

**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 2018**



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**Government of Bihar**  
*Report No. 1 of the year 2020*



**Press Brief**

**Immediate Release**



**C&AG's Audit Report (General, Social and Economic Sectors), Government of Bihar for the year ended 31 March 2018**

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 2018, prepared under Article 151 of the Constitution of India, was presented to the Bihar Legislature on 23/03/2021.

The Report deals with the findings of one Performance Audit 'Medical Education in Bihar', two long paragraphs on '**Implementation of Recommendations and Utilisation of Fourteenth Finance Commission grants by Local Bodies and Maintenance of roads under Long Term Output and Performance-based Road Assets Maintenance Contract (OPRMC) Phase-1**', and 10 compliance audit paragraphs on Government departments.

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## **Performance Audit on Medical Education in Bihar**

The major findings of the Performance Audit are:

- **Vacancies of physicians, AYUSH doctors, dentist and nurses per one lakh population in Bihar ranged up to 92 per cent.** Audit observed that against construction of 12 medical colleges (including a dental college) taken up during 2006-07 to 2016-17. Only two medical colleges became functional till 2018. Construction of only two nursing institutes could be completed till 2018 against the planned 61. Government of Bihar did not make effective efforts to increase seats of existing medical colleges.
- **Shortage of teaching and non-teaching staff** in all streams of medical education ranged from six to 56 per cent and eight to 70 per cent respectively.
- In five medical colleges **shortfall in actual teaching hours** ranged between 14 to 52 per cent against the stipulation of MCI. Shortfall in teaching hours was attributable to shortage of faculties.
- **Significant deficiencies in infrastructure** (classroom, library, laboratory, hostels etc.) vis-à-vis norm of regulatory bodies were noticed during joint physical verification, which created an environment not conducive to academic pursuit.
- In test-checked five medical colleges (GMC Bettiah, DMC Darbhanga, IGIMS Patna, NMC Patna and PMC Patna) **shortage of medical equipment** ranged between 38 to 92 per cent in 20 test-checked departments of medical colleges during 2017-18. Audit observed instances of equipment lying idle or out of order for a period ranging from one to nine years due to unavailability of technical manpower to operate machines and effective steps not taken for repairing.
- Students of medical colleges as well as nursing institutes were not adequately exposed to **rural internship** during 2013-18 as per norms.
- **Financial management:**

Only 75 per cent amount was spent under plan head during 2013-18 which is attributable to poor progress of construction works taken up under

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different schemes of State Government.

Audit scrutiny of records of construction of Vardhman Institute of Medical Science, Pawapuri and Medical College at Madhepura and supply of manpower for security, cleaning and house-keeping purposes in the four test-checked colleges of Bettiah and Patna during October 2012 to March 2017 revealed excess payments/inadmissible payment to the tune of ₹78.47 crore. Further, executing agencies charged excess centage of ₹21.41 crore.

₹7.35 crore was paid to consultants and it was charged to work expenses instead of from centage, resulting in loss to the exchequer.

Audit also noticed instances of non-submission of DC bills of ₹7.30 crore pending since one to 12 years.

- **Deficient monitoring and supervision** of the Department and medical institutes resulted in irregular admission, admission on false mark sheets, admission through fraudulent practices, irregular admission beyond sanctioned seats in Patna Medical College (PMC), Patna and Government Ayurvedic College (GAC) Begusarai.

### **Implementation of Recommendations and Utilisation of Fourteenth Finance Commission (FFC) grants by Local Bodies**

- Of the total 28 recommendations of FFC, 19 were to be implemented by States. However, the GoB had implemented only two recommendations fully.
- Planning was inadequate as the District Planning Committee (DPC) did not prepare district plan by consolidating plans of GPs and Municipalities for the period 2015-18 and the Gram Panchayat Development Plan (GPDP) for the year 2017-18, by converging the resources including the technical inputs of other rural sector programmes.
- GoB received entitled Basic Grants (BG) of ₹9,041.65 crore for GPs and ₹1,011.97 crore for municipalities for the period 2015-18. GoB could not receive Performance Grant (PG) of ₹878.56 crore for the period



2016-18 for GPs due to non- fulfillment of mandatory conditions.

The PRD paid penal interest of ₹8.12 crore to GPs for belated release of first installment of BG for the year 2015-16.

Delay in submission of UCs to GoI for 17 to 147 days led to delay in release of subsequent installments of grants by the GoI. The State did not obtain UCs of ₹4,621.85 crore from LBs for the grants released during 2015-17.

The State as well as the LBs did not take effective steps for mobilisation of revenue from own sources. Instances of non-drawal of grants from Treasury, non-utilisation of grant at different level (GPs, Wards, ZPs, municipalities etc.) were noticed.

- Irregular payment of ₹3.15 crore for acquisition of land for landfills site by Nagar Parisad (NP) Siwan was noticed.

The progress of works under *Mukhya Mantri Nischaya Yojana* was not satisfactory as only 15 and 24 *per cent* of works were completed in test checked GPs and Municipalities respectively. At State level only nine to 41 *per cent* works were completed.

- There was acute **shortage of manpower** at all levels of PRIs and municipalities. Panchayat Secretary is the sole person to see all the affairs at GP level but 56 *per cent* of the posts were vacant at State level while 62 *per cent* posts were vacant in test-checked municipalities of the State.
- During joint physical verification instances of fake booking of measurement book, works shown executed in the records were not found done, less quantity of works was found done in commensurate with payment for the same etc.
- Support cell was not constituted while *Lok Nirman Samiti* and **Vigilance Committee** at GP level were not involved in monitoring and supervising the progress of works.



## Maintenance of roads under Long Term Output and Performance-based Road Assets Maintenance Contract (OPRMC) Phase-1

- Old system for maintenance of roads under input-based contracts were still continued under output –based contracts (OPRMC).
- In Road division, Buxar and Shahabad Road Division, Ara, International Roughness Index (IRI) value in respect of service level were more than the permissible level (3500 IRI) in certain sections of the roads, thereby indicating non-achievement of desired service level of road to the road users.
- Works valued at `424.67 crore were started without obtaining Technical Sanction (TS) in 13 packages.
- An excess payment of `3.57 crore was made on road marking work under three packages in Road Division, Madhubani and an excess payment of `99.05 lakh was made on PM work under Road Division, Motihari and Road Division, Sitamarhi.
- An avoidable payment of `92.72 lakh was made under IR works in those roads which were already in Defect Liability Period apart from irregular payment of `3.38 crore on PM work and `86.28 lakh on emergency work.

### Audit Paragraphs

The following major audit findings arising out of Compliance Audit are featured in the Report:

- **Fraudulent withdrawal:** Failure to adhere to financial rules led to defalcation of ₹ 2.89 crore.
- **Loss to the Government:** Imprudent decision of Women Development Corporation to switch from sweep account to savings bank account led to loss of ₹5.15 crore to the Government.
- **Excess payment to contractor:** Irregular sanction of lead by road, in place of rail, led to excess payment of ₹12.04 crore.
- **Unfruitful expenditure:** Due to negligence by respective District



- Welfare Officers in taking over the completed hostel building by the respective Building Divisions, the original construction and amount incurred later, on renovation of hostel buildings amounting to ₹3.47 crore was rendered unfruitful.
- **Unfruitful expenditure on AADHAAR-enabled child record digitisation:** Due to the decision of the Education Department to discontinue with AADHAAR enabled child record digitisation, expenditure of ₹1.98 crore became unfruitful.
  - **Additional burden on State Exchequer:** Action of Bihar Renewable Energy Development Agency (BREDA) to execute agreement with the agency without taking Performance Guarantee (PG) and not taking any legal action to recover PG led to additional financial burden of ₹5.93 crore on State exchequer due to re-tendering. Further, BREDA could not recover the PG of ₹2.94 crore from the agency.
  - **Misappropriation of municipal revenue:** Misappropriation of ₹85.45 lakh due to lack of supervision, reconciliation of accounts of the Municipality by the Executive Officer and mismanagement of municipal revenue.
  - **Fraudulent payment:** Deliberate omission of rate quoted by the lowest tenderer while evaluating financial bid for procurement of LED lights by Nagar Parishad, Arwal resulted in excess and avoidable payment of ₹50.33 lakh.
  - **Inadmission payment of electricity duty:** Failure of Municipal Corporations to avail exemption of Electricity Duty resulted in an inadmissible payment of ₹5.14 crore during March 2014 to August 2018.
  - **Wilful negligence resulting in loss on purchase of dustbin/waste bins:** Non-observance of financial provisions and irregularities in negotiating the procurement of dustbins/waste bins by two Urban Local Bodies resulted in loss of ₹6.98 crore.



**Office of the Accountant General (Audit), Bihar, Patna**

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