



OVERVIEW

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This Report of the Comptroller and Auditor General of India on the General, Social and Economic sectors for the year ended 31 March 2019 includes two performance audits on ‘Indo-Nepal Border Road Project’ and Implementation of “Mahatma Gandhi National Rural Employment Guarantee Scheme”, two compliance audits on ‘Working of Bihar Mahadalit Vikas Mission’ and ‘Utilisation of Compensatory Afforestation Funds Management and Planning Authority (CAMPA) funds’ and an audit observation on Rural Construction Department.

2.1 Performance Audit on ‘Indo-Nepal Border Road Project’

<i>Executive Summary</i>	
<p>What did CCS decide in September 2010? Construction of 1,377 km road along the Indo Nepal Border (INB), out of which 564 km was in Bihar.</p> <p style="text-align: right;"><i>(Para No.-2.1.1)</i></p>	
<p>Why is the road important? To ensure Connectivity, mobility and dominance of Sashastra Seema Bal which guards Indo Nepal Border. Recent (June 2020) cross-border firings in Sitamarhi and Kishanganj districts underscored the sensitivity of SSB patrolling and connectivity of Border Outpost.</p> <p style="text-align: right;"><i>(Para No.-2.1.1)</i></p>	
<i>How the project was executed?</i>	
Alignment and Connectivity	Land Acquisition
<ul style="list-style-type: none"> ❖ Out of 191 Border Outposts, 122 (64 <i>per cent</i>) were away from the main alignment of the proposed border road and out of these 13 Border Outposts were away from the main alignment by five to 30 km. ❖ The alignment would not serve as border road for patrolling and dominating the international border as it was two to five km inside the border line. Some stretches were even 40 km away. ❖ Further, no provision of link road was made to connect the Border Outposts at Border road. ❖ Further, to facilitate uninterrupted movement of SSB, Border Outpost to Border Outpost connectivity was desirable but the RCD did not factor in the same while finalising the alignment (April 2011). ❖ Resultantly, providing connectivity to Border Outpost’s by roads and thereby adding to the mobility of SSB could not be ensured. <p style="text-align: right;"><i>(Para No. 2.1.6.1)</i></p>	<ul style="list-style-type: none"> ❖ Department claimed that, 2497.64 acres (91 <i>per cent</i>) had already been acquired against 2759.25 acres of land. ❖ However, acquisition of land was actually not complete as ownership was legally not transferred to Government due to non-completion of mutation process. In one district (East Champaran), the land acquisition process has lapsed completely. ❖ Delayed application of emergency provision for land acquisition escalated the cost by ₹1375.33 crore (158 <i>per cent</i>) and delayed the project by at least five years. ❖ The Land acquisition Plan (LAP) submitted in July 2012, had discrepancies like missing land in strip plan, incorrect measurement of land holdings, incorrect landowners <i>etc.</i> ❖ Instances of excess payment of ₹104.33 crore due to misclassification of land, excess payment of ₹45.36 crore to land owners without ensuring the verification of genuine claims. ❖ Fraudulent payment of ₹2.36 crore on fake documentation, short remittance of establishment charges of ₹20.84 crore <i>etc.</i>, by DLAO was also noted. <p style="text-align: right;"><i>(Para No. 2.1.7)</i></p>

<ul style="list-style-type: none"> ❖ Despite the wildlife clearance under “Single Window System” was available from MoEF for the border road, RCD did not apply for the same and changed the alignment presuming that wildlife clearance would not be given by the MoEF. ❖ The alignment was shifted to the southernmost boundary of the wildlife reserve area. This alignment was more than 20 km away from the international border. <i>(Para No. 2.1.6.2)</i> ❖ Change in the road alignment (August 2016) delinked 15 bridges (constructed with expenditure of ₹146.06 crore) from the main alignment. The bridges remained unutilised as they were not connected to roads (June 2020). <i>(Para No. 2.1.6.3)</i> ❖ DPRs were made even before finalisation of alignment and were approved despite shortcomings. <i>(Para No. 2.1.8)</i> 	<p>Execution</p> <ul style="list-style-type: none"> ❖ The Department awarded the contract for construction of road for the entire stretch of 552.29 km without ensuring availability of land. ❖ The contractors in the 10 stretches (396.975 km) out of 15 stretches had stopped the work due to unavailability of land, out of which work in one stretch (24.05 km) was rescinded, whereas nine stretches (372.92 km) were affected by arbitration/ tribunal cases ❖ Out of 121 Bridges, 101 bridges (84 per cent) were completed and 20 were under progress. Further, 23 out of 29 physically verified bridges, did not have connectivity because of land acquisition issues in construction of INB roads, incomplete construction of roads and these bridges falling out of alignment. Total expenditure incurred on bridges ₹928.77 crore. ❖ The defect liability period of 31 bridges is over. Due to lapse of defect liability period and bridges not being taken over by the RCD, the maintenance of bridges and its approach roads was not being done. <i>(Para No. 2.1.9.1 & 2.1.6.3)</i>
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Galgalia to Pintola in Kishanganj district (Chainage 123.30)

Audit Conclusion	
What was envisaged?	Actual status
<p>The project was to be completed by March 2016.</p>	<p>Time was extended up to 31st December 2019 for completion of ongoing work on encumbrance free stretches and up to 31st December 2022 for balance stretches. Only 24.20 km (two stretches) of roads could be constructed (4.38 per cent) till October 2020).</p>
<p>Connectivity, mobility and dominance of Sashastra Seema Bal.</p>	<p>In a span of ten years, 64 per cent of Border Outposts remained unconnected to the main alignment, which had been affecting the mobility of the SSB. The purpose of project remains unfulfilled.</p>

To construct the road parallel to the international border for enabling the SSB to dominate the sensitive border effectively in Bihar.	The proposed alignment of Indo Nepal Border remains incomplete without serving the desired objectives of providing connectivity, mobility and ability to dominate border areas effectively by the SSB. The proposed road alignment is far away from border up to 40 kms in some area.
What does Audit mainly recommend? The GoB may :	
❖ <i>Ensure connectivity to Border Outposts for smooth mobility of SSB.</i>	
❖ <i>Ensure that the distance between the border road and international border is reduced to a practicable distance, which enables the SSB to dominate the border effectively. Link roads and Border Outposts to Border Outposts connectivity must be factored in.</i>	
❖ <i>Ensure the optimum utilisation of newly constructed bridges for the intended purpose.</i>	
❖ <i>Look in to the matter of land acquisition and accordingly expedite actual land possession.</i>	
❖ <i>Investigate the circumstances under which the land type was changed by DLAOs and fraudulent payment was made and fix the responsibility for the same. Effective steps should be taken to further strengthen oversight of District Administration over land acquisition offices and officers.</i>	

2.2 Performance Audit on Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

Executive Summary

Government of India (GoI) enacted the National Rural Employment Guarantee Act (MGNREGA), 2005, with the objectives to enhance livelihood security of rural households (HHs) by providing at least 100 days of guaranteed wage employment in a financial year to every HH whose adult members volunteer to do unskilled manual work, creation of durable and sustainable assets through convergence of various anti-poverty and livelihoods programmes, social protection to the vulnerable people living in rural India through providing of legal entitlement of employment.

Performance Audit on MGNREGS was conducted to examine whether legal entitlements and rights to rural HHs under the MGNREGA (the Act) were protected, all eligible and willing HHs were registered and allotted job cards, job opportunity was created for providing at least 100 days wage employment to willing rural HHs in a financial year. Employment was provided to all job seekers, payment of wage was made in time, durable assets were created, livelihood security and social protection especially to vulnerable group and SC/ST HHs were ensured and the Scheme was implemented as envisaged in the Act in a transparent manner.

Audit observed that registration of all potential job seekers especially the landless casual labourers under the Scheme needs to be substantially improved. Though Bihar had the highest number of landless casual labourers in the country at 88.61 lakh and 60.88 lakh (69 *per cent*) were surveyed, only 3.34 *per cent* (3,007 out of 90,161 of willing landless HHs) were issued job cards. In the test-checked Districts, less than one *per cent* (146 out of 22,678 willing landless

HHs) were issued job cards and survey work was discontinued. Specific plan, as required, for providing employment opportunity to vulnerable group of HHs was not prepared. Audit observed that only nine to 14 *per cent* of registered disabled persons and five to nine *per cent* of senior citizens (60 years and more) were provided employment under the Scheme during 2014-19 in the State.

Overall, during the lean period (July to November), against work demanded by 26 *per cent* to 36 *per cent*, only two *per cent* to nine *per cent* of HHs were provided employment between 2014 and 2019.

Only 14 *per cent* of total works taken up were completed in respect of works for creation of durable assets. In the test-checked GPs, out of total 17,404 works taken up, 11,310 works (65 *per cent*) remained incomplete for one to five years during 2014-19, which included 6,869 works (61 *per cent*) not started. In order to strengthen the livelihoods resource base of the rural poor, the MoRD directed (April 2016) to put adequate emphasis on creation of individual assets viz., construction of Farm Ponds, Vermi/NADEP composting pits, AWCs, IHHL and road side plantation that required special focus. Achievement against the target of focus area works was very low and ranged between less than one *per cent* and 23 *per cent* during 2016-18 in the State. Convergence of MGNREGS works with the scheme of other line Departments viz. Forest, Agriculture, schemes undertaken by Rural Development and Panchayati Raj Departments of GoB could not fructify. Execution of inadmissible/non-durable works, inadequate functioning of social audit, non-evaluation of implementation of Scheme by SEGC on a regular basis, non-appointment of ombudsman, non-maintenance of key records were also observed in Audit.

Observed reasons for certain shortfalls included reasons such as wage rate admissible to MGNREGA workers being below the minimum wage rate in the state, instances of delayed payment of wages, non-payment of compensation for delayed payment of wages, non-payment of unemployment allowance, huge liabilities pending for payment of wages and cost of materials for the last one to eight years, shortage of manpower at all implementing units levels and even lack of necessary infrastructure at Gram Panchayat level. Besides, ineffective and non-existent monitoring mechanism, lack of transparency in implementation of MGNREGS, non-conduction of IEC activities in test-checked units etc., were the other bottlenecks faced in implementation of the Scheme.

Overall, HHs that availed 100 days' employment ranged between less than one *per cent* and three *per cent* of the HHs who demanded employment in the State, and only 14 *per cent* works, taken up during 2014-19, were completed.

Compliance Audits

Long Draft Paragraphs

3.1 Working of Bihar Mahadalit Vikas Mission (BMVM)

BMVM had ineffective financial management as evident from unrealistic budget allocation, non-submission of UCs, non-reconciliation of cashbook and operation of several bank accounts which was fraught with risk of mis-utilisation and misappropriation of money. Further, there was inadequate manpower at state, district and block level which adversely impacted the monitoring and execution of schemes. The pace of construction of community halls was tardy and status of maintenance of existing community halls was poor due to non-provision of fund.

3.2 Utilisation of Compensatory Afforestation Funds Management and Planning Authority (CAMPA) funds

State CAMPA could not ensure timely preparation of Annual Plan in absence of reconciliation of funds with *Ad-hoc* CAMPA. Improper provision of funds in Annual Plans delayed execution of works. Backlog of compensatory afforestation schemes created financial burden on State CAMPA. Besides, there was no consonance with demand of funds from the user agencies and actual requirement/utilisation of funds for afforestation as instances of excess demand of funds from the user agencies were noticed. Inadequate monitoring mechanism contributed to inefficient utilisation of funds including irregular, unfruitful and excess expenditure. Consequently, the intended objective of creation of CAMPA was affected.

Draft Paragraph

3.3 Avoidable expenditure

The decision of Executive Engineer to allow carriage of stone chips from Kodarma, Jharkhand instead of Manpur, Gaya (the nearest quarry), in violation of the instructions issued by the Engineer-in-Chief resulted in avoidable expenditure of ₹2.73 crore.

