

CHAPTER-IV
INTEGRATED AUDIT OF GOVERNMENT DEPARTMENT

Animal and Fisheries Resources Department

4.1 Integrated Audit of Animal and Fisheries Resources Department

Highlights

Bihar is primarily a rural agrarian economy with 90 per cent of the State's population living in the rural areas where animal husbandry is extremely important. Animal husbandry is being implemented in the State by Animal and Fisheries Resource Department. The major activities of the department were to provide animal health care, to conduct livestock census, to increase production of major livestock products, poultry development, breeding facilities for livestock to upgrade and conserve indigenous breeds apart from prevention of cruelty against animals.

An integrated audit of the department revealed preparation of annual plans for livestock improvement without actual livestock census data, deficient financial management as there were instances of heavy surrender in plan schemes and parking of funds with implementing agencies. The scheme objectives of poultry development, artificial insemination facilities, establishment of fodder banks and animal health care were not achieved. The departmental manpower management system was inadequate and large number of vacancies affected the working of the department. Insufficient monitoring by the departmental officers contributed to delays and non-completions of sanctioned schemes. Some of the significant findings were as given below :

The livestock census work was completed in February 2010 after a delay of two years from the prescribed date of completion, whereas the detailed results of household wise data of all districts was yet to be submitted to GOI despite expenditure of ₹ 13.91 crore.

(Paragraph 4.1.7.1)

Sample Survey was based on small samples sizes which were not reflective of the actual livestock population.

(Paragraph 4.1.7.2)

Against the total saving of ₹ 222.71 crore, department surrendered ₹ 210.23 crore, of which ₹ 127.36 crore was surrendered during 2007-11 on the last date of the respective financial years.

(Paragraph 4.1.8.1)

The drawing and disbursing officers on the instructions of the animal husbandry directorate withdrew ₹ 17.90 crore and deposited it in bank accounts in contravention of the State Financial Rules.

(Paragraph 4.1.8.3)

Due to short supply of chicks to BPL/Mahadalit families in two test-checked districts, the intended benefits to protect them from malnutrition and to help generate monthly earnings through poultry development were not achieved.

(Paragraph 4.1.9.2)

Bihar Livestock Development Agency, Patna failed to produce frozen semen for artificial insemination during 2007-11 despite spending of ₹ 7.89 crore.

(Paragraph 4.1.9.3)

An amount of ₹ 9.55 crore was spent on pay and allowances/salaries and wages etc. of the staff deployed in non-functional establishments like cattle breeding farms at Patna and Dumraon (₹ 7.16 crore) and Frozen Semen Bank cum Bull Station, Patna (₹ 2.39 crore).

(Paragraph 4.1.9.6 & 4.1.9.7)

The internal audit by Finance Department was not conducted during 2007-11 indicating the internal control mechanism in the department was deficient.

(Paragraph 4.1.14)

4.1.1 Introduction

The Animal and Fisheries Resources Department, Government of Bihar came into existence in the year 1949. The major activities of the department were to collect basic data of population of different species of livestock, to provide animal health care, assessment of major livestock products, implementation of animal breeding programmes, prevention of cruelty against animals and promoting the people for better management and feeding of animals.

The Animal Husbandry sector holds an important position in the State's economy as it contributes one-third of the total rural income. The objectives of the department, besides providing health care to animals, were to improve the rural economy, to make available animal protein for human consumption, to create sufficient and sustainable wealth for rural people, to create self-employment opportunities by sale of livestock products i.e. milk, egg, wool and meat etc. and to check the exodus of rural labour and skills.

In order to realise these objectives, the department implemented 40 schemes as detailed in *Appendix-4.1* during 2007-11. Of these, 30 were under the State Plan, nine were Centrally Sponsored Schemes (CSS) (sharing basis) and one Central Plan Scheme.

During 2007-11 the production of major livestock products in the State increased from 57.67 lakh MT (milk), 1.81 lakh MT (meat) and 2.41 lakh Kg (wool) to 65.17 lakh MT (13 *per cent*), 2.23 lakh MT (23 *per cent*) and 2.60 lakh Kg (eight *per cent*) respectively, while the production of eggs decreased from 1068 million to 745 million (30 *per cent*).

4.1.2 Organisational set-up

The department is headed by a Secretary, who was assisted by a Director each for Animal Husbandry (AH), Fisheries and Dairy. The Director (AH) was

assisted by an Additional Director and a team of officers¹ at the headquarters' level. Eight² Regional Directors (RDs) at commissioner level and 38 District Animal Husbandry Officers (DAHOs) at district level alongwith Sub-divisional Veterinary Officers at Sub-division level and Block Animal Husbandry Officers (BAHOs) at block level were responsible for discharging the functions of the department. Further, Veterinary Surgeons as well as Touring Veterinary Officers (TVOs) were posted at the district and block levels for treatment of animals. There was a Central Poultry Farm (CPF) at Patna headed by a General Manager (GM). There were four Regional Poultry Farms³, each headed by an Assistant Director. In addition to this, there was a Frozen Semen Bank-cum-Bull Station, Patna, Animal Diagnostic Lab, Darbhanga, two Cattle Breeding Farms at Patna and Dumraon and one training school at Dumraon also functioning under the department. A detailed organogram is given in *Appendix-4.2*.

4.1.3 Scope of Audit

The department was responsible for Animal Husbandry, Fisheries and Dairy sectors. However, the scope of this integrated audit conducted from May to August 2011 was limited to the scrutiny of activities relating to Animal Husbandry (AH) only. It involved the test-check of the records for the period 2007-11, maintained at the AH Directorate, three⁴ out of eight RDs offices, nine⁵ out of 38 DAHOs and four BAHOs⁶ from each selected DAHOs. In addition, records of the Central Poultry Farm, Patna, two⁷ out of four Regional Poultry Farms, two⁸ Cattle Breeding Farms, Bihar Livestock Development Agency (BLDA), Patna, Frozen Semen Bank, Patna, Institute of Animal Health and Production, Patna, Training School, Dumraon, Fodder Development Office, Patna and Animal Diagnostic Lab, Darbhanga were examined.

These units were selected to ensure State-wide coverage of the programmes and schemes under execution by the department. District level offices were selected using the Probability Proportionate to Size with Replacement method, while block level offices were selected through Simple Random Sample with

¹ Joint Director (Animal Health), Joint Director (Hqr), Dy. Superintendent (Cattle Census), Dy. Director (Hqr.), Fodder Development Officer, Director (Institute of Animal Health and Production), Project Director (Bihar Livestock Development Agency), Goshala Development Officer.

² Bhagalpur, Chhapra, Darbhanga, Gaya, Muzaffarpur, Patna, Purnia and Saharsa

³ Bhagalpur, Kishanganj, Muzaffarpur, Purnea.

⁴ Bhagalpur, Muzaffarpur and Purnea

⁵ Bhagalpur, Kishanganj, Madhubani, Motihari, Munger, Muzaffarpur, Nalanda, Patna and Purnea

⁶ Bhagalpur : Narayanpur, Nawgachhia, Rangra chowk, Sahaur.; East Champaran : Ghorasahan, Kesaria, Kalyanpur, Kotwa; Kishanganj : Bahadurganj, Kishanganj, Teragachhi, Thakurganj; Madhubani : Jainagar, Khajauli, Khutauna, Ladiana; Munger : Haweli, Sangrampr, Tarapur, Tetiabamber; Muzaffarpur : Marawan, Motipur, Muraul, Mushahari; Nalanda : Harnaut, Islampur, Karai parasurai, Katrisarai; Patna: Daniawan, Dulhin Bazar, Fatuha, Goshwari. Purnia : Jalalgarh, K. Nagar, Purnia, Ruapuli

⁷ Bhagalpur and Muzaffarpur

⁸ Patna and Dumraon

Replacement method. Audit efforts were focused on activities such as programme planning, financial management, scheme implementation, inventory management and human resources management of the department. In addition, an assessment of the adequacy and effectiveness of the internal control mechanism existing in the department was also done.

4.1.4 Audit objectives

The audit objectives aimed to assess and evaluate whether:

- the planning process for the implementation of programmes and schemes was adequate and effective;
- the financial management was efficient and effective;
- the implementation of programmes and schemes was according to plan, efficient, effective and economical;
- the human resource management was adequate and efficient and
- the monitoring mechanism and internal control system were in place and effective.

4.1.5 Audit criteria

Keeping in view the audit objectives, the working of the department regarding Animal Husbandry was assessed on the basis of the following criteria:

- Acts, Rules and Regulations of the Government and Government of India (GOI) as applicable to animal husbandry activities;
- Bihar Budget Manual, Bihar Financial Rules and Bihar Treasury Code, and
- Instructions and guidelines issued by the GOI and the Government for Central and State sponsored schemes respectively.

4.1.6 Audit Methodology

The audit methodology included the updating and consolidation of domain knowledge, preparing detailed audit guidelines, sample selection and conducting field visits for examination, collection and analysis of relevant information. Discussions were held with the responsible officers of the AH Headquarters and field offices involved in programme implementation. Audit evidence was collected through replies to audit questionnaires, audit memos, copies of documents etc. and through personal interaction with the responsible departmental officials. In order to explain the objectives of this audit, its scope, methodology, coverage and focus and to elicit the departmental views and concerns, an entry conference was held in May 2011 with the Secretary of the department. Thereafter, on completion of field visits, an exit conference was held (November 2011) with the Secretary of the department wherein the audit findings were discussed in detail. The responses/replies of the department have been suitably incorporated in this report.

Audit findings

The deficiencies noticed during audit are discussed below:

4.1.7 Planning

Adequate planning is the key factor for effective implementation of any department. Forty schemes were planned to be implemented by the department during 2007-11. In order to formulate the schemes, livestock census was to be done and results were to be sent to GOI. In addition, the estimation of livestock products i.e. milk, egg, wool and meat etc. were to be done by the department for preparing the gross domestic product (GDP) from the animal husbandry sector. However, the detailed results of livestock census of all districts were yet to be submitted to GOI, the estimates of livestock products were based on very small sample sizes. The enumeration of livestock data as envisaged under the scheme was not reflective of actual livestock population. This Integrated Audit revealed the following deficiencies in the planning conceived by the department for implementation of the schemes.

4.1.7.1 Eighteenth livestock Census

In order to formulate, implement, monitor and evaluate programme/scheme for improvement in the livestock sector, the 18th livestock census was proposed by the GOI, to be conducted during June 2007 to May 2008. For this Centrally Sponsored Scheme (CSS), the GOI released ₹ 15.49 crore (2007-2011) to the department. The objectives of this scheme were to collect basic data of population of different species of livestock, alongwith their characteristics such as age, sex, availability of infrastructure etc. As per the GOI activity schedule for the schemes, the actual livestock counting was to be completed within one month⁹. Further, data for quick result (district wise data) was to be submitted during 15 January to 31 January 2008 and for detailed results (household wise detailed data) was to be submitted during 1 May to 15th May 2008.

The livestock census work was completed after delay of two years from the prescribed date of completion.

Scrutiny of records revealed that the department could complete livestock census only in February 2010 i.e. after delay of two years from the prescribed date of completion. The data for quick results was collected between April 2008 and February 2010 and sent to GOI in May 2010 i.e. after delay of 28 months whereas the detailed results of household wise data of all districts was yet to be submitted to GOI. The Government incurred an expenditure of ₹ 13.91 crore (April 2011) on this activity.

In reply, the Government stated (November 2011) that the detailed results of household wise data was being prepared. Thus, in the absence of the livestock census the annual plans prepared by the department for livestock improvement were not based on realistic data.

⁹ 15 September 2007 to 14 October 2007

4.1.7.2 *Integrated Sample Survey Scheme*

Integrated Sample Survey (ISS) scheme was a CSS with objectives of estimating the number of productive animals and laying birds, production of major livestock products i.e. milk, egg, wool, meat and to work out the average yield per animal/bird. As these seasonal estimates were required for preparing the gross domestic product (GDP) from the animal husbandry sector, this data was required to be collected every year on seasonal basis i.e. summer (March to June), rainy (July to October) and winter (November to February). As per the scheme estimation methodology, 15 *per cent* of the villages (five *per cent* villages in each season) in each district were to be selected for complete enumeration of livestock population. The technical committee's direction for improvement of Animal Husbandry and Dairying statistics also required that for precision, the sample size should not be reduced.

The livestock production figures were based on inadequate sample size.

Audit scrutiny of the records at the directorate and nine test-checked DAHOs revealed that in place of five *per cent*, only five villages in each district per season were selected for complete enumeration of the animal population. An expenditure of ₹ 1.74 crore was incurred on the scheme during 2007-11. It was observed that though the estimation work was to be done by enumerators, it was being done by Group D staff in Kishanganj district and by livestock assistants in Purnea district. Further, as the tour programmes of enumerators for survey work were not on record at Kishanganj, Motihari, Purnea and Nalanda districts during 2007-11, the reliability and truthfulness of the data collected becomes doubtful.

In reply, the Government stated (November 2011) that action was being taken for filling up the posts of statistical workers so that the survey of livestock could be completed.

4.1.8 **Financial management**

Financial management entails the process of financial planning, expenditure control, release of funds and their utilisation, accounting, re-appropriation and surrenders wherever required. In this connection, audit scrutinised the records at the departmental and field levels and noticed the following discrepancies:

4.1.8.1 *Budget provisions, expenditure and surrenders*

As per Rule 62, (Appendix-V) of the Bihar Budget Manual, financial controlling officers were required to send budget estimates for the ensuing financial year to the Finance Department by first October of every year on the basis of projections received from the field offices.

The budget estimates were sent with delays ranging from 39 to 57 days.

Audit scrutiny of compliance to this provision revealed that during 2007-11, the budget estimates were sent to the Finance Department with delays ranging from 39 to 57 days due to the late receipts of the estimates from the subordinate offices. Such late receipts provided less time to the departmental officers to examine these proposals before sending it to the Finance Department. Consequently the accuracy, requirement and reliability of these

budget provisions, expenditure and surrender during 2007-11 suffered as shown in **Table-1** below.

Table no. – 1
Budget provisions, expenditure¹⁰ and surrenders/savings during 2007-11

Year	Original Grant	Supplementary Grant	Total Grant	Expenditure	Total Savings	₹ in crore)	
						Surrender	savings (in per cent)
2007-08	84.08	28.17	112.25	93.98	18.27	16.16	16.28
2008-09	104.98	116.97	221.95	187.62	34.33	31.08	15.47
2009-10	187.61	56.03	243.64	196.56	47.08	43.09	19.32
2010-11	256.68	28.47	285.15	162.12	123.03	119.90	43.15
Total	633.35	229.64	862.99	640.28	222.71	210.23	25.81

(Source: Detailed Appropriation Accounts)

The savings from 20 to 77 per cent under the Plan head and from seven to 17 per cent under the Non-Plan head.

Funds of ₹ 127.36 crore were surrendered by the department on the last date of the financial years 2007-11.

The above table and scrutiny of records revealed the following facts:

- The total of surrenders and savings during 2007-11 ranged from 15 to 43 per cent. Of these, the savings ranged from seven to 17 per cent under the Non-Plan head and from 20 to 77 per cent under the Plan head (**Appendix-4.3**). Huge savings under the Plan section indicate that the department failed to implement the Plan schemes as conceived.
- As per Rule 112 of the Bihar Budget Manual, all anticipated savings should be surrendered to the Government immediately as and when foreseen without waiting till the end of the year. No savings should be held in reserve for possible future excesses. Audit scrutiny of the detailed appropriation accounts and records of the Directorate for the years 2007-11 revealed that against a total grant of ₹ 862.99 crore, an expenditure of ₹ 640.28 crore was incurred. Of the saving of ₹ 222.71 crore, ₹ 210.23 crore were surrendered and ₹ 12.48 crore lapsed.
- Of the surrenders, funds of ₹ 127.36 crore (except non-Plan head of 2007-08)¹¹ were surrendered by the department on the last date of the financial years 2007-11. Consequently, the surrendered funds could not be re-appropriated by the Finance Department.

Further, it was observed that the department undertook 40 schemes during 2007-11. The department received ₹ 35.72 crore for one Central Plan Scheme and spent only ₹ 12.51 crore (35 per cent) and for nine CSSs, the department spent only ₹ 21.18 crore (30 per cent) against total grant received of ₹ 71.48¹² crore. In case of 30 State Plan Schemes, the department spent only ₹ 204.90 crore (67 per cent) out of total released grant of ₹ 305.43 crore during this period (**Appendix – 4.4**). Consequently, the funds allotted under these schemes were either surrendered or remained unutilised with the implementing agencies due to delayed sanction of schemes or late receipt of funds from GOI. For instance, an amount of ₹ three crore was released for the

¹⁰ Major heads-2403 (Animal Husbandry), 3451 (Secretariat-Economic Service), 3454 (Census Surveys and Statistics)

¹¹ Amount surrendered under non-Plan head during 2007-08 was not intimated.

¹² Central share : ₹ 51.72 crore and State share : ₹ 19.76 crore

purchase of Ambulatory Van on the last date of financial year (March 2011), which could not be utilised and was surrendered (2010-11).

In reply, the Government accepted (November 2011) the audit findings.

4.1.8.2 Expenditure control

Rule 472 of the Bihar Financial Rules required each head of department to be responsible for controlling expenditure from the grant or grants at his disposal and exercise control through the controlling officers, if any, and the disbursing officers subordinate to him. Further, Rule 475 required every controlling officer and head of the department to maintain a separate register in Financial Rule Form 23 for each minor or sub-head of account operated under his control.

Registers for expenditure control were not available for 2007-09 and thereafter were not maintained properly.

Audit scrutiny revealed that these registers were not available with the Directorate for the years 2007-09. Thereafter, the department maintained registers which were not in the prescribed format, many columns were left blank, entries were not certified by the competent authority and total allotment for the month and balance of appropriation were not recorded. Consequently, the departmental compliance to expenditure control mechanism was very poor as can be seen from the fact that the department surrendered 42 per cent plan funds during 2007-11.

The Government stated (November 2011) that the registers for expenditure control would be maintained properly in future.

4.1.8.3 Irregular retention of funds

Rule 300 of Bihar Treasury Code Vol.I provided that 'no money should be withdrawn from the treasury unless required for immediate payment, drawal of money in anticipation of demands from the treasury either for the execution of works, the completion of which is likely to take a considerable time, or to prevent the lapse of appropriations, was not permissible.

Audit scrutiny revealed that ₹ five crore sanctioned (January 2008) under the State Plan scheme, Rastriya Krishi Vikas Yojana, (RKVY) was provided to 29 DAHOs for purchase of medicine to control liver fluke disease. Of this, ₹ 1.77 crore remained unutilised and was deposited (March 2008) under the head '8443 Civil Deposit'.

Bihar Live Stock Development Agency neither implemented Plan schemes nor returned Plan funds amounting to ₹ 17.90 crore to department.

Further, the Director, Animal Husbandry, Special Deputy Director, Frozen Semen Bank-cum-Bull Station and Director, Institute of Animal Health and Production (IAHP), Patna withdrew ₹ 21.71¹³ crore at the end of the financial years as an advance and deposited it in the bank account of Project Director,

¹³ Director, Animal Husbandry : ₹ 1.62 crore (March 2010) and ₹ 9.83 crore (March 2011), Frozen Semen Bank-cum-Bull Station : ₹ 2.26 crore (March 2008), Director, IAHP : ₹ 8 crore (March 2011).

Bihar Livestock Development Agency¹⁴ (BLDA). Of this, ₹ 3.81¹⁵ crore was spent under the concerned schemes and the unspent balance of ₹ 17.90 crore remained with BLDA at the end of March 2011. Thus, the drawal of ₹ 17.90 crore by the concerned DDOs were without any immediate requirement.

The Government stated (November 2011) that the funds were deposited with BLDA for implementing the Plan scheme only.

4.1.8.4 Maintenance of Cash Book

As per Rule 86 (iv) of Bihar Treasury Code Vol.-I, the head of the office should verify the cash balance in the cash book at the end of each month and record a signed and dated certificate to that effect. Further, Rule 7 (1) of Bihar Treasury Code Vol.-I, stipulated that all m oney on account of revenue should be remitted/deposited in full into the treasury/bank without undue delay.

Scrutiny of cash books in the nine test-checked DAHOs revealed that the details of closing balances were not prepared at the end of each month. In the absence of these details, the reliability and actual availability of cash balances could not be ascertained. Further, in seven¹⁶ offices, Government receipts (treatment fee, castration fee, revenue received from settlement etc.) of ₹ 11.14 lakh was remitted after delays ranging upto two years and in four offices¹⁷ an amount of ₹ 5.18 lakh (2007-11) was not remitted till the date of audit. The improper maintenance of cash book was fraught with the risk of embezzlement.

In reply, the Government stated (November 2011) that the directions to maintain the cash book according to the provision of Financial rules were already issued and the field offices have been directed to ensure timely remittance of the departmental receipts in Government account.

Departmental receipt amounting to ₹ 5.18 lakh were not remitted and ₹ 11.14 lakh were remitted after a delay upto two years.

4.1.9 Implementation of schemes

During 2007-11, the department decided to implement 30 schemes under the State Plan including Rastriya Krishi Vikash Yojana (RKVY) with an estimated expenditure of ₹ 305.43 crore. In addition, one Central Plan Scheme and nine Centrally Sponsored Schemes (CSS) (sharing basis) were implemented by the department with estimated expenditure of ₹ 35.72 crore and ₹ 71.48 crore respectively (*Appendix-4.4*).

¹⁴ Bihar Livestock Development Agency was established by the department as State Implementing Agency for animal husbandry activities in the State. The agency was registered as a society under the Societies Registration Act.

¹⁵ ₹ 2.25 crore spent during 2009-11 against withdrawal in March 2008 and ₹ 1.56 crore spent during 2010-11 against withdrawal in March 2010.

¹⁶ DAHO (Kishanganj- ₹ 0.31 lakh, Munger- ₹ 0.89 lakh, Nalanda- ₹ 1.75 lakh and Purnea- ₹ 0.34 lakh), Frozen Semen Bank, Patna- ₹ 0.77 lakh. Regional Poultry Farm, Bhagalpur- ₹ 6.68 lakh and Regional Poultry Farm, Muzaffarpur- ₹ 0.40 lakh.

¹⁷ DAHO (Bhagalpur- ₹ 0.19 lakh, Madhubani- ₹ 0.83 lakh, Patna- ₹ 2.68 lakh) and Regional Poultry Farm, Bhagalpur- ₹ 1.48 lakh.

Poultry development

The department undertook five schemes for development of poultry during 2007-11. Of which, two¹⁸ were CSS and three¹⁹ were State plan schemes. Audit scrutiny of records revealed the following deficiencies:

4.1.9.1 Rural Poultry Development Scheme

As per the Agriculture Road Map of the Government, the objectives of this scheme (State Plan) were to provide animal protein and gainful employment in the rural areas through poultry development. As per the scheme guidelines, six poultry farms²⁰ were required to maintain 4000 layer hens as 'parent stock'²¹. Further, each poultry farm was to produce four lakh chicks for distribution amongst 16,000 families (25 chicks per family) per year (including 50 per cent for BPL families). Accordingly, ₹ 11.63 crore were released by the department to these six poultry farms during 2007-11 for implementation of this scheme.

The scheme implementation was not satisfactory due to non-construction of poultry buildings.

Audit scrutiny revealed that, neither did any of the six poultry farms maintain the prescribed "parent stock" nor did they produce the target number of chicks during 2007-11 as indicated in *Appendix-4.5*. The department stated (June 2011) that out of ₹ 11.27 crore spent during 2007-11, ₹ 5.97 crore²² were advanced to Building Construction Divisions (BCD) for construction of hatchery building, laboratory, poultry shed etc. (March 2009 to March 2010) in four Poultry Farms²³. The construction work was still incomplete (November 2011).

The Government stated (November 2011) that the targets regarding production of chicks could not be achieved due to non-completion of poultry buildings.

4.1.9.2 Rural Backyard Poultry Scheme

The Rural Backyard Poultry (distribution of 45 chicks) Scheme was started by the department in May 2010. The objectives of the scheme were to provide protection to BPL/Mahadalit families from malnutrition and to generate monthly earning of ₹ 1334 for 18 months through poultry development. The scheme was to be completed in 32 weeks. The scheme stipulated distribution of 45 chicks (per family) amongst 15000²⁴ BPL/Mahadalit families in three²⁵ phases. An amount of ₹ 3.78²⁶ crore were released (2009-10) by the department for implementation of the scheme. In order to review the

¹⁸ Rural Backyard Poultry Scheme (Murgi Gram Yojana) and Low Input Poultry Range
¹⁹ Rural Poultry Development Scheme, Poultry Training Scheme, Scheme for strengthening of Central Poultry Farm, Patna
²⁰ Bhagalpur, Kishanganj, Muzaffarpur, Nalanda, Patna and Purnea
²¹ Permanent stock for production of chicks
²² Kishanganj-₹ 50.28 lakh, Muzaffarpur - ₹ 2.61 crore, Patna- ₹ 1.87 crore and Purnea-₹ 98.20 lakh
²³ Kishanganj Muzaffarpur Patna and Purnea
²⁴ (2500 families x 6 districts i.e. Patna, Nalanda, Gaya, Jehanabad, Bhojpur and Vaishali =15000).
²⁵ First phase 15 chicks, 2nd phase 15 chicks and 3rd phase 15 chicks
²⁶ ₹ 1.63 crore released by GOI and ₹ 2.15 crore was made available by Bihar Mahadalit Vikas Mission

implementation progress, a monthly progress report depicting profits on sale of chicks, eggs etc. was to be submitted by district authorities to the Directorate.

The target of distribution of chicks to BPL/Mahadalit families for generating their monthly income, was not achieved.

Test check of records of DAHO, Patna revealed that against the envisaged distribution target of 45 chicks per family, only 15 to 30 chicks were actually distributed during May 2010 to May 2011. In Patna district, against a distribution target of 1,08,000 chicks among 2400 families, only 60,568 chicks were distributed to 703 BPL and 1528 Mahadalit families. Similarly, in Nalanda district, 58,528 chicks were distributed to 2222 BPL and 1857 Mahadalit families against the target of 1,08,000 chicks for 2400 families.

It was also seen that DAHOs, Patna and Nalanda did not submit the monthly progress report (MPR) as required resultantly the actual achievements could not be ascertained. In spite of these deficiencies, a further amount of ₹ 6.33²⁷ crore was provided to the directorate during 2010-11 to continue the scheme in the six districts and to replicate it in seven²⁸ more districts. However, the department deposited this amount in BLDA's bank account.

Thus, due to short supply of chicks in the two test-checked districts, the intended benefits of protection from malnutrition and to generate monthly earning through poultry development were not achieved.

In reply, Government stated (November 2011) that as the scheme was initiated in other seven districts, 30 chicks per family were distributed among 15000 families upto November 2011 only to start the scheme. The reply in itself was an admission of violation of the guidelines of the scheme to distribute 45 chicks per family for generating their monthly income.

Cattle and buffalo rearing

The department undertook nine schemes for cattle and buffalo rearing during 2007-11. Of which, one²⁹ was CSS and eight³⁰ were State plan schemes. Audit scrutiny of records at the departmental and test-checked units revealed the following deficiencies:

4.1.9.3 National Project for Cattle and Buffalo Breeding

The National Project for Cattle and Buffalo Breeding initiated in October 2000 was intended to improve the genetics of bovine³¹ animals. The second phase of this project initiated in December 2006 intended to deliver improved

²⁷ ₹ 2.85 crore from State Plan (27 September 2010), ₹ 1.85 crore from RKVY(21 January 2011) and ₹ 1.63 crore from GOI (as 100 per cent central grant) (26 March 2011)

²⁸ Kishanganj, Supaul, Araria, Banka, Bhagalpur, Katihar and Purnea
²⁹ National project for cattle and buffalo breeding

³⁰ Scheme for development of cow shed, Scheme for goat development and reproduction, Scheme for generic development of goats, Scheme for establishment of fodder bank, Scheme for production of green fodder, Scheme for fodder and cattle field development, Scheme for establishment of District Semen Bank and Scheme for sheep and goat development

³¹ An animal of cattle family.

artificial insemination services at the farmers door step and to bring improvement in the genetic makeup of cattle and buffalo. The responsibility for implementation of the scheme was entrusted to BLDA. During 2006-09, GOI released grants-in-aid of ₹ 10.08³² crore to this project. The guidelines for the project implementation required submission of detailed work plans, physical/financial targets and micro-level planning by the implementing agency to GOI within six weeks of sanction of fund. The subsequent releases were subjects to progress of the physical and financial progress achieved, submission of quarterly progress report, annual progress report and submission of audited accounts through the Government in the prescribed formats and within prescribed time-frames.

Performance of AI programme during 2008-11 was dismal and BLDA failed to produce any frozen semen dose during this period.

Audit scrutiny revealed that against the release of ₹ 10.08 crore, BLDA spent only ₹ 7.89 crore. The micro-level plans of phase-I were submitted in June 2008 i.e. after a delay of 16 months. The annual achievement rate of the artificial insemination (AI) during 2008-11 ranged between one and seven *per cent*, against the target of 60 *per cent* (42.40 lakh) of the breedable adult animal population in the State as indicated in **Table no. 2.**

Table no. - 2

Target and achievement of Artificial Insemination

Year	Target	Achievement	Percentage
2008-09	4240000	45569	1
2009-10	4240000	130517	3
2010-11	4240000	290298	7

(Source: Information furnished by BLDA)

Due to dismal performance in the project, the GOI did not release any further (second instalments) money. Further, though the production target for frozen semen for artificial insemination was 20 lakh doses per year, the BLDA failed to produce even a single dose during this period due to non-functioning of its laboratory and non-procurement of bulls. This resulted in the purchase of 4,74,852 doses of frozen semen at a cost of ₹ 48.78 lakh during 2008-2011 which was completely avoidable. Thus the project failed to achieve its objectives in spite of incurring an expenditure of ₹ 7.89 crore.

The Government stated (November 2011) that due to non-availability of adequate infrastructure like laboratory etc. and inadequate release of funds in second phase, the production could not be started. However, the production of targeted frozen semen would be started from December 2011. The reply was not acceptable as the department could not utilise even available funds.

4.1.9.4 Scheme for establishment of fodder banks

In order to ameliorate fodder scarcity and provide quality fodder in the flood-affected areas, the Government decided (March 2008) to establish fodder banks at 10³³ places in the State.

³² ₹ 5 crore in year 2006-07 for phase-I, ₹ 5.08 crore in year 2008-09 for phase-II, no funds was released in year 2007-08.

³³ Naubatpur (Patna), Sampatchak (Patna), Aurai (Muzaffarpur), Kurhani (Muzaffarpur), Harnaut (Nalanda), HCBF, Dumraon (Buxar), Rosra (Samastipur), Vikramganj (Rohtas), Kadhapanpur and Teghra (Begusarai).

Not a single fodder bank was established till November 2011.

Audit scrutiny in four test-checked districts³⁴ revealed that not a single fodder bank was established upto November 2011. For instance in Patna district, though ₹ 40.10 lakh was incurred during 2008-09 on construction of building and purchase of machinery, the machinery remained uninstalled because of delay in construction of building. In Muzaffarpur district, though ₹ 51.20 lakh were advanced (2008-09) for construction of the buildings and for the purchase of fodder-making machines, the buildings could not be constructed due to non-availability of land. In the case of 'Haryana Cattle Breeding Farm', Dumraon (Buxar), though a machine was purchased (January 2011) at a cost of ₹ 9.06 lakh, it could not be made functional due to lack of electricity connection. In Nalanda district, though the building was constructed, the machine was not supplied due to non-payment of the differential amount claimed due to revision in the cost of the machine. As a result, the fodder bank remained non-functional (August 2011), despite incurring an expenditure of ₹ 1.26³⁵ crore (2007-10) which became unfruitful.

The Government stated (November 2011) that the fodder block making machines could not be installed due to delay in construction work.

4.1.9.5 *Bull distribution scheme*

For genetic improvement of livestock in remote areas where the Artificial Insemination (AI) was not provided, bulls were to be distributed for natural insemination. While the BAHOs were responsible for care and treatment of the bulls, the Livestock Assistants were responsible for reporting the health, insemination and feeding of each bull to the concerned BAHOs.

Bulls distribution scheme could not taken off in eight districts due to non-allotment of funds under the scheme during 2007-11.

Scrutiny of records revealed that the bulls were not distributed by eight out of nine test-checked DAHOs (except Kishanganj) during the period 2007-11 due to non-allotment of funds under this scheme, though ₹ 3.23³⁶ crore were spent on pay and allowances of employees under this scheme. Due to non-distribution of bulls, the scheme failed to achieve its desire objectives.

The Government stated (November 2011) that the bull distribution for natural insemination in remote areas were under progress.

4.1.9.6 *Deficiencies in functioning of cattle breeding farms*

An 'Exotic Cattle Breeding Farm' (ECBF) in Patna and a 'Haryana Cattle Breeding Farm' (HCBF) in Dumraon (Buxar) were functioning under the control of the department. The objectives of these farms were to improve livestock, increase the production of milk, distribute bulls and provide training to the cattle-rearers.

³⁴ HCBF, Dumraon (Buxar), Muzaffarpur, Nalanda and Patna

³⁵ HCBF: ₹ 9.06 lakh, Muzaffarpur: ₹ 51.20 lakh, Nalanda: ₹ 25.60 lakh and Patna: ₹ 40.10 lakh.

³⁶ Bhagalpur- ₹ 44.75 lakh, Madhubani- ₹ 20.34 lakh, Munger- ₹ 26.71 lakh, Motihari- ₹ 41.71 lakh, Muzaffarpur- ₹ 44.37 lakh, Nalanda- ₹ 15.34 lakh, Patna- ₹ 111.55 lakh and Purnea- ₹ 18.58 lakh. Kishanganj district had not any allotment under this scheme.

Occupancy in Patna and Dumraon cattle breeding farms was 29 and 30 cattle against the targeted accommodations for 650 and 450 cattle respectively.

Audit scrutiny revealed that against the available cattle accommodations of 650 and 450 respectively in these farms, the average available cattle in Patna and Dumraon (Buxar) during 2007-11 was 29 and 30 respectively. But none of the bulls was distributed for cattle breeding, though ₹ 5.21 crore and ₹ 1.95 crore were spent on the pay and allowances of the staff posted in Patna and Dumraon farms respectively.

The Government stated (November 2011) that plans would be made to revive these cattle breeding farms and utilise the services of bulls for natural insemination.

4.1.9.7 Frozen Semen Bank

Frozen Semen Bank could not produce frozen semen straw during 2007-11 but paid ₹ 2.39 crore on wages of staff.

The Frozen Semen Bank cum Bull Station (FSB-cum-BS), Patna was responsible to collect semen from exotic and cross breed bulls and to produce frozen semen straw for breeding.

Audit observed that FSB-cum-BS, Patna did not produce any frozen semen during 2007-11 due to non-allotment of funds under this scheme though ₹ 2.39 crore was spent on wages of 28 employees. No efforts were made by the department to review the posting of these idle employees or to transfer them to other needy offices.

The Government stated (November 2011) that efforts were on for the production of semen straw by December 2011.

Animal Health

The department undertook eight schemes for animal health during 2007-11. Of which, three³⁷ was CSS and five³⁸ were State plan schemes. Audit scrutiny of records at the departmental and test-checked units revealed the following deficiencies:

4.1.9.8 Scheme for Control of Liver Fluke Disease

With an aim to protect livestock from Liver Fluke disease and to protect the farmers and cattle rearers against financial loss, a scheme for control of Liver Fluke was introduced by the department under RKVY during the year 2007-08, under which 'Oxyclozanide' medicine was to be given to livestock. The Government targeted to cover 20 per cent of the animal population by March 2008. Rupees five crore were released to 29 DAHOs (January 2008) for its implementation.

Scrutiny of the records in three (Madhubani, Muzaffarpur and Motihari) out of nine test-checked DAHOs revealed that 'Oxyclozanide' medicine (40632 litres) costing ₹ 75.44 lakh were procured (January-February 2008) without

Records regarding number of animals dewormed were not maintained by seven DAHOs and targets were not achieved in Madhubani and Motihari districts.

³⁷ Scheme for control of AVN influenza, Scheme for control of Bird Flu and Scheme for providing assistance to State for control of animal diseases

³⁸ Scheme for control of FMD disease, Scheme for control of liver fluke disease, Scheme of Livestock Vaccination, Scheme for treatment of cattle at the door step of cattle rearers and Scheme for establishment of pathological laboratory in 100 veterinary dispensary at sub-divisional level.

assessing its requirement. As a result, 16285 litres Oxytetracycline costing ₹ 30.24 lakh remained un-utilised. Further, records regarding the number of animals de-wormed³⁹ (January to March 2008) were not maintained by the six⁴⁰ test-checked DAHOs. Hence, the actual utilisation of Oxytetracycline in these districts was not ascertainable. It was also noticed that targets set for de-worming of animals by the department for Madhubani and Motihari districts were 1,41,200 and 1,03,600 animals but 54098 and 26988 animals only were de-wormed during the period January to March 2008 respectively. Audit further observed that two DAHOs (Munger and Muzaffarpur) purchased Oxytetracycline medicine valued at ₹ 15.78 lakh from a non-approved company. The above facts indicated the department's failure in monitoring the scheme and non-achievement of the objectives.

The Government stated (November 2011) that the medicine was purchased from the approved companies. The reply was not acceptable as the supply orders were issued to non-approved company (M/s Lyka).

4.1.9.9 Establishment of pathological laboratories

In order to conduct the parasitological test of animals to provide timely medical treatment, the department sanctioned (October 2007) the establishment of pathological laboratories in 100 sub-divisional animal hospitals during 2007-08 and released (October 2007) ₹ one crore at the rate of ₹ one lakh per hospital.

Due to lack of infrastructure, technical staff and electricity pathological laboratories remained non-functional.

Audit scrutiny of records in the test-checked nine districts revealed that DAHOs purchased equipment like glassware, utensils, chemicals, reagents, freezer, almirah, table etc. and supplied them to Sub-divisional animal hospitals for establishment of pathological laboratories. Further, it was found that against a sanction of 36 pathological laboratories, only 20 laboratories (*Appendix-4.6*) were partially functional mainly due to lack of infrastructure, interrupted supply of electricity and insufficient technical staff. Further, rooms for establishment of pathological laboratories were not available in all sub-divisional animal hospitals, resulting in the equipment supplied for testing purposes being kept in the stores.

The Government stated (November 2011) that due to lack of technical staff and regular electricity, pathological laboratories at sub-divisional level were not functioning properly.

4.1.10 Inventory Management

Inventory management entails the departmental regulations governing purchase, receipt and issue, custody, condemnation, sale and stock verification of stores are well devised and implemented. Audit scrutinised the records of stores and stock at the departmental and field level offices and noticed the following deficiencies:

³⁹ De-worming was done by giving Oxytetracycline to the animal for drenching.
⁴⁰ Bhagalpur, Munger, Muzaffarpur, Nalanda, Patna and Purnea

4.1.10.1 Discrepancies in Livestock Sale Register

Rule 136 (1) of BFRs stipulated that the officer-in-charge of stores should maintain suitable item wise lists and accounts and prepare accurate returns in respect of the goods and materials in his charge. In this connection, the Central Poultry Farm (CPF), Patna maintained a Livestock Register (LR) and Livestock Sale Register (LSR) to keep the details of birds and their sale proceeds.

Audit scrutiny of the records revealed discrepancies in the numbers of birds appearing in LSR and LR as can be seen from the fact that birds sold being shown less in the LSR as compared to LR. For instances, 683 chicks, 19 hens and two cocks were shown as "sale" in the livestock register as on 30 September 2008, but it was taken as 150 chicks and five hen only in the LSR. Similarly 139 hens, 15 cocks and 625 chicks were taken as sale in Livestock Register on 27 October 2008 but were not shown in the LSR. The above instances not only indicate poor maintenance of records but were also fraught with the risk of misappropriation of sale receipts.

The Government stated (November 2011) that action would be taken after investigation.

4.1.10.2 Deficiencies in maintenance of stock registers

As per Rule 138 (2) of BFRs, a physical verification of all the consumable goods and materials should be undertaken at least once in a year and discrepancies, if any, should be recorded in the stock register for appropriate action by the competent authority.

Physical verification of stocks was not conducted.

Audit scrutiny of nine test-checked DAHOs revealed that physical verification of stores were not done in any of the test-checked districts and details of stores in stock registers like manufacture, expiry date and batch numbers of medicine's were not properly recorded.

The Government stated (November 2011) that an instruction regarding maintenance of stock register has been reiterated on November 2011.

4.1.10.3 Irregular purchase of medicines

Rule 30 (i) of the BFRs stipulated that the terms of contract must be precise, definite and without any ambiguities. Further, Rule 131H (i) and (v) of BFRs provided that in case of tender for estimated value of ₹ 25 lakh and above, the minimum time to be allowed for submission of bids should be three weeks from the date of publication of the tender notice. Further, as per Rule 131F a demand for goods should not be divided into small quantities to make piece meal purchases to avoid the necessity of obtaining the sanction of the higher authority.

Purchase orders were split under ₹ one lakh only to bring it within the financial limits of the respective officers and avoid the sanction of higher authorities.

Scrutiny of records in audit at the Directorate revealed that the department invited tender (February 2008) for purchase of medicine with estimated cost of ₹ two crore, but gave only seven days as against the minimum required period of three weeks from the date of its publication. Thereafter, the department approved (April 2008) seven suppliers/companies for purchase of medicine without mentioning the period of validity of contract /agreement. It was also

observed that the purchase orders were splitted to bring it within the financial limits to the respective officers. The DAHOs, Patna and Nalanda purchased medicines (March 2011) worth ₹ 4.94⁴¹ lakh from suppliers other than the empanelled ones during 2010-11.

The Government stated (November 2011) that the DAHOs, Patna and Nalanda purchased medicine from the empanelled suppliers only.

The reply was not acceptable as the DAHO, Patna purchased medicine from M/s Om Shakuntalam Enterprises, M/s Parth Enterprises and M/s Acme Therapeutics (I) Pvt. Ltd, the DAHO, Nalanda purchased medicine from M/s Exceller Healthcare who were not empanelled suppliers.

4.1.11 Human Resources Management

Human resources management is a very important factor for the efficient functioning of the department. Audit scrutiny of manpower management in the department as well as the test-checked offices revealed the following:

4.1.11.1 Staffing

One of the primary functions of any department is to maintain details of their sanctioned manpower, men-in-position, category wise vacancies etc. so that appropriate manpower can be provided in a most efficient and required manner. Audit scrutiny of the records at Directorate revealed that the details of manpower such as its sanctioned strength, men-in-position, details of sanctioned posts etc. were not maintained.

Audit compilation of these details in the Directorate and 24 test-checked field offices revealed that the actual men-in-position in different cadre were 1412 (March 2011) against the sanctioned strength of 1969 staff. Consequently, 557 posts (28 per cent) of group B, C and D were vacant during 2007-11 which adversely affected the timely implementation of the various schemes undertaken by the department as discussed in this report (para 4.1.7.2, 4.1.9.9 and 4.1.11.2).

The Government while admitting that the shortage of staff affected the implementation of the schemes, stated that process for the appointment would be started after assessing the vacancy position in the State.

4.1.11.2 Dispensary/Hospital functioning without doctor

In order to provide veterinary care to animals, veterinary hospitals and dispensaries with adequate infrastructure and medical staffs were to be established in all the districts of the State.

Scrutiny of records in the eight⁴² out of nine test-checked districts revealed that 33 out of a total 221 hospitals/dispensaries were functioning without doctors during various periods between 2007 and 2011. Thus, in absence of doctors in the above mentioned hospitals/dispensaries, veterinary care

Vacancy adversely affected the timely implementation of various schemes.

Many hospitals/dispensaries were functioning without doctors in eight test-checked districts.

⁴¹ DAHO Patna - ₹ 3.96 lakh and DAHO Nalanda - ₹ 0.98 lakh

⁴² Bhagalpur, Kishanganj, Madhubani, Motihari, Muzaffarpur, Nalanda, Patna and Purnea.

facilities for the animals could not be provided, though ₹ 88.43 lakh were spent on pay and allowances of staff posted as shown in the **Appendix-4.7**.

The Government agreed with audit observation and stated (November 2011) that the vacant posts of doctors and other para veterinary staff would be filled up very soon.

4.1.11.3 Training

The department had only one Animal Husbandry Training School for Livestock Assistants at Dumraon in Buxar district for the training of its staff. The school was established to provide one year training to Livestock Assistants and four months training to private para vets (Gopal Mitra).

The only animal husbandry training school was non-functional during 2007-11.

Audit scrutiny revealed that though the training school neither organised any training programme nor did prepare any training calendar during 2007-11, yet eight employees of the training school were paid ₹ one crore as pay and allowances during the said period including purchase of furniture and computers costing ₹ 12.20 lakh.

The Government agreed with the audit observation and stated (November 2011) that the training school, Dumraon would be re-started from December 2011.

4.1.12 Monitoring

Regular monitoring is a key factor for efficient functioning of a department and timely implementation of its schemes. As per Rule 210 of Bihar Financial Rules, after a project costing ₹ 10 crore or above is approved, the Administrative Department was required to set up a Review Committee consisting of a representative each from the administrative department, Finance (Internal Financial Advisor) and the executing agency to review the progress of the work. The review committee had the powers to accept any variations within *10 per cent* of the approved estimates. In cases of works costing less than ₹ 10 crore, it was not mandatory for the Administrative Department to set up a review committee on the above basis.

Due to non-constitution of any committee to review the construction of hospital building work, the progress of these buildings was not ascertained.

Audit scrutiny revealed that 475 hospital buildings (block level: 465, subdivision level: 10) under State Plan and 62 hospital buildings under RKVY scheme for Purnea range were sanctioned (2008-09) for construction. During 2008-11, a sum of ₹ 159.59⁴³ crore was provided to the Building Construction Department for construction of buildings. The department neither constituted any committee to review the progress of the works nor prescribed any time frame for completion of the work.

The Government agreed (November 2011) with the audit observation that there was no monitoring cell in the department and assured compliance in future.

⁴³ ₹ 73.28 crore in 2008-09, ₹ 61.10 crore in 2009-10 and ₹ 25.21 crore in 2010-11

Annual Report on 'Integrated Sample Survey for estimation of Major Livestock Products' was not issued since 2005-06.

4.1.12.1 Non-dissemination of annual reports

As per Para 8.4 of the Report of the Technical Committee of Direction for Improvement of Animal Husbandry and Dairying Statistics, Ministry of Agriculture, GOI, the department was required to issue and circulate the annual reports of the centrally sponsored schemes for wide dissemination to other States and for information sharing amongst them.

Audit scrutiny revealed that the Annual Report on 'Integrated Sample Survey for estimation of Major Livestock Products' was not printed by the department since 2005-06. Consequently, the information regarding production of major Livestock products of the State was not available.

In reply, the Assistant Director (Statistics) accepted that the report was not issued after 2004-05 by the Directorate and assured issuance of the reports for the year 2005-06 onwards soon.

4.1.13 Compliance to Statutory regulations

4.1.13.1 Non-constitution of State Animal Welfare Board

The State Animal Welfare Board was not constituted, in total violation of the Supreme Court's directions.

Section 4 of the Prevention of Cruelty to Animals Act, 1960 required the Central Government to constitute Animal Welfare Board of India (AWBI). The objectives of this board were to promote animal welfare in general and to protect animals from being subjected to unnecessary pain or suffering in particular. The basic function of the Board was to keep law in force in India for the prevention of cruelty to animals under constant study and also to advise the Government(s) on issues relating to animal welfare.

In the light of Hon'ble Supreme Court of India order dated 6th August 2008, the GOI directed (October 2008) all the State Governments to constitute State Animal Welfare Boards within a period of three months. The State level Board was however, still to be constituted (August 2011).

The Government stated (November 2011) that the constitution of State Animal Welfare Board was under process.

4.1.13.2 Non-functioning of Society for Prevention of Cruelty to Animals

In accordance with the Section 38 of the Prevention of Cruelty to Animals Act 1960, Rule 3, GOI vide notification dated 26 March 2001 required every State Government to establish Society for Prevention of Cruelty to Animals (SPCAs) in each district within six months. These societies were intended to aid the Government/ local authority in enforcing the provisions of the Act and to make such bye-laws and guidelines as it deemed necessary for the efficient discharge of its duties.

Societies for Prevention of Cruelty to Animals were inactive and non-functional since inception.

Audit scrutiny revealed that SPCAs, under the chairmanship of District Magistrate and DAHO as member secretary, were established (between January 2008 and June 2010) in all districts except Sasaram district. However, the societies established in the districts of Begusarai, Sheohar, Chapra and Madhubani had not been registered (June 2011). It was also observed that in the test-checked districts, these societies were however, inactive and non-functional ever since their establishment.

The Government while accepting the audit observation and assured suitable action in future.

4.1.14 Internal Control

Internal control is an important component of an organisation's management process, established to provide a reasonable assurance that the operations are being carried out effectively and efficiently so as to achieve organisational objectives. Rule 306-A of the BTC required every controlling officer to inspect annually, the offices of each disbursing officer under him and submit a report.

The records regarding inspections conducted were not being maintained by the department. It indicated that the internal control mechanism in the department was deficient as can be seen from the instances of delayed surrender of funds, non-compliance of Bihar Financial Rules and Bihar Treasury Codes non-adherences to provisions on cash management as indicated in earlier paragraphs of this report.

The departmental efforts in settling audit paras were very tardy.

No internal audit was conducted by the Finance department in the directorate or in the test-checked field offices during 2007-11. No information about audit of subordinate offices was also available in the department. It was also observed that during 2007-11, 117 inspection reports containing 306 audit paragraphs amounting to ₹ three crore were issued by the Office of the Principal Accountant General (Audit) Bihar, Patna. The departmental efforts in settling these paras were very tardy as revealed by the fact that only 64 audit paragraphs amounting to ₹ 10.98 lakh were settled as of August 2011. This was reflective of a lackadaisical attitude of the department towards taking corrective measures and appropriate steps to rectify the deficiencies pointed out in the audit.

The Government agreed with audit observation and stated (November 2011) that instruction have been issued to all officers for compliance.

4.1.15 Conclusion

The annual plans prepared by the department for livestock improvement without completing the live stock census were not based on realistic data. The financial management of the department was deficient as indicated by many instances of heavy surrender of funds in the plan schemes and parking of funds with implementing agencies. The objectives of the schemes to provide poultry development were not achieved due to incomplete poultry farm buildings, the target of artificial insemination could not be achieved due to inadequate infrastructure with BLDA, fodder banks were not established and the veterinary hospitals/ dispensaries in eight test checked districts were functioning without doctors. The departmental manpower management system was inadequate and large number of vacancies affected the working of the department. Insufficient monitoring by the departmental officers contributed to delays and non-completions of sanctioned schemes.

4.1.16 Recommendations

The Government may ensure:

- timely conduct of household livestock census for preparing plans for improvement in livestock sector;
- timely conduct of integrated sample survey as per the scheme estimation methodology to obtain realistic data;
- periodical review of the budget and expenditure control mechanisms to ensure proper utilisation of funds;
- the establishment of infrastructure for poultry farms, fodder banks and Animal hospitals for effective implementation of scheme;
- human resource management for effective monitoring for successful implementation of scheme; and
- to strengthen the system of internal controls so that system as well as compliance weakness in the implementation of the schemes are addressed effectively.

Patna
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