



**REPORT OF  
THE EXAMINER OF LOCAL ACCOUNTS, BIHAR**

**FOR THE YEAR ENDED  
31 MARCH 2011**



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**PANCHAYAT RAJ INSTITUTIONS  
GOVERNMENT OF BIHAR**

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## PREFACE

The **Examiner of Local Accounts (ELA), Bihar**, Patna heads the **Local Audit Department (LAD)** under the supervision of the **(Principal) Accountant General (Audit), Bihar**, Patna. The Government of Bihar has declared the ELA as statutory auditor of Panchayat Raj Institutions vide notification dated: 18/10/2006. The ELA conducts audit of all the Local Bodies in accordance with provisions under **Local Fund Audit (LFA) Act, 1925** of the Bihar State and various other acts of the Bihar Government.

The ELA prepares Report on the accounts of PRIs unit wise and sends such report to the Mukhia, the Pramukh and the Adhyaksha, of the Gram Panchayat, the Panchayat Samiti or the Zila Parishad as the case may be and a copy thereof to the State Government.

This Report of the ELA for the year ended 31 March 2011 is consolidation of major audit findings arising out of audit of accounts of PRIs in the State of Bihar. The audit findings in the Report are those which came to notice in the course of audit of accounts of Panchayat Raj Institutions conducted during 2010-2011.

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## OVERVIEW

The Report contains five chapters. The first chapter brings out status of PRIs in the State of Bihar. The second chapter contains observation on Financial Management and Reporting. The third chapter discusses Internal Control Mechanism in PRIs. Chapter four contains observation of audit on execution of schemes. And the fifth Chapter contains miscellaneous irregularities. A synopsis of the findings contained in the Annual Report is presented in this overview.

### 1 Introduction to PRIs in the State of Bihar

- The actual transfer of functions, functionaries and funds to PRIs is yet to be effected by the Bihar Government for strengthening the PRIs to effectively discharge their 29 functions listed in XI schedule of article 243 G of the constitution.

**(Paragraph-1.6)**

- The PRIs have not augmented their own tax-revenue despite provisions regarding taxation in the Bihar Panchayat Raj Act, 2006 and recommendations of successive State Finance Commissions because the State Government has not yet notified maximum rate of taxes, fees and tolls *etc.*, to be imposed by them.

**(Paragraph-1.7)**

### 2 Financial Management and Reporting

- The 16 Zila Parishads failed to realise ₹ 6.29 crore revenue from own sources *viz.*, rent of shops, Dak Bungalow (DB)/Inspection Bungalow (IB), settlement of ponds, *ghats*, ferries, road side lands & trees, bullock cart registration fee *etc.*

**(Paragraph-2.3.1)**

- In Zila Parishad, Begusarai, Purnea and Munger Inspection Bungalows were under unauthorised occupation of different officials since long. But no rent was being realised by these ZPs. Rupees 47.94 lakh was outstanding for rent charges against these ZPs assets as on 31/03/2010.

**(Paragraph-2.3.3)**

### **3 Internal Control Mechanism**

- In a large number of projects undertaken by the PRIs advances of ₹ 18.36 lakh were made to the executing agents but neither the projects were started nor the advances were recovered.

**(Paragraph-3.1.1)**

- Advances of ₹ 104.14 crore were lying un-adjusted.

**(Paragraph-3.1.2)**

### **4 Execution of Schemes**

- Test check of records in one ZP, six PSs and one GP disclosed that 35 works taken-up during 2006-07 to 2009-10 under MNREGS/BREGS were closed midway resulting in fruitless expenditure of ₹ 43.05 lakh.

**(Paragraph-4.1.1)**

- Fifteen PRIs incurred an expenditure of ₹ 47.55 lakh out of TFC Grants during the period from 2006-07 to 2009-10 on execution of works like repair/renovation of Zila Parishads/Block Offices *etc.*, not contemplated in the TFC guidelines.

**(Paragraph-4.4)**

### **5 Miscellaneous Irregularities**

- Expenditure on idle medical staff in ZP Patna amounted to ₹ 42.30 lakh.

**(Paragraph-5.3)**

## CHAPTER-I

### INTRODUCTION - PRIs IN THE STATE OF BIHAR

#### 1.1 Background

The 73<sup>rd</sup> Constitutional Amendment gave constitutional status to Panchayat Raj Institutions (PRIs) and established a system of uniform structure, regular elections, and regular flow of funds through Finance Commission, Central and State Government *etc.* As a follow up, the States are required to entrust these bodies with such powers, functions and responsibilities so as to enable them to function as institutions of self-government. In particular, the PRIs are required to prepare plans and implement schemes for economic development and social justice including those enumerated in the XI Schedule of the Constitution.

After the 73<sup>rd</sup> amendment, the Government of Bihar enacted the Bihar Panchayat Raj Act (BPRA), 1993, subsequently replaced by the Bihar Panchayat Raj Act (BPRA), 2006 and a three tier system of Panchayat Raj, Zila Parishad (ZP), Panchayat Samiti (PS) and Gram Panchayat (GP) came into existence after first general election held in April/May 2001. As of March 2011, there were 38 ZPs, 531 PSs and 8463 GPs in the state. At the state level, Panchayati Raj Department co-ordinates and monitors the functioning of PRIs.

#### 1.2 State Profile

The state of Bihar with an area of 94,163 km<sup>2</sup> accounts for about three *per cent* of total geographical area of the country. It has a population of 10.38 crore (approx.) which accounts for 8.6 *per cent* of the population of the country. It has very high density of population (1102 per km<sup>2</sup>). The decadal growth of population in 2011 is 25.07 *per cent* which is the highest in the country.

As per provisional data of census 2011 share of Rural population is 88.70 *per cent* of the state population. The comparative demographic and developmental picture of the State is given in **Table - 1**.

**Table - 1**  
**Important Statistics of the State**

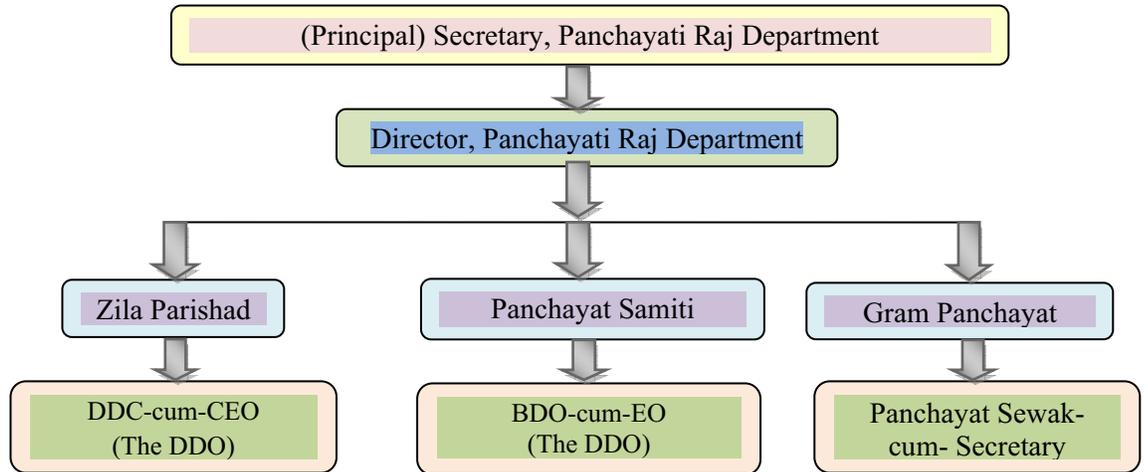
Sl. No.	Particulars	Unit	State figure	Ranking among states	All India figure
1	Share in Country's Population	per cent	8.58	3	NA*
2	Share of Rural Population	per cent	88.70	2	68.84
3	Total Area	km <sup>2</sup>	94,163	12	32,87,240
4	Population Density	per km <sup>2</sup>	1,102	1	382
5	Literacy rate (2011)	per cent	63.82	28	74.04
6	Sex ratio	per 1000	916	23	940

(Source: Census-2011(provisional))

NA: Not Applicable

### 1.3 Organisational Structure of PRIs

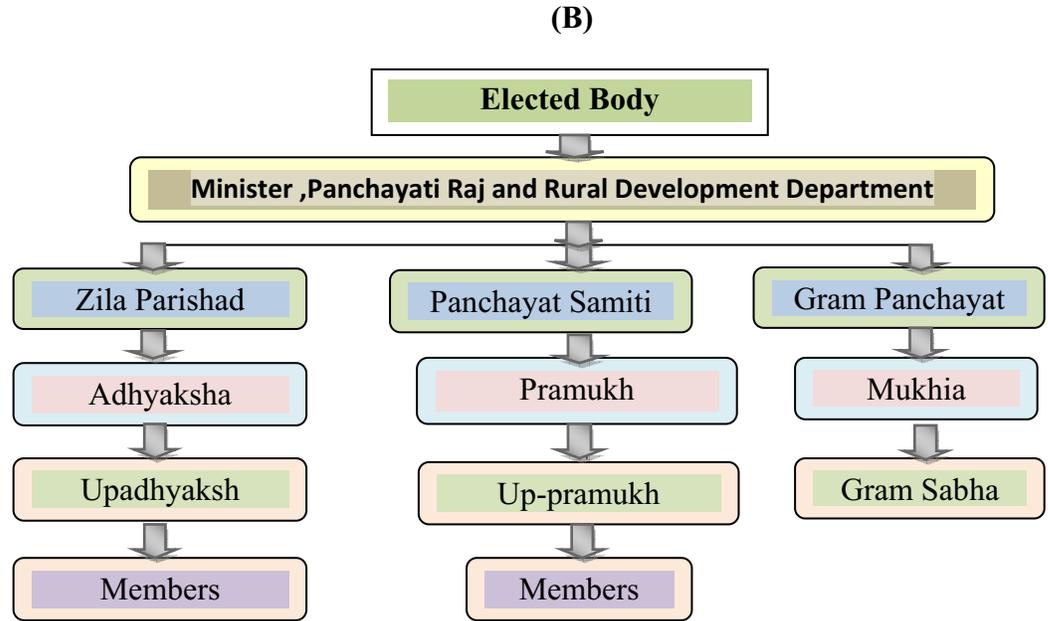
#### (A) Administrative set-up<sup>1</sup>



<sup>1</sup> The DDC-cum-CEO of Zila Parishad carries out the policies and directives of the ZP, discharges duties defined under the Act, controls the officers/officials of ZP, has custody of all papers and documents of ZP and draws and disburses money.

2. The functions of the B.D.O.-cum-E.O. in Panchayat Samiti are to exercise all the power conferred under the Act, lay down the duties of officials, supervise and control the officers and officials under him, supervise the execution of all works, have custody of all papers and documents of Panchayat Samiti including drawal and disbursement of money out of the PS fund.

3. The Mukhia is responsible for convening the meeting of Gram Sabha, maintenance of the records of GP, financial and executive administration, supervision over the work of GP employees and transaction of business connected with the Act.



#### 1.4 Powers and Roles of State Government in relation to PRIs

The **Table - 2** depicts a brief summary of Powers and Role of the State Government in relation to PRIs under BPR, 2006:

**Table - 2**  
**Powers and Role of State Government**

Authority	Powers and Role of State Government
Section 27 of BPR Act 2006	<b>Taxation by Gram Panchayat</b> A Gram Panchayat may impose yearly Tax on occupants of holdings; On professions, trades, callings and employments <i>etc.</i> carried on or held within the local limits of its jurisdiction subject to approval of maximum rate of taxation by the State Government.
Section 146 of BPR Act 2006	<b>Power to frame rules</b> Government may, by notification in Gazette, make rules to carry out purposes of BPR 2006, subject to approval by the State Legislature.
Sections 150 and 152 of BPR Act 2006	<b>Model Regulations and Inquiry</b> State Government has power to make model regulations for PRIs and inquire into affairs of Panchayats.
Sections 166 and 167 of BPR Act 2006	<b>Development and Planning</b> Every Gram Panchayat is to prepare a development plan every year and submit it to the Panchayat Samiti. Each Panchayat

Authority	Powers and Role of State Government
	<p>Samiti is to prepare every year a development plan for its area including the development plans of the concerned Gram Panchayats and submit it to the Zila Parishad. Every Zila Parishad is to prepare every year a development plan for its area including the development plans of the concerned Panchayat Samitis and submit it to the <b>District Planning Committee (DPC)</b>.</p> <p>The State government is to constitute in every district a <b>DPC</b> to consolidate the plans prepared by the Panchayats and the Municipalities in the district to prepare a draft development plan for the district as a whole.</p>
Section 172 of BPR Act 2006	<p><b>Removal of difficulties</b> If any difficulty arises in giving effect to the provisions of the Act, the State Government, may by order, do anything necessary to remove the difficulty.</p>

### 1.5 State Finance Commission

The First State Finance Commission (SFC) was constituted in April 1994. The SFC did not make any recommendation.

The Second SFC was constituted in June 1999. The Commission recommended distribution of Tenth and Eleventh Finance Commission grant to the ZPs, PSs and GPs in the ratio of 1:6:93 respectively. The State Government distributed the grant in the ratio of 2:6:92 to ZPs, PSs and GPs. The commission also recommended the rate of taxes and fees to be imposed by the PRIs. The Government was yet to make provisions in this regard as per Fourth SFC Report (June 2010).

The Third SFC (November 2004) in its recommendation no. 3.10 stated that an amount not exceeding three *per cent* of the states' total tax revenue from its own taxes net of the collection costs shall be devolved to the PRIs and Urban Local Bodies (ULBs). The share of each PRI shall be limited to the resources raised by the respective ZPs as a matching contribution. It was recommended that the liability of the current annual salary in the year preceding to the year of implementation should be taken as base and cleared by sanctioning grant of that amount to the local body in the year of implementation. Thereafter, each year there will be tapering of 20 *per cent* over the base year so as to stop at the end of

the fifth year. Acting upon the recommendation of third SFC, the State Government provided Matching and Salary Grant as mentioned in **Table - 3**.

**Table – 3**

**Matching and Salary Grant to ZPs**

<i>(₹ in Crore)</i>			
<b>Particulars</b>	<b>2007-08</b>	<b>2008-09</b>	<b>2009-10</b>
Matching Grant	6.66	9.72	10.74
Salary Grant	16.51	13.68	9.37

*(Source: Fourth SFC Report (June 2010))*

The Fourth SFC was constituted in the year 2007. The commission recommended (June 2010) to support the identified priority and other programmes of the local bodies and a share of 7.5 per cent in state's own tax revenue (net of collection costs) should be devolved on to the Local Bodies. The State Government is yet to prescribe the maximum limits of taxes that can be levied by the PRIs which resulted in non-levy of any taxes at all. The State Government should either notify these rates forthwith to enable the PRIs to raise resources or amend the law so that there will be no need to have government approval.

**1.6 Devolution of Functions, Functionaries and Funds (3Fs) to PRIs**

The Government of Bihar has transferred (September 2001) 79 functions to GPs, 60 functions to PSs and 61 functions to ZPs of 20 departments (**Appendix-I**)<sup>2</sup>. But, the Fourth SFC viewed that devolution was not operative as the schemes were not included in the Annual Action Plan in respect of works transferred. The transfer of functionaries to PRIs was not done which is a pre-requisite for successful functioning of Local Self Government at the grass root level. Devolution of funds by the State Government was not effective as the departments concerned continued to receive budgetary allocations in respect of transferred functions. The actual transfer of functions, functionaries and funds to PRIs is yet to be effected by the Government of Bihar for strengthening the PRIs to effectively discharge their 29 subjects listed in XI Schedule of article 243G of the Constitution.

<sup>2</sup> *Fourth State Finance Commission Report (June 2010)*

## **1.7 Non-Levy of Taxes**

The BPRA, 2006 have provisions for taxes to be imposed by the PRIs. As per section-27 of the Act *ibid* the Gram Panchayats may impose taxes on holdings, professions, registration of vehicles, water and lighting charges and conservancy tax where such services are provided.

Under section 55, the PSs have power to tax ferries, fee on registration of vehicles, conservancy tax for sanitation, licensing of *hats* and *bazaars*, water tax, lighting tax where the service is provided by the Samiti.

Under section 82 of the said act, the ZP may impose taxes on *Ghats*, registration of boats and vehicles, conservancy tax, licensing of *melas*, charges for lighting arrangements and water tax. These taxes are subject to such rules and the maximum rates as the Government may prescribe.

Despite above mentioned provisions regarding taxations, the GPs and the PSs have not augmented their own sources of revenue so far, because the State Government has not yet notified maximum rates of taxes, tolls and fees *etc.* to be imposed by them. This has also been noticed by Fourth SFC (June 2010).

## **1.8 Audit Arrangement**

As per Section 31, 59 and 86 of BPRA, 2006, the audit of PRIs will be carried out by the authority as may be prescribed by the State Government. The Government of Bihar declared the Examiner of Local Accounts (ELA), Bihar as prescribed audit authority of PRIs and the audit is to be conducted as per provisions of the Bihar and Orissa Local Fund Audit (LFA) Act, 1925. Accordingly the ELA, Bihar conducts audit of PRIs under supervision of the (Principal) Accountant General (Audit), Bihar. The ELA is assisted by the Local Audit Department (LAD) in discharge of his duties and responsibilities.

The Local Audit Reports of the audited PRIs are sent to the CEOs concerned in ZPs, EOs in PSs and Mukhias in GPs for ZPs, PSs and GPs respectively with copy to Panchayati Raj Directorate. The follow up action on the Audit Report is to be taken by the executive of audited entities and Standing Committees on Finance, Audit and Planning in ZPs and PSs.

Further, as per recommendation of the Principal Accountant General (Audit), Bihar, the State Government has constituted a three tier committee for compliance of annual reports (March 2010).

The First level committee will function at District level which will be headed by the District Magistrate (DM). It has the responsibility to ensure the compliance of audit reports received by PRIs/ULBs of that district.

The Second level committee has been set up at department level, which will be headed by the Secretary of the department. It will review the status of compliance made by the district level committee. Both the committees will have a member nominated from the ELA, Bihar.

The Third and apex level committee will be headed by the Principal Secretary to the Finance Department, Government of Bihar. (Pr.) AG (Audit), Bihar has been made a member to this committee. The committee will meet once in six months to review the function of District level committees and Department level committee and issue necessary guidelines.

In respect of the above, only three meetings (April 2010 to January 2013) were held at the district level without any effective results. No meeting has been held at the department level and thus committees at these two levels were almost non-functional as a result of which no review has been done by the apex level committee.

## **1.9 Audit Coverage**

Audit of the accounts of 38 ZPs, 135 PSs and 313 GPs for the period up to 2009-10 was conducted during the year 2010-11. Important audit findings in respect of the selected 19 ZPs, 68 PSs and 136 GPs are summarised in the succeeding chapters and paragraphs.

## **1.10 Status of Recovery by Surcharge Proceedings**

As per Section 9 of the LFA, 1925, the ELA, Bihar is empowered to order recovery of any loss due to negligence and misconduct of employees and loss of stores through surcharge from persons responsible.

In five ZPs *i.e.*, Gaya, Jehanabad, Rohtas, Samastipur and Darbhanga seven cases of surcharge notices involving ₹ 6.22 lakh against 24 surchargees were issued by the ELA, Bihar in the year 2010-11 (**Appendix-II**). Surcharge notices have been issued to the person(s) responsible for lapses through the DMs but reports of serving the surcharge notices have not yet been received in any case (August 2012).

### 1.11 Impact of Audit

During the year 2010-11 recoveries amounting to ₹ 25.76 lakh were made at the instance of audit.

**Table - 4**  
**Recovery at the Instance of Audit**

<i>(₹ in Lakh)</i>		
Audit Entities	Number of Audit Entities	Amount Recovered
Zila Parishads	7	23.06
Panchayat Samitis	4	2.20
Gram Panchayats	2	0.50
<b>Total</b>	<b>13</b>	<b>25.76</b>

## **CHAPTER-II**

### **FINANCIAL MANAGEMENT AND REPORTING**

#### **2.1 Fund Flow Arrangement**

The PRIs are mainly financed by Grants and transfers from the Central Government, besides recurring and non recurring Grants released by the State Government and their own sources of revenue, including Grants recommended by State Finance Commission (SFC) and Central Finance Commission (CFC) and Central share/State share, Centrally Sponsored Schemes (CSS). Grants related to CFC/CSS flow from Ministry of Rural Development (MoRD) to respective tiers of PRIs.

#### **2.2 Finance of PRIs**

In contravention of Bihar Panchayat Samiti & Zila Parishad (Budget & Accounts) Rules, 1964 the PRIs did not maintain Annual Accounts and related register and records. So, it was difficult to ascertain an overall picture of the PRI's financial position.

Cash Books were not balanced periodically to reveal the balance of cash in hand or at bank. There was no system of preparing Bank Reconciliation Statements. Reconciliation has to be struck between two balances, one as per the bank records and the other as per PRI records and since the accounting system did not include balancing of Cash Books the balance as per PRI books could not be ascertained. Besides, the maintenance of accounts and records in PRIs was deficient as they maintained several Cash Books instead of one.

The position of management of finance and accounts in PRIs in Bihar was far from satisfactory. Recording of financial transactions through Cash Books and Monthly/Annual Accounts were found deficient.

These facts have also been confirmed in Fourth SFC Report (June, 2010).

## **2.3 Revenue Management**

During audit it was noticed that the tax revenue of Zila Parishads in Bihar is almost nil which was also voiced by Fourth SFC Report. They have some non-tax revenue from their own sources *viz.*, rent from shops, Dak Bungalow (DB)/Inspection Bungalow (IB); settlement of ponds, *ghats*, ferries, road side lands & trees; bullock cart registration fee *etc.* Major lapses in revenue management detected in audit scrutiny are detailed in subsequent paragraphs:

### **2.3.1 Non-Realisation of Revenue - ₹ 6.29 Crore**

Scrutiny of related records revealed that 16 ZPs had failed to realise revenue of ₹ 6.29 crore from various sources (**Appendix-III**). Dues of rent from shops (₹ 4.95 crore) and Government Offices/IBs (₹ 1.08 crore) were the major items of unrealised revenue. There is immediate need to give attention on realisation of outstanding rents or fees, as the Government of Bihar provides matching grant equal to the revenue collected by the ZPs.

The audit entities replied that efforts are being undertaken to realise these revenues.

### **2.3.2 Irregularities in Credit of Revenue Receipt**

#### **2.3.2.1 Direct Appropriation of ₹ 6.02 Lakh**

As per Rule 43 of Bihar Panchayat Samiti and Zila Parishad (Budget and Account) Rules 1964, all money received by the PRIs shall be remitted to the Treasury/Bank.

Instead of depositing ₹ 6.02 lakh of revenue collected (during 2007-08 to 2009-10), the Cashier of ZP Khagaria spent it directly towards payment of wages to daily wage labourers, fuel of chairman's vehicle, refreshment during meetings, stationery *etc.* Direct appropriation of collection money depicted lack of control of the executives over revenue.

When the matter was pointed out to audited entity it was replied that keeping in view the needs of the office, expenditure was incurred by resorting to direct

appropriation. It was assured that rule/provision would be duly adhered now onwards.

### 2.3.2.2 Non/Short Credit of Revenue to the tune of ₹ 74,000/-

In two ZPs the collecting staff did not deposit ₹ 74,000/- into Treasury/Bank received on account of rent, fee *etc.* Out of this ₹ 20,000/- was deposited at the instance of audit. But, a sum of ₹ 54,000/- remained to be realised from the officials concerned as detailed in **Table - 5**.

**Table - 5**  
**Non/Short Credit of Collection Amount**

(₹ in Lakh)

Sl. No.	Name of ZP	Collection Amount to be Deposited	Amount Deposited at the Instance of Audit	Balance to be Deposited	Period of Collection	Particulars of Collection
1	Darbhangha	0.52	0.00	0.52	2009-10	Misc. Receipts
2	Patna	0.22	0.20	0.02	2009-10	Misc. Receipts
	<b>Total</b>	<b>0.74</b>	<b>0.20</b>	<b>0.54</b>		

### 2.3.3 Un-authorized Occupation/Use of ZP Assets

- Scrutiny of records revealed that in ZPs-Begusarai, Purnea and Munger the Inspection Bungalows were under unauthorised occupation of Police Officers, Divisional Commissioner, Deputy Development Commissioner-cum-Chief Executive Officer (DDC-cum-CEO), Deputy Superintendent of Police (DSP), Public Works Department (PWD) *etc.*, since long. But no rent was being realised by the Zila Parishads. The outstanding rent of these buildings as on 31/03/2010 was ₹ 47.94 lakh<sup>3</sup>
- The Zila Parishad, Lakhisarai had leased out 70 acre land to K R K High School (self-financed) for educational purpose only for 30 years in 1946. The school was taken over by the Government of Bihar. Meanwhile, as per letter of

<sup>3</sup> ZP Begusarai-₹ 1.50 lakh, ZP Purnea-₹ 22.11 lakh and ZP Munger-₹ 24.33 lakh

the DDC-cum-CEO of ZP, Lakhisarai to the Circle Officer (CO), Lakhisarai (May 2008) it was ascertained that the DDC-cum-CEO made a physical verification of the school campus after getting complaints about commercial use of vacant land in the school campus and found that some shopkeepers were running shops there. He found that the school authority had allotted vacant land to these shopkeepers and had been collecting rent from them without renewal of lease of land. The DDC-cum-CEO directed (May 2008 and March 2010) the school administration and CO for limitation of the ZP land at school campus, but no progress was made in this regard till date.

Thus, due to use of ZP land for commercial purposes, the Zila Parishad was sustaining revenue loss year-after-year.

#### **2.4 Recommendations**

- a)** To augment the own source of revenue of PSs and GPs the Government must notify minimum and maximum rates of taxes, tolls & fees *etc.*, to be imposed by them as recommended by State Finance Commissions.
- b)** Realisation of settlement amount, stamp fee, rent *etc.*, may be ensured and legal proceedings may be initiated against the persons, who fail to perform their duties.
- c)** Rules for maintenance of accounts are required to be revised as per Comptroller & Auditor General (C&AG)'s recommendations.
- d)** Budget and Accounts Rules for PRIs may be revised to adopt the preparation of General Purpose Financial Statement (GPFS). Proper records management must be ensured in PRIs.
- e)** Efforts may be made to recruit qualified persons for preparation of Annual Accounts and Annual Budget.

## CHAPTER-III

### INTERNAL CONTROL MECHANISM

Effective Internal Control system helps to provide reasonable assurance of adherence to laws, rules, regulations and orders, safeguards against fraud, abuse and mismanagement and ensures reliable financial and management information to higher authorities. The control activities include documentation, system of authorisation and approval of payments, segregation of duties, reconciliation and verification, inspection and audit, review of operating performance and monitoring.

#### 3.1 Monitoring

Section 10 of BPR Act 2006 provides for formation of one or more Vigilance Committees by Gram Sabha from persons not being the members of Gram Panchayat to supervise Gram Panchayat works, schemes and other activities relating to that village and to put up reports related to them in its meeting. Further, Sections 61 and 88 of the Act lay down that Executive Officer (EO) in PS and CEO in ZP shall supervise and control execution of all works. Due to lack of proper supervision and control by GPs, PSs, ZPs and by their heads and executives, serious irregularities were noticed in the implementation of works which are as follows:

##### 3.1.1 Non-Start of Work despite Advance Payment of ₹18.36 Lakh

In a large number of projects undertaken by PRIs, advances were made in the shape of either cash or food grains to the executing agencies but neither the projects were started nor the advances were recovered. Scrutiny of records of 11 PSs and four GPs disclosed that 111 works (**Appendix-IV**) were not started despite making advance of ₹ 18.36 lakh by respective PSs and GPs as detailed in **Table - 6**.

Table – 6

Advances Paid but Works not Started

Sl. No.	PRI	Number of Units	Amount of Advance (₹ in lakh)	No. of Works for which Advance was Given
1	Panchayat Samitis	11	16.74	103
2	Gram Panchayats	4	1.62	8
	<b>Total</b>	<b>15</b>	<b>18.36</b>	<b>111</b>

**3.1.2 Non-Adjustment of Advances - ₹ 104.14 Crore**

In violation of Rule 90 (b) of Bihar Panchayat Samiti & Zila Parishad (Budget & Accounts) Rules, 1964 the authorities of PRIs continued to pay second, third and fourth advances to a work without ensuring adjustment of earlier advances. Further, as per Rule 90 (e) of the Act *ibid.* adjustment of advances is required to be done regularly and promptly.

In violation of the aforesaid rules, in eight ZPs and two PSs it was noticed that advance of ₹ 104.14 crore was unadjusted as on March 2010 (**Appendix-V**).

The authorities did not take effective steps for adjustments/recovery of advance and remained interested only in granting advances to executing agents. Non-adjustment of advances for long period indicates lack of internal control and improper financial management.

**3.2 External Audit**

The State Government has entrusted the audit of PRIs to ELA vide its letter no. - 3P/Misc.-6037/06-4008/PRI, Patna dated – 18/10/2006.

The ELA forwards audit reports to each PRI after completion of audit in compliance of section 31, 59 and 86 of the Act.

The Executive Officer (EO) of the PRIs are required to comply with the observations contained in the Audit Report (AR). They are required to remove the irregularities pointed out in AR and send compliance report through proper channel to the ELA, Bihar within three months from the date of receipt of the ARs. The EOs did not take effective steps for settlement of outstanding paras as is evident from mounting numbers of it.

Details of reports and paragraphs outstanding, for the period 2008-09 to 2010-11 are detailed in the **Table – 7**.

**Table - 7**  
**Position of Outstanding Paras in PRIs**

*(₹ in Crore)*

Period	Total No. of A.R.	Total No. of Paras	Amount Involved	No of A.R Settled	No. of Paras Settled	No. of Paras Outstanding	Amount of Settlement	Money Value of Paras Outstanding
2008-09	850	5291	60.24	21	2251	3040	2.19	58.05
2009-10	659	12000	71.48	21	2593	9407	1.20	70.28
2010-11	866	2365	178.80	Nil	1959	406	27.52	151.28
<b>Total</b>	<b>2375</b>	<b>19656</b>	<b>310.52</b>	<b>42</b>	<b>6803</b>	<b>12853</b>	<b>30.91</b>	<b>279.61</b>

*(Source: PRI Section of Local Audit Wing, O/o A. G. (Audit), Bihar, Patna)*

### 3.3 Recommendations

- (i) Stepwise documentation of execution of works must be ensured.
- (ii) Duties in PSs and GPs may be segregated in such a way that no single individual or team should control all key stages of a transaction or an event.
- (iii) Advances for execution of work may be released in instalments and second and further instalments may be made only after completion of fixed stages of works.
- (iv) Acts and provisions are required to be revised in such manner as to include best contemporary practices of internal audit.
- (v) Regular revision of Audit Paras may be done by three tier committees constituted by State Government for compliance of annual reports.

## CHAPTER - IV

### EXECUTION OF SCHEMES

Three tiers of PRIs execute mainly Centrally Sponsored and State schemes, schemes referred under Finance Commission Grants and schemes suggested under Member of Parliament (MP), Member of Legislative Assemblies (MLA), Member of Legislative Council (MLC) funds. Irregularities noticed in audit upto 2009-10 in implementation of Mahatma Gandhi National Rural Employment Guarantee Schemes (MNREGS)/Bihar Rural Employment Guarantee Schemes (BREGS), Backward Region Grant Fund (BRGF) and other schemes are discussed in the subsequent paragraphs.

#### 4.1 National Rural Employment Guarantee Scheme/BREGS

The National Rural Employment Guarantee Act (NREGA) was notified on September 7, 2005. The objective of the Act is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.

##### 4.1.1 Unfruitful Expenditure due to Closure of Schemes Midway- ₹43.05 Lakh

Test check of records of one ZP, six PSs and one GP disclosed that 35 works were undertaken during 2006-07 to 2009-10 under MNREGS/BREGS but were closed midway. This showed that due care was not taken at the time of preparation of estimates for execution of works and finalisation of scheme, which resulted in closure of works midway. In respect of these works ₹ 43.05 lakh was spent against the total estimated cost of ₹ 177.49 lakh. Due to partial execution of works, intended benefit of the schemes could not been achieved and the expenditure made on these works became unfruitful (**Appendix- VI**).

#### 4.1.2 Wasteful Expenditure due to Wrong Selection of Schemes - ₹ 15.29 Lakh

Para 6.1.1 (viii) of MNREGS operational guideline (2008) stipulates that care should be taken not to take up roads included in the Pradhan Mantri Gram Sadak Yojna (PMGSY) network under NREGA.

On scrutiny, it was noticed that ZP Banka did not exercise due care in selection of schemes. It executed two schemes resulting in an expenditure of ₹ 15.29 lakh, as detailed in **Table - 8**, which were scheduled for implementation under the PMGSY network.

**Table - 8**

#### Schemes of MNREGS Included in PMGSY

(₹ in Lakh)

Sl. No.	Scheme No.	Name of Scheme	Estimated Cost	Amount of Work Done as per M.B.	Payment Made	Status of Work
1	33/08-09	Construction of road & drain from Harimora to Ghanshyampur Village in Barnri Block	7.57	6.85	6.85	Complete
2	25/08-09	Repairing of road from Kenduar Village to Dhawa Village	11.62	8.44	8.44	Incomplete
<b>Total</b>			<b>19.19</b>	<b>15.29</b>	<b>15.29</b>	

As these roads were reconstructed under PMGSY, amount spent earlier on execution of these schemes became wasteful.

#### 4.1.3 Use of Labour Displacing Machines

Para 1.4 (xv) of Operational Guidelines (2008) of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) prohibits use of machinery.

In Contravention of the aforesaid instruction, tractors and machineries were used in earthwork in PS Patori and PS Ghorasahan in respect of scheme no. 1/08-09 and 10/09-10 respectively.

## **4.2 Backward Region Grant Fund (BRGF)**

The BRGF programme is designed to redress regional imbalances in development by providing funds for supplementing and converging existing development inflows in the identified districts.

### **4.2.1 Payment on Doubtful Vouchers**

Scrutiny of vouchers of Scheme no. 23/09-10 (PCC work in southern side of Bus stand, Purnea) of ZP Purnea revealed that 1,115 bags of cement costing ₹ 3.14 lakh was purchased on 13 vouchers between 15/09/2009 to 15/10/2009 from a firm named Sanjay Saw Mill, Kursela, Katihar. It was found that the cement was purchased from a Saw Mill and was also not mentioned in the vouchers that the firm deals in cement. None of the vouchers have signature of the dealer/supplier. Serial numbers of these vouchers were not printed, they were made by hand. Certificate of payment was also not recorded by the purchaser on any voucher. In addition, materials viz. Bricks, Sand and Stone Chips costing ₹ 2.80 lakh were purchased on letter pads from the firm M/s Kailash Mart, Jail chowk, Purnea. The letter pads did not bear Sl. No., VAT/TIN and supplier's signature. Thus, it is evident that payment was made on doubtful vouchers.

## **4.3 Muster Rolls**

Muster Rolls are the basic records in respect of implementation of any work providing evidence of payment made to labourers engaged. The irregularities noticed in respect of Muster Rolls are as under:

### **4.3.1 Irregular Payments**

Muster Rolls are maintained by the executing agents. Entries regarding name of the person on work, job card number, days worked, days absent, wages paid, unique identity number given to work and signature or thumb impression of the payee have to be made for each work. Entries have to be verified by inspecting authorities. Besides, the Drawing & Disbursing Officer (DDO) is responsible to exercise these checks before making payment.

Audit examined Muster Rolls of some schemes and found various instances of engagement of same labour twice/thrice for same period either in the same work or in other (**Appendix-VII**). In these Muster Rolls name, father's name, registration number and period of engagement were same which is not possible. Clearly these Muster Rolls were not depicting truthful position. Had the proper checks been exercised by the authorities concerned before payment to executing agencies, such cases of payment on irregular Muster Rolls could have been avoided.

#### **4.3.2 Payment on Fake Muster Rolls - ₹ 1.59 Lakh**

In audit scrutiny of Muster Rolls of test checked schemes, various instances of fake Muster Rolls were noticed. These Muster Rolls lacked information like attendance of labourers, date and period of engagement of labourers, besides the date of engagement of labourers were of even before the date of issue of work order. Details are given in **Table - 9**

**Table - 9**

#### **Payment on Fake Muster Rolls**

<b>Name of PRI</b>	<b>Scheme No./Year</b>	<b>Particulars of Irregularities in Muster Rolls</b>	<b>Payment Made on Fake Muster Rolls (₹)</b>
PS Kaler	2/09-10 (BRGF)	Attendance of 15 labourers not marked for 7 days	10710
PS Kanti	40/08-09 (MNREGS)	Period of engagement of labourers not mentioned on Muster Roll	23056
PS Ara	11/08-09 (MNREGS)	Work order was issued on 25/11/2008, but engagement of labourers were shown from 16/11/08 to 22/11/08	38448
PS Tankuppa	6/06-07 (MNREGS)	Work order was issued on 02/01/2007, but engagement of labourers were shown from 20/01/2006 to 28/04/2006	66162
PS Atri	20/06-07 (MNREGS)	Administrative approval and technical sanction of the estimate given on 23/02/2007. But engagement of labourers were shown from 06/02/07 to 24/02/07	21000
<b>Total</b>			<b>159376</b>

### 4.3.3 Engagement of Labourers after Completion of Work

During audit scrutiny, several cases of irregular payment on Muster Rolls were found in which labourers were shown engaged after completion of the work. The genuineness of Muster Rolls is doubtful as the labourers cannot be engaged after completion of work. Some of the cases are given in **Table - 10**.

**Table - 10**

#### Engagement of Labourers after Completion of Work

Name of PRI	Scheme No./Year	Date of Last Measurement of Work as per M.B.	Engagement of Labourers	Payment Made (₹)
PS Patna Sadar	32/2006-07 (MNREGS)	10/06/2007	11/06/2007 to 27/06/2007	37961
GP Sogar (PS Morwa)	1/2007-08 (MNREGS)	25/03/2009	28/04/2009 to 18/05/2009	56349
GP Sankardih (PS Tarari)	3/2007-08 (MNREGS)	28/05/2007	29/05/2007 to 02/06/2007	3542
	4/2007-08 (MNREGS)	30/05/2007	31/05/2007 to 03/06/2007	4004
<b>Total</b>				<b>1,01,856</b>

### 4.4 Execution of Ineligible Works against Twelfth Finance Commission (TFC) Guidelines - ₹ 47.55 Lakh

The guidelines issued by the State Government (Grant letter) broadly classified the items of works to be taken up by different tiers of PRIs. In audit, it was noticed that the test checked 15 PRIs (One ZP and 14 PSs) incurred an expenditure of ₹ 47.55 lakh during the period from 2006-07 to 2009-10 on execution of works like repair/renovation of Block Offices *etc.* not contemplated in the TFC guidelines (**Appendix-VIII**). The expenditure incurred on such ineligible works deprived the beneficiaries of the intended objective of these funds.

#### **4.5 Recommendations**

- (i)** Higher authorities should ensure that regular compliance to their orders and directives are adhered to. Physical verification of stores and stock at regular intervals and submission of report to higher authorities may also be ensured.
- (ii)** Judicious effort may be taken by the concerned authorities during the initial stages of taking up of schemes so that the schemes are not abandoned mid-way.
- (iii)** Monitoring, supervision and evaluation of the works may be ensured by the authorities concerned for completion of works within the stipulated time.

## CHAPTER-V

### MISCELLANEOUS IRREGULARITIES

#### 5.1 Irregular Purchase of Car by Raising Loan in ZP Samastipur

As per Section 83(1) of BPR 2006, a Zila Parishad may raise loans with the approval of the State Government and create sinking fund for the repayment of loans. In addition, Section 88(4) of the Act *ibid.* provides that the CEO shall ensure that no expenditure is incurred except under proper sanction and in accordance with this Act, the rules and regulations there under and shall disallow any expenditure not warranted by the Act or rules and regulations or for which no provision is made in the Budget.

Contrary to these provisions, the ZP Samastipur raised a loan of ₹ 4.18 lakh from the United Bank of India, Samastipur and purchased a car for use of the Chairman without prior sanction of the Government and without creating the required sinking fund (July 2006). The ZP made re-payment of loan and interests of ₹ 5.07 lakh against required ₹ 4.34 lakh vide Cheque no. 464187 dt. 20/07/2006 and 114022 dt. 10/07/2009. The ZP failed to repay the instalments of loan on time and incurred a loss of ₹ 73,000/- due to penal interest.

#### 5.2 Non-Deposit of Provident Fund Amount

Audit scrutiny of related records revealed that in three ZPs-Sitamarhi, Khagaria and Buxar a sum of ₹ 39.18 lakh (Sitamarhi ₹ 35.83 lakh, Khagaria ₹ 2.40 lakh and Buxar ₹ 0.95 lakh) was deducted during 1996-97 to 2009-10 from salary bills of the employees on account of subscriptions and contributions to Provident Fund (PF). But, the said amount was not deposited into their respective PF account. Non-deposit of PF contribution into the PF account resulted in the deprivation of the timely interest payable to the employees.

### 5.3 Expenditure on Idle Staff in ZP Patna - ₹42.30 Lakh

In Zila Parishad Patna, the medical staff remained idle because neither any medicine nor any equipment were supplied to the dispensaries. As such utilisation of services of the medical staff viz. *Vaidyas* and compounder remained doubtful. An amount of ₹ 42.30 lakh was spent towards their pay and allowances during 2009-10. Despite incurring this expenditure Zila Parishad failed to utilise the services of medical staff.

When the matter was pointed out it was replied that ZP Board decided to attach these doctors to Primary Health Centres in its meeting on 03/08/2011.



**Place: Patna**

**Date: 16.12.2013**

**(Azhar Jamal)**  
DAG (SS-I)-cum-Examiner, LAD  
Bihar, Patna

**Countersigned**



**Place: Patna**

**Date: 16.12.2013**

**(P.K.Singh)**  
Accountant General (Audit),  
Bihar, Patna

# Appendices

**APPENDIX-I**

**Details of Functions Devolved by 20 Departments to PRIs**

(Reference: Para no. 1.6/ Page no. 5)

Sl. No.	Activity	Number of functions transferred to PRIs		
		GPs	PSs	ZPs
1	Agriculture	4	6	6
2	Revenue and Land Development	10	1	Nil
3	Water Resources (Minor Irrigation)	8	3	2
4	Animal Husbandry and Fishery	10	3	8
5	Forest and Environment	5	5	5
6	Industry	6	6	6
7	Public Health Engineering	3	3	4
8	Rural Development	3	2	1
9	Rural Engineering (Road, Bridge, Culvert <i>etc.</i> )	1	1	2
10	Energy	3	3	3
11	Primary Education	9	8	7
12	Adult Education	1	1	1
13	Literacy	1	1	1
14	Cultural Activities	3	2	3
15	Medical	1	1	Nil
16	Family Welfare	1	1	Nil
17	Social Welfare	5	5	5
18	Welfare of Handicapped	2	4	4
19	Public Distribution System	2	3	3
20	Relief and Rehabilitation	1	1	Nil
	<b>Total</b>	<b>79</b>	<b>60</b>	<b>61</b>

**APPENDIX-II****Details of Surcharge Notice Issued during 2010-11**

(Reference: Para no. 1.10 /Page no. 7)

Sl. No.	Name of PRI	Para No. (A.R.No.)	No. of notice(s) issued	No. of surchargees	Amount (₹ in lakh)	Particulars of the case
1	Gaya	14(A)(i) (33/2009-10)	2	6	1.74	Short realisation of settlement money
2	Jehanabad	14 (327/2009-10)	1	2	1.34	Irregular grant of remission by the DDC-cum-CEO
3	Rohtas	13(i)(ii) (617/2009-10)	2	6	1.31	Short realisation of settlement money
4	Samastipur	21(B) (550/2010-11)	1	4	0.73	Irregularities in purchase of Car for the Chairperson
5	Darbhangha	13(B) 93/2010-11	1	6	1.10	Short realisation of settlement money
		<b>Total</b>	<b>7</b>	<b>24</b>	<b>6.22</b>	

**Appendix-III**

**Non-Realisation of Revenue**

**(Reference: Para no.2.3.1 / Page no.10)**

*(₹ in Lakh)*

<b>Sl. No.</b>	<b>Name of Zila Parishad</b>	<b>Dues of Shop Rent</b>	<b>Dues of Govt. Offices/I.B.</b>	<b>Dues of Settlement</b>	<b>3% Stamp Fee</b>	<b>Total</b>
1	Gopalganj	1.91	-	-	-	1.91
2	Madhubani	19.03	-	-	-	19.03
3	Nalanda	21.72	2.33	-	-	24.05
4	Darbhanga	13.57	15.01	2.82	-	31.40
5	Motihari	60.66	-	14.52	-	75.18
6	Bettiah	8.95	-	0.92	-	9.87
7	Sitamarhi	8.02	0.25	-	-	8.27
8	Muzaffarpur	26.32	-	1.35	-	27.67
9	Nawada	24.55	-	-	-	24.55
10	Purnea	18.81	22.51	-	3.29	44.61
11	Munger	26.02	25.10	-	-	51.12
12	Patna	214.15	19.85	-	0.24	234.24
13	Begusarai	10.89	10.46	-	1.09	22.44
14	Katihar	21.10	-	0.58	-	21.68
15	Samastipur	3.76	-	-	-	3.76
16	Khagaria	15.70	12.52	-	1.10	29.32
	<b>Total</b>	<b>495.16</b>	<b>108.03</b>	<b>20.19</b>	<b>5.72</b>	<b>629.10</b>

**Appendix-IV**

**Advances Paid but Works not Started**

(Reference: Para no.3.1.1 /Page no. 13)

Sl. No.	Name of PRI	Amount of Advance (₹ in lakh)	Total no. of Work	Particulars of Scheme-No. of Scheme (Year)
1	PS Athmalgola	2.68	20	MNREGS-3(06-07),2(07-08),15(08-09)
2	PS Alinagar	0.25	1	MNREGS-1(08-09)
3	PS Sarmera	0.38	5	MNREGS-5(06-07)
4	PS Mejarganj	4.82	24	SGRY-2(03-04), 10(06-07),MNREGS-12(08-09)
5	PS Sherghati	0.60	8	MNREGS-4(06-07),1(07-08),XII FC 3(07-08)
6	PS Tankuppa	5.43	15	MNREGS-1(06-07),1(07-08),13(08-09)
7	PS Islampur	0.84	12	SGRY-3(02-03),3(03-04),5(04-05),1(05-06)
8	PS Ghodasahan	0.36	4	SGRY-2(06-07),MNREGS-2(06-07)
9	PS Shrinagar	0.60	7	SGRY-1(05-06), MNREGS-6(08-09)
10	PS Dobhi	0.20	4	XI FC-1(03-04),3(05-06)
11	PS Paraiya	0.58	3	MNREGS-1(06-07), 2(08-09)
12	GP Narayanpur Sherpur (PS Taradih)	0.15	2	MNREGS-2(06-07)
13	GP Kachauri, (PS Sherghati)	0.13	2	XI FC-1(04-05), SGRY-1(04-05)
14	GP Dharahara (PS Silao)	0.50	2	XI FC-2(01-02)
15	GP Naili (PS Gaya Nagar)	0.84	2	MNREGS-1(07-08), 1(08-09)
	<b>Total</b>	<b>18.36</b>	<b>111</b>	

**Appendix-V**

**Unadjusted Advance as on 31/03/2010**

**(Reference: Para no. 3.1.2 /Page no. 14)**

<b>Sl. No.</b>	<b>Name of Units</b>	<b>Amount (₹ in lakh)</b>	<b>To Whom Paid</b>	<b>Purpose of Pdvances</b>	<b>Remarks</b>
1	PS Areraj	16.60	Junior Engineer	For execution of Schemes	---
2	PS Sonbarsa	7.53	Jansewak and Panchayat Secretary	For execution of schemes	Executing agencies (Jansewak and Panchayat Secretary) transferred without adjustment of advances
3	ZP Begusarai	3920.43	Assistant Engineers	For execution of schemes	---
4	ZP Khagaria	0.26	Staff of ZP	Festival Advance	---
5	ZP Darbhanga	12.16	District Engineer, Junior Engineer, CEO of ZP	For execution of schemes and other miscellaneous expenses.	---
6	ZP Motihari	851.55	District Engineer	For execution of schemes	---
7	ZP Sitamarhi	8.39	ZP staff	Miscellaneous expenses	---
8	ZP Muzaffarpur	5592.34	Junior engineers	For execution of scheme	---
9	ZP Patna	0.48	Staff of ZP	Miscellaneous expenses	---
10	ZP Buxar	4.26	-	For execution of schemes	In lieu of cancelled scheme no new scheme was taken. It was not replied whether advance was adjusted or not.
<b>Total</b>		<b>10414.00</b>			

**Appendix-VI****Closure of Schemes Midway (MNREGS)****(Reference: Para no.4.1.1 / Page no. 16)***(₹ in Lakh)*

<b>Sl. No.</b>	<b>Name of PRI</b>	<b>No. of Schemes</b>	<b>Estimated Cost</b>	<b>Expenditure Made</b>
<b>1</b>	ZP Samastipur	12	94.49	13.25
<b>2</b>	PS Piprakothi	1	4.90	1.22
<b>3</b>	PS Simheshwar	9	13.18	9.48
<b>4</b>	PS Ghoswari	2	6.12	3.35
<b>5</b>	PS Bakhri	7	51.30	13.77
<b>6</b>	PS Patori	1	5.21	1.14
<b>7</b>	PS Arwal	2	1.58	0.56
<b>8</b>	GP West Digha (PS Patna Sadar)	1	0.71	0.28
	<b>Total</b>	<b>35</b>	<b>177.49</b>	<b>43.05</b>

**APPENDIX- VII**

**Statement Showing Details of Muster Rolls with Same Names  
(Reference: Para no. 4.3.1/ Page no. 18)**

<b>Sl. No.</b>	<b>Name of PRI</b>	<b>Scheme No./Period</b>	<b>Period of Engagement of Labourers</b>	<b>No. of Labourers Appearing More than Once</b>
<b>1</b>	Z.P. Purnea	10/07-08 & 15/07-08 (MNREGS)	01/04/08 to 07/04/08	25 labourers appeared in both schemes
			12/05/08 to 16/05/08	27 labourers appeared in both schemes
		10/07-08 (MNREGS)	10/04/08 to 16/04/08	7 labourers appeared twice
		01/07-08 & 56/07-08 (MNREGS)	12/05/08 to 16/05/08	7 labourers appeared in both schemes
		01/07-08 & 56/07-08 (MNREGS)	20/05/08 to 26/05/08	1 labourer appeared in both schemes
			04/06/08 to 07/06/08	1 labourer appeared in both schemes
		59/07-08 (MNREGS)	12/04/08 to 18/04/08	4 labourers appeared twice
<b>2</b>	Z.P.Katihari	03/08-09 (MNREGS)	15/04/09 to 21/04/09	16 labourers appeared twice
<b>3</b>	P.S.Guruwa	02/06-07 (MNREGS)	04/02/07 to 10/02/07	12 labourers appeared twice
<b>4</b>	P.S.Tankuppa	10/08-09 & 20/08-09 (MNREGS)	15/01/09, 17/01/09 to 20/01/09, 22/01/09	9 labourers appeared in both schemes
<b>5</b>	P.S.Sahebganj	35/07-08 (MNREGS)	27/01/08 to 02/02/08	5 labourers appeared twice
		33/07-08 & 35/07-08 (MNREGS)	27/01/08 to 02/02/08	10 labourers appeared in both schemes
<b>6</b>	P.S.Suppi	02/07-08 & 36/07-08 (MNREGS)	02/05/08 to 07/05/08	4 labourers appeared in both schemes
		03/08-09 & 36/07-08 (MNREGS)	02/05/08 to 07/05/08	2 labourers appeared in both schemes
		03/08-09 & 36/07-08 (MNREGS)	01/05/08	2 labourers appeared in both schemes

Sl. No.	Name of PRI	Scheme No./Period	Period of Engagement of Labourers	No. of Labourers Appearing More than Once
7	P.S. Srinagar	13/07-08 (MNREGS)	14/03/08 to 20/03/08	42 labourers appeared twice
			22/03/08 to 28/03/08	14 labourers appeared twice
8	P.S.Gaya Nagar	01/06-07 &2/06-07 (MNREGS)	25/02/07 to 29/02/07	10 labourers appeared twice in both schemes
9	P.S.Sonbhadra bansi suryapur	18/07-08 (MNREGS)	15/04/08 to 21/04/08	3 labourers appeared twice
			18/05/08 to 24/05/08	1 labourer appeared thrice and 2 labourers appeared twice
10	G.P. Bangama (PS Baisi)	03/06-07 (MNREGS)	01/03/07 to 07/03/07	6 labourers appeared twice and 10 labourers appeared thrice
11	G.P. Gopalpur (PS Sherghati)	02/08-09 (MNREGS)	03/06/08 to 09/06/08	30 labourers appeared twice
12	G.P. Kothiya Rai (PS Suppi)	03/08-09 (MNREGS)	18/05/08 to 23/05/08	5 labourers appeared twice
13	G.P. Khutti Husaili (PS Srinagar)	03/06-07 (MNREGS)	22/03/07 to 28/03/07	20 labourers appeared twice
			28/03/07 to 03/04/07	12 labourers appeared twice
		03/07-08 (MNREGS)	02/06/07 to 07/06/07	4 labourers appeared twice
14	G.P. Chaubar (PS Tanakuppa)	08/08-09 & 10/08-09 (MNREGS)	01/05/09 to 02/05/09	4 labourers appeared in both schemes
			04/05/09 to 06/05/09	
			08/05/09 to 09/05/09	
		11/05/09 to 13/05/09		
10/08-09 (MNREGS)	04/05/09 to 09/05/09	5 labourers appeared twice		
15	G.P. Tartar (PS Ghoswari)	01/07-08 & 02/07-08 (MNREGS)	29/02/08 to 02/03/08	9 labourers appeared in both schemes
16	G.P. Amraha (PS Gaya Nagar)	05/06-07 & 06/06-07 (MNREGS)	06/04/06 to 18/04/06	8 labourers appeared in both scheme
		05/06-07 (MNREGS)	30/03/07 to 05/04/07	20 labourers appeared twice

**Appendix-VIII**

**Expenditure of Twelfth Finance Commission Grant towards  
Repair/Renovation of Block Offices etc.  
(Reference: Para no.4.4 / Page no. 20)**

<b>Sl. No.</b>	<b>Name of Fund</b>	<b>Scheme No./Year</b>	<b>Particulars of Work</b>	<b>Amount Spent (₹ in lakh)</b>
<b>1</b>	ZP	1/2009-10	Repairing of staff quarters	0.30
	Sitamarhi	50/2009-10	Repairing of DDC quarter	1.00
<b>2</b>	PS Simheshwar	2/2005-06	Repairing of road in Block Office campus	3.99
<b>3</b>	PS Athmalgola	2/2008-09	Purchase of furniture and miscellaneous work in Block Office	0.58
<b>4</b>	PS K. Nagar	1/2006-07	Repairing of Block Office	7.83
<b>5</b>	PS Bihia	1/2008-09	Repairing of BDO residence	1.47
<b>6</b>	PS Charpokhari	1/2005-06	Repairing of Block Office	1.03
<b>7</b>	PS Taradih	1/2006-07	Repairing of Block Office	2.86
		1/2009-10	Installation of solar light in Block Office and Thana campus	0.89
<b>8</b>	PS Ara	1/2006-07	Repairing of Block Office	4.17
		1/2007-08	Repairing of Block Office	1.30
		1/2009-10	Repairing of Block Office	1.91
<b>9</b>	PS Sherghati	12/2008-09	Repairing of BDO cum CO Office	0.45
<b>10</b>	PS Amas	1/2007-08	Repairing of Block Office	1.32
		1/2009-10	Purchase of generator and furniture for Block Office	0.67
<b>11</b>	PS Ratni Faridpur	1/2008-09	Beautification of Block Office	2.58

Sl. No.	Name of Fund	Scheme No./Year	Particulars of Work	Amount Spent (₹ in lakh)
12	PS Bakhri	1/2009-10	Construction of Boundary wall and gate of Block Office	4.85
13	PS Turkaulia	7/2006-07	Repairing of residential buildings in Block Office campus	1.52
		8/2006-07	Repairing of residential buildings in Block Office campus	0.72
14	PS Bandra	1/2007-08	Construction of wall and repairing of generator room at Block Office	0.41
		4/2008-09	Electrification of Block Office	1.77
		5/2008-09	Repairing work of Block Office	0.73
15	PS Kusheshwar Asthan (West)	1/2008-09	Construction of buildings in Block Office campus	5.20
			<b>Total</b>	<b>47.55</b>

## Appendix-IX

### Glossary of Abbreviations

AR	Audit Report
BDO-cum-EO	Block Development Officer-cum-Executive Officer
BPRA	Bihar Panchayat Raj Act
BREGS	Bihar Rural Employment Guarantee Scheme
BRGF	Backward Region Grant Fund
CFC	Central Finance Commission
CO	Circle Officer
CSS	Centrally Sponsored Scheme
C & AG	Comptroller & Auditor General of India
DB	Dak Bungalow
DDO	Drawing & Disbursing Officer
DM	District Magistrate
DDC-cum- CEO	Deputy Development Commissioner-cum-Chief Executive Officer
DSP	Deputy Superintendent of Police
DPC	District Planning Committee
ELA	Examiner of Local Accounts
FC	Finance Commission
GPFS	General Purpose Financial Statements
GP	Gram Panchayat
IB	Inspection Bungalow
LAD	Local Audit Department
LFA	Local Fund Audit
MB	Measurement Book
MLA	Member of Legislative Assembly
MLC	Member of Legislative Council
MNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MoRD	Ministry of Rural Development
MP	Member of Parliament
NA	Not Applicable
NREGA	National Rural Employment Guarantee Act
PF	Provident Fund
PMGSY	Pradhan Mantri Gram Sadak Yojna
Pr. AG	Principal Accountant General
PRI	Panchayat Raj Institution
PS	Panchayat Samiti
PWD	Public Works Department
SFC	State Finance Commission
TFC	Twelfth Finance Commission
ULB	Urban Local Bodies
ZP	Zila Parishad
3Fs	Functions, Functionaries & Funds

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