

## OVERVIEW

This Report comprises three Chapters: the first Chapter contains the financial profile of the State, planning and conduct of audit and follow up on Audit Reports. Chapter 2 of this Report deals with the findings of eight performance audit reviews and Chapter 3 deals with compliance audit in the various Departments. The Audit findings included in the Performance Audits and Compliance Audit paragraphs in this Report have total money value of ₹ 445.66 crore.

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 as well as risk based judgemental sampling. The specific audit methodology adopted has been mentioned in each Performance Audit. The audit conclusions have been drawn and recommendations have been made taking into consideration the views of the Government. Summary of main audit findings is presented in this overview.

### 1. Performance Audit of programmes/activities/Departments

#### (i) Performance Audit of Total Sanitation Campaign/Nirmal Bharat Abhiyan

Government of India (GoI) launched in the year 1999 the Total Sanitation Campaign (TSC), a community-led comprehensive programme to ensure sanitation facilities in rural areas with broader goal to eradicate the practice of open defecation. To provide a boost to the programme, a post achievement award scheme, the *Nirmal Gram Puraskar* (NGP) was introduced in 2003 as an incentive scheme for fully sanitised and open-defecation-free *Gram Panchayats*, blocks and districts. Encouraged by the success of NGP, the TSC was renamed as *Nirmal Bharat Abhiyan* (NBA) with effect from 01 April 2012. The objective of NBA was to accelerate the sanitation coverage in the rural areas so as to comprehensively cover the rural community to achieve the vision of *Nirmal Bharat* by 2022.

Performance Audit of the scheme disclosed that there were significant delays in setting up of implementing agencies. Programme Management Unit (PMU) could utilise only 58 *per cent* (₹ 262.65 crore) of total funds available with it (₹ 449.25 crore) during 2009-14. PMU fixed targets without required preliminary or baseline survey to identify actual demand/need of services and infrastructure. Annual Implementation Plans (AIPs) were prepared at district level without any input of GP/Block. Only 22 *per cent* (5.84 lakh) of BPL and seven *per cent* (1.75 lakh) of APL households had functional toilets as of March 2014. PMU could perform only 18 *per cent* of planned Information, Education and Communication (IEC) activities during 2012-14 which could have triggered the demand of sanitation facilities. There was deviation from prescribed accounting and auditing procedures which led to discrepancies between reported and actual figures. There was absence of required monitoring at every level. Required social audit was not conducted to ensure involvement of community in implementation of NBA. The State Review Mission was yet to review the impact of TSC/NBA in the State.

(Paragraph 2.1)

**(ii) Establishment and Upgradation of Government Women ITIs and Government Women Polytechnics in Jharkhand**

National Policy on Skill Development provides for equal access to skill development to all social groups particularly women and disadvantaged sections of society to help them in securing decent employment. For this purpose, Government Women Industrial Training Institutes (WITIs) and Government Women Polytechnics (GWPs) in the State were established. The main objectives of WITIs and GWPs were to ensure a steady flow of skilled workers to industry. Performance Audit of establishment and upgradation of Government Women ITIs and Government Women Polytechnics in Jharkhand was conducted between February to September 2014.

It was observed that WITIs suffered from several shortcomings, such as (i) existing trades in Women ITIs, Ranchi and Jamshedpur were not upgraded, (ii) sanctioned trades were not in operation whereas some unpopular trades were being operated in WITIs, (iii) State Vocational trade certificates were issued to successful trainees by the State Council for Vocational Training (SCVT), which was provisional in nature as SCVT was not authorized to grant affiliation of any trade (iv) Strengthening and modernization of Government Women Polytechnics (GWPs) could not be done and GWPs remained deficient of equipment. Besides, there was lack of infrastructure, shortage of tools & equipment, teaching and non-teaching staff in test-checked units.

*(Paragraph 2.2)*

**(iii) Functioning of State Universities in Jharkhand**

A Performance Audit on “Functioning of State Universities in Jharkhand” was carried out in respect of three Universities-Vinoba Bhave University, Hazaribag, Nilamber Pitamber University, Medininagar & Kolhan University, Chaibasa and sixteen constituent colleges thereunder to examine the planning and financial management, status of implementation of academic activities, adequacy of infrastructure facilities and efficiency of human resource management and monitoring mechanism.

The Performance Audit revealed that Grants to the tune of ₹ 101.23 crore were under utilised by the test checked Universities. Plan funds amounting to ₹ 19.14 crore remained parked in the Personal Ledger Account maintained by the Directorate. Advances of ₹ 17.13 crore were outstanding against teaching/non-teaching staff of Universities/Colleges. A sum of ₹ 3.48 crore was short collected on account of fees and sale of forms. Due to non-utilisation/delay in utilisation, ₹ 6.21 crore were not released by University Grants Commission to Vinoba Bhave University. Against the prescribed Teacher Student ratio of 1:10 and 1:15 for Post Graduate courses and 1:25 and 1:30 for Under Graduate courses in science and humanities, the ratio ranged from 1:15 to 1:113 and 1:41 to 1:722 in PG Departments and test checked colleges respectively. The intake capacity for Post Graduate courses was considerably under-utilised and ranged between 2 and 71 *per cent* in Vinoba Bhave University, 16 and 95 *per cent* in Nilamber Pitamber University and 24 and 100 *per cent* in Kolhan University. Infrastructure worth ₹ 5.70 crore was lying idle for periods ranging from 10 to 55 months in Vinoba Bhave

University. The two newly created Universities, Nilamber Pitamber University and Kolhan University, did not have their own campuses even after more than five years of their establishment. Shortage of teaching staff ranged from 22.47 to 62.50 *per cent* and non-teaching staff ranged from 38.08 to 62.81 *per cent*. Senate and Syndicate did not meet as stipulated and University/programmes offered by these Universities were not accredited by National Assessment and Accreditation Council /National Board of Accreditation.

(Paragraph 2.3)

#### (iv) Compliance with Environmental Laws in Dhanbad District including Dhanbad Agglomeration

The review was conducted with a view to examine the compliance with environmental laws in Dhanbad city including Dhanbad agglomeration. The compliance of various Acts and Rules for the prevention and control of environmental pollution was inadequate. Biochemical Oxygen Demand (BOD), which is required to be in the range of 2 mg/litre or less in respect of drinking water source (without conventional treatment but after disinfection), was reported in the range of 2.5 mg/litre to 8.2 mg/litre at three locations Telmacho, Domgarh and Jamadoba in Dhanbad during 2009-14. Activities identified in the Dhanbad Action Plan were not executed. Disposal of Bio-medical wastes was not as per Bio-Medical Waste (Management & Handling) Rules and the monitoring and enforcement of environmental rules were not enforced effectively by Jharkhand State Pollution Control Board.

(Paragraph 2.4)

#### (v) Implementation of Schemes for Welfare and Protection of Girls in Jharkhand

Government of India (GoI) and Government of Jharkhand (GoJ) launched various schemes for the welfare and protection of girls viz. *Kishori Shakti Yojana*, (KSY) Rajiv Gandhi Scheme for empowerment of Adolescent girls (SABLA), *Mukhyamantri Kanyadan Yojana*, (MKDY) and *Mukhyamantri Laxmi Ladli Yojana* (MLLY). A Performance Audit of these schemes was conducted covering the period 2009-14 to assess whether the objective of empowerment and protection of adolescent girls were achieved through implementation of these schemes.

Performance audit revealed that there was no schematic convergence and forward linkages with other sector schemes except health scheme under KSY and SABLA. GoI did not release funds during 2009-10 and 2012-13 under KSY due to non-submission of annual action plan and utilisation certificates of previous grants by the State Government. *Kishori* kits were not provided under KSY during 2009-10, 2012-13 and 2013-14. Training kits were not provided under SABLA during 2010-11, 2011-12 and 2013-14. Vocational training was not organised under KSY during 2009-10, 2010-11 and 2012-13 and under SABLA during 2010-11, 2011-12 and 2013-14. Department did not organise *Kishori Health Mela/Kishori Diwas* for health check-ups in test-checked four KSY districts during 2009-14 and two SABLA districts during 2010-11, 2012-13 and 2013-14. Under Nutrition component of SABLA funds allotted for providing take home ration (THR) to enrolled girls were not sufficient for providing THR for 300 days in a year as per norms. Under

*Mukhyamantri Kanyadan Yojana*, records regarding number of applications received/rejected were not maintained. Under *Mukhyamantri Laxmi Ladli Yojana* (MLLY), coverage of beneficiaries ranged between 18 per cent and 28 per cent during 2011-14 due to less number of institutional deliveries. KSY, SABLA and MLLY schemes remained largely unmonitored during 2009-14. Infrastructure and man-power for implementation of the schemes were deficient.

(Paragraph 2.5)

**(vi) Information Technology Audit on preparedness of Crime and Criminal Tracking Network System**

With a vision to increase operational efficiency of the police and improve service delivery to the citizen, Crime and Criminal Tracking Network System (CCTNS) project was framed (May 2008) by Government of India (GoI) for implementation in the States/UTs to be completed by March 2012. In Jharkhand, the project was rolled out (February 2013) without even successful completion of the pilot phase and the project could not 'Go-live' in the State even after expiry of four years since its initiation (February 2010).

Many activities of the project implementation viz. site preparation, hardware commissioning, network connectivity etc. could not be completed at all the identified locations and the system was being partially utilised in the Police Stations (PSs) for back-dated entry of station dairy and FIR. Legacy/historical records were digitised but were not put to use because of many high impacting errors. Objective of creating national databank of crime and criminals for investigation of crime and detection of criminals could not be achieved as digitised data could not be migrated into CCTNS.

Customisation and configuration of Core Application Software (CAS) as per State specific requirements were not done. Integration of developed Extension modules with CAS was also not done. Third party acceptance testing, audit and certification of security and control aspects of the system were not conducted resulting in lack of validation controls in the CAS application. Data related to year 2013 of four police stations (Kotwali, Doranda and Pithoria under Ranchi police district and Torpa under Khunti police district) were lost permanently in absence of version control and documented backup and restoration policy.

(Paragraph 2.6)

**(vii) Tribal Sub Plan (Education and Health Sectors)**

The Government of India (GoI) initiated the concept of Tribal Sub Plan (TSP) to reduce the developmental gap between Scheduled Tribes (ST) and other sections of societies by allocating plan resources at least in proportion to the ST population.

Eight health and education related schemes, which have TSP components, were selected for review since these focus on human resource development. Schemes selected under Education Sector were (i) *Sarva Shiksha Abhiyan* (SSA), (ii) Mid Day Meal (MDM) Scheme and (iii) *Rashtriya Madhyamik Shiksha Abhiyan* (RMSA) and under Health Sector were (i) Immunisation, (ii) Flexi Pool, (iii) Infrastructure Maintenance Scheme (IMS), (iv) National

Programme for Prevention and Control of Cancer, Diabetes, Cardiovascular Diseases & Stroke (NPCDCS) and (v) National Programme for Health Care for the Elderly (NPHCE). The performance audit was conducted for the period from 2011-12 to 2013-14

We noticed that there was no separate planning for TSP categories in respect of concern schemes. Also no separate records were maintained for fund released under TSP component and there was absence of mechanism for segregation and tracking of expenditure exclusive for TSP. There was delay in release of state share of funds under SSA Scheme. Contrary to the scheme guidelines, text books in local languages (*Kurukh, Santhali, Kharia, Mundari and Ho*) were not printed and distributed to tribal children under SSA. Free uniforms to students were not distributed during 2011-12 and 2013-14 and were distributed late in 2012-13 under SSA. Annual Work Plan and Budget (AWP&B) for implementation of MDM Scheme were drawn up without considering actual needs at school level which resulted in short allocation of food grains as well as cooking cost.

There was short achievement of targets under immunisation of children. Action Plans for implementation of NPCDCS and NPHCE for the year 2011-13 were not prepared and prescribed services envisaged in the programme were not provided to the beneficiaries due to non-availability of sufficient space in the hospitals and non-recruitment of medical and para-medical staff.

(Paragraph 2.7)

#### **(viii) Implementation of Solar Energy programmes in Jharkhand**

For promotion of renewable energy resources in the State, the Jharkhand Renewable Energy Development Agency (JREDA) was established (2001) as State Nodal Agency by the Government of Jharkhand. Solar energy programmes like Solar Photovoltaic programmes, Solar Thermal Programme and Remote Village Electrification Programme were implemented in the State to provide power to those areas where conventional power was either absent or erratic and to provide power back up in district, block and *panchayat* offices for e-governance.

Performance audit of solar energy programmes revealed that JREDA could utilise ₹ 121.36 crore out of available funds of ₹ 223.42 crore during 2009-10 to 2013-14. Further, JREDA failed to tap Central Financial Assistance of ₹ 2.66 crore, as proposals of installing Solar Water Heating Systems was not sent to Government of India during 2009-12 and 2013-14. Solar power plants of 17 MW only could be installed in the State as against solar potential of 18000 MW. Due to short generation of solar energy, Jharkhand State Electricity Board could not fulfil its Renewable Purchase Obligation target of 275.62 MU during 2011-14. Further, unhindered power supply for e-governance services through off-grid solar power plants (SPP) could not be ensured due to non-completion of 2576 out of 4423 SPP in *gram panchayat* offices. Under remote village electrification programme, JREDA did not ensure repairing and maintenance of installed solar energy systems within comprehensive maintenance contract period.

(Paragraph 2.8)



## 2. Compliance Audit Findings

Audit observed significant deficiencies in critical areas, which impact the effectiveness of the State Government. Some important findings arising out of compliance audit (thirteen paragraphs) are featured in the Report. The major observations relate to non-compliance with rules and regulations, audit against propriety, cases of expenditure without adequate justification and failure of oversight/administrative control. Some of them are mentioned below:

- Construction of Grade I and Grade II village road along with Guard Wall beyond the approved scope of work without obtaining revised administrative approval from the Department resulted in irregular expenditure of ₹ 64.98 lakh.

(Paragraph 3.1.1)

- Excess payment of ₹ 28.66 lakh was made to daily wages labourers by Rajendra Institute of Medical Sciences by not following the prescribed rates of variable dearness allowance fixed by the Labour, Employment and Training Department.

(Paragraph 3.1.2)

- Non-provision of Bituminous Macadam (BM) and Semi Dense Bituminous Concrete (SDBC) in original estimates and their subsequent inclusion at higher rates on the requests of the contractors, on the ground of *naxal* problem, resulted in avoidable expenditure of ₹ 1.50 crore.

(Paragraph 3.2.1)

- Due to failure of Department to ensure suitability of site in compliance of Electricity rules, 1956 and subsequent non-shifting of 33 KV electric wires, staff quarters remained unoccupied resulting in idle expenditure of ₹ 1.71 crore.

(Paragraph 3.3.1)

- Delayed construction/upgradation of proposed Primary Health Centre building into Community Health Centre building rendered the expenditure of ₹ 1.92 crore unfruitful.

(Paragraph 3.3.2)

- Non-completion of the work in time relating to Mega Sports Complex resulting in expenditure of ₹ 3.56 crore remaining unfruitful.

(Paragraph 3.3.3)

- Construction of Industrial Training Institute Building without obtaining revised administrative approval resulted in non-allotment of ₹ 1.03 crore and non-completion of work, rendering expenditure of ₹ 3.49 crore unfruitful.

(Paragraph 3.3.4)

- Expenditure of ₹ 2.18 crore on Bridge over Beargara River under Mukhya Mantri Gram Setu Yojana (MMGSY) was rendered wasteful due to substandard construction and non-completion.

(Paragraph 3.3.5)

- Provision of unsuitable land for construction, delay in revision of estimate and failure to accord revised administrative approval resulted in non-completion of sub-jail leading to unfruitful expenditure of ₹ 1.61 crore.

***(Paragraph 3.3.6)***

- Due to commencement of work without administrative approval and non-availability of funds, work remained incomplete for more than four years after incurring expenditure of ₹ 1.49 crore besides creating liability of ₹ 91.48 lakh.

***(Paragraph 3.4.1)***

- Excess payment to contractor and non-levy of penalty/liquidated damages resulted into non-recovery of ₹ 1.03 crore.

***(Paragraph 3.4.2)***

- Failure to take timely action resulted in unfruitful expenditure of ₹ 1.87 crore on incomplete road.

***(Paragraph 3.4.3)***

- Failure to provide work and to utilise the services of the staff gainfully resulted in nugatory expenditure of ₹ 8.28 crore on staff along with idle plant and machinery worth ₹ 1.71 crore

***(Paragraph 3.4.4)***