)	Total Expenditure (Rs in lakh)	Completed/ incomplete
<b>NRV</b>						
1. N.A.C. Kanti, Muzaffarpur	1996-97	8.99	4	8.39	5.57	Incomplete
2. Municipality Dhanbad	1997-98	8.20	3	8.00	7.88	Completed
3. Gaya Municipality	1997-98	33.28	2	10.05	1.00	Incomplete
<b>Total</b>		<b>50.47</b>	<b>9</b>	<b>26.44</b>	<b>14.45</b>	<b>6 incomplete</b>
<b>SJSRY</b>						
4. Gaya Municipality	1998-99	N.A.	31	49.15	34.91	22 Incomplete 9 Completed

Loss in engagement of contractors.

Due to execution of works through contractors the Government had to pay avoidable centage charges of Rs 2.47 lakh to contractor, while employment for 0.42 lakh mandays was denied to the target group of people.

### 3.4.11 Viability/ Sustainability of units

Viability/ sustainability of units not ascertained.

Viability/ sustainability of units to whom subsidy was provided under the programme for establishing micro-enterprises was not ascertained by the State level officers or by the officers of the districts test-checked.

### 3.4.12 Other points

Payment not supported by vouchers was doubtful.

**3.4.12.1** District Industries Centre (DIC), Dhanbad paid Rs 6.81 lakh to 4 non-governmental organisations (NGOs) for imparting training to 1538 trainees during 1994-99. The expenditure reported by the NGOs was not supported by attendance sheets, receipt of stipend and training materials etc. Thus, the payment was doubtful.

Funds grossly misutilised for payment of salary of staff.

**3.4.12.2** Darbhanga Municipal Corporation (DMC) unauthorisedly fixed Rs 14.37 lakh of NRV (Rs 10.87 lakh) and UBSP (Rs 3.50 lakh) funds with Indian Bank in February 1996 and earned interest of Rs 3.85 lakh upto August 1999. The corporation borrowed a loan of Rs 12.60 lakh for payment of arrear salary to staff for January 1997 to March 1997 against the same fixed deposit in April 1997 and the interest earned (Rs 2.25 lakh upto May 1997) on fixed deposit was adjusted against the loan. Urban Development Department did not take any action for gross misutilisation by the corporation of funds meant for urban poor.

Funds misutilised on unintended objects.

**3.4.12.3** Urban Development Department misutilised Rs 30.00 lakh (August 1996) for payment of loan to Water Board without any interest. The loan was refunded to department in August 1997. Further, Rs 12.81 lakh were paid out of NRV fund to two other institutions not connected with the programme implementation as loan in 1996-97. The loan was not refunded to the department as of July 2000.

**3.4.12.4** DRDA, Munger spent Rs 2.16 lakh out of NRV funds on purchase of sofa set, furniture etc. for collector and printing charges during



1992-93 to 1998-99. Further, in 8 districts<sup>7</sup> test-checked funds of Rs 75.93 lakh pertaining to NRY (Rs 42.83 lakh) and SJSRY (Rs 33.10 lakh) were diverted to other purposes like purchase of chairs, payment of salary to staff, repair of tractor, construction of chairman's chamber, badminton hall etc.

**3.4.12.5** Munger Municipality paid advance of Rs 4.37 lakh to a Junior Engineer for construction works under SJSRY during August 1998 to October 1999. The amount remained unrecovered/ unadjusted as of March 2000.

### **3.4.13 Monitoring**

**Monitoring totally absent.**

State Government did not submit periodical reports and returns to Government of India in prescribed proforma containing details of information regarding availability of fund, expenditure incurred, targets fixed, number of beneficiaries assisted and trained, number of mandays generated, position of recovery of loan etc. Monitoring cells at the Bihar Urban Development Agencies (BUDA), District Urban Development Agencies (DUDA), District Industries Centres (DIC) and Industry Department levels were not created in order to ensure effective implementation of the programme, though required. Thus, monitoring of the programme was totally absent.

The points were referred to government (September 2000); their reply had not been received (January 2001).

---

<sup>7</sup> Gaya: Rs 12.65 lakh; Bhojpur: Rs 2.16 lakh; Singhbhum: Rs 2.97 lakh; Munger: Rs 46.67 lakh; Katihar: Rs 0.58 lakh; Muzaffarpur: Rs 2.47 lakh; Nalanda: Rs 4.17 lakh; Saran: Rs 4.27 lakh.



## **SECTION - B : PARAGRAPHS**

### **ANIMAL HUSBANDRY DEPARTMENT**

#### **3.5 Irregular expenditure due to illegal appointment of staff**

*Four Regional Deputy Directors unauthorisedly appointed 9 persons on adhoc basis without observing recruitment procedure involving expenditure of Rs 13.78 lakh.*

Department of Personnel and Administrative Reforms, Government of Bihar banned (April 1979) adhoc appointment on class III and IV posts and subsequently stressed (June 1986) for strict compliance of their order with termination of services of those staff appointed on adhoc basis after August 1985.

Audit scrutiny of records (May 1998) revealed that 4 Regional Deputy Directors of Animal Husbandry Department violated the instructions of the department and unauthorisedly appointed 9 persons (Saran:5; Muzaffarpur:2; Gaya:1 and Patna:1) on posts of grade IV and statistician during January 1988 to September 1991 on adhoc basis without observing recruitment procedures, like calling for names from Employment Exchange of the State Government and inviting names of eligible persons by publication in newspapers.

It was also noticed that the Regional Deputy Directors transferred irregularly appointed staff from one district to another so that irregular appointment unauthorisedly made by them remained undetected. The District Animal Husbandry Officer, Siwan had to incur irregular expenditure of Rs 13.78 lakh as of March 2000 on pay and allowances of 9 persons unauthorisedly appointed on adhoc basis in violation of recruitment procedures and strict instructions of the Department of Administrative Reforms banning appointment of staff on adhoc basis.

At the instance of Audit (May 1998) Regional Deputy Director, Saran, Chapra terminated the service of one statistician in September 1999 and sought for necessary direction from the Director, Animal Husbandry, Bihar, Patna in respect of 8 other unauthorisedly appointed staff. However, they continued in service as of May 2000.

The matter was referred to government (June 2000); their reply had not been received (January 2001).

**CABINET SECRETARIAT AND CO-ORDINATION DEPARTMENT  
(ELECTION BRANCH)**

**3.6 Unauthorised drawal of election funds and infructuous expenditure on election to JAAC**

The State Election Commission, Bihar, Patna (July 1997) allotted Rs 9.72 crore to 19 officers<sup>1</sup> of 18 districts for conducting election of members of Jharkhand Area Autonomous Council (JAAC) comprising 162 constituencies and the State Election Commission, Bihar notified on 15 December 1997 the schedule of election of the members of the JAAC. As per the schedule the election was to be completed during 26 December 1997 to 23 January 1998. However, the schedule of the election was kept in abeyance on 18 December 1997 till such time a revised schedule was notified by the State Election Commission.

Test-check of records of 6 offices of District Panchayati Raj Officers/ Deputy Commissioners-cum-District Election Officers (Chaibasa, Ranchi, Dhanbad, Bokaro, Hazaribag and Jamshedpur) conducted between February 1999 and August 1999 revealed that, of funds of Rs 4.68 crore allotted to these six districts, Rs 3.34 crore were withdrawn from the treasuries concerned by the District Election Officers during 1997-98 and 1998-99 by way of advance from State Contingency Fund for procurement of election materials. The funds drawn were not utilised for the stated purpose and were either retained in cash or deposited by the DDOs in different bank accounts in the districts. Thus, State Contingency Fund was misused.

Against the funds drawn Rs 19.73 lakh were spent by the officers concerned in the districts on photocopies of electoral rolls, purchase of xerox machine and other contingent expenditure during August 1997 to July 1999. The total expenditure of Rs 19.73 lakh was rendered infructuous as no election to JAAC was held as of August 1999 and JAAC does not exist any more after the formation of State of Jharkhand.

Further on the deposits in banks, the government sustained a loss of interest of Rs 70.85 lakh (at the government borrowing rate of 11.30 per cent per annum) on Rs 3.19 crore kept in current accounts in 4 districts (Ranchi, Dhanbad, Bokaro and Hazaribag: Rs 1.53 crore) and in saving accounts in 2 districts (Chaibasa and Jamshedpur: Rs 1.66 crore) as of August 1999.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

<sup>1</sup> RDC-cum Chief Executing Officer, Ranchi, District officers: Garhwa, Palamu, Lohardaga, Gumla, Ranchi, Hazaribag, Chatra, Koderma, Bokaro, Giridih, Dhanbad, Deoghar, Dumka, Godda, Sahebganj, Pakur; W. Singhbhum, Chaibasa and East Singhbhum Jamshedpur.



**FINANCE DEPARTMENT**

**3.7 Central Grants as recommended by 10 Finance Commission**

**1 Introduction**

Against approved action plan of Rs 230.86 crore, Rs 155.03 crore only were spent.

On recommendation of Tenth Finance Commission (TFC), Government of India (GOI) approved action plan for Rs 230.86 crore for upgradation of standard of administration/ Primary Education (Rs 173.36 crore) and for tackling Special Problems (Rs 57.50 crore) warranting attention in responsive manner. Government of India released Rs 65.44 crore (Rs 25.44 crore: Upgradation and Rs 40.00 crore: Special Problem Grant) during 1996-2000 to State Government. The State Government released Rs 173.77 crore as Upgradation Grant (Rs 168.27 crore) and Special Problem Grant (Rs 5.50 crore) for execution of various schemes by 8 departments wherein Rs 155.03 crore (Rs 153.62 crore for Upgradation Grant and Rs 1.41 crore for Special Problem Grant) were spent.

The Finance Commissioner was the nodal authority for watching the progress of utilisation of grants and maintaining liaison with GOI regarding approval of action plan of TFC and release of funds for execution and implementation of schemes.

Records of 8 implementing departments relating to approval of action plan, release of fund by GOI, release of fund by State Government and utilisation thereof for the period 1996-2000 were test-checked during April-May 2000 in order to ascertain efficiency and effectiveness in administration of grants.

**2 Release of grants and expenditure**

Release of grants during 1996-2000, expenditure against them and audit findings thereon were as under:

Department	Schemes	Funds released		Funds spent	Audit findings
		By GOI	By State		
(Rupees in crore)					
<b>(A) Upgradation grant</b>					
1 Revenue and Land Reforms	Construction, renovation and modernisation of record rooms	1.46	9.80	2.33	76 per cent (Rs 7.47 crore) of available funds remained unutilised and physical progress of schemes was only 6 per cent (7) of targets (109). Utilisation certificate for the Central Grant was not furnished to GOI.
2. Finance	Computerisation of treasuries	3.60	6.40	6.37	Treasury Officer, Patna Secretariat Treasury, Nirman Bhawan, Patna, the DDO, drew Rs 6.37 crore on AC bills for advance payment to parties. He did not submit detailed contingent bill for this to the Accountant General. Rupees 39.42 lakh were misutilised for computerisation of Finance Department. 43 (out of 58) of the targeted district treasuries only were computerised. Utilisation certificate for the Central Grant was not submitted to GOI.

Department	Schemes	Funds released		Funds spent	Audit findings
		By GOI	By State		
		(Rupees in crore)			
3. Secondary Primary and Adult Education	Drinking water and toilet in primary and upper primary schools and girls education	9.07	66.87	66.87	Utilisation certificate for expenditure against Central grant was not furnished to GOI. Physical achievements under various components of the scheme varied from 1 to 26 per cent of the targets and did not commensurate with the spending.
4. Home (Police)	Construction on Police Stations, Police housing and Police training	9.20	62.54	62.36	Department did not furnish utilisation certificate to GOI for the grants received. Shortfalls in physical achievements in various components of the schemes varied from 27 to 91 per cent of targets.
5. Home (Fire Services)	Modernisation and enhancing fire fighting capabilities	1.05	11.84	6.61	Utilisation certificate for grants received was not submitted to GOI. There was no expenditure on training of manpower. Due to administrative delay in fabrication of vehicles, 47 vehicles procured at a cost of Rs 2.09 crore during 1997-98 and 1999-2000 remained unutilised.
6. Home (Jails)	Repairs/ renovation of Jails and medical facilities in jails.	1.06	10.82	9.08	Utilisation certificate for the Central grant was not furnished to GOI. Expenditure included Rs 1.06 crore kept unauthorisedly in Civil Deposits since March 2000.
<b>(B) Special Problem Grant</b>					
7. Health, Medical Education and Family Welfare	Purchase of X-ray and diagnostic equipment for Sadar and Sub-divisional hospitals	1.00	5.50	1.41	Utilisation certificate for grant received not furnished to GOI. Additional Commissioner-Special Secretary misutilised funds on unintended objects as he provided Rs 1.42 crore to Executive Engineer, State Family Welfare Bureau, Patna and Rs 4.08 crore to 12 Divisional Commissioners for renovation of 35 Sub-divisional hospitals
8. Agriculture	Tal land and diara land development	39.00	--	--	Agriculture Department did not make provision for utilisation of this grant (1999-2000) and did not draw the amount of grant, nor did it obtain sanction for extension of the grant in the following year 2000-2001
<b>Total</b>		<b>65.44</b>	<b>173.77</b>	<b>155.03</b>	

Against approved action plan of Rs 230.86 crore for different activities, Government of India released Rs 65.44 crore only. Remaining Rs 165.42 crore were not released by Government of India due to non-submission of utilisation certificates by the State Government for the funds received.

### 3 Monitoring and evaluation

#### Monitoring of action plans absent.

State level empowered committee headed by Chief Secretary was to meet frequently at least once in two months to monitor financial and physical progress of various action plans. Similar committee was to be formed at district levels. However, no such committee was constituted at State and district levels as of May 2000.

Finance Commissioner/ Additional Finance Commissioner had set up a task force committee to review and monitor the progress in computerisation programme of treasuries only. But no report of the task force committee was made available to Audit. Finance Department did not initiate action to get the schemes monitored by appropriate committees at different levels though the



Finance Commissioner was the nodal authority for monitoring implementation of the action plans. Thus, monitoring of action plans was totally absent.

No evaluation study was conducted by any organisation to assess the benefits of the programmes, though required.

#### **4 Conclusion**

Schemes for upgradation of standard of administration and tackling special problems in the health care and development of Tal and Diara land were grossly mismanaged. Their implementations were marred by poor utilisation/non-utilisation / misutilisation of funds and absence of monitoring at all levels. Further, benefit of admissible central grant of a huge sum of Rs 165.42 crore during 1996-2000 was not availed due to non-submission of utilisation certificates to Government of India for the funds received by the State. As a result the physical performance of schemes was poor.

The points were referred to government (August 2000); their reply had not been received (January 2001).

### **AGRICULTURE, FINANCE, HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE, SECONDARY, PRIMARY AND ADULT EDUCATION DEPARTMENTS**

#### **3.8 Defalcations: Rs 54.65 lakh by 4 DDOs in 4 departments**

The following cases of defalcations were noticed in audit. In all these cases, amounts were fraudulently drawn by DDOs from the treasury and the Treasury Officer failed to observe the rules and check the bills properly.

**Disregard of rules by the DDO, Controlling Officer and the Treasury Officer facilitated fraudulent drawal and defalcation of Rs 14.82 lakh.**

(a) Audit scrutiny of cash book, bill book, treasury messenger book and bank scrolls relating to withdrawals made by the Project Executive Officer (PEO), Bikramganj from Rohtas Treasury, Sasaram during April 1998 to May 1999 disclosed (December 1999/ January 2000) that Rs 14.82 lakh were fraudulently drawn from the treasury against 26 bills under the heads "2401 Agriculture" (19 salary bills: Rs 11.82 lakh), "8011 Insurance and Pension Funds" (4 bills: Rs 1.30 lakh) and "2071 Pension and Other Retirement Benefits" (3 bills: Rs 1.70 lakh). Scrutiny revealed that the Head Accountant-cum-Cashier (Jagdamba Prasad Dubey) and the Project Executive Officer, Bikramganj (Ramanuj Prasad) resorted to fraudulent drawals of Rs 14.82 lakh on forged bills bearing identical and same numbers. The relevant pages of treasury messenger book (000007 to 000041) were removed after fraudulent drawals on forged bills. The amount of Rs 14.82 lakh fraudulently drawn was neither entered in the cash/bill book of the office nor was there any claimant for the amounts as the claims were fictitious. The amount so drawn was defalcated.

The defalcation was facilitated due to disregard of rules by the Project Executive Officer (the Drawing and Disbursing Officer), Bikramganj, the Controlling Officer (District Agriculture Officer, Rohtas) and the Treasury Officer, Rohtas, Sasaram. The Controlling Officer did not obtain monthly



expenditure statements from the Project Executive Officer or reviewed the unusual expenditure under the concerned heads of accounts in the establishment of the Project Executive Officer, Bikramganj. The Treasury Officer, Sasaram failed to check the bills presented to him for payment and did not verify and detect the missing pages of treasury messenger book through which bills were presented to him by the Project Executive Officer through the cashier.

The Project Executive Officer, Bikramganj did not ensure entry of drawals of funds from the treasury in the cash book and attest maintenance of the cash book as required under Rule 86 of Bihar Treasury Code Vol.I. He did not obtain treasury voucher slips (TV slips) from the treasury every week to check the drawals made by his office and thus facilitated fraudulent drawal from treasury.

At the instance of Audit, District Agriculture Officer, Rohtas, Sasaram lodged FIR with Police (January 2000) against the Project Executive Officer, Bikramganj and the cashier under him. Finding of the Police was awaited (March 2000).

**Failure of the Assistant Commissioner, Commercial Taxes, Giridih and the Treasury Officer, Giridih facilitated fraudulent drawal and defalcation of Rs 33.76 lakh.**

(b) As per provisions of Rule 338 of Bihar Financial Rules<sup>1</sup> every refund of revenue is to be drawn against the sanction of competent authority only on demand and on the receipt of the persons entitled to receive them. Every refund should be noted against the original credit in the departmental accounts or other documents in which money received are entered in detail, a certificate of such a note having been made must be given in all vouchers for refunds. While preferring bills for refund of revenue at the treasury, every Drawing and Disbursing Officer should observe application of these provisions. While allowing refunds, Treasury Officer should verify the original credit with reference to detailed particulars of credit mentioned in the bill.

Scrutiny of cash book and refund register (August 1999) of the office of the Assistant Commissioner (AC), Commercial Taxes, Circle, Giridih and verification of payment schedule in Giridih Treasury and cross checking the Refund Register of the AC (December 1999) revealed that Rs 33.76 lakh were fraudulently drawn by the Assistant Commissioner through 15 bills from Giridih treasury during September 1998 to August 1999 on account of refund of sales tax etc. in the names of Indian Expel Limited and Kalyan project, though no such industrial/ business units existed. Scrutiny of the relevant records revealed that the 15 bills for drawal of Rs 33.76 lakh signed by the Assistant Commissioner were not supported with any application for the refunds from any industrial/ business unit and were not sanctioned by the competent authority. The Assistant Commissioner, Commercial Taxes was competent to sanction refund of Rs 5000 only, while the bills for refund amounted for amounts varying from Rs 0.39 lakh to Rs 4.99 lakh in each case.

Fraudulent drawal of Rs 33.76 lakh remained undetected till the time of audit (August 1999) as the Assistant Commissioner, Commercial Taxes, Giridih failed to verify the drawals with the Treasury Voucher Slips every week, as required under rules. The Treasury Officer, Giridih neglected his duty to verify the genuineness of credit mentioned in the bills. He also failed to check

<sup>1</sup> Read with Rules 423, 424, 425, 426 of Bihar Treasury Code Vol.-I



and insist on the sanction for the refunds, application for refunds, and sanction of competent authority as per the delegation of powers for sanction of refund before passing the bills and thus facilitated fraudulent drawal of the 15 refund bills for Rs 33.76 lakh. Bills drawn were disbursed in cash though any sum in excess of Rs 20 thousand was to be paid by cheque.

At the instance of Audit, the Assistant Commissioner, Commercial Taxes, Giridih informed (September 1999) the audit finding to the Deputy Commissioner, Giridih and the Treasury Officer, Giridih. The Deputy Commissioner constituted (September 1999) a three member committee to investigate into the forged drawals from the treasury. The Committee held (September 1999) that the illegal drawals of money from Giridih treasury was made through fake bills. On this, the Deputy Commissioner directed (September 1999) the Additional Collector, Giridih to lodge FIR with the Police against guilty officials. Accordingly the Additional Collector, Giridih lodged an FIR (September 1999) at Giridih Police Station against 3 officials of Giridih Treasury and 3 proprietors of the forged companies for fraudulent drawal of Rs 33.76 lakh. Findings of the Police investigation were not available (March 2000). However, no action was initiated by the Deputy Commissioner against the Treasury Officer, the Assistant Commissioner and his officials although these officers were directly responsible for the fraudulent drawals.

**Non-maintenance of cash book in Sadar Hospital, Madhubani facilitated defalcation of Rs 1.69 lakh.**

(c) Rule 86 of Bihar Treasury Code vol. I prescribed that every government servant receiving money on behalf of government is required to maintain a cash book in prescribed form (TC form 6) to record all money transactions as soon as they occur and every entry in the cash book should be attested by the head of office in token of check. The cash book should be closed and balanced each day regularly and completely checked. The head of office should verify the totalling of the cash book or have this done by some responsible subordinate other than the writer of the cash book and initial it as correct. At the end of each month he should verify the cash balance in the cash book and record a signed and dated certificate to that effect.

Scrutiny of account records of Sadar Hospital, Madhubani (May – June 1999) revealed that the cashier of the hospital did not maintain cash book during February 1996 to 26 June 1996 which was a basic account record required to be maintained under Rule 86 of Bihar Treasury Code, while the Superintendent of the hospital did not supervise to ensure maintenance of the cash book, though required. The total drawals made from Madhubani treasury during the said period was cross checked by Audit with the records of disbursement available in the hospital and such cross checking of records disclosed defalcation of Rs 1.69 lakh as under:

	Description	Amount (In Rupees)
1.	Closing balance of cash book as on 31.1.1996	165202.51
2.	Drawals from Madhubani treasury during 1.2.1996 to 26.6.1996	1658524.75
3.	Total (1+2)	1823727.26
4.	Total disbursement made during 1.2.1996 to 26.6.1996	1617524.55
5.	Closing balance as on 27.6.1996 (3-4)	206202.71
6.	Actual balance shown in cash book as on 27.6.1996	37272.42
7.	<b>Amount defalcated (5-6)</b>	<b>168930.29 or 1.69 lakh</b>



Defalcation of Rs 1.69 lakh was facilitated due to failure of the Superintendent of the hospital who did not ensure maintenance of cash book as required under rules.

Superintendent, Sadar Hospital, Madhubani did not initiate action to investigate into the matter with a view to fixing responsibility as of May 2000.

**Disregard of rules by Head Master of a school and a Treasury Officer facilitated fraudulent drawal and defalcation of Rs 4.38 lakh.**

(d) A test-check of records (September 1999) of District Superintendent of Education (DSE), Betia revealed that in the Government Middle School, Bankatwa, the Head Master (Nathuni Sah) drew during 1993-96, 99 bills of General Provident Funds advance for Rs 13.59 lakh from the treasury. Of this, 26 bills for Rs 4.22 lakh were not entered in the Cash book either as receipt or disbursement, while actual payees' receipt in respect of disbursement of one bill for Rs 0.16 lakh was not available. Thus, there was defalcation of Rs 4.38 lakh.

The defalcation was rendered possible mainly due to disregard of the following codal provisions by the Head Master who was the Drawing and Disbursing Officer:

- He did not maintain Treasury Messenger Register for bills sent to treasury for safeguard against presentation of forged bills at the treasury, though required under Rule 179 of the Bihar Treasury Code-Volume-I.
- He did not verify entry in the book while signing bills for presentation to the treasury.
- He did not make entry of drawals in the cash book, though all the monetary transactions carried out by him was to be entered in the cash book under proper attestation of the head of the office as required under Rule 86 of Bihar Treasury Code Vol.I.
- He did not detect and prevent fraudulent drawal from treasury by verification of treasury voucher slips obtained periodically from treasury, though required under rules.
- He drew and disbursed General Provident Fund advance bills without counter signature of the District Superintendent of Education who was the authority to sanction advances from General Provident Fund to a government servant, though required under Rule 137 of Bihar Treasury Code - Volume I.

Treasury Officer, Betia failed to detect non-compliance of these rules by the Head Master, Government Middle School, Bankatwa in regard to drawal of bills from the treasury facilitating fraudulent drawal of money from treasury and defalcation of Rs 4.38 lakh.

District Superintendent of Education, Betia did not investigate into the matter and did not initiate legal and departmental action against the erring Head Master.



The points were referred to government (April/ June 2000); their replies had not been received (January 2001).

## FOREST AND ENVIRONMENT DEPARTMENT

### 3.9 Neglect of the work of compensatory afforestation

Under the Forest Conservation Act, 1980, compensation was realised towards cost of forest produce, net present value of forest land and cost of compensatory afforestation from the user agency, in case of diversion of forest land for non-forest purposes. Equivalent land for compensatory afforestation was also to be made available to the Forest Department from the user agencies.

Test-check of records of 10 forest divisions (between May 1999 and March 2000) revealed that Rs 8.44 crore were received by them during 1985-99 towards the cost of compensatory afforestation from different user agencies as per details below:

Sl. No.	Divisions	Area transferred (in hectares)	Amount of compensatory afforestation received (Rupees in crore)
1.	North Forest Division, Chaibasa	2880.00	5.70
2.	South Forest Division, Chaibasa	271.481	1.21
3.	Saranda Forest Division, Chaibasa	178.757	0.36
4.	East Forest Division, Hazaribag	703.031	0.30
5.	Gumla Forest Division, Gumla	47.410	0.28
6.	Porahat Forest Division, Chaibasa	26.600	0.21
7.	Bokaro Forest Division, Bokaro	---	0.23
8.	Valmiki Tiger Project Division No.II, Bettiah	59.060	0.06
9.	Munger Forest Division, Munger	124.426	0.05
10.	Koderma Forest Division, Koderma	19.830	0.04
	<b>Total</b>	<b>4310.595</b>	<b>8.44</b>

To maintain the ecological balance, compensatory afforestation was one of the most important conditions prescribed by Government of India before approving proposals for diversion of forest land to non-forest use.

Although 4310.595 hectares of forest land were utilised for non-forest purposes between 1985-99, compensatory afforestation was done only in 68.00 hectares till March 2000 against 1017.276 hectares of land available for compensatory afforestation as necessary funds for the same was not released by the department. Till 1992-93, Rs 1.03 crore realised towards compensatory afforestation was deposited under the revenue head of forest department i.e. "8782 – forest – Receipts". In the year 1992-93 a separate budget head was created to deposit the amount for compensatory afforestation as "8235- General and other Reserve Fund-200 other Funds-Not-bearing Interest-Special



Funds for Compensatory Afforestation” in which Rs 7.41 crore were deposited till March 1999.

Although full extent of the equivalent land given away by the Forest Department to user agencies were not available, Department could have taken up plantation at least on the part land available under compensatory afforestation as funds were available. However, they took no action to finalise the schemes for afforestations. As a result neither budget provision was made nor any fund was released by the department to the divisions. Thus, compensatory afforestation which was necessary to quickly recoup the lost forest cover and maintain ecological balance was neglected by the department, though this was required to be done on priority.

The matter was referred to government (July 2000); their reply had not been received (January 2001).

### 3.10 Unauthorised creation of liability

No authority could enter into a liability involving expenditure from public funds until the expenditure had been sanctioned by general or special orders of the Government or by competent authority and the expenditure had been provided in the appropriation for the year.

Raising of plantation comprised of two main sectors viz. “advance work” and “completion work” involving two financial years. Execution of works without budget provision/ allotment of fund and wages of labourers were pending in anticipation of allotment. The work was executed in anticipation of budget allotment. No payment was made for completion work. The work was executed departmentally through muster roll. Under different budget heads funds were released during the years 1996-97 to 1998-99 for advance work of plantation but during the succeeding years funds for completion work and maintenance of plantation could not be released. The Chief Conservator of Forests (CCF, Development), Bihar, Ranchi (July 1997) intimated all the Divisional Forest Officers and Conservator of Forests that unless sanction of Government was received, any kind of financial liability should not be created for completion work of plantation.

Scrutiny of records of 7 forest divisions between December 1997 and March 2000 revealed that in disregard of these orders, divisions created unauthorised liabilities of Rs 61.28 lakh towards completion of plantation during plantation year 1997 to 1999, though no fund was provided in the successive budgets. Details were as under:

Sl. No.	Name of division	Year of plantation	Area planted (in hectares)	Amount of liability created (Rupees in lakh)
1.	Dumka Forest Division	1996	522.195	13.62
		1997	133.717	
2.	Latchar Forest Division	1997	330.000	9.62
3.	Singhbhum Afforstation Division, Chaibasa	1997	100.000	3.41
4.	Extension Forest Division, Biharsharif	1997	40.000	1.76



Sl. No.	Name of division	Year of plantation	Area planted (in hectares)	Amount of liability created (Rupees in lakh)
5.	Chatra Afforestation Division	1997	75.000	3.66
6.	Chaibasa South Forest Division	1999	43.120	1.54
7.	Hazaribag Afforestation Division	1999	566.820	27.67
	<b>Total</b>			<b>61.28</b>

Divisional Forest Officer (DFO), Biharshariff stated that prior to receipt of instructions from CCF (Development) plantation was completed. DFOs, Dumka and Hazaribag Afforestation Division stated that the matter had been reported to higher authority, while the DFO, Latehar stated that keeping the time schedule for plantation during rainy season, plantation was done by creating liability.

The above replies were not tenable as neither the fund was allotted nor the sanction of higher authority obtained for creating financial liability.

The matter was referred to government (July 2000); their reply had not been received (January 2001).

### 3.11 Unauthorised deployment of staff

No permanent/ temporary posts under Government could be created without sanction of the Government and the payment of salary and allowances to the staff in excess of sanctioned strength was not permissible.

Scrutiny of records of 16 forest divisions revealed (between May 1999 to March 2000) that 116 officials (including 19 officers) were posted by Government/ department in these divisions for various periods between March 1994 and March 1999 though there was no sanction of posts and Rs 1.30 crore was spent on the pay and allowances as detailed below:

Sl. No.	Division	Designation	No. of sanctioned post	Men in position	Excess	Amount (Rs. in lakh)
1.	Ranchi West Forest Division, Lohardaga	Asstt. Conservator of Forests (ACF)	2	3	1	0.90
		Ranger Officer of Forest (ROF)	4	5	1	0.58
2.	Valmiki Tiger Project Division, No.1, Bettiah	ROF	2	3	1	3.19
		Forester	8	11	3	6.45
3.	Saranda Forest Division, Chaibasa	ACF	2	3	1	1.22
4.	North Forest Division, Chaibasa	ACF	1	3	2	2.39
5.	South Forest Division, Chaibasa	ACF	--	2	2	4.56
		Coup Supervisor	--	1	1	0.63
6.	Kolhan Forest Division, Chaibasa	ACF	1	3	2	3.22
7.	Extension Forest Division, Katihar	Guard/ Worker	10	17	7	10.41
		Mali	--	2	2	2.44
		Routine Clerk	--	2	2	3.46



Sl. No.	Division	Designation	No. of sanctioned post	Men in position	Excess	Amount (Rs. in lakh)
8.	Extension Forest Division, Purnea	ACF	1	2	1	2.77
		Supervisor	--	2	2	2.12
		Worker	--	10	10	9.04
9.	Extension Forest Division, Begusarai	ACF	--	2	2	4.58
		Office Asstt.	2	4	2	3.59
		Range Clerk	--	1	1	
		Forest Guard	--	15	15	13.87
10.	Extension Forest Division, Saharsa	Asstt.	2	3	1	0.96
		Routine Clerk	--	1	1	0.89
		Range Asstt	--	5	5	4.38
		Mali	--	3	3	2.84
		FG/Worker	16	21	5	2.33
		-do- (1998-99)	--	21	21	11.90
11.	East Forest Division, Hazaribag	ACF	1	2	1	2.24
12.	North Forest Division, Daltonganj	ROF	6	7	1	1.62
		Forester	21	27	6	7.78
13.	Dumka Forest Division	ACF	1	2	1	2.36
		Forester	21	23	2	0.50
14.	Gaya Forest Division	Supervisor	--	3	3	
		Worker	--	2	2	
		Mali	--	1	1	8.02
15.	Afforestation Division, Gaya	ACF	1	2	1	2.28
		Forest Guard	60	62	2	2.64
16.	West Forest Division, Hazaribag	ACF	1	3	2	3.77
	<b>Total</b>		<b>163</b>	<b>279</b>	<b>116</b>	<b>129.83 or Rs 1.30 crore</b>

Twelve Divisional Forest Officers (Lohardaga, Betia, Chaibasa South, Chaibasa North, Saranda, Purnea, Begusarai, Saharsa, Daltonganj North Dumka, Gaya Afforestation and Hazaribag East) stated that the matter was reported to higher authorities while the Divisional Forest Officer, Kolhan Forest Division, Chaibasa stated that the sanctioned strength of Assistant Conservator of Forests was not in excess at the State level. Reply was not tenable as there was shortage of staff of different categories in Ranchi West Division, Saranda Forest Division, Chaibasa North Division, Chaibasa South Division, Kolhan Forest Division, Hazaribag East Division etc. as the postings were to be made as per the sanctioned strength of the divisions and no payment was to be made to a person against unsanctioned posts. Operation of 116 excess posts in the divisions was facilitated by the deployment of staff by the department in excess of sanctioned strength in violation of rules resulting in unauthorised payment of pay and allowances for Rs 1.30 crore during 1994 to 1999.

The matter was referred to government (July 2000); their reply has not been received (January 2001).

### 3.12 Wastage of Public funds in the name of advance work

Raising of plantation comprised of two main sectors viz "advance work" and "completion work" involving two financial years. Further, advance work comprised of survey, site clearance, pit digging, fencing and raising of seedlings in the nursery and planting of seedlings, hoeing and weeding and other related works are termed as "completion work". Advance work is taken



up during October to March and completion work in the following year during April to September.

In two forest divisions (Bokaro and Dhanbad) schemes for plantation were submitted (1998-99) to CCF (Dev), Bihar and after approval of the schemes funds for advance work in 478 hectares of forest land and 5.52 km in road side plantation amounting to Rs 33.83 lakh was released (1998-99) by the CCF (Dev), Bihar and work was executed accordingly but funds for completion work in the following year was not released (1999-2000) by CCF (Dev), Bihar which resulted in wastage of public funds in the name of advance work due to unplanned haphazard release of funds by PCCF/CCF (Dev), Bihar, Ranchi

Divisional Forest Officers stated that the completion work of plantation against the advance work could not be executed due to non-receipt of fund. This is not tenable as the Divisional Forest Officers should not have undertaken a large number of advance work on forest land on which completion work was not possible due to uncertainty of funds.

The matter was referred to government (July 2000); their reply had not been received (January 2001).

## **HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE DEPARTMENT**

### **3.13 Imported mobile medical clinic vans misused for Garib Rally**

Government of India supplied (1979-80) to the State 27 mobile medical clinic vans (valued at Rs 20 lakh each approximately) which were obtained from United Kingdom(UK) under Indo-UK Assistance Project for providing health services to rural people. The vans were distributed (during August-September 1980) to the different Civil Surgeons and Chief Executive Medical Officers and Principals of Medical Colleges<sup>1</sup>.

Scrutiny of records (August 1996/ August 1998) of the Civil Surgeon-cum-Chief Medical Officer, Bhagalpur/ Anugraha Narain Medical College, Gaya and further examination of records/ informations collected from different offices<sup>2</sup> (March 1998, March and May 1999, June 1999) revealed that though these medical clinic vans were expected to start functioning for health care of rural people as soon as these were received, these 27 vans valued at

<sup>1</sup> Gaya (3 nos.), Muzaffarpur (5 nos), Dhanbad (1 no.), Darbhanga (4 nos.), Jamshedpur (3 nos.), Bhagalpur (3 nos. through Civil Surgeon, Bhagalpur), Ranchi (3 nos.), Patna (4 nos., PMCH-1, NMCH-1, 2 kept by the Dy. Director HS (T) Gulzarbag, Patna for non-delivery to PMCH), Blind Control Unit :1.

<sup>2</sup> Dy. Secretary/ Health, Medical Education and Family Welfare Department, Dy. Director of Health Services (T) Health Workshop, Patna, Superintendent/ Principal, Patna Medical College and Hospital/ Nalanda Medical College and Hospital (PMCH/ NMCH), Patna and Rajendra Medical College and Hospital (RMCH), Ranchi, MGM Medical College, Jamshedpur.



Rs 5.40 crore remained idle for several years and remained non-functional till date (May 1999) either due to theft of medical equipment or negligence of the departmental officers. To operationalize the mobile clinics 27 posts of drivers and 27 posts of cleaners were sanctioned by the government and appointments on these posts were also made (October 1981). As per the order of the Chief Minister, Bihar the Principals of Medical Colleges/ CS-cum-CMO and DM/ DCs concerned were asked by the government (September 1996 and March 1997) to immediately return the damaged and unutilised medical clinic vans to Patna for use in flood relief operation/ garib rally- 1997 after necessary repairs and lodge FIRs for theft of costly medical equipment attached to mobile clinics. However, no FIR was lodged by the CS-cum-CMO and the Principals of different Medical Colleges for theft of valuable equipment. Out of 27 mobile clinics, 11 vans were received in Patna and these were lying unutilised in the premises of the Chief Minister's Secretariat, Patna since 1996 and were sent back (February 1999) to medical colleges. An expenditure of Rs 1.62 crore was incurred upto May 1999 on pay and allowance of the 27 drivers and 27 cleaners who remained without work.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

**3.14 Rupees 47.40 lakh spent on training staff who provided no training for 10 years**

An Auxiliary Nurse Midwife Training School (with sanctioned strength of 50 trainees) was established in Sub-divisional Hospital, Barh in 1972 for imparting training to newly recruited girls in the job of nursing.

Scrutiny of records (March 2000) of the hospital revealed that neither any enrolment of trainee in the training school was made nor was any training imparted during 1990-2000 (upto May 1999) though the school had the full contingent of 1 Principal, 3 trainers, 1 clerk and 6 other staff for training purposes. All the staff posted in the school remained without work and there was nugatory expenditure of Rs 47.40 lakh on their pay and allowances during the same period. The Principal or the Deputy Superintendent of the hospital did not pursue with the Government for enrolment of trainees in the school.

Deputy Superintendent of the Sub-Divisional Hospital, Barh stated (March 2000) that training could not be organised because of department's apathy in sending the list of eligible candidates for undergoing training since 1990.

The matter was referred to government (May 2000); their reply had not been received (January 2001).



## HOME (JAIL) DEPARTMENT

### 3.15 Pilferage of food articles in 2 Central Jails: Rs 23.59 lakh

*In Special Central Jail, Bhagalpur and Central Jail, Bhagalpur food articles valued at Rs 23.59 lakh were pilfered during January 1992 to November 1999.*

As per instructions of Inspector General (Prisons) Bihar, Patna (November 1991) extra nutritious and supplementary diets viz meat, fish, egg, ghee, milk, fruits, bread, butter, banana are to be provided by the Superintendents/Jailors to the prisoners suffering from tuberculosis, leprosy and other diseases as per diet scale only after consultation and written advice from the Medical Officer incharge of Jail and Civil Surgeon-cum-Chief Executive Medical Officer (CS-cum-CEMO) of the district. Any deviation from this instruction by the Superintendent/Jailor was to be made only after prior approval from the Inspector General (Prisons). This arrangement was introduced to control persistent irregularities in distribution of dietary articles to prisoners in jails and to avoid any superfluous expenditure on diet to prisoners. Further, any deviation from the instruction by the Superintendents of Jails without prior approval of Inspector General (Prisons) was tantamount to defalcation of Government money for which Superintendent/Jailor was to be held responsible.

It was noticed (November 1999 to February 2000) in audit that in disregard of the instruction of the Inspector General (Prison) the Superintendents of Special Central Jail and Central Jail, Bhagalpur reportedly distributed between January 1992 and November 1999 extra quantity of 176276.100 litre of milk, 23617 Kg of Sugar and 8009 Kg of mustard oil amongst 768683 (346681+218756+203246) ailing/diseased prisoners as per diet registers over and above the prescribed norms. Distribution was made without approval from Inspector General (Prisons) and without proper medical advice. Such expenditure of Rs 23.59 lakh (Rs 18.56 lakh + Rs 2.25 lakh + Rs 2.78 lakh) in excess of norm did not appear reasonable. Possibility of pilferage of food articles valued at Rs 23.59 lakh or misappropriation of the same amount by exhibiting inflated distribution of food articles was not ruled out. The accounts/expenditure of the Jails were not inspected/monitored by the Inspector General (Prisons) who was the controlling officer, which facilitated the irregular expenditure to continue for such a long period.

Superintendent, Special Central Jail, Bhagalpur stated (December 1999, February 2000) that extra quantity of diets to ailing/diseased prisoners was discontinued with effect from December 1999, while Superintendent, Central Jail, Bhagalpur did not furnish any specific reply on this point.

The matter was referred to government (May 2000); their reply had not been received (January 2001).



## HUMAN RESOURCE DEVELOPMENT DEPARTMENT

### 3.16 Irregular appointment of teachers

Government of Bihar, Department of Personnel and Administrative Reforms and Director(School Education), Bihar, Patna issued orders (June 1977, April 1979, February 1982, March 1985 and November 1986) from time to time that no fresh appointment of teachers on posts falling vacant on retirement/promotion of teachers should be made on adhoc/daily wage basis and all such appointments made on or after the issue of such orders were to be cancelled.

Test-check of records (August and September 1999) of Government High School, Gardanibag, Patna revealed that 8 teachers were appointed by the order of Regional Deputy Director of Education (RDDE), Patna on adhoc basis against the posts being vacant on promotion of teachers during the period 1981 to 1989. The teachers so appointed on adhoc basis were in continuous service and since then they were drawing their pay and allowances as regularly appointed teachers. Expenditure of Rs 29.37 lakh was incurred on those irregularly appointed teachers during 1982 to 1999 (upto August 1999).

The matter was referred to government (May 2000); their reply had not been received (January 2001).

## INDUSTRIES DEPARTMENT

### 3.17 Nugatory expenditure of Rs 24.96 lakh on pay and allowances of staff of non-functional industrial centres

*Rupees 24.96 lakh were wasted on staff who remained without work for 7 years in 3 non-functional industrial centres under District Industries Centre, Chapra.*

Under the District Industries Centre, Chapra, Ery Silk Exhibition Centre, Govindpur (Chapra), Earthen Pot Manufacturing Centre, Bakerpur (Sonepur) and Ery Silk Supply Centre, Dighwara (now functioning at Sirsa, Gopalganj under the Project Officer, Ranipokhar, Vaishali since December 1996) were established in September 1958 to provide technical assistance and free distribution of disease free silk seeds to cultivators and to manufacture earthen pots, dolls and impart training to farmers in manufacturing earthen pots for adoption of trade.



Scrutiny of records (April 1998) revealed that no fund was provided by the Industries Department during 1992-99 (except for Ery Silk Centre, Dighwara since December 1996) for carrying out the industrial activities. As a result, nine persons (Inspectors:2; Reavers:3; others:4) posted in the 3 centres during April 1992 to March 1997 and 3 persons (Inspector:1; Reaver:1; Night Guard:1) posted in 2 centres (Govindpur and Bakerpur) during April 1997 to March 2000 remained without work and Rs 24.96 lakh were wasted on their pay and allowances during April 1992 to March 2000.

Further, the infrastructure created to provide technical assistance and distribute disease-free silk seeds to cultivators and impart training to them for adoption of different trades remained unutilised. After the matter was brought to the notice (April 1998) of the General Manager, District Manager, District Industries Centre, Chapra, he informed (August 1999) that a letter was written by him in March 1999 to the Director of Industries, Bihar, Patna to provide funds for carrying out industrial activities and he did not make any correspondence with higher authorities for transfer of staff elsewhere where their services could be gainfully utilised.

The matter was referred to government (June 2000); their reply had not been received (January 2001).

## **LAND REFORMS AND REVENUE DEPARTMENT**

### **3.18 Infertuous expenditure of Rs 62.21 lakh on a non-functional training institute**

With a view to imparting training to officers and staff associated with land consolidation work in Bihar a training institute was established in Patna.

Scrutiny of records (January 1999) of Deputy Director, Consolidation (Headquarter) and Director of the Institute, Bihar, Patna revealed that no training was imparted to any consolidation staff for 6 years during 1993-99. Thus, Rs 62.21 lakh spent on pay and allowances (Principal:1; Assistant Consolidation Officer:1; Instructor:1; Clerk:2; Stenographer:1; Peon:6) of the institute was rendered infertuous.

Research Officer, Directorate of Land Consolidation, Bihar, Patna stated (January 1999) that Government decision for closure of the Institute with effect from 1st March 1999 was received. Thus, the delayed decision of the government in regard to closure of the non-functional institute since July 1992 resulted in wastage of public funds of Rs 62.21 lakh.

The matter was referred to government (June 2000); their reply had not been received (January 2001).



## PLANNING AND DEVELOPMENT DEPARTMENT

### 3.19 Infructuous expenditure on incomplete and abandoned schemes under district plans: Rs 56.36 lakh

*Indiscriminate sanction of a large number of district plan schemes without ensuring their timely completion resulted in mis-carriage of the schemes and infructuous expenditure of Rs 56.36 lakh.*

The administrative sanction to various plan schemes under district plan which was framed on the basis of proposals received from the public representatives was accorded by District Magistrates/ Deputy Commissioners after the district plan was approved by District Planning and Development Council (DPDC) chaired by the Minister-in-Charge of the district. District authorities were to take up schemes under the district plans after assessing their administrative, technical and financial feasibility and which could be completed within the same financial year.

Test-check (December 1996) of the account records of the District Planning Office, Lohardaga and further information collected between April 1997 to August 1999 revealed that the Deputy Commissioner, Lohardaga accorded sanction to 51 small schemes relating to road construction works, building and compound wall construction, minor irrigation etc. at an estimated cost of Rs 1.44 crore during 1986-88 for completion between 1991-92 and 1992-93. Of 51 schemes taken up, 4 schemes were incomplete and 29 schemes were abandoned as of May 1999 while Rs 10.34 lakh and Rs 46.02 lakh were spent on those schemes against advance payment of Rs 63.67 lakh to the executing agencies.

The Deputy Commissioner, Lohardaga stated (May 1998) that the condition of works done on the schemes remaining incomplete and abandoned for long was bad. Completion of such incomplete/ abandoned schemes required revision of estimates due to increase in cost of material and wage rate. However, revival of those incomplete/ abandoned scheme was not certain as there was no plan to revise the estimates and get the works completed as of May 2000. Besides, the Deputy Commissioner, Lohardaga who was to monitor execution of district plan schemes failed to recover Rs 10.99 lakh (out of advance of Rs 63.67 lakh) which remained unutilised with the executing agencies viz. Block Development Officers (Rs 4.24 lakh), Executive Engineers, REO, (Rs 2.90 lakh), Minor Irrigation (Rs 3.85 lakh).

Thus, unjustified decision by Deputy Commissioner, Lohardaga to take up a large number of district plan schemes without ensuring their timely completion resulted in mismanagement of the schemes and infructuous expenditure of Rs 56.36 lakh (Rs 10.34 + 46.02 lakh) on incomplete and abandoned schemes, besides non-recovery of advance of Rs 10.99 lakh from executing agencies.



The matter was referred to government (June 2000); their reply had not been received (January 2001).

## REVENUE DEPARTMENT

### **3.20 Irregular engagement of daily wages workers**

Government of Bihar, Department of Finance banned (August 1990) appointment on adhoc/ daily wages. In disregard of this order, Deputy Collector, Nazarat, Ara and Sub Divisional Nazarat, Ara engaged 12 to 34 and 9 to 71 persons respectively on different posts (drivers, sweepers, peons) on daily wages basis during 1990-91 to 1999-2000. Besides, an overpayment of monthly wages in excess of 26 days in a month to 13 daily wages workers amounting to Rs 1.07 lakh was made by Sub Divisional Nazarat, Ara in contravention of Government order of July 1996. Thus, Rs 28.16 lakh was irregularly spent on the wages, overpayment and bonus from September 1990 and October 1999.

The matter was referred to government (April 2000); their reply had not been received (January 2001).

### **3.21 Misutilisation of departmental receipts**

*Sub Divisional Officer, Biharsharif did not credit promptly the fines of Rs 22.33 lakh realised from students to government accounts. He misutilised a part of it (Rs 12.13 lakh) for departmental expenditure and kept a part of it (Rs 10.13 lakh) unauthorisedly in current account in bank.*

Bihar Financial Rules provide that every authority having powers to impose fine has to see that money realised as fines promptly reaches the treasury and is credited quickly to proper receipt head of accounts. Such departmental receipts are not to be unduly withheld by the officers concerned and not to be utilised on departmental expenditure.

Scrutiny of records (November 1999) of Sub-divisional Nazarat, Biharsharif, Nalanda revealed that Sub Divisional Officer, Biharsharif realised a sum of Rs 22.33 lakh from 3500 students as fines for their indulgence in unfair practices in Matriculation, Intermediate and Bachelor of Arts examinations held during the period 1995-96 to 1999-2000. Of the sum of Rs 22.33 lakh realised as fines, the Sub-Divisional Officer, Biharsharif unauthorisedly misutilised Rs 12.13 lakh for departmental expenditure under the head-‘2053-General Administration’ and deposited Rs 10.13 lakh in current account in State Bank of India, Biharsharif during April 1999 to December 1999 in disregard of the provisions of Bihar Financial Rules. The remaining amount of Rs 0.07 lakh was retained in cash.



In compliance to Audit observation the Sub-Divisional Officer, Biharsharif remitted Rs 10.20 lakh into treasury (March 2000) and did not furnish explanation for misutilisation of receipts for departmental expenditure and excess expenditure of Rs 12.13 lakh under the head '2053-General Administration' over and above allotment of funds/budgetary sanction.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

## RURAL DEVELOPMENT DEPARTMENT

### 3.22 Members of Parliament Local Area Development Scheme

Points noticed in implementation of the Members of Parliament Local Area Development Scheme were mentioned in Paragraph 3.40 of the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 1997. The implementation of the scheme during 1997-98 to 1999-2000 was further reviewed (June 2000 to July 2000) in 5 districts<sup>1</sup>/ constituencies (Lok Sabha :8, Rajya Sabha:7). Total funds available and spent for implementation of the scheme during 1997-2000 were Rs 275.16 crore and Rs 149.16 crore respectively. Against this, expenditure of Rs 40.75 crore was test-checked in the current Audit.

Salient features of Audit findings were as under:

#### (I) *Points noticed in previous Audit*

Major deficiencies and irregularities noticed in implementation of the scheme (MPLADS) during 1993-97 were mainly as under:

- (i) Funds not spent in full resulting in denial of full benefits envisaged under the scheme.
- (ii) Works recommended by Members of Parliament (MP) either not taken up or left incomplete.
- (iii) Scheme funds spent on inadmissible works/items by the implementing agencies.
- (iv) DCs sanctioned execution of works from the scheme funds without recommendations of MPs.
- (v) Works though completed, not handed over to the concerned agencies/beneficiaries.

<sup>1</sup> Giridih, Muzaffarpur, Nalanda, Patna and Ranchi



- (vi) Asset register not maintained by the implementing agencies.
- (vii) Utilisation Certificates not furnished by the executing agencies.
- (viii) Non inspection of works by the District Collectors and other officers concerned.

**(II) Points noticed in current Audit**

Test-check indicated that these irregularities/ deficiencies in implementation of the scheme pointed out in previous audit were not fully addressed and were continued unabated as was evident from the following points noticed in current audit:

Sl. No	Irregularity/ Deficiency	Brief gist of the irregularity
1	Substantial funds remained unutilised resulting in denial of intended benefits.	Of Rs 275.16 crore (including opening balance of Rs 102.16 crore) released by Government of India for implementation of the scheme during 1997-98 to 1999-2000, only Rs 149.16 crore (54 percent) were spent resulting in denial of benefits intended under the scheme. Poor utilisation of central assistance was mainly attributable to inordinate delay in approval/ execution of schemes. The expenditure on schemes was over- stated as unspent balances of Rs 19.39 crore with executing agencies were reported as spent. Further, due to large funds remaining unutilised the state could get from Government of India Rs 72.50 crore and Rs 30.00 crore only during 1998-99 and 1999-2000 respectively against admissible share of Rs 152 crore each year at the rate of Rs 2 crore per MP every year for 76 MPs. In 5 districts test-checked such unspent balance was for Rs 27.01 crore.
2	Unutilised fund of Ex MP not credited to accounts of present incumbent.	As per stipulation of the scheme, the funds of an Ex-MP should form part of the funds for his successor MP. Rs 16.66 crore of 80 Ex-MPs (Lok Sabha: 66: Rs 15.44 crore, Rajya Sabha: 14: Rs 1.22 crore) funds were not transferred to the account of successor MPs as of 31 March 2000.
3	Misreporting of unutilised balance.	Though the State Government had unutilised balance of Rs 126 crore as on 31.3.2000, they reported a balance of Rs 106.61 crore to Government of India.
4	Interest earned did not form part of the funds for the scheme.	Funds in the districts were to be kept in saving bank accounts of nationalised banks and interest earned was to be utilised in execution of the scheme. In contravention of this Rs 4.19 lakh earned as interest on bank deposits by 9 blocks of Patna and Ranchi districts was not credited to the fund of the respective MPs and was kept separately. In Naubatpur block of Patna district there was a loss of interest of Rs 2.18 lakh due to keeping funds in current account. There was a loss of interest of



Sl. No	Irregularity/ Deficiency	Brief gist of the irregularity
		Rs 4.35 lakh due to transfer of fund from 2 accounts of a bank (Patliputra Central Co-operative Bank Ltd, Patna) to another bank (Allahabad Bank, Muradpur, Patna) at the fag end of the year (March 2000) by DDC, Patna. In 2 other bank accounts of the same co-operative bank, interest of Rs 0.81 lakh was not credited to the saving bank account. Interest of Rs 6.73 lakh in respect of 7 MPs, though credited by banks, was not taken by DDO, Patna in his cash book during 1998-2000.
5	Works recommended by Members of Parliament not sanctioned/ completed.	Of 12660 works recommended by Members of Parliament pertaining to the State during 1997-2000, 11455 works were sanctioned for execution as of March 2000. Against this, 30 percent (3448) of the works remained incomplete till March 2000. In 5 districts test-checked of 1604 works taken up for execution, only 608 works (39 percent) were completed, though all the works were to be completed within 2 years. The shortfall in completion of works was mainly attributable to the delay of 8 to 987 days in according administrative approval in 3 districts (Giridih, Patna, Ranchi) test-checked and non-observance of norms for execution of schemes in all the 5 districts test-checked.
6.	Execution of in-admissible works.	(a) Although the scheme stipulated that works pertaining to registered societies, repair works, grants, assets for an individual benefit, building related to Central/State Governemnt and works costing more than Rs 10 lakh should not be taken up for execution, yet 122 such works were executed at a cost of Rs 6.23 crore in the districts test-checked. (b) Five works were taken up irregularly for execution in 2 districts (Muzaffarpur, Vaishali) test-checked at an expenditure of Rs 1.26 crore without the recommendation of Members of Parliament. (c) Dy. Commissioner, Giridih paid Rs 4.50 lakh to Bihar State Electricity Board on account of Service/ Centage charge for preparatory work and supervision in connection with the 15 electrical works (Estimated cost: Rs 26.83 lakh) in violation of the guidelines for the scheme.
7.	Diversion/ Misutilisation of funds.	(a) Funds of a scheme should not be shared with other schemes except for completion of an indentifiable part of a large work. In violation of this norm, in 2 districts test-checked (Muzaffarpur and Patna) MPLADS funds of Rs 99.99 lakh was misutilised on sharing of expenditure for works taken up under other schemes. (b) Collector, Patna misutilised MPLAD funds of Rs 42.50 lakh during December 1999 to April 2000 on installation of 5 high mast flood lights in and around Gandhi Maidan, though electrification of

Sl. No	Irregularity/ Deficiency	Brief gist of the irregularity
		slum areas only was to be taken up under the scheme. Similarly electrification of a Public road in Biharsharif costing Rs 10.49 lakh was done during 1999-2000 despite objection raised (January 1999) by Government of India.
8.	Doubtful execution of work.	<p>(a) Based on measurement done by a Junior Engineer, Block Development Officer, Paliganj paid Rs 1.40 lakh (November 1998 to June 1999) to a Panchayat Sevak for earth work and 10 feet wide stone metal consolidation, for construction of a bituminous road from Paliganj PS to Khirmor where there was three feet wide pucca drain with brick soling. The execution of work lacked evidence and was doubtful as there was no proof for dismantling of pucca nala and brick works for the execution of works and the BDO did not obtain from the Panchayat Sevak muster roll/ vouchers for the works done.</p> <p>(b) For three works (construction of Yuvak Sangh Bhawan in Bharatpur village, Renovation of lane from Saristabad road to janta road, katcha road from SPN road to Tihara village upto Lawaich) in Patna district (1997-99) expenditure of Rs 10.30 lakh was repeatedly incurred against fake measurement of works.</p> <p>(c) Construction of moorum road from Halmad road to Fulwari Jungle in Ranchi district during 1997-98 executed by a Panchayat Sewak of Silli block at a cost of Rs 0.97 lakh was doubtful as the works were executed during 4 June 1997 to 12 July 1997 while advances of Rs 90,000 were paid during 16 July 1997 to 9 January 1998. Further, there was no evidence to support purchase of moorum for Rs 37500 through 5 vouchers and there was no evidence for hire of road roller during 19 August 1997 to 22 August 1997.</p> <p>(d) BDO, Patna Sadar spent Rs 7.28 lakh on improvement of Dr. Lakshmi Narayan lane, Sri Krishnapuri, Patna (July 1998 to January 1999). The execution of work was doubtful as the purchase of material was made against Kuchha bill of supplier and 30 muster rolls were prepared for continuous 30 days without a day's break even on national holidays. Further, construction period was intervened by a complete rainy season during which underground nala and pucca cement concrete work was not possible.</p> <p>(e) In 4 district (Giridih, Nalanda, Patna, Ranchi) Rs 56.45 lakh were paid during 1997-2000 to labourers against 562 fictitious muster rolls for 61 works as blank and numbered muster roll forms were issued to executing agencies, same names were</p>



Sl. No	Irregularity/ Deficiency	Brief gist of the irregularity
		shown twice or thrice in the same muster-rolls, payment for eight to ten days were made against seven days attendance, same set of labours were shown working in two works at different place on same date, quantity of work done was not checked/recorded by a Junior/Assistant Engineer, there was no evidence for inspection of work by the BDO etc.
9	Other deficiencies (a) Undue benefit to executing agent.	Estimates for 139 road and building works in Patna district included the cost of cement at the rate of Rs 155 per bag, while the recovery for the cost of cement supplied by the Government was made at the rate of Rs 115 per bag (1997-98) and Rs 125 per bag (1998-2000) resulting in short recovery of Rs 21.47 lakh and undue benefit to executing agents.
	(b) Substandard work due to absence of supervision.	In 4 districts test-checked there was substandard execution of works valued at Rs 1.35 crore (Refer Appendix XXI) mainly due to complete absence of supervision and inspection of execution of works.
	(c) Deviations from recommendation of MP.	In disregard of recommendation of MP for construction of a children ward in Jaya Prabha Hospital, Kankarbag, Patna, the District Magistrate, Patna sanctioned (December 1999) construction of a double storeyed hospital building and approach road at an estimated cost of Rs 39.91 lakh exceeding the limit of Rs 10 lakh for sanction of a scheme. Further though the works for both the floors allotted to 2 agents (December 1999) were to be completed by 30 June 2000, the work of ground floor valued at Rs 6.91 lakh only was done by an agency upto July 2000 against advance payment (Rs 8.91 lakh), while no work for the 2 <sup>nd</sup> floor was done as of July 2000 by another agency to whom advance payment of Rs 2.70 lakh was made.
	(d) Value of work inflated and genuineness of work was questionable.	In Patna district Rs 15.11 lakh were spent departmentally on 81 road and building works in excess of the estimated cost of Rs 2.52 crore during 1997-2000, though total expenditure on execution of work was to be restricted to the estimated cost. Further, it was not possible for the executing agent who were low paid government employees (Panchayat Sevaks and Village Level Workers) to sustain loss of Rs 15.11 lakh (of it Rs 6.11 lakh by a single Panchayat Sevak). Thus, the value of work done was inflated and genuineness of the work done was questionable.
	(e) Extra cost due to inflated measurements.	Extra expenditure of Rs 5.08 lakh was incurred by the Block Development Officer, Patna Sadar due to inflated measurement against the sanctioned estimate for stone metal work, levelling course on the existing road and residual works in Bailey road to Ashiananagar road during June 1997 to February



Sl. No	Irregularity/ Deficiency	Brief gist of the irregularity
		1999. On instruction (June 2000) of the Commissioner-cum-Secretary, Rural Development Department, Collector, Patna entrusted investigation of both the works to an Executive Magistrate whose findings were not available as of August 2000.
	(f) Under payment to labourers.	In 270 muster rolls of 23 works in 8 blocks of Patna district, short Rs 5.29 lakh was paid to labourers during 1997-2000 due to payment of wages to the labourers at the rates (Rs 39.70 or Rs 40.00 per day) lower than the rates prescribed (Rs 51.01 per day) by the Government. Thus, genuine payment to labourers was denied.
	(g) Purchase of prohibited inventories.	The scheme prohibited purchase of inventories or stock of any type. In disregard of this provision Collector, Nalanda on the recommendation of an MP (George Farnandes) purchased one dumper placer and 40 refuse containers at the cost of Rs 22.04 lakh. On complaint of purchase of inferior quality of the articles received from the same MP, Collector, Nalanda constituted a committee to investigate the purchase. The committee reported (July 2000) that the articles purchased were of inferior quality and were not as per the specification. Besides, Collector, Nalanda also unauthorisedly spent Rs 2.46 lakh on purchase of electrical items such as ceiling and exhaust fans, air conditioners, sodium vapour lamps and 10 KVA generator etc. for fitting in indoor stadium Biharsharif defeating the object of the scheme.
	(h) Supply of bitumen by private party was prohibited.	Transaction of bitumen by private agency was unauthorised and warranted investigation and legal action. On the contrary, Block Development Officer, Barh (Patna) (Abhay Kumar Singh) allowed an agent (Mahesh Prasad Yadav, Panchayat Sewak) to purchase 10 tonne of bitumen from an unauthorised private supplier (Sona Enterprises, Patna) for use in a road work (strengthening of road from Agwanpur village to Nagma) against recommendations of an MP (Nitish Kumar) and paid Rs 0.94 lakh (April 2000) for the same. The quality of the road work done (1999-2000) at a cost of Rs 4.99 lakh was also questionable as only 32 per cent of stone chips and 45 per cent to 68 per cent of stone metals required were used in work and even the execution of road work as per specification was doubtful as there was no evidence of use of road roller in the work.
10.	Non-maintenance of Asset Register.	A register showing the asset created in the district under the scheme was required to be maintained by the respective District Magistrate. But in the districts test-checked no such register was maintained and upkeep and maintenance of assets created were not assured.



Sl. No	Irregularity/ Deficiency	Brief gist of the irregularity
11.	Records not produced despite repeated requests.	Records for execution of 219 works being implemented by 15 agencies <sup>2</sup> at estimated cost of Rs 10.51 crore against sanctions accorded by the Collector, Patna during 1997-2000 on the recommendations of 8 Members of Parliament <sup>3</sup> were not made available by the Collector/ Deputy Development Commissioner, Patna to Audit despite repeated requests. As a result, genuineness of execution of these works and payment thereagainst were not subjected to test-check.
12.	Monitoring, reporting and evaluation.	Guidelines provided that Heads of Districts shall visit and inspect atleast 10 per cent of the works every year. The senior officers of implementing agencies were required to inspect these works through regular visit of the work spots to ensure that the works are progressing satisfactorily. No records of inspection was maintained by any of the Collectors of test-checked districts.

### (III) Conclusion

Implementation of Members of Parliament Local Area Development Scheme which authorised each Member of Parliament to suggest to District Collectors execution of local need based development works for creation of durable assets upto the value of Rs 1 crore (raised to Rs 2 crore from 1998-99) was grossly mismanaged as there was absence of monitoring, reporting and evaluation of the scheme resulting in poor utilisation of available funds, misutilisation of funds, irregular, illegal and inflated payments, a large number of incomplete works, doubtful execution of works, execution of works beyond the scope of the scheme etc. Thus, the scheme was ineffectively implemented. It faltered and failed to yield intended results.

Points were referred to Government (September 2000); their reply had not been received (January 2001).

<sup>2</sup> Building Division, Patna : Rs 336.01 lakh (52); New Capital Division, Patna: Rs 193.41 lakh (52); Patna City Road Division:Rs 139.03 lakh (18); R.E.O (W) Division, Patna:Rs 100.30 lakh (26); Building Construction Division, Patna:Rs 56.72 lakh (9); Patna City Building Division:Rs 22.40 lakh (11); Building Division (West), Danapur:Rs 4.72 lakh (1); District Engineer, Patna:Rs 27.66 lakh (6); Chief Executive Officer, Danapur Cantt.:Rs 82.93 lakh (19); Chief Engineer, Red Cross Society, Patna:Rs 3.84 lakh (3); B.S.E. Board, Patna:Rs 42.50 lakh (5); D.F.O., Patna:Rs 14.32 lakh (3); Patna Municipal Corporation : Rs 6.45 lakh (2); Block Development Officer, Bikram:Rs 22.29 lakh (11) and Block Development Officer, Sampachak:Rs 0.12 lakh (1). Figures in bracket indicate number of works being implemented.

<sup>3</sup> Dr. C.P.Thakur, Kapil Sibal, Smt. Kamla Sinha, Nitish Kumar, P.C.Gupta, R.P.Yadav, Shatrughan Sinha and Sita Ram Kesri.



**3.23 Misappropriation of development fund and loss of Government money: Rs 41.29 lakh**

Scrutiny of records (August 1999) viz. Cash Book together with Advance Register of Block Development Officer, Daltonganj revealed that a sum of Rs 41.29 lakh was paid as advance to 29 government officials between the period 1986-87 to 1992-93 for departmental execution of various development schemes like construction of houses, roads, wells, check dams, beggars home and school buildings etc. under Indira Awas, RLGEF, NREP and JRY.

Advance of Rs 41.29 lakh has for all practical purposes been misappropriated and became irrecoverable as 13 persons to whom advances were made retired (Rs 14.46 lakh), 2 persons died (Rs 9.90 lakh), 3 persons transferred (Rs 2.32 lakh) and records relating to advances against 11 persons were not made available for audit (Rs 14.61 lakh). These advances were carried forward by successive BDOs from year to year without any attempt to either recover the amount or get the works completed. The DC/DDC failed to supervise the work of the BDOs and insist on completion of the work or recovery of advances. In one case, 307 advances for a total amount of Rs 11.02 lakh were given to a single person (Sushil Kumar, Block Co-operative Officer) repeatedly for executing development works without ensuring adjustment of previous advances. Possibility of malpractice by the BDO himself in such arbitrary distribution of advances can not be ruled out.

The advances, remaining unadjusted for long, amounted to misappropriation of government money. The matter called for investigation by government for fixing responsibility for the lapses and recovery of the losses.

BDO, Daltonganj stated (August 1999) that matter would be brought to the notice of higher authorities.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

**3.24 Misutilisation of Indira Awas Yojna funds**

*The funds meant for housing needs of rural people living below poverty line was misutilised for the benefit of people above poverty line.*

People below poverty line in the rural areas were to be identified under Indira Awas Yojana after conducting survey by the rural development agencies at district level. The fund allotted under the scheme was to be given in lumpsum to beneficiaries living Below Poverty Line (BPL) for construction of dwelling units.

Audit scrutiny of records (November 1999) of Block Development Officer (BDO), Masaurhi, Patna revealed that funds aggregating Rs 11.53 lakh were paid (1996-97 and 1998-99) to 63 persons who were not below poverty line as per BPL survey report. Thus, the fund which was meant to fulfil the housing



needs of rural people living below poverty line was misutilised for construction of dwelling units for people above the poverty line, while target group of people below the poverty line was deprived of the intended benefits.

The Block Development Officer, Masaurhi failed to ensure delivery of benefit to the target group of people below poverty line as envisaged in the Indira Awas Yojana.

The matter was referred to government (June 2000); their reply had not been received (January 2001).

### **3.25 Serious financial irregularities in Rural Development Department**

Due to excessive borrowings and non-utilisation of borrowed funds for plan schemes, Rs 2388 crore was accumulated under Cash Balance Investment Account (CBIA) at the end of 31 March 1999. This amount was mostly spent during April to December 2000 for meeting expenditure on revenue account in several departments including Rural Development Departments. Test-check of records and vouchers in 14 district offices in the Rural Development Department revealed serious financial irregularities, misutilisation and misappropriation of funds which raised doubt regarding the genuineness of the expenditure, as discussed below.

During 1999-2000 bulk of revenue expenditure under major Head 2505 Rural Employment was on the schemes of Employment Assurance Scheme (EAS), Indira Awas Yojna (IAY) and Basic Minimum Services (BMS). The main expenditure under major head 4515-Capital Outlay on Rural Development was on the developmental schemes recommended by State Legislators. Prior to February 1999 traditionally expenditure under such schemes was classified as revenue expenditure but it was classified as capital expenditure from 1999-2000. This had the effect of deflating the expenditure on revenue account and inflating the expenditure on capital account. Scrutiny of records of 87 offices (75 BDOs, 1 CO, 3 REO, 4 NREP, 3 District Boards and One Special division) of fourteen districts test-checked revealed the following:

#### **(A) Employment Assurance Scheme**

(i) Of Rs 46.33 crore available (including opening balance of Rs 10.66 crore) in the offices of the districts test-checked, Rs 34.35 crore only were released to the executing agencies and balance Rs 11.98 crore remained unutilised with the district offices as on 31 March 2000.

(ii) All works undertaken under EAS should be labour intensive involving at least 60 percent of the total expenditure on wage component of the scheme. In violation of this, of total expenditure of Rs 19.34 crore on these schemes during 1999-2000, Rs 5.59 crore only were spent on labour component while Rs 13.75 crore were spent on material component. As a result, the labour material ratio was 29:71 against the norm of 60:40. Thus, misuse of

earmarked funds on excessive purchase of materials resulted in denial of intended objective of providing assured employment to the rural people needing it.

(iii) Though allotment of works under the scheme to the contractors was not permitted, 66 schemes involving expenditure of Rs 3.81 crore were executed through contractors in the districts test-checked.

(iv) Forty nine out of the 87 offices test-checked had no muster rolls and vouchers in support of expenditure of Rs 2.25 crore. In 65 offices muster rolls and vouchers for Rs 11.69 crore were not passed by the implementing authorities, though the final bills were paid to the executing agents and works were declared as completed. Audit scrutiny also revealed that in 19 offices muster rolls for Rs 18.62 lakh were paid to the same persons for working at two different places at the same time. Clearly such payments were fraudulent. In addition, the following irregularities were noticed in muster roll payments for Rs 2.50 crore in 45 offices:

- Name of the scheme not entered;
- Dates of work not entered;
- Addresses of labourers not entered;
- Muster rolls not countersigned by the Junior Engineers.

These irregularities in the muster roll payments were fraught with serious risks of fraud, misuse, misappropriation and defalcation of earmarked government funds.

(v) In 26 offices test-checked vouchers in support of purchase of materials (mainly cement, iron, stone chips and bricks) valued at Rs 1.04 crore were suspect due to the following reasons:

- Vouchers were hand written; receipts given on plain paper without any details of the supplier;
- Purchases were made from unregistered firms;
- Cash Memos did not bear any number;
- Materials purchased without provision in the estimates and not accounted for in site or store accounts. There was no proof of the receipt of these materials.

**(B) *Indira Awas Yojna (IAY)/ Basic Minimum Services Scheme (BMSS)***

IAY/BMS aimed at providing houses to SC/ST/free bonded labourers living below poverty line. Test-check of 84 offices (75 BDOs & 9 COs) revealed that of total funds of Rs 174.34 crore available (including opening balance of Rs 41.35 crore) during 1999-2000, Rs 106.05 crore only were released to



beneficiaries, while balance of Rs 68.29 crore remained unutilised with the offices concerned. Of 52162 schemes approved by DRDAs for these offices 20592 cases of the schemes test-checked did not fulfil the following criteria for release of funds:

- Rs 11.43 crore were paid to 10057 beneficiaries who did not figure in the final list of beneficiaries approved by DRDAs concerned;
- In 8463 cases there was no proof that the income of beneficiaries was below poverty line;
- In 12605 cases there was no evidence in support of the eligibility criteria that the beneficiaries possessed land for construction of houses;
- In 47 offices Rs 21.28 crore were paid to individuals without particulars of the BPL numbers and land holding certificate;
- Payment of Rs 18.69 crore was made to 11929 beneficiaries whose names did not figure in BPL list.

It was also observed that certificates for completion of houses were available in only 3298 cases (16 per cent) of 20592 cases test-checked. Besides, defalcation of Rs one lakh was detected in Tekari Block of Gaya district.

**(C) *Developmental schemes executed on the recommendation of State Legislators***

The guidelines of the developmental schemes which were executed on the recommendation of the State Legislators (under the Head 4515 Capital outlay on Rural Development) stipulated that no repair work should be undertaken under the scheme and work should be done departmentally on selection of executing agency by the Deputy Development Commissioners. Test-check of 1443 schemes (out of 3574) estimated to cost Rs 19.16 crore in 93 offices (75 BDOs, 5 NREPs, 3 Municipalities, 2 Special division, 4 REOs, 3 District Boards and One CO) revealed the following irregularities:

- (i) As per instruction of the Rural Development Department (1 February 1999) only an amount which was likely to be spent immediately on the schemes was to be drawn from the treasury. In violation of this, earmarked funds (Rs 50 lakh per legislator) were drawn by the DRDAs and kept in banks and the amounts were then released to the different implementing agencies. This resulted in huge increase in cash balances of the offices test-checked by Rs 6.73 crore during the year 1999-2000 i.e. from Rs 4.79 crore as on 1 April 1999 to Rs 11.52 crore on 31 March 2000. Retention of huge cash balances by the Drawing and Disbursing Officers entailed serious risks of misuse/misappropriation of funds.
- (ii) In 45 offices Rs 5.40 crore were spent on schemes which were implemented by either private agencies or on repair works.

(iii) In 49 offices muster rolls and vouchers for expenditure of Rs 1.53 crore were not available. In 34 offices muster rolls for Rs 35.71 lakh did not contain names of work and the dates of work. In 52 offices muster roll payments for Rs 1.53 crore were neither countersigned by the Junior Engineers concerned nor were these passed by the BDOs concerned. Muster roll payments for Rs 5.62 crore in 54 offices were not passed by the implementing authorities though the final bills of these works were paid and the works were declared completed. The genuineness of these payments was doubtful.

(iv) In 19 offices materials worth Rs 25.60 lakh were purchased after the date of completion of work. This indicated that fake purchases of materials were made by misappropriating government moneys. Further, in 53 offices cement, mild steel rods, boulders, stone chips etc. valued at Rs 3.70 crore were purchased from unregistered firms on hand receipts without mentioning vehicle numbers which carried the materials on payment of carriage charges. Such purchases were also doubtful.

(v) Analysis of month-wise expenditure in 80 units under the scheme showed that the maximum expenditure took place in the December 1999 and January 2000 just prior to and during the General Elections held in January-February 2000.

**(D) Conclusion**

Test-check of expenditure in selected offices of the two departments (Primary, Secondary and Adult Education and Rural Development) during 1999-2000 disclosed serious irregularities eg. large scale misutilisation/misappropriation of funds, doubtful execution of works, doubtful purchases, erroneous payments etc. by Drawing and Disbursing Officers in various offices. Funds were drawn from the treasuries, even though these were not required for immediate disbursements. This resulted in accumulations of huge cash balances in various offices test-checked. The retention of huge cash balances by the Drawing and Disbursing Officers entailed serious risks of misuse/misutilisation of funds.

The seriousness of the irregularities noticed warrant immediate attention of the Government (the departmental heads and the Finance Department) and investigation into the huge drawals from the treasuries during 1999-2000 mostly to meet revenue expenditure, that caused sudden depletion of Cash Balance Investment Account by Rs 2306 crore during 1999-2000. Genuineness of the expenditure incurred by various departments against funds drawn also required investigation by the Government.



## VIDHAN PARISHAD SECRETARIAT

### 3.26 Irregular appointment/ promotion of officials by subverting rules and procedures

(a) As method of recruitment to a post was not prescribed by the Bihar Legislative Council Secretariat, Government orders/directions for Bihar Civil Secretariat were applicable to the Council Secretariat. As per existing procedures, recruitment to the posts of assistants, routine clerk, typist and bill clerk were to be made through Bihar Public Service Commission/Subordinate Service Selection Board while appointment to Class-IV posts were to be made on the basis of merit list limited to double the vacancy prepared after advertising the post and receipt of application through Employment Exchange.

Test check of relevant appointment files and Service Books of officials revealed that 347 (Grade-III:236 and Grade-IV:111) appointments were made between 1990-91 and 1998-99 by the Chairman. Against this, 197 appointments (Grade-III :132 and Grade-IV:65) were made against vacancies displayed on the notice board of the Council. Further, in response to advertisement (March-April 1999) for appointment on 60 (Grade-III:36 and Grade-IV:24) posts, Selection Committee of the Council Secretariat prepared panel of 191 persons. No uniformity of empanelling persons against vacancy was followed and vacancy and person ratio varied from 1:1 to 1:10 for different posts. Against this, 147 appointments were made (Grade-III:115 and Grade-IV:32) during May to July 1999. In addition, 3 persons were appointed (routine clerk:1 and peon:2) whose name did not figure in the approved panel.

Audit scrutiny also revealed as under:

(i) After preparation of panel for 191 persons in May/July 1999, 53 posts (Grade-III) were created by the Chairman on the proposal of the Deputy Secretary (July 1999) on ground of excess work and Chairman made appointments against such posts. Further, 52 (Grade-III:39 and Grade-IV:13) staff were appointed/promoted during 1999-2000 from Assistant to Section Officer (4), Bill Clerk, Typist, PBX operator, Security Guard, Routine Clerk and Peon to Assistant (38), Peon/ Faras to Routine Clerk (8), Daftary to Typist (1) and Peon to Bill Clerk (1). The appointment/ promotions were made without observing criteria of seniority cum fitness, limited competitive examination, seniority, vacancy position for limited competitive examination, line of promotion etc. Rupees 8.69 crore were spent as pay and allowances on such irregular appointment/ promotion upto October 2000.

(ii) As per Personnel and Administrative Reforms Department, Government of Bihar notification (28 May 1992), effective from 30 August 1988, the post of Section Officer and Administrative Officer was promotional posts from Assistant cadre. In violation of this, 1 Section Officer and 1 Administrative Officer was directly appointed in August 1993 and January



1997 respectively. Rupees 11.02 lakh were spent as pay and allowances for such irregularly appointed staff upto October 2000.

(iii) Test-check revealed that 12 non-gazetted staff (Typist:4, Routine Clerk:5, Caretaker:1, Publication Officer:1, Personnel Assistant:1) were promoted to Section Officer and upto Under Secretary between November 1991 and March 2000 without consulting the Finance Department and Bihar Public Service Commission. Such irregular promotion resulted in over payment of Rs 6.24 lakh upto October 2000.

The Secretary, Bihar Legislative Council stated (March 2001) that concurrence of Bihar Public Service Commission was in process.

(iv) Chairman also created 29 posts of Under Secretary (Class-I) during 1978-96 (12 posts created during 1993-96) without consulting the Finance Department. The Chairman was empowered to appoint in a gazetted (Class-II) post of the Secretariat by promotion or direct recruitment for a period not exceeding six months. However, in disregard of this, the Chairman initially promoted 18 Section Officers for six months during 1991-2000 and then to successive grades upto Deputy Secretary and they were allowed to continue on the posts without consulting the Bihar Public Service Commission and Finance Department. This resulted in irregular payment of Rs 9.74 lakh to such officers upto October 2000.

The Secretary stated (March 2001) that the Post of Under Secretary was placed in Class II which was not tenable as the officers placed in the scale of Under Secretary in Government are categorised as Class I.

(b) Test-check of budgetary details during 1994-2000 revealed that the cost of pay and allowances of the irregularly appointed officials was met by subverting the budgetary procedure.

As per Bihar Vidhan Parishad Secretariat (Recruitment and Condition of Service) Rules 1965, Chairman had the power to sanction creation of temporary Class-II, III and IV posts (specified in schedule II of the rule only) for a financial year or part thereof, provided the cost thereof could be met out of the budget savings of the year. In disregard of this rules, successive Chairmen created 427 (class-I:29; class-II:52; class-III:264; class-IV:82) posts during 1978-2000 under schedule-II of the Rule and 97 (Class-II: 24, Class-III:12, Class-IV: 61) posts beyond schedule-II. Of these, 344 posts (66 per cent) were created between 1991-2000. Chairman did not consult Finance Department for operation of such posts and unauthorisedly continued those posts year after year.

During 1994-2000, 251 additional (gazetted: 36 and non-gazetted: 215) posts were operated. Cost of these was not met out of the budget savings as required but was met from the supplementary budget and reappropriation of fund meant for other purposes as indicated in the table below:



Year	Original Budget	Supplementary Budget	Total	Expenditure	Excess (+)/ Savings (-)	No. of staff for which budget provision was made
(Rupees in lakh)						
1994-95	287.42	27.34	314.76	311.32	(-) 3.44	583
1995-96	317.52	59.86	377.38	383.85	(+) 6.47	670
1996-97	441.30	12.00	453.30	454.24	(+) 0.94	711
1997-98	486.03	79.25	565.28	544.84	(-) 20.44	720
1998-99	486.03	68.81	554.84	561.72	(+) 6.88	681
1999-2000	613.51	102.83	716.34	797.15	(+)80.81	682
2000-2001	956.35	--	956.35	NA	NA	821
<b>Total*</b>	<b>2631.81</b>	<b>350.09</b>	<b>2981.90</b>	<b>3053.12</b>	<b>(+)95.10/ (-)23.88</b>	

\* Represents figure upto 1999-2000.

Excess expenditure of Rs 95.10 lakh was met out of unused provision of Rail Coupon (Rs 7.41 lakh) during 1995-97 and unused provision of arrear payment of salary on account of revision of pay (Rs 87.69 lakh) during 1998-2000.

The table showed that each year number of posts increased from that of the previous year. These additional post were operated initially from the middle of the year and then in the next year, these would form the basis of budget proposal.

Having irregularly created posts beyond sanctioned strength inflated budget proposals were made by the Secretary, Legislative Council for such excess staff instead of sanctioned posts. The Finance Department as required did not check the irregular and inflated budget proposals.

Thus, 524 posts (out of 868) were unauthorisedly created and continued in the Council Secretariat by the Chairman by subversion of the prescribed budgetary procedure resulting in irregular expenditure of Rs 19.15 crore (approximately) during 1990-2000.

Other irregularities in operation of posts were as under:

(i) *Sanction of posts beyond norms prescribed*

The council did not formulate norms for creation of posts in its Secretariat nor did it follow the norms prescribed (1980 and 1986) by Government for creation of posts of Section Officer and Peon (August 1986) with a view to effecting economy. Various gazetted and non-gazetted posts were created by the Chairman on the ground of excess work, justification for which was not on record. As a result, 60 posts of Section Officers and 133 posts of peons were created in the Council Secretariat against admissible operation of 37 Section Officers and 27 peons as per norms prescribed by Government. Further, 365 posts of Assistants (222), Routine Clerk (98) and Typist (45) were also created and operated upto March 2000 in violation of Government Instructions and orders issued from time to time.



**(ii) Increase in permanent post without consultation of Finance Department**

Chairman had the power to amend number of permanent posts as were specified in I<sup>st</sup> schedule of Bihar Vidhan Parishad Secretariat (Recruitment and Conditions of Service) Rule 1965 after consultation with the Finance Department. However, 344 permanent posts (gazetted:63 and non-gazetted: 281) of the Ist schedule, sanctioned upto November 1995, were increased between September 1981 and June 1998 to 679 (gazetted:140 and non-gazetted:539) posts without consultation of the Finance Department.

The Secretary stated (March 2001) that the procedure for creation of posts was being followed from the past years. This was not tenable as the procedure was in violation of rules.

**3.27 Irregular payment of TA Bills: Rs 74.36 lakh**

As per Rule 6(iv) of the Bihar Legislature (Member, Salary and Allowances and Pension) Rules 1961 travelling allowance was admissible to a member of the Legislature only if they performed tours in public interest and attended any session or work as a member of the Legislature.

Test-check of 219 TA bills (outside the State) for Rs 74.36 lakh of 18 (out of 60 ) members of Vidhan Parishad (Refer: Appendix-XXII) for the period May 1994 to June 2000 revealed that the members performed tours of various committees of the Council/ Assembly on the basis of tour programme approved by the Chairman of the Committee.

Scrutiny of the tour programmes revealed that journeys were undertaken by the members for visiting tourist and religious places and there was no mention in these tour programmes of the public purpose served in the tours or any work/session attended in course of the tour by the member of the Legislature. On an average the members travelled for 752 to 1191 kilometres per day as per the approved tour programmes and the bills preferred/ paid. Tour programmes indicated period of night halts for 2 to 11 hours at various places during the journey, while the periods of halt were not mentioned in the TA bills. As per rules, no daily allowance is admissible for the period of journeys. However, the Members preferred bills for 1367975 kilometre of road journey (Rs 59.29 lakh) and incidental charges (Rs 8.72 lakh) and also preferred separate claims for daily allowance (Rs 6.35 lakh) for the entire period of absence from Headquarters. This facilitated drawal of daily allowance for the entire period of stay outside the headquarters including journey periods.

Genuineness of the public purpose served in the 219 bills for Rs 74.36 lakh preferred by the members was questionable. The Secretary as required under rules, did not check these bills.

Secretary, Bihar Legislative Council stated (March 2001) that the purpose of journey would be mentioned in the TA bills in future, but did not furnish reply



to other irregularities pointed out in the paragraph. Thus the irregularities were not investigated.

**3.28 Loss of Rs 1.02 crore due to misuse of Railway Travel Coupons (RTCs)**

Test-check of Issue Register of the Secretariat for Railway Travel Coupon indicated that Coupon books valued at Rs 1.22 crore were issued to 18 members of the Council for self (Rs 60.94 lakh) and co-traveller (Rs 60.81 lakh) during 1994-2000 (upto May 2000). Verification of the travelling allowance bills of these members revealed that RTCs valued at Rs 19.49 lakh only were utilised by them. Thus, on average each member accounted for Rs 5.60 lakh of unused coupons. Thus, there was no records to show that the unused RTCs (Rs 1.02 crore) were returned by the members to the Secretariat, as required. Since these were prepaid coupons, encashable for purchase of tickets failure to obtain return of unused coupons, provided opportunity for misuse. No safeguard was observed by the Secretariat to prevent possible misuse of RTCs. Balance RTCs valued at Rs 1.02 crore (self: Rs 41.45 lakh and co-traveller: Rs 60.81 lakh) remained with the members (Refer: Appendix XXIII). Secretary of the Council issued RTCs to the members without return of the previously issued unused coupons by the members and without verifying that the RTCs issued were used by them in public interest, as required under rules. Further, RTCs could be issued for a distance of 3500 km or equivalent value, at a time. This provision was disregarded while issuing the coupons.

Possible misuse of RTCs valued at Rs 1.02 crore for private purposes by the members of the Council and consequent loss of government money need detailed investigation.

Secretary, Bihar Legislative Council stated (March 2001) that the sole responsibility for custody and utilisation of Railway coupons rested with the Members concerned. The reply was not tenable as this did not absolve the Secretary of his responsibility for satisfying himself regarding use/return of unused Railway coupons by the Members, as prescribed under rules.

**3.29 Overpayment of pay and allowances:Rs 6.74 lakh**

On the recommendation of 6<sup>th</sup> Pay Commission, the State Government abolished the existing facility of time bound and Selection Grade promotion from 1<sup>st</sup> January 1996, and thereafter the pay was to be fixed in the existing pay scales of the posts until decision of the Government on promotion policy on the basis of need based post.

Test-check revealed that 6 Reporters<sup>1</sup> in the Council Secretariat were in the scale of Junior Selection Grade (5 Under Secretaries) and Senior Selection Grade (1 Deputy Secretary) before 1 January 1996. The need based posts were not created by the Chairman as per recommendation of the Pay Commission. Six Reporters were continued in the rank of Under Secretary (5) and Deputy Secretary (1) resulting in inadmissible grant of pay of Under Secretary and Deputy Secretary scale to the Reporters who were to be placed in their basic grade and this resulted in excess payment of Rs 6.28 lakh to them between April 1997 and October 2000.

Further, instead of fixation of pay of a Senior Selection Grade Typist in the basic grade as per recommendation of the 6<sup>th</sup> Pay Commission, his pay was fixed in the higher scale resulting in over payment amounting to Rs 0.46 lakh between April 1997 and October 2000.

The Secretary, Bihar Legislative Council stated (March 2001) that the payments allowed were subject to approval by the Finance Department but did not intimate any reference made by him to Finance Department for this.

### **3.30 Payment against fake T.A.Bills: Rs 6.65 lakh**

Test-check of Railway Travel Coupon (RTC) Register and T.A. bills of 5 members of Bihar Vidhan Parishad for the period from June 1994 to September 1998 revealed that they reportedly received RTCs at Patna from Bihar Vidhan Parishad Secretariat while they were on tour outside Patna on that day as per their TA bills. Further, 4 members (3 members at Patna: November 1996 and May 1997 and one member at Delhi: April 1998) were under medical treatment while as per their TA claims they were on tour outside Patna and Delhi on those date(s).

Thus, all the 9 members (Refer: Appendix-XXIV) were not present at their scheduled places of official tour and Rs 6.65 lakh were paid to them against fake TA claims (list enclosed). The Secretary, Vidhan Parishad who was wholly responsible to verify genuineness of public interest served during tours undertaken by the members of Vidhan Parishad vide Rule 6 (iv) of the Bihar Legislature (Member, Salary and Allowances and Pension) Rule 1961 did not check these malpractice by the Legislature. The matter needed investigation.

Secretary, Bihar Legislative Council stated (March 2001) that further action would be taken after obtaining information from the Members concerned. However, no action was intimated as of January 2002.

<sup>1</sup> *Ram Niwas Prasad, Jagjit Singh, Ram Naresh Pathak, Jayanti Mohan Sahay, Alakh Kumar, Kanhaiya Prasad.*



**3.31 Non-recovery of Motor Car advance:Rs 18.53 lakh**

Based on sanctions accorded by the Finance Department (between October 1993 and July 1994) Secretary, Bihar Legislative Council paid Motor Car advance of Rs 31.20 lakh to 24 members of the Council between November 1993 and November 1994. Against this, Rs 14.39 lakh with interest were recovered between December 1993 and July 1996 and balance Rs 18.53 lakh with interest were not recovered so far (November 2000) though the term of the members expired between May 1994 and March 1998 (Refer: Appendix XXV). Due to passage of time and non-pursuance of these claims, chances of recovery are remote.

It was noticed that instalment of recovery of advance with interest was not fixed by the Finance Department to ensure recovery of the advance with interest before expiry of the term of the member of the Legislature, nor was the recovery made by the Secretary from the pensionary benefits of the Legislature, nor was any legal action taken by him for recovery under Public Demand Recovery Act.

Further, chances of recovery of motor car advance of Rs 27.28 lakh plus interest paid between October 1998 and October 2000 to 10 members of the Legislature (Council) was not certain as their membership was to expire before full recovery of advance with interest. As a result recovery of motor car advance of Rs 8.25 lakh and interest thereon was uncertain. (Refer: Appendix-XXV)

Besides, the motor cars purchased by the members were not insured and mortgaged to the Governor of Bihar, as required.

Secretary, Bihar Legislative Council stated (March 2001) that the Members concerned were being requested to make payment of the amounts due against them.

**VIDHAN SABHA SECRETARIAT**

**3.32 Misuse/misappropriation/loss of Railway Travel Coupons (RTC):Rs 11.62 crore**

Scrutiny (October 2000) of RTC distribution registers revealed that RTC valued at Rs 12.21 crore were issued from time to time to 253 members of Vidhan Sabha (Appendix-XXVI) during 1995-96 to 1999-2000 for tours to be performed by them in the State and outside Bihar without return of the previously issued unused coupons by the members and without verifying by the Secretary Bihar Vidhan Sabha that the coupons previously issued to the members were used by them. On being pointed out by Audit, Secretary issued (June 1999) letter to all members of Vidhan Sabha that while taking new coupons return of cover of old coupons would be necessary as per rules.



As per Section 3(A) of Bihar Legislature (Members Salaries, Allowances and Pension) Act 1960 incidental charges at half the first class fare of each journey by rail was payable to a member. Based on the incidental charges of Rs 29.62 lakh paid to 253 members of Vidhan Sabha through their TA bills during 1995-2000 (there was no evidence on record of co-travellers accompanying them), RTCs valued at Rs 59.24 lakh only were supposed to have been utilised. Balance RTCs valued at Rs 11.62 crore were not returned to the Bihar Vidhan Sabha Secretariat.

Possible misutilisation/misappropriation/loss of RTCs valuing Rs 11.62 crore by the members of Vidhan Sabha was not ruled out.

The Secretary, Bihar Vidhan Sabha in his reply (March 2001) only referred to the relevant provisions of the rules under which Railway Coupons were issued to the members but did not state the method adopted by him to ensure proper utilisation and return of unused coupons by the Members as required under rules.

### **3.33 Payment against fake TA bills: Rs 32.68 lakh**

A test-check (October 2000) of Railway Travel Coupon Registers and TA bills for Rs 29.86 lakh of 58 members of Bihar Vidhan Sabha for the period April 1995 to February 2000 revealed that they received Railway travel coupons (valued at Rs 9.93 lakh) at Patna from Vidhan Sabha Secretariat, while they were reportedly on tour outside Patna on that date (Refer: Appendix-XXVII). This indicated that those members were not present at their scheduled places of visit and TA bills for Rs 29.86 lakh were paid to them against doubtful TA claims on the days shown on these TA Bills.

Further, tours performed by members of committees of Vidhan Sabha as per the tentative tour programme approved by the Chairman of the committee were subject to modification on completion of the tours and payments were made as per the modified tour programmes containing details of mode (rail or road), date and time and destination of travels. Scrutiny of tour programme of Petition Committee (Nivedan Samiti) comprising 24 members for the period from 28 July 1995 to 11 August 1995 revealed that their modified study tour programme to Orissa, Andhra Pradesh, Tamilnadu by Rail was first approved in November 1995 after completion of their journey which involved local road journey of 800 kms at various outstations. However, the tour programme of the same study tour was revised and approved in January 1996 involving local road journey of 4008 kms. The additional road journeys exhibited in the revised tour programme resulted in fraudulent payment of Rs 2.82 lakh towards road mileage charges.

Thus, there was payment of Rs 32.68 lakh against fake TA bills which were not checked/ prevented by the Secretary, Vidhan Sabha who was responsible to verify genuineness of the public interest served during tours undertaken by the members of Vidhan Sabha vide Rule 6(iv) of the Bihar Legislative



(Members Salary, Allowances and Pension) Rule 1961. The matter needed investigation.

Secretary, Bihar Vidhan Sabha reviewed the doubtful payment of TA claims and worked out the payments made for Rs 24.52 lakh to 58 members, but did not offer any comment on fraudulent payment to 24 other Members of Nivedan Samiti.

### 3.34 Telephone charges not recovered:Rs 2.14 crore

As per Rule 4 of the Bihar Legislature (Telephone facilities to members) Rules 1976 free telephone calls were admissible during 1990-2000 to members of Vidhan Shabha as under:

Year	Maximum telephone calls admissible per year		Value of maximum free calls admissible per year				
	Local	Trunk	Local	Trunk	Rent	Service tax	Total
	(In number)		(In Rupees)				
1990-91	20000	2000	20000	2000	1200		23200
1991-93	20000	2000	20000	2000	1500		23500
1993-94	40000	2000	56000	2000	1650		59650
1994-2000	40000	2000	56000	2000	1650	2883	62533

Charges for telephone calls made in excess of the limits borne by the Assembly Secretariat were to be recovered from the members of the Vidhan Shabha at the time of issuing cheques for salary and allowances to them.

Scrutiny (April 2000) of telephone registers for the period 1990-2000 (till December 99) revealed that 134 members of Vidhan Shabha during their 1990-1995 tenure and 108 members of Vidhan Shabha during their 1995-2000 (upto December 1999) tenure made telephone calls in excess of the limits prescribed involving payment of Rs 2.14 crore (Rs 1.36 crore: 1990-95; Rs 0.78 crore: 1995-2000) by the Secretary, Vidhan Shabha on account of telephone charges which were to be borne by the members of the Vidhan Shabha (Refer: Appendix-XXVIII). The payments of Rs 2.14 crore so made by the Secretary remained unrecovered from the members of Vidhan Shabha, though required.

In response to audit observation the Secretary, Bihar Vidhan Sabha submitted (March 2001) a list of 110 members from whom an amount of Rs 29.21 lakh was recovered till 25 March 2001.



## WELFARE DEPARTMENT

### 3.35 Non-implementation of Central Scheme due to locking up of funds

*Blocking of Rs 2.35 crore for two years in bank resulted in non-implementation of Central scheme meant for the benefit of Scheduled Caste families while banks thrived on government money.*

A family oriented-cum-income generating scheme fully financed by Government of India for the development of Scheduled Caste families was initiated in the State by the Welfare Department in 1997-98. District Welfare Officers were declared as the drawing and disbursing officers for the same. The funds were to be utilised in different core sectors; like Agriculture, Horticulture, Minor Irrigation, Animal Husbandry, Forestry, Fisheries, Village and Small Industries, Education, Minimum Need Programme etc. A committee headed by the District Magistrate was to examine progress of utilisation of funds as per the guidelines of Government of India. However, priority was to be given by the District Magistrate to those core sectors where no scheme was in operation from the funds of Central or State Government.

Audit scrutiny of records (July 1999) revealed that the Welfare Department sanctioned Rs 70.52 lakh (March 1998) and Rs 1.64 crore (September 1998) for the implementation of the scheme during 1997-99 in Hajipur district. The District Welfare Officer, Hajipur drew the same in March 1998 and March 1999 and kept the same unauthorisedly in saving bank account in a branch of Bank of Baroda at Hajipur. Meanwhile the District Magistrate, Hajipur wrote (November 1998) to Secretary, Welfare Department that several schemes of this type were already in operation in the district and therefore there were chances of duplication of the schemes. Accordingly, he sought for the approval of the government for taking up the following schemes with the grant:

- (a) Construction of shops/ market roads, approach roads and schools and providing sanitation and drinking water facility to people belonging to Scheduled Caste.
- (b) Execution of such family oriented-cum-income generating schemes as were being implemented under MADA.

Government did not accord approval for the proposal as of April 2000 and the District Magistrate did not pursue the matter with the government thereafter. Thus, utilisation of central grant for the benefit of people belonging to Scheduled Caste remained uncertain. The scheme was not implemented and no expenditure was incurred since March 1998 while the bank benefited from the deposits.



The matter was referred to government (June 2000); their reply had not been received (January 2001).

**3.36 Non-utilisation of Special Central Assistance meant for benefit of tribal population**

*Intended benefit under SCA was denied to tribal population of Katihar district. SCA funds of Rs 39 lakh was kept in 'Civil Deposits' and bank for 6 years.*

Government of India provided Special Central Assistance (SCA) of Rs 39 lakh (March 1992: Rs 23 lakh and March 1993: Rs 16 lakh) for execution of schemes relating to enhancement of individual income of Scheduled Tribe families in Katihar district. It was noticed in test-check (July 1998) that the Central Assistance was kept under Civil Deposits initially by State Government and subsequently provided (March 1995 and December 1995) to the District Welfare Officer, Katihar (March 1995: Rs 23 lakh and December 1995: Rs 16 lakh) for implementation of schemes relating to the benefits of tribal population.

On receipt of the amount, District Welfare Officer, Katihar deposited the same in bank where it remained till May 1998. An amount of Rs 38.25 lakh was drawn from the bank in May 1998 and distributed among different 16 blocks for carrying out the schemes for the benefit of tribal population. The District Welfare Officer, Katihar did not verify whether the SCA funds were utilised by the Block Development Officers on the intended purposes nor did he obtain from them the certificates for utilisation of the funds as of March 2000.

Thus, intended benefit to tribal population of Katihar district under SCA was denied and the SCA funds of Rs 39 lakh helped the bank to use for 3 years. Further, even after release of Rs 39 lakh after delay of 5-6 years, utilisation of the amount on intended object was uncertain (March 2000).

The matter was referred to government (June 2000); their reply had not been received (January 2001).






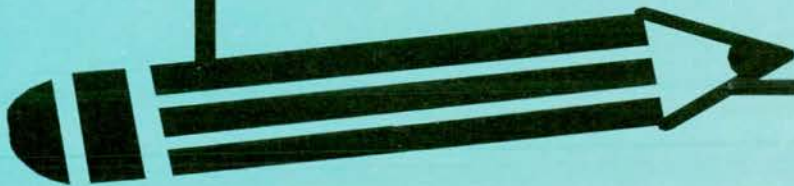
# CHAPTER-IV

## Works Expenditure

**Section-A:** Contains performance appraisals of the following:

 Working of Road Construction Department

**Section-B:** Contains other major audit points on works expenditure in various departments







## CHAPTER – IV

### WORKS EXPENDITURE

#### SECTION – A : REVIEWS

#### ROAD CONSTRUCTION DEPARTMENT

#### 4.1 Working of Road Construction Department

##### *Highlight*

*Road Construction Department was responsible for construction and maintenance of State and National Highways and major district roads and bridges.*

*The financial, works, material and manpower administrations were grossly mismanaged in the Road Construction Department as was evident from large savings offset by excesses every year under certain subheads, unnecessary supplementary provisions, drawals of money without budget provisions, excess/ inadmissible payments in execution of works, misutilisation/ misappropriation of funds and materials, funds locked in incomplete road-bridge works, excess/ illegal appointments, high incidence of establishment expenditure, lack of monitoring in road-bridge works etc.*

**Financial administration of the department was mismanaged as budget provision was tentative, 11 to 60 percent of Plan funds were not spent, non-plan expenditure exceeded budget provisions by 7 to 19 percent during 1995-2000. Allotment registers and related files for allotment of funds to DDOs, appropriation/re-appropriation for plan/ non-plan works etc. for 1996-99 were reported to be seized by Central Bureau of Investigation.**

*(Paragraph 4.1.4)*

**Temporary advance for Rs 1.43 crore to 63 Junior/ Assistant Engineers of 16 divisions were overdue for recovery/ adjustment for 1 to 27 years. Misappropriation of large part of these funds was a distinct possibility.**

*(Paragraph 4.1.4.1 (iii))*

**Establishment expenditure varied from 31 to 103 percent of capital outlay on works during 1995-2000 against the norm of 10 percent.**

*(Paragraph 4.1.4.2)*

**There was no addition of length of roads other than national highways during 1996-2000. Road and bridge works (348) sanctioned/ taken up during 1980-2000 remained incomplete, though Rs 652.51 crore were spent on them.**

*(Paragraph 4.1.5)*



Rupees 61.43 crore meant for construction of roads in naxal infested districts were diverted towards construction of 21 roads (438 km) in other districts, while no road work was taken up in 5 terrorist infested districts.

*(Paragraph 4.1.6)*

Deficient contract management for Rs 31.59 crore in the test-checked divisions resulted in increase in cost and extra expenditure.

*(Paragraph 4.1.6.1)*

In 7 Road Construction Divisions work for Rs 45.65 crore was awarded to incompetent contractors resulting in expenditure for Rs 24.98 crore on incomplete works.

*(Paragraph 4.1.6.2.1 (ii))*

In Chapra-Siwan road under Road Construction Division, Chapra, inferior road works resulted in failure of road crust estimated to cost Rs 1.14 crore.

*(Paragraph 4.1.6.2.1 (iii))*

CE/ SE sanctioned inadmissible claims for Rs 1.30 crore to contractors beyond the terms of contract for payments by 2 Road Construction Divisions during May 1999 to March 2000.

*(Paragraph 4.1.6.2.1 (vii))*

Unfruitful and idle investment on incomplete and abandoned road works aggregated Rs 48.47 crore in 6 Road Construction and 14 NH Divisions test-checked.

*(Paragraph 4.1.6.2.2 (i) and 4.1.6.2.3 (ii))*

Unauthorised execution of road works in 350 to 369 km of NH 31 by NH Division, Purnea aggregated Rs 77.20 lakh.

*(Paragraph 4.1.6.2.3 (i))*

In 2 NH Divisions contractors were allowed to start works for Rs 5.42 crore before finalisation of tender for undue favour to contractors.

*(Paragraph 4.1.6.2.3 (iii))*

Inflated measurement of works and allowance of extra percentage on material resulted in excess payment of Rs 68.25 lakh.

*(Paragraph 4.1.6.2.3 (vi) and (vii))*

Fourteen divisions created additional liability of Rs 5.99 crore on repair works. Road works for Rs 64.63 lakh in 5 divisions were doubtful.

*(Paragraph 4.1.6.3 (i))*

Seven divisions spent Rs 2.75 crore on doubtful maintenance and repairs of roads.

*(Paragraph 4.1.6.3 (ii))*

Tolls of Rs 9.46 crore collected by 2 divisions were not remitted to MOST as of March 2000.

*(Paragraph 4.1.6.4)*



Four hot mix plants and one mobile bridge inspection machine procured (1998-99) by 2 NH Divisions at Rs 8.02 crore remained inoperative due to non-commissioning of plants and lack of operational staff.

(Paragraph 4.1.7 (iii))

Thirteen Road Construction and 12 National Highway Divisions did not initiate action for recovery of advance payments (March 1997 to March 2000) of Rs 15.65 crore (including interest of Rs 42.38 lakh) from oil companies.

(Paragraph 4.1.7 (iv) & (v))

Shortages of materials valued at Rs 96.49 lakh in 7 Road and 1 NH Divisions were not recovered from concerned officials.

(Paragraph 4.1.7 (vi))

Eight Road and 2 NH Divisions diverted bitumen valued at Rs 1.50 crore to other works.

(Paragraph 4.1.7 (viii))

Payment to staff without work and illegal appointees in divisions test-checked aggregated Rs 51.98 crore.

(Paragraph 4.1.8 (i) to (iv))

#### **4.1.1 Introduction**

Road Construction Department (RCD) was responsible for construction and maintenance of state highways, national highways, major district roads and bridges except rural roads and bridges. There were 18912 kilometers of pucca and 1156 kilometers of kachcha roads as of March 2000 under the Road Construction Department.

#### **4.1.2 Organisational set up**

The overall administrative control of the Department rests on Secretary, Road Construction Department and Engineer-in-Chief (EIC)-cum-Additional Commissioner-cum-Special Secretary, RCD. They were assisted by Special Officer, Communications and Director of Purchase and Transport at headquarters level, 10 Chief Engineers (CE) at zonal levels, 41 Superintending Engineers (SE) at circle levels and 154 Executive Engineers in divisions.

#### **4.1.3 Audit coverage**

Working of Road Construction Department during 1995-2000 relating to construction and maintenance was reviewed between November 1999 and



June 2000 by test-check of records of EIC, 7 CEs<sup>1</sup> (out of 10), 5 SEs<sup>2</sup> (out of 41) and 36 EEs<sup>3</sup> (out of 154).

#### 4.1.4 Budget procedure and financial outlay

##### Absence of budgetary control mechanism.

Budget was to be prepared by Engineer-in-Chief, Road Construction Department who was the Controlling Officer taking into account on-going as well as new schemes. Non-plan budget was to be prepared on the basis of estimates received from disbursing officers. After approval of the budget grant by the legislature, entire allocation was placed at the disposal of Engineer-in-Chief for further allocation to divisional officers and other disbursing officers. For works expenditure funds were released by EIC to the divisions for expenditure under the LOC system. Budget estimates for Plan and Non-Plan schemes and establishment expenses were prepared by the Engineer-in-Chief on lump sum/adhoc basis upto March 1999 without any action plan for repairs and maintenance works and without any proposal from the disbursing officers.

Budget provisions and expenditure under plan and non-plan heads of account during 1995-2000 were as under:

Year	Grant			Expenditure			Excess (+)/ Saving (-)		
	Plan	Non-plan	Total	Plan	Non-plan	Total	Plan	Non-plan	Total
(Rupees in crore)									
1995-96	84.53	119.53	204.06	42.48	127.42	169.90	(-)42.05 (50)	(+)7.89 (7)	(-)34.16
1996-97	88.99	124.58	213.57	79.66	148.70	228.36	(-)9.33 (11)	(+)24.12 (19)	(+)14.79
1997-98	210.00	188.70	398.70	115.03	205.80	320.83	(-)94.97 (45)	(+)17.10 (9)	(-)77.87
1998-99	374.50	273.59	648.09	150.34	233.77	384.11	(-)224.16 (60)	(-)39.82 (15)	(-)263.98
1999-2000	239.66	263.58	503.24	158.01	262.11	420.12	(-)81.65 (34)	(-)1.47 (1)	(-)83.12
<b>Total</b>	<b>997.68</b>	<b>969.98</b>	<b>1967.66</b>	<b>545.52</b>	<b>977.80</b>	<b>1523.32</b>	<b>(-)452.16</b>	<b>(+)49.11</b> <b>(-)41.29</b>	<b>(+)14.79</b> <b>(-)459.13</b>

(Figures in bracket indicate percent)

Scrutiny revealed the following:

- (i) There was persistent saving during 1997-2000 mainly under the plan head. Unnecessary supplementary provisions of Rs 179.50 crore was obtained under certain sub-heads "5054-capital outlay" and "3054-Roads and Bridges" (Refer Appendix-XXIX) during 1995-99 though expenditure under these heads was much below the original provision. A total provision of Rs 75.45 crore under plan heads (Refer Appendix-XXX) remained fully

<sup>1</sup> State Roadways: CE Advance Planning Patna, CDO Patna, Mechanical Patna, South Bihar Patna, Chotanagpur Santhal Pargana Ranchi and North Bihar Wing Darbhanga; National Highway, Patna

<sup>2</sup> SE Patna, Ranchi and Mechanical Circle Ranchi, National Highway: Patna and Ranchi

<sup>3</sup> RC Division Aurangabad I, Banka, Buxar, Chapra, Chaibasa, Darbhanga, Daltonganj (North), Dehri-on-Sone, Gaya I, Gaya II, Giridih, Hajipur, Hazaribag, Jamtara, Muzaffarpur I, New Capital Patna, Patna West, Patna City, Patna (Mechanical), Purnea, Ranchi, Ranchi (Mechanical) and Sahebganj, NH:Barhi, Biharsharif, Dehri-on-Sone, Dhanbad I and II, Gopalganj, Gulzarbag, Jamshedpur, Muzaffarpur (Mechanical), Purnea, Patna (East), Patna (West) and Ranchi



unutilised during 1995-2000. Thus budgetary control for the plan heads was significantly deficient.

(ii) There was a total excess expenditure of Rs 128.76 crore under various budget heads (Refer Appendix-XXXI) during 1995-2000.

(iii) During 1996-2000, Rs 32.39 crore were unauthorisedly drawn by the DDOs without any budget provision (Refer Appendix-XXXII).

(iv) The Controlling Officer (EIC) did not reconcile the departmental figures of expenditure of Rs 1103.20 crore with those appearing in the books of the Accountant General during 1995-1999 entailing risks of serious irregularities, defalcation and frauds.

(v) Engineer-in-Chief stated (January 2001) that allotment registers and related files for allotment of fund to DDOs, appropriations/ re-appropriations for Plan and Non-plan works and other sub-heads of expenditure for 1996-99 were seized by Central Bureau of Investigation (CBI) and were not produced to Audit.

#### 4.1.4.1 Poor performance of the divisions in original and repair works

Financial targets and achievements in the 23 divisions of state roads test-checked were as below:

Year	Original work			Repair to roads		
	Allotment	Expenditure	Surrender/ Lapse or excess	Allotment	Expenditure	Surrender/ Lapse
(Rupees in crore)						
1995-96	15.86	15.84	0.02	16.44	16.32	0.12
1996-97	31.60	30.66	0.94	20.61	20.63	(-)0.02
1997-98	74.99	72.88	2.11	33.27	32.79	0.48
1998-99	93.67	71.51	22.16	55.29	48.82	6.47
1999-2000	111.41	88.92	22.49	38.95	37.68	1.27
<b>Total</b>	<b>327.53</b>	<b>279.81</b>	<b>47.72</b>	<b>164.56</b>	<b>156.24</b>	<b>(+)8.34</b> <b>(-)0.02</b>

Scrutiny revealed as under:

(i) The department could not utilise 15 percent and 5 percent of funds meant to original work and repair works.

(ii) In 23 test-checked divisions<sup>4</sup> allocation of funds for repair and expenditure were not based on the length of road under the divisions. It was noticed that divisions having larger road length were allotted less funds, while divisions having less road length were provided with more funds by the Engineer-in-Chief. This resulted in disproportionate expenditure on repairs of road (per km) in the divisions and possible misutilisation of funds in these works was not ruled out (for details Refer Appendix-XXXIII).

<sup>4</sup> RC Division; Aurangabad, Banka, Buxar, Dehri-on-Sone, Gaya-I, Jamtara, New Capital Patna, Patna City, Patna (West) and Purnea, Sahebganj.  
NH Divisions: Barhi, Biharsharif, Dhanbad 1 and 2, Dehri-on-sonne, Gulzarbag, Patna East and West, Jamshedpur, Ranchi, Purnia



Temporary advances were overdue for recovery for 1 to 27 years.

(iii) Departmental officers took no action to recover/ adjust temporary advances of Rs 1.43 crore paid to the 63 Junior/ Assistant Engineers of 16 divisions<sup>5</sup> (State roadways: 10 ; National highways:6) overdue for recovery/ adjustment for 1 to 27 years though repeatedly pointed in the Audit Inspection Reports. Non-recovery of advances for such a long period amounted to misappropriation of advances.

Huge cash balance entailed risks of financial offence.

(iv) In violation of codal provisions, 8 divisional officers<sup>6</sup> retained huge closing balances of Rs 3.16 crore as of 31 March 1999 entailing risks of misutilisation of government money and frauds.

Fund diverted for unintended objects.

(v) Executive Engineer, NH Patna East Division diverted and misutilised Rs 24.43 lakh (November 1993 – March 1999) on other original (Rs 11.84 lakh) and repair (Rs 12.59 lakh) works.

#### 4.1.4.2 Incidence of high establishment expenditure

As per norms, establishment expenditure should not exceed 10 percent of capital expenditure on works outlay. In total disregard of this establishment expenditure varied from 31 to 103 percent of outlay on works during 1995-2000 as per details below due to huge idle establishment:

Establishment expenditure varied from 31 to 103 percent of capital expenditure against norm of 10 percent.

Year	Works outlay	Establishment expenses	Percentage Col.3 of Col.2
1	2	3	4
(Rupees in crore)			
1995-96	83.08	85.36	103
1996-97	133.04	93.29	70
1997-98	213.77	104.36	49
1998-99	283.77	88.15	31
1999-2000	297.21	122.91	41
<b>Total</b>	<b>1010.87</b>	<b>494.07</b>	<b>48</b>

#### 4.1.5 Physical progress

Length of road in the State as of March 2000 was far behind the national average as per details below:

Physical achievement was behind the targets.

	Target	Achievement	In One lakh population	Per hundred square Kms	Percent
	(Kms)				
<b>India: (Figure of March 1990)</b>					
Total Road	27,00,000	15,54,204	173.96	47.27	57
Pucca Road	19,11,000	7,31,132	81.37	21.80	38
<b>Bihar (March 2000)</b>					
Total Road	2,12,032	87,956	101.47	39.92	41
Pucca Road	1,54,500	39,760	42.45	20.86	25

(Source: Administrative Report of RCD 1999-2000)

<sup>5</sup> RC Division: Buxar, Chaibasa, Chapra, Daltonganj (N), Darbhanga, Dehri-on-sona, Hajipur, Patna West, Ranchi, Sahebganj ; NH Division: Biharshariff, Dehri-on-Sone, Jamshedpur, Muzaffarpur, Patna East & Purnea.

<sup>6</sup> RC Division: Aurangabad I (Rs 17.50 lakh), Banka (Rs 5.65 lakh), Daltonganj (N) (Rs 18.14 lakh), Hajipur (Rs 77.96 lakh), Jamshedpur (Rs 15.62 lakh), New Capital, Patna (Rs 69.86 lakh), Patna City (Rs 74.77 lakh) and Ranchi (Rs 36.09 lakh).



Further networks of roads in Bihar during 1996-2000 was as under:

Description	Upto March 1996		Upto March 1997		Upto March 1998		Upto March 1999		Upto March 2000	
	Pucca	Kachcha	Pucca	Kachcha	Pucca	Kachcha	Pucca	Kachcha	Pucca	Kachcha
	(Road length in km)									
1. National Highways	2218	-	2218	-	2492	-	3075	-	3210	--
2. State Highways	4092	-	4092	-	4797	-	4214	-	4079	--
3. Major Distt. Roads	8496	705	8496	705	8496	705	8496	705	8496	705
4. Other Distt. Roads	3127	457	3127	457	3127	457	3127	457	3127	451

Length of roads (other than the national highways) in Bihar stagnated during 1996-2000 and thus road sector, the key infrastructure for socio-economic development had no growth in five years. During 1980-2000, 348 schemes of roads/ bridges sanctioned/ taken up remained incomplete, though Rs 652.51 crore (65 percent) against estimated cost of Rs 1007.99 crore were spent on them.

Large funds locked in incomplete road-bridge works.

#### 4.1.6 Road works in terrorist infested areas

Poor performance of road works in terrorist infested areas.

For construction of 114 roads (2425 kms) in 22 terrorist infested districts<sup>7</sup> to combat terrorist activities and improve law and order situation in these districts, Rs 236.22 crore were provided during 1997-2000 (administrative approval for Rs 305.59 crore). Out of this Rs 155.10 crore (65.66 percent) were spent and Rs 81.12 crore were surrendered. However, only 12 roads (103 kms) were completed at a cost of Rs 10.03 crore and rest 102 roads (2322 kms) on which Rs 145.07 crore were spent remained incomplete as of June 2000.

Instead of constructing roads in terrorist infested areas, Rs 61.43 crore of available funds were diverted by the department towards construction of 438 km of 21 other roads in areas in those 5 districts (Chapra: Rs 8.15 crore; Siwan: Rs 13.19 crore; Gopalganj: Rs 15.02 crore; Nalanda: Rs 16.64 crore; Buxar: Rs 8.43 crore) which were not terrorist infested at total estimated cost of Rs 79.70 crore. On the other hand, no road work was taken up under the scheme in 5 districts which were terrorist infested (Begusarai, Godda, Khagaria, Gumla and Lohardaga). Thus, the priority of construction of roads in terrorist infested districts were disregarded and the allocated funds were spent in non-priority areas.

##### 4.1.6.1 Contract management

Contract management in Road Construction Department was deficient as was evident from the following paragraphs:

<sup>7</sup> Arwal, Aurangabad, Bhojpur, Bhabhua, Bokaro, Begusarai, Chatra, Dhanbad, Gaya, Gumla, Garhwa, Godda, Giridih, Hazaribag, Jahanabad, Khagaria, Lohardaga, Nawada, Patna, Palamu, Rohtas and Ranchi.



**(i) Increase in cost due to delay in decision of tenders: Rs 24.42 crore**

During 1997-99 altogether 76 tenders for road (59) works were decided for Rs 181.02 crore by the Engineer-in-Chief on the recommendation of departmental tender committee after a delay of 3 to 12 months resulting in increase in cost of Rs 22.51 crore.

**Delay in decision of tenders caused cost overruns.**

Tender for strengthening of NH 2 in Km 360 to 368 (estimated cost : Rs 2.11 crore) invited in March 1996 was approved in March 1997 for Rs 2.76 crore at 31 percent above the estimated cost. Subsequently as the work was not completed, the cost was revised by the Chief Engineer (January 1999) to Rs 4.02 crore resulting in increase in the cost for Rs 1.91 crore. Though the MOST wrote to Secretary of the department (March 1999) to fix responsibility for time overrun, cost overrun, incurring expenditure beyond permissible limit and delay in submission of revised estimate, no action was taken by Government as of January 2000.

Such inordinate delays causing huge cost overruns called for investigation by government.

**(ii) Approval of single tender led to extra liability: Rs 3.79 crore**

**Huge extra liability due to approval of single tender at high rates.**

CE and tender committee allotted work of 12 naxal infested roads (length 209.33 km between July 1998 and February 2000) in 5 divisions<sup>8</sup> to contractors at Rs 19.05 crore (original estimated cost being Rs 17.01 crore) on single tender basis at 5 to 22 percent over estimated cost for completion between March 1999 and March 2000 resulting in extra liability for Rs 2.04 crore. Similarly, in 6 NH Divisions<sup>9</sup> test-checked, Chief Engineer, NH Wing/ Departmental Tender Committee approved (March 1993 to March 1999) offers of Rs 11.36 crore of single tenderers in 14 cases at a cost higher by 2 to 35 percent over the estimated cost (Rs 9.61 crore) without obtaining approval of MOST. This resulted in extra liability of Rs 1.75 crore at the award stage. Thus, extra liability aggregated Rs 3.79 crore.

**(iii) Award of work to favoured contractor at extra benefit: Rs 0.83 crore**

**One agency only quoted different rates and work entrusted to them.**

Tenders for strengthening of Ara-Sasaram road, improvement of Bikramganj-Dinara road and improvement of Nasriganj by-pass road were invited by Chief Engineer (CE) between August 1998 and October 1998. One agency (Vishal BUILTECH India) quoted rates for all the works varying from 25 to 40 percent over the estimated costs (Rs 622.19 lakh), while another agency (Kartik Kumar) quoted rates varying from 30 to 45 percent above the estimated cost. The works were awarded by the department to the agency (Vishal BUILTECH India, Patna) at a cost of Rs 7.05 crore which was Rs 0.83 crore above the estimated cost. Scrutiny disclosed that the other tenderer 'K' was also the proprietor of 'V'. Thus, both the sets of rates were quoted by the same agency in different names. Further, Kartik Kumar was an invalid tenderer as his

<sup>8</sup> RC Division; Buxar, Chapra, Dehri-on-Sone, Gaya I and Patna City

<sup>9</sup> Barhi, Dehri-on-Sone, Jamshedpur, Patna East, Purnea and Ranchi



registration as contractor in the department expired and was not renewed since 1989. The manipulation by quoting different sets of rates by the same agency resulted in award of work to a favoured contractor at extra benefit of Rs 0.83 crore to him.

(iv) **Higher rates beyond permissible limit**

Inadmissible payments beyond permissible limit.

According to instruction issued (July 1986) by Cabinet Secretariat and Co-ordination Department, approval of rate of a work in excess of 10 percent over estimated cost was not permissible. In contravention of this, in 8 Divisions<sup>10</sup> on recommendation of tender committee EIC decided (August 1998) tender of 21 naxal infested roads at Rs 50.13 crore varying between 12 and 25 percent over estimated cost (Rs 43.25 crore). This resulted in extra liability for Rs 2.47 crore at the award stage.

(v) **Unjustified closure of contract and rejection of lowest offer**

Rejection of lowest offer involved extra cost.

Executive Engineer, Road Construction Division, Dehri-on-Sone executed (May 1994) agreement with an agency at Rs 27.16 lakh for completion of work of improvement to Babhnanth-Koath Road (length 3.4 Km) by May 1996. The agency executed work for Rs 5.62 lakh only (upto July 1997) and thereafter the Executive Engineer closed contract (March 1999) instead of rescinding it. Further, CE approved the rate of Rs 27.98 lakh the third lowest re-tenderer (February 1999), the same defaulting contractor on the ground of non-participation of lowest tenderers for negotiation and verification of documents for possession of hot mix plant by him. The rejection of the lowest offer was not justified as the lowest tenderer was regular contractor of the Department and possession of hot mix plant by the agency was in the knowledge of the division/ department. Rejection of lowest offer involved extra cost of Rs 8.02 lakh.

**4.1.6.2 Major deficiencies in execution of works**

**4.1.6.2.1 Original works in extremist infested areas**

Funds not utilised and funds diverted.

During 1997-2000 EIC provided Rs 112.26 crore to 13 divisions<sup>11</sup> test-checked for road works. Against this, Rs 88.69 crore were spent, Rs 7.87 crore lapsed and Rs 15.61 crore were surrendered and balance amount of Rs 0.09 crore was diverted unauthorisedly towards clearance of liability of other works up to March 2000. Other major deficiencies noticed in test-check were as under:

(i) **Unrealistic estimate**

Framing of unrealistic estimates was not prevented.

In 3 Road Construction Divisions<sup>12</sup> test-checked, frequent revision of estimates valuing Rs 1.50 crore (7 road works) occurred due to preparation of

<sup>10</sup> RC Division; Aurangabad I, Buxar, Chapra, Dehri-on-Sone, Gaya I, Gaya II, New Capital Patna and Patna City.

<sup>11</sup> RC Division; Aurangabad I, Buxar, Chapra, Daltonganj, Dehri-on-Sone, Gaya I, Gaya II, Giridih, Hazaribag, New Capital Patna, Patna City, Patna (West) and Ranchi.

<sup>12</sup> Buxar, Patna City and Patna West



estimates without survey and investigation which resulted in increase in cost of road works by Rs 0.42 crore.

**(ii) Road works remained incomplete due to award of works to contractors beyond their capabilities**

**Idle investments on incomplete works.**

On recommendation of tender committee Chief Engineer allotted during 1998-2000 work of improvement and strengthening of 455.80 km of roads to 6 contractors (26 agreements) in 7 divisions at a cost of Rs 45.65 crore for completion between March 1999 and June 2000 without considering their capability to complete the work in time (Refer Appendix-XXXIV) during March 1999 to June 2000. Though the contractors had only one/two hot mix plants for execution of bituminous work, more than two works in different divisions were allotted to them. They resorted to suspending work at one site and resuming work at the other. This resulted in undue prolongation of construction period by 6 to 27 months and expenditure of Rs 24.98 crore on incomplete works as of March 2000.

**(iii) Inferior work in Chapra - Siwan road : Rs 1.14 crore**

**No responsibility fixed for inferior road works.**

Work of widening and strengthening of Chapra-Siwan road executed between June 1998 and June 1999 (length 35.80 Km) was badly damaged after rainy season (1999) in the stretch of 4 km to 29 km. Damage to road crust was assessed (December 1999) by the Road Construction Division, Chapra to Rs 1.14 crore. Secretary, Road Construction Department observed (January 2000) that road crust failed due to execution of work below specification. He directed SE/EE to fix responsibility for inferior work. However, no responsibility was fixed as of March 2000.

**(iv) Change in specification led to extra cost : Rs 12.32 lakh**

**Unjustified change of specifications caused extra cost.**

Works of widening and strengthening of Ramgarh-Chausa and Parari-Sonbarsa roads (to be completed at a cost of Rs 3.17 crore by March 1999) under Road Construction Division, Buxar, included brick flat soling to be done at Rs 28.59 lakh. This specification was changed by Chief Engineer to stone metal grade I without any justification involving total cost of Rs 39.86 lakh resulting in extra payments for Rs 11.27 lakh.

**(v) Fictitious work : Rs 18.85 lakh**

**Payment made for execution of works done on paper.**

An agency contracted for execution of work of improvement to Nasriganj bypass road (length 2.4 Km) with the Executive Engineer, Dehri-on-Sone Division on 9 February 2000, while received payment of Rs 18.85 lakh the same day, (estimated cost : Rs 19.98 lakh) for which Junior/ Assistant Engineer recorded measurement of work done, prepared bill and the Executive Engineer passed the bill hastily the same day (9 February 2000). Further, transportation of material from a far off quarry site (65 Km away from hot mix plant site Piro) at Karbandia, 50 mm levelling course, laying and consolidation of 50 mm thick carpeted bituminous macadam, 25mm thick semidense bituminous concrete, tack coat and carriage of bituminous mix materials were also done from a hot mix plant site (at Piro) to work site at a distance of 35 km



on the same day. Thus, the works were done only on paper. The payment of Rs 18.85 lakh therefore was a fraud.

Executive Engineer's statement (May 2000) that the work order was issued prior to execution of contract was not tenable.

**(vi) Approval of rate on split up value and allowance of higher rate**

Approval of split up rates involved extra liability.

In order to avoid approval of rate by tender committee, tenders for Hazaribag-Tandwa (11-30 km) and Hazaribag-Simariya (11-30 Km) were split up by CE Chhotanagpur wing, Ranchi in November 1999 by dividing the work in 4 groups of each road and keeping value of work below Rs 1.00 crore in each group. CE approved tender of group IV (each of the 2 road works) only in March 2000 at Rs 1.69 crore (HBT road: Rs 84.08 lakh and HS Road: Rs 84.47 lakh) against estimated cost of Rs 1.43 crore beyond his competence. Allowance of higher rate by the Chief Engineer involved extra liability for Rs 26.00 lakh.

**(vii) Irregular and unauthorised payment of claims: Rs 1.30 crore**

Allowance of higher rates of claims was not admissible.

(a) Though as per terms of tender, no higher rate was payable for any variable item of agreed quantity of work. SE, Bhojpur circle, Ara, Central circle, Patna and Chief Engineer, Patna sanctioned claims at higher rates for Rs 48.34 lakh (paid by Road Construction Division, Dehri-on-Sone and New Capital Division, Patna in February-March 2000) between May 1999 and March 2000 against 6 contracts of naxal roads for excess execution of earth work, sand filling, provision of stone aggregates, Jhama metal 50 mm levelling course, seal coat etc, varying between 1.88 and 553.36 percent over agreed quantity.

Claim for extra lead not permissible.

(b) Superintending Engineer, Road Construction Circle, Bhojpur, Ara sanctioned (January-March 2000) claim of Rs 52.52 lakh (paid in February-March 2000) for extra lead in carriage of mix material and transportation of stone aggregates in Sasaram-Chausa and Bikramganj-Nasriganj roads for finished rate items of work.

Excess execution of works.

(c) Similarly, SE/CE sanctioned claim for Rs 28.59 lakh (paid by EE, RCD, Dehri-on-Sone) during January 1999 to March 2000 for works, such as 20 mm premix carpet, liquid seal coat type 'B', 50 mm levelling course, stone metal grade I etc. executed in excess of agreed quantity by 59 to 317 percent.

**4.1.6.2.2 Original works of construction in other roads**

**(i) Unfruitful expenditure on incomplete construction of roads and bridges : Rs 9.67 crore**

In 6 Road Construction divisions<sup>13</sup> construction of roads and bridges undertaken during 1983-99 remained incomplete as of March 2000 and Rs 9.67 crore spent on them (Refer Appendix-XXXV) remained unfruitful.

<sup>13</sup> Aurangabad I, Chapra, Chaibasa, Daltonganj (N), Darbhanga, Jamtara.

**4.1.6.2.3 National highways**

**(i) Unauthorised execution of works: Rs 77.20 lakh**

**Inadmissible execution of works.**

EE, NH Division, Purnea spent Rs 16.97 lakh (October 1996 to November 1997) to November 1997 on strengthening of weak pavement in 350 to 369 kms of NH 31 (Naugachia-Purnea section) beyond the scope of agreement and without approval of MOST. Further, Executive Engineer irregularly spent Rs 60.23 lakh on repairs in the same stretch, though original and repair works were not to be carried out simultaneously in the same stretch.

**(ii) Idle investment on incomplete NH road works : Rs 38.80 crore**

**Idle investments for one to 13 years.**

It was noticed that 18 road and 15 bridge works sanctioned by MOST during 1984-99 at a total estimated cost of Rs 40.21 crore (revised to Rs 44.71 crore) were not completed by 14 NH Divisions<sup>14</sup> (most laggard divisions : Aurangabad, Barhi, Purnea) even after lapse of one to 13 years despite expenditure of Rs 38.80 crore as of June 1999 due to delay in tender/ decision of tenders, non-submission/delay in submission of revised estimates to MOST, land acquisition problems, late approval of design and methodology, change in designs etc. Chief Engineer, NH, Bihar did not monitor execution of these works.

**(iii) Commencement of works by a contractor before finalisation of contracts**

In 2 NH Divisions following cases of subversion of tender process and undue favour to a chosen contractor were noticed:

Division	Work/ job No.	Estimated cost/ Agreed cost (Rupees in lakh)	Date of				Quantity of material issued (tonnes)	Value (Rs in lakh)	Remarks
			Receipt of tender	Decision of tender	Contract	Issue of material (bitumen)			
NH Divisions, Bihar-shariff	Strengthening and hard shouldering work in 10 kms (45 km to 55 km of NH 31)	249.73 275.00	March 1999	September 1999	October 1999	11 May 1999 10 June 1999	200 44	19.60	Material issued prior to commencement of contract to contractor (Ramakant Singh)
NH Division, Gulzarbag, Patna	Strengthening of existing road crust from 47 km to 58 km at Hajipur in NH 19 (Job No.019-BR-99-520)	240.22 267.00	April 1999	September 1999	September 1999	30 April 1999 12 June 1999	359.519 MT	28.88	--do--
<b>Total</b>		<b>489.45</b> <b>542.00</b>						<b>48.48</b>	

<sup>14</sup> Aurangabad, Barhi, Biharsharif, Dehri-on-Sone, Dhanbad I, Dhanbad II, Gopalganj, Gulzarbag, Motihari, Muzaffarpur, Patna East, Patna West, Purnia and Ranchi.



**(iv) Expenditure not sanctioned: Rs 19.00 lakh**

Expenditure beyond permissible limits.

Rupees 19.00 lakh spent on 4 schemes<sup>15</sup> beyond the permissible limit of 15 percent over the estimated costs were not sanctioned by MOST as of June 1999.

**(v) Undue favour to a contractor**

Allowance of extra rate on material.

Following points were noticed in work of strengthening of weak pavement of national highway No 2 in 360 km to 368 km (Job no 002/BR/95-495) estimated to cost Rs 263.07 lakh in October 1995 (revised to Rs 402.30 lakh in March 1999), that commenced in March 1997.

(a) Executive Engineer, NH Division No.I, Dhanbad allowed (November 1999) to a contractor (Sunny Construction and Company, Jhumari Tilaiya, Kodarma) extra rate of 31 percent over 1263.24 tonne of bitumen valued at Rs 72.60 lakh issued by the division beyond the terms of agreements. This resulted in excess payment of Rs 22.51 lakh.

Execution of works beyond estimates.

(b) Tack coat in bituminous work was done in the entire length of road, though not included in estimate resulting in unauthorised expenditure of Rs 10.46 lakh. Further, recovery of cost of 210.6627 tonne of bitumen valuing Rs 12.11 lakh issued to the contractor during October 1997 to November 1999 was not done as of January 2000.

Repeated repair works were doubtful.

(c) While strengthening work was in progress, the Executive Engineer, contracted (January 1998) for repair work for Rs 8.78 lakh (paid in September 1998) with the same agency and also spent Rs 4.15 lakh on flood damage and emergent repair work (against 4 agreements) in the same stretch during August 1997 to March 1998, though not permissible. EE also spent Rs 47.82 lakh during 1994-99 on repair of road in same stretches (369 to 377 km and 387 to 393 km) during same period. Total, expenditure of Rs 60.75 lakh on repair work was thus, doubtful.

**(vi) Excess payment due to inflated measurement : Rs 28.55 lakh**

Excess payment due to inflated measurements not recovered.

In strengthening of NH 31 (from 381 to 400 and 411 to 420 km) NH Division, Purnea paid Rs 86.20 lakh to a contractor for supply of 23765.58 cubic metre of stone aggregates, while as per road metal account only 17287.90 cubic metre of stone aggregates was supplied, resulting in excess payment of Rs 28.55 lakh for supply of stone aggregates (6477.68 cu.m.). Executive Engineer stated (March 2000) that matter was under investigation.

**(vii) Inadmissible Payment : Rs 39.70 lakh**

Percentage increase on material issued by department not permissible.

Though not admissible, 4 NH divisions<sup>16</sup> allowed increase on value of materials supplied by divisions by 10 to 36 percent over the estimated cost for 18 works resulting in inadmissible payment of Rs 39.70 lakh.

<sup>15</sup> Construction of Minor Bridge over river Gorhar in km 317 (002BR85/372), Second stage strengthening of 2 lanes of pavements in km 175 to 180 (002BR87/412), Reconstruction of Bridges over river Bajra in km 8 of Ranchi-Gumla Section (023BR90/456), Strengthening in km 38 to 400, 411 to 420 and 424 to 425 (031/BR96/445).

<sup>16</sup> Bihar Sharif, Dhanbad I, Gulzarbag and Patna East.



#### 4.1.6.3 Repairs and maintenance works

Release of funds without action plan.

During 1995-1999 Engineer-in-Chief released funds of Rs 326.15 crore to Executive Engineers without specifying the roads and without annual action plan for renewal, special repair, pot patch repair etc. The Executive Engineers carried out mainly the ordinary repair works (pot patches) for which they sanctioned estimates, allotted works to contractors to departmental officers and prepared lump LOC for making payment to contractors and departmental officers entailing serious risks of misutilisation of funds. SE, CE and EIC did not monitor the genuineness of expenditure. Further, expenditure on repair works in 1999-2000 was 343 percent (Rs 139 crore) of the expenditure (Rs 40.60 crore) in 1995-96.

Possible misutilisation of funds in departmental execution of works.

In 10 divisions<sup>17</sup>, Rs 15.21 crore were reportedly spent during 1997-2000 on repair and maintenance departmentally. In these cases misutilisation/misappropriation of government money and material was not ruled out as expenditure was incurred in vouchers below Rs 2000, without any road metal statement, site account, procurement of material on hand receipts, payment to labours on muster roll/ hand receipts etc.

Other points noticed in test-check were as under:

(i) **Avoidable liability : Rs 5.99 crore**

Works executed were doubtful.

Divisional Officers of 14 divisions<sup>18</sup> unauthorisedly created liability of Rs 5.99 crore beyond fund provided by executing excess repair work during 1982-99. Departmental liability committee observed that during November 1998 and May 1999 work executed for Rs 64.63 lakh in 5 divisions<sup>19</sup> were doubtful and recommended for action against the JE/AE/EE responsible. However, no action was taken as of March 2000 by Engineer-in-Chief against the divisional officers.

(ii) **Doubtful expenditure : Rs 2.75 crore**

In 7 divisions test-checked doubtful expenditure of Rs 2.75 crore on repairs of roads warranted investigation (Refer Appendix-XXXVI)

#### 4.1.6.4 Tolls collected not remitted to MOST : Rs 9.46 crore

Patna City and Vaishali Road Construction Divisions did not pay to the MOST toll of Rs 9.33 crore collected by them (Vaishali: Rs 4.19 crore and Patna City: Rs 5.14 crore) during 1997-99 on Mahatma Gandhi Setu over river Ganga at Patna as of March 2000. Further, tolls of Rs 12.79 lakh collected by them

<sup>17</sup> RC Division; Aurangabad I, Banka, Chaibasa, Chapra, Gaya I, Giridih, Jamshedpur, Jamtara, Ranchi and Sahebganj.

<sup>18</sup> RC Division; Aurangabad I, Buxar, Chaibasa, Chapra, Daltonganj (North), Dehri-on-Sone, Gaya I, Gaya II, Jamtara, Muzaffarpur I, New Capital, Patna, Patna City, Patna (West) and Sahebganj.

<sup>19</sup> RC Division; Chapra, Dehri-on-Sone, Patna city, Patna West and Sahebganj.



during 20 January 1999 to 6 March 1999 were remitted to Bihar State Bridge Corporation, Patna instead of remitting the same to the MOST.

#### 4.1.6.5 *Unauthorised retention of agency charges : Rs 1.07 crore*

Payment of agency charges on material not supplied was not permissible.

12 NH Divisions<sup>20</sup> test-checked unauthorisedly retained 9 percent agency charges for Rs 1.07 crore during 1995-2000 on advance payment to Oil companies for supply of bitumen though value of only those materials which were received and utilised in works was to be charged in accounts as agency charges.

#### 4.1.7 *Material Management*

Deficiencies noticed in management of stores in RCD were as under:

##### (i) *Purchase and utilisation of bitumen not monitored*

Director, Purchase and Transport did not monitor purchase and utilisation of bitumen.

During 1996-2000, 139 supply orders were issued by Director of Purchase and Transport, RCD to three Petroleum Companies for supply of 2.21 lakh tonne (RCD: 1,60,733 tonne plus NH: 60,768 tonne ) of packed bitumen to consignee divisions against cash payment of Rs 184.00 crore for plan/non-plan works. Receipt and utilisation of bitumen in works were not ascertained by the Director. Audit review on the purchase and utilisation of bitumen in Road Construction Department which featured in the Report of the Comptroller and Auditor General of India for the year ended March 1996 indicated widespread irregularity including misappropriations and fictitious payments by the DGS&D based on a wrong order passed by the Minister in-charge at the instance of a contractor. The matter had since been under investigation by the Central Bureau of Investigation.

##### (ii) *Unnecessary procurement of bitumen: Rs 14.24 crore*

Purchase of bitumen without assessing requirement and storage facility.

In 11 divisions<sup>21</sup> test-checked, 17 (out of 34) thousand tonne of bitumen valued at Rs 14.24 crore procured between January 1998 and June 1999 remained unutilised as of March 2000 because DPT issued supply orders without obtaining indents and approval of estimates, finalisation of tenders for the works. Thus, Rs 14.04 crore were blocked for last two years.

##### (iii) *Idle investment on plant and equipment: Rs 8.02 crore*

Hot mix plant procured remained inoperative. Mobile bridge inspection machine procured in May 1998 not commissioned.

Of 4 hot mix plants valued at Rs 7.05 crore procured in NH (Mech) Division, Patna in March 1999, 2 plants installed (September-October 1999) at Mokama and Jankinagar were not in operation as of March 2000 due to lack of operational staff, two other plants were not installed (Mahesh Khunt and Daltonganj) due to non-acquisition of land for this purpose. Further one mobile bridge inspection unit valued at Rs 97.21 lakh procured (May 1998) by Executive Engineer, NH Division, Gulzarbag was not commissioned as of March 2000. Idle investment of aggregated Rs 8.02 crore.

<sup>20</sup> Gulzarbag, Patna East, Dhanbad No I, Bihar-Sharif, Dehri-on-Sone, Patna West, Dhanbad II, Ranchi, Purnea, Barhi, Gopalganj and Jamshedpur.

<sup>21</sup> RC Division; Aurangabad I, Buxar, Chapra, Daltonganj, Dehri-on-Sone, Gaya I, Gaya II, Giridih, Hazaribag and Patna (West) and Patna City.



**(iv) Amount unrecovered from oil companies : Rs 2.05 crore**

Excess advance payment not recovered.

In Road Construction Divisions, Dehri-on-Sone, 11793.66 tonne of bitumen were supplied during June-August 1998 by a oil company against advance payment. During this period the cost of bitumen declined from Rs 10000.00 per tonne to Rs 7700.00 per tonne. However, as per contract Rs 2.05 crore on account of price reduction (Rs 1.63 crore) and interest (Rs 42.38 lakh) upto April 2000 remained unrecovered.

**(v) Non receipt of bitumen : Rs 13.60 crore**

In 13 Road Construction divisions<sup>22</sup> and 12 NH divisions<sup>23</sup> test-checked Executive Engineers advanced Rs 60.33 crore during March 1997 to March 2000 to oil companies for supply of 71325.47 tonne of bitumen within 4 weeks. Against this, 14452.195 tonne of bitumen valued at Rs 13.60 crore were not supplied as of June 2000 and no effective steps were taken by the divisions to get the amount recovered from the oil companies or to obtain bitumen for road works.

**(vi) Shortage/ misappropriation of materials : Rs 96.49 lakh**

In 7 Road Construction and 1 NH (Biharshariff) divisions test-checked shortages/ misappropriation of materials valued at Rs 96.49 lakh occurred due to lapses of various officials of the divisions (for details see Appendix-XXXVII).

**(vii) Irregular transfer of bitumen : Rs 66.14 lakh**

Cost of transferred bitumen not recovered.

EEs in 5 Divisions<sup>24</sup> test-checked transferred 850 tonne of bitumen valued at Rs 66.14 lakh on loan basis to 6 other divisions<sup>25</sup> between December 1997 and May 1999 without recovery of their full cost. Possibility of fictitious transfers of bitumen was not ruled out.

**(viii) Diversion of bitumen : Rs 1.50 crore**

Bitumen diverted for unintended objects.

In 8 Road Construction<sup>26</sup> and 2 NH<sup>27</sup> divisions 1717.35 tonne bitumen valued at Rs 1.32 crore procured for execution of original work were unauthorisedly diverted for repair work between August 1991 and March 2000. Similarly, 223.51 tonne of bitumen valued at Rs 18.04 lakh procured for repair work in 2 divisions<sup>28</sup> were transferred to other works (original and deposit work) during April 1997 and June 1997 without adjustment of their cost.

<sup>22</sup> Aurangabad I, Buxar, Chapra, Daltonganj (N), Darbhanga, Gaya I, Gaya II, Giridih, Hajipur, Jamtara, Muzaffarpur I, Patna West and Sahebganj.

<sup>23</sup> Aurangabad I, Buxar, Chapra, Daltonganj (N), Darbhanga, Gaya I, Gaya II, Giridih, Hajipur, Jamtara, Muzaffarpur I, Patna West and Sahebganj.

<sup>24</sup> RC Division; Buxar, Dehri-on-Sone, Gaya I, Muzaffarpur I, & New Capital Patna.

<sup>25</sup> RC Division; Aurangabad I & II, Patna City, NH Dehri-on-Sone, Kochas, and Muzaffarpur.

<sup>26</sup> RC Division; Aurangabad I, Darbhanga, Daltonganj, Gaya II, Giridih, Patna City, Purnea and Sahebganj.

<sup>27</sup> NH Dhanbad I and Barhi.

<sup>28</sup> RC Division; Darbhanga and Sahebganj.



**(ix) Physical verification of stores not conducted**

Excess/ shortage of material not ascertained.

Annual physical verification of stores, though required to be conducted by Executive Engineers had not been conducted during 1998-2000 in any of 7 divisions test checked. As a result, the quantity of materials physically available in godown or at site or the materials lost was not ascertainable.

**4.1.8. Man power management**

Deficient manpower management.

Manpower management and control mechanism was non-operational in the department. It did not have information/ record on sanctioned posts of various categories of officers and staff (both technical/ non-technical) and men-in-position in the State. Further, the department did not evolve means to ensure efficient and effective utilisation of manpower available and to eliminate waste/ loss of mandays. Other points noticed were as under:

421 officers and staff had no work.

(i) CE, Monitoring wing, Patna, 8 field survey and advance planing divisions<sup>29</sup> of RCD, 2 circles (Ranchi and Muzaffarpur) and 3 NH Divisions<sup>30</sup> having 421 officers and staff remained without work during 1995-2000 while Rs 45.85 crore (approximately) were spent on their pay etc. during the same period.

Appointments without recruitment procedure and sanction of posts.

(ii) Chief Engineer (M), Patna, Chief Engineer, RCD Patna, SE, Bhojpur, Muzaffarpur and Ranchi appointed 34 staff (Grade III-6, Grade IV-28) and 6 daily wages staff continuously between December 1991 and November 1995 without observing the prescribed recruitment procedures and without sanctions of posts involving unauthorised payment of Rs 58.74 lakh as of March 2000

Absorption of work charged staff without recruitment procedure and sanction of posts.

(iii) Chief Engineer, RCD (Mechanical) appointed (between 1984 and 1991) 749 work charged field staff of 13 mechanical divisions in grade III and IV cadre without observing recruitment procedures. Irregular absorption of these work charged staff involved expenditure of Rs 12.73 lakh per annum.

CDO did not perform its assigned tasks.

(iv) Central Design Organisation (CDO) only sanctioned 157 estimates during 1995-2000 and it did not carry on assigned work relating to bridge design, testing, research and training etc while expenditure on establishment was for Rs 5.41 crore per annum (approx.). This indicated that cost of sanction of one estimate was Rs 17.00 lakh during 1995-2000. Thus CDO was only partially and negligibly functional.

Personnel mismanagement affected working of mechanical wing.

(v) Against 13 mechanical divisions (RCD-8, NH-5) and 4 circles under the control of Chief Engineer (Mech) Bihar, Patna, there were only 5 Divisional Officers to man this wing during June 1994 to January 2000. 4 EEs were holding 2 charges of EE and SE and one EE (K.D.P. Yadav) RCD (M), Muzaffarpur was holding charges of SE, RCD(M) circle, Muzaffarpur and CE from August 1999 onwards. Thus, personnel administration was mismanaged

<sup>29</sup> Patna, Jamshedpur, Darbhanga, Chapra, Gaya, Muzaffarpur, Purnea and Bhagalpur.

<sup>30</sup> Dhanbad II, Dehri-on-Sone and Muzaffarpur(M).

**4.1.9 Inspection Reports remained unattended**

**Inspection Reports did not evoke response.**

Altogether 416 Inspection Reports containing 3133 paragraphs and highlighting financial irregularities of Rs 604.41 crore in various offices of the department forwarded during 1983-99 to officers concerned were pending as of August 1999. Even initial replies were not furnished against 243 Inspection Reports by the departmental officers (Refer Appendix-XXXVIII) indicating lack of response to audit and failure in accountability of senior officers of the Department/ Government.

**4.1.10 Monitoring and evaluation**

**Monitoring - inefficient and ineffective.**

Though there was a monitoring wing in the department headed by a Chief Engineer assisted by 3 Superintending, 4 Executive and 11 Assistant Engineers, the monitoring of road and bridge works was inefficient and ineffective as evident from slow progress of work and the major irregularities in implementation of road and bridge works in the State.

**Review of low achievement not done.**

Further, the Estimate Committee recommended (1996) to government to conduct intensive review of the reasons of comparatively low achievement in road works in relation to average national achievements and obtain the same by accelerating the pace of development of road works in the State. However, Government conducted no such review as of March 2000.

The points were referred to government (August 2000); their reply had not been received (January 2001).



## **SECTION - B : PARAGRAPHS**

### **BUILDING CONSTRUCTION AND HOUSING DEPARTMENT**

#### **4.2 Misappropriation of Rs 30.71 lakh by a Junior Engineer**

*Repeated payment of advances by an Assistant Engineer to the Junior Engineer without adjustment of previous advances resulted in misappropriation of Rs 30.71 lakh.*

Bihar Public Works Accounts Code envisages that temporary advances should be granted to subordinate officers only after submission of accounts of the previous advances.

Scrutiny of records of Patna Building Division revealed (October 1997 and August 1999) that during 1996-97 and 1997-98 Rs 86.27 lakh was advanced by the Assistant Engineer (Arun Kumar Singh) to a Junior Engineer (Ramanuj Sharma), Bankipur Building Sub-division for execution of works under Member of Parliament (MP) scheme, Magadh Mahila College and for meeting the establishment cost from time to time. While making these advances, adjustment of previous advances paid to him, was to be made as required under rules. Out of the advances, Rs 55.56 lakh were adjusted and balance Rs 30.71 lakh were lying outstanding in the name of the Junior Engineer as of October 2000 as he did not render accounts of the same.

The Assistant Engineer informed (June 1999) the Executive Engineer that the Junior Engineer concerned had denied pendency of advances of Rs 30.71 lakh. On this, the Assistant Engineer sought permission from the Executive Engineer for lodging FIR against the Junior Engineer. In turn the Executive Engineer referred the matter to the Superintending Engineer, Building Construction Circle, Patna (July 1999) for setting up of a special investigating team for enquiry against the Junior Engineer and lodging FIR against him. However, neither any investigation team was set up nor was FIR lodged against the Junior Engineer as of January 2000. Further hand receipts for payment of advances to the Junior Engineer were not produced to Audit for verification as those hand receipts were reportedly stolen. Treating it to be a case of defalcation of Government money (Rs 30.71 lakh), the matter was referred by Audit (October 1999) to the Secretary to the Government of Bihar, Building Construction and Housing Department, Patna (followed by reminders in February 2000) with copies to the Engineer-in-Chief, Chief Engineer, Superintending Engineer and the Executive Engineer concerned for investigation into the matter with a view to fixing responsibility and informing the findings in investigation to Audit.

Secretary to the Government or Engineer-in-Chief as of February 2000 did not respond to these references. The Executive Engineer stated (January 2000) that the matter was under enquiry at Superintending Engineer level.



Thus, unchecked and repeated payment of advances by the Assistant Engineer without watching adjustment of previous and pending advances and failure to ensure safe custody of hand receipts of advance payments facilitated misappropriation of Rs 30.71 lakh.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

#### **4.3 Unfruitful expenditure of Rs 1.21 crore due to departmental lapses**

*Delay in administrative approval of estimate, increase in cost and non-availability of funds resulted in unfruitful expenditure of Rs 1.21 crore on incomplete works.*

Under the scheme of modernisation of National Vocational Training System and for imparting craftsman and apprenticeship training, Government of India (GOI) sanctioned (1990-91) construction of 21 buildings and workshop sheds in different Industrial Training Institutes of Bihar at an estimated cost of Rs 1.71 crore for completion by March 1996. The Central and State Governments were to share equally the cost of the project. GOI released their entire share of Rs 85.54 lakh between 1991 and 1997 while State Government provided funds for Rs 43.81 lakh only. Against the available funds for Rs 1.29 crore, Rs 1.21 crore were spent (1991-97).

Scrutiny of records revealed that the working plan was approved by the government in 1993-94 but the administrative approval for the same was accorded by the government in 1995-96 at the estimated cost of Rs 1.71 crore based on the schedule of rates for 1990-91. Delay of 3 years in according administrative approval resulted in substantial increase in cost of labour and materials and consequential revision of estimates for Rs 2.85 crore. Due to delay in according administrative approval by the State Government, GOI expressed their inability to share 50 percent of the increased cost. Thus, administrative delay and lapses created extra liability for Rs 1.14 crore. Of 21 buildings and workshop sheds, 17 building only were taken up as of October 1999 due to inadequacy of funds. None of the building was completed (October 1999).

Thus, the work which was to be completed by March 1996 remained incomplete as of October 1999 due to delay in administrative approval of the estimate, increase in cost and non-availability of funds rendering expenditure of Rs 1.21 crore on incomplete constructions as unfruitful. The objective of modernisation and restructuring of National Vocational Training System and imparting craftsman and apprenticeship training was not also realised.

The matter was referred to government (May 2000); their reply had not been received (January 2001).



**HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE  
DEPARTMENT****4.4 Excess drawal of Rs 80.00 lakh**

*Against provision of funds for Rs 2.60 crore, Rs 3.40 crore were drawn from treasury.*

The Director-in-Chief (DIC) allotted a sum of Rs 2.60 crore for construction of 60 referral hospitals in Bihar to the Executive Engineer, Engineering Cell, State Family Welfare Bureau Division, Patna with the condition that 40 percent of the fund should be drawn by September 1991, 70 percent by October 1991 and 100 percent by the end of March 1992 for utilisation in the work. The Executive Engineer disregarded the conditions prescribed by the DIC for phased drawals of money and prepared letter of credit and drew the entire fund of Rs 2.60 crore in two instalments during September-October 1991. He reportedly utilised the entire fund on construction of 60 hospitals (30 bedded each) during 1991-92 and 1992-93.

In the meantime, the Director-in-Chief, Health Services, Government of Bihar issued revised order (January 1992) reducing the previous allotment (September/ October 1991) of Rs 2.60 crore to Rs 1.80 crore only for construction of 52 Referral Hospitals by the division. He allotted balance of Rs 80.00 lakh to Bihar State Construction Corporation (BSCC), Patna for construction of 8 Referral Hospitals (30 bedded each). The Corporation also utilised funds of Rs 80.00 lakh on construction of 8 hospitals (3 hospitals only completed as of January 2001), entrusted to them.

Thus, in all Rs 3.40 crore were drawn from the treasury (Rs 260.00 lakh by Engineering Cell and Rs 80.00 lakh by BSCC) during 1991-92 against the allotment of Rs 2.60 crore only and were spent on work without sanction/ Vote of Legislature. The excess drawal of Rs 80 lakh was rendered possible mainly because the Executive Engineer, State Family Welfare Bureau, Division, Patna drew the entire funds hastily without following instruction in regard to drawal of funds in phased manner.

The Executive Engineer stated (December 1999) that the case was under investigation by the Technical Vigilance Cell and necessary action would be taken after their final report. Finding of the vigilance Cell was not available (April 2000).

The matter was referred to government (May 2000); their reply had not been received (January 2001).

**4.5 Idle investment of Rs 72.39 lakh on incomplete construction of Referral Hospitals**

*Taking up work without ensuring availability of funds resulted in idle investment of Rs 72.39 lakh on incomplete construction of Referral Hospitals, besides denial of specialised health care to rural population.*

For providing specialised health and medical care to the rural population of Bihar, under Minimum Need Programme (MNP), Government of Bihar, Health, Medical Education and Family Welfare Department accorded administrative approval of Rs 12.78 crore between 1986-87 and 1990-91 for construction of 39 Referral Hospitals in the State. Technical Sanction was accorded for Rs 12.38 crore between September 1986 and January 1995 by Chief Engineer, Central Design Organisation Bihar, Patna.

Test-check of records of State Family Welfare Bureau Division, Patna revealed that 29 hospitals were completed by the division at a total cost of Rs 11.62 crore as of January 2001. These hospitals were handed over to the department between June 1987 and January 2001. The works on 5 hospitals were not taken up by the division, while the construction of 5 hospitals which were to be completed by August 1992 at a cost of Rs 1.46 crore by 5 agencies remained incomplete as of February 2000. The division spent Rs 72.39 lakh (upto March 1997) on incomplete constructions upto lintel/roof levels. The Divisional Officer stated (February 2000) that works remained incomplete due to non-availability of funds. The department did not take any action to complete ongoing works.

Thus, taking up the work without ensuring availability of fund for completion of construction of Referral Hospitals resulted in idle investment of Rs 72.39 lakh besides denial of specialised health and medical care to the rural population of the locality concerned.

The matter was referred to the government (May 2000); their reply had not been received (January 2001).



## MINOR IRRIGATION, PUBLIC HEALTH ENGINEERING AND RURAL DEVELOPMENT DEPARTMENTS

### 4.6 Payment of Rs 13.44 lakh on fake muster rolls

*Failure to observe codal provisions in regard to check of muster rolls by Sub-divisional and Divisional Officers facilitated payment of Rs 13.44 lakh on fake muster rolls.*

Sub-divisional Officers in 4 divisions reportedly engaged labourers for execution of work under different schemes and made fake payments for Rs 13.44 lakh to muster-roll labourers. Fake payment was done by them by exhibiting duplicate names of muster roll labourers either in the same set of muster roll or two different sets of muster roll prepared for the same period. The correctness of muster rolls was not checked either by the Sub-divisional Officer or by the Divisional Officers concerned as required under rule 227 of Bihar Public Works Account Code. Details were as under:

Department/Division /Subdivision/Name works	Fake muster rolls prepared during	Amount (Rs in lakh)	Remarks
Minor Irrigation/Godda / Boarijore/ Different works	February-March 1997, April 1997, February-March 1999	4.70	Additional Secretary to government, Minor Irrigation Department, informed (September 2000) that in the light of audit observation the matter was investigated by the department and cases of payments on fake muster rolls were confirmed. He directed the Deputy Commissioner, Godda to lodge FIR with the police against the Junior Engineer, the Assistant Engineer, the Divisional Accountant, the Accounts Clerk concerned under intimation to the Accountant General and the Rural Development Department.
Public Health Engineering/ Hajipur/ Lalganj / Laying and distribution for Buddhist circuit water supply zone-1	22 March 1995 to 31 March 1995	2.70	
Rural Development/ Buxar/ Buxar, Dumraon, Chausa/ Brick soling, earth work under MLA/MP quota	January to May 1999	5.02	Payments against fake muster-rolls were referred by Audit (October 1999 and March 2000) to the Secretary to the Government of Bihar, Rural Development Department, Patna with copies to the District Magistrate and Dy. Development Commissioner for investigation into the matter. Their response was not received as of May 2000.
Supaul/ Raghapur/ Brick soling repairing, construction of school building RCC culvert under MP/MLA quota	February 1997 to June 1997	1.02	
<b>Total</b>		<b>13.44</b>	

The matter was referred to government (May/June 2000 and January 2001); their reply had not been received (February 2001).

**PUBLIC HEALTH ENGINEERING DEPARTMENT**

**4.7 Excess expenditure of Rs 30.36 lakh on drilling tube wells**

*There was excess expenditure of Rs 30.36 lakh on drilling tube wells due to excess consumption/purchase of material and payment to work charged staff in excess of norm.*

For supply of safe drinking water to the rural population of Ranchi district, Government of Bihar, Public Health Engineering Department (PHED) fixed target of digging 1295 (125 mm x 115mm dia) tube wells in Ranchi district during 1997-98 and repairing 77(special repairs) tube wells under Minimum Need Programme (MNP). The department provided funds of Rs 1.77 crore (Rs 1.67 crore for drilling and Rs 9.94 lakh for special repairs) during 1997-98 to District Rural Development Authority (DRDA), Ranchi which reallocated the funds to the PH(Mech) Division, Ranchi to execute the work by June 1998, extended up to December 1998 and finally up to June 1999.

Scrutiny of records of PH (Mech) division, Ranchi revealed (January 2000) that against allotment of Rs 1.77 crore, Rs 1.45 crore were spent up to June 1999 (Rs 1.35 crore on new drill of 353 tube wells and Rs 9.94 lakh on special repairs of 77 tube wells) and the balance Rs 32.48 lakh were surrendered as the sites for drilling tube wells with this amount were not identified by the concerned PH (Civil) Divisions.

It was noticed in Audit that as per model estimate sanctioned by the department for drilling of (125 mm x 115 mm dia) tube wells, each tube well was to cost Rs 12257. Based on this estimate, drilling of 853 tube wells should have involved expenditure of Rs 104.55 lakh only whereas expenditure booked on drilling these tube wells was Rs 134.91 lakh resulting in excess expenditure of Rs 30.36 lakh.

The Divisional Officer accepted (February 2000) that there was excess expenditure of Rs 16.37 lakh due to excess consumption of Poly Vinyl Chloride (PVC) pipe (Rs 9.21 lakh) and payment towards salary and travelling allowance to work charged staff (Rs 7.16 lakh) in excess of prescribed norms. He also stated that there was balance of 1940 metres of casing pipe valued at Rs 7.93 lakh in stock. However, balance excess expenditure of Rs 6.06 lakh was not explained by him.

The matter was referred to government (May 2000); their reply had not been received (January 2001).



#### 4.8 Misutilisation of Accelerated Rural Water Supply Programme (ARWSP) fund: Rs 46.74 lakh

*PH (mechanical) Division, Dhanbad misutilised Rs 46.74 lakh for other purposes resulting in denial of intended benefit of safe drinking water facility to rural population of Chas and Dhanbad.*

Government of Bihar, Public Health Engineering (PHE) Department allotted Rs 57.23 lakh to Public Health Engineering Division, Chas and Dhanbad during 1990-91 (Rs 36.00 lakh) and 1991-92 (Rs 21.23 lakh) for drilling 750 tubewells (375 tubewells by each division) under Accelerated Rural Water Supply Programme (ARWSP), a central sponsored programme aimed at providing safe drinking water to rural population. As per order of Engineer-in-Chief, PHED, Bihar (January 1991), a portion of this fund was to be transferred to respective Public Health (Mechanical) Divisions alongwith list of sites where tubewells were to be drilled by departmental rig machines.

On the orders of the Engineer-in-Chief (January 1991) PHE Division, Chas and Dhanbad transferred (March 1991) Rs 46.74 lakh (Chas: Rs 20.40 lakh and Dhanbad: Rs 26.34 lakh) to PH (Mechanical) Division, Dhanbad but did not furnish lists of sites for drilling bores. Executive Engineer, Public Health Mechanical Division, Dhanbad remitted entire amount into Dhanbad treasury (July 1991) under Public Works Remittance. He withdrew the same from the treasury during 1992-93 and unauthorisedly diverted and spent the entire amount between 1992-93 and 1993-94 on purchase of fuel, lubricants, repairs of rig machines and purchase of new spare parts for the rig machines for replacement of old spare parts. The divisional office did not drill even a single bore out of funds received for the purpose as of October 1999. The Engineer-in-Chief failed to monitor the proper use of the fund provided by him and thus facilitated its diversion and misuse.

The matter was referred to government (April 2000); their reply had not been received (January 2001).

#### 4.9 Unauthorised diversion of fund : Rs 19.70 lakh

*Diversion of fund denied safe drinking water facility to rural people.*

Rural Water Supply Schemes for improving quality of life of rural population, were implemented through Accelerated Rural Water Supply Scheme (ARWSP) (New Rajiv Gandhi National Drinking Water Mission) funded by Government of India supplemented by the effort of the State through Minimum Need Programme (MNP).

For the implementation of the programme, Government of Bihar, PHE Department provided funds of Rs 1.18 crore between 1994-95 and 1998-99 to



the PHE Division, Bhagalpur (West) (MNP Rs 37.66 lakh and ARWSP Rs 80.64 lakh) for sinking 1057 tubewells in order to provide safe drinking water to the 2.64 lakh (1057 x 250 population per tubewell) rural population of Bhagalpur district. Out of the fund, Rs 19.70 lakh earmarked for labour component, (MNP Rs 6.57 lakh in 1995-96 against 70 hand tubewells and ARWSP Rs 13.13 lakh in 1996-97 against 300 hand tubewells), were unauthorisedly diverted by Executive Engineer towards purchase of spare parts (Rs 10.35 lakh) and towards clearance of old liabilities (Rs 9.35 lakh) of debit memos from the office of the Accountant General for the period 1987-88 to 1994-95.

Scrutiny of records further revealed (November 1999) that the unauthorised diversion of funds adversely affected progress of work. Against target of 1057 hand tubewells fixed for sinking of new wells, only 679 (64 percent) were drilled as of November 1999. This resulted in denial of intended benefit of safe drinking water to 0.95 lakh population (378 x 250). Though, almost entire fund of Rs 1.18 crore provided to the division (MNP : Rs 37.66 lakh and ARWSP : Rs 80.64 lakh) was spent (Rs 1.18 crore) between 1994-95 and 1998-99, only 64 percent of the targets were achieved mainly due to diversion of funds for other purposes.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

## **ROAD CONSTRUCTION DEPARTMENT**

### **4.10 Irregularities in construction of Karaikella to Kera temple road**

*Executive Engineer failed to monitor the progress of work and took no action to recover/ adjust advance of Rs 11.15 lakh from the Assistant Engineer.*

Construction of Karaikella to Kera temple road (length 4.00 km) under Saghan Rojgar Yojna was administratively approved in January 1995 by the Deputy Development Commissioner, Chaibasa for Rs 13.31 lakh. The Deputy Development Commissioner, Chaibasa provided Rs 13.31 lakh between January and April 1995 to Executive Engineer, Road Construction (W) Division, Chaibasa for completion of work by March 1996.

Of the amount received, Executive Engineer, Road Construction (W) Division, Chaibasa advanced Rs 13.15 lakh to the Assistant Engineer without ascertaining physical progress of work and adjustment of previous advances. Against the advance of Rs 13.15 lakh, Rs 2.00 lakh only were adjusted (March 1995) in accounts and balance Rs 11.15 lakh remained unadjusted/ unrecovered as of August 1999. Scrutiny revealed that the Assistant Engineer was transferred from the division in June 1996 and he did not hand over the



cash book of the sub-division for April 1996 to June 1996. The EE did not initiate any action against him as of September 2000 for recovery/ adjustment of outstanding advances and for not handing over cash book to his successor. Possibility of defalcation of this amount could not be ruled out.

Site inspection of road conducted in July 1999 by his successor Assistant Engineer revealed that against the sanctioned length of 4.00 kms, work in 1<sup>st</sup> and 2<sup>nd</sup> km only was completed in all respects and work in 3<sup>rd</sup> and 4<sup>th</sup> km was partially done in different stretches for Rs 8.00 lakh only. Against the supply of 3800 cft stone metal grade I, only half of it was available at site. No responsibility was fixed by Executive Engineer as of August 1999 for incomplete works and loss of material.

The matter was referred to government (April 2000); their reply had not been received (January 2001).

### RURAL DEVELOPMENT DEPARTMENT

#### **4.11 Wasteful expenditure of Rs 21.73 lakh on incomplete construction of screw pile bridge**

*Construction of a screw pile bridge remained incomplete even after a lapse of about 9 years and there was no prospect in sight for its completion resulting in wasteful expenditure of Rs 21.73 lakh.*

Executive Engineer, Rural Engineering Organisation (REO), Works Division, Betia entered into contract with an agency (September 1990) for construction of screw pile bridge over river Pandai in the first kilometre of Sathi Bhaisurahi road at a cost of Rs 12.28 lakh for completion by September 1991. Scrutiny of records of the Division revealed that the contractor after receiving payment of Rs 10.18 lakh (March 1997) stopped the work on the ground of non-payment of outstanding claims. Though the work was not resumed by the agency the Executive Engineer did not rescind the contract as of December 1999.

The Executive Engineer failed to invoke penal clause of contract to get the work done by another agency at the risk and cost of the defaulting agency. The construction of screw pile bridge remained incomplete even after lapse of about 9 years and there was no prospect in sight for its completion. Thus, expenditure of Rs 21.73 lakh (material: Rs 10.65 lakh; payment to contractor: Rs 10.18 lakh; contingent expenditure : Rs 0.90 lakh) on the incomplete bridge was wasted.

The matter was referred to government (May 2000); their reply had not been received (January 2001)

## WATER RESOURCES DEPARTMENT

### 4.12 Payment of Rs 45.12 lakh on pay and allowances of unauthorisedly appointed work charged staff

*Fourteen work charged staff were unauthorisedly appointed in 2 offices of Subernrekha Project and Rs 45.12 lakh were paid on account of their pay and allowances.*

Commissioner-cum-Secretary, Water Resources Department issued instruction (November 1998) to Administrator, Subernrekha Project, Adityapur, Jamshedpur and all the Chief Engineers of the department to terminate by 31 December 1998 the services of all the work charged staff appointed after a cut off date (October 1984) fixed by the Government, Personnel and Administrative Reforms Department. Two cases of violation of this order was noticed in audit:

(A) Eight work charged drivers were posted in Kharkai Canal Division, Adityapur, Jamshedpur. Out of them, during 1985, 7 work charged drivers were unauthorisedly appointed by Superintending Engineer, Kharkai Canal Circle, Adityapur and 1 work charged driver was appointed by Executive Engineer, Kharkai Canal Division, Adityapur under Subernrekha Multipurpose Project. They continued in service as of July 1999 and a sum of Rs 26.40 lakh was paid to them on account of pay and allowances during April 1985 to July 1999.

(B) Six work charged Jeep Drivers appointed irregularly between July 1987 and July 1989 remained posted during 1993-98 in the office of the Deputy Director, Purchase of Material and Tender Control, Subernrekha Project, Adityapur, Jamshedpur. Rupees 18.72 lakh were spent on their pay and allowances during the period in contravention of the government instructions.

The matter was referred to government (June 2000); their reply had not been received (January 2001).

### 4.13 Unauthorised occupation of government residences

*Loss of Rs 4.04 crore due to unauthorised occupation of government residential quarters.*

As per rules residential government quarters should be vacated by the government employees on their transfer to other places or on their retirement from government service as these residential quarters are to be allotted by the appropriate authority to eligible persons on payment of standard rent as fixed by the department.



In Tenughat Dam Division, Tenughat, 450 (out of 793) government residential quarters of different categories were unauthorisedly occupied by (i) retired/transferred departmental employees (18) (ii) other departmental employees (180), (iii) lawyers and munshis of court (119) and private persons viz. Shopkeepers, contractors etc. (133) between January 1979 and July 1997. No effective steps for vacation of unauthorisedly occupied quarters and legal action against them for recovery of penal rent under Public Demand Recovery Act were taken by the division. Penal rent of Rs 4.04 crore was recoverable from the unauthorised occupants as of February 2000. Thus, there was a recurring loss of Rs 3.08 lakh per annum on account of non-recovery of rental charges of these unauthorisedly occupied residential quarters.

The matter was referred to government (June 2000); their reply had not been received (January 2001).

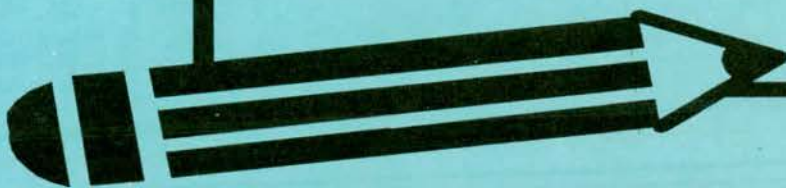




# **CHAPTER-V**

## **Stores and Stock**

**The Chapter contains major deficiencies in management of stores in various departments**







## CHAPTER-V

### STORES AND STOCK

#### SECTION - B : PARAGRAPHS

#### HOME (POLICE) DEPARTMENT

##### 5.1 Stores Management in Home (Police) Department

Records relating to stores management of Home (Police) Department during 1995-2000 covering central stores, wireless stores, forensic laboratory stores as well as the stores account of 14 Superintendents<sup>1</sup> of Police, 5 Commandants<sup>2</sup> of Bihar Military Police Battalions and 4 Training Institutes<sup>3</sup> were test-checked during November 1999 to January 2000. The points noticed were as under:

(i) *Arms and ammunitions*

(a) *Shortfall in procurement of arms*

State failed to meet requirement of arms for maintenance of law and order in the State.

To cope with the gravity of law and order problem in the State, Government of India, Ministry of Home Affairs directed (1996-97) the State Government to equip the armed constables with 7.62 mm Self Loading Rifles (SLR), armed Havildar with 9 mm stengun/carbine and Police officers (Assistant Sub Inspector of Police and above) with 9 mm Pistols/revolvers. Based on this direction, Inspector General of Police (Provisions) assessed (1996-97) additional procurement of 53,707 SLRs, 6049 carbines and 8982, 9 mm Pistol/revolvers. Against this, DGP decided (1996-97) to procure the entire quantity of SLR required in 15 years and carbine and pistols in five years. Accordingly, 14320 SLRs, 4880 carbines and 7200, 9 mm pistols were to be procured as of March 2000. Against this 6,819 SLRs (48 per cent), 3388 carbines (69 per cent) and 3739 Pistols (52 per cent) were procured at a cost of Rs 27.96 crore as of March 2000. Thus, the State failed to meet the anticipated requirement of arms for maintenance of law and order in the State and did not make provision of funds as per requirement of different arms for 5 to 15 years.

(b) *Procurement of ammunitions without requirement*

No accountability was fixed for loss of Rs 26.74 lakh due to excess procurement of ammunitions.

One (7 seconds) detonator was required in operation of a rifle grenade. Accordingly for use in 6278 rifle grenades purchased by Deputy Inspector General of Police (Provision) in 1978-79, equal number of detonators (7 seconds) should have been purchased. Against this, he purchased 10 thousand

<sup>1</sup> Begusarai, Bhagalpur, Bokaro, Chatra, Chapra, Gaya, Katihar, Muzaffarpur, Munger, Nalanda, Palamu, Patna, Ranchi, Rohtas.

<sup>2</sup> 8 at Begusarai, 18 at Gaya, 7 at Katihar, 6 at Muzaffarpur, BMP-1 at Ranchi.

<sup>3</sup> CTS, Nathnagar, Bhagalpur; PTS, Padma; PTS, Hazaribagh and Jamshedpur



detonators (7 seconds) resulting in excess procurement of 3722 detonators (7 seconds) costing Rs 10.83 lakh without requirement.

Further, of the rifle grenades and the detonators purchased, 6239 rifle grenades and 983 detonators only were issued from Central Arms Store to field police units during 1978 to October 1991. Thus, due to this huge mismatch the utility of large number of rifle grenades was doubtful. Reason for non-issue of equal number of rifle grenades and detonators to fields was not furnished by the Officer-in-Charge, Central Arms Store, Patna. On the other hand Officer-in-Charge, Central Arms Store stated (May 2000) that 39 grenades and 9017 detonators (Rs 26.74 lakh) lying in the Central Store since 1978-79 had become unserviceable. No accountability was fixed as of June 2000 for these ammunitions becoming unserviceable even while the State was reeling under severe law and order problem and causing loss of Rs 26.74 lakh to government.

**(c) Unnecessary import of glock pistols**

Rupees 37.88 lakh blocked in unnecessary procurement of pistols.

On the requirement assessed by the IG (Security), Commissioner-cum-Secretary, Home (Police) Department imported (August 1996) 211 glock pistols from a firm of Singapore for equipping the Police force attached to the security of State Chief Minister and other VVIPs at a cost of Rs 37.88 lakh. The cost was met by diversion of funds meant for equipping the force of newly created 2 BMP battalions (Nos. 17 and 18).

Of 211 pistols imported, only one pistol was issued upto June 1999 to Deputy Superintendent of Police (DSP) attached to the security of the Chief Minister. Further, 57 imported pistols costing Rs 10.23 lakh were issued during 1996-99, to Indian Police Service (IPS) officers who were not connected with CM's security arrangements and were entitled for indigenous pistols only. Balance 154 pistols costing Rs 27.65 lakh were lying in the central stores/ reserve-office as of April 2000. Superintendent of Police (SP), Security stated (January 2000) that these pistols were not being utilised as there was no demand for these pistols from the police force attached to the Chief Minister's Security. Three IPS officers did not return the imported pistols on their transfer to the assignment outside the State during September 1996 to April 1999.

**(d) Non-procurement of training arms**

SLRs were either not issued or issued to constable who had no training for their operation.

Home (Police) Department planned (1996-97) to procure 3,580 number of 7.62 mm SLR at the rate of Rs 0.21 lakh each for service and 480 numbers of 7.62 mm SLR Drill Practice (DP) at the rate of Rs 0.18 lakh each for imparting training in operation of SLR and avoiding risk of accident during training. Though the Department procured altogether 13,537 SLRs (against assessment of 1996-97: 6819 and against newly created posts: 6718) during 1996-2000, it did not procure any SLR DP during this period for imparting training in operation of SLR as of March 2000. Further, out of 13537 SLRs procured up to March 2000, 11094 SLRs were issued to 15(fifteen) Bihar Military Police (BMP) battalions and the balance 2443 SLRs valued Rs 5.88 crore were lying in stores as on March 2000.



According to an order issued (May 1998), by the Inspector General of Police, BMP, every constables armed with SLRs was to undergo a training of three weeks for its operation in training centers. It was noticed that against 3088 SLRs issued to 5 battalions (Nos 4, 5, 8, 11 and 18), training in its operation was imparted to 789 constables only as of March 1999. Thus, 2299 SLRs (valued at Rs 5.53 crore) were not issued to constable by those battalions as constables were not trained in its operation.

(ii) *Clothing*

(a) *Extra expenditure of Rs 19.18 lakh due to injudicious decision of the purchase committee*

During 1997-99 injudicious decision of Purchase Committee resulted in extra expenditure.

Test-check of purchase files of the Inspector General of Police (Provisions) relating to procurement of clothing items for 1997-99 revealed that the central purchase committees purchased clothing at higher rates without adequate justification. This resulted in extra payments of Rs 19.18 lakh to five agencies as detailed below:

Sl No.	Name of the items/ Year of purchase	Lowest Rate	Purchase order issued to and rates allowed	Reason for rejecting the offer of first lowest	Quantity supplied	Extra payment (Rupees in lakh)
1	2	3	4	5	6	7
1	P.T. Shoe/1996-97	Rs 54.25 each pair of Ranboss, Patna	Bihar Rubber Co. @ Rs 61.08 each Pair	The firm was not a manufacturer, though the firm had supplied 20,000 pairs of PT shoe in 1995-96.	10,000 Pairs of P.T. Shoes	0.68
2.	Hunter Shoe/1996-97	Rs 106.90 each Pair of Eastern safety, Dhanbad	Purchase order finally issued to Bihar Rubber Co. @ Rs 122.93 for each pair	The Purchase Committee decided to place orders with three firms on higher rate of Rs 122.93 each pair. (i) Eastern Safety (ii) Bihar Rubber Co. (iii) Shiva Rubber Industries at the lowest rate offered by (i) and as per sample of Bihar Rubber Co.	35,000 Pairs of Hunter shoes	5.61
3	Hunter Shoe/1998-99	Rs 96.72 each Pair (for 5,6, Nos) Rs 98.80 each Pair (7to9 Nos) Rs 100.88 each Pair (10 to 12 Nos) of R.S. Industries, Calcutta	Purchase order issued in favour of Eastern Safety, Dhanbad @ Rs 105.80 each pair	The offer not considered on the ground that the firm was situated at outside State, though the department purchased other store articles from the suppliers outside the State.	1,40,000 Pairs of Hunter Shoes	9.19

Sl No.	Name of the items/ Year of purchase	Lowest Rate	Purchase order issued to and rates allowed	Reason for rejecting the offer of first lowest	Quantity supplied	Extra payment (Rupees in lakh)
1	2	3	4	5	6	7
4	Boot Polish/1998-99	1st Lowest Rs 5.67 Chirag Industries Patna 2nd Lowest Rs 6.86 Premier Trading, Calcutta 3rd Lowest Rs 8.12 Waxpoll, Ranchi	Purchase order No. 677 dated 24.12.98 placed on 3rd lowest firm and supply made by the firm at higher rate.	First lower firm incapable to supply entire quantity, offer rejected. The offer of 2nd lowest firm was rejected on the ground of outside State firm, while other materials were procured from outside firm.	80,000 tin of 40 gms	1.00
5	P.T. Shoes/1998-99	1st lowest Rs 60.84 of R.S. Industries, Calcutta 2nd lowest of Rs 67.60 of Bata India Ltd, Calcutta	Purchase order issued to Bata India on the ground of Super quality	The offer of 1st lowest was rejected on the ground of inferior quality without any test of quality.	40,000 Pairs of PT Shoes	2.70
<b>Total</b>						<b>19.18</b>

**(b) Extra expenditure of Rs 55.83 lakh**

Government of Bihar discontinued procurement of clothing items through DGSD from October 1996. Accordingly unexecuted purchase orders placed on DGSD prior to October 1996 were to be cancelled. Henceforth, procurement of these items was to be made by inviting open tenders. Home (Police) Department however allowed DGSD to supply 5 items of clothing material (BD surge, angola cloth, blankets, white and blue polyster cotton) valued at Rs 4.49 crore up to March 1998 against the unexecuted purchase orders placed (during 30 June 1996, 30 September 1996 and 6 January 1997) on it. The lowest tender rates of BD surge, angola cloth and blankets during 1998-99 was less than the rates allowed to the DGSD resulting in avoidable extra expenditure of Rs 55.83 lakh.

**(c) Undue financial aid to suppliers due to unplanned procurement**

**Repeat orders issued at higher rates resulted in undue financial benefit to supplying agencies.**

Though excess procurement of clothing items featured in paragraph 3.8 of the Report of the Comptroller and Auditor General of India for the year 1985-86, excess procurement of clothing items persisted in the department. It was noticed that in order to meet the requirement of 8 clothing items during 1998-99, IG (Provision) issued purchase orders (value Rs 2.14 crore) during August 1998 to February 1999 on eight different agencies at their tendered rates. On supply of full quantity of items by these agencies, he (with the order of DGP) placed repeat orders (value Rs 2.05 crore) during February and March 1999 to utilise available funds irrespective of their actual need during the year. Supply against repeat orders were made in March 1999. The entire quantity of these items valued at Rs 2.05 crore procured against repeat orders remained



unutilised as of 31 st March 1999. On the other hand another four items (blanket, khaki tericotton, white T.C. woolen jercy etc ) were not procured (value Rs 3.89 crore) in proportion to their requirement during 1998-99.

Scrutiny of purchase files of further eight items during 1999-2000 revealed that the lowest tender rates approved for these items were less than the rates on which procurement were made in 1998-99. Thus evidently, repeat orders were issued during 1998-99 to extend undue financial aid to the previous agencies at an extra payment of Rs 27.08 lakh as per details below:

Sl. No.	Name of items	Rate approved during		Difference (In Rupees)	Quantity purchased	Excess payment (Rupees in lakh)
		1998-99	1999-2000			
(In Rupees)						
1.	BD Surge	213 per meter	153.44 per meter	59.66	30483 meter	18.19
2.	PT Shoe	64.22 per pair	62.35 per pair	1.87	80000 pairs	1.50
3.	Hunter shoe	105.80 per pair	101.87 per pair	3.93	140000 pairs	5.50
4.	PT Vests Average of Rs 25.90 and 28.90	27.40 per piece	24.78 per piece	2.62	72000 pieces	1.89
	<b>Total</b>					<b>27.08</b>

(d) **Recovery of Rs 1.04 crore from suppliers not effected**

Recovery of Rs 1.04 crore for defective/ non-supply of clothing material was not made.

As per terms of purchase through DGS&D, supplier was liable to make good the loss suffered by the Department due to defective supply and additional expenditure on procurement of materials from other suppliers. Accordingly, excess expenditure of Rs 32.60 lakh incurred on procurement of uniform cloth from other suppliers due to non supply thereof by DGS&D suppliers<sup>4</sup> during 1994-98 was recoverable from them. However, the amount remained unrecovered as of March 2000. Besides, the Department provided additional funds of Rs 9.94 lakh (January 1995) to DGS&D to effect supply of uniform cloth (cotton dress white), supply of which was defaulted previously by two other firms. Though supply of uniform cloth valued at Rs 70.99 lakh<sup>5</sup> made by 4 firms was found defective/rejected during 1994-98, cost of defective supply was not recovered from the supplying firms as of March 2000.

(e) **Non provision of adequate clothings**

Clothing material to police force was not supplied as per norms.

Number of the Bihar Police Force to whom the clothings were to be provided free by the Department varied from 72 thousand to 80 thousand per year during 1994-99. Test-check revealed that requirement of clothing was underassessed by IG (Prison) by 20 to 76 per cent in 1994-99 and their

<sup>4</sup> Pioneer Textiles, Karur: Rs 19.28 lakh; Textile International, Kanpur: Rs 0.78 lakh, Ahilya Textiles, Kanpur: Rs 3.18 lakh; Ram Hukum Textiles, Bombay: Rs 9.36 lakh.

<sup>5</sup> Pioneer Textiles, Karur: Rs 40.53 lakh; Standard Newar Mills, Kanpur: Rs 9.94 lakh, Ram Hukum Textiles, Bombay: Rs 14.05 lakh; Ahilya textiles: Rs 6.47 lakh.



procurement and distribution among the police force fell short (except in 2 items) by 16 per cent to 49 per cent as detailed in the table below:

Sl No.	Items	Life	Average No. of Police force during 1994-99	Rate	Requirement as per Manual	Requirement assessed by the Deptt.	Procurement
1	2	3	4	5	6	7	8
1	Khaki terricotton	Yearly	3,68,000	1 each @ 3.30 m	12,14,400 m	4,30,966 m (65)	6,81,931.60 m
2	Woolen blanket	Yearly	3,68,000	1 each	3,68,000 Pcs	2,46,000 Pcs (33)	1,77,484 Pcs (28)
3	P.T.shoe	9 Month	3,68,000	1.25 each	4,60,000 Pairs	2,15,000 Pairs (53)	180500 Pairs (16)
4	Hunter shoe	Yearly	3,68,000	1 each	3,68,000 Pairs	3,70,500 Pairs	2,77,880 Pairs (25)
5	P.T. vest	Yearly	3,68,000	2 each	7,36,000 Pcs	1,75,000 Pairs (76)	97,400 Pcs (45)
6	White nylon socks	Yearly	3,68,000	2 Pairs each	7,36,000 Pcs	4,10,000 Pairs (44)	2,49,910 Pairs (39)
7	Khaki woolen socks	Yearly	3,68,000	1 Pair each	3,68,000 Pairs	2,96,000 Pairs (20)	1,50,000 Pairs (49)
8	Ammunition boot	Biennial	3,68,000	1 Pair each in 2 years	1,84,000 Pairs	82,500 Pairs (55)	98,623 Pairs

(Figure in bracket indicates percent)

Thus, IG (Provisions) failed to ensure that Police force was properly and adequately dressed to render efficient and effective service.

**(f) Misappropriation of clothing materials**

**Clothing materials valued at Rs 9.14 lakh were misappropriated by their doubtful issue from the store.**

During 1994-97, 38 items of clothing material (value Rs 5.75 lakh), one item (value Rs 0.06 lakh) and 35 items (value Rs 3.33 lakh) were shown to have been issued by the Dy. SP, in-charge, Central Stores through five challans to the office of the Superintendent of Police, Bhagalpur. But these articles were not receipted and accounted for in the stock accounts of the latter. The issue of the entire clothing materials (valued at Rs 9.14 lakh) through these challans were fictitious and were misappropriated. Further observations of Audit were as under:

- There was nothing on records of the Central Store that these materials were actually allocated by the IG (Provision) to Superintendent of Police, Bhagalpur.
- The Central Store had no record indicating that the person(s) acknowledging receipt of materials against above challan was/were duly authorised by the Superintendent of Police, Bhagalpur.
- Neither the SP Bhagalpur had returned the second copy of the challans to the IG (Provision) indicating the committee numbers for receipt of materials nor had the IG(Provision) insisted for the same.



- The SP Bhagalpur did not produce the third copy of the challans to Audit which he should have kept for record in his office.

All the issues from Central Stores to other districts and field units thus required to be investigated by the IG (Provisions) so that possible misappropriation of stores might be prevented.

**(g) Procurement of substandard hunter shoes valuing Rs 37.45 lakh**

No responsibility was fixed by the IG (Provisions) for acceptance of substandard supply of hunter shoes.

IG (Provision) procured 40,000 pairs of hunter shoes in June and November 1994 from Eastern Safety, Dhanbad at a cost of Rs 37.45 lakh. The quality of shoes were verified by the Inspection Committee in the same months. The Central Stores distributed 6060 pairs of shoes to 17 units by June 1994. Subsequently, hunter shoes turned out to be substandard and the IG (BMP) issued a circular (July 1994) to all the Commandants to return the substandard shoes received in their units till then and apprise of the position to the IG (Provisions).

The IG (Provisions) neither investigated the supply of substandard hunter shoes valued at Rs 37.45 lakh nor did he fix responsibility on the members of the Inspection Committee for accepting supply of substandard shoes. He continued distribution of substandard shoes to field units upto February 1995, though the matter of substandard supply of hunter shoes was brought to his notice by the IG, BMP in July 1994.

**(h) Misappropriation of khaki terycotton cloth: Rs 6.32 lakh**

Cost of cloth (Rs 6.32 lakh) misappropriated was not recovered.

Ten thousand metre of khaki terycotton cloth supplied by a firm (Hetal Textiles) of Ahmedabad against purchase order of November 1994 was rejected by the Inspection Committee of the Central Stores (Clothing) in June 1995. Accordingly, Deputy Inspector General of Police (Provision) directed the firm to replace those cloth. However, the firm did not replace the material and these were lying in the store as of June 2000.

The rejected cloth was taken into stock account by the Central Stores in April 1996 and cloth measuring 1345.60 metre was issued to different units upto July 1996. Subsequently without assigning any reason, cloth measuring 10000 metre was reduced by the Dy. SP in-charge, Central Stores in the stock account (8654.40 metres from rejected cloths and rest from fresh stock supplied by another agency) without showing issue to any units. The shortage of cloth measuring 10 thousand metre remained out of account as of June 2000.

Though, the matter was in the knowledge of Deputy Inspector General of Police (Provision) in July 1999, he did not initiate any action towards investigation of the shortage of cloth (aggregated Rs 6.32 lakh) and recovery thereof from the person responsible.

**(iii) Vehicles**

**(a) Inadmissible provision of cars to district headquarters**

Cars, besides jeeps provided to Superintendents of Police in violation of rules and ignoring utility in fields.

As per Bihar Police Manual, Police headquarters in the districts should be provided with Jeeps, as these are more useful than luxurious staff cars. In contravention of the above provision all the Superintendents of Police of the 14 districts test-checked were provided with ambassador cars besides Jeeps involving extra expenditure of Rs 24.50 lakh on supply of cars to the district headquarters.

**(b) Utilisation of vehicles on unintended objects**

Government sanctioned (November 1997 and March 1998) Rs 3 crore for replacement of 122 condemned vehicles (Jeep-74, Car-1, One tonner-26, three tonner-19, Bus-1 and Truck-1). Accordingly the Home (Police) Department purchased 109 vehicles (26 Jeeps, 58 Gypsy, 19 Tata 407, One car and 5 Motorcycle). However, of the vehicles purchased 44 vehicles (7 Jeeps and 37 gypsy) valued at Rs 1.47 crore were distributed to 44 such field units which had no vehicle for replacement.

Vehicles meant for use in extremist infested areas diverted to other districts.

Similarly, the Government sanctioned (October 1999 and February 2000) Rs 73.88 lakh for purchase of 160 Bullet motorcycles for use in the areas infested by extremist activities. Of the motorcycles purchased, 20 motorcycles valued at Rs 9.24 lakh were distributed/ allotted to other 7 districts which were not extremist infested. Further, of 66 Tata 407 troop carriers purchased (1999-2000) at a cost of Rs 2.42 crore for deployment in extremist infested areas, nine troop carriers valued at Rs 30.24 lakh were allotted to the other 9 districts which were not extremist infested.

**(iv) Shortage of rifles and other arms and ammunitions**

Cost of shortage of rifles and other arms and ammunitions not recovered from the persons responsible.

**(a)** Three officers (Ram Harsh Das, Kumud Choudhary and S. Kumar, Superintendents of Police, Chapra) did not return revolver with ammunitions issued to them during 1987 to 1996 to District Stores on their transfer to other places, though required.

**(b)** Six rifles issued from Central Arms Store, Patna to 3 offices (Election cell, Patna, Dumka and Bhojpur district police) for conducting 1984 General Election were not returned to the Central Stores after the election was over.

**(c)** Live or used cartridges of 14898 rifle and pistol ammunitions issued during 1962-1997 to district police by District Arms Store, Chapra were not returned to stores as of December 2000, though required.



**(v) Idle machinery and equipment in Forensic Science Laboratory: Rs 26.01 lakh**

Machinery and equipment remained idle in store as no unit was established in the districts for their utilisation.

For the Forensic Science Laboratory of Patna, the Department purchased (March 1999) machinery and equipment valued at Rs 26.01 lakh for use in its collection units. The machinery and equipment remained unutilised as of June 2000 as the collection units in the districts were not established.

No disposal of arms confiscated.

**(vi) Confiscated arms**

Of 305 fire arms confiscated during 1993-95, 81 awaited destruction as of March 2000. Besides Superintendent of Police, Chapra had not reported to Police Headquarters, 100 cases of confiscation of arms relating to the year 1996-98 (1996:77; 1997:20; 1998:3) though these cases were decided by the court of law. In addition 293 cases of confiscation of arms were pending with Arms Magistrate of 5 districts<sup>6</sup>.

As periodical physical verification of the arms under confiscation and already confiscated was not conducted, their physical availability was not ensured and misuse of arms was not ruled out.

The points were referred to government (July 2000); their reply had not been received (January 2001).

## WATER RESOURCES DEPARTMENT

### 5.2 Store management in Subernrekha Multipurpose Project

Store management in Subernrekha Multipurpose Project (SMP) was reviewed in audit through test-check of store and stock accounts of 17 (out of 25) Canal/Irrigation/Minor distributory/ Mechanical/ Store divisions and records of Administrator, 2 Chief Engineers, 4 (out of 5) Superintending Engineers, Dy. Director, Purchase and Tender Control, Adityapur, Jamshedpur and Director of Purchase and Transport, Bihar, Patna pertaining to the period 1990-99. The points noticed were as under :

**(i) Inventory control procedure non-functional**

Inventory control procedure in SMP was non-functional as discussed below :

(a) No physical verification of stores was conducted regularly in any of the 17 divisions test-checked during 1990-99. As a result shortage and excess in stores were not ascertained every year by the divisions. Though there was a store verifier in the office of the Finance Officer in SMP, his service was not utilised by the project authorities.

<sup>6</sup> 1993:Darbhanga-1 and Begusarai-1, 1994 : Motihari - 1, 1995 : Chapra - 231, 1996: Chapra - 58 and Bhagalpur - 1

(b) Neither consolidated numerical accounts of stores nor the value accounts of stores was maintained by any Divisional Officer. As a result, quantity and value of stores lying at different sites/ stores were not ascertained.

(c) Divisional Officers did not revise the issue rates from time to time to bring them at par with the market rates in order to ensure that the cost to be charged to work on which the materials were to be used was approximately equal to the cost of the stores and the cost of scheme was understated in accounts.

(d) Site accounts which were to be submitted monthly by Junior Engineers were submitted after delay of 6 to 12 months and in some cases were not submitted at all in 17 divisions test-checked. As a result shortages/excesses/utilisation of stores in work/ balance of stores at sites were not ascertained by Divisional Officers concerned.

(e) Although reserve stock limit of stores was to be fixed by the Chief Engineer to avoid over/ under stocking of stores, no such reserve stock limit of stores was fixed.

**(ii) Procurement of stores**

Director of Purchase and Transport, WRD, Patna arranged procurement of stores based on indents of the Divisional Officers routed through the Superintending Engineers/Regional Chief Engineers/Engineer-in-chief. He made purchases at the rates approved by the Central Purchase Committee after inviting tenders. However, Chief Engineers also procured materials on the basis of indents from Executive Engineers according to powers delegated to them. In addition, Dy. Director, Purchase and Tender Control, Adityapur, Jamshedpur also procured stores as and when necessary. Deficiencies in procurement of stores noticed in test-checked were as under :

**(a) Procurement of materials under DGS&D rate contract**

Under the LOC (Letter of Credit) system, DGS&D materials were to be purchased by the divisions through Engineer-in-Chief (EIC) and payments to the suppliers were to be settled by the divisions from separate allotment of funds earmarked by EIC for this purpose. But the LOC system was not followed. As a result debit advices for Rs 1.31 crore in respect of stores purchased through DGS&D relating to the years 1983-84 to 1988-89 were pending in accounts for adjustment against 5 divisions<sup>1</sup>. The unnecessary procurement, in violation of LOC system, called for investigation.

---

<sup>1</sup> *Kharkai Canal Division, Hata, Chaibasa, Subernrekha Canal Division, Gangudih Camp Shankusai, Jamshedpur, Mechanical Division, Icha, Chaliama, Minor Distributory Division No.III Mango, Jamshedpur.*



**(b) Acquisition of excessive stores for Rs 4.05 crore**

Materials valued at Rs 4.05 crore (Refer:Appendix XXXIX) procured by 17 divisions between 1984 and 1993 were lying unutilised as of September 1999. Of these Rs 3.35 crore pertained to 8 divisions only. Executive Engineers stated that due to paucity of funds the execution of work was stopped and the materials purchased would be used in works taken up afresh. The reply was not tenable as much of these material was cement and decade long storage would have rendered these unusable.

**(c) Procurement of materials without assessing requirement : Rs 1.19 crore**

Five Kharkai Canal divisions (Hata, Rajnagar, Musabani, Chaibasa and Icha Canal Division, Saraikela) purchased 32613 pressure release valves (3500 Nos of 75 mm dia and 29113 Nos of 40 mm dia) between 1986 and 1989 at a cost of Rs 50.69 lakh. Two Minor Distributory Divisions (No.2 and No.3) purchased 5,54,860 PCC tiles between 1987 and 1990 at a cost of Rs 19.31 lakh. Six divisions (Kharkai Canal Divisions Rajnagar, Adityapur, Hata; Subernrekha Canal Division Gangudih, Chandil and Minor Distributory Division No.5 Dimna, Jamshedpur) purchased 12.869 tonne of Low Density Polythene Film between 1986 and 1989 at a cost of Rs 4.30 lakh. All these stores were purchased without ascertaining position of excavation of canals and distributories and without assessing their actual requirements in works. As a result, these materials valued at Rs 74.30 lakh were lying unutilised as of September 1999.

Similarly 3 divisions (Subernrekha Canal Division, Chandil, Kharkai Canal Division, Chaibasa and M.D.No.V Dimna) received between June 1982 and November 1988, 624.93 tonne of different dia Mild Steel (MS) rods at the cost of Rs 44.72 lakh from TISCO and SAIL as per the order placed by the Director, Purchase and Transport, though no indent of such MS rods were placed by the divisions. The MS rods remained unutilised as of September 1999 and the divisions did not submit any suggestion to Chief Engineer for their disposal.

**(d) Avoidable purchase of MS rods: Rs 4.16 crore**

In 19 divisions<sup>2</sup> of Subernrekha project 2967.93 tonne MS rods of different dia valued at Rs 4.16 crore remained unused for the last ten years. Engineer-in-Chief (South), Water Resources Department (WRD) directed the Executive/Superintending Engineers concerned in October 1998 to furnish

<sup>2</sup> MD No.16 Chandil JSR (9.1624 tonne), MD No.5 Dimna (53.53 tonne), KC Divn. Rajnagar (21.38 tonne), Hata(40.93 tonne), Chaibasa (222.316 tonne), Musabani (2.854 tonne & Adityapur (29.522 tonne), Icha Canal Divn. Saraikela (40.93 tonne), SR Canal Divn. Gangudih (288.669 tonne), Chandil (0.882 tonne), Mechanical Divn. Icha Chaliama (314.940tonne), Minor Distributory Divn.8 JSR (15.054 tonne), KC LinkCanal Divn. Musabani (1.229 tonne), Central Camp and Store Division, Chandil (606.640 tonne), Barrage Divn. Galudih (564.785 tonne), Subernrekha Canal Divn. Chakulia (596.657 tonne), Ghatsila (15.700 tonne), Jamshedpur (145.860 tonne) and MD No.9 Ghatsila (13.234 tonne).



information of the unused MS rods of different size in the divisions to Chief Engineer, Dehri so that he may carry the required MS rods to his region for utilisation in works. As no information was sent to the Chief Engineer, Dehri, Director of Purchase and Transport, WRD Bihar Patna placed orders (December 1998) on SAIL and TISCO for supply of 4631 tonne MS rods of different diametre costing Rs 6.06 crore to three divisions (Durgawati Dam Division II, Bhitari Bandh Irrigation Division, Siktia, Barhait) resulting in avoidable purchase of MS rods for Rs 4.16 crore.

**(e) *Unrecovered advance of Rs 1.12 crore lying with suppliers and loss of interest : Rs 1.21 crore***

During 1990-91 advance payment of Rs 1.34 crore against the purchase order of DPT Bihar, Patna were made by five divisions<sup>3</sup> to Cement Company of India for supply of 23000 tonne of cement. Against this advance, Rs 1.12 crore remained unrecovered due to non-supply of cement as of September 1999. Unrecovered advance entailed loss of interest of Rs 1.21 crore to Government. No effective steps were taken by the divisional officer concerned to get the amount of advances, which was lying with the suppliers for over 9 years, recovered/adjusted.

**(f) *Non-clearance of Stock Suspense Account : Rs 14.68 crore***

The balance under the suspense head 'Stock' outstanding at the end of the year should be adjusted finally as a surplus or deficit i.e. as profit or loss on stock. In disregard of rules 13 divisional officers<sup>4</sup> did not adjust the stock suspense account valuing Rs 14.68 crore for the last ten years as the profit or loss on stock was not determined.

Present places of posting of the Junior Engineers/Asstt. Engineers by whom materials were received/utilised were not ascertained by the Executive Engineers and were not effectively pursued by them for adjustment. No effort was made to clear the unadjusted amount by the Executive Engineer, Superintending Engineer, Chief Engineer and other departmental officers who were inspecting the divisions.

---

<sup>3</sup> *Subernrekha Canal Divn. Gangudih, Haludhani Camp Dimna, Jamshedpur, Galudih, Chakulia Camp Dimna*

<sup>4</sup> *1.Kharkai LinkCanal Divn. Musabani 2.Minor Distributory Divn. no.16 Chandil at Jamshedpur, 3.Kharkai Canal Divn. Chaibasa, 4.Kharkai Dam Divn.II Chaliama, 5.KC Divn. Adityapur, 6.Mechanical Divn. Icha Chaliama, 7.KC Divn. Musabani, 8 K.C. Division, Rajnagar, 9 M.D. No.III, 10 S.C. Division, Chandil, 11 Central Camp and Store Division, Chandil, 12 and 13 MD No.5 and 8 Jamshedpur.*



**(iii) Transfer and issues of stores****(a) Cost of inter-divisional transfer of materials not recovered:Rs 8.02 crore**

Transfer of materials from one division/department to another was to be made on receipt of their full cost. 12 divisions<sup>5</sup> transferred MS rods, cement bricks, boulder, GI pipes etc. valued Rs 8.02 crore to other divisions between July 1981 and April 1991 without receipt of their cost as of September 1999.

Executive Engineer, Galudih Right Canal Division No.2, Musabani Camp, Galudih received (November 1992) 29.700 tonne Iron rods valued at Rs 3.23 lakh from Executive Engineer, Western Kosi Canal Division, Jhanjharpur against advance payment of Rs 65.77 lakh in April 1991 for 640 tonne iron rods. Similarly Executive Engineer, Subernrekha Canal Division, Chakulia did not receive any material from Executive Engineer, Western Kosi Canal Division, Darbhanga against advance payment of Rs 7.59 lakh in August 1991 for 74 tonne of iron rods. Thus, Rs 70.13 lakh remained unrecovered by the divisions concerned as of September 1999.

**(b) Misuse of departmental receipts: Rs 1.69 crore**

Scrutiny of records of Subernrekha Canal Division, Chakulia and Subernrekha Canal Division, Galudih revealed that on receipt of payment of Rs 1.69 crore (May 1993) from Tata Iron and Steel Company, Jamshedpur divisions did not credit the amount in the receipt head of the department by deposit into treasury or adjust it in the accounts as 'deduct expenditure', as provided under rule. Instead, the divisional offices kept the amount unauthorisedly in 'Civil Deposit' so that it could be utilised in future.

**(iv) Losses of stores****(a) Non-recovery of cost of materials/ machines from contractors: Rs 1.95 crore**

Contractors' ledgers were not being properly maintained by 12 divisional offices<sup>6</sup> to show materials (cement, MS rod, boulder, tiles etc.) valued Rs 1.09 crore issued to 19 contractors during 1985-93. These materials consequently remained unrecovered as of September 1999.

<sup>5</sup> Kharkai Canal Division Hata, Chaibasa, Rajnagar, Subernrekha Canal Division Gangudih, Haludbani, Kharkai Dam Division II Chaliama, Kharkai Link Canal Division, Musabani, Minor Distributory Division No.III Mango, Galudih Right Canal Division II Musabani, Mechanical Division Icha, Chaliama, Subernrekha Canal Division Chandil, Central Camp & Store Division Chandil.

<sup>6</sup> Kharkai Canal division, Hata, Galudih Right Canal division II, Musabani, Kharkai Dam Division I, Chaliama, Subernrekha Canal Division, Haludbani, Minor Distributory Division No.III, Mango, Dimna, Kharkai Dam Division No.II, Icha, Chaliama, MD Division VIII, Jamshedpur, Subernrekha Canal Division, Gangudih, MD Division No.16, Chandil Camp, Adityapur, Kharkai Canal Division, Chaibasa, MD Division II, Chandil Camp Dimna, Icha Canal Division, Saraikela



In 4 divisions (Galudih Right Main Canal Division II, Musabani, Kharkai Dam Division No.1 Chaliama, Icha Canal Division, Saraikela and Kharkai Canal Division, Hata) 4 contractors removed in January 1991 machines (L&T Poklan, Dozer, Tractor) valued at Rs 86.05 lakh from the sites without the permission of the Executive Engineer concerned. Except in 2 cases (Bandhu Construction, Jamshedpur and Jai Guru Construction Ltd.) no FIR was lodged with the police by the Junior Engineer/ Sub-divisional Officer incharge of the sites. The cost of the machines remained un-recovered as of September 1999. Possibility of malpractice by the Executive Engineer in allowing the non-adjustment of materials by the Junior Engineers need investigation.

**(b) Charges of stores not handed over by Junior Engineers on transfer: Rs 1.61 crore**

In 13 divisions<sup>7</sup>, 50 Junior Engineers<sup>8</sup> were relieved by the Executive Engineers on transfer during 1981 to 1995 without arranging handing over charges of stores (Cement, MS rod, Bitumen, Bricks, GI sheet, Spare parts of machines etc.) costing Rs 1.61 crore by them and the cost of materials remained unrecovered as of September 1999. The cost of materials to be recovered was not mentioned in last pay certificate of the Junior Engineers concerned. Possibility of misappropriation of these stores can not be ruled out. Possibility of malpractice by the Executive Engineer in allowing the non-adjustment of materials by the Junior Engineers need investigation.

**(c) Misappropriation of stores: Rs 1.24 crore**

Misappropriation of stores during January 1984 to October 1999 valued Rs 1.24 crore was noticed during test-check of records of 7 divisions (Appendix-XL). Of these, Rs 1.06 crore pertained to 3 divisions viz. Kharkai Canal Division, Chaibasa, Mechanical Division, Icha, Chaliama and Subernrekha Canal Division, Chandil.

Executive Engineers concerned took no action to investigate into these matters and to recover the cost of stores valued at Rs 1.24 crore misappropriated from the persons responsible.

---

<sup>7</sup> Subernrekha Canal Divn. Gangudih, Chandil, Kharkai Dam Divn. II Chaliama, Minor Distributory No. II, III, V, VIII and XVI, Camp & Store divn. Chandil, Kharkai Canal divn. Adityapur, Hata, Right Canal Divn. Musabani Camp Galudih, Mechanical Divn. Icha Chaliama

<sup>8</sup> S/Shri Parmanand Mishra, S.K. Tiwary, Sadanand Shukla, Bir Chand Pd., Avinash Chandra Sinha, Binod Kant Jha, Gaya Pd. Lall, Umashankar Pd. Srivastava, Awadesh Kumar, Gopal Singh, B.K.Singh, J.Ram, Md. Samim, A.K.Paul, N. Patra, I.M. Nanda, Narendra Kumar Pandey, Shradhanand Singh, Anand Pd. Totereja, Prem ballabh Kumar, Kameshwar Pd. Singh, Manoranjan Kumar, Balihari Pd., Suresh Kumar Singh, Shashi Kant Jha, Siya Ram Singh, D.N.Singh, S.N.Singh, Y.N.Singh, V.N.Sharma, Satish Ch. Pd. Singh, Arvind Kr. Vidyarathi, Late P.P. Shivani Kutti, Basudeo Pd., Bhairav Mandal, Bolwa Uraon, P.K.Kaul, Md. J.Kamal, Rameshwar Singh, Ratnesh Kr. Verma, Suresh Pd. Singh, A.K.Prasad, Ghanshyam Pd. Singh, R.P.Singh, K.K.Paswan, Suresh Prasad Mandal, Lila Kant Jha, Garakh Nath Singh, Arun Kumar Sinha, Rabindra Pd. Sinha.



**(d) Theft of stores : Rs 74.67 lakh**

In fifteen divisions<sup>9</sup> cement, MS rods, spare parts of machines etc. costing Rs 74.67 lakh were reportedly stolen from various sites and godowns during 1991 to 1997. Though FIRs were lodged with police in most of the cases, finding of police was not available. No recovery of the lost stores were made so far. No departmental action had been taken by the Executive Engineers to investigate the loss, for fixing responsibility and recovery of the cost of materials as of September 1999.

**(e) Setting of cement : Rs 17.92 lakh**

In Eleven divisions<sup>10</sup>, 885.5 tonne of cement costing Rs 17.92 lakh purchased during 1991-92 had set due to its non-utilisation in works for want of funds. The division concerned did not take action for gainful disposal of the cement, utilisation of which was not possible by way of auction in time. Executive Engineers concerned did not investigate the reasons of setting of cement with a view to fixing responsibility so far (September 1999).

**(f) Loss of admixture, paints, CICO, diesel : Rs 11.63 lakh**

Scrutiny of records of Kharkai Dam Division II, Chaliama revealed that water reducing admixture, paints purchased during 1990-92 valued at Rs 11.06 lakh expired of their shelf life due to failure of the division to utilise them within the prescribed period of one year resulting in loss of Rs 10.88 lakh to the department.

Similarly in Kharkai Division, Hata and Mechanical Division, Chaliama, 5004 litre of diesel, two drums of transformer oil, 134 litre of mobile oil costing Rs 0.75 lakh purchased in 1990-91 remained unutilised as of September 1999. On physical verification (November 1997) it was observed that 188 litre of diesel had already evaporated and rest were unusable.

Thus, failure on the part of the divisional officers to utilise the materials in time resulted in loss of Rs 11.63 lakh.

**(v) Other points****(a) Nugatory expenditure on staff : Rs 2.55 crore**

Mechanical Division Balmikinagar was transferred to Subernrekha Project, Adityapur, Jamshedpur in 1985 to perform the duties relating to matters

<sup>9</sup> Kharkai Canal Divn. Adityapur, Chaibasa, Link Canal Div. Musabani, Barrage Divn. Galudih, Mechanical Divn. Chandil, Chaliama, Kharkai Dam Divn. II Chaliama, Minor Distributory Divn. No. II, V, VIII, XVI and Subernrekha Canal Divn. Gangudih, Chandil, Subernrekha Dam Division No. I, Chandil and Central Camp and Store Division, Chandil.

<sup>10</sup> Kharkai Canal Divn. Adityapur, Hata, Chaibasa, Musabani, Subernrekha Canal Divn. Gangudih, Minor Distributory Divn. No. III, V, VIII, XVI, Link Canal Divn. Musabani, Mechanical Divn. Chaliama

relating to procurement of stores (including tender, contract, approval of rates etc.), its storage, deployment of machines and equipments etc.

Scrutiny revealed that the division so transferred did not perform these assigned duties and remained without work. The division requested (August 1988) the Government to transfer it to another project if required. There was no response of Government on this as of September 1999, nor did Administrator, SMP make arrangement to utilise their services in the Project resulting in nugatory expenditure of Rs 2.55 crore on pay and allowances of the staff of the division during 1985-86 to 1999-2000 (upto September 1999).

**(b) *Machines not operated since their acquisition : Rs. 1.52 crore***

In Mechanical Division, Chaliama 25 machines (drilling machines, generating set, pump set, welding machines, weigh bridge, vibrator etc. and 194 items of spare parts of different machines) costing Rs 1.50 crore purchased between 1985 and 1990 were not at all operated or used as of September 1999. Similarly in Mechanical Division, Chandil two electrical air compressor machines costing Rs 1.70 lakh purchased in September 1978 were not at all operated as of September 1999. The reason of their non-utilisation was not on record.

**(c) *Outstanding hire charges of machines : Rs 7.42 crore***

In Mechanical Division, Chandil hire charges of machinery and equipment for Rs 6.39 crore were overdue for recovery (from 1989) as of 1997. Similarly in Mechanical division Chaliama, as of 1993 hire charges of machinery and equipment for Rs. 1.03 crore were overdue for recovery from 1991. Recovery was not made from the contractor's on account bills by the division concerned, though required as per contract.

**(d) *Unserviceable machines, equipment, tools and plant: Rs 20.26 lakh***

In Kharkai Canal Division, Hata as of May 1998 15 machines (mostly dumper :12 nos.) were lying unserviceable since 1990. The value of those machines as scrap was assessed by the division at Rs 20.26 lakh. Though notice for auction of this was initiated by the Executive Engineer in May 1998 the unserviceable machines remained undisposed as of September 1999.

**(e) *Blocking of funds of Rs 1.14 crore and loss of interest of Rs 61.56 lakh***

As per the instruction of Administrator, SMP (August 1993), 5 Executive Engineers<sup>11</sup> transferred an amount of Rs 1.14 crore allotted for purchase of MS rods to Additional Director, Land Acquisition and Rehabilitation (LA&R) Adityapur, Jamshedpur through the man and demand for this from him. Audit scrutiny revealed that the Additional Director (LA&R) unauthorisedly kept the

---

<sup>11</sup> *Subernrekha Canal Division, Haludibani, Jamshedpur, Galudih, Mechanical Division, Chaliama, Galudih Right Canal Division No.1, Mushabani*



amount in current account in bank between August 1993 and December 1993. The said amount was returned to the divisions between October 1996 and November 1996. Thus, the banks thrived on government money kept in their current accounts for 3 years and government sustained a loss of interest of Rs 61.56 lakh during this period on the amount kept unauthorisedly in current account in bank. This totally irregular diversion of public funds to banks calls for investigation.

(vi) *Conclusion*

Administration of stores in Subernrekha Multipurpose Project was grossly mismanaged due to non-functional inventory control procedures, misappropriation and loss of stores, non-rendition of material account by the Junior Engineers, non-recovery of the cost of material lying with the Junior Engineers, lapses of the Divisional Officers in not recovering advances from the suppliers etc. Besides, the Project which was estimated to be completed by 1993-94 at a cost of Rs 228.83 crore (1981) remained incomplete as of March 2000, while Rs 913.82 crore have been spent. Increase in total project cost was loaded by Rs 5.85 crore due to losses, wastage, theft of stores etc.

The points were referred to government (May 2000); their reply had not been received (January 2001).







# **CHAPTER-VI**

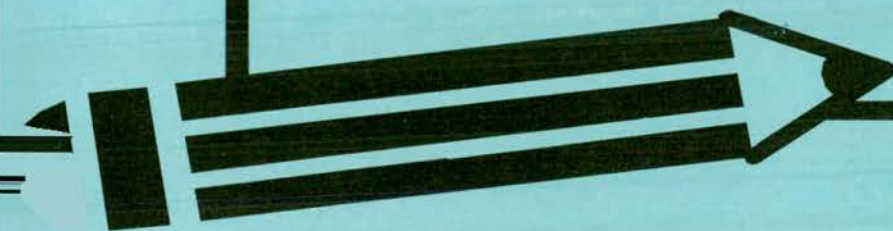
## **Financial Assistance to Local Bodies and others**

**Section A: Contains performance appraisal of Compliance of Environment Acts and Rules relating to Water Pollution**

 **Working of Bihar State Housing Board**

 **Working of Gaya Municipal Corporation**

**Section B: Contains other major audit points**







**CHAPTER - VI**  
**FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS**

**SECTION - A : REVIEWS**

**FOREST AND ENVIRONMENT DEPARTMENT**

**6.1 Compliance of Environmental Acts and Rules relating to Water Pollution**

*Highlights*

*Government and Bihar State Pollution Control Board did not effectively implement Environmental Acts and Rules relating to water pollution and resultantly failed to ensure prevention of water pollution. Industrial and domestic waste water polluted surface water in the state. Chemical and bacteriological values of drinking water in Patna exceeded the desirable range. In Ranchi town heavily contaminated water was supplied to people from Kanke Dam Gonda Hill Reservoir, while in Purnea town also water with high iron content was being supplied entailing risks to human health. There was no comprehensive programme planning, negligible capital expenditure on programmes. Steel plants, leather industries, thermal power plants and distilleries polluted surface water.*

**Compliance of Environmental Acts and Rules relating to Water Pollution by State Government was highly deficient.**

*(Paragraph 6.1.4)*

**Bihar State Pollution Control Board did not plan comprehensive programme for prevention, control or abatement of pollution of streams and wells in the State and no develop mechanism for its implementation.**

*(Paragraph 6.1.5)*

**During 1995-2000 chemical and bacteriological values of drinking water in Patna town exceeded the desirable range. In Ranchi town heavily contaminated water was supplied to people from Kanke Dam Gonda Hill Reservoir and in Purnea town water with high iron content was supplied.**

*(Paragraph 6.1.6)*

**As per data made available by Bihar Rajya Jal Parishad 79 ML/D untreated sewage was being discharged into river Ganga besides direct discharge to the river through other non-point sources.**

*(Paragraph 6.1.7.1)*



Bihar State Pollution Control Board granted conditional consent to the industries like Bokaro Thermal Power Plant, Bokaro Steel Plant, 3 distilleries and 5 Leather Industries test-checked which did not comply with the statutory standards and discharged their effluents and sewage untreated into rivers etc.

(Paragraph 6.1.7.2)

During 1994-99 administrative and miscellaneous expenditure was on average 88 per cent of total expenditure of the Board. Large amount of budgetted funds were not spent every year.

(Paragraph 6.1.8)

A mobile water sampling van was not collecting the water samples but was misutilised on other purposes and thus, expenditure of Rs 22.59 lakh was wasted.

(Paragraph 6.1.9 (ii))

Water pollutions increased in 8 locations of river water analysed.

(Paragraph 6.1.10)

### 6.1.1 Introduction

Water (Prevention and Control of Pollution) Act, 1974 was enacted by Parliament with a view to preventing and controlling water pollution and protecting natural water resources (viz. rivers, lakes, ponds and underground water) from unnatural pollutants (like industrial effluents, sewages, any other liquid, gaseous or solid substance) to maintain their physical, chemical and biological properties. State Government was to monitor compliance of this Act through State Pollution Control Board established under the Act. State Government framed (April 1986) Water (Prevention and Control of Pollution) Rules under the Act.

### 6.1.2 Organisational set-up

Secretary-cum-Commissioner, Forest and Environment Department of the State Government was responsible for implementation of Environmental Acts and Rules in the State. Bihar State Pollution Control Board (BSPCB), set up by the State Government under their overall control/direction, had 2 zonal<sup>1</sup> and 8 regional offices<sup>2</sup> in the State.

### 6.1.3 Audit coverage

Implementation of Environmental Acts and Rules in regard to prevention and control of water pollution in the State was reviewed through test-check of records of the BSPCB, its 6 regional offices (Patna, Jamshedpur, Muzaffarpur, Dhanbad, Hazaribag and Begusarai) and water quality management in 7 cities

<sup>1</sup> Both zonal offices at Patna.

<sup>2</sup> Patna, Ranchi, Dhanbad, Jamshedpur, Muzaffarpur, Bhagalpur, Begusarai and Hazaribag



(Patna, Jamshedpur, Dhanbad, Muzaffarpur, Hazaribag, Ranchi and Purnia) for 1994-99 during March-August 2000.

#### **6.1.4 Total inaction of State Government**

Compliance of the provision of Environmental Acts and Rules relating to water pollution in the State by the State Government was highly deficient. It did not monitor activities in regard to water pollution of the agencies of the Urban Development and the Public Health Engineering Departments which were responsible for supply of water and treatment of sewerage in urban and rural areas in the State. In compliance of section 4 of Central Water Act 1974 State Government established BSPCB in November 1974, but it formulated Water (Prevention and Control of Pollution) Rules after 12 years in 1986. It did not monitor activities of the BSPCB in regard to compliance of Environmental Acts and Rules as required under Section 18(b) of the Water Act. It did not establish State Water Laboratory and did not appoint analyst to determine water pollutants, though required under the Water Act.

#### **6.1.5 Comprehensive programme planning**

No information of comprehensive programme planning.

Main sources of water pollution in the State were sewage and industrial wastes. Of the total wastes discharged into river Ganga, sewage constituted 72 per cent whereas industrial wastes constituted 25 per cent. BSPCB was responsible to plan a comprehensive programme for prevention, control or abatement of pollution of streams and wells in the State and to execute these through a suitable mechanism.

BSPCB did not furnish information regarding comprehensive programmes and their execution as of September 2000, though repeatedly asked for in audit. BSPCB did not appear to have any comprehensive programme for prevention, control or abatement of water pollution.

#### **6.1.6 Drinking water management**

No parameter prescribed for potable water.

Public water supply system catered to the basic need of domestic, institutional, public purposes, fire fighting, industrial and commercial uses. Potable water should be sparklingly clear, odourless, neither very hard nor too soft and free from bacteria. However, the State Government or the BSPCB did not fix any desirable range/ parameter of drinking water. Status of potable water in Ranchi, Patna and Purnea towns was as under:

In Patna town chemical and bacteriological values of drinking water exceeded the desirable range.

(a) In Patna, water test reports for the period from 1995 to June 2000 revealed that chemical and bacteriological parameteric values of drinking water exceeded the desirable range and also the uppermost limit in many cases as per details below:

##### **(i) Chemical values**

In chemical water test reports for the year 1997 to 2000 (upto March) colour of water was not specifically indicated against desirable hazen unit of maximum 5 and uppermost tolerable limit of 25. The reports were generally expressed only as 'clear'. Calcium and magnesium content of samples of



drinking water was not tested. Test report of other parameters disclosed that turbidity and iron content in water was beyond the prescribed range.

Turbidity and iron in excess of uppermost permissible limit caused high depletion of oxygen affecting human health and hygiene.

(ii) **Bacteriological value**

Potable water free from E-coliform with 10 maximum coliform counts in 100 ml was standardised as free from bacteriological contamination. However, test reports of drinking water samples in Patna town showed that on an average over 50 per cent of total urban population in Patna was being supplied bacteriologically polluted water through water supply system since 1998 affecting human health and hygiene.

**In Ranchi town heavily contaminated water was supplied to people from Kanke Dam Gonda Hill reservoir.**

(b) In Ranchi town drinking water was supplied after treatment to the inhabitants through pipes from three reservoirs viz. Kanke Dam Gonda Hills, Ruka Dam and Hatia Dam. Bacteriological test reports of Kanke Dam Gonda Hills for the period 1995-99 revealed that total count of coliforms was seldom analysed and indicated in the test reports in respect of treated water. The test report of this reservoir conducted (June 1998) by Public Health Institute, Patna indicated that raw water was heavily contaminated by bacteria, plankton and other odour producing microbes due to severe impact of indiscriminate and direct discharge of sewage, sullage and septic tank effluents. He further reported that there was also high load on treatment plant and suggested pre and post chlorination every day, addition of alum and lime in 3:1 ratio, fortnightly cleaning of filter bed, besides normal back wash and liquid chlorination through distribution pipe to maintain maximum tolerable residual chlorine concentration even at far end of water supply point. He recommended remedial measure to abandon this source of supply, if such situation persisted. No action on this was taken by the Public Health Engineering Department as of July 2000.

Thus, safe and pollution free drinking water was not being supplied to the citizens of Ranchi from this reservoir adversely affecting their health and hygiene.

**In Purnea town drinking water had high content of iron.**

(c) In Purnea town water was derived mechanically and supplied to the citizens. Test reports of drinking water of Purnea randomly conducted by Senior Research Officer, Public Health Institute, Patna for the year 1999 disclosed that of 243 samples, 193 samples contained high content and concentration of iron beyond tolerable limit resulting in adverse effect on the general health and hygiene of the inhabitants of the town.

**6.1.7 Pollution of water through effluents**

**Industrial and domestic waste water polluted surface water.**

Natural water in contact with foreign matters during industrial process or domestic use became polluted. Such domestic or industrial waste water discharged without treatment contributed to pollution load on surface water.



Necessary measures to prevent pollution of water from waste water.

In order to maintain the wholesomeness of water and to control and prevent natural water from being polluted, the SPCB was required under the Water Act (i) to inspect sewage or trade effluents, works and plants for the treatment of sewage and trade effluents and the system for the disposal of sewage or trade effluents, (ii) to lay down effluent standards for the sewage and trade effluents and (iii) to evolve efficient methods of disposal of sewage and trade effluents on land or into any particular stream taking into account the minimum fair weather dilution available in that stream.

Though the BSPCB was established in 1974, it prescribed standards for domestic and industrial effluents as late as in May 1990.

#### 6.1.7.1 Domestic sewer effluents

No information on inspection of domestic effluents.

Though the Board was required to inspect public sewages and analyse it on different parameters through periodical tests, information on such inspections or test was not made available to Audit.

Huge sewage being discharged to the river Ganga.

It was noticed from data made available by Bihar Rajya Jal Parshad (BRJP) that 5 Sewage Treatment Plants (STP) were established between December 1993 and December 1999 under Ganga Action Plan to treat 115 million litres of sewage per day. Against this, connected load was for 129 ML/D, while only 50 ML/D of sewage was being treated in these STPs due to shortage of electricity and lack of maintenance. Thus 79 ML/D sewage was being discharged into river Ganga untreated besides several other direct discharge to the river through other non-point sources. BSPCB failed to ensure compliance of related provisions of Section 17 (1)(f) of Water Act in regard to prevention of discharge of untreated sewage to the river.

#### 6.1.7.2 Industrial effluents

Consent to industries to be restricted in case of non-compliance of standards of industrial effluents prescribed.

As per notification (January 1991) of Central Pollution Control Board (CPCB), 17 categories of major polluting large and medium industries<sup>3</sup> were identified for priority action in regard to controlling pollution from industrial effluents. In order to ensure standard compliance within the targeted date (31 December 1991) by these 17 categories of industries, the SPCB had to revise the consents already issued to the industries, restrict the validity of consents upto December 1991 (subsequently extended upto December 1993 in respect of pre 1981 industries and upto 31 December 1992 in respect of post 1981 industries) and to grant their renewal only in cases, where the units were complying with the standards.

It was noticed in test-check that BSPCB granted conditional discharge consent orders even to industries which did not comply with the statutory standards prescribed under the Act. Cases noticed in test-check were as under:

<sup>3</sup> Aluminium Smelting, Basic Drugs and Pharmaceutical Manufacturing, Caustic Soda, Cement (200 TPD and above), Copper Smelting, Dyes and Dye Intermediate, Fermentation (Distillery), Fertilizer, Integrated Iron and Steel, Leather Processing including Tanneries, Oil Refinery, Pesticide Formulation and Manufacturing, Pulp and Paper (30 TPD and above), Petrochemical, Sugar, Thermal Power, Zinc Smelting.



(i) *Thermal industry*

Statutory standards prescribed under the Act not enforced.

BSPCB granted conditional consent for discharge of effluents (29 October 1999 for period upto 31 December 1999) to Bokaro Thermal Power Plants A and B while effluent treatment plants (ETP) installed were not capable of treating the effluents discharged. As per the physico-chemical analysis reports (April 2000) of samples of industrial effluent collected (March 2000) by BSPCB, the effluent having very high pollutional load was discharged to Konar river and ultimately to Damodar river. Besides, in absence of installation of suitable oil separator occasional oil-leakage from oil trench into the Konar river and ultimately to Damodar river adversely affected aquatic lives and mass killing of fishes (about 10 quintals) was reported in April 2000.

Conditional discharge consent granted in disregard of directives of the CPCB.

Similarly Chandrapura (May 2000) and Muzaffarpur (July 1999) thermal power plants also did not comply with the prescribed standards, while the BSPCB granted discharge consents on prohibiting conditions.

(ii) *Steel industry*

Bokaro Steel Plant had no effluent treatment plant. Even such plant where established, did not treat waste water which polluted river water.

Physico-chemical analysis reports (March 2000) of Board's Regional Office, Dhanbad indicated that Bokaro Steel Plant had no effluent treatment plant for its outfalls (no.1 and 2) meeting Damodar river. Even the effluent treatment plant established for Coke Oven Byproduct Plant, did not meet the standard parameters for treating effluents, resulting in pollution of Damodar river by the effluents of this plant discharged to the river. Domestic effluents of colony discharged from camp 2 and sector 6 were drained to river Garga through oxidation pond but parameteric values of these effluents did not conform to the prescribed limit as per the analysis report (March 2000) of the regional office (Dhanbad) of the Board. Further, the prescribed parameters like oil and grease were seldom analysed and phenol and cyanide were never analysed by the Board, though these were the most serious pollutants of water. Nevertheless, the BSPCB continued (latest March 2000) to issue conditional discharge consent to the Bokaro Steel Plant and indicated in the status report (31.7.1999) that the effluent treatment plant of the Bokaro Steel Plant operated and met the standard.

(iii) *Distillery*

Parameters of distillery effluents.

Molasses, malt etc. were used as raw materials in distilleries where spent wash was the major pollutant and yeast sludge was the next. BSPCB prescribed that the pH value of distillery effluent should be between 5.5 and 9, BOD and COD should be maximum 30 mg and 250 mg per litre respectively and suspended solids should be 100 mg (maximum) per litre. The colour should be clear and all efforts should be made to ensure clear colour and pleasant odour as practicable.

None of the distilleries test-checked maintained prescribed standard of effluents.

Physico-chemical analysis report of three (out of total 6) distilleries test-checked (U.B.distillery Ltd, Mirganj, Gopalganj, S.K.G. distillery, Lauriya, West Champaran and McDowell and Co. Ltd, Hathidah, Mokama, Patna) indicated that none of the distilleries maintained the prescribed standard.



Further, physico-chemical analysis reports did not contain analysis of colour and odour of effluents indicating that major aspect of distilleries' effluents was ignored. The untreated effluents of U.B. Distillery Ltd. Mirganj, Gopalganj drained to Daha river. Despite pollution of water through effluents of distillery, BSPCB issued discharge consents on prohibitory conditions to these industrial units in disregard of the provisions of the Water Act and Rules.

(iv) *Leather Industry*

Tannery wastes were highly pollutant.

Hexavalent Chromium ( $\text{Cr}^{+6}$ ), Sodium Chloride, Total Dissolved Solids (TDS), Suspended Solid (SS) and Bio-chemical Oxygen Demand (BOD) values of tannery wastes were considerably high and were to be brought within the prescribed tolerable limit by treatment before discharge through drains into water bodies or into inland surface water.

Excess of permissible limits of pollutants in respect of physico-chemical parameters.

Board's physico-chemical analysis reports of wastes of 5 leather industries (Bata India Limited, Hathidah, Mokama : August 1996 to July 2000; Alpha Leather Industry, Bela, Muzaffarpur: April 1994 to January 2000; Green Leather Industries, Bela, Muzaffarpur: December 1999 and January 2000; North Bihar Tannery, Bela, Muzaffarpur : April 1994 to January 2000; Saba Tannery, Bela, Muzaffarpur : July 1995 to January 2000) indicated that prescribed parameters were not fully and regularly analysed. Hexavalent chromium in tannery waste, a major tannery pollutant, was seldom analysed during 1995-2000 while the Board did not prescribe analysis of total dissolved solids (TDS) which was also a major pollutant of water. As per analysis, reports on other parameters, BOD, COD, TSS and Chlorine were generally far in excess of the prescribed limit in all the leather industries as of August 2000.

No follow up action on deficiencies noticed during inspection.

A task force headed by Chairman, BSPCB inspected (13 December 1999) the industrial units of 3 tanneries of Muzaffarpur and found that effluent treatment facility was inadequate. However, follow up action on the tanneries to enforce implementation of provisions of the Water Act was not known. Thus, leather industries polluted inland surface water as well as the water bodies violating the provisions of Environmental Acts and Rules.

6.1.8 *Flow of funds and expenditure*

(i) *Budget estimates*

Budget estimates prepared on adhoc basis.

Member Secretary, BSPCB was responsible to prepare budget in prescribed form and to place before the Board and to the State Government. Budget estimates were prepared on adhoc basis and were not based on actual expenditure of previous three years and first 6 months of the current financial year, though required under rules. As a result, on average saving during 1994-99, 43 per cent of the budget were not spent per year.

(ii) *High administrative and miscellaneous expenses*

Capital expenditure and expenditure on programmes vis-à-vis administrative and miscellaneous expenditure during 5 years period ending March 1999 were as under:



Administrative and miscellaneous expenses constituted 88 per cent of total expenses.

Year	Total expenditure	Capital expenditure and expenditure on programmes	Administrative and miscellaneous expenditure	Per cent (Column 4 of column 2)
1	2	3	4	5
(Rupees in lakh)				
1994-95	163.08	15.32	147.76	91
1995-96	207.28	33.69	173.59	84
1996-97	264.77	23.52	241.25	91
1997-98	243.97	37.39	206.58	85
1998-99	286.87	32.50	254.37	89

It was, thus, seen that during 1994-99 administrative and miscellaneous expenditure formed on average 88 per cent of total expenditure.

(iii) *Financial resources*

Financial resources of the Board comprised grants from State Government, financial assistance from Central Pollution Control Board (CPCB), reimbursement of water cess from Central Government, consent fee and interest earned on term deposits in banks.

The financial position of the Board during 1994-99 was as indicated below:

Year	Reimbursement of water cess	Assistance from CPCB	Fee and other receipts	Total	Expenditure	Surplus	Cash balance
(Rupees in lakh)							
1994-95	135.93	5.00	101.87	242.80	163.08	79.72	317.70
1995-96	108.25	17.40	105.70	231.10	207.28	23.82	341.53
1996-97	169.00	14.00	138.00	321.00	264.77	56.23	397.75
1997-98	122.00	16.91	206.32	345.23	243.97	101.26	499.01
1998-99	220.30	10.00	228.32	458.62	286.87	171.75	670.76

Huge funds retained in current account in banks.

Most of the surplus funds were retained in 15 current accounts in 14 banks in 8 districts every year during 1994-99. Since there was no norm for selection of banks, possibility of malpractice in this regard cannot be ruled out. Further, there was avoidable loss of interest due to operating current accounts.

(iv) *Levy and collection of water cess*

As per Water (Prevention and Control of Pollution) Cess Act, 1977 and the Water Cess Rules 1978, BSPCB was to levy and collect Water Cess from the users (Industries and local bodies including Cantonment Board). Accordingly every person carrying on any industry and every local authority was liable to furnish return on water consumption in a month to the BSPCB.

BSPCB failed to enforce relevant provisions of the Act.

BSPCB did not enforce provisions of the relevant Act and did not obtain necessary return from any of 6 Municipal Corporations, 70 Municipalities, 91 Notified Area committees, 4 Cantonment Boards and 2 Mining Area Development Authorities in the State. Though the Board levied (between January 1993 and March 1996) water cess of Rs 1.04 crore on Patna Municipal Corporation for the period 26 January 1992 to 31 December 1995, it failed to realise the same from the corporation as of July 2000. Similarly water cess of Rs 6.45 lakh levied on Danapur Cantonment Board for the



period April 1978 to April 1998 in January 2000 on the basis of water consumption statement furnished by Cantonment Board remained unrealised as of July 2000.

Though the Board indexed 875 industrial water consumers in the State it had no information as to how many of them were paying water cess. As a result, there was no watch on industrial units which evaded payment of water cess. Further, the Board did not maintain any centralised record to indicate assessment, demand and collection of cess in a year.

The Board did not invoke penal clauses under Section 14(2) of the Act to ensure proper levy and collection of water cess.

#### 6.1.9 Other points

##### (i) *Illegal collection of fee : Rs 35.56 lakh*

Collection of fees beyond the scope of the Water Act and Rules.

As per sections 25 and 26 of the Water Act 1974 and Rule 22 of Water (Prevention and Control of Pollution) Rules 1986, BSPCB was required to grant consent for discharge of sewage or trade effluent into a stream or well or sewer or on land or to make new or altered outlet after due inspection and to charge such consent fee as may from time to time be determined by the Board with the approval of the State Government. However, there was no provision in Act and Rules for grant of no objection certificate (NOC) to new industry to be established or to existing industries for additions and alteration and for charging fee for grant of no objection certificate.

On the contrary, the Board collected Rs 34.41 lakh as fee for grant of no objection certificate during 1996-99 and Rs 1.15 lakh from sale of NOC forms during 1997-99. Member Secretary, BSPCB accepted (July 2000) the assertion of Audit. Thus, the Board illegally collected Rs 35.56 lakh from the industries by grant of unnecessary NOC and sale of NOC forms.

##### (ii) *Expenditure on idle mobile sampling van*

Unequipped mobile sampling van remained either without use or was misutilised.

BSPCB purchased a chassis of Tata Diesel vehicle (model LP-1210-52) in June 1993 at a cost of Rs 3.52 lakh and spent another Rs 19.07 lakh during 1993-98 on this vehicle to equip the vehicle to work as mobile sampling van. Log book of the vehicle indicated that the vehicle was run for 3076 km during April 1999 to July 2000 for unspecified official purposes in Patna and outstations. The vehicle was never utilised as sampling van for waste water analysis resulting in unfruitful expenditure of Rs 22.59 lakh.

#### 6.1.10 Water quality monitoring

CPCB was to read, understand, restore and maintain natural water bodies at various reaches to such qualities as were needed to support designated best use of the stretch. Accordingly, 3 water quality monitoring programmes were taken up at national level by the CPCB, New Delhi as under:

##### (i) Global Environmental Monitoring System (GEMS)

- (ii) The Monitoring of Indian National Aquatic Resources (MINARs)
- (iii) Ganga Action Plan.

**Water pollutions increased in 8 locations of river water analysed.**

In Bihar 15 locations<sup>4</sup> for analysing water quality of rivers were identified under these programmes to be monitored by the BSPCB. River water analysis reports (conducted by BSPCB) of 11 (out of 15) monitoring locations revealed that of 11 locations existing class of water was below desired class in 3 locations during 1995, in 8 locations during 1997 and 1999. This indicated that water pollutions were increasing in these rivers.

Audit comments were referred to the BSPCB and to the government (October 2000). Reply of Government was not received (January 2001).

---

<sup>4</sup> 7 Under MINARS at Buxar, Upstream Patna, Down stream Patna, Rajmahal, Koilwar at Sone, Sonapur at Gandak, Chapra at Ghaghra and 8 Under GEMS of which 4 on river Swarnrekha at Tatisilwai, Chandil Bridge, Down Stream Mango and Down Stream Ghatsila, 1 on river Koel at Basia, 1 on river Sank at Bolba, 1 on river Karo at Lohajimi and 1 on river South Koel at Manoharpur.



## HOUSING DEPARTMENT

### 6.2 Working of Bihar State Housing Board

#### *Highlights*

*Bihar State Housing Board aimed at providing housing plots/houses/flats to the people of different income groups at the lowest and affordable cost. The Board failed to provide housing plots and houses/ flats to the people at the lowest and affordable cost. The schemes undertaken by the Board faltered midway due to time and cost overruns. The Board was in debt trap and suffered from gross financial mismanagement despite high level government nominees in the Board. Revenue expenditure included the establishment charge (51 per cent) and interest payment (44 per cent) during 1994-98. Housing schemes undertaken were marred by serious cases of avoidable expenditure. Personnel management was also poor as cadre control mechanism was absent in the Board. It resorted to irregular appointments and operations of posts beyond their sanctioned strength.*

**During 1994-98 total revenue expenditure of Rs 41.49 crore, included Rs 18.30 crore (44 per cent) spent on interest on loan and Rs 21.36 crore (51 per cent) on establishment.**

*(Paragraph 6.2.4(c))*

**Excess administrative cost of Rs 19.67 crore over the norm was met by diversion of funds meant for execution of schemes.**

*(Paragraph 6.2.4 (d))*

**Board was in debt trap. Interest of Rs 13.78 crore due to HUDCO was paid during 1994-98 by diversion of fund borrowed for execution of schemes. It repaid Rs 1.30 crore to LIC out of loan of Rs 2.98 crore obtained from HUDCO. As of March 1998, loans of Rs 127.18 crore and interest of Rs 55.77 crore were outstanding for repayment.**

*(Paragraph 6.2.4.1)*

**In 9 divisions test-checked Rs 100.07 crore (90 per cent) out of the total demand of Rs 111.79 crore remained unrealised as of March 1999.**

*(Paragraph 6.2.4.2)*

**Rupees 804.42 crore were blocked in idle investments due to encroachment, non-allotment and non-execution of agreement of plots/houses/flats. Rupees 19.08 crore were spent on 34 schemes which remained incomplete for 4 to 11 years. Expenditure included Rs 2.62 crore spent without technical sanctions on 7 schemes in Ranchi division.**

*(Paragraph 6.2.5 (i) & (ii))*



Due to lack of basic social infrastructure, 24 per cent of groups of schemes were not allotted, agreements of 33 per cent of the groups of schemes allotted were not executed and possession of 31 per cent of agreements were not given to the allottees.

(Paragraph 6.2.5.2)

Avoidable loss due to non-execution of agreements with the allottees, non-allotment of flats, deferment of repayment of loans (including interest charges) and payment of cost of civic services to be borne by the Patna Municipal Corporation aggregated Rs 5.35 crore.

(Paragraph 6.2.6 (iv), (v) & (vi))

Rupees 2.57 crore were spent unauthorisedly during 1994-2000 on pay and allowances of 100 number of staff working on posts without sanctions. Irregular promotions of staff involved unauthorised payment of Rs 96.05 lakh and nugatory expenditure of Rs 50.60 lakh was incurred on staff who remained without work.

(Paragraph 6.2.7, 6.2.7.1 & 6.2.7.2)

Negative balance of Rs 5.42 crore in stores account of the Board as of 31 March 1998 indicated losses of stores, reasons of which were not investigated and no responsibility was fixed by the Board.

(Paragraph 6.2.8(i))

'Miscellaneous Public Works - Advances' was routinely abused by the Divisional Officers and a huge sum of Rs 10.01 crore remained unadjusted/ unrecovered under the head as of March 1998. This could facilitate possible misutilisation/ misappropriation of material and non-preparation of accounts. Further, in Ranchi Division Rs 75.91 lakh advanced to staff and suppliers during 1995-99 also remained un-recovered/ unadjusted as of May 2000.

(Paragraph 6.2.8.1 and 6.2.8.2)

The Board incurred liability of Rs 25.93 crore to the Government due to default in repayment of loan and non-deposit of earnest money into treasury and additional liability of Rs 7.17 crore to the allottees due to encroachment on land at Digha by unauthorised persons.

(Paragraph 6.2.10)

Due to default in payment of energy bills, 2 divisions acquired liability of Rs 2.47 crore upto November 1999.

(Paragraph 6.2.10.1)

### 6.2.1 Introduction

Bihar State Housing Board, an autonomous body, was established in January 1972 by Bihar State Housing Board ordinance (1971) followed by an Act of the Legislature (1982). The activity of the Board mainly included planning and execution of (a) subsidised housing schemes for industrial workers and economically weaker sections of society in rural areas, (b) self financing housing schemes and (c) various housing schemes for persons in low, middle and high income groups based on loan assistance from the Board. The Board



was also responsible for maintenance, allotment and leasing of plots of land and buildings which were under its control and management.

The Board was headed by a Chairman and consisted of a Managing Director, 4 non-official members nominated by State Government and 6 ex-officio members. Housing works of the Board were executed by 2 Circles<sup>1</sup> and 14 Divisions<sup>2</sup>.

### 6.2.2 Audit Coverage

Working of the Board for 1983-88 was commented upon in the Report of the Comptroller and Auditor General of India (Civil) for the year ended March 1991. Working of the Board for the period 1994-98 was further reviewed during October 1999 to May 2000 through a test-check of the records of 9 (out of 14) Divisions<sup>3</sup>, one Circle (Patna), the Chief Engineer and the Board's office. The review indicated continuance of the same irregularities which were noticed in earlier review.

### 6.2.3 State of accounts

Delayed compilation of accounts.

(i) Compilation of the annual accounts (Receipt and Payment Account, Income and Expenditure Account and the Balance Sheet) of the Board was delayed. The annual accounts for 3 years (1994-97) were made available to Audit in October 1999 and that for 1997-98 in May 2000. The annual accounts for the following 2 years (1998-2000) had not been finalised as of May 2000. Thus, there was no indication of the assets and liabilities of the Board for the previous two years.

Duties of internal auditor not defined.

(ii) Though the Board appointed a firm of Chartered Accountant as its internal auditor in July 1988, the duties and responsibilities of the internal auditor had not been defined as of May 2000.

### 6.2.4 Finances of the Board

Board's fund comprised sale and rental charges of land, buildings and borrowings.

Sources of Board's fund comprised of sale and rental proceeds of land and buildings. The Board also borrowed funds from financial institutions and raised funds from open market by floating debentures with the prior approval of the State Government. A summarised position of receipts and payments of the Board during 1994-98 was as under:

<sup>1</sup> Patna and Ranchi

<sup>2</sup> Bhagalpur, Dhanbad, Darbhanga, Gaya, Hazaribag, Jamshedpur, Muzaffarpur, Patna division No.1,2,3, Patna P.H.Division, Patna Electrical Division, Ranchi and Ranchi Electrical divisions.

<sup>3</sup> Dhanbad, Gaya, Jamshedpur, Muzaffarpur, Patna Division 1,2,3, Patna Electrical Division and Ranchi Division.

Year	O.B.	Receipts						Payments		C.B.
		Grants	Loans	Other Receipts	Capital Receipts	Revenue receipts (A)	Total receipts	Capital including loan (B)	Other payments (C)	
(Rupees in lakh)										
1994-95	437.00	Nil	307.23	537.29	780.45	78.68	2140.65	1005.27	1023.09	112.29
1995-96	112.29	Nil	1539.25	761.39	885.95	61.69	3360.57	726.49	1683.61	950.46
1996-97	950.46	Nil	2341.10	1208.68	839.28	73.42	5412.84	1464.50	2567.39	1380.95
1997-98	1385.27	Nil	1185.11	2095.05	978.48	84.55	5728.46	1420.55	4162.19	145.72

- (A) Centage charge plus rent from properties.  
 (B) Works expenditure plus payment of Principal loans.  
 (C) Revenue and other miscellaneous expenditure.

Audit scrutiny revealed the following:

Unexplained difference in cash balance.

(a) Difference of Rs 4.32 lakh in closing balance of 1996-97 and opening balance of 1997-98 was not explained by the Board.

(b) There was disproportionate growth in other payments while capital payments stagnated. Further, the establishment expenditure was disproportionately high compared to the works expenditure as discussed in following sub para (d).

Ninety five per cent of expenditure related to interest payment and establishment charges.

(c) Analysis of the year wise details of revenue expenditure of the Board revealed that of total revenue expenditure of Rs 41.49 crore (excluding provision of interest on government loan), Rs 18.30 crore (44 per cent) were spent on payment of interest on loans from HUDCO, GIC, LIC etc. and on Bonds while Rs 21.36 crore (51 per cent) on establishment charges.

(d) A comparison of the establishment expenditure and works expenditure during 1994-98 showed that establishment expenditure was disproportionately high at 57 to 128 per cent of the works expenditure:

Year	Works expenditure	Establishment expenditure	Per centage to works expenditure
	(Rupees in lakh)		
1994-95	710.61	404.63	57
1995-96	360.01	461.82	128
1996-97	691.87	674.38	98
1997-98	748.05	595.64	79
<b>Total</b>	<b>2510.54</b>	<b>2136.47</b>	<b>85(Average)</b>

Board's administrative cost (supervision and centage charge) was to be charged upto 12.5 per cent of the cost of housing or improvement scheme. In HUDCO financed scheme, however, the administrative cost was to be limited to 10 per cent only of the cost of the housing scheme. Against this, during 1994-98, the Board could charge administrative cost of Rs 1.69 crore only while actual administrative cost aggregated Rs 21.36 crore. The gap of Rs 19.67 crore was met by diversions of funds borrowed for execution of schemes.



**6.2.4.1 Debt trap**

Board was not earning adequately on its investments to repay the loans and interest and therefore had to resort to fresh borrowings to finance the repayment liability.

(a) During 1994-98 the Board earned interest of Rs 4.52 crore on fixed deposits and saving accounts while paid interest of Rs 18.30 crore to HUDCO and other agencies (LIC, GIC etc.) by diversion of Rs 13.78 crore from the fresh loans received.

(b) Principal amount of Rs 83.55 lakh and interest of Rs 46.74 lakh was payable to LIC during May to October 1993. As Board had no surplus, it paid to the LIC Rs 1.30 crore (Principal + Interest) during 1994-95 from out of the loan of Rs 2.98 crore obtained from HUDCO.

(c) Undischarged borrowings of the Board as of March 1998 were Rs 127.18 crore as per details below:

	Borrowings from	Amount (Rs in crore)
I	State Government	80.31
II	L.I.C.	5.83
III	G.I.C.	2.85
IV	HUDCO	29.66
V	Open market (Bonds)	8.53
	<b>Total</b>	<b>127.18</b>

Huge undischarged borrowings aggregated Rs 127.18 crore as on March 1998.

Delayed repayment of loan caused avoidable payment of interest for Rs 14.96 lakh.

Loss of rebate of Rs 1.45 crore due to default in payment of loan.

The borrowings entailed interest liability of Rs 55.77 crore upto March 1998. Besides, the Board incurred liability of payment of interest of Rs 4.80 crore to Government, GIC and HUDCO. The Board was not earning enough to repay these charges and was thus in financially unviable position. Delayed repayment of loan by the Board resulted in avoidable liability of additional interest of Rs 41.87 lakh and penal interest of Rs 54.46 lakh during 1994-99. Against this, the Board paid Rs 14.96 lakh to HUDCO during June 1996 to September 1998. Besides, Board suffered loss of rebate of Rs 1.45 crore due to default in timely payment of loan of Rs 29.02 crore to HUDCO. Interest of Rs 52.78 lakh on loan of Rs 2.35 crore paid in excess to LIC prior to 1994-95 was not adjusted/reconciled (May 2000). Board did not create sinking fund to repay the loans obtained from open market (Rs 8.53 crore) duly guaranteed by the Government, though required. This liability may ultimately devolve on Government.

**6.2.4.2 Poor management of receivables**

The poor financial position of Board was *inter alia* attributable to mismanagement of its recoveries. Neither the Divisional offices nor did the Board maintain consolidated record of year wise demands, collection and outstanding dues from different allottees of houses/ plots/ flats showing revenue receipts and capital receipts separately. Thus, they were not evidently monitoring the collection of its receivables. Combined list of outstanding dues



in respect of 9 divisions as furnished by the Board as on 31 March 1999 was as under:

Name of division	Demand	Collection	Arrears
(Rs in lakh)			
Patna Division No.I	1954.53	216.38	1738.15
Patna Division No.II	2776.60	158.52	2618.08
Patna Division No.III	812.10	42.06	770.04
Patna PH Division	290.93	46.78	244.15
Muzaffarpur	79.54	35.95	43.59
Gaya	295.52	53.04	242.48
Jamshedpur	2582.15	316.59	2265.56
Dhanbad	811.75	164.55	647.20
Ranchi	1575.46	137.58	1437.88
<b>Total</b>	<b>11178.58</b>	<b>1171.45</b>	<b>10007.13</b>

**Record of 90 per cent of the total demand not maintained.**

Thus, 90 per cent (Rs 100.07 crore) of the demand remained unrealised as of March 1999. Managing Director did not monitor collection of dues by raising demand in time and pursuing their recovery. In 4 divisions (Gaya, Dhanbad, Patna Division 2 and 3) demand for hire purchase of Rs 7.79 crore (56 per cent) against total demand (Rs 14.00 crore) was not recovered as of May 2000. In Ranchi division, hire purchase and rental charges of flats for Rs 4.22 crore were overdue for recovery (as of May 2000) from 4 allottee organisations of the State Government located in Bariatu and Harmu Housing Colony complexes.

#### 6.2.5 Poor implementation of housing schemes

Important reasons of the poor financial condition of the Board were the poor utilisation of its assets, mismanagement of its work programmes and its failure to allot the completed works. Test-check revealed:

**Huge idle investments of Rs 804.42 crore due to non-allotment of plots/ houses/ flats and non-utilisation of 263 acres of land.**

(i) Board did not fix yearly target for various housing schemes. Out of 4536 acres of land acquired by Board, only 2425 acres (53 per cent) were utilised either in development of plots or in construction of houses, while 1481 acres (value Rs 527 crore) were under encroachment/unlawful occupation, 367 acres were under process of being used and balance 263 acres (value Rs 93.63 crore) remained unutilised. Thus assets acquired at high cost borrowings were not utilised/developed to derive income and Board's ability to repay its liabilities suffered. Board developed altogether 17033 plots and constructed 30,030 houses/flats (including shops and kiosks) as of May 2000. In 8 divisions test-checked 4241 houses/flats/plots valuing Rs 92.69 crore were lying unallotted as physical and social infrastructure were not provided. In 6 divisions 1554 houses/flats/ plots valuing Rs 91.10 crore were under encroachment/unlawful occupation by unauthorised persons. Board failed to provide basic social infrastructure around the plots, flats and houses and get the encroachers evicted under the relevant law. As a result, Rs 804.42 crore were blocked in idle investments due to encroachment/ non-allotment of plots/ houses/ flats and non-utilisation of 263 acres of land. Prospect of their allotment was uncertain.



34 schemes remained incomplete for 4 to 11 years while Rs 19.08 crore were spent on them.

(ii) In 5 (out of 8) divisions test-checked (Jamshedpur, Ranchi, Gaya and Patna Division No.2 and 3) 34 schemes taken up during 1988-89 to 1995-96 at the project cost of Rs 21.96 crore remained incomplete for 4 to 11 years. Rupees 19.08 crore were spent on them till March 1999 as per details below:

Name of the Division	No. of incomplete schemes	Technical sanction/ Agreement value	Amount spent upto March 1999
(Rupees in lakh)			
1. Jamshedpur	13	730.00	703.03
2. Ranchi	17	861.47	855.32
3. Gaya	1	118.67	16.63
4. Patna Div.II	2	352.77	257.96
5. Patna Div.III	1	132.66	74.69
<b>Total</b>	<b>34</b>	<b>2195.57</b>	<b>1907.63</b>

In Ranchi Division, Rs 2.62 crore spent on 7 schemes without sanction of technical viability.

The schemes were not completed due to paucity of fund, non-supply of construction materials by the Board and defective monitoring and planning for execution of the schemes. Rupees 8.55 crore spent in Ranchi Division included Rs 2.62 crore spent on 7 schemes without their technical sanctions by the Chief Engineer. Executive Engineer did not furnish reason of expenditure on schemes without sanction of their technical viability by the Chief Engineer.

#### 6.2.5.1 Delay in completion of schemes led to cost overrun

As the schemes remained incomplete for 2 to 18 years, there was cost overrun of Rs 6.86 crore as of March 1998. The details were as under:

Schemes remaining incomplete for 2 to 18 years led to cost overrun of Rs 6.86 crore as of March 1998.

Sl. No.	Scheme No.	Project cost	Revised Project cost	Divisions executing these projects	Stipulated date of completion of work	Delay upto March 1998	Expenditure incurred upto March 1998
		(Rupees in lakh)					(Rupees in lakh)
1	817 CHS/ Sector 6 (288 MIG, 576 LIG, 768EWS)	321.69	534.98	Patna Division No.I	February 1980	18 years	507.52
2	1502, CHS Sector 3 (480 LIG, 384 MIG) Bahadurpur	241.29	394.42	Patna Division No. II	November 1982	16 years	372.45
3	1503, 256 MIG Lohiya Nagar	107.30	181.08	Patna Division No.I	November 1982	16 years	155.14
4	5882, 128 MIG Argora, Ranchi	105.06	166.07	Ranchi	July 1990	2 years	149.14
5	5232-144 HIG Bahadurpur (Patna Div. II)	220.42	276.12	Patna Division No.II	August 1989	9 years	241.10
6	5883-192 MIG, Bahadurpur (Patna Div. II)	152.78	282.12	Patna Division No.II	December 1991	8 years	159.33
	<b>Total</b>	<b>1148.54</b>	<b>1834.79</b>				<b>1584.68</b>

Technical sanctions of the schemes in Patna divisions were accorded by Chief Engineer after delays of 7 to 10 months without any reason on record.



### 6.2.5.2 Delay in allotment of plots, houses and flats

Board could collect rentals/ dues only when possession of plots, houses and flats was given to the allottees. Prompt action in this regard was necessary to ensure revenue inflow. A review of units completed, units allotted and possession of units given to the allottees as of 31 May 2000 revealed that Board failed to ensure prompt handing over of the plots, houses and flats as shown below:

Large number of completed schemes not allotted due to lack of various civic amenities.

Groups of Schemes	Units completed	Units allotted	Units unallotted	Agreement executed	Possession given
	(In number)				
High Income Group (HIG)	3598	2897	701	1149	834
Middle Income Group (MIG)	7869	6232	1637	3678	2551
Low Income Group (LIG)	10634	9128	1506	6671	5641
Economically Weaker Section (EWS)	4691	2797	1894	1650	1343
Industrial Subsidised Housing Scheme (ISHS)	6303	4290	2013	3623	1056
Self Finance Scheme	627	496	131	396	324
Commercial including shops	737	288	449	216	144
Lohianagar/CH/CT/ Plus type	573	553	20	551	549
<b>Total</b>	<b>35032</b>	<b>26681</b>	<b>8351</b>	<b>17934</b>	<b>12442</b>

(Executing divisions : Patna Division No. I, II & III, Dhanbad, Jamshedpur, Ranchi, Muzaffarpur and Gaya)

Thus, 24 per cent (8351) of groups of schemes completed were not allotted, agreements for 33 per cent (8747) of the groups of schemes allotted were not executed and possession of 31 per cent (5492) of the schemes for which agreements were executed was not handed over to the allottees. Such poor allotment was due to increase in cost of the schemes and lack of basic infrastructure like sewerage and drainage system, electricity etc. Besides, there was inordinate delay in decision of the government on allotment of flats and houses against government quota.

### 6.2.5.3 Rural Housing Scheme – unnecessary borrowings from HUDCO

As per direction (1995-96) of the Government of Bihar the Board raised loan of Rs 55 crore from HUDCO and Rs 50 crore from National Housing Bank for construction of houses in rural areas under Indira Awas Yojna (IAY). The funds obtained through the loan was to be made available to the District Magistrates/ Deputy Commissioner who were to disburse Rs 14500 per beneficiary for construction of houses by them. Repayment of loan and the interest was to be made as per the schedule prescribed in the terms and conditions of the loan out of the State budget.



Large sum of loan meant for housing schemes not utilised.

During 1996-2000 the Board received loan of Rs 21.93 crore from HUDCO for the construction of 15122 units under IAY. Against that, Rs 11.02 crore were provided to the 19 District Magistrates during 1996-99 for the construction of 10827 dwelling units. However, utilisation certificates were partly received from the District Magistrates and 7 District Magistrates/Deputy Commissioners returned Rs 1.51 crore<sup>4</sup>. Board stated (May 2000) that 1818 dwelling units (out of 10827 units) were not constructed because of lack of interest of beneficiaries. Further, during 1996-2000 the Board refunded Rs 12.65 crore (principal+interest) to HUDCO whereas the Government reimbursed Rs 2.73 crore only during the same period. Thus, Rs 19.20 crore plus interest remained unrecovered from the government as of May 2000.

### 6.2.6 Deficiencies in implementation of the schemes

#### (i) Unfruitful expenditure: Rs 1.47 crore

Uncertainty in completion of the schemes due to failures of the agencies of the Board resulted in unfruitful expenditure of Rs 50.12 lakh.

(a) Chief Engineer, Housing Board allotted construction of 24 units (out of 72 units 'A' type) of flats under Self Financing Scheme at Dindhi, Adityapur (Jamshedpur) to a contractor at the negotiated cost of Rs 67.61 lakh. However, Executive Engineer, Housing Board Division, Jamshedpur executed agreement (February 1995) with the contractor after 1 year 8 months for completion by August 1996 (extended upto November 1997). The agency executed work upto roof level valuing Rs 50.12 lakh by December 1999. Due to delay in providing working designs and drawing of ground capping beam to the contractor and for want of fund the construction work was left incomplete till May 2000. By then the allottees had started withdrawing their initial money deposited with the Board due to uncertainty of completion of construction and increase in cost resulting in unfruitful investment of Rs 50.12 lakh.

Huge expenditure blocked on incomplete schemes for years.

(b) Chief Engineer allotted construction of 360 LIG flats at Bariatu (Ranchi) under HUDCO scheme to 2 agencies in February 1994 for Rs 1.38 crore for completion by August 1996. The agencies stopped work (December 1997) after construction of work valued at Rs 97.12 lakh. In due course the demand for allotment of flats went down. The work was not completed till May 2000 and the completion of work was uncertain. Thus, expenditure of Rs 97.12 lakh on the incomplete schemes are lying blocked for 3 years.

#### (ii) A large amount of funds remained unutilised

Delayed execution of contract with HUDCO resulted in non-utilisation of loaned funds.

During 1991-98, 27 housing schemes were sanctioned by HUDCO for Rs 25.46 crore. However, Board delayed execution of agreements with HUDCO for 1 to 2 years for want of decision of the Chief Engineer regarding viability of the schemes. This resulted in delay in release of funds by HUDCO. Till March 1999 Rs 11.72 crore were released by HUDCO against these

<sup>4</sup> Giridih: Rs 22.03 lakh, Ranchi : Rs 35.94 lakh, Bokaro: Rs 15.26 lakh, Buxar: Rs 1.66 lakh, Hazaribag : Rs 10.20 lakh, Begusarai : Rs 29.26 lakh and Saran: Rs 36.65 lakh.



sanctioned schemes . These schemes were not taken up as of May 2000 and thus the loans were lying unutilised with avoidable interest liability. The Board did not assign any reason for this default.

During March 1985 to March 1997, Board received Rs 9.65 crore from HUDCO against the Project cost of Rs 29.13 crore for execution of 24 housing schemes, while no expenditure was incurred thereon till May 2000. Board stated (May 2000) that there was no demand for such schemes from the beneficiaries. Board did not explore possibility of utilisation of funds on alternative schemes. It refunded Rs 5.86 crore to HUDCO upto March 1999 besides interest of Rs 43.37 lakh. Loan of Rs 3.79 crore (excluding interest) was not refunded to HUDCO as of May 2000.

**(iii) Avoidable extra cost: Rs 33.30 lakh**

**Failure on the part of the Board in supplying material and releasing fund in time resulted in extra cost of Rs 33.30 lakh.**

Construction of 128 MIG flats at Argora, Ranchi (Project cost: 107.94 lakh) was allotted by the Chief Engineer to 2 contractors in December 1989 at an estimated cost of Rs 53.89 lakh each for completion by June 1991. The agency stopped work in August 1991 after doing merely 19 per cent of work valued at Rs 10.43 lakh due to non-supply of materials by the Board to the agency and for want of fund. Chief Engineer closed the contract in May 1994 and approved revised estimate of Rs 69.94 lakh in December 1994. The work was allotted to another agency for Rs 76.76 lakh for completion by December 1997. The work was not completed as of May 2000. Thus, failure of the Board in supplying the material and releasing fund in time resulted in extra cost of Rs 33.30 lakh and delay of 11 years.

**(iv) Avoidable losses : Rs 4.01 crore**

**Board sustained a loss of Rs 1.08 crore due to non-execution of agreements and Rs 2.61 crore due to non-allotment of 1475 flats on rent basis.**

Under Integrated Subsidised Housing Scheme (ISHS) flats/ houses were to be constructed for industrial workers and the economically weaker sections of the community. Under this scheme houses/flats were to be allotted on hire purchase and on rent basis. Allottees were required to deposit 50 per cent of the cost at the time of execution of agreement and pay balance 50 per cent as rent on instalment basis in case of hire purchases.

In Jamshedpur division agreements were not executed as of March 2000 for 516 (out of 4013) flats allotted. Due to non-execution of agreements Board did not get 50 per cent of cost of 516 flats amounting to Rs 1.08 crore and sustain a loss of rental charges of Rs 2.61 crore due to non-allotment of 1475 flats.

Similarly, at Kumardhubi in Dhanbad Division, of 185 allottees of flats on hire purchase basis 26 agreements only were executed and agreements in respect of flats of 159 allottees were not executed as of May 2000. Due to non-execution



of agreements with 159 allottees the Board was further deprived of the receipt of 50 per cent of the cost of the flats amounting to Rs 31.93 lakh.

(v) *Avoidable expenditure: Rs 97.85 lakh*

Board incurred avoidable expenditure of Rs 97.85 lakh on the civic services which were to be maintained by the PMC.

Holding tax in respect of Hanuman Nagar and Bahadurpur Housing Colonies was being recovered by Patna Municipal Corporation (PMC) but the roads, water supply system, sewerage and drainage systems of these colonies were maintained by the Board. The allottees did not pay to the Board in lieu of these services provided by it. During 1994-99, Board incurred avoidable expenditure of Rs 97.85 lakh on the civic services which were due to be rendered by the PMC.

(vi) *Avoidable payment of interest and deferment charges: Rs 36.12 lakh*

Bihar State Housing Board paid to HUDCO Rs 2.97 lakh during September 1995 and January 1996 on account of deferment of repayment of loan of Rs 3.27 crore in respect of 25 schemes till March 1996 due to weak financial position of the Board. Besides, repayment of loan of Rs 3.27 crore made during June 1996 to September 1998 involved avoidable payment of interest for Rs 33.15 lakh.

Rupees 2.57 crore spent unauthorisedly on 100 number of staff against unsanctioned posts.

6.2.7 *Manpower*

The Board did not possess reliable data in respect of sanctioned strength vis-à-vis men-in-position in its different offices. Scrutiny of statement of manpower exhibited in the status report of the Board (1999) revealed that against 588 posts of various categories sanctioned, 688 men were in position resulting excess deployment of 100 persons in the Board. Rupees 2.57 crore were spent unauthorisedly during 1994-2000 on their pay and allowances.

6.2.7.1 *Nugatory expenditure on staff who remained without work*

Nugatory expenditure of Rs 50.60 lakh on staff who remained without work.

During 1994-2000, 4 regular staff, 3 work charged staff and 3 muster rolls staff deployed at non-functional pump house at Kumardhubi (Dhanbad) under Dhanbad Division, 15 work charged staff in Housing Board Division 1 and 2 Patna and 3 daily wagers (Grade IV) in the Board headquarters office remained without work resulting in nugatory expenditure of Rs 50.60 lakh.

6.2.7.2 *Irregular promotions*

Cases of irregular stepping up/ promotions involving unauthorised payment of Rs 96.05 lakh as noticed in test-check were as under:

Sl. No.	Promoted to the post	Persons stepped up/promoted (Number)	Admissible scale	Scale allowed	Date of effect	Remarks	Amount (Rupees in lakh)
(In rupees)							
1.	Sr. Accounts Clerk	19	260-408	348-570	May 1980	The scales were stepped up without approval of the Government as required.	
2.	Sr. Selection Grade	6 (out of 19)	730-1080 (old) 1400-2300 (Revised)	850-1360 (old) 1500-2750 (Revised)	1.6.82	4 Senior accounts Clerk (20 per cent of 19) were required to be promoted on Jr. Selection Grade while six persons were promoted to Sr. Selection Grade.	
3.	Section Officers	4	1400-2300 (Revised)	880-1510 (old) 2000-3500 (Revised)	January 1984	Posts not sanctioned in the Finance Wing by the Government and did not even seek approval from BPSC as required under section 18(1)(b) of the BSHB Act 1982.	61.15
4.	Senior Selection Grade	4	730-1080 (old) 1400-2300 (Revised)	850-1360 (old) 1500-2750 (Revised)	--do--	Due to promotion of 4 Senior Accounts Clerk to the post of Section Officer. Further promotion was made on Senior Selection Grade instead of Jr. Selection Grade.	
5.	Section Officers	3	1400-2300 (Revised)	880-1510 (old) 2000-3500 (Revised)	1.6.85 20.10.85 20.5.87	As per Rule 74 of Bihar Financial Rule special sanction was required to be obtained from the Government for 3 newly created posts in Finance and Revenue wing, which was not obtained. The employees of the Board were allowed to cross EB, got selection grade promotion time bound promotion. Promotion to the post of section officers and so on without passing the accounts examination in violation of Bihar Board's Miscellaneous rules 156-157.	
6.	Assistant	15	1320-2040	1500-2750	83-91	Promotion on the post of Assistant from routine clerk/bill clerk/typist was made without passing requisite departmental examination in violation of Governments instruction, thus resulting in irregular payment.	34.90
<b>Total</b>							<b>96.05</b>

### 6.2.8 Management of stores and stock

Irregularities noticed in management of stores were as under:

(i) As per the Schedule VII appended to the Balance Sheet as of 31.3.1998, the value of stores and stock held by the Board on 31.3.1998 was exhibited as minus Rs 5.42 crore. Negative balance in stores account indicated losses of stores. Reason for such losses was not investigated by the Board and no responsibility for the losses was fixed.

(ii) Yearly physical verification of stores as required under rules was not conducted during 1994-98 in 8 Divisions test-checked except in Patna Division No.2 where physical verification of stores was conducted during

Negative balance of Rs 5.42 crore in stores account. Reasons of loss not investigated.

Annual physical verification of stores not conducted.



1996-97. The Board did not monitor physical verification of various stores under the Board.

(iii) Reserve limit of stock was not fixed in the following divisions.:

Division	Reserve stock limit fixed	Period of procurement	Excess procurement			Loss (Rs in lakh)	Remarks
			Items	Quantity	Cost (Rs. in lakh)		
1. Patna Division 2	Not fixed	1982-83	Asphalt sheet	4200 sheets	9.43	9.43	Due to over stocking of stores and improper storage, the material became unfit for use. The Board neither fixed responsibility nor was action taken to write off losses.
2. Ranchi Division	--do--	1981-83	--do--	17141 sheets	4.28	4.28	--do--
3. Ranchi Division	--do--	1965-83	RCC Hume pipes	Of different diameter and length	a) 4.16 b) 1.08	5.24	--do--

#### 6.2.8.1 Miscellaneous Public Works Advance

**Rupees 10.01 crore under MPWA remaining unadjusted.**

On receipt of proforma bills, the costs of materials advanced to the suppliers were debited by the Divisional Officers to the sub-head "Miscellaneous Public Works Advance". The balance under this sub-head at the end of March 1998 in the annual account was Rs 10.01 crore. This amount was pending for adjustment/ recovery during 1989-90 to March 1998. Long pendency in adjustment could facilitate misutilisation/ mis-appropriation of material and non-preparation of accounts apart from routine abuse of operation of this sub-head. Chief Accounts Officer of the Board stated (July 2000) that instructions for adjustments had been issued to the Divisional Officers. However, the particulars and date of instructions issued were not furnished.

#### 6.2.8.2 Overdue advances : Rs 75.91 lakh

**In Ranchi Division Rs 75.91 lakh advanced to staff/ suppliers during 1995-99 were not recovered.**

At Board headquarters level no centralised records were maintained of outstanding advances against officers or suppliers. In Ranchi Division alone Rs 75.91 lakh advanced to the staff and suppliers during 1995-99 were not adjusted/ recovered till May 2000. Executive Engineer, Ranchi Division stated (May 2000) that steps would be taken to recover/ adjust the advance.

#### 6.2.9 Excess operation of vehicles

While only 4 vehicles were to be used by Board, as per the instructions of Finance Department, they operated 10 vehicles during 1993-99. Board failed to enforce economy in operation of vehicles and did not follow the norm of consumption of fuel per vehicle (300 litre: Managing Director and Chairman; 110 litre: other vehicles) per month prescribed by Finance Department. During

1993-99, Rs 18.92 lakh was spent on the repair and maintenance of the additional vehicles including the cost of fuel. This was unjustified.

#### **6.2.10 Avoidable liability**

**The Board incurred avoidable liability of Rs 25.93 crore to government and Rs 7.17 crore to 4520 allottees of plots at Digha (Patna).**

The Board received government loan of Rs 10 crore (at interest rate of 8.5 per cent and of 12 per cent per annum if not paid within a year) in December 1981 and of this deposited Rs 8.33 crore in the Patna Collectorate Treasury in January 1982 for the purchase of 1053.28 acres of land at Digha and returned Rs 86 lakh to the government in June 1982. In June 1983 the State Government sanctioned another loan of Rs 4.40 crore to the Board for other purpose. However, the government kept back Rs 1.00 crore against the previous loan. Thus, Rs 8.14 crore remained to be paid to government as of May 2000.

The Board did not repay to government Rs 8.14 crore as of May 2000 and did not also deposit into the treasury the earnest money of Rs 7.17 crore received from the applicants till November 1999. Thus, Board incurred liability of Rs 25.93 crore (Rs 8.14 crore: Principal + Rs 17.79 crore: interest) to government and of Rs 7.17 crore to 4520 allottees of plots at Digha in Patna. As most of the 1024.5 acre of land acquired by Board was under encroachments by unauthorised persons prospect of handing over possession of plots to the allottees by the Board was remote.

#### **6.2.10.1 Liability for payment of electricity charges**

**The Board created additional liability of Rs 2.47 crore due to default in payment of electricity charges.**

The Board acquired liability of electricity charges for Rs 2.47 crore (including Delay Payment Surcharge of Rs 75.29 lakh) in Dhanbad and Patna electrical divisions (as of November 1999 in Dhanbad and March 1999 in Patna) due to default in payment of electricity charges to the Bihar State Electricity Board.

#### **6.2.11 Monitoring and evaluation**

The Board lacked monitoring arrangement for effective implementation of the scheme. Also the performance of the schemes was not periodically evaluated to overcome deficiencies in their implementation and ensure their effective implementation.

The points were referred to government (July 2000); their reply had not been received (January 2001).



## URBAN DEVELOPMENT DEPARTMENT

### 6.3 Working of Gaya Municipal Corporation

#### *Highlights*

*Gaya Municipal Corporation was to provide civic amenities to the persons living within the jurisdiction of the corporation. For this purpose the Corporation realised taxes, fees and fines and received grant and loans from State Government and other agencies for meeting recurring charges and implementation of various schemes.*

*Performance of the Corporation was poor as seen from diversion of Government Grants, loss of revenue due to irregular reduction of annual valuation and for not processing the pending certificate cases. There was failure of monitoring of key functions because of frequent transfer of Administrators.*

*Several irregularities were noticed in audit in the utilisation of grants and loans, assessment of taxes, engagement of daily wages staff, payment of advances and implementation of schemes etc. as paraphrased below:*

**Irregular reduction in valuation of 224 holdings resulted into loss of Rs 8.64 lakh during 1996-97 to 1999-2000. The Corporation also suffered loss of Rs 45.45 lakh due to allowing arbitrary rebate of 4 to 50 per cent by the Administrator in annual valuation of 1829 holdings.**

*(Paragraph 6.3.5.2.1)*

**A loan of Rs 50.00 lakh was received from the District Rural Development Agency, Gaya for construction of Market Complex out of which Rs 25.00 lakh was diverted towards payment of salary to the staff.**

*(Paragraph 6.3.6)*

**Government grants amounting to Rs 86.00 lakh received for specific schemes were diverted for meeting establishment and other charges during June 1995 to August 1998.**

*(Paragraph 6.3.6.1)*

**The Corporation incurred irregular expenditure of Rs 27.66 lakh on payment of wages to its employees working on daily wages basis during 1994-95 to 1998-99 violating the Government directives.**

*(Paragraph 6.3.7.2)*

**Against Government grant of Rs 1.23 crore received during 1997-99 for construction of 340 houses for poorest community in the society, only 16 houses were completed and Rs 19.47 lakh was diverted for other purposes.**

*(Paragraph 6.3.8.1)*



**Government released Rs 1.01 crore during 1997-99 to the Corporation for construction of road, drain and water supply, out of which Rs 55.33 lakh only was paid as advance to the executing agents for this purpose and Rs 24.66 lakh was diverted towards other purposes.**

*(Paragraph 6.3.8.3)*

**Certificate cases lying pending since last 17 years resulted into non-realisation of revenue to the tune of Rs 65.82 lakh.**

*(Paragraph 6.3.10)*

**Advance of Rs 3.19 crore was outstanding as on 31 March 1999.**

*(Paragraph 6.3.11)*

### **6.3.1 Introduction**

Gaya Municipal Corporation established in November 1983 had taken over all the liabilities of Gaya Municipality in terms of Patna Municipal Corporation Act, 1951 (Act). Most of the provisions of the Act were extended to Gaya Municipal Corporation.

### **6.3.2 Organisational set-up**

The following municipal authorities were charged with carrying out the provisions of the Act (i) the Corporation (ii) the Standing Committee (iii) the Chief Executive Officer. All powers and duties conferred on the Corporation under the Act were exercised by the Corporation.

Government appointed administrators to attend to the work of the Corporation in the absence of elected bodies since 1983. During 1994-99, 12 Administrators were appointed by the Government. Their average stay ranged between 15 days and 1 year. The short tenure of the Administrators led to total lack of accountability at senior level and failure of monitoring of key function facilitated proliferation of malpractice, serious financial irregularities and diversion of fund.

### **6.3.3 Audit coverage**

Working of the Corporation for the period 1994-99 was reviewed during January to June 2000. The findings are discussed below.

### **6.3.4 Finance**

#### **6.3.4.1 Sources of funding**

The main sources of income of the Corporation are (i) tax on holding (ii) tax on non-automotive vehicles viz cycle, rickshaw, etc.(iii) tax on profession, trades, callings and employment and (iv) rent from properties, etc. in addition to grants and loans received from the State Government.

The receipts and expenditure of the Corporation during the last five years ending 31 March 1999 are shown below.



Year	Opening balance	Grants	Loans	Own sources	Total	Total (2+6)	Establishment expenditure	Other expenditure	Total Expenditure	Closing balance (7-8)
1	2	3	4	5	6	7	8	9	10	11
(Rupees in lakh)										
1994-95	36.72	69.29	63.22	93.21	225.72	262.44	208.75	23.66	232.41	30.03
1995-96	30.03	93.74	141.41	101.09	336.24	366.27	185.75	53.57	239.13	127.14
1996-97	127.14	59.46	77.35	130.40	267.21	394.35	242.68	120.36	363.04	31.31
1997-98	31.31	201.17	102.78	132.92	436.87	468.18	176.45	287.44	463.89	4.29
1998-99	4.29	205.47	149.66	196.61	551.74	556.03	245.49	247.17	492.66	63.37
<b>Total</b>		<b>629.13</b>	<b>534.42</b>	<b>654.23</b>	<b>181.78</b>		<b>1058.93</b>	<b>732.20</b>	<b>1791.13</b>	

Out of Rs 6.29 crore received as grants from the Government during 1994-99 Rs 36.95 lakh (5.87 per cent) remained unutilised as of 31 March 1999 of which Rs 13.06 lakh pertained to the period 1990-92.

### 6.3.5 Assessment, demand and collection of taxes

#### 6.3.5.1 Demand and collection of Holding Taxes

#### Non-maintenance of Demand and Collection Register of holding taxes.

Revenue Officer was required to maintain the Demand and Collection Register of holding taxes as provided under Municipal Account Rules (Recovery of Taxes), 1951 and the Administrator was responsible in seeing that postings made in the Demand and Collection Register do not fall into arrears and outstanding list of taxes prepared half yearly and all outstanding were to be reviewed by him and systematic action taken. The Administrator failed to get the register prepared and posted since 1989-90. However, the position of demand and collection of holding taxes as furnished to audit for the years 1995-99 was as given below:

	1995-96	1996-97	1997-98	1998-99
(Rupees in lakh)				
Demand	177.47	165.06	608.32	776.22
Collection	76.37	74.95	86.22	184.07
Balance	101.10	90.11	522.10	592.15
Per centage of collection	43.83	45.41	14.18	23.71

Reliability of the above figures could not be verified because of (i) non-maintenance of demand register and (ii) non-preparation of progress statement.

Though amount collected improved during 1998-99, the per centage of collection went down sharply from 43.83 in 1995-96 to 14.18 in 1997-98 and ultimately to 23.71 in 1998-99. The arrears of collection of taxes included Rs 73.90 lakh pertaining to Government buildings for the period 1977-78 to 1998-99.

The Corporation did not initiate steps as prescribed for recovery of taxes nor was any responsibility fixed for failure of preparation of demand and collection registers.



### **6.3.5.2 Revision of assessment in 13 years**

**Non-revision of Assessment in 13 years.**

As envisaged under the Act, a new valuation and assessment list was to be prepared by the Corporation once in 5 years. However, the last such revision of assessment was made in 1980 when it was Municipality. Revision of assessment due in 1985, 1990 and 1995 were not done till fourth quarter 1996-97. Consequently the loss due to non-revision of assessment of annual valuation could not be ascertained. The corporation furnished no reason for such delay in the revision of assessment.

The other irregularities noticed in revision of assessment effective from IV quarter 1996-97 are outlined below:

#### **6.3.5.2.1 Illegal reduction in valuation of holding**

**Illegal reduction in valuation of holding.**

In 224 cases the objection petitions of tax payers once rejected under Section 151 of the Act were irregularly reopened by the Administrator during the period from February 1998 to March 2000 on further appeals from the tax payers in contravention of the provisions of Section 152 of the Act and the valuation of concerned holdings were reduced. This unauthorised and illegal reduction in valuation by the Administrator resulted in a loss of revenue of Rs 8.64 lakh during 1996-97 (fourth quarter) to 1999-2000 to the Corporation. Possibility of malpractice and favouritism in these cases cannot be ruled out. The matter calls for investigation.

Further, according to the rules, the Administrator could review the valuation of holdings at the time of hearing of objection petition only if the criteria of location of the holdings and method of calculation of carpet area considered at the time of initial assessment was found to be wrong. Scrutiny revealed that the Administrator arbitrarily and illegally reduced the valuation of 1829 holdings during 1997-98 by allowing 4 to 50 per cent of reduction of annual value at the time of hearing of objection petitions without assigning any reason. This resulted in an avoidable loss of revenue of Rs 45.45 lakh to the Corporation during 1996-97 (fourth quarter) to 1999-2000. The matter calls for investigation.

### **6.3.6 Diversion of Loan**

**Diversion of loan of Rs 25 lakh.**

The Corporation took loan of Rs 72 lakh (Rs 22 lakh in May 1997 for payment of salary and Rs 50 lakh in July 1997 for construction of market) from the District Rural Development Agency (DRDA), Gaya without any approval from the government. Out of Rs 50 lakh meant for construction of market, Rs 25 lakh was diverted (July 1997) for payment of salary to staff under the orders of the District magistrate-Cum-Administrator.

#### **6.3.6.1 Diversion of Government grants**

**Diversion of grants of Rs 86 lakh.**

Grants and loans received from the Government were to be spent for the purposes for which they are sanctioned. The unutilized balances were not be appropriated for any other purposes except for which they are sanctioned, without approval of the State Government.



Scrutiny revealed that Rs 86.00 lakh out of grants received for development works was irregularly diverted for meeting establishment and other charges during June 1995 to August 1998 as detailed below :

Sl. No	Date of receipt	Amount of grant originally provided (Rupees in lakh)	Purpose for which grant was provided	Amount diverted (Rupees in lakh)	Purpose for which grant was diverted
1	1995-96	40.00	Payment of energy bill	40.00	Purchase of Excavator, buckets and payment of Salary
2	1997-98	3.75 123.42 50.58	Construction of road Slum Area Development Schemes  Roads, drains and water supply schemes	1.88 19.47 24.65	Construction of platform. Water Supply and purchase of vapour lamp and on providing lighting facilities Construction of Market complex Purchase of vapour lamp and purchase and repair of sanitary machines
3	1998-99	50.58			
	<b>Total</b>			<b>86.00</b>	

Corporation did not seek approval from the State Government for such diversion (April 2000) and neglected the development works though funds were available.

### 6.3.7 Man power management

Neither job analysis nor any work study has been done with a view to determining the norm of man power requirement.

#### 6.3.7.1 Irregular appointment

Scrutiny of records showed that 139 persons were engaged irregularly during December 1998 by Shri Tarkeshwar Prasad Singh, the then Administrator for assessment work on remuneration basis. Out of them 65 were appointed to the post of Grade IV during December 1997 to December 1998 by the same Administrator and were allowed to draw the regular scale of pay without observing the prescribed appointment procedures. On the direction of the Government (February 1999) the services of all the 139 persons were terminated (March 1999). The State Government further directed (February 1999) the District Magistrate, Gaya to take action against the concerned officers/officials for such irregular appointments and also to assess the losses incurred by the Corporation. No action was, however, taken against the responsible officers and to recover Rs 7.53 lakh irregularly paid as remuneration/ salary to 139 persons during December 1996 to February 1999.

#### 6.3.7.2 Irregular payment to daily wages staff

Government directed (November 1977) all municipal authorities in Bihar not to engage any person on daily wages basis. Scrutiny revealed that Corporation paid Rs 27.66 lakh irregularly to 12558 labourers working on daily wages during the period 1994-95 to 1998-99. The Administrators failed to follow the Government directive and continued to engage labourers.

**Irregular appointments.**

**Irregular payment of Rs 27.66 lakh to daily wages staff.**



### 6.3.8 Implementation of schemes

#### 6.3.8.1 Implementation of Slum-Area Development Scheme

Construction of houses not completed and Rs 19.47 lakh diverted.

In order to provide houses to the poorest belonging to the lowest community of the society whose annual income did not exceed Rs 11,850 per annum, Government of Bihar introduced a scheme in 1996-97 for construction of 340 houses with basic facilities like drinking water and latrine and accordingly Government released Rs 1.23 crore during 1997-99 on the condition that the amount should not be diverted for any other purpose. Construction of 264 houses were taken up departmentally in August 1997, against which only 16 houses were reportedly completed (May 2000), but no completion certificate could be produced to audit. A total amount of Rs 91.00 lakh were paid during 1997-99 to four employees out of whom 3 were non-technical staff as advance for execution of the scheme as detailed below:

Sl. No	Name of the employees	No. of houses to be constructed	Amount of advance (Rupees in lakh)	Period of payment of advance
1	Dr.J.N.Dwivedi, Health Officer	80	27.00	1997-98 to 1998-99
2	Sri Vijay Kumar, Road Sarkar	128	38.00	1997-98 to 1998-99
3	Binod Kumar, Road Sarkar	24	17.00	1997-98 to 1998-99
4	Madan Prasad, Junior Engineer	32	9.00	1997-98 to 1998-99
	<b>Total</b>	<b>264</b>	<b>91.00</b>	

The advances are lying unadjusted. Persons not having any technical knowledge except one Junior Engineer were entrusted for execution of the scheme and were advanced large funds.

In total disregard to Government's order the Corporation diverted Rs 19.47 lakh meant for construction of houses for purchase of vapour lamps (Rs 11.50 lakh) water supply scheme (Rs 7.00 lakh) and illumination of Commissioners residence (Rs 0.97 lakh) and the balance amount (Rs 12.95 lakh) remained unutilised.

#### 6.3.8.2 Incomplete construction of market complex

Incomplete construction of market complex.

To rehabilitate the foot path vendors, the Corporation decided to construct market complex at six places having altogether 433 commercial shops at the estimated cost of Rs 83.34 lakh. The work was started departmentally through three officers viz Health Officer, Revenue Officer and a Junior Engineer of the Corporation by giving them advance of Rs 37.05 lakh during April 1997 to July 1997. No time limit was fixed for completion of work (April 2000).

According to physical verification report (April 2000) of the Executive Engineer, market complex at only two places having 30 shops were completed at a cost of Rs 12.06 lakh. The remaining four complex with 403 shops were incomplete with total value of work reportedly done for Rs 34.66 lakh. The entire advance of Rs 37.05 lakh was however outstanding.



As 403 shops were lying incomplete for the last three years the very purpose to rehabilitate the footpath vendors was frustrated. The Corporation failed to assign any reason for non completion of work.

A review of the departmental works indicate that effectively these officials (Road Sarkars, Clerks, Health Officer etc.) were working as contractors of the Corporation, even while drawing pay for their regular work. Their capability to handle such large amount of funds, competence to execute construction works and safekeep public assets were open to doubt. The Corporation took unjustified risk in advancing huge funds to them without any effective supervision of the work and without adequate safeguard to protect the financial interest of the Corporation. There is strong possibility of malpractice in sanctioning and paying advances to these officials. This calls for investigation and prompt recovery/adjustment of the advances.

Proper utilisation of grant not done and Rs 24.66 lakh was diverted for other purposes.

#### 6.3.8.3 Grant for construction of roads, drains and water supply

On the recommendation of the 10<sup>th</sup> Finance Commission, Government of Bihar (Urban Development Department) released grant of Rs 1.01 crore in two instalments during 1997-99 to the Corporation for execution of schemes of construction of roads, drains and water supply.

Corporation took up the execution work departmentally and paid Rs 55.33 lakh as advance to its employees (Rs 39.93 lakh) and a firm (Rs 15.40 lakh) during May 1997 to December 1998. A sum of Rs 20.54 lakh was spent on procurement of sanitary equipment including tractors and Rs 24.66 lakh were diverted for other purposes. The advance of Rs 55.33 lakh remained to be adjusted. No information on progress of work was available.

#### 6.3.8.4 Construction of Jawahar Town Hall

Corporation advanced Rs 6.30 lakh during April 1987 to March 1992 to an Asstt. Engineer to execute the renovation work of Jawahar Town Hall departmentally against which work valuing Rs 7.32 lakh was done. Thereafter the work was stopped due to paucity of fund and was lying incomplete (April 2000) resulting in unfruitful expenditure of Rs 7.32 lakh.

Unfruitful expenditure of Rs 7.32 lakh on construction of Jawahar Town Hall.

#### 6.3.9 Wasteful expenditure on purchase of computer

The Administrator placed purchase order (May 1997) to Computer Clinic, Patna for supply of a LAN based computer system with printer at Rs 4.95 lakh and paid (June 1997) Rs 2.47 lakh as advance without any security. Relevant papers for selection of the supplier were not shown to audit. The Computer was not supplied till July 2000. The Administrator confirmed (July 2000) that the firm supplied some of the components only and the firm was not in existence. Thus, the amount of Rs 2.47 lakh paid to the firm was lost. The matter calls for investigation.

Wasteful expenditure of Rs 2.47 lakh on purchase of computer.



### 6.3.10 Outstanding certificate cases

Non realisation of revenue of Rs 65.82 lakh.

As per provisions contained in the PMC Act 1951, the Administrator instituted 1425 certificate cases during 1983-84 to 1998-99 out of which 34 cases involving Rs 7.40 lakh relate to the period 1994-95 to 1998-99 to realise the arrear taxes of Rs 1.05 crore under Public Demand Recovery Act 1914. Against this Rs 39.13 lakh was realised in 784 cases and 641 (Rs 4.00 lakh in 26 cases during the last five years) cases were pending since 1983-84 for realisation of Rs 65.82 lakh. No reason was assigned for certificate cases lying pending since last 17 years. As per para 6 of Boards instruction under Public Demand Recovery Act 1914, the Requiring Officer and the Certificate Officer were jointly responsible for the punctual disposal of certificate cases. Action taken by them in this regard was evidently lacking. This resulted in non-realisation of Corporation revenue to the extent of Rs 65.82 lakh.

### 6.3.11 Outstanding advance

Advance of Rs 3.19 crore was outstanding.

As per provision under Rule 76 of the Bihar Municipal Accounts Rules, an advance shall not be drawn unless it is required for immediate disbursement and a second advance shall not be granted until the first advance has been duly accounted for. This provision was disregarded by the Corporation and frequent advances were being sanctioned by the Administrator to the staff without taking effective steps for the recovery/adjustment of the advances. As a result advance of Rs 3.19 crore was lying unadjusted for unknown years.

The following table will show the position of advance during 1994-95 to 1998-99.

Sl. No.	Particular	1994-95	1995-96	1996-97	1997-98	1998-99
(Rupees in lakh)						
1	Opening balance	88.44	88.45	89.33	114.26	285.97
2	Advance made during the year	20.69	2.97	60.16	198.78	96.02
3	Total	109.13	91.42	149.49	313.04	381.99
4	Advance recovered/adjusted during the year	20.68	2.09	35.23	27.07	62.67
5	Balance outstanding as on 31 <sup>st</sup> March of each year	88.45	89.33	114.26	285.97	319.32

The amount of Rs 3.19 crore included advances of Rs 1.84 crore outstanding against the following officials of the Corporation and a firm.

Sl. No	Name of the advance holder	Opening balance	Advance made during 1994-95 to 1998-99	Total	Recovered/adjusted	Balance outstanding
(Rupees in lakh)						
1	Dr. J.N.Dwivedi, Health Officer	-	96.33	96.33	59.99	36.34
2	Sri Bijay prasad, Road Sarkar	4.29	62.46	66.75	5.85	60.90
3	Sri Upendra Deo Buman, Road Sarkar	11.94	8.09	20.03	Nil	20.03
4	Sri Binod Kumar, Road Sarkar	0.05	18.99	19.04	0.40	18.64
5	Sri Yogendra Singh, Clerk	0.01	11.99	12.00	0.05	11.95
6	M/s Magadh Tubewell	-	35.90	35.90	-	35.90



No security was obtained from these officials and a firm and therefore the recovery of these amounts are at risk.

*Other points of interest*

(i) *State of Accounts and Audit*

Annual accounts and quarterly compliance reports were not sent to government.

Under the Act, the Corporation was required to pass the annual accounts and submit them to the State Government. Though the Corporation compiled annual accounts upto 31 March 1999 during the period 1994-95 to 1998-99 but no action was taken to fix the responsibility for non submission of annual accounts to the Government.

The Corporation was further required to take action to remedy the defects and irregularities pointed out by audit and to send quarterly compliance report regarding action taken on the report to the State Government. Though the inspection reports were regularly sent to the Corporation it did not take any action thereon in sending compliance report to Government indicating action taken on the inspection reports.

(ii) *Reconciliation of cash balance*

Cash balance not reconciled.

Reconciliation of Cash Book balance with those of the Treasury and bank accounts was in arrears since April 1996. The Treasury Pass Book was not signed by the Treasury officer since January 1995 as such the entries made therein could not be held to be authentic. The closing balance as on 31 March 1999 of the Cash Book and Treasury Pass Book was Rs 45.73 lakh and Rs 67.91 lakh respectively which was not reconciled. The matter needs urgent attention of Government, as possibility of non accountal of receipts, and other irregularities is not ruled out.

(iii) *Physical verification of stock and stores*

Physical verification of stock and stores not done.

Rule 127 of the Municipal Accounts Rules 1928 provides that the closing balance of the Stock and Stores Register should be verified and certified half yearly but physical verification of stock and stores was not done during 1994-95 to 1998-99.

The points were referred to Government (July 2000); their reply had not been received (January 2001).

## SECTION - B : PARAGRAPHS

### 6.4 General

**6.4.1** As per the provisions of sections 14 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, receipts and expenditure of bodies and authorities substantially financed by grants and loans from the consolidated fund are to be audited by the Comptroller and Auditor General of India. Section 15 of the Act provides that where any grants or loans is given for any specific purpose from the consolidated fund, the Comptroller and Auditor General shall scrutinise the procedure by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such grants and loans were given. Under section 19 of the Act, audit of the accounts of a statutory corporation may be entrusted by the Governor after consultation with the Comptroller and Auditor General of India.

During 1999-2000, Rs 705.07 crore were paid as grant to various non-government bodies and institutions. This constitutes 5 per cent of Government's total expenditure on revenue account. During 1998-99 grants aggregating Rs 859.23 crore were paid which constituted 7 per cent of the revenue expenditure. The details are given below:

	Amount (Rupees in crore)	
	1998-99	1999-2000
(i) Educational Institutions (Including universities)	417.34	518.65
(ii) Panchayati Raj Institutions Local Bodies	5.89	6.93
(iii) Corporation and autonomous bodies	214.25	26.69
(iv) Municipalities	27.21	115.44
(v) Others	194.54	37.36
<b>Total</b>	<b>859.23</b>	<b>705.07</b>

The table below shows the broad purposes for which the grants were given.

	1998-99	1999-2000
	(Rupees in crore)	
Assistance to the universities, primary and secondary schools, Agricultural Universities and other educational institutions.	417.34	518.65
Municipalities and Panchayati Raj establishment, contribution for revised pay and allowances and other benefits to non-teaching staff of District Boards Municipalities and Notified Area Committees, Construction of roads in rural areas etc.	18.37	66.01
Assistance to small and marginal farmers for increasing agricultural production, control and prevention of water pollution, environmental improvement etc.	34.23	36.26
Sewerage schemes and urban water supply programme for health sanitation.	13.57	3.10
Assistance to Municipalities, corporations, Notified Area committee for payment of arrear electricity bills to Bihar State Electricity Board.	10.00	27.58
Others.	365.72	53.47
<b>Total</b>	<b>859.23</b>	<b>705.07</b>



Where grants are given for specific purposes, the departmental officers are required under financial rules of Government to furnish to audit within a year, certificate to the effect that the grants were utilised by the recipients for the purposes for which these were paid. At the end of September 2000 utilisation certificates in respect of grants totalling Rs 1231.36 crore were awaited as shown in Appendix-XLI.

In the absence of utilisation certificates, it was not clear how the departmental officers satisfied themselves whether and to what extent the recipients spent the grants for the purpose or purposes for which these were given.

### 6.5 *Bodies and authorities substantially financed by Government grants and loans*

The number of bodies/authorities which received grants/ loans of not less than Rs 5 lakh (Rs 25 lakh with effect from 1983-84) and from whom the accounts were not received (September 2000) to determine the applicability of Section 14 of the Comptroller and Auditor General (Duties, Power and Conditions of Service) Act 1971 are given below:

Year	Number of Bodies/authorities which received grants/ loans of not less than Rs 5 lakh (Rs 25 lakh from 1983-84) in a year	Number of Bodies/ authorities from which accounts were not received as of September 2000
1981-82	51	1
1982-83	43	1
1983-84	31	1
1984-85	31	2
1985-86	51	5
1986-87	61	6
1987-88	32	6
1988-89	59	12
1989-90	70	15
1990-91	52	15
1991-92	51	21
1992-93	44	31
1993-94	49	4
1994-95	20	19
1995-96	62	21
1996-97	79	32
1997-98	68	24
1998-99	76	59
1999-2000	82	49
<b>Total</b>	<b>1012</b>	<b>324</b>

Non submission of accounts by the bodies/ authorities concerned for audit scrutiny may render it difficult for timely comments on cases of non-utilisation, misutilisation, diversion as well as defalcation of fund. Besides, cases of non achievement of target fixed for development of works on other government activities for redressal of difficulties of poorer/backward sections of the societies (e.g.) providing financial assistance to the family below poverty line may remain unreported to the government/ authorities concerned through audit comments in the absence of audited accounts, financial aspects

of failure/success of welfare development and research activity may remain unnoticed and uncommented upon.

Non-receipt of annual accounts has been reported to Government (May 2000); their reply is still awaited (January 2001).

## HIGHER EDUCATION DEPARTMENT

### 6.6 Working of Kameshwar Singh Darbhanga Sanskrit University, Darbhanga

#### 6.6.1 Introduction

Kameshwar Singh, Darbhanga Sanskrit University is governed by the Bihar State Universities Act, 1976 (Act). The main purpose of the University was to promote teaching in Sanskrit, Pali or Prakrit language or in such other related branches of learning. The University has six faculties and 6 Post Graduate Departments. It has 34 Constituent colleges, 32 affiliated Shastri colleges and 17 Upshastri colleges, whose staff are paid by the University.

Accounts of the University and its 15 constituent colleges, (eleven converted from April 1981 and 4 from July 1981), 16 affiliated Shastri and one Upshastri college for the year 1994-99 was reviewed during January to April 2000. Results of the review are discussed below:

#### 6.6.2 Accounts of the University

A summary of Receipts and Payments of the University for 5 years ending 31 March 1999 was as given below:-

##### RECEIPTS

PARTICULARS	1994-95	1995-96	1996-97	1997-98	1998-99
	(Rupees in lakh)				
State Government Grant	590.85	575.18	740.15	892.30	991.53
Development Grants from University Grants Commission	-	-	-	25.79	Not shown
Loan	120.00	Nil	Nil	1.00	Nil
Encashment of investment	Nil	255.05	Nil	214.40	Nil
Income from own sources	21.28	16.43	12.23	15.80	12.14
Miscellaneous	31.72	19.07	16.85	24.74	6.38
Total receipts	763.85	865.73	769.23	1174.03	1010.05
Opening balance	18.51	(-)87.62	(-)82.02	(-)74.72	23.10
Grand total	782.36	778.11	687.21	1099.31	1033.15
<b>PAYMENTS</b>					
Salary and T.A	746.51	689.28	731.10	1024.03	999.00
Examination	17.58	4.76	8.04	14.84	12.40
Scholarship	1.28	1.30	2.50	3.18	1.08
Refund of Loan/Investment	49.00	140.51	-	1.00	1.55
Advance	35.15	12.85	10.25	19.28	22.37
Office expenses	20.46	11.43	10.04	13.88	21.85
Total	869.98	860.13	761.93	1076.21	1058.25

Note: The Annual Statement of Accounts for 1998-99 furnished by University was provisional. There was understatement of receipt at least to the



extent of Rs 42.61 lakh (UGC grants Rs 25.48 lakh and adjustment of advances Rs 17.13 lakh) and understatement of expenditure of Rs 20.08 lakh (UGC grants) attributable partially to negative balance.

University did not prescribe forms and procedure for maintenance of accounts in the University or its constituent colleges as required under Bihar State Universities Act 1976. The annual accounts of the University consisted Receipt and Payment Accounts and that too in improper format and did not include transactions under various accounts as discussed below:

(i) Opening balance of cash book as on 1<sup>st</sup> April 1994 was shown on the basis of bank balance instead of Cash Book balance and cash book balances were not reconciled with the bank balance during 1996-97 to 1998-99. Possibility of serious financial irregularity may not be ruled out. Transactions of the Pension and Gratuity Fund, General Insurance Fund, Scholarship Account, Welfare Account and University Grants Commission Accounts, were not reflected in accounts. No cash book was maintained for Pension and Gratuity Account, Group Insurance Account, and Welfare Account.

(ii) Closing balances as per cash book of the University at the end of the year from 1994-95 to 1998-99 did not include the amount of investments in Fixed Deposits with the bank. Closing balances of the Post Graduate Departments and of the Constituent Colleges were also not included.

(iii) The University was required to send its budget for each financial year to the Government and was to incur expenditure according to the budget approved by the Government. No budget estimates, were however, sent to the Government for the years 1997-98 and 1998-99.

(iv) Internal Audit wing of the University was non-functional.

### **6.6.3 Financial mismanagement and lack of accountability.**

The Financial Adviser (F.A.) is responsible for preparation of budget, maintenance of accounts, audit of accounts, compliance of audit objections and submission of utilization certificates. The university had a part time F.A. since July 1995. Finance/Budget officer was to assist the F.A. The Vice-chancellor being Head of the institution was over all in-charge of the accounts of the University. None of these authorities ever exercised any control over compilation of accounts. Non-maintenance of systematic accounts is fraught with danger and due to this deficiency possibility of serious financial irregularities can not be ruled out.

The Asset Register was not maintained during 1994-99. The income derived from its own sources was not monitored resulting in declining trend of revenue. The Registrar who was custodian of university property did not exercise check over it.

The syndicate being the Executive council of the University was to control and manage the property and funds of the University. The meeting of the syndicate



was to be convened once in a month except holiday period but only 9 meetings (two during 1995-96, three during 1996-97, two each during 1997-98 and 1998-99) could be held during 1995-99 resulting in lack of proper control over the funds of the University during 5 years ending March 1999.

Higher pay scales were allowed to the non-teaching employees without approval of the Government. Pay and allowances were paid even to those who were in excess of the sanctioned strength. There did not exist any system during 1994-99 for incurring expenditure according to approved budget estimates as envisaged in the Act. The pay scale and the designation were not recorded in the pay bill register during 1994-99. There was neither a cadre nor any special qualification/training prescribed for the staff working in Finance wing at any level. Despite objections contained in successive Audit Reports the Vice-Chancellor, the Registrar and the Financial Adviser did not take any action to set right the irregularities which resulted in lack of accountability on expenditure management.

#### **6.6.4 Utilisation of grants**

The University received Rs 37.90 crore during 1994-99 as recurring grant from the State Government and Rs 51.27 lakh as non-recurring grants from the University Grants Commission, New Delhi during 1997-99. In the absence of the grant register the yearwise expenditure and unspent balance in respect of each grant was not verifiable. The university was evidently not monitoring the expenditure against the grants.

##### **6.6.4.1 Non Utilisation of development grant**

Failure to submit utilization certificates for grant released during Fifth and Sixth plan period resulted in denial of grants of Rs 57 lakh allocated by UGC during Eighth Plan period. The University could not also utilize Rs 4 lakh received during Seventh Plan period for development of language laboratory (Rs 3 lakh) and establishment of Vedshala and Grahshala (Rs 1 lakh).

Further the University unauthorisedly invested the unspent grants of Rs 31.10 lakh during 1997-98 (Rs 24.10 lakh) and 1998-99 (Rs 7 lakh) in Vijaishri Unit of Vijaya Bank which was irregular as the approval of the Government was not obtained. The total investment including interest (Rs 1.30 lakh) stood at Rs 32.40 lakh as of 31 March 1999.

##### **6.6.4.2 Unauthorized loan from banks**

State Government directed (February 1992) all Universities not to take loan or over-draft from the bank in any circumstances. Violating this instruction, the Vice-Chancellor took a loan of Rs 182 lakh during 1993-94 (Rs 100 lakh) and 1994-95 (Rs 82 lakh) from two banks for payment of salary to its staff and for payment of Income tax deducted from the salary of the employees during 1994-95 (Rs 11 lakh). A sum of Rs 18.25 lakh was paid as interest on loan during 1994-95 (Rs 1.05 lakh) and during 1995-96 (Rs 17.20 lakh) to two nationalized banks.



### **6.6.5 Manpower management**

#### **6.6.5.1 Irregular retention of non-teaching staff**

The Act provides that no post for appointment shall be created without prior sanction of the State Government. A scrutiny of statements of sanctioned strength and men-in-position of non-teaching staff of the University revealed that on an average 129 non-teaching staff (Class III 75, class IV 54) were working beyond the sanctioned strength in various categories during 1994-99. The financial impact due to payment of pay and allowances for workings on unsanctioned posts was Rs 2.58 crore.

The above employees were appointed between 1977 to 1997 mostly in 1980 (38) and 1987 (62) by the Vice-Chancellors without observing the prescribed procedure of appointment which was indicative of subversion in the appointment system.

#### **6.6.5.2 Non-teaching staff beyond sanctioned strength in constituent colleges**

The staffing pattern approved (1976) by the State government for each constituent college was of 10 lecturers including Principal, two Class III and two Grade IV. Scrutiny revealed that 19 class III and 10 Grade IV were working unauthorisedly in excess of the sanctioned strength in 19 constituent colleges. The total financial impact was Rs 40.65 lakh during 1994-99.

#### **6.6.5.3 Irregular drawal of higher pay scale**

Government of Bihar, Human Resource Development Department introduced (April 1991) revised pay scale to non-teaching staff from January 1986. Scrutiny revealed that 155 non-teaching staff in various categories drew higher pay scale than those approved by the Government. Pay fixation statement in the revised pay scale, required to be sent to Government for approval, was not sent. Employees were allowed selection grade without obtaining sanction for creation of posts as provided in the Act. Financial impact of wrong and ineligible pay was Rs 61.83 lakh during the 5 years ending March 1999. Vice-Chancellor and the Government did not take any action to set right the irregularities despite observations in successive audits.

#### **6.6.5.4 Irregular payment of increments to the lecturers without Ph.D/M.PHIL Degree**

The teachers of the University were required to obtain Ph.D/M. Phil degree within 5/8 years of their appointment in order to be eligible for future increments. However 167 teachers of 33 constituent colleges and 148 teachers in 25 affiliated colleges were sanctioned regular increments even though they did not acquire requisite qualification. During 1994-99, Rs 1.33 crore was thus irregularly paid to them on this account.

### 6.6.5.5 Payment of salary to teachers without any student

Though there was no student in some subjects, teachers in constituent college for those subjects were paid salary of Rs 19.30 lakh during the last five years ending 31 March 1999 without any job.

Sl. No.	Name of the college	Period	Subject in which there was no student	No. of teacher	Total expenditure of pay and allowance (Rupees in lakh)
1	Kalyani Mithila Sanskrit Mahavidyalaya Deep Madhubani	1994-95 to 1998-99	Jyotish Karmkand	1	4.59
				1	4.75
2	Maharani Adhirani Rameshwar Lata Sanskrit College Darbhanga	1994-95 to 1998-99	Karmkand	1	5.45
3	Purnima Ram Pratap Sanskrit College, Baighni, Darbhanga	1997-98 to 1998-99	Vyakaran	1	2.16
4	Madneshwar Nath Sanskrit College Madneshwar Asthan Madhubani	1997-98 to 1998-99	Jyotish	1	2.35
					19.30

### 6.6.5.6 Irregular payment of salary and allowances to the staff of constituent college without student

There were three teachers, 2 class III during 5 years ending March 1999 and 2 Grade IV from 1994-95 to January 1996, three from February 1996 to March 1999 in Akhil Bhartiya Sanskrit Mahavidyalaya Khamhar, Begusarai, a constituent unit of the University. Scrutiny revealed that no students appeared at the upshastri/shastri examination since 1995 but the staff were continuing and Rs 18.70 lakh was spent on their pay etc during the period 1995-99.

### 6.6.6 Irregular payments

#### 6.6.6.1 Bonus, Interim Relief and Regional allowance

Payment of any financial benefit to the employees of the University cannot be made without prior approval of the government. The Government clarified in May 1996 that no benefit like Bonus, IR etc were admissible to the employees of the university.

Scrutiny revealed that in disregard of Government's instruction the non-teaching employees were paid Rs 49.16 lakh during 1994-99 on account of bonus (Rs 2.43 lakh), interim relief (Rs 32.38 lakh) and regional allowance (Rs 14.35 lakh) without any approval from the State Government.

#### 6.6.6.2 Salary and allowances

The Bihar State Universities Act 1976 provides that the affiliation to the colleges shall not take effect unless it is approved by the State Government. A scrutiny of records revealed that the State Government did not accord approval of affiliation to 7 affiliated colleges<sup>1</sup> for the period April 1994 to June 1999,

<sup>1</sup> 1. Deoshankar Haldhar Choudhary Sanskrit Mahavidyalaya Chanpura, Madhubani(2) Satya Narain Sanskrit Mahavidyalaya Chhatoni Madhubani (3) Saraswati Bilash Sanskrit Mahavidyalaya Shokhara, Begusarai (4) Mahantha Shatanand Giri Harihar Sanskrit Mahavidyalaya Bodh Gaya (5) Ravneshwar Sanskrit Mahavidyalaya Gidhour Jamui (6) Sanskrit Mahavidyalaya Rosera Samastipur(7) Brahmadeo Muni Udaseen Sanskrit Mahavidyalaya Hajipur, Vaishali.



yet the University spent Rs 3.22 crore over pay and allowances to the staff of those colleges for this period. The payment of salary had, however, been stopped since July 1999 by the Government ( July 1999).

Similarly in 9<sup>2</sup> Shastri Standard Colleges though not approved for affiliation, the staff were paid Rs 2.45 crore towards salary during 1994-99 by the University and since stopped (July 1999).

### **6.6.6.3 Payment of salary and allowance to an Up- Shastri College beyond the period of affiliation**

Affiliation was granted with the approval of the Government to Upshastri Mahavidyalaya Pindaruchh, Darbhanga up to the academic session 1994 only. The University, however, irregularly allowed extension of affiliation up to 1996 without approval of the Government and spent Rs 18.54 lakh on salary of the teachers of this college from July 1996 to June 1999. The salary had since been stopped. The college did not fulfil the criteria of minimum number of 60 students for grant of affiliation during the period.

### **6.6.7 Academic activities**

#### **6.6.7.1 Admission, examination and results**

The university did not monitor the admission of students in colleges. Consequently inadequate number of students (13171) appeared at the examination held for 5 years from the year 1994 to 1998 despite an expenditure of Rs 32.28 crore over Pay and allowances to the staff of 34 constituent colleges, 32 degree affiliated Colleges and 17 Upshastri College during 5 years ending March 1999. The Government also did never evaluate the performance of the university relating to admission of students. Due to meagre number of students appearing at the various Sanskrit Examination, the expenditure of Rs 32.28 crore on Pay and allowances of the teaching and non-teaching staff of 83 colleges for 5 years ending March 1999 was not justified.

#### **6.6.7.2 Lack of Minimum number of students in constituent colleges**

Government of Bihar, Education Department laid down (October 1976) norms of minimum 60 number of students in the college in a year which was subsequently raised (March 1979) to 80. Scrutiny revealed that none of the 13 constituent colleges of the university had the minimum number as it ranged from 18 to 75 during 1994-99. University spent Rs 3.80 crore on the pay and allowances of teaching staff of these colleges. The average annual student teacher ratio during 1994-99 in these colleges was 4:5.

<sup>2</sup> (1) Golak Lakshminath Madhusudan Sanskrit Mahavidyalaya, Bangaon, Saharsa(2) Jagjivan Abhudaya Sanskrit Mahavidyalay Abhudaya Nagar Banka(3) Vidya Nand Mithila Sanskrit Sankat Mochan Dham Darbhanga (4) Mithila Sanskrit Mahavidyalaya Sasoul Sabha, Sitamarhi (5) Kirti Narain Kamakhya Sanskrit Mahavidyalaya Mahrail, Madhubani (6) Rajeshwar Takur Sanskrit Mahavidyalaya Raghapur, Dharbhanga (7) Sidheshwari Lakhmi Nath Sanskrit Mahavidyalaya Gajhara Madhubani (8) Nitya Nand Sank Mahavidyalaya, Amarut Gaya(9) Lakshmi Priya Raj Lakshmi Sanskrit Mahavidyalaya Samaul Madhubani



**6.6.7.3 Students in constituent colleges without adequate teachers/no teacher**

The Acharya (P.G)teaching was imparted in Sahitya, Vyakaran, Ved, Jyotish and Darshan in 4 constituent colleges. Scrutiny revealed that the students were admitted in Acharya classes though enough teachers were not available to impart proper teaching. For example 227 students were admitted in three colleges in Vyakaran while there was no teacher for that subject. Teaching in sahitya which had 1887 students in 6 years was imparted with only five teachers. University neither prescribed the number of intake capacity for admission in Acharyas for these colleges nor arranged for teachers to impart proper teaching vide details in Appendix-XLII.

**6.6.8 No earning from landed property of the university and colleges**

Syndicate of the University was to manage the landed property of the University and its constituent colleges and income from such property was to be credited to university fund . University had no Asset register, and thus the actual possession of landed property was not known and verifiable. In following two constituent colleges Rs. 14.63 lakh was derived as revenue during 1994-99 from the land owned by these colleges but this was not credited to the University. fund.

Name of college	Land owned	Revenue realised
Awadh Bihari Sanskrit Maha Vidyalaya, Khagaria	937.66 acres	Rs 13.60 lakh
Rajkeya Sanskrit Mahavidyalaya, Kajipur, Patna	10.80 acres	Rs 1.03 lakh
	<b>948.46 acres</b>	<b>Rs 14.63 lakh</b>

Further, out of 937.66 acres of land owned by the college at Khagaria, 413.64 acres of land was under unauthorised occupation. University took no tangible steps to make the land free to derive income from the property.

Under the University most of the Constituent Colleges had cultivable land. University failed to derive revenue from these lands as no policy in this regard was framed or no action was taken to make productive use of such land.

**6.6.9 Unnecessary purchase of certificates**

The Registrar of the university procured 3.95 lakh of certificates from a firm in 1994 without assessing their need.

5502 certificates were issued during 1995-2000 only . Thus the university would not utilize remaining 3.89 lakh certificates even in next 50 years. These certificates were likely to be damaged due to passage of time. The unnecessary purchase of 3.95 lakh certificates resulted in blockade of funds of Rs 11.28 lakh

**6.6.10 Audit report not considered by the University**

Under the Bihar State Universities Act, 1976 the annual accounts and auditors report thereon are required to be published in the official gazette. The annual accounts with auditors report has not so far been published in the gazette for any year (March 2000).



Under the Act, an Audit Committee is required to be appointed within 6 months of the receipt of the Audit Report for its consideration and for suggesting ways and means to avoid any misuse of fund or irregularity in accounts. The university came into existence in 1961 and audit reports were issued regularly but no audit committee was constituted till January 1998 and no meeting was held as of March 2000. Under section 44 of the Act, the Annual Report of the university alongwith annual accounts was to be considered by the senate at its annual meeting. The annual Report was last considered by the Senate in the year 1975.

#### **6.6.11 Unadjusted advance and lack of accountability**

Advances were sanctioned by the Vice-chancellor for conducting University examination, centralised evaluation of answer books etc frequently to the staff of the University (Rs 25.24 lakh), Principals/ Centre Superintendents of examination (Rs 12.55 lakh) and other agencies etc (Rs 7.68 lakh) without adjustment of previous advances with the result that advances amounting to Rs 45.47 lakh were awaiting adjustment as of March 1999.

The age analysis of outstanding advances as of March 1999 showed that Rs 6.18 lakh had become irrecoverable as these pertained to retired employees (Rs 4.63 lakh), terminated staff (Rs 1.22 lakh) and persons since dead (Rs 0.33 lakh). Moreover Rs 15.33 lakh are due from more than 10 years.

#### **6.6.12 Non-disbursement of scholarship**

A sum of Rs 12.47 lakh received by the university towards National Merit scholarship (Rs 8.47 lakh) and Vidya Vridhi scholarship (Rs 4 lakh) in respect of academic session prior to 1994 to 1998-99 remained undisbursed as of March 2000. The undisbursed fund was not refunded to the sanctioning authorities so far. No reasons were assigned for non-disbursement of the scholarship. Neither the sanctioning letters nor the utilization certificates furnished in respect of disbursement of Merit Scholarship to the extent of Rs 2.35 lakh (Rs 1.88 lakh during 1996-97 and Rs 0.47 lakh during 1997-98) were shown to audit. Possibility of malpractices in disbursement of Merit Scholarship (Rs 2.35 lakh) after a lapse of eight years can not be ruled out.

#### **6.6.13 Retirement benefits**

**6.6.13.1** No cash book and PPO Register were maintained up to 1996-97. Cash book for the year 1997-98 and 1998-99 contained only details of the bank statement without any particulars of receipts and expenditure.

According to PPO Register Rs 60.53 lakh were payable as pension and Gratuity during 1997-98 and 1998-99 whereas Rs 75.42 lakh were spent as per bank statement. The difference of Rs 14.89 lakh was not reconciled.



#### **6.6.14 Blocking of Capital for Rs 7.99 lakh on construction of Girls Hostel**

A Girls Hostel completed (1995) at a cost of Rs 7.99 lakh was lying vacant due to non-availability of Girl students as of March 2000.

The matter was reported to the government (July 2000); their reply had not been received (January 2001).

#### **6.7 Irregular payment to daily wages staff by the university/constituent colleges**

A test check of records conducted during 1998-2000 revealed that contrary to the provision of the Bihar State Universities Act 1976 and in violation of Government instructions (June 1986 and July 1998) four Universities<sup>1</sup> and eight constituent colleges<sup>2</sup> paid Rs 67.66 lakh irregularly to the non-teaching staff working on daily wage during 1992-97 without the approval of the Government. The possibility of the recurrence of this irregularity in subsequent years cannot be ruled out as the audit of the universities was in arrears due to non-submission of annual accounts. Moreover, the universities failed to intimate to audit action taken by them on the matter.

The engagement of daily wage staff and payment of Rs 67.66 lakh to them was irregular.

The matter was referred to the Government (June 2000), their reply had not been received (January 2001).

#### **6.8 Irregular payment of bonus and Interim Relief**

The Bihar State Universities Act and Patna University Act 1976 provide that no university should either increase the pay or allowances attached to any post, or sanction any allowance, special pay or other remuneration of any kind or any other benefit having financial implications of any person holding a teaching or non-teaching post without prior approval of the State Government

Scrutiny revealed that authorities of four Universities<sup>3</sup> and sixteen Constituent colleges<sup>4</sup> paid a total sum of Rs 70.30 lakh to the non-teaching employees during 1985-97 on account of bonus without any approval of the Government.

<sup>1</sup> (1) B.R.A. Bihar University, Muzaffarpur, (2) Magadh University, Bodh Gaya, (3) T.M. Bhagalpur University, Bhagalpur, (4) Vinoba Bhave University, Hazaribagh

<sup>2</sup> (1) Bihar College of Engineering, Patna (2) B.R.M. College, Munger (3) Kisan College, Sohsarai, (4) S.R.K. Goenka College, Sitamarhi (5) J.J. College, Jhumri Tilaiya (6) S.M. College, Bhagalpur (7) Saharsa College, Saharsa (8) K.K.M. College, Jammui

<sup>3</sup> (1) T.M. Bhagalpur University, Bhagalpur (2) Patna University, Patna (3) Magadh University, Bodh Gaya (4) B.R.A. Bihar University, Muzaffarpur

<sup>4</sup> (1) BRM College, Munger (2) JMS College, Munger (3) RD College, Sheikhpura (4) K.K.M. College, Jammui (5) R.D. & D.J. College, Munger (6) Marwari College, Bhagalpur (7) Science College, Patna (8) Bihar College of Engineering, Patna (9) B.N. College, Patna (10) Rajendra Memorial Women's college Nawadah (11) J.L.N. Memorial College, Ghorasahan (12) SRK Goenka College, Sitamarhi (13) RMLS college, Muzaffarpur (14) Rameshwar College, Muzaffarpur (15) L.N. Janta College, Jhanjharpur (16) MRS College, Darbhanga



Similarly, Magadh University, Bodh Gaya paid interim relief at the rate of Rs 100 per month to its 8383 teaching (2673) and non-teaching (5710) staff during 1996-97 involving expenditure of Rs 99.76 lakh without sanction of the Government.

Payment of bonus and interim relief were not admissible to the University staff in terms of Government's clarification made in May 1998 and March 1999. As such payment of Rs 70.30 lakh(bonus) and Rs 99.76 lakh (interim relief) was irregular. But Universities did not recover the amount.

On the matter being referred to the Government in March 2000 and May 2000, Government accepted the irregularities(June 2000)

### **6.9 Irregular payment to staff of newly constituent colleges of Magadh University working on recommended posts**

State Government in their order of August 1986 converted 10 affiliated colleges of Magadh University into constituent colleges with effect from the date of handing over assets and liabilities of the colleges by their governing bodies. As per terms and conditions of take over of the affiliated colleges the posts sanctioned by the University upto 16 August 1976 and the posts sanctioned by the Government thereafter were to be treated as posts duly sanctioned by the Government. Absorption of teachers and other staff appointed against the posts recommended by the University for creation and received by the State Government till 30 April 1986 was to be decided on the report of the committee constituted by the Government. Till the final decision is taken the State Government allowed teaching and non teaching staff working against such posts to continue and to be paid minimum of their grade pay.

The University notified (November 1986) all these colleges as constituent units with effect from 1 December 1986. Out of these, three colleges were transferred to Veer Kunwar Singh University, Arrah in 1992.

State Government notified (December 1989 and February 1990) two provisional lists of teachers and one provisional list of non teaching staff working on sanctioned or recommended posts upto 30 April 1986 for absorption on adhoc basis. Persons not included in the provisional lists were also allowed to get their salaries till final decision of the Government.

The Government failed to take final decision (September 2000) on the provisional list and for sanction of posts and hence 766 teaching (300) and non teaching (466) staff working on unsanctioned posts in 6<sup>1</sup> out of 7 newly converted constituent colleges presently under Magadh university continued to draw their salary amounting to Rs 26.31 crore during 1991-92 to 1999-2000 in complete violation of provisions of Bihar State Universities Act, 1976.

<sup>1</sup> (1) B.D.Evening College, Patna(2) R.k.Dwarika College, Patna(3) Ganga Devi Mahila College, Patna(4) T.S.College, Hisua(5) Kishori Sinha Mahila College, Aurangabad(6) R.L.S.Y College, Aurangabad



The matter was reported to the Government (July 2000), their reply had not been received (January 2001).

**6.10 Loss of huge amounts due to negligence to respond to the orders of Income Tax Department**

In terms of Section 192 of the Income Tax Act, 1961, the Registrar, Patna University, Patna (University) submitted (June 1993) the annual return of income tax deducted at source (TDS) on salaries for 1992-93 in respect of employees of the University and its constituent colleges. The Income Tax Department held (September 1994) the university in default for short deduction of tax at source amounting to Rs 37.52 lakh and Rs 14.07 lakh as interest thereon (total Rs 51.59 lakh) mainly on the grounds that the amount of deferred Dearness Allowance (DA) was not included in the gross income and rebate in income tax was availed on the Provident Fund (PF) amounts deducted from the salary of the employees but not deposited in PF accounts.

On an appeal preferred (October 1994) by the university, the Appellate Authority directed (February 1995) the Assessing officer to recompute the short fall on the basis of relief allowed in respect of deferred DA and contribution to PF as no payment of deferred DA was made and PF contribution was deducted from the salary of the employees. But despite two dates fixed by the Assessing Officer for hearing (November 1995 and January 1996) the Registrar/Finance Officer of the University failed to appear before the Income Tax authorities for producing necessary evidences for recomputation of the tax as per direction of the Appellate Court.

The Deputy Commissioner of Income Tax issued (January 1999) an attachment order for Rs 90.77 lakh (inclusive of interest and penalty) to the Allahabad Bank maintaining the account of Patna University. The University requested (February 1999) to withdraw the attachment order which was rejected by Deputy Commissioner of Income Tax in absence of supporting evidences to give effect to appellate order. The Registrar of the University again moved (February 1999) the Income Tax Commissioner, Patna to withdraw the attachment order on payment of an ad-hoc amount upto 50 percent of the total demand of Rs 90.77 lakh.

Accordingly, the attachment order was withdrawn and Allahabad Bank was advised (February 1999) by the Income Tax Department to credit the Central Government Account by debiting the account of Patna University to the extent of Rs 51.59 lakh. Subsequently, the Bank deposited Rs 51.59 lakh in Reserve Bank of India Patna on 19 March 1999 by debiting the Patna University account.

Thus, due to failure to deposit the P.F money and negligence on the part of the Registrar/Finance Officer to appear before the I.T authorities on successive dates fixed for recomputation of the tax, the University had to incur avoidable



expenditure of Rs 51.59 lakh. Had the Registrar/Finance officer responded to the I.T authorities properly, the loss could have been avoided.

The matter was referred to the Government (March 2000). The Government replied (June 2000) that necessary action was being taken against the persons responsible.

## HIGHER EDUCATION/ URBAN DEVELOPMENT/ AGRICULTURE DEPARTMENTS

### 6.11 Non co-operation with audit

For proper conduct of audit, all the records are required to be produced before audit as prescribed under section 6 of the Bihar and Orissa Local Fund Audit Act, 1925. Section 18 of the Comptroller and Auditor General's (D.P.C) Act, 1971 also authorises the Comptroller and Auditor General to require production of any accounts, books, papers and other documents at the place of inspection and the person in-charge of office or department the accounts of which have to be audited by the Comptroller and Auditor General shall afford all facilities for such inspection with all reasonable expedition.

In course of audit during 1999-2000 it was noticed that 2831 vouchers involving payments of Rs 18.96 crore in respect of 7<sup>1</sup> Universities (Rs 18.16 crore), 8<sup>2</sup> Constituent Colleges (Rs 0.39 crore) and 11<sup>3</sup> other funds (Rs 0.41 crore) like Agriculture Produce Market Committees, Municipalities and Notified Areas Committees etc. were not produced to audit despite repeated reminders to the heads of the institutions and taking up the matter with higher authorities in the Government.

Due to non-production of vouchers genuineness of the payments made through these vouchers could not be verified. Further, possibility of any serious financial irregularities such as excess and double drawal, embezzlement and fraudulent withdrawal etc. could not be ruled out in these cases.

The matter was referred to the Government (May 2000); their reply had not been received (January 2001).

<sup>1</sup> (1) B.R.A Bihar University, Muzaffarpur (2) Nalanda Open University, Patna (3) T.M. Bhagalpur University, Bhagalpur (4) Patna University, Patna (5) Ranchi University, Ranchi (6) Magadh University, Bodh Gaya (7) L.N. Mithila University, Darbhanga

<sup>2</sup> (1) L.S. College, Muzaffarpur (2) S.M. Mahavidyalaya, Bhagalpur (3) L.N.T. College, Muzaffarpur (4) Rameshwar College Muzaffarpur (5) J.L.N. Memorial College, Ghorasahan (6) R.L.S.Y College, Bettiah (7) Patna Women's College, Patna (8) Saharsa College, Saharsa

<sup>3</sup> (1) A.P.M.C, Ara (2) APMC, Gumla (3) APMC, Lalkhisarai (4) APMC, Gulabghagh (5) APMC, Sheikhpura (6) APMC, Bahera, Benipur (7) APMC, Daltonganj (8) Sasaram Municipality (9) Patna Water Board, Patna (10) NAC, Rajgir (11) Dehri Dalmianagar Municipality

## RURAL DEVELOPMENT DEPARTMENT

### 6.12 Misutilisation of IRDP fund of Rs 27.05 lakh

*DRDA, Patna misutilised Rs 27.05 lakh which was meant for rural development schemes on construction of building.*

Integrated Rural Development Programme (IRDP) Manual prescribed that interest earned on IRDP funds kept in Saving Bank Accounts was to be treated as additional resources and to be utilised on implementation of Integrated Rural Development Programme. Interest earned out of IRDP fund was not to be spent for other purposes like construction of building, purchase of vehicle etc.

On the contrary, District Rural Development Agency (DRDA), Patna misutilised interest of Rs 27.05 lakh earned on deposits of IRDP funds between 1986-87 to 1991-92 for the construction of DRDA office building in Patna (December 1991).

Thus, the misutilisation of fund which was meant for implementation of rural development schemes resulted in denial of intended benefits of the rural people under various rural development schemes.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

## SECONDARY EDUCATION DEPARTMENT

### 6.13 Irregular investment of insurance fund in share market

Bihar School Examination Board (Board) Employees Compulsory Group Insurance Scheme 1984 provided that the amount deducted from the salary of employees each month on account of Group Insurance was to be deposited in the saving bank account of the Board. The accumulated balance in saving bank account along with interest at the rate of 6 per cent compounded annually was payable to employees on superannuation. When a broker<sup>1</sup> represented before the board about the CANSTAR scheme, the Chairman<sup>2</sup> in disregard to said provisions and without any decision of the Board, or the approval of the Government, decided to invest the Group Insurance Fund amount in shares and purchased (September 1990) 3.5 lakh units of CANSTAR 1990 (Capital Gains Scheme) of Canara Bank for Rs 35 lakh through the same broker. The scheme envisaged doubling, tripling and quadrupling of the amount at the end

<sup>1</sup> Binod Kumar Beria

<sup>2</sup> Dr. Ram Naresh Trivedi



of fifth, eighth and tenth years respectively with an initial locking in period for three years.

Scrutiny revealed that selection of the private broker was made without any open bidding and, therefore, there was no transparency in the selection. The safeguards against any probable loss was also not taken by executing any agreement to that effect with the broker. Further, no safeguard was taken against possible loss of value of shares due to depletion of the share values and thus unjustified risk was taken in its purchase.

In response to a suomoto request made by the broker, Board paid Rs 35.00 lakh for purchase of 3.5 lakh shares of CANSTAR 1990 (Capital Gains) on 13 September 1990. The Board, however, did not timely receive the share certificates against the investment though these were required to be delivered by the Bank within three months of payment. The broker gave various excuses for the delay in issue of share certificates and their disposal. The Secretary of the Board failed to verify the genuineness of broker's statements with the Magadh Stock Exchange Association and the Bank despite unreasonable delay in delivery of the shares. As the shares were not finally delivered and the broker reported (April 1992) the loss of the shares certificates, the Manager CAN Bank Mutual Fund, Patna was requested for issue of duplicate certificates who intimated (June 1992) that the certificates of Rs 35 lakh were delivered to the broker long ago. Secretary of the Board requested the broker (July 1992) to deliver the certificates or deposit the sale proceeds of certificates.

The broker deposited only a meagre amount of Rs 3.40 lakh in September 1993 out of Rs 70 lakh towards sale proceeds of 17000 unit at the rate of Rs 20 each. He returned 1,40,700 units (1,10,000 in September 1993 and 30,700 in January 1994) of CANSTAR certificates. Records also revealed that the Minister and the Minister of State, Human Resource Development (Secondary Education) of Government of Bihar directed (January 1994, March 1994 and June 1994) the Chairman to allow time finally upto December 1994 to the broker for returning the balance share certificates. Despite that 192300 units valuing Rs 38.46 lakh (@ Rs 20 each) remained to be received from the broker (February 2000). The Secretary of Board made a physical verification of share certificates in July 1999 when only 120700 certificates against 140700 returned certificates were found in Board's office. The Board failed to intimate (March 2000) to audit the physical possession of the balance of 20,000 certificates valuing Rs 8.00 lakh.

The Chairman or the Secretary did not report the case either to the Government, Finance Department or the Accountant General violating Rule 31 of the Bihar Financial Rules. However, on receipt of a complaint from Employee's Association, Government asked (February 1994) for a report from the Board and a brief history of the case was submitted by Secretary of the Board to the Government (March 1994). Government failed to take any steps for thorough investigation of the deal (February 2000).



Secretary of the Board after seven years lodged First Information Report (FIR) in March 1997 at the Kotwali police station, Patna against the broker, authorities of the CANSTAR and the Managing Director cum-Administrative officer of the Magadh Stock Exchange Association, Patna. Police authorities intimated (July 1999) the Secretary of the Board that charge sheet against one Section Officer of the Board had been submitted to the court and investigation for the remaining persons was in progress. Though the Administrator of the Board (March 1997) ordered to obtain Government permission to lodge FIR against the then Chairman and the then Secretary<sup>3</sup> of the Board, no action was taken in that regard by the Secretary of the Board.

The unauthorised, irregular and non transparent investment by the Chairman of the Board without any decision of the Board/approval of the Government to invest money in shares through a broker of doubtful credential led to a loss of Rs 84.92 lakh to the Board. Possibility of malpractice in the deal involving the Chairman and Secretary who settled the deal by themselves, cannot be ruled out and their role need be investigated and accountability fixed for the huge loss.

The matter was referred to the Government (May 2000); their reply had not been received (January 2001).

## **SOCIAL WELFARE DEPARTMENT**

### **6.14 Irregular payment of loan without ensuring recovery**

*State Social Welfare Board did not follow norms for grant of loans to voluntary organisations to ensure recovery of loans from them.*

The Socio Economic programme of Central Social Welfare Board executed by the State Social Welfare Advisory Board, (SSWA Board) Patna has the ultimate object of securing economic rehabilitation of needy women such as destitutes, widows, deserted and physically handicapped ones and to give them engagement to earn wages without disturbing their domestic chores. Under the scheme interest free loan is given by the board to voluntary organisation to purchase milch cattle at a cost of Rs 6500 and for second milch cattle Rs 6500 is provided to the same beneficiaries six months after the first loan is disbursed. An additional loan of Rs 500 is provided for fodder besides a loan of Rs 14,700 as working capital to cover 2 months feeding expenses. The loan given under the scheme to voluntary organisation was to be refunded to State Social Welfare Advisory Board after six months from the date of release of fund.



Scrutiny of records (October 1999) of State Social Welfare Advisory Board, (SSWAB) Patna pertaining to the period 1993-94 to 1997-98 revealed that the interest free loan of Rs 25.80 lakh under the scheme was released to 35 voluntary organisations for purchase of milch cattle for 320 beneficiaries. Prior to release of loans to voluntary organisations the closing balance of cash book and value of assets of the loanee organisations should be ascertained and their accounts, duly certified by the Chartered Accountant (CA), should be obtained in order to ascertain the financial health of the loanee organisations and to ensure prompt recovery of loans.

State Social Welfare Board did not follow these norms for grant of loans to the voluntary organisations as the closing balance of cash and value of assets submitted by loanee institutions were much less than the amount of loan released. State Social Welfare Board disbursed loans without ensuring recovery of loans from the voluntary organisations. No amount of loan was refunded by the loanee organisations to SSWA Board as of December 1999. Besides, there was no evidence for insurance of the livestock purchased by the beneficiaries and their hypothecation to the Board/Voluntary organisation as required for sanction of loan to the beneficiaries. Deputy Secretary, SSWAB, Patna stated (November 1999) that reminders had been issued to them and further steps would be taken from recovery of loan.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

## URBAN DEVELOPMENT DEPARTMENT

### **6.15 Belated release of Government grants and loans by the Special Officer, Urban Development Department**

State Government sanctioned (March 1993) Rs 1.00 crore in the shape of grants (Rs 50 lakh) and loan (Rs 50 lakh) to Patna Municipal Corporation (Corporation) for construction/conversion of latrines (Shauchalaya). The grant portion was to be drawn and disbursed by the Special Officer, Urban Development Department (UDD) to the Corporation immediately while the loan was to be kept in civil deposit till the selection of agency for execution of the scheme.

The Special officer, UDD kept the amount of grant along with the amount of loan in the civil deposit in March 1993 and withdrew Rs 50.00 lakh each from the said deposit (March 1995 and November 1996) and deposited in the saving bank account of the UDD. The Special Officer, UDD, however, released Rs 50.00 lakh grant and Rs 50.00 lakh loan in two instalments (March 1996 & March 1997) after three to four years to the Corporation on the direction of the Patna High Court in a writ petition made in 1995 in response to Public Interest Litigation against Government.



The corporation spent Rs 32.57 lakh between January 1997 and May 1999 on construction of 22 public toilets and 7 public urinals at different places and Rs 67.43 lakh remained unutilized with the Corporation (August 1999).

Thus, Special Officer, UDD kept the entire amount of Rs 1.00 crore in "Civil Deposit" and thereafter in Bank upto 4 years defying the Government order contained in the sanction letter and Rule 107(3) of the Bihar Budget Manual. Non utilisation of the fund upto 4 years for hygienic requirement of Patna indicated the indifference of the Government towards the need of improvement of hygienic condition of the Patna City. Malpractices behind holding the money for such a long period in the Bank cannot be ruled out.

The matter was referred to the Government (May 2000); their reply had not been received (January 2001).

#### **6.16 Failure to deposit Provident Fund amounts by Mineral Area Development Authority, Dhanbad.**

As per the Mineral Area Development Authority Act, 1986 (MADA) Government was to frame rules for the management of Provident Fund within six months. But no such rules were notified by the Government as of June 2000. Old Provident Fund rules of 1921 of erstwhile Jharia Water Board and Jharia Mines Board of Health were being followed as per provision of the MADA Act 1986. The said rules provided that subscribers' provident fund accounts should be opened in the post office in which the employees' subscriptions and employer's contributions to provident fund would be credited. There was no penal provision for non-deposit/belated deposits of the provident fund amount. For convenience MADA has opened separate Bank Accounts for each subscriber in addition to conjoint PF account in post office.

Scrutiny revealed (November 1998 and June 2000) that MADA did not deposit employees' subscription to Provident Fund (PF) deducted from their salaries and employer's contribution thereon amounting to Rs 17.34 crore for the period January 1992 to March 2000 (excepting for January 1993, July 1993, August 1995 and January 1996 to October 1997). On retirement/death of a staff, final payments of the provident fund were made on the basis of amount standing at the credit in the individual Provident Fund Saving Bank Accounts in the Bank including the provident fund subscriptions and employer's contribution which were supposed to have been deposited. But no interest was calculated on the amount of the said undeposited Provident Fund subscription and contribution. Due to non framing of PF Rules by the Government and absence of penal clause in the old PF Rules of 1921 the Managing Director, MADA did not take effective step for regular deposit of PF subscriptions and contribution to subscriber's PF accounts, the liability of which mounted to Rs 17.34 crore as of 31<sup>st</sup> March 2000. The employees were also deprived of interest to be earned on their undeposited subscription and employer's contribution.



Managing Director stated (June 2000) that the provident fund money was not deposited due to financial constraints.

The matter was reported to the Government (July 2000); their reply had not been received (January 2001).

### **6.17 Surcharge notices remained ineffective**

The Bihar and Orissa Local Fund Audit Act 1925 (LFA Act) empowers the Examiner of Local Accounts (ELA), Bihar to surcharge (a) any payment which appears to him to be contrary to law, (b) the amount of any deficiency or loss which appears to have been incurred by the negligence or misconduct of any person and (c) the amount of any sum which ought to have been but not brought to account by any person, and to serve notice on such person through the District Magistrate/ Deputy Commissioner(D.M/D.C) requiring him to show cause as to why such payment should not be surcharged or such amount should not be charged against him . If the reply was not found satisfactory the Examiner might issue surcharge order and certificate requisition for recovery through the process of surcharge under Public Demand Recovery Act, 1914.

The D.M/D.C was required to ensure that all surcharge notices were served on the parties concerned within 15 days from the date of receipt of notices from the ELA, Bihar, which was essential for issue of surcharge order. However, against 723 number of surcharge notices issued by E.L.A, Bihar to 43 DMs/DCs during 1994-99 involving Rs 3.09 crore, only 44 notices were served by 8 D.Ms/D.Cs. (details in Appendix-XLIII).

The amount to be recovered through surcharge proceedings was creditable to the account of the local bodies concerned. Non-service of surcharge notices by the D.M/D.C badly affected the issuing of Surcharge orders.

The matter was referred to government (March 2000); their reply had not been received (January 2001).





## APPENDIX - I

### PART-A. GOVERNMENT ACCOUNTS

(Refer: Paragraph 1.1)

#### 1. Structure:

The accounts of the State Government are kept in three parts (a) Consolidated Fund (b) Contingency Fund and (c) Public Account.

## CHAPTER-VII

### Commercial Activities

**The Chapter contains status of commercial activities of the government, major deficiencies in working of the Bihar Secretariat Canteen.**

The Contingency Fund created under Article 267 (2) of the Constitution of India is in the nature of an appropriation of the financial resources of the State to meet urgent unforeseen expenditure pending approval of the State Legislature. Approval of the State Legislature is not obtained for such expenditure and for transfer of consolidated fund from Consolidated Fund to Contingency Fund. The surplus of this Fund authorized by the Legislature during the year was 350 crore.

#### Part III: Public Account

Receipts and disbursements in respect of small savings, provident funds, etc., which do not form part of the Consolidated Fund, are kept in the Public Account.

#### 1. Form of Annual Accounts

The accounts of the State Government are prepared in two volumes viz. (a) Finance Accounts and the Appropriation. The Finance Accounts provide details of all transactions pertaining to revenue receipts and expenditures under appropriate classification in the Government Accounts. The Appropriation Accounts provide details of expenditure by the Government under the amount authorized by the State Legislature in the budget grants. Any expenditure in excess of the grants payable to the Government by the Legislature is





## CHAPTER – VII

### COMMERCIAL ACTIVITIES

#### SECTION – B : PARAGRAPHS

##### 7.1 General

On 31 March 2000, there were 48 departmentally managed commercial/quasi commercial undertakings in the State. Of these, 39 undertakings detailed in Appendix-XLIV had not prepared proforma accounts since their inception. The matter had been taken up with the concerned administrative departments and the Finance Department from time to time.

The Proforma Accounts of 9 other undertakings were in arrears for varying periods ranging from 15 to 23 years as of March 2000. Relevant details are furnished in Appendix-XLV.

It was seen that none of the undertakings was maintaining its commercial accounts (accounts in double entry system) as prescribed in respect of departmentally managed commercial/ quasi commercial undertakings.

#### FOREST & ENVIRONMENT DEPARTMENT

##### 7.2 Doubtful purchase of spare parts valued at Rs 23.20 lakh

Scrutiny of Personal Ledger (PL) account, cash book, purchase vouchers and other relevant records of Divisional Forest Officer (DFO), Porhat, State Trading Division (STD), Chaibasa revealed (January—March 2000) that the DFO purchased (1991-94) spare parts of saw mills and logging tools valued at Rs 24.70 lakh from two firms (one of Ranchi and another of Purulia). Of those, spare parts valued at Rs 1.50 lakh only were entered in stock register of spare parts of the division. Balance spares valued at Rs 23.20 lakh were not taken in accounts and were pilfered. Further the purchase of spares valued at Rs 23.20 lakh was doubtful in view of the following:

- (i) The spare parts procured occasionally were received by Head clerk and stenographer and in some cases by the accountant and handed over to the stenographer, though all the spares procured were to be received and accounted for in the range offices.
- (ii) Though these spares were to be procured centrally these were purchased at division level.
- (iii) Purchases were made without assessment of requirements and requisitions from ranges.
- (iv) Purchases were made without inviting tenders.

Test-check of vouchers revealed the following serious irregularities/ omissions:

- Vouchers were not passed for payments by the Divisional Forest Officers as required and were simply “Paid and Cancelled” over the signature of DFO. Certificate to the effect that the qualities of spare parts were good and they were entered at the particular page of the stock register was also not recorded on vouchers. Thus there was no proof that the materials were actually received.
- The challans did not contain the mode of transportation of materials, though the materials were supplied by the agencies of distant places like Ranchi and Purulia and were thus doubtful supplies.
- Formal purchase order for supply of spares was not issued by the Divisional Forest Officer. In 8 cases purchase orders were issued by Assistant Conservator of Forests, Porhat, ST Division, Chaibasa who was not competent to issue such purchase orders for procurement of spares in the division.

Thus, the purported purchase of spares of saw mills and logging tools valued at Rs 23.20 lakh was doubtful and warranted investigation by the Government.

The matter was referred to government (May 2000); their reply had not been received (January 2001).

### **7.3 Nugatory expenditure for 7 years on staff without work**

Departmental Working Division, Hazaribag had a departmental workshop with a sanctioned strength of 4 mechanics and 1 head mechanic to maintain 18 departmental trucks and one jeep.

Scrutiny of records of the division revealed (January 2000) that departmental forest coupes under the division became non-operational since 1993-94 and there was no forest produce for transportation from coupes to depots. Scrutiny of job cards of the staff of the workshop further revealed that no repair and maintenance work of departmental trucks in the workshop was done during 1993-2000 and all the 5 workshop staff remained without work during the same period, while Rs 10.36 lakh were spent on their pay and allowances during 1993-94 to 1999-2000 (upto December 1999).

The Divisional Forest Officer, Departmental Working Division, Hazaribag stated that there was no work in the workshop. However, he did not take up the matter with higher authority for gainful deployment of workshop staff elsewhere.

The matter was referred to government (June 2000); their reply had not been received (January 2001).



## LABOUR DEPARTMENT

### 7.4 Working of the Bihar Secretariat Canteen

Records of the Secretariat Canteen, Patna and Ranchi pertaining to a period 1994-2000 were test-checked during January 2000 to May 2000. The deficiencies noticed were as under:

#### *Provision of funds and expenditure*

(a) Provision of funds and expenditure during 1994-2000 were as under:

Year	Allotment	Expenditure	Saving(-)/ Excess(+)	Sale proceeds
(Rupees in Lakh)				
1994-95	142.10	139.35	(-) 2.75	10.18
1995-96	148.97	151.74	(+)2.77	14.77
1996-97	146.12	152.50	(+)6.38	21.94
1997-98	174.74	174.49	(-)0.25	16.60
1998-99	177.41	178.50	(+)1.09	25.89
1999-2000	218.14	218.91	(+)0.77	26.47
<b>Total</b>	<b>1007.48</b>	<b>1015.49</b>	<b>(+)8.01</b>	<b>115.85</b>

Reasons for overall excess of Rs 8.01 lakh during 1994-2000 was not furnished to audit. Excesses required investigation by Government as it entailed risks of serious irregularities and fraud. Scrutiny revealed the following:

(i) Canteen manager drew advance of Rs 23.89 lakh from Bihar Contingency Fund (BCF) (August 1994 to March 1995) and spent Rs 17.51 lakh on payment of wages and cost of materials during the same period August 1994 to March 1995. He kept balance Rs 6.38 lakh (March 1995) in 'Civil Deposits'. Subsequently he withdrew the same and spent (March 1996) on materials and wages. Thus, funds were drawn from BCF without immediate requirement.

(ii) During 1994-2000 Manager, Bihar Secretariat Canteen drew Rs 1.63 crore from treasury on Abstract Contingent (AC) bills and booked the same as expenditure without submission of Detailed Contingent (DC) bills thereagainst to the Principal Accountant General (AG), Bihar as of May 2000 though required under Rule 319 of Bihar Treasury Code Vol-I. In such cases possibility of misappropriation of Government money could not be ruled out due to prolonged non-submission of detailed bills.

#### (b) *State of accounts*

State of accounts as noticed in test-check was as under:

Manager, Bihar Secretariat Canteen did not maintain proforma account of the canteen including the receipt & payment, the income & expenditure account or profit & loss account and the balance sheet as required under Rule 467 of Bihar Financial Rules, Vol. I. He also did not maintain other related accounts records. As a result there was no control over the proper accounting of public funds reportedly spent on the canteens.

Excesses entailed risks of serious irregularities and frauds.

Funds drawn from BCF without requirement.

Funds drawn on AC bills booked as expenditure entailed possibility of misappropriation of government money.

Necessary accounts records not maintained



Non-maintenance of cash book as per rules

Cash Book, being an important accounts records, was not maintained in the manner prescribed in Rule 86 of Bihar Treasury Code, Vol.I. Daily entries in the cash book was not attested by the DDO and daily closing of the cash book for the period from 9 February 1999 to 12 March 1999 was not signed by the DDO. Cash Books from 1985 to 1994 in respect of Branch Canteen, Ranchi involving expenditure of Rs 24.26 lakh was not maintained. Non-maintenance of cash book as per rules was fraught with risks of misappropriation of government money.

(c) **Other deficiencies in operation of the canteen**

Sale proceeds of Rs 57.76 lakh unauthorisedly retained for 1 to 9 months and were misutilised.

(i) During 1994-99 cash sale for Rs 57.76 lakh was routinely and unauthorisedly retained by the canteen for 1 to 9 months and utilised for purchase of consumables and for meeting kitchen contingency and office contingency etc.

Manager did not ensure prompt deposit of sale proceeds by pantry clerks.

(ii) During 1998-99, pantry clerks held sale proceeds of Rs 2.74 lakh with them for 6 to 300 days resulting in temporary misappropriation of these amounts by them during the same period. No action was taken by the Manager to ensure the prompt deposit of sale proceeds by the pantry clerks to the cashier.

Milk purchased and consumed in excess of norm prescribed.

(iii) Based on consumption norm (1 cup tea=4.5 gm Tea, 15 gm Sugar, 30 ml milk and 1 cup coffee = 2 gm coffee, 30 gm sugar, 120 ml Milk) during 1994-2000, 347506 litres of milk was required while 474992 litres were consumed resulting in excess consumption of 127486 litres of milk valued at Rs 13.84 lakh. In addition, condensed milk valued at Rs 0.60 lakh was also purchased for consumption in tea and coffee. Canteen Manager stated (May 2000) that excess milk was utilised in making Chhena for preparing Kala Jamun. However, there was no evidence in support of his statement as there was no record for quantity of milk used in making Chhena which was used in preparation of Kala Jamun.

Canteen not operated on 'no profit no loss' basis. Sale price of food articles below cost price.

(iv) During a period of 26 years as of March 2000 sale price of finished food articles was revised only thrice in 1976, 1993 and 1996 instead of making annual or six monthly assessment of sale price based on the current price of material and wages resulting in loss of Rs 3.18 crore.

Overdue recoveries on account of credit sale.

(v) Credit sale of Rs 38.96 lakh was pending for recovery from different departments. As per the list of dues of credit sale exceeding Rs 20,000 furnished by the canteen, a sum of Rs 31.50 lakh was overdue for recovery as under:

		(Rupees in lakh)
1.	Chief Minister residence	13.18
2.	Chief Minister Secretariat	1.65
3.	Cabinet (Co-ordination) Deptt.	3.28
4.	Labour Department	2.28
5.	Education Department	1.32
6.	Minor Irrigation Deptt.	1.27
7.	Water Resources Deptt.	1.60
8.	Legislative Assembly(Sectt)	3.57
9.	Legislative Council (sectt)	3.35
	<b>Total</b>	<b>31.50</b>



Tea counter of Chief  
Minister's residence  
sustained loss of  
Rs 29.78 lakh.

(vi) Chief Minister's Secretariat requested (December 1989) Manager, Secretariat Canteen, Patna for opening tea/coffee counter at Chief Minister's residence. Manager did not furnish exact date of establishing tea/coffee counter there. It was noticed that raw food articles and cooking gas valued at Rs 29.78 lakh were consumed during 1994-2000. Against this, the Manager, canteen exhibited in accounts an amount of Rs 9.48 lakh only as the dues outstanding on account of credit sale at the tea/coffee counter at Chief Minister's residence at the sale price fixed below the cost of material and wages in preparation of tea and coffee, while there was no cash sale. As no amount of sale of tea/coffee at the counter of Chief Minister's residence was realised the operation of the counter resulted in a loss of Rs 29.78 lakh during 1994-2000.

The points were referred to government (July 2000); their reply had not been received (January 2001).

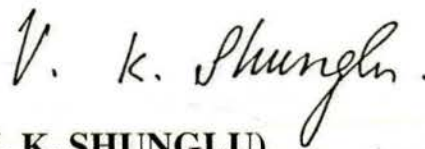


**(BIRENDRA KUMAR)**

Patna  
The

**Accountant General (Audit)I, Bihar and Jharkhand**

**Countersigned**



**(V. K. SHUNGLU)**

New Delhi  
The

**Comptroller and Auditor General of India**







***APPENDICES***





## **APPENDIX – I**

### **PART–A. GOVERNMENT ACCOUNTS**

**(Refer: Paragraph 1.1)**

#### ***I Structure:***

The accounts of the State Government are kept in three parts (i) Consolidated Fund (ii) Contingency Fund and (iii) Public Account.

#### ***Part I: Consolidated Fund***

All receipts of the State Government from revenues, loans and recoveries of loans go into the Consolidated Fund of the State, constituted under Article 266 (1) of the Constitution of India. All expenditure of the Government is incurred from this Fund from which no amount can be withdrawn without authorization from the State Legislature. This part consists of two main divisions, namely, revenue accounts (revenue, receipts and revenue expenditure) and capital accounts (Capital receipts, expenditure, public debt and loans etc.)

#### ***Part II: Contingency Fund***

The Contingency Fund created under Article 267 (2) of the Constitution of India is in the nature of an imprest placed at the disposal of the Governor of the State to meet urgent unforeseen expenditure pending authorization from the State Legislature. Approval of the State Legislature is subsequently obtained for such expenditure and for transfer of equivalent amount from the Consolidated Fund to Contingency Fund. The corpus of this Fund authorized by the Legislature during the year was 350 crore.

#### ***Part III: Public Accounts***

Receipts and disbursement in respect of small savings, provident funds, deposits reserve fund, suspense, remittance, etc., which do not form part of the Consolidated Fund, are accounted for Public Account and are not subject to vote by the State Legislature.

#### ***II. Form of Annual Accounts***

The accounts of the State Government are prepared in two volumes viz., the Finance Accounts and the Appropriation. The Finance Accounts present the details all transactions pertaining to both receipts and expenditure under appropriate classification in the Government Accounts. The Appropriation Accounts, present the details of expenditure by the State Government vis-à-vis the amount authorized by the State Legislature in the budget grants. Any expenditure in excess of the grants requires regularization by the Legislature.

**APPENDIX – II**

**Statement of large savings under State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes.  
(Refer:Paragraph 1.8.3)**

**I. Over all position of savings**

Schemes	Total provision including supplementary	Expenditure	Saving
(Rupees in crore)			
State Plan	3575.12	2333.74	1241.38
Central Plan	48.90	1.09	47.81
Centrally Sponsored	944.29	497.52	446.77
<b>Total</b>	<b>4568.31</b>	<b>2832.35</b>	<b>1735.96</b>

**II. Large savings affected schemes (Rs 1.00 crore and above)**

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
<b>State Plan schemes</b>				
1.	<b>Grant No. 1 - Agriculture Department</b> A-2401-Crop Husbandry A6-108-Commercial Crop A6(4) Pulse Scheme in Tal Area	10.00	--	10.00
2.	A6(5) Special Integrated Scheme for Scheduled Castes Pulse Scheme in Tal Area	1.71	0.17	1.54
3.	A10 -796- Tribal Area Sub Plan A10(1) World Bank Scheme for agricultural extension and useful research	1.30	--	1.30
4.	B-2402- Soil and Water Conservation B5-796- Tribal Area Sub Plan B5(1) Land and Water Conservation work in the rain-fed areas	1.05	--	1.05
5.	C-2415- Agriculture Research and Education C1-004- Research C1(1)(1) Diara development scheme	6.80	--	6.80
6.	C1(1)(4) Special integrated scheme for Scheduled Castes Diara development scheme	1.20	--	1.20
7.	E-2705-Command area development E6-105- Ayacut development E6(1) Area Development Command Level (i) State Plan Scheme	11.73	--	11.73
	<b>Total Grant No. 1</b>	<b>33.79</b>	<b>0.17</b>	<b>33.62</b>



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
8.	<b>Grant No. 2 - Animal Husbandary and Fisheries Department</b> A-2403- Animal Husbandry A3-102-Cattle and Buffalo Development A3(3)(3) Cattle breeding and development project	38.62	24.69	13.93
	<b>Total Grant No. 2</b>	<b>38.62</b>	<b>24.69</b>	<b>13.93</b>
9.	<b>Grant No. 3 - Building Construction and Housing Department</b> 2A-4059-Capital outlay on public works 2A3(3) -800- General 2A3(3)(2) Lumpsum provision for construction of second State Guest house	2.00	--	2.00
	<b>Total Grant No. 3</b>	<b>2.00</b>	<b>--</b>	<b>2.00</b>
10.	<b>Grant No. 8 - Civil Aviation Department</b> B-3053- Civil Aviation B1(1)003- Training and Education B1(1)(1) Training and Education	3.55	0.59	2.96
11.	B1(2)796- Tribal Area sub plan B1(2)(1) Training and Education	1.45	--	1.45
	<b>Total Grant No. 8</b>	<b>5.00</b>	<b>0.59</b>	<b>4.41</b>
12.	<b>Grant No. 10 - Energy Department</b> 2A-4801-Capital outlay on Power Project 2A1(2)-796-Tribal area sub plan 2A1(2)(1) Rural Electrification	20.00	--	20.00
13.	2A1(2)(2) Electrification in Harizan wards	2.00	--	2.00
	<b>Total Grant No. 10</b>	<b>22.00</b>	<b>--</b>	<b>22.00</b>
14.	<b>Grant No. 17 - Finance (Commercial Tax) Department</b> A-2040-Taxes on Sales Trade etc. A2-101-Collection charges	4.00	1.00	3.00
	<b>Total Grant No. 17</b>	<b>4.00</b>	<b>1.00</b>	<b>3.00</b>
15.	<b>Grant No. 18 - Food Supply and Commerce Department</b> C-3456-Civil Supplies C2-800-Other Expenditure C2(1) District charges public Distribution System	4.00	2.31	1.69
	<b>Total Grant No. 18</b>	<b>4.00</b>	<b>2.31</b>	<b>1.69</b>
16.	<b>Grant No. 19 - Forest and Environment Department</b> A-2406- Forest and Wildlife A1(9)-796-Tribal Area Sub Plan A1(9)(2)Rehabilitation of degraded forest	7.05	4.45	2.60
	<b>Total Grant No. 19</b>	<b>7.05</b>	<b>4.45</b>	<b>2.60</b>

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
17.	<b>Grant No. 20 – Health, Medical Education and Family Welfare Department</b> A-2210-Medical and Public Health A1-01-Urban Health Services A1(1)-001- Direction and Administration A1(1)(1) Superintendence	6.88	1.80	5.08
18.	A1(1)(3) Prevention of blindness	2.21	0.07	2.14
19.	A1(2)-110-Hospital and Dispensaries A1(2)(11) Buildings (Minor works)	2.95	--	2.95
20.	A3-03-Rural Health Service Allopathy A3(2)-103-Primary Health Centres A3(2)(1) Primary Health Centres	66.78	20.86	45.92
21.	A5(5)200-Other systems A5(5)(1) Indira Gandhi Institute of Medical Science, Patna	10.00	3.00	7.00
22.	A6(5) 104- Drug Control A6(5)(1) Drug Control Establishment	2.71	--	2.71
23.	A6(5)(2) Recommendation of the Tenth Finance Commission	3.38	--	3.38
24.	A6(9)796-Tribal Area sub plan A6(9)(3) Recommendation of the Tenth Finance Commission	1.13	--	1.13
25.	A6(9)(4) Prevention and control of diseases National Malaria Eradication Programme	15.29	5.34	9.95
	<b>Total Grant No. 20</b>	<b>111.33</b>	<b>31.07</b>	<b>80.26</b>
26.	<b>Grant No. 21 – Higher Education Department</b> A-2202-General Education A1(2) 102-Assistance to Universities A1(2)(6) Binoba Bhave University, Hagaribagh (Grant-in-aid)	6.03	0.35	5.68
	<b>Total Grant No. 21</b>	<b>6.03</b>	<b>0.35</b>	<b>5.68</b>
27.	<b>Grant No. 22 – Home Department</b> B-2055- Police B12-800-Other Expenditure B12(1) Standardisation of administration under the recommendation of the 10 <sup>th</sup> Finance Commission Construction of Police Thana/out post buildings	3.21	0.95	2.26
28.	(ii) Construction of Police residential buildings	20.14	9.87	10.27
29.	(iv) Strengthening of Police force and basic infrastructure	25.70	2.39	23.31
30.	C-2056-Jail C2-101-Jail C2(2) District Jail	28.37	26.43	1.94



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
31.	D-2070- Other Administrative Service D4-108-Fire Protection and Control D4(2) Fire Protection Services under the recommendation of the 10 <sup>th</sup> Finance Commission	5.27	4.00	1.27
32.	E-2235- Social Security and Welfare E1-01-Rehabilitation E1(1)-202-Other Rehabilitation E1(1)(1) Relief to persons affected by riots	2.00	0.99	1.01
	<b>Total Grant No. 22</b>	<b>84.69</b>	<b>44.63</b>	<b>40.06</b>
33.	<b>Grant No. 23 – Industries</b> <b>Department</b> A-2851-Village and Small Industries A2-102-Small Scale Industries A2(2) Establishment of District Industries Centres	8.40	7.06	1.34
34.	A7-796-Tribal Area sub plan A7(2) Development of sericulture	5.21	2.14	3.07
35.	B-2852 – Industries B1(4)-796 Tribal area sub plan B1(4)(2) Industrial Design Development and Training Centre in Plastic Engineering Technology	1.00	--	1.00
36.	B1(4)(3)Industrial Area Development Authority	1.65	0.40	1.25
37.	2A-4851-Capital outlay on village and small Industries 2A1-107-Sericulture Industries 2A1(1) Special integrated scheme for scheduled caste Contribution to the share capital of Bihar State Leather Industries Development Corporation	18.00	--	18.00
38.	2A1(2)-796-Tribal Area sub plan 2A1(2)(1) Contribution to the share capital of Bihar State Handloom Power loom and Handicraft Development Corporation	6.00	--	6.00
39.	2C-4885- Other Capital Outlay on Industries and Minerals 2C1-800-Other Expenditure 2C1(1)Contribution to the share Capital of Bihar State Credit and Investment Corporation	7.50	--	7.50
40.	3C-6885-Other loans to industries and Minerals 3C1-01-Loans to Industrial Financial Institution 3C1(1) 190 – Loans to public sector and other undertaking 3C1(1)(1) Internal free loan to industries in lieu of exemption from Sales Tax (Jharkhand Area)	2.54	--	2.54
	<b>Total Grant No. 23</b>	<b>50.30</b>	<b>9.60</b>	<b>40.70</b>

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
41.	<b>Grant No. 30 – Minority Welfare Department</b> 2C-5465 – Investments in General Financial and Trading Institutions 2C1-01-Investment in General Financial Institution 2C1(1) 190 – Investment in Public sector and other undertaking banks etc. 2C1(1)(1) Share capital of Bihar State Minority Financial Corporation	50.00	--	50.00
	<b>Total Grant No. 30</b>	<b>50.00</b>	<b>--</b>	<b>50.00</b>
42.	<b>Grant No. 33 – Personnel and Administration Reform Department</b> 2A-4059 Capital outlay on Public Works 2A1-01-Office Buildings 2A1(1) 800 – Other expenditure 2A1(1)(1) District development work – Construction of office building for newly created sub-division	22.20	--	22.20
43.	2A1(2)796- Tribal Area sub plan 2A1(2)(1) District Development works- Construction of office building for newly created districts divisions and sub division	4.80	--	4.80
44.	2A2-60-Other Buildings 2A2(1) 800 – Other Expenditure 2A2(1)(1) District development works –Construction of residential buildings for newly created districts and sub-division	2.61	--	2.61
	<b>Total Grant No. 33</b>	<b>29.61</b>	<b>--</b>	<b>29.61</b>
45.	<b>Grant No. 35 – Planning and Development Department</b> F-3465 – General Financial and Trading Institution F1(1)(1) Share capital of state level Agriculture development financial company	1.00	--	1.00
	<b>Total Grant No. 35</b>	<b>1.00</b>	<b>--</b>	<b>1.00</b>
46.	<b>Grant No. 36 – Public Health Engineering Department</b> 2A-4215-Capital outlay on water supply and sanitation 2A1(1)(3) Rural water supply scheme (by Tubewells, wells- works) (i) Machinery and Equipment	16.68	12.42	4.26
47.	(ii)Special integrated scheme for scheduled castes	9.40	6.67	2.73
48.	2A1(2) 796- Tribal area sub plan 2A1(2)(3) Rural piped water supply schemes (Tubewells, well etc.) (i) General	5.10	3.57	1.53
49.	(i) Special integrated scheme	3.30	1.16	2.14



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
50.	3A-6215-Loans for Water Supply and Sanitation 3A1-01-Water supply 3A1(1)(1) Loans for urban water supply to Municipal corporation and municipalities	2.25	--	2.25
51.	3A2-02-Sewerage and Sanitation 3A2(1)(1) Loans to Municipal Corporation and Municipalities for Drainage and Sewerage	1.25	0.07	1.18
	<b>Total Grant No. 36</b>	<b>37.98</b>	<b>23.89</b>	<b>14.09</b>
52.	<b>Grant No. 40 – Revenue and Land Reform Department</b> A-2029 – Land Revenue A1-102-Survey and Settlement Operations A1(1) Revision of survey and settlement work	16.41	14.58	1.83
53.	A1(2) Implementation of Tenants Account book	2.00	--	2.00
54.	A3-104-Management of Government Estate A3(2) Construction / addition and modernization of and Record rooms as recommended by the 10 <sup>th</sup> Finance Commission	5.27	2.88	2.39
55.	A4-800-Other expenditure A4(2) Consolidation of holdings	10.82	8.65	2.17
56.	A5-796-Tribal Area Sub Plan A5(1) Revision of survey and settlement of operation	8.93	7.46	1.47
	<b>Total Grant No. 40</b>	<b>43.43</b>	<b>33.57</b>	<b>9.86</b>
57.	<b>Grant No. 41 Road Construction Department</b> 2B-5054-Capital outlay on roads and bridges 2B1-03-State Highway 2B1-(1)(1) Machinery and equipment (i) Other area sub plan	2.50	--	2.50
58.	(ii) Tribal area sub plan	2.50	--	2.50
59.	2B1(2)(2) Other Area Sub Plan (1) Construction of high level bridge with approach road over the Ganga at Bhagalpur (Ganga Bridge Project)	35.00	8.93	26.07
60.	(43) Lumpsum provision in anticipation of re-estimated Administrative sanction of current bridge schemes (In Other Area)	3.38	--	3.38
61.	2B1(2)(3) Project Financed From Central Road Fund Allocation (5) Lumpsum provision in anticipation of re-estimated administrative sanction of current bridge schemes	1.74	--	1.74
62.	(6) Lumpsum provision in anticipation of sanction of new bridge projects	2.79	--	2.79

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
63.	2B1(3) 337 – Road works 2B1(3)(1) Other Area Sub Plan (a) Other area (52) Hightening Strengthening and Widening of Baidyanath Pansalwa Road in Saharsa district (Saharsa Division)	3.00	1.08	1.92
64.	(60) Repair of North Koel Semra Mine Road (Daltanganj North Division)	1.18	0.10	1.08
65.	Naxal area (7) Strengthening and widening of Siwan- Gopalganj road (Gopalganj road division)	1.30	--	1.30
66.	(66) Strengthening and Widening of Pali – Arwal – Daudnagar road (Jahanabad Road Division I)	1.80	0.24	1.56
67.	Strengthening and Widening of Ranchi- Daltanganj road (Daltanganj South Division)	2.50	1.02	1.48
68.	(c) Construction of roads damaged by flood during the year 1998. (29) Lump sum sanction of new road scheme of other area - JAC	1.50	--	1.50
69.	(d) Road construction works (i) Road construction work	9.38	7.28	2.10
70.	2B1(3)(2) Tribal area sub plan (a) Tribal area (1) Repair of Garu patki road in Palamau district (Daltanganj South Division)	2.30	0.02	2.28
71.	(27) Lump sum provision awaiting sanction of new scheme (under control of engineer – in- chief)	16.18	4.42	11.76
72.	(b) Roads in Naxal Area (1) Widening and strengthening of Chandwa- Balumath Gomia road (Daltanganj South Division)	3.22	0.06	3.16
73.	(3) Widening and strengthening of Mahuadarh Netarhat road (Daltanganj South Division)	3.35	1.00	2.35
74.	(4) Widening and Strengthening of Balumath-Harehanj Panki road (Daltanganj South Division)	4.83	0.61	4.22
75.	2B1(3)(3) O.E.C.F. Assisted schemes (i) Widening and strengthening of (46.6 K.M.) of Sadikpur Pabhera – Masourhi –Nadowl road under Budhist circuit road development shceme; Job no. B.S.H.-30 (Patna City Road Division)	3.95	0.67	3.28
76.	(iii) Lumpsum provision in anticipation of revised administration sanction of current road scheme	2.65	--	2.65



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
77.	2B2-05- Roads of Inter state or Economic Importance 2B2(1)(1) Lumpsum provision in anticipation of revised Administrative sanction of Current Road Schemes	1.57	--	1.57
<b>Total Grant No. 41</b>		<b>106.62</b>	<b>25.43</b>	<b>81.19</b>
78.	<b>Grant No. 42 – Rural Development Department</b> A-2501-Special programmes for Rural Development A1(1)(1) Consolidated Rural Development Programme (v) Strengthening of block administration	4.00	--	4.00
79.	(viii) Special integrated scheme for scheduled castes	24.00	--	24.00
80.	(viii) Special integrated scheme for Backward Classes	13.00	--	13.00
81.	A1(2) 796- Tribal area sub plan A1(2)(1) Consolidated Rural Development Programme (i) Special integrated scheme for Backward Classes	7.00	--	7.00
82.	(ii) Strengthening of block administration	1.25	--	1.25
83.	(iii) Minor works	7.00	5.56	1.44
84.	(iv) Special integrated scheme for Scheduled Castes	14.00	--	14.00
85.	A2-02-Drought Prone Area Development Programme A2(1) 101 – Minor irrigation A2(1)(1) Drought prone area programme – Jal Chhajan development programme	6.96	0.36	6.60
86.	A2(2)-796- Tribal area sub plan A2(2)(1) Drought prone area programme Jal Chhajan development programmes	3.04	--	3.04
87.	B-2505- Rural Employment B1-01-National Programmes B1(1) 702 – Jawahar Rojgar Yojna B1(1)(1) Headquarter's Establishment	1.86	0.33	1.53
88.	B1(1)(2) Special integrated schemes for Backward Classes (i) Special integrated schemes for Backward Classes	168.30	161.04	7.26
89.	B1(1)(3) National Rural Employment Programme Regional Establishment	21.33	12.02	9.31
90.	B1(2) 796 – Tribal area sub plan B1(2)(1) National Rural Employment Programmes	4.82	3.17	1.65
91.	B1(2)(3) Special integrated scheme for Backward Classes (ii) Minor works	168.46	119.73	48.73

SI. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
92.	C-2515-Other Rural Development Programme C1-001-Direction and Administration C1(5) Assistance to Panchayati Raj Institution (Tenth Finance Commission) Grants-in-aid	144.46	--	144.46
93.	C4-102-Community Development C4(2) Special scheme (i) Kosi affected area	4.00	1.00	3.00
94.	C6-796- Tribal area sub plan C6(2) Assistances to Panchayati Raj Institution (Tenth Finance Commission)	45.79	2.78	43.01
95.	2A-4515- Capital outlay on other Rural Development Programmes 2A(2) – 103- Rural Development 2A(2)(1) Minimum needs programmes (O.A.S.P.) (i) Establishment	24.92	16.03	8.89
96.	(ii) Construction of new roads and renovation of old roads in terrorism affected area	27.96	0.03	27.93
97.	2A(2)(2) Chief engineer/Superintending engineer (Rural Development)	39.98	38.15	1.83
98.	2A(2)(4) Reconstruction of flood affected roads	30.00	2.04	27.96
99.	2A3-796-Tribal area sub plan 2A3(1) Minimum Needs Programme (iv) Construction of new roads and renovation of old roads in terrorism affected areas	2.04	0.03	2.01
100.	2A3(2) Chief engineer / Superintending Engineer (Rural Development)	10.69	7.79	2.90
101.	2A3(3) Implementation of schemes on recommendation of members of Legislative Assembly and Legislative Council	34.50	33.43	1.07
102.	Community Development –Post stage 2 Block – Building – Minor works	6.25	3.10	3.15
	<b>Total Grant No. 42</b>	<b>815.61</b>	<b>406.59</b>	<b>409.02</b>
103.	<b>Grant No. 43 – Science and Technology Department</b> A-2203- Technical Education A1(1)-001- Direction and Administration A1(1) Directorate of Technical Education	2.40	0.55	1.85
104.	A6-105 – Polytechnics A6(3) Diploma Course Strengthening of Polytechnic Education	2.34	0.07	2.27



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
105.	A8-112 – Engineer Technical Colleges and Institute A8(1) Graduate and Post Graduate course	1.37	--	1.37
	<b>Total Grant No. 43</b>	<b>6.11</b>	<b>0.62</b>	<b>5.49</b>
106.	<b>Grant No. 44 – Middle, Primary and Public Education Department</b> A1(3)-001-Government Primary Schools A1(3)(1) Government primary and middle schools	28.24	26.36	1.88
107.	A1(3)(2) Departmental works- (under recommendation of the 10 <sup>th</sup> Finance Commission)	12.75	6.66	6.09
108.	A1(3)(4) Special Integrated Scheme for Jharkhand Area Departmental Work (under recommendation of the 10 <sup>th</sup> Finance Commission)	3.26	0.72	2.54
109.	A1(6)- 796- Tribal Area Sub Plan A1(6)(1) Government primary and middle school	7.10	5.74	1.36
110.	A1(6)(2) Employment Oriented Scheme under Minimum Needs Programme	24.92	--	24.92
111.	A1(7) 800 – Other expenditure A1(7)(2) Employment oriented scheme under Minimum Need Programme	51.23	0.31	50.92
112.	A1(7)(4) Special Integrated Scheme for Jharkhand Area	7.20	--	7.20
113.	A2(5) –101-Government Secondary Schools A2(5)(4) Departmental works – Major works	3.25	--	3.25
114.	A2(7) 796- Tribal Area Sub Plan A2(7)(2) Departmental works- Major works	1.25	--	1.25
115.	A3-03-University and Higher Education A3(1) 103-Government Colleges and Institutes A3(1)(4) Intermediate Education	3.77	1.96	1.81
116.	A3(3) 796 – Tribal area sub plan A3(3)(1) Intermediate Education	2.19	1.02	1.17
	<b>Total Grant No. 44</b>	<b>145.16</b>	<b>42.77</b>	<b>102.39</b>
117.	<b>Grant No. 46 – Tourism Department</b> 2B-5452 – Capital outlay on tourist 2B1(1) 800 – Other Expenditure Other Area Sub Plan 2B1(1)(1) Construction of road in Tourist Places	1.50	--	1.50

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
118.	2B1(2) 796- Tribal Area Sub Plan 2B1(2)(1) Construction of road in Tourist Places	1.50	--	1.50
	<b>Total Grant No. 46</b>	<b>3.00</b>	<b>--</b>	<b>3.00</b>
119.	<b>Grant No. 47 – Transport Department</b> 2C-5055 – Capital outlay on Road Transport 2C1(1) Contribution to share capital of Bihar State Road Transport (i) Computerization and Networking	1.20	--	1.20
120.	(ii) Requirement of different grade of post for Transport Department (including enforcement)	1.00	--	1.00
121.	(vi) Strengthening of enforcement force Purchase of fifty jeeps	1.50	--	1.50
	<b>Total Grant No. 47</b>	<b>3.70</b>	<b>--</b>	<b>3.70</b>
122.	<b>Grant No. 48 – Urban Development Department</b> C-2217-Urban Development Department C1(2)(3) Grants to municipalities for transport	1.00	--	1.00
123.	2B-4215-Capital outlay on water supply and sanitation 2B2(1)(2) Grants for Ganga works schemes of Bihar Water Board for control of Ganga sector.	1.10	--	1.10
124.	2C-4217-Capital outlay on Urban Development 2C1(2)(2) Grant – in –aid to Urban local bodies for transport	15.00	13.03	1.97
125.	2C1(2)(3) Grant- in –aid received from Government of India on recommendation of Tenth Finance Commission Grant-in-aid to urban local bodies	50.21	--	50.21
126.	2C1(3) 796 – Tribal area sub plan 2C1(3)(1) Grant-in-aid to Urban Local Bodies for Transport	5.00	2.81	2.19
127.	3C-6217- Loans for Urban Development 3C1(1)(2) Loans to Municipalities for construction of market	3.77	--	3.77
	<b>Total Grant No. 48</b>	<b>76.08</b>	<b>15.84</b>	<b>60.24</b>
128.	<b>Grant No. 49 – Water Resources Department</b> 2A-4701- Capital outlay on major and medium irrigation 2A1(2) 796- Tribal area sub plan 2A1(2)(1) Swarnarekha project (i) Establishment	40.07	33.57	6.50
129.	(ii) Works	20.00	9.92	10.08
130.	2A1(2)(2) Swarnarekha project (NABARD)	60.00	17.71	42.29



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
131.	2A2-104-Medium irrigation (Non Commercial) 2A2(1)(1) Chotanagpur and Santhal Paraganas Irrigation Schemes (other than AIBP, NABARD and RIDF) (i) Establishment	41.69	38.65	3.04
132.	2A2(1)(1) North Bihar Irrigation Projects (other than AIBP, NABARD and RIDF) (i) Establishment	36.08	32.02	4.06
133.	2A2(3(1) South Bihar Irrigation Projects (AIBP) (ii) Works (lumpsum)	29.50	25.32	4.18
134.	2A2(4)(1) South Bihar Irrigation Projects (other than AIBP, NABARD, RIDF) (i) Establishment	67.00	65.45	1.55
135.	(ii) Works	15.81	14.36	1.45
136.	2A2(5) Medium Irrigation (other than AIBP and NABARD) (ii) Works	41.62	36.89	4.73
137.	2A2(6) Medium Irrigation scheme (under AIBP Project) 2A2(6)(1) Technical control and supervision (i) Establishment	6.38	--	6.38
138.	(ii) Works	58.30	32.76	25.54
139.	2A3(2)-005- Survey and investigation 2A3(2)(1) Survey and investigation (i) Establishment	3.82	2.52	1.30
140.	2B-4711- Capital outlay on Flood Control Project 2B1-01-Flood control 2B1(1) 201- North Bihar flood control project 2B1(1)(1) Establishment	13.65	11.85	1.80
141.	2B1(1)(2) Works	31.05	27.93	3.12
142.	2B1(4)(1) Construction of Spur near Amarpur at Karula Rupaspur embankment on river Ganga	3.66	2.57	1.09
143.	2B2-03-Drainage 2B2(1) Flood control embankment road	20.00	2.89	17.11
144.	2B2(2) Drainage project	10.00	--	10.00
	<b>Total Grant No. 49</b>	<b>498.63</b>	<b>354.41</b>	<b>144.22</b>
145.	<b>Grant No. 50 – Minor Irrigation Department</b> 2A-4702-Capital outlay on minor irrigation 2A2-102-Ground water 2A2(1) Loans from NABARD for completion of incomplete works of tube well schemes	35.00	22.18	12.82

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
146.	2A2(3) Loans from NABARD for completion of new / incomplete medium irrigation scheme	3.75	2.19	1.56
	<b>Total Grant No. 50</b>	<b>38.75</b>	<b>24.37</b>	<b>14.38</b>
147.	<b>Grant No. 51 – Welfare Department</b> A-2225-Welfare of Scheduled castes, Scheduled Tribes and Other Backward Classes A1(2)277-Education A1(2)(15) Hostel for girls students-Major construction works	1.00	--	1.00
148.	A1(2)(16) Hostel for boy students-Major construction works	1.00	--	1.00
149.	A1(2)(18) Primary school scholarships	1.75	0.73	1.02
150.	A1(2)(19) Middle school scholarships	2.60	0.06	2.54
151.	A2-02-Welfare of scheduled tribes A2(3) 796 0 Tribal area sub plan A2(3)(1) High school scholarships	1.20	--	1.20
152.	A2(3)(2) Primary school scholarships	1.10	--	1.10
153.	A2(3)(12) Economic development (ii) Grant – in –aid to TCDC	1.00	--	1.00
154.	A2(3)(13) Establishment of Training – cum-Production centre (v) Opening of Ten Ashram Schools (including Birsa Munda School , Olahath, Ranchi)	1.50	--	1.50
155.	A2(3)(16) Special central assistance (i) Other welfare programmes	3.00	--	3.00
156.	(ii) Special central assistance for Welfare of scheduled tribes outside I.T.D.P. and M.A.D.A.	3.00	--	3.00
157.	(iii) Welfare of minority tribal	1.00	--	1.00
158.	(v) Special central assistance under I.T.D.P. – Consolidated tribal development programme	12.00	--	12.00
159.	(vi) Assistance from Central Government for Welfare of scheduled Tribes under the proviso of Article 275(1) of the Constitution of India (Minority Scheduled Tribes)	2.80	--	2.80
160.	A3-03-Welfare of Backward classes A3(1)277 – Education A3(1)(1) Scholarships and Stipends (i) High school scholarships	1.80	--	1.80
161.	(ii) Primary and middle school scholarships	2.20	--	2.20
162.	A3(1)(6) Post entrance scholarships	1.50	--	1.50
163.	A3(1)(9) Hostel for students Major works	6.50	--	6.50
164.	A3(1)(10) Hostel for girl students	1.50	--	1.50
165.	A3(2) 796 – Tribal area sub plan A3(2)(6) Pre-matric scholarships	1.00	--	1.00



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
166.	C-2236- Nutrition C1-02-Distribution of Nutritious food and beverages C1(1)(1) Special scheme for distribution of nutritious food to pregnant women, children and nourishing mothers	18.00	2.89	15.11
167.	C1(2) 796 – Tribal Area Sub Plan C1(2)(1) Special scheme for distribution of nutritious food for family and child welfare	4.00	0.44	3.56
168.	E-2425 – Co-operative E1-800 – Other expenditure E1(1) Special integrated scheme for scheduled castes, scheduled tribes and other backward classes Grants to the Co-operative societies of the members of scheduled castes	2.00	--	2.00
	<b>Total Grant No. 51</b>	<b>71.45</b>	<b>4.12</b>	<b>67.33</b>
169.	<b>Grant No. 52 – Art, Culture and Youth Department</b> D-4202-Capital outlay on education, sports, art and culture D1(1)101- Youth hostel D1(1)(1) Sports and games Stadium	2.92	0.39	2.53
170.	D1(2)-796 – Tribal area sub plan D1(2)(1) Sports and games Stadium	2.08	--	2.08
	<b>Total Grant No. 52</b>	<b>5.00</b>	<b>0.39</b>	<b>4.61</b>
	<b>Central Plan Schemes</b>			
1.	<b>Grant No. 1 – Agriculture Department</b> A-2401- Crop husbandry A9-119- Horticulture and vegetable crops A9(6) Central plan scheme (iii) Scheme for the development of warm and dry fruits	1.42	--	1.42
	<b>Total Grant No. 1</b>	<b>1.42</b>	<b>--</b>	<b>1.42</b>
2.	<b>Grant No. 2 – Animal Husbandry and Fisheries Department</b> B-2404-Dairy Development B2-102-Dairy Development Project B2(10) Central Plan scheme (i) Chilling centre	1.00	--	1.00
	<b>Total Grant No. 2</b>	<b>1.00</b>	<b>--</b>	<b>1.00</b>
3.	<b>Grant No. 35 – Planning and Development Department</b> E-3454 – Census surveys and statistics E2(3) 204 – Central statistical organisation E2(3)(10) Central plan scheme (i) Economic census	3.78	--	3.78
	<b>Total Grant No. 35</b>	<b>3.78</b>	<b>--</b>	<b>3.78</b>

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
4.	<b>Grant No. 40 – Revenue and Land Reform Department</b> A-2029 – Land Revenue A1-102- Survey and settlement operations A1(3) Central plan scheme Implementation of Tenaunt account book	30.50	--	30.50
	<b>Total Grant No. 40</b>	<b>30.50</b>	<b>--</b>	<b>30.50</b>
<b>Centrally Sponsored Schemes</b>				
1.	<b>Grant No. 1 – Agriculture Department</b> E-2705-Command Area Development E6-105- Ayacut development E6(1) Area Development Command level (i) Centrally Sponsored Schemes	11.46	--	11.46
	<b>Total Grant No. 1</b>	<b>11.46</b>	<b>--</b>	<b>11.46</b>
2.	<b>Grant No. 3 – Building Construction and Housing Department</b> 2A-4059- Capital outlay on public works 2A2-60-Other buildings 2A1-(1) –051- Construction 2A2(1)(14) Centrally sponsored schemes (xiv) Lumpsum provision for new projects and revised estimated cost of judicial buildings in 1999-2000	1.06	--	1.06
3.	2A3(1) – General 2A3(1) –051- Construction 2A3(1)(2) Centrally sponsored scheme (i) Other Area Sub Plan	1.80	--	1.80
4.	2B-4216- Capital outlay on Housing 2B1(2) 700 – Other Housing 2B1(2)(4) Centrally sponsored schemes (i) Construction of Residential Buildings for District and Session Judges (lumpsum)	1.00	--	1.00
	<b>Total Grant No. 3</b>	<b>3.86</b>	<b>--</b>	<b>3.86</b>
5.	<b>Grant No. 9 – Co-operative Department</b> 2A-4425- Capital outlay on Co-operation 2A3-190- Investments in Public Sector and other Undertakings 2A3(1) Centrally Sponsored Schemes (ii) Contribution to share capital of Central Co-operative Banks for consolidated Co-operative development project	6.90	2.62	4.28
6.	(iii) Contribution to share capital for Trade Promotion under E.E.C. project	14.38	--	14.38



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
7.	3A-6425- Loans for co-operation 3A1-190- Loans to Public sector and other undertakings 3A1(2) Centrally Sponsored Schemes (ii) Loans to Central Co-operative Banks for Consolidated Co-operative Development Project	3.47	0.96	2.51
	<b>Total Grant No. 9</b>	<b>24.75</b>	<b>3.58</b>	<b>21.17</b>
8.	<b>Grant No. 19 – Forest and Environment Department</b> A-2406- Forest and Wild Life A1(60 –101-Forest conservation Development and Regeneration A1(6)(7) Centrally sponsored scheme (i) Intensive Forest Development programme (50:50)	5.00	1.67	3.33
9.	(ii) Soil conservation and Afforestation Sone, Punpun, Ajay (100% centrally sponsored schemes)	2.00	--	2.00
10.	A2-02-Environmental Forestry and Wild life A2(1)-110- Wild life preservation A2(1)(6) – Centrally sponsored schemes (i) Minor Forest produce Medicinal plants	2.50	--	2.50
11.	(ii) Development of submerged (water logged) area in North and South Bihar	2.00	--	2.00
12.	(iii) Elephant project (100% centrally sponsored schemes)	1.50	0.10	1.40
13.	(iv) Development and Sanctuary (100% centrally sponsored schemes)	2.00	0.03	1.97
14.	(v) Cover lake (100% centrally sponsored schemes)	1.00	--	1.00
15.	(vi) Non-recurring expenditure under Tiger Project, Balmiki Nagar (100% centrally sponsored schemes)	1.00	--	1.00
16.	(vii) Five Protection of Forests by Modern Technique (100% centrally sponsored schemes)	1.50	--	1.50
17.	(x) Eco Development (100% Centrally Sponsored Schemes)	7.50	--	7.50
18.	A2(2) 796 – Tribal area sub plan A2(2)(2) Centrally sponsored schemes (i) Intensive Forest Development programme (50:50)	5.00	0.27	4.73
19.	(ii) Elephant project (100% Centrally sponsored schemes)	2.50	0.28	2.22
20.	(iv) Eco Development	2.00	0.27	1.73
21.	(vi) Sanctuary (Development of Sanctuaries) (100% Centrally sponsored schemes)	1.00	--	1.00
22.	(vii) Non-recurring expenditure under Palamau Tiger Project (100% centrally sponsored schemes)	1.50	0.01	1.49

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
23.	(x) Minor forest produce Medicinal (100% centrally sponsored scheme)	3.00	--	3.00
24.	(xi) Rehabilitation of degraded forest (100% centrally sponsored schemes)	3.00	--	3.00
25.	(xii) Fire Protection of Forest by modern technique	1.00	--	1.00
26.	(xiii) Development of sanctuaries (100% centrally sponsored schemes)	1.00	--	1.00
27.	(xiv) Development of Palamau Tiger Project Sponsored by World Pollution fund (100% centrally sponsored schemes) Grants-in-aid and contribution	12.00	0.63	11.37
28.	(xv) Eco development Development of sanctuaries (100% centrally sponsored schemes)	2.00	--	2.00
	<b>Total Grant No. 19</b>	<b>60.00</b>	<b>3.26</b>	<b>56.74</b>
29.	<b>Grant No. 20 – Health, Medical, Education and Family Welfare Department</b> A-2210-Medical and public health A1(2)110 – Hospital and dispensaries A1(2) (18) Centrally sponsored schemes (i) Other dispensaries (T.B)	2.99	0.77	2.22
30.	B-2211- Family Welfare B2-003-Training B2(1) Centrally Sponsored Schemes (i) Training and Research Health and Family welfare	6.14	3.06	3.08
31.	B4-101-Rural Family Welfare Services B4(1) Centrally sponsored schemes (i) Rural family welfare centre	89.80	63.05	26.75
32.	(ii) Health sub centre	108.21	60.43	47.78
33.	B8-105-Compensation B8(1) Centrally sponsored schemes (i) Transport	12.00	3.78	8.22
34.	B9-106- Mass education B9(1) Centrally sponsored schemes (i) Group Education	1.30	--	1.30
35.	B11 – 200 – Other services and supplies B11(1) Centrally sponsored schemes (i) Other services and supply	7.19	5.29	1.90
36.	(ii) Extension of sterilization facility in rural and semi rural areas	5.91	3.06	2.85
	<b>Total Grant No. 20</b>	<b>233.54</b>	<b>139.44</b>	<b>94.1</b>
37.	<b>Grant No. 23 – Industries Department</b> A-2851 – Village and small industries A3-103-Handloom industries A3(5) Centrally sponsored schemes	0.75	--	0.75
38.	(v) Project package scheme grants-in-aid	1.10	0.09	1.01



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
39.	A8-003 – Training A8(1) Centrally Sponsored Scheme (i) Prime Minister's Employment schemes to educated unemployment for self employment – grants-in-aid	2.46	--	2.46
40.	B-2852 – Industries B1(3) 102 – Industrial Productivity B1(3) (19) Centrally sponsored scheme (i) Export promotion Establishment of Industrial Park Grants-in-aid	2.00	--	2.00
<b>Total Grant No. 23</b>		<b>6.31</b>	<b>0.09</b>	<b>6.22</b>
41.	<b>Grant No. 35 – Planning and Development Department</b> B-2053 – District administration B3-796 – Tribal Area Sub Plan B3(4) Centrally sponsored scheme (i) Bihar Plateau Development Scheme	57.60	55.92	1.68
<b>Total Grant No. 35</b>		<b>57.60</b>	<b>55.92</b>	<b>1.68</b>
42.	<b>Grant No. 36 – Public Health Engineering Department</b> 2A-4215- Capital outlay on Water Supply and Sanitation 2A1(1)(4) Centrally sponsored scheme (i) Accelerated rural water supply scheme	71.00	8.95	62.05
43.	(ii) Accelerated urban water supply scheme	10.00	0.23	9.77
44.	2A2(2) – 02- Sewerage and sanitation 2A2(1)(2) Centrally sponsored scheme (i) Rural Sanitation Programme	8.00	1.87	6.13
<b>Total Grant No. 36</b>		<b>89.00</b>	<b>11.05</b>	<b>77.95</b>
45.	<b>Grant No. 44 – Middle, Primary and Public Education Department</b> A1(6) 796 – Tribal Area Sub Plan A1(6)(7) Centrally sponsored scheme (i) Informal Education	4.27	1.76	2.51
46.	A1(7)(9) Centrally sponsored scheme (i) Informal Education	12.15	10.69	1.46
47.	(iii) Special Integrated Scheme for Jharkhand area Informal Education	3.05	0.18	2.87
<b>Total Grant No. 44</b>		<b>19.47</b>	<b>12.63</b>	<b>6.84</b>
48.	<b>Grant No. 45 – Sugarcane Department</b> A-2401 – Crop Husbandry A1(4) Centrally sponsored scheme (i) National development of sugarcane – waste cropping system	3.00	--	3.00
<b>Total Grant No. 45</b>		<b>3.00</b>	<b>--</b>	<b>3.00</b>

Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
49.	<b>Grant No. 49 – Water Resources Department</b> 2A-4701- Capital outlay on Major and Medium Irrigation 2A2(2)(3) North Bihar Irrigation Projects (AIBP) Centrally sponsored scheme	62.00	--	62.00
50.	2B-4711 – Capital outlay on Flood Control Project 2B1-01- Flood Control 2B1(5)-800 – Other expenditure 2B1(4)(1) Centrally Sponsored Scheme (i) Flood proofing scheme in North Bihar	1.50	0.13	1.37
51.	Barauni Begusarai (ii) Industrial Area Flood Protection Scheme on the left bank of river Ganga	3.66	--	3.66
52.	2B1(5)(3) Extension of embankment (iii) built on Lal Bakeya river to Nepal for Indian protection	2.50	--	2.50
	<b>Total Grant No. 49</b>	<b>69.66</b>	<b>0.13</b>	<b>69.53</b>
53.	<b>Grant No. 51 – Welfare Department</b> A-2225 - Welfare of Scheduled castes, Scheduled tribes and Other Backward Classes A1(2) 277 – Education A1(2)(26) Centrally sponsored scheme (i) Hostel for girl students Major works	1.00	--	1.00
54.	(iv) Hostel for students Major works	1.00	--	1.00
55.	A1(5) 793 – Special Central assistance for scheduled caste component plan A1(5)(1) Centrally sponsored scheme (i) All round development of Harijans – Special Central Assistance for Special Integrated scheme for scheduled castes	33.84	0.03	33.81
55(a)	A2(4) 796 Tribal Area Sub Plan A2(13)(17) Centrally Sponsored Scheme (i) Opening of Ten Ashram School	1.50	--	1.50
56.	(vii) Special Central Assistance from Central Government for welfare of scheduled tribes under the proviso to Article 275 (1) of the Constitution of India (Minority Scheduled Tribes)	9.64	--	9.64
57.	A3(1)(11) Centrally sponsored scheme (i) Post – Entrance Scholarships	1.50	--	1.50
58.	(ii) High – School Scholarships	1.80	--	1.80
59.	(iii) Primary and Middle school scholarships	2.20	--	2.20
60.	(v) Construction of Residential Schools	3.00	--	3.00
61.	(vi) Hostel for Students Major Construction works	6.50	--	6.50



Sl. No.	Name of the scheme	Total Provision	Actual Expenditure	Saving
(Rupees in crore)				
62.	(vii) Hostel for girl students Major construction works	1.50	--	1.50
63.	B1(3) 102 – Child Welfare B1(3)(3) Centrally sponsored scheme (i) Consolidated child development scheme	50.57	37.35	13.22
64.	(ii) Externally sponsored scheme (World Bank) World Bank Sponsored Consolidated Child Development Scheme	50.75	27.75	23.00
<b>Total Grant No. 51</b>		<b>164.80</b>	<b>65.13</b>	<b>99.67</b>

**APPENDIX-III**

**List of incomplete irrigation projects where huge capital was blocked**

**(Refer: Paragraph 1.9.2)**

<b>I. MAJOR IRRIGATION SCHEMES/ PROJECTS</b>				
Sl. No.	Name of the project/ scheme	Expenditure		Total
		Upto 1998-99	In 1999-2000	
		(In Rupees )		
1.	Subernrekha Multi Purpose Project	7708648064	612042662	8320690726
2.	Western Kosi Canal Project	2644253783	388521485	3032775268
3.	Eastern Kosi Project Phase II	368660716	24427452	393088168
4.	Gandak Project Phase II	474977945	NIL	474977945
5.	Integrated Drainage Project	NA	NA	NA
6.	North Koel Project	3517851117	90264413	3608115530
7.	Konar Irrigation Project	706421627	NIL	706421627
8.	Auranga Reservoir Project	365274217	NIL	365274217
9.	Kadwan Reservoir	3040000	NIL	3040000
10.	Durgawati Reservoir	353868579	47065015	400933594
11.	Sone Canal Modernisation Project	222615199	77644296	300259495
12.	National Water Management Project	NA	NA	NA
	<b>Total (A)</b>	<b>16365611247</b>	<b>1239965323</b>	<b>17605576570</b>
<b>II. MEDIUM IRRIGATION SCHEMES/ PROJECTS</b>				
1.	Nakti Reservoir Scheme	140103285	NIL	140103285
2.	Upper Sankh Reservoir	101498459	NIL	101498459
3.	Ram Rekha Reservoir	29583886	NIL	29583886
4.	Pamesh Khera Reservoir Scheme	NA	NA	NA
5.	Kans Reservoir Scheme	77845581	5088725	82934306
6.	Sonua Reservoir Scheme	175240427	69998736	245239163
7.	Bhairwa Reservoir Scheme	74057882	NIL	74057882
8.	Kesso Reservoir Scheme	32210882	NIL	32210882
9.	Dhansingh Toli Reservoir Scheme	127652734	14566212	142218946
10.	Katri Reservoir Scheme	301824906	24328848	326153754
11.	Kamsjore Reservoir Scheme	143108479	30369020	173477499
	<b>Total (B)</b>	<b>1203126521</b>	<b>144351541</b>	<b>1347478062</b>
	<b>Grand Total (A+B)</b>	<b>17568737768</b>	<b>1384316864</b>	<b>18953054632</b>



## APPENDIX-III A

## List of forty treasury months shortlisted on the basis of excess expenditure in April- December 1999

(Refer Paragraph:1.9.6 (b))

Sl. No.	Treasury	Month	Expenditure		Excess in
			1998	1999	1999
(Rupees in crore)					
1.	Vikash Bhawan	July	40.96	266.56	225.60
2.	Sinchai Bhawan	November	37.64	179.33	141.69
3.	Sinchai Bhawan	June	26.05	104.47	78.42
4.	Vikash Bhawan	June	8.21	78.55	70.35
5.	Patna	July	43.41	98.46	55.04
6.	Jahanabad	December	14.77	67.56	52.79
7.	Patna	December	67.02	118.58	51.56
8.	Sinchai Bhawan	July	29.59	76.80	47.21
9.	Nirman Bhawan	December	20.49	61.69	41.19
10.	Vikash Bhawan	December	79.29	117.91	38.63
11.	Nirman Bhawan	October	7.97	46.33	38.36
12.	Sinchai Bhawan	December	59.05	97.03	37.98
13.	Hazaribagh	December	17.51	53.74	36.23
14.	Sinchai Bhawan	August	26.94	60.15	33.21
15.	Patna	August	35.91	67.86	31.95
16.	Muzaffarpur	December	33.02	61.95	28.93
17.	Palamu	December	14.02	41.32	27.30
18.	Ranchi	October	16.76	43.27	26.52
19.	Muzaffarpur	November	25.04	51.36	26.32
20.	Nalanda	December	13.20	39.48	26.28
21.	Motihari	October	9.15	31.06	21.91
22.	Saharsa	December	14.69	35.90	21.20
23.	Dumka	October	4.57	25.54	20.97
24.	Dhanbad	October	4.89	23.64	18.75
25.	Madhepura	December	8.50	27.07	18.57
26.	Hazaribagh	October	6.46	23.77	17.32
27.	Nawada	December	11.12	28.11	16.99
28.	Aurangabad	October	4.65	21.19	16.55
29.	Bokaro	December	7.58	23.45	15.87
30.	Garhwa	November	4.13	18.88	14.75
31.	Deoghar	October	3.17	16.77	13.60
32.	Nalanda	October	5.14	17.83	12.69
33.	Godda	November	5.51	17.44	11.94
34.	Gopalganj	October	4.70	16.20	11.50
35.	Jamui	October	2.31	13.05	10.74
36.	Khagaria	October	4.01	14.06	10.04
37.	Saharsa	November	1.56	11.57	10.01
38.	Chatra	November	4.66	13.66	8.99
39.	Sheikhpura	October	0.76	7.92	7.16
40.	Sahebganj	December	16.73	19.51	2.78
	<b>Total</b>		<b>741.15</b>	<b>2139.05</b>	<b>1397.90</b>

**APPENDIX – IV**

**Part –B. List of indices/ratios and basis for their calculation**

**(Refer: Paragraph 1.11.2)**

<b>Indices / ratios</b>		<b>Basis for calculation</b>
Sustainability	BCR	Revenue receipts minus all Plan (Under Major Head 1601-02,03,04) and Non-Plan revenue expenditure
Balance from the current revenue		
Primary Deficit		
Interest Ratio		
	Capital outlay	Capital expenditure as per statement No. 13 of the Finance Accounts
Capital outlay Vs Capital receipts		
	Capital receipts	Internal loans (net of ways and means advances)+ Loans and advances from Government of India + Net receipts from small savings, PF etc. + Repayments received of loans advanced by the State Government – Loans advanced by the State Government.
Total tax receipts Vs GSDP		
State tax receipts Vs GSDP		
Flexibility		As above
- Balance from current revenue	Capital Repayments	Disbursements under Major heads 6003 and 6004 minus repayments on account of Ways and Means Advances / Overdraft under both the Major head.
- Capital repayments Vs Capital bowings		
	State Tax Receipts	
		Statement 17 of Finance Accounts
	Total Tax Receipts	
		State Tax receipts plus State's share of Union Taxes.
Incomplete Projects		
- Total tax receipts Vs GSDP		
- Debt Vs GSDP		
Vulnerability		
- Revenue Debt		Paragraph No. 70 of the Audit Report
- Fiscal Deficit		-----Do-----



Indices / ratios		Basis for calculation
- Primary Deficits Vs Fiscal Deficit	Primary Deficit	Fiscal Deficit minus interest payments
Total outstanding guarantees Including letters of comfort Vs Total revenue receipts of the Government	Outstanding Guarantees	Exhibit IV
	Revenue Receipts	Exhibit II
Assets Vs Liabilities	Assets and liabilities	Exhibit I
	Debt	Borrowing and other obligations at the end of year (Statement no. 4 of the Finance Accounts)

**APPENDIX – V**

**Working papers to financial indicators**

**(Refer: Paragraph 1.11.2)**

Sl.No.		Particulars	1999-2000 (Rupees in crore)
1.	(a)	Revenue Receipts	10659.53
	(b)	Less, all plan grants under 1601-02,03,04,& 05	(-) 1256.33
	(c)	Less, Non-plan Revenue Expenditure	(-) 12820.89
	(d)	BCR	(-) 3417.69
2.	(a)	Interest Receipts (0049)	135.75
	(b)	Interest Payment (2049)	2867.26
	(c)	Net Interest payment (b-a)	2731.51
	(d)	Revenue Receipts – Interest Receipts	10523.78
	(e)	Interest Ratio (2c/2d)	0.26
3.		Capital Outlay	1233.45
4.		Capital Receipts	
	(a)	Addition under 6003 Internal Debt minus Ways & Means Advances	426.65
	(b)	Addition under 6004 Loans from Central Government W & M Advance	3045.97
	(c)	Net receipts under Small Saving, PF etc.	936.23
	(d)	Misc. Capital Receipts (4000)	
	(e)	Net receipts (+) / disbursement (-) under loans and advances by State Government	(-) 1059.71
	(f)	Total Capital Receipts (a+b+c+d)	3349.14
5.		Capital Outlay / Capital Receipts (3/4)	0.37
6.		State Domestic Product (SDP)	
7.		Total Tax Receipts ( State tax + State share of Union taxes)	8047.38
8.		Total Tax Receipts / GDP (7+6)	
9.		State Tax Receipts (Tax Rev- I. Tax)	3084.79
10.		State Tax Receipts / SDP (9-6)	
11.		Total Investment	658.13
12.		Return on investment	1.10
13.		Ratio of return on investment (12:11)	Negligible
14.		Capital Repayment	
	(a)	Disbursement under 6003 Internal debt minus Ways & Means Advance	240.19
	(b)	6004 Loans and Advances from Central Government minus Ways & Means Advance	558.85
	(c)	Total (a+b)	799.04
15.		Capital borrowing i.e. (4a +4b)	3472.62



Sl.No.	Particulars	1999-2000
		(Rupees in crore)
16.	Capital repayment / Capital borrowing	0.23
17.	Debt	
	(a) Borrowing (Receipts during the year)	6548.69
	(b) Other Obligation (-Do-)	3019.44
	(c) Total (a+b)	9568.13
18.	Debt +SDP (17 (c) : 6)	
19.	Revenue Deficit	3702.90
20.	Fiscal Deficit (Rev. Exp +Cap. Exp + Net Loans and Adv.)- (Rev.Receipts +Misc. Capital Receipts	5996.06
21.	Primary Deficit (fiscal Deficit- Interest Payment (20-21)	3128.80
22.	PD / FD (21/20)	0.52
23.	RD / FD (19+20)	0.62
24.	Outstanding Guarantees + Interest	852.25
25.	Outstanding Guarantees / Rev. Receipts	0.08
26.	Assets	20409.76
27.	Liabilities	31813.38
28.	Assets / Liabilities (26/27)	0.64

## APPENDIX –VI

### Statement of excesses requiring regularisation

(Refer: Paragraph 2.3.1)

Sl. No.	Number and name of Grant / Appropriation	Total Grant / Appropriation	Expenditure	Excess	Excess requiring regularisation
1	2	3	4	5	6
<b>REVENUE SECTION</b>					
(In Rupees)					
1.	13- Interest Payment Charged	28,61,51,67,000	28,67,25,72,093	5,74,05,093	17,34,977*
2.	50- Minor Irrigation Department Charged	44,38,000	44,38,441	441	As in column 5
<b>CAPITAL SECTION</b>					
(In Rupees)					
3.	10- Energy – Voted	9,96,76,56,000	10,59,96,48,549	63,19,92,549	As in column 5
4.	14- Repayment of Debt Charged	36,17,65,86,000	38,75,11,74,778	2,57,45,88,778	1,32,85,09,378**
5.	40- Revenue and Land Reforms Department Voted	5,00,000	5,87,658	87,658	As in column 5
<b>Total</b>				<b>3,26,40,74,519</b>	<b>1,96,23,25,003</b>

\*Appropriation No.13 – The expenditure shown above includes, besides the expenditure for the year 1999-2000, expenditure of Rs 28,71,34,009 representing interest on Bihar State Development Loans disbursed by Reserve Bank of India, Patna Branch during 1987-88 to 1990-91 (Rs 17,34,977) and, 1994-95 to 1998-99 (Rs 28,53,99,032) which had not been communicated to the Principal Accountant General (Accounts and Entitlement). The omission came to notice in course of reconciliation of discrepancies in the cash balance reflected in accounts with those intimated by the Reserve Bank of India.

The excess of Rs 17,34,977 on account of inclusion of expenditure pertaining to the year 1987-88 to 1990-91 requires regularisation as the relevant appropriation (Appropriation No. 18- Payment of Interest and Public Debt) had closed with overall excess in each of these years.

The remaining excess of Rs 5,56,70,116 caused by incorporation of expenditure (Rs 28,53,99,032) pertaining to the period 1994-95 to 1998-99 does not require regularisation as the relevant appropriation had closed with overall saving, sufficient to absorb the expenditure of the respective years in each of the years concerned.

\*\* **Appropriation No. 14**

The excess of Rs 2,57,45,88,778 shown in col. 5 above was partly due to inclusion of expenditure representing face value of Bihar State Development Loans discharged during 1988-89 to 1993-94 (Rs 30,85,92,593) and 1995-96



to 1998-99 (Rs 1,24,60,79,400) which had been misclassified under the suspense head '8658 - Suspense Accounts – 110- Reserve Bank Suspense - Central Accounts office'.

The excess of Rs 30,85,92,593 which was due to rectification of misclassification of expenditure pertaining to the period 1988-89 to 1993-94 requires regularisation because the relevant Appropriation (Appropriation No-18-Payment of Interest and Public Debt) had closed with overall excess in each of these years.

The excess of Rs 1,24,60,79,400 which was due to rectification of misclassification of expenditure pertaining to the year 1995-96 to 1998-99 does not require regularisation as the relevant Appropriation had closed with overall saving sufficient to absorb the expenditure of the respective year in each of the years concerned.

The remaining excess of Rs 1,01,99,16,785 pertained to the year 1999-2000 and requires regularisation. Thus the total excess which requires regularisation is of Rs 1,32,85,09,378.

**APPENDIX – VII**

**Cases where supplementary provision proved unnecessary**

**(Refer: Paragraph 2.3.3)**

Sl. No.	Number and name of Grant/Appropriation	Supplementary Grant/Appropriation	Saving
		(Rupees in lakh)	
<b>REVENUE –VOTED</b>			
1.	1 - Agriculture Department	776.04	4868.65
2.	2- Animal Husbandry and Fisheries Department	1116.07	4170.68
3.	3 – Building construction and Housing Department	134.56	2117.69
4.	4 – Cabinet Secretariat and Co-ordination Department	48.94	96.05
5.	8 - Civil Aviation Department	19.46	475.87
6.	9 – Co-operative Department	297.48	2888.41
7.	10 -Energy Department	134.99	565.21
8.	11- Excise and Prohibition Department	88.73	150.84
9.	12 –Finance Department	1008.85	2482.87
10.	16 –National Saving	27.39	57.57
11.	17- Finance (Commercial Taxes) Department	1.75	734.08
12.	18- Food Supply and Commerce Department	9.00	1357.11
13.	19- Forest and Environment Department	1078.31	8088.50
14.	20- Health, Medical Education and Family Welfare Department	3857.07	24158.36
15.	23 –Industries Department	2426.20	3422.20
16.	25- Institutional Finance and Programme Implementation Department	51.58	186.14
17.	26- Labour, Employment and Training Department	1816.28	7836.17
18.	27- Law Department	714.69	2203.25
19.	29- Mines and Geology Department	1.22	293.61
20.	30- Minority Welfare Department	13.03	44.90
21.	31 –Parliamentary Affairs Department	0.26	42.46
22.	32- Legislature	124.79	364.12
23.	33- Personnel and Administrative Reforms Department	145.50	196.41
24.	35- Planning and Development Department	106.72	1901.27
25.	37- Raj Bhasha Department	2.98	416.02
26.	38- Registration Department	25.33	360.46
27.	40- Revenue and Land Reforms Department	898.08	4311.21
28.	41- Road Construction Department	71.25	1822.08
29.	42- Rural Development Department	23413.54	38974.50
30.	43- Science and Technology Department	760.69	1067.55



Sl. No.	Number and name of Grant/Appropriation	Supplementary Grant/Appropriation	Saving
		(Rupees in lakh)	
31.	44- Middle, Primary and Public Education Department	14323.83	30216.27
32.	46 -Tourism Department	62.54	140.13
33.	47 -Transport Department	83.39	5152.14
34.	49- Water Resources Department	120.68	2093.79
35.	51- Welfare Department	4742.30	23473.05
36.	52 -Art Culture and youth Department	103.64	680.30
<b>REVENUE – CHARGED</b>			
1	1- Agriculture Department	0.10	0.10
2	4- Cabinet Secretariat and Coordination Department	2.63	2.63
3	19- Forest and Environment Department	7.06	7.06
4	20- Health, Medical Education and Family Welfare Department	0.54	0.54
5	22- Home Department	0.20	0.20
6	28- High Court	67.77	754.50
7	34- Bihar Public Service Commission	28.00	197.14
8	36- Public Health Engineering Department	13.00	13.00
<b>CAPITAL – VOTED</b>			
1	1- Agriculture Department	11.08	11.08
2	3- Building Construction and Housing Department	1092.94	1162.28
3	9- Co-Operative Department	28.91	2331.33
4	23- Industries Department	1234.00	3554.00
5	25- Institutional Finance and Programme Implementation Department	0.10	0.10
6	30- Minority welfare Department	0.30	42,72.00
7	33- Personnel and Administrative Department	3000.00	3000.00
8	36- Public Health and Engineering Department	210.00	9510.83
9	41- Road Construction Department	937.61	8165.48
10	42 -Rural Development Department	2500.00	9669.99
11	43- Science and Technology Department	50.00	50.00
12	48- Urban Development Department	2896.50	6468.48
<b>CAPITAL – CHARGED</b>			
1	49- Water Resources Department	14.38	14.38
	<b>Total</b>	<b>70702.28</b>	<b>226595.04</b>

**APPENDIX – VIII**

**Cases where supplementary provision proved excessive**

**(Refer : Paragraph 2.3.3)**

Sl. No.	Number and name of Grant / Appropriation	Supplementary Grant / Appropriation	Saving
		(Rupees in lakh)	
<b>REVENUE – VOTED</b>			
1.	6- Election	10207.41	2302.81
2.	7- Vigilance	118.80	57.14
3	21- Higher Education Department	12434.94	3252.57
4	22- Home Department	22350.98	19906.87
5	24- Information and Public Relation Department	482.26	303.49
6	36- Public Health Engineering Department	2045.50	1167.23
7	39- Relief and Rehabilitation Department	4245.00	1364.07
8	48- Urban Development Department	5688.09	1129.25
9	50- Minor Irrigation Department	2360.87	1635.59
<b>REVENUE – CHARGED</b>			
1	5- Governor	36.33	11.80
2	43- Science and Technology Department	628.70	199.75
<b>CAPITAL – VOTED</b>			
1	20- Health Medical Education and Family Welfare Department	146.90	10.53
2	45- Sugar Cane Department	251.00	44.00
3	47- Transport Department	3522.87	546.11
4	49- Water Resources Department	26000.00	22579.92
5	52- Art, Culture and youth Department	500.00	461.50
	<b>Total</b>	<b>91019.65</b>	<b>54972.63</b>



## APPENDIX – IX

## Cases where expenditure fell short

(Refer: Paragraph 2.3.6)

Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
	<b>Voted Section</b>		
1.	<b>1 – Agriculture Department</b>	<b>Revenue</b> 48.69 (22.02)	<b>Revenue</b> Mainly due to non sanction of scheme in the last phase of the financial year and non issue of express order by the Finance Department, non- return of bills by the treasury, non-fixation of pay in the revised pay scales, non-issue of pay slips of officers of some regional offices due to transfer of some posts to Minor Irrigation Department, posts kept vacant and sanction of scheme for token amount. Reasons for the saving of Rs. 49.00 crore have not been intimated (Dec. 2000). The saving was partly off set by excess of Rs. 4.51 crore under various sub-heads.
2	<b>2 – Animal Husbandry and Fisheries Department</b>	<b>Revenue</b> 41.71 (26.51)	<b>Revenue</b> Mainly due to non/less sanction of fund in schemes, non fixation of rates of medicines and belated order for purchase of medicines from Government undertakings, superannuation of officers and staff, belated extension of the period of scheme, less sanction of fund than budget provision and non-incurring of expenditure by drawing and disbursing officers, non-drawal of fund from treasury and posts kept vacant. Reasons for the saving of Rs. 24.23 crore have not been intimated. (Dec. 2000)
3	<b>3 – Building Construction and Housing Department</b>	<b>Revenue</b> 21.17 (16.82)  <b>Capital</b> 11.62 (42.35)	<b>Revenue</b> Partly due to less expenditure on pay and allowances electric charges, office expenses and tour expenses, non-posting of employees, enforcement of economy measures and less demand of funds. Reasons for the saving of Rs. 16.72 crore have not been intimated (Dec. 2000).  <b>Capital</b> Reasons for the saving have not been intimated (Dec. 2000).
4	<b>6 - Election</b>	<b>Revenue</b> 23.03 (12.06)	<b>Revenue</b> Mainly due to delay in computerization of electoral roll due to general election and procedural delay in selection of agency, non-receipt of final account due to

Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
			Assembly Election, delay in revision of pay and belated receipt of bills of rent, rates and taxes. Reasons for the balance saving of Rs 1.17 crore have not been intimated (Dec. 2000).
5.	8 – Civil Aviation Department	<u>Revenue</u> 4.76 (46.52)	<u>Revenue</u> Mainly due to non-drawal of pay in the revised pay scales by the officers. Reasons for the savings of Rs. 4.63 crore have not been intimated (Dec.2000).
6.	9 – Co-operative Department	<u>Revenue</u> 28.88 (36.50)  <u>Capital</u> 23.31 (72.25)	<u>Revenue</u> Mainly due to non-revision of pay of employees in some regional offices, delay in sanctioning of scheme by E.E.C. and non-sanction of the scheme by the Council of Ministers, procedural delay , non-receipt of sanction from Govt. of India, non-receipt of allotment, posts kept vacant and excess provision for payment of arrear of pay in the revised scales. Reasons for the saving of Rs 4.58 crore have not been intimated (Dec.2000).  <u>Capital</u> Mainly due to reduction in share capital by E.E.C. due to devaluation of rupees, procedural delay, delay in sanctioning of scheme by E.E.C., non-receipt of sanction of the Council of Ministers, non-holding of meeting of District selection committee due to Assembly Election and non-receipt of proposals in time.
7.	10 – Energy Department	<u>Revenue</u> 5.65 (24.76)	<u>Revenue</u> Mainly due to less expenditure on establishments than anticipated. Reasons for the saving of Rs 3.99 crore have not been intimated (Dec. 2000).
8.	12 – Finance Department	<u>Revenue</u> 24.83 (28.24)	<u>Revenue</u> Mainly due to non-demand of allotment for leave travel concession, non-drawal of pay of Senior Auditors for the strike period and engagement of all Senior Auditor in local programmes, non-fixation of pay of senior officials in the revised scales, enforcement of economy measures, dissolution of establishment of Treasury and Accounts Directorate and non-receipt of purchase orders. Reasons for the saving of Rs. 12.31 crore have not been intimated Dec.2000).



Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
		<b>Capital</b> 5.77 (28.24)	<b>Capital</b> Partly due to less number of applications for house building advances from All India Service officers, non-sanction of motor car advances due to incomplete information and closure of Registration offices due to strike. Reason for saving of Rs. 1.47 crore have not been intimated (Dec.2000).
9.	15 - Pension	<b>Revenue</b> 587.00 (32.12)	<b>Revenue</b> Due to less receipt of proposals for commutation of pensions. Reasons for the saving of Rs. 295.32 crore have not been intimated (Dec.2000).
10.	17 - Finance (Commercial Taxes) Department	<b>Revenue</b> 7.34 (18.19)	<b>Revenue</b> Partly due to sanction of building construction at a token amount of Rs. one only against the budget provision of Rs 3 crore. Reasons for the saving of Rs 3.47 crore have not been intimated (Dec. 2000).
11.	18 - Food Supply and Commerce Department	<b>Revenue</b> 13.57 (34.60)	<b>Revenue</b> Mainly due to non-commissioning of district forums, non-extension of period of services of some officers and posts kept vacant. Reasons for the saving of Rs 2.40 crore have not been intimated (Dec. 2000).
12.	19 - Forest and Environment Department	<b>Revenue</b> 80.88 (45)	<b>Revenue</b> Mainly due to sanction of scheme at less cost, non-provision of funds for establishment resulting in surrender of provision made for other detailed heads, non-sanction of schemes, non-sanction schemes due to non-receipt of fund from Government of India, sanction of scheme for less number of sanctuary and non-receipt of revalidation order from Govt. of India. Reasons for the saving of Rs 46.99 crore have not been intimated (Dec. 2000).
13.	20 - Health, Medical, Education and Family Welfare Department	<b>Revenue</b> 241.58 (23.83)	<b>Revenue</b> Savings of Rs 275.28 crore was partly offset by excess of Rs 56.34 crore. The saving occurred mainly in the provision made for Rural Health Services-Allopathy (Rs 113.88 crore) out of the provision of (Rs 344 crore); Public Health (Rs 19.34 crore) out of the provision of (Rs 28.62 crore); 110 - Hospital and Dispensaries (Rs 10.43 crore) out of the provision of (Rs 50.69 crore). Reasons for saving in these cases have not been intimated (Dec. 2000).

Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
			The balance saving was spread over various other sub heads and was partly due to posts kept vacant, non-incurring of expenditure due to lack of time, non-sanction of extension of some temporary posts, less expenditure on pay including arrear of pay in the revised scales, less purchase of materials etc. due to non-holding of purchase committee's meeting and non-completion of procedure in time.
14.	21 – Higher Education Department	<u>Revenue</u> 32.53 (7.73)	<u>Revenue</u> Reasons for the saving have not been intimated (Dec. 2000).
15.	22 – Home Department	<u>Revenue</u> 199.06 (12.90)	<p><u>Revenue</u> Bulk of the savings occurred under the following subheads under the major head-2055 - Police</p> <p>(a) Direction and Administration (Rs 10.84 crore);                      (b) Special police (Rs 1.10 crore);                      (c) District police (Rs 68.17 crore);                      (d) Village police (Rs 16.48 crore);                      (e) Railway police (Rs 10.98 crore);                      (f) Wireless and Computer (Rs 11.54 crore) and (g)Other expenditures Standardisation of Administration under the recommendation of the Tenth Finance Commission (Rs 36.79 crore). Reasons for the saving under these sub heads have not been intimated (Dec. 2000) except for Rs 0.74 crore under (g) above which was due to non-existence of scheme for training of police officers.</p> <p>Besides the above, significant savings occurred under Home (special) Department (Rs 1.70 crore) due to excessive provision for arrear of pay in revised scales, retirements, transfers and enforcement of economy measures.</p> <p>The balance saving was spread over various other subheads under the major head 2056- Jail, 2070-Other Administrative Services and 2235 – Social Security and Welfare and was partly due to Election to Lok Sabha and Legislative Assembly and deputation of less numbers of home guards (Rs 5.77 crore); non completion of procedures for purchase of materials (Rs 2.88 crore); non-receipt of non-drawal certificates from the District Officers leading to less payment of special allowance to Swantantrata Sainik and their dependents</p>



Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
			(Rs 1.78 crore); less demand for funds (Rs 0.99 crore); non-revision of pay (Rs 0.73 crore); enforcement of economy measures (Rs 0.71 crore); less rates fixed by the Central Purchase Committee and non arrival of imported machinery in time (Rs 0.39 crore); non-receipt of sanction (Rs 0.28 crore); non-sanction of scheme by the government of India (Rs 0.18 crore). Reasons for the saving of Rs 32.71 crore have not been intimated (Dec. 2000).
16.	<b>23 – Industries Department</b>	<p><b>Revenue</b></p> <p>34.22 (41.14)</p> <p><b>Capital</b></p> <p>35.54 (97.80)</p>	<p><b>Revenue</b></p> <p>Mainly due to non/ belated sanction of schemes, non receipt of sanction order/revalidation order from the Government of India, non passing of bills by the treasury, ban imposed by court on drawal of fund/non receipt of authority letter /express order, release of less fund by the Central Government and non - completion of Departmental procedures against the fund received from Centre, and posts kept vacant. Reasons for the savings of Rs 9.34 crore have not been intimated (Dec. 2000).</p> <p><b>Capital</b></p> <p>Mainly due to reduction in plan ceiling, surrenders for making funds available for more important schemes within the plan ceiling and non-passing of bills by treasury.</p>
17.	<b>24 – Information and Public Relation Department</b>	<p><b>Revenue</b></p> <p>3.03 (14.97)</p>	<p><b>Revenue</b></p> <p>Mainly due to excess provision of funds, non-sanction of leave for strike period, non-purchase of motor cars and computer, non-publication of Bihar Diary 2000.</p>
18.	<b>26 – Labour, Employment and Training Department</b>	<p><b>Revenue</b></p> <p>78.36 (33.01)</p>	<p><b>Revenue</b></p> <p>Mainly due to delay in non-extension of posts of 47 doctors and non-receipt of demand letters from twenty districts posts kept vacant, excess budget provision, non supply of medicines in full quantity by suppliers and belated decision for purchase and postponement of scheme and less disbursement of old age pensions. Reasons for the saving of Rs 4.66 crore have not been intimated (Dec. 2000).</p>
19.	<b>27 – Law Department</b>	<p><b>Revenue</b></p> <p>22.03 (14.34)</p>	<p><b>Revenue</b></p> <p>Mainly due to posts kept vacant and non-revision of pay in the revised pay scale. Reasons for the saving of Rs. 20.79 crore have not been intimated (Dec. 2000).</p>

Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
20.	29 – Mines and Geology Department	<u>Revenue</u> 2.94 (16.93)	<u>Revenue</u> Reasons for the saving have not been intimated (Dec. 2000).
21.	30 – Minority Welfare Department	<u>Capital</u> 42.72 (85.43)	<u>Capital</u> Reasons for the saving have not been intimated (Dec. 2000).
22.	32 - Legislature	<u>Revenue</u> 3.64 (9.62)	<u>Revenue</u> Mainly due to early general elections, large size of the cabinet, less number of posts of the leader of the opposition and chief whip.
23.	33 – Personnel and Administration Reforms Department	<u>Capital</u> 30.00 (100)	<u>Capital</u> Reasons for the saving have not been intimated (Dec. 2000).
24.	35 – Planning and Development Department	<u>Revenue</u> 19.01 (12.50)	<u>Revenue</u> Posts kept vacant and enforcement of economy measures, belated receipt of sanction order, revision of plan outlay and non-sanction of posts. Reasons for the saving of Rs 7.49 crore have not been intimated (Dec 2000).
25.	36 – Public Health Engineering Department	<u>Revenue</u> 11.67 (4.83)  <u>Capital</u> 95.11 (70.19)	<u>Revenue</u> Mainly due to non-passing of bills by the treasury, non-drawal of pay for Feb-2000 due to non-filing of Income tax return and non drawal of fund. Reasons for the saving of Rs 17.90 crore have not been intimated. The saving was partly offset by excess of Rs 14.72 crore under other sub heads. <u>Capital</u> Mainly due to reduction in plan outlay, delay in supply of materials, belated sanction of schemes, slow progress due to shortage of materials, election to Legislative Assembly, payment of grants-in-aid instead of loan to urban local bodies and release of fund by the Government of India at the fag end of the year.
26.	37 – Raj Bhasha Department	<u>Revenue</u> 4.16 (24.75)	<u>Revenue</u> Reasons for saving have not been intimated (Dec. 2000).
27.	36 – Registration Department	<u>Revenue</u> 3.60 (15.86)	<u>Revenue</u> Reasons for the saving have not been intimated (Dec. 2000).
28.	39 – Relief and Rehabilitation Department	<u>Revenue</u> 13.64 (12.74)	<u>Revenue</u> Partly due to posts kept vacant and non-extension of temporary posts. Reasons for the saving of Rs 13.00 crore have not been intimated (Dec. 2000).



Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
29.	<b>40 – Revenue and Land Reforms Department</b>	<u>Revenue</u> 43.11 (13.46)	<u>Revenue</u> Mainly due to non submission of bills in time, reduction in plan outlay, enforcement of economy measures, posts kept vacant/ delay in delegation of power, non-receipt of utilisation certificates from concerned districts, election and non completion of procedure for drawal of fund. Reasons for saving of Rs 32.29 crore have not been intimated (Dec. 2000).
30.	<b>41 – Road Construction Department</b>	<u>Revenue</u> 18.22 (6.50)  <u>Capital</u> 81.65 (34.07)	<u>Revenue</u> Mainly due to non-fixation of pay in the revised pay scales, non-availability of pay-slips of officers, retirement and non-repairing of vehicles/machinery. Reasons for saving of Rs 39.91 crore have not been intimated. The above saving was partly offset by excess of Rs 27.95 crore under other subheads.  <u>Capital</u> Reasons for saving have not been intimated (Dec. 2000) except for Rs 1.01 crore which was attributed to non-submission of tender timely by the contractor and non-supply of machinery.
31.	<b>42 – Rural Development Department</b>	<u>Revenue</u> 389.74 (26.62)  <u>Capital</u> 96.70 (26.01)	<u>Revenue</u> Mainly due to reduction in plan outlay, non release of state's share due to non-release of total fund of Central share by Central Government, posts kept vacant, non demand of fund, non-release of fund for Panchayati Raj Institutions, non-allotment of fund, non sanction of scheme by the Government, non-receipt of utilisation certificate and non sanction of fund, dismissal of Dalpaties and belated receipt of allotment order. Reasons for the saving of Rs 139.79 crore have not been intimated (Dec.2000).  <u>Capital</u> Mainly due to non-issue of allotment order, non-selection of flood affected roads, non-issue of sanction order, posts kept vacant, less sanction of fund by the authorisation committee and non drawal of allotted fund. Reasons for the saving of Rs 33.29 crore have not been intimated (Dec. 2000).

Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
32.	43 – Science and Technology Department	<u>Revenue</u> 10.68 (23.27)	<u>Revenue</u> Reasons for the saving have not been intimated (Dec. 2000).
33.	44 – Middle, Primary and Public Education Department	<u>Revenue</u> 302.16 (8.02)	<u>Revenue</u> Mainly due to non-drawal of fund, reduction in plan outlay, non-sanction of fund, posts kept vacant and abolition of schemes. Reasons for the saving of Rs 110.14 crore have not been intimated (Dec. 2000).
34.	45 – Sugarcane Department	<u>Revenue</u> 5.56 (33.43)	<u>Revenue</u> Reasons for the saving of have not been intimated (Dec. 2000).
35.	46 – Tourism Department	<u>Capital</u> 3.00 (100)	<u>Capital</u> The entire saving was attributed to non-sanction of schemes.
36.	47 – Transport Department	<u>Revenue</u> 51.52 (81.28)  <u>Capital</u> 5.46 (13.58)	<u>Revenue</u> Mainly due to payment of part of the arrear in revised pay scales in the previous year, less sanction of assistance to Road Transport Corporation, transfer of personnel, less receipt of bill, posts kept vacant and non-revision of pay in revised pay scales.  <u>Capital</u> Mainly due to less sanction of expenditure by authorisation committee, non-receipt of recommendation of the minister, non-execution of computerization scheme.
37.	48 – Urban Development Department	<u>Revenue</u> <u>11.29</u> (12.99)  <u>Capital</u> 64.68 (49.75)	<u>Revenue</u> Mainly due to reduction in plan outlay, non-receipt of authority / express order in time by the treasury and non-sanction of fund by the Finance Department. Reasons for the saving of Rs. 9.88 crore have not been intimated (Dec. 2000).  <u>Capital</u> Mainly due to revision of plan outlay, provision of fund having been made without plan outlay, non-release of state's share consequent upon Government of India's decision to bear the entire cost of the scheme and non-sanction of any new schemes by the Government of India. Reasons for the balance saving of Rs 5.48 crore have not been intimated (Dec. 2000).



Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
38.	<b>49 – Water Resources Department</b>	<p><b>Revenue</b></p> <p>20.94 (7.38)</p> <p><b>Capital</b></p> <p>225.80 (27.60)</p>	<p><b>Revenue</b> Mainly due to non-receipt of demand for fund, non-fixation of pay in revised pay scales and establishment of autonomous body. Reasons for the saving of Rs 9.84 crore have not been intimated (Dec. 2000).</p> <p><b>Capital</b> Mainly due to declaration of Water and Land Development Institute as fully autonomous, non-receipt of demand for fund, reduction in plan outlay, midterm poll to Lok Sabha and general election to Legislative Assembly, delay in transfer of forest land and land acquisition and obstruction raised by villagers in making availability of soil. Reasons for the saving of Rs 131.05 crore have not been intimated.</p>
39.	<b>50 – Minor Irrigation Department</b>	<p><b>Revenue</b></p> <p>16.36 (9.27)</p> <p><b>Capital</b></p> <p>15.73 (36.59)</p>	<p><b>Revenue</b> Mainly due to non-drawal of arrears in the revised pay scale, entitlement of dearness allowance at 37 percent instead of 40 percent, non-sanction of expenditure, non-receipt of revised authority, posts kept vacant, non-payment of rent, non-submission of estimates, economy measures, non-supply of liveries to the staff transferred to Rural Development Department and non-receipt of bills for electricity and telephone charges. Reasons for the saving of Rs 8.54 crore have not been intimated (Dec. 2000).</p> <p><b>Capital</b> Mainly due to land acquisition disputes and terrorist resistance resulting in less expenditure on work relating to new/incomplete irrigation projects and election to Legislative Assembly and non-finalisation of tender in time. Reasons for the saving of Rs 3.66 crore have not been intimated (Dec. 2000).</p>
40.	<b>51 – Welfare Department</b>	<p><b>Revenue</b></p> <p>2,34.73 (53.09)</p>	<p><b>Revenue</b> Mainly due to non-sanction of new projects by Government of India and posts kept vacant in running projects, want of decision about the type of nutrition to be provided in place of R.T.E. nutrition in 39 project, non-commencement of new projects, non-passing of bills of arrear pay in the revised scales in respect of newly posted and retired officers by treasury, less numbers of applications from students, less receipt of share from Central Government, provision</p>

Sl. No.	Description of the grants/ appropriation	Amount of Savings (Rupees in crore) (Percentage of provision in bracket)	Main reasons of saving as furnished by the Government
			made without plan outlay , non-demand of funds from districts, sanction of scheme at the fag end of the year, less/non-sanction of fund, non-sanction of scheme, non-joining of posts by some district /sub divisional welfare officers, provision in excess of plan outlay, non-acquisition of land, non-sanction of expenditure by Council of Ministers, postponement of scheme to next financial year and non-receipt of authority in time. Reasons for the saving Rs 97.45 crore have not been intimated (Dec. 2000).
41.	52 – Art, Culture and Youth Department	<p><u>Revenue</u></p> <p>6.80 (27.93)</p> <p><u>Capital</u></p> <p>4.62 (92.30)</p>	<p><u>Revenue</u></p> <p>Mainly due to non-drawal of fund, non-organisation of exhibition due to non-sanction of grant, non sanction of scheme and posts kept vacant. Reasons for the saving of Rs 5.13 crore have not been intimated (Dec. 2000).</p> <p><u>Capital</u></p> <p>Reasons for the non-utilisation of the entire saving have not been intimated (Dec.2000).</p>
	<b><u>Charged section</u></b>		
1.	28 – High Court	<p><u>Revenue</u></p> <p>7.54 (31.57)</p>	<p><u>Revenue</u></p> <p>Mainly due to non-revision of pay of officers, and staff of High Court, non-incurring of expenditure on residential furnishings, non-functioning of guest house schemes, non-receipt of telephone bills in time and posts kept vacant. Reasons for the saving of Rs 1.49 crore have not been intimated (Dec. 2000).</p>
2.	43 – Science and Technology Department	<p><u>Revenue</u></p> <p>2.00 (31.77)</p>	<p><u>Revenue</u></p> <p>Reasons for the saving have not been intimated (Dec. 2000).</p>



## APPENDIX – X

**Cases of persistent savings exceeding Rs 2 crore in each case  
(Refer :paragraph 2.3.7)**

Sl. No	Number and name of Grant/Appropriation	Saving (Amount in crore of rupees and its percentage to provision in bracket)	
		1998-99	1999-2000
<b>REVENUE – VOTED SECTION</b>			
1.	1- Agriculture Department	184.84 (56)	48.69 (22)
2.	2 – Animal Husbandry and Fisheries Department	60.45 (42)	41.71 (27)
3.	3- Building Construction and Housing Department	21.29 (22)	21.18 (17)
4.	6- Election	31.30 (72)	23.03 (12)
5.	8- Civil Aviation Department	2.20 (25)	4.76 (47)
6.	9- Co-operative Department	34.67 (45)	28.88 (36)
7.	10-Energy Department	35.04 (17)	5.65 (25)
8.	12- Finance Department	31.94 (36)	24.83 (28)
9.	17- Finance (Commercial Taxes) Department	21.15 (49)	7.34 (18)
10.	18-Food Supply and commerce Department	24.66 (56)	13.57 (35)
11.	19- Forest and Environment Department	124.61 (59)	80.88 (45)
12.	20- Health, Medical Education and Family Welfare Department	279.70 (29)	241.58 (24)
13.	21- Higher Education Department	407.64 (29)	32.53 (8)
14.	22- Home Department	4.08 (1)	199.07 (13)
15.	23- Industries Department	42.08 (52)	34.22 (41)
16.	24- Information and Public Relation Department	8.94 (43)	3.03 (15)
17.	26- Labour, Employment and Training Department	56.89 (26)	78.36 (33)
18.	27- Law Department	28.29 (21)	22.03 (14)
19.	28- High Court	6.01 (29)	7.54 (32)
20.	29- Mines and Geology Department	9.85 (46)	2.94 (17)
21.	32- Legislature	5.96 (17)	3.64 (10)
22.	35- Planning and Development Department	47.45 (17)	19.01 (12)
23.	36- Public Health Engineering Department	38.30 (20)	11.67 (5)

Sl. No	Number and name of Grant/Appropriation	Saving (Amount in crore of rupees and its percentage to provision in bracket)	
		1998-99	1999-2000
24.	37- Raj Bhasha Department	4.22 (26)	4.16 (25)
25.	38- Registration Department	8.88 (33)	3.60 (16)
26.	39- Revenue and Rehabilitation Department	30.47 (17)	13.64 (13)
27.	40- Revenue and Land Reforms Department	135.12 (39)	43.11 (13)
28.	41- Road Construction Department	39.81 (15)	18.22 (6)
29.	42- Rural Development Department	357.70 (27)	389.74 (27)
30.	43- Science and Technology Department	24.58 (42)	10.68 (23)
31.	44- Middle, Primary and Public Education Department	1403.10 (39)	302.16 (8)
32.	45- Sugar Cane Department	10.01 (55)	5.56 (33)
33.	47- Transport Department	2.21 (3)	51.52 (81)
34.	48- Urban Development Department	26.48 (40)	11.29 (13)
35.	49- Water Resources Department	86.99 (29)	20.94 (7)
36.	50- Minor Irrigation Department	50.84 (28)	16.35 (9)
37.	51- Welfare Department	373.74 (62)	234.73 (53)
38.	52- Art, Culture and Youth Department	14.01 (47)	6.80 (28)
<b>CAPITAL – VOTED SECTION</b>			
39.	3-Building Construction and Housing Department	7.49 (38)	11.62 (42)
40.	9- Co-operative Department	2.43 (20)	23.31 (72)
41.	12- Finance Department	18.90 (51)	5.77 (28)
42.	23 – Industries Department	12.79 (94)	35.54 (98)
43.	36 – Public Health Engineering Department	87.94 (46)	95.11 (70)
44.	41 – Road Construction Department	224.16 (60)	81.65 (34)
45.	42 – Rural Development Department	103.05 (47)	96.70 (26)
46.	48 – Urban Development Department	42.20 (51)	64.68 (50)
47.	49 – Water Resources Department	213.74 (37)	225.80 (28)
48.	50 – Minor Irrigation Department	30.02 (62)	15.73 (37)
49.	52 – Art, Culture and Youth Department	2.00 (100)	4.62 (92)



## APPENDIX -XI

## Expenditure on new services / new instrument of services in excess of the budget provision

(Refer :Paragraph 2.3.8)

Sl. No	Grants Appropriation Number / Head of Account	Provision	Actual Expenditure	Excess
(Rupees in lakh)				
1.	2A 4059 Capital outlay on Public Works 2A2-60- Other Buildings 2A2 (1) 051 Construction 2A2 (1) (9) Construction of hostel for working Ladies	10.00	53.55	43.55
2.	2 B – 4216- Capital outlay on Housing 2B 1 Govt. Residential Buildings 2B 1(1) 106 General Pool Accommodation 2B 1 (1)-10-Centrally Sponsored Scheme (ii) Construction of Residences for District and Session judges at Biharsharif	1.81	18.69	16.88
3.	2B(1) (3) 796 Tribal Area Sub plan 2B 1 (3) (14) Construction of Residences, for District Judge at Sahebganj	4.20	22.79	19.59
4.	Grant No. 30 2A 4225- Capital outlay on welfare of Scheduled Castes Scheduled Tribes 2A (1) (1) Minority Welfare Department Unit (i) Construction of Hostel for Minority Students	0.10	151.30	151.20
5.	(ii) Concrete boundary of grave yard	0.10	478.00	477.90
6.	(iii) Construction of KIOSK	0.10	9900	98.90
7.	Grant No. 36 A 2215 Water Supply and Sanitation A 1 (2)- 102- Rural water Supply Programmes. A 1 (2) (2) Hand Tube Wells, Tanks and Wells, high Pressure tube wells	7756.71	8927.40	1170.69
8.	2A- 4215 Capital outlay on water 2A1-01 Supply - Water Supply and Sanitation 2A 1 (1) (1) Rural piped water supply Scheme	12.68	152.42	139.74
9.	Grant No. 41 2B- 5054 Capital outlay on Roads and Bridges 2B1(3)-337- Road works 2B1(3)(1) Other Area Sub-plan Naxal Road (2) Strengthening and widening of Chapra –Marhaura Road	10.00	89.79	79.79
10.	(6) Strengthening and widening of Siwan Amdar Road	10.00	199.95	189.95

SI. No	Grants Appropriation Number / Head of Account	Provision	Actual Expenditure	Excess
(Rupees in lakh)				
11.	(8) Strengthening and widening of Mirganj Bhore Road	10.00	400.00	390.00
12.	(13) Fatua Daniyawa-Hilsa Road	5.00	38.52	33.52
13.	(15) Masauhri- Pitmas, Nobatpur Khagol Road	20.00	68.42	48.42
14.	(16) Dulhinbazar Ranitalab Palikinjar Road	20.00	114.17	94.17
15.	(21) Biharsharif – Ekangarsarai Tilhara Road	5.00	76.28	71.28
16.	(22) Fatua -Hilsa- Ekangarsarai Road	5.00	93.41	88.41
17.	(23) Islampur Hulasganj Road	5.00	39.56	34.56
18.	(24) Islampur Kewali Rajgir, Girak Road	5.00	61.49	56.49
19.	(25) Harnaut Belchi chandi Road	5.00	69.90	64.90
20.	(43) Itimha-Saklabazar road	10.00	40.00	30.00
21.	(44) Dinara –Baraon road	7.00	27.00	20.00
22.	(52) Parhri-Sonebarsa road	5.00	32.99	27.99
23.	(53) Bhojpur – Dumri road	5.00	38.74	33.74
24.	(56) Gaya – Panchanpur – Daudnagar road	10.00	43.22	33.22
25.	(57) Gaya – Sherghati road	5.00	46.74	47.74
26.	(59) Sherghati – Imanganj road	10.00	79.92	69.92
27.	(60) Amas – Nowdina road	10.00	70.00	60.00
28.	(61) Tekari – Mou – Kurtha road	5.00	55.91	50.91
29.	(62) Fatehpur – Wazirganj road	5.00	65.00	60.00
30.	(64) Atri – Jethiyan road	5.00	60.00	55.00
31.	(71) Amba – Nawinagar road	10.00	42.46	32.46
32.	(72) Nawinagar – Warun road	10.00	55.38	45.38
33.	(77) Qadirganj – Rohe-Koe Akol road	10.00	37.79	27.79
34.	(85) Garhwa – Majhiawn road	10.00	88.00	78.00
35.	(90) Gosaidhi Chatra – Gomia road	20.00	127.74	107.74
36.	(91) Chowpar an – Chatra road	15.00	52.05	37.05
37.	(92) Jibu – Itkhori road	10.00	59.65	49.65
38.	(93) Simria – Tanwa road	10.00	51.86	41.86
39.	(97) Kori – Mahua – Dhanwar – Saria road	10.00	44.90	34.90
40.	(101) Putki – Bhaga – Bhoradih Sudamadih road	10.00	62.96	52.96
41.	(102) Gobindpur – Tundi – Giridih road	30.00	126.06	96.06
42.	2 B 1(3)(2) Tribal Area Sub – Plan (24) Widening of 54-60 K.M. road of Dumka-Sahebganj road	27.00	143.82	116.82



## APPENDIX - XII

Expenditure on new services/ new instrument of services  
without budget provision

(Refer :Paragraph 2.3.8)

Sl. No	Grant/ Appropriation Number/ Head of Account	Provision	Actual expenditure	Excess
			(Rupees in lakh)	
1.	Grant No. 1 1- 2401 Crop Husbandry A3- 104 Agriculture Farms A3 (1) District and Sub Divisional Establishment	Nil	23.01	23.01
2.	Grant No. 3 3-B 2059 Public works B 180 – General B1 (8) Suspense 2 B 1 (8) (1) Suspense	Nil	27.84	27.84
3.	2B-4216 Capital outlay on Housing 2B1-01 Government Residential Building 2B 1(1) 106 General Pool Accommodation moderation 2B 1 (1) (10) Centrally Sponsored Scheme Constuction of residences for eight presiding officer at Ara	Nil	3.91	3.91
4.	Grant No. 20 A 2210 Medical and Public Health A6- 106 – Public Health A6 (9) 796 Tribal Area Sub Plan A 6 (9) (5) National Malaria Eradication Programme	Nil	5,34.26	5,34.26
5.	B 2211 Family Welfare B 10- 109- Reproduction and Child Health B 10 (1) Adjustment of Cost of materials and Equipment supplied to State Government (C.S.S)	Nil	48,68.39	48,68.39
6.	2A – 54 75 Capital outlay on other General Economic Services 2A 2 (1) Payment by Zamindai Abolition Compensation Bonds	Nil	5.88	5.88
7.	Grant No. 49 A 2701 Major and Medium Irrigation A1-01 Major Irrigation Commercial A-1-(5) 796 Tribal Area Sub-Plan A-1(5)(1) Swarnarekha Project	Nil	41.69	41.69

Sl. No	Grant/ Appropriation Number/ Head of Account	Provision	Actual	Excess
			expenditure	
(Rupees in lakh)				
8.	A2 4(3) North Koel Dam Project	Nil	41.70	41.70
9.	A 2702 – Minor Irrigation A2-02 Ground water A 2 (2) 3 Private Tube wells Grants-in-aid Contribution.	Nil	69.92	69.92
10.	3B 6235 Loans for Social Securities and welfare 3 B 1 (1) (1) Centrally Sponsored Scheme Workers Loan to persons from other places	Nil	16.14	16.14



## APPENDIX – XIII

## Anticipated savings not surrendered

(Refer :Paragraph 2.3.9)

Sl. No.	Number and name of the Grant/Appropriation	Savings	Un-surrendered savings
		(Rupees in crore)	
<b>REVENUE SECTION(VOTED)</b>			
1.	1 – Agriculture Department	48.69	45.38
2.	2- Animal Husbandry and Fisheries Department	41.71	11.86
3.	3- Building Construction and Housing Department	21.18	1.77
4.	8- Civil Aviation Department	4.76	4.63
5.	9- Co-operative Department	28.88	4.89
6.	10- Energy Department	5.65	3.03
7.	12- Finance Department	24.83	4.40
8.	15- Pension	5,87.00	2,95.00
9.	18 – Food Supply and Commerce Department	13.57	2.07
10.	19 – Forest and Environment Department	80.88	46.23
11.	20 – Health, Medical, Education and Family Welfare Department	2,41.58	2,26.72
12.	21 – Higher Education Department	32.53	4.87
13.	22 – Home Department	1,99.07	56.05
14.	23 – Industries Department	34.22	4.32
15.	26 – Labour, Employment and Training Department	78.36	5.00
16.	27 – Law Department	22.03	12.53
17.	29 – Mines and Geology Department	2.94	1.22
18.	35 – Planning and Development Department	19.01	7.32
19.	36 – Public Health Engineering Department	11.67	2.90
20.	37 – Raj Bhasha Department	4.16	3.25
21.	38 – Registration Department	3.60	3.60
22.	39 – Relief and Rehabilitation Department	13.64	13.00
23.	40 – Revenue and Land Reforms Department	43.11	6.86
24.	41 – Road Construction Department	18.22	2.07
25.	42 – Rural Development Department	3,89.74	1,14.15
26.	43 – Science and Technology Department	10.68	10.65
27.	44 – Middle, Primary and Public Education Department	3,02.16	2,63.80
28.	45 – Sugarcane Department	5.56	1.38
29.	48 – Urban Development Department	11.29	10.00
30.	49 – Water Resources Department	20.94	9.93
31.	50 – Minor Irrigation Department	16.36	4.81
32.	51 – Welfare Department	2,34.73	77.62
33.	52 – Art, Culture and Youth Department	6.80	1.12
<b>REVENUE SECTION (CHARGED)</b>			
1.	43 – Science and Technology Department	2.00	2.00
<b>CAPITAL SECTION (VOTED)</b>			
1.	3 – Building Construction and Housing Department	11.62	6.46
2.	12 – Finance Department	5.77	1.25
3.	30 – Minority Welfare Department	42.72	5.22
4.	41 – Road Construction Department	81.65	80.64
5.	42 – Rural Development Department	96.70	34.10
6.	46 – Tourism Department	3.00	3.00

Sl. No.	Number and name of the Grant/Appropriation	Savings	Un-surrendered savings
		(Rupees in crore)	
7.	48 – Urban Development Department	64.68	5.68
8.	49 – Water Resources Department	2,25.80	75.33
9.	50 – Minor Irrigation Department	15.73	3.68
10.	51 – Welfare Department	1.57	1.12
	<b>Total</b>	<b>3130.79</b>	<b>1480.91</b>



## APPENDIX – XIV

Statement of unjustified / excessive surrenders  
(Refer :Paragraph 2.3.10)

Sl. No	Grant / Appropriation No.	Sub- head / Schemes	Provision (original + Supplementary)	Surrender	Expenditure	Excess
(Rupees in lakh)						
1.	2.	A- 2403 Animal Husbandry A 10 (1) Establishment of Livestock- Research Station	326.79	24.21	391.64	89.06
2.	3.	B- 2059 Public Works B (1)(1) Direction	296.11	49.77	962.81	716.47
3.		B 1(4) (1) Maintenance and Repairs	4000.00	482.50	4150.66	633.16
4.		B1 (4) (2) Works Charged Establishment	310.00	10.86	322.00	22.86
5.		B1 (4) (8) Maintenance of Block Buildings	300.00	9.82	372.27	82.09
6.		2A-4059- Capital outlay on Public Works 2A- 2 (1) (14) Centrally Sponsored Scheme (i) Construction of 22 Court Buildings at Nawadah	44.34	9.78	134.43	99.87
7.		(xiii) Construction of A.D.J. Building at Jamui	48.00	11.68	66.32	30.00
8.		2A2(2)(2)(iii) Construction of few court buildings at Bokaro (Chas)	30.00	10.00	30.00	10.00
9.	12	A-2013 Council of Ministers A-4-108- Tour Expenses A 4 (1) Tour expenses of Ministers	45.00	13.49	66.40	34.89
10.		A5-800 Other Expenditure A5 (1) Ministers	159.10	82.47	107.01	30.38
11.		A5 (2) State Ministers	154.90	137.37	81.07	63.54
12.	17	A-2040-Taxes on Sales Trade etc. A2(1) District charges	3603.53	921.77	2971.87	290.11
13.	19	A 2406 Forestry and Wild Life A1 (1) (1) Direction & Administration	808.72	85.58	776.22	53.08
14.	20	A2210 Medical and Public Health A – 6- 06 Public Health A6(3)(5) Centrally Sponsored Scheme National Malaria Eradication Programme including Kalajar	1217.10	600.00	1282.75	665.65
15.	22	B-2055-Police B6(1) Establishment of Chowkidar- Dafader	21222.73	2197.25	19574.41	548.93
16.	27	A 2014 Administration of Justice A 4 (1) Legal Advisers and Counsels	173.25	27.23	169.05	23.03
17.	33	A 2052 –Secretariat General Services A1(1) Personnel and Administrative Reforms Department	520.93	36.93	520.66	36.66

Sl. No	Grant / Appropriation No.	Sub-head / Schemes	Provision (original + Supplementary)	Surrender	Expenditure	Excess
(Rupees in lakh)						
18.	36	A- 2215 – Water supply and Sanitation A 1 – 01 Water Supply A 1 (1) (3) Swarnarekha Water Supply Scheme	1912.20	14.12	1982.06	83.98
19.		A 1(2) – 102 Rural Water Supply Programmes A1(2) (2) Hand Tube Wells, tanks and wells, high pressure tube wells	7898.06	141.35	8927.40	1170.69
20.		A1 (1) Adityapur Water Supply Scheme	374.08	7.57	451.22	84.71
21.		A1 (1) (2) Hatia Water Supply Scheme	662.88	9.75	785.42	132.29
22.		2A-4215-Capital Outlay or Water Supply and Sanitation 2A1(1)(1) Rural piped water supply scheme (i) General	127.00	114.32	152.42	139.74
23.	40	B-2052 Secretariat General Services B1 (1) Revenue and Land Reforms Department	313.76	15.42	325.65	27.31
24.	41	B- 3054 Roads and Bridges B4(1)(4) Direction and Administration B4-(1)(7) Direction and Administration (Other Area Sub Plan) (lump sum)	450.00	246.21	926.36	722.57
25.		B4(1)(8) Direction and Administration Tribal Area Sub Plan (Lumpsum)	250.00	104.53	275.01	129.54
26.	42	B – 2505 Rural Employment Programmes B1 (1)-702- Jawahar Rojgar Yojna B1(1)(2) Special Integrated Scheme for Backward Classes (ii) Minor works	28494.83	505.67	29998.90	1999.74
27.		B1(2)796 Tribal Area Sub Plan B1(2)(3)-Special Integrated Scheme for Backward Classes (ii) Minor works	16845.60	5872.25	11972.89	999.54
28.		C-2515 – Other Rural Development Programmes C4-102-Community Development C- 4 (1) Post Stage- 2 blocks	17125.40	1369.64	17193.06	1437.30
29.		2A-4515-Capital outlay on Other Rural Development Programmes 2A2(1) Minimum Needs Programmes (iv) Strengthening of Old Roads	130.00	13.00	168.75	51.75
30.	45	A-2401-Crop Husbandry A1(2) Sugarcane Development	100.00	25.00	115.00	40.00
31.	49	2A-4701 Capital Outlay on Major and Medium Irrigation 2A2(2)(2) North Bihar Irrigation Projects (AIBP) (ii) Works	3000.00	2419.00	4129.49	3548.49
32.	50	A-2702-Minor Irrigation A2(2)(3) Private Tubewells Grants-in-aid and contribution	50.00	50.00	69.92	69.92



Sl. No	Grant / Appropriation No.	Sub-head / Schemes	Provision (original + Supplementary)	Surrender	Expenditure	Excess
(Rupees in lakh)						
33.	52	A 2204 Sports and Youth Services A1-001 Direction and Administration A1(1) Directorate of NCC and Youth Welfare	27.03	13.77	22.23	8.97
34.		A3 (2) NCC Senior Branch	415.09	68.88	400.54	54.33
35.		A2(1) Physical Education	200.18	73.15	155.47	28.44
36.		A3(1) NCC Administration	124.01	25.10	150.44	51.53

**APPENDIX-XV**

**Cases of drawal from contingency fund where the expenditure was not such as could not have been foreseen**

**(Refer: Paragraph 2.3.11(ii))**

Sl. No.	Sanction No. and date	Department and Head of Account and Grant No.	Purpose	Amount (Rs in lakh)	Remarks
1.	29 dated 01.07.99	Election Department 2015-Election (Grant No. 6)	For preparation and printing/ Computerisation of electoral rolls for assembly constituency.	155.00	The expenditure was not such as could not have been foreseen provision of Rs. 914.49 lakh remained unutilised.
2.	30 dated 01.07.99	Election Department 2015-Election (Grant No. 6)	-do-	1001.96	-do-
3.	27 dated 28.06.99	Home Department 2052-Secretariat General Services (Grant No. 22)	For grants-in-aid to Army Central Welfare Fund.	100.00	The expenditure was not such as could not have been foreseen or postponed till voting of the 1 <sup>st</sup> supplementary grant.
4.	1 dated 07.04.99	Cabinet Secretariat and Co-ordination (Vigilance Department) 2070-Other Administrative Services (Grant No. 7)	For office expenses of Anti energy Theft Cell.	3.36	The expenditure was not such as could not have been foreseen. There was an original provision of Rs. 2.75 lakh.
5.	8 dated 01.06.99	Cabinet Secretariat Department 2070-Other Administrative Services (Grant No. 4)	For establishment and office expenses of Excess Expenditure Enquiry Commission	14.65	This was an old enquiry commission, provision could have been made in the original budget.
6.	33 dated 02.07.99	Information and Publicity Department 2220-Information and Publicity (Grant No. 24)	Purchase of 6 motor vehicles for publicity works	20.10	Expenditure could have been postponed till voting of 1 <sup>st</sup> supplementary grant.
7.	21 dated 23.06.99	Planning and Development Department 3465-General Financial and Trading Institutions (Grant No. 35)	For investment in the State level Agriculture Development Finance Company	100.00	Expenditure could have been postponed till voting of 1 <sup>st</sup> supplementary grant. The advance was not operated and the supplementary provision made for recoupment of the advance was surrendered.
8.	155 dated 25.12.99	Finance Department 2013-Council of Ministers (Grant No. 12)	Salary of ministers	140.84	Expenditure was not as could not have been foreseen as late as 1 <sup>st</sup> supplementary grant.
9.	123 dated 18.11.99	Finance Department 2013-Council of Ministers (Grant No. 12)	Salary of ministers of state	14.95	Expenditure was not such as could not have been foreseen as late as 1 <sup>st</sup> supplementary grant.
10.	44 dated 28.07.99	Election Department 2015-Election (Grant No. 6)	For transportation expenses of ballot papers for general election to Lok Sabha 1998.	367.95	This was a past liability and could have been foreseen as late as 1 <sup>st</sup> supplementary budget.



Sl. No.	Sanction No. and date	Department and Head of Account and Grant No.	Purpose	Amount (Rs in lakh)	Remarks
11.	128 dated 27.11.99	Election Department 2015-Election (Grant No. 6)	For conducting mid-term poll to Lok Sabha held in October,99	582.50	The fact about holding of mid-term poll to Lok Sabha had become widely known by the end of May,99. The expenditure was such as could have been foreseen and included in the 1 <sup>st</sup> supplementary budget.
12.	94 dated 21.09.99	Home Department 2055-Police (Grant No. 22)	Expenditure on housing, electricity, telephone, tent, vehicles etc. for Central Reserve Police Force and state police occasioned by mid-term poll to Lok Sabha held in October,1999.	112.00	-do-
13.	82 dated 11.09.99	Home Department 2055-Police (Grant No. 22)	-do-	127.40	-do-
14.	76 dated 10.09.99	Home Department 2055-Police (Grant No. 22)	-do-	263.50	-do-
15.	79 dated 11.09.99	Home Department 2070-Other Administrative Services (Grant No. 22)	Expenditure on duty allowance etc. of Home guards deputed on the occasion of mid-term poll to Lok Sabha,99.	356.57	-do-
16.	93 dated 21.09.99	Home Department 2070-Other Administrative Services (Grant No. 22)	--do--	211.73	-do-
17.	137 dated 07.12.99	Home Department 2055-Police (Grant No. 22)	For purchase of motor vehicles and equipment for police thana under the scheme 'strengthening of police force and infrastructure for which there was a plan ceiling of Rs. 14.00 crore.	811.03	The expenditure could have been foreseen and provision made as late as 1 <sup>st</sup> supplementary budget or postponed to second supplementary budget voted in January 2000.
18.	143 dated 14.12.99	Home Department 2056-Jail (Grant No. 22)	For wages of prisoners undergoing rigorous imprisonment and rehabilitation of families affected by convicted criminals in compliance with Supreme Court orders dated 24.9.98 passed in CRWJC No. 308/86.	110.98	The expenditure was such as could have been foreseen and provided for in the original budget/ 1 <sup>st</sup> supplementary budget.
19.	145,146&147 dated 17.12.99	Home Department 2056-Jail (Grant No. 22)	For payment of arrear electricity bills of Central, District and Sub-Jails.	250.00 100.00 250.00	The expenditure was such as could have been foreseen and provided for in the original budget/1 <sup>st</sup> supplementary budget.

Sl. No.	Sanction No. and date	Department and Head of Account and Grant No.	Purpose	Amount (Rs in lakh)	Remarks
20.	99 dated 30.09.99	Health, Medical, Education and Family Welfare Department 2210-Medical (Grant No. 20)	For payments of grants-in-aid	250.00	Expenditure was not such as could not have been postponed till voting of second supplementary grant.
21.	104 dated 12.10.99	Relief and Rehabilitation Department 2245-Relief on Account of Natural Calamities (Grant No. 39)	For transfer of fund to the calamity Relief Fund.	2000.00	This could have been postponed till voting of second supplementary budget.
22.	223 dated 02.03.2000	Finance Department 2054-Treasury and Accounts Administration (Grant No. 12)	For maintenance of computers installed in Headquarters and treasuries.	15.50	Being an annual charge, the provision should have been made in the original budget or as late as in the first or the second supplementary budget.
23.	170 dated 12.01.2000	Home Department 2056-Jail (Grant No. 22)	For construction/ repairs/ renewals of Courts Hazat in compliance to High Court's order dated 13.05.99 & 29.09.99.	118.45	In view of the dates of High Court's order, necessary provision could have been made in the First supplementary budget.
24.	167 dated 12.01.2000	Higher Education Department 2202-General Education (Grant No. 21)	For grants-in-aid to Vir Kuwanr Singh University, Jai Prakash Narain University and Bhupendra Narain Mandal University sanctioned by plan authorisation committee on 3.7.99.	90.00	Necessary provision could have been made in the first/ second supplementary budget.
25.	214 dated 26.02.2000	Forest and Environment Department 2406-Forestry and Wild Life (Grant No. 19)	For establishment expenditure of Balmiki Tiger Project a Centrally Sponsored Scheme(50:50).	61.32	Provision could have been made through original budget or as late as first supplementary budget.
26.	215 dated 26.02.2000	Forest and Environment Department 2406-Forestry and Wild Life (Grant No. 19)	For establishment expenditure of Balmiki Tiger Project a Centrally Sponsored Scheme(50:50).	61.31	Provision could have been made through original budget or as late as first supplementary budget.
27.	216 dated 28.02.2000	Rural Development Department 2515-Other Rural Development Programmes (Grant No. 42)	For establishment cost of eight engineering divisions transferred to Rural Development Department from Water Resource Department as per cabinet decision dated 3.11.98.	419.99	Provision could have been made through regular budget.



## APPENDIX – XVI

## Statement of unreconciled expenditure

(Refer : Paragraph 2.3.12)

Sl. No.	Departments	Units	Amount not reconciled
			(Rupees in crore)
1.	Revenue and Land Reform	102	2553.61
2.	Finance Department	22	1264.68
3.	Rural Development Department	194	1028.31
4.	Health, Medical Education and Family Welfare	161	565.35
5.	Welfare Department	325	312.22
6.	Panchayati Raj Department	03	257.24
7.	Agriculture Department	229	153.18
8.	Urban Development	81	109.99
9.	Energy Department	05	74.33
10.	Animal Husbandry	52	45.38
11.	Water Resources	05	45.15
12.	Food and Civil Supply	08	23.82
13.	Human Resources Development	77	19.42
14.	Transport Department	27	11.68
15.	Command Area Development	08	14.97
16.	Forest and Environment Department	82	6.23
17.	Co-operative Department	64	2.62
18.	Planning and Development	02	1.08
19.	Science and Technology	01	0.25
20.	Housing Department	04	0.05
21.	Stamp and Registration Department	01	0.05
	<b>Total</b>	<b>1453</b>	<b>6489.61</b>

**APPENDIX – XVII**

**Statement of Tubectomy operations conducted in Post Partum  
Centres attached to Sadar Hosital test-checked  
during 1995-2000**

**(Refer : Paragraph 3.1.5.4)**

Sl. No.	Name of PP Centre in Sadar Hosital/ Medical College Hospital	1995-96	1996-97	1997-98	1998-99	1999-2000
(Figure in Number)						
1.	Siwan	526	316	652	265	500
2.	Hazaribag	1467	1312	1635	1330	1927
3.	Motihari	608	681	417	544	1049
4.	Gaya	646	684	665	982	1885
5.	Jugsalai, Jamshedpur	84	75	83	58	2
6.	Nawada	365	273	475	313	416
7.	Sadar Hospital, Dhanbad	16	19	43	29	63
8.	DMCH, Darbhanga	1764	1971	736	872	1386
9.	Katihar	466	92	342	102	524
10.	Sasaram	216	354	315	250	335
	<b>Total</b>	<b>6158</b>	<b>5777</b>	<b>5363</b>	<b>4745</b>	<b>8087</b>



## APPENDIX – XVIII

## Details of Calamity and extent of damages/ loss

(Refer : Paragraph 3.3.1)

Year	Number of District affected	Number of villages affected	Population affected		Estimated crop loss	Loss of public property	Loss of life		Number of damaged houses	Estimated cost (Rupees in lakh)
			(in lakh)				(in number)			
			H	A	(Rs. in lakh)		H	A		
<b>Flood</b>										
1995-96	26	8233	66.29	8.15	19554.32	2183.57	291	3742	297765	7510.44
1996-97	29	6417	37.33	6.60	7169.29	1037.70	222	171	116194	1495.34
1997-98	26	7043	69.65	10.11	5737.66	2038.0*	163	151	174379	3056.67
1998-99	28	8347	134.70	30.93	36696.68	9284.04	381	187	199611	5503.70
1999-2000	24	5057	65.66	13.58	24203.86	5409.99	243	136	91813	5384.95
<b>Total</b>		<b>35097</b>	<b>373.63</b>	<b>69.37</b>	<b>93361.83</b>	<b>19953.39</b>	<b>1300</b>	<b>4387</b>	<b>879762</b>	<b>22951.10</b>
<b>Hailstorm/ Thunder/ Cyclone</b>										
1995-96	NA	NA	NA	NA	693.13	--	35	6	14062	513.84
1996-97	NA	NA	NA	NA	--	--	40	--	37211	914.04
1997-98	NA	NA	NA	NA	10633.95	--	80	73	52126	--
1998-99	NA	NA	NA	NA	63.08	--	2	--	8311	25.78
1999-2000	13	9253	19.95	NA	8717.56	--	74	2054	252757	7605.96
<b>Total</b>	<b>13</b>	<b>9253</b>	<b>19.95</b>	<b>NA</b>	<b>20107.72</b>	<b>--</b>	<b>231</b>	<b>2133</b>	<b>364467</b>	<b>9059.62</b>
<b>Fire</b>										
1995-96	32	2057	1.42	--	--	451.61	63	444	32183	982.34
1996-97	29	NA	1.10	--	--	462.63	72	480	34143	1045.64
1997-98	17	NA	0.67	--	--	268.57	36	111	20109	688.37
1998-99	10	852	0.20	--	--	264.71	31	65	5426	237.98
1999-2000	10	1010	0.20	--	--	137.83	18	30	6568	225.74
<b>Total</b>	<b>98</b>	<b>3919</b>	<b>3.59</b>	<b>--</b>	<b>--</b>	<b>1585.35</b>	<b>220</b>	<b>1130</b>	<b>98429</b>	<b>3180.07</b>

( H= Human, A= Animal)

**APPENDIX – XIX**

**Statement of misappropriations and losses**

(Refer : Paragraph 3.3.6.2)

Year	Name of districts	Name of offices	Relief items	Misappropriation / losses (Rs in crore)	Remarks
1995-96 & 1999-2000	Darbhanga	C.O. Ghanshyampur	Food articles & dhoti-sari	0.42	Stock register and vouchers in support of receipt and distribution of food articles (5726.09 quintal of wheat, 201 quintal of gram, 526.82 quintal of chura and 10,000 pieces of dhoti-sari) among flood victims were not available.
1995-2000	-do-	C.Os Ghanshyampur and Baheri	Cash doles, chana & namak	0.65	Vouchers in support of payment of cash doles, fodder and chana-namak valued at Rs 64.86 lakh were not available.
1998	East Champaran	C.O Motihari	Wheat	0.25	Misappropriation by inflating distribution of wheat to 38696 flood affected families, while number of flood affected families was 20376 only.
1998	-do-	-do-	Cash doles	0.17	Misappropriation by inflating distribution of cash doles to 37377 families while number of flood affected families was 20376 only.
1998	-do-	C.O Adapur	Wheat	0.01	Though not permissible, the Circle Officer allowed a fair price shop dealer to distribute wheat to flood victims. The fair price shop dealer misappropriated 212.50 quintals (out of 225 quintals) of wheat valued at Rs 1.14 lakh. Though the CO lodged FIR with the police (March 1999), finding of the police was not available (March 2000).
1999	-do-	S.D.O Pakridayal	Lantern and tarpauline	0.01	No account of purchase (March 1999) of 465 lanterns for Rs 0.38 lakh, 290 sheets of tarpauline for Rs 0.99 lakh, 25,000 litres of kerosene oil for Rs 0.07 lakh and carriage cost of materials for Rs 0.03 lakh was available. The SDO stated that the articles were transferred to CO, Pakridayal where these articles were not received.
1995-99	Do	District Nazarat, Motihari; SDOs Chakia, Pakaridayal and Raxaul	Cash	0.02	Rupees 2.37 lakh were transferred to Civil Surgeon, Motihari (0.50 lakh), BDO, Phenhara (0.30 lakh) and COs Chakia, Potahi, Ramgarhwa (Rs 1.57 lakh) and was not found recorded in their cash books.
	Different districts	7 D.Ms (Darbhanga, East Champaran, Jahanabad, Katihar, Muzaffarpur, Patna, Sitamarhi), 13 COs (Aurai, Bochaha, Bandra, Katra, Kanti, Motipur, Sahebganj, Sakra, Saraiya, Ghosi, Jahanabad, Karpi and Makhdumpur	Empty wheat bags	0.85	No account of empty wheat bags (707315) were maintained.



Year	Name of districts	Name of offices	Relief items	Misappropriation / losses (Rs in crore)	Remarks
1995-2000	3 districts (Jahanabad, Katihar, Muzaffarpur)	14 C.Os (Arwal, Barasi, Gaighat, Kurtha, Kadwa, Kurhni, Makhdumpur, Minapur, Mushahri, Maraul, Phalka, Paru, Saraiya, Sahebganj) 7 BDOs (Amedabad, Dandkhora, Ghosi, Karpi, Makhdumpur, Mansahi, Ratniphariapur) 3 SDOs (Katihar, Muzaffarpur, Manihari)	Cash wheat	4.41 6.31	Accounts of relief assistance for Rs 4.41 crore in cash and for Rs 6.31 crore in kind (92.556 quintal of wheat) were not available.
1997	Gaya	District Supply Officer, Gaya	Food articles	0.03	On verbal orders of District Magistrate, Gaya, District Supply Officer, Gaya purchased in August 1997 food articles valued at Rs 5.64 lakh for air dropping to flood affected people. Of this, there was no account of air-dropping of food articles valued at Rs 2.67 lakh.
1998	-do-	Marketing officer Tekari, Supply Officers, Sherghati & Gaya Sadar	Food articles	0.03	On verbal orders of the District Magistrate the officers purchased during August 1997 food articles (chura, chana, sattu) valued at Rs 3.31 lakh. The payments to the supplier was made without stock entry of food article. Receipt and distribution thereof were not verifiable.
1995-99	Katihar	6 COs (Ajamnagar, Amedabad, Balrampur, Barsoi, Katihar, Manihari) & BDO Sameli	Wheat / Gram	0.80	Receipt of 14518.84 quintal of wheat and 293.60 quintal of gram valued at Rs 80.41 lakh not taken in accounts.
1999	-do-	3 COs (Barsoi, Kadwa, Pranpur)	Wheat	0.11	The Circle Officer did not return unutilised wheat (1443.20 quintal) valued at Rs 11.42 lakh to SFC in time. The SFC did not lift back the same as it was not fit for human consumption.
1995-98	Muzaffarpur	D.M Muzaffarpur	Chana, atta, dhoti and sari	0.04	Misappropriation by fictitious issue of 215 quintal of chana, 90 quintal of atta, 300 dhotis, 300 sarees purchased during September 1995 to September 1998 valued at Rs 3.80 lakh to 5 Circle Officers (Aurai, Bochaha, Katra, Kanti, Sankra).
1995-97	-do-	-do-	Cash	0.01	Seventeen supporting vouchers for payment of Rs 1.41 lakh made to various agencies during July 1995 to March 1997 were not available.
1998	-do-	-do-	Chana chura, salt	0.04	Purchase of 140 quintal of chana, 85.41 quintal of chura and 210 quintal of salt during July and September 1998 from 2 suppliers were not entered in stock register and was misappropriated.
1997-98	Patna	D.M Patna	Chura, chana, gur	0.26	Purchased food articles (chura: 2256.47 quintal; chana: 244.35 quintal) without assessing requirement, inviting quotations and approval of rates by District Purchase Committee. Food articles purchased were not stock entered and 38 bill of supplies were admitted for payment without stock entry certificate on the bills. Receipt and utilisation of food articles were not verifiable.

Year	Name of districts	Name of offices	Relief items	Misappropriation / losses (Rs in crore)	Remarks
1995-97	Sitamarhi	5 COs (Belsand, Nanpur, Parihar, Riga, Runisaidpur)	Wheat	1.40	Stock register and vouchers in support of receipt and distribution of wheat were not available.
1998	-do-	10 C.Os (Bairgania, Bajpatti, Belsund, Bathnaha, Dumra, Nanpur, Pupri, Parihar, Riga, Runisaidpur) 5 BDOs (Bathnaha, Majorganj, Parsauni, Sursand, Suppi.)	Cash doles	1.58	Misappropriation by inflating distribution of cash doles to 3,14,085 families, while number of flood affected families during 1998 was 2,41,165 (as furnished by Additional Collector Relief, Sitamarhi) only. It was noticed in test check that Rs 25.49 lakh were spent on flood relief to 12,744 families by BDO, Suppi, although there was no flood in the area Circle Officer, Sonbarsa did not furnish accounts records for expenditure of Rs 83.19 lakh on flood relief.
1998	-do-	CO Runisaid pur	Wheat	0.01	Only 11,100 quintals of wheat were shown received in stock register, while 11,300 quintals of wheat were lifted for distribution.
1998	-do-	10 COs (Bergania, Bajpatti, Belsund, Dumra, Nanpur, Parihar, Pupri, Riga, Runni Saidpur, Sonbersa) 5 BDOs (Bathnaha, Majorganj, Parsauni, Sursand, Suppi)	Wheat	1.52	Misappropriation by inflating distribution of wheat to 3,54,103 families, while number of flood affected families was 2,41,165 (as furnished by Additional Collector, Relief, Sitamarhi) only. It was noticed in test check that 5090.25 quintal of wheat was distributed to 15,441 families by BDO, Suppi, while there was no flood affected family in the area.
1998	-do-	13 COs (Bajpatti, Bathnaha, Bairganiha, Belsund, Dumra, Majorganj, Nanpur, Parihar, Runnisaidpur, Sonebarsa, Sursand, Pupri, Riga) 3 BDOs (Parsauni, Sursand, pupri)	Polythene	0.18	The distribution of polythene sheets was doubtful as there was no account of distribution of polythene sheets in the district during flood of 1998. Further, as per report of District Magistrate 19,835 metre (198.35 quintal) of polythene was distributed, while as per report of the Government 9,000 metres of polythene sheets were distributed during flood of 1998.
1995-2000	-do-	7 COs (Bathnaha, Bajpatti, Nanpur, Pupri, Parihar, Riga, Runnishaidpur) BDO, Parsauni	Wheat	0.09	Wheat valued at Rs 9.40 lakh was misappropriated by fair price shop dealers and field staff.
<b>Total</b>				<b>19.20</b>	



**APPENDIX – XX**  
**Statement of Misutilisation/ Diversion of Relief Fund**  
**(Refer : Paragraph 3.3.6.3)**

District	Officers	Misutilisation /diversion of relief fund for	Amount (Rupees in lakh)
Patna	District Magistrate	Air ticket from Patna to Delhi to Union Minister of State for Coal and Mines (Kanti Singh) and for her family members on 28 December 1996.	0.56
		Payment to a rape victim of Khalilpura village, Danapur on the announcement of the Chief Minister on 30 August 1997	0.50
		Repair and running expenses of vehicle	76.61
		Office expenses	79.10
		Payment of relief to families of 6 persons who died (August 1996) after taking spurious liquor	3.14
	Sub-divisional Officers, Danapur	Unadmitted vouchers	22.92
		Ex-gratia payment to 63 families who died in boat accident (29 Oct. 1995 at Danapur) which occurred due to overloading and fault /negligence of boatmen and passengers	64.15
		Other items not connected with relief works	4.15
	Circle Officers, Punpun, Pandarak	Unadmitted vouchers	6.15
	Patna Secretariat Treasury	Energy Department	Funds were provided by the Relief and Rehabilitation department to the Energy department for purchase of transformer
Gaya	District Magistrate	Repair of Community Development and Primary School Building for Lok Sabha Election	1.00
		Drilling of hand pump	2.84
Jehanabad	District Magistrate	Miscellaneous and office expenses	8.13

District	Officers	Misutilisation /diversion of relief fund for	Amount (Rupees in lakh)
East Champaran	District Magistrate	Repair of Mahmaddpur Bhandar Sadbhavna Path	2.00
	Sub divisional Officer Sadar, Circle Officer, Adapur, Areraj, Chourodano, Dhaka, Keshria, Motihari, Patahi, Paharpur, Pakridayal, Raxaul, Turkauliya, Sugauli Block Development Officer, Sangrampur, Banjaria	Miscellaneous and office expenses	7.22
	Sub-divisional Officers Motihari (Sadar) Sikrahna	Unadmitted vouchers	10.15
	Chiraiya Circle Officers, Ghorasahan, Kesariya, Madhuban, Paharpur, Pakridayal, Raxaul, Turkoliya	Unadmitted vouchers	5.88
	Sub-divisional Officer Muzaffarpur (Sadar)	Unadmitted vouchers	5.33
Muzaffarpur	Circle Officers (Katra, Sahebganj)	Unadmitted vouchers	5.55
	District Magistrate	Miscellaneous and office expenses	0.80
	Circle Officers Ajamnagar, Barsoi, Balrampur, Phalka	Unadmitted vouchers	24.93
Katihar	Circle Officers Bajpatti, Belsund, Dumra, Nanpur, Pupri, Riga, Sursand	Unadmitted vouchers	27.08
Darbhanga	2 COs 3 BDOs	Miscellaneous and office expenses	29.95



District	Officers	Misutilisation /diversion of relief fund for	Amount (Rupees in lakh)
East Champan Muzaffarpur Sitamarhi Bhojpur, Gopalganj, Saran and Samastipur	Health and Family Welfare Department	Funds were provided by the Relief and Rehabilitation Department to Executive Engineer, Engineering Cell State Family Welfare Bureau, Patna for restoration and repair of damages of Post Partum buildings (6), Rural Family welfare centres (8), Referral Hospitals (4), Primary Health Centres (1) and Health sub Centre building (8) due to flood of 1996 and rain. It was noticed that those buildings were not damaged by flood.	38.86
<b>Total</b>			<b>627.00</b>

APPENDIX – XXI

Statement of substandard work  
(Refer: Paragraph 3.22.(ii) 9(b))

District	M.P.	Implementing Agency	Year	Work details	Estimates	Expenditure	Remarks
					(Rupees in lakh)		
Patna	Dr. C.P. Thakur	BDO, Patna Sadar	1998-99	Construction of PCC road from Chitragupta-nagar More to house of Ranjeet Bahadur Singh.	13.24	13.24 (11/99)	53 per cent grade II and 41 per cent grade III stone metals utilised against quantity required for stone metal consolidation work executed. There was no evidence of use of road roller for compaction. Utilisation of stone chips in PCC work was 85 per cent. Besides, only Brick on edge soling (3 to 13 feet) was executed on road shoulders against technical sanction for two layers of 3 feet wide brick soling work. This lessened the desired strength of road shoulder.
	Nitish Kumar	BDO Fatuha	1997-98	Construction of RCC Bridge on Dhaba river near Lasgarichak	5.00	4.97 (3/99)	Wide variation in consumption of cement, stone chips, sand and MS rod in comparison to estimate. 905 bags of cement utilised by executing agency against 1195 bags required for quantity of work executed..
	- do -	BDO, Ghoswari	1997-98	Construction of RCC cause way over river Mohane in village Trimuhane	6.35	5.49 (12/98)	PCC foundation was less than the thickness prescribed in estimate. In RCC Brick works & humepipe laying substandard material utilised.
	- do -	- do -	1997-98	-do- between village Kadra & Mokama	8.74	8.71 (12/99)	DDC's instructions (3/2000) for rectification at the expense of executing agent not complied by BDO, JE & AE as of July 2000.
	S.R. Kesri	BDO, Danapur	1997-98	Construction of Community Hall at Raghapur (Sherpur Harizan tola)	4.00	3.99 (4/2000)	425 bags cement & 2882 Kg steel utilised against 479 bags cement & 2987 Kg steel required to accomplish the works done & measured. Payment made without quality checks.



District	M.P.	Implementing Agency	Year	Work details	Estimates	Expenditure	Remarks
					(Rupees in lakh)		
Patna	Nitish Kumar	BDO, Fatuha	1998-99	Construction of two room of state dispensary at Fatuha	2.80	2.80 (5/99)	Flooring, plastering, door and window work started to disintegrate after completion. Sub-standard execution confirmed by check by independent EE. Rectification not done (July 2000).
Muzaffarpur	R. Pd. Singh, MP Vaishali	Road Division RCD-I, Muzaffarpur	1997-98	Strengthening of Saraiya Motipur road Km 0 to 15 (15 split up estimates)	42.19	42.19	Quality of works was sub standard due to use of sub-standard materials, lack of adequate compaction and black tapping was not done as per specification, as was confirmed during inspection (May 1998) by Supdt. Engg. REO (W), Muzaffarpur. No remedial work done. No responsibility fixed.
	- do-	REO(W) Division Muzaffarpur	1997-98	Strengthening of Saraiya Motipur road Km 16 to 27.4 (10 split up estimates)	21.55	21.55	
	-do-	Road Division RCD-I, Muzaffarpur	1997-98	Strengthening of Marwan - Kanti Road Km 7 to 11 (5 split up estimates)	11.45	11.45	
	-do-	REO (W) Division, Muzaffarpur	1997-98	Strengthening of Marwan - Kanti Road Km 3 to 6 and Km 12 to 14 (4 split up estimates)	17.65	17.34	
Nalanda	G. Singh (MP, RS)	BDO Parwalpur	1997-98	Construction of hard surface road in Aluma to Yogiya village	3.19	3.03	Six hume pipes of 1' die were not provided for clearance of water flow as per requirement in the estimate.
Ranchi	Ram Tahal Choudhary	EE, NREP, Ranchi	1998-99	Construction of work behind Kusum Vihar, Morabadi from H/o G.S. Dixit to the H/o Shri BBP Singh	0.54	0.51	The MP complained to the Deputy Commissioner Ranchi that the work was sub-standard and asked him to initiate an enquiry. The result of enquiry was not reported till July 2000.
<b>Total</b>					<b>136.70</b>	<b>135.27</b>	

**APPENDIX – XXII**

**Statement of irregular payment of TA bills**

**(Refer: Paragraph 3.27)**

Name	During the period	Tour performed by		Total	Number of days outside State	Average journey per day	Payment		
		Road	Rail				Road mileage	Incidental charges	DA
		(In km)							
							(In Rupees)		
S/Shri									
Chandi Prasad	1996-2000	69813	131905	201718	217	930	312029	53092	37300
Neelamber Choudhary	1996-2000	74380	120777	195157	231	845	339156	48329	40250
Bhola Prasad Singh	1998-2000	24040	26353	50393	67	752	102295	20453	15800
Badri Nr. Lal	1994-2000	101834	131559	233393	196	1191	452088	50479	29400
Mahachandra Pd. Singh	1994-2000	108450	169526	277976	286	972	445479	64060	47550
Sharda Pd. Singh	1994-2000	106328	145989	252317	307	822	443410	55430	51700
Smt. Laxmi Devi	1994-99	83782	119989	203771	214	952	342180	40261	32950
Sarfaraz Ahmad	1996-2000	60865	109283	170148	175	972	276325	43443	31500
Gulam Gaus	1998-2000	27024	59181	86205	98	880	135120	26345	19600
Diwakar Pd. Singh	1994-2000	85033	146933	231966	209	1110	340772	53633	36500
Yashoda Nand Singh	1996-2000	69846	115703	185549	190	977	317053	47813	33550
Ganga Prasad	1994-2000	91788	153221	245009	262	935	423352	57084	43100
Bhooth Nath Soren	1996-2000	55548	113192	168740	149	1132	243200	49499	25850
Awadhesh Nr. Singh	1994-2000	121868	183426	305294	335	911	530404	70058	56050
Arun Kumar	1994-2000	71722	120161	191883	213	901	314650	47055	31950
Vijay Shankar Mishra	1994-99	82336	104481	186817	210	890	313176	34781	29650
Puneshwar Mandal	1996-2000	69504	145664	215168	217	992	311130	60157	39550
Rajendra Nath Sahdeo	1996-2000	63814	122575	186389	204	914	286765	49969	32950
<b>Total</b>		<b>1367975</b>	<b>2219918</b>	<b>3587893</b>	<b>3780</b>		<b>5928584</b>	<b>871941</b>	<b>635200</b>



## APPENDIX – XXIII

Statement of Misuse/ Misappropriation/ Loss of RTC during  
1994-2000

(Refer: Paragraph 3.28)

Sl. No.	Name of MLC with period	Value of Railway Travel Coupon received by MLC			Value of Railway Travel Coupon used by MLC			Balance with MLC		
		Self	Co-traveller	Total	Self	Co-traveller	Total	Self	Co-traveller	Total
(Rupees in lakh)										
1.	Awadhesh Nr. Singh, 1994-95 to 1999-2000	5.12	5.11	10.23	1.53	Nil	1.53	3.59	5.11	8.70
2.	Nilamber Choudhary 1996-97 to 1999-2000	3.11	3.11	6.22	1.06	Nil	1.06	2.05	3.11	5.16
3.	Bhutnath Soren 1996-97 to 1999-2000	3.08	2.99	6.07	1.08	Nil	1.08	2.00	2.99	4.99
4.	Yashoda Nand Singh 1996-97 to 1999-2000	3.45	3.45	6.90	1.05	Nil	1.05	2.40	3.45	5.85
5.	Sarfaraz Ahmad 1996-97 to 1999-2000	3.37	3.37	6.74	0.94	Nil	0.94	2.43	3.37	5.80
6.	Gulam Gaus 1998-99 to 1999-2000	1.83	1.83	3.66	0.63	Nil	0.63	1.20	1.83	3.03
7.	Chandi Prasad 1996-97 to 1999-2000	3.42	3.42	6.84	1.14	Nil	1.14	2.28	3.42	5.70
8.	Vijay Shankar Mishra 1994-95 to 1998-99	3.48	3.48	6.96	0.73	Nil	0.73	2.75	3.48	6.23
9.	Dr. Sharda Pd. Singh 1994-95 to 1999-2000	4.56	4.56	9.12	1.25	Nil	1.25	3.31	4.56	7.87
10.	Diwakar Pd. Singh 1994-95 to 1999-2000	2.31	2.31	4.62	1.23	Nil	1.23	1.08	2.31	3.39
11.	Rajendra Nath Sahdeo 1996-97 to 1999-2000	3.45	3.45	6.90	1.16	Nil	1.16	2.29	3.45	5.74
12.	Smt. Laxmi Devi 1994-95 to 1998-99	3.10	3.10	6.20	0.92	Nil	0.92	2.18	3.10	5.28
13.	Bhola Pd. Singh 1994-95 to 1998-99	1.35	1.35	2.70	0.49	Nil	0.49	0.86	1.35	2.21
14.	Maha Chandra Pd. Singh 1994-95 to 1999-2000	2.79	2.81	5.60	1.38	Nil	1.38	1.41	2.81	4.22
15.	Badri Narain Lal 1994-95 to 1999-2000	4.70	4.69	9.39	1.19	Nil	1.19	3.51	4.69	8.20
16.	Puneshwar Mandal 1996-97 to 1999-2000	3.39	3.38	6.77	1.23	Nil	1.23	2.16	3.38	5.54
17.	Ganga Prasad 1994-95 to 1999-2000	4.95	4.94	9.89	1.23	Nil	1.23	3.72	4.94	8.66
18.	Arun Kumar 1994-95 to 1999-2000	3.48	3.46	6.94	1.25	Nil	1.25	2.23	3.46	5.69
	<b>Total</b>	<b>60.94</b>	<b>60.81</b>	<b>121.75</b>	<b>19.49</b>		<b>19.49</b>	<b>41.45</b>	<b>60.81</b>	<b>102.26</b>

### APPENDIX-XXIV

#### Statement of MLCs who were at Patna as per RTC Register/under medical treatment at Patna/ Delhi and were on Tour as per TA bills (Refer : Paragraph 3.30)

##### (A) As per TA bills

Sl. No.	Name of the MLC	Presence of MLC as per TA bills					Value of RTC taken by MLCs during tour as in column 3
		Place	Date of receipt of coupons	On tour (from and to)	TA bill No./ date	Amount of the bill	
1	2	3	4	5	6	7	8
							(In Rupees)
1.	Vijay Shankar Mishra	Katra Ujjain	15.6.94 and 23.6.94	2.6.94 to 24.6.94	327/16.8.94	39120.50	2000
2.	-do-	Agra	2.9.94	16.8.94 to 5.9.94	402/24.9.94	29398	1000
3.	-do-	Betia and Muzaffarpur	3.10.96, 5.10.96, 8.10.96, 7.10.96 and 10.10.96	3.10.96 to 12.10.96	658/25.1.97	16112	5000
4.	-do-	Assam and Patna Jn.	1.11.96, 2.11.96	1.11.96 to 25.11.96	717/21.2.97	14917.50	5000
5.	-do-	Haridwar and Bhopal	1.1.97, 2.1.97	28.12.96 to 14.1.97	689/11.2.97	32493.50	2000
6.	-do-	Buxar and Sasaram	4.4.97, 8.4.97	31.3.97 to 9.4.97	142/23.6.97	15252	5000
7.	-do-	Phathankot	24.6.97	14.6.97 to 29.6.97	231/4.8.97	31491.50	1000
8.	-do-	Katra, New Delhi	13.6.98, 23.6.98	8.6.98 to 24.6.98	190/18.7.98	40048.50	3000
9.	Smt. Lakshmi Devi	Daltonganj and Jamshedpur	2.8.96, 8.8.96	1.8.96 to 10.8.96	451/30.10.96	15288	2000
10.	-do-	Munger	9.10.96, 10.10.96	7.10.96 to 16.10.96	Nil/29.5.97	26396	2000
11.	-do-	Chandigarh	15.4.97	5.4.97 to 19.4.97	196/8.7.97	21871	1000
12.	-do-	New Delhi	21.4.97	20.4.97 to 12.5.97	75/29.5.97	35716	1000
13.	-do-	Jhoshimath, Rajasthan and Ujjain	17.6.97, 8.6.94, 23.6.97	2.6.94 to 27.6.94	322/12.8.94	38417	3000
14.	-do-	Hazaribag, Biharsharif	4.1.95, 6.1.95	28.12.94 to 8.1.95	827/25.3.95	22712	2000
15.	-do-	Giridih	26.11.94	21.11.94 to 30.11.94	628/16.12.94	17916	1000
16.	-do-	Sitamarhi, Saharsa	26.10.94, 29.10.94	20.10.94 to 31.10.94	627/16.12.94	22372	2000
17.	-do-	Bokaro	18.5.95	14.5.95 to 20.5.95	233/4.6.95	9608	1000
18.	Shri Ganga Prasad	Delhi	27.11.96	26.11.96 to 14.12.96	738/28.2.97	34980	3000
19.	Do-	Saharsa	30.5.97	23.5.97 to 31.5.97	213/16.7.97	17920	1000
20.	Shri Sharda Pd. Singh	Bhabhua	11.11.94	10.11.94 to 15.11.94	614/13.12.94	6130.50	1000
21.	-do-	Trupati	21.11.97	8.11.97 to 22.11.97	10/15.4.98	16009	3000
22.	Shri Awadhesh Nr. Singh	Nalanda	12.3.97	11.3.97 to 20.3.97	97/5.6.97	16616	1000
23.	-do-	Orissa	4.9.98	3.9.98 to 14.9.98	457/16.11.98	60122	3000
	<b>Total</b>					<b>580907</b>	<b>51000</b>

##### (B) As per medical treatment

Sl.No.	Name of the members	Date/ Place of medical treatment	Period of Journey	Bill No/date	Amount
1.	Shri Mahachandra Pd. Singh	5.11.96 and 14.11.96 Patna	2.11.96 to 16.11.96	805/14.3.97	24630
2.	Smt. Lakshmi Devi	14.5.97 Patna	13.5.97 to 21.5.97	76/29.5.97	14376
3.	Shri Sharda pd. Singh	6.4.98 Delhi	3.4.98 to 12.4.98	15/6.7.98	13580
4.	Shri Ganga Prasad	26.11.96 to 30.11.96 Patna	26.11.96 to 14.12.96	738/28.2.97	31490
	<b>Total</b>				<b>84076</b>
	<b>Grand Total (A+B)</b>				<b>664983</b>



## APPENDIX-XXV

Statement of motorcar advance which remained unrecovered/  
recovery was uncertain from MLCs

(Refer: Paragraph 3.31)

## A. Advance remained unrecovered

Sl. No.	Name	Sanctioned Amount	Start of recovery	End of recovery	Expiry of membership	Recovered advance	Unrecovered advance
		(Rs in lakh)	(Month)		(Date)	(In Rupees)	
1.	Chatrapati Sahi Munda	1.30	12/93	4/94	6.5.94	12500	124677
2.	Kamal Nath Singh Thakur	1.30	12/93	4/96	6.5.96	72500	64677
3.	Smt. Padmasha Jha	1.30	12/93	12/95	29.12.95	62500	74677
4.	Parneshwar	1.30	12/93	7/95	25.10.95	57500	79677
5.	Hulash Chandra Lahoti	1.30	12/93	--	25.6.95	80000	57177
6.	Laliteshwar Jha	1.30	12/93	4/94	6.5.94	12500	124677
7.	Smt. Stenshila Hembram	1.30	12/93	4/94	6.5.94	12500	124677
8.	Prakash Chandra	1.30	12/93	10/97	29.9.97	117500	19677
9.	Surendra Pd. Yadav	1.30	12/93	3/98	31.3.98	130757	6420
10.	Bibhuti Kavi	1.30	12/93	4/94	6.5.94	12500	124677
11.	Ram Deni Ram	1.30	12/93	4/96	6.5.96	72500	64677
12.	Jaimangal Singh	1.30	12/93	4/96	6.5.96	62500	64677
13.	Abdul Mannan	1.30	12/93	12/95	29.12.95	72500	74677
14.	Rudra Pratap Sarangi	1.30	12/93	4/96	6.5.96	72500	64677
15.	Ram Pyare Lal	1.30	12/93	4/96	6.5.96	35000	64677
16.	Abdul Bari Siddqui	1.30	12/93	1/95	5.4.95	72500	102177
17.	Kishori Sharan Karamsheel	1.30	12/93	4/96	6.5.96	72500	64677
18.	Parmanand Singh Madan	1.30	12/93	4/96	6.5.96	72500	64677
19.	Fida Hussain Ansari	1.30	12/93	4/94	6.5.94	12500	124677
20.	Devan Soren	1.30	12/93	4/96	6.5.96	72500	64677
21.	Ganesh Shankar Vidyarthi	1.30	12/93	4/96	6.5.96	72500	64677
22.	Madhav Sinha	1.30	1/94	12/95	29.12.95	60000	77177
23.	Md. Wali Rahmani	1.30	1/94	3/96	6.5.96	67500	69677
24.	Gyan Ranjan	1.30	9/94	7/96	29.12.95	51000	86177
	<b>Total</b>	<b>31.20</b>				<b>1439257</b>	<b>1852991</b>

## B. Recovery of advance was uncertain

Sl. No.	Name	Sanctioned Amount	Recovery rate	Start of recovery	Last recovery	Expiry of membership	Likely recovery during tenure of MLC	Amount to remain outstanding even after the expiry of membership + Interest
		(Rs in lakh)	(In Rupees)	(Month)		(Date)	(Rs in lakh)	
1.	Nilamber Choudhary	3.00	6000	11/98	4/2002	6.5.2002	2.52	0.48
2.	Tanveer Hassan	3.00	6000	2/99	4/2002	6.5.2002	2.34	0.66
3.	Smt. Indu Devi	3.00	6000	4/99	4/2000	6.5.2000	0.78	2.22
4.	Shankar Dayal Singh	3.00	6000	9/99	4/2002	6.5.2002	1.92	1.08
5.	Sarfaraj Ahmad	3.00	6000	10/99	4/2002	6.5.2002	1.86	1.14
6.	Bhooth Nath Soren	1.88	6000	1/2000	4/2002	6.5.2002	1.68	0.20
7.	Rajendra Nath Sahdeo	3.00	6000	1/2000	4/2002	6.5.2002	1.68	1.32
8.	Puneshwar Mandal	3.00	8000	2/2000	4/2002	6.5.2002	2.16	0.84
9.	Harishankar Pandit	2.00	7000	4/2000	4/2002	6.5.2002	1.75	0.25
10.	Ramdeo Sahu	2.70	6000	11/2000	6/2004	21.7.2004	2.64	0.06
	<b>Total</b>	<b>27.58</b>					<b>19.33</b>	<b>8.25</b>



## APPENDIX-XXVI

### Statement of RTCs received by Members of Bihar Vidhan Sabha during 1995-2000

(Refer : Paragraph 3.32)

Sl.No.	Assembly Segment No. and name	Name of the Member	Total value of RTC received	Incidental claim as per TA bills	RTC utilised	Value of RTC misused/misappropriated
1.	2	3	4	5	6	7
		S/Shri	(In Rupees)			
1.	1 Dhamaha	Vishnu Pd. Kushwaha	266000	8494	16988	249012
2.	2 Bagaha	Purnmashi Ram	315000	12324	24584	290416
3.	3 Ram Nagar	Ram Pd. Yadav	113000	6231	12462	100538
4.	5 Sikta	Dilip Kr. Verma	1064000	17825	35650	1028350
5.	6 Lauria	Ranvijay Shahi	248000	--	--	248000
6.	7 Chanpatia	Birbal Sharma	336500	8903	17806	318694
7.	8 Betia	Birbal Yadav	545500	16186	32372	513128
8.	10 Raxaul	Raj Nandan Rai	264500	14168	28336	236164
9.	11 Sugauli	Chandra Shekhar Dwivedi	298500	8533	17066	281434
10.	12 Motihari	Triveni Tiwary	204000	12292	24584	179416
11.	14 Dhaka	Awnish Kr. Singh	415500	8391	16782	398718
12.	18 Kesharia	Yamuna Yadav	206000	12642	25284	180716
13.	19 Harsidhi	Awdhesh Pd. Kushwaha	352000	13274	26548	325452
14.	21 Kateya	Singeshwar Sahi	255000	15818	31636	223364
15.	22 Bhore	Indradeo Manjhi	695500	9349	18698	676802
16.	23 Mirganj	Viswanath Singh	411000	12193	24386	386614
17.	24 Gopalganj	Ramavtar	353500	19155	38310	315190
18.	25 Barauli	Md. Nematullah	526500	10922	21844	504656
19.	26 Baikunthpur	Deodutt Pd.	484000	6247	12494	471506
20.	27 Basantpur	Manikchand Rai	695500	12750	25500	670000
21.	28 Goriakothi	Indradeo Pd.	116500	5617	11234	105266
22.	30 Mairwa	Satyadeo Ram	293500	29468	58936	234564
23.	31 Darauli	Amarnath Yadav	182000	4230	8460	173540
24.	35 Manjhi	Budhan Pd. Yadav	603000	17031	34062	568938
25.	36 Baniapur	Ram Bahadur Rai	188000	11027	22054	165946
26.	37 Masarakh	Tarkeshwar Singh	47000	5205	10410	36590
27.	39 Marhaura	Yadu Bansh Rai	530500	14034	28068	502432
28.	40 Jalalpur	Abhay Raj Kishore	775000	18414	36828	738172
29.	43 Parsa	Chandrika Rai	268000	11101	22202	245798
30.	44 Sonepur	Raj Kumar Rai	516500	15396	30792	485708
31.	46 Raghapur	Rajgir Choudhary	16000	3299	6598	9402
32.	49 Patepur	Mahendra Baitha	537000	23463	46926	490074
33.	50 Mahua	Munshilal Paswan	227000	11467	22934	204066
34.	51 Lalganj	Yogendra Pd. Shahu	492000	14011	28022	463978
35.	52 Vaishali	Raj Kishore Sinha	295000	9512	19024	275976
36.	53 Paru	Mithilesh Pd. Yadav	207500	15581	31162	176338
37.	55 Baruraj	Shashi Kr. Rai	186000	7377	14754	171246
38.	56 Kanti	Mufti Md. Kasim	433000	6744	13488	419512
39.	59 Muzaffarpur	Vijendra Choudhary	741000	17162	34324	706676
40.	61 Gaighat	Maheshwari Pd. Yadav	308000	16650	33300	274700
41.	62 Aurai	Ganesh Pd. Yadav	358500	4529	9058	349442
42.	63 Minapur	Hind Keshri Yadav	470000	11082	22164	447836
43.	64 Runisaidpur	Bhola Rai	226000	14166	28332	197668
44.	66 Sheohar	Thakur Ratnakar	80000	19162	38324	41676
45.	67 Sitamarhi	Harishankar Pd.	900000	16063	32126	867874
46.	69 Majorganj	Surendra Ram	131000	14489	28978	102022
47.	70 Sonebarsa	Ramjivan Pd.	237000	14697	29394	207606
48.	71 Sursand	Nagendra Pd. Yadav	398500	9657	19314	379186
49.	72 Pupri	Sita Ram Yadav	294500	4529	9058	285442
50.	73 Benipatti	Saligram Yadav	174500	8406	16812	157688
51.	74 Bisfi	Ram Chandra Yadav	335000	18322	36644	298356
52.	79 Pandaul	Nayer Azam	459500	16438	32876	426624



Sl.No.	Assembly Segment No. and name	Name of the Member	Total value of RTC received	Incidental claim as per TA bills	RTC utilised	Value of RTC misused/misappropriated
1.	2	3	4	5	6	7
		S/Shri	(In Rupees)			
53.	81 Phulparas	Deo Nath Yadav	149000	14551	29102	119898
54.	82 Laukaha	Lal Bihari Yadav	287500	10293	20586	266914
55.	84 Manigachi	Lalit Kr. Yadav	571000	14551	29102	541898
56.	87 Baheri	Ram Lakhan Yadav	279000	12655	25310	253690
57.	88 Darbhanga (Rural)	Mohan Ram	506500	18659	37318	469182
58.	89 Darbhanga (Town)	Shivnath Verma	248000	18097	36194	211806
59.	90 Kewati	Gulam Sarwar	57000	5066	10132	46868
60.	91 Jhale	Md. Abdus Salam	280000	11255	22450	257550
61.	92 Hayaghat	Hari Nandan Yadav	418000	9226	18452	399548
62.	94 Warisnagar	Bhikar Baita	345000	12858	25716	319284
63.	95 Samastipur	Ashok Singh	316500	11144	22288	294212
64.	99 Bibhutipur	Ramdeo Verma	726000	11589	23178	702822
65.	101 Singhia	Jagdish Paswan	314500	13088	26176	288324
66.	102 Hasanpur	Sunil Kr. Pushpam	645000	15515	31030	613970
67.	104 Motihari	Rajendra Rajan	529500	13674	27348	502152
68.	105 Begusarai	Rajendra Pd. Singh	798000	16545	33090	764910
69.	106 Barauni	Rajendra Pd. Singh	231500	13949	27898	203602
70.	107 Bachhwara	Awadesh Kr. Rai	283500	12782	25564	257936
71.	108 Cheria Bariyarpur	Ramjivan Singh	85000	8366	16732	68268
72.	110 Raghapur	Lakhan Thakur	379000	13961	27922	351078
73.	111 Kishanpur	Vijay Kr. Gupta	920000	2432	4864	915136
74.	112 Supaul	Bijendra Pd. Yadav	148000	6866	13732	134268
75.	113 Triveniganj	Viswa Mohan Kumar	924000	15100	30200	893800
76.	114 Chhatapur	Viswa Mohan Bharti	386000	12734	25467	360532
77.	115 Kumarkhand	Upendra Nr. Hazara	840500	12304	24608	815892
78.	116 Singheshwar	Bam Bhola Yadav	488000	18895	37790	450210
79.	118 Mahisi	Abdul Gafur	483000	17398	34796	448204
80.	119 Simri Bakhtiyarpur	Ch.M. Ali Kaisher	539000	14527	29054	509946
81.	120 Madhepura	Permeshwari Pd. Nirala	479500	21222	42444	437056
82.	121 Sonebarsa	Ashok Kr. Singh	298500	9139	18278	280222
83.	123 Alamnagar	Narendra Nr. Yadav	455000	12795	25590	429410
84.	124 Rupauli	Bal Krishna Mandal	647000	14625	29250	617750
85.	125 Dhamdaha	Dilip Kr. Yadav	625500	16614	33228	592272
86.	126 Banmankhi	Chunnilal Rajbanshi	508500	13731	27462	481038
87.	128 Narpatganj	Dayanand Yadav	707000	8511	17022	689978
88.	129 Farbesganj	Mayanand Thakur	780500	14889	29778	750722
89.	130 Araria	Vijay Kr. Mandal	516500	9370	18740	497760
90.	131 Sikti	Rameshwar Yadav	787000	11097	22194	764806
91.	133 Bahadurganj	Awadh Bihari Singh	813500	21525	43050	770450
92.	134 Thakurganj	Sikandar Singh	1233000	11084	22168	1210832
93.	135 Kishanganj	Rafique Alam	794500	13171	26342	768158
94.	136 Amour	Saba Zafar	465000	9581	19162	445838
95.	137 Bayasi	Sayed Moinuddin	586500	10801	21602	564898
96.	138 Kasba	Pradeep Kr. Das	527500	7626	15252	512248
97.	139 Purnea	Ajit Sarkar	503000	3030	6060	496640
98.	139 Purnea	Smt. Madhavi Sarkar				
99.	143 Kadva	Bhola Rai	807000	22547	45094	761906
100.	144 Warsoi	Dulal Chandra Goswami	913500	18304	36608	876892
101.	146 Manihari	Mubarak Hussain	874000	11636	23272	850728
102.	147 Rajmahal	Dhrub Bhagat	683500	10144	20288	663212
103.	148 Boriyo	Lobin Hembram	268500	9124	18428	250072
104.	149 Barhate	Hemlal Murmu	668000	11109	22218	645782
105.	150 Littipara	Smt. Shushila Hansda	575000	12490	24980	550020
106.	151 Pakur	Beni Pd. Gupta	843000	13881	27762	815238
107.	152 Mahesphur	Jyoti Soren	460000	9052	18104	441896
108.	153 Sikaripara	Nalin Soren	363500	17644	35288	328212
109.	154 Nala	Bisheshwar Khan	272000	16095	32190	239810
110.	155 Jamtara	Furkan Ansari	1010500	13316	26632	983868
111.	156 Sarath	Udai Shankar Singh	874000	21954	43908	830092



Sl.No.	Assembly Segment No. and name	Name of the Member	Total value of RTC received	Incidental claim as per TA bills	RTC utilised	Value of RTC misused/ misappropriated
1.	2	3	4	5	6	7
		S/Shri	(In Rupees)			
112.	157 Madhupur	Hussain Ansari	928500	11507	23014	905486
113.	158 Deoghar	Suresh Paswan	908500	3904	7808	900692
114.	159 Jarmundi	Devendra Kunwar	509500	11229	22458	487042
115.	160 Dumka	Stefen Marandi	501000	11209	22418	478582
116.	161 Jama	Durga Soren	303000	7138	14276	288724
117.	163 Godda	Rajnish Anand	926000	7477	14954	911046
118.	164Mahagama	Awadh Bihari Singh	939500	5496	10992	928508
119.	165 Pirpaity	Ambika Pd.	587500	8313	16626	570874
120.	166 Kahalgaon	Mahesh Pd. Mandal	139000	4361	8722	130278
121.	170 Bihpur	Brahmadeo Mandal	320500	19044	38088	282412
122.	171 Sultanganj	Fanindra Choudhary	369500	17052	34104	335396
123.	172 Amarpur	Surendra Pd. Singh	185000	6325	12650	172350
124.	173 Dhoraiya	Naresh Das	440500	18192	36384	404116
125.	175 Belhar	Ramdeo Yadav	594500	15189	30378	564122
126.	176 Katoria	Bhola Pd. Yadav	498000	11337	22674	475326
127.	177 Chakai	Faguni Pd. Yadav	1010000	14567	29134	980866
128.	178 Jhajha	Ravindra Yadav	671000	14101	28202	642798
129.	179 Tarapur	Shakuni Choudhary	480000	7460	14920	465080
130.	179 Tarapur	Smt. Parvati Devi	217000	4092	8184	208816
131.	181 Parvata	Vidya Sagar Nishad	99000	1429	2858	96142
132.	182 Choutham	Satya Nr. Singh	449000	13975	27950	421050
133.	183 Khagaria	Smt. Chandra Mukhi Devi	7475000	11318	22636	724864
134.	185 Munger	Monazir Hassan	1002000	13680	27360	974640
135.	187 Suryagarha	Prahlad Yadav	363500	8373	16746	346754
136.	189 Sikandara	Prayag Choudhary	234500	11096	22192	212308
137.	190 Lakhisarai	Yadubansh Singh	356000	25618	51236	304764
138.	191 Sheikhpura	Sanjay Kumar	32000	1245	2490	29510
139.	192 Barbigha	Mahabir Choudhary	885000	18742	37484	847516
140.	193 Asthanwa	Satish Kumar	770000	16124	32248	737752
141.	194 Biharsharif	Deonath Prasad	294500	6521	13042	281458
142.	195 Rajgir	Satyadeo Nr. Arya	477500	12868	25736	451764
143.	196 Nalanda	Shrawan Kumar	617500	12303	24606	592894
144.	197 Islampur	Krishna Ballabh Pd.	278000	10642	21284	256716
145.	198 Hilsa	Baiju Pd.	451500	11779	23558	427942
146.	199 Chandi	Anil Kr. Singh	706000	11247	22494	683506
147.	200 Harnaut	Arun Kr. Singh	328000	8552	17104	310896
148.	203 Bhakhtiyarpur	Brij Nandan Yadav	330000	15522	31054	298946
149.	204 Fatuha	Punit Ram	162000	15271	30542	131458
150.	205 Masaurhi	Ganesh Pd. Singh	388500	19150	38300	350200
151.	206 Patna (West)	Navin Kishore Pd. Singh	1046000	17511	35022	1010978
152.	208 Patna (East)	Nand Kishore Yadav	748000	3093	6186	741814
153.	209 Danapur	Vijay Singh Yadav	350000	10569	21138	328862
154.	210 Maner	Srikant Nirala	520000	11603	23206	496794
155.	212 Bikram	Ram Nath Yadav	211000	8135	16270	194730
156.	213 Paliganj	Janardan Sharma	423000	8940	17880	405120
157.	214 Sandesh	Rameshwar Pd.	252500	6643	13286	239214
158.	218 Brahmpur	Ajit Choudhary	247500	11394	22788	224712
159.	219 Buxar	Smt. Manju Prakash	438500	10930	21860	416640
160.	220 Rajpur	Arjun Ram	464500	10130	20260	444240
161.	222 Jagdishpur	Hari Nr. Singh	177500	2841	5682	171818
162.	223 Piro	Shivanand Tiwary	296000	6167	12334	283666
163.	224 Sahar	Paras Nath	307000	666	1332	305668
164.	226 Bikramganj	Suryadeo Singh	878500	19665	39330	839170
165.	227 Dinara	Ramdhari Singh	417000	15814	31628	385372
166.	230 Bhabhua	Ramlal Singh	326000	10362	20724	305276
167.	231 Chainpur	Mahabali Singh	591000	10442	20882	570118
168.	232 Sasaram	Jawahar Prasad	469500	13798	27596	441904
169.	233 Chenari	Jawahar Paswan	158000	21182	42364	115636
170.	236 Navi Nagar	Smt. Lovely Anand	198000	7759	15518	182482
171.	236 Navi Nagar	Birendra Kr. Singh	143500	828	1656	141844
172.	237 Deo	Suresh Paswan	320000	8525	17050	302950
173.	238 Aurangabad	Ramadhar Singh	899000	11489	22978	876022



Sl.No.	Assembly Segment No. and name	Name of the Member	Total value of RTC received	Incidental claim as per TA bills	RTC utilised	Value of RTC misused/ misappropriated
1.	2	3	4	5	6	7
		S/Shri	(In Rupees)			
174.	239 Rafiganj	Ram Chandra Singh	420000	2860	5720	414280
175.	240 Obra	Raja Ram Singh	356500	10011	20022	336478
176.	241 Goh	Ram Sharan Yadav	269000	14359	28718	240282
177.	242 Arwal	Ravindra Singh	823500	10706	21412	802088
178.	243 Kurtha	Sahdeo Pd. Yadav	125500	5778	11556	113944
179.	244 Makdumpur	Bagi Kr. Verma	342500	21397	42794	299706
180.	245 Jahanabad	Mundrika Pd. Yadav	304500	11486	22972	281528
181.	246 Ghoshi	Jagdish Sharma	192500	11704	23408	169092
182.	248 Koch	Shiv Bachan Yadav	359500	12121	24242	335258
183.	249 Gaya (Mufasil)	Binod Kr. Yadvendu	699500	11346	22692	676808
184.	250 Gaya (Town)	Prem Kumar	858500	11865	23730	834770
185.	251 Imamganj	Ram Swaroop Paswan	263000	2664	5328	257672
186.	252 Gurua	Ramchandra Pd. Singh	282000	10337	20674	261326
187.	253 Bodh Gaya	G.S.R.C. Das	57000	2403	4806	52194
188.	254 Barachati	Jitan Ram Manjhi	124000	2403	4806	119194
189.	255 Fatehpur	Ram Naresh Prasad	130000	6983	13966	116034
190.	256 Atari	Rajendra Pd. Yadav	364500	9590	19180	345320
191.	257 Nawada	Rajballabh Prasad	400000	11215	22430	377570
192.	258 Rajauli	Babu Lal	202000	10231	20462	181538
193.	260 Warshaliganj	Ramashray Pd. Singh	409000	950	1900	407100
194.	261 Hisua	Aditya Singh	275000	12547	25094	249906
195.	263 Barhi	Manoj Kr. Yadav	410500	7989	15978	394522
196.	264 Chatra (SC)	Janardan Paswan	568500	19606	39212	529288
197.	265 Simaria (SC)	Upendra Nath Das	443000	20284	40568	402432
198.	266 Barkagaon	Loknath Mahto	648000	20048	40056	607944
199.	267 Ramgarh	Shankar Choudhary	356000	15246	30492	325508
200.	268 Mandu	Teklal Mahto	405500	10954	21908	383592
201.	269 Hazaribag	Deo Dayal	318000	9472	18944	299056
202.	270 Barkatta	Khagendra Prasad	933500	16380	32760	900740
203.	271 Dhanwar	Guru Sahay Mahto	520000	14533	29066	490934
204.	272 Bagodar	Mahendra Pd. Singh	522000	219	438	521562
205.	273 Jamua	Sukar Ravidas	689500	12586	25172	664328
206.	274 Gandey	Laxaman Swarnkar	783500	16275	32550	750950
207.	275 Giridih	Chandra Mohan Prasad	615000	14809	29618	585382
208.	276 Dumari	Shiva Mahto	400514	8130	16260	384254
209.	277 Gomia	Chatru Ram Mahto	502000	13070	26140	475860
210.	279 Bokaro	Akalu Ram Mahto	482500	5428	10856	471644
211.	280 Tundi	Saba Ahmad	406000	1321	2642	403358
212.	281 Baghmara	Om Prakash Lal	905500	7932	15864	889636
213.	282 Sindri	Anand Mahto	646500	10909	21818	624682
214.	284 Dhanbad	Pashupati Nath Singh	774000	14842	29684	744316
215.	285 Jharia	Smt. Aabo Devi	320500	5536	11072	309428
216.	286 Chandankiyari	Gaur Harizon	610500	10011	20022	590478
217.	287 Bahragora	Devipal Upadhyay	456500	10379	20758	435742
218.	288 Ghatsila	Pradeep Kr. Balmuchu	1028500	11737	23474	1005026
219.	289 Potka	Hariram Sardar	796000	6130	12260	783740
220.	290 Jugsalai	Dulal Bhuniya	585500	13924	27848	557652
221.	291 Jamshedpur (East)	Raghuwar Das	742500	14121	28242	714258
222.	292 Jamshedpur (West)	Mrigendra Pd. Singh	696300	15765	31530	664770
223.	293 Ichagarh	Arvind Kr. Singh	475500	15133	30266	445234
224.	294 Saraikela	Champai Soren	412500	7329	14658	397842
225.	295 Chaibasa	J.L. Banra	687000	13974	27948	659052
226.	297 Jagannathpur	Mangal Singh Bobanga	567000	13125	26250	540750
227.	298 Manoharpur	Smt. Joba Manjhi	899500	11735	22270	877230
228.	299 Chakradharpur	Laxaman Giluba	786500	17047	34094	752406
229.	300 Kharsava	Arjun Munda	652500	18396	36792	615708

Sl.No.	Assembly Segment No. and name	Name of the Member	Total value of RTC received	Incidental claim as per TA bills	RTC utilised	Value of RTC misused/ misappropriated
1.	2	3	4	5	6	7
		S/Shri	(In Rupees)			
230.	301 Tamar	Kali Charan Munda	728000	11301	22602	705398
231.	302 Torpa	N.E.Horo	236500	6493	12986	223514
232.	303 Khunti	Smt. Shushila Karketta	794000	12798	25596	768404
233.	304 Silli	K. M. Kamlesh	760500	15005	30010	730490
234.	305 Khijari	Duti Paham	1011500	14839	29678	981822
235.	306 Ranchi	C. P.Singh	615051	13508	27016	588035
236.	307 Hatia	R. L. Sarda	783000	8529	17058	765942
237.	308 Kanke	R. C. Baitha	740500	12784	25568	714932
238.	309 Mandar	Viswanath Bhagat	665300	7290	14580	650720
239.	310 Sisai	Bandi Oraon	513000	13570	27140	485860
240.	311 Kalebira	Basant Kr. Longa	516000	15611	31223	484777
241.	312 Simdega	Niyel Tirkey	394500	14456	28912	365588
242.	313 Gumla	Barnanrd Minz	831000	9881	19762	811238
243.	314 Vishunpur	Bhukhala Bhagat	604500	12954	25908	578592
244.	315 Lohardaga	Shadhanu Bhagat	815000	9015	18030	796970
245.	316 Latehar	Balgit Ram	371000	10978	21956	349044
246.	317 Manika	Ram Chandra Singh	519500	23023	46046	473454
247.	318 Panki	Sankteshwar Singh	427500	13329	26658	400842
248.	319 Daltonganj	Inder Singh Namdhari	440000	7614	15228	424772
249.	321 Bhavnathpur	Giriwar Pandey	811000	12969	25938	785062
250.	322 Bishrampur	R. C. Chandravanshi	422000	7576	15152	406848
251.	323 Chatarpur	R. K. Kishore	427000	6678	13356	413644
252.	324 Husainabad	A. K. Singh	173000	12197	24395	148605
253.	325 Nominated	A. G. D. Rozario	244000	12944	25588	218412
	<b>Total</b>					<b>116201499</b>



## APPENDIX -- XXVII

Statement of Members of Bihar Vidhan Sabha, who were at Patna as per  
RTC register and were on tour as per TA bills

(Refer : Paragraph 3.33)

Sl. No.	Name of the member and Assembly name/ Segment No.	Presence of the member as per TA bills					TA bill No.	Amount (In Rs)	Value of RTC taken by members at Patna Vidhan Sabha Sectt. during tour as in column (3)
		Place	Date	On tour		Amount (In Rs)			
				From	To				
1	2	3	4	5	6	7	8	9	
	S/Shri								
1.	Khagendra Prasad, Barkatha/ 270	Hazaribag	16.11.99 5AM	16.11.99	30.11.99	29/00-00	17391	6000	
	-do-	Araria	13.12.99	6.12.99	15.12.99	2604/99-00	19470	6000	
2.	Sukar Ravidas, Jamua/ 273	Gaya	16.10.95	13.10.95	21.10.95	2795/95-96	19456	2000	
	-do-	Hajipur	1.6.96	1.6.96	10.6.96	1400/96-97	19160	25000	
	-do-	Allahabad	4.12.96	20.11.96	4.12.96	85/97-98	19569	5000	
	-do-	Aurangabad	16.1.97	16.1.97	25.1.97	710/97-98	23984	5000	
	-do-	On way to Naugachia	25.4.97	25.4.97	29.4.97	2196/97-98	14366	6000	
3.	Guru Sahay Mahto, Dhanwar/ 271	On way to Delhi	16.1.97	16.1.97	30.1.97	1060/97-98	23038	20000	
4.	Lakshman Swarnkar, Gandeya/ 274	Ranchi	3.8.95	29.7.95	7.8.95	2442/95-96	15842	7500	
	-do-	Sahebganj	6.1.97	29.12.96	6.1.97	696/97-98	15116	5000	
	-do-	Ara	31.3.97	31.3.97	9.4.97	1028/97-98	32026	5000	
	-do-	Ahilyapur (Giridih)	17.9.97	17.9.97	26.9.97	2499/97-98	18356	6000	
	-do-	Ahilyapur (Giridih) to Jabbalpur	15.10.97	15.10.97	29.10.97	2794/97-98	20380	6000	
	-do-	Ahilyapur (Giridih) to Hazaribagh	25.6.99	25.6.99	4.7.99	2729/99-00	17095	6000	
5.	Upendra Nath Das, Simaria (SC)/ 265	Left Patna for Dhanbad at 8.30AM	13.11.95	13.11.95	22.11.95	2788/95-96	17500	2000	
	-do-	Daltonganj	27.10.99	27.10.99	2.11.99	2448/99-00	16655	5000	
6.	Ram Chandra Singh, Gurua/ 252	Left Patna 7AM	26.10.99	26.10.99	5.11.99	2257/99-00	61930	13000	
7.	Duti Pahan, Khijari/ 305	Sildiri (Ranchi)	6.11.95	6.11.95	15.11.95	2717/95-96	16816	6000	
	-do-	Saharsa	19.1.96	10.1.96	19.1.96	151/96-97	17252	9000	
	-do-	Ara	16.8.96	16.8.96	25.8.96	2013/96-97	10632	10000	
	-do-	Left Patna at 8AM	2.7.99	2.7.99	11.7.99	2259/99-00	15915	6000	
8.	Janardan Paswan, Chatra/ 264	Shahpur (Saharsa)	13.1.96	4.1.96	13.1.96	3084/95-96	22828	5000	
	-do-	Tirupati	25.8.98	21.8.98	5.9.98	2891/98-99	23898	10000	
9.	Ramdeo Yadav, Belhar/ 175	Dhaniokha (Banka)	15.1.96	15.1.96	24.1.96	472/96-97	15788	5000	
	-do-	Deoghar	9.4.97	31.3.97	9.4.97	1660/97-98	17492	16000	
	-do-	Darbhangha to Dhanjokha (Banka)	26.9.97	17.9.97	26.9.97	326/98-99	18604	21000	

Sl. No.	Name of the member and Assembly name/ Segment No.	Presence of the member as per TA bills						Value of RTC taken by members at Patna Vidhan Sabha Seect. during tour as in column (3)
		Place	Date	On tour		TA bill No.	Amount (In Rs)	
				From	To			
1	2	3	4	5	6	7	8	9
	S/Shri							
10.	Pashupati Nath Singh, Dhanbad/ 284	Dhansar (Dhanbad)	27.8.98	27.8.98	10.9.98	2641/98-99	13643	16000
11.	Teklal Mahto, Mandu/ 268	Left Patna for Bhagalpur 8.10AM	5.11.96	5.11.96	14.11.96	487/97-98	21646	5000
12.	Dilip Verma, Sikta/ 5	Ahamedabad 28.8.95 Sisai 4.9.95	28.8.95 and 4.9.95	20.8.95	3.9.95	1987/95-96	31676	11000
	-do-	Darbhanga	6.12.95	1.12.95	10.12.95	2307/95-96	16380	5000
	-do-	Sisai (Bettiah)	4.3.96	19.2.96	4.3.96	482/96-97	19565	5000
	-do-	Amritsar 5.4.97, Sisai 15.4.97	5.4.97 and 15.4.97	1.4.97	15.4.97	886/97-98	17269	11000
	-do-	Ranchi	24.9.97	18.9.97	27.9.97	2817/97-98	40414	6000
	-do-	Left Sisai at (9AM)	25.4.98	25.4.98	8.5.98	848/98-99	20332	12000
13.	Raghuwar Das, Jamshedpur (East)/ 291	Bokaro	19.10.95	10.10.95	19.10.95	2252/95-96	22920	4500
	-do-	Daltonganj	6.6.96	5.6.96	14.6.96	1525/96-97	22368	5000
	-do-	Bangalore	25.11.97	11.11.97	25.11.97	188/97-98	21216	6000
	-do-	Sahebganj	11.4.98	2.4.98	11.4.98	1802/98-99	22230	6000
14.	Keshav Mahto Kamlesh, Silli/ 304	Left Patna at 8.30AM	3.2.96	3.2.96	12.2.96	239/96-97	13818	5000
	-do-	Left Patna at 8.30AM	6.1.97	6.1.97	15.1.97	145/97-98	19704	5000
	-do-	Muri (Ranchi)	25.11.97	11.11.97	25.11.97	136/98-99	19827	6000
	-do-	Kariyadh (Ranchi)	5.1.99	5.1.99	14.1.99	670/99-00	17425	6000
15.	Mahavir Choudhary, Barbigaha/ 192	Left Rahiya kabirpur (Sheikhpura) en route to N. Delhi	17.4.97	17.4.97	1.5.97	---/97-98	19550	6000
	-do-	Left Rahiya kabirpur (shekhpura) en route to Gopalganj	9.7.99	9.7.99	16.7.99	1404/99-00	11205	12000
16.	Giriwar Pandey, Bhavnathpur/ 321	Left Patna for Hazaribagh 8.30AM	16.9.97	16.9.97	25.9.97	2498/97-98	18884	6000
	-do-	Nagar Utari (Daltonganj)	25.11.97	11.11.97	25.11.97	56/98-99	19508	6000
	-do-	Araria	15.4.98	6.4.98	15.4.98	1147/98-99	21120	6000
	-do-	Bhabhua	5.8.98	27.7.98	5.8.98	2412/98-99	15855	16000
17.	Furkan Ansari, Jamtara/ 155	Jamtara	15.10.97	15.10.97	29.10.97	2744/97-98	30486	6000
	-do-	Koderma	23.10.99	23.10.99	1.11.99	2521/99-00	25440	8000
	-do-	Jamtara	16.11.99	16.11.99	1.12.99	2636/99-00	17714	6000
18.	Ram Chandra Chandrabanshi, Bishrampur/ 322	Thakurganj	10.1.96	4.1.96	13.1.96	148/96-97	14328	5000
	-do-	Jaipur	15.11.96	2.11.96	16.11.96	3235/96-97	15137	5000
	-do-	Garhwa	30.1.97	16.1.97	30.1.97	966/97-98	15655	10000



Sl. No.	Name of the member and Assembly name/ Segment No.	Presence of the member as per TA bills						Value of RTC taken by members at Patna Vidhan Sabha Seect. during tour as in column (3)	
		Place	Date	On tour		TA bill No.	Amount (In Rs)		Amount (In Rs)
				From	To				
1	2	3	4	5	6	7	8	9	
	S/Shri								
19.	Falguni Pd. Yadav, Chakai/ 177	Jamui	29.12.97	29.12.97	4.1.98	523/98-99	13034	6000	
	-do-	Jamui	3.4.98	3.4.98	12.4.98	1968/98-99	42645	6000	
	-do-	Jamui	6.12.99	6.12.99	15.12.99	2503/99-00	18960	2000	
	-do-	Jamui	16.11.99	16.11.99	30.11.99	2651/99-00	17356	2000	
20.	Gaur Harijan, Chandankiyari/ 286	Sitamarhi	30.11.96	21.11.96	30.11.96	3242/96-97	20450	5000	
21.	Bernard Minz, Gumla/ 313	Ranchi	25.11.95	25.11.95	9.12.95	391/96-97	44059	5000	
	-do-	Pakur	1.10.97	22.9.97	1.10.97	2646/97-98	19780	6000	
22.	Smt. Sushila Hansda, Littipara/ 150	Pakur	24.10.95	10.10.95	24.10.95	269/96-97	10157	5000	
	-do-	Chapra	21.11.96	21.11.96	30.11.96	3293/96-97	19780	10000	
23.	Beni Pd. Gupta, Pakur/ 151	Jilmita (Pakur)	25.10.96	25.10.96	8.11.96	2763/96-97	19773	5000	
	-do-	Hazaribagh	3.8.98	3.8.98	12.8.98	2392/98-99	16375	6000	
24.	Yadubansh Singh, Lakhisarai/ 190	Madhubani	21.4.98	15.4.98	24.4.98	1347/98-99	21315	6000	
	-do-	Ara	21.10.98	21.10.98	30.10.98	2592/98-99	17910	16000	
25.	Dayanand Yadav, Narpaganj/ 128	Daltonganj	24.11.97	15.11.97	24.11.97	2951/97-98	20100	6000	
	-do-	Left Ramghat for Farbisganj at 1.30AM	15.10.97	15.10.97	29.10.97	43/98-99	21768	6000	
26.	Rameshwar Yadav, Sikti/ 131	Left Patna for Begusarai at 7AM	1.12.95	1.12.95	10.12.95	2883/95-96	11664	5000	
	-do-	Left Patna for Koderma at 8.30AM	27.12.97	27.12.97	2.1.98	2983/97-98	13622	11000	
	-do-	Madhubani	11.4.98	2.4.98	11.4.98	776/98-99	23405	6000	
27.	Sikandar Singh, Thakurganj/ 134	Bokaro	28.8.95	22.8.95	31.8.95	2283/95-96	21330	5000	
	-do-	Gaya Parisadan	16.10.95	13.10.95	21.10.95	2843/95-96	17350	5000	
	-do-	Tirupati	5.12.95	30.11.95	14.12.95	2926/95-96	16221	6000	
	-do-	Purnea	22.1.96	20.1.96	29.1.96	327/96-97	34244	5000	
	-do-	Besarbari (Kishanganj)	10.6.96	1.6.96	10.6.96	1519/96-97	22748	5000	
	-do-	Gumla	7.8.96	3.8.96	12.8.96	1898/96-97	17500	4000	
	-do-	Besarbari (Kishanganj)	24.9.96	10.9.96	24.9.96	2614/96-97	15008	5000	
	-do-	Jamshedpur	12.10.96	8.10.96	17.10.96	3249/96-97	17500	5000	
	-do-	Ranchi	20.1.97	16.1.97	25.1.97	1033/97-98	19980	5000	
	-do-	Left Galagalia for Lucknow at 4.30AM	15.10.97	15.10.97	29.10.97	2909/97-98	22590	6000	
	-do-	Kudar (Ranchi)	20.11.97	15.11.97	24.11.97	211/98-99	20380	6000	
	-do-	BerichBai Parisadan	4.4.98	2.4.98	11.4.98	1337/98-99	24655	6000	
	-do-	Besarbari	10.12.98	4.12.98	10.12.98	2856/98-99	12650	6000	



Sl. No.	Name of the member and Assembly name/ Segment No.	Presence of the member as per TA bills						Value of RTC taken by members at Patna Vidhan Sabha Sectt. during tour as in column (3)	
		Place	Date	On tour		TA bill No.	Amount (In Rs)		Amount (In Rs)
				From	To				
1	2	3	4	5	6	7	8	9	
	S/Shri								
	-do-	Left Golgalia for New Delhi at 5.30AM	24.6.99	24.6.99	8.7.99	1807/99-00	15717	6000	
	-do-	Ara	19.11.99	18.11.99	27.11.99	2687/99-00	11230	4000	
28.	Mayanand Thakur, Forbesganj/ 129	Parwaha (Araria)	18.9.95	4.9.95	18.9.95	2243/95-96	31070	5000	
29.	Harishankar Prasad, Sitamarhi/ 67	Left Patna for Bhuneshwar at 8AM	27.12.95	27.12.95	10.1.96	1306/96-97	37391	5000	
	-do-	Kiriburu	7.8.96	2.8.96	11.8.96	2737/96-97	28720	5000	
	-do-	Jamui	10.9.96	3.9.96	12.9.96	2138/96-97	18160	5000	
	-do-	Exchange Rd. Sitamarhi	8.11.96	25.10.96	8.11.96	3003/96-97	19890	5000	
	-do-	Ahmadabad	22.4.97	17.4.97	1.5.97	1210/97-98	19329	6000	
	-do-	Haridwar	25.4.98	18.4.98	2.5.98	1385/98-99	30723	6000	
	-do-	Muzaffarpur	3.4.98	3.4.98	12.4.98	2012/98-99	21375	6000	
	-do-	Garhwa	19.11.98	19.11.98	28.11.98	463/99-00	21000	6000	
	-do-	Bokaro	12.7.99	5.7.99	14.7.99	115/00-01	13090	6000	
30.	Birbal Yadav, Betia/ 8	Ludhiana	7.4.97	1.4.97	15.4.97	995/97-98	17090	5000	
31.	Prameshwari Pd. Nirala, Madhepura/ 120	Left Patna for Aurangabad at 8.15AM	2.8.96	2.8.96	11.8.96	2262/96-97	17500	5000	
32.	Vijay Kr. Mandal, Araria/ 130	Left Patna for Nawadah at 8.30AM	21.8.96	21.8.96	30.8.96	2454/96-97	17500	5000	
	-do-	Batraha (Araria)	4.1.99	4.1.99	13.1.99	494/99-00	23845	6000	
33.	Tarkeshwar Singh, Masarakh/ 37	Charihara (Saran) -do-	16.11.98 and 30.11.98	16.11.98	30.11.98	1371/99-00	11431	12000	
34.	Lalit Kr. Yadav, Manjgachi/ 84	Tardih (Darbhanga)	3.8.96	3.8.98	12.8.98	2241/96-97	26100	10000	
35.	Ramdeo Verma, Bibhutipur/ 99	Pataulia to Narhan en - route to Delhi	10.9.96	10.9.96	24.9.96	2493/96-97	17679	10000	
	-do-	Left Pataulia for Nawada at 10AM en - route to Rajauli	12.10.98	12.10.98	21.10.98	2694/98-99	16775	6000	
36.	Bambhola Yadav, Singheshwar/ 116	Jamshedpur	12.6.96	5.6.96	14.6.96	1425/96-97	23800	5000	
37.	Vishwa Mohan Kumar, Triveniganj/ 113	Madhubani	4.4.98	4.4.98	13.4.98	1338/98-99	24060	6000	
38.	Chandreshwar Pd. Singh, Ranchi/ 306	Ranchi	14.11.96	5.11.96	14.11.96	317/97-98	17500	5000	
	-do-	Ranchi	5.1.99	5.1.99	14.1.99	666/99-00	17790	6000	
39.	Mahabali Singh, Chainpur/ 231	Pakur	14.10.98	8.10.98	17.10.98	2236/98-99	23155	6000	
40.	Ravindra Yadav, Jhajha/ 178	Varanasi	29.10.97	15.10.97	29.10.97	2729/97-98	22339	5000	
	-do-	Jhajha	24.6.99	24.6.99	8.7.99	1774/99-00	24827	26000	
41.	Monajir Hassan, Munger/ 185	Motihari Parisadan	7.2.97	3.2.97	12.2.97	1177/97-98	25606	5000	
	-do-	Left Patna for Daltonganj at 8AM	22.4.97	12.4.97	29.4.97	1452/97-98	22594	6000	



Sl. No.	Name of the member and Assembly name/ Segment No.	Presence of the member as per TA bills						Value of RTC taken by members at Patna Vidhan Sabha Sectt. during tour as in column (3)	
		Place	Date	On tour		TA bill No.	Amount (In Rs)		Amount (In Rs)
				From	To				
1	2	3	4	5	6	7	8	9	
	S/Shri								
42.	Satish Kumar, Asthanwan/ 193	Left Patna for Koderma at 8.30AM	27.12.97	27.12.97	2.1.98	3084/97-98	12910	6000	
	-do-	Sarwa (Shekhpura)	11.4.98	2.4.98	11.4.98	837/98-99	22880	6000	
43.	Dilip Kr. Yadav, Dhamdaha/ 125	New Delhi 10.40AM	6.2.97	5.2.97	19.2.97	757/97-98	24049	5000	
	-do-	Maharajganj 7AM en -route to Giridih	4.1.99	4.1.99	13.1.99	2936/98-99	21535	6000	
44.	Pradip Kr. Balmuchu, Ghatsila/ 288	Kishanganj Prishadan	14.6.96	5.6.96	14.6.96	1466/96-97	24550	5000	
	-do-	Sitamarhi	30.11.96	21.11.96	30.11.96	3209/96-97	17500	10000	
	-do-	Nawada	29.3.97	29.3.97	7.4.97	1488/97-98	37672	15000	
45.	Dulal Bhuinya, Jugsalai/ 290	Tatanagar en -route to Delhi	1.4.97	1.4.97	15.4.97	1523/97-98	34484	5000	
	-do-	Ranchi	25.9.97	22.9.97	30.9.97	2367/97-98	18342	6000	
46.	Choudhary Md. Mahboob Ali Kaisar, Simri Bhakhtiyarpur/ 119	Dhanbad	22.3.97	13.3.97	22.3.97	1037/97-98	20040	5000	
47.	Awadh Bihari Singh, Bahadurganj/ 133	Left Kishanganj for Kurla at 6AM	16.11.98 and 30.11.98	16.11.98	30.11.98	1136/99-00	13513	12000	
48.	Ambika Prasad, Pirpainti/ 165	Left Patna for Daltonganj at 9AM	5.6.96	5.6.96	13.6.96	1496/96-97	17350	5000	
49.	Vijay Kr. Gupta, Kishanpur/ 111	Ranchi	28.7.95	27.7.95	5.8.95	2633/95-96	30306	5000	
	-do-	New Delhi	4.12.96	20.11.96	4.12.96	91/97-98	20164	5000	
50.	Manik Chand Rai, Basantpur/ 27	Nalanda	8.1.96	8.1.96	19.1.96	5/96-97	17500	2000	
	-do-	Daltonganj	6.6.96	5.6.96	14.6.96	1603/96-97	17500	5000	
51.	Md. Nematullah, Barauli/ 25	Daltonganj	16.10.95	12.10.95	21.10.95	2607/95-96	20990	5000	
	-do-	Madhubani	28.1.97	21.1.97	30.1.97	265/97-98	20956	5000	
52.	Shyam Rajak, Phulwarisharif/ 211	Mount Abu (Rajasthan)	1.3.96	21.2.96	4.3.96	529/96-97	16225	6000	
53.	Naiyar Aazam, Pandal/ 79	Howrah	12.3.96	27.2.96	13.3.96	474/96-97	16466	5000	
	-do-	Left Patna for Bhagalpur at 8AM	28.10.96	28.10.96	6.11.96	3152/96-97	17500	5000	
	-do-	Surat	27.10.97	15.10.97	27.10.97	2892/97-98	17877	6000	
54.	Ramchandra Baitha, Kanke/ 308	Ranchi	31.7.95	29.7.95	7.8.95	2203/95-96	20574	6000	
55.	Syed Moinuddin, Bayasi/ 137	Bairiya (Purnea) to Daltonganj	4.10.96	4.10.96	13.10.96	3017/96-97	17500	5000	
	-do-	Left Patna for Koderma at 8.30AM	27.12.97	27.12.97	2.1.98	3045/97-98	40826	6000	

Sl. No.	Name of the member and Assembly name/ Segment No.	Presence of the member as per TA bills					TA bill No.	Amount (In Rs)	Value of RTC taken by members at Patna Vidhan Sabha Sectt. during tour as in column (3) Amount (In Rs)
		Place	Date	On tour					
				From	To				
1	2	3	4	5	6	7	8	9	
	S/Shri								
56.	Ravindra Singh, Arwal/ 242	Mohammadpur (Aurangabad)	15.11.95	6.11.95	15.11.95	2708/95-96	17120	5000	
	-do-	Raxaul	31.1.96	28.1.96	6.2.96	3087/95-96	17500	5000	
57.	Bal Kishore Mandal, Rupauli/ 124	Bhawanipur (Purnea)	11.4.98	2.4.98	11.4.98	1590/98-99	17860	6000	
	-do-	Left Patna for Palamu at 8.30AM	16.11.98	16.11.98	25.11.98	1325/99-00	27605	6000	
58.	Shivanand Tiwary, Piro/ 223	Madhubani	8.1.99	5.1.99	14.1.99	1813/99-00	18860	18000	
	<b>Total</b>						<b>2985623</b>	<b>993000</b>	



## APPENDIX-XXVIII

Statement of Telephone charges not recovered from Members  
of Bihar Vidhan Sabha

(Refer: Paragraph 3.34)

Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recoverable
				Admissible	Paid			
(In Rupees)								
<b>Section-A</b>								
1.	9 Rekhakant Dwivedi	223672	93-94 94-95	59650 62533	89579 76683	-- --	29929 14150	44079
2.	11 Ramashray Singh	222739	92-93	23500	37238	--	13738	13738
3.	12 Triveni Tiwary	225282	91-92 92-93	23500 23500	60295 79263	-- --	36795 55763	92558
4.	16 Sita Ram Singh	223384	90-91	23200	109837	--	86637	86637
5.	17 Sahdeo Paswan	233164	90-91	23200	46440	--	23240	23240
6.	18 Yamuna Yadav	280033	92-93 94-95	23500 62533	35944 95433	-- --	12444 32900	45344
7.	19 Md. Hidaytullah Khan	224489	90-91 91-92 92-93	23200 23500 23500	45361 31609 65892	-- -- --	22161 8109 42392	72662
8.	21 Bachcha Choubey	221507	90-91 91-92	23200 23500	68225 85099	-- --	45025 61599	106624
9.	22 Dhrunath Choudhary		92-93	23500	30562	--	7062	7062
10.	30 Gorakh Ram	223354	92-93	23500	65677	--	42177	42177
11.	31 Shiv Shankar Yadav	224421	90-91	23200	36543	--	13343	13343
12.	35 Hazara Singh	225627	92-93	23500	54621	--	31121	31121
13.	39 Surendra Sharma	225531	91-92	23500	50150	--	26650	26650
14.	41 Udit Rai	227928	90-91	23200	115212	--	92012	92012
15.	45 Jagnath Pd. Rai	280384	91-92 92-93	23500 23500	96398 92842	-- --	72898 69342	142240
16.	51 Kedar Nath Prasad	221406	92-93	23500	53800	--	30300	30300
17.	53 Birendra Kr. Singh	232423	93-94	59650	80459	--	20809	20809
18.	56 Nalini Ranjan Singh	226960	90-91	23200	62254	--	39054	39054
19.	58 Kamal Paswan	224721	92-93	23500	50074	--	26574	26574
20.	59 Raghunath Pandey	225894	90-91	23200	56063	--	32863	32863
21.	63 Hindkeshari Yadav	225364	92-93	23500	52603	--	29103	29103
22.	64 Nawal Kishore Shahi	223671	90-91 92-93	23200 23500	32560 90789	-- --	9360 67289	76649
23.	66 Raghunath Jha	222953	93-94 94-95	59650 62533	170339 109993	-- --	110689 47460	158149
24.	67 Shahid Ali Khan	227569	90-91 91-92	23500 23500	45501 43751	-- --	22301 20251	42552
25.	68 Suryadeo Rai	221587	90-91	23200	48731	--	25531	25531
26.	69 Gaurishankar Nagdansh	221587	91-92 92-93 93-94 94-95	23500 23500 59650 62533	26740 102378 92158 89647	-- -- -- --	3240 78878 32508 27114	141740
27.	72 Sita Ram Yadav	231443	91-92 92-93	23200 23500	56299 77265	-- --	32799 53765	86564
28.	73 Yugeshwar Jha	221173	90-91 91-92	23200 23500	62642 40954	-- --	39442 17454	56896
29.	74 Shakil Ahmad	225293	92-93	23500	76796	--	53296	53296
30.	75 Smt. Veena Vadini Devi	224731	92-93	23500	40159	--	16659	16659
31.	76 Bilal Paswan Bihangam	221025	90-91 91-92	23200 23500	170324 107670	-- --	147124 84170	231294
32.	78 Raj Kumar Mahaseth	224361	90-91	23200	29177	--	5977	5977
33.	79 Kumud Ranjan Jha	226068	90-91 91-92 92-93	23200 23500 23500	145453 151878 83378	-- -- --	122253 128378 59878	310509
34.	81 Ram Kr. Yadav	222870	93-94 94-95	59650 62533	124790 123115	-- --	65140 60582	125722
35.	82 Lal Bihari Yadav	221348	91-92 92-93 94-95	23500 23500 62533	56760 104592 76774	-- -- --	33260 81092 14241	128593
36.	84 Madan Mohan Jha	221155	90-91 91-92 94-95	23200 23500 62533	121018 60870 83419	-- -- --	97818 37370 20886	156074
37.	90 Gulam Sarwar	224723	90-91	23200	48444	--	25244	25244
38.	95 Ashok Singh	226639	91-92	23500	42650	--	19150	115306



Audit Report(Civil) for the year ended 31 March 2000

Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recoverable
				Admissible	Paid			
	S/Shri							
						(In Rupees)		
			93-94	59650	155806	--	96156	
39.	99 Ramdeo Verma	226755	91-92	23500	60116	--	36616	36616
40.	101 Ashok Kumar	222975	91-92	23500	59980	--	36480	104277
			93-94	59650	81690	--	22040	
			94-95	62533	108290	--	45757	
41.	109 Ram Binod Paswan	226911	93-94	59650	160292	--	100642	197595
			94-95	62533	159486	--	96953	
42.	114 Yogendra Nr. Sardar	287680	91-92	93500	62557	--	39057	166142
			92-93	23500	103921	--	80421	
			93-94	59650	77742	--	18092	
			94-95	62533	91105	--	28572	
43.	116 Rajesh Ranjan	224566	90-91	23200	132633	--	109433	324655
			91-92	23500	238722	--	215222	
44.	120 Radhakant Yadav	222895	90-91	23200	59596	--	36396	104345
			91-92	23500	48962	--	25462	
			92-93	23500	65987	--	42487	
45.	121 Ashok Kr. Singh	222464	90-91	23200	60901	--	37701	72126
			91-92	23500	57925	--	34425	
46.	122 Ravindra Charan Yadav	225465	90-91	23200	62786	--	39586	106257
			91-92	23500	58771	--	35271	
			92-93	23500	54900	--	31400	
47.	124 Saryug Mandal	221271	91-92	23500	91854	--	68354	68354
48.	126 Chunnihal Rajvansi	223750	90-91	23200	33516	--	10316	44700
			94-95	62533	96917	--	34384	
49.	129 Mayanand Thakur	221853	90-91	23200	46590	--	23390	66007
			91-92	23500	66117	--	42617	
50.	130 Binod Kr. Rai	281227	92-93	23500	56352	--	32852	91974
			93-94	59650	107396	--	47746	
			94-95	62533	73909	--	11376	
51.	131 Md. Azamuddin	226144	90-91	23200	58290	--	35090	176485
			91-92	23500	164895	--	141395	
52.	135 Md. Muztaque Munna	221829	90-91	23200	75812	--	52612	57338
			91-92	23500	28226	--	4726	
53.	142 Ram Prakash Mahto	222762	92-93	23500	66538	--	43038	98587
			93-94	59650	89193	--	29543	
			94-95	62533	88539	--	26006	
54.	143 Md. Abdul Jalil	287478	94-95	62533	141589	--	79056	79056
55.	148 Lobin Hembrum	227280	91-92	23500	39684	--	16184	59548
			92-93	23500	66864	--	43364	
56.	150 Smt. Sushila Hansda	221719	91-92	23500	39098	--	15598	63758
			92-93	23500	71660	--	48160	
57.	153 Nalini Soren	227268	90-91	23200	66004	--	42804	42804
58.	155 Furkan Ansari	223325	90-91	23200	33269	--	10069	44964
			91-92	23500	31210	--	7710	
			92-93	23500	50685	--	27185	
59.	156 Udai Shankar Singh	231300	91-92	23500	59866	--	36366	36366
60.	158 Baidyanath Das	223873	92-93	23500	30332	--	6832	295440
			93-94	59650	180173	--	120523	
			94-95	62533	230618	--	168085	
61.	159 Jawahar Pd. Singh	232463	90-91	23200	93894	--	70694	119486
			91-92	23500	56528	--	33028	
			94-95	62533	78297	--	15764	
62.	160 Stephan Marandi	223511	91-92	23500	42900	--	19400	19400
63.	162 Suraj Mandal	226639	90-91	23200	62189	--	38989	38989
64.	162 Prashant Kumar	223012	94-95	62533	85681	--	23148	23148
65.	163 Sumrit Mandal	226905	92-93	23500	42333	--	18833	18833
66.	169 Gyaneshwar Yadav	222329	90-91	23200	29384	--	6184	6184
67.	177 Narendra Singh	223384	90-91	23200	39278	--	16078	340506
			91-92	23500	46770	--	23270	
			92-93	23500	116687	--	93187	
			93-94	59650	232066	--	172416	
			94-95	62533	98088	--	35555	
68.	182 Satya Nr. Singh	221634	93-94	59650	81545	--	21895	31561
			94-95	62533	72199	--	9666	
69.	183 Ranvir Yadav	223989	90-91	23200	33765	--	10565	284500
			91-92	23500	116998	--	93498	
			92-93	23500	105696	--	82196	
			93-94	59650	131565	--	71915	
			94-95	62533	88859	--	26326	
70.	191 Rajo Singh	232224	91-92	23500	72850	--	49350	480804
			92-93	23500	110017	--	86517	
			93-94	59650	191669	--	132019	
			94-95	62533	275451	--	212918	
71.	192 Mahabir Choudhary	223347	90-91	23200	49901	--	26701	106858
			91-92	23500	72017	--	48517	
			92-93	23500	55140	--	31640	
72.	193 R. P. Sharma	222694	90-91	23200	60722	--	37522	92091



Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recoverable
				Admissible	Paid			
	S/Shri							
				(In Rupees)				
			91-92	23500	78069	--	54569	
73.	196 R. N. Singh	284030	92-93	23500	154032	--	130532	130532
74.	200 Brij Nandan Yadav	221240	92-93	23500	96022	--	72522	72522
75.	201 Dilip Singh	225743	92-93	23500	58694	--	35194	35194
76.	203 R. J. P. Singh Yadav	227145	91-92	23500	42911	--	19411	62897
			92-93	23500	61829	--	38329	
			93-94	59650	64807	--	5157	
77.	210 S. K. Nirala	221308	92-93	23500	61621	--	38121	47426
			94-95	62533	71838	--	9305	
78.	211 S. P. Toni	231445	90-91	23200	63395	--	40195	130086
			91-92	23500	98678	--	75178	
			92-93	23500	38213	--	14713	
79.	212 R. N. Yadav	226119	92-93	23500	48048	--	24548	120899
			93-94	59650	139099	--	79449	
			94-95	62533	79435	--	16902	
80.	215 R. P. Singh	223216	90-91	23200	106508	--	83308	299313
			91-92	23500	85855	--	62355	
			92-93	23500	92832	--	69332	
			93-94	59650	133928	--	74278	
			94-95	62533	72573	--	10040	
81.	219 Smt. Manju Prakash	227371	93-94	59650	133312	--	73662	114903
			94-95	62533	103774	--	41241	
82.	220 R. N. Harijan	226169	91-92	23500	67309	--	43809	43809
83.	221 B. Singh	231225	90-91	23200	98962	--	75762	361118
			91-92	23500	70321	--	46821	
			92-93	23500	103927	--	80427	
			93-94	59650	126303	--	66653	
			94-95	62533	153988	--	91455	
84.	222 Bhagwan Singh	224419	93-94	59650	211146	--	151496	234608
			94-95	62533	145645	--	83112	
85.	223 C. D. Singh	227123	92-93	23500	87372	--	63872	353328
			93-94	59650	230027	--	170377	
			94-95	62533	181612	--	119079	
86.	224 Smt. Jyoti	224232	90-91	23200	51086	--	27886	412889
			91-92	23500	210871	--	187371	
			92-93	23500	117632	--	94132	
			93-94	59650	89445	--	29795	
			94-95	62533	136238	--	73705	
87.	226 S. B. Singh	221966	93-94	59650	152094	--	92444	176730
			94-95	62533	146819	--	84286	
88.	227 Ramdhari Singh	222877	92-93	23500	93043	--	69543	69543
89.	231 L. N. Choubey	221934	93-94	59650	82779	--	23129	23129
90.	238 B. M. Singh	221351	90-91	23200	59014	--	35814	480106
			91-92	23500	104219	--	80719	
			92-93	23500	133929	--	110429	
			93-94	59650	186276	--	126626	
			94-95	62533	189051	--	126518	
91.	239 B. K. Singh	227063	91-92	23500	34560	--	11060	53206
			92-93	23500	57330	--	33830	
			93-94	59650	67966	--	8316	
92.	242 Krishna Nandan Pd. Singh	225362	92-93	23500	33447	--	9947	9947
93.	244 Ram Jatan Singh	222556	90-91	23200	73852	--	50652	239325
			91-92	23500	101115	--	77615	
			92-93	23500	80913	--	57413	
			93-94	59650	113295	--	53645	
94.	245 Harilal Pd. Sinha	225480	91-92	23500	39230	--	15730	15730
95.	246 Jadish Sharma	223995	91-92	23500	27656	--	4156	35562
			92-93	23500	50072	--	26572	
			94-95	62533	67367	--	4834	
96.	247 Surendra Pd. Yadav	223545	91-92	23500	73177	--	49677	115869
			92-93	23500	89692	--	66192	
97.	248 Ramashray Pd. Singh	224525	90-91	23200	78585	--	55385	187131
			91-92	23500	86221	--	62721	
			92-93	23500	65273	--	41773	
			94-95	62533	89785	--	27252	
98.	249 Awadesh Kr. Singh	223299	90-91	23200	23822	--	622	6522
			91-92	23500	28007	--	4507	
			92-93	23500	24893	--	1393	
99.	251 Uday Narain Choudhary	226904	90-91	23200	25182	--	1982	58214
			91-92	23500	40767	--	17267	
			92-93	23500	46946	--	23446	
			94-95	62533	78052	--	15519	
100.	253 Balik Ram	227176	91-92	23500	26542	--	3042	26852
			92-93	23500	33578	--	10078	
			93-94	59650	73382	--	13732	

Audit Report(Civil) for the year ended 31 March 2000

Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recoverable
				Admissible	Paid			
(In Rupees)								
101.	254 Umesh Singh	221950	92-93 93-94 94-95	23500 59650 62533	74595 220687 229803	-- -- --	51095 161037 167270	379402
102.	257 Krishna Prasad	232908	90-91 91-92 92-93	23200 23500 23500	33413 51750 38870	-- -- --	10213 28250 15370	53833
103.	261 Aditya Singh	226520	90-91 91-92 92-93 94-95	23200 23500 23500 62533	33061 49856 49742 82480	-- -- -- --	9861 26356 26242 19947	82406
104.	262 Ramesh Pd. Yadav	226922	92-93	23500	32188	--	8688	8688
105.	265 Upendra Nath Das	222203	92-93	23500	29623	--	6123	6123
106.	268 Teklal Mahto	223351	90-91	23200	145495	--	122295	122295
107.	270 Khagendra Prasad	221137	91-92	23500	27886	--	4386	4386
108.	271 Harihar Nr. Prabhakar	225316	90-91 91-92 92-93	23200 23500 23500	26885 45457 54980	-- -- --	3685 21957 31480	57122
109.	272 Mahendra Pd. Singh	221763	92-93 94-95	23500 62533	49455 127210	-- --	25955 64677	90632
110.	274 Salakha Soren	222712	94-95	62533	74621	--	12088	12088
111.	275 Jyotindra Prasad	226718	90-91 91-92 92-93	23200 23500 23500	27217 39148 61226	-- -- --	4017 15648 37726	57391
112.	276 Lalchand Mahto	221250	90-91 91-92 92-93 93-94 94-95	23200 23500 23500 59650 62533	24204 39784 75874 115332 141057	-- -- -- -- --	1004 16284 52374 55682 78524	203868
113.	277 Mahadev Lal Singh	222909	90-91 91-92	23200 23500	31199 41013	-- --	7999 17513	25512
114.	278 Rajendra Pd. Singh	225307	90-91 91-92 92-93 93-94 94-95	23200 23500 23500 59650 62533	37291 111137 60202 64472 207021	-- -- -- -- --	14091 87637 36702 4822 144488	287740
115.	281 Om Prakash Lal	287414	90-91 94-95	23200 62533	144873 79199	-- --	121673 16666	138339
116.	284 Surendra Pd. Rai	221371	90-91 91-92 92-93 93-94 94-95	23200 23500 23500 59650 62533	77305 27505 65191 101298 91887	-- -- -- -- --	54105 4005 41691 41648 29354	170803
117.	285 Smt. Abo Devi	223949	91-92	23500	40103	--	16603	16603
118.	286 Gaur Harizan	237904	90-91 91-92	23200 23500	28837 36977	-- --	5637 13477	19114
119.	289 Hariram Sardar	225492	90-91 91-92	23200 23500	35191 41272	-- --	11991 17772	29763
120.	291 Dinanath Pandey	221277	90-91 91-92 92-93 93-94 94-95	23200 23500 23500 59650 62533	33729 57989 47824 91018 92914	-- -- -- -- --	10529 34489 24324 31368 30381	131091
121.	292 Sudhir Mahto	224449	90-91	23200	51215	--	28015	28015
122.	303 Smt. Shushila Karketta	222418	91-92 92-93 93-94	23500 23500 59650	65880 70396 88283	-- -- --	42380 46896 28633	117909
123.	308 Ramchandra Baitha	222831	90-91 92-93	23200 23500	43932 344372	-- --	20732 320872	341604
124.	314 Ramesh Oraon	221939	91-92 92-93	23500 23500	83384 137256	-- --	59884 113756	173640
125.	315 Indranath Bhagat		91-92	23500	31995	--	8495	8495
126.	319 Indar Singh Namdhari	231272	90-91 91-92 93-94	23200 23500 59650	49981 76581 83181	-- -- --	26781 53081 23531	103393
127.	320 Girinath Singh	223923	94-95	62533	102916	--	40383	40383
128.	324 Dasrath Kumar	227283	92-93	23500	37939	--	14439	14439
129.	5 Dilip Verma	261965	92-93	23500	52133	--	28633	28633
130.	6 Ranvijay Shahi	222705	90-91 91-92 92-93 93-94 94-95	23200 23500 23500 59650 62533	50678 41123 48741 74574 105842	-- -- -- -- --	27478 17623 25241 14924 43309	128575
131.	8 Dr. Madan Pd. Jaiswal	225378	91-92 92-93	23500 23500	37103 54944	-- --	13603 31444	45047



Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recoverable
				Admissible	Paid			
(In Rupees)								
132.	165 Ambika Prasad	234245	91-92 92-93 94-95	23500 23500 62533	29044 46141 98615	--	5544 22641 36082	64267
133.	166 M. P. Mandal	227685	92-93	23500	28624	--	5124	5124
134.	168 B. K. Mitra	287104	90-91 91-92	23200 23500	52496 45357	--	29296 21857	51153
<b>Total Section-A</b>								<b>13639965</b>
<b>Section-B</b>								
135.	6 Ranvijay Shahi	222705	95-96 96-97 97-98	62533 62533 62533	115517 73618 117219		52984 11085 54686	118755
136.	10 Raj Nandan Rai	223296	96-97 97-98 98-99 99-2000 (upto 12/99)	-do- -do- -do- -do-	70564 129348 120092 73179	31910	8031 66815 25649 10646	111141
137.	11 Chandra Shekhar Dwivedi	238540	96-97	-do-	110676	9259	38884	38884
138.	16 Sita Ram Singh	223384	95-96 96-97	-do- -do-	168937 190422		106404 127889	234293
139.	18 Yamuna Yadav	280033	95-96 96-97 97-98	-do- -do- -do-	170943 87605 65120		108410 25072 2587	136069
140.	25 Dhruwnath Choudhary	221349	96-97 98-99	-do- -do-	70021 63802		7488 1269	8757
141.	24 Ramawatar	226544	96-97 97-98 98-99	-do- -do- -do-	71858 126673 74434		9325 64140 11901	85366
142.	30 Satyadeo Ram	221763	95-96 96-97 97-98 98-99	62533 -do- -do- -do-	154389 120961 98074 89297	4500	91856 58428 35541 22264	208089
143.	31 Amamath Yadav	221966	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	80534 127675 137584 131250		18001 65142 75051 68717	226911
144.	33 Baidyanath Pandey	224731	95-96 96-97	-do- -do-	92963 82299		30430 19766	50196
145.	34 Bikram Kunwar	231606	95-96 96-97	-do- -do-	68578 119182		6045 56649	62694
146.	43 Chandrika Rai	226135	97-98 98-99	-do- -do-	76553 71106		14020 8573	22593
147.	44 Raj Kumar Rai	287939	95-96 96-97 98-99	-do- -do- -do-	185389 180299 74913	27108	122856 90658 12380	225894
148.	47 Munshilal Rai	287104	97-98	-do-	130150		67617	67617
149.	56 Mufti Md. Quasim	221498	95-96 96-97 97-98	-do- -do- -do-	87886 122729 90574		25353 60196 28041	113590
150.	58 Kamal Paswan	224721	95-96 96-97	62533 -do-	71061 87654		8528 25121	33649
151.	62 Ganesh Pd. Yadav	226144	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	81889 220268 112865 74362	11171	19356 157735 50332 658	228081
152.	63 Hind Keshari Yadav	225363	97-98	-do-	113305		50772	50772
153.	68 Suryadeo Rai	225449	95-96 96-97	-do- -do-	154858 133123		92325 70590	162915
154.	69 Surendra Rai	225316	96-97	-do-	70026		7493	7493
155.	70 Ramjiwan Prasad	225851	95-96	-do-	68564		6031	6031
156.	71 Nagendra Pd. Yadav	223308	97-98	-do-	99506	8880	28093	28093
157.	72 Nawal Kishore Rai	224361	96-97 97-98	-do- -do-	97634 131372	30570	4531 68839	73370
158.	74 Ram Chandra Yadav	221277	96-97 98-99	-do- -do-	68928 88814	24734	6395 1547	7942
159.	78 Raj Kumar Mahaseth	224361	96-97	-do-	109963		47430	47430
160.	82 Lal Bihari Yadav	221348	96-97 97-98 98-99	-do- -do- -do-	79258 109046 139278	32675	16725 46513 44070	107308
161.	84 Lalit Kr. Yadav	221271	97-98 98-99	-do- -do-	130174 112660	24006	67641 26121	93762
162.	90 Gulam Sarwar	224723	95-96 96-97 97-98	62533 -do- -do-	118243 101615 66038		55710 39082 3505	98297

Audit Report(Civil) for the year ended 31 March 2000

Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recover-able
				Admissi-ble	Paid			
(In Rupees)								
163.	95 Ashok Singh	226639	95-96 96-97 97-98	-do- -do- -do-	103586 79946 73496		41053 17413 10963	69429
164.	96 Ramashray Sahani	221924	95-96 96-97	-do- -do-	75564 103533		13031 41000	54031
165	99 Ramdeo Verma	227305	95-96 96-97 97-98	-do- -do- -do-	81029 108662 94732		18496 46129 32199	96824
166.	150 Smt. Sushila Hansda	221719	96-97	-do-	67277		4744	4744
167.	153 Nalin Soren	227268	96-97	-do-	71434	6367	2534	2534
168.	158 Suresh Paswan	222464	96-97 97-98	-do- -do-	98642 98337		36109 35804	71913
169.	126 Chunnilal Rajbanshi	223750	96-97	-do-	74252		11719	11719
170.	130 Bijay Kr. Mandal	222674	96-97 97-98 98-99	-do- -do- -do-	136599 157378 146171	42480	74066 94845 41158	210069
171.	121 Ashok Kumar Singh	227278	97-98 98-99	-do- -do-	96346 89433		33813 26900	60713
172.	131 Rameshwar Yadav	225224	95-96 97-98 98-99	62533 -do- -do-	74908 88156 109534	38570	12375 25623 8431	46429
173.	134 Sikandar Singh	223396	97-98 98-99	-do- -do-	89284 89638	40405	26751 (-13300)	13451
174.	135 Rfique Alam	231272	96-97 97-98	-do- -do-	72765 115824	2100	10232 51191	61423
175.	139 Late Ajit Sarkar	222697	96-97	-do-	81154		18621	18621
176.	140 Sita Ram Das	221623	95-96	-do-	105145		42612	42612
177.	2 Purnamasi Ram	227274	97-98	-do-	66752		4219	4219
178.	5 Dilip Verma	261965	95-96 96-97 98-99	-do- -do- -do-	93780 74249 74476	11554	31247 11716 389	43352
179.	160 Stephan Marandi	287511	97-98 98-99	-do- -do-	96850 117912	39610	34317 15769	50086
180.	161 Durga Soren	227212	97-98 98-99	-do- -do-	83246 136608	90851	20713 (-16776)	3937
181.	162 Prashant Kumar	223012	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	105319 84472 107141 82626	8850	42786 21939 44608 11243	120576
182.	163 Rajanish Anand	225362	97-98	-do-	90802	15960	12309	12309
183.	128 Dayanand Yadav	226051	95-96 97-98 98-99 99-2000 (upto 12/99)	62533 -do- -do- -do-	87846 76184 185727 146099		25313 13661 123194 83566	245734
184.	1 Ashwani Kr. Choubey	655881	97-98	-do-	92140	10956	18651	18651
185.	169 Ravindra Kr. Rana	223722	95-96	-do-	82474		19941	19941
186.	175 Ramdeo Yadav	223538	95-96 96-97 97-98	-do- -do- -do-	63187 119558 157379		654 57025 94846	152525
187.	176 Bholu Pd. Yadav	225311	97-98	-do-	90503	70	27900	27900
188.	182 Satya Narain Singh	221634	95-96	-do-	71144		8611	8611
189.	183 Smt. Chandramukhi Devi	223873	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	80192 76527 114364 133990	47770	17659 13994 51831 23687	107171
190.	184 Pashupati Kr. Paras	226695	98-99 99-2000 (Upto 12/99)	-do- -do-	158689 81910	9925	96156 9452	105608
191.	185 Monazir Hassan	224928	97-98 98-99	62533 -do-	92705 83200	11780	30172 8887	39059
192.	188 Arjun Mandal	227365	96-97	-do-	76434		13901	13901
193.	190 Yadubansh Singh	222637	96-97 97-98 98-99	-do- -do- -do-	101949 98613 120585	30229	39416 36080 27823	103319
194.	192 Mahabir Choudhary	223347	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	65033 77439 74184 71632	22701	2500 14906 11651 (-13602)	15455



Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recover-able
				Admiss-ible	Paid			
(In Rupees)								
195.	193 Satish Kumar	225491	95-96 97-98 98-99 99-2000 (Upto 12/99)	-do- -do- -do- -do-	71484 72491 82364 74202	32297	8951 9958 (-)17466 11669	13112
196.	210 Shrikant Nirala	221308	97-98	-do-	65755		3222	3222
197.	212 Raminath Yadav	226119	95-96	-do-	89781	16223	11025	11025
198.	214 Rameshwar Prasad	224449	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	86680 232773 279838 161964	53889	24147 170240 163416 99431	457234
199.	215 Raghavendra Pratap Singh	223216	96-97	-do-	68523	5877	113	113
200.	217 Dharampal Singh	284238	95-96 96-97	-do- -do-	91527 66742	24703	28994 (-) 20494	8500
201.	191 Rajo Singh and Sanjay Kumar	282224	95-96 96-97 97-98	62533 -do- -do-	157206 131649 140959	4405	94673 69116 74021	237810
202.	208 Nand Kishore Yadav	645449	98-99	-do-	76421		13888	13888
203.	100 Gajendra Pd. Singh	226068	96-97	-do-	67212		4679	4679
204.	103 Narain Yadav	285259	95-96 96-97	-do- -do-	204395 164541		141862 102008	243870
205.	107 Awadhesh Kr. Rai	223389	95-96 98-99	-do- -do-	70393 82648	13823	7860 6292	14152
206.	109 Ram Binod Paswan	226911	95-96	-do-	98044		35511	35511
207.	112 Bijendra Pd. Yadav	226403	97-98	-do-	67259		4726	4726
208.	115 Upendra Nr. Hazara	231032	96-97 97-98 98-99	-do- -do- -do-	123291 78789 69440	6472	60758 16256 435	77449
209.	122 Ravindra Charan Yadav	225465	95-96	-do-	76914		14381	14381
210.	125 Dilip Kr. Yadav	277039	96-97 97-98 98-99	-do- -do- -do-	183753 87364 90782	45842	121220 24831 (-)17593	128458
211.	219 Smt. Manju Prakash	227371	95-96 96-97 97-98	-do- -do- -do-	105083 138890 120282		42550 76357 57749	176656
212.	220 Arjun Ram	222556	97-98	62533	80975	17493	949	949
213.	221 Basant Singh	231225	95-96 96-97	-do- -do-	210891 103724		148358 41191	189549
214.	226 Suryadeo Singh	226904	95-96 96-97 97-98	-do- -do- -do-	80918 114806 106356		18385 52273 43823	114481
215.	227 Ramdhani Singh	222877	97-98 98-99	-do- -do-	80563 90055		18030 27522	45552
216.	236 Smt. Lovely Anand	262884	97-98 98-99	-do- -do-	66088 79452		3555 16919	20474
217.	238 Ramadhar Singh	222329	97-98	-do-	99087	18705	17849	17849
218.	240 Raja Ram Singh	222262	96-97	-do-	77467		14934	14934
219.	243 Sahdeo Pd. Yadav	225894	96-97	-do-	85373		22840	22840
220.	245 Mundrika Singh Yadav	222765	95-96	-do-	84781		22248	22248
221.	249 Binod Kr. Yadavendu	224706	97-98	-do-	72224		9691	9691
222.	252 Ram Chandra Pd. Singh	227251	97-98	-do-	85665		23132	23132
223.	256 Rajendra Pd. Yadav	223354	97-98	-do-	86319	1323	22463	22463
224.	258 Babulal	227273	97-98	-do-	70376		7843	7843
225.	260 Ramashray Pd. Singh	224525	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	115236 117728 120248 96075	2600	52703 55195 55115 33542	196555
226.	278 Rajendra Pd. Singh	225307	95-96 96-97 97-98 98-99	62533 -do- -do- -do-	160212 116871 78708 85117		97679 54338 16175 22584	190776
227.	281 Om Prakash Lal	287414	95-96 96-97 97-98	-do- -do- -do-	93035 99638 156310		30502 37105 93777	161384
228.	288 Pradip Kr. Balmuchu	231535	97-98	-do-	74316		11783	11783
229.	321 Giriwar Pandey	227412	95-96 96-97 97-98 98-99	-do- -do- -do- -do-	84697 95142 154604 67533	4668	22164 32609 92071 332	147176
230.	289 Hariram Sardar	225492	97-98 98-99	-do- -do-	65116 80416	16936	2583 947	3530
231.	312 Niyel Tirkey	221832	97-98	-do-	87281	566	24182	24182

Audit Report(Civil) for the year ended 31 March 2000

Sl. No.	Segment no and name	Telephone number	Year	Amount		Already recovered amount	Amount paid in excess	Amount recover-able
				Admissi-ble	Paid			
(In Rupees)								
	<b>S/Shri</b>							
232.	286 Gaur Hzrijan	237904	97-98	-do-	87576	75	24968	24968
233.	325 A.D.G. Rozario	266665	97-98 98-99	-do- -do-	91755 80934	43900	29222 (-)25499	3723
234.	319 Inder Singh Namdhari	226796	97-98 98-99	-do- -do-	97999 156041	45700	35466 47808	83274
235.	323 Radha Krishan Kishore	224421	97-98 98-99	-do- -do-	97929 156041	24048	35466 69460	104926
236.	311 Basant Kr. Longa	232436	97-98 98-99	-do- -do-	100592 69883	6905	31154 7350	38504
237.	309 Vishwanath Bhagat	232908	97-98	-do-	75148		12615	12615
238.	303 Smt. Shushila Karketta	222418	95-96	62533	123225		60692	60692
239.	285 Aabo Devi	223949	96-97	-do-	63459		926	926
240.	320 Girinath Singh	223923	95-96	-do-	94911		32378	32378
241.	322 Ramchandra Chandrabanshi	224489	96-97	-do-	83659		21126	21126
242.	313 Barnad Minz	222739	95-96 96-97 97-98	-do- -do- -do-	81249 104602 144906		18716 42069 82373	143158
243.	179 Shakuni Choudhary and Parwati Devi	221391	98-99 99-2000 (upto 12/99)	-do- -do-	82805 97639	33954	20272 1152	21424
	<b>Total Section-B</b>							<b>7752749</b>
	<b>Grand Total (A+B)</b>							<b>21392714</b>



## APPENDIX – XXIX

## Statement showing unnecessary supplementary grants

(Refer : Paragraph: 4.1.4(i))

Year	Grant No.23		Budget provision	Supplementary	Savings (-)
(Rupees in lakh)					
1995-96	5054-Capital Outlay	Supplementary	--	6.74	(-)6.74
1996-97	--	--	--	--	--
1997-98	3054 Roads and Bridge 5054 Capital Outlay	Supplementary	--	121.80	(-)121.80
1998-99	--Do--	--Do--	--	17,821.87	(-)17821.87
<b>Total</b>				<b>17,950.41</b>	<b>(-)17950.41</b>

**APPENDIX – XXX**

**Fund provided remained fully unutilised**

(Refer : Paragraph: 4.1.4(i))

Year	Grant No.23 and 41	Details of Sub-Head	Total grant	Expenditure	Saving (-)
			(Rupees in lakh)		
1995-96	A2(1)(1)	Road Works	19.32	NIL	19.32
	A3(1)(1)	Civil Roads Assistance to Local Bodies	63.00	NIL	63.00
	2A1(2)(2)	Project financed from Central Road fund allocation	15.00	NIL	15.00
	2A2(1)(1)	Roads of inter State and Economic Importance	15.00	NIL	15.00
1996-97	2A1(2)(2)	World Bank Assisted Projects	50.00	NIL	50.00
	2A1(2)(4)	State share of Centrally Sponsosred Scheme	160.00	NIL	160.00
1997-98	A2(1)(1)	Road Works	40.00	NIL	40.00
	2A1(1)(2)(f)	As per order (CWJC-2044/96) by High Court	71.36	NIL	71.36
	2A1(2)(1)(a)(xii)	S/W of Hajipur-Bhairopur-Mahnar Road	20.00	NIL	20.00
	2A1(2)(1)(b)(x)	Title suit No.14/88	16.00	NIL	16.00
	2A1(2)(1)(b)(xii)	Construction of Road in Naxal affected area in tribal area	376.31	NIL	376.31
	2A1(2)(2)(iv)	Permanent land acquisition for Tehta Bye Pass under Budhist Circuit	25.00	NIL	25.00
	2A1(2)(1)(a)(ii)	Land acquisition	97.21	NIL	97.21
	2A1(2)(1)(b)(xiv)	Remaining decreetal amount	19.48	NIL	19.48
	1998-99	B4(2)(1)	Railway Safety Works	15.00	NIL
	2B1(1)(2)(a)(ii)	State Share of Centrally Sponsored Scheme	262.50	NIL	262.50



Year	Grant No.23 and 41	Details of Sub-Head	Total grant	Expenditure	Saving (-)
			(Rupees in lakh)		
	2B1(1)(2)(b) (ii)	Flood affected bridge works	523.00	NIL	523.00
	2B1(2)(1) (Sl. No. 5 to 72)	Road Works	3969.23	NIL	3969.23
	2B1(3)(1)(a)	Machinery and equipments (other area sub plan)	725.00	NIL	725.00
	2B1(3)(1)(b)	Machinery and equipments (other area sub plan) Tribal Area Sub Plan	475.00	NIL	475.00
	2B2 (i) (ii)	Construction and repair of bridge	124.00	NIL	124.00
1999-2000	B-3-05	Roads of inter state economic importance	50.00	NIL	50.00
	B4(2)(1)	Railway Safety Works	15.00	NIL	15.00
	2B (1)(i)	Machinery and equipment (other area sub plan)	199.35	NIL	199.35
	2 B (1)(i)	Machinery and equipment (tribal area sub para)	199.35	NIL	199.35
<b>Total</b>			<b>7545.11</b>	<b>NIL</b>	<b>7545.11</b>

**APPENDIX – XXXI**

**Statement showing excess expenditure under certain grants**

(Refer : Paragraph: 4.1.4(ii))

Year	Grant No.23		Budget provision	Expenditure	Excess (+)
(Rupees in lakh)					
1995-96	A1(i)(1)	Direction	344.73	825.94	481.21
	A1(i)(2)	Supervision	294.09	538.85	244.76
	A1(i)(3)	Execution	3322.92	3697.93	375.01
	A1(i)(7)(iv)	Execution (NH)	727.13	2626.70	899.57
	A1(i)(8)(i)	Direction	22.62	76.78	54.16
1996-97	A1(i)(1)	Direction	372.86	758.14	385.28
	A1(i)(2)	Supervision	411.96	655.00	243.04
	A1(i)(3)	Execution	3917.79	4507.73	589.94
	A1(7)(iv)	Execution (NH)	1030.26	2409.45	1379.19
	A2(i)(1)	Road works	18.55	92.27	73.72
	A4(i)(i)	Machinery and equipment	144.00	203.08	59.08
	2A(i)(2)	Bridges	450.00	722.09	272.09
	2A(i)(2)(i)	Road works	556.00	615.43	59.43
1997-98	A4(2)(i)	Road Construction Works	8921.47	9177.21	255.74
	2A1(2)(2)(iii)	Widening and Strengthening of Nadowl-Jahanabad-Umta Road	80.00	144.41	64.41
	2A1(2)(2)(viii)	W/s of Part of the Banganga-Hisua-Tunga Road	272.00	324.45	52.45
	2A1(2)(2)(x)	W/s of Hajipur-Lalganj-Vaishali Road	203.00	228.83	25.83
	2A1(2)(2)(xi)	W/s of Vaishali-Muzaffarpur Raod	60.00	67.21	7.21
	A1(i)(1)	Direction	444.73	1044.17	599.44
	A1(i)(2)	Supervision	617.40	780.02	162.62
	A1(i)(3)	Execution	4837.43	5077.03	239.60
	A1(i)(7)	Execution (NH)	1471.00	2247.39	776.30
	A1(i)(8)	Ganga Bridge Project	33.07	101.04	67.97
	A4(i)(1)	Machinery and equipment	168.00	272.69	104.69
	2A1(2)(i)(a)(xxiv)	Repairing of Shahpur-Garhwa Road	10.00	362.57	352.57
	2A1(2)(i)(b)(IH)	W/s of Namkum-Tupudana Road	3.00	85.81	82.81



Year	Grant No.23		Budget provision	Expenditure	Excess (+)
			(Rupees in lakh)		
1998-99	B4(1)(6)(i)	NH Projects-Direction	65.93	110.60	44.67
	B1(i)(1)	Machineary and equipment	173.81	434.31	260.50
	B1(2)(1)	Road Construction Works	12000.00	13387.81	1387.81
	B3(1)(1)	Road works	50.00	124.47	74.47
	2B1(2)(1)(a)(i) (Sl. No. 1 to 18)	W/s of Roads	4004.27	4759.11	754.84
	2B1(2)(2)(i)	W/s of Roads	12.75	63.56	50.81
	2B1(2)(2)(vi)	--Do--	40.00	207.83	167.83
1999-2000	B1(2)(i)	337 Road works	11718.00	12885.00	1167.00
	B2 (1)(i)	Civil road assistance to local bodies	147.00	207.00	60.00
	<b>Total</b>		<b>56945.86</b>	<b>69821.91</b>	<b>12876.05</b>

## APPENDIX – XXXII

### Statement showing expenditure without budget provision

(Refer : Paragraph: 4.1.4(iii))

Year	Grant No. 23 and 41		Budget provision	Expenditure (Rupees in lakh)	Excess
1996-97	A4(3)(1)	Suspense	--	403.24	(+)403.24
1997-98	A4(3)(3)	Miscellaneous Work Advances	--	942.06	(+)942.06
	2A1(1)(2)(i)(c)	Construction of Falgoo Bridge approach By-pass Road under Budhist Circuit Road Development Scheme	--	21.66	(+)21.66
	(e)	Construction of Lagino Bridge on Panisla (Saharsa)-Semalia Road	--	100.00	(+)100.00
	(g)	Approach road of Rewaghat Bridge over Gandak River in Muzaffarpur-Rewaghat-Chapra Road	--	233.06	(+)233.06
	(h)	Payment of compensation for land acquired for widening of Railway Overbridge	--	588.58	(+)588.58
1998-99	B1(3)(1)	Suspense	--	569.22	(+)569.22
1999-2000	B1(3)(3)	Miscellaneous PW Advance	--	313.78	313.78
	B1(3)(i)	Purchase	--	67.59	67.59
	<b>Total</b>			<b>3239.19</b>	<b>3239.19</b>



## APPENDIX – XXXIII

## Statement of allotment and expenditure on repair works in division

(Refer : Paragraph: 4.1.4.1(ii))

Sl. No.	Name of Division	Total Road length (Km)	Total allotment 1995-2000	Average allotment per Km per year	Expenditure 1995-2000	Average expenditure per km
<b>RCD Divisions</b>						
1.	Aurangabad-I	390	391.69	0.20	352.68	0.18
2.	Gaya-I	218	485.40	0.49	484.50	0.44
3.	New Capital Division, Patna	418	2120.52	1.01	2118.90	1.00
4.	Jamtara	156	249.27	0.32	237.66	0.30
5.	Banka	389	1229.76	0.63	629.25	0.32
6.	Purnea	344	973.28	0.57	971.30	0.58
7.	Dehri-on-Sone	448	641.82	0.29	618.70	0.28
8.	Patna city	382.15	789.04	0.41	787.83	0.41
9.	Buxar	195	673.96	0.69	669.40	0.69
10.	Patna west	210	1240.96	1.18	1236.03	1.18
11.	Sahebganj	132	427.75	0.69	410.16	0.62
<b>NH Divisions</b>						
1.	Barhi	232.20	1905.07	1.64	1763.39	1.52
2.	Biharsharif	176.00	1270.15	1.44	1249.84	1.42
3.	Dehri-on-Sone	88.80	635.25	1.43	635.25	1.43
4.	Dhanbad I	160.60	583.89	1.07	576.84	1.06
5.	Dhanbad II	130.15	904.30	1.39	889.17	1.37
6.	Goapalganj	63.43	956.19	3.01	883.93	2.79
7.	Jamshedpur	252.39	1731.81	1.37	1709.66	1.35
8.	Patna East	123.80	1365.07	2.20	1364.85	2.20
9.	Patna West	103.80	1144.85	2.20	1144.85	2.20
10.	Purnea	125.45	1431.62	2.28	1431.55	2.28
11.	Ranchi	310.40	1584.90	1.02	1579.72	1.02

**APPENDIX – XXXIV**

**Statement of award of work to contractors beyond their capabilities**

(Refer : Paragraph: 4.1.6.2.1(ii))

Sl. No.	Road Construction Division	Number of work	Length of road (Kms)	Name of contractor	Value of work	Value of work done	Balance value of work
(Rupees in crore)							
1.	Buxar	2	56.00	Vishal Builtech	6.13	3.57	2.56
2.	Dehri-on-Sone	3	71.40	-do-	7.05	3.48	3.57
	-do-	3	131.50	Raghunath Singh	11.17	7.99	3.18
	-do-	3	45.00	Shiv Naranyan Singh	4.47	2.24	2.23
3.	Patna City	1	12.00	Ramakant Singh	0.93	0.04	0.89
4.	Patna West	1	1.30	-do-	0.19	0.05	0.14
5.	Gaya No I	3	75.20	-do-	8.14	4.09	4.05
	-do-	1	8.20	Magadh Construction	0.87	0.30	0.57
	-do-	2	12.00	Kumar A.S. Construction	1.41	0.70	0.71
	Gaya .II	1	2.50	-do-	0.29	0.19	0.10
6.	Gaya No II	1	18.20	Rama Kant Mishra	2.23	0.82	1.41
	-do-	2	6.5	Magadh Construction	0.68	0.41	0.27
7.	New Capital Patna	2	16.00	Rama Kant Singh	2.09	1.10	0.99
	<b>Total</b>	<b>25</b>	<b>455.80</b>		<b>45.65</b>	<b>24.98</b>	<b>20.67</b>



## APPENDIX - XXXV

## Statement of unfruitful expenditure on incomplete works

(Refer : Paragraph: 4.1.6.2.2(i))

Sl. No	Name of RC Division	Name of road (length in Km)	Agreed value (Rs in lakh)	Date of commencement and completion	Expenditure upto March 2000 (Rs in lakh)	Remarks
1.	Chaibasa	Widening and strengthening of Chaibasa - Saraikela Road (3 to 16 km)	35.61	1990-91, March 1991	44.68	As of November 1992 work valued at Rs 27.21 lakh was completed. Thereafter no work was done due to blacklisting of contractor. Final measurement done in May 1993 revealed excess payment of Rs 6.65 lakh to the contractor which was not recovered as of March 2000. Again, work was reallocated to three agencies in January 1999 for Rs 15.29 lakh for completion by April 1999. The work was executed by the contractors upto August 1999 for Rs 7.43 lakh, thereafter, no work was done. EE spent Rs 10.04 lakh on repair of road during 1995-99. Thus, total expenditure of Rs 44.68 lakh was unfruitful.
	-do-	Chaibasa Bypass road (4.20 kms)	30.87	1993-97 1995-98	37.89 (March 1999)	Road was completed in 3.2 km at a total cost of Rs 35.15 lakh. Work in one km remained incomplete. Due to inferior work newly constructed road crust in 2 and 3 km (cost Rs 10.82 lakh) failed. SE directed (September 1998) the EE to investigate the reasons for the failure of road crust. This was not investigated as of March 2000. Though road was not opened for traffic, EE spent Rs 2.74 lakh on repair of road during

Sl. No	Name of RC Division	Name of road (length in Km)	Agreed value (Rs in lakh)	Date of commencement and completion	Expenditure upto March 2000 (Rs in lakh)	Remarks
						1995-99. Thus, the total expenditure of Rs 37.89 lakh was unfruitful.
2.	Chapra	W/S of Shitalpur - Maker road (21.00 km)	140.00	1991-97 1991-97	139.00	Against expenditure of Rs 139.00 lakh 85 percent work in 15 km and 5 percent work in 6 km only was completed as of March 2000. Revised estimate submitted by EE to SE/CE for Rs 208.00 lakh in September 1999 was not sanctioned (March 2000). EE stated (April 2000) that the work remained incomplete due to paucity of fund.
3.	Daltonganj (North)	Improvement of Shahpur - Garhwa road (30.57 km)			215.17	The road was completed in the year 1994 at a cost of 179.10 lakh but not opened to traffic due to non construction of a HL bridge over river Tahle in 12 <sup>th</sup> km of the road on which expenditure of Rs 35.97 lakh was incurred as of March 2000. Thus, expenditure of Rs 215.17 lakh was unfruitful.
4.	Jamtara	Jama-Jamtara-Rupnarainpur road (39.30 km)	234.58	1991-94 Upto August 1994	202.39	Against the total length of 39.30 km, work in 26.00 km was completed at a total cost of Rs 184.02 lakh. Work in 13.00 kms remained incomplete. Further expenditure of Rs 18.97 lakh was also incurred in 89 <sup>th</sup> km of road for reconstruction of failed road crust. Thus expenditure of Rs 202.99 lakh was unfruitful, as road was not utilised as intended.
5.	Aurangabad I	Panchrukhiya-Feshar - Aurangabad Road (35.00 km)	207.79	1987-99 1989-2000	152.99	Work consisted of construction of road, screw pile bridge, two culverts. Though road work was completed in 23 kms and partially executed in 12 kms at a cost of Rs 152.99 lakh but SP bridge was not taken up. As a result entire expenditure



Sl. No	Name of RC Division	Name of road (length in Km)	Agreed value (Rs in lakh)	Date of commencement and completion	Expenditure upto March 2000 (Rs in lakh)	Remarks
						proved unfruitful.
6.	Patna City	Construction of High Level Bridge with approaches over river Punpun.	278.56	1983-99 1986-99	174.72	The work provided for construction of bridge, north and south approach, submersible bridge and river taming work. None of the component was completed as of March 2000. Thus, entire expenditure of Rs 174.72 lakh proved to be unfruitful.
	<b>Total</b>				<b>967.44</b>	

**APPENDIX – XXXVI**

**Statement of doubtful expenditure**

(Refer: Paragraph: 4.1.6.3(ii))

Sl. No.	RC division	Name of roads	Expenditure (Rs in lakh)	Remarks
1.	Chaibasa	Chaibasa-Jaintgarh Road	19.31	While the original work was in progress, EE spent Rs 19.31 lakh on repair of road (1 to 34 km) during 1995-99. Site accounts for procurement and issue of materials was not available in the division.
2.	Darbhanga	Other roads under the division	15.13	Work were executed by 73 agencies during 1999-2000 without inviting tenders and without agreements. No site account was available.
3.	Daltonganj (North)	Ranchi-Daltonganj road	7.56	Repair of pot holes (62 to 118 kms) and road crust (139, 140 km) of Ranchi-Daltonganj road executed departmentally by 2 AEs (Chandwa and Subdivision No.3) at Rs 7.56 lakh was found doubtful during inspection of site (November 1996) by SE. No responsibility for this was fixed as of March 2000.
4.	Jamshedpur	Asabani-Patamda road	10.83	Repair of road (1 to 20 kms) was done during July 1997 to March 1998 at a cost of Rs 3.77 lakh. Repair of same stretch of road was also done simultaneously by AE, Road Construction Subdivision Patamda at Rs 7.06 lakh departmentally. Site account for repair work was not available in the division.
5	Sahebganj	Sahebganj-Rajmahal road	111.00	Though execution of repair work departmentally was not permissible under rules, repair works in 35 kms of the road were carried out repeatedly during 1996-99. Repair works included procurement of materials valued at Rs 11.43 lakh from local market, while no site accounts for receipt and issue of material was available
6	RC.Hazaribag	Different roads	92.43	Rs 92.43 lakh (52 percent) of the funds allotted were spent on general repairs in violation of the norm(15 percent prescribed (August-September 1998) by the Engineer-in-chief while providing funds



Sl. No.	RC division	Name of roads	Expenditure (Rs in lakh)	Remarks
7	NH Dehri on-Sone	NH2	18.61	The EE spent Rs 18.61 lakh (July-December 1999) for clearance of old liabilities for contracts executed before April 1999. As no site account was available, the payment was doubtful.
	<b>Total</b>		<b>274.87</b>	

**APPENDIX – XXXVII**

**Statement of cases of shortages and misappropriations**

(Refer : Paragraph: 4.1.7(vi))

Sl. No	Division	Material	Value (Rs in lakh)	Remarks
1.	Road Construction Division, Buxar	Stone aggregates, bitumen	7.86	As per Superintending Engineer's report (June 1996), the material valued at Rs 7.86 lakh was outstanding against JEs who were transferred from the division prior to the year 1980. They did not render accounts and not hand over charge of material.
2.	Chapra	Bitumen	5.84	61.50 tonnes bitumen transferred during 1997-99 from site accounts of JE (head quarter) to 3 Junior Engineers were not entered in any of the site accounts of JE.
3.	Chaibasa	Bitumen	11.37	In RCD Subdivision Chaibasa, 227.434 tonnes of bitumen issued (May 1996 to March 1998) by a JE in pot patch special repair and maintenance and repair work was not accepted by Assistant Engineer due to doubtful nature of work.
4.	Dehri on Sone	Bitumen Hume Pipe and other materials	22.46	As per Physical verification conducted by Assistant Engineer (1996 to September 1997) shortage of materials for Rs 12.48 lakh Further, 210 tonnes bitumen valued Rs 10 lakh transferred by a JE to Road Construction Division Ara in January 1994 issued on fake hand receipts.
5.	Patna (West)	Bitumen, Stone aggregate and fitting materials of pontoon bridge	27.37	Shortage of stone aggregate found during Physical verification (January 1994) at Rs 5.75 lakh in Pontoon bridge work. Further fitting materials procured for Rs 15.25 lakh in 1997-99 for the bridge were not accounted for in any of site accounts. A Junior Engineer of Pali I section did not hand over charge of 122.442 tonne of bitumen valued at Rs 6.37 lakh on transfer (July 1996) to other division.



Sl. No	Division	Material	Value (Rs in lakh)	Remarks
6.	Jamshedpur	Bitumen	14.79	Accounts for 168.21 tonnes bitumen and 1991 bags cement received by a JE of Saraikella subdivision was not rendered as of March 2000.
7.	Sahebganj	Stone aggregate	5.24	The material received by a JE in Rajmahal Subdivision during September 1999 to February 2000 for special and general repair was not accounted for.
8	NH Division, Biharshariff	Bitumen	1.56	Of transfer of 75 tonne of bitumen from job no.996 to 521 in January 2000, 15 tonne of bitumen was not accounted for.
		<b>Total</b>	<b>96.49</b>	

## APPENDIX – XXXVIII

### Details of major financial irregularities communicated through Inspection Reports

(Refer : Paragraph: 4.1.9)

#### State Roadways wing

Sl. no.	Category of Audit observation	Amount (Rs in crore)	Nos. of para
1.	Unfruitful expenditure on road works	175.14	907
2.	Loss due to shortage of materials	123.22	466
3.	Fictitious adjustment & booking of materials	73.52	419
4.	Undue financial aid to contractors	35.39	139
5.	Blocking of Government funds	61.45	167
6.	Outstanding recovery of over payments	5.53	72
7.	Loss due to substandard damaged works	6.21	43
8.	Irregular expenditure on establishment	25.18	62
9.	Irregular expenditure of machinery in excess of estimated grants.	38.68	129
10.	Loss due to non handing over charge of store incharge	0.17	09
11.	Non rendition of accounts by LAO	0.18	10
12.	Drawal of funds in violation of LOC	1.77	14
13.	Non encashment of deposit / bank guarantee	0.39	13
14.	Non levy of penalty	4.06	150
15.	Outstanding recovery on Misc PW Advance	21.69	267
16.	Miscellaneous topics like outstanding temporary advances, other routined observations etc.	31.83	266
	<b>Total</b>	<b>604.41</b>	<b>3133</b>

#### National Highways

Year	Reply not furnished			Even initial replies not furnished
	Number of IRs outstanding	Paras there in	Money value (Rs in crore)	Number of IRs outstanding
1995-96	26	245	26.95	22
1996-97	22	256	29.51	15
1997-98	19	182	47.92	17
1998-99	14	116	37.02	14
<b>Total</b>	<b>81</b>	<b>799</b>	<b>141.39</b>	<b>68</b>



## APPENDIX - XXXIX

## Statement of unutilised stores

(Refer: Paragraph 5.2.(ii)(b))

Sl No	Name of the Division	Material	Value (Rs in lakh)	Purchased during	Lying unused since
1.	Kharkai Canal Division, Hata	Cement, Rod, Pressure Release Valve, LDP Film and others	24.52	1984 to 1990	1986 to 1991
2.	Minor Distributory Division No.16, Adityapur	Cement, Rod, Others	10.27	-do-	1987 to 1992
3.	Minor Distributory Divn. No.5, Dimna, JSR, Haludawani	Cement, Rods	13.00	-do-	1991
4.	Mechanical Division, Chaliyama	Cement, Rods, Others	23.00	-do-	
5.	Kharkai Canal Division, Rajnagar	Cement, Rods, Pressure Release Valve, LDP film and others	27.82	-do-	1988
6.	Minor Distributory Divn. No.3, Mango, JSR	Cement, Tiles etc	2.32	-do-	1992-93
7.	Subernrekha Canal Divn. Gangudih, JSR	Cement, Rod, LDP film & others	29.18	-do-	1992
8.	Minor Distributory Divn.8, Potaka, Manago	Cement, Rod, Others	17.36	-do-	1985
9.	Kharkai Canal Divn. Chaibasa	Cement, Rods, Pressure Release Valve and Others	36.36	-do-	1992
10.	Kharkai Link Canal Divn., Musabani	Cement, Rods, Pressure Release Valve and Others	6.80	-do-	1987
11.	Kharkai Canal Divn., Adityapur	Cement, Rods and Others	37.31	-do-	1986
12.	Kharkai Dam Divn. No.2, Icha, Chaliyama	GI sheet, Hard rock, Others	6.19	1984-91	1984
13.	Baraj Divn. Galudih	Cement, Polythene Pipe, others	45.91	-do-	1984
14.	Kharkai Canal Divn., Musabani	Cement	3.82	-do-	-do-
15.	Icha Canal Divn., Saraikela	Cement	5.62	-do-	-do-
16.	Subernrekha Canal Divn. , Chandil	GCI sheet, drill rod, parling polythene and others	5.14	-do-	-do-
17.	Central Camp & Store Divn., Chandil	Barbed wire, MS grill, Bitumen, RS rod, AC sheet, Sal wood, Trans and others	110.64	-do-	-do-





Sl. No.	Divisions	Stores	Quantity	Value (Rs. in lakh)	Remarks
6.	Camp and Store Division, Chandil	Rod Cement	15.137 tonne 4900 bags	2.12 5.39 7.51	These materials were transferred to SR canal division, Gangudih and K.C. Division Rajnagar MD No.III, XVI between February 1986 to June 1991. The same were not received by the division.
7.	Subernrekha Canal Division, Chandil	Cement Rod LDPE Film GCI Sheet	21050 bags 47.204 tonne 0.225 tonne 9.717 tonne	23.16 6.61 .05 2.43 32.25	These materials were transferred to K.C. Division, Hata, Chaibasa, SR Canal Division, Gangudih, MD II, Chandil between January 1987 to September 1992. The same were not received by the Division.
	<b>Total</b>			<b>123.66</b>	

## APPENDIX – XLI

Utilisation certificates relating to grants in aid paid upto March 2000 but not received upto 30 September 2000.

(Refer : Paragraph 6.4.1)

Sl. No.	Department	Year(s) in which grants were paid	Due		Received		Awaited	
			Number	Amount (Rs. in lakh)	Number	Amount (Rs. in lakh)	Number	Amount (Rs. in lakh)
1.	Animal Husbandry Department	Upto 1998-99 1999-2000	498.00 20.00	1511.13 33.00	1.00 -	2.00 -	497.00 20.00	1509.13 33.00
2.	Agriculture	Upto 1998-99 1999-2000	167.00 8.00	4811.84 3934.00	- 7.00	- 3434.00	167.00 1.00	4811.84 500.00
3.	Co-operative	Upto 1998-99 1999-2000	454.00 18.00	6794.07 401.31	- -	- -	454.00 18.00	6794.07 401.31
4.	Education	Upto 1998-99 1999-2000	102.00 53.00	10455.70 44200.33	40.00 24.00	9569.94 37576.51	62.00 29.00	885.76 6623.82
5.	Police	Upto 1998-99 1999-2000	6.00 -	559.94 -	- -	- -	6.00 -	559.94 -
6.	Public Works	Upto 1998-99 1999-2000	555.00 -	512.12 -	- -	- -	555.00 -	512.12 -
7.	Welfare	Upto 1998-99 1999-2000	1610.00 8.00	2841.92 75.55	- 1.00	- 5.00	1610.00 7.00	2841.92 70.55
8.	Urban Development	Upto 1998-99 1999-2000	6971.00 483.00	22695.22 8076.44	100.00 185.00	2899.11 1938.31	6871.00 298.00	19796.11 6138.13
9.	Family Welfare	Upto 1998-99 1999-2000	34.00 -	8.42 -	- -	- -	34.00 -	8.42 -
10.	Industries	Upto 1998-99 1999-2000	2475.00 22.00	32366.78 1295.10	- 2.00	- 22.00	2475.00 20.00	32366.78 1273.10
11.	Medical	Upto 1998-99 1999-2000	780.00 2.00	1919.59 315.25	2.00 -	0.70 -	778.00 2.00	1918.89 315.25
12.	Others	Upto 1998-99 1999-2000	6727.00 25.00	35928.25 2485.78	8.00 14.00	2543.60 94.60	6719.00 11.00	33384.65 2391.18
	<b>Total</b>		<b>21018.00</b>	<b>181221.74</b>	<b>384.00</b>	<b>58085.77</b>	<b>20634.00</b>	<b>123135.97</b>





**APPENDIX -- XLIII**

**Statement of surcharge notices issued to D.M /D.C during  
1994-95 to 1998-99 and amount involved therein**

(Refer : Paragraph 6.17)

Sl.No	Name of D.M/D.C	Total surcharge notice issued	Amount involved (Rupees in lakh)	Surcharge notice served
1	Motihari	23	31.00	13
2	Saharsa	12	0.18	
3	Gopalganj	22	1.33	
4	Vaishali	17	1.84	
5	Bhagalpur	17	1.60	
6	Darbhanga	21	17.62	
7	Kishanganj	11	0.65	
8	Dumka	3	0.23	
9	Begusarai	6	5.73	5
10	Samastipur	9	2.40	
11	Sahebganj	3	1.09	
12	Chapra	3	2.04	
13	Purnea	13	2.72	
14	Muzaffarpur	22	6.85	
15	Katihar	18	7.04	
16	West Champaran Bettiah	57	43.15	
17	Sitamarhi	19	2.40	1
18	Munger	14	0.65	
19	Supaul	14	1.64	
20	Jamui	8	0.30	
21	Siwan	5	14.54	
22	Madhubani	10	1.15	
23	Deoghar	16	14.15	13
24	Madhepura	4	0.12	
25	Banka	1	0.04	
26	Buxur	4	3.06	
27	Gaya	63	50.86	
28	Ranchi	15	32.02	
29	Nalanda	11	3.86	2
30	Patna	47	19.20	6
31	Chaibasa	17	1.25	
32	Aurangabad	18	3.07	
33	Jamshedpur	5	5.16	
34	Palamu	9	2.85	
35	Bhojpur	65	6.56	1
36	Jahanabad	21	1.31	
37	Hazaribagh	46	6.80	
38	Rohtas	17	2.44	
39	Dhanbad	29	8.27	
40	Garhwa	2	0.25	
41	Gumla	2	0.96	
42	Giridih	3	0.26	3
43	Nawada	1	0.04	
		<b>723</b>	<b>308.68</b>	<b>44</b>



## APPENDIX -- XLIV

**Departmentally managed commercial/quasi-commercial undertakings which have not prepared proforma accounts since their inception**

(Refer: Paragraph 7.1)

Sl.No.	Name of the commercial/ quasi-commercial undertakings	No. of unit	Date of establishment of undertakings
<b>Animal Husbandry &amp; Fisheries Department</b>			
1.	Becon Factory, Ranchi	1	December 1964
2.	Central Poultry Farm, patna	1	1948
3.	(i) Regional Poultry Farm, Bhagalpur	1	1959
	(ii) Regional Poultry Farm, Ranchi	1	1958
	(iii) Regional Poultry Farm, Muzaffarpur	1	October 1971
<b>Forest and Environment Department</b>			
4.	Lac Cultivation Forest area, Ranchi	1	1963-64
5.	Match Splint Factory, Koderma & Goelkera	2	1964
6.	Sabai String Factory, Goelkera & Sahebganj	2	October 1964
<b>Industries Department</b>			
7.	Adarsh Iron workshop	5	1956-61
8.	Adarsh Wooden workshop	10	1956-64
9.	Procurement Centre	10	--
10.	Salt Petro Refinery, Mehsi, East Champaran	1	1953
11.	Flower Bowl Production, Chatra (Shifted in August 1984 from Khunti, Ranchi)	1	August 1984
<b>Excise &amp; Prohibition Department</b>			
12.	Purchase & sale of opium stock	1	--
13.	Grain Gola	1	1947-48
	<b>Total</b>	<b>39</b>	

**Note:-**

- Five units under Animal Husbandry Department Sl. No. 1 to 3 have been audited during the year 2000-2001 which have not prepared Proforma Accounts, since inception.
- Sl. No. 7- out 5 units only 2 units were audited during the year 2000-2001 which have not prepared Proforma Accounts.
- Sl. No. 8- Out of 10 units only 2 units at Samastipur and another one at Khunti (Ranchi) audited during the year 2000-2001 which have not prepared Proforma Account.
- Sl.No.6- One of the units of Sabai Storing Factory is reported to have been closed in July 1977.
- Sl. No. 11- The format of Proforma Accounts was prescribed by the Department in July 1981.
- Rest 27 units have not been audited. Concerned departments are being intimated to report the position of preparation of Proforma account.

## APPENDIX -- XLV

### Departmentally managed commercial/quasi-commercial undertakings, the proforma accounts of which are in arrears

(Refer: paragraph 7.1)

Sl. No.	Name of the commercial quasi-commercial undertakings	Period of proforma account in arrears
<b>Agriculture Department</b>		
1.	State Tractor Organisation, Purnea	1977 onwards (November to October)
<b>Forest &amp; Environment Department</b>		
2.	Treatment Plant, Goelkera	1982-83 onwards (November to October)
3.	Treatment Plant, Latehar	1984-85 onwards (November to October)
4.	Departmental working in forest Coups, Hazaribagh	1981-82 onwards (November to October)
5.	Government Saw Mill-cum-seasoning Plant, Ramgarh	1984-86 onwards (November to October)
<b>Home (Jail) Department</b>		
6.	Manufacturing Department of Central Jail, Bhagalpur	1981 to 1999 (January to December )
7.	Manufacturing Department of Central Jail, Buxar	1987 to 1999 (January to December)
<b>Public Health Department</b>		
8.	Government Vaccine Institute, Namkum, Ranchi	1997-98 to 1999-2000
9.	Government Pastaur Institute, Namkum, Ranchi	1997-98 to 1999-2000

Note:-

1. The State Tractor Organisation, Purnea is reported to have been closed (As stated by District Agriculture Officer, Purnea dated 20.12.2000).
2. Sl. No.4- The unit at Hazaribagh audited during 2000-01 which have not prepared Proforma Accounts.
3. Rest 7 units have not been audited. Concerned departments are being intimated to report the position of preparation of Proforma Accounts.



