

CAG indicts Bihar govt. for massive money malfeasance

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PATNA: The comptroller and auditor general of India's (CAG) annual report for 1995-96, tabled in both Houses of Bihar's legislature on Thursday, lists a litany of financial irregularities in the state and indicts the government for gross financial mismanagement.

While exposing some shocking facts, the CAG's report presents a gloomy picture of the state's finances and virtually confirms the scams related to purchase of bitumen and medicines.

The Bihar government's liabilities, the report reveals, increased by 52 per cent in the previous five years while assets grew at a more modest rate of 27 per cent during the same period. As much as 61 per cent of Bihar's revenue receipts during 1995-96 actually came from the Union government. The state's own revenue collection during the year totalled Rs 2,886 crore, which was inadequate to meet even the non-plan expenditure of Rs 7,377 crore.

The CAG's report, presented in three volumes, makes the startling observation that the Bihar govern-

ment spent between Rs 1.99 and Rs 3.66 on every rupee collected by it as revenue.

Public debt increased of the state from Rs 11,000 crore in March 1995 to Rs 12,281 crore by the end of March 1996. Besides, during the last four years, the state was repaying, by way of principal and interest payment on loans, a larger amount than the total quantum borrowed from the Centre.

The state's education department incurred an excess expenditure of Rs 491.74 crore over and above the budget provisions during 1992 to 1996. Despite repeated reminders by the accountant-general, the department did not furnish any explanation for the excess expenditure.

The water resources department, says the report, employs some 53,000 people of whom as many as 33,000, including 3,408 engineers, are actually surplus and have no work to do. This useless staff necessitated an unproductive expenditure of Rs 722.38 crore by way of pay and allowances.

The report charges the state with not making proper utilisation of the Union government's assistance for

implementation of Centrally sponsored schemes. In 13 such schemes examined by the auditors, they found that while the state government received Rs 280 crore from the Centre during 1990-96, it failed to cough up its own meagre share of Rs 9.71 crore. Instead, it released only Rs 5.17 crore by way of its share but retained Rs 53 crore under "civil deposits". Similarly, the state government kept Rs 18.93 crore of the special Central assistance to tribal sub-plan as civil deposits. A sum of Rs 4.51 crore out of the Rs 17.82 crore which should have been spent on post-matric scholarships was not released either, and kept, again, as civil deposits.

Though the Union government released a special assistance of Rs 6.63 crore during 1990-96 for rehabilitation of scavengers, the state had utilised less than one per cent of it, Rs 39 lakh, by March 1996. Forty six per cent of the Central assistance received for protection of the Civil Rights Act 1955 and 49 per cent of admissible share for implementation of Prevention of Atrocities Act 1989, were not released by the state government to the implementing agencies.