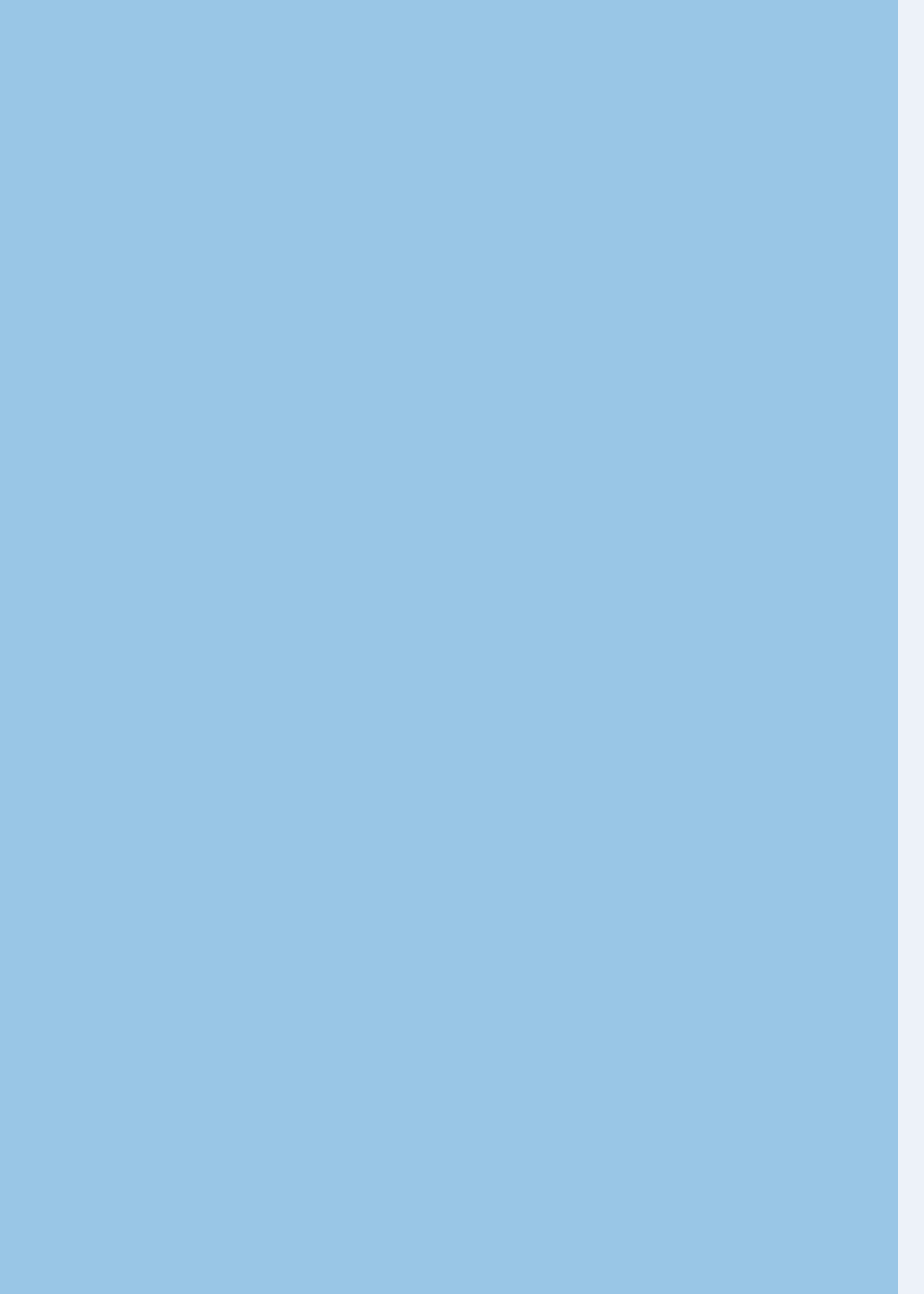


A teal-colored envelope icon with a white flap, centered on a light blue background. The envelope is slightly open, showing a white interior. The word "Overview" is written in a bold, black, serif font on the front of the envelope.

Overview



OVERVIEW

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2021 includes findings on one Performance Audit on 'Pradhan Mantri Kisan Samman Nidhi Yojana', two detailed compliance audits on 'Internal control in Finance Department' and 'Functioning of Engineering and Polytechnic Institutes established under *Avsar Badhe Aage Padhein*', and four audit paragraphs. A summary of important audit findings is given below.

Performance Audit

2 Pradhan Mantri Kisan Samman Nidhi Yojana

- ❖ *Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme with 100 per cent Government of India (GoI) funding, provides income support of ₹ 6,000 per annum to all eligible farmer families in three equal instalments of ₹ 2,000 every four months to supplement their financial needs to ensure proper crop health and appropriate yields, as well as their domestic needs.*

(Paragraph 2.1)

- ❖ *An early onboarding on the scheme portal ensures timely accrual of benefits of the scheme. However, Department not having any existing list of potential beneficiaries deprived 71,45,065 beneficiaries of ₹3,443.55 crore.*

(Paragraph 2.6 and 2.6.1)

- ❖ *The number of registered beneficiaries was only 82.50 lakh (50 per cent) (August 2021). Inadequate coverage may be attributed to Department not having any existing list of potential beneficiaries, not accessing the existing databases, non-acceptance of offline applications etc.*

(Paragraph 2.6.2)

- ❖ *By not providing the option for an offline application, the State Government prevented those farmers from the benefits of the scheme who could not apply online.*

(Paragraph 2.6.3)

- ❖ *Agriculture Department was dependent on self-declarations made by the beneficiaries about status of income tax payment and other information determining the eligibility. As a result, out of 82,50,032 registered beneficiaries, 48,366 income tax payer beneficiaries received ₹ 39.05 crore (November 2021). On an average, it took the Department 16 to 24 months to detect these ineligible beneficiaries. Similarly, 19,485 ineligible beneficiaries (on the ground of employment of beneficiary, death cases etc.) received payment of ₹23.62 crore (November 2021) which was detected by the Department on an average in two years.*

(Paragraph 2.6.4)

- ❖ In 10 sampled districts, inadmissible benefits amounting to ₹ 23.59 crore were paid to 22,301 minor beneficiaries (91 per cent of total registered minor beneficiaries) as application for benefits under PM-KISAN did not capture the age of beneficiary on the cut-off date i.e. 1 February 2019.

(Paragraph 2.6.5)

- ❖ 610 (73 per cent) out of 841 sampled beneficiaries did not have land in their own name and they received scheme benefits of ₹58.46 lakh, contrary to the scheme guidelines. If similar cases are examined in the whole State, there is a possibility that a large amount of benefits would have gone to ineligible beneficiaries. This is an area of serious concern. The process of updating land records in the State is cumbersome and digitisation of land records in the State is still ongoing. GoB did not resolve this difficulty which culminated in irregular payment.

(Paragraph 2.6.6)

- ❖ ₹ 50.48 crore could not be transferred to beneficiaries of the State due to failed and pending payments which indicated that necessary verifications and updating the details by the Department was wanting. Audit noted that instances of failed and pending payments accompanied by inaction on the part of State Government towards necessary verifications may create a conducive environment in which money may not be transferred to intended recipients.

(Paragraph 2.7.1)

- ❖ Application of 67,535 beneficiaries were rejected by PFMS due to bank account related discrepancies. Such rejections were due to the fact that State DBT portal did not have facility to check bank account details and State Nodal Officer did not bring this fact to the knowledge of the Central Government.

(Paragraph 2.7.2)

- ❖ Scheme benefits of ₹22.62 lakh pertaining to 175 beneficiaries were transferred to bank accounts of other persons confirming the weakness in the existing mechanism of ensuring correctness of bank account details of beneficiaries. Amount is yet to be recovered (November 2021).

(Paragraph 2.7.3.1)

- ❖ In six out of 10 sampled districts, despite Stop Payment requested by the DAOs to the State Nodal Office, payment of ₹6.96 lakh was made to 138 beneficiaries.

(Paragraph 2.7.3.2)

- ❖ 70 out of 98 persons received irregular payment of ₹7.40 lakh due to negligence of the DAO Siwan and amount was yet to be recovered (September 2021).

(Paragraph 2.7.3.3)

- ❖ *Against ₹ 62.67 crore recoverable from 67,851 ineligible beneficiaries, approximately ₹ five crore (eight per cent) was recovered (upto February 2022) and was yet to be transferred to GOI as the reconciliation process was not complete.*

(Paragraph 2.7.6)

- ❖ *GoB could not claim ₹9.48 crore for the period 2018-21 from GoI due to non-setting up of the dedicated PMU. Absence of dedicated PMU affected effective monitoring.*

(Paragraph 2.8.1)

- ❖ *Only one meeting of the State Level Monitoring and Grievance Redressal Committee was held in September 2021 as frequency of meeting of the Committee was not prescribed until 9 September 2021. In sampled districts, no meeting of District Level Monitoring and Grievance Redressal Committee was held.*

(Paragraph 2.8.2)

- ❖ *No effective step was taken by Agriculture Department to ensure holding of prescribed review meetings at the Divisional Commissioner/District Magistrate level.*

(Paragraph 2.8.3)

- ❖ *Since inception of the scheme (February 2019) to August 2021 i.e. during 31 months, only 9,408 grievances (23 per cent) were resolved while during three months i.e. September 2021 to November 2021 the remaining 30,674 (77 per cent) grievances were resolved. However, in absence of related records, it could not be verified whether the redressal of 30,674 pending grievances which were communicated as resolved, actually redressed the grievances of the beneficiaries. Also, various officers did not verify grievance cases.*

(Paragraph 2.8.4)

- ❖ *There was an overall reduction of 1,30,492 beneficiaries in comparison to the number of beneficiaries who received at least one instalment since inception of the scheme. Reasons for reduction of beneficiaries was not analysed by the Department which contained the risk of non-recovery from the ineligible beneficiaries and some eligible beneficiaries not receiving subsequent instalments due to certain inadvertent errors viz. non-payment due to errors in bank account details etc.*

(Paragraph 2.8.6)

- ❖ *Delay in processing of applications for more than 124 days (one trimester) led to non-payment of ₹92 lakh to potential beneficiaries.*

(Paragraph 2.8.9)

Detailed Compliance Audits

3 Internal Control in Finance Department

- ❖ Finance Department did not ensure the proper/ effective functioning of post of District Accounts Officer to ensure transparent financial management at district level DDOs, which resulted in complete lack of financial discipline.

(Paragraph 3.6)

- ❖ There were cases of surrender/ lapse of funds, indiscriminate operation of multiple bank accounts, diversion of funds, persistent unadjusted advances *etc.* persisting at district/ block level offices.

(Paragraph 3.2)

- ❖ There were irregularities in maintenance of General Provident Fund/ Contributory Pension Scheme accounts which had possibility of malfeasance and frauds.

(Paragraph 3.3)

- ❖ Inadequate management of functioning of internal audit arrangement in the Department had adversely affected its intended objective of ensuring proper monitoring of compliance of financial rules/regulations/ instructions. All of these affected the internal control mechanism of the Department where audit was only on requests.

(Paragraph 3.4)

- ❖ Substantive shortage of man power in various offices under Finance Department ultimately affected the internal control mechanism which created possibility of misappropriation, embezzlement, fraud *etc.* of Government funds.

(Paragraph 3.5)

4 Functioning of Engineering and Polytechnic Institutes established under *Avsar Badhe Aage Padhein*

- ❖ *Avsar Badhe Aage Padhein* (ABAP) was one of the *Saat Nischay* for providing technical and professional skill based education in Bihar.

(Paragraph 4.1)

- ❖ Department of Science and Technology was responsible for its implementation through construction and establishment of different institutions under its aegis.

(Paragraph 4.2.1)

- ❖ Objective of the scheme was defeated by delayed acquisition of land, acquisition of unsuitable lands, non/delayed construction of buildings by the Building Construction Department, insufficient infrastructure, equipment, facilities *etc.*

(Paragraph 4.3)

- ❖ The Department could not implement the scheme properly due to acute shortage of teaching and almost non-availability of non-teaching staff that could adversely affect the quality of technical education.

(Paragraph 4.4)

- ❖ Further, due to absence of effective monitoring mechanism of the Department, unsuitable land was selected, buildings/portable cabins were not constructed and adequate laboratories were not available.

(Paragraph 4.7)

- ❖ With colleges/institutes accommodating students three times their capacity and students having to travel a distance of 30 kms to 187 kms to reach the college/ institute, the purpose of the resolve to establish an Engineering/ Polytechnic Institute in every district is defeated.

(Paragraph 4.6)

Audit Paragraphs

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

- Construction of High Level Bridges without ensuring land for approach road led to unfruitful expenditure of ₹11.70 crore.

(Paragraph 5.1)

- Provision of water meters in the village water supply scheme without any plan for their use, rendered expenditure of ₹1.99 crore infructuous.

(Paragraph 5.2)

- In violation of guidelines, payment of ₹ 45.43 lakh as cash incentive was made by Child Development Project Officers to beneficiaries.

(Paragraph 5.3)

- The Department could not utilise *Aadhaar* Enrolment Kits valuing ₹ 6.26 crore due to lack of required manpower and the kits remained idle.

(Paragraph 5.4)

