

**Immediate Release**



**PRESS BRIEF**



**REPORT OF THE  
COMPTROLLER AND AUDITOR GENERAL OF INDIA  
ON  
GENERAL, SOCIAL AND ECONOMIC SECTORS  
FOR THE YEAR ENDED 31 MARCH 2019  
Government of Bihar  
*Report No. 3 of the year 2021***



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**Press Brief**

**C&AG's Audit Report (General, Social and Economic Sectors)**

The Audit Report (General, Social and Economic Sectors) of the Comptroller and Auditor General of India relating to Government of Bihar for the year ended 31 March 2019 was presented to the Bihar Legislature on \_\_\_\_\_ 2021.

The Audit Report contains two performance audits on *Indo-Nepal Border Road Project* and *Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme*, two long paragraphs on *Working of Bihar Mahadalit Vikas Mission* and *Utilisation of Compensatory Afforestation Funds Management and Planning Authority (CAMPA) funds* and an Audit paragraph on Road Construction Department.

***Performance Audit of Indo-Nepal Border Road Project (INBRP)***

The objective of INBRP was to ensure connectivity, mobility and dominance of Sashastra Seema Bal, which guards Indo Nepal Border. The major findings are as under: -

- The Department claimed that for INBRP, against 2759.25 acres of required land, 2497.64 acres (91 *per cent*) had been acquired. However, acquisition of land was actually not complete, as ownership was legally not transferred to the Government due to non-completion of mutation process.
- In East Champaran, the land acquisition process had lapsed completely and delayed application of emergency provision for land acquisition escalated the cost by ₹1375.33 crore (158 *per cent*) including delaying the project by at least five years.
- Instances of excess payment of ₹104.33 crore due to misclassification of land, excess payment of ₹45.36 crore to land owners without ensuring the verification of genuine claims were noticed. Fraudulent payment of ₹2.36 crore on fake documentation, short remittance of establishment charges of ₹20.84 crore *etc.*, by DLAO were also noted.
- The Department awarded the contract for construction of road for the entire stretch of 552.29 km without ensuring availability of land.



- The contractors in the 10 stretches (396.97 km) out of 15 stretches had stopped the work due to unavailability of land, out of which work in one stretch (24.05 km) was rescinded, whereas nine stretches (372.92 km) were affected by arbitration/ tribunal cases.
- Out of 121 bridges, 101 bridges (84 *per cent*) were completed and 20 were under progress. Further, 23 out of 29 physically verified bridges did not have connectivity because of land acquisition issues in construction of INB roads, incomplete construction of roads and these bridges falling out of alignment.
- Total expenditure incurred on bridges was ₹928.77 crore. The defect liability period of 31 bridges is over. Due to lapse of defect liability period and bridges not being taken over by the RCD, the maintenance of bridges and its approach roads was not being done.
- Time for completion of ongoing work on encumbrance free stretches was extended up to 31st December 2019 and up to 31st December 2022 for balance stretches. Only 24.20 km (two stretches) of roads could be constructed (4.38 *per cent*) till *October 2020*.
- In a span of ten years, 64 *per cent* of Border Outposts remained unconnected to the main alignment, which had been affecting the mobility of the SSB. The purpose of project to provide all weather connectivity remained unfulfilled.

### ***Performance Audit of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)***

The objective of the scheme was to provide guaranteed wage employment to rural families and to create durable and sustainable assets. Major findings are as under:-

- Audit observed that registration of all potential job seekers especially the landless casual labourers under the Scheme needs to be substantially improved.
- Though, Bihar had the highest number of landless casual labourers in the country at 88.61 lakh, 60.88 lakh (69 *per cent*) were surveyed and only 3.34 *per cent* (3,007 out of 90,161 of willing landless households) were issued job cards.
- In the test-checked districts, less than one *per cent* job seekers (146 out of 22,678 willing landless households) were issued job cards and survey work was discontinued. Specific plan, as required, for providing



- employment opportunity to vulnerable group of households was not prepared.
- Only nine *per cent* to 14 *per cent* of registered disabled persons and five *per cent* to nine *per cent* of senior citizens (60 years and more) were provided employment under the Scheme during 2014-19 in the State.
  - During the lean period (July to November), against work demanded by 26 *per cent* to 36 *per cent*, only two *per cent* to nine *per cent* of households were provided employment between 2014 and 2019.
  - Only 14 *per cent* of total works taken up were completed in respect of works for creation of durable assets. In the test-checked Gram Panchayats, out of 17,404 works taken up, 11,310 works (65 *per cent*) remained incomplete for one to five years during 2014-19, which included 6,869 works (61 *per cent*) not started.
  - Achievement against the target of focus area works was very low and ranged between less than one *per cent* and 23 *per cent* during 2016-18 in the State.
  - Convergence of MGNREGS works with the scheme of other line Departments viz. Forest, Agriculture, schemes undertaken by Rural Development and Panchayati Raj Departments of the State Government could not fructify.
  - Execution of inadmissible/non-durable works, inadequate functioning of social audit, non-evaluation of implementation of Scheme by *State Employment Guarantee Council* on a regular basis, non-appointment of ombudsman, non-maintenance of key records were also observed in Audit.
  - Ineffective and non-existent monitoring mechanism, lack of transparency in implementation of MGNREGS, non-conduction of *Information Education and Communication* activities in test-checked units etc., were the bottlenecks faced in implementation of the Scheme.
  - Overall, households that availed 100 days' employment ranged between less than one *per cent* and three *per cent* of the households who demanded employment in the State, and only 14 *per cent* works, taken up during 2014-19, were completed.



***Long para on Bihar Mahadalit Vikas Mission (BMVM)***

- BMVM had ineffective financial management as evident from unrealistic budget allocation, non-submission of UCs, non-reconciliation of cash and operation of several bank accounts was fraught with the risk of misutilisation and misappropriation of money.
- BMVM failed to get payment details of back-end subsidy of ₹1.49 crore from the banks and reflected the same as balance against respective banks in the cashbook. Even after lapse of more than five years of disbursement of the funds, BMVM was yet to receive utilisation of ₹1.49 crore from banks.
- During 2017-19, out of total target of 11,000 candidates fixed by SC & ST Welfare Department, only 340 candidates (3.09 per cent) were enrolled out of which, 102 trainees could complete their training after an expenditure of ₹82.29 lakh (5.6 per cent). Further, only 65 trainees could get placement.
- During 2016-19, target for construction of community hall was 916 against the total allotment of ₹141.21 crore to the districts. However, after incurring an expenditure of ₹32.57 crore, only 147 halls could be completed and construction of 161 halls was in progress (January 2020). Work related to the balance 608 community halls had not commenced for various reasons.

***Long para on Utilisation of Compensatory Afforestation Funds Management and Planning Authority (CAMPA) funds***

- The State CAMPA made inadequate provision of funds in Annual Plan for Compensatory Afforestation schemes during 2014-18 as against the available funds for the purpose resulting in less availability of funds for afforestation.
- Due to non-execution of the afforestation schemes, the backlog of 54 afforestation schemes since 2013-14, created liability of ₹14.54 crore on State CAMPA.
- Out of the 115 executed schemes, eight afforestation schemes (year 2011-16) were executed with delay ranging from one to two years resulting in excess expenditure of ₹1.47 crore.
- Due to deficiencies in planning and lackadaisical approach towards utilisation of the nurseries by the State CAMPA and the Department, a sum of ₹164.98 lakh from CAMPA funds on establishment of



these nurseries became unfruitful as the intended objectives could not be achieved.

**Audit paragraph on Road Division, Gaya**

- The decision of Executive Engineer, Road Division, Gaya to allow carriage of stone chips from Kodarma, Jharkhand instead of Manpur, Gaya (the nearest quarry), in violation of the instructions issued by the Engineer-in-Chief, resulted in avoidable expenditure of ₹2.73 crore.



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