
OVERVIEW

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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 five 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 ₹ 353.15 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) Medical Education in Jharkhand

To address the acute shortage of doctors and para-medical personnel, the Government took initiatives to augment the medical institutions for producing trained medical personnel available for health services in the state prompting conduct of a performance audit on the Status of Medical Education System under the Allopath stream in Jharkhand over the period of 2010-15.

The performance audit revealed that establishment of three new Medical Colleges each in the Government Sector as well as under PPP mode/private sector could not be achieved. Even opening of three paramedical courses could not be achieved due to non-provision of fund in budget. In PMCH, Dhanbad admissions were made for additional seats during 2014-15 without approval of Medical Council of India (MCI) risking the future prospects of these students. Further, PG courses in PMCH, Dhanbad could not be started due to acute shortage of faculty.

There was shortage of medical equipment in different departments of medical college. Medical equipment was not put to use for want of reagents/technicians. Due to shortage of faculty, actual teaching hours fell short of the prescribed minimum norms of MCI by 14 to 48 *per cent* which might have an adverse impact on quality of education.

There were acute shortages of human resource and medical equipment in Auxiliary Nurse and Midwives training centres, General Nurse and Midwives training centres and the College of Nursing, Ranchi which might adversely impact the quality of nurses and technicians that graduated from these colleges.

Monitoring in PMCH, Dhanbad was deficient as only four meetings of the college council against the MCI requirement of 20 meetings were held during 2010-15.

(Paragraph 2.1)

(ii) Implementation of Integrated Action Plan (IAP)

In order to address the issues of development in Left Wing Extremism affected districts, the Government of India launched (December 2010) Integrated Action Plan (IAP) in 82 tribal and backward districts of the country including 17 districts of Jharkhand. The main objective of the scheme was to provide for public infrastructure and services which would directly impact the local population and show results in short term. It also aimed to create appropriate skill development programme for the young people in these areas, so that they are weaned away from left wing extremism activities common in these areas.

Performance audit revealed that improper management of fund and lack of financial discipline resulted in poor utilization of funds, lapse of central funds of ₹ 495.81 crore, embezzlement of scheme funds of ₹ 4.22 crore, unadjusted/outstanding advances of ₹ 5.53 crore etc. Further, deficiencies in planning resulted in cancellation of 1,369 works of estimated cost of ₹ 42.41 crore after administrative approval by District Level Committee (DLC), duplication in selection of projects, lack of convergence with other Central/State sponsored schemes, selection and execution of inadmissible works of estimated cost ₹ 22.25 crore under the scheme etc.

Deficient monitoring of works executed under the scheme resulted in wasteful expenditure of ₹ 6.28 crore on 82 abandoned works, 700 works remained incomplete despite expenditure of ₹ 33.10 crore, irregular purchases and assets created under the scheme remained unutilized.

(Paragraph 2.2)

(iii) Mid-Day Meal Scheme

Nutritional Support to Primary Education (NSPE), a Centrally sponsored Scheme, popularly known as Mid-day Meal Scheme (MDM) was launched in August 1995 with the objective of boosting universalisation of primary education by increasing enrolment, attendance, retention and simultaneous improvement in the nutritional status of students of primary/upper primary classes.

There was decrease in enrolment and attendance of children in schools which was a negative indication of the scheme. Absence of norms for providing funds and food grains to schools resulted in delay and interruptions in smooth implementation of scheme. Accounts of food grains were not reconciled and correctness of data reported was not ensured. Quality and quantity of mid-day meal was never checked.

Poor infrastructure like Kitchen shed with storage facilities, cooking and serving utensils were not adequately provided in spite of availability of fund with the Jharkhand State Mid Day Meal Authority. The monitoring of the scheme was not effective affecting the functioning of scheme and feedback system was absent.

(Paragraph 2.3)

(iv) Implementation of Right to Guarantee of Service Act in Jharkhand

‘Jharkhand Rajya Sewa Dene Ki Guarantee Adhiniyam i.e. Right To Guarantee of Service Act 2011’ was enacted (September 2011) and notified (November 2011) ‘Jharkhand Rajya Seva Dene Ki Guarantee Niyamawli i.e.

Right To Guarantee of Service Rules 2011'to provide rights-based delivery of public services to the citizens of the State within a stipulated time. Rules prescribe maintenance of requisite records for monitoring of services delivered, training and capacity building of service providers, designation of appellate authorities etc. The significant audit findings are as under:

Test-check audit revealed that implementation of RTGS Act/Rule in the state was ineffective. Institutional arrangements for implementation of the Act were inadequate as neither sufficient funds nor staff was earmarked. The State Public Service Delivery Commission was not constituted even after four years of implementation of the Act. Notification of appellate authorities for four services relating to the Revenue & Land Reforms Department was not issued.

There were delays in delivery of services in test checked designated offices but concerned citizens had not appealed before the appellate authorities due to lack of awareness of appeal procedure among the people. Due to ineffective monitoring Nodal Department and District Nodal Officers had no knowledge of status of services like applications received, acknowledgement issued, services delivered in time, services not delivered in time and reasons for delays.

(Paragraph 2.4)

(v) Follow up Audit on the Implementation of Accepted Audit Recommendations on Functioning of Building Construction Department

Follow up Audit was conducted with a view to ensure whether the BCD implements the accepted audit recommendations and adequately addresses the deficiencies with remedial measures.

Audit revealed that the Department did not conduct survey of government buildings for preparing a database to facilitate preparation of perspective/annual plans. 81 Deposit works were executed on model estimate without obtaining technical sanction (TS). Assurances from administrative departments for sufficiency of fund and availability of clear sites for carrying out deposit works were not obtained resulting in 18 Deposit works remaining incomplete. Periodic inspection of the divisions and works were not carried out as per prescribed norms.

(Paragraph 2.5)

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:

- Non-adherence to the codal provisions by Executive Engineer regarding grant of advances led to suspected misappropriation of ₹ 0.57 crore besides unfruitful expenditure of ₹ 0.93 crore on incomplete building under Rural Development Department.

(Paragraph 3.1.1)

- Non-adherence to the condition of guidelines had led to excess payment of share of insurance claims of ₹ 93.03 crore against 1.72 lakh hectares of unsown area under Agriculture, Animal Husbandry and Cooperative Department.

(Paragraph 3.2.1)

- Wasteful expenditure of ₹ 1.30 crore on incomplete bridge was noticed under Rural Development Department. In addition, there was undue benefit of ₹ 18.22 lakh to the contractor.

(Paragraph 3.2.2)

- Failure of Executive Engineers, Assistant Engineers and Junior Engineers to adhere to the provision of Standard Bidding Document in granting equipment advances to the contractors had resulted in unauthorised payment of ₹ 4.14 crore to the contractors under Road Construction Department.

(Paragraph 3.2.3)

- Rajendra Institute of Medical Sciences (RIMS) paid ₹ 8.21 crore from its internal receipts without adhering to the provisions of RIMS Act, 2002.

(Paragraph 3.2.4)

- Expenditure of ₹ 3.10 crore was irregularly incurred on purchase of books without having targeted number of SC/ST beneficiaries under Book Bank Scheme of Welfare Department.

(Paragraph 3.2.5)

- Commencement of work without ensuring availability of land for approach road under Road Construction Department had led to unfruitful expenditure of ₹ 1.90 crore on a High Level bridge that remains idle.

(Paragraph 3.3.1)

- Failure of the Home Department to adequately contract for installation of cell phone jammers and to upgrade it with 3G technology had led to non-achievement of specified purpose of blocking mobile communication from prisoners despite expenditure of ₹ 7.55 crore.

(Paragraph 3.3.2)

- Tardy execution of construction of Bundu Sub Divisional Hospital (BSDH) Building had resulted in unfruitful expenditure of ₹ 2.87 crore on incomplete work besides cost escalation of ₹ 2.78 crore.

(Paragraph 3.3.3)

- Failure of the Rural Works Department to take timely action had resulted in non-completion of roads which led to unfruitful expenditure of ₹ 1.57 crore on incomplete roads for three to five years.

(Paragraph 3.3.4)

- Non-synchronisation of various activities as per Dental Council of India norms, resulted in expenditure of ₹ 9.54 crore on construction of Dental College & Hospital Building remaining idle.

(Paragraph 3.3.5)

- Commencement of work without ensuring environmental clearance under Rural Works Department had led to stoppage of work rendering expenditure of ₹ 2.78 crore as unfruitful.

(Paragraph 3.4.1)

- Failure of the Health, Medical Education and Family Welfare Department to synchronise different activities viz. construction of hospital building, obtaining sanction of required posts and supply of equipment and medicines resulted in idle expenditure of ₹ 3.54 crore on Mother and Child Welfare Hospital.

(Paragraph 3.4.2)