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PRESS BRIEF



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**REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA
(PERFORMANCE AND COMPLIANCE AUDIT)
FOR THE YEAR ENDED 31 MARCH 2020**

**Government of Bihar
*Report No. 5 of the year 2021***



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Press Brief

This Audit Report (Performance and Compliance Audit) of the Comptroller and Auditor General of India relating to Government of Bihar for the year ended 31 March 2020 was presented to the Bihar Legislature on 30 March 2022.

The Audit Report contains eight chapters which includes one performance audit on ‘Functioning of District Hospitals’, one detailed compliance audit on ‘Development of sewerage infrastructure in Patna under Namami Gange Programme’ and 13 audit paragraphs pertaining to different Departments of the State Government.

The major audit findings are as follows:

Chapter Two

Performance Audit on ‘Functioning of District Hospitals’

This Performance Audit was conducted in five sampled Districts (Biharsharif, Hajipur, Jehanabad, Madhepura and Patna) for the period 2014-15 to 2019-20 to assess overall health services being provided by District Hospitals.

Planning

- Shortfall of beds ranged between 52 and 92 *per cent vis-à-vis* Indian Public Health Standards (IPHS) norms implying bed strength of the district hospital was not commensurate with the population. Except in two district hospitals, even available beds were only 24 to 32 *per cent* of what was sanctioned by GoB (June 2009). Actual bed strength was not raised to the sanctioned level (March 2020) despite lapse of more than 10 years.



- There was a persistent shortage of Doctors, Nurses, paramedical staff, and technicians from 2014 till 2020 but the department did not publish the total vacancies to get them filled.

(Paragraphs 2.1.7 and 2.1.7.1)

Out-patient services (OPD)

- The test-checked DHs did not provide 12 to 15 significant OPD curative services like Cardiology, Gastro enterology, Nephrology, ENT etc. due to shortage of specialist doctors and infrastructure such as building, equipment and furniture and fixture.
- Patient load on registration counters in all test-checked DHs was 13 *per cent* to 208 *per cent* higher than the norm. Despite increase in number of patients in OPDs, average number of doctors available in OPD remained the same resulting in much higher OPD cases per doctor and less consultation time.
- The objective of providing drugs free of cost to patients could not be ensured as 59 *per cent* of the OPD patients purchased drugs from their own pocket.

(Paragraphs 2.2.1, 2.2.2 and 2.2.4)

Diagnostic services

- Out of required 121 diagnostic facilities as per IPHS, among test-checked DHs, maximum number of diagnostic services were available in DH-Hajipur which too was only 33 *per cent*.
- Facility of diagnosis and management of cases of Cardio-Vascular Disease, Stroke and Cancer, Myocardial Infarction and stroke facilities were not available in any of the test-checked DHs.



- The four (04) DHs that were in Japanese Encephalitis (JE) endemic districts did not have the facility to provide diagnostic services like test for JE and Chikungunya.

(Paragraphs 2.3.1.1, 2.4.24 and 2.4.26)

In-patient services

- Accident/Trauma and Psychiatry wards and positive/negative isolation wards for infectious patients were not available in any of the test-checked DHs.

(Paragraph 2.4.1)

Operation Theatre (OT)

- Out of five test-checked DHs, OT was not available for emergency surgeries in any DHs, for elective major surgeries in three DHs and for ophthalmology/ENT in two DHs.
- Shortage of essential drugs in OTs ranged between 64 and 91 *per cent* in test-checked DHs which indicated possibility of purchase of essential drugs by the patients from outside. In two (02) DHs, out of combined shortage of 23 drugs, indent for 21 drugs was not made by the DH itself. Thus, even demand for unavailable drugs was not made.

(Paragraphs 2.4.6 and 2.4.8.1)

Intensive Care Unit (ICU)

- ICU services were available only in DH-Jehanabad but with major inadequacies like shortage of nurses, essential drugs and equipment and no paramedic staff.

(Paragraph 2.4.12)



Cardiac Care unit (CCU)

- None of the test-checked DHs had Cardiac Care Unit (CCU) for treatment of ischemic heart disease, stroke and other cardiovascular emergencies.
- CCU unit was not functional in DH-Hajipur since it was approved (September 2012) despite availability of equipment (such as CCU ventilator, Defibrillator, Cardiac monitor, ECG machine etc. that are now lying idle) and was locked since 2014 till the date of joint physical verification (2021).

(Paragraph 2.4.24)

Blood Bank

- Nine DHs (including DH- Patna) in Bihar were without blood bank and existing Blood banks at DHs (except two) were running without valid license during 2014-20.
- None of the four test-checked blood banks had carried out Hepatitis-A test.

(Paragraphs 2.4.15.1, 2.4.15.3)

Maternity

- In DH Hajipur, all four ANC checkups were ensured in only four *per cent* cases. In other DHs, it was not ensured.
- High stillbirth rate was observed in DH-Madhepura (2.17 *per cent*) and DH-Biharsharif (1.63 *per cent*) vis-à-vis State average of 0.96 per 100 live births.
- TT injection was not given to all pregnant women in the test-checked DHs except DH-Biharsharif, despite their availability in stock.



- Significant shortage of equipment (9 to 16 out of 28) was observed in all DHs which compromised the ability of the hospitals to provide emergency and critical care in maternity cases leading to 21 maternal deaths in three test-checked DHs (Biharsharif-9, Jehanabad-7, DH-Hajipur-5) during the period 2014-20.

(Paragraphs 2.5, 2.5.1.4 and 2.5.3.3)

Functioning of Bihar Medical Services and Infrastructure Corporation Limited (BMSICL)

- BMSICL was entrusted (March 2014) to ensure uninterrupted supply of drugs and medical equipment in all the hospitals of 38 districts in State. However, it could not supply all the indented drugs, among other districts, most notably in Patna where 70 Essential Drug List (EDL) drugs (42 *per cent*) and 66 EDL drugs (30 *per cent*) were not supplied at all during 2017-18 and 2018-19 respectively.
- BMSICL could only spent ₹3,103 crore (29 *per cent*) against the available funds of ₹ 10,743 crore. Out of the total 1097 projects undertaken by BMSICL during 2014-20, only 187 could be completed while 523 were still in progress and 387 (35.28 *per cent*) were yet to commence.

(Paragraphs 2.7.3.1 and 2.8.1.1)

Chapter Three

Detailed Compliance Audit on Development of Sewerage Infrastructure in Patna under Namami Gange Programme

- There was inadequate planning for sewage treatment of Patna town as the sanctioned capacities of STPs were only able to treat, half of current sewage discharge.
- The quality of works was found sub-standard and substantive funds were parked in bank accounts. The BUIDCO failed to adhere to the stipulated time line for



completion of works, as no STP along with sewerage network was completed till date and the discharge of sewage in Ganga and its tributaries could not be stopped in Patna as desired.

Draft Paras

- Due to improper planning, intended objective relating to procurement of 455.45 MT DDT and 313.83 MT SP could not be achieved and led to unfruitful expenditure of ₹11.12 crore.

(Paragraph 3.2)

- Non-adherence of provisions of the IRC in preparation of estimate and unable to take the appropriate decision to raise the height of embankment as pointed out by the contractor's/local residents resulted in an additional burden of ₹5.60 crore.

(Paragraph 3.3)

- Execution of strengthening work on portion of newly built up road by the Road Construction Department led to avoidable expenditure of ₹6.85 crore.

(Paragraph 3.4)

- Non-adherence to the provisions of Bihar Treasury Code and inaction of authorities of District Election Offices led to accumulation of unadjusted advances of ₹15.19 crore against 4388 persons for a period ranging from one to 36 years.

(Paragraph 3.7)



Chapter Four

- The total receipts of the Government of Bihar for the year 2019-20 amounted to ₹1,24,232.53 crore, of which, revenue raised by the State Government from its own sources was ₹33,857.58 crore (27.25 *per cent*). The share of receipts from the Government of India amounting to ₹90,374.95 crore (72.75 *per cent* of the total receipts) comprised of State's share of divisible Union taxes of ₹63,406.33 crore (51.04 *per cent* of the total receipts) and grants-in-aid of ₹26,968.62 crore (21.71 *per cent* of the total receipts).

(Paragraph 4.1)

- The arrears of revenue as on 31 March 2020 in respect of the principal heads of revenue amounted to ₹4584.73 crore of which ₹1357.78 crore was outstanding for more than five years.

(Paragraph 4.2)

- Audit observed under-assessment/short levy/loss of revenue aggregating to ₹4,417.05 crore in 1,265 cases. The departments concerned accepted ₹ 1,249.81 crore in 1,318 cases, out of which, 151 cases involving ₹329.56 crore were pointed out during 2019-20 and the rest in earlier years. The departments reported (between April 2019 and March 2020) recovery of ₹ 16.08 crore in 207 cases pertaining to previous years.

(Paragraph 4.5)



Chapter Five

- The Assessing Authorities failed to detect availing of inadmissible deductions by dealers which resulted in short levy of tax for ₹1.10 crore including leviable interest.

(Paragraph 5.3)

- The Assessing Authorities failed to detect the application of incorrect rate of tax which resulted in short levy of tax for ₹2.87 crore including interest.

(Paragraph 5.4)

Chapter Six

- Concerned DTOs did not ensure renewal of fitness certificates of 22,684 vehicles during January 2017 and January 2020. This resulted in non-realisation of ₹48.36 crore (testing fee of ₹96.74 lakh, renewal fee of ₹45.37 lakh and additional fee of ₹46.94 crore).

(Paragraph 6.3)

- Despite availability of information of non-payment of motor vehicle taxes by defaulter vehicle owners, the DTOs did not monitor or review tax table of VAHAN to generate tax defaulter list. As a result, no demand notice was issued by the DTOs to the tax defaulters and consequently tax of ₹17.97 crore remained unrealised.

(Paragraph 6.4)

Chapter Seven

The total number of State Public Sector Enterprises (SPSEs) in the State as on 2019-20 was 79 which includes 72 State Government Companies, three Statutory Corporations and four Government controlled other companies. However, based on the latest finalised accounts up to last three years, the number of SPSEs covered in this report was 20 (17 Government Companies, one Statutory Corporation and two Government controlled other companies).

(Paragraph 7.1.3)



- State Government had not formulated a dividend policy under which all profit making SPSEs are required to pay a minimum return. Only two companies viz. Bihar State Road Development Corporation Limited (₹6.02 crore including taxes) and Bihar Rajya Pul Nirman Nigam Limited (₹1.26 crore including taxes) paid the dividend out of 10 to 12 profit making SPSEs during 2017-18 to 2019-20.

(Paragraph 7.3.2)

Chapter Eight

- Out of 79 SPSEs, 1,303 accounts of 77 SPSEs were in arrears. One of them (Bihar Scooters Limited) is pending since 1977-78.

(Paragraph 8.3.2)

- CAG issued comments in respect of six financial statements of five SPSEs during the calendar year 2020. The financial impact of significant comments issued on profitability was ₹ 2,238.28 crore and on assets/liabilities was ₹4,949.14 crore.

(Paragraph 8.5.2)



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