

**Report of the
Comptroller and Auditor General of India
on**

**General, Social & Economic Sectors
for the year ended March 2012**

Government of Bihar
Report No. 3 of the Year 2013

TABLE OF CONTENTS

DESCRIPTION	Reference to	
	Paragraphs	Page/ Remarks
Preface		vii
CHAPTER-I		
INTRODUCTION		
About this Report	1.1	1
Audited entity profiles	1.2	1-2
Authority for audit	1.3	2-3
Planning and conduct of audit	1.4	3
Significant audit observations	1.5	3-9
Recoveries at the instance of Audit	1.6	9
Lack of responsiveness of the Government to Audit	1.7	9-10
CHAPTER-II		
PERFORMANCE AUDIT		
WATER RESOURCES DEPARTMENT		
Implementation of Flood Control Measures in Bihar	2.1	11-38
ROAD CONSTRUCTION DEPARTMENT		
Major District Roads in Bihar	2.2	39-61
CHAPTER-III		
LONG PARAGRAPHS		
HUMAN RESOURCES DEVELOPMENT DEPARTMENT		
Working of Patna University	3.1	63-75
ENVIRONMENT AND FOREST DEPARTMENT		
Compensatory Afforestation Fund Management and Planning Authority (CAMPA)	3.2	76-87
INDUSTRY DEPARTMENT		
Acquisition and allotment of Land for Industrial Purposes in Bihar	3.3	88-104

DESCRIPTION	Reference to	
	Paragraphs	Page/ Remarks
CHAPTER-IV		
INTEGRATED AUDIT OF GOVERNMENT DEPARTMENT		
Minority Welfare Department	4	105-121
CHAPTER-V		
COMPLIANCE AUDIT		
Non-compliance with the rules	5.1	123
RURAL WORKS DEPARTMENT		
Non remittance of registration fee into treasury and loss of interest	5.1.1	123-125
RURAL DEVELOPMENT DEPARTMENT		
Doubtful/fraudulent payment	5.1.2	125-127
HEALTH DEPARTMENT		
Fraudulent payment	5.1.3	127-128
Injudicious purchase of Anti Haemophilic Factor – VIII	5.1.4	128-130
SOCIAL WELFARE DEPARTMENT		
Risky and imprudent investment	5.1.5	130-131
Audit against propriety/ Excess/ Wasteful/ Infructuous expenditure	5.2	132
RURAL WORKS DEPARTMENT		
Infructuous expenditure	5.2.1	132-133
Unfruitful expenditure	5.2.2	134
Irregular award of 71 contracts to nine ineligible contractors	5.2.3	135-137
PUBLIC HEALTH ENGINEERING DEPARTMENT		
Award of contracts to an ineligible contractor	5.2.4	138-140
Irregular award of work to an ineligible agency	5.2.5	140-142
HEALTH DEPARTMENT		
Excess payment on irregular purchase of medicines and equipment	5.2.6	143-144
ROAD CONSTRUCTION DEPARTMENT		
Undue favour to the contractor	5.2.7	144-146

DESCRIPTION		Reference to	
		Paragraphs	Page/ Remarks
WATER RESOURCES DEPARTMENT			
Unfruitful expenditure		5.2.8	146-147
Irregular/Avoidable/Unadjusted expenditure		5.3	148
SOCIAL WELFARE DEPARTMENT			
Avoidable expenditure		5.3.1	148-149
RURAL WORKS DEPARTMENT			
Irregular grant of equipment/mobilisation advance to private contractors		5.3.2	149-150
PUBLIC HEALTH ENGINEERING DEPARTMENT			
Outstanding Advances		5.3.3	151-152
Undue favour to the executing agencies		5.3.4	152-154
RURAL DEVELOPMENT DEPARTMENT			
Irregular payment for departmental works		5.3.5	154-155
HEALTH DEPARTMENT			
Distribution of medicines in eight districts without quality test		5.3.6	155-156
Non-utilisation of machines and equipment		5.3.7	156-157
WATER RESOURCES DEPARTMENT			
Avoidable loss to the government		5.3.8	157-159
Failure of oversight/governance		5.4	159
HEALTH DEPARTMENT			
Injudicious withdrawal of funds		5.4.1	159-161
Idle equipment		5.4.2	161-163
APPENDICES			
1.1	Statement showing year-wise break-up of outstanding Inspection Reports and paragraphs	1.7.1	165-166
1.2	Department-wise details of non-submission of Action Taken Notes	1.7.2	167
1.3	Status of Action Taken Notes on the recommendation	1.7.3	168

DESCRIPTION		Reference to	
		Paragraphs	Page/ Remarks
	of the PAC		
2.1.1	Statement showing Intralinking of river for flood sector as flood mitigation	2.1.6.1	169
2.1.2	Statement showing allotment of fund released by the department on last working day of financial year during 2007-12	2.1.7.1	170-171
2.1.3	Statement showing Violation of criteria in award of contract	2.1.8.1	172-173
2.1.4	Statement showing non-adherence of flood calendar	2.1.8.2	174-179
2.1.5	Statement showing unfruitful expenditure on incomplete, closed/postponed work of zamindari bandh	2.1.9.1	180
2.1.6	Statement showing execution of zamindari bandh	2.1.9.2	181-182
2.2.1	Statement showing allotment and Expenditure of MDR	2.2.7	183
2.2.2	Statement showing Traffic Census not done	2.2.8.1	184
2.2.3	Statement showing Traffic Census done for only three days	2.2.8.1	185
2.2.4	Statement showing California Bearing Ratio not done	2.2.8.1	186
2.2.5	Statement showing Work awarded to debarred contractor	2.2.8.2	187
2.2.6	Statement showing case of single tender in which approval of one stage higher authority was not taken	2.2.8.2	188
2.2.7	Statement showing cases in which Form M & N and transport challans were not obtained	2.2.8.3	189-190
2.2.8	Statement showing Work not confirming to the specification	2.2.8.3	191-192
2.2.9	Statement showing Expenditure more than Administrative Approval	2.2.8.3	193
2.2.10	Statement showing Quality test laboratory not established by contractor	2.2.10	194-195
2.2.11	Statement regarding number of quality test done by Quality Control Laboratory at division level	2.2.10	196
3.1.1	Statement showing Calculation of loss of interest in Development Fund Account	3.1.3.1	197
3.1.2	Statement showing Loss of revenue in the shape of interest	3.1.3.1	198
3.1.3	Statement regarding outstanding advance against outside agency	3.1.3.4	199-200
3.1.4	Statement showing Detail regarding utilisation of fund	3.1.3.5	201
3.1.5	Statement showing Unfruitful expenditure on incomplete works	3.1.3.5	202
3.1.6	Statement showing Details of utilisation(U/C) of Books and Equipment under Xith General Development	3.1.3.5	203

DESCRIPTION		Reference to	
		Paragraphs	Page/ Remarks
	Grant		
3.1.7	Statement showing Details of Expenditure under Merged Scheme(during 2007-2010) against grant received ₹ 56.95 lakh	3.1.3.5	204
3.1.8	Statement showing Details of diversion from Books and Equipment Grant	3.1.3.5	205-206
3.1.9	Statement showing Sequence of events	3.1.4.1	207
3.1.10	Statement showing Irregular payment on carriage	3.1.4.2	208
3.1.11	Statement showing Royalty	3.1.4.2	209
3.1.12	Statement regarding non-deduction of Labour cess	3.1.4.2	210
3.1.13	Statement showing Electricity Dues on Saidpur Hostel upto May 2012	3.1.5.1	211
3.2.1	Organisational Set up of State CAMPA	3.2.2	212
3.2.2	Statement showing Violation of Forest (Conservation) Act, 1980	3.2.4.1	213
3.2.3	Unspent money deposited by the Divisions into State CAMPA Fund	3.2.5	214
3.2.4	Divisions wise fund earmarked and released by State CAMPA for 2010-11 and 2011-12	3.2.5	215
3.2.5	Short realization of NPA/CA/PCA	3.2.6	216
3.2.6	Funds kept outside State CAMPA	3.2.6.1	217
3.2.7	Year wise forest lands diverted for non forest purpose	3.2.7	218
3.3.1	Organisational Set Up of Industry Department	3.3.2	219
3.3.2	Loss due to non-revision and late revision of lease premium rate	3.3.4.1	220
3.3.3	Details of violation of FCFS policy	3.3.6.3	221-227
3.3.4	Allotment of land for non industrial purpose	3.3.6.4	228-230
3.3.5	Extra allotment of Land than prescribed norm	3.3.6.4	231-233
3.3.6	Allotment of extra land than prescribed norm	3.3.6.4	234
3.3.7	Allotment of Land for other than Plastic and Chemical Industries	3.3.6.4	235-236
3.3.8	List Of Private Technical Institutions	3.3.6.4	237-239
3.3.9	List of allotment without Export Commitment	3.3.6.4	240
3.3.10	List of transfer cases	3.3.8.1	241-260
3.3.11	Loss on auction sale	3.3.8.4	261
4.1	15-Point Programme	4.1	262
4.2	Statement showing expenditure of Detailed Appropriation Accounts and figures provided by the Minority Welfare Department	4.7.6	263
4.3	Unutilised Fund of NMDFC	4.8	264

DESCRIPTION		Reference to	
		Paragraphs	Page/ Remarks
4.4	Statement showing list of schemes implemented for minority	4.8.1.1	265
4.5	Statement showing deprivation of Multi Sectoral Development Fund	4.7.7	266
4.6	Status of Aganwadis	4.8.1.1	267
5.1	Statement showing fake and doubtful Payments on Muster Roll	5.1.2A	268-270
5.2	Statement showing list of Agencies not located	5.1.2	271
5.3	Statement showing list of Agencies refused any supply made by them	5.1.2	272
5.4	Statement showing the details of amount sent to WDC and UTI	5.1.5	273
5.5	Statement showing details of documents attached with the technical bid by the contractors	5.2.3	274-276
5.6	Statement showing physical progress of work	5.2.3	277-278
5.7	Statement showing details of works awarded to different contractors in seven divisions	5.2.3	279-280
5.8	Statement showing details of test-checked groups of works	5.2.4	281
5.9	Statement showing details of excess payment made on local purchase of medicine	5.2.6	282-285
5.10	Statement of Mobilisation/Equipment advance	5.3.2	286
5.11	Statement showing unadjusted advances given to Panchayati Raj Institutions under Swajaldhara Scheme	5.3.3	287
5.12	Statement showing unadjusted advances given to Panchayati Raj Institution/BDOs under Total Sanitation Campaign (TSC)	5.3.3	288
5.13	Statement showing details of Mobilisation Advance given to agencies	5.3.4	289
5.14	Statement of the respective machines/equipment not being utilised by the Hospitals	5.3.7	290
5.15	Statement showing Financial position of Bihar State Building Construction Corporation (BSBCC)	5.4.1	291
5.16	Statement showing Details of fund provided to State Health Society	5.4.1	292
5.17	Statement showing Financial Status of Bihar Medical Services & Infrastructure Corporation	5.4.1	293
5.18	Statement showing details of equipment to be purchased for SNCUs	5.4.2	294
5.19	Statement showing equipment purchased in test-checked districts	5.4.2	295

PREFACE

1. This Report has been prepared for submission to the Governor of the State of Bihar under Article 151 of the Constitution of India.
2. Chapter-I of this Report covers auditee profile, authority for audit, planning and conducting of audit and responses of the departments to draft paragraphs. Highlights of audit observations included in this Report have also been brought out in this chapter.
3. Chapter-II deals with the findings of two performance audit of Implementation of Flood Control Measures in Bihar and Major District Roads in Bihar. Chapter-III covers three long paragraphs on Working of Patna University, Compensatory Afforestation Fund Management and Planning Authority and Acquisition and Allotment of Land for Industrial Purposes in Bihar. Chapter-IV includes comments on the Integrated Audit of Minority Welfare Department. Chapter-V covers Audit of Compliance in various departments, autonomous bodies, local bodies etc. of the State Government for the year ended 31 March 2012.
4. Audit observations on matters arising from the examination of Finance Accounts and Appropriation Accounts of the State Government for the year ended 31 March 2012 are presented separately.
5. The Report containing the observations arising out of audit of Statutory Corporations, Boards and Government Companies and the Report containing observations on Revenue Receipts are presented separately.
6. The cases mentioned in the Report are among those which came to notice in the course of test audit of accounts for the year 2011-12 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 2011-12 have also been included, wherever necessary.

CHAPTER -I

INTRODUCTION

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INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (CAG) relates to matters arising from the performance audits of selected programmes and activities and compliance audits of Government departments and autonomous bodies.

Compliance audit refers to the examination of transactions relating to expenditure of the audited entities, to ascertain whether the applicable laws, rules, regulations, orders and instructions issued by the competent authorities were being complied with. Performance audit on the other hand, in addition to compliance issues, also examines whether the objectives of the programme/activity/department were achieved economically and efficiently.

The primary purpose of this Report is to bring to the notice of the State Legislature, the important results of audit. Auditing Standards of the Indian Audit and Accounts Department require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The requirements have been complied with. The findings of audit are expected to enable the Executive to take corrective actions leading to improved financial management and better governance.

This Chapter, in addition to explaining the issues of planning and extent of audit, provides a synopsis of the significant achievements and deficiencies in implementation of selected schemes, significant audit observations made during the audit of transactions and follow-up on previous Audit Reports. Chapter-II of this Report contains findings arising out of performance audit of selected programmes/activities/departments, Chapter-III contains long paragraphs of selected programmes/activities/departments, Chapter-IV contains an integrated audit of Minority Welfare Department while Chapter-V presents observations on compliance audit in Government departments and autonomous bodies.

1.2 Audited entity profiles

There are 44 departments in the State at the Secretariat level, headed by Principal Secretaries/Secretaries with the overall control and guidance being provided by the Chief Secretary. In the performance of their duties, the Principal Secretaries/Secretaries are assisted by Special Secretaries/Additional Secretaries/Directors and other subordinate officers. In addition, there are 9166 local bodies and 14 autonomous bodies substantially funded by the Government, which are audited by the Office of the Principal Accountant General (Audit), Bihar on behalf of the CAG.

The comparative position of expenditure incurred by the Government during the year 2011-12 and in the preceding year is given in **Table-1** below:

Table 1:
Summary of Current Year's Fiscal Transactions

(₹ in crore)

Receipts	2010-11	2011-12	Disbursements	2010-11	2011-12		
					Non-Plan	Plan	Total
Section-A: Revenue							
Revenue Receipts	44532.32	51320.17	Revenue Expenditure	38215.92	34012.66	12486.83	46499.49
Tax revenue	9869.85	12612.10	General Services	15286.97	17569.44	160.28	17729.72
Non-tax revenue	985.53	889.86	Social Services	15089.42	9523.52	9205.26	18728.78
Share of Union Taxes/Duties	23978.38	27935.23	Economic Services	7836.28	6916.53	3121.29	10037.82
Grants from Government of India	9698.56	9882.98	Grants-in-aid and Contributions	3.25	3.17	-	3.17
Section-B: Capital							
Misc. Capital Receipts	0.00	0.00	Capital Expenditure	9195.94	39.59	8812.42	8852.01
Recoveries of Loans and Advances	11.86	22.51	Loans and Advances disbursed	1102.63	220.72	1685.36	1906.08
Public debt receipts	6032.42	6627.96	Repayment of Public Debt	2190.03	-	-	2922.46
Inter State Settlement Receipts	0.00	75.41	Inter State Settlement payments	0.00	-	-	1.39
Contingency Fund	1150.00	800.00	Contingency Fund	1150.00	-	-	800.00
Public Account receipts	17321.25	22302.61	Public Account disbursements	16749.02	-	-	21393.22
Opening Cash Balance	2291.13	2735.44	Closing Cash Balance	2735.44	-	-	1509.45
Total	71338.98	83884.10	Total	71338.98			83884.10

1.3 Authority for audit

The authority for audit by the CAG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. CAG conducts audit of expenditure of the departments of the Government of Bihar under Section 13¹ of the CAG's (DPC) Act 1971 and is the sole auditor in respect of 10 autonomous bodies which are audited under Sections 19(3)² and 20(1)³ of the CAG's (DPC) Act. In addition, the CAG also conducts audit of other autonomous bodies, which are substantially funded by the Government, under

1 *Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to the Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts.*

2 *Audit of accounts of such corporation, established by law made by the Legislature, on the request of the Governor for which the Governor is of opinion that it is necessary in public interest so to do.*

3 *Save as otherwise provided in section 19, where the audit of accounts of any body or authority has not been entrusted to the CAG, he shall, if requested so to do, by the President or the Governor, undertake the audit of accounts of such body or authority on such terms and conditions as may be agreed upon between the CAG and the Government.*

Section 14⁴ of the CAG's (DPC) Act. The principles and methodologies for conducting various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts issued by the CAG in 2007.

1.4 Planning and conduct of audit

The audit process starts with the assessment of risks faced by various departments of the Government. This risk analysis is based on the expenditure incurred, criticality or complexity of its activities, the level of delegated financial powers, assessment of overall internal controls and concerns of the stakeholders. The previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided.

After completion of audit of each unit, Inspection Reports containing audit findings are issued to the heads of the offices audited with copies to the next higher authorities. They are requested to furnish their replies to the audit findings within six weeks of receipt of the Inspection Reports. Based on replies received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State of Bihar under Article 151 of the Constitution of India.

During 2011-12, 1488⁵ party-days were used to carry out transaction audit of 152 units and to conduct two performance audit reviews, three long paragraphs and integrated audit of Minority Welfare Department. The audit plan covered those units/entities which were vulnerable to significant risks as per our assessment.

1.5 Significant audit observations

In the last few years, audit has reported on several significant deficiencies in the implementation of various programmes/activities through performance audits, as well as on the quality of internal controls in the selected departments. Similarly, the deficiencies noticed during compliance audits of the Government *departments/organisations have also been reported upon.*

1.5.1 Performance audits of programmes/activities/departments

The present Report contains two performance audits of the Flood Control Measures and Major Districts Roads. The highlights of these audits are given in the following paragraphs:

1.5.1.1 Implementation of Flood Control Measures in Bihar

Bihar is India's one of the most flood-prone States, with 73 *per cent* of the geographical area (i.e. 68.80 lakh hectare out of total geographical area of

4 *Audit of all receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of any body or authority where the grants or loans to such body or authority from the Consolidated fund of the State in a financial year is not less than ₹ one crore.*

5 *General Sector 3 units (24 party days), Social Sector-I 23 units (208 party days), Social Sector II 22 units (218 party days) and Economic Sector 104 units (1038 party days).*

94.16 lakh hectare) of Bihar is under the threat of every year flood. It was however revealed that the financial management was ineffective, marred by utilisation of funds (11 to 44 per cent). Despite increase in plan allocations the Department did not execute long term plans while the short-term measures also included deficiencies like irregular award of contract, non-adherence of flood calendar, infructuous, excess and unfruitful expenditure. There was also shortage of key cutting edge manpower and the Department could construct only 61.47 Kms. of embankment against target of 1535 Kms.

1.5.1.2 Major District Roads in Bihar

The Major District Roads (MDRs) are infrastructural link enabling the easy communication of people with the areas of production and market within a district and connecting it with the major towns, villages, areas of cultural, historical, tourist interest and with national and state highways passing through the district. The performance audit of MDRs revealed instances of deficient planning, inadequate financial management, insufficient manpower deployment and dismal programme implementation.

1.5.2 Long Para on programmes/activities

The present Report contains three Long paragraphs on Working of Patna University, State Compensatory Afforestation Fund Management and Planning Authority and Acquisition and Allotment of Land for Industrial Purposes in Bihar. The highlights of these audits are given in the following paragraphs:

1.5.2.1 Working of Patna University

Patna University (PU), the first University in Bihar, was established in the year 1917 with a vision to provide quality higher education in the State. Presently, it had 31 Post Graduate (PG) Departments, four institutes⁶ and six allied units⁷. PU has 10 constituent colleges under its administration. The existing number of students in the PG Departments, Colleges and Institutes were more than 18 thousand. The sanctioned post of teachers was 1004 against which 448 teachers were working. At present the teacher student ratio was 1:42 as against UGC norm of 1:10 to 1:30 for different programmes. The functioning of University was affected by the prevailing financial disorder was evident from the non-maintenance of University Fund, non-preparation of annual accounts, non-maintenance of cashbooks, underutilisation/lapse of UGC funds and lack of internal control. The tendering process lacked fairness and transparency and undue aid was provided to the contractors. Further, lapse on the part of administration in exercising financial prudence resulted in incurring avoidable liability.

1.5.2.2 State Compensatory Afforestation Fund Management and Planning Authority

The State Compensatory Afforestation Fund Management and Planning Authority (CAMPFA) was constituted in Bihar in January 2010 on the direction

⁶ *Institute of Library and Information Science, Institute of Music, Institute of Psychological Research & Services and Institute of Public Administration.*

⁷ *Central Dispensary, Computer Centre, Guest House, PU Central Library, PU Press and Works Department,*

of Hon'ble Supreme Court in July 2009. The objectives of CAMPA were (a) conservation, protection, regeneration and management of natural forests (b) conservation, protection and management of wildlife and its habitat within and outside protected areas (c) compensatory afforestation (d) promotion of agricultural forestry and environmental services like grazing, tourism, wildlife protection and life support and (e) research, training and capacity building. The planning aspect was deficient as APOs were either not prepared or prepared with delay and *Ad-hoc* CAMPA did not ensure that release of funds was based on the APOs. There was no mechanism where-by the status of proposals for diversion of forest land for non forest activities by various agencies could be watched. Further, the unspent funds of CA were not deposited into the CAMPA thereby depriving the State of the funds to be utilized for various environmental programmes. No activities of research and agro forestry were undertaken from the CAMPA funds. The CAMPA had also not evolved an independent system for concurrent monitoring and evaluation of the works implemented in the State. Thus, the objectives of conservation, protection, regeneration and management of natural forests were yet to be achieved by the CAMPA.

1.5.2.3 Acquisition and allotment of Land for Industrial Purpose

The Bihar Industrial Area Development Authority (BIADA), which came into being, subsequent to reorganisation in 2003, was responsible for planning, acquisition, development, maintenance and allotment of land. Audit assessment of acquisition and allotment of land for industrial purposes in Bihar revealed that the State Government did not formulate a perspective plan for acquisition and transparent policy for allotment of land in the state though the demand of industrial land increased with introduction of Industrial Incentive Policy, 2006. Though the State Government had taken sincere initiative, for industrial growth with announcement of Industrial Incentive Policy, Bihar 2006, there was no long term planning for acquisition of land and development of industrial infrastructure in the State. The land records were not being maintained at department as well as authority level. Acquired lands were not being utilised for the specified purposes and lands were de-notified irregularly in favour of entrepreneurs. Land was allotted for non-industrial purposes, allotment norms were not adhered in allotment, lands were transferred irregularly and records were manipulated in favour of agencies. The land rates were not revised and the funds of BIADA were not managed properly.

1.5.3 Integrated audit of Minority Welfare Department.

The Minority Welfare Department is responsible for implementation of various developmental schemes especially those relating to welfare and upliftment of the status of minority communities. Integrated audit of the department brought out gaps in planning, financial management and programme management. The department had not formulated any specific plans to uplift the minorities. The *ad-hoc* arrangement of the department without its infrastructure at district level, welfare schemes meant for Minority had suffered. The department had not established Directorate even after twenty years of its establishment and full strength of sanctioned staff was not there. The financial management of the department was deficient as the

department could disburse/utilise only 61 *per cent* of its allotted funds. Due to ineffective functioning of the department, every welfare scheme for Minority remained partially implemented or unimplemented.

1.5.4 Compliance audit

The Report highlights several significant deficiencies in critical areas which impacted the effective functioning of Government departments and organisations. These can be broadly categorised as:

- *Non-compliance with rules.*
- Propriety audit/excess/wasteful/infructuous expenditure.
- *Irregular, avoidable/unjustified expenditure.*
- *Failure of oversight/governance.*

1.5.4.1 Non-compliance with rules

For the sound financial administration and financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, misappropriation and frauds, but also helps in maintaining good financial discipline. This Report contains instances of non-compliance with rules involving ₹ 275.76 crore. Some of the significant audit findings are given below:

Due to non-adherence of rules relating to cash management and failure of officials to do their assigned duties, the Rural Works Department incurred a loss of ₹ 3.82 crore on account of non-remitted missing bank drafts (₹ 0.89 crore) and loss of interest (₹ 2.93 crore).

(Paragraph 5.1.1)

Non-adherence of codal provisions and non-compliance of order of the Vigilance Department led to fraudulent payment of ₹ 0.21 lakh and doubtful payment of ₹ 19.56 lakh on muster roll in execution of works in 12 departmental works under Rural Development Department. Beside there were dubious payment of ₹ 2.01 crore on fake invoices.

(Paragraph 5.1.2)

Passing of a bill twice by the Civil Surgeon-cum-Chief Medical Officer on two different occasions for the supply of same items led to fraudulent payment of ₹ 4.78 lakh to private firm under Health Department.

(Paragraph 5.1.3)

Due to non-adherence of laid down norms for purchase of medicines and injudicious decision to purchase the Anti Haemophilic Factor-VIII on higher rates resulted in loss to the Government of ₹ 97.20 lakh under Health Department.

(Paragraph 5.1.4)

In Social Welfare Department, imprudent decision to invest the funds of ₹ 268.71 crore allocated under the Mukhya Mantri Kanya Suraksha Yojna in a mutual fund without instituting any monitoring mechanism exposed the scheme to market risks.

(Paragraph 5.1.5)

1.5.4.2 Audit against propriety/Excess/Wasteful/Infructuous expenditure

Audit detected instances of impropriety and excess/wasteful/infructuous expenditure involving ₹ 1249.30 crore, which are highlighted below:

Abandoning of work by the agency midway and non-rescission of contract by the department resulted in infructuous expenditure of ₹ 96.83 lakh on incomplete road works under Rural Works Department.

(Paragraph 5.2.1)

Due to lack of proper survey and non-inclusion of work of construction of bridges across the rivers intersecting the road in the Detailed Project Report the objective of providing connectivity to unconnected habitations as envisaged in PMGSY could not be achieved and the expenditure of ₹ 1.18 crore incurred on construction of road was rendered unfruitful under Rural Works Department.

(Paragraph 5.2.2)

Irregular award of works worth ₹ 853.45 crore to the ineligible contractors resulted in dismal programme implementation of Pradhan Mantri Gram Sadak Yojna in seven divisions and even after a lapse of two to 22 months from the stipulated dates of completions, not even a single road was fully completed after incurring expenditure of ₹ 119.77 crore under Rural Works Department.

(Paragraph 5.2.3)

Due to irregular award of contracts worth ₹ 232.79 crore to an ineligible contractor, the objective of providing uncontaminated drinking water to the rural population as envisaged under the scheme, remained unachieved under Public Health Engineer Department.

(Paragraph 5.2.4)

The failure of department in processing the tender document transparently resulted in irregular award of the contract of ₹ 157.59 crore to an ineligible joint venture agency under Public Health Engineer Department.

(Paragraph 5.2.5)

Irregular purchase of medicines and equipment in violation of State Health Society's prescribed procedures resulted in excess payment of ₹ 1.33 crore under Health Department.

(Paragraph 5.2.6)

The department, without verifying the veracity of place of upliftment of earth, irregularly sanctioned extra-lift leads in the revised estimate of a work leading to excess differential payment of ₹ 1.19 crore and undue favour to the contractor under Road Construction Department.

(Paragraph 5.2.7)

In Water Resources Department, initiation of a work without prior land acquisition and midway stoppage resulted in unfruitful expenditure of ₹ 80.66 lakh on incomplete works, besides denial of intended benefits to the targeted beneficiaries as envisaged under the scheme.

(Paragraph 5.2.8)

1.5.4.3 Irregular/avoidable/unjustified expenditure

An expenditure is deemed as irregular if there is a deviation, willful or otherwise, from the rules and norms prescribed by the competent authority

while incurring the same. This indicates lack of effective monitoring which may encourage willful deviations from observance of rules/regulations leading to avoidable/unjustified expenditure. A few cases of such irregularities involving ₹ 172.53 crore are highlighted below:

Due to improper monitoring and lackadaisical attitude of the department an avoidable expenditure of ₹ 30.59 crore was incurred on delayed construction of Anganwadi Centre buildings under Social Welfare Department.

(Paragraph 5.3.1)

Violation of the Central Vigilance Commission guidelines and general conditions of contracts has led to irregular payment of mobilisation advance of ₹ 31.91 crore and machinery advance of ₹ 35.42 crore to private contractors under Rural Works Department.

(Paragraph 5.3.2)

The non-adjustment of advances of ₹ 8.20 crore lying with Gram Panchayats and reluctance of Gram Panchayat representative to furnish utilisation certificates was indicative of probable misappropriation of Government money, besides non-achievement of objectives of Swajaldhara scheme and Total Sanitation Campaign under Public Health Engineer Department.

(Paragraph 5.3.3)

In violation of the codal provision as well as agreement clause, mobilisation advance of ₹ 33.18 crore were given to the executing agencies after a delay of five to eight months after its sanction, thereby defeating the very purpose of advance intended for and resulting in undue financial aid to the agencies under Public Health Engineer Department.

(Paragraph 5.3.4)

Non-adherence of codal provisions and departmental order led to irregular payment of ₹ 75.95 lakh under Rural Development Department.

(Paragraph 5.3.5)

Failure of internal control mechanism in the State Health Society (SHS) coupled with non adherence of terms and conditions prescribed in the drug-rate-contract of the SHS led to purchase and distribution of medicines worth ₹ 25.07 crore among the patients without quality test report under Health Department.

(Paragraph 5.3.6)

Machines/equipment of ₹ 4.41 crore were not put to use for the benefit of patients and kept idle due to non-availability of required chemicals/reagent and specialist doctors under Health Department.

(Paragraph 5.3.7)

Due to imprudent decision of initiating a work without conducting Physical Model Test, proper survey and studies before commencement of work the Government incurred an avoidable loss of ₹ 2.99 crore under Water Resources Department.

(Paragraph 5.3.8)

1.5.4.4 Failure of oversight/governance

The Government has an obligation to improve the quality of life of the people for which it works towards fulfilment of certain goals in the areas of health,

education, development and upgradation of infrastructure *etc.* Audit, however, noticed instances where funds released by Government for creating public assets for the benefit of the community aggregating ₹ 922.23 crore remained unutilised/blocked for six years and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and lack of concerted action at various levels as mentioned below:

Owing to injudicious withdrawal of ₹ 921.32 crore without proper planning and implementation arrangement the funds destined for intended purposes kept shuttling in the bank accounts of implementing agencies at the cost of health care facilities to the rural populace under Health Department.

(Paragraph 5.4.1)

Due to lack of planning, coordination and monitoring by the State Health Society Bihar, the Special Newborn Care Units (SNCU) in the earmarked districts could not be commissioned and the equipment worth ₹ 90.57 lakh purchased for the same remained idle depriving the targetted people of SNCU facilities under Health Department.

(Paragraph 5.4.2)

1.6 Recoveries at the instance of Audit

During 2011-12 an amount of ₹ 146.83 lakh⁸ was recovered from 10 units at the instance of audit.

1.7 Lack of responsiveness of the Government to Audit

1.7.1 *Insufficient response of the Government to Audit*

The Principal Accountant General (PAG) (Audit), Bihar conducts periodical inspections of Government departments to check the transactions and verify the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed by the issuance of Inspection Reports (IRs). The heads of offices and the next higher authorities are required to comply with the observations contained in the IRs, rectify the defects promptly and report their compliance to the Audit Department.

However, a review of IRs issued during the period 2005-06 to 2011-12 relating to 36 departments revealed that 29830 paragraphs relating to 5300 IRs remained outstanding at the end of October 2012 as shown in the **Table no. 1.**

Table no. 1

Outstanding IRs/Paragraphs

Outstanding IRs/Paragraphs for the year								
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	Total
IRs	696	810	766	980	1005	847	196	5300
Paragraphs	3870	4938	4204	5551	5609	4368	1290	29830

The year-wise and department-wise breakup of outstanding IRs and paragraphs is mentioned in **Appendix 1.1**

⁸ ₹ 17.06 lakh (RCD, Purnia) + ₹ 25.72 lakh (RCD, Bettiah) + ₹ 22.00 lakh (RCD, Nawada), + ₹ 9.19 lakh (RCD, Chapara) + ₹ 0.09 lakh (Finance Dept. Patna) + ₹ 0.35 lakh (BDO, Triveniganj) + ₹ 1.00 lakh (BDO, Basantpur) + ₹ 71.05 lakh (BDO, Chatapur) + ₹ 0.22 lakh (ITI, Sitamadhi), + ₹ 0.15 lakh (PHC, Gwalpara, Madhepura)

The pendency of such large numbers of IRs/paragraphs indicates lack of responsiveness of the Government departments towards audit observations.

1.7.2 Non-submission of Explanatory (Action Taken) Notes

The Manual of Instructions (1998) of the Finance Department, Government of Bihar envisaged that the Secretaries to Government of the concerned departments submit explanatory notes to the Assembly Secretariat on audit paras and reviews included in Audit Reports (AR). Such notes were required to be submitted after vetting in audit within two months from the date of presentation of the ARs to the State legislature without waiting for any notice or call from the Public Account Committee (PAC). They were also required to indicate therein, the circumstances and reasons for occurrence of such irregularities and deviations from the prescribed norms and the action proposed to be taken to make good the losses and to prevent recurrence of such instances.

Further, Regulation 213 of the Regulations on Audit and Accounts (November 2007) envisaged that the Union, the States and the Union Territories having legislative assemblies, where legislative committees were functioning or where the Government desires the Comptroller and Auditor General to vet the Action Taken Notes (ATN), the concerned Secretaries to Government should send two copies of the draft self-explanatory ATN to the PAG (Audit) for vetting along with the relevant files and documents, properly referenced and linked. This was to be done within such period of time as might be decided for submission of the self-explanatory ATNs prescribed by the PAC.

It was noticed that as of October 2012, 16 departments had not submitted the ATN in respect of five review and 39 paragraphs pertaining to the years 2002-2011 (*Appendix 1.2*).

1.7.3 Follow up action on earlier Audit Reports

Regulation 212 and 213 of the Regulations on Audit and Accounts envisage the settlement of paragraphs featured in the Audit Reports of the Comptroller and Auditor General of India. Departments were required to furnish ATNs to the PAC within two months from the date of the recommendations made by the PAC in their reports.

Review of the outstanding ATNs on the paragraphs included in the earlier Reports of the Comptroller and Auditor General of India for the Government of Bihar revealed that the ATNs in respect of the PAC Reports pertaining to the period from November 2002 to October 2012, in respect of 408 paragraphs involving 30 departments remained outstanding as of October 2012 (*Appendix 1.3*).

CHAPTER -II
PERFORMANCE AUDIT

CHAPTER - II
PERFORMANCE AUDIT
WATER RESOURCES DEPARTMENT

2.1 Implementation of Flood Control Measures in Bihar

Executive Summary

Introduction

Bihar is one of the most flood-prone States in India, with 73 per cent of the geographical area under the threat of recurring flood. Most of the rivers enter in north Bihar through Himalayan range of Nepal and heavy rainfall in catchment area of Nepal side as well as carry of heavy silt by the river cause rise in the river-bed-levels and ultimately result into recurrent flood in Bihar affecting human lives, livestock and assets.

(Paragraph 2.1.1)

Planning

Bihar is situated on the basin of river Ganga. For Ganga basin, Government of India (GOI) set up (April 1972) Ganga Flood Control Commission (GFCC) to prepare comprehensive plans for flood management and to monitor the execution of important flood control schemes particularly those executed under central assistance. However under long term plan, Water Resources Department (the department) neither enacted flood plain zoning bill (FPZB) nor set up flood forecasting unit at field levels, though recommended by GFCC (2004) as non-structural measures. Besides, as structural measures neither the DPR for construction of dams nor work for intra-linking of rivers or creation of detention basin was completed by the department as envisaged by GFCC in comprehensive plan for Bihar during 1986 to 2005.

(Paragraph 2.1.6.1)

Financial Management

The department implemented flood control measures works through the funds made available under State Plan, NABARD, Flood Management Programme in the ratio of 75:25 by GOI and State Government respectively and Central Plan (fully financed by Government of India) for the Kosi river in Nepal portion. However, during 2007-12, the department failed to utilize 11 to 44 per cent of the available funds mainly due to delayed/non sanctioning of schemes, delay in land acquisition, hindrance by local people and non-passing of bills by the treasuries. Each year department used to surrender the funds on the last day of the financial year and a total of ₹ 1098.18 crore were surrendered to Finance department. Further in violation of financial rules the department made 30 allotments for ₹ 47.47 crore to the divisions on the last days of financial year during 2007-12.

(Paragraph 2.1.7)

Implementation of Flood Protection Schemes

During 2007-12, department executed only short term measures like anti-erosion (AE) works, raising and strengthening of existing embankments, construction of new embankments and restoration of zamindari bandhs etc. Besides, the department also executed flood-fighting works during every

flood season. However, scrutiny of flood protection schemes revealed that the contract management of the department was deficient as was evident from the cases of less publicity of tender, allotment of work to ineligible contractor, loss to the Government owing to undue favour to a particular contractor as noticed in 16 test checked divisions and loss of ₹ 103 crore due to non availing of the benefit of competitive bidding in execution of Bagmati extension scheme. Besides, there were other deficiencies viz. non adherence of flood calendar (44 per cent) delays in execution of agreements and execution of works during flood period in disregard of codal provisions apart from infructuous expenditure (₹ 68.50 crore in four test-checked divisions), excess payment (₹ 6.25 crore in two test-checked divisions) and unfruitful expenditure (₹ 20.21 crore) While the infructuous expenditure was mainly due to non-abiding of recommendations of technical expert team and delayed/incomplete execution of anti-erosion works, the excess expenditure occurred due to payment at higher rates. Unfruitful expenditure resulted due to abandoning, closure/postponement of zamindari bandh in two test-checked divisions. Further, the department could increase only 61.47 km of embankment (4 per cent) against target of 1535 km as envisaged in eleventh five year plan period (2007-12).

(Paragraphs 2.1.8.2&2.1.9)

Manpower Management

There were shortage of key cutting-edge manpower in the department as vacancies in the post of Assistant Engineer and Junior Engineer were 27 and 39 per cent respectively whereas 84 and 81 per cent posts of Bandh Khalasi and Work Sarkar respectively were vacant in the 16 test checked divisions.

(Paragraph 2.1.10)

Conclusion

Despite increase in plan allocations after 2008, the department did not execute long term plans, ignored the enactment of Flood Plain Zoning Bill in State and relied solely on short term measures. While the financial management was ineffective and was marred by under utilization (11 to 44 per cent) of available fund due to delayed/non sanctioning of schemes, delay in land acquisition and non-passing of bills by the treasury during 2007-12, the implementation of short term measures was also studded with deficiencies like irregular award of contract, non-adherence of flood calendar, infructuous expenditure, excess payment, loss to the Government etc. The implementation of flood control measures was further affected by shortage of key-cutting edge manpower in the department. Besides, the department could construct only 61.47 km embankment against the target of 1535 km fixed in 11th plan. Further, the State had to suffer substantial losses due to flood during 2007-12 though a large amount on flood relief had been spent during the period. Hence, the reliance on ineffective short term measures by the department could not provide solution to the recurring flood as well as its devastations in the State.

(Paragraph 2.1.13)

Recommendations

The department should evolve and adopt a rational flood management programme for the State by including a judicious mix of implementation of structural and non structural measures. The structural measures should have

an appropriate combination of short-term measures like embankments and long-term sustainable measures like reservoirs with adequate provision of flood cushion and natural detention basins. Under non-structural measures, enactment of flood plains zoning bill, evolving of flood forecasting and warning system, disaster preparedness and response planning, etc should be implemented. The timely completion of schemes should be strictly ensured through effective monitoring coupled with immediate deployment of key working staff at the optimum level.

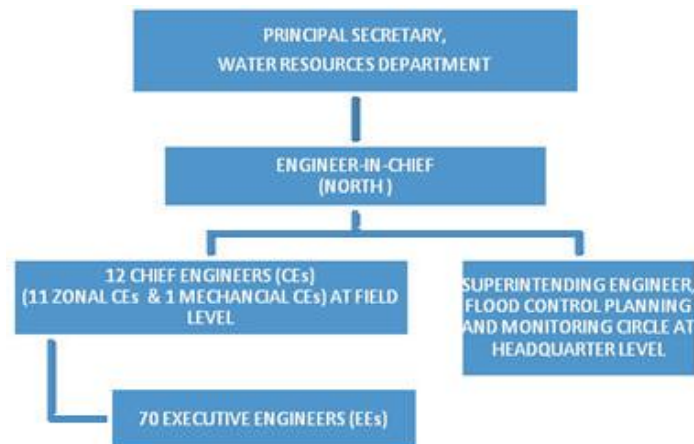
(Paragraph 2.1.14)

2.1.1 Introduction

Bihar is one of the most flood-prone States in India with 73 per cent of the geographical area (i.e.68.80 lakh hectare out of total geographical area of 94.16 lakh hectare) of Bihar is under the threat of every year flood. Moreover, 16.5 per cent of the total flood affected area in India is located in Bihar. Floods in Bihar are a recurring disaster, which destroys not only human lives but also livestock and assets. Most of the rivers¹ enter in north Bihar through Himalayan range of Nepal and heavy rainfall in catchment area of Nepal side as well as carry of heavy silt by the river, causes rise in the river-bed-levels and ultimately results into recurrent flood in Bihar.

2.1.2 Organisational set-up

Following is the organogram of Water Resource Department relating to implementation of flood control measures:



The Principal Secretary, Water Resources Department (WRD) of the State Government has the overall responsibility for implementation of flood control measures for mitigating flood hazards of the State. He is assisted by Engineer-in-Chief (North), Superintending Engineer of Flood Control Planning and Monitoring Circle (FCPMC) at Secretariat level and 12 Chief Engineers (11 Zonal Chief Engineers and one Mechanical Chief Engineer), 31 Superintending Engineers and 70 Executive Engineers in the field formations.

¹ Bagmati, Gandak, Ghagra, Kamla Balan, Kosi etc.

Besides, the department has three committees² for providing technical recommendations and a Scheme Review Committee (SRC) to provide assistance regarding technical and financial aspects for finalization of works to be executed every year.

2.1.3 Audit objectives

The audit objectives were to assess whether:

- The government of Bihar has made comprehensive long term plan, medium term and short term annual plan to combat the menace of recurrent floods and plans were implemented effectively;
- fund/ budgetary support made available was adequate to the requirement and was utilised effectively efficiently; and
- formulation of projects/schemes to prevent and control floods were effective and need based, economical efficient ;
- adequate manpower was made available for preventing and controlling floods in Bihar;
- the impact of flood control measures was effective in minimizing the damage to life and property during the period and
- monitoring and control system was adequate and effective.

2.1.4 Audit criteria

The provisions of the following were used as criteria to arrive the performance audit and conclusion:

- Flood Management Rules, 2003 of the State Government;
- Guidelines on Flood Management Programme (FMP) issued by Government of India;
- Bihar Public Works Accounts Code (BPWAC) and Bihar Public Works Department Code (BPWDC) ;
- Budget estimates and
- Terms and conditions relating to release of fund and award of works.

2.1.5 Scope of audit and methodology

Records of Engineer-in-Chief (North) and SE, Flood Control Planning and Monitoring Circle at Secretariat, three CE³ (out of 12), six SEs⁴ (out of 31)

² *Gandak High Level Committee (GHLC) for recommending flood control measures to be executed on Gandak river, Kosi High Level Committee (KHLC) for same on Kosi river and for remaining rivers State Technical Advisory Committee (STAC).*

³ *Bhagalpur, Birpur and Muzaffarpur*

⁴ *Barrage Circle, Birpur, Irrigation Circle, Bhagalpur, Head Works Circle, Sitamarhi, Flood Control Circle, Darbhanga, Flood Control Circle, Gopalganj and Mahananda Flood Control Circle, Katihar*

and 16 Divisional Offices⁵ (out of 70) alongwith their sub-divisional offices in the divisions for the period 2007-12 were test-checked during April to August 2012 and further in October 2012. The test-check divisions are selected by using Probability Proportional to Size with Replacement (PPSWR) method for random samplings. Audit methodology included examination of records, issuance of questionnaire, consideration of reply of the department to the audit memos issued etc. In order to explain the objectives of audit, its methodology, scope, coverage, focus and to elicit the departmental views, an entry conference was held in April 2012 with the Principal Secretary of the department. The exit conference held with Principal Secretary, WRD on 1 February 2013 wherein government views/ replies were obtained and incorporated at appropriate places.

Audit findings

2.1.6 Planning

Flood Management Information System



Bihar lies in the Ganga basin as rivers flow through Bihar ultimately meet with the Ganga River. For Ganga basin, Government of India (GOI) set up (April 1972) Ganga Flood Control Commission (GFCC) to prepare comprehensive plans for flood management and to monitor the execution of important flood control schemes particularly those executed under central assistance. Scrutiny of comprehensive plans and recommendations as suggested by GFCC revealed that two types of flood control measures i.e. long term and short term measures were recommended to be carried out for each river.

⁵ Flood Control Division-1, Jhunjharpur; Bagmati Division, Runnisaipur; Flood Control Division, Thakraha at Gopalganj, Champaran Division, Motihari, Flood Control Division, Katihar; East Embankment Division, Birpur; East Embankment Division, Supaul, Waterways Division, Biharsharif; Flood Control Division, Naugachia, Waterways Division, Jehanabad and Irrigation Mechanical Division, Birpur; Head Works Division, Birpur; West Embankment Division, Kunauli, East Sone High Level Canal Division, Tekari, Flood Control Division-2, Ara and Flood Control Division – 2, Khagaria

2.1.6.1 Long term measures

Long term measures comprising of non-structural and structural measures were required to be carried out by the department as per the recommendations of the GFCC. The details of recommendations of the GFCC and action taken by the department under non-structural and structural measures are discussed in succeeding paragraphs.

● Non-structural measures

The department failed to enact flood plain zoning bill.

Under non-structural measures, GFCC recommended (2004) to enact Flood Plain Zoning Bill (FPZB)⁶ in all the river system and regulate the developmental activities with the help of flood management maps. Further, the Government was required to set up its own flood-forecasting unit in the uncovered areas and the feasibility of opening a couple of flood forecasting sites in the Nepal territory were also to be explored, so that longer time lag is available for taking required measures to face the oncoming floods.

Scrutiny disclosed that the department had not enacted (August 2012) FPZB in any of the river system. It was further observed that in all the 16 test-checked divisions, flood-forecasting units were not established (November 2012) at field level. The department justified (November 2012) the non-enactment of the bill as impracticable and hindrance in the pace of development of the State. The reply was not in conformity with the recommendations of the GFCC. Besides, of 16 test-checked divisions, in five divisions⁷, the developmental activities like raising & strengthening and construction of new embankments as well as anti-erosion works were hampered due to non enactment of FPZB. Thus, due to non-enactment of FPZB, development activities actually suffered and the reasons given by department for non enactment of FPZB were not the true reasons.

● Structural measures

GFCC recommended construction of dams with flood cushion across the rivers, intra-linking of rivers and construction of detention basins etc. under structural measures of long terms plan for mitigating flood hazards in the State.

Construction of dams

Dams were not constructed though recommended by GFCC since 1986.

To reduce the deposition of silt in river and regulate water flow, GFCC in its comprehensive plan recommended construction of following dams with flood cushion:

- (i) A dam on Barah Kshetra as well as on the tributaries of the river Kosi (1986).
- (ii) A reservoir with adequate flood cushion at Noonthore in Nepal (1991) on the Bagmati river,
- (iii) Three dams in Nepal (2004) on the river Gandak, and

⁶ Discouraging creation of valuable assets/settlement of the people in the areas subject to frequent flooding i.e. enforcing flood plain zoning regulation.

⁷ Flood Control Division No.1, Jhanjharpur; Bagmati Division, Runnisaipur; Flood Control Division, Thakraha at Gopalganj; Flood Control Division, Katihar; Champaran Division, Motihari

- (iv) A multipurpose reservoir at Chisapani in Nepal (2005) on the river Kamla Balan.

However, the department had not prepared even the Detail Project Report (DPR) of above proposed dams. In reply, the department stated (November 2012) that high dams are to be constructed in Nepal territory and it can only be sorted out at the level of Sovereign State. It was, however, stated that a Joint Project Office, Biratnagar (Nepal) was established in 2004 to study the feasibility of proposals of dam on Bagmati, Kamala Balan and Kosi river and the DPR of dam on Barah Kshetra was expected to be prepared by February 2013. Reply was not sufficient as the long term measures to prevent the flood hazards remained un-addressed.

Intra-linking of rivers

DPR for intra-linking of river was not prepared

Intra-linking of rivers was also envisaged in the comprehensive plans of the GFCC. Besides, National Perspective Plan of intra-linking of rivers to transfer water from surplus basin to water deficit basin, 15 intra-linking schemes for the link canals directly related to this State, were identified (May 2006) for preparation of DPR. Of 15 schemes, four⁸ were exclusively identified for flood sector as flood mitigation schemes. The preparation of DPRs for these schemes entrusted to National Water Development Agency (NWDA) in May 2006 (*Appendix-2.1.1*). Out of four intra-linking scheme, DPR for three⁹ schemes was to be completed upto December 2012. However, the department had intimated (September 2012) that the preparation of DPRs of three river intra-linking scheme was under preparation and likely to be completed by December 2013 and Preliminary Project Report (PPR) for remaining one intra-linking scheme has been submitted to Central Water Commission (CWC) by NWDA. It was further observed that neither allotment nor budget provision were formulated by the department for execution of above mentioned work upto 2010-11. Besides, budget provision amounting to ₹ 83.25 crore meant for Burhi Gandak-Noone-Baya-Ganga river link during 2011-12 was surrendered (August 2011: ₹ 80.00 crore and March 2012: ₹ 3.25 crore) due to the fund remaining unspent during the period.

In reply, the department stated (November 2012) that NWDA, a brain child of Government of India (GOI), was mandated for preparation of DPR for intra-linking of rivers. Hence, non-preparation of DPRs was failure in the part of GOI. The reply was not acceptable as State Government even not formulated budget for same upto 2010-11. Besides, the entire fund made available by the Government for preparation of DPR for one river was surrendered by the department during 2011-12.

⁸ *Kohra-Chnadravat Link (Burhi Gangak-Gandak), Burhi Gandak-None-Baya Ganga Link, Kosi – Ganga Link and Bagmati-Burhi Gandak link through Belwadhar*

⁹ *Kohra-Chnadravat Link (Burhi Gangak-Gandak), Burhi Gandak-None-Baya Ganga Link, Kosi – Ganga Link*

Detention Basins

The department had neither identified the sites nor released funds to any division for creation of detention basins.

Detention basins are usually formed by utilising natural depressions/swamps and lakes by improving their water retention and storage capacity by constructing encircling embankments and providing suitable devices for regulating the release of stored water. GFCC, in its recommendations, advised the use of natural detention basin in Mokamah Tal as a major flood detention basin in main Ganga stem river system. Accordingly, the department was to identify suitable sites in other rivers for creation of detention basins to store floodwater, which would help in flood moderation.

This measure was also not implemented by the department as they had neither identified the sites nor released funds to any division for creation of detention basins during 2007-12. In reply, the Government intimated (August 2012) that DPRs of detention basins was under evaluation and would be prepared by December 2012. However, no further progress in this regard had been received from the Government (February 2013).

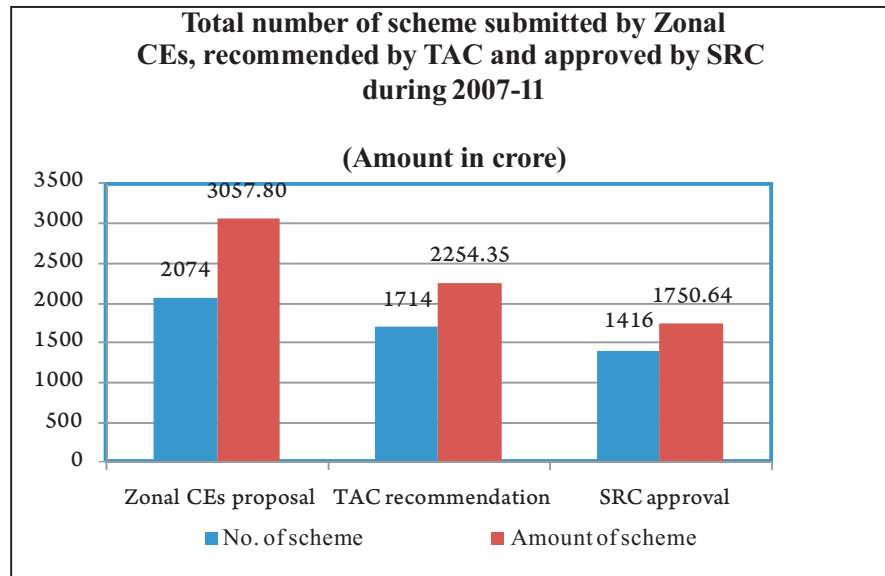
2.1.6.2 Short-term measures

Under short-term measures, GFCC recommended to construct new embankments at un-embanked portion of rivers and maintain the existing embankments by executing various anti-erosion works¹⁰ to safeguard the embankments from erosion. According to the Flood Management Rules, 2003, Zonal Chief Engineers (CEs) were to prepare schemes of anti-erosion works as per actual assessment i.e. based on previous year flood scenario and place the proposals before Technical Advisory Committee (TAC) for their recommendations. Thereafter, the Scheme Review Committee (SRC) was to prioritise and select the most essential scheme, within the fund available, amongst the recommendations of the TAC. The details of total works proposed by CEs, recommended by TAC and finally approved by SRC for the period before flood 2007 to 2011¹¹ (except for 2008 as it was not available in the department) are indicated in **Chart no.1**.

¹⁰ *Raising and strengthening of embankment, Construction of spurs/ studs/ revetment etc.*

¹¹ *Works of "before flood 2007" executed during 2007 -08 similarly, works of before flood 2011" executed during 2011 -12.*

Chart No. 1



(Source: Reports of SRC)

SRC curtailed 32 per cent of Zonal CEs proposal of flood protection schemes.

From **Chart no.1**, it was evident that 2074 schemes amounting to ₹ 3057.80 crore were submitted to TAC by Zonal CEs for execution of flood control works before flood during 2007-2011 (except 2008). Of which TAC recommended 1714 works for ₹ 2254.35 crore and finally 1416 works costing ₹ 1750.64 crore were approved by SRC. The reduction of number of flood protection works by SRC against proposals of Zonal CEs was 32 per cent, while, curtailment in amount was 43 per cent. Reason for curtailment/deletion of schemes was not mentioned either by TAC or SRC.

In reply, the department stated (November 2012) that SRC prioritizes the execution of schemes on the basis of budgetary allocation for that particular financial year. The reply was not acceptable because as per para 4.9.3 of Flood Management Rules, 2003, schemes were prepared on the basis of recommendations of anti-erosion committee consisting of concerned CE, one another CE and one SE from headquarter level after proper site verification and there was consistent savings against provision of funds during the period. Hence, decision for sanctioning of the schemes by SRC was not justified.

2.1.7 Financial Management

The department implemented flood control measures works (Head 4711) through the funds made available under State Plan, NABARD, Flood Management Programme (FMP) in the ratio of 75:25 by GOI and State Government respectively and Central Plan (fully financed by Government of India) for the Kosi river in Nepal portion.

2.1.7.1 Works expenditure (Plan head - 4711)

Based on the budget provision, allotment of funds for implementation of works, expenditure incurred and savings occurred under this head during 2007-12 as provided by WRD are indicated in **Table no. 1**.

Table no. 1
Budget provision, expenditure, surrender and lapse of fund under Plan head
(₹ in crore)

Year	Budget provision	Allotment	Expenditure	Savings		Total savings (percentage)
				Surrender	Lapse	
2007-08	399.42	232.71	221.97	10.74	166.71	177.45 (44)
2008-09	900.71	613.35	539.18	361.52	0.01	361.53 (40)
2009-10	1124.14	895.15	758.98	365.16	0	365.16 (32)
2010-11	931.51	745.16	705.47	226.04	0	226.04 (24)
2011-12	1271.39	1136.67	1136.67	134.72	0	134.72 (11)
Total	4627.17	3623.04	3362.27	1098.18	166.72	1264.90 (27)

(Source: As furnished by department)

As evident from the **table no.1**, total savings of the department ranged from 11 to 44 *per cent* against the budget provision and ₹ 166.72 crore was allowed to lapse during 2007-12. Delay/non-sanctioning of schemes, delay in land acquisition, hindrance by local people and non-passing of bills by treasuries were the main reasons of savings. Further, the allotment of funds and expenditure incurred by 16 test checked divisions are given in the **Table no.-2**.

Table no. 2
Allotment, expenditure and savings in test-checked divisions (₹ in crore)

Year	Allotment	Expenditure	Savings		Total savings
			Surrender	Lapse	
2007-08	124.66	114.46	9.91	0.29	10.20 (8)
2008-09	162.27	157.15	5.12	0.00	5.12 (3)
2009-10	489.50	401.57	87.93	0.00	87.93 (18)
2010-11	414.93	366.26	48.67	0.00	48.67 (12)
2011-12	632.87	542.95	87.05	2.87	89.92 (14)
Total	1824.23	1582.39	238.68	3.16	241.84 (13)

(Source: As furnished by test-checked divisions)

The deficiencies noticed in financial management in the department as well as in the test-checked divisions are discussed in the following paragraphs:

● ***Surrender of fund on last day of financial year and deficient surrender reporting***

In contravention of Bihar Budget Manual, the department surrendered the savings to Finance Department on the last day of financial year during 2007-12.

Bihar Budget Manual, Rule - 112 stipulates, "All anticipated savings should be surrendered to the Government immediately as soon as they are foreseen without waiting till the end of the year, unless they are required to meet excesses under some other unit or units which are definitely foreseen at the time. No savings should be held in reserve for possible future excesses."

Audit scrutiny of allotment letters, surrender reports of the department for the period 2007-12 revealed that the department had been surrendering the savings to Finance Department on the last day of every financial year in contravention of above stated rules. It was further observed that the department allotted ₹ 1136.67 crore to divisions in 2011-12 and showed entire amount as spent in surrender report. However, scrutiny of records disclosed that the test checked divisions surrendered ₹ 87 crore and allowed to lapse ₹ 2.87 crore during 2011-12. Thus, the surrender report of the department pertaining to 2011-12 was incorrect and needed to be investigated and the responsibility fixed for such misleading report.

In reply, the department justified (February 2013) its act by stating March of any year was a month of full working season and expenditure was to be incurred even on the last day of the month. Reply was in contravention of rules of aforesaid budget manual as the department was expected to anticipate saving unless specific rules are revised.

● **Delayed allotment of fund**

The department allotted fund to divisions in the month of March during 2007-12 in contravention of Bihar Financial rules.

Rule 472 of Bihar Financial Rules vol. I prescribes that “the head of each department will be responsible for controlling expenditure from the grant or grants at his disposal, and will exercise his control through the controlling officers, if any, and disbursing officers subordinate to him. Further, Finance department had issued (January 2007) direction to all the head of departments to ensure the release of sanction and allotment orders by the month of January. Scrutiny of records disclosed that in disregard of afore-said rule and orders, WRD released total 388 number of allotments during 2007-12 amounting ₹ 549.10 crore in the month of March, out of which 30 allotment letters amounting ₹ 47.47 crore were released on the last day of financial year (*Appendix-2.1.2*).

In reply, the department stated (February 2013) that the main working season of this department is from October to June of next year and the month of March in any year was a month of full working season. Hence, to facilitate the maximum utilization of available funds and to avoid the occurrence of liabilities, delayed allotment took place. Reply was not acceptable as the department was responsible for adhering to the prescribed financial rules unless it is amended by competent authority for particular department. By timely issue of allotment orders and judicious financial management, the problem of fund crunch in March could be overcome.

2.1.7.2 Expenditure on establishment

Establishment expenditure against works expenditure of department ranged between 18 and 40 per cent during 2007-12 in contravention of BPWD code.

According to Bihar Public Works Departmental (BPWD) Code Rule 212, clarified in Bihar Public Works Account (BPWA) Code rule 5 of Appendix 4, expenditure on establishment of a works department should not exceed 12 per cent of works expenditure. The Budget provision, allotment, expenditure and savings on establishment (under non-plan heads 2711-01-001-0003) during 2007-12 were indicated in **Table no. 3**.

Table no. 3

Budget provision, allotment, expenditure and savings on establishment

(₹ in crore)

Year	Budget provision	Allotment	Expenditure	Savings			Percentage of establishment expenditure over plan expenditure ¹²
				Surrender	Lapse	Total savings	
2007-08	104.47	95.46	89.83	11.78	2.86	14.64 (14)	40
2008-09	131.82	127.74	121.67	7.25	2.90	10.15 (8)	23
2009-10	180.47	141.90	132.82	47.64	0.01	47.65 (26)	17
2010-11	159.82	139.94	124.78	29.08	5.96	35.04 (22)	18
2011-12	150.62	141.66	133.00	17.55	0.07	17.62 (12)	12
Total	727.20	646.70	602.10	113.30	11.80	125.10 (17)	18

(Source: As furnished by department)

¹² Plan expenditure : 2007-08 : ₹ 221.97 crore, 2008-09 : ₹ 539.18 crore, 2009-10 : ₹ 758.98 crore, 2010-11 : ₹ 705.47 crore, 2011-12 : ₹ 1136.67 crore

From above table, it was evident that savings against budget provision of the department ranged from eight to 26 *per cent*. Besides, the establishment expenditure against works expenditure of department ranged between 18 and 40 *per cent* during 2007-11 for which no clarification had been made by the department (February 2013). However, establishment expenditure during 2011-12 was within the prescribed norms.

2.1.8 Implementation of flood protection schemes

During 2007-12, department executed only short term measures like anti-erosion (AE) works, raising and strengthening of existing embankments, construction of new embankments and restoration of zamindari bandhs¹³ etc. Besides, the department also executed flood-fighting works during every flood season.

In 16 test-checked divisions, total 3881 nos. of agreement valuing ₹ 1263.13 crore were executed during 2007-12. Out of these, 138 works of flood protection schemes valuing ₹ 812.96 crore were examined. Audit observations on execution of above works discussed in succeeding paragraphs.

2.1.8.1 Contract Management

Department executed the flood control works by engaging contractors through open competitive bidding system. In this context, rules of BPWDC, clauses of Standard Bidding Documents (SBD) and different circulars of Government were applicable in respect of selection of suitable contractor for executing the works economically and efficiently. Government constituted tender committees at the department level and prescribed competency to accept tender at every level. Scrutiny of tender documents in 16 test checked divisions revealed violation of prescribed rules and clauses in award of contract as discussed in succeeding paragraphs.

● Limited publicity of NIT

BPWDC Rule 159 (iv) specified that normally 10 days time from the date of publishing of tender in paper/internet was to be provided to bidder for submission of tender documents in emergency.

Audit noticed that in six agreements¹⁴ of AE works, only two to six days time was provided for submission of tender documents from the date of publishing of Notice Inviting Tenders (NITs) in newspapers. As a result, only two to three bidders participated in each work. Thus, the purpose of providing wide publicity to attain competitive bidding could not be achieved.

In reply, the department stated (February 2013) that in Champaran Division, Motihari, it was a case of retender and in Head Works Division, Birpur also the tender was published one week before the date of sale of tender in public

The purpose for providing wide publicity to attain competitive bidding could not be achieved.

¹³ During pre-independence period the then Zamindars of locality constructed bandhs to protect villages residing nearby banks of river.

¹⁴ Head Works Division, Birpur : 2, 3, 4 SBD/ 2008-09 : Date of publication of NIT : 19.2.2009 and last date of submission of bid : 21.02.2009
Champaran Division, Motihari : 3, 4, 5 SBD/ 2011 -12 : Date of publication of NIT : 13.4.2011 and last date of submission of bid : 19.4.2011

interest. Reply was not acceptable as even in emergency, minimum ten days was to be provided to bidder for submission of bid documents as per *ibid* rules. Moreover, in the absence of enough bidders due to less time available for submission of tender document the department was deprived of competitive rates.

● ***Allotment of work to ineligible contractor***

The conditions of SBD were not adhered to, in finalisation of tender and work amounting ₹ 498.53 crore was awarded to ineligible contractors, which amounted to undue favour to them.

The conditions of SBD were required to be adhered to while awarding the contract. The conditions included nine¹⁵ compulsory requirements and four¹⁶ other compulsory requirements for qualifying in technical bid under SBD. No opportunity for clarification and modification was to be given to a bidder who did not fulfill the compulsory requirement. It was also specified that if a bidder participated as joint venture, then all the partners of the firm would have to fulfill all criteria/condition individually of technical bid. Further, Para 4.7 of Standard Bidding Documents (SBD) Section 1 : Instructions to Bidders (ITB) stipulates that bidders who meet the minimum qualification criteria will be qualified only if their available bid capacity is more than the total bid value. Besides, para 28.1 *ibid* of “F-Award of contract” also prescribed that in no case, the contract shall be awarded to any bidder whose available bid capacity is less than the evaluated bid price, even if the said bid is the lowest evaluated bid.

In course of test check of records, the following cases of violation of contract conditions while awarding the contracts were noticed:

- In 13 cases, works for ₹ 124.97 crore was awarded to contractors who did not meet one or more than one compulsory requirements such as experience of similar work executed, availability of required key plants & equipment, bid capacity and financial turnover as well as other compulsory requirements as indicated in ***Appendix-2.1.3***.
- In two cases¹⁷, works for ₹ 123.80 crore were awarded (August 2009 & April 2010) to a debarred private contractor (M/s JKM Infra Project Pvt. Ltd. New Delhi).
- In one case¹⁸, work for ₹ 7.72 crore was awarded to a private contractor (M/s Nalanda Tubewell Boring Works (P) Ltd, Patna) who submitted false representation regarding submission of bid against other work and having record of poor performance.
- In one case¹⁹, work for ₹ 238.59 crore was awarded to a Joint Venture Company (M/s NCCL-Bashishtha, Hyderabad) one of whose partners did not possess registration, labour license and sales tax clearance.

¹⁵ *Registration, Earnest money, Sales tax clearance, Labour license, Turnover, experience of similar work executed, key plant and equipment, technical person and a affidavit made by contractor.*

¹⁶ *Experience in terms of quantity, Bid capacity, Programme of construction and power of attorney*

¹⁷ *West Embankment Division, Kunauli at Birpur : ₹ 117.35 crore (1SBD/2009-10), Flood Control Division, Katihar : ₹ 6.45 crore (1SBD/2010-11)*

¹⁸ *Flood Control Division, Katihar : ₹ 7.72 crore (4SBD/2011-12)*

¹⁹ *Eastern Embankment Division, Supaul : ₹ 238.59 crore (1SBD/2009-10)*

Further, none of the partners had enclosed the proof of ownership/lease of key plant and equipment.

- In one case²⁰, work for ₹ 3.45 crore was awarded to a private contractor (M/s Kamaladitya Construction (P) Ltd, Bokaro) who submitted documents of other company.

Thus, from the above it was evident that the conditions of SBD were not adhered to in finalisation of tender and work amounting ₹ 498.53 crore was awarded to ineligible private contractors.

In reply, the department stated (February 2013) that conditions of SBD had been followed while awarding the contract. The reply was contrary to facts as the illustrated examples also included violation of SBD clauses. However, Government accepted (February 2013) that the department relied on the statements submitted by the contractors while evaluating the tender documents and a management information system of contractors and works needed to be developed in the department.

- ***Loss to the Government due to undue favour shown to the Private contractor***

During audit of Waterways Division, Biharsharif, it was noticed that EE of the division executed (January 2012) an agreement (3SBD/2011-12) for executing the works of raising and strengthening of zamindari bandh of Paimar River from Kolua to junction point (Muhanae) for ₹ 6.92 crore. Further, scrutiny of works file revealed that on the basis of decision taken by DTC (June 2008), same work was entrusted (June 2008) to JKM Infra Project Pvt. Ltd, New Delhi for ₹ 5.81 crore (6f2/3/2008-09). However, against the decision of DTC, a case was lodged by another firm in the Hon'ble High Court of jurisdiction at Patna. Hon'ble High Court quashed the tender (May 2010) and observed that the decision of DTC was not fair and tilted in favour of a tenderer. Audit observed that in compliance to orders of High Court, EE invited a fresh tender (July 2011) for the same work and entrusted the work (January 2012) to a agency for ₹ 6.92 crore. Further, scrutiny also revealed that due to change of schedule of rates the cost increased by ₹ 1.11 crore. Thus, it was evident that due to injudicious/ unfair decision of DTC, Government would have to sustain a loss of ₹ 1.11 crore.

**Due to injudicious/
unfair decision of
DTC, Government
would have to sustain
a loss of ₹ 1.11 crore.**

In reply, the department stated (February 2013) that due to delay in legal process and follow up action, revised schedule of rates had been applied, hence, cost was escalated. Reply was not acceptable as points mentioned by audit relates to undue favour by DTC to a particular contractor resulting in loss to Government in re-allotment of work.

- ***Loss to government due to undue favour to HSCL in award of contract***

Water Resource Department (WRD) entrusted (December 2005) the work of preparation of Detailed Project Report (DPR), work of raising & strengthening and construction of new embankments (both left and right) of Bagmati river to Hindustan Steel Works Construction Ltd. (HSCL) on nomination basis.

**Work was awarded
to HSCL on
nomination basis
without inviting
tender.**

²⁰ *Flood Control Division, Katihar : ₹ 3.45 crore (3 SBD/ 2010-11)*

Records/files relating to award of contract to HSCL disclosed following points :

- WRD sent offer letter with a copy of model Memorandum of Understanding (MoU) on 31 May 2005 to four Public Sector Undertakings i.e, National Hydro Power Corporation (NHPC), National Thermal Power Corporation (NTPC), National Building Construction Corporation (NBCC) and HSCL for execution of river training works of Bagmati river with instruction to obtain the copy of Detail Project Report (DPR). In response to the department's offer, two agencies NBCC and HSCL had submitted their acceptance in June 2005. Further, the offer acceptance of NBCC was not considered by the department on the ground that this agency did not submit format of MoU and had pending case with commercial tax department.
- NBCC had requested the department to issue the copy of DPR as prepared by the department to have a first hand information of the whole project, so that details of work could be worked out before finalisation of MoU. The request of NBCC was not accepted and issued format of MoU signed between the department and HSCL in December 2005.

Scrutiny revealed that there was no evidence regarding pendency of any case with Commercial Tax Department against NBCC as mentioned by Secretary, WRD in rejecting the acceptance of this agency. Besides, while forwarding the case to Governor for his approval (November 2005) the department did not mention that NBCC was ready to execute this work. The department withheld the necessary documents (DPR) though available with department and the agency was not considered for award of work without having valid reason. Further scrutiny revealed that HSCL was selected on nomination basis without getting consent of Planning department. Further, Secretary of this department also strongly objected for selecting the agency without inviting tender and without judging technical and financial profile as well as past performance profile of the selected agency. He, however, also advised to adopt a transparent selection process while selecting an agency for this work. However, his file was not forwarded to Planning department and on the recommendation of the Chief Secretary, HSCL was selected on nomination basis to execute the works in Bagmati river.

Hence it was evident that undue favour was extended to HSCL. An MoU was executed with HSCL (December 2005) by the Joint Secretary of WRD and the work was awarded to HSCL as executing agency.

Further, scrutiny of MoU disclosed that HSCL, being the executing agency was required to get the entire works executed through sufficient deployment of technical and support personnel for satisfactory execution and timely completion of project. However, it was noticed that M/s HSCL did not have required personnel, plants and machineries to execute such a vast earthwork. As such, the agency subletted the entire work of Bagmati Extension Scheme to M/s AVANTIKA -G H Reddy & Associates (JV) on 23 December 2005 i.e. just after four days of execution of MoU with the Government. Further scrutiny of tender finalisation registers of Chief Engineer (CE), WRD, Muzaffarpur disclosed that both the subletted agencies had separately

Loss of ₹ 103 crore due to non-availing of benefit of competitive bidding

submitted the bid documents (June 2010, February 2011 and May 2012) at 15 per cent below the estimated cost for similar nature of works (raising and strengthening and construction of embankments) under the same division in which they were already executing the works of Bagmati Extension Scheme, at 10 per cent above the estimated cost. However, one work of construction of embankment was entrusted to a subletted agency (G H Reddy & Associates) at 15 per cent below of SoR (17SBD/2010-11 of Bagmati Division No.1, Sitamarhi).

Thus, it was apparent that had the NIT been published, Government would have benefited from the competitive bidding and the aforesaid work could have been executed 15 per cent below instead of 10 per cent above the estimated cost of work. Consequently, department had to suffer an actual loss to the tune of ₹ 103 crore against the total payments of ₹ 453.20 crore made to HSCL by the concerned five divisions²¹ during 2006-07 to September 2012 on execution of Bagmati Extension Scheme.

In reply, the department stated (February 2013) that this work was awarded to HSCL and MoU had been signed with the agency in accordance with stipulated rules and after seeking concurrence of Law as well as Finance department and after approval of Governor having power vested in the Council of Ministers. The department further stated that contention of audit for not tendering the work is not correct as tender rates may not always necessarily be 15 per cent below SoR. Reply of the department was ambiguous as departmental rules prescribed for engaging a contractor by inviting tender, besides proposal of planning department and Development Commissioner regarding selection of agency in a transparent manner was not considered. Thus, the department's decision was not fair and tilted in favour of HSCL. Besides, the executing agency, engaged in this work was already doing the similar nature of work in same division at 15 per cent below SoR as well as it was also noticed in test checked divisions that majority of works were awarded to contractor at 15 per cent below SoR. Hence, it was evident that had the NIT been published and facility for competitive bidding availed, Government could have save an actual loss to the tune of ₹ 103 crore on the payments already made till date (October 2012).

2.1.8.2 Execution of flood protection works

Scrutiny of execution of flood protection works in test check divisions revealed instances of deficiencies like non-adherence of flood calendar, infructuous and avoidable expenditure and excess payment as discussed in succeeding paragraphs.

● Non-adherence to flood calendar

Department prepares a Flood Calendar every year for timely completion of flood protection and flood fighting works. Flood calendar envisages execution period of flood protection work as four and half month.

44 per cent Flood protection works executed without adhering flood calendar specified by the department.

²¹ FCD, Hathauri : ₹ 80.63 crore, FCD, Darbhanga : ₹ 45.09 crore, Bagmati Division, Runnisaipur : ₹ 197.32 crore, Bagmati Division No.1, Sitamarhi : ₹ 53.35 crore and Bagmati Division, Sheohar : ₹ 76.81 crore.

Scrutiny disclosed that of 138 test checked flood protection works, the schedule of flood calendar was not adhered in 61 (44 *per cent*) works in 16 test checked divisions and delay ranging from eight days to more than four & half month was occurred in execution of agreements of works during 2008-12, as indicated in *Appendix-2.1.4*.

As a result, 23 works remained incomplete and execution of 20 works done during flood period, which was in disregard of Rules of BPWD Code Vol. I : Annexure A : State Government Decision no. 55 (February 1988) as well as flood calendar of the department.

In reply, the Government attributed (November 2012) non-adherence of flood calendar mainly to court cases, elections and the delay in granting techno-economic clearance of schemes of value more than ₹ 7.50 crore. Reply of the Government was not acceptable as no record was available in the test-checked divisional offices which could show that the commencement of works were delayed due to pendency of finalization of schemes in the court of law or owing to elections. Besides, of commented 61 works, value of only 15 works (25 *per cent*) was more than ₹ 7.50 crore each, however, in remaining 75 *per cent* of works too, flood calendar was not adhered.

- ***Infructuous expenditure***

An infructuous expenditure of ₹ 68.50 crore was incurred in three test-checked divisions due to non-adherence of the recommendations of technical expert team in construction of pilot channel and delayed/incomplete execution of AE works, as discussed here under:

Infructuous expenditure of ₹ 32.15 crore was incurred on pilot channel due to non-execution of regular dredging.

- The Technical expert team²² recommended (October 2008) to explore possibility of pilot channel²³ in upstream (u/s) and downstream (d/s) of Kosi barrage by regulating the barrage gates. Further, they also recommended studying the possibility of desilting of the u/s and d/s sides of barrage by means of hydraulic model studies. However, without considering these recommendations, Head Works Division, Birpur executed (March 2009) an agreement (4SBD/2008-09) for ₹ 13.99 crore for construction of two pilot channels in upstream (u/s) as well as in downstream (d/s) of Kosi barrage. Scrutiny further disclosed that the work of pilot channel in d/s was completed in June 2009 after incurring expenditure of ₹ 7.13 crore. Later, the pilot channel silted in December 2009 and again an agreement (02SBD/09-10) of ₹ 8.14 crore was executed (March 2010) for its renovation next year. Scrutiny revealed that a sum of ₹ 7.33 crore was again incurred on renovation work and the pilot channel was once again silted (September 2010) due to non-conducting of dredging²⁴ of the channel. However, Central Water and Power Research Station (CWPRS), Pune recommended (December 2009) after hydraulic model test that pilot channel should be suitably bell mouthed and periodical dredging of the

²² Central Water Commission, New Delhi, GFCC, Patna and CWPRS, Pune

²³ To channelize the water flow with a view to activate the flow of river centrally

²⁴ Removing silt, sand and mud from channel

mouth of the pilot channel should be ensured. Thus, it was evident that first time the pilot channel was constructed without conducting model test and despite recommendations of CWPRS, regular dredging was not ensured. This resulted into infructuous expenditure amounting to ₹ 14.46 crore to the government.

Similar cases of silting of pilot channels was noticed in following three cases as periodical dredging were not carried out in Sl. No. 1 and 2 of table below whereas in Sl. No. 3 even pilot channel was left incomplete. However, an expenditure of ₹ 17.69 crore were spent on them. Details are given in the **table no.4:-**

Table no. 4
Infructuous expenditure on pilot channels

Sl. No.	Name of division	Agreement no/ year of the work of pilot channel	Incurred expenditure (₹ in crore)	Name of river	Remarks
1	Eastern Embankment Division, Birpur	1SBD/09-10	9.45	Kosi	Silted in absence of periodical dredging
2	Flood Control Division Naugachiya	3 SBD/08-09	5.27	Ganga	
3	Flood Control Division Naugachiya	4SBD/09-10	2.97	Kosi	Silted as left incomplete
		Total	17.69		

(Source : records of test-checked divisions)

As shown in the table, the construction of two pilot channels without ensuring the dredging and leaving one pilot channel incomplete resulted in infructuous expenditure of ₹ 17.69 crore.

In reply, the department stated (February 2013) that owing to very high annual sediment load and unavailability of dredging machine the siltation in different location of the bed of river was natural. It further stated that the alignment of the said pilot channel constructed in subsequent years was different depending upon the pattern of silt deposition in the previous flood year. Reply of the department was not acceptable as arrangement for periodical dredging of pilot channel was to be ensured by the department.

Incomplete execution of pilot channel led to infructuous expenditure of ₹ 2.36 crore coupled with avoidable expenditure of ₹ 11.62 crore.

- An agreement for excavation of pilot channel with laying of 303 porcupines between 142.70 Km. and 152.00 Km. of Saran Embankment in river Gandak was executed (15 May 2011), by Flood Control Division, Thakraha at Gopalganj for ₹ 6.89 crore. The scheduled completion date of work was 31st May 2011. As per estimate of the work, the pilot channel was to be constructed in 4.6Km length and 3.5 meter depth entailing excavation of 341295 cubic meter earth. Records of the division disclosed that the work was continued upto 20th July and after excavation of 115755 cubic meter earth (34 per cent) the work was stopped and porcupine could not be constructed due to increase of water level and payment of ₹ 2.36 crore was made (August 2011) to the contractor. Scrutiny disclosed that the work was

awarded to contractor after a delay of 135 days from the schedule of flood calendar, which resulted into incomplete execution of work, and the contractor could excavate upto the depth ranging from 2.5 to 2.75 meter only. This resulted in accumulation of silt in the incomplete pilot channel and the division was compelled to execute flood fighting work of ₹ 4.79 crore during flood 2011 and AE work worth ₹ 6.83 crore (19SBD/2011-12: ₹ 3.49 crore and 21SBD/2011-12 : ₹ 3.34 crore) before flood 2012 between the said length of embankment.

The department accepted (February 2013) and stated that action has already been taken against erring official. Hence, the expenditure of ₹ 2.36 crore incurred on construction of pilot channel remained infructuous coupled with avoidable expenditure of ₹ 11.62 crore on flood protection works.

Expenditure of ₹ 29.81 crore incurred on incomplete execution of flood protection & flood fighting works proved infructuous

- Flood Control Division, Naugachiya constructed (September 2009) embankments of 10 km. length from Ismailpur to Bindtoli situated at downstream of Vikramshila Bridge over river Ganga and seven spurs with boulder pitching work. The agreement (2SBD/ 2008-09) for this work commenced on 2.3.2009 and was to be completed on 31.5.2009. However, only 61 *per cent* earthwork and 27 *per cent* boulder pitching on spur could be completed as on due date of completion. The remaining work²⁵ shown as completed upto July 2009 and payment of ₹ 27.77 crore²⁶ was made (September 2009) by the division. From above, audit observed that commencement of this work was delayed by one and half month as per flood calendar (21.1.2009) resultantly period of execution reduced to three months instead of four and half months. It was further observed that the work was executed during flood period, which was not suitable for execution of anti-erosion work as per norms of the department. Resultantly, the boulder-pitching works of spur no. 2 to 7 got damaged during flood 2009 and the division had to execute flood fighting works worth ₹ 3.05 crore on the same sites in flood 2010.

Thereafter, the division executed (April 2011) an agreement (1 SBD/2011-12) for restoration of damaged spur of Ismailpur to Bindtoli and made a payment of ₹ 4.90 crore (July 2011). It was again observed that only 38 *per cent* boulder pitching work could be executed. As a result, spur no.-6 started sinking and the division had to execute flood-fighting work of ₹ 6.73 crore to save these spurs during flood 2011. In continuation of previous executions, FCD, Naugachiya again executed agreement (18, 29, 30, 31 SBD of 2011-12) for restoration of damaged spurs of Ismailpur to Bindtoli which was to be completed before flood 2012 valuing ₹ 32.23 crore. Thus, from the above, it was evident that department/division did not complete these works in any of the three years as per flood calendar, resulting in infructuous expenditure of ₹ 29.81 crore²⁷ on AE works.

²⁵ Construction of embankment : 90 *per cent*, Earthwork of spur : 100 *per cent*, Boulder pitching on spur : 91 *per cent*

²⁶ Construction of embankment : ₹ 10.47 crore, Earthwork of spur : ₹ 2.17 crore, Boulder pitching on spur : ₹ 15.13 crore add 9 *per cent* (above estimated cost)

²⁷ Infructuous expenditure: ₹ 15.13 crore + ₹ 3.05 crore + ₹ 4.90 crore+ ₹ 6.73 crore = ₹ 29.81 crore

In reply, the department stated (February 2013) that contractor had been black listed for non-completion of agreed work in time for the work of the year 2011. Reply of the department was self explanatory that work could not be completed as per flood calendar.

Expenditure of ₹ 4.18 crore incurred on incomplete AE works became infructuous

- The Flood Control Division, Thakraha at Gopalganj executed an agreement (199 SBD/2010-11) for anti-erosion work between 0.3 km to 1.80 km of Patahara Chharaki for ₹ 7.00 crore. Audit observed that due date of completion of this work was 31 May 2011 but work was left incomplete (June 2011) and payment of ₹ 5.68 crore was made by the division (July 2011). Further observation revealed that quantity of incomplete work ranged from 0 to 58 per cent²⁸. Items of work like taking out disturbed boulder, boulder pitching under water and turfing were not executed and only 20 per cent porcupine was laid. Thus, earthwork and boulder pitching were not protected by laying porcupine. Resultantly executed boulder pitching work damaged in the flood during 2011 and division had to execute anti-erosion work before flood 2012 on same location at 0.6km to 1.80 km (21SBD/2011-12). Thus, an infructuous expenditure of ₹ 4.18 crore²⁹ was incurred on execution of incomplete anti-erosion work.

In reply, the department stated (February 2013) that only earthwork was done in the river side and turfing was not done as there were water pocket and houses in the countryside adjacent to the embankment, even house were on the top of the embankment, due to all of these bank shifting of embankment was not possible. Thus, Reply of the department was improper as boulder pitching under water, turfing and laying down of porcupine as well as taking out of disturbed boulder, could not be attributable to population adjacent to the embankment which caused damages to the executed work.

Excess payment of ₹ 6.25 crore made due to allowance of higher rate for dredging work

- **Excess payment**

The dredging work of removal of silt/shoal/earth from pilot channel at 48 Km of Champaran Embankment was executed (2SBD/2011-12) by Champaran Division, Motihari before flood 2011. According to the agreement, 375000 cubic meter earth was to be dredged at the rate of ₹ 210 per cubic meter. As per agreement/ proceeding of departmental tender committee of this work, dredging work was to be executed by a dredger and accordingly rate was derived.

Scrutiny of measurement book (MB no 5891) disclosed that the contractor had executed 215110 cubic meter of earthwork up to 20 May 2011 by Rajsthani tractor and division paid ₹ 4.51 crore (Ist A/C bill) at the agreement rates derived for excavation by dredger. As the rate of excavation of earth by Rajsthani tractor in schedule of rates was ₹ 75.90 per cubic metre, the division had made excess payment to the tune of ₹ 2.88 crore³⁰. Similarly, in Flood

²⁸ Earthwork : 44 per cent, Earthwork by mechanical means : 58 per cent, Taking out disturbed boulder : 0 per cent, Boulder pitching under water in apron : 0 per cent, Turfing : 0 per cent, Porcupine : 20 per cent

²⁹ Payment made on boulder pitching work (199SBD/2010-11): 11647.73 cubic metre @₹ 4226.90/cubic metre less 15 per cent of agreed cost

³⁰ ₹ 210 – ₹ 75.90 = ₹ 134.10 × 215110 m³ = ₹ 2.88 crore

Control Division, Thakraha at Gopalganj, the work of excavation of pilot channel in between 117.05 K.M. and 124.25 K.M. of Saran Embankment was to be executed through dredger before flood 2011. Accordingly, agreement was executed (3SBD/11-12 dated 15 May 2011) at the rate of ₹ 202 per cubic metre for excavation of 415300 cubic metre. Scrutiny of records (measurement book no. 1407) revealed that 267497.67 cubic metre of earthwork was executed by the Rajasthani tractor and the contractor was paid at agreement rates. Thus, excess payment amounting to ₹ 3.37 crore³¹ was made to the contractor.

In reply, the department stated (February 2013) that with respect to Champaran Division, Motihari, the agreement rate was for excavation work above water level by excavator and below water level by dredger which had been done by the contractor. Reply was not acceptable as analysis of rate schedule, the basis on which payment had been made to contractor, indicated that rates were allowed for entire work done by dredger and not by excavator. Besides, rate for earthwork executed by Rajasthani tractor was much lesser than that of dredger. However, with respect of work of FCD, Thakraha at Gopalganj, the department agreed with the audit observation and intimated that action against respective erring officials had been taken by the department.

● ***Loss to Government due to deployment of backhoe dredger without assessing its capacity***

Executive Engineer, Irrigation Mechanical Division, Birpur purchased (February 2010) a backhoe dredger for the river Kosi and other basin. Accordingly, the division made payment of ₹ 1.80 crore to the supplier firm upto May 2012.

Dredger costing ₹ 1.80 crore sunk as it was deployed against its operation manual

Scrutiny of operation and maintenance manual of this machine disclosed that the procured dredger was designed for deployment in shallow water and working with this dredger for any other purpose/activities would be at the sole discretion and risk of the owner. Further, the firm had also cautioned that as the silt quality in Kosi was of very fine sand, it might get solidified and stuck on the Lead Screw and bearings of the dredger and affect the operation of the dredger.

From the above facts, it was evident that according to design and specifications, the procured dredger was not suitable for Kosi river. This was further substantiated by the fact that when this machine was put to use before flood 2010, it sank in the river on 24 August 2010. After recovery, the dredger was again put to use (before flood 2011) and it again sank (1 July 2011) in the Kosi river. It was noticed in audit that dredger remained untraced as of May 2012. Hence, it was evident that department had not assessed the capacity and usage of dredger in Kosi river and put it into operation on total risk and cost of the department which resulted into loss of ₹ 1.80 crore to the Government.

On being pointed out, EE of the division stated (May 2012) that as per direction of higher officer, the dredger was put into operation against the norms of manufacturing company in public interest. Further, the department

³¹ ₹ 202 – ₹ 75.90 = ₹ 126.10 × 267497.67 m³ = ₹ 3.37 crore

replied (February 2013) that this dredger was very good for Kosi river and suitable for all types of soils/ sands/ roots/ weeds and any other purposes/ activities. Department further stated that after procurement of backhoe dredger, it worked successfully in 2010-11 and 2011-12 in the Kosi river. The reply of the department was incorrect as the dredger did not work successfully and sank during flood 2010 and 2011. Besides, deployment of dredger was not in conformity with the design and specification of the dredger as the operation of dredger should have been strictly adhered to within the parameters of operation and maintenance manual for this machine and due to wrong decision of department, the machine drowned and remained untraced till date (February 2013).

● ***Injudicious purchase of inspection vehicles***

High cost inspection vehicle purchased by division out of FMP fund and transferred to higher officer

Chief Engineer, WRD, Muzaffarpur sanctioned the estimate (May 2010) and made provision to purchase of 10 nos of inspection vehicles from the funds of Flood Management Programme (FMP) at an estimated cost of ₹ 65 lakh by Bagmati Division, Runnisaipur. During scrutiny in audit, it was noticed that on the telephonic direction of Under Secretary of the department, the division purchased (28 March 2012) one Toyota Fortuner FB 4/4 costing ₹ 21.45 lakh for official use of Principal Secretary of the department. Further, scrutiny revealed that around 80 to 90 *per cent* of FMP works were completed upto March 2012 in the division. Even though at the fag end of the financial year unnecessary/unwanted purchase was made by the division and the vehicle was transferred (June 2012) to the Principal Secretary of the department for his official use. Thus, the funds of FMP were injudiciously spent on purchase of inspection vehicle.

In reply, the department intimated (November 2012) that purchase of big and spacious vehicle had been made for attending the dignatories during the visit of Bihar and also to facilitate the Pr. Secretary to discuss strategy of management of flood with the departmental officers during the tour in work interest. However, the status of unavailability of vehicle for high dignatories of the Government had not been intimated to audit.

● ***Construction of new embankment***

Marginal growth in construction of embankment during 2007-12 inspite of availability of fund

Based on the scrutiny of recommendations of comprehensive plan made by GFCC for Bagmati, Mahananda, Burhi Gandak, Kamla Balan and Punpun rivers, audit observed that during the year 1991 to 2008 GFCC had indicated necessity for urgent construction of embankment on these rivers. However, it was further noticed that Ministry of Water Resources, Government of India principally accorded its consent to construct 1535 km embankment on Bagmati, Mahananda and Chandan rivers under FMP during Eleventh Five Year Plan period (2007-12) in order to protect 25.84 lakh hectares of flood prone area in the State.

Status of flood prone area, target and achievement for construction of embankment, percentage of protected areas of flood prone region in the State are indicated in **Table No.5**.

Table no. 5
Status of embankment, flood prone area and protected areas

Item	Status as of March 2007	Target to increase as proposed in eleventh five year plan (2007-12)	Achievement as of March 2012	Status as of March 2012
Total length of embankment (in km)	3430.00	1535.00	61.47	3491.47
Flood prone area (in lakh hectare)	68.800	25.84	4.839	63.961

(Source: flood report of 2008 and data furnished by the department)

From **Table no. 5**, it would be clear that the department could construct only 61.47 km of new embankment against the target of 1535 km during 2007-12. Consequently, only 4.839 lakh hectare flood prone area could be protected against floods leaving a shortfall of 21 lakh hectare as of March 2012. Hence, total length of embankment in the State increased to 3491.47 km showing a marginal growth of four *per cent* during 2007-12. Consequently, areas that were under flood threat before 2007-08, remained under risk of flood as of 2011-12.

In reply, the department attributed (November 2012) non-achievement of target for construction of new embankment to not obtaining mandatory techno-economic clearance and investment from GoI. He further stated that Mahanada Flood Management Scheme-Phase II in the area of 199.95 km of embankments was submitted to GFCC, a GoI body in April 2011, which was yet to be cleared by GoI (November 2012). Reply of the department was not acceptable as techno-economic clearance for construction of 1195.87 km, had already been given by GoI in November 2007 but no construction work had been carried out in this regard till date. Besides, for Bagmati Flood Management Project Phase-II, clearance was accorded by GoI (June 2011) for 71 km of embankments but due to non-acquisition of land by Special Land Acquisition Officers (SLAO) of the department, the scheme suffered despite that the funds of ₹ 232.60 crore were made available to SLAO as of March 2012.

2.1.9 Execution of Zamindari bandh

With a view to create and conserve water resources facilities for development of agriculture, repair and maintenance of zamindari bandh³² under the Revenue and Land Reforms Department was transferred (February 2006) to WRD. It was envisaged that the WRD would execute the work of repair and maintenance of Zamindari Bandh to provide relief to flood and draught prone areas. During scrutiny of records at WRD, it was noticed that 372 number of Zamindari Bandh of total length of 2628.36 kms were sanctioned by the department in four phases³³ during 2007-12. Further, only six out of 16 test checked divisions were executing the works of Zamindari bandh. Scrutiny

³² *During pre-independence period the then Zamindars of locality construct bandhs to protect villages residing nearby banks of river.*

³³ *Phase I: 186 nos., 1183.12Km; Phase II: 102 nos., 1160.87Km; Phase III; 70 nos., 263.27Km and Phase IV; 14 nos., 74.10Km*

revealed cases of unfruitful expenditure due to closure, postponement/abandonment of works, substandard execution of works, excess payment due to doubtful measurement and extra payment as discussed in succeeding paragraphs:

2.1.9.1 Unfruitful expenditure on incomplete, closed/postponed work of zamindari bandh

Unfruitful expenditure of ₹ 20.21 crore incurred on 10 nos. of incomplete Zamindari bandh, though started during 2008-10

Scrutiny of agreement register and progress reports of Water Ways Division, Biharsharif (eight works) and Jehanabad (two works), it was noticed that 10 works of Zamindari Bandh, started between March 2008 and July 2010, were either closed, postponed, or left incomplete as of August 2012 after expenditure of ₹ 20.21 crore (*Appendix-2.1.5*). It was observed that the work of Zamindari Bandh included earth work and construction of outlets to regulate water for flood protection and irrigation. It was further observed that the progress of earthwork among these incomplete works ranged between 45 and 100 *per cent* and the required number of outlets were not constructed in these bandhs except one work though they are necessary to protect the bandh from flood hits as well as to regulate the water flow for irrigation purposes. However, the divisional office did not initiate any penal action against defaulting contractors.

Hence, the envisaged purposes for which ₹ 20.21 crore was spent was not fulfilled and entire expenditure remained unfruitful.

In reply, the department stated (February 2013) that action had been taken against the defaulting contractor for non-completion of two works. It was further stated that some of outlets could not be constructed mainly due to public objection. Reply of the department shows that effective action was not taken by the department to convince the people for whose benefit works were undertaken.

2.1.9.2 Substandard construction of Zamindari Bandh

Expenditure of ₹ 72.94 crore incurred without adhering stipulated technical specification resulted into substandard execution of work

As per Indian Standard (IS) Guidelines for planning and design of river embankment (Levees)-(First revised I20:2000), the laid down criteria for construction of embankment is (i) top width of the embankment should be of 5.0 m. (ii) for slope protection works, the side slopes and 0.6 m wide in top from the edges of the embankments should be turfed with grass sods. Besides the government also stipulated (December 2008) that provision of compaction should be ensured while executing the work of Zamindari Bandh.

During scrutiny of 43 works of zamindari bandh (*Appendix-2.1.6*) of test-checked divisions, audit observed that the top width of the all the test-checked zamindari bandh was taken up for only 3.66 m. The protection of slopes by turfing with grass sods was executed in only four works³⁴. In remaining 39 works, protection of slopes by turfing with grass sods was not carried out. Besides, the layer wise compaction was not executed in 30 zamindari bandh.

Hence, it was evident that in raising and strengthening work of zamindari bandh, only mound of earth was placed along the riverside without carrying

³⁴ *Kulti to Gobindpur (100 per cent), Raghauli to Sandullahpur & Singhia (65 per cent), Pali (25% turfing), Ganga Prasad Zamindari bandh (8 per cent)*

out proper compaction ensuring protection of slopes by turfing with grass sods to avoid erosion which indicated that works were carried out in disregard of stipulated specification. As a result, the expenditure incurred on 43 works amounting to ₹ 72.94 crore was made on sub-standard execution of restoration of zamindari bandh during 2007-12.

In reply, the department admitted (February 2013) that no specific guidelines for construction of zamindari bandh was formulated by the department and stated that steps were being taken to formulate criteria with regard to work of zamindari bandh.

2.1.9.3 Excess payment due to doubtful measurement

Payment of earth work made on the stretches, though already excluded in the estimate of work

The work for raising and strengthening of Zamindari bandh (left and right) of Kumbhari River in Nalanda district was awarded (June 2008) to M/s JKM Infra Projects Pvt. Ltd. During scrutiny, it was found that of the total length of right zamindari bandh of 34.80 km from Nouwama to Jehanabigha, anti-erosion and raising and strengthening work had been executed before flood 2007 between 24.70 and 29.80 km by the division. Hence, this portion was not included in the calculation chart of quantity of earthwork at right zamindari bandh. However, scrutiny of MB disclosed that quantity of 144630 cubic metre earth work was shown as executed between 24.75 km and 29.34 km and payment of ₹ 54.54 lakh was made (May 2009) for this quantity vide 4th running account bill.

From the above, it was quite evident that the division made payment of earthwork for 24.75 to 29.34 km stretch of right zamindari bandh though the stretches were excluded from the estimate. Thus, an excess payment of ₹ 54.54 lakh was made to the contractor.

In reply, the department stated (February 2013) that the final measurement of the work was yet to be done and discrepancies, if found, would be rectified. Reply of the department was not satisfactory as work was completed by the time of audit (August 2012). However, even after lapse of six months the final decision had not been taken by the department as of February 2013.

2.1.10 Manpower management

Acute shortage in the key cutting edge manpower position of the department

The Assistant Engineer and Junior Engineer cadre in flood management plays a vital role in framing departmental plan as well as implementation, as responsibility of all the field/site works from survey and investigation stage to supervision of ongoing works lies with them. The overall sanctioned strength and men-in-position of Assistant Engineers (AE), Junior Engineer (JE) with Bandh Khalasi/Chaukidar and Work Sarkar in the test checked 16 divisions are shown in **Table No 6**.

Table no. 6
Sanction strength and men-in-position of test-checked divisions
as on 31 March 2012

Sl.No	Name of the post	Sanctioned Strength	Men-in-position	Vacancy (percentage)
1.	Assistant Engineers	89	65	24 (27)
2.	Junior Engineer	278	170	108 (39)
3.	Bandh Khalasi/ Chaukidar	79	13	66(84)
4.	Work Sarkar	21	04	17(81)

(Source: Furnished by test-checked divisions)

It was evident from the table that the vacancy position of AE and JE was 27 and 39 *per cent* respectively. Further, shortages in the post of bandh khalasi/choukidar and work sarkar were 84 and 81 *per cent* respectively. However, except in two divisions³⁵, no post of work sarkar was sanctioned in any of the test checked 14 divisions. Thus, there were shortages in the key cutting-edge manpower positions of the department.

The department agreed (February 2013) with audit observations that there was an acute shortage of manpower in different cadre of post and these vacancies require to be filled up.

2.1.11 Impact analysis

In absence of long term plan, despite spending ₹ 3362.27 crore on flood protection work, government had to incur ₹ 1799.15 crore on flood relief

During performance audit it was noticed that the department failed to execute long term plan as well as in increasing the length of embankment as envisaged in Eleventh Five Year Plan. Cases of loss/ damages caused by flood and heavy expenditure on flood relief noticed in audit during 2007-12 are indicated in **Table no. 7.**

Table no. 7
Status of damages caused by flood and expenditure incurred on flood relief in the State

Year	No. of districts affected	No. of persons affected (In lakh)	No. of animals affected (in lakh)	Value of damaged crops (₹ in crore)	Value of damaged house (₹ in crore)	No. of lives lost (in number)	Expenditure incurred on flood relief (₹ in crore)
2007-08	22	244.42	27.13	768.38	831.45	1287	756.53
2008-09	18	50.93	10.10	167.30	314.93	626	792.83
2009-10	16	22.03	1.35	21.83	5.28	125	152.92
2010-11	9	7.16	3.57	3.12	7.05	32	34.09
2011-12	25	71.43	6.63	102.96	69.07	249	62.78
Total		395.97	48.78	1063.59	1227.78	2319	1799.15

(Source: Disaster Management Department)

From **Table no.7**, it would be clear that during 2007-12, total value of losses was for ₹ 2291.37 crore (crops: ₹ 1063.59 crore and houses: ₹ 1227.78 crore). Besides, number of live lost during the period was 2319 and extent of flood affected districts increased from 22 of 2007-08 to 25 in 2011-12. Despite spending ₹ 3362.27 crore on flood protection works (as indicated in **Table no.1**) State also incurred ₹ 1799.15 crore on flood relief during 2007-12.

The department could not construct dams with flood cushion with a view to reducing deposition of silt in the river, as a long-term measure for combating threats of flood. Thus, due to non-construction of dams, silt continued to deposit in riverbed which disturb the central flow of river and department was compelled to execute flood protection/anti-erosion works of ₹ 3362.27 crore to keep safe the embankments during 2007-12.

³⁵

Head Works Division, Birpur and Eastern Embankment Division, Birpur

2.1.12 Monitoring and evaluation

The monitoring circle headed by a Superintending Engineer under Engineer-in-Chief was responsible for co-ordination and monitoring of schemes with the assistance of four Executive Engineers at headquarters level. In addition, GFCC was also entrusted to monitor implementation of different schemes.

Though the department had an established mechanism for monitoring, however, delayed sanction of work, undue award of work to contractor, execution of work without model test, delay in execution of work, avoidable expenditure, infructuous expenditure, excess payment, unfruitful expenditure, less execution of zamindari bandh could not be avoided indicating lack of monitoring control.

The department stated (February 2013) that from headquarter to field level, monitoring work was being done to the extent possible with available manpower. Department further stated that introduction of Flood Management Information System (FMIS) would help in formulation of its scheme. However, no explanation was given as to how the activities of monitoring and evaluation of the department could be improved with FMIS when department was suffering from acute manpower shortage.

2.1.13 Conclusion

Despite increase in plan allocations after 2008, the department did not execute long term plans, ignored the enacting of Flood Plain Zoning Bill in State and relied solely on short term measures. The financial management of the department was not effective, as the Government could not utilise 11 to 44 *per cent* of available fund due to delayed/non-sanctioning of schemes, delay in land acquisition and non-passing of bills by treasury during 2007-12. The implementation of short term measures was also not free from deficiencies like irregular award of contract, non-adherence to flood calendar, infructuous expenditure, excess payment, loss to Government etc. There was significant shortage in strength of working cadre like Assistant Engineer and Junior Engineer as well as Bandh Choukidar though they were essential for flood control measures. Besides, the department could construct only 61.47 km embankment against the target of 1535 km fixed in 11th plan. Further, the State had to suffer substantial losses due to flood during 2007-12 though a large amount on flood relief had been spent during the period. Hence, the reliance on ineffective short term measures by department did not provide solution to minimize the recurring flood as well as its devastations in the state.

2.1.14 Recommendations

The department may examine and consider the followings recommendations:

- The rational method of flood management in Bihar should include a judicious mix of structural and non-structural measures;
- As regards structural measures it should have an appropriate combination of short-term measures like embankments and long-term sustainable measures like reservoirs with adequate provision of flood cushion and Natural detention basins;

- Under non-structural measures, enactment of flood plains zoning bill, evolving of flood forecasting and warning system, disaster preparedness and response planning, etc should be implemented;
- Execution of works should be completed within the working season prescribed in flood calendar;
- The construction of pilot channel should be ensured with prescribed periodical dredging for intended results;
- The working staff strength like AEs/JEs etc. should be optimally filled up at the earliest.

ROAD CONSTRUCTION DEPARTMENT

2.2 Major District Roads in Bihar

Executive Summary

Introduction

The Major District Roads (MDRs) are infrastructural link enabling the easy communication of people with the areas of production and market within a district and connecting it with the major towns, villages, areas of cultural, historical, tourist interest and with national and state highways passing through the district. The performance audit of MDRs revealed deficiencies from planning to implementation stage.

(Paragraph 2.2.1)

Planning

Road Construction Department had not planned construction of new MDRs according to the need of increased traffic load and population in coming years and mainly executed widening and strengthening works and Improvement of Riding Quality Programme (IRQP) works on MDRs. The department had also not formulated a maintenance policy for the constructed MDRs.

(Paragraph 2.2.6)

Financial Management

During 2007-12, the department had utilised 92 *per cent* of its plan allotment and surrendered the remaining eight per cent. However, in test checked 12 divisions, expenditure of ₹ 1328.47 crore out of allotment of ₹ 1468.86 crore was incurred and ₹ 140.25 crore (9.5 *per cent*) was surrendered.

(Paragraph 2.2.7)

Programme Implementation

The MDRs were technically approved for up-gradation without conducting any traffic census in 39 works of seven divisions and traffic census was conducted for only three days in 19 works of three divisions as against for seven days required under IRC:37-2001

(Paragraph 2.2.8)

(a) Contract management

Contract management of the department was deficient as cases of less publicity of tender, allotment of work to ineligible contractors and allotment of work without submission of work programme were noticed in violation of codal provision in test checked divisions.

(Paragraph 2.2.8.2)

(b) Execution of work

The execution of MDRs revealed instances of deficiencies like incomplete works, excess payments, execution of work without technical sanction and non recovery of penalty/advances etc in test checked divisions. It was further observed that the execution was delayed in 332 out of 591 agreements of MDRs during 2007-12, of which 16 agreements were rescinded and 158 works were still in progress.

(Paragraph 2.2.8.3)

Manpower management

There were vacancies to the extent of 26 and 47 *per cent* in the post of Assistant Engineer (AEs) and Junior Engineer (JEs) respectively, who were directly responsible for proper execution of work. Further, at the top level there were vacancies in the posts of CE/SE too. This was indicative of deficient man power management in the department.

(Paragraph 2.2.9.1)

Conclusion

Though the Road Construction Department had comparatively improved its performance from Tenth five year plan period, there were still shortcomings in various areas viz. there was no defined criteria for selection of MDRs as well as planning to meet the challenges of increasing traffic. There were instances of non-utilisation of available funds and surrenders. The contract management was defective as the works were awarded to debarred and ineligible contractors. The other deficiencies such as irregularities in advances, deficient manpower management and shortcomings in quality control mechanism were also noticed.

(Paragraph 2.2.11)

Recommendation

The department should evolve a reliable and transparent selection criteria before designating any road as 'major district road'. While the planning for upgradation should be need based depending upon the increase in the traffic volume, it should be carried out in accordance with the specifications as prescribed by Indian Road Congress/Ministry of Road, Transport and Highways with full transparency and adherence to department code. The monitoring of scheme should be strengthened at field level and quality control of works should be duly ensured.

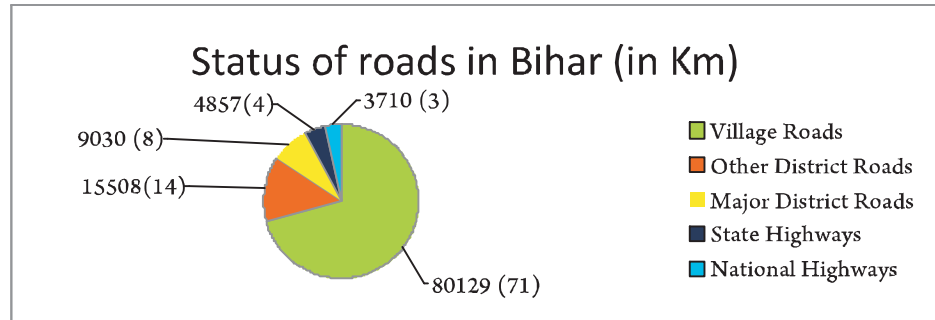
(Paragraph 2.2.12)

2.2.1 Introduction

The development of roads is a basic component of the infrastructural development in a State. The industrialisation and marketing of agricultural produce cannot be imagined without developed roads. The Indian road network consisting of National Highways (NH), State Highways (SH), Major District Roads (MDR), Other District Roads (ODR) and Rural Roads is one of the largest in the world which carries 65 *per cent* of the country's freight and 80 *per cent* of its passenger traffic. MDRs are infrastructural link enabling the easy communication of people with the areas of production and market within a district and connecting it with the major towns, villages, areas of cultural, historical, tourist interest and with national and state highways passing through the district. The SHs and MDRs, which together account for about 13 *per cent* of the total road length of the country, carry 40 *per cent* of the total road traffic. In Bihar, as on 31st March 2012, the total road length was 113233.98 km of which MDR was 9030.10 km (eight *per cent*) while other district roads were 15508 km (14 *per cent*).

The position of all roads in Bihar is given in the chart below:

Chart-I

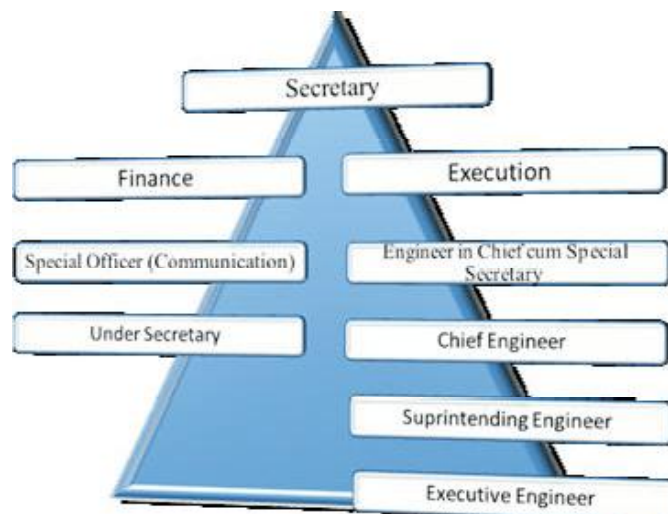


The maintenance and up-gradation of MDRs was within the jurisdiction of Road Construction Department (RCD) of the State.

2.2.2 Organisational set-up

Secretary, RCD, Government of Bihar is the overall in-charge of the department assisted by Engineer in Chief (EIC) cum Special Secretary, eight Chief Engineers (CEs), one Director (Purchase) and one Special Officer (Communication) who is responsible to release budget and exercise financial control over budget allotted to the divisions for execution of the works. The works of MDRs are executed through 39 divisions of 38 districts headed by the Executive Engineers (EEs) under the supervision of nine Superintending Engineers (SEs) in respective circles.

Chart-II



2.2.3 Audit Objectives

The audit objectives were intended to assess whether:

- the planning process for the construction of district roads was need based and efficient;
- the financial management was efficient and effective;
- the implementation of MDR construction programmes was efficient, effective and economic; and
- the organisational control and quality control to ensure the quality of roads was in place and effective.

2.2.4 Audit Criteria

Following were the sources of audit criteria:

- Bihar Public Works Account (BPWA) Code;
- Bihar Financial Rules (BFRs);
- Bihar Public Works Department (BPWD) Code;
- Specification of Indian Roads Congress (IRC), Ministry of Road Transport and Highways (MORTH);
- Departmental instructions, circulars issued from time to time; and
- Eleventh five year plan.

2.2.5 Audit scope and methodology

The performance audit of MDRs for the period 2007-12 was conducted between May and August 2012. Records of the RCD at headquarters and 12 divisions¹ out of 39 divisions were test-checked. The selection of 10 divisions was done by adopting the Stratified Random Sampling Method and two divisions based on high volume of execution. An entry conference was held in April 2011 with the Secretary, RCD to discuss the criteria for the performance audit. The departmental inputs, views and concerns were appropriately considered while conducting this performance audit. Questionnaires and memos were issued and their replies were taken into account before finalising the audit report. Thereafter, on completion of field visits, an exit conference was held in January 2013 with the Secretary, RCD, wherein the audit findings were discussed in detail. The reasons and justification furnished by the department were kept in view while finalising the performance audit. The reply of department was received in January 2013 and suitably incorporated in respective paras.

¹ (i) Aurangabad (ii) Banka (iii) Bettiah (iv) Bhagalpur (v) Chapra (vi) Darbhanga (vii) Lakhisarai (viii) Nawada (ix) New Capital, Patna (x) Patna West (xi) Purnea (xii) Siwan.

Audit findings:

The deficiencies noticed during the performance audit of MDRs are discussed below:

2.2.6 Planning

The plan of road construction starts with a detailed project report comprising necessity, developmental potential, area, road features, source of construction materials, equipments and others, Schedule of Rates and quality control. For the design of pavements, IRC and MORTH guidelines are used for the traffic census and CBR tests. Planning is also required for maintenance, upkeep and development of the road network. Proper road maintenance contributes to reliable transport at reduced cost, as there is a direct link between road condition and vehicle operating costs (VOC).

In Bihar, RCD had not planned construction of new MDRs reflecting the need of traffic in coming years and mainly executed widening and strengthening works and Improvement of Riding Quality Programme (IRQP) works on existing MDRs. The department had also not formulated a maintenance policy for the constructed MDRs so far (January 2013). A comparative analysis with national data revealed that Bihar was far behind from the national average in terms of its capacity to cater to the needs of its population as evident in the **Table -1** given below.

Table -1
Comparative analysis with national data

Sl. No.	Items	National	State
1	Population (in lakh)	12202	1040
2	Road Length per lakh population (in km)	347.05	108.06
3	Area (Sq km)	3287263	98940
4	MDR (in km)	467763	9030.10

(Source- Annual report of department)

While Bihar was lagging behind in road length per lakh population, the registration of new vehicles recorded a phenomenal increase of around five fold in Bihar, from around 0.80 lakh in 2005-06 to 3.53 lakh in 2011-12 (up to January 2012). Further, MDR's percentage in respect of the total area of the country was 14 *per cent* while it was only nine *per cent* in Bihar. It was, however, observed that RCD had not prepared a need based plan for up-gradation of MDRs to accommodate the ever increasing traffic load.

In reply, the department refuted the audit observation by stating that this kind of population based analysis was fallacious and the State road density on basis of unit area was at par with that for the nation.

The reply was not in conformity with the facts as the increasing population and vehicles should be the main consideration in formulation of a need based plan but it remained unnoticed in absence of a plan formulation.

The other deficiencies noticed in connection with planning are discussed in succeeding paragraphs:

2.2.6.1 Identification of MDRs

The selection of roads under MDRs for the purpose of up-gradation should be done by using reliable and well defined parameters.

Scrutiny of records disclosed that the department had no defined criteria for identification of roads to be taken under MDRs.

On being asked, the Engineer-in-Chief had replied (December 2012) that preparation of criteria/ guidelines for identification of roads to be taken under MDRs was under process. Thus, the department did not have any transparent parameters for inclusion of a road in MDR.

Department had no defined criteria for identification of roads to be taken under MDRs

However, the department while accepting that there was no approved objective criteria for selection of roads as MDRs stated that they had reliable parameters for the same. The facts remains that department has no approved parameters/criteria for identification of MDRs.

2.2.6.2 Deficient planning

Target of Eleventh five year Plan was not achieved. 10 years Perspective Plan was not prepared

The department had 8158.07 km of MDR as on 1st April 2007, out of which 6566.06 km was of single lane (80 *per cent*) (i.e. 3.05 to 3.50 meter wide). In the Eleventh five year plan (2007-12), 7714 km of MDRs was targeted to be upgraded, which included the widening and strengthening of single lane MDRs as well as strengthening of other MDRs².

Scrutiny revealed that the department could upgrade only 5420.97 km (70 *per cent*) of the targeted length of MDRs in Eleventh plan period. Thus there was short achievement of target by 2293.03 km (30 *per cent*) during the plan period.

It was also observed that 4774.47 km of MDRs were still required to be upgraded into intermediate lanes from the 9030.10 km length of MDRs with the department as on 31st March 2012.

Further, it was observed that the department had not prepared any perspective plan for 10 years so far, despite decision taken in this regard in February 2009.

In reply, the department stated that the Eleventh five year plan period was the period of transition for the department in the context of resource mobilisation as well as planning. This was evident from the fact that the achievements of Eleventh five year plan were nine times higher from Tenth five year plan. It was further assured that the balance MDRs would be upgraded in a phased manner on need based priority and according to availability of funds. However, the fact remains that the department could not upgrade the targeted lengths of MDRs of Eleventh five year plan and also failed to prepare the perspective plan for ten years.

2.2.6.3 Non implementation of proposed strategies

Prior to the beginning of Eleventh five year plan, Government had prepared (2006) strategies to achieve the targets of up-gradation of MDRs. Scrutiny

² Intermediate lane, double lane and four lane MDRs.

disclosed that the department did not follow the suggested strategies as discussed below:

- The State Government was required to set up a flexible autonomous body as Project Development/Management Unit (PMU) having comprehensive delegated powers and regulations such as power to hire consultants/experts for preparing DPRs for construction and monitoring of road works and also to facilitate quick decision making. It was observed that such a body for MDR works had not been established.

In reply, the department stated (January 2013) that the said flexible autonomous body authorized for project development/management and delegated powers as outlined in the audit comment had been set up in the form of Bihar State Road Development Corporation (BSRDC) (Established in April 2009). The reply was not acceptable as the MDRs works were being carried out by the concerned divisions and not by the BSRDC.

Maintenance policy was not prepared.

- A comprehensive policy for proper maintenance of all roads in the State was proposed to be framed to replace the current practice of cyclic phased maintenance over a period of four years with maintenance of entire road length in one go. However, the department was yet to finalise such policy for maintenance of MDRs.

In reply the department stated that the said Road Maintenance Policy had been framed and was in the process of formal approval by the Government.

- In order to finance the up-gradation programmes, the State Government proposed to establish a Non Lapsable Road Fund from the allocations of plan/non plan funds and impose road cess. Scrutiny disclosed that department had not initiated any proposal in that respect and as such had not created any such fund.

In reply, the department stated that the idea of establishing of Non Lapsable Road Fund was subsequently examined from point of view of funding source and it was found that the envisaged funding through application of additional cess on motor fuel would not be feasible in a welfare State like Bihar. Also, such a mechanism would not be in consonance with the prevailing accounting practice of Government funds.

Thus, the planned strategies of Government broadly remained unimplemented during 2007-12.

2.2.7 Financial Management

The department had been receiving funds from the State Plan, National Bank for Agriculture and Rural Development (NABARD), Central Road Fund (CRF), Roads of Economic Importance (EI), Inter-State Connectivity (ISC), Bihar Vyapar Vikas Kosh (BVVK, Road), Scheduled Caste Component (SC component) and Border Area Development Project (BADP) along with grants-in-aid from the Twelfth Finance Commission. During 2007-12, ₹ 7646.17 crore was allotted for MDRs out of the total allotment of ₹ 17337.78 crore of the department. The allotments *vis-à-vis* expenditure during 2007-12 are as under:

Table no. 2
Allotment and Expenditure of MDRs

(₹ in crore)

Year	Allotment			Expenditure			Surrender (Percentage of surrender)		
	Plan	Non Plan	Total	Plan	Non Plan	Total	Plan	Non Plan	Total
2007-08	945.93	163.82	1109.75	800.23	132.01	932.24	145.70 (15)	31.81 (08)	177.51 (16)
2008-09	1481.31	128.58	1609.89	1228.30	104.88	1333.18	253.01 (17)	23.70 (18)	276.71 (17)
2009-10	1200.05	273.99	1474.04	1160.43	268.39	1428.82	39.62 (03)	5.60 (02)	45.22 (03)
2010-11	1577.20	210.14	1787.34	1497.41	198.54	1695.95	79.79 (15)	11.60 (5.5)	91.39 (05)
2011-12	1324.21	340.94	1665.15	1306.60	320.93	1627.53	17.61 (1.1)	20.01 (06)	37.62 (02)
Grand Total	6528.70	1117.47	7646.17	5992.97	1024.75	7017.72	535.73 (8.2)	92.72 (08)	628.45 (08)

(Source: RCD, Bihar)

As evident from the table above, the department had utilised 92 per cent of its plan allotment and surrendered the remaining eight per cent during 2007-12. However, in test checked 12 divisions, expenditure of ₹ 1328.47 crore out of allotment of ₹ 1468.86 crore was incurred (**Appendix-2.2.1**) and ₹ 140.25 crore (9.5 per cent) was surrendered. Further, scrutiny revealed following shortcomings in financial management:

Department spent 92 per cent of allotment

Transfer of funds to the divisions to avoid lapse of grant of ₹ 72.25 crore during 2007-12

- Out of the total expenditure of ₹ 7017.72 crore during 2007-12, department had transferred ₹ 389.16 crore³ to Bihar Rajya Pul Nirman Nigam Limited (BRPNNL), Patna for MDR works and the utilisation certificates (UCs) from BRPNNL were not received till date of audit.
- The department transferred funds of non plan amounting to ₹ 72.25 crore to the divisions in the month of March to avoid lapse of grant in respective years during 2007-12. The transfer of fund by the department was in contravention of the provisions of Rule 177 of Bihar Treasury Code.
- In addition to this, an amount of ₹ 59.00 crore was given to BRPNNL during 2004-06 for construction of flyover on Baily Road near Hartali More and R Block, Yarpur, Patna. However, BRPNNL had neither constructed these flyovers nor submitted the utilisation of this amount till date (January 2013).

In reply, the department assured to obtain UCs regularly and stated that the amount given to BRPNNL for construction of flyover on Baily Road was utilized against construction of other sanctioned Railway Over Bridges (ROBs) under plan head for which funds would have to be made available anyway.

³ Plan-₹ 307.67 crore + Non plan-₹ 81.49crore= ₹ 389.16 crore

2.2.7.1 Revenue not deposited in the concern Head

As per BPWA code (Rule 414) and accounts code volume III 73 (E), note -2 of Public works deposit the head “miscellaneous deposit” should also accommodate until clearance, all item of receipts, the classification of which cannot be determined at once or which represents error in accounting awaiting adjustment.

Miscellaneous deposits amounting to ₹ 36.30 crore were not deposited into the concerned revenue heads.

Scrutiny of records of 12 test-checked divisions revealed that the deduction in respect of royalty and penalty from the contractors amounting to ₹ 36.30 crore⁴ during 2007-12 was kept in miscellaneous deposit (8443 part V) instead of their concerned revenue heads (0853, 1054). The Accountant General (A&E) Bihar, Patna had also suggested (March 2009) to the Secretary, RCD to deposit the revenue realised from fines into concerned revenue head.

In reply the department stated that due to non receipt of ‘M’⁵ & ‘N’⁶ Form/ ‘M’ & ‘N’ verification report, the amount was kept in miscellaneous deposit. However, the concerned divisions had been instructed to deposit the amount under proper head.

2.2.8 Programme Implementation

The process of work on MDRs starts with proper survey of traffic census conducted for at least seven days, drawing and design of the road based on soil test results as per California Bearing Ratio (CBR) followed by preparation of estimates on the basis of traffic census and drawing and design of the road. Thereafter contract was to be executed and finalised as per the provisions of Bihar Financial Rules and conditions of contracts. Further, execution of roads should be according to specifications and the payment of bills should be in line with codal provisions.

The department had executed 591 agreements worth ₹ 3277.00 crore during 2007-12, Out of these, 172 agreements worth ₹ 1003.67 crore were scrutinised in course of performance audit of MDRs. The deficiencies noticed in programme implementation are discussed in the succeeding paragraphs.

2.2.8.1 Inadequate traffic census and CBR Tests

Indian Road Congress (IRC:37-2001) envisages that to obtain a realistic estimate of design traffic, due consideration should be given to the existing or anticipated traffic based on possible changes in the road network and land use of the area served, the probable growth of traffic and design life. Estimate of the initial daily average traffic flow for any road should normally be based on at least seven days and 24 hours classified traffic counts.

⁴ (i) Aurangabad - ₹ 1.85 crore (ii) Banka - ₹ 0.55 crore (iii) Bettiah - ₹ 2.08 crore (iv) Bhagalpur - ₹ 8.53 crore (v) Chapra - ₹ 2.88 crore (vi) Darbhanga - ₹ 2.84 crore (vii) Lakhisarai - ₹ 0.63 crore (viii) Nawada - ₹ 2.41 crore (ix) New Capital, Patna - ₹ 2.32 crore (x) Patna West - ₹ 5.82 crore (xi) Purnia - ₹ 2.67 crore (xii) Siwan - ₹ 3.72 crore

⁵ ‘M’- An affidavit submitted by contractor regarding lift of minerals to the works division.

⁶ ‘N’- An affidavit submitted by leaseholder of Mines to the contractor regarding sale of minerals.

Traffic census was done for only three days despite prescribed period of seven days.

Scrutiny revealed that the MDRs were technically approved for up-gradation without conducting any traffic census in 39 works of seven divisions (*Appendix-2.2.2*) and traffic census was conducted for only three days in 19 works of three divisions (*Appendix-2.2.3*). It was further observed in one case⁷ that the survey data pertaining to a road was also used for preparing estimate of other road.

In reply the department stated that seven days traffic census was not mandatory according to the Indian Road Congress guidelines; however, the field units and the authorities empowered to grant technical sanction had been instructed to conform to the IRC guidelines of seven days traffic count to calculate Average Daily Traffic.

The reply was not convincing with facts as to obtain realistic estimate of design traffic, due consideration should be given to existing traffic (IRC para 3.3.1.3).

Further, Indian Road Congress (IRC: 37-2001) also envisages that the design should be based on the California Bearing Ratio⁸ (CBR) value of the weakest soil type proposed to be used for sub-grade construction or encountered extensively at sub-grade level over a given section of the road, as revealed by the soil surveys. Pavement thickness on new roads may be modified at intervals as dictated by the soil changes. Scrutiny revealed that 37 road works were taken up without carrying out the CBR test in nine test checked divisions (*Appendix-2.2.4*).

In reply the department stated (January 2013) that the CBR value for a particular stretch of road was a measure of the quality of earth along the alignment and its value did not change with the passage of time. It was a permanent characteristic of soil which was normally known to the field units on basis of earlier recorded tests. The reply was not in consonance with facts as no such earlier record was available in the divisions.

Thus, the estimates prepared for up-gradation of MDRs were based on inadequate traffic census data and unrealistic CBR value.

2.2.8.2 Contract management

Department executed the construction of MDRs by engaging contractors through open competitive bidding system. In this context, the provisions of Bihar Public Works Department Code, clauses of Standard Bidding Documents (SBD) and different circulars of Government were applicable for selection of suitable contractor for executing the works economically and efficiently. Government prescribed competency to accept tender at every level. Scrutiny of tender documents in test-checked divisions revealed violation of prescribed rules and clauses in award of contract as discussed in succeeding paragraphs.

⁷ *Jokihat Dalmalpur Gerua Road, Purnea*

⁸ *It is the ratio of force per unit area required to penetrate a soil mass with standard circular piston at the rate of 1.25 mm/min to that required for the corresponding penetration a standard material.*

● **Inadequate period provided for sale of Bill of Quantity (BOQ)**

Less time given for sale of BOQ.

The department had instructed (July 2000) all CEs/ SEs/EEs to ensure the availability of BOQ⁹ in the division/circle/district control room seven days prior to the date of sale so that seven days period might be available for sale of BOQ. Further, in case of un-availability of the same, the date of receipt of tenders was to be extended.

Scrutiny disclosed that only one to five days period was allowed in 95 cases of sale of BOQ in test checked divisions as shown in **Table no. 3** below:

Table no. 3
Period taken in Sale of BOQ

Sl. No.	Name of division	No. of road works test checked	No. of road works in which less period given for sale of BOQ	No. of road works of single tender	Agreement value of single tender (₹ in lakh)	No. of days given
1	Aurangabad	12	4	2	1859.97	3-5
2	Banka	14	1	1	967.62	5
3	Bettiah	17	15	4	2298.57	1
4	Bhagalpur	13	8	6	5073.88	1
5	Chapra	12	1	-	-	3
6	Darbhanga	20	13	6	4232.55	1-3
7	New Capital	18	14	-	-	3-5
8	Patna west	14	4	3	1970.53	4-5
9	Purnea	20	18	7	3188.92	1
10	Siwan	16	8	-	-	1-5
11	Nawadah	11	7	4	1029.59	2-5
12	Lakhisari	5	2	2	484.47	2-5
	TOTAL	172	95	35	21106.10	

As evident from the table above, 15 out of 17, eight out of 13 and 18 out of 20 test-checked road works in Bettiah, Bhagalpur and Purnea divisions respectively, only one day period was given for sale of BOQ. Even in New Capital Division Patna, in 14 out 18 test-checked road works, 3-5 days period was given for sale of BOQ. Out of test-checked 172 road works, 35 road works valuing ₹ 211.06 crore were awarded on a single tender basis which goes against the spirit of competitive bidding. In reply, the department stated that the sale of BOQ for relatively lesser periods, in no way hindered the competitive bid process since the economics of the bid depended upon publicity and more participation. It was further stated that since the bids were advertised through e-tendering process, the problem of sale of BOQ for lesser period had been eliminated.

The reply was contrary to the provisions of Bihar Financial Rules (Rule 131H) and the instructions of department.

● **Work awarded to ineligible contractors**

The provisions of clause 4.8 of SBD provided that even though the bidders meet the qualifying criteria, they are liable to be disqualified if they have made

⁹ It is a document used in tendering in the construction industry in which materials parts and labour (and their costs) are itemized. It also details the terms and conditions of the construction or repair contract and itemises all work to enable a contractor to price the work for which he or she is bidding.

misleading or false representations in the forms, statements and attachments submitted in proof of the qualification requirements; and/or have record of poor performance such as abandoning the works, not properly completing the contract, inordinate delays in completion, litigation history or financial failures etc; and/or participated in the previous bidding for the same work and had quoted unreasonably high bid prices and could not furnish rational justification to the employer, and who were debarred, could not participate in another tender till the completion of allotted work. The Rule 163 of BPWD Code requires that in case of single tender, the approval of the next higher authority will be taken. Further, the department had directed (March 2009) all CEs/SEs/EEs to disqualify the contractors who did not start the work after allotment, responsible for improper and inordinate delay in completion of works, having litigation history or financial failure and the debarred contractors at the stage of evaluation of technical bid. These conditions were required to be adhered to while awarding the contract. In the course of test check of records, following cases of violation of contract conditions in award of contract were noticed:

Works awarded to ineligible/debarred contractors.

- Ten works amounting to ₹ 121.83 crore were awarded to two debarred private contractors (M/S JKM Infra Project Pvt. Ltd. and M/S Ganesh Ram Dokania) in four test checked divisions (*Appendix-2.2.5*).

The department stated that the matter of M/S JKM Infra was being investigated and proper disciplinary action would be ensured while the debarment of M/S Ganesh Ram Dokania was released vide MD Bihar Rajya Pul Nirman Nigam letter no 3377 (We) dated: 24.11.2009.

The reply regarding debarment of M/S Ganesh Ram Dokania was not acceptable as vide letter dated 24.11.2009 the debar was released only for one¹⁰ out of two works¹¹. The agency was made free from debar in February 2012.

- The work valuing ₹ 5.98 crore was awarded to M/S Umashankar & Co.¹², despite being disqualified in the technical bid under New Capital Division, Patna.

The department assured that proper action would be ensured on receipt of detailed report.

Work awarded to unregistered contractors.

- Further, two works amounting to ₹ 14.22 crore were awarded to two private contractors M/S Krishna Prasad & Co.¹³, and M/S Ganesh Yadav¹⁴, who were not registered in the department, the violation of para 9 of the Bihar Contractors Registration Rules, 2007.

In reply, the department stated that the work was awarded to M/S Krishna Prasad & Co within six months period after expiry of registration, hence award of work to agency was valid. The reply of the department was not

¹⁰ Bridge on Bilasi river on Kendua Road,

¹¹ Bridge on Bilasi river on Kendua Road, Bridge on Dwarbhasan river in Sauri - Hirna.

¹² (3 SBD/2009-10)

¹³ 8F2/2007-08: ₹ 4.74 crore

¹⁴ 2 SBD/2006-07: ₹ 9.48 crore

acceptable as the agency had remained unregistered even after admissible period of six months.

- Three cases (valued ₹ 1.41 crore) of single tender were finalised without approval of the next higher authority under two divisions in violation of Rule 163 of BPWD Code (*Appendix-2.2.6*).

In reply, the department, during exit conference assured appropriate action in this regard.

- The Government order (March 2009) was violated in allotment of work valued ₹ 0.57 crore to a private contractor (M/S R K Constructions, Aurangabad) at higher rates who had refused previously to execute same work awarded under Road Division, Aurangabad.

In reply, the department stated that the work was invited on quotation basis, in which there was no provision to deposit earnest money. Hence, no penalty was deducted.

Thus, 17 road works worth ₹ 144.01 crore were awarded to ineligible contractors.

- **Non-submission of work programme**

As per the special condition of contract mentioned in BPWD Code, the contractor should furnish his programme for construction/execution of work within the stipulated time schedule along with the methodology of construction of each item or work and obtain the approval of the Engineer-in-Charge prior to actual commencement of work.

Work programme were not obtained from contractors.

In contravention of above stated special condition, 64 road works (59 per cent) costing ₹ 291.59 crore were started without obtaining the work programmes from the respective contractors in seven divisions as shown in table below. Audit also observed that in three divisions¹⁵ 84 per cent of the test checked road works were started without obtaining work programme, out of which 33 per cent works were delayed.

Table no. 4
Work Programme not submitted by the Contractors

SI. No.	Name of division	No. of road works test checked	No. of road works in which work programme not submitted	Agreement value of road works in which work programme not submitted (₹ in lakh)	Remarks (Delay in work)	Range of delay (in months)
1	Aurangabad	12	5	2194.19	5	9-14
2	Banka	14	2	1399.39	-	Work going on
3	Bettiah	17	16	7162.74	1	1-4
4	Darbhanga	20	13	6225.82	7	4-38
5	Patna West	14	4	1056.42	3	11-32
6	Purnea	20	19	9816.03	8	6-24
7	Nawada	11	5	1304.82	5	8-36
	Total	108	64	29159.41	29 cases	

¹⁵ (i) Bettiah (ii) Darbhanga (iii) Purnea

As evident from above, 29 cases were delayed from the scheduled completion period. This indicated poor contract management and also placed the department on a weak footing in the event of rescinding the contract due to unsatisfactory progress of the work.

In reply, the department stated that it was now being ensured that new work would not be started without a detailed work programme and such requirement shall henceforth form part of the agreement.

2.2.8.3 Execution of MDRs

Scrutiny of execution of MDRs in test-checked divisions revealed instances of deficiencies like initiation of work without forest land clearance, encouragement of illegal mining, execution of work without technical sanction and non recovery of penalty/advances etc as discussed in succeeding paragraphs. It was further observed that out of 591 agreements (State level) executed during 2007-12, 332 works were delayed for period ranging from four to 44 months, of which 16 agreements were rescinded and 158 works were still in progress.

Other deficiencies in execution under test-checked divisions are discussed in succeeding paragraphs.

- **Incomplete road works due to not obtaining prior approval for use of Forest Land.**

Forest (Conservation) Act, 1980 stipulates that notwithstanding anything contained in any other law for the time being in force in a State, no State Government or other authority shall make except with prior approval of the Central Government, any order directing that any forest land or any portion thereof may be used for any non forest purpose.

Work started without forest clearance which resulted into non completion of work.

Scrutiny disclosed that the work of Improvement of Riding Quality Programme (IRQP) of Lauria Sikarpur Thodi (41 to 46 km) was started in September 2010 with agreement value of ₹ 2.58 crore and scheduled completion period of one year. Since the road was lying in Balmiki Tiger Project area, prior approval of National Wildlife Council, New Delhi was required to be obtained. However, the work was started without prior approval of the same and subsequently stopped (March 2011) after incurring expenditure of ₹ 1.15 crore due to non clearance of Forest Department to use forest land for road construction purpose.

In reply, the department stated that the total length of Lauria-Sikarpur-Thodi road was 46.8 km. Out of this, the road work in only 3.9 km was held up due to the protected forest zone. However, the vehicles were plying over the whole road. The fact remains that due to initiation of work without obtaining required clearance from National Wildlife Council, the work remained incomplete even after incurring expenditure of ₹ 1.15 crore.

- **Excess payment on fake invoices**

Excess payment on fake bitumen invoice

Audit scrutiny in Road Division, Darbhanga revealed that in a case of IRQP work of "Keoty-Raiyam Road (0 to 7.5 km) the contractor submitted invoices for utilisation of 162.602 MT of bitumen against consumption of 163.768 MT as per booking made by concerned Junior Engineer in the measurement book (MB). Cross verification of the genuineness of those bitumen invoices from

Indian Oil Corporation Limited (IOC) and Hindustan Petroleum Corporation Limited (HPCL) revealed that the contractor had lifted only 98.14 MT of bitumen. Payment of ₹ 22 lakh by the EE for 65.62 MT of bitumen without verifying the genuineness and correctness of bitumen invoices resulted in excess payment to that extent.

In reply the department stated that the F.I.R. had been lodged against the erring contractor.

The reply was not sufficient as department had not intimated regarding action taken against the erring officials.

● **Inadmissible payment against price neutralisation for bitumen**

Clause 10 CC (a) of the SBD provided that price adjustment shall apply for the work done from the start date to the end of the initial intended completion date or extensions granted by the Engineer but shall not apply to the work carried out beyond the stipulated time for reasons attributable to the contractor. Department's resolution (March 2008) further stated that the price neutralisation for the increase and decrease in the cost of bitumen was payable to contractor in F2¹⁶ agreements where the works were completed within the prescribed or within the approved extension of time.

**Inadmissible
payment on
price
neutralisation**

Audit scrutiny of two road works under Nawada division revealed that inadmissible price escalation of ₹ 38.18 lakh were allowed against works which were not completed in the stipulated time and where the time extension was also not granted as given below in **Table No. 5**:

Table No. 5
Statement showing price neutralisation given without time extension
(₹ in lakh)

Division	Name of Road /Agreement Number	Agreement Value	Schedule completion date	Amount	Completi on date
Nawada	W/S of Pakribarawan Warsaliganj Road in Km 0 to 12.50/5 F2/ 07-08	450.33	30.07.2009	28.97	30.6.2011
	Strengthening work of Atari Jethian Tapovan Banganga Road in Km 22.7 to 33.30/21 F2/ 06-07	179.71	15.03.2008	9.21	9.4.2008
TOTAL	Two road works	630.04		38.18	

Thus, undue benefit was given to the contractor in violation of clauses of agreement. No responsibility was fixed on the erring officials.

In reply, the department stated that price neutralisation was paid to contractor in anticipation of grant of time extension and recovery would be ensured in cases where time extension was not granted.

The reply was not acceptable as the rule did not provide for payment of price neutralisation in anticipation of extension of time.

● **Irregularities in advances**

Advances to contractors are to be provided as per the conditions of the contract. Such advances would be secured non-perishable materials advance,

¹⁶ Form2-the agreement paper of the work

mobilisation advance and plant and machinery advance. Scrutiny disclosed following irregularities in recovery of advances:

Mobilisation advance

Clause 10(B) (II) of SBD provides that mobilisation advance (MA) not exceeding 10 *per cent* of the tendered value may be given, if requested by the contractor in writing within one month of the order to commence the work. In such a case the contractor shall execute a Bank Guarantee/Bond from scheduled Nationalised Bank as specified by the Engineer-in-charge for the full amount of such advance before the advance is disbursed. Further, the entire advance is to be recovered by the time 80 *per cent* of the gross value of the contract is executed and paid together with interest due on the entire outstanding amount.

Scrutiny revealed that work of Khaira Mehsauni via Manikpur Road under Lakhisarai division was rescinded in July 2008 and mobilisation advance paid to contractor amounting to ₹ 82.70 lakh was not recovered.

In reply, the department stated that the instructions had been issued to recover the amount.

Plant and machinery advance

Clause 10 B(III) of SBD stipulates that an advance for plant and machinery may be given if requested by the contractor in writing within one month of bringing such plant and machinery to site and subject to the condition that such plant and equipment are hypothecated to the Government. Further, the entire advance is to be recovered by the time 80 *per cent* of the gross value of the contract are executed and paid together with interest due on the entire outstanding amount.

Rupees 2.25 crore was not recovered in plant and machinery advance.

Audit scrutiny revealed that, plant and machinery advances of ₹ 2.25 crore including interest was not recovered despite completion of the work as detailed in the table below:

Table no. 6
Short or non-recovery of Plant and Machinery advances
(₹ in lakh)

Name of division	Name of work	Agreement Number	Unrecovered amount of P & M advance and interest	Remarks
Banka	Package	01F2/06-07	174.82	Work completed
	Package	01F2/06-07	49.82 (Interest on P&M)	-do-
		Total	224.64	

In reply, the department stated that the advance as pertaining to Road Division Banka would be adjusted from the final bill of contractor.

The fact remains that P and M advance was not recovered from the contractor as required under clause 10 B(iii).

Unadjusted temporary advance

Rule 100 of the Bihar Public Works Account Codes stipulates that accounts of temporary advances given for payment against passed vouchers should be closed as soon as possible.

Temporary advance amounting ₹52.58 lakh was outstanding against 41 officials for more than five years.

Test check of selected eight divisions revealed that contrary to the above stated provision, temporary advance amounting to ₹ 52.58 lakh were outstanding against 41 officials for more than five years. It was also observed that the controlling officers had not taken any action to recover/adjust these advances from the officials during these years. The details of advances are given in the **Table no. 7** below:

Table no. 7
Outstanding Temporary Advance

(₹ in lakh)

Sl. No.	Name of division	No. of persons	Outstanding Temporary Advances			Total
			Transferred	Retired	Death	
1	Aurangabad	3	-	0.08	15.84	15.92
2	Bhagalpur	7	2.86	-	0.16	3.02
3	Chapra	7	0.06	-	-	0.06
4	Darbhanga	8	19.83	-	1.00	20.83
5	Nawada	7	0.92	-	-	0.92
6	New Capital	1	-	-	4.02	4.02
7	Patna West	3	-	0.85	0.04	0.89
8	Purnea	5	6.92	-	-	6.92
		41			TOTAL	52.58

As evident from the table that 35 officials were transferred to other divisions, two retired and four expired during the period. The non-adjustment of advances from the concerned officials was fraught with risk of misappropriation.

In reply, it was stated that departmental instructions had been issued according to the advices of Finance Department. It was assured to take action for recovery by the divisions.

- **Compensation not recovered**

Clause 2 of the SBD stipulates that if the contractor fails to maintain the required progress mentioned in terms of Clause 5 or to complete the work and clear the site on or before the contract or extended date of completion he shall without prejudice to any other right or remedy available under the law, pay to the Government on account of such breach, an agreed compensation.

Compensation of ₹ 58.45 lakh were not recovered from contractors

It was observed that the divisions failed to recover the imposed compensation on account of delay in execution of five road works amounting to ₹ 58.45 lakh¹⁷ in three test-checked divisions (August 2012).

In reply, department assured that it would be realised in final bill.

¹⁷ (i) Approach Road to Ganga Bridge, Bhagalpur-₹ 3.83 lakh.(ii) Bhagalpur Agarpur Kotwali Road Bhagalpur-₹ 10.54 lakh (iii) CMDG Road, Chapra -₹ 7.52 lakh (iv) Tilka Manjhi Champagnar Road Bhagalpur -₹ 33.21 lakh, and (v) Warsliganj Katarpur Road, Nawada-₹ 3.35 lakh

● **Encouragement of illegal mining by the Divisional Officers**

Rule 40 (10) of Bihar Minor Minerals Concession Rules, 1972 required works contractor to purchase minerals from lessee/permit holder and authorised dealers only. The works department was required not to receive the contractor's bills unless accompanied by an affidavit in Form 'M' with particulars of minor minerals used in works in Form 'N' along with a photocopy of the said affidavit and particulars. The photocopy of the affidavit with full particulars was to be sent for verification to the District Mining Officer/Assistant Mining Officer within whose jurisdiction the mineral was allegedly purchased. If the said affidavit on verification was found to be false, either wholly or partly the department/division was to assure that the mineral was obtained by illegal mining and District Mining Officer/Assistant Mining Officer was to take action as prescribed in these rules against the maker of the said affidavit.

Irregular payment of ₹42.65 crore without getting the Form 'M' and 'N'.

Audit scrutiny revealed that in violation of the above provision six divisions allowed payment of ₹ 42.65 crore (including carriage charges of ₹ 16.27 crore) in 33 road works involving minor minerals without getting the Forms 'M' and 'N' and transport challans (*Appendix-2.2.7*) from the contractors.

Further, a contractor (M/S C K Infrastructure Ltd., New Delhi) had submitted false form 'M' and 'N' for utilised minerals in Patna West division. The above instance revealed that due care was not being exercised by the EEs before release of payment. Such action would encourage illegal mining in the State.

In reply the department stated that now the payment were being made after obtaining form 'M' and 'N'. It was further stated that the matter regarding M/S C K Infrastructure Ltd., New Delhi was under investigation.

● **Works not conforming to the specification**

Section of MORTH were not followed in execution of work

According to Section 504.5 of the MORTH specifications, the Bituminous Macadam (BM) was to be covered either with the next pavement course (Semi Dense Bituminous Concrete) or wearing course as the case may be within a maximum of forty-eight hours to protect the layer of BM. If any delay was anticipated the course was to be covered by a seal coat as prescribed under Clause 513 of MORTH before/opening to any traffic. The seal coat in such cases was to be considered incidental to the work and was not to be paid for separately.

Audit scrutiny revealed that in six divisions, the next wearing courses were done after delays ranging from six to 287 days after the execution of BM works in case of 24 road works (*Appendix-2.2.8*) costing ₹ 129.65 crore. Even the protectionary seal coat works was not done in these cases of delay as there was no such entry in the MBs. Thus, the executed works were not conforming to the specifications.

In reply, the department stated that normally the immediate laying of the next layer was ensured, but in few cases due to unavoidable circumstances at site, the delay occurred. Spraying tack coat was ensured in such cases.

The reply was not in conformity with MORTH specifications as seal coat was required in case of delay.

- **Loss due to non disposal of bitumen**

Rule 276 of BPWD code stipulates that EE should dispose the unused stock i.e. lying without transaction since two years, by the order of SE.

Loss of money due to non disposal of bitumen

Audit scrutiny revealed in three divisions¹⁸ that 327.328 MT of bitumen was lying unused since 2004-05. Though this bitumen was declared obsolete, no action was taken for its disposal. Non-utilisation and non-disposal of the bitumen resulted to the department suffering a loss of ₹ 57.88 lakh¹⁹.



(Bitumen lying in the stores of Road Division, Nawada)

In reply, the department stated that matter had been taken up by the headquarters on priority basis. The quality test had been completed and accordingly its usefulness and utilization would be ensured shortly.

- **Expenditure in excess of Administrative Approval**

Administrative approvals were not revised

As per clause 183 of BPWD Code a revised estimate must be submitted when a sanctioned estimate is likely to be exceeded by more than 20 *per cent*, either owing to the rates being found insufficient, or for any cause whatever or when there were material developments or deviations.

Scrutiny of records revealed that the expenditure on 17 road works was increased from 20 to 121 *per cent* more than the sanctioned amount of AA (*Appendix-2.2.9*). The AAs were, however, not revised even after lapse of period ranging from three to 51 months (June 2012).

In reply, the department stated that action would be taken after verification.

- **Technical Sanction not obtained before commencement of work**

Seven road works amounting to ₹ 30.42 crore were commenced without obtaining the required technical sanction.

As per Rule 126 of BPWD code- for every work which is proposed to be carried out, except petty works and repairs, the cost of which is not likely to exceed by the competency of the SE, a properly detailed estimate must be prepared for the sanction of the competent authority. This sanction is known as technical sanction of the estimate and it should be obtained before the commencement of the work.

¹⁸ (i) Aurangabad (ii) Nawada (iii) Siwan

¹⁹ Rate of IOC effective on 1st Augst 2005 = ₹ 17683.37/MT x 327.328MT = ₹ 57.88 lakh.

Scrutiny of records revealed that seven works valued ₹ 30.42 crore under three divisions were commenced without obtaining the required technical sanction as shown in the **Table no. 8** below:

Table no. 8
Commencement of works without technical sanction
(₹ in lakh)

Sl. No.	Name of division	Name of work	Agreement No.	Agreement Value	Date of Agreement/work order
1.	Darbhanga	IRQP work in Road Old Alignment of NH-57 Delhi More to Ekvinda	49 SBD/2011-12	447.41	26-03-12/ 03-03-12
2.	Darbhanga	Widening and strengthening of Benipur Bishanpur Road in 0 to 12.5 Km for the year 2011-12	31 SBD/11-12	1055.13	26-12-11/24-12-11
3.	Siwan	IRQP work of Mairwa - Darouli Road (Km 0-14)	SBD 2(S) 2011-12	330.14	21.12.11
4.	Siwan	PR work of New Siwan Hasua Road (Km 2-12)	23F2 2011-12	175.87	21.12.11
5.	Siwan	PR work of Siwan Andar Road (Km 0 - 16.25)	1 SBD 2011-12	254.27	21.12.11
6.	Siwan	Zeradei Narendrapur Road (0 to 5 km)	7F2 2011-12	52.94	17.12.11
7.	Patna West	Improvement of Saguna More Junction (Baily Road and Danapur khagaul road junction)	38 SBD/09-10	726.66	13.07.09
		Total		3042.42	

Thus, the codal provisions were not being adhered to, before commencement of works.

In reply, the department admitted that in some cases due to exigency of the work, the work was taken up in anticipation of technical sanction of the project and technical sanction was taken later on. The adherence to the codal provision was being ensured.

The fact remains that codal requirement were not complied with.

2.2.9 Organisational Controls

The organisational control such as manpower management, conducting of inspections and maintenance of control registers i.e. Road Register etc. were rendered weak due to factors discussed below:

2.2.9.1 Man Power Management

Efficient functioning of the department depends upon the availability of requisite manpower and proper management of the available manpower. The

There was vacancies in the post of JEs to CEs which was indicative of deficient manpower management

sanctioned strength and Men in position of technical manpower of department are given below:-

Table no. 9
Sanction strength and men in position as on March 2012 (Technical staff)

Sl. No.	Name of post	Sanctioned strength	Men in position	Shortfall (Percentage)
1.	Chief Engineer	8	3	5 (62)
2.	Superintending Engineer	39	36	3(8)
3.	Executive Engineer	123	123	0 (0)
4.	Assistant Engineer	614	452	162(26)
5.	Junior Engineer	1067	565	502 (47)

As evident from the table above there was vacancies to the extent of 26 and 47 *per cent* in the post of Assistant Engineer (AEs) and Junior Engineer (JEs) respectively, who were directly responsible for proper execution of work. Moreover, at the top level there were vacancies in the posts of CE/SE too. This was indicative of deficient man power management in the department. Further, the shortage of manpower affects the progress of works adversely.

In reply, the department stated that promotion to the post of CE was in process, for direct appointment of AE, post had been advertised and examination had been conducted by BPSC. Further, the process of appointment of JEs was on through Water Resources Department.

The fact remains that the department is functioning with significant shortage in technical posts.

2.2.9.2 Inspections

As per Government order (July 2008), the SE was required to conduct detailed inspections at least three days in a week.

Inspection not done as per norms

Audit scrutiny revealed that during August 2008 to March 2012 only 715 (16 *per cent*) out of required 4512 inspections²⁰ were done by the SEs in divisions. Further, there was nothing on record to show that on reports of the conducted inspections any follow up action was taken. Thus, the works were not adequately inspected by the SEs.

The matter was intimated to the department (August 2012). However, no reply was received so far (February 2013).

2.2.9.3 Measurement Book

BPWA Code (Rule 234) stipulates that the Divisional Officer should check and measure not less than 10 *per cent* of the measurements recorded by his subordinates.

MB not checked by the divisional officers

Audit scrutiny of records revealed that the measurements recorded in 20 measurement books (MB) were not checked by the divisional officers in eight test checked divisions²¹. This indicated the compliance failure of codal provisions and is beset with the risk of wrong measurement.

The department stated that this was being ensured.

²⁰ 188 week X 3 days X 8 circle = 4512 inspections.

²¹ (i) Aurangabad(3) (ii) Banka(2) (iii) Bettiah(1) (iv) Darbhanga(1) (v) Lakhisarai(2) (vi) Nawadah(3) (vii) Patna West(3) (viii) Purnea(5).

2.2.9.4 Non-maintenance of Road Register

Road registers were not maintained

Appendix-A, 3 (11) of BPWA Code requires the divisions to maintain “a road register” in which the details of road, executed maintenance works there upon and the headwise details of fund spent is to be mentioned.

Audit scrutiny revealed that eight²² test-checked divisions did not maintain road register while one division²³ had not updated the same.

In reply, the department stated that maintenance of road register was being ensured.

2.2.10 Quality Control Assurance

The quality aspects of road were not given its due importance as the required quality tests were not being done and contractors did not established quality test laboratory at site.

Quality control is a very important part of any work or production. Besides, it leads to construction of improved quality and uniformity, ensuring a more economical utilisation of materials. It also affords a significant reduction in users cost, in terms of lower cost of vehicle operation, transportation and maintenance. Scrutiny disclosed following shortcomings in quality control assurance of department:-

- The contractors did not establish quality test laboratories at site in 44 road works valuing to ₹ 261.57 crore under three divisions, though it was required according to contract conditions (*Appendix-2.2.10*).

The department stated that the report of the quality tests performed by the contractor were generally not kept as records in the divisional office and the non availability of such reports in the divisional office might not be the only proof that the contractors did not establish laboratories/perform the test/required number of test.

The reply was not acceptable as department had not any other proof to give assurance of quality tests in road works.

- Section 903 of MORTH Specifications for Road and Bridge Works provides the number of quality test required to be done during construction works. Test check revealed that the required number of the quality tests were reduced below the specification in 62 road works of five divisions (*Appendix-2.2.11*).

The department stated that so far as the less number of tests done is concerned, the frequency of test prescribed was only advisory.

The reply was not acceptable that the department had not done the quality tests during the execution of work as per MORTH specifications and also had not initiated its own norms for testing.

- The test laboratories were non functional in Purnea division and circle office at Darbhanga. It was also observed that eight test-checked divisions did not have the required staff strength for quality test laboratories as only 25 personnel were posted in the said laboratories against the sanction post of 62.

²² (i)Aurangabad (ii) Banka (iii) Bettiah (iv) Bhagalpur (v) Chapra (vi)Patna West (vii) New Capital Patna (viii) Siwan.

²³ Purnea

The department stated that upgradation of field laboratories was being ensured.

The above facts reveal that quality aspects of roads were not given its due importance in the department.

2.2.11 Conclusion

Though the Road Construction Department had comparatively improved its performance from Tenth five year plan period, still shortcomings remained in various areas. The department had no defined criteria for selection of MDRs as well as planning to meet the challenges of increasing traffic. The target of upgradation of Eleventh five year plan, which included the widening of single lane MDRs into intermediate lane, could not be achieved. Further, the upgradation of selected MDRs was done without conducting required traffic census and CBR test. There were instances of non-utilisation of available funds. The contract management was defective as the works were awarded to debarred and ineligible contractors. The other deficiencies such as excess payment to the contractors, irregularities in payment of advances and tacit encouragement of illegal mining were noticed. Manpower management and quality control mechanism was not at the optimum level. Thus, department had to make a lot of extra effort for accommodate the continuous increase of traffic density on the major district roads.

2.2.12 Recommendations

- Department should plan the up-gradation of MDRs according to the requirements of continuous increase in traffic;
- Reliable transparent and objective selection criteria must be evolved by the department before designating any road as a “major district road”.
- Works should be awarded to contractors in a transparent manner as stipulated in departmental code;
- Up-gradation of MDRs should be carried out effectively and in accordance with prescribed specifications of Indian Road Congress/Ministry of Road Transport and Highways;
- Manpower management must be strengthened; and
- Monitoring of scheme should be strengthened at field level and quality control of works ensured.

CHAPTER -III

LONG PARAGRAPHS

CHAPTER III
LONG PARAGRAPHS
HUMAN RESOURCES DEVELOPMENT DEPARTMENT

3.1 Working of Patna University

3.1.1 Introduction

Patna University (PU), the first University in Bihar, was established in the year 1917 with a vision to provide quality higher education in the State. Presently, it had 31 Post Graduate (PG) Departments, four institutes¹ and six allied units². PU has 10 constituent colleges under its administration. The existing number of students in the PG Departments, Colleges and Institutes were more than 18 thousand. The sanctioned post of teachers was 1004 against which 448 teachers were working. At present the teacher student ratio was 1:42 as against UGC norm of 1:10 to 1:30 for different programmes. The Governor of the State is the Chancellor of the University. The Vice-Chancellor (VC) is the principal executive and academic officer who exercises control over the affairs of the University. He is assisted by Pro-Vice Chancellor, Financial Adviser, Registrar, Finance Officer, Deputy Registrar and such other persons as may be declared officers of the University by the statutes. At present the matter of appointment of VC is under litigation.

3.1.2 Audit scope and methodology

The audit covered the period 2007-12 and was conducted between March and July 2012. To examine the financial status and infrastructure management of the University, the records of the University were assessed through transaction audit. However, the scope of audit was severely limited due to non production of various records like:

- Establishment and administration area could not be examined due to non-availability of important records such as proceedings of University Selection Committee, service books and personal files. The recruitment process, pay fixation, promotion policy and service matters could not be commented upon and possibility of recurrence of excess payments could not be ruled out.
- The academic activities such as enrolment, drop out ratio, utilisation of scholarship fund, success rate of students, campus placement, research activities etc. could also not be commented upon due to insufficient data furnished by the University.

¹ *Institute of Library and Information Science, Institute of Music, Institute of Psychological Research & Services and Institute of Public Administration.*

² *Central Dispensary, Computer Centre, Guest House, PU Central Library, PU Press and Works Department,*

- The process of preparation of budget and control thereon could not be commented due to lack of proper basic records such as cash book, control register and complete and reliable accounts,

The audit findings related to scrutiny of available records are discussed in the successive paragraphs:

3.1.3 Financial management

The University was being financed through grants from the State Government, University Grant Commission (UGC) and Central Government. The University had also generated its own income by way of fees and fines from the students and other receipts. The year wise position of receipt and expenditure is shown in Table below:

Table-1: Receipts and Expenditure of Patna University

(₹ in crore)						
<i>Receipts</i>	2007-08	2008-09	2009-10	2010-11	2011-12	Total
State Government Grant (HRD)	53.37	51.78	59.99	60.12	120.78	346.04
Income from own sources	23.05	22.00	19.81	20.22	21.50	106.58
Total Recurring receipts³	76.42	73.78	79.80	80.34	142.28	452.62
UGC Grants	1.39	3.04	0.94	5.58	1.04	11.99
Central Government Grants and other	1.15	0.69	0.48	2.68	4.48	9.48
Grand Total	105.51*	77.51	81.22	88.60	147.80	500.64*
<i>Expenditure</i>	2007-08	2008-09	2009-10	2010-11	2011-12	Total
Expenditure on pay & allowances (HRD)	78.01	57.08	52.81	70.82	98.48	357.20
Other Recurring Expenditure	16.74	11.47	13.35	15.87	17.31	74.74
Total Recurring Expenditure⁴	94.75	68.55	66.16	86.69	115.79	431.94
Expenditure related to UGC Grant	1.85	1.74	1.75	1.23	0.59	7.16
Expenditure related to Central Govt. Grant and other	1.37	1.68	0.75	2.10	1.67	7.57
Grand Total	97.97	71.97	68.66	90.02	118.05	446.67

*including opening balance of ₹ 26.55 crore as on 01.04.2007.

(Source: Budgets and utilisation certificate of Patna University)

Income from internal resources were almost stagnant

It was evident from the table above that grants from the State Government increased from ₹ 53.37 crore to ₹ 120.78 crore whereas the income from internal receipts was almost stagnant during 2007-12. This stagnation of income from internal resources was mainly attributed to the non-revision of tuition and hostel fee of the University since last two decades.

The other deficiencies in financial management are discussed in succeeding paragraphs:

3.1.3.1 Non maintenance of University fund

Section 46 of Patna University Act, 1976 stipulated that there shall be established a Fund for the University to be called the Patna University Fund which shall be vested in the University for the purpose of the Act and all sums received by the University shall be placed to the credit of the University Fund so that PU has consolidated database of fund availability.

³ Receipts which are of repetitive nature such as fee, grants etc.

⁴ Expenditures which are of repetitive nature such as salary, contingencies etc.

Audit noticed (July 2012) that Patna University had not maintained University Fund as prescribed in the Act and operated numerous bank accounts without any centralised account. Following shortcomings were noticed in the submitted bank account details:

Transactions in 15 bank accounts were not recorded in Cash Books and Receipt and Payment Accounts

- The University did not furnish the total number of bank accounts operated. However, scrutiny disclosed that the transactions of 15 bank accounts were neither incorporated in Receipt and Payment Accounts nor recorded in cash books. The balances in these accounts were ranging from ₹ 0.27 lakh to ₹ 122.20 lakh.

Table-2: Detail of Bank Accounts

(₹ in lakh)

S N	Name of Account	Account No.	Balance	Date
1	Self Financing/ Vocational course Receipt A/c	20245448965	122.20	01.04.2011
2	Self Finance A/c	3045831602	56.61	31.03.2011
3	Building Maintenance A/c	20245361924	1.20	31.03.2011
4	Transfer and Collection II-A/c	3043639615	20.81	31.03.2011
5	Account-I of Patna College	237728	9.78	31.03.2011
6	Account-I of Patna Science College	237736	2.39	31.03.2011
7	Account-I of Vanijya Mahavidyalaya	237752	1.33	31.03.2011
8	Account-I of Patna Law College	237744	1.09	31.03.2011
9	Account-I of Patna Training College	237761	0.27	31.03.2011
10	Account-I of B.N. College	138464	26.99	03.03.2011
11	Account-I of College of Arts and Craft	9537678	0.64	05.04.2011
12	Account-I of Patna Women Training College	212363	5.89	03.03.2011
13	Account-I of Magadh Mahila College	212326	35.45	03.03.2011
14	GPF A/c	20245395705	9.14	15.06.2012
15	RTI Act, 2005	20245444278	0.29	15.06.2012
	Total		294.08	

In absence of cash books or any other record, the transactions pertaining to these accounts could not be examined and quantified. The Receipts and Payments Account did not depict fair picture in absence of incorporation of transactions of the above bank accounts.

Accepting the audit observation, Patna University stated (October 2012) that measures had already been initiated to update the accounts of different heads.

Bank Reconciliation Statement had never been prepared

- It was observed during audit (July 2012) that the University never prepared Bank Reconciliation Statements to reconcile the differences between bank accounts and cash books. The cash books were not properly maintained or balanced. As a result, the accuracy of entries made in cash books could not be ensured or error committed in the cash books be rectified. As such, the chances of misappropriation/ defalcation cannot be ruled out.

While accepting the observation, the Patna University stated (October 2012) that bank reconciliation of 10 accounts had been completed up to 2010-11 and three accounts upto 2007-08.

Unutilised fund were not judiciously invested

- The Bank Statement of Development Fund⁵ of the University revealed that the minimum unutilised annual balance ranged between ₹ 2.96 crore and ₹ 7.18 crore during 2007-12. Had the unutilised funds been invested in better returns instruments like short term deposits/flexi-fixed deposits etc., the University would have earned more interest to the tune of ₹ 75.19 lakh (**Appendix 3.1.1**). Further, as per UGC guidelines earned interest was to be treated as additional grant in the accounts of the University. It was further found in audit (July 2012) that the Works Department of Patna University had kept the grant of ₹ 95.50 lakh into a non-interest bearing account (i.e. current account) of Allahabad Bank. This resulted in loss of interest of ₹ 6.18 lakh to the University funds (**Appendix-3.1.2**).

The University in its reply (October 2012) stated that it was not mandatory to keep the amount in Fixed Deposit A/c. However step was being taken to avail facility of auto sweep scheme.

The reply was not acceptable as sound financial management system requires adequate planning so that funds are judiciously invested or utilised.

3.1.3.2 *Non – preparation of Annual accounts by the University*

Section 34 (i) of Patna University Act, 1976 prescribes that the statute may provide for the maintenance of accounts of the income and expenditure of the University. Further, section 45 of the Act stipulates that the annual report on the working of the University shall be prepared under the directions of the Syndicate⁶ and shall include the annual accounts of the University. The annual report and the annual account of the University together with the resolution of the Syndicate (if any) relating thereto shall be placed before the next ensuing session of the State Legislature for consideration.

Annual accounts had never been prepared. Even the statutes for maintenance of accounts were not framed

Scrutiny of records disclosed that the University had never prepared its annual accounts since inception. As a result, all major provisions prescribed in the Act for the preparation and presentation of the annual accounts were being violated with impunity. In addition to this, the University has not prescribed any format of accounts. However, the University outsourced the work of preparation of ‘Receipt and Payment Account’ and ‘Internal Audit’ thereof to M/s Barun & Co for the period of 2007-11.

Scrutiny of budget revealed that sufficient provisions were not made for liabilities such as dues of ₹ 102.65 crore for electricity and municipal tax against which only ₹ 50.78 crore had been provided in the annual budget for 2011-12. It showed that proper provision for expenditure had not been made in budget also.

Hence, in absence of annual accounts, the state of affairs i.e. Assets, Liabilities, Loans and Advances received and paid to various agencies, investments made, cumulative excess/ deficit of income over expenditure etc.

⁵ *Development Fund: The fund is to be utilized for construction and renovation of buildings, purchase of equipment, books and journals, student/staff amenities, supporting extension activities and organization of seminars/workshops, etc.*

⁶ *The Executive Council of the University.*

could not be ascertained over the years. Non - availability of annual accounts and proper basic records resulted in limitation to the audit.

Patna University stated (October 2012) that the preparation of the statutes for the maintenance of accounts of income and expenditure of the University and Colleges with prescribed forms and registers as per section 34 (i) was under active consideration of the University.

3.1.3.3 Maintenance of cash books

Every officer who is authorised to receive or disburse Government money should keep an account in cash books. The cash book should be closed and balanced monthly and the closing balance should be checked with actual cash balance. Scrutiny of records revealed:

Cash Books were not properly maintained

- The University did not have records regarding the number of cash books. However, test check of 27 cash books submitted by the University revealed that the cash books were neither totalled nor authenticated by the competent authority;
- Opening balance and closing balance were not certified;
- Monthly physical verification was also not conducted at the end of each month.

The Patna University accepted (October 2012) it and attributed the non - maintenance of cash books to the shortage of staff and stated that steps had already been taken to update the cash books.

3.1.3.4 Outstanding temporary advances

Temporary advances require following control measures:

- Accounts for advances given are required to be rendered as early as possible and unspent balances refunded immediately after the completion /finalisation of occasions/purchases.
- The reasons for making the advances as well as the conditions attached to them should be stated clearly and completely in the relevant sanction orders.
- In reviewing the outstanding loans and advances, special attention should be paid to irregularities in repayment, acknowledgement of balances and unrealised and doubtful assets.
- Further loans should not be granted for the same purpose when substantial unutilised balances out of the previous loans are still available to the debtors and that there is adequate basis to establish that the loans have been utilised only for the purposes and on the objectives for which they were sanctioned.
- Periodic reconciliation statement of advance to suppliers and debtors should be maintained to ensure proper accounting.
- Control registers for advance should be maintained.

On scrutiny of records of the University it was revealed that it had large outstanding temporary advances with individuals/agencies for long periods. Test check (June 2012) of available records revealed:

Temporary advances were not adjusted since long due to inadequate internal control mechanism

- There was no monitoring of adjustments of these advances.
- Fresh advances were granted to 80 persons/heads of the department without adjusting the previous ones.
- No centralised records and control register was maintained so the overall position of advances could not be known.
- Temporary advances amounting ₹ 6.31 crore (₹ 4.30 crore from examination fund and ₹ 2.01 crore from contingency fund) remained unadjusted as on March 2012 as given below:

Table no-3
Year wise outstanding advances

(Amount in ₹)			
Year	Contingency fund	Examination	Total
O.B	2071922	18777795	20849717
2007-08	4395412	6854475	11249887
2008-09	-	1674525	1674525
2009-10	-	3230145	3230145
2010-11	-	5156483	5156483
2011-12	13690897	7290698	20981595
Grand total	20158231	42984121	63142352

- Out of these advances, ₹ 2.08 crore granted to 123 persons prior to April 2007 remained unadjusted till date (June 2012). Unadjusted advances also included ₹ 69.39 lakh granted to 58 outside agencies for supply of materials (*Appendix-3.1.3*). The advances were lying outstanding with different persons for period ranging between one to more than five years.

However, no punitive action was taken by the University for non-submission of the adjustment bills by the officials. This showed lapse in monitoring at the level of senior functionaries of the University. Absence of a system to monitor the adjustment of outstanding advances was indicative of inadequate and ineffective internal control mechanism. Non-maintenance of proper records resulted in limitation to audit. Non-recovery/adjustment of advances for such a long period without proper records was fraught with risk of misappropriation of Government money.

University attributed (October 2012) the non-adjustment of outstanding temporary advances to shortage of staff. It further stated that out of ₹ 6.31 crore of outstanding temporary advance, a sum of ₹ 45.62 lakh had already been adjusted and the process of adjustment of the remaining amount of advance was in progress. The reply was indicative of lackadaisical attitude of the University towards recovery of outstanding advances.

3.1.3.5 Under utilisation of UGC funds

University was deprived of UGC grants of ₹ 5.71 crore due to lack of planning

The University Grant Commission (UGC) sanctioned final allocation of ₹ 12.13 crore (July 2009) and released ₹ 6.42 crore as advance plan grant as tentative allocation during June 2007 to November 2010 to the University under General Development Grant⁷ and Merged Scheme Grant⁸ during Eleventh Plan (2007-12). It was stipulated in the release order that unutilised portion of grant would be considered as lapsed. The details are given in *Appendix 3.1.4* and table below:

Table-4: Detail regarding utilisation of fund

(₹ in lakh)

Scheme	Amount sanctioned	No. of instalment	Grant received	Fund utilised upto June 2012 (per cent)	Balance fund available/unutilised	Fund lapsed
General Development Grant	756.25	5	393.25	196.10 (50)	197.15	363.00
Merged Scheme Grant	457.00	2	248.50	28.30 (11)	220.20	208.50
Total	1213.25	7	641.75	224.40 (35)	417.35	571.50

As evident, the University could utilise only ₹ 2.24 crore, and ₹ 4.17 crore remained unutilised till June 2012. Thus, the University was deprived of the remaining grants of ₹ 5.71 crore which lapsed. Further, scrutiny of records disclosed following facts:

- **Unfruitful expenditure on incomplete works**

UGC had sanctioned ₹ 2.27 crore and released ₹ 1.52 crore to Patna University under 'General Development Grant' during 2005-09 to construct/renovate seven buildings. Estimates were approved by the Building Committee and the works were awarded to seven contractors (between August 2008 and July 2009) with agreement value of ₹ 2.70 crore. According to the agreement, works were to be completed during February 2009 to April 2010.

Unfruitful expenditure of ₹ 1.51 crore was incurred on construction/renovation work due to delay execution of work

Scrutiny of the records (May 2012) of Works Department of the University revealed that the contractors executed works (23 to 78 per cent) amounting to ₹ 1.51 crore and there after the works were stopped (during September 2008 and February 2011) due to non - availability of funds. It was further seen that UGC did not release the next instalments as utilisation certificates for previous instalments were not submitted. Even the university failed to provide funds in the budget for completion of works, though it was clear that additional funds

⁷ *Development grant- Development assistance may be utilised for the consolidation of existing infrastructure and for modernising teaching, research and administration as also for extension and field outreach activities to meet the changing needs of the Universities and to respond appropriately to the demands of the society.*

⁸ *Merged scheme-To provide for Support to Teachers/ Scientific/ Technical Officers/ Administrative Staff, all Administrative Officers of University from Administration, Finance and Examination viz., Pro Vice-Chancellor /Rector Registrars, Finance Officer, Controller of Examination with Librarians and Direct or Physical Education and other group 'A' Officers in these cadres for participating in international conferences/seminars/symposia/workshops held abroad.*

were to be managed by the university itself. No action was taken to obtain required funds from UGC and as such the work remained incomplete for more than 15 to 46 months thereby rendering the expenditure of ₹ 1.51 crore unfruitful (*Appendix-3.1.5*).

In reply the University stated (October 2012) that the major works had been completed and residual works would be completed from internal resources. The reply was unconvincing as after execution of 23 to 78 *per cent* of works by various contractors, they remained stalled for a long period of 15 to 46 months and no action was taken by the University to get the work completed since no provision has been made in the budget.

● **Inflated utilisation certificates**

According to para 5 of UGC guidelines, first installment of 20 *per cent* of allocation may be released for all items except building for which University is eligible and appropriate grant is allocated under the Eleven General Plan Development. The second and subsequent instalments of grants will be released on receipt of progress report and statement of expenditure/ utilisation certificate (UC) of previous grants.

Inflated utilisation certificate of ₹ 2.65 crore were submitted to UGC

It was seen that Patna University had submitted (March 2010) factually incorrect UC of ₹ 2.65 crore to UGC against actual expenditure of ₹ 1.55 crore by Development Wing, Patna University (*Appendix-3.1.6 and 3.1.7*). Thereafter, the University had not sent any UC to the UGC.

The University in its reply (October 2012) stated that the moment grant was disbursed to the respective departments, the utilisation was sent to UGC to ensure timely receipt of the next instalment of grant. The reply was not acceptable because mere transfer of funds to the concerned departments did not amount to actual utilisation of funds.

● **Misutilisation of the financial assistance for unauthorised purposes**

As per para 4A (v) of UGC guidelines, the financial assistance under Books and Equipment head was to be given for purchase of books, laboratory equipment, special office equipment (excluding furniture, fixtures and computer) and modern teaching aids like multimedia projectors, overhead projectors etc.

Rupees 20.56 lakh were misutilised for unauthorised purposes

Scrutiny (July 2012) revealed that ₹ 2.24 crore (out of the received grant of ₹ 3.93 crore under General Development Grant) was made available to 37 Departments and allied units of the University for purchase of books/journals and equipment etc.. However, in contravention of UGC guidelines, 11 PG Departments and allied units had utilised the grant amounting to ₹ 20.56 lakh (out of ₹ 1.15 crore) for purchase of desktop computer, laptop, air conditioner etc. (*Appendix-3.1.8*) defeating the purpose of the grant and students were deprived of intended benefits. It was further seen that the University had not taken any corrective measure for prevention of recurrence of mis-utilisation of fund.

The University stated (October 2012) that telephonic approval had been taken from UGC for purchase of computer under the head equipment. The reply

was not acceptable as it was not in accordance with the stipulated guidelines of the UGC.

3.1.4 Infrastructure Management

3.1.4.1 *Serious irregularities in award of tender for Examination Management System*

The University entered into agreement (April 2012) with M/s Mindlogicx Infratech Limited, Bangluru to implement new automated end to end Examination Management System (EMS). Scrutiny of the tender process revealed serious flaws at every stage as discussed below:

Insufficient time for tender and high turnover resulted in curtailment of competition

- The University had published short tender notice for implementation of end-to-end EMS giving only one week's time from the date of publication of the NIT without inviting Expression of Interest (EOI) and fixed high turnover criteria (₹ 10 crore whereas the expected expenditure on this system was ₹ 1.08 crore (approx.) per annum only). This resulted into curtailment of competition despite the fact that the examination management system was a new system to be introduced in Patna University.

Financial implication of EMS were not considered

- The financial implications of the new system were also not taken into consideration before calling of bids for implementation of the system. The Finance Committee of the University did not deliberate on the source from where the expected expenditure of ₹ 6.48 crore⁹ (approx.) would be met in case of full implementation of the system.
- The clauses of tender documents did not include the performance bank guarantee clause and bid capacity of the bidders.
- According to one of the most important and critical criteria, the bidder must have experience of three years in handling university examinations. But, M/s Mindlogicx Infratech Ltd. was a newly incorporated company which was incorporated on 28 July 2010 and didn't have requisite three years experience to qualify. Hence, the bid submitted by M/s Mindlogicx Infratech Ltd. (Bidder) was liable to be rejected.

The University replied (October 2012) that in view of the urgency to implement semester system from current session 2012-13, EOI was not invited and it was not mandatory for the University to follow Bihar Financial Rules. Further, it was stated that the work was awarded to the company on trial basis and the examination department had sufficient funds available for carrying out such trial. It was further stated that in the tender document itself firms were allowed to submit bid on behalf of their own/ subsidiary/ affiliate/ consortium/ group of companies in order to attract more and more companies, and a notice had been served to M/s Mindlogicx Infratec Ltd. for clarification.

The reply was not acceptable as the University should follow Bihar Financial Rules in absence of its own specific rules. Further, agreement with company

⁹ $40000 \text{ students} \times ₹ 54 \text{ per paper} \times 5 \text{ number of paper} \times 6 \text{ years} = ₹ 6.48 \text{ crore}$

for six years contradicted the reply of the University that initially the work was undertaken on trial basis.

The tender procedure fairness and transparency lacked and

It was, therefore, evident that the whole process from the presentation on automated EMS system to award of work (agreement) was done during the period 14 February 2012 to 13 April 2012 i.e. in only two months in undue haste after VC attended the seminar sponsored by the firm, without proper examination of its requirement, cost benefit analysis and considering the pros and cons of the system. The procedure adopted also lacked fairness and transparency (*Appendix-3.1.9*).

3.1.4.2 Construction Works

Patna University had undertaken 292 works valuing ₹ 14.11 crore during 2007-12. During scrutiny, 22 construction /renovation works valuing ₹ 8.04 crore were test checked and following shortcoming were noticed:

- **Irregular payment on carriage and royalty**

As per letter no. dated 02-02-1984 Cabinet, Vigilance (Technical Investigation Cell) Bihar, Patna the name of quarry was required to be mentioned in contractors bills relating to payment of carriage charges in respect of stone chips, sand etc.

Rupees 45.41 lakh was paid as carriage charges without any mention of destined quarry

In course of test check (May 2012) of records of the University, it was seen that though the name of quarry was not specified in the agreements, carriage costs with royalty were being provided for the utilisation of stone chips and sand in the works. Scrutiny of 17 works disclosed that ₹ 45.41 lakh was paid to contractors as carriage charges without any mention of destined quarry. It was further seen that the contractor's bills were also not supported by Form 'M' and 'N', though required under Minor Mineral Concession Rules 1972. Thus, in absence of the required documents, payment of ₹ 45.41 lakh on account of carriage charges was irregular (*Appendix-3.1.10 and 3.1.11*).

In its reply (October 2012) the University stated that in case of non-submission of 'M' and 'N' Forms, royalty would be deducted from the final bill of the contractor.

- **Non maintenance of register of works**

Register of works were not maintained

Bihar Public Works Account Code¹⁰ stipulates maintenance of Works Abstract Register, Contractor Ledger and Register of Works to have a check over the ongoing works of the department. Scrutiny of records (May 2012) of the University revealed that these records were not being maintained by the University. These were the vital documents for keeping a records and checking the quality of works.

In reply (October 2012) the University stated that Abstract Register had been maintained and there was no need to maintain Contractor Ledger. However, no records were produced in support of the aforesaid statement.

¹⁰ Rule-282 / Works Abstract, Rule-309/ Register of Works and Rule-321/ Contractors Ledger.

Rupees 8.01 lakh as labour cess were not deducted from contractors' bill

- **Non-deduction of labour cess**

Scrutiny of the records (May 2012) of Patna University revealed that the labour cess leviable under the Building and Other Construction Workers Welfare Cess Act, 1996 amounting to ₹ 8.01 lakh (*Appendix - 3.1.12*) was not deducted from the bills in 190, out of 292 works worth ₹ 8.01 crore made to different agencies/contractors during 2007-12.

In its reply the University stated that as per norms of Government labour cess had to be deducted from the bill of the contractor if there was provision in the estimate. The reply was not acceptable because as labour cess was to be deducted at the rate of one *per cent* in respect of all the construction works.

- **Unauthorised payment on extra works**

An amount of ₹ 19.91 lakh was paid for extra items without executing supplementary agreements.

In reply, the University stated that extra work had been done as per site requirement. The reply was contrary to the provision of supplementary agreement.

- **Quality control**

Scrutiny of records (May 2012) disclosed that the University had not ensured quality control in its executed works. The quality control test of utilised materials like iron, cement, sand, stone chips etc. were not on records. Further, the specification of cement was not mentioned in the agreements of the works. In absence of quality control of materials, there was possibility of sub-standard execution.

Patna University stated (October 2012) that at present there was no laboratory to carry out quality test of the bricks, stone chips etc and due to lack of the technical staff, it was not possible to develop laboratory at Works Department. It was further stated that the Government approved laboratory would be contacted for testing of building materials.

3.1.5 Miscellaneous

3.1.5.1 *Avoidable liability due to non-disconnection of electric line*

In four hostels¹¹ of the University, though seats were not allotted to students, electric connection was allowed to continue since long. However, after deliberation with Bihar State Electricity Board (BSEB) in 2007, the electric connection of two hostels was cut off and remaining connections continued till date. Thus due to delayed decision on disconnection of electric lines in two hostels and continuance of connections in remaining hostels, the University incurred an avoidable liability amounting to ₹ 18.06 crore on electric charges. Also, it was seen that the concerned Electric Supply Division had claimed ₹ 1.07 crore from the University for five other electric connections which were not being utilised by the University. However, no action had been taken by the

Continuation of electric connections which were not being utilised by the University resulted into avoidable liability of ₹ 19.13 crore

¹¹ Hostel no-2,3,4 and 7

University in this regard till July 2012 which resulted in avoidable liability of ₹ 19.13 crore (**Appendix-3.1.13**).

The University, in its reply (October 2012), stated that action had been taken to disconnect the electric supply of remaining two hostels.

The reply was not acceptable as the BSEB denied disconnection without clearance of outstanding dues.

3.1.5.2 *Loss of revenue due to non allotment of hostels*

Scrutiny of records of nine hostels of Patna University revealed that 2790 students had applied for accommodation in hostels during 2007-12, but the University allotted seats to only 2059 students and balance 731 students were denied seats despite availability. Details as given in table below:-

Table- 5: Statement of allotment of seats in hostels

Session	Total seats	Application submitted by students for allotment	Total seats allotted	Seats not allotted and lying vacant without any reason (3-4)	Hostel rent/student (per year)	Loss of revenue (in ₹) (5x6)
1	2	3	4	5	6	7
2007-08	703	515	392	123	2760	339480
2008-09	704	493	371	122	2760	336720
2009-10	726	551	401	150	2760	414000
2010-11	826	560	444	116	2760	320160
2011-12	826	671	451	220	2760	607200
Total	3785	2790	2059	731	2760	2017560

(Source: statement furnished by Patna University)

Non-allotment of hostels resulted into loss of revenue and students were deprived from the available infrastructure

Thus, due to non-allotment of seats in hostels, the University was deprived of an income of ₹ 20.18 lakh even though the fee was quite low and not revised since long.

Patna University accepted (October 2012) the audit observation and stated that rooms could not be allotted to the students as some of the rooms of PG Hostels were damaged and some of them were occupied by unauthorized students. However, the University had assured that steps had been taken to vacate the unauthorised occupants.

Thus, the resources of the University remained unutilised and students were deprived from the available infrastructure.

3.1.5.3 *Non implementation of new contributory pension scheme*

According to the State Government Employees Contributory Pension Scheme 2005 (notified in August 2005 and effective from 1 September 2005), 10 per cent of basic pay plus dearness pay of employees was to be deducted from monthly salary of employee and equal amount from the employer/ State Government/ University was to be given to contributory pension fund. It was noticed in course of test check that the University had not initiated the pension scheme while 92 employees (18 teaching staffs and 74 non-teaching staff) were appointed on or after 01 September 2005.

New Contributory Pension Scheme was not implemented on new recruitments

Patna University accepted (October 2012) the audit observation and stated that memorandum had been issued on 10 September 2012 to implement the new contributory pension scheme.

3.1.6 Conclusion

Though the scope of audit was severely limited due to non-production/non-maintenance of records, the furnished records revealed failure of financial discipline in the University. The University had not prepared financial statements according to statutes of Patna University Act. The financial disorder was evident from the non-maintenance of University Fund, non-preparation of annual accounts, non-maintenance of cashbooks, underutilisation/lapse of UGC funds and lack of internal control. The tendering process lacked fairness and transparency and undue aid was provided to the contractors. Further, lapse on the part of administration in exercising financial prudence resulted in incurring avoidable liability.

3.1.7 Recommendations

- The University should ensure preparation of financial statements according to the statutes of Patna University Act and preparation of Annual Accounts to maintain financial discipline;
- Transparency and fairness must be ensured in the tendering process;
- Internal Control System should be strengthened in respect of maintenance of accounts, cash book, unadjusted advances and other control registers; and
- Suitable mechanism may be devised to avoid liabilities such as electricity dues.

ENVIRONMENT AND FOREST DEPARTMENT

3.2 *Compensatory Afforestation Fund Management and Planning Authority (CAMPA)*

3.2.1 Introduction

An *Ad-hoc* body of Compensatory Afforestation Fund Management and Planning Authority (Ad-hoc CAMPA) Central level body, was constituted in May 2006 on the directive of Honorable Supreme Court of India to receive the funds from the user agencies towards compensatory afforestation (CA), penal compensatory afforestation (PCA), additional compensatory afforestation (ACA), Net Present Value (NPV) of the forest land and catchment area treatment plan (CAT) on account of use of forest land for non - forestry purposes. Further, to administer the amount received from the *Ad-hoc* CAMPA and utilize the money collected for undertaking CA, conservation and protection of forests and compliance of any other conditions stipulated by the Central Government while according approval under the Forest (Conservation) Act, 1980, State Compensatory Afforestation Fund Management and Planning Authority (CAMPA) was constituted in Bihar in January 2010 on the direction of Hon'ble Supreme Court in July 2009. The objectives of CAMPA were (a) conservation, protection, regeneration and management of natural forests (b) conservation, protection and management of wildlife and its habitat within and outside protected areas (c) compensatory afforestation (d) promotion of agricultural forestry and environmental services like grazing, tourism, wildlife protection and life support and (e) research, training and capacity building.

3.2.2 Organisational set up

CAMPA consists of one Governing body and two Committees viz. Steering Committee and Executive Committee. The Governing body, headed by the Chief Minister, formulates and reviews policies of the CAMPA. The Steering Committee and Executive Committee headed by the Chief Secretary and Principal Chief Conservator of Forest (PCCF) respectively are responsible for preparation, implementation and monitoring of annual work plan. The members of Governing body, Steering Committee and Executive Committee are given in *Appendix-3.2.1*.

3.2.3 Audit scope and methodology

The audit covered the period 2009-12 and was conducted between February to June and September to November 2012. The functioning of CAMPA in the State was assessed through transaction audit by covering 11¹ out of 22 Divisional Forest Offices (DFO) of the State, along with records of the CAMPA at headquarters. The selection of units for test check was done on the basis of quantum of funds released to various divisions through CAMPA and incurred expenditure.

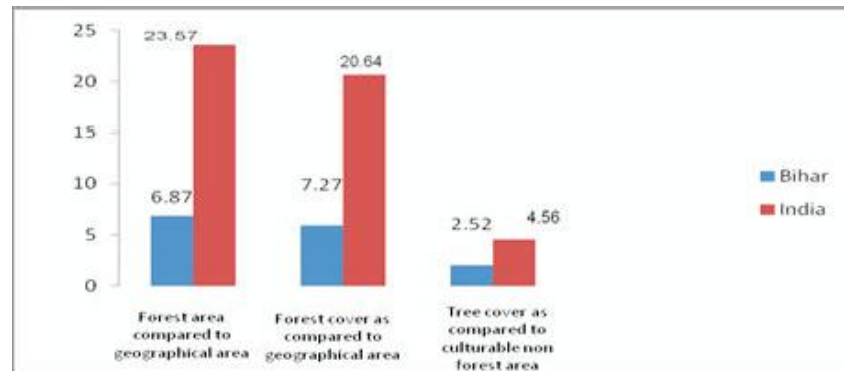
¹ Araria, Aurangabad, Banka, Bhojpur (Ara), Gaya, Jamui, Kaimur (Bhabua), Nawada, Rohtas (Sasaram), Saharsa and Tirhut (Muzaffarpur).

Audit Findings

The audit findings are discussed in the successive paragraphs:

3.2.4 Planning

As per records of Government of Bihar, the State had a recorded forest area of 6473 sq km which represented 6.87 per cent of the total geographical area of the State (94163 sq km)². The comparative forest coverage (in per cent) with country is given below in chart:



(Source: FSI Report 2011)

As evident from the chart above the State was lagging behind the national average. In this scenario the role of administration of the CAMPA was crucial in relation to planning for development of existing forest cover of the State.

As per clause 15(2) (ii) of the guidelines of the State CAMPA, the Executive Committee State CAMPA was required to prepare Annual Plan of Operation (APO) involving various activities to be undertaken in the State and to submit before the Steering Committee before end of December for each financial year. After approval from the Steering Committee, APO was required to be sent by the Nodal Officer, CAMPA to the Ad-hoc CAMPA for release of funds.

During 2009-10 and 2010-11, the CAMPA lacked adequate planning for the activities to be undertaken in the State

Scrutiny of records disclosed that no APO was prepared for the year 2009-10 and there was delay (ranging from 12 to 15 months) in preparation of APOs of 2010-11 and 2011-12. It was further observed that the Ad-hoc CAMPA had released fund of ₹ 7.73 crore to the CAMPA without receipt of APO 2009-10 and ₹ 8.67 crore prior to receipt of APO 2010-11. It was only in 2011-12 that the fund of ₹ 8.04 crore was released on the receipt of APO.

² Forest Area - Total Notified Forest Land (6473 sq. Km) is termed as Forest area.
Forest Cover- Total forest comprising of very dense forest(231 sq. Km), moderate dense forest (3280 sq. Km) and open forest (3334 sq. Km). Total forest cover of the state is 6845 sq. Km.
Tree Cover- The tree cover is derived using Tree outside forest (TOF) inventory data over a period of six years. The estimated tree cover in the State recorded during 2004-10 is 2369 sq. Km which is 2.52 per cent of the geographical area of the State.

Ad-hoc CAMPA also released fund without receipt of Annual Plan of operations (APO) during 2009-11

Thus, during 2009-10 and 2010-11 the CAMPA lacked adequate planning in identification of key activities to be undertaken. Similarly the *Ad-hoc* CAMPA also released funds without receipt of APOs (2009-11) by CAMPA.

On this being pointed out the department replied (November 2012) that due to non-creation of infrastructure the APO for the year 2009-10 could not be prepared. The reply was not in accordance with facts as the post of Nodal Officer was created in May 2008. However, non preparation/belated preparation of APOs attributed to deficient planning resulted in non-utilisation of funds released from *Ad-hoc* CAMPA. In addition, CAMPA did not develop any system or record to watch violations of Forest (Conservation) Act, 1980, and the agencies/departments had been using forest land for non-forest purposes as discussed in succeeding paragraph.

3.2.4.1 Violation of Forest (Conservation) Act, 1980

Forest (Conservation) Act, 1980 envisages that notwithstanding anything contained in any other law for the time being enforced in a State, no State Government or other Authority shall make, except with the prior approval of Ministry of Environment and Forest (MoEF), GOI, New Delhi, any order directing the use of any forest land or any portion thereof for non-forest purpose.

The user agencies were allowed use of forest land for non-forest purposes in contravention of Forest (Conservation) Act, 1980.

Scrutiny of records of four forest Divisions³ and CAMPA, Bihar, Patna disclosed that MoEF agreed in principle (stage-I) for use of 397.94 hectare forest land for non-forest purposes under five forest divisions. Further, as per conditions of MoEF, five user agencies⁴ were to deposit total demand of ₹ 30.42 crore on account of NPV, CA/PCA for getting the final approval for diversion of 397.94 hectares of forest land (**Appendix- 3.2.2**). However, it was observed that though the user agencies had deposited (March 2012) only ₹ 6.77 crore (22 *per cent*) in the account of CAMPA, they had started the use of land for non-forest purposes, prior to approval of MoEF in violation of Forest (Conservation) Act, 1980.

It was further observed from the records of CAMPA that Road Construction Department, Government of Bihar had utilised forest land for construction of road in as many as 95 cases without getting prior approval of MoEF.

On this being pointed out in audit, the CAMPA stated (March 2012) that the matter was discussed in the meeting of State Advisory Group. Recommendation of the State Government has already been sent to Government of India (GOI).

The department had also accepted (November 2012) that most of the diversion cases in the State related to strengthening and widening of roads in which the user agencies completed road construction works without obtaining formal approvals as envisaged under Forest (Conservation) Act, 1980. The department further stated that the CAMPA could gradually realize a total sum of ₹ 138.41 crore up to June 2012 on getting approval in some of the cases.

³ (i) DFO, Banka, (ii) Jamui, (iii) Kaimur and (iv) Nawada.

⁴ (i) Executive Engineer, CPWD, (ii) National Highway (iii) RCD, (iv) State Highway and (v) WRD.

The reply was not acceptable as the user agencies were allowed use of forest land for non-forest purpose without prior mandatory approval as envisaged under the Forest (Conservation) Act, 1980.

3.2.5 Financial management

The details of available funds⁵ in State CAMPA are given in the **Table-1**.

Table-1
Available funds of State CAMPA

Year	Amount Deposited in <i>ad-hoc</i> CAMPA	Amount Released to State CAMPA	(₹ in crore)	
			Amount received in State CAMPA from other sources	Total available funds
2006-07	42.22	-	-	-
2007-08	00.56	-	-	-
2008-09	45.82	-	-	-
2009-10	22.20	7.73	-	7.73
2010-11	22.80	8.67	12.47	21.14
2011-12	38.73	8.04	3.08	11.12
Total	172.33	24.44	15.55	39.99

(Source:-Figures furnished by CAMPA)

Due to non-utilisation of funds received from *Ad-hoc* CAMPA, the objectives of the State towards conservation and protection of forest were not achieved

As evident from the table, *Ad-hoc* CAMPA had released ₹ 24.44 crore to State CAMPA during 2009-12. Besides, ₹ 15.55 crore was directly credited into the account of State CAMPA through various offices/forest divisions⁶ under Green Belt, Median Plantation Schemes (**Appendix-3.2.3**). It was observed that CAMPA released ₹ 20.24 crore⁷ (**Appendix-3.2.4**) against the APOs of concerned forest divisions. It was further observed that the funds amounting to ₹ 19.75 crore (49 *per cent* of the available funds) remained unutilised with CAMPA (March 2012) of which ₹ 10.60 crore was being kept in term deposits. Due to non-utilisation of funds received from *Ad-hoc* CAMPA, the objectives of the State towards conservation and protection of forest were not achieved.

In reply to the audit observation, the department stated (November 2012) that though the Hon'ble Supreme Court of India issued directions to release 10 *per cent* of the fund deposited by the respective State, there was restriction of fixed maximum limit of ₹ 1000 crore too for national level. In view of this, state was deprived of availing 10 *per cent* of their total fund deposited with *Ad-hoc* CAMPA.

The reply was not satisfactory since the department could not justify the reason of non-utilisation of funds and admitted that all such funds were lying unutilised with the CAMPA.

⁵ As per orders of Hon'ble Supreme Court of India, *Ad-hoc* CAMPA would release funds equivalent to the amount of 10 *per cent* of the deposited fund of the concerned state

⁶ Purnea, Araria, Saharsa, Tirhut, Mithila (Darbhanga), RCCF, Patna, Kaimur, Rohtas, Aurangabad, Nalanda, Begusarai and Gaya.

⁷ ₹ 7.21 crore against the APO of ₹ 10.70 crore and ₹ 13.03 crore against APO of ₹ 14.37 crore in 2010-11 and 2011-12 respectively to the concerned forest divisions

Other irregularities noticed in course of audit are discussed in succeeding paragraphs.

3.2.5.1 Accounting Procedure

As per para 16 (3) of the guideline, CAMPA was required to maintain proper accounts and other relevant records and prepare an annual statements of accounts in such form as may be prescribed in consultation with the Accountant General and also to prepare Annual Report by end June for each financial year as per provisions as contained in para no. 15(2) (vii) of the guidelines. CAMPA did not take any action for the form of accounts and did not prepare accounts even in the form made available by the audit in June 2012. In absence of proper accounts, correctness of its income and expenditure for the year 2010-11 and 2011-12 could not be verified in audit.

3.2.5.2 Non maintenance of cash books

Rule 22 of Bihar Financial Rules stipulated that the every officer who was authorised to receive or disburse Government money would keep an account in cash books. The cash book would be closed and balanced monthly and the closing balance would be checked with actual cash balance. The Steering Committee of CAMPA had also reiterated requirement of maintenance of separate cash book and ledger etc. by all forest divisions and for submission of the monthly accounts to the Conservator of Forest (CF).

Five out of eleven test-checked divisions had not maintained cash books for the period ranging from four to 12 months

Scrutiny of records disclosed that the cash books/ledger in respect of the CAMPA funds of five out of eleven test check forest divisions were not maintained for the period ranging from four to 12 months⁸. Further, cash books in divisions were not being checked regularly by the DDOs. Thus, improper maintenance of cash book was fraught with risk of misappropriation. Department assured (November 2012) that efforts were being made to maintain/update the Cash Book and all other records properly.

3.2.5.3 Utilisation of funds

Test check of records of eleven selected divisions revealed that out of total fund of ₹ 8.84 crore released during 2011-12 a sum of ₹ 7.84 crore were utilised by them. However, CAMPA did not provide details of utilisation of fund of ₹ 13.03 crore made available to all 22 divisions during 2011-12. Thus owing to the reason of non-availability of compiled expenditure report, utilisation of funds could not be ascertained.

On this being pointed out, the department stated (November 2012) that the expenditure for the year 2011-12 was being compiled.

Reply was not convincing as the State CAMPA was required to obtain monthly expenditure report from the concerned DFOs and to compile all such expenses regularly.

3.2.5.4 Composition of expenditure

As per approved APOs State CAMPA released ₹ 20.24 crore during 2010-12 (₹ 7.21 in 2010-11 and ₹ 13.03 crore in 2011-12) for execution of work to the

⁸ (i) Aurangabad (April/2011 to March/2012), (ii) Banka (February/2011 to July/2011), (iii) Bhojpur (April/2011 to March/2012), (iv) Jamui (November/2011 to February/2012) and (v) Sasaram (August/2011 to March/2012).

all DFOs of concerned forest divisions. It was observed that while releasing the fund to the DFOs, State CAMPA had not fixed any norms regarding composition of expenditure. Following table shows the composition of expenditure of funds released to all DFOs and APO 2010-11 and 2011-12.

Table-2
Compositions of expenditure during 2010-12
(₹ in crore)

Sl. No.	Name of Works	Fund released to DFOs as per APO (2010-11)	Percentage	Fund released to DFOs as per APO 2011-12	Percentage
1.	Compensatory Afforestation	1.09	15.12	3.25	24.95
2.	Added Natural Regen.(ANR)	2.57	35.64	3.15	24.17
3.	Modern Nursery	-	-	-	-
4.	Up gradation of wildlife forest road	1.00	13.87	-	-
5.	Transportation for security	0.65	9.02	1.15	8.82
6.	SGBP Patna(wildlife)	0.18	2.50	-	-
7.	Transportation for others	0.62	8.60	0.98	7.52
8.	Dolfin Conservation	-	-	-	-
9.	Black Buck Conservation	0.02	0.28	-	-
10.	Estt. Nodal Officer	0.02	0.28	0.04	0.31
11.	Over Head Expenditure	0.03	0.42	0.03	0.23
12.	Green Belt Plantation	1.03	14.29	0.81	6.22
13.	Linear Plantation	-	-	2.03	15.58
14.	Building for Officials	-	-	1.13	8.67
15.	Audit Fees	-	-	0.02	0.15
16.	Vehicle for Nodal Officer	-	-	0.10	-
17.	Working Plan/Management Plan for Nawada, VTP, Munger And SGBP	-	-	-	-
18.	N.G.O.	-	-	-	-
19.	For evaluation by the specialised from impaneled by GOI	-	-	-	-
20.	Home guard	-	-	0.19	1.46
21.	Training	-	-	0.15	1.15
	Total	7.21		13.03	

It was evident from the above table that out of total fund released (₹7.21 crore) during 2010-11, 65 per cent of total fund earmarked for plantations (CA, ANR, and green belt plantations), 18 per cent on purchase of vehicles and 14 per cent on development of infrastructure (Road). Similarly out of total fund released (₹13.03 crore) during 2011-12, 70 per cent was allocated for plantations (CA, ANR, linear and green belt), 16 per cent on purchase of vehicles and 8.67 per cent on construction of buildings for officials.

In reply, the Nodal Officer accepted (November 2012) that norms were not fixed for various items of works to be carried out under CAMPA.

3.2.6 Receipt into CAMPA

There was short realisation of ₹ 7.26 crore as NPV/CA/PCA

Scrutiny of records revealed that during 2006-12 the user agencies had deposited ₹ 172.33 crore as against total demand of ₹ 168.11 crore towards NPV/CA/PCA and other activities. Details are given in the table below:

Table-3
Details of demand raised and recovered

(₹ in crore)

Year	Demand raised	Amounts recovered	Amounts transferred in the account of Ad-hoc CAMPA
2006-07	40.94	42.23	42.23
2007-08	1.48	00.56	00.56
2008-09	51.59	45.82	45.82
2009-10	22.76	22.20	22.20
2010-11	16.05	22.80	22.80
2011-12	35.29	38.73	38.73
Total	168.11	172.33	172.33

(Source: State CAMPA)

On the basis of above audit observed that there was variation in the amount recoverable and amount actually recovered from the user agencies. During the 2006-07, 2010-11 and 2011-12 the amount of receipt was higher than that of demand. Further, it was also revealed that as against original demand of ₹ 75.83 crore raised during 2007-08 to 2009-10 the user agencies paid ₹68.58 crore as of March 2012. Thus, there was short realisation of ₹ 7.26 crore as NPV/CA/PCA (**Appendix-3.2.5**).

In reply the Nodal Officer stated that amounts of CA were changed in every six months as a consequence of increase in cost of material and rate of wages. It was further stated that in some cases user agencies paid value of CA on the basis of original demands while in some cases it was paid on basis of revised demands. Reply of CAMPA was not acceptable as there was no system in place to assure that receipt towards CA and other activities were being correctly assessed. At the same time CAMPA did not peruse recovery effectively.

Thus, CAMPA could not recover ₹ 7.26 crore from user agencies even after lapse of two to four years since amount became due.

3.2.6.1 Funds received from user agencies kept outside State CAMPA

Para 10 (I) (iii) of CAMPA guidelines stipulated that the unspent funds already realized from user agencies prior to creation of State CAMPA and not transferred to the *Ad-hoc* CAMPA was to be deposited into the accounts of CAMPA.

The unutilised funds of CA amounting to ₹ 1.51 crore were kept outside CAMPA

In course of scrutiny, it was observed that funds amounting to ₹ 1.93 crore was received in four test checked divisions (**Appendix-3.2.6**), which remained unutilized in three divisions and partially utilized (₹42.37 lakh out of ₹ 48.85 lakh) by DFO, Nawada. The unutilized funds received towards CA amounting to ₹ 1.51 crore were kept in the treasuries by these divisions instead of transferring it to CAMPA as of March 2012 in violations of CAMPA guidelines.

On this being pointed out, the concerned DFOs assured (March to June 2012) to take necessary action after proper investigation of the matter.

Further, the department in its reply (November 2012) stated that ₹ 90.91 lakh was received (June 2012) from DFO, Gaya and steps were being taken to

ensure transfer of remaining funds lying with Forest Divisions into the accounts of CAMPA.

Thus, due to inaction on the part of the divisions, the State was deprived of the amount to be utilized towards various environmental protection programs.

3.2.6.2 Non-assessment/realisation of compensatory afforestation money

The Ministry of Environment and Forests, (MoEF), Government of India agreed (June 2011) in principle for diversion of 330.70 hectare of forest land for non-forestry use to construct Koderma -Tilaiya new Broad Gauge Railway line (49.515 km) in favour of East Central Railways, Koderma under Forest Division Nawada and accorded approval in principle. According to the conditions of MoEF, the user agency had to deposit the cost of CA over double the area of degraded forest land and the State Government would charge the NPV of the forest area diverted under this proposal from the user agency.

Due to non-preparation of estimate by the division for plantation in double the area of degraded forest land, CA could not be realised from the user agency

Scrutiny revealed that the NPV amounting to ₹ 26.56 crore was realized from the user agency (April 2012) but due to non preparation of estimate by the division for plantation in double the area of degraded forest land (661.54 hectare) CA money could not be realised from the user agency (June 2012).

On this being pointed out, the DFO, Nawada replied (June 2012) that estimate was being prepared and CA money would be realized in due course.

Further, the department had stated (November, 2012) that DFO Nawada had sent the estimate of ₹ 4.10 crore to Railway Authorities (October 2012) and final clearance would be given only after deposit of required money from the user agency.

3.2.7 Irregularities in Land Management

As per Rule 3.2(vi) of Forest (Conservation) Act, 1980 (with amendment made in 1988) and Forest (Conservation) Rule, 2003 (with amendment in 2004), CA may be raised over degraded forest land twice to the extent of forest land being diverted in case of link road, small water works, minor irrigation works, school building, transmission line, telephone and optical fibre lines etc. Para 12(ii) of guidelines also envisages that after receipt of the money CAMPA shall accomplish the afforestation for which money is deposited in the CA fund within a period of one year or two growing seasons after project completion, as may be appropriate.

As per records of CAMPA, 2286.25 hectares of forest land were diverted for non forest purposes during the period 2006-12. As envisaged under Forest (Conservation) Act, 1980 and rules made there under, CAMPA was required to complete the CA in 4572.50 hectare i.e. double of the area of forest land diverted.

Plantation works were not carried out in the diverted forest land (twice the degraded forest area) during 2006-10

Scrutiny of records revealed that against 1673.43 hectares of forest land diverted during 2006-10 no plantation works were carried out by the concerned DFOs. However, against the total diversion of 612.81 hectare of forest land (2010-12), 3204938 plants were reported to have been planted but corresponding areas of plantations were not indicated by CAMPA (*Appendix-3.2.7*).

In reply, the Nodal Officer, State CAMPA stated (November 2012) that diversion of land was calculated in hectare but sanction of MoEF, GOI has come in different units mentioning no. of plants. The reply of CAMPA was not convincing as area of plantation during 2010-12 was not indicated due to absence of methodology to calculate area to be afforested.

3.2.7.1 Notification of land as Protected Forest/Reserved Forest

As per paragraph 3.4 (i) of Forest (Conservation) Rule, 2003 (with amendments made in 2004), non forest land identified for CA was required to be transferred to the ownership of the State Forest Department and declared as reserved/protected forest so that the plantation raised could be maintained permanently. The transfer was to be done prior to the commencement of the project.

CAMPA could not furnish records relating to non-forest land received from the user agencies

In course of audit CAMPA could not furnish any records relating to non-forest land received from the user agencies in case of diversion of forest land. However, DFO, Gaya intimated that 2.51 hectare non-forest land had been received from the user agency in January 2008 but notification declaring it as Protected Forest was pending.

3.2.7.2 Release of funds without ensuring availability of land

It was decided in the meeting of PCCF (January, 2011) that selection of sites for plantation under Added Natural Regeneration (ANR) scheme was to be done after ascertaining availability of 500 hectare forest land so that plantation on 100 hectare land each could be made possible in five consecutive years.

The DFO, Aurangabad selected three sites for ANR Advance Work for plantation of 150000 trees in 300 hectare⁹ available land for first year at Karmdih, Narayanpur and Umga under APO 2011-12. CAMPA released ₹ 20 lakh to the DFO, Aurangabad (December 2011) for execution of the scheme.

The plantation work could not be started due to non-availability of forest land and fund remained unutilised

Scrutiny of records disclosed that the plantation work could not be started at Narayanpur and Karmdih due to non-availability of forest land and the fund of ₹ 9.07 lakh remained unutilised (June 2012).

On this being pointed out in audit, DFO, Aurangabad replied (June 2012) that funds were released without seeking estimates from them and the fact regarding non-availability of land had already been communicated to CF, Gaya and Nodal Officer, Bihar, Patna.

Further, the department in its reply stated (November 2012) that the matter had been brought to the notice of Steering Committee for regularization in APO-III for the year 2012-13 which was accepted by the Steering Committee.

Thus, the sanction of APO without availability of land resulted in non utilisation of funds coupled with non achievement of intended objective of ANR advance work for plantation of 100000 trees.

3.2.8 Implementation of the schemes

Test checks of records of selected forest divisions revealed that the research, promotion of agricultural forestry and environmental services like grazing,

⁹ 50000 plants in 100 hectare at each place

tourism etc. were not implemented from the CAMPA funds. The department cited paucity of funds as the reason for non-implementation of various schemes/activities.

However, the irregularities noticed in the schemes implemented by CAMPA are being discussed in the succeeding paragraphs.

3.2.8.1 Change of plantation sites

Bamboo and Iron gabion plantation were to be carried out in Singhi-Gundi Road under DFO, Ara and Aurangabad-Amba-Hariharganj road under DFO, Aurangabad according to the APOs of 2010-11 and 2011-12 respectively.

The plantation site was changed without the approval of competent authority

Scrutiny of records of those two divisions revealed that the plantation sites were changed without getting approval from the competent authority (Chair person of Steering Committee) and expenditure of ₹ 44.84 lakh was incurred.

In reply to the audit observation, the DFO, Ara, Bhojpur stated (May 2012) that the work was completed as per orders of the Nodal Officer whereas the DFO, Aurangabad stated (June, 2012) that ex-post-facto sanction would be obtained for the site deviation.

Further, the department had also stated (November 2012) that the needful would be done to get the approval from the competent authority. Thus, the intended plantations of APO were not done in the two forest divisions. Further change of plantation sites without the consent of Steering Committee was violative of the guidelines of State CAMPA.

3.2.8.2 Failed plantation

Scrutiny of records of the DFO, Jamui revealed that the CAMPA released ₹18.31 lakh (2010-11) and ₹ 6.77 lakh (2011-12) for execution of advance work¹⁰ under ANR plantation in 2010-11 and completion work¹¹ in 2011-12 respectively at Harni Protected Forest as per approved APOs 2010-11 and 2011-12, approved on 03 March 2011 and 12 October 2011 respectively.

The survival rate was only 50 per cent against the survival norms of 80 per cent, in Harni Protected forest under Jamui

Scrutiny revealed that even after incurring expenditure of ₹ 22.93 lakh (during January to March 2011 and July 2011) by DFO, Jamui, the survival rate of plantation was only 50 per cent against the desirable norms of 80 per cent. The reasons observed in audit for poor survival of plantation were wrong selection of plantation site, delay in execution of plantation work and improper digging of trenches around the plantation site, etc.

In reply, the department stated (November 2012) that the matter would be looked into and necessary information would be furnished after detailed scrutiny of records and physical inspection to be conducted by CF, Bhagalpur.

Thus, the expenditure incurred of ₹ 22.93 lakh on substandard plantation was nugatory to the extent of cost of plantation not survived.

3.2.8.3 Doubtful execution of work

CAMPA released ₹ 31.49 lakh (₹23.67 lakh in 2010-11 and ₹ 7.82 lakh in 2011-12) to DFO Banka towards plantation of 62500 plants in 125 hectare of forest land (Kadhar PF) as per APO (2010-11). DFO, Banka had incurred

¹⁰ Advance work - Preparation of land for plantation to be carried out.

¹¹ Completion work - Plantation on advance work

₹ 23.67 lakh during February 2011 to March 2011 on advance work and ₹ 5.91 lakh during April 2011 to August 2011 on completion work on 60345 plants. It was, however, observed that according to pit count register, plantation work was done for 60345 plants, whereas payment was made for 62500 plantations. Thus, expenditure of ₹ 1.02 lakh¹² made for non-existent plantation (2155 nos.) was doubtful.

The department stated (November 2012) that the necessary reply would be furnished after proper investigation to be conducted by the CF, Bhagalpur.

3.2.9 Monitoring system

No monitoring and evaluation mechanism to assess the implementation of the scheme was involved and implemented

According to the guidelines of CAMPA, an independent system of concurrent monitoring and evaluation of the works implemented in the States utilizing the funds of CAMPA was to be evolved and implemented to ensure effective and proper utilization of funds. Besides, the CAMPA was also authorized to incur expenditure on monitoring and evaluation to overall ceiling of two *per cent* of amount to be spent every year.

Scrutiny disclosed that no monitoring and evaluation mechanism to assess the implementation of the schemes was evolved and implemented by the CAMPA. It was further noticed that funds of ₹ 22.00 lakh earmarked for monitoring purpose in 2011-12 was also lying unutilized (March 2012).

The department, in its reply, stated (November 2012) that adequate measures were being taken to address the deficiencies in the monitoring system. In absence of monitoring system, forest lands were being used for non-forest purposes without getting approval from the MoEF and the objective of CAMPA funds towards ensuring forest and tree cover, conservation and management of wildlife were not achieved.

3.2.10 Conclusion

The planning aspect was deficient as APOs were either not prepared or prepared with delay and *Ad-hoc* CAMPA did not ensure that release of funds was based on the APOs. There was no mechanism where-by the status of proposals for diversion of forest land for non forest activities by various agencies could be watched. Further, the unspent funds of CA were not deposited into the CAMPA thereby depriving the State of the funds to be utilized for various environmental programmes. No activities of research and agro forestry were undertaken from the CAMPA funds. The CAMPA had also not evolved an independent system for concurrent monitoring and evaluation of the works implemented in the State. Thus, the objectives of conservation, protection, regeneration and management of natural forests were yet to be achieved by the CAMPA.

¹² $Per\ plant\ expenditure = ₹\ 29.58\ lakh / 62500\ plants = ₹\ 47.32 \times\ no\ of\ fictitious\ plants\ 2155 = ₹\ 1.02\ lakh$

3.2.11 Recommendations

- APOs should be prepared and approved in time.
- The unspent funds of CA should be deposited into the CAMPA fund immediately.
- CAMPA should develop a system or record to watch status of proposal for diversion of forest land for non forest activities by various user agencies.
- CAMPA should evolve an independent system of concurrent monitoring and evaluation of the works implemented in the State.

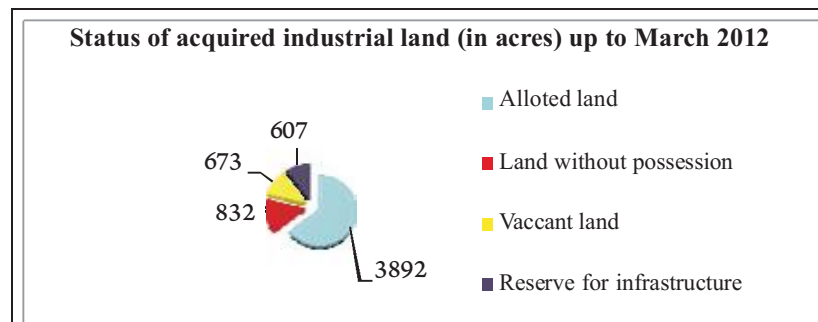
INDUSTRIES DEPARTMENT

3.3 Acquisition and allotment of land for Industrial purposes in Bihar

3.3.1 Introduction

Industry Department, Government of Bihar (Department) had the responsibility of acquisition and allotment of land for industrial purposes with the objectives of promotion and qualitative development of industries in the State. To meet these objectives Government of Bihar (GoB) established six Industrial Area Development Authorities¹ (1974) under Bihar Industrial Area Development Act, 1974. After bifurcation (November 2000) of the State of Bihar, three authorities i.e. Patna Industrial Area Development Authority (PIADA), Darbhanga Industrial Area Development Authority (DIADA) and North Bihar Industrial Area Development Authority Muzaffarpur (NBIADA) remained in Bihar. They were further reorganised (2003) as Bihar Industrial Area Development Authority (BIADA) which was responsible for planning, acquisition, development, maintenance and allotment of land. Later, Infrastructure Development Authority (IDA) and Land Bank (under IDA) was established (April 2006 and September 2006) to fulfil the requirement of land for industrial and other development schemes. The status of acquired industrial land (as on 31 March 2012) in Bihar can be seen in the chart below:

Chart-I



(Source : Information as furnished by BIADA)

As evident from the chart, only 65 per cent of the acquired land could be allotted (up to March 2012) and remaining were lying unused since long, without possession and reserved for infrastructure. Further, out of total acquired land of 6003.21 acres (up to March 2012), 1447 acres land was acquired during 2003 to 2012 and BIADA had allotted 1464.16 acres land during this period.

3.3.2 Organisational set up

The Industry Department is headed by a Principal Secretary who is assisted by one Special Secretary and four Directors. The organisational set up of the department is given in *Appendix-3.3.1*. BIADA is one of the authorities of the department that runs under the guidelines and policies of the Board of

¹ (i) Adityapur; (ii) Bokaro, (iii) Darbhanga, (iv) Muzaffarpur; (v) Patna and (vi) Ranchi.

Directors nominated by the State Government under the chairmanship of the Principal Secretary, Industry Department. Managing Director (MD) is the executive head of the Authority and works under the overall supervision and guidance of the Board of Directors. The Authority has been decentralised in four Regional Area Offices² which are headed by Executive Directors.

3.3.3 Audit scope and methodology

Audit on acquisition and allotment of land for industrial purposes for the period 2003 to 2012 was conducted in two phases i.e. between August 2011 to October 2011 and March 2012 to July 2012. During audit, risk areas of department's headquarter (Secretariat level), IDA, BIADA and its three regional area offices were examined and questionnaire/objection memos issued. Thereafter the views/replies of the department were appropriately considered and incorporated while finalising the report.

Audit findings:

The deficiencies noticed in implementation of policy and planning of the department, acquisition of land, development, allotment of land by BIADA and financial implications are discussed in the succeeding paragraphs:

3.3.4 Policy and planning

After bifurcation (November 2000) of Bihar, 17.9 *per cent* share of industrial units comprising only a limited number of large, medium and small scale enterprises remained with the State. The State Government took five years to formulate and announce the new Industrial Incentive Policy, Bihar 2006, effective from 1 April 2006 to attract investors. However, this did not change the scenario due to non-preparation of perspective plan by the department and Master plan for Industrial area. For setting up of industrial unit sufficient land and infrastructural facilities were required.

3.3.4.1 *Non revision of land rate*

Non-revision of land rates and delayed implementation of the instruction for revision of rates resulted into short realisation of ₹ 1755.89 crore to BIADA

Department had authorised (August 1975) the authorities to fix the prices of industrial land in different areas and to review its prices. Further, department had directed (July 1982) authorities to fix the price of industrial land by adding 10 *per cent* in the beginning of every year.

Scrutiny of the records disclosed that the department had not revised its instructions for the fixation of annual price of land since 1982. The BIADA was following the fixation of annual price formula of land prescribed by the department in 1982 without reviewing its rate and bringing it at par with the market rate prevalent in the area in the beginning of the year. As a result, the BIADA rate of land was much lower than the market prices of the land of the concerned area during 2007 to 2012. However, in December 2007 and February 2008, BIADA reviewed and revised the rates of land in five Industrial Areas³ and made the rates equal to Government rates of corresponding areas for that period after a span of 25 years. However, it could not be implemented in the remaining 45 Industrial areas till March 2012.

² (i) Bhagalpur, (ii) Darbhanga, (iii) Muzaffarpur and (iv) Patna.

³ (i) Biharsarif, (ii) Fatuha, (iii) Hajipur, (iv) Muzaffarpur and (v) Patna

In 11 test checked Industrial Areas, BIADA allotted 1195.79 acres of land during 2007-12 on unrevised rates which had resulted in short realisation of ₹ 1742.74 crore. In five Industrial Areas where rates were revised belatedly in respect of revised rates of local registry offices, BIADA had incurred loss of ₹ 13.15 crore (**Appendix-3.3.2**). Thus, non-revision of land rates and delayed implementation of the instruction for revision of rates resulted into short realisation of ₹ 1755.89 crore to BIADA.

On this being pointed out in audit, the department stated (January 2013) that land rate was to be revised on the basis of instruction under para 5.1 of Industrial Policy 2003 (IP).

The reply was not in consonance with the facts as IP 2003 was not implemented and was not included in Industrial Compendium 2011. BIADA itself had revised the rate in five Industrial Areas in 2007-08 with the justification that it was incurring loss due to non-revision of land rate.

3.3.5 Irregularities in implementation of Land acquisition

3.3.5.1 Land without possession

Powers for removal of encroachment of land is vested with the Authority under Clause 6(4) of BIADA Act, 1974.

Due to delay in taking over the physical possession of acquired land ranging from 11 to 39 years in four Industrial Areas, 831.665 acres of land worth ₹ 312.44 crore (March 2012) was not vacated by the previous land owners till March 2012

Scrutiny revealed that due to delay in taking over the physical possession of acquired land ranging from 11 to 39 years in four Industrial Areas⁴, 831.665 acres of land worth ₹ 312.44 crore (March 2012) was not vacated by the previous land owners till March 2012. No effort was made by BIADA till 2007 to take possession of the lands.

On this being pointed out, the department admitted (January 2013) that the encroachment could not be removed without the support of local administration. Efforts were being made in this direction.

The reply was not acceptable as BIADA initiated action belatedly only in 2007 onwards to vacate the same which yield no result.

3.3.5.2 Acquisition of land for Growth Centres

Government of India (GoI) sanctioned (December 1988) five growth centres (GC) for Bihar. The objective of the growth centres was to promote industrialisation and balanced growth of the backward areas. As per guideline (Department of Industrial Development, GoI) for preparation of project reports for growth centres, a growth centre was to be established with a cost of ₹ 30 crore in an area of 1000 to 2000 acres approximately. Accordingly the department started acquisition of land at five different places in the State.

⁴ (i) Begusarai (392.535 acres), (ii) Dehri (81.85 acres), (iii) Fatuha (56.15 acres) and (iv) Kumarbagh (301.13 acres).

The current status of the growth centres is given in the table below:

Table -1
Status of growth centres

Sl. No	Name of the Growth Centre(GC)	Year of Administrative approval	Area acquired	Total expenditure (₹ in crore)	Year of Possession	Current status
1	GC Kahalgaon	October 1993	1020.45	34.44	2002 to 2011	Allotment of land was done but construction activities were not started
2.	GC Begusarai	February 1993	392.535	9.14	1998 to 2001	Land encroached
3	GC Muzaffarpur	September 1996	-	0.13	-	Land not acquired
4	GC Chapra	September 1996	-	0.03	-	Land not acquired
5	GC Darbhanga	February 1998	-	0.38	-	Land not acquired
		Total		44.12		

(Source: Information as furnished by the department)

Five Growth Centres sanctioned by GoI remained non-starter due to non-settlement of issues with previous land owners, non-acquisition inspite of expenditure of ₹44.12 crore

It was evident from the above table that the department could acquire land for only two GCs with expenditure of ₹ 43.58 crore and land for remaining three GCs were not acquired despite expenditure of ₹ 0.54 crore. The GC Begusarai could not be started due to non-possession of acquired land. At GC Kahalgaon, 640 acres land was allotted to six entrepreneurs for establishment of seven heavy industries⁵ in contravention to the guideline. Thus, the objective of establishment of GC to step up industrialisation and balance growth of backward area in the State was defeated (July 2012).

On this being pointed out in audit, the Department stated (January 2013) that land could not be acquired in Muzaffarpur, Chapra and Darbhanga, while work could not be started at allotted land of GC Kahalgaon due to protest of the farmers.

The reply was not acceptable as the department acquires land under section 17(1) of the Land Acquisition Act, 1894 under which land gets vested with the Government with the issue of notification under section 4 of the Act. Also the department did not furnish any document in support of the reply to substantiate the farmers protest.

3.3.5.3 *Mega Industrial Park Hajipur*

MD, IDA stopped the acquisition of land unauthorisedly at MIP Hajipur and took back money from collector. This action jeopardised the establishment of Mega Industrial Park at Hajipur

The department accorded administrative approval (June 2006) of ₹ 60 crore for setting up a Mega Industrial Park (MIP) at Hajipur, Vaishali in 1000.90 acres of land. Accordingly, the District Magistrate (DM), Vaishali issued notification (October 2006 to February 2007) for land acquisition. IDA released (December 2006) ₹ 60 crore to DM, Vaishali towards the acquisition cost of land.

Audit scrutiny revealed that MD, IDA had directed (June 2007) DM within six months to stop the process of land acquisition and return the released funds to

⁵ (i) Adhunik Power and Natural Resources, (ii) Amboexport ltd, (two allotments) (iii) Cement Manufacturing company, (iv) Ganga Power & Natural resources) (v) Gulshan Polyols ltd, and (vi) Skand Agni Power Projects

IDA. Accordingly, DM returned the unspent amount of ₹ 59.88 crore. The direction of MD, IDA for stopping the work of land acquisition was not in consonance with the Government decision. As a result the acquisition process got lapsed (October 2008 to February 2009), while the unspent funds remained unutilised with IDA. Thus, unauthorised direction of IDA had jeopardised the establishment of MIP at Hajipur.

On this being pointed out in audit, the department accepted the observation and stated (January 2013) that land acquisition of MIP Hajipur was stopped by IDA. However, no reason was stated by the Department.

3.3.5.4 Cost Escalation due to delay in land acquisition process

Unauthorised decision by MD IDA and non action in part of the government, resulted in delay in acquisition of land and cost escalation of ₹ 594.13 crore

Under the Land Acquisition (Amendment) Act 1984, land acquisition programme is to be completed within two years from the date of declaration to date of land award. Non adherence to time schedule would result into lapse of entire acquisition process.

Test check of acquisition cases revealed that in spite of sufficient fund (₹ 701.87 crore) available with IDA, the projects were delayed beyond scheduled time which resulted into lapse of acquisition process and escalation of estimated cost of land valuing ₹ 594.13 crore as detailed below:

Table-2
Cost escalation in acquisition of land

Sl. No.	Name of the project	Year of Administrative Approval	Area under acquisition (in acres)	Estimated cost (₹ in crore)	Revised Estimated cost/Year (₹ in crore)	Cost escalation (₹ in crore)	Delay as on December 2012	Remarks
1.	Mega Industrial Park, Hajipur	June 2006	1000	60.00	372.19 / 2008	312.19	4 years	Acquisition is pending due to non-availability of fund with Collector
2.	Growth Centre, Kahalgaon (Mauza-Ramjanipur)	October 1993	223.22	15.07	135.71/ 2012	120.64	17 years	Revised compensation payment pending
3.	Growth Centre Begusarai	February 1993	685.855	18.00	161.00/ 2009	143.00	17 years	Acquisition is pending due to non-availability of fund with Collector
4.	Industrial Area Hajipur (third phase)	January 2001	100.00	6.00	24.30	18.30	10 years	Acquisition delayed due to lapse of proceeding due to BIADA's negligencies
Total amount required for land acquired				99.07	693.20	594.13		

(Source: Information as furnished by the department)

On this being pointed out in audit (March 2012), the department did not furnish any reply.

3.3.5.5 De-notification of land

The department irregularly de-notified 52.72 acres of acquired lands in three cases

Scrutiny of records of the department revealed that the department irregularly de-notified 52.72 acres of acquired lands in three cases. The cases of de-notification were as given below:

(a) M/s. Laxmi Vinayak Ventures (P) Limited

Rule 24(7) of Land Acquisition Act, 1894 stipulates that once the notification for acquisition is issued for acquisition of a land, no purchase of land can be

made without the prior permission of Collector. In Industrial Area, Hajipur the notification for acquisition was issued on 20 May 2006 and M/s. Laxmi Vinayak Ventures (P) Limited purchased five acres of land during 09 May 2008 to 20 May 2008 without prior permission of Collector. Despite this the department de-notified (July 2008) 4.59 acres of land on the request of the agency (21 May 2008).

On this being pointed out in audit, the department stated (January 2013) that land was de-notified under section 48 of Land Acquisition Act 1894. The reply was not in conformity with the facts as the department had issued de-notification in favour of an entity which had purchased land illegally.

(b) Bihar Chambers of Commerce

Rule 17(1) of the Land Acquisition Act, 1894 stipulates that in case of urgency, whenever the appropriate Government so directs, the Collector may, on the expiry of 15 days from the publication of the notice take possession of any land needed for a public purpose. Such land shall thereupon vest absolutely in the Government free from all encumbrances.

Scrutiny revealed that after declaration of land award (May 2008), the department de-notified (September 2011) 27.55 acres of land of Industrial Area Hajipur on the request of Bihar Chambers of Commerce (July 2009) to help private individuals to buy land directly from the farmers. Thus, the land acquired under public purpose was de -notified under Rule 48 of Land Acquisition Act 1894, for private purpose.

On this being pointed out in audit, the Department confirmed (January 2013) that it had de-notified 36.70 acres of land. This action showed that the government was unduly influenced by the business lobby and failed to balance between the interest of businessmen and farmers.

(c) Private Engineering College

Once a land has been acquired and its possession duly taken off after proper notification, it can be de-notified only under the provisions of Rule 104 and 154 of the Land Acquisition Act, 1894 i.e. by declaring the land as surplus.

It was observed that 699.5 acres land was acquired for setting up a MIP at Bihta and possession of land was given to BIADA (August 2009 to February 2010). Scrutiny disclosed that after taking possession of land, the department irregularly de-notified (July 2010) 11.43 acres land of MIP for setting up of a Private Engineering College without declaring the land as surplus.

On this being pointed out in audit the department stated (January 2013) that the decision of de-notification was taken at competent level. The reply was contrary to provision of the Act as a land, once its possession is taken of cannot be released from acquisition without declaring the land as surplus under Rule 104 or 154 of the Act.

3.3.6. Development and allotment by BIADA

Under Clause 6 (1) of Chapter III of BIADA Act, BIADA was responsible for the planning, development, maintenance and allotment of industrial land. The irregularities noticed in development and allotments of industrial land are discussed in succeeding paragraphs:

3.3.6.1. Non- development of industrial areas

Funds of ₹ 208.36 crore were allocated to BIADA by the department for infrastructure development during the period 2003-12 but BIADA could spend only ₹ 97.33 crore while the balance of ₹ 112.61 crore remained parked in bank

Scrutiny of records revealed that in violation, BIADA did not prepare the master plans for providing amenities *i.e.* road, hospitals, schools etc. were planned development of Industrial Areas/ GCs as required vide Clause 6(1) of Chapter III of BIADA Act and land of MIP Bihta, IA Bihta, GC Khagaria, Kopakala and GC Kahalgaon were allotted without development. Further, it was found that funds of ₹ 208.36 crore were allocated to BIADA by the department for infrastructure development during the period 2003-12 but BIADA could spend only ₹ 97.33 crore while the balance funds of ₹ 112.61 crore⁶ remained parked in bank. Thus, it was evident that the industrial areas were not developed by BIADA in a planned way.

On this being pointed out in audit, the department stated that (January 2013) land was earmarked for infrastructure development in all industrial areas which was shown in the map of related industrial areas. Infrastructure development activities like constructions of roads, drainage, street lights etc. were carried out accordingly. Hence it was not correct to say that no Master plan was prepared and work was done without them. Unspent funds were kept in fixed deposit in the nationalised banks and interest earned was being spent on different schemes.

The reply was not acceptable because the record of Technical Adviser, BIADA (April 2010) and reply of Executive Director, Darbhanga (April 2012) confirmed that there was no such Master plan prepared by BIADA for development of infrastructure.

3.3.6.2 Allotment of land without auction

The Board of Directors (BIADA) decided (May 2007) that allotment of the plots either through new acquisition or through cancellation or from unallotted land, should henceforth be done through auction instead of on “first come first serve” basis. It was decided that the minimum value of land (reserve price) would not be below the price fixed by the Government. The objective of auction was to fetch good prices from auction of plots and ensure transparency in allotment of lands.

Board of Director's decision to allot land through auction method was not implemented

Scrutiny of records disclosed that despite the decision of Board of Directors, BIADA had been following the allotment system of land to industrial units on “first come first serve basis” except the one in Patliputra Industrial Area. Thus the non-compliance of directives of the Board of Directors was irregular.

On this being pointed out in audit, the department stated (January 2013) that the decision taken on May 2007 by the Board was not accepted under BIADA's Regulation issued in December 2007 under Para 4.1.K, which stipulated that tender for allotment of land was not required. Hence the auction policy was not implemented.

The reply was not acceptable as Board of Directors in its 20th meeting (May 2007) had approved the policy of land allotment through auction. Further, tender and auction are two different issues. Allotment of land through tender is dealt under Bihar Financial Rule (BFR) 144 whereas auction is dealt under BFR 145. Hence Para 4.1.K of BIADA's Regulation was relevant only

⁶ Opening balance ₹ 1.58 crore + ₹ 208.36 crore - ₹ 97.33 crore = ₹ 112.61 crore

on BFR 144 and not on BFR 145. Thus decision of the Board was still effective under BFR 145.

3.3.6.3 *Serious irregularities in implementation of "first come first serve" policy*

In May 2007, the Government accorded approval to five technical consultants for preparation of project profile, feasibility report etc. Application conditions required that application for land allotment would be submitted along with project profile/ detailed project report (DPR) prepared by accredited/approved consultants. For fair and transparent system of allotment under 'first come first serve' policy, received applications were to be documented in an application register along with date of receipt and serial number of application.

Scrutiny of records revealed following irregularities:

- Application registers were not maintained by BIADA and the applications were being recorded with other letters in the General inward register. Thus, there was no centralized registry system for documentation of received applications and BIADA had no mechanism to ascertain the priority of received applications.

On this being pointed out in audit, the department stated (January 2013) that application registers were not maintained earlier. However from November 2011, application register was being maintained.

- Altogether 3722 applications were reviewed during 2003-12 and decision for allotment of land was taken in respect of 2049 cases. Scrutiny of 506 out of 2049 cases however revealed that though 83 cases (for 317.69 acres) were not submitted with approved project profile/ DPR by accredited/approved consultants, yet the allotment of land was made to them.

On this being pointed out in audit, the department stated (January 2013) that as regards 81 applications, submission of DPR prepared by approved consultant was not mandatory for allotment of land. The reply was contrary to the conditions of application form which required the submission of application along with DPR from approved / accredited consultants.

“First come first serve” policy for allotment of land in BIADA was full of irregularities

- The "first come first serve" policy was not followed and 61 applicants were given 'out of turn' allotment (*Appendix-3.3.3*).

On this being pointed out in audit, the department stated (January 2013) that in the 37th meeting of Board of Directors (March 2011), the prevailing procedure of allotment was changed in order to give priority to industries that make heavy investment.

The reply was not acceptable as 54 'out of turn' allotments were already made before the decision of Board. However, the reply confirmed the observation that "first come first serve" policy was not being followed.

- **Arbitrary and discriminatory allotments in Patna Region**

Out of 909 applications received (during 2006-11) under Patna Region, 103 were not produced before Project Clearance Committee⁷ (PCC) while 174 applications were directly produced to PCC without any documentation of receipt.

On this being pointed out, the department stated (January 2013) that had the details of these units been made available by the audit the status could have been clarified.

The reply was not acceptable because the details had already been made available/furnished by the Audit in November 2011 which was duly reviewed and confirmed by BIADA.

3.3.6.4 Irregular allotment of land

Irregularities revealed in allotment of land during scrutiny are discussed in succeeding paragraphs.

- **Allotment of land for non- industrial purposes**

The Micro, Small and Medium Enterprises Development Act 2006 (MSMED) had identified a detailed list of industrial activities which did not include hot mix plant, godown, agricultural production, punarvas colony, vermi/bio compost, CRPF Camp etc. for consideration of SSI registration. Consequently, lands were not to be allotted to the entrepreneurs for these industries by BIADA.

105.09 acres of land was allotted to 46 entrepreneurs for non-industrial purposes

Scrutiny of the records disclosed that 105.09 acres of land was allotted to 46 entrepreneurs for non-industrial purposes (*Appendix 3.3.4*).

On this being pointed out in audit, the department stated (January 2013) that allotment of land was made to entrepreneur under the code allotted to industrial activities under MSMED Act 2006.

The reply was not acceptable because Government of India notification (November 2007) did not contain the code as stated by BIADA.

- **Allotment of extra land than prescribed norm**

As per department's letter (June 1993), BIADA could allot land up to maximum of three times of building/ shed area for medium, small and micro industries. However, in special circumstances if an industry required more land than the norms, it was to be decided by the Land Allotment Committee⁸.

33.71 acres of excess land was allotted to entrepreneur against the prescribed norms and beyond PCC recommendation

Scrutiny of records (2003-12) disclosed that PCC recommended allotment of 70.08 acres of land to 44 private firms, out of which allotment of 32.42 acres land was in excess of the prescribed norms of the department without any justification on record (*Appendix- 3.3.5*). It was further observed that BIADA had even allotted 1.29 acres more land than that recommended by the PCC in seven cases (*Appendix- 3.3.6*). The circumstances under which the BIADA allocated more land than recommended by the PCC were also not on records. On this being pointed out in audit, the department stated (January 2013) that

⁷ Project Clearance Committee: It considers the projects and other expenditure proposals.

⁸ Land Allotment Committee was later merged with PCC (2003).

extra land was allotted under special circumstances vide para 3 of letter no. 5325 dated 25 June 1993. The reply was not acceptable because no such special circumstances were mentioned in the minutes of PCC meetings.

- **Growth Centre Gidha**

GC Gidha (Bhojpur) was earmarked for plastic and chemical industrial units to facilitate setting up of common facilities vide para 6.5 of IP 1995.

Special zone of plastic and chemical industries was to be created at GC Gidha as per recommendation of IP 1995. However 105.81 acres land was allotted to 50 entrepreneurs for other than plastic and chemical industries in the earmarked area

During scrutiny it was found that 105.81 acres land was allotted to 50 entrepreneurs for other than plastic and chemical industries like steel fabrication, LPG bottling plant, cold storage, and motels etc. in violation of the prescribed instructions (*Appendix- 3.3.7*).

On this being pointed out in audit, the department stated (January 2013) that allotment of land was made in view of industrial development to reflect changing standards of market, due to availability of vacant land and also in the light of para 4.1.k of BIADA Regulation 2007.

The reply was not acceptable because decisions taken by PCC were not in conformity with the provision of IP 1995 which recommended for creation of special zones and which remained unchanged in subsequent IP 2006. Further the land was also allotted prior to BIADA Regulation 2007 and para 4.1.K discussed only about allotment within the policy.

- **Establishment of private technical institution**

The State Government decided (January 2006) to provide land for engineering colleges, medical colleges, dental colleges, management institutions, law colleges (five years degree course) and teachers training colleges of private sector. The State Government decided that applications would be invited through advertisement in reputed national newspaper and the received applications would be scrutinized by a selection committee⁹.

The Committee was to compulsorily examine whether the application had conformed to the standards set by the affiliating universities viz. from All India Council of Technical Education (AICTE), Medical Council of India (MCI), Dental Council of India (DCI), All India Management Association (AIMA), Bar Council of India (BCI) and National Council of Teacher's Education (NCTE) as applicable. Allotment of land was to be made at market rate¹⁰.

PCC allotted 119.92 acres lands to 27 Private Technical Institutions beyond its competency and extended undue benefit to them at BIADA rate instead of market rate, resulted in loss of ₹ 182.49 crore.

Scrutiny of records disclosed that 119.92 acres lands were allotted to 27 Private Technical Institutions in 18 Industrial Areas /Growth Centre without advertisement in national newspaper and scrutiny by the committee and adhering to the above mentioned criteria of the Government. Further,

⁹ *The high level selection committee would be headed by Development Commissioner and Secretaries to the State Government, Department of Science & Technology, Land Reform Commissioner, Finance Commissioner, Industrial Development Commissioner and Secretary to the Department of Health. Secretary to the Higher Education Department would be Member Secretary and Department of Higher Education was made the Nodal Department.*

¹⁰ *Rate determined by DM under Land Registration Act.*

allotment of land at un-revised BIADA rate instead of market rate resulted in undue favour of ₹ 182.49 crore (**Appendix-3.3.8**) to 27 private institutions.

On this being pointed out in audit, the department stated that (January 2013) in the 24th meeting of Board of Directors, it was decided to reserve 20 per cent of land of total Industrial Areas for different educational institutions. The rate of BIADA land was determined on the direction of the Government and accordingly the allotment had been made. Hence there was no financial loss as stated by audit.

The reply was not acceptable as it was not in conformity with set criteria of Government.

● **Export Promotional Industrial Park, Hajipur**

Export Promotional Industrial Park (EPIP) was a centrally sponsored scheme aimed to build up infrastructure facilities of high standards required for establishment of export oriented units. Accordingly, the State Government had decided (December 1995) to set up an EPIP at Hajipur. Further, as per directive (April 1995) of Ministry of Commerce, GoI, only those units were to be allowed to be established in the park which had submitted undertaking for export commitment of at least 33 per cent of production.

Allotment of land to 22 (50.35 acres) out of 24 industrial units of EPIP Hajipur was made without obtaining the required undertaking of export commitment

It was, however, observed that allotment of land to 22 (50.35 acres) out of 24 industrial units of EPIP Hajipur was made without obtaining the required undertaking of export commitment (**Appendix-3.3.9**). On this being pointed out in audit, the department stated (January 2013) that allotment of land in EPIP Hajipur was made in the light of direction of the Industrial Development Commissioner (IDC) and at present three units were exporting. The reply was not acceptable as the direction of IDC was not in conformity with the provision of Industrial Policy and GoI guidelines.

● **Undue aid in allotment of land for Handloom, Textile and Jute Park**

As per GoI guidelines¹¹ the responsibility of execution, management and ownership of Handloom, Textile, and Jute parks, was to be vested with a Special Purpose Vehicle (SPV). SPV was to be a Body/Corporate registered under the Companies Act, 1956 in which financial institutions/banks, organised retailers, processors, service providers, producers, farmer organisations and other stake holders were to be the equity holders. Land for the projects was to be purchased/ arranged by the SPV. Further, the equity of Government in SPV was not to exceed 49 per cent of total shareholding.

Scrutiny of records disclosed that the department had provided land measuring 219.296 acres to three companies¹² worth ₹ 13.04 crore¹³ as its equity, which was several times higher than the total share holding of the SPV. Though the department was aware of the fact that its equity participation should not

¹¹ Clause 3.6 of Jute, 3.1 of Textile and 9.1 of Handloom Park

¹² M/s Bhagalpur Handloom Infrastructure Development (BHID)(25 acre), M/s Punaras Jute park Kolkata,(44.296 acres)& M/s Vikramshila Textile park (150acres).

¹³ M/s Bhagalpur Handloom Infrastructure Development (BHID)(₹ 1.62 crore), M/s Punaras Jute park Kolkata,(₹ 1.67crore), M/s Vikramshila Textile park(₹ 9.75crore), M/s Keventer Food park Infra ltd (self procured)

State Government, financial institutions and others were not given representation in the SPV. Land was to be procured by the SPV whereas the department had provided land measuring 219.296 acres to three companies worth ₹ 13.04 crore as its equity, which was several times higher than the permissible limit of 49 per cent of the total shareholding of the SPV

M/s Holicow Pictures Private Limited (Currently P& M Mall) was allotted land for non-industrial purpose against the government directive. Land allotted at BIADA rate instead of commercial rate resulting in loss of ₹ 2.87 crore. Change of land use was allowed against the provision of MSMED, Act 2006. Subsequently facilitated with the benefit of subleasing of allotted spaces against the existing policy of BIADA

exceed from 49 per cent of total share holding of the company and land was to be procured by the SPVs, however it exceeded the limitation on several times by allotting land. State Government, financial institutions and others were not given representation in the SPV. On this being pointed out in audit, the department stated (January 2013) that the land for the Handloom Park was given in shape of equity. State Government was holding 49 per cent equity in the Jute Park project, so land cost was given towards that to BIADA.

The reply was not acceptable as it was not in conformity of GoI guidelines. Also, the company was not a true SPV.

● Undue aid to entrepreneur

As per the Land Acquisition Act, 1894 land was to be allotted for the purpose for which it was acquired. Perusal of the records showed that M/s Holicow Pictures Private Limited (Currently P& M Mall) had applied (January 2006) for allotment of land for 'Multiplex-cum-Mall' in six different Industrial Areas. Accordingly, BIADA allotted (March to May 2006) land to entrepreneur for 'Multiplex' in Patliputra Industrial Area and the Board of Directors decided to charge commercial rates for the allotted land. Scrutiny of allotment procedure disclosed the following irregularities:

- The unit was a Multiplex-cum-Mall and not only Multiplex. However, the Mall was not covered under entertainment industry according to the notification of Finance (Commercial Tax) Department and it was rightly placed by Deputy Secretary, Finance Department in the 17th meeting of Board of Directors.
- The land was allotted to the entrepreneur at the un-revised BIADA rates which resulted in undue favour to the private company and resultant loss of ₹ 2.87 crore¹⁴ to BIADA.
- Under the existing policy of BIADA, the lessee did not have the power to sub-lease the land but selective entrepreneur like malls etc. was facilitated by inserting a clause 6(c) in the lease document for enabling the lessee to sub-lease the allotted spaces and further sub-lease by sub-lessee at a fee of 10 and five per cent value of the sub-leased areas as per prevailing circle rate. This deviation from existing policy would encourage the misutilisation of land.
- It was also observed that BIADA had allotted land (March and April 2006) to M/s Holicow Pictures Private Limited in four other Industrial Areas¹⁵ for Multiplex-cum-Mall. Further, BIADA had changed the purpose from Multiplex-cum-Mall to super specialty hospitals at Hajipur (January 2011) and Muzaffarpur (April 2011) by considering it as Micro Small Medium Entrepreneur (MSME). However, the decision

¹⁴ Allotted land = 1.33 acres X market rate @ ₹ 2.30 crore /acre = ₹ 3.07 crore - ₹ 0.20 crore = ₹ 2.87 crore

¹⁵ (i) Aurangabad (1.35 acres), (ii) Hajipur (1.29 acres), (iii) Muzaffarpur (2.01 acres) and (iv) Sitamarhi (2.00 acres)

of BIADA was not in consonance of the provisions of service industries of MSME as the equipment cost of hospital was more than specified amount of ₹ five crore.

On this being pointed out in audit, the department stated (January 2013) that allotment of land to M/s Holycow pictures (P) Limited Patna was made with the approval of IDC and in the light of Government direction (August 2006). Board of Directors accorded *ex-post facto* approval (July 2006) to Mall-cum-Multiplex and product change was allowed in light of office order no. 319 dated: 8 December 2007. Hence no financial loss had been incurred.

The reply was contrary to the Commercial Tax department notification dated 25 December 2005 and Government directive (August 2006) to allot land for multiplex only. Hence, Mall was not entitled for land allotment in IA. Thus, it was evident that land was un-authorisedly allotted for non-industrial purposes.

3.3.6.5 Unused allotted land

262.73 acres land occupied by 236 units was under construction from one to 39 years where as 847.66 acres land occupied by 381 units was without construction during one to 11 years. However BIADA neither cancelled the allotments nor forfeited the deposited amount

Sub section (2) of Section 6 of BIADA (Amendment) Act, 1991 provides that in case necessary steps were not taken within the fixed period to establish the industry, the authority shall, in such condition, cancel the allotted plot/shed and also forfeit the amount deposited. As per application condition, construction work should start within six month from the date of allotment order and the production should start within one year from the date of allotment order.

Scrutiny of unit details disclosed that 262.73 acres land occupied by 236 units was under construction from one to 39 years where as 847.66 acres land occupied by 381 units was without construction during one to 11 years. However, BIADA did not take any action to cancel the allotments of defaulter entrepreneurs which had resulted in non-utilization of 1110.39 acres of land.

The department did not furnish any comment (January 2013) in this regard.

3.3.7. Functioning of Board of Directors

According to BIADA Act, 1974 Authority (Board of Directors) shall consist of a Chairman Principal Secretary, Industry Department (Government of Bihar), a Managing Director (BIADA) and five other Directors¹⁶ who shall be appointed by the State Government. Scrutiny of minutes of meetings (2003-12) of Authority disclosed the following facts:

All five members of Board of Director were never present together in a meeting. Thus, the policies formulated by the Authority were not the representative of majorities and not free from the shortcomings

● Though there was no time frame/period prescribed for meetings, 40 meetings were held with interval ranging from eight to 231 days.

● The required minimum presence of members in the meeting was not prescribed and it was found that all five members were never present together in a meeting. Further, in 10 meetings¹⁷ only two members were present while only one member in 26th meeting was present. Keeping in view of absence of members, a proposal for replacement of

¹⁶ Additional Finance commissioner, Director Industries, Chairman, BIA, Executive Director, IOC Barauni refinery and Chief General Manager, SBI Patna

¹⁷ 1st, 8th, 13th, 19th, 21st, 22nd, 23rd, 24th, 25th and 34th meeting

those members was put up in 20th meeting (May 2007) of Board of Directors, but in place of deciding substitutes and forwarding it to Government for approval, three additional members were co-opted as special invitees. Thus, without approval of Government those three invited members participated in 10 meetings¹⁸.

Thus, the policies formulated by the Authority were not the representative of majorities and not free from the shortcomings.

On this being pointed out in audit, the department stated (January 2013) that selection of five additional members of Board of Directors were made in the light of Government notification no 2539 dated 19 June 2003 and each meeting was done after completing the quorum.

The reply was not in conformity with facts as the IDC had given the instruction to re-constitute the Board by alternating the membership on two years basis between BIA & CII instead of co-opting three additional members as special invitees. The decision taken by the Board was against the provision of the BIADA Act, 1974 also.

3.3.8 Financial implications

3.3.8.1 Loss due to land transfer

As per BFR 438, land belonging to the Government may be sold or transferred except with the previous sanction of the Government. The department agreed in principle for transfer of established industrial units with certain conditions in July 1982. Accordingly PIADA decided (December 1992) that if there was any change in management of functional unit it should be treated as fresh allotment of land and present cost of land should be realised. If unit was not functioning then land should be allotted afresh to new management.

108 transfer cases was allowed without the approval of Board of Director. Non charging the present cost of land on transfer cases resulted in loss of ₹ 45.29 crore

Scrutiny disclosed that BIADA decided (November 2003) to change the transfer policy and charge 15 *per cent* cost of allotted land as transfer fee *in lieu of* present cost of land. Test check of 108 transfer/resale cases of land (64.08 acres) disclosed (July 2012) that the lands were transferred by the BIADA without charging the present market price of land which had led to loss of ₹ 45.29 (₹ 49.92(-)₹ 4.63) crore. It was further observed that out of 108 cases, 65 were regularised by according ex-post facto approval of PCC after being pointed out in audit (*Appendix-3.3.10*).

On this being pointed out in audit, the department stated (January 2013) the transfer policy was adopted in the light of Government decisions. Ex-post facto approval in respect of 65 cases was taken from PCC. Prior to 2004, land was transferred free of cost but after July 2007, 15 *per cent* of circle rate was being taken as transfer fee. Hence there was no financial loss.

The reply was not acceptable as prior permission of Board of Directors (Government) was required for transfer cases according to Rule 438 of BFR. However, the same was not obtained in any of the 108 cases. PCC was not competent for according the *ex-post facto* approvals according to BIADA Act.

¹⁸ 21st to 26th, 29th, 30th, 33rd and 34th meeting.

Non-adherence to allotment condition resulted in shifting of ownership of land to BSFC who charged ₹ 24.53 crore to write off its bad debt created due to defaulters of BSFC. This ultimately laid to loss to BIADA to the tune of ₹ 24.53 crore

3.3.8.2 *Loss due to non-adherence of allotment conditions*

Clause 6 of allotment condition provided that units had to enter into written agreement with BIADA for making payments either in lump-sum or in instalments towards cost of land. It also stipulated that land would be mortgaged with BIADA till the recovery of all the instalments.

Scrutiny of records disclosed (November 2011) that BIADA in contravention to allotment conditions, released the lease deed to entrepreneurs before realising the entire cost of land. It was further seen that the allottees had mortgaged the leasehold land to Bihar State Financial Corporation (BSFC) for getting loans and ultimately became defaulter of BSFC due to non payment of loans. Thus, ownership of land shifted from BIADA to BSFC due to non-adherence of contract conditions by BIADA. To resolve the issue, committee under the Chairmanship of the Chief Secretary was constituted for settlement of dispute. In the light of the order of Hon'ble High Court (September 2008), the committee decided (August 2009) that BIADA would pay principal amount with interest to BSFC to redeem the mortgage. In the light of the order BIADA paid ₹ 24.53 crore to BSFC and bought back 329 plots (July 2010).

Thus, lack of monitoring and non-observance to allotment condition resulted into loss to BIADA to the tune of ₹ 24.53 crore.

On this being pointed out in audit, the department stated (January 2013) that the payment was made out of the amount of ₹ 29.18 crore received from the re-allotment of land of 329 cancelled plots. Hence there was no loss but there was a profit of ₹ 4.65 crore. The reply confirmed that the income of BIADA reduced by ₹ 24.53 crore leading to loss to that extent.

3.3.8.3 *Short charging of interest*

Before unification of Industrial Development authorities (2003-04), the prevailing rate of interest on instalment of land cost were different in all the three authorities. In order to make a uniform rate of interest, the department constituted a core committee (September 2002) to carry out a study on the issues regarding fixing up the land rates and uniformity of rate allotment etc. The recommendations of core committee were discussed in the third meeting of Board of Directors (November 2003) and it was decided to seek the directives of the State Government. Further in a meeting held under the chairmanship of Commissioner, Land Reforms, GoB (January 2007) it was decided that the interest rate chargeable on the instalment amount would be arrived at by adding one *per cent* on Prime Lending Rate (PLR) of Reserve Bank of India. This rate would be variable in correspondences with changing PLR. Rebate of two *per cent* was admissible on payment before time and penalty of two *per cent* was chargeable on late payment.

Board of Directors did not follow the recommendation of the core committee to charge variable rate of interest on instalment on cost of land. However it charged flat rate of five *per cent* which resulted in loss to BIADA

Audit scrutiny revealed that Board of Directors in its meeting held in May 2007, decided to charge only five *per cent* interest on instalment of lease amount. However rebate of two *per cent* and penal interest of two *per cent* was implemented. Test check of 1010 allotment cases for the period pertaining to 2007-12 revealed that the interest was charged at the flat rate of five *per cent* thereafter whereas the PLR of the SBI ranged between 8.25 and 12.75 *per cent*. On this being pointed out in audit, the Department stated (January 2013) that uniform rate of five *per cent* was charged on the basis of decision

of 19th meeting of Board of Directors. The reply was not acceptable as no justification in support was given.

3.3.8.4 *Loss due to less fixation of reserve price*

Reserve prices of the auctioned plots were fixed at BIADA rates instead of Government rates. As a result the offered rate was much below the Government rate. BIADA made allotment at the lower rate which resulted into loss of ₹ 1.83 crore

Board of Director decided (2007) to auction entire plots wherein the reserve price of land was not to be below the Government rates.

Scrutiny of records disclosed that BIADA allotted five plots in Patliputra IA on auction basis (June 2007). However the reserve prices of the plots were fixed at BIADA rates instead of Government rates. As a result the offered rate was much below the Government rate. BIADA made allotment at the lower rate which resulted into loss of ₹ 1.83 crore as detailed in *Appendix 3.3.11*.

On this being pointed out, the department stated (January 2013) that decision to revise the land rate was not taken at the time of publication of auction notice. Therefore rate was not revised. Hence BIADA incurred no loss.

The reply was not in conformity with audit observation since as per the 20th meeting of Board of Directors held on 20 May 2007 the minimum price of the land was not to be fixed below the price fixed by the Government

3.3.8.5 *Improper management of revolving fund of IDA*

Standing guideline for regulation of the Revolving fund was issued after a delay of years. Hence the fund could not be used properly and sufficiently

As per Para 1.2(VIII) of Industrial Incentive Policy 2006, Land Bank was established to meet the requirement of land for industrial and development works. A revolving fund was established (September 2006) under Land Bank with a ceiling of ₹ 1500 crore. Revolving fund was to be regulated as per the provisions contained in standing guideline.

Scrutiny of records showed that against the ceiling amount of ₹ 1500 crore, the corpus /revolving fund was ₹ 1089.81 crore up to March 2012. Further, examination of maintenance of the fund disclosed the following facts:

- The standing guidelines regarding control of corpus/revolving fund for acquisition and disposal of land was issued after five years (March 2011);
- The corpus/revolving fund were being kept with infrastructure development funds of IDA and despite directives, separate saving bank account was not opened in State Bank of India, Main Branch, Gandhi Maidan Patna till date (March 2012). Consequently the interest accrued on the fund amounting to ₹ 233 crore were not incorporated in the revolving fund;

Thus in absence of guideline, fund amounting to ₹ 468.75 crore (as on 31 March 2012) and accrued interest amounting to ₹ 233 crore was lying unutilized in bank.

On this being pointed out, the department admitted (January 2013) that amount of revolving fund was kept in nationalised banks as fixed deposit.

3.3.8.6 *Improper management of fund of BIADA*

Unreconciled amount of ₹ 5.31 crore due to non - preparation of Bank reconciliation statement

Bank reconciliation statement is an important instrument of accounting by which the accuracy of the bank balance shown by pass book and cash book is ensured. In course of scrutiny it was seen that BIADA had not been preparing

Bank reconciliation statements and the difference of ₹ 5.31 crore in fixed deposit scheme detected in internal audit report 2007-08 were yet to be reconciled.

- The Board of Directors had decided (22nd meeting dated: 31st August 2007) to refund all accruals on account of land allotment to the Government. However the collected revenue amounting to ₹ 218.83 crore was parked in banks (March 2012).

On this being pointed out in audit, the Department stated (January 2013) that a team had been constituted and a Chartered Accountant had been appointed to carry out the bank reconciliation and the land allotment fund would be refunded to the Government according to direction of Government.

3.3.9. Conclusion

Though the State Government had taken sincere initiative for industrial growth with announcement of Industrial Incentive Policy, Bihar 2006, there was no long term planning for acquisition of land and development of industrial infrastructure in the State. The land records were not being maintained at department as well as authority level. Acquired lands were not being utilised for the specified purposes and lands were de-notified irregularly in favour of entrepreneurs. Land was allotted for non-industrial purposes, allotment norms were not adhered in allotment, lands were transferred irregularly and records were manipulated in favour of agencies. The land rates were not revised and the funds of BIADA were not managed properly.

3.3.10 Recommendations

- The department should dovetail acquisition of land with the Industrial Policy and accordingly prepare a long term plan for acquisition of land in the State.
- There should be a mechanism to maintain the land records as well as proper documentation of received applications for allotment of land.
- A transparent policy should be adopted in allotment of lands.

CHAPTER -IV

***INTEGRATED AUDIT OF
GOVERNMENT DEPARTMENT***

CHAPTER-IV
INTEGRATED AUDIT OF GOVERNMENT DEPARTMENT
MINORITY WELFARE DEPARTMENT

4. *Integrated audit of Minority Welfare Department*

Executive Summary

Introduction

The Minority Welfare Department is responsible for implementation of various developmental schemes especially those relating to welfare and upliftment of the status of minority communities. Integrated audit of the department brought out gaps in planning, financial management and programme management. Audit of the department disclosed that owing to non-availability of its own offices at district/sub division/block levels and non-disbursement of assistances to the beneficiaries in time, the unspent balances increased over a period of time and even deprived central assistance.

Planning

The department had not prepared perspective plan/annual plan to uplift the minorities. Welfare Schemes suffered due to *ad hoc* arrangement of the department without infrastructure at district level.

(Paragraph 4.6)

Financial Management

The department could utilise only 61 *per cent* of its allotted funds. It was further observed that surrender of the savings upto 99 per cent was done on the last date of financial years. The cases of retention of funds, submission of incorrect utilisation certificates, delayed release of funds and diversion of funds were also noticed. There was difference of ₹ 23.81 crore in the expenditure figure of department with appropriation accounts and the difference remained non-reconciled.

(Paragraph 4.7)

Implementation of the schemes

Under MSDP, the department could spend only ₹ 350.86 crore during 2007-12 and balance funds ₹ 121.21 crore were lying unutilised at the end of March 2012. Thus, due to non-utilisation of funds, the target fixed for MSDP was not achieved in full and the State was also deprived of central assistance of ₹ 112.20 crore. Other schemes viz. pre-matric scholarship scheme, post-matric scholarship scheme and Mukhya Mantri Minority Vidharthi Protsahan Yojna were also not implemented properly.

(Paragraph 4.8)

Conclusion

The department had not formulated any specific plan to uplift the minorities. The financial management of the department was deficient as the department could disburse/utilise only 61 *per cent* of its allotted funds. Due to ineffective functioning of the department, every welfare scheme for minority remained partially implemented or unimplemented

(Paragraph 4.9)

Recommendations

The department should prepare and initiate its own plan for the upliftment of minorities. The man power of department should be adequate and on rational basis. Due care should be taken in the preparation of budget estimates which should be on realistic basis to avoid savings and the schemes may be strictly implemented according to their guidelines.

(Paragraph 4.10)

4.1 Introduction

Minority Welfare Department (MWD), Government of Bihar came into existence in the year 1991 with aim of overall improvement/development of minorities¹ in addition to minority welfare schemes already implemented by other respective department. In Bihar, minorities constitute 16.71 per cent of the total population of the State and Muslims hold almost 99 per cent of the total population of minorities and population of others like Christian, Buddhists, Sikhs and Parsis are nominal. Department deals with the matter relating to welfare of minority community, Haz, Waqf and have the administrative control of corporation/agencies like Bihar State Minority Commission, 15 Point Programme committee (Appendix-4.1), Bihar State Minority Finance Corporation and Urdu Academy.

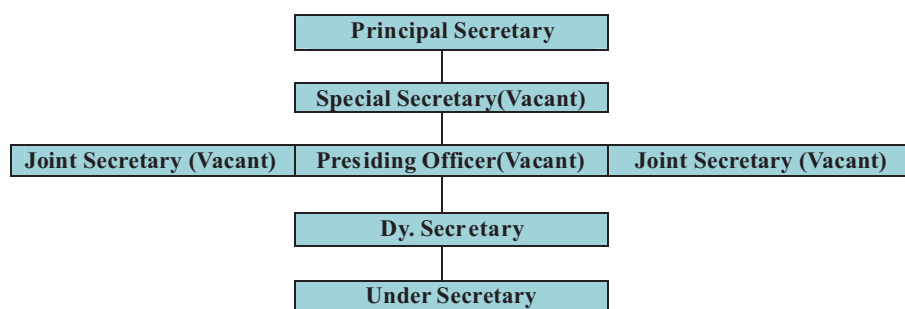
In order to realise these objectives, the department implemented 16 schemes during 2007-2012. Of these, 12 were under State Plan, three Centrally Sponsored Schemes (sharing basis) and one Central Plan Scheme.

4.2 Organisational Setup

The organogram of Minority Welfare Department is given in the chart below:

Chart-I

Organogram of the Minority Welfare Department



As evident, four of the top posts were lying vacant. Further, there was no subordinate office of the department at districts, sub divisions and blocks levels. At the field level, minority welfare activities and schemes of the department were being implemented by District Magistrates (DM) with assistance of Deputy Development Commissioner (DDC), District Programme Officer

¹ Muslims, Sikhs, Christians, Buddhists and Zoroastrians (Parsis) have been notified as minority communities under Section 2 (c) of the National Commission for Minorities Act, 1992.

(DPO), District Welfare Officer (DWO), Block Development Officer (BDO), District Engineer, Executive Engineer of Works Division, District Education Officer (DEO) and all other implementing agencies.

4.3 Audit Objectives

The audit objectives aimed to assess and evaluate:

- the adequacy and effectiveness of planning, financial management, implementation of schemes; and
- the intended objectives were achieved.

4.4 Audit Criteria

The audit criteria adopted were:

- Act, Rules and Regulations of the Government of Bihar (Bihar Budget Manual, Bihar Finance Rules, Bihar Treasury Code and Bihar Public Works Account Code) and the Government of India (GOI) as applicable to Minority Welfare Department activities;
- Instructions and guidelines issued by the GOI and the GOB for Central and State Sponsored Schemes respectively; and
- Mandate of the department and guidelines of schemes and programmes.

4.5 Audit scope and methodology

This audit had covered the period 2007-12 and was conducted during May 2012 to July 2012 and October 2012 to November 2012 through test check of the records at headquarters office of the department and seven district offices². The information received from Bihar State Shia Waqf Board, Bihar State Sunni Waqf Board, Bihar State Minority Finance Corporation (BSMFC) was also utilised for overall assessment of the department. The audit methodology included field visits for examination, collection and analysis of relevant information and discussions with the responsible officers of the department involved in programme implementation. In order to explain the objectives of this audit and to elicit the departmental views and concerns, an entry conference was held in March 2012 with the Principal Secretary and senior officials of the department. The audit findings were discussed with the Principal Secretary, Special Secretary, Deputy Secretary, Under Secretary alongwith Managing Director (MD), BSMFC and Chief Executive Officer of Shia Waqf Board in an exit conference in January 2013. The views and replies of department were kept in view while finalising the report.

Audit Findings

The deficiencies noticed during course of audit of the department are discussed in the subsequent paragraphs.

² (i) Araria, (ii) Dharbhanga, (iii) Katihar, (iv) Kishanganj, (v) Purnea, (vi) Sitamarhi and (vii) West Champaran.

4.6 Planning

The department had not prepared perspective plan/annual plans and it was working without infrastructure.

Adequate planning is the key factor for effective implementation of schemes of any department. As the objective of the department was to uplift the status of minorities, there was need to prepare adequate plan to meet the objectives. The department had not prepared perspective plan/annual plan as such no records related to planning were produced during audit. It was further observed that the department had no sub-ordinate offices at district/ sub division/block level and the schemes of the department were being implemented by other agencies i.e. District Magistrates (DM) with assistance of Deputy Development Commissioner (DDC), District Programme Officer (DPO), District Welfare Officer (DWO), Block Development Officer (BDO), Executive Engineer of Works Division, District Education Officer (DEO), Principals/ Head Masters of schools and others; which were not under control of the department. Moreover, the department could not establish Directorate as well as District Minority Cells. In addition the department neither had machinery to collect information regarding output of the schemes nor had attempted to bridge the gap between department and implementing agencies. Further, the department had no monitoring mechanism and the web site of the department was also not up dated.

During exit conference, Principal Secretary MWD stated (January 2013) that the department executed Central Plan Schemes, Centrally Sponsored Schemes and other State Sponsored Schemes according to their guidelines. It was accepted by the department that it was working with limited manpower and resources and corrective actions were being taken.

4.7 Financial Management

Budget provision, expenditure, surrenders and savings of the department during 2007-12 are indicated below in the table.

Table no. 1
Budget provision, expenditure and surrenders/savings during 2007-12
(₹ in crore)

Year	Allotment			Expenditure			Surrender			Lapse/Saving (-)			Total Savings (surrender + savings) & percentage Saving (-)
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
2007-08	25.82	3.17	28.99	24.42	2.03	26.45	1.40	1.12	2.52	0	(-)0.02	(-)0.02	(-)2.54 (9)
2008-09	66.23	5.11	71.34	51.20	4.39	55.59	0.70	0.50	1.20	(-)14.33	(-)0.22	(-)14.55	(-)15.75 (22)
2009-10	230.20	4.30	234.50	160.25	3.70	163.95	56.21	0.25	56.46	(-)13.74	(-)0.35	(-)14.09	(-)70.55 (30)
2010-11	461.95	4.39	466.34	297.88	3.50	301.38	164.07	0.53	164.60	0.00	(-)0.36	(-)0.36	(-)164.96 (35)
2011-12	570.00	5.47	575.47	283.65	4.27	287.92	1.53	0.15	1.68	(-)284.82	(-)1.05	(-)285.87	(-)287.55 (50)
Total	1354.20	22.44	1376.64	817.40	17.89	835.29	223.91	2.55	226.46	(-)312.89	(-)2.00	(-)314.89	(-)541.35 (39)

(Source: Detailed Appropriation Accounts and department statement)

As evident from the table above, the department could utilise only ₹ 835.29 crore (61 per cent) against the total grant of ₹1376.64 crore. Further, out of

The financial management was deficient as department could utilise only 61 per cent of the total grant

the balance fund, ₹ 314.89 crore lapsed and ₹ 226.46 crore was surrendered. It was further observed that ₹ 225.45 crore (99 per cent) of the surrender was done on the last date of financial years. Consequently, the surrendered funds could not be re-appropriated by the finance department.

In 2011-12, the department could not utilise ₹ 287.55 crore (50 per cent of total allotment ₹ 575.47 crore) due to slow progress of work and cent per cent saving of allotment was noticed in four State Plan Schemes namely Computerisation of Waqf Property, Scholarship for college going students, Scholarship for coaching to compete Public Service Commission and Training for Workers of Minorities.

The department refuted (December 2012) the figures shown by audit stating that cent per cent allotted funds were spent by the department.

The reply was not in consonance with facts as the surrendered/lapsed funds were not considered by the department. However, in exit conference Principal Secretary (January 2013) stated that the figures would be rectified and reconciled wherever necessary.

4.7.1 Delayed Release of Funds

Delayed release of MSDP funds upto 9 months adversely affected the implementation of the schemes

According to the directives of Empowered Committee of Multi Sectoral Development Programme (MSDP), the State Government was to release the approved funds to the Minority Concentration Districts within one month of receipt. However, scrutiny disclosed that Central Assistance of ₹ 255.33 crore and State share of ₹ 47.61 crore were released with delay up to nine months and more to the concerned districts. The period of delay in cases are given in the table below:

Table no. 2

Cases of delayed release from the actual timeline of one month

Year	Upto three months	Upto six months	Upto nine months and more
2008-09	-	-	3
2009-10	7	3	-
2010-11	8	1	-
2011-12	26	1	-
Total	41	5	3

In reply, the department admitted (December 2012) that delayed release of fund were in initial years of schemes but it had been improved later.

However, we noticed that maximum number of delayed cases were of 2011-12. Thus, delay in release of fund adversely affected the implementation of the schemes of MSDP.

4.7.2 Incorrect utilisation certificate

District Administration Sitamarhi, Bettiah and Darbhanga had submitted incorrect utilisation of MSDP funds

As per para 15.5 of MSDP guidelines, utilisation certificates (UCs) would be submitted when the expenditure on the project had been incurred by the implementing agencies and further installments of the scheme were to be released only after the receipt of UCs and other mandatory documents.

Scrutiny of records of three test checked districts revealed that District Administration had submitted incorrect UCs of Central Share of MSDP funds

(Aganwadi) to the department to receive second installment of the scheme as discussed below:

- Against receipt of ₹ three crore (March 2010) the District Administration, Sitamarhi had submitted (June 2012) UC for the whole amount whereas cash book for the period disclosed that ₹ 2.85 crore³ was distributed among 11 Block Development Officers (BDOs). Further, examination of records of BDOs disclosed that only ₹ 93.70 lakh⁴ was spent and balance of ₹ 1.92 crore was kept in their respective accounts.

The department had accepted (December 2012) the facts.

- The District Administration, West Champaran had submitted UC of ₹ six crore (June 2011) to the department whereas its cash book reflected distribution of ₹ 5.69 crore⁵ to executing agencies. It was further observed that ₹ six crore was again received (October 2011) and district administration had again submitted (January 2012) utilisation of ₹ six crore (second instalment) despite having balance of ₹ 4.66 crore in its cash book.

In reply, the department forwarded (December 2012) the reply of DM, West Champaran who had stated that the balance funds of first instalment amounting to ₹ 0.31 crore was also given to Rural Works Division (No II) for construction of rooms of laboratory. However, DM had denied the submission of UCs of second instalment of ₹ six crore.

The reply was contrary to the facts as the DM had submitted the said UCs to the department in January, 2012.

- Similarly, District Administration, Darbhanga had submitted (July 2011) incorrect UC of the first instalment of ₹ three crore to the department as ₹ 0.39 crore was returned (June 2012) to the District Administration by one implementing agency (Local Area Engineering Organisation, Dharbhanga) due to non-availability of land. District Administration accepted the observation.

In reply, the department assured (December 2012) that proper enquiry would be made as these were serious and non-tolerable issue.

4.7.3 Retention of fund

According to Rule 107(3) of Bihar Budget Manual, no money should be withdrawn from the treasury unless it is required for immediate payment. It is not permissible to draw advance in anticipation to demands from the treasury

³ (i) Bajpatti (₹ 20.10 lakh), (ii) Bokhara (₹ 8.04 lakh), (iii) Dumra (₹ 36.18 lakh), (iv) Majarganj (₹ 32.16 lakh), (v) Nanpur (₹ 28.14 lakh), (vi) Parihar (₹ 44.22 lakh), (vii) Pupri (₹ 8.04 lakh), (viii) Riga (₹ 40.20 lakh), (ix) Runnisaidpur (₹ 40.20 lakh), (x) Sonbarsa (₹ 8.04 lakh) and (xi) Sursand (₹ 20.10 lakh) (Total = ₹ 285.42 lakh)

⁴ (i) Dumra (₹ 12.00 lakh) (ii) Sursand (₹ 16.78 lakh), (iii) Runnisaidpur (₹ 3.95 lakh), (iv) Bokhara (₹ 2.80 lakh), (v) Riga (₹ 17.10 lakh), (vi) Nanpur (₹ 5.34 lakh), (vii) Sonbarsa (₹ 3.96 lakh), (viii) Bajpatti (₹ 6.70 lakh), (ix) Pupri (₹ 2.85 lakh), (x) Parihar (₹ 9.68 lakh) and (xi) Majorganj (₹ 12.54 lakh) (Total = ₹ 93.70 lakh)

⁵ (i) EE, RWD-2, Bettiah (₹ 213.60 lakh) and (ii) N.R.E.P, Bettiah (₹ 355.50 lakh)

either for the execution of works, the completion of which is likely to take a considerable time or to prevent the lapse or appropriations.

The objective of the scheme was not achieved due to retention of fund

Scrutiny disclosed that the District Welfare Officer (DWO), Sitamarhi had withdrawn ₹ 1.28 crore (₹ 0.30 crore in March 2001, ₹ 0.616 crore in March 2008 and ₹ 0.366 crore in March 2009) for construction of minority boys/girls hostels and deposited the amount into savings bank account. Later, he had transferred the amount of ₹ 1.27 crore to District Magistrate (DM), Sitamarhi (April 2010) after spending ₹ 0.82 lakh (September 2001) on soil tests. The amount was still lying unutilised in the account of District Administration.

In reply, the department admitted (December 2012) that only ₹ 0.82 lakh was spent from the drawn funds and assured that reasons of retention of fund at district level as well as implementing agency would be inquired and funds would be spent or called back.

Thus, the fund was drawn in contravention of the financial rules and the objective of the scheme was also not achieved due to retention of funds.

4.7.4 Diversion of Fund

In the provisions and instructions attached with the sanction letter of grant under MSDP, it was mentioned that “Grantee shall not divert any part of the grant to any other activities”. Diversion of one fund from one sector to another sector was also not permissible under Multi Sectoral Development Plan. Scrutiny of records of two test checked districts revealed cases of diversion of MSDP funds as discussed hereunder:

Aganwadi fund was diverted to IAY and laboratory building against the provision

- In district Dharbanga, ₹ four crore was diverted to Indira Awaas Yojana (IAY) from the available fund for construction of Aganwadi centres.
- District Administration West Champaran, Bettiah had diverted ₹ 1.09 crore and ₹ 0.66 crore for laboratory building of three class rooms and construction of additional two class rooms respectively. The fund was diverted from the allotment received for the construction of Aganwadi centres.

The department admitted (December 2012) the fact and stated that it would be adjusted after receipt of fund in that scheme for which diversion was made.

4.7.5 Non-maintenance of expenditure control register

Rule 472 of the Bihar Financial Rules provides that the head of each department will be responsible for controlling expenditure from the grant or grants at his disposal and will exercise his control through the controlling officers. Further, Rule provides that the head of departments should maintain control register in a prescribed Form for each minor or sub head of the account.

The department had not maintained expenditure control register to have a watch over its expenditure against allotments

Audit scrutiny revealed that no such expenditure control register was maintained by the department. The allotment, expenditure, balance and appropriation of funds were also not recorded and certified by the competent authority. In absence of expenditure control register the allotted fund of ₹ 11.52 crore to Araria district could not be drawn from treasury as department

issued allotment of ₹ 11.52 crore against its balance of ₹ 10.42 crore. Consequently, the departmental compliance to the expenditure control mechanism was not adequate.

In reply, the department accepted (December 2012) the facts and assured that the Expenditure Control Register would be maintained in future.

4.7.6 Non-reconciliation of expenditure

Rule 475 (viii) of the Bihar Financial Rules pertaining to receipts/expenditure required the head of the department to reconcile on a monthly basis, the figures maintained in the department with those maintained by the Accountant General (A& E). In case monthly reconciliation is not possible the controlling officer has to depute an assistant to the AG's office every third month and at the close of the financial year for this purpose.

Scrutiny revealed that during 2007-12, ₹ 811.48 crore was shown as expenditure in the appropriation accounts whereas as per the figures provided by the department, ₹ 835.29 crore only was shown as expenditure. Thus, the difference of ₹ 23.81 crore remained non-reconciled (*Appendix-4.2*). However, figures for expenditure from Non-Plan heads during 2007-12 were not provided by the department.

During exit conference (January 2013) Principal Secretary instructed his officers to reconcile figures.

4.7.7 Functioning of Bihar State Minority Finance Corporation

Bihar State Minority Finance Corporation Ltd. (BSMFC), Patna was established (1984) under Company Act, 1956 with proposed share capital of ₹ ten crore. Its objective was to provide finance/loan to the members of minorities communities for their upliftment. Further, the Corporation was appointed as channelising agency of National Minority Development and Finance Corporation Ltd. (NMDFC), New Delhi in 1997 to implement their schemes related to minorities in the State of Bihar.

The BSMFC had not maintained financial disciplines and was lagging behind in achievement of department's objective

As per the sanctioned guidelines issued by the NMDFC, New Delhi, the funds were to be provided to the ultimate beneficiaries at interest rate six *per cent* per annum while NMDFC, New Delhi would charge from State Channelising Agency (SCA) the interest rate of three and half *per cent* per annum with rebate of half *per cent* per annum on timely repayment. The funds were required to be utilised within three months of disbursement failing which interest rate six *per cent* would be charged from the SCAs after three months and after six months the unutilised funds would be recalled.

However, it was observed that neither loan was disbursed (₹4.71 crore, being up-to-date) balance position as detailed in *Appendix-4.3* within stipulated time frame nor was any penal interest charged and the undisbursed amount was also not refunded to NMDFC, New Delhi after expiry of specified period.

In reply, the department admitted that only ₹ 9.90 lakh was released under education loan against the received funds of ₹ 4.38 crore from NMDFC during 2011-12. The reply was incomplete as department remained silent regarding funds received during earlier years.

Further, the scrutiny of funds received/utilised by the Corporation during the last three financial years disclosed that the department had deposited five schemes funds in Corporation as shown in the table given below:

Table no. 3
Receipt and utilisation of fund by BSMFC

(₹ in crore)

Name of the Scheme	Fund received (2009-12)	Fund disbursed/ utilised (2009-12)	Balance (as on 31.03.12)
Post-Matric Scholarship Programme(Central)	44.29	19.55	24.74
Scholarship for Technical & Professional courses (Central)	9.46	7.75	1.71
State Scholarship (State)	2.00	2.00	Nil
Mukhya Mantri Shram Shakti Scheme (State)	1.00	0.00	1.00
Coaching Scheme (State)	1.65	0.98	0.67
Total	58.40	30.28	28.12

(Source: Statement furnished by BSMFC, Patna)

As evident from the table, the Corporation could utilise only 52 *per cent* of the received funds. It was also observed that the Corporation had kept ₹ 46.94 crore (72 *per cent*) of its fund into term deposits and remaining ₹ 18.16 crore (28 *per cent*) into saving bank accounts (March 2012). In addition to this the following deficiencies were noticed:

- The accounts of the Corporation were in arrears since 2008-09 and the prepared Balance Sheet and Profit and Loss account of the Corporation for the period ended on 31 March 2008 did not comply with the Accounting Standards referred to in sub-section 3(c) of Section 211 of the Companies Act, 1956. Thus, a clear picture of assets and liabilities could not be ascertained.

The Managing Director (MD) of BSMFC stated (December 2012) that internal accounts of the Corporation for the year 2008-09 was prepared and would be submitted shortly.

- The recoveries of advances were being delayed and Non-Performing Asset (NPA) from the beneficiaries' loans were not ascertained by the Corporation.

In reply, the MD stated that Corporation ascertained ₹ 2.23 crore being the amount of interest on loans and made provision of ₹ 1.31 crore on account of Bad and Doubtful debts. The reply was incomplete as no reply was given on recovery of advances and NPAs.

- BSMFC, Patna had received grant of ₹ three crore during 2008-10 (₹ two crore in 2008-09 and ₹ one crore in 2009-10) under Mukhya Mantri Shram Shakti Yojna, which was meant for Skill (*HUNAR*) development to get self employment for minority concerned. The Corporation could not initiate the scheme and the entire amount was lying unutilised till date (September 2012).

In reply, the MD attributed it to the revision of guidelines of the scheme by the Government and assured that it would be implemented in the current year.

Thus, the financial control of the Corporation was deficient and the Corporation was lagging behind in achievement of department's intended objective despite the Principal Secretary of the department being in the Board of Directors of the Corporation.

4.8 Implementation of Schemes

During 2007-12, the department had implemented one Central Plan scheme (Scholarship for technical and commercial courses to students of minorities), three centrally sponsored schemes (CSS) namely Multi Sectoral Development Programme (MSDP), Pre Matric Scholarship Scheme and Post Matric Scholarship Scheme and 12 State Plan schemes (*Appendix-4.4*). In course of Integrated Audit, three CSS and three State Plan schemes were scrutinised and their outcomes have been discussed in the succeeding paragraphs.

4.8.1 Centrally sponsored schemes

The department had received grant amounting to ₹ 1124.80 crore for implementation of the three CSS during the 2007-12. Out of the received grant, ₹ 909.31 crore was received during the year 2010-12 and the department could spend ₹ 483.38 crore only. The balance funds ₹ 425.93 crore remained unutilised due to slow progress of work, non-availability of land and non-implementation of the work. The fund flow of centrally sponsored schemes is given in the table below:

Table no. 4
Centrally Sponsored Scheme (₹ in crore)

Year	Grant			Expenditure			Total Saving
	Central	State	Total	Central	State	Total	
2007-08	0.00	0.00	0.00	0.00	0.00	0.00	0.00 (0)
2008-09	32.19	0.00	32.19	22.89	0.00	22.89	9.30 (29)
2009-10	169.95	13.35	183.30	103.72	13.35	117.07	66.23 (36)
2010-11	309.65	73.66	383.31	154.74	73.66	228.40	154.91(40)
2011-12	460.00	66.00	526.00	203.83	51.15	254.98	271.02(52)
Total	971.79	153.01	1124.80	485.18	138.16	623.34	501.46 (45)

(Source:-Detailed Appropriation Account & Department statement)

Further, analysis of expenditure of the schemes is discussed below.

4.8.1.1 Multi Sectoral Development Programme

The department could not utilise MSDP funds and the fixed targets were not achieved

Multi Sectoral Development Programme (MSDP) aimed to improve the socio-economic parameters of basic amenities for improving the quality of life of the people and reducing imbalances in the Minority Concentration Districts (MCDs) during the Eleventh Five Year Plan period (2007-12). Identified 'development deficits' were to be made up through a district specific plan for provision of better infrastructure for school and secondary education, sanitation, *pucca* housing, drinking water and electricity supply, besides beneficiary oriented schemes for creating income generating activities.

Absolutely critical infrastructure linkages like connecting roads, basic health infrastructure, Integrated Child Development Scheme (ICDS) centres, skill development and marketing facilities required for improving living conditions and income generating activities and catalysing the growth process were also eligible for inclusion in the plan. Bihar's seven districts⁶ were identified for implementation of MSDP in the country, based upon the minority population of Census 2001 and backwardness parameters. Under MSDP, the department had withdrawn ₹ 472.07 crore out of released amount of ₹ 483.59 crore (including State share) during 2007-12. Further, ₹ 88.67 crore (18 per cent) was released in the last month of the financial years. It was, however, observed that the department could spend only ₹ 350.86 crore and remaining funds ₹ 121.21 crore were lying unutilised at the end of March 2012. Thus, due to non-utilisation of funds, the target fixed for MSDP was not achieved in full and the State was also deprived of central assistance of ₹ 112.20 crore (*Appendix-4.5*).

In the exit conference, Principal Secretary stated (January 2013) that the remaining central assistance would be obtained during Twelfth five year plan.

Thus, the central assistance as targeted for MSDP during Eleventh Five Year Plan was not achieved.

Further, scrutiny of implementation of different components of MSDP in all seven districts revealed following shortcomings:

- **Constructions of Aganwadi Centres**

To cover up the gap of percentage of fully vaccinated children to the extent of national average, the Ministry of Minority Affairs, New Delhi had sanctioned to construct the 4835 units of Aganwadi centres and released ₹ 118.11 crore to the State Government during 2007-12. Further, State Government released 49.14 crore⁷ of additional State assistance due to cost escalation for 3124 Aganwadi centres as special assistance. Later, the State special assistance amounting to ₹ 11.52 crore could not be drawn by Araria District Administration due to denial by treasury with the remarks "allotted fund could not be uploaded in the computer due to excess drawal of fund from any other treasury".

Scrutiny revealed that out of 4835 units sanctioned by the Ministry, the District Administrations had undertaken construction of only 1467 units of Aganwadi centres due to receipt of only 50 per cent of required amount (first instalment and non-availability of required land). Of these, 527 units (36 per cent of undertaken units) were completed and balance 940 units remained incomplete till date of audit (June 2012). Further, work on 1343 Aganwadi centres could not start due to non-availability of land, 2025 remaining centres were not even approved by District Administration for construction (*Appendix-4.6*). It was further observed that out of total available fund (₹ 155.73 crore), the District Administrations had transferred only ₹ 89.66

⁶ Araria, Darbhanga, Katihar, Kishanganj, Purnea, Sitamarhi and West Champaran.

⁷ (i) Araria (694 units @ ₹ 1.66= ₹ 1152.04 lakh), (ii) Kishanganj (594 units @ ₹ 1.02= ₹ 605.88 lakh), (iii) Purnea (1021 units @ ₹ 1.66= ₹ 1694.86 lakh), (iv) Sitamarhi (300 units @ ₹ 2.02= ₹ 606.00 lakh) and (v) Darbhanga (515 units @ ₹ 1.66= ₹ 854.90 lakh)

Department could utilized only 20 per cent of available fund and construction of 527 units centres aganwadi (11 per cent) was completed against the target of 1467 units.

crore (58 per cent) to the implementing agencies⁸ and balance of ₹ 66.07 (42 per cent) crore remained unutilised with District Administrations. Further, it was observed that ₹ 57.91 crore (65 per cent of ₹ 89.66 crore) remained unutilised with the implementing agencies. Thus, ₹ 31.75 crore (20 per cent of available fund ₹ 155.73 crore) was only utilised till the date of audit (July 2012).

In reply, the department accepted (December 2012) the facts and stated that non-availability of land was a big problem in Bihar.

Hence, the implementation of this component of MSDP remained ineffective in the State.

● **Construction of Indira Awaas Yojna**

Indira Awaas Yojna (IAY) is one of the sanctioned projects under MSDP to provide *pucca* house to rural minorities, living below the poverty line to improve their living condition.

Scrutiny of records disclosed that ₹ 127.03 crore was released to six districts⁹ of which ₹ 126.17 crore was disbursed to 67 blocks¹⁰ of five districts and ₹ 0.86 crore remained undisbursed to blocks in three districts. Further, out of the funds disbursed ₹ 51.34 crore (41 per cent) remained unutilised in 49 blocks¹¹ of the five districts (March 2012). The minority concentration percentage was not considered while selecting the blocks for the scheme as Kiratpur and Alinagar block of Darbhanga district having 31 and 29 per cent of minorities concentrated areas respectively were not selected under this scheme while Baheri block of the same district having only 10 per cent minority concentrated area was selected for the scheme. Similarly, Bhitaha block of West Champaran district having 24 per cent minority concentrated area was provided ₹ 0.94 crore for 105 units of IAY whereas Yogapatti block of the same district having 16.8 per cent minority concentrated area was provided ₹ 1.85 crore for construction of 205 units.

During exit conference, Principal Secretary assured (January 2013) that the reply would be made available after receipt of concern district.

Thus, the implementation of IAY of MSDP could not achieve its intended objectives.

⁸ (i) Block Development Officer, (ii) Child Development Project Officer, (iii) Works Divisions etc.

⁹ (i) Darbhanga - ₹ 399.88 lakh, (ii) Katihar - ₹ 3882.38 lakh, (iii) Kishanganj - ₹ 1739.85 lakh, (iv) Purnea - ₹ 24.75 lakh, (v) Sitamarhi - ₹ 3280.90 lakh and (vi) W. Champaran - ₹ 3374.995 lakh.

¹⁰ ₹ 3219.70 lakh to 17 blocks of Sitamarhi, ₹ 1739.85 lakh to seven blocks of Kishanganj, ₹ 399.88 lakh to 13 blocks of Darbhanga, ₹ 3882.15 lakh to 16 blocks of Katihar & ₹ 3375.00 lakh to 14 blocks of W. Champaran.

¹¹ (i) W. Champaran (10 blocks - ₹ 930.10 lakh), (ii) Darbhanga (Three blocks - ₹ 91.63 lakh), (iii) Katihar (16 blocks - ₹ 1370.00 lakh), (iv) Kishanganj (Five blocks - ₹ 569.69 lakh), (v) Sitamarhi (15 blocks - ₹ 2172.42 lakh) and at district level ₹ 0.86 crore (Katihar - ₹ 0.23 lakh, Purnea - ₹ 24.75 lakh and Sitamarhi - ₹ 61.20 lakh)

- **Construction of minority boys & girls hostel**

As the literacy rate of minorities was far below from the national average, the Ministry of Minority Affairs, New Delhi had sanctioned 19 minority boys and 33 minority girls hostels and accordingly the State Government released ₹ 33.92 crore including State share to the districts during 2007-12.

Department failed to monitor construction of minority girls and boys hostels

Scrutiny of the records of Sitamarhi and Katihar districts disclosed that the entire allotted amount of ₹ 14.68 crore¹² for hostels were lying unutilised (March 2012). The department failed to monitor construction of the minority boys and girls hostels and didn't take effective measures to ensure implementation of the scheme.

In reply department stated (December 2012) that district level offices would be formed to monitor the schemes.

- **Fund allotted to non-eligible schools**

As per MSDP Guidelines, priority may be given to projects that focus on villages/blocks/localities having a substantial minority population. Scrutiny of the records of District Education Officer, Araria disclosed that ₹ 0.81 lakh was provided to schools (₹ 0.33 lakh for tera filter and ₹ 0.48 lakh for desk/bench). Further, scrutiny of 154 schools revealed that a total ₹ 0.23 crore was provided to 28 such schools in which not a single minority child was studying. Thus, the very purpose of the scheme got defeated.

Fund were provided to 28 such schools in which not a single minority child was studying

In reply, the department stated (December 2012) that Araria district was one of the minority concentrated districts. The selection and sanction of scheme were started at the district level and finally sanctioned by Empowered Committee of MSDP.

The reply was not convincing as the schools were selected at the district level and not by the empowered committee.

4.8.1.2 Pre-Matric Scholarship

The Pre-Matric Scholarship scheme was started by the department in April 2008. The objectives of the scheme were to encourage parents from minority communities to send their school going children to school, lighten their financial burden on school education and sustain their efforts to support their children to complete school education. The department had been implementing this scheme through Bihar State Siya Waqf board, Patna.

Scrutiny of records related to scheme disclosed the following facts:

- Out of the total receipt of ₹ 96.75 crore Siya Waqf Board, Patna retained ₹ 38.71 crore (40 per cent) and released ₹ 58.04 crore only among all 38 districts of the State.
- Though the Board had shown ₹ 17.14 crore as having been distributed amongst the four test checked districts, the concerned districts had

¹² Sitamarhi (₹ 13.48 crore) and Katihar (₹ 1.20 crore)

confirmed receipts of only ₹ 16.65 crore. The difference in funds amounting to ₹ 0.49 crore¹³ was not yet been reconciled.

On being asked, the department and the district concerned both could not explain the actual reason behind the difference amount.

- Siya Waqf Board spent ₹ 0.71 crore against the administrative expenses towards Pre-matric scholarship whereas ₹ 0.41 crore only was received for administrative expenses. Hence ₹ 0.30 crore was spent more than provisioned amount.

In reply, Bihar State Siya Waqf Board stated (December 2012) that out of ₹ 0.71 crore, only ₹ 0.31 crore were spent from administrative expenses fund and balance ₹ 0.40 crore were spent from the interest accrued on balance fund of Pre-Matric Scholarship Scheme.

The reply was not acceptable as interest amount should be spent on the very same purpose for which fund was allotted.

- Siya Waqf Board sent utilisation certificate of ₹ 19.93 crore (October 2010) whereas total expenditure till that date was ₹ 17.25 crore only. Again, utilisation certificate was sent (February 2011) for ₹ 26.04 crore whereas total expenditure till that date was ₹ 23.21 crore.

During exit conference, it was stated that reply would be sent after verification.

- Board had received the returned amount of ₹ 2.45 crore (March 2012 to October 2012) from districts and it was not accounted for in cash book.

During exit conference, it was stated that reply would be sent after verification.

- In absence of monitoring and review of pre matric scholarship, 16517 students¹⁴ were deprived of scholarship.

During exit conference, it was stated that the proper monitoring and scrutiny could not be done due to shortage of time and manpower resources.

Thus, department failed to instruct how to distribute the scholarship money to the selected beneficiaries.

4.8.1.3 Post-Matric Scholarship Scheme

The Post-Matric Scholarship scheme was started by the department in November 2007. The objectives of the scheme were to provide financial support to poor meritorious minority students to increase their rate of enrolment in higher education and employability. Bihar State Minority Financial Corporation (BSMFC), Patna was the implementing agency for this scheme. Scrutiny of records of Schemes disclosed the following facts:

- The department had shown the expenditure of ₹ 23.82 crore under this scheme during 2011-12 while BSMFC, Patna had confirmed the

¹³ (i) Araria - ₹ 8.39 lakh, (ii) Darbhanga - ₹ 1.62 lakh, (iii) Katihar - ₹ 1.45 lakh and (iv) Purnea - ₹ 37.54 lakh

¹⁴ At Siya Waqf Board -10948 students and districts level -5569 students

SW Board retained 40 per cent of the total receipt amount. As a result 16517 students were deprived of scholarship

receipt of only ₹ 22.27 crore from the department during the year. The difference amount of ₹ 1.55 crore was unreconciled till date of audit (July 2012).

Department accepted and stated that ₹ 1.55 crore has now been incorporated in the book of accounts in April 2012.

Reply was not acceptable as amount should be included in the financial year 2011-2012.

Department could utilize only 66 per cent of allotted fund

- Out of receipt of ₹ 54.44 crore (targeted for 136667 beneficiaries) during 2007-12, BSMFC, Patna disbursed ₹ 35.83 crore (92093 beneficiaries) and ₹ 18.61 crore (34 per cent) remained unutilised during the period 2007-12.

In reply, BSMFC accepted the facts and figures.

- In six districts ₹ 3.03 crore¹⁵ were spent, leaving a balance of ₹ 0.74 crore out of total receipted ₹ 3.77 crore¹⁶ due to existence of a number of levels like Department, BSMFC, DWO, Principal etc. between beneficiaries and the authorities.

Thus, the department could not utilise the significant funds of CSS and intended objectives were not achieved.

4.8.2 State Plan Schemes

During 2007-12, the department had implemented 12 State Plan schemes, in which ₹ 163.54 crore was spent out of the total received allotment of ₹ 175.66 crore.

In course of test check of Mukhya Mantri Minority Vidharthi Protsahan Yojna in seven test checked districts, following deficiencies were noticed:

4.8.2.1 Mukhya Mantri Minority Vidharthi Protsahan Yojna

Mukhya Mantri Minority Vidharthi Protsahan Yojna (MMMVPY) is a State scholarship scheme started in 2007-08 with the aim to encourage the enrolment of meritorious minority students in higher education who had secured first division in matriculation examination.

Scrutiny of records of scheme disclosed that:

Department could not reconcile the difference figure of ₹ 1.54 crore against allotment issued to and receipted by five districts

- Five test checked districts had acknowledged receipt of ₹ 7.27 crore¹⁷ under the scheme against the allotment of ₹ 8.81 crore¹⁸ by the department. However, the difference of ₹ 1.54 crore was not reconciled till date of audit (July 2012).

¹⁵ (i)Araria - ₹ 9.39 lakh, (ii) Katihar - ₹ 64.00 lakh, (iii) Kishanganj - ₹ 62.12 lakh, (iv) Purnea - ₹ 96.86 lakh, (v) Sitamarhi - ₹ 25.03 lakh and (vi) W.Champaran - ₹ 45.68 lakh

¹⁶ (i)Araria - ₹ 71.05 lakh, (ii) Katihar - ₹ 70.57 lakh, (iii) Kishanganj - ₹ 65.11 lakh, (iv) Purnea - ₹ 97.03 lakh (v) Sitamarhi - ₹ 25.87 lakh and (vi) W.Champaran - ₹ 47.38 lakh

¹⁷ (i)Araria - ₹ 0.77 crore, (ii)Katihar - ₹ 1.89 crore, (iii) Kishanganj - ₹ 1.83 crore, (iv)Purnea - ₹ 1.01 crore and (v)West Champaran - ₹ 1.77 crore

¹⁸ (i)Araria - ₹ 1.26 crore, (ii)Katihar - ₹ 2.21 crore, (iii)Kishanganj - ₹ 1.92 crore, (iv)Purnea - ₹ 1.34 crore and (v)W.Champaran - ₹ 2.08 crore

- Rupees 2.46 crore¹⁹ was not accounted for in the cash book of four districts.
- Utilisation certificates showing signatures of beneficiaries for ₹ 6.19 crore were not produced to the department by the implementing agencies.
- Cheques/cash amounting to ₹ 0.13 crore²⁰ in five districts were not disbursed and kept in chest.
- Expenditure of ₹ two lakh (District Welfare Officer, Kishanganj) was booked in the accounts without actual payment.

No reply was furnished by the department in this regard. However, DWO, Kishanganj accepted the facts and stated that crossed cheques would be made available to concerned beneficiaries.

4.8.2.2 Construction of Haz Bhawan and auditorium/memorial

Scrutiny of records and statement furnished by the department, Building Construction Department Bihar and an implementing agency revealed that there was significant difference in the books of accounts of both departments. While the books of the department showed an expenditure of ₹ 12.90 crore by the department, the implementing agency accepted the receipt of ₹ 8.31 crore only.

In reply, the department confirmed (December 2012) that the difference amount was lying in the “8782” head of Building Construction Department. Thus, expenditure was booked without incurring actual expenditure.

4.8.2.3 Blocking of funds of minority hostels

The department had released ₹ 4.30 crore to four districts²¹ for construction of minority boys/girls hostels from the State Plan during 2007-10.

Scrutiny disclosed that the amount was lying unutilised till date of audit (July 2012) due to non-availability of land. Further, Sitamarhi and Darbhanga districts had acknowledged receipt of ₹ 2.66 crore in their cash books against the departmental release of ₹ 3.50 crore. The difference of ₹ 0.84 crore was not reconciled till date of audit (July 2012).

No reply was furnished by the department in this regard.

4.9 Conclusion

The department had not formulated any specific plans to uplift the minorities. Due to *ad-hoc* arrangement of the department without its infrastructure at district level, welfare schemes meant for minority had suffered. The department had not established Directorate even after twenty years of its establishment and full strength of sanctioned staff was not there. The financial management of the department was deficient as the department could

¹⁹ (i) Araria - ₹ 0.48 crore, (ii) Darbhanga - ₹ 1.21 crore, (iii) Sitamarhi - ₹ 0.41 crore and (iv) West Champaran - ₹ 0.37 crore

²⁰ (i) Araria - ₹ 0.70 lakh, (ii) Darbhanga - ₹ 0.40 lakh (iii) Purnea - ₹ 3.20 lakh (iv) Sitamarhi - ₹ 0.40 lakh and (v) W. Champaran - ₹ 8.10 lakh

²¹ (i) Araria - ₹ 104.98 lakh, (ii) Darbhanga - ₹ 98.10 lakh, (iii) Sitamarhi - ₹ 127.38 lakh and (iv) W. Champaran - ₹ 100.00 lakh

disburse/utilise only 61 *per cent* of its allotted funds. Due to ineffective functioning of the department, every welfare scheme for minority remained partially implemented or unimplemented.

4.10 Recommendations

- The department should prepare and initiate its own plan to uplift the minorities.
- Man power should be rationalised.
- Budget estimates should be prepared on realistic basis so as to avoid saving.
- Schemes may be strictly implemented according to their guidelines.

CHAPTER -V
COMPLIANCE AUDIT

CHAPTER V

Compliance Audit

Compliance audit of the Government departments, their field formations as well as that of autonomous bodies brought out several instances of lapses in management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs under the broad objective heads.

5.1 Non-compliance with the rules

For sound financial administration and effective financial control, it is essential that expenditure conforms to financial rules, regulations and orders issued by the competent authority. This not only prevents irregularities, *vis-à-vis* loss to the Government, but also helps in maintaining good financial discipline. Some of the significant audit findings on non-compliance with rules and regulations, leading to loss to the Government, are as under:

SOCIAL SECTOR

RURAL WORKS DEPARTMENT

5.1.1 Non remittance of registration fee into treasury and loss of interest

Due to non-adherence of rules relating to cash management and failure of officials to do their assigned duties, the department incurred a loss of ₹ 3.82 crore on account of non-remitted missing bank drafts (₹ 0.89 crore) and loss of interest (₹ 2.93 crore).

The Bihar Contractor Registration Rule 2007 required all contractors to get registered with the department within one year from the date of its coming into effect (May 2007). The registration fee at the rate of ₹ two lakh for Grade-I, ₹ one lakh for Grade-II and ₹ 0.25 lakh for Grade-III contractors was to be paid through Bank Draft.

Vide Rule 86 of Bihar Treasury Code (BTC) the government servant receiving money on behalf of the Government was required to maintain a cash book to record all monetary transactions as soon as they occurred while the DDO, attesting each and every entry in the cash book, was also required to verify the totalling of cash book apart from physically verifying the cash balance and recording a certificate to that effect at the end of each month. Further Rule 37 of Bihar Financial Rule (BFR) provided that all revenue receipts collected on behalf of the Government were to be remitted into the treasury immediately, and a receipt in form No. 3 (Sch. XLV-form no. 114) vide Rule 71 of Bihar Public Works Account Code was to be issued to the payer. Further, vide Rule 487 of BTC it was mandatory for the officer-in-charge of remittances to maintain a book (T.C. Form 63) in which he would enter all remittances into the treasury.

A test check (September 2011) of records of Engineer-in-Chief (EIC), RWD, Bihar, Patna revealed that the bank drafts received on account of registration

fee were neither entered in the cash book nor all the bank drafts were remitted into the treasury. The office also did not issue money receipts to the contractors and the treasury remittance book (T.C. Form 63) was also not maintained. The office also did not maintain any record to verify whether all bank drafts of registration fees were remitted into treasury or not. Thus, the aforesaid codal provisions and financial rules were completely ignored. The office could produce only registration registers and copy of treasury challans, scrutiny of which revealed the following:

- Altogether 7555 contractors were registered with RWD (Grade I- 629, II- 2147 and III- 4779) during December 2007 to July 2011 and bank drafts amounting to ₹ 43.65 crore were received as registration fee. Of this, bank drafts amounting to ₹ 30.09 crore only were remitted into treasury indicating short remittances of ₹ 13.56 crore.
- The non-remittance of bank drafts had resulted in expiry of their validity period.
- It was also noticed that no money was remitted into treasury during 2008-09. The department however did not maintain month-wise grade-wise number of contractors registered and registration fee collected from them during 2008-09.

Later, at the instance of audit, the department furnished (October 2011) a list of 2673 unremitted bank drafts issued upto 05 September 2011 amounting to ₹ 13.35 crore, though the difference of ₹ 13.56 crore (₹ 43.65 crore - ₹ 30.09 crore) was worked out by audit on the basis of drafts obtained before 31 July 2011. There were altogether 176 bank drafts amounting to ₹ 0.68 crore pertaining to the period 01 August 2011 to 05 September 2011 whereas audit objection was related to bank drafts issued prior to these dates. Thus the value of the bank drafts furnished by the department and pertaining to aforesaid period was only of ₹ 12.67 crore (₹ 13.35 crore - ₹ 0.68 crore). Resultantly the bank drafts amounting to ₹ 0.89 crore were still missing. Also there was loss of interest amounting to ₹ 2.93 crore due to non-remittances of Bank Drafts into treasury through Bank. On this being asked, the Joint Secretary (JS), RWD, Government of Bihar replied (September 2012) that Rule 87 of BTC or Rule 37 of BFR were not applicable owing to their amendment or irrelevancy in the instant case. He also stated the registration fees of contractors were to be deposited in accordance with Rule 101 read with Rule 104 and 105 of the BTC, which had not been complied by the contractors and as such there had been no violation of codal provisions or financial rules. He further added that the non-timely remittances of bank drafts had adversely impacted the ways and means of the State without any loss of interest as calculated by the audit.

The reply of the JS, RWD was not acceptable as Rule 101, 104 and 105 of BTC were applicable to any person or private persons making direct remittances into the treasury. As per Bihar Contractor Registration Rule 2007, registered by RWD, Government of Bihar (vide Notification no. 8123 dated 19 December 2007) the concerned contractors were required to submit alongwith other requisite documents, a bank draft of prescribed amount in favour of Under Secretary, RWD payable at Patna. Had it been the case, the department should not have received the bank drafts from the concerned contractors, which later, itself provided a list of 2673 unremitted bank drafts to

the audit. Thus the reply of JS is not correct and the applicability of Rule 86 of BTC or Rule 37 of BFR was very much relevant in the instant case. Further, the JS's reply that non-timely remittances of bank drafts had impacted ways and means of State without causing loss of interest was contradictory and merely an attempt to extenuate the case as considerable delay in crediting/non-crediting of receipts into Government accounts would ultimately lead to loss of interest/loss of revenue of the Government. It would be pertinent on part of the Government to put a system in place so as to avoid such lapses leading to loss of interest and fruitful utilisation of revenue thus accrued. Thus, due to non-adherence of rules relating to cash management and failure of officials to do their assigned duties, the department incurred a loss of ₹ 3.82 crore on account of non-remitted missing bank drafts (₹0.89 crore) and loss of interest (₹2.93 crore).

RURAL DEVELOPMENT DEPARTMENT

5.1.2 Doubtful/fraudulent payment

Non-adherence of codal provisions and non-compliance of order of the Vigilance Department led to fraudulent payment of ₹ 0.21 lakh and doubtful payment of ₹ 19.56 lakh on muster roll in execution of 12 departmental works. Besides there were dubious payments of ₹ 2.01 crore on fake invoices.

A. Doubtful payment on muster roll

Rule 227 of Bihar Public Works Accounts (BPWA) Code read with the Order (December 1983) of sub-para 12 of the Vigilance Department, Government of Bihar stipulates that in a departmental work, the muster roll (MR), containing labourer's name, father's/husband's name, village name and complete address, should be prepared in Form 21 (TC Form-49) and the attendance of labourers employed on work should be recorded on daily basis along with the progress of work done by the respective labourers. For the works not susceptible of measurement, a remark to this effect should also be recorded.

We examined (June 2012) 67 MRs for ₹ 19.77 lakh pertaining to 12 Departmental¹ works, executed on the recommendation of the Member of Legislative Assembly/Member of Legislative Council during 2011-12 under District Rural Development Agency (DRDA) Patna which revealed the following:

- MRs were not prepared in the prescribed form. There were no details of labourers such as address and villages on the MRs. Initial signature of the authority taking attendance was also not found in any of the MR. Labour report was also not prepared in any case.
- In five cases the same set of labourers were shown working simultaneously at different sites during the same period, involving payment of ₹ 0.21 lakh.

¹ Construction of PCC Roads, Brick soling, Earth filling, Installation of Hand Pumps etc.

- Labourers were engaged even on national holidays involving payment of ₹ 0.23 lakh on such dates.
- No inspection was carried out for checking the attendance of the labourers engaged in work at site.
- Voucher numbers and pay orders were not recorded in the MRs.

Thus, due to lack of supervision and non-adherence of codal provisions, there was fake payment of ₹ 0.21 lakh and doubtful payment of ₹ 19.56 lakh on MR (*Appendix 5.1*).

B. Fraudulent payment on fake invoices

Rule 230 of BPWA Code provides that the payments for all works done otherwise than by daily labour and for all supplies should be made on the basis of measurements recorded in Measurement Books (MB). Further, as per Rule 118 of the BPWA Code all materials should be examined and counted or measured, as the case may be, when delivery is taken. The same should be duly recorded in MB as prescribed in Rule 230 and 231 of the Code *ibid*. Also the order of Cabinet Vigilance Department (1994) clearly stipulates that all supply of materials should be obtained through inviting tender/quotation in respect of departmental work.

We examined (May 2012) 193 vouchers related to 41 schemes for which departmental works were executed on the recommendations of Member of Legislative Assembly/ Member of Legislative Council during 2007-08 to 2011-12 under DRDA, Patna and noticed that materials worth ₹ 2.01 crore were purchased without inviting any quotation/tender. Further scrutiny revealed that supplied materials had neither been counted/measured nor entered in measurement book and stock accounts/or site accounts. Registration number and Value Added Tax (VAT) number of agency were also not printed on the invoices. No deductions on account of VAT, Income tax and Royalty were done in the invoice. Quality test reports were also not obtained from the suppliers.

To ascertain the genuineness of materials supplied and payments made there against, letters were written to 14 agencies/firms. Of these, 12 letters were returned back by the postal department with the comments that the agencies/firms could not be located. These 12 agencies/firms which were not traceable involved 174 vouchers with total payment of ₹ 1.75 crore (*Appendix 5.2*). Further, the two firms namely Hindustan Pipe, Exhibition Road, Patna and New Patna Sanitary Store, Exhibition Road, Patna, to whom payments of ₹ 0.26 crore (*Appendix 5.3*) were shown to have been made, stated that no supply had been made by them and neither had they received any payment. In support of the statement, they furnished their original bill-form, which was found totally different from the bill-form furnished by the department. Thus there was doubtful payment of ₹ 2.01 crore on fake invoices.

In reply, the Director, Accounts and Administration, DRDA, Patna stated (September 2012) that an enquiry would be set-up to investigate into the cases of doubtful works. Also, in reply to an audit query regarding genuineness of firms, the Director stated that the said firms were non-existent and a letter was being issued to the executing agencies for necessary action.

Thus, non-adherence of codal provisions of the BPWA Code and non-compliance of order of the Vigilance Department led to fraudulent payment of ₹ 0.21 lakh and doubtful payment of ₹ 19.56 lakh on muster roll apart from dubious payment of ₹ 2.01 crore on fake invoices.

As such, the department should take necessary step so that an effective monitoring mechanism be put in place for proper adherence of codal provisions while executing departmental works. A departmental investigating committee may also be constituted to investigate the matter and take corrective measure.

The matter has been referred to the Government (July 2012); their reply is yet to be received (February 2013).

HEALTH DEPARTMENT

5.1.3 Fraudulent payment

Passing of a bill twice by the Civil Surgeon-cum-Chief Medical Officer on two different occasions for the supply of same items led to fraudulent payment of ₹ 4.78 lakh to a private firm.

A test-check of records (April 2012) of Civil Surgeon-cum-Chief Medical Officer (CS-cum-CMO), Purnea revealed that a supply order for six equipment was placed (March 2009) with an agency². This included three equipment³ worth ₹ 3.38 lakh. The agency supplied the equipment and submitted three different bills (of ₹ 23,962, ₹ 2,43,734 and ₹ 88,400) bearing the same date (12th of March 2009) for payment in the office. The CS-cum-CMO passed (March 2009) the vouchers worth ₹ 3.56 lakh (including four *per cent* VAT) by drawing the amounts through two different bills⁴.

It was also observed that for the same supply order of three equipment, the agency again submitted another bill bearing the same equipment name, quantity and date (12th March 2009). These items were also shown as having been entered in same pages of the stock register wherein the earlier entries had been made, although no such/separate entry was actually made in the stock register. Against this bill an amount of ₹ 3.85 lakh (including 12.5 *per cent* VAT) was paid to the agency by drawing the amount (vide bill no. 53/2009-10).

Scrutiny further revealed that another supply order (November 2010) for Anti Rabbits Vaccine⁵ worth ₹ 0.89 lakh was issued to the same agency and the firm supplied the medicine in the same month. It was observed that the

² Hitech Health Care, Laheriasarai, Darbhanga

Sl. No.	Name of equipment	Rate (in ₹)	Quantity
(i).	Dressing Drum	850 each	100
(ii)	Dressing Drum	2520 each	100
(iii)	Seamless jointless Stitching needle	18 per six	300

⁴ Bill No.-52/2009-10 (June 2009) and 53/2009-10 (June 2009)

⁵ Total 500 Anti Rabbits Vaccine (ARV) - ₹ 178/unit. (₹ 178/unit × 500)

contractor had submitted two bills (dated 6th November 2010) against the same supply order for ₹ 0.93 lakh (including VAT) each and were passed twice by the CS-cum-CMO on two different occasions (December 2010 and June 2011) by drawing two different bills⁶. This also resulted in fraudulent payment of ₹ 0.93 lakh to the same agency. Thus, an amount of ₹ 4.78⁷ lakh was fraudulently drawn and paid by the CS-cum-CMO to the agency.

On this being pointed out, the CS-cum-CMO stated (April 2012) that necessary action for recovery of the said amount from the agency would be taken. The reply is not acceptable because the onus of responsibility of passing payment of fake bills lay on the CS-cum-CMO himself who failed to verify the stock entries against the supply made by the agency. Further the connivance of CS-cum-CMO with the other erring officials including the agency for the same could not be ruled out and required thorough investigation by the department itself.

The above facts also indicated that the internal controls viz. expenditure control and monitoring mechanism were inadequate and ineffective in the Department.

The matter has been reported to the Government (July 2012); the reply has not been received (February 2013).

5.1.4 Injudicious purchase of Anti Haemophilic Factor –VIII

Due to non-adherence of laid down norms for purchase of medicines and injudicious decision to purchase the Anti Haemophilic Factor-VIII on higher rates resulted in loss to the Government of ₹ 97.20 lakh.

Health Department, Government of Bihar had laid down norms (August 2002) for purchase of medicine, machine equipment and chemical, which, interalia, were as follows:

- Separate tender should be floated in each financial year and the rate contract should be valid for that financial year only.
- Reasonability of rate should be ascertained by assessing the cost of the material (as specified in the tender) at prevalent market rate before opening of financial bid.
- Minimum period for submission of bid should be three weeks.

Scrutiny of files/records of the Superintendent, Patna Medical College and Hospital (PMCH), for procurement of medicines and surgical items for the year 2009-10, revealed that two tenders were floated for procurement of Anti Haemophilic Factor- AHF-VIII⁸. The details of both the tenders are as under **Table 1** :

⁶ Bill No.-102/2010-11 (December 2010) and 53/2011 -12 (June 2011)

⁷ Total excess amount= ₹ 92560 (ARV) + ₹ 385200 (three equipment) = ₹ 477760.

⁸ A medicine.

Table 1

SI No.	Particulars	Tender no.9705 (2009-10)	Tender no.10174 (2009 -10)
1	Date of publication of NIT	3.3.2009 & 4.3.2009	4.3.2010
2	Date of opening of Technical bid	16.4.2009	19.3.2010
3	Minimum period for submission of bid	Three weeks	Seven days
4	Date of opening of Financial bid	2.12.2009	29.3.2010
5	Name of bidder who was declared L ₁ for purchase of AHF-VIII	M/s Vaishnavi Associates, Mehta colony, Sandal pur road, Kumhrar, Patna-6	
6	Price quoted by the L ₁ bidder	₹ 2500 per vial	₹ 3850 per vial

From above table it was evident that in second tender, against the norm, only seven days were given for submission of bid and M/s Vaishnavi Associates, Patna was the L₁ bidder with different rates i.e. ₹ 2500 and ₹ 3850 per vial respectively. The Superintendent, PMCH did not place any purchase order for procurement of AHF-VIII to the L₁ bidder on the basis of earlier bid with lower rate at ₹ 2500 per vial instead purchase orders were issued to the same agency for supply of 7200 vials of AHF-VIII (between June 2010 and January 2011) on higher rate of ₹ 3850.00 per vial. The agency supplied all the vials of AHF-VIII between July 2010 and March 2011 and received (March 2011) the payment of ₹ 2.77 crore.

Thus, non-adherence of the laid norm and placing purchase orders at higher rate, when the same firm was awarded rate contract of the same medicine at a comparatively lower rate of ₹ 2500 per vial in the same financial year, resulted in loss to Government of ₹ 97.20 lakh⁹.

In reply the Superintendent, PMCH stated (December 2012) that the head of department of medicine did not recommend the AHF-VIII of Reliance Pharmaceuticals as it was not mono clonal¹⁰ and after correspondence with the Health Department, the department directed to purchase the AHF-VIII through re-tender. Hence the purchase was made on the basis of second tender at the rate of ₹ 3850 per vial.

The reply was not acceptable as the Superintendent in his letter to the department (in which direction for purchase of the medicine was sought for) in December 2009 had mentioned that the AHF-VIII having mono clonal made no difference and was being used in PMCH without any adverse effect on the patient Further examination of the records of the department relating to its direction to retender for purchase of this medicine revealed that the department considered the earlier tender as single tender which was factually not correct. Moreover, it is pertinent to mention here that State Health Society, Bihar has finalised the rate contract of this medicine (at ₹ 2678.40 per vial)

⁹ (₹ 3850 – ₹ 2500) = ₹ 1350.00 × 7200 vial = ₹ 97.20 lakh

¹⁰ A particular specification of the medicine.

from the same manufacturer i.e. Reliance Life Science Private Limited in March 2012.

Thus, due to non-adherence of laid down norms for purchase of medicines and injudicious decision to purchase the Anti Haemophilic Factor-VIII on higher rates resulted in loss to the Government of ₹ 97.20 lakh.

The matter has been reported to the Government (August 2012) and their reply has not been received.

SOCIAL WELFARE DEPARTMENT

5.1.5 Risky and imprudent investment

Imprudent decision to invest the funds of ₹ 268.71 crore allocated under the Mukhya Mantri Kanya Suraksha Yojna in a mutual fund without instituting any monitoring mechanism exposed the scheme to market risks.

The Social Welfare Department (SWD), Government of Bihar approved (July 2008) a scheme called 'Mukhya Mantri Kanya Suraksha Yojna (MMKSY)' for the welfare of minor girl children from Below the Poverty Line (BPL) families of the State. Under the scheme, a sum of ₹ 2000 was to be invested in Unit Trust of India-Children Care Plan (UTI-CCP) Mutual fund¹¹ in the name of newly born girl child, the maturity proceeds of which would be paid to her on attaining 18 years of age. MMKSY provided that the amount made available by the SWD was to be invested by the Women Development Corporation (WDC) in its own name in 'UTI Liquid Cash Plan scheme-Growth option (UTI-LCP). Subsequently on the receipt of application from the beneficiary, duly forwarded by the concerned Child Development Project Officer (CDPO), the amount invested in the UTI-LCP was to be transferred in UTI-CCP¹² mutual fund scheme against the name of the individual eligible¹³ beneficiary. The WDC was to be the applicant and the minor girl being the beneficiary.

Scrutiny of the records (June 2012) of the WDC under SWD revealed that a tri-partite memorandum of understanding (MOU) was signed (June 2008) among SWD, WDC and UTI with the consent of Finance Minister, Government of Bihar. However the MOU did not guarantee any minimum assured amount payable to the beneficiary at the time of maturity nor was there any clause inserted in the MOU to safeguard the interest of the Government or the beneficiary. The return was based on the speculation of the market, despite the fact the investment was made for a period ranging between 15 to 18 years since the inception of the scheme. Altogether an amount of ₹ 300.41 crore was allotted by the SWD to WDC during 2008-12 of which ₹ 294.40 crore was transferred to UTI till July 2012, The UTI invested the

¹¹ *A Mutual Fund is a trust that pools the savings of a number of investors who share a common financial goal. The money thus collected is then invested in capital market instruments such as shares, debentures and other securities. The income earned through these investments and the capital appreciation realised are shared by its unit holders in proportion to the number of units owned by them.*

¹² *Fund allocation of UTI-CCP= minimum 60 percent of the amount to be invested in debt and maximum 40 per cent in equity.*

¹³ *Beneficiary should be of zero to three years after 22.11.2007.*

amount of ₹ 268.71 crore for issuing 13,43,547 bonds out of 15,31,013 nos. of application received under the scheme, while two *per cent* of the allotment (₹ 300.41 crore) amounting to ₹ 6.01 crore was expended in administrative expenses of WDC for implementation of the scheme.

The net present value of ₹ 268.71 crore invested in UTI-CCP was ₹ 292.41 crore (May 2012) during 2008-12. Had these amounts been invested in any other long term schemes (viz. post office fixed deposit etc.) having guaranteed/assured returns the maturity amount as of date (May 2012) at the rate ranged between 7.5 to 8.5 per cent per annum would have been at least ₹ 299.09 crore (*Appendix 5.4*).

The Government did not invite any bids from the public and private sector mutual fund for selection of the mutual fund manager.

The Department in its reply (December 2012) stated that the scheme had been implemented after detailed analysis and evaluation after approval of State Cabinet and the results so far had also been very encouraging. There was a growth of 8.82 *per cent* and 17.64 *per cent* as on 31st May 2012 and 30 September 2012 respectively, which clearly indicated the growth in fund investment under the scheme

The reply is not acceptable as there was no assurance/guarantee of minimum assured return of the investment under the scheme. The fact had been reiterated (October 2012) by the Country Head Retail, UTI. UTI admitted that the equity market in general had not performed favourably and due to an increasing interest rate environment, the bond evaluation had an adverse effect on the return generated by the scheme during the period 2008-12. The reply itself showed that investment return might go below post office returns. Even on investment at the rate of 7.5 per cent in Post Office Fixed deposit account for 18 years, there would have been a total accumulated assured amount including interest of ₹ 1256.44 crore. On the other hand the maturity amount under UTI investment was uncertain. The minimum assured amount payable to the beneficiary at the time of maturity was not inserted in MOU to safeguard the interest of the Government or the beneficiary. This would result in compromising with the basic tenets of social security system by not providing security assurance even in long term investment.

For arguments sake even if it turns into profit the wisdom of decision of investing ₹ 268.71 crore of tax payers money into non-assured guarantee return scheme is defeatable for this type of scheme. In case the fund depreciates there is no provision of compensation to the beneficiaries of Mukhya Mantri Kanya Suraksha Yojna. Hence the beneficiaries are open to the perils of the market risk as there is no assurance/guarantee of minimum assured return of the investment under the scheme. It may be more judicious to put such funds in long term scheme which would guarantee assured return rather than hoping for higher returns from uncertain market.

5.2 Audit against propriety/Excess/Wasteful/Infructuous expenditure

Authorisation of expenditure from public funds is to be guided by the principles of propriety and efficiency of public expenditure. Authorities empowered to incur expenditure are expected to enforce the same vigilance as a person of ordinary prudence would exercise in respect of his own money and should enforce financial order and strict economy at every step. Audit has detected instances of impropriety, extra and infructuous expenditure, some of which are mentioned below:

SOCIAL SECTOR

RURAL WORKS DEPARTMENT

5.2.1 Infructuous expenditure

Abandoning of work by the agency midway and non-rescission of contract by the department resulted in infructuous expenditure of ₹ 96.83 lakh on incomplete road works.

As per the departmental order, incorporated in Bihar Public Works Departmental (BPWD) Code issued for adherence and compliance by its officers in charge of work, to achieve an intended objective of the expenditure and to provide smooth traffic, the construction of road works must got be completed with all items in limited length first and then work on further length may be taken up. The Notice Inviting Tender (NIT) also stipulated that works would be executed as per the codal provisions of the department.

A test check (December 2011) of records pertaining to up-gradation of road from Tenari More to Latta (8.2 Km) in Rafiganj block under jurisdiction of the Executive Engineer (EE), Rural Works Division (RWD), Aurangabad revealed that the work was awarded (March 2006) to an agency at an agreed cost of ₹ 1.50 crore for completion period of six months upto September 2006. A total of ₹ 96.83 lakh was paid to the agency as of June 2008 when the work was stopped.

Scrutiny further revealed that while the agency had executed granular sub-base (GSB) and base course (Water Bound Macadam) involving laying of Gr.I, II and III metal (WBM) in the entire stretch of road by March 2006, it had executed merely 17625 m³ (57 per cent) of built up spray grouting (BUSG) over WBM against the agreement quantity of 30750 m³ of BUSG. Of this, 9750 m³ was executed in November 2006 and 7875 m³ in March 2007 after delays of seven and twelve months respectively from the date of execution of WBM. By that time the underlying base-course had considerably deteriorated and got damaged due to their exposure to traffic. This fact was also duly corroborated in the various inspection reports of EE and other divisional officers. Further no semi dense bituminous concrete (SDBC) work was executed over BUSG in any stretch of the said road. No work was carried out since June 2008 afterwards. When the work was neither undertaken nor completed by the agency despite several reminders by the EE, an inspection by a team, constituted (24 October 2011) to take final measurement, was

carried out (10 November 2011) after issuing press notice to the agency, the details of which was as under in **Table No. 2** :

Table No. 2

Sl. No.	Km	Thickness of road crust			Remarks in the Inspection Report
		As per agreement (mm)	As per MB (mm)	As per last measurement (mm)	
1.	0-1.40	300	250	Nil	BUSG not found and due to bad condition of road, measurement could not be taken.
2.	3.30	300	300	112	BUSG-50 mm and WBM-62 mm
3.	4.00	300	300	170	Gr. II+Gr.III+BUSG
4.	4.80	300	300	180	BUSG-50 mm Gr.II+III-130 mm
5.	6	300	300	99	BUSG-37mm WBM-62 mm
6.	7	300	300	99	BUSG-37mm WBM-62 mm
7.	Between 7 to 8.20 Km	300	250	0	No work was found between km 7 to 8.20
8.					BUSG work was in dilapidated condition

The final measurement report was self explanatory of the dilapidated condition of existing road, worsened to the extent that even taking measurements in certain stretches was not at all possible. This was also evident from the fact that the crust thickness of the existing road, as per the final measurements, varied between 99 mm and 180 mm only, though payments had been made for 300 mm (Gr.I: 100mm; Gr.II: 75mm; Gr.III: 75mm; and BUSG: 50mm) crust thickness.

In reply the EE stated (December 2011) that the said agreement would be rescinded, and the same would be duly communicated to the audit. However, the work was closed (August 2012) on verbal orders of the Principal Secretary and as the Rafiganj block was transferred under the jurisdiction of RWD, Works Division, Daudnagar, its Divisional Officer was instructed to prepare the road's estimate and initiate its retendering process.

Thus, while there was no reason for the department to persevere with a defaulting agency for almost six years without taking any penal action against the agency or rescinding the contract, the non-compliance of codal provisions/ departmental orders by the Divisional Officer resulted in non-completion of road with all items of works in limited stretch of road. It also facilitated the deterioration of executed base layer of the road. This coupled with the lackadaisical attitude and inaction of the department resulted in infructuous expenditure on abandoned road to the tune of ₹ 96.83 lakh besides depriving the intended beneficiaries of a motorable road as envisaged under the scheme. Even the cancellation of contract, instead of rescission, was also not justified as it absolved the defaulting agency of its accountability and resulted in putting extra burden on the Government exchequer for completing the abandoned works.

The matter was referred to the Government; their reply is yet to be received (February 2013).

5.2.2 Unfruitful expenditure

Due to lack of proper survey and non-inclusion of work of construction of bridges across the rivers intersecting the road in the Detailed Project Report the objective of providing connectivity to unconnected habitations as envisaged in The Pradhan Mantri Gram Sadak Yojana could not be achieved and the expenditure of ₹ 1.18 crore incurred on construction of road was rendered unfruitful.

The Pradhan Mantri Gram Sadak Yojana (PMGSY) aimed to provide connectivity to rural unconnected habitations with all weather road for their socio-economic development.

A test-check (December 2011) of records of the Executive Engineer (EE) Rural Works Division (RWD), Aurangabad pertaining to the project of construction of Rafiganj to Baligaon Road under PMGSY revealed that the aforesaid work, was awarded (February 2009) to an agency at an agreed cost of ₹ 1.47 crore for completion in twelve months by February 2010. A sum of ₹ 1.18 crore had been paid to the agency as of June 2012.

Further scrutiny of records and inspection reports (June 2010) of Sub divisional officer and EE revealed that the road-profile from Rafiganj to Baligaon was intersected by two rivers at different chainages. However this fact was not mentioned in the detailed project report (DPR) prepared by Infrastructure Development Corporation Limited (ILFS), an agency recruited by Government of Bihar for providing consultancy services for preparation of DPR, tender documents, evaluation of tender for the Rural Road Improvement Programme in the State under PMGSY.

The division was also not pre-acquainted with the proposed road profile to be taken up under PMGSY and the Chief Engineer-4 (HQ) of the department, even accorded (August 2008) technical sanction to the estimate prepared by an independent agency without getting the veracity of the estimate verified by the division through proper survey.

The failure of the division to conduct the proper survey prior to the commencement of work got further credence and was corroborated by the fact that there was nothing on record to suggest that any separate proposal for constructing these bridges had been forwarded to the department for approval.

Even the completed road could not have served the purpose of providing connectivity to rural habitations as envisaged under PMGSY in the absence of required bridges across the river. This fact, duly accepted by the EE himself in his inspection report (June 4, 2010), was further confirmed by his replies (December 2011 and July 2012) that this would require two bridges, each costing approximately ₹ four crore, the proposal of which was pending with the Department.

Thus the lack of proper survey of work by the Division, non-inclusion of work of construction of bridges in the DPR and consequent failure of the division in providing connectivity to rural habitations as envisaged under PMGSY resulted in unfruitful expenditure of ₹ 1.18 crore.

The matter has been reported to the Government (July 2012); the reply has not yet been received.

5.2.3 Irregular award of 71 contracts to nine ineligible contractors

Irregular award of works worth ₹ 853.45 crore to the ineligible contractors resulted in dismal programme implementation of Pradhan Mantri Gram Sadak Yojna in seven divisions and even after a lapse of two to 22 months from the stipulated dates of completions, not even a single road was fully completed after incurring expenditure of ₹ 119.77 crore.

As per Clause 4 under Section 2: Instructions to Bidders (ITB) contained in bid documents, a bidder, in order to qualify in a two-bid tender process, was required to demonstrate sufficient experience and resources to meet the aggregate of qualifying criteria for individual contracts, in case of a package contract (Clause 4.4c). As such, the bidders were required to submit in their bids, among others, evidence of ownership/arrangement regarding major construction equipment¹⁴ (Clause 4.2d) including details of personnel to be employed against the contract and labour license etc. (Clause 4.2e). For contracts exceeding ₹ 10 crore, the bidder should have in any one of the last five years, turnover equal to or more than the amount put to bid. In case of joint venture bids, contract document was to be signed by all the partners of joint venture (Clause 4.3b). A bidder fulfilling the minimum qualifying criteria could be qualified only if his bid capacity was equal to or more than the total bid value of the contracts. However, as per Clause 25.1 of Section 2 Instruction to Bidders (ITB), during the detailed evaluation of the technical bids, the technical bid committee¹⁵ (TBC) had to determine whether each bid met the eligibility criteria as defined in Clause 3 and 4 of ITB and was substantially responsive to the requirement.

We conducted the audit scrutiny (December 2011 to May 2012) of records under seven¹⁶ test-checked divisions of Rural Works Department related to construction of 430 road works (1504.233 km length) in 71 packages under Pradhan Mantri Gram Sadak Yojna worth ₹ 853.45 crore awarded to the nine¹⁷ contractors.

¹⁴ (i) Static/ Vibratory Roller, (ii) Front End Loader, (iii) Tractor with leveller, (iv) Tractor with Rotavator, (v) Mini HMP/Mix All, (vi) Concrete Vibrator, (vii) Concrete Mixer, (viii) Tipper/ Tractor, (ix) Tar Boiler, (x) Vehicle Mounted Mechanical Spray, (xi) Water Tanker with Sprinkler

¹⁵ For tenders above ₹ 3.50 crore a technical bid committee comprising of Engineer -in-Chief (EIC), technical secretary to EIC, concerned Chief Engineer, Superintending Engineer and Project Officer and for tenders between ₹ 70 lakh to ₹ 3.50 crore, a committee headed by Chief Engineer, his Secretary and concerned Superintending Engineer were to finalise the bids.

¹⁶ Chapra, Benipatti, Muzaffarpur, Bhagalpur, Samastipur, Rosera and Sitamarhi

¹⁷ M/S JSR Construction Pvt. Ltd., Hyderabad, (ii) M/S BSS Projects Pvt. Ltd., Hyderabad (iii) M/S SPR Infrastructure India Pvt. Ltd., Hyderabad (iv) M/S Arawali Infra Power, New Delhi (v) M/S Singh Construction, Muzaffarpur (vi) M/S Aryan Concrete, Mokama (vii) M/S Subham Construction, Muzaffarpur (viii) M/S Siva Swathi Construction Pvt. Ltd., Hyderabad and (ix) M/S Singh Construction Company, Punjab.

It revealed the following deficiencies:

Ineligible Contractors awarded contracts

(a) Six contractors¹⁸ of four Divisions¹⁹ attached the ownership documents of only few plants and equipment (*Appendix 5.5*) and the same set of documents were attached with the technical bid submitted for all packages in a Division. Even against the bids of two different divisions (Rosera and Sama stipur), the two contractors²⁰ submitted the same set of documents relating to ownership of machine and equipment/lab equipment at both the places.

Five contractors²¹ pertaining to six divisions²² were awarded the contract though they did not submit the ownership documents of plants and equipment with the technical bid.

(b) The bid capacities of three contractors in three divisions were less than the bid value of the works (*Appendix 5.5*).

(c) The individual financial turnover of eight contractors in four divisions was less than the total bid value of all the packages. (*Appendix 5.5*).

(d) The work experiences as a prime contractor of seven contractors in civil construction work in five divisions were less than required (*Appendix 5.5*). Even the contractor, SPR Infrastructure India Ltd., Hyderabad who was awarded works in three²³ divisions was not found to have submitted the details of experience certificate with their bid documents.

(e) SPR Infrastructure India Ltd., Hyderabad had not submitted any labour licence though works of construction of 142 roads (516.586 km) were awarded to it under three divisions. Even the number of labourers, for which labour licenses were submitted by other contractors were also not sufficient to complete the construction of all the roads simultaneously in time. For example a contractor namely M/s. JSR Construction Pvt. Ltd., Hyderabad with labour license of only 40 labourers was awarded construction work of 90 roads in two²⁴ divisions for completion simultaneously within the schedule which was not at all possible.

(f) The contract document of SPR Infrastructure India Ltd., Hyderabad was not signed by their joint venture partners.

Hence either proof of ownership of machine/equipment was not attached with the bid documents, and/or if attached, was not sufficient for execution of multiple road works at a time. As such their bid documents were liable to be disqualified during evaluation of technical bid. However this fact was not considered by the Executive Engineer (EE)/Superintending Engineer

¹⁸ M/s. JSR Construction Pvt. Ltd., Hyderabad, BSS Projects Pvt. Ltd, Hyderabad, Singh Construction, Muzaffarpur; M/s. Aryan Concrete, Mokama, Shubham Construction, Muzaffarpur, and Singh Construction Company, Punjab.

¹⁹ Muzaffarpur, Samastipur, Rosera and Benipatti

²⁰ BSS Projects Pvt. Ltd, Hyderabad and M/s. Aryan Concrete, Mokama

²¹ M/s. JSR Construction Pvt. Ltd., Hyderabad, BSS Projects Pvt. Ltd, Hyderabad, SPR Infrastructure India Ltd., Hyderabad, Arawali Infra Power, New Delhi and Siva Swathi Construction Pvt. Ltd., Hyderabad

²² Chapra, Rosera, Samastipur, Bhagalpur, Benipatti and Sitamarhi

²³ Bhagalpur, Rosera and Samastipur

²⁴ Muzaffarpur: 71, Chapra: 19

(SE)/Chief Engineer (CE)/Technical Bid Committee²⁵ (TBC) while the contractors who did not possess adequate resources to meet the aggregate of qualifying criteria for individual contracts, as required under clause 4.4(C) of ITB, were awarded the contracts by TBC.

Inordinate delay in execution

Further scrutiny revealed that as per agreements, dates of start of works pertaining to 430 roads ranged between October 2009 and May 2011 and the due dates of completion of 414 roads were between October 2010 and December 2011. The due dates of completion of 15 roads in Benipatti and one in Rosera works Division were June 2012 & May 2012 respectively. It was observed that out of 430 roads, construction work on 194 roads was not started till the date of audit. Further, of the 236 roads on which construction works were started, works on 122 roads were stopped in midway. Hence construction works on only 114 roads were in progress. It was observed that there had been delays of three to 24 months in the start of respective works from the dates of corresponding work orders i.e. from due date of start. Against construction of road in total 1504.233 Km length (430 roads) under seven divisions and 71 packages, sub-base, base and surface works were completed only in 464.415 Km, 150.913 Km and 66.246 Km respectively (*Appendix 5.6*) against a total expenditure of ₹ 119.77 crore, being 14 *per cent* of the aggregate awarded value. Thus after lapse of two to 22 months from the stipulated dates of completion of works only four *per cent* of road works were executed upto surface level but not even a single road was fully completed as of the period of audit (December 2011 to May 2012).

On being asked all the EEs while agreeing with the audit's contentions were unanimous in their replies (December 2011 to May 2012) that all the bids were evaluated by TBC at headquarters office headed by EIC and all the decisions regarding thereto were also taken at the same level.

The replies were not acceptable as the concerned EEs were responsible for opening of technical bids of the contractors and preparing the technical evaluation sheet wherein the vital information relating to contractors' bid capacities or equipment details were either not disclosed or improperly analysed.

Thus irregular award of works worth ₹ 853.45 crore (*Appendix 5.7*) to the ineligible contractors resulted in dismal programme implementation of PMGSY in those seven divisions and even after a lapse of two to 22 months from their stipulated dates of completion, not even a single road was fully completed after incurring expenditure of ₹ 119.77 crore.

The matter has been referred to the Government (August 2012); their reply is yet to be received (February 2013).

²⁵ (a) For the contracts valuing ₹ 70 lakh to ₹ 350 lakh TBC headed by CE, Technical Secretary (TS) of the concerned CE and concerned SE.

(b) For the contracts valuing more than ₹ 350 lakh, TBC headed by Engineer-in-Chief (EIC), TS to EIC, concerned CE, concerned SE, and concerned Project Officer.

PUBLIC HEALTH ENGINEERING DEPARTMENT

5.2.4 Award of contracts to an ineligible contractor

Due to irregular award of contracts worth ₹ 232.79 crore to an ineligible contractor, the objective of providing uncontaminated drinking water to the rural population as envisaged under the scheme, remained unachieved.

Clause 10 of the notice of National Competitive Bidding (NCB) stipulates that the tenderer must have a minimum experience of five years prior to submission of bid in works relating to water supply schemes and successful completion of similar water supply schemes with treatment facilities of value not less than 50 per cent of estimated amount. Further as per clause 4.5 A (b) of Instruction to Bidders (ITB) issued by the Department a bidder, in order to qualify for award of contract, must have satisfactorily completed, as a prime contractor or as a nominated sub-contractor, at least one similar work of value not less than 50 per cent of the estimated value of contract during the last five years. Further Clause 4.6 of ITB ibid clearly stipulated that the sub-contractor's experience and resources shall not be taken into account in determining the bidder's compliance with qualifying criteria. Thus, the experience of prime contractor was essential for qualifying in a bid.

During the test check (August 2011) of records in the office of the Engineer-in-Chief, Public Health Engineering Department (PHED), Patna, it was noticed that tenders were invited (January 2010) in six groups by the Chief Engineer (Urban), PHED, Patna through NCB for 'Design, Construction and Commissioning of Mini Water Supply Schemes (MWSS) with provisions of suitable treatment plants for the contaminants and solar pumping sets' on turn key basis in different arsenic, fluoride, iron and drought affected districts in Bihar. The works of four groups (Group I, II, III & V) with total estimated cost of ₹ 278.68 crore were awarded (April 2010) to M/S Punj Llyod Ltd. (PLL), Gurgaon being the lowest 'sole tenderer', at a total agreed cost of ₹ 232.79 crore as detailed in *Appendix 5.8*. All the works were to be started from April 2010 and completed by March 2011.

Audit scrutiny, however, revealed the following:

- From the minutes of the meeting (March 2010) of the Technical Bid Evaluation Committee (TBEC), it was observed that the agency M/S PLL was irregularly allowed to qualify in the technical bid against the experience of its subsidiary company M/S Sembawang Engineers and Construction Pte Ltd (SECPL), Singapore, stated to have executed works relating to water supply worth ₹ 2056 crore, though neither of the companies had requisite experience relating to water treatment plant as per the bid documents submitted by the agency.
- Though there was no mention in the comparative statement prepared by the Department for individual groups regarding Aquatic Treatment Solution (I) Pvt. Ltd (ATSPL) collaborating for providing technical support to M/s PLL in the field of water treatment, this fact was duly mentioned and taken cognisance by the TBEC while finalising the tender. Except a unilateral letter (January 2010) from ATSPL in favour

of CE (Urban), PHED that it was collaborating with M/S PLL in the field of water treatment plant and providing technical support to it, there was no resolution passed by Board of Directors of M/S PLL regarding execution of water treatment plant by ATSPSPL nor were any supporting documents like Article of Association (AOA), Memorandum of Association (MOA) of ATSPSPL attached with the technical bid.

- The details of information relating to ATSPSPL downloaded (03 May 2012) from the website of Ministry of Company Affairs, Government of India, revealed that the paid up capital of ATSPSPL was only ₹ one lakh. The company's status (for e-filing) was shown as dormant.

From the above facts, it was clear that the department failed to save the interest of the Government by awarding the work to a contractor without assessing the requisite eligibility qualification, as stipulated in NCB/ITB, of sole tendering company, (M/S PLL) as a prime contractor in the field of water treatment. The department also did not bother to enquire about the financial status of the tied-up company (ATSPSPL) having a paid up capital of ₹ one lakh, despite the fact that it was to execute the work of installation and maintenance of water treatment plant worth ₹ 78 crore.

Further test check (November 2011 to June 2012) of records in 17 test checked PH divisions²⁶ relating to execution of four groups of works allotted to M/s PLL revealed that as against the agreed 453 No. of MWSSs in the test-checked divisions, the agency could complete only 57 MWSS as of May 2012, after incurring expenditure of ₹ 9.75 crore while works on 336 schemes were in progress. Thus, it was clear that the agency had executed only 13 *per cent* work even after the lapse of 14 months from the stipulated date of completion. Even the EEs failed to invoke penalty Clause 2 of the bid document.

The Executive Engineers of the test checked divisions accepted the audit findings and stated that the execution of work by the agency was extremely tardy or negligible.

In reply, the Principal Secretary (PS), PHED stated (November 2012) that the financial and technical capabilities of M/S PLL alongwith the work experience of SECPL relating to water supply schemes with treatment facilities satisfied the required eligibility requirement for the bid. The experience of M/S ATSPSPL was neither included in the Comparative Statement of technical proposal nor considered by the TBEC for satisfying the eligibility requirement for M/S PLL. Also, against physical target of 850 MWSSs for all four agreements, the firm had completed 261 MWSSs while works under 307 MWSSs were in progress as of November 2012.

The reply of the Department was not acceptable since as per the comparative statement M/S PLL or SECPL had requisite experience in water supply schemes only. They did not have requisite experience relating to water

²⁶ PH Divisions – Patna (West), Hajipur (Vaishali), Gaya, Begusarai, Purnia, Muzaffarpur, Patna (East), Sasaram, Aurangabad, Biharsharif, Bhagalpur (East), Bhagalpur (West), Katihar, Chapra, Siwan, Ara, Buxar

treatment plant, its commissioning or operation and maintenance. For this the sole tender had appended a copy of unilateral letter (January 2010) from ATSP to the CE (Urban), PHED, Government of Bihar to camouflage this vital lacuna on its part. Also, in contrary to PS, PHED's assertions, the TBEC took full cognisance of this fact and duly mentioned the same in the minutes of its proceedings (3 March 2010) while taking decision on the technical bids. Besides the completion of merely 261 MWSSs (31 *per cent*) against the total physical target of 850 MWSSs, as stated by the PS, even after lapse of almost one and half years since their stipulated date of completion further corroborated the inefficiency on part of the contractor.

Thus, the irregular award of contract by the department to an ineligible contractor, which did not have requisite experience in the field of water treatment facilities led to inordinate delay in the execution of MWSS and the objective of providing uncontaminated drinking water to the rural population as envisaged under the scheme, remained unachieved.

5.2.5 Irregular award of work to an ineligible agency

The failure of department in processing the tender document transparently resulted in irregular award of the contract of ₹ 157.59 crore to an ineligible joint venture agency.

With a view to remove excessive iron in water, Public Health Engineering Department (PHED) sanctioned a project of ₹ 175.44 crore in January, 2010 for designing, construction and commissioning of 500 mini water supply units with provision for installation of suitable treatment plants for removal of iron with solar pumping set on turnkey basis under centrally sponsored scheme on 50:50 sharing basis between the Centre and the State in nine districts²⁷ of the State. The work was technically sanctioned for ₹ 174.93 crore by the Chief Engineer, PHED, Patna in January 2010. After National Competitive bidding (NCB) on 8th January 2010, six out of the total nine bids received were technically qualified (3 March 2010) by the Technical Bid Evaluation Committee (TBEC) for opening of financial bids of which the lowest bidder M/S Pratibha Membrane, was awarded (April 2010) the work at ₹ 157.59 crore on the recommendation of Department Tender Committee (DTC) for completion of work in 18 months by September 2011.

As per Clause 4.5A of Section-IA General- Instruction to Bidders(ITB) of the Standard Bid Document (SBD), to qualify for award of the contract, each bidders in its name should have, in the last five years, (a) achieved in any one year a minimum annual financial turnover volume of construction work of at least an amount equal to the 50 *per cent* of estimated cost of works for which bids has been invited, and (b) satisfactorily completed as a prime contractor or as a nominated subcontractor, at least one similar work of value not less than 50 *per cent* of estimated value of contract. Further, as per Clause 7.2, tender documents were not transferable.

²⁷ Araria: 44 units, Begusarai: 70 units, Katihar: 30 units, Khagaria: 18 units, Kishanganj: 60 units, Madhepura: 50 units, Purnia: 83 units, Saharsa: 60 units, Supaul: 85 units.

However, a test-check (August 2011) of bid documents and scrutiny of other related records relating to aforesaid works in the office of Engineer-in-Chief, PHED, Patna revealed the cost ratio of treatment plant was almost one-third (34 *per cent*) of the unit cost of whole work. It was, however, observed that M/S P ratibha Membrane Filters JV did not have relevant experience of commissioning and installation of suitable treatment plants for removal of iron with solar pumping sets of value not less than 50 *per cent* of the estimated amount. Even in the comparative statement of technical bid documents, the experience and financial credibility of M/S Pratibha Industries, (the lead partner) was evaluated with a mere mention of JV with M/S Membrane filter (India) Ltd. (the JV partner). No separate assessment of the latter was found done by the department or the Tender Evaluation Committee. Thus qualifying of technical bid documents by the TBEC for opening of financial bid was itself irregular. Subsequently, on the basis that the rates quoted by M/S Pratibha Membrane Filters JV were the lowest, the department issued (1 April 2010) work order/letter of acceptance in favour of the said JV firm.

Further scrutiny also revealed that:

- The tender document of the work was initially issued to M/S Pratibha Industries Ltd. by the office of the Chief Engineer (Urban), PHED Bihar, Patna as a sole tenderer²⁸ on the 22 January 2010.
- A Memorandum of Understanding for Joint Venture (JV) was executed (29 January 2010) between M/s Pratibha Industries Ltd. and M/S Membrane Filter (India) Pvt. Ltd. after the closing date of issue of bidding document (28 January 2010).
- The bid documents were submitted (2 February 2010) in the name of M/S Pratibha Membrane Filters JV though as per Clause 7.2 of ITB the tender documents were not transferable. Consequently the department failed to detect the difference between the firm which purchased the tender document and the entity which submitted the bid. Even the bidder failed to seek necessary clarifications generally obtained in the pre-bid conference. Thus the submission of the bid in the name of JV after purchasing the tender document as a sole tenderer was irregular and liable to be rejected.
- The department did not prescribe any terms and conditions of JV in the NCB or mentioned the same as to how the cases of JV would be dealt with, assessed or scrutinised after opening of bids.
- Subsequent to the NCB, the department stipulated and issued directions (1 April 2010) regarding Joint Venture/partnership which included, amongst others that the lead partner and other partner should fulfill at least 50 *per cent* and 25 *per cent* respectively of the qualification criteria and secondly after purchase of BOQ only, the person/firm registered with the department could participate in the tender process. But, instead of bringing amendment or adding the same in the bid document through addendum vide clause 10 of Instruction to

²⁸ *Sole tendering implies participation of any agency, on its own and alone, in a bidding process.*

Bidder (ITB) and scrutinising the bid documents afresh, it issued work order to the JV on the same date i.e. 1 April 2010.

Thus, there was irregular award of work to an ineligible agency which was also manifested by the tardy implementation of work by the agency as 25 per cent of work (128 out of 500) was incomplete even after a lapse of 14 months (as of November 2012) from the stipulated date (September 2011) of completion of works.

In reply, the Principal Secretary (PS), PHED stated (November 2012) that there were no detailed criteria/guidelines available regarding JV in the SBD. As per provision for JV in Clause 4.4 of the SBD, the tender of M/S Pratibha Membrane Filter JV was accepted and accordingly the firm, being the lowest tenderer, was awarded the work. He also stated that as per the joint venture document (Addendum to MOU for JV) of M/S Pratibha Membrane Filter (JV) the lead partner (M/S Pratibha Industries Ltd.) and the second partner (M/S Membrane Filter India Pvt. Ltd.) fulfilled 51 and 49 per cent of the qualifying criteria respectively as stipulated in Road Construction Department's (RCD) circular letter no. 8131 dated 24 July 2012 regarding criteria and guidelines for joint venture. Further, the firm had completed 372 Mini Water Supply Schemes (MWSS) while 35 schemes were in progress, out of the total 500 Mini Water Supply Schemes awarded to the firm.

The department's contention that the agency had completed 372 out of 500 MWSSs was not acceptable as not even a single completed unit was handed over to the department as of January 2013. However the reply of PS was candid in admitting the fact that this particular case of JV was not assessed in absence of any guidelines regarding JV while awarding the contract, though it failed to justify as to how a JV firm lacking relevant experience of five years in the field of commissioning and installation of water treatment plant, either severally or jointly, was awarded the contract. It also did not explain why the Department, which prescribed the terms and conditions of JV and issued relevant instructions to its officers for observation and compliance, also issued a work order to the JV firm on the same date i.e. 1 April 2010 instead of coming up with an addendum vide clause 10 of ITB and scrutinising the financial bids *ab initio*. That, citing of guideline circular of RCD of July 2012 by the PS and his assertions that the JV conformed to its provision was irrelevant, unwarranted and simply a pleading to cover department's failure to scrutinise the bids properly and to cover up its omission and commission in the course of finalising the contract and issuing the work order to the JV firm in April 2010. Even his assertions were based on the Addendum to JV which was entered in May 2010 after execution of agreement in April 2010. Also no plausible justification was given by the PS for department's failure in detecting the firm (sole tenderer), purchasing the tender document and another entity (JV) submitting the same in violation of clause 7.2 of ITB which prohibited the transfer of tender document.

Thus, due to department's failure in processing the tender documents transparently, a contract of ₹ 157.59 crore was irregularly awarded to an ineligible joint venture agency.

HEALTH DEPARTMENT

5.2.6 Excess payment on irregular purchase of medicines and equipment

Irregular purchase of medicines and equipment in violation of State Health Society's prescribed procedures resulted in excess payment of ₹ 1.33 crore.

In order to ensure uniformity in rate and quality of drugs and equipment (small surgical items) all over the State, the Finance Department, Government of Bihar nominated (April 2007) State Health Society Bihar (SHSB) as 'State Purchase Organisation' for purchase of drugs and medical equipment/instruments in the State. Subsequently, SHSB executed (February 2007 to August 2011) agreements for supply of drugs/surgical items with different agencies to supply the same during March 2009 to March 2013 in all districts of the State and circulated the lists to all Superintendents of Medical Colleges & Hospitals and all Civil Surgeon-cum-Member Secretaries of District Health Societies. As specially mentioned in the agreements, the concerned authorities of the respective districts were required to directly place the orders at the company's godown-cum-store in Patna and to collect the delivery of items there from after payment through bank drafts on delivery.

Test check (November 2011 to June 2012) of records of six²⁹ Civil Surgeon-cum-Chief Medical Officers (CS-cum-CMO) and one Superintendent of a Hospital (Lady Elgin Hospital, Gaya) pertaining to the period 2008-09 to 2011-12 revealed that in 79 cases, medicines and equipment, featuring in the SHSB contracted list and valuing ₹ 2.28 crore, were purchased locally on the recommendation of the District Purchase Committee at the rates higher than those approved by the SHSB. Had these medicines and equipment been purchased at the approved rates of SHSB, their cost would have been only ₹ 95.93 lakh. Thus local purchase of medicines and equipment in violation of the prescribed procedures resulted in excess payment of ₹ 1.33 crore (*Appendix 5.9*).

On this being pointed out (December 2011 to June 2012), the CS-cum-CMO, Kaimur (Bhabua) accepted (June 2012) the audit observations noting the same for future guidelines. The CS-cum-CMO, Madhubani (May 2012) and Vaishali (June 2012) attributed the same to 'immediate requirement' and 'necessity of medicines'. The CS-cum-CMOs of Bhagalpur, Samastipur and Gaya and Superintendent, Lady Elgin Hospital, Gaya however furnished replies quoting authorities of letters (April 2007) issued by SHS as reasons for local purchase.

The replies of the CS-cum-CMOs and the Superintendent (except CS-cum-CMO, Kaimur) were not acceptable as local purchase against 'immediate requirement' was simply a cover-up to justify their local purchases. Further the replies forwarded by CS-cum-CMOs of Bhagalpur, Samastipur and Gaya and Superintendent, Lady Elgin Hospital, Gaya quoting the SHSBs letters (April 2007), which contained clear instructions to float tenders for rate contract of drugs not contracted by SHSB, was misleading as all the local

²⁹ CS -cum-CMO, Bhagalpur, CS -cum-CMO, Gaya, CS -cum-CMO, Kaimur, CS-cum-CMO, Madhubani, CS -cum-CMO, Samastipur and CS -cum-CMO, Vaishali

purchases objected to by the audit were related to those featuring in the contracted list of SHSB. As such, all the 79 cases of purchase of medicines and equipment, despite their inclusion in the SHSB contracted lists, were made in gross violation of the rules.

Thus, the irregular purchase of medicines and equipment from unauthorised agencies not only resulted in excess payment of ₹ 1.33 crore but also imparted undue favour to those private suppliers.

The matter has been referred to the Government (July 2012); their reply is yet to be received (February 2013)

ECONOMIC SECTOR

ROAD CONSTRUCTION DEPARTMENT

5.2.7 Undue favour to the contractor

The department, without verifying the veracity of place of upliftment of earth, irregularly sanctioned extra-lift leads in the revised estimate of a work leading to excess differential payment of ₹ 1.19 crore and undue favour to the contractor.

Under the provisions 5 and 6 of Special Conditions of Contract, the tenderer, before submission of tender, was required to completely acquaint and satisfy himself after thorough examination, among others, with the BOQ specifications including approved leads and site conditions etc. alongwith the nature and extent of the liability of the work in connection with completion of the work. No claim either for cost or for extension of time was to be entertained on any of these or similar ground.

A test check (May 2012) of records of the Executive Engineer (EE), National Highway (NH) East Division, Patna revealed that the construction of four laning work in km 178.60 to 188.50 (length: 9.9 km) of N.H. 30 was awarded (September 2009) for ₹ 41.30 crore to a contractor by the EE NH East Division Patna for completion by September 2011 i.e. in 24 months. The work included earthwork for construction of embankment at the rate of ₹ 212 per cubic meter (cum) of materials obtained from borrow pits within an average permitted lead of 8 km. Later, the Chief Engineer (CE), NH Wing, RCD, Bihar Patna communicated (February 2011) the department's decision for foreclosure of the ongoing agreement on 'as is where basis' to the Superintending Engineer, NH Works Circle Patna. By that time (February 2011) the contractor had been paid ₹ 3.79 crore.

Scrutiny of records (May 2012) revealed that the CE, NH, Bihar sanctioned (January 2012) revised/modified estimate for fore-closure of four-laning work from km 178.6 to 188.5 without any 'area plan' for lead-lift, though essentially required vide para no. 4.3.10 of Cabinet (Vigilance) Technical Examination Cell letter no. 452 dated 2 March 1984, and irregularly allowed leads of 17 km and 24 km for upliftment of earth for construction of road embankment. This resulted in excess differential payment of ₹ 1.19 crore out of the total payment of ₹ 6.32 crore as of March 2012 as shown below **Table 3**:

Table 3

(Amount in ₹)

Lead for earth work (1)	Quantity of earth work		Rate of revised estimate (4)	Rate of agreement (5)	Total payment made (3X4) (6)	Amount payable as per agreement (3X5) (7)	Excess payment (6-7) (8)
	Revised estimate (cubic metre) (2)	Work done (cubic metre) (3)					
17 km	55473.78	55473.78 (34%)	255.67	212	14182981	11760441	2422540
24 km	109144.00	108981.309 (66%)	298.83	212	32566884	23104037	9462847
Total	164617.78	164455.089			46749865	34864478	11885387

It was observed that the departmental officials all along the time i.e. from September 2009 to January 2011 had been reporting the fact that the contractor was not providing the land details taken on lease/agreement with the farmers/supplier or quantity of earth lifted therefrom. They also failed to provide the requisite 'area plan' to the contractor for lifting of earth for execution of earth work. As such, without taking/verifying pit measurements or quantity of earth actually lifted and employed on work, payments were made to the contractor. Even the EE, in his reply to audit stated (May 2012) that the trip register relating to earth work would be procured and necessary action would be taken accordingly. The reply of the EE further corroborated the audit's contention that payments for earth work were made without verifying/ascertaining the places of upliftment of earth and quantity employed on work. The EE later made available (May 2012) to the audit the documents provided by the contractor relating to agreements made between the company and soil suppliers/farmers of village Janipur, Sherpur, Gaurichak and Madhopur.

The Secretary, RCD in his reply (October 2012), while quoting the contractor's letter also affirmed about the agreement executed between the contractor and the supplier for obtaining earth from Gopalpur, Gaurichak, Janipur and Sherpur which belonged to Sampatchak, Naubatpur and Maner Circles respectively. He further stated that 'the lead and location for carriage of earth from Beur area in DPR was based on the condition existing at the time of preparation of DPR. But due to rapid development the required earth for execution of work was not available at these locations. Hence after detailed site inspection another nearest borrow area for suitable earth was approved which had a lead of 17Km and 24Km.

The reply of the Secretary was not acceptable as revision of lead by the department was itself irregular and in violation of provisions 5 and 6 of the Special Conditions of the Contract. Secondly, the 'area plan' for extra lead-lift for the purpose of providing technical sanction was not ensured/assigned by the CE though essentially required vide Cabinet (Vigilance) Technical Examination Cell directions in this regard. Without any mention/pleading for lead of 24 Km or any reasons thereto, the same was arbitrarily allowed in the estimate and consequently payments made for. Further, as test-check, when the plot numbers of Gopalpur and Gaurichak were sent for confirmation to the Circle Officer (CO), Sampatchak and plot numbers of Sherpur to the CO,

Maner, both the COs confirmed (January 2013 and August 2012 respectively) to the contrary.

Thus, the department, without verifying the veracity of place of upliftment of earth, irregularly sanctioned extra-lift leads in the revised estimate of the work leading to excess differential payment of ₹ 1.19 crore and undue favour to the contractor.

WATER RESOURCES DEPARTMENT

5.2.8 Unfruitful expenditure

Initiation of a work without prior land acquisition and midway stoppage resulted in unfruitful expenditure of ₹ 80.66 lakh on incomplete works, besides denial of intended benefits to the targetted beneficiaries as envisaged under the scheme.

As per para 7.5 of Resolution No. 948 (July 1986) of Cabinet Secretariat and Coordination Department of Bihar Public Works Account (BPWA) Code, the tender process is to be initiated only after the technical sanction is accorded and funds allotted for the work. In cases where land acquisition is imminent for execution of a work, the same should be completed in advance, prior to the initiation of the tender process for the said work.

The scheme for Darbhanga Town Protection, envisaging special repair and maintenance of retaining wall and raising and strengthening (R/S) of embankment (eastern part) was technically sanctioned (March 2008) for ₹ 14.01 crore by the Chief Engineer, Water Resources Department (WRD), Samastipur. The scheme included the work of R/S of embankment from Bihar Military Police (BMP) camp (0.0 m) to Bhirua Tola road (5825 m) at an estimated cost of ₹ 1.90 crore. The work was awarded (October 2008) to an agency at ₹ 1.65 crore which was 15 *per cent* below the bill of quantity amount, for scheduled completion by April 2009.

A test-check (May 2012) of records of the Executive Engineer (EE) Flood Control Division (FCD), Darbhanga pertaining to the aforesaid work revealed that against the R/S work of embankment from chainage 0.00 m to 5825 m, the agency partially executed the earth work (75 *per cent*) and fine dressing with turfing of embankment (26 *per cent*) between chainage 0.00 m to 1635 m and 3120 m to 5505 m, for which payment of ₹ 80.66 lakh was made to the agency as of March 2011 through 6th and final on-account bill.

It was further noticed that the agency did not execute the work between chainage 1635 m to 3120 m and 5505 m to 5825 m due to non-availability of land. It was however observed that neither were the funds for acquisition of land provisioned in the estimate nor was the same acquired prior to the execution of work. Acquisition of land during the course of execution of work provoked public protest leading to litigation in the High Court at Patna (March 2009). Even the High Court while disposing the case in March 2010 observed in its judgement that the Division should have identified the plots required for acquisition of land before tendering process and directed the division to acquire land through valid acquisition process. Later the EE, FCD, Darbhanga intimated (December 2010) the Superintending Engineer, FC Circle, Darbhanga regarding stoppage of the work owing to non-acquisition of land.

Thus, due to lack of proper planning and land acquisition prior to the execution of work, ₹ 80.66 lakh expended on incomplete work was rendered unfruitful.

On this being pointed out (May 2012), the EE, FCD, Darbhanga stated that though there was no provision of fund for land acquisition in the estimate, the work was initiated in anticipation of settlement of same with the land owners. Further, the Special Secretary to the Government, WRD stated (November 2012) that the works were executed as per schedule. However, in the rest reach execution of work was stopped till land acquisition was completed. It was further stated that in reach from 1635m to 3120m a road had been constructed by RWD under Pradhan Mantri Gram Sadak Yojna (PMGSY). The top of the road, equivalent to highest flood level, was acting as an embankment in this reach thus fulfilling the flood protection criteria. However, in 5505m to 5825m the work was not completed due to protest by the local populace. Hence the expenditure was fruitful.

The reply of the Special Secretary is not acceptable as it was merely an attempt to seek umbrage from the fact that the PMGSY road constructed by RWD would serve the purpose of embankment in the reach from 1635 m to 3120 m against the Department's inability in getting the works completed due to non-acquisition of land. Further, owing to the same reasons the non-execution of work between 5505 m and 5825 m and leaving a gap of 300 m completely unexecuted defeated the very purpose to protect the town as envisaged under the scheme and the expenditure incurred was unfruitful.

Thus, the very initiation of work by the Division without prior acquisition of land was gross violation of the Cabinet Secretary and Co-ordination Department's Resolution quoted in BPWA Code, which led to unfruitful expenditure of ₹ 80.66 lakh, besides non-achievement of the intended objectives as envisaged under the scheme.

5.3 Irregular/Avoidable/Unadjusted expenditure

An expenditure is deemed as irregular if there is a deviation, willful or otherwise, from the rules and norms prescribed by a competent authority, while incurring the same since this is indicative of lack of effective monitoring by the executive. This, in turn, leads to avoidable/unjustified expenditure. A few cases of such irregularities are discussed below:

SOCIAL SECTOR

SOCIAL WELFARE DEPARTMENT

5.3.1 Avoidable expenditure

Due to improper monitoring and lackadaisical attitude of the department an avoidable expenditure of ₹ 30.59 crore was incurred on delayed construction of Anganwadi Centre buildings.

National Bank for Agriculture and Rural Development (NABARD) sanctioned (January 2007) a loan of ₹ 396.70 crore (85 per cent) against total outlay of ₹ 466.70 crore for construction of 420 Godown cum Project Offices (GPOs) buildings and 22285 Anganwadi Centres (AWCs) under Rural Infrastructure Development Fund Phase - XII (RIDF-XII). Rupees 70 crore (15 per cent) was to be contributed by the State Government.

The scheme envisioned the construction of AWCs (at the rate of ₹ two lakh per unit) in the premises of Primary Schools and Middle Schools and the GPOs (at the rate of ₹ five lakh per unit) in the premises of Primary Health Centres (PHCs) where additional land was available, or otherwise, in Block Campus. The land for the construction of AWCs in the district was to be identified/earmarked by the District Level Co-ordination Committee (DLCC) headed by District Magistrate (DM) of the concerned district. The whole project was to be monitored by the Department itself and was to be completed by March 2008.

A test check (April 2012) of records of the Directorate, Integrated Child Development Scheme (ICDS), Patna under Social Welfare Department (SWD), Government of Bihar revealed that the SWD released an amount of ₹ 150.09³⁰ crore to Bihar Education Project Council (BEPC) and Building Construction Department (BCD) during March 2008 to September 2010 for the construction of AWCs and GPOs respectively.

Scrutiny further revealed that due to delayed/non-identification/non-earmarking of land by the concerned DLCC and revision of rates, the target of construction of AWCs was reduced to 3319 (BEPC: 724 and BCD: 2595) and the very idea of construction of GPOs was deferred (February 2010). The rate of construction of AWCs was revised for ₹ 4.02 lakh per unit for BEPC (February 2010) and ₹ 4.66 lakh per unit for BCD (March 2010). Meanwhile the target date of completion was revised during the period and fixed as March

³⁰	BCD (March 2008) -	₹ 21.00 crore
	BCD (September 2010) -	₹ 99.95 crore
	BEPC (March 2008) -	₹ 29.14 crore
	Total -	₹ 150.09 crore

2013. It was however observed that against the revised target of 3319 (BEPC: 724; BCD: 2595), a total of 1274 AWC units (BEPC: 514; BCD: 760) were constructed as of February 2012 at a total cost of ₹ 56.07³¹ crore.

In reply (September 2012) the Secretary attributed the reasons for delay in completion of project to less/non-availability of land and stated that as and when lands were earmarked by the concerned DMs, AWCs were constructed there. The reply of the Secretary was not satisfactory and cogent as there was no dearth of land for the project. Even in those districts (viz. Samastipur) where land was not available in the premises of primary schools, the available land in the Middle Schools were to be utilised/earmarked for the construction of AWCs as per the decision already taken by SWD and conveyed to the concerned DMs. This was however neither followed by the DLCCs nor monitored by the department itself.

Thus, due to inordinate delay by the DLCC in making available the land despite their availability, failure of the DM in taking proper initiatives and lack of close monitoring by the department in ensuring the timely completion of entire project, only 1274 AWCs units were ultimately completed at a cost of ₹ 56.07 crore as against the original estimate of ₹ 25.48³² crore, resulting in avoidable excess expenditure of ₹ 30.59 crore and consequent loss to the Government to that extent. Even the completion of remaining 2045 units (3319-1274) would result in avoidable excess expenditure of ₹ 53.05³³ crore at the present fixed rates.

RURAL WORKS DEPARTMENT

5.3.2 Irregular grant of equipment/mobilisation advance to private contractors

Violation of the Central Vigilance Commission guidelines and general conditions of contracts led to irregular payment of mobilisation advance of ₹ 31.91 crore and machinery advance of ₹ 35.42 crore to private contractors.

Government of India, Central Vigilance Commission (CVC) OM dated 08 June 2006 inter-alia states that the advance payment on mobilisation/equipment advance would be released in stages to the contractor depending upon the progress of the work and mobilisation of required equipment etc. Further as per clause 45 of General Conditions of Contract (Section 4) of technical bid, equipment advance upto 90 per cent of the cost of new equipment brought to the site may be given to agency/contractor, but the contractor had to demonstrate that advance payment had been used for the purpose, by supplying copies of invoice or other documents to the Engineer.

³¹ BEPC: 514 AWCs @ ₹ 4.02 lakh = ₹ 2066.28 lakh
BCD: 760 AWCs @ ₹ 4.66 lakh = ₹ 3541.16 lakh
Total ₹ 5607.44 lakh or ₹ 56.07 crore

³² Total completed projects (BEPC: 514 + BCD: 760 = 1274 no.)
Expenditure should have been (@ ₹ two lakh/unit): 1274 x 0.02 crore = ₹ 25.48 crore

³³ BEPC - 210 AWC @ ₹ (4.02 - 2.00) lakh = ₹ 424.20 lakh
BCD - 1835 AWC @ ₹ (4.66 - 2.00) lakh = ₹ 4881.10 lakh
Total: ₹ 5305.30 lakh or ₹ 53.05 crore.

Test check of the records of six divisions³⁴ relating to execution of Pradhan Mantri Gram Sadak Yojna (PMGSY) work revealed that construction of 1299.71 km of road (393 roads) were awarded to eight contractors³⁵ during November 2009 to December 2010 at an agreement value of ₹ 697.58 crore with stipulated completion schedule between January 2011 and June 2012.

Audit scrutiny of records revealed that in violation of CVC's guidelines mobilisation advance of ₹31.91 crore were given to eight private Contractors during June 2010 to June 2011 in single instalment without linking the same with the progress of work. Even after lapse of two to 12 months from the due date of completion, only 312 km of sub-base (24 per cent), 90 km base (7 per cent) and 31 km surface (2 per cent) works were completed by the Contractors.

Thus, without taking into consideration the progress of work, grant of mobilisation advance of ₹ 31.91 crore (**Appendix 5.10**) was irregular and amounted to undue favour to the contractors.

Further equipment advance of ₹ 35.42 crore were released to seven Contractors during December 2010 to July 2011 (**Appendix 5.10**). We noticed that none of the Contractors had submitted invoice or other documents to show the cost of equipment as required under Clause 45 of General Condition of Contract. There was nothing on record to show that new equipment were brought to the site. It was also observed that equipment advance of ₹ 8.10 crore was released to two Private³⁶ Contractors at Sitamarhi and Benipatti after due date of completion of work. In other four divisions equipment advance of ₹ 25.82 crore was released to four other Contractors before three to eight months of due date of completion.

Hence release of advances at the fag end of the construction period or after due date of completion and without any invoice or record in support of the cost of equipment resulted into undue benefit to the private Contractors. In reply, the Executive Engineer stated (April/May 2012) that direction of Audit would be followed in future while making mobilisation/equipment advances.

Thus, violation of the CVC guidelines and General Conditions of Contract led to irregular payment of mobilisation advance of ₹ 31.91 crore and machinery advance of ₹ 35.42 crore to private contractors.

It is recommended that the Government of Bihar should institute internal control mechanism to ensure adherence to the CVC guidelines and General Conditions of Contract by the executing Divisions/Department before making any kind of payment/granting advances to a contractor so as to safeguard the Government's interest.

The matter has been referred to the Government (July 2012); their reply is yet to be received (February 2013).

³⁴ *RWD Benipatti, Bhagalpur, Muzaffarpur, Rosera, Samastipur and Sitamarhi*

³⁵ *BSS Projects Pvt. Ltd, Hyderabad, SPR Infrastructure India Ltd., Hyderabad, Arawali Infra Power, New Delhi, Siva Swathi Construction Pvt. Ltd., Hyderabad, Singh Construction Company, Punjab, M/s. JSR Construction Pvt. Ltd., Hyderabad, Shubham Construction, Muzaffarpur, Singh Construction, Muzaffarpur*

³⁶ *Arawali Infra Power Ltd. and Siva Swathi Construction Pvt. Ltd.*

PUBLIC HEALTH ENGINEERING DEPARTMENT

5.3.3 Outstanding Advances

The non-adjustment of advances of ₹ 8.20 crore lying with Gram Panchayats and reluctance of Gram Panchayat representative to furnish utilisation certificates was indicative of probable misappropriation of Government money, besides non-achievement of objectives of Swajaldhara scheme and Total Sanitation Campaign.

The Swajaldhara scheme was launched by Government of India (GOI) in the year 2002 as the reform measure in the Rural Drinking Water sector. It aimed for adopting the demand responsive strategy and further to institutionalize community based rural water supply programme with Panchayati Raj Institutions and local communities to generate resources and equip them to plan, implement, use, maintain and replace water supply scheme themselves. Each Gram Panchayat (GP) was to have a Village Water and Sanitation Committee (VWSC). These committees were to submit their plans as per local requirement to State Water and Sanitation Mission (SWSM)/District Panchayat (DP)/District Water and Sanitation Committee (DWSC) and after their approval, fund was to be made available to them. The utilization certificate (UC) along with details of work done was to be submitted for the first installment to DWSC and then second installment was to be released. Further, Ministry of Finance, GOI (August 2006) had prohibited any further release until all UCs, which have fallen due, had been received.

The scrutiny of records relating to implementation in Swajaldhara in six PH Divisions³⁷ disclosed that ₹ 8.61 crore were advanced to 742 VWSCs³⁸ during 2002 to 2012 (*Appendix 5.11*). Despite follow-up action, and even warning for lodging FIRs by the DWSC headed by the Deputy Development Commissioner, Vaishali against VWSCs in Hajipur (Vaishali) district, the efforts failed to yield any result and the amount of ₹ 7.12 crore remained as advances pending with VWSCs as of February 2012. No FIRs were lodged against the defaulting VWSCs nor any action taken against them. All the Executive Engineers however assured to take appropriate action though the possibility of recovery was remote.

The villages having sanitation facilities for each and every household has been declared as Nirmal Gram under Total Sanitation Campaign (TSC). Award is being provided to such Nirmal Gram for creation of sanitation facilities at market and community places, solid and waste management, maintenance of already created sanitation facilities etc.

Scrutiny of records of PH Divisions, Hajipur and Begusarai revealed that ₹ 1.08 crore and ₹ 0.08 crore were given as first installment to 21 Gram Panchayat of seven Blocks and one Block Pramukh and two GPs respectively in 2008-09. The UCs along with details of work executed against the advance after physical verification by concerned JE/AE was to be submitted. But the

³⁷ Bhagalpur (East), Gaya, Hajipur, Katihar, Muzaffarpur, and Purnea.

³⁸ Hajipur (352), Gaya (2), Muzaffarpur (1), Purnea (377), Bhagalpur (East)(7) and Katihar (3)

UCs for only ₹ eight lakh by two Gram Panchayats (GP) in Hajipur were submitted as of December 2011 (*Appendix 5.12*).

Further as per instructions issued in January 2008 by the Joint Secretary, Ministry of Drinking Water Supply, GOI, the present status of Nirmal Gram was to be assessed before releasing the first instalment. After proper utilization of first instalment, the second one was to be released. However no such assessment was done by the DWSC, Vaishali before releasing the first instalment.

Thus, the entire advances of ₹ 8.20³⁹ crore pending with GPs could not be adjusted due to the reluctance of GP representatives to furnish UCs. This indicated probability of misappropriation of Government money besides non-achievement of the prime objectives of the Swajaldhara scheme and TSC.

The matter has been referred (July 2012) to the Government; their reply has not been received (February 2013).

5.3.4 Undue favour to the executing agencies

In violation of the codal provision as well as agreement clause, mobilisation advance of ₹ 33.18 crore were given to the executing agencies after a delay of five to eight months after its sanction, thereby defeating the very purpose of advance intended for and resulting in undue financial aid to the agencies.

Rule 207 of Bihar Public Works Department Code stipulated for providing advances to the contractors including the mobilisation advance (MA) as per the conditions of the contract only. Such advances and the interest accruing thereagainst were to be recovered at the rate specified in the contract.

Scrutiny (July 2011) of records of Engineer-in-Chief, Public Health Engineering Department (PHED) Bihar, Patna revealed that six groups of different Mini Water Supply Schemes (MWSS) with water treatment plants for arsenic, fluoride and iron in drought affected areas were awarded to three private agencies in April 2010 for completion by March 2011 and September 2011. Six different divisions were entrusted to execute contracts for each of the six groups with those three agencies (*Appendix 5.13*). The contracts executed (April 2010) with the agencies deleted Clause 10 (B) of Standard Bidding Document (SBD) which dealt with 'advances to the contractor' including the MA. It was however observed that after execution of agreement (April 2010), the agencies requested for granting of MA, though it was not admissible under the contracts. The Chief Engineer (CE) (Urban) irregularly recommended (April 2010) for sanction of MA on the grounds of severe heat and prevailing drought like situation apart from the urgency for providing safe drinking water through deep tube wells to the intended beneficiaries.

The prime purpose for granting MA was to facilitate the contractors the timely initiation and execution of work through mobilisation of his resources. Scrutiny of records however revealed that though the MAs were recommended by the CE (Urban) and sanctioned by the Principal Secretary and the Minister

³⁹ ₹ 7.12 crore + ₹ 1.08 crore = ₹ 8.20 crore

way back in April 2010, the MAs amounting to ₹ 30.52⁴⁰ crore were disbursed as first instalment to the respective agencies after a delay of five to eight months.

Test check (November 2011 to June 2012) of records of 17⁴¹ PH Divisions relating to execution of aforesaid works disclosed that against the 1481⁴² Nos. of MWSSs scheduled to be completed by March and September 2011, depending upon the Groups they belonged to, only 150⁴³ MWSSs had been completed against an expenditure of ₹ 55.85 crore incurred as of June 2012. Thus, only 10 *per cent* works could be completed by the agencies even after lapse of 10 to 16 months from the stipulated dates (March 2011 and September 2011) of completion as of July 2012.

It was further observed that against the total MA of ₹ 13.79 crore given to the agencies by the test checked divisions, ₹ 3.46⁴⁴ crore could only be recovered from the executing agencies as of June 2012. Further, against the interest of ₹ 2.67 crore accrued on the aforesaid amount, ₹ 23.64 lakh could only be recovered in six divisions⁴⁵ while 11 divisions did not initiate any recovery as the recoveries were to be initiated after completion of at least 10 *per cent* of the ageemented works. Further in eight test checked divisions, second instalment of MA amounting to ₹ 2.66⁴⁶ crore was paid (March to October 2011) to the executing agencies without ensuring the utilisation of first instalment of MA paid to them.

On being asked (July 2011), the Executive Engineers (EEs) of concerned divisions replied (November 2011 to June 2012) that the MAs were given to the agencies as per the order of CE (Urban) and their (MA's) recoveries from the executing agencies would be effected against their running account bills. The Principal Secretary, PHED in his reply (November 2012) also accepted the fact that in the bid document of the above tender for the works, Clause 10B(II) was mentioned as 'not applicable'. However, MA were allowed to the contractors on their requests against securities of equal amount as Bank Guarantee as per provision of MA in the SBD.

The contention of the Department was not acceptable as the very allowance of MA to the executing agencies was irregular and not as per the conditions of the contract where in the Clause 10 (B) relating to MA was explicitly deleted after it was mutually agreed upon by the contracting parties. Even the

⁴⁰ Punj Lloyd - ₹ 11.64 crore, Pratibha Membrane - ₹ 7.88 crore and SPML - ₹ 11 crore

⁴¹ PH Divisions – Patna (West), Hajipur, Gaya, Begusarai, Purnia, Muzaffarpur, Patna East, Sasaram, Aurangabad, Biharsharif, Bhagalpur (East), Bhagalpur (West), Katihar, Chhapra, Siwan, Ara, Buxar

⁴² Punj Lloyd -453 Nos., M/s Pratibha Membrane Filter (JV) - 243 Nos., M/s SPML - 785 Nos.

⁴³ Punj Lloyd -57 Nos., M/s Pratibha Membrane Filter (JV) - 74 Nos., M/s SPML - 19

⁴⁴ Punj Lloyd- ₹ 84.58 lakh, Pratibha Membrane- ₹ 2.21 crore and SPML – ₹ 40.06 lakh

⁴⁵ PH Division Begusarai, Bhagalpur (East), Biharsharif, Buxar, Gaya, and Sasaram,

⁴⁶ SPML - ₹ 1.62 crore (PH Division Patna (East): ₹ 15.39 lakh; Aurangabad: ₹ 33 lakh; Biharsharif: ₹ 24.20 lakh; Bhagalpur (East): ₹ 29.33 lakh; Bhagalpur (West): ₹ 29.33 lakh and Ara: ₹ 30.80 lakh); Pratibha Membrane - ₹ 1.04 crore (PH Division Kishanganj: ₹ 56.73 lakh and Katihar: ₹ 47.28 lakh)

disbursements of MA to the executing agencies were done after five to eight months of the award of contract, thus defeating the very purpose of MA. This coupled with release of second instalment of MA to the executing agencies without ensuring the utilisation of first instalment or effecting their proper recoveries resulted in ₹ 33.18 crore remaining irregularly parked with the executing agencies amounting to undue financial aid to the agencies.

RURAL DEVELOPMENT DEPARTMENT

5.3.5 Irregular payment for departmental works

Non-adherence of codal provisions and departmental order led to irregular payment of ₹ 75.95 lakh.

As per Rule 226 of Bihar Public Works Account (BPWA) Code read with instruction of the Vigilance Department (1994), the supply of materials is required to be obtained through inviting tenders/quotations and payment to labour is to be made through muster roll (MR) in respect of departmental work. Rule 257 of Bihar Financial Rule (BFR) and Rule 244 of Bihar Public Works Department (BPWD) Code provide that "The Measurement Book (MB) must be looked upon as most important record, since it is the basis of all accounts of quantities, whether the work done by daily labour, or by the price or by contract or of material received, which have to be counted or measured. The description of work must be lucid, so as to admit easy identification and check". Further as per the State Government decision No 22 in Annexure A of BPWA Code, the payment on hand receipt can be made only on emergency works like flood, patrolling of embankment etc.

Our examination of 210 number of hand receipts pertaining to 42 number of schemes executed departmentally on the recommendations of Members of Legislative Assembly/Legislative Council during 2007-12 under District Rural Development Agency, Patna disclosed that a sum of ₹ 75.95 lakh was spent through Departmental Hand Receipts (HRs) which included payment of ₹ 42.71 lakh to labour-mates, ₹ 3.94 lakh for carriage of materials, ₹ 14.30 lakh for construction of platform, ₹ 0.98 lakh for purchase of materials, ₹ 5.29 lakh for construction of name plates and ₹ 8.74 lakh on drilling of tubewells.

Further the following deficiencies were also noticed:

- Payment to labour should have been made on Muster Roll detailing nature and period of work executed, sanction order of estimate and number of labour engaged. In absence of aforesaid information, authenticity of works executed and payments made there against could not be ascertained.
- The works executed were neither recorded in MB nor its reference page number recorded on any of the HRs in respect of departmental works executed under District Rural Development Agency, Patna.
- Supply of materials was made without inviting tenders/quotations.

- A single person was paid for all work such as labour work (like drilling of tube well), construction of platform (including cost of materials), construction of name plate and carriage of materials on different HRs.

Thus, due to non-adherence to codal provisions and departmental order irregular payments of ₹ 75.95 lakh were made on hand receipts.

It would be therefore very pertinent on the part of Department that compliance to the Codal provisions and departmental orders be strictly ensured. The department must ensure that all the materials for departmental works should be purchased by inviting tender/quotations (market rates) and all payments be made on muster rolls duly filled up.

The matter had been referred to the Government (July 2012); their reply is yet to be received (February 2013). However, Executive Engineer, Local Area Engineering Organisation, Patna has accepted the audit observations. (February 2013).

HEALTH DEPARTMENT

5.3.6 Distribution of medicines in eight districts without quality test

Failure of internal control mechanism in the State Health Society (SHS) coupled with non adherence of terms and conditions prescribed in the drug-rate-contract of the SHS led to purchase and distribution of medicines worth ₹ 25.07 crore among the patients without quality test report.

Vide Clause 8.01 of the terms and conditions of drug-rate-contract of State Health Society (SHS) Bihar regarding supply of drugs, the companies' supplier were required to submit drug test report for each batch supplied. Further Clause 8.10 provided for testing of drugs samples of each batch by the respective Drug Inspector (DI). As such, the Medical Officer-in-charge of stores in districts was to provide samples of drugs. The batch wise sample was to be collected for all drugs by DI as per section 52(4) of Drugs and Cosmetics Act, 1940 and the Rules, 1945. Further, Clause 8.04 provided that in the event of a product failing in the quality test, the failed batch was to be taken back by the supplier at its own cost.

A test-check of records of 12 Health Offices⁴⁷ in eight districts (February to June 2012) disclosed that medicines/drugs amounting to ₹ 25.07⁴⁸ crore were purchased from Medical firms/suppliers during the period 2009-10 to 2011-12 from 77 firms. However, the quality test reports (QTR) for drugs were not submitted by any of the supplier with the supply of drugs.

⁴⁷ CS-cum-CMO Kaimur(May 2012), DHS Kaimur(June 2012), CS-cum-CMO Nalanda (February 2012), DHS Samastipur (June 2012), CS-cum-CMO Samastipur (June 2012), Lady Elgin Zanana Hospital (April 2012), CS-cum-CMO Sheikhpura (June 2012), CS-cum-CMO Siwan (July 2012), CS-cum-CMO Patna (May 2012), DHS Vaishali (April 2012), DHS Gaya (March 2012), CS -cum-CMO Gaya (March 2012).

⁴⁸ CS-cum-CMO Kaimur - ₹ 5.10 crore, DHS Kaimur- ₹ 0.45 crore, CS-cum-CMO Nalanda- ₹ 0.84 crore, DHS Samastipur- ₹ 1.47 crore, CS-cum-CMO Samastipur- ₹ 5.61 crore, Lady Elgin Zanana Hospital Gaya- ₹ 0.48 crore, CS-cum-CMO Sheikhpura- ₹ 0.68 crore, CS-cum-CMO Siwan- ₹ 0.85 crore, DHS Gaya- ₹ 0.87 crore, CS-cum-CMO, Patna- ₹ 5.21 crore, DHS Vaishali - ₹ 1.58 crore, CS-cum-CMO Gaya- ₹ 1.93 crore.

While the receiving/acceptance of those drugs not accompanying the QTR was itself irregular, the concerned officials failed to undertake assigned responsibilities to ensure quality test under the provision of Drugs and Cosmetics Act, 1940 and the Rules, 1945.

The majority of drugs samples were not taken by the DI. Even the QTRs of a few samples collected by the DIs were not submitted. A further scrutiny (May 2012 and February 2012) of records of Medicines and Drug Inspector's (DI) report pertaining to the Civil Surgeon-cum-Chief Medical officer (CS-cum-CMOs), Chapra and Siwan disclosed that medicines⁴⁹ worth ₹ 5.89⁵⁰ lakh and ₹ 5.70⁵¹ lakh respectively had been declared substandard. Despite this, the CS-cum-CMOs did not pursue to obtain the QTRs from the suppliers nor did they return the supplies to the concerned suppliers.

On this being pointed out, all the concerned Civil Surgeons were unison in their replies that either the quality test reports were not submitted by the suppliers or the drug test reports were not submitted by the DIs. The CSs, Nalanda and Sheikhpura further added (February 2012 and July 2012) that the quality tests of medicines and drugs were not conducted as there were no DIs posted during the period. The CS-cum-CMO, Chapra stated (June 2012) that action was being taken against the concerned firms while the CS-cum-CMO, Siwan stated (February 2012) that FIR would be lodged and the audit would be intimated accordingly. The replies were not acceptable as the very acceptance of drugs from the concerned suppliers without QTR was irregular and tantamounted to putting to risks the lives of those patients being served to.

Thus, the failure of internal control mechanism in the SHS coupled with non-adherence of terms and conditions prescribed in the drug-rate-contract of the SHS led to purchase and distribution of medicines worth ₹ 25.07 crore among the patients without quality test report.

The matter had been referred to the Government (August 2012); their reply is yet to be received (February 2013).

5.3.7 Non-utilisation of machines and equipment

Machines/equipment of ₹ 4.41 crore were not put to use for the benefit of patients and kept idle due to non-availability of required chemicals/reagents and specialist doctors.

As per the Government sanction orders (March 2009), in case of non-utilisation of machines and equipment, respective unit head/Head of the Department would be held responsible individually.

⁴⁹ Medicines were not included in medicines of ₹ 25.07 crore.

⁵⁰ 1999 no. of Alka Rolled Bandage (₹ 1.77 lakh), 900 number of Alka Bandage Than (₹ 2.42 lakh), 1000 no. of ASVS (₹ 1.70 lakh)

⁵¹ 380000 nos. of Tetracycline (₹ 3.65 lakh), 20000 nos of Zentamycine (₹ 0.71lakh), 1320 nos. of ASVS (₹ 1.34 lakh).

During verification of records relating to utilisation of machines and equipment purchased by the three Government Medical Colleges and Hospitals⁵² it was noticed that machines/equipments valuing ₹ 4.41 crore were not put to use for the benefit of patients and kept idle due to non-availability of required chemicals/reagent and specialist doctor. Details are as under:

- In two departments (Nephrology and Clinical pathology) of PMCH, 16 machines of nine types valuing ₹ 3.94 crore were not being utilised due to non availability of required chemicals/reagent (*Appendix 5.14*).

In reply, the Superintendent, PMCH, Patna accepted the audit observation by stating (May 2012) that chemicals and reagents were not purchased during 2010-11 due to higher tendered rate than maximum retail price (MRP) and in 2011-12 belated purchase orders were placed for purchase of chemical and reagent. It was further added that presently all the machines and equipment were in working condition. The reply was factually incorrect because the log books of the machines showed that they were not utilised till June 2012.

- Similarly in SKMCH, Muzaffarpur, Operating Microscope machine valuing ₹ 14.11 lakh and Endoscopy Camera valuing ₹ 5.62 lakh were not being utilised from October 2009 due to absence of senior/specialist doctor. In reply the Superintendent accepted the audit observation.
- In ANMMC, Gaya, a fully auto analyzer machine valuing ₹ 28.08 lakh was lying idle in the college for want of kits/chemical and washing reagents. In reply, the Principal stated (January 2013) that the Superintendent had issued purchase orders to the supplier in July 2010 and September 2012 to supply required kits/chemicals and washing reagents but the supplier did not supply the required material till January 2013.

Thus, it was evident that against the norm the available machines and equipment of the Medical colleges and hospitals of ₹ 4.41 crore were not effectively utilised to provide the intended benefits to the patients.

The matter has been reported to the Government (August 2012) and their reply has not been received.

ECONOMIC SECTOR

WATER RESOURCES DEPARTMENT

5.3.8 Avoidable loss to the Government

Due to imprudent decision of initiating a work without conducting Physical Model Test, proper survey and studies before commencement of work the Government incurred an avoidable loss of ₹ 2.99 crore.

⁵² Anugrah Narayan Magadh Medical College, Gaya ANMMC), Patna Medical College and Hospital, Patna (PMCH) and Sri Krishna Medical College and Hospital, Muzaffarpur (SKMCH).

As per Resolution no. 948 dated 16 July 1986 of Cabinet Co-ordination Department (Confidential Cell), Bihar, a proper survey and site verification was mandatory before preparation of an estimate.

A test-check (November 2011) of records of Water Ways Division (WWD), Uderasthan, Jehanabad revealed that to meet the acute scarcity of water in the Falgu sub-basin, despite availability of plenty of fertile cultivable land, Water Resources Department (WRD), Bihar sanctioned and approved (January 2007) the work of construction of a barrage and appurtenant works on the river Falgu at Uderasthan. An agreement worth ₹ 66.09 crore for construction of this barrage was executed by the WWD, Jehanabad with an agency⁵³ for completion of work within 30 months i.e. by 30 September 2009.

Scrutiny further revealed that the construction of barrage was started at 500 metres upstream of the old weir on the basis of recommendation reports (October 2006) of a consultant⁵⁴ employed for preliminary survey. The report was submitted without conducting the Physical Model Test⁵⁵ (PMT) which was an important component to help in taking decision to ensure safe operation of a project. Later on, it was noticed that local people doubted the appropriateness of the site of construction of barrage and subsequently the department constituted (November 2007) a high level committee under the chairmanship of Engineer-in-Chief (EIC) with three Chief Engineers to review the doubts of the local populace.

The committee while approving the construction of barrage at original site (i.e. 500 m upstream) suggested in its recommendations (December 2007) to carry out a PMT before starting the construction work. Later, on the request of the Executive Engineer (EE), WWD, Jehanabad (June 2008) and subsequent letter of EIC, WRD (January 2009), hydraulic model studies were conducted at a cost of ₹ 44.06 lakh by Central Water and Power Research Station (CWPRS), Pune which recommended (October 2009) construction of barrage at about '200 metre upstream' of Uderasthan weir. The reason for selecting this site was due to the fact that approach flow condition at this location was uniform and obliquity of flow was within permissible limit. Subsequent to the CWPRS's recommendations, the Joint Secretary (Engineering), WRD directed (December 2009) the CE, WRD, Gaya to issue work order to the same agency after finalising the modalities with the Design Organisation.

It was further noticed that the CE, WRD in his revised estimate report (July 2010) further recommended abandoning the old site and writing off the expenditure incurred thereagainst. Thus, initiation of work without conducting the essential PMT resulted in change of work site and the total expenditure of ₹ 2.99 crore expended on previous location was rendered infructuous.

⁵³ *M/s Vijeta Construction, Ranchi*

⁵⁴ *Nano Consultant, Ranchi*

⁵⁵ *PMT- A commonly used term to use during design stages to optimize a structure and to ensure a safe operation of the structure. It helps the non-engineering decision making people to visualize and to picture the flow field, before selecting a 'suitable' design.*

On this being pointed out (November 2011) the EE, WWD, Jehanabad stated (November 2011) that the location was changed by the department on the recommendation of PMT carried out by CWPRS, Pune.

The reply is not acceptable as due to imprudent decision of initiating a work without conducting PMT, proper survey and studies before commencement of work the Government incurred an avoidable loss of ₹ 2.99⁵⁶ crore.

The matter has been referred to the Government (July 2012); their reply is yet to be received (February 2013).

5.4 Failure of oversight/governance

The Government has an obligation to improve the quality of life of the people through fulfillment of certain goals in the area of health, education, development and upgradation of infrastructure and public service. However, Audit scrutiny revealed instances wherein the funds released by the Government for creating public assets for the benefit of the community remained unutilised/blocked and/or proved unfruitful/unproductive due to indecisiveness, lack of administrative oversight and concerted action at various levels. A few such cases have been discussed below:

SOCIAL SECTOR

HEALTH DEPARTMENT

5.4.1 Injudicious withdrawal of funds

Owing to injudicious withdrawal of ₹ 921.32 crore without proper planning and implementation arrangement the funds destined for intended purposes kept shuttling in the bank accounts of implementing agencies at the cost of health care facilities to the rural populace.

In order to bring the rural health care facilities (infrastructure and other medical facilities) at par with Indian Public Health (IPH) standards, the Government of Bihar vide its Resolution dated 06 December 2006 decided to construct 1544 additional primary health centres (APHCs), 7765 health sub-centres (HSCs) and upgrade all 533 primary health centres (PHCs) into 30 bedded community health centres (CHCs). Besides new constructions, buildings for old health sub-centres were also decided to be constructed in phases. The requirement of fund was sourced through National Rural Health Mission (NRHM) for new constructions and NABARD sponsored Rural Infrastructural Development Fund (RIDF) scheme for construction of buildings of old sub-centres.

The implementing agencies identified by the Health Department were the Building Construction Department (BCD) and the State Health Society (SHS).

⁵⁶ Earth work and concreting- ₹ 2.63 crore
 Consultation and other miscellaneous work - ₹ 0.36 crore
 Total- ₹ 2.99 crore

At subsequent stages two Government corporations⁵⁷ viz. Bihar Health Project Development Corporation (BHPDC)/Bihar State Building Construction Corporation Ltd. (BSBCCL) and Bihar Medical Services and Infrastructure Corporation (BMS&IC) were also chosen to execute the works as envisaged by the department in the Resolution.

Scrutiny of records (May-June 2012) maintained in the Secretariat, Health Department, the SHS, the aforesaid corporations and Civil Surgeon office, Patna disclosed the following :

The department advanced a sum of ₹ 509.96⁵⁸ crore to Civil Surgeon Patna during 2006-08 with a direction to transfer the amount in favour of BCD/BHPDC for execution of the works. The fund was made available to the BHPDC in August/September, 2008. Apart from above, the BHPDC was also provided with fund of ₹ 31.00 lakh by SHS in 2008-09 for construction of APHCs. Thus, the corporation was already having a corpus fund of ₹ 510.27 crore (**Appendix 5.15**). The BHPDC, however, could not move forward with the implementation aspects despite having funds at their disposal. Subsequently, the BHPDC transferred ₹ 112.78⁵⁹ crore in February 2009 to SHS as per the direction of the BCD. This company was renamed as BSBCCL in May 2010 with enlarged scope of activities. In the intervening period the BSBCCL, however, could spend ₹ 13.68 crore only and the balance fund of ₹ 383.83 crore (after deducting ₹ 112.78 crore transferred to SHS as stated above), remained unutilised with the company in shape of bank balances. Later, on the instructions (March 2012) of the Finance Department, BSBCCL further refunded ₹ 100 crore to the Government accounts on 31 March 2012 while the balance amounts remained un-utilised with BHPDC/BSBCCL.

The reasons assigned (July 2012) for the same by the present Managing Director was the transfer of the then Secretary, BCD, Patna in May 2009 and subsequent retirement of Corporation's Managing Director (MD)-cum-Chief General Manager (CGM) in June 2009. The CGM, GM (North) and GM (South) were later appointed in September 2011 and there was no competent authority to sanction amount of more than ₹ one lakh in the intervening period (July 2009 to September 2011).

⁵⁷ *The Govt. of Bihar created (January 2008) Bihar Health Project Development Corporation (BHPDC) which started functioning in March'2008 and was mainly entrusted with the health project civil construction works. This corporation was converted into Bihar State Building Construction Corporation (BSBCC) in May'2010 with enlarged scope of function of civil construction of all the departments of Bihar. In the mean time, another corporation namely Bihar Medical Services & Infrastructure Corporation (BMSIC) was created in May'2010 by Health Department for construction of health infrastructure units, procurement of medicine and machine & equipments.*

⁵⁸ ₹ 88.79 crores for 65 CHC during 2006-07, 51.91 crores for 38 CHC, ₹.199.20 crores for 98 CHC, ₹ 120.09 crores for 1985 new HSC and ₹ 49.97 crores for 526 old HSC, totalling ₹ 509.96 crore under NABARD sponsored RIDF scheme during 2007-08.

⁵⁹ *This fact has already been commented upon in AR -2008-09 in Chapter I, P/6 under Performance audit of National Rural Health Mission and being included in this para owing to its remaining unutilised as of 2011 -12.*

Further, the department also provided ₹ 348.70⁶⁰ crore to SHS (including ₹ 112.78 crore transferred from BHPDC to SHS in February 2009 as stated earlier) between 2006-07 and 2009-10 for execution of new constructions/ up-gradation works. The SHS/BCD records revealed that it could spend ₹ 25.91 crore only as of March 2012 leaving a balance of ₹ 322.79 crore remaining unutilised and kept as bank balance in the account of SHS/BCD (*Appendix 5.16*). Thus the SHS was already having huge unutilised fund of ₹ 322.79 crore. Despite this, the department further provided (January 2012) ₹ 100 crore to SHS for construction of HSC/APHC in 2011-12, though going by the pace of expenditure there was least likelihood of its utilisation by March 2012. The details of funds utilisation was not provided to audit nor was there any reason assigned by the SHS for keeping such huge amount in bank.

The department meanwhile created another company (Bihar Medical Services & Infrastructure Corporation Limited) in May 2010 and provided it with fresh funds of ₹ 175.12 crore during 2010-12 for similar nature of works⁶¹ (*Appendix 5.17*). The entire fund provided to it remained unutilised and kept in its bank account as of March 2012.

Thus, owing to injudicious withdrawal of ₹ 921.32 crore (*Appendix 5.17*) without proper planning and implementation arrangement the funds destined for intended purposes kept shuttling in the bank accounts of implementing agencies at the cost of health care facilities to the rural populace as evident from the fact that a paltry sum of ₹ 39.59 crore was spent during 2006-12 which included ₹ 13.68 crore (spent on 186 new HSCs and seven new APHCs which were under construction) incurred by BSBCC and ₹ 25.91 crore by BCD (on 375 completed HSCs and 44 HSCs which were still in progress). This also exposed the Government's non-committal approach in bringing health services at the doorsteps of common populace and its utter failure in creating adequate health infrastructure right upto village level.

The matter has been referred to the Government (July 2012); their reply is yet to be received (February 2013).

5.4.2 Idle equipment

Due to lack of planning, coordination and monitoring by the State Health Society Bihar, the Special Newborn Care Units (SNCU) in the earmarked districts could not be commissioned and the equipment worth ₹ 90.57 lakh purchased for the same remained idle depriving the targetted people of SNCU facilities.

The State Health Society Bihar (SHSB) entered into an agreement (September 2009) with five private agencies duly approved by the Project Appraisal

⁶⁰ ₹ 118.00 crore for 62 CHC during 2008-09, ₹ 112.78 crore transferred by BSBCCCL in 02/2009, ₹ 29.30 crore for 100 APHC during 2009-10 and ₹ 88.62 crore for 1014 old HSCs during 2006-07 to 2008-09 under NABARD sponsored RIDF scheme.

⁶¹ ₹ 131.34 crore for 136 CHC during 2010-12, ₹ 23.85 crore for 100 APHCs during 2011-12 and ₹ 19.93 crore for 128 old HSCs under NABARD sponsored RIDF scheme.

Committee after the tendering process for purchase of equipment (**Appendix 5.18**) for Special Newborn Care Unit (SNCU). The equipment were to be purchased from National Rural Health Mission (NRHM) funds sanctioned by Government of India (GOI).

As per the agreement, the District Health Society (DHS) was to place orders directly with the agencies and the latter were required to supply the instruments at the designated hospitals (DH). Subsequently, 70 *per cent* of the payment was to be released to suppliers by the concerned DHS while the balance 30 *per cent* was to be released after its successful installation and certificate to that effect by the concerned Hospital-in-charge. As such there was no provision for giving advance to the supplier agencies. The SNCU was to be installed in a separate building specially constructed for the same by the SHSB.

Subsequent to the Chief Minister's declaration for the year 2010 as the year of Newborn, SHSB scaled up the comprehensive Newborn initiative and instructed (March 2010) all District Magistrates-cum-Chairman, DHS to make SNCU operational in at least 23 districts by the end of the year i.e. 2010. The cost of SNCU per unit was ₹ 23.77 lakh.

Audit scrutiny (March to July 2012) of seven⁶² DHSs revealed that supply orders (November 2009 to August 2011) worth ₹ 1.09 crore (**Appendix 5.19**) were placed with the designated suppliers for installation of the SNCU in their districts without taking adequate action to get the buildings constructed in the specified hospitals. Against the said orders the agencies supplied (December 2009 to August 2011) equipment and a payment of ₹ 90.57 lakh (**Appendix 5.19**) was made to them during the same period. It was observed that the delivered equipment were lying idle in those districts for a period ranging from one to two years. Besides, the following points were also noticed:

- In two districts⁶³ though the SNCU buildings were completed (May 2012), the equipment were either being installed (Bhabua) or after installation (Nalanda) was still non-operational/non-functional.
- In four districts⁶⁴ the construction of SNCU buildings was in progress and the purchased instruments were lying idle in the stores of DH. Interestingly, 84 *per cent* and 100 *per cent* payments had already been made in Samastipur and Gaya districts respectively in gross violation of the terms and conditions of the agreement.
- In Kishanganj the SNCU was partially installed and 87 *per cent* of the payment was made to the agencies.

On this being pointed out by audit, the Civil Surgeon-cum-Member Secretary of all DHSs reiterated (March to July 2012) the same fact that the equipment were purchased as per the instructions of SHSB, the building construction works were in progress and after their completion equipment would be installed.

⁶² Samastipur, Nalanda, Bhabua, Chapra, Gaya, Kishanganj and Sheikhpura

⁶³ Bhabua and Nalanda

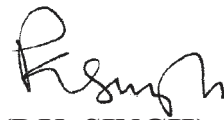
⁶⁴ Chapra, Gaya, Samastipur and Sheikhpura

The replies were themselves a covert admission of the fact that there was lack of planning, coordination and monitoring by the SHSB. Thus the very idea of installing SNCUs in the earmarked districts remained unachieved. Besides the equipment worth ₹ 90.57 lakh purchased for the intended purposes in these districts remained idle and unutilised defeating the intended objectives of providing SNCU facilities to the people in the targeted district.

In view of the above, it is very pertinent on part of SHSB to make all out efforts to complete the pending works, be it that of construction of SNCU building or installation of equipment in the completed ones, so as to provide SNCU facilities to the targeted populace in the earmarked districts.

The matter has been referred to the Government (July 2012); their reply is yet to be received (February 2013).

Patna
The



(P.K. SINGH)

Accountant General (Audit), Bihar

Countersigned

New Delhi
The



(VINOD RAI)

Comptroller and Auditor General of India

APPENDICES

APPENDIX-1.1

(Refer: Paragraph – 1.7.1 ; Page - 9)

Statement showing year-wise break-up of outstanding Inspection Reports and paragraphs

Sl. No.	Name of Department	2005-2006		2006-2007		2007-2008		2008-2009		2009-10		2010-11		2011-12		Total	
		IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para
1.	Rural Development	173	1354	168	1516	106	860	177	1521	214	1515	146	895	17	121	1001	7782
2.	Welfare	32	152	33	170	35	112	85	295	32	155	37	157	31	127	285	1168
3.	Finance	15	16	5	17	10	39	14	44	2	6	8	17	0	0	54	139
4.	Urban Development	0	0	0	0	1	7	0	0	0	0	1	4	0	0	2	11
5.	Labour Employment	0	0	0	0	10	22	0	0	3	10	3	6	1	2	17	40
6.	Planning and statistic	0	0	1	5	0	0	12	33	0	0	1	4	0	0	14	42
7.	Information and Broad casting	2	8	3	13	1	2	0	0	0	0	0	0	0	0	6	23
8.	Panchayati Raj	0	0	1	6	12	35	0	0	0	0	0	0	0	0	13	41
9.	Health	83	233	44	125	68	273	60	237	120	353	168	663	15	78	558	1962
10.	Home	48	278	48	159	73	134	62	101	43	144	51	175	2	11	327	1002
11.	Education	61	404	83	488	107	853	70	402	66	600	51	323	12	86	450	3156
12.	Agriculture	10	17	22	59	22	103	28	113	44	193	50	157	18	107	194	749
13.	Industry	3	10	11	49	10	45	2	13	0	0	5	23	2	14	33	154
14.	Law	8	24	11	22	5	21	11	31	4	9	3	10	0	0	42	117
15.	Animal Husbandry	13	30	31	73	9	25	14	38	28	84	18	60	2	5	115	315
16.	Co-operative	5	12	16	45	13	31	9	27	4	14	1	3	0	0	48	132
17.	Fishery	0	0	0	0	7	21	4	4	5	20	6	16	1	4	23	65
18.	Tourism	0	0	0	0	1	4	1	6	0	0	1	6	0	0	3	16
19.	DRDA, State Autonomous Body	17	179	9	92	15	164	22	189	22	166	20	194	9	90	114	1074
20.	Road Construction	23	90	40	242	21	119	56	310	44	263	28	176	8	67	220	1267
21.	Building Construction	28	163	37	257	31	169	48	363	43	258	33	219	9	49	229	1478

Sl. No.	Name of Department	2005-2006		2006-2007		2007-2008		2008-2009		2009-10		2010-11		2011-12		Total	
		IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para
22.	Public Health Engineering	10	68	35	180	19	63	53	312	45	239	32	210	7	61	201	1133
23.	Water Resources	36	192	58	478	48	280	104	535	97	545	45	223	19	130	407	2383
24.	Rural Works	27	125	39	197	37	260	40	297	67	378	43	293	17	154	270	1704
25.	National Highway	15	50	14	58	21	101	20	136	19	105	17	111	1	8	107	569
26.	Forest	19	30	16	102	11	65	22	159	17	70	12	74	7	49	104	549
27.	Minor Irrigation and Tube well	13	100	25	128	23	100	23	140	39	233	29	193	14	101	166	995
28.	Cabinet Secretariat	2	16	1	2	4	14	1	4	2	9	3	14	1	10	14	69
29.	Election	8	59	17	165	6	39	8	35	12	58	8	26	0	0	59	382
30.	Parliamentary Affairs	0	0	2	30	0	0	0	0	0	0	0	0	0	0	2	30
31.	General Administration	40	241	32	221	28	200	33	200	32	179	20	96	2	14	187	1151
32.	Vigilance	0	0	1	7	0	0	0	0	0	0	0	0	0	0	1	7
33.	Disaster Management	0	0	0	0	0	0	0	0	0	0	2	7	0	0	2	7
34.	Art, Youth & Culture	1	2	2	9	1	3	0	0	0	0	3	6	1	2	8	22
35.	Science and Technology	4	17	4	18	11	40	1	6	1	3	1	1	0	0	22	85
36.	Food and Consumer Protection	0	0	1	5	0	0	0	0	0	0	1	6	0	0	2	11
	TOTAL	696	3870	810	4938	766	4204	980	5551	1005	5609	847	4368	196	1290	5300	29830

APPENDIX-1.2
(Refer: Paragraph – 1.7.2 Page - 10)

Department-wise details of non-submission of Action Taken Notes

Sl no.	Department	2002-03		2003-04		2004-05		2005-06		2006-07		2007-08		2008-09		2009-10		2010-11		Total			
		Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para
1.	Health	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	2
2.	Human Resources	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	2
3.	Rural Development	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	2
4.	Agriculture	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1
5.	Industry	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1
6.	Water Resources	0	0	0	0	1	1	0	1	0	1	0	1	0	0	0	0	0	0	1	0	1	5
7.	Minor Irrigation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	2
8.	Road Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	8	0	0	8
9.	Public Health Engineering	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	1	0	1	1	2
10.	Revenue and Land Reforms	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1
11.	Welfare	1	2	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	3
12.	Forest	0	0	0	0	0	1	0	0	2	0	0	0	0	1	0	0	0	0	0	0	1	3
13.	Urban Development	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2
14.	Vidhan Mandal	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
15.	Rural Works	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	3
16.	Panchayati Raj	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
	Total	1	5	0	0	2	6	1	2	0	6	0	1	0	1	1	2	0	16	5	39		

APPENDIX-1.3
(Refer: Paragraph – 1.7.3; Page -10)

Status of Action Taken Notes on the recommendation of the PAC

Sl. No.	Name of Department	P.A.C. Report No.	Number of Paras on which ATNs by department not furnished
1.	Rural Development Department	326*, 357, 446	32
2.	Rural Works Department	414, 473	14
3.	Road Construction Department	347, 369, 370, 430, 471,481	43
4.	Labour & Employment Department	388, 475	02
5.	Science & Technology	396	03
6.	Urban Development Department	406, 447	08
7.	Public Health Engineering Department	348, 426, 453	12
8.	Finance Department	386, 461	05
9.	Health Department	335, 399, 464, 477, 479	58
10.	Panchayati Raj Department	451	02
11.	Energy Department	349	02
12.	Environment Department	384	01
13.	Home Department	334, 397, 419, 480	15
14.	Agriculture Department	346, 421, 422, 469	16
15.	Co-operative Department	351, 428, 465	07
16.	Human Resources Development Department	358, 359, 379, 389, 390, 394 395, 411, 417, 420, 455, 456, 457, 470	73
17.	Animal Husbandry Department	415, 445, 484	19
18.	Relief & Rehabilitation	398, 400	09
19.	Water Resources Department	323, 367, 368, 374, 377, 378, 474	17
20.	Minor Irrigation Department	352, 416, 450	16
21.	Welfare Department	387	06
22.	Planning & Development Department	466	02
23.	Revenue & Land Reforms Department	454, 463, 467, 472	06
24.	Personnel Department	459	01
25.	Cabinet Secretariat Department	460	01
26.	Food, Civil Supplies & Commerce Department	391, 448	04
27.	Institutional Finance & Programme Implementation Department	392	06
28.	Industry Department	438, 488	12
29.	Building Construction Department	429, 485	12
30.	Civil Aviation Department	425	04
Total			408

* 326-08.11.2000 (Laid on 08.11.2000 in Bihar Vidhan Sabha).

APPENDIX-2.1.1
(Refer Paragraph - 2.1.6.1; page- 17))

Statement showing Intra-linking of river for flood sector as flood mitigation

Sl. No.	Name of Scheme	Total Length of Channel or Link	Project Cost (₹ in crore)	Purpose	Benefited Districts	Type of Scheme	Stipulated date of completion
1	2	3	4	5	6	7	8
1	Kohra-Chandravat Link 80 cumec water is to be transferred (Burhi gandak - Gandak) Line canal- 17 Km Lalbegi river - 9 Km	26 Km	168.86	Flood Mitigation	West and East Champaran	Inter linking of rivers	DPR scheduled to be finalised by December 2012.
2	Bagmati-Burhi Gandak through Belwadhar (500 Cumec water is to be transferred) Lined canal- 1 Km Belwadhar-59 Km	60 Km	125.96	Flood Mitigation	Sheohar, Sitamarhi and Muzaffarpur	Inter linking of rivers	DPR scheduled to be finalised by December 2013.
3	Burhi Gandak-None-Baya-Ganga Link (300 Cumec water is to be transferred) Lined canal-(23+3)=26 Km None River-23 Km Baya River-22 Km	71 Km	407.33	Flood Mitigation	Samastipur, Begusarai and Khagaria	Inter linking of rivers	Included under Result Frame-Work Document (RFD) by GOI. Survey work to be completed by Feb-2012 and DPR to be finalised by December 2012.
4	Kosi-Ganga Link (Bagmati) Lined canal-1 Km Mushradhar-3.5 Km Kasraiya River-4.5 Km	10 Km	88.93	Flood Mitigation	Khagaria and Bhagalpur	Inter linking of rivers	DPR scheduled to be finalised by December 2012.

APPENDIX-2.1.2
(Refer Paragraph - 2.1.7.1; page- 21)

Statement showing allotment of fund released by the department on last working day of financial year during 2007-12

Sl. No.	Year	Letter no.	Date of allotment	Bill Code	Name of division	Place of division	Amount of allotment (₹ in lakh)	Name of work
1	2007-08	1067	31-03-2008	102	FCD	Rosera	50.00	AE work before flood 2008
2	2007-08	1067	31-03-2008	102	Champaran Div.	Motihari	274.00	Pay. of land acq.
	Total						324.00	
3	2008-09	1067	30-03-2009	113	FCD	Darbhangha	125.00	Ren. Of Jamindari bandh
4	2008-09	1067	30-03-2009	113	Waterways Div.	Ekangarsarai	903.52	Ren. Of Jamindari bandh
5	2008-09	1067	30-03-2009	113	Waterways Div.	Biharshariff	375.20	Ren. Of Jamindari bandh
6	2008-09	1067	30-03-2009	113	Waterways Div.	Jehanabad	50.00	Ren. Of Jamindari bandh
7	2008-09	1067	30-03-2009	113	Saran Div.	Chapra	44.25	Ren. Of Jamindari bandh
8	2008-09	1083	30-03-2009	111	Saran Div.	Chapra	80.00	Saran emb. Rais. & str. Magarpal Charki and Saran Emb. 20.151 to 35.20 km. (₹ 40 lakh) and right emb. Of Mahi river rais. & str. (₹ 40 lakh).
9	2008-09	1084	30-03-2009	108	FCD	Naugachia	397.00	AE work before flood 2009
10	2008-09	1084	30-03-2009	108	Champaran Div.	Motihari	35.00	AE work before flood 2009
11	2008-09	1084	30-03-2009	108	Dr. & Res. Div.	Saharsa	2.05	AE work before flood 2009
12	2008-09	1084	30-03-2009	108	2-FCD	Ara	24.86	AE work before flood 2009
13	2008-09	1084	30-03-2009	108	Saran Div.	Chapra	39.00	AE work before flood 2009
14	2008-09	1084	30-03-2009	108	FCD	Thakraha, Gopalganj	50.00	AE work before flood 2009
15	2008-09	1085	30-03-2009	102	2-Irr. Div.	Jamui	8.64	AE work before flood 2009
16	2008-09	1085	30-03-2009	102	Irr. Div.	Bhagalpur	20.46	AE work before flood 2009
17	2008-09	1085	30-03-2009	102	Bagmati Div.	Runnisaidpur	20.62	AE work before flood 2009
18	2008-09	1085	30-03-2009	102	FCD	Katihar	28.77	AE work before flood 2009
19	2008-09	1085	30-03-2009	102	FCD	Mokama, Bakht.	46.71	AE work before flood 2009
	Total						2251.08	

Sl. No.	Year	Letter no.	Date of allotment	Bill Code	Name of division	Place of division	Amount of allotment (₹ in lakh)	Name of work
20	2009-10	1099	31-03-2010	111	Ganga Sone Flood Prot. Div.	Digha	128.93	Road and bridge const work of Bhushaula to Patliputra station of Patna Main Canal
21	2009-10	1100	31-03-2010	105	Punpun Fl. Prot. Div.	Anisabad	399.98	Flood Prot. Emb. Road scheme
	Total						528.91	
22	2010-11	777	31-03-2011	108	FCD	Khagaria	1138.00	Rais. & Str. Of left and right emb. Of Mahananda
23	2010-11	777	31-03-2011	108	2-FCD	Khagaria	2.49	AE on Ganga
24	2010-11	777	31-03-2011	108	Dr. & Res. Div.	Muzaffarpur	250.00	Rais. & Strength. Of Noon river emb.
25	2010-11	778	31-03-2011	108	2-FCD	Khagaria	102.72	Khagaria Town Protection Work (Part-III)
26	2010-11	783	31-03-2011	102	East Emb. Div.	Birpur	44.74	AE work before flood 2010
27	2010-11	783	31-03-2011	102	West Emb. Div.	Nirmali	78.31	AE work before flood 2010
28	2010-11	783	31-03-2011	102	Irr. Div.	Baunsi	9.53	AE work before flood 2010
29	2010-11	783	31-03-2011	102	FCD	Begusarai	3.14	AE work before flood 2010
	Total						1628.93	
30	2011-12	823	31-03-2012	101	2-FCD	Jhanjharpur	13.92	AE work before flood 2011.
	Total						13.92	
	Grand Total						4746.84	

APPENDIX-2.1.3
(Refer: Para 2.1.8.1; Page 23)

Statement showing Violation of criteria in award of contract

Sl. No.	Name of division/Agreement No.	Agreemented cost (₹ in crore)	Name of contractor to whom work awarded	The laid down criteria of SBD/NIT not fulfilled by bidder	Remarks
1	Head Works Division, Birpur 2SBD/ 2009-10	8.14	<i>Shri Ram Enterprises, Bhagalpur</i>	Experience of construction of Pilot channel & Bid capacity	In all the cases maximum annual turnover as reported by CA was indicated in place of value of maximum work done and duly countersigned by EE level officer. Besides, value of "N" were always treated as one year though it was less than one year. Statement and enclosures submitted by contractor were the main mechanism for assessing bid capacity of contractor. Department had not developed MIS mechanism to check the existing ongoing works of any contractors. Hence Bid capacity of a particular contractor had not been properly assessed by DTC, leaving ample scope for contractor to over state their bid capacity. As a result contractors were free to make false statements of existing commitments.
2	FCD No.1, Jhanjharpur 20 SBD 21 SBD 2011-12	2.54+ 2.27= 4.81	<i>Hari constructions & associates Pvt. Ltd. Begusarai</i>	17 number of key plants for one work	
3	FCD, Naugachiya 29 SBD 2011-12	2.11	<i>Sri Ram Enterprises, Bhagalpur</i>	30 nos. of key plants & five number of key personnel	
4	Champan Division, Motihari 1SBD/ 2011-12	2.40	<i>Sri Brajesh Kumar, West Champaran</i>	Bid capacity	
5	FCD, Thakraha at Gopalganj 65SBD/ 2009-10	2.48	<i>Sona Engicon Pvt. Ltd</i>	Bid capacity	
6	FCD, Naugachiya 3,4 & 5 SBD/2009-10	2.52 + 6.06 + 3.99 = 12.57	<i>Sri Ram Enterprises, Bhagalpur</i>	Bid capacity and 29 Rajasthani tractor	
7	Champan Division, Motihari 2 SBD/ 2011-12	7.87	<i>D.T.M. construction (India Ltd.), Kolkatta</i>	Bid capacity	
8	Flood Control Division, Thakraha at Gopalganj 199SBD/ 2010-11	8.23	<i>B.N. Enterprises, Gopalganj</i>	Bid capacity	
9	FCD, Katihar 1 SBD/ 2009-10	2.59	<i>Arihant construction Pvt. Ltd., Birpur</i>	Rajasthani tractor (T&P) & min. work executed (GTF-1940 M ² , BA Wire 10.45 MT, NC-5262no).in any one year.	
10	Champan Division, Motihari 130f2/2008-09	2.17	<i>Raja Shah Construction Pvt. Ltd, Bettiah</i>	Registration, experience of AE work and bid capacity	

Sl. No.	Name of division/Agreement No.	Agreemented cost (₹ in crore)	Name of contractor to whom work awarded	The laid down criteria of SBD/NIT not fulfilled by bidder	Remarks
11	FCD, Naugachiya 3 SBD/2008-09	67.03	<i>HSCL, Patna</i>	Minimum work executed (EW:3.50 lakh M ³), in any one year, bid capacity and Rajasthani tractor (160 nos.) as T&P	
12	FCD-2, Ara 2SBD/2011-12	1.83	<i>Kameshwar Prasad Singh</i>	Bid capacity	
13	Ganga Pump Canal Division, Suryagarha 1SBD/2011-12	2.74	<i>M/s Prabhakar & Company, Munger</i>	Bid capacity	
	Total	124.97			

APPENDIX-2.1.4
(Refer: Para 2.1.8.2; Page 27)

Statement showing non-adherence of flood calendar

**Date of commencement and due date of completion of schemes as per
Flood calendar during 2008-12**

Events	Dates			
	2008-09	2009-10	2010-11	2011-12
Date of commencement	21.01.2009	16.01.2010	16.01.2011	01.01.2012
Due date of completion	Kosi – 15 April Other river – 30 April Ganga – 31 May	31.05.2010	31.05.2011	15.05.2012

(Source: Flood calendar of department)

**Delayed in commencement and completion of work in respect of date prescribed
in flood calendar**

Sl. No.	Name of Division	Agreement no./ year	Agreement value (₹ in crore)	Date of commencement	Due date of completion	Period allotted for execution	Delay of commencement as per flood calendar	Remarks
1.	FCD-2, Ara	1SBD/ 2010-11	2.29	24.1.11	31.5.11	4 month 7 days	8 days	Delayed completion (15.6.11)
2.	Eastern Embankment Division, Birpur	89f2/ 2010-11	0.05	4.2.11	31.5.11	3 months 25 days	19 days	Delayed completion (16.6.11)
3.	FCD-2, Khagaria	3SBD/ 2010-11	4.09	05.02.11	31.5.11	3 month 23 days	20 days	Delayed completion (25.6.11)
4.	FCD-2, Khagaria	2 SBD/ 2010-11	4.32	5.2.11	31.5.11	3 month 23 days	20 days	Delayed completion (25.6.11)
5.	FCD-2, Ara	1SBD/ 2011-12	2.46	27.1.12	15.5.12	3 months 20 days	26 days	Delayed completion (20.5.12)
6.	FCD-2, Ara	2SBD/ 2011-12	2.01	27.1.12	15.5.12	3 months 20 days	26 days	Complete
7.	FCD-2, Khagaria	3SBD/ 2011-12	2.55	30.1.12	15.5.12	2 month 16 days	29 days	Delayed completion (16.6.12)

Sl. No.	Name of Division	Agreement no./ year	Agreement value (₹ in crore)	Date of commencement	Due date of completion	Period allotted for execution	Delay of commencement as per flood calendar	Remarks
8.	FCD-2, Ara	3SBD/ 2011-12	4.39	30.1.12	15.5.12	3 month 16 days	29 days	Delayed completion (14.6.12)
9.	East Sone High Level Canal Division, Tekari	1f2/ 2008-09	0.44	19.02.09	30.04.09	2 month 10 days	1 month	Delayed completion (29.6.2009)
10.	FCD-2, Ara	2SBD/ 2010-11	3.76	17.2.11	31.5.11	3 month 12 days	1 month	Complete
11.	Eastern Embankment Division, Birpur	3SBD/ 2011-12	8.40	3.2.12	15.5.12	3 months	1 month	Incomplete work (28 % executed)
12.	Eastern Embankment Division, Birpur	2SBD/ 2011-12	2.17	3.2.12	15.5.12	2 months 11 days	1 month	Incomplete work
13.	FCD, Katihar	3SBD/ 2010-11	3.46	21.02.11	31.03.11	3 months 10 days	1 month 5 days	Incomplete work
14.	FCD, Naugachia	3SBD/ 2008-09	5.00	2.3.09	31.5.10	3 months	1 month 9 days	Delayed completion
15.	FCD, Naugachia	2SBD/ 2008-09	37.87	2.3.09	31.5.09	3 months	1 month 9 days	Incomplete work
16.	FCD-2, Ara	5f2/ 2008-09	2.01	4.3.09	31.05.09	2 month 28 days	1 month 14 days	Delayed completion (7.7.09)
17.	Eastern Embankment Division, Birpur	4SBD/ 2011-12	11.44	15.2.12	15.5.12	3 months	1 month 15 days	Incomplete till 31.5.12
18.	FCD, Thakraha at Gopalganj	21SBD/ 2011-12	3.34	15.2.12	15.5.12	3 months	1 month 15 days	Incomplete work as of June 2012
19.	FCD, Naugachia	4SBD/ 2009-10	6.07	4.3.10	31.5.10	2 months 28 days	1 month 17 days	Delayed completion (31.5.11)
20.	FCD-2, Khagaria	04/25f2/ 2009-10	1.14	3.3.10	31.5.10	2 month 29 days	1 month 18 days	Delayed completion (31.3.11)
21.	Head Works Division, Birpur	2SBD/ 2009-10	8.14	2.3.10	31.5.10	3 months	1 month 18 days	Complete

Sl. No.	Name of Division	Agreement no./ year	Agreement value (₹ in crore)	Date of commencement	Due date of completion	Period allotted for execution	Delay of commencement as per flood calendar	Remarks
22.	FCD-2, Ara	6f2/ 2008-09	1.02	9.3.09	31.5.09	2 month 23 days	1 month 19 days	Delayed completion (25.6.09)
23.	Champan Division, Motihari	130f2/ 2008-09	2.17	12.3.09	31.5.09	2 months 19 days	1 month 19 days	Delayed completion (18.6.09)
24.	Eastern Embankment Division, Birpur	12F2/ 2008-09	0.82	13.3.09	15.4.09	1 month 4 days	1 month 20 days	Delayed completion (30.6.09)
25.	Eastern Embankment Division, Birpur	42f2/ 2009-10	0.26	9.3.10	31.5.10	2 months 23 days	1 month 21 days	Delayed completion (10.6.10)
26.	Eastern Embankment Division, Birpur	43f2 2009-10	0.37	9.3.10	31.5.10	2 months 23 days	1 month 21 days	Complete
27.	Eastern Embankment Division, Birpur	14 f2/ 2008-09	2.07	16.3.09	14.4.09	1 month	1 month 23 days	Delayed completion (27.5.09)
28.	FCD No.1, Jhanjharpur	48SBD/ 2010-11	9.43	25.2.11	31.3.12	1 months 6 days	1 month 24 days	Incomplete work
29.	Eastern Embankment Division, Birpur	16f2/ 2008-09	2.69	17.3.09	15.4.09	1 month	1 month 24 days	Delayed completion (30.6.09)
30.	FCD-2, Khagaria	04/34f2/ 2009-10	0.71	9.3.10	31.5.10	2 month 23 days	1 month 24 days	Completed
31.	FCD-2, Ara	1SBD/ 2009-10	2.99	11.3.10	31.5.10	2 month 21 days	1 month 26 days	Delayed completion (29.6.10)
32.	Head Works Division, Birpur	2SBD/ 2008-09	24.79	18.3.09	31.5.09	2 months 14 days	1 month 26 days	Delayed completion

Sl. No.	Name of Division	Agreement no./ year	Agreement value (₹ in crore)	Date of commencement	Due date of completion	Period allotted for execution	Delay of commencement as per flood calendar	Remarks
33.	Head Works Division, Birpur	3SBD/ 2008-09	14.43	18.3.09	31.5.09	2 months 14 days	1 month 26 days	Delayed completion
34.	FCD-2, Ara	9F2/ 2009-10	2.16	12.3.10	31.5.10	2 month 20 days	1 month 27 days	Delayed completion (15.6.10)
35.	FCD-2, Ara	10F2 2009-10	1.18	12.3.10	31.5.10	2 month 20 days	1 month 27 days	Complete
36.	Eastern Embankment Division, Birpur	17F2/ 2008-09	0.72	19.3.09	15.4.09	28 days	2 month	Delayed completion (31.05.09)
37.	Head Works Division, Birpur	4SBD/ 2008-09	13.99	21.3.09	15.4.09	1 months 26 days	2 month	Delayed completion
38.	Eastern Embankment Division, Birpur	1SBD/ 2010-11	5.32	15.3.11	31.5.11	2 months 15 days	2 month	Delayed completion (26.7.11)
39.	FCD-2, Khagaria	6SBD/ 2010-11	2.32	17.3.11	31.5.11	2 month 15 days	2 month	Delayed completion (23.8.11)
40.	FCD-2, Khagaria	5SBD/ 2011-12	4.29	02.03.12	15.5.12	2 month 15 days	2 month	Delayed completion (26.5.12)
41.	Eastern Embankment Division, Birpur	5SBD/ 2011-12	4.57	2.3.12	15.5.12	2 months 13 days	2 month	Incomplete work (28 % executed)
42.	FCD, Thakraha at Gopalganj	199SBD/ 2010-11	7.00	23.3.11	31.5.11	2 months 9 days	2 month seven days	Incomplete work
43.	FCD, Naugachia	29SBD/ 2011-12	2.11	15.3.12	15.5.12	2 months	2 month 15 days	Incomplete work
44.	FCD, Naugachia	18SBD/ 2011-12	5.97	15.3.12	15.5.12	2 months	2 month 15 days	Incomplete work
45.	FCD, Naugachia	30SBD/ 2011-12	13.59	15.3.12	15.5.12	2 months	2 month 15 days	Incomplete work

Sl. No.	Name of Division	Agreement no./ year	Agreement value (₹ in crore)	Date of commencement	Due date of completion	Period allotted for execution	Delay of commencement as per flood calendar	Remarks
46.	FCD, Naugachia	31SBD/ 2011-12	10.56	15.3.12	15.5.12	2 months	2 month 15 days	Incomplete work
47.	FCD No.1, Jhanjharpur	19SBD/ 2011-12	2.58	15.3.12	31.3.12	16 days	2 month 15 days	Incomplete work
48.	FCD No.1, Jhanjharpur	20SBD/ 2011-12	2.54	15.3.12	31.3.12	16 days	2 month 15 days	Incomplete work
49.	FCD No.1, Jhanjharpur	21 SBD/ 2011-12	2.27	15.3.12	31.3.12	16 days	2 month 15 days	Incomplete work
50.	FCD No.1, Jhanjharpur	22SBD/ 2011-12	2.18	15.3.12	31.3.12	16 days	2 month 15 days	Incomplete work
51.	FCD, Katihar	4SBD/ 2011-12	7.72	28.3.12	15.5.12	1 month 18 days	2 month 28 days	Incomplete work
52.	FCD-2, Ara	2F2/ 2009-10	0.87	15.4.09	31.5.09	1 month 16 days	2 month 29 days	Delayed completion (30.6.09)
53.	Champan Division, Motihari	1SBD/ 2011-12	2.04	13.4.11	31.5.11	1 month 19 days	3 month	Delayed completion (10.7.11)
54.	FCD, Thakraha at Gopalganj	1SBD/ 2011-12	25.17	14.04.11	31.5.11	1 month 15 days	3 month	Delayed completion (completed on 11.7.12)
55.	Champan Division, Motihari	2SBD/ 2011-12	7.88	18.4.11	31.05.11	1 month 14 days	3 month	Delayed completion (30.6.11)
56.	FCD, Naugachia	1SBD/ 2011-12	13.34	25.4.11	31.5.11	1 month	3 month 9 days	Incomplete work
57.	FCD, Thakraha at Gopalganj	4SBD/ 2011-12	6.89	15.05.11	31.5.11	15 days	4 and half months	Incomplete work as of 20.7.11.
58.	FCD, Thakraha at Gopalganj	3SBD/ 2011-12	8.39	15.05.11	31.5.11	15 days	4 and half months	Incomplete work
59.	Head Works Division, Birpur	1f2/ 2011-12	1.67	18.5.11	5.6.11	18 days	4 month	Delayed completion (30.7.11)

Sl. No.	Name of Division	Agreement no./ year	Agreement value (₹ in crore)	Date of commencement	Due date of completion	Period allotted for execution	Delay of commencement as per flood calendar	Remarks
60.	Head Works Division, Birpur	3F2/ 2011-12	0.55	13.6.11	5.7.11	23 days	4 month 27 days	Incomplete work
61.	Head Works Division, Birpur	2F2/ 2011-12	0.54	14.6.11	30.6.11	15 days	4 month 28 days	Incomplete work

APPENDIX-2.1.5
(Refer - Para 2.1.9.1; page 34)

**Statement showing unfruitful expenditure on incomplete,
closed/postponed work of zamindari bandh**

WWD, Biharsharif

Sl. No.	Name of zamindari bandh and agreement no.	Date of start of work	Quantity of earth work (in cubic metre)		Quantity of outlet (in number)		Actual expenditure incurred (₹ in lakh)
			To be done	Actually done (in percent)	To be const-ructed	Actually const-ructed (in percent)	
1	Bhathiyar 25f2/2007-08	13.3.08	129050	74970 (58)	3	3 (100)	33.79
2	Kumbhari 5f2/2008-09	17.6.08	1350790	1252740 (92)	40	30 (75)	586.08
3	Zirayan 4f2/2008-09	17.6.08	1497450	1497450 (100)	40	29 (72)	712.63
4	Benar more 23f2/2008-09	13.1.09	653580	613223 (94)	11	0 (0)	291.04
5	Marsua 24f2/2008-09	30.6.09	113488	61281 (54)	2	0 (0)	26.90
6	Chandaura – Salempur 4f2/2010-11	20.4.10	197715	150000 (76)	6	3 (50)	128.85
7	Dosut 12f2/2010-11	13.7.10	153500	147831 (96)	5	0 (0)	138.49
8	Meer Nagar 11f2/2010-11	12.6.10	160746	73036 (45)	5	0 (0)	64.02
	Total						1981.80
	WWD, Jehanabad						
9	9f2/08-09	14.2.09	56889	42700 (75)			25.05
10	14f2/08-09	14.2.09	45444	24636 (54)			14.45
	Total						39.50
	Grand total						2021.30

APPENDIX-2.1.6
(Refer : Para 2.1.9.2, page 34)

Statement showing execution of zamindari bandh

(₹ in lakh)

Sl. No.	Name of Zamindari Bandh	Agr. No./ year	Agr. Value	Expenditure incurred	Top width of embankment	Compaction	Turfing
Water Ways Division, Biharshariff							
1	Both bank of Kumbhari river	5f2/ 2008-09	762.63	584.94	3.66	Not done	Not done
2	Kulti to Gobindpur	4f2/ 2008-09	853.03	748.90	3.66	Not done	Done
3	Benar Chilka to Bari Malawa	23f2/ 2008-09	311.25	290.99	3.66	Not done	Not done
4	Bhatiyar zamindari bandh	25f2/2007-08	65.16	33.49	3.66	Not done	Not done
5	Marsua village	24f2/ 2008-09	52.80	31.28	3.66	Not done	Not done
6	Paithane village	6f2/ 2010-11	134.22	107.82	3.66	Done	Not done
7	Mirnagar-Kabirchak	11f2/ 2010-11	145.37	62.19	3.66	Done	Not done
8	Mobarakpur- Nachwar	15f2/ 2010-11	126.49	126.18	3.66	Done	Not done
9	Daily village	10SBD/ 2010-11	193.07	179.74	3.66	Done	Not done
10	Dosut	12f2/ 2010-11	139.42	131.42	3.66	Done	Not done
11	Chanduaa Salempur	4f2/ 2010-11	177.46	130.52	3.66	Done	Not done
12	Dihra (Cheron)	9f2/ 2010-11	82.97	79.60	3.60	Done	Not done
13	Kichni Panalwa	14f2/ 2010-11	109.20	93.30	3.66	Done	Not done
14	Rajpur-Katauna to Kulte Ziar	2f2/ 2009-10	531.20	411.74	3.66	Done	Not done
15	NH 31 to Jansari	1f2/ 2009-10	827.29	661.30	3.66	Done	Not done
	Total			3673.41			
Flood Control Division No.I, Jhanjharpur							
16	Urain Bankatta to Batauna	67/ 2007-08	135.88	114.81	3.66	Not done	Not done
17	Karhara to Birdipur	65/2007-08	123.71	109.23	3.66	Not done	Not done
18	Jagwan to Hiropatti	59/2007-08	57.07	56.29	3.66	Not done	Not done
19	Pali to Najra	56/2007-08	64.82	68.30	3.66	Not done	Not done
20	Basaittha to Agropatti	61/2007-08	113.02	102.41	3.66	Not done	Not done
21	Raghauri to Sandullahpur & Singhia (turfing for 65 per cent done)	58/2007-08	105.15	103.63	3.66	Not done	Done (65 per cent)
22	Heropatti to Raghauri	57/2007-08	84.86	75.30	3.66	Not done	Not done
23	Meghwan to Jagwan	68/2007-08	73.86	72.62	3.66	Not done	Not done
24	Bijalpur to Singhia	49/2009-10	47.85	44.39	3.66	Done	Not done
25	Singhia	77/2009-10	172.27	146.93	3.66	Done	Not done
26	Bhataura to Bijalpur	4/2010-11	90.05	81.52	3.66	Done	Not done
27	Pali (turfing for 25 per cent done)	47/2010-11	456.65	352.72	3.66	Not done	Done (25 per cent)
	Total			1328.15			

Sl. No.	Name of Zamindari Bandh	Agr. No./ year	Agr. Value	Expenditure incurred	Top width of embankment	Compaction	Turfing
Flood Control Division, Naugachia							
28	Ganga Prasad Jamindari Bandh	1f2/2008-09	338.23	295.98	3.66	Not done	Done (8 per cent)
	Total			295.98			
Water Ways Division, Jeha nabad							
29	Sultanpur villalge ch.47 to ch.112	10f2/2007-08	22.18	14.74	3.66	Not done	Not done
30	At village Fatehpur on river Yamuna	31f2/2007-08	13.44	10.67	3.66	Not done	Not done
31	At more bandh in river Morhar	22f2/2007-08	31.52	38.44	3.66	Not done	Not done
32	Ghana Bigaha to Pittam Pura	8f2/2007-08	36.17	33.90	3.66	Not done	Not done
33	Bandhuganj to Samarkand more	16f2/2007-08	12.80	11.93	3.66	Not done	Not done
34	Okari to Chenaharia	28f2/2007-08	6.04	3.67	3.66	Not done	Not done
35	Ratu Bigaha to Haridaspur	14f2/2007-08	20.94	20.92	3.66	Not done	Not done
36	Surdaspur to Modanganj	13f2/2007-08	4.69	2.93	3.66	Not done	Not done
37	Parawan to Ratu Bigaha	10f2/2008-09	10.45	10.81	3.66	Not done	Not done
38	Near Anjani gram	21f2/2008-09	32.83	27.31	3.66	Not done	Not done
39	Near Kundala village	1f2/2009-10	16.24	16.11	3.66	Not done	Not done
40	Gopalpur to Uchita	9f2/2008-09	31.71	25.05	3.66	Not done	Not done
41	Chakdhohara	2f2/2008-09	13.42	13.18	3.66	Not done	Not done
42	Zamindari bandh on Jalwar river	2SBD/2008-09	937.68	981.31	3.66	Not done	Not done
43	Mustafapur to Sunchari and Bele Chornia	22SBD/2008-09	849.20	785.47	3.66	Not done	Not done
	Total			1996.44			
	Grand total			7293.98			

APPENDIX- 2.2.2

(Refer paragraph- 2.2.8.1; Page- 48)

Statement showing Traffic Census not done

SI. No.	Name of division	No. of road works test checked	No. of road works in which traffic census not done
1	Banka	14	3
2	Bettiah	17	11
3	Bhagalpur	13	2
4	Chapra	12	6
5	Darbhanga	20	7
6	Patna west	14	1
7	Purnea	20	9
		110 cases	39

APPENDIX-2.2.3*(Refer: Paragraph 2.2.8.1, page 48)***Statement showing Traffic Census done for only three days**

Sl. No.	Name of division	Name of work	Agreement Number
1	Darbhanga	Improvement of Kamtaul Bharwara in k.m. 0 to 12.5	52 SBD/ 06-07
2		Improvement of Jatmalpur Hayaghat Hathodi Road from Km 1 to 8	49 F2/ 06-07
3		Improvement of Jhanjharpur Bahera Road in Km 0 to 22	2 F2/ 06-07
4		Improvement of Hirni Singhia Road from Km 11.0 to 13.2	53 F2/ 06-07
5		Improvement of Bishanpur Atarbel Km 0 to 14.945	51 SBD/ 06-07
6		Improvement of Jale Atarbel Road Km 0 to 26.2	1 F2/ 06-07
7		Widening and Strengthening of Sakri Bahera Road from Km 0 to 15.75	29 SBD/ 07-08
8	Nawada	W/S of Warsaliganj Katarpur Road in k.m 0 to 11.60	22 F2/06-07
9		W/S of Pakribarawan Warsaliganj Road in k.m. 0 to 12.50	5 F2/07-08
10		Strengthening work in Atari Jethian Tapoban Banganga Road in k.m. 22.70 to 33.30	21 F2/06-07
11		W/S of Atari Jethian Tapoban Banganga Road in k.m. 22.70 to 33.30	12 SBD/10-11
12		W/S of Kawakol Shekhodaura Road in k.m. 0 to 2.80	1 F2/09-10
13		W/S of Hisua Khanwah Road in k.m. 0 to 3	20 F2/06-07
14		W/S of Hisua Khanwah Road in k.m. 4 to 11.20	1 F2/06-07
15		W/S of Warsaliganj Kharat Road in k.m. 0 to 11.10	8F2/07-08
16		W/S of Warisaliganj Barbigha Road in km 4 to 8 and 11 to 24	1 F2/ 07-08
17		Strengthening work of NH-31 Nawada Bazar portion in km 0 to 6.20	7 SBD/ 10-11
18		W/S of NH-31 Rajauli Bazar portion in km 0 to 4.20	11 SBD/ 10-11
19	Patna West	W/S of Danapur Ushari Shiwala Road in k.m. 1 to 6.35	5 F2/06-07
TOTAL	Three divisions	19 cases	

APPENDIX-2.2.4
(Refer: Paragraph 2.2.8.1, page 48)

Statement showing California Bearing Ratio not done

Sl. No.	Name of division	No. of road works test checked	No. of road works in which CBR not done
1	Banka	14	2
2	Bettiah	17	10
3	Bhagalpur	13	2
4	Chapra	12	6
5	Darbhanga	20	5
6	Nawada	11	1
7	Patna west	14	1
8	Purnea	20	9
9	Siwan	16	1
		137 cases	37

APPENDIX-2.2.5

(Refer: Paragraph 2.2.8.2, page 50)

Statement showing work awarded to debarred contractor

(₹ in crore)

Sl. No.	Name of division	Name of contractor	Agreement No./Date	Agreement value	Remarks
1	Jamui	M/s J.K.M. Infra Projects Pvt. Ltd.	8 SBD/10-11 24.08.2010	14.07	Debarred by department/division during the period 04.06.2009 to 31.12.2010 vide letter No. 765 dt-04.06.09 & released vide letter No. 1895 dt. 31.12.10 and RCD letter No. 2267 dt. 12.05.11
2			10 SBD/10-11 03.09.2010	16.75	
3			7 SBD/10-11 11.08.2010	30.59	
4	Bhagalpur	-do-	1 SBD/09-10 08.07.2009	13.99	-do-
5	Banka	M/s Ganesh Ram Dokania	30 SBD/10-11 23.02.2011	5.48	Debarred by BRPNN Vide letter No. 2514 dt-26.08.09 & released vide letter No. 693 dt.-28.02.12
6			16 SBD/11- 1203.02.2012	4.31	
7			29 SBD/10-11 23.02.11	2.85	
8			1 SBD/11-12 06.06.2011	8.79	
9			8 SBD/10-11 09.09.2010 3(P)/2011-12 17.10.2011	14.45	
10	Darbhangha		31 SBD/2011- 12	10.55	
			Total	121.83	

APPENDIX -2.2.6

(Refer: Paragraph 2.2.8.2, page 51)

Statement showing case of single tender in which approval of one stage higher authority was not taken

(₹ in crore)

Name of division	Name of Road	Agreement Number	Agreement Value
Patna West	Improvement of road from Main Gate of BMP-16 at khagaul to khagaul Lock Bridge	37 F2/08-09	0.41
Purnea	Periodical Renewal of Ekahua Mohamdia Basudarha Dubauli Road	27F2/07-08	0.53
	IRQP in NH-31 in town portion road in km 406th	29F2/08-09`	0.47
		TOTAL	1.41

APPENDIX -2.2.7
(Refer: Paragraph 2.2.8.3, page 56)

**Statement showing cases in which Form M & N and transport challans
were not obtained**

(₹ in lakh)						
Sl. No.	Name of division	Name of work	Agreement Number	Agreement Value	Amount paid on item of work in which minor minerals used	Amount paid on carriage
1	Bettiah	Strengthening of Ramnagar Meghwal Road in k.m. 0 to 4.00	2 F2/07-08	93.39	36.80	11.46
2		IRQP work in Ramnagar Meghwal Road in Km 5 th to 12.5	11 F2/ 07-08	236.61	280.87	131.64
3		IRQP in 2 nd Km of Chhotakipatti Kapardhika Road	6 F2/ 10-11	21.73	21.58	7.31
4		W/S of Lauria Ramnagar Road in Km 0 to 19.60	1 SBD/ 06-07	1021.12 and 685.94 (Supple. Ag.)	624.29	306.26
5		IRQP of Tikuliya Jayantiya Giddha Road in Km 1 st	4 F2/ 10-11	7.05	5.94	5.62
6	Chapra	IRQP in Chapra chapra ghat in k.m. 1,2 & 3(p)	15F2/07-08	97.10	19.89	11.91
7		IRQP of Ashoknagar sagaddi in k.m. 1 & 2(p)	19F2/07-08	28.81	10.34	3.77
8		IRQP in Pucchari Harakpur Road in k.m. 1,2 & 3	25F2/07-08	92.09	84.47	38.31
9		PR of Banwar chowk to Pahleza ghat Road in k.m. 1 st to 3 rd	4F2/08-09	39.29	36.28	6.73
10		IRQP in Chapra Sonepur Road in k.m. 51 to 55(p)	8F2/08-09	180.73	178.35	50.23
11		Balance work of chapra chapra ghat in k.m. 1,2 & 3(p)	9 F2/08-09	94.16	79.43	27.97
12	Lakhis - arai	Suryagarha Khaira Mehsauni Road (k.m 8-12.50) part-II	2 SBD of 2009-10	254.81	148.49	48.68
13	New Capital	Construction of Drain Foot Path Paving Block work in Dr. Sri Krishna Singh Road (Taylor Path) for Patel Round about to Bailey Road	2 SBD of 2009-10	219.33	4.08	2.00
14		W/S of Circular Road (Baily Road to Taylor Road via B.P. Mandal Statue) including footpath & drain	3 SBD of 2009-10	597.94	59.11	29.20
15	Patna West	W/S of Danapur Ushari Shiwala Road in k.m. 1 to 6.35	5 F2/06-07	182.67	159.33	55.68
16		Improvement to Masaurhi Pitmas Naubatpur road in k.m. 10.50 to 20.50	12F2/06-07	449.81	253.23	90.46
17		Improvement of Road from main gate of BMP-16 at Khagaul to Khagaul lock Bridge (k.m. 0.395 k.m.)	37 F2/08-09	41.02	18.54	7.83
18	Purnea	IRQP of Purnea Srinagar Road in 6 th to 13 th	2SBD/09-10	310.96	150.75	32.51

SI. No.	Name of division	Name of work	Agreement Number	Agreement Value	Amount paid on item of work in which minor minerals used	Amount paid on carriage
19		IRQP of Routs Malopada Road in km 1 st to 11 th	5SBD/09-10	797.73	334.12	130.23
20		W/s of Dak Bunglow Circuit House Road	9F2/08-09	187.26	131.30	28.33
21		W/s of Jokihat Dalmalpur Gerua Road Km 6,7,8,9,10	52SBD/07-08	730.82	226.35	91.49
22		IRQP of EMBD Road in Km 9 th to 18 th	54F2/07-08	148.81	13.98	8.57
23		IRQP of Krityananad Nagar Champa Nagar Road in Km 4 th to 11 th	55F2/07-08	120.32	113.31	34.05
24		W/s of Baisi Amour Road in Km 3,4,5,6,7(P), 13(P) and 14(P)	14F2/06-07	179.42	85.20	45.23
25		W/s of Chandpur PWD Road to Belgachhi Baisi Border NH-31 via Raunia Kanhariya Road from Belgachhi side) in Km 1 st to 10.20	33F2/06-07	493.99	227.06	133.18
26		W/s of Baisi Amour Road in Km 1 st , 2 nd , 7 th (P) 8 th , 9 th , 10 th , 11 th , 12 th , 13 th (P) and 14 th (P)	38F2/06-07	319.58	143.11	73.86
27		Strengthening work of NH-31 Town Portion Road in k.m. 404(p), 405,407to 411(P) (Joint venture)	BR/NEW/M DR/15/06-07	3877.63	169.33	45.31
28		IRQP of PKSAA Road in Km 11 th , 12 th & 13 th (P)	40F2/08-09	54.40	45.48	7.86
29		IRQP of Purnea Kadwa Sonali Azamnagar Abadpur Road in Km 9 th , 10 th , 14 th to 18 th (P)	28 SBD/08-09	230.95	182.64	26.51
30		IRQP in NH -31 (Town Portion) Road from Km 406 (p)	29F2/08-09	46.79	39.24	8.94
31		S/R to Krityanand Nagar Champanagar Road in Km 1,2,3,12,13 (650m), 14-19	47F2/06-07	161.32	147.41	52.77
32		S/R to Purnea Srinagar Road 2 nd (P) 3,4,5 & 18(P)	18F2/06-07	67.12	23.16	7.08
33		W/S of Jokihat Dalmalpur Gerua in Km 1 to 5	3 SBD/ 09-10	325.35	211.72	65.61
Total	Six divisions	33 cases			4265.18	1626.59

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APPENDIX -2.2.8

(Refer: Paragraph 2.2.8.3, page 56)

Statement showing work not confirming to the specification

Sl. No.	Name of Division	Name of Road	Agreement no.	Ag. Value (₹. in lakh)	Date of BM	Date of Semi Dense Bituminous Course	Delay in days
1.	Aurangabad	R/S of Sinha College More to Rafiganj, Aurangabad	8 SBD/10-11	462.21	7.3.11	30.3.11	23
2.		W/S of Piroo Bantara Road, Aurangabad	6 F2/06-07	668.69	24.6.08	4.7.08	10
					26.6.08	4.7.08	8
					27.6.08	4.7.08	7
3.	Bettiah	IRQP work in Bausi Devipur Ranglalhi Road	1 SBD/09-10	471.31	30.03.10	29.06.10	89
4.		W/S of Bettiah Sewaghat Mainatad Road in Km 5 th , 7 th , 8 th , 9 th (P), 10 th , 12 th to, 15 th , 16 th (P), 17 th (P), 22 nd (P), 23 rd (p), 25 th , 26 th (P), 27 th (P), 30 th , 38 th (p), 39 th (P).	1 SBD/ 08-09	970.84	15.05.09	08.07.09	52
5.		W/S of Bettiah Sewaghat Mainatad Road in Km 3, 4, 6, 9(P), 19(p), 20, 21, 26(p), 27(p), 28, 29, 31 (P), 32 (P), 36 (P), 37(p)	2 SBD/08-09	855.70	30.12.09	05.06.10	124
6.		W/S of Lauria Ramnagar Road in Km 0 to 19.60	1 SBD/ 06-07	1021.12 & 685.94(supp. Ag.)	17.02.08	05.03.08	15
7.	Bhagalpur	Shahkund Asarganj Road in k.m. 0 to 6.5	10 (P) SBD/10-11	638.03	09.06.12	28.06.12	17
8.	Darbhangha	W/S of Sakri Bahera Road in km 0 to 15.75	29 SBD/07-08	1363.87	09.05.09 15.06.09 22.03.10 28.03.10 10.04.10	Nil	SDBC work not done and work rescined on 01.12.2010
9.	Nawada	W/S of Warsaliganj Katarpur Road in k.m 0 to 11.60	22 F2/06-07	447.09	18.03.09 28.03.09 20.04.09 12.05.09	20.04.09 15.05.09 28.05.09 08.06.09	33 48 38 27
10.		W/S of Pakribarawan Warsaliganj Road in k.m. 0 to 12.50	5 F2/07-08	450.33	08.12.09 28.12.09 19.03.10	24.04.10 15.05.10 26.05.10	137 138 68
11.		W/S of Atari Jethian Tapoban Banganga Road in k.m. 22.70 to 33.30	12 SBD/10-11	393.00	26.09.11	25.10.11	30
					27.09.11	07.12.11	71
					28.09.11	07.12.11	70
				30.09.11	09.12.11	70	
12.	W/S of Warsaliganj Kharat Road in k.m. 0 to 11.10	8F2/07-08	473.58	16.01.10	26.03.10	69	
				24.02.10	24.04.10	59	
				06.03.10	12.05.10	67	
				17.03.10	06.06.10	81	
				06.06.10	20.03.11	287	
13.	W/S of Warisaliganj Barbigha Road in km 4 to 8 and 11 to 24	1 F2/ 07-08	645.43	08.06.09	27.06.09	19	
				19.06.09	16.01.10	211	
				25.06.09	24.02.10	244	
				16.01.10	18.06.10	153	

14.		Strengthening work of NH-31 Nawada Bazar portion in km 0 to 6.20	7 SBD/ 10-11	286.93	13.03.11 27.03.11	14.04.11 13.05.11	32 47
15.		W/S of NH-31 Rajauli Bazar portion in km 0 to 4.20	11 SBD/ 10-11	252.76	19.05.11 10.08.11	29.05.11 16.08.11	10 6
16.	Purnea	IRQP of K.C.Road in k.m. 4 th to 11 th	55 F2/07-08	120.32	08.11.08	28.12.08	48
17.		IRQP of Purnea Sri nagar Road in 6 th to 13 th	2SBD/09-10	310.96	18.08.09	29.09.09	40
18.		IRQP of Rوتا Malopada Road in km 1 st to 11 th	5SBD/09-10	797.73	29.04.10	26.05.10	25
19.		IRQP from Belgachhi PWD Road Machhatta Bazar Via Nitendra to Pitch Road (section Kali Mandir to Garia via Ramni Road)	15 SBD/09-10	783.85	19.03.11	05.05.11	45
20.		W/s of Dak bunglow Circuit House Road	9F2/08-09	187.26	30.06.09	02.11.09	123
21.		IRQP of PKSAA Road in Km 11 th , 12 th & 13 th (P)	40F2/08-09	54.40	11.06.09	19.07.09	36
22.		IRQP of Purnea Kadwa Sonali Azamnagar Abadpur Road in Km 9 th , 10 th , 14 th to 18 th (P)	28SBD/08-09	230.95	01.08.09	30.11.09	119
23.		S/R to Purnea Srinagar Road 2 nd (P) 3,4,5 & 18(P)	18F2/06-07	67.12	28.01.07	25.03.07	54
24.		W/S of Jokihat Dalmalpur Gerua in Km 1 to 5	3 SBD/ 09-10	325.35	05.01.10	12.03.10	64
TOTAL		6 divisions	24 cases		12964.77		

APPENDIX -2.2.9
(Refer: Paragraph 2.2.8.3, page 57)

Statement showing Expenditure more than Administrative Approval

Sl. No.	Name of division	Name of Road	AA (₹ in lakh)	Agreement value (₹ in lakh)	Upto date Payment (₹ in lakh)	Increased percent of payment to AA
1.	Banka	Sanhauila-Dhoraiya Road (Km 0 to 11.80)	940.28	1,076.14	1,220.90	30
2.	Bhagalpur	Bhagalpur Alternative Bypass in 7p & 8p (Railway under pass) & Bhagalpur Baikalpic bypass (2 work)	434.84	594.06	548.71	26
3.	Bihar Sharif	Islampur Kewali Rajgir Giriyak Parwatipur Road (Km 48p,49,50p)	67.36	66.59	81.3	21
4.	Bihar Sharif	Makdum Kund Rd	25.36	28.3	30.82	22
5.	Dehri-On-Sone	G.T. Rd to Gagauli Rd (Km 4p-8p)	74.81	79.59	92.5	24
6.	Katihar	Korha Semapur Road (Km 1 to 4)	96.95	102.99	120.14	24
7.	Katihar	Belouri bazar shivganj sonaili bazar road in (Km 19p to 33p)	458.25	566.23	601.15	31
8.	Katihar	Link Road to Purnea Katihar Road & KPRA Road (km 1 & 2)	52.94	78.22	76.6	45
9.	Khagaria	Khararia Sone Mankhi Ghat Link Rd (Km 0 to 3p)	93.07	100.26	113.92	22
10.	Khagaria	Khagraia Allouli Road (Km 1p-4,16,17,18)	115.11	144.38	143.55	25
11.	Lakhisarai	Kiul Station Approach Road (Km 0-2)	108.58	123	130.74	20
12.	Munger	Kharagpur Tarapur Road (Km 0-12.30)	859.07	1,077.20	1,066.78	24
13.	New Capital	Bhootnath Road (Km 0-0.80)	134.42	146.54	297	121
14.	Samastipur	Sarairanjan Kakarghati Road (Km 0 to 1.59)	25.81	29.85	32.75	27
15.	Samastipur	Vidyapati Kakarghati Road (Km 0 to 3)	52.69	61.56	68.03	29
16.	Supaul	Supaul Bina Rd (Km 0 to 6p)	109.22	112.45	131.87	21
17.	Supaul	Remaning work at Pratapganj to Chatapur Road (Km 4 to 13)	470.5	876.65	870	85

APPENDIX-2.2.10
(Refer: Paragraph 2.2.10, page 60)

Statement showing Quality test laboratory not established by contractor

Sl.No.	Name of division	Name of Contractor	Name of work	Agreement Number	Agreement Value (₹ in lakh)
1	Bettiah	M/s R.P.Rai Estate Pvt. Ltd.	W/S of Sariswa Bazar Lalgargh road in k.m. 0 to 12.20	2 SBD/ 06-07	521.57
2			W/S of DMA road from Km 0 to 12.8	3 SBD/ 06-07	623.99 and 211.65 (Suppl Ag..)
3			W/S of Narkatiyaganj Ramnagar Road in k.m. 0 to 14.50	4 SBD/ 06-07	527.13
4			W/S of Lauria Ramnagar Road in Km 0 to 19.60	1 SBD/ 06-07	1021.12 and 685.94 (Suppl. Ag.)
5		M/s Naraini Nirman	Strengthening work of Chhotakipatti Kapardhika Road in Km 1 st , 3 rd to 9 th (P), and 11 th	3 SBD/ 08-09	365.73
6			Strengthening of Ramnagar Meghwal Road ino to 4.00 Km	2 F2/07-08	93.39
7			IRQP work in Ramnagar Meghwal Road in Km 5 th to 12.5	11 F2/ 07-08	236.61
8		Raja Construction Pvt. Ltd.	IRQP work in Bausi Devipur Ranglalhi Road	1 SBD/09-10	471.31
9		Abhishek Kumar Roy	IRQP of Lauria Nandangarh Road in Km 1 st and 2 nd for the year 2007-08	3 F2/ 07-08	57.13
10		Ali Akbar Ansari	IRQP work in Km 2,3,4and 8 P of Ti kuliya Jayantiya Giddha Road for the year 2007 -08	4 F2/ 07-08	52.27
11		M/s Chanakaya Technos Pvt. Ltd.	PR work in Km 0 to 20 of Lauria Ramnagar Road	1 SBD/ 11-12	333.28
12		New Bharat Construction Company	IRQP in 2 nd Km of Chhotakipatti Kapardhika Road	6 F2/ 10-11	21.73
13		Rabindra Kumar Tiwary	IRQP of Lauria Laheria Chanpatiya Path in Km 0 to 5	3 F2/ 09-10	106.30
14		Ranvijay Kumar Singh	IRQP of Tikuliya Jayantiya Giddha Road in Km 1 st	4 F2/ 10-11	20.68
15	Darbhanga	M/s Brajendra Kumar	Improvement of Ausi Raiyyam from Km 0 to 4.8	27 F2/ 06-07	144.44
16		M/s Highway & Hydel Project Pvt. Ltd.	Improvement of Kamtaul Bharwara o to 12.5	52 SBD/ 06-07	1114.22
17			Improvement of Bishanpur Atarbel Km 0 to 14.945	51 SBD/ 06-07	1212.05
18			Improvement of Jale Atarbel Road Km 0 to 26.2	1 F2/ 06-07	2213.43
19		M/s Raghav Shivcon	Improvement of Jatmalpur Hayaghat Hathodi Road from Km 1 to 8	49 F2/ 06-07	187.60
20			PR of Mathaur Garaul Chakka Alinagar Road from Km 0 to 9	22 F2/ 08-09	171.65
21			IRQP in Tarasarai Muriya Raiyyam Road from Km 0 to 6	26 F2/ 08-09	143.57
22		M/s Yogendra Rai	Improvement of Jhanjharpur Bahera Road in Km 0 to 22	2 F2/ 06-07	1188.97
23		M/s Raghav Construction	Improvement of Hirni Singhia Road from Km 11.0 to 13.2	53 F2/ 06-07	266.27
24		S.S. Construction	Widening and Strengthening of Sakri Bahera Road from Km 0 to 15.75	29 SBD/ 07-08	1363.87

SL.No.	Name of division	Name of Contractor	Name of work	Agreement Number	Agreement Value (₹ in lakh)
25		Satish Thakur	IRQP in Shivdhara Mohammadpur Road in Km 1 and 2	16 F2/ 08-09	98.90
26			IRQP work in Bus stand Darbhanga Singh Darwaza Hasan Chowk Road	1 F2/ 2009-10	88.54
27		M/s Vidhyarthi Construction	IRQP work in Thengha Mahinamghat Road in Km 0 to 20.6	25 SBD/ 08-09	865.37
28		C.K. Construction	IRQP of Ashok Paper Mill Road from Km 0 to 4.15	13 F2/ 10-11	85.65
29		Sanjay Prasad Singh	IRQP of Tarasarai Muriya Raiyyam Road from Km 7 to 12.8	11 F2/ 10-11	139.30
30		J.K.M.Infra Projects Pvt. Ltd.	Reamining work of Sakri Bahera Road in Km 0 to 15.75	1 SBD/ 11-12	961.68
31		Om Tridev Construction	IRQP work in Araila Kanouzerghat via Moro Road	45 SBD/ 2011-12	632.13
32		Electra construction	IRQP work in Road Old Alignment of NH - 57 Delhi More (Choudhary Charan Singh Chowk) to Ekvinda via Baghmore and Belamore	49 SBD/ 2011-12	447.40
33		Ganesh Ram Dokania	Widening and strengthening of Benipur Bishanpur Road in 0 to 12.5 Km	31 SBD/11-12	1055.13
34	Patna West	Surendra Narain Singh	W/S of Danapur Ushari Shiwala Road in k.m. 1 to 6.35	5 F2/06-07	182.67
35		M/s Kumar Construction	Improvement to Masaurhi Pitmas Naubatpur road in k.m. 10.50 to 20.50	12F2/06-07	449.81
36		Mother India Construction Pvt. Ltd.	W/S of Dulhin Bazar Rani Talab Pali Kinjer road in k.m. 0 to 9.14	38 F2/06-07	382.92
37			W/S (including cross drainage work) of Bihta Lai Road from k.m. 0 to 8.10	36 SBD/08-09	899.41
38		Ashish Ranjan	Improvement of Road from main gate of BMP-16 at Khagaul to Khagaul lock Bridge (k.m. 0.395 k.m.)	37 F2/08-09	41.02
39		C.K.Infra	Balance work of widening & strengthening of Bailey Gate Road k.m. 0 to 4 Jagdeo path more to Saguna more	92 SBD/08-09	1609.97
40		Aptech Builder Pvt. Ltd.	W/S of pali Ullar Masaurhi Road in k.m. 0 to 11.50	23 SBD/09-10	1720.30
41		Sai Engicon & Construction Pvt. Ltd.	W/S of Bankipur Danapur Road (St. Michael 's school to Danapur Cantt.) in k.m. 0 to 6.097	7 SBD/ 09-10	1030.10
42		Y.F.C.	Improvement of Ashiyana -Digha Road to BD Road via Polsion dairy	72 SBD/10-11	439.46
43			Improvement to Gola Road (Bailey road to Danapur Gola in length 5.40	68 SBD/10-11	1230.28
44		Arjun Engicon	Improvement of Khagaul Jamaluddin Chak Road in k.m. 0 to 3.064	69 SBD/11-12	441.29
TOTAL	3 divisions		44 cases		26157.23

APPENDIX-2.2.11
(Refer: Paragraph 2.2.10, page 60)

**Statement regarding number of quality test done by Quality Control
Laboratory at division level**

Sl. No	Name of Division	No. of road works test checked	No. of road works in which no/less quality test performed	Agreement Value (₹ in lakh)	No. of quality test performed			
					GSB/ G-I/ G-II	WBM/WM M/SMG-II & III	BM	SD B C
1	Bettiah	17	15	7070.07	2	2	2	Nil
2	Chapra	12	11	5428.22	16	32	46	36
3	Darbhanga	20	13	5463.46	32	105	64	39
4	Patna West	14	5	4350.83	24	28	Nil	Nil
5	Purnea	20	18	9802.37	2	78	Nil	Nil
	TOTAL	83	62	32114.95	76	245	112	75

APPENDIX- 3.1.1*(Refer : Paragraph 3.1.3.1, Page - 66)***Statement showing Calculation of loss of interest in Development Fund Account****(Amount in ₹)**

Years	Minimum Annual Balance	Rate of Interest on FD/ per annum	Interest on Minimum Annual Balance for one year	Interest Received from Saving Account
2007-08	29951911.62	8.25%	2471033	1412319
2008-09	34627386.62	8.75%	3029896	1361480
2009-10	39828956.22	8.10%	3226145	1551271
2010-11	29588815.22	6.00%	1775329	1651750
2011-12	71883006.22	8.25%	5930348	2936494
			16432751	8913314
			Loss of interest	7519437

APPENDIX 3.1.2

(Refer : Paragraph 3.1.3.1, Page - 66)

Statement showing Loss of revenue in the shape of interest

(Amount in ₹)

Date	Balance amount	Withdrawal	Balance	No. Of days	Interest @ 3.5 per cent
31-03-2008	9550000.00	0.00	9550000.00		
14-08-2008	9550000.00	659903.00	8890097.00	136	115936.61
28-08-2008	8890097.00	500000.00	8390097.00	14	11263.42
17-10-2008	8390097.00	590098.00	7799999.00	50	37397.26
27-12-2008	7799999.00	500000.00	7299999.00	71	49699.99
27-02-2009	7299999.00	465710.00	6834289.00	62	40631.25
30-03-2009	6834289.00	296803.00	6537486.00	31	19433.35
01-06-2009	6537486.00	848775.00	5688711.00	63	34366.05
22-07-2009	5688711.00	106814.00	5581897.00	51	27297.77
22-07-2009	5581897.00	178776.00	5403121.00	0	0.00
29-10-2009	5403121.00	667173.00	4735948.00	99	44959.07
15-12-2009	4735948.00	392063.00	4343885.00	47	19577.24
04-05-2010	4343885.00	557307.00	3786578.00	140	50833.51
17-05-2010	3786578.00	505359.00	3281219.00	13	4090.29
15-09-2010	3281219.00	384593.00	2896626.00	121	33608.80
13-09-2011	2896626.00	499056.00	2397570.00	363	83455.14
31-03-2012	2397570.00	0.00	2397570.00	200	45980.79
TOTAL					618530.53

APPENDIX-3.1.3
(Refer : Paragraph 3.1.3.4, Page - 68)

Statement regarding outstanding advance against outside agency

Sl. No.	Name of agency	Advance taken before 4/07	Total outstanding advance	Sl. No.	Name of agency	Advance taken before 4/07	Total outstanding advance
1.	M/s Hindustan Paper	702151	910614	23.	Pr. , D.A.V . Public School, Patna	25,000	25000
2.	M/S Bharat Commercial Agency	0	207000	24.	Principal,Arvind Mahila College	8,750	8750
3.	M/s Xerox World services.	0	10405	25.	Principal B. N Collegiate, Patna	12,500	12500
4.	M/s Aditya Vision	0	105516	26.	Principal R.B Vidyalaya, Patna	10,000	10000
5.	M/s Milan Stationers	11562	228344	27.	Principal Patna Medical College	0	45000
6.	M/s Krishna Consultancy	3000	3000	28.	M/s Essan Computer	0	30,000
7.	M/s Allied Trading Agency	13135	13135	29.	Sanjay Kr., Telephone Operator	0	4,720
8.	M/s Goenka Enterprises	20146	20146	30.	New Kohli (sports)	0	34,200
9.	M/s Gestener India Ltd.	13317	13317	31.	M/s New Kohli(Sports)	0	14,400
10.	M/s Margo Electronics	1368	1368	32.	Bihar Hindu Granth Acadamy	0	40,000
11.	M/s Micro Computer	167781	167781	33.	M/s Bharat Commercial Agency	11,499	18,58,541
12.	M/s Milan Store Patna	48863	48863	34.	Sushil Kumar, Telephone Operator	14,535	22,805
13.	M/s Patna Battery Centre	4050	4050	35.	M/s Milan Stationery	0	14,57,761
14.	Sri Sheo pd. Contractor	10000	10000	36.	M/s Data Com Service	0	59,560
15.	M/s Patna Cycle Stones	6338	6338	37.	AO, BSNL	0	4,192
16.	Principal, Ram Mohan Roy Seminary	12,500	12500	38.	L. Kumar & Associate(CA)	0	5,000
17.	Principal Patna Collegiate, High School	12,500	12500	39.	M/s Jaidka Motors	0	6,97,216
18.	Principal Govt. High school, Patna	14,500	14500	40.	NICL	0	27,585
19.	Pr., G.D. Patliputra Inter School Patna	12,500	12500	41.	M/s Smart Service (IOC)	0	13,635
20.	Pr., Govt. Girl's High School, Patna	12,500	12500	42.	M/s Alok Tel	0	2,053
21.	Principal A.N. College, Patna	35,000	35000	43.	M/s Mujeeb automobiles	0	1,875
22.	Pr., Govt. High School, Patna	21,250	21250	44.	M/s Milan store, Patna	0	2,89,661

45.	M/s Anil auto Service	0	9,743	52.	Sheo Prasad, Contractor	0	1,407
46.	M/s Malhotra Brothers	0	3,940	53.	M/s Goenka Enterprises	0	1,71,179
47.	M/s C.R. Enterprises	0	6,388	54.	M/s Maurya Lok, Peon NIC	0	1,08,305
48.	M/s Elite Trading Agency	0	9,667	55.	M/s Prompt Printer	0	40,000
49.	M/s Bijay Bhandari	0	3,132	56.	M/s Bullet Battery	0	4,100
50.	M/s Binay Elctrical	0	4,520	57.	Patna Telecom Service	0	4,695
51.	M/s Swaraj Hind Maker	0	24,000	58.	Singhal Brothers	0	12,500
Grand Total						12,04,745	69,38,657

APPENDIX- 3.1.4

(Refer : Paragraph 3.1.3.5, Page -69)

Statement showing Detail regarding utilisation of fund

(₹ in lakh)

Scheme	Year	Amount sanctioned	No. of instalments	Grant received	Actual expenditure
General Development Grant	2007-08	756.25	2	60.50	42.51
	2008-09		2	181.50	46.11
	2009-10		-	-	55.63
	2010-11		1	151.25	24.53
	2011-12		-	-	16.07
	2012-13		-	-	11.25
Merge Scheme	2007-08	457.00	1	56.95	0.12
	2008-09		-	-	1.73
	2009-10		-	-	8.87
	2010-11		1	191.55	14.01
	2011-12		-	-	3.57
Total		1213.25	7	641.75	224.40

(Source : Sanction letters of UGC and UC submitted by PU)

Appendix-3.1.5
(Refer : Paragraph 3.1.3.5, Page - 70)

Statement showing Unfruitful expenditure on incomplete works

Sl. No.	Name of work	Estimate	Work executed	Scheme sanctioned & grant released		Released	Tender detail		Agreement			Date of commencement (completion date)	Work stopped from	Payment against Work done	Work done (In per cent)	Remark
				Agency (grant released)	Sanctioned amount		NIT & Date	BOQ	Agreement No.	Agreement value	Name of Agency					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Air conditioning of Wheeler Senate Hall P.U., Patna	1997438	All work	UGC (2005-06)	1997438	1000000	01/08 dt 14.2.08	2000000	17/08-09	2229425	M/S B.Prasad & company	07.08.08 (06.02.09)	28.04.09	1559293	70	Civil work incomplete due to unavailable offund
2	Construction of Women's Hostel(S/F) Over F.F at Krishna Chat Patna	2309654	civil work	UGC (2005-06)	2500000	1250000	02/08 dt 27.2.08	2309654	18/08-09	2563716	Sri Ashok Kr. Sinha	17.07.08 (16.03.09)	09.09.08	1250000	59	Do
3	Construction of Hostel cum Guest House of Academic Staff College at Saidpur P.U Patna	5810197	civil work	UGC (2008-09)	7500000	7000000	14/Udt 19 .12.08	8772691	63/08-09	9474506	M/S Baidyath construction,Sri Parveen Kr. Singh	03.02.09 (02.02.10)	13.05.10	7380495	78	Do
4	Construction of building of library & seminar Hall of PG Dept. Law College	1368000	All work	UGC (2005-06)	1000000	500000	03/8 dt 15.5.08	1556981	65/08-09	1782743	Sri Kameshwar Pd. Singh	10.02.09 (09.06.09)	29.06.09	475579	27	Do
5	Construction of Language Block on the roof of Academic Building in Patna College Patna	4741000	All work	UGC (2005-06)	5000000	3000000	03/8 dt 15.5.08	5802860	66/08-09	6151032	M/S Epitome construction PVT. LTD	19.02.09 (18.11.09)	07.02.11	2984073	49	Do
6	Construction of Building of Microbial Biodiversity Biotechnology Building at Science College Campus P.U Patna	1681000	civil work	UGC (2005-06)	1681000	900000	02/8 dt 27.2.08	2050000	32/09-10	2050000	Sri Bipin Bihari Panday	22.07.09 (21.04.10)	09.07.10	776656	38	Do
7	Construction of sports building at Science College Campus P.U Patna	2567500	civil work	UGC (2006-07)	3000000	1500000	02/08 dt 27.2.08	2700000	08/09-10	2700000	M/S Uma Shankar Mishra	02.05.09 (01.11.09)	06.03.10	626188	23	Due to agency
	Total				22678438	15150000		25192186		26951422				15052284		

(Source : Proceedings of Building Committee, agreements, measurement book and progress report)

APPENDIX-3.1.6

(Refer : Paragraph 3.1.3.5, Page - 70)

Statement showing Details of utilisation(U/C) of Books and Equipment under
XIth General Development Grant

Name of Department	Total amount given up to March 2010	Total Utilisation up to March 2010
English	350000	150000
Hindi	250000	150000
Sanskrit	200000	150000
Maithali	100000	50000
Bengali	125000	74998
Urdu	250000	249995
Arabic	175000	50000
Persian	200000	200000
Philosophy	150000	150000
P.M.I & R	450000	450000
Economics	625000	200000
Rural studies	300000	300000
History	450000	299998
Pol.Science	150000	150000
Sociology	250000	0
A.I.H & Arch	250000	86761
Geography	1200000	699829
Home science	700000	400000
Physics	1200000	800000
Psychology	1100000	949237
Chemistry	800000	400000
Botany	1400000	935781
Bio chemistry	1300000	433460
Zoology	1975000	1600000
Geology	1775000	650000
Mathematics	400000	300000
Statistics	400000	100000
Applied economics and commerce	300000	199968
Education	300000	291028
Law	400000	200000
IPA	50000	50000
IPRS	250000	250000
I.L & Information science	350000	100000
Central Dispensary	1800000	1400000
P.U Central Library	800000	400000
P.U.Computer centre	625000	598923
Works department	950000	955129
Total	223,50,000	144,25,107

(Source : Development Wing, Patna University)

Appendix-3.1.7

(Refer: Paragraph 3.1.3.5, Page -70)

Statement showing Details of Expenditure under Merged Scheme(during 2007-2010) against grant received ₹ 56.95 lakh

Year	Date	Purpose	Amount
2007-08	17.3.08	Visually handicapped teacher	12,000
2008-09	31.3.09	Travels grant (Deptt. Of Botany)	63194
	25.4.08	Seminar (PMIR)	50000
	13.2.09	Seminar (Deptt. Of Bengali)	10000
	18.12.08	IATE conference	50000
2009-10	27.4.09	Visually handicapped teacher	18000
	13.4.09	Seminar (Deptt. Of Botany)	25000
	27.7.09	Seminar (Deptt. Of Geography)	35000
	27.7.09	---DO---	35000
	28.10.09	Seminar (PMIR)	125000
	3.11.09	----Do---	95000
	6.2.10	Seminar (Deptt. Of Bengali)	30000
	13.3.10	Seminar (Deptt. Of Persian)	10000
	20.3.10	Seminar (Deptt. Of Economics)	15000
	31.3.10	Women facilities (for Gymnasium)	499200
Total Expenditure upto March 2010			10,72,394
Grand total (Appendix 3.1.6+3.1.7)			1,54,97,501

(Source : Development Wing, Patna University)

APPENDIX-3.1.8

(Refer : Paragraph 3.1.3.5, Page -70)

Statement showing Details of diversion from Books and Equipment Grant

Name of Department	Name of item	Quantity	Amount	Cheque No	Date	Fund provided for Books and equipment
Education	Laptop	1	26990	20983	15.03.08	300000
	Water cooler	1	15000	20986	15.03.08	
	Computer with UPS	3	82500	354196	08.01.10	
Home Science	Laptop	1	34300	1202	03.02.09	700000
	Desktop with UPS & Printer	1	38900	78935	29.03.08	
	Samsung Faw /M,TV,AC& Cooler	1	46900	78940	30.03.08	
Geology	Laptop	1	49990	22279	30.03.09	1775000
	Desktop	1	33217	22279	30.03.09	
	Water Purifier	1	7490	22282	30.03.09	
	UPS	1	6500	416602	08.09.10	
	Window AC	2	33500	279878	02.01.10	
	Desktop computer with UPS	1	43600	416628	31.03.11	
Chemistry	Desktop, laptop and Printer	1	90810	386007	14.03.08	800000
	Laptop	1	43401	364776	06.04.10	
Mathematics	Desktop	3	115190	3586	14.03.08	400000
	Computer Table	3	7050	3589	14.03.08	
Central Dispensary	AC	1	41690	205214	02.09.09	1800000
	Computer	4	170656	205237	17.12.09	
	Monitor & Mouse	1	5350	205249	18.03.10	
	Printer Table	1	1265	392701	23.03.10	
	Water cooler cum Purifier	1	28380	368197	08.06.09	
	Computer with printer	4	145200	392737	15.11.10	
	UPS	4	6800	392732	25.10.10	
Biochemistry	Laptop	2	105000	29564	14.10.09	1300000
Botany	Desktop computer with printer, Antivirus and UPS	1	42780	417001	28.10.10	1400000
	Split AC	2	56700	315643	10.01.09	
P.U.Computer centre	Split AC	6	138133	374342	09.11.09	625000
	Stabiliser	8	41955	374342	09.11.09	
	VAT		22511	374343	09.11.09	

Physics	HCL computer with Antivirus	3	103216	291268	28.03.08	1200000
	Dell computer	5	172729	386350	31.03.09	
Geography	HP Desktop Computer with TFT monitor	5	224796	338441	15.03.08	1200000
	UPS	6				
	Scanner	1				
	Desktop Computer	1	37500	424014	30.03.11	
Total			2056499			11500000

(Source : Utilisation certificates and vouchers furnished by concerned PG Departments)

APPENDIX-3.1.9*(Refer : Paragraph 3.1.4.1, Page -72)***Statement showing Sequence of events**

Date	Event
05.01.2012	Mindologicx Infratech Ltd invited the VC to attend a seminar at Mahabalipuram, TamilNadu on 3-4 February 2012
3-4 Feb 2012	VC attended symposium on “Knowledge Conclave of Intellects” at Radisson Resort, Mahabalipuram, TamilNadu, organized by Mindologicx Infratech Ltd
13.02.2012	New FA and FO appointed and joined the PU.
14.02.2012	Presentation on Examination Management System
23.02.2012	Draft of Tender Document put-up
24.02.2012	Approval of Draft Tender Document
24.02.2012	Letter to Advertising Agency for publication of tender
28.02.2012	Tender published in newspaper
05.03.2012 (03:30 PM)	Tender opened by Tender Committee
05.03.2012 (04:00 PM)	Meeting of Tender Sub-committee
06.03.2012 (03:00 PM)	Meeting of IT core group
16.03.2012	Constitution of Inspection Committee by Purchase-Sale Committee
21.03.2012	Visit to Bangalore University, Bangalore by Inspection Committee
22.03.2012	Visit to Visveswaraiah Technical University, Belgaum by Inspection Committee
24.03.2012	Submission of Inspection report by Inspection Committee
27.03.2012	Approval by Finance Committee
27.03.2012	Opening of Commercial Bid
29.03.2012	Approval by Syndicate, Patna University
30.03.2012	Constitution of Negotiation-cum-implementation Committee
11.04.2012 & 12.04.2012	Meeting of Negotiation-cum-implementation Committee
12.04.2012	Report of Legal Affairs Committee on Draft Agreement
13.04.2012	Agreement with M/s Mindlogicx Infratech Ltd.

APPENDIX-3.1.10
(Refer: Paragraph 3.1.4.2 Page -72)
Statement showing irregular payment on carriage

Sl. No.	Ag. No.	Particular	Material			Total (3+4+5)	Agreement Above(+)/below(-)		Total (6+8)
			sand	L sand	Stone chips		Rate	Amount	
1	2	3	4	5	6	7	8	9	10
1	18/08-09	Construction of Womens Hostel(S/F) Over FF at Krishna Ghat Patna	44091.00		55144.00	99235.00	(+11)	10915.85	110150.85
2	55/08-09	Re-roofing & S/R to FF of Hathwa Hostel, P.U Patna	84304.91	132961.35		217266.26	(+8)	16294.97	233561.23
3	63/08-09	Construction of Hostel cum Guest House of Academic Staff College at Saidpur P.U Patna	138874.00	91078.00	769381.00	999333.00	(+8)	79946.64	1079279.64
4	65/08-09	Construction of building of library & seminar Hall in PU	6997.00		17078.00	24075.00	(+14.50)	3490.88	27565.88
5	66/08-09	Construction of Language Block on the roof of Academic Building in Patna College Patna		17494.00	98861.00	116355.00	(+6)	6981.30	123336.30
6	8/09-10	Construction of sports building at Science College Campus P.U Patna	2520.00		5044.00	7564.00	BOQ	0.00	7564.00
7	26/09-10	Construction of Building on 2 nd floor of Adm. Buildings, Computer center P.U Patna	25495.00		75839.00	101334.00	(-).10	1114.67	100219.33
8	32/09-10	Construction of Building of Microbial Biodiversity Biotechnology Building at Science College Campus P.U Patna		8755.00	31062.00	39817.00	BOQ	0.00	39817.00
9	95/09-10	Construction of Library cum Seminar Hall Building at Law College P.U Patna	172834.00	111112.00	751841.00	1035787.00	(-).13	31073.61	1004713.39
10	07/10-11	Construction of open drain in hostel No-01,05,06 & Main line with R.C.C recast slab in Saidpur Campus P.U Patna	21007.00	7568.00	33189.00	61764.00	BOQ	0.00	61764.00
11	34/10-11	Renovation of work dept	3251.00			3251.00	(-).12.50	406.38	2844.63
12	6/10-11	Renovation of science block at Magadh Mahila College	87872.37	265.77	96997.50	185135.64	BOQ	0.00	185135.64
13	3/10-11	Renovation of main building at Magadh Mahila College	29205.00			29205.00	BOQ	0.00	29205.00
14	5/10-11	Construction of P.G. building at Magadh Mahila College	76632.00	178924.48	233366.67	488923.15	(+6)	29335.39	518258.54
15	1/09-10	Construction of women's hostel at Magadh Mahila College	104127.00	239245.44	327231.90	670604.34	BOQ	0.00	670604.34
16	11/08-09	Renovation of Newton hostel at Science College	4195.61		3038.65	7234.26	(+5)	361.71	7595.97
17	14/08-09	Renovation of cupboard at Newton hostel at Science College	3525.70		3063.21	6588.91	BOQ	0.00	6588.91
Total			804931.59	787404.04	2501136.93	4093472.56		179921.40	4208204.64

(Source : Agreements, measurement book and progress report)

Appendix-3.1.11
(Refer: Paragraph 3.1.4.2 Page - 72)

Statement showing Royalty

Sl. NO.	Name of Work	Agreement No.	Agreement Value	Gross Value of Work done	loss of revenue due to non submission of form M & N
1	2	3	4	5	6
1	Construction of Womens Hostel(S.F) Over F.F at Krishna Ghat Patna	18/08-09	25,63,716	15,02,546	11,059
2	Re-roofing & S/R to F.F of Hathwa Hostel, P.U Patna	55/08-09	41,49,715	37,50,048	20,701
3	Construction of Hostel cum Guest House of Academic Staff College at Saidpur P.U Patna	63/08-09	94,74,506	73,80,495	58,750
4	Construction of building of library & seminar Hall in PU	65/08-09	17,82,743	4,75,579	2,517
5	Construction of Language Block on the roof of Academic Building in Patna College Patna	66/08-09	61,51,032	29,84,073	20,622
6	Construction of sports building at Science College Campus P.U Patna	8/2009-10	27,00,000	6,26,188	3,397
7	Construction of Building on 2 nd floor of Adm. Building, Computer center P.U Patna	26/09-10	27,65,244	11,10,591	5,445
8	Construction of Building of Microbial Biodiversity Biotechnology Building at Science College Campus P.U Patna	32/2009-10	20,50,000	7,76,656	6,985
9	Construction of Library cum Seminar Hall Building at Law College P.U Patna	95/09-10	1,31,86,272	95,31,239	74,151
10	Renovation of work deptt	34/10-11	4,20,000	1,64,700	203
11	Renovation of science block at Magadh Mahila College	6/10-11	38,00,000	39,94,678	11,933
12	Renovation of main building at Magadh Mahila College	3/10-11	15,50,000	15,70,405	1,827
13	Construction of P.G. building at Magadh Mahila College	5/10-11	85,69,216	41,61,004	45,167
14	Construction of women's hostel at Magadh Mahila College	1/09-10	91,49,635	59,74,806	62,353
15	Renovation of Newton hostel at sciences college	11/08-09	7,49,878	8,51,530	850
16	Renovation of cupboard at Newton hostel at sciences college	14/08-09	2,72,605	2,97,680	774
17	Construction of open drain in hostel No:01,05,06 & Main line with R.C.C recast slab in Saidpur Campus P.U Patna	07/10-11	16,66,400	5,45,400	6,057
Total					3,32,791

(Source : Agreements, measurement book and progress report)

APPENDIX-3.1.12
(Refer : Paragraph 3.1.4.2, Page - 73)

Statement regarding non-deduction of Labour cess

Year	No. Of works taken for execution	Agreement value	Gross value of work done	Non deduction of labour cess
2007-08	38	79,09,130	89,28,253	89,282
2008-09	46	71,36,076	61,48,335	61,483
2009-10	70	1,56,79,836	1,20,50,457	1,20,504
2010-11	13	24,09,175	13,99,472	13,995
2011-12	1	50,000	48,986	490
Work examined by audit				
2008-09	8	2,73,73,620	1,88,01,244	1,88,012
2009-10	7	3,20,28,151	1,89,60,480	1,89,605
2010-11	7	2,10,46,492	1,38,17,336	1,38,174
Total	190	11,36,32,480	8,01,54,563	8,01,545

(Source : Progress report of works)

Appendix-3.1.13

(Refer : Paragraph 3.1.5.1, Page –74)

Statement showing Electricity Dues on Saidpur Hostel upto May 2012

Sl. No.	Hostel No.	Account No.	Category	Dues Amount in crore	Remarks
1	Hostel No. 02	48269	HT	7.91	
2	Hostel No. 04	48251	HT	3.72	
3	Hostel No. 03	45518	NDS-II	3.97	Line Disconnected on 16.07.2007
4	Hostel No. 07	186969	NDS-II	2.46	Line Disconnected on 16.07.2007
		Total		18.06	

(Source : information and bill furnished BSEB)

Accumulated dues of electricity

Sl. No.	Location of meter	Account no.	Dues outstanding as on 05/12(in crore)	Remarks
1	Senate hall	13594	0.16	Meter not found.
2	Godown (PU campus)	16234	0.76	The space was handed over to Railway for opening of reservation counter and Railway had installed its own meter.
3	Animal house (PG Deptt. Sc. College)	25123	0.10	Meter not found.
4	Krishna Kr. Kunwar	15975	0.04	Retired employee was residing in staff quarter.
5	Shiv Narayan Sharma	15976	0.01	Retired employee was residing in staff quarter
	Total		1.07	

APPENDIX – 3.2.1
(Reference: Paragraph-3.2.2; page 76)
Organisational Set up of State CAMPA

The Governing Body		The Steering Committee		The Executive Committee	
Chief Minister	Chair Person	Chief Secretary	Chair Person	Principal Chief Conservator of Forest	Chair Person
Minister of Forest	Member	Principal Chief Conservator of Forest	Member	Chief Wild Life Warden	Member
Minister of Finance	Member	Principal Secretary (Forest)	Member	Principal Chief Conservator of Forest (Plan/ Scheme)	Member
Minister of Planning	Member	Principal Secretary (Finance)	Member	Finance Controller/ Finance advisor in the office of the Principal Chief Conservator of Forest	Member
Chief Secretary	Member	Principal Secretary (Planning)	Member	Two eminent NGO's to be nominated by the State Government for a period of 2 years at a time who shall be eligible for re nomination	Member
Principal Secretary (Finance)	Member	Chief Wild Life Warden	Member	Nodal Officer	Member Secretary
Principal Secretary (Planning)	Member	Nodal Officer	Member		
Principal Chief Conservator of Forest	Member	A representative of Ministry of Environment & Forest	Member		
Chief wild life Warden	Member	Two eminent NGO's to be nominated by the State Government for a period of 2 years at a time who shall be eligible for re nomination	Member		
Secretary (Forest)	Member Secretary	Chief Conservator of Forest (Plan/ Scheme)	Member Secretary		

APPENDIX – 3.2.2
(Reference: Paragraph-3.2.4.1; page 78)
Statement showing Violation of Forest (Conservation) Act, 1980

Name of Forest Division	Name of User Agency	Total land diverted (in hectare)	No. of cases	Demand of				Total Demand			Deposited			Outstanding amount
				NPV	CA/PCA	CA/PCA	NPV	NPV	CA/PCA	CA/PCA	NPV	NPV	CA/PCA	
Banka	RCD, Banka	104.32	10	656.17	32.83	689.00	653.12	Nil	653.12	653.12	Nil	653.12	35.88	
Banka	WRD, Banka	101.65	01	Nil	404.66	404.66	Nil	24.27	24.27	24.27	Nil	24.27	380.39	
Jamui	RCD&CPWD	100.99	15	627.09	861.98	1489.07	Nil	Nil	Nil	Nil	Nil	Nil	1489.07	
Kaimur	CPWD	22.60	01	Nil	31.60	31.60	Nil	Nil	Nil	Nil	Nil	Nil	31.60	
Nawada	State Highway	67.93	01	425.24	Nil	425.24	Nil	Nil	Nil	Nil	Nil	Nil	425.24	
Saran	National Highway	0.45	01	2.61	Nil	2.61	Nil	Nil	Nil	Nil	Nil	Nil	2.61	
	Total	397.94	29	1711.11	1331.07	3042.18	653.12	24.27	677.39	677.39	24.27	677.39	2364.79	

APPENDIX – 3.2.3
(Reference: Paragraph-3.2.5; page79)
Unspent money deposited by the Divisions into State CAMPA Fund

Sl. No.	Name of offices	Name of related agencies	Date of receipts	Amount (in ₹)
1	DFO, Purnea	NHAI- 57* Other**	08.10.2010	12440840.00
2	DFO, Araria	NHAI- 57	10.11.2010	46209510.00
3	DFO, Saharsa	NHAI-57	15.12.2010	15361134.00
4	DFO, Mithila (Darbhanga)	NHAI-57	02.02.2011	3740632.00
5	DFO, Tirhut (Muzaffarpur)	NHAI-57	03.02.2011	14373555.00
6	RCCF, Patna	NH-2	10.02.2011	12030800.00
7	DFO, Nalanda	Other	31.03.2011	2417913.00
8	DFO, Begusarai	Other	19.04.2011	379400.00
9	DFO, Gaya	Other	15.02.2011	475879.00
10	DFO, Gaya	Other	22.02.2011	51600.00
		Other	20.03.2012	2120514.00
11	DFO, Kaimur	NH-2	31.03.2011	18101082.00
12	DFO, Rohtas	NH-2	21.04.2011	7636536.00
13	DFO, Aurangabad	NH-2	21.04.2011	20201148.00
Total				155540543.00

(Source: Figures furnished by the State CAMPA)

*NHAI-National Highway Authority of India.

**Other- Railway, Power grid, Regional Chief Conservator of Forest etc.

APPENDIX - 3.2.4
(Reference: Paragraph-3.2.5; page 79)
**Divisions wise fund earmarked and released by State CAMPA for 2010-11
and 2011-12**

(₹ in lakh)

Sl. No.	Name of the Forest Divisions	APO (2010-11) allocation	Fund released (2010-11)	APO (2011-12) allocation	Fund Released (2011-12)	Total allocation for 2010-11 and 2011-12	Total fund released
1.	Patna	6.40	5.00	22.83	3.42	29.23	8.42
2.	Banka	132.69	80.08	195.39	148.83	328.09	228.91
3.	Jamui	42.66	32.16	131.63	117.39	174.29	149.55
4.	Kaimur	55.02	38.27	90.53	89.63	145.55	127.90
5.	Saran	Nil	Nil	28.90	19.23	28.90	19.23
6.	Mithila	16.48	13.15	22.50	16.41	38.98	29.56
7.	Nawada	40.10	24.35	43.97	49.09	84.05	73.44
8.	Gaya	90.58	69.07	34.72	34.64	125.30	103.71
9.	Rohtas	98.02	46.74	124.65	101.37	222.67	148.11
10.	Munger	49.30	27.30	33.23	42.83	82.53	70.13
11.	Aurangabad	57.85	47.35	73.16	43.88	131.00	91.23
12.	Begusarai	06.40	5.00	57.89	50.59	64.29	55.59
13.	Muzaffarpur	82.00	49.00	53.36	43.92	135.36	92.92
14.	Saharsa	25.23	26.76	52.65	45.90	77.88	72.66
15.	Araria	22.44	23.52	71.12	72.13	93.57	95.65
16.	Purnea	69.35	36.94	30.62	24.39	99.97	61.33
17.	Betiah	33.00	Nil	36.50	Nil	69.50	Nil
18.	Motihri	33.00	Nil	06.50	0.65	39.50	0.65
19.	Gopalganj	Nil	Nil	06.50	0.50	06.50	0.50
20.	Nalanda	89.81	40.55	01.19	2.38	91.00	42.93
21.	Sanjay Gandhi Biological Park, Patna	18.25	18.25	09.60	Nil	27.85	18.25
22.	Bhojpur	55.50	6.32	172.66	165.14	228.17	171.46
23.	Betiah-I	16.50	Nil	Nil	16.30	16.50	16.30
24.	Betiah-II	27.00	Nil	Nil	34.94	27.00	34.94
25.	Working Plan Div. Pat.	Nil	Nil	06.50	6.60	06.50	6.60
26.	Nodal Officer, CAMPA Estt. and purchase of vehicles including Home Guard and Training	205.62	131.29	127.34	173.04	332.69	304.33
	Total	1070.63	721.12	1437.04	1303.21	2507.67	2024.33

(Source: Release figures for 2010-11 have been worked out from Annual Accounts and 2011-12 were furnished by the State CAMPA)

APPENDIX - 3.2.5
(Reference: Paragraph-3.2.6; page 82)
Short realization of NPA/CA/PCA

(₹ in crore)

Year	Forestland diverted (In hectare)	Demand raised	Amount realized	Short realisation
2006-07	663.55	40.94	42.23	-
2007-08	15.20	1.49	0.56	0.93
2008-09	656.29	51.59	45.82	5.77
2009-10	338.40	22.76	22.19	0.56
2010-11	210.50	16.05	22.80	-
2011-12	402.31	35.29	38.73	-
Total	2286.25	168.11	172.33	7.26

APPENDIX - 3.2.6
(Reference: Paragraph-3.2.6.1; page 82)
Funds kept outside State CAMPA

(₹ in lakh)

Name of office	Name of project	Month of receipt	Amount receipt	Amount utilised	Balance Amount
DFO, Gaya	Mauza	12/2003	15.10	Nil	15.10
	Paharpur	5/2005	90.79	Nil	90.79
	mining lease	9/2004	00.12	Nil	00.12
	Rajgir-Hisua-Tillaya railway line				
	Gaya Airport				
DFO, Banka	Bilasi Reservoir	3/2000	24.26		24.26
DFO, Sasaram	Mahadewa Reservoir	3/1998	04.70	Nil	04.70
	Mahadewa Reservoir	12/98	01.10	Nil	01.10
	M/S PPCL Amjhore	9/2000	08.40	Nil	08.40
DFO, Nawada	Phulwaria Reservoir	3/2007	48.85	42.37	06.48
Total			193.32	42.37	150.95

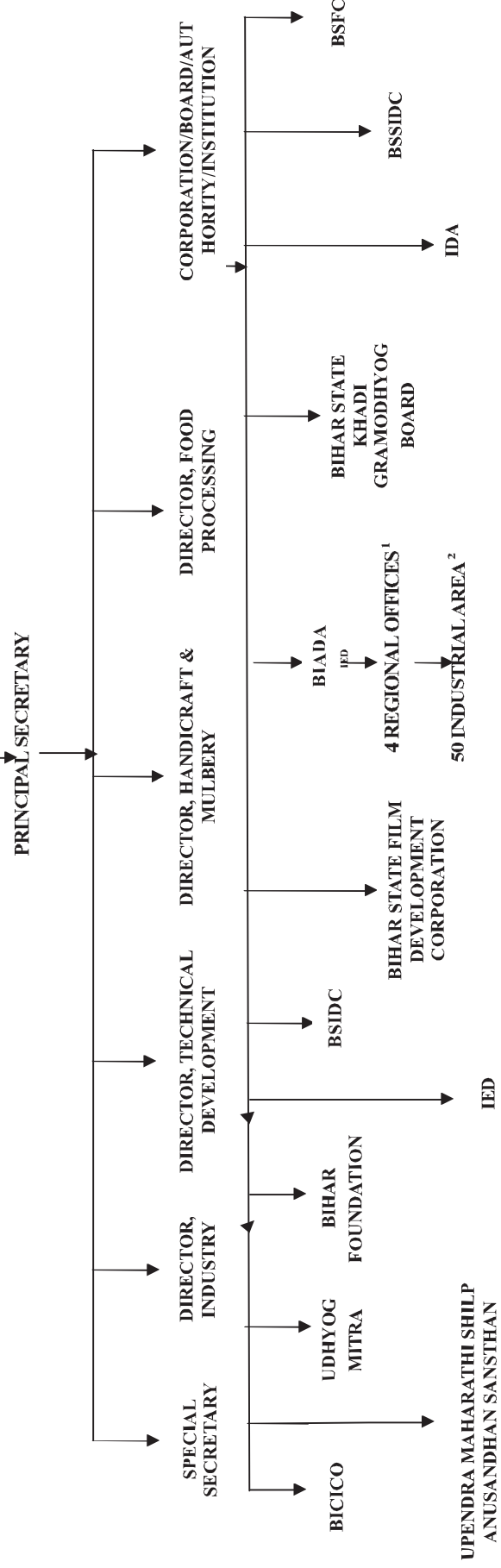
APPENDIX – 3.2.7

(Reference: Paragraph-3.2.7; page 83)

Year wise forest lands diverted for non forest purpose

Year	Area of forest land diverted for non-forest purpose(In hectare)	Area of plantation (in hectare)
2006-07	663.5497	-
2007-08	15.204	-
2008-09	656.2863	-
2009-10	338.394	-
2010-11	210.5027	1303858(Nos. of plants)
2011-12	402.3121	1901080(Nos. of plants)
Total	2286.2488	3204938

APPENDIX-3.3.1
(Refer Paragraph - 3.3.2; page- 88)
Organisational Set Up of Industry Department
MINISTER OF INDUSTRY



¹ Bhagalpur; Darbhanga, Muzaffarpur; and Patna

² Aurangabad(LA and GC), Barari, Barauni, Barun Bela, Begusarai, Bettiah, Bihar-saraj, Bihiya, Bihta, Bhediadangi, Birkamganj, Buxar, Dehri, Dharampur, Donar, EPIP Hajipur, Fatuha, Forbesganj, Gaya, Giddha., Hajipur, Jahanabad, Jamalpur, Jhanjharpur; katihar, Kahalgau, Khagra, Kopakala, Kumarbagh, Lakhisarai, MIP Bihta, Maranga, Munger, Murliganj, Muzaffarpur; Nawada, Patliputra, Purnea, Pandraul, Ramnagar, Raxaul, Saharsa, Samastipur, Sitakund, Sitamarhi, Siwan, Udakishunganj.

APPENDIX-3.3.2

(Refer Paragraph - 3.3.4.1 ; page- 90)

(1) Loss due to non-revision of lease premium rate

Sl no	Industrial Area	Land allotted during 2007-12 (In acres)	Assessment made (₹ in crore)	Due assessment (₹ in crore)	Less assessment (₹ in crore)
1	EPIP Hazipur	28.73	21.19	55.24	34.05
2	GC Aurangabad	107.57	25.00	1269.03	1244.03
3	IA Aurangabad	1.71	0.26	19.20	18.94
4	Gaya	16.14	1.41	3.00	1.59
5	Maranga	108.40	4.53	64.64	60.11
6	Bela (Darbhanga)	1.39	0.12	2.38	2.26
7	Donar	23.16	0.90	13.94	13.04
8	Kahalgaoon	735.00	51.96	327.62	275.66
9	Bihia	57.76	3.47	56.86	53.39
10	Khagaria	98.30	5.73	40.30	34.57
11	Barari	17.63	0.98	6.08	5.10
Total		1195.79	115.55	1858.29	1742.74

(2) Loss due to late revision of lease premium rate

Sl no	Industrial Area	Land allotted during 2007-12 (In acres)	Assessment made (₹ in crore)	Due assessment (₹ in crore)	Less assessment (₹ in crore)
1	Patliputra	2.05	0.23	3.32	3.09
2	Hazipur	2.00	0.61	2.27	1.66
3	Fatuha	6.42	0.43	2.22	1.79
4	Biharsarif	0.85	0.05	0.97	0.92
5	Muzaffarpur	22.73	2.27	7.96	5.69
Total		34.05	3.59	16.74	13.15

APPENDIX-3.3.3
(Reference : Paragraph 3.3.6.3; Page 95)

Details of violation of FCFS policy

SI no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sqft)	Name of sufferer	Date of receipt	Date of PCC/ MR no. & date	Remarks
1	Patliputra	M/s Malhotra Polyplast	02.04.07	03.04.07	25.04.07	14240	M/s K K Poles & Construction	05.05.06	25.05.06	Waiting list
2	Patliputra	M/s Shree Durga Automobile	16.06.07	07.08.07	31.07.07	7000	M/s Jagran Prakashan	09.05.07	15.05.07	Deferred
3	Patliputra	M/s Dharti Enterprises	19.11.07	20.11.07	20.11.07	1000	M/s Shresh Enterprises	8.8.06	4748/14.08.06	Application not processed
4	Patliputra	M/s Onkar Food Product	19.11.07	20.11.07	20.11.07	3796	M/s R K Plast	12.12.06	3893/19.12.06	Application not processed
5	Patliputra	M/s Shivam Enterprises	19.11.07	20.11.07	20.11.07	3000	M/s Kumar Automobile Services	5.5.06	4570/05.05.06	Application not processed
6	Patliputra	M/s Yugeshgwar Marble Processing company	19.11.07	20.11.07	20.11.07	1600	M/s Navratan Food Products	24.07.06	29.08.06	Waiting list
7	Patliputra	M/s Vijay Food Product	19.11.07	20.11.07	20.11.07	10000	M/s Northdam Instt.of Media Arts & Comm.	31.07.06	29.08.06	Waiting list
8	Patliputra	M/s Rakesh Enterprises	19.11.07	20.11.07	20.11.07	6000	M/s Diamond Feeds	09.08.06	29.08.06	Waiting list
9	Patliputra	M/s Puneet Graphics	19.11.07	20.11.07	20.11.07	6000	M/s Amrapali Auto Service Station	14.08.06	07.10.06	Waiting list

Sl no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sft)	Name of sufferer	Date of receipt	Date of PCC/ MR no. & date	Remarks
10	Patliputra	M/s Prasad Dairy Product	19.11.07	20.11.07	20.11.07	500	M/s Om Laboratories	26.08.06	07.10.06	Waiting list
11	Patliputra	M/s Detergent & Chemical	19.11.07	20.11.07	20.11.07	5000	M/s Usha Polymers	02.11.06	05.12.06	Waiting list
12	Patliputra	M/s Aparent training & design centre	Direct put up	1.7.08	1.7.08	12000	M/s Youngmens Christians Association	5.2.08	1676/15.02.08	Application not processed
13	Patliputra	M/s Institute of Chartered Accountancy of India	21.10.09	29.10.09	31.10.09	14225	M/s Nikhil Engicon Works	5.4.08	4504/10.07.08 & 4376/07.06.08	Application not processed
14	Patliputra	M/s Nav Bihar Media Pvt Ltd	07.04.11	13.04.11	16.04.11	20000	M/s Saraswati Agrotech Pvt Ltd	30.06.10	4025/24.09.10	Application not processed
	Patliputra						M/s Nilima Kutir Udyog	03.01.11	9721/05.01.11	Application not processed
	Patliputra						M/s Starlite Food & Beverage	03.01.11	4743/07.01.11	Application not processed
	Patliputra						M/s Shri Krishna Poly Pack	28.01.11	4908/31.01.11	Application not processed
15	Buxar	M/s Saraswati Mini Rice Mill	07.05.10	14.05.10	03.07.10	5000	M/s Shiv Shakti Mini Rice Mills	06.04.09	232/07.04.09	Application not processed
16	Buxar	M/s Laxmi Enterprises	Direct put up	14.06.10		7500	M/s Vindhyawasini Rtee & Dal Mills	14.07.08	4576/23.07.08	Application not processed
17	Buxar	M/s Anand Enterprises	04.06.10	14.06.10	03.07.10	7500	M/s Bhawani Shankar Industries	10.03.08	11.03.08	Deferred

SI no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sqft)	Name of sufferer	Date of receipt	Date of PCC/ MR no. & date	Remarks
							M/s Chanda Oil Mill	10.03.08	11.03.08	Deferred
18	IA Hazipur	M/s Hi-Tech Dharamkata	Direct put up	29.12.09	02.01.10	2000	M/s Trimurti Enterprises	14.05.07	00878/15.05.07	Application not processed
19	Hazipur	M/s Ultra Home Construction (P) Ltd	28.12.07	01.01.08	01.01.08	87120	M/s R K Beverage Industries	10.12.07	1510/11.12.07	Application not processed
20	IA Hajipur	M/s Devlok Agro & Beverage Pvt Ltd	28.07.10	13.08.10	13.08.10	15500	M/s New India Foods Pvt. Ltd	19.04.10	14.06.10	Deferred
21	Fatuha	M/s Radhika Sweets Milk Products	05.11.07	06.11.07	06.11.07	21000	M/s Navin Motors	04.06.07	4025/05.06.07	Application not processed
22	Fatuha	M/s Raj Luxmi Udyog	15.10.07	16.10.07	16.10.07	58000	M/s Mahindra Service Centre	02.11.06	15.05.07	Suspended
23	Fatuha	M/s R K Amusement and Inflatable (P) Ltd	15.05.07	16.10.07	16.10.07	30000	M/s Param Shanti Steel Pvt. Ltd.	11.11.06	15.05.07	Suspended
24	Fatuha	M/s Vaishali Trading (P) Ltd	02.11.07	06.11.07	06.11.07	30000	M/s Ganpati Jute Udyog	20.02.07	15.05.07	Suspended
25	Fatuha	M/s Maa Durga Wire Industries	19.11.07	20.11.07	20.11.07	11000	M/s Nalanda Readymade Garment	13.03.07	15.05.07	Suspended
26	Fatuha	M/s Banshi Air Gases (P) Ltd	17.12.07	18.12.07	18.12.07	56400	M/s Gangotri Iron & Steel Comp Ltd	13.03.07	15.05.07	Suspended
27	Fatuha	M/s Maa Vindhyareshini pipe Industries	27.10.09	11.02.10	19.02.10	11000	M/s Steel India	07.04.08	4375/07.06.08	Application not processed
28	Fatuha	M/s K G Creative Product Pvt. Ltd.	17.03.10	14.06.10	29.06.10	15000	M/s Shivam Innovation	03.03.09	93/05.03.09	Application not processed

Sl no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sft)	Name of sufferer	Date of receipt	Date of PCC/ MR no. & date	Remarks
29	Fatuha	M/s Jai Krishna	09.09.10	07.12.10	07.12.10	44000	M/s Anupam Agro Herbs	31.07.10	13.08.10	Deferred
30 (i)	Fatuha	M/s Aparna Industrial Estate	02.12.10	07.12.10	10.12.10	802496	M/s Pushpa Beverage	29.11.10	4334/03.12.10	Application not processed
(ii)	Fatuha						M/s Recon Pharmaceutical	30.11.10	4331/02.12.10	Application not processed
(iii)	Fatuha						M/s Max Natural Sources (P) Ltd.	30.11.10	4329/02.12.10	Application not processed
(iv)	Fatuha						M/s Rameshwar Singh Poly Industries	01.12.10	4324/02.12.10	Application not processed
(v)	Fatuha						M/s Sugandh Agro Pvt. Ltd	02.12.10	4340/03.12.10	Application not processed
(vi)	Fatuha						M/s Sugandh Garments	02.12.10	4341/03.12.10	Application not processed
31	Gaya	M/s Kavita Enterprises	Direct put up	15.01.08	15.01.08	2000	M/s Ultrahome Construction Pvt. Ltd.	03.11.07	1052/03.11.07	Application not processed
32	Gaya	M/s Maya Foods & Drink Pvt Ltd	09.06.10	14.06.10	30.06.10	9500	M/s Raj Enterprises	25.06.09	4037/01.07.09	Application not processed
33	IA Aurangabad	M/s Tirupati Balajee Industries	15.05.09	29.10.09	05.11.09	13133	M/s Hariom Rice Mill	06.11.08	16.01.09	Deferred
34	GC Aurangabad	M/s Uma Foundry Works	02.09.11	16.03.11	31.03.11	10000	M/s Magadh Ind. Trg. Centre	25.10.10	07.12.10	Deferred

SI no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sf)	Name of sufferer	Date of receipt	Date of PCC/ MR no. & date	Remarks
35	GC Aurangabad	M/s Maa Mundeshwari agro Mill Pvt Ltd	02.07.11	16.03.11	17.03.11	65340	M/s Manas Industrial Training Centre	26.10.10	07.12.10	Deferred
36	IA Aurangabad	M/s Pawansuit Agro Rice Mill	19.07.11	26.08.11	19.09.11	39000	M/s Sarvichar Suppliers Pvtg. Ldd	10.01.11	16.03.11	Deferred
37	IA Aurangabad	M/s Devashree Construction	Direct put up	20.11.07	18.12.07	10000	M/s Sharma Plastic	22.02.07	1082/08.03.07	Application not processed
38	IA Aurangabad	M/s Tirupati Balajee Industries	15.05.09	29.10.09	05.11.09	13133	M/s Girish Raj Thakur	04.05.09	299/08.05.09	Application not processed
39	Aurangabad	M/s Acree Foods	23.12.09	29.12.09	02.01.10	4800	M/s Amit Kumar Pandey	14.05.09	330/20.05.09	Application not processed
40	IA Aurangabad	M/s Harihar Bhawan B-Ed College	21.02.11	16.3.11	17.03.11	27000	M/s M P Flour Mill	24.01.11	4867/27.01.11	Application not processed
41	Nawada	M/s Modern Institute of Technology	Direct put up	29.10.09	24.11.09	45000	M/s Shri Hanuman Ji Rice Mills	11.02.09	40/12.02.09	Application not processed
42	Nawada	M/s Satyam Enterprises	06.02.10	29.04.10	12.05.10	1000	M/s Siddhni Vinayak Industries	25.05.09	73/27.02.09	Application not processed
43	Nawada	M/s Arpan Udyog	19.06.10	13.08.10	13.08.10	3000	M/s Kanhaiya Ji Steel Furniture	25.03.09	199/25.03.09	Application not processed
44	Nawada	M/s Adarsh Industries	19.06.10	13.08.10	13.08.10	5000	M/s Gulson Industries	09.04.09	259/16.04.09	Application not processed
45	Nawada	M/s Sarita Suman & Co.	04.11.10	07.12.10	07.12.10	3000	M/s Tara Pharma & Sons	10.06.09	384/12.06.09	Application not processed
46	Nawada	M/s Luxmi Industries	26.07.10	07.12.10	07.12.10	5000	M/s Rinku Kumari	25.06.09	432/30.06.09	Application not processed

Sl no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sft)	Name of sufferer	Date of receipt	Date of PCC/ MIR no. & date	Remarks
47	GC Giddha	M/s A P S Plastic	Direct put up	16.01.09	24.02.09	10000	M/s Bimal Food Pvt Ltd	01.07.08	4509/10.07.08	Application not processed
48	GC Giddha	M/s Bihar College of Education	Direct put up	29.10.09	30.10.09	65340	M/s Ray Agro Feed	06.03.09	108/13.03.09	Application not processed
49	GC Giddha	M/s Saraswati Agotech Pvt. Ltd	15.10.09	29.10.09	30.10.09	65340	M/s Recon Food Industries	05.05.09	298/08.05.09	Application not processed
50	GC Giddha	M/s Hamara Industries	Direct put up	29.12.09	02.01.10	20000	M/s Ray Agro Feed Industries	29.10.09	1157/14.01.10	Application not processed
51	Giddha	M/s Sangeeta Rice Mill	12.07.10	13.08.10	13.08.10	5000	M/s Nand Flower Mill	27.10.09	14.06.10	Deferred
52	GC Giddha	M/s Neelam Herbs	11.04.11	13.04.11	15.04.11	15000	M/s Ravi Enterprises	14.02.11	4184/17.02.11	Application not processed
53	GC Giddha	M/s Maxy Paints	14.03.11	13.04.11	14.04.11	5000	M/s P-1 system Pvt Ltd	09.03.11	4391/15.03.11	Application not processed
54	MIP Bihta	M/s Mother's Society For Education & Child Development	30.11.10	07.12.10	07.12.10	458687	M/s Jagaran Instt. Of Management & Mass Communication	08.03.10	30.04.10	Deferred
55 (i)	Bihta	M/s Tapasya Infratech	12.06.10	14.06.10	18.06.10	119790	M/s Monika Ind.Pvt.Ltd.	30.06.08	01.07.08	Deferred
(ii)	Bihta						M/s Jeevak Heart Hospital & Research Institute	15.07.08	4628/07.08.08	Application not processed
(iii)	Bihta						M/s Essar Steel Pvt. Ltd	20.08.08	4682/28.08.08	Application not processed

SI no	Name of IA	Name of benefitted unit	Date of receipt of application	Date of PCC	Allotment order/ date	Area (sft)	Name of sufferer	Date of receipt	Date of PCC/ MR no. & date	Remarks
(iv)	Bihra						M/s Gulmohar Fashion	04.09.08	08.09.08	Application not processed
56	Dehri	M/s Raj Flour Mill	18.12.07	18.12.07	18.12.07	3250	M/s Rahi Industries	21.07.06	03.11.06	Suspended
57	Dehri	M/s Sri Baba Industries	16.04.10	14.06.10	29.06.10	2000	M/s Rahi Industries	21.07.06	19.05.09	Suspended
58	EPiP Hajipur	M/s One Touch Medical Pvt. Ltd.	11.04.07	02.05.07	02.05.07	36943	M/s Bihariji Flour Mill Pvt. Ltd	21.09.06	29.08.06	Deferred
59	EPiP Hajipur	M/s Aastha Food Beverage Pvt Ltd	17.08.09	28.08.09	01.09.09	15000	M/s Baseline Petrolium Ltd	28.05.08	01.07.08	Differed
60	EPiP Hajipur	M/s Tiger Warehousing Cold Chain Pvt. Ltd.	24.11.10	07.12.10	14.01.11	217800	M/s Sona Biscuits	03.08.10	13.08.10	Deferred
61	Bikramganj	M/s Devdeep Rice Mill	25.02.08	26.02.08	26.02.08	5000	M/s Om Rice Mill	14.02.07	06.02.07	Application not processed

APPENDIX 3.3.4

(Reference : Paragraph 3.3.6.4; Page 96)

Allotment of land for non industrial purpose

Sl. No.	IA / GC	Unit	Date of allotment	Plot No.	Area	Product	Status as on 31.3.12
					(in sft)		
1	IA, Aurangabad	M/s Devashri Construction	6173/18.12.07	NS-1,2(P)	20000	Hot Mix. Plant	Working
2	GC, Aurangabad	M/s Scheduled Caste Hostel		Phase-3	174240	Hostal	Construction work completed
3	GC, Aurangabad	M/s C.R.P.F		Phase-1	871200	CRPF Camp	Construction not started
4	IA, Barauni	M/s B.S.P.C		21,22	21780	Office	Working
5	IA, Barauni	Environment Office		23,24	43560	-do-	Working
6	IA, Barauni	M/s Bihar carbon product	03.05.81	58P	21780	Bio Compost	Working
7	IA, Barauni	M/s Swatic Bio chemical		119P	10890	Bio Compost	Working
8	IA, Biharsarif	M/s Mamta marbal	07.01.10(T)	J-1	4000	Stone cutting	Working
9	MIP, Bihta	SDRF	3426/19.7.10		1089000	SDRF Camp	No work
10	MIP, Bihta	Deptt of Social Wel	31.05.2010		130680	NIPCCD Head Office	No work
11	IA, Hazipur	M/s J.K Marbal	04.11.94	B-43,44	13390	Statue	Working
12	IA, Hazipur	M/s F.C.I		B-73,74	21780	Ware-housing	Working
13	Maranga	M/s Shakuntala Vermi compost	12.2.08	17(P)	21780	Vermi compost	Notice Issued
14	Maranga	M/s Darshita Agro Ind.	4.12.07	24(P)	10890	Vermi compost	Working
15	Maranga	M/s Maa Tara Agro Ind.	26.2.08	73(P)	10890	Vermi compost	Notice Issued
16	Maranga	M/s Maa Vaishno Devi Tractor & Automobiles	7.12.10	20(P)	21780	Show room & stockyard of tractors	Under construction
17	Purnea City	Maa Tara Javik Udyog	12.2.08	1(P)	10000	Organic compost	Under construction
18	Forbisganj	M/s Bagmati construction	4.9.07	1 to 3	174240	Hot mix plant	Working
19	Samastipur	M/s Anand Agro Industries	18.12.07	59(P)	4356	Compost	Working
20	Samastipur	M/s Kapil Raj Agro Industries	30.12.98	61(P)	10890	Bio compost	Working

21	Bettiah	M/s Bihar Raja Jal Vikas Nigam Ltd.			152460	Office Godam	Working
22	Bettiah	M/s FCI			196020	Godam	Working
23	Bettiah	M/s Durga Stone crushing Works	25.5.92		32670	Stone Crusher	Working
24	Bettiah	M/s Bindwasini Enterprises	29.3.97	B-19	21780	Stone Crusher	Closed
25	Bettiah	M/s Bettiah stone crusher	12.11.97	F-8	32670	Stone Crusher	Under construction
26	Bettiah	M/s Bhagwati stone crusher	16.9.06		32670	Stone Crusher	Closed
27	Bettiah	M/s Bhartiye Agro products	3.10.07/ 6.11.07	A-1	65340	Agricultural production	Construction not started
28	Bettiah	M/s Bhartiye Agro production	15.10.08	NS-6	130680		Construction not started
29	Muzaffarpur	M/s Tirupati Chemico	31.3.86	B-26,27	43560	Compost	Working
30	Muzaffarpur	M/s Kishan Brothers	20.10.94	C-1	10018	Organic manures	Working
31	Muzaffarpur	M/s Shiva Agro Tech	27.12.05	A-48(P)	10890	Wormy compost	Closed
32	Muzaffarpur	Harijan Punarvas colony			217800	Punarvas colony	Working
33	Muzaffarpur	M/s Mithila properties and publication	4.7.79		182081	FCI Godam	Working
34	Muzaffarpur	M/s Warehousing Corp.		Open land	261360	Warehousing	Working
35	Ramnagar	M/s Ambika Biomanures	16.10.07	NS-9	21780	Bio manures	Construction not started
36	Sitamarhi	M/s Singh industries	11.3.08	e-1(P)	5400	Vermi compost	Working
37	Sitamarhi	M/s Kishan Vermi Center	16.9.06	C-42	10890	Vermi compost	Working
38	Sitamarhi	M/s Manish Brothers	29.1.08	D-51(P)	2700	Vermi compost	Under construction
39	Sitamarhi	M/s Raj Laxmi Vermi compost	11.3.08	NS-14	4325	Vermi compost	Under construction
40	Sitamarhi	M/s Sitamarhi Stone Crusher	26.3.01		6900	Stone Crusher	Working

41	Sitamarhi	M/s Janki Stone Works	20.7.94	c-10,30	10890	Stone Crusher	Working
42	Sitamarhi	M/s Mahavir Stone Crusher	12.7.2000	C-11,12	32670	Stone Crusher	Working
43	Sitamarhi	M/s Bihar Stone Crusher	24.4.06	C-9,10,30	32670	Stone Crusher	Working
44	Sitamarhi	M/s Maharani Stone Crusher	07.10.97	C-31,32	32670	Stone Crusher	Closed
45	Sitamarhi	M/s Anjani Stone Crusher	8.4.89	C-55,57	326701	Stone Crusher	Closed
46	Sitamarhi	M/s Bihar State Warehousing	15.9.89	C-2to8	13060	Warehousing	Working
Total					4577781		

**105.09
Acres**

APPENDIX-3.3.5
(Reference : Paragraph 3.3.6.4; Page 96)
Extra allotment of Land than prescribed norm

Sl no	IA/GC	Unit	Date of PCC	Allotment order/Date	Land allotted	Shed area(sft)	Allotment admissible	Extra allotment
1	Barauni	Barauni Gas (P) Ltd.	20.11.07	4649/20.11.07	43560	5000	15000	28560
2	Barauni	M/s Mahalaxmi Plaste		2901/18.12.07	47057	6000	18000	29057
3	Barauni	M/s Kisan Tractor	15.1.08	138/ 15.1.08	257875	38000	114000	143875
4	Barauni	M/s Pawan Tiles Industries		636/26.6.10	21780	3000	9000	12780
5	Barauni	M/s Kishore Eng. Works		626/ 26.6.10	5227	500	1500	3727
6	Bihia	M/s Sampurn Pasu Ahar	24.5.11	3245/ 17.6.11	43560	12800	38400	5160
7	Bihia	Sakaldeep Cold Storage	24.5.11	3264/ 18.6.11	87120	24788	74364	12756
8	Bihia	M/s Bihar Milk Product	26.8.11	5087/15.09.11 / 6593/25.11.11	186420	33150	99450	86970
9	Buxar	SKS country complex(P) ltd	21.8.07	3354/ 21.8.07	67069	14000	42000	25069
10	Buxar	M/s Durgawati Steel industries	CP	2930/ 7.6.11	33000	3066	9198	23802
11	EPIP	M/s One touch Medical Products	2.5.07	949/ 2.5/07	36943	10260	30780	6163
12	EPIP	R K Agro	16.10.07	4468/16.10.07	36927	6100	18300	18627
13	Fatuha	M/s Best Telecom (P) Ltd.	17.10.06	2173/28.11.06	77000	24300	72900	4100
14	Gaya	Sadhan industries	17.1.00/ 29.1.08	206/ 11.3.2000 1237/ 12.2.08	66600	2630	7890	58710
15	Gidha	M/s India Offset Printers	28.2.04	931/ 1.7.04	5000	1150	3450	1550
16	Gidha	M/s Ravi & Parmar Agro mill pvt. Ltd.	3.7.07	2333/ 3.7.07	87500	23760	71280	16220
17	Gidha	M/s Bhojpur Onion Storage	4.12.07	5744/ 4.12.07	20000	6200	18600	1400
18	Gidha	M/s Mittal Brick industries	1.7.08	3561/ 1.7.08	65000	19592	58776	6224
19	Lakhisarai	M/s Sriram Industry	14.10.08	1559/14.10.08	5000	1500	4500	500
20	Kahalgaon	M/s Ambo Exports Ltd.	29.4.10	327/15.5.10	217800	29000	87000	130800

Sl no	IA/GC	Unit	Date of PCC	Allotment order/Date	Land allotted	Shed area(sft)	Allotment admissible	Extra allotment
21	Kahalgaon	M/s Ambo Exports Ltd.	29.4.10	328/15.5.10	435600	101200	303600	132000
22	Maranga	M/s Ridhi Shree Industries	1.1.08	1.1.08	43560	7000	21000	22560
23	Maranga	Kosi Auto & Firm Equipments	25.3.08	668/ 26.3.08	43560	6000	18000	25560
24	Maranga	M/s Kalu Cold Storage (P) Ltd.	28.8.09	513/ 2.9.09	70000	5700	17100	52900
25	Maranga	M/s Surya Hatchery (P) Ltd.		732/26.9.11	43560	14100	42300	9260
26	Maranga			618/30.5.12	8000			
27	Maranga	M/s Rachna Udyog	CP	288/27.5.11	87120	4900	14700	72420
28	Maranga	M/s Sky Larke Feeds (P) Ltd.		726/26.09.11	87120	15250	45450	41370
29	Purnea City	M/s Zindal Small Industry	CP	125/ 11.3.11	30173	4715	14145	16028
30	Bettiah	M/s Bhartiya Agro Pols		1148/15.10.08	130630	12000	36000	94630
31	Bettiah	M/s Goyal Industries		2792/ 4.11.09	21780	2750	8250	13530
32	Bettiah	M/s Chandan Metalware		1543/5.10.10	5445	550	1650	3795
33	Muzaffarpur	M/s Usha Polyplast	10.10.06	1047/ 4.12.06	43560	5250	15750	27810
34	Muzaffarpur	M/s Vaishali Enterprises	2.5.07	442/2.5.07	43560	9425	28275	15285
35	Muzaffarpur	M/s Shakti Sree Feeds (P) Ltd.	19.9.06	1051/ 4.12.06	87120	20000	60000	27120
36	Muzaffarpur	M/s Maruti Iron & Steel (P) Ltd.	CP	919/17.6.10	43560	2750	8250	35310
37	Muzaffarpur	M/s Yasraj industries	CP	938/26.6.10	43560	1200	3600	39960
38	Muzaffarpur	M/s Venkeys India	3.12.10	1779/ 3.12.10	65340	13200	39600	25740
39	Sitamarhi	M/s Prasad flower mill		347/ 7.4.06	43560	4750	14250	29310
40	Sitamarhi	M/s SS Rice & Flower Mill	CP	509/ 23.3.11	32670	7000	21000	11670
41	Sitamarhi	M/s Mahalaxmi Udyog	28.3.06	335/ 7.4.06	10890	3000	9000	1890
42	Pandaul	Ganpati Foods	29.10.09	790/ 2.11.09	43560	12500	37500	6060
43	Samastipur	M/s Chhinmastika Enterprises	5.6.07	673/ 5.6.07	87120	20350	61050	26070

Sl no	IA/GC	Unit	Date of PCC	Allotment order/Date	Land allotted	Shed area(sft)	Allotment admissible	Extra allotment
44	Samastipur	M/s Bhagwan Veer Hanuman Cold Storage	6.11.07	2566/ 6.11.07	91120	8400	25200	65920
					3052606 Or 70.08 acre		1640058	1412248 Or 32.42 acre

APPENDIX-3.3.6

(Reference Paragraph 3.3.6.4; Page 96)

Allotment of extra land than prescribed norm

Sl. No.	Name of I/A	Name of unit	Date of PCC	Recommendation	Allotment (in sft)	Excess allotment
1	Muzaffarpur	M/s Om Enterprises	4.9.07	1500	3000	1500
2	Samastipur	M/s Saket industries	16.10.07	10000	10890	890
3	Biharsarif	M/s Shanta service	12.2.08	1000	3000	2000
4	Barauni	M/s Krishna hydrocarbon	18.12.07	60766	76448+ 5227	20909
5	Fatuha	M/s National plastic Ind. Ltd.	7.12.10	42660	43560	900
6	Gidha	M/s Alok Harsh rice mill	7.12.10	21780	43560	21780
7	Gidha	M/s Orchid profiles (P) ltd.	7.12.10	8000	16000	8000
						55979 sq. ft
						1.29 Acre

APPENDIX-3.3.7
(Reference Paragraph 3.3.6.4; Page 97)

Allotment of Land for other than Plastic and Chemical Industries

Sl. No	Name of the Unit	Date of allotment /Transfer	Project/ Product	Area(In Sq ft)
1	M/s Dhanwanti Cloth Industries	23-08-1996	Handloom Cloth & Gangi, Lungi, Tolliya, & Bedsheet	10000
2	M/s Hi-tech electrodt pvt. ltd.	19-03-1997	welding electrode	30000
3	M/s Vishal steel fabricators	11-07-1998	Steel fabrication	5000
4	M/s Maa Jagdambe L.P.G. bottling plant	11-05-1999	L.P.G. Botling Plant	108900
5	M/s Shankar shuman cold Storage	09-02-2002 02-02-2007	Cold Storage	108900
6	M/s Land mark Outdoor media services	02-11-2006	Printing Press	43560
7	M/s Ravi & Parmar Agro mill pvt. Ltd.	02-07-2007	Flour Mill	87500
8	M/s Maruti Nand food products	07-08-2007 04-09-2007	Roller flour Mill, Suji, Maida, Atta	87120
9	M/s Sushila Cold Storage	20-11-2007 26-02-2008	Cold Storage	68460
10	M/s Bhojpur Onion Storage	04-12-2007	Onion Storage	20000
11	M/s Ishrat bano garments	18-12-2007	Ready Made Garments	20000
12	M/s Active foods	09-05-2006	Food Processor	15000
13	M/s Astha foods	09-05-2008	Atta Chokar	27200
14	M/s Astha International motel	01-07-2008	Motel	5000
15	M/s J.K. flour Industries	01-07-2008	Flour Mill	10,000
16	M/s Ssanswarna food pvt. ltd.	01-07-2008	Mini Flour Mill	43,560
17	M/s Mittal Bricks Industries	01-07-2008	Fly ash Bricks	65000
18	M/s Nikhil Engicon works	16-10-2008	Rice, Beshan, Flour, Dal	21780
19	M/s Subh Shree Enterprises India pvt.	16-10-2008	Biscuit	30000
20	M/s Bishwash Rice Mill	16-10-2008	Rice	5000
21	M/s Jai Bajrag Flour Mill	16-10-2008	Rice mill	21,780
22	M/s Shrawasthi Agrotech Pvt. Ltd.	30-10-2009	Cattled feed	65340
23	M/s Bihar College of Education	30-10-2009	B.Ed. College	65340
24	M/s Nav Bharthi Trust	10-11-2009	10+2 School	87120
25	M/s Vaishali Enterprises and cold Storage Pvt. Ltd.	04-11-2009	Cold Storage	87120
26	M/s Hamara Industries	02-01-2010	Edible Oil & Glucose	20000
27	M/s Ice berge bebrage	20-02-2010	Packed drinking water	5000
28	M/s Aditya Food Products	10-05-2010	Food Product	15000
29	M/s Premium Food Products	10-05-2010	Salted Snax (Namkin Bhujia and Mixture)	3000

Sl. No	Name of the Unit	Date of allotment /Transfer	Project/ Product	Area(In Sq ft)
30	M/s Ruby Rahul Rice Mills (P) Ltd.	21-06-2010	Rice	35000
31	M/s Sangeeta Rice Mill	13-08-2010	Rice Mill	5000
32	M/s Srishti Feed Industry	13-08-2010	Cattled feed	10000
33	M/s Vindhya Steel Pvt. Ltd.	13-08-2010	Coal Briqueted Iron	87120
34	M/s Alok Harsh Rice Mill Pvt. Ltd,	08-12-2010 15-04-2011	Rice Mill	43560
35	M/s Venky's (India) Ltd.	07-12-2010	Hatchery	43560
36	M/s Sunasi Food & Breweries Ltd	09-02-2011	Fruit Juice	21780
37	M/s Gurukul	17-03-2011	Educational Institute	73250
38	M/s Neelam Herbs Neutritions	15-04-2011	Herbal Extracts	15000
39	M/s Ardent polymers pvt. ltd.	07-08-2007	Woven Sack	42000
40	M/s Prevail Cosmos (India)	13-08-2010 27-04-2011	Building Construction	10000
41	M/s Ananya agro tech p. Ltd.	06-07-1998	Rice Miiling	65340
42	M/s India offset printer & Publiser	01-07-2004	Offset Printing	5000
43	M/s Kala coke & chemicals	30-11-1996	Hard Coke Plant	108900
44	M/s Hindustan petroleum corporation,	31-03-1998	LPG Botling Plant	1500642
45	M/s Trident Foundation	06-07-2009	Educational Institute	217800
46	M/s Nibhi Industries Pvt. Ltd.	28-08-2009	Asbestos cement corrugated & plain sheet	653400
47	M/s Archi Breweries Pvt Ltd.	01-09-2009	Breweries (Strong & mild)	217800
48	M/s Acid Common facilities Centre	24.6.99	Dari design production & Finising	43560
49	M/s Vishnu Vishal paper mill pvt. ltd.	10-05-1996	Paper Mill, 3mw Captive Power Plant	174240
50	M/s Singh Cold Storage	14.6.08	Cold Storage	54,450
				4609082
Or 105.81 acres				

APPENDIX –3.3.8
(Reference : Paragraph 3.3.6.4; Page 98)
List Of Private Technical Institutions

Sl. No.	Name of Industrial Area	Name of Institution	Type of institution	Date of allotment	Area allotted (Acre)	Rate of allotment (lakh/Acre)	Cost of land (In ₹)	Leviable market rate (lakh/Acre)	Leviable cost of land (In ₹)	loss of revenue (In ₹)
1	Gaya	M/s. Om Samaj Vikash Parishad	Teachers training college	12.02.08	2.50	885000	2212500	1851000	4627500	2415000
2	Gaya	M/s. Buddha Multiplex & Management	Multiplex Hotel & Management	11.03.08	2.50	885000	2212500	1851000	4627500	2415000
3	Gaya	M/s. Buddha Socio Economic Development Trust	Health Service	11.03.08	5.00	885000	4425000	1851000	9255000	4830000
4	Gaya	M/s Buddha Institute of Technology	Educational Industry	12.02.08	2.50	885000	2212500	1851000	4627500	2415000
5	G.C Gidha	M/s Bihar college of education	B.Ed college	30.10.09	1.50	816000	1224000	1740000	2610000	1386000
6	G.C.Gidha	M/s Nav Bharti Trust	10+2 school	10.11.09	2.00	816000	1632000	1740000	3480000	1848000
7	G.C Gidha	M/s Trident Foundation Trust	Educational Institute	06.07.09	5.00	816000	4080000	1740000	8700000	4620000
8	G.C Gidha	M/s Gurukul	ITI & Paramedical College	07.12.10	1.00	898000	898000	2160000	2160000	1262000
9	Patliputra	M/s ICAI, Patna	ICAI Branch	17.03.11	1.82	898000	1634360	2160000	3931200	2296840
10	Bihariya	M/s suchit singh Memorial Education Trust	B.Ed , Polytechnic & MBA college	31.10.09	0.33	16156000	5331480	21850000	7210500	1879020
				15.09.11	5.00	665000	3325000	12500000	62500000	59175000

Sl. No.	Name of Industrial Area	Name of Institution	Type of institution	Date of allotment	Area allotted (Acre)	Rate of allotment (lakh/Acre)	Cost of land (In ₹)	Leviable market rate (lakh/Acre)	Leviable cost of land (In ₹)	loss of revenue (In ₹)
11	MIP Bilhata	M/s Mother's society for Education & Child Development	Engineering & Management Institute	08.12.10	10.53	3894000	41003820	19400000	204282000	1632278180
12	I/A Bilhata	M/s Tapasya Infrotech	Paramedical college	18.06.10	2.75	3894000	10708500	19400000	53350000	42641500
13	I/A Bilhata	M/s Mothes Teresa Medical Trust	Nursing college	08.12.10	2.00	3894000	7788000	19400000	38800000	31012000
14	EPIP Hajipur	M/s Matreya college of Education & Management	Education & Management College	17.03.11	2.00	5027000	10054000	36000000	72000000	61946000
15	G.C Aurangabad	M/s Shanta Nursing Home	Nursing Institute	19.09.11	1.00	1201000	1201000	139392000	139392000	138191000
16	G.C Aurangabad	M/s Sityog Educational & welfare society	Engineering & Management college	18.02.10	10.00	993000	9930000	108900000	1089000000	1079070000
17	Barauni	M/s Srijan Development & Research Institute	Teacher's Training college	03.07.09	1.20	603000	723600	17250000	20700000	19976400
18	G.C Maranga	M/s Vidhya Vihar Education Trust	Engineering college	11.09.06	10.00	224000	2240000	5000000	50000000	47760000
19	G.C Maranga	M/s Vidhya Vihar Education Trust	Management Institute	14.01.08	4.25	322000	1368500	5000000	21250000	19881500
				26.02.10	0.27	428000	115560	15000000	4050000	3934440
20	Forbisganj	M/s Moti babu Institute of Technology	Engineering college	26.02.10	2.5	482000	1205000	15000000	37500000	36295000
				15.05.10	8.73	249000	2173770	3000000	26190000	24016230
				07.06.10	5.00	249000	1245000	3000000	15000000	13755000

Sl. No.	Name of Industrial Area	Name of Institution	Type of institution	Date of allotment	Area allotted (Acre)	Rate of allotment (lakh/Acre)	Cost of land (In ₹)	Leviable market rate (lakh/Acre)	Leviable cost of land (In ₹)	loss of revenue (In ₹)
				06.08.10	2.38	249000	592620	300000	7140000	6547380
21	Forbisganj	M/s Samagra Koshi Vikash Trust	School / Polytechnic College	12.02.08	3.00	226000	678000	889000	2667000	1989000
22	Kisanganj	M/s Kisanganj College of Engineering	Engineering College	02.09.09	10.00	650000	6500000	1500000	15000000	8500000
23	IA Nawada	M/s Modern Institution of Higher Education	Vocational Technical and Other Education	24.11.09	1.03	533000	548990	500000	5150000	4601010
24	IA Nawada	M/s Ganauri Ramkali Teachers Training College	Teachers training college	08.07.11	1.10	530000	583000	605000	6655000	6072000
25	IE Katihar	M/s Teomal Education Trust	DPS School	12.02.08	2.00	322000	644000	7401000	14802000	14158000
26	IA Jamalpur	M/s. Om Industrial Training Centre	Industrial Training Centre	26.02.10	1.03	533000	548990	554000	5706200	5157210
27	IA Kumrabaugh	M/s. Annapali Foundation	Engineering college	02.09.09	10.00	380000	3800000	1540000	15400000	11600000
			Total		119.92	49488000	132839690	487956000	1957763400	1824923710

APPENDIX – 3.3.9
(Reference : Paragraph 3.3.6.4; Page98)
List of allotment without Export Commitment

Sl. No.	Industrial Area	Name of the Unit	Date of Allotment/Transfer (T)	Plot no	Area (in SQFT)	Product
1	E.P.I.P Hajipur	M/s One Touch Medical Pvt.Ltd.,	02.05.2007	C-1	36943.00	Sterile Syringe and Needle
2	E.P.I.P Hajipur	M/S L.B.Enterprises (P) Ltd.	17.09.2011 28-05-2012	C-2C-3(P)	76000.00	Flour Mill
3	E.P.I.P Hajipur	M/s Nimbus Beverage (P) Ltd	24.02.2011	E-3	22308.00	Packging Water
4	E.P.I.P Hajipur	M/S Laxmi Vinayak Venture (P) Ltd.	17.09.2011	NS-3B-11	55767.00	Detergent Powder
5	E.P.I.P Hajipur	M/S National Plasto Product pvt. Ltd.	29.06.2010	D-3(P)	43560.00	Plastic Moduled furniture
6	E.P.I.P Hajipur	Comptence Export Pvt. Ltd.,	29.01.2008	B-10	43560.00	Leather Goods Shoes
7	E.P.I.P Hajipur	M/s Bansal Biscuits Pvt. Ltd., Mr. Vikash Chaudhari,	02.01.2010, 25.06.2010, 02.03.2010	B-7(P),8(P), 9(P), B-6(P), B-7(P),8(P),9(P)	142200.00	Biscuits
8	E.P.I.P Hajipur	M/s Protech Feed Pvt.Ltd.,	02.05.2007	B-1,2,3,4	172224.00	Foultry feed
9	E.P.I.P Hajipur	M/S G.M.Exzim (P) Ltd.	16.09.2011	F-1(P) NS-4	52272.00	Packing Materi Cargotated Box
10	E.P.I.P Hajipur	M/S A.F.P.Manufacture ing Co.(P) Ltd.	09.09.2011	B-6(P) B-5 A-2(P)	87120.00	Backeri & Namkin
11	E.P.I.P Hajipur	M/S Matreya College of Educational & Management	17.03.2011	NS-1(P)	87120.00	Educational & Management College
12	E.P.I.P Hajipur	M/s Godrej agrovet ltd.	12.02.2012	N.s-2 & NS1(P)	224334.00	Cattle poultry feed
13	E.P.I.P Hajipur	M/s Britannea Industries Ltd.,	11.05.2010	C-3(P), C-4(P), C-5(P)	460000.00	Biscuit and Bakery
14	E.P.I.P Hajipur	R.K Agro	16.10.2007	C-2	36927.00	Cattel / Poultry Feed
15	E.P.I.P Hajipur	M/s Shree ganesh Udyog (India),	06.11.2007	D-4(P)	24000.00	Fire Fighting Vehicals and Accessories
16	E.P.I.P Hajipur	M/s Saibaba Plasto Products Pvt.Ltd.,	19.06.2010	D-3(P)	30000.00	Plastic Moduled Products
17	E.P.I.P Hajipur	NIPER	06.11.2007		541451.00	Educational Institution
18	E.P.I.P Hajipur	M/s Chanchal Hatchery,	12.05.2010	G-2(P)	10000.00	Poultry Feed
19	E.P.I.P Hajipur	M/s Aashma Food & Beverages Pvt.Ltd.,	01.09.2009	G-3(P), G-4	15000.00	Food & Beverages
20	E.P.I.P Hajipur	M/S Food & Biotech Engg.(P) Ltd.Sri Ravindra Pratap Singh	13.09.2011	G-5	10800.00	Whipped Cream & Gulab Jamun Powder
21	E.P.I.P Hajipur	M/s Globle Power Industries,	06.11.2007	G-6	10800.00	Invertor, Stabilizer, VPS
22	E.P.I.P Hajipur	M/s Brahmpuria Polymers Pvt.Ltd.,	01.01.2008	G-7	10800.00	PVC Ropes Sutli
					TOTAL	2193186.00 Sq ft Or 50.35 acre

APPENDIX –3.3.10
(Reference: Paragraphs 3.3.8.1; Page101)

List of transfer cases

SL No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sqft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Patliputra	M/s Elite Light Engineering Co.	2136 /23.11.06	SEED DRILL	16348	M/s Best towers Pvt. Ltd.	1411 D/23.05.07	Microwave Tower Transmission	16348	161.56	60633 21.58	92042.00	5971279.58	Purchase form old unit
2	Patliputra	M/s Saniplast (P Ltd)	860 D/ 24.06.96,523/ 20.5.97	Fibre Glass sanitary pan ford, Moulded goods	8300 2568	M/s Basic Sanitairs Pvt. Ltd.	1470 D/24.05.07	FPR related products life FRP doors pan ETD	10868	161.56	40308 40.40	62285.00	3968555.40	Purchased from old unit
3	Patliputra	M/s National Agro Chemicals	Reg.no./67/20. 5.67,549/4.2.84	–	30000 3200	M/s Krish Polypack Pvt. Ltd	1518 D/26.05.07	Multi layer film	33200	161.56	12313 572.08	184178	12129394.08	Purchased from old unit
4	Patliputra	M/s Elite Eight Engg. Coop. & M/s National Sintering Com./M.s Nobul Sintering Comp,Pvt Ltd	2138 D /23.11.06 12899 /12.07.73 2999/ 7.10.87	SEED DRILL	3032 21000	M/s Naturals Dairy Pvt. Ltd	3200 D /17.08.07	Paneer,Ice Cream Lassi,other milk product	24032	161.56	89132 45.91	121161 .00	8792084.91	Purchased from old unit

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
5	Patliputra	M/s Kushal Tyre Industries	4/2.1.02	Tyre Resoling & other Engineering Job	3125	M/s Kanishk Furnishing Pvt Ltd	MD Order / 13.01.12		3125	236.54	1696941.00	568828.00	1128113.00	Purchase from old unit
6	Patliputra	M/s Pulak Enterprises	86 D /07.03.83		14610	M/s Asiana Automobile Pvt Ltd	593D/ 29.03.07, 1708 D/ 27.09.06	Automobile service and repairing workshop	14610	14.64	491024.79	73659.00	417365.79	Purchase from old unit
7	Buxar	M/s Anand Tyre Re Trading Works	46/19.3.79	Tyre Retrading	7398	M/s Vishnujee Rice Mill	2437 D/ 8.04.10	Rice mill	7398	77.00	1307727.27	30217.00	1277510.27	Purchase from old unit
8	Hajipur	M/s Sukhmani Bhagwati Alloy	105/11.04.97	Rolling centre part, ware drawing curtting of Sidharth Gobbar gas plant	15246	M/s Parash Publication Pvt. Ltd	2489/ 27.11.07	Paper Offset	15246	113.26	3964100.00	220196.00	3743904.00	Purchase from old unit at Rs.7.80 lakh)
9	Hajipur	M/s Mansi Steel Pvt Ltd	49/13.02.98	Agriculture Equipment, Rolling Suffer, Parts & Gun Fabrication	12091	M/s Dayal Product Pvt. Ltd.	1049/ 02.09.08	Plastic Bottle	12091	124.59	3458259.16	547509.00	2910750.16	Purchase from old unit

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sqft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
10	Hajipur	M/s Life Guard Industries	3/01.01.08	Electric Fan & Equipment	5400	M/s Dayal Product Pvt. Ltd.	2403 D/17.05.11	Plastic Bottle	5400	165.84	2055867.77	478622.00	1577245.77	Purchase from old unit
11	Hajipur	Roshan Plastic Ind.	355/30.7.91	PVC Pipe	7500	M/s Bardhan Industries	1296/20.12.08	Hume pipe, Nand, Cement Jali	7500	124.59	2145144.63	420971.00	1724173.63	Purchase from old unit
12	Hajipur	M/s Anand Industries	21/20.01.98	Paper Board Battery Water	7000	M/s Shree Balajee Polymer	6418 D/5.10.09	Water Tank	7000	137.05	2202364.55	273000.00	1929364.55	Sale of land for Rs. 1500000
13	Hajipur	M/s Shashwat Chemical Pvt Ltd (M/s Blue Spark Pvt Ltd)	686/30.03.89		0.75 acre	M/s Peerage Buildtech Pvt. Ltd.	1024 D/10.03.10	Energy Food	32670	137.05	10278750.00	0	10278750.00	Purchase from old unit
14	Hajipur	M/s Shakti Tubes	12.05.86 & 13.01.96	Plastic Tubes	4.883 acre	M/s Sona Biscuits Ltd.	9049/28.12.10	Biscuits	212703.48	150.76	73616108.00	9125298.00	64490810.00	Sale of land & Transfer without construction
15	Hajipur	M/s Patliputra Prestreads Pvt. Ltd	154/11.10.04	PCC Pole	43560	M/s River Vally Flour Mill Pvt. Ltd.	45 D/4.01.10	Atta Suji Maida	43560	137.05	13705000.00	1698900.00	12006100.00	Purchase from old unit

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
16	Fathua	M/s Magadh Coal Briquettes	193/05.05.79	Coal Briquettes	10000	M/s Nuran Agro tech.	252 D/18.01.10	Bio Product, Paudh., Amrita m& Herbiedes Butachlore	10000	41.82	96005 5.10	119745 .00	840310.10	Purchased from old unit
17	Baroni	M/s Poonam Ind.	Lease dead /1998	Dal mill		M/s Maha Laxmi Product	12/ 3.01.06	Chura Murhi Atta	12084	5.36	14869 2.01	56145. 00	92547.01	Purchased from old unit
18	Baroni	M/s Ekno Chemical			5445	M/s Mahendra Ice Cream Factory	1276/ 24.08.06	Ice Creame	5445	5.90	73750. 00	0	73750.00	Purchased from old unit
19	Baroni	M/s Ratan Leather Ind.	1665/11.6.80, 744/9.3.81		A-7 & 0.1525	M/s Naveen Dairy Pvt. Ltd.	149/ 23.02.07	Pasteurised Milk	9643	5.90	13060 9.96	35775. 00	94834.96	Purchase from old unit
20	Darbangha Bela	M/s Vikash Animal Foods	450/ 17.05.03	Cattle Feed	0.02 acre	M/s Kumar Animal food	1755/ 5.12.05	Animal Foods	871.2	4.88	9760.0 0	3850.0 0	5910.00	Sale for Rs. 50000
21	Darbangha Bela	M/s Maa Bhagwati Industries	118/22.1.02, 17/22.1.02, 224 / 13.03.03,	Pulses, Edible Oil, Murhi	Shed-A4 & 0.08Acre	M/s Ashoka Cattle & Poultry food	205 / 20.03.09	Cattle & Poultry feed	6485	150.00	22331 26.72	232422 .00	2000704.72	Purchase from Old Unit

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
22	Barari	M/s National Electricals Industry	492/18.06.80	Electrical Goods	shed C-6	M/s Balajee Impex	890/D 23.08.07	Package Drinking Water	4000	4.53	41597.80	6240.00	35357.80	Purchase from previous unit
23	Barari	M/s PVC cable & wire Industries	132/06.02.79 & 1288/12.12.81	PVC quoted wire	20000		890/D 23.08.07		20000	4.53	207988.98	114504.00	93484.98	
24	EPIP Hajipur	M/s Sumil Foods	1545/02.06.09	Biscuits	67500	M/s Bansal Biscuit Pvt. Ltd	1194/02.03.10	Biscuits	67500	137.05	21237086.78	0	21237086.78	Purchase from Old Unit
25	Patliputra	M/s Singh & Co.	30.09.92	Leather Products	16485 sq ft	M/s CNS Hospital	16.12.11	Multi Sociality Hospitality	8243	236.54	4475851.58	1000.00	4474851.58	Transfer Without construction
26	Patliputra	M/s Bhagrath Ind.	1900 D/19.06.07	Dalmill	700	M/s P & M Infrastructure	2745 D/20.04.10	Family Entertainment, Mall Multiplex	700	215.04	345564.74	38942.00	306622.74	Transfer with Construction work
27	Patliputra	M/s Kanhaiya Casting Pvt Ltd	410/11.3.91	PVC Pipe	14500	M/s Steelma n Industries	1170 D/03.07.06	Deepwell Handpump	1600	14.64	53774.10	6667.00	47107.10	Previous unit has more land

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
28	Baroni	M/s Universal Hydrocarbon Co. Ltd	2314 /23.07.90 ,1669 /05.08.91 , 461 /11.03.92 , 2548 /17.12.96	Calcinated Petroleum coke	0.13 acre , 3.55 acre , 0.08 acre , 3.00 acre	M/s Universal Refineres	602/ 27.09. 04	Calcinated Petroleum coke	130680	4.87	14610 00.00	199350 .00	1261650.00	Transfer without construction
29	Barari	M/s A.K. Alum(New Name M/s A.K. Industries)	504/21.3.91	Alum Industry(Chawal,Chura, Murthi,Dal)	21780	Ms Jodhani Foods Pvt.Ltd	MD Order / 5.6.12		11780	115.80	31315 97.80	507058 .00	2624539.80	Previous unit has more land
30	Barari	M/s Om Industries	236/D 29.01.08	PVC Cable wire	7000	M/s Adarsh Furniture	474D/ 21.06. 10	Steel & Wooden Furniture	7000	95.70	15378 78.79	81417. 00	1456461.79	Without work, Lease for 90 years
31	Bettiah	M/s Shiv Shakti Lagho Chura udyog	225/28.3.98	Chura	10890	M/s Vyahut Industries	750/1 4.8.06	Detergent Powder & Cake	10890	3.80	95000. 00	10708. 00	84292.00	Both original Allottee are couple & Transferred without doing any work in their Allotted Land
32	Bettiah	M/s Manorma Mini Modern Rice Mill	233 / 28.09.98	Rice mill	0.50 acre		749/ 14.08. 06	Wheat flour	21780	3.80	19000 0.00	21416. 00	168584.00	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
33	Bettiah	M/s Shiv plastic works	26/14.01.98	Plastic rope, Granuels, Nets	10890	M/s S.K.Metal Works	3016/21.12.09	Aluminium Utensils	10890	100.50	2512500.00	0	2512500.00	transferred without doing any work in original allotment
34	Sitamathi	M/s Shankar Saw Mill	1269/7.12.00	Saw Mill	21780	M/s Samras Products Pvt Ltd.	2260/17.11.11	Edible Oil	21780	387.20	19360000.00	825000.00	18535000.00	Construction not started
35	EPIP Hajipur	M/s Devlok Beverage	5473/13.08.10	Mineral water	15500	M/s Genial Polymers	26.04.12	Package drinking water	2000	182.42	837557.39	0	837557.39	Without Construction
36	Patliputra	M/s K.B.R Energy & Engg. Pvt Ltd	297 D/06.05.02 & 836 D/17.11.03	Transformer	9000 & 1150	M/s Alankar Auto Sales & service pvt. Ltd.	21.06.11	Auto Sales & service	10150	236.54	5511664.37	1848315.00	3663349.37	
37	Patliputra	M/s Petron India Enterprises	04.02.04, 11.02.04	0	15000	M/s Maa Re-Rolling Mill	1045 D/10.06.06	Hot Rod Polverts	15000	14.64	504132.23	0	504132.23	
38	Patliputra	M/s APT Engineering Pvt Ltd	Purchase from BSFC dt/31.3.00	Disposable syringe	12000	M/s Pahariya Commercial Pvt. Ltd.	2500 D/31.03.08	Service Centre	12000	161.56	4450688.71	667584.00	3783104.71	Purchase from BSFC

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
39	Patliputra	Dyonic Digital Studio (India) Pvt Ltd	2116 D/06.12.95	TV software	26590	M/sUno Digital Pvt. Ltd.	2782 D/30.04.08	Development of software, Filling Colourisati on	26590	177.72	10848 427.00	147925 5.00	9369172.00	
40	Patliputra	National foundry Engg. Works	NA	Steel Product	53180	M/s Excel Carbon evenance Pvt. Ltd.	11.09.09	Agarhatti	53180	195.49	23866 295.22	268107 .00	23598188.22	Purchase from BSFC
41	Patliputra	M/s Universal Wire Industries	145/21.1.74,2 020/24.7.71		45500	M/s Guinea Motors (P) Ltd (M/s Sundara m Logesti c & Auto Pvt Ltd)	1824 D/15.06.07	Workshop	45500	161.56	16875 528.01	252412	16623116.01	Purchase from BSFC
42	Patliputra	M/s Hightech Steel pvt Ltd	23.04.94	Steel Product	44766	M/s Recon	467/ 29.01.10	IT Park	44766	195.49	20090 232.64	249042 2	17599810.64	
43	Patliputra	M/s Hightech Steel pvt Ltd	18.05.96	Steel Product	45720	M/s Recon	468/ 29.02.11	Five Star Hotel	45720	215.04	22570 314.05	252218 8	20048126.05	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
44		M/s Metallizing & Engineering Work	1588/ 24.03.71		11300	M/s Neutral Publishing House	6417 D/03. 10.09	Prabhat Khabar	11300	195.49	50712 51.15	0	5071251.15	
45	Patliputra	M/s Kisan Sewa Kendra	1972		11300		914/ 17.2.1 0	Prabhat Khabar	11300	195.49	50712 51.15	628660 .00	4442591.15	
46		M/s Bihar Conductors	1535/ 24.3.71	ACC & ACSR & Accessories	11300		1137/ 16.3.1 1	Printing Press	11300	215.04	55784 02.20	118311 0.00	4395292.20	
47	Patliputra	(M/s N.K.Electric als) M/s EMERALD ENGINEERING SOLUTIONS	157/ 31.08.73 579/ 13.12.73		8308	M/s Puja Printech Pvt. Ltd	1528 D/08. 04.11	Printing Press	8308	236.54	45114 19.47	921232 .00	3590187.47	
48	Patliputra	M/s Paper & Board Industry Pvt Ltd			10018 3	M/s Hindustan Coca Cola Beverage Pvt Ltd.	1702 / 16.10. 04	Cold Drink	100183	12.1	27828 61.11	558873 .00	2223988.11	Purchase from BSFC
49	Patliputra	M/s Holi Cow Picture Pvt.Ltd	543/25.3.06	Multiplex	10400	M/s P&M Infrastructure	6075/ 15.9.0 9	Multiplex	10400	195.49	46673 46.19	578572 .80	4088773.39	
50			544/25.3.06		43560				43560	195.49	19549 000.00	242332 9.92	17125670.08	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
51			919/16.5.06		4106	Pvt.Ltd.			4106	195.49	1842704.18	228424.99	1614279.19	
52			403/15.1.08	Family entertainment	559			Family entertainment	559	195.49	250869.86	31098.29	219771.57	
53	Buxar	M/s Alok Coke Industries				M/s Mahadev Rice Mill	215 D/7.03.05	Mini Rice Mill	10000	4.41	101239.67	15496.00	85743.67	Purchase from BSFC
54	EPIP Hajipur	M/s Splash Foods Pvt Ltd	3045D/07.08.07	Food Processing	22308	M/s Nimbus Beverages Pvt. Ltd	774 D/24.02.11	Package Drinking Water	22308	150.76	7720739.39	842540.00	6878199.39	
55	Hajipur	M/s Trident Tubes Ltd	33/05.01.83	HDPE RIGID PIPE PROFILES & ACCESSORIES	43560	M/s Ganga Agro Product & Polly Tube	121 /18.10.05	HDPE Pipe Rigid PVC Pipe	43560	26.24	2624000.00	325256.40	2298743.60	Purchase from BSFC
56	Hajipur	M/s Trident Tubes Ltd	136/24.01.84	HDPE RIGID PIPE PROFILES & ACCESSORIES	21780	M/s Ganga Agro Product & Polly Tube	122/30.06.06	HDPE Pipe Rigid PVC Pipe	21780	28.86	1443000.00	162628.20	1280371.80	Purchase from BSFC
57	Fathua	M/s Acquiret		TMT	15000	M/s Tiscon Ispat & Tube Pvt. Ltd.	4389 D/30.08.08	TMT	15000	38.02	1309228.65	178515.00	1130713.65	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
58	Fathua	M/s Nilam Allied Industries			18515	Puja Food Processing Mill Pvt. Ltd	6220 D /19.09.09	Rice Mill	18515	41.82	1777542.01	220344.00	1557198.01	Purchased from BSFC
59	Fathua	M/s Morden Casting Corporation	166/28.8.77	Grayan Casting of Machine & Engine Component	40000	M/s Rock Hill High Tech Cement Pvt. Ltd	6366 / 26.12.07	Cement Industry	40000	34.56	3173553.72	476040.00	2697513.72	Purchase from BSFC
60	Fathua	M/s Rama Wood & General Industries Ltd	1981		87120	M/s Patna Iron Pvt. Ltd.	4398 D/1.07.10	Steel Product	87120	46.00	920000.00	148660.00	9051340.00	Purchased from Allahabad Bank
61	Fathua	M/s Rama Wood & General Industries Ltd	1981		104980	M/s Krish Rice Mill Pvt. Ltd	9143 D/31.12.10	Rice mill	104979.6	46.00	11086000.00	1443050.00	9642950.00	Purchased from BSFC
62	Fathua	M/s Patliputra Chemicals Industries	4256/28.12.84	Quick Lime	20000	M/s Patliputra Chemicals Industries	3407/ 24.6.11	Rice Mill	20000	50.60	2323232.32	363000.00	1960232.32	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
63	Fathua	M/s NECRO CHEMICAL SPVT LTD	2808 D/14.11.90	Sodium bicromant & B.Creme Sulfate	2 acre	Md. Internati onals (Uma Shankar Bhagat & smt. Mina Devi.	2057 D/6.0 3.08	Part & Chemical	87120	34.56	69120 00.00	103681 5.00	5875185.00	By Auction in Court case Amt. Not paid before possession
64	Gaya	M/s Om Industries	2501 D/23.12.06	Sattu Besan	5670	M/s Infra Power	4503 D/5.0 7.10	Transformer	5670	24.63	32059 7.11	32073. 00	288524.11	
65	Biharsharif	M/s Nalanda Cable Company	1973	NCC Cable Wire	13600	M/s Silver Line Hadimad e paper Industri es	1853 D/24. 10.05	Hand Paper	13600	5.44	16984 3.89	23416. 00	146427.89	Purchased from BSFC
66	Biharsharif	M/s Gopeshwar Textiles			4000	M/s Mamta Mubel & General Preessin g Industri es	127/ 07.01. 10	Decorative Stone Cutting & Processing	4000	137.94	12666 66.67	26867. 00	1239799.67	Purchase from BSFC
67	Biharsharif	M/s Holicow Picture pvt ltd	21.12.07	Mall Multiplex	24475 sq ft	M/s Mamta Associa tes	30.05. 11	Mall Multiplex	24475	166.9	93775 88.38	731421 .00	8646167.38	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
68	GC Gidha	M/s Visnu Vishal Paper Mill Pvt.Ltd	635 D/ 10.05.96	Paper Industry	4Acre	M/s Visnu Vishal Paper Mill Pvt. Ltd	963 D/ 23.03.09	Paper Industry	174240	6.13	2452000.00	633600.00	1818400.00	
69	GC Gidha	M/s Active Foods	2846/9.5.08	F.Processing	15000	M/s Active Foods	315 D/ 18.1.12	F.Processing	15000	21.05	724862.26	135000.00	589862.26	
70	GC Gidha	M/s Balajee Falgi pvt ltd	635/ 08.07.98	Flyash Biscuit	65340 sq ft	M/s Ananya Agrotech pvt ltd	30.12.09	Rice mill	65340	17.40	2610000.00	0	2610000.00	
71	Baroni	M/s Ashoka Foundry	May-70	Deep Well Hands Pump,Deep Well hand pump		M/s Premier Industries	1309/ 22.9.05	Calcined petrolium cake	21780	5.36	268000.00	33335.00	234665.00	
72					43560		276/ 17.1.12	Calcined petrolium cake	21780	9.50	475000.00	209088.00	265912.00	
73	Darbangha Bela	M/s Durga Mini Mordern Rice Mill	1356/20.10.01	Rice	8712	M/s Laxami Laghu Udyog	311/ 21.3.07	Rice	8712	5.37	107400.00	16110.00	91290.00	

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
74	Darbangha Bela	Baleshwar Jha (Purchases M/s Thirath Auto Service from B.S.F.C)			B-8, 0.32 acre	M/s Suman Auto Service	1550/11.07.07	Auto Servicing	13939	120.00	384000.00	0	3840000.00	Baleshwar Jha purchase from B.S.F.C & Transfer to M/s Suman Auto Service
75	Darbangha Bela	M/s Durga Chemical	1356/24.06.78	Nephelene Balls	0.15 acre	M/s Sanjeevini Enterprises	6.03.09	Rice Dal Chura Murhi	6534	150.00	225000.00	0	2250000.00	
76	Darbangha Bela	M/s Nirdosh Maa Industries		Rice, Chura, Murhi, Sattu	10890	M/s Sri Balajee Ind.	407/8.07.09	Edible Oil	10890	165.00	4125000.00	359370.00	3765630.00	
77	Darbangha Bela	M/s Anupama Paper Craft Inclave	2942/24.11.78	Paper Craft	0.12 acre & C-13	M/s Ridhy Sidhy Ind	M/D order dt. 15.06.12	Dal Mill	5227	219.62	2635339.16	864435.00	1770904.16	
78	Darbangha Bela	M/s Amba Hosiery Goods	968/11.05.78	Hosiery Goods	0.10 acre	M/s Amba Food Product	7.10.09	Masala	4356	165.00	1650000.00	630001.70	1019998.30	
79	Darbangha Bela	M/s Kumar Enterprises	995/9.3.79	Alluminium Hardware	0.10 acre	M/s Maa Gayatri Ind.	941/15.12.09	Rice and Edible Oil	4356	165.00	1650000.00	143748.00	1506252.00	Purchased from BSFC

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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
80	Darbangha Bela	M/s Dhandhan Sati Udhayog	2708/12.9.80		750	M/s Govind Ind	341/2 9.3.07	Rice, Atta,Besan	750	5.37	9245.87	0	9245.87	
81	Darbangha Bela	M/s Durga Ind.	86/ 12.01.78	Dal	0.75 acre	M/s T.R. food products Pvt Ltd	887/ 21.12.04	Dal	32670	4.44	33300 0.00	45350. 00	287650.00	
82	Darbangha Bela	M/s Star Cycle Industries, New name M/s Balajee Ice Ondey Industries(72/5/12.10.09)	Reg.No./ 3.3.00396 01.08.79	Cycle Crank Ice Candy Ice Crème	0.10 acre	M/s Balajee Ice Candy Industries	1239 / 13.07.11	Ice Candy Ice Crème	4356	199.65	19965 00.00	247350 .00	1749150.00	
83	Dharampur	M/s Madhadeo Pharmaceuticals		Injectable water	Shed-C-20 & 0.108	M/s Vinkalar Pharmaceuticals	330/1 9.4.05	Medicine Oral Liquid	4704	2.93	31640.77	0	31640.77	
84	Doonar	M/s Ranisati Fertiliser	4357/14.12.90 664/27.2.81	Godown,Fertilisers	0.50 Acre 2.50 Acre	M/s Ranisati Agro Feeds Pvt.Ltd	875/2 1.05.11	Cattle & Poultry field	21780	73.21	36605 00.00	450000 .00	3210500.00	

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sq ft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
85	Saharsa	M/s Jay Durga Oil	1806/21.12.99	Edible Oil	704 sq ft	M/s Prasad Industry	1529/1.11.06	Furniture	1307	2.58	7740.00	2329.00	5411.00	
86	Samastipur	M/s Auro Wheat Products Ltd.	616/13.04.77	Atta, Suji, Maida	2.50 acre	M/s Amrit Industries Pvt. Ltd.	2875/17.12.07	Flour mill	108900	4.57	1142500.00	408375.00	734125.00	Purchased from official liquidator of Patna High Court
87	Samastipur	M/s Annapurna food product M/s Kalika Ind	405/25.03.06, 0/0	Bread slice	0.25 acre 0.15 acre	M/s Umaraj Tharmo plast	597/05.09.09 615/10.9.09	HDPE pipe & Plastic disposable containers	17424	50.00	200000.00	65341.00	1934659.00	
88	Samastipur	M/s Baba Spices Industries	447/9.6.05 391/25.3.06	Spices	4356 sq ft	M/s Kamini Enterprises	265/15.03.10	Plastic Bags/Printing	4356	50.00	500000.00	0	500000.00	
89	Samastipur	M/s Harhar Mahadev Industry	1547/15.05.07	Latex foam	4356 sq ft	M/s Raj food product	619/10.09.09	Soya Bari Plant	4356	50.00	500000.00	16335.00	483665.00	
90	Samastipur	M/s Anand Agro	2887/18.12.07	Vermi compost	4356 sq ft	M/s Anand Industries	707/6.04.11	Cattle feed	4356	60.50	605000.00	74997.00	530003.00	

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
91	Samastipur	M/s Shivlochan Agro Industries India Ltd	649/01.06.99	Cattle Feed, Poultry Feed	2 acre	M/s Amrit Breudor Farms (P) Ltd	43/6.01.11	Hatchery	87120	55.00	11000000.00	1502820.00	9497180.00	
92	Samastipur	M/s Tirupati Agro Chemical	1417/04.09.97	Organic Menure	1.00 acre	M/s Pammat ma Allied Feed Co.	2519/31.10.07	Atta Chokar Besan Sattu	43560	4.15	415000.00	163350.00	251650.00	
93	Samastipur	M/s Tirupati Refineries	1419/04.09.97	Edible Oil	2.00 acre	M/s Unique Wheat Allied Agro Product (P) Ltd	791/28.04.11	Cold Storage	43560	60.50	6050000.00	163350.00	5886650.00	
94	Samastipur	M/s Laxmi Flour Mills	530/7.6.03	Atta, Suji, Maida, Besan	0.80 Acre	M/s Laxmi Wheat Products Pvt Ltd	422/28.05.05	Rice	34848	4.15	332000.00	41160.00	290840.00	
95	Katihar	M/s Badhwani Brothers M/s Jyoti Industries			0.30 Acre 0.20Acre	M/s Narayan Das Construction Pvt. Ltd	193/22.02.06	Gen.fabrication, Engineering Works, Machine.Repairing works	21780	2.93	146500.00	18150.00	128350.00	

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
96	Maranga	M/s Singh Industry	1422/23.12.00 148/15.1.08	Candle, Patta, Palate, Paper/thermocool cup&Plates	10890 6790	M/s Savitri Raghunath Agro Foods	162/6 3.10	Rice Mill	17680	60.50	24555 55.56	231304 .00	2224251.56	Lease for 90 Years
97	Maranga	M/s New Mahalaxmi Body Builders	1389/06.11.01	Body Building	43560	M/s Brajesh Automobile Pvt. Ltd.	252 D /15.0 3.07	Repairing Servicing, Maintenance of Vehicles	43560	3.22	32200 0.00	48300. 00	273700.00	
98	Muzaffarpur	M/s Meghani Chemicals	396/30.3.94	Detergent Powder & Cake	15000	M/s Bajrang Rayan	429/3 .8.04		10890	6.71	16775 0.00	31537. 00	136213.00	
99	Muzaffarpur	M/s Subham Polymers	675 / 05.06.07	PP BAGS	Shed-C6 &3000	M/s Subham Polymers	461 / 27.03. 10	PP BAGS	3000	42.35	29166 6.67	0	291666.67	
100	Muzaffarpur	M/s Shree Ganesh Engineering Company	2143 / 07.09.88	Fabrication	0.45 acre	M/s Aryan Tobacco Industries	928 / 18.07. 08	Tobeco Candi	19602	38.50	17325 00.00	0	1732500.00	
101	Muzaffarpur	M/s Prakash Engineering Company	3117 / 06.03.74	ACSR Alluminium Codcars	43560	M/s Agro Feeds Industry	2608 / 8.12.07	Cattle & Poultry field	43560	35.00	35000 00.00	525000 .00	2975000.00	

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
102	L.A. Muzaffarpur	M/s Neha Chemical Industries	602/15.7.95	Detergent Powder & Cake	shed C-18(1000sf)	M/s Shyam Industries	1057/7.6.11	Cycle Padel, Sanitary Water Supply fitting	1000	51.25	117653.81	24105.00	93548.81	
103	Bettiah	M/s Chand Wax Pd	1307/15.12.2000	Wax Candle	4000 sq ft	M/s Gupta Rice Mill	04.02.11	Rice Mill	4000	121.61	1116712.58	0	1116712.58	
104	Bettiah	M/s Sri Ram Textiles	649 / 16.07.99	Jute Cloth, Power loom cloth	5000	M/s Om Sai Ram Rice Mill	168 / 15.02.10	Rice Mill	5000	100.50	1153581.27	0	1153581.27	
105	Bettiah	M/s Sonu Oil Mills	229/28.03.98	Edible Oil	0.125 acre	M/s Sonal Industries	2922 / 26.11.09	Ice Slab	5445	100.50	1256250.00	149928.70	1106321.30	
106	Bettiah	M/s Madhogaria Industries	09.09.87	Rice & Dal Mill	0.75 acre	M/s Maha Laxmi Ind.	253/23.06.04	Dal Mill	32670	3.14	235500.00	65931.00	169569.00	
107	Bettiah	M/s Prakash Plastic Works	963/ 08.10.98	HDPE Pipe	21780	M/s Prakash Plastic Works	MD Order / 5.5.11	HDPE Pipe, Ware Nail	21780	121.61	6080500.00	625826.52	5454673.48	

Audit Report (GS&ES) for the year ended 31 March 2012

Sl. No.	Industrial Area	Name of old unit	Date of allotment	Purpose	Area	Name of new unit	Date of Transfer	Purpose	Area (in sqft)	Land rate (lakh/Acre)	Cost of land	Transfer Fee charged	Revenue Loss (12-13)	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
108	Sitamarhi	M/s Hari Om Engineering Works	1115 / 17.07.2007	Iron Fabrication	13790	M/s Shriya Agro Products	1579 / 21.10.10	Agriculture Equipment fabrication and Machining job work	13790	352.00	11143434.34	161075.00	10982359.34	
				TOTAL					2791129.78	TOTAL	499223610.55	46351412.52	452872198.03	

APPENDIX-3.3.11
(Reference : Paragraph 3.3.8.4; Page 103)

Loss on auction sale

SI No.	Name/ Address of the Units	Date of PCC	Date of Allotment/Transfer	Product/Project	Date of 1st Instalment	Plot No	Area in Sq.ft.	Rate	Auction Cost of land (₹ in lac)	Market Price (rate per sft.)	due cost (₹ in lac)	less assessment	Remarks/Current status
1	M/s Plast worth industries	19.06.07	19.6.07	Utensil Scrubber & allied products	20-07-2007	C-25	2500	-	2.65	371	9.27	6.62	Construction not started. HTI wire Passing over the plot
2	M/s R. K. Amusement Pvt. Ltd	19.06.07	19.6.07	Life Jacket	-	C-27	2500	-	4.00	371	9.27	5.27	Unit in Function
3	M/s Shiv Shanti Enterprises	19.06.07	19.6.07	Paraffin wax	25.06.07	5/5 & 5/4	4750	-	2.50	371	17.62	15.12	Working
4	M/s S. S. Pet	19.06.07	19.6.07	Bottle & jar	-	C-26	2500	-	2.55	371	9.27	6.72	Unit in Function
5	M/s Patliputra Infotech Park Pvt. Ltd	19.06.07	19.6.07	Telecom park	22.06.07	B-5	43560	-	11.92	371	161.6	149.68	Work not yet started
Total												183.41	

APPENDIX-4.1

(Refer paragraph- 4.1 ; Page-106)

15-Point Programme

A. Enhancing Opportunities for Education

Sl. No.	Name of Programme
1.	Equitable availability of ICDS Services
2.	Improving access to school education
3.	Greater resources for teaching urdu
4.	Modernizing Madarsa Education
5.	Scholarships for meritorious students from minorities communities
6.	Improving educational infrastructure through the Maulana Azad Education

B. Equitable Share in Economic Activities and Employment

Sl. No.	Name of Programme
7.	Self Employment and Wage Employment for the poor
8.	Upgradation of skills through technical training
9.	Enhanced Credit Support for Economic Activities
10.	Recruitment to State and Central Services

C. Improving the conditions of living of Minorities

Sl. No.	Name of Programme
11.	Equitable share in rural housing scheme
12.	Improvement in condition of slums inhabited by minority communities

D. Prevention and Control of Communal Riots

Sl. No.	Name of Programme
13.	Prevention of communal incidents
14.	Prosecution for communal offences
15.	Rehabilitation of victims of communal riots

APPENDIX-4.2

(Refer paragraph-4.7.6 ; Page- 112)

Statement showing expenditure of Detailed Appropriation Accounts and figures provided by the Minority Welfare Department

(₹ in crore)

Year	Expenditure						Difference		
	As per department			As per detailed appropriation account					
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
2007-08	24.42	2.03	26.45	24.42	1.99	26.41	0	0.04	0.04
2008-09	51.20	4.39	55.59	50.47	4.39	54.86	0.73	0	0.73
2009-10	160.25	3.70	163.95	159.03	3.70	162.73	1.22	0	1.22
2010-11	297.88	3.50	301.38	276.64	3.45	280.09	21.24	0.05	21.29
2011-12	283.65	4.27	287.92	283.12	4.27	287.39	0.53	0	0.53
Total:	817.40	17.89	835.29	793.68	17.80	811.48	23.72	0.09	23.81

APPENDIX-4.3

(Refer paragraph-4.7.7; Page- 112)

Unutilised Fund of NMDFC

(₹ in lakh)

Year	O.B	Fund Received				Utilised				Balance
		Term Loan	Micro	Total	Grand Total	Term Loan	Education Loan	Micro Financing	Total	
2007-08	123.34	150.00	36.66	186.66	310.00	257.47	54.68	17.48	329.63	(-)19.63
2008-09	(-)19.63	900.00	8.71	908.71	889.08	501.05	81.76	26.10	608.91	280.17
2009-10	280.17	0.00	0.00	0.0	280.17	72.88	1.08	0.00	73.96	206.21
2010-11	206.21	789.00	0.00	789.00	995.21	386.26	59.21	0.00	445.47	549.74
2011-12	549.74	438.00	0.00	438.00	987.74	505.76	10.53	0.00	516.29	471.45

APPENDIX-4.4**(Refer paragraph-4.8; Page- 114)****Statement showing list of schemes implemented for minority**

Centrally Sponsored Scheme	
1.	Multi Sectoral Development programme fund
2.	Pre-Matric Scholarship
3.	Post-Matric Scholarship
Central Plan Scheme	
1	Merit-Cum-Means Scholarship for Technical & Commercial higher studies.
State Plan Scheme	
1	Mukhya Mantri Vidyarthi Protsahan Yojna
2	Construction of Hostel for Minorities Boys and Girls student.
3	Share Capital to Bihar State Minorities Financial Corporation.
4	Construction of Haz Bhawan and Auditorium/Memorial on the great name of Minorities great persons.
5	Share capital for equity partnership in National Minority Development and Financial Corporation.
6	Chief Minister's Scheme for Self Employment of Muslim Divorcee Women.
7	Scholarship for college going student.
8	Coaching for competitive Exam.
9	Training for worker related to Minorities.
10	Revolving fund for development of Waqf property.
11	Computerization of survey report of Waqf Property.
12	Protection and maintenance of Waqf Property.

(Furnished by department)

APPENDIX-4.5

(Refer paragraph-4.8.1.1; Page- 115)

Statement showing deprivation of Multi Sectoral Development Programme Fund

(₹ in Crore)

Sl. No.	District	Targeted	Sanctioned		Received		Deprivation		Total Deprivation
			Central	State	Central	State	Central Share(CS)	State Share(SS)	
1	Kishanganj	87.9	70.86	24.88	60.04	21.34	10.82	3.54	14.36
2	Purnea	85.5	80.00	35.41	71.40	26.48	8.60	8.93	17.53
3	Katihar	82.6	81.68	18.03	53.20	11.05	28.48	6.98	35.46
4	Araria	81.1	72.84	22.30	46.76	17.33	26.08	4.97	31.05
5	Sitamarhi	67.8	52.07	19.82	41.37	17.04	10.70	2.78	13.48
6	Darbhangha	59.7	53.65	16.59	33.10	13.18	20.55	3.41	23.96
7	West Champaran	58.6	53.94	15.12	46.97	12.8	6.97	2.32	9.29
Total:		523.2	465.04	152.15	352.84	119.22	112.2	32.93	145.13

APPENDIX-4.6

(Refer paragraph-4.8.1.1; Page- 115)

Status of Aganwadi

Sl. No.	Name of District	Total Sanctioned	Total No. of BDOs, CDPOs, Engg.Deptt.	Total approved by District Administration	Total aganwadi taken	Total complete aganwadi	Total incomplete aganwadi	Total affected aganwadi due to land	Total Allotment	Total Expenditure	Balance
1	Araria	902	8-CDPOs	340	73	0	73	267	378.85	53.90	324.94
2	Sitamarhi	300	11-BDOs	68	36	11	25	32	285.42	93.71	191.71
3	Purnea	1121	12-BDOs	998	469	132	337	529	4542.26	1224.73	3317.53
4	Katihar	853	14-BDOs	154	59	27	32	95	462	105.57	356.42
5	Kishanganj	594	7-BDOs	446	294	132	162	152	1361.59	549.61	811.98
6	Darbhanga	665	8-Engg. Deptt.	446	242	61	181	204	936.80	405.01	531.79
7	Bettiah	400	2-RWD NREP	138 220	121 173	65 99	56 74	17 47	391.73 607.00	299.43 442.25	257.05
	Total	4835	62	2810	1467	527	940	1343	8965.65	3174.21	5791.43

APPENDIX- 5.1

(Refer paragraph- 5.1.2A; Page- 126)

Statement showing fake and doubtful Payments on Muster Roll

SI No	Scheme No	Period of Wages	Amount Paid (in ₹)
1	78/10-11	23/7/10 to 29/7/10	20320
2		30/7/10 to 5/8/10	20320
3		5/2/11 to 11/2/11	20320
4		12/2/11 to 18/2/11	20320
5		19/2/11 to 25/2/11	20320
6		28/2/11 to 6/3/11	20320
7		7/3/11 to 13/3/11	20320
8		14/3/11 to 20/3/11	20320
9		21/3/11 to 27/3/11	23122
10	73/10-11	21/9/10 to 27/9/10	20320
11		28/9/10 to 4/10/10 (2nd Oct)	20320
12		5/10/10 to 11/10/10	20320
13		12/10/10 to 18/10/10	20320
14		19/10/10 to 25/10/10	20320
15		8/1/11 to 14/1/11	20320
16		15/1/11 to 21/1/11	20320
17		22/1/11 to 28/1/11 (26th Jan 2011)	11149
18	424/10-11	23/9/10 to 29/9/10	8098
19		9/9/10 to 15/9/10	20320
20		16/9/10 to 22/9/10	20320
21	42/10-11	15/6/10 to 21/6/10	67760
22		24/6/10 to 30/6/10	67760
23		5/1/11 11/1/11	67760
24		20/1/11 to 26/1/11 (26th jan 2011)	67760
25		5/1/11 to 11/1/11	67760
26		10/2/11 to 16/2/11	67760
27		21/2/11 to 27/2/11	67760
28		5/3/11 to 11/3/11	67760
29		15/3/11 to 21/3/11	67760

SI No	Scheme No	Period of Wages	Amount Paid (in ₹)
30		24/3/11 to 30/3/11	67760
31		8/4/11 to 14/4/11	67760
32		16/4/11 to 22/4/11	67760
33		24/4/11 to 30/4/11	67760
34		5/5/11 to 12/5/11	35936
35	7/C/11-12	23/6/11 to 29/6/11	22998
36		30/6/11 to 6/7/11	22998
37		7/7/11 to 13/7/11	22998
38		14/7/11 to 20/7/11	22998
39		21/7/11 to 27/7/11	22998
40		5/8/11 to 11/8/11	22998
41		12/8/11 to 18/8/11 (15th August 2011)	22998
42	9/C/11-12	20/7/11 to 26/7/11	22998
43		10/8/11 to 16/8/11 (15 Aug 2011)	22998
44		17/8/11 to 23/8/11	13043
45	02/A/11-12	12/9/11 to 18/9/11	22998
46		19/9/11 to 25/9/11	22998
47		26/9/11 to 2/10/11 (2nd Oct 2011)	22998
48		3/10/11 to 9/10/11	22998
49		10/10/11 to 16/10/11	22998
50		17/10/11 to 23/10/11	22998
51		24/10/11 to 30/10/11	22998
52		1/11/11 to 7/11/11	22998
53		8/11/11 to 14/11/11	22998
54		20/11/11 to 26/11/11	22998
55		8/12/11 to 14/12/11	22998
56		15/12/11 to 21/12/11	22998
57		22/12/11 to 28/12/11	22998
58		5/1/12 to 11/1/12	22998
59		12/1/12 to 18/1/12	6204
60	57A/10-11	5/4/11 to 11/4/11	15787
61		10/12/11 to 16/12/11	20320

Sl No	Scheme No	Period of Wages	Amount Paid (in ₹)
62		17/12/10 to 23/12/10	20320
63	55A/10-11	10/2/11 to 16/2/11	13597
64	14A/10-11	10/2/11 to 16/2/11	13597
65	47/A/10-11	22/11/10 to 28/11/10	18360
66	88/C/10-11	12/5/11 to 18/5/11	15426
67		19/5/11 to 25/5/11	6486
	Total		1976719

APPENDIX- 5.2*(Refer paragraph- 5.1.2 B; Page -126)***Statement showing list of Agencies not located**

Sl. No.	Name of Firm & Address	Amount (₹)	No. of vouchers
1	M/S Sarswati Traders, Dulhin Bazar, Patna	213400	02
2	MAA Durga Enterprises, Dulhin Bazar, Patna	1911288	08
3	Shambhu Hardware, Station Road, Patna	223865	03
4	Shyam Hardware, Main Road, Naubatpur, Patna	1013944	07
5	Shri Ram Traders, Anisabad, Patna	740877	18
6	Raul Hardware, Bahadurpur, Kankarbagh, Patna	1655655	13
7	Manoj Hardware, Ashok Nagar, Kankarbagh, Patna	2900867	21
8	Sinha Hardware, Main Bazar, Bikram, Patna	4987856	49
9	Jagdamba Hardware, Kadamkuan, Patna	2079117	14
10	Jagdeep Agency, Dariyapur	236551	03
11	Maa Durga Traders, Main Road, Kankarbagh, Patna	934921	22
12	Vicky Hardware, Main Road, Mokama	614508	14
	Total (A)	17512849	174

APPENDIX- 5.3

(Refer paragraph- 5.1.2 B; Page -126)

Statement showing list of Agencies refused any supply made by them

Sl. No.	Name of Firm & Address	Amount (₹)	No. of vouchers
1	New Patna Sanitary Store, Exhibition Road, Patna	1434048	14
2	Hindustan pipe, Exhibition Road, Patna	1170655	05
	Total (B)	2604703	19
	Grand Total (A + B)	20117552	193

APPENDIX- 5.4

(Refer paragraph-5.1.5; Page-131)

Statement showing the details of amount sent to WDC and UTI

Sl. No	Financial Year	Amount allotted by SWD	Fund disbursed to UTI by WDC	No. of application received by UTI	Amount of bond	No. of bonds issued by UTI (Col. 7/2000)	Current value (as per UTI)	Deposit	Interest	Current value (with interest @ ranged 7.5% to 8.5%) if invested in Govt. securities	Difference (11-8)
1	2	3	4	5	6	7	8	9	10	11	12
1	2008-09	2800	2744	31517	351.88	17594	408.95	134.26	1.17	135.43	-273.52
2	2009-10	6700	6566	592630	6703.74	335187	6722.48	6921.36	213.74	7135.10	412.62
3	2010-11	10541.1	10330.28	378482	6577.70	328885	6619.51	6577.70	952.44	7530.14	910.63
4	2011-12	10000	5920	435571	10213.72	510686	10206.03	10055.60	1430.72	11486.32	1280.29
5	2012-May 12	0	2000	92871	3023.90	151195	3021.36	3182.02	440.35	3622.37	601.01
	Total	30041.1	27560.28	1531071	26870.94	1343547	26978.33	26870.94	3038.42	29909.36	2931.03

APPENDIX- 5.5
(Refer paragraph- 5.2.3; Page- 136)

Statement showing details of documents attached with the technical bid by the contractors

Sl. No.	Division	Agency	Proof of ownership of machine equipment	Total no. of packages	Ownership document of lab equipment	Bid capacity (₹ in crore)	Financial turnover (₹ in crore)	Work experience (₹ in crore)	Labour license	Whether physical verification of machine/ lab equipment conducted
1	RWD Muzaffarpur	M/s JSR Constn. Pvt. Ltd., Hyderabad	Vibratory Roller - 2, Front end loader-1, Concrete Mixer-2, Tractor Tipper-24	6	Not attached	Qualified	Required- 127.03 Submitted- 107.16	Required- 127.03 Submitted- 19.86	40	No
2	RWD Chapra	M/s JSR Constn. Pvt. Ltd., Hyderabad	Not attached	15	Not attached	Qualified	Qualified	Qualified	40	No
3	RWD Chapra	BSS Projects Pvt. Ltd., Hyderabad	Not attached	12	Not attached	Qualified	Qualified	Qualified	40	No
4	RWD Samastipur	BSS Projects Pvt. Ltd., Hyderabad	Vibratory Roller - 2, Front end loader-1, Mix all- 1	2	Not attached	Required- 20.35 Submitted- 7.18	Required- 20.35 Submitted- 18.49	Required- 18.61 Submitted- 17.96	40	No
5	RWD Rosera	BSS Projects Pvt. Ltd., Hyderabad	Vibratory Roller - 2, Front end loader-1, Concrete Mixer - 2	2	Not attached	Required- 29.38 Submitted- 7.18	Required- 29.38 Submitted- 18.49	Required- 27.21 Submitted- 17.96	40	No
6	RWD Rosera	SPR Infrastructure India Ltd., Hyderabad	Not attached	5	Not attached	Qualified	Req. - 72.45 Submitted 62.43	Req. - 72.45 Paper not submitted	No	No

Sl. No.	Division	Agency	Proof of ownership of machine equipment	Total no. of packages	Ownership document of lab equipment	Bid capacity (₹ in crore)	Financial turnover (₹ in crore)	Work experience (₹ in crore)	Labour license	Whether physical verification of machine equipment/lab conducted
7	RWD Samastipur	SPR Infrastructure India Ltd., Hyderabad	Not attached	2	Not attached	Qualified	Qualified	Paper not submitted	No	No
8	RWD Bhagalpur	SPR Infrastructure India Ltd., Hyderabad	Not attached	10	Not attached	Qualified	Qualified	Qualified	No	No
9	RWD Benipatti	Arawali Infra Power	Not attached	1	Not attached	Qualified	Qualified	Qualified	100	No
10	RWD Sitamarhi	Arawali Infra Power	Not attached	1	Not attached	Qualified	Qualified	Required - 54.15 Submitted - 27.33 as subcontractor.	No	No
11	RWD Muzaffarpur	Singh Construction, Muzaffarpur	Static Roller - 3, Front End Loader - 1, Tractor/Tipper - 2	5	Attached	Qualified	Required - 91.04 Submitted - 29.96	Required - 91.04 Submitted - 7.32	50	No
12	RWD Rosera	M/s Aryan Concrete, Mokama	Static Roller - 3, Vibratory Roller - 1, HMP - 1, Vehicle mounted mechanical spray - 1	3	Not attached	Required - 12.55, Submitted - 2.14	Required - 12.55, Submitted - 8.22	Required - 12.55, Submitted - 8.22	50	No

Sl. No.	Division	Agency	Proof of ownership of machine equipment	Total no. of packages	Ownership document of lab equipment	Bid capacity (₹ in crore)	Financial turnover (₹ in crore)	Work experience (₹ in crore)	Labour license	Whether physical verification of machine equipment/ lab equipment conducted
13	RWD Samastipur	M/s Aryan Concrete, Mokama	Static Roller - 3, Vibratory Roller - 1, HMP- 1, Vehicle mounted mechanical spray - 1	3	Not attached	Required - 4.37, Submitted - 8.22	Required - 4.37, Submitted - 8.22	Required - Submitted -	50	No
14	RWD, Muzaffarpur	Shubham Construction	Static Roller- 3, Front End Loader- 1, HMP - 1, Wet Mix Plant -1, Concrete Mixer-2, Tar Boiler-1, Vehicle mounted mechanical spray- 1	2	Attached	Qualified	Required - 24.27 Submitted-21.83	Required - 24.27, Submitted - 9.54	50	No
15	RWD, Benipatti	Siva Swathi Construction Pvt. Ltd., Hyderabad	Not attached	1	Not attached	Required - 61.42, Submitted - ()154.44	Required - 61.42, Submitted - 33.75	Required - 61.42, Submitted -	Not attached	No
16	RWD, Benipatti	Singh Construction Company, Punjab	Static Roller - 1, Vibratory Roller - 2, HMP-2, Tractor/Tipper-12	1	Not attached	Qualified	Required - 20.21, Submitted - 18.27	Required - 20.21, Submitted - 18.27	Not attached	No

APPENDIX- 5.6

(Refer paragraph- 5.2.3; Page-137)

Statement showing physical progress of work

Name of Agency	Name of Division	No. of Roads	Length (Km)	Due date of start	Due date of completion	Work actually started after delay of	Progress of work			Construction in Km (Sub-base)	Construction in Km (Base)	Construction in Km (Surface)	₹ in crore Expenditure
							Nil progress	Work started but stopped	Work in progress				
M/s JSR Constn. Pvt. Ltd., Hyderabad	RWD, Muzaffarpur	71	235.817	30-11-2009	29-05-2011	5 months	40	22	9 (slow progress)	37.600	Nil	Nil	2.73
	RWD, Chapra	13	99.141	05-10-2009	04-10-2010	started in 10/09		5	11	77.539	34.283	12.060	19.73
		6		15-01-2010	14-01-2011		3						
BSS Projects Pvt. Ltd., Hyderabad	RWD, Rosera	20	66.844	23-01-2010	22-07-2011	14 to 23 months	8	8	4	11.762	2.912	Nil	1.78
	RWD, Samastipur	16	32.411	01-02-2010	31-07-2011	14 to 24 months	2	10	4	16.072	9.373	6.435	5.21
	RWD, Chapra	12	78.150	05-10-2009	04-10-2010	In time	Nil	2	10	69.516	22.450	22.710	21.70
SPR Infrastructure India Ltd., Hyderabad	RWD, Rosera	57	145.370	07-02-2010	04-09-2011	15 to 20 months	43	14	Nil	3.000	Nil	Nil	0.38
	RWD, Samastipur	23	46.715	01-02-2010	14-07-2011	9 to 20 months	11	7	5	16.270	6.630	3.825	4.06
	RWD, Bhagalpur	62	324.501	18-01-2010	17-07-2011	N/A	40	-	22	87.260	14.150	5.600	15.93
Arawali Infra Power, New Delhi	RWD, Benipatti	15	38.370	10-12-2010	09-06-2012	10 to 11 months	6	9	-	2.500	Nil	Nil	1.20
	RWD, Sitamarhi	16	74.124	02-06-2010	01-12-2011	4 to 13 months	Nil	7	9	41.240	10.540	6.400	9.97
M/s Aryan Concrete,	RWD, Samastipur	2	12.492	01-02-2010	31-01-2011	3 months	1	2		4.700	4.300	0.406	1.62

Name of Agency	Name of Division	No. of Roads	Length (Km)	Due date of start	Due date of completion	Work actually started after delay of	Progress of work			Construction in Km (Sub-base)	Construction in Km (Base)	Construction in Km (Surface)	(₹ in crore) Expenditure
							Nil progress	Work started but stopped	Work in progress				
Mokama		1		11-01-2010	10-01-2011								
	RWD, Rosera	2		05-03-2010	04-03-2011	11 months	2	1	1.000	Nil	Nil		0.10
		1	15.334	25-05-2011	24-05-2012								
Siva Swathi Construction Pvt. Ltd., Hyderabad								12	9.585	Nil	1.110		3.63
	RWD, Benipatti	24	83.765	08-06-2010	07-12-2011	6 to 12 months	10						
Singh Construction Company, Punjab								1	9.570	3.700	4.700		5.91
	RWD, Benipatti	9	25.931	28-04-2010	27-10-2011	7 months	-	21	55.201	29.965	Nil		17.57
M/S Singh Construction, Muzaffarpur													
	RWD, Muzaffarpur	62	182.518	30-11-2009	29-05-2011	5 to 6 months	22						
				16-01-2010	15-01-2011								
				02-03-2010	01-09-2011								
Shubham Construction								1	21.600	12.610	3.000		8.25
	RWD, Muzaffarpur	18	42.750	16-01-2010	15-01-2011		6						
				02-03-2010	01-09-2011								
	Total	430	1504.233				194	122	464.415	150.913	66.246		119.77

APPENDIX- 5.7

(Refer paragraph- 5.2.3; Page- 137)

Statement showing details of works awarded to different contractors in seven divisions

Name of Division	Name of Agency	No. of packages	No. of roads in the package	Total length of road in the package (in km)	Month of award of work by CE, RWD	Agreement amount (₹ in crore) (Construction + Maintenance)	Date of start of work	Date of completion of work
1	2	3	4	5	6	7	8	9
Rural Works Division, Muzaffarpur	M/s JSR Constn. Pvt. Ltd., Hyderabad	6	71	235.817	Nov-09	133.44 (127.01 + 6.43)	30-11-2009	29-05-2011
Rural Works Division, Chapra		15	19	99.141	Aug-09	56.87	05-10-2009 & 15-01-2010	04-10-2010 & 14-01-2011
Rural Works Division, Chapra		12	12	78.15	Aug-09	46.41 (45.16 + 1.25)	05-10-2009	04-10-2010
Rural Works Division, Samastipur	BSS Projects Pvt. Ltd., Hyderabad	2	16	32.411	Jan-10	20.50 (18.61 + 1.89)	01-02-2010	31-07-2011
Rural Works Division, Rosera		2	20	66.844	Jan-10	29.32 (27.15 + 2.17)	23.01.10	22.07.11
Rural Works Division, Rosera	SPR	5	57	145.37	Feb-10	72.45 (66.95 + 5.50)	26-02-2010 & 05-03-2010	25-08-2011 & 04-09-2011
Rural Works Division, Samastipur	Infrastructure India Ltd., Hyderabad	2	23	46.715	Feb-10	27.88 (24.81 + 3.07)	15-03-2010	14-03-2011 & 14-09-2011
Rural Works Division, Bhagalpur		10	62	324.501		164.62 (158.69 + 5.93)	18-01-2010	17-07-2011
Rural Works Division, Benipatti	Arawali Infra Power, New Delhi	1	15	38.37	Dec-10	29.77 (28.33 + 1.44)	10-12-2010	09-06-2012
Rural Works Division, Sitamarhi		1	16	74.124	May-10	54.15 (50.31 + 3.84)	02-06-2010	01-12-2011
Rural Works Division, Muzaffarpur	M/S Singh Construction, Muzaffarpur	5	62	182.518	11/2009, 01/2010 & 02/2010	95.63 (90.59 + 5.04)	02-03-2010, 16-01-2010 & 30-11-2009	01-09-2011, 15-01-2011 & 29-05-2011
Rural Works Division, Rosera	M/S Aryan Concrete, Mokama	3	3	15.334	02/2010 & 04/2010	6.35 (5.92 + 0.43)	05-03-2010 & 25-05-2011	04-03-2011 & 24-05-2012
Rural Works Division, Samastipur		3	3	12.492	Dec-09	6.17 (5.73 + 0.44)	01-02-2010 & 11-01-2010	31-01-2011 & 10-01-2011

Name of Division	Name of Agency	No. of packages	No. of roads in the package	Total length of road in the package (in km)	Month of award of work by CE, RWD	Agreement amount (₹ in crore) (Construction + Maintenance)	Date of start of work	Date of completion of work
Rural Works Division, Muzaffarpur	Shubham Construction	2	18	42.75	Jan-10	24.19 (22.88 + 1.31)	16-01-2010	15-07-2011
Rural Works Division, Benipatti	Siva Swathi Construction Pvt. Ltd., Hyderabad	1	24	83.765	May-10	64.53 (61.42 + 3.11)	08-06-2010	07-12-2011
Rural Works Division, Benipatti	Singh Construction Company, Punjab	1	9	25.93	Jan-10	21.17 (20.22 + 0.95)	28-04-2010	27-10-2011
	Total	71	430	1504.233		853.45		

APPENDIX- 5.8

(Refer paragraph- 5.2.4; Page- 138)

Statement showing details of test-checked groups of works

(₹ in crore)

Group No.	Name of work	No. of Divisions involved	Estimated cost	Agreement value/ Date of agreement	Date of commencement	Date of completion
1	Construction of 100 no. of mini water supply scheme for fluoride affected villages	7 ¹	44.64	34.05 (23.72% below) /20.04.10	1.4.2010	12 month (31.3.2011)
2	Construction of 150 no. of mini water supply scheme for arsenic affected villages	14 ²	66.96	51.07 (23.72% below)/17.4.10	1.4.2010	12 month (31.3.2011)
3	Construction of 200 no. of mini water supply scheme for fluoride affected villages	12 ³	89.28	68.10 (23.72% below)/17.4.10	1.4.2010	12 month (31.3.2011)
5	Construction of 400 no. of mini water supply scheme for drought affected villages	29 ⁴	77.80	79.57 (2.27 % above) /20.04.10	1.4.2010	12 month (31.3.2011)
Total			278.68	232.79		

¹ PH Divisions Biharsharif, Aurangabad, Sheikhpura, Bhabhua, Banka, Bhagalpur East and Bhagalpur West (Contracting Division - PH Biharsharif)

² PH Divisions Buxar, Arrah, Patna (West), Hajipur, Chapra, Samastipur, Begusarai, Khagaria, Munger, Sheikhpura, Bhagalpur (East), Bhagalpur (West), Katihar and Darbhanga (Contracting Division- PH Patna West)

³ PH Divisions Gaya, Jamui, Munger, Nawada, Sasaram, Biharsharif, Aurangabad, Sheikhpura, Bhabhua, Banka, Bhagalpur East and Bhagalpur West (Contracting Division - PH Bhagalpur East)

⁴ PH Divisions Patna (East), Patna (West), Biharsharif, Hilsa, Arrah, Buxar, Sasaram, Bhabhua, Gaya, Aurangabad, Nawada, Jehanabad, Bhagalpur (East), Bhagalpur (West), Banka, Munger, Sheikhpura, Jamui, Hajipur, Muzaffarpur, Sitamarhi, Chapra, Siwan, Begusarai, Madhepura, Purnea and Katihar (Contracting Division- PH Patna East)

APPENDIX- 5.9
(Refer paragraph- 5.2.6; Page- 143)

Statement showing details of excess payment made on local purchase of medicine
(Amount in ₹)

Sl. No.	Name of medicine	No. of medicine	Purchase rate with VAT	Total amount of purchase	SHSB rate	Total amount as per SHSB rate	Excess payment (5-7)
1	2	3	4	5	6	7	8
CS-cum-CMO Bhagalpur							
1	Ceftriaxone Inj. 9gm amp	18500	28.6	529100	12.879	238262	290838.5
2	Cough exp. 60 ML	60840	7.48	455083.2	3.864	235086	219997.44
3	Cough exp. 60 ML	1780	7.48	13314.4	3.864	6877.92	6436.48
4	Cough exp. 60 ML	3090	7.48	23113.2	3.864	11939.8	11173.44
5	Cough exp. 60 ML	290	7.48	2169.2	3.864	1120.56	1048.64
6	Cough exp. 60 ML	99604	7.48	745037.92	3.864	384870	360168.06
7	Cough exp. 60 ML	100396	7.48	750962.08	3.864	387930	363031.94
8	Cough exp. 60 ML	46800	7.48	350064	3.864	180835	169228.8
9	Cough exp. 60 ML	53200	7.48	397936	3.864	205565	192371.2
10	Paracetamol 500mg	1000000	0.2475	247500	0.165	165000	82500
CS-cum-CMO Gaya							
11	Ranitidine Inj (2ml)	600	2.24	1344	1.144	686.4	657.6
12	Cotrimazole tube (15 gram)	10000	19.76	197600	8.65	86500	111100
13	Disposable syringe with needle 3 cc	3000	5.00	15000	1.16	3480	11520
14	Dexamethason inj 2 ml	300	7.18	2154	2.45	735	1419
15	Norfloxacin 400mg + tinidazol 500 mg	100000	3.54	354000	1.37	137000	217000
16	Norfloxacin 400mg + tinidazol 500 mg	100000	3.54	354000	1.37	137000	217000
17	Norfloxacin 400mg + tinidazol 500 mg	150000	3.54	531000	1.37	205500	325500
18	Norfloxacin 400mg + tinidazol 500 mg	100000	3.54	354000	1.37	137000	217000
19	Norfloxacin 400mg + tinidazol 500 mg	100000	3.54	354000	1.37	137000	217000
20	Norfloxacin 400mg + tinidazol 500 mg	40000	3.57	142800	1.37	54800	88000
21	Norfloxacin 400mg + tinidazol 500 mg	114400	3.57	408408	1.37	156728	251680
22	Norfloxacin 400mg + tinidazol 500 mg	142600	3.57	509082	1.37	195362	313720

Sl. No.	Name of medicine	No. of medicine	Purchase rate with VAT	Total amount of purchase	SHSB rate	Total amount as per SHSB rate	Excess payment (6-8)
23	Norfloxacin 400mg + tinidazol 500 mg	43000	3.57	153510	1.37	58910	94600
24	Norfloxacin 400mg + tinidazol 500 mg	30000	3.57	107100	1.37	41100	66000
25	R L Solution 500 ml	1000	11.50	11500	9.71	9710	1790
Lady-Elgin Hospital, Gaya							
26	Co amoxyclav 1000x200 mg	600	168.48	101088	33.319	19991.4	81096.6
27	Chromic catgut no-02	2000	99.84	199680	16.583	33166	166514
28	Ampicillin 500 mg Inj	3000	8.84	26520	3.619	10857	15663
29	Co amoxyclav 1000x200 mg	1000	168.48	168480	33.319	33319	135161
30	Gentamycin 2 ml Inj	1000	7.07	7070	2.7	2700	4370
31	Sodium Bi Carbonate 10 ml Inj	360	9.36	3369.6	5.762	2074.32	1295.28
32	Ranitidine Inj 2 ml	360	2.24	806.4	1.114	401.04	405.36
33	Misoprostal 200 mg tab	10000	5.72	57200	4.375	43750	13450
34	Co-amoxyclav (1000mg + 200 mg)	1500	170.10	255150	33.318	49977	205173
35	Misoprostal tab 200 mg	8000	5.78	46240	4.375	35000	11240
36	Ciprofloxacin 100 ml	7500	13.65	102375	7.25	54375	48000
37	Paracetamol 60 ml syrup	1000	8.61	8610	5.199	5199	3411
38	Rebeprazole 20 mg tab	100	0.84	84	0.38	38	46
39	Methyl ergometrin tab (0.125 mg)	1000	6.93	6930	0.33	330	6600
40	Dicyclomin Inj 10 mg	100	8.40	840	1.69	169	671
41	Ciprofloxacin 500 mg	1000	7.25	7250	0.947	947	6303
42	Aclofenic tab 100 mg	500	2.42	1210	0.249	124.5	1085.5
43	Providin-iodin solution	100	101.85	10185	18.46	1846	8339
44	Ofloxacin+ornidazol 30 ml syrup	2500	12.48	31200	7.36	18400	12800
45	Zylocein 30 ml Inj	300	13.00	3900	2.043	612.9	3287.1
CS-cum-CMO Kaimur							
46	Vitamin B tab	500000	0.16	80000	0.142	71000	9000
47	Ofloxacin+ornidazole	10000	31.10	311000	7.36	73600	237400

Sl. No.	Name of medicine	No. of medicine	Purchase rate with VAT	Total amount of purchase	SHSB rate	Total amount as per SHSB rate	Excess payment (6-8)
48	Vitamin B tab	300000	0.47	141000	0.142	42600	98400
49	Cough Expectorant	50000	6.76	338000	6.44	322000	16000
50	Ranitidine Inj 200 ml	10000	2.31	23100	1.144	11440	11660
CS-cum-CMO Madhubani				0		0	0
51	Surgical Gloves (sterilized)	30000	11.96	358800	6.99	209700	149100
52	10% dextroso Inj IP 500 ml	4992	12.79	63847.68	9.83	49071.4	14776.32
53	Paramin (Paracetamol 500 mg & Diecyclomine Hydrochlerido 10 mg)	200000	0.38	76000	0.22	44000	32000
54	Miphoxacilin 500 (amoxycilin capsules 500 mg)	400000	2.44	976000	1.321	528400	447600
55	Disposable syringe lock with needle 2 ml	150000	3.09	463500	1.13	169500	294000
56	Disposable syringe lock with needle 2 ml	150000	3.09	463500	1.13	169500	294000
57	Polyglyconic Acid sutres (Vicryl type)	100	1653.00	165300	498.6	49860	115440
58	Polyglyconic Acid sutres (Vicryl type)	400	1653.00	661200	498.6	199440	461760
59	Bott Calcium Syrum 200 ml	19259	29.95	576807.05	9.1	175257	401550.15
60	Bott Calcium Syrum 200 ml	972	29.95	29111.4	9.1	8845.2	20266.2
61	Bott Calcium Syrum 200 ml	15764	29.95	472131.8	9.1	143452	328679.4
62	A.D.Syringe - 5 ml	100000	4.26	426000	1.757	175700	250300
63	Bott Calcium Syrum 200 ml	20000	29.95	599000	9.1	182000	417000
64	Miphlexia 500 (Cephaixin cap. 500 mg)	200000	3.64	728000	2.069	413800	314200
CS-cum-CMO Samastipur							
65	Vit. B Complex	855900	0.1612	137971.08	0.142	121538	16433.28
66	ASUS	200	336	67200	176.8	35360	31840
67	Amoxyclav inj.	10000	93.45	934500	33.319	333190	601310
68	Levocettrizine	30850	25.74	794079	16.03	494526	299553.5
69	Cofexi	300000	2.2575	677250	1	300000	377250
70	Erythromician	50000	16.065	803250	5.03	251500	551750
71	Metronidazole 400 mg	104200	0.4004	41721.68	0.38	39596	2125.68

Sl. No.	Name of medicine	No. of medicine	Purchase rate with VAT	Total amount of purchase	SHSB rate	Total amount as per SHSB rate	Excess payment (6-8)
72	Metronidazole 200 mg	63800	0.2288	14597.44	0.21	13398	1199.44
73	Catgut chromic	100	257.15	25715	201	20100	5615
74	Metaclopramide Inj	5000	2.21	11050	1.33	6650	4400
75	Cotrimexazole	1000000	1.09	1090000	0.523	523000	567000
76	Betamethasane ointment	10000	10.14	101400	7.9	79000	22400
77	Betamethasane ointment	5000	10.14	50700	7.9	39500	11200
CS - cum - CMO Vaishali				0		0	0
78	Ofloxacin 200 mg with Tinidazole 600 mg	596000	4.04	2407840	1.159	690764	1717076
79	Rebrapazole with domperidone tab (20 mg + 10 mg)	200000	3.43	686000	0.569	113800	572200
	Total			22843538.13		9593361	13250177

APPENDIX- 5.10

(Refer paragraph- 5.3.2; Page-150)
Statement of Mobilisation/Equipment advance

(Amount in crore)

Sl. No.	Name of Division	Name of agency	Package no.	Agreement no. & date	Agreement amount (excluding maintenance cost)	Stipulated date of start/ Stipulated date of completion	Gross payment	Mob. Adv. & Vr. No./date	Equipment Adv. & date	Remarks (granting of Equip.adv before/after the due date of completion)
1	RWD, Rosera	BSS projects Pvt.Ltd	30R-IX, X	22 & 23/2009-10	27.21	23.01.10 22.7.11	1.78	1.36 16,17/14-07-10	-	
2	RWD, Rosera	SPR Infrastructure India Ltd.	30R-VI, VII, VIII, XI, XII	01, 02, 06, 07 & 08/10-11	66.95	05.03.10 04.09.11	0.38	3.35 11 to 15/14-07-10	6.69 4 to 6/08-06-11 & 8, 9/15-06-11	Before 3 months
3	RWD, Bhagalpur	SPR Infrastructure India Ltd.	1 to X	5, 49 to 57/09-10	158.69	18.01.10 18.07.11	15.93	7.93 07/2010	15.87 12/2010 & 01/2011	Before 7-8 months
4	RWD Sitamarhi	Arawali Infra Power	BR-33R-01	12/10-11	50.31	06/02/10 12/01/11	9.97	2.51 123/28-07-10	5.03 123/29-01-11	After 17 days
5	RWD Benipatti	Siwa Swathi Const. Pvt. Ltd.	21R/01	06/10-11	61.42	06/08/10 12/07/11	3.63	3.07 01/2011 & 04/2011	3.07 25/07/2011	After 13 days
6	RWD Benipatti	Singh Construction, Punjab	BR-21R-01	01/10-11	20.22	28-04-10 27-10-11	5.91	0.74	1.50	
7	RWD Benipatti	Arawali Infra Power	BR-21R-01	07/10-11	28.33	10-12-10 09-06-12	1.20	0.66 06/2011	Nil	
8	RWD, Samastipur	SPR Infrastructure India Ltd.	BR-30R-I & V	02/10-11 & 03/10-11	24.81	15-03-10 14-09-11	4.06	1.24 34 & 35/13-07-10	2.48 29 & 30/28.04.11	Before 4½ months
9	RWD, Samastipur	BSS Projects Pvt. Ltd.	BR-30R-II & IV	04/10-11 & 05/10-11	18.61	01-02-10 31-07-11	5.21	0.67 36 & 37/13-07-10	Nil	
10	RWD, Muzaffarpur	JSR Constructin	BR-23-XI, XII, XIV, XV, XVII, XVIII	52 to 57/09-10	127.03	30-11-09 29-05-11	2.73	6.35 105 to 110/20-07-10	Nil	
11	RWD, Muzaffarpur	Shubham Construction	BR-23R-II & XVI	02/10-11 & 13/10-11	22.96	16-01-10 15-07-11	8.25	0.78 09, 10/30-04-11	0.78 10/30.04.11	Before 2½ months
12	RWD, Muzaffarpur	Singh Construction, Muzaffarpur	I, III, IV, V, XIII	63, 64, 65 & 74/09-10 and 01/11-12	91.04	30-11-09 29-05-11	17.57	3.25	Nil	
			Total		697.58		76.62	31.91	35.42	

APPENDIX - 5.11
(Refer paragraph-5.3.3 Page 151)

Statement showing unadjusted advances given to Panchayati Raj Institutions under Swajaldhara Scheme

(₹ in crore)

Sl. No.	Name of Division	No. of VWSC	Advance under Swajaldhara Scheme	Period of Advance	Outstanding Advance
1.	PH Division, Hajipur	352	4.03	August 2004 to September 2007	4.03
2.	PH Division, Gaya	2	0.10	December 2008	0.10
3.	PH Division, Purnea	377	1.11	2002-03 onwards	1.11
4.	PH Division, Muzaffarpur	1	1.41	February 2007 onwards	0.67
5.	PH Division, Bhagalpur (East)	7	1.14	2005-12	0.79
6.	PH Division, Katihar	3	0.82	2007-10	0.42
	Total	742	8.61		7.12

APPENDIX - 5.12
(Refer paragraph 5.3.3; Page 152)

**Statement showing unadjusted advances given to Panchayati Raj
Institution/BDOs under Total Sanitation Campaign (TSC)**

Sl. No.	Name of Division	Advance under Nirmal Gram Puraskar
1.	PH Division Hajipur	₹ 1.08 crore on which Utilisation certificate for ₹ eight lakh only received & U/C for ₹ one crore is still awaited.
2.	PH Division Begusarai	₹ eight lakh to two VWSc in May 2008
	Total	₹ 1.08 crore

APPENDIX - 5.13
(Refer paragraph 5.3.4; Page 152)

Statement showing details of Mobilisation Advance given to agencies

Sl No.	Name of work	No. of Divisions involved	Estimated cost (₹ in crore)	Agreement value/ Date of agreement	Date of commencement/ completion	Name of Agency	Mobilisation Advance (₹ in crore)
1.	Construction of 100 no. of MWSS for fluoride affected villages (Solar pumping set)	7 ⁵	44.64	34.04884 (23.72% below) / NA	1.4.2010/ 31.03.2011	M/s Punj Lloyd, Gurgaon	1.70
2.	Construction of 150 no. of MWSS for arsenic affected villages (Solar pumping set)	14 ⁶	66.96	51.07326 (23.72% below)/17.4.10	1.4.2010/ 31.03.2011	M/s Punj Lloyd, Gurgaon	2.55
3.	Construction of 200 no. of MWSS for fluoride affected villages (Solar pumping set)	12 ⁷	89.28	68.09868 (23.72% below)/17.4.10	1.4.2010/ 31.03.2011	M/s Punj Lloyd, Gurgaon	3.41
4.	Construction of 400 no. of MWSS for drought affected villages (Solar pumping set)	29 ⁸	77.80	79.56768 (2.27% above) / NA	1.4.2010/ 31.03.2011	M/s Punj Lloyd, Gurgaon	3.98
5.	Construction of 500 nos. MWSS for Iron affected villages (Solar pumping set)	9 ⁹	147.93	157.59 (6.53 % above)	1.4.2010/ 30.09.2011	M/s Pratibha Membrane Filter (JV)	7.88
6.	Construction of 1500 nos. MWSS for drought affected villages (Electrical pumping set)	27 ¹⁰	219.75	220 (0.11 % above)	1.4.2010/ 30.09.2011	M/s Subhash Project and Marketing Ltd	11
Total			646.36	610.37746 crore			30.52

- ⁵ PH Divisions Biharsharif, Aurangabad, Sheikhpura, Bhabhua, Banka, Bhagalpur East and Bhagalpur West (Agreement Division - PH Biharsharif)
- ⁶ PH Divisions Buxar, Arrah, Patna (West), Hajipur, Chapra, Samastipur, Begusarai, Khagaria, Munger, Seikhpura, Bhagalpur (East), Bhagalpur (West), Katihar and Darbhanga (Agreement Division PH Patna West)
- ⁷ PH Divisions Gaya, Jamui, Munger, Nawada, Sasaram, Biharsharif, Aurangabad, Sheikhpura, Bhabhua, Banka, Bhagalpur East and Bhagalpur West (Agreement Division - PH Bhagalpur East)
- ⁸ PH Divisions Patna (East), Patna (West), Biharsharif, Hilsa, Arrah, Buxar, Sasaram, Bhabhua, Gaya, Aurangabad, Nawada, Jehanabad, Bhagalpur (East), Bhagalpur (West), Banka, Munger, Sheikhpura, Jamui, Hajipur, Muzaffarpur, Sitamarhi, Chapra, Siwan, Begusarai, Madhepura, Purnea and Katihar (Agreement Division PH Patna East)
- ⁹ PH Divisions Begusarai, Khagaria, Madhepura, Purnia, Saharsa, Supaul, Araria, Katihar and Kishanganj (Agreement Division PH Begusarai)
- ¹⁰ PH Divisions Patna East, Patna West, Biharsharif, Hilsa, Ara, Buxar, Sasaram, Bhabhua, Gaya, Aurangabad, Nawada, Jehanabad, Bhagalpur East, Bhagalpur West, Banka, Munger, Sheikhpura, Jamui, Hajipur, Muzaffarpur, Sitamarhi, Chhapra, Siwan, Begusarai, Madhepura, Purnia and Katihar (Agreement Division PH Hajipur)

APPENDIX- 5.14

(Refer paragraph-5.3.7 ; Page- 157)

Statement of the respective machines/equipment not being utilised by the Hospitals

Name of the department	Name of the machine/no. of machine	Date of installation as per the history book of the machine	Status of functioning as per log book or history book of the machine	value of the machine excluding VAT/IT (₹ in lakh)
Nephrology	Nephelometer fully automated...(one)	10.3.10	Since installation it was not put to use due to non availability of reagents and from March'12 it was not in working condition	43.68
	Cell counter 5 part(one)	10.3.10	Since installation it was not put to use due to non availability of reagents and working table.	33.28
	Blood T B cutter.....(one)	8.3.10	Since installation it was not put to use due to non availability of reagents and from March'12 it was not in working condition.	20.28
	Erythropoitin Assay Machine (CLIA)/one	17.06.09	Since installation it was not put to use due to non availability of reagents and the respective engineer finally disconnected power supply to the machine on 10.5.12.	33.00
	Cyclosporines Assay machines & Iron Profile Assay machines/one	17.06.09	From May 2010 it was not in working condition due to shortage of reagent and technical problem.	35.77
	ABG GEM 3000/two	4.04.09	Due to non availability of cartridge it was non-functional during Oct'09 to March'11 thereafter due to problem in proper electric supply it was again non-functional from Nov'11.	14.44
	PD cyler/three	Apr-09	Lying idle in the unit since inception, specific reason not recorded.	22.50
	Ventilator non -invasive/two	Apr-09		11.90
Clinical Pathology	Nephelometer fully..../two	17.4.10	It was not working during 26.10.10 to 23.4.12 due to chemical shortage.	87.16
	Capillary Electrophoresis.../two	20.1.10	It was not in working during 28.5.10 to 19.1.12 due to chemical shortage.	91.52
	Total			393.53

APPENDIX- 5.15
(Refer paragraph-5.4.1; Page-160)
Statement showing Financial position of Bihar State Building Construction Corporation (BSBCC)

<i>Scheme</i>	<i>Year</i>	<i>No. of schemes</i>	<i>Sanction letter no.</i>	<i>Allotment</i>	<i>DDO/Bill No</i>	<i>Expenditure</i>	<i>Remarks</i>
Upgradation of PHCs into CHCs	2006-07	65 units @ ₹ 136.60 lakh per unit.	157(10) dt. 17.03.07	₹ .88,79,00,000/-	C.S. Patna 306/06-07	Nil	
	2007-08	38 units @ ₹ 136.36 lakh per unit.	258(10) dt. 14.03.08	₹ .51,90,80,000/-	C.S.Patna 175/07-08		
	2007-08	98 units @ ₹ 203.27 lakh per unit.	314(10) dt. 27.03.08(Non-plan)	₹.1,99,20,46,000/-	C.S. Patna 172/07-08		
Construction of Additional P.H.C.	2008-09	662 new units @ ₹ 53.15 lakh per unit	-	₹.31,00,000/-		₹.3.15 crore	₹ .31.00 lakh transferred to BSBCC by SHS vide L.No.SHEE3/Er-c/41107/6145 dt.10.05.08
Construction of HSC	2007-08	1985 new units @ ₹ 9.50 lakh per unit ₹ 1,88,57,50,000/-	102(10) dt. 13.2.08	₹ 1,20,09,25,000/-	CS, Patna 143/07-08	₹ 10.53 crore	Out of ₹ 120.09 crore, ₹ 112.78 crore was transferred to SHS
	2007-08	526 units @9.50 lakh per unit under NABARD sponsored RIDF scheme	116(10) dt.18.02.08	₹.49,97,00,000/-	CS, Patna 145/07-08		
			Total - A	₹ 510,27,51,000/(After transferring ₹ 112.78 crores to SHS, ₹ 397,49,51,000/- remained with BSBCC).		₹ 13.68 crore	Rs 383.81 crore remained with BSBCC after deducting Rs. 13.68 crore from Rs. 397.49 crore as of 31 March 2012 before surrender of Rs. 100 crore as of March 2012.

APPENDIX- 5.16

(Refer paragraph-5.4.1 ; Page-161)

Statement showing Details of fund provided to State Health Society

Scheme	Year	No. of schemes	Sanction letter no.	Allotment	DDO/Bill No	Expenditure
Upgradation of PHCs into CHCs	2008-09	62 units @ ₹ 203.27 lakh per unit	924(10) dt. 20.02.09	₹ 118.00 crore	C.S.Patna 202/08-09	Nil
Construction of Additional PHC	2009-10	100 units (building less) @ ₹ 53.15 lakh per unit.	286(10) dt.06.11.09.	₹ 29,29,96,100	C.S.Patna 104/09-10	Nil
Construction of HSC	2008-09	SHS transferred ₹ 112.78 crore for construction of 1908 new SHS	BCD Letter No. 165(v) dt.7.1.2009	₹ 112,77,75,000/-	CS, Patna 143/07-08	Nil
	2006-07	689 units @ ₹ 7.674 lakh per unit under NABARD sponsored RIDF scheme	166(10) dt. 20.3.07	₹ 52,87,38,600/-	CS, Patna 266/06-07	₹ 25.91 crore
	2008-09	325 units @ ₹ 11.00 lakh per unit under NABARD sponsored RIDF scheme	997(10) dt. 30.3.09	₹ 35,75,00,000/-	CS, Patna 201 (08-09) 30.90,79,875 19/09-10 (4,84,20,125)	
			Total B	₹ 348,70,09,700/-		₹ 25.91 crore

APPENDIX- 5.17

(Refer paragraph-5.4.1 ; Page-161)

Statement showing Financial Status of Bihar Medical Services & Infrastructure Corporation

Scheme	Year	No. of schemes	Sanction letter no.	Allotment	DDO/Bill No	Expenditure	Remarks
Upgradation of PHCs into CHCs	2009-10	136 units @ 203.27 lakh per units. ₹ 2,76,44,72,000/-	531(10) 03.02.10	₹ 60,67,26,000	C.S.Patna 137/09-10	Nil	
	2010-11	Out of 136 units sanctioned during 09-10, 106 units were cancelled and again sanctioned during 10-11 under plan-head. ₹ 2,15,46,62,000/-	710(10) dt. 25.03.11.	₹ 65,66,66,000	Dy. Secretary 384/10-11	Nil	
	2011-12	-	3(10)-B/19.07.2011	₹ 5,00,00,000/-	Dy. Secretary	Nil	
Construction Additional P.H.C.	2010-11	100 units @ ₹ 53.15 lakh per unit	286(10) dt.06.11.09.	₹ 23,85,03,900/-	Dy. Secretary Bill no.346/10-11	Nil	
Construction of HSC	2010-11	128 @ ₹ 15.57 lakh per unit	498(10) dt. 28.1.11	₹ 19,92,96,000/-	Dy. Secy. 326/10-1	Nil	
			Total - C	₹ 175,1191,900/-		Nil	

Total fund received (A+B+C)(App p. 5.14, 5.15 & 5.16): ₹ 921.32 crore

Total expenditure till March 2012 : ₹ 39.59 crore

Total balance after expenditure as on 31 March 2012 : ₹ 881.73 crore

Total refund as on 31 March 2012 : ₹ 100.00 crore

APPENDIX- 5.18

(Refer paragraph- 5.4.2; Page- 162)

Statement showing details of equipment to be purchased for SNCUs

Sl. no.	Equipment type	Agency	Rate (In ₹)	Quantity of equipment per setup in SNCU (in no.)
1.	Bilirubinometer, total bilirubine, capillary based	Jain International, Patna	226000 per unit	1
2.	Glucometer	ABHI Medico, Patna	925.60/unit (Cost of 100 strips-₹ 1200)	1
3.	Open care system: radiant water, fixed height, with trolley, drawers, O2 bottles	Datex-Ohmeda (India) Pvt. Ltd, Kolkatta	49900 per units	14
4.	Oxygen hood, S and M, set of 3 each, including connecting tubes	Datex-Ohmeda (India) Pvt. Ltd, Kolkatta	8500 per unit	14
5.	Basinet on trolley, neonatal, glass base with mattress, phototherapy under mount & single side blue light phototherapy	Datex-Ohmeda (India) Pvt. Ltd, Kolkatta	36500 per unit	5
6.	Syringe pump, 10,20, 50 ml. single phase	B. Barun Medical (India) Pvt. Ltd, Mumbai	55520 per unit	7
7.	Pulse oxymeter, bedside, neonatal	Variety Vyapaar Pvt. Ltd, Kolkatta	49890 per unit	7
8.	Oxygen concentrator	Variety Vyapaar Pvt. Ltd, Kolkatta	41366 per unit	7

APPENDIX- 5.19

(Refer paragraph- 5.4.2; Page- 162)

Statement showing equipment purchased in test-checked districts

Sl. No.	Unit Name DHS	Supply order	Amount invoice (in ₹)	Amount paid (per cent)	Month in which amount paid (in ₹)	Building Status (as on 1.5.2012)
1	Samastipur	August 2010	2197261	1846311 (84)	October 2010	Roof slab level
2	Nalanda	June 2011	1027434	719203 (70)	July 2011	Work completed
3	Bhabhua	November 2009 to April 2010	2792740	1954643 (70)	December 2009 to June 2010	Work completed
4	Chapra	March 2011	226000	158200 (70)	May 2011	Roof slab level
5	Gaya	December 2010 to August 2011	2255658	2255658 (100)	December 2010 to August 2011	Roof slab level
6	Kishanganj	July 2010	2253535	1965039 (87)	July to December 2010	Site not located
7	Sheikhpura	November 2010	226000	158000 (70)	December 2010	Finishing stage
	Total		10978628	9057054		