

Preface

1. This Report has been prepared for submission to the Governor of Bihar under Article 151 of the Constitution of India.
2. Chapter-I deals with the findings of performance audit, Chapter-II deals with the findings of transaction audit and Chapter-III deals with the integrated audit of a Government Department.
3. Reports containing (a) observations on the finances of the State Government, (b) observations on revenue receipts of the State Government and (c) observations arising out of audit of Statutory Corporations, Boards and Governments Companies are being presented separately.
4. The cases mentioned in the Report are among those which came to notice during the course of test audit of accounts during the year 2008-2009 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 2008-09 have also been included, wherever necessary.

OVERVIEW

This Report includes three chapters containing performance audit reports of four selected programmes/schemes, 19 transaction audit paragraphs and an integrated audit report of the Disaster Management Department.

The audit has been conducted in accordance with the Auditing Standards prescribed for the Indian Audit and Accounts Department. Audit samples have been drawn based on statistical sampling methods as well as on judgment basis. The audit conclusions have been drawn and recommendations made taking into consideration the views of the Government.

Audit comments on the performance of some Government departments and programmes as well as the working of the Disaster Management Department are given below:

Health And Family Welfare Department

The National Rural Health Mission was launched by the Government of India in April 2005 for strengthening rural health care institutions by providing adequate infrastructure facilities and funds. The Mission sought to provide universal access to equitable, affordable and quality health care facilities in rural areas. A review of the implementation of the National Rural Health Mission in the State revealed improvement in flow of funds to rural health institutions and better health awareness among rural population. However, the objectives of the Mission were not achieved due to inadequate surveys, non-preparation of Perspective Plan, ineffective financial management, inappropriate community participation, lack of basic infrastructure facilities, inadequate equipment and human resources. Accredited Social Health Activists selected were not imparted training in four out of five prescribed modules. Delivery of services under different disease control programmes also suffered due to improper planning, poor quality of services, non-achievement of targets etc. Functioning of Rogi Kalyan Samities was not effective and Village Health and Sanitation Committees were not formed.

Mukhya Mantri Gram Sadak Yojana

The Government of Bihar launched the Mukhya Mantri Gram Sadak Yojana in 2006-07 for providing improved connectivity through all-weather roads to villages and habitations having populations ranging from 500 to 999, which were not covered under the Pradhan Mantri Gram Sadak Yojana. This scheme was aimed at boosting the rural economy by facilitating better transportation of agricultural produce for better and competitive prices and easy accessibility to education, medical and banking facilities for the rural people. There were delays in selection of roads as well as in procedural formalities like tendering and issuing of work orders. Despite the availability of funds, the utilisation of funds by divisions was not adequate and ranged between 10 to 47 *per cent*. The poor utilisation of funds was mainly due to lack of technically capable contractors, allotment of more than one work to contractors, procedural delays etc. Against 982 road works taken up for execution during 2006-08, only

40 per cent were completed up to March 2009. None of the roads selected for the year 2008-09 could be taken up. The durability of completed roads was affected due to non-adherence to the Indian Road Congress specifications. The quality of roads was also compromised due to violation of mining rules and the scheme guidelines. Monitoring by higher authorities and the District Steering Committees was inadequate. Thus, the objective of improved connectivity envisaged under the scheme could not be achieved.

Rashtriya Sam Vikas Yojana

Government of India introduced the Backward Districts Initiative under the Rashtriya Sam Vikas Yojana in 2003-04 for addressing the problems of low agricultural productivity and unemployment and filling the critical gaps in the physical and social infrastructure of the State. The main objective of the implementation of the Rashtriya Sam Vikas Yojana suffered due to defective planning and thin spreading of resources in more than three to four focussed areas coupled with delays in utilisation of funds. Up to March 2009, out of 11015 schemes initiated, only 60 per cent were completed. Although infrastructural schemes were taken up under all the District Plans, sufficient emphasis was not given to agricultural and employment generation programmes. Monitoring at the State level as well as in the districts was not adequate. There were instances of deviations from approved District Plans, improper inclusion of schemes, etc. which diluted the achievement of the objectives of the scheme.

Information Technology Audit of Computerisation of Land Records

Computerisation of Land Records, a centrally sponsored Scheme was initiated in the year 1988-89 and aimed at providing the landowners, computerised copies of Records of Rights at a reasonable price. Government of India provided the necessary funds and support to State governments for implementing the scheme by proper maintenance of land records in an efficient and effective manner through the use of Information and Communication Technology. However, the State was not able to utilise this support due to defective planning and inadequate capturing of data in the State which was under process even after 20 years. Contrary to the scheme guidelines, the computerisation was attempted at the district level and not at the *anchal* level where primary records of land were available. Data entered in the system was captured from 37 year old revisional *khatiyani*. The project suffered due to deficient software, inadequate input controls, absence of validation checks, use of inconsistent codes, lack of supervision of data entry work and proper verification of the data entered. The computerisation of land records in the State was tardy and was required to be monitored regularly by the Revenue and Land Reforms Department (Nodal agency) with technical support of the National Informatics Centre/vendors.

Audit of Transactions

Audit of financial transactions, subjected to test check, in various departments of the Government and their field formations, revealed instances of

misappropriation, loss, fraudulent payment and excess and infructuous, avoidable, idle and unfruitful expenditure of Rs 18.04 crore as mentioned below:

In six cases, misappropriation, losses and fraudulent payments amounting to Rs 3.11 crore were noticed in the Environment and Forest Department (Rs 25.34 lakh), Human Resources Development Department (Primary, Secondary and Adult Education Department) (Rs 1.60 crore), Rural Development Department (Rs 89.21 lakh) and Water Resources Department (Rs 36.61 lakh).

(Paragraph 2.1.1 to 2.1.6)

Excess payment and infructuous expenditure of Rs 1.84 crore were noticed in the Human Resources Development Department (Higher Education Department) (Rs 44.65 lakh), Road Construction Department and Rural Works Department (Rs 77.13 lakh) and Water Resources Department (Rs 61.83 lakh).

(Paragraph 2.2.1 to 2.2.3)

Cases of avoidable and unfruitful expenditure of Rs 4.42 crore were noticed in the Human Resources Development Department (Higher Education Department) (Rs 1.32 crore), Minorities Welfare Department (Rs 95.02 lakh) and Urban Development and Housing Department (Rs 2.15 crore).

(Paragraph 2.3.1 to 2.3.3)

Cases of under-utilisation of machines, idle expenditure and blocking of funds of Rs 8.67 crore were noticed in the Health Department (Rs 2.56 crore), Human Resources Development Department (Higher Education Department) (Rs 30.59 lakh) and Rural Works Department (Rs 5.80 crore).

(Paragraph 2.4.1 to 2.4.4)

Integrated Audit of Disaster Management Department

The State Government is responsible for coping with natural disasters. The role of the Government of India is supportive in terms of physical and financial resources. The State had been facing natural calamities regularly and the Department of Disaster Management was required to take adequate steps for preparation of a State Disaster Management Plan. The department failed to create a State Disaster Management Authority, mandated to give overall guidance and support in the event of a disaster in the State. The department's efforts to ensure co-ordination with the line departments were not satisfactory. District Disaster Management Authorities, though created, were still to be fully functional as evident from the non-preparation of District Disaster Management Plans. Although the department was able to provide rescue and relief to flood victims during 2006-08, the management of relief camps, distribution of relief materials etc. required further improvement. The reconstruction and rehabilitation programme did not show progress at the desired level. Thus, the objective to initiate prevention, mitigation and preparedness efforts were not achieved.

CHAPTER-I
PERFORMANCE AUDIT

HEALTH AND FAMILY WELFARE DEPARTMENT

1.1 NATIONAL RURAL HEALTH MISSION

Highlights

The National Rural Health Mission was launched by the Government of India in April 2005. The Mission seeks to provide universal access to equitable, affordable and quality health care facilities in rural areas. It aims at strengthening rural health care institutions by provision of infrastructure facilities and funds. A review of the implementation of the National Rural Health Mission in the State revealed improvement in flow of funds to rural health institutions and better health awareness among the rural population. However, deficiencies like lack of surveys and absence of a Perspective Plan, effective financial management, community participation, sufficient infrastructure, other equipment, adequate human resources and timely upgradation of health units were noticed.

The State Health Society failed to prepare a Perspective Plan for the Mission period as well as Annual Plans during 2005-09 despite incurring an expenditure of Rs 48.05 lakh.

(Paragraphs 1.1.6.2 and 1.1.6.3)

Against the prescribed norms of Indian Public Health Standards, only 53 per cent Health Sub-centres, 59 per cent Primary Health Centres and eight per cent Referral Hospitals were available in the State.

(Paragraph 1.1.8.1)

The number of indoor patients (26023), outdoor patients (9.31 lakh) and institutional deliveries (2344) in 2005-06 increased to 3.13 lakh, 61.33 lakh and 2.54 lakh respectively in 2008-09.

(Paragraphs 1.1.8.2, 1.1.9.1 and 1.1.11.1)

In the test-checked districts, 97,146 out of 4,70,307 lactating mothers were not provided cash incentives under the Janani Suraksha Yojana for want of funds. Payment of Rs 25.19 crore was made to 1.82 lakh beneficiaries after delays of eight to 732 days.

(Paragraph 1.1.11.1)

Cold chains for preserving the potency of vaccines were not maintained properly. Defective equipment in the test-checked districts ranged between 36 and 69 per cent against the prescribed limit of two per cent.

(Paragraph 1.1.11.5)

Community Monitoring and Planning Committees at different levels and Village Health and Sanitation Committees at the village level were not formed.

(Paragraph 1.1.16)

1.1.1 Introduction

The National Rural Health Mission (NRHM) was launched by the Government of India (GOI) in April 2005 throughout the country with special focus on 18 States for strengthening rural health care institutions by providing adequate infrastructure facilities and funds. The Mission aimed at providing accessible, affordable, accountable, effective and reliable health care facilities in rural areas by reducing the infant and maternal mortality rates, stabilising the fertility rate of the population and preventing and controlling communicable and non-communicable diseases including locally endemic diseases by involving the community in planning and monitoring. The key strategy of the Mission was to bridge the gaps in health care facilities, facilitate decentralised planning in the health sector, provide an overarching umbrella to the existing programmes of health and family welfare including Reproductive and Child Health-II and various disease control programmes. It sought to provide health to all in an equitable manner through increased outlays, horizontal integration of existing schemes, capacity building and proper human resources management.

1.1.2 Organisational set-up

At the State level, NRHM functions under the overall guidance of the State Health Mission (SHM) under the Chairmanship of the Chief Minister. The activities of the SHM are carried out through the State Health Society (SHS) headed by the Secretary, Health and Family Welfare (H&FW) Department. The Executive committee of SHS is headed by Chief Executive Officer (Executive Director).

At the district level, there are District Health Missions and District Health Societies (DHSs) headed by the Chairpersons of Zila Parishads. The Executive Committees are headed by District Magistrates (DMs). The implementation of various diseases control programmes is supervised by the respective heads of the Diseases Control Programmes (*Appendix 1.1.1*).

1.1.3 Audit Objectives

The objectives of the performance audit were to assess whether:

- the planning processes at the village, block, district and State levels were adequate;
- the assessment, release and utilisation of funds were efficient and effective;
- capacity building and strengthening of physical and human infrastructure were as per the Indian Public Health Standard norms;

- the performance indicators and targets fixed, especially in respect of reproductive and child healthcare, immunization and disease control programmes were achieved and
- the level of community participation, monitoring and evaluation was as per the guidelines.

1.1.4 Audit criteria

The criteria adopted to arrive at the audit conclusions were:

- the GOI framework on implementation of NRHM;
- guidelines issued by GOI for various components, disease control programmes, financial aspects etc.;
- circulars issued by GOI, containing directions for NRHM activities;
- orders and instructions issued by the State Government and
- Indian Public Health Standards (IPHS) for upgradation of health centres.

1.1.5 Audit coverage and methodology

The performance audit of NRHM for the period 2005-09 was conducted during March 2008 to October 2009 through test-check of records of the State Health Society, 10 out of 38 DHSs¹, 20 out of 70 Referral Hospitals (RHs), 122 out of 398 Primary Health Centres (PHCs), 323 out of 1243 Additional Primary Health Centres (APHCs) and 2682 out of 8858 Health Subcentres (HSCs). Audit of 16 RHs and 38 PHCs were conducted by visiting these health units. The sample for audit of districts was drawn by using the simple random sampling without replacement method. Joint physical verification of units with departmental officials in 65 health units² was also conducted.

An entry conference was held in April 2008 with the Chief Executive Officer-cum-Member Secretary, Health and Family Welfare Department and the Executive Director, SHS, Bihar to explain the audit objectives, audit criteria and methodology. The audit findings as well as conclusions were discussed with the Principal Secretary, H&FW Department, Government of Bihar and the Executive Director, SHS during the exit conference held in December 2008 and their replies have been incorporated at the appropriate places.

¹ Bhagalpur, Bhojpur, Darbhanga, East Champaran, Gopalganj, Kishanganj, Muzaffarpur, Nalanda, Samastipur and Sheikhpura.

² APHCs (6), HSCs (10), PHCs (34) and RHs (15).

Audit findings

Findings of the performance audit are discussed in the succeeding paragraphs.

1.1.6 Planning

NRHM aimed to improve health care through a wide range of interventions at the household, community and health units' level through decentralised convergent planning right from villages to district levels.

1.1.6.1 Household and facility surveys

Facility and household surveys were required to be carried out and completed in all the districts by 2008. These surveys were essential for planning and monitoring so as to construct a baseline Annual Plan for each health facility with a clear assessment. The household surveys were also intended for collection of information on availability of other determinants of health such as drinking water, sanitation etc. However, work on household and facility surveys was not done by SHS (September 2009).

1.1.6.2 Action Plans

Annual Plans and Perspective Plans for the Mission period were not prepared

The SHS had to identify the gaps in health care facilities, areas of intervention, probable investment, the share of the Centre and State that would be required for the Mission period (2005-2012) and the financial and physical targets to be framed in the form of Perspective Plans. The Perspective Plans were to be prepared for the State as a whole as well as the districts. An Annual Programme Implementation Plan (PIP), based on resource availability and prioritization was to be prepared at the village and block levels and consolidated at the district level.

Scrutiny of records at SHS/DHS revealed that neither the Perspective Plans nor the Annual Plans were prepared during 2005-09. However, the SHS prepared PIPs for the years 2006-07, 2007-08 and 2008-09, which were approved by the National Programme Co-ordination Committee³.

The SHS intimated (November 2009) that District Health Plans for the period 2008-09 had not been prepared and that preparation of the Plans for the year 2009-10 was in progress.

1.1.6.3 Unfruitful expenditure

Scrutiny of records revealed that the work of preparation of District Health Action Plans and PIPs was outsourced (March 2006) to a private agency who was to submit the District Health Action Plan for the following years by September 2006 and the State PIP by November 2006. Besides, the agency was to impart training to the core groups⁴ at the block and district levels.

³ A committee under Government of India which approves the programmes/plans of NRHM proposed by State Health Societies.

⁴ A group of health personnel selected for implementation of NRHM.

As per Schedules I and III (Para 6.11) of the contract with the agency, it was to submit evidence of its achievement along with invoices and submit weekly reports to the Nodal Officer of the SHS. Though evidence of achievement of benchmarks and weekly reports were not submitted by the agency, the SHS released (between April and June 2006) Rs 48.05 lakh to it in violation of the aforesaid clause of the contract. However, due to slow progress of work, the SHS issued (August 2006), a notice for termination of the contract. It was noticed that SHS did not safeguard its own interest, as the bank guarantee of the agency valuing Rs 25.47 lakh was not renewed after November 2006 and was withdrawn by the agency.

Civil Surgeon and District Magistrate of 20 districts⁵ reported (between August and December 2006) that household survey conducted at the panchayat level and training imparted by the agency was of poor quality as the primary data submitted by the agency in respect of the household survey was not realistic and the personnel engaged for imparting training had no knowledge about the assigned work. Thus, the payment of Rs 48.05 lakh made to the firm against unreliable and poor quality of work was largely unfruitful. In reply, the SHS stated (December 2008) that suitable legal action for recovery would be taken. However, no such action had been taken upto September 2009.

Financial Management

1.1.7 Financial performance

**Non-submission/
delayed submission of
utilisation certificates
led to short release of
grants by
Government of India**

The Mission was financed by GOI till 2006-07. From 2007-08, the funding was to be shared in the ratio of 85:15 between GOI and the State Government. Scrutiny of records related to the funds released/utilised and the financial statements submitted by the SHS to Audit, revealed the following:

- During 2005-09, against the total proposed amount of Rs 1842.05 crore in the PIPs, Rs 2005.42⁶ crore was approved by GOI however, only Rs 1339.50 crore was released (**Appendix 1.1.2**) due to non-submission/delayed submission of utilisation certificates (UCs). Reasons for non/ delayed submission of UCs and non-utilisation of funds, though called for (September 2009) were not intimated. **Table No. 1** shows Grants received by SHS and expenditure incurred during 2005-09.

⁵ Arwal, Aurangabad, Banka, Begusarai, Bhagalpur, Darbhanga, Jamui, Jehanabad, Khagaria, Kishanganj, Madhubani, Munger, Nalanda, Nawada, Purnea, Rohtas, Samastipur, Saran, Sheikhpura and Supaul.

⁶ The approved PIP includes an amount of unspent balances of Rs 293.03 crore at the end of 2006-07 under Mission Flexible Pool (created for providing funds to different components of NRHM in case of shortage of Funds in that component) and. Reproductive and Child Health (RCH) Programme

Table No. 1
Receipt and expenditure of GOI funds

(Rupees in crore)

Year	Opening balance	Grants received by SHS	Total Funds	Expenditure at the SHS	Expenditure in districts	Total Expenditure	Balance (per cent)
2005-06	47.66 ⁷	129.81	177.47	1.71	53.99	55.70	121.77 (69)
2006-07	121.77	341.26	463.03	6.18	81.38	87.56	375.47 (81)
2007-08	375.47	247.45	622.92	6.89	230.90	237.79	385.13 (62)
2008-09	385.12	645.10	1030.22	9.78	329.97	339.75	690.47 (67)
Total		1363.62		24.56	696.24	720.80	

(Source : State Health Society, Bihar, Patna)

- There were significant savings at the end of each financial year. During 2005-09, Rs 58.57 crore was received under the National Disease Control Programmes and expenditure of Rs 49.17 crore was incurred, there was a balance of Rs 9.40 crore (*Appendix 1.1.3*).
- During 2005-09, the State Government released Rs 227.40 crore to the SHS, of which Rs 214.72 crore was released to DHSs and the Building Construction Department (BCD) for construction of health units (*Table No. 2*)

Table No. 2

Funds released by the State Government to SHS during 2005-09

(Rupees in crore)

Year	Opening Balance	Funds received by SHSs	Funds released to executing agencies ⁸	Funds refunded to SHS by BCD	Balance
2006-07	Nil	51.84	51.84	Nil	Nil
2007-08	Nil	175.37	162.88	Nil	12.49
2008-09	12.49	00.19	00	112.78	125.46
Total		227.40	214.72		

(Source : State Health Society, Bihar)

- During 2007-08, Rs 162.88 crore was released (February 2008) to the BCD for construction of health units. Thereafter, the SHS decided (November 2008) to construct these health units through the respective DHSs and requested the BCD to refund the entire amount. The BCD refunded (February 2009) Rs 112.78 crore to the SHS but the balance amount of Rs 50.10 crore was not refunded as the tender process of the respective works was in progress, the refunded amount had been kept in the bank.
- SHS were required to maintain physical and financial progress reports of works allotted to the implementing agencies. The SHS stated (December 2008) that the implementing agencies had been requested to provide physical and financial progress reports. However, no such reports were furnished (December 2009) to Audit though called for (August 2009).

⁷ Opening balances have been taken from figures of unspent balances furnished by the SHS in its Statements of Expenditure to GOI as the opening balances intimated by the SHS were inconsistent.

⁸ DHSs, BCD, Rural Engineering Organisation.

1.1.7.1 Discrepancies in maintenance of accounts

During audit, it was noticed that standard books of accounts like cash books, journals and ledgers etc. required to be maintained were not maintained at the SHS level. Only cheque issued and received registers were maintained during 2005-09. Non-maintenance of accounts records in the proper form caused the following discrepancies:

- Four different amounts (ranging from Rs 43.69 crore to Rs 52.67 crore) of opening balances as on 1 April 2005 were noticed from the records of the SHS (**Appendix 1.1.4**). Reasons for the varying opening balances were not furnished to Audit though called for (August 2009).
- Scrutiny of Statements of Expenditure (SOEs) submitted (upto September 2007) to GOI disclosed that carrying forward of incorrect opening balances in respect of three quarters resulted in depicting Rs 46.48 crore less in the accounts of the SHS (**Appendix 1.1.5**).
- As per the SOEs received from SHS during April 2005 to September 2007, an amount of Rs 383.74 crore was shown as advance to the districts, Rs 76.87 crore were shown reduced from the column of total available funds in the SOEs for the quarters ending September 2005 and June 2006 only balance Rs 306.87 crore was not deducted from the total available funds. This also pointed towards the incorrect preparation of SOEs.

Further, in place of SOEs, the SHS had submitted (May 2008) a Financial Management Report (FMR) pertaining to the remaining period (October 2007 to March 2008) of the year 2007-08 to GOI without mentioning the closing and opening balances though discrepancies were noticed in opening balances as mentioned above. In reply, the SHS stated (December 2008) that the observations of Audit had been noted for future guidance. During 2008-09 the closing balances were mentioned in the FMR.

- SHS provided (August and December 2008) two SOEs for 2005-08 to Audit along with copies of bank pass books/ statements and release orders of grants by the GOI/ State Government. Audit analysis disclosed that the expenditure provided to GOI by SHS was higher by Rs 31.56 crore in these statements. Reasons for increase of Rs 31.56 crore in the expenditure were not furnished by the SHS (November 2009) though called for (August 2009) (**Appendix 1.1.6**).

This indicated that financial management at the SHS level was weak as the financial statements were not based on accurate facts and figures.

1.1.7.2 Irregular operation of bank accounts and loss of interest

SHS operated 17 bank accounts instead of one

As per the Memorandum of Understanding (MoU) signed (November 2006) between GOI and the State Government and the guidelines of NRHM (December 2006), the funds received were to be credited into an interest-bearing single bank account. However, in violation of the guidelines, 17 bank accounts were operated in different branches of five nationalized banks. The SHS replied (December 2008) that the extra bank accounts would be closed. The present status of these bank accounts were not furnished by the SHS though called for (August 2009). Further, a draft for Rs 106.76 crore was received (December 2006) by the SHS but not deposited into the bank till February 2007. The same was deposited in the Bihar State Co-operative Bank Limited in March 2007 without earning any interest. In April 2007, the entire amount was transferred to the Allahabad Bank. This resulted in loss of interest of Rs 1.25 crore (at the rate of 3.5 *per cent* per annum). Also, due to unnecessary transfer of funds in four different bank accounts in the middle of the month, the SHS suffered a loss of interest of Rs 0.86 crore (**Appendix 1.1.7**). The total loss was Rs 2.11 crore. In reply, the SHS stated (December 2008) that the transfer of funds was done by the order of the competent authority in view of the necessity of funds in various banks. No justification for late deposit of the bank drafts of Rs 106.76 crore and transfer of funds in the middle of the month was intimated. Thus, due to non-observance of NRHM guidelines stipulating maintenance of a single bank account, the SHS suffered loss of interest.

Unnecessary transfer of funds resulted in loss of interest of Rs 2.11 crore

Further scrutiny revealed that the DHS, Bhojpur kept its funds in the current account of a bank instead of in an interest-bearing account. However, the funds were transferred to a saving account in July 2008. The DHS sustained an interest loss of Rs 37.42 lakh during 2005-06 to June 2008. In the rest of the nine DHSs, however, the funds were kept in interest-bearing accounts.

1.1.7.3 Execution of basic activities

Basic activities of NRHM not executed

Government of India released Rs 158.22 crore during 2005-09 for execution of 15 activities. These related to the preparation of Village Health Plans, District Health Plans, upgradation of health care units etc. (**Appendix 1.1.8**). However, it was noticed that despite availability of Rs 63.10 crore, no expenditure was incurred in respect of seven activities, in the remaining eight activities, Rs 28.13 crore was incurred against Rs 95.12 crore assigned for these activities. Thus, only 18 *per cent* of the funds released by GOI were spent, which indicated ineffective execution of approved activities as per the PIPs.

1.1.7.4 Utilisation of funds in the districts

Funds were provided by the SHS to the districts under different activities without any demand from the health units. The position of utilisation of funds in test-checked districts is shown in **Table No. 3**

Table No. 3
Receipt and expenditure in test-checked districts during 2005-09

<i>(Rupees in crore)</i>						
Year	Opening balance	Receipt	Total funds	Expenditure	Balance	Percentage of balances
2005-06	Nil	34.03	34.03	6.50	27.53	81
2006-07	27.53	68.80	96.33	59.47	36.86	38
2007-08	36.86	123.93	160.79	100.08	60.71	38
2008-09	60.71	113.05	173.76	126.69	47.07	27

(Source : District Health Societies)

Funds remained unspent in the districts

The fund position in the **Table No. 3** indicates that though sufficient funds were provided to the districts by SHS however substantial funds remained unspent at the end of the financial years. The major portion of unspent funds were for activities like preparation of District Action Plans, health camps at PHCs, training to Grade 'A' nurses and skilled birth attendants, activities of IMNCI⁹, medical kits, operationalisation of blood storage facilities/ data centres and various civil works. Bank reconciliation was also not done by DSH in four¹⁰ out of 10 test-checked DHSs.

1.1.7.5 Fraudulent payments

Fraudulent payments under JSY in 14 PHCs of five districts

In 14 PHCs of five districts¹¹, Rs 9.17 crore was paid to women beneficiaries during 2005-09 as cash incentive under the *Janani Suraksha Yojana (JSY)*. During test-check of records related to the payments of cash incentives, it was found that 298 beneficiaries (detected on the basis of their photographs and registration numbers/dates mentioned on the JSY payment registers) were paid two to five times within a period of one day to two months, which resulted in fraudulent payment of Rs 6.66 lakh (**Appendix 1.1.9**). Under the circumstances, the possibility of doubtful payments in other PHCs in the State cannot also be ruled out. However, on this being pointed out (August 2008) by Audit, the DHS, Nalanda recovered (August 2008) Rs 4.84 lakh from the Accountant of RH, Asthama. Though the DHS, Bhagalpur recommended (June 2009) appropriate action against the Medical Officers-in-charge of the respective health units, the DHS Kisanganj had not taken any action against the officials of the respective health units even after noticing irregularities during its own investigations.

The Principal Secretary to the Government stated (December 2008) that after investigating the entire matter, suitable action would be taken. However, action taken in this regard was not intimated to Audit (September 2009).

1.1.8 Capacity Building

1.1.8.1 Creation and strengthening of infrastructure

Revamping of the health infrastructure is one of the important aspects of the NRHM. The position regarding shortfalls in creation of health centres,

⁹ *Integrated Management of Neo natal and Childhood Illness*

¹⁰ *Bhojpur, East Champaran, Kishanganj, Sheikhpura*

¹¹ *Bhagalpur (Rs 245.57 lakh), East Champaran (Rs 57.02 lakh), Gopalganj (Rs 39.53 lakh), Kishanganj (Rs 38 lakh), Nalanda (Rs 21 lakh).*

strengthening of RHs, PHCs/HSCs and upgradation of PHCs to CHCs is discussed in the succeeding paragraphs.

- **Availability of Health Centres**

The rural population of the State (2001) was 829.98 lakh. Accordingly, the number of HSC/PHC/RHs required in the State as per Indian Public Health Standard (IPHS) norms and the number available as on March 2009 are indicated in the **Table No. 4**. There were huge gaps between required and available health units at different levels.

Table No. 4
Availability of health care units in the State as of March 2009

Health care units	Population norm for one health unit	Number of units required as per norms	Number of units available	Gap in number of units (percentage)
HSC	5000	16600	8858	7742 (47)
PHCs/APHCs	30000	2767	1641 ¹²	1126 (41)
RHs	100000	830	70	760 (92)

(Source : State Health Society, Bihar)

There were gaps between the required number and availability of health units

In the test-checked districts as against the required number of 5618 HSCs, 936 PHCs and 281RHs, as per rural population (280.88 lakh) of 2008-09, shortage of 2936 (52 per cent) HSCs, 491 (52 per cent) PHCs and 261 (93 per cent) RHs was noticed. The availability of health units remained stagnant during 2005-2009.

- **Creation of health care centres**

Non-upgradation of the PHCs/ APHCs

The State Government accorded (December 2006) sanctions to create 7765 HSCs and 1544 Additional Primary Health Centres (APHCs) and to upgrade 601 PHCs to Community Health Centres (CHCs) during 2005-10. The SHS released (February 2008 to January 2009) Rs 9.19 crore, Rs 4.92 crore and Rs 15.20 crore to the BCD and DHSs for construction of 435 HSC and 137 APHC buildings and for upgradation of 76 PHCs to CHCs respectively. However, no building was constructed as of March 2009. Thus, the availability of health units remained stagnant. In test-checked districts, funds of Rs 7.66 crore were made available by the SHS during 2008-09 for upgradation of 20 PHCs to RHs, construction of 37 APHC and 137 HSC buildings. Of them, only in Nalanda, Rs 53 lakh was released to the executing agencies for construction of two APHCs in March 2009. The balance amount of Rs 7.14 crore was kept idle in the bank accounts of the respective DHSs as of September 2009, reasons for parking of funds were not furnished by the DHSs.

It was also decided to upgrade 1243 APHCs to the level of PHCs by 2010 in accordance with the IPHS standards. Of them, 993 APHCs were envisaged to be upgraded by 2009. However, none of these was upgraded (March 2009).

¹² APHC: 1243 and PHC: 398.

The Government stated (December 2008) that due to slow progress of work by the executing agencies, it was decided (October 2008) to get the work done through DHSs/Rogi Kalyan Samities (RKSs) on an experimental basis. However, the position remained unchanged (September 2009). Thus, the efforts to increase the number of health care units to meet the health care needs of the rural people were far from satisfactory.

- **Existing health care centres**

To improve the condition of the existing health centre buildings, the Government released (2005-07) Rs 165.89 crore directly to 38 District Magistrates (DMs) for construction of 57 APHCs and 751 HSCs; repairs and maintenance of 2267 HSCs; creation of diagnostic centres in 398 PHCs and provision of water supply in 18 PHCs. The DMs, in turn, made the funds available to the respective DHSs for further release to the executing agencies. Progress reports of these works were not available with the SHS. In the test-checked districts, the status of civil works as of March 2009 was as shown in **Table No. 5**.

Table No. 5
Status of ongoing civil works during 2005-08

Year	Name of work (in existing health units)	No. of units	Fund available with DHS	Funds released to agencies	Expen- diture	Status of work		
			<i>(Rupees in crore)</i>			Com- pleted	In progress	Not started
2005-06	Construction of HSC	227	14.92	10.54	4.80	61	119	47
	Construction of diagnostic centre in PHC	118	25.62	21.80	13.95	65	46	7
2006-07	Repair/maintenance of HSC	723	15.62	4.85	2.34	107	98	518
	Construction of APHC buildings	28	4.10	1.77	0.09	-	1	27
	Repair/maintenance of PHC buildings	36	1.46	0.30	-	-	-	36
2007-08	Water and sanitation facility in PHC	18	1.45	Not released				
Total			63.17	39.26	21.18			

(Source- District Health Societies of ten districts test-checked)

Scrutiny of records relating to execution of works revealed the following:

Despite availability of funds, progress of civil works was slow

- Out of Rs 63.17 crore available with the DHSs, Rs 39.26 crore (62 per cent) was released to the executing agencies, of which only Rs 21.18 crore (52 per cent) was spent. The balance amount of Rs 41.99 crore remained unspent with the DHSs/executing agencies. Further, out of 345 works of construction of HSCs and diagnostic centres, only 126 (37 per cent) were completed after the lapse of four years though funds were available with them since 2005-06.
- Three DHSs (Bhojpur, Samastipur and Sheikhpura) did not release (September 2009) funds of Rs 6.61 crore received (May-June 2006) for repairs and maintenance of 396 HSCs. Besides, funds of Rs 1.17 crore and Rs 1.45 crore received between August 2006 and May 2007 by the DHSs, Bhagalpur, Gopalganj and East Champaran respectively for

renovation of 36 PHCs and installation of water supply in 18 PHCs was lying idle in the bank accounts of the respective DHSs (September 2009).

- No physical and financial progress reports were available with the DHS Darbhanga (September 2009) regarding construction of 24 APHCs with whom funds of Rs 1.67 crore were available since 2006-07.

The above position indicated the lack of interest of the DHSs in releasing the amounts to the construction agencies which resulted in the slow progress of civil works.

1.1.8.2 Status of infrastructure in health units

PHCs and RHs lacked essential facilities

Under NRHM certain guaranteed services/ supporting infrastructural facilities (as per the IPHS) at the HSC, PHC, and RH level were to be ensured. Information furnished by the Medical Officers of the test-checked health units in the 10 test-checked districts (**Appendix 1.1.10**) revealed that basic essential facilities like separate utilities for men and women, accommodation facilities for attendants of admitted patients and facilities for medical waste disposal were absent in the health units. Other basic infrastructure was also inadequate in a large number of PHCs and RHs and was almost non-existent in the APHCs and HSCs. Further, Boyle's apparatus, cardiac monitors, ventilators for operation theatres (OT), oxygen cylinders, etc. required for RHs and PHCs as OT equipment, were not available in any of the test-checked 20 RHs and 122 PHCs.



Labour room of RH, Sahpur, Bhojpur

Blood storage facility was absent in test-checked RHs

As per IPHS norms, a blood storage unit was required to be operational in every RH but this was not available in any of the test-checked RHs. In the absence of these, patients requiring emergency care were deprived of the same.

Availability of beds and other infrastructure was inadequate

The NRHM guidelines provided for six and 30 beds for indoor patient services at PHCs and RHs respectively (i.e. one bed per 2000 population). In all the test-checked districts (total population: 280.88 lakh) only 700 beds were available (i.e. one bed for 40126 people). The number of indoor patients in RHs had increased from 13002 in 2005-06 to 68528 in 2008-09 and in the PHCs it increased from 13021 in 2005-06 to 244526 in 2008-09 yet, the

availability of beds and other infrastructure was inadequate During the exit conference, the Government accepted the fact and stated that the dismal scenario required improvement (December 2008).

1.1.8.3 Human Resources

The availability of human resources in the State as of March 2009 is given in **Table No. 6**.

Table No. 6
Shortfall in manpower

Sl. No.	Post	Sanctioned	Men-in-position	Vacant*
1	Medical Officer	5124	3860	1264 (25)
2	Staff Nurse	451	256	195 (43)
3	Auxilliary Nurse Midwife (ANM)	11294	10055	1239 (11)
4	Male Health Worker (MHW)	2562	1298	1264 (49)
5	Lady Health Visitor (LHV)	1126	662	464 (41)

(Source: Data furnished by SHS)

* Figures in brackets represent the percentage of vacant posts to sanctioned posts.

Vacancies of Medical Officers and staff nurses were 25 per cent and 43 per cent respectively

As may be seen from **Table No. 6**, vacancies were very high in respect of the posts of MHW (49 per cent) and Staff Nurse (43 per cent).

The vacancy position in respect of key health care personnel in the test-checked districts are indicated in **Appendix 1.1.11**.

Vacancies against the post of specialist doctors and Medical Officers in the RHs and PHCs were 80 per cent and 38 per cent respectively. Similarly, vacancies in the post of Staff Nurse, ANM, LHV and MHW were 72, 47, 55 and 44 per cent respectively.

- **Shortage of manpower with reference to Indian Public Health Standards**

Health units were not strengthened with adequate manpower

As per IPHS guidelines, six specialist doctors, nine Staff Nurses and one public health nurse are required for each RH. Two MOs, three Staff Nurses and one pharmacist are required for each PHC and two ANMs are required for each HSC. The shortage of manpower in the test-checked RHs, PHCs and HSCs as of March 2009 with reference to IPH Standards is depicted in **Table No. 7**.

Table No. 7
Vacancy position in the test-checked districts

Post	Test-checked health centres								
	20 RHs			445 PHCs			2682 HSCs		
	Req.	M.I.P.	Sh*	Req.	M.I.P.	Sh*	Req.	M.I.P.	Sh*
Medical Officer	120	16	104 (87)	890	630	260 (29)	NR	--	--
Staff Nurse	140	32	108 (77)	1335	0	1335 (100)	NR	--	--
Public Health Nurse/ Educator/ ANM	20	0	20(100) #	445	0	445 (100)\$	5364	3112	2252 (42)@
Pharmacist	20	11	9 (45)	445	103	342 (77)	NR	--	--

(Source: Test- checked DHSs and Health Units)

Req.: Requirement as per IPH standard; M.I.: Men-in-position; Sh: Shortage; NR: Not required

* Figures in bracket represent percentage of shortage.

#: Public Health Nurses; \$: Health Educator; @: ANM.

There was a shortage of specialist doctors in Referral Hospitals

There was a severe shortage of key health care personnel in the test-checked 20 RHs; the shortages of specialist doctors were between 29 and 100 *per cent*. The RHs of Bhagalpur, Kishanganj and Sheikhpura districts had no specialist doctor. However, in the 35 test-checked APHCs¹³, 48 specialist doctors¹⁴ were posted though, as per the norms, their services were required in RHs where there was an acute shortage of specialist doctors. In the absence of necessary medical and support staff in the health units, the delivery of essential health services suffered and affected the goal of reliable and quality health services in the rural areas.

- ***Engagement and training of ASHAs***

Prescribed training not imparted to ASHAs

Under NRHM, the concept of Accredited Social Health Activists (ASHA) was introduced to act as a link between the health centres and the rural population. After receiving five modules of training, the ASHAs were to be able to advise the village population about sanitation, immunization, primary medical care etc. and to escort patients to medical centres. Performance based compensation (as cash incentive) was to be given to ASHAs for tracking of pregnant women, promoting institutional delivery etc. As per the timeline for NRHM activities, 100 *per cent* selection with fully trained ASHAs was to be completed by 2008.

As of March 2009, against the total requirement of 87135 ASHAs in the State, 67506 ASHAs (77 *per cent*) were selected. Of them, only 63802 (73 *per cent*) were imparted training of module I. In test-checked districts, out of the total target of selection of 26895, only 20783 ASHAs had been selected and one module of induction training was provided to only 18367 (68 *per cent*) ASHAs. In the absence of the five stipulated scheduled training modules to the ASHAs, they were not fully acquainted with the knowledge to provide primary health care advice/service to the rural people, thereby defeating the very purpose of their selection.

The SHS was still to evaluate the training and functioning of ASHAs as required under NRHM guidelines. The guidelines provided for weekly meetings of ASHAs at HSCs and monthly meetings at the PHC level. In test-checked health units, there were no records to show that these meetings had taken place. The services of the ASHAs were mainly confined to escorting pregnant women upto PHCs / RHs. Thus, due to these deficiencies, the important objective of linking the community with the healthcare facilities as envisaged under NRHM remained partially achieved.

1.1.9 Facilities at Health Centres

1.1.9.1 Outdoor Patient Department services

The number of outdoor patients increased from 9.31 lakh in 2005-06 to 61.33 lakh (more than 658.75 *per cent*) during 2008-09 in the test-checked districts. However, no Outdoor Patient Department (OPD) facility was

¹³ Bhojpur : 11, Darbhanga : 7, East Champaran : 1, Gopalganj : 1, Samastipur : 13 and Muzaffarpur : 2

¹⁴ MD-15, MS-24, DM-1, Orthopedic-2, Gynaecologist-2, Paediatricians-4

available in 27 PHCs and 134 APHCs out of the selected 122 PHCs and 323 APHCs as no doctor was posted in these APHCs and PHCs.

1.1.9.2 Services of AYUSH

AYUSH doctors were prescribing allopathic medicine

NRHM aimed to provide AYUSH¹⁵ services in accordance with the local tradition by providing an AYUSH doctor at the PHCs. Test check, however, revealed that 11 homoeopathic and 29 ayurvedic doctors were posted in 36 APHCs in six districts¹⁶, who were prescribing allopathic medicines as no ayurvedic/ homoeopathic medicines were supplied by the DHS. The CS-cum-CMO also accepted (June 2008) the fact. This affected the aim of mainstreaming of AYUSH services in the NRHM.

In reply, the SHS stated (December 2008) that corrective steps would be taken in future. However, the position remained unchanged (March 2009).

1.1.9.3 Pathological and radiology services

X-ray facilities were not available in 80 per cent of Referral Hospitals

The Governing body of the SHS decided (December 2005) to outsource pathological and radiology services in all RHs and PHCs on public private partnership basis. Accordingly, the SHS executed (March/ April 2006) agreements with three agencies¹⁷ for providing these services. The agencies were to establish pathological centres upto June 2006 and install X-ray machines upto December 2006.

Scrutiny of records at the SHS disclosed the status of these services as of March 2009 (Table No. 8).

Table No. 8
Availability of pathological and diagnostic facilities

Facilities	In State		In test-checked districts	
	70 RHs	398 PHCs	20 RHs	122 PHCs
X-ray	9 (13)	53 (13)	4 (20)	10 (8)
Pathology	15 (21)	136 (34)	4 (20)	20 (16)

(Source: SHS and test-checked health units)

Note: Figures in brackets indicate percentage of availability of services in health units

It was noticed that the services could not be made available because DHSs failed to provide space, piped water supply and electricity at the respective health units as per the agreements. Hence, the objective of providing pathological and radiological services to patients in each RH and pathological services in each PHC as per the IPHS norms could not be ensured.

¹⁵ Ayurvedic, Yoga, Unani, Sidha and Homoeopathy

¹⁶ Bhojpur, Darbhanga, East Champaran, Gopalganj, Samastipur and Muzaffarpur.

¹⁷ Sen Diagnostic (P) Ltd., Patna and Central Diagnostics, Patna for pathology and IGE Medical System, Silvassa for X-ray.

1.1.9.4 APHCs outsourced

Outsourced APHCs were running without essential equipment and with untrained para-medical staff

The SHS had initiated (December 2005) the Static Medical Units (SMUs) under NRHM campaign to provide good primary health care services. Under this campaign, health care services in 36 APHCs in six districts¹⁸ were outsourced and agreements were executed with four agencies¹⁹ for one year (2006-07). As per the agreements, the agencies were to provide general OPD, mobile medical van facility for eight days in a month for outreach areas, minor pathological investigation/family planning operations, medicines to patients, immunizations and general awareness in rural areas for which one doctor, three Staff Nurses, one lab Technician and three other office staff members were to be posted by the outsourced agencies at these APHCs.

During July 2006, the SHS had conducted physical inspection of the 10 outsourced APHCs in Gaya district, where it was observed that the agency was not using mobile medical vans, and no minor investigations or operations were being carried out. During physical verification arranged by the SHS in July 2006 in the remaining three districts (Aurangabad, Begusarai and Sheikhpura), similar deficiencies were noticed.

Further, in May 2008, an agreement to outsource the services of eight APHCs in Bhojpur district was executed with an agency by the DHS, Bhojpur.

During a joint physical inspection in August 2008 of two outsourced health units²⁰ conducted by Audit with the Medical Officers in-Charge, it was noticed that these were running in dilapidated single rooms without essential medical equipment (like stethoscopes, BP instruments etc.). The para-medical staff had no technical training. Only one doctor was functioning at each centre against the provision of two doctors.

Thus, the health services provided by the outsourced agencies as well as monitoring at the APHCs level was inadequate, as indicated by the fact that the SHS had not taken any action regarding the deficiencies in the services noticed by it.

1.1.9.5 Mobile Medical Units

Under the guidelines of NRHM, all the districts of the State were to be provided with Mobile Medical Units (MMUs) by 2009. The objective of the MMU campaign was to provide and supplement primary health care services in far flung areas. However, during 2005-09 mobile clinic services were provided only in four districts (Bhagalpur, Muzaffarpur, Patna and Purnia) by an outsourced agency for a short period from June to December 2006. Thereafter, no mobile clinic was in operation till March 2009.

¹⁸ Aurangabad, Begusarai, Gaya, Kaimur, Rohtas and Sheikhpura.

¹⁹ M/s Aryabhatt Computers Patna (Gaya-10 APHCs), M/s Shantidoot, Nalanda (Sheikhpura – 5 APHCs) M/s DORD, Patna (Aurangabad 10 APHCs) and M/s Vanvasi Seva Kendra, (Kamaur -3 APHCs, Rohtas- 3 APHCs).

²⁰ APHC, Sripalpur under Koilwar block and APHC, Ekauna under Barhara block.

The non-functioning of the MMUs affected the goal of improving accessibility to health care services, leaving remote and difficult areas without any reliable and quality medical care.

1.1.10 Procurement of drugs

There was no mechanism for assessment of the requirement of drugs and keeping buffer stocks at the health unit level. The SHS had been declared (July 2006) as the procurement agency for drugs to be used at all the health units in the State by the State Government. The SHS had prepared a list of essential drugs for different levels of health care units and accordingly, rate contracts for supply of 279 drugs to all health units were executed (June 2006 to February 2008) with 31 agencies after inviting tenders. The DHSs were directed to purchase the required drugs as per the rate contracts.

Purchase of medicine from local suppliers led to extra expenditure of Rs 1.70 crore

However, the CS-cum-CMOs of Bhagalpur, Darbhanga, Gopalganj, Motihari and Purnia had purchased medicines through local purchase committees at the district level during 2006-08 on higher rates against the approved rate of the SHS. This resulted in extra payment of Rs 1.70 crore (*Appendix 1.1.12*).

The CS-cum-CMOs replied that the purchases were made for urgent supply of medicines to health units. The purchases did not seem to be urgent nature as these were supplied after 15 to 90 days of the supply orders. However, no extra payment was noticed in the purchase of medicines in the year 2008-09.

1.1.11 Implementation

Implementation of some important activities under NRHM is discussed in the succeeding paragraphs:

1.1.11.1 Janani Suraksha Yojana

The Reproductive Child Health (RCH) Programme was launched in 1997 and its second phase was started from 2005-06. One of its important components was to encourage mothers to undergo institutional deliveries to reduce infant and maternal mortality rates. To encourage institutional deliveries, the Janani Suraksha Yojana (JSY) provided a cash incentive of Rs 1400 to all pregnant women in the State, irrespective of their age and the number of previous children. The ASHAs, who helped the pregnant women, also got cash incentives of Rs 600 per case inclusive of Rs 200 as transportation cost for carrying beneficiaries to health unit.

In the test-checked districts, the number of institutional deliveries during 2005-06 which was 2344, sharply increased to 2.54 lakh during 2008-09, mainly due to provision of cash incentives to lactating mothers. Details of institutional deliveries carried out in the State and in the health units test-checked in 10 districts vis-à-vis the expenditure incurred under JSY during 2005-09 are given in **Table No. 9**.

Table No. 9
Details of Institutional deliveries during 2005-09

(Rupees in crore)

Year	No. of institutional deliveries		No. of beneficiaries to whom payments were made in test-checked PHCs/RHs	Fund with test-checked PHCs/RHs	Payments made in test-checked RHs/PHCs		Total expenditure	Balance
	In State	In test-checked PHCs/RHs			Beneficiary	ASHA		
2005-06	NA	2344	NA	0.27	0.01	--	0.01	0.26
2006-07	112371	25957	12716	2.50	1.24	0.25	1.49	1.01
2007-08	838481	188310	155887	34.14	22.48	5.27	27.76	6.38
2008-09	902667	253696	204558	42.65	27.47	7.40	34.87	7.78
Total	1853519	470307	373161	79.56	51.20	12.92	64.13	15.43

(Source : SHS and RH/PHCs of test-checked districts) NA : Not Available

Delayed payments and non-payments to JSY beneficiaries

As per guidelines prescribed (October 2006) by GOI, payments to JSY beneficiaries were to be made before their release from the health centres or within seven days of delivery. However, due to non-availability of funds in time in the health units, payments to 97146, out of 470307 (21 per cent) beneficiaries could not be made. Out of Rs 51.20 crore paid to 3.73 lakh beneficiaries during 2005-09, payments of Rs 25.19 crore were made to 182037 beneficiaries after delays of eight to 732 days. Non-payment and delayed payment to beneficiaries defeated the very purpose of the programme to provide post-delivery care to them.

1.1.11.2 Pulse Polio Immunization Programme

The National Pulse Polio Immunization (PPI) programme was launched under RCH II to eradicate polio and ensure zero transmission by the end of 2008. As per an MoU signed (November 2006) with GOI by the State Government, polio free status was to be achieved by March 2008. Polio vaccines are given to children upto the age of five years in different rounds in a year. Pulse Polio workers are required to visit every house so that no child upto the age of five years is left without receiving a polio vaccine dose.

The Financial position of the PPI programme was not available with the SHS. However, the number of polio cases and immunization during 2005-09 in the State and in test-checked districts were as shown in **Table No. 10**

Table No. 10
Performance of Pulse Polio campaign during 2005-09

Year	Number of pulse polio rounds	State level		In test-checked districts	
		No. of children given P.P. vaccines (in lakh)	New cases detected	Number of children given P.P. vaccines (in lakh)	New cases detected
2005-06	11	1621.65	30	261.59	22
2006-07	8	1584.32	61	278.41	74
2007-08	8	2121.51	503	324.26	149
2008-09	8	1616.08	233	532.12	91

(Source: SHS and DHSS of test-checked districts)

New polio cases increased from 30 to 503 during 2005-08 in the State

From Table No. 9, it would be evident that the data provided by the SHS in respect of PP vaccines given in 38 districts and the data provided by the test-checked districts had no correlation. As per information furnished by the SHS, new polio cases detected during 2006-07 were only 61 in the State, whereas in the test-checked districts, the same was 74. This showed that data provided by the SHS was unreliable. In the test-checked districts, 22 new polio cases (State: 30 cases) were detected in 2005-06 which climbed to 149 (State: 503 cases) in 2007-08, showing an increasing trend. This was mainly attributable to the poor cold chain system, resulting in administration of polio vaccine of less potency to the children. The implementation of the programme was not very effective and despite more than 60 rounds of PPI, polio was not eradicated.

1.1.11.3 Routine Immunization

The immunization of children against six preventable diseases, namely tuberculosis, diphtheria, pertussis, tetanus, polio and measles is the cornerstone of routine immunization. As per the National Family Health Survey-III (NFHS-III) (April-June 2006), the level of immunization in Bihar was 32.8 *per cent* against the all India level of 43.5 *per cent* though the level was to be raised to 75 *per cent* during 2008-09. The basis on which targets were fixed to complete the immunization and administration of Vitamin-A was not maintained in any of the test-checked DHSs. The fund position relating to Routine Immunization (RI) was not available with the SHS. No information was available in the SHS in respect of the targets set and actual achievements in the State with regard to administration of Tetanus Toxoid (10) and Diphtheria Tetanus (DT) injection and the number of fully immunized children during 2005-09 though these were required to be compiled by the SHS.

1.1.11.4 Unjustified expenditure on generator : Rs 44.30 lakh

In Bhojpur and Muzaffarpur districts, generator services were outsourced to a private agency since July 2006. The agency was to provide electricity for 24 hours in the health units. Thus, no separate funds were assigned for maintaining the cold chain system. RHs and PHCs of Bhojpur district submitted expenditure of Rs 25.70 lakh whereas in Muzaffarpur district Rs 18.60 lakh was spent. As all the health units were getting power from outsourced generators, extra expenditure of Rs 44.30 lakh on operation of additional gensets was not justified. CS-cum-CMO, Muzaffarpur agreed with the audit observation and ordered (November 2009) the recovery of the extra amount paid for POL from the concerned RHs and PHCs.

1.1.11.5 Cold chain system of immunization

Availability of cold chain facilities at two to eight degrees centigrade was a pre-requisite for preserving the potency of vaccines. The State had a shortage of cold chain equipment and accordingly the SHS used to send requirements for equipment to GOI during 2006-09. The status of requirements sent to GOI and equipment received by the SHS were given in the **Table No.11**:

Table No. 11
Status of equipment received from GOI during 2006-09

Name of equipment	2006-07		2007-08		2008-09	
	Requirement sent to GOI (March 2006)	Equipment received from GOI	Requirement sent to GOI (April 2007)	Equipment received from GOI	Requirement sent to GOI (December 2008)	Equipment received from GOI
(In number)						
Ice Line Refrigerator (ILR):						
Large	50	0	120	0	145	0
Small	100	100	195	0	331	0
Deep Freezer (DF):						
Large	90	0	180	0	214	0
Small	100	40	236	80	363	0
Cold Box: Large	1500	1476	1600	24	5000	0
Small	1000	500	1600	500	2500	500
Vaccine Carrier	15000	7000	38000	1672	50000	5356
Ice Pack	400000	25000	300000	0	500000	111000
Thermometer	800	1014	1000	0	5000	0

(Source: Information furnished by SHS)

As evident from **Table No. 11**, the number of cold chain equipment supplied by GOI was much below the requirement. The SHS never issued any reminders for supply of the required equipment. Besides, belts and covers of 7000 vaccine carriers (valued at Rs 25.13 lakh) supplied by GOI during 2006-07 were found to be defective by the SHS but were not returned to the supplier and were issued (May- June 2006) to districts. The short and defective supply of equipment by the GOI hampered the maintenance of the cold chain system in the State.

The status of the cold chain systems in test-checked districts as of March 2009 was as shown in **Table No. 12**.

Table No. 12
Availability of cold chain equipment

Sl. No.	Name of equipment	Available	Functional	Defective (Percentage)
1	ILR: Large	32	14	18 (56)
	Small	184	108	76(41)
2	DF: Large	51	16	35 (69)
	Small	142	76	66(46)
3	Cold Box: Large	1055	661	394 (37)
	Small	1105	532	573(52)
4	Vaccine Carrier	20290	12930	7360 (36)
5	Ice Pack	153188	123392	29796 (19)
6	Thermometer	422	378	44 (10)

(Source: Data collected from test-checked health centres)

Defective cold chain equipment ranged between 36 and 69 per cent against the norm of two per cent

From the table above, it would be evident that the number of defective cold chain equipment ranged between 10 per cent and 69 per cent (36 per cent to 69 per cent in respect of Sl. Nos. one to four). As per directions (December 2007) of GOI the sickness rate of the equipment at Sl. Nos. one to four was not to be more than two per cent at any point of time and the State was required to organise a one time crash repair programme (special drive) for all the defective cold chain equipment. However, no special drive was organised

by the State as of March 2009. Thus, the SHS failed to ensure preservation of potency of the different vaccines.

1.1.11.6 Physical verification of immunization centres /teams

OPV vials which had already lost their potency administered to children

During joint physical verification conducted by Audit with DHS officials at the district immunization centre in Bhojpur district, it was observed that temperature was not being maintained properly by the guessing method. Further, verification of 32 health units of nine districts²¹ disclosed that in 19 health units of six districts²², the temperature of the Deep Freezers and ILRs containing vaccine vials ranged between 13⁰ C to 22⁰ C against the required temperature of two to eight degree celsius. In two PHCs (Saraiya in Muzaffarpur and Chakia in East Champaran) vaccine vials were found in frozen condition as these were kept between (-) 1⁰ C to (-) 20⁰ C. Similarly, verification in 27 Routine Immunization Centres (RHs: two; PHCs: 18; HSCs: seven) in above six districts²² disclosed that instead of ice, the vaccines were kept in water at normal temperature and immunization was being performed without maintaining vaccine at prescribed temperature.

During joint physical verification of the 21 teams administering polio vaccines to children in two districts (Muzaffarpur and East Champaran), the following was noticed:

In East Champaran, all the 11 pulse polio teams inspected were carrying ice packs inside the vaccine carriers containing water. Two teams were found to be routinely ticking the tally sheets without actually performing vaccination.

In Muzaffarpur, the vaccine vials to be used were available in the outer pockets of the yellow jackets of the volunteers of all the 10 teams inspected. Though the colour of the OPV vial was changed yet vaccines were being administered from these vials.

The increasing trend in new pulse polio cases was mainly attributable to the defective cold chain system and administration of less potency polio vaccines to the children. On this being pointed out, the CS-cum-CMO, East Champaran stated (October 2008) that proper training would be imparted to the person incharge of the cold chain system. The SHS accepted the poor condition of cold chain system and stated that efforts were being made to administer only potent vaccine.

1.1.12 National Programme for Control of Blindness

- With a view to reducing the prevalence of blindness, GOI had launched the National Programme for Control of Blindness (NPCB) in 1976. The main objective of the programme was to provide high quality eye care services to the masses through proper infrastructural (both in institutional capacity and adequate human resources) development. During 2005-08, against the target of establishing 50 vision centres, two eye banks, three

²¹ Bhagalpur (2), Bhojpur (6), Darbhanga (1), East Champaran (4), Gopalganj (4), Kishanganj (1), Muzaffarpur (7), Nalanda (3) and Samastipur (4).

²² Bhagalpur (1), Bhojpur (3), East Champaran (4), Gopalganj (3), Kishanganj (1), Muzaffarpur (7).

eye donation centres and two pediatric ophthalmic units besides collection of 1500 eyes as donation, there was nil achievement. However, an amount of Rs 22.50 lakh released to DHS, Muzaffarpur (March 2007) for upgradation of an eye care unit (Rs 12.50 lakh) and an eye bank (Rs 10 lakh) was lying unspent in a bank account (May 2009).

- Details of targets/achievements in respect of cataract operations in the State during 2005-09 were shown in **Table No. 13**.

Table No. 13
Cataract operations during 2005-09

Year	Target	Target as per norm ²³	Intra cataract care	Intra ocular lens	Achievement	Shortfall against target (in per cent)	Shortfall against norm (in per cent)
2005-06	140000	513256	49273	82587	131860	6	74
2006-07	140000	524625	12420	116644	129064	8	75
2007-08	140000	546264	9767	127918	137685	2	75
2008-09	150000	497988	5152	149665	154817	-	69

(Source : State Health Society, Bihar)

However in the test-checked districts 36386, 40248, 44636 and 49765 cataract operations were carried out during 2005-06, 2006-07, 2007-08 and 2008-09 with a shortfall of 21, 14, seven *per cent* and nil respectively. The achievement improved during 2005-09 because the target was not fixed as per the population norms. Further, in the test-checked districts, no eye surgeon was posted by Government in any RHs against the requirement of one eye surgeon in each RH.

- The programme envisaged screening refractive errors among students and free distribution of spectacles to students having refractive errors. The number of free spectacles issued did not correspond with the number of students having refractive errors. During 2005-06, 2006-07, 2007-08 and 2008-09 only, 406, 262, 821 and 631 spectacles were issued against the total detection of 7145, 4324, 6228 and 8526 cases of refractive errors. Reasons for short distribution of spectacles was not furnished by the SHS, though called for (August 2009).

1.1.13 Kala-azar Elimination Programme

Inadequate DDT spray led to increase in the number of Kala-azar patients

Kala-azar, an endemic vector borne disease is prevalent in 31²⁴ out of 38 districts of the State. It is a slow progressing indigenous disease caused by the parasite of genus *leishmania* and transmitted by sandflies, which are the vectors of the disease. The preventive measure for this endemic disease was Intensive Residual Spray (IRS) of Dicholro Diphenyl Trichloroethane (DDT) in the affected area whereas to prevent the malaria menace, spraying was to be done twice a year (DDT and anti-larvae solution).

²³ 600 cataract operations per lakh population per year. (Population-2005-06: 855.43 lakh; 2006-07: 874.37 lakh; 2007-08: 910.44 lakh; 2008-09: 829.98 lakh).

²⁴ Araria, Arwal, Banka, Begusarai, Bhagalpur, Bhojpur, Buxar, Darbhanga, East Champaran, Gopalganj, Jehanabad, Katihar, Khagaria, Kishanganj, Lakhisarai, Madhepura, Madhubani, Munger, Muzaffarpur, Nalanda, Patna, Purnia, Saharsa, Samastipur, Saran, Sheohar, Sitamarhi, Siwan, Supaul, Vaishali and West Champaran.

In the 10 test-checked districts, it was observed that 41 to 97 *per cent* of villages and seven to 100 *per cent* of municipal bodies were not covered with DDT spray during 2005-09. Besides, only one round of DDT spray was done in six districts²⁵ while in one district (Sheikhpura) not a single round of spray was done (*Appendix 1.1.13*). Further, it was also noticed that against the sanctioned strength of 3289 (under different types of posts), only 712 persons (22 *per cent*) were working which adversely affected the implementation of the programme. These staff members were responsible for looking after the Kala-azar elimination programme.

Table No. 14
Physical performance of Kala-azar elimination programme during 2005-09

Year	Kala-azar cases detected	Medical treatment provided	Death cases reported
2005-06	23383	16825	125
2006-07	29711	23293	162
2007-08	37822	31684	172
2008-09	28489	24177	142
Total	119405	95979	601

(Source : SHS)

From **Table No. 14**, it would be evident that cases of Kala-azar patients and death cases were increasing till 2007-08 after which these were reduced. Due to poor coverage of DDT spray by the State, mortality rate was also increasing till 2007-08. However, the rate decreased in 2008-09 but it does not seem to be sustainable in the absence of preventive measures of spraying DDT in prescribed manner. Further, the State Government decided (2007-08) to provide free medicines, diet and Rs 50 per day towards loss of wages to Kala-azar patients at the hospital. However, during joint physical verification of three health units²⁶, patients suffering from Kala-azar reported that neither cash incentives nor diet had been provided to them. Also, they had to purchase medicines and saline water from the market at their own cost.

The SHS accepted (PIP 2007-09) that due to the huge manpower gap, there was poor surveillance, poor blood slide collection rate and examination of collected blood slides.

1.1.14 Village Health and Sanitation Committees

VHSCs not formed in the State

As per the NRHM framework, all the Village Health and Sanitation Committees (VHSCs) in the State were to be constituted by 2008 in every village within the overall purview of the Gram Panchayat, to be responsible for village level planning and monitoring. However, VHSCs were not formed as of March 2009, in respect of any of the 37741 villages, although Rs 10 crore was received by the SHS for this purpose from the GOI in April 2007. The amount was not utilized as of March 2009. Non-existence of these committees resulted in lack of participation of the village community in planning and monitoring in key areas such as nutrition, sanitation and other public health measures at the grass root level.

²⁵ Bhagalpur, Bhojpur, Darbhanga, Kishanganj, Muzaffarpur and Nalanda.

²⁶ PHC : Keoti and Kanti ; RH : Sakra.

The Department did not provide any reasons for non-formation of VHSCs (September 2009).

1.1.15 Rogi Kalyan Samitis

**Functioning of RKSs
was not effective**

The NRHM guidelines stipulated the formation of Rogi Kalyan Samitis (RKS) for the health centres in RHs and PHCs for effective monitoring and management of health care delivery. These bodies were to regularly review the functioning of health care facilities, fix user charges, decide about the use of funds (grants, user charges, donations etc.) and to suggest appropriate actions to the DHS. These were to be constituted under the Societies Registration Act, 1860 with PRI and community representation.

As per information provided by the SHS, out of 70 RHs and 1641 PHCs (PHC: 398 and APHC: 1243) in the State, RKSs were formed in 52 RHs and 345 PHCs by the end of September 2009. In the test-checked districts, it was however seen that RKS was not set up in four, out of 20 RHs and in 18 out of 122 PHCs. No RKS was formed in any of the 1243 APHCs in the State, though as per guidelines 100 *per cent* RKSs were to be formed by March 2009.

In the test-checked districts, Rs 1.53 crore was released (during 2007-09) by the SHS to DHS. Of that, Rs 1.51 crore was released to RKS of the health units (upto March 2009). During audit, it was noticed that 33 health units of three districts (Bhagalpur, Nalanda and Samastipur) had incurred expenditure of Rs 22.78 lakh. These health units submitted UCs for the same to their respective DHSs (March 2009). For the remaining Rs 1.30 crore, the test-checked DHSs had no UCs (September 2009). Poor utilisation of funds was mainly attributed to ad-hoc functioning of RKSs at health units as periodical meetings were not held and need for utilisation of fund at the disposal of RKSs could not be identified.

During 2006-09, in the test-checked districts, Rs 71.58 lakh was realized as user fees by 112 health units (PHCs: 95 and RHs: 17). The fees realized were lying idle in the bank account of RKSs at the health unit level.

Thus, apathy of the RKS towards use of funds affected the viability of the long term goal of community ownership of the health centres through RKS.

The functioning of the RKS, where formed, was also not very effective as (i) no regular meetings as required under the guidelines were held (ii) review of health care needs of the health units was not done, (iii) neither Citizen Charters was displayed nor redressal of grievances of the community regarding delivery of health care was ensured. Further as per guidelines of the NRHM, a monitoring Committee was to be formed by every RKS. But, the same was not formed in test-checked health units. The RKSs were also not maintaining records on the problems being faced by the patient, complaint received and action taken thereagainst, if any. Thus, the monitoring, management of health care delivery and redressal of patient complaints was ineffective.

1.1.16 Monitoring

Non-formation of monitoring committees, resulted in lack of community participation

It was made compulsory for all hospitals and health centres to prominently display information regarding grants received, medicines and vaccines in stock, the services to be provided to the patients, user charges to be paid etc. Rogi Kalyan Samitis at the health unit level and Village Health and Sanitation Committees at the village level were also to monitor performance of health care units on the basis of systematic information/ feedbacks about community needs. Health Monitoring and Planning Committees were to be formed at Block, District and State levels to ensure regular community based monitoring of activities at respective levels. Further, monitoring through periodic *Jansunwai/ Jansambad* and publication of Public Reports on health both at district and State level was to be done.

It was found that Health Monitoring and Planning Committees at various levels and VHSCs at village level were not formed. Dependable data on the status of public health indicators were not available. No public dialogue (*Jansambad*) or public hearing (*Jan sunwai*) were organised as per the guideline of the Mission either at PHC, block and district levels in the test-checked districts. Periodical supervisions by the State and district level functionaries were not conducted. Thus there was absence of effective monitoring at all the levels.

1.1.17 Conclusion

The execution of projects by the State Health Society without the Perspective Plan by specifying the project activities in a critical path resulted in the projects being implemented without adhering to the time schedules. Thus, the SHS could not spend the funds released by GOI, huge amounts were kept in banks and the accounts were not finalised in time.

There were deficiencies in infrastructure facilities and equipment and vacancies of medical and para-medical staff in the Referral Hospitals and Primary Health Centres in the State. Though funds were available, the entitled grants were not released to the health units and payment of cash incentives to lactating mothers under the Janani Suraksha Yojana were not made or made after delays upto 732 days. As a result, the health care services could not be improved upto the desired level as measured against the Indian Public Health Standards.

Recommendations

- Annual Plans and Perspective Plans for the remaining period of the NRHM should be prepared on the basis of proper household and facility surveys.
- Financial management at the State and district levels should be based on the standard accounting procedure envisaged under NRHM.
- The scheduled five modules of training should be provided to ASHAs for effective utilisation of their services.

- Cash incentive programmes like Janani Suraksha Yojana should be strictly monitored to avoid fraudulent payments.
- Constitution of Village Health and Sanitation Committees at the village level should be expedited and the Rogi Kalyan Societies should be activated.

RURAL WORKS DEPARTMENT

1.2 MUKHYA MANTRI GRAM SADAK YOJANA

Highlights

The Government of Bihar launched a new scheme viz. the Mukhya Mantri Gram Sadak Yojana in June 2006 for providing rural connectivity through all-weather roads to small villages and habitations of population between 500 and 999 which were not being covered under the Pradhan Mantri Gram Sadak Yojana. This scheme was aimed at boosting the rural economy by facilitating marketing for agriculture produce. Audit revealed delays in selection of roads as well as in other formalities like tendering and issuing of work orders. The utilisation of funds was poor, mainly due to lack of competent contractors, multi-allotments of work, procedural delays etc. Quantities and quality of material as per prescribed specifications were not ensured. Regular monitoring by higher authorities and the District Steering Committee was inadequate. Due to the above facts, the basic purpose of early connectivity through the scheme could not be achieved. The major findings of the review are as under:

Incorrect selection of 72 roads under the Mukhya Mantri Gram Sadak Yojana was done in violation of the guidelines for selection and prioritisation of the road works.

(Paragraph 1.2.6)

Government provided adequate budget allocation of Rs 1339.14 crore for the scheme. However, the expenditure ranged between 10 and 47 per cent as compared to the funds available with the Bihar Rural Road Development Agency during 2006-09.

(Paragraph 1.2.7)

Against 982 roads in the State during 2006-08, for which agreements valuing Rs 1723.90 crore were executed, only 392 (40 per cent) roads could be completed as of March 2009. No new work was taken up out of the works selected for 2008-09.

(Paragraph 1.2.8.1)

There were procedural delays of up to 33 months at various stages from administrative approvals to execution of works.

(Paragraph 1.2.8.2)

The allotment of more than one work to the same contractor without proper scrutiny and non-adherence to the compensation clauses of agreements led to delays in execution of road works.

(Paragraphs 1.2.8.3 and 1.2.8.4)

Correctness of quantities and specification of material used in the constructions of roads as per the agreements were not ensured.

(Paragraphs 1.2.9.2)

Quality monitors for the scheme were not appointed either at the district level or at the State level to ensure quality of work.

(Paragraphs 1.2.10)

Periodical monitoring by higher authorities was not done to ensure timely progress of the scheme and quality of works.

(Paragraphs 1.2.11)

1.2.1 Introduction

Rural road connectivity is a key component of rural development in India and an effective tool for poverty alleviation. In Bihar, 75 per cent of the habitations are unconnected and the Centrally sponsored scheme of Pradhan Mantri Gram Sadak Yojana (PMGSY) covers only villages having populations of 1000 and above. Therefore, the department launched a new scheme, the Mukhya Mantri Gram Sadak Yojana (MMGSY) in June 2006 for providing rural connectivity through all-weather roads to small villages and habitations of population between 500 and 999 from State funds. The scheme aimed at improving rural connectivity, boosting rural economy, obtaining remunerative prices for agriculture produce and also providing better connectivity for better banking, transport, education and medical facilities to the rural populace.

1.2.2 Organisational set-up

The Secretary, Rural Works Department (RWD) is responsible for implementation of the scheme. He is assisted by an Engineer-in-Chief, three Chief Engineers (CEs), 10 Superintending Engineers (SEs) and 45 Executive Engineers (EEs) at the division level (*Appendix 1.2.1*). At the district level, there are District Steering Committees (DSC) headed by the Ministers, with the District Magistrate (DM) as Member Secretary. The committee is responsible for selection, periodic supervision and monitoring of the scheme. The execution of the scheme is to be done by the divisions of RWD.

1.2.3 Scope of Audit

The performance audit of the scheme was conducted for the period 2006-09 through test check of records at the Secretariat and offices of two CEs. In addition, 12¹ districts covering 17 RWD (Works) divisions² out of 45 divisions in which the scheme was implemented were selected for audit. The divisions to be test-checked were selected randomly taking into consideration geographical locations and expenditure incurred. Issues related to planning, execution, quality control, monitoring etc. were also scrutinised during audit.

¹ Aurangabad, Bhojpur, East Champaran, Jehanabad, Kishanganj, Madhubani, Munger, Nalanda, Samastipur, Saran, Supaul and Vaishali.

² Ara (Bhojpur), Aurangabad (Aurangabad), Benipatti (Madhubani), Biharsharif (Nalanda), Chapra (Saran), Dhaka (East Champaran), Hajipur (Vaishali), Hilsa (Nalanda), Jehanabad (Jehanabad), Jhanjharpur (Madhubani), Kishanganj (Kishanganj), Madhubani (Madhubani), Motihari (East Champaran), Munger (Munger), Rosera (Samastipur), Samastipur (Samastipur) and Supaul (Supaul).

1.2.4 Audit objectives

The audit objectives were to assess:

- whether proper planning and surveys were conducted for selection of roads as per the guidelines adopted by the Rural Works Department;
- whether financial management was adequate and efficient;
- whether the quality control measures adopted were as envisaged in the guidelines and
- whether an effective monitoring system was in place

1.2.5 Audit criteria and methodology

Audit assessed the implementation of the scheme on the basis of the following criteria:

- guidelines issued by RWD for implementation of the scheme;
- Rural Roads Manual;
- provisions of the Bihar Public Works Account (BPWA) Code, the Bihar Public Works Departmental (BPWD) Code, the Bihar Treasury Code (BTC) etc. and
- the instructions issued by RWD from time to time regarding execution of road works.

Audit was conducted between February and August 2009. The audit methodology included the collection of documentary evidence from the test-checked offices and analysis of information collected from RWD. The audit objectives and audit criteria were discussed with the Secretary, RWD in an entry conference held in August 2009. Major audit findings were discussed during the exit conference held on 9 December 2009. The replies and views of RWD have been incorporated at appropriate places.

Audit Findings

1.2.6 Planning and selection of roads

The guidelines for the implementation of the scheme were issued by RWD in June 2006. The planning process was to start from preparation of proformae 'Ka' and 'Kha' (*Appendix 1.2.2*) by RWD. These were to be prepared after conducting a survey by the RWD Works Divisions. This survey was to incorporate details of villages which were already connected by all-weather roads and those which were not connected and were likely to be taken up under the scheme. These proformae were to include information like population, physical status of existing roads etc. The RWD was to prepare district-wise and block-wise lists of those villages which remained unconnected by all-weather roads and where the population of villages/tolas was between 500 and 999 (as per census 2001). The block-wise lists were to be handed over to the respective Block Development Officers (BDOs) and other related officers for verification. After verification of the lists by the BDOs, a comprehensive district level list was to be forwarded to RWD. The

RWD in turn, was to prepare a consolidated State level list and forward it to the concerned districts. While proposing new roads, selection was to be made on the basis of general population (70 marks), SC/ ST population (20 marks) and length of the proposed road from the unconnected village to the existing road (10 marks) (**Appendix 1.2.3**). A priority list of all such roads which had at least 70 marks was to be finalised by the DSC. Any deviations from the scheme guidelines required prior approval of the Chief Minister.

Selection of roads were made in violation of the scheme guidelines

Scrutiny (February 2009 to August 2009) of records of 12 out of 38 districts for the period 2006-09 relating to selection of roads disclosed the following:

- District level priority lists were not prepared in four test-checked districts³ for the period 2006-08 by RWD. Instead, an Assembly constituency-wise priority list was prepared and selection of 38 roads was made exclusively on the recommendations of the MLAs/MLCs.
- Thirty eight roads⁴ were taken up during 2006-07 for execution from outside list submitted to DSC by RWD.
- In contravention of the guidelines, 34 roads⁵ with less than 70 marks were selected by DSC during the period 2006-08, while 83 roads⁶ with marks more than 70 were not selected.
- Proformae 'Ka' and 'Kha' were not prepared in Aurangabad District by RWD and there were no supporting records showing the basis of the marks allotted.
- As per orders (August 2006) of the Secretary, RWD with regard to the time frame circulated for implementation of MMGSY, the meetings of DSCs were held in time in 2006 for selecting roads for 2006-07. However, in 2007-08, the meetings for selection were held only in the last quarter of the year (January and February 2008) in two divisions⁷ and no meetings were held in Aurangabad and Munger, which delayed the overall process of execution of work. The meetings for selection of roads for the year 2008-09 were held only in five districts (Aurangabad, East Champaran, Madhubani, Nalanda and Saran). No meetings were held in the remaining seven districts. The procedure for holding DSC meetings for 2007-08, were to be completed by June 2007. However this was completed by February 2008. Meanwhile the other activities were not completed within stipulated time frame during 2007-08. On the other hand the selection process for eight districts⁸ for the year 2008-09 was not completed.

³ *Munger, Nalanda, Samastipur and Vaishali.*

⁴ *Jehanabad: 33 (2006-07: 20, 2007-08: 13) and Nalanda: 5 (2006-07: 1, 2007-08: 4)*

⁵ *Bhojpur: 17 (2006-07: 05, 2007-08: 12), East Champaran: 6 (2006-07: 01, 2007-08: 05), Munger: 2 (2006-07: 2), Samastipur: 8 (2006-07: 2, 2007-08: 6) and Vaishali: 1 (2006-07: 1).*

⁶ *Bhojpur: 14 (2006-07: 14), East Champaran: 7 (2006-07: 6, 2007-08: 1) Jehanabad: 33 (2006-07: 33), Nalanda: 25 (2006-07: 9, 2007-08: 16), Samastipur: 4 (2006-07: 2, 2007-08: 2).*

⁷ *Kishanganj and Supaul.*

⁸ *Bhojpur, East Champaran, Jehanabad, Kishanganj, Munger, Samastipur, Supaul and Vaishali.*

Therefore, selection of roads was made in violation of the scheme guidelines during 2006-08. The EEs stated (March to August 2009) that these violations were made under pressure from public representatives. Resultantly, roads having lower priority were selected while roads with higher priority were ignored violating the basic objective of the scheme.

The department accepted (December 2009) the irregularities in selection of roads and stated that all the DMs would again be advised to follow the rules and procedures as per the guidelines.

1.2.7 Financial management

The implementing divisions failed to utilise the available funds

Funds for implementation of the scheme were to be made available to RWD through the State budget. RWD was to transfer the budgetary allocations to the Bihar Rural Road Development Agency (BRRDA) in the shape of grants-in-aid. The amounts were to be kept in a bank account maintained at BRRDA and were to be made available to various RWD Works divisions responsible for implementation of the scheme as per the funds earmarked by the department for each district. The BRRDA was to issue withdrawal limits and the authorised signatories were to draw the amounts through cheques for the value of work done by different agencies. The authority was to be issued as per the requirements placed by the divisions on BRRDA.

The budgetary allocations, availability of funds with BRRDA and RWD divisions along with expenditure thereagainst for the years 2006-07 to 2008-09 are as shown in **Table No. 1**.

Table No. 1
Budget allocations and funds transferred to BRRDA

(Rupees in crore)

Year	Budget allocation		Funds transferred to BRRDA		Funds available with BRRDA	Funds transferred to divisions as per requirement	Opening balance with Division	Funds available with Division	Expenditure (Per cent w.r.t to col. 4)	Balance with Division (Col. 9-10)	Balance with BRRDA (Col. 6-7)
	Amount	Month	Amount	Month							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2006-07	300.00	November 2006	300.00	November 2006	300.00	150.00	0.00	150.00	29.35 (10)	120.65	150.00
2007-08	566.12	August 2007 September 2007 March 2008	566.12	September 2007 October 2007 March 2008	716.12	338.26	120.65	458.91	339.35 (47)	119.56	377.86
2008-09	473.02	June 2008 October 2008	473.02	July 2008 October 2008	850.88	232.05	119.56	351.61	285.72 (34)	65.89	618.83
Total	1339.14		1339.14			720.31		960.52	654.42 (49)		

(Source : RWD and BRRDA)

The budget allocation of Rs 1339.14 crore during 2006-09 was transferred to BRRDA, against which Rs 654.42 crore (49 per cent) was spent as of March 2009. The expenditure with respect to the funds available with BRRDA during 2006-09 ranged between 10 to 47 per cent. **Table No. 1** shows that Rs 866.12 crore allocated during 2006-08 could not be fully utilised.

The above position indicates that though adequate budgetary provisions were made by the State Government, the implementing divisions failed to utilise the funds within the prescribed timeframe resulting in the large unspent balance of Rs 684.72 crore.

Expenditure against the total budgetary allocation was only 54 per cent during 2006-09

The availability of funds during 2006-09 and the expenditure incurred (**Appendix 1.2.4**) revealed that against allotted funds of Rs 458.76 crore to 17 test-checked divisions, Rs 265.36 crore was released by BRRDA and expenditure thereagainst was Rs 247.71 crore (93 per cent). However, the expenditure against the budgetary allocation was only 54 per cent as detailed in **Table No. 2**.

Table No. 2

(Rupees in crore)

Year	Budget allocation	Expenditure	Percentage w.r.t. Budget allocation
2006-07	102.01	15.35	15
2007-08	195.90	133.24	68
2008-09	160.85	99.12	62
Total	458.76	247.71	54

Thus, despite availability of adequate funds with the department in time, the implementing divisions failed to utilise the funds. The reasons for under-utilisation of funds were inordinate delays in finalisation of tendering formalities, allotment of several works to the same agency in violation of codal provisions, non-enforcement of penalty clauses in agreements, lack of competent contractors/agencies etc. The department accepted (December 2009) the audit observations.

1.2.8 Programme Implementation

1.2.8.1 Physical achievement of the works

As per the guidelines of the scheme, the roads costing thrice the earmarked funds were to be selected in the first phase during 2006-07. In the next phase, roads costing twice the earmarked funds were to be selected during 2007-08.

The year-wise budgetary allocations, amounts of administrative approvals, agreement values, number, length, expenditure and physical status of the roads for the entire State and for the test-checked divisions during the period 2006-09 are shown in **Table No. 3**

Table No. 3
Roads taken up and physical progress of roads as of March 2009

Year	Position relating to	Budget allocation	Administrative approval	Roads test-checked		Roads taken up			Expenditure	Physical progress (in km)			No. of roads completed (per cent)
				No. of roads	Length (in Kms)	Agreement value	Length (in Kms)	No. of roads		Sub base	Base	Surface	
2006-07	State	300.00	897.89	790	2646.13	882.67	2630.558	789	576.04	2337.115	2148.402	1366.909	378 (48)
	Test-checked divisions	102.01	301.10	259	941.79	281.97	907.068	259	214.33	812.847	763.97	564.727	150 (58)
2007-08	State	566.12	773.24	592	1682.70	841.23	571.140	193	77.81	354.384	194.775	70.299	14 (7)
	Test-checked divisions	195.90	238.04	224	622.93	95.52	225.64	83	33.18	161.03	119.64	41.600	9 (11)
2008-09	State	473.02	69.06	82	178.57	0.00	0.000	0	0	0	0	0	0
	Test-checked divisions	160.85	0.00	0	0	0.00	0.000	0	0	0	0	0	0
Total	State	1339.14	1740.19	1464	4507.40	1723.90	3201.698	982	653.85 ⁹	2691.499 (84)	2343.177 (73)	1437.208 (45)	392(40)
	Test-checked divisions	458.76	539.14	483	1564.72	377.49	1132.708	342	247.51	973.877 (86)	883.612 (78)	606.327 (54)	159 (46)

(Source: RWD and test-checked divisions)

Administrative approvals accorded for construction of roads were less than the requirement as per the scheme guidelines

Analysis of data in **Table No. 3** reveals that against the total budgetary allocation of Rs 300 crore, administrative approvals for Rs 897.89 crore was accorded during 2006-07. However, contrary to the guidelines which specify that administrative approvals of twice the budget allocation were to be made in the second and third years, administrative approvals of only Rs 773.24 crore were accorded during the year 2007-08 against the required Rs 1,132.24 crore. In 2008-09, against the requirement of Rs 946.04 crore, administrative approvals for only Rs 69.06 crore were given. Administrative approvals for less roads affected the process of preparation of estimates, technical approval and tendering.

In the State, only 40 per cent roads were completed

Against 982 roads in the State during 2006-08, for which agreements were executed for Rs 1723.90 crore, only 392 (40 per cent) roads were completed as of March 2009. However, in the test-checked districts, against the target of 342 roads valued at Rs 377.49 crore during 2006-08, only 166 (49 per cent) roads could be completed as of March 2009.

As far as the number of roads completed under the scheme during 2006-08 in the State and in the test-checked districts was concerned, only 452 roads and 165 roads respectively were completed up to June 2009. This was due to delays in the selection process, completion of tendering formalities and issue of work orders as also the lack of capable contractors.

The total length of roads taken up for the State was 3201.69 km, of which completed works of sub-base, base and surface up to March 2009 was 84, 73 and 45 per cent respectively.

⁹ The difference of Rs 0.57 crore and Rs 0.20 crore in the expenditure figures of the State and test-checked districts was due to expenditure on surveys and contingency.

No works could be carried out on the roads to be taken up during 2008-09 due to delays in the selection process in all the districts. However, in the test-checked districts, against the total length of 1132.708 km of roads, the work of sub-base, base and surface stood at 86, 78 and 54 *per cent* respectively during 2006-08.

Scrutiny of 147 (*Appendix 1.2.5*) out of 342 roads taken up by 17 divisions revealed that only 78 roads were completed as of March 2009. The reasons for delay in completion as analysed by Audit were as follows:

1.2.8.2 Delays in preparation of project reports and selection of roads

Secretary, RWD issued (August 2006) instructions detailing a time-bound programme for the implementation of the scheme right from the selection of roads to completion of the works. Accordingly, the preparation of proforma 'Ka' and 'Kha' by RWD, verification and certification of data by the respective BDOs and holding of DSC meetings for selection of roads were to be completed by 20 August 2006. The preparation of Detailed Project Reports (DPRs) was to be completed by 31 August 2006. Technical sanctions and administrative approvals were to be accorded by the DMs/Commissioners latest by 15 September 2006 and the works were to be started by the end of October 2006. The targets for completion of works up to Rupees one crore and works costing more than Rupees one crore were fixed as 15 March 2007 and 15 June 2007 respectively.

**Works Divisions
failed to act as per
the time frame set by
the Rural Works
Department**

However, it was observed that in nine out of the 12 test-checked districts, although meetings of DSCs for selection of roads for the year 2006-07 were held in time, there were delays of two to 27 months in according administrative approvals, which resulted in delayed commencement of works from two to 33 months. Thus, the RWD Works divisions failed to act as per the prescribed timeframe of the department, due to which 102 roads (*Appendix 1.2.6*) taken up for 2006-07, remained incomplete as of August 2009.

The department stated (December 2009) that since this was a new programme, many of the early teething problems were being sorted out and the programme was expected to perform better than earlier. However, instead of improvement with passage of time, even meetings of DSCs could not be held in 2008-09 to finalize the selection of roads to be taken up under the scheme.

1.2.8.3 Allotment of more than one work to the same contractor

As per clause 23 of the Notice Inviting Tenders (NIT), more than one work could be allotted to a contractor only if the earlier allotted work was completed or its progress was satisfactory. As per the NIT, even technical bids of the contractors which could not fulfill these criteria, were not to be considered at the time of opening of bids.

Two to 10 works were allotted to 23 contractors during 2006-08 in violation of the norms

Scrutiny of records relating to finalization of tenders revealed that in eight¹⁰ out of 17 test-checked divisions, two to 10 works were allotted to 23 contractors during 2006-08 in violation of the norms. A total of 79 works valued at Rs 105.95 crore were allotted to these 23 contractors. Out of these, agreements for 51 works were executed between February and August 2007. All these 79 works were to be completed within nine months from the date of commencement. However, due to allotment of works beyond the capacity of the contractors, 56 of these 79 works valued at Rs 86.59 crore remained incomplete after spending Rs 55.46 crore as of August, 2009 (*Appendix 1.2.7*). The audit observation was accepted by the EEs of all the eight test-checked divisions.

The department accepted (December 2009) the audit observations and stated that allotment of more than one work to the same contractor as well as lack of capable contractors were among the main reasons for delay in implementation of the scheme. Thus, due to non-adherence to the provisions of the NIT, the execution of work was delayed by more than two years, which defeated the basic objective of providing early connectivity.

1.2.8.4 Undue aid to contractors

Clause 2 of the agreements executed with the contractors provided that if a contractor did not execute a work within the stipulated period, half *per cent* of the estimated cost of work would be deducted as compensation for each day of delay, subject to a maximum of 10 *per cent* of the estimate. This clause was included in the agreements to compel the contractors to execute the works in time.

Penalty for delays in completion of works was not recovered

However, scrutiny of the records of the divisions revealed that in seven out of 17 test-checked divisions¹¹, none of the 37 works was completed within the stipulated date of completion i.e. August 2007 to June 2008. In spite of this, the EEs failed to deduct Rs 4.47 crore on account of compensation/penalty (*Appendix 1.2.8*) for delays in completion of works and thus, provided undue aid to contractors.

The department stated (December 2009) that the EEs were expected to adhere to the agreement clause but they also had to think about the interest of work. The department also stated that all executing agencies would be suitably advised on this issue. The reply is not acceptable as this penalty clause was made a part of the agreements in the interest of completion of the works in time.

¹⁰ Aurangabad, East Champaran, Jehanabad, Madhubani, Munger, Nalanda, Rosera and Samastipur.

¹¹ RWD Works Division, Benipatti (Rs 0.45 crore), Biharsharif (Rs 0.82 crore), Dhaka (Rs 0.69 crore), Hilsa (Rs 0.44 crore), Madhubani (Rs 1.00 crore), Rosera (Rs 0.62 crore) and Samastipur (Rs 0.44 crore).

1.2.9 Execution of works

During test-check of records relating to 147 out of 342 roads under the 17 test-checked divisions, the following irregularities were noticed:

1.2.9.1 Non-adherence to prescribed specifications

As per guidelines of the scheme, specifications prescribed in Indian Road Congress: SP: 20 - 2002 (specifications for rural roads) were to be followed in construction of roads under this scheme. During scrutiny of estimates, agreements, measurement books (MBs) etc., it was noticed that the prescribed specifications were not followed during the execution of road works as explained below:

WBM was covered by surfacing with delays between three months to over one year against the prescribed specifications

(A) As per clause 8.5.1 (d) of IRC : SP : 20 - 2002, in the case of WBM, the base course (WBM) was to be provided with bituminous surfacing and the latter was to be laid after the WBM course was completely dry and primed before allowing any traffic on it. Scrutiny revealed that WBM works of 23 roads valued at Rs 4.41 crore in five out of 17 test-checked divisions were executed between June 2007 and August 2008, but bituminous surfacing work worth Rs 5.85 crore was carried out with delays ranging between three months to one year (*Appendix-1.2.9*).

Due to surfacing being done late, the quality of roads remained poor. The EEs accepted (March to August 2009) the audit observation and stated that the delays were mainly due to the steep rise in the cost of bitumen. The reply is not satisfactory as the works were not executed as per the prescribed specifications and voids as well as uneven surfaces were also seen during joint physical verification carried out during February to August 2009.

(B) As per clause 8.7.1 of IRC: SP: 20 – 2002, the prime coat is a spray application of low viscosity liquid bituminous material on top of the topmost granular layer of the base course. The prime coat provides adhesion or bond between the granular base and the bituminous layer, ultimately water proofing the surface of the base by inter-connected voids.

Agreements on seven roads were executed without the provision of prime coat and seal coat in the estimate

During scrutiny of records of RWD Works Division, Biharsharif, it was observed that agreements for seven roads were executed (February to May 2007) without the provision of prime coat and seal coat in the estimate and no justification for the same was given in the technical sanction by the CE. The tack coat was applied directly on the WBM surface and premix carpet was not covered by the seal coat. Thus, expenditure of Rs 4.93 crore¹² incurred on execution of seven roads was not as per the provisions of IRC: SP: 20 - 2002.

The EE stated (July 2009) that the estimates were approved by higher authorities and that the work had been executed as per the approved estimate. The reply is not satisfactory because no justification was provided for

¹² 65f₂/2006-07 : Rs 0.93 crore, 82f₂/2006-07 : Rs 0.42 crore, 1f₂/2007-08 : Rs 0.84 crore, 3f₂/2007-08 : Rs 0.94 crore, 5f₂/2007-08 : Rs 0.45 crore, 8f₂/2007-08 : Rs 0.49 crore, 9f₂/2007-08 : Rs 0.86 crore.

adopting higher specifications. It was also observed during audit that the estimates had been prepared by the EEs and sanctioned by the SE and the CE. Thus, the EEs as well as the CE and SE were responsible for execution of work in violation of provision of IRC : SP : 20 - 2002.

1.2.9.2 Quantity and specification of material not ensured

Rupees 14.79 crore was paid without verification of the details of material brought from quarries

As per Rule-28 of the BPWA code and special conditions of the agreement, bills relating to procurement of material such as stone metal, sand etc. used during executing works were required to be supported by M and N forms¹³ along with challans, duly verified by the respective District Mining Officers. These documents aimed to ensure the correctness of quantity and specification of material as per the agreements and also to ensure that the materials were brought from specified quarries as per the approved lead plan. The above documents were required to be attached to the bills for payment.

Scrutiny disclosed that the aforesaid procedure was not being followed in any of the test-checked divisions. The bills were passed after deducting royalty from the running account bills but the 'M' or 'N' forms, challans, vouchers were not submitted by the contractors. In the absence of the required documents, payment of Rs 14.79 crore on account of cost of material was irregular (*Appendix 1.2.10*).

The EEs accepted (August 2009) the audit observations and assured that adoption of this provision would be ensured in future. The department accepted (December 2009) that payments to contractors had been made before verification of M and N forms.

1.2.9.3 Irregular payment

As per the special conditions of the agreement, contractors should produce copies of challans of bitumen within 48 hours to the divisions in support of the quantities of bitumen lifted from the oil companies.

Payment of Rs 0.21 crore for 92.56 MT bitumen was made without verification of challans

Scrutiny of records relating to execution of bituminous work on nine roads pertaining to four divisions¹⁴ revealed that against 400.907 MT bitumen required and shown as used in the Measurement Books, the divisions could produce challans for only 308.35 MT (*Appendix 1.2.11*). Thus, payments for 92.56 MT bitumen amounting to Rs 0.21 crore were made without verification of challans.

The EEs stated (April to August 2009) that bitumen was borrowed from other work sites. The reply is not acceptable as no records were available in the division to support the fact that bitumen was borrowed from other work sites. The department stated (December 2009) that running payments were made to contractors as per the agreements to ensure the progress of work and the challans were obtained during the final bills. Therefore, such discrepancies

¹³ Form 'M' is an affidavit of the contractor for lifting of minor minerals from authorised quarries/sellers and form 'N' contains details of minor minerals issued by authorised quarries/sellers.

¹⁴ Ara, Hilsa, Kishanganj and Supaul.

could occur during intermediate stages. However, the department issued detailed instructions to all the divisions to take special care on these matters and not to repeat the above discrepancies in future. Challans should have been submitted to the divisions by the contractors within 48 hours of the lifting of the bitumen from the oil companies as per the special conditions of the agreement.

1.2.10 Independent quality test not ensured

The three-tier monitoring mechanism as envisaged in the scheme guidelines was not ensured

The scheme guidelines provided for three-tier quality testing to ensure the quality of material used and works executed. The first level of quality tests were to be carried out by the division with equipment provided by the contractor. District Quality Monitors and State Quality Monitors consisting of a group of retired Engineers and experts were to be appointed by the department. In the 17 test-checked divisions, only two contractors out of 45 had provision for testing facilities. In other cases, the quality tests were being done by Regional Soil Investigation Divisions. However, the results of these quality tests were not being made available to the divisions before they took up the works. In five out of 17 test-checked divisions, the reports were found to be incomplete in respect of remarks and signatures of the competent authorities. Scrutiny, however, showed that no Monitors were appointed either at the district or the State levels to ensure quality of work.

The department accepted (December 2009) that Quality Monitors for implementation of the scheme had not been appointed and stated that the setting up of district laboratories and 11 circle laboratories with adequate equipment and manpower was in progress.

Thus, the three-tier monitoring mechanism as envisaged in the scheme guidelines to ensure the quality of material used could not be ensured.

1.2.11 Monitoring

Monitoring by higher authorities such as CE/SE/DM and DSC was inadequate

Regular monitoring is a key factor for effective and efficient implementation of any scheme. As per the guidelines of the scheme, periodical monitoring¹⁵ by EE, SE and CE and DSC was to be done to ensure timely progress and quality of work. It was also obligatory for the EE to see whether the component of work had been executed as per the work plans submitted by the contractors at the time of the agreements.

No inspection reports were made available to Audit at the division level. However, the SE, RWD Circle, Muzaffarpur and Darbhanga provided four inspection reports. The reports contained deficiencies such as inadequate compaction of earthwork, defects in granular subbase etc. However, no compliance reports were made available either in the test-checked divisions or in the Muzaffarpur and Darbhanga Circle. Similarly, the DM, Supaul located the use of Grade-II bricks instead of Grade-I during inspection of Durgasthan-

¹⁵ At least three inspections were to be carried out by EE/SE/CE, two during execution of work and one after completion of work.

Bellapatti Road but no report regarding the action taken was available with the division. Inspection registers were also not maintained at any work site.

The DSCs were required to meet regularly to maintain the quality and progress of work of the department. The DSCs of Ara, Madhubani, Samastipur and Nalanda reviewed (October 2007 to January 2009) the progress of works under the scheme and expressed their dissatisfaction over the slow progress of works taken up during 2006-07 and inadequate provisions in the DPR of Madhubani. Adverse observations for specific roads were given by the DSC in Hilsa (Nalanda). However, the compliance reports of these observations were not submitted by the divisions. Only RWD Works Division, Madhubani revised the DPR in view of the observations of DSC. In case of other eight test-checked districts, though DSCs were set up, no review work was carried out. Thus, monitoring of implementation of the scheme was inadequate and the divisional authorities were not sincere in taking corrective action on the deficiencies pointed out by the concerned authorities.

1.2.12 Conclusion

The construction of roads under the Mukhya Mantri Gram Sadak Yojana could not be started on time as prescribed by the Government despite the availability of funds, mainly due to delays in selection of roads and procedural delays in completion of the various stages right from issuing of the tender to finalising work order. A total number of 72 roads were selected which were beyond the scope of the scheme guidelines. Utilisation of funds was only 54 *per cent* of the budget allocation and completion of roads selected during 2006-07 and 2007-08 was only 48 and seven *per cent* respectively. No work selected for 2008-09 was taken up. The reasons for non-completion of road works were multiple allotments of the work to the same contractors and non-recovery of compensation as per the clause of the agreements. The quantity and quality of material as per the prescribed specifications were not ensured while executing the works. The quality test mechanism as envisaged in the guidelines was not followed. Monitoring by higher authorities and the District Steering Committee was inadequate. Thus, the scheme could not fully achieve the target of providing rural connectivity.

Recommendations

- The procedure adopted for selection of roads should be expedited and District Steering Committee meetings should be held in time to avoid delay.
- Allotment of more than one work to the same agency should be avoided to ensure timely completion of the works.
- Setting up a tools and plant bank as done by the Road Construction Department should be considered for timely completion of roads.
- The department should ensure adherence to the prescribed specifications in execution of the road works.
- Quality testing facilities should be made available in each district.

- All records relating to inspections/monitoring along with compliance report on corrective actions should be maintained at the appropriate level and reviewed regularly.

PLANNING AND DEVELOPMENT DEPARTMENT

1.3 RASHTRIYA SAM VIKAS YOJANA

Highlights

Government of India introduced the Backward Districts Initiative under the Rashtriya Sam Vikas Yojana in 2003-04 for addressing the problems of low agricultural productivity and unemployment and to fill up the critical gaps in physical and social infrastructure. Under the scheme, Rs 15 crore per year per district was to be released by it for three consecutive years. In Bihar, the scheme was implemented in 21 backward districts. The implementation of the scheme suffered due to thin spreading of resources, delays in execution of works and inadequate monitoring.

Due to inclusion of too many sectors with large numbers of schemes in the District Plans, 18 to 72 per cent of the schemes were not implemented.

(Paragraph 1.3.4.1)

Out of Central assistance of Rs 922.50 crore, Rs 724.43 crore (77 per cent of allocation) was spent up to March 2009.

(Paragraph 1.3.5.1)

Release of funds was delayed by the State from 27 to 121 days and from districts to executing agencies by seven to 144 days, causing slow progress of work.

(Paragraph 1.3.5.2)

There were delays of 11 to 463 days in execution of agreements and in 68 cases agreements were not signed even after delays of 685 to 1038 days.

(Paragraph 1.3.6.1)

Evaluation of the scheme was not done at any stage to assess its impact and take corrective measures.

(Paragraph 1.3.7.1)

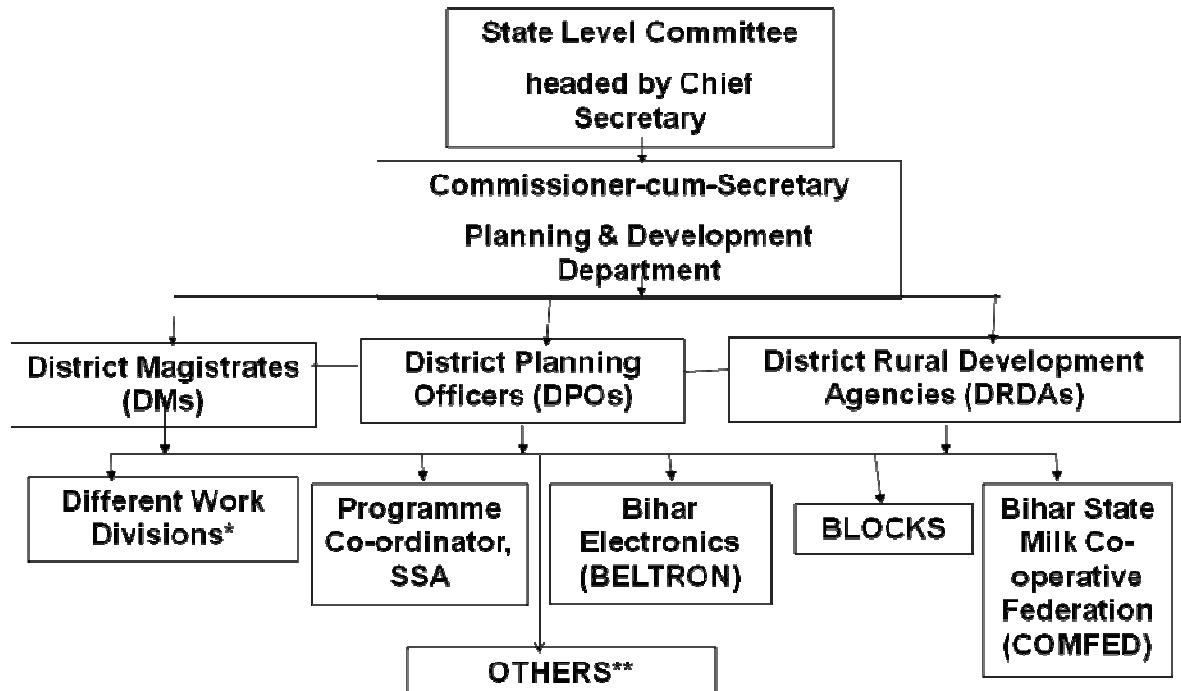
1.3.1 Introduction

Government of India (GOI) introduced the Rashtriya Sam Vikas Yojana (RSVY) to address the problems of low agricultural productivity and unemployment as well as to fill up the critical gaps in physical and social infrastructure in backward districts. RSVY aimed at focused development programme for backward areas, which would help to reduce imbalances and speedup development and improve the quality of life of people. In Bihar, the scheme was implemented in 21 backward districts from 2004-05 (*Appendix 1.3.1*). The identification of the districts was based on a backwardness index comprising the value of output per agricultural worker, the agriculture wage rate and the percentage of SC/ST population of the districts.

1.3.2 Organisational set-up

An Empowered Committee chaired by Secretary, Planning Commission approves the Annual Action Plans and monitors the progress of the scheme. The Principal Secretary, Planning and Development Department (department) was responsible for implementation of the scheme. Organisational set-up for implementation of RSVY is shown below:

Organisational set-up for RSVY



* Bagmati Division, Building Construction Division (BCD), Electric Works Division (EWD), Minor Irrigation Division (MI), National Rural Employment Programme Division (NREP), Public Health Engineering Division (PHED), Road Construction Division (RCD), Rural Works Division (RWD)

** Child Development Project Officer (CDPO), District Agriculture Officer (DAO), District Animal Husbandry Officer (DAHO), District Education Officer (DEO), Nagar Nigam (NN), Nagar Panchayat (NP), Krishi Vigyan Kendra (KVK), Society for Rural Industrialisation (SRI)

1.3.3 Audit scope and methodology

Records relating to the RSVY scheme were test-checked during May to November 2008 and May to August 2009 in the Planning and Development Department, offices of the Divisional Commissioners, District Planning Officers and DRDAs in seven¹ test-checked districts, 31 works divisions² and 41 other executing agencies³ for the period 2004-2009.

Audit Findings

1.3.4 Planning

A State Level Steering Committee (SLC) headed by the Chief Secretary was responsible for approval of the District Plans by the Planning Commission. As per RSVY guidelines (Paras 3.4 and 4.1) a three-year Master Plan along with District Annual Action Plans, were to be prepared by District Committees headed by District Magistrates (DMs). The District Plans were to be prepared based on SWOT⁴ analysis of the ongoing schemes and after identification of three to four lead sectors requiring focused attention, for which funding from the available sources were not sufficient. The scheme envisaged people's participation and involvement of other stakeholders viz. Panchayati Raj Institutions (PRIs)/ non-government organisations (NGOs) and self help groups (SHGs) and these stakeholders were to be members of the District Committees responsible for drawing up the District Plans. All the schemes included in the District Plans for 2004-07 were to be completed by March 2007.

District Committees headed by the District Magistrates (DMs) were to prepare the District Plans. The District Planning Officers (DPO) were the nodal agencies for implementing RSVY in the districts. The District Rural Development Agencies (DRDA) were to provide funds to various executing agencies (government departments⁵, works divisions⁶ and others⁷) under supervision of the District Magistrates.

¹ Araria, Bhojpur, Darbhanga, Gaya, Jamui, Muzaffarpur and Sheohar.

² Araria-4 (RCD, RWD, RWD2, BCD), Bhojpur-4 (RCD, RWD, RWD-II, BCD), Darbhanga-5 (RCD, RWD- Benipur and Darbhanga, RWD-2, BCD), Gaya-2 (RWD, EWD), Jamui-3 (RWD, RCD, MI), Muzaffarpur-8 (RCD1, RCD2, RWD, PHE, PHE(M), BCD, Forest, BRPNN), Sheohar-5 (RCD, Bagmati, RWD, RWD2, BCD).

³ Araria-10 (DAHO, 09 blocks), Bhojpur-5 (SSA, KVK, BDOs, COMFED, BELTRON), Darbhanga-4 (NREP, DEO, DAHO, DAO), Gaya-11 (BDO, Dobhi, Belaganj, Guraru, Paraiya, Bodhgaya, Tekari, Wazirganj, Konch, Khizarsarai, Fatehpur, Atri), Jamui-3 (CDPOs, CS, DEO), Muzaffarpur-5 (NP Kanti, Motipur, NN, DEO, DAHO), Sheohar- 3 (NP, Sheohar, BDO-sheohar, piprahi).

⁴ Strengths, Weaknesses, Opportunities and Threats.

⁵ Blocks, Child Development Project Officer (CDPO), District Agriculture Officer (DAO), District Animal Husbandry Officer (DAHO), District Education Officer (DEO).

⁶ Bagmati Division, Building Construction Division (BCD), Electric Works Division (EWD), Minor Irrigation Division (MI), National Rural Employment Programme Division (NREP), Public Health Engineering Division (PHED), Road Construction Division (RCD), Rural Works Division (RWD earlier REO & RDS).

⁷ Bihar Electronic (BELTRON), Bihar State Co-operative Milk Federation (COMFED), Krishi Vigyan Kendra (KVK), Nagar Panchayat (NP), Nagar Nigam (NN), Sarva Shiksha Abhiyan (SSA), Society for Rural Industrialisation (SRI).

1.3.4.1 Preparation of District Plans

District Plans were not realistic and therefore, 18 to 72 per cent schemes were not completed

As per the monthly progress report compiled by the State as of March 2009, 190 to 1469 schemes from eight to 16 sectors were included in the Plans. Audit scrutiny revealed that too many schemes in the District Plans were taken up resulting in non-completion of 18 to 72 *per cent* of these schemes in the districts (**Appendix 1.3.1**).

- The slow progress was mainly due to non-availability of land, shifting of sites, procedural delays in finalisation of tenders, irregular award of works and inadequate monitoring, etc., as discussed in succeeding paragraphs.
- District Committees were not formed in any of the test-checked districts to ensure involvement of stakeholders.
- No efforts had been made to involve SHGs towards encouraging self-employment in any of the scheme.

The department, in its reply, stated (December 2009) that since Bihar was a development deficit State, scheme from all sectors had been taken up. The schemes were selected on the advice of public representatives at the district level. The fact, however, remained that inclusion of too many schemes/sectors diluted the focus of RSVY. In the absence of District Committees and non-involvement of PRI/ local NGOs and other stakeholders, proper identification of critical areas/ issues remained incomplete.

1.3.4.2 Improper inclusion of schemes under District Plan

As per the Planning Commission's directions, repair works, construction of administrative buildings and their approach roads, police morchas, boundary walls and purchase of furniture and utensils were not to be included in the District Plans.

Expenditure of Rs 14.16 crore made on 199 prohibited works

However, in the seven test-checked districts, 199 works were taken up in contravention of the above directions and expenditure of Rs 14.16 crore was incurred on them upto March 2009 (**Appendix 1.3.2**).

1.3.5 Financial Management

As per para 2.1 of the RSVY guidelines, Rs 15 crore per year for the period of three consecutive years (Rs 45 crore) was to be released by GOI for each selected district. RSVY funds were provided on 100 *per cent* grant basis in convenient instalments depending upon satisfactory progress of the Plans. Funds were to be released by the State Government to a separate head created for the purpose under DRDA within 15 days of the receipt of the said funds. The failure of the nodal agency to abide by the above provisions would lead to forfeiture of subsequent instalments and the funds released were to be treated as loans to the State thereafter.

1.3.5.1 Allocation and expenditure

Short releases by Government of India due to slow progress of the scheme

As per the funding pattern prescribed in March 2005, Rs 945 crore was to be released by GOI to the State Government for RSVY schemes during 2004-07 (stipulated period of completion). Details of funds released and expenditure thereagainst are given in **Appendix 1.3.3**.

Scrutiny of records revealed that Rs 922.50 crore was released by GOI, of which Rs 724.43 crore (77 per cent of allocation) was spent by March 2009. As a result, Rs 198.07 crore (21 per cent) remained unutilised with the implementing agencies (March 2009).

1.3.5.2 Delayed release of funds

Delay in release of funds by the State to districts ranged between 27 and 121 days

As per Para 2.2 of the RSVY guidelines, funds received from GOI were to be released by the State Government to the DRDAs within 15 days of receipt.

However, scrutiny showed that there were delays ranging between 27 to 121 days in the release of funds to test-checked districts by the State.

Delay in release of funds by districts to executing agencies ranged between seven and 144 days

Further, as per the Government's directions (July 2007), 65 per cent of the funds were to be provided as advance (1st instalment) to the executing agencies along with administrative approvals. In 203 cases, there were delays ranging between seven and 144 days in the release of Rs 26.99 crore from the districts to the executing agencies as given in **Table No. 1** below. These delays resulted in non-completion of the works on time.

Table No. 1
Delays in release of funds

(Rupees in crore)

Name of district	Delay in release of funds from State to districts			Delay in release of funds from district to executing agencies		
	In days	No. of cases	Amount	In days	No. of cases	Amount
Araria	NIL	NIL	NIL	7-19	68	3.13
Bhojpur	27-28	02	15.00	8-49	47	4.31
Darbhanga	28-59	02	15.00	8-83	19	3.02
Gaya	36-121	02	15.00	7-113	23	3.44
Jamui	NIL	NIL	NIL	8-31	08	2.49
Muzaffarpur	28-87	03	22.50	7-49	14	4.13
Sheohar	27-28	02	15.00	7-144	24	6.47
Total		11	82.50		203	26.99

1.3.5.3 Blocking of fund

Rupees 16.65 crore remained blocked for periods of 12 to 38 months

In the six test-checked districts, it was noticed that during 2004-08, Rs 16.65 crore⁸ was released to 25 executing agencies for 217 schemes and covered various sectors like building construction, construction of classrooms and Primary Health Centres/ Additional Primary Health Centres, roads, bridges etc. However, except in Gaya no expenditure was incurred in any other districts under these schemes as per the progress report of March 2009. Thus,

⁸ Araria 84 -(one agency) (Rs 4.97 crore) ; Bhojpur 20 -(eight agencies) (Rs 1.00 crore); Darbhanga 20- (four agencies) (Rs 84.68 lakh); Gaya 08 -(four agencies) (Rs 3.66 crore); Jamui 18 - (two agencies) (Rs 60.36 lakh); Muzaffarpur 67-(six agencies) (Rs 5.57 crore).

the funds remained blocked for periods of 12 to 38 months, mainly due to delays in finalisation of tenders, non-availability of land and various procedural delays, etc (*Appendix 1.3.4*).

RSVY laid emphasis on taking up schemes for agriculture and employment generation. Audit scrutiny showed that Rs 10.25 lakh sanctioned for two employment generation schemes⁹ in Araria district remained blocked for 15 to 18 months and Rs 1.79 crore in respect of Araria, Darbhanga and Jamui relating to 43 agriculture sector schemes¹⁰ remained blocked for 27 to 38 months.

In reply, the concerned DPOs accepted (December 2009) the fact and attributed the delays to preparation of Detailed Project Reports and estimates, administrative approvals, finalization of tenders and land problems. The fact remains that blocking of funds led to non-fulfillment of the objectives of RSVY.

1.3.5.4 Non-submission of detailed contingent bills

DC bills were not submitted for Rs 198.06 crore and false statements were given for submission of DC bills of Rs 101.94 crore

As per directions (March 2005) of the Government, DMs were to withdraw RSVY funds through Abstract Contingent (AC) bills. Notes below Rule 322 of the Bihar Treasury Code provides that Detailed Contingent (DC) bills in respect of withdrawals made in advance on AC bills were required to be submitted to the Accountant General not later than the 25th of the next sixth months.

In the test-checked districts, DC bills were not submitted for a total amount of Rs 198.06 crore¹¹ against 42¹² AC bills (Rs 300 crore) drawn during March 2005 to March 2009. The DPOs prepared five DC bills for Rs 101.94 crore¹³ based on allotments made without mentioning details of expenditure incurred. These were shown as submitted between May 2006 and September 2007 but were not received in the office of the Accountant General (Accounts & Entitlement) until December 2009.

The department, in reply, stated (December 2009) that Regional Officers had been asked to submit DC bills during the State level meetings.

⁹ Construction of fish resource- cum-development centre and fish farmers training centre.

¹⁰ Araria- Construction of RCC shade and platform (10), Jute rotting tank (18), Farmer training centre (one), Darbhanga- Construction of fisheries marketing complex (one), Renovation of ponds (two), Jamui- Renovation of ponds (11)

¹¹ Araria (Rs 37.50 crore), Bhojpur (Rs 23.07 crore), Darbhanga (Rs 14.64 crore), Gaya (Rs 45 crore) , Jamui (Rs 25.45 crore), Muzaffarpur (Rs 14.90 crore) , Sheohar (Rs 37.50 crore).

¹² Araria-six (Rs37.50crore), Bhojpur-six (Rs45crore), Darbhanga-six (Rs 45crore), Gaya- six (Rs45crore), Jamui-seven (Rs45crore), Muzaffarpur- six (Rs 45crore) and Sheohar-five (Rs 37.50crore).

¹³ Bhojpur- one – (Rs 21.93 crore), Darbhanga -two- (Rs 30.36 crore), Jamui -one- (Rs 19.55 crore), Muzaffarpur -one- (Rs 30.10 crore).

1.3.6 Programme Implementation

In the seven test-checked districts, Audit examined the records relating to payments of Rs 99.67 crore involving 492 contracts and 280 departmental works which disclosed the deficiencies discussed in the succeeding paragraphs.

1.3.6.1 Delays in finalisation of tenders

As per orders issued by the State Government (March 1982 and January 2006), a period of 15 days and one month is prescribed for completing the tendering process and execution of agreement respectively.

There were delays of 11 to 1038 days in finalising agreements

Test-check of records of 249 works in nine¹⁴ divisions disclosed that there were delays of 11 to 463 days (181 cases) in execution of agreements. It was also observed that agreements were not signed even after delays of 685 to 1038 days (68 cases) beyond the prescribed period which adversely effected the overall execution of works/schemes in the State (*Appendix 1.3.5*).

1.3.6.2 Allotment of works

Irregular allotment of work valuing Rs 3.40 crore to contractors

According to Rule 16 of the revised Bihar Enlistment of Contractors Rules, 1992 no contractor was to be allotted more than one work at a time even if their bids were valid / lowest unless the previously allotted work of the contractor was 75 per cent complete. Contrary to the provision, five contractors in three districts¹⁵ were awarded 10¹⁶ works irregularly at Rs 3.40 crore and as a result, nine works remained incomplete even after expenditure of Rs 1.19 crore as of March 2009 (*Appendix 1.3.6*). Since non-completion of the previous works was not taken into account, works beyond the competence of the contractors were awarded to them and thus their execution was delayed.

District Planning Officer, Gaya stated (December 2009) that all executing agencies had been directed to work according to the norms of the BPWD code and the Rural Works Division, Muzaffarpur noted the audit findings for future guidance.

1.3.6.3 Doubtful use of minor minerals

As per Rule 40 (10) of the Bihar Minor Mineral Rule 1972, no works department / office could receive a bill under any agreement, if the said bill was not accompanied by Form 'M'¹⁷, 'N'¹⁸ and 'F'¹⁹, indicating the source of purchase of minerals, amounts paid and quantities procured. This was re-iterated (October 2001) in clause 28 of the special condition of contract. Further, clause 16 of the special condition of contract stipulated advance

¹⁴ Araria (three), Gaya (one), Muzaffarpur(two), Sheohar (three).

¹⁵ Araria, Gaya and Muzaffarpur.

¹⁶ Six works (Agreed value Rs 49.85 lakh) were allotted before completion of previously allotted work (75 per cent) and four works (Agreed value Rs 2.90 crore) due to allotment on the same day.

¹⁷ Affidavit of a contractor for lifting of minor minerals from authorised quarry / seller.

¹⁸ Details of minor minerals issued by the authorised quarry / seller.

¹⁹ Challan issued by authorised quarry duly verified by the Mining Department.

approval of samples of materials before starting works. Divisions were required to send Forms M and N to the concerned mining offices for verification of lifting of minor minerals.

Rupees 6.16 crore was paid for carriage of minerals without verification of lifting of minor minerals

Scrutiny of the records showed that 13 divisions had paid Rs 6.16 crore for carriage of minor minerals in 171 contracts²⁰ without approving the samples, obtaining Forms 'M', 'N' and 'F' and without verifying the lifting of minor minerals from the concerned mining offices (*Appendix 1.3.7*). Thus, use of minor minerals of specified quality and in required quantities was not ensured.

1.3.6.4 Irregular payment for bitumen

As per clause 18 (b), (c) and (f) of the special conditions of contract (October 2001) read with a departmental letter of July 1991, bitumen was to be procured only from GOI undertakings and contractors were required to submit their documents to the Executive Engineers within 48 hours of the receipt of bitumen. Bitumen was also to be used only when their quality was found to be satisfactory after testing.

There were no invoices/ purchase vouchers for 91.276 MT bitumen

Test check of records of four executing divisions²¹ revealed that payments were made for works executed with 445.227 metric tonne (MT) bitumen but invoices / purchase vouchers of 353.951 MT bitumen only were available on record. Thus, there were no invoices and purchase vouchers for 91.276 MT bitumen, valuing Rs 17.71 lakh (*Appendix 1.3.8*).

The EEs, RWD, Muzaffarpur and RCD, Bhojpur stated that payments were made only after obtaining purchase vouchers. The records did, however, not support the replies.

1.3.6.5 Excess payments

Scrutiny of the records of nine divisions in four test-checked districts revealed that excess payment of Rs 55.99 lakh was made for 175 works as shown in **Table No. 2**.

**Table No. 2
Excess payments**

Sl. No.	Name of District	Name of Executing Agency	Type of work	Amount Involved Rs in lakh	Remarks
1	Araria	RCD	Construction of bridge and culvert (four)	15.08	Less deduction of penalty due to delayed work
2	Araria	RWD-1	Construction of raised platform (nine)	17.89	Less deduction of penalty due to delayed work
3	Araria	RWD- 2	Construction of raised platform (three)	3.70	Less deduction of penalty due to delayed work
4	Gaya	RWD	Widening and strengthening of road (one)	3.04	Excess carriage of 1080.05 ²² m ³ SMG- III at the rate of Rs 281.17 per m ³

Excess payment of Rs 55.99 lakh was made

²⁰ Araria (30)- Rs 58 lakh, Bhojpur (48)- Rs 17 lakh, Darbhanga (06)- Rs 59 lakh, Gaya (05) - Rs 63 lakh , Jamui (07) - Rs 1.29 crore, Muzaffarpur (55)- Rs 2.56 crore, Sheohar (20)- Rs 34 lakh

²¹ Bhojpur- RCD, Jamui – RWD, Muzaffarpur – RCD1 , RWD

²² 1976.08 m³ - (673.71 X 1.33) m³ = 1976.08 m³ - 896.03 m³ = 1080.05 m³

Sl. No.	Name of District	Name of Executing Agency	Type of work	Amount Involved Rs in lakh	Remarks
				1.27	Excess payment at the rate of Rs 2.65 ²³ per m ³ for 47761 m ³ earth
5	Muzaffarpur	BCD	Construction of halls, classrooms, aganwadi centres (84)	6.83	Contractor's profit was deducted at the rate of 7.5 per cent in lieu of 10 per cent
6	Sheohar	BCD	Construction of School building (two)	4.72	Less deduction of penalty due to delayed work
7	Sheohar	DPO	Purchase of cycles (69)	0.45	Floating of fresh tender when earlier supplier was ready to supply at the old rate
8	Sheohar	RWD-2 at Sitamarhi	Construction of drainage and PCC road (one)	2.17	Less deduction of penalty due to delayed work
9	Sheohar	RCD at Sitamarhi	Construction of culverts (two)	0.84	Less deduction of penalty due to delayed work
		Total	175 works	55.99	

RCD: Road Construction Department; RWD: Rural Works Department; BCD: Building Construction Department; DPO: District Planning Officer

1.3.6.6 Awareness, capacity building and training

No efforts for capacity building, awareness and training programmes were made

As per Para 4.2.5 of RSVY guidelines PRI, NGOs and SHGs were to be involved in awareness, capacity building, training etc. and about two per cent of the funds was to be utilised for such programmes. Audit scrutiny in the test-checked districts revealed that no expenditure had been made towards such programmes.

1.3.7 Monitoring

No system for regular monitoring of the scheme was evolved

Though a State Level Committee was set up (December 2003) to monitor the scheme every quarter and to send progress reports to the Planning Commission, a scrutiny of progress reports, revealed the following discrepancies indicating deficient monitoring:

- The number of schemes approved was shown as 12204 in the progress report of March 2007 which decreased to 11185 in March 2008 and finally to 11015 in March 2009;
- In March 2009, there was differences between the State level consolidated progress report and district level progress reports of Bhojpur, Sheohar and Darbhanga;
- In March 2009, 2969 schemes were shown as sanctioned in Gaya, Jehanabad and Rohtas districts. Of this, 1940 were shown as completed and 1086 as ongoing. Thus, 57 schemes were shown to have been started even before sanction.

²³ Rs 26.65- Rs 24= Rs 2.65

The Empowered Committee of the Planning Commission had nominated (January 2005) the National Bank for Agriculture and Rural Development (NABARD) to monitor the implementation of RSVY. Nothing was available on record to depict any monitoring carried out by NABARD in the State.

At the Divisional level, Divisional Commissioners were declared (June 2006) as regional extension officers for monitoring and evaluating RSVY schemes. The Divisional Commissioners were required to send inspection reports to the Planning and Development Department.

In the case of the two divisions test-checked, monitoring reports were not available in Muzaffarpur while Gaya division's records disclosed that monitoring and reporting to the department was not regular.

1.3.7.1 Evaluation of impact of schemes

Evaluation of the impact of the schemes was essential to assess how far the objective of solving problems of agriculture productivity and unemployment was achieved and how far the physical infrastructure gap was bridged. The Government had to earmark a sum of Rupees two lakh for funding a local institution, which had to do benchmark surveys, monitor the project, and provide relevant feedback.

Benchmark surveys and mid-course evaluation were not done

In the test-checked districts, benchmark surveys were not done and no efforts were made towards monitoring by any local institution. The State Government also did not carry out any mid-course evaluation, to assess the impact of scheme and carry out corrective measures.

1.3.8 Conclusion

Implementation of RSVY in State suffered due to thin spreading of resources without identifying three to four lead sectors coupled with delays in utilisation of funds. Out of schemes taken up 18 to 72 *per cent* schemes could not be completed up to March 2009. Although infrastructural schemes were taken up in all the District Plans, there were various instances of deviations from the approved District Plans, improper inclusion of schemes, etc. which diluted the achievement of the main objectives of the scheme. Emphasis was not given to monitoring at the level of the State and districts.

Recommendations

- The inclusion of too many schemes/sectors along with prohibited works/schemes in the District Plans needs to be reviewed.
- Timely release of funds to districts and other implementing agencies should be ensured.
- The Government should ensure completion of the works taken up in a time-bound manner.
- Monitoring at all levels should be strengthened to ensure better utilisation of funds.

The matter was reported to Government in October 2009. The replies received (December 2009) have been incorporated suitably in the report.

REVENUE AND LAND REFORMS DEPARTMENT

1.4 INFORMATION TECHNOLOGY AUDIT ON COMPUTERISATION OF LAND RECORDS

1.4.1 Introduction

The Revenue and Land Reforms Department was responsible for maintaining and updating land records in the State. Computerisation of Land Records (CLR), a centrally sponsored scheme was initiated in the year 1988-89 and aimed at providing landowners with computerised copies of Records of Rights (RoRs)¹ at a reasonable price. In the State, the scheme was implemented with technical support from the National Informatics Centre (NIC) at Patna. At the district level, the computerisation started with software called “*Bhu-Abhilekh*” developed in 2000 on UNIX based FOXBASE (DBMS)². A revised version of the software “*Bhu-Abhilekh-2*” with visual studio as front end and SQL³ Server as back end was launched in November 2007.

In the year 2006-07, the National Land Reform Management Programme (NLRMP) was launched in the State to augment the CLR project and to establish a Land Record Information Management System, which would provide anywhere anytime delivery of land records in an integrated, efficient and cost-effective manner.

For the implementation of the scheme, the Director of Land Records and Survey at Patna was the nodal officer at the State level. At the district level, the District Collectors were the implementing authorities who were assisted by Additional Collectors (Land Revenue). At the block level, the Circle Officers who were the custodians of land records were responsible for ensuring the availability and validity of land records.

The Government of India (GOI) released Rs 6.64 crore to the State during 1998 to 2009 for implementation of the project. The State, however, could utilise only Rs 3.97 crore as of July 2009.

1.4.2 Audit coverage

Information Technology (IT) audit of CLR for 2004-09 was conducted during April to August 2009 in the office of the Director, Land Records and Survey, 12 out of 38 districts including town circles⁴, also known as *anchals*⁵. CAATs⁶

¹ The document containing particulars of landholders

² Data Base Management System.

³ Structured Query Language

⁴ Bhojpur, Buxar, Darbhanga, Katihar, Kishanganj, Madhubani, Muzaffarpur, Nalanda, Patna, Saharsa, Samastipur and Vaishali.

⁵ The block level unit of the Revenue and Land Reforms Department where primary land records are kept.

⁶ Computer Assisted Audit Tools (IDEA, SQL-SERVER 2005, MS-ACCESS).

were used for analysis of the data along with issue of questionnaires and interactions with the officials of the department. The audit observations were communicated to the Government in October 2009 and reply is awaited (November 2009).

Audit findings

1.4.3 Programme implementation

1.4.3.1 Data entry of land records

As per the implementation arrangements, records were required to be brought from *anchals* to the districts for data entry and after completion of the data entry, printouts of the *khatiyans*⁷ etc. were required to be sent for verification to the concerned *anchals*. After the first verification, carried out at the *anchal* level, necessary changes were to be carried out by the vendor at the district centres. The corrections were required to be confirmed at the *anchal* level again. Further, data entry of land records in respect of *Khesra Panji*⁸ and Register-II⁹ was required to be completed within three years from the date of release of the first instalment (1998-99) of funds.

Scrutiny of records of the Directorate, Land Records and Survey disclosed (May-August 2009) that data entry was made in respect of only 19192 villages out of 45740 villages (42 *per cent*) involving all 38 districts of the State, up to July 2009. The data entry work was stopped in Buxar, Madhubani and Patna since 2005, in Nalanda since 2007, and in Katihar and Samastipur since 2008. Reasons for non-completion of data entry work were not available on record.

In all the 12 test-checked districts the department claimed that data was entered in respect of 4275 out of total of 8337 revenue villages and the data entry was completed/verified. It was, however, seen that the first printouts of *khatiyans* given for verification were still to be verified in respect of five¹⁰ districts. In three districts¹¹, the second level printouts of *khatiyans* were still to be verified at the *anchal* level. In Katihar district printouts of *khatiyans* were yet to be given for verification.

As the primary records were kept at the *anchal* level, the process of verification and confirmation at this level led to unnecessary delays. As a result, only 42 *per cent* data was captured in the State. The delays mainly occurred due to non-implementation of the computerisation at *anchal* level, though this was required under the revised guidelines (1999) of the CLR project. This indicated lack of planning and prioritisation.

⁷ Register of land records.

⁸ Details of land plots.

⁹ Lagan (land rent) register.

¹⁰ Bhojpur, Buxar, Muzaffarpur, Nalanda and Samastipur.

¹¹ Darbhanga, Kishanganj and Madhubani.

The department did not have a mechanism to monitor the software problems faced by the users and failed to obtain technical support from NIC. This resulted in delays in sorting out problems and facilitated inaccurate data entry in the system.

In reply, the department stated (December 2008) that Rs 19.61 crore had been given to BELTRON¹² in 2007-08 for procurement and installation of computers in *anchals*. Audit however noticed (August 2009) that though computers were supplied to *anchals*, they had not been installed at any of the test-checked *anchals*. Further, the *anchals* did not have any/sufficient trained manpower to operate these computers.

Verification of the data entered from the records of the *anchals* had also not been completed in any of the test-checked districts. Thus, Records of Rights could not be issued (August 2009) even though the target set for their issue was March 2004.

1.4.3.2 Payment made to vendors without verification

As per the procedure laid down, all payments to vendors were to be made after obtaining the first stage checklist (printouts) of the data entered. All the systems and peripherals used for this project were to be provided and maintained at the vendor's own cost.

In Samastipur district, however, it was noticed that the checklists were issued by the vendors only in case of 132 villages out of 750 revenue villages where data entry was completed. The department made payment of Rs 14.98 lakh to the vendors (June 2005 to August 2007) without verification of their work/services and also without obtaining the first stage checklists (printouts) of the data entered for 750 villages. It was also noticed that the vendors could not complete the work and had left the work midway after receiving payment.

1.4.3.3 Purchase of hardware

In five¹³ out of 12 districts test-checked, total amount of Rs 18.68 lakh was spent during 1999-2001 from scheme funds on the purchase of computers, uninterrupted power supply devices (UPS), printers and air-conditioners. It was noticed that the UPS purchased were of higher capacities (Katihar and Saharsa) and the computers purchased were used for other office work (Darbhanga and Kishanganj). In Katihar, Patna and Saharsa, printers were purchased though not required.

¹² Bihar State Electronics Development Corporation Limited.
¹³ Darbhanga, Katihar, Kishanganj, Patna and Saharsa.

1.4.3.4 Digitisation of cadastral map

As per the scheme guidelines, all cadastral map sheets¹⁴ were required to be digitised. The digitisation of map sheets of Musahari *sadar anchal*¹⁵ started as a pilot project in 1998-99, was to be completed by the end of 2000. All the 1152 map sheets were digitised. However, only 1083 map sheets were verified with the original maps as of July 2009. The rest of the maps could not be verified as the original maps were in damaged/torn condition.

In the second phase, 14672 maps of Ara, Buxar, Rohtas and Kaimur districts were digitised between November 2008 and August 2009. However, none of these maps were verified with the original maps as of August 2009. This indicated slow progress of the project and the task of digitising the entire 1.20 lakh map sheets of the State appeared distant.

1.4.4 Application Controls

Input controls and validation checks

Input controls and validation checks are vital for integrity of data and are essential to avoid incorrect data entry. Adequate inputs and validation controls ensure that the data entered is complete and correct. The following deficiencies were noticed due to lack of input controls and validation checks:

1.4.4.1 Data entry from old records

As per the State Government's instructions (2006-07), data entry was required to be done from up to date *continuous khatiyani*¹⁶ and if the *continuous khatiyani* was not updated, the data entry was to be updated from Register-II and *Khesra Panji*.

However, it was observed in five¹⁷ out of the 12 districts test-checked that the data adopted for entry was 37 years old (base year: 1971) from *revisional survey khatiyani*¹⁸ instead of *continuous khatiyani*.

Since the records of *revisional survey khatiyani* were not current, the purpose of capturing the up-to-date land records was defeated.

Scrutiny of the database in test-checked districts disclosed the following deficiencies, indicating weak input control:

¹⁴ Map of the land of concerned panchayat/halka

¹⁵ Anchal of the district headquarter

¹⁶ Updated land records register of raiyats (public) which was updated after every mutation.

¹⁷ Bhojpur, Darbhanga, Kishanganj, Muzaffarpur and Vaishali.

¹⁸ A register (khatiyani) which was made in 1971 after land survey.

- Landholders' names (9440 cases), fathers'/husbands' names (56652 cases), caste (407378 cases), addresses (146518 cases), land details (623550 cases), *khata* numbers (37565 cases) and *khesra* numbers (38035 cases) were not captured or contained only dots or junk characters or one or two character.
- Landholders' names (1801 cases), fathers' names (35849 cases), caste (268458 cases) and addresses (93822 cases) of the other shareholders were not captured.
- Circle ID was indicated as zero in 2376051 out of 2529373 cases while in 65577 cases, *mauza*¹⁹ ID was indicated as zero.
- *Lagan* paid/received against land was not captured in 1,13,82,480 cases. It was seen that the source document i.e., the *revisional survey khatiyani*, which was used for data entry did not have details of *lagan* in many cases. Absence of *lagan* details in the database, made it unusable for the purposes of collection of land revenue.

1.4.4.2 Uniform coding pattern

District Identification numbers (ID) were the primary identifiers of landholders while circle IDs were the secondary identifiers. Analysis of the captured database disclosed that same district IDs were found to have been adopted in Patna and Nalanda. In Muzaffarpur district, two district IDs were being used. One of these IDs was also being used for the district of Gopalganj. In 262 cases, district ID was entered as zero in Madhubani district. Similarly, the same circle IDs were used within the districts of Buxar, Darbhanga, Madhubani, Nalanda, and Saharsa. Thus, the data entered was inconsistent across the districts and *anchals* and its integration at the State level as planned in NLRMP would result in input and maintenance of an unreliable database.

1.4.4.3 Stabilisation of *Bhu-Abhilekh-2*

The IT audit of the Window-based version of software, *Bhu-Abhilekh-2*, with visual studio as front end and SQL Server as back end, which was to replace the UNIX based *Bhu-Abhilekh* disclosed that:

- The *Bhu-Abhilekh-2* designed to replace *Bhu-Abhilekh*, had not been installed in five²⁰ out of 12 test-checked districts.
- The system of *Bhu-Abhilekh-2* failed to generate copies of *khatiyani* in some of the *mauzas*, which could be used for verification of data entry. In cases, where copies of *khatiyani* were generated, the system was not able to carry out corrections, indicating system deficiencies.

¹⁹ A village as recognised and separately mapped at the time of the revenue survey.

²⁰ Buxar, Darbhanga, Madhubani, Patna and Samastipur.

- Details of log in/log out were not captured even though the provisions for capturing logs were available in the software. All users were using the same user ID for database administrator, thus rendering the activities of user and database administrator not sufficient for monitoring an audit trail, which was not in conformity with the best practice of IT security.
- NIC, though involved in the CLR scheme right from its inception as the technical partner and developer of software and for implementation of CLR could not develop technical documentation like data organisation, data flow, structure design, modular structure etc. in *Bhu-Abhilekh-2*. Lack of proper documentation was bound to make the department dependent on NIC for system support/updation which may not be possible in-house or through any other agency.

1.4.4.4 Business continuity plan

Test check of the CLR project disclosed that back-ups of available data were not retained by the department. Back-ups were not taken at regular intervals and were also not tested though as per the agreement between the department and the vendors, the vendors were to supply back-ups for final data entry only.

It was noticed in Bhojpur and Vaishali districts that data of 446 villages required re-entry as the data already entered was not provided by the vendors who had abandoned the work midway.

1.4.5 Training

As per GOI guidelines for the CLR scheme, the department was required to build up an IT Management group to implement the project effectively by imparting training to the staff dealing with the computerisation. All training programmes were to be completed by the year 2003 and a core group of staff was to be created for imparting training to trainers who in turn would train the field staff.

It was, however, seen that training programmes were conducted in only two²¹ out of 12 districts test-checked. These trained personnel were also not utilised for the CLR project. The department also failed to constitute a group of core staff.

In six²² out of 12 districts test-checked, the State implementing authority approached NIC for training its staff. But, none of the staff members was trained by NIC though the payment for the same was made to NIC in 1999-2000 and the said amount remained unutilised with NIC. Four test-checked districts²³ had not even approached NIC for training of their staff.

²¹ Buxar and Darbhanga.

²² Ara, Katihar, Madhubani, Muzaffarpur, Nalanda and Patna.

²³ Kishanganj, Saharsa, Samastipur and Vaishali.

1.4.6 Conclusion

Under the CLR project, GOI provided the necessary funds and support to the State for effective Information and Communication Technology, but the State could not utilise this support and was not able to complete the primary work of capturing data for its entire area. In cases where data was entered, it was not reliable since it was captured from 37-year old records. The CLR project also lagged behind due to deficient software, inadequate input controls and validation checks, use of inconsistent codes and inadequate supervision of data entry work and verification of the data entered. *Bhu Abhilekh-2* was not installed in all the districts. The computerisation of land records in the State was tardy and required to be monitored regularly by the Revenue and Land Reforms Department to sort out the problems.

Recommendations:

The Government/department may consider the following recommendations:-

- Computerisation at the *anchal* level should be given priority and the revenue staff of the concerned *anchals* should be trained for data entry and retrieval.
- The nodal agency should ensure proper co-ordination between the district level executing agencies including vendors and NIC for technical support and guidance.
- Time schedules for entry and updation of data should be prescribed and scrupulously followed. Similarly, a back-up and security policy should be prescribed and followed.
- Data should be captured from the *continuous khatiyani*, Register-II and *Khesra Panji* to ensure the latest data available in the system.
- *Bhu Abhilekh-2* should be implemented in all the districts and its deficiencies addressed beforehand to ensure uniformity of data captured and its subsequent utilisation.
- Value added services like making Records of Rights available on the website, grievance redressal, online mutation through establishment of connectivity with registrar offices etc. should be ensured through the use of updated, complete and integrated data.

CHAPTER-II

AUDIT OF TRANSACTIONS

2.1 Fraudulent payment/misappropriation/losses

WATER RESOURCES DEPARTMENT

2.1.1 Misappropriation of temporary advances

Temporary advance availed of by Irrigation subdivision, Jamalpur for restoration of Satgharwa Dam for Rs 14.07 lakh was misappropriated.

Rule 100 of the Bihar Public Works Accounts (BPWA) Code, read with the instructions (December 1983) of the State Vigilance Department, envisaged that temporary advances could be granted to subordinate officers for making petty payments on muster rolls and vouchers which had already been passed for payment. The officers, who availed of the advances, were required to submit expenditure statements of the advances within a month of receipt to the Executive Engineer (EE). The EEs in turn were to inform the officers, to whom advances had been granted within 15 days, regarding their adjustment or any action to be taken thereon. No subsequent advances were to be granted without adjustment of previous/earlier advances.

Scrutiny of the records of the Irrigation Division, Tarapur, Munger disclosed (June 2008) that advances of Rs 1.73 lakh were outstanding against Sub-divisional officer (SDO), Irrigation Sub-division, Jamalpur as of March 2005. The EE had granted temporary advances amounting to Rs 12.90 lakh on four occasions¹ during 2005-06 for restoration of the Satgharwa Dam. Thus, an amount of Rs 14.63 lakh pertaining to restoration, repairs and maintenance work of Satgharwa dam remained unadjusted against the SDO, Irrigation subdivision, Jamalpur as of March 2008.

Scrutiny of the summary of the imprest cashbook of the Irrigation Sub-division, Jamalpur revealed that out of Rs 14.63 lakh, the SDO had granted Rs 14.23 lakh to four Junior Engineers (JEs) of the Sub-division and depicted Rs 0.40 lakh as advance as detailed below:

(Amount in Rupees)

Sl. No.	Name and Designation of official as per SDO record		Amount shown in the SDO record	Amount accepted by JE	Difference
1	Sri Najrul Hasan Ansari	JE	8,75,975.83	NIL	8,75,975.83
2	Sri Kailash Sah	JE	5,00,000.00	13,000.00	4,87,000.00
3	Sri Vishnudeo Yadav	JE	45,000.00	1,000.00	44,000.00
4	Sri Harihar Shah	JE	2,000.00	--	--
5	Sri Sachidanand Singh	SDO	40,000.00	--	--
	Total		14,62,975.83	14,000.00	14,06,975.83

¹ 11.6.2005: Rs 0.40 lakh, 19.10.2005: Rs 0.90 lakh, 28.12.2005: Rs 1.60 lakh and 30.3.2006: Rs 10 lakh = Total Rs 12.90 lakh.

It was also observed that one JE denied receipt of any advance against Rs 8.76 lakh shown against him while two JEs intimated (May 2008) receipt of only Rs 0.14 lakh against total advances of Rs 5.45 lakh shown against them. Hand receipts in respect of acceptance of advances by these JEs were also not available with the SDO. Hence, it was likely that advances totalling Rs 14.07 lakh had been misappropriated by the SDO, Jamalpur.

Thus, the failure of the EE in adhering to the provisions of the BPWA Code and the instructions (December 1983) of the Vigilance Department regarding ensuring the adjustment of outstanding temporary advance prior to granting subsequent advances led to misappropriation of Rs 14.07 lakh.

The EE intimated (January 2010) to Audit that an FIR had been lodged (September 2009) against the SDO for misappropriation of Rs 14.62 lakh. However, no report of any recovery/adjustment had been received as of December 2009.

The matter was referred to the Government (March 2009). Their reply had not been received despite reminders (July 2009 and January 2010).

2.1.2 Loss due to excess payment on royalty

Payment of royalty at higher rate by the Flood Control Division to the contractors without ascertaining the actual royalty levied against boulders resulted in loss of Rs 22.54 lakh to the Government.

The Flood Control Division, Buxar entered into three agreements² amounting to Rs 6.09 crore during 2005-07 for execution of anti-erosion works on the right bank of the Buxar-Koilwar embankment on River Ganga³. The stone boulders required to be used in the works were to be obtained from the Udhiram mines of Mirzapur in Uttar Pradesh. The rate provided in the estimate for procurement, loading, unloading and carriage of the boulders from the mines to the work sites were inclusive of royalty at the rate of Rs 100 per cum. However, as per Bihar State Minor Mineral (Concession) Rules 1972 royalty at the rate of Rs 50 per cum for boulders, to be used in anti-erosion works, was payable. Thus the estimates were faulty and the rate analysis adopted in the agreement for procurement of boulders was not correct.

The division made a total payment of Rs 6.12 crore to the contractor during February 2007 to January 2008 against the aforesaid agreements which also included Rs 3.48 crore towards supply of 0.32 lakh cum boulders from Mirzapur to the work-sites.

Scrutiny of the records for procurement of boulders disclosed (December 2007 and November 2008) that the contractors paid royalty at the rate of Rs 30 per cum to Mining Officer, Mirzapur against the purchase of boulders. However, without ascertaining the actual amount of royalty paid by the contractors, the division paid the contractors at an inflated rate as provided in the estimate, i.e.

² Agreement No— 2F2/2005-06: M/s Arjun Engicom (P) Ltd, Patna for Rs 2.29 crore; 3F2/2005-06: M/s Mother India Construction, Patna for Rs 1.07 crore and 1F2/2006-07: B.N.Enterprises, Gopalganj for Rs 2.73 crore.
³ Near chain nos. 140 to 177.50, 415 to 450 and 450 to 505.

Rs 100 per cum. This resulted in excess payment of Rs 22.54 lakh to the contractors towards royalty for boulders.

The division stated (December 2007) that there were no excess payments as the payments were made as per the estimated rate. The reply of the division is not acceptable as the estimates were faulty and the payment for the boulders was required to be made after ascertaining the actual payment of royalty by the contractors.

Thus, inflated payment of royalty to the contractors without ascertaining the actual royalty levied against the boulders resulted in a loss of Rs 22.54 lakh to Government.

The matter was referred to the Government (March 2009). Their reply had not been received (December 2009).

HUMAN RESOURCES DEVELOPMENT DEPARTMENT (PRIMARY, SECONDARY AND ADULT EDUCATION DEPARTMENT)

2.1.3 Misappropriation of SSA funds

Funds under Sarva Shiksha Abhiyan amounting to Rs 1.60 crore released for construction of school buildings, boundary walls and other purposes were misappropriated.

(A) The guidelines of the Sarva Shiksha Abhiyan (SSA) envisaged that funds provided for implementation of the programme to the Vidyalaya Shiksha Samittees (VSS) were to be kept in nationalised or scheduled banks at the district level and in any nationalised or scheduled bank or post office at the block and village level. The accounts of the VSS were to be operated with the joint signature of the Secretary, VSS and Head Master of the school.

Scrutiny of records of the District Superintendent of Education-Cum-District Programme Co-ordinator (DSE-cum-DPC), SSA, Araria disclosed (January 2009) that the DSE-cum-DPC had released Rs 2.02 crore to 41⁴ new primary schools through cheques during March 2007 to February 2008 for construction of school buildings, boundary walls and other purposes⁵. However, instead of crediting the cheques to the accounts of the VSS as per the procedure, the cheques were collected personally by the DSE-cum-DPC, the Junior Engineer and the Assistant Executive Officer of the scheme. The cheques were not deposited in the accounts of the concerned VSSs in nationalised or scheduled banks. The entire amount was debited from the bank account of the DSE-cum-DPC, Araria and transferred to the Primary Agriculture Credit Co-operative Society (PACCS), Dehati during November 2007 to June 2008 by opening new accounts in the names of the said schools. Out of Rs 2.02 crore, the PACCS, Dehati made part payment of Rs 52.74 lakh to 20 schools. When

⁴ 22 under Palasi, 18 under Sikti and one under Jokihat blocks of Araria district.

⁵ Development grant, Mid-day meals, teaching and learning equipment, teaching material etc.

the issue was observed by Audit, an FIR was lodged (February 2009) against the Chairman, Secretary and staff of the PACCS and a departmental enquiry was initiated by the State level office of the SSA, i.e. Bihar Education Project, Patna.

Thus, an amount of Rs 1.49 crore⁶ was misappropriated by the DSE-cum-DPC, SSA Araria and other officials in connivance with PACCS, Dehati, defeating the objective of providing infrastructural and other facilities to newly established primary schools as envisaged under SSA.

The facts revealed by Audit were accepted and acknowledged (March 2009) by the present DSE-cum-DPC, SSA, Araria and Director, Primary Education, Bihar, Patna. Subsequent to the report of the departmental enquiry (April 2009), the Director, Primary Education, Bihar directed (May 2009) the Director (Administration)-Cum-Joint Secretary, Human Resources Development Department, Bihar and District Magistrate of Araria to initiate departmental proceedings against the then DSE-cum-DPC. Meanwhile the case was referred (May 2009) to the Vigilance Department, Government of Bihar.

The Secretary of the Department accepted (July 2009) the facts revealed in the audit and initiated interim action. Final action for recovery was still awaited (December 2009).

(B) Similarly, the DSE-cum-DPC, Araria released Rs 84.60 lakh to headmasters of 12 schools⁷ for the construction of additional classrooms in the schools under Sarva Siksha Abhiyan (SSA) during the years 2006-07.

Scrutiny of the records disclosed (January 2009) that the headmasters withdrew the entire amount of Rs 84.60 lakh earmarked against their schools. An expenditure of Rs 66.43 lakh was incurred on construction of classrooms upto December 2009. However, except for one, all the others were not complete as of January 2010. Out of 12 headmasters, two had retired (July and September 2008), three had been transferred (December 2007 to July 2008) and one had resigned from the service (April 2008). At the instance of Audit two retired teachers deposited part amounts of Rs 5.75 lakh against the total outstanding balance of Rs 8.28 lakh and one transferred teacher deposited Rs 1.34 lakh against the outstanding balance of Rs 2.09 lakh in the accounts of VSS as intimated (January 2010) by DSE-cum-DPC. However, Rs 11.08 lakh was outstanding against 11 headmasters as of January 2010.

No action had so far been taken (January 2010) by the DSE-cum-DPC either to recover the outstanding balances or to initiate departmental proceedings against the erring headmasters. However, an FIR had been lodged (January 2010) against one headmaster.

⁶ Rs 2.02 crore – Rs 0.53 crore = Rs 1.49 crore.

⁷ Primary Schools (PSs)- Barmasia: Rs Nine lakh, Bengwahi west: Rs Nine lakh, Dimhia: Rs Six lakh, Gachh Mian pur: Rs 10.80 lakh, Gilahbari: Rs Six lakh, Jamun Ghat: Rs Six lakh, Jhirua west: Six lakh, Kujari Kanya: Rs six lakh, Parihari: Rs Six lakh, Rahikpur: Rs Six lakh, Saidpur: Rs Six lakh and Middle School, Dewaria: Rs 10.80 lakh,

Thus, the failure of the DSE-cum-DPC, Araria to initiate action for refund of the amounts released during 2006-07 under SSA from the headmasters and in lodging FIRs against the defaulting headmasters/officials resulted in misappropriation of Rs 11.08 lakh.

The matter was reported to the Government (May 2009). Their reply had not been received (December 2009).

ENVIRONMENT AND FOREST DEPARTMENT

2.1.4 Loss due to low survival of plants

Low survival of plants under the National Afforestation Programme during 2003-07 resulted in loss of Rs 25.34 lakh.

As per a norm fixed (December 2003) by the Principal Chief Conservator of Forests, the survival percentage of plants under the afforestation programme was to be 80 *per cent* for the first two years and 60 *per cent* thereafter. This norm was also applicable for afforestation programme/scheme under the National Afforestation Programme (NAP). The Government of India provided grants-in-aid of Rs 1.60 crore during 2003-07 to the Gaya Forest Development Agency (FDA) for afforestation under NAP. The scheme was to be implemented by the Gaya Forest Development Agency, under the Gaya Forest Division with the assistance of Village Forest Committees (VFCs) which was required to ensure forest management by involving people's participation in conservation and management of forests.

Scrutiny of the records of the Forest Division, Gaya disclosed (March 2009) that 6.37 lakh saplings were planted during 2004 and 2006 under NAP at 13 sites in 589 hectares area at an expenditure of Rs 59.68 lakh. Out of these plantations, the survival of plants was only 1.10 lakh (17 *per cent*) in October 2008 against the minimum requirement of 3.82 lakh (60 *per cent*). Scrutiny further disclosed that the survival rate of plants was zero at six sites, two to three *per cent* at three sites and 23 to 44 *per cent* at four sites as shown in the table as under:

Sl. No.	Plantation site	No. of saplings planted	Survival of plant in October 2008	
			No.	Per cent
1	Ajnawa/Jarlahi/Bela	139305	31874	23
2	Alakhdiha	29375	882	3
3	Bagula	30472	0	Nil
4	Dhanawan	28812	0	Nil
5	Dundu	30000	0	Nil
6	Kahudag	37552	16500	44
7	Kathotia Kewal	29375	0	Nil
8	Kushabija	83275	26315	32
9	Lodhawe (Telani)	29375	588	2
10	Lodhwe, Mahavari	29375	881	3
11	Patwas	30000	0	Nil
12	Sawkala, Daudpur & Mahapur	110000	32945	30
13	Taro	30000	0	Nil
Total		636916	109985	

Besides, important records for monitoring survival of the plantation such as plantation journal and pit counting register were not maintained by the division.

The division replied (March 2009) that the plantations had failed due to non-availability of funds in time, non-fencing of plantation sites and non-co-operation of VFCs. The reply of the division is not acceptable as funds of Rs 1.60 crore were provided during 2003-07 at regular intervals and only Rs 6.98 lakh⁸ was spent on fencing and protection works, though 10 per cent of the total sum (Rs 16 lakh) was stipulated for the same. Moreover, as the Forester and Forest Guard of the Division were the ex-officio Member Secretary and ex-officio Member and Deputy Secretary respectively of the VFC, they themselves are responsible for co-operation from other members of the VFC. Further, non-maintenance of essential records like plantation journal, pit counting register etc. pointed towards lack of experience of the committee. The reply is misleading as it tantamount to shifting of responsibility upon the VFC. Instead, the division should have ensured that VFC took active part in the protection of plantation and survival of the plants.

Thus, due to improper maintenance and protection of plants by VFC coupled with lack of regular monitoring by the Division resulted in low survival of plants, which led to a loss of Rs 25.34 lakh on the plantations (**Appendix 2.1**).

The Additional Principal Chief Conservator of Forest (Development) stated (August 2009) that details of follow-up action taken on low survival of plants by the Regional Chief Conservators of Forest, Patna and Gaya had been called for.

RURAL DEVELOPMENT DEPARTMENT

2.1.5 Misappropriation of rice

Rice valuing Rs 86.53 lakh under the Sampoorna Grameen Rojgar Yojana and the National Food for Work Programme for distribution to daily wage earners was misappropriated and rice valuing Rs 11.51 crore meant for the Sampoorna Grameen Rojgar Yojana was not utilised.

The Government of India provided rice under the Sampoorna Grameen Rojgar Yojana (SGRY) and the National Food for Work Programme (NFFWP) to District Rural Development Agencies (DRDAs) for distribution as wages to daily wage earners at a minimum of five kilograms per day. The State Food Corporation (SFC) lifted the rice from the nearest depots of the Food Corporation of India (FCI) and issued the same to Public Distribution System (PDS) dealers as per the allotments made by the DRDAs to scheme implementing agencies. The PDS dealers issued the rice to implementing agencies as per permit issued by the Block Development Officers for distribution among the wage earners. After introduction (February 2006) of the National Rural Employment Guarantee Scheme (NREGS), the balance rice available under SGRY and NFFWP programmes was to be utilised by June

⁸ *Fencing: Rs 5,12,440 + Protection: Rs 1,85,195 = Rs 6,97,635.*

2006 and all works taken up under these schemes were to be closed by August 2007.

(A) Scrutiny of the records of the DRDA, Jamui disclosed (July 2008) that a PDS dealer at Laxmipur Block, Jamui lifted 852.22 MT⁹ rice under SGRY and NFFWP schemes during January 2002 to June 2006. Out of this, the dealer issued 196.70 MT¹⁰ rice to the scheme implementing agencies upto August 2006. The balance amount of 655.52 MT rice was in his stock. The Block Development Officer (BDO), Laxmipur reported (August/September 2006) the matter to the Deputy Development Commissioner (DDC) and District Magistrate (DM), Jamui that the said dealer was neither releasing rice to the executing agents of the scheme despite issuing permits nor co-operating in the physical verification of his stock. In response, the DDC directed (September 2006) the BDO to lodge an FIR against the dealer and to file a certificate case¹¹ for recovery of 655.52 MT of rice. However, no action was initiated against the dealer till July 2008.

On this being pointed out (July 2008) by Audit, the BDO, Laxmipur lodged an FIR (August 2008) and filed a certificate case (May 2009) against the dealer for Rs 41.66 lakh. Further, on an audit query (August 2009) regarding filing of the certificate case for Rs 41.66 lakh only, the BDO, Laxmipur intimated (August 2009) that the amount of certificate case had been revised to Rs 83.32 lakh based on the value of rice at the above poverty line (APL) rate. The outcome of the certificate case, however, had not yet been furnished to Audit (October 2009).

Thus, 655.52 MT¹² rice valuing Rs 86.53 lakh (at the rate of Rs 13200 per MT) was misappropriated by the PDS dealer.

(B) Scrutiny (November 2008) of the records of the DRDA, Nawada disclosed that 13973.99 MT of rice was received under SGRY during 2003-06, of which, only 5609.24 MT was utilised. The balance quantity of 8364.75 MT valuing Rs 11.51 crore, at the rate of Rs 13755/MT including four *per cent* VAT and one *per cent* marketing fee, could not be utilised as of November 2008 and was available with PDS dealers.

The DDC, DRDA, Nawada replied (November 2008) that the rice would be transferred to NREGS and subsequently, the DDC instructed (June 2009) all BDOs/Zila Parishads to sell the balance quantity of rice and deposit the sale proceeds with the DRDA. Later, the DDC directed (August 2009) the BDOs/Zila Parishads to lodge FIRs against the erring persons. In the meantime, the District Magistrate of Nawada appointed (July 2009) a chartered accountant (CA) to ascertain the status of rice with reference to allotment, lifting, utilisation and residual balance of rice (Panchayat/ Panchayat samittee/ Zila Parishad wise) and to recover the value of the unutilised grain from the concerned dealer. Though, the final report of the CA

⁹ NFFWP: 258.16 MT and SGRY: 594.06 MT.

¹⁰ NFFWP: 54 MT (July 2005) and SGRY: 142.70 MT (February 2002 to June 2006).

¹¹ Certificate case: It is filed in the court of District Certificate Officer for recovery involving government money or assets

¹² NFFWP: 204.16 MT and SGRY: 451.36 MT.

had not been submitted (December 2009) but, CA had recommended (October 2009) recovery of Rs 61.91 lakh against the residual balance of 450.11 MT rice from 10 PDS dealers.

Thus, due to non-transfer of the balance rice under the SGRY scheme within the due date (June 2006) and prior to closure of work (August 2007), the same remained unutilised.

The matters were reported to the Government (April and June 2009) followed by a reminder (August 2009). Their replies had not been received (December 2009).

2.1.6 Fraudulent payment on muster rolls

Lack of supervision by Executive Engineers and non-observance of an order of the Vigilance Department resulted in fraudulent payment of Rs 2.68 lakh.

As per an order (December 1980) of the Vigilance Department, Government of Bihar, details of labourers such as names, father's/husband's names, village and complete addresses were to be recorded on muster rolls to ensure genuineness of payment. Besides, as per Rule 227 of Bihar Public Works Accounts Code, muster rolls should be prepared in Form 21 and dealt with in accordance with the following rules:

One or more muster rolls should be kept for each work but muster rolls should not be prepared in duplicate.

The attendance of labours should be recorded daily in the muster rolls.

Further, as per Rule 213 read with Rule 305 of the Bihar Treasury Code, every voucher is required to bear a pay order signed by the concerned drawing and disbursing officer. The drawing and disbursing officer is to ensure that the vouchers are prepared according to rules and exercise the same vigilance in spending the Government money as a person of ordinary prudence would exercise in spending his own money.

Scrutiny of 70 muster rolls for 29 departmental works¹³, executed on the recommendation of Member of Legislative Assembly/Member of Legislative Council during 2004-07 under six divisions¹⁴ disclosed (June 2007 to January 2009) the following irregularities:

There were no details of labourers such as addresses and villages on the muster rolls. The same labourers were shown working two to three times during the same period on the same work. Payment of such nature for an amount of Rs 0.07 lakh was noticed in audit and linked with vouchers and measurement books. Although, other cases of such nature were noticed involving payment of Rs 2.12 lakh, but the payments could not be linked

¹³ Construction of PCC roads, drainage, RCC culvert Renovation of dam, Brick soling, Earth filling etc

¹⁴ Division:-Rural Development Special Division I & II, Bettiah, Rural Works Division-II, Biharsharif Nalanda, M.I. Division, Bhagalpur, RD Special Division-II, Gaya and NREP, Nalanda

to the cashbook as voucher numbers were not mentioned on the muster rolls.

The inspection to check the attendance of the labour engaged in the work at site was also not carried out.

There was no signature or thumb impression of 92 labourers on a muster roll for a work¹⁵ under the RD Special Division No.-II, Gaya for which payment of Rs 0.49 lakh was made.

Voucher numbers and pay orders were not recorded on the muster rolls.

However, payment was being made to the labourers through muster rolls for departmental works. Thus due to lack of supervision and non-adherence to codal provisions, there was fraudulent payment of Rs 2.68 lakh on muster rolls (*Appendix 2.2*).

The Executive Engineers of Rural Works Division-II, Biharsharif (Nalanda), RD Special Division-II, Gaya and NREP, Nalanda replied (June 2007 to January 2009) that action would be taken after investigation. The Executive Engineers of Minor Irrigation Division, Bhagalpur (June 2007) and Rural Development Special Division I & II, Bettiah (June 2008) replied that the details of addresses would be recorded on muster rolls in future. However, they did not furnish specific replies on the audit observation regarding fraudulent payment.

The matter was reported to the Government (June 2009). Their reply had not been received (December 2009).

2.2 Excess payment/Infructuous expenditure

ROAD CONSTRUCTION DEPARTMENT RURAL WORKS DEPARTMENT

2.2.1 Excess payment on fake invoices

Failure in verifying the actual quantity of bitumen used for the works and obtaining confirmation from oil companies about genuineness of the invoices led to excess payment of Rs 77.13 lakh.

For execution of all types of bituminous works under Road Construction Department (RCD), the Executive Engineer (EE) of the concerned division issues a supply order of bitumen in favour of the awardee contractor as quantified in the sanctioned estimate for procurement from the nearest depot of the Government Oil Company. The contractor, after procurement of bitumen submits the proof of purchase of bitumen or copy of its delivery order to the division within 24 or 48 hours as per the terms of contract. After that, payment is to be made to the contractor for execution of bituminous works. It was, however, found that the Executive Engineers of five¹⁶ Road Construction

¹⁵ Scheme no. 63/06-07 (MLA).

¹⁶ Road Construction Divisions Jamui, Nawada, Sitamarhi, Gaya-I and Aurangabad.

Divisions made payments to contractors without verifying the veracity of bitumen invoices. This led to excess payment of Rs 77.13 lakh to the contractors and resultant loss to the Government as detailed below:

Case-(a) Special repairs and ordinary repair work of three roads¹⁷ under the Road Construction Division (RCD), Jamui was awarded (November 2006) to an agency for Rs 50.28 lakh. However, the work was closed (March 2008) midway due to transfer of these roads to the Central Public Works Department. An amount of Rs 36.57 lakh including cost of bitumen was paid (March 2008) to the contractor against partially executed work.

Audit analysis of the records disclosed (August 2008) that 71.860 MT bitumen was required against the executed volume of work. The contractor had submitted eight invoices in support of the procurement of 72.558 MT bitumen of which, two invoices had the same document number. On verification, the Indian Oil Corporation (IOC) confirmed (September 2008) that the contractor had lifted only 63.532 MT of bitumen from their depot against the aforesaid work. This confirmed that the contractor had actually used 63.532 MT of bitumen but received payment for 71.860 MT by submitting fake invoices to the EE. Thus an excess payment of Rs 1.56 lakh for 8.328 MT bitumen (at the rate of Rs 18698 per MT) was made to the contractor.

Case-(b) The widening and strengthening work of Pakribarawan - Kauakole road in kms 1-3 and 7-10 under RCD, Nawadah was awarded (October 2006) to a contractor at cost Rs 1.44 crore. The contractor received (May 2008) payment of Rs 1.33 crore, including cost of bitumen upto 11 running account bill. The actual consumption of bitumen against the executed volume of work as worked out (August 2008) by Audit was 197.346 MT. However, the Division furnished 19 invoices to Audit for 168.969 MT in support of procurement of bitumen by the contractor, of which, five invoices pertaining to 45.385 MT of bitumen had the same invoice number. On verification, IOC confirmed (September 2008) that the contractor lifted only 104.775 MT of bitumen from them. Thus, the EE made an excess payment of Rs 17.31 lakh (at the rate of Rs 18698 per MT) to the contractor for 92.571 MT of bitumen without verifying the correctness and genuineness of bitumen invoices submitted by contractor.

Case-(c) The work of strengthening and widening in Sonbarsa-Rajwara-Parihar Road (7.75 KM) under the Rural Works Division, Sitamarhi was awarded (March 2007) to a contractor at Rs 2.43 crore. An amount of Rs 2.42 crore was paid to the contractor (December 2009) till the eighth and final bill which included the cost of bitumen.

Audit analysis (March 2008) of the work disclosed that as against the executed volume of work, the requirement of bitumen would be 123.023 MT. However the contractor lifted only 71.747 MT of bitumen as confirmed by IOC, but the contractor was paid for 123.023 MT of bitumen. In this case also, the genuineness and correctness of bitumen invoices vis-à-vis volume of work

¹⁷ *Lachhwar-Dhadhour road (KM- 1-7 and 8P), Sikandra-Lachhwar road (KM-1, 3P, 4 and 5) and Sikandra-Lakhisarai road (KM-25P and 26).*

executed was not verified by the EE and an excess payment of Rs 9.59 lakh (at the rate of Rs 18698 per MT) was made to the contractor.

Case-(d) The work of maintenance and repair of an approach road to Bodh Gaya in km 1 to 4 (200 m in km 4) for the year 2006-07 under Road Construction Division No.-1, Gaya was awarded (November 2006) to a contractor at Rs 27.22 lakh. The work was completed within the stipulated period and Rs 27.22 lakh was paid (February 2007) to the contractor.

Audit analysis (December 2007) of the work disclosed that consumption of bitumen as worked out by Audit was 70.831 MT¹⁸ against the executed volume of work. However, the contractor lifted only 40.7736 MT of bitumen as confirmed (April 2009) by Hindustan Petroleum Corporation Limited (HPCL). This resulted in excess payment of Rs 7.68 lakh against 30.0574 MT of bitumen (at the rate of Rs 24552.59 per MT + four *per cent* VAT). Further scrutiny revealed that few invoices submitted by the contractor did not have details of work being executed or purchase orders issued by the Division. These invoices were not authenticated by HPCL.

Case-(e) The work of widening and strengthening of Baroon-Daudnagar Road (0 - 30.5 km) under RCD, Aurangabad was awarded (March 2007) to a contractor at Rs 9.17 crore for completion by March 2008. An amount of Rs 7.55 crore was paid (June 2008) to the contractor for work done upto the 28 running account bill.

Audit analysis (September 2008) of the work revealed that as against the actual requirement of 984.10 MT bitumen for the executed volume of work, the agency had lifted 809.645 MT bitumen from HPCL, Patna as of June 2008. Therefore, 174.455¹⁹ MT less bitumen was used in the works executed upto 28 running account bill by June 2008. However, without verifying the genuineness and the correctness of bitumen invoices, the EE made excess payment for 174.455 MT bitumen, amounting to Rs 40.99 lakh (at the rate of Rs 23500 per MT).

In the three²⁰ cases stated above, the EEs replied (December 2007 to August 2008) that the matter would be investigated. However, no investigation report had been furnished (December 2009). In the last case, the EE, RCD Aurangabad replied that the contractor had lifted 1018.37 MT bitumen as of January 2009 against the supply order of 1497.37 MT bitumen. The reply of the EE was not acceptable as out of the total invoices for 1018.37 MT bitumen submitted by the contractor, only 817.57 MT bitumen pertained to the period upto June 2008 and the contractor had lifted only 809.645 MT bitumen upto June 2008 as confirmed by HPCL Patna.

In respect of RCD Jamui, the Deputy Secretary, Road Construction Department, Patna contended (08.01.2009) that the contractor had lifted

¹⁸ Consumption of bitumen: - BuSG: 211 Sqm x 2 Kg/Sqm = 0.422 MT, SDBC: 570.62 Cum x 115.4 kg/Cum = 65.849 MT, Tack Coat: 22825 Sqm x 0.2 kg/Sqm = 4.56 MT = Total 70.831 MT.

¹⁹ 984.10 MT – 809.645 MT = 174.455 MT

²⁰ RCD, Nawadah; RWD, Sitamarhi and RCD, No.-1 Gaya

bitumen from a Government oil company as per the supply orders. However, this fact was refuted by the oil company itself. As regards RCD, Nawada, the Deputy Secretary, Road Construction Department, accepted the audit observation. Government's replies in respect of RCD Sitamarhi, Gaya-I and Aurangabad had not been received (December 2009).

Thus, the failure of the above divisions in ascertaining the genuineness of invoices and finalising payments to contractors without confirming the actual quantity of bitumen lifted from the oil companies led to excess payment of Rs 77.13 lakh and subsequent loss to Government to that extent.

Recommendations:

(i) A work-wise separate bitumen register should be maintained in the division. Proper accounting of bitumen lifted, used and claimed by contractor should be ensured before making payment to the contractor.

(ii) Executive Engineers should conduct periodical sample checks of bitumen invoices produced by contractors and verify their genuineness from the concerned Government oil companies.

WATER RESOURCES DEPARTMENT

2.2.2 *Infructuous expenditure*

Delay in awarding a work resulted in infructuous expenditure of Rs 61.83 lakh.

The Water Resources Department, while issuing detailed instructions regarding execution of pre-flood protection works and flood combating measures, stipulated a flood calendar for ensuring timely execution of work. The flood calendar prescribed the period and duration for all stages of work from inspection of sites to completion of work and making of recommendations by various committees²¹. It also included a provision of *suo-moto* seizure of work order issuing powers of Regional Officers in the event of non-issuance of work orders as per the flood calendar. Under such conditions, the Chief Engineers (CEs) were required to submit documentary facts before the Engineer-in-Chief (EIC) who, in turn, was to recommend departmental action to the Government, after fixing responsibility against the erring officers/officials. The erring officers were to be held responsible for any type of liability arising due to non-adherence to the flood calendar.

Scrutiny (November 2008) of records of the Waterways Division, Muzaffarpur revealed that the time schedule as stipulated in the flood calendar was not adhered to or complied with in the case of anti-erosion work to protect the Left Burhi Gandak Embankment at Kakrachak in between 9-10 km in downstream of Akharaghat, Muzaffarpur during the year 2007. The delays ranged from four to 92 days in various stages of execution (**Appendix 2.3**). However,

²¹ These include High level Committee (HLC), Technical Advisory Committee (TAC), State Review Committee (SRC), Bihar State Flood Control Board (BSFCB), etc.

neither were reasons for the same available on record nor was any responsibility fixed by the EIC for the delays.

Scrutiny of records also revealed that the anti-erosion work approved by the Scheme Review Committee (SRC)²² to protect the Left Burhi Gandak Embankment included the construction of a pilot channel of eight m bed width in 750 m length with bamboo deflector; construction of revetment in 200 m length and trimming of earth slope in 3:1 from Section B-B to the old cut end. The work was technically sanctioned (February 2007) for Rs 88.31 lakh by the CE, Water Resources Department (WRD), Muzaffarpur. The work was awarded (19 April 2007) to an agency at a cost of Rs 76.01 lakh with the stipulated date of completion being 30 April 2007. It was observed that there was a delay of 72 days in approval of the work as the work which should have been approved by 10 December as per the flood calendar was actually approved on 20 February 2007. Further, against the 41 days allotted between date of approval to date of allotment of work, the division took 58 days in awarding the work.

It was observed that the land required for construction of the pilot channel could not be acquired due to public protests. As a result, the work of construction of the pilot channel was abandoned. Thereafter, the CE, WRD, Muzaffarpur visited (May 2007) the site and directed that alternative measures such as removal of shoal (sand bar) formed in the up-stream of the river; erection of bamboo deflectors in the erosion affected areas, extension of brick crating and construction of revetment upto 250 m length in the down-stream where the distance of embankment and river bank was minimum should be taken. The shoal removal work was to be executed within the provision made for the pilot channel without any actual assessment of work. However, the alternative works of erection of bamboo deflectors, brick crating and revetment executed, as suggested by the CE did not prove adequate and were severely damaged in the flood of July-August 2007. Also, the expenditure of Rs 61.83 lakh incurred (November 2007) on execution of the work was rendered infructuous.

Subsequently, the work of restoration/re-construction of the revetment at the same location (in 595 m length) was proposed (December 2007) by the Division and approved by the SRC with back-shifting²³ of embankment. The said works were executed (April 2008) at a cost of Rs 1.59 crore.

The Executive Engineer replied (November 2008) that the erosion occurred due to unprecedented floods. The reply is not acceptable, as the flood level in 2007 (53.55 m) was below the flood level of 2004 (53.60 m) and despite the past experience, adequate measures were not adopted.

²² *The committee reviews the financial aspects for finalisation of anti-erosion works to be executed every year.*

²³ *Back-shifting of embankment is done to allow unhindered flow and to ease out the pressure generated by rampaging flood water.*

Thus, non-adherence to the flood calendar, failure of the department to acquire land for construction of the pilot channel and delay in awarding the work resulted in infructuous expenditure of Rs 61.83 lakh.

The matter was referred to Government (June 2009). Their reply had not been received (December 2009).

HUMAN RESOURCES DEVELOPMENT DEPARTMENT (HIGHER EDUCATION DEPARTMENT)

2.2.3 Excess payment

Excess payment of pay and allowances amounting to Rs 44.65 lakh was made to lecturers due to irregular counting of services contrary to the decision of the court.

For absorption and regularisation of temporary lecturers in University services, three statutes were approved by the Chancellor of Veer Kunwar Singh University at Ara. The absorption of lecturers was to be effected from the date of issuance of statutes as per following criteria:

- (a) Lecturers who had completed 18 months of actual service on sanctioned posts as on 30.6.1977 were to be absorbed under the first statute with effect from 30.6.1977, being the date of issuance of the statute.
- (b) Lecturers who had completed 24 months of actual service as lecturer on 31.12.1980 were to be absorbed with effect from 1.1.1981 under the second statute.
- (c) Under the third statute dated 28.2.1982, lecturers were to be absorbed on the basis of (i) appointment before 28.2.1982 and (ii) appointment to sanctioned post or to a post proposed for creation awaiting Government approval.

However, on the issue of determination of the date for computation of continuous service of a lecturer for entitlement of the benefit of past services, for granting annual increments and computation of qualifying service for promotion, the High Court in its judgment ordered (21.02.2000) that lecturers who had not been holding any regular post on the dates of their absorption but had actually been absorbed under one of the above three statutes would be entitled to include their past services for the purpose of calculation of their entitlement and promotions from the dates of issuance of the notifications under which they were absorbed.

Scrutiny of the records of the University disclosed (May 2005) that 127 lecturers, appointed under Section 35 (2)²⁴ of Bihar State Universities Act,

²⁴ Section 35 (2) of Bihar State University Act, 1976 reads:- “Notwithstanding anything contained in this Act, no college, other than one mentioned in clause (a) and (b) of sub section (1), shall, after commencement of this Act, appoint any person on any post without the prior approval of the State Government; provided that the approval of the State Government shall not be necessary for filling up a sanctioned post of a teacher for a period not exceeding six months, by a candidate possessing the prescribed qualification.”

1976 on temporary basis during 1976-1980 against sanctioned posts for periods not exceeding six months were regularised/ absorbed under the second statute. However, contrary to the decision of the High Court, they were irregularly allowed to include their services from the dates of initial appointments instead of from the date of issuance of the notification i.e. 01.01.1981 for the purpose of timebound promotions to the posts of Reader and Professor. Consequently, the matter was reported to the Chancellor in November 2008 and a committee of five Vice-Chancellors was constituted to look into the matter. In accordance with the recommendations (March 2009) of the Committee also the Readers who had received undue advantage both in terms of fixation of pay and promotion as Professors were to be reverted back to the post of Reader and differential payments were to be recovered from them. Out of 127 cases, eight cases were checked in detail by audit which revealed an excess payment to the tune of Rs 44.65 lakh (*Appendix 2.4*) but no recovery had been reported as of December 2009.

The matter was reported to the Government (September 2009). Their reply had not been received (December 2009).

2.3 Avoidable/unfruitful expenditure

URBAN DEVELOPMENT AND HOUSING DEPARTMENT

2.3.1 Avoidable payment

Avoidable payment of income tax amounting to Rs 2.15 crore was made by the Patna Regional Development Authority on accumulated unspent grants.

The Patna Regional Development Authority (PRDA) was exempted from income tax prior to Assessment Year (A.Y.) 2003-04 under Section 10 (20A)²⁵ of the Income Tax Act, 1961. However, as the Finance Bill, 2002 omitted Section 10 (20A), PRDA came under tax purview from A.Y. 2003-04. PRDA decided to register itself with the Income Tax (IT) Department under Section 12A²⁶ of the Act *ibid*, so as to avail of the benefit of non-liability of tax by way of provision of accumulation of income and spill over for five years. It applied for registration under Section 12A in January 2004, which was granted (March 2006) by the Commissioner of Income Tax (CIT), Patna with effect from April 2003.

Section 11 (2) of the Act allowed any Trust/Authority to accumulate excess of income over expenditure above the limit of 15 *per cent*. Under the above Section, the Trust/Authority had to specify the purpose and period (in no case exceeding five years) for which the income was to be set apart and intimate to

²⁵ Any income of an authority constituted in India by or under any law enacted either for the purpose of dealing with and satisfying the need for housing accommodation or for the purpose of planning, development or improvement of cities, towns and villages, or for both

²⁶ It deals with conditions for applicability under sections 11 (Income from property held for charitable or religious purposes) and 12 (Income of trusts or institutions from contributions).

the Assessing Officer in Form 10²⁷ (read with Rule 17 of the Income Tax Rules).

PRDA failed to submit any resolution passed by the Board along with Form 10 and also failed to mention the specific purposes for which the amount was accumulated. However, it quoted the objectives (development works in the region) of the Authority which were quite general. Later on, the Authority submitted a resolution passed in February 2006 along with a new Form 10. As per Form 10, an amount of Rs 15.21 crore was shown as the accumulated amount (unspent grants) till 31 March 2004 on the basis of a balance sheet without mentioning the specific purpose. Hence, the Income Tax authorities assessed and levied Rs 2.15 crore as income tax on the excess accumulation of income over expenditure beyond the specified 15 *per cent* limit.

PRDA went for appeal (April 2007) against the order for levy of income tax. The CIT (Appeals)-II, Patna observed (October 2007) that 'Accumulation of income is a conscious act and therefore, the specification of purpose as required by Section 11(2) admits no amount of vagueness about the purpose for which it has been accumulated'. Considering the above facts, the CIT (Appeal)-II, Patna concluded that the assessee had failed to fulfill the prescribed conditions as laid down in Section 11(2) for availing of benefit of accumulation of income in excess of 15 *per cent* of the income over expenditure and justified disallowance of the exemption in respect of the accumulated amount of Rs 15.21 crore. Accordingly, PRDA paid Rs 2.15 crore as income tax between May 2006 and July 2008.

The PRDA replied (August 2009) that Income Tax department levied income tax due to non-passage of any resolution prior to the accumulation and also prior to filing Form No. 10 as passing a resolution takes time due to several formalities. The reply was not acceptable as PRDA had submitted a new Form No. 10 on 06.02.2006 in which a copy of the resolution was not attached and the purpose mentioned therein was not specific.

Thus, due to failure of PRDA to furnish the resolution mentioning specific purposes of accumulated unspent grants for availing of the benefit of non-liability of tax, the Authority had to pay Rs 2.15 crore as income-tax, which was avoidable.

The matter was referred to the Government (April 2009). Their reply had not been received (December 2009).

²⁷ *Form 10 with a resolution passed for accumulation of such amount (accumulated excess of income over expenditure above the limit of 15 per cent) for the decided number of years.*

MINORITIES WELFARE DEPARTMENT

2.3.2 Unfruitful expenditure and parking of funds

Expenditure of Rs 95.02 lakh on construction of minority hostels proved unfruitful and Rs 84.98 lakh was parked in civil deposits/banks etc.

The Minorities Welfare Department (MWD) released Rs 2.40 crore (Rs 80 lakh each) to the District Magistrates (DM) of Bettiah, Saran (Chapra) and Muzaffarpur districts during the years 1998-2001 for construction of 100-bedded minority hostels. The hostels were to be constructed on Government land. In case of non-availability of government land, the land for construction was to be selected from University/educational institution/ minority welfare institutions or private land proposed to be registered in the name of the Government.

Scrutiny of the records of District Welfare Officers (DWOs) of Bettiah and Muzaffarpur and information collected (February 2009 to April 2009) from the Dy. Development Commissioner, Saran disclosed the following:

- Three alternative sites were identified in Bettiah for construction of the hostel during the period 2001-04. However, no construction work was carried out on any of the sites due to public protest. The District Welfare Officer requested (October 2003 and July 2004) the Circle Officer²⁸ (CO), Bettiah for providing an alternative site but the CO failed to provide the same as of April 2009. As such, the hostel was not constructed and an amount of Rs 20 lakh drawn in 1999-2000 was not utilised and kept in a current account in a bank. Later, an alternative site was identified and selected in May 2009 but activities for taking up works like inviting tenders had not started as of January 2010. Thus, the delay in selection of an alternative site deprived the minority communities of the intended benefits of the scheme.
- The minority hostel was partially completed (August 2008) in Saran (Chapra) at a cost of Rs 75.52 lakh. Further, an amount of Rs 8.65 lakh (Rs 4.17 lakh over and above Rs 80 lakh) was required for completion of the hostel. The balance amount of Rs 8.65 lakh was not made available by the DM, Saran to the Building Construction Division (BCD), Saran. The Government replied (January 2010) that Rs 80 lakh was made available to BCD, Chapra out of which Rs 78.99 lakh had been spent. However, Rs 17 lakh was still required for electrification and construction of boundary wall. The demand for Rs 17 lakh was made from DM, Saran by the EE, BCD, Chapra in December 2009. Thus, inflation in cost of construction coupled with non-release of additional funds by the Government and non-transfer of the same to BCD Chapra resulted in non-completion of minority hostel (December 2009).

²⁸ Circle Officer is a block level officer of Land Revenue Department in charge of records of possession of land and revenue therefrom. He is also responsible for mutation of land.

- In Muzaffarpur, the hostel was completed (2003-04) up to the lintel level at an expenditure of Rs 19.50 lakh. Thereafter, it was stopped due to a stay order of the High Court passed on a writ petition filed by an NGO. The stay was vacated in November 2005 but the contractor did not take up the work as his agreement had expired in December 2005. The BCD, Muzaffarpur resubmitted (September 2008) a revised estimate for Rs 1.24 crore to the Chief Engineer, Building Construction Department which was pending for sanction (December 2009). The balance amount of Rs 60.50 lakh was parked in a civil deposit (Rs 40 lakh) and with the DRDA (Rs 20.50 lakh) since 2001. Thus, delay in submission of the revised estimate affected the completion of the hostel.

The Principal Secretary, Minority Welfare Department, while elaborating (June 2009) the position in respect of construction of minority hostels at the above stated places mentioned that DM, West Champaran (Bettiah) and Saran had been asked to send a proposal for demand for extra funds for completion of the works. The DM, Muzaffarpur was asked to submit a revised estimate of the balance work to the department after obtaining a revised technical sanction of the same.

Further, Secretary, MWD, Bihar and the DWO Bettiah intimated (January 2010) that fresh tenders were being called for in respect of the construction of a minority hostel. In respect of the construction of a hostel at Saran, the Dy. Secretary, MWD replied (January 2010) that Rs 17 lakh was still required for completion of work. In respect of construction of hostel at Muzaffarpur, the Dy. Development Commissioner stated (January 2010) that the revised estimate of Rs 1.24 crore was neither technically sanctioned by Chief Engineer, BCD nor administratively approved by the Minority Welfare Department as of January 2010.

Thus, the delay in providing alternative site by CO, Bettiah and subsequent delay in identification of new site, omission to send a proposal of additional demand by DM, Saran and inordinate delay in according administrative approval and technical sanction of revised estimate resulted in non-completion of the minority hostels in the districts mentioned above despite availability of funds. As a result, 300 students belonging to minority communities were deprived of hostel facilities for eight to 10 years, and Rs 84.98 lakh²⁹ for the said purpose remained parked in civil deposits/banks etc. Meanwhile, the expenditure of Rs 95.02 lakh³⁰ on incomplete constructions proved unfruitful.

²⁹ Rs 20 lakh in Bettiah + Rs 4.48 lakh in Saran + Rs 60.50 lakh in Muzaffarpur.

³⁰ Rs 75.52 lakh in Saran + Rs 19.50 lakh in Muzaffarpur.

**HUMAN RESOURCES DEVELOPMENT DEPARTMENT
(HIGHER EDUCATION DEPARTMENT)**

2.3.3 Unfruitful expenditure on idle staff

Delay by the Government in finalising a proposal for utilisation of the services of idle staff of defunct Service Commissions and Boards resulted in unfruitful expenditure of Rs 1.32 crore on account of payments towards pay and allowances.

The Bihar State University (Affiliated College) Service Commission (BSUSC), the Bihar College Service Commission (BCSC) and the Bihar State Inter University Board (BSIUB) were declared (April 2007) defunct vide a Human Resources Development Department, Government of Bihar Gazette notification with the condition that the staff of these Commissions and Board would be provided pay and allowances as admissible to them prior to the date of notification till the final decision of State Government. It was further notified that a Committee comprising three Secretaries would be constituted by the Government within three months from 19.04.2007 to finalise adjustment, retirement, service conditions and regulations of the affected staff.

Scrutiny of the records of the Principal Secretary, Human Resources Development Department, Patna further revealed (May 2009) that a three-member committee of Secretaries had been constituted in May 2007. However, the committee could not finalise its report even after two years. Meanwhile pay and allowances of the 81³¹ staff of the two defunct Service Commissions and the Board were being drawn regularly and Rs 1.68 crore was paid to the staff up to March 2009.

The Principal Secretary of the department stated (July 2009) that the services of the staff of the defunct Commissions and the Board were being utilized after their deployment on equivalent posts in accordance with their posts and qualifications. He further informed (September 2009) that the constituted committee had objected to the initial appointments of these staff and termed them as irregular due to non-adherence of rules and provisions of their very initial appointments, viz. non-observation of roster reservation, non-publication of advertisement dates for appointment, sanctioning of posts etc. after the initial appointment by Commissions and Board. When documentary evidence in support of reply (July 2009) of Principal Secretary was called for, only 41 staff members out of 81 staff were found deployed through various orders on different dates involving pay and allowances of Rs 0.36 crore for the said duration.

Thus, there was unfruitful expenditure of Rs 1.32 crore on idle establishment of the defunct Service Commission and Board.

³¹ BSUSC: 23; BCSC: 29; BSIUB: 29; Total: 81 No

2.4 Idle expenditure/ blocking of funds

HEALTH DEPARTMENT

2.4.1 Underutilisation of machine

Failure of Nalanda Medical College and Hospital in ensuring the basic infrastructure required for installation of a Computed Tomography Scan machine, lack of trained staff and improper maintenance by the supplier rendered the expenditure of Rs 1.20 crore largely unfruitful.

The Nalanda Medical College and Hospital (NMCH) invited (December 2005) tenders for procurement of a Computed Tomography (CT) Scan machine and entered into an agreement (March 2006) with M/s Siemens Ltd, Kolkata for purchase of the same at a value of Rs 1.50 crore. The terms and conditions of the agreement *inter alia* included a one-year standard warranty and additional warranties for the second and third years, besides providing of free services and supply of spares as and when required and attending to complaints within 72 hours on its receipt. The seepage-free site required for installation of machine was to be provided by NMCH. The machine was to run eight hours a day and 12 hours in case of emergency. Any uptime³² less than that specified was to be compensated at the rate of Rs 200 per day by the company. The payment conditions included payment of 80 *per cent* of the amount after arrival of the machine at site, and the balance 20 *per cent* after successful installation and commissioning of the machine.

The company supplied the machine in June 2006. However, the same could be installed only in September 2006, due to lack of basic infrastructure³³ and power supply needed for the same. However, an amount of Rs 1.20 crore (80 *per cent*) was paid to the company during June to October 2006.

Scrutiny of records of NMCH disclosed (April 2008) that the machine was operative for only 216 days³⁴ (18.65 *per cent*) out of 1158 days (July 2006 to August 2009) and remained intermittently out of order due to improper functioning of camera, microprocessor and computer, UPS and voltage stabilizer as well as damage caused due to seepage in the room. Based on the report and deficiencies pointed out by the Head of Department of Radiology, the Superintendent, NMCH reported (November 2007) the break-down of machine to the company. Even his report was not attended to by the company on the pretext of non-payment of balance amounts of Rs 30 lakh by the NMCH authorities. Subsequently, authorities of NMCH and company agreed (February 2008) to remove the defects within a month.

³² Uptime implies normally running/operation hour of a machine in a day.

³³ Two seepage free rooms along with an air-conditioning unit for CT gantry installation and operating consoles.

³⁴ 11.6.2007 to 31.10.2007 (143 days) + 2.4.2008 to 17.4.2008 (16 days) + 13.5.2008 to 8.7.2008 (57 days) = 216 days.

Scrutiny of records also revealed the following:

A seepage-free site was not provided for installation of the machine.

The dry chemistry laser camera of the machine was malfunctioning from the day of installation (September 2006).

The 100 KVA generator set supplied (October 2006) by the company for running the machine during power shortage was not put to use at all.

On an average of one patient per day, 1158 patients should have been examined by the CT scan machine since installation but only 250³⁵ patients (22 per cent) were examined during nine operational months from June 2007 to July 2008.

The CT scan machine was operated by untrained staff of Department of Radiology, NMCH.

The Superintendent of NMCH replied (May 2008) that the company had sorted out all deficiencies pointed out in the system by the Radiology Department and as such, no action was required to be taken against them. The seepage of the machine rooms had also been rectified. He further stated (January 2010) that efforts were on to make the machine operational.

The reply is not acceptable as the machine was partially functional during April to July 2008 and thereafter, patients were referred to other hospitals for CT scans as the machine remained non-functional as of December 2009.

Thus, the failure of the NMCH authorities in providing basic infrastructure required for installation of the CT scan machine, non-deployment of trained technical staff for operating the machine and failure in rectifying the defects of the machine by the company resulted in under-utilisation of the machine. The machine worked for only 216 days since its installation which led to denial of intended benefits to the patients. Thus, the expenditure of Rs 1.20 crore became largely unfruitful.

The matter was reported to the Government (April 2009). Their reply has not been received (December 2009).

2.4.2 Expenditure on idle establishment

Delay in allocation of funds to the Government Pharmacy Institute for infrastructural development resulted in expenditure of Rs 1.36 crore on idle establishment.

The Pharmacy Council of India³⁶ (PCI) withdrew (December 2002) approval of the Government Pharmacy Institute, Agamkuan, Patna and imposed a ban

³⁵ Patients checked: June 2007 to October 2007 – 164 Nos and April 2008 to July 2008- 86 Nos = 250 Nos. in nine months.

³⁶ Pharmacy Council of India (PCI) is a statutory body working under the Ministry of Health and Family Welfare, Government of India, New Delhi. It is constituted under Pharmacy Act, 1948 and regulates pharmacy education for the purpose of registration as a pharmacist to practise under Pharmacy Act, 1948

on admission of students in the Diploma in Pharmacy (D Pharma) after the academic session 2001 due to various deficiencies such as old and damaged buildings, shortage of machines and equipment in the laboratory etc noticed during inspection (October 2002) by PCI's team. The ban was however, lifted (July 2007) and the academic session of the institute was restarted from 2007-08.

Scrutiny of records of the Pharmacy Institute disclosed (October 2007) that the institute remained closed during the period 2002-03 to 2006-07 due to de-recognition and the ban imposed on admission by PCI for the same period. As such, 300 students (60 students per year) of the State were deprived of education in pharmacy for five years. Also, an amount of Rs 1.36 crore was paid to the teaching/non-teaching staff of the institute who remained idle during the aforesaid period.

It was further noticed (May 2009) that PCI provisionally lifted (June 2007 and September 2008) the ban on admission for Ist and IInd year sessions (2007-09) and the fresh Ist year session of 2008-09 but the same was not finally approved (May 2009) by PCI.

The Principal of the institute stated (October 2007) that delay in lifting the ban was due to late allocation of funds by the Government for infrastructure development as required by PCI despite constant pursuance by the institute. The Principal Secretary, Department of Health, Government of Bihar attributed (July 2009) the delay in allocation of funds for infrastructural development to considerable time consumed in various stages right from date of approval of technically sanctioned estimate by Internal Financial Advisor/Finance Department by way of Government order to issue of notification regarding allotment of fund. The delay in purchase of the machine and equipment was also attributed to the procedural delays. The funds for infrastructure were made available belatedly in the year 2006-07.

The reply of the Government is not acceptable as a delay of three years in allocation of funds for infrastructural development cannot be attributed to procedural delays. Instead, this is an example of glaring apathy and indifference on part of the Government towards its Pharmacy Institute *vis-a-vis* its non-responsiveness towards the deficiencies pointed out by PCI. Thus, inordinate delay in allocation of fund for infrastructure development not only deprived 300 students of Bihar of Pharmacy education for five consecutive years (2002-07) but also resulted in expenditure of Rs 1.36 crore on idle establishment.

**HUMAN RESOURCES DEVELOPMENT DEPARTMENT
(HIGHER EDUCATION DEPARTMENT)**

2.4.3 Expenditure on idle equipment and ambulance

Purchase of equipment and an ambulance without assessing actual requirements and ensuring the availability of technical staff resulted in idle expenditure of Rs 30.59 lakh.

The University Grants Commission sanctioned (May 2003) Rs 1.60 crore under the head 'Central facilities' to the Kameshwar Singh Darbhanga Sanskrit University (KSDSU), Darbhanga during the Tenth Plan period (2002-07). Out of the total grant, Rs 35 lakh was allocated for equipment for the Health Centre of the University, which comprised a small dispensary with one doctor, one compounder and one dresser.

Scrutiny of the records of the University disclosed (December 2008) that the Vice-Chancellor of the University had recommended (January 2004) procurement of sophisticated medical equipment and an ambulance in order to upgrade the dispensary. The University spent Rs 33.23 lakh during 2004-05 and 2006-07 on purchase of the equipment and an ambulance (**Appendix 2.5**). Scrutiny further revealed that of the above, equipment valuing Rs 28.17 lakh (**Appendix 2.6**) were not utilised either due to non-availability of technical staff or due to incomplete installation. A Sonoline G-50 Color Doppler unit valuing Rs 17.98 lakh had not been installed as of August 2009. It was also noticed that prior to purchase of the equipment, the Health Committee of the University decided (May 2004) to outsource the operation of the pieces of equipment, which was pending as of May 2009. The ambulance valuing Rs 2.99 lakh was lying idle since February 2007 for want of maintenance and renewal of road tax.

Thus, unfruitful expenditure of Rs 30.59 lakh³⁷ was incurred on purchase of equipment and ambulance without assessing the actual requirement and ensuring the availability of technical staff.

The University replied (August 2009) that the equipment were purchased after assessing their actual requirement and the Sonoline Color Doppler had been partially installed (March 2009) but the application and multi-camera formatting were still to be done by the primary supplier (M/s Siemens). It was also stated that not even a single patient had undergone USG because the machine had not been fully installed. As regards the ambulance, the University intimated that the driver had been running the ambulance since April 2005 but the vehicle remained inoperative since February 2007 for want of maintenance and renewal of road tax. The reply of the University is not acceptable as equipment especially Color Doppler was not put to use since its procurement and the ambulance was also not in operation since February 2007.

³⁷ *Equipment: Rs 28.17 lakh) + Ambulance: Rs 2.99 lakh - Rs 0.57 lakh (Depreciation) = Rs 30.59 lakh.*

The matter was reported to the Government (June 2009). Their reply had not been received (December 2009).

RURAL WORKS DEPARTMENT

2.4.4 *Blocking of funds on incomplete works*

Faulty estimates coupled with non-sanctioning of revised estimates forced contractors to stop their works resulting in blocking of funds amounting to Rs 5.80 crore on incomplete high level bridges.

(A) Administrative approval (September 2003) of Rs 5.89 crore and technical sanction of Rs 5.90 crore were accorded (December 2004) for construction of a high level bridge (HLB) on Falgu River in Shirpur-Keni-Khijarsarai road to provide direct connectivity to Shirpur with Keni and Khijarsarai under the Rural Works Department (RWD), Works Division, Gaya. The work was allotted (May 2005) to an agency at an agreement value of Rs 6.25 crore (seven *per cent* above the Bill of Quantities) and was to be completed by February 2008. However, it could not be completed as of March 2009. A total amount of Rs 2.59 crore was paid to the agency through 11 running account bills (September 2007).

Scrutiny (March 2009) of the records of RWD Works Division, Gaya disclosed that against an estimated quantity of 115.66 MT steel valuing Rs 51.09 lakh stipulated for providing steel liners³⁸ for curbs and steining³⁹ of wells including fabricating and setting, the contractor utilised 312.699 MT steel. The enhancement in consumption of material caused enhancement in the claim of the contractor on the above item to the extent of Rs 1.38 crore. However, against the estimated amount of Rs 51.09 lakh and actual execution for Rs 1.38 crore, Rs 73.70 lakh (Rs 22.61 lakh in excess than the approved estimate) was paid (September 2007) to the contractor without revision of the enhanced amount by the competent authority which was unauthorized and irregular. However, the contractor stopped (May 2007) the work due to non-payment of the claim in full as per the actual work done. Thus, due to the faulty estimate, the bridge remained incomplete since May 2007 and no connectivity could be provided to the inhabitants of Sripur with Keni and Khijarasarai despite expenditure of Rs 2.59 crore.

The Division replied (April 2009) that action would be taken for preparation of the revised estimates and the balance work would be taken up after approval of the revised estimate. The reply was an acceptance of the fact that the Division had failed to take effective action for completion of the HLB

³⁸ *Steel liner: It is steel pipe which is immersed in water and concrete cement is later poured into it. Normally used in underwater piling.*

³⁹ *Steining: Steining of well is concreting of well built in one straight line from bottom to top.*

within the scheduled time as the revised estimates had not been framed even after the lapse of 32 months (May 2007 to December 2009).

(B) Similarly, to provide river crossing facilities over Morhar and Bhutahi rivers in Tikari-Law-Guljana road, the works for construction of two HLBs were administratively approved (September 2003) for Rs 2.13 crore each and technically sanctioned (December 2004) for Rs 2.43 and Rs 2.13 crore respectively. The works were allotted (May 2005) to two different agencies at agreement values of Rs 2.45 crore and Rs 2.23 crore respectively. The construction of HLB on Bhutahi river was to be completed by September 2007 whereas the HLB on Morhar was to be completed by November 2007.

Scrutiny (March 2009) of the records and information obtained (August 2009) from the division disclosed that the contractor had executed 7981.96 cum of earth work (119 *per cent* in excess) as per the requirement of work in the HLB on Morhar but payment was made as per the agreement for 3645.12 cum. In respect of the HLB on Bhutahi also, the contractor had utilised 142.2204 MT steel liner against the requirement of 149.877 MT of steel liner but payment was made as per the agreement for 37.40 MT only.

In both the cases, the contractors were pressing hard for revision of the estimates and payments as per the actual works done. The Executive Engineer had also requested (December 2006) for sanction of the excess quantities of work executed by the contractors from the Chief Engineer-I, Gaya apprehending that the contractors might stop the work. Ultimately, both the contractors stopped the works (Morhar: November 2007 and Bhutahi: March 2008) after getting payment of Rs 1.52 crore and Rs 1.69 crore respectively, due to non-payment of their claims as per the works executed and construction of both HLBs remained incomplete. Hence, river crossing facilities could not be provided on both the rivers.

The Division replied (April 2009) that the contractors stopped the works due to increase in the quantities of certain items of work over the sanctioned estimates and non-payment thereof, owing to non-sanction of revised estimates. Submission of revised estimates to the competent authority in both the cases was under process. The reply was an admission of the fact that Division/department had failed to take proper action for completion of the HLBs.

Thus, faulty estimates coupled with inordinate delays in sanctioning of revised estimates *vis-à-vis* non-payment for excess quantities of work executed by the contractors led to stoppage of works. This resulted in blocking of Rs 5.80 crore⁴⁰ on incomplete HLBs which also included unauthorised payment of Rs 22.61 lakh. Besides, the intended benefits of HLBs could not be achieved.

The matter was reported to the Government (April 2009). Their reply had not been received (December 2009).

⁴⁰ Case A:- Rs 2.59 crore; Case B:- Rs 1.69 crore; Case C:- Rs 1.52 crore;
Total:- Rs 5.80 crore

2.5 General

2.5.1 Lack of response of Government to Audit

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

As per instructions in the manual of instructions, settlement of audit objection/IRs, received from Audit Office is to be recorded in personal register and audit objection book. The Head of the office is required to review these books once in a month and the concerned official is required to review these books fortnightly to ensure compliance of audit objection within a fortnight.

However, IRs issued during the years 2003-04 to 2008-09 relating to 26 departments disclosed that 29667 paragraphs relating to 5561 IRs remained outstanding at the end of March 2009 as shown in the table below:

Number	Pending at the end of 2008-09					
	1 year	2 years	3 years	4 years	5 years	6 years
IRs	5561	4463	3493	2505	1723	887
Paragraphs	29667	24304	19489	14033	10004	5078

The year-wise and department-wise breakup of outstanding IRs and paragraphs is mentioned in *Appendix-2.7*.

The large number of outstanding IRs/ paragraphs indicate lack of responsiveness of the Government towards audit observation which may lead to serious financial irregularities and losses.

It is recommended that the Government should ensure that a proper procedure is in place to ensure recovery of losses/outstanding advances/overpayments in a time-bound manner.

2.5.2 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 were required to submit the explanatory notes to the Assembly Secretariat on paras and reviews included in Audit Report (AR) duly vetted by audit within two months from the date of presentation of the ARs before the legislature without waiting for any notice or call from the Public Account Committee (PAC) and indicate therein, the circumstances and reasons for

occurrence of such irregularities and deviations from prescribed norms and the action proposed to be taken or taken thereagainst.

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 Secretaries to Government of the concerned departments should send two copies of draft self-explanatory Action Taken Notes to the Principal Accountant General (Audit) for vetting along with the relevant files and documents for which the explanatory notes have been formulated, properly referenced and linked. This was to be done within such period of time as may be decided for submission of self-explanatory Action Taken Notes prescribed by the PAC.

It was noticed that as of December 2009, 24 departments had not submitted the explanatory (ATN) notes in respect of 44 reviews and 214 paragraphs pertaining to the years 1999-2000 to 2007-08 (*Appendix-2.8*).

2.5.3 Follow up action on earlier Audit Reports

As per Manual of Instructions for settlement of paragraphs featured in the Audit Reports of the Comptroller and Auditor General of India, departments are required to furnish the Action Taken Notes (ATNs) to the PAC within two months from the date of recommendations made by the PAC in their report.

Review of the outstanding ATNs on paragraphs included in the earlier ARs of the Comptroller and Auditor General of India, for the Government of Bihar revealed that ATNs in respect of PAC reports pertaining to the period from November 2000 to November 2009, in respect of 368 paragraphs involving 30 Departments remained outstanding as of December 2009 (*Appendix-2.9*).

CHAPTER-III
INTEGRATED AUDIT OF GOVERNMENT DEPARTMENT

DISASTER MANAGEMENT DEPARTMENT

3 INTEGRATED AUDIT OF DISASTER MANAGEMENT DEPARTMENT

Highlights

The Disaster Management Department was created with the responsibility of planning, mitigation, preparedness, response, relief and rehabilitation to deal with any disaster. The role of the Central Government is supportive in terms of physical and financial resources. Provision of a Calamity Relief Fund was made by the Government of India for financial support to the State. An integrated audit of the Disaster Management Department disclosed weak financial management, non-utilisation of funds, lack of coordination, shortage of staff, absence of training for capacity building and lack of monitoring as highlighted below:

Disaster Management Plans were not prepared and there were delays in creation of Disaster Management Authorities.

(Paragraph 3.6.1)

Financial management was deficient, as reconciliation of the Calamity Relief Fund account had not been completed since 1995.

(Paragraph 3.7.1)

Funds of Rs 131.20 crore were drawn during 2006-09 without immediate requirement and retained till May 2009.

(Paragraph 3.7.2)

A total of 519 Abstract Contingent Bills for Rs 627.20 crore pertaining to the period 2006-09 were pending for settlement.

(Paragraph 3.7.4)

Absence of co-ordination between the Disaster Management Department and line departments led to inadequate flood control measures to protect from flood.

(Paragraph 3.9.1)

Inadequate embankment safety measures contributed to the Kosi disaster, which affected 33.29 lakh people.

(Paragraph 3.9.1)

Irregular payment of Rs 7.51 crore was made to ineligible persons under the Mukhya Mantri Awas Yojana.

(Paragraph 3.9.5)

Excess payment of Rs 5.37 crore was made under assistance for damaged houses.

(Paragraph 3.9.6)

Monitoring through proper co-ordination with line departments was not effective.

(Paragraph 3.11)

3.1 Introduction

Government of India (GOI) notified the Disaster Management Act (Act) in December 2005. Disaster management is a continuous and integrated process of planning, organising, conducting and implementing necessary measures to deal with an event of disaster. The State is prone to natural calamities like floods, earthquakes, droughts etc. Floods affected 11.57 lakh people of 14 districts in 2006-07, 244.42 lakh people of 22 districts in 2007-08 and 50.25 lakh people of 18 districts in 2008-09, causing substantial human and economic losses. In addition, 30 out of 38 districts of the State come under a high risk seismic zone while the southern part of Bihar is prone to droughts.

In pursuance of the national roadmap for disaster management the erstwhile Relief and Rehabilitation Department of the Government of Bihar was redesignated (March 2007) as the Disaster Management Department (DMD) with enhanced responsibilities. The DMD was to be responsible for prevention, preparedness, mitigation, response, relief and rehabilitation work in case of any disaster. It was required to plan and establish response and mitigation funds for taking measures to reduce the risk, impact and effects of disasters and develop an adequate monitoring and reporting system to keep a close watch over the execution of relief works. The DMD was also responsible for co-ordination with other line departments¹ of the State and GOI. These other line departments were required to mainstream disaster management Plans with their economic and social development Plans and allocate funds for implementing these Plans in their annual budgets.

Arrangements for meeting relief expenditure due to natural disasters were based on the recommendations of successive Finance Commissions. The main source for funding relief preparedness/operations was the Calamity Relief Fund (CRF) and the National Calamity Contingency Fund (NCCF). The CRF was for meeting immediate expenditure for relief to victims of disasters. The NCCF provided funds required by the State Government in excess of the balances available in its CRF.

3.2 Organisational set-up

The DMD is headed by a Principal Secretary and assisted by a Special Secretary, an Additional Commissioner and two Deputy Secretaries. The Principal Secretary also functions as a Member of the State Calamity Relief Fund Committee (SCRFC)².

At the field level, the responsibility for disaster management activities, preparedness and relief work is vested in the District Magistrates (DMs) and

¹ *Departments of Agriculture, Animal Husbandry, Building Construction, Energy, Health, Public Health Engineering, Road Construction, Rural Works and Water Resources, which play a supporting role in the management of disasters.*

² *A committee constituted on the recommendation of the Twelfth Finance Commission for operation and maintenance of Calamity relief fund, for the period 2005-10*

Additional District Magistrates (ADMs) and their subordinate offices at block/circle levels under the overall control of the DMD. The organisational chart of the department and details of disaster management authorities are given in **Appendices 3.1 and 3.2.**

3.3 Audit Objectives

The objectives of the integrated audit of the Disaster Management Department were to ascertain whether:

- the planning by the department was adequate;
- the budgetary controls were adequate to achieve the objectives of the department in an economic, efficient and effective manner;
- preparedness, prevention, mitigation, measures to deal with disasters are adequate and response ,relief/ rehabilitation works are effective;
- the manpower management was effective; and
- the monitoring was adequate and there was proper co-ordination among the departments, district authorities, line departments and concerned Ministries/Departments of the Government of India.

3.4 Audit Criteria

The integrated audit of the department was conducted with reference to the following audit criteria:

- the Disaster Management Act, 2005;
- the guidelines of the Twelfth Finance Commission regarding Calamity Relief Fund and the National Calamity Contingency Fund;
- the norms of gratuitous relief prescribed by the Ministry of Home Affairs, GOI;
- the guidelines of the Mukhya Mantri Awas Yojana; and
- the Bihar Public Works Account Code, the Bihar Financial Rules, the Bihar Treasury Code and the Bihar Budget Manual.

3.5 Audit Coverage and Methodology

An integrated audit to assess the functioning of the DMD for the period 2006-09 was conducted between May and August 2009 by scrutiny of records of the department and the concerned line departments at the Secretariat level, eight³ out of 38 districts, 41 works divisions⁴ in these districts and 27⁵ out of 124

³ Araria, East Champaran, Madhepura, Patna, Purnia, Saharsa, Sitamarhi and Supaul.

⁴ Flood Control Division- 11; Building Construction Division- 8; Road Construction Division- 7; Rural Works Division- 9 and Public Health Division- 6; Total- 41.

⁵ Araria (Forbisganj and Narpatganj), East Champaran (Bangaria, Ghorasahan, Motihari Sadar, Sangrampur, Sugali and Turkoliya), Madhepura (Murliganj and Singheshwar), Patna (Danapur, Fatua and Patna Sadar), Purnia (Aamour, Banmankhi and Baisi), Saharsa (Patarghat, Simri Bakthiyarpur and Sonbarsa), Sitamarhi (Bathnaha, Dumra,

blocks/circles. Out of the eight districts covered, five⁶ out of 22 districts had faced unprecedented floods in the year 2008 and two⁷ districts were highly earthquake prone. Patna, being the headquarters of the department and prone to earthquakes and floods, was also covered.

The audit objectives including audit criteria and methodology were discussed with the Special Secretary and Additional Commissioner of the DMD and the Chief Engineer (CE), Water Resources Department (WRD) in an entry conference held in July 2009. The audit findings were discussed with the Principal Secretary and Special Secretary of the department along with the Chief Engineer (Monitoring), WRD in an exit conference in December 2009. The views expressed by the department as well as their replies to the audit observations have been appropriately incorporated in the report.

3.6 Planning

3.6.1 *Non-preparation of Disaster Management Plans*

Disaster Management Plans were not prepared at the State level or at the test-checked districts level

The Disaster Management Act envisaged the preparation of Disaster Management Plans (DMP) at the State and district levels. The Plans were to consider the vulnerability of the State to various kinds of disaster, the measures to be adopted for prevention and mitigation of disasters, the manner in which the mitigation measures were to be integrated with the development Plans, capacity building, preparedness measures to be taken and the roles and responsibilities of the line departments in responding to any disaster.

Scrutiny of records revealed that DMPs were not prepared at the State level and in any of the test-checked districts during 2006-09.

3.6.2 *Delayed constitution of State and District Disaster Management Authorities*

The Act stipulated the constitution of a State Disaster Management Authority (SDMA) at the State level and a District Disaster Management Authority (DDMA) in each district. The SDMA was responsible for laying down policies and Plans for disaster management in the State. The DDMA's were to act as planning, co-ordinating and implementing bodies in the districts in accordance with the guidelines laid down by the National Disaster Management Authority and the State Disaster Management Authority.

Scrutiny of the records revealed that though the Act came into effect from December 2005, the department notified the constitution of the SDMA in

Pupri, Riga and Runnisaipur), Supaul (Pratapganj, Saraigarh Bhaptiyahi and Supaul Sadar).

⁶ *Araria, Madhepura, Purnia, Saharsa and Supaul.*

⁷ *East Champaran and Sitamarhi.*

November 2007 and the State Executive Committee (SEC)⁸ and the DDMA in June 2008. Although, the SDMA was constituted in November 2007, it conducted its first meeting in August 2008 nine months after its constitution. As a result, the State and district level DMPs were not prepared and mainstreaming of these Plans in other line departments was not ensured (November 2009).

The department stated (December 2009) that these facts would be brought to the notice of SDMA. The reply was silent on delayed constitution of the authorities and non-preparation of the DMPs.

3.7 Financial Management

The budgetary allocations of the department mainly focused on relief measures such as cash doles, foodgrain supplies, evacuation of people, repairs and restoration of damaged roads/bridges and agriculture input subsidies for damaged crops. The expenditure was met through the CRF in accordance with the recommendations of the Twelfth Finance Commission (TFC) for the period 2005-10. The contribution to CRF was to be shared between GOI and the State in the ratio of 75:25. In addition, the budgetary allocations also comprised funds for housing assistance under MMAY for flood-affected people of 22⁹ districts.

The Act envisaged that the State Government should, immediately after issue of notifications for constituting the SDMA and the DDMA, establish the following¹⁰ Funds:

- State Disaster Response Fund;
- State Disaster Mitigation Fund;
- District Disaster Response Fund;
- District Disaster Mitigation Fund.

All grants received from various sources were to be kept in these funds and were to be available to the SDMA, the State Executive Committee and the DDMA in order to facilitate immediate procurement of provisions or materials and application of resources for rescue or relief in the event of a disaster. These Funds were to be established to ensure the availability of funds at the local level.

Scrutiny revealed that these Funds had not been created either at the State level or at the district level (December 2009). The DMD stated (December 2009) that the Funds would be created by different line departments. The reply is not acceptable

⁸ State Executive Committee under the chairmanship the Chief Secretary of the State assists the State Disaster Management Authority in the performance of its function (Appendix- 3.2).

⁹ Phase-I: Araria, Begusarai, Darbhanga, Khagraia, Madhepura, Muzaffarpur, Samastipur, Sheohar, Sitamarhi, Supaul and West Champaran.
Phase-II: Bhagalpur, East Champaran, Gopalganj, Katihar, Madhubani, Nalanda, Patna, Purnia, Saharsa, Siwan and Vaishali.

¹⁰ Disaster Response Fund- Fund for meeting any threatening disaster situation or disaster, Disaster mitigation Fund- Fund for projects exclusively for the measures aimed at reducing the risk of a disaster.

Disaster Response and Disaster Mitigation Funds was not created as envisaged in the Act

as money was to be made available for disaster management only through the statutory Funds established by State/district authorities.

3.7.1 Budget allocation and expenditure

The budgetary allocations and expenditure of the department during 2006-09 including CRF and NCCF are given in **Table Nos. 1 and 2**.

Table No. 1
Budgetary allocation and Expenditure during 2006-09

(Rupees in crore)

Year	Budget Provision	Expenditure	(+) Excess/(-)Savings
2006-07	209.20	56.66	(-) 152.54
2007-08	2175.02	1220.11	(-) 954.91
2008-09	2951.59	1399.75	(-)1551.84
TOTAL	5335.81	2676.52	(-) 2659.29

(Source: Appropriation Accounts)

Table No. 2
Status of release and expenditure under CRF / NCCF

(Rupees in crore)

Year	Opening Balance	CRF Release		Interest	NCCF Release	Total	Expenditure	Closing Balance
		CS	SS					
2006-07	552.83	Nil	Nil	Nil	Nil	552.83	8.05	544.78
2007-08	544.78	289.08	96.36	6.26	Nil	936.48	436.30	500.18
2008-09	500.18	121.86	40.62	Nil	1000	1662.66	NIL ¹¹	1662.66
TOTAL		410.94	136.98	6.26	1000¹²		444.35	

(Source: Disaster Management Department)

Analysis of the figures in **Table Nos. 1 and 2** and scrutiny of the records in the department revealed the following:

Delayed credit of contributions to CRF

Four instalments of contribution amounting to Rs 310.98 crore¹³ to be credited to the States CRF pertaining to the years 2006-08 were credited on the last day of March 2008 against the norms of crediting the instalment on the first day of May and November in each financial year. The delayed credit of amounts to the CRF was attributed to late remittances of the GOI share due to delays in submission of utilisation certificates. The department, however, requested GOI (July 2007) to release further instalments from the CRF meant for 2006-08 even though utilisation certificates could not be sent as the State was reeling under floods.

¹¹ Expenditure was not approved by the CRF committee for the year 2008-09.

¹² GOI provided Rs 1000 crore in August 2008 under NCCF for flood relief in the Kosi region.

¹³ 2006-07: Rs 153.23 crore, 2007-08: Rs 157.75 crore

Diversion of funds

During 2008-09, Rs 15 lakh was diverted by the DM, Sitamarhi from the CRF to items not related to disasters, which was against the norms of CRF.

Discrepancy in opening balance of CRF

Closing balance of the Calamity Relief Fund at the end of 2004-05 was treated as State Plan Resources

As per the recommendations of the Eleventh Finance Commission, the accounts of the Fund and investments were to be maintained by the Accountant General (AG), Accounts and Entitlement (A&E) in the normal course. The State Calamity Relief Fund Committee (SCRFC) had to maintain subsidiary accounts in consultation with the AG. It was noticed that there was a discrepancy of Rs 405.06 crore in the figures of the department and the AG relating to the opening balance (2008-09) of the CRF as the State Government was treating the closing balance (Rs 478.37 crore) of the CRF at the end of 2004-05 as State Plan Resources citing Eleventh Finance Commission recommendations. However, as per a GOI directive (June 2009), the unspent balances under CRF (provided under the Eleventh Finance Commission period during 2000-05) were to be used for the CRF during the Twelfth Finance Commission period. The DMD stated (December 2009) that the matter had been taken up with GOI.

Non-reconciliation of expenditure

Calamity Relief Fund account was not reconciled since 1995

The account balance of the CRF since the Tenth Finance Commission (1995-2000) period to 2008-09 had, however, not been reconciled by the department with the books of the AG even though the AG had asked (August 2009) the DMD for submission of details in respect of the Central share and the State share under the CRF along with year-wise approvals of expenditure by the SCRFC for the above period. The DMD stated (December 2009) that partial reconciliation of the CRF from the year 2000 had been done and an exercise for debiting the expenditure to CRF from 1995-2000 had been started.

3.7.2 Drawal of funds without immediate requirement

An amount of Rs 131.20 crore were drawn without immediate requirement

Rule 300 of the Bihar Treasury Code provided that no money should be withdrawn from the treasury unless it is required for immediate payment. Scrutiny of records revealed that funds allotted to the test-checked districts were subsequently transfer to circles/blocks during 2006-09 as detailed in **Appendix 3.3**. However, it was noticed that in these districts Rs 81.43 crore (**Appendix 3.4**) relating to foodgrains, evacuation of people, agriculture input subsidies, restoration and repairs of damaged roads was drawn during 2006-09 without immediate requirement and retained till May 2009.

Further, DMs of four districts¹⁴ drew Rs 49.77 crore of MMAY funds in excess during 2007-09 of which, Rs 19.50 crore was retained upto May 2009 though the

¹⁴ Araria: Rs 0.03 crore, East Champaran: Rs 7.72 crore, Saharsa: Rs 5.12 crore and Sitamarhi: Rs 36.90 crore.

scheme had been closed in March 2009. The DM, Sitamarhi surrendered Rs 30.27 crore in March 2009.

The DMD stated (July 2009) that the amounts were drawn on the basis of the allotments received. The fact, however, remained that the amounts were drawn without immediate requirement.

3.7.3 Advances pending for adjustment

Rule 609 and 611 of Bihar Treasury Code envisaged that the advances made to different entities/ Government servants for departmental or allied purposes are to be adjusted by the end of the month following that in which the advance was drawn and before granting another advance to ensure that the money has been spent for the approved purposes. Unspent balances of advances are to be refunded immediately. However, advances given to Government officials, Panchayat Sewaks during 2006-09 for distribution of relief in the test-checked districts amounting to Rs 114.90 crore were lying unadjusted as of March 2009 (**Appendix 3.5**). No initiatives were taken by the Block Development Officers/Controlling Officers and the DMs concerned for adjustment of the advances, for which no reasons were on records.

The department stated (October 2009) that action for adjustment of the advances would be taken.

3.7.4 Non-adjustment of Abstract Contingent Bills

Detailed Contingent (DC) bills for money drawn on Abstract Contingent (AC) bills were to be submitted to the AG not later than the 25th of the next six months from the date of their drawal from the treasury, failing which no subsequent drawals on AC bills was permitted. Scrutiny of records revealed that 519 of AC bills for Rs 627.20 crore, pertaining to the period 2006-09 in the test-checked districts (**Appendix 3.6**) were pending for settlement by submission of DC bills to the AG.

3.7.5 Deficiencies in maintenance of accounts

- The Bihar Treasury Code provides that all monetary transactions should be entered in the cash book as soon as they occur and the head of the office should verify the cash balance in the cash book at the end of each month. It was observed that the cash book was not maintained in Sonbarsa circle (Saharsa) since August 2007 while transactions in the cash book of DDMA, Patna since February 2007 had not been verified (August 2009). The CO, Sonbarsa stated (August 2009) that the cash book was not maintained at Sonbarsa circle as the charge of the previous cash book had not been handed over, while the ADM, Patna stated (September 2009) that the cash book would be sent to the officer-in-charge for verification of the transactions in it.
- Further scrutiny of the records of the 27 test-checked circles/blocks revealed that bank reconciliation with cash books and advance registers had not been done since April 2006 till the date of audit (November 2009) in nine circles/blocks

Detailed Contingent bills of Rs 627.20 crore were not submitted to Accountant General

of four test-checked districts¹⁵ and cheque registers were not maintained since August 2007 till the date of audit. Hence, the actual status of funds as on March 2009 could not be ascertained. The respective circles/blocks stated (November 2009) that action would be taken for bank reconciliation.

3.7.6 Fraudulent Payment

In the circle office, Banmankhi in Purnia district, Rs 0.63 lakh was misappropriated by making payment of Rs 70348 from the CRF against a bill of Rs 7034.80 for purchase of petrol to run an army motor boat (September 2008).

The DMD stated (October 2009) that recovery of Rs 0.63 lakh had been made from the agency.

3.8 Programme Implementation

The DMD was responsible for taking measures to reduce the risk, impact and effects of disasters and ensure the effective execution of relief works. Scrutiny of records revealed the following:

3.8.1 Preparedness for management of disasters

Disaster preparedness activities like operation of control rooms; arrangements for foodgrains, polythene sheets, boats, medicines, mobile medical teams and veterinary camps; identification of places for relief camps with water supply etc. were taken up during 2006-09 by the department. WRD, one of the important line departments had established a Flood Management Information System Cell in March 2007 for better management, increasing the flood forecasting time from 24 hours to 72 hours, issuing daily flood bulletins during the monsoons and placing the information on the internet.

3.8.2 Programme to minimise the effects of earthquakes

As a part of the overall disaster management framework, the construction of buildings in seismic zones was to be done according to the code of the Bureau of Indian Standards. The Building Construction Department (BCD) was to constitute Hazard Safety Cells to impart training to engineers, architects, masons etc. for proper implementation of the building codes in the construction of Government buildings. Surveys of lifeline buildings like hospitals, schools, cinema halls, multi-storied buildings etc. were to be done for necessary retrofitting. It was, however, noticed that none of the above programmes were taken up by the BCD in any of the test-checked districts.

Hazard safety cells were not established.

Survey of lifeline buildings for necessary retrofitting was not done.

¹⁵ Araria (Narpatganj), East Champaran (Motihari and Sugauli), Madhepura (Kumarkhand, Murliganj and Nagar panchayat Murliganj), Saharsa (Mahesi, Salakhua and Sonbarsa).

The DMD stated (July 2009) that earthquake resistance technology had been adopted by the Bihar State Bridge Construction Corporation since 2006 and would be adopted in other departments in the near future.

3.8.3 *Establishment of Emergency Operational Centre*

The Emergency Operational Centre at Patna was not constructed and the same was not properly equipped.

As per the programme objective, a State level Emergency Operational Centre (EOC) and district level EOCs in all the 14 districts were to be constructed and equipped with communication facilities along with other tools and machineries e.g. searchlights, life boats, life jackets, first-aid kits etc. It was noticed that the State level EOC and district level EOCs in 13 districts (except at Patna) had been completed. However, the State level EOC was not equipped with the required facilities as of December 2009.

The department stated (December 2009) that the district level EOC at Patna would be completed and the State level EOC would be equipped at the earliest.

3.8.4 *Early warning system*

The DMD had formulated an advanced early warning system through satellite linked assessment/mobile phone support to disseminate information and had taken up (2009) a community preparedness programme to deal with disasters and minimise the loss of lives and property. It provided space to the National Disaster Response Force (NDRF¹⁶) (April 2009), which was equipped with boats and other resource materials for emergency response. The department also stated (December 2009) that land for the State Disaster Response Force (SDRF) had been identified at Bihta in Patna district.

3.8.5 *Community preparedness and training*

In order to minimise loss of life and property, it was essential that the task of community preparedness to deal with any disaster should be taken up on priority basis. It was, however, noticed that no awareness and preparedness campaign regarding floods, earthquakes etc. were taken up in any of the test-checked districts during 2006-09. Although the department had arranged for training on search, rescue and first-aid for 101 volunteers in 14 districts between June and July 2009, the fact remained that the number of volunteers trained were minimal in view of the fact that the State had been facing disasters like floods on a regular basis.

¹⁶ NDRF/SDRF were to be constituted under the Act, 2005 for the purposes of specialised response to a threatening disaster situation or a disaster and function under the direction and control of National Disaster Management Authority and State Disaster Management Authority respectively.

3.8.6 Protection of identified vulnerable sites

As the State had been facing floods regularly, the DMD was required to ensure flood control measures in flood-prone areas in co-ordination with the WRD. Accordingly, the WRD had fixed a time schedule for execution of anti-erosion works as per the flood calendar¹⁷ and had been issuing directions to its Chief Engineers to identify all vulnerable sites before June every year. Simultaneously, the DMD had also issued directives to conduct joint verifications of vulnerable sites with the engineers of WRD before 30 June every year.

The officials of the DMD and WRD had jointly identified 19 places during 2007-08 in East Champaran and 13 places (seven in 2007-08 and six in 2008-09) in Purnia district as sites vulnerable to floods and communicated¹⁸ this information to the WRD headquarters through the concerned DMs. However, WRD did not execute the works recommended by the DM, Purnia. It was further observed that WRD had itself identified (2007-08) 48 vulnerable sites in East Champaran and 11 (eight in 2007-08 and three in 2008-09) in Purnia. However, WRD could execute only seven works in East Champaran before the onset of the monsoon in 2007. Due to non-completion of identified works within the time schedule, vulnerable sites in East Champaran remained unattended to.

The WRD stated (December 2009) that all preventive measures were being taken every year but the works at the identified sites could not be executed due to unavoidable reasons.

3.9 Response to disasters

Rescue and relief operations like distribution of essential commodities like foodgrains, kerosene oil, matchboxes and candles and arranging for temporary shelters/camps, drinking water etc. are important activities in response to disasters. The DMD authorities were also required to provide for maintenance of essential services like power, telecommunications and roads as well as keeping adequate stocks of life-saving drugs by seeking support from the concerned line departments.

The operational management activities of the department indicated the following deficiencies:

3.9.1 Flood Management

As a part of the flood management framework, the WRD had to prepare long-term plans for flood control and ensure their implementation by construction of barrages, desiltation of rivers, inter-linking of rivers etc. Further, short term

¹⁷ Flood calendar issued by the WRD is time frame for execution of flood protection work in different rivers of the State.

¹⁸ In respect of East Champaran in June 2007 and in respect of Purnia in June 2007 and June 2008.

measures like construction of embankments, rising and strengthening of embankments, anti-erosion works etc. were also to be undertaken. Audit analysis disclosed that long term measures were planned but not implemented by the WRD during 2006-09. Despite conducting joint verification every year during May/June, the WRD did not complete all the identified works as discussed in the following paragraphs:

- ***Breach of embankment at Kusaha across river Kosi***

The Water Resources Department did not resolve the site problems at 12.90 km in Kusaha, Nepal August 2008.

The Kosi region of Bihar comprising the districts of Araria, Madhepura, Purnia, Saharsa and Supaul faced a massive flood disaster (August 2008) due to a breach in the Eastern Kosi Afflux Bundh (EAB) at 12.90 km in Kusaha, Nepal. The Second Irrigation Commission, 1994 had suggested measures¹⁹ to minimise the siltation process in the Kosi river as siltation in this river was heavier than any other river in India.

Further, the Sub-divisional officer, Saharsa Sadar in a letter to the DM, Saharsa (February 2008) had apprehended that River Kosi might suddenly change its course due to heavy siltation and revert to its old course i.e. through Purnia or Saharsa division after a breach in the upstream of Kosi barrage. The DM, Saharsa intimated this apprehension to the Principal Secretary, DMD (March 2008). Action taken by the department either in view of the measures suggested by the Second Irrigation Commission or on the report of the DM, Saharsa was not on record. Rather, the WRD relied on short term measures like construction of embankments, execution of anti-erosion works and other structural means. This resulted in continuous accumulation of silt in the adjacent areas around Kosi barrage, causing a gradual change in the river's course.

Before the floods of 2008, the department had also curtailed (February 2008) the flood protection proposals (***Appendix 3.7***) of the Eastern Kosi Embankment division, Kusaha and the Headworks division, Birpur.

The records further indicated that erosion had started at 12.90 km spur of EAB from 5 August 2008 and the breach occurred on 18 August 2008. During the above period, the WRD neither sorted out the problem related to the dispute of the labour contractor, hindering the flood protection works nor protected the embankments. Besides, there was lack of co-ordination with the Nepalese authorities as a meeting of the joint committee of the Kosi Project for smooth execution of flood protection works was held after a delay of three years in June 2009 and a meeting of the local district administration and the Nepalese authorities on safety arrangements of Kosi embankment was held in July 2009.

¹⁹ *The Second Irrigation Commission's recommendations, inter alia, included - (i) all low-lying zones in the old Kosi dhar which may be filled with silt should be identified through a detailed survey. Such identified low-lying pockets should be embanked to receive flood water at a higher level and connect the river with link channels passing through low-lying alignments with a regulator at its head located in the existing flood embankment on the main river; (ii) soil conservation measures should be implemented effectively for maintenance and enhancement of the ecological balance along with land productivity.*

Thus, by not considering the long term measures, curtailing proposals of short term measures and holding joint committee/local administration meetings after delays indicated that embankment safety measures were not properly attended to either by the DMD or by the WRD, the main line department. The deficiencies pointed out above contributed to the Kosi disaster which affected 33.29 lakh people.

The report of the technical committee was pending for the last 22 months.

The WRD stated (October 2009) that the audit observations would be clarified on receipt of the report of the enquiry commission set up (September 2008) by the Government to enquire into the facts of the Kosi breach.

The WRD further stated (December 2009) that the proposals for anti-erosion works on EAB before flood 2008 were curtailed by the Kosi High Level Committee (KHLC) and the recommendations of KHLC were a pre-requisite as the works in Nepal portion were funded by GOI. They also stated that the task of co-ordinating several activities concerning flood management in Nepal vested in the Ganga Flood Commission²⁰, Patna. As regards long term measures, the WRD further stated that a report of the technical committee set up (February 2008) by State Government with concurrence of GOI was under active consideration.

The reply of the DMD was not justifiable as the proposals of the field divisions reflecting ground realities were not considered seriously by KHLC and the WRD also did not consider the recommendations of the report of the technical committee even after a lapse of 22 months (February 2008 to December 2009).

- ***Breach of embankment across river Bagmati***

The work of reconstruction²¹, raising and strengthening the embankment of Bagmati river in Sitamarhi district was given to an agency in December 2005. The work was to be completed by June 2008. The agency had to execute protection works also as per the requirement of site conditions. However, the embankment of Bagmati river breached (August 2009) at Tilaktajpur. Scrutiny of records of the work executed at 54.5 km in the right embankment of Bagmati river at Tilaktajpur disclosed that the agency had executed the work of raising and strengthening of embankment in 60 metre length up to 80 *per cent* only, for which Rs 30.97 crore was paid (June 2009). The breach had, however, occurred in the length of 68 metre at the same place i.e. in and around 54.5 km. However, the department did not initiate suitable action despite the breaches in the embankments and shortcomings in observing the time schedule in execution of the works.

²⁰ *The committee of experts consisting, Chairman, Ganga Flood Control Commission as chairman, Director, Research Institute, Pune, Member (Flood), Central Water Commission, New Delhi, Engineer-in-Chief (North), Water Resources Department Bihar, Chief Engineer(CE), Darbhanga WRD, Chief Engineer (Research) WRD Khagaul, CE, Hydrology & Project Planning WRD Patna, Director Eastern Region, WRD, HMGN, Biratnagar, Deputy Director, Central Water Resources Department, HMGN, Kathmandu as members and CE, Birpur, WRD Patna as Member Secretary.*

²¹ *(1) left embankment from Runnisaidpur to Kalanjarghat- 54.88 km. (2) right embankment from Runnisaidpur to Kalanjarghat- 53.76 km.*

The WRD accepted (October 2009) the fact and stated that the average progress of work was upto 85 per cent only.

There was lack of co-ordination between Disaster Management Department and Water Resources Department.

The above facts indicated that flood control measures taken by the WRD were not adequate and 65.61 lakh people were affected by the floods during 2007 and 2008 with a total loss of Rs 260.56 crore²². Records furnished to Audit also did not indicate that the DMD had taken any initiative/co-ordinated for timely completion of the works at identified vulnerable sites. Thus, there was lack of co-ordination between the DMD and WRD.

3.9.2 Management of relief camps

During the Kosi floods of 2008, 329 relief camps were established in the districts of Kosi region under the guidelines (September 2008) of the department. The guidelines, *inter alia*, provided for norms of food distribution to each person and maintenance of daily registration registers for enrolment of flood victims in the relief camps. Although the establishment of camps served the purpose and provided immediate shelter to flood victims in general, the management of the relief camps was not as per the guidelines of the department.

- In two relief camps²³ in Supaul and Purnia districts, expenditure of Rs 57.79 lakh was incurred on food expenses, clothes, utensils etc. without entering the names and addresses of 3.35 lakh flood victims in the daily registration register during September-October 2008 and August-October 2008 respectively. In the absence of daily registration registers the authenticity of the reports on flood victims furnished by the district administrations was doubtful. The department stated (December 2009) that compliance would be made after receiving the views of the concerned District Magistrates.

- The DMD decided (September 2008) to provide sanitary napkins to women in relief camps in five districts²⁴ and instructed the Welfare Department to provide sanitary napkins in the relief camps. Accordingly, the Women Development Corporation under the Welfare Department intimated (October 2008) the concerned DMs that sanitary napkins would be provided within next three months in a phased manner. However, out of 2.73 lakh packets of sanitary napkins costing Rs 42.37 lakh, 2.48 lakh packets valuing Rs 38.49 lakh were supplied (November to December 2008) to the respective Civil Surgeon-cum-Chief Medical Officers (CS-cum-CMOs) after the camps were closed. Further, out of 1.15 lakh packets available with the CS-cum-CMOs of Madhepura and Saharsha, 80710 packets of sanitary napkins valuing Rs 12.51 lakh²⁵ were issued to Primary Health Centres (December to March 2009). The respective CS-cum-CMO accepted (August 2009) the audit observations. Thus, failure to ensure

²² East Champaran (People-37.08 lakh; Loss- Rs 131.00 crore), Purnia (People-0.14 lakh; Loss-Rs 0.07 crore), Sitamarhi (People- 28.39 lakh; Loss-129.49 crore).

²³ BSS College (Supaul): Rs 14.77 lakh; flood victims: 1.15 lakh and Moranga (Purnia): Rs 43.02 lakh; flood victims: 2.20 lakh.

²⁴ Araria, Madhepura, Purnia, Sitamarhi and Supaul.

²⁵ Madhepura: Rs 6.16 lakh, Saharsa: Rs 6.35 lakh.

timely supply of napkins led to avoidable expenditure of Rs 38.49 lakh and non-achieving of the intended objectives.

3.9.3 Restoration of road connectivity

As per CRF norms, the DMD was responsible for ensuring restoration of the connectivity of roads damaged during any disaster within 30 to 45 days. The department provided (June 2008 to March 2009) funds to the Road Construction Department (RCD) for restoration of road connectivity. It was noticed in two divisions²⁶ that the roads damaged (August 2008) during the Kosi disaster could be restored between January and March 2009 after incurring expenditure of Rs 11.79 crore due to delay in release of funds by RCD and in the tendering process (November 2008 to March 2009).

Thus, lack of monitoring by the department of the funds allotted to the line departments delayed the restoration of road connectivity in the affected areas.

3.9.4 Unfruitful expenditure on semi-permanent shelters

As decided (August 2008) by the DMD, semi-permanent shelters for flood victims of the Kosi region²⁷ were to be constructed through the Building Construction Department (BCD). The shelters were to be completed within one month from the date of issue of the work orders. The BCD had decided to construct 159 shelters. The construction was started (September 2008) for 92 shelters in three²⁸ districts by the concerned divisions of the BCD. Scrutiny of records revealed that 35 out of 92 shelters remained incomplete (August 2009). The remaining 57 shelters were completed after the flood period was over and the camps had been closed. Thus, the desired objective of providing shelter to flood victims was not achieved and expenditure of Rs 1.64 crore proved infructuous.

3.9.5 Implementation of Mukhya Mantri Awas Yojana

The State Government launched the Mukhya Mantri Awas Yojana (MMAY) to rehabilitate the people of 22 districts affected in floods during 2007 by providing *pucca* houses to those people whose *kutchha* houses and hutments²⁹ had been fully damaged. The scheme was to be completed by March 2009.

The guidelines of the scheme provided the norms for identification of beneficiaries included preparation of lists of beneficiaries consisting names of beneficiaries, father's/ husband's names, age, permanent addresses, surroundings of land and status of *kutchha* houses/hutments with dates of damage of houses. This was to be done by adopting house to house surveys and digital photography with date and finalisation of list of beneficiaries by the DM concerned up to 14 March 2008.

²⁶ RCD, Saharsa: Rs 8.97 crore, and RCD, Supaul: Rs 2.82 crore.

²⁷ Araria, Madhepura, Purnia, Saharsa, Supaul.

²⁸ Purnia-18, Saharsa-24 and Supaul- 50.

²⁹ Katcha houses are made of with bricks and mud whereas hutments are made of with bamboo and straw.

Funds were allotted to the concerned DMs by the department on the basis of the number of beneficiaries identified under the scheme with instructions to intimate the progress and submit utilisation certificates. However, only 1.51 lakh beneficiaries were provided Rs 363.19 crore during 2007-09 against 4.64 lakh selected beneficiaries and allotment of Rs 1070.83 crore. Of this, only 11249 (seven *per cent*) houses were completed as of August 2009.

Further scrutiny in the test-checked districts revealed the following:

Ineligible persons were paid Rs 7.51 crore

- The norms of selection under the scheme were not adhered to by the concerned DMs in the selection of 3131 out of 11257 selected beneficiaries (**Appendix 3.8**) in 20 blocks of the six test-checked districts³⁰. The norms which were not adhered to along with the number of beneficiaries selected beyond the norms are given in **Appendix 3.9**. Thus, the payment of Rs 7.51 crore was made to irregularly selected beneficiaries. The department stated (December 2009) that compliance would be made after obtaining the views of the DMs concerned.
- In Motihari Sadar circle, 138 out of 651 selected beneficiaries were deprived of assistance due to non-availability of digital photographs. Further, 93 beneficiaries were not benefited for want of cross-verification in respect of availing benefits by them under any other housing assistance programme. The funds for this purpose were surrendered in March 2009. Thus, the selected beneficiaries were deprived of assistance amounting to Rs 0.58 crore for construction of *pucca* houses.
- Against the target date of June 2008 for completion of the houses, in 74 blocks under eight districts, Rs 120.38 crore was distributed (April 2008 to March 2009) to 50025 selected beneficiaries to construct *pucca* houses during 2008-09 (**Appendix 3.10**). Out of that, only 6534 houses (13 *per cent*) were fully constructed (July 2009). In the Purnia, Sitamarhi and Supaul districts, no houses were completed as of June 2009. The department stated (July 2009) that suitable steps would be taken.

3.9.6 Excess payment of assistance for damaged houses

There was excess payment of Rs 3.71 crore towards assistance for damaged houses.

- In two circles of Saharsa district, 4642 hutments, fully damaged during the floods 2008, were surveyed in January 2009 and categorised for providing assistance at the rate of Rs 2,000 as per CRF norms but the category of these hutments was changed by the order (May 2009) of the DM as fully damaged '*kutchha*' houses for which assistance was payable at the rate of Rs 10,000. This resulted in excess payment of Rs 3.71 crore³¹. The CO concerned stated (August 2009) that it was done as per the instructions on video-conference held by the Principal Secretary DMD in January 2009.

³⁰ East Champaran, Madhepura, Patna, Purnia, Saharsa and Supaul

³¹ Simri Bakhtiyarpur (Rs 0.16 crore; Damaged hut-206), Sonbarsa (Rs 3.55 Crore; damaged hut 4436).

- In Sonbarsa block, payments for 1633 partially damaged *kutchha* houses and 111 partially damaged *pucca* houses were made at the rate of Rs 10,000 per house instead of Rs 1,500 and payments for 224 damage huts were made at the rate of Rs 10,000 instead of Rs 2,000 each against the CRF norms, which resulted in excess payment of Rs 1.66 crore. The department stated (December 2009) that the matter would be verified from the DMs concerned.

3.9.7 Irregular and excess payment of Agriculture Input Subsidy

In Ghorasahan block (East Champaran), the reported damaged crop area was 1426.40 hectare, but agriculture input subsidy³² amounting to Rs 67.81 lakh was distributed for 2178.64 hectares to 5368 beneficiaries. Thus, Rs 10.75 lakh³³ was paid in excess.

3.10 Human Resources Management

The overall performance of a department depends on the availability of adequate manpower.

Human Resources management of the department was deficient.

Scrutiny of records in DMD's headquarters revealed that the charge of apex level officers (Principal Secretary, Special Secretary, Additional Commissioner) of the department were held by the officials of other departments as additional charges. The offices of the department at the district level were being managed by skeleton staff in the districts of Darbhanga, Patna, Saharsa and Sitamarhi where 44 out of 106 and 29 out of 129 posts including posts of ADM (Relief) were vacant during 2007-08 and 2008-09 respectively (*Appendix 3.11*). In the rest of the districts, the department's activities were being managed by staff from other departments.

The department stated (November 2009) that a proposal for creating posts of ADM (Disaster Management) in 18 districts³⁴ was under consideration. It was also stated that there was a scarcity of officers and staff in the department headquarters which affected the running of the State control room and monitoring in the event of a disaster. This indicated that adequate attention to the staffing arrangements at the headquarters level as well as the district level was not being paid.

3.11 Monitoring

As per the Act, the responsibility for disaster management and monitoring of such activities at the State level was vested with the SDMA and at the district level with the DDMA. Since the department was the nodal department for disaster management in the State, it was important for it to ensure monitoring of the

³² Subsidy provided to farmers for damage of more than 50 per cent crops due to flood.

³³ Rs 67.81 lakh – Rs 57.06 lakh for 1426.40 hectare at the rate of Rs 4000 = Rs 10.75 lakh.

³⁴ Araria, Begusarai, East Champaran, Gopalganj, Katihar, Kishanganj, Madhepura, Madhubani, Munger, Muzaffarpur, Purnia, Samastipur, Saran, Sheohar, Siwan, Supaul, Vaishali and West Champaran.

implementation of Action Plans and policies decided at the State level. The district and block level monitoring committees under the DMs and BDOs/COs (*Appendix 3.12*) respectively were responsible for monitoring at the block/circle level.

It was found that monitoring by the department to ensure proper co-ordination with line departments and the concerned DMs was not effective.

The department stated (December 2009) that beneficiaries were given adequate relief and relief camps functioned in exemplary way during flood 2008.

3.12 Conclusion

As the State had been facing natural calamities regularly, the department was required to take urgent steps like preparation of the State Disaster Management Plan. The State Disaster Management Authority which was mandated to give overall guidance and monitoring of disaster management in the State had not been setup. The efforts of the department to ensure co-ordination with the line departments were also inadequate. The District Disaster Management Authorities, though created, were still to be fully functional as indicated from the non-preparation of District Management Plans.

The implementation of the GOI-UNDP sponsored Disaster Risk Management Programme displayed slow progress. Although the department had been able to provide rescue and relief to flood victims, the management of relief camps, distribution of relief materials and immediate restoration of services/roads etc. required further improvement. Acute shortage of manpower also affected the functioning and achievement of objectives of the department.

Thus, the objectives of initiating and activating its nodal responsibilities in prevention, mitigation and preparedness efforts were not entirely achieved by the department.

Recommendations

- The Disaster Response Fund and Disaster Mitigation Fund should be set up immediately.
- The Community preparedness programme should be taken up effectively on a large scale so that vulnerable communities are prepared for eventualities in cases of disasters.
- The department should evolve close co-ordination with line departments to ensure preparedness, timely relief, rehabilitation and reconstruction.
- For better disaster management, adequate and well-trained manpower should be ensured.

- The monitoring system should be strengthened by holding periodical meetings of State Disaster Management Authority/District Disaster Management Authorities and by reviewing the implementation of Disaster Management Plans.

Patna
The

(PREMAN DINARAJ)
ACCOUNTANT GENERAL (AUDIT), BIHAR

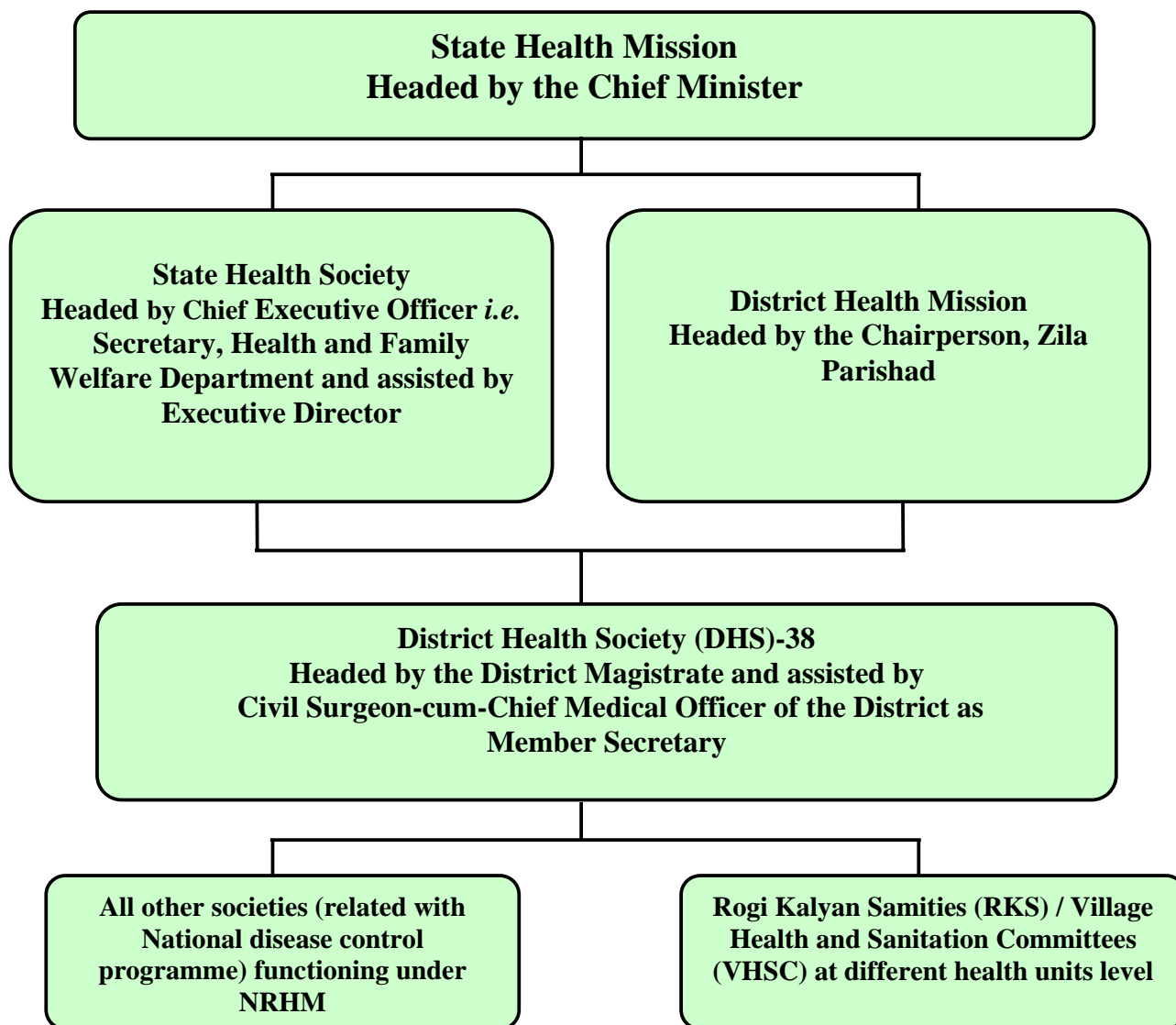
Countersigned

New Delhi
The

(VINOD RAI)
COMPTROLLER AND AUDITOR GENERAL OF INDIA

APPENDIX – 1.1.1
(Refer: Paragraph 1.1.2; Page -2)

Organisational set-up for implementation of NRHM



Health Units

**Referral Hospitals (RHs),
 Primary Health Centres (PHCs)
 and Health Sub Centres (HSCs)**

APPENDIX – 1.1.2
(Refer: Paragraph 1.1.7; Page - 5)

Statement of funds proposed/approved under PIP and grants released by GOI

(Rupees in crore)

Year	Amount Proposed in PIP	Amount approved in PIP	Grants received by SHS		Remarks
			as per Financial statement	On the basis of release orders of GOI	
2005-06	NA	NA	129.81	163.94	Due to improper classification of year wise funds which includes the grants of Rs 22.99 crore pertaining to the period 2004-05, booked in 2005-06 and funds pertaining to the period 2005-06 were further booked in 2006-07 and so on, resulted in difference of amount calculated as per the release orders of grants from GOI.
2006-07	178.94	146.62	341.26	303.65	
2007-08	849.25	1005.45 ¹	247.45	226.81	
2008-09	813.86	853.35	645.10	645.10	
Total	1842.05	2005.42	1363.62	1339.50	

¹ PIP approved amount includes the unspent balance (Rs 293.03 crore) of available funds at the end of financial year 2006-07 under RCH and Mission Flexible Pool and Rs 712.42 crore were approved for 2007-08 activities under NRHM.

APPENDIX-1.1.3
(Refer: Paragraph 1.1.7; Page-6)

Statement showing savings under Disease Control Programmes

(Rupees in lakh)

Year	Heads	National Vector Borne Disease Control Programme	National TB Control Programme	National Leprosy Eradication Programme	National Programme for Control of Blindness**	Integrated Disease Surveillance Programme
2005-06	Opening Balance	0.65	376.88	404.10*	18.96	0
	Grant-in-aid received	553.49	396.39	0	100.75	0
	Total Expenditure/ Expenditure at SHS level	376.77/56.10	433.20/28.93	136.82/50.62	93.34/0.67	0
	Closing Balance (percentage savings)	177.37 (32)	340.07 (44)	267.28 (66)	26.37 (22)	0
2006-07	Opening Balance	177.37	340.07	272.33*	26.37	0
	Grant-in-aid received	473.87	479.26	39.16	421.41	0
	Total Expenditure/ Expenditure at SHS level	298.99/36.99	528.85/20.67	51.67/5.40	298.21/7.71	0
	Closing Balance (percentage savings)	352.25 (54)	290.48 (35)	259.82	149.57 (33)	0
2007-08	Opening Balance	352.25	290.48	268.30*	149.57	0
	Grant-in-aid received	469.49	655.00	0	85.00	125.00
	Total Expenditure/ Expenditure at SHS level	529.13/24.36	756.23/48.58	157.47/0.75	139.52/7.12	54.60/54.60
	Closing Balance (percentage savings)	292.61 (36)	189.25 (20)	110.83 (41)	95.05 (41)	70.40 (56)
2008-09	Opening Balance	292.61	189.25	110.83	95.05	70.40
	Grant-in-aid received	0	770.37	0	473.51	0
	Total Expenditure/ Expenditure at SHS level	206.55/2.55	690.09/3.67	12.77/0	152.73/1.32	0
Grand total during 2005-09	Grant-in-aid received including opening balance of 1.04.2005	1497.50	2677.90	456.79 ²	1099.63	125.00
	Total expenditure/ Expenditure at SHS level	1411.44/120	2408.37/101.85	358.73	683.80/16.82	54.60/54.60
	Closing Balance (percentage savings)	86.06 (30)	269.53 (28)	98.06 (88)	415.83 (73)	70.40 (100)

* Including interest earned in respective year.

** Including released and spent amount for Medical College.

² Including interest.

APPENDIX-1.1.4
(Refer: Paragraph 1.1.7.1; Page - 7)

Statement showing different opening balances

(Rupees in crore)

Opening balance	Amount as on 1 April 2005
As per SOE	47.66
As per Bank account	43.78
As per financial statement (August 2008)	52.67
As per the reply (December 2008) of the SHS	43.69

APPENDIX-1.1.5
(Refer: Paragraph 1.1.7.1; Page -7)

Statement showing incorrect SOEs issued to GOI by State Health Society

(Rupees in crore)

Period of quarter ending	Closing balance	Period of succeeding quarter	Opening balance	Difference
April - September 2005	105.67	October - December 2005	81.03	(-) 24.64
April - June 2006	143.88	July - September 2006	103.21	(-) 40.67
July - September 2006	196.87	October - December 2006	215.70	(+) 18.83
Total				(-) 46.48

APPENDIX-1.1.6
(Refer: Paragraph 1.1.7.1; Page - 7)

Discrepancies in the Statements of Expenditure submitted by the State Health Society

Heads	As per the SHS (December 2008)	As per the SHS (August 2008)	Remarks
<i>(Rupees in crore)</i>			
Opening balance as on 1.04.2005	43.69	43.78	AS per the Bank statements.
Grants from GOI and GOB	939.00	939.00	-
Interest	23.25	23.25	-
Other receipt	4.41	4.41	-
Total (a)	1010.35	1010.44	-
Expenditure at SHS and release of advances	890.96	859.40	Supportive records not furnished.
Refund to GOI	11.21	11.21	
Total (b)	902.17	870.61	
Balance (a-b) as on 31.3.2008	108.18	139.83	<i>As per Bank statements there was closing balance of Rs 116.22 crore as on 31.03.2008.</i>

APPENDIX-1.1.7
(Refer: Paragraph 1.1.7.2; Page - 8)

Statement showing loss of interest due to delayed transfer of funds

(Rupees in lakh)

Sl. No.	Name of bank/ account number	Audit observations	Loss of interest ³	Remarks
1	Canara Bank Account No. 21177	The account was opened with depositing Rs 10.34 crore (GIA- Untied Fund for HSCs) on 3.5.2006, thereafter the total sum was transferred (16.2.2007) to SBI, Ashiana Nagar Account No. 30043952661 and further it was transferred in Allahabad Bank Account No. 105965 on 20.4.2007.	6.03	The unnecessary transfer of funds in mid of the month resulted in loss of interest for two months.
2	PNB Account No. 13712	Rs 105.18 crore was transferred on 18.4.2007 to two Allahabad Bank accounts (No. 105964 and 105965)	30.68	The transfer of fund was resulted into loss of interest for one month.
3	Allahabad Bank Account No. 105965	Rs 158 crore was transferred (25.7.2007) from the account to SBI A/c No. 30210746398 and further it was transferred (28.7.2007) to SBI A/c No. 30210763380.	46.08	The unnecessary transfer of funds in mid of the month resulted in loss of interest for one month.
4	Allahabad Bank Account No.105966	Rs 10 crore was transferred (25.7.2007) from the account to SBI A/c No. 30210746398 and further the amount was transferred (30.7.2007) to the SBI account No. 30210763380.	2.92	Resulted in loss of interest for one month.
	Total		85.71	

³

At the rate of 3.5 per cent per annum

APPENDIX-1.1.8
(Refer: Paragraph 1.1.7.3; Page - 8)

Non-execution of basic activities of NRHM in State
(Rupees in Lakh)

Sl No.	Name of the activity/month in which the fund received	Amount received by the SHS	Expenditure up to March 2008
1	Upgradation of CHCs in FRUs (October 2005 and April 2006)	3080.00	Nil
2	MNGO scheme (May 2006)	472.50	Nil
3	IEC (February 2007)	22.20	Nil
4	Untied Fund for PHCs (April 2007)	412.00	Nil
5	Constitution of VHSCs (April 2007)	1000.00	Nil
6	Upgradation of District Hospitals (April 2007)	500.00	Nil
7	Annual Maintenance Grant of PHCs (April 2007)	824.00	Nil
	Total	6310.7	
8	Japanese Encephalitis	89.66	2.51
9	Training of Doctors (Anesthetic skills and emergency obstetric cases) March 2006	22.80	0.16
10	Health Mela in constituency (April 2005 and October 2006)	640.00	39.00
11	Untied Fund for Health Sub-Centres (April 2005 and May 2006)	2067.00	148.27
12	Prescription slip and other stationeries (May 2005)	40.36	10.28 (as per SOE September 2006, thereafter the activities was not mentioned)
13	Preparation of District Action Plan (May 2005 and April 2006)	380.00	51.00
14	Procurement of ASHA Kits and other medical kits (April 2006)	1843.00	100.17
15	Routine Immunization (2005-08)	4428.85	2461.87
	Total	22133.07	2813.26
	Grand Total	15822.37	2813.26

APPENDIX– 1.1.9
(Refer: Paragraph 1.1.7.5; Page - 9)

Statement of fraudulent payments under Janani Suraksha Yojana

(Rupees in lakh)

Name of district	Name of PHC	No of cases having double to four time payment	Total payment under JSY (2005-09)	Fraudulent payment
Kishanganj	Pothia	22	121.85	0.35
Bhagalpur	Sahkund	24	117.16	0.58
	Sanhaulla	11	90.58	0.24
	Nathnagar	06	99.55	0.12
	Bihpur	01	37.19	0.02
	Gopalpur	10	120.34	0.20
Nalanda	Asthawan	204	43.69	4.84
Gopalganj	Baikunthpur	03	90.47	0.04
East Champaran	Areraj	10	40.95	0.17
	Paharpur	01	12.86	0.01
	Harshiddhi	01	31.16	0.01
	Ghorashan	01	68.50	0.02
	Dhaka	03	13.17	0.05
	Kalyanpur	01	29.53	0.01
Total		298	917.00	6.66

APPENDIX-1.1.10
(Refer: Paragraph 1.1.8.2; Page - 12)

Status of infrastructure in health units in selected districts

Sl. No.	Particulars	No. of HSCs	No. of APHCs	No. of PHCs	No. of RHs
	Records of Health centres checked by Audit	2682	323	122	20
1	Building was not available	1837	221	16	Nil
2	Building was in a dilapidated condition	445	66	17	9
3	OPD rooms/cubicles were not available	NA	323	38	Nil
4	Separate utilities for men and women were not available	NA	323	122	16
5	Operation theatre/minor operation theatre were not available (where applicable)	NA	323	60	02
6	Outdoor facility for patient was not available	NA	134	27	3
7	Indoor facility for patient was not available	NA	323	34	3
8	Labour room was not available (where applicable)	NA	323	38	3
9	Labour room was available but not functional (where applicable)	Nil	Nil	10	3
10	Separate ward for male and female patients were not available/ non-functional (where applicable)	NA	323	122	20
11	No provision of water supply	2682	310	16	1
12	No provision for storage of water	2682	323	95	9
13	Waiting rooms for patients and Doctors were not available/not in good condition	NA	323	122	Nil
14	Accommodation facilities for Doctors were not available	NA	323	55	5
15	Accommodation facilities for staff were not available	NA	323	34	2
16	No accommodation facilities for attendants of admitted patients	NA	323	122	20
17	No standby power supply/generator	NA	233	17	3
18	No electricity connection/ power supply	2682	323	38	2
19	No facility of medical waste disposal	2682	323	122	20
20	Percentage of beds not available in the health units against sanction	NA	100	28	53
21	Citizen's Charter was not displayed prominently in local language	2682	323	122	17
22	Cleanliness was poor	1731	297	86	14
23	Suggestion/complaint box was not kept prominently	2682	323	122	17

(Source : Selected DHS and Health units, NA-Not applicable)

APPENDIX-1.1.11
(Refer: Paragraph 1.1.8.3; Page - 13)

Statement of vacancy position of health care personnel in test-checked districts

Sl. No.	Name of District	Specialist doctor in RHs		Medical Officers in PHCs/APHCs		Staff Nurse		ANM		LHV		MHW	
		S	A	S	A	S	A	S	A	S	A	S	A
1	Bhagalpur	8	0	115	75	18	8	768	351	31	7	34	32
2	Bhojpur	8	2	90	61	18	1	758	456	24	15	106	42
3	Darbhanga	8	4	111	66	18	0	718	307	25	16	131	96
4	East Champaran	12	3	154	62	27	1	904	401	43	14	48	28
5	Gopalganj	12	2	86	65	27	2	516	230	21	7	30	3
6	Kishanganj	8	0	39	26	18	3	336	125	31	15	64	27
7	Muzaffarpur	4	2	128	92	9	2	1174	680	28	14	140	82
8	Nalanda	12	2	102	62	27	10	782	474	35	22	36	21
9	Samastipur	4	1	140	100	9	4	960	607	42	17	29	18
10	Sheikhpura	4	0	47	21	9	1	228	146	15	6	18	4
	Total	80	16 (20)	1012	630 (62)	180	32 (18)	7144	3777 (53)	295	133 (45)	636	353 (56)

(Source : Test-checked DHS and health units)

(Figures in bracket represent percentage of vacant post to sanctioned post)

S : Sanctioned post

A : Available man power

APPENDIX-1.1.12
(Refer: Paragraph 1.1.10; Page- 17)

Statement showing excess expenditure incurred on purchase of medicines

(Rupees in lakh)

Name of Districts	No. of medicines purchased at higher rates	Amount admissible as per SHS rate contract	Amount paid by Districts	Excess expenditure
Gopalganj	52	46.16	116.75	70.59
East Champaran	05	0.98	1.53	0.55
Bhagalpur	30	42.27	99.01	56.74
Darbhanga	02	0.76	1.50	0.74
Purnia	61	38.79	79.96	41.17
Total	150	128.96	298.75	169.79

APPENDIX– 1.1.13
(Refer: Paragraph 1.1.13; Page - 23)

Statement showing villages covered for spray of DDT in test-checked districts

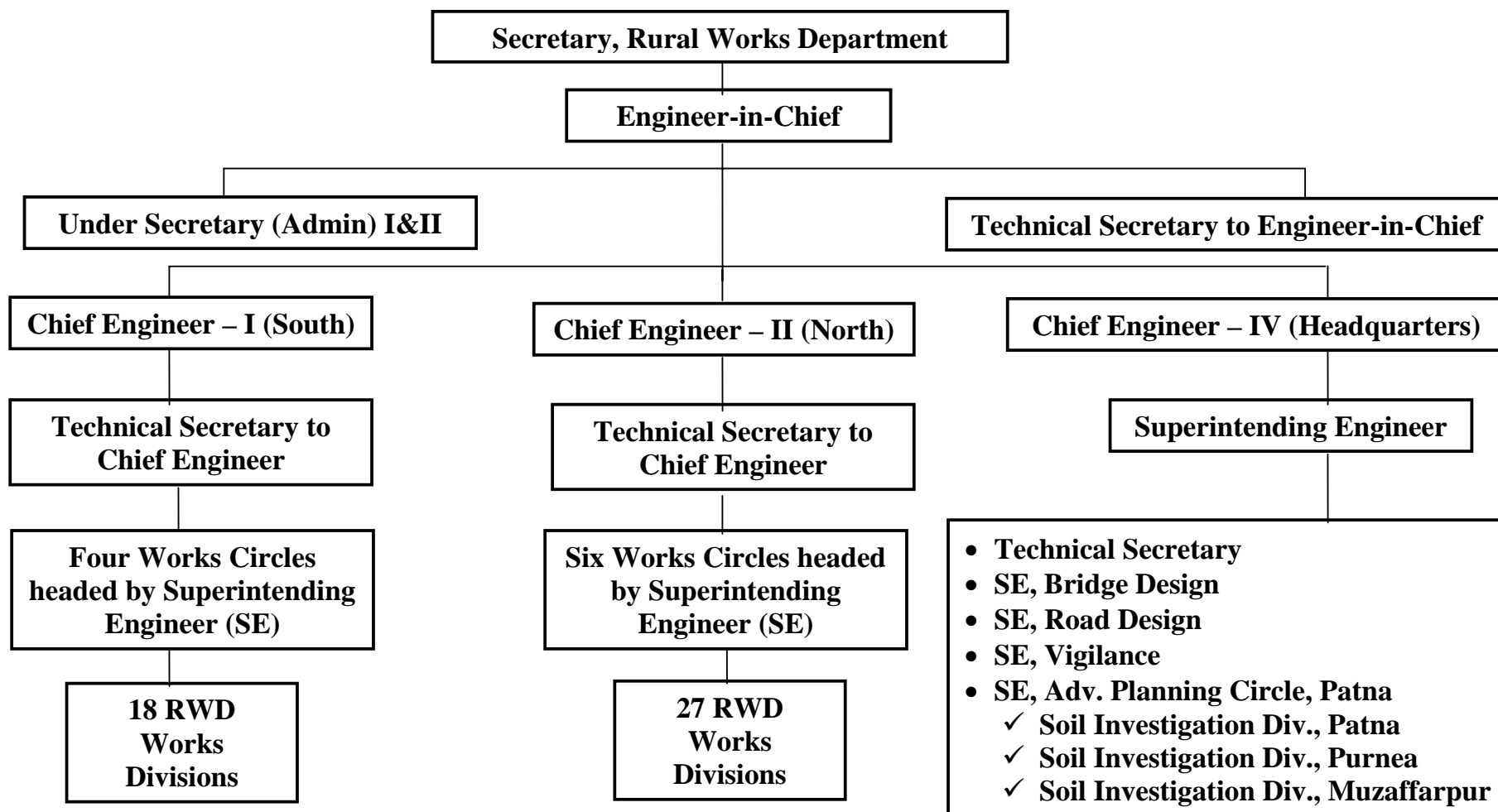
Name of the district	Year	No. of Municipal Bodies	No. of Municipal Bodies where spray was done		Frequency of spray during the year		No. of villages	No. of villages where spray was done		Frequency of spray during the year.	
			DDT	Anti-larvae solution	DDT	Anti-larvae solution		DDT	Anti-larvae solution	DDT	Anti-larvae solution
Bhojpur	2005-06	4	4	0	1	0	1244	220	0	1	0
	2006-07	4	4	0	1	0	1244	1244	0	1	0
	2007-08	4	1	0	1	0	1244	4	0	1	0
	2008-09	4	0	0	0	0	1244	28	0	01	0
Samastipur	2005-06	3	3	1	1	52	1247	804	16	1	52
	2006-07	3	3	1	1	52	1247	747	16	1	52
	2007-08	3	3	1	2	52	1247	1221	16	2	52
	2008-09	3	0	0	0	0	1247	0	0	0	0
East Champaran	2005-06	5	1	0	1	0	1716	374	0	1	0
	2006-07	5	3	0	2	0	1716	169	0	2	0
	2007-08	5	1	0	2	0	1716	22	0	2	0
	2008-09	5	0	0	0	0	1716	0	0	0	0
Kishanganj	2005-06	3	0	0	0	0	730	0	0	0	0
	2006-07	3	3	0	1	0	730	397	0	1	0
	2007-08	3	3	0	1	0	730	408	0	1	0
	2008-09	3	0	0	0	0	730	64	0	01	0
Nalanda	2005-06	3	3	0	1	0	142	142	0	1	0
	2006-07	3	3	0	1	0	159	159	0	1	0
	2007-08	3	3	0	1	0	1620	1620	0	1	0
	2008-09	3	0	0	0	0	1620	37	0	01	0
Sheikhpura	2005-06	2	0	0	0	0	268	0	0	0	0
	2006-07	2	0	0	0	0	268	0	0	0	0
	2007-08	2	0	0	0	0	268	0	0	0	0
	2008-09	2	0	0	0	0	268	0	0	0	0
Muzaffarpur	2005-06	38	7	0	1	0	1851	362	0	1	0
	2006-07	38	36	0	1	0	1851	518	0	1	0
	2007-08	42	34	0	1	0	1851	1813	0	1	0
	2008-09	42	0	0	0	0	1851	0	0	0	0
Gopalganj	2005-06	10	6	0	2	0	1499	831	0	2	0
	2006-07	10	10	0	2	0	1499	1499	0	2	0
	2007-08	10	8	0	2	0	1499	100	0	2	0

Name of the district	Year	No. of Municipal Bodies	No. of Municipal Bodies where spray was done		Frequency of spray during the year		No. of villages	No. of villages where spray was done		Frequency of spray during the year.	
			DDT	Anti-larvae solution	DDT	Anti-larvae solution		DDT	Anti-larvae solution	DDT	Anti-larvae solution
	2008-09	10	0	0	0	0	1499	119	0	01	0
Darbhanga	2005-06	0	1	0	1	0	1269	201	0	1	0
	2006-07	0	2	0	1	0	1269	138	0	1	0
	2007-08	37	17	0	1	0	1547	1153	0	1	0
	2008-09	37	0	0	0	0	1547	70	0	01	0
Bhagalpur	2005-06	4	1	0	1	0	442	442	0	1	0
	2006-07	4	3	0	1	0	780	780	0	1	0
	2007-08	4	4	0	1	0	1929	1744	0	1	0
	2008-09	4	0	0	0	0	1929	77	0	01	0
Total	2005-06	72	26	1			10408	3376	16		
	2006-07	72	67	1			10763	5651	16		
	2007-08	113	74	1			13651	8085	16		
	2008-09	113	0	0			13651	395	0		

APPENDIX – 1.2.1

(Refer: Paragraph – 1.2.2; Page - 28)

Organisational set up for Mukhya Mantri Gram Sadak Yojana



APPENDIX – 1.2.2
(Refer: Paragraph – 1.2.6 ; Page - 29)

Proforma ‘Ka’ and ‘Kha’ for planning and selection of roads

Proforma ‘Ka’ (details of villages with facility of all-weather road connectivity)

Sl. No.	District	Block	Village	Name of road	Length	Benefited population	Present position of road (Good/Satisfactory/Bad)	Classification (NH/ SH/ MDR/ ODR/ VR)	Ownership (RCD/ REO/ ZP/ others)	Name of concerned REO works division	Name of MLA constituency and number
1	2	3	4	5	6	7	8	9	10	11	12

Proforma ‘Kha’ (details of villages without facility of all-weather road connectivity)

Sl. No.	District	Block	Village	Name of road	Length	Benefited population	Habitations to be connected	Present position of road (Good/Satisfactory/Bad)	Classification (NH/ SH/ MDR/ ODR/ VR)	Ownership (RCD/ REO/ ZP/ others)	Estimated cost (Rupees in lakh)	Whether land is available or required to acquire	Name of concerned REO works division	Name of MLA constituency and number
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

APPENDIX – 1.2.3
(Refer: Paragraph-1.2.6; Page - 30)

Priority criteria for selection of roads under Mukhya Mantri Gram Sadak Yojana

Population of unconnected village/ habitation (Total : 70 marks)		Population of SC/ST (percentage of SC/ST compared to total population) (Total : 20 marks)		Length of road from unconnected village to existing road (Total : 10 marks)	
Population	Marks	Percentage	Marks	Length	Marks
900 to 999	70	5 to 30	5	Over 4 km	10
800 to 899	65	30 to 50	10	3 km to 4 km	8
700 to 799	60	50 to 75	15	2 km to 3 km	6
600 to 699	55	75 to 100	20	1 km to 2 km	4
500 to 599	50			1 km and less	2

APPENDIX – 1.2.4
(Refer: Paragraph – 1.2.7; Page - 32)

Statement showing budget allocation, funds released and expenditure incurred

(Rupees in crore)

Sl. No.	Name of District	Name of Division	Year	Budget allocation/ Target of expenditure	Opening balance with Division	Fund released by BRRDA	Total fund available with Division (6+7)	Expenditure (percentage of funds available)	Saving (+)/ Excess (-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1	Bhojpur	Ara	2006-07	7.64	0.00	3.82	3.82	1.38(36)	2.44
			2007-08	14.18	2.44	10.82	13.26	10.18(77)	3.08
			2008-09	12.04	3.08	15.00	18.08	17.95 (99)	0.13
			Total	33.86		29.64	35.16	29.51 (84)	
2	Aurangabad	Aurangabad	2006-07	9.69	0.00	4.85	4.85	0.17(4)	4.68
			2007-08	18.60	4.68	14.00	18.68	12.73(68)	5.95
			2008-09	15.28	5.95	0.00	5.95	5.91(99)	0.04
			Total	43.57		18.85	29.48	18.81(64)	
3	Saran	Chapra	2006-07	9.68	0.00	4.84	4.84	0.00	4.84
			2007-08	18.75	4.84	5.00	9.84	7.32(74)	2.52
			2008-09	15.26	2.52	15.50	18.02	16.52(92)	1.50
			Total	43.69		25.34	32.70	23.84(73)	
4	Vaishali	Hajipur	2006-07	9.72	0.00	4.86	4.86	4.86(100)	0.00
			2007-08	18.51	0.00	20.86	20.86	15.05(72)	5.81
			2008-09	15.33	5.81	0.00	5.81	4.43(76)	1.38
			Total	43.56		25.72	31.53	24.34(77)	
5	Jehanabad	Jehanabad	2006-07	3.35	0.00	2.86	2.86	0.30(10)	2.56
			2007-08	7.47	2.56	8.50	11.06	9.54 (86)	1.52
			2008-09	5.28	1.52	9.50	11.02	10.75 (98)	0.27
			Total	16.10		20.86	24.94	20.59 (83)	
6	Kishanganj	Kishanganj	2006-07	4.59	0.00	2.30	2.30	1.79(78)	0.51
			2007-08	8.72	0.51	7.50	8.01	6.25(78)	1.76
			2008-09	7.24	1.76	3.50	5.26	3.08(59)	2.18
			Total	20.55		13.30	15.57	11.12(71)	
7	Madhubani	Madhubani	2006-07	12.10	0.00	2.02	2.02	0.14 (7)	1.88
			2007-08	23.27	1.88	10.00	11.88	7.25 (61)	4.63
			2008-09	19.08	4.63	3.00	7.63	7.25 (95)	0.38
			Total	54.45		15.02	21.53	14.64 (68)	
7	Madhubani	Jhanjharpur	2006-07	0	0.00	2.02	2.02	1.00 (50)	1.02
			2007-08	0	1.02	4.00	5.02	3.75 (75)	1.27
			2008-09	0	1.27	2.00	3.27	0.71 (22)	2.56
			Total			8.02	10.31	5.46 (53)	

Sl. No.	Name of District	Name of Division	Year	Budget allocation/ Target of expenditure	Opening balance with Division	Fund released by BRRDA	Total fund available with Division (6+7)	Expenditure (percentage of funds available)	Saving (+)/ Excess (-)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
7	Madhubani	Benipatti	2006-07	0	0.00	2.02	2.02	0	2.02
			2007-08	0	2.02	0	2.02	1.76 (87)	0.26
			2008-09	0	0.26	2.00	2.26	1.15 (51)	1.11
			Total		2.28	4.02	6.30	2.91 (46)	
8	East Champaran	Motihari	2006-07	13.39	0.00	3.35	3.35	3.35 (100)	0.00
			2007-08	25.75	0.00	19.35	19.35	18.07 (93)	1.28
			2008-09	21.11	1.28	3.00	4.28	4.22 (100)	0.06
			Total	60.25		25.70	26.98	25.64 (95)	
8	East Champaran	Dhaka	2006-07	-	0.00	3.35	3.35	1.10 (33)	2.25
			2007-08	-	2.25	6.00	8.25	7.11 (86)	1.14
			2008-09	-	1.14	1.00	2.14	1.88 (88)	0.26
			Total			10.35	13.74	10.09 (73)	
9	Munger	Munger	2006-07	3.72	0.00	1.86	1.86	0.05(3)	1.81
			2007-08	7.56	1.81	4.50	6.31	5.54(88)	0.77
			2008-09	5.87	0.77	2.50	3.27	2.43(74)	0.84
			Total	17.15		8.86	11.44	8.02(70)	
10	Nalanda	Biharshariff	2006-07	8.67	0.00	2.17	2.17	0	2.17
			2007-08	16.50	2.17	5.00	7.17	5.30 (74)	1.87
			2008-09	13.67	1.87	3.50	5.37	3.67 (68)	1.70
			Total	38.84		10.67	14.71	8.97 (61)	
10	Nalanda	Hilsa	2006-07	0	0.00	2.17	2.17	0.35 (16)	1.82
			2007-08	0	1.82	5.73	7.55	5.24 (69)	2.31
			2008-09	0	2.31	0.50	2.81	1.49 (53)	1.31
			Total			8.40	12.53	7.08 (57)	
11	Samastipur	Samastipur	2006-07	11.99	0.00	2.99	2.99	0.60 (20)	2.39
			2007-08	22.25	2.39	4.50	6.89	6.39 (93)	0.50
			2008-09	18.91	0.50	5.70	6.25	5.76 (92)	0.49
			Total	53.15		13.19	16.13	12.75 (79)	
11	Samastipur	Rosera	2006-07	-	0.00	2.99	2.99	0.26 (89)	2.73
			2007-08	-	2.73	3.50	6.23	6.03 (97)	0.20
			2008-09	-	0.20	5.20	5.40	4.14 (77)	1.26
			Total			11.69	14.62	10.43 (71)	
12	Supual	Supaul	2006-07	7.47	0.00	3.73	3.73	0.00	3.73
			2007-08	14.34	3.73	2.00	5.73	5.73(100)	0.00
			2008-09	11.78	0.00	10.00	10.00	7.78(78)	2.22
			Total	33.59		15.73	19.46	13.51(69)	2.22
	Total		2006-07	102.01	0.00	52.20	52.20	15.35 (29)	36.85
			2007-08	195.90	36.85	131.26	168.11	133.24 (79)	34.87
			2008-09	160.85	34.87	81.90	116.82	99.12 (86)	17.69
	Grand Total			458.76		265.36		247.71	

(Source : Rural Works Department)

APPENDIX – 1.2.5
(Refer: Paragraph – 1.2.8.1; Page - 34)

Statement showing physical progress of road works

(Rupees in crore)

Sl. No.	Name of Division	Year	Number of roads test-checked	Physical status (As of March 2009)		Expenditure (As of March 2009)	
				Complete	Incomplete	Complete	Incomplete
1	Aurangabad	2006-07	08	03	05	4.08	6.77
2	Ara	2006-07	10	10	00	9.35	0.00
3	Jehanabad	2006-07	06	06	00	3.83	0.00
		2007-08	04	01	03	0.38	1.94
4	Kishanganj	2006-07	06	05	01	5.37	1.78
5	Madhubani	2006-07	10	06	04	7.50	5.85
6	Benipatti	2006-07	03	00	03	0.00	3.08
7	Jhanjharpur	2006-07	05	03	02	3.09	1.88
8	Motihari	2006-07	06	04	02	5.41	2.52
9	Dhaka	2006-07	08	08	00	10.10	0.00
10	Munger	2006-07	05	02	03	1.01	1.94
11	Biharshariff	2006-07	07	00	07	0.00	4.93
12	Hilsa	2006-07	10	06	04	3.46	3.48
		2007-08	01	00	01	0.00	0.13
13	Samastipur	2006-07	09	05	04	2.89	3.81
		2007-08	03	02	01	2.04	1.86
14	Rosera	2006-07	11	06	05	5.55	5.24
15	Chapra	2006-07	16	04	12	4.89	10.21
		2007-08	07	00	07	0.00	5.33
16	Supaul	2006-07	05	01	04	1.39	2.04
17	Hajipur	2006-07	07	06	01	6.80	0.83
	Total	2006-07	132	75	57	74.72	54.36
		2007-08	15	03	12	2.42	9.26
	Grand Total		147	78	69	77.14	63.62

APPENDIX – 1.2.6
(Refer: Paragraph -1.2.8.2 ; Page - 34)

Statement showing incomplete roads

Sl. No.	Name of Division	Number of roads	Expenditure (Rupees in crore)
1	Aurangabad	19	14.07
2	Ara	04	2.20
3	Motihari	03	3.44
4	Jehanabad	01	0.72
5	Kishanganj	01	1.70
6	Madhubani	10	9.41
7	Jhanjharpur	03	1.86
8	Benipatti	03	2.92
9	Munger	09	6.26
10	Biharshariff	08	4.60
11	Hilsa	02	1.46
12	Samastipur	04	3.81
13	Rosera	05	1.92
14	Chapra	16	13.64
15	Supaul	10	6.73
16	Hajipur	04	3.44
	Total	102	78.18

APPENDIX – 1.2.7
(Refer: Paragraph -1.2.8.3 ; Page - 35)

Statement showing allotment of more than one work to the same contractors

(Rupees in crore)

Sl. No.	Name of agency	Name of Division	No. of works allotted	Period of Agreement	Agreement value	Payment made to contractor	No. of incomplete roads	Agreement Value of incomplete roads	Expenditure of incomplete roads
1	M/s Alam & Co.	Munger	5	03/07 to 07/07	4.41	4.05	3	3.30	2.98
2	M/s Anil Kr. Singh	Samastipur	3	06/07	8.68	5.44	3	8.68	5.44
3	M/s Ashok Kr. & Brothers	Madhubani	5	03/07 to 08/07	7.94	6.31	3	6.23	4.76
4	M/s Hari Om Construction	Aurangabad	4	03/07 to 06/07	2.76	1.85	3	2.58	1.68
5	M/s Madan Pd. Sinha	Aurangabad	3	05/07 to 02/09	3.66	2.16	3	3.66	2.16
6	M/s Magadh Eng. Works	Jehanabad	3	11/08 to 01/09	2.71	0.91	3	2.71	0.91
7	M/s Prahlad Kumar Singh	Munger, Jehanabad, Motihari	3	03/07 to 01/09	1.90	1.37	2	1.45	0.93
8	M/s Pramod Nr. Sinha	Biharsharif	2	03/07 to 04/07	0.92	1.13	2	1.90	0.71
9	M/s R. K. Const.	Jehanabad	3	11/08 to 12/08	1.28	0.61	3	1.28	0.61
10	M/s Ramsagar Jha & Co.	Samastipur	3	04/07 to 10/08	6.38	4.62	2	4.47	2.81
11	M/s Ramvilash Purvey	Madhubani	7	02/07 to 10/08	13.77	11.80	4	9.72	8.01
12	M/s S. K. Enterprises	Samastipur & Rosera	5	03/07 to 05/07	10.22	6.03	3	8.29	4.36
13	M/s Shiv Narayan Singh	Aurangabad	2	03/07 to 06/07	2.43	1.37	2	2.43	1.37
14	M/s Sunny Engineering Works	Aurangabad	10	03/07 to 05/07	15.27	13.38	2	8.71	7.02
15	M/s Tirupati Construction	Aurangabad	2	03/07 to 06/07	4.31	3.30	1	3.21	2.35
16	R. L. Choudhary & Co.	Samastipur	2	03/07	3.15	2.44	1	2.41	1.78
17	Sri Devendra Jha	Benipatti	2	03/07	3.02	2.08	2	3.02	2.08
18	Sri Kumar Saroj	Biharsharif	4	02/07 to 05/07	3.83	3.77	3	2.65	1.91
19	Sri Ram Naresh Singh	Aurangabad	3	06/07	2.91	1.22	3	2.91	1.22
20	Sri Sanjay Choudhary	Munger	2	02/09	0.88	0.18	2	0.88	0.18
21	Sri Sanjay Kr. Singh	Biharsharif	2	4/09 to 6/09	0.33	0.39	2	0.91	0.39
22	Sri Santosh Kumar	Biharsharif	2	05/07	1.89	0.68	2	1.89	0.68
23	Systemetic & Adv. Const.	Jehanabad	2	12/08	3.30	1.12	2	3.30	1.12
	Total		79		105.95	76.21	56	86.59	55.46

APPENDIX – 1.2.8

(Refer: Paragraph – 1.2.8.4 ; Page - 35)

Statement showing non-recovery of penalty and undue aid to contractors

(Rupees in lakh)

Name of Division	Sl. No.	Agreement No. (F ₂)/ Year	Stipulated date of completion	Agreement value	Amount as compensation to be deducted	Amount of compensation deducted	Month upto which compensation deducted for time extension
RWD Works Division, Madhubani	1	83/2006-07	13.12.2007	248.93	24.89	5.49	November 2008
	2	10/2007-08	01.02.2008	82.69	8.27	1.73	March 2009
	3	12/2007-08	13.09.2007	87.89	8.79	4.70	May 2008
	4	15/2007-08	09.07.2008	168.11	16.81	1.64	July 2009
	5	16/2007-08	18.03.2008	84.26	8.43	1.99	June 2009
	6	04/2007-08	08.03.2008	146.79	14.68	1.00	March 2009
	7	82/2006-07	06.12.2007	182.14	18.21	8.09	January 2009
Total					100.08	24.64	
RWD Works Division, Benipatti	8	66/2006-07	15.12.2007	198.35	19.84	11.19	May 2009
	9	67/2006-07	29.09.2007	103.61	10.36	3.41	March 2009
	10	01/2007-08	21.02.2008	149.11	14.91	3.68	May 2008
Total					45.11	18.28	
RWD Works Division, Dhaka	11	61/2006-07	19.08.2007	142.99	14.30	4.69	October 2008
	12	62/2006-07	13.08.2007	66.51	6.65	3.62	June 2008
	13	65/2006-07	14.08.2007	131.34	13.13	2.82	February 2008
	14	84/2006-07	14.09.2007	118.47	11.85	7.84	August 2008
	15	85/2006-07	26.12.2007	227.99	22.80	13.31	June 2008
Total					68.73	32.28	
RWD Works Division, Samastipur	16	53/2006-07	05.09.2007	79.70	7.97	3.77	August 2008
	17	45/2006-07	22.08.2007	53.20	5.32	2.69	May 2008
	18	47/2006-07	22.08.2007	81.20	8.12	3.22	March 2009
	19	46/2006-07	22.08.2007	85.60	8.56	3.66	March 2009
	20	01/2007-08	24.01.2008	141.60	14.16	7.76	June 2009
Total					44.13	21.10	
RWD Works Division, Rosera	21	73/2006-07	22.09.2007	39.28	3.93	0.00	
	22	74/2006-07	21.09.2007	67.18	6.72	0.00	
	23	01/2007-08	08.01.2008	190.57	19.06	0.00	
	24	10/2007-08	08.06.2008	323.66	32.37	0.00	
Total					62.08	0.00	
RWD Works Division, Biharsharif	25	65/2006-07	25.08.2007	118.00	11.80	0.00	
	26	82/2006-07	15.09.2007	45.90	4.59	0.00	
	27	01/2007-08	15.10.2007	105.11	10.51	0.00	
	28	03/2007-08	26.10.2007	160.21	16.02	0.00	
	29	05/2007-08	08.11.2007	98.85	9.89	0.00	
	30	08/2007-08	09.11.2007	146.59	14.66	0.00	
31	09/2007-08	14.11.2007	145.89	14.59	0.00		
Total					82.06	0.00	
RWD Works Division, Hilsa	32	49/2006-07	05.08.2007	37.62	3.76	0.00	
	33	51/2006-07	06.08.2007	58.31	5.83	0.00	
	34	53/2006-07	06.08.2007	64.15	6.42	0.00	
	35	60/2006-07	15.09.2007	157.94	15.79	0.00	
	36	63/2006-07	21.09.2007	96.45	9.65	0.00	
	37	07/2007-08	24.11.2007	30.04	3.00	0.00	
Total					44.45	0.00	
Grand Total					446.63	96.30	

APPENDIX – 1.2.9
(Refer: Paragraph – 1.2.9.1 (A) ; Page - 36)

Statement showing delayed bitumenous surfacing works

Name of Division	Sl. No.	Agreement No./Year	Qty. of Gr. III exec.	Date of exec.	Rate	Value (Rs in lakh)	Date of surfacing	Value (Rs in lakh)	Total (Rs in lakh) (7+9)
1	2	3	4	5	6	7	8	9	10
RWD Works Division, Madhubani	1	11/06-07	666.54	30.3.08	2712.24	18.08	15.1.09	16.35	34.43
	2	5/07-08	1157.90	25.2.08	2796.99	32.39	25.11.08	28.74	61.13
	3	83/06-07	2254.87	18.4.08	2519.55	56.81	26.08.08	23.70	80.51
	4	1/07-08	928.64	10.8.08	2519.54	23.40	27.6.09	20.73	44.13
	5	10/07-08	759.37	1.2.08	2403.94	18.25	28.11.08	16.80	35.05
	6	15/07-08	1290.89	15.6.08	2581.20	33.32	20.7.09	16.35	49.67
Total	6					182.25		122.67	304.92
RWD Works Division, Dhaka	1	3/07-08	438.31	25.10.07	2392.45	10.49	20.3.08	21.10	31.59
	2	5/07-08	1265.62	15.1.08	1265.62	16.02	11.5.08	60.33	76.35
	3	61/06-07	506.05	28.6.07	2368.20	11.98	3.6.08	28.49	40.47
	4	62/06-07	491.84	29.12.07	2311.65	11.37	13.5.08	22.59	33.96
	5	65/06-07	885.48	2.8.07	2368.20	20.97	3.12.07	44.27	65.24
	6	84/06-07	1124.99	18.2.08	2068.70	23.27	14.8.08	50.37	73.64
	7	85/06-07	1243.13	18.2.08	2300.35	28.60	10.6.08	65.97	94.57
	8	04/07-08	682.09	29.12.07	2311.65	15.77	30.5.08	32.85	48.62
Total	8					138.47		325.97	464.44
RWD Works Division, Hilsa	1	49/06-07	281.25	5.8.07	1486.26	4.18	10.3.08	4.13	8.31
	2	53/06-07	730.78	8.6.07	1542.30	11.27	15.5.08	11.27	22.54
	3	60/06-07	893.74	19.6.08	1296.04	11.58	16.2.09	14.61	26.19
	4	63/06-07	803.25	5.7.08	1483.19	11.91	6.7.09	13.37	25.28
	5	7/07-08	232.03	7.12.07	1094.86	2.54	28.3.08	3.92	6.46
Total	5					41.48		47.30	88.78
RWD Works Division, Samastipur	1	47/06-07	477.30	28.2.08	2080.24	9.93	28.3.09	10.77	20.70
	2	1/07-08	1232.86	30.4.08	2129.32	26.25	12.6.09	28.99	55.24
Total	2					36.18		39.76	75.94
RWD Works Division, Rosera	1	24/06-07	562.73	26.3.08	2166.22	12.19	17.12.08	12.80	24.99
	2	1/07-08	1700.22	20.6.08	1803.53	30.66	16.10.08	36.94	67.60
Total	2					42.85		49.74	92.59
Grand total	23					441.23		585.44	1026.67

APPENDIX – 1.2.10
(Refer: Paragraph –1.2.9.2 ; Page - 37)

Statement showing irregular payment without ensuring quantity and specifications

Name of Division	Sl. No.	Agreement No./Year	Qty. of Gr. III exec. (Cum.)	Rate (Rs)	Value (Rs in lakh)	Qty. of Gr. II exec. (Cum.)	Rate (RS)	Value (Rs in lakh)	Total (Rs in lakh) (6+9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RWD Works Division, Madhubani	1	11/06-07	666.54	2712.24	18.08	666.56	2772.77	18.48	36.56
	2	05/07-08	1171.91	2796.99	32.78	1171.91	2864.50	33.57	66.35
	3	83/06-07	2254.87	2519.55	56.81	2086.74	2564.25	53.51	110.32
	4	01/07-08	928.64	2519.54	23.40	928.64	2564.25	23.81	47.21
	5	10/07-08	759.37	2403.94	18.25	759.37	2439.16	18.52	36.78
	6	15/07-08	1290.89	2581.20	33.32	1290.89	2219.11	28.65	61.97
Total					182.64			176.54	359.19
RWD Works Division, Beninatti	1	01/07-08	1012.50	2650.56	26.84	0.00	0.00	0.00	26.84
Total					26.84			0.00	26.84
RWD Works Division, Dhaka	1	03/07-08	438.31	2392.45	10.49	438.31	2400.42	10.52	21.01
	2	05/07-08	1265.62	1265.62	16.02	1265.62	2313.00	29.27	45.29
	3	61/06-07	590.41	2368.20	13.98	590.41	2373.90	14.02	28.00
	4	62/06-07	491.84	2311.65	11.37	492.01	2312.70	11.38	22.75
	5	65/06-07	885.48	2368.20	20.97	908.03	2373.85	21.56	42.53
	6	84/06-07	1124.99	2068.70	23.27	1124.99	2056.80	23.14	46.41
	7	85/06-07	1243.13	2300.35	28.60	1402.03	2307.60	32.35	60.95
	8	04/07-08	682.09	2311.65	15.77	688.96	2312.70	15.93	31.70
Total					140.47			158.17	298.64
RWD Works Division, Biharsharif	1	03/07-08	1125.32	1333.97	15.01	1195.65	1296.04	15.50	30.51
	2	05/07-08	900.00	1147.50	10.33	1012.50	1296.04	13.12	23.45
	3	08/07-08	750.94	1649.53	12.39	885.94	1296.04	11.48	23.87
	4	09/07-08	1124.93	1606.50	18.07	1335.85	1296.04	17.31	35.39
Total					55.80			57.41	113.22
RWD Works Division, Hilsa	1	49/06-07	281.25	1486.26	4.18	281.25	1502.45	4.23	8.41
	2	51/06-07	466.88	1582.79	7.39	466.88	1582.79	7.39	14.78
	3	53/06-07	730.78	1542.30	11.27	731.53	1542.30	11.28	22.55
	4	60/06-07	893.74	1296.04	11.58	942.17	1296.04	12.21	23.79
	5	63/06-07	803.25	1483.19	11.91	843.75	1483.19	12.51	24.43
	6	07/07-08	232.03	1094.86	2.54	232.03	1056.86	2.45	4.99
Total					48.87			50.07	98.95
RWD Works Division, Chapra	1	38/07-08	285.00	1723.00	4.91	758.66	1792.86	13.60	18.51
	2	18/08-09	1124.81	2310.16	25.98	1012.78	2505.56	25.38	51.36
	3	30/07-08	727.81	1854.33	13.50	727.81	1886.36	13.73	27.23
	4	33/07-08	1802.25	1849.81	33.34	1802.25	1908.21	34.39	67.73
	5	22/07-08	1124.81	1794.78	20.19	1124.81	1846.92	20.77	40.96
	6	25/07-08	1757.14	1732.56	30.44	1757.14	1774.92	31.19	61.63
	7	34/07-08	2404.51	1854.28	44.59	2404.51	1913.69	46.01	90.60
Total					172.95			185.07	358.02
RWD Works Division, Samastipur	1	53/06-07	624.38	2043.61	12.76	624.38	2055.01	12.83	25.59
	2	47/06-07	477.30	2080.24	9.93	477.30	2089.11	9.97	19.90
	3	01/07-08	1232.86	2129.32	26.25	1232.86	2122.72	26.17	52.42
	4	46/06-07	582.19	2113.29	12.30	582.19	2105.93	12.26	24.56
Total					61.24			61.23	122.47
RWD Works Division, Rosera	1	73/06-07	373.71	2167.45	8.10	374.04	2105.93	7.88	15.98
	2	24/06-07	562.73	2166.22	12.19	562.73	2122.72	11.95	24.14
	3	01/07-08	1700.22	1803.53	30.66	1700.22	1799.98	30.60	61.27
Total					50.95			50.43	101.39
Grand total					739.76			738.92	1478.71

APPENDIX – 1.2.11*(Refer: Paragraph – 1.2.9.3 ; Page - 37)***Details of irregular payments without verification of bitumen challans**

Sl. No.	Name of District/ Division	Agreement No./ Year	Item of bituminous work executed	Quantity of bituminous work executed (Sq.m)	Quantity of bitumen required per Sq.m (Kg)	Bitumen required to execute the bituminous work (MT)	Challan produced by the contractor in support of bitumen lifted (MT)	Difference (MT)	Value (@ 22189.01/ MT) (Rs. In lakh)
1	Kishanganj/ RWD Works Division, Kishanganj	30/2006-07	Primer coat	11250.00	0.60	6.750	18.15	16.05	3.56
			20 mm Premix	11250.00	1.46	16.425			
			Seal coat	11250.00	0.98	11.025			
						34.200			
		27/2006-07	Primer coat	17033.43	0.60	10.220	36.31	15.47	3.43
			20 mm Premix	17033.43	1.46	24.869			
Seal coat	17033.43		0.98	16.693					
					51.782				
2	Bhojpur/ RWD works Division, Ara	08/2007-08	BuSG	20126.25	3.00	60.379	99.50	14.01	3.11
			Tack coat	20126.25	0.20	4.025			
			20 mm Premix	20126.25	1.46	29.384			
			Seal coat	20126.25	0.98	19.724			
						113.512			
		02/2008-09	BuSG	8082.50	3.00	24.248	17.94	30.66	6.80
			Tack coat	9226.25	0.20	1.845			
			20 mm Premix	9226.25	1.46	13.470			
Seal coat	9226.25		0.98	9.042					
					48.605				
3	Supaul/ RWD Works Division, Supaul	06/2007-08	Primer coat	36750.00	0.60	22.050	108.92	10.15	2.25
			Tack coat	36750.00	0.20	7.350			
			20 mm Premix	36750.00	1.46	53.655			
			Seal coat	36750.00	0.98	36.015			
							119.070		
4	Nalanda/ RWD Works Division, Hilsa	51/2006-07	Primer coat	6303.75	0.60	3.782	12.05	2.20	0.49
			Tack coat	6303.75	0.20	1.261			
			20 mm Premix	6303.75	1.46	9.203			
							14.246		
		53/2006-07	Primer coat	8625.00	0.60	5.175	15.47	4.02	0.89
			Tack coat	8625.00	0.20	1.725			
			20 mm Premix	8625.00	1.46	12.593			
					19.493				
Total						400.908	308.34	92.56	20.53

(Source : RWD Works Divisions)

APPENDIX- 1.3.1

(Refer: Paragraphs 1.3.1 and 1.3.4.1; Page- 41 & 44)

Statement of funds released, expenditure incurred and balances under RSVY

(Rupees in crore)

Sl. No.	Name of District	Allotment on GOI release i.e. total allotment	Number of Sectors	Number of approved schemes	Total approved amount	Flow to SCP	Number of scheme sanctioned	Total sanctioned amount	Total release	Actual expenditure	Physical achievement (in number)			Required balance in district (3-11) and percentage of total allotment (15/3)	Balance shown in district	Less exhibiton of balance (15-16)
											Complete	On going	Not started			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Gaya \$	45	8	1469	45	7.77	1366	45.50	30.84	34.64	1084 (74%)	283	102	10.36 (23%)	14.16	-3.8
2	Jahanabad \$	45	15	897	45	3.06	892	44.68	38.49	34.59	490 (55%)	404	03	10.41 (23%)	6.51	3.9
3	Aurangabad	45	13	205	45	7.84	201	44.68	37.46	33.50	140 (68%)	54	11	11.50 (26%)	7.54	3.96
4	Nawada	45	13	513	45	10.87	505	44.72	33.91	34.52	289 (56%)	204	20	10.48 (23%)	11.09	-0.61
5	Patna	45	10	672	45	7.21	642	45.02	44.28	39.27	506 (75%)	136	30	5.73 (13%)	0.72	5.01
6	Nalanda	37.5	14	388	46	6.82	384	45.28	38.38	34.71	311 (80%)	73	04	2.79 (07%)	(-)0.88	3.67
7	Bhojpur*	45	10	482	46	6.05	482	45.12	38.06	36.78	293 (61%)	189	00	8.22 (18%)	6.94	1.28
8	Rohtas \$	45	16	711	45	9.07	711	44.44	35.28	29.73	366 (51%)	399	55	15.27 (34%)	9.72	5.55
9	Kaimur	45	14	392	45	7.59	391	44.86	37.30	34.54	320 (82%)	71	01	10.46 (23%)	7.70	2.76
10	Muzaffarpur	45	12	612	45	7.1	612	45.00	36.51	34.60	337 (55%)	275	00	10.40 (23%)	8.49	1.91
11	Vaishali	45	11	190	45	5.54	189	45.10	36.71	34.51	154 (81%)	34	02	10.49 (23%)	8.29	2.2
12	Sheohar*	37.5	10	305	45	5.37	291	43.44	24.70	34.52	108 (35%)	183	14	2.98 (08%)	12.80	-9.82
13	Darbhanga*	45	13	286	45	7.16	278	44.89	37.50	34.66	208 (73%)	70	08	10.34 (23%)	7.50	2.84
14	Madhubani	45	11	689	45	8.32	683	44.25	32.47	34.53	255 (37%)	428	06	10.47 (23%)	12.53	-2.06
15	Samastipur	45	15	384	46	4.37	384	45.49	37.30	34.53	233 (61%)	151	00	10.47 (23%)	7.70	2.77
16	Supaul	45	14	329	45	0	329	45.42	37.52	34.53	206 (63%)	123	00	10.47 (23%)	7.48	2.99
17	Purnia	45	10	320	45	7.3	320	45.00	36.30	35.84	170 (53%)	150	00	9.16 (20%)	8.70	0.46
18	Katihar	45	12	775	45	7.08	775	44.98	37.07	38.31	534 (69%)	241	00	6.69 (15%)	7.93	-1.24
19	Araria	37.5	10	372	45	2.6	370	44.77	36.05	27.08	105 (28%)	265	02	10.42 (28%)	1.45	8.97
20	Jamui	45	13	761	45	6.22	761	45.00	37.35	34.50	420 (55%)	341	00	10.50 (23%)	7.65	2.85
21	Lakhisarai	45	14	263	45	4.14	263	45.04	35.21	34.54	122 (46%)	128	13	10.46 (23%)	9.79	0.67
	Total	922.5	258	11015	948	131.48	10829	942.68	758.69	724.43	6651(60%)	4202	271	198.07(21%)	163.81	34.26

Notes: (1)*Differs from district progress report,

(2) \$ Total of complete and ongoing schemes does not tally to the total sanctioned schemes

APPENDIX-1.3.2*(Refer: Paragraph 1.3.4.2; Page- 44)**Details of works taken up outside the scope of RSVY*

Sl. No.	Name of districts	Nature of work	Number of works	Amount incurred (Rs in crore)
1	Araria, Bhojpur, Gaya, Jamui, Muzaffarpur, Sheohar	Police morchas, compound walls and barbed wire fencing	100	5.94 ²
2	Gaya, Muzaffarpur	Repairs	20	4.25 ³
3	Darbhangha, Muzaffarpur,	Construction of health, veterinary, anganwadis and educational buildings without staff, requisite equipment	56	2.74 ⁴
4	Bhojpur, Sheohar,	Construction / renewal of administrative building and its approach roads	06	0.82 ⁵
5	Darbhangha, Gaya, Jamui	Small items such as furniture, utensils	17	0.41
	TOTAL		199	14.16

² Araria- (Rs 50 lakh), Bhojpur - (Rs 1.42 crore) , Gaya - (Rs 1.62 crore), Jamui- (Rs 61 lakh), Muzaffarpur- (Rs 1.20 crore)
Sheohar - (Rs 59 lakh)

³ Gaya- (Rs 6 lakh), Muzaffarpur- (Rs 4.19 crore)

⁴ Darbhanga - (Rs 84 lakh), Muzaffarpur- (Rs 1.90 crore)

⁵ Bhojpur- (Rs 27 lakh), Sheohar- (Rs 55 lakh)

APPENDIX 1.3.3

(Refer: Paragraph 1.3.5.1; Page- 45)

Details of funds released, expenditure incurred, balances and physical progress

(Rupees in crore)

Year	No. of schemes approved	Cumulative fund provision/ allocation	Cumulative release by GOI (Rs in crore)	Cumulative release by State Government to districts	Cumulative expenditure incurred	Cumulative completion of schemes (per centage)	Balance amount in districts (Rs in crore) and (per centage of total release by State Government)
1	2	3	4	5	6	7	8
2004-05	N.A.*	315.00	157.50	120.00	N.A.*	N.A.*	N.A.*
2005-06	N.A.*	630.00	442.50	450.00	N.A.*	N.A.*	N.A.*
2006-07	12204	945.00	570.00	727.50	281.66	2833 (26)	445.84 (61)
2007-08	11185	Nil	630.00	780.00	497.71	5340 (48)	282.29 (36)
2008-09	11015	Nil	922.50	922.50	724.43	6651 (60)	198.07 (21)

*N.A: Not available on the records of the department

APPENDIX-1.3.4
(Refer: Paragraph 1.3.5.3; Page- 46)

Statement showing blocking of funds

(Rupees in lakh)

Name of District	Sector	Executing agency	Number of schemes	Estimated Cost	Funds Released		Reasons
					Date	Amount	
Araria	Health	BCD	02	45.00	01.12.06	29.26	Procedural delays in finalization of tender
	Education	BCD	11	57.41	08.01.07	37.17	
	Agriculture	BCD	29	197.98	01.12.06, 11.12.07	128.69	
	Fisheries	BCD	02	15.78	25.09.07, 11.04.07	10.25	
	Animal Husbandry	BCD	05	22.06	26.10.06, 11.04.07	16.73	
	Security related	BCD	03	37.90	11.01.05, 29.03.07	24.54	
	Flood alleviation	BCD	32	384.57	16.01.07	249.93	
	Total- 1	01	84	760.70		496.57	
Bhojpur	Education	BCD	01	6.51	15.11.07	4.23	Procedural delays in preparation of estimate, finalisation of tender, Land problem
	Animal Husbandry	RWD-II	01	6.11	06.10.06	2.68	
	Security	BCD	02	17.00	28.02.07	11.04	
	Welfare	BDO,Ara,Udawan Nagar,Sahar, Barharwa, Charpokhari, Terari and BCD.	16	127.29	14.02.06,19.05.06	82.73	
	Total- 2	08	20	156.91		100.68	
Darbhanga	Health	BCD	03	47.50	31.03.06	30.87	No reply
	Education	BCD,HM, DEO,RWD-II	11	47.07	01.03.06	30.42	
	Fisheries	BCD,RWD-II	03	26.98	08.03.06	17.54	
	Animal Husbandry	BCD	03	9.00	11.02.06	5.85	
	Total- 3	04	20	130.55		84.68	
Gaya	Security	Mohanpur BDO,PHED	03	8.52	25.07.06	3.53	No reply
	Spiritual Tourism	SH Div	04	483.18	11.02.06	285.94	
	Welfare	BCD	01	129.99	13.03.07	76.71	
	Total- 4	04	08	621.69		366.18	
Jamui	Education	BCD & RWD	03	23.99	24.11.06	20.49	No specific reply
	Health	RWD	01	10.00	02.02.06	6.50	
	Fisheries	RWD	11	50.58	23.01.06	32.88	
	Security	BCD	03	0.75	04.01.06	0.49	
	Total- 5	02	18	85.32		60.36	
Muzaffarpur	Animal Husbandry	DAHO	01	17.00	23.08.06	11.05	Due to procedural delays at different stages in finalisation of tender
	Drainage	RCD2	01	15.19	11.09.06	7.60	Not specific. Noted for future guidance.
	Drinking Water	PHD	01	533.80	07.12.06	346.97	Delay in finalization of tender
	Education	BCD, DEO	51	141.93	31.03.06	125.69	Procedural delay, non availability of land
	Health	BCD	09	39.08	07.04.05	20.04	
	Police	BCD	03	8.90	12.03.08	4.45	Delay in approval of revised estimate, FIR on some schemes, flood problem
	Rural Road	REO (W) Div	01	81.43	18.09.06	40.71	
	Total- 6	06	67	837.33		556.51	
	Grand Total	25	217	2592.50		1664.98	

APPENDIX-1.3.5
(Refer: Paragraph 1.3.6.1; Page- 47)

Statement showing delay in finalisation of tenders

Sl. No.	Name of the District	Name of the Division	Date of receipt of tenders	Date of Agreement		Delay in Agreement beyond 45 days (in days)
				Date	Number of agreements	
01	Araria	RWD-II	05.10.07	10.12.07 to 17.01.08	03	21 to 59
02	Araria	RWD-II	16.01.08	14.04.08	01	44
03	Araria	RWD-II	28.06.08	07.01.09	01	86
04	Araria	RWD-II	20.12.08	25.02.09 ,18.07.09	02	20 , 169
05	Araria	RWD-I	16.02.06	20.09.06	01	168
06	Araria	RWD-I	12.06.06	04.11.06 to 10.01.07	03	95 to 160
07	Araria	RWD-I	05.01.08	15.10.08	01	239
08	Araria	BCD	27.09.06	04.01.07 to 18.02.07	03	54 to 99
09	Araria	BCD	06.12.06	07.03.07 to 06.02.08	05	44 to 382
10	Araria	BCD	23.12.06	01.03.07 to 09.03.09	24	23 to 760
11	Araria	BCD	21.02.07	03.08.07 to 16.03.09	28	118 to 712
12	Araria	BCD	23.02.07	13.08.07 to 19.03.09	29	126 to 710
13	Araria	BCD	28.02.07	21.09.07 to 09.03.09	16	160 to 705
14	Araria	BCD	02.11.07	18.02.08 to 25.03.09	21	63 to 463
15	Araria	BCD	27.09.06	Not done till 10/09	02	951
16	Araria	BCD	06.12.06	Not done till 10/09	01	1021
17	Araria	BCD	23.12.06	Not done till 10/09	22	1038
18	Araria	BCD	21.02.07	Not done till 10/09	16	940
19	Araria	BCD	23.02.07	Not done till 10/09	08	938
20	Araria	BCD	28.02.07	Not done till 10/09	06	933
21	Araria	BCD	02.11.07	Not done till 10/09	13	685
	Total 1	03			206	
22	Gaya	RWD	05.07.06	27.01.07 to 20.03.07	04	161 to 202
23	Gaya	RWD	08.07.06	21.02.07	01	199
	Total 2	01			05	
24	Muzaffarpur	RCD 02	08.06.06	05.08.06 to 19.03.07	08	13 to 239
25	Muzaffarpur	RCD 02	19.09.06	20.11.06 to 18.01.07	07	17 to 76
26	Muzaffarpur	RCD 02	29.09.06	25.11.06	01	13
27	Muzaffarpur	RCD 02	15.02.07	12.04.07 to 25.04.07	02	11, 24
28	Muzaffarpur	RCD 02	16.03.07	27.06.07 , 30.10.07	02	58 , 183
29	Muzaffarpur	RWD	26.04.06	15.07.06	01	35
30	Muzaffarpur	RWD	10.01.08	12.04.08	01	47
	Total 3	02			22	
31	Sheohar	BCD	29.12.06	28.03.07	01	42
32	Sheohar	BCD	04.01.07	26.03.07	01	35
33	Sheohar	BCD	12.01.07	18.09.07	01	205
34	Sheohar	Bagmati Division	17.02.06	14.04.06 , 15.04.06	05	11, 12
35	Sheohar	REO at Sitamarhi	02.06.06	10.08.06 to 03.11.06	05	24 to 109
36	Sheohar	REO at Sitamarhi	08.03.07	13.09.07, 10.10.07	03	143 , 170
	Total 4	03			16	
	Grand Total	09			249	

APPENDIX-1.3.6

(Refer: Paragraph 1.3.6.2; Page- 47)

Statement of allotment of more than one work to the contractors

(Rupees in lakh)

Sl. No.	Name of District	Name of Division	Name of Agency	Agreement Number	Date of Agreement	Irregularly allotted agreements	Period prescribed for completion	Agreed value	As on the date of subsequent agreement		Upto date payment made
									Status	Payment made	
1	Araria	BCD	Mohd. Zafrul Islam	18F2/06-07	01.03.07		31.08.07	8.31	NA	NA	7.61
2	Araria	BCD	Mohd. Zafrul Islam	34F2/06-07	01.03.07	01	31.08.07	8.45	NA	NA	<i>7.54</i>
3	Araria	BCD	Mohd. Zafrul Islam	10F2/07-08	21.09.07	01	20.01.08	4.95	Less than 50 per cent complete	4.04	<i>4.20</i>
4	Araria	BCD	Mohd. Zafrul Islam	26F2/07-08	06.12.07	01	05.06.08	10.97	65 per cent complete	5.43	<i>9.99</i>
5	Araria	BCD	Mohd. Zafrul Islam	27F2/07-08	06.12.07	01	05.04.08	4.99	65 per cent complete	5.43	<i>3.54</i>
6	Araria	BCD	Mohd. Zafrul Islam	51F2/07-08	18.01.08	01	17.07.08	8.42	65 per cent complete	5.43	<i>3.70</i>
7	Araria	BCD	Mohd. Zafrul Islam	52F2/07-08	18.01.08	01	17.07.08	12.07	65 per cent complete	5.43	<i>5.69</i>
	Total- 1	01	01			06		58.16⁶			42.27⁷
1	Gaya	RWD	Dwarika Singh	33F2/06-7	27.01.07		26.07.07	102.77			46.95
2	Gaya	RWD	Dwarika Singh	92F2/06-07	30.03.07	01	30.06.07	167.33	20 per cent complete	15.10	<i>29.99</i>
	Total- 2	01	01			01		270.10⁸			76.94⁹
1	Muzaffarpur	RWD	Shyam Bihari	10F2/06-07	15.07.06		14.01.07	24.98	NA	NA	23.27
2	Muzaffarpur	RWD	Shyam Bihari	11F2/06-07	15.07.06	01	14.01.07	93.18	NA	NA	<i>48.37</i>
3	Muzaffarpur	RWD	Uday Shankar Chaudhry	02F2/06-07	17.04.06		16.10.06	7.93	NA	NA	7.03
4	Muzaffarpur	RWD	Uday Shankar Chaudhry	03F2/06-07	17.04.06	01	16.10.06	11.92	NA	NA	<i>5.69</i>
5	Muzaffarpur	RWD	Madhup Kumar Singh	04F2/06-07	05.05.06		04.11.06	18.33	NA	NA	13.73
6	Muzaffarpur	RWD	Madhup Kumar Singh	05F2/06-07	05.05.06	01	04.11.06	17.75	NA	NA	16.13 (Complete)
	Total- 3	01	03			03		174.09¹⁰			114.22¹¹
	Grand Total	03	05			10		502.35¹²			233.43¹³

Note: Agreement number shown in bold are irregular and payment made on incomplete irregular works are shown in bold and italics. Payments made on these incomplete works are Rs (48.37+ 5.69+29.99+ 7.54+ 4.20+9.99+3.54+ 3.70+5.69) lakh = Rs 118.71 lakh

⁶ Rs 49.85 lakh for irregular allotment.

⁷ All works remained incomplete after expenditure of Rs 42.27 lakh..

⁸ Rs 167.33 lakh for irregular allotment.

⁹ Both works remained incomplete after expenditure of Rs 76.94 lakh..

¹⁰ Rs 122.85 lakh for irregular allotment.

¹¹ Five works remained incomplete after expenditure of Rs 98.09 lakh..

¹² Rs 340.03 lakh for irregular allotment.

¹³ 14 works (out of 15) remained incomplete after expenditure of Rs 217.30 lakh. (Rs 233.43 lakh - Rs 16.13 lakh)

APPENDIX- 1.3.7
(Refer: Paragraph 1.3.6.3; Page- 48)

Statement showing irregular payment and doubtful use of minor minerals

Name of District	Name of the division	Number of Agreements	Name of Minor mineral	As per agreement to be brought from	Was sample of material obtained and approved	Name of document obtained	Payment made for carriage (Rs in crore)
Araria	BCD.	15	Stone Chips	Pakur	Not	No	0.20
			Bricks	Locally	Not	No	
			Chopra Sand	Chopra	Not	No	
			Local Sand	Locally	Not	No	
	RWD –I	10	Stone Chips	Siliguri	Yes	No	0.28
			Bricks	Locally	Yes	No	
			Chopra Sand	Chopra	Yes	No	
			Local Sand	Locally	Yes	No	
	RWD-II	5	Stone Chips	Pakur	Not	No	0.10
			Bricks	Locally	Not	No	
			Chopra Sand	Chopra	Not	No	
			Local Sand	Locally	Not	No	
Total- 1	3	30					0.58
Bhojpur	BCD	1	Local sand	Locally	Not	No	0.01
			Sone sand	Koilwar	Not	No	
			Stone Chips	Karbandiya	Not	No	
			Bricks	locally	Not	No	
	BEP	47	Stone chips	Karbandiya	Not	No	0.16
			Bricks	Locally	Not	No	
			Sone sand	Koilwar	Not	No	
Total- 2	2	48					0.17
Darbhanga	RWD Benipur	6	Stone Chips	Pakur	Not	No	0.59
			Sand	Kiul	Not	No	
			Brick	Locally	Not	No	
Total- 3	1	6					0.59
Gaya	RWD	5	Stone metal Gr .I, II, III	Badhua	Not	No	0.63
			Moorum	Badhua	Not	No	
			Stone Chips	Manpur	Not	No	
			Sand	Locally	Not	No	
			Brick	Locally	Not	No	
Total- 4	1	5					0.63
Jamui	RWD	7	Stone Metal Gr I, II, III	Sheikhpura	Not	No	1.29
			Sand	Locally	Not	No	
			Brick	Locally	Not	No	
Total- 5	1	7					1.29

Name of District	Name of the division	Number of Agreements	Name of Minor mineral	As per agreement to be brought from	Was sample of material obtained and approved	Name of document obtained	Payment made for carriage (Rs in crore)
Muzaffarpur	RWD	12	Stone Chips	Sheikhpura	Not	No	0.50
			Sand	Koilwar & locally	Not	No	
			Brick, Jhamma metal	Locally	Not	No	
	RCD-2	24	Stone Chips	Sheikhpura	Not	No	1.34
			Sand	Koilwar & locally	Not	No	
			Brick, Jhamma metal	Locally	Not	No	
	RCD- 1	19	Stone Chips	Sheikhpura	Not	No	0.72
			Sand	Koilwar & locally	Not	No	
			Brick, Jhamma metal	Locally	Not	No	
Total- 6	3	55					2.56
Sheohar	BCD	6	Stone Chips	Pakur	Not	No	0.20
			Bricks	Locally	Not	No	
			Sand	Koilwar	Not	No	
			Local Sand	Locally	Not	No	
	RWD-II	14	Stone Chips	Pakur	Not	No	0.14
			Bricks	Locally	Not	No	
			Sand	Koilwar	Not	No	
			Local Sand	Locally	Not	No	
Total 7	2	20					0.34
Grand Total	13	171					6.16

APPENDIX-1.3.8
(Refer: Paragraph 1.3.6.4; Page- 48)

Detail of irregular payment without verification of bitumen challans

Sl. No.	Name of executing office	Name of work	Name of Material	Quantity (MT)			Price (Rs in lakh)
				Required	Challan/ Quality test report available	No proof	
1	RCD, Bhojpur	Sandesh Sahar Road	Bitumen	275.080	268.138	6.942	2.13
2	RWD Jamui	Barhat Thana Chowk to Navodaya Vidyalaya village	Bitumen	81.927	72.373	9.554	2.25
3	RCD1, Muzaffarpur	Different works ¹⁴	Bitumen	69.845	13.44	56.405	9.83
4	RWD, Muzaffarpur	Different works ¹⁵	Bitumen	18.375	NIL	18.375	3.50
			TOTAL	445.227	353.951	91.276	17.71

¹⁴ Mithanpura chowk to Narayanpur Anant Railway station road part A,B,C, Sikandarpur to Rameshwar NG College road and Sikandarpur to MIT road via bandh (1F2,7F2,9F2,10F2,13F2/0506).

¹⁵ Construction of RCC bridge in Mubarakpur and Jaffarpur to Chik patti road (6F2 and 10 F2/06-07).

APPENDIX – 2.1
(Refer: Paragraph 2.1.4; Page- 64)

Statement showing plantation done and percentage of survival of plants

Sl. No.	Plantation site	Area (Hectare)	No. of plants planted during 2004 - 2006	60% of plantation after two years	Survival of plant in October 2008		No. of plants less than 60% (5-6)	Total expenditure (Rs.)	Exp. per plant (Rs.)	Loss on plantation (Rs)
					6. In number	7. In per cent				
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
1.	Kushabija	27	28275	16965	10090	36	6875	725422	8.71	205991
2.	Kushabija	50	55000	33000	16225	29	16775			
3.	Lodhawe (Telani)	28	29375	17625	588	2	17037	329830	11.23	191326
4.	Lodhwe, Mahavari	28	29375	17625	881	3	16744	329830	11.23	188035
5.	Kathotia Kewal	28	29375	17625	0	Nil	17625	238892	8.13	143291
6.	Patwas	29	30000	18000	0	Nil	18000	243306	8.11	145980
7.	Dundu	29	30000	18000	0	Nil	18000	243306	8.11	145980
8.	Taro	29	30000	18000	0	Nil	18000	243306	8.11	145980
9.	Alakhdiha	28	29375	17625	882	3	16743	238892	8.00	133944
10.	Ajanwa, Jarlahi,	28	29305	17583	15374	52	2209	1235338	8.87	458659
11.	Bela	100	110000	66000	16500	15	49500			
12.	Dhanwa	28	28812	17287	0	Nil	17287	269890	9.37	161979
13.	Kahudag	29	37552	22531	16500	44	6031	449830	11.98	72251
14	Bagula	28	30472	18283	0	Nil	18283	378046	12.41	226892
15	Sawkala, Daudpur & Mahapur	100	110000	66000	32945	30	33055	1042550	9.48	313361
	Total	592	636920	382154	109985			5968447		2533680

APPENDIX – 2.2
(Refer: Paragraph 2.1.6; Page- 67)

Statement showing fraudulent payments on muster rolls

Sl. No.	Offices	Scheme No./name	Amount (Rs)	No. of MR
1	RD Special Division –I, Bettiah.	75,57 /06-07 (MLA)	27608	5
2	RD Special Division –II, Bettiah.	2,3/06-07 (MLA)	53304	12
3	RW Division-II, Biharsharif, Nalanda	210,421,430,425, 426,431,432,688, 211,422,423 and 532 of 2006-07 (MLC)	37756	15
4	M.I. Division, Bhagalpur	1. Renovation work at Andher Dam /06-07 (MLA) 2. Renovation work of Kunda Dam/06-07 3. Renovation work of Bilasi Dam/06-07 4. Work of Chandan Dam, /06-07 5. Rural Road Work Indrakshetra/06-07	57000	8
5	RD Spl. Division-II, Gaya	63/06-07 ,133/04-05 ,58/06-07, 55/06-07 , 75/04-05 (MLA)	75187	24
6	NREP, Nalanda	3/05-06, 8/05-06 , 9/05-06 (MLA)	17680	6
	Total	29	268535	70

APPENDIX – 2.3
(Refer: Paragraph 2.2.2; Page- 70)

Statement showing delays at various stages of execution of flood protection works

Sl. No.	Event	Stipulated date of completion as per flood calendar	Date of actual execution	Delay
1	Inspection of site and reporting by sub-committee of High Level Committee (HLC)	5-10 October	State inspection by sub-committee of TAC on 24.10.2006	14 days
2	Inspection of site and reporting by HLC	12-17 October	Report submission by sub-committee of TAC on 07.11.2006	21 days
3	Meeting of TAC and its recommendation/ reporting	12-18 November	6-22 November 2006	4 days
4	Submission of plan before SRC in light of recommendation by TAC	20-25 November	25.11.2006	--
5	Meeting of SRC and recommendation/ Reporting	8-13 November	23.11.2006 to 11.12.2006	28 days
6	Meeting of Bihar State Flood Control Board	5 December	17.01.2007 to 18.01.2007	43 days
7	Date of approval of execution of work	10 December	19.04.2007	130 days
8	Date of technical sanction of estimate	12 December	23.02.2007	73 days
9	Date of Notice Inviting Tender (NIT)	14 December	15.02.2007	63 days
10	Date of tender	Upto 10 January	06.03.2007	55 days
11	Date of finalization of tender	Upto 17 January	19.04.2007	92 days
12	Date of allotment of work	18-20 January	19.04.2007	89 days
13	Actual date of start of work	20-27 January	20.04.2007	83 days
14	Date of completion of work	30 April	15.06.2007	46 days

APPENDIX -2.4
(Refer: Paragraph 2.2.3; Page- 73)

Statement showing excess payment due to irregular counting of services

Sl No.	Name	Present Post and Scale	Actual Post after rectification of date of absorption and Scale	Date of appointment as temporary lecturer	Excess amount drawn (Amount in Rs)	Remarks
1	Dr./Prof. Raghvendra Prasad Singh	Professor (16400-22400)	Reader (12000-18300)	06.01.77	593316.00	Lecturers were promoted to the post of Reader after 10 years and to the post of Professor after 16 years under Time Bound Promotion Scheme and the scheme was discontinued since 23.09.95
2	Birendra Kumar Singh	Do	-Do-	01.09.76	593316.00	
3	Dr.D.K.Tiwary	Do	Do-	10.01.77	593316.00	
4	Dr. Kamini Sinha,	Do	Do	03.01.79	593316.00	
5	Dr.B. N. Choudhary	Do	Do	19.09.77	522901.00	
6	Dr. Rajesh Kumar	Do	Do	20.09.77	522901.00	
7	B.P. Bhaghat	Do	Do	20.09.77	522901.00	
8	K. M. Jha	Do	Do	17.09.77	522901.00	
				Total	4464868.00	

APPENDIX-2.5
(Refer: Paragraph 2.4.3; Page- 81)

Statement showing expenditure incurred on purchase of equipment and ambulance

Year	Sl No.	Name of Machine/equipment	Value (Rs)
2004-05	1	Micropipette (200-1000UI)	6,950
	2	Micropipette (5-50 UI)	6500
	3	Water bath Doubled wall	5460
	4	Incubator- 355×355×355mm	9500
	5	Hot air oven-355×355×355mm	9800
	6	Portable Autoclave-350×325mm	10500
	7	Hospital bed with accessories	2500
	8	Digital Haemoglobin meter	9500
	9	Steel tank for Developer, fixer and Wastes Cap-9 Lt, set of three	2300
	10	X-ray cassetter 15''×12''	650
	11	Intensifying screen 15''×12''	2500
	12	X-ray cassetter 10''× 8''	450
	13	Intensifying screen 10''×8''	2200
	14	Chest stand	1550
	15	Divider	350
	16	Infugen stand	250
	17	Beaker- 250 ml (2)	120
	18	Beaker- 500 ml (2)	170
	19	Conical flask- 150 ml (2)	170
	20	Conical flask- 250 ml (2)	180
	21	Test tube -15×150 (12)	120
	22	Test tube -18×150 (12)	132
	23	Test tube stand (2)	120
	24	Petri Dish (2)	130
	25	E.S.R. Stand	130
	26	W.B.C. Pipette (2)	160
	27	R.B.C. Pipette (2)	160
	28	Counting chamber for Haemocytometer	570
	29	Hanger Different size (8)	1200
		Total:	74322
		CST/BST/TOT(+)	9989
		IT (-)	1686
			82625
	30	Centrifuge Remi	5519
	31	Semi Auto analyser	320469
	32	Flame Photometer	48693
	33	300m X-ray machine	465000
	34	Elisa reader, ECG machine model-108 MK VII and Model 8308 With accessories	263496
	35	Binocular microscope	34360
	36	Fridge and Stabiliser	9736
	37	Ambulance and accessories	298575
		Total: (2004-05)	1528473
2006-07	38	SONOLINE G-50 Color Doppler System with accessories	1795000
		G.T.(2004-05 & 2006-07)	3323473

APPENDIX-2.6
(Refer: Paragraph 2.4.3; Page- 81)

Details of idle equipment and ambulance

Year	Sl No.	Name of Machine/equipment	Value (Rs)
2004-05	1	Incubator- 355×355×355mm	10,777
	2	Digital Haemoglobin meter	10,777
	3	X-ray cassetter 15''×12''	737
	4	Intensifying screen 15''×12''	2,836
	5	X-ray cassetter 10''× 8''	510
	6	Intensifying screen 10''×8''	2,496
	7	Chest stand	1,758
	8	Divider	397
	9	Centrifuge Remi	5,519
	10	Semi Auto analyser	3,20,469
	11	Flame Photometer	48,693
	12	300m X-ray machine	4,65,000
	13	Elisa reader	1,49,440
2006-07	14	SONOLINE G-50 Color Doppler System with accessories	17,98,000
		Grand Total	28,17,409

APPENDIX- 2.7*(Refer: Paragraph – 2.5.1.; Page - 84)***Detail of outstanding Inspection Reports/ paras**

Sl. No.	Name of Department	2003-2004		2004-2005		2005-2006		2006-2007		2007-2008		2008-2009		Total	
		IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para	IR	Para
1.	Rural Development	211	2065	193	1511	238	1952	254	2052	203	1337	232	1607	1331	10524
2.	Welfare	40	324	12	83	39	160	45	201	45	257	86	348	267	1373
3.	Finance	4	16	3	10	15	18	5	18	10	39	14	44	51	145
4.	Urban Development	15	76	1	5	0	0	3	14	39	98	5	10	63	203
5.	Labour Employment	42	130	1	5	1	6	0	0	10	22	1	1	55	164
6.	Planning and statistic	3	11	3	9	0	0	8	26	1	5	23	48	38	99
7.	Information and Broad casting	8	28	1	1	2	8	5	15	1	2	5	10	22	64
8.	Panchayati Raj	38	95	12	35	0	0	1	9	12	35	0	0	63	174
9.	Health	3	16	42	291	101	301	51	220	100	456	100	296	397	1580
10.	Home	22	144	73	475	48	296	57	201	75	302	66	201	341	1619
11.	Land acquisition	43	135	8	24	28	32	24	49	15	57	57	86	175	383
12.	Human Resources	105	420	120	495	65	257	93	477	109	580	75	302	567	2531
13.	Agriculture	65	152	48	280	12	24	23	98	60	200	28	119	236	873
14.	Industry	20	75	18	78	5	30	19	88	12	63	7	29	81	363
15.	Land Revenue	28	95	25	102	55	156	79	227	21	61	20	44	228	685
16.	Law	18	66	13	55	8	24	13	27	5	21	11	39	68	232
17.	Animal Husbandry	16	78	9	27	20	56	49	157	40	159	24	75	158	552
18.	Co-operative	2	3	19	40	5	12	37	151	14	45	11	32	88	283
19.	Excise	18	34	13	26	14	22	12	16	12	18	9	17	78	133
20.	Fishery	25	75	5	18	0	0	0	0	18	61	5	10	53	164

21.	Tourism	10	30	3	10	0	0	0	0	12	35	3	8	28	83
22.	Road Construction	18	86	59	354	25	105	40	256	21	145	56	335	219	1281
23.	Building Construction	17	54	22	130	28	169	37	258	31	177	48	388	183	1176
24.	Public Health Engineering	19	155	09	40	10	72	35	207	19	84	53	339	145	897
25.	Water Resources	76	628	48	368	36	198	58	487	48	288	104	554	370	2523
26.	Rural Works	21	87	76	454	27	131	40	202	37	268	55	421	256	1563
	TOTAL	887	5078	836	4926	782	4029	988	5456	970	4815	1098	5363	5561	29667

APPENDIX- 2.8*(Refer: Paragraph – 2.5.2.; Page - 85)**Department-wise details of non-submission of Action Taken Notes*

Sl no.	Department	1999-2000		2000-01		2001-02		2002-03		2003-04		2004-05		2005-06		2006-07		2007-08		Total
		Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	
1.	Health	Nil		2	--	--	1	2	1	2	--	--	1	1	--	--	1	--	1	12
2.	Human Resources	--	2	1	--	1	1	--	1	1	2	--	1	1	3	--	5	1	2	22
3.	Rural Development	--	--	--	1	3	1	--	3	1	4	1	9	--	5	1	5	1	6	41
4.	Agriculture	--	1	--	2	--	--	--	--	--	1	--	--	--	--	1	--	--	5	10
5.	Industry	--	1	--	--	--	--	--	--	1	--	--	--	--	1	--	--	--	--	03
6.	Energy	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	1	--	--	01
7.	Home	--	1	--	1	--	2	1	1	--	2	--	--	1	--	--	1	--	--	10
8.	Water Resources	--	--	--	1	--	3	1	5	--	1	1	2	--	7	--	7	1	4	33
9.	Minor Irrigation	--	1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	01
10.	Building Construction	1	2	--	1	--	1	--	1	--	--	--	--	--	1	--	3	--	2	12
11.	Road Construction	--	--	--	5	--	4	--	9	--	3	--	3	--	2	1	2	--	1	30
12.	Public Health Engineering	--	1	2	--	--	--	--	--	--	--	--	--	--	1	1	3	--	2	10
13.	Revenue and Land Reforms	--	--	--	--	--	1	--	1	--	--	--	2	--	--	--	1	--	--	05
14.	Welfare	--	3	--	1	--	1	2	2	--	--	--	--	--	1	1	--	--	1	12
15.	Forest	--	2	1	2	--	1	--	1	--	--	--	--	1	--	--	2	--	--	10
16.	Animal Husbandry	--	--	--	--	1	--	--	3	--	--	1	--	--	--	--	2	--	--	07
17.	Local Body	--	--	--	4	--	2	--	--	--	--	--	--	--	--	--	--	--	--	06

Sl no.	Department	1999-2000		2000-01		2001-02		2002-03		2003-04		2004-05		2005-06		2006-07		2007-08		Total
		Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	Review	Para	
18.	Urban Development	2	4	--	--	--	--	--	--	--	--	--	1	--	--	--	--	1	--	08
19.	Labour Employment and Training	--	1	--	--	--	--	--	1	1	--	--	1	--	--	--	1	--	--	05
20.	Vidhan Mandal	--	9	--	--	--	--	--	--	--	--	--	--	--	--	--	1	--	--	10
21.	Co-operative	--	--	--	--	--	2	--	--	--	--	--	--	--	--	--	--	--	--	02
22.	Commercial Authority	--	--	--	2	--	1	--	--	--	--	--	--	--	--	--	--	--	--	03
23.	Law	--	--	--	--	--	--	--	--	--	2	--	--	--	--	--	--	--	--	02
24.	Disaster Management	--	--	--	--	--	--	--	--	--	1	2	--	--	--	--	--	--	--	03
	Total	03	28	06	20	05	21	06	29	06	16	05	20	04	21	05	35	04	24	258

APPENDIX- 2.9
(Refer: Paragraph – 2.5.3.; Page - 85)

Status of Action Taken Notes on the recommendation of PAC

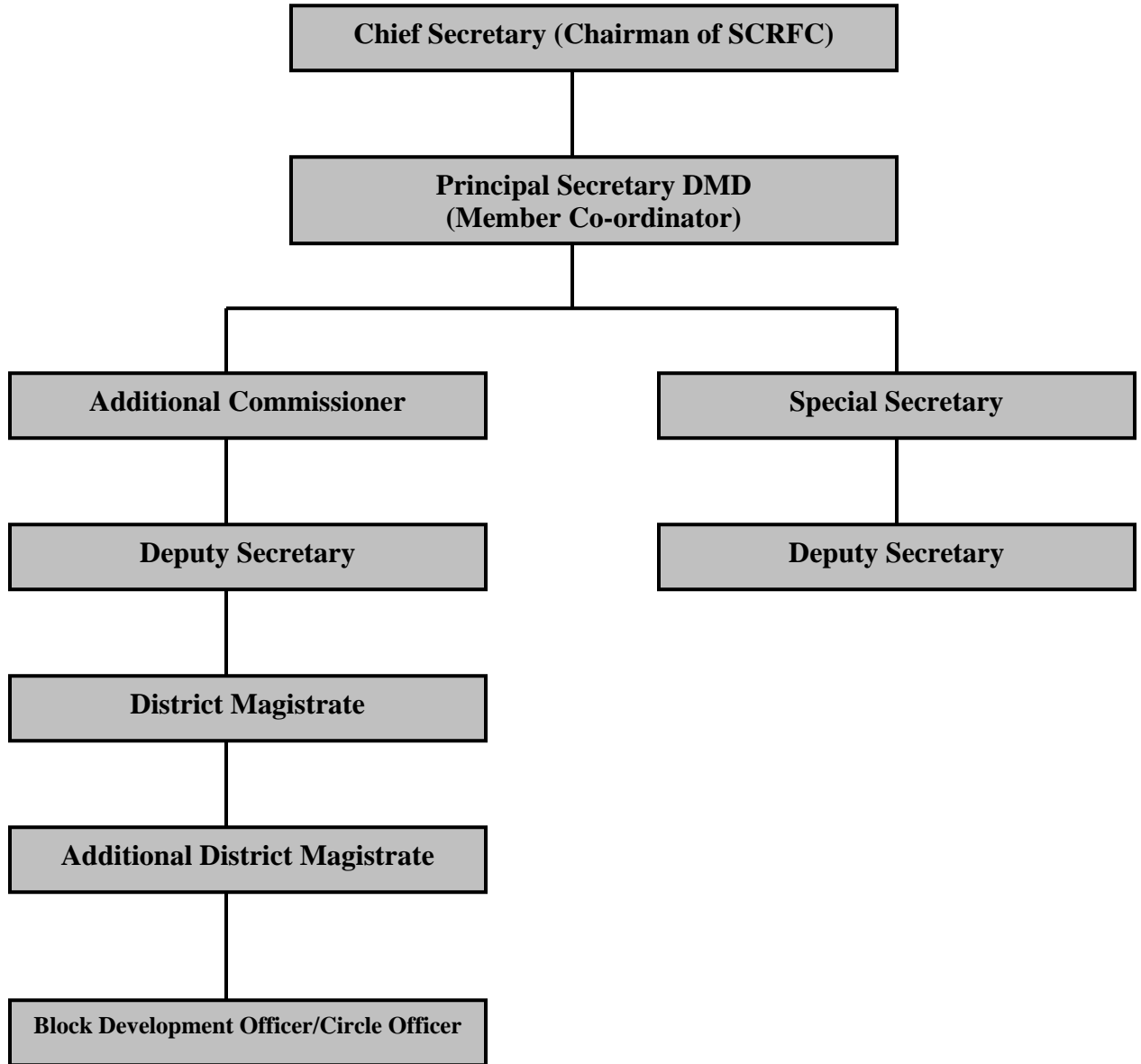
Sl. No.	Name of Department	P.A.C. Report No.	Number of Paras on which ATNs by department not furnished
1.	Rural Development Department	326*, 357, 446	32
2.	Rural Engineering Organisation	414	11
3.	Road Construction Department	347, 369, 430	31
4.	Labour & Employment Department	388	01
5.	Science & Technology	396	03
6.	Urban Development Department	406, 447	08
7.	Public Health Engineering Department	348, 453, 426	12
8.	Finance Department	386	04
9.	Health Department	335, 399	52
10.	Panchayati Raj Department	451	02
11.	Energy Department	349	02
12.	Environment Department	384	01
13.	Home Department	334, 419, 397	12
14.	Agriculture Department	346, 521, 422	14
15.	Co-operative Department	351, 465, 428	07
16.	Human Resources Development Department	358, 359, 379, 411, 417, 457, 470, 394, 395, 420, 390, 389	70
17.	Animal Husbandry Department	415, 445	18
18.	Relief & Rehabilitation	398, 400	09
19.	Water Resources Department	323, 374, 377, 368, 367, 378	14
20.	Minor Irrigation Department	352, 416, 450	16
21.	Welfare Department	387, 397	07
22.	Planning & Development Department	466	02
23.	Revenue & Land Reforms Department	454, 463	05
24.	Personnel Department	459	01
25.	Cabinet Secretariat Department	460	01
26.	Food, Civil Supplies & Commerce Department	448, 391	04
27.	Institutional Finance & Programme Implementation Department	392	06
28.	Industry Department	438	08
29.	Building Construction Department	429	11
30.	Civil Aviation Department	425	04
Total			368

* 326- 08.11.2000 (Laid on 08.11.2000 in Bihar Vidhan Sabha).

APPENDIX-3.1

(Refer: Paragraph- 3.2; Page- 89)

Organisational set-up of Disaster Management Department



(Source: Disaster Management Department)

APPENDIX -3.2
(Refer: Paragraph-3.2; Page- 89)

Organisational Set up

Details of Disaster Management Authorities

- (1) **State Disaster Management Authority shall consist of following members, namely:-**
- a) the Chief Minister of the State, Chairperson, ex-officio
 - b) other members, not exceeding eight, to be nominated by the chairperson of the State Authority
 - c) The Chief Secretary, Member, ex-officio
- (2) **The State Executive Committee shall consist of the following members, namely:-**
- a) the Chief Secretary – Chairperson, ex-officio
 - b) the Development Commissioner – Member
 - c) the Secretary, Finance Department – Member
 - d) the Secretary, Water Resource Department – Member
 - e) the Secretary, Disaster Management Department – Member (Convenor of Committee)
- (3) **District Disaster Management Authority consist of the following members, namely:-**
- a) District Magistrate or Deputy Commissioner as the case may be- Chairperson, ex-officio
 - b) Chairman, Zila Parishad- Co-Chairperson, ex-officio
 - c) Deputy Development Commissioner- Member, ex-officio
 - d) Superintendent of Police- Member, ex-officio
 - e) Civil Surgeon cum Chief Medical Officer- Member, ex-officio
 - f) Additional District Magistrate*(Relief) – Member, ex-officio
 - g) Senior Engineer of district- Member, ex-officio

(* Additional District Magistrate (Relief) in the district shall work as Chief Executive Officer of the district authority.)

(Source: The Disaster Management Act, 2005)

APPENDIX-3.3
(Refer: Paragraph 3.7.2; Page- 93)

Statement showing transfer of funds to blocks/circles in selected districts

(Rupees in lakh)

Name of District	Year	Allotment	Fund allotted to block/ circle/ others	Surrender
Sitamarhi	2006-07	76.50	37.22	39.28
	2007-08	16903.71	16719.68	184.03
	2008-09	1057.98	476.68	581.30
Madhepura	2006-07	368.14	104.39	263.75
	2007-08	1144.30	517.70	626.60
	2008-09	35274.02	30164.13	5109.89
Saharsa	2006-07	90.50	53.00	37.50
	2007-08	1178.95	1150.05	28.90
	2008-09	12502.23	10786.22	1716.01
Patna	2006-07	209.02	52.36	156.66
	2007-08	3350.52	2704.97	645.55
	2008-09	4199.72	2472.48	1727.24
Araria	2006-07	41.00	2.90	38.10
	2007-08	90.43	19.63	70.80
	2008-09	9051.49	8501.27	550.22
East Champaran	2006-07	907.07	903.00	4.07
	2007-08	9881.28	9767.97	113.31
	2008-09	10467.11	4055.20	6411.91
Supaul	2006-07	119.28	11.17	108.11
	2007-08	2269.34	1725.56	543.78
	2008-09	22737.00	19427.77	3309.23
Purnia	2006-07	77.00	28.52	48.48
	2007-08	108.20	17.33	90.87
	2008-09	6629.84	3833.48	2796.36
Total (Rs in lakh)	2006-07	1888.51	1192.56	695.95
	2007-08	34926.73	32622.89	2303.84
	2008-09	101919.39	79717.23	22202.16
Total (Rs in crore)	2006-07	18.89	11.93	6.96
	2007-08	349.27	326.23	23.04
	2008-09	1019.19	797.17	222.02

(Source: Concerned DM's Offices)

APPENDIX –3.4
(Refer: Paragraph 3.7.2; Page- 93)

Statement showing drawal of funds without immediate requirement

(Rupees in lakh)			
<i>Name of District</i>	<i>No.of Block</i>	<i>Year</i>	<i>Amount</i>
Madhepura			
	CO, Alamnagar	2007-08	17.44
	CO, Alamnagar	2008-09	1371.53
	Total		1388.97
Saharsa	CO, Mahesi	2008-09	11.49
	CO, Patarghat	2008-09	557.07
	CO, Banwa Itahari	2008-09	275.45
	CO, Salakhua	2008-09	251.47
	CO, Simri Bakhityarpur	2007-08	55.09
		2008-09	137.52
	CO, Saharsa	2008-09	20.61
	DMD, Saharsa	2007-08	26.69
		2008-09	163.31
	ICDS, Saharsa	2008-09	50.00
Total		1548.70	
Sitamarhi	DMD, Sitamarhi	2006-07	28.00
		2007-08	90.83
		2008-09	758.17
	CO, Dumra	2007-08	42.94
	Total		919.94
Araria	DMD, Araria	2008-09	430.16
	Total		430.16
Purnia	DMD, Purnea	2008-09	1111.00
	CO, Banmankhi	2008-09	28.15
	Total		1139.15
Patna	DMD, Patna	2007-08	2.39
		2008-09	13.16
	Total		15.55
Supaul	DMD, Supaul	2008-09	634.75
	CO, Saraigarh Bhaptiyahi	2008-09	27.40
	CO, Pratappanj	2008-09	193.00
	CO, Supaul	2008-09	66.87
	Total		922.02
East Champaran	DMD, East Champaran	2008-09	1518.75
	CO, Banzaria	2008-09	49.83
	CO, Turkoliya	2008-09	1.16
	BDO, Sangrampur	2008-09	93.97
	CO, Motihari	2008-09	115.16
	Total		1778.87
		2006-07	28.00
		2007-08	235.38
		2008-09	7879.98
Grand Total			8143.36 or say 81.43 crore

APPENDIX -3.5
(Refer: Paragraph 3.7.3; Page- 94)

Statement showing outstanding advances

(Rupees in lakh)

Name of District	No.of Block	Year	Amount
Madhepura	CO, Singeshwar	2008-09	538.92
	CO, Madhepura	2008-09	185.10
	Nagar Parishad, Madhepura	2008-09	675.42
	Nagar Panchyat, Murliganj	2008-09	346.92
	CO, Murliganj	2008-09	1384.55
	SDO, Madhepura	2008-09	106.59
	CO, Kumar Khand	2008-09	1899.00
	CO, Alam Nagar	2008-09	56.21
	Total		5192.71
Saharsa	CO, Mahesi	2006-09	22.40
	CO, Patarghat	2006-09	1211.75
	CO, Banwa Itahari	2006-09	16.43
	CO, Salakhua	2008-09	14.03
	CO, Saharsa	2008-09	3.44
	CO, Simri Bakhtiyarpur	2008-09	52.64
	CO, Sonbarsa	2007-09	2522.14
	Total		3842.83
Sitamarhi	DMD, Sitamarhi	2006-08	7.34
	CO, Dumra	2007-08	1.60
	CO, Bathnaha	2006-07	2.99
	Total		11.93
East Champaran	CO, Motihari	2006-09	80.19
	CO, Banzaria	2008-09	0.23
	CO, Turkoliya	2007-09	0.03
	BDO, Sangrampur	2006-09	85.71
	Total		166.16
Supaul	DMD, Supaul	2006-09	76.73
	CO, Pratapganj	2006-09	2.45
	CO, Supaul	2006-09	3.39
	Total		82.57
Patna	DMD, Patna	2007-08	2.81
	CO, Danapur	2006-09	0.35
	CO, Fatuha	2006-09	31.17
	Total		34.33
Araria	DMD, Araria	2006-09	2.97
	CO, Narpatganj	2007-09	2073.00
	CO, Farbisganj	2007-09	62.98
	BDO, Forbisganj	2006-09	18.14
	Total		2157.09
Purnia	CO, Banmankhi	2008-09	2.68
	Total		2.68
Grand Total			11490.30 or Say 114.90 crore

APPENDIX -3.6
(Refer: Paragraph 3.7.4; Page- 94)

Statement showing outstanding abstract contingent bills

(Rupees in lakh)

<i>Name of District</i>	<i>Name of Offices</i>	<i>Year</i>	<i>No. of AC bills</i>	<i>Amount</i>
Madhepura	<i>CO, Singeshwar</i>	2008-09	16	1583.24
	<i>CO, Murliganj</i>	2008-09	21	3286.62
	<i>SDO, Madhepura</i>	2008-09	9	160.78
	<i>CO, Madhepura</i>	2008-09	19	2088.37
	<i>CO, Kumarkhand</i>	2008-09	12	4354.40
	<i>Nagar Panchyat, Murliganj</i>	2008-09	9	422.79
	<i>CEO, Nagar Parishad, Madhepura</i>	2008-09	9	601.29
	Total		95	12497.49
Saharsa	<i>CO, Mahesi</i>	2006-07	4	1.35
		2007-08	20	45.75
		2008-09	11	293.16
	<i>CO, Banwa Itahari</i>	2007-08	17	120.70
		2008-09	29	1158.34
	<i>CO, Salakhua</i>	2006-07	2	0.66
		2007-08	16	131.43
		2008-09	12	528.08
	<i>CO, Patarghat</i>	2008-09	33	1873.12
	<i>CO, Sonbarsa</i>	2007-08	8	135.74
		2008-09	15	3530.35
	<i>CO, Simri Bakhtiyarpur</i>	2006-07	1	4.12
		2007-08	5	216.42
2008-09		10	945.70	
	Total		183	8984.92
Supaul	<i>DMD, Supaul</i>	2007-08	8	985.79
		2008-09	11	11877.61
	Total		19	12863.40
Purnia	<i>DMD, Purnea</i>	2008-09	13	60.68
	<i>CO, Banmankhi</i>	2008-09	7	742.08
	Total		20	802.76
East Champaran	<i>DMD, East Champaran</i>	2006-07	17	707.04
		2007-08	65	3590.72
	Total		82	4297.76
Sitamarhi	<i>DMD, Sitamarhi</i>	2006-07	12	37.22
		2007-08	25	14409.59
		2008-09	1	4.00
	Total		38	14450.81
Patna	<i>DMD, Patna</i>	2007-08	3	10.33
	<i>CO, Fatuha</i>	2007-08	5	126.11
		2008-09	5	132.68
	<i>CO, Patna Sadar</i>	2007-08	10	35.43
		2008-09	21	82.49
Total		44	387.04	
Araria	<i>DMD, Araria</i>	2006-07	6	9.00
		2007-08	3	7.98
		2008-09	21	7882.66
	<i>CO, Forbisganj</i>	2008-09	1	117.49
	<i>CO, Narpaganj</i>	2008-09	7	419.16
	Total		38	8436.29
Grand Total			519	62720.47 or say 627.20 Crore

APPENDIX -3.7
(Refer: Paragraph-3.9.1; Page- 98)

Details of proposed and approved flood protection works

SI.No.	Site where work was proposed	Brief of proposals of diversions	Recommendations' of KHLC	Finally approved and executed works	Curtailed works
1	Between 12.80 km to 12.90 km of EAB	Construction of three studs. (12 m X 6 m)	Wait & watch.	As recommended by KHLC.	Construction of three studs.
2	Between 12.90 km to 13.60 km of EAB	Construction of eight studs. (12 m X 6 m)	Construction of five studs. (12 m X 6 m)	Construction of five studs (12 m X 6 m)	Construction of three studs.
3	Spur at 11.90 km of EAB	(A) Restoration of nose apron (12m X 1.20 m) with slope on N/C base. (B) Restoration of U/S shanks portion in 76.0 m and D/S shanks in 38.0 (12 m X 6 m) with slopes on N/C base.	Restoration of nose apron in 9 m width nose slope pitching and negotiate the nose apron with the existing apron in U/S and D/S shank of the spur near the junction point of shank and nose apron after due probing.	As recommended by KHLC.	The area of nose apron restoration and length of U/S and D/S shanks.
4	Spur at 12.10 km of EAB	(A) Restoration of nose apron (12 m X 1.20 m) with slope on N/C base. (B) Restoration of U/S shanks portion in 76.0 m and D/S shanks in 38.0 m (12m to 6m) with slopes on N/C base.	Restoration of U/S nose apron corner in three meter width in embayed portion.	As recommended by KHLC.	The area of nose apron restoration and length of U/S and D/S shanks.
5	Spur at 12.90 km of EAB	Restoration of nose slope and 12 H wide apron along with four nose teeth in U/S shank 6 m X 6m.	(1) Restoration in embayed portion of D/S corner of nose apron to negotiate it with the existing apron in U/S side after due probing. (2) Restoration in U/S shank portion in three meter width in a length of 21 m in the embayed portion near the nose of spur.	As recommended by KHLC.	Type of work changed
6	Between 0.60 km to 12.80 km of EAB (in country side)	Repairing of countryside slope at different points between 0.60 km to 12.80 km of EAB by crated toe and earthwork.	Wait & watch.	As recommended by KHLC.	Repair of countryside slope.

APPENDIX -3.8
(Refer: Paragraph-3.9.5; Page- 102)

Statement showing selection of ineligible persons and irregular payments

(Rupees in crore)

Name of District	No. of Block	No. of beneficiaries	No. of beneficiaries checked	payment
East Champaran	09	5537	325	0.78
Purnia	02	409	136	0.33
Madhepura	03	857	288	0.69
Patna	02	626	34	0.08
Saharsa	02	2176	2176	5.22
Supaul	02	1652	172	0.41
Total	20	11257	3131	7.51

APPENDIX-3.9
(Refer: Paragraph-3.9.5; Page- 102)

Statement showing non-adherence to the norms for selection of beneficiaries

Name of District	Photographs of hutments shows them in good condition	Washed out hutments	Selection without approval of case file by BDO/CO	Land was not in the name of beneficiaries/land not available	Payment made without land receipts (on self affidavit)	Without maintaining age, surroundings of land, date of damage of hutments	Payment other than approved beneficiaries	Total
Madhepura	--	--	--	288	--	--	--	288
Saharsa	--	--	--	--	2176	--	--	2176
Patna	--	--	--	13	--	--	21	34
Supaul	--	--	--	--	--	172	--	172
East Champaran	55	73	42	--	--	155	--	325
Purnia	54	42	--	--	--	40	--	136
Total	109	115	42	301	2176	367	21	3131

APPENDIX -3.10
(Refer: Paragraph 3.9.5; Page- 102)

Details of assistance given for damaged houses/hutments and houses constructed

(Rupees in crore)

Name of District	Amount Distributed	Total No. of affected Block	No. of beneficiaries	No. of house completed	Date of completion
East Champaran	25.40	20	10583	2220	June 2009
Purnia	1.02	03	427	-	-
Sitamarhi	49.23	17	20513	-	-
Madhepura	2.06	03	857	580	July 2009
Patna	16.77	20	6851	2389	July 2009
Saharsa	15.82	06	6592	1345	July 2009
Supaul	10.08	05	4202	-	-
Total	120.38	74	50025	6534	-

APPENDIX- 3.11
(Refer: Paragraph 3.10; Page- 103)

Statement showing sanctioned posts and vacancy position

Sl. No.	Grade	Name of Post	2007-08			2008-09		
			Sanctioned strength	Men-in-position	Vacant Post	Sanctioned strength	Men-in-position	Vacant Post
1	I	Additional District Magistrate	4	1	3	4	-	4
2	III	Stenographer	4	1	3	4	1	3
3	III	Divisional Assistant	4	4	-	4	3	1
4	III	Assistant/Head clerk	35	27	8	17	13 (9+4)	4
5	III	Assistant/ Clerk	34	29	5	47	40 (9+14+17)	7
6	III	Motorboat Driver	14	11	3	12	11	1
7	IV	Motorboat Khalasi	12	8	4	10	9	1
8	IV	Peon	35	21	14	26	20	6
9	III	Truck Driver	1	1	-	1	1	-
10	IV	Truck Khalasi	2	1	1	2	1	1
11	III	Typist/UDC	5	2	3	2	1	1
		Total	150	106	44	129	100	29

APPENDIX-3.12
(Refer: Paragraph-3.11; Page- 104)

Statement showing monitoring-cum-vigilance committees for supervision of relief works

- (A) District level relief monitoring-cum-vigilance committee**
- a) Incharge Minister, District Twenty Point Programme Implementation Committee - President
 - b) Chairman, District Board –Member
 - c) All honourable MP, MLA, MLC and Block Chief under District--Member
 - d) One member of each political parties –Member
 - e) District Magistrate –Member Secretary
 - f) District level officer of all departments –Member
- (B) Block level relief monitoring-cum-vigilance committee**
- a) Chief of Block Panchayat Committee
 - b) MP, MLA and Mukhiyas –Member
 - c) One member of each political parties –Member
 - d) Circle Officer –Member Secretary
 - e) Block level officer of all departments –Member
- (C) Panchayat level relief monitoring-cum-vigilance committee**
- a) Mukhiya -- President
 - b) Member of Panchayat Ward –Member
 - c) Nearest defeating candidates for mukhiya post in last election –Member
 - d) One member of each political parties –Member
 - e) Member of Panchayat Committee who is resident in panchayat area – Member
 - f) Panchayat Sevak/Revenue Clerk –Member Secretary
- (D) Urban local bodies level relief monitoring-cum-vigilance committee**
- a) President/Vice- President of Municipal Corporation/Nagar Parishad/Nagar Panchayat - President
 - b) Ward member of Municipal Corporation/Nagar Parishad/Nagar Panchayat –Member
 - c) Nearest defeating candidates for ward member post of Nagar Parishad/Nagar Ward/Nagar Panchayat in last election –Member
 - d) One member of each political parties –Member
 - e) Executive Officer of Municipal Corporation –Member Secretary