

OVERVIEW

The Report contains four chapters. The first chapter brings out status of PRIs in the State of Bihar. The second chapter contains observation on Financial Management and Reporting. Third chapter discusses about Internal Control Mechanism in PRIs. Chapter four contains observation of audit on execution of schemes. A synopsis of the findings contained in the Annual Report is presented in this overview.

1. Introduction of PRIs in the State of Bihar

- In response to objections raised by audit ₹ 1.09 crore and ₹ 0.41 crore was recovered at the instance of audit during the year 2008-09 and 2009-10 respectively.

(Paragraph-1.10)

2. Financial Management and Reporting

- The Zila Parishads sustained a loss of ₹7.73 crore due to non-realisation of settlement amount, stamp fee, rent of shops & govt. offices.

(Paragraph-2.2.1,2.2.2,2.2.3,2.2.4 & 2.2.5)

- Advances of ₹104.18 crore lying unadjusted/unrecovered.

(Paragraph-2.5)

- The PRIs were following the Panchayat Samiti and Zila Parishad (Budget and Accounts) Rules, 1964. The Budget and Accounts formats prescribed by the C & AG of India were not operationalised.

(Paragraph-2.7)

- None of the PRIs covered in this report did prepare Annual Accounts.

(Paragraph-2.7)

- None of the Panchayat Samitis and Gram Panchayats had prepared Budget estimates.

(Paragraph-2.7)

- The PRIs were not maintain/maintaining improperly the basic record/register as prescribed by the rules, viz. Govt. Grant Register, Loan Register, Loan Appropriation Register, Advance Ledger, Deposit Ledger, Register of Outstanding Advance, Register of works, Asset Register etc.

(Paragraph-2.8)

3. Internal Control Mechanism

- Due to lack of Monitoring and Supervision over works 18705 works remained incomplete involving advance of ₹ 201.93 crore.

(Paragraph-3.4.1)

- In a large no. of projects undertaken by the PRIs advances of ₹ 2.10 crore were made to the executing agents but neither the projects were started nor the advances were recovered.

(Paragraph-3.4.2)

- The PRIs did not take follow up action on the Audit Reports issued to them due to which irregularities pointed out in audit reports remained unchecked. Upto 2008-09, 65061 paras in respect of 4165 ARs involving money value of ₹371.16 crore remained outstanding for compliance.

(Paragraph-3.7)

4. Execution of Schemes

- The grant of ₹ 14.00 crore meant for execution of works for the benefit of SC/ST community was diverted towards the execution of general schemes.

(Paragraph-4.1.1)

- Engagement of labours with same name for the same period were shown in the same scheme as well as in more than one scheme.

(Paragraph-4.3.1)

- In test checked 40 PRIs ₹ 2.58 crore was spent during 2006-07 to 2008-09 on the execution of works such as repairs/renovation of ZP/Block office by violating TFC guidelines.

(Paragraph-4.4.6)