



सत्यमेव जयते

REPORT
OF
THE COMPTROLLER
AND
AUDITOR GENERAL OF INDIA

For the year ended 31 March 2001

(CIVIL)

GOVERNMENT OF BIHAR

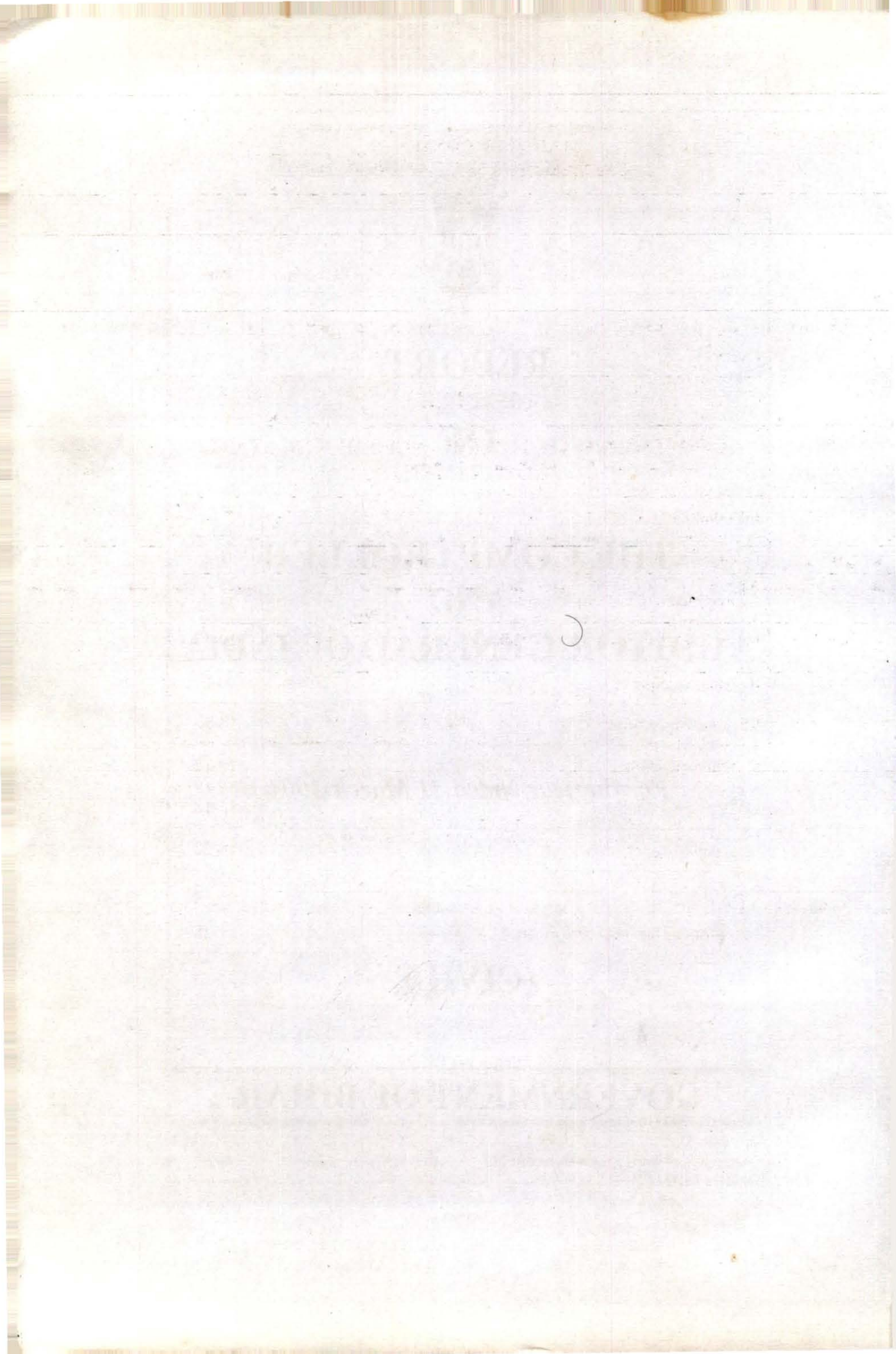


TABLE OF CONTENTS

	Refer to:	
	Paragraph	Page
Preface		viii
Overview		ix-xxi
CHAPTER I		
AN OVERVIEW OF THE FINANCES OF THE STATE GOVERNMENT		
Introduction	1.1	1
Financial position of the State	1.2	1-2
Sources and applications of fund	1.3	2-9
Financial operations of the State Government	1.4	10-13
Revenue receipts	1.5	14
Revenue expenditure	1.6	14-16
Capital expenditure	1.7	16-17
Quality of expenditure	1.8	17-18
Financial management	1.9	18-22
Public Debt	1.10	22-23
Indicators of financial performance	1.11	24-28
CHAPTER II		
APPROPRIATION AUDIT AND CONTROL OVER EXPENDITURE		
Introduction	2.1	32
Summary of Appropriation Accounts	2.2	32

	Refer to:	
	Paragraph	Page
Results of Appropriation Audit	2.3	32-37
Expenditure and budgetary control	2.4	37-38
CHAPTER III		
CIVIL DEPARTMENTS		
SECTION A - REVIEWS		
HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE DEPARTMENT		
Functioning of Government Ayurvedic Colleges and Hospitals	3.1	41-50
HEALTH AND FAMILY WELFARE DEPARTMENT		
Prevention and Control of Diseases	3.2	51-74
SECONDARY, PRIMARY AND MASS EDUCATION DEPARTMENT		
Non-formal education programme	3.3	75-87
SECTION B - EXAMINATIONS		
FOREST AND ENVIRONMENT DEPARTMENT		
Unauthorised creation of liability	3.4	88
Excess officials in divisions	3.5	89-90
HOME (POLICE) DEPARTMENT		
Deployment of Police force as personal security guards	3.6	90
PERSONNEL AND ADMINISTRATIVE REFORMS DEPARTMENT		
Unjustified irrecoverable advances	3.7	91
WELFARE DEPARTMENT		
Misutilisation of Special Central Assistance	3.8	92

	Refer to:	
	Paragraph	Page
CHAPTER IV		
WORKS EXPENDITURE		
SECTION A : REVIEWS		
PUBLIC HEALTH ENGINEERING DEPARTMENT		
Accelerated Rural Water Supply Scheme	4.1	95-103
Working of Public Health Engineering Department	4.2	104-124
SECTION B : PARAGRAPHS		
BUILDING CONSTRUCTION AND HOUSING DEPARTMENT		
Illegal appointment of daily wage labours: Rs 2.50 crore	4.3	125
ROAD CONSTRUCTION DEPARTMENT		
Extra expenditure in road works for over 6 years	4.4	126
Idle investment on incomplete bridges: Rs 1.16 crore	4.5	127-128
Unfruitful expenditure on road works: Rs 2.14 crore	4.6	128-129
Unproductive expenditure of Rs 79.60 lakh on a high level bridge and doubtful construction of approach road : Rs 36.85 lakh	4.7	129
WATER RESOURCES DEPARTMENT		
Non-functional workshop	4.8	130
CHAPTER - V		
STORES AND STOCK		
SECTION B : PARAGRAPHS		
ROAD CONSTRUCTION DEPARTMENT		
Misappropriation of bitumen and persistent refusal to produce records	5.1	133

	Refer to:	
	Paragraph	Page
CHAPTER – VI		
FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS		
SECTIONAL REVIEW		
FOREST AND ENVIRONMENT DEPARTMENT		
Implementation of Environmental Acts and Rules relating to Air Pollution and waste management	6.1	137-149
SECTIONAL PARAGRAPHS		
General	6.2	150-151
Bodies and Authorities substantially financed by government grants and loans	6.3	151-152
AGRICULTURE DEPARTMENT		
Delayed construction of cold storage	6.4	152-153
Litchi export scheme	6.5	153
RURAL DEVELOPMENT DEPARTMENT		
Undue financial aid to a firm: Rs 28 lakh	6.6	154
URBAN DEVELOPMENT DEPARTMENT		
Delay in construction of bus stand in Patna	6.7	154-155
Loss of Revenue due to non-levy of fees	6.8	156
Utilisation of grants received from Tenth Finance Commission	6.9	156-160
CHAPTER – VII		
COMMERCIAL ACTIVITIES		
SECTIONAL PARAGRAPHS		
General	7.1	163
FINANCE DEPARTMENT		
Working of Government Presses and Government Stationery Stores and Publications	7.2	163-171

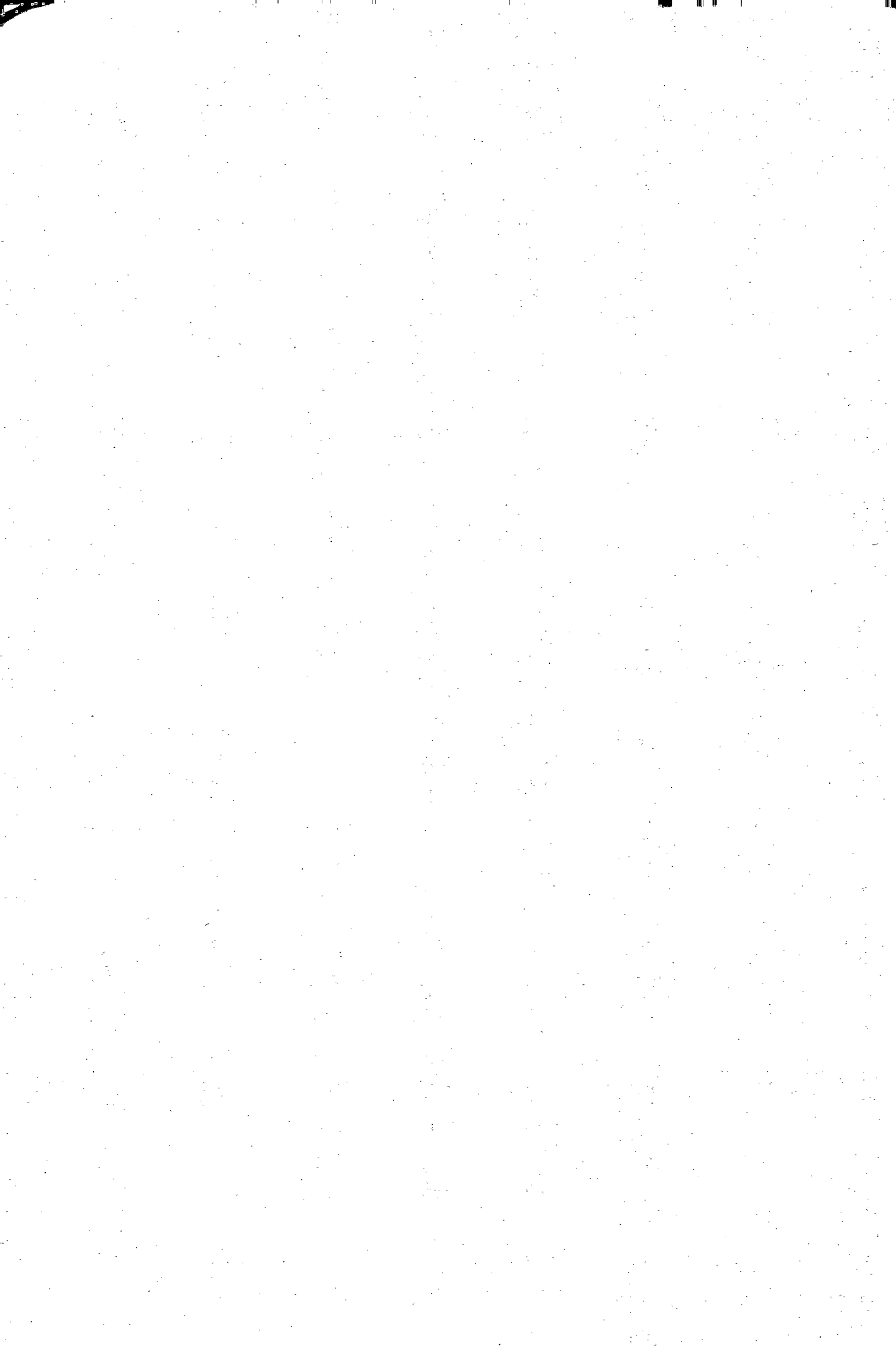
		Refer to:	
		Paragraph	Page
APPENDICES			
I	Part-A : Government Accounts Part B : List of indices/ ratios and basis for their calculation	1.1 1.11.2	175 176-177
II	Statement showing apportionment of assets and liabilities of the composite State of Bihar as on 14 th November 200 between successor Bihar and new State of Jharkhand	1.1	178
III	Statement of large savings under State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes	1.8.3	179-195
IV	List of incomplete irrigation projects where huge capital was blocked	1.9.2	196
V	Working papers to financial indicators	1.11.2	197-198
VI	Statement of excesses requiring regularisation	2.3.1	199
VII	Cases where supplementary provision proved unnecessary	2.3.3	200-201
VIII	Cases where supplementary provision proved excessive	2.3.3	202
IX	Cases where expenditure fail short/ excess of budget provision	2.3.6	203-211
X	Cases of savings exceeding Rs 2 crore in each case	2.3.7	212-213
XI	Expenditure on new services/ new instrument of services in excess of the budget provision	2.3.8	214-215
XII	Expenditure on new services/ new instrument of services without budget provision	2.3.8	216
XIII	Anticipated savings not surrendered	2.3.9	217
XIV	Statement of unjustified/ excessive surrenders	2.3.10	218-220
XV	Statement of unreconciled expenditure	2.3.12	221
XVI	Statement of records (1996-2000) not produced to audit	3.1.4 (iv)	222
XVII	Statement showing purchase of materials in excess of requirement	4.1.10 (i)	223
XVIII	Statement showing diversion of materials	4.1.10 (ii)	224

Audit Report (Civil) for the year ended 31 March 2001

		Refer to:	
		Paragraph	Page
XIX	Statement showing unnecessary supplementary grant	4.2.4.1 (i)	225
XX	Statement of funds provided remained fully unutilised	4.2.4.1 (v)	226-227
XXI	Statement showing excess expenditure under certain grant	4.2.4.1 (viii)	228-229
XXII	Statement of division-wise target and achievement for the years 1996-2000	4.2.5.1	230
XXIII	Statement of division-wise excessive purchase of materials	4.2.7 (ii)	231
XXIV	Statement of misappropriations of stores	4.2.7.1 (i)	232
XXV	Utilisation certificates relating to grants in aid paid upto March 2001 but not received upto 30 September 2001	6.2.1	233
XXVI	Statement showing expenditure incurred against allocation for drains, roads and water supply	6.9.2 (II) (b)	234
XXVII	Departmentally managed commercial/ quasi-commercial undertakings which have not prepared proforma accounts since their inception	7.1	235
XXVIII	Departmentally managed commercial/ quasi-commercial undertakings, the proforma accounts of which are in arrears	7.1	236
XXIX	Details of idle machines	7.2.3 (v)	237-239
XXX	Details of agency wise outstanding dues (Secretariat Press Gulzarbagh, Patna)	7.2.5	240-241

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 (1 April 2000 to 14 November 2000 for composite Bihar and from 15 November 2000 to 31 March 2001 for successor State of Bihar) and Appropriation Accounts of the State Government for the year ended 31 March 2001.
- 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, Stores and Stock, 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 2000-2001 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 2000-2001 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 6 reviews and 22 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 declined by 7.35 per cent while the assets grew by 6.48 per cent during 2000-2001 mainly as a result of apportionment of Public Debt (Rs 5991 crore) to the new state of Jharkhand.

 Revenue receipts increased by 5 per cent but their relative share in Government receipts went up from 63.95 percent in 1999-2000 to 72.34 percent during 2000-2001. The share of recoveries of loans and advances remained static to 0.07 per cent. The share of net receipt from Public Account went up from 7.55 per cent in 1999-2000 to 9.99 percent in 2000-2001. The receipt from public debt marginally increased from 16.04 per cent to 17.62 per cent. Resultantly cash balance increased by Rs 189 crore during the year.

 Revenue expenditure accounted for 89 per cent of Government's total expenditure during 2000-2001, 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 2000-2001 was Rs 3852 crore. Against this Rs 1914 crore were spent. State Government obtained Central loan, market borrowing and grants from Central Government aggregating Rs 2557 crore during 2000-2001. Out of this, State Government saved Rs 642.92 crore and thus did not contribute to the plan expenditure from its own resources.


 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 2010.85 crore in 23 incomplete irrigation projects.


 The above analysis indicates that the financial mismanagement that led to grave financial condition of the government during 1996-2000 worsened during the current year. The imprudent and unjustified market borrowings in the previous years and their unproductive investment is causing unsustainable interest burden and insignificant return on investments. 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 tax compliance and depended mainly upon the transfers from the Central Government.


(Paragraph 1.1 to 1.11.4)


2. Appropriation Audit and control over expenditure


 State Government incurred expenditure of Rs 19253 crore during 2000-2001 against the total budget provision of Rs 24201 crore including supplementary. The overall savings of Rs 4948 crore was the result of savings of Rs 5660 crore in 47 cases of grants and 11 cases of appropriations, partly offset by excess expenditure of Rs 712 crore requiring regularisation under Article 205 of the Constitution of India. As of December 2001, excess expenditure of Rs 6966.23 crore pertaining to the years 1977-1978 to 2000-2001 had not been regularised. Of the total excesses of Rs 6966.23 crore occurring since 1977-1978, the excess of Rs 5294 crore (77 per cent) occurred during the last 10 years period (1991-1992 to 2000-2001).

 The supplementary provision of Rs 6227 crore obtained by the government during the year 2000-2001 constituted 34.65 per cent of the original budget provision of Rs 17974 crore as against 27.82 per cent in 1999-2000. Out of this, the supplementary provision of Rs 765 crore in 47 cases proved wholly unnecessary.

 Persistent savings exceeding Rupees 2 crore in each case ranging from 3 to 75 per cent occurred in 50 grants over a period of two years.


 Savings exceeding Rupees one crore in each case in 36 grants and 1 appropriation aggregating Rs 3230 crore were not surrendered, while in 35 cases surrenders of Rs 107.76 crore were unjustified/excessive.


 Explanations for saving/excess were not received in the office of the Principal Accountant General (Accounts and Entitlements) in respect of 348 out of 629 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 2000-2001 expenditure under 2465 units of Appropriation involving a sum of Rs 8091 crore remained unreconciled.


(Paragraph 2.1 to 2.4)


3 Functioning of Government Ayurvedic Colleges and Hospitals


 *Ayurvedic/ Unani colleges and hospitals in the State were to impart education in indigenous system of health care and popularise it. The colleges/hospitals were crowded with general category of staff while teaching and technical category of staff were inadequate. Most of the expenditure was incurred on staff while little funds were provided for medicines, diet etc. The colleges and hospitals, the pharmacy and the research unit lacked basic amenities of health education, health care, research and manufacture of medicines. The colleges conducted academic courses and universities conducted examinations for various courses without approval of the Central Council of Indian Medicines. Thus objective of popularising indigenous system of health care was not achieved.*

 During 1996-2001 major expenditure (96 per cent) of the Ayurvedic/ Unani colleges related to staff cost while negligible (4 per cent) expenditure was incurred on medicines etc. Expenditure on medicines per patient was varying from Rs 1.30 to Rs 29.51 in the hospitals of the State.

 Principal, Government Ayurvedic College and Hospital, Begusarai purchased huge quantity of allopathic medicines from a firm dealing in stationery and clothing. The hospital had no doctor qualified in allopathy system of medicines.

 Teaching/ non-teaching staff in the Ayurvedic/ Unani colleges were far below the scale prescribed by the Central Council of Indian Medicines (CCIM). Manager, Medicine Laboratory in the Ayurvedic College, Begusarai had no degree in Ayurveda.

 In Ayurvedic College, Darbhanga 35 students appeared/ passed during 1998-2001 in final examination of Bachelor's degree course, though the college had no in-service training facility. For 4 years no student was enrolled in the Post Graduate course in the Government Ayurvedic College, Patna as the courses were not approved by the Central Council of Indian Medicine. But 44 idle staff continued.

 The hospitals attached with Ayurvedic/ Unani Colleges did not have required bed strength. They were not capable of providing health education to students and health care service to people. Occupancy of

beds in hospitals at Patna and Begusarai on an average was only 10 per cent due to lack of infrastructure, bad sanitation and absence of basic amenities like water, electricity, toilets etc. In 5 Ayurvedic/ Unani colleges doctor patient ratio was 1:32 per day during 1996-2001 and the hospitals failed to popularise indigenous system of health care.



There was no system in hospitals to check protein/calorie content of diets served to patients. Expenditure on diet per patient per day (Rs 3.55) was grossly inadequate to meet the prescribed calorie need.



The Ayurvedic and Unani research unit was non-functional due to absence of laboratory for bio-chemistry, pathology, pharmacology departments etc. and lack of proper staff for these departments.

(Paragraph 3.1)

4 Prevention and Control of Diseases



There were four major centrally sponsored national programmes for control of diseases. Of these, National AIDS Control Programme (NACP) aimed to reduce the spread of Human Immuno Deficiency Virus (HIV) and strengthen India's capacity to respond to the HIV/AIDS on long term basis. National Leprosy Control Programme (NLCP) aimed to achieve elimination of leprosy by the end of year 2000. National Programme for Control of Blindness (NPCB) aimed at reducing blindness from 1.4 per cent to 0.3 per cent by the year 2000. National Tuberculosis Control Programme (NTCP) intended to achieve cure rate of over 85 per cent. Implementation of these programmes in the State was ineffective due to poor utilisation of available funds and misutilisation of central funds, failure to develop necessary infrastructure, non-utilisation of equipment, misutilisation of vehicles and absence of effective monitoring etc.


(i) TB control programme




During 1997-99, Rs 3.70 crore of central funds for implementation of National TB Control Programme was not released and Rs 2.33 crore not utilised till March 2000. In the test-checked districts only 30 per cent of the available funds were utilised.




Achievements in detection of TB patients under National TB Control Programme during 1996-2000 were 34 to 44 per cent. Further, based on population of 8.67 crore (1991 census) 173 TB units and 867 microscopy centres should have been set up as per norm whereas only 29 TB units and 141 microscopy centres were available as of June 2001. During 2000-01 sputum positive cases grew sharply by nearly 10 times, extra pulmonary cases by more than 4 times, relapsed cases by 5 times, failure cases by 12 times, default cases by 13 times and other cases by 20 times.


 Subversion of financial rules by the Director, TB Demonstration Centre, Patna facilitated defalcation of Rs 46.99 lakh during 1995-97 in his office. The Deputy Director (TB) prematurely drew Rs 1.08 crore in March 1998 to patronise the banks at the cost of the programme.


(ii) *Leprosy control programme*


 There was excess expenditure of Rs 81.08 lakh during 1996-97 and saving of Rs 4.87 crore during 1997-2001 under NLCP. Rupees 4.19 crore were not released by Government of India during 1996-2001 due to poor utilisation of funds. Rupees 3.52 crore remained unutilised with the District Leprosy Societies as of March 2001.


 Reported achievements for identification, treatment and discharge of patients under National Leprosy Control Programme in the State were far above the targets. Reliability of the reported achievements was doubtful as 53 per cent of the available funds were not spent. There was nil achievement in different targeted facilities for treatment of patients under the programme. Application of Multi Drug Therapy was inadequate. The prevalence rate of leprosy in the State at 16.59 per ten thousand population was the highest in the country while the national average was 5.19.

(iii) *Blindness control programme*


 During 1996-2001, only 30 per cent (Rs 97.44 lakh) of funds allocated by Government of India was released due to poor spending by the State on the National Programme for Control of Blindness.


 Though required, no survey was conducted to assess magnitude of blindness in the State under the National Programme for Control of Blindness. State Government reduced targets for cataract operation during 1996-2001 by 48 to 56 per cent and the achievement even against reduced targets fell short by 30 to 62 per cent.

 No activity was undertaken by the department for developing infrastructure such as creation of eye wards, operation theatres, dark rooms, beds etc. in hospitals. Rupees 29 lakh provided by GOI for these purposes were not released by the State Government.

 Four District Magistrates misutilised vehicles which were meant for implementation of National Programme for Control of Blindness. One such vehicle at Saran was got burnt in July 1999 when it was being used for law and order purpose.


(iv) *AIDS control programme*


 During 1996-2001 only 24 per cent (Rs 3.38 crore) of funds allocated for NACP was released by Government of India due to poor spending by the State. Of available funds, 36 per cent (Rs 1.79 crore) was not spent by the State. NACP funds of Rs 2.16 crore were released by the State to State AIDS Control Society in March 1999 after a lapse of 1 to 7 years. The Bihar AIDS Control Society did not prefer claim for reimbursement of expenditure of Rs 3.23 crore during 1996-2001 to Government of India.


 National AIDS Control Programme remained a non-starter in the State as of June 2001. Prevalence of HIV positive cases increased from 0.04 per cent during 1996-97 to 0.11 per cent in 2000-01. Prevalence of AIDS cases also increased from 12 in 1996-97 to 32 in 2000-01. A large number of equipment (143) supplied by National AIDS Control Organisation, New Delhi during 1993 and 2000 were either lying idle or were misutilised.


(Paragraph 3.2)


5 *Non- formal education programme*


 Centrally sponsored Non-formal Education (NFE) scheme was launched to provide elementary education to children in the age group of 6 to 14 years who had not received formal education due to socio-economic constraints. The implementation of the scheme was ineffective as large amount of funds were not spent and even the released funds were largely misutilised for augmenting State receipts and patronising banks. Supervision and monitoring of the scheme was totally neglected. Achievements were over reported. Books were not supplied in time and the course duration was prolonged. The programme thus, failed to meet the educational needs of targeted group of learners/children. Huge amount of funds were defalcated as the internal controls were not enforced by the Director.


 Out of Rs 227.76 crore, Rs 153.90 crore were spent. No reasons were furnished for the saving of Rs 73.86 crore (32 per cent).

 During 1993-97, the Director, Mass Education, Director Adult Education and 44 District Mass Education Officers drew Rs 132.68 crore from the Treasuries and kept the amounts mainly in Civil Deposits and in banks; large amounts were also credited as Government receipts. Rupees 41.99 crore were thus used for augmenting State resources and for patronising banks. Director, Mass Education, Patna failed to ensure proper maintenance of accounts records which facilitated defalcation of at least Rs 11.90 crore. Special audit to detect total defalcations was not completed by the Finance Department even in two and half years.

 Excess reporting of Non-formal Education centres was 24 thousand. To obtain additional GOI grant of Rs 16.44 crore against the targeted enrolment of 62.50 lakh students during 1995-2000, 45.16 lakh (72 per cent) only were enrolled in the centres. Total achievement during 1998-99 remained low at 40 percent.


 No training was imparted to 6089 instructors engaged in NFE centres. The primary level course (upto class V) of two years was completed in three to four years resulting in extra expenditure of Rs 75.71 crore.


 Nearly 60 thousand special NFE centres for both boys and girls were wrongly reported by the State to the Government of India as exclusively for girls. This helped in obtaining excess funds of Rs. 14.61 crore from the GOI.


 NGOs failed to enrol nearly 15 thousand learners in the NFE centres operated by them and two years course was extended upto five years. This resulted in excess expenditure of Rs 52.79 lakh in operation of NFE centres by five NGOs.


(Paragraph 3.3)


6 Accelerated Rural Water Supply Scheme


 *To supplement the efforts of the States towards providing safe and adequate drinking water to the rural population "Accelerated Rural Water Supply Programme (ARWSP)", fully financed by Government of India, was launched in 1972-73 and continued during Ninth Plan period. Implementation of ARWSP in the State suffered from mismanagement, short release of funds, inefficient utilisation of funds and lack of monitoring. As a result, the programme failed to achieve intended objective of providing potable water and sustainable drinking water facilities to rural people. The programme failed to improve the environmental hygiene and socio-economic condition of targeted group.*


 During 1997-2001, only Rs 46.90 crore out of Rs 399.08 crore was released by Government of India due to failure of the State Government to release its share and poor utilisation of funds. Engineer-in-Chief released funds to the divisions after a delay of over 3 to 11 months. In three divisions Rs 46.37 lakh were misutilised.


 82 per cent physical progress was reported with 64 per cent of fund utilisation which is not reliable.


 Extra expenditure on construction of tubewells and doubtful execution of works aggregated to Rs 78 lakh.


 Systematic identification of sources, selection of sites, improved operation and maintenance through trained technical personnel and community participation were not ensured. In 14 test-checked divisions site selection was done on the recommendation of local MLAs in violation of norms. In 4 divisions 324 water supply schemes were non-functional for over 5 years due to mechanical, civil and electrical faults and were not set right.


 Utilisation of material valued at Rs 1.50 crore, recorded as taken into site accounts of various works in 3 divisions was doubtful as the site accounts were not made available for audit.

 Water testing laboratory was available in only one division. Rupees 18 lakh provided for establishing water testing laboratories were mostly spent on procurement of equipment, glass ware etc but the laboratories were not established as of September 2001.

 In 9 districts 73 per cent (Rs 16.58 crore) of earmarked funds (Rs 22.70 crore) were spent on construction of 51 per cent (9224) of targeted number of tubewells (18245) with iron removal plants during 1998-2001. The objective of providing safe drinking water free from iron content was partially realised.


 In 8 divisions materials valued at Rs 1.89 crore purchased from the fund of ARWSP were misutilised on other works.

 Out of Rs 69.99 lakh released by Government of India in 1994-95 for establishment of HRD cell, only Rs 21.81 lakh were spent by the State as of June 2001. Further, GOI funds of Rs 63.72 lakh were not drawn for conducting training courses during 2000-01.


 Monitoring of ARWSP in the State was ineffective. As a result the programmes suffered from major deficiencies and intended objective of providing safe drinking water and sustainable drinking water supply facilities to targeted rural and urban population were not realised.


(Paragraph 4.1)


7 Working of Public Health Engineering Department


 *Public Health Engineering Department is entrusted with the responsibility for providing safe drinking water to people, extending sewerage and drainage facility to rural people and managing sanitary and sewerage facility in urban government buildings. Budgetary and financial management in the department was poor. Expenditure control mechanism was not functional and there were huge savings of budget provisions for plan schemes. Lack of co-ordination among planning, monitoring and implementing units of the department contributed to large scale*


wasteful/unfruitful expenditure, extra cost on schemes, excessive purchase of materials, allotment of funds at the fag end of the year, huge idle investments on incomplete schemes for years and large number of unsuccessful schemes.


 Non-plan budget estimates were framed on adhoc basis. The Department did not enforce required budgetary controls as proper procedures were not followed by DDOs.


 The Controlling Officer did not reconcile the departmental accounts for expenditure of Rs 900.65 crore pertaining to 1996-2000 with those of the Accountant General. This was fraught with risk of serious irregularities remaining undetected.


 During 1996-2000, Rs 498.15 crore (36 per cent of budget provisions) remained unutilised mainly due to failure to spend money on rural water supply schemes. Reasons for excess expenditure of Rs 58.81 crore under certain heads of expenditure were not furnished.


 In disregard of provisions of BPWA code the accounts of UNICEF funds of Rs 2.32 crore were not reflected in Divisional Accounts nor the transactions of these funds were monitored at the level of EIC.


 Seven Divisional Officers misutilised earmarked funds of Rs 1.58 crore.


 Schemes of drilled tubewells under Bihar Plateau Development Project were taken up without geo-hydrological tests of sites and Rs 2.65 crore were spent on unsuccessful tubewells.


 The delay in decision on the tender for procurement of UPVC pipes, strainers etc. in 1999 resulted in extra cost of Rs 0.72 crore. Three Divisional Officers unauthorisedly created liability of Rs 1.65 crore over and above the available provisions.


 Thirty Rural Water Supply Schemes taken up in 11 divisions during 1980-93 due for completion in two years remained incomplete even after spending Rs 3.16 crore.


 In PH Division, Giridih and Sahebganj 1341 bore wells drilled during 1991-99 at a cost of Rs 2.69 crore remained unfruitful as these were not fitted with hand pumps.


 Expenditure on unsuccessful borewells, excess drilling of tubewells, doubtful completion of works, substandard work and extra cost due to belated completion of works in test-checked divisions aggregated Rs 6.11 crore.


 18 Executive Engineers executed works for Rs 16.49 crore departmentally during 1996-2000 through labourmates on hand receipts instead of through the muster rolls thus raising doubt about the genuineness of the expenditure.

 16 Executive Engineers did not produce records to audit for Rs 10.19 crore on repair and maintenance during 1996-2000. These repair works were not inspected by the SEs concerned either.

 In violation of the prescribed procedures, the Controlling Officer procured materials from DGS&D. Debit advices of the Accountant General to the various divisions for Rs 16.62 crore were not settled as of March 2001. Overstocking led to the idling of stores valued at Rs 14.94 crore as of March 2001. Misappropriation of stores valued at Rs 1.15 crore were noticed in 8 divisions test-checked. Inventory management in divisions was poor.


 In 4 divisions where water test was conducted, 38 tubewells out of 40 discharged contaminated water but no remedial action was taken.


 Management Information System were grossly neglected and activities under Information, Education and Communication were ineffective.


 Department did not have information of sanctioned posts in various categories of staff and men in position. In six divisions, Rs 3.66 crore were spent on idle staff. Department was saddled with a large number of work charged staff and the ratio of work charged staff and regular staff was 7:3.


(Paragraph 4.2)


8 Implementation of Environmental Acts and Rules relating to Air Pollution and Waste Management


 *State Pollution Control Board did not adequately implement Environmental Acts and Rules relating to air pollution and waste management. No action was taken for survey and investigation of polluting units. Action on proper surveillance, technological upgradation, ambient quality observation, vehicles and noise pollution were very inadequate. Establishment of pollution control system, dissemination of information, training and research, regular inspections were neglected. Conditions for storage, treatment and disposal of hazardous/bio-medical/municipal solid wastes generated etc. were not fulfilled. As a result, there was high/critical concentration of suspended particulate matter in air in the major towns.*


 Consent management suffered from lack of coordination between the BSPCB and the Industries Department. No mandatory prior consent of BSPCB to industrial units were ensured before these were set up.


 Emission standards adopted by the BSPCB were not as per the Government of India policy statement for pollution abatement. As a result, technological upgradation to prevent pollution and regulate waste suffered.


 Three Air Quality monitoring stations detected high or critical concentration of suspended particulate matter in air indicating heavy air pollution.

 As per norms fixed by Government in November 1994, 21 emission testing stations were to be set up in the State. Against this, only 4 stations were set up, of which one at Begusarai is dys-functional since 1997 due to lack of manpower.

 In Patna, Jamshedpur, Hazaribag, Dhanbad towns average ambient noise level exceeded the prescribed standards.


 Large number of industrial units had no facility to comply with stipulated emission and effluent standards. The BSPCB did not initiate legal action against defaulting industries.

 There was no facility for treatment, storage and disposal of huge quantity of hazardous wastes generated in the State. Identification of sites for disposal of hazardous wastes was not made. Though handling of bio-medical wastes needed authorisation by Government/BSPCB, the institutions which generated bio-medical wastes were not identified.


 The BSPCB did not issue mandatory authorisation to any of the 170 local bodies in the State. No local body managed and handled solid wastes in accordance with the Environmental Acts and Rules. Proposal for setting up a compost plant for raw garbages in Patna was pending with Government for over an year.

(Paragraph 6.1)


9 Defalcation/ misappropriation/ misutilisation/ loss

 District Magistrate, Siwan misutilised SCA funds of Rs 64.91 lakh meant for family oriented income generating schemes for the SC people.


(Paragraph 3.8)

 In the absence of record for receipt and distribution of bitumen valued at Rs 1.17 crore misappropriation in Road Construction Division, Darbhanga was not ruled out.

(Paragraph 5.1)


 Lack of basic infrastructural facility to the firm for construction of cold storage resulted in cost overrun of Rs 1.30 crore and time overrun of 8 years besides loss of revenue of Rs 3.66 crore.

(Paragraph 6.4)


 The Patna Municipal Corporation sustained a loss of Rs 96.15 lakh as the Demand Notice fee and Warrant fee were not included in arrear demand of taxes.

(Paragraph 6.8)


10 Infertuous/ avoidable/ unfruitful expenditure

 Executive Engineer, Road Construction Division, Motihari took up road works though funds were not available. This resulted in unfruitful expenditure of Rs 2.14 crore on incomplete works.


(Paragraph 4.6)

 Unproductive expenditure of Rs 79.60 lakh on a high level bridge over river Kao in 38th Kilometre of Dumaraon-Bikramganj road proved unproductive.

(Paragraph 4.7)


 Central assistance of Rs 75 lakh for promotion of Litchi Export Scheme failed to achieve the objectives even in 5 years as the precooling and pack house facilities were not established and the Refrigerated vans either idled or were not properly utilised. The scheme was a failure.

(Paragraph 6.5)


 Land required for construction of bus stand was not transferred to PRDA by Urban Development Department and Rs 2.20 crore spent on incomplete construction of bus stand remained unfruitful.

(Paragraph 6.7)

11 Irregular/ illegal appointments/ excess operation of posts


 Illegal appointment of a large number of daily wages labour in Building Construction Department and their illegal continuation resulted in unauthorised expenditure of Rs 2.50 crore during 1986 to 2002.

(Paragraph 4.3)


 Mechanical Workshops under Irrigation Division, Bathnaha, Eastern Kosi Project was non-functional since November 1994. Rupees 1.12 crore were spent on pay and allowances of 28 idle staff.

(Paragraph 4.8)


12 Other points of interest

 Taking up the road works without ensuring availability of funds resulted in extra expenditure of Rs 23.58 lakh on rectification of damaged road crust and huge expenditure of Rs 80.46 lakh on incomplete road works for nearly 6 years.


(Paragraph 4.4)

 Failure of the Executive Engineer, Road Construction Division No.2, Muzaffarpur to monitor progress of work resulted in idle investment of Rs 1.16 crore on incomplete bridges for two years.

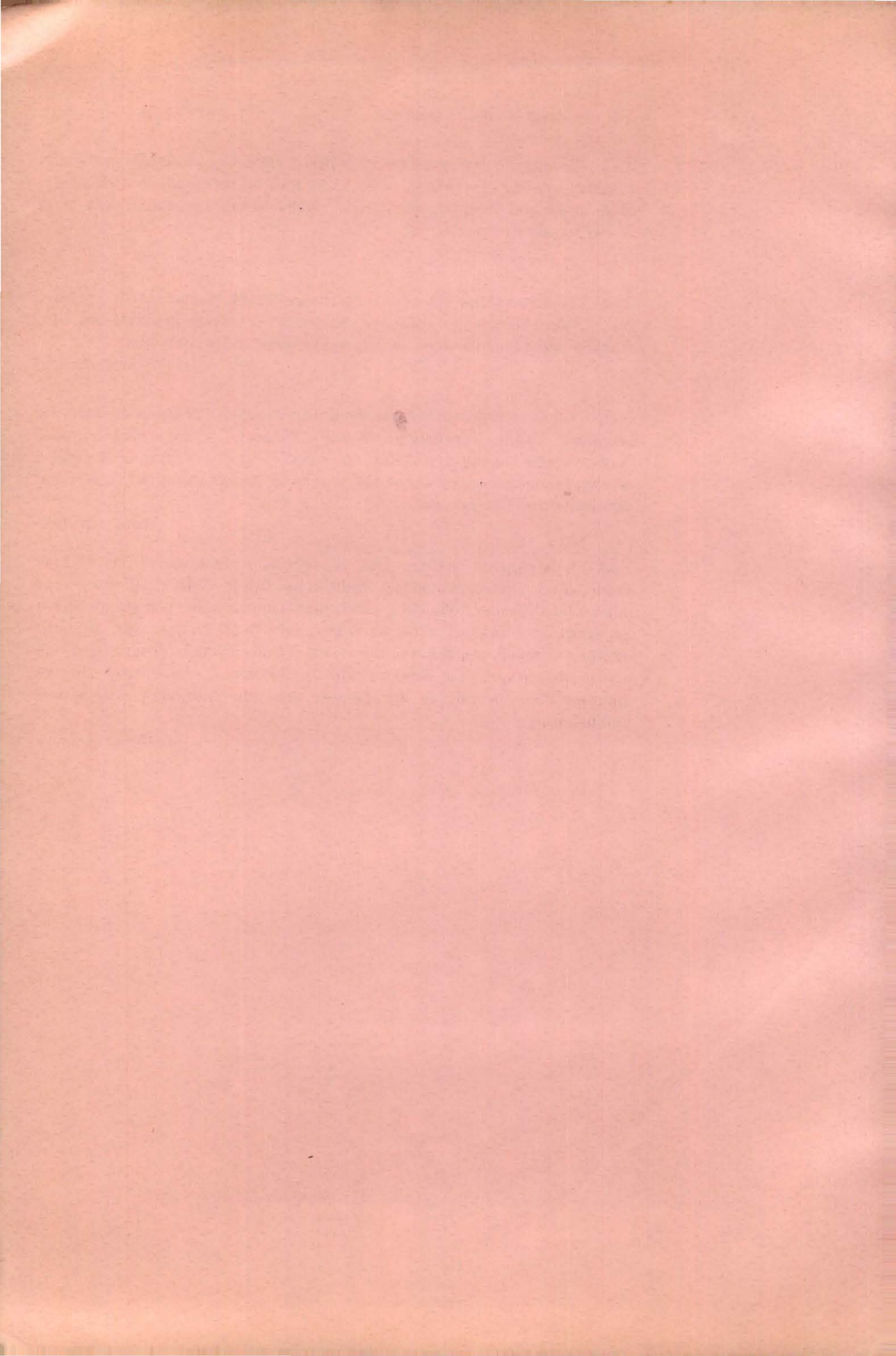
(Paragraph 4.5)

 Government instructions regarding execution of schemes were not observed while spending Tenth Finance Commission grant. Non-contribution/short contribution of Rs. 70.63 lakh restricted the scope of development works. None of the local bodies reserved funds for infrastructure development.

(Paragraph 6.9)

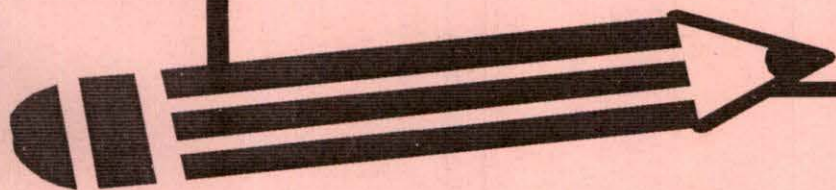
 Government presses and Government Stationery Stores and Publications were mismanaged. Substantial funds of Rs 19.33 crore were not utilised during 1996-2001, proforma accounts were not prepared for 14 years and capacity utilisation was only 9 to 22 per cent. A large number of machines was idle for years. Modernisation programme was not accomplished. The Director and the Finance Commissioner did not monitor the working of the presses and the stationery stores and publications.

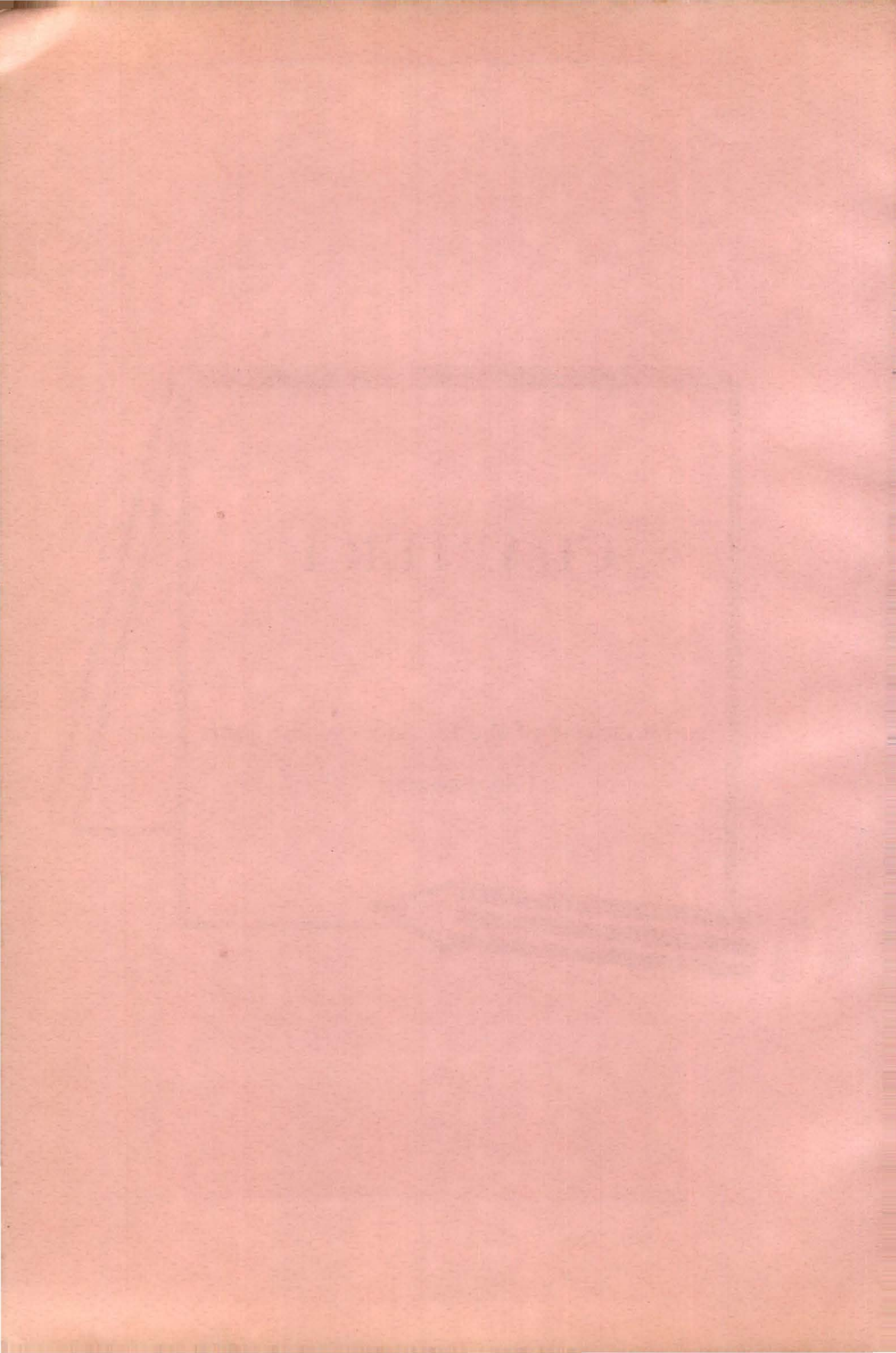
(Paragraph 7.2)



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.

In terms of Bihar Reorganisation Act, 2000 (No. 30 of 2000) the State of Bihar has been reorganised and a new State known as State of Jharkhand comprising 18 districts of the composite State of Bihar has been formed with effect from 15th November, 2000 (i.e. the appointed day). The apportionment of assets and liabilities of the composite State of Bihar immediately prior to the appointed day as also other financial adjustments are to be done in each case with reference to the provision of Bihar Reorganisation Act, 2000. Actual position of apportionment of assets and liabilities between the successor State of Bihar and Jharkhand have been indicated in the Appendix-II to this Chapter. It would be seen therefrom that so far apportionment of only Public Debt and Deposits with Reserve Bank has been done. Liabilities like Small Savings, Provident Fund etc. and other liabilities in Public Account and also asset items are yet to be apportioned (September 2002).

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 2001, compared with the corresponding position on 31 March, 2000, though such comparison made here and in succeeding paragraphs of this chapter is not a realistic one because of reorganisation of the State into two States with effect from 15th November 2000 and non-availability of apportioned figures of the previous years. 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 declined by 7.35 percent, the assets grew by 6.48 percent during 2000-2001, mainly as a result of apportionment of public Debt and minus cash balance (Rs 5990.67 crore) to the

new State of Jharkhand. The assets included investments in loss making PSUs having little capacity for any return. Hence, the financial position would be worse than these accounting figures indicate.

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 there was increase in revenue receipts by 4.86 percent, their relative share in total receipts went up from 63.95 percent in 1999-2000 to 72.34 percent during 2000-2001. The share of recoveries of loans and advances was insignificant all along and remained static at 0.07 percent. The share of net receipts from the Public Account went up from 7.55 percent in 1999-2000 to 9.99 percent in 2000-2001 mainly due to sharp increase in deposit and advances (Rs 101.18 crore), reserve fund (Rs. 346.22 crore) and net effect suspense and miscellaneous transactions (Rs 468.49 crore) partly off set by decrease in small savings (Rs 622.25 crore). The receipts from the public debt marginally increased from 16.04 percent to 17.62 percent. Resultantly the cash balance increased by Rs 189 crore during the year.

1.3.2 The funds were mainly applied for revenue expenditure, whose share (87.41percent) was significantly higher than the share of revenue receipts (72.34 percent) in the total receipts of the State Government. This led to Revenue deficit. During the year the percentage of capital expenditure continued to be a negligible 6.96 percent. Lending for development purposes went down from 6.43 percent to 4.40 percent.

EXHIBIT -I
SUMMARISED FINANCIAL POSITION AS ON 31 MARCH 2001

(Rupees in crore)

As on 31 March 2000	Liabilities	As on 14 November 2000	As on 31 March 2001
5581.69	Internal Debt	8745.34	7096.82
5692.18	Market Loans bearing interest	6014.98	4855.60
0.87	Market Loans not bearing interest	0.86	0.58
18.58	Loans from LIC	18.58	13.88
6.32	Loans from GIC	6.32	4.72
	Special securities issued to National Small Savings fund of central Government	2379.90	2168.82
(-) 136.26#	Loans from other institutions	324.70	53.22
851.40	Shortfall in Deposit with RBI	113.58	681.40
15862.01	Loans and Advances from Central Government	14828.96	11243.29
947.17	Pre 1984-85 loans	911.00	648.67
6847.11	Non-Plan Loans	5275.15	3914.31
7921.09	Loans for state plan scheme	8549.67	6612.50
15.57	Loans for central plan scheme	14.67	10.61
22.57	Loans for Centrally Sponsored Plan Scheme	20.97	14.24
108.50	Ways and means advances	57.50	42.96
350.00	Contingency Fund	350.00	350.00
7310.57	Small Saving, Provident Fund etc.	7549.56	7624.55
1832.14	Deposits	1963.26	2099.22
25.57	Reserve funds	342.36	380.54
31813.38	Total	33893.06	29475.82
Assets			
11543.25	Gross capital outlay on fixed assets	11935.23	12618.76
649.08##	Investment in shares of companies corporation etc.	649.08	678.61@
10894.17	Other Capital Outlay	11286.15	11940.15
6282.97	Loans and advances	6583.36	6952.84
4435.52	Loans for power project	4731.93	5023.92
1782.64	Other Development Loans	1782.38	1850.69
64.81	Loans to Government servants and Misc. loans	69.05	78.23
89.93	Advances	94.67	93.80
1520.99	Remittance Balance	1504.05	1560.08
813.12	Suspense and Misc. Balance	716.12	300.50
159.50	Cash	96.44	207.01
77.47	Departmental Cash Balance	91.52	67.79
0.15	Permanent advances	0.16	0.17
0.10	Investment of earmarked funds	0.10	0.10
81.78	Cash Balance Investment	4.66	138.95
11403.62	Deficit on Government Accounts	12963.19	7742.83
3702.90	Revenue deficit	1559.57	770.31
7700.72	Accumulated deficit	11403.62	6972.52 ^s
31813.38	Total	33893.06	29475.82

@ Excludes investments of Rs 9.05 crore made from Revenue Accounts.

- ^s Rupees 5990.67 crore dropped Proforma on account of the following adjustments :
- (i) Cash balance transferred to the State of Jharkhand : Rs 28.73 crore (credit balance)
 - (ii) Internal Debt apportioned to the State of Jharkhand : Rs 2211.70 crore
 - (iii) Loans and Advances from Central Governments apportioned to Jharkhand : Rs 3750.24 crore.

EXHIBIT – II
ABSTRACT OF RECEIPTS AND DISBURSEMENTS FOR THE YEAR 2000-2001

<i>(Rupees in crore)</i>													
Receipts					Disbursement								
1999-2000		01/4/2000 to 14/11/2000	15/11/2000 to 31/3/2001	Total	1999-2000		01/4/2000 to 14/11/2000			15/11/2000 to 31/3/2001			Grant Total
							Non-Plan	Plan	Total	Non Plan	Plan	Total	
10659.53	I-Revenue receipts	6699.49	4477.83	11177.32	14362.43	I- Revenue expenditure							
3084.79	- Tax revenue	1722.51	1086.72	2809.23	6504.65	-General services	4338.79	54.91	4393.70	2568.66	21.34	2590.00	6983.70
1165.86	- Non- tax Revenue	554.95	156.73	711.68	5483.45	- Social services	3005.02	153.15	3158.17	1458.32	192.30	1650.63	4808.80
4962.59	State's share of union taxes	3819.94	2755.69	6575.63	3916.50	- Education sport, Art, and culture	2188.01	11.85	2199.86	1025.77	43.65	1069.42	3269.28
189.96	- Non plan grants	69.95	115.44	185.40	785.00	- Health and Family Welfare	274.53	123.69	398.22	185.54	96.42	281.96	680.18
677.22	- Grants for state Plan scheme	346.16	278.92	625.08	304.93	- Water Supply, Sanitation Housing and Urban Development	118.86	-	118.86	92.60	3.53	96.13	214.99
579.11	- Grants for central and centrally Sponsored Plan scheme	185.98	84.32	270.30	17.16	-Information and Broadcasting	6.65	0.00	6.66	7.78	-	7.78	14.43
					133.03	- Welfare of scheduled Caste Scheduled Tribes and other Backward Classes	27.00	0.76	27.76	28.00	7.13	35.13	62.89
					56.58	- Labour and Labour Welfare	27.76	0.08	27.84	11.58	0.34	11.92	39.76
					261.05	- Social Welfare and Nutrition	356.66	16.77	373.43	103.80	41.24	145.04	518.47
					9.20	-Others	5.55	-	5.55	3.25	--	3.25	8.80
					2236.26	- Economics Service	654.26	52.52	706.78	641.62	364.34	1005.96	1712.74
					424.12	-Agriculture and Allied Activities	185.97	8.69	194.66	100.16	42.98	143.14	337.80

Receipts					Disbursement								
								01/4/2000 to 14/11/2000			15/11/2000 to 31/3/2001		
					1072.41	- Rural Development	134.63	14.40	149.03	211.09	257.70	468.79	617.82
					1.02	- Special Area Programme	*	-	*	@	-	@	@
					432.94	- Irrigation and Flood control	183.87	15.46	199.33	150.73	38.50	189.23	388.56
					2.71	- Energy	-	2.05	2.05	--	--	-	2.05
					63.97	- Industry and Minerals	19.92	5.64	25.56	13.07	9.96	23.03	48.59
					268.14	- Transport	93.87	6.39	100.26	116.81	--	116.81	217.07
					60.95	- General Economic Services	36.00	1.95	37.95	49.75	13.15	62.90	100.85
					48.07	- Grants-in-aid contributions	0.41	--	0.41	1.55	--	1.55	1.96
10659.53					14362.43	Total	7998.48	260.58	8259.06	4670.15	577.99	5248.14	13507.20
3702.90	II- Revenue deficit carried over to Section - B	1559.57	770.31	2329.88		II- Revenue surplus Carried over to Section-B							
SECTION - B													
1368.77	III- Opening cash including permanent Advances and Cash Balance. Investment	(-) 691.91*	28.73@	(-) 663.18		III- Opening overdraft from RBI							
--	IV- Miscellaneous capital receipts				1233.45	IV- Capital outlay	--	391.98	391.98	0.03	683.50	683.53	1075.51
					10.90	-General services	--	3.16	3.16	--	5.50	5.50	8.80

* Increased by Rs - 0.10 crore due to rounding

@ Represents amount of minus balance allocated to new State of Jharkhand resulting in increase in cash balance.

						(Rupees in crore)							
Receipts						Disbursement							
						01/4/2000 to 14/11/2000			15/11/2000 to 31/3/2001				
					96.90	-Social services	--	13.01	13.01	--	71.31	71.31	84.32
					0.39	-Education Sports, Art, and culture	--	--	--	--	18.78	18.78	18.78
					1.36	-Health and family welfare	--	--	--	--	--	--	--
					41.53	-Water supply, sanitation	--	12.18	12.18	--	14.81	14.81	26.99
					46.34	-Housing and urban development	--	0.83	0.83	--	22.07	22.07	22.90
					7.28	- Welfare of Scheduled Caste Scheduled Tribes and other Backward Classes	--	--	--	--	15.65	15.65	15.65
					1125.65	-Economic services	--	375.81	375.81	0.03	606.69	606.72	982.53
					2.74	-Agriculture and Allied Activities	--	--	--	--	12.58	12.58	12.58
					271.24	- Rural development	--	75.58	75.58	--	299.52	299.52	375.10
					619.60	- Irrigation and Flood Control	--	257.51	257.51	--	181.56	181.56	439.07
					74.00	-Energy	--	--	--	--	22.06	22.06	22.06
					--	-Industry and Minerals	--	--	--	--	1.00	1.00	1.00
					158.01	-Transport	--	42.70	42.70	--	72.10	72.10	114.80
					0.06	Other Economic Services	--	0.02	0.02	0.03	17.86	17.89	17.91
12.09	V -Recoveries of Loans and Advances	5.73	4.85	10.58	1071.79	V -Loans and Advances disbursed			306.12			374.34	680.46
0.06	-From Power Project	0.03	0.03	0.06	985.96	-For power project			296.44			292.02	588.46
6.94	-From Government servants	4.35	2.28	6.63	14.65	-To Government servants			8.59			10.61	19.20

(Rupees in crore)													
Receipts					Disbursement								
					01/4/2000 to 14/11/2000			15/11/2000 to 31/3/2001					
5.09	-From Others	1.35	2.54	3.89	71.18	To others			1.09			71.71	72.80
	VI-Revenue surplus brought down				3702.90	VI-Revenue deficit brought down			1559.57	--		770.31	2329.88
3472.62	VII-Public debt receipts	2367.61	1160.09	3527.70	709.05	VII-Repayment of Public Debt			374.73			432.34	807.07
426.65	-Internal debt other than Ways and Means Advance and overdraft	1291.86	752.99	2044.85	240.20	-Internal debt other than Ways and Means Advances and overdraft			66.62			3.75	70.37
	Net transactions under Ways & Means Advances and overdraft	237.19*	--	237.19	Nil	Net transactions under Ways and Means Advance and Overdraft						186.07@	186.07
045.97	-Loans and Advances from Central Government	838.56	407.10	1245.66	558.85	Repayment of Loans and Advances from Central Government			308.11			242.52	550.63
	VIII-Appropriation to Contingency Fund					VIII-Appropriation to Contingency Fund		--	--	--	--	--	--
2.60	IX-Amount transferred to Contingency Fund					IX-Expenditure from Contingency Fund		--	--	--	--	--	--
5032.57	X-Public Account Receipts	3080.34	2304.25	5384.59	3773.36	X-Public Account Disbursements			2146.51			1694.65	3841.16

* Represents net receipts of Rs 1301.01 crore and disbursements of Rs 1063.82 crore

@ Represents net receipts of Rs 2067.96 crore and disbursements of Rs 2254.03 crore.

(Rupees in crore)												
Receipts						Disbursement						
						01/4/2000 to 14/11/2000			15/11/2000 to 31/3/2001			
1540.44	-Small Savings and Provident Fund	689.36	343.93	1033.29	604.21			450.36			268.95	719.31
16.87	Reserve Funds	316.89	38.18	355.07	8.12	--	--	0.10	--	--	--	0.10
181.91	-Suspense and Misc. Allowances	539.67	569.15	1108.82	0.06			304.95			153.53	458.48
1755.55	Remittances	545.85	611.01	1156.86	1785.32			528.91			667.04	1195.95
1537.81	-Deposit and Advances	988.57	741.97	1730.54	1375.66			862.19			605.13	1467.32
	XI-Closing Overdraft from Reserve Bank of India				(-) 691.90			(-) 17.14			(-) 457.25	(-) 474.38
					(-) 851.40			(-) 113.58			(-) 567.82	-681.40
					77.62			91.68			(-) 23.72	67.96
					0.10			0.10			-	0.10
					81.78			4.66			134.29	138.96
9888.65	Total	4761.77	3497.92	8259.68	9888.65			4761.77			3497.92	8259.68

EXHIBIT - III

SOURCES AND APPLICATION OF FUNDS

(Rupees in crore)

Sources					
1999-2000			1/4/2000 to 14/11/2000	15.11.2000 to 31/3/2001	Total
10659.53		1. Revenue receipts	6699.49	4477.83	11177.32
12.09		2. Recoveries of loans and advances	5.73	4.85	10.58
2673.57		3. Increase in public debt other than overdraft	1992.88	727.75	2720.63
1259.21		4. Net receipts from public account	933.83	609.60	1543.43
	936.23	Increase in small savings	239.00	74.99	313.98
	162.15	Increase in deposit and advances	126.38	136.84	263.22
	8.75	Increase in reserve fund	316.79	38.18	354.97
	181.85	Net effect of suspense and miscellaneous transaction	234.72	415.62	650.34
	(-) 29.77	Net effect of remittance transactions	16.94	(-) 56.03	(-) 39.09
2.60		5. Net effect of Contingency Fund transactions	--	--	--
2060.67		6. Decrease in closing cash balance	--	485.98	485.98
16667.67		Total	9631.93	6306.01	15937.94
Application					
1999-2000					
14362.43		1. Revenue expenditure	8259.06	5248.14	13507.20
1071.79		2. Lending for development and other purposes	306.12	374.34	680.46
1233.45		3. Capital expenditure	391.98	683.53	1075.51
		4. Increase in closing cash balance	674.76	--	674.76
16667.67		Total	9631.93	6306.01	15937.94

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 13507 crore) during the year exceeded the revenue receipts (Rs 11177 crore) resulting in a revenue deficit of Rs 2330 crore. Revenue receipts comprised tax revenue (Rs 2809 crore), non-tax revenue (Rs 712 crore), State's share of Union Taxes and duties (Rs 6576 crore) and grants-in-aid from the Central Government (Rs 1080 crore). The main sources of tax revenue were sales tax (65 percent), state excise (9 percent), stamps and registrations fees (11 percent) and Taxes on Vehicles (8 percent). Non-tax revenue came mainly from Non-Ferrous Mining and Metallurgical Industries (58 percent). The increase of Rs 518 crore in Revenue Receipts during 2000-2001 was mainly on account of larger share of Union Taxes and Duties (Rs 1613 crore) partly off set by less grants in aid from Central Government (Rs 365 crore) less collection under sale tax (Rs 247 crore), State excise (Rs 35 crore), Stamp & Registration (Rs 24 crore), Taxes and Duties on electricity (Rs. 48 crore) and Non-Ferrous Mining and Metallurgical industries (Rs 298 crore) and less interest receipts (Rs 106 crore). The reduction in receipts under these headings are mainly due to reorganisation of the State with effect from 15th November 2000.

1.4.2 The Capital receipt comprised Rs 3350 crore from Public Debt and Rs 11 crore from recoveries of loans and advances. Against this, the expenditure was Rs 1076 crore on Capital outlay, Rs 680 crore on disbursement of loans and advances and Rs 630 crore on repayment of Public debt. The receipts in the Public Account amounted to Rs 5385 crore, against which Rs 3841 crore were disbursed. The net effect of the transactions in the Consolidated Fund, Contingency Fund and Public Account was an increase of Rs 189 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 1996-97 to 2000-2001, presented in Exhibit IV.

EXHIBIT - IV
TIME SERIES DATA ON STATE GOVERNMENT FINANCES
(Refer to Paragraph 1.4.3)

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-2001		
					01.04.2000 to 14.11.2000	14.11.2000 to 31.3.2001	Total
Part A. Receipts							
1. Revenue Receipts	8408	9479	9296	10659	6699	4478	11177
(i) Tax Revenue	2251(27)	2400(25)	2682(29)	3085(29)	1722(26)	1087(24)	2809(25)
Tax on Agricultural Income	Negligible	Negligible	Negligible	Negligible	Negligible	Negligible	Negligible
Tax on Sales, Trade, etc.	1496(66)	1568(65)	1822(68)	2068(67)	1116(65)	705(65)	1821(65)
State Excise	219(10)	226(9)	240(9)	278(9)	166(10)	77(7)	243(9)
Taxes on vehicles	161(7)	174(7)	165(6)	178(6)	114(6)	110(10)	224(8)
Stamps and Registration fees	227(10)	253(11)	279(10)	326(11)	202(12)	100(9)	302(11)
Land Revenue	25(1)	23(1)	25(1)	29(1)	11(1)	23(2)	34(1)
Other Taxes	123(5)	155(6)	151(6)	206(7)	113(7)	72(7)	185(7)
(ii) Non Tax Revenue	1034(12)	1225(13)	1146(12)	1166(11)	555(8)	157(3)	712(6)
(iii) State's share in Union taxes and duties	4078(49)	4074(43)	4441(48)	4962(46)	3820(57)	2756(62)	6576(59)
(iv) Grants in aid from GOI	1045(12)	1780(19)	1027(11)	1446(14)	602(9)	479(11)	1080(10)
2. Misc. Capital Receipts	-	-	-	-	-	-	-
3. Total revenue and Non Debt capital receipts (1+2)	8408	9479	9296	10659	6699	4478	11177
4. Recovery of Loans and Advance	10	15	10	12	6	5	11
5. Public Debt Receipts							
Internal Debt (Excluding Ways & Means Advances & Overdrafts)	566	717	734	427	1292	753	2045
Loans and advances from Government of India ⁵	1341	1792	2809	3046	839	407	1246
Net Transaction under ways and means advances	Nil	Nil	Nil	Nil	237	-	237
6. Total receipt in the Consolidated fund (3+4+5)	10325	12003	12849	14144	9073	5643	14716

⁵ Includes ways and means advances from Government of India.

Audit Report (Civil) for the year ended 31 March 2001

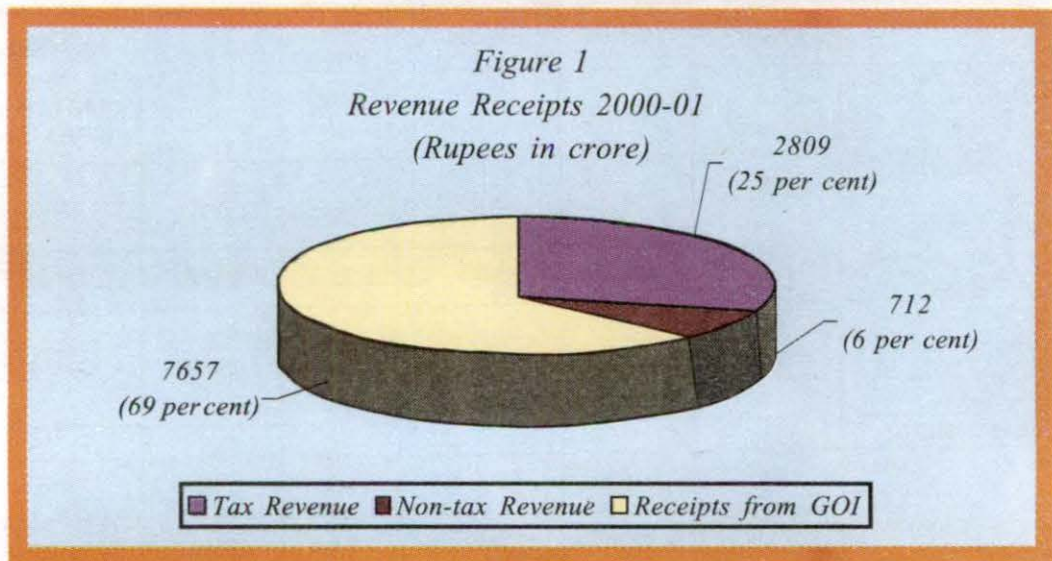
	1996-97	1997-98	1998-99	1999-2000	2000-2001		
					01.04.2000 to 14.11.2000	14.11.2000 to 31.3.2001	Total
7. Contingency Fund Receipts	173	209	-	3	-	-	-
8. Public Accounts receipts	10972	28244	35744	31087	7165	3297	10462
9. Total receipts of the state (6+7+8)	21470	40456	48593	45234	16238	8991	25229
Part B. Expenditure/ Disbursement							
10. Revenue expenditure	9027(92)	10530(90)	11563(89)	14362(86)	8259(123)	5248(117)	13507(89)
Plan	1068(12)	1700(16)	1737(15)	1541(11)	261(3)	578(11)	839(6)
Non-Plan	7959(88)	8830(84)	9826(85)	12821(89)	7998(97)	4670(89)	12668(94)
General Services (including interest payments)	4001(44)	4499(43)	5309(46)	6505(45)	4394(53)	2589(49)	6983(52)
Social Services	3204(35)	3897(37)	4012(35)	5483(38)	3158(38)	1651(31)	4809(35)
Economics Services	4820(20)	2133(20)	2240(19)	2326(16)	707(9)	1006(19)	1713(13)
Grants in aid and Contributions	1.95	1.93	2.21	48.06	0.41	1.55	1.96
11. Capital Expenditure	503	560	824	1233	392	684	1076
Plan	502 (100)	560(100)	818 (100)	1233 (100)	392 (100)	684 (100)	1076 (100)
Non-Plan	1	Negligible	6	Negligible	Negligible	Negligible	Negligible
General Services	6(1)	8(1)	10(1)	11(1)	3(1)	6(1)	9(1)
Social Services	116(23)	107(19)	149(18)	97(8)	13(3)	71(10)	84(8)
Economics Services	381(76)	445(80)	665(81)	1125(91)	376(96)	607(89)	983(91)
12. Disbursement of Loans and Advances	235	642	579	1072	306	374	680
13. Total expenditure (10+11+12)	9765	11732	12956	16667	8957	6306	15263
14. Repayment of Public Debt	432	527	511	799	375	432	807
Internal Debt (excluding Ways and Means Advances and Overdrafts)	58	57	15	240	67	4	71
Net transactions under Ways and Means Advances and Overdraft	Nil	Nil	Nil	Nil	--	186	186
Loans and Advance from Government of India ⁵	374	470	497	559	308	242	550
15. Appropriation to Contingency Fund	-	-	-	-	-	-	-
16. Total disbursement out of consolidated fund (13+14+15)	10197	12259	13467	17466	9332	6738	16070

	1996-97	1997-98	1998-99	1999-2000	2000-2001		
					01.04.2000 to 14.11.2000	14.11.2000 to 31.3.2001	Total
17. Contingency Fund disbursements	209	3	Nil	Nil	Nil	Nil	Nil
18. Public Account disbursements	11170	28107	35887	27533	6168	2798	8966
19. Total disbursement by the state (16+17+18)	21576	40369	49354	44999	15500	-9536	25036
Part C. Deficits							
20. Revenue Deficit (1-10)	619	1052	2267	3703	1560	770	2330
21. Fiscal Deficit (3+4+13)	1348	2239	3659	5996	2252	1823	4075
22. Primary Deficit (21-23)	(-) 594	177	1247	3129	305	628	933
Part D. Other Data							
23. Interest payment (included in revenue exp.)	1942	2062	2412	2867	1947	1195	3142
24. Arrears of Revenue (Percentage of tax & non-Tax Revenue Receipts)	1284(39)	1272(35)	1616(42)	2211(52)	-	1012(29)	1012(29)
25. Financial Assistance to local bodies etc.	794	790	859	705	-	463	463
26. ways and Means Advance / Overdraft availed (days)	Nil	Nil	Nil	117	87	101	188
27. Interest on WMA/ Overdraft	Nil	Nil	Nil	Nil	8	4	12
28. Gross State Domestic Product (GSDP)	58487	60870	66253	72083	-	-	49383*
29. Outsatnading debt (year end)	13756	15738	18770	21444	23574	18340	18340 [@]
30. Outstanding guarantees (year end)	650	244	190	172	-	-	-
31. Maximum amount guaranteed (year end)	N.A	N.A	N.A	N.A	N.A	N.A	N.A
32. Number of incomplete projects	23	23	23	23	23	22	23
33. Capital blocked in Incomplete projects	40	53	86	138	62	54	116

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

* Quick estimates figure provided by the Government of Bihar.

@ Due to apportionment of balance figure to the new State of Jharkhand.



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 had grown at an average annual rate of 9 percent during 1995-96 to 1999-2000, except during 1998-99 during which it declined by 2 percent. During 2000-2001 the growth was 5 percent.

1.5.2 Tax revenue

These constituted 25 percent of the revenue receipts. Their share was 29 percent during 1998-99 and 1999-2000. Exhibit IV shows that the decline was mainly under Sales Tax, State Excise and other taxes during the year.

1.5.3 Non-tax revenue

The non-tax revenue constituted 6 percent of the revenue receipts of the Government which came down from 12 percent in 1996-97. The decline was mainly due to major mining areas becoming part of new State of Jharkhand.

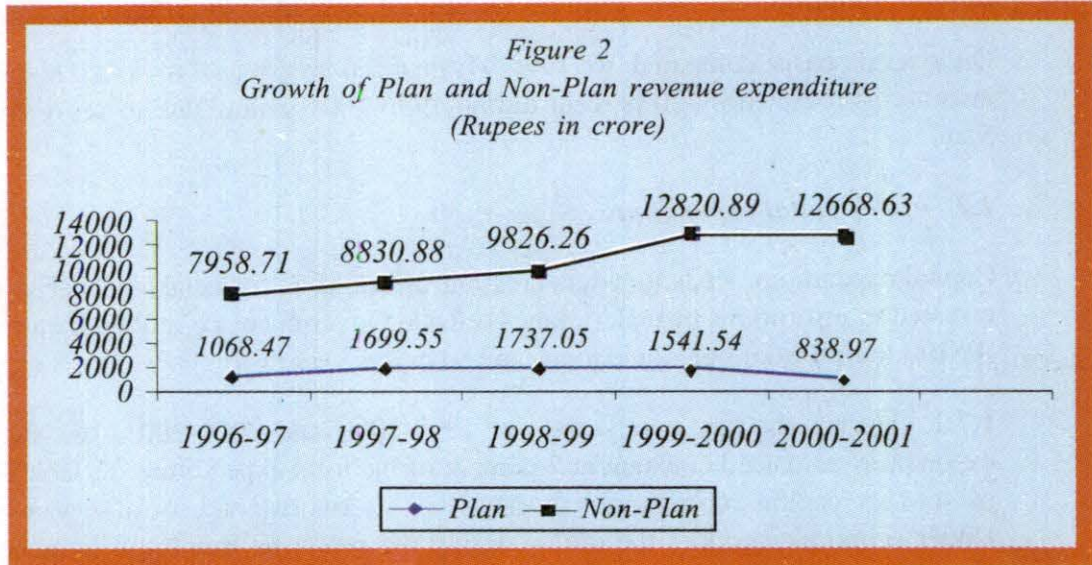
1.5.4 State's share of Union taxes and duties and grants-in-aid from the Central Government

These constituted the major share (69 percent) of the revenue receipts. Receipts of the State by way of its share in Union taxes (Custom and excise duties and income and corporation tax) increased by 32 percent in 2000-01 resulting in an increase in its share in overall receipts of the State by 13 percent. Relative share of Grants-in-aid from the Central Government decreased by 4 percent. Compared to 1996-97, share of own sources in the Revenue Receipts of the State declined from 39 percent to 31 percent in 2000-01 with corresponding increase in the share central tax transfers and grant-in-aid.

1.6 Revenue expenditure

1.6.1 The revenue expenditure during the year accounted for 89 percent of the expenditure of the State Government and decreased by 6 percent over the previous year. The decrease was a natural consequence of reorganisation of the existing State into two

States. Though Non-plan expenditure decreased by only one percent (Rs 153 crore), Plan expenditure decreased by 46 percent (Rs 709 crore). Further disaggregation of revenue expenditure into the activities indicated, that while relative share of expenditure on Social Services and Economic Services decreased by 3 percent each, expenditure on General Services increased by 7 per cent (Rs 478 crore), mainly due to more pension payments (Rs 77 crore) and more interest payment (Rs 275 crore).



1.6.2 Sector wise analysis shows that while the expenditure on General Services increased by 74 percent, from Rs 4001 crore in 1996-97 to Rs 6983 crore in 2000-2001, There was decrease in expenditure on Social Services and Economic Services by 47 and 6 percent respectively. As a proportion of total expenditure, the share of General Services increased from 44 percent in 1996-97 to 52 in 2000-2001, and that of Social Services remained at 35 percent whereas the share of Economic Services declined from 20 to 13 percent. Most of the expenditure in General Services was non-plan.

1.6.3 Interest payments

Interest payments increased steadily by 62 percent from Rs 1942 crore in 1996-97 to Rs 3142 crore in 2000-2001. During the year interest payment increased by Rs 275 crore (10 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 2000-2001 was as follows: -

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-01
University and Education Institutions	337.93	382.82	417.34	518.65	463.00
Municipal Corporations and Municipalities	33.20	25.90	27.21	115.44	57.18
Zilla parishads and Panchayati Raj Institutions	4.34	26.37	5.89	6.93	2.90

	1996-97	1997-98	1998-99	1999-2000	2000-01
Development agencies	335.73	241.64	226.86	34.76	61.32
Other Institutions	82.85	113.45	181.93	29.29	49.20
Total	794.05	790.18	859.23	705.07	633.60
Percentage of growth over previous year	(-) 6.38	(-) 0.49	9	(-) 17.94	(-)10.14
Assistance as a percent of revenue expenditure	9	8	7	5	5

On overall basis compared to 1996-97 financial assistance to local bodies and other institutions declined by 20 percent during 1996-2001 mainly due to reorganisation of the State.

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, 1999-2000 and 2000-2001, the share of capital expenditure remained constant at 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 Irrigation and Flood Control (Rs 439 crore), Rural Development Programmes (Rs 375 crore), Roads and Bridges (Rs 113 crore) and Power Project (Rs 22 crore) while those under social services was mainly on Education, Art and Culture (Rs 19 crore), Urban Development (Rs 21 crore), Water Supply (Rs 27 crore), Welfare of Scheduled Casts, Scheduled Tribes and Other Backward Classes (Rs 16 crore) and Housing (Rs 2 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 1996-2001 repayments were negligible (less than 1 percent of the opening balance) and the closing balance increased by about 72.65 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 3446.47 crore (principal Rs 1522.50 crore and interest Rs 1923.77 crore) was in arrears as on 31 March 2001. Details in respect of loans, the detailed accounts of which were maintained by 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.

(Rupees in crore)

	1996-97	1997-98	1998-99	1999-2000	2000-01
Opening balance	3801.67	4027.15	4654.79	5223.26	6282.97
Amount advanced during the year	235.43	642.18	578.56	1071.79	680.46
Amount repaid during the year	9.95 (0.26)	14.54 (0.36)	10.09 (0.22)	12.08 (0.23)	10.59 (0.17)
Closing balance	4027.15	4654.79	5223.26	6282.97	6952.84
Net addition	225.48	627.64	568.47	1059.71	669.87
Interest received	2.64 (0.07)	7.11 (0.18)	2.31 (0.05)	22.31 (0.43)	8.58 (0.14)

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 is identified with expenditure on establishment, maintenance and services. By definition, therefore 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

		1996-97	1997-98	1998-99	1999-2000	2000-2001
1.	Plan expenditure as a Percentage of:					
	- Revenue Expenditure	12	16	15	11	6
	- Capital Expenditure	100	100	100	100	100
2.	Capital expenditure (Per cent)	5	5	6	7	7
3.	Expenditure on General Services (Per cent)					
	- Revenue	44	43	46	45	52
	- Capital	01	01	01	01	9
4.	Non-remunerative Expenditure on incomplete project (percent)	40	53	86	138	116

It would be seen that the share of Plan expenditure on the revenue side has sharply gone down from 16 percent in 1997-98 to 6 percent in 2000-2001 partially due to reorganisation of the State. The share of capital expenditure in the total expenditure remained consistently low and ranged between 5 and 7 percent during the period. The expenditure on General Services has been on the increase on 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 2000 (Civil). Poor performance persisted during the year 2000-2001 also as discussed below:

The approved Annual Plan outlay for the year 2000-2001 was Rs 3852 crore (GOI contribution: Rs 1263 crore and State Government contribution: Rs 2589 crore). Against this, only Rs 1914.08 crore (including loans and advances) were spent. Scrutiny revealed that while State Government obtained central loan (Rs 1216.84 crore), market borrowings (Rs 732.19 crore) and grants from Central Government (Rs 607.97 crore) aggregating Rs 2557.00 crore for State Plan Schemes during 2000-2001, it did not spend 25 per cent (Rs 642.92 crore) of these grants and borrowings. Thus, State Government did not contribute to adequately the Plan expenditure.

It was also seen from the Appropriation Accounts of the State Government for the year that out of the budgeted provisions, the State Government failed to spend Rs 2532 crore (68 percent) under various State Plan Schemes (Rs 2088 crore) as well as Centrally Sponsored Schemes (Rs 438 crore) and Central Plan Schemes (Rs 5 crore) vide Appendix-III. The overall savings constituted 10 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 to promote developmental, manufacturing, marketing and social activities. The sector-wise details of investments made and the number of concerns involved were as under:

(Rupees in crore)

Sector	Number of concerns	Amount invested	
		As on 31 March 2001	During 2000-01
(i) Statutory Corporations	3	101.01	1.34
(ii) Government Companies	36	345.21	17.88
(iii) Joint Stock companies	10	3.88	--
(iv) Cooperative Institutions	NA	237.56	10.31
Total	49	687.66	29.53

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	Percentage interest on Government borrowing
	(Rupees in crore)				
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	12.50
1999-2000	2.74	649.08	Rs 1.10 crore	0.17	11.30
2000-2001	29.53	687.66	Rs. 4500 only	Nil	12.00

Thus, while the Government was raising high cost borrowings from the market, its investments in Government companies etc., fetched either negligible or nil return.

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) Rs 2011 crore was blocked in 20 Irrigation Projects (major: 10 and medium: 10) as of March 2001 vide Appendix-IV. Figures of capital blocked in 3 Irrigation Projects (major: 2; medium: 1) were not available. The projects which got substantial investments during 2000-2001 were (i) Subernarekha Multipurpose Project (Rs 34.97 crore) (ii) Western Kosi Canal Project (Rs 30.15 crore), (iii) North Koel Project (Rs 4.03 crore), (iv) Sone Canal Modernisation Project (Rs 17.60 crore). This showed that the government was spreading its resources thinly which failed to yield any return.

1.9.3 *Arrears of revenue*

As on 31 March 2001, arrears of revenue pending collection under eight of the principle heads of revenue, as reported by the departments were Rs 1012.34 crore and pertained to Taxes on Sales, Trade etc. (Rs 691.79 crore), Water rates (Rs 86.30 crore), Taxes on vehicles (Rs 80.43 crore), Non-Ferrous Mining and Metallurgical Industries (Rs. 59.07 crore), State excise (Rs 45.44 crore of which Rs 40.72 crore pending for more than 5 years), Taxes and Duties on Electricity (Rs 17.47 crore), Taxes on sugar cane (Rs 16.19 crore, of which Rs 11.10 crore pending for more than 5 years), Entry Tax (Rs 11.93 crore) and Entertainment Tax (Rs 3.72 crore). The amount of arrears of revenue mentioned above was understated as information was not furnished by Secretaries of other departments of the Government (August, 2002).

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 2.18 crore (1st July 1999 to 14th

November 2000) since reduced to Rs 1.73 crore with effect from 15th November, 2000. 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 2000-2001, the Government took ways and means advance of Rs 2144.41 crore (89 days) and overdraft of Rs 1224.55 crore (63 days) and Reserve Bank of India recovered interest of Rs 10.70 crore on WMA during 2000-2001 and Rs 1.36 crore on overdraft.

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.

Receipt		Amount	Disbursement		(Rupees in crore)	
					Amount	
		CONSOLIDATED FUND (CF)				
Revenue	11177	Revenue deficit		Revenue	13507	
Misc. capital receipts	--	2330		Capital	1075	
Recovery of loans and advances	11			Loans and advances disbursement	680	
Sub Total	11188	Gross fiscal deficit		Sub Total	15263	
		4075				
Public debt	3350				Public debt repayment	630
Total	14538	A: Deficit in C.F.			15892	
		1354				
		B: CONTINGENCY FUND				
		PUBLIC ACCOUNT				
Small saving PF etc	1033				Small saving PF etc	719
Deposits & advances	1730				Deposits & advances	1467
Reserve funds	355				Reserve funds	--
Suspense & misc.	1109				Suspense & misc.	459
Remittances	1157				Remittances	1196
Total Public Account	5384	C: Deficit in CF financed by			3841	
		Public Account 1543				
Increase in cash balance (B+C-A): 189						

The table shows that the Revenue Deficit of Rs 2330 crore was met by borrowings. The Fiscal Deficit of Rs 4075 crore was financed by net proceeds of the public debt (Rs 2721 crore) and partly by the surplus from Public Account (Rs 1354 crore). The remaining surplus in Public Account resulted into increase in cash balance by Rs 189 crore. Exhibit

IV shows that both the deficits which had steeply risen during 1996-97 to 1999-2000, came down by 37 and 32 per cent respectively during 2000-2001. This was, however, due to a substantial increase in central tax transfers on the recommendations of the Eleventh Finance Commission and a decline in its revenue and total expenditure with the reorganisation of the State in November 2000.

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 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	1996-97	1997-98	1998-99	1999-2000	2000-2001
RD/FD	0.46	0.47	0.62	0.62	0.57
CE/FD	0.37	0.25	0.22	0.20	0.26
Net loans/FD	0.17	0.28	0.16	0.18	0.17
Total	1.00	1.00	1.00	1.00	1.00

It would be seen that during the last 5 years except for 2 years, more than 50 percent of the borrowed funds were applied for meeting the revenue expenditure. The application of most of borrowings to revenue expenditure and lack of emphasis in capital formation indicates a situation of fiscal stress marked by induced borrowings, heavy interest out go low capital investment and higher indebtedness.

1.9.6 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 1996-97 to 2000-2001 was as under:-

Position at the end of the year	Amount guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
(Rupees in crore)			
1996-97	641.61	549.89	Not Intimated By Government
1997-98	243.78	199.34	
1998-99	190.17	962.28	
1999-2000	171.92	852.25	
2000-2001	39.95	624.43	

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 1999-2001 government paid a total sum of Rs 396.71 crore in discharge of guarantees for repayment of principal and payment of arrear of interest for the period 1st January 1997 to 31st December 1998 on the bonds issued by Bihar State Electricity Board (principal: Rs 305.63 crore and interest: Rs 62.22 crore), Bihar State Road Transport Corporation (principal: Rs 4.23 crore and interest: Rs 0.70 crore), Bihar State Financial Corporation (principal : Rs 22.83 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 1114.88 crore) made by Government during 1990-2001 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 2000-2001 Government borrowed Rs 732 crore in the open market at interest rates of 10.52 per cent (Rs 290 crore) and 12 per cent (Rs 442 crore) per annum. During the year 2000-2001, there was a net increase as Rs 2721 crore in public debt and Rs 935 crore in other liabilities.

Year	Internal debt	Loans and advances from Central Government	Total Public debt	Other liabilities [@]	Total Liabilities	Ratio of debt to GSDP
(Rupees in crore)						
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
2000-01	7097 [*]	11243 [#]	18340	10104	28444	58

[@] Small savings, Provident funds etc., reserve funds and deposits.

^{*} Excludes Rs 2211.71 crore apportioned to the new State of Jharkhand and minus balance of Rs 237.29 crore transferred proforma to suspense head "8658" pending receipts of details from Government and includes Rs 1463.93 crore transferred proforma from the head 'Loan and Advances' from Central Government following change of classification.

[#] Excludes Rs 3750.24 crore apportioned to the new State of Jharkhand, Rs 1463.93 crore transferred to Internal Debt following change in classification and Rs 99.58 crore transferred proforma to suspense head "8658" in rectification of error and omission in the accounts for 1990-1991, 1991-92 and 1992-93.

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:

	1996-97	1997-98	1998-99	1999-2000	2000-01
	(Rupees in crore)				
<u>Internal Debt including Ways & Means advances and Overdraft</u>					
-Receipts	566	717	734	3503	5414
-Repayment (Principal + interest)	527	500	596	4025	4359
-Net funds available	39	217	138	(-520)	1055
(Percent)	7	30	19	(-)15	19
<u>Loans & advances from GOI</u>					
-Receipt during the year	1341	1792	2809	3046	1246
-Repayment (principal + interest)	1320	1562	1792	2180	2264
-Net funds available	21	230	1017	866	(-) 1018
(Percent)	2	13	38	28	(-) 82
<u>Other liabilities</u>					
Receipt during the year	2537	2385	2503	3019	3059
-Repayment (principal + interest)	2508	2263	2511	2445	2580
-Net funds available	37	122	(-) 8	574	479
(Percent)	1	5	(-) 0.31	19	16

It would be seen that while only 19 percent of loans and advances from Internal Debt comprising mainly of market loans were available after meeting repayment obligations for capital formation, this was almost negated by the overwhelming repayment obligation of the loans and advances from GOI. 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:

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)						
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
2000-01	1245.66	550.63	1713.03	2263.66	(-)1018.00	182

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 while non-plan expenditure represents Government maintaining the existing level of activity*, 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 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 - I and V. Exhibit V indicates the behavior of these indices/ratios over the period from 1996-2001.

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:

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

EXHIBIT - V

FINANCIAL INDICATORS FOR GOVERNMENT OF BIHAR

	1996-97	1997-98	1998-99	1999-2000	2000-01
(1)	(2)	(3)	(4)	(5)	(6)
Sustainability					
BCR (Rs in crore)	(-) 192.67	(-) 43.74	(-) 1452	(-) 3418	(-) 2387
Primary deficit (PD) (Rs in crore)	(-) 593.84	177.55	1247	3129	934
Interest Ratio	0.23	0.21	0.25	0.27	0.28
Capital outlay/capital receipts	0.21	0.23	0.24	0.37	0.25
Total Tax Receipts/GSDP	0.11	0.11	0.11	0.11	0.14
State Tax Receipts/GSDP	0.04	0.04	0.04	0.04	0.04
Return on Investment Ratio	Nil	Nil	Nil	Negligible	Negligible
Flexibility					
BCR (Rs in crore)	(-) 192.67	(-) 43.74	(-) 1452	(-) 3418	(-) 2387
Capital repayment/capital borrowing	0.23	0.21	0.14	0.23	0.19
State Tax Receipts/GSDP	0.04	0.04	0.04	0.04	0.06
Debt/GSDP	0.40	0.42	0.40	0.42	0.58
Vulnerability					
Revenue deficit (RD) (Rs in crore)	619	1052	2267	3703	2330
Fiscal deficit (FD) (Rs in crore)	1348	2239	3659	5996	4076
Primary deficit (PD) (Rs in crore)	(-) 594	178	1247	3129	934
PD/FD	(-) 0.44	0.08	0.34	0.52	0.23
RD/FD	0.46	0.47	0.62	0.62	0.57
Outstanding Guarantees/revenue receipts	0.16	0.02	0.10	0.08	0.06
Assets/Liabilities	0.79	0.77	0.73	0.64	0.73

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

2. As a result of reorganisation of State in November 2000, State's tax and Central tax transfers pertained to whole of Bihar upto 14th November 2000 and for reorganised Bihar thereafter. The GSDP has accordingly been estimated for the combined States of Jharkhand and Bihar upto 14th November 2000 and for reorganised Bihar thereafter. The GSDP figure taken for calculation of tax-GSDP ratio for 2000-01 is Rs 67447 crore.

(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. The negative BCR in 2000-2001 however decreased by 30 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 0.28 during 1997-2001. This led to the increased revenue expenditure (in the current year 23 per cent of revenue expenditure was accounted for by interest payment) 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 8th plan period and high cost borrowings to Finance Plan expenditure which were not spent them leading to cash balances fetching low interest.

(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 0.24 during 1996-97, rose to 0.37 in 1999-2000 and then drastically came down to 0.25 in 2000-2001 indicating that 63 to 84 percent of capital receipts were used for purposes other than investment. 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 consist 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 1996-97 to 1999-2001. During 2000-2001 the ratio of tax receipts to GSDP moved upward to 0.14. 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 declined from 0.23 in 1996-97 to 0.19 in 2000-2001 mainly due to availability of funds due to increased borrowing when repayments were yet to start.

(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 and still higher at 0.58 in 2000-2001 indicating that state's 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 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 and came down to 0.57 in 2000-2001. This indicates 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 lower the value the lesser the availability of funds for capital investment. In case of Government of Bihar, this ratio was negative in 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. The position again deteriorated in 2000-2001 when interest payment (Rs 3142 crore) was far in excess of net borrowed funds (Rs 2721 crore). 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 1996-97 to 0.06 in 2000-2001. However 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 liability 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 0.79 in 1996-97 to 0.74 in 2000-2001. It suggests continued deterioration in the solvency of the State Government. The actual situation would be known only after the asset items are apportioned to the new State of Jharkhand.

(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 2000-2001, 20 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 35 per cent of the original estimates also indicated unreliable and incorrect budgeting.

(xiii) Accounts

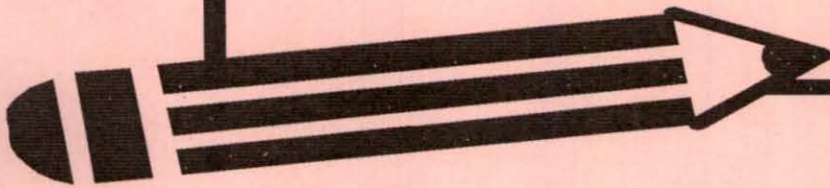
Government of Bihar has been endemically delaying the accounts for many months due to which its annual accounts could not be compiled in time. During 2000-2001 the treasuries and other accounting units like Public Works and Forest Divisions were not rendering accounts on due dates. For example March 2001 accounts were delayed between 30 and 90 days by 25 treasuries, 307 Public Works Division and 30 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 1996-2000 worsened during the current year. The imprudent and unjustified market borrowings in the previous years and their unproductive investment is causing unsustainable interest burden and insignificant returns on investments.

CHAPTER-II

**Appropriation Audit and Control Over
Expenditure**



CHAPTER -II
APPROPRIATION AUDIT AND CONTROL OVER
EXPENDITURE

SUMMARY OF APPROPRIATION ACCOUNTS – 2000-2001

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	*17973.96		
Supplementary	6227.16		
Total gross provision	24201.12	Total gross expenditure	19253.14
Deduct-Estimated recoveries in reduction of expenditure		Deduct-Actual recoveries in reduction of expenditure	
Total net provision	24201.12	Total net expenditure	19253.14

* Excludes Rs 2470.36 crore transferred to the new State of Jharkhand created on 15th November 2000.

Voted and Charged provision and expenditure

	Provision		Expenditure	
	Voted	Charged	Voted	Charged
	(Rupees in crore)			
Revenue	12710.66	2829.37	10336.75	3170.45
Capital	2954.19	5706.90	1755.97	3989.97
Total Gross	15664.85	8536.27	12092.72	7160.42
Deduct-recoveries in reduction of expenditure	--	--	--	--
Total Net	15664.85	8536.27	12092.72	7160.42

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 2000-2001 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	11816.87	893.79	12710.66	10336.75	(-) 2373.91
	II. Capital	1782.83	255.20	2038.03	1075.51	(-) 962.52
	III. Loan and Advances	857.18	58.98	916.16	680.46	(-) 235.70
Total Voted		14456.88	1207.97	15664.85	12092.72	(-) 3572.13
Charged	IV. Revenue	2811.16	18.21	2829.37	3170.45	(+) 341.08
	V. Capital					
	VI. Public Debt	705.92	5000.98	5706.90	3989.97	(-) 1716.93
Total Charged		3517.08	5019.19	8536.27	7160.42	(-) 1375.85
Grand Total		17973.96	6227.16	24201.12	19253.14	(-) 4947.98

The expenditure was understated at least to the extent of Rs 20.71 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 46.17 crore sine these were drawn on Abstract Contingent Bills but Detailed Contingent Bills for which were not submitted.

2.3 Results of Appropriation Audit

2.3.1 The overall saving of Rs 4947.98 crore (20 per cent of the total provision) was the net result of saving of Rs 5660.32 crore in 46 cases of

grants and 8 cases of appropriations and excess of Rs 712.34 crore in 1 grant and 3 appropriations. Out of the total savings, Rs 2033 crore (41 per cent) pertained to Revenue and Rs 963 crore (19 percent) pertained to Capital. The excess of Rs 712.34 crore requires regularisation under Article 205 of the Constitution as shown in Appendix VI.

Scrutiny revealed that the major savings on Revenue section (Rs 1894 crore) pertained to Middle, Primary and Public Education Department (Rs 677 crore), Rural Development Department (Rs 431 crore), Health, Medical Education and Family Welfare Department (Rs 322 crore), Welfare Department (Rs 235 crore) and Home Department (Rs 229 crore). In Capital section the major savings (Rs 984 crore) occurred in Water Resources Department (Rs 347 crore), Road Construction Department (Rs 211 crore), Rural Development Department (Rs 165 crore), Urban Development Department (Rs 147 crore) and Energy Department (Rs 114 crore).

The savings of at least Rs 4858 crore were not explained by the concerned Heads of Departments. Explanation for the savings to the extent furnished by the Government pertained mainly to non-release of funds by Government of India for Centrally Sponsored Schemes, reduction of Plan outlay, budget provision without plan outlay, non-sanction of extension of temporary and other schemes, non sanction of rates for purchase of materials, medicines and machinery, post kept vacant, retirements of staff, non-payment of bonus and dearness allowances at enhanced rate, bifurcation of State resulting in transfer of schemes and staff and non-drawal of funds.

2.3.2 Supplementary provision obtained during the year constituted 34.65 per cent of the original budget provision as against 27.82 per cent in the preceding year.

2.3.3 Supplementary provision of Rs 765.01 crore obtained in 47 cases (Appendix-VII) between August 2000 and March 2001 was wholly unnecessary as the expenditure did not come up in these cases even to the level of the original provision. In 5 more cases (Appendix-VIII), additional funds required were only Rs 3616.78 crore, while the supplementary grant of Rs 5372.10 crore was obtained resulting in saving in each case exceeding Rs 10 lakh.

2.3.4 Supplementary provision of Rs 15.74 crore in Revenue proved inadequate leaving uncovered excess expenditure of Rs. 712.34 crore in the following grants / appropriations during the year 2000-01.

	Grant/ Appropriation	Supplementary Provision	Proved Inadequate
		(Rupees in crore)	
Revenue Section			
1	5- Governor	0.19	0.07
2	13- Interest Payment	12.71	347.28
3	15- Pension	1.89	364.97
4	32- Legislature	0.95	0.02

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 (August 2002) for the years 1977-78 to 2000-01 amounting to Rs 6966.23 crore as detailed below:

Year	No. of grants/ Appropriation	Grants/ 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	1,4,5,9,12,14,18,19,25,31,38,42,48	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
2000-2001	5	5,13,15,25,32	712.34	712.34
	Total		6966.23	6966.23

* Adjusted figure 1999-2000

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 in each case as indicated in Appendix-IX.

2.3.7 In 46 cases, there were persistent savings in excess of Rs 2 crore and also by more than 10 percent of the total provision in each case vide Appendix-X.

2.3.8 Expenditure on new service/new instrument of service

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 10 cases, expenditure totalling Rs 12.97 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 8 cases, expenditure totaling Rs 40.76 crore was incurred without budget provisions 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 2000-2001 there were 27 grants and one appropriation in Revenue section and 9 grants in Capital section in which large savings of Rs 3230.25 crore, exceeding Rs one crore in each case, had not been surrendered by the Departments vide Appendix-XIII.

Against the total savings of Rs. 4947.98 crore (net) Rs. 2302.71 crore only was surrendered during 2000-2001 of which surrender of Rs. 2286.36 crore (99 percent) was made only on the last day of the financial year. This indicated that the Departmental Officers failed to exercise proper budgetary control.

2.3.10 Unjustified/ excessive surrender

Rule 135 of the Bihar Budget Manual lays down that when need for 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 35 cases, the actual expenditure far exceeded the modified grant rendering surrenders of Rs 107.76 crore unjustified/ excessive vide Appendix-XIV.

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 crore. It was raised from time to time by amendments to the aforesaid Act. As on 31 March 2001 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.

During 2000-2001, 249 advances involving Rs 259.64 crore were sanctioned.

It was noticed that-

(i) 227 advances involving Rs 191.89 crore were recouped through the first supplementary grants / appropriations (36 sanctions involving Rs. 96.94 crore), second supplementary grants / appropriations (68 sanctions involving Rs. 49.91 crore) and third supplementary grants / appropriations (123 sanctions involving Rs. 45.04 crore).

(ii) 22 advances involving Rs 67.75 crore sanctioned under Rule 6 (b) of the Bihar Contingency Fund Rules were resumed to the Fund with the passing of the Appropriation Act relating to original grants/appropriations.

2.3.12 42 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 2000-2001 expenditure under 2465 units of appropriation was not reconciled by 69 Controlling Officers for a total amount of Rs 8091 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 42 per cent of the total expenditure.

Even though non-reconciliation of departmental figures was pointed out in Audit Report for 1999-2000 and also in earlier 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 2000-2001 remained relaxed. Department-wise break-up of details of the amounts that remained unreconciled during 2000-2001 were as in Appendix-XV.

It was seen that Rs. 6961 crore out of the total un-reconciled amount of Rs. 8091 crore pertained to Finance Department (Rs.3102 crore), Revenue and Land Reform Department (Rs 1783 crore), Panchayati Raj Department (Rs 874 crore), Medical and Public Health Department (Rs 543 crore), Water Resources Department (Rs 351 crore) and Public Works Department (Rs 308 crore).

Non-reconciliation of expenditure by the Controlling Officers 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 2000-2001, there was an excess expenditure of Rs 712.34 crore and net savings of Rs 4948 crore which constituted 20 per cent of the total budget provision.

Year	Total savings	Amount for which explanation not received	Total excess	Number of cases requiring explanations	Number of cases in which explanations were not received	Percentage
(Rupees in crore)						
1996-97	2028	2026	256.00	823	550	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
2000-2001	4948	4858	712.36	629	348	55

The above table shows that the Controlling Officers administering the Grants consistently failed to discharge their responsibility of providing 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 in the previous nine years from 1991-92 to 1999-2000. In 2000-2001, the budgeting procedure for relief expenditure stipulated in the scheme was followed. Budget provision was also made for transfer of arrear contribution to the Calamity Relief Fund and a total amount of Rs 354.16 crore was transferred to the Fund. But no investment out of it was made.

Eleventh Finance Commission recommended the continuance of the current scheme till 2000-2005 with certain modification. During 2000-2001 Government of India's contribution to the Fund was Rs 50.22 crore. In addition, grant of Rs 29.67 crore from the National Calamity Contingency Fund was received. But no budget provision for transfer of Government of India's contribution (Rs 50.22 crore) and State Government's contribution (Rs 16.74 crore) and grants from the National Calamity Contingency Fund (Rs 29.67 crore) to the State Calamity Relief Fund was made. No part of relief expenditure during the year was met from the fund.

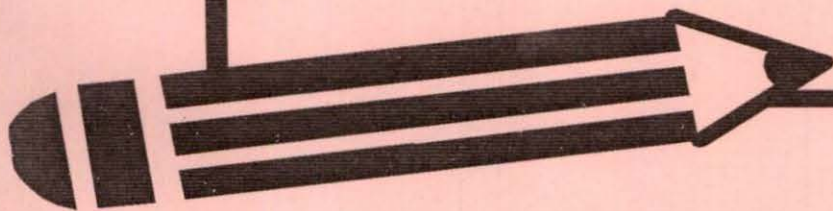
CHAPTER-III

Civil Departments

Section-A : Contains performance appraisal of the following:

-  Functioning of Government Ayurvedic Colleges and Hospitals
-  Prevention and Control of Diseases
-  Non-formal Education 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 Functioning of Government Ayurvedic Colleges and Hospitals

Highlights

Ayurvedic/ Unani colleges and hospitals in the State were to impart education in indigenous system of health care and popularise indigenous system of health care. The colleges/hospitals were crowded with general category of staff while teaching and technical category of staff were grossly inadequate. Most of the expenditure was incurred on staff while little funds were provided for medicines and diet etc. The pharmacy and the research unit lacked basic amenities of health education, health care, research and manufacture of medicines. The colleges conducted academic courses and universities conducted examinations for various courses without approval of the Central Council of Indian Medicines. Thus objective of popularising indigenous system of health care was not achieved.

During 1996-2001 major expenditure (96 per cent) of the Ayurvedic/ Unani colleges related to staff cost while negligible (4 per cent) expenditure was incurred on medicines etc. Expenditure on medicines per patient was varying from Rs 1.30 to Rs 29.51 from hospital to hospital.

(Paragraph 3.1.4 & 3.1.6.2)

Principal, Government Ayurvedic College and Hospital, Begusarai purchased allopathic medicines from a firm dealing in stationery and clothing.

(Paragraph 3.1.4.(i))

Principal, Ayurvedic College, Bhagalpur unauthorisedly invested Rs 5.49 lakh in UTI shares. He sold UTI shares worth Rs 3.19 lakh (January 1996) to pay salaries to staff. Shares for Rs 1.49 lakh were lost but responsibility was not fixed for the loss.

(Paragraph 3.1.4 (iii))

Teaching/ non-teaching staff in the Ayurvedic/ Unani colleges were far below the scale prescribed by the Central Council of Indian Medicines (CCIM). Manager, Medicine Laboratory had no degree in Ayurveda in Ayurvedic College, Begusarai.

(Paragraph 3.1.5.1)

The hospitals were not properly manned to render health care to the patients. Hospital in Darbhanga was non-functional since January 1985 and major portion of the building was in possession of Survey Settlement Office of Revenue Department and Life Insurance Corporation.

(Paragraph 3.1.5.2)

In Ayurvedic College, Darbhanga 35 students appeared/ passed during 1998-2001 in final examination of Bachelor's degree course, though the college had no in-service training facility. For 4 years no student was enrolled in the Post Graduate course in the Government Ayurvedic College, Patna as the courses were not approved by the Central Council of Indian Medicine. But 44 idle staff continued.

(Paragraph 3.1.5.3)

The hospitals attached with Ayurvedic/ Unani Colleges did not have required bed strength. They were not capable of providing health education to students and health care service to people. Occupancy of beds in hospitals at Patna and Begusarai on average was only 10 per cent due to lack of infrastructure, bad sanitation and absence of basic amenities like water, electricity, toilets etc. In 5 Ayurvedic/ Unani colleges doctor patient ratio was 1:32 per day during 1996-2001 and the hospitals failed to popularise indigenous system of health care.

(Paragraph 3.1.6 and 3.1.6.1)

There was no system in hospitals to check protein/calorie content of diets served to patients. Expenditure per patient per day in hospital was only Rs 3.55, which could not ensure the calorie content per patient as per the prescribed scale.

(Paragraph 3.1.6.3)

Ayurvedic/Unani dispensaries spent only 4 per cent of funds on medicines.

(Paragraph 3.1.6.4)

The Ayurvedic and Unani research unit was non-functional due to absence of laboratory and staff for bio-chemistry, pathology, pharmacology departments etc.

(Paragraph 3.1.8)

3.1.1 Introduction

For imparting education in Ayurved and Unani systems of medicines, the Ayurvedic College and Hospital and the Tibbi College and Hospital at Patna have been functioning in Bihar since 1953. To facilitate these systems of education, there was also Bihar State Ayurvedic and Unani Pharmacy and "Bihar State Ayurved and Unani Research Unit." Government of Bihar took over (May 1977 to June 1986) four private Ayurvedic Colleges and Hospitals¹ to popularise Ayurvedic system.

¹ Begusarai: May 1977; Bhagalpur: January 1985; Buxar: June 1986; Darbhanga: January 1985

3.1.2 Organisational set up

Overall administrative control of the Ayurvedic and Unani institutions in the State is vested in the Secretary, Health, Medical Education and Family Welfare Department who is assisted by the Director, Deshi Chikitsa, six Principals in Ayurvedic/Unani colleges, six Superintendents in hospitals attached to the colleges, one Manager in the Pharmacy and one Research Officer in the Research unit.

3.1.3 Audit coverage

Performance of the State Tibbi College, Patna, 5 Ayurvedic Colleges², Ayurved and Unani Pharmacy and Ayurved and Unani Research Unit, Patna during 1996-2001 was reviewed in Audit between March to May 2001 through test-check of the records of these institutions as well as of the Directorate/ Government.

3.1.4 Financial outlays and expenditure

Budget provision for the Ayurvedic/ Unani Colleges, the Pharmacy and the Research Unit in the State during 1996-2001 and expenditure were as under :

Year	Budget Allotment			Expenditure			Saving (-) Excess (+)	
	Estab-lish-ment	Medicine, diet, equipment etc.	Total	Estab-lish-ment	Medicine, diet, equipment etc.	Total	Estab-lish-ment	Medicine, diet, equipment etc.
(Rupees in crore)								
1996-97	3.18	0.10	3.28	5.34	0.07	5.41	(+2.16	(-)0.03
1997-98	4.17	0.29	4.46	3.76	0.24	4.00	(-)0.41	(-)0.05
1998-99	5.87	0.47	6.34	5.22	0.39	5.61	(-)0.65	(-)0.08
1999-2000	6.65	0.47	7.12	5.88	0.32	6.20	(-)0.77	(-)0.15
2000-2001	8.18	0.47	8.65	7.79	0.26	8.05	(-)0.39	(-)0.21
Total	28.05	1.80	29.85	27.99	1.28	29.27	(-)0.06	(-)0.52

(Source: Appropriation Accounts/ Detailed Appropriation Accounts)

Thus, it would be seen from the table that most of the expenditure (96 per cent) during 1996-2001 pertained to establishment, while expenditure (4 per cent) on medical facilities were negligible. Even the inadequate provision of funds for medicine, diet and equipment could not be fully spent and 29 per cent of available funds remained unutilised.

Scrutiny revealed the following:

(i) Principal, Government Ayurvedic College and Hospital, Begusarai diverted Rs 1.63 lakh on purchase of allopathic medicine during 1997-2001 on the ground of emergency, though there was no Medical Officer to prescribe allopathic medicine. Out of this, medicine valued at Rs 0.55 lakh was purchased from a supplier (Om Enterprises, Begusarai) who dealt in supply of uniforms, stationery and bedding and did not have drug licence. The purchase of these medicine was doubtful. Additional Secretary to Government stated (December 2001) that the purchase of allopathic medicine was necessary and admissible which was not tenable as there was no allopathic Medical Officer

Medicine supplied by stationary firm without drug licence

²

Ayurvedic Colleges at Begusarai, Bhagalpur, Buxar, Darbhanga, Patna.

to prescribe such medicine in the Ayurvedic College. This matter calls for investigation.

Temporary advance of Rs 1.13 lakh paid by the Principal of the above college to 30 officials for contingent expenses (stationary, medicines, travelling allowances) during 1996-2001 was not recovered/ adjusted as of May 2001. The Additional Secretary to Government stated (December 2001) that of the amount advanced Rs 0.49 lakh was recovered. Similarly, temporary advance of salary of Rs 15.19 lakh paid to 36 officials in Ayurvedic College, Bhagalpur was lying unadjusted since 1988.

Furniture and bed material unutilised

(ii) Equipment, furniture and bed materials valued at Rs 2.56 lakh was purchased by Principal of Darbhanga Ayurvedic College and Hospital during 1997-2001 though the hospital was non-functional since January 1985. Additional Secretary to Government stated (December 2001) that the Principal had been asked to make the hospital functional. Action taken to implement this direction was not available.

Unauthorised investment in units of UTI

(iii) Principal, Ayurvedic college, at Bhagalpur purchased (May 1985 to April 1986) 38000 units of US 64 of the Unit Trust of India for Rs 5.49 lakh, though no such investment was permissible under the rules. The Principal sold 20,000 units (January 1996) for Rs 3.19 lakh but he did not deposit the funds into Treasury as of May 2001 and used the money in salary payment to staff. The Principal also received 1800 bonus units (July 1996) of the face value of Rs 10 each but the same was not reflected in the cash book.

Loss of shares not investigated

Of the units, 10,000 units valued at Rs 1.49 lakh purchased on 26 April 1986 were stated (May 2001) by the Principal to have been lost. The Principal requested only once (February 1996) the Deputy General Manger, UTI, Calcutta to issue duplicate copies of those units. He did not pursue the matter with the UTI vigorously and duplicate certificates were still awaited (May 2001). Misappropriation of the units can not be ruled out. He also did not lodge FIR with the Police for loss of share from the custody of the cashier. At the instance of audit, Additional Secretary stated (December 2001) that action would be taken against the guilty official after obtaining details of the case.

Necessary account records not produced to Audit

(iv) Accounts records (Appendix-XVI) of Ayurvedic College and Hospital, Buxar were not produced to Audit by the Principal despite repeated reminders. Principal stated (August 2001) that records upto October 1997 were seized by the Central Bureau of Investigation (July 2001) on the ground of financial and administrative irregularities committed by the then Principal. Other accounts records were not given as these were reportedly not handed over by the ex-Nazir of the college. However the Principal did not initiate any departmental action against the ex-Nazir for withholding accounts records. New records were opened with nil balance on 26 February 2001.

3.1.5 Functioning of Ayurvedic Colleges

CCIM prescribed norms for colleges and hospitals

The Central Council of Indian Medicine (CCIM) established under the Central Council of Indian Medicine Act, 1970, prescribed standards in regard to teaching facilities, student bed ratio, number of para-medical and non para-medical staff and other necessary infrastructure for the colleges and the hospitals attached. The standards were not followed as discussed below.

3.1.5.1 Teaching staff in Ayurvedic Colleges

Inadequate teaching staff in colleges.

(a) The ratio of teaching and non-teaching staff in 6 Ayurvedic/ Unani colleges (May 2001) in Bihar was as under :

Colleges at	Professor			Reader			Sr. Lecturer/ Lecturer		
	CCIM norms	Sanctioned posts	Men-in-position	CCIM norms	Sanctioned posts	Men-in-position	CCIM norms	Sanctioned posts	Men-in-position
	(In number)								
Begusarai	14	11	1	16	12	2	65	48	14
Bhagalpur	14	2	1	16	2	1	65	10	6
Buxar	14	1	1	16	17	15	65	24	24
Darbhangha	14	2	1	16	10	1	65	20	14
Patna	14	11	3	16	12	3	65	47	33
Tibbi College, Patna	14	7	3	16	4	2	65	11	8

The table shows that the teaching staff available in any of the Ayurvedic/ Unani Colleges was far below the scale prescribed by the CCIM. As a result, the colleges (except Tibbi College, Patna) were not recognised by the CCIM to run the courses.

(b) Non-teaching Staff

Analysis of staffing pattern of non-teaching staff in Ayurvedic/ Unani colleges as of May 2001 revealed huge over staffing as shown below:

Ayurvedic/ Unani Colleges	Lab Technician		Clerks		Museumkeeper		Peon		Sweeper	
	Sanction	Men-in-position	Sanction	Men-in-position	Sanction	Men-in-position	Sanction	Men-in-position	Sanction	Men-in-position
Begusarai	3 (19)	3	9 (15)	6	5 (16)	4	42 (27)	32	Nil (19)	Nil
Bhagalpur	3 (19)	3	4 (15)	4	Nil (16)	Nil	13 (27)	5	3 (19)	2
Buxar	10 (19)	10	39 (15)	38	11 (16)	10	70 (27)	67	Nil (19)	Nil
Darbhangha	5 (19)	5	17 (15)	17	Nil (16)	Nil	27 (27)	27	Nil (19)	Nil
Patna (UG)	11 (19)	9	6 (15)	5	4 (16)	4	26 (27)	22	9 (19)	2
Tibbi college, Patna	5 (19)	5	8 (15)	5	3 (16)	3	40 (27)	37	Nil (19)	Nil

(Figures in bracket represent norm prescribed by CCIM)

Clerks/ Peons in excess while essential posts not manned

The colleges in Buxar and Darbhanga had 38 and 17 clerks respectively against the norm of 15 clerks required in each college. Similarly, against the norm of 27 peons for each college, the colleges in Buxar and Tibbi college, Patna had 67 and 37 peons respectively. On the other hand posts of essential categories of staff like lab technicians, typist, museum keepers etc. were far below the requirement. Unjustified sanction of posts of peons and clerks in Tibbi College, Patna and the college at Buxar needs investigation.

Manager in a Medicine Laboratory did not possess necessary degree in Ayurved

Based on the recommendation of screening committee, constituted by the Government, services of employees of the erstwhile Ayurvedic College, Begusarai was regularised by Director, Deshi Chikitsa (August 1981) since its take over (May 1977) by State Government. Director also ordered that the person working as Manager, Medicine Laboratory did not possess Bachelor degree in Ayurvedic Medicine and therefore he was not entitled to hold that post. As such Director ordered for regularisation of his service in lower grade (Rs 5500-9000) as Administrative Officer, but the employees irregularly drew his pay and allowances as Manager, Medicine Laboratory (Rs 12000-16500). As of May 2001 Rs 7.33 lakh were over paid to him.

3.1.5.2 Staffing pattern in college hospitals

Staffing pattern in college hospitals prescribed by CCIM and the men-in-position as on May 2001 in 5 Ayurvedic/Unani colleges hospitals were as under:

None of the hospitals was properly manned to render requisite health care

Sl. No.	Name of Colleges and Hospitals	Category of posts	Posts required as per norm of CCIM	Posts		Men-in-position
				Sanctioned	shortage	
(In number)						
1	Begusarai	Medical	20	1	19	1
		Para-Medical	19	6	13	5
		Others	41	1	40	1
2	Bhagalpur	Medical	24	2	22	1
		Para-Medical	28	3	25	2
		Others	51	5	46	4
3	Darbhanga	Medical	Not functioning	1	-1	1
		Para-Medical	--do--	Nil		Nil
		Others	--do--	Nil		Nil
4.	Patna	Medical	29	7	22	7
		Para-Medical	37	24	13	22
		Others	64	37	27	15
5.	Tibbi College, Patna	Medical	19	4	15	4
		Para-Medical	16	5	11	3
		Others	39	3	36	3
Total			387	99	288	69

As would be evident from the table above against the sanctioned posts of 387 medical, para-medical and other category of staff as per CCIM norm for the 5 colleges/ hospitals mentioned above the State Government had sanctioned only 99 posts against which only 69 persons were in position affecting the proper functioning of these colleges/ hospitals. In Ayurvedic College Hospital, Darbhanga one Medical Officer was posted but the college was non-functional since its take over (January 1985). Most of the hospital premises had been in the possession of Life Insurance Corporation and of the Survey Settlement Office of Revenue Department. Principal of the college did not take effective action to get the hospital premises vacated.

3.1.5.3 Quality of teaching

All the Ayurvedic colleges except Government Ayurvedic College, Darbhanga and State Tibbi College, Patna were affiliated to the B.R.Ambedkar Bihar University, Muzaffarpur. Ayurvedic College at Darbhanga was affiliated to Kameshwar Singh Sanskrit University Darbhanga. The graduation course had a duration of four years and six months and the post graduation course was of two years duration.

The number of actual enrollment of students in the colleges was as under :

Student not enrolled
as per sanctioned seat

Name of Ayurvedic College (graduate course)	Sanctioned seat for Graduation course	Student enrolled				
		1996-97	1997-98	1998-99	1999-2000	2000-01
Begusarai	20	7	12	7	20	Enrolment process not finalised.
Bhagalpur	20	18	10	8	20	--do--
Darbhanga	20	20	20	20	20	--do--
Patna	38	38	26	35	38	--do--
Tibbi College, Patna	33	17	18	26	42	--do--
Patna (PG)	8	Nil	8	Nil	Nil	Nil
Total		100	94	96	140	

No students were enrolled in postgraduate courses in Government Ayurvedic College (Post Graduate Department) Patna as the courses run by Ayurvedic College (Post Graduate Department) Patna were not recognised by the CCIM for want of teaching and other infrastructure facilities like laboratories, libraries, teaching faculties etc.

The number of students who appeared and passed the final examination of Bachelor of Ayurvedic Medicines and Surgery (BAMS) from the five Ayurvedic Colleges and State Tibbi College, Patna during 1996-2001 was as under:

Colleges	Students appeared in the examination	Student passed
	(In number)	
Begusarai	35	22
Bhagalpur	20	11
Darbhanga	35	35
Patna	59	44
Tibbi Patna	158	86
PG Course, Patna	10	10
Total	317	208

Quality of teaching
was not upto mark

In none of the colleges examinations were held regularly. Further, no in-door hospital facility was available in Ayurvedic College, Darbhanga where 35 students appeared during 1998-2001 in final examinations of Bachelor Degree course and all of them passed the examination, though the courses were not recognised by the CCIM. The name of the hospital where the students were attached for treatment of in-door patients was not on record. Whether such training was indeed given was doubtful.

The CCIM also observed (December 1998 and June 1999) that students were admitted and examinations were conducted by the Universities without approval of the courses by the CCIM. Thus the students passing such examination, had no professional recognition of their qualification.

3.1.6 Health care management

Norms prescribed by
CCIM

According to norms prescribed by CCIM, the student bed ratio should be 1:3. After five years the student bed ratio should be enhanced to 1:5 as an ideal standard and there should be at least 100 beds in a hospital to start a new Ayurvedic College. As against this, shortfall in number of beds in 5 college hospitals ranged between 40 and 100 per cent as per details below :

Government Ayurvedic College at	Sanctioned seat of student	Bed required	Indoor beds available	Shortfall (Per cent in bracket)
(In number)				
Begusarai	20	100	32	68 (68)
Bhagalpur	20	100	60	40 (40)
Darbhangha	20	100	Hospital not functioning	100 (100)
Patna	38	190	94	96 (51)
Government Tibbi College, Patna	33	165	24	141 (85)

None of the hospitals had required bed strength

Due to such large scale shortage in bed strength, the hospitals were not capable of providing health education to students and health care service to the people.

3.1.6.1 Low occupancy of beds in hospitals

Low occupancy of beds in hospitals due to lack of infrastructure

During 1996-2001 occupancy of beds in two hospitals attached to Ayurvedic Colleges was very low being 2 to 41 per cent. In Ayurvedic College at Bhagalpur, no patient was admitted and in Ayurvedic College at Darbhanga, there was no bed facility. Details of occupancy of beds in two colleges were as under:

Year	Beds available	Occupancy capacity in a year (No. of beds x 365 or 366 days)	Total occupancy in the year	Percentage of total occupancy to capacity
Ayurvedic College Hospital, Patna				
1996-97	94	34310	1700	5
1997-98	94	34310	787	2
1998-99	94	34310	2164	6
1999-2000	94	34404	2295	7
2000-2001	94	34310	1322	4
Ayurvedic College Hospital, Begusarai				
1996-97	32	11680	1803	15
1997-98	32	11680	3122	27
1998-99	32	11680	4756	41
1999-2000	32	11712	3277	28
2000-2001	32	11680	2374	20

Low occupancy of beds was attributable to lack of medical and para medical infrastructure, bad sanitation and absence of basic amenities like water, electricity and toilets etc. in the hospitals. Further, in 5 Ayurvedic/Unani College hospitals, the doctor patient ratio was 1:32 per day during 1996-2001 and the hospitals failed to popularise indigenous system of health care.

3.1.6.2 Expenditure per patient on medicine

No norms for expenditure on medicine

Director, Deshi Chikitsa stated (March 2001) that no norm for expenditure on supply of medicine to patients in the Ayurvedic college hospital was fixed and the medicines were supplied as per need of patients subject to availability of medicine. During 1996-2001 different hospitals supplied medicine at varying rates and expenditure on medicine per patient varied widely as details below :

Hospitals at	Patients treated (In number)			Expenditure (Rs in lakh)	Expenditure per patient (Rupees)
	Indoor	Outdoor	Total		
Begusarai	15332	32350	47682	5.85	12.27
Bhagalpur	Nil	60927	60927	2.92	4.79
Darbhanga	Nil	15010	15010	4.43	29.51
Patna	8268	178981	187249	5.13	2.74
Tibbi hospital Patna	33770	482303	516073	6.71	1.30

In the absence of any norm for expenditure on medicine per patient, adequacy or otherwise of medicines given to patients could not be ascertained in audit.

3.1.6.3 Quality of diet served to patients

Required diets not served to patients

As per recommendation of National Nutrition Advisory Committee (1965) 2500 calories per day was the minimum requirement to a patient who was not required to live on higher therapeutic diet and hence approximate cost of Rs 6.25 for vegetarian diet and Rs 8.95 for non-vegetarian diet was fixed. Even this out dated norm has not been followed and the Government of Bihar had fixed (May 1986) the rate of diet at Rs 3.55 per patient per day. Further, there was no system to check the protein calorie content of diet served to patients.

3.1.6.4 Ayurvedic and Unani dispensaries

With a view to popularising Ayurved and Unani system, the State Government appointed (1981) Deshi Chikitsa Padadhikari in the districts and set up 179 Ayurvedic dispensaries and 48 Unani dispensaries at block levels in 1981 at a cost of Rs 13.31 lakh.

Meagre funds for medicines in dispensaries

Allotment of funds by the Government on medicine for Ayurvedic/ Unani dispensaries in the State during 1998-2001 was meagre varying between 3 and 4 per cent of the total funds provided as per details below:

Year		Allotment for expenses		Total	Per cent (column 4 of 5)
		Establishment	Medicine		
1	2	3	4	5	6
		(Rupees In lakh)			
1998-99	Ayurved	421.24	18.90	440.14	4
	Unani	129.29	4.80	134.09	4
1999-2000	Ayurved	503.49	18.90	522.39	4
	Unani	138.65	4.80	143.45	3
2000-2001	Ayurved	453.23	16.28	469.51	3
	Unani	135.97	4.27	140.24	3

Ninety six to 97 per cent of funds for establishment

Thus, 96 to 97 per cent of funds were provided to Ayurvedic/ Unani dispensaries for establishment expenses and meagre provision of funds for expenditure on medicine. The object of popularising indigenous methods of medicine can not be achieved unless medicine are made available at hospital levels.

3.1.7 Ayurvedic and Unani Pharmacy, Patna

Dismal performance of the Pharmacy

The Pharmacy was to manufacture 140 Ayurvedic and Unani medicines. Against this, only 13 to 20 medicines were manufactured and supplied to the hospitals, while Rs 94.95 lakh were spent on salary (Rs 90.59 lakh) of 21 staff posted in the pharmacy and raw material and contingencies (Rs 4.36 lakh). During 1999-2001 Rs 4 lakh allotted by the department for manufacture of medicine was not drawn as purchase committee for raw materials was not formed by the department.

Plant and machinery for manufacture of medicines purchased during 1997-99 for Rs 3.71 lakh were lying idle as of May 2001. The manager of Pharmacy stated (August 2001) that this was due to water logging in the floor level of the building. However, Manager did not initiate action to upgrade the floor level of the building to facilitate installation of the machinery.

3.1.8 Ayurved and Unani Research Unit

Research unit was non-functional due to lack of laboratory facilities and other infrastructure

The Unit with staff strength of 8 was established to take up research work in Ayurved and Unani system of medicine. The unit worked under an advisory committee consisting of renowned physicians of both the disciplines till 1963. Since then the committee was non-functional. The Research Officer of the Unit requested the State Government only once (March 1994) to revive the committee.

Research Officer stated (August 2001) that research work suffered due to absence of laboratory and proper staff for bio-chemistry, pathology and pharmacology departments and that he had apprised State Government (1998) of these problems. These problems continued as of May 2001.

With no purposeful work done since 1963, the money spent on establishment was nugatory. Rupees 59.59 lakh was so spent during 1996-2001.

3.1.9 Monitoring and evaluation

No monitoring of working of Ayurvedic/ Unani colleges

Neither the Secretary to the Government nor the Director drew any schedule of periodical inspection for the Ayurvedic/ Unani institutes in the State. Vice-Chancellors of the Universities, under whose academic control the college and hospitals functioned, did not monitor the working of the colleges and hospitals.

CCIM observed that colleges and hospitals lacked basic amenities of health care and health education

Periodical inspections of colleges and hospitals were conducted by CCIM. Though the CCIM forwarded copies of the inspection notes to the Secretary to State Government, Health, Medical Education and Family Welfare Department and Director, Deshi Chikitsa with a request to improve and upgrade working of the college and the hospitals, these authorities did not initiate any action (July 2001).

Additional Secretary to Government of Bihar, stated (December 2001) that arrangement for regular monitoring was being made.

HEALTH AND FAMILY WELFARE DEPARTMENT

3.2 Prevention and Control of Diseases

Highlights

There were four major centrally sponsored national programmes for control of diseases. Of these, National AIDS Control Programme (NACP) aimed to reduce the spread of Human Immuno Deficiency Virus (HIV) and strengthen India's capacity to respond to the HIV/AIDS on long term basis. National Leprosy Control Programme (NLCP) aimed to achieve elimination of leprosy by the end of year 2000. National Programme for Control of Blindness (NPCB) aimed at reducing blindness from 1.4 per cent to 0.3 per cent by the year 2000. National Tuberculosis Control Programme (NTCP) intended to achieve cure rate of over 85 per cent.

Implementation of National AIDS Control Programme (NACP), National Leprosy Control Programme (NLCP), National Programme for Control of Blindness (NPCB) and National Tuberculosis Control Programmes (NTCP) in the State was ineffective due to poor utilisation and misutilisation of central funds, failure to develop necessary infrastructure, misutilisation of vehicles and equipment, absence of effective monitoring etc.

During 1997-99, Rs 3.70 crore of central funds for implementation of National TB Control Programme was not released and Rs 2.33 crore not utilised till March 2000. In the test-checked districts only 30 per cent of the available funds were utilised.

(Paragraph 3.2.3.2 and 3.2.3.3)

During 1996-2000 achievements in detection of TB patients under National TB Control Programme were 34 to 44 per cent. Further, based on population of 8.67 crore (1991 census) 173 TB units and 867 microscopy centres should have been set up as per norm whereas only 29 TB units and 141 microscopy centres were available as of June 2001. During 2000-01 sputum positive cases grew sharply by nearly 10 times, extra pulmonary cases by more than 4 times, relapsed cases by 5 times, failure cases by 12 times, default cases by 13 times and other cases by 20 times.

(Paragraph 3.2.3.4(i), (ii) & (iii))

Subversion of financial rules by the Director, TB Demonstration Centre, Patna facilitated defalcation of Rs 46.99 lakh during 1995-97 in his office. Despite this, the Deputy Director (TB) drew Rs 1.08 crore in March 1998 without any requirement and irregularly invested it in bank drafts.

(Paragraph 3.2.3.5 and 3.2.3.6)

There was excess expenditure of Rs 81.08 lakh during 1996-97 and saving of Rs 4.87 crore during 1997-2001 under NLCP. Rupees 4.19 crore were not released by Government of India during 1996-2001 due to poor

utilisation of funds. Rupees 3.52 crore remained unutilised with the District Leprosy Society.

(Paragraph 3.2.4.2)

Achievements for identification, treatment and discharge of patients under National Leprosy Control Programme in the State were far above the targets. Reliability of the reported achievements was doubtful as 53 per cent of the available funds were not spent. There was nil achievement in different targeted facilities for treatment of patients under the programme. Application of Multi Drug Therapy was inadequate. The prevalence rate of leprosy at 16.59 per ten thousand population was the highest in the country during 2000-01 as against the national average of 5.19.

(Paragraph 3.2.4.4 (i) to (iii))

During 1996-2001, only 30 per cent (Rs 97.44 lakh) of funds allocated by Government of India was released due to poor spending by the State on implementation of the National Programme for Control of Blindness.

(Paragraph 3.2.5.2)

Though required, no survey was conducted to assess the magnitude of blindness in the State under National Programme for Control of Blindness. State Government reduced targets for cataract operation during 1996-2001 by 48 to 56 per cent and the achievement even against reduced targets fell short by 30 to 62 per cent.

(Paragraph 3.2.5.4 (i), (ii) & (iii))

Four District Magistrates misutilised vehicles which were meant for implementation of National Programme for Control of Blindness. One such vehicle at Saran was got burnt in July 1999 when it was being used for law and order purpose.

(Paragraph 3.2.5.4 (ix))

No activity was undertaken by the department for development of infrastructure like creation of eye wards, operation theatre, dark rooms, beds etc. in hospitals. Rupees 29 lakh provided by Government of India during 1998-2001 were not released by the State Government.

(Paragraph 3.2.5.4 (xi))

During 1996-2001 only 24 per cent (Rs 3.38 crore) of funds allocated for NACP was released by Government of India due to poor spending by the State every year. Of available funds, 36 per cent (Rs 1.79 crore) was not spent by the State. NACP funds of Rs 2.16 crore were released by the State to State AIDS Control Society in March 1999 after a lapse of 1 to 7 years. The Bihar AIDS Control Society did not prefer claim for reimbursement of expenditure of Rs 3.23 crore during 1996-2001 to Government of India.

(Paragraph 3.2.6.2 (i), (ii) & (vi))

National AIDS Control Programme remained a non-starter in the State as of June 2001. Prevalence of HIV positive cases which was 0.04 per cent

during 1996-97 increased to 0.11 per cent in 2000-01. Prevalence of AIDS cases also increased from 12 in 1996-97 to 32 in 2000-01. 143 equipment supplied by National AIDS Control Organisation, New Delhi during 1993 and 2000 were either lying idle or were misutilised.

(Paragraph 3.2.6.4)

3.2.1 Introduction

National programmes for control of diseases

Government of India implemented fully financed Centrally Sponsored Programmes towards prevention and control of diseases through National AIDS Control Programme (NACP), National Leprosy Control Programme (NLCP), National Programme for Control of Blindness (NPCB) and National TB Control Programme (NTCP). Health and Family Welfare Department was the nodal agency for implementation of the various programmes in the State.

3.2.2 Audit coverage

Implementation of NACP, NLCP, NPCB and NTCP during 1996 to 2001 was reviewed (February 2001 and June 2001) through test-check of records of 7 districts¹ (Bihar-4 Jharkhand-3), 6 districts² (Bihar-3 Jharkhand-3), 10 districts³ (Bihar-7 & Jharkhand-3) and 10 districts⁴ (Bihar-5 Jharkhand-5) respectively covering 20 per cent of population in each case.

3.2.3 National TB Control Programme (NTCP)

3.2.3.1 Introduction

National Tuberculosis Control Programme, fully financed by Government of India was launched by Government of India in 1962. A review committee of experts evolved (1992) a revised strategy for National Tuberculosis Control Programme (RNTCP) to achieve a cure rate of over 85 per cent.

The Programme was implemented in the State by the Commissioner-cum-Secretary, Health and Family Welfare Department through State TB Officer with the assistance of Civil Surgeon-cum-Chief Medical Officers (CS cum CMO) and District TB Officers in the districts. Besides, there was a Bihar State TB Control Society (established in January 2000) of which Secretary-cum-Commissioner was the ex-officio chairman and the State TB Officer its ex-officio Member Secretary. The District Magistrate was the Chairman of District TB Control Society (established during December 1995 to February 2000) and the District TB Officer was its Member Secretary.

3.2.3.2 Provision of funds and expenditure

Provision of funds for the programme and expenditure in the State during 1997-2000 were as under:

¹ Bihar : Bhagalpur, Darbhanga, Muzaffarpur, Patna; Jharkhand: Dhanbad, Jamshedpur, Ranchi

² Bihar : Bhojpur, Muzaffarpur, Patna; Jharkhand : Dhanbad, Hazaribag, Ranchi

³ Bihar: Bhojpur, Dharbhanga, Khagaria, Nalanda, Samastipur, Saran, Vaishali, Jharkhand: Dhanbad, Dumka, Ranchi

⁴ Bihar : Bhojpur, Muzaffarpur, Patna, Samastipur, Vaishali ; Jharkhand : Dhanbad, Hazaribag, Lohardaga, Palamu, Ranchi

Year	Budget provision	Opening balance	Funds allocated by GOI	Funds released by GOI	Funds released by the State	Total fund available (col3+col5)	Expenditure	Unspent funds (col7-col8)	Percentage of savings
(Rupees in lakh)									
1	2	3	4	5	6	7	8	9	10
1997-98	125.00	Nil	258.76	258.76	NIL	258.76	NIL	258.76	100
1998-99	258.76	258.76	298.79	298.79	258.76	557.55	137.55	420	75
1999-2000	298.79	420.00	369.57	369.57	298.79	789.57	187.46	602.11	76
Total	682.55		927.12	927.12	557.55		325.01		

(Source: Budgets, Appropriation Accounts and figures furnished by the department)

Poor release and utilisation of funds

During 1997-99, 40 per cent (Rs 3.70 crore) of the Government of India funds (Rs 9.27 crore) received by the State Government was not released to the department. Even the limited funds released was not fully utilised and 42 per cent (Rs 2.33 crore) of it remained unutilised at the end of 31 March 2000 as per information furnished by State Government. Unutilised funds were kept unauthorisedly in saving/current accounts in bank. Thus, only 35 per cent of the funds released by Government of India was utilised.

3.2.3.3 Expenditure in the districts

37 to 96 per cent of Government of India funds remained unutilised in test-checked districts

Out of Rs 3.48 crore available under NTCP during 1996-2000 in 10 test-checked districts, Rs 1.03 crore (30 per cent) only were spent. Further, in 7 (out of 10) districts⁵ test-checked where Revised National Tuberculosis Control Programme (RNTCP) was introduced (between December 1995 and September 2000), 37 to 96 per cent of funds received (Rs 3.48 crore) were not spent due to delay in registration of Society in districts and delayed development of infrastructure.

3.2.3.4 Physical progress

Physical progress in various components of the programme during 1996-2001 was as under:

(i) Targets and achievements of detection of TB cases and sputum examination as furnished by the State Tuberculosis Officer under NTCP during 1996-2001 were as under :

Year	Detection of TB cases		Sputum Examination	
	Target	Achievement	Target	Achievement
(In number)				
1996-97	153000	67068 (44)	460000	54478 (12)
1997-98	153000	58697 (38)	460000	61824 (13)
1998-99	153000	51293 (34)	460000	37823 (8)
1999-2000	153000	56097 (37)	460000	55024 (12)
2000-01	Not fixed	NA	414394	54978 (13)

(Figures in brackets denote percent)

Poor achievements in detection of TB cases and sputum examination

Analysis of data revealed that Patna and Garhwa were the most affected districts as registration of TB patients in these districts was very high during 2000-01. State TB Officer stated (October 2001) that main reasons of shortfall were shortage of microscopy centres, laboratory technicians etc. However, evaluation of the NTCP conducted by an agency of World Health Organisation revealed (June 2000) that case detection was very low due to

⁵ Hazaribag, Muzaffarpur, Patna, Palamu, Ranchi, Samastipur and Vaishali

poor utilisation of government health infrastructure and that the State Training Demonstration Centre for tuberculosis was undermining the programme.

Details of TB cases registered and population covered in the State under National TB Control Programme as furnished by the State Tuberculosis Officer were as under :

Sputum positive cases steadily increased

Year	Population covered (as per 1991 census)	TB cases registered								
		New				Re-treatment cases				
		Sputum positive	Sputum Negative	Extra Pulmonary	Total	Relapsed cases	Failure cases	Default	Other	Total
1996-97	8.67 crore	2106	25957	282	28345	NA	NA	NA	NA	NA
1997-98		2569	22202	539	25310	NA	NA	NA	NA	NA
1998-99		3348	43178	235	46761	NA	NA	NA	NA	NA
1999-2000		4897	44619	302	49818	NA	NA	NA	NA	NA
2000-01		8060	48709	273	57042	08	---	288	--	296
Total		20980	184665	1631	207276	08	--	288	--	296

(NA: Not available)

It was noticed that sputum positive cases steadily increased from 2106 to 8060 and the total number of new registered cases also sharply increased from 25310 to 57042 indicating that the programme had little impact on control of tuberculosis. No data for re-treatment cases and sputum conversion of new, relapsed and failure cases during 1996-2001 (except partially for 2000-01) was available for the State. As a result quality of diagnostic treatment of TB patients could not be assessed.

In 9 districts⁶ test-checked sputum positive cases increased steeply from 829 to 1386. Total sputum positive cases and extra pulmonary cases also registered an increase of 56 per cent over 1996-97 as shown below:

Year	Population covered In lakh	TB cases registered (In number)								
		New				Re-treatment cases				
		Sputum Positive	Sputum Negative	Extra Pulmonary	Total	Relapsed cases	Failure cases	Default	Other	Total
1996-97	172.45	829	14010	302	15141	15	---	1035	---	1109
1997-98	172.45	1227	11246	282	12755	497	---	409	---	945
1998-99	226.54	1223	10584	407	12214	903	---	1564	---	2476
1999-00	238.54	1046	6225	382	7653	47	01	395	---	443
2000-01	242.36	1386	4553	374	6313	108	07	268	---	383
Total:		5711	46618	1747	54076	1570	08	3671	---	5356

It was also observed that of the districts test-checked highest increase in sputum positive cases was in Hazaribag district (706 per cent) and in extra pulmonary cases in Samastipur district (180 per cent) in 2000-01 in comparison to prevalence of these cases in 1996-97.

In 6 (Dhanbad, Lohardaga, Ranchi, Samastipur, Palamu, Hazaribag) out of 9 districts test-checked, status of testing of sputum of new positive patient was as under :

⁶ Bhojpur, Dhanbad, Hazaribag, Lohardaga, Samastipur, Muzaffarpur, Vaishali, Palamu, Ranchi

Year	New Sputum positive patient	Sputum at 2 months			Sputum at 3 months		
		Positive	Negative	Not Tested	Positive	Negative	Not Tested
(In number)							
1996-97	683	21	586	76	3	399	281
1997-98	939	9	913	17	2	330	607
1998-99	896	7	803	86	1	546	349
1999-00	1008	12	791	205	1	546	461
2000-01	1369	16	1020	333	2	882	485
Total:	4895	65	4113	717	9	2703	2183

Year	Total no. of Smear positive relapsed cases	Sputum at 3 months		
		Positive	Negative	NA
1996-97	23	1	18	4
1997-98	9	NA	9	NA
1998-99	10	NA	10	NA
1999-2000	6	1	5	NA
2000-01	46	4	38	4
Total	94	6	80	8

Though sputum of every new sputum positive patient was to be tested at two and three months interval, sputum of 15 per cent (717) and of 45 per cent (2183) of new sputum positive patients(4895) was not tested. As a result quality of diagnostic treatment of new TB patients was not assured and relapsed cases of new TB patients varying between 6 and 23 during 1996-2000 went up to 46 in 2000-01. Thus, there was serious risk of spreading the disease.

(ii) As per revised strategy, one TB unit consisting of one Medical Officer, one Senior TB Laboratory Supervisor and one Senior Treatment Supervisor was to be set up for every five lakh population. In addition, one microscopy centre was to be set up in a district for each one lakh population. Accordingly for total 8.67 crore (Bihar : 7.17 crore; Jharkhand : 1.50 crore) population (1991 census), 173 TB units and 867 microscopy centres should have been set up. Against this, only 29 TB units (Bihar:20; Jharkhand:9) and 141 microscopy centres (Bihar:82 Jharkhand: 59) were available as of June 2001. No TB unit and only 31 microscopy centres (Bihar: 18; Jharkhand:13) were set up under National Tuberculosis Programme.

(iii) Revised National Tuberculosis Control Programme (RNTCP) which was to be introduced in 7 districts (Hazaribag, Muzaffarpur, Patna, Palamu, Ranchi, Samastipur, Vaishali) in the State in December 1995 was implemented in five districts (Muzaffarpur, Patna, Palamu, Ranchi and Vaishali) only from December 1995 to February 2000. Details of identification, treatment and discharge of TB cases under RNTCP in 5 districts were as under :

Year	Popula-tion covered (in lakh)	TB cases registered (In number)								
		New				Re-treatment cases				
		Sputum Positive	Sputum Negative	Extra Pulmo-nary	Total	Relapse cases	Failure cases	Default	Other	Total
1996-97	5.00	257	500	51	808	61	---	---	---	61
1997-98	5.00	207	336	26	569	41	03	08	20	72
1998-99	88.63	213	156	66	435	43	04	37	08	92
1999-00	100.63	1168	3000	365	4533	216	27	377	222	842
2000-01	148.27	2334	3283	353	5970	261	53	510	167	991
Total:	347.53	4179	7275	861	12315	622	87	932	417	2058

(Source: District Tuberculosis Officer's records)

TB units and microscopy centres not established

Large increase in sputum positive, extra pulmonary relapse, failure and default cases

Compared to 1998-99, while coverage of population increased by 67 per cent during 2000-01, sputum positive cases grew sharply by nearly 10 times, extra pulmonary cases by more than 4 times, relapse cases by 5 times; failure cases by 12 times, default cases by 13 times and other cases by 20 times.

The details in five RNTCP districts of Bihar were as under :

Sl. No.	District	Population	TB units		Microscopy centres	
			Planned	In operation	Planned	In operation
(In number)						
1.	Vaishali	2712389	05	05	24	12
2.	Patna	4709000	09	08	46	42
3.	Muzaffarpur	3753836	07	07	37	10
4.	Palamu	2092004	04	04	19	18
5.	Ranchi	2670637	05	05	28	28
	Total	15937866	30	29	154	110

Thus against requirement of 32 TB units in these districts as per norm, 30 units were planned during 1996-2001 and 29 were set up as of June 2001. Similarly against 159 microscopy centres, 154 were planned and 110 were set up as of June 2001.

As per the data furnished by the District TB Officer of 5 RNTCP districts treatment of patients registered 12-15 months earlier during 1996-2001 was as per details below :

Year.	Cases registered (Type of patients)	Cured	Treatment completed	Died	Failure	Defaulted	Transferred cases	Cases evaluated (Column 1 to 6)	
		1	2	3	4	5	6	7	
(In number)									
1996-97 to 2000-01	(i) New cases								
	Smear positive	4255	1799	22	83	32	166	01	2103
	Smear negative	7390	---	1986	85	16	258	---	2345
	Extra pulmon- ary	916	---	465	02	---	47	---	514
	Total	12561	1799	2473+ 153*	170 +3	48	471+ 299*	01	4962+ 455*
	Re-treatment cases								
	Smear positive relapses		269	06	34	16	56	---	381
	Smear positive failure		11	---	02	23	07	---	43
	Smear positive treatment and default		284	19	29	17	89	---	438
	Other		25	57	09	01	29	---	121
	Total		589	82	74	57	181	---	983

(* Muzaffarpur districts did not furnish category-wise details of new cases)

Only 43 per cent (5417) of new cases registered (12561) were evaluated and only 33 per cent (1799) were cured. Thus, achieving the targeted cure rate of 85 per cent remained a distant possibility.

Sputum conversion of new, relapse and failure cases as furnished by the District TB Officers of the 5 RNTCP districts was as under :

New cases

Sputum test of a large number of new cases not carried out

Year	New sputum positive patient	Sputum at 2 months			Sputum at 3 months		
		Positive	Negative	Not available	Positive	Negative	Not available
(In number)							
1996-97	312	05	225	82	02	03	82
1997-98	199	06	179	14	02	04	14
1998-99	122	04	99	19	--	03	12
1999-2000	681	54	550	77	08	49	22
2000-2001	2148	75	1983	90	12	60	30
Total	3462	144	3036	282	24	119	160

Table indicated that sputum test at 2 months of 282 new sputum positive patients (8 per cent) and at 3 months of 160 such patients was not carried out.

Smear positive relapse cases

Conversion of smear positive relapse cases to negative was low

Year	Smear positive relapse cases	Sputum at 3 months		
		Positive	Negative	Not available
(In number)				
1996-97	70	04	51	15
1997-98	61	04	44	13
1998-99	28	01	25	02
1999-2000	183	06	148	29
2000-2001	330	17	291	22
Total	672	32	559	81

During 1996-2001 conversion of smear positive relapsed cases to negative was 83 per cent (559) against the norms of the programme for 90 per cent. However, sputum test of 12 per cent (81) of the smear positive relapsed cases was not conducted. Further, compared to 1998-99, sputum positive relapse cases increased by nearly 12 times and sputum positive and negative cases at 3 months increased by 17 times and nearly 12 times respectively.

Sputum test of 8 per cent of smear positive cases was not conducted and conversion rate of smear positive failure cases to negative was only 75 per cent (64) against the norm of 90 per cent as shown below.

Smear positive failure cases

Conversion of smear positive failure cases also low

Year	Smear positive failure cases	Sputum of 3 months		
		Positive	Negative	Not available
(In number)				
1996-97	06	02	02	02
1997-98	05	02	03	---
1998-99	03	01	02	---
1999-2000	14	02	11	01
2000-2001	57	07	46	04
Total	85	14	64	07

(iv) Training programmes organised, amount spent and the medical and para-medical staff trained under NTCP and RNTCP in 6 districts (Hazaribag, Muzaffarpur, Palamu, Patna, Ranchi, Vaishali) during 1998-2001 were as under:

Year	Training programme		Medical staff		Para medical staff	
	Proposed	Held	To be trained	Trained	To be trained	Trained
1998-99	36	36 (100)	300	264 (88)	660	623 (94)
1999-2000	41	41 (100)	147	132 (90)	1312	1278 (97)
2000-01	66	45 (68)	605	472 (78)	2711	2273 (84)
Total	143	122 (85)	1052	868 (83)	4683	4174 (89)

(Figures in bracket denote percent)

Out of Rs 40.72 lakh provided to these districts for training, Rs 19.60 lakh only (48 per cent) were spent. Since 52 per cent (Rs 21.12 lakh) of funds remained unutilised, high achievements reported was not reliable. Compared to 1999-2000, achievements in organising training programmes in State Training and Demonstration Centre, Patna and imparting training to medical and para medical staff significantly declined in 2000-01. No reason for such decline was made available by the Director, State Training and Demonstration Centre, Patna.

No IEC activity despite availability of funds

(v) Information, Education and Communication (IEC) activities required for popularising implementation of the programme were not undertaken at the State level. Rupees 3.88 lakh provided to District TB Control Society by GOI remained unutilised as of June 2001.

3.2.3.5 *Fraudulent drawal and defalcation of Rs 46.99 lakh*

Director, TB Demonstration Centre, Patna fraudulently drew Rs 46.99 lakh through fake arrear salary bills and defalcated the amount

Audit scrutiny (February 2001) accounts and related treasury payment schedules (Patna Treasury, Patna) for the period 1995-97 pertaining to the office of the TB Demonstration Centre (TBDC), Agamkuan, Patna disclosed that the then Director (TBDC), Patna who was the DDO fraudulently drew Rs 46.99 lakh during 1995-97 (1995-96: Rs 5.42 lakh; 1996-97: Rs 41.57 lakh) from Patna Treasury on account of arrear pay and allowances (February 1989 to April 1993) of 45 persons who were not employees of the Centre through 22 fake salary bills and 2 arrear bonus bills citing fictitious references of the judgment of High Court, Patna, Ranchi Bench and order of the Health Directorate, Bihar, Patna.

The Director (TBDC) Patna and Additional Secretary to Government of Bihar, Health, Medical Education and Family Welfare Department accepted (February 2001 and July 2001) fraudulent drawals of Rs 46.99 lakh. Additional Secretary to Government also stated that defalcation was committed by the then Director in connivance with the then Head Clerk-cum-Accountant (Braj Mohan Prasad), the then Cashier and bill clerk (Kameshwar Prasad Karna) and the then Establishment clerk (Arjun Prasad Verma). In pursuance of audit observation, Director (TBDC) lodged FIR (April 2001)

with the Police against the then Director and others. The findings of the Police were awaited (July 2001).

The defalcation was facilitated due to subversion of rules (Rules 471, 472, 473 and 474 of Bihar Financial Rules Vol-I and Rules 189, 270 (1), 273(1) of Bihar Treasury Code Vol-I) by the Director (TBDC), Patna (the Drawing and Disbursing Officer) and major failure of the Controlling Officer (Director in Chief) to exercise control over expenditure and reconcile accounts with Accountant General and the Treasury Officer, Patna. The Controlling Officer did not call for monthly expenditure statements from the Director nor did he probe and prevent unusually high expenditure under establishment head for 2 successive years in the office of the Director (TBDC), Patna. The Treasury Officer did not verify and detect genuineness of the bills of arrear salary payment in the name of fake employees with reference to allotment of funds, sanctioned strength of the establishment etc.

It was observed that the Controlling Officer and the Treasury Officer concerned were not made accountable for the failures which facilitated defalcation of government money.

3.2.3.6 Drawal of huge funds without immediate requirement

Deputy Director (TB) drew funds without immediate requirement

Mention was made in para 3.7.10.7 of the Report of the Comptroller and Auditor General of India (civil) for the year ended 31 March 1998 that Deputy Director (TB), Bihar, Patna drew Rs 1.00 crore on 31 March 1996 as state share under Centrally Sponsored Scheme for TB Demonstration Centre at Patna and Darbhanga for procurement of anti TB drugs, furniture and fixture and other laboratory equipment and kept the same in 'Civil Deposits' though prohibited under rules. The entire amount was withdrawn in February 1998 and unauthorisedly kept in current account in a bank and only Rs 38.46 lakh were spent as of March 1998.

Further scrutiny (April 2000) of records of Deputy Director (TB) Health Services, Bihar, Agamkuan, Patna and information collected (October 2000 and June 2001) revealed that while the amount of Rs 61.54 lakh remained unutilised in current account in the bank, the Deputy Director again drew Rs 1.08 crore (31 March 1998) as State share under centrally sponsored scheme for purchase of medicines (Rs 1.03 crore), anti TB publicity (Rs 1.49 lakh) and microscope (Rs 3.19 lakh) during 1997-99. The amount drawn was retained in the form of bank drafts, though drawal of money which is not required for immediate disbursement was prohibited under Rule 300 of Bihar Treasury Code-Vol.I. The note below the rule and State Government decision thereunder also prohibited drawal of money for keeping in bank or in form of bank draft or cash.

Prior to drawal of fund the Deputy Director placed order (25 March 1998) on 4 firms for purchase of medicines valued at Rs 73.85 lakh. However, the Deputy Secretary to the Government of Bihar-cum-Chief Vigilance Commissioner, Health Services, Bihar, initially kept in abeyance the entire payment of Rs 73.85 lakh (July 1998) pending enquiry. He subsequently released payment of Rs 43.67 lakh (paid in October 1998 to July 2000) while

Rs 30.18 lakh (Rs 73.85 lakh – Rs 43.67 lakh) was not paid to supplier as of April 2000 due to malpractice in purchase of medicines.

Thus, apart from Rs 61.54 lakh drawn in March 1996, Rs 60.05 lakh (out of Rs 1.08 crore) drawn in March 1998 also remained unutilised as of June 2001. Even the funds utilised were not spent in accordance with rules. Besides, the centrally sponsored TB Control Programme (NTCP) for which funds were drawn suffered.

3.2.3.7 Manpower management

Sanctioned strength of various categories of posts under the programme as on 31 March 2001 and men-in-position were as under:

Sanctioned strength of officials				Men-in-position			
(In number)							
Medical	Para medical	Others	Total	Medical	Para Medical	Others	Total
111	1062	965	2138	89	300	203	592

Thus, 72 per cent of posts under NTCP was vacant as on 31 March 2001.

3.2.3.8 Monitoring and evaluation

Inadequate and ineffective monitoring

State TB Officer under the supervision of Commissioner-cum-Secretary, Health and Family Welfare Department was to monitor implementation of the programme in the State. It was observed that they failed to oversee, evaluate and monitor implementation of the programme. State TB Officer who was to carry out 52 inspections of RNTCP districts during 1996-2001 conducted only 11 inspections during the same period. Thus, there was the all round apathy and failure in spending allotted funds, mismanagement of the programmes, lack of monitoring leading to non achievement of the targets etc. Due to such gross failures at the top level, the programme failed though funds were not a problem.

Evaluation of the programme conducted (June 2000) by an agency of World Health Organisation revealed that case detection in Vaishali district was very low because of poor utilisation of the government health infrastructure and that the State Training and Demonstration centre for tuberculosis was undermining the programme.

3.2.4 National Leprosy Control Programme (NLCP)

3.2.4.1 Introduction

National Leprosy Control Programme launched by Government of India in 1954-55 was redesignated as National Leprosy Eradication Programme (NLEP) in 1983. The programme aimed at eliminating leprosy by the end of year 2000 by reducing the case load to less than one per 10,000 population.

The programme was implemented in the State by the Commissioner-cum-Secretary, Health and Family Welfare department through State Leprosy Officer (SLO) with the assistance of Civil Surgeons-cum-Chief Medical

Officers and the District Leprosy Officers posted in the districts. The Commissioner-cum-Secretary was also the ex-officio chairman of Bihar State Leprosy Control Society (established March 2000) and the State Leprosy Officer was its Member Secretary. The District Magistrates were the Chair persons of the District Leprosy Control Societies and the District Leprosy Officers their Member Secretary.

3.2.4.2 Provision of funds and expenditure

Provision of funds for the programme and expenditure in the State during 1996-2001 were as under:

Year	Budget provision of State	Funds allocated by GOI	Funds released by GOI	Expenditure	Excess (+) Saving (-) (Col 2-Col5)	Percentage of (Excess/savings)
1	2	3	4	5	6	7
(Rupees in lakh)						
1996-97	112.00	112.00	56.00	193.08	(+)81.08	(+)72
1997-98	285.50	115.00	33.68	121.87	(-)163.63	(-)57
1998-99	124.93	200.00	150.00	88.04	(-)36.89	(-)30
1999-00	323.24	200.00	50.00	130.09	(-)193.15	(-)60
2000-01	182.75	197.00	115.80	88.72	(-)94.03	(-)51
Total:	1028.42	824.00	405.48	621.80	(-)406.62	

(Source: Budgets, Appropriation accounts and information furnished by the departments)

Against the budget provision of Rs 10.28 crore the allocation by GOI was only Rs 8.24 crore and the release was Rs 4.05 crore. However, the expenditure incurred was Rs 6.22 crore.

No reason for saving/excess furnished by the State Leprosy Officer

No reason for huge excess of Rs 81.08 lakh (72 per cent) during 1996-97 and saving of Rs 4.87 crore (53 per cent) during 1997-2001 was made available by the State Leprosy Officer.

Poor utilisation of funds

Fifty one per cent (Rs 4.19 crore) of funds allocated (Rs 8.24 crore) during 1996-2001 were not released by the Government of India due to poor utilisation of funds and non submission of utilisation certificates to GOI by the State during 1997-2001.

Poor utilisation of funds in districts

Of grants of Rs 25.69 crore paid to 39 District Leprosy Societies (DLS) directly by GOI and of interest of Rs 1.49 crore accrued thereon, Rs 3.52 crore (13 per cent) remained unutilised with the Societies. Rupees 17.66 lakh advanced during 1998-2000 to officials/ staffs remaining unadjusted as of May 2001.

3.2.4.3 Provision of funds and expenditure in the districts test-checked

Funds partially utilised

Of available balance of Rs 5.24 crore in the 6 districts test-checked, Rs 4.94 crore were spent during 1996-2001. Reasons of partial utilisation of funds were not available.

3.2.4.4 Physical progress

Physical progress in implementation of the programme during 1996-2001 was as under:

(i) Identification, treatment and discharge of leprosy cases in the State during 1996-2001 were as under:

Identification

Year	Old cases registered	New cases		Cases brought under treatment		Total	Cases not brought under treatment		Total cases discharged
		Target	Detected	Old cases	New cases		Old	New	
(In Number)									
1996-97	105368	20000	99599	99975	97953	197928	5393	1646	100853
1997-98	104114	50000	111743	102880	111692	214572	1234	51	128953
1998-99	86904	64700	282081	86845	282081	368926	59	Nil	223728
1999-00	145257	50000	172449	145257	172449	317706	Nil	Nil	168726
2000-01	149220	30000	101329	149220	101329	250549	Nil	Nil	115232
Total		214700	767201		765504			1697	737492

Reliability of achievement was doubtful

Treatment

Year	Cases discharged on completion of treatment		Cases discharged for reason				Relapsed cases	Reaction cases	Cases under surveillance	Cases of skin smear
	Target	Achievement	Death	Permanent migration	Cessation of therapy	Others				
(In number)										
1996-97	42000	65282	1424	2369	Nil	31778	133	Nil	76953	6423
1997-98	55000	109568	1043	4713	Nil	13629	75	Nil	119703	2854
1998-99	120000	194512	903	6082	Nil	22231	200	Nil	255857	13038
1999-00	185000	151650	499	4644	Nil	11933	240	Nil	265432	6237
2000-01	100000	107347	272	2246	Nil	5367	32	Nil	252123	1309
Total:	502000	628359	4141	20054		84938	680		970068	29861

The achievements were far above the target, though 53 per cent of the funds was not spent. The high achievements against targets were not consistent with the various deficiencies, lack of infrastructure and lack of staff noticed in Audit.

Altogether 8.72 lakh cases (old : 1.05 lakh; new : 7.67 lakh) registered included cases discharged (6.28 lakh) on completion of treatment, death cases (0.04 lakh), cases permanently migrated (0.20 lakh) and other cases (0.85 lakh) while condition of 1.35 lakh cases was not known.

(ii) As per the information obtained from the department the targets fixed by GOI for establishment of following facilities in the State during 1996-2001 were totally neglected:

Sl. No.	Name of infrastructure	Target	Achievement
(In number)			
1.	Leprosy Control Units	273	Nil
2.	Modified Leprosy Control Units	3	Nil
3.	Survey, education and treatment Centre	14	Nil
4.	District Leprosy Units	10	Nil
5.	Maintenance of Voluntary leprosy beds	1550	Nil
6.	Mobile Leprosy Treatment Unit	21	Nil
7.	Upgraded State Leprosy Cell (office)	1	Nil
8.	Upgradation of SSA Unit	3	Nil
9.	Urban Leprosy Unit	6	Nil
	Total:	1610	Nil

Total failure in establishing infrastructural facilities

Even the indoor facility available in Dhanbad Leprosy Training Centre and Muzaffarpur Hospital were dispensed with since 1992 and 1998 respectively due to inhabitable condition of the centre and hospital buildings.

MDT not applied as per norm

(iii) Multi Drug Therapy (MDT) for leprosy patients was introduced in a phased manner in selected districts starting with high endemic areas. In moderate and low endemic districts MDT was to be imparted to patients through Mobile Leprosy Treatment Units (MLTU).

Out of 39 districts in the State 17 districts⁷ were endemic (prevalence rate : 50 or more per ten thousand), 14 districts⁸ moderate (prevalence rate 20 to 50 per 10000) and 8 low endemic districts⁹ (prevalence rate below 20 per 10000) as on September 1994. It was noticed that Godda district, which was classified as low endemic in 1994, turned moderate in December 2000. In 9 endemic districts¹⁰ 738 staff (medical, para medical and others) were deployed on contract basis and in remaining 8 districts no staff was deployed as of June 2001.

High prevalence rate of 16.59 per ten thousand population

The prevalence rate (PR) of leprosy at 16.59 per ten thousand population was highest in the country during 2000-01 against the national prevalence rate of 5.19. SLO stated (July 2000) that this was due to late start of MDT in the State and shortage of staff.

Vehicles purchased under NLC were misused

(iv) Five vehicles purchased in 2 districts (Muzaffarpur : 3 jeeps and one ambassador car : Rs 13.96 lakh and Hazaribag : Maruti Gypsy : Rs 2.73 lakh) during 1997-2000 under the programme at a cost of Rs 16.69 lakh were misused by the District Magistrate/Deputy Commissioner reportedly for law and order purposes in the districts.

3.2.4.5 Modified Leprosy Elimination Campaigns (MLEC)

Unsuccessful MLEC campaign

Two Modified Leprosy Elimination Campaigns (MLEC) were launched in the State during 1998 and 2000 with the objective of creating mass awareness and providing free MDT treatment after detecting hidden leprosy cases within 6 to 7 days and compiling reliable data on the status of leprosy in India.

Government of India released Rs 5.01 crore for MLEC-I in 1997. Details of expenditure against the funds provided by GOI were not made available to audit. However, in 6 districts test-checked, out of Rs 2.52 crore provided by GOI to District Leprosy Societies during 1997-2001 under MLEC I&II Rs 1.71 crore (68 per cent) only were spent.

3.2.4.6 Manpower management

Sanctioned strength of various categories of posts under the programme as on 31 March 2001 and men-in-position were as under:

⁷ Aurangabad, Bhojpur, Bhagalpur, Darbhanga, Dhanbad, Dumka, Deoghar, Katihar, Muzaffarpur, Nawada, Patna, Purnea, Rohtas, Siwan, Sitamarhi, Singhbhum, West-Champaran,

⁸ Begusarai, East Champaran, Gaya, Giridih, Gopalganj, Hazaribag, Madhubani, Munger, Nalanda, Palamu, Ranchi, Saran, Samastipur, Saharsa,

⁹ Godda, Gumla, Jehanabad, Khagaria, Lohardaga, Madhepura, Singhbhum, Vaishali

¹⁰ Darbhanga, Dhanbad, Dumka, Katihar, Patna, Purnea, Sitamarhi, Siwan, West-Champaran

Sanctioned strength of officials				Men-in-position			
(In number)							
Medical	Para medical	Others	Total	Medical	Para Medical	Others	Total
124	1936	502	2562	90	965	254	1309

Thus, 49 per cent of posts under NLCP was vacant as on 31 March 2001.

3.2.4.7 Conclusion

State Programme Officer under the overall supervision of the Commissioner-cum-Secretary, Health and Family Welfare Department was responsible for effective implementation of the National Leprosy Control Programme. It was observed that large funds provided by Government of India remained unutilised. None of the nine targeted infrastructures, which were necessary for combating leprosy, was developed in the State. There was no coordination between the functionaries of the government and non-governmental organisation to ensure effective implementation of the programme. There was lack of development of awareness for modified leprosy elimination campaigns and adoption of multi drug therapy for cure of leprosy. District Leprosy Officers did not meet regularly for appraisal of the programme from time to time, though required.

Impact of the programme was not evaluated by any government or non-government agency during 1996-2001.

3.2.5 National Programme for Control of Blindness (NPCB)

3.2.5.1 Introduction

National Programme for Control of Blindness (NPCB) was launched by Government of India in 1976 with the aim of reducing blindness from 1.4 per cent to 0.3 per cent by 2000 AD. The various activities of the programme included establishment of Regional Institute of Ophthalmology, upgradation of Medical Colleges and district hospitals, development of mobile eye units, recruitment of required ophthalmic manpower and provision of various ophthalmic services.

The programme was administered in the State by the Commissioner-cum-Secretary, Health and Family Welfare Department who was assisted by State Programme Officer (Eye) at the State level and Civil Surgeons-cum-Chief Medical Officers at district levels. The Commissioner-cum-Secretary was also the ex-officio chairman of the Bihar State Blindness Control Society while the State Programme Officer was its Member Secretary. The District Blindness Control Societies were headed by the District Magistrates and the District Programme Managers were their Member Secretary.

3.2.5.2 Provision of funds and expenditure

Provision of funds for the programme and expenditure were as under :

Poor spending on programme

Year	Budget provision	Funds allocated by GOI	Funds released by GOI	Expenditure	Savings (Col2-Col5)	Percentage of saving
(Rupees in lakh)						
1	2	3	4	5	6	7
1996-97	100.36	35.92	NA	20.71	79.65	79
1997-98	841.63	89.00	7.44	55.73	785.90	93
1998-99	164.25	39.00	19.50	39.79	124.46	76
1999-00	319.49	26.00	13.00	88.33	231.76	73
2000-01	74.70	132.50	57.50	59.52	15.18	20
Total	1500.43	322.42	97.44	264.08	1236.95	82

(Source: Budgets, Appropriation accounts and information furnished by the department)

Out of Rs 15 crore budget provision, the GOI allocated Rs 3.22 crore only and released Rs 0.97 crore (30 percent) only due to poor spending and non-submission of utilisation certificate to GOI.

3.2.5.3 Provision of funds and expenditure in districts test-checked

Funds not utilised

In ten districts test-checked out of Rs 1.91 crore available during 1996-2001, Rs 1.68 crore (88 per cent) were only spent and Rs 0.23 crore remained unutilised.

3.2.5.4 Physical progress

National Programme for Control of Blindness included various activities like establishment of Regional Institute of Ophthalmology, upgradation of medical colleges and district hospitals, development of mobile eye units, recruitment of required ophthalmic manpower and provision of different ophthalmic services. Performance of the programme during 1996-2000 was as under:

No survey conducted for assessing magnitude of blindness in the State

(i) For assessing magnitude of blindness, no survey was carried out. Survey of incurably blind persons with the object of rehabilitating them was also not conducted as of June 2001.

(ii) As obtained from the department target and achievements in upgradation/establishment of various units during 1996-2001 were as under:

Poor achievement

Sl. No.	Unit	Target	Achievement	Shortfall (in per cent)
1.	Strengthening of PHCs			
(a)	General Category	40	14	26 (65)
(b)	Tribal Category	10	10	Nil
2.	Establishment of District Mobile Units	6	6	Nil
3.	Upgradation of District Hospital	2	2	Nil
4.	Upgradation of ophthalmic department of medical college	1	Nil	1
5.	Establishment of Regional Institute of Ophthalmology	1	1	Nil

Reason for shortfalls in upgradation of ophthalmic departments of medical colleges and strengthening of PHCs was not furnished by the State Programme Officer (Eye).

(iii) As informed by the State Programme Officer (Eye) targets and achievements in respect of cataract operation in the State during 1996-2001 were as under:

Large shortfall in cataract operations

Year	Population during 1996-2001 (Approximate)	Target			Achievement	Shortfall (Percentage)	
		Target to be fixed (400 on 1 lakh population)	Target fixed	Shortfall		Against target as per norm	Against target fixed
(Number in lakh)							
1996-97	1000.00	4.00	1.75	2.25 (56)	1.20 (69)	2.80 (70)	0.55 (31)
1997-98	1000.00	4.00	1.75	2.25 (56)	1.19 (68)	2.81 (70)	0.56 (32)
1998-99	1000.00	4.00	1.92	2.08 (52)	1.28 (67)	2.72 (68)	0.64 (33)
1999-00	1000.00	4.00	1.92	2.08 (52)	1.35 (70)	2.65 (66)	0.57 (30)
2000-01	1000.00	4.00	2.10	1.90 (48)	0.79 (38)	3.21 (80)	1.31 (62)
Total		20.00	9.44	10.56 (53)	5.81 (62)	14.19 (71)	3.63 (38)

(Figures in bracket indicate per cent)

State Government reduced the targets for cataract operation during 1996-2001 by 48 to 56 per cent and the achievement even against reduced targets was only 38 to 70 per cent. In 10 districts test-checked achievement (1.66 lakh) against targets (1.88 lakh) for cataract operations during 1996-2001 fell short by 12 per cent (0.22 lakh).

Heavy shortfalls in catops in bedded hospitals

Further, as per norms Cataract operation (Catops) in hospitals should be at the rate of 50 Catops per bed per year. It was noticed that in 6 hospitals of 5 districts (out of 10) test-checked shortfalls in Catops per bed per year varied between 35 to 94 per cent. Details were as under :

Sl. No.	Name of District	Beds available	Catops to be conducted	Catops conducted	Shortfall (per cent in bracket)
1.	Darbhanga Medical College Hospital	54	13500	2259	11241 (83)
2.	Patliputra Medical College Hospital, Dhanbad	30	7500	469	7031 (94)
3.	Sadar Hospital, Nalanda	6	1500	970	530 (35)
4.	Medical College and Sadar Hospitals, Ranchi	89	22250	1473	20777 (93)
5.	Sadar Hospital, Saran	6	1500	239	1261 (84)
	Total	185	46250	5410	40840 (88)

Inadequate mobile units

(iv) As per norm of the programme, every district should have one mobile unit for Catops. Accordingly 55 mobile units were required in the State (Bihar : 37; Jharkhand : 18). It was noticed that 4 central mobile units and 31 district mobile units only were established in the State. Number of Catops to be performed and Catops actually performed in 8 districts test-checked (no mobile unit in 2 districts : Dhanbad, Samastipur districts test checked) was as under :

Sl. No.	District	Catops to be performed as per norms (1500 catops per year)	Catops performed	Shortfall (Per cent in bracket)
		(In number)		
1	Khagaria	7500	892	6608 (88)
2	Nalanda	7500	1086	6414 (85)
3	Vaishali	7500	124	7376 (98)
4	Bhojpur	7500	776	6724 (90)
5	Darbhangha	7500	3095	4405(59)
6	Dumka	7500	1215	6285 (84)
7	Saran	7500	1556	5944 (79)
8	Ranchi	7500	4171	3329 (44)
	Total	60,000	12915	47085 (78)

Poor performance of available mobile units

Thus, only 22 per cent (12915) of the targeted catops was conducted during 1996-2000 in 8 districts test-checked. In 3 districts test-checked (Khagaria, Nalanda and Vaishali) District Mobile Units conducted only 2102 catops during 1996-2001, while non-governmental organisations in these districts performed 38045 catops during the same period.

Negligible performance of eye surgeons

Further each District Mobile Unit had an eye Surgeon who was to perform 700 Catops per annum as per the norm perscribed by GOI. It was noticed that in 7 (out of 10) districts test-checked only 1746 Catops¹¹ (7 per cent) were performed by the Eye Surgeons in district mobile units during 1996-2001 against the norms of 24,500 Catops during the period. Thus, only 50 catops per annum per surgeon were performed during the same period. Performance in Vaishali, Bhojpur and Khagaria districts were negligible. Poor performance was attributable to lack of monitoring of the programme by the Commissioner-cum-Secretary and the State Programme Officer at the State level and by the District Magistrates, CS-cum-CMO, and the District Programme Managers at district levels.

Glasses not provided to a large number of poor school children

(v) Poor children in schools with refractive errors were to be provided with spectacles the cost of which was to be borne by DBCS. In 10 districts test-checked spectacles were not provided to a large number of school children. The details were as under :

Year	Children screened	Children detected with refractive error	Children provided with glasses (Per cent in bracket)
(In number)			
1996-97	11794	438	116 (26)
1997-98	22494	408	165 (40)
1998-99	35583	1084	82 (8)
1999-00	60804	834	139 (17)
2000-01	26841	733	57 (8)
Total	157516	3497	559 (16)

¹¹ Bhojpur : 153, Darbhanga : 619, Dumka : 243, Khagaria : 178, Nalanda : 217, Saran : 311, Vaishali : 25

Thus, the DBCS provided refractive eye glasses to meagre 16 per cent of the students needing it during 1996-2001.

No targets for eye camps

(vi) Every DBCS was to set target for organising eye camps and patients. In 10 districts test-checked no such targets were fixed. However, it was noticed that altogether 827 camps were organised and 7 lakh patients were operated upon in these districts. In the absence of any target, adequacy of camps organised and patients checked/operated upon was not evaluated. Further, DBCS had no information of post operation complication and ratio of successful to complicated/unsuccessful cases.

As per the norms prescribed by Government of India the catops in camps should not be more than 20 per cent of the total catops performed in a year. It was noticed that 1.66 lakh catops were conducted in 10 test-checked districts while 71 thousand catops were conducted in camps. Thus catops conducted in camps were 43 per cent of the total catops conducted.

No IEC activity

(vii) Information, Education and Communication (IEC) activities included identification and motivation of potential beneficiaries, information through media, educating voluntary groups, teachers and other persons. It was noticed that no such activities were started in the State as of June 2001, though GOI allocated funds of Rs 21 lakh during 3 years (1997-98: Rs 8.00 lakh; 1998-99: Rs 5 lakh; 2000-01: Rs 8.00 lakh). The funds allotted by Government of India was not released by the State Government.

Eye banks not established

(viii) Eye Banks which were to be established in Patna Medical College and Hospital, Patna and at Regional Institute of Ophthalmology, Indira Gandhi Institute of Medical Science, Patna (1996-98) were not established as of June 2001 due to lack of funds. No eye bank existed in the districts test-checked either in Government sector or in private sector.

Vehicles misutilised

(ix) Government of India provided 4 vehicles to 4 DBCS (Saran, Vaishali, Dumka and Nalanda) between 1995 and 1997 for implementation of the programme. Scrutiny of log books revealed that these vehicles remained under the control of Chairman/the District Magistrates of the District Blindness Control Society. They misutilised the vehicles reportedly for law and order activities, which were in no way connected with the programme. The vehicle provided to DBCS Saran was burnt by unruly mob in July 1999 while it was reportedly in use for law and order purpose.

No information on Vitamin-A deficiency cases

(x) No information was furnished by the State Programme Officer (Eye) and the District Programme Manager in respect of Vitamin-A deficiency, Glucoma, refractive error etc (other than catops) cases at State or district levels.

No activity on development of infrastructure

(xi) No activity was carried out in the State in respect of development of infrastructure like creation of eye wards, operation theatre, dark rooms and beds etc. in hospitals under the programme. Rupees 29 lakh allocated by GOI for renovation and furnishing of existing units (eye wards, operation theatre etc.) during the year 1998-99 to 2001 were not released by the State Government.

No training programmes

(xii) No training programme was organised for medical officers, nurses, operation theatre assistants etc. under the programme at district or state levels. Rupees 19.50 lakh allocated by GOI was not utilised by the State.

Necessary records not produced

(xiii) Following records required to be maintained by State Programme Officer (Eye)/ District Programme Managers at State /district levels were not maintained.

- Record of funds provided to DBCS and expenditure therefrom at State level;
- Record of performance (except cataract operation) of DBCS at State level ;
- Records of IEC activities, eye banks, School Eye screening etc. at State level ;
- Record of catops performed on SC/ST/women/persons living under poverty line;
- Target/achievement in respect of establishment, upgradation, renovation, furnishing of Units; Blind Register in the Societies (DBCS) test-checked.

In the absence of such register no information was either collected or maintained for various programme activities. Consequently, there was no effective control and monitoring of such activities which were languishing.

3.2.5.5 *Manpower management*

Sanctioned strength of various categories of posts under the programme as on 31 March 2001 and men-in-position were as under.

Sanctioned strength of officials				Men-in-position			
(In number)							
Medical	Para medical	Others	Total	Medical	Para Medical	Others	Total
11	63	14	88	7	20	6	33

Thus, 63 per cent of the posts under NPCB were vacant as on 31 March 2001.

3.2.5.6 *Conclusion*

State Programme Officer (Eye) under the overall supervision of the Commissioner-cum-Secretary was responsible for effective implementation of the National Programme for Control of Blindness (NPCB) in the State. The programme suffered from absence of monitoring because 82 per cent of available funds for the scheme was not spent. No survey of blindness was conducted. Information, education and communication (IEC) activities towards identification and motivation of potential beneficiaries were not carried out due to non-release of Central funds. Necessary infrastructure like creation of eye wards, operation theatre, dark room, beds etc. was not prioritised. Funds provided by Government of India for this was not released.

Impact of the programme was not evaluated by any government or non-government agency.

3.2.6 National AIDS Control Programme (NACP)

3.2.6.1 Introduction

National AIDS Control Programme was launched by Government of India in 1987. National AIDS Control Project (NACP-I) was launched in September 1992 for a period of five years. Subsequently, National AIDS Control Programme (NACP-II) was launched in 1999. In Bihar the NACP-I was introduced in 1992 and aimed (i) to slow the spread of human immunodeficiency virus (HIV), (ii) to decrease morbidity and mortality associated with HIV infection and (iii) to minimise socio-economic impact resulting from HIV infection. NACP-II had two key objectives namely (i) to reduce the spread of HIV infection in the country and (ii) to strengthen country's capacity to respond to HIV/AIDS on a long term basis.

The programme was implemented in the State by the Commissioner-cum-Secretary, Health and Family Welfare Department. He was assisted by Additional Director, AIDS Control Cell (upto June 1998) and Project Director, Bihar State AIDS Control Society. The programme was implemented in the districts by the Civil Surgeons-cum-Chief Medical Officers/ Superintendents of Medical College Hospitals. No society was formed for effective implementation of the programme at district levels.

3.2.6.2 Provision of funds and expenditure

Allocation of funds by Government of India (GOI), funds released to the State and expenditure during 1996-2001 were as under:

Year	Budget provision by State	Opening balance	Allocation of funds by GOI	Funds released by GOI	Total funds available (Col 3+5)	Expenditure	Saving	Percent age of savings
1	2	3	4	5	6	7	8	9
(Rupees in lakh)								
1996-97	240.00	165.17	261.83	25.00	190.17	26.91	163.26	86
1997-98	499.26	163.26	181.58	50.00	213.26	---	213.26	100
1998-99	735.43	213.26	373.77	110.00	323.26	100.41	222.85	69
1999-00	---	222.85	288.96	56.57	279.42	92.46	186.96	67
2000-01	---	186.96	280.50	96.00	282.96	103.52	179.44	64
Total:	1474.69		1386.64	337.57	---	323.30	179.44	

(Source: Budgets, Appropriation Accounts and data furnished by department)

Scrutiny revealed as under :

(i) During 1996-2001 only 24 per cent (Rs 3.38 crore) of funds allocated by GOI was released to the State Government due to poor spending of the available funds by the State every year. Thirty six per cent (Rs 1.79 crore) of the available funds were not spent by the State.

(ii) The NACP was being implemented through State AIDS Control Cell during 1992 to June 1998 and the unutilised GOI funds of Rs 2.16 crore in the

Poor spending on programme

Fund locked up for 1 to 7 years

cell were released by the State to the State AIDS Control Society in March 1999 after lapse of 1 to 7 years.

Evidence of expenditure not available

(iii) Assistant Director (Admn. Health and Family Welfare Department) drew Rs 17.00 lakh from Patna Secretariat Treasury (August 1995) and kept the same in bank (Account No. 10838 of SBI, Patna Secretariat branch) in the name of Director-in-Chief, Health and Family Welfare Department. While depositing the money in the bank, the Assistant Director indicated the amount in the cash book as spent. Finance Controller, State AIDS Control Society did not make available details of expenditure against this amount of Rs 17.00 lakh. Possibility of misappropriation of the amount can not be ruled out. He stated (August 2001) that documents relating to AIDS control cell period were not available and the then Cashier had been placed under suspension.

Unrecovered/ unadjusted advances

(iv) Advances of Rs 23.71 lakh paid by the Additional Director, Bihar State AIDS Control Cell to five officials, 8 Superintendents of Sadar hospitals, 7 Superintendent of Medical College Hospitals, 5 Civil Surgeons and Director ATI, Ranchi for various purposes (training office expenses, travel expenses and programme implementation) during 1993-96 were not adjusted/recovered by the Additional Director/ Project Director, Bihar State AIDS Control Society as of June 2001.

Supporting records of expenditure not produced

(v) Expenditure of Rs 26.91 lakh spent during 1996 to June 1998 by the AIDS Control Cell could not be audited as relevant cash books, bills, copies of vouchers and other records were not produced to Audit.

Benefits of central assistance not availed

(vi) The Additional Director, AIDS Control Cell and the Project Director, Bihar State AIDS Control Society did not prefer claim for expenditure of Rs 3.23 crore on implementation of the programme during 1996-2001 to GOI for reimbursement under World Bank Assistance (IDA) as of June 2001. No reason for this was available.

Poor utilisation of funds by implementing agencies

3.2.6.3 Provision of funds and expenditure in the districts test-checked

Out of Rs 1.40 crore received during July 1998 to March 2001, 21 implementing agencies¹² in 7 districts test-checked spent Rs 86.42 lakh, refunded Rs 23.67 lakh to the State AIDS control Society between April 1999 and March 2001 and kept Rs 29.78 lakh in current accounts in banks as of June 2001. Of the amount spent, 6 implementing agencies¹³ did not furnish utilisation certificates for expenditure of Rs 37.70 lakh to State AIDS Control Society for transmission to GOI as of June 2001.

3.2.6.4 Physical progress

The performance in the implementation (June 2001) of the key areas of the programme was very poor in the State as shown below:

¹² Principal JL Medical College, Bhagalpur, JLMCH, Bhagalpur, DMC, DMCH, CS Cum CMO Darbhanga, PMC, PMCH, CS Cum CMO Dhanbad, MGMCH, CS Cum CMO, Blood Bank Jamshedpur, SKMC, SKMCH, CS Cum CMO Muzaffarpur, PMCH, IGIMS, Patna, RMC, RMCH CS Cum CMO, CCL Hospital, HEC, Hospital, Ranchhi

¹³ Superintendent, DMCH, Darbhanga; Principal, RMC, Ranchi; Superintendent, PMCH, Patna; Superintendent, PMCH, Dhanbad; IGIMS, Patna

Programme remained a non-starter

Sl. No.	Components	Targets	Achievement	Shortfall	Percentage
		(In number)			
1	Target intervention of groups at high risk				
	(a) Identification of persons suffering from AIDS/HIV among high risk groups through NGO	113500 persons	Nil	113500 persons	100
	(i) Opening new clinics	8	Nil	8	100
	(ii) Renovation	17	Nil	17	100
	(iii) Upgradation	3	Nil	3	100
2	Preventive intervention for general community				
	(a) IEC Awareness- FHAC				
	(i) Persons to be contacted	5569836	1520125	4049711	73
	(ii) District to be covered	14	13	1	-
	(c) Blood safety				
	(i) Opening of licensed Blood banks in district hospitals	5	2	3	60
	(ii) Upgradation of Blood Banks in Medical Colleges Hospital	9	Nil	9	100
3	Low Cost Aids Care				
	(a) Medicines for patients in MCH	9	Nil	9	100
4	Institutional Strengthening				
	(a) Surveillance/Sentinel surveillance				
	(i) Collection of Blood for HIV Tests	7600	6054	1546	20
	(2) Opening of sentinel sites	4	4		
	(b) Training	9980	6437	3543	36

Unfruitful expenditure on video films

Of 4 video films on AIDS control and dubbing of a Hindi film in 3 regional languages (Bhojpuri, Maithili and Nagpuri) between February 1998 and February 1999 at a cost of Rs 12.65 lakh, only one film was telecast on Doordarshan once in December 1998 and rest of the films were not released by the State AIDS Cell/State AIDS Society for display in cinema halls/Doordarshan as of June 2001. Thus, the expenditure of Rs 12.65 lakh was mostly unfruitful.

Prevalance rate of HIV/AIDS increased

The programme failed to reduce the prevalence rate of HIV positive cases in Bihar. On the contrary, the HIV positive cases which were 0.04 per cent (16) out of 34059 cases screened during 1996-97 increased to 0.11 per cent (68) out of 59011 persons screened during 2000-01. Katihar was the most affected district where HIV positive cases were 7.56 per cent (9) out of 119 persons screened during 2000-01. Further, the AIDS cases increased from 12 in 1996-97 to 32 in 2000-01.

Idle equipment

In the Blood Banks of 4 Medical Colleges and one Research Institute test-checked 143 equipment (value not available) supplied by NACO during 1993

and September 2000 were lying idle/missing/unutilised/ undistributed/ unrepaired ever since the dates of their receipt.

3.2.6.5 Manpower management

Sanctioned strength of various categories of posts under the programme as on 31 March 2001 and men-in-position were as under :

Sanctioned strength of officials				Men-in-position			
Medical	Para Medical	Others	Total	Medical	Para Medical	Others	Total
(In number)							
13	82	25	120	2	--	17	19

A large number of vacant posts

Thus 84 per cent of posts under NACP were vacant as on 31 March 2001.

3.2.6.6 Monitoring and evaluation

Monitoring inadequate and ineffective

Additional Director, Bihar State AIDS Control Cell/ Project Director Bihar State AIDS Control Society under the overall supervision of Commissioner-cum-Secretary, Health and Family Welfare Department who was responsible for monitoring the National AIDS Control Programme (NACP) failed to effectively monitor implementation of the programme. Governing Council of the State AIDS Control Society (headed by the Commissioner-cum-Secretary) required to meet eleven times during 1998-2001 to ensure effective implementation of the NACP met only thrice during the same period. The State level officers did not oversee and evaluate implementation of the programmes in the State.

Impact analysis of programmes lacking

National AIDS Control Organisation (NACO) selected (May 2000) ORG Centre for Social Research, New Delhi to conduct evaluation of NACP but the impact analysis of the ORG Centre on the working of State AIDS Control Society was not available with the State Government.

The points were referred to Government (October 2001); reply had not been received (January 2002).

SECONDARY, PRIMARY AND MASS EDUCATION DEPARTMENT

3.3 Non-formal education programme

Highlights

Centrally sponsored Non-formal Education (NFE) was launched in the State to provide elementary education to children in the age group of 6 to 14 years who had not received formal education due to socio-economic constraints. The implementation of the scheme in the state was ineffective as large amounts of funds were not spent and even the released funds were largely misutilised for augmenting State receipts and patronising banks. Supervision and monitoring of the scheme was totally neglected. Achievements were over reported. Books were not supplied in time and the course duration was prolonged. The programme thus, failed to meet the educational needs of targeted group of learners/children. Huge amount of funds were defalcated as the internal controls were not enforced by the Director.

Out of Rs 227.76 crore, Rs 153.90 crore were spent. No reasons were furnished for the saving of Rs 73.86 crore (32 per cent).

(Paragraph 3.3.4)

During 1993-97, the Director, Mass Education, Director Adult Education and 44 District Mass Education Officers drew Rs 132.68 crore from the Treasuries and kept the amounts mainly in Civil Deposits and in banks, large savings were also credited as Government receipts. Rupees 41.99 crore were thus used for augmenting State resources and for patronising Banks. Director, Mass Education, Patna failed to ensure proper maintenance of accounts records which facilitated defalcation of at least Rs 11.90 crore. Special audit to detect other defalcations was not completed by the Finance Department even in two and half years.

(Paragraph 3.3.4.1 (a), (b) and (d))

Excess reporting of Non-formal Education centres was 24 thousand to obtain additional GOI grant of Rs 16.44 crore. Against the targeted enrolment of 62.50 lakh students during 1995-2000, 45.16 lakh (72 per cent) only were enrolled in the centres. Total achievement during 1998-99 remained low at 40 percent.

(Paragraph 3.3.6)

No training was imparted to 6089 instructors engaged in NFE centres. The primary level course (upto class V) of two years was completed in three to four years resulting in extra expenditure of Rs 75.71 crore.

(Paragraph 3.3.6(b)(c))

Books were supplied late and in inadequate number to districts/learners. Books needed by the learners in May 1996 and January 1997 were

actually distributed in 1997-98 and 1999-2000 respectively. As a result, duration of the course was extended by 2 to 5 years. In Hazaribag District only 23 per cent of required books were supplied while in Madhubani, Vaishali, Saran, Deoghar and Purnia Districts, NGOs did not supply the prescribed books.

(Paragraph 3.3.6 (d) and 3.3.6.2 (c))

Nearly 60 thousand special NFE centres for both boys and girls were wrongly reported by the State to Government of India as exclusively for girls. This helped in obtaining excess funds of Rs. 14.61 crore from the GOI.

(Paragraph 3.3.6(e))

NGOs failed to enroll nearly 15 thousand learners in the NFE centres operated by them and two year course was extended upto five years. This resulted in excess expenditure of Rs 52.79 lakh in operation of NFE centres by five NGOs.

(Paragraph 3.3.6.2 (b))

Monitoring, inspection and evaluation of the scheme were totally neglected.

(Paragraph 3.3.8)

3.3.1 Introduction

Non-formal Education (NFE) a Centrally Sponsored Scheme was launched (1984-85) in the State to provide elementary education to children in the age group of 6 to 14 years, who had not received formal education due to socio-economic constraints. The scheme aimed (i) to develop the programme of non-formal education (ii) establish participation of the State Government and the voluntary agencies, (iii) train identified local young persons as organisers of NFE centres, (iv) give special attention to the training of women organisers, (v) evolve relevant curricula, learning materials, instructional methods, evaluation techniques etc. The scheme envisaged to adopt following strategies for effective implementation :

- (a) Condensed course of about two years duration for primary level and three years for upper primary level.
- (b) Imparting education by locally recruited and trained part time instructors at a time/ place convenient to the learners in small groups.
- (c) Use of curriculum and teaching-learning materials comparable to those of formal education and relevant to environment and learners needs.
- (d) Testing and certification of NFE students to enable their entry into formal education.
- (e) The NFE scheme was to close on 31 March 2001.

3.3.2 Organisational set up

Following officials/ agencies implemented the scheme at various levels in the State :

Level	Officials	Function/ Responsibility
State	(i) Secretary, Secondary, Primary and Adult Education	Overall administrative control of the scheme implemented by the Department
	(ii) Director, Mass Education	Control and supervision of the programme.
	(iii) Joint Director	Implementation of programme.
District	(i) Assistant Director	Technical and academic support to NFE programme.
Project	(i) Project Officer	Orientation and organising training for instructors and supervisors in the operational strategy and approach for implementation of the programme.
Village	Tola Samiti	Selection of locations for centres, identify potential instructors, persuade parents to send their children to the centre and ensure effective functioning of centres.

The State Government also established a Non-formal Education Resource Centre headed by Senior Advisor to develop teaching and learning materials as per prescribed syllabus, instructional method and evaluation method. Besides, Non-Governmental Organisations (NGOs) also implemented the scheme with the funds provided by the Central Government for the project approved.

3.3.3 Audit coverage

Implementation of the NFE scheme during 1995-2000 was reviewed between January and June 2001 through test-check of records of the Director, Adult Education, District Mass Education Officers and Assistant Directors of 6 districts¹, 71 project officers, 4375 NFE Centres and 27 NGOs².

3.3.4 Funding pattern and financial outlay

Central and State Governments funded the scheme in the ratio of 60 : 40 for co-educational centres and for the administrative machinery and 90 : 10 for centres exclusively for girls. Central Government provided full financial assistance to NGOs for running NFE centres including their administrative cost.

The budget provision, funds released by the Government of India (excluding funds released to NGOS) and the State Government vis-à-vis expenditure during 1995-2000 were as follows :

¹ Saran, Vaishali, Madhubani, Purnia, Deoghar, Hazaribag

² (i) Saran Zila Samagra Vikash Seva Sansthan, Saran (ii) Gandhi Seva Ashram, Saran (iii) Ghoghardiha Prakhanda Swarajya Vikash Sangh, Jagatpur, Madhubani (iv) Prakhanda Lok Vikash Samiti, Madhubani (v) Kamleshwari Antyodaya Ashram (vi) Samajik Vikash Sansthan (vii) Mahavir Memorial Trust (viii) Satlok Seva Ashram (ix) Samadhan (x) Nav Bharat Jagriti Kendra, Hazaribag (xi) Chota Nagpur Vikash Kendra (xii) Jan Jagran Kendra (xiii) Lok Deep, Madhupur, Deoghar (xiv) PIDT Lokshala (xv) Lok Jagriti Kendra (xvi) S.P.Gramodyog Samiti (xvii) S P Antyodaya Ashram (xviii) Koshi Anchal Samagra Vikash Evam Kalyan Parishad, Purnia (xix) Samta Gram Vikash Samiti, Vaishali (xx) Vaishali Samaj Kalyan Sansthan (xxi) Mahua Mahila Vikash Sansthan (xxii) Bhartiya Jan Manch (xxiii) Nirman Bharati (xxiv) Smt. Manorama Mahila Mandal (xxv) Gram Swaraj Abhiyan Sansthan (xxvi) Mahila Shilp Katai Bunai Prashikshan Evam Laghu Udyog Kendra (xxvii) Alpsankhyak Kalyan Sansthan

Year	Budget provision	Expenditure	Saving	Percent
(Rupees in lakh)				
1995-96	6468.68	3959.96	2508.72	39
1996-97	5443.61	4509.38	934.23	17
1997-98	3366.66	745.73	2620.93	78
1998-99	4285.12	3078.46	1206.66	28
1999-2000	3211.98	3096.57	115.41	5
Total	22776.05	15390.10	7385.95	32

(Source : Appropriation Accounts of Government of Bihar)

Year	Budget provision		Total	Amount released by GOI	Amount drawn	Amount drawn from GOB share	Total amount drawn	Expenditure	Excess (+) Saving (-)	Percentage of saving
	GOI share	GOB share								
1	2	3	4	5	6	7	8	9	10 (4-9)	11
(Rupees in lakh)										
1995-96	2541.67	1876.00	4417.67	2978.31	2971.78	1271.19	4242.97	4242.97	(-)174.70	3.95
1996-97	3862.73	1600.00	5462.73	2590.46	3534.24	1091.22	4625.46	4625.46	(-)837.27	15.32
1997-98	2981.24	1420.00	4401.24	3534.24	578.12	328.13	906.25	820.32	(-)3580.92	81.36
1998-99	3027.49	1420.00	4447.49	1249.27	2369.69	1133.75	3503.44	3478.66	(-)968.83	21.78
1999-2000	2100.05	1111.93	3211.98	1513.82	1895.69	1020.90	2916.59	2916.60	(-)295.38	9.19
Total	14513.18	7427.93	21941.11	11866.10	11349.52	4845.19	16194.71	16084.01	(-)5857.10	27

(Source : Directorate, Mass Education)

No reasons were furnished by the State Government for the savings of Rs 73.86 crore during 1995-2000.

Scrutiny revealed the following:

Figures of expenditure not reconciled by the Director

(a) Expenditure figures of the department (Rs 160.84 crore for 4 years) did not tally with the figures booked in the office of the Accountant General (Rs 153.90 crore) as Controlling Officer (the Director, Mass Education) did not reconcile departmental accounts with those compiled by the Principal Accountant General. Non-reconciliation of those figures entailed serious risks of misappropriation and frauds remaining undetected. The Director, Mass Education did not also obtain monthly statements of expenditure regularly from DDOs in order to exercise control over expenditure.

Partial release of funds

(b) During 1995-2000, Rs 5.17 crore released by the Government of India were not drawn by the State and remained as a part of cash balance of the Government. Rupees 25.83 crore of the budgeted State share was not released by the State Government. Failure to draw central funds and non-release of state's share hampered implementation of the programme.

3.3.4.1 Expenditure in the districts

Allotment of funds and expenditure in the Directorate and 6 test-checked districts were as under:

Year	Allotment		Total	Expenditure		Total	Excess (+) Savings (-)		Total
	Direct- orate	Six test- checked districts		Direct- orate	Six test- checked districts		Direct- orate	Six test- checked districts	
1	2	3	4	5	6	7	8	9	10
(Rupees in lakh)									
1995-96	3594.50	201.08	3795.58	3595.78	195.92	3791.70	(+)1.28	(-)5.16	(-) 3.88
1996-97	3896.99	267.13	4164.12	3844.88	264.85	4109.73	(-)52.11	(-)2.28	(-) 54.39
1997-98	6.23	406.35	412.58	4.96	379.06	384.02	(-)1.27	(-)27.29	(-) 28.56
1998-99	619.77	364.65	984.42	617.96	361.30	979.26	(-)1.81	(-)3.35	(-) 5.16
1999-2000	8.08	369.55	377.63	7.93	368.48	376.11	(-)0.45	(-)1.07	(-) 1.52
Total	8125.57	1608.76	9734.33	8071.51	1569.61	9640.82	(-)54.36	(-)39.15	(-) 93.51

Audit scrutiny revealed the following:

(a) Though as per Bihar Treasury Code drawal of money from treasury for keeping the same in Civil Deposits was prohibited, Director, Mass Education, Patna drew Rs 35.93 crore in 1995-96 and deposited the same in Civil Deposits. This amount remained in Civil Deposits for 5 to 12 months.

(b) Again, Director, Mass Education drew Rs 38.42 crore during 1996-97 and deposited into 2 bank* accounts for 1 to 7 months. Similarly, prior to 1996-97 Director, Adult Education and 44 District Mass Education Officers had drawn Rs 58.33 crore (Director: Rs 40.40 crore during 1993-96 and District Mass Education Officers: Rs 17.93 crore) and kept the same in banks. Possibility of malpractice in keeping large funds in bank accounts could not be ruled out. Subsequently this amount (Rs 58.33 crore) was deposited into the Government account as revenue receipts during 1996-97 (Rs 0.08 crore), 1997-98 (Rs 37.07 crore) 1998-99 (Rs 16.84 crore) and 1999-2000 (Rs 4.34 crore). The amount deposited included GOI funds of Rs 41.99 crore which augmented State resources while the programme was starved of funds.

(c) Drawing and Disbursing Officers (DDO) should maintain only minimum cash balance in hand in order to obviate the risks of misutilisation/ misappropriation of government money. Contrary to this, DDOs of the Directorate and the 6 districts test-checked retained heavy closing balances of cash at the end of every year during 1995-2000 as detailed below:

Sl. No.	Director/ District Mass Education Officer	31 March 1996	31 March 1997	31 March 1998	31 March 1999	31 March 2000
(Rupees in lakh)						
1.	Directorate of Mass Education	0.54	6152.02	0.25	613.13	155.31
2.	Hazaribag	66.12	108.06	101.85	152.34	99.94
3.	Chapra	6.65	32.95	18.52	9.55	15.71
4.	Vaishali	6.21	36.36	75.04	103.29	46.66
5.	Purnia	30.82	85.91	157.15	142.91	91.05
6.	Deoghar	19.27	43.10	57.95	71.70	32.90
7.	Madhubani	8.55	15.07	27.04	25.28	16.76
	Total	138.16	6473.47	437.80	1118.20	458.33

* Allahabad Bank, Pataliputra (Rs 24.29 crore); United Bank of India, Langar Toli (Rs 14.13 crore).

Funds drawn and kept in Civil Deposits and Commercial Banks

Funds drawn kept in banks

Funds credited to State receipts

Heavy closing balance of cash susceptible to misappropriation/ misutilisation

Break-up of the closing balance of Rs 4.58 crore as on 31 March 2000 was as under:

Description	With Directorate	With 6 District Mass Education Officers	Total	Remarks
(Rupees in lakh)				
Advance	--	53.94	53.94	Register showing names of persons to whom advance paid, purpose of advance, date of advance were not produced to Audit; Genuineness of advance was therefore suspect.
Un-adjusted vouchers	--	20.18	20.18	Represented payment without allotment of fund, by diversion of funds.
Cash in banks	155.25	207.59	362.84	Banks thrived on government money, while the scheme suffered.
Cash in hand	0.06	21.31	21.37	
Total	155.31	303.02	458.33	

Large scale violation of rules led to defalcation of huge government fund

(d) It was noticed in audit (February 1996) that there was a closing balance of Rs 29.08 crore in the cash book of the Director, Mass Education (Adult Education : Rs 6.28 crore and NFE : Rs 22.80 crore) as on 30 April 1995. However, only Rs 17.18 crore available in three bank accounts were carried over to the new cash book opened on 8 June 1995.

Following Audit finding in February 1996 of the suspected defalcation of Rs 11.90 crore the Director reviewed the position and found (February 1996) that balances in three bank accounts only were taken in new cash book, though there were 28 accounts (9 saving accounts and 19 current accounts) in banks. Director placed under suspension one Clerk-cum-Accountant (Shambhu Kumar Lal) holding charge of cash in December 1997 and two others (Mohan Prasad Singh, since retired, Munni Prasad Lal, since retired) in August 1998. Director lodged the FIR on 25 March 1999 against the three officials and the then Deputy Director and Drawing and Disbursing Officer (Subodh Bihar Sahai). Of these, one clerk-cum-Accountant (Shambu Kumar Lal) was dismissed in May 2001. Directorate of Mass Education stated (July 2001) that special audit of the transactions by the audit wing of Finance Department was being conducted since 1998 and the actual position of cash balance would be ascertained after conclusion of the special audit.

Though operation of bank account was not permissible under Government rules, the Director, Mass Education, Patna had been operating 32 bank accounts (9 Savings Accounts, 23 Current Accounts) in 32 branches of 11 banks**. Even these information were not confirmed by the department and Deputy Director stated (February 2002) that actual number of bank accounts in operation would be known only after completion of the audit by the Finance Department.

** Allahabad Bank, United Commercial Bank, United Bank of India, Punjab National Bank, Bank of India, State Bank of India, Union Bank, Federal Bank, UCO Bank, The Bihar State Co-operative Bank, Canara Bank.

Thus even after a lapse of over 5 years since February 1996, the Director failed to work out the actual amount of defalcation. The fact that the special audit was not completed even after two and half years indicated that the Finance Department did not attend the work with due expedition.

3.3.5 Grants-in-aid to Non-Governmental Organisation (NGOs)

Grants-in-aid provided by Government of India to the NGOs in Bihar during 1995-2000 were as under :

Year	Number of NGOs	Grants-in-aid paid (Rs. in lakh)	NFE centres for which grants given (Number)
1995-96	36	78.68	2550
1996-97	64	249.07	3530
1997-98	69	259.00	3640
1998-99	89	294.80	4705
1999-2000	89	207.29	4705
Total		1088.84	

Central Government paid grants to the NGOs on recommendations of the Pre-sanction Appraisal Committee of the State, but the State government did not maintain any record indicating the number of NGOs involved in NFE scheme and the amount paid to them. This was in spite of the fact that copies of sanction letter of Government of India were endorsed to the Secretary of the State Government in all cases and the State Government officials were supposed to monitor and oversee the implementation of the scheme. The Director Mass Education had a list of only 29 NGOs as of February 2002 to whom grants of Rs 1.21 crore were paid during 1999-2000. Thus, State Government failed to monitor the activities of the NGOs.

Accounts of funds paid to NGOs not kept by the State

19 NGOs did not furnish information on receipt and utilisation of grants

In 6 districts test-checked 27 NGOs were involved in the NFE scheme but the District Magistrate/ Deputy Commissioners did not maintain records for payment of grants to the NGOs. Of those, only 8 NGOs³ produced records of expenditure of Rs 2.40 crore for test-check by Audit during 1997-2000. Remaining 19 NGOs did not furnish information on receipt and utilisation of grants-in-aid by them during 1995-2000 in spite of the fact that the sanction letter contained a clear provision that the accounts of the projects would be open to a test-check by the Comptroller and Auditor General of India.

Besides, as per norms fixed by the GOI, Rs 75 per learner for books and stationery, Rs 850 for teaching and learning materials per centre and Rs 100 for lighting/ fuel per centre per month were sanctioned and released by GOI during 1995-2000 to the 8 NGOs test-checked. One of these NGOs People Institute for Development and Training (PIDT), New Delhi, operating in Deoghar did not spend any amount out of Rs 6.00 lakh provided for light and fuel during 1995-2000. Further, it utilised Rs 6.07 lakh only on teaching and learning material out of Rs 9.38 lakh provided for the purpose and thus retained Rs 9.31 lakh unauthorisedly instead of refunding the same to GOI.

³ (i) PIDT Lokshala, New Delhi (ii) Lok Deep, Madhupur, Deoghar (iii) Santhal Pargana Gramodyog Samiti, Deoghar (iv) Santhal Pargana Antyodaya Ashram, Deoghar (v) Samajik Vikash Sansthan, Madhubani (vi) Ghogharadiha Prakhand Samajik Vikash Sangh (vii) Nav Bharat Jagriti Kendra, Chauparan, Hazaribag (viii) Saran Zila Samagra Vikash Sansthan, Chapra.

3.3.6 Programme implementation

Targets for operating NFE centres, special NFE centres and enrolment of children and training to instructors under Government Sector during 1995-2000 and achievement were as under :

Year	Target of NFE centres			Achievement reported by the State to GOI			Achievement as per records of the State	
	Co-education	Girls	Total	Co-education	Girls	Total	Total	Excess reporting to GOI
1995-96	30000	20000	50000	27657 (92)	22019 (110)	49676 (99)	38054 (76)	11622
1996-97	30000	20000	50000	NA	NA	48057 (96)	44815 (90)	3242
1997-98	30000	20000	50000	27212 (91)	20000 (100)	47212 (94)	46394 (93)	618
1998-99	30000	20000	50000	12127 (40)	8085 (40)	20212 (40)	20564 (40)	---
1999-2000	30000	20000	50000	27738 (94)	20000 (100)	47738 (95)	39414 (79)	8324

(Figures in brackets indicate per cent)

Enrolment of learners and availability of instructors

Year	Target (25 children per centre as per norms)	Learners enrolled					Short fall	Instructors		Total
		Total	Girls	SC	ST	Minority		Trained	Un-trained	
(In Number)										
1995-96	1250000	896552	439131	231938	91655	--	353448 (28)	38054	--	38054
1996-97	1250000	1080653	505135	298481	150526	65258	169347 (14)	44186	629	44815
1997-98	1250000	1137600	540318	318437	150601	146594	12400 (9)	46289	105	46394
1998-99	1250000	491346	220303	174556	71371	58402	758654 (61)	19713	499	20212
1999-2000	1250000	910238	439211	308445	103825	68315	339762 (27)	38519	4856	43375

(Figures in brackets indicate per cent)

Scrutiny revealed the following:

(a) While reporting to GOI, State Government inflated the number of NFE centres by 23806 centres during 1995-98 and 1999-2000. This helped in getting additional grants of Rs 16.44 crore.

(b) As per the scheme, every instructor of a NFE centre was to be imparted training by District Resource Units (DRU) under District Institute of Education and Training (DIET) for 30 days in the first year and for 20 days in every subsequent year for imparting education to children. In the districts where such institution was not situated instructors were to be trained by the NGOs. But it was noticed that in each year during 1996-2000, 105 to 4856 instructors engaged in teaching in NFE centres were not trained.

(c) Though NFE primary level course upto class V was to be completed in two years, the course was completed in the centres in three to four years. This resulted in extra expenditure of Rs 75.71 crore. Director Mass Education stated in report on the scheme upto October 2000 that delay in completion of course was attributed to late supply of books and late release of funds to the centres by the department.

(d) Primary level course of two years were divided in to four parts (semesters), each of six months duration. The books required during 1995-97 for each part (semester) of the primary level course were to be supplied to the learners free of cost. Details of supply of books to learners for 1995-97 course were as under :

Achievements inflated to obtain additional grants from GOI

Large number of instructors untrained

Delayed completion of courses caused extra cost

Delayed and inadequate supply of books to learners

Sl. No.	Books			Semester for which prescribed	Date of printing order for books	Date of supply to districts
	Name	Required	Supplied			
		(Number in lakh)				
1	Padhen Badhen-I	8.97	7.00	1 st six months 1995-96	May 1995	July/December 1995
2	Padhen Badhen-II	8.97	4.00	2 nd six months 1995-96	May 1995	November 1995
3	Padhen Badhen-III	10.81	11.00	3 rd six months 1996-97	May 1995	December 1995
4	Padhen Badhen-IV	10.81	10.00	4 th six months 1996-97	August 1997	August 1998
5	Ganit Bodh Part -I	10.81	10.00	3 rd six months 1996-97	July 1997	November 1997
6	Ganit Bodh Part-II	10.81	10.00	4 th six months 1996-97	March 1999	June/ August 1999
	Total	61.18	52.00			

The books supplied to districts/ learners by the department was not adequate for the total number of students who needed them. Further, the books which were required to be distributed among the learners in May 1996 and January 1997 were distributed in 1997-98 and 1999-2000. Thus the belated supply of books and that too in inadequate number to learners in the districts led to extension of the 2 year course to 5 years.

(e) As per the scheme, Government of India provided 90 per cent of expenditure on NFE centres meant exclusively for girls. It was noticed that 59.2 thousand Special NFE centres opened in the State during 1995-2000 had co-education facility and were not operated exclusively for girls, but these centres were reported by the State to Government of India as exclusively for girls. This facilitated obtaining excess funds of Rs 14.61 crore from Government of India during the same period.

3.3.6.1 Targets and achievements in 6 districts

(a) Targets vis-à-vis achievements in respect of opening of NFE centres and enrolment of learners in 6 test-checked districts were as under :

Year	Target of centres (In No.)				Achievement			
	Old NFE		Special NFE ⁴	Total	Old NFE		Special NFE ⁴	Total
	Co-ed.	Girls			Co-ed.	Girls		
1995-96	2340	900	2410	5650	2029	607	2406	5042 (89)
1996-97	2615	900	2410	5925	2029	607	2406	5042 (85)
1997-98	2615	900	2410	5925	2204	607	2406	5217 (88)
1998-99	--	--	6100	6100	--	--	3444	3444 (56)
1999-2000			6100	6100	--	--	4718	4718 (77)

(Figures in brackets indicate per cent)

⁴ Special NFE centres had strength of 50 learners and 2 instructors. Therefore the figures indicated under the column is twice the number of normal NFE centre having strength of 25 students and one instructor.

Excess funds obtained by overstating the number of centres exclusively for girls

Achievements were short of targets though funds were not a problem

Thus, there was decline in opening the NFE centres and no reason for such decline was available.

It was noticed that Block Education Extension Officers (BEEOs) of Benipatti East, Benipatti West, Bisfi in their Inspection Reports on 34 centres submitted (September 1999 and November 1999) to District Mass Education Officer, Madhubani observed as under :

District Magistrate, Madhubani misreported status of NFE centres

(i) Under Benipatti East Block one centre (Mahuli) was not running, Special NFE centre, Sarisab (Domtola) was running at another place and Champa Domtola NFE centre could not be located during inspection.

(ii) Under Benipatti (West) Block special NFE centre at Tyoth Sonebarsa, Bhairav Sthan was not running.

(iii) Under Bisfi Block some of the centres were not running as villagers had no knowledge about them.

District Magistrate furnished incorrect reply to Vidhan Parishad question

In spite of the above facts, the District Magistrate, Madhubani reported (January 2000) to Director, Mass Education, Patna in compliance to Vidhan Parishad short notice question (No E-38) that all the 34 centres were running and the children were benefited.

Enrolment of learners

Year	Learners to be enrolled (25 learner per NFE centre)	Learners enrolled	Girls enrolled	Shortfall (2-3)	Shortfall (Per cent)
	(In number)				
1	2	3	4	5	6
1995-96	141250	121782	59855	19468	14
1996-97	148145	121792	57972	26363	17
1997-98	148145	133443	62770	14702	10
1998-99	170000	94772	45207	75228	44
1999-2000	127500	128394	60074	--	--

It would be seen that there was huge increase in shortfall in enrolment of learners in 1998-99. Reasons for huge shortfall (44 per cent) during 1998-99 were not stated. Enrolment of girls was between 47 to 49 per cent of total enrolment.

Duration of course extended upto 5 years resulting in huge excess expenditure

(b) In 4 districts test-checked scheduled course of education for two years was extended upto 5 years. This extension of course besides educating lesser number of children also led to incurring excess expenditure of Rs 2.39 crore as detailed below:

District	Date of commencement of course	Due date/month of completion of course	Total period taken for completion of course	Excess period consumed in completion of course	Expenditure incurred during extended period (Rs in Lakh)
Vaishali	3/94 to 1/96	31-3-1998 (old)	27 to 49 mths	3 to 25mths	91.34
Deoghar	3/96 to 4/97	30-4-2000	38 to 50 mths	14 to 26 mths	14.10
Madhubani	12/95 to 9/96	31-3-2000	45 to 52 mths	21 to 28 mths	77.28
Purnia	6/95 to 11/95	31-3-2000	53 to 58 mths	29 to 34 mths	56.24
Total					238.96

Audit scrutiny revealed that books were not supplied to 35 to 57 per cent of learners in the 5 test-checked districts during 1995-2000. Details are given in the table below :

35 to 57 per cent of learners did not get books

Name of the Districts	Books required	Books supplied	Short supply	Percentage
(1) Chapra	267000	138625	128375	48
(2) Hazaribagh	281112	178859	102253	36
(3) Deoghar	129912	84808	45104	35
(4) Vaishali	258000	148600	109400	42
(5) Madhubani	148806	67247	81559	57
Total	1084830	618139	466691	

Partial or no training to instructors

(c) Out of 7462 instructors (1999-2000) in the districts test-checked, 1880 instructors (25 per cent) were either untrained or partially trained, though only trained instructors were to impart education to learners as per the scheme guidelines.

Records not produced

(d) NFE scheme was closed on 31 March 2001. But important records like attendance registers of learners, contingent registers, stock registers and bank pass book of NFE centres were not produced to Audit by the Project Officers concerned.

3.3.6.2 Implementation of NFE scheme by NGOs

Of 27 NGOs performance of 11 NGOs in 6 test-checked districts was as under:

Year	Centres opened by NGO	Students to be enrolled	Learners enrolled		Total	Shortfall
			Boys	Girls		
1995-96	455	11375	7142	4476	11618	--
1996-97	640	16000	7812	4452	12264	3736
1997-98	665	16625	8419	6347	14766	1859
1998-99	815	20375	8954	7343	16297	4078
1999-2000	840	21000	9423	7196	16219	4781

Scrutiny revealed the following:

Required number of learners not enrolled

(a) During 1996-2000 there was shortfall in enrolment of 14454 number of learners in the NFE centres operated by the NGOs.

Duration of course was extended upto five years resulting in excess expenditure

(b) Extending the duration of the course to five years in 5 NGO⁵ resulted in excess utilisation of funds of Rs 52.79 lakh.

(c) Following table would indicate that the required number of books were not supplied to learners in NFE centres operated by one NGO (Nav Bharat Jargrit Kendra) in a district (Hazaribag) test-checked :

Required number of books not supplied to learners

Year	No. of learners	Books required	Books supplied	Shortfall
1995-96	3350	6700	-	6700
1996-97	5138	17076	-	17076
1997-98	5946	15368	4000	11368
1998-99	5432	16266	1000	15266
1999-2000	5321	17460	11701	5759

⁵

(i) PIDT Lokshala, New Delhi (ii) Santhal Pargana Gramodyog Samiti, Deoghar (iii) Santhal Pargana Antyoday Ashram, Deoghar (iv) Kamaleshraj Antyoday Ashram, Madhepur, Madhubani (v) Prakhand Lok Vikas Samiti, Madhubani.

Thus, only negligible number (23 per cent) of books required were supplied to learners, while in 5 districts test-checked (Madhubani, Vaishali, Saran, Deoghar, Purnia) NGOs did not supply to learners the books prescribed by State Government or by the NCERT. They supplied books of other private publishers which did not conform to the needs of two years course of education prescribed under the scheme.

3.3.6.3 Impact analysis

Low ratio of successful learners. No certificate granted to successful learners

It was noticed that out of 6.35 lakh learners enrolled in NFE centres in the State during 1994-95, 4.28 lakh eligible learners appeared in examination conducted in 1997-98 and 2.16 lakh learners (34 per cent of enrolled students) passed the test. Subsequently, 4 lakh learners were enrolled in special NFE centres during 1995-97. Of this, 3.26 lakh learners became eligible for final examination in 1999-2000, but only 2.78 lakh learners took the test and 1.87 lakh learners (29 per cent of the enrolled students) passed the final test. Thus, out of total 10.35 lakh learners enrolled, only 4.03 lakh learners (39 per cent) passed the test. Information in regard to grant of certificate and admission of the successful learners to formal schools for further education was not available with the Director, Mass Education, Bihar.

In 6 districts test-checked, of 1.29 lakh learners enrolled during 1995-98, only 0.37 lakh learners became eligible in 1999-2000 for the final test. Of them 0.22 lakh learners passed the test. Thus only 17 per cent of the learners enrolled in 1995-98 passed the test as of September 2001. It was observed that the Assistant Directors of the districts test-checked did not issue certificate to successful learners which would have enabled them to pursue their studies.

Director, Mass Education did not produce to Audit any statistics for the implementation of the scheme by NGOs. Test-check of records of 5 NGOs in 2 districts test-checked showed that 0.59 lakh learners enrolled in two year course in 1995-96 completed the course after five years. While 16492 learners became eligible in 1999-2000 for the test, only 6514 learners appeared in the test and 3227 learners passed the test. Thus, only 5 per cent of the learners enrolled in 1995-96 in NFE centres under NGOs passed the test which shows that the implementation of the scheme by the NGOs was poor. No certificate to successful learners was issued as of September 2001.

No appreciable impact

Thus, the NFE scheme failed to bring about any appreciable impact on meeting the educational needs of targeted group of children.

3.3.7 Other points

(i) Loss due to non-utilisation of printing paper

Papers received as gift from foreign country outlived due to non-utilisation in time

Directorate of Mass Education received 30 tonne of paper valued at Rs 10.50 lakh (approx.) (August 1986) as gift from a foreign country for utilisation in printing of books for NFE and handed over the same to the Bihar State Text Book Corporation, Patna (BSTBC). They kept the paper in godown of Central Warehousing Corporation (CWC) paying rent of Rs 0.69 lakh till April 1999. Even the CWC proposed to auction the paper as the quality of paper was fast deteriorating due to prolonged storage. The Director, Mass

Education failed to advise BSTBC for utilisation of the paper. Finally BSTBC informed (January 2001) the Joint Director, Mass Education, Patna that the paper had become unfit for printing. Thus, inaction on the part of Director of Mass Education resulted in a loss of Rs 10.50 lakh and avoidable payment of rent of Rs 0.69 lakh. No action was taken against such wastage of government property as of August 2001.

3.3.8 *Monitoring, inspection and evaluation*

**Monitoring,
inspection and
evaluation totally
neglected**

The State Government fixed the targets of supervision of the NFE centres (May 1995) at various levels to make the scheme successful and effective.

All the Inspection reports were to be compiled by the Assistant Director NFE in the districts for onward transmission to the Directorate of Mass Education. No such inspection report was available either at directorate or lower level offices test-checked.

Panchayat and Block Level Samitis were not formed as envisaged in the scheme. Though District Level Committees under the Chairmanship of the District Magistrate were formed, proceedings of meetings if any, of such committees were not made available.

Joint Evaluation Team (JET) was constituted by the State Government (July 1998) under the chairmanship of the Director, Mass Education to evaluate the functioning of NGOs. Joint Director, NFE stated (February 2001) that the JET never visited any NGO. Though, the GOI emphasised (September 1999 and June 2000) the urgency of revamping JET under the chairmanship of Joint Director with representation of State Government, SCERT and DPEP officials as members to evaluate the functioning of the NGOs working for more than five years under the scheme and report to the GOI, the revamping of the JET did not take place as of March 2001.

Thus, monitoring, inspection and evaluation of the scheme were totally neglected.

The points were referred to Government (September 2001); their reply had not been received (January 2002).

SECTION - B: PARAGRAPHS

FOREST AND ENVIRONMENT DEPARTMENT

3.4 Unauthorised creation of liability

Two forest divisions created liabilities of Rs 35 lakh in disregard of financial rules. There were no records to show genuineness of works done

No authority can enter into a liability involving expenditure from public funds until the expenditure has been sanctioned by general or special orders of the Government or by competent authority and the expenditure has been provided in the appropriation for the year.

Raising of plantation comprises of two main sectors viz. "advance work" and "completion work" involving two financial years. During 1998-99 Rs 52.13 lakh were released by Government for advance work for two divisions (Gaya Forest Division and Gaya Afforestation Division), while no funds for completion work and maintenance of plantation were released during succeeding years. The Chief Conservator of Forest (CCF) (Development), Bihar, (July 1999) intimated all the Regional Chief Conservator of Forest (RCCF) that unless supplementary budget for 1999-2000 was approved by the Government, no fund could be made available for completion work.

Scrutiny revealed (July- Augus. 2001) that in disregard of these orders, two forest divisions created unauthorised liabilities of Rs 35.01 lakh towards completion of plantation during plantation year 1999-2000 though no funds for the same was provided in the Budget. The amount payable for work done was yet to be paid. Details were as under:

Sl. no.	Name of Divisions	Year of plantation	Area planted (In hectares)	Amount of liability (Rupees in lakh)
1.	Gaya Forest Division, Gaya	1999-200)	210 & Nurseries 3	10.64
2.	Gaya Afforestation Division, Gaya	1999-2000	741.587	24.37
	Total			35.01

Divisional Forest Officer (DFO), Afforestation Division, Gaya stated that completion work being a time bound programme was done while DFO, Gaya Forest Division stated that requests to higher officers for release of fund was made.

There was nothing on record in support of the actual execution of work and the liability thus incurred by DFOs was not beyond doubt.

The matter was reported to Government (July 2001); their reply had not been received (January 2002).

3.5 Excess officials in divisions

In 5 forest divisions, Rs 45.93 lakh were spent on salary of 39 officials who were posted in excess of sanctioned strength

As per State Financial Rules no permanent post under Government could be created without sanction of the Government.

Scrutiny of records of 5 forest divisions revealed (between August 2000 to March 2001) that 39 officials (including 8 officers) were posted by Government/ department in these divisions between April 1997 and March 2000, though there was no sanction of such posts for these divisions. Consequently, during April 1997 to March 2000, Rs 45.93 lakh was spent on unauthorised payment of salary to 39 officials. Details of excess posts operated in five divisions are shown below:

Sl No.	Division	Designation	No. of sanctioned post	Men-in-position	Excess	Amount (Rs in lakh)
(In number)						
1.	Forest Extension Division, Patna	ACF	NIL	5	5	18.83
2.	Afforestation Division, Gaya	ACF	1	2	1	1.31
		Extension Supervisor	-	3	3	2.42
		Extension Worker	-	6	6	3.64
3.	Forest Division, Gaya	Extension Supervisor	-	2	2	2.07
		Extension Worker	-	2	2	1.64
4.	Extension Division, Begusarai	ACF	-	1	1	1.92
		Forest guard	-	9	9	7.40
		Extension Supervisor	-	3	3	1.37
		Extension Worker	-	6	6	2.59
5.	Tirhut Extension Forest Division, Muzaffarpur	ACF	1	2	1	2.74
	Total		2	41	39	45.93

The table shows the extent of excess posting in the divisions. In Forest Extension Division Patna alone, five ACF are posted though no such post is sanctioned for the division. Since the officers could not have adequate work, as evident from lack of sanctions, the postings were against public interest and the amounts spent on the pay and allowances is infructuous. Extension Division, Patna stated that the sanctioned strength of Assistant Conservator of Forests was not in excess of total sanctioned posts in the State. Reply was not tenable as the postings were to be made as per the sanctioned strength of a particular Divisions.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

HOME (POLICE) DEPARTMENT

3.6 Deployment of Police force as personal security guards

Cost of use of police force as security guards for Rs 40.35 lakh was not recovered from ex-MPs, ex-MLAs and others by Superintendent of Police, Saran

As per State Government orders (January 1993) cost of deployment of police personnel as security to Railways, Banks, non-government companies etc. and other individuals was to be realised from them at the rates prescribed by State Government from time to time.

Test-check (January 2001) of records revealed that Superintendent of Police (SP) Saran, Chapra deployed 25 constables and 4 havildars as security guards to 5 Ex-Members of Parliament¹ (MP), 5 Ex-Members of Legislative Assembly² (MLA) and 12 other individuals³ for different spells during June 1985 to December 2000. However, cost of deployment of such police force as security guards was not recovered from them, though Rs 40.35 lakh was recoverable from them as of January 2001. SP, Saran stated (January 2001) that action was being taken for realisation of the amount from the persons concerned but he did not take any action to raise claim and effect recovery from them.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

¹ Ex. MP's : Girija Devi (Rs 246753); Ram Bahadur Singh (Rs 87068); Rajiv Pratap Rudhi (Rs 87734); Hira Lal Rai (Rs 197773); Lal Bahadur Rai (Rs 286248).

² Ex. MLA's : Budhan Yadav (Rs 505732); Raj Kumar Rai (Rs 125674); Abhay Raj Kishore (Rs 222448); Baidya Nath Pandey (Rs 721381); Ram Bahadur Rai (Rs 286778).

³ Individuals : Jai Lal Rai (Rs 233934); Mahendra Rai (Rs 83214); Ram Pravesh Rai (Rs 43867); Dadan Prasad Yadav (Rs 279505); Radha Charan Prasad (Rs 28306); Kameshwar Singh (Rs 154869); Sunil Kumar (Rs 44756); Ram Babu Rai (Rs 267131); Chandan Devi (Rs 85956); Mohan Rai (Rs 593); Saket Kumar Singh (Rs 5091); Pramod Kumar Singh (Rs 39940).

PERSONNEL AND ADMINISTRATIVE REFORMS DEPARTMENT

3.7 Unjustified irrecoverable advances

BPSC made repeated advance of huge amounts but did not effect recovery/adjustment of advance payment of Rs 1.21 crore. Of these, Rs 41 lakh was irrecoverable

Secretary/ Special Officer, Bihar Public Service Commission (BPSC) advanced Rs 1.21 crore to 245 people in-charge of examination centres (Rs 18.59 lakh), 551 individuals (Rs 81.79 lakh), 21 district administrative officers (Rs 4.47 lakh) and others (Rs 16.11 lakh) between the period 1972 to 2000 (upto August 2000) for conducting various examinations.

Scrutiny of records (February 2001) revealed that the advances remained unadjusted/unrecovered as of August 2000. It was noticed that repeat advances were paid though second and subsequent advances could be paid only after adjustment/recovery of advances paid earlier. It was also observed that Rs 20.82 lakh was paid to 7 persons during 1996-2000 three to five times.

While advances were carried over to subsequent years no steps were taken by the Secretary of the Commission to get the advances recovered or adjusted. Special Officer, BPSC, Patna stated (February 2001) that old advances of Rs 41 lakh pertaining to the period 1992-1998 seemed irrecoverable. In the absence of details of expenditure, cases of fraud/misutilisation of the advances could not be ruled out.

While Secretary, BPSC had agreed that Rs 41 lakh paid as advance was not recoverable, it was seen in Audit that another Rs 80 lakh remained to be recovered.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

Ramanand Singh, CO (Rs 1.53 lakh), Bindeshwari Pd. Yadav, CO (Rs 2.37 lakh), Md. Quomaruddin, Co (Rs 1.08 lakh), Dilip Kumar Singh, CO (Rs 2.66 lakh), Chatter Charan Singh, CO (Rs 2.73 lakh), Devendra Narain Singh, CO (Rs 5.94 lakh), Swambber Mishra, Cashier (Rs 5.00lakh).

WELFARE DEPARTMENT

3.8 Misutilisation of Special Central Assistance

District Magistrate, Siwan misutilised SCA funds meant for scheduled caste people in violation of government's instructions

In January 1999, State Government issued instructions to the effect that allotment under Special Central Assistance Schemes to the districts during 1997-99 by the State should be made only for family oriented income generating schemes as the schemes for development of infrastructural facilities for correction of geographical imbalance based on population of SC people had been taken up during 1997-98 and 1998-99 at State level.

In violation of these instructions, District Magistrate, Siwan sanctioned under Centrally Sponsored Scheme under Special Central Assistance (income oriented scheme for upliftment of scheduled castes) (January 1999) for construction of 15 link roads (estimated cost Rs 42.52 lakh), 15 community halls (estimated cost Rs 26.25 lakh) and installation of 156 hand pumps (estimated cost Rs 8.97 lakh) at a total cost of Rs 77.74 lakh against Rs 1.16 crore received by the District Welfare Officer (DWO), Siwan. Against the sanctions, DWO, Siwan released Rs 72.49 lakh to implementing agencies between January 1999 and May 1999 for the purpose. Of the funds released, Rs 64.91 lakh were spent during January to May 1999 on construction of 15 link roads (Rs 42.52 lakh), 12 community halls (Rs 21.00 lakh) and on installation of 24 hand pipes (Rs 1.39 lakh) and balance Rs 7.58 lakh were refunded (November 1999) by the implementing agency (Executive Engineer, PHED, Siwan) to the DWO.

Thus, District Magistrate, Siwan misutilised Rs 64.91 lakh (57 per cent of the fund of Rs 115.60 lakh allotted) meant for income generating schemes for the people belonging to scheduled caste. Scrutiny revealed that inspite of the State Government order of January 1999 to the effect that schemes such as construction of link roads and community halls should not be implemented, the District Magistrate, Siwan implemented such schemes during January to May 1999. The amounts so spent, need be reallocated for the income generating schemes meant for SC people.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

CHAPTER-IV

Works Expenditure

Section-A : Contains performance appraisal of the following:

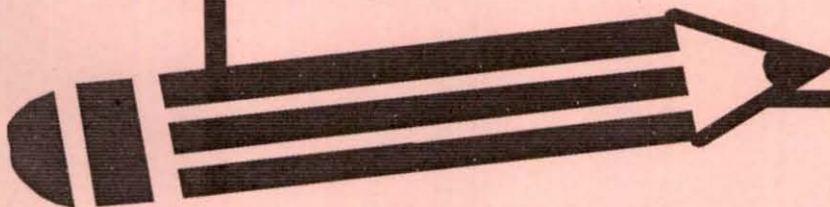


Accelerated Rural Water Supply Scheme



Working of Public Health Engineering Department

Section-B: Contains other major audit points on works expenditure



CHAPTER - IV

WORKS EXPENDITURE

SECTION - A - REVIEWS

PUBLIC HEALTH ENGINEERING DEPARTMENT

4.1 Accelerated Rural Water Supply Scheme

Highlights

To supplement the efforts of the States towards providing safe and adequate drinking water to the rural population "Accelerated Rural Water Supply Programme (ARWSP)", fully financed by Government of India, was launched in 1972-73 and continued during Ninth Plan period. Implementation of ARWSP in the State suffered from mismanagement, short release of funds, inefficient utilisation of funds and lack of monitoring. As a result, the programme failed to achieve intended objective of providing potable water and sustainable drinking water facilities to rural people. The programme failed to improve the environmental hygiene and socio-economic condition of targeted group.

During 1997-2001, only Rs 46.90 crore out of Rs 399.08 crore was released by Government of India due to failure of the State Government to release its share and poor utilisation of funds. Engineer-in-Chief released funds to the divisions after a delay of over 3 to 11 months during 1997-2001. In three divisions Rs 46.37 lakh were misutilised for other works.

(Paragraph 4.1.5 (i), (iv) and (v))

Even the inadequately released funds were poorly utilised. In 14 districts 36 per cent of available funds were not utilised.

(Paragraph 4.1.5.1)

Shortfalls in physical achievement of ARWSP were attributable mainly to inadequate funds, delay in sanction and execution of works.

(Paragraph 4.1.6)

82 per cent physical progress was reported with 64 per cent of fund utilisation which is not reliable.

(Paragraph 4.1.6.1)

Extra expenditure on construction of tubewells and doubtful execution of works under ARWSP, as noticed in test-check, aggregated Rs 78 lakh.

(Paragraph 4.1.7 (ii) and (v))

Systematic identification of sources, selection of sites, improved operation and maintenance through trained technical personnel and community participation were not ensured. Sites were selected at the instance of MLAs and MPs leading to large scale failure of tubewells in Chas Division. In 4 divisions 324 water supply schemes were non-functional for

over 5 years due to mechanical, civil and electrical faults and no action was taken to get them repaired in time.

(Paragraph 4.1.7 (i) and (iv))

Utilisation of material valued Rs 1.50 crore, recorded as taken into site accounts of various works in 3 divisions was doubtful as the site accounts were not made available to audit.

(Paragraph 4.1.7 (vi))

Water testing laboratory was available in only one out of 14 divisions. Rupees 18 lakh provided for establishing water testing laboratories were spent on procurement of equipment, glass ware etc. but the laboratories were not established as of September 2001.

(Paragraph 4.1.9)

In 9 districts 73 per cent (Rs 16.58 crore) of earmarked funds (Rs 22.70 crore) were spent on construction of 51 per cent (9224) of targeted number of tubewells (18245) with iron removal plants during 1998-2001. The objective of providing safe drinking water free from iron content was partially realised.

(Paragraph 4.1.9.1)

In 8 divisions materials valued at Rs 1.89 crore purchased from the fund of ARWSP were misutilised on other works.

(Paragraph 4.1.10 (ii))

Out of Rs 69.99 lakh released by Government of India in 1994-95 for establishment of HRD cell, only Rs 21.81 lakh were spent by June 2001. Further, GOI funds of Rs 63.72 lakh were not drawn for conducting training courses during 2000-01.

(Paragraph 4.1.11)

Monitoring of ARWSP in the State was ineffective. As a result the programmes suffered from major deficiencies and intended objective of providing safe drinking water and sustainable drinking water supply facilities to targeted rural population were only partially realised.

(Paragraph 4.1.12)

4.1.1 Introduction

ARWSP aimed to provide safe and sustainable drinking water to all rural population

In order to supplement efforts of the States for providing safe and adequate drinking water to the rural population, Accelerated Rural Water Supply Programme (ARWSP), fully financed by Government of India (GOI) was launched in 1972-73. The programme was given mission approach* and was renamed as National Drinking Water Mission (NDWM) in 1986 and as Rajiv Gandhi National Drinking Water Mission (RGNDWM) in 1991.

* To ensure maximum inflow of scientific and technical inputs into the rural water supply sector and coverage of all rural habitations within eighth plan period.

4.1.2 Organisational set-up

Engineer-in-Chief-cum-Special Secretary (EIC), Public Health Engineering Department under overall administrative control of the Secretary, Public Health Engineering Department was responsible for implementation of Accelerated Rural Water Supply Programme (ARWSP) in the State. He was assisted by 4 Chief Engineers (CEs) at headquarters, 4 Chief Engineers at zonal level, 27 Superintending Engineers (SEs) at circle levels and 84 Executive Engineers (EEs) at division levels.

4.1.3 Audit Coverage

Records of Engineer-in-Chief and 14 divisions¹ (Bihar 7 and Jharkhand 7) pertaining to the period 1997-2001 were test-checked during May-June 2001.

4.1.4 Programme achievement

As per 1991 census there were 67.5 thousand villages in the State. As stated (August 2001) by the Engineer-in-Chief there were 5.1 thousand uncovered habitations and nearly 16 thousand partially covered habitations under ARWSP as on April 1997 in the State. There were 499 habitations (Bihar : 2 ; Jharkhand : 497) which were not covered and 121 (Bihar : 2 ; Jharkhand : 119) habitations partially covered under the ARWSP as of 31 March 2001.

In PHE Division, Madhubani for 411 habitations covering 64890 population in Madhubani District, 925 sources of drinking water were developed during 1997-98, while for 146 habitations covering 55200 people, 368 sources were developed during 1998-99. Thus one source was developed for 70 persons during 1997-98 and for 150 persons during 1998-99, though as per the norms one source was to be developed for 250 persons. Thus, the implementation of ARWSP lacked proper planning and failed to meet the norms laid down.

4.1.5 Financial outlay and expenditure

Funds released by the Central/ State Government during 1997-2001 and expenditure were as under :

Year	Opening balance	Funds allocated by GOI	Funds released by GOI	Total funds available	Funds released by the State	Expenditure	Unspent balance at the year end
(Rupees in lakh)							
1	2	3	4	5 (2+4)	6	7	8
1997-98	2987.09	11768.00	0.00	2987.09	1386.33	867.36	2119.73
1998-99	2119.73	9380.00	0.00	2119.73	1973.97	850.24	1269.49
1999-2000	1269.49	9380.00	4690.00	5959.49	1176.70	869.99	5089.50
2000-01	5089.50	9380.00	0.00	5089.50	2525.45	1832.74	3256.76
Total		39908.00	4690.00		7062.45	4420.33	

(Source: Information furnished by the Engineer-in-Chief)

¹ **Bihar** : Darbhanga, Dhaka, Patna East, Patna West, Madhubani, Samastipur and Sasaram
Jharkhand : Chas, Dhanbad, Dumka, Garhwa, Jamshedpur, Ranchi East, Ranchi West,

499 tolas not covered
and 121 tolas
partially covered

Unbalanced
development of
source lacked
planning

Audit scrutiny revealed the following :

Poor release and utilisation of funds

(i) Government of India released only 12 per cent (Rs 46.90 crore) of its total allocation (Rs 399.08 crore) during 1997-2001 as 42 per cent (Rs 32.57 crore) of total GOI funds available (Rs 76.77 crore) during the same period could not be utilised by the State. Thus due to failure of the department to utilise available funds, the State could not avail of substantial amount of Central funds for the Rural Water Supply Programmes.

State did not allocate adequate funds for MNP

(ii) The allocation of Central assistance was subject to provision of at least an equal amount by the State Government for Rural Water Supply Programme under state sector Minimum Need Programme (MNP). Table below would indicate the allocation and utilisation of funds made by the State.

Year	Allocation/ allotment of funds		Shortfall in provision under MNP	Expenditure on MNP out of funds allotted by the State	Savings
	by GOI for ARWSP	by State for MNP			
(Rupees in lakh)					
1997-98	11768	3237.54	8530.46 (72)	3237.54	--
1998-99	9380	9700.00	--	7818.58	1881.42 (19)
1999-2000	9380	2800.00	6580.00 (70)	2488.17	311.83 (11)
2000-2001	9380	4549.90	4830.10 (52)	1904.14	2645.76 (58)

(Figures in brackets indicate per cent)

(Source: Information furnished by the Engineer-in-Chief)

GOI funds are unauthorisedly lying in Civil Deposits for over 6 years

(iii) Government of India funds of Rs 69.95 lakh for rural sanitation received during 1994-95 were kept in 'Civil Deposits' by the Engineer-in-Chief and were not released as of June 2001. The unused funds remained merged with the cash balance of the State helping in its ways and means position.

Substantial delays in release of funds to divisions

(iv) Though, the programme envisaged quick release of Central funds within a month of its receipt, Engineer-in-Chief released funds to the divisions after a delay of over 3 to 11 months during 1997-2001.

Such inordinate delay in release of funds affected the programme.

Funds misutilised

(v) Three test-checked divisions² misutilised Rs 46.37 lakh of ARWSP funds during 1997-2001 for works undertaken by the State under MNP and clearance of old liabilities of contractors.

4.1.5.1 Allotment and expenditure in districts

Allotment of funds and expenditure in the 14 districts test-checked were as under :

²

Jamshedpur, Ranchi West and Sasaram.

Year	Allotment	Expenditure	Per cent
	(Rupees in lakh)		
1997-98	451.74	206.82	46
1998-99	442.57	201.41	46
1999-2000	113.48	104.36	92
2000-01	458.32	426.92	93
Total	1466.11	939.51	64

Thus, 36 per cent of available funds were not utilised for which reasons were not on record.

4.1.6 Physical progress

Physical progress of schemes undertaken was as under :

Name of programme	Particulars of scheme	1997-98		1998-99		1999-2000		2000-01	
		Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement
		(In number)							
ARWSP	Hand tube well	8351	7984 (96)	15341	7059 (46)	11981	6531 (55)	18281	9388 (51)
	Drilled tube well	7122	4175 (59)	3011	3149 (105)	908	820 (90)	--	25

(Figures in brackets indicate per cent)

Scrutiny revealed that shortfall in achievements were mainly due to delay in sanction of schemes, delay in release of funds and execution of work etc. The achievement stated by EIC (46 to 105 per cent) did not correspond with the amount spent (Rs 44.20 crore) which was only 63 per cent of the funds released and seemed unrealistic.

4.1.6.1 Physical progress in test-checked districts

Physical progress in the 14 districts test-checked was as under :

Year		Target	Achievement
		(In number)	
1997-98	Hand tube well	2309	1651
	Drilled tube well	2453	1289
1998-99	Hand tube well	1155	1606
	Drilled tube well	1188	927
1999-2000	Hand tube well	406	354
	Drilled tube well	307	142
2000-01	Hand tube well	1933	2015
	Drilled tube well	0	0
Total		9751	7984

It was noticed that the physical achievements during 1997-2001 in the test-checked districts were not commensurate with the financial progress. Compared to drilled tubewells, physical achievement in construction of hand tubewells was higher. This indicated that drilling of tubewells was neglected.

4.1.7 Execution of works

Deficiencies noticed in execution of works were as under :

- (i) In 4 divisions³ test-checked 6 rural water supply schemes sanctioned between 1981 and 1987 at an estimated cost of Rs 82.43 lakh remained

Unfruitful expenditure on incomplete schemes

³

Chas, Darbhanga, Madhubani and Samastipur.

incomplete till March 2001 although funds of Rs 114.59 lakh were provided for these schemes. Incomplete schemes resulted in unfruitful expenditure of Rs 78.87 lakh. EEs however stated (June 2001) that the schemes remained incomplete for want of funds.

Schemes non-functional for over 5 years

Scrutiny of records revealed that in these divisions 324 rural water supply schemes were non-functional (February 2002) for more than five years on account of mechanical (36), civil (55) and electrical (233) faults which were not rectified. The EEs attributed this to non-provision of funds by the Engineer-in-Chief for repairs. Thus object of providing drinking water to at least 3 lakh rural population was not achieved and no priority was attached to keep existing schemes functional and even while new schemes were taken up.

Extra expenditure on construction of tubewells

(ii) Scrutiny of records of PHE, Mechanical Division, Dumka revealed that against the target of 350 tube wells to be constructed at a cost of Rs 40.90 lakh, only 111 tubewells were completed during 1997-98 at a cost of Rs 40.90 lakh resulting in extra expenditure of Rs 27.93 lakh based on expenditure of Rs 11687 per tube well as per the model estimate approved by the department. It was observed that the excess expenditure was mainly due to irregular accountal of establishment, contingent expenditure etc. under the works.

Doubtful construction of tubewells

(iii) Scrutiny of records of PHE Division, Chas revealed that out of Rs 23.07 lakh for construction of 100 drilled tube wells during 1995-96, Rs 8.45 lakh were purportedly spent on 120 (125 x 115 mm diameter) drilled tubewells under ARWSP during 1994-95. There was no such target for the year 1994-95. Thus, the payments purportedly made to the contractor for the construction of 120 tube wells targeted during 1994-95 was not beyond doubt.

Unsuccessful borewells resulted in wasteful expenditure

(iv) In 3 test-checked divisions⁴ 141 out of 1241 tube wells (11.5 per cent) were unsuccessful. EE, PH Division, Chas stated that the selection of sites was done at the instance of MLAs/MP of the area and not based on any geo-hydrological data, while EE, PH Division, Ranchi (West) stated that there was no provision of pre-test to assess the availability of ground water. This resulted in wasteful expenditure of Rs 16.43 lakh on 141 failed tube wells.

Doubtful execution of works

(v) According to rule 226 of BPWA code wages were to be drawn on muster rolls. However, in 5 divisions⁵ wages were paid (1999-2001) (Rs 50.07 lakh) through 1152 hand receipts during 1999-2001. It was also revealed that the actual labour engaged and the duration of execution of work were not mentioned on any of the hand receipts. Payments of Rs 2.50 lakh in 67 cases were made in 2 divisions (Dhaka and Patna East) on the last day of the financial year 2000-01. Sanction for execution of works was also not

⁴ Chas, Garhwa and Ranchi West.

⁵ Dhaka (Rs 7.01 lakh), Patna East (Rs 5.68 lakh), Patna West (Rs 11.20 lakh), Samastipur (Rs 22.66 lakh) and Sasaram (Rs 3.52 lakh).

recorded on the hand receipts. Prescribed check measurement of work done by the Assistant Engineer/ Executive Engineer was also not carried out and therefore there was no basis for assessing the extent of work done. Thus payment of Rs 50.07 lakh through hand receipts on departmental execution of works was not beyond doubt.

Doubtful utilisation of material

(vi) In three divisions⁶ test-checked, materials purchased for Rs 1.50 crore were recorded as taken into site accounts of the work concerned. None of the site accounts was made available to Audit and thus the utilisation of such materials in works was not beyond doubt.

4.1.8 Sustainability

Sustainability of water supply facility not ensured

Test-check revealed that there was lack of systematic source finding and site selection. As per norms satellite images and hydrological maps were to be used for identification of water sources and site. These norms were not being followed in any of the 14 divisions⁷ test-checked for ARWSP. Site selection was done on the recommendation of local Member of Legislative Assembly (MLA) in violation of the norms laid down by the Government of India and had this resulted in unfruitful expenditure of Rs 16.43 lakh during 1997-2001 in 3 test-checked divisions as mentioned in para 4.1.7 (iv) above.

4.1.9 Water testing laboratories

Negligible water testing laboratory facility

Chemical, bacteriological and biological examination of water was necessary to ensure supply of potable water to people. Out of 14 divisions test-checked water testing laboratory was available in only one division (Sasaram). Engineer-in-chief released Rs 18 lakh to 9 districts⁸ during 2000-01 for establishing water testing laboratories. Out of this, Rs 16.74 lakh were spent on procurement of equipment for chemical and bacteriological test, glass ware etc. but laboratories were not established as of September 2001. Besides there was no chemist or laboratory assistant for conducting water quality tests. Thus water testing facility, an important component to ensure supply of safe potable water to people was not available.

4.1.9.1 Iron removal plant

Supply of safe drinking water free from iron content not ensured

In 9 districts⁹ drinking water contained excess iron content. Accordingly Engineer-in-Chief fixed target (December 1998) for digging 18245 tubewells with iron removal plants during 1998-99 to 2000-01 in these districts and allotted Rs 22.70 crore. The divisions spent Rs 16.58 crore as of March 2001 and surrendered Rs 6.12 crore. With the amount spent only 9224 tubewells with iron removal plants were completed. Thus, physical progress was only 51 per cent while 73 per cent of the earmarked funds was spent. Hence, the

⁶ Dumka, Patna East and Samastipur

⁷ Chas, Darbhanga, Dhaka, Dhanbad, Dumka, Garhwa, Jamshedpur, Madhubani, Patna East, Patna West, Ranchi East, Ranchi West, Samastipur and Sasaram

⁸ Araria, Begusarai, Katihar, Khagaria, Kishanganj, Madhepura, Purnea, Saharsa and Supaul

⁹ Araria, Begusarai, Katihar, Khagaria, Kishanganj, Madhepura, Purnea, Saharsa and Supaul

objective of providing safe drinking water, free from iron content, to the targeted rural people was only partially realised.

4.1.10 Material management

Following deficiencies were noticed in management of stores :

Funds blocked in excess procurement of material

(i) In 4 test-checked divisions¹⁰ materials (UPVC casing Im-III Hand pump, GI pipes, Tara pump, 40 mm dia x 2 meter UPVC strainer etc.) valued at Rs 2.24 crore were purchased for ARWSP during 1997-2001. Of this, materials valued Rs 45.18 lakh remained unutilised (Refer : Appendix-XVII) as of August 2001. Thus, Rs 45.18 lakh were blocked in purchase of materials in excess of immediate requirement.

Materials misutilised

(ii) In 8 test-checked divisions¹¹ materials valued at Rs 1.89 crore procured out of the Programme fund were diverted to other works under MNP, special repairs and deposit works under Tenth Finance Commission during 1997-2001 (Refer : Appendix – XVIII).

4.1.11 Human Resource Development Programme

The National Human Resource Development Programme (NHRDP), which was launched under RGNDWM from 1994, stipulated to provide 100 per cent financial input and technical guidelines for HRD and conducting training programmes.

Benefits of central funds not availed

Rupees 69.99 lakh released by GOI in 1994-95 for establishing HRD Cell in Bihar was not drawn by the State Government due to delay in creation of HRD cell. Subsequently, GOI released the same amount in August 1997. Against this, the department spent Rs 21.81 lakh on establishment of Cell and did not utilise Rs 48.18 lakh as of June 2001. Further, GOI sanctioned (October 2000) Rs 63.72 lakh for conducting 147 training courses during 2000-01. State Government did not draw the amount as of May 2001. In all Rs 1.12 crore provided by Government of India remained unutilised.

It was also noticed that Rs 30.84 lakh were allotted by the Engineer-in-Chief to the PHE Division, Patna West for conducting training under HRD programme. Against this, Engineer-in-Chief placed orders (March and September 2001) on a firm of Patna to supply two Maruti Gypsy vehicles at a cost of Rs 8.53 lakh for use in the division. No action was taken against the officer(s) responsible for misutilisation of funds as of September 2001.

4.1.12 Monitoring and evaluation

Ineffective monitoring

Though a Superintending Engineer in the office of Engineer-in-Chief was responsible for monitoring the programmes with the assistance of two Deputy Directors and one Executive Engineer, the monitoring was ineffective. As a result, the programmes suffered from several deficiencies in their

¹⁰ Darbhanga, Jamshedpur, Madhubani and Sasaram

¹¹ Chas, Dhaka, Dhanbad, Garhwa, Madhubani, Patna West, Ranchi East and Sasaram

implementation (as discussed in preceding sub paragraphs) and intended objectives of providing safe drinking water and sustainable drinking water facility to rural people were not realised.

Impact analysis of ARWSP indicated major deficiencies

The assessment of impact of drinking water supply schemes on targeted groups was not made by the PHED. A survey of National Rural Water Supply Scheme conducted (May 2001) by STEM Bangalore under sponsorship of UNICEF in three districts (Purnia, Munger and Muzaffarpur) revealed that implementation of the scheme suffered mainly from the following deficiencies :

- Lack of institutional arrangement;
- Periodic water supply testing was not carried out. Water from 14 per cent of hand pumps and drinking water in 53 per cent of households was contaminated;
- One out of every four hand pumps was not in working condition;
- Less than 10 per cent of the households used toilet which was a poor sign of personal hygiene;
- Environmental hygiene was poor as most of the tubewells had no platform.

The points were referred to Government (September 2001); their reply had not been received (January 2002).

Highlights

Public Health Engineering Department is entrusted with the responsibility for providing safe drinking water to people, extending sewerage and drainage facility to rural people and managing sanitary and sewerage facility in urban government buildings.

Budgetary and financial management in the department was poor. Expenditure control mechanism was not functional and there was huge savings of budget provisions for plan schemes.

Implementation of the schemes undertaken by the department suffered due to lack of co-ordination among planning, monitoring and implementing units of the department. Lack of co-ordination and monitoring contributed to large scale wasteful/unfruitful expenditure, extra cost on schemes, excessive purchase of materials, allotment of funds at the fag end of the year, huge idle investments on incomplete schemes for years and large number of unsuccessful schemes.

Non-plan budget estimates were framed on adhoc basis. The Department did not enforce required budgetary controls as proper procedures were not followed by DDOs.

The Controlling Officer did not reconcile the departmental accounts for Rs 900.65 crore pertaining to 1996-2000 with those of the Accountant General. This was fraught with risk of serious irregularities remaining undetected.

(Paragraph 4.2.4 and 4.2.4.1 (vii))

During 1996-2000, Rs 498.15 crore (36 per cent of budget provisions) remained unutilised. Reasons for excess expenditure of Rs 58.81 crore were not furnished.

(Paragraph 4.2.4.1(i) and (viii))

In disregard of provisions of BPWA code the accounts of UNICEF funds of Rs 2.32 crore were not reflected in Divisional Accounts nor the transactions of these funds were monitored at the level of EIC.

(Paragraph 4.2.4.1 (ix))

Seven Divisional Officers misutilised earmarked funds of Rs 1.58 crore.

(Paragraph 4.2.4.2(a))

Schemes of drilled tubewells under Bihar Plateau Development Project were taken up without geo-hydrological tests of sites and Rs 2.65 crore were spent on unsuccessful tubewells.

(Paragraph 4.2.5)

The delay in decision on the tender for procurement of UPVC pipes, strainers etc. in 1999 resulted in extra cost of Rs 0.72 crore. Three Divisional Officers unauthorisedly created liability of Rs 1.65 crore over and above the available provisions.

(Paragraph 4.2.6.1 (i) and (iv))

Thirty Rural Water Supply Schemes taken up in 11 divisions during 1980-93 due for completion in two years remained incomplete even after spending Rs 3.16 crore. In other 9 divisions, 44 Rural Water Supply Schemes executed at a cost of Rs 3.06 crore were non-functional for 1 to 18 years due to lack of maintenance.

(Paragraph 4.2.6.2 (i) (ii))

In PH Division, Giridih and Sahebganj 1341 bore wells drilled during 1991-99 at a cost of Rs 2.69 crore remained unfruitful as these were not fitted with hand pumps.

(Paragraph 4.2.6.2(v) & (vi))

In test-checked divisions expenditure on unsuccessful borewells, excess drilling of tubewells, doubtful completion of works, substandard work and extra cost due to belated completion of works aggregated Rs 6.11 crore.

(Paragraph 4.2.6.3 to 4.2.6.7)

18 Executive Engineers irregularly executed works departmentally for Rs 16.49 crore during 1996-2000 through labourmates on hand receipts instead of through the muster rolls raising doubts about the genuineness of the expenditure.

(Paragraph 4.2.6.8)

16 Executive Engineers did not produce records to audit for Rs 10.19 crore on repair and maintenance during 1996-2000. These repair works were not inspected by the SEs concerned raising serious doubts.

(Paragraph 4.2.6.9)

In violation of the prescribed procedures, the Controlling Officer procured materials from DGS&D. Debit advices of the Accountant General to the various divisions for Rs 16.62 crore were not settled as of March 2001. Overstocking led to the idling of stores valued at Rs 14.94 crore as of March 2001. Misappropriation of stores valued at Rs 1.15 crore were noticed in 8 divisions test-checked.

(Paragraph 4.2.7 (i), (ii) and 4.2.7.1 (i))

Materials valued Rs 1.55 crore procured for various specific schemes were diverted by eight Divisional Officers to other works.

(Paragraph 4.2.7.1(iii))

Four mechanical divisions made avoidable payment of Rs 1.11 crore to the Bihar State Electricity Board on account of delayed payment during

1996-2000. Two mechanical divisions had unliquidated liability of electricity charges for Rs 23.24 crore as of July 2000.

(Paragraph 4.2.8 (i))

In 4 divisions where water test was conducted, 38 tubewells out of 40 discharged contaminated water but no remedial action was taken.

(Paragraph 4.2.9)

Management Information System was grossly neglected and activities under Information, Education and Communication were ineffective.

(Paragraph 4.2.10 and 4.2.10.1)

Department did not have information of sanctioned posts in various categories of staff and men in position. In 6 divisions, Rs 3.66 crore were spent on idle staff. Department was saddled with large number of work charged staff and the ratio of work charged staff and regular staff was 7:3.

(Paragraph 4.2.11)

Response to 683 Inspection Reports (2939 paragraphs) highlighting financial irregularities of Rs 726.72 crore issued (1983-2000) by the Accountant General to the departmental officers was poor.

(Paragraph 4.2.12)

Monitoring was inefficient and ineffective.

(Paragraph 4.2.13)

4.2.1 Introduction

Public Health Engineering Department was responsible for (a) providing assured, safe and potable water to the people of rural and urban areas (except Ara, Bhagalpur, Jharia, Munger, Muzaffarpur and Patna where water supply and sanitation facility was provided by the municipal bodies) and (b) providing sewerage and drainage facility to the rural people through construction of low-cost latrines and managing sanitary and sewerage provisions in urban government buildings. The water supply programmes were executed under (i) Minimum Need Programme (MNP), (ii) Accelerated Rural Water Supply Programme (ARWSP) and Accelerated Urban Water Supply Programme (AUWSP), (iii) World Bank aided Bihar Plateau Development Project in 67 blocks of Chotanagpur and Santhal Parganas; and (iv) Water Supply Schemes for Buddhist Centres with assistance of Overseas Economy Co-operation Fund (OECEP).

4.2.2 Organisational set up

Under the over-all administrative control of the Secretary, Public Health Engineering Department, Bihar, Patna, Engineer-in-Chief (EIC)-cum Special Secretary was responsible for execution of the programmes and managing the activities of the department. He was assisted by 8 Chief Engineers (Headquarters: 4; Zones:4), 26 Superintending Engineers (4 Mechanical and

22 Civil) and 89 Divisional Engineers (16 Mechanical and 73 Civil) in as many divisions in Bihar and Jharkhand.

4.2.3 Audit coverage

Working of Public Health Engineering Department during 1996-2001 was reviewed between November 2000 and June 2001 by test-check of records of EIC, 2CEs¹, 3SEs², and 26 EE³.

4.2.4 Budgetary procedure and financial outlay

As per Rule 83 of the Bihar Budget Manual, PHED was required to submit estimates for establishment expenses to Finance Department by 25 October each year and as per Rule 87 of the Bihar Budget Manual detailed schedules of demands for works, repairs, tools and plants were to be forwarded by the PHE Department to Finance Department by 25 November each year.

Budget estimates for plan and non-plan works and establishment were to be prepared by Engineer-in-Chief, PHE Department. For the Non-plan budget for establishment, estimates based on actual expenditure incurred during the last three years were to be received from 119 disbursing officers. However, the Secretary to Government, PHED did not adhere to the time schedules for submission of budget estimates to Finance Department during 1996-2001 except in 1997-98 and 2000-01. In three years budget proposal to Finance Department was delayed for 10 to 62 days. Budget estimates for plan were prepared on the basis of the limits of outlay fixed for the PHED by Planning and Development Department. As the estimates were prepared on adhoc basis and adequate budgetary control was not exercised, there were persistent savings, unnecessary provisions, unliquidated liabilities and irregular parking of funds in Civil Deposit/with DRDAs, as discussed below.

4.2.4.1 Budget provision and expenditure

Budget provisions and expenditure under plan (4215-Water Supply and Sanitation) and non-plan (2215-Water Supply and Sanitation) were as under:

Year	Grant			Expenditure			Excess (+)/ Savings(-)		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
Rupees in Crore									
1996-97	207.97	112.09	320.06	62.94	115.06	178.00	(-) 145.03	(+) 2.97	(-) 142.06
1997-98	140.21	138.01	278.22	64.57	130.59	195.16	(-) 75.64	(-) 7.42	(-) 83.06
1998-99	189.23	193.96	383.19	101.28	155.66	256.94	(-) 87.95	(-) 38.30	(-) 126.25
1999-2000	135.50	281.83	417.33	40.39	230.16	270.55	(-) 95.11	(-) 51.67	(-) 146.78
2000-01	110.00	238.43	348.43	Awaited	Awaited	Awaited	-	-	-
Total	782.91	964.32	1747.23	269.18	631.47	900.65	(-) 403.73	(-) 94.42	(-) 498.15

(Source: Appropriation Accounts of Government of Bihar)

Funds received by the department from other sources during 1991-2000 was as under:

- ¹ CE Mechanical, Patna, Regional CE Bhagalpur.
- ² SE (Mechanical) Muzaffarpur (Civil), Darbhanga & Jamshedpur.
- ³ Adityapur, Araria, Aurangabad, Bhagalpur East, Bhagalpur West, Biharsharif, Darbhanga, Deoghar, Dhanbad (Mech), Gaya (Mech), Giridih, Godda, Hajipur, Madhubani, Motihari, Munger, Muzaffarpur (Mech), Nawada, Patna East, Purnea, Sahebganj, Samastipur, Sasaram, Sasaram (Mech), Siwan and Tenughat.

Adhoc budgeting led to financial mismanagements

Reason for huge savings not furnished by the department

Sl. No.	Programme	Source of fund	Period of allotment	Fund allotted	Expenditure as of March 2001	Balance
(Rupees in crore)						
1.	Water supply to Buddhist Circuits (Rajgir, Nalanda, Bodh Gaya and Vaishali)	OECF through Urban Development Deptt	1991-2001	13.36	12.14	1.22 (In deposit)
2.	BPDP	World Bank fund through RCD BPDP, Ranchi	1994-2001	60.27	53.00	7.27 (surrendered)
3.	Water supply and Sanitation under 10 th Finance Commission.	Central fund allotted by Education Deptt. through District Administration.	1998-2001	25.94	20.85	5.09 (in deposit)

It was observed that of total grants during 1996-2000 plan and non-plan grant was 48 and 52 per cent respectively, as against which expenditure was 30 and 70 per cent respectively of the total expenditure. Thus major chunk (60 per cent) of plan provision was not spent. Further, most of the expenditure was on salary payments.

Reason for huge savings of funds (30 to 40 per cent) during 1996-2000 and excess expenditure (non-plan) during 1996-97 was not furnished by the Controlling Officer while the Appropriation Accounts of the respective years were prepared by Principal Accountant General and sent to Government.

Scrutiny revealed the following:

(i) *Failure to spend the budgeted provisions*

During 1996-2000, Rs 498.15 crore (36 per cent of funds) remained unutilised of which Rs 403.73 crore pertained to plan schemes mainly under Rural Water Supply schemes. Further, supplementary provisions of Rs 3.85 crore were unnecessarily made under certain sub heads (Appendix-XIX) during the period which remained totally unspent.

(ii) *Non-utilisation of Central funds*

Of Rs 78.03 crore released (1996-97: Rs 31.13 crore; 1999-2000: Rs 46.90 crore) by the GOI for ARWSP, Rs 10.62 crore remained unutilised as of March 2001. Further, Rs 7.30 crore released by GOI during 1999-2000 for Total Sanitation Campaign Project (TSCP) was not utilised by the department as of March 2001 due to non-finalisation of schemes by the Engineer-in-Chief.

(iii) *Non-reconciliation of expenditure by the State Government*

As per the statement of Department of Drinking Water Supply, Government of India (May 2000) the State Government had an unutilised balance of ARWSP fund of Rs 90.73 crore as on 31 March 2000 but as per the records of the State Government the department had an unutilised balance of Rs 50.90 crore only on the same date. The balances are yet to be reconciled by the State Government.

Central funds for sanitation project were not spent

(iv) Subversion of codal provisions to avoid lapse of budget grants

Funds drawn and kept in 'Civil Deposits', though prohibited

Rupees 55.99 crore of GOI funds drawn for ARWSP and TSCP during 1990-95 were retained in 'Civil Deposits' as of March 2001. Rupees 10.12 crore and Rs 38.67 crore (both MNP state fund) were drawn by three divisions on 31 March 1998 and 31 March 1999 and were transferred to DRDAs (Patna, Hazaribag and Ranchi) in the same months through bank drafts without specifying purpose. The divisions took back the amounts from the DRDAs through bank drafts after 4-6 months in the following years for distribution to different divisions of the State. The amounts distributed were utilised during the subsequent years (1999-2001). Thus evidently withdrawals were made to avoid lapse of budget grants in violation of rules. These transactions were effected by the divisions on the directions from the Secretary to the Government, PHED. Thus, the codal provisions in regard to drawal of funds from treasury were subverted.

(v) RWS funds remained unutilised for years

Funds for RWS unutilised

Entire provision of Rs 44.16 crore under Rural Water Supply and Rural Sanitation Schemes (Appendix-XX) remained unutilised for years (1996-2000) due to non-execution/ non-sanction of schemes.

(vi) Short release of State share led to non-completion of schemes

Matching share not released by the State

Government of India released Rs 6.07 crore during 1996-2001 for implementation of 14 Urban Water Supply Schemes⁴. Against this State Government released Rs 1.44 crore only. Engineer-in-chief stated (July 2001) that due to short release of State share 13 schemes could not be completed.

(vii) Non-reconciliation of departmental accounts

Controlling Officer did not reconcile figures

The controlling officer (EIC) was responsible for reconciliation of the departmental figures of expenditure with those appearing in the books of Accountant General. This was disregarded during 1996-2001, though he was reminded for the same by the Principal Accountant General (A&E), Ranchi from time to time. Thus expenditure of Rs 900.65 crore during 1996-2000 remained unreconciled. Persistent non-reconciliation of expenditure is fraught with risk of serious irregularities, defalcation and frauds, if any, remaining undetected apart from lack of expenditure control and unreliable budget estimates.

(viii) Reasons for the excesses not explained

Reason for excesses under certain sub-heads not explained

Reasons for the excess expenditure of Rs 58.81 crore under certain sub-heads of Rural and Urban Water Supply and Rural Sanitation Schemes (Refer: Appendix XXI) during 1996-2000 was not explained to Audit during the Review or to Principal Accountant General when Appropriation Accounts were finalised.

⁴ Amarpur, Barwadih, Chakulia, Hisua, Gamhaur, Janakpur Road, Koath, Latehar, Mahiuddinagar, Muri, Rafiganj, Raj Mahal, Saraikela, Sheohar.

(ix) *Accounts of deposit works not rendered*

Money received from UNICEF not reflected in divisional accounts rendered to Accountant General

As per provisions under paras 428 and 437 to 440 of BPWA Code funds received by a division from any source was to be reflected in divisional accounts. In violation of these provisions, Special Secretary of the department issued (September 1994) instructions that money received from UNICEF should be deposited in bank accounts and separate records (outside divisional accounts) for the transaction therefrom should be maintained. Thus, accounts of UNICEF funds of Rs 2.32 crore were not rendered during January 1999 to March 2001 by 24 divisions to the Accountant General and transaction under it was not subjected to audit check. Quantum of funds received by the divisions prior to January 1999 was not made available.

Further as per the instructions (September 1994) of the Special Secretary every division concerned was required to submit monthly expenditure statement to the Engineer-in-Chief so that expenditure against the funds provided could be properly monitored by him. However, it was noticed that the divisions did not render monthly accounts of the expenditure out of UNICEF funds to the Engineer-in-Chief. Thus, there was no monitoring of the expenditure out of UNICEF funds at the level of the Engineer-in-Chief.

4.2.4.2 *Financial performance in divisions test-checked*

Financial performance in 26 divisions test-checked were as below:

Allotment and expenditure in divisions test-checked

Year	Original work			Repair Works		
	Allotment	Expenditure	Savings	Allotment	Expenditure	Savings
	Rupees in crore					
1996-97	15.92	13.22	2.70	10.06	9.69	0.37
1997-98	7.13	5.94	1.19	11.12	10.82	0.30
1998-99	39.33	37.43	1.90	16.37	15.66	0.71
1999-2000	12.15	10.98	1.17	24.55	23.53	1.02
Total	74.53	67.57	6.96	62.10	59.70	2.40

Of the 26 divisions test-checked financial performance of 5 divisions (Bhagalpur East, Nawada, Purnea, Araria and Aurangabad) in respect of plan expenditure was poor as only 55 per cent (Rs 5.81 crore) of the funds provided (Rs 10.59 crore) was spent during 1996-2000. Further, scrutiny revealed the following:

(a) *Misutilisation of funds*

(i) In 6 divisions⁵ Rs 72.03 lakh of Minimum Need Programme were misutilised during 1996-2000 for liquidation of old liabilities which was prohibited as per letters of allotments of funds. This also resulted in non-completion of work of drilling of 813 tubewells taken up during 1996-2000.

(ii) Similarly Divisional Officer, PHE Division, Sahebganj misutilised MNP fund of Rs 46.41 lakh (labour component) for procurement of materials during 1998-99 resulting in non-completion of drilling of 106 tubewells and special repairs to 452 drilled tubewells.

⁵ *Bhagalpur East, Bhagalpur West, Deoghar, Giridih, Godda and Tenughat.*

(iii) Executive Engineer, PHE Division Tenughat misutilised plan funds of Rs 39.14 lakh (Rs 20.44 lakh MNP and Rs 18.70 lakh ARP) during 1994-95 and 1996-97 on repairs and maintenance of drilled tubewells (Non-Plan) (July 1986).

(b) Overdue temporary advances

Temporary advances
overdue for recovery

Though temporary advances paid to subordinate officers for making petty payments were to be reduced to nil at the close of the financial year, Rs 18.98 lakh paid to 36 sub-ordinate officers of 8 divisions⁶ remained overdue for recovery for 1 to 27 years despite repeated mention in periodical Audit Inspection Reports of divisions. No action was taken to recover/adjust the overdue advances. Besides, Executive Engineer, PHE Division, Giridih, booked temporary advance of Rs 13.40 lakh paid to 3 Assistant Engineers and 3 Junior Engineers during 1991-94 under Miscellaneous Public Works Advances and the amount remained unsettled as of March 2001. The amount of advance was required to be forfeited and recovered in one lump from the concerned officials.

(c) Misappropriation/defalcation of funds

No action for
misappropriation of
funds

(i) Executive Engineer, PHE Division detected (November 1993) misappropriation of Rs 0.93 lakh by a Junior Engineer (Janardan Prasad), against temporary advance paid during 1991-92 but he did not initiate any action against the Junior Engineer as of July 2000.

No action except
lodging FIR for loss
of cash

(ii) Executive Engineer, PHE Division, Adityapur relieved (June 2000) an Accounts Clerk from the charge of a cashier on account of his negligence in keeping accounts but did not ensure handing over charge of the establishment cash book. On breaking the cash chest, Executive Magistrate, Saraikeela (21 July 2000) found that physical balance of cash was Rs 1836 only instead of Rs 9,11,244 indicating defalcation of Rs 9,09,408. The Executive Engineer lodged FIR (May 2001) without initiating any departmental action.

(d) Miscellaneous public works advances

Wrong booking
under MPWA
fraught with the risks
of misuse/
misappropriation of
funds

In disregard of Rule 382 of Bihar Public Works Account Code Executive Engineer, PH Mechanical Division, Gaya unauthorisedly booked Rs 1.58 crore under Miscellaneous Public Works Advance (MPWA) during 1967-91, which was not cleared as of March 2001. Long pendency of Rs 1.58 crore under MPWA was attributable to incurring expenditure without sanction of estimates and provision of funds, advances to individual officials etc. which was fraught with the risk of misuse/misappropriation of funds.

Excess spending on
deposit works not
recouped

The Executive Engineer PHE Division, Nawada spent Rs 37.00 lakh in 1995-96 on deposit works for repairs of 679 hand tubewells against the deposit of Rs 23.50 lakh made by the District Magistrate (DM), Nawada without debiting the expenditure to MPWA pending recovery. The amount was not received from DM, Nawada as of July 2000. Further against deposit of Rs 62.96 lakh

⁶ Aurangabad, Bhagalpur West, Deoghar, Dhanbad (Mech.) Gaya (Mech), Giridih, Muzaffarpur (Mech) and Patna East.

by DM, Nawada for execution of Urban Water Supply Scheme, Executive Engineer, PHE Division, Nawada spent Rs 86.29 lakh during 1987-91 which included materials costing Rs 24.82 lakh procured for other works. Thus, the Executive Engineer unauthorisedly incurred a liability of Rs 23.33 lakh which was not liquidated as of July 2000, neither the amount was transferred to MPWA head to ensure recovery.

In PH Division, Gaya advance payments of Rs 14.63 lakh made to different firms during 1967-1992 against proforma bills for procurement of miscellaneous materials and kept under MPWA remained unadjusted as of March 2001. There was remote possibility for the recovery/adjustment of the advance.

Though transfer of materials from one division to another was to be made on receipt of their full cost, in 12 divisions materials costing Rs 1.63 crore were transferred to other divisions during 1984-2001 without receipt of their cost as of March 2001.

Cost of transfers of materials not recovered from other divisions

(e) *Funds unauthorisedly kept in Civil Deposits*

Executive Engineer, PH Mechanical Division, Gaya drew MNP funds of Rs 17.83 lakh on 31 March 1991 for drilling tubewells and unauthorisedly deposited the same in Civil Deposits. The amount remained in Civil Deposits as of March 2001 and the programme was not implemented for 10 years.

(f) *Funds kept in banks*

Rupees 54.14 lakh received from Deputy Commissioner, Bokaro (between March and July 2000) by Executive Engineer, PHE Division, Tenughat for renovation of 3 water supply schemes and for works under Tenth Finance Commission were kept in current account in Bank of India, Jaina More, Bokaro instead of depositing under "8782 PW Deposit". Out of this deposit account, transactions of Rs 15.50 lakh occurring during March to July 2000 were not taken in respective monthly accounts submitted to Accountant General as of July 2000. Thus, the assets created from transactions out of the amounts kept in current accounts in banks were not reflected in monthly accounts rendered to the Accountant General. More importantly Rs 38.64 lakh parked in banks allowed the bank to thrive on government money.

Funds unauthorisedly kept in current accounts in bank

4.2.5 *Programme implementation*

Targets and achievements in construction of drilled tubewells for the State as furnished by the Engineer-in-Chief during 1996-2001 were as under:

Program mes	1996-97		1997-98		1998-99		1999-2000		2000-01		Total	
	T	A	T	A	T	A	T	A	T	A	T	A
I. Minimum Need Programme (MNP)												
Constru- ction												
Hand Tubewell	40483	9673 (24)	38602	23277 (60)	30482	21419 (70)	7271	14293 (197)	6806	1810 (27)	123644	70472 (57)
Drilled Tubewell	10941	5817 (53)	4679	5238 (112)	12917	10373 (80)	2128	5733 (269)	--	173+11	30665	27334 (89)
Special Repair												
Hand Tubewell	24077	28145 (117)	23688	16305 (69)	34474	11436 (33)	--	17925	--	--	82239	73811 (90)
Drilled Tubewell	1412	689 (49)	312	622 (199)	718	135 (19)	589	361 (61)	--	--	3031	1807 (60)

No reason for shortfalls in physical achievements

Programmes	1996-97		1997-98		1998-99		1999-2000		2000-01		Total	
	T	A	T	A	T	A	T	A	T	A	T	A
2. Accelerated Rural Water Supply Programme (ARWSP)												
Hand Tubewell	13836	4458 (32)	8351	7984 (96)	15341	7059 (46)	11981	6531 (54)	18281	9388 (51)	67790	35420 (52)
Drilled Tubewell	6820	7563 (111)	7122	4175 (59)	3011	3149 (105)	908	820 (90)	--	25	17861	15732 (88)
Sanitary Well	--	20	--	--	--	--	--	--	--	--	--	20
Jhama Well	--	42	--	--	--	--	--	--	--	--	--	42
3. Rural Sanitation Programme												
Low cost latrine												
Individual	1800	1278 (71)	151	31 (21)	14400	6433 (45)	11874	12568 (106)	--	--	28225	20310 (72)
Community	38	10 (26)	11	--	451	108 (24)	439	151 (34)	--	--	939	269 (29)

(T-Target; A-Achievement)

(Figures in bracket indicate per cent and excess achievements include achievements of back-log targets)

It was observed that overall physical achievements fell short by 10 to 71 per cent. Achievement in construction of low cost individual latrines under Rural Sanitation Programme was 72 per cent of the targets, while construction of low cost community latrines was neglected where achievement was a meagre 29 per cent. Since there was large overall savings of plan funds for Rs 403.73 crore during 1996-2000, non-achievement of targets was attributable to deficient programme management.

The excess achievements included achievements of preceding years and thus did not reflect the actual achievements against targets during a particular year. Reasons for shortfall in achievements in other cases were not furnished by the Engineer-in-Chief.

Further cumulative targets and achievements as of 31 March 2001 in respect of schemes under BDPD and Tenth Finance Commission were as under:

	Particulars of work	Target	Achievement	Remarks
Bihar Plateau Development Project (BDPD)	Drilled tubewell	12820	13094	Included 1853 unsuccessful schemes
	Gravel Packed T/Well	305	239	Included 22 unsuccessful schemes
	Special repairs	2032	2210	Included 332 unsuccessful schemes.
Tenth Finance Commission	Hand tube well	9305	9009 (97)	
	IM III	445	440 (99)	
	Drilled T/ Well	670	482 (72)	
	G.P. Tube well	2046	1793 (88)	
	Tara Pump	969	820 (85)	
	IRP	223	223 (100)	
	Latrine in schools	1317	1263 (96)	

(Figures in bracket indicate per cent)

It was noticed that achievements under BDPD included unsuccessful schemes (Drilled tubewell : 1853; GPT:22 and Special repairs : 332) involving expenditure of Rs 2.65 crore as per approved estimates mainly due to taking up execution without geo-hydrological tests of sites. No reason for shortfall in achievements in the schemes under BDPD and Tenth Finance Commission was made available by the Engineer-in-Chief.

BDPD achievement inflated

4.2.5.1 Progress of works in test checked divisions

Physical targets and achievements were as under :

Shortfalls were attributed by the divisions to inadequate/ delayed provision of funds and materials

Programmes	1996-97		1997-98		1998-99		1999-2000		Total	
	T	A	T	A	T	A	T	A	T	A
MNP (Const.)	22258	12729 (57)	8439	5842 (69)	7150	6055 (85)	6739	6371 (95)	44586	30997 (70)
MNP (SR)	11575	10405 (90)	7973	8039 (101)	3941	3311 (84)	6874	5167 (75)	30363	26922 (89)
ARP (Const.)	8275	4649 (56)	2983	1559 (52)	100	103 (103)	201	69 (34)	11559	6380 (55)
CRSP (LCL)	2694	268 (10)	2159	21 (01)	2145	1446 (67)	1232	898 (73)	8230	2633 (32)
KAPY (MNP)	--	--	--	--	--	--	1197	517 (43)	1197	517 (43)
KAPY (ARP)	--	--	--	--	5170	2877 (56)	--	--	5170	2877 (56)

(A-Achievement; T-Target; Figures in bracket indicate per cent)

Division wise target and achievement during 1996-2000 were as in Appendix -XXII which indicated shortfall ranging from 68 to 100 per cent in 6 divisions⁷ under ARWSP.

Shortfalls in achievement and negligible achievements in certain categories of schemes like Centrally Sponsored Rural Sanitation Programme were attributed by the Divisional Officers to allotment of funds to the divisions by the department at the fag end of financial years, delayed procurement of materials by the Engineer-in-Chief and inadequate allotment of funds for labour component of the schemes. The reply was not tenable as there was saving of plan funds for Rs 6.96 crore during 1996-2000 in the test-checked divisions.

4.2.6 Execution of works

Deficiencies noticed in execution of works were as under:

4.2.6.1 Deficiency in award of work

Delayed decision of tender resulted in extra cost of Rs 0.72 crore

(i) The lowest rates of a firm of New Delhi (Rungta Irrigation Ltd.) quoted (May 1999) for supply of UPVC pipe, strainers etc. of different specifications (total cost Rs 2.77 crore) were approved by the Departmental Purchase Committee (November 1999) headed by the Secretary, PHED just 3 days before the validity (6 months) of the offered rates. The firm did not execute agreement. The department forfeited the earnest money (Rs 6.78 lakh) of the firm, against which the firm moved the High court, Patna and the department lost the case (August 2000). Meanwhile, the department invited fresh tenders (December 1999) and the lowest rates quoted by the same firm (total cost Rs 3.49 crore) were approved by the Purchase Committee (29 December 1999) at enhanced rates. The delay in taking a decision on the earlier tender resulted in avoidable extra cost of Rs 0.72 crore.

Competitive rates for construction works not availed and resultant undue benefits to the agencies

(ii) In 4 divisions⁸ works for construction of 2915 drilled tubewells (under MNP, ARP and Tenth Finance Commission) were awarded during 1996-2000 by SEs (Bhagalpur, Deoghar and Dhanbad) unauthorisedly by nominating 16 contractors at Rs 4.10 crore (34 agreements) at 3 to 5 percent above the

⁷ Araria, Bhagalpur (East), Bhagalpur (W), Nawada, Purnea and Sasaram

⁸ Bhagalpur East, Godda, Sahebganj and Tenughat.

estimated cost without inviting tenders. This resulted in additional cost of Rs 14.89 lakh at award stage and undue financial benefit to the contractors.

(iii) In PH Division, Tenughat construction of 465 drilled tubewells (MNP-1997-98) was awarded by the SE, PH circle, Dhanbad to 5 contractors in June and July 1998 at the rate of Rs 14,453 per tube well although the same work was got executed through 2 contractors in January 1999 at the rate of Rs 11,968. Award of work at higher rate by the SE resulted in undue benefit of Rs 11.56 lakh to the contractor for which responsibility was not fixed as of August 2001.

(iv) In three divisions (Giridih, Godda and Tenughat) Divisional Officers executed 42 agreements for Rs 2.92 crore for construction of 2080 drilled tubewells under MNP 1997-99 against the available fund of Rs 1.27 crore for 1121 drilled tubewells. This resulted in unauthorised creation of liabilities by the divisions for Rs 1.65 crore. These liabilities were not reported by the Divisional Engineers and the Superintending Engineers to the higher authorities viz Chief Engineer and the Engineer-in-Chief.

4.2.6.2 Unfruitful investment on water supply schemes

(i) In eleven divisions⁹ 30 Rural Water Supply Schemes taken up during 1980-93 were not completed (as of March 2001), though these were due for completion within two years and Rs 3.16 crore were reportedly spent on incomplete construction.

(ii) In 9 divisions¹⁰ 44 Rural Water Supply Schemes constructed during 1967-93 at a total cost of Rs 3.06 crore were non-functional for 1 to 18 years as of March 2001 on account of civil, mechanical and electrical faults corrected in time for want of funds.

(iii) PH Division, Dumka (now PH Division, Deoghar) spent Rs 52.22 lakh on Jasidih Industrial Area Water Supply Scheme during 1973-85 against estimated cost of Rs 96.74 lakh. The scheme remained incomplete as of March 2001 because the Industry Department did not provide funds of Rs 44.52 lakh required for the work.

(iv) Reorganization of existing Dhanbad Town Water Supply Scheme estimated to cost Rs 3.57 crore was funded by Mineral Area Development Authority (MADA) Dhanbad and execution of the scheme was taken up in 1990-91 by PH Division Dhanbad. MADA provided Rs 85.49 lakh to the division during 1990-95 and materials (CI Pipes) valued Rs 1.94 crore during 1990-91. The Division utilised the entire money and material of Rs 2.79 crore upto March 1995. Thereafter works were stopped as no fund was provided by MADA Dhanbad. Of Rs 2.79 crore spent, one RCC Water Tower (Matkuria) completed at cost of Rs 21.00 lakh was commissioned (January 1994)

⁹ Aurangabad, Bhagalpur West, Darbhanga, Deoghar, Giridih, Godda, Patna East, Sahebganj, Samastipur, Siwan and Tenughat.

¹⁰ Adityapur, Araria, Bhagalpur East, Bhagalpur West, Darbhanga, Patna East, Samstipur, Sasaram, and Siwan.

Liabilities created
unauthorisedly

Rupees 12.01 crore
spent on unfruitful
water supply schemes

Rs 2.58 crore spent on other incomplete works remained unfruitful as of March 2001.

(v) In PH Division Giridih 615 tubewell bores were done at a cost of Rs 70.29 lakh during 1991-97 under MNP (164) and ARP (451) against available funds of Rs 1.42 crore. Of balance Rs 0.72 crore, the division procured materials valued at Rs 0.26 crore (materials transferred to other divisions : Rs 19.19 lakh without cost + in store : Rs 7.06 lakh) and spent Rs 0.46 crore on other works while essential items of work like laying of 65 mm GI Pipe, installation of hand pumps and construction of platforms and drainage were not taken up as of March 2001. Due to delay of 4-10 years in installation of hand pumps and construction of platforms and drainage after completion of drilling of tubewells, choking of borewells was not ruled out. Executive Engineer stated (March 2001) that the matter was under investigation. Thus, entire expenditure of Rs 1.42 crore on works and acquisition of stores was rendered unfruitful.

(vi) In PH Division, Sahebganj 726 borewells drilled (MNP:403; ARP:131; other:192) during 1997-99 were not fitted with hand pumps as of March 2001. Therefore safe and potable water could not be provided to over 1 lakh population and Rs 1.27 crore spent was rendered unfruitful.

4.2.6.3 Unsuccessful bore wells

Borewells without geo-hydrological tests led to collapse of wells and wasteful expenditure

In 5 divisions¹¹ sites for bore wells were selected during 1996-2000 without geo-hydrological tests. As a result 706 bore wells (out of 6453) involving expenditure of Rs 92.00 lakh were unsuccessful.

4.2.6.4 Unjustified/excess consumption of materials

Tube wells were to be drilled on the basis of model estimates comprising material and labour components approved by the Engineer-in-Chief. However, it was noticed that substantial deviations from the model estimates were made by the divisions while carrying out drilling of tube wells. Cases noticed were as under:

Excess drilling of tubewells and resultant excess use of material led to extra cost

In PH Division, Sahebganj against estimated drilling of 32730 metres (beyond 30 to 60 metre) for 1091 tubewells (MNP:595; ARP:278; others:218) under the programmes of 1996-98, 46959 metre were drilled upto March 2001 resulting in excess drilling of 14229 metre (43 per cent) involving extra expenditure of Rs 26.07 lakh. Further in 878 (out of 1091) tubewells (MNP-595, ARP-185 and other-98) 10536 metre of UPVC casing pipes were required as per estimate. Against this, 20645 metre pipes (96 per cent above estimated quantities) were used resulting in excess consumption of 10109 metre of casing pipes costing Rs 26.81 lakh. The additional cost of tubewells thus aggregated Rs 52.88 lakh. The expenditure on the drilling and consumption of pipes far beyond the norm was doubtful.

¹¹ Adityapur, Dhanbad (mechanical), Giridih, Sahebganj and Tenughat.

Excess consumption of material led to extra cost

Further, in PH Division, Munger 1408 tubewells (248 GPT, 54DT and 1106 HT) were constructed during 1996-2000, in which 8336 metre (125 mm dia) UPVC pipe, 6248 metre (65 mm) GI pipe, 33733 metre (40 mm) GI pipe were required. Against this, 16168 metre (125 mm dia) UPVC pipe, 14004 metre (65 mm) GI pipe and 50759.28 metre (40 mm) GI pipe were consumed resulting in excess consumption of 7832 metre (125 mm dia) UPVC pipe, 7756 metre (65 mm dia) GI Pipe and 17026.28 metres (40 mm dia) GI pipe valued at Rs 46.55 lakh.

Use of GI pipe instead of UPVC pipes led to extra cost

Besides during 1996-2000 Divisional Officer, PH Division, Munger consumed 5806.49 metre (125 mm dia) GI pipe in 302 drilled tubewells constructed in place of UPVC pipe of the same diameter as per the estimate resulting in extra cost of Rs 11.44 lakh.

It was observed that excess drilling of bore wells, excess consumption of material and use of unspecified material in tube wells were facilitated due to non-adherence to the model estimates by the Divisional Engineers. This was also facilitated due to lack of monitoring of the implementation of the schemes by the Superintending Engineers/ Chief Engineers and Engineer-in-Chief.

4.2.6.5 Fictitious completion of work: Rs 16.38 lakh

With entire expenditure on materials, special repairs were doubtful

For special repairs of 452 tubewells (under MNP) Rs 16.38 lakh was provided to PH Division, Sahebganj for labour (Rs 13.03 lakh) and material (Rs 3.35 lakh) components during 1997-98. The Division unauthorisedly spent entire funds on procurement of materials alone. The entire special repair works were reportedly completed though no expenditure was incurred on labour component. The expenditure was therefore doubtful.

4.2.6.6 Substandard work : Rs 1.47 crore

Substandard construction of tubewells

Estimate of tubewells (Rs 35600 per well) sanctioned by the Government of India for construction of tubewells in Middle and Primary schools under Tenth Finance Commission was reduced to Rs 15,950 by District Magistrates, Nawada and Munger without any assurance of the technical quality. The basis on which the estimated cost of tube well was reduced was also not produced to Audit by the Divisional Officer. Accordingly, two PH Divisions constructed 932 tubewells (Munger-484 and Nawada-448) at a cost of Rs 1.47 crore. No quality control inspection on these works was carried out. Thus, possibility of these tubewells meeting the technical standard prescribed by Government of India was doubtful.

4.2.6.7 Belated completion of tubewells

Extra cost due to belated construction of tubewells

In 5 divisions¹² during 1991-98 construction and repair of 16403 tubewells were to be completed at a cost of Rs 10.09 crore. Instead 11409 tubewells (70 per cent) were constructed and repaired during 1996-2000 at the same cost due to delay in taking up the works. Delay in execution of works was mainly attributable to delay in release of funds by the Finance Department and retention of released funds in 'Civil Deposits.' The cost differential of

¹²

Bhagalpur East, Bihar Sharif, Deoghar, Dhanbad (Mechanical) and Patna East.

Rs 2149 per tube well (on an average) due to belated completion of works resulted in extra cost of Rs 2.45 crore.

4.2.6.8 Large scale violation of rules

Doubtful works executed (Rs 16.49 crore) departmentally through hand receipts

Departmental execution is permissible under rules only in case of emergent maintenance work. In disregard of this, during 1996-2000 Executive Engineers in 18 divisions¹³ resorted to execution of original works for Rs 16.49 crore under Plan head (4215-Water Supply and Sanitation etc.) departmentally through labourmates on hand receipts. In view of the large scale use of hand receipts in making payments to labourmates instead of through the muster rolls, possibility of fictitious works and misappropriation of funds could not be ruled out.

4.2.6.9 No records produced for large expenditure on routine repairs and maintenance

Malpractice in repair and maintenance works needed investigation

In 16 divisions¹⁴ Rs 10.19 crore were spent during 1996-2000 on repairs and maintenance of rural and urban water supply schemes, drilled/hand tubewells and water supply and sanitation in government buildings. Genuineness of these expenditure could not be test-checked as the Executive Engineers did not furnish approved annual estimates, material consumption statements, certificates of satisfactory work from beneficiaries, log books/ history cards of water supply schemes and tubewells with reference to deployment of work charged staff. Further, complaint books and accounts of scrap materials taken out during repairs of tubewells were not maintained. Besides, these repair works were never inspected by Superintending Engineers during 1996-2000, though required under government decision of May 1987 appended to BPWA code. Non furnishing of records raises doubts about these repair works.

4.2.7 Procurement of stores

Procedures for acquisition of stores

Based on the indents of Executive Engineers for stores routed through Superintending Engineers and Regional Chief Engineers annual procurement of stores (UPVC pipes, GI pipes, strainer, hand pumps) was arranged by Engineer-in-Chief. Purchases were made at the rates approved by the Central Purchase Committee after inviting tenders. However, in case of emergencies, Chief Engineers and Superintending Engineers could also procure materials as per powers delegated to them on the basis of indents received from Executive Engineers. Deficiencies in procurement of stores were as under :

¹³ Araria (Rs 54 lakh), Aurangabad (Rs 31.60 lakh), Bhagalpur East (Rs 48.97 lakh), Bhagalpur West (Rs 51.51 lakh), Biharsharif (Rs 130.00 lakh), Darbhanga (Rs 69.99 lakh), Godda (Rs 13.34 lakh), Hajipur (Rs 267 lakh), Madhubani (Rs 111.52 lakh), Motihari (Rs 145 lakh), Munger (Rs 79 lakh), Nawada (Rs 93.39 lakh), Patna East (Rs 50.25 lakh), Purnia (Rs 212 lakh), Sahebganj (Rs 12 lakh), Sasaram (Rs 65.28 lakh), Samastipur (Rs 147.69 lakh), and Siwan (Rs 66.13 lakh).

¹⁴ Adityapur, Bhagalpur East, Bhagalpur West, Biharsharif, Darbhanga, Deoghar, Gaya (Mechanical) Giridih, Godda, Hazipur, Munger, Muzaffarpur (Mechanical), Patna East, Sahebganj, Siwan and Tenughat.

Procedures violated in procurement of materials

(i) As per Government order (December 1983), materials were to be procured by the department against availability of funds. In violation of this, the Engineer-in-Chief continued to procure materials from DGS&D upto 1996-97. The debit advices in respect of stores purchased through DGS&D to various PHE Divisions amounting to Rs 16.62 crore relating to the years 1983-97 were pending adjustment in accounts as of March 2001.

In PH Mechanical Division, Dhanbad alone debit memos issued by the Accountant General (A&E) between September 1993 and June 1995, stores (pipes, T&P etc.) valued at Rs 42.41 lakh procured through DGS&D were not accounted in divisional accounts as of March 2001.

Purchases over and above allotment of funds

Of these, debit advices for Rs 7.22 crore were pending adjustment in 17 divisions¹⁵ test checked. All such procurements were made by the department/divisions over and above allotment of funds and thus budgetary restrictions were bypassed. Though, the departmental Scrutiny Committee headed by the Chief Engineer (Urban), PHED felt the necessity (April 2000) for special audit of such transactions on plan works in 9 divisions¹⁶ during 1985-97 by the Finance Department, the Chief Engineer did not get such audit conducted as of March 2001. Further the Executive Engineer, PHE Division, Ranchi West stated to the committee that he would ascertain the position in regard to adjustment of pending debit memos for Rs 56.85 lakh in the division and inform the committee by the 10 May 2000. It was observed that the Executive Engineer did not inform the committee as of June 2001.

No audit by Finance department of unauthorised purchase

Excess procurement led to idling of stores

(ii) Purchase of stores was to be made for immediate utilisation in works in order to avoid over-stocking and idling of stores. In disregard of this EIC made excessive procurement of stores (UPVC pipe, G.I. Pipe, UPVC strainer, IM-III hand pumps, Tara pumps sets etc.) during 1996-2000 for various divisions in the State. This resulted in idling of stores valued at Rs 14.94 crore in different divisions as of March 2001 (Refer : Appendix-XXIII). It was observed that entire funds were spent for purchases of material at the fag end of the financial year while no funds were available for labour components of works.

Materials not used in works not recovered from agencies

In 2 PH Divisions (Godda and Adityapur) materials for construction of drilled tubewells under MNP 1997-98 (IM III Hand Pump sets, 125 mm dia UPVC pipe, 65 mm dia GI Pipe, cement etc.) valued at Rs 10.61 lakh issued to 8 agencies and not used in works were not recovered from them by the Executive Engineers as of May 2001.

EIC procured materials without indent from divisions

Further, during 1999-2000 EIC procured 65 mm dia GI pipe and 125 mm UPVC pipe valued at Rs 56.19 lakh for three divisions (Bhagalpur East, Giridih and Godda) without any indent for the same by the divisions concerned and the materials were lying unutilised in site accounts. These unused purchases require investigation.

¹⁵ Aurangabad, Bhagalpur East, Biharsharif, Darbhanga, Giridih, Godda, Hajipur Madhubani, Moihari, Nawada, Patna East, Purnea, Sahebganj, Samastipur, Sasaram, Siwan and Tenughat.

¹⁶ Betia, Chas, Chatra, Garhwa, Giridih, Patna East, Saraikela, Shekhpura and Simarhi.

Purchase of specific articles without sanction of SE/CE (iii) Four Divisional Officers (Aurangabad, Bhagalpur East, Patna Mechanical and Tenughat) unauthorisedly purchased materials like bleaching powder and spare parts of hand tubewells, motor pumps and electrical goods etc. valued at Rs 24.54 lakh during 1996-2000, though purchases of these materials were to be made by the Chief/ Superintending Engineers.

Equipment procured in March 1998 not installed (iv) Divisional Officer, PH Mechanical Division Patna procured 4 vertical turbine pumps, 5 submersible pump sets and 2 chain pullies costing Rs 19.62 lakh in February and March 1998 for 4 Town Water Supply Schemes (Noorsarai, Sohsarai, Chandi and Rajgir). The equipment procured were not installed as of December 2001 due to incomplete related civil works resulting in idling of the equipment valued at Rs 19.62 lakh for over 4 years.

Receipts for transfer of stores not credited to revenue (v) In 5 divisions¹⁷ sale proceeds of Rs 40.21 lakh for stores transferred to other divisions during 1996-2000 were unauthorisedly kept in "Public Works Deposits" for their utilisation in works in subsequent years.

Thus, violation of rules and procedures in procurement of stores by the Engineer-in-Chief, Chief Engineer, Superintending Engineers and the Executive Engineers led to purchases of stores over and above allotment of funds, unauthorised purchases, excess procurement of stores, procurement of stores without indent from divisions, transfer of materials without recovery of costs etc.

4.2.7.1 Losses/ misappropriation of stores

Stores misappropriated (i) Misappropriations of stores valued Rs 1.15 crore were noticed in 8 divisions test-checked. (Refer Appendix-XXIV).

No departmental action for theft of stores (ii) In 4 divisions¹⁸ motor pumps and allied articles, GI pipes etc costing Rs 32.68 lakh were stolen from various sites during 1992-2000. FIRs were lodged with police in all cases but findings of the police were not available. It was noticed that no departmental action was initiated for fixing responsibility and recovery of the losses.

Materials diverted (iii) In 8 divisions¹⁹ materials valued at Rs 1.55 crore procured for ARWSP and MNP were diverted to other works during 1996-2001 without recovery of cost which allowed these two programme to suffer.

4.2.7.2 Physical verification of stores

Absence of annual physical verification of stores (a) Though required under rules, annual physical verification of stores in divisions, sub-divisions and at work sites was not conducted regularly. Such verification was conducted after 2 to 3 years in the divisions test-checked while in PH Division, Bhagalpur West it was not conducted since October 1992. Failure entailed risks of misappropriation/pilferage of stores.

¹⁷ Aurangabad, Darbhanga, Godda, Patna(mech) and Tenughat.

¹⁸ Aurangabad, Deoghar, Dhanbad (Mech) and Tenughat.

¹⁹ Adityapur, Bhagalpur East, Bhagalpur West, Darbhanga, Deoghar, Godda, Nawada and Tenughat.

No action for disposal of unserviceable stores (b) No step was taken by Divisional Officers for disposal of unserviceable materials by way of auction, sale or write off, as the case may be. Accounts of scrap materials taken out in cases of repairs of tubewells were not maintained. Therefore, possible misappropriation of scraps was not ruled out. The Executive Engineers did not prepare survey report on unserviceable articles and initiate action for their gainful disposal. The Superintending Engineers concerned also did not nominate officers to verify physical status of stores in the divisions.

JEs did not submit site accounts (c) Materials at site accounts, which were to be submitted monthly by Junior Engineers, were submitted to the Divisional Officers after 6 to 12 months and in some cases not submitted at all. As a result shortage/excess utilization of stores in works / balance of stores at sites were not controlled by Divisional Officers in all the divisions test checked.

4.2.8 Mechanical wing

Mechanical wing for repair and maintenance of machineries There was a mechanical wing in the department for repairs and maintenance of machineries, operation of rural and urban water supply schemes and drilling of tubewells through rig machines.

Avoidable payment of delayed payment surcharge on electricity bills (i) Mechanical Divisions (Dhanbad, Gaya, Muzaffarpur and Sasaram) paid Rs 1.11 crore to Bihar State Electricity Board on account of delayed payment during 1996-2000. Besides the divisions also sustained loss of rebates of two paise per unit on timely payment. Payment of delayed payment surcharge was attributed (May-December 2000) by the Divisional Officers to untimely and inadequate provisions of fund by the department.

Unliquidated liability of electricity bills Further, Mechanical Divisions, Dhanbad and Gaya had undischarged liabilities of Rs 23.24 crore (Dhanbad- Rs 9.95 crore and Gaya- Rs 13.29 crore) on account of arrear electricity charges and delayed payment surcharge thereon as of July 2000.

Double payment of electricity bills (ii) Scrutiny of records of Mechanical Division, Patna revealed that Rs 9.37 lakh were paid to Bihar State Electricity Board (BSEB) Patna against a demand of Rs 10.11 lakh in respect of Urban Water Supply Scheme, Barh for the month of December 1999 leaving a balance of Rs 0.74 lakh unpaid. Another demand of BSEB for Rs 10.63 lakh for the same connection for the month of January 2000 which included arrears of December 1999 was paid in full by the Divisional Officer without proper check. This resulted in double payment of Rs 9.37 lakh (Rs 10.11 lakh – Rs 0.74 lakh).

Electricity charges paid for non-functional rural water supply schemes (iii) Electricity charges (Rs 6.57 lakh) were paid by the Divisional Officer, PH Mechanical Division, Sasaram between October 1999 and February 2000 for five Rural Water Supply Schemes which remained non-functional on account of mechanical and electrical defects for more than one year

4.2.9 Absence of Water Quality Testing

Testing of water necessary In order to ensure supply of safe potable water to the people chemical, bacteriological and biological examination of water was to be conducted

Water tests, where conducted, disclosed supply of contaminated water

before it was allowed for public use. There were 3 water testing laboratories (Muzaffarpur, Patna and Saharsa) in the State. However, 18 out of 22 divisions test checked did not get the water of drilled/ hand tubewells examined causing serious risks to human health. In four divisions²⁰ test-checked, where water test was conducted during 1996-2000 water of 38 tubewells out of 40 checked contained excessive iron, fluoride and arsenic elements but the Divisional Officers did not take any corrective measures to make the water potable. As a result contaminated water was being provided to at least 4500 persons in these divisions.

Ineffective management of information system

4.2.10 Management Information System (MIS)

Management Information System (MIS) for planning, monitoring and information of various drinking water supply schemes was to be introduced in the PHED under cent percent Central assistance. For this, Rs 87.43 lakh were released by Government of India during 1998-2001; out of this, Rs 24.17 lakh were utilised by the State and Rs 63.26 lakh remained unutilised (June 2001) due to non-allocation of funds in the State Budget for this purpose. Thus, the system of planning, monitoring and implementation of various activities in water supply sectors on information technology (IT) based MIS was not upgraded in the PHED.

IEC activities grossly neglected

4.2.10.1 Information Education and Communication (IEC)

Awareness creation campaign programme based on IEC on matters related to water borne diseases manifestations and symptoms was being implemented under Rajiv Gandhi National Drinking Water Mission (RGNDWM) in Pilot Districts of Bihar (Siwan, Purnia, and Dhanbad) on a 50 : 50 cost share between central and state governments. Government of India approved IEC Projects costing Rs 1.45 crore for Bihar and against this, released Rs 36.36 lakh (June 1997) which was not utilised by the State as of March 2001. Against central share released State Government contributed Rs 28.00 lakh only during 1999-2000.

PH Division, Patna West paid Rs 24.74 lakh to the Director, Delhi Doordarshan in March 2000 without approval of any tele film on IEC activities for telecast. Similarly under MNP Rs 15.00 lakh were paid to Director, Patna Doordarshan in March 2000 without providing any IEC material for telecast. Utilisation certificates for both the funds were not obtained by the division from the Doordarshan as of March 2001. Further, Rs 1.25 lakh was paid (March 2000) to Bihar State Text Book Publishing Corporation, Patna for printing hand books on "Iron Removal and Sanitation" which was not printed as of March 2001.

Thus IEC activities were grossly neglected.

²⁰ Biharsharif, Hazipur, Munger and Sahebganj.

4.2.11 Manpower management

Ineffective manpower management

The department did not maintain record/register for posts of various categories of officers and staff (both technical and non-technical) and men-in-position in the State. As a result, adequacy of man power in the Department was not known. Further the department did not monitor efficient and effective utilisation of available manpower to eliminate waste/loss of mandays.

As per the budget proposals for the year 2000-01, the department had 16274 employees (Technical:1462; Non-technical:3590; Work charged:11222) but the initial information/records, on the basis of which the number of employees was worked out, was not made available to Audit. The department was burdened with the large number of work charged staff (11222). The ratio of work charged staff to regular employees in the department was 7:3.

Huge sums spent on staff without work

In 6 divisions Rs 3.66 crore were spent on idle staff as detailed below:

(i) In Muzaffarpur (Mech), Bhagalpur East and Bhagalpur West divisions 448 work charged staff were in position against 288 as per norms resulting in excess deployment of 158 work charged staff involving excess expenditure of Rs 1.57 crore on their pay and allowance during 1996-2000.

(ii) In PH Mechanical Division, Gaya 210 operational staff for 69 non-functional Rural Water Supply Schemes were without work, while Rs 0.54 crore were spent on their pay and allowances during 1996-2000.

(iii) In PH Division, Deoghar one jeep driver was idle for last four years, as the jeep was under major repairs, resulting in payment of Rs 2.40 lakh on his pay and allowance during 1996-2000 without work.

(iv) Forty eight (out of 94) rig machines were non-functional in 11 mechanical divisions²¹ for last 5 to 8 years. Total 336 operational staff were deployed on those non-functional rig machines. Rupees 11.49 crore spent on their pay and allowance during 1996-2001 without work proved nugatory.

Benefits of central funds not availed

4.2.11.1 The National Human Resource Development Programme (NHRDP) which was launched by RGNDWM from 1994 stipulated to provide 100 per cent financial input and technical guidelines for HRD and conducting training programmes. Rupees 69.99 lakh released by Government of India in 1994-95 for establishing HRD Cell in Bihar was not drawn by the State due to delay in creation of HRD cell. Subsequently, Government of India released the same amount in August 1997. Against this, the department spent Rs 21.81 lakh on establishment of cell and did not utilize Rs 48.18 lakh as of June 2001. Thus the State failed to avail of the intended benefits of central funds.

²¹ Bhagalpur, Daltonganj, Dhanbad, Dumka, Gaya, Hazaribag, Jamshedpur, Munger, Patna, Ranchi and Sasaram.

4.2.12 Inspection Reports remained unattended

Poor response to
Inspection Reports

During 1983-2000, 683 Inspection Reports containing 2939 paragraphs highlighting financial irregularities of Rs 726.72 crore in various offices of the department remained unattended. These were pending (October 2000) for want of compliance to audit observations and corrective action by concerned officers. Even initial replies were not furnished against 264 Inspection Reports by the departmental officers. Details were as under :

Sl. No.	Categories of Audit observation	Nos. of Paras	Amount involved (Rupees in crore)
1.	Unfruitful expenditure on rural water supply scheme	577	163.39
2.	Loss due to shortage of materials	439	42.34
3.	Fictitious adjustments & booking of materials	371	45.54
4.	Undue financial aid to contractors	179	21.87
5.	Blocking of Govt. funds	157	56.21
6.	Outstanding recovery of over payment	37	57.29
7.	Loss due to substandard damaged works	24	2.34
8.	Irregular expenditure on establishment	754	225.54
9.	Irregular expenditure of Machinery in excess of estimated grants	148	34.04
10.	Loss due to non handing over charge of store in charge.	05	.68
11.	Non rendering of accounts by LAO	11	2.62
12.	Drawal of funds in violation of LOC	41	29.97
13.	Non encashment of deposite/Bank Guarantee	11	1.05
14.	Non levy of penalty	37	1.67
15.	Outstanding recovery of Misc. PW Advance	148	42.17
	Total	2939	726.72
	Initial reply not received I/R/Paras	I.Rs 264	Para 1670

4.2.13 Monitoring

Inefficient/ ineffective
monitoring

The monitoring cell headed by a Superintending Engineer under EIC was responsible for coordination and monitoring of schemes with the assistance of two Deputy Directors (Evaluation and Investigation) and one Executive Engineer (Monitoring) each for rural and urban water supply scheme.

It was observed that effective implementation of the schemes suffered due to lack of co-ordination among planning, monitoring, purchase, budgeting and implementing units of the department. Lack of coordination and monitoring at the Engineer-in-Chief level and his functionaries viz CE, SE and EE resulted in wasteful/ unfruitful expenditure, extra cost, excessive purchase of materials, allotment of fund at the fag end of financial years, huge idle investments on incomplete schemes for years and a large number of unsuccessful and abandoned schemes.

The points were referred to Government (August 2001); their reply had not been received (January 2002).

SECTION-B: PARAGRAPHS

BUILDING CONSTRUCTION AND HOUSING DEPARTMENT

4.3 Illegal appointment of daily wage labours : Rs 2.50 crore

Illegal appointments of daily wages labours resulted in unauthorised expenditure of Rs 2.50 crore

In July 1975 Government imposed ban on creation of work-charged posts and also filling up of prevailing vacant posts. The order was reiterated in October 1987 with retrospective effect from 22 October 1984.

The Chief Engineer (CE) South Bihar Wing, Building Construction Department, Bihar, Patna sanctioned (January 1986) 50 posts of work charged Mali (Gardener) and appointed (June 1986) 40 daily-wage labours against these posts. Remaining 10 posts were filled by the Superintending Engineer (SE), Garden Organisation, Building Construction Department, Bihar, Patna in December 1987.

As per Personnel and Administrative Reforms Department, Government of Bihar notification (June 1993) all the appointments of daily wage labours made against sanctioned vacant posts after August 1985 in government offices were to be treated as illegal and were to be cancelled. Despite these orders, no action was taken to cancel the appointment orders of the work charged Malis and other work charged labours.

Further, the Executive Officer, Garden Division, Patna in disregard of Government (Finance Department) instructions of October 1975 illegally regularised the services of 9 (out of 50) Malis between July 1987 and August 1990.

Unauthorised continuation of daily wage labours in disregard of Government orders resulted in unauthorised expenditure of Rs 2.50 crore on the pay and allowances of the work charged employees during January 1986 to January 2002. Of these, Rs 2.09 crore pertained to the period from July 1993 to January 2002.

The matter was referred to Government (June 2001); their reply had not been received (January 2002).

ROAD CONSTRUCTION DEPARTMENT

4.4 Extra expenditure in road works for over 6 years

Taking up road works without ensuring availability of funds resulted in extra expenditure of Rs 23.58 lakh on rectification of damaged road crust and huge expenditure of Rs 80.46 lakh on incomplete road works for nearly 6 years

Widening and strengthening of Mohania-Ramgarh road (15 km long) was administratively approved (January 1991) for Rs 1 crore and technically sanctioned (June 1993) for Rs 1.12 crore by Chief Engineer, Central Design Organisation, Patna. The work inter-alia provided for formation of road crust by sand filling Stone Metal providing 75 mm thick bituminous spray grouting (BSG over WBM : 2nd to 12th km) and bituminous surface (1st to 15th Km) and finally providing 20 mm thick premix carpet over bituminous surface.

The work was originally taken up by Road Construction Division, Buxar and was allotted (November 1993) for Rs 1.21 crore to an agency 'A' for completion by November 1995. The agency expressed its inability (November 1995) to execute further work due to non-payment of claim in time. The contract for the work was closed (June 1998) for want of fund. The agency was paid Rs 14.03 lakh (November 1998) as the value of work done.

As a result of stoppage of work, road crust in 15 km length of road was damaged. For rectification of damaged road Executive Engineer, Road Division, Bhabhua (a newly created division) executed 3 contracts (December 1998) with another agency for Rs 17.58 lakh for completion of work within 6 months. Against this, Rs 23.58 lakh were paid as of April 2001.

Besides, the residual work of widening and strengthening the road was also allotted (November 1998) to the agency 'B' after retendering at a cost of Rs 89.66 lakh for completion by December 1999. It was also observed that there was delay of 2 ½ years in according technical sanction and re-award of work after 37 months resulting in cost overrun of Rs 16.00 lakh and time overrun of over 6 years. A sum of Rs 42.85 lakh was paid to the agency as of January 2001 and the road work remained incomplete.

Thus, taking up the road work without ensuring availability of funds resulted in extra expenditure of Rs 23.58 lakh on rectification of damaged road crust and huge expenditure of Rs 80.46 lakh (Rs 14.03 lakh + Rs 23.58 lakh + Rs 42.85 lakh) on incomplete road works.

The matter was referred to Government (June 2001); their reply had not been received (January 2002).

4.5 Idle investment on incomplete bridges : Rs 1.16 crore

Failure of the Executive Engineer to monitor progress of work resulted in idle investment of Rs 1.16 crore on incomplete bridge works

Construction of 8 Screw Pile Bridges, 9 Hume Pipe Culverts, one approach to causeway in different stretches of 6 roads¹ in Muzaffarpur district was administratively approved by Road Construction Department for Rs 2.12 crore and technically sanctioned by Chief-Engineer, Central Design Organisation, Patna for Rs 2.20 crore in December 1998. Against this, Rs 2.31 crore were provided by Road Construction Department during 1998-99 to 2000-2001 to Executive Engineer (EE), Road Construction Division No.2, Muzaffarpur who spent Rs 1.70 crore on contractors payment (Rs 1.61 crore) and other contingent payments (Rs 09 lakh). Balance amount of Rs 61 lakh was surrendered/lapsed.

The EE executed 19 agreements (18 during 1998-99 and one in 1999-2000) with 9 tenderers at a total contract value of Rs 2.17 crore for completion of works during March to June 1999 (except work against one contract by June 2000). All the works were awarded between 1998-2000. The contractors executed work for total value of Rs 1.61 crore which included completion of 9 hume pipe culverts and one vented causeway as of November 2000 at a total cost of Rs 54.12 lakh. Work of screw pile bridges (8 nos.) and approach to causeway (1 no.) was incomplete as works were abandoned by the contractors, while EE spent Rs 1.16 crore on these works. Works on all the bridges commenced but remained incomplete. EE stated (November 2000) that works remained incomplete due to paucity of funds. Scrutiny revealed that this was not correct as Road Construction Department provided to the division more funds than required but the Divisional Officer failed to monitor progress of works in order to ensure completion of works as per schedule. In the construction of the bridges, the following points were noticed:

- (i) Works for construction of 3 Screw Pile Bridges located at 25th km of Shivhar-Sitamarhi road and 1st and 4th km of Shivhar-Minapur road entrusted to two tenderers at a total contract value of Rs 60.94 lakh were abandoned by the contractors without assigning any reason, EE had made payments (December 1999 to March 2000) of Rs 36.69 lakh. However, as per final measurement of work recorded in March-June 2000 actual execution of work was for Rs 24.98 lakh only resulting in excess payments of Rs 11.71 lakh. This excess payment was rendered possible due to inflated measurements and the failure of EE to conduct prescribed check measurement at earlier occasions.
- (ii) The work of construction of screw pile bridge in 25 km of Runni Saidpur-Katra road was entrusted to the lowest tenderer at Rs 21.40 lakh on 5 March 1999 for completion by 31 March 1999. The contractor after receiving

¹ Shivhar-Minapur Road, Shivhar-Sitamarhi-Musurah-Belwaghat Road, Minapur-Belsand Road, Majhauri-Katra Road, Runnisaidpur-Katra-Kewatsa road and Rajepur Kachautia Road

construction materials for Rs 12.16 lakh abandoned the work without assigning any reason. He did not return the materials to the division as of November 2000. EE took no effective action to receive back the materials or get the work completed by another agency at his risk and cost as per contract. EE did not forfeit the security deposits of Rs 1.84 lakh of the contractor. He did not also report the matter to the Police/ the Accountant General/ higher departmental authorities as required.

Thus, failure of the EE to supervise the work and also ensure desired progress of work resulted in investment of Rs 1.16 crore idling for two years on incomplete bridge works. This included excess payment of Rs 11.71 lakh and misappropriation of bridge materials for Rs 12.16 lakh.

The matter was referred to Government (June 2001); their reply had not been received (January 2002).

4.6 Unfruitful expenditure on road works : Rs 2.14 crore

Taking up of work without availability of funds resulted in unfruitful expenditure of Rs 2.14 crore on incomplete road works.

Superintending Engineer (SE), Road Construction Circle, Muzaffarpur invited 24 tenders during 1990-94 for improvement of Chhapwa-Harsidhi-Sewaraha road (length 19.15 km) works comprising earth work, construction of road crust, bridge and culverts. The tenders were finalised at the lowest tendered cost of Rs 1.32 crore. Executive Engineer (EE), Road Construction Division, Motihari executed 27 agreements for Rs 1.32 crore between 1990-91 and 1993-94 for completion of the works between 1993-94 and 1996-97.

Out of 19.15 km, works on road length of 7 km (5th to 7th, 10th, 12th, 15th and 18th) (agreement value: Rs 50 lakh) were completed in March 1992 at a cost of Rs 48.54 lakh. The remaining road works of 12.15 km (1st-4th, 8th, 9th, 11th, 13th, 14th, 16th, 17th and 19.15th km) with the agreement value of Rs 82 lakh were awarded to contractors (20 agreement) during 1990-94. However after receiving Rs 48.55 lakh contractors stopped works in 1997 due to non-payment of bills.

The left over works (value: Rs 33.45 lakh) were awarded to two contractors (on lowest tender basis) in March 1999 for a total agreement value of Rs 1.63 crore for completion by September 1999. As of October 2001, works were not completed while Rs 1.17 crore were paid to the contractors. Two stretches of 2 km roads (4th and 7th km) were not started as of October 2001 for want of technical sanction. Thus, there was cost overrun of Rs 83.55 lakh and time overrun of more than 4 years on 12.15 km road while 7 km road was completed in time and with less than estimated cost.

Besides, incomplete roads, bridge and culvert works resulted in non-utilisation of even the completed portion of the road and unfruitful expenditure of Rs 2.14 crore.

Thus the road/bridge works were taken up by the division without ensuring availability of funds resulting in unfruitful expenditure of Rs 2.14 crore on road works lying incomplete for over 7 years.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

4.7 Unproductive expenditure of Rs 79.60 lakh on a high level bridge and doubtful construction of approach road: Rs 36.85 lakh

Unproductive expenditure of Rs 79.60 lakh on high level bridge besides doubtful expenditure of Rs 36.85 lakh on construction of approach road

Construction of a high level bridge over river Kao in 38th km of Dumraon-Bikramganj road was completed in June 1991 by the Bihar State Bridge Construction Corporation Ltd. at a cost of Rs 79.60 lakh. An estimate for construction of approach road to link the bridge was sanctioned by Chief Engineer (CE) Central Design Organisation (CDO) Patna for Rs 15.18 lakh in November 1993. No work was undertaken against this estimate. After seven years, CE, CDO accorded (February 2000) revised technical sanction for Rs 68.80 lakh. Executive Engineer (EE), Road Construction Division, Dehri-on-sone invited tender for the work in March 2000. The lowest rate offered by a tenderer was for Rs 57.33 lakh. However, on report of another contractor that his tender papers were snatched by anti social elements, CE, South Bihar Wing, Patna ordered (May 2000) for retender.

The contractor executed agreement (17 March 2001) for completion of work by December 2001 and received payment of Rs 36.85 lakh upto March 2001 for the value of work done. There was no progress of work since then as of May 2001. Scrutiny of records (May 2001) revealed that 65 per cent of work (earth work, compaction of earth work, sand filling, providing stone metal Gr. I, II and III boulder pitching etc.) valued Rs 36.85 lakh was done within 12 days (from the date of agreement) which was unrealistic particularly in view of the fact that the work was stipulated to be completed in 9 months. Moreover, the Executive Engineer issued work order to contractor on 5 March 2001, prior to execution of agreement. EE stated (May 2001) that the contractor was capable of doing huge volume of work. This was not tenable because as per labour registration certificate issued (December 2000) by Labour Department, the contractor was authorised to engage only 50 labours per day. Thus, the payment of Rs 36.85 lakh to contractor for 12 days work was doubtful and needs investigation.

Further, due to delay in construction of approach road the completed high level bridge was lying unused for 10 years as of May 2001.

The matter was referred to Government (August 2001); their reply had not been received (January 2002).

WATER RESOURCES DEPARTMENT

4.8 Non functional workshop

Rupees 1.12 crore were spent for 7 years on pay and allowances of 28 staff of a mechanical workshop where no job was done since 1994 due to absence of power supply

A mechanical workshop having sanctioned strength of 28 technical staff of various cadres was functioning (since April 1954) under Irrigation Division, Bathnaha of Eastern Kosi Project for repair and maintenance of canal gates and all types of vehicles of the divisions located nearby.

The workshop has been non-functional for last 7 years as no job had been done in the workshop since November 1994. Executive Engineer stated (July 2000) that there was no power supply for the past 10 years due to non-payment of energy charges to the Bihar State Electricity Board. Rupees 1.12 crore were spent during November 1994 to December 2001 on pay and allowances of the 28 idle staff who were posted in the workshop.

Besides, the machinery, tools and plants of the workshop remained idle and during the period Rs 9.73 lakh were spent on repair and maintenance of canal gates and inspection vehicles by private agencies.

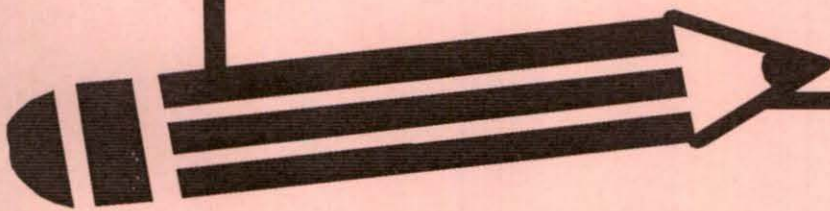
Thus, non-functioning of workshop resulted in nugatory expenditure of Rs 1.12 crore on staff who had no work.

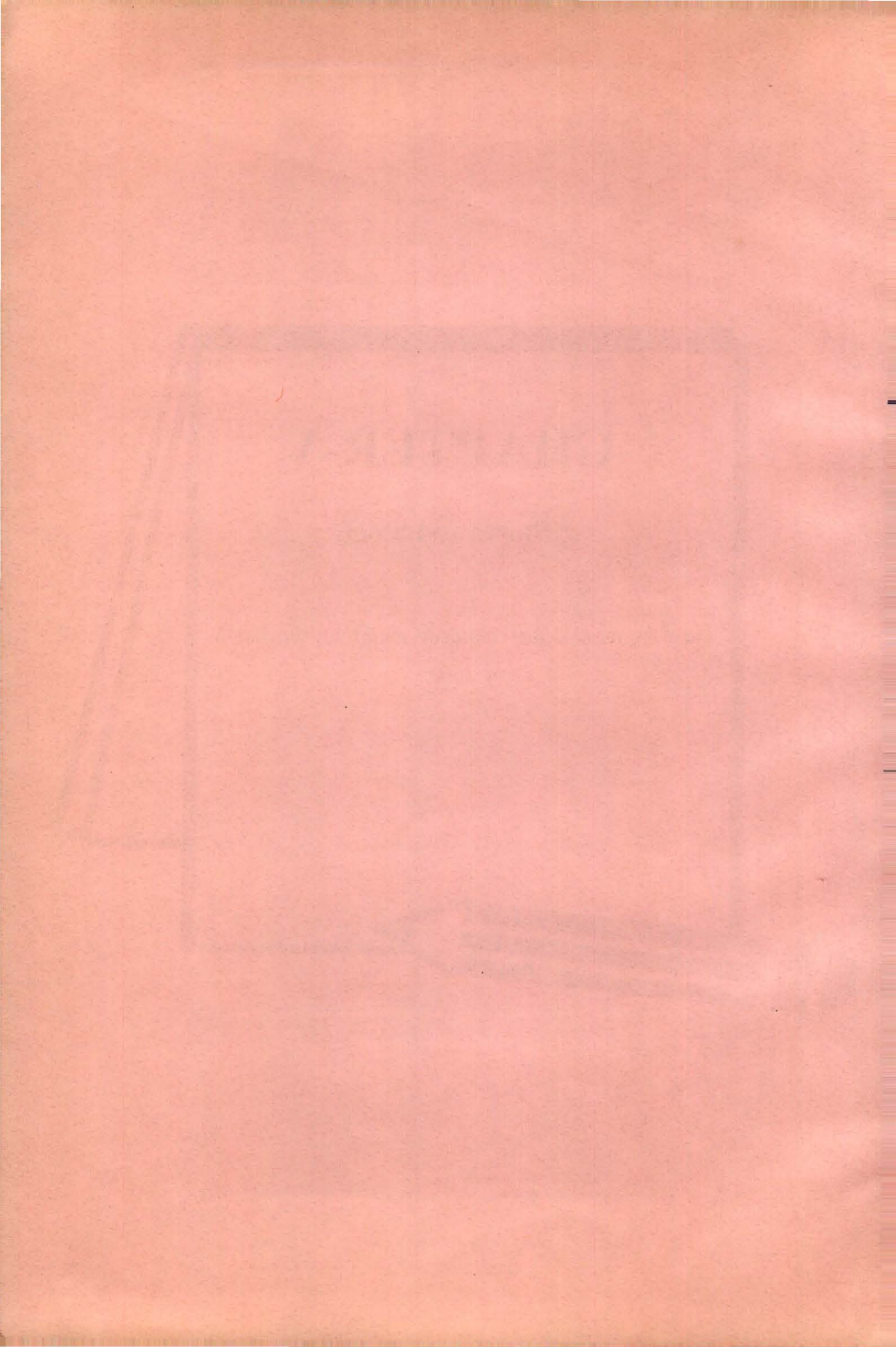
The matter was referred to Government (June 2001); their reply had not been received (January 2002).

CHAPTER-V

Stores and Stock

**The Chapter contains comments on misappropriation
of stores**





CHAPTER - V

STORES AND STOCK

SECTION - B : PARAGRAPH

ROAD CONSTRUCTION DEPARTMENT

5.1 Misappropriation of bitumen and persistent refusal to produce records

Road Construction Division, Darbhanga had no information on receipt and distribution of bitumen valued at Rs 1.17 crore.

Based on orders placed on Indian Oil Corporation (IOC), Haldia (between March 1991 and October 1992) by Engineer-in-Chief for supply of 2500 tonne bitumen, the company supplied 2490 tonne bitumen valued Rs 99.45 lakh to Road Construction Division, Darbhanga through a carriage contractor (between June 1992 and March 1994). The Division paid Rs 17.11 lakh to the carriage contractor¹ as carriage charges. However, the division did not produce any site account to show utilisation of bitumen in any work. In view of persistent non-production of records by the Divisional Officers fraud and misappropriation of bitumen costing Rs 1.17 crore (Rs 99.45 lakh + Rs 17.11 lakh) could not be ruled out.

The failure of the division was also brought to the notice of Government (September 1999) and the Chief Secretary to Government of Bihar (October 2000) but their response was not received as of May 2001.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

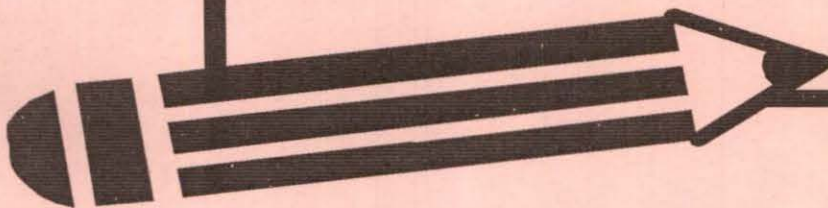
¹ Pawan Carrier, Park Street, Calcutta

CHAPTER-VI

Financial Assistance to Local Bodies and others

Section-A : Contains performance appraisal of Implementation of Environmental Acts and Rules relating to Air Pollution and Waste Management

Section-B: Contains other major audit points



CHAPTER - VI
FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

SECTION - A - REVIEW

FOREST AND ENVIRONMENT DEPARTMENT

6.1 Implementation of Environmental Acts and Rules relating to Air Pollution and Waste Management

Highlights

State Pollution Control Board did not adequately implement Environmental Acts and Rules relating to air pollution and waste management. No action was taken for survey and investigation of polluting units. Action on proper surveillance, technological upgradation, ambient quality observation, vehicles and noise pollution were very inadequate. Establishment of pollution control system, dissemination of information, training and research, regular inspections were neglected. Conditions for storage, treatment and disposal of hazardous/bio-medical/municipal solid wastes generated etc. were not fulfilled. As a result, there was high/critical concentration of suspended particulate matter in air in the major towns.

State Pollution Control Board did not conduct detailed survey of polluting industrial units.

(Paragraph 6.1.5)

Consent management suffered from lack of coordination between the Board and the industries department. No Mandatory prior consent of BSPCB to industrial units were ensured before these were set up.

(Paragraph 6.1.6 (a))

Emission standards adopted by the BSPCB were not as per the Government of India policy statement for pollution abatement. As a result, technological upgradation to prevent pollution and regulate waste suffered.

(Paragraph 6.1.7)

In three NAAQM stations, there was high or critical concentration of suspended particulate matter in air indicating high level of air pollution.

(Paragraph 6.1.8)

As per norms fixed by Government in November 1994, 21 emission testing stations were to be set up in the State. Against this, only 4 were set up, of which one at Begusarai is dys-functional since 1997 due to lack of manpower.

(Paragraph 6.1.9)

In Patna, Jamshedpur, Hazaribag, Dhanbad towns average ambient noise level exceeded the standards prescribed.

(Paragraph 6.1.10)

Large number of industrial units had no facility to comply with stipulated emission and effluent standards. The BSPCB did not initiate legal action against defaulting industries.

(Paragraph 6.1.11)

Dissemination of information on air pollution by Government and BSPCB was not adequate. Awareness meeting/ seminar was held by the BSPCB only once a year on environmental day.

(Paragraph 6.1.13)

BSPCB did not prescribe norm or fixed targets for inspections of 8500 industries though required as per the guidelines issued by Government of India. In six years, only five thousand inspections were done in the State.

(Paragraph 6.1.16)

There was no facility for treatment, storage and disposal of huge quantity of hazardous wastes generated in the State. Identification of sites for disposal of hazardous wastes was not made. Though handling of bio-medical wastes needed authorisation by Government/BSPCB, the institutions which generated bio-medical wastes were not identified.

(Paragraph 6.1.19 (a) & (b))

165 hospitals, dispensaries and nursing homes in Patna and Gaya town released the untreated biomedical wastes in the local areas creating serious health hazard.

(Paragraph 6.1.19 (b))

The BSPCB did not issue mandatory authorisation to any of the 170 local bodies in the State. No local body managed and handled solid wastes in accordance with the Environmental Acts and Rules. Proposal for setting up a compost plant for raw garbages in Patna was pending with Government for over an year.

(Paragraph 6.1.19 (c))

Monitoring of implementation of the Environmental Acts and Rules was inadequate and ineffective in the State and effectiveness of implementation was not evaluated.

(Paragraph 6.1.22)

6.1.1 Introduction

Air (Prevention and Control of Pollution) Act, 1981 was enacted (March 1981) by Parliament followed by enactment of comprehensive Environment (Protection) Act 1986 as an umbrella Act to cover all the specific and general provisions of pollutants including Waste (hazardous, municipal solid and bio medical waste) management. Accordingly various rules viz Hazardous Waste Rule, 1989; Manufacture, Storage and Imports of Hazardous Chemical Rules, 1989; Bio-medical Waste Rules, 1998 and Municipal Solid Waste Rules 2000 were framed by the Government of India (GOI). In all 8506 units (industries: 3749; hospitals and nursing homes: 4587 and municipal bodies: 170) and 17.13 lakh vehicles were the major air and other pollutants in the State. Soil was polluted by hazardous and toxic chemical wastes.

6.1.2 Organisational set up

Forest and Environment Department headed by Commissioner cum Secretary was responsible for implementation of Environmental Acts and Rules in Bihar through Bihar State Pollution Control Board (BSPCB) consisting of a Chairman, a Member Secretary, 5 members representing the State Government, two officers from State Corporation/Board and three non official members. The State Board had two zonal¹ offices, eight regional offices², a central laboratory and 7 regional laboratories³. At Government level, the Secretary was assisted by an Advisor, 3 Deputy Advisors and other support staff.

6.1.3 Audit coverage

Deficiencies in implementation of Environmental Acts and Rules relating to water pollution featured in the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 2000. Implementation of Environmental Acts and Rules relating to control of Air Pollution and waste management during 1995-2001 was reviewed between March and June 2001 by test-check of records of Forest and Environment Department, State Pollution Control Board and its 5 regional offices⁴. Information relating to pollution due to vehicles, municipal waste and bio-medical waste was collected from 3 Departments (Transport, Urban Development, Health and Family Welfare), 2 Municipal Corporations⁵, 4 Municipalities⁶, 6 Civil Surgeon-cum-Chief Medical Officer⁷.

¹ Both at Patna

² Begusarai, Deoghar, Dhanbad, Hazaribag, Jamshedpur, Muzaffarpur, Patna and Ranchi

³ Begusarai, Deoghar, Dhanbad, Hazaribag, Jamshedpur, Muzaffarpur and Ranchi

⁴ Begusarai, Dhanbad, Jamshedpur, Muzaffarpur and Ranchi

⁵ Patna and Ranchi

⁶ Begusarai, Dhanbad, Jugaslai (Jamshedpur) & Muzaffarpur

⁷ Begusarai, Dhanbad, Jamshedpur, Muzaffarpur, Patna and Ranchi

6.1.4 Financial arrangement

Sources of income of the BSPCB mainly comprised grant-in-aid from the Central/State Government, reimbursement of water cess collection from the GOI, consent fees leviable on industries and interest on deposits. Yearwise revenue and expenditure of the BSPCB during 1995-2000 (accounts prepared upto March 2000) were as under:

Year	Opening Balance	Receipt	Total funds available	Expenditure on			Total	Percentage of establishment cost	Closing Balance	Expenditure as per cent of funds available	
				Capital & Programme							Establishment
				R&D	R&D Training	Others (plan)					
(Rupees in lakh)											
1995-96	317.70	231.10	548.80	0.51	3.52	33.69	169.55	207.27	82	341.53	38
1996-97	341.53	320.99	662.52	0.23	Nil	23.52	241.02	264.77	91	397.75	40
1997-98	397.75	345.23	742.98	0.08	Nil	37.39	206.50	243.97	85	499.01	33
1998-99	499.01	458.62	957.63	0.46	0.06	32.50	253.85	286.87	88	670.76	30
1999-2000	670.76	390.94	1061.70	0.64	0.32	65.50	243.53	309.99	79	751.71	29
Total		1746.88					1114.45	1312.87	85		

Receipts included Plan assistance from Government of India (Rs 0.58 crore), reimbursement of cess (Rs 7.46 crore), consent fee (Rs 4.95 crore), research and development (Rs 1.22 crore), State Government (nil) and other sources (Rs 3.25 crore).

The available funds were utilised only to the extent of 29 to 40 per cent with the result that there was unspent balance of Rs 7.52 crore as of March 2000. Further, 79 to 91 per cent of total expenditure was incurred on establishment.

6.1.5 Lack of survey of polluting units

Entire state was declared "Air Pollution Control Area" in terms of the Air Act. The BSPCB was required to conduct a survey of industrial establishments including mines, hospitals, nursing homes, hotels etc. for implementation of programmes for prevention, control and abatement of pollution. No detailed survey was conducted to assess the total number of polluting units by the BSPCB. It was observed, however, that the BSPCB identified altogether 3749 polluting units (upto May 2001) consisting of industries, hotels, hospitals stone crushers, stack etc. based on applications received for consent, piecemeal inspection of field units and complaints. It did not have a comprehensive list of polluting units in the State to monitor effectively.

Member Secretary of the BSPCB stated (June 2001) that district-wise zoning Atlas in Bihar based on environmental considerations was under preparation to enable decision making on environmentally sustainable activities in the State.

6.1.6 Consent management

Deficiencies noticed in consent management and categorisation of industrial units were as under :

Most of the expenditure on establishment

No survey conducted and inventorisation of polluting units done

Industrial units sanctioned by Industries Department without consent of the BSPCB

(a) Prior consent of the Board is mandatory to establish any industry which was to cause pollution. However, the BSPCB had no knowledge about the number of such industries established under licence from Industries Department without its prior consent. There was no co-ordination between the BSPCB and the departments sanctioning industrial units to ensure that industrial units were not sanctioned without consent of the BSPCB. It was not maintaining any records/ data of consent awarded or refused to the industrial units as required under section 51 of the Act. It is obvious that many industrial units causing pollution were running without consent of the BSPCB.

Disposal of consent applications was delayed upto 290 days

(b) Out of 39 emission consent applications in test checked areas, issue of 24 consent orders were delayed by 9 to 290 days beyond stipulated time of four months. The details of total number of applications received for consent during 1995-2001 and consent refused or given or deemed to have been given on account of non-issue of consent within the prescribed period as per the Act was not furnished to Audit.

Industrial units not categorised according to GOI guidelines

(c) As per guidelines issued (September 1988) by GOI, industrial units were required to be categorised as red (high pollution potential), orange (medium pollution potential) and green (low/insignificant pollution potential) for the purpose of surveillance. In contravention of the guidelines, the BSPCB classified industrial units as large, medium and small based on capital invested rather than their pollution potential. Consequently, monitoring of the polluting units was not assured.

Emission standards not formulated

6.1.7 Emission standards

Government of India in its policy statement for abatement of pollution (March, 1992) emphasised the need of technological upgradation to encourage minimisation of waste, provide recycling and reuse waste products. Accordingly codes of practice and guidelines were to be evolved for technological upgradation to prevent pollution and regulate waste. However, the BSPCB did not lay down different standards of emission for different industrial plants having regard to the quality and composition of emission of air pollutions into the atmosphere as envisaged in the Government of India policy statement. Thus, the policy of technological upgradation remained neglected.

Member Secretary, BSPCB stated (June 2001) that laying of standards whether load based or concentration based was done after a series of studies by the Central Pollution Control Board (CPCB) in association with the BSPCB and experts from research organisations and the standards laid were normally reviewed after 5 years of their notification. The statement was not tenable as the standards prescribed in August 1990 were not revised as of June 2001.

6.1.8 Ambient Air Quality Observations (AAQO)

Requisite ambient air quality observations not conducted

The BSPCB was required as per section 16(2) (h) of Air Act 1981 to carry out 624 ambient air quality observations each for SO₂ and NO₂ and 312

observations for SPM in a year⁸. Accordingly in 5 (out of 7 NAAQM⁹) stations (Dhanbad : Regional Office, MADA, BIT Sindri; Jamshedpur : Burma Mines Water Tower and Sakchi Water Tower) test check of 15600 quality observations each for SO₂ and NO₂ and 7800 for SPM were to be conducted during 1996-2000. Against this, only 7221 quality observations (46 percent) for SO₂, 7514 (48 percent) for NO₂ and 4252 (55 percent) for SPM were carried out during the same period. The BSPCB attributed the shortfall to power failure/ monitoring equipment failure.

It was noticed that in the 4 selected residential areas of Patna and the mining areas in Dhanbad and Jamshedpur pollution level due to SPM concentration was high¹⁰ and there was no improvement in the last 5 years. Even concentration of SO₂ was high in both residential and mining areas in Dhanbad.

Member Secretary stated (June 2001) that high concentration of SPM was mainly due to (a) bad road conditions, (b) transportation of sand, bricks, coal etc through open trucks and tractors and (c) sand from Gangetic plains being carried by strong wind current. It was stated that the BSPCB appraised State Government in December 1999 and April 2000 of the air pollution due to mining and stone crushing activities, operation of automobiles etc. However, no action was taken.

6.1.9 Vehicular air pollution

Central Motor Vehicles Rules, prescribed (i) safe limit of emission of smoke and gases from vehicles and (ii) testing whether vehicles conformed to the laid down emission norms. Government of Bihar (Transport Department) decided (November 1994) to establish one auto exhaust emission test centre for every 40 thousand vehicles registered in the towns. Accordingly 21 emission testing stations were required to be established (Bokaro-2, Patna-5, Ranchi-3, Jamshedpur-4, Muzaffarpur-2, Hazaribag-2 and Dhanbad-3). However, in July 1995, Government decided to establish only 7 stations¹¹.

Against these targets, only 4 centres (Patna, Jamshedpur, Dhanbad and Begusarai) were established by the BSPCB as of June 2001. Of this, one centre (Begusarai) was non-functional since its inception (1997) due to lack of manpower. Three functioning stations could check exhaust emission of only 0.04 lakh to 0.38 lakh vehicles i.e. 8 to 13 per cent of total number of vehicles

Due to lack of emission testing stations only 8 to 13 per cent of total vehicles were tested

⁸ Annual arithmetic mean of minimum 104 measurement in a year taken twice a week 24 hourly at uniform interval means (1) One year = 52 week X twice a week = 104 measurement (2) No. of (a) for SO₂= Sulphur dioxide & NO₂=Nitrogen oxide - 104 measurements X 6 (at 4 hourly interval) = 624 observations (b) for SPM=Suspended particulate matter - 104 measurement X 3 (8 hourly) interval = 312 observations.

⁹ National Ambient Air Quality Monitoring.

¹⁰

Pollution level	Industrial (I)		Residential ®	
	SO ₂ & NO ₂	SPM	SO ₂	SPM
High (H)	80-120	360-540	60-90	140-210
Critical (C)	>120	>540	>90	>210

¹¹ Four centers at Patna, Jamshedpur, Dhanbad and Begusarai to be established by State Board; two centres at Muzaffarpur and Ranchi to be established by B.S.R.T Corporation and one centre at Patna to be established initially by Indian Oil Corporation

during 1996-2000 in Patna, Dhanbad and Jamshedpur. No such testing was done in other district/town.

As per GOI notification (May 1992) introducing amendment in Central Motor Vehicle Rules 1988, time bound action plan for control of vehicular pollution and issue of compulsory pollution control certificates for all categories of vehicles were to be effected. However, no such action plan was introduced by the Transport Department in the states of Bihar/ Jharkhand as of June 2001.

6.1.10 Noise pollution

Categorisation of the areas into industrial, commercial, residential or silence areas/ zones and adoption of measures for abatement of noise pollution including noise emanating from vehicular movements as envisaged in Noise Pollution (Regulation and Control) Rules 2000 framed under Environment (Protection) Act 1986 was not done by the State as of June 2001. A survey of noise levels in 7 towns¹² conducted by the BSPCB in 1993-94 revealed that at nights the noise levels exceeded the prescribed limit in residential areas of all the 7 towns and in silence areas of Patna, Hazaribagh and Ranchi. During day time noise level exceeded the limit in Patna, Hazaribagh, Jamshedpur and Dhanbad. In 1999-2000 BSPCB surveyed the noise level in Patna which shows that in both day time and night time noise level was found much higher than the prescribed standards as shown below :

Average ambient noise levels at Patna during 1999-2000

Area	Standards (Leg ^{dB(A)})		Noise level recorded	
	Day time	Night time	Day time	Night time
Residential	55	45	73	54
Commercial	65	55	80	60
Industrial	75	70	66	54
Silence Zone	50	40	66	57

Though the State Government issued instructions from time to time to District Magistrates to implement the provisions and code of conduct for abatement of noise pollution, they did not monitor the implementation of the instructions by the District Magistrates.

6.1.11 Installation of Pollution Control System

As per GOI, Ministry of Environment and Forest (MOEF) order (February 1992), the industry, operation or process which had commenced production on or before the 16 May 1981, was required to comply with the emission standards latest by 31 December 1993 and one which had commenced production after 16 May 1981 but before 31 December 1991 was given time up to 31 December 1992 to comply with the emission standards. In January, 1994, CPCB issued direction to BSPCB to install adequate pollution control facilities and examine the bonafide cases and determine the time required by each of the units for completion of the pollution control programme on a case to case basis and give them time frame not exceeding maximum of 6 months

¹²

Bokaro, Dhanbad, Hazaribagh, Jamshedpur, Patna, Ranchi and Sindri

Ambient noise level exceeded the standard prescribed in most of the towns surveyed

(upto 30 June 1994) and initiate legal action against the identified wilful defaulters.

Many industrial units had no facility to meet emission and effluent standards

As of December 2000 BSPCB identified 68 units in highly polluting industrial sectors. Of these, 4 units¹³ (large) continued to function without meeting the requirement of pollution control system. BSPCB issued (April 1993 and June 1996) show cause notice only to Patratu Thermal Power Station for this default. No action was taken against others.

6.1.12 Prosecution

All 3 prosecution cases decided against BSPCB

The BSPCB was required to prosecute an industry failing to comply with directions issued under various provisions of Air Acts. It was noticed that the BSPCB filed cases against 96 defaulting units under Air Act as of May 2001. Of these, three cases disposed off by the Court were decided against the BSPCB. Other cases were pending from 2 to 12 years.

6.1.13 Dissemination of information

Facility for dissemination of information was inadequate

As per statutory provisions, the BSPCB was required to collect and disseminate information relating to air pollution in order to educate public about environmental risks. There was nothing on record to indicate that the State Government or the BSPCB ever took any action towards dissemination of information to people on air pollution except holding awareness meeting/seminar by the BSPCB once a year on environmental day.

Though Member Secretary claimed (April 2001) that information was collected and disseminated through various means such as (a) by direct contact (b) by print and electronic media (c) through environment bulletin and seminars, workshops, the same was not supported by any documentary evidence.

6.1.14 Training and research

Training and research works neglected

Under Section 17(d) of Air Act, both State PCB and CPCB were to organize training for those engaged on programmes relating to prevention, control or abatement of air pollution and mass education programmes. It was noticed that training on sampling and analysis on air and water alongwith training on coal and coal based industries was imparted by the BSPCB to only 19 persons and 16 persons during November 1995 and December 1995 respectively. In iron and steel industries training on pollution control was given (February 1999) to 14 persons. The BSPCB did not impart any training to staff during the period 1996 to 1998 and incurred only negligible expenditure on research activity. Thus, training and research works were neglected in the State.

6.1.15 State Analyst

No State Analyst to check air analysis

Under Section 28(1) and Section 29 of Air Act 1981, the State Government notification did not establish any Air Laboratory nor did it appoint State analyst as of June 2001. Thus, accuracy of the air analysis conducted by the

¹³ Bokaro Thermal Power Station A&B, Chandrapura Thermal Power Station and Patratu Thermal Power Station (PTPS).

analyst of the BSPCB was not ensured by any agency of the Government as required under section 27(3) of the Air Act 1981 .

6.1.16 *Inspection of Industries*

No norm of inspection of industries

The Air Act lays down that officers of the BSPCB should visit industries regularly and ascertain that the programmes for abatement of pollution were being satisfactorily implemented. Though the GOI issued guidelines for regular inspection of industries, no norms and targets for inspections were fixed by the BSPCB. The BSPCB stated (April 2001) that inspections were conducted at least once in a year in small and medium sector units and two to three times in a year for large industries. Based on the units identified (large: 319; medium: 341 and small: 3089) and prescribed frequency of inspection, 24408 inspections (annually 4068 inspections for six years) should have been conducted. Against these only 5441 inspections (21 per cent) were carried out by the BSPCB during 1995-2001. Such large shortfall in inspection rendered the monitoring mechanism ineffective. Besides, available information did not reveal the number of highly polluting industries (red category) covered during inspections.

78 per cent of industries not inspected

6.1.17 *Annual Report*

Submission of Annual reports to Government and Legislature delayed

According to the Air Act, the BSPCB was required to submit annual report on its activities to the State Government within four months of the close of the financial year which was to be laid before the State legislature within a period of nine months of close of financial year. However, submission of the annual reports for the years 1995-96 to 1998-99 to the Government and the State legislature were delayed by 12 to 24 months. The BSPCB did not prepare annual reports for the year 1999-2000 and 2000-2001 as of June 2001.

6.1.18 *Environmental Audit Report (EAR)/ Environmental Statement (ES)*

Every industrial operation or process was to submit an Environmental Audit Report (EAR)/ Environmental Statement (ES) containing information on raw material consumption, pollution generated, solid waste and impact of pollution control measures each year to the BSPCB on or before the 15 May under the provisions of Environment (Protection) Rule 1986.

Most of the units did not submit environmental audit reports

Test check revealed that EAR had not been submitted by any of the industrial units during 1996-2001 except Tata Iron and Steel Company (TISCO) and the Bokaro Steel Plant. Of these two industrial units Tata Iron and Steel Company (TISCO) submitted EAR/ES after a delay of over 9 month in 1996-97 and after a delay of over three years in 1997-98. TISCO did not submit EAR/ES to BSPCB for other years (1998-2001) as of June 2001. Bokaro Steel Plant (BSP) submitted EAR/ES to BSPCB in 1997-98 and 1998-99 after delay of over 4 and 3 months respectively. BSP did not submit EAR/ES to BSPCB for 1999-2001. The BSPCB failed to ensure compliance of the Environmental Acts and Rules by the industrial units.

6.1.19 Waste management

Wastes were mainly of three categories viz. hazardous waste, bio-medical waste and municipal solid waste.

(a) Hazardous wastes

As of March 2001, BSPCB identified 48 hazardous waste generating industrial units (Bihar Caustic and Chemicals Ltd, Palamu, Tata Iron and Steel Company, Jamshedpur, Bokaro Steel Plant, Indian Oil Corporation, Barauni etc) and authorised 37 industrial units for storage of hazardous wastes. Eight Industrial units were not functional and authorisation to other 3 industrial units was under process (May 2001).

Hazardous wastes disposed off untreated

Hazardous wastes generated in 48 different units (in 13 districts) was 53260.79 tonne per annum out of which 75.40 tonne were incinerable, 2327.20 tonne were recycled/sold and 50858.19 tonne were stored/dumped/land filled. However, there was no scientifically designed common landfill/ treatment, storage and disposal facility (TSDF). As per the authorisations granted by the BSPCB all the 37 industrial units were dumping hazardous wastes in the industrial premises. The practice of dumping wastes within industrial premises and also in low-lying areas outside the industry premises was unhealthy and was a major pollutant.

Under Rule 8 of Hazardous Wastes (Management and Handling) Rules, 1989, State Government should identify the disposal sites and publish periodically an inventory of disposal sites within the State for disposal of hazardous wastes. This was essential to make Environmental Impact Assessment (EIA) and public acceptance of the landfill site before notification.

Sites for hazardous wastes not identified

Scrutiny revealed that though State Government directed (May 1993) all Districts Magistrates/Deputy Commissioner-cum-Chairman, District Crisis Management Committee to identify the sites for hazardous wastes, no site was identified by any of them as of June 2001. State Government entrusted (January 1994) the task of identification of sites at Muzaffarpur to BSPCB. The BSPCB identified (June 1995) a site near Rautinia village which was notified by Government in September 1997. Meanwhile a proposal of landfill and incineration scheme at Rautinia, Muzaffarpur costing of Rs 33.23 lakh was sent (June 1997) to the GOI and CPCB. The scheme had not been sanctioned as of June 2001. Thus, there was no system of proper disposal of hazardous waste in the state putting the health of the people to risk due to exposure to such hazards.

Incineration scheme not implemented

(b) Bio-medical waste

As per Bio-medical wastes (Management and Handling) Rules, 1998 every institution generating bio-medical wastes e.g. human anatomical waste, animal waste, micro-biological/ bio-technological waste, waste sharps, discarded medicines/ cytotoxic drugs, solid wastes, liquid waste, incineration ash, chemical waste etc. and any operator engaged in handling bio-medical wastes and bio-medical facility were required to obtain authorisation from State

Government (from State Board since June 2000) in order to ensure that such waste was handled without any adverse effect upon human health and environment.

Institutions generating bio-medical wastes not identified

Scrutiny revealed that as of April 2001 neither the State Government nor the BSPCB identified institutions in the State generating bio-medical wastes and operators engaged in bio-medical waste disposal facility for authorisation.

While admitting that no authorisation was granted to any institution, BSPCB stated (April 2001) that they were preparing inventory of hospitals, nursing homes, veterinary institutions, animal clinics, and other institutions which generated/ dumped wastes and notices were being issued to identified hospitals for compliance of provisions of the Rules. However, no such notices were issued to other institutions as of June 2001.

Status of bio-medical wastes not ascertained in the State

Planning Commission in a report on "Urban Solid Wastes Management in India" estimated that the hospitals were generating 1-2 kg of wastes per person per day of which 15 per cent was hazardous and infectious. It was noticed that the State Government/BSPCB did not conduct survey to ascertain the status of bio-medical wastes and monitor its segregation and disposal in the State. The BSPCB did not issue notices to the Civil Surgeons-cum-Chief Medical Officers for compliance of rules and regulations in regard to generation and disposal of bio-medical wastes by the medical institutions in the districts, though 4290 government health institutions in the State having 21198 beds and 297 private health institutions having bed strength of 2509 in 6 districts¹⁴ test-checked generated 21 tonne and 3 tonne of bio-medical wastes per day respectively. Thus, 8760 tonne of biological wastes generated per annum by these institutions in six districts were dumped either in the vicinity or thrown off locally causing environmental pollution. In Patna, 3 tonne of biological wastes were generated in government health institutions every day which were dumped untreated in the vicinity or thrown off locally causing serious health hazard in the city.

Biomedical wastes thrown off locally untreated

A random study of biomedical wastes of Patna and Gaya towns conducted by the BSPCB during June to September 2001 revealed that 165 hospitals, dispensaries and nursing homes in Patna (136) and Gaya (29) towns generated 5 tonne bio-medical wastes per day. These wastes were not treated and thrown off locally creating serious health hazard.

Government of India released Rs 63.50 lakh in March 2001 for installation of bio-medical waste management system at Indira Gandhi Institute of Medical Sciences (IGIMS), Patna. However, no such system was installed in the IGIMS Patna as of January 2002.

(c) Municipal Solid Wastes (MSW)

As per Environment (Protection) Act 1986 every municipal authority was responsible for development of infrastructure for collection, storage, segregation, transportation, processing and disposal of municipal solid wastes

¹⁴

As reported by the Civil Surgeons Dhanbad, Gaya, Jamshedpur, Muzaffarpur, Patna & Ranchi.

after authorisation by the BSPCB, which was to monitor compliance of standards by the municipal authority regarding ground water, ambient air, leachate* quality and the compost quality of solid wastes including incineration standards.

Audit scrutiny revealed as under :

No municipal bodies had authorisation for disposal of solid wastes

(i) The State Government had not identified the disposal sites and disposal methods of municipal solid wastes (MSW). The BSPCB did not issue authorisation to any of the 170 local bodies in the State, nor the municipal bodies ever applied for authorisation of disposal of municipal solid wastes. Thus, no local body in the State (Bihar and Jharkhand) managed and handled solid wastes in accordance with the procedures laid down in the Act and the related Rules.

No treatment facility for solid wastes in Patna

(ii) As per a report of Central Pollution Control Board, New Delhi (March 1995) 0.360 Kg/day per capita MSW was generated in Patna town. Based on population of 917243 of 1991-census, 330 tonne per day of municipal solid waste was generated in the Patna Municipal Corporation area and there was no treatment facility for these solid wastes and the entire waste was disposed off through haphazard dumping (as on July 2000) which exposed the population to health hazards.

Compost plant for raw garbage not set up in Patna

As per report (July 2000) of the Patna Municipal Corporation, waste generation was about 550-600 tonne/day in Patna Municipal Corporation area and as per project report of Mecon Ltd. (April 2001) for establishing Garbage Processing Plant at Ranchi, 250 tonne municipal solid wastes per day were generated at Ranchi. In order to treat waste in an environment friendly manner and eliminate unscientific dumping of wastes, Patna Municipal Corporation proposed to State Government (July 2000) for setting up a 300 tonne per day (raw garbages) compost plant which would cater to the needs of Patna for next 10 years. The proposal had not been approved by the Government as of June 2001.

6.1.20 Research and Development Cell and Regional offices

(i) The BSPCB established a research and development cell in 1991 to carry out research on problems relating to environmental pollution. However they spent only Rs 1.92 lakh (less than 1 percent) out of total expenditure of Rs 13.13 crore on these activities during 1995-96 to 1999-2000.

Proposed Regional/Sub-regional offices and monitoring stations not set up

(ii) The BSPCB proposed to State Government for creation of new regional and sub regional offices (at Gaya, Bokaro, Siwan etc) and establishment of more monitoring stations for control of air and water pollution during eighth plan (1992-97) at a cost of Rs 5.83 crore. The State Government did not approve the proposal as of May 2001. As a result monitoring of implementation of the Act and Rules in these regions suffered.

6.1.21 Levy and recovery of consent fee

**Loss due to non-levy/
non-recovery of
authorisation fee**

Authorisation for discharge/ disposal of bio-medical waste by the health institutions was mandatory. As 4290 government health institutions in the State and 297 private hospitals/ nursing homes in 6 district towns (Ranchi, Patna, Jamshedpur, Dhanbad, Gaya and Muzaffarpur) were not covered under the Act, authorisation fee of Rs 45.87 lakh per annum could not be realised by the BSPCB.

6.1.22 Monitoring and evaluation

**Inadequate and
ineffective
monitoring activity**

As per Section 10 of Air Act, the BSPCB was required to meet at least once in every three months. Against this, only one meeting in 1999-2000, two meetings each in 1997-98 and 2000-2001 and three meetings each in 1996-97 and 1998-99 were held to monitor implementation of Environmental Acts and Rules in the State. Thus, monitoring activity was inadequate and ineffective.

The points were referred to Government (August 2001); their reply had not been received (January 2002).

SECTION - B : PARAGRAPHS

6.2 General

6.2.1 As per the provisions of section 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 of India 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 2000-01, Rs 633.60 crore were paid as grant to various non-government bodies and institutions. This constituted 4.69 per cent of Government's total expenditure on revenue account. During 1999-2000 grants aggregating Rs 705.07 crore were paid which constituted 5 per cent of the revenue expenditure. The details are given below:

	Amount (Rupees in crore)	
	1999-2000	2000-01
(i) Educational Institutions (Including universities)	518.65	463.00
(ii) Panchayati Raj Institutions Local Bodies	6.93	2.90
(iii) Corporation and autonomous bodies	26.69	0.0006
(iv) Municipalities	115.44	57.17
(v) Others	37.36	110.53
Total	705.07	633.60

The table below shows the broad purposes for which the grants were given.

	1999-2000	2000-01
	(Rupees in crore)	
Assistance to the universities, primary and secondary schools, Agricultural Universities and other educational institutions.	518.65	463.00
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.	66.01	18.68
Assistance to small and marginal farmers for increasing agricultural production, control and prevention of water pollution, environmental improvement etc.	36.26	19.15
Sewerage schemes and urban water supply programme for health sanitation.	3.10	47.39
Assistance to Municipalities, corporations, Notified Area committee for payment of arrear electricity bills to Bihar State Electricity Board.	27.58	16.00
Others.	53.47	69.38
Total	705.07	633.60

Where grants were given for specific purposes, the departmental officers were required under financial rules of Government, to furnish certificate to audit within a year, to the effect that the grants were utilised by the recipients for the purposes for which these were paid. At the end of September 2001 utilisation certificates in respect of grants totalling Rs 1500.42 crore were awaited as shown in Appendix-XXV.

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.

6.3 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 which the accounts were not received (September 2001) to determine the applicability of Section-14 of the Comptroller and Auditor General (Duties, Power and Conditions of Services) Act 1971 are given below:

Year	No. of Bodies/authorities which received grants/ loans of not less than Rs 5 lakh (Rs 25 lakh from 1983-84) in a year	No. of Bodies authorities from which accounts were not received as of September 2001
1981-82	34	1
1982-83	29	0
1983-84	24	1
1984-85	20	2
1985-86	42	4
1986-87	48	4
1987-88	21	5
1988-89	48	9
1989-90	49	12
1990-91	33	11
1991-92	35	15
1992-93	36	24
1993-94	38	2
1994-95	13	14
1995-96	49	16
1996-97	67	18
1997-98	50	19
1998-99	65	41
1999-2000	65	37
2000-01	33	73
Total	799	308

Non receipt of annual accounts was reported to Government in May 2000. Their reply had not been received (January 2002).

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.

AGRICULTURE DEPARTMENT

6/4 Delayed construction of cold storage

Lack of basic infrastructural facilities to a firm for construction of cold storage resulted in cost over run of Rs 1.30 crore and time over run of 8 years besides loss of projected revenue of Rs 3.66 crore

Patna City Agricultural Produce Market Committee (APMC) decided (January 1989) to construct a cold storage of 8000 MT capacity for completion within 18 months at an estimated cost of Rs. 1.91 crore. The cold storage was to fetch estimated revenue of Rs 38.88 lakh in 1991-92 and Rs 46.66 lakh annually thereafter. Administrative approval and technical sanction was accorded for Rs 1.87 crore and for Rs 1.27 crore (Civil work only) in April 1989 and November 1989 respectively. The administrative approval was revised to Rs 2.83 crore (August 1994) after inclusion of some additional item of work (construction of additional floor, bunker coil system, condensing tank, precooling chambers etc) which were not provided for in the original estimate.

Scrutiny revealed (September 2000) that Executive Engineer split up the work and entrusted them to several agencies for execution between 1990-91 to 1999-2000. The building work was completed at a cost of Rs 1.60 crore (December 1993). The installation work of refrigeration to be completed by February 1994 was entrusted to a firm (August 1993) at Rs 49.56 lakh and they were paid Rs 26.18 lakh. But the work could not be completed as the requisite facilities i.e. regular power supply, completion of condenser tank, some infrastructure required for bunker coils etc. were not provided to the firm by Bihar State Agricultural Marketing Board despite several requests by the firm.

The firm did not turn up despite 13 reminders between June 1994 to November 1995 and the agreement was cancelled by Executive Engineer (February 1996) without invoking the risk and cost clause. Further, forfeiture of bank guarantee of Rs 4.96 lakh furnished by the firm on account of earnest and security money was not effected as the guarantee expired in August 1994. The remaining refrigeration work was completed (March 1999) by the another firm at a cost of Rs 58.12 lakh.

The total cost of construction of the cold storage completed in March 1999 by various agencies, came to Rs 3.17 crore resulting in cost overrun of Rs 1.30 crore and time overrun of more than 8 years.

Lack of basic infrastructural facilities to the firm for construction of cold storage resulted in extra burden of Rs 1.30 crore besides loss of projected revenue of Rs 3.66 crore during 1991-92 to 1998-99.

The above matter was referred to the Commissioner and Secretary, Agriculture Department, Government of Bihar in June 2001. No reply was received.

6.5 Litchi export scheme

Central assistance of Rs 75 lakh for promotion of Litchi Export Scheme could not be fully utilized even in 5 years as the precooling and pack house facilities were not established and Refrigeration vans were not properly used which affected the export scheme

To promote export of Litchi for the benefit of small and marginal farmers under the Prime Minister's special programme, Government released Rs 75 lakh (May 1997) to Bihar State Agricultural Marketing Board (Board) Patna for establishment of pre-cooling centres at Muzaffarpur and Hajipur (Rs 50 lakh) and purchase of two Refrigeration vans (Rs 25 lakh). Scrutiny revealed that Board without setting up precooling and pack house facilities purchased (October 1999) two refrigeration vans for Rs 43.58 lakh. Out of these, one van was leased out (October 1999) to HI Dairy's Agro Product Ltd., Hajipur on monthly rent of Rs. 0.19 lakh, while the other remained idle since its purchase and finally handed over to Agricultural Produce Market Committee, Hajipur (December 2000). The leasing out of vehicle did not thus help farmers in carrying perishable fruits and this objective of the scheme was not fulfilled.

Tenders received (March 1999) by the Board for establishment of pre-cooling centres and sulphocation plant at Muzaffarpur and Hajipur were not finalized (May 2001) due to non-availability of sufficient fund. Board informed (May 2001) that action is being taken to obtain additional funds from Government.

Thus due to haphazard execution of the schemes Rs 50 lakh meant for establishment of pre-cooling centers remained un-utilised and one Van purchased at a cost of Rs 21.79 lakh also remained idle (December 2000).

The matter was referred to the Commissioner and Secretary, Agriculture Department, Government of Bihar in March 2001 and again in June 2001. No reply was received (January 2002).

RURAL DEVELOPMENT DEPARTMENT

6.6 Undue financial aid to a firm: Rs 28 lakh

DRDA, Gaya extended undue financial benefit to a firm by non-recovery of overdue advance payments

Managing Director, District Rural Development Agency (DRDA), Gaya advanced (April 1996) Rs 41.54 lakh to a firm (Birla Jute Industries, Gaya) for supply of 38330 bags of cement to different blocks in Gaya district for construction and maintenance of school building etc. under Jawahar Rozgar Yojana (JRY). As per contract supply of cement was to be made by 30 June 1996 subsequently extended to 30 September 1996.

It was noticed that the firm supplied only 23778 bags of cement valued at Rs 23.35 lakh. Balance quantity of 14552 bags of cement valued at Rs 18.19 lakh was not supplied even as of April 2001. No effective steps were taken by the DRDA either to recover the advance payment or to ensure supply of cement for execution of schemes under JRY resulting in undue financial benefit of Rs 18.19 lakh to the firm since April 1996. Non-supply of cement also hampered implementation of JRY schemes. DRDA Gaya also sustained a loss of interest of Rs 9.82 lakh (at the borrowing rate of 12 per cent per annum) on the principal outstanding upto March 2001.

The matter was referred to Government (July 2001); their reply had not been received (January 2002).

URBAN DEVELOPMENT DEPARTMENT

6.7 Delay in construction of bus stand in Patna

Due to non-transfer of required land to PRDA by Urban Development Department construction of bus stand was not completed and Rs 2.20 crore spent on incomplete construction of bus stand was rendered unfruitful

To ease traffic congestion in the city, Patna Regional Development Authority (PRDA) approved (May 1995) a project with an estimated cost of Rs 43.64 crore for construction of a bus terminus at Purandarpur/Mithapur Agricultural Farm with estimated revenues of Rs 4.17 crore from the terminus (Rs. 3.16 crore on account of rent of plots, Rs 0.81 crore on account of entrée fee at the rate of Rs 15 per bus and revenue from other modes 0.20 crore). PRDA requested (May 1995) Urban Development Department (UDD) to

transfer 50 acres of land for the scheme. The scheme was to be financed by loan from HUDCO.

State Government sanctioned (April 1998) Rs. 2.07 crore for the proposed bus terminus for construction of passenger shade, toilet, check post, road and culvert, installation of hand pump and the electrification work. The works were entrusted to a contractor (February 1999) for Rs 2.15 crore for completion within six months. The contractor executed work except black topping on road. PRDA also spent Rs 12.35 lakh on shifting of electric lines and poles of four feeders which were within the campus of the new bus stand to be constructed.

However in (May 1998) the Patna High Court directed PRDA to shift the existing bus stand from Harding Park by November 1998 which was extended upto December 1999.

In response to an application by PRDA for a loan of Rs 14.93 crore (August 1998) HUDCO sanctioned (March 1999) Rs 12 crore but did not release the amount as the land was not transferred to PRDA for pledgement. Though the Government transferred (February 2000) 59.69 acres of land to the UDD for construction of bus stand by PRDA, UDD had not transferred the land to PRDA (September 2000) due to non-payment of the price of land by PRDA.

Thus despite expenditure of Rs 2.20 crore the land remained to be transferred to PRDA and bus stand was yet to be completed and shifted despite order of High Court. As the bus stand was not shifted, PRDA was losing yearly revenue of Rs 81 lakh to be derived from parking charges of buses while the heavy traffic congestion in the heart of the city continued unabated.

Vice-Chairman of PRDA intimated the State Government (August 2001) that the project can be completed only if the State Government either makes a budgetary allocation for the remaining works or State Government furnishes guarantee to facilitate HUDCO loan or leases/transfers the title of the said land in favour of PRDA. Government stated (September 2001) that a meeting was held in August 2001 to provide Government Guarantee for release of HUDCO loan or for arrangement of loan from other sources. However, final decision on these matters are awaited (January 2002).

The matter was referred to the Commissioner and Secretary, Urban Development Department, Government of Bihar in July 2001 and February 2002. No reply was received (February 2002).

6.8 Loss of Revenue due to non-levy of fees

Patna Municipal Corporation sustained a loss of Rs 96.15 lakh as the Demand Notice fee and Warrant fee were not included in arrear demand of taxes

Patna Municipal Corporation Act 1951 requires the Chief Executive Officer/Administrator to present a bill to the tax payers for payment of holding tax after becoming due on the first day of the quarter. If the tax is not paid within 15 days of presentation of the bill, a notice of demand was to be issued under Section 205 of the Act showing the tax alongwith fee to be paid. On failure to pay tax within 21 days of service of notice of demand, warrant is required to be issued under section 206 *ibid* to recover the tax with fee.

Rules further stipulate that every notice of demand issued shall include a fee of 25 paise per rupee of demand and every warrant issued shall include a fee at the rate of 12 paise per rupee. The fee to be charged was to be included in cost of recovery.

Scrutiny revealed (April 2000, April 2001 and December 2001) that Patna Municipal Corporation did not maintain any register showing the issue of notices of demand and warrants and fee claimed and realised there against. No amount was shown to have been deposited under such head either in Cashier's Cash Book or in Accountant's Cash Book.

Due to non-observance of above provisions of the Act and the Rules regarding realisation of fee prescribed for issue of notices of demands and issue of warrants the Corporation suffered loss of fees of Rs 96.15 lakh (Rs 64.97 lakh due to non-issue of notice of demand and Rs 31.18 lakh due to non-issue of warrants) during 1993-96.

The above matter was referred to the Commissioner and Secretary Urban Development Department, Government of Bihar in March 2001 and May 2001. Reply was not received as of January 2002.

6.9 Utilisation of grants received from Tenth Finance Commission

6.9.1 Introduction

Tenth Finance Commission (TFC) allocated Rs 67.09 crore as grants-in-aid to 170 Urban Local Bodies (ULB) in Bihar for development work and seed money during 1996-2000 and released Rs 16.77 crore to State Government during 1996-97. State Government subsequently released (April 1997 and February 1998) Rs 16.77 crore in two instalments of Rs 8.39 crore each to 34 ULBs. ULBs were to contribute 10 percent of the grant (Rs 1.68 crore) as

their matching share. The development work comprised (i) Road with Drainage and Sewerage (ii) Water Supply (iii) Community Toilets (iv) Community Halls (v) Parks (vi) Seed money for Institutional Finance (vii) Purchase of equipments and machines connected with sanitation, road construction and water supply maintenance works etc. and (viii) Strengthening of the local bodies for ensuring effective monitoring and supervision (excluding staff salary and other establishment expenses).

Government specified that 90 percent of the TFC grant and local bodies contribution (Rs 16.60 crore) was to be spent on (i) Drains and Sewerage (Rs 6.63 crore) (ii) Roads (Rs 5.20 crore) and (iii) Water Supply (Rs 4.77 crore) in the prescribed percentage fixed for every local bodies. Balance 10 percent (Rs 1.85 crore) was to be earmarked as margin money/seed money for attracting Institutional Finance for infrastructure development. However, in any individual case ULB might spend money on other item included in programme component with prior approval of the State Government. In no case the amount of the grant was to be utilised for establishment expenditure or diverted for any other purposes.

The Schemes were to be selected in consultation with the Regional Development Authority (where existed) and with the approval of the District Magistrate. Local Bodies were required to maintain a separate account and submit monthly physical and financial progress report to the Government.

Test check of utilisation of TFC grants by 17 ULBs¹ during 1996-2001 was conducted during April and May 2001 and the findings are discussed below:

6.9.2 Financial achievements

Out of Rs 16.77 crore released to 34 ULBs Rs 9.44 crore pertained to 17 ULBs which were to contribute 10 percent of the amount being Rs 0.94 crore. The amalgamated amount of Rs 10.38 crore (9.44+ 0.94) was required to be utilized as under:

Sl no	Item of work	Amount earmarked	Amount Spent	Balance
Rupees in crore				
1	Construction development of drains/sewerage	4.23	2.94	1.29
2	Construction/development of Roads	2.87	2.69	0.18
3	Water Supply Schemes	2.25	1.73	0.52
4	Margin money for institutional finance Infrastructure	1.03	Nil	1.03
	Total	10.38	7.36	3.02

¹ Municipal Corporation (1) Ranchi (2) Gaya (3) Patna

Municipalities (1) Lohardaga(2) Biharsharif (3) Sheikhpura(4) Jamui (5) Munger(6) Katihar(7) Araria (8) Khagaria(9) Madhepura(10) Chatra(11) Garhwa(12) Aurangabad(13) Bhabhua N.A.C. (14) Koderma

Deficiencies noticed are discussed below:

(I) Contribution not made by ULBs

As against the matching share of Rs 94.43 lakh for 17 local bodies, only Ranchi Municipal Corporation contributed its earmarked amount of Rs 20.79 lakh and three local bodies (Gaya, Munger and Bhabhua) contributed only Rs 3.01 lakh against their earmarked share of Rs 16.27 lakh. Thirteen local bodies contributed no amount as against the required amount of Rs 57.37 lakh. Due to non contribution/short contribution of Rs 70.63 lakh implementation of the scheme was affected adversely as only the TFC grant was available for the purpose while no funds were provided by ULBs.

(II) Margin money not kept

A sum of Rs1.04 crore being 10 percent of the fund (TFC grant + 10 % contribution) was to be kept as margin money/seed money to attract institutional finance for infrastructure development. No ULB earmarked the fund for the margin money frustrating the very purpose of providing for the margin money for further planning of infrastructure development.

Due to non contribution/short contribution of the share by ULBs and not keeping margin money by them, the execution of the schemes were funded only from available TFC grants and the prescribed percentage of expenditure were not adhered to. A few examples are cited below:

(a) Out of Rs 3.65 crore on account of grants allocated to Patna Municipal Corporation (Rs 3.32 crore) and 10 percent contribution thereof (Rs 0.33 crore), 70 percent was to be spent on construction/development of drains (Rs 2.55 crore), 20 percent on roads (Rs 0.73 crore) and 10 percent was to be kept as margin money (Rs 0.37 crore). No expenditure was to be made on water supply. Later on State Government allowed (April 1998) Rs 0.99 crore from this fund for expenditure on purchase of Tractors, Fogging Machine and other Sanitary equipments. The revised allocation of expenditure and actual expenditure incurred are given below:

Item of work	Expenditure to be incurred	Expenditure incurred	Difference
	(Rs. in crore)		
Drains	1.86	2.13	+ 0.27
Roads	0.53	0.04	- 0.49
Water Supply	Nil	0.08	+ 0.08
Sanitary equipment	0.99	1.07	+ 0.08
Margin money	0.27	Nil	- 0.27
Total	3.65	3.32	

Thus there was excess expenditure on drains (Rs 0.27 crore) sanitary equipment (Rs 0.08 crore) and water supply (Rs 0.08 crore) which was irregular and unauthorized.

(b) Four Municipalities² spent Rs 19.91 lakh and Rs 50.40 lakh on drains and roads respectively against allocation of Rs 30.51 lakh each (inclusive of 10 percent contribution). No expenditure was made on water supply schemes though Rs 30.51 lakh was allocated for the purpose. Thus, excess expenditure of Rs 19.88 lakh on roads was funded by diversion of funds from allocation for drains and water supply (Refer Appendix - XXVI).

6.9.3 *Diversion of funds*

In disregard of Government instructions, 9 local bodies diverted Rs 50.61 lakh meant for constructions of drains, roads and execution of water supply schemes, towards salary payment to staff, construction of market complex etc without obtaining approval of the State Government.

6.9.4 *Other Irregularities*

(I) *Maintenance of accounts*

As per State Government directions (April 1997) ULBs were required to maintain a separate accounts. But Only 3 local bodies kept the grants in separate Saving Bank Account and maintained a separate Cash Book. Remaining ULBs deposited the grants either in the municipal funds or in bank accounts maintained for different purposes. In the absence of separate accounts, audit could not verify the correctness of accounts.

(II) *Selection of the Schemes*

In 5 Municipalities,³ 45 schemes on which expenditure of Rs 27.99 lakh was incurred were selected without District Magistrate's approval.

(III) *Expenditure without approval of the Government*

Four ULBs⁴ spent Rs 16.69 lakh during 1997-98 to 1999-2000 on purchase of tractor, Pump, Computer, maintenance of parks etc. without the approval of the State Government.

(IV) *Utilisation certificate*

Only four ULBs⁵ submitted Utilization Certificate to the Government. Monthly physical and financial progress report was not submitted by any ULBs.

² (1) Katihar (2) Araria(3) Khagaria(4) Madhepura

³ (1) Araria (2) Khagaria(3) Madhepura (4) Lohardaga (5) Sheikhpura

⁴ Lohardaga : Rs 3.81 lakh; Katihar : Rs 4.66 lakh; Jamui : Rs 0.21 lakh; Patna : Rs 8.01 lakh

⁵ 1. Munger (2) Lohardaga (3) Patna (4) Bhabhua

(V) Amount transferred to other Government departments

Rupees 23.68 lakh were transferred by Biharsharif Municipality (Rs 19.78 lakh) and Sheikhpura Municipality (Rs 3.90 lakh) during 1998-2000 to Government departments like Block office, PHED, Zila Parishad, Executive Engineer NREP etc for execution of the schemes. But neither the utilization certificates nor adjustment of the amount was made available to audit. Thus position regarding execution of the schemes could not be ascertained.

6.9.5 Conclusion

Government instructions regarding execution of Schemes out of TFC grant were not observed in most of the cases. Non-contribution/short contribution of Rs 70.63 lakh restricted the scope of development works. None of the ULBs kept reserve money amounting to Rs 1.03 crore for infrastructure development.

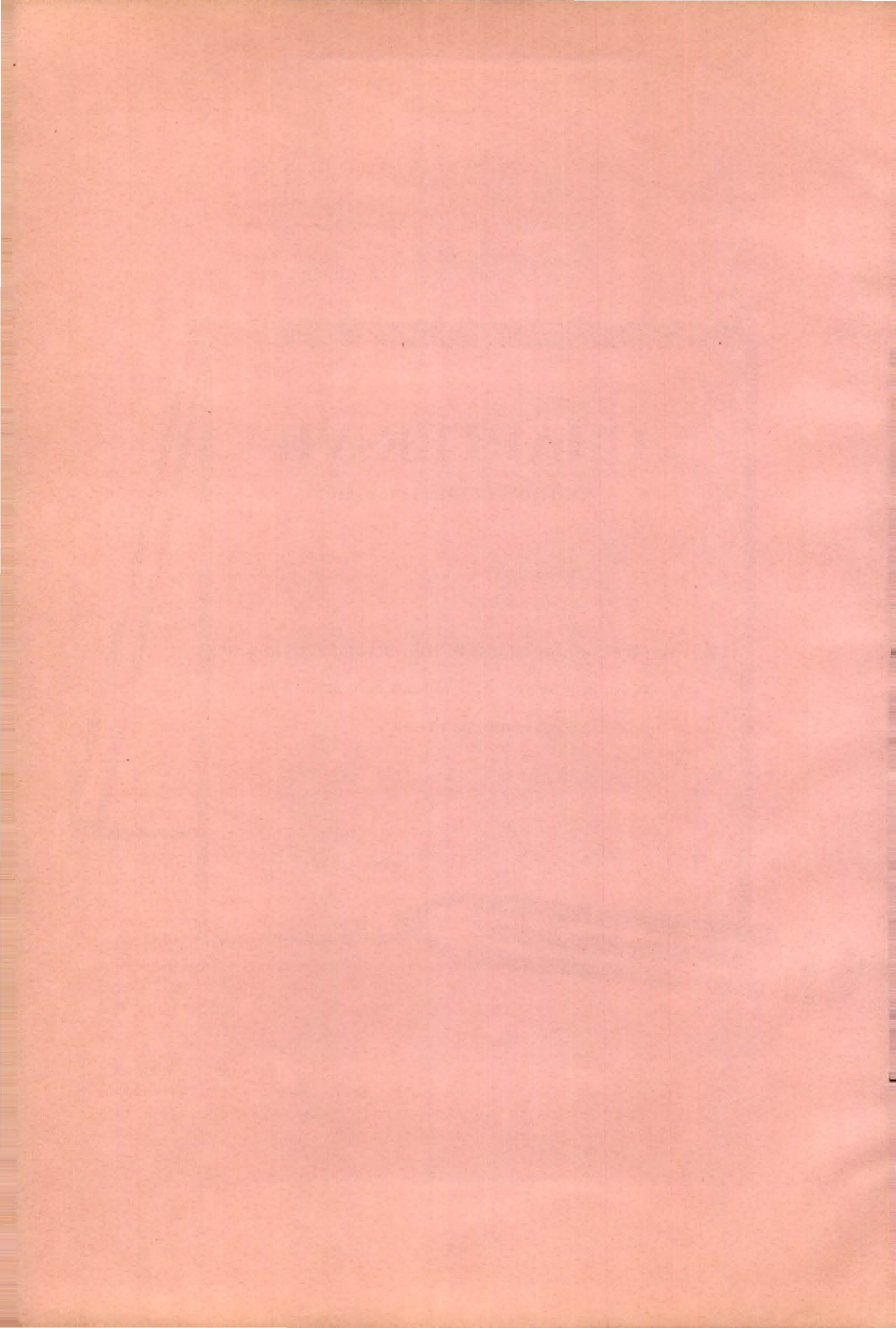
The matter was referred to the Government (June 2001). No reply has been received (January 2002).

CHAPTER-VII

Commercial Activities

The Chapter contains status of commercial activities of
the Government and deficiencies in working of
Government Presses





CHAPTER-VII COMMERCIAL ACTIVITIES

SECTION-B: PARAGRAPHS

7.1 General

On 31 March 2001, there were 29 departmentally managed commercial/ quasi commercial undertakings in the State. Of these 26 undertakings detailed in Appendix-XXVII 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 3 other undertakings were in arrears for varying periods ranging from 14 to 24 years as of March 2001. Relevant details are furnished in Appendix-XXVIII.

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.

FINANCE DEPARTMENT

7.2 Working of Government Presses and Government Stationery Stores and Publications

Bihar Secretariat Press, Gulzarbag, (Patna) with its three branches (Secretariat Branch and Raj Bhavan Branch Press at Patna and Branch Press at Ranchi) was to meet all the printing requirements of the State. Government Press and Forms, Gaya was mandated to print all types of scheduled forms for supply to Government Departments/ Offices. Government Stationery Stores and Publication at Gulzarbag (Patna) procured stationery items for supply to government departments and offices and published codes, rules, manuals etc. The day to day affairs in the Government presses and Government Stationery Stores and Publications were administered by their respective Superintendents/ Deputy Superintendents/ Assistant Superintendents under the overall administrative and financial control of Finance Commissioner who was assisted by the Additional/ Special Secretary, Finance Department.

Records of all these units and office of the Director, Printing and Stationery, Patna relating to the period 1996-2001 were test-checked during February to June 2001 in order to assess economy, efficiency and effectiveness in their working. The deficiencies noticed were as under:

7.2.1 Budget allocation and expenditure

Year-wise allocation of funds and expenditure during 1996-2001 were as follows :

Year	Bihar Secretariat Press, Gulzarbag, Patna			Government Press and Forms, Gaya			Government Stationery Stores and Publication, Gulzarbag, Patna		
	Allot- ment	Expen- diture	Saving	Allot- ment	Expen- diture	Saving	Allot- ment	Expen- diture	Saving
(Rupees in crore)									
1996-97	5.33	4.55	0.78	2.86	1.98	0.88	1.95	1.36	0.59
1997-98	6.47	4.59	1.88	3.79	1.78	2.01	1.92	1.28	0.64
1998-99	6.82	4.53	2.29	3.80	1.91	1.89	2.19	0.78	1.41
1999- 2000	6.40	5.93	0.47	3.94	3.10	0.84	2.32	1.82	0.50
2000-01	6.83	4.67	2.16	3.59	1.82	1.77	2.27	1.05	1.22
Total	31.85	24.27	7.58	17.98	10.59	7.39	10.65	6.29	4.36

Rupees 19.33 crore remained unspent

(i) Thirty two per cent (Rs 19.33 crore) of funds provided to these units remained unutilised. The huge savings were attributed by the units to non-finalisation of purchases of machines/ materials.

(ii) Superintendent, Bihar Secretariat Press, Gulzarbag diverted Rs 23.50 lakh during 1999-2000, provided for capital formation like procurement of machines and equipment, for payment of wages. During 1998-99, he also diverted Rs 6.72 lakh which was meant for office expenses for installation of a 400 KVA power sub-station. However, installation of the sub-station remained incomplete (April 2001).

7.2.2 Proforma accounts not prepared

Proforma accounts not prepared for more than 14 years

Though required under Bihar Financial Rules, Bihar Secretariat Press, Government Stationery Stores and Publication, Gulzarbag and Government Press and Forms, Gaya did not prepare proforma accounts since 1980-81, 1986-87 and inception (1912) respectively. As a result financial health of the units was not ascertained annually.

7.2.3 Performance appraisal

(i) System deficiencies

No targets of out turn fixed

(a) As per the hand book of Government of India presses, followed in the Government presses in Bihar, physical targets of out turn were to be fixed by the Finance Department. However, no such targets were fixed by the Finance Department for any of the presses.

Cost estimates for jobs not prepared

(b) Cost estimates for jobs were not prepared by the units to facilitate comparison with the actual cost of each job. In the absence of this, valuation of jobs received from other departments was made on lump sum analysis.

(c) Job order registers were not closed regularly and no analysis of the pending jobs was attempted to ascertain the reasons of pendency and to take remedial measures. During the five years 1996-2001, only 2948 jobs were

received (average 590 jobs each year) in Patna press of which 173 jobs were pending as of April 2001. Of the 2775 jobs completed 62 jobs were done through private presses.

(d) No account was maintained of the waste papers or spoilage and cuttings etc. Hence their gainful disposal was not assured and misappropriation of their disposed value could not be ruled out.

(ii) *Capacity utilisation*

None of the presses except in Gaya maintained machine cards containing details of installed capacity, date of installation, original cost and daily out turn of the machines installed in various sections. The presses did not maintain log book of the machines showing available machine hours, actual hours in operation and actual printing work done on a machine and its actual out turn. Capacity utilisation of the machine installed in presses was therefore not ascertainable. The capacity utilisation of Government Press and Forms, Gaya during 1996-2001 was as under :

Capacity utilisation was 9 to 22 per cent in last three years

Year	Rated out turn capacity	Actual out turn	Percentage of utilisation
	(Number of impressions in lakh)		
1996-97	971.46	452.62	47
1997-98	957.70	254.61	27
1998-99	975.36	88.50	09
1999-2000	990.42	96.57	10
2000-2001	1039.26	230.11	22

It would be seen that capacity utilisation came down from 47 per cent in 1996 -97 to 22 per cent in 2000-01. Poor capacity utilisation was attributed by the Superintendent of press to ageing of machines, shortage of machine operators and insufficient supply of energy etc. However, there was no record to show that the Superintendent took any step for replacement of old machines despite availability of funds.

The printing work done by the press during 1996-2001 was as under :

Year	Bihar Secretariat Press, Gulzarbag (including branch presses)	Government Press and Forms, Gaya
	(Number of pages)	(Number of impressions in lakh)
1996-97	18249	452.62
1997-98	11005	254.61
1998-99	12451	88.50
1999-2000	9398	96.57
2000-2001	NA	230.11

Compared to 1996-97 there was remarkable decline in performance of the presses in succeeding years.

Object of increasing printing capacity to 2 lakh pages per year failed. Printing works declined from 77000 pages in 1973-74 to 9398 in 1999-2000

The post of Director, Printing and Stationery was created by the Finance Department in October 1973 for reorganisation of existing presses with the object of increasing printing capacity of the presses from 80000 pages to two lakh pages per year. However, instead of increasing the printing capacity of the presses, the printing works declined from 77000 pages in 1973-74 to 18249 pages in 1996-97 and ultimately to 9398 pages in 1999-2000. However, Finance Department never initiated any action to improve the working of the Presses except creation of a post in 1973.

(iii) *Decline in supply of standard forms*

In Form section of Government Press and Forms, Gaya details of different types of forms received and issued during 1996-2001 were as under :

Year	Schedule 53		Schedule 47		Schedule 21		B Headquarter		A Headquarter	
	Receipt	Issue	Receipt	Issue	Receipt	Issue	Receipt	Issue	Receipt	Issue
	(Number in lakh)									
1996-97	54.75	84.27	2.23	5.38	0.62	1.98	10.41	1.17	---	0.22
1997-98	24.15	73.54	0.14	1.25	---	0.50	0.92	4.22	---	0.02
1998-99	16.47	37.32	0.31	0.37	---	0.36	3.26	5.49	0.22	0.23
1999-2000	47.65	29.28	0.16	---	0.66	0.25	10.10	0.15	---	0.01
2000-01	120.44	59.41	5.15	2.37	0.11	0.85	5.75	15.41	1.62	0.22
Total	263.46	283.82	8.99	9.17	0.99	3.94	25.44	26.44	1.84	0.70

Compared to 1996-97 there was decline in supply of forms in respect of Schedules 53, 47 and 21¹ in succeeding years. No reason for this was available on record.

Besides, a large number of copies of different forms against various printing orders were pending in machine/composing section since 1993 due to shortage of printing machines and material as per details below :

¹

Schedule-53 Common office forms; Schedule-21 Registration forms.

Year	Pending for printing	
	Composing Section	Machine Section
	(Number in lakh)	
1993-94	86.42	---
1994-95	115.27	216.94
1995-96	740.30	696.54
1996-97	394.05	988.96
1997-98	---	59.01

(iv) Loss of working hours

4.53 lakh man hours (76 per cent) remained unutilised and 0.29 lakh manhour lost due to interruption of power supply

Out of 6 lakh man hours available during 1996-2000, 4.53 lakh man hours (76 per cent) remained unutilised in Bihar Secretariat Press, Gulzarbag and its two branch presses due to working of the compositors not being as per the norms prescribed and 0.29 lakh man hours were lost due to electrical interruption. Such losses were not analysed and no remedial action was taken by the press. Consequently Bihar Secretariat Press, Gulzarbag spent Rs 83.99 lakh for printing work through private agencies during 1996-2001 and issued 2068 reems of various types of papers (value not ascertainable for records) to private presses during 1996-2001.

(v) Idle machines

Half of the machines were idle for long

Sixty (out of 140), 51 (out of 99) and 18 (out of 25) machineries were idle as on 31 March 2001 due to non-availability of trained and skilled operators and lack of spares/repairs at Bihar Secretariat Press, Gulzarbag, Government Press and Forms, Gaya and Secretariat Branch Press, Ranchi respectively. Details are given in Appendix-XXIX. No initiative had been taken by the Director to make the machines serviceable for the presses.

(vi) Decline in performance of composing units

Performance of composing units deteriorating sharply

The output in the composing units of Bihar Secretariat Press and its two branch presses (Ranchi and Secretariat Branch Press) during 1996-2000 was as under :-

Year	Hand composition	Offset composition	Lino composition	Mono composition	Overall total
	(In number)				
1996-97	5189.00	1961.25	3858.75	4347.75	15356.75
1997-98	4389.25	---	3182.75	3473.25	11005.25
1998-99	4802.25	497.75	2104.25	5046.75	12451.00
1999-2000	3283.25	2071.50	2094.50	1948.50	9397.75

Compared to 1996-97 there was a decline of 51.5 per cent in quantum of all the compositions in 1999-2000. Information for the year 2000-01 was not maintained by the Press. The reasons of such decline were neither stated nor on record with Superintendent of Press.

(vii) Modernisation of presses

Modernisation programme not started

In October 1999 a study was conducted by the National Productivity Council for modernisation of the presses in Bihar. The Council proposed modernisation of the presses in 16 months to be completed by March 2002 at an estimated cost of Rs 5.03 crore. However, no action was initiated by the Finance Department in this regard as of July 2001 and modernisation programme remained unachieved. Thus, Rs 5.70 lakh paid to the National Productivity Council for the study was rendered unfruitful.

(viii) Publication of books

Publication Branch was responsible for making arrangement of publication and distribution/ sale of all State Government rules, codes, manuals etc. Scrutiny revealed that 9.45 lakh priced books valued at Rs 64.89 lakh and 2.23 lakh unpriced books printed prior to 1981 were lying in stock for 20 to 65 years. These publications were eventually eaten up by white ants as there was no proper arrangement for their safe keeping and preservation.

Complete physical verification of books was never done. As a result shortage/loss of books was not ascertained.

7.2.4 Stores and stock

Maintenance of stores and stock was deficient. There were huge idle stock

(i) Inventory of plants, machinery, instruments, furniture, equipment and fixtures etc. showing therein the number received, number disposed off by way of transfer, sale, loss etc. and the balance in hand was not maintained by the Presses and Government Stationery Stores and Publication. Thus, there was no numerical account of these assets in these presses.

(ii) Physical verification of stores was not done in any of the years covered in audit. As such shortage/loss of stores, if any, could not be ascertained.

(iii) During the year 1998-99 different types of papers² costing Rs 6.57 lakh purchased in Bihar Secretariat Press, Gulzarbag were not consumed as of July 2001 and lying in stock for more than 2 years as their procurement was made without any requirement.

(iv) As of 31 March 2001, 3.4 lakh calendars of different types valued at Rs 3.17 lakh and 13.2 thousand unpriced mount calendars printed during 1996-2001 were lying in stock in Government Stationary Stores and

² *Maplitho Reel paper : 68 reems; 17 kg Maplitho : 471 reems; 19.6 kg Maplitho : 144 reems; Reel paper : 111 reels; 28.9 kg Pulp Board Green : 180 reems; Pulp Board Pink : 46 reems; Pulp Board Yellow : 44 reems and Pulp Board Blue : 40 reems.*

Publication. This indicated that printing of calendars was done in excess of requirement resulting in loss of money and material to government.

(v) For theft of 1615 reems of paper (November 1996) valued at Rs 1.73 lakh, Rs 1.18 lakh was recovered from the storekeeper. Balance Rs 0.55 lakh recoverable from 4 other employees of the Government Stationery Stores yet to be recovered (April 2001).

7.2.5 Outstanding dues

Printing charges of Rs 7.01 crore were outstanding for recovery since 1977-78 onwards from various departments and autonomous bodies as of April 2001 as per details below :

Year	Bihar Secretariat Press, Gulzarbag	Government Press and Forms, Gaya	Government Stationery Store and Publication, Gulzarbag	Total
(Rupees in lakh)				
Upto 1995-96	221.55	211.22	44.40	477.17
1996-97	0.31	88.46	16.11	104.88
1997-98	12.32	3.71	--	16.03
1998-99	0.42	76.88	12.35	89.65
1999-2000	10.61	--	--	10.61
2000-01	2.92	--	--	2.92
Total	248.13	380.27	72.86	701.26

Agency wise details are given in Appendix-XXX.

No effective steps were taken by the Presses and the Finance Department to recover the outstanding dues from the agencies concerned.

7.2.6 Delayed remittance

Though sale proceeds of books and publications were to be remitted into treasury the same day or a day after, sale proceeds of Rs 3.78 lakh received by Publication Branch of Government Stationery Stores and Publications, Gulzarbag during 1996-2001 were deposited into treasury after a delay of 7 days to 163 days. This amounted to temporary misappropriation of Government money.

Printing charges
(Rs 7.01 crore)
outstanding since
1977-78

Remittance of sale
proceeds delayed
upto 163 days

7.2.7 Other points of interest

(i) *Unauthorised expenditure on pay and allowances of packers*

Even after the packing works were dispensed with deployment of packers continued

Though packing works in Government Press and Forms, Gaya were dispensed with in 1987 by Government, 11 to 14 packers were continued to be deployed during 1996-2001 and unauthorised expenditure of Rs 27.84 lakh was incurred on their pay and allowances.

(ii) *Nugatory expenditure on staff who remained without work*

8 staffs of non-functional canteens remained without work

(a) The canteens of the presses were non-functional for the last 8 to 10 years. However, during 1996-2001 nugatory expenditure of Rs 15.90 lakh was incurred on pay and allowances of 8 idle staff³ of the canteen.

15 typewriter mechanic had no work as spare parts were not purchased

(b) In Government Stationery Stores and Publication, Gulzarbag, 15 staff posted during 1997-2001 for repair and maintenance of typewriters did not carry out any repair work due to non purchase of spare parts. Rupees 22.81 lakh was paid as pay and allowances to them during 1997-2001.

(iii) *Irregular expenditure on unsanctioned post*

During 1999-2001, 5 copy holders, 2 correctors, and 2 machine fly boys were posted for which there was no vacancy as per sanctioned strength in Bihar Secretariat Press, Gulzarbag (Patna) resulting in irregular expenditure of Rs 8.22 lakh on their pay and allowances during the period.

(iv) *Excess expenditure on energy charges*

Against required load of 150 KVA, electricity charges for contracted load of 230 KVA were paid

Bihar Secretariat Press, Gulzarbag got monthly electricity bills on contracted load of 230 KVA. However, the consumption of energy was approximately 150 KVA only. Accordingly a request was made by the press to the PESU in March 1979 for fresh agreement at reduced load from the next financial year. But, the Director failed to execute a fresh contract with the Electricity Board resulting in excess payments of electricity charges for at least 1.30 lakh units per year on account of payment of electricity charges based on minimum 75 per cent of the contract demand. During the period June 1990 to March 2001 (for which records were available) an excess payment of Rs 14.12 lakh (approx.) was made as Electricity charges.

³ Canteen clerk : one each in Bihar Secretariat Press, Gulzarbag and Government Press and Forms, Gaya; Mazdoor and Halwai : one each in Bihar Secretariat Press, Gulzarbag, Government Press and Forms, Gaya and Government Stationary Stores and Publication, Gulzarbag.

7.2.8 *Monitoring*

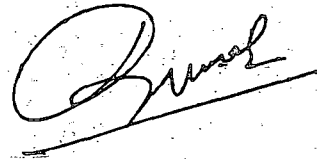
Due to poor monitoring, functioning of presses deteriorated

The working of the Presses and Government Stationery Stores and Publications was not monitored by the Director, Printing and Stationery who had the sanctioned strength of 8 support staff and the Finance Commissioner who was assisted by the Additional/ Special Secretary and other support staff to oversee and administer the activities of the Presses and Government Stationery Stores and Publications. As a result, their functioning deteriorated day by day.

7.2.9 *Conclusion*

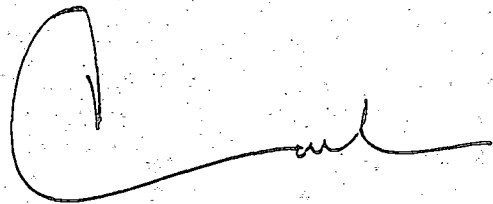
Working of the Government Presses and Government Stationery Stores and Publications was grossly mismanaged due to absence of monitoring by the Director and the Finance Commissioner. As a result, a large part of the funds provided to these units was either not utilised or was diverted for other purposes. These units suffered from system deficiencies that led to poor capacity utilisation, loss of working hours, idle machineries and manpower and non-maintenance of essential accounts and records. The task of modernisation of the presses also remained unaccomplished.

Patna
The



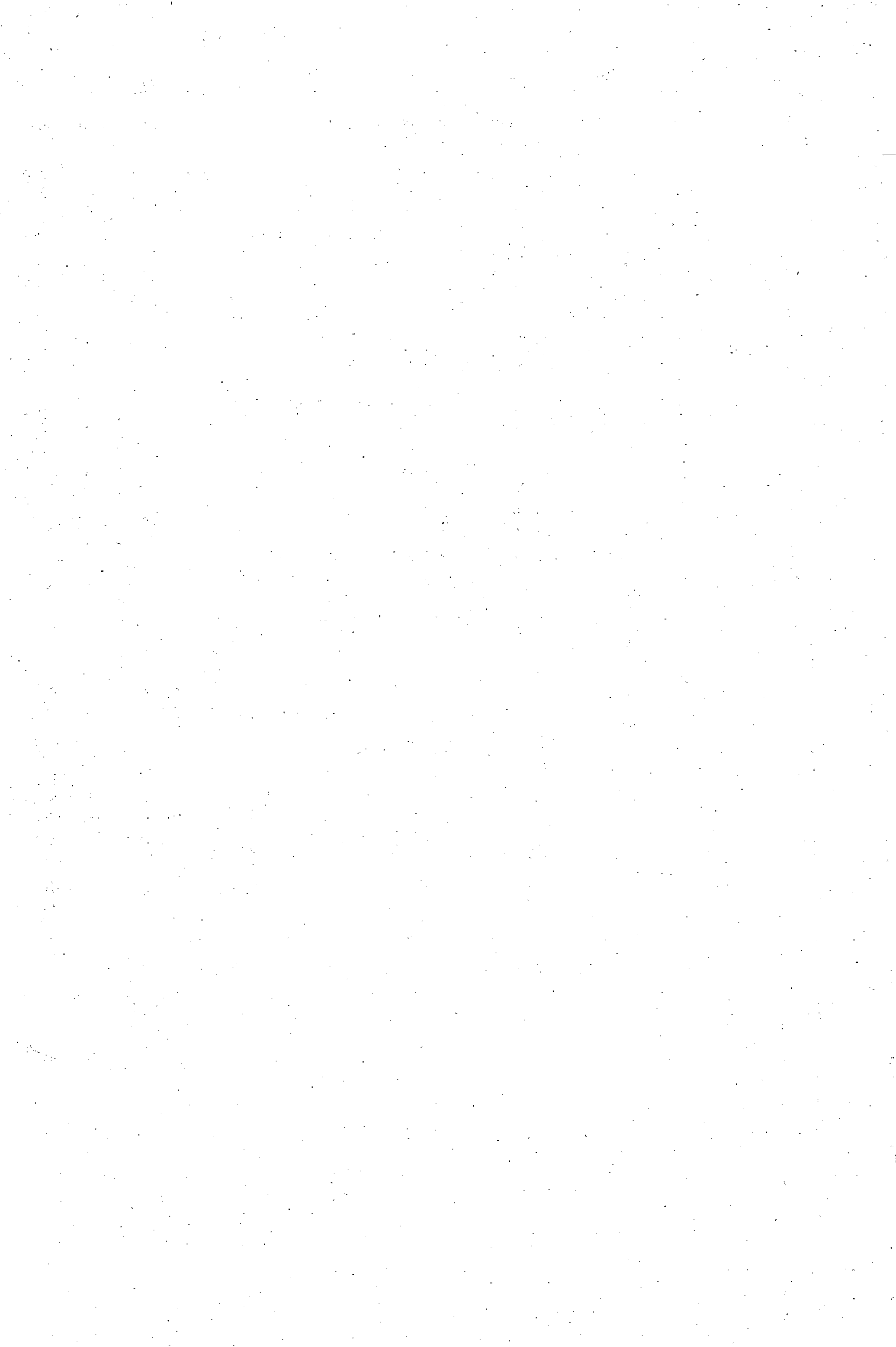
(Birendra Kumar)
Accountant General (Audit), Bihar

Countersigned

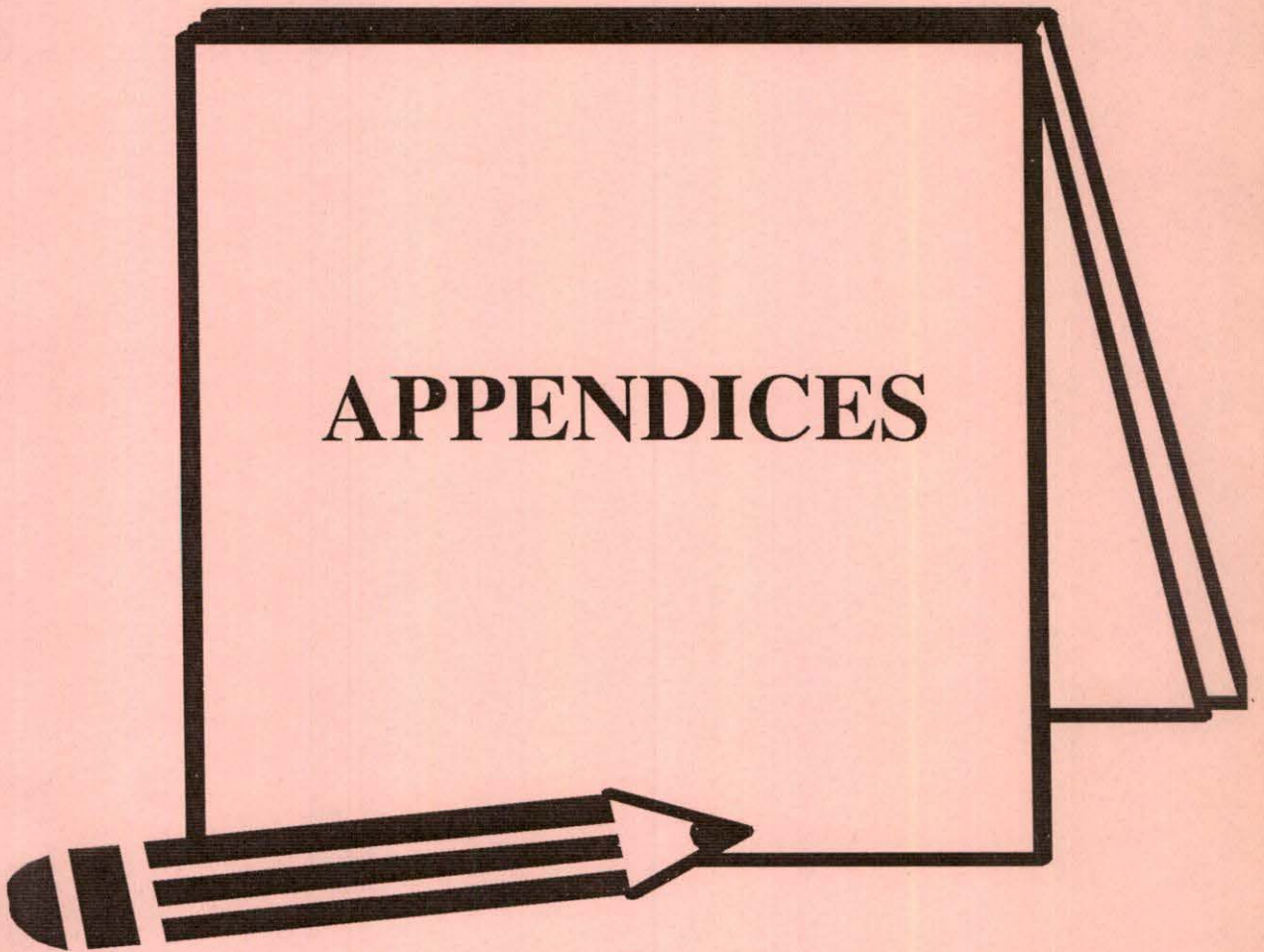


New Delhi
The

(Vijayendra N. Kaul)
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 Government 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 Fund

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 not subject to voted the State Legislature.

II. From 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 of all transaction 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-a-vis the amount authorized by the State Legislature in the budget grants. Any expenditure in excess of the grants regularization by the Legislature.

**Part – B. List of indices/ ratios and basis for their calculation
(Refer: Paragraphs 1.11.2)**

Indices / Ratios		Basic fro calculation
Sustainability	BCR	Revenue receipts minus all Plan (Under Major Head 1601-2,03,04) and Non-Plan revenue expenditure
Balance form 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 form current revenue	Capital Repayment	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 Finace Accounts
	Total Tax Receipts	
		State Tax receipts plus state's share of Union Taxes.
Incomplete Projects		
- Total Vs GSDP		
- Debt Vs GSDP		
Vulnerability		
- Revenue Deficit		Paragraphs No. 1.9.5 of the Audit Report
- Fiscal Deficit		Paragraphs No. 1.9.5 of the Audit Report
- Primary Deficits Vs Fiscal Deficit	Primary Deficit	Fiscal Deficit minus interest

Indices / Ratios		Basic fro calculation
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	
	Debt	Borrowing and other obligations at the end of year (Statement no. 4 of the Finance Accounts

APPENDIX - II

Statement showing apportionment of assets and liabilities of the composite State of Bihar as on 14th November 2000 between successor Bihar and new State of Jharkhand
(Refer: Paragraph 1.1)

(Rupees in crore)

	Sl. No.		Balance as on 14.11.2000	Apportioned to		Balance to be apportioned included in the accounts of Bihar
				Bihar	Jharkhand	
I	Liabilities					
	1	Internal Debt	8745.34	6533.64*	2211.70*	—
	2	Shortfall in Deposit with Reserve Bank	113.58	84.85@	28.73@	—
	3	Loans and Advances from Central Government	14828.95	11078.71*	3750.24*	—
	4	Contingency Fund	350.00	—	—	350.00
	5	Small savings, providend fund etc.	7549.56	—	—	7549.56
	6	Deposits	1963.26	—	—	1963.26
	7	Reserve funds	342.36	—	—	342.36
II	Assets					
	1	Gross Capital outlay	11935.23	—	—	11935.23
	2	Loans and Advances	6583.36	—	—	6583.36
	3	Advances	94.67	—	—	94.67
	4	Remittance balance	1504.05	—	—	1504.05
	5	Suspense and Misc. balance	716.12	—	—	716.12
	6	Cash	96.44	—	—	96.44

* Apportionment has been done in population ratio 645.30 : 218.44 vide Government of India, Ministry of Finance, Department of Economic Affairs (Budget Division) order F. No. 9 (3)- B(S)/2000 dated 26 July 2002, under section 48 (2) of the Bihar Reorganisation Act, 2000 read with section 2 (4) thereof.

@ Apportioned by the Reserve Bank of India in the ratio 79.4 : 20.6

APPENDIX - III

Statement of large savings under State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes
(Refer: Paragraph 1.8.3)

I. Overall position of Saving

Schemes	Total provision including supplementary	Expenditure	Saving
(Rupees in Lakhs)			
State Plan	30,89,65.73	10,01,20.43	20,88,45.30
Central Plan	5,23.66	16.85	5,06.81
Centrally Sponsored	6,51,40.83	2,13,09.72	4,38,31.11
Total	37,46,30.22	12,14,47.00	25,31,83.22

II. Large saving affected schemes (Rs 1.00 crore and above)

(Rupees in crore)

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
State Plan Scheme				
1.	Grant No. 1- Agriculture Department A-2401-Crop Husbandry A2-103-Seeds A2 (4) Consolidated Cereal Development Programme	1.13	--	1.13
2.	A7-109-Extension and Farmer's Training A7 (5) Agriculture Expansion Scheme	17.68	11.80	5.88
3.	A10-796-Tribal Area Sub-Plan A10(20)(2) Tribal Area Sub-Plan	1.14	--	1.14
4.	E-2705-Command Area Development E6-105-Ayacut Development E6(1) Area Development Command Level (i) State Plan Scheme	34.75	14.09	20.66
Total Grant No. 1		54.70	25.89	28.81
5.	Grant No. 2-Animal Husbandry and Fisheries Department A2-101-Veterinary Services and Animal Health A2(2)-Hospital, Dispensaries and other Establishment	1.41	0.40	1.01
Total Grant No. 2		1.41	0.40	1.01
6.	Grant No.3 - Building Construction and Housing Department 2A-4059-Capital Outlay on Public Works 2B1(2)-700-Other Housing 2B1(2)(1)-Other Area Sub-Plan Lump sum provision for incomplete projects of 1999-2000 and revised and new schemes of 2000-2001	2.22	0.31	1.91

Audit Report (Civil) for the year ended 31 March 2001

SI.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
7.	2B1(2)(2) Tribal Area Sub-Plan Lump sum provision for incomplete projects and revised estimated cost of 1999-2000 and new projects of 2000-2001	1.78	0.02	1.76
	Total Grant No. 3	4.00	0.33	3.67
8.	Grant No. 8 – Civil Aviation Department B-3053-Civil Aviation B1-80-General B1(1)-003-Training and Education B1(1)(1) Training and Education	2.21	--	2.21
9.	B1(2)-796-Tribal Area Sub-Plan B1(2)(1) Training and Education	2.24	--	2.24
	Total Grant No. 8	4.45	--	4.45
10.	Grant No.10 – Energy Department 3A-6801-Loans for Power Projects 3A1-201-Hydel Generation (Other area sub-plan) 3A1(1) Loans to Bihar State Hydel Electricity Corporation	15.07	--	15.07
11.	3A3-800-Other loans to Electricity Boards 3A3(1) Loans to Bihar State Electricity Board	202.54	39.95	162.59
	Total Grant No. 10	217.61	39.95	177.66
12.	Grant No. 17– Finance (Commercial Tax) Department A-2040-Taxes and Sales, Trade etc. A2-101-Collection Charges A2(1) District Charge	4.00	--	4.00
	Total Grant No. 17	4.00	--	4.00
13.	Grant No. 18 Food Supply and Commerce Department C-3456-Civil Supplies C2-800-Other Expenditure C2(1)-District Charges Public Distribution System Consumer Protection	3.73	2.52	1.21
	Total Grant No. 18	3.73	2.52	1.21
14.	Grant No. 20 –Health, Medical Education and Family Welfare Department A-2210-Medical and Public Health A1-01-Urban Health Services- Allopathy A1(1)-001-Direction and Administration A1(1)(1) Superintendence	3.75	0.19	3.56
15.	A1 (1)(3) Prevention of Blindness	1.63	0.17	1.46
16.	A3 (2)-103-Primary Health Centre A3 (2)(1)-Primary Health Centre	61.57	15.97	45.60
	Total Grant No. 20	66.95	16.33	50.62
17.	Grant No. 21– Higher Education Department A-2202-General Education A1-03-University and Higher Education A1(2)-102-Assistance to Universities A1(2)(10) Development of the State Universities	9.20	--	9.20
	Total Grant No. 21	9.20	--	9.20

SI.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
18.	Grant No. 22 – Home Department B11-796-Tribal Area Sub-Plan B11(1) Grants-in-Aid to Police Housing Construction Corporation	6.00	—	6.00
19.	B12-800-Other Expenditure B12(1) Grants-in-Aid to Police Housing Construction Corporation	22.50	0.01	22.49
20.	C2-101-Jail C2(4) Central and Divisional Jail	2.70	—	2.70
	Total Grant No. 22	31.20	0.01	31.19
21.	Grant No. 23 –Industries Department A-2851-Village and Small Industries A2-102-Small Scale Industries A2(3) Establishment of District Industries Centres-Jharkhand Area	2.00	0.13	1.87
22.	A4-104-Handicraft Industries A4(3) Grants-in-Aid to Bihar State Khadi Gramodyog Board	1.00	—	1.00
23.	A7-796-Tribal Area Sub-Plan A7(2) Assistance to Bihar State Khadi and Village Industries Board (Grants-in-Aid)	2.00	—	2.00
24.	A7(4) Development of Sericulture	2.21	0.98	1.23
25.	A7(8) Design Development and Training Centre in Ranchi.	1.02	—	1.02
25.	B-2852-Industries B1-80-General B1(3)-102-Industrial Productivity B1(3)(8) Establishment of Growth Centre in non-industrial districts (Grants-in-Aid)	9.00	—	9.00
26.	B1(3)(9) Establishment of Mini Growth Centre in non-industrial districts (Grants-in-Aid)	4.00	—	4.00
27.	2C-4885-Other Capital on Industries and Minerals 2C1-800-Other Expenditure 2C1(2)Land Acquisition for Industrial Development	2.50	1.00	1.50
28.	3C-6885-Other loans to Industries and Minerals 3C1-01-Loans to Industrial Financial Institution 3C(1)(2)-Interest free loan to Industries in lieu of exemption from Sales Tax (Jharkhand Area)	4.00	—	4.00
	Total Grant No. 23	27.73	2.11	25.62
29.	Grant No. 30 – Minority Welfare Department 2A-4225-Capital Outlay on Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes 2A1-80-General 2A1(1)-800-Other Expenditure 2A1(1)(1) Minority Welfare Department Unit (i) Construction of Hostels for Minority Boys and Girl students	25.50	14.20	11.30

Audit Report (Civil) for the year ended 31 March 2001

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
30.	(ii) Construction of Minority Building cum Haz House	2.00	--	2.00
31.	(iii) Concrete Boundary of Graveyard	8.50	1.45	7.05
32.	2C-5465-Investments in General Financial and Trading Institutions 2C1-01-Investment in General Financial Institutions 2C1(1)-190-Investments in Public Sector and other undertakings, Banks etc.(Other Area Sub-Plan) 2C1(1)(1) Share Capital to National Minority Development and Financial Corporation – Equity Participation share of State	5.00	--	5.00
33.	2C1(1)(2) Share Capital of Bihar State Minority Financial Corporation (Capital Share)	2.00	--	2.00
	Total Grant No. 30	43.00	15.65	27.35
34.	Grant No. 35 Planning and Development Department B-2053-District Administration B3-796-Tribal Area Sub-Plan B3(1) Regional Planning	11.50	--	11.50
35.	B3(2) Bihar Plateau Development Scheme	77.49	37.86	39.63
36.	B3(3) Strengthening of Planning Machinery (Jharkhand)	4.39	--	4.39
37.	E2(3)-204-Central Statistical Organisation E2(3)(10) Computerisation of Statistical Machine	2.06	--	2.06
38.	E2(3)(11) Recovery towards National Agricultural Insurance	3.98	--	3.98
	Total Grant No. 35	99.42	37.86	61.56
39.	Grant No. 36- Public Health Engineering Department 2A-4215-Capital Outlay on Water Supply and Sanitation 2A1-01-Water supply 2A1(1)-102-Rural Water Supply (Other Area Sub-Plan) 2A1(1)(1) Rural Piped Water Supply Scheme (iv) Special Integrated Scheme	2.01	--	2.01
40.	(vii) DALL and DEYARA Vikas Yojna on the recommendation of the 10 th Finance Commission.	1.00	--	1.00
41.	2A1(1)(3) Rural Water Supply Scheme (by Tube wells, wells – works) (ii) Special Integrated Scheme	6.89	--	6.89
42.	2A1(2)-796-Tribal Area Sub-Plan 2A1(2)(2) Water Supply in rural/sub-urban areas upto population of 20,000 (i) General	1.28	--	1.28
43.	2A1(2)(3) Rural Piped Water Supply Scheme (Tube well, Wells etc.) (i) General	3.74	--	3.74
44.	(ii) Special Integrated Scheme	2.26	--	2.26

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
45.	2A2-02-Sewerage and Sanitation 2A2(1)-106-Sewerage Services 2A2(1)(1) Rural Sanitation (i) General	1.84	--	1.84
	Total Grant No. 36	19.02	--	19.02
46.	Grant No. 37-Raj Bhasha Department A2-796-Tribal Area Sub-Plan A2(1) Raj Bhasha Bibhag	1.93	--	1.93
	Total Grant No. 37	1.93	--	1.93
47.	Grant No. 40 Revenue and Land Reforms Department A-2029-Land Revenue A1-102-Survey and Settlement Operations A1(2) Implementation of Tenant's accounts book	8.77	7.40	1.37
48.	A4-800-Other Expenditure A4(2) Consolidation of holdings	10.00	2.97	7.03
	Total Grant No. 40	18.77	10.37	8.40
49.	Grant No. 41 Road Construction Department 2B2-03-State Highway 2B2(1)-052 Machinery & Equipment 2B2(1)(1) Machinery & Equipment	7.44	--	7.44
50.	2B2(3)-337-Road Works 2B2(3)(1) Major Roads	188.72	78.19	110.53
51.	2B2(4)-796-Tribal Area Sub-Plan 2B2(4)(1) Major Roads	46.94	3.63	43.31
52.	2B2(4)(2) Machinery & Equipment	3.00	--	3.00
53.	2B2(4)(3) Bridges	7.38	0.19	7.19
	Total Grant No. 41	253.48	82.01	171.47
54.	Grant No. 42 Rural Development Department A-2501-Special Programme for Rural Development A1-01-Integrated Rural Development Programme A1(1)-800-Other Expenditure A1(1)(1)(1) Consolidated Rural Development Programme (i) Establishment Expenditure	9.86	0.33	9.53
55.	(ii) General	25.64	23.49	2.15
56.	(iii) Special Integrated Scheme for Scheduled Castes	25.64	17.24	8.40
57.	A2-02-Drought Prone Areas Development Programme A2(1)-101-Minor Irrigation A2(1)(1) Drought Prone Areas Programme - Jal Chhajan Development Programme	5.23	1.47	3.76
58.	A2(2)-796-Tribal Area Sub-Plan A2(2)(1) Drought Prone Area Programme-Jal Chhajan Development Programme	1.54	0.21	1.33

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
59.	B-2505-Rural Employment B1-01-National Programmes B1(1)-702-Jawahar Rojgar Yojna B1(1)(2) Jawahar Gram Samriddhi Yojna (ii) Special Integrated Scheme for Scheduled Caste	16.89	1.42	15.47
60.	(iii) Headquarter Establishment	2.04	0.16	1.88
61.	B1(1)(3) Indira Awas Yojna (ii) Special Integrated Scheme for Scheduled Caste	24.87	--	24.87
62.	B1(1)(4) Minimum Needs Programme (i) General	190.15	68.30	121.85
63.	(ii) Special Integrated Scheme for Scheduled Caste	21.49	--	21.49
64.	B1(1)(5) Insured Employment Programme (i) General	46.79	40.02	6.77
65.	(ii) Special Integrated Scheme for Scheduled Caste	20.05	--	20.05
66.	B1(2)-796-Tribal Area Sub-Plan B1(2)(2) Jawahar Gram Samriddhi Yojna (i) General	3.70	--	3.70
67.	(ii) Special Integrated Scheme for Scheduled Caste	1.59	--	1.59
68.	B1(2)(3) Indira Awas Yojna (i) General	16.09	--	16.09
69.	(ii) Special Integrated Scheme for Scheduled Caste	6.89	--	6.89
70.	B1(2)(3) Minimum Needs Programme (i) General	66.99	--	66.99
71.	(ii) Special Integrated Scheme for Scheduled Caste	28.71	--	28.71
72.	B1(2)(4) Insured Employment Programme (i) General	14.21	--	14.21
73.	(ii) Special Integrated Scheme for Scheduled Caste	6.09	--	6.09
74.	C-2515-Other Rural Development Programme C4(2) Special Scheme (i) Kosi affected areas	2.00	0.88	1.12
75.	(ii) Minor Works	13.33	--	13.33
76.	2A-4515-Capital outlay on other Rural Development Programme 2A2-103-Rural Development 2A2(1) Minimum Needs Programme (ii) Major Works	3.56	0.70	2.86
77.	(iii) Strengthening of old Roads	18.52	1.63	16.89
78.	(iv) Construction of new roads and renovation of old roads in terrorism affected areas	18.05	1.42	16.63
79.	(v) New Bridge/construction of bridges	14.25	--	14.25
80.	(vi) Minor Works	1.06	--	1.06
81.	(vii) NAWARD (R.L.D.F.)	17.10	--	17.10
82.	(ix) Construction of new roads	3.57	--	3.57

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
83.	2A2(2) Chief Engineer/Superintending Engineer (Rural Department)	40.46	23.59	16.87
84.	2A2(3) Implementation of Schemes on recommendation of members of Legislative Assembly and Legislative Council	170.50	154.82	15.68
85.	2A2(4) Reconstruction of flood affected roads	30.00	--	30.00
86.	2A3-796-Tribal Area Sub-Plan 2A3(1) Minimum Needs Programmes (iii) New bridges/construction of bridges	3.33	--	3.33
87.	(iv) Strengthening of old roads	4.33	--	4.33
88.	(vii) Construction of new roads and renovation of old roads in terrorism affected areas	3.33	--	3.33
89.	(viii) NAWARD (R.I.D.F.)	4.00	--	4.00
90.	2A3(3) Implementation of Schemes on recommendation of members of Legislative Assembly and Legislative Council	29.50	7.28	22.22
	Total Grant No. 42	911.35	342.96	568.39
91.	Grant No. 43 - Science and Technology Department A-2203-Technical Education A2-004-Research A2(2) Bihar Council of Science and Technology (Grants-in-Aid)	1.50	--	1.50
92.	A6-105-Polytechnics A6(3) Diploma Course - Strengthening of Polytechnic Education	2.91	0.44	2.47
93.	A8-112-Engineering Technical Colleges and Institutes A8(1) Graduate and Post Graduate Course	1.41	--	1.41
94.	A9-796-Tribal Area Sub-Plan A9(1) Bihar Council of Science and Technology, Patna (Grants-in-Aid)	1.00	--	1.00
95.	2A-4202-Capital outlay on Education and Sports, Art and Culture 2A1-02-Technical Education 2A1(1)-104-Polytechnics 2A1(1)(1) Polytechnic/Engineering/Technical University	1.18	--	1.18
	Total Grant No. 43	8.00	0.44	7.56
96.	Grant No. 44 - Middle, Primary and Public Education Department A-2202-General Education A1-01-Elementary Education A1(3)-101-Government Primary Schools A1(3)(1) Government Primary and Middle Schools	27.59	--	27.59
97.	A1(3)(2) Special Integrated Scheme for scheduled caste - Government Primary and Middle School	12.80	--	12.80

Audit Report (Civil) for the year ended 31 March 2001

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
98.	A1(3)(3) Government Primary and Middle School for Jharkhand Area (Under recommendation of the 10 th Finance Commission)	6.01	--	6.01
99.	A1(6)-796-Tribal Area Sub-Plan A1(6)(1) Government Primary and Middle School	8.35	--	8.35
100.	A1(6)(2) Employment Oriented Scheme under Minimum Needs Programme	15.94	--	15.94
101.	A1(6)(4) Informal Education	2.65	--	2.65
102.	A1(6)(5) Bihar Education Project	3.33	--	3.33
103.	A1(7)-800-Other Expenditure A1(7)(1) Information Education	10.47	8.07	2.40
104.	A1(7)(2) Employment Oriented Scheme Under Minimum Needs Programme	51.31	5.55	45.76
105.	A1(7)(4) Special Integrated Schemes for Jharkhand Area Informal Education	3.00	--	3.00
106.	A1(7)(5) Special Integrated Scheme for Jharkhand Area	14.01	--	14.01
107.	A1(7)(6) Special Integrated Scheme for scheduled castes Informal Education	2.49	--	2.49
108.	A1(7)(7) Bihar Education Project (Office Expenses)	11.20	7.06	4.14
109.	A1(7)(8) Special Integrated Scheme for Jharkhand Area Bihar Education Project	2.40	--	2.40
110.	A2(5)-109-Government Secondary Schools A2(5)(1) Other Schools	1.76	--	1.76
111.	A2(5)(4) Departmental Works Major Works	3.60	--	3.60
112.	A3-03-University and Higher Education A3(1)-103-Government Colleges and Institutes A3(1)(4) Intermediate Education	7.64	1.63	6.01
113.	A3(3)-796-Tribal Area Sub-Plan A3(3)(2) Intermediate Education	1.88	--	1.88
	Total Grant No. 44	186.43	22.31	164.12
114.	Grant No. 45 – Sugarcane Department A-2401-Crop Husbandry A1-108-Commercial Crops A1(2) Sugarcane Development	1.46	--	1.46
	Total Grant No. 45	1.46	--	1.46
115.	Grant No. 46 – Tourism Department B-3452-Tourism B1(2)-101-Tourist Centre B1(2)(2) Computerisation and renovation of Tourist Information Centres (iv) State Share from 1990-91 to 1999-2000 for Projects aided by Central Government	1.55	--	1.55
116.	(v) Grants for Hotel Management	1.53	--	1.53
	Total Grant No. 46	3.08	--	3.08

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
117.	Grant No. 47 – Transport Department 2C-5055-Capital outlay on Road Transport 2C1-190-Investments in Public Sector and other undertakings 2C1(1) Share to the Bihar State Road Transport Corporation	1.75	--	1.75
	Total Grant No. 47	1.75	--	1.75
118.	Grant No. 48 – Urban Development Department 2B-4215-Capital outlay on Water Supply and Sanitation 2B1-01-Water Supply 2B1(1)-101-Urban Water Supply 2B1(1)(1) Grants-in-Aid to Urban Local Bodies for supply of drinking water under Centrally Sponsored Accelerated Urban Water Supply Scheme	2.39	--	2.39
119	2B2-02-Sewerage and Sanitation 2B2(1)-106-Sewerage and sanitation 2B2(1)(1) Grants-in-Aid to Urban Local Bodies for sewerage and construction of drains	4.84	--	4.84
120.	2B2(2)-796-Tribal Area Sub-Plan 2B2(2)(1) Grants-in-Aid to Urban Local Bodies for sewerage and construction of drains	2.00	--	2.00
121.	2C-4217-Capital outlay on Urban Development 2C1-60-Other Urban Development Schemes 2C1(1)-800-Other Expenditure 2C1(1)(1) Jharkhand Area Autonomous Council (iv) Grants-in-Aid to Urban Local Bodies for Transport	1.88	--	1.88
122.	2C1(1)(2) Grants under environmental improvement scheme for scheduled castes – Slum clearness and environmental improvements.	23.51	18.76	4.75
123.	2C1(1)(3) Grants-in-Aid received from Govt. of India on recommendation of 10 th Finance Commission Grants-in-Aid to Urban Local Bodies	50.21	--	50.21
124.	2C1(1)(4) Grants-in-Aid to Swarna Jayanti Urban Employment Scheme	4.41	1.69	2.72
125.	2C1(1)(6) Civic Amenities in Urban Area Grants-in-Aid	3.05	--	3.05
126.	2C1(1)(7) Grants-in-Aid to Urban Local Bodies for Transport	11.95	--	11.95
127.	2C1(2)-796-Tribal Area Sub-Plan 2C1(2)(1) Jharkhand Area Autonomous Council – Garibi Unmulan Yojna in Urban Area Grants-in-Aid to Urban Local Bodies for Swarna Jayanti Urban Employment Scheme	1.14	--	1.14

Audit Report (Civil) for the year ended 31 March 2001

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
128.	2C1(2)(3) Civic amenities in Urban Areas Grants-in-Aid	1.25	--	1.25
129.	2C1(2)(4) Grants-in-Aid to Urban Local Bodies for Transport	3.91	--	3.91
130.	3B-6215-Loans for Water Supply and Sanitation 3B1-01-Water Supply 3B1(1)-191-Loans to Local Bodies, Municipalities etc.3B1(1)(2) Loans to Municipal Corporation and Municipalities for Urban Water Supply	6.43	1.35	5.08
131.	3B1(2)-796-Tribal Area Sub-Plan 3B1(2)(1) Loans for water supply to Urban Local Bodies for Tribal Areas	1.75	--	1.75
132.	3B2-02-Sewerage and sanitation 3B2(1)-191-Loans to Local Bodies, Municipalities etc. 3B2(1)(2) Loans to Municipal Corporation and Municipalities for drainage system, loans to local bodies, Municipalities etc.	5.04	--	5.04
133.	3B2(2)-796-Tribal Area Sub-Plan 3B2(2)(2) Loans to Municipalities for sewerage and drainage system loans to local bodies, Municipalities etc.	1.80	--	1.80
134.	3C-6217-Loans for Urban Development 3C1-60-Other Urban Development Schemes 3C1(1)-191-Loans to Local Bodies, Corporation etc. 3C1(1)(2) Loans to Urban Local Bodies for Transport	23.89	--	23.89
135.	3C1(1)(3) Loans to Urban Local Bodies for Transport (Jharkhand Area Autonomous Council)	3.75	--	3.75
136.	3C1(3)-796-Tribal Area Sub-Plan 3C1(3)(1) Loans to Urban Local Bodies for Transport	7.82	--	7.82
	Total Grant No. 48	161.02	21.80	139.22
137.	Grant No. 49 – Water Resources Department 2A-4701-Capital outlay on Major and Medium Irrigation 2A1-02-Major Irrigation non-commercial 2A1(2)-796-Tribal Area Sub-Plan 2A1(2)(1) Swarnrekha Project (i) Establishment	36.48	20.87	15.61
	2A1(2)(2) Swarnarekha Project (NABARD)	43.60	--	43.60
138.	2A2-04-Medium Irrigation (Non-commercial) 2A2(1) Chotanagpur and Santhal Paraganas Irrigation Schemes (Other than AIBP, NABARD and RIDF) (i) Establishment	41.39	23.78	17.61
139.	(ii) Works	50.81	19.49	31.32

SI.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
140.	2A2(2) North Bihar Irrigation Project 2A2(2)(1) North Bihar Irrigation Projects (Other than AIBP, NABARD and RIDF) (i) Establishment	41.83	28.95	12.88
141.	(ii) Works	25.00	--	25.00
142.	2A2(2) North Bihar Irrigation Project(AIBP) (ii) Works	120.00	56.11	63.89
143.	2A2(3) South Bihar Irrigation Project 2A2(3)(1) South Bihar Irrigation Projects (Other than AIBP, NABARD and RIDF) (i) Establishment	68.65	54.13	14.52
144.	2A2(3) South Bihar Irrigation Project 2A2(3)(2) South Bihar Irrigation Project (AIBP) (ii) Works	141.13	49.21	91.92
145.	2A2(4)-Tribal Area Sub-Plan 2A2(4)(1)Medium Irrigation (Other than AIBP and NABARD) (i)Establishment	32.12	19.50	12.62
146.	2A2(4)(2) Medium Irrigation Scheme (Under AIBP Project) (i) Works	16.94	6.88	10.06
147.	2B-4711-Capital outlay on Flood Control Project 2B1-01-Flood Control 2B1(1)-001-Direction and Administration 2B1(1)(1) Assistance from 10 th Finance Commission Tal and Diara Development Project	11.17	--	11.17
148.	2B1(1)-201-North Bihar Flood Control Project 2B1(1)(1) Establishment	13.85	11.13	2.72
149.	2B1(2)-202-South Bihar Flood Control Projects 2B1(2)(1)South Bihar Flood Control Projects (i) Establishment	6.65	4.81	1.84
150.	2B1(3)-203-Priority Flood Control Projects 2B1(3)(1) Priority Flood Control Projects (i) Establishment	8.57	6.89	1.68
151	(ii) Works (Lump sum)	30.07	13.72	16.35
	Total Grant No. 49	688.26	315.47	372.79
152.	Grant No. 50 – Minor Irrigation Department A-2702-Minor Irrigation A2-02-Ground Water A2(1)-005-Investigation	6.33	4.23	2.10
153.	A2(3)-796-Tribal Area Sub-Plan A2(3)(3) Construction and Deepening of wells and ponds	1.25	--	1.25
154.	2A-4702-Capital outlay on Minor Irrigation 2A1-101-Surface Water 2A1(1)-Minor Irrigation	4.10	1.28	2.82

Audit Report (Civil) for the year ended 31 March 2001

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
155.	2A2-102-Ground Water 2A2(2) Loans from NABARD for completion of new/ incomplete medium Irrigation Scheme.	8.08	0.34	7.74
156.	2A3-796-Tribal Area Sub-Plan 2A3(1) Loans from NABARD for completion of remaining works of new/incomplete medium irrigation scheme	2.39	0.07	2.32
	Total Grant No. 50	22.15	5.92	16.23
157.	Grant No. 51 – Welfare Department A-2225-Welfare of Scheduled Castes, Scheduled Tribes and Other Backward Classes A1(2)-227-Education A1(2)(9) Scholarship and stipends (i) High school scholarship	3.20	1.07	2.13
158.	A1(2)(15) Hostel for Girl students Major Construction Works	1.00	--	1.00
159.	A1(2)(16) Hostel for Boy students Major Construction Works	1.00	--	1.00
160.	A1(2)(19) Middle School Scholarships	2.80	0.82	1.98
161.	A1(2)(25)Construction of Residential School for Girls (i) Construction and renovation of residential schools	2.50	--	2.50
162.	(ii) Renovation of Hostels	1.25	--	1.25
163.	A2-02-Welfare of scheduled Tribes A2(3)-796-Tribal Area Sub-Plan A2(3)(19) Special Central Assistance (i) Other Welfare Programme	3.00	--	3.00
164.	(ii) Special Central Assistance for Welfare of scheduled tribes outside I.T.D.P. and M.A.D.A.	3.00	--	3.00
165.	(iii) Welfare of Minority Tribal	1.00	--	1.00
166.	(v) Special Central Assistance under I.T.D.P.-Consolidated Tribal Development Programme	18.44	--	18.44
167.	A3-03-Welfare of Backward Classes A3(1)-277-Education A3(1)(1) Scholarships and stipends (ii) Primary and Middle School Scholarships	2.00	0.95	1.05
168.	A3(1)(3) Establishment of Backward Classes Development Corporation Share capital	2.00	--	2.00
169.	A3(1)(8) Construction of Residential Schools	3.00	--	3.00
170.	A3(1)(9) Hostel for students – Major Works	1.21	--	1.21
171.	A3(1)(10) Hostel for girl students – Major Works	6.20	--	6.20

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
172.	B-2235-Social Security and welfare B1-02-Social welfare B1(4)-103-Women's Welfare B1(4)(3) Women Development Corporation Grants-in-Aid	7.36	--	7.36
173.	C-2236-Nutrition C1-02-Distribution of Nutritions food and beverages C1(1)-101-Special Nutrition Programmes C1(1)(1)-Special Schemes for distribution of nutrition food to pregnant women, children and nursing mothers.	18.00	--	18.00
174.	C1(2)-796-Tribal Area Sub-Plan C1(2)(1) Special scheme for distribution of nutrition food for family and child welfare	2.67	--	2.67
175.	E-2425-Co-operation E1-800-Other Expenditure E1(1) Special Integrated scheme for co-operative societies for the welfare of scheduled castes, scheduled tribes and other backward classes-Grants to the co-operative societies of the numbers of scheduled castes	2.00	--	2.00
	Total Grant No. 51	81.63	2.84	78.79
176.	Grant No. 52 – Art, Culture and Youth Department A-2204-Sports and Youth Services A4-104-Sports and Games A4(2) Sports and Games-Tribal and Jharkhand Area	1.26	--	1.26
177.	2D-4202-Capital outlay on Education, Sports, Arts and Culture 2D1-03-Sports and Youth Services 2D1(1)-102-Sports Stadium 2D1(1)(1) Sports and Games Stadium	3.01	--	3.01
	Total Grant No. 52	4.27	--	4.27
	Centrally Sponsored Scheme			
178.	Grant No. 1- Agriculture Department A2-103-Seeds A2(5) Centrally Sponsored Scheme A2(5)(1) Accelerated Maize Development Scheme	1.34	--	1.34
179.	A2(5)(2) Consolidated Cereal Development Programme	3.40	0.10	3.30
180.	A6-108-Commercial Crops A6(7) Centrally sponsored Scheme A6(7)(1) Oil Seeds Development Programme	2.42	--	2.42
181.	B-2402-Soil and Water Conservation B3-102-Soil Conservation B3(3) Centrally Sponsored Scheme	1.00	--	1.00

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
	B3(3)(1) National Water Storage Development Programme for Agriculture			
182.	E-2705-Command Area Development E6-105-Ayacut Development Command Level (ii) Centrally Sponsored Scheme	34.50	14.09	20.41
183.	2B-4402-Capital outlay on Soil and Water Conservation 2B(1)102-Conservation 2B(1)(1) Centrally Sponsored Scheme 2B(1)(1)(i) National Water Preservation Programme for Agriculture	4.00	--	4.00
	Total Grant No. 1	46.66	14.19	32.47
184.	Grant No. 2- Animal Husbandry and Fisheries Department C-2-101-Inland Fisheries C2(8) Centrally Sponsored Scheme (i) Grants-in-Aid to Matasya Palan Vikash Abhikaran	1.32	--	1.32
	Total Grant No. 2	1.32	--	1.32
185.	Grant No. 3 Building Construction and Housing Department 2A-4059-Capital outlay on Public Works 2A2(1)(1)(1) Centrally Sponsored Scheme (vii) Construction of 14 Court Building at Khagaria	1.20	--	1.20
186.	(viii) Construction of 16 Court Building at Buxar	1.30	--	1.30
187.	2A3(2)(1)(1) Centrally sponsored scheme (i) Lump sum Provision for new Projects of Judicial Building of 2000-2001 and revised estimated cost	5.42	1.10	4.32
	Total Grant No. 3	7.92	1.10	6.82
188.	Grant No. 19- Forest and Environment Department A-2406-Forestry and Wild Life A1-01-Forestry A1(5)-101-Forest Conservation, Development and Regeneration A1(5)(8)-Centrally Sponsored Scheme (ii) Soil Conservation and Afforestation Sone, Punpun, Ajay (100% Centrally sponsored Scheme)	3.00	--	3.00
189.	A1(6)-102-Social and Farm Forestry A1(6)(3) Centrally Sponsored Scheme (i) Intensive Forest Development Programme	1.80	--	1.80

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
190.	A2-02-Environmental Forestry and Wild Life A2(1)-110-Wild Life Preservation A2(1)(6)-Centrally Sponsored Scheme (i) Minor Forest Produce Medicinal Plants	4.00	--	4.00
191.	(ii) Development of submerged (water logged) area in North and South Bihar	3.00	--	3.00
192.	(iii) Elephant Project (100% Centrally sponsored scheme)	1.50	--	1.50
193.	(iv) Development of sanctuary (100% Centrally sponsored scheme)	5.00	0.05	4.95
194.	(vi) Non-recurring expenditure under Tiger Project, Balmiki Nagar (100% Centrally sponsored Scheme)	1.00	--	1.00
195.	(x) Eco Development (100% Centrally Sponsored Scheme)	7.00	--	7.00
196.	(xi) Valmiki Nagar Tiger Project Eco Development (100% Centrally Sponsored Scheme)	1.00	--	1.00
	Total Grant No. 19	27.30	0.05	27.25
197	Grant No. 20- Health, Medical Education and Family Welfare Department B-2211-Family Welfare B1-001-Direction and Administration B1(1) Centrally Sponsored Scheme (iii) Technical advice and Supervision District Welfare Bureau	13.35	9.13	4.22
198.	B2-003-Training B2(1) Centrally Sponsored Scheme (i) Training and Research A.N.M. School/L.H.V. School	49.70	3.64	46.06
199.	B4-101-Rural Family Welfare Service B4(1) Centrally Sponsored Scheme (i) Rural Family Welfare Centre	78.82	53.36	25.46
200.	(ii) Health Sub-Centre	103.54	51.27	52.27
201.	B7-104-Transport B7(1)-Centrally Sponsored Scheme (i) Transport	1.15	0.06	1.09
202	B8-105-Compensation B8(1) Centrally Sponsored Scheme (i) Compensation	11.90	2.83	9.07
203.	B9-106-Mass Education B9(1) Centrally Sponsored Scheme (i) Group Education	1.25	0.22	1.03

Sl.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
204.	B11-200-Other Services and Supplies B11(1) Centrally Sponsored Scheme (i) Other Services and Supply-post breeding programme on district level	7.35	3.59	3.76
205.	(ii) Other Services and Supply-post breeding programme on Sub-division and Referral Hospital	6.63	3.46	3.17
	Total Grant No. 20	273.69	127.56	146.13
206.	Grant No. 23 Industries Department A8-003-Training A8(1) Centrally Sponsored Scheme (i) Prime Minister's Employment Scheme to educated unemployment for self employment (Grants-in-Aid)	1.65	0.51	1.14
	Total Grant No. 23	1.65	0.51	1.14
207.	Grant No. 36 Public Health Engineering Department 2A1(1)(4) Centrally Sponsored Scheme (i) Accelerated Rural Water Supply Scheme	47.22	6.78	40.44
208.	(ii) Accelerated Urban Water Supply Scheme	10.00	1.53	8.47
209.	2A2(1)(2) Centrally Sponsored Scheme (i) Rural Sanitation Programme	7.44	--	7.44
	Total Grant No. 36	64.66	8.31	56.35
210.	Grant No. 41 Road Construction Department 2B-5054-Capital Outlay on Roads and Bridges 2B1(1)-800-Other expenditure 2B1(1)(1) Centrally Sponsored Scheme (i) Road of Inter State or Economic Importance	2.28	--	2.28
	Total Grant No. 41	2.28	--	2.28
211.	Grant No. 44 Middle, Primary and Public Education Department A1(6)(6) Centrally Sponsored Scheme (i) Informal Education	5.69	0.17	5.52
212.	A1(7)-800-Other Expenditure A1(7)(9) Centrally Sponsored Scheme (i) Informal Education	21.74	5.81	15.93
213.	(ii) Special Integrated Schemes for Scheduled Castes Informal Education	6.41	--	6.41
214.	(iii) Special Integrated Schemes for Jharkhand Area Informal Education	6.51	--	6.51
	Total grant No. 44	40.35	5.98	34.37
215.	Grant No. 45- Sugarcane Department A-2401- Crop Husbandry A1-108-Commercial Crops	1.48	--	1.48

SI.No.	Name of the Scheme	Total Provision	Actual Expenditure	Saving
	A1(4) Centrally Sponsored Scheme (i) National Development of Sugarcane-Waste Cropping System			
	Total Grant No. 45	1.48	--	1.48
216.	Grant No. 49- Water Resources Department 2B-4711-Capital Outlay on Flood Control Project 2B1(4)-800 Other Expenditure 2B1(4)(1) Centrally Sponsored Scheme (i) Flood Proofing scheme in North Bihar	1.50	0.87	0.63
217.	(ii) Barauni, Begusarai Industrial Area Flood Protection Scheme on the embankment Bank of River Ganga	3.66	--	3.66
218.	(iv) Extension and Strengthening of embankment on River Baghmati	3.00	--	3.00
219.	2B2-03-Drainage 2B2(1) Flood Control Embankment road.	10.00	--	10.00
220.	2B2(2) Drainage Projects	10.00	--	10.00
	Total Grant No. 49	28.16	0.87	27.29
221.	Grant No. 51 Welfare Department 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
222.	(iv) Hostel for students-Major works	1.00	--	1.00
223.	(ix) Post-entrance scholarships	4.68	1.16	3.52
224.	A2(1)-277-Education A2(1)(8) Centrally sponsored scheme (ii) Post-entrance scholarships	12.07	0.24	11.83
225.	A3-03-Welfare of Backward classes A3(1)-277-Education A3(1)(11) Centrally sponsored scheme (i) Post-entrance scholarships	2.72	0.28	2.44
226.	B1(3)-102-Child welfare B1(3)(3) Centrally sponsored scheme (i) Consolidated child development scheme	47.28	42.61	4.67
	Total Grant No. 51	68.75	44.29	24.46
	Central Plan Scheme			
227.	Grant No. 1 Agriculture Department A-2401-Crop Husbandry A9-119-Horticulture and vegetable crops A9(6) Central Plan Scheme A9(6)(5) Scheme for the development of warm and dry fruits	1.42	--	1.42
	Total Grant No. 1	1.42	--	1.42

APPENDIX-IV

List of incomplete irrigation projects where huge capital was blocked
(Refer : Paragraph 1.9.2)

(In Rupees)

SL. No	Name of the project / scheme	Expenditure				Total
		Up to 1999-2000	1-4-2000 to 14-11-2000 (Combined Bihar)	15-11-2000 to 31-3-2001 (Separate Bihar)	In 2000-2001	
1.	Subernarekha Multi Purpose Project	8320690726	349732826	--	349732826	8670423552
2.	Western Kosi Canal project	3032775268	--	301478684	301478684	3334253952
3.	Eastern Kosi Project Phase II	393088168	56346837	80355240	136702077	529790245
4.	Gandak project Phase II	474977945	NA	NA	NA	474977945
5.	Integrated Drainage project	0	NA	NA	NA	NA
6.	North Koel Project	3608115530	40311656	NA	40311656	3648427186
7.	Konar Irrigation Project	706421627	NA	NA	NA	706421627
8.	Auranga Reservoir project	365274217	NA	NA	NA	365274217
9.	Kadwan Reservoir	3040000	NA	--	NA	3040000
10.	Durgawati Reservoir	400933594	26204605	93423198	119627803	520561397
11.	Sone Canal Modernisation Project	300259495	115628152	61019682	176647834	476907329
12.	National Water Management project	NA	NA	NA	NA	NA
	Total (A)	17605576570	588224076	536276804	1124500880	18730077450
1.	Nakti Reservoir Scheme	140103285	NA	NA	NA	140103285
2.	Upper Sankh Reservoir	101498459	13853846	NA	13853846	115352305
3.	Ram Rekha Reservoir	29583886	NA	NA	NA	29583886
4.	Pamesh Khara Reservoir Scheme	NA	NA	NA	NA	NA
5.	Kans Reservoir Scheme	82934306	3655184	NA	3655184	86589490
6.	Sonua Reservoir Scheme	245239163	NA	NA	NA	245239163
7.	Bhairwa Reservoir Scheme	74057882	NA	NA	NA	74057882
8.	Kesso Reservoir Scheme	32210882	NA	NA	NA	32210882
9.	Dhansingh Toli Reservoir Scheme	142218946	6034987	NA	NA	148253933
10.	Katri Reservoir Scheme	326153754	7419678	NA	7419678	333573432
11.	Kamsjore Reservoir Scheme	173477499	NA	NA	NA	173477499
	Total (B)	1347478062	30963695	NA	30963695	1378441757
	Grand Total (A+B)	18953054632	619187771	536276804	1155464575	20108519207

APPENDIX - V

Working papers to financial indicators
(Refer: Paragraph 1.11.2)

Sl.No	Particulars	2000-2001 (Rupees in crore)
1	(a) Revenue Receipts	11177.32
	(b) Less all plan grants under 1601- 02,03,04 & 05	895.38
	(c) Less, Non-plan Revenue Expenditure	12668.63
	(d) BCR	-2386.69
2.	(a) Interest Receipts (0049)	30.68
	(b) Interest Payment (2049)	3141.58
	(c) Net Interest payment (b-a)	3110.90
	(d) Revenue Receipts – Interest Receipts	11146.64
	(e) Interest Ratio (2c/2d)	0.28
3.	Capital outlay	1075.51
4.	Capital Receipts	
	(a) Addition under 6003 Internal Debt minus Ways & Means Advances	2044.85
	(b) Addition under 6004 Loans from Central Government minus W&M Advance	1245.66
	(c) Net receipts under Small Saving, PF etc.	313.98
	(d) Misc. Capital Receipts (4000)	--
	(e) Net receipts (+) / disbursement (-) under loans and advances by State Government	669.88
	(f) Total Capital Receipts (a+b+c+d)	4274.37
5.	Capital Outlay / Capital Receipts (3/4)	0.25
6.	State Domestic Product (SDP)	49383
7.	Total Tax Receipts (State tax + State share of Union taxes)	9384.86
8.	Total Tax Receipts / GDP (7+6)	0.19
9.	State Tax Receipts (Tax Revenue – State's share of Union Taxes)	2809.23*
10.	State Tax Receipts / SDP (9-6)	0.06
11.	Total Investment	678.61
12.	Return on investment	Negligible
13.	Ratio of return on investment (12:11)	Negligible
14.	Capital Repayment	
	(a) Disbursement under 6003 Internal debt minus Ways & Means Advance	70.37
	(b) 6004 Loans and Advances from Central Government minus Ways & Means Advance	550.63
	(c) Total (a+b)	621.00
15.	Capital borrowing i.e. (4a+4b)	3290.51
16.	Capital repayment / Capital borrowings	0.19

* Corporation Tax, Taxes on Income other corporation tax, other Taxes on Income and Expenditure, Taxes on wealth, Customs, Union Excise Duties, Service Tax, Other Taxes and Duties on commodities and services.

Audit Report (Civil) for the year ended 31 March 2001

Sl.No	Particulars	2000-2001 (Rupees in crore)
17.	Debt	
	(a) Borrowings (Receipt during the year)	7692.77
	(b) Other obligations	2025.64
	(c) Total (a+b) (Receipt during the year)	9718.41
18.	Debt /SDP (17 (C): 6)	0.20
19.	Revenue Deficit	2329.88
20.	Revenue expenditure	13507.20
21.	Fiscal Deficit (Revenue Expenditure + Capital Expenditure + Net Loans and Advance) – (Revenue Receipts + Misc Capital Receipts)	4075.27
22.	Primary Deficit (fiscal Deficit- Interest Payment (20-21))	933.69
23.	PD / FD (21/20)	0.23
24.	RD / FD (19+20)	0.57
25.	Outstanding Guarantees + Interest	624.43
26.	Outstanding Guarantees / Revenue Receipts	0.06
27.	Assets	21732.99
28.	Liabilities	29475.82
29.	Assets / Liabilities (26/27)	0.73

APPENDIX - VI

Statement of excesses requiring regularisation
(Refer: Paragraph 2.3.1)

(In Rupees)

Sl. No	Number and name of Grant/ Appropriation	Total Grant/ Appropriation	Expenditure	Excess	Excess requiring regularisation
1.	2.	3.	4.	5.	6.
REVENUE SECTION					
1.	5- Governor Charged	1,86,88,440	1,94,10,376	7,21,936	7,21,936
2.	13- Interest payment Charged	27,94,30,72,383	31,41,58,30,628	3,47,27,58,245	3,47,27,58,245
3.	15- Pension Voted	16,46,26,89,000	20,11,23,88,763	3,64,96,99,763	3,64,96,99,763
4.	32-Legislature Charged	978,000	11,77,692	1,99,692	1,99,692
	Total	44,42,54,27,823	51,54,88,07,459	7,12,33,79,636	7,12,33,79,636

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)	
	REVENUE- SECTION		
1.	1-Agriculture Department	20,97.76	64,75.49
2.	2-Animal Husbandry and Fisheries Department	1,02.48	39,30.54
3.	3-Building Construction and Housing Department	50.97	22,41.17
4.	7-Vigilance	40.63	1,51.91
5.	8-Civil Aviation Department	21.63	4,46.74
6.	9-Co-operative Department	10,79.79	17,08.42
7.	10- Energy Department	1,53.08	8,22.94
8.	11-Excise Department	1,09.55	2,69.02
9.	12-Finance Department	5,41.04	19,38.79
10.	16-National Saving	44.00	62.01
11.	17-Finance (Commercial Tax) Department	1,33.79	9,58.75
12.	18-Food supply and Commerce Department	11,18.70	14,01.59
13.	19- Forest and Environment Department	40.29	64,42.91
14.	20-Health, Medical Education and Family welfare Department	18,56.39	321,94.36
15.	21-Higher Education Department	34,27.10	56,71.40
16.	22-Home Department	60,57.24	2,29,43.21
17.	23-Industries Department	9,13.87	39,23.92
18.	25-Institutional Finance and Programme Implementation Department	9.45	1,76.55
19.	26-Labour Employment and Training Department	9.07	67,40.67
20.	27-Law Department	6,83.48	25,23.15
21.	29- Mines and Geology Department	1,36.00	2,04.73
22.	30-Minority welfare Department	7.37	24.36
23.	32-Legislature	94.84	5,57.71
24.	33-Personnel and Administrative Reforms Department	12.05	2,09.52
25.	35-Planning and Development Department	63,82.54	72,98.38
26.	36-Public Health Engineering Department	52.61	23,95.42
27.	38- Registration Department	00.75	5,57.17
28.	40-Revenue and Land Reforms Department	69,98.89	70,96.81
29.	41-Road Construction Department	9.83	42,83.78
30.	42- Rural Development Department	94,89.53	430,98.00
31.	43- Science and Technology Department	1,46.50	12,86.18

Sl. No.	Number and name of Grant/ Appropriation	Supplementary Grant/ Appropriation	Saving
(Rupees in lakh)			
32.	44-Secondary, Primary and Public Education	20,38.59	6,76,81.80
33.	45-Sugarcane Department	21.39	5,49.74
34.	46-Tourism Department	14.93	5,61.13
35.	47-Transport Department	2.15	1,56.54
36.	50-Minor Irrigation Department	8,13.87	31,58.69
37.	51-Welfare Department	78,85.73	2,35,03.63
38.	52-Art, Culture and Youth Department	10.12	7,30.67
	Total	52608.00	264377.80
CAPITAL SECTION			
1.	10-Energy Department	24,86.20	1,14,05.36
2.	12-Finance Department	4,07.11	4,15.98
3.	23-Industries Department	4,53.00	24,68.94
4.	36-Public Health and Engineering Department	1,00.07	78,93.07
5.	41-Road Construction Department	51.98	2,11,44.02
6.	42-Rural Development Department	1,50,00.00	1,65,31.26
7.	47-Transport Department	3.50	9,35.60
8.	49-Water Resources Department	36,16.57	3,47,10.65
9.	50- Minor Irrigation Department	17,74.79	20,23.03
	Total	23893.22	97527.91
	Grand Total	76501.22	361905.71

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
	REVENUE SECTION	(Rupees in lakh)	
1.	4-Cabinet Secretariat and Coordination Department	85.91	46.53
2.	14-Repayment of Debt	50,00,97.65	17,16,93.19
3.	24-Information and Public Relation Department	3,80.00	2,26.37
4.	28-High Court	5,30.00	2,75.50
5.	39-Relief and Rehabilitation Department	3,61,16.00	32,90.11
	Total	53,72,09.58	17,55,31.70

APPENDIX - IX

Cases where expenditure fell short/excess of budget provision

(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
	Voted Section		
1.	1 - Agriculture Department	<u>Revenue</u> 64.75 (28.20)	<u>Revenue</u> Reasons for the Saving of Rs. 64.75 crore have not been intimated .
2.	2- Animal Husbandry and Fisheries Department	<u>Revenue</u> 39.31 (30.89)	<u>Revenue</u> Mainly due to bifurcation of state Rs. 6.77 crore, Rs.12.56 crore due to non-sanction of temporary scheme, Non- approval of rates Rs. 1.34 crore, Postponement of scheme Rs. 0.65 crore, Post kept vacant - Rs. 0.54 crore. The reasons for the balance amount of Rs 17.45 crore have not been stated.
3.	3- Building Construction and Housing Department	<u>Revenue</u> 22.41 (19.84) <u>Capital</u> 21.62 (66.06)	<u>Revenue</u> Mainly due to retirement of staff Rs. 15.49 crore, Economy measures Rs. 0.08 crore, Non-receipt of demand Rs. 0.03 crore, Non-receipt of administrative sanction Rs. 0.35 crore, Posts kept vacant Rs. 2.61 crore and reasons for the balance amount of Rs 3.85 crore have not been furnished by the Government. <u>Capital</u> Mainly due to non-sanction of construction of circuit-house Rs. 1.53 crore, Reduction in plan outlay Rs. 12.32 crore, Non-sanction of expenditure Rs. 1.50 crore and reasons for the saving of Rs. 6.27 crore have not been stated.
4.	6. Election	<u>Revenue</u> 3.31 (30.22)	<u>Revenue</u> Posts-kept-Vacant Rs. 0.91 crore, Non-completion of electoral rolls Rs. 0.02 crore, Pending for printing of ballot papers Rs. 0.23 crore, Non-holding of by- election of Lok Sabha Rs.0.13 crore. Reasons for the balance amount of Rs 2.02 crore have not been intimated.
5.	8. Civil Aviation Department	<u>Capital</u> 4.47 (49.06)	<u>Capital</u> The Government has not intimated the reasons for the saving of Rs. 4.47 crore.

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
6.	9. Co-operative Department	<u>Revenue</u> 17.08 (21.34) <u>Capital</u> 11.75 (22.79)	<u>Revenue</u> Mainly due to economy measures Rs. 0.38 crore, non-sanction of Fund by the Authorisation Committee Rs. 1.01 crore, Non-sanction by the cabinet Rs. 0.30 crore, Transfer of employees Rs.0.10 crore. Reasons for the balance amount of Rs. 15.29 crore have not been stated by the Government. <u>Capital</u> Mainly due to drawal of fund Rs. 7.40 crore. Non-sanction of fund by the Authorisation Committee Rs. 1.40 crore and the reason for the balance Rs. 2.95 crore have not been intimated.
7.	10- Energy Department	<u>Revenue</u> 8.23 (41.12) <u>Capital</u> 114.05 (15.70)	<u>Revenue</u> Transfer of staff to Jharkhand and non-order of issue of bonus Rs. 0.10 crore, Non-drawal of pay of Chief Electrical Inspector and his Secretary Rs.0.18 crore. The reasons for the balance Rs 7.95 crore have not been intimated . <u>Capital</u> Reasons for entire saving of Rs. 114.05 crore have not been intimated.
8.	11- Excise and Prohibition Department	<u>Revenue</u> 2.68 (13.51)	<u>Revenue</u> Reasons for entire savings of Rs. 2.68 crore have not been intimated.
9.	12- Finance Department	<u>Revenue</u> 19.39 (26.24) <u>Capital</u> 4.16 (17.81)	<u>Revenue</u> Mainly due to transfer of staff to Jharkhand Rs. 1.20 crore, Non-receipt of sanction order in time Rs. 2.58 crore, Non-payment of bonus and DA Rs. 0.10 crore, Economy measures Rs. 0.10 crore, Late receipt of sanction orders Rs. 0.52 crore, Non-sanction by purchase committee Rs. 0.24 crore, Non-receipt of bills Rs. 0.15 crore, Non-purchase of materials Rs. 0.10 crore. Delay in demand Rs. 0.92 crore. The reasons for the balance amount of Rs. 13.48 crore have not been intimated. <u>Capital</u> The reasons of savings was due to non-application of advances by the officers and staff Rs. 0.35 crore and the reasons for Rs. 3.81crore have not been furnished.

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
10.	17- Finance (Commercial Taxes) Department	<u>Revenue</u> 9.59 (27.67)	<u>Revenue</u> Mainly due to transfer and retirement of staff Rs. 0.11 crore, Non-sanction of Fund Rs. 2.82 crore, Non-recruitment of B.F.S. Offices Rs. 0.16 crore and the reasons for the saving of Rs. 6.50 crore have not been intimated.
11.	18- Food Supply and Commerce Department	<u>Revenue</u> 14.02 (30.29)	<u>Revenue</u> Mainly due to transfer of staff Rs. 0.13 crore, Non-payment of salary in the revised scale and non-extension of period of District Supply Officer Rs. 10.17 crore, posts kept vacant Rs. 0.66 crore. The reasons for the balance amount of Rs. 3.06 crore have not been furnished.
12.	19- Forest and Environment Department	<u>Revenue</u> 64.43 (56.36)	<u>Revenue</u> Reasons for entire saving of Rs. 64.43 crore have not been intimated.
13.	20- Health, Medical Education and Family Welfare Department	<u>Revenue</u> 321.94 (32.40)	<u>Revenue</u> Mainly due to posts kept vacant Rs. 23.84 crore, Non-payment of allowance and Bonus Rs. 0.30 crore, Non-sanction of grants Rs. 3.23 crore, wrongfully allotment of Fund in plan budget Rs. 0.27 crore, Non-approval by Planning Authorisation Committee Rs. 17.27 crore, Non-approval by the Chief Engineer 0.32 crore, Non-extension of the period of posts Rs. 0.07 crore, Transfer of staff to Jharkhand Rs. 0.56 crore and reasons for balance saving of Rs. 276.08 crore have not been furnished.
14.	21- Higher Education Department	<u>Revenue</u> 56.71 (12.64)	<u>Revenue</u> The reasons of saving was wrong allotment of fund in plan budget Rs. 0.52 crore and reasons for savings of Rs. 56.19 crore have not been furnished.

Audit Report (Civil) for the year ended 31 March 2001

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
15.	22-Home Department	<u>Revenue</u> 229.43 (17.25)	<u>Revenue</u> Mainly due to non-payment of Bonus Rs. 3.38 crore, Non-passing of bills by the Treasury Rs. 0.51 crore, Economy measures Rs. 0.59 crore, Non-receipt of demand letter from districts Rs. 0.20 crore, lack of duty/training of Home Guards Rs. 10.44 crore, Retirement of Officers and Staff Rs. 3.26 crore, Non-completion of procedure of purchase Rs. 2.00 crore, Non-receipt of sanction for purchase of vehicle Rs. 0.25 crore, Non-payment of arrears Rs. 0.79 crore. The reasons for the balance amount Rs. 208.01 crore have not been furnished.
16.	23-Industries Department	<u>Revenue</u> 39.24 (50.80) <u>Capital</u> 24.69 (50.90)	<u>Revenue</u> Mainly due to reduction in plan ceiling Rs. 14.81 crore, Non-sanction of scheme Rs. 1.00 crore, Scheme belongs to Jharkhand Area Rs. 0.25 crore, Non-allotment of fund Rs. 0.66 crore and the reasons for the balance saving of Rs. 22.52 crore have not been stated. <u>Capital</u> Mainly due to reduction in plan outlay Rs. 1.50 crore, Plan ceiling Rs. 5.50 crore and the reasons for the balance saving amount of Rs. 17.69 crore have not been intimated.
17.	24-Information and Public Relation Department	<u>Revenue</u> 2.26 (13.49)	<u>Revenue</u> No tangible reasons for this saving have been furnished.
18.	26- Labour, Employment and Training Department	<u>Revenue</u> 67.41 (38.46)	<u>Revenue</u> Mainly due to late extension of posts of Doctors Rs. 1.60 crore, Non-finalisation of purchase of medicine Rs. 1.55 crore, Non-receipt of application from Regional Offices Rs. 0.05 crore, Posts kept vacant Rs. 2.66 crore, creation of Jharkhand State Rs. 4.92 crore, Postponement of scheme Rs. 0.44 crore, Non-drawal from Treasury Rs. 0.33 crore, Non-allotment of fund by F.D.R. Rs. 48.49 crore. The Government has not furnished reasons for savings of Rs. 7.37 crore.
19.	27- Law Department	<u>Revenue</u> 25.23 (18.03)	<u>Revenue</u> The savings of Rs. 25.23 crore occurred due to post kept vacant Rs. 8.71 crore and reasons for saving of Rs. 16.52 crore have not been intimated.

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> 2.05 (16.59)	<u>Revenue</u> Reasons for saving of the entire amount of Rs. 2.05 crore have not been stated.
21.	30-Minority welfare Department	<u>Capital</u> 27.85 (64.02)	<u>Capital</u> Savings occurred due to non-utilisation of Rs. 7.00 crore, Non-holding of handicraft fair Rs. 0.50 crore. The reasons for saving of Rs. 20.35 crore have not been furnished.
22.	32-Legislature	<u>Revenue</u> 5.58 (15.43)	<u>Revenue</u> Mainly due to non-performance of journey by the members of Legislative Assembly Rs. 2.66 crore, Posts kept vacant Rs. 0.43 crore, Non-recruitment of personal staff of Ministers Rs. 0.12 crore, bifurcation of State Rs. 0.46 crore. Reasons for saving of Rs. 1.91 crore have not been stated.
23.	33-Personnel and Administrative Reforms Department	<u>Revenue</u> 2.10 (27.06)	<u>Revenue</u> Mainly due to transfer of Officers and Staff to Jharkhand Rs. 0.83 crore, Posts kept vacant Rs. 0.41 crore. The reasons of the balance amount Rs. 0.86 crore have not been furnished.
24.	35- Planning and Development Department	<u>Revenue</u> 72.98 (52.48)	<u>Revenue</u> The main reasons of saving as stated are non-extension of scheme by the Govt. Rs. 17.15 crore, Non-receipt of authority Rs. 1.00 crore and the reasons of the balance amount of Rs. 54.83 crore have not been stated.
25.	36-Public Health Engineering Department	<u>Revenue</u> 23.95 (11.81) <u>Capital</u> 78.93 (74.52)	<u>Revenue</u> The main reasons of saving was belated sanction of scheme Rs. 4.17 crore and the reasons for the balance amount of saving amounting to Rs. 19.78 crore have not been stated. <u>Capital</u> Mainly due to reduction in plan outlay Rs. 6.87 crore, lack of materials Rs. 39.00 crore, Non-existence of Tribal Area Sub-Plan Rs. 10.45 crore, Non-provision of Annual Plan outlay Rs. 10.27 crore. The reasons for the saving of Rs. 12.34 crore have not been stated.
26.	37-Raj Bhasha Department	<u>Revenue</u> 3.84 (26.07)	<u>Revenue</u> Reasons for the entire saving of Rs. 3.84 crore have not been stated.
27.	38-Registration Department	<u>Revenue</u> 5.57 (24.25)	<u>Revenue</u> The reasons of saving of the entire amount of Rs. 5.57 crore have not been stated.

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
28.	40-Revenue and Land Reform Department	<u>Revenue</u> 70.97 (20.16)	<u>Revenue</u> Mainly due to transfer of fund to Jharkhand State Rs. 3.00 crore, Non-receipt of sanction from the Authorisation Committee Rs. 0.52 crore, Non-payment of Bonus Rs. 2.00 crore. The reasons for balance saving of Rs. 65.45 crore have not been stated.
29.	41-Road Construction Department	<u>Revenue</u> 42.84 (16.52) <u>Capital</u> 211.44 (65.08)	<u>Revenue</u> For a total saving of Rs. 42.84 crore in the revenue side, Rs. 20.26 crore was due to non-payment of Bonus and Dearness Allowance. The reasons for the remaining saving Rs. 22.58 crore have not been stated. <u>Capital</u> Reasons for saving of Rs. 202.08 crore was due to reduction in plan outlay. The reasons for remaining saving of Rs. 9.36 crore have not been stated.
30.	42-Rural Development Department	<u>Revenue</u> 430.98 (41.02) <u>Capital</u> 165.31 (30.39)	<u>Revenue</u> Mainly due to non-release of Central Share Rs. 78.77 crore transferred to Jharkhand Rs. 15.99 crore, Reduction in revised plan outlay Rs. 147.88 crore, Posts kept vacant Rs. 1.05 crore, Less sanction of fund Rs. 0.05 crore, Non-drawal of fund Rs. 2.70 crore, Non-existence of Tribal Area Sub-Plan Rs. 20.30 crore, Dissolution of Panchayat Samiti and non-holding of election Rs. 1.31 crore. The reasons for remaining savings of Rs. 162.93 crore have not been intimated. <u>Capital</u> Out of the saving of Rs. 165.31 crore saving occurred due to non-existence of plan outlay Rs. 60.84 crore, Posts kept vacant Rs. 1.37 crore and reasons for the remaining amount of Rs. 103.10 crore have not been furnished.
31.	43-Science and Technology Department	<u>Revenue</u> 12.86 (33.62) <u>Capital</u> 1.18 (100.00)	<u>Revenue</u> No reasons of saving of Rs. 12.86 crore have been furnished. <u>Capital</u> Reasons for entire saving of Rs. 1.18 crore have not been intimated.

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.	44-Middle, Primary and Public Education Department	<u>Revenue</u> 676.82 (19.25)	<u>Revenue</u> Mainly due to reduction in Plan-outlay Rs. 33:70 crore, Non-receipt of electric bill Rs. 0.21 crore, Non-sanction of rent Rs. 0.07 crore, Wrong allotment on account of salaries Rs. 0.45 crore. The reasons of saving of the balance amount of Rs. 642.39 crore have not been furnished.
33.	45-Sugarcane Department	<u>Revenue</u> 5.50 (38.04) <u>Capital</u> 2.92 (98.98)	<u>Revenue</u> The reasons of saving was non-sanction of state plan Rs. 1.46 crore, reduction in plan outlay Rs. 1.79 crore. The reasons of saving of the remaining amount of Rs. 2.25 crore have not been stated. <u>Capital</u> No tangible reasons for saving of Rs. 2.92 crore under capital outlay have been furnished
34.	46-Tourism Department	<u>Revenue</u> 5.61 (62.06)	<u>Revenue</u> The reasons of saving was reduction in plan outlay Rs. 4.65 crore, Non-passing of bills by the treasury Rs. 0.15 crore. The reasons of Saving of the balance amount of Rs 0.81 crore have not furnished.
35.	47-Transport Department	<u>Capital</u> 9.36 (84.97)	<u>Capital</u> The reasons of saving was due to non-sanction of fund Rs. 0.78 crore and the reasons of balance amount of Rs.8.58 crore have not been stated
36.	48-Urban Development Department	<u>Revenue</u> 13.80 (27.10) <u>Capital</u> 146.83 (82.28)	<u>Revenue</u> Mainly due to revision in plan outlay Rs. 0.80 crore, Non-receipt of demand/utilisation certificate from local bodies and offices Rs. 11.14 crore, Vacant Post Rs. 0.35 crore and reasons for the balance amount of Rs. 1.51 crore not furnished. <u>Capital</u> The reasons of saving as stated by the Government, revision in plan outlay Rs. 103.52 crore, Non-receipt of demand/utilisation certificate Rs. 7.49 crore. The reasons for the balance saving of Rs. 35.82 crore have not been stated.

Audit Report (Civil) for the year ended 31 March 2001

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
37.	49-Water Resources Department	<p><u>Revenue</u> 37.99 (13.88)</p> <p><u>Capital</u> 347.11 (45.17)</p>	<p><u>Revenue</u> Mainly due to less expenditure than anticipated by the Regional Officers Rs. 18.51 crore, Non-submission of bills in time Rs. 0.07 crore, Transferred to Jharkhand, Rs. 5.54 crore. Reasons for the balance amount of Rs. 13.87 crore have not been stated.</p> <p><u>Capital</u> Mainly due to number of Offices transferred to Jharkhand Rs. 16.22 crore, Less receipt of demand from Regional Offices Rs. 20.81 crore and reduction in plan outlay Rs. 178.21 crore. The reasons for the balance saving of Rs. 131.87 crore have not been furnished by the Government</p>
38.	50-Minor Irrigation Department	<p><u>Revenue</u> 31.58 (19.64)</p> <p><u>Capital</u> 29.23 (53.26)</p>	<p><u>Revenue</u> Mainly due to Reduction in plan outlay Rs. 13.06 crore, Reduction in area allowance Rs. 7.48 crore, 50% cut in Dearness Allowance Rs. 3.46 crore, Non-finalisation of tender Rs. 0.94 crore, Retirement of staff Rs. 0.26 crore, Non-allotment of fund after 14-11-2000 Rs. 0.22 crore. Reasons for Rs. 6.07 crore have not been intimated.</p> <p><u>Capital</u> The reasons of saving stated by the Government were reduction in play outlay Rs. 16.12 crore, Non-finalisation of tender Rs. 3.35 crore. The reasons of saving of Rs. 6.16 crore have not been intimated.</p>
39.	51-Welfare Department	<p><u>Revenue</u> 235.04 (64.55)</p>	<p><u>Revenue</u> No tangible reasons for the entire saving of Rs. 235.04 crore have been furnished by the Government.</p>
40.	52-Art, Culture and Youth Department	<p><u>Revenue</u> 7.31 (33.05)</p> <p><u>Capital</u> 3.01 (100.00)</p>	<p><u>Revenue</u> Mainly due to non-drawal of fund from treasury Rs. 2.70 crore, Non-sanction of fund Rs. 0.82 crore, Reduction in plan outlay Rs. 1.26 crore and posts kept vacant Rs. 0.13 crore. The reasons for saving of Rs. 2.40 crore have not been furnished.</p> <p><u>Capital</u> The saving of Rs. 3.01 crore was due to reduction in plan outlay furnished by the Government.</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
	Charged section		
1.	14-Repayment of Debt	<u>Revenue</u> 1716.93 (30.09)	<u>Revenue</u> Reasons for the entire saving of Rs. 1716.93 crore have not been intimated
2.	28-High Court	<u>Revenue</u> 2.75 (11.49)	<u>Revenue</u> Reasons of saving of the entire amount of Rs. 2.75 crore have not been intimated.
3.	34-Bihar Public Service Commission	<u>Revenue</u> 3.44 (37.93)	<u>Revenue</u> Reasons for the entire saving of Rs. 3.44 crore have not been stated

APPENDIX -X

Cases of saving 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)	
		1999-2000	2000-01
REVENUE – VOTED			
1.	1- Agriculture Department	48.69 (22)	64.75(28)
2.	2-Animal Husbandry and Fisheries Department	41.71 (27)	39.31(31)
3.	3-Building Construction and Housing Department	21.18(17)	22.41(20)
4.	6-Election	23.03(12)	3.31(30)
5.	8-Civil Aviation Department	4.76(47)	4.47(49)
6.	9-Co-operative Department	28.88(17)	17.08(21)
7.	10-Energy Department	5.65(25)	8.23(41)
8.	12-Finance Department	24.83(28)	19.39(26)
9.	17-Finance (Commercial Taxes) Department	7.34(18)	9.59(28)
10.	18-Food Supply and Commerce Department	13.57(35)	14.02 (30)
11.	19-Forest and Environment Department	80.88(45)	64.43 (56)
12.	20-Health Medical Education and Family Welfare Department	241.58(24)	321.94(32)
13.	21-Higher Education Department	32.53(8)	56.71(13)
14.	22-Home Department	199.07(13)	229.43(17)
15.	23-Industries Department	34.22(41)	39.23(51)
16.	24-Information and Public Relation Department	3.03(15)	2.26 (13)
17.	26-Labour, Environment and Training Department	78.36(33)	67.41(38)
18.	27-Law Department	22.03(14)	25.23(18)
19.	28-High Court	7.54(32)	2.75 (11)
20.	29-Mines and Geology Department	2.94(17)	2.05(16)
21.	32-Legislature	3.64(10)	5.58(15)
22.	35-Planning and Development Department	19.01(12)	72.98(52)
23.	36-Public Health Engineering Department	11.67(5)	23.95(12)
24.	37-Raj Bhasa Department	4.16(25)	3.84(26)
25.	38-Registration Department	3.60(16)	5.57(24)
26.	39-Revenue and Rehabilitation Department	13.64(13)	32.90(8)
27.	40-Revenue and Land Reform Department	43.11(13)	70.97(20)
28.	41-Road Construction Department	18.27(6)	42.84(17)
29.	42-Rural Development Department	389.74(27)	430.98(41)
30.	43-Science and Technology Department	10.68(23)	12.86(34)
31.	44- Primary, Middle and Public Education Department	302.16(8)	676.82(19)
32.	45-Sugarcane Department	5.56(33)	5.50(38)
33.	48-Urban Development Department	11.29(13)	13.80(27)
34.	49-Water Resources Department	20.94(7)	37.99(14)
35.	50-Minor Irrigation Department	16.35(9)	31.59(20)
36.	51-Welfare Department	234.73(53)	235.04(65)
37.	52-Art, Culture and Youth Department	6.80(28)	7.31(33)

Sl. No.	Number and name of Grant/ Appropriation	Saving (Amount in crore of rupees and its percentage to provision in bracket)	
		1999-2000	2000-01
CAPITAL - VOTED			
1.	9-Co-operative Department	23.31(72)	11.75(23)
2.	12-Finance Department	5.77(28)	4.16(18)
3.	23-Industries Department	35.54(98)	24.69(51)
4.	36-Public Health Engineering Department	95.11(70)	78.93(75)
5.	41-Road Construction Department	81.65(34)	211.44(65)
6.	42-Rural Development Department	96.70(26)	165.31(30)
7.	48-Urban Development Department	64.68(50)	146.83(82)
8.	49-Water Resources Department	225.80(28)	347.11(45)
9.	50-Minor Irrigation Department	15.73(37)	20.23 (53)

APPENDIX -XI

Expenditure on new services/ new instrument of services in excess of the budget provision

(Refer: Paragraph 2.3.8)

SI. No.	Grants Appropriation Number/ Head of Account	Provision	Actual Expenditure	Excess
(Rupees in lakh)				
1.	1--A-2401 Crop Husbandry A10-796 Tribal Area Sub-Plan A10(9) Direction	1.31	28.58	27.27
2.	3--2A-4059-Capital outlay on public works 2A1-01-Office Building 2A1(2)796-Tribal Area Sub-Plan 2A1(2)(1) Tribal Area Sub-Plan	15.41	137.60	1,22.19
3.	4--D-2070 Other Administrative Services D3-115 Guest Houses, Govt. Hostel etc. D3(1) State Guest House	3.35	19.87	16.52
4.	5--2012 President/Vice President, Governor, Administrator of Union Territories A1(10)800 Other Expenditure A1(10)(5) Repair	3.18	11.25	8.07
5.	6--2015 Election A4-106 Charges for conduct of Elections to State/Union Territory Legislature A4(3) By Elections to State Legislative Assembly	1.58	35.67	34.09
6.	35--B-2053 District Administration B1-094 Other Establishment B1(1) Strengthening of Manning Machinery	24.31	82.55	58.24
7.	40--A-2029 Land Revenue A3-104 Management of Govt. Estates A3(3) Construction/Extension and Modernisation of record room on the recommendation of the 10 th Finance Commission	57.19	7,19.04	6,61.13
8.	42--A.2501 Special Programmes for Rural Development A-02 Drought Prone Areas Development Programme A2(1)-101 Minor Irrigation A2(1)(1) Drought Prone areas Programme Jal Chhajan Development programmes	35.04	1,46.87	1,11.83

SI. No.	Grants Appropriation Number/ Head of Account	Provision	Actual Expenditure	Excess
(Rupees in lakh)				
9.	42--C-2515 Other Rural Development Programmes C1-001 Direction and Administration C1(2) State Election Commission (Panchayati Raj)	8.77	1,12.96	1,04.19
10.	42--2A-4515-Capital outlay on other Rural Development Programmes 2A2-103 Rural Development 2A2(1) Minimum Needs Programmes (iii) Strengthening of old roads	9.06	1,62.71	1,53.65
Total		159.92	14,57.10	12,97.18

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.	1--C2415-Agriculture Research and Education C1(2) 277-Education C1(2)(4)-Grants-in-aid to Birsa Agriculture University	Nil	466.67	4,66.67
2.	20--A6-06 Public Health A6(3) 101 Prevention and control of disease A6(3)(6) Central Plan Scheme (i) T.B. Control Programme	Nil	3,71.37	3,71.37
3.	20--B-2211 Family Welfare Reproduction of child health Programme- Grants to Centrally sponsored scheme-National Component and General Component	Nil	24,43.45	24,43.45
4.	22--B-2852 Industries B-1 General B1(1) 001 Direction and Administration B1(3)(20) Industrial Area Development Authority Grants-in-Aid	Nil	3,00.00	3,00.00
5.	23--B1(3) 102 Industrial Productivity B1(3)(2) Establishment of software Park Computer Development Scheme	Nil	1,00.00	1,00.00
6.	41--Roads and Bridges B2-04-District and other Roads B2(1) 800 Civil Road Assistance to local bodies	Nil	2,75.24	2,75.24
7.	44--A 2202 General Education A2-02 Secondary Education A2(8) 800 Other Expenditure A2(8)(1) Sainik School, Tilaiya (Grants-in-Aid)	Nil	45.99	45.99
8.	49-2701-Major and Medium Irrigation A-203- Medium Irrigation Commercial A4- 80 General A4(2)-002 Data Collection A4(2)(1) Establishment	Nil	73.74	73.74
	Total	1,75.67	40,76.46	40,76.46

APPENDIX -XIII

Anticipated savings not surrendered

(Refer: Paragraph 2.3.9)

Sl. No	Number and name of the Grant/ Appropriation	Saving	Un-surrendered savings
REVENUE SECTION (VOTED)		((Rupees in crore)	
1.	1- Agriculture Department	64.75	49.96
2.	6- Election	3.31	0.70
3.	7- Vigilance	1.52	0.20
4.	9- Co-operative Department	17.08	8.11
5.	10- Energy Department	8.23	7.95
6.	11-Excise and Prohibition Department	2.68	0.20
7.	12- Finance Department	19.39	0.56
8.	17- Finance (Commercial Tax) Department	9.59	0.85
9.	18-Food supply and Commerce Department	14.02	2.92
10.	19- Forest and Environment Department	64.43	40.86
11.	20-Health, Medical Education and Family Welfare Department	321.94	227.72
12.	22- Home Department	229.43	204.37
13.	23- Industries Department	39.24	4.31
14.	26- Labour, Employment and Training Department	67.41	4.76
15.	27- Law Department	25.23	16.50
16.	32-Legislature	5.58	0.92
17.	35- Planning and Development Department	72.98	54.24
18.	36- Public Health and Engineering Department	23.95	1.63
19.	37-Raj Bhasha Department	3.84	3.27
20.	39- Relief and Rehabilitation Department	32.90	32.52
21.	40- Revenue and Land Reform Department	70.97	27.62
22.	42- Road Construction Department	42.84	10.48
23.	44- Middle, Primary and Public Education Department	676.82	418.38
24.	49-Water Resources Department	37.99	4.56
25.	50-Minor Irrigation Department	31.59	4.97
26.	51- Welfare Department	235.04	164.49
27.	52-Art, Culture and Youth Department	7.31	1.55
REVENUE SECTION (CHARGED)			
1.	14- Repayment of Debt	1716.93	1715.45
CAPITAL SECTION - VOTED			
1.	12- Finance Department	4.16	0.65
2.	23-Industries Department	24.69	2.03
3.	30- Minority Welfare Department	27.85	20.35
4.	36-Public Health Engineering Department	78.93	12.29
5.	41-Road Construction Department	211.44	9.24
6.	42- Rural Development Department	165.31	71.54
7.	47-Transport Department	9.36	3.73
8.	49- Water Resources Department	347.11	99.83
9.	50- Minor Irrigation Department	20.23	0.64
Total		4736.07	3230.25

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.	1	2401 Crop Husbandry A1-001-Direction and Administration A1 (1) Direction	246.46	42.19	229.27	25.00
2.	4	D-2070 Other Administrative Services D3-115 Guest House, Government Hostels etc. D3 (2) Bihar Bhawan Establishment	221.62	24.03	208.89	11.30
3.	5	2012-President/ Vice President, Governor, Administrator of Union Territories A1-03 Governor/ Administrator of Union Territories A1 (1) 090-Secretariat A1 (1)(1)-Secretariat	62.33	10.94	91.14	39.75
4.	7	2070- Other Administrative Services A1-104- Vigilance A1 (1) Cabinet (Vigilance)	179.83	63.96	132.57	16.70
5.		A1 (4) Electric Vigilance Anti Power Theft Cell	229.62	67.59	182.30	20.29
6.	11	A-2039- State Excise A1-001 Direction and Administration A1 (1) Superintendence	249.07	58.49	359.00	168.42
7.	12	A-2013 Council of Ministers A1-101-Salary of Ministers and Deputy Ministers A1 (1) Ministers	305.34	44.42	266.75	5.83
8.		A-2013-Council of Ministers A5-800-Other expenditure A5 (1) State Ministers	141.00	98.95	96.99	54.94
9.		A5 (2) State Ministers	133.40	88.22	75.54	30.36
10.		B-2052-Secretariat General Services B-1090-Secretariat B1(1) Finance Department	1152.17	182.09	1052.47	82.39
11.		C-2054- Treasury Accounts and Administration C-3-097-Treasury Establishment C-3-(1) Treasury and Other sub-treasury	1608.94	786.66	1132.40	310.42
12.		2070-Other Administrative Service E1-800-Other expenditure E1 (1) Other Unforeseen and Miscellaneous expenditure (i) Compassionate Grant	160.28	91.50	127.47	58.69
13.		A-2013-Council of Ministers A4-108-Tour expenses of Ministers A4 (1) Tour expenses of Ministers	47.89	0.72	115.12	67.95
14.		A4 (3) Tour expenses of State Ministers	66.47	0.44	131.56	65.53
15.	20	A-2210-Medical and Public Health A5 (4) (16) Nurses A1 (2)-110 Hospital Dispensaries	2476.11	348.24	2178.63	50.76

Sl. No	Grant / Appropriation No.	Sub-head / Schemes	Provision (original + Supplementary)	Surrender	Expenditure	Excess
			(Rupees in lakh)			
		A1 (2) (1)- Patna Medical College Hospital				
16.		A5 (4) 105 Allopathy A5 (4) (1) Patna Medical College	1373.29	283.81	1135.40	45.92
17.		A5 (4) 7 M.G.M. Medical College, Jamshedpur	237.48	107.18	219.08	88.78
18.	22	C-2056 Jail C-2-101-Jail C2 (2) District Jail	2631.03	138.95	2725.33	233.25
19.		D3 107- Home Guards D3 (1) Rural	6919.90	1601.60	5396.97	78.47
20.	23	B-2852- Industries B1 80- General B1 (1) 001 Direction and Administration B1 (1) (2) Direction	376.74	86.59	348.22	58.07
21.	24	B-2220-Information and Publicity B2- 60- Others B2 (4)-106 Field Publicity B2 (4) (2) District Mobile Units	803.00	140.29	827.92	165.21
22.	16	B-2230- Labour and Employment B1-01-Labour B1 (1)-001-Direction and Administration B1 (1)(1) Labour Commissioner	195.32	47.62	162.10	14.40
23.	27	B-2052 Secretariat General Services B1-090- Secretariat B1 (1) Law Department	175.89	35.34	147.00	6.45
24.		A-2052-Secretariat General Services A1-090-Secretariat A1 (1) Minority Welfare Department	51.79	13.72	43.86	5.79
25.	32	2011- Legislature A1 (3)-103- Legislative Secretariat A1 (3)(1) Legislative Assembly Secretariat	882.43	46.03	905.06	68.66
26.	36	2215- Water supply and Sanitation A1 -01- Water Supply A1 (2)-102-Rural Water Supply Programmes A1 (2) (1) Rural Piped Water Supply Scheme	5630.88	645.48	5825.47	840.07
27.	41	B-3054-Roads and Bridges B4-80 General B4 (1) 001 Direction and Administration B4 (1)(1) Direction	667.86	99.17	1190.15	621.46
28.	42	C-2515 Other Rural Development Programmes C1-001 Direction and Administration C1 (2) State Election Commission (Panchayati Raj)	87.20	78.43	112.96	104.19
29.		C1 (3) District Panchayat Establishment	13847.26	2120.38	14507.59	2780.71
30.		D 3451 Secretariat Economic Services D1-090 Secretariat D1 (1) Rural Development Department	227.72	58.50	197.47	28.25

Audit Report (Civil) for the year ended 31 March 2001

SI. No	Grant / Appropriation No.	Sub-head / Schemes	Provision (original + Supplementary)	Surrender	Expenditure	Excess
(Rupees in lakh)						
31.	44	A 2202 General Education A-1-01 Elementary Education A4-04 Adult Education A-4 (3) 800- Other expenditure A-4 (3)(4) Adult Education	360.77	1.68	422.18	63.09
32.	46	B-3452-Tourism B-1-01-Tourism Infrastructure B1 (2) 101 Tourist centre B1 (2) (1) Tourist centre	92.47	11.92	88.97	8.42
33.		B-3752-Tourism B2-80- General B2 (2) 104- Promotion and Publicity B2 (2) (1) Tourist Information and Publicity	39.68	2.91	49.34	12.57
34.	49	2A-4701 Capital Outlay on Major and Medium Irrigation 2A2 (1) Chhotanagpur and Santhal Pragna Irrigation Scheme 2A2 (1)(1) Chhotanagpur and Santhal Pragna Irrigation Scheme (Other AIBP, NABARD and RIDF) (ii) Works	5080.75	3326.60	1948.51	194.36
35.	50	A-2702 Minor Irrigation A2-020 Ground Water A2-3-796-Tribal Area Sub-Plan A2 (3) (1)- Survey and Investiation	62.29	21.54	58.99	18.24
		Total	47023.98	10776.18	42692.47	6444.67

APPENDIX - XV

Statement of unreconciled expenditure

(Refer : Paragraph 2.3.12)

Sl. No.	Name of Department	Units	1.4.2000 to 14-11-2000 (Rs. in crore)	Units	15.11.2000 to 31-3-2001 (Rs. in crore)
1.	Finance	10	1280.69	57	1821.09
2.	Revenue & Land Reform	59	1684.85	59	97.90
3.	Panchayati Raj	163	332.01	163	332.01
		165	209.91		
4.	Medical & Public Health	157	295.25	233	247.40
5.	Public Works Division	44	290.35	32	17.49
6.	Transport Department	Nil	Nil	11	235.55
7.	Rural Department	10	07.71	10	218.36
8.	Social welfare	296	80.60	297	147.40
9.	Water Resources	09	206.30	07	145.07
10.	Law Department	18	91.44	18	42.75
11.	Human Resources Department	187	25.43	183	49.11
12.	Urban Development	115	76.41	Nil	Nil
13.	Home police	09	36.74	09	26.46
14.	Electricity Department	Nil	Nil	04	22.06
15.	Food, Civil Supply & commerce	08	11.74	08	18.93
16.	Forest and Environment	50	13.77	31	11.73
17.	Animal Husbandry & Fisheries	05	05.83	03	04.78
18.	Tourism	06	01.61	06	01.87
19.	Mines & Geology	Nil	Nil	23	00.20
	Total	1311	4650.64	1154	3440.16

APPENDIX – XVI

Statement of Records (1996-2000) not produced to Audit

(Refer : Paragraph : 3.1.4 (iv))

- (1) Allotment Registers
- (2) Payment Vouchers
- (3) Diet Registers
- (4) Contingent Registers
- (5) Remittance Registers
- (6) Purchase files
- (7) Advance Registers
- (8) Register of Payment of Stipend to students
- (9) Bank Account Pass Books
- (10) Stock registers of Medicine/Diet/Equipments
- (11) Service Books
- (12) Acquittance Rolls
- (13) Information called for in prescribed proformas/statements.

APPENDIX- XVII

Statement showing purchase of materials in excess of requirement

(Refer: Paragraph: 4.1.10 (i))

Sl. No.	Name of division	Year	Total purchase (Rupees in lakhs)	Excess purchase			
				Name of materials	Quantity	Rate	value (Rs. in lakh)
1.	Darbhanga	1997-2001	55.98	Tara pump	17 sets	8511.36	1.45
				65mm G.I.Pipe (3MRR length)	108 meter	151.00	0.49
				125mm G.I.Pipe	1244.20 Mtr	285.00	3.55
				UPVC strainer (40mm)	80 nos	140.50	0.11
				I.M. III	53 sets	4597.00	2.43
				UPVC strainer (40mm)	147 nos.	126.26	0.19
				G.I.Pipe (65mm)	633 mtr	151.00	0.96
2.	Jamshedpur	1997-98	38.27	UPVC casing	11355 mtr	24127	27.40
				I.M. III	57 nos	4577	2.60
3.	Madhubani	1997-2001	116.79	G.I.Pipe (125 mm)	34.49 mtr	384.00	0.13
				-do- (65 mm)	44 nos	509.83	0.22
				-do- (40 mm)	325.18 mtr	84.136	0.27
4.	Sasaram	2000-01	13.04	G.I.Pipe (40 mm)	2803.83 mtr	84.35	2.37
					1743.00 mtr	172.88	3.01
Total			224.08				45.18

APPENDIX-XVIII

Statement showing diversion of materials

(Refer: Paragraph: 4.1.10 (ii))

Sl. No.	Name of Division	Year of diversion	Value of materials (Rs in lakhs)	Head to which diverted
1.	Chas	1997-99	24.58	M.N.P 10 th Finance commission (deposit) special repair
2.	Dhanbad	1998-01	34.18	-do-
3.	Dhaka	2000-01	14.89	M.N.P.
4.	Garhwa	1997-01	12.02	M.N.P 10 th Finance commission (deposit) special repair
5.	Madhubani	2000-01	1.15	M.N.P.
6.	Patna West	1997-01	54.10	M.N.P.
7.	Ranchi East	2000-01	47.64	M.N.P.
8.	Sasaram	2000-01	0.26	M.N.P.
	Total		188.82	

APPENDIX -XIX

Statement showing unnecessary Supplementary Grant

(Refer : Paragraph 4.2.4.1(i))

Year	Grant No. 28/36 Descriptions of subhead	Supplementary	Savings
		(Rupees in lakh)	
1996-97	AA1(1)(4) Centrally Sponsored Scheme (1) Grant in aid to urban local bodies for drinking water under accelerated urban water supply scheme	139.50	139.50
1996-97	AA2-02, Sewerage and sanitation AA2(1) (1) Rural Sanitation (Plan) (iii) (a) Special control Scheme	132.23	132.23
1996-97	(b) Grant in aid for making Rural lakes pollution free	20.00	20.00
1997-98	AA1(2) (6) Externally aid scheme (Plan)	93.70	93.70
	Total		385.43

APPENDIX-XX

Statement of funds provided remained fully unutilised

(Refer : Paragraph 4.2.4.1(v))

Year	Grant no. 28/36 & Details of subhead	Total grant	Savings
		(Rupees in lakh)	
1996-97	A1(4)-796 Tribal Area Sub plan for grant-in-aid to local bodies for supply of drinking water supply (Plan)	25.00	25.00
	A2(1) (1) Bhangi Mukti Abhiyan (non-Plan)	1.25	1.25
	A2(1) (2) Grant in aid to local bodies for sewerage and drainage (Plan)	100.00	100.00
	AA1(2)-102 Rural Water Supply Scheme (Plan)		
	(i) General	3.73	3.73
	(ii) Special integrated Scheme	2.00	2.00
	AA1(2)(4) Rural Water Supply Scheme by Tube Well (Plan)		
	(ii) Special Integrated Scheme	1639.65	1639.65
	AA1(2)(5) Seed money of out aided Scheme (Plan)		
	(i) General	18.15	18.15
	(ii) Special Integrated Scheme (plan)	10.24	10.24
	AA1(2) (9) Centrally Sponsored Scheme		
	(iii) Grant to Bihar Water Board Ganga work Scheme	450.00	450.00
	AA1(3)(3) Rural piped water supply scheme (works) Tube well etc. (plan)		
	(i) General	858.98	858.98
	(ii) Special Integrated Scheme	552.00	552.00
	AA2-02 Sewerage and Sanitation		
	AA2(1)-102 Rural Sanitation Services (Plan)		
	(i) General	30.17	30.17
	(ii) Special Integrated Scheme	198.46	198.46
	AAA(1) (2) Loans to Urban local bodies of Tribal Area for Water supply (Plan)	7.00	7.00
1997-98	AA-1(3) (1) Rural Piped Water Supply Scheme (plan)		
	(i) General	13.00	13.00
	(ii) Special Integrated Scheme	7.00	7.00
	AA1(3)(2) Water Supply in Rural /S ib-Urban Areas upto Population of 20000.		
	(i) General	148.05	148.05
	(ii) Special Integrated Scheme	87.50	87.50
	AA2(1)(1)1(a) Grant-in-aid for Swarnrekha Pollution Free Under National River works Scheme	30.00	30.00
	AA1(2)(3) Laboratory	15.00	15.00
	AA1(2) (4) Training	3.75	3.75
	AA2 (2)(1) Rural Sanitation		
	(i) General	38.68	38.68
	(ii) Special Integrated Scheme	20.57	20.57
	AA2(3)-796 Tribal area Sub-Plan		
	(i) Investigation	10.00	10.00
	(ii) Training	1.25	1.25
	AA2(3)(3) Rural Sanitation Plan		
	(i) General	10.72	10.72
	(ii) Special Integrated Scheme	7.23	7.23

Year	Grant no. 28/36 & Details of subhead	Total grant	Savings
		(Rupees in lakh)	
1998-99	2A1(1)(4) Seed money for Externally Aided Scheme		
	(ii) Special Integrated Scheme	17.00	17.00
	2A1(1) Rural Piped Water Supply Scheme		
	(v) Training	3.00	3.00
	(vii) Survey and Investigation	2.36	2.36
	2A1(2)(2) Water Supply in Rural / Sub-Urban Areas upto population 20,000.		
	(i) General	14.70	14.70
	(ii) Special Integrated Scheme	2.80	2.80
	2A1 (2) (3) Rural Piped Water Supply Scheme (T/W etc.)		
	(iv) Machinery & Equipment	3.41	3.41
	2A1 (2)(4) Rural Water Supply Scheme (T/W)		
	(i) Investigation	6.88	6.88
	(vi) Survey & Investigation	1.23	1.23
1999-2000	3A1(2)-796 Tribal Area Sub-Plan 3 A1(2)(1) Loan to Urban Local bodies of Tribal Area for water supply (Plan)	75.00	75.00
	Total	4415.76	4415.76

APPENDIX -XXI

Statement showing excess expenditure under certain grant

(Refer : Paragraph 4.2.4.1(viii))

Year	Grant No. 28/36 Descriptions of subhead	Budget provision	Expenditure	Excess
		(Rupees in lakh)		
1996-97	A1(2)(1) Rural Piped Water supply Scheme (NP)	2302.61	3028.27	725.66
	A2(2) (1) Grants to Bihar State sewerage Board (NP)	88.17	105.00	16.83
	A2(2)(2) Maintenance of water supply in Govt. Building	553.53	953.52	399.99
	AA(2) (9) (11) Expenditure of establishment of evaluation and monitoring cell under rural water supply scheme	17.45	19.59	2.14
	AA1 (3) (4) Rural Water Supply Scheme (Tube well and wells) machinery and equipment (Plan)	228.09	553.19	325.10
	Total	3189.85	4659.57	1469.72
1997-98	A(1)(2) Hatia Water supply scheme (NP)	320.01	321.47	1.46
	A(1)(4) Water supply scheme (NP)	1146.95	1321.81	174.86
	Total	1466.96	1643.28	176.32
1998-99	A(1) (4) Water supply scheme of Municipal corporation (NP)	2930.31	2948.11	17.80
	A1(2) (2) Hand tube well Tanks and wells high pressure Tube wells (NP)	6344.37	6419.15	74.78
	A1(3)(1) Maintenance of water supply in Govt. Building (NP)	1132.75	1201.75	69.00
	2A1(1)(1) Rural Piped water supply scheme (i) General	74.36	100.13	25.77
	-do- (ii) Machinery & Equipment	1064.82	1513.46	448.64
	2A1(1) (3) Rural Water supply scheme by Tube well and wells (i) General	2884.57	4301.60	1417.03
	2A1(1)(5) Centrally Sponsored Scheme (i) Expenditure on establishment of evaluation and monitoring cell under RWS scheme	7.03	8.00	0.97

Year	Grant No. 28/36 Descriptions of subhead	Budget provision	Expenditure	Excess
		(Rupees in lakh)		
	(ii) Accelerated water supply Scheme	924.79	1102.29	177.50
	2A1(2)(3) RPWS Scheme (Tube well etc. (i) General	619.33	641.50	22.17
	(ii) Special integrated scheme	661.40	668.93	7.53
	2A2(1)(1) Rural Sanitation (plan) (other areas sub plan) (i) General	89.08	92.17	3.09
	(ii) Special integrated scheme	48.64	52.64	4.00
	2A2(1)(2) Centrally sponsored scheme (i) Rural sanitation Programme	67.14	91.55	24.41
	Total	16848.59	19141.28	2292.69
1999-2000	A1(1)101 Urban water supply scheme programme Adityapur water supply scheme (NP)	366.50	451.22	84.72
	A1(1)(2) Hatia water supply scheme (NP)	653.13	785.42	132.29
	A1(1)(3) Swarnarekha water supply scheme (NP)	1898.08	1982.06	83.98
	A1(2)(2) Hand Tube wells , Tank and wells high pressure Tube wells (NP)	7756.71	8927.40	1170.69
	2A1(1)(1) Rural piped water supply scheme (i) General	12.68	152.42	139.74
	2A1(1)(3) Rural Water Supply Scheme (by Tube wells, wells) (i) Machinery and equipment	1204.39	1292.34	87.95
	2A1(2)(3) Rural Water Piped Supply Scheme Tube wells or wells etc. (i) General	343.30	356.88	13.58
	2A2(1)(1) Rural sanitation (Plan) (other are sub plan) (ii) special integrated scheme	48.75	53.52	4.77
	2A-4215 Capital outlay water supply and sanitation	3783.14	4007.50	224.36
	Total	16066.68	18008.76	1942.08
	Grand Total	37572.08	43452.89	5880.81

APPENDIX--XXII

Statement of division-wise Target and Achievement for the years 1996-2000

(Refer: Paragraph 4.2.5.1)

Sl. No.	Name of the Divisions	MNP (Construction)		MNP (SR)		ARWSP (Construction)		CRSP (Low cost Latrin)		KAPY (Kosi Amrit Paij Jal Yojna)			
		T	A	T	A	T	A	T	A	MNP		ARP	
										T	A	T	A
1.	PH Adityapur	1058	768 (73)	365	14 (04)	275	275 (100)	--	--	--	--	--	--
2.	Ph Araria	3911	1890 (48)	1488	1488 (100)	1129	113 (10)	--	--	442	129 (29)	1406	711 (51)
3.	PH Aurangabad	1708	1416 (83)	1642	1590 (97)	450	450 (100)	--	--	--	--	--	--
4.	PH Bhagalpur (East)	2862	2170 (76)	686	210 (31)	571	71 (12)	605	74 (12)	--	--	--	--
5.	PH Bhagalpur (West)	630	628 (100)	1436	1436 (100)	383	86 (22)	340	166 (49)	--	--	--	--
6.	PH Biharshariff	1102	921 (84)	2318	1076 (46)	171	155 (91)	--	--	--	--	--	--
7.	PH Darbhanga	1761	1259 (71)	797	897 (113)	450	311 (69)	773	32 (04)	--	--	--	--
8.	Ph Deoghar	580	565 (97)	34	34 (100)	242	250 (103)	247	247 (100)	--	--	--	--
9.	PH Giridih	2087	2060 (99)	183	135 (74)	205	192 (94)	235	235 (100)	--	--	--	--
10.	PH Godda	1084	1012 (93)	462	38 (8)	220	180 (82)	579	571 (99)	--	--	--	--
11.	PH Hazipur	2171	2171 (100)	1963	2297 (117)	600	600 (100)	--	--	--	--	--	--
12.	PH Madhubani	5271	2514 (48)	1816	1939 (107)	1185	528 (45)	2392	435 (18)	--	--	--	--
13.	PH Motihari	1683	1683 (100)	694	694 (100)	504	460 (91)	--	--	--	--	--	--
14.	PH Munger	916	929 (101)	1913	1913 (100)	300	300 (100)	17	17 (100)	--	--	--	--
15.	PH Nawada	1554	1249 (80)	1878	1165 (62)	220	53 (24)	--	--	--	--	--	--
16.	PH Patna (East)	1000	888 (89)	1816	1347 (102)	215	174 (81)	--	--	--	--	--	--
17.	PH Purnea	1780	89 (5)	2586	1797 (69)	300	00 (00)	--	--	755	388 (45)	3764	2166 (58)
18.	PH Sahibganj	2384	1959 (82)	1344	1290 (96)	350	350 (100)	--	--	--	--	--	--
19.	PH Samastipur	3859	1852 (48)	2336	2173 (93)	1318	600 (46)	2709	497 (11)	--	--	--	--
20.	PH Sasaram	4524	2434 (54)	2715	2561 (94)	1618	511 (32)	333	359 (108)	--	--	--	--
21.	PH Siwan	1887	1887 (100)	1772	2270 (128)	648	583 (90)	--	--	--	--	--	--
22.	PH Tenughat	774	653 (84)	119	58 (49)	205	138 (67)	--	--	--	--	--	--
	Total	44586	30997	30363	26922	11559	6380	8230	2633	1197	517	5170	2877

(T= Target, A= Achievement, percentage in bracket)

APPENDIX-XXIII

Statement of division-wise excessive purchase of materials

(Refer : Paragrah 4.2.7 (ii))

Sl. No.	Name of Division	Item purchased without immediate requirement	Amount involved (In Rupees)
1	PH Patna (East)	GI pipes, UPVC pipes, Strainer, TARA pumps, IM-III and H pumps	1569173.00
2	PH Patna (West)	GI pipes, UPVC pipes, Strainer, IM-III and H pumps	1831539.00
3	PH Hilsa	----do-----	925331.00
4	PH Biharsarif	GI pipes, UPVC pipes, Strainer, TARA pumps, IM-III and H pumps	2626990.00
5	PH Ara	----do-----	2586718.00
6	PH Buxar	----do-----	2247568.00
7	PH Sasaram	----do-----	4863046.00
8	PH Bhabhua	----do-----	3279261.00
9	PH Gaya	----do-----	4606818.00
10	PH Jehanabad	----do-----	3524985.00
11	PH Nawada	----do-----	3959995.00
12	PH Aurangabad	----do-----	3183687.00
13	PH Bhagalpur (East)	GI pipes, UVPC pipes, Strainer, IM-III and H pumps	1854868.00
14	PH Bhagalpur (West)	----do-----	2284157.00
15	PH Banka	----do-----	2464399.00
16	PH Munger	GI pipes, UPVC pipes, Strainer, TARA pumps, IM-III and H pumps	2186087.00
17	PH Jamui	GI pipes, UPVC pipes, Strainer, IM-II and H pumps	2414658.00
18	PH Shekhpura	----do-----	899739.00
19	PH Purnea	GI pipes, UVC pipes, Strainer, Force and lift, IM-III and H pumps	29232606.00
20	PH Katihar	GI pipes, UVPC pipes, Strainer, Force and lift	20504219.00
21	PH Araria	----do-----	16320059.00
22	PH Madhepura	GI pipes, UPVC pipes, Strainer, Force and Lift	8595579.00
23	PH Khagaria	GI pipes, Strainer, Force and Lift, IM-III and H pumps	7665548.00
24	PH Mech. Munger	UPVC pipes	83809.00
25	PH Muzaffarpur	GI pipes, Strainer, IM-III and H pumps	1010919.00
26	PH Hajipur	GI pipes, TARA, IM-III and H pumps	1012070.00
27	PH Sitamarhi	GI pipes, Strainer, IM-III and H pumps	1799061.00
28	PH Chapra	GI pipes, Strainer, TARA, IM-III and H pumps	1940001.00
29	PH Gopalganj	GI pipes, Strainer, TARA, H pumps	1214228.00
30	PH Betiah	GI pipes, UPVC pipes, Strainer, TARA pumps	326524.00
31	PH Dhaka	UPVC pipe	3036.00
32	PH Darbhanga	GI pipes, UVPC pipes, Strainer, IM-III and H pumps	1400088.00
33	PH Samastipur	GI pipes, UVPC pipes, Strainer, TARA and H pumps	10601410.00
34	PH Madhubani	GI pipes, UVPC pipes, Strainer, and H pumps	2528409.00
35	PH Begusarai	GI pipes, UVPC pipes, Strainer, Force and Lift, IM-III and H pumps	7503799.00
	Total		149449084.00

APPENDIX – XXIV

Statement of misappropriations of stores

(Refer : Paragraph 4.2.7.1(i))

Sl. No.	Division	Stores	Value (Rs in lakh)	Remarks
1.	PH Mechanical Division, Muzaffarpur.	Motor Pump sets.	11.70	Pump sets purchased during Feb and March 2000 were not taken in site accounts though mentioned as taken in site accounts on the purchase vouchers.
2.	PH Division, Nawada	Pipe, Hand Pumps. Etc	8.47	Materials issued from the site account of 10 th Finance Commission (in March 2000) to 7 Junior Engineers were not taken in their respective site accounts.
3.	PH Mechanical Division, Gaya	(i) Pumping sets	4.09	Pumping sets purchased during March 2000 was not handed over by JE (M) of Jahanabad section (December 2000) on his transfer.
4.	PH Division, Bhagalpur West.	Hand Pumps & other fittings	2.78	Materials taken in charge from Sri I. Prasad Ex. JE by Sr. S.S. Singh, JE in May 1999 were not taken in account as of January, 2001.
5.	PH Division, Giridih	IM III Hand Pump sets and 65 mm G.I. pipe	9.99	108 I M III H.P. sets and 2572 mtr. 65 mm G.I. pipe consumed was doubtful as 426 DTW's were shown installed as against 318 DTW's constructed under MNP 1998-99.
6.	PH Division, Munger.	IM III HPsets.	23.10	922 I M III Hand Pump sets were consumed against 302 DTW's constructed resulting in doubtful consumption of 670 I M III H.P. Sets.
7.	P.H. Division Madhubani	Misc. Tube Wells materials	8.87	Sri Ghuran Yadav JE of Jhanjharpur sub-division did not hand over charge on transfer in April 2000.
	---do---	MS Pipe, CI Pipes etc.	46.45	A Storekeeper (Sukhdeo Mishra) did not hand over charge of stores on transfer in June 1996. Though the SE placed him under suspension (January 1997), the cost of material misappropriated was not recovered as of March 2001.
	Grand Total		115.45	

APPENDIX – XXV

Utilisation certificates relating to grants in aid paid upto March 2001 but not received upto 30th September 2001

(Refer : Paragraph 6.2.1)

Sl. No.	Department	Year(s) to which grants were paid	Utilisation due		Utilisation received		Utilisation awaited	
			Number	Amount (Rupees in lakh)	Number	Amount (Rupees in lakh)	Number	Amount (Rupees in lakh)
1.	Animal Husbandry Department	upto 1999-2000	517	1542.13	3	4.30	514	1537.83
		2000-2001	2	47.76			2	47.76
2.	Agriculture	upto 1999-2000	168	5311.84	1	541.66	167	4770.18
		2000-2001	6	3148.67	6	3148.67		
3.	Co-operative	upto 1999-2000	472	7395.38	1	45.69	471	7149.69
		2000-2001	4	2818.23			4	2818.23
4.	Education	upto 1999-2000	91	7509.58	28	3091.45	63	4418.12
		2000-2001	44	43151.63	30	25283.74	14	17867.39
5.	Police	upto 1999-2000	6	559.94	--		6	559.94
		2000-2001	1	0.58			1	0.58
6.	Public works	upto 1999-2000	555	512.12	--		555	512.12
		2000-2001	2	281.51			2	281.51
7.	Welfare	upto 1999-2000	1610	2912.47			1610	2912.47
		2000-2001	4	112.69	3	25.00	1	87.69
8.	Urban Development	upto 1999-2000	7169	25934.24	283	2618.07	6886	23316.17
		2000-2001	149	5442.69	3	181.47	146	5261.22
9.	Health & Family Welfare	upto 1999-2000	814	2242.56	2	1.05	812	2241.51
		2000-2001	2	3343.35			2	3343.35
10.	Industries	upto 1999-2000	2495	33639.88	--		2495	33639.88
		2000-2001	10	736.67			10	736.67
11.	Rural Development	upto 1999-2000		289.56	--			
		2000-2001	4				4	289.56
12.	Others	upto 1999-2000	6830	35775.83	8	1341.21	6822	34434.62
		2000-2001	102	3986.57	44	171.07	58	3815.50
Total			21057	186495.88	412	36453.38	20645	150042.50

APPENDIX – XXVI

**Statement showing expenditure incurred against allocation for drains,
roads and water supply**

(Refer : Paragraph 6.9.2. (II) (b))

Name of local bodies	Total grant received	10 per cent local bodies contribution	Total	Amount allocated @ 30 per cent and amount spent					
				Drains		Roads		Water supply	
				Allocation	Spent	Allocation	Spent	Allocation	Spent
(Rupees in lakh)									
Katihar	53.52	5.35	58.87	17.66	12.58	17.66	34.24	17.67	NIL
Araria	15.68	1.57	17.25	5.17	2.64	5.18	6.36	5.17	NIL
Khagaria	11.87	1.19	13.06	3.92	3.36	3.92	2.58	3.91	NIL
Madhepura	11.40	11.14	12.54	3.76	1.33	3.76	7.22	3.76	NIL
Total	92.47	9.25	101.72	30.51	19.91	30.52	50.40	30.51	NIL

APPENDIX-XXVII

**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
	Animal Husbandry & Fisheries Department		
1.	Central Poultry Farm, Patna	1	December 1948
2.	Regional Poultry Farm, Bhagalpur	1	December 1959
3.	Regional Poultry Farm, Muzaffarpur	1	October 1971
	Industries Department		
4.	Adarsh Iron workshop	5	1956-61
5.	Adarsh Wooden workshop	8	1956-64
6.	Procurement Centre	7	--
7.	Salt Petre Refinery, Mahesi, East Champaran	1	1953
	Excise & Prohibition Department		
8.	Purchase & sale of opium stock	1	--
9.	Grain Gola	1	1947-48
	Total	26	

Note:-

- Sl. No. 1 to 3 All units have been audited which had not prepared Proforma Account since inception.
- Sl. No. 4 Adarsh Iron Workshop Munger, Samastipur & Ara audited which have not prepared the Proforma Accounts. Rest units are being intimated to report the position of Proforma Accounts.
- Sl. No.5 Adarsh Woolen Workshop, Chapra, Muzaffarpur, Samastipur and Hajipur have been audited which have not prepared Proforma Accounts. Rest 4 units are being intimated to report the position of Proforma Accounts.
- Sl. No.6 All the Procurement Centres are being intimated to report the position of Proforma Accounts.
- Sl. No.7 The Salt Petre Refinery, Mahesi is being intimated to report the position of Proforma Accounts.

APPENDIX -- XXVIII

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
	Agriculture Department	
1.	State Tractor Organisation, Purnea	1977 onwards (November to October)
	Home (Jail) Department	
2.	Manufacturing Department of Central Jail, Bhagalpur	1981 to 2000 (January to December)
3.	Manufacturing Department of Central Jail, Buxar	1987 to 2000 (January to December)

Note:-

1. The State Tractor Organisation, Purnea is reported to have been closed (As stated by District Agriculture Officer, Purnea).
2. Sl. No. 2 & 3 The Central Jail Bhagalpur and Buxar has not been audited.

Concerned department are being intimated to report the position of preparation of Proforma Accounts.

APPENDIX - XXIX

Details of idle machines

(Refer: Paragraph 7.2.3(v))

I. Bihar Secretariat Press, Gulzarbagh, Patna

Name of section	Name of machine	Number of idle machine	Since when idle	Reason
Printing	PD-5	1	--	Not available.
	Webcock	2	--	Not available.
	Grapho	1	--	Not available.
	D.S.P.	1	--	Not available.
	R. Platen	1	--	Not available.
	Hand Platen	1	--	Not available.
	Indorlepen	1	--	Not available.
Binding	Russian cutting (Big)	1	--	Not available.
	Folding	2	--	Not available.
	Alpas Stitching	3	--	Not available.
	Pintographo Stitching	3	--	Not available.
	Russian	2	--	Not available.
	Envelop machine	1	--	Not available.
	Dye Machine	1	--	Not available.
Offset	Planeta	1	--	Not available.
	Romayar	4	--	Not available.
	Perfecta cutting	1	--	Not available.
	Gluing machine	1	--	Not available.
	Numbering machine	1	--	Not available.
Process	Wheeler Machine (small)	1	--	Not available.
Lino	Machines	4	--	Not available.
Mono	Machines	12	--	Not available.
	Casting	14	--	Not available.
Total		60		

Government Press and Forms, Gaya

Name of section	Name of machine	Number of idle machine	Since when idle (in years)	Reason
Composing and Foundry	New Rotry (Hydraulic) Pressure machine	1	13	Operator not available.
	Sisa Garm Heater Machine	1	12	Operator not available.
	Furniture Dhalai Machine	1	14	Operator not available.
	Plate Cutter Ara Machine	2	14	Operator not available.
Photo Camera Section	Reel sheet cutting machine	1	13	Operator not available.
Binding	Stitching machines	7	18	Operator not available.

Name of section	Name of machine	Number of idle machine	Since when idle (in years)	Reason
	Cutting machine	10	18	Operator not available.
	Folding machine	1	18	Operator not available.
	Thread stitching machine	4	14	Operator not available.
	Heli numbering machine	2	6	Operator not available.
	Envelop punching machine	2	18	Operator not available.
	Envelop machine	2	18	Operator not available.
Printing	Rotry machine -3	1	5	Operator not available.
	Hedal warg (10-1)	1	5	Operator not available.
	Hedal warg (18-1)	1	13	Operator not available.
	Graft machine	1	14	Operator not available.
	OM 2 -1	2	13	Operator not available.
	TGK machine	2	13	Operator not available.
	PD-5 machine	2	13	Operator not available.
	Jupiter Tradel	4	13	Operator not available.
	Deluxe Travel	1	13	Operator not available.
	Ticket Printing Machine	2	13	
Total		51		

Secretariat Branch Press, Ranchi

Name of section	Name of machine	Number of idle machine	Since when idle (in years)	Reason
Printing	Mudrika	1	4	Operator not available.
	Japanese flat	1	4	Machineman not available.
Binding	Folding machine	1	15	Technical
	Stiching machine	2	4	--do--
Plate making	Grinding machine	1	13	Operator not available.
	Precision wheeler	1	13	Operator not available.
	Fleeper Printer	1	13	Operator not available.
	Lining up table	1	13	Operator not available.
	Retouching Desk	1	13	Operator not available.
	Plate up Bench	1	13	Operator not available.
	Contact Printer	1	13	Operator not available.
	Plate Developing table	1	13	Operator not available.
	Plate Processing sink	1	13	Operator not available.

Name of section	Name of machine	Number of idle machine	Since when idle (in years)	Reason
	Film Processing sink	1	13	Operator not available.
	Vertical camera Auto compact	1	13	Operator not available.
	Extra lense of 300 MM focal	1	13	Auto compact
	Reduced stop cylinder Atena	1	13	Auto compact
Total		18		

APPENDIX - XXX

Details of agency wise outstanding dues (Secretariat Press Gulzarbagh, Patna)

(Refer: Paragraph 7.2.5)

SI No.	Name of the Department/ Agency	Amount (In Rupees)
1.	Reserve Bank of India, Patna	1783.15
2.	All India Radio, Patna	348.00
3.	Bihar State Road Transport Corporation Patna	1439.80
4.	Bihar Public Service Commission, Patna	170872.05
5.	Election Department, Bihar, patna	19171523.20
6.	Labour Employment & Training Deptt. Patna	189870.85
7.	Directroate, Employment and Training, Patna	113253.00
8.	Accountant General, Bihar, Patna	2679.40
9.	Accountant General, Bihar, Ranchi	148898.75
10.	Vetanery Department, Bihar, Patna	147608.80
11.	Animal and Fisheries Deptt, Bihar, Patna	64839.45
12.	Govt. Polytechnic Education Council, Bihar, Patna	157892.50
13.	Agriculture Deptt, Bihar, Patna	4768.60
14.	Agriculture Directroate (Extention), Bihar, Patna	171217.60
15.	Agriculture Education, Bihar, Mithapur, Patna and Agriculture Analytical Revenue and Land Reforms Deptt, Khajpura, Patna	1010249.25
16.	Planning Department, Bihar, Patna (Stastics and Evaluation)	32060.05
17.	Education Directorate, Research & Training, Bihar, Patna	21884.15
18.	Revenue Board, Bihar, Patna, Central Examination Board, Revene and Land Reforms, Bihar, Patna	154444.90
19.	Patna Medical College & Hospital, Patna	41075.35
20.	Regional Blood Bank, Civil Surgeon, Bhagalpur	2583.10
21.	Upendra Maharathi Craft Research Centre, Handloom and Sericulture Directorate, Industries Deptt, Bihar, Patna	46126.65
22.	Govt. Science Educational Institute, Bihar, Patna	29.60
23.	Regional Deputy Director Education Bihar, Patna	5965.10
24.	Bihar State Council for Child Welfare, Governor House, Panta	1897.50
25.	Welfare and Forest Deptt. Bihar, Patna	369608.75
26.	Tourism Department, Bihar, Patna	42521.95
27.	Bihar Council of Medical Registration, Rajendra Nagar, Patna	27648.85
28.	Bihar Water Development Corporation Ltd., Patna	7238.85
29.	Special Officer Incharge, Rationing, Patna	5165.35
30.	Planning and Rural Development, Patna	39227.70
31.	Bihar State Agriculature Marketing Board, Patna	148451.80
32.	Basic Education Council, Bihar, Patna	9837.60
33.	Irrigation & Sugar Cane Department, Bihar, Patna	69068.45
34.	Bihar State Transport Deptt. Patna	109924.60
35.	Public Health Engineering Deptt. Patna	2294.10
36.	Sone Command Area Development Agency, Patna	8.75
37.	Panchayati Raj Directorate, Patna	37997.10
38.	Personal and Administrative Reforms, Deptt. Patna	59341.95
39.	All India Civil Football Tournament Secretariat, Patna	11971.70
40.	Crime and Investigation Deptt. Biahr, Patna (SP, IG & DGP)	90185.95
41.	Education Deptt (Rastra Bhasha Parishad), Patna	3348.75
42.	Indira Gandhi Heart Institute, Patna	111466.20
43.	Excise and Wine prevention Deptt. Patna	1316.35
44.	Health Deptt. Health Service, Tuberculosis, Patna	8163.45
45.	Post Master General, Bihar Circle, Patna	561.20

Sl No.	Name of the Department/ Agency	Amount (In Rupees)
46.	National Saving, Finance Deptt. Bihar, Patna	171677.35
47.	Urban Development and Housing Deptt, Building Construction and Housing Deptt, Patna	5448.75
48.	Education Deptt. Bihar, Patna	17237.85
49.	Govt. Health and Physical Training College, Patna	10235.95
50.	Asstt. Registrar, Bihar, Patna	1129.45
51.	Home, Special Deptt. Bihar, Patna	33562.05
52.	Mining and Geological Deptt. Patna	36802.70
53.	Irrigation Deptt, Bihar, Patna	557.25
54.	Road Construction Deptt. Patna	19648.30
55.	Director, Land Records & Measurement, Patna	3190.25
56.	Bihar State 20 Point Programme Deptt. Patna	2861.80
57.	Co-operative Deptt. Bihar, Patna	15757.20
58.	Veterinary Hospital and Farm, Patna	30484.65
59.	Asstt. Registrar, High Court, Patna	15881.50
60.	Secretary, Science and Technology Deptt. Patna	499.90
61.	Election Officer Darbhanga, Municipal Corporation, District Judge, Darbhanga	552415.65
62.	Dy. Director-cum-Public Analyser, Joint Food and Medicine Laboratory, Patna	6646.35
63.	Additional Secretary-cum-Director, National Saving Finance Deptt. Bihar, Patna	4637.30
64.	Agriculture Director, Directorate, Ranchi	18883.45
65.	Statistical Finance and programme Deptt. Bihar, Patna	8535.75
66.	Labour Deptt. Sectt. Branch, Ranchi	315.85
67.	District Consumer Forum, Srikrishnapuri, Patna	6165.85
68.	Civil Aviation Deptt, Airport, Patna	1580.85
69.	Food Control (Licencing), Bihar, Patna	1905.15
70.	Addl. Collector (Relief Branch), Ranchi	873.50
71.	Divisional Forest Officer, Ranchi Div-II, Ranchi	28825.05
72.	Dy. Secretary Water Resource Deptt., Patna	1747.45
73.	Secretary and ADC-II to Governor, Bihar, Patna	16815.60
74.	Amit Khare, Secy. Board of Revenue, Patna	16165.90
75.	Commercial Taxes, Bihar, Patna	7333.45
76.	Govt. Leprosy Preventive Officer, Patna	953454.90
77.	Smt. Rajbala Verma, Collector, Patna	3509.80
	Total	24813447.00
	Press and Forms, Gaya	
1.	Executive Engineer, Road Construction Deptt. Hazipur	500476.00
2.	-do-, Patna City	206791.25
3.	Joint Chief Election Officer, Patna	7671318.00
4.	Chief Election Officer, Bihar, Patna	29479292.80
5.	Dy. Collector, Land Reform, Sadar, Gaya cum Election Officer, Agriculture Marketing Board, Gaya	4939.50
6.	Addl. Collector Revenue Administration, Water Resource Deptt. Patna	41600.00
7.	Director, Legal Science Laboratory, Bihar, Patna	122905.00
	Total	38027322.55
	Stationery Stores and Publication, Gulzarbagh, Patna	
1.	Chief Election Officer, Bihar, Patna	7286525.82

