SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
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# Report of the Comptroller and Auditor General of India for the year ended 31 March 2022

## Government of Bihar

*Report No. 5 of 2024*

(Performance and Compliance Audit - Civil)

# Report of the
# Comptroller and Auditor General of India
# for the year ended 31 March 2022

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# Preface

This Report of the Comptroller and Auditor General of India for the year ended March 2022 has been prepared for submission to the Governor of Bihar under Article 151 of the Constitution of India.

This Report contains significant results of the Performance Audit and Compliance Audit of the Departments of Labour Resources, Cooperative, Education, Planning and Development, Public Health Engineering, Building Construction, Industries, Road Construction, Rural Works and Water Resources.

The instances mentioned in this Report are those which came to notice in the course of test-audit for the period 2021-22, as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2021-22 have also been included, wherever necessary, giving updated position. The audit observations contained in this Report are based on a limited test-check.

The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

# Overview

# OVERVIEW

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2022 includes findings of one Performance Audit on 'Welfare of Building and other Construction Workers', four subject specific compliance audits (SSCAs) and six audit paragraphs. A summary of important audit findings is given below.

## Performance Audit

### 2 Welfare of Building and Other Construction Workers

❖ The Government of Bihar had framed Bihar Building and Other Construction Workers Rules (BBOCW Rules) in September 2005 *i.e.*, with a delay of nine years, which led to consequent delays in implementation of the related Welfare schemes. After framing of the Rules, the Bihar Building and Other Construction Workers Welfare Board (BBOCWWB) had been constituted in February 2008, with a delay of 28 months. Further, the Board and the State Advisory Committee (SAC) had not been reconstituted, after February 2015. Delay in reconstitution of the Board and SAC, had impacted the functioning of the Board.

***(Paragraph 2.6)***

❖ In the 12 sampled works units, only five (0.26 *per cent*) establishments, out of 1,875 establishments, engaged in the execution of the works, were found to have been registered with the Labour Resources Department.

***(Paragraph 2.7.1)***

❖ The Deputy Labour Commissioners (DLCs), of the six sampled districts, had neither passed assessment orders, nor had they conducted enquiries of the construction sites, for estimating the cost of construction (for assessment of cess). The Board had not notified the rates for calculating the cost of construction, resulting in non-uniformity in the adoption of the rates by the ULBs. Instances of non/short collection of cess; collection of cess through cash; non-remittance/ delayed remittance/ remittance of the cess to the Board in improper head; and non-collection of instalments of the cess, were noticed during audit. During FYs 2019-22, although ₹ 246.11 crore had been transferred to the Board's head of account in the treasuries, it had not been transferred in its bank account.

***(Paragraph 2.8)***

❖ The Department had not prescribed any frequency, targets and follow-up action in regard to the inspections conducted by the inspectors. The Inspectors had not conducted any inspections of the construction sites or premises, in the six sampled districts, during financial years (FYs) 2017-22. Incidences of accidents or dangerous occurrences had not been reported upon by the establishments, to the DLCs, in the prescribed form and compliance to safety provision was compromised.

***(Paragraph 2.9)***

❖ The appointment of Chief Inspector had been notified by the State Government after a delay of 17 years and 9 months after framing BBOCW Rules.

***(Paragraph 2.10.1)***

- The Board had not prepared its budgets, during FYs 2017-22. There was a large accumulation of funds, amounting to ₹ 1,650.06 crore (as on 31 March 2022). The percentage of expenditure on welfare schemes, during FYs 2017-22, had ranged from five *per cent* to 34 *per cent* of the accumulated funds.

***(Paragraph 2.11.2)***

- The Board had not expended any funds on three of its welfare schemes. Due to failure of transactions, 3,02,476 workers deprived of Annual Medical Assistance amounting to ₹ 90.75 crore, during FYs 2018-21, while 2,60,082 workers also did not received funds under the COVID-19 Special Grant Scheme, amounting ₹ 52.02 crore, for FY 2020-21.

***(Paragraph 2.11.3)***

## Subject Specific Compliance Audits

## 3 Bihar Rajya Fasal Sahayata Yojana

- The Cooperative Department did not have any database of potential beneficiaries required for planning, estimation, extent determination, monitoring and ensuring satisfactory coverage under the scheme.

***(Paragraph 3.6.1)***

- Out of 50,91,243 verified applications, 26,30,462 applications (52 *per cent*) were rejected, due to issues relating to Land Possession Certificates (LPCs), self-declarations, absence during verification *etc*.

***(Paragraph 3.6.3)***

- Against the overall financial assistance of ₹ 1,424.59 crore related to 24,08,275 transactions, benefits amounting to ₹ 867.36 crore, relating to 15,27,419 transactions had been paid with delays ranging up to 21 months.

***(Paragraph 3.6.4)***

- The Cooperative Department, during the *Rabi* 2019-20 and *Kharif* 2021 seasons, had held up payments amounting to ₹ 15.60 crore, related to 12,398 beneficiaries of 13 GPs in want of further verification and information from the Agriculture Department. The payment was still on hold as the said information was yet to be received from the Agriculture Department.

***(Paragraph 3.6.7)***

- Due to non-linking of *Aadhaar* to the farmer's bank accounts, closure of accounts *etc*., transactions amounting to ₹ 51.11 crore had failed, across different crop seasons during 2018-21.

***(Paragraph 3.7.1)***

- Due to non-validation of *Aadhaar,* scheme benefits had not been transferred to 49,331 beneficiaries and information provided by the department did not include the actual amount remained for payment to the beneficiaries.

***(Paragraph 3.7.2)***

- Monitoring and evaluation of the scheme was adversely affected as neither meetings of State Level Coordination Committee (SLCC)/ District Level

Coordination Committee (DLCC) were held timely nor the impact of the Scheme was evaluated.

***(Paragraph 3.8)***

## 4 Administrative and Financial issues in the Universities of Bihar

- During financial years 2017-22, against the budget provision of ₹ 22,576.33 crore, an amount of ₹ 4,134.21 crore (18 *per cent* of the budget provisions) had not been utilised and surrendered to the Education Department by the Universities, indicating unrealistic budget proposals and inadequate financial control mechanism in the Universities.

***(Paragraph 4.2)***

- In five test-checked universities, the arrears of salaries, of teaching and non-teaching staff, amounting to ₹ 48.28 crore, had been disbursed, without due verification through the Pay Verification Cell. In Kameshwar Singh Darbhaga Sanskrit University (KSDSU), ₹ 14.41 crore was paid to 201 teachers on account of the arrears for the 7th Central Pay Commission (CPC), however, ₹ 4.32 crore had not been deducted at source, in contravention of the provisions of the Income Tax Act and excess payments of ₹ 0.59 crore had been made with respect to the arrears of 7th CPC to 22 teachers.

***(Paragraph 4.3.1)***

- In seven test-checked universities, out of 1,795 eligible employees, Permanent Retirement Account Numbers (PRANs) were not generated for 1,453 (81 *per cent)* employees.

***(Paragraph 4.3.2)***

- In two test-checked universities, payment of House Rent Allowance (HRA) to the employees, as well as to the security personnel of outsourced agency was made at rates higher than the rates prescribed for their places of posting, resulting into excess expenditure of ₹ 1.17 crore.

***(Paragraph 4.3.3)***

- Due to non-utilisation of the previously released instalments of the University Grant Commission (UGC) grants within the stipulated period, the remaining instalments of the grants, amounting to ₹ 27.82 crore (60 *per cent*), had not been received by test-checked four universities.

***(Paragraph 4.3.4)***

- Nine test-checked universities had received grants amounting to ₹ 252.74 crore for Library, Laboratory, Coaching *etc.* during the period from 2009-10 to 2020-21, against which Utilisation Certificates (UCs) for ₹ 101.53 crore were yet to be submitted.

***(Paragraph 4.3.5)***

- In ten test-checked universities, advances amounting to at least ₹ 14.83 crore (out of ₹ 77.30 crore), had remained unadjusted for more than five years.

***(Paragraph 4.3.6)***

- In ten test-checked universities, the General Cash Book had not been maintained whereas the prescribed 142 Subsidiary Cash Books, had either not been maintained, or had been maintained improperly in eight of these Universities.

***(Paragraph 4.3.15)***

- In eight test-checked universities, the results of the undergraduate and postgraduate examinations had been published with delays from four to 946 days against stipulated period of 60 days, during 2017-18 to 2021-22.

***(Paragraph 4.4.1)***

- In the 11 test-checked Universities, 57 *per cent* post of teaching staff were lying vacant and this shortages ranged from 49 *per cent* (BNMU) to 86 *per cent* (MMHAPU). Similarly, vacancy of non-teaching staff was 56 *per cent* in these universities.

***(Paragraph 4.4.7)***

## 5. Border Area Development Programme

- District level committees had neither conducted baseline surveys and spatial mapping, nor had they prepared any long-term plans (up to FY 2020-21), in any of the districts. As a result, the existing gaps in infrastructure could not be assessed.

***(Paragraph 5.6.1)***

- The Department had submitted UCs for only ₹ 157.38 crore, against funds amounting to ₹ 215.49 crore, received during financial years (FYs) 2017-20.

***(Paragraph 5.7.3)***

- Out of 82, 19 works, amounting to ₹ 4.99 crore, had not been completed, despite the stipulated dates of their completion been elapsed, since five months to 45 months.

***(Paragraph 5.8.2)***

- Out of 82, 10 works, executed in five works divisions of the LAEO, amounting to ₹ 2.73 crore, had not been handed over, to the user department, even after four months to 41 months of their completion due to which the intended beneficiaries had remained deprived of the benefits to be accrued to them from the assets created out of these works.

***(Paragraph 5.8.3)***

## 6. Implementation of Neer Nirmal Pariyojna (NNP)

- As per the Project implementation Plan (PIP), the schemes were to be implemented in three batches, which were to be started from February 2014, February 2016 and February 2017 and all their phases (pre-planning, planning, implementation and post-implementation) were to be completed up to March 2017, March 2019 and March 2020, respectively. However, none of the batches completed its all phases till date of audit (December 2022).

***(Paragraph 6.7.1)***

- 133 Single Village Schemes (SVS) were approved (March 2015), under Batch–I, without utilising the baseline survey data. As a result, the District Project Management Units (DPMUs) executed contracts on the basis of Detailed Project Reports (DPRs) having inflated number of households.

***(Paragraph 6.7.6)***

- As per the PIP, the World Bank was to contribute approx. ₹ 803.00 crore (50 *per cent* of the project cost) against the total project cost of ₹ 1,606 crore. However, due to delays in implementation and less expenditure till March 2020, GoB had received only ₹ 326.10 crore from the World Bank. As such the State Government had been deprived of World Bank assistance, amounting to ₹ 476.90 crore.

***(Paragraph 6.8.1)***

- Neer Nirmal Pariyojna (NNP) funds, amounting to ₹ 64.21 crore, had been diverted towards payment of Operations and Maintenance (O&M) and non-eligible schemes, against the provisions of the guidelines.

***(Paragraph 6.8.4)***

- In two multi-village schemes (MVSs) expenditure incurred on laying of 34.62 km length of rising main pipes, amounting to ₹ 19.44 crore, was avoidable as water supply was provided to households by utilising ground water, instead of by using surface water sources.

***(Paragraph 6.9.5)***

- In three MVSs 24,123 multi-jet water meters installed, at a cost of ₹ 4.11 crore, for collecting the user fee remained idle as the Department had decided (June 2021) to charge user fee, at a fixed rate of ₹ 30 per month, for each connection.

***(Paragraph 6.9.6)***

- Due to installation of Elevated Service Reservoir (ESR) with higher capacity than required in 15 SVSs, excess expenditure of ₹ 3.57 crore was incurred in test-checked five divisions.

***(Paragraph 6.9.7)***

- During joint physical inspection, conducted along with the engineers of the concerned divisions in ten districts, it was observed that Chlorinators had either not been installed; or they were non-functional; or they had been installed but had not been connected to the water supply, in six SVSs, 20 SSVSs and eight MVSs, respectively.

***(Paragraph 6.9.9)***

## 7. Audit Paragraphs

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

❖ Expenditure of ₹ 4.89 crore on construction of a Sub-divisional Hospital, could not yield any benefits, as the constructed building was deteriorating on being left abandoned and idle, for the last ten years.

(***Paragraph 7.1***)

❖ The Neera project was initiated without proper planning and assessing the viability of the project, which had led to idle expenditure of ₹ 11.68 crore on unused buildings and plant and machinery, avoidable expenditure of ₹ 1.10 crore on purchase of Refrigerated Vans and loss of ₹ 2.03 crore on production of jaggery.

(***Paragraph 7.2***)

❖ Construction of a Toll Plaza, in violation of instructions of the Ministry of Road Transport and Highways (MoRTH), led to wasteful expenditure of ₹ 1.48 crore.

(***Paragraph 7.3***)

❖ Construction of a High Level Bridge, without ensuring the availability of eligible habitations and land, led to idle expenditure of ₹ 3.33 crore.

(***Paragraph 7.4***)

❖ Bihar Rural Roads Development Agency availed of loan at higher rates of interest, leading to avoidable payment of ₹ 7.08 crore.

(***Paragraph 7.5***)

❖ Decision of Water Resources Department to use New Empty Cement Bags in place of Old Empty Cement Bags in flood fighting work led to avoidable expenditure of ₹ 21.98 crore and creation of liability for ₹ 14.13 crore.

(***Paragraph 7.6***)

# CHAPTER-I

## Introduction

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# Introduction

## 1.1 About this Report

This report relates to matters arising from the Performance Audit of Labour Resources Department and compliance audit of some selected departments of the Government of Bihar (GoB).

The primary purpose of this section of the report is to bring to the notice of the Legislature, audit findings of significant materiality in respect of Performance and Compliance Audits conducted during 2021-22. The audit findings are expected to enable the executive to take corrective actions to frame policies and directives that will lead to improve management of the organisations, thus contributing to better governance and improved public service delivery.

This Report comprises of seven chapters. This chapter provides a brief analysis on the expenditure of the departments and responses of the Government to Inspection Reports/ Audit Reports and action taken on them. Chapters II to VII present detailed findings and observations of the Performance and Compliance audits, conducted during 2021-22.

## 1.2 Auditee profile

There are 44 Departments in the State of Bihar. During 2021-22, against the total budget of ₹2,65,396.87 crore the State incurred total expenditure of ₹ 1,94,202 crore.

## 1.3 Response of the Government

### 1.3.1 Response of the Government to Inspection Reports

Accountant General (Audit), Bihar, conducts periodical inspections of the Government Departments though test-check of transactions and verifies the maintenance of important accounting and other records as per the prescribed rules and procedures. These inspections are followed by issue of Inspection Reports (IRs) to the Head of the offices, with copies to the next higher authorities. As a rule, matters of lesser significance, which can be and have been remedied during the audit, or matters that do not directly pertain to the finances of the Government, are not mentioned in these IRs. The audited entities are impressed upon to give replies to the audit findings in the IRs within four weeks from the date of receipt of IR.

Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations, pointed out in these Inspection Reports are processed for inclusion in the Audit Reports of the Comptroller and Auditor General of India, which are submitted to the Governor of Bihar, under Article 151 of the Constitution of India.

During 2021-22, Compliance Audits of 436 Drawing and Disbursing Officers (DDOs) of the State and three Autonomous bodies related to 39 departments, were conducted by the office of the Accountant General (Audit), Bihar.

Serious irregularities were also brought to the notice of the Heads of the Departments, through half-yearly reports of pending IRs.

A detailed review of the IRs issued to 4,793 DDOs (up to March 2022), pertaining to 39 Departments, revealed that 46,370 paragraphs, having financial implication of ₹ 7,83,528.54 crore, covered in 5,956 IRs, had remained outstanding at the end of 31 March 2023 as shown in **Table 1.1**. The age-wise status of outstanding IRs/ Paragraphs and types of irregularities is detailed in ***Appendix-1.1*** and ***Appendix-1.2,*** respectively.

**Table 1.1: Outstanding Inspection Reports/ Paragraphs**

| Sl. No. | Period | No. of outstanding IRs (*per cent*) | No. of outstanding Paragraphs (*per cent*) | Amount involved (*₹ in crore*) |
|---|---|---|---|---|
| 1 | Less than one year | 338 (5.68) | 3,844 (8.29) | 2,07,708.47 |
| 2 | 1 year to 3 years | 371 (6.23) | 4,142 (8.93) | 1,99,134.28 |
| 3 | More than 3 years to 5 years | 893 (14.99) | 8,053 (17.37) | 1,44,461.33 |
| 4 | More than 5 years | 4,354 (73.10) | 30,331 (65.41) | 2,32,224.46 |
| | **Total** | 5,956 | 46,370 | 7,83,528.54 |

From **Table 1.1**, it can be seen that the departmental officers had failed to take action on the observations contained in outstanding IRs, within the prescribed time frame, showing erosion of accountability.

***Recommendation: Government may look into the matter to ensure prompt and proper response to audit observations.***

### 1.3.2 Response of the Government to significant audit observations (Performance Audits/ Compliance Audit Paragraphs)

During last few years, Audit has reported several significant deficiencies in implementation of various programmes/activities, as well as the quality of internal controls that negatively impact the success of various programmes and the functioning of the selected departments. The focus of this exercise was on auditing specific programmes/ schemes and offering suitable recommendations to the executive, for taking corrective action and improving service delivery to the citizens.

As per the provisions of the Comptroller and Auditor General of India's Regulations on Audit and Accounts, 2020, departments are required to send their responses to draft performance audit reports/ draft audit paragraphs, proposed for inclusion in the Comptroller and Auditor General of India's Audit Reports, within six weeks. Draft reports and paragraphs, proposed for inclusion in the Report, were forwarded to the Heads of Departments, seeking their replies. It was brought to the personal attention of the Heads of Departments that, in view of the likely inclusion of such paragraphs in the Reports of the Comptroller and Auditor General of India to be placed before the State Legislature, it would be desirable to include their comments in the matter. They were also advised to discuss the draft reports of Performance Audits and draft audit paragraphs, with the office of the Accountant General.

### 1.3.3 Response of the Government and auditee units during the conduct of Performance/ Compliance audits

Section 18 (1) (b) of the Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, stipulates that, in connection with the performance of his duties under the said Act, CAG has the authority to requisition any accounts, books and other documents which deal with or form the basis of or are otherwise relevant to the transactions to which his duties in respect of audit extends. Regulation 181 of the Regulations on Audit and Accounts, 2020, further stipulates that every department or entity shall establish and implement a mechanism to ensure that data, information and documents, that are required by Audit, are made available to it in time.

Despite these provisions, there were a number of instances of non-production of records to Audit. Though such instances were brought to the notice of the authorities, follow-up, by the concerned authorities, was not uniformly swift and effective.

For the Audit Report 2021-22, One Performance Audit (PA) and four Subject Specific Compliance Audits are included in this Report. However, despite repeated efforts, a number of records, requisitioned by the Audit teams, were not made available and replies to audit memos, issued during audit, were not provided, in many cases. Sixty two, out of 87 auditee units, did not produce certain records requisitioned by Audit, as detailed in ***Appendix 1.3***.

***Non-production of records severely limits the exercise of CAG's constitutional mandate and may result in lack of accountability by the State Government functionaries, as well as instances of concealment of fraud, misappropriation, embezzlement etc. The State Government, therefore, needs to take appropriate action, including flagging of individual instances of non-production of records from a vigilance angle and initiation of disciplinary action against the concerned officials.***

Out of 1,005 audit memos issued in respect of one PA and four SSCAs, replies had not been received for 185 audit memos and only partial replies had been received in respect of 74 audit memos, as detailed in ***Appendix 1.3***.

### 1.3.4 Follow-up on Audit Reports

According to the Rules of procedure for the internal working of the Committee on Public Accounts, the Administrative Departments were required to initiate *suo motu* action on all Audit Paragraphs and Performance Audits featuring in the Comptroller and Auditor General's Audit Reports (ARs), regardless of whether or not they are taken up for examination by the Public Accounts Committee. They were also required to furnish detailed notes, duly vetted by Audit, indicating the remedial action taken or proposed to be taken by them, within two months of the presentation of the ARs to the State Legislature.

The status regarding receipt of Action Taken Notes (ATNs), from the Administrative Departments, on the paragraphs included in the ARs, up to the period ended 31 March 2021, as on 30 September 2023, is given in **Table 1.2**.

**Table 1.2: Status of receipt of ATNs on the paragraphs included in the ARs**

| Audit Reports for the year | ATNs pending as of 30 September 2023 (No. of Paragraphs) | Money Value (₹ in crore) | Date of presentation in the State Legislature | Due date for receipt of ATNs |
|---|---|---|---|---|
| 2017-18 | 1 | 3.47 | 23/03/2021 | 23/05/2021 |
| 2018-19 | 2 | 481.47 | 29/07/2021 | 29/09/2021 |
| 2019-20 | 4 | 28.13 | 30/03/2022 | 30/05/2022 |
| 2020-21 | 4 | 165.41 | 16/12/2022 | 16/02/2023 |
| 2020-21 (Standalone) | 5 | 742.79 | 16/12/2022 | 16/02/2023 |
| **Total** | **16** | **1,421.27** | | |

**Table 1.2** reflects the slow response of the Departments on Audit Reports.

### 1.3.5 Recoveries at the instance of Audit

Audit findings involving recoveries that are noticed in the course of test-check of accounts of the Departments of the State Government, are referred to the authorities concerned, for confirmation and further necessary action, under intimation to Audit.

During 2021-22, in seven cases, recoveries amounting to ₹ 3.59 crore, were pointed out by Audit and accepted by the departments. However, the departments had recovered only ₹ 0.76 lakh, in two cases.

## 1.4 Status of placement of Separate Audit Reports of Autonomous Bodies in the State Legislature

Audit of accounts of six Autonomous Bodies (ABs) in the State had been entrusted to the Comptroller and Auditor General of India, out of which entrustment in respect of accounts of five ABs, had not been renewed, by them. In addition, audit of accounts of one AB[1] had not been entrusted as yet (October 2023). The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Reports and their placement in the Legislature is indicated in ***Appendix-1.4***.

[1] *Bihar State Disaster Management Authority.*

# CHAPTER-II
# Welfare of Building and Other Construction Workers

# CHAPTER-II
# Performance Audit

## LABOUR RESOURCES DEPARTMENT

## 2 Welfare of Building and Other Construction Workers

***Government of Bihar (GoB) framed (September 2005) the Bihar Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005 (BBOCW Rules), for implementation of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, in the State. Under the BBOCW Rules, the Bihar Building and Other Construction Workers Welfare Board (Board) was constituted (February 2008), under the Labour Resources Department (Department), GoB.***

***Performance Audit, for the period covered by the financial years (FYs) 2017-18 to 2021-22, was conducted during September to December 2022 and October 2023, through test-check of records, at the Bihar BOCW Welfare Board; offices of the Department in the selected six districts; 12 sampled works units; 12 sampled Urban Local Bodies (ULBs); 17 Registered Establishments and 30 Unregistered Establishments. In addition, a survey of 657 workers/beneficiaries of the Board was conducted in the selected districts, for evaluating the performance of the Board, in regard to identification and registration of beneficiaries, scrutiny of their applications for welfare schemes and provision of financial assistance.***

***Audit Findings:***

***Rules notified by the Government under the Act***

***The Government of Bihar had framed BBOCW Rules in September 2005, with a delay of nine years, which had led to consequent delays in implementation of the related Welfare schemes. After framing of the Rules, the BBOCWW Board had been constituted in February 2008, with a delay of 28 months. Further, the Board and the State Advisory Committee (SAC) had not been reconstituted, after February 2015. Delay in reconstitution of the Board and SAC, had impacted the functioning of the Board. Moreover, some Rules notified by the Government, that were related to providing opportunity to applicants before rejecting their applications for registration and credit of the grants/loans by the State Government or any local authority to the Welfare Fund, were not consistent with the provisions of the Act.***

***Registration of establishments and beneficiaries***

***In the 12 sampled works units, only five (0.26 per cent) establishments, out of 1,875 establishments, engaged in the execution of the works, were found to have been registered with the Department. Further, instances of workers being shown as 'registered', before constitution of the Board, as well as existence of deceased registered workers, in the database of the Board, were noticed. Lack of co-ordination with other departments/Government offices, for registration of establishments and workers, very low registration of establishments, irregular registration of workers etc.,***

***indicated deficiencies in the system adopted for implementation of the Act. Wide publicity and large-scale awareness generation, about the rights of the construction workers and welfare schemes, had not been carried out.***

*Assessment, Collection and transfer of collected Cess*

***The Deputy Labour Commissioners (DLCs), of the six sampled districts, had neither passed assessment orders, nor had they conducted enquiries at the construction sites, for estimating the cost of construction. The Board had not prescribed any uniform methodology, for calculation of the cost of construction. Instances of collection of cess at different rates; non/short collection of cess; collection of cess through cash; non-remittance/ delayed remittance/ remittance of the cess to the Board in improper heads; and non-collection of instalments of the cess, were noticed during audit, indicating poor control of the Board over the process of realisation of cess. During FYs 2019-22, although ₹ 246.11 crore had been transferred to the Board's head of account in the treasuries, it had not been subsequently transferred to its bank account.***

*Health and safety norms and environment of their compliance*

***Although the Department had appointed Inspectors for conducting inspections of the construction sites or premises, it had not prescribed any frequency, targets, follow-up action and format of inspection notes with regard to the inspections conducted. Further, none of the appointed Inspectors had conducted any inspections of the construction sites or premises, in the six sampled districts, during FYs 2017-22. Non-conduct of inspections by the Inspectors, indicated the lackadaisical approach of the Department towards compliance with Health and Safety norms, as envisaged in the Rules.***

***Incidences of accidents or dangerous occurrences had not been reported by the establishments, to the DLCs, in the Form XIV, prescribed for the purpose,. In the absence of reporting in the prescribed Form, compliance to safety provisions, was compromised.***

***Information relating to constitution of the Safety Committee and appointments of Safety Officers, in establishments employing more than 500 workers, was not available with the Board and district offices (except West Champaran) of the Department.***

*Inspection to check cess evasion and compliance to health and safety norms by employer*

***Although the State Government had framed the BBOCW Rules in September 2005, the appointment of Chief Inspector had been notified only in June 2023 i.e., after a delay of 17 years and 9 months. In the absence of a notified competent authority for welfare, safety, health and inspection, provisions made under the Rules had not been implemented properly. As the Department/Board had not accorded due priority to the inspection of buildings and other construction sites, the construction workers had been constrained to work in environments where proper health and safety facilities could not be ensured.***

***Administration and utilization of fund on implementation of welfare schemes***

***There had been shortfalls in the meetings of the Board and meetings of the SAC had not been conducted during 2017-22, indicating poor implementation of the Act and the Rules made thereunder. Besides, some of the decisions taken by the Board had not been implemented, due to which, delivery of benefits to the beneficiaries, registration and renewal of registration of migrant workers, had not been ensured.***

***The Board had not prepared its budgets, during FYs 2017-22. There was a large accumulation of funds, amounting to ₹ 1,650.06 crore (as on 31 March 2022). The percentage of expenditure on welfare schemes, during FYs 2017-22, ranged from five per cent to 34 per cent of the accumulated funds. Further, non-inclusion of interest income of ₹ 153.80 crore, received on the fixed deposits, resulted in understatement of the Board's income from interest. Besides, the Board was not aware of its sources of receipts (cess) of ₹ 407.96 crore, received through online mode. Shortcomings in internal controls were evident from non-preparation of Financial Statements of the Board on an annual basis and non-preparation and submission of reports relating to its financial status and functioning, to the Government.***

***The Board had not expended any funds on three of its welfare schemes and had also not incurred any expenditure on five other welfare schemes, during various years. Due to failure of transactions, 3,02,476 workers remained deprived of Annual Medical Assistance, amounting to ₹ 90.75 crore, during FYs 2018-21, while 2,60,082 workers were deprived of funds under the COVID-19 Special Grant Scheme, amounting to ₹ 52.02 crore, for FY 2020-21. Benefits under the Pradhan Mantri Jan Aarogya Yojana (PM-JAY) had not been ensured to the registered workers, as Ayushman cards had not been generated for 14,90,436 registered workers (98.97 per cent). Delayed disposal of applications for welfare schemes, received from registered workers, in the sampled districts, led to delayed transfer of amounts to beneficiaries. Despite being directed by the Ministry of Labour and Employment, GoI, the Board had not conducted social audit, even after a lapse of more than three years.***

***Recommendations:***

***The Bihar Building and Other Construction Workers' Welfare Board may:***

1. ***co-ordinate with other departments/Government offices, for registration of establishments and workers and run target-based awareness and publicity activities in this regard.***

2. ***institutionalise a mechanism to: (i) identify all employers and construction works (ii) notify the rates of cost of construction for building plans, to be approved by the ULBs, to calculate the costs of construction and (iii) co-ordinate with the treasuries, in regard to deposit of the cess collected, to the Board's account.***

3. ***examine the matter related to cess collected but not deposited in the Board's account and fix responsibility in this regard.***
4. ***ensure conduct of inspections at the construction sites and adhere to the provisions of the rules regarding reporting of incidents of accidents and dangerous occurrences.***
5. ***encourage target-based inspections of buildings and other construction sites, and also ensure follow-up thereof.***
6. ***ensure that the meetings of the Board and the SAC are held regularly, with proper follow-up, for effective implementation of the Act and the Rules made thereunder.***
7. ***ensure that the income earned by it is included in its receipts and a mechanism is developed for monitoring of its online receipts.***
8. ***establish a robust mechanism, to ensure that its welfare schemes are duly implemented through utilisation of cess funds and benefits are extended to the registered workers in a timely manner.***
9. ***bolster its monitoring mechanism, through preparation of annual budgets; ensure audit of its accounts by CAG and submission of the audit reports thereon to the Government; and conducting social audits.***

***The Labour Resources Department may:***

(1) ***ensure that the Board and the SAC are reconstituted in a timely manner and ensure that the BBOCW Rules are in consonance with the provisions of the Act.***

(2) ***re-assess its manpower and fill up vacancies on priority basis.***

## 2.1 Introduction

Building and other construction workers are among the most vulnerable segments of unorganised labour in the country. 'Building and other construction works'[1] are characterised by their inherent risk to the safety of the workers involved in these works. They are also characterised by: (i) their casual nature (ii) the temporary nature of relationship, between the employers and employees (iii) uncertain working hours (iv) lack of basic amenities and (v) inadequacy of welfare facilities. In view of these factors, it was considered necessary to constitute Welfare Boards in each State, to provide and monitor social security schemes, as well as other welfare measures, for the benefit of the building and other construction workers.

[1] *As per Section 2(d) of the Act, "Building or other construction work" means the construction, alteration, repairs, maintenance or demolition, of or in relation to, buildings, streets, roads, railways, tramways, airfields, irrigation, drainage, embankment and navigation work, flood control works (including storm water drainage works), generation, transmission and distribution of power, water works (including channels for distribution of water), oil and gas installations, electric lines, wireless, radio, television, telephone, telegraph and overseas communications, dams, canals, reservoirs, watercourses, tunnels, bridges, viaducts, aqueducts, pipelines, towers, cooling towers, transmission towers and such other work, as may be specified in this behalf, by the appropriate Government, by notification.*

The Government of India (GoI) enacted the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (Act), and the Building and Other Construction Workers Welfare Cess Act (Cess Act), in 1996, with the aim of providing safety, health and welfare measures, for the benefit of building and other construction workers, through levy and collection of cess. The GoI also framed (November 1998) the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Central Rules, 1998 (Rules) and the Building and Other Construction Workers Welfare Cess Rules (Cess Rules), in 1998. The Act *inter alia* mandated constitution of a Building and Other Construction Workers' Welfare Board and framing of BOCW Rules by every State Government, to exercise the powers conferred to them, under the Act.

The Government of Bihar (GoB), framed (September 2005) the Bihar Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005 (BBOCW Rules), for implementation of the Act in the State. Under these Rules, the Bihar Building and Other Construction Workers Welfare Board (Board) was constituted (February 2008), under the Labour Resources Department (Department), GoB. The Board is responsible for: (i) all matters connected with the administration of the Bihar Building and Other Construction Workers Welfare Fund (ii) laying down policies for deposit of amounts under the fund (iii) proper maintenance of the accounts; collection of contribution fee in the fund and other charges (iv) speedy settlement of claims and sanction of advances and other benefits to the registered workers (v) proper and timely recovery of any amounts due to the Board *etc.* The State Advisory Committee (SAC) had been constituted (February 2008) to advise the State Government on matters arising out of the administration of the Act. The field offices (as discussed in succeeding paragraph) of the Department had been delegated duties like registration of establishments[2] and beneficiaries with the Board, collection of cess, inspection of establishments, delivery of benefits under different welfare schemes of the Board, regular monitoring *etc*., to implement the provisions of the Act and Rules. As of March 2022, 20.45 lakh BOCW workers had been registered with the Board.

## 2.2 Organisational set-up of the Board

The organisational set-up of the Bihar Building and Other Construction Workers Welfare Board is shown in **Chart-2.1**.

[2] *As per section 2(j) of the Act, 'Establishment' means any establishment belonging to, or under the control of, Government, any body corporate or firm, an individual or association or other body of individuals which or who employs building workers in any building or other construction work; and includes an establishment belonging to a contractor but does not include an individual who employs such workers in any building or construction work in relation to his own residence, the total cost of such construction not being more than ₹ 10 lakh.*

**Chart-2.1**
**Organisational set-up of the Board**


***(Source: BBOCWW Board)***

The Principal Secretary/ Secretary, Labour Resources Department, GoB, was functioning as the ex-officio Chairman of the Board. The Secretary of the Board (Joint Labour Commissioner or equivalent) was functioning as the Chief Executive Officer (CEO) of the Board. The work of assessment, inspection and registration of establishments; registration of construction workers, was entrusted to the field offices, viz., division/ district level offices of the Department. The Deputy Labour Commissioner (DLC), at the division level, performs the work of Assessing Officer. Further, the DLCs had also been authorised for approval of applications of beneficiaries for various schemes (except Annual Medical Assistance Scheme).

At the district level, the Labour Superintendent (LS) and, at the block level, the Labour Enforcement Officer (LEO), had been assigned the work of collection of the cess, as well as registration of the construction workers. In addition to the above, the Board had appointed (September 2006) all the Assistant Labour Commissioners (ALC) of the Department, posted at the district level, as Inspectors, for conducting inspections of the building and other construction work sites.

## 2.3 Audit Objectives

The Performance Audit was conducted with a view to ascertaining whether:

- the Rules notified by the State Government under the Act, were consistent with the objectives of the Act and Cess Act
- there was an effective system for registration of establishments and beneficiaries
- cess assessment, cess collection, and transfer of the collected cess, to the Fund, was efficient

- Government had prescribed appropriate health and safety norms and could ensure an environment of compliance to those norms, by the employers
- Government had implemented a transparent and effective system of inspections, for checking evasion of the cess and compliance to health and safety norms by the employers and
- administration and utilization of fund, for implementation of welfare schemes by the Board, was efficient and effective, and as per Act and Rules framed by the State Government.

## 2.4 Audit criteria

The audit criteria have been derived from the following sources:

- Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
- Bihar Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2005
- Building and Other Construction Workers Cess Act, 1996 and Cess Rules, 1998
- Bihar Financial Rules, 2005
- Resolutions passed by the Board
- National Building Code of India, 2016, titled 'Construction Management, Practices and Safety', issued by the Bureau of Indian Standards (BIS), Ministry of Consumer Affairs, GoI
- Indian Standard Safety Code for Scaffolds and Ladders, Parts I and II (IS: 3696), issued by the Bureau of Indian Standards, Ministry of Consumer Affairs, GoI
- Inspection Policy, notified from time to time, by the Labour Resources Department, GoB.

## 2.5 Audit scope, methodology and limitations

Performance Audit, covering the period of the financial years (FYs) 2017-18 to 2021-22, was conducted during September to December 2022 and October 2023.The audit was conducted through test-check of records at the Bihar Building and Other Construction Workers Welfare (BBOCWW) Board and offices of the Department at the district level (for 10, out of 15 ongoing welfare schemes), in the six selected districts; 12 sampled Works divisions; 12 sampled Urban Local Bodies (ULBs); 17[3] registered establishments and 30 unregistered establishments ***(Appendix-2.1)***. The sampling methodology for selection of units has been detailed in ***Appendix-2.2***.

The audit methodology included test-check of records, obtaining responses to audit memos/questionnaires and analysis of relevant information, obtained from the audited units. In addition, a survey of 446 beneficiaries registered with BBOCWW Board, as well as 211 unregistered workers (totalling 657), was conducted, in the selected districts. The survey was conducted for evaluating the performance of the

[3] *Darbhanga:3, Gaya:3, Muzaffarpur:2, Patna:4, Saran:4, and West Champaran:1.*

Board, in regard to the identification and registration of beneficiaries, scrutiny of the applications received and provision of financial assistance. An Entry Conference, to discuss the audit objectives, criteria, scope, methodology, and seek the views of the Department on the subject, was held on 14 October 2022, with the Principal Secretary of the Labour Resources Department, GoB. An Exit Conference, to obtain the views of the Board on the audit findings, was held on 17 February 2023, with the Special Secretary-cum-Secretary, BBOCWW Board, Labour Resources Department, GoB. The report has been finalised based on the responses furnished by the department (February 2023).

**Limitations of scope**

The database of beneficiaries registered with the Board, along with the scheme-wise payments made to them, during FYs 2017-18 to 2021-22, was not made available to Audit. The Board provided data relating to the beneficiaries of its welfare schemes (except Annual Medical Assistance and COVID-19 special grant), only for the sampled six districts. In regard to the remaining districts, the Board did not provide any data relating to the beneficiaries.

Records related to constitution of an Expert Committee[4] and its meetings, were not made available to Audit, in the absence of which, it could not be ascertained whether the meetings of the Committee had been held and its recommendations duly incorporated in the rules.

Further, Joint Physical Inspection of 7[5], out of 24 registered establishments, could not be conducted, either due to works having been completed before the Inspection, or due to the work sites not being traceable.

**Audit Findings**

## 2.6 Rules Notified by the State Government under the Act

Audit findings related to framing of rules by the GoB and deficiencies, noticed in the implementation of the Act and Rules made thereunder, have been discussed in the succeeding paragraphs.

### 2.6.1 Delayed notification of Rules by the State Government under the Act

Section 62 of the Act provides that the appropriate Government[6] may, after consultation with the expert committee, by notification, make rules for carrying out provisions of the Act.

Although GoI enacted the Act in August 1996, the State Government had framed the BBOCW Rules, for implementation of the Act in the State, in September 2005 *i.e.,* with a delay of nine years. Delay in framing of rules, led to delays in constitution

4 *As per Section 5(1) of the Act, the State Government may constitute expert committee for advising the Government for making Rules under this Act.*

5 *Darbhanga:1, Gaya:1, Muzaffarpur:2, West Champaran:3.*

6 *As per Section 2 (a) (iii) of the Act, appropriate Government 'in relation to any other establishment which employs building workers either directly or through a contractor' means the government of the State in which that other establishment is situated.*

of the State Building and Other Construction Workers Welfare Board and Advisory Committee. Reasons for delay in the framing of Rules were not found available on records.

#### 2.6.1.1 Delay in constitution of the State Welfare Board and Advisory Committee

**(i)** As per Section 18 of the Act, the State Government was required to constitute the BBOCWW Board. The Board was to consist of a Chairman, a person to be nominated by the Central Government and such number of other members (maximum 15), as may be appointed to it, by the State Government.

Further, Rule 251(3) of the BOCW Rules, 2005, provided that the term of office of the members of the Welfare Board, other than official members, would be three years, from the date of their appointment.

Scrutiny of records of the Board revealed that, although the Bihar Building and Other Construction Workers Rules, had been notified in September 2005, the Board had been constituted (February 2008) with a delay of 28 months. Thereafter, the Board was required to be reconstituted in February 2011. However, it had been reconstituted only in February 2015, *i.e.* with a delay of 47 months. The Board was again to be reconstituted in February 2018. However, it had not been reconstituted till October 2022, which implied that the State had been without its Welfare Board for 55 months (approx.), in violation of the BBOCW Rules.

**(ii)** As per Section 4 (1) of the Act, a State Advisory Committee (SAC) was to be constituted, consisting of a Chairperson; two members of the State Legislature; a member nominated by the Central Government; representatives of the employers and building and other construction workers; and associations of architects, engineers, accident insurance institutions *etc.* The Committee was to advise the State Government on matters arising out of the administration of the Act. Further, Rule 11(6) of the BBOCW Rules, provided that the SAC was to be reconstituted after every three years.

Scrutiny of the records revealed that the SAC had first been constituted (February 2008) with a delay of 28 months. Thereafter, although the SAC was to be reconstituted in February 2011, it was reconstituted only in February 2015, *i.e.*, with a delay of 47 months. It was also observed that the SAC had not been reconstituted (as of October 2022) after February 2015. Non-reconstitution of the Committee, despite expiry of its three-year term, was in contravention of the provisions of the Act and Rules.

The Department replied (February 2023) that reconstitution of the State Welfare Board and State Advisory Committee, was under process.

The reply of the Department was not acceptable, as the absence of the Board, as well as the SAC, had impacted the assessment and collection of cess ***(Paragraph 2.8)***, adherence of health and safety norms ***(Paragraph 2.9)*** and proper implementation of welfare schemes ***(Paragraph 2.11.3)***, as discussed in the succeeding paragraphs.

### 2.6.2 Inconsistencies in the BBOCW Rules notified by the State Government with the Act

Some of the rules of BBOCW Rules, 2005, framed by the State Government, were not consistent with spirit of the Act, as discussed in the succeeding paragraphs.

#### 2.6.2.1 Opportunity to applicant before rejecting the application

Section 12(4) of the Act, allows for providing workers with opportunity of being heard before rejection of their applications received for registration as beneficiaries under the Act. This provision of Section 12 (4), however, was not incorporated in the BBOCW Rules, 2005, thereby creating the risk of arbitrary and non-documented rejection of applications.

The Board replied (October 2023) that Rule 266(6) of the Bihar Building and Other Construction Worker (Regulation of Employment and Conditions of Service) (Amendment) Rules, 2016, provides that "any construction worker, within 30 days of rejection of application for registration may file an appeal to the jurisdictional Asst. Labour Commissioner (ALC) against the decision taken under Sub-Rule 5 of Rule 266 and the decision of the ALC, thereon, shall be binding for the registering officer."

The reply of the Board was not acceptable, as the BOCW Rules do not provide BOCW workers any opportunity of being heard prior to rejection of their applications.

#### 2.6.2.2 Sources of Building and Other Construction Workers' Welfare Fund

Section 24 of the Act provides that the Building and Other Construction Worker's Welfare Fund shall be credited with grants and loans by the Central Government under Section 23 and all sums received by the Board from such other sources, as may be decided by the Central Government. Sub Rules (3) (a) and (c) of Rule 265 of the BBOCW Rules, 2005, however, provide that the Bihar Building and Other Construction Workers' Welfare Fund, shall be credited with grants or loans, or advances made by the Government of India, or by the State Government, or any local authority, and all sums received by the Board from such other sources, as may be decided by the Central Government or the State Government.

The provisions of Rule 265 (3) (a) and Rule 265 (3) (c) are inconsistent with Section 24 of the Act, to the extent that Grants/Loans by the State Government or any Local Authority (Rule 265 (3) (a)) and of the State Government (Rule 265 (3) (c)), were not provided for in Section 24 of the Act. The Act is a central Act and all the other sources may only be decided by the Central Government.

The Board replied (October 2023) that if additional provisions were made in the rules for the purpose of achieving the objectives of the Act, then it should not be supposed contrary to the Act.

The reply of the Board was not acceptable as the State Government has allowed other sources of funding to the Welfare Fund, without consultation with the Central Government.

***Recommendation 1: The Department may: (i) ensure that the Board and the SAC are reconstituted in a timely manner and (ii) ensure that the BBOCW Rules are in consonance with the provisions of the Act.***

## 2.7 Registration of establishments and beneficiaries

Provisions had been made under the Act and BBOCW Rules, 2005, for registration of establishments and workers. For implementation of these provisions, wide publicity of the ongoing welfare schemes and inspection of the construction sites, to ensure the welfare and safety of workers, are essential.

### 2.7.1 Registration of establishments

As per Section 7 of the Act, read with Rules 23 and 24 of the BBOCW Rules, 2005, every employer had to apply for registration of an establishment, to the registering officer (Labour Superintendent), at the district level. The registering officer, after receiving the application, was to register the establishment and issue a certificate of registration to the applicant, within 15 days. Further, the registering officer was to maintain a register, showing the particulars of the establishments. The Department had provided that application (in Form I of BBOCW Rules, 2005), for registration of establishments by employer, employing building and other construction workers was required to be submitted online[7] only, within 60 days of commencement of work, along with demand draft of prescribed fee[8] to the Registering Officer. Once the application had been approved, the registration certificate could be downloaded by the concerned applicants, after logging into the portal.

The year-wise numbers of establishments, registered with the Department, in the State, during the calendar years 2017 to 2022, are detailed in **Table 2.1**.

**Table 2.1: Year-wise number of establishments registered in the State (as of November 2022)**

| Calendar Year | Establishments registered in the State | Establishments registered under the sampled districts | | | | | |
|---|---|---|---|---|---|---|---|
| | | Darbhanga | Gaya | Muzaffarpur | Patna | Saran | West Champaran |
| 2017 | 19 | 0 | 2 | 0 | 8 | 0 | 0 |
| 2018 | 54 | 2 | 0 | 0 | 16 | 2 | 2 |
| 2019 | 126 | 0 | 3 | 5 | 40 | 2 | 1 |
| 2020 | 78 | 1 | 2 | 0 | 31 | 1 | 1 |
| 2021 | 76 | 0 | 0 | 3 | 25 | 0 | 1 |
| 2022 | 88 | 3 | 3 | 3 | 43 | 3 | 2 |
| **Total** | **441** | **6** | **10** | **11** | **163** | **8** | **7** |

*(Source: Records of Bihar Building and Other Construction Workers Welfare Board)*

**Table 2.1** indicates that, during 2017-2022, only 441 and 205 establishments had been registered with the Department and in the sampled six districts, respectively. The Department, during the calendar years 2017-22, had received fees of ₹ 4.67 lakh and ₹ 2.54 lakh, in the State and in the sampled six districts, respectively, from these registered establishments.

Audit observed that, in 12 sampled works units of the sampled six districts, 1,875 establishments had been engaged in the execution of works, during FYs 2017-22.

7 *On 'serviceonline.bihar.gov.in' portal of the Department.*

8 *For 100 workers or less: ₹ 500; 101-500: ₹ 2,000; more than 500: ₹ 3,000.*

Audit analysed the data of these 1,875 establishments, with the data of 205 registered establishments in the six sampled districts provided by the Board, and observed that only five (0.26 *per cent*) establishments, out of 1,875 establishments, had been registered with the Department ***(Appendix-2.3)***. Low registration of establishments indicated lack of co-ordination between the works units and the Department, as well as inadequate monitoring of the registration of establishments.

Consequently, the aspect of registration of establishments remained deficient, exhibiting dilution of controls envisaged in the Act.

The Department replied (February 2023) that: (i) operationalizing of the unified cess collection portal was underway, which had a link for registrations, as well and (ii) once the details of the cess payees were available, this would be followed for registrations.

The reply of the Department was not acceptable, as very few establishments had been registered with the Department and the said portal was yet to be operationalised.

Non-registration of establishments resulted in negligible registration of workers, consequently depriving workers from benefits under welfare schemes, as noticed by Audit, during physical inspection of 30 unregistered establishments ***(Paragraph 2.12)***.

### 2.7.2 Non-Submission of Annual and Monthly Returns by Registered Establishments

In terms of Rule 242 of the BBOCW Rules, 2005, every employer of a registered establishment was to send, annually, a return, relating to such establishment, in prescribed Form[9], to the registering officer having jurisdiction, so as to reach him not later than the 15th February following the end of each calendar year, with a copy to the Inspector having jurisdiction. In the format, information like the name and address of the establishment, name and address of the employer, nature of the building work, number of building workers employed during the year, accidents which took place, if any, *etc*. were required to be furnished. Further, as per Rule 268 (2) of the BOCW rules, every employer, before the 15th day of every month, was to send a return in the prescribed form[10], showing the details of the workers entitled to be registered, as well as the workers who left service during the preceding month.

As shown in **Table 2.1**, the Registering Officers of the six sampled districts, had registered only six (Darbhanga), 10 (Gaya), 11 (Muzaffarpur), 163 (Patna), eight (Saran) and seven (West Champaran) establishments, during the calendar years 2017-22. However, neither had the registered establishments furnished the prescribed returns, nor had they been asked for by the Registering Officers. In the absence of these returns, the number of construction workers working in these establishments, availing benefits of the welfare schemes, run by the Board, and the workers eligible for registration, could not be ascertained by the Board/district offices.

The Department had not provided any specific response to the audit observation.

[9] *Form XXV {Rule 242 of BBOCW Rules, 2005).*
[10] *Form XXX {Rule 268(2) of BBOCW Rules, 2005}.*

### 2.7.3 Registration of building and other construction workers

Rule 266 of the BBOCW Rules, provided that every building and other construction worker, in the age group of 18 to 60 years, who was not a member of any Welfare Fund established under any law and had completed 90 days of service as a building worker in the year immediately preceding, would be eligible for registration as a beneficiary under the Act. It had been provided by the Board that; (i) the LS, at the district level and (ii) the LEO, at the block level, would register the construction workers, by uploading the applications, received from the construction workers, in the online software developed by the Board, as per the rules. Applicants were required to apply for registration in the prescribed form[11] and to deposit registration fee (₹ 20) and contribution fee (₹ 30) for five years. After five years, monthly contribution for the next five years would be payable by the workers who qualified for renewal. The above process of registration of BOCW workers was uniform for all types of workers, including migrant workers.

**Table 2.2** shows the year-wise details of the building and other construction workers, registered with the Board.

**Table 2.2: Year-wise details of the building and other construction workers, registered with the Board**

| Financial Year | Workers registered under the Act | | |
|---|---|---|---|
| | Opening Balance | Registrations made during the financial year | Closing Balance |
| 2017-18 | 2,96,492 | 1,91,913 | 4,88,405 |
| 2018-19 | 4,88,405 | 3,32,654 | 8,21,059 |
| 2019-20 | 8,21,059 | 5,51,179 | 13,72,238 |
| 2020-21 | 13,72,238 | 2,95,209 | 16,67,447 |
| 2021-22 | 16,67,447 | 3,78,025 | 20,45,472 |

*(Source: Records of BBOCWWB)*

**Chart 2.2: Workers registered during FYs 2017-18 to 2021-22**


[11] *Form XXVII {Rule 266(4) of BBOCW Rules, 2005}.*

Inspectors, appointed under the Act, were empowered to interact with any worker, during inspection, for any information related to employment.

In the absence of inspections by Inspectors, at construction sites of the works executed by the works divisions, as well as the buildings being constructed in terms of the building plans approved by ULBs, registration of workers through inspections could not be ensured.

Further, 3,90,003 registered workers renewed their membership, during FYs 2017-22[12]. It was intimated by the Board that the main reasons for non-renewal of workers were migration, non-eligibility and lack of awareness.

#### 2.7.3.1 Non-maintenance of records

Rule 266 (8) of the BBOCW Rules provided that the Secretary, or other officer authorised by him in this behalf, had to maintain a register of the identity cards[13] issued.

For the purpose of registering the building and other construction workers, the Department, under the above Rule, had issued (January 2015) a notification, appointing all the Assistant Engineers/ Junior Engineers and Municipal Commissioners/Executive Officers, of the respective works departments and ULBs, respectively, as the Registering Officers, for all the workers under their jurisdiction.

Audit noticed that records relating to the registration of beneficiaries and the register of identity cards issued, had not been maintained in any of the works units/ULBs, of all the sampled six districts.

In the absence of any records, there was no specific evidence in support of the works units/ULBs having performed the duty of registration of workers. Further, absence of such records indicated non-monitoring on the part of the Board.

No specific response, on this audit observation, had been received from the works divisions/ ULBs.

#### 2.7.3.2 Irregular registration of workers under the Board

Audit analysed data relating to the workers of the sampled districts, registered with the Board (the data was downloaded from the Board's website) and noticed irregularities in the registration of workers, as enumerated in **Table 2.3**.

**Table 2.3: Non-adherence to eligibility criteria in registration of workers**

| Sl. No. | Stipulation under the BBOCW Rules, 2005 | Irregularities |
|---|---|---|
| 1 | Every building worker who has completed 18 years of age, but has not completed 60 years of age shall be eligible for registration as a beneficiary under this Act (Rule 266). | Two workers in Patna district were aged below 18 years, at the time of their registration. |
| 2 | | 71 workers[14] had been registered either at or more than 60 years of age. |
| 3 | The Board was constituted in February 2008, under BBOCW Rule 251. | 31 workers[15] had been shown as 'registered' before the constitution of the Board (February 2008). |

12 *44,127 (2017-18), 1,24,151 (2018-19), 1,28,622 (2019-20), 60,877 (2020-21) and 32,226 (2021-22).*

13 *An identity card, issued by the Board, after registration of the worker. It contains the details of the worker, such as his/her registration number, date of registration, bank account number, date of birth etc.*

14 *Darbhanga: 12; Gaya: 01; Muzaffarpur: 12; Patna: 30; Saran- 10 and West Champaran: 6.*

15 *Darbhanga: 01; Gaya: 02; Muzaffarpur: 03; Patna: 19, Saran: 02 and West Champaran: 04.*

The Department replied (February 2023) that it would validate the dates of registration and clean the database.

The reply of the Department was not acceptable, as these workers had been registered in contravention of the provisions of the BBOCW Rules, 2005.

#### 2.7.3.3 Existence of deceased registered workers in the database

The Board had directed (September 2019) all the DLCs/LSs, to cancel the registrations of deceased workers, after granting the requisite benefits to their nominees. However, the names of 262 beneficiaries[14] of the sampled districts, were appearing in the database (as on 19.11.2022) of registered workers, even after their death.

The Department replied (February 2023) that it would validate the dates of registration and clean the database.

The reply of the Department was not acceptable, as the registration of the deceased workers was to be cancelled by the field offices, as instructed by the Board.

### 2.7.4 Lack of wide publicity of welfare schemes and awareness generation among workers

The Parliamentary Standing Committee on Labour, in its 28th Report (Sixteenth Lok Sabha), on "Cess funds and their utilisation for workers' welfare", cited non-availability of a proper mechanism for giving publicity to the ongoing welfare schemes for construction workers, by the Board, as one of the reasons for low registration of workers. The Committee recommended that wide publicity be given to the welfare schemes and the benefits of registering as a construction worker, so that workers may come forward for registration, on their own. Further, the Ministry of Labour and Employment, GoI, instructed (October 2015 and September 2018) the Board to incur expenditure on publicity and awareness generation, through press and media, videos on smart phones, short messaging service (SMS), wall paintings, awareness camps and *nukkad nataks*. The expenditure on public awareness was to be made within the five *per cent* limit of the administrative expenses. Thus, five *per cent* of the Board's total expenses, during a financial year, could be expended for administrative purposes.

During audit, it was observed that the Board had not maintained records relating to its awareness activities. Audit further observed that funds, for publicity and awareness generation, had not been allocated and consequently, expenditure had not been incurred on such activities, during FYs 2017-22. This indicated that the Board had not undertaken activities, for publicity of the welfare schemes, as well as generation of awareness among the workers.

In the absence of any awareness activities, the workers could not get the benefits of wide publicity of the welfare schemes, and awareness about registration with the Board, as recommended by the Standing Committee on Labour.

The Department replied (February 2023) that: (i) it had instructed (January 2023) that one awareness camp per week, be organised, for each block (ii) efforts were being

[16] *Darbhanga: 09, Gaya: 07; Muzaffarpur: 83; Patna: 01; Saran: 03 and West Champaran: 159.*

made for publicity and awareness, through brochures/hoardings/advertisements/short video films and (iii) ₹ 26.55 lakh (FY 2017-18), ₹ 4.05 lakh (FY 2018-19), ₹ 2.45 lakh (FY 2019-20), ₹ 0.25 lakh (FY 2020-21) and ₹ 12.46 lakh (FY 2022-23), had been utilized in this regard.

However, the reply of the Department was not supported by any documentary evidence.

***Recommendation 2: The Board may: (i) co-ordinate with other departments/ Government offices, for registration of establishments and workers and (ii) run target-based awareness and publicity activities in this regard.***

## 2.8 Assessment, Collection and transfer of collected Cess

As per the Cess Act, every employer, carrying on building or other construction works, was required to pay cess and to furnish returns to the prescribed authority, *i.e.,* DLC. In case of default, the authority was to serve a notice to furnish the return within the specified date mentioned therein. The Cess Act further provided that, in the absence of any returns, the DLC was required to assess the amount of cess payable and, after enquiry, issue an order specifying a date for payment. In case of non-payment within the specified date (30 days), the employer was liable to pay interest, at the rate of 2 *per cent* per month, on the amount to be paid, subject to a penalty not exceeding the amount of cess.

Further, the Standing Committee on Labour, in its 28th Report (Sixteenth Lok Sabha) on "Cess funds and their utilisation for workers' welfare", had recommended (August 2017) that construction activities be monitored properly, so that proportionate collection of cess may be enhanced.

### 2.8.1 Non-conduct of assessment of cess

As per Rule 6 of the Cess Rules, every employer had to furnish information related to his work (in Form I), to the Assessing Officer, within 30 days of commencement of work. The Assessing Officer, on receipt of such information from an employer, had to scrutinise such information and make an order of assessment, indicating the amount of cess payable by the employer. Further, Section 4(2) of the Cess Act provides that if any person carrying on the building or other construction work, liable to pay the cess under Section 3, fails to furnish any return under sub-section (1), the officer or the authority shall give a notice requiring such person to furnish such return before such date as may be specified in the notice.

During scrutiny of records of the sampled six districts, it was noticed that the prescribed information had not been received from any of the employers, during the FYs 2017-22. As such, the DLCs, being the Assessing Officers, were required to issue notices to the employers under their jurisdiction. Audit, however, noticed that none of the assessing officers had issued any notices to the employers, under the Cess Rules. Further, no documents were available in the records of the DLCs, indicating that they had reconciled the details of works executed by the works divisions and building plans approved by the ULBs with the concerned works divisions/ULBs. Consequently, neither had any assessment orders been issued, nor had any enquiries of construction sites been made, for estimating the cost of construction (for assessment of cess). As a result, the overall cost of construction and consequent cess realizable, could not be ascertained by the Assessing Officers. Therefore, there was no scope of assessing the quantum of unrealized cess, penalty or interest.

In response, the Department replied (February 2023) that: (i) a Construction Cost Assessment Committee had been constituted, *vide* resolution no. 787 dated 11.10.2022 and (ii) notification related to assessment of the cost of construction was under process.

The reply of the Department was not acceptable, as the Board had not been able to adhere to the process of obtaining returns/information and taking further action prescribed under the Cess Act and Rules, for making assessment of cess, in the absence of returns/ information.

### 2.8.2 Non-adoption of mechanism for calculating the cost of construction

Section 3 of the Cess Act provided that the cess would be levied and collected at the rate not exceeding two *per cent* but not less than one *per cent*. Accordingly, Government of Bihar notified (February 2008), levy and collection of the cess at the rate of one *per cent*.

As per Rule 4 (3) of the Cess Rules, 1998, where the levy of cess pertains to building and other construction work of a Government or of a Public Sector Undertaking, such Government or the Public Sector Undertaking shall deduct or cause to be deducted the cess payable at the notified rates from the bills paid for such works.

Further, as per Rule 4 (4) of the Cess Rules, 1998, where the approval of a construction work by a local authority is required, every application for such approval shall be accompanied by a crossed demand draft in favour of the Board and payable at the station at which the Board is located for an amount of cess payable at the notified rates on the estimated cost of construction[17]. The above provisions were also valid for every individual, undertaking construction of residence, provided that the cost of such construction was more than ₹ 10 lakh.

Audit observed that in local authorities, no uniform methodology was adopted for calculation of cost of construction. Out of 12 sampled ULBs, cost of construction was calculated as per: (i) the plinth area rates notified by the Central Public Works Department (CPWD), in three[18] ULBs (ii) estimated costs provided by the concerned private architects, in five[19] ULBs. In three[20] ULBs, cess was not being collected and in one[21] ULB, building plans had not been approved during audit period.

[17] *As per the Rule 3 of the Cess Rules 1998, cost of construction shall include all expenditure incurred by an employer in connection with the building or other construction work but shall not include cost of land and any compensation paid or payable to a worker or his kin under the Workmen's Compensation Act, 1923.*

[18] *Darbhanga (Municipal Corporation, Darbhanga) and Patna (PMC, Patna & Municipal Council, Danapur Nizamat).*

[19] *Municipal Corporation, Gaya; Municipal Corporation, Muzaffarpur; Municipal Corporation, Chapra; Municipal Corporation, Bettiah; Municipal Council, Bagaha.*

[20] *Municipal Council, Benipur; Municipal Council, Kanti; Nagar Panchayat, Rivilganj.*

[21] *Municipal Council, Bodhgaya.*

Audit, further, observed that the Board had not prescribed any uniform methodology, incorporating the rates for calculation of the cost of construction. As the Board had not prescribed any uniform methodology for calculating the cost of construction, the concerned ULBs could not calculate cess, at a uniform rate, on the cost of construction, while according approval to the building plans. In the absence of calculating the cost on uniform rate, Audit could not ascertain the correctness of amount of cess collected.

Further, the instances of difference in amount of cess collected, as well as non- collection of cess, on the costs of construction of the building plans approved by the ULBs and by the works division, are discussed in ***Paragraphs 2.8.3*** and ***2.8.4,*** respectively.

In response, the Department replied (February 2023) that: (i) a Construction Cost Assessment Committee had been constituted, *vide* resolution no. 787 dated 11.10.2022 and (ii) notification related to assessment of cost of construction was under process.

The reply of the Department was not acceptable, as the Board had not prescribed any uniform methodology for calculating the cost of construction of building plans, even after a lapse of 17 years from the date of notification of the BBOCW Rules, 2005.

### 2.8.3 Collection of cess at different rates by Urban Local Bodies

- Scrutiny of the records of eight[22] ULBs of the sampled six districts, revealed that, in selected 64 cases ***(Appendix-2.4),*** in five[23] sampled ULBs, while approving the building plans, had collected cess (₹ 0.63 crore) through non-uniform methods. The Cess has been collected on the basis of estimated cost of construction provided by the concerned private architect, in place of prevailing CPWD plinth area rate (₹ 1.17 crore). While the remaining three[24] ULBs had collected cess (₹ 3.32 crore) on the basis of preceding CPWD plinth area rate (₹ 4.27 crore), leading to differences in collection of cess, amounting to ₹ 1.49[25] crore.

  The Department replied (February 2023) that instructions had been issued to the Labour Superintendents, for issuing notices to ULBs, for providing information relating to the building plans.

  The reply of the Department was not acceptable, as the uniform methodology for calculating the cost of construction, had not been prescribed by the Board.

- Scrutiny of records of DLC, Patna, revealed that a building plan[26] had been approved (August 2018) by the Patna Municipal Corporation (PMC) and cess, amounting to ₹ 2.73 crore, had been calculated on the cost of construction, based on the plinth area rates notified by the CPWD. However, the DLC, Patna, on the request of the developer, had assessed the cess amount calculated by PMC

[22] *Municipal Corporation, Darbhanga; Municipal Corporation, Gaya; Municipal Corporation, Muzaffarpur; Municipal Corporation, Patna; Municipal Council, Danapur Nizamat (Patna); Municipal Corporation, Chhapra; Municipal Corporation, Bettiah and Municipal Council, Bagaha (West Champaran).*

[23] *Municipal Corporation, Gaya; Municipal Corporation, Muzaffarpur; Municipal Corporation, Chhapra; Municipal Corporation, Bettiah and Municipal Council, Bagaha (West Champaran).*

[24] *Municipal Corporation, Darbhanga; Municipal Corporation, Patna; Municipal Council, Danapur Nizamat (Patna).*

[25] *₹ 1.17 crore +₹ 4.27 crore-(₹ 0.63 crore+₹ 3.32 crore)=₹ 1.49 crore.*

[26] *Plan Case No - P/Ranipur/PRN/B+G+16/564/2017.*

and reduced (August 2018) the cess amount to ₹ 1.31 crore, on the basis of the estimated cost of construction, based on the prevalent market rates, submitted by the concerned developer. Further, the DLC had divided the cess in five equal instalments of ₹ 26.29 lakh. Consequently, there had been a difference of ₹ 28.23 lakh[27], as compared to cess calculated by the Patna Municipal Corporation, in the first instalment of the cess, as of December 2022.

The Department did not provide any specific response to the audit observation.

Thus, in absence of the uniform methodology of calculating cess on the estimated cost, as discussed in ***Paragraph 2.8.2***, Audit could not ascertain the correctness of amount of cess collected. Besides, possibility of short collection of cess also could not be ruled out.

### 2.8.4 Non-collection/short collection of the cess by the ULBs/ works division

- Section 3(2) of the Cess Act provided that the cess levied, was to be collected in advance, through a local authority (ULB), from an employer, in cases where approval of a building or other construction work, was required from the said local authority.

  During test-check of the records in six sampled districts, Audit observed that six Urban Local Bodies (ULBs[28]) of five[29] districts, had not collected cess, amounting to ₹ 6.85 crore, in violation of the provisions of the Cess Act and Rules, while approving the building plans against 48 sampled cases, during FYs 2017-22 (***Appendix-2.5)***. Further, no material was available in the records of the Board, indicating that it had taken up the matter of non-collection of cess by the ULBs, with the concerned ULBs.

  The Department replied (February 2023) that instructions had been issued to the Labour Superintendents, for issuing notices to ULBs, for providing information relating to the building plans.

  The reply of the Department was not acceptable, as the amount of the cess was yet (as of February 2023) to be collected by the ULBs and deposited in Board's account.

- Further, in light of criteria mentioned in Para 2.8.2 *ante* and scrutiny of records of the Executive Engineer, Tilaiya Canal Division, Wazirganj, Gaya, it was observed that, during 2019-22, against the deductible cess of ₹ 6.49 crore, the division had deducted cess amounting to ₹ 5.75 crore only, from the bills of an establishment[30], registered with the Board. This had led to short deduction of the cess, amounting to ₹ 0.74 crore. As the establishment was registered with the Board, the deduction of the cess, from the bills of the establishment, could have been monitored by it, but this had not been done.

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27 *₹ 28.23 lakh= ₹ 54.52 lakh (₹ 2,72,62,171/5)-₹ 26.29 lakh (₹ 1,31,44,192/5).*

28 *Municipal Council, Benipur (Darbhanga); Municipal Council, Kanti (Muzaffarpur); Municipal Council, Danapur Nizamat (Patna); Municipal Corporation, Chhapra; Municipal Council, Revelganj (Saran); and Municipal Corporation, Bettiah (West Champaran)*

29 *Darbhanga, Muzaffarpur, Patna, Saran and West Champaran.*

30 *Megha Engineering and Infrastructures Limited.*

The Department accepted the audit observation and replied (February 2023) that follow-up action would be taken up by the BBOCWW Board.

### 2.8.5 Collection of cess through cash

In light of the provisions mentioned in ***Paragraph 2.8.2*** *ante* and directions (2010) of the Chief Secretary, Bihar, all departments involved in construction works, were to deposit the cess, at the rate of one *per cent* of the total construction cost, in the account of the Board, through crossed demand draft, to be issued in the favour of the Board.

Scrutiny of the records of Office of the Commissioner, Municipal Corporation, Muzaffarpur, revealed that, in 869 cases, pertaining to FYs 2017-22, cess, amounting to ₹ 3.78 crore, had been collected in the form of cash, through Money Receipts, instead of crossed Demand Draft, in violation of the Cess Rules, increasing the risk of misappropriation and embezzlement of money.

The Department accepted the audit observation and stated that the follow-up action would be taken up by the Board.

### 2.8.6 Non/delayed remittance of the deducted cess

As per Section 3 (3) of the Cess Act, the proceeds of the cess collected, were to be paid by the ULBs, or the State Government, to the Board. Further, as per Rule 5 of the Cess Rules, the proceeds of the cess collected, were to be transferred, by such Government office, to the Board, within 30 days of its collection.

**(i)** During scrutiny of records in 12 sampled works divisions/ULBs of the six sampled districts, Audit observed that 11 works divisions and six ULBs of the sampled six districts had not deposited the cess, amounting to ₹ 41.84 crore, deducted/collected from the bills of the contractors, to the Board (***Appendix-2.6)***. Accordingly, the Board had been deprived of its share of cess, amounting to ₹ 41.84 crore. Further, possibility of temporary misappropriation, due to non- deposit of the deducted/ collected cess, also can not be ruled out.

The Department replied (February 2023) that letters had been issued to all departments, for timely deposit of cess.

The reply of the Department was not acceptable, as the amount of cess collected was yet to be remitted to the Board.

**(ii)** In six of the sampled works divisions and eight ULBs of six sampled districts, Audit observed that cess, amounting to ₹ 19.02 crore, deducted/ collected by these works divisions/ULBs, had been deposited to the Board, with delays ranging from five days to 1,290 days **(*Appendix-2.7*)*,*** as of March 2022.

The Department, while accepting the audit observation, replied (February 2023) that letters had been issued to all departments, for timely deposit of cess.

### 2.8.7 Remittance of cess in an improper head

The Additional Chief Secretary of the Department had requested (September 2019) all the concerned departments, to deposit the amount of the cess, in the head of account '8443-00-108-0004' and intimate the same to the Board.

During scrutiny of the records of Municipal Council (MC), Danapur Nizamat, Patna, it was observed that, in case of 60 works, cess, amounting to ₹ 36.82 lakh, deducted from the bills of contractors, had been deposited to the Department's head of account '0230-00-101-0001', in place of the Board's head of account '8443-00-108-0004', by the Executive Officer of the ULB. Due to this, the Board had remained deprived of the amount of the cess and interest to be earned thereon. Further, there was nothing on the records of the Board/DLC, indicating that the matter had been taken up with the ULB for deposit of the cess in the proper head of account.

The Department, while accepting the audit observation, replied (February 2023) that the unified cess collection portal[31] which was underway, would solve such issues.

The reply of the Department was not acceptable, as the cess amount deposited to the Department's head of account was yet to be transferred to the Board's account, as of February 2023.

### 2.8.8 Non-collection of instalments of cess

As per Rule 4(2) of the Cess Rules, where the duration of the project or construction work exceeded one year, cess was to be paid within thirty days of the completion of one year from the date of commencement of work, and every year thereafter, during the relevant period.

Scrutiny of records of three sampled ULBs[32], of the Patna and Darbhanga districts, revealed that the concerned DLCs had divided the cess, related to eight building plans, as detailed in **Table 2.4**, into four to five instalments. The concerned ULBs had approved the building plans, after the first instalments of the cess had been deposited by the applicants, with the Board.

**Table 2.4: Sampled cases wherein the instalments of cess had been fixed**

***(₹ in lakh)***

| Sl. No. | Plan No. (ULB) | Total collectable amount of Cess | Amount of instalments fixed (No. of instalments) | Due date | Delay in months (as of November 2022) |
|---|---|---|---|---|---|
| 1 | 547/2020 (PMC) | 33.32 | 6.66 (5) | 31-12-2021 | 11 |
| 2 | 27/2019 (PMC) | 18.27 | 4.57 (4) | 28-08-2020 | 27 |
| 3 | 28/2019 (PMC) | 14.19 | 3.55 (4) | 28-08-2020 | 27 |
| 4 | 708/2021 (PMC) | 16.06 | 3.21 (5) | 22-07-2022 | 4 |
| 5 | 373/2020 (PMC) | 14.76 | 2.95 (5) | 05-01-2022 | 10 |
| 6 | 514/2020 (PMC) | 12.33 | 3.08 (4) | 25-10-2022 | 1 |
| 7 | 646/2020 (PMC) | 10.94 | 2.19 (5) | 19-07-2022 | 4 |
| 8 | 69/2021 (DMC) | 13.04 | 2.61 (5) | 24-12-2021 | 10 |
| **Total** | | **132.91** | **28.82** | | |

*(Source: Records of sampled ULBs)*

Regarding collection of the cess amount, Audit observed that, in these eight cases, the Board had collected the first instalments of cess, amounting to ₹ 28.82 lakh only and

[31] *A portal for online cess receipts through payment gateway along with link for registration of establishment.*

[32] *Municipal Corporation, Patna; Municipal Corporation, Darbhanga and Municipal Council, Danapur Nizamat.*

second instalments of cess, amounting to ₹ 28.82 lakh were due (November 2022) for collection, even after lapse of one to 27 months.

This indicated that the Board had not devised any mechanism for monitoring the deposit of instalments of the cess.

The Department, replied (February 2023) that, after operationalisation of the unified cess collection portal, such cases would be monitored easily.

The reply was not acceptable, as the next instalments of cess were yet to be collected by the Board.

### 2.8.9 Non-transfer of cess in the bank account of the Board

The Board directed (September 2019) all Departments to transfer the cess, deducted by them, to the head of account (HoA) '8443-00-108-0004', assigned for depositing the cess in treasury. Further, the cess so deposited, was required to be transferred into the Board's bank account, in the first week of next month. The Drawing and Disbursing Officers were required to prepare online bill in the form BTC-53 at the end of the month and the amount of cess would be directly transferred to the Board's account, after adding it as a payee in Comprehensive Financial Management System (CFMS) of the State Government.

The Principal Secretary-cum-Chairman, BOCW Board, directed (September 2022) all the DLCs/ALCs/LS, to co-ordinate with the concerned district Treasury Officers, for transferring the labour cess deposited/parked in the treasuries, under the above HoA, to the Board's Bank Account.

Scrutiny of records of the sampled works divisions, revealed that, while the cess deducted by them, from the bills of agencies, had been transferred in the relevant HoA of the treasuries, it was not being transferred into the Board's bank account.

Details of receipt and payment of the cess, in the above said major head, during FYs 2019-22, was as shown in **Table 2.5**.

**Table 2.5: Receipt and Payment of cess, by treasuries during FYs 2019-22 (*status as of December 2022*)**

***(₹ in crore)***

| Sl. No. | Financial Year | Receipt | Payment | Balance |
|---|---|---|---|---|
| 1. | 2019-20 | 89.90 | 0.14 | 89.76 |
| 2. | 2020-21 | 116.97 | 31.44 | 85.53 |
| 3. | 2021-22 | 122.23 | 51.41 | 70.82 |
| | **Total** | **329.10** | **82.99** | **246.11** |

*(Source: CFMS, Finance Department, GoB)*

As evident from **Table 2.5**, ₹ 246.11 crore, deposited in the relevant HoA of the treasuries, during FYs 2019-22, had not been transferred into the bank account of the Board. Resultantly, the Board had suffered loss of interest, amounting to at least ₹11.58 crore[33] as per the calculation shown in **Table 2.6**.

[33] *The interest has been calculated for the period from April 2019 to November 2022 (44 months), as per the lowest rate of interest of 2.70 per cent per annum, offered by the SBI, on its savings bank accounts.*

**Table 2.6: Calculation of interest**

| Financial year | Balance amount at the end of F.Y. (₹ in *crore*) | Period of non-deposit | No. of years (Month/12) | Calculation of Simple Interest *(₹ in crore)* |
|---|---|---|---|---|
| 2019-20 | 89.76 | April 2020 to November 2022 | 32/12 | 89.76x32/12x2.70/100= 6.46 |
| 2020-21 | 85.53 | April 2021 to November 2022 | 20/12 | 85.53x20/12x2.70/100= 3.85 |
| 2021-22 | 70.82 | April 2022 to November 2022 | 8/12 | 70.82x8/12x2.70/100= 1.27 |
| **Total** | | | | **11.58** |

*(Source: CFMS, Finance Department, GoB and website of State Bank of India)*

The above fact indicated that, although the Board had formulised the procedure for transfer of deducted cess, to its bank account, it had not efficiently monitored the deduction and deposit of the cess. This had led to funds lying outside the Board's bank account, which, in turn, had resulted in loss of interest, as mentioned above.

The Department replied (February 2023) that the Board had issued letters to the Finance Department, GoB, for processing the transfer of the amounts, lying in different treasuries.

***Recommendations***

***3: The Board may: (i) institutionalise a mechanism to identify all employers and construction works (ii) notify the rates of cost of construction for building plans, to be approved by the ULBs, to calculate the costs of construction and (iii) co-ordinate with the treasuries in regard to deposit of the cess collected, to the Board's account.***

***4: The Board may examine the matter related to cess collected but not deposited in the Board's account and fix responsibility in this regard.***

## 2.9 Health and safety norms

Rules 34 to 233 of the BBOCW Rules (Part III), 2005, provide various safety and health provisions for the safety of construction workers *viz.,* fire protection, safety helmets, periodical examination of plant and machineries, safety net, annual medical examination, first aid box, constitution of Safety Committee, appointment of Safety Officer *etc*.

The Department, *vide* notification (September 2006), appointed all Dy. Labour Commissioners/Assistant Labour Commissioners/Labour Superintendents, as 'Inspectors' under the Act, in their respective declared jurisdictions.

As per BBOCW Rules 2005, an inspector could: (i) examine a building or other construction work site and (ii) hold an inquiry into cases of any accident or dangerous occurrence or of non-compliance with any of the provisions of the Act or Rules made thereunder. Further, he/she could issue show-cause notice or warning to the employers, regarding the safety, health or welfare of the workers.

### 2.9.1 Non-conduct of inspections of construction sites

As per Section 43 of the Act, read with Rule 298 of the BBOCW Rules, an Inspector could examine the register and records relating to cess, at a building and other construction works, within the local limits for which he had been appointed.

Audit observed that: (i) although the department had appointed Inspectors for conducting inspections of the construction sites or premises, it had not prescribed any frequency, targets or follow-up action, in regard to the inspections conducted and (ii) none of the Inspectors appointed had conducted any inspections of the construction sites or premises, in the sampled six districts, during FYs 2017-22.

In the absence of any frequency, targets, follow-up action, format of inspection note, data related to periodical visits by Inspectors, in regard to inspections, as well non-conduct of inspections by the Inspectors, indicated the lackadaisical approach of the Department towards implementation of the provisions of the Act and the Rules made thereunder.

While accepting the audit observation, the Department replied (February 2023) that: (i) the format of inspection, on each parameter and, at each level of inspection, was being developed and (ii) inspections would be routinely continued from this year.

### 2.9.2 Non-reporting of incidents of accident or dangerous occurrence

The Department had notified DLCs as Inspector under the Act and had empowered them to enquire about the incidents of accident or dangerous occurrence reported by the employers, in Form XIV prescribed under the BOCW Act.

Further, under the Compensation Act, 1923, DLCs had been notified as Compensation Commissioners, for settlement of claims for compensation with regards to occurrence of accident or in the cases of death of the workmen, after receiving reports thereon, in Form EE[34].

**(i)** As per the provisions contained in Section 39 of the Act, read with 210 of the BBOCW Rules, 2005, notice of any incident of accident, involving any building worker on the construction site, which either causes loss of life or disables a building worker, is to be sent to Deputy Labour Commissioner having jurisdiction in the area in which incident took place. Every notice given is to be followed by a written report to the Inspector/ Authority in Form XIV, which includes specific information, such as the name and location of the project/work, particulars of the employer, particulars of the accident and nature of injuries, mode of transport used, time taken in shifting of injured person to hospital, particulars of the witness, particulars of the worker with his/her BOCW registration number *etc*., under proper acknowledgement.

During scrutiny of records of the six sampled districts, it was noticed that no incidence of accident or dangerous occurrence had been reported in Form XIV, to the DLCs, by the establishments. In the absence of reporting in Form XIV, specific information, as mentioned above, had not been provided by the establishments, to the concerned

[34] *It includes information such as time, place and cause of accident; name, age, sex, nature of employment and address of workman/workmen etc.*

DLCs. As such, compliance with the safety provisions had not been ensured. Also, during joint physical inspections at the construction sites, instances of non-availability of first-aid facilities, fire-fighting facilities and others safety equipment were noticed ***(Paragraph 2.10.3)***.

Further, during test-check of the 40 sampled compensation cases, reported under the Workmen's Compensation Act, 1923, in four sampled districts[35], Audit observed that, in these cases, information relating to deaths/ accidents had been given by the employers in Form EE. Non-reporting of cases of incidents of accidents or dangerous occurrences, through Form XIV, had limited the role[36] of DLC as Inspector, as Form XIV would have also captured the action taken by the employers in case of such accidents and helped fix responsibility on the employers.

In the absence of information of registration of workers in Form XIV, the registration status of the workers could not be ascertained by Audit.

**(ii)** As per Rule 211 of the BBOCW Rules, 2005, the procedure for enquiry into causes of accident or dangerous occurrence was to be commenced within a maximum 15 days, on the receipt of notice of accident or dangerous occurrence.

Audit noticed that, due to non-reporting of the 40 sampled compensation cases in Form XIV, further enquiry, as provisioned in Rule 211, could not be carried out. Consequently, findings of enquiries related to the causes of accidents, safety measures, health and protection of workers, along with brief statements of facts, could not be prepared and forwarded to the Chief Inspector and the State Government.

**(iii)** Audit scrutiny of the above sampled 40 compensation cases also revealed that these accident cases were related to 28 establishments. Out of these 28 establishments, only eight (29 *per cent*) were registered with the Department. However, no notice was found to have been issued to these establishments for registration under the Act, indicating improper discharge of functions vested with the DLCs, regarding Board related works.

### 2.9.3 Constitution of Safety Committee and appointment of Safety Officer

As per Section 38 of the Act, read with Rule 209 of the BOCW Rules, 2005, in case of every establishment, wherein 500 or more building workers are ordinarily employed, the employer is to constitute a Safety Committee and also appoint a Safety Officer. As per Rule 208 of the BBOCW Rules, 2005, the main functions of the Safety Committee are to identify the probable causes of accidents and suggest remedial measures.

Information relating to the constitution of the Safety Committee and appointment of Safety Officers, in establishments where 500 or more workers were employed, was not available with the Board and the test-checked district offices (except West Champaran)

[35] *Darbhanga: 10, Gaya: 10, Muzaffarpur: 10 and Patna: 10.*

[36] *DLCs could not discharge their duties as Inspectors under the BOCW Act/Rules, in regard to health and safety norms, in the absence of information in Form XIV. This was because, in addition to the information reported in Form EE, Form XIV contains the following additional information: (a) Stage of construction work, (b) Particulars of employer, (c) Nature of injuries, (d) Mode of transport used, (e) Time taken in shifting of injured person to hospital, (f) Particulars of the person giving witness, (g) Particulars in the case of fatal, (h) Certificate of the employer or authorised signatory.*

of the Department. Audit observed that there were 41 registered establishments[37] in the State which had paid the prescribed fees of ₹ 3,000, meant for employment of more than 500 workers. This indicated that the Department had not developed any mechanism to derive assurance regarding the constitution of Safety Committees and appointment of Safety Officers, in such establishments.

***Recommendation 5: The Board may ensure conduct of inspections at the construction sites and adhere to the provisions of the rules regarding reporting of incidents of accidents and dangerous occurrences.***

## 2.10 Inspections to check cess evasion and compliance to health and safety norms by employers

Audit findings relating to inspection for ensuring the welfare and safety of workers at worksites, are discussed in the succeeding paragraphs:

### 2.10.1 Delay in appointment of Chief Inspector

Section 42 (2) of the Act provides that the State Government may, by notification, appoint a Gazetted Officer of that Government to be the Chief Inspector of Inspection of Building and Construction, who shall also exercise the powers of an Inspector under this Act, throughout the State, in relation to establishments for which the State Government is the appropriate Government.

Further, the roles and responsibilities of the Chief Inspector, relating to: (i) emergency action plans (Rule 36) (ii) health and safety policy (Rule 39) (iii) carrying out of excavation and tunnelling work (Rule 119) (iv) providing of safety equipment at construction sites (Rule 148, 178, 179 *etc*.) and (v) accident cases (Rule 210), have been defined under the BBOCW Rules, 2005.

Scrutiny of records of the Board revealed that, although the State Government had framed the BBOCW Rules in September 2005, appointment of the Chief Inspector had been notified only in June 2023 *i.e*., after a delay of 17 years and 9 months. In the absence of notified competent authority for welfare, safety, health and inspection, the provisions made under the Rules could not be implemented properly.

### 2.10.2 Non-conduct of inspections for ensuring the welfare of building and other construction workers

The Act aimed at regulating the welfare and other conditions of service, of Building and Other Construction Workers, through the Board, in the States. Sections 32 to 37 of the Act, read with Rules 243 of the BBOCW Rules, had made it mandatory for employers to ensure drinking water, latrines and urinals and temporary accommodation for the workers, at the work sites.

As inspections of the registered and unregistered establishments had not been conducted during FYs 2017-22, in the sampled districts, the Board had failed to ensure the welfare and other conditions of service of the BOC workers in the State, through the *ibid* mechanism.

[37] *Chapra: 1, Madhepura: 3, Madhubani: 1, Nalanda: 3, Patna: 24, Purnia: 2, Sitamarhi: 1, Vaishali: 3, West Champaran: 3.*

Further, the joint physical inspection of 47 construction sites revealed that:

- 30 establishments had not been registered with the Department.
- latrines and urinals had not been made available at the workplaces in six establishments (13 *per cent*).
- temporary living accommodation at the workplace had not been made available for workers in 14 establishments (30 *per cent*).
- though required, 39 establishments (83 *per cent*) had not maintained proper records/registers, such as the register of establishment, health register, register of overtime, register of service certificate *etc*.

While accepting the audit observation, the Department replied (February 2023) that: (i) the format of inspection, on each parameter and at each level of inspection, was being developed and (ii) inspections would be routinely continued from this year.

### 2.10.3 Non-adherence to safety norms at worksites

In the light of the provision mentioned in ***Paragraph 2.9.1***, Inspectors were empowered to inspect the premises of any establishment where construction work was being carried on, to check the safety measures and facilities provided to the workers. Further, Rules 35, 56, 178, 179 and 231 of the BBOCW Rules, had made it mandatory for employers to ensure safety norms, such as fire protection, periodic checks of plants and machinery, safety nets, safety belts, first-aid facilities *etc.*, for workers, at the work sites.

Audit observed the following instances of non-compliance of safety norms by the employers, during joint physical inspection of 47 construction sites:

- First-aid facilities were not available at 23 establishments (49 *per cent*).
- Fire-fighting facilities were not available at 30 establishments (64 *per cent*).
- Periodic checks of plants and machinery (before being used for the first time, or after they had undergone any alterations or repairs), were not being conducted in 26 establishments (55 *per cent*).
- Adequate safety measures for workers, like safety nets, safety belts *etc*., were not available at all, in 20 establishments (43 *per cent*).
- 37 establishments (79 *per cent*) had not conducted any annual medical check-ups of the workers.

As the Department/Board had not accorded due priority to the inspection of buildings and other construction sites, the construction workers had been constrained to work in environments where proper health and safety facilities could not be ensured.

While accepting the audit observation, the Department replied (February 2023) that: (i) the format of inspection, on each parameter and at each level of inspection, was being developed and (ii) inspection would be routinely continued from this year.

### 2.10.4 Non-intimation of the dates of commencement and completion of buildings or other construction works

As per Section 46 of the Act and Rule 26 of the BBOCW Rules, the employer shall, before thirty days of the commencement and completion of any building or other construction work, intimate the Inspector of that area, the actual date of commencement or, as the case may be, completion of such building or other construction work. The certificate of the registration of an establishment was to be valid only for such buildings and other construction works carried out. Further, as per Section 48 of the Act, if the employer failed to give such notice, he/she would be punishable with imprisonment for a term up to three months, or with fine which may extend to two thousand rupees, or with both.

Audit observed that, during 2017-22, 205 establishments had been registered in the sampled districts. However, none of the registered establishments had submitted any notices regarding commencement or completion of buildings or other construction works. Further, the Board had also not inspected the construction sites, through its Inspectors, due to which, it could not invoke any penal provisions of the Act, against the employers.

The Department replied (February 2023) that: (i) operationalization of the unified cess collection portal, which had a link for registration as well, was underway (ii) once the details of cess payees were available, they would be followed up for registration as well.

The reply of the Department was not tenable, as the Board had neither obtained information about commencement and completion of building and other construction works in the State, nor had it inspected the concerned work sites.

***Recommendation 6: The Board may encourage target-based inspections of buildings and other construction sites, and also ensure follow-up thereof.***

## 2.11 Administration and utilization of fund on implementation of welfare schemes

The Board was required to spend the amount of cess collected by it, on welfare schemes, for the workers registered with it. It had notified fifteen welfare schemes, up to March 2022 and 20,45,472 workers were registered it. During FYs 2017-22, it had incurred expenditure amounting to ₹ 1,313.53 crore, on 12 welfare schemes, and had extended the benefits of these schemes to 40,68,510 registered workers (***Appendix-2.8 A)***. It did not, however provide details of the beneficiaries who had availed the benefits of two major special schemes, *viz*. Annual Medical Assistance and the COVID-19 special grant scheme.

Audit findings, related to administration (constitution of the Board and State Advisory Committee, are discussed in preceding ***Paragraph 2.6.1.1***), and utilisation of funds, on implementation of welfare schemes, are discussed in the succeeding paragraphs:

### 2.11.1 Functioning of the Board

The Board was responsible for duties such as administration of the BOCW welfare fund, submission of its annual budget to the Government for sanction, submission of annual report to the Government on the activities of the Board, proper maintenance of accounts, annual audit of accounts of the Board, collection of contribution of fund, speedy settlement of claims and sanction of advances and other benefits and proper and timely recovery of any amount due to the Board.

#### 2.11.1.1 Shortfall in conduct of the meetings of the Board and non-conduct of the meetings of the State Advisory Committee

**(i)** As per Rule 253 of the BBOCW Rules, 2005, the Board was ordinarily required to meet once in three months. Further, the Hon'ble Supreme Court of India, in its judgement (February 2012), had directed the Welfare Boards to hold their meetings at least once in two months, in regard to framing and implementation of schemes and disbursement of funds to eligible members.

In view of the directions of the Hon'ble Supreme Court of India, the Board was required to conduct 30 meetings, during the audit period of FYs 2017-22, for preparing annual and long-term targets and plans and setting of targets for schemes. Audit, however, observed that the Board had conducted only six meetings, against the required 30 meetings, during this period. The shortfall in the meetings of the Board, was likely to have contributed to various issues observed during the course of audit, such as issues relating to monitoring, collection of cess, registration of establishment and workers, implementation of welfare schemes, non-achievement of targets of schemes, conduct of social audits and formulation of short and long-term plans *etc*.

**(ii)** Rule 20 of the BBOCW Rules, 2005, provided that the SAC was to meet at least once in six months.

In view of the prescribed frequency, the SAC was required to hold at least 10 meetings, during FYs 2017-22. Audit, however, observed that the committee had not held any meetings, against the required 10 meetings, during this period.

Non-conduct of any meetings of the SAC, implied that it had been unable to formally advise the State Government on matters related to the implementation of the Act and the Rules made thereunder, delegated to it.

In this regard, the Department replied that: (i) since the tenure of the Board had ended in 2018, its meetings could not be held after FY 2019-20 (ii) in order to provide benefits to the registered construction workers during the COVID-19 pandemic, as also for implementation of the Ayushman Bharat- Pradhan Mantri Jan Aayogya Yojana (AB-PMJAY) and Pradhan Mantri Shram Yogi Maandhan Yojana (PM-SYM), one meeting had been held on 24.08.2020 and (iii) once the Board was constituted, regular meetings, as per provisions, would be held.

#### 2.11.1.2 Non-Implementation of decisions made by the Board

Rule 262 (2) of the BBOCW Rules, provided that the Secretary of the Board, with the approval of the Chairperson, would issue notices to convene the meetings of the Board, keep the record of minutes and take necessary steps for carrying out the decisions of the Board.

Audit scrutiny of the records revealed that the Board had not implemented some of its decisions, taken during its meetings, as detailed in **Table 2.7**.

**Table 2.7: Board's decisions which had not been implemented**

| Sl. No. | Board Meeting No. | Date of Meeting | Decision taken |
|---|---|---|---|
| 1 | 19 | 19.07.2017 | The Board would pay the total amount of premium for *Atal Pension Yojana*[38] for the eligible registered construction workers of age group between 18 to 40 years, so that they may get a pension of ₹1,000 per month, after completion of the age of 60 years. |
| 2 | 20 | 04.04.2018 | Benefits of the *Aam Aadmi Bima Yojana*[39], *Prdhan Mantri Suraksha Bima Yojana*[40] and *Pradhanmantri Jivan Jyoti Bima Yojana*[41], would be provided to the registered workers of the BOCW. |
| 3 | 21 | 06.08.2018 | The Board would sign an Memorandum of Understanding (MoU) with the Employees' State Insurance Corporation (ESIC) Bihta, Patna, for providing treatment against all kind of diseases, to its registered workers. |
| 4 | 24 | 24.08.2020 | 1. Registration and renewal of registration, of migrant workers, would be done through Mobile APP.<br>2. As per directions of the Hon'ble Supreme Court of India, a portal would be developed for migrant construction workers. |

*(Source: Records of BBOCWW Board)*

Due to non-implementation of the Board's decisions detailed in **Table 2.7**, the benefits of the *Atal Pension Yojana*, *Pradhan Mantri Surksha Bima Yojana*, *Pradhan Mantri Jivan Jyoti Bima Yojana*, treatment facilities in ESIC hospital at Bihta (Patna) and registration and renewal of registration of migrant construction workers, had not been ensured.

In this regard, the Department replied (February 2023) that: (i) registration and renewal of registration had been made online (ii) a mobile app was being developed (iii) the *'e-shram'* portal, containing data in regard to 28.27 lakh construction workers, had been developed and (iv) the Board had been trying to cover all registered workers under the Ayushman Bharat Scheme, for better healthcare.

The reply of the Department was not acceptable, as the Mobile App for registration of the migrant workers had not been developed and medical facilities, to all eligible registered construction workers, were yet to be provided, under the Ayushman Bharat Scheme ***(Paragraph 2.11.3.3)***. Further, the *'e-shram'* portal had been developed by

[38] *The Atal Pension Yojana is a pension scheme for citizens of India, focused on the unorganized sector workers.*

[39] *The Aam Aadmi Bima Yojana is an insurance scheme of GoI that provides death and disability insurance to unorganised workers.*

[40] *The Pradhan Mantri Suraksha Bima Yajona is an accident insurance scheme of GoI.*

[41] *The Pradhan Mantri Jivan Jyoti Bima Yajona is a life insurance scheme of GoI.*

GoI, to extend benefits to workers who were registered for Central Government schemes.

***Recommendation 7: The Board may ensure that the meetings of the Board and the SAC are held regularly, with proper follow-up, for effective implementation of the Act and the Rules made thereunder.***

#### 2.11.1.3 Non-setting up of the district and circle (Block) level offices and shortage of manpower in the Board

Availability of sufficient manpower is essential for successful implementation of any project/scheme.

Rule 260 of the BBOCW Rules, provided that the Board, with the approval of the Government, could open district and circle (Block) level offices, for the purpose of implementing the welfare schemes under the Act.

Scrutiny of the records of the Board revealed that it had not set up any district/circle level offices for implementation of the Act and the officers of the Department had been assigned (September 2006) the duties of Inspectors, Appellate Officers, Registering Officers, Cess Collectors and Assessing Officers, under the Act, apart from their regular duties. Further, the Department had deputed one Labour Superintendent and one Labour Enforcement Officer, in the Board.

Other posts in the Board, such as; (i) Consultant (Planning)- one post (ii) Consultant (Accounts and Audit)- one post (iii) Manager (IT)-one post (iv) Assistant Manager (IT)- one post (v) Program Executive-three posts and (vi) Accountant-cum-Store Keeper- one post, had been sanctioned for appointment on contractual basis. Audit further observed 100 *per cent* shortages against the posts of important functionaries of the Board, such as Consultant (Planning), Consultant (Accounts and Audit), Manager (IT) and Assistant Manager (IT). The Board had not made any appointments against these sanctioned posts. Absence of these functionaries was likely to have adversely affected the functioning of the Board. At the district level, only one post of Program Executive (on contractual basis) had been sanctioned in each district.

Although the Department had not provided sanction of posts and personnel, in regard to DLCs, LSs and LEOs, in the State, audit findings on areas of underperformance, such as assessment and collection of cess; inspection and registration of establishments; registration of construction workers; reporting of accident or dangerous occurrence; and health, safety and welfare of workers, indicated that these officers had not been able to discharge their additional Board related duties, in a dedicated manner.

The Department replied (February 2023) that the Board had recently appointed one Manager (IT) and one Assistant Manager (IT), against its sanctioned posts.

***Recommendation 8: The Department may re-assess its manpower and fill up the vacancies on priority basis.***

## 2.11.2 Financial Management

Audit findings, relating to the financial management of the Board, are discussed in the succeeding paragraphs.

### 2.11.2.1 Non-preparation of annual budgets

As per Section 25 of the Act and Rule 261(c) of the BBOCW Rules, the Board had to prepare its annual budget for the next financial year, showing its estimated receipts and expenditure, and forward it to the State Government for sanction.

During scrutiny of the records of the Board, Audit observed that the Board had not prepared its budgets, during FYs 2017-22, in contravention of the provisions of the Act and Rules. In the absence of any budgets, the Board was not in a position to accurately estimate its receipts and expenses, or to prepare a target-based annual plan for implementation of schemes. This had led to deficient planning and monitoring of its areas of underperformance, as discussed in the preceding paragraphs.

The Department replied (February 2023) that the Board was being reconstituted. Post-reconstitution, annual budgets would be approved by the Board.

The reply of the Department was not acceptable, as preparation of budgets and their sanction, was essential for annual planning of the schemes and administrative expenses, as per the provisions of the Act and Rules.

### 2.11.2.2 Accumulation of large balances

Rule 265 of the BBOCW Rules, envisaged the creation of the Bihar BOCW Welfare Fund. Grants or loans or advances, if any, made to the Board, by the Central or State Governments; all contributions paid by the beneficiaries; and all sums received by the Board under the Cess Act and Rules made thereunder; were to be credited into this Fund. The main source of receipts into the Fund, was the cess levied (at the rate of one *per cent* of the cost of construction) and collected from employers[42], who undertook construction works. Details of the receipt and expenditure of the Board, during FYs 2017-22, are given in **Table 2.8**.

**Table 2.8: Receipts and expenditure of the Board, during FYs 2017-22**

***(₹ in crore)***

| Financial Year | Opening Balance (A) | Funds received during the year (B) | | | | Total (C) (C=A + B) | Expenditure during the year (D) | | | Balance (E) (E=C-D) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Cess collected | Registration fee and Contribution fee | Interest earned | Total (B) | | Expenses on welfare schemes | Admin. Expenses | Total (D) | |
| **2017-18** | 908.64 | 271.19 | 0.31 | 68.96 | 340.46 | 1,249.10 | 61.26 | 1.29 | 62.55 | 1,186.55 |
| **2018-19** | 1,186.55 | 451.08 | 2.41 | 66.51 | 520.00 | 1,706.55 | 80.81 | 2.56 | 83.37 | 1,623.18 |
| **2019-20** | 1,623.18 | 311.14* | 2.72 | 50.05 | 363.91 | 1,987.09 | 295.65 | 2.49 | 298.14 | 1,688.95 |
| **2020-21** | 1,688.95 | 335.50** | 2.05 | 107.94 | 445.49 | 2,134.44 | 537.80 | 2.26 | 540.06 | 1,594.38 |
| **2021-22** | 1,594.38 | 373.06 | 0.74 | 22.38 | 396.18 | 1,990.56 | 338.00 | 2.50 | 340.50 | 1,650.06 |
| **Total** | | **1,741.97** | **8.23** | **315.84** | **2,066.04** | | **1,313.52** | **11.10** | **1,324.62** | |

*(Source: BBOCWW Board)*

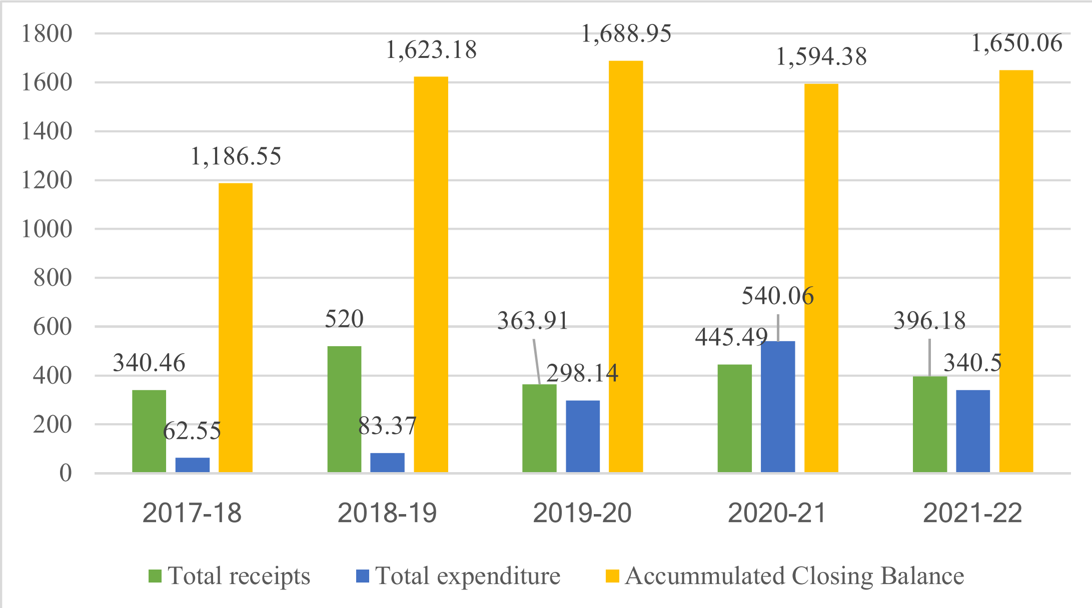
* *Includes ₹ 0.45 crore of Pradhan Mantri Shram Yogi Maan-dhan (PMSYM) and ₹ 0.23 crore of National Pension Scheme (NPS) Traders.*

** *Includes ₹ 0.49 lakh of PMSYM and ₹ 0.50 lakh of NPS Traders.*

42 *As per Section 2 (1) of the Act, 'employer', in relation to an establishment, means the owner thereof.*

**Chart 2.3: Total receipts, total expenditure and accumulated balance of the BBOCWW Fund**

***(₹ in crore)***




*(Source: BBOCWW Board)*

From **Table-2.8** and **Chart-2.3,** it is evident that:

❖ there was accumulation of funds, amounting to ₹ 1,650.06 crore (including PMSYM and NPS Traders amount), as on 31 March 2022, which was more by ₹ 741.42 crore (82 *per cent*), as compared to the funds available at the beginning of FY 2017-18. The accumulated balance included interest amounting to ₹ 315.84 crore, earned on the unspent funds lying in the bank accounts of the Board, during FYs 2017-22.

❖ the percentage of expenditure on welfare schemes ranged from five to 34 *per cent* of the accumulated funds[43], during FYs 2017-22. Further, expenditure on the schemes had declined, during FY 2021-22, by ₹ 199.80 crore, in comparison to FY 2020-21.

In this regard, the Department replied (February 2023) that several efforts were being made to increase the disbursement of benefits, under different schemes of the Board.

The reply of the Department was not acceptable, as accumulation of funds, including bank interest, had taken place, owing to non-implementation of various schemes envisaged under the Act.

### 2.11.2.3 Non-inclusion of interest income in the receipts

The Board had not included, in its accounts, interest income, amounting to ₹ 153.80 crore, received on investment in fixed deposits (auto renewal[44]), during FYs 2018-22. Non-inclusion of the interest received on fixed deposits, had resulted in understatement of interest income, as detailed in **Table 2.9**.

[43] *Accumulated funds for the FY = (Opening balance+ total receipts) – total expenditure.*

[44] *Fixed Deposits renewing automatically, for the same tenure, at the current rate of interest.*

**Table 2.9: Interest received on Fixed Deposits (auto-renewal)**

*(₹ in crore)*

| Bank | Date of FD | Principal amount | Date of Maturity | Maturity amount | Interest received |
|---|---|---|---|---|---|
| Union Bank | 18-04-2019 | 200.00 | 18-04-2020 | 215.28 | 15.28 |
| | 18-04-2020 | 215.28 | 18-04-2021 | 226.92 | 11.64* |
| | 18-04-2021 | 226.92 | 19-04-2022 | 235.13 | 8.21* |
| Bank of Baroda | 21-07-2018 | 520.00 | 21-07-2019 | 557.91 | 37.91 |
| | 21-07-2019 | 557.91 | 21-07-2020 | 593.90 | 35.99* |
| | 21-07-2020 | 593.90 | 21-07-2021 | 616.49 | 22.59* |
| | 21-07-2021 | 616.49 | 21-07-2022 | 638.67 | 22.18* |
| **Total** | | | | | **153.80** |

*(Source: BBOCWW Board)*

** Decrease in the interest amount is due to decrease in the rate of interest*

The Department, while accepting the audit observation, replied (February 2023) that the Board was maintaining the books of accounts on cash basis and all the fixed deposits were being maintained on an auto-renewal basis.

The reply of the Department was not acceptable, as the interest amount actually received on fixed deposits, had remained outside the cash book.

### 2.11.2.4 Receipt of cess from unknown sources

Audit noticed that the Board had received cess, amounting to ₹ 407.96 crore, through the online mode, *viz*. Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT). It was, however, not aware of the sources of these receipts and could not provide the same to Audit. In the absence of these details, the Board could not ascertain the timeliness and correctness of the cess so received.

The Department replied (February 2023) that, many times, money was deposited into the Board's account, but it could not be attributed to the specific cause *i.e.,* cess or registration/renewal.

The reply of the Department was not acceptable, as the Board had failed to monitor its receipts, deposited into its bank account.

***Recommendation 9: The Board may ensure that income earned by it is included in its receipts and a mechanism is developed for monitoring of its online receipts.***

### 2.11.2.5 Non-preparation of Financial Statements of the Board on annual basis

As per Rule 261 (e) and (f) of the BBOCW Rules 2005, the Board was responsible for proper maintenance of accounts in accordance with the provisions of the Act.

Scrutiny of the records of the Board revealed that its Financial Statements, comprising of a Balance Sheet, an Income and Expenditure Statement, Statement of Receipts and Payments and Schedules to Financial Statements, had not been prepared, on an annual basis, during FYs 2017-22. While Financial Statements for three FYs, *viz.* 2016-17 to 2018-19, had been prepared together, in FY 2019-20, the accounts for FYs 2019-20 to 2021-22 had been prepared in FY 2023-24 (as of September 2023). This indicated shortcomings in the internal control mechanism, along with deficient financial management.

The Department replied (February 2023) that: (i) timely annual audit of the accounts, for FYs 2019-20 and 2020-21, could not be conducted, due to the COVID-19 pandemic, and (ii) internal audit of the accounts of the Board, for FYs 2019-20 to 2021-22, was under process.

The reply of the Department was not acceptable, as the Board's Financial Statements had not been prepared annually.

#### 2.11.2.6 Non-preparation and submission of reports

Section 27 of the Act stipulates that the Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, in such form as may be prescribed in consultation with the Comptroller and Auditor General of India (CAG). CAG audits the accounts of the Boards under Section 19(2) of the CAG's Duties Power and Conditions of Service (DPC) Act, 1971, read with Section 27(3) of the Act and prepares a Separate Audit Report (SAR) to be placed in the State Legislature.

Audit observed that the annual accounts of the Board had been prepared up to FY 2021-22. However, the approved accounts of the Board had not been provided to the office of the Principal Accountant General (Audit), Bihar, for audit, as well as for preparation of SAR. Consequent to non-providing of approved accounts for audit, the SARs had also not been prepared and submitted to Government. As a result, Government was not in a position to properly oversee the functioning/ performance of the Board and its financial status.

#### 2.11.2.7 Non-submission of Annual Accounts and Auditor's Report, to the State Legislature

As per Sections 27 (4) and (5) of the Act, the Board had to furnish an audited copy of its accounts, together with the auditor's report[45], to the State Government, before such date as may be prescribed. The State Government was to cause this report to be laid before the State Legislature, as soon as may be, after receiving it.

Scrutiny of the records of the Board revealed that provisions for the submission of above mentioned report, to the State Legislature, had not been made in BBOCW Rules, 2005. Consequently, such reports were not being laid before the state legislature. Consequently, the State Legislature had not been made aware of the accounts and functioning of the Board.

The Department, while accepting the audit observation, replied (February 2023) that it would be discussed in the Board's meeting and a considered decision would be taken in this regard.

[45] *The accounts of the Board shall be audited annually by the Comptroller and Auditor General of India.*

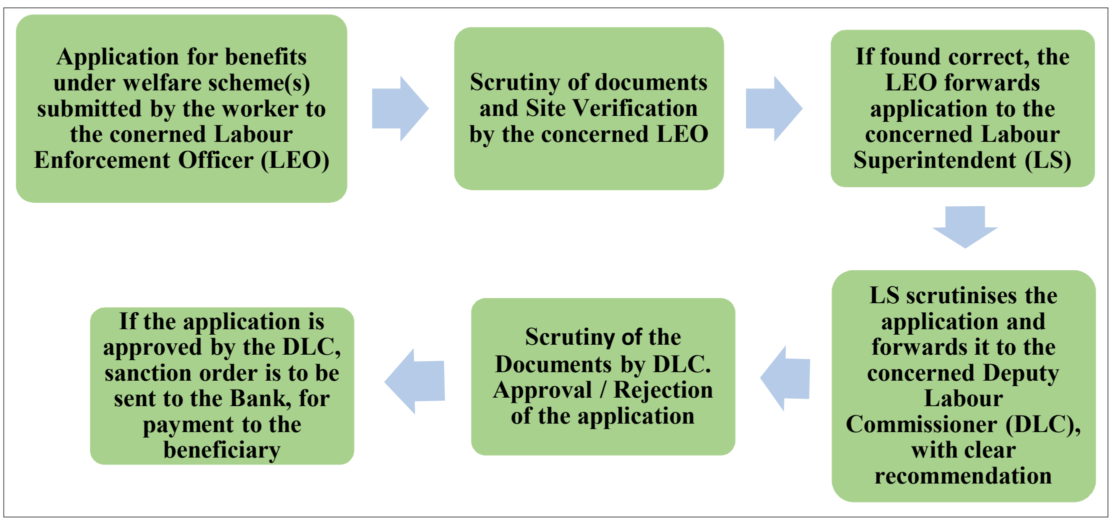
### 2.11.3 Implementation of Welfare Schemes

The BBOCW Rules, 2005, prescribed 12 welfare schemes[46]. Out of these, a scheme named 'Special grant for purchase of building, tools and cycle' had been started in August 2011, for construction/repair of house and purchase of tools and bicycle. This scheme was later dissociated (January 2017) into three separate schemes, *i.e.* (i) Grant for the repair of house (ii) Grant for purchase of bicycle and (iii) Grant for purchase of tools.

The Board notified (January 2017) that registered construction workers, who had completed training (provided by the Board) for skill development, would be provided with tools costing a maximum of ₹ 15,000. Subsequently, the Board notified additional welfare schemes, *viz.* (i) Annual medical assistance (October 2018) (ii) Paternity benefit (February 2019) and (iii) COVID 19 Special Grant (September 2020).

Workers registered under the Act were required to submit claim applications (except for Annual Medical Assistance and COVID-19 Special Grant schemes) in the prescribed format, for availing benefits under the schemes. Applications so received were to be processed after scrutiny of enclosed documents and site verification of the beneficiaries. The jurisdictional DLCs, after sanctioning the claims, were to disburse financial assistance, through Banks. The process *ibid* is depicted in **Chart 2.4**.

**Chart 2.4: Process of application and payment under schemes**




*(Source: Records of the BBOCWW Board)*

Audit findings relating to implementation of welfare schemes for the beneficiaries registered with the Board, are discussed in the succeeding paragraphs.

46 *(i) Maternity benefit (ii) Pension (iii) Advance for construction or purchase of house (iv) Disability pension (v) Loan for purchase of tools (vi) Funeral assistance (vii) Death benefit (viii) Cash award (ix) Medical assistance (x) Financial assistance for education (xi) Financial assistance for marriage and (xii) Family pension.*

#### 2.11.3.1 Zero expense welfare schemes and their non-review

**(i)** As per Rule 275 of the BBOCW Rules, read with A(iii) of the Gazette Notification of the Department dated 16.01.2017, the Board could sanction disability pension of ₹1,000 per month, to a permanently disabled beneficiary.

Further, Rule 281 of these Rules, read with A(vi) of the Gazette Notification of the Department dated 16.01.2017, provided that the Board could sanction financial assistance to the beneficiaries, for treatment of chronic diseases.

Further, Rule 284 of these Rules, provided for family pension, in the event of death of a pensioner.

The Board was running three welfare schemes, *viz*., Disability pension, Family pension and Medical assistance, under the above provisions of the BBOCW Rules, 2005. In this regard, Audit observed that, during FYs 2017-22, the Board had not incurred any expenditure, on any of these three schemes.

Audit also observed that the Board had not incurred any expenditure on some of the welfare schemes, in some years, *viz*. Paternity benefit, Cash award and Bicycle purchase grant, during FYs 2017-2019; Financial assistance for education, during FYs 2017-2020; and Pension, during FY 2019-20. Thus, the workers registered with the Board had remained deprived of the benefits of the above schemes.

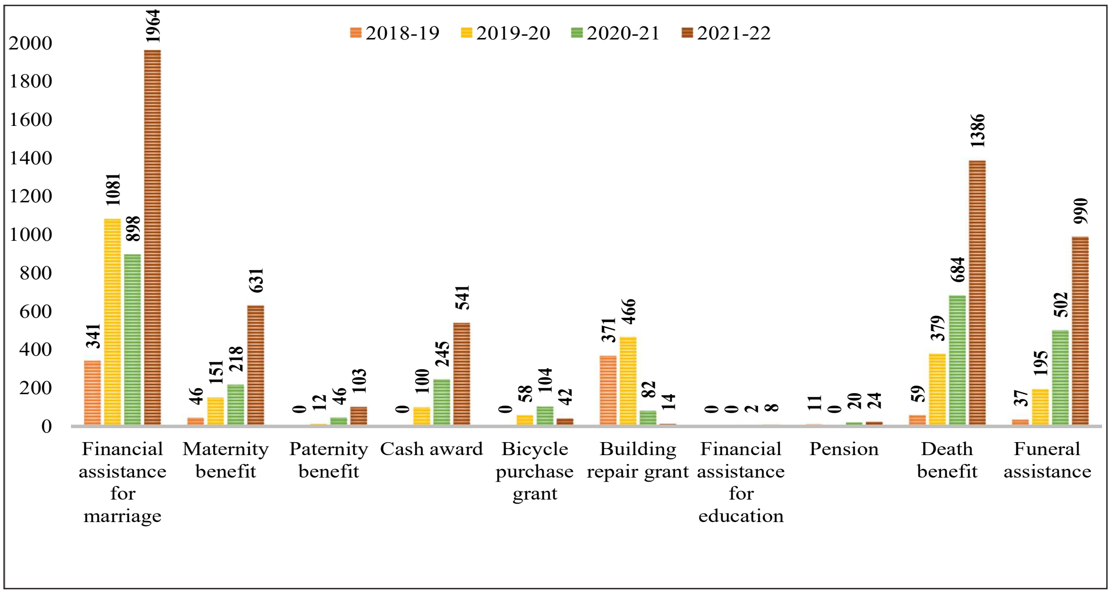
The Department replied (February 2023) that lack of awareness amongst the beneficiaries, regarding these schemes, and non-receipt of genuine applications, could be the reasons for 'nil' expenses in these three schemes.

The reply of the Department corroborated the audit findings, already discussed in ***Paragraph 2.7.4***.

**(ii)** Scrutiny of records of the Board, relating to welfare schemes and workers registered in the sampled six districts, revealed that the benefits of eight, out of 13 schemes (excluding the Annual Medical Assistance and Covid-19 Special Grant schemes), were being provided **(*Appendix-2.8 B)***. In the sampled districts, only 0.21 *per cent* to 1.78 *per cent,* of the total 6,70,849 registered workers had received the benefits of these welfare schemes. Besides, the percentage of workers who had received the benefits of 10 welfare schemes[47] ***(Appendix-2.8 A)*** in the state had ranged from 0.0005 *per cent* to two *per cent* (March 2022). The number of beneficiaries under different welfare schemes, during FYs 2018-22, are depicted in **Chart 2.5**.

[47] *Financial Assistance for Marriage, Maternity Benefit, Paternity Benefit, Cash Award, Bicycle Purchase Grant, Building Repair Grant, Financial Assistance for Education, Pension, Death Benefit and Funeral Assistance.*

**Chart 2.5: Number of beneficiaries under welfare schemes during FYs 2018-22**




*(Source: Data provided by the BBOCWW Board)*

Low number of beneficiaries under these welfare schemes might have been due to lack of awareness about the welfare schemes amongst the workers, as the Board had not conducted awareness drives ***(Paragraph 2.7.4)***. This was also substantiated during the beneficiary survey (***Paragraph 2.12***), wherein only two *per cent* of the construction workers had stated that they were aware of the welfare schemes. Also, the Board was yet to start (August 2023) training related to skill development for its registered workers. Consequently, amounts under this scheme had also not been disbursed.

There was no material, available on the records of the Board, indicating the reasons for 'nil' disbursement under three welfare schemes. Further, no material was found available on records, indicating that the Board had reviewed these schemes, in any of its meetings.

### 2.11.3.2 Benefits of welfare schemes to registered construction workers not ensured

The Department had initiated (October 2018) the Annual Medical Assistance scheme, for providing an amount of ₹ 3,000 *in toto,* per annum, to each registered worker. Similarly, the "COVID-19 Special Grant Scheme", for FY 2020-21 only, had been notified (September 2020), for providing ₹ 2,000 *in toto,* to every eligible and registered construction worker. In both these schemes, the financial benefit was to be credited into the bank accounts of the beneficiaries.

The Board, in its 19th meeting (19.07.2017), had decided that the registering authorities would conduct e-KYC of the registered workers, in order to ensure transferring of welfare scheme funds, to the targeted beneficiaries, through the banking system.

Scrutiny of the records of the Board revealed that, under the Annual Medical Assistance scheme, the number of identified beneficiaries, during FYs 2018-19, 2019-20 and 2020-21, was 7,69,431, 13,06,448 and 14,87,023, respectively. For the COVID-19 special grant scheme, the Board had selected 13,67,778 registered construction workers, from the available data of registered workers, as on 31.08.2020.

The status of disbursement of the benefits of the Annual Medical Assistance scheme, during FYs 2018-21, is shown in **Table 2.10**.

**Table 2.10: Status of disbursement of Annual Medical Assistance scheme**

**(as of June 2022)**

| Financial Year | No. of beneficiaries who had received disbursements* | Amount received (₹ *in crore*) | No. of beneficiaries who had not received disbursements due to failed transactions | Amount involved (₹ *in crore*) | Total no. of beneficiaries |
|---|---|---|---|---|---|
| **2018-19** | 7,36,692 | 221.01 | 32,739 | 9.82 | 7,69,431 |
| **2019-20** | 12,28,195 | 368.46 | 78,253 | 23.48 | 13,06,448 |
| **2020-21** | 12,95,539 | 388.66 | 1,91,484 | 57.45 | 14,87,023 |
| **Total** | **32,60,426** | **978.13** | **3,02,476** | **90.75** | **35,62,902** |

*(Source: BBOCWW Board) *These numbers included beneficiaries who received disbursements of the concerned FY, during later period.*

As may be seen from **Table 2.10**, during FYs 2018-21, while transferring the amounts under the annual medical assistance scheme, transactions related to 3,02,476 beneficiaries, out of 35,62,902 beneficiaries, had failed. Therefore, these beneficiaries had failed to receive assistance, amounting to ₹ 90.75 crore, due to failure of transactions.

Similarly, under the COVID-19 Special Grant Scheme, out of 13,67,778 beneficiaries, only 11,07,696 beneficiaries had received amounts under the scheme. The remaining 2,60,082 beneficiaries had not received the scheme benefits, amounting to ₹ 52.02 crore, due to failure of transactions. The reasons for failure of transactions included invalid IFSC, duplicate account numbers, duplicate and invalid *Aadhaar* numbers, non-existents/invalid account numbers, mismatches in the names in *Aadhaar* and the bank accounts, mismatches in the names in the registration cards and bank pass book, KYC pending *etc*.

These failed transactions indicated that the Board had not ensured conduct of e-KYC of the beneficiaries, before transferring the amounts under these schemes.

Further, Audit could not derive an assurance that the payments had actually been made to the *bona fide* beneficiaries, as the Board did not provide details of the registered workers, to Audit.

In this regard, the Department replied (February 2023) that: (i) in case of the COVID-19 scheme, the Labour Superintendents had been asked for rectification of failed transactions from the beneficiary's end (ii) in case of the Annual Medical Assistance scheme, a second attempt had been made to transfer the balance amounts and the amounts had been transferred successfully, into the accounts of 82,089 beneficiaries, and a third attempt was also being made.

The reply of the Department was not acceptable, as the Department did not produce any supporting document, in regard to the payments made to these 82,089 beneficiaries.

### 2.11.3.3 Generation of negligible number of Ayushman cards, despite expenditure of ₹ 110.90 crore on the scheme

The Ministry of Labour and Employment, GoI, had recommended (November 2019), an estimated expenditure of ₹ 221.79 crore, for Bihar, for extending health and maternity benefits to the eligible registered workers, under the *Ayushman Bharat- Pradhan Mantri Jan Arogya Yojana*[48] (PM-JAY). For this purpose, the Board, in partnership with the State Health Agency (SHA), was required to create awareness about the benefits of the scheme and issue Ayushman cards[49] to eligible beneficiaries.

The Board had executed (February 2021) an MoU, with the SHA, to provide benefit cover of ₹ five lakhs, on family floater[50] basis, to its registered workers, for secondary[51] and tertiary[52] medical treatment, under PMJAY. As per the MoU, only such registered workers would be included in the scheme, who had not been covered under PMJAY, as per the Socio Economic and Caste Census 2011 data, with the period of the policy (MoU) being 12 months. The scheme was to commence from April 2021 and the Board was required to make advance payment of 50 *per cent* (₹ 110.90 crore) of the estimated cost of the scheme; identify easily accessible locations for generation of Ayushman cards; and conduct awareness drives, in collaboration with SHA, Bihar.

During scrutiny of records of the Board, Audit observed that Ayushman cards had been generated (April 2022) only for 15,479 workers (1.03 *per cent*), out of 15,05,915 registered workers approved by the National Health Authority (NHA) for PMJAY scheme in the state. In the sampled six districts[53] also Ayushman cards had been generated only for 1,078 workers (0.24 *per cent*), out of 4,48,400 registered workers.

Scrutiny of records further revealed that, although the Board had made (March 2021) advance payment of ₹ 110.90 crore, to the SHA, Bihar, it had not ensured: (i) conduct of awareness drives, in collaboration with the SHA and (ii) identification of easily accessible locations, for gatherings of workers, to get their Ayushman cards generated. Therefore, Ayushman cards had been generated only for a negligible number of registered workers, despite lapse of the policy period. Consequently, most of the intended beneficiaries had remained deprived of the benefits of the scheme, even after incurring expenditure of ₹ 110.90 crore.

The Department replied (February 2023) that all LSs/LEOs had been directed to motivate the registered construction workers to get their Ayushman Cards and advertisements had also been published in daily newspapers, to apprise the workers in this regard.

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48 *PM-JAY is a scheme of GoI, intended to achieve universal health coverage. For implementation of the scheme in Bihar, the State Health Agency (SHA), i.e. the Bihar Swastha Suraksha Samiti (BSSS), under the Health Department, GoB, is the apex body.*

49 *The card is used to avail healthcare services at hospitals empanelled under PMJAY.*

50 *'Family floater' is a health insurance plan that extends coverage to the entire family.*

51 *'Secondary treatment' refers to the treatment administered by a specialist in a hospital.*

52 *'Tertiary treatment' refers to treatment administered by means of a highly specialised equipment in a hospital.*

53 *Darbhanga: 35 (31,165); Gaya: 61 (67,154); Muzaffarpur: 436 (61,592); Patna: 411 (1,55,801); Saran: 69 (39,076) and West Champaran: 66 (93,612).*

### 2.11.3.4 Delays in disposal of applications for welfare schemes

The Board issued (November 2018) guidelines for implementation of 13 welfare schemes (not including Annual Medical Assistance and COVID-19 special grant schemes), for its registered workers. The timeline for verification, as well as approval of an application so received, was fixed at a maximum of 66 days[48] from the date of its receipt.

Test-check of records, relating to applications made by the beneficiaries, in three sampled districts[49], revealed that the designated authorities had not adhered to the timelines fixed for verification and approval of the applications received by them. The overall delays in approval of the applications, ranged between three to 981 days, in 118 cases (91 *per cent*), out of the 129 scrutinised cases, in these districts. Delays in approval, ranging between 19 to 884 days, had also been noticed even in 32 death cases and 11 funeral assistance cases. In the remaining districts (Gaya, Saran and West Champaran), Audit could not ascertain the extent of delays, as the dates of receipt had not been marked on the applications received from the registered workers. Delayed disposal of applications implied that transfer of monetary benefits, to the intended beneficiaries, had also been delayed, augmenting the hardships faced by the workers.

The Department replied (February 2023) that an online monitoring mechanism was being developed, for disposal of applications.

### 2.11.3.5 Non-conduct of Social Audit

The Ministry of Labour and Employment (MOLE), GoI, forwarded (July 2019) the framework of social audit, which was to be conducted for better, more effective and meaningful implementation of the Act. The framework comprised of the scope of audit, as well as the objectives and methodology for conducting the social audit. The audit was to be conducted in every block (rural areas) and ward (urban areas) of the State, within a period of two years.

During test-check of the records provided by the Board, Audit noticed that the Board had decided (May 2022) to conduct the social audit through the Social Audit Society, Patna (an independent society, constituted by GoB), after a lapse of more than two and a half years. The Board, however, was yet to commence (October 2022) the social audit, through the Society. Reasons for delay in conducting social audit, were not found available on records.

As the Board had not been able to implement the directives of the Ministry, even after a lapse of more than three years, the objective of conducting social audit, for better and

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| *Particulars* | *Designated Authority* | *Maximum time for disposal* |
|---|---|---|
| *For receiving and forwarding the application to LS* | *Labour Enforcement Officer* | *30 days* |
| *Checking and forwarding the application to DLC* | *Labour Superintendent* | *15 days* |
| *Final approval* | *Deputy Labour Commissioner* | *21 days* |

55 *Darbhanga, Muzaffarpur and Patna.*

meaningful implementation of the Act, had not been achieved.

The Department, while accepting the audit observation, replied (February 2023) that social audit was under process, in a pilot district.

***Recommendations***

***10: The Board may establish a robust mechanism, to ensure that its welfare schemes are duly implemented through utilisation of cess funds and benefits are extended to the registered workers in a timely manner.***

***11: The Board may bolster its monitoring mechanism, through preparation of annual budgets; ensuring audit of its accounts by CAG and submission of the audit reports thereon to the Government; and conducting social audits.***

## 2.12 Results of workers/ beneficiary survey

A beneficiary survey was conducted, wherein the sampled beneficiaries were requested to provide feedback, so that the performance of the Board, in regard to identification and registration of beneficiaries; scrutiny of welfare scheme applications; and provision of financial assistance, could be evaluated.

To obtain the feedback of the beneficiaries, a questionnaire was provided to them. The questionnaire was devised to ascertain the effectiveness, adequacy and impact of the implementation of the schemes and the beneficiaries' satisfaction levels in this regard. The beneficiaries' survey was conducted with at least 100 beneficiaries being sampled from each of the sampled districts, including 30 unregistered workers at the randomly selected work sites. During the survey, Audit interacted with 657 workers/beneficiaries, which included 446 beneficiaries and 211 workers at the worksites of 30 unregistered establishments. The key observations of the survey, were as follows:

**At worksites:**

- Only one worker (0.5 *per cent*) was found to have been registered.
- Five workers (two *per cent*) were aware of the benefits of the welfare schemes being implemented by the Board.
- 13 workers (six *per cent*) were aware of the procedure of registration with the Board.
- Seven workers (three *per cent*) were aware of the purpose of BOCW cards.
- 11 workers (five *per cent*) were aware of the documents required for availing benefits under the welfare schemes.

**Beneficiaries of the schemes:**

- 146 beneficiaries (33 *per cent*) were not aware of the benefits of the welfare schemes.
- 81 beneficiaries (18 *per cent*) were not aware of the process of registration with the Board.

- 136 beneficiaries (30 *per cent*) were not aware of the purpose of the BOCW cards.
- 69 beneficiaries (15 *per cent*) were not aware of the documents required for availing the benefits of the schemes.
- 100 beneficiaries (22 *per cent*) had not applied for any welfare schemes.

The Department replied (February 2023) that the situation would improve, with the measures being taken by the Board.

# CHAPTER-III

# Implementation of Bihar Rajya Fasal Sahayta Yojana

# CHAPTER-III
# Subject Specific Compliance Audit

## COOPERATIVE DEPARTMENT

## 3 Implementation of Bihar Rajya Fasal Sahayta Yojana

***Though the scheme had been initiated with objective of providing financial assistance to farmers, in the event of lower production of their crops, almost 52 per cent of the applications received had been rejected, due to issues relating to Land Possession Certificates (LPCs), self-declarations, absence during verification etc., which indicated the inadequacy of the preparations made for the implementation of the scheme. In addition, there were issues of delayed payment of benefits relating to a large number of farmers, which was contrary to the basic objective of the scheme, i.e. encouraging farmers to produce their regular upcoming crops, with timely financial assistance. Even after a lapse of over four years, since the launch of the scheme, no mechanism had been developed for determining the family of a gair-raiyat farmer resulting in ambiguity in the implementation of the scheme. The Department's failure to work out an effective mechanism for avoiding cases of crop area exaggeration, resulted in genuine beneficiaries not getting the benefits available under the scheme. Large numbers of transfers of financial assistance, having substantive value, failed due to the accounts not having been linked with Aadhaar, account closures etc. The monitoring mechanism for the scheme was ineffective, at both the State, as well as the district levels due to inadequacies in the functioning of the State and District Level Co-ordination Committees.***

## 3.1 Introduction

The Government of Bihar (GoB) launched (June 2018) the *Bihar Rajya Fasal Sahayta Yojana* (BRFSY), with the aim of providing financial assistance to farmers, in the event of lower production of crops, due to natural disasters, *viz*. floods, droughts, frost *etc*. The scheme envisaged encouraging farmers to produce their regular upcoming crops and consider agriculture as a profitable means of business.

The scheme covered farmers who were cultivating their own land (*raiyat*[1] farmers), as well as those who were cultivating other *raiyat*'s land (*gair-raiyat* farmers). However, from the *gair-raiyat* farmer families, only one member was eligible for the scheme benefits. With effect from the *Kharif* [2] 2019 season, farmers had been permitted to claim benefits under both the categories simultaneously, subject to the limitation of the maximum amount of benefits under the scheme.

The land area, for benefits under the scheme, was limited to a maximum of two hectares per beneficiary. In the event of decline in the actual yield[3] rate, by up to 20 *per cent* or more, as compared to the threshold yield rate, the maximum admissible assistance amount was fixed at ₹ 15,000 (@ ₹ 7,500 per hectare for up to 20 *per cent* decline in the

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1 *A person who has acquired a right to hold cultivable land.*

2 *As per the Department of Agriculture, GoB, the entire agricultural operations are divided into two crop seasons viz. Kharif and Rabi. The Kharif season starts from the third week of May and lasts till the end of October, followed by the Rabi season.*

3 *Determined through the Crop Cutting Experiments (CCEs) of the crop, conducted by the Directorate of Economics and Statistics, GoB, in the concerned season.*

actual yield) and ₹ 20,000 (@ ₹ 10,000 per hectare for more than 20 *per cent* decline in the actual yield). The assistance amount was to be transferred in the respective *Aadhaar* linked bank accounts of the beneficiaries. The minimum assistance amount, for the beneficiaries under the scheme, was fixed at ₹ 500.

For extending benefits under the scheme, the evaluation of reduction[4] in yield rate of a particular crop, was based on the comparison of the actual yield, with the prescribed threshold yield[5] of the crop.

As per guidelines of the scheme, execution of Crop Cutting Experiments (CCEs) and online uploading of their results on the portal of the scheme (*https://pacsonline.bih.nic.in),* for the *Kharif* and *Rabi* seasons, were to be carried out by 28th February and 30th June, respectively, while the assistance amount, for the *Kharif* and *Rabi* seasons, was to be paid by April and September, respectively.

## 3.2 Roles and responsibilities

The Cooperative Department (Department), headed by its Secretary, was the nodal department for the implementation of the scheme. The Secretary was assisted by the Registrar-Cooperative Societies; Additional Secretary, Joint Secretary, Deputy Secretary *etc*., at the headquarters level, and other officials of the department, up to the division/ district/ block levels, *viz*. Divisional Joint Registrar (Cooperative Societies), District Cooperative Officer (DCO), Block Cooperative Extension Officer (BCEO) *etc*. The Project Monitoring Unit (PMU)[6] was to assist the Department in implementation of the scheme and the National Informatics Centre (NIC) was required to validate the *Aadhaar* of the farmers.

The State Level Coordination Committee (SLCC), headed by the Development Commissioner of the State, was the competent authority for the implementation and monitoring of the scheme. The SLCC was to select the crops to be covered under the scheme, from amongst the crops notified by the Directorate of Economics and Statistics (DoES), under the Planning and Development Department, GoB. These crops were to be notified during the *kharif* and *rabi* seasons, each year. At the district level, the District Level Coordination Committee (DLCC), headed by the District Magistrate, was entrusted with the task of carrying out regular reviews of the implementation of the scheme.

The implementation mechanism of the scheme is as shown in **Chart 3.1**.

4 *Reduction in actual yield (in per cent) = Threshold yield- Actual yield/ Threshold yield x 100.*

5 *Derived at as the average yield of the last seven years, multiplied by the indemnity (the limit fixed for benefit consideration) level provided under the scheme, i.e.,70 per cent.*

6 *M/s Price Waterhouse Coopers (PWC) Private Limited, Gurugram (Haryana) was appointed as PMU by the Department.*

**Chart 3.1: Implementation mechanism of the scheme**

**Farmers were to mandatorily register/apply on the scheme portal in every season and upload their requisite details/documents**

↓

**Actual yield of the crop was to be arrived at through Crop Cutting Experiments conducted by the Directorate of Economics and Statistics, GoB**

↓

**Based on the actual yield of the crop, the State Level Coordination Committee was to determine the reduction in yield, after comparing the actual yield with the threshold yield of the crop**

↓

**Based on the results of the comparison, *panchayats* and districts were to be declared eligible for benefits, if the actual yield was less than the threshold limit**

↓

**Verification of beneficiaries was to be carried out by the officials deputed for this purpose by the concerned Block Development Officers**

↓

**Based on the data uploaded on the designated verification portal, the Project Management Unit (PMU) was to verify the data**

↓

**National Infomatics Centre was to validate the *Aadhaar* of the beneficiaries**

↓

**Payment in the beneficiaries' *Aadhaar*-linked bank accounts was to be made through Direct Benefit Transfer**

*(Source: Records of the Cooperative Department, GoB)*

## 3.3 Audit objectives

The audit was conducted to assess whether:

- there was an effective system, in place, for registration, identification and verification of beneficiaries
- the financial management of scheme, in regard to maintenance of accounts and processing of payments to the beneficiaries, was efficient
- an adequate monitoring mechanism was in place under the scheme.

## 3.4 Audit Criteria

The audit criteria have, *inter alia,* been sourced from the following:

- scheme guidelines, orders /circulars, issued by the State Government, from time to time
- minutes of monitoring committee meetings, at the district and state levels
- Bihar Financial Rules (BFR), 2005 and the Bihar Treasury Code (BTC), 2011.

## 3.5 Audit scope, methodology and limitations

The SSCA covered the financial years (FYs) 2018-19 to 2021-22 and was conducted during September to December 2022. The audit was conducted through test-check of records of the Secretary, Cooperative Department, GoB, along with five[7] District Cooperative Offices, 10 Block Cooperative Offices and 20 *Gram Panchayats* (GPs) (selected by using the Probability Proportional to Size without Replacement method[8]). 300 beneficiaries (15 from each sampled GP) were selected, by using Interactive Data Extraction and Analysis (IDEA) software, for physical inspection during audit (***Appendix-3.1)***.

The audit methodology comprised of document analysis; obtaining responses to audit queries; collection of information through questionnaires; physical inspection *etc*. Entry and exit meetings were held (September- December 2022) with the audited entity *i.e* with the Department and the District Cooperative Officers of all the sampled districts. Responses of the GoB/ Department, have been suitably incorporated in the report. The report has been finalised based on the responses furnished by the Department (February 2023).

The Department did not provide access to the scheme database, despite several requests. This affected the substantive testing of the data for audit. However, the Department had provided scheme data, in the formats issued by Audit, which have been analysed in the respective paragraphs. Further, there were issues of non-maintenance/non-production of certain records[9], mainly at the Department level.

**Audit findings**

## 3.6 Implementation of the scheme

In the course of audit, several deficiencies, relating to the planning of the scheme, registration, identification and verification of beneficiaries, rejection of applications *etc*., were noticed and are discussed in the succeeding paragraphs.

### 3.6.1 Planning

- **Database of potential intended beneficiaries**: Central Government's guidelines, for the State Direct Benefit Transfer (DBT) Cell, *inter alia* mentioned that the mission of DBT is to deliver entitlements, to all those who are eligible, through accurate identification and targeting of the intended beneficiaries. Therefore, a database of the potential beneficiaries (farmers), containing their relevant details, such as the size and location of their farmlands, the crops normally sown by them, their personal and family details *etc*., would have been of immense importance, for planning, estimation, extent determination, monitoring and ensuring satisfactory coverage under the scheme. However, the Department did not have any such database of such potential beneficiaries

[7] *Banka, East Champaran, Gaya, Samastipur and Supaul.*

[8] *Under this method, entities with higher sizes will have higher chances of selection.*

[9] *These issues included non-maintenance of Cashbooks, Bank Reconciliation Statements and Records of grievances; partial documents of sampled beneficiaries; restricted access to e-office; non-submission of replies to some audit observations etc.*

and it could not carry out any comparative study, in regard to the left-out farmers, to assess constraints (if any) in application of the scheme benefits.

Government replied (February 2023) that: (i) due to changes in the data relating to land, sown crops and the categories of farmers, in different seasons, it was difficult to plan and estimate on this basis and (ii) to ensure coverage of the left-out farmers, the process of registration and uploading of documents had been revised, with effect from the *Kharif* 2022 season.

The reply of the Government was not tenable, as the Department was not aware of the scheme universe and, thus, was unable to ascertain the coverage of all eligible beneficiaries, under the scheme, as envisaged under the DBT guidelines *ibid*.

- **Mandatory requirement of LPC:** The scheme guidelines provided for mandatory submission of the current Land Possession Certificates[10] (LPCs), by the *raiyat* farmers, before the *kharif* 2021 season. Subsequently, the current Land Revenue Receipts had also been permitted, as an option to LPCs. Upon enquiry in this regard, the Department stated (December 2022) that, as the farmers could not get LPCs on time, due to technical/official reasons, Land Revenue Receipts had been allowed as an alternate proof. This indicated that the Department had not been aware of the difficulties faced by the farmers in obtaining LPCs, at the time of commencement of the scheme and it had taken corrective measures belatedly, *i.e.* after three years (involving six seasons) of the scheme launch. This resulted in rejection of applications of *raiyat* farmers, as discussed in ***Paragraph 3.6.3***.

- **Definition of Gair-raiyat family:** As per the scheme guidelines, only one member of a *gair-raiyat* category farmer family, was eligible for availing the scheme benefits. However, the term "family" had not been defined under the scheme guidelines. On this being pointed out, the Department stated (October 2022) that the families were being verified physically by the *Kisan Salahkars*[11] or other designated officials, during their field inspections.

Government replied (February 2023) that: (i) under the current social scenario, the structure of family was changing rapidly, and, in these conditions, use of any prior data of recognised families might deprive new families from the benefits of the scheme and (ii) the *panchayat* level officials individually knew the families and, therefore, recognition of a member, based on their verification, was a proper option. The reply of the Government was not tenable, as the issue related to defining a 'family' and not the use of any prior data of recognised families. Moreover, in the absence of any defined criteria, discretionary powers had been bestowed upon the *panchayat* level officials.

[10] *A certificate of land ownership, issued by the Circle Officer, under the Revenue and Land Reforms Department.*

[11] *A farmer having certain prescribed qualifications, appointed by the Agriculture Department of the State, for improving the agriculture system at the panchayat level.*

### 3.6.2 Beneficiaries' registration, identification and verification

As per the scheme guidelines, the willing farmers were required to register online on the scheme portal in every season. For registration, individual identity card, self-photograph, bank passbook and residential certificate was required to be submitted. *Raiyat* farmers were to submit LPC issued in their name and a self-declaration mentioning the sown crop alongwith its area. Under the Scheme, registration was to be treated as application. Verification of applicants was to be carried out by the officials deputed by the concerned Block Development Officer. *Gair-raiyat* farmers also had to submit a self-declaration detailing the area and crop sown. This declaration was to be countersigned and verified by *Kisan Salahkaar* or Ward Member, who did not have access to land records. This indicated existence of loose provisions under the Scheme making genuineness of the rejections and acceptance of the applications not verifiable. Therefore, the possibility of ineligible applicants receiving scheme benefits or eligible applicants not receiving the same could not be ruled out, as mentioned in **Paragraphs 3.6.5** and **3.6.8**.

A synopsis of the applications made under the scheme, during different seasons, and the resultant processing, is given in **Table 3.1**.

**Table 3.1: Applications submitted and processed under the scheme (as of 13.10.2022)**

| Season* | No. of applications made under different categories | | | | No. of applications verified | No. of applications rejected | No. of eligible applications for scheme benefits (Cl. 6-7) | | | | Amount disbursed (₹ in crore) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | *Raiyat* | *Gair-raiyat* | *Raiyat & Gair-raiyat*# | Total (2+3+4) | | | *Raiyat* | *Gair-raiyat* | *Raiyat & Gair-raiyat*# | Total (8+9+10) | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| *Kharif* 2018 | 5,15,313 | 6,35,214 | - | 11,50,527 | 5,77,122 | 1,01,611 | 1,96,567 | 2,56,438 | - | 4,53,005 | 368.65 |
| *Rabi* 2018-19 | 8,65,840 | 8,88,510 | - | 17,54,350 | 2,44,974 | 59,250 | 84,274 | 96,393 | - | 1,80,667 | 74.40 |
| *Kharif* 2019 | 11,20,162 | 13,70,287 | 4,046 | 24,94,495 | 7,28,296 | 3,25,120 | 58,128 | 3,41,417 | 872 | 4,00,417 | 288.28 |
| *Rabi* 2019-20 | 8,31,812 | 10,95,328 | 28,372 | 19,55,512 | 8,54,397 | 4,42,373 | 28,646 | 3,56,236 | 8,638 | 3,93,520 | 185.14 |
| *Kharif* 2020 | 16,23,343 | 22,45,751 | 60,014 | 39,29,108 | 16,46,472 | 11,69,776 | 5,781 | 4,55,169 | 11,424 | 4,72,374 | 230.45 |
| *Rabi* 2020-21 | 4,06,554 | 8,96,979 | 29,567 | 13,33,100 | 4,04,805 | 2,23,239 | 7,059 | 17,2495 | 161 | 17,9715 | 70.44 |
| *Kharif* 2021 | 3,56,317 | 11,87,637 | 22,478 | 15,66,432 | 6,35,177 | 3,09,093 | 9,209 | 3,09,739 | 406 | 3,19,354 | 207.23 |
| **Total** | **57,19,341** | **83,19,706** | **1,44,477** | **1,41,83,524** | **50,91,243** | **26,30,462** | **3,89,664** | **19,87,887** | **21,501** | **23,99,052** | **1,424.59** |

*(Source: Information provided by the Cooperative Department)*

* *Details of the Rabi 2021-22 season have been excluded, as the applications for this season had been processed beyond the audit period.*

# *This category incorporates such farmers who had applied jointly for both raiyat (for cultivating his own land) and gair-raiyat (for cultivating other person's land) categories.*

As can be seen from **Table 3.1**, against the 1,41,83,524 applications (including 90,92,281 applications of those farmers whose *panchayats* had been declared non-eligible and were not required to be verified under the scheme) received, 50,91,243 eligible applications had been verified. Out of these 50,91,243 verified applications, 26,30,462 applications had been rejected due to various reasons, such as non-enclosure of LPCs with the applications; non-uploading or uploading of wrong self-declarations; multiple applications by the members of a *gair-raiyat* family;

absence of beneficiaries/their representatives during verification by the Department; and miscellaneous and unknown reasons, as discussed in ***Paragraph 3.6.3***. A total amount of ₹ 1,424.59 crore had been transferred, against the 23,99,052[12] approved applications, consisting of 3,89,664 *Raiyat*, 19,87,887 *Gair-raiyat* and 21,501 *Raiyat & Gair-raiyat* farmers.

It was observed that the *raiyat* farmers were required to submit details of their land (like *khata*[13], *khesra*[14], *thana*[15] and *mauza*[16] no. *etc*.), to obtain the benefits under the scheme, whereas the *gair-raiyat* farmers were to submit only a self-declaration. These self-declarations did not require mention of any specific details of the land under verification. Further, these declarations were to be verified by the *Kisan Salahkars*/ Ward Members of the *panchayats*.

Audit analysed the data regarding the shares of different categories in the scheme benefits, as available in **Table 3.1**. The results of this analysis, detailing the shares of applications approved (*per cent* wise), under the *raiyat* and *gair-raiyat* categories, is shown in **Table 3.2**.

**Table 3.2: Shares (percentage wise) of different categories in the scheme benefits**

| Category | Raiyat | Gair-raiyat | Both Raiyat & Gair-raiyat | Total |
|---|---|---|---|---|
| As a percentage of the applications made | 40.32 | 58.66 | 1.02 | 100 |
| As a percentage of the applications approved and payments processed | 16.24 | 82.86 | 0.90 | 100 |

*(Source: Information provided by the Cooperative Department, GoB)*

**Table 3.2** shows that, against the 40 *per cent* share of applications of the *raiyat* farmers, their share in the receipt of final benefits was 16 *per cent*. However, the final benefit share of the *gair-raiyat* farmers was 83 *per cent*. The lower share of the *raiyat* farmers was attributable to the rejection of a large number of their applications (51 *per cent* of the total rejected applications) due to non-enclosure of the latest Land Possession Certificates (LPCs).

Government replied (February 2023) that, as the number of *gair-raiyat* farmers was more and such farmers were cultivating on other person's lands, they were required to submit only the area and name of the crop.

The reply of the Government was not tenable, as the process of registration, identification and verification indicates existence of the loose provisions therein. Further, instances of ineligible persons received benefits after verified and approved applications were observed ***(Para 3.6.5)*** and discussed in subsequent paragraphs. Similarly, the possibility of denial of benefits to eligible beneficiaries due to rejections of applications also

[12] *Excluding 61,729 applications (49,331 remained non-paid, due to non-validation of Aadhaar and 12,398 were put on hold, due to exaggeration of the crop sown areas, as discussed in Paragraph 3.6.7).*

[13] *A composite holding number of land parcels of a Raiyat.*

[14] *The serial number of plot, as per government survey map.*

[15] *A number allotted to a notified revenue village.*

[16] *Means a village in the Revenue records of the state.*

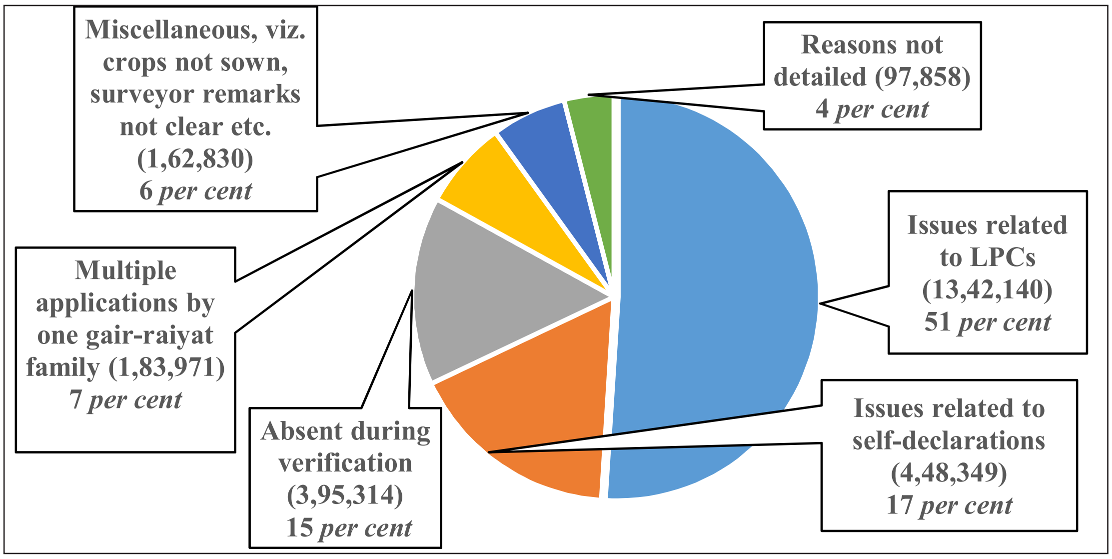
could not be ruled out in absence of proper identification and verification of applicants ***(Para 3.6.3)***.

### 3.6.3 Rejection of applications for scheme benefits

Out of 50,91,243 verified applications, 26,30,462 (52 *per cent*) were rejected by the Department ***(Appendix-3.2)***, due to the reasons shown in **Chart 3.2**.

**Chart 3.2**

**Reason-wise rejection of applications under the scheme**




*(Source: Information provided by the Cooperative Department, GoB)*

Scrutiny of respective records of the Department showed that the rejections could have been mitigated, if the Department had performed due diligence in the implementation of the scheme and addressed the constraints faced by the beneficiaries, as discussed below:

**i. Rejections due to non-enclosure of LPCs:** In addition to the audit observation highlighted in ***Paragraph 3.6.1***, Audit analysis revealed that, against the average rejection of 51 *per cent,* under the *raiyat* farmer category, due to mandatory LPCs, the percentage came down to 30 and three, in the *Kharif* 2021 and *Rabi* 2021-22 seasons, respectively after introduction of alternative proof (land rent receipt). However, in the absence of alternative proof in lieu of LPC, rejection of eligible applications, prior to the Kharif 2021 season, can not be ruled out.

Government replied (February 2023) that: (i) due to rejection of applications on account of non-availability of latest LPCs on time, farmers were given the option of uploading either the latest LPCs, or the latest Land Revenue Receipts, w.e.f. the *kharif* 2021 season and (ii) alternative arrangements, in lieu of LPCs, could not be implemented earlier, as the issue of the exponential rise in rejections of applications, came to light later. The reply of the Government was not tenable, as it had not assessed the difficulties in obtaining of the LPCs before commencement of the scheme and had made alternative arrangements, in lieu of LPCs only after three years (involving six seasons), and after the rejections of a substantial number of applications.

**ii. Self-declarations by *gair-raiyat* farmers:** This mainly involved either non-uploading or uploading of wrong self-declarations, by the farmers, regarding the sowing of crops within their respective areas. The self-declaration of *Gair-raiyat* farmer was required to be countersigned and verified by *Kisan Salahkaar* or Ward Member, who did not have access to land records. Audit did not find any mechanism to assure that the verification of the self-declaration submitted by *Gair-raiyat* farmers was correct without access to the records of the land being cultivated by them. Therefore, the genuineness of rejection of 4,48,349 applications under the scheme was not verifiable.

Government replied that: (i) farmers, in the course of their registrations, were informed, from time to time, through advertisements (ii) *Kisan Salahkars* and supervisory departmental staff had complete information and, with their help, farmers could have uploaded the correct documents and (iii) from *Kharif* 2022 season, the responsibility of uploading the documents of those farmers, who are unable to upload the documents by themselves, had been given to the concerned *Kisan Salahkaar* and BCEO.

The reply of the Government was not tenable as there was no mechanism to verify the records of the cultivated land at the level of *Kisan Salahkaar* or Ward Member, to ascertain the correctness of the applications.

**iii. Presence of farmers/ their representatives:** Audit did not come across any mechanism that the Department had put in place, to ensure the presence of the farmers, at the time of their verification. Further, there was no evidence in regard to the farmers having been informed about the time/ dates of verification, or of sufficient opportunities having been given to the farmers, or their representatives, to ensure their presence, at the time of verification. Due to non-presence of farmers, or their representatives, at the time of verification, 3,95,314 applications had been rejected.

Government replied (February 2023) that: (i) presence of the farmer or any members of his/her family, was imperative during the field verification (ii) the field surveyors, conducting field verifications, generally belonged to the same *panchayat*/ village and had given fair opportunity to the farmers and (iii) the applications had been rejected only when neither the farmers, nor their representatives, were available during the field verification. The reply of the Government was not tenable, as the Department could not produce any concrete evidence in regard to adequate publicity, relating to the duration of field verification, having been made, or in regard to sufficient opportunity having been given to the farmers, to ensure their presence during field verification.

**iv. Multiple number of applications by one family, in the gair-raiyat category:** Although, the scheme provided for granting scheme benefits to only one member of a *gair-raiyat* farmer family, Audit noticed that the term 'family', in respect of a *gair-raiyat* farmer, had not been defined in the scheme guidelines. Therefore, there was ambiguity regarding determining *gair-raiyat* family, for both the field functionaries, as well as for the farmers. The possibility of rejections of applications due to above ambiguity could not be ruled out.

Government replied that field verification was the best option for determining the members of a family of a *gair-raiyat* category. The reply of the Government was not tenable, as, in absence of any defined criteria, field verification could give undue discretion to the field surveyors, in determining the members of a family of a *gair-raiyat* category, which was prone to misinterpretation/manipulation.

**v. Miscellaneous reasons:** The Department had rejected 1,62,830 applications due to miscellaneous reasons, *viz.* crops not having been sown; surveyor remarks not being clear; the Unique Identification Numbers (UIDs) of the beneficiaries not having been verified till payment closure; wrong documents having been uploaded/ documents being void, due to wrong area declarations/changes in the farmer categories *etc.* No evidence was available on records, to indicate that efforts had been made to address these procedural lapses, by creating awareness among the farmers. Government did not furnish any reply, in this regard.

**vi. Reasons not detailed:** The Department could not provide detailed reasons for the rejection of 97,858 applications. The reasons for these rejections could have been similar in nature, as discussed above, and may have been amenable to resolution, had they been properly identified and categorised. Government did not furnish any reply, in this regard.

**vii. Lack of awareness about the scheme:** As per scheme guidelines, there was provision for wide publicity of the Scheme. Audit, however, noticed that the Department had not made any provision of funds for information, education and communication (IEC) related activities, while allotting funds for the scheme. This might have caused lack of awareness, amongst the farmers, about the scheme, which, *inter alia*, could have significantly contributed to the rejection of applications under the scheme.

Thus, the Department had not created adequate awareness among the beneficiaries, including the arrangement of a facility for farmers to know about the status of their applications.

***Recommendations***

***1: Government may ensure devising a mechanism to verify the correctness of the applications and may create adequate awareness amongst the farmers to know the status of their applications and payment of benefits.***

***2. Government may define the gair-raiyat family, to avoid ambiguity amongst farmers, as well as field functionaries of the Department.***

### 3.6.4 Delayed payments

The key objective of the scheme was to provide financial assistance to farmers, in the event of less production of crops, due to natural disasters, as also to encourage them to produce the upcoming crops, by maintaining continuity in their income, under adverse conditions. The scheduled month for payment of assistance amount of *Kharif* and *Rabi* seasons, as per the scheme guidelines was April and September, respectively.

The scheme guidelines also envisaged online uploading of the results of the CCEs and auto-calculation of the monetary benefits to be disbursed to the beneficiaries.

Audit scrutiny showed that an overall amount of ₹ 1,424.59 crore, relating to 24,08,275[17] transactions, had been disbursed to the beneficiaries, up to July 2022. Out of these, benefits amounting to ₹ 867.36 crore, relating to 15,27,419 transactions (63.42 *per cent*), had been paid with delays ranging up to 21 months, when compared against the scheduled months of payment, as shown in **Table 3.3** (detailed in ***Appendix 3.3***).

**Table 3.3: Delayed payments to farmers**

| Range of delayed payments (*in months*) | No. of transactions | Amount (₹ *in crore*) |
|---|---|---|
| Up to 3 months | 11,78,994 | 706.95 |
| Up to 6 months | 2,34,318 | 109.32 |
| Up to 9 months | 82,003 | 34.26 |
| Up to 12 months | 17,758 | 7.30 |
| Up to 15 months | 7,216 | 5.31 |
| Up to 21 months | 7,130 | 4.22 |
| **Total** | **15,27,419** | **867.36** |

*(Source: Information provided by the Cooperative Department)*

Delayed payments under the scheme had been given contrary to the scheme objective of maintaining continuous financial support to the farmers, for regular upcoming farming activities, in cases of less production.

On this being pointed out, the Department initially replied (December 2022) that: (i) regular payments to the majority of beneficiary had been made within three months and (ii) due to delays in field inspections, verification and technical issues in some applications, payments had been delayed. Audit, however, noticed that almost 3.48 lakh transactions had been made with delays ranging from six months to 21 months.

Further, Audit noticed that the Department had not adopted any system, with specific time-frames, for verification of applications. The SLCC decided (November 2020) to obtain the data of CCEs, from the Directorate of Economics and Statistics (DoES), in soft copy, with a view to avoiding delays, but the Department had not ensured obtaining a soft copy of the CCEs data.

Government replied that software was being developed, for online uploading of the data of the CCEs.

***Recommendation 3: Government may ensure timely payment of benefits to beneficiaries, as per the objectives of the scheme.***

[17] *24,08,275 transactions were initiated against 23,99,052 eligible applications, as mentioned in column 11 of Table 3.1. As per the Department, the difference of 9,223, between the two sets of figures, was due to generation of crop-wise advices in the Rabi 2018-19 season.*

### 3.6.5 Benefits extended to more than one member of a gair-raiyat farmer family

In addition to the observations contained in ***Paragraphs 3.6.1*** and ***3.6.3 (iv)***, Audit also observed payments, amounting to ₹ 1.52 lakh, having been made to 20 *gair-raiyat* beneficiaries (seven *per cent* of the 274 verified *gair-raiyat* farmers), including separate payments of ₹ 1.47 lakh, to the spouses of the beneficiaries ***(Appendix-3.4)***, under the scheme. The number and the amount may increase, if the trend is considered for all the beneficiaries of the scheme.

The Department initially replied (December 2022) that there were no instances of more than one beneficiary, within the families of the *gair-raiyat* category. Government replied (February 2023) that the family members had been physically verified, during field inspections, by the *Kisan Salahkaars* or other designated officials. The reply of the Government showed that the identification had been left entirely to the discretion of the field functionaries.

### 3.6.6 Doubtful assessments under Crop Cutting Experiments (CCEs)

The DoES was to conduct CCEs (at the district and *gram panchayat* levels), for determination of the yield rates of crops and the yield rate so determined was to be applicable uniformly, for a particular crop. As per the categorisation by the DoES, CCEs for sugarcane and seven[18] other crops, were to be conducted at the district level and 16 districts of the State had been notified (December 2020) for coverage of the sugarcane crop.

Audit scrutiny revealed that, in 2020, the DoES had reported reduction in production of sugarcane, in only three[19] districts. However, the report of the Sugarcane Industries Department (SID), GoB, for the same period, had mentioned damage to the 35,238 hectare of sugarcane crop, which was more than 33 *per cent* damage, in 68 blocks of 10[20] districts, due to floods. Further, the report of the SID had not contained the names of the Madhepura and Siwan districts, though both these districts had been listed in the report of DoES.

Subsequently, in the course of disposal of a public complaint made in this regard, the Cooperative Department informed (December 2021) the DoES that, despite damage of the sugarcane crop by floods, in some GPs, the average production of the crop in the district had not reduced by virtue of good production in other GPs (sugarcane had been notified as a district level crop[21]). The Department requested (December 2021) the DoES, to consider conducting of CCEs for the sugarcane crop, at the GP level, so that it may be categorised as a GP level crop[22].

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18 *Masur, Arhar, Rai-Sarso, Onion, Potato, Gram and Soya Bean.*

19 *Madhepura, Darbhanga and Siwan.*

20 *West Champaran (18), Begusarai (11), Muzaffarpur (1), Darbhanga (1), Vaishali (1), Samastipur (11), Khagaria (2), Gopalganj (6), Sitamarhi (13) and Sheohar (4).*

21 *Denotes the crops for which the DoES had conducted CCEs at the district level. The resultant yield rate of those particular crops was uniformly applicable for that particular district.*

22 *Denotes the crops for which the DoES had conducted CCEs at the GP level. The resultant yield rate of those particular crops was uniformly applicable for that particular GP.*

This indicated that there were possibilities of inaccuracy in the CCEs, due to which there was possibility that farmers were denied the benefits of the scheme despite considerable damage to the crop.

Government replied (February 2023) that payments under the scheme had been made as per the scheme guidelines. The reply of the Government was not tenable, as the Department itself had agreed to the complaint regarding loss of the sugarcane crop, as reported by the SID and had requested the DoES for conducting CCEs of the sugarcane crop, at the GP level.

### 3.6.7 Pendency of issues of benefits with other department

It was observed that the Department had red flagged (for further verification, before making payment of benefits) those GPs, wherein the total crop sown area, for extending the scheme benefits, exceeded the average crop sown area (as derived by the Department, by dividing the total crop sown area of the State, with the total number of GPs in the State).

The Department, during the *Rabi 2*019-20 and *Kharif* 2021 seasons, had red-flagged 13 GPs and held up payments amounting to ₹ 15.60 crore, related to 12,398 beneficiaries. After gaps of three to 16 months, from the prescribed dates of payment (September 2020 for *Rabi* 2019-20 season and April 2022 for *Kharif* 2021 season), the Department requested (February 2022 and August 2022) the Agriculture Department, to provide the actual crop sown area of these 13 GPs. The Department was, however, yet to receive the data from the Agriculture Department after their verification and payments to these beneficiaries were on hold (as of December 2022).

Government replied (February 2023) that it would take necessary action regarding the held-up payments, after receipt of the requisite data from the Agriculture Department. The reply of the Government is not tenable, as its lackadaisical approach in obtaining data from the Agriculture Department, was unnecessarily delaying the payment to be made to the beneficiaries and, thus, defeating the intended purpose of the scheme. Further, the practice of deriving the crop sown area of a *panchayat*, by dividing the total crop sown area of the State with the total number of GPs in the State, was also not fair, as it would not reflect the accurate crop sown area of a particular *panchayat*.

### 3.6.8 Inadmissible payments

Audit noticed that, in the *Kharif* 2020 and 2021 seasons, 478 beneficiaries, of two blocks of Samastipur district, had received payments amounting to ₹ 8.09 lakh [Hasanpur Block: ₹ 6.39 lakh (395 beneficiaries) and Singhia Block: ₹ 1.70 lakh (83 beneficiaries)], for damage caused to the Soya bean crop. However, as per information furnished by the Block Agriculture Officer (BAO)/ Block Development Officer (BDO) of both the blocks, Soya bean crop was not cultivated in any GP of these two blocks. The District Statistical Officer (DSO) also confirmed that CCEs had not been conducted for this crop, in these two blocks. Thus, inadmissible payments of ₹ 8.09 lakh, had been made to 478 beneficiaries, under the scheme, for a crop which was not being sown under these blocks.

Government replied (February 2023) that payments had been made based on the yield rate received from the DoES and field/ data verification. The reply of the Government was not tenable, as the BAO, BDO and DSO had confirmed non-cultivation and non-conducting of CCEs, for the Soya bean crop, in these two blocks. As such, the payment of ₹ 8.09 lakh was irregular.

***Recommendation 4: Department may fix the responsibility for allowing inadmissible payments to beneficiaries for crops not sown in respective blocks.***

## 3.7 Financial Management

Financial statements, pertaining to financial years (FYs) 2018-19 to 2021-22, disclosed expenditure of ₹ 1,288.88 *crore* (83 *per cent*), incurred against the allotments of ₹ 1,554.33 *crore*, as of 31 March 2022. This included surrender of ₹ 265.45 *crore,* during FY 2019-20 (due to lower requirements, for payments under the scheme), as detailed in **Table 3.4**.

**Table 3.4: Year-wise allotment, expenditure and surrender of funds under the scheme**

| Year | Allotment (₹ *in crore*) | Expenditure (₹ *in crore*) | Surrender of funds (₹ *in crore*) |
|---|---|---|---|
| **2018-19** | 318.23 | 318.23 | - |
| **2019-20** | 448.78 | 183.33 | 265.45 |
| **2020-21** | 416.84 | 416.84 | - |
| **2021-22** | 370.48 | 370.48 | - |
| **Total** | **1,554.33** | **1,288.88** | **265.45** |

*(Source: Information provided by the Cooperative Department)*

Other financial management related irregularities have been discussed in the succeeding paragraphs.

### 3.7.1 Failed transactions

Audit scrutiny revealed that 1,23,195 (five *per cent*) transactions, out of the 24,08,275 transactions made under the scheme, had failed, during FYs 2018-19 to 2022-23 (as of October 2022). These transactions had failed due to non-linking of *Aadhaar* to the farmer's bank accounts, closure of accounts *etc*. As such, ₹ 51.11 crore had not been transferred to the eligible farmers, across different seasons, as detailed in **Table 3.5.**

**Table 3.5: Season-wise failed transactions (as of 20.10.2022)**

| Season | No. of failed transactions | Amount (₹ *crore)* |
|---|---|---|
| Kharif 2018 | 2,403 | 1.44 |
| Rabi 2018-19 | 3,852 | 1.44 |
| Kharif 2019 | 21,235 | 12.10 |
| Rabi 2019-20 | 26,073 | 9.81 |
| Kharif 2020 | 43,182 | 15.27 |
| Rabi 2020-21 | 9,999 | 3.22 |
| Kharif 2021 | 16,451 | 7.83 |
| **Total** | **1,23,195** | **51.11** |

*(Source: Information provided by the Cooperative Department)*

Out of the non-transferred amount of ₹ 51.11 crore, a sum of ₹ 46.41 crore had been deposited in the treasury (as of July 2022).

Government replied (February 2023) that: (i) in some cases payments could not be made, due to non-linking of bank accounts with *Aadhaar*, inactive *Aadhaar*, technical issues and (ii) in such cases, banks had informed beneficiaries thrice, to take corrective steps and, if the transactions had still failed, the amounts had been transferred to the treasury.

The reply of the Government was not tenable, as Government could not furnish evidence in regard to the concrete measures, if any, taken by it to resolve the issue of failed transactions. Consequently, due to insufficient steps having been taken by the Department, the intended benefits had not been transferred to the beneficiaries and had been returned to the treasury instead.

### 3.7.2 Pendency of scheme benefits due to non-validation of *Aadhaar*

As per the fund allotment letters of the scheme, benefits were to be paid to farmers, only after verification of the reported opinion of the officials (entrusted by the BDOs), by the PMU and, thereafter, verification of the *Aadhaar,* by NIC.

Audit, noticed that scheme benefits had not been transferred to 49,331 beneficiaries, due to non-validation of *Aadhaar*, as detailed in **Table 3.6**.

**Table 3.6: Season-wise details of non-validated *Aadhaar***

| Season | No. of farmers |
|---|---|
| Kharif 2018 | 22,506 |
| Rabi 2018-19 | 5,057 |
| Kharif 2019 | 2,759 |
| Rabi 2019-20 | 9,913 |
| Kharif 2020 | 4,322 |
| Rabi 2020-21 | 1,851 |
| Kharif 2021 | 2,923 |
| **Total** | **49,331** |

*(Source: Information provided by the Cooperative Department)*

The Department replied that the *Aadhaar* of the beneficiaries had not been validated by NIC, due to cases of discrepancies in the names/father's names of the farmers. However, as per the agreement executed between the Department and PMU, the PMU had to facilitate web-based validation of beneficiaries' data, such as *Aadhaar*, cultivable land, sown area and other relevant information, useful for scheme implementation. Benefits, to these 49,331 farmers, had, however, not been paid, as neither the officials deputed by the BDOs, nor the PMU, had worked out and got the discrepancies removed. Department did not provide information related to the actual amount remained for payment to the beneficiaries. Therefore, Audit could not ascertain the actual amount involved in these cases.

Government replied that NIC had sent SMSs to the concerned farmers, in cases of non-validation of *Aadhaar*, for removal of the discrepancies. The reply of the Government was not tenable, as, in the absence of any concrete action by the Department, the assistance amount had not been transferred to the concerned beneficiaries.

## 3.8 Monitoring and evaluation

As per scheme guidelines, the State Level Coordination Committee (SLCC) and District Level Coordination Committees (DLCC), headed by the Development Commissioner and District Magistrates, respectively, had been entrusted with the responsibility for implementation and monitoring of the scheme, at the State/district levels. In this regard, Audit observed certain issues, such as non-evaluation of the scheme; delays in holding meetings of the SLCC; non-holding of DLCC meetings; undue benefits to PMU *etc*., based on verification of the respective records, as discussed in succeeding paragraphs.

### 3.8.1 Non-evaluation of the Scheme impact

Active monitoring and evaluation of programmes and initiatives strengthens the probability of their success and the scope of delivery of their benefits.

Scrutiny of the records of the Department, however, showed that it had not conducted any impact evaluation of the scheme. The Department had, therefore, missed an opportunity to ensure any mid-course corrections based on the impact evaluation.

Government replied that there was no need for impact evaluation, as it was to be conducted for fixed tenure projects and this scheme was an ongoing scheme. The reply of the Government was not tenable, as, even in the case of an ongoing scheme, impact evaluation would have helped to ensure proper alignment of the Scheme with its objectives.

### 3.8.2 Delays in holding meetings of the SLCC

The scheduled timeline, for holding the meeting of the SLCC, for the *Kharif* and *Rabi* seasons, was March and August, respectively. All the seven SLCC meetings had, however, been held with delays of up to eight months, across all seasons. As the SLCC was to select the crops, amongst the crops notified by DoES which was, the first stage towards the implementation of the scheme during each season. Therefore, delays in holding of SLCC meetings had inevitably resulted into consequent delays at other successive stages, *viz.* notification, registration, verification and payment ***(Appendix-3.5)***.

Audit also observed that, as per the minutes of all the meetings of the SLCC, many important issues, like denial of benefits to 52 *per cent* of the otherwise eligible farmers; delayed payments to beneficiaries; lack of determination of the family of a *gair-raiyat* farmer; non-establishment of a dedicated grievance redressal mechanism for the scheme *etc*., observed during audit, had not been taken up in any of its meetings.

Government replied (February 2023) that: (i) delays in holding of SLCC meetings had occurred in some seasons (especially during the COVID-19 period) and (ii) SLCC had taken up (25.11.2020) the issue of rejection of applications and recommended uploading of the latest revenue receipts, as an alternative to the latest LPCs.

The reply of the Government was not tenable, as the SLCC meetings had been held with delays even prior to COVID-19, *i.e.* in 2018 and 2019. Also, the Government had not replied regarding other issues related to implementation of the scheme, as highlighted by Audit in the preceding paragraphs.

### 3.8.3 Conduct of a negligible number of DLCC meetings

As per the scheme guidelines, the DLCCs, headed by the respective District Magistrates, were responsible for reviewing the management of CCEs; accuracy of data entry in the scheme portal, determination of actual yield rates *etc*., as well as regular overall reviews of the implementation of the scheme. The committee was also empowered to settle disputes regarding the admissibility/ payment of assistance amounts, under the scheme.

Audit observed that: (i) although district-wise committees had been constituted, the Department had not prescribed any frequency for conduct of their meetings (ii) meetings of the DLCCs had not been conducted in any of the five sampled districts (except for one meeting, in the Banka district, in 2018).

On this being pointed out, Government replied (February 2023) that the District Cooperative Officers worked as member-secretaries to the DLCCs, which functioned under the direction and control of the District Magistrates.

The reply of the Government was not tenable, as it should have decided the minimum frequency of holding the DLCC meetings and, after doing so, should have monitored the same, for ensuring effective implementation of the scheme.

### 3.8.4 Functioning of the Project Management Unit (PMU)

The Department appointed (2018) M/s Price Waterhouse Coopers (PWC) Private Limited, which had its registered head office at Gurugram, as the PMU. The PMU was appointed to execute various works, including facilitation of web-based validation of the data of *Aadhaar*, cultivable land and sown area, as well as forecasting crop yields of different field crops, based on the existing varietal, agronomic and agro-ecological parameters *etc,* for the implementation of the scheme. As per the agreement, the PMU was paid ₹ 4.80 crore, for the period 2018-22.

During audit, supporting records, relating to works performed by the PMU, such as forecasting of crop yields, agronomic, agro-ecological parameters *etc*., were not made available to Audit. Further, as mentioned in ***Paragraph 3.7.2,*** the work of facilitating data validation, relating to 49,331 beneficiaries, including the availability of data related to their cultivable land and sown area, had also not been performed by the PMU. In addition, no records, showing any periodical review of the PMU's performance, having been conducted by the Department, were found during audit. Thus, payments to the PMU had apparently not been made on the basis of the works performed by it, supported by relevant records.

Government replied (February 2023) that, the PMU had been assigned the technical works related to forecasting of crop yields, agronomy *etc*. However, due to non-availability of online cadastral maps[23] and other technologies, the PMU had not been able to perform the assigned works.

The reply of the Government corroborated the audit finding that the PMU had not performed the specified works, as per the agreement. Therefore, payments to the PMU, should have been revised proportionately, as per the works actually performed by it.

### 3.8.5 Non-execution of random verification

The scheme guidelines envisaged random verification (at the division and district levels) of a certain percentage of the applications, either accepted or rejected.

Audit scrutiny, however, revealed that random verification had not been conducted, for the seasons from *Kharif* 2018 to *Kharif* 2021, though required to be conducted, as detailed below:

- DCOs were required to randomly check, the verified statements of two *per cent* of the farmers, in every *panchayat*. However, none of the DCOs, of the five test-checked districts, had performed this function.

  The DCOs of three districts (Banka, Gaya and Supaul) stated that farmers lists/records, for the seasons from *Kharif* 2018 to *Kharif* 2021, were not available in their login/office, for verification. The DCOs of the two remaining districts (Samastipur and East Champaaran) did not respond to the audit observation.

- Divisional Joint Registrars (DJRs) of the Co-operative Societies were required to randomly check the verified statements of one *per cent* of the farmers in every *panchayat*. Although the DJRs of all the five sampled districts replied that random checking was being conducted, they did not produce any supporting evidence in this regard.

- DLCCs were required to randomly check the verified statements of two *per cent* of the farmers in every *panchayat*. Audit, however, observed that the DLCCs were not performing this function. The DLCCs did not furnish any reply, in this regard.

  Government replied (February 2023) that these checks were the responsibility of the district officials. The reply of the Government was not tenable, as it was responsible for monitoring the work at the district level as well. This contributed to ineffective monitoring at the district level, as discussed earlier.

### 3.8.6 Publication of list of beneficiaries

In terms of the fund sanctioning orders issued under the scheme, it was mandatory to publish the list of beneficiaries, along with their names, addresses, areas covered and the eligible assistance amounts under the scheme, on the websites of the concerned bank and the Department. Further, the Department, in a review meeting of the scheme (June 2019), had considered publishing the details of farmers on the website, as well as

[23] *A map of land parcels, derived on the basis of land surveys by the government.*

at the district/block level offices, to rectify the discrepancies, on receipt of any public objections.

Audit, however, noticed that, contrary to the above orders, lists containing the details of the beneficiaries, as well as amounts to be disbursed, had not been found published, either on the website of the concerned bank, or on the website of the Department, to maintain transparency in the system. Further, there was no mechanism, for the farmers, to know the status of their applications.

Government replied (February 2023) that: (i) there were no departmental instructions for publishing the list of beneficiaries and (ii) a One Time Password (OTP) based link had been activated in the public domain, for applicants to check the status of their applications.

The reply of the Government was not tenable, as the Department, through its sanction letter[24], had ordered publication of the list of beneficiaries. Further, no facility, for checking the status of their applications, had been made available to the farmers (as of December 2022).

[24] *No. 1541 dated 14.02.2019 (Para 9).*

# CHAPTER-IV

# Administrative and Financial issues in the Universities of Bihar

# CHAPTER-IV
# Subject Specific Compliance Audit

## EDUCATION DEPARTMENT

## 4 Administrative and Financial issues in the Universities of Bihar

***There was an overall shortage of 56 per cent of teaching and non-teaching staff and the available teaching staff has not been posted in a rationalised manner. Results of examinations had been declared with inordinate delays (up to 946 days) and the marks obtained by the students had not been recorded correctly. Colleges had been allowed to admit students, as well as appear for examinations, even after expiry of their affiliations. The University Management Information System had not been implemented properly. The Universities had surrendered grants amounting to ₹ 4,134.21 crore. Utilisation Certificates of ₹ 101.53 crore were yet to be submitted and advances of ₹ 77.30 crore were pending for adjustment. Universities had not received development grants of ₹ 27.82 crore from UGC due to non-utilisation of earlier grants and created avoidable liability of interest, amounting to ₹ 1.88 crore, due to non-utilisation of grants. Arrears of salaries, amounting to ₹ 48.28 crore, had been paid, without verification of pay from the Pay Verification Cell of the Department and ₹ 14.41 crore had been disbursed without deduction of Income Tax. Permanent Retirement Account Numbers of employees had not been generated for the purpose of the National Pension Scheme and employers', as well as employees' contributions, had not been deposited with the National Securities Depository Limited. Universities had not claimed TDS refund of ₹ 5.10 crore, deducted by the banks. Goods costing ₹ 7.96 crore had been procured without inviting tenders. Cases of excess payment of arrears of salaries, House Rent Allowance, incomplete works and deposit of ₹ 32.03 crore in inoperative/ dormant bank accounts, were also observed during audit.***

## 4.1 Introduction

Education plays a vital role in the socio-economic development of a state. In India, Education is in the Concurrent List, under Clause (1) of Article 246 of the Constitution of India. Thus, it falls under the control of both, the Union Government as well as the State Governments. The institutional framework, for university education, consists of the universities established by an Act of the State Legislature along with the colleges managed and controlled by these universities, as well as colleges affiliated to these universities. There are some regulatory/accreditation bodies, such as the University Grants Commission (UGC)[1], National Assessment and Accreditation Council (NAAC)[2]

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[1] *UGC, a statutory body under the Ministry of Education, Government of India (GoI), is responsible for coordinating, determining and maintaining standards of higher education. It also recognises the universities in the country and disburses funds to such recognised universities and their constituent and affiliated colleges.*

[2] *NAAC is an autonomous government organisation under the UGC. It conducts the assessment and accreditation of higher education institutions, to derive an understanding of their 'Quality Status'.*

*etc*. Universities of Bihar, except Aryabhatta Knowledge University (AKU), are governed by the Bihar State Universities Act, 1976, and Statutes thereof. The AKU is governed by a separate act, namely The Aryabhatta Knowledge University Act, 2008. The legal framework governing universities included Bihar Financial Rules, 2005; Bihar Treasury Code, 2011 *etc*. In the state of Bihar, there were 14 Universities[3], having 271 Constituent Colleges[4] and 610 Affiliated Colleges[5] under their jurisdictions.

### 4.1.1 Purposes and functions of universities

As per the Bihar State Universities (BSU) Act, 1976, the purposes and the major functions of the universities are to:

- provide for research and advancement and dissemination of knowledge
- conduct examinations and grant degrees, diploma, certificates and other academic distinctions
- inspect all colleges and university departments under them
- establish, maintain and manage constituent colleges
- cultivate and promote arts, science and other branches of learning
- demand and receive fees under the ordinances of the states and
- affiliate or disaffiliate colleges under their jurisdiction.

The aforesaid functions are subject to, and in accordance with, the Universities Act, Statutes[6], Ordinances and Regulations applicable to the universities.

### 4.1.2 Organisational Structure

The Directorate of Higher Education, under the Education Department (Department), Government of Bihar (GoB), is responsible for regulating, managing and promoting higher education in the State. The Governor of Bihar is the Chancellor, as well as the President of the Senate[7] of all 14 universities in the State. The properties and funds of a University were to be controlled and administered by the Syndicate[8]. The Vice-Chancellor of a university is the Principal Executive and Academic Officer who

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3 *Aryabhatta Knowledge University (AKU), Patna; Baba Saheb Bhim Rao Ambedkar Bihar University (BRABU), Muzaffarpur; Bhupendra Narain Mandal University (BNMU), Madhepura; Jai Prakash University (JPU), Chapra; Kameshwar Singh Darbhanga Sanskrit University (KSDSU), Darbhanga; Lalit Narayan Mithila University (LNMU), Darbhanga; Magadh University (MU), Bodh Gaya; Maulana Mazharul Haq Arabic & Persian University (MMHAPU), Patna; Munger University, Munger; Patliputra University (PPU), Patna; Patna University (PU), Patna; Purnia University, Purnia; Tilka Manjhi Bhagalpur University (TMBU), Bhagalpur and Veer Kunwar Singh University (VKSU), Ara.*

4 *'Constituent college' means an educational institution maintained and administered by a university.*

5 *'Affiliated college' means an educational institution that operates independently (through a trust, society etc.) but has a formal collaborative agreement with a University.*

6 *'Statute' is a formally written down rule or law, made by a government. For Universities, the "Statutes" set out the objective and powers of the University and define the administrative framework and statutory officers, as well as the overall academic structure.*

7 *The 'Senate' is the supreme Governing Body of a university that holds overall control on all of its affairs.*

8 *The 'Syndicate' of a university holds, controls and manages the properties and funds of that University.*

exercises control over the affairs of the university. He is assisted by the Pro Vice-Chancellor[9], Financial Advisor[10], Registrar[11] and Finance Officer[12] *etc*.

### 4.1.3 Audit objectives

The Subject Specific Compliance Audit (SSCA) on 'Administrative and Financial issues in the Universities of Bihar' was conducted with the objectives of assessing whether:

- the administrative mechanism in the universities, including with regard to operational controls, was adequate and effective and
- the financial control mechanism was in place and was efficient.

### 4.1.4 Audit criteria

The audit criteria, for this SSCA, were derived from the following sources/records:

- Bihar State Universities Act (BSU Act), 1976
- Statutes, Ordinances and Regulations of the Universities
- Aryabhatta Knowledge University Act, 2008 and Statutes, 2011
- Guidelines and Instruction Manuals, issued by the UGC and the Rashtriya Uchchatar Shiksha Abhiyan (RUSA)[13]
- Bihar Financial Rules, 2005
- Bihar Treasury Code, 2011
- Bihar Electricity Duty Act, 1948
- Notifications, Circulars *etc*. issued by the Government of Bihar
- Goods and Services Tax (GST) Act & Rules, 2017, issued by the Centre and the State Governments
- Income Tax Act, 1961
- Bihar Minerals (Concession, Prevention of Illegal Mining, Transportation and Storage) Rules, 2019 and
- Building and Other Construction Workers' Welfare Cess Act, 1996.

### 4.1.5 Audit Scope, Sampling and Methodology

The SSCA on 'Administrative and Financial issues in the Universities of Bihar' was conducted during October 2021 to November 2022, on the request of the Education

9 *The 'Pro Vice-Chancellor' of a university is responsible for admissions, conduct of examinations, declaration of results and students' welfare.*

10 *The 'Financial advisor' of a university is responsible for the preparation of Budgets, maintenance of accounts, compliance of audit objections and his advice is mandatory for all the proposals having financial implications.*

11 *The 'Registrar' is the secretary to the Senate, the Syndicate and custodian of the records of the university.*

12 *The Finance Officer of the university was to exercise such powers and perform such duties prescribed by the statutes, Ordinances, Regulations and Rules.*

13 *RUSA, a holistic centrally sponsored scheme for development of higher education, was initiated in 2013, by the Ministry of Education, GoI, to provide strategic funding to higher educational institutions.*

Department (Department), Government of Bihar (GoB). Audit covered the period from financial years (FYs) 2017-18 to 2021-22. During audit, records of 11[14], out of the 14 Universities in the State, were test-checked.

Entry and exit meetings were held (October 2021-November 2022) with the audited entity *i.e.,* with the Department and with all the test checked universities. The SSCA was forwarded (January 2023) to the Department and the Report has been finalized on the basis of the replies received (January-March 2024) from it.

### 4.1.6 Limitations to this audit

As per Regulation 19 (6) of the Regulations on Audit and Accounts 2020, it is the statutory obligation of the auditable entity, to comply with requests by Audit, for data, information and documents, whether in advance or during the course of audit, within the specified time. Further, Rule 28 of the BFR, 2005, stipulated regular production of records for the smooth conduct of audit. Besides, as per Section 12A of the BSU Act, 1976, Universities were responsible for the audit of their accounts and compliance of audit objections.

During test-check of records, of all the sampled universities, Audit requisitioned 1,485 records/ information and issued reminders for their production. However, out of 1,485 requisitioned records/ information, 978 records, including important records, *viz*. Cash Books, Annual Accounts, Budget Estimates, Stock Registers, Asset Registers, Distance Education, admissions, receipts from own sources, Recruitment & Promotions, Agencies hired for management examination for different courses, contract agreements, Confidential Printing, procurement of answer books *etc*., were not produced to Audit, as detailed in **Table 4.1**.

**Table 4.1: University-wise details of non-production of records**

| Sl. No. | University | Number of records requisitioned | Number of records produced | Number of records not produced (*per cent*) |
|---|---|---|---|---|
| 1. | AKU | 36 | 31 | 05 (*14*) |
| 2. | BNMU | 126 | 47 | 79 (*63*) |
| 3. | BRABU | 199 | 54 | 145 (*73*) |
| 4. | JPU | 150 | 22 | 128 (*85*) |
| 5. | KSDSU | 105 | 47 | 58 (*55*) |
| 6. | LNMU | 146 | 54 | 92 (*63*) |
| 7. | MMHAPU | 85 | 72 | 13 (*15*) |
| 8. | PPU | 109 | 24 | 85 (*78*) |
| 9. | PU | 104 | 28 | 76 (*73*) |
| 10. | TMBU | 324 | 76 | 248 (*77*) |
| 11. | VKSU | 101 | 52 | 49 (*49*) |
| **Total** | | **1,485** | **507** | **978 (*66*)** |

[14] *Aryabhatta Knowledge University (AKU), Bhim Rao Ambedkar Bihar University (BRABU), Bhupendra Narayan Mandal University (BNMU), Jai Prakash University (JPU), Kameshwar Singh Darbhanga Sanskrit University (KSDSU), Lalit Narayan Mithila University (LNMU), Maulana Mazharul Haq Arabic & Persian University (MMHAPU), Patliputra University (PPU), Patna University (PU), Tilka Manjhi Bhagalpur University (TMBU) and Veer Kunwar Singh University (VKSU).*

As can be seen from **Table 4.1**, 978 (66 *per cent*) records were not produced to Audit. In the absence of important records, audit of the universities remained incomplete, up to that extent. Important records, that were not furnished to Audit and limitations caused due to non-production of these records, are detailed in ***Appendix-4.1***.

## 4.2 Financial profile of the universities

Universities were being financed through grants from the State Government, UGC and RUSA. They also generated income from other sources *viz*., by way of admission fee, tuition fee, inspection fee (received from colleges under their jurisdiction), fines, renting of assets, interest from fixed/term deposits in banks *etc*.

The Department had released grants to the Universities, to meet their establishment and other committed expenditure (salaries, pensions *etc*.). The year-wise financial position with regard to all the 14 universities in the State, *i.e*., the Budgetary provisions, expenditure and surrender of funds, is given in **Table 4.2**.

**Table 4.2: Financial position of the Universities**

***(₹ in crore)***

| Financial Year | Budget Provision | Expenditure incurred by the Universities | Surrender (*per cent*) |
|---|---|---|---|
| **2017-18** | 3,956.53 | 3,728.99 | 227.54 (6) |
| **2018-19** | 5,784.35 | 4,178.60 | 1,605.75 (28) |
| **2019-20** | 4,486.78 | 3,943.35 | 543.43 (12) |
| **2020-21** | 3,811.56 | 3,275.63 | 535.93 (14) |
| **2021-22** | 4,537.11 | 3,315.55 | 1,221.56 (27) |
| **Total** | **22,576.33** | **18,442.12** | **4,134.21 (18)** |

*(Source: Education Department, Government of Bihar)*

As can be seen from **Table 4.2**, the percentage of surrender of funds ranged between six and 28 *per cent,* during FYs 2017-18 and 2021-22. An overall amount of ₹ 4,134.21 crore (18 *per cent*) of the total budget provisions had not been utilised and surrendered to the Department, indicating unrealistic budget proposals and inadequate financial control mechanism in the Universities. Out of the 11 test-checked Universities, Audit observed that, during FYs 2017-18 and 2021-22, TMBU and VKSU had not utilised 24 *per cent* and 20 *per cent* of the grants received by them, respectively, as detailed in ***Appendix-4.2***.

Reasons for non-utilisation of grants were not furnished to Audit.

**Audit findings**

## 4.3 Financial Mechanism

### 4.3.1 Irregularities in the disbursement of arrears of salary

The Department approved (March 2019), w.e.f. January 2016, the revised pay scales of the teaching and non-teaching staff of the Universities, as per the Seventh Central Pay Commission (7$^{th}$ CPC). The Directorate of Higher Education of the Department instructed (May 2020) Universities to pay the arrears of salaries, only after due verification by the Pay Verification Cell (PVC), established by it, for this purpose.

According to Condition 6 of the grant sanctioning letter (March 2020) of the Department, the Universities were to make payments of arrears of salaries, related to the 7th CPC, into the bank accounts of the employees concerned, through the Comprehensive Financial Management System (CFMS)[15].

Section 192 of the Income Tax Act, 1961, provided that any person responsible for paying any income chargeable under the head "salaries" shall, at the time of payment, deduct Income Tax computed on the basis of rates in force for the financial year in which the payment is made, on the estimated income of the assesses under this head for that financial year.

In course of audit, discrepancies relating to: (i) payment of arrears without verification (ii) excess payment of arrears and (iii) non-deduction of income tax at source on the arrears of salaries *etc*., were noticed as under:

- **Payment of arrears of salary without verification**

During test-check of the records of five of the selected universities, Audit observed that the arrears of salaries, of teaching and non-teaching staff, amounting to ₹ 48.28 crore, had been disbursed, without due verification through the PVC. University-wise details, of the disbursement of the arrears of salaries, are shown in **Table 4.3**.

**Table 4.3: Arrears of salaries disbursed without getting them verified from the Pay Verification Cell**

***(₹ in crore)***

| Sl. No. | University | Category of staff | Amount of the arrears of salary, disbursed without verification from PVC | Period during which payments were made |
|---|---|---|---|---|
| 1 | KSDSU | Teaching | 16.39 | March to July 2021 |
| 2 | LNMU | Teaching | 9.38 | September to December 2021 |
| 3 | MMHAPU | Non-teaching | 1.07 | March 2020 and March 2021 |
| 4 | PU | Non-teaching | 9.60 | Not available |
| 5 | VKSU | Teaching | 11.84 | Not available |
| **Total** | | | **48.28** | |

*(Source: Records provided by the Universities)*

Five test-checked Universities, mentioned in **Table 4.3**, did not provide, category-wise details of the staff, or even the total number of staff, to whom these arrears of ₹ 48.28 crore had been paid. Payment of arrears, to employees, without due verification by the PVC, which had been established for this purpose, resulted in excess payment of arrears, as detailed in the succeeding sub-paragraph.

Three of the other test-checked Universities, *viz*. BRABU, JPU and TMBU, did not provide the related records.

[15] *CFMS, a treasury management system of the Finance Department, GoB, is intended for complete automation of the public finance management lifecycle (budget preparation, execution, revenue, expenditure, accounting etc.).*

LNMU replied that payment of difference of arrears of salary, had been made without verification from the PVC, due to pressure from the teachers' union.

Department replied (January 2024) that: (i) in MMHAPU, pay verification cell was not in existence till 2022 (ii) in VKSU, arrears of salary was paid without waiting response of PVC and (iii) in KSDSU, verification of pay by PVC was under process.

The reply of the Department was not acceptable, as Pay Verification Cell was established for all the universities and payments were made without required verification.

- **Irregular transfer of arrears of salaries in the accounts of colleges**

In KSDSU, Audit observed transfer of arrears of salaries of 201 college teachers, amounting to ₹ 14.41 crore, in University's bank account, from the treasury, through CFMS. Thereafter, this amount was transferred irregularly into the bank accounts of the colleges concerned, instead of remitting directly into the bank accounts of the concerned employees.

Department stated (January 2024) that due to technical error, some payments were made through bank account, during this period. Presently, all payments are made through CFMS.

The reply of the Department itself indicated that payments were not made into the employees' bank accounts through CFMS.

- **Non-deduction of Income tax at source, on payment of arrears of the salaries**

Test-check of records of KSDSU, showed that the University, on account of the 7$^{th}$ CPC, had paid (May to July 2021) arrears of salaries, amounting to ₹ 14.41 crore, for the period from January 2016 to March 2019, to 201 teachers. Income Tax at source, was to be deducted at the prescribed rates, while making payments of arrears of salaries. Income Tax at source, amounting to ₹ 4.32 crore[16] (at the rate of 30 *per cent*), however, had not been deducted at the time of payment, in contravention of the provisions of the Income Tax Act, as mentioned above.

In this regard, Audit also observed that the University had issued (February 2020) an office order, for deducting Income Tax, while making payments of arrears of salaries. However, in March 2021, another office order, for making payments of arrears of salaries of the staff was issued, wherein deduction of Income Tax, on the arrears of salaries, had not been mentioned. The University, in view of this order, had made the payments of arrears, without deduction of Income Tax amounting to ₹ 4.32 crore, at source.

Department replied (January 2024) that Income Tax had been deducted in FY 2021-2022, through the concerned colleges.

The reply of the Department was not supported by any documentary evidences. Further, arrears of salaries were transferred directly to the bank accounts of the colleges instead

[16] *The Average gross salary, including the payment of arrears made to the teachers, was more than ₹ 15 lakh. Therefore, Income Tax was calculated at the rate of 30 per cent, on the payment of the salaries and arrears of ₹ 14.41 crore.*

of transferring them into the concerned employees bank accounts through CFMS and provisions of Income Tax Act, 1961, were not adhered to.

- **Excess payment of the arrears of the salaries**

In light of the provision mentioned in the previous paragraph, Audit observed that, in KSDSU, arrears of salaries, amounting to ₹ 14.41 crore, had been disbursed to 201 teachers of the constituent colleges, without getting their pay verified from the PVC. Audit further checked the pay slips of 52 teachers, whose pay had been verified by the PVC, and found that salaries of 22 teachers had been verified and fixed at a lower amount by the PVC, in comparison to the pay fixed by the University. According to the pay slips verified from the PVC, arrears, amounting to ₹ 1.21 crore only, were payable to these 22 teachers. However, payments amounting to ₹ 1.80 crore, had actually been made to these employees, as per their pay fixed by the University, calculated on the basis of inflated salaries.

Therefore, due to payment of arrears, without due verification of pay fix by the PVC, payments of ₹ 0.59 crore to 22 teachers[17], had been made irregularly and in excess of their entitlements.

Department did not furnish response to the audit observation (as of June 2024).

***Recommendation: Department may examine the cases of payments of arrears of salaries, made on the basis of the recommendations of the 7<sup>th</sup> CPC, in all the Universities.***

The above-mentioned irregularities, *viz*. payment of arrears of salaries without verification from the PVC and/or without deduction of income tax; excess payment of arrears; and payment of arrears to the colleges' account, instead of the beneficiaries' accounts, were indication of the poor financial control mechanism, in the Universities.

### 4.3.2 Implementation of the National Pension Scheme

The Finance Department, GoB, vide a resolution (August 2005), implemented the National Pension Scheme (NPS) for the employees of the State Government, including employees of Government Universities, who has been appointed on and after 1 September 2005. Further, as per another resolution (January 2019), 10 *per cent* of the salary was to be deducted and to be deposited, together with 14 *per cent* (previously, it was at the rate of 10 *per cent*) matching contribution made by the Government (employer). In case of non-deposit/ delayed deposit of the deducted amount and matching contribution, the amount was to be deposited, along with interest, at the rate, as applicable on the General Provident Fund (GPF).

[17] *Ramautar Goutam Sanskrit College, Ahilyasthan, Darbhanga (one employee); Akhil Bhartiya Sanskrit Vidyapeeth, Khamar, Begusarai (one employee); Baba Saheb Ram Sanskrit College, Pacharhi, Darbhanga (one employee); Government Sanskrit College, Kajipur, Patna (four employees); M.A. Rameshwar Lata Sanskrit College, Darbhanga (two employees); Raghvendra Sanskrit College, Taretpali, Patna (two employees); Bharteshwari Marwari Sanskrit College, Chhapra (six employees) and Gurukul Sanskrit College, Mehiyan, Chhapra (five employees).*

Audit observed that the Department had instructed (March 2015) Universities, after a lapse of almost a decade, to implement the NPS for their eligible employees. As per these instructions, Universities were to register their employees for generation of Permanent Retirement Account Numbers (PRANs)[18]. Further, they were to deposit the amounts deducted from the salaries of the employees, together with matching employers' contributions and up-to-date interest liability, on the sum of both amounts, with the National Securities Depository Limited (NSDL). Subsequently, the Department directed all Universities (July-August 2022) to submit their proposals for demand of employers' matching contribution, along with the interest thereon, to be payable to the NSDL.

Audit scrutiny revealed that:

(i) In seven[19] of the test-checked universities, PRANs had been generated for only 342 (19 *per cent*), out of 1,795 eligible employees, and for the remaining 1,453 employees, PRANs had not been generated, as detailed in ***Appendix-4.3 (A)***, in contravention of the instructions of the Department.

Department replied (February-March 2024) that necessary action was being taken to ensure generating PRAN for all the eligible employees of the Universities.

The reply of the Department is not satisfactory, as the facts remains that the PRAN, in respect of all the employees could not be generated.

(ii) Further, in LNMU, MMHAPU and PU, NPS contribution, amounting to ₹ 23.34 crore, deducted from the salaries of 727 employees, between January 2015 and October 2022, had been kept deposited in the bank accounts of these Universities. The amount of NPS contribution, that had been deducted from the salaries of employees, but had not been deposited with the NSDL, along with the employer's matching contribution, is detailed in ***Appendix-4.3 (B)***.

Due to keeping of the employees' contribution in savings bank accounts, without completing necessary formalities relating to the NPS and without depositing the employers' matching contribution with the NSDL, the employees remained ineligible for availing for the benefits of NPS, despite deduction of their contribution. Moreover, an additional liability, to pay interest on the employees' and employers' contributions, from the date they had become due, had also been created, as the Universities had not deposited the deducted amounts, along with their matching contributions, to the NSDL.

Department replied (January 2024) that in PU, due to non-receipt of required documents from the concerned employees, deposition of NPS contribution was under process. In the case of LNMU and MMHAPU, the employer's contribution was yet to be received from the Government.

Reply of the Department is not tenable, as the amount to be deposited includes deduction made since January 2015.

[18] *PRAN is a unique 12-digit number that identifies individuals who have been registered under NPS.*

[19] *BNMU, KSDSU, LNMU, MMHAPU, PPU, PU and VKSU.*

### 4.3.3 Irregularities in payment of allowances and salaries

➢ **Excess payment of House Rent Allowance to University employees**

A Resolution (October 2017) of the Finance Department, GoB, prescribed that House Rent Allowance (HRA) would be payable to the employees of the State Government, according to their place of posting. The rate of HRA was prescribed at eight *per cent* and below in the State (except for a rate of 16 *per cent,* which would be payable in Patna urban agglomerations). The Department had adopted (March 2019) this resolution for the employees of the Universities.

Test-check of the records of LNMU, Darbhanga, revealed that HRA, amounting to ₹ 53.72 lakh, for the period from March 2020 to July 2022, had been paid to 39 to 128[20] employees of six colleges, in excess of their entitlements (eight *per cent* and below). Similarly, in KSDSU, HRA, amounting to ₹ 34.11 lakh, for the period from February 2020 to January 2022, had been paid to 33 to 36 employees of six colleges, in excess of their entitlements, as detailed in ***Appendix-4.4***.

Department accepted the audit observation and replied (January 2024) that recovery was initiated from the salaries of the employees since January 2023.

The reply of the Department was, however, not supported by any documentary evidences.

➢ **Excess payment of HRA to employees of the outsourced Security Agency**

The Directorate General of Resettlement (DGR), Ministry of Defence, GoI, defined (w.e.f 1st April and 1st October every year) the rates of HRA for re-employed DGR security personnel. As per the rates defined, the HRA was to be paid at the rate of eight *per cent* in category 'C' cities[21] of the State. As per Section 13 (b) of the Minimum Wages Act, 1948, security guards, deployed by the outsourcing security agencies, were entitled for a paid rest day, in every period of seven days. Further, according to Section 2 (h) of the Act *ibid,* 'Wages' included all remuneration, including HRA payable to an employee.

Test-check of records of LNMU revealed that the University, for the purpose of deployment of security personnel, had executed (April 2021) an agreement with an outsourcing agency[22]. In this regard, Audit observed that, not only in the Notice Inviting Tender (NIT), but also in the agreement executed with the agency, payment of HRA, at the rate of 16 *per cent,* had been mentioned, although the Darbhanga urban agglomerations were under category 'C', for the purpose of calculation of HRA. Accordingly, HRA amounting to ₹ 24.74 lakh, had been paid irregularly to the agency, in respect of 68 to 85 security personnel, deployed between April 2021 and September 2022, as detailed in ***Appendix-4.5.***

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20 *Range of employees has been given, as, in different months, different numbers of employees were posted in the respective colleges.*

21 *Those cities that are not covered under 'A' and 'B' categories. In Bihar, except for Patna, all cities are under this category.*

22 *Samanta Securities and Intelligence Services Pvt. Ltd., Patna.*

Payment of HRA to employees of two Universities, as well as security personnel of outsourced agency, at rates higher than the rates prescribed for their places of posting, in contravention of the above provisions, indicated the inadequate financial management system in the Universities. This resulted in excess expenditure, amounting to ₹ 1.17 crore (₹ 92.48 lakh to the employees and ₹ 24.74 to the security personnel), by the Universities.

Department did not furnish response to the audit observation (as of June 2024).

- **Payment of salary after superannuation**

Test-check of records of KSDSU revealed that the University, while making annual budgetary proposals for FY 2018-19, had demanded funds, for payment of salaries of two of its superannuated employees. Salaries, amounting to ₹ 7.56 lakh, had been paid to these two teaching employees, even after their superannuation, for the months of September 2018 to March 2019, and ₹ 0.28 lakh had been paid to a non-teaching employee, for the month of February 2019, indicating the inadequate budgetary and financial control management of the University.

Department replied (January 2024) that payment was made inadvertently and was later refunded by the concerned to the University.

However, an amount of ₹1.03 lakh, was yet to be recovered from the concerned.

### 4.3.4 Irregularities in regard to University Grant Commission (UGC), Rashtriya Uchchatar Siksha Abhiyan (RUSA) grants

- **Non-receipt of UGC grants, due to non-utilisation of earlier grants**

Paragraph 4.1 of the UGC guidelines for general development (to be implemented during XII$^{th}$ Five Year Plan) defined the basic objectives of releasing general development grants, *i.e.*, development of infrastructure and other facilities and enhancement of the quality of education in higher educational institutions. Further, Paragraph 6.7 provided that the next instalments of grants were to be released only after receipt of utilization certificates for the grant released previously.

Audit observed that UGC had allocated (August 2012 to July 2013), general development grants of ₹ 46.35 crore, for infrastructure development, to KSDSU, LNMU, PU and VKSU. These grants were to be utilised up to 31.03.2017. An instalment of ₹ 18.53 crore (40 *per cent*) had, thereafter, been released (August 2012 to July 2013) to these Universities and further instalments were to be released only after receipt of the utilisation certificates of the grants released previously. However, the grants released had not been utilised fully by the Universities (as of November 2022). Due to non-utilisation of the previously released instalments of the grants, within the stipulated period, the remaining instalments of the grants, amounting to ₹ 27.82 crore (60 *per cent*), had not been released to these Universities, as detailed in **Table 4.4**.

**Table 4.4: Non-receipt of general development grants**

*(₹ in crore)*

| Sl. No. | University | Periods in which Grants had been sanctioned and instalments had been released | Amount allocated | Released amount | Amount unutilised (as of) | Amount of grant not received |
|---|---|---|---|---|---|---|
| 1 | KSDSU | August 2012 and July 2013 | 9.79 | 3.91 | 0.91 (June 2022) | 5.88 |
| 2 | LNMU | July 2013 | 14.33 | 5.73 | 1.67 (November 2017) | 8.60 |
| 3 | PU | June 2013 | 12.53 | 5.01 | Not available | 7.52 |
| 4 | VKSU | August 2012 and July 2013 | 9.70 | 3.88 | 0.01 (September 2022) | 5.82 |
| **Total** | | | **46.35** | **18.53** | **2.59** | **27.82** |

*(Source: Records/information provided by Universities)*

As evident from **Table 4.4**, these Universities had failed to receive the remaining instalments (60 *per cent*) of the development grants, amounting to ₹27.82 crore, due to non-utilisation (as of November 2022) of ₹ 2.59 crore (14 *per cent*), of the earlier received grants of ₹ 18.53 crore. This was indicative of the inadequate financial control mechanism in these universities. Further, the objective of creating the desired infrastructure, in these universities, had not been fulfilled. The remaining seven[23] Universities did not provide records related to UGC grants and their utilisation.

Department accepted the audit observation.

➢ **Creation of avoidable liability of interest**

Clause 6 of the sanction letters (August 2012 to July 2013) of the UGC grants, for the development[24] and coaching schemes[25], provided that the Universities had to furnish utilization certificates, for the funds released, at the earliest, after closing of the financial year in which the funds had been released. Further, Clause 10 of these letters stipulated that, in case of non–utilization/partial utilisation of the funds, simple interest, at the rate of 10 *per cent* per annum, would be charged from the date of drawal, to the date of refund of the unutilized amount.

Audit observed that KSDSU, LNMU and PU, had received (August 2012 to July 2013) UGC grants, amounting to ₹ 2.00 crore, for development and career-oriented coaching. However, funds amounting to ₹ 199.66 lakh had remained unutilised and had been kept parked (till November 2022) with these universities. These funds had been kept parked in the universities' bank accounts, in contravention of the conditions of the grant sanctioning letters and this had resulted in creation of an avoidable interest liability, amounting to ₹ 1.88 crore, as detailed in **Table 4.5**.

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23 *BRABU, JPU, BNMU, TMBU, PPU, AKU and MMHAPU.*

24 *Includes assistance for consolidation of existing infrastructure and for modernising teaching, research and administration activities.*

25 *Coaching Schemes for Scheduled Caste, Scheduled Tribes, Other Backward Classes and Minorities at undergraduate and postgraduate level, in order to enhance their employability and success in National Eligibility Tests/State Eligibility Tests.*

**Table 4.5: Interest liability created due to non-utilisation of grants**

***(₹ in lakh)***

| Sl. No. | University | Grant received in | Amount of unutilised grant | Grant remained unutilised up to | No. of years *(approx.)* | Interest (@ 10 *per cent per annum*) |
|---|---|---|---|---|---|---|
| 1 | KSDSU | December 2012 | 57.00 | June 2022 | 9.5 | 54 |
| 2 | KSDSU | July 2013 | 91.21 | June 2022 | 9 | 82 |
| 3 | LNMU | August 2012 | 22.50 | November 2022 | 10 | 23 |
| 4 | PU | August 2012 | 28.95 | November 2022 | 10 | 29 |
| **Total** | | | **199.66** | | | **188** |

*(Source: Records/information provided by Universities)*

As evident from **Table 4.5**, non-utilisation of the grants received had resulted in creation of avoidable liability of interest, amounting to ₹ 1.88 crore. Five[26], out of the 11 test-checked universities, had not provided records related to the utilisation of UGC grants.

In this regard, it was noted that UGC had reminded (November 2017 to February 2022) the Universities to submit Utilisation Certificates for the grants released, stating that, by failing to do so, the Universities would be liable to refund the entire amount of grants, along with the amount of penal interest.

Grants remaining unutilised up to approx. 10 years, indicated the lackadaisical approach of these Universities, as non-utilization of these grants would have deprived the stakeholders from the intended benefits of the schemes. Besides, these Universities were liable to pay penal interest, putting an additional financial burden on them.

Department confirmed (January 2024) the audit observations regarding KSDSU but did not furnish reply about remaining two Universities.

➢ **Non-receipt of infrastructure grants from RUSA, due to non-accreditation from National Assessment and Accreditation Council (NAAC)**

Chapter 6 (g) of the RUSA guidelines, stipulated that NAAC accreditation was mandatory for all Universities, in order to receive infrastructure and equipment related funding under RUSA.

Audit observed that the Planning and Approval Board of RUSA had sanctioned ₹ 100 crore (₹ 20 crore to each university) and released ₹ 65.00 crore, between February 2015 and May 2018, for creation of infrastructure, to five[27], out of the 11 test-checked Universities. The remaining six test-checked Universities[28] had not received any grants from RUSA[29], as they had not received accreditation from NAAC.

Thus, only five, out of the 11 test-checked Universities, had received NAAC accreditation, despite NAAC accreditation having been made mandatory. Due to

[26] *VKSU, BNMU, BRABU, JPU and TMBU.*

[27] *LNMU (₹ 20 crore), BRABU (₹ 15 crore), KSDSU (₹ 10 crore), TMBU (₹ 10 crore) and PU (₹ 10 crore).*

[28] *PPU, VKSU, JPU, AKU, BNMU and MMHAPU.*

[29] *Development work related RUSA grants were to be shared between the Centre and the State in the ratio of 60:40.*

non-receipt of such accreditation, the remaining six test-checked Universities had not received any RUSA grants and the students enrolled in these Universities had been deprived from the benefits of the facilities that could have been created out of RUSA grants.

Department did not furnish response to the audit observation (as of June 2024)

➢ **Loss of interest due to non-maintenance of saving bank account by LNMU**

The State Project Director, State Higher Education Council (SHEC)[30], instructed (October 2015) LNMU to open a separate savings bank account, for the amount received under RUSA. The State Bank of India (SBI) had offered interest, at the rate of 2.70 *per cent* to 3.5 *per cent,* on the amounts deposited in its savings bank accounts, during 2016-21.

Test-check of records of the LNMU showed that, despite receiving these instructions from the Council, grant of ₹ 15.00 crore, received (May 2016 and May 2018), under RUSA, had been kept in SBI's current bank account, during 2016 to 2021 (up to December 2021). The balance grant, amounting to ₹ 3.47 crore, had been remitted to the SHEC, on being directed by the Council to do so. As a result, the University had suffered a loss of ₹ 82.03 lakh, in the form of interest, which would have accrued during 2016-21, as detailed in ***Appendix-4.6***. Loss of this interest, amounting to ₹ 82.03 lakh, could have been avoided by opening a savings account, in observance of the instructions issued by the SHEC.

Department accepted the audit observation and stated (January 2024) that efforts were being made to convert current bank account to savings bank account.

➢ **Diversion of RUSA grant**

Further scrutiny of records of the LMNU revealed that the SHEC, on the basis of proposal received (May 2016) from the University, had sanctioned (June 2016) an amount of ₹ 15.51 lakh, under the 'Instrument' head, for purchase of various instruments, *i.e.* cameras, lights, projector (only up to ₹ 0.50 lakh), various musical instruments, computers *etc*. The University, however, by diverting the grant, had irregularly purchased (March 2018), other items, costing ₹ 15.22 lakh (Projector: ₹ 6.42 lakh; DG set: ₹ 8.68 lakh and Ceiling fans: ₹ 0.12 lakh), instead of purchasing the approved items.

Thus, non-adherence to the stipulated norms and instructions of the UGC, SHEC and RUSA, had resulted in the Universities being deprived of RUSA/UGC grants, creation of avoidable liability of interest and loss of interest, that would have accrued by opening a savings bank account.

Department did not furnish response to the audit observation (as of June 2024)

### 4.3.5 Non-submission of utilisation certificates for grants received

Rule 271 of the Bihar Treasury Code, 2011, stipulated that the sanctioning authority was to obtain the utilisation certificate (UC) and audited account, from the grantee

30 *SHEC plays the central role in delivering the vision of RUSA, in the State.*

agency/ institution, within 18 months of the release of funds to them.

Audit observed that nine of the test-checked Universities (*i.e.,* except AKU and TMBU), during the period from 2009-10 to 2020-21, had received grants amounting to ₹ 252.74 crore, from the Departments of Education; Minority Welfare, GoB, and SHEC (RUSA grant), in regard to Library, Laboratory, Coaching *etc*. These Universities were required to submit UCs for this amount, within the stipulated period of 18 months. They had, however, not submitted UCs for an amount of ₹ 101.53 crore (as of November 2022), as detailed in ***Appendix-4.7***.

Due to non-submission of UCs, it could not be ascertained whether the grants had been utilised for the purposes for which they had been sanctioned. Non-utilisation of grants implied that students had remained deprived of the intended benefits that would have accrued out of these grants.

AKU and TMBU did not produce records related to the receipt and utilisation of the grants, to Audit.

Department replied (January-March 2024) that: (i) BNMU, JPU, PU and VKSU had submitted the UCs and (ii) UCs related to LNMU, would be submitted shortly. Department, however, did not furnish status of remaining four Universities. Further, reply related to BNMU, JPU, PU and VKSU was not supported by any documentary evidences.

### 4.3.6 Non-adjustment of advances

Rule 318 of the Bihar Treasury Code, 2011, stipulated that, under no circumstances, was the adjustment of the advance to be kept pending after the end of the financial year. Further, the second advance was to be sanctioned only after adjustment of the first advance.

Audit scrutiny of records of 10 of the test-checked Universities (*i.e.,* except PU, which had not provided data in this regard) revealed that, during the financial years 2008 to 2022, advances had been sanctioned to the employees of these Universities, for conducting examinations, sports activities and contingencies *etc*. Audit noticed that, as of November 2022, advances amounting to ₹ 77.30 crore, had remained unadjusted. Out of these advances of ₹ 77.30 crore, advances amounting to at least ₹ 14.83 crore, had remained unadjusted for more than five years (as detailed in ***Appendix-4.8***).

Audit further observed that: (i) in multiple cases, subsequent advances had been given to the same officials, without adjustment of earlier advances (ii) only designations, instead of the names of the employees against whom advances had been outstanding, were found mentioned, in KSDSU and LNMU (iii) in LNMU, during FYs 2015-16 to 2021-22, advances of ₹ 1.39 crore, given to 11 colleges/PG departments of other universities[31], and to a private agency[32], remained unadjusted, as of November 2022 and (iv) advances amounting to ₹ 39.85 lakh, sanctioned to four superannuated employees, during FYs 2015-17 had remained outstanding as of November 2022. As such, the

[31] *For evaluation of answer sheets.*
[32] *Pinki Tent House, Darbhanga.*

chances of recovery of an amount of ₹ 1.79 crore, sanctioned as advances, in these cases, were remote.

Non-adjustment of advances for such a long period carried the risk of misappropriation of funds, and was indicative of the poor financial control mechanism in these universities.

Department replied (January-March 2024) that process of adjustment of advances was under progress in BNMU, JPU, KSDSU, LNMU, PPU, TMBU and VKSU. The Department, however, did not furnish the status of adjustment, related to the remaining three universities.

### 4.3.7 Loss/blockage of funds, due to non-claiming of exemption of Income Tax deducted by banks

Section 10 (23C) (iii ab) of the Income Tax Act, 1961, provided that any University or other educational institution existing solely for educational purposes and not for the purpose of profit and wholly or substantially financed by the Government, was fully exempted from payment of Income Tax. Further, Section 197 of the Act *ibid*, provided that a certificate of 'No deduction of Tax', from the Income Tax Department, was to be obtained by the University and was to be submitted to the concerned bank, to avoid deduction of tax at source (TDS). However, if a certificate of 'No deduction of Tax' had not been obtained and tax had been deducted by the bank, the University was to claim refund, by filing an Income Tax Return (ITR), under Section 139 of the Act *ibid*.

Audit observed, in KSDSU, LNMU and MMHAPU, that, during FYs 2011-12 to 2021-22, Income Tax, amounting to ₹ 5.10 crore, had been deducted at source (TDS), by the concerned banks, on the amounts of interest earned on account of the term-deposits kept with them, as detailed in **Table 4.6.**

**Table 4.6: Loss due to non-claiming of exemption/refund of Income Tax Deducted at Source**

***(₹ in crore)***

| Sl. No. | University | Period (FYs) | Amount of TDS |
|---|---|---|---|
| 1 | KSDSU | 2016-2017 to 2021-22 | 2.32 |
| 2 | LMNU | 2015-16 to 2020-21 | 2.37 |
| 3 | MMHAPU | 2011-12, 2013-14, 2015-16 to 2021-22 | 0.41 |
| **Total** | | | **5.10** |

*(Source: Records/information provided by Universities)*

These three Universities had neither submitted certificates for 'No deduction of Tax' with the banks, for exemption from TDS, nor had they filed ITRs for refund of the tax that had already been deducted at source by the banks, and had, thereby, suffered loss/ blockage of ₹ 5.10 crore.

Non-claiming of exemption from TDS indicated the weak internal control in the financial systems of these Universities. Six of the test-checked Universities[33] had not provided

[33] *PU, VKSU, BNMU, JPU, BRABU and TMBU.*

details regarding TDS deducted by the banks and no such findings were noticed in the remaining two[34] Universities.

On this being pointed out (September 2022), LNMU filed (December 2022) ITR for the financial year 2021-22 and claimed refund of TDS ₹ 95.86 lakh, against which orders for refund of ₹ 1.01 crore (including interest ₹ 5.75 lakh) had been issued (as of June 2023).

Department replied (January 2024) that: (i) efforts were being made to get the refund of TDS in MMHAPU and LNMU and (ii) in KSDSU, the TDS deducted had been refunded. The reply of the Department was, however, not supported by any documentary evidences.

### 4.3.8 Avoidable payment of penalty in regard to Property Tax

As per Rule 13 of the Bihar Municipal Property Tax (Assessment, Collection and Recovery) Rules, 2013, every assessee was required to self-assess its tax liability in a timely manner and to pay it regularly to the Municipality, without waiting for a demand notice. Further, as per Rule 12 of the Rules *ibid*, if the property tax liability, of a financial year, was paid after 30th September of next financial year, penal interest, at the rate of 1.5 *per cent* per month, was to be levied.

Test-check of records of the PU revealed that the University, and its colleges, had not made timely assessment and payment of property tax, to the Patna Municipal Corporation. Accordingly, the Corporation had raised (February 2019) a demand notice amounting to ₹ 12.35 crore (including penalty amounting to ₹ 6.12 crore), against the University and its colleges (six), for the period from FY 1995-96 to FY 2018-19. The University, in response to this notice, had paid (March 2019) ₹ 11.23 crore (including penalty of ₹ 6.04 crore) to the Corporation. The University could have avoided this payment of penalty amounting to ₹ 6.04 crore, by timely assessment and payment of Property Tax.

Audit further observed that, despite payment of penalty (March 2019), the University had not assessed and paid property tax, in a timely manner, for the subsequent years as well, and arrears, amounting to ₹ 4.51 crore (including penal amount of ₹ 1.49 crore), had again been paid (March 2023) by it.

Five of the test-checked Universities[35] did not produce records relating to payment of Property Tax to the concerned Municipal Corporations.

Had the University taken action for timely assessment and payment of property tax, payment of penalty, amounting to ₹ 7.53 crore, could have been avoided.

Department did not furnish response to the audit observation (as of June 2024)

### 4.3.9 Avoidable payment of electricity delay surcharge

Section 17 of the Bihar Electricity Duty Act, 1948, read with tariffs issued by the Bihar Electricity Regulatory Commission, from time to time, stated that, in case of non-

[34] *AKU and PPU.*

[35] *VKSU, BNMU, JPU, BRABU and TMBU.*

payment of energy bills by the consumer, in full, after the due date specified in the bill, a delayed payment surcharge (DPS) on the outstanding principal amount of the bill, was to be levied from the original due date for payment, until the full payment was made.

Audit observed, in eight of the test-checked Universities (*i.e.*, except for AKU, MMHAPU and PPU) that these Universities had not been paying their electricity bills in a timely manner, resulting in avoidable payment of DPS, amounting to ₹ 3.01 crore, on delayed payment of electricity bills, as detailed in **Table 4.7**.

**Table 4.7: Avoidable payment of delayed payment surcharge on electricity bills**

***(₹ in lakh)***

| Sl. No. | University | Period of electricity bill | Avoidable payment of DPS |
|---|---|---|---|
| 1 | BRABU | 10/2013 to 02/2022 | 242.00 |
| 2 | BNMU | 02/2015 to11/2021 | 7.73 |
| 3 | JPU | 12/2016 to 07/ 2021 | 3.88 |
| 4 | KSDSU | 02/2017 to 02/2022 | 2.10 |
| 5 | LMNU | 02/2015 to 08/2021 | 1.57 |
| 6 | PU | 2018-19 to 2021-22 | 37.97 |
| 7 | TMBU | 04/2016 to 05/2017 | 0.83 |
| 8 | VKSU | 06/2015 to 03/2022 | 4.94 |
| **Total** | | | **301.02** |

*(Source: Records/information provided by Universities)*

As can be seen from **Table 4.7**, had the Universities paid the electricity bills in a timely manner, they would have saved these avoidable payments of ₹ 3.01 crore, made on account of DPS. However, the Universities had failed to do so, which was indicative of weak internal financial control therein.

Department replied (January-March 2024) that efforts were being made to make the payment of electricity bills timely. In case of BNMU, JPU and VKSU, surcharge was paid due to non-receipt of electricity bills timely. The fact, however remains that timely payment of electricity bills could have saved the avoidable payments of DPS.

### 4.3.10 Irregularities in payment and deduction of GST

Government of India (GoI) and Government of Bihar (GoB), notified (June 2017) the Central Goods and Services Tax (CGST) and Bihar Goods and Services Tax Rules, respectively, which came into effect from 01 July 2017. Irregularities, relating to the payments made and the levies/ deductions effected, in regard to GST, are discussed below:

➢ **Incorrect payment of GST**

Scrutiny of records of the KSDSU revealed that the University had engaged an agency[36] for pre and post examination related works (from registration of students, to finalisation

[36] *NICT Computing Private Limited, Patna.*

of results). The agency had claimed (March 2021) an amount of ₹ 2.54 crore, including interest and penalty for delays in making payments, for the period from FY 2012-13 to FY 2016-17. The University had negotiated the claim with the agency and agreed (April 2021) to pay ₹ 1.15 crore.

Subsequently, the University had decided (April 2021) to pay an additional amount of ₹ 20.66 lakh, on account of GST (at the rate of 18 *per cent*), along with the agreed payment of arrears of ₹ 1.15 crore, to the agency. As the arrears of ₹ 1.15 crore were related to the period from FY 2012-13 to FY 2016-17 and the supply of services/ goods had been made before implementation of the GST Act, the University was not liable to pay GST on this amount. By doing so, however, the University had created an additional liability of ₹ 20.66 lakh and had made payment of ₹ 14.40 lakh (April-September 2021), on this account, to the agency, irregularly.

Therefore, the decision of the University, to make payment of GST, for services/ goods that had been received during the period prior to the implementation of the GST Act, had led to avoidable expenditure of ₹ 14.40 lakh.

The Department accepted the audit observation and replied (January 2024) that an amount of ₹ 14.40 lakh has been withheld, from the bills due to the agency.

➢ **Non-levy of GST on taxable services**

Government of India, issued (June 2017), the Goods and Services Tax Notification 11/2017 (Rate), stipulating that levy of GST, at the rate of 18 *per cent* (CGST & SGST @ 9 *per cent* each), was leviable on payments made to agencies providing security services to higher education institutions.

During test-check of records of the LNMU, Audit noticed that, during July 2017 to April 2018, the University had received security services from an outsourcing agency[37]. Against these services, the University had made payment of ₹ 39.48 lakh to the agency. However, though GST, at the rate of 18 *per cent*, was leviable on the bills raised by the agency, the University had not levied GST, while making payments against the bills submitted to it. Non-levy of GST, against the taxable security services, had resulted in loss of revenue of ₹ 7.10 lakh[38], to the State Government, as well as to the Central Government.

Department did not provide specific reply to the audit observation.

➢ **Non-deduction of TDS of GST**

Section 51 (1) of the Central Goods and Services Tax Act, 2017, and the Bihar Goods and Services Tax Act, 2017, provided for deduction of Goods and Services tax, at the rate of two *per cent*, from payments made to suppliers of taxable goods or services or both, where the total value of supply exceeded two lakh and fifty thousand rupees in

[37] *The University did not provide records related to hiring of the outsourcing agency, which had provided the security services.*

[38] *₹ 3.55 lakh each to the State Government and Central Government, on account of SGST and CGST, respectively.*

a year. Further, these provisions were to be *mutatis mutandis* applied to the Integrated Goods and Services Act, 2017[39].

Test-check of records of PPU and PU revealed that, during the period from September 2018 to August 2022, these two Universities had made payments of ₹ 19.74 crore, on account of supply of taxable goods/services received from suppliers. The Universities had, however, not deducted TDS, amounting to ₹ 39.48 lakh, from the bills of the concerned suppliers, against supplies of taxable goods and services, as detailed in ***Appendix-4.9***. Failure of the Universities, in deducting TDS of GST, on account of supply of taxable goods/ services from the suppliers, in contravention of the provisions *ibid,* had resulted in loss of revenue, amounting to ₹ 39.48 lakh, to the Government.

BNMU, JPU, TMBU and BRABU did not produce records relating to the procurement of goods/ services.

These cases, of non-adherence to the GST related provisions, were indicative of the inadequacies and ineffectiveness of the financial mechanism within these Universities.

Department replied (January 2024) that PPU had deducted GST. The reply, however, was not supported by any documentary evidences. Further, it did not reply for PU.

### 4.3.11 Non-deduction of Building and Other Construction Workers Welfare Cess and Royalty

➢ **Non-deduction of Building and Other Construction Workers Welfare Cess**

Section 3 of the Building and Other Construction Workers' Welfare Cess Act, 1996, provided for deduction of Building and Other Construction Workers Welfare Cess, at the rate one *per cent* of the total cost of construction, while executing building and other construction related works. Further, Section 12 of the Building and Other Construction Workers Welfare Cess Rules, 1998, provides for penalty not exceeding the amount of Cess, in case of non-payment.

Test-check of records of LNMU revealed that the University had paid ₹ 5.13 crore, to 14 different contractors, for executing various works, during 2019-21. Although the University was required to deduct the Building & Other Construction Workers Welfare Cess, at the rate of one *per cent*, while making payments to these contractors, it had made payments without deducting the said cess, at the prescribed rate. Consequently, an amount of ₹ 5.13 lakh could not be remitted to the Bihar Building and Other Construction Workers Welfare Fund. (***Appendix-4.10***).

Further, due to non-payment of cess, the University was liable for penalty equivalent to the cess payable.

The Department accepted the audit observation and stated (January 2024) that the Cess was not deducted due to lack of sufficient guidelines and knowledge.

➢ **Non-deduction of Royalty**

[39] *Governs the administration and collection of IGST (a tax that is levied on interstate supply of goods and services).*

Royalty, for the usage of Sand, Stone chips and Bricks, in construction activities, was to be deducted at the rates[40] specified under Schedule-III A of Rule 51 (1) of the Bihar Minerals (Concession, Prevention of illegal Mining, Transportation and Storage) Rules, 2019.

During test-check of records of LNMU, Audit noticed that the University had made payments amounting to ₹ 5.13 crore, to various contractors, for executing 14 different works, during 2019-21. While making payments to these contractors, for executing these works, the University was required to deduct the applicable royalty amount of ₹ 3.47 lakh, at the rates prescribed under the Rule *ibid.* The University had, however, not deducted this amount, in contravention of the above mentioned provisions of the Bihar Mineral Rules, 2019, resulting in loss of revenue to that extent, to the State Government.

Therefore, by not deducting the Cess and royalty amounting to ₹ 8.60 lakh, the University had caused loss of revenue to the Bihar Building and Other Construction Workers Welfare Board (₹ 5.13 lakh and the State Government (₹ 3.47 lakh) respectively, as detailed in ***Appendix-4.10***.

Department replied (January 2024) that royalty was not deductible on these works. The reply of the Department was however, not supported by any suitable criteria.

### 4.3.12 Irregularities in the procurement of goods

As per Rule 131(I) of the Bihar Financial Rules, 2005, limited tender enquiry was to be adopted when the estimated value of the goods to be procured was up to ₹ 25 lakh. In such cases, the number of suppliers, participating in the bidding process, was to be more than three. Further, Rule 131(H) of the Rules *ibid*, provided that, in case of procurement of goods of an estimated value of ₹ 25 lakh and above, the process of procurement through Advertised Tender Enquiry, was to be adopted.

➢ **Procurement of goods without inviting tenders**

Audit observed, in five[41] of the test-checked Universities, that in violation of the provisions of BFR, goods amounting to ₹ 7.96 crore, had been procured, without inviting tenders (limited or advertised), as detailed in **Table 4.8**.

**Table 4.8: Procurement of goods without inviting tenders**

***(₹ in lakh)***

| Sl. No. | University | Period during which the procurements were made | Description of goods | Amount |
|---|---|---|---|---|
| 1 | BRABU | 2017-19 | Question papers | 58.62 |
| | | 2019-20 | Answer books | 31.50 |
| 2 | LNMU | 2017-18 | Computer | 18.27 |
| 3 | MMHAPU | 2017-22 | Question papers | 79.94 |
| 4 | PPU | 2020-21 | Books | 450.00 |
| 5 | TMBU | 2017-22 | Question papers | 158.09 |
| **Total** | | | | **796.42** |

*(Source: Records of the test-checked Universities)*

[40] *Rates of royalty: Sand (₹ 75/m$^3$); Stone chip (₹ 150/m$^3$) and Bricks (₹ 18/ 400).*

[41] *BRABU, LNMU, MMHAPU, PPU and TMBU.*

Procurement of goods, as mentioned in **Table 4.8**, without observing the provisions of BFR, indicated the weak internal financial and administrative controls, in these Universities.

Two of the test-checked universities (BNMU and JPU) did not produce records related to the procurement of goods.

Department confirmed (January 2024) that: (i) in BRABU and LNMU, procurement was made without inviting tenders and (ii) in PPU, procurement was made during COVID-19 in the interest of students. No reply was provided for the remaining two Universities.

➢ **Irregularities in the procurement of Answer Books**

TMBU decided (December 2020 and March 2021) to procure 14 lakh blank answer books, for use in examinations, under various courses. After finalisation of the limited tender enquiry, the University placed (February 2021), a supply order, with M/s Maheshwari Printers & Suppliers, for procurement of 2,55,000 blank answer books. As per the supply order, the books were to be purchased at the rate of ₹ 9.80 per answer book, costing ₹ 24.99 lakh, in total. Thereafter, the University, without assessing the actual requirements, placed (March & June 2021) two subsequent supply orders upon the same vendor, for supply of the same quantity of answer books. These orders were placed, at the rate as decided earlier, on the basis of limited tender. In this way, the University procured a total of ₹ 7.65 lakh answer books, costing ₹ 74.97 lakh. However, the procurement had been divided into three parts, each being valued at ₹ 24.99 lakh. This indicated that the amount of orders had been kept at ₹ 24.99 lakh, with the intention of keeping the estimated value of procurements below the monetary limit of ₹ 25 lakh, to avoid procurement through advertised tender enquiry.

Subsequently, the University invited (August 2021), an advertised tender, for procurement of answer books and the procurement was finalised at a much lower rate of ₹ 3.85 per answer book. The University procured (September 2021) 3.80 lakh answer books, costing ₹ 14.63 lakh only.

Thus, the University, by making procurement at much higher rates and by splitting the procurement, to avoid the prescribed provision of advertised tender, had suffered loss of ₹ 45.52 lakh[42], while procuring 7.65 lakh answer books. Further, the University had procured a total of 11.45 lakh blank answer books, without estimation of the actual requirements in this regard, as during the year 2021-22, only 40,000 (approx.) answer books had been utilised. Procurement of goods, in violation of the provisions of BFR, indicated the weak financial and administrative control in these Universities.

Department replied (March 2024) that although, there were no irregularities in purchase of answer book, audit finding would be kept in mind, in future.

The Department, however, did not provide any documentary evidences in support of its reply.

[42] *₹ 45,51,750= ₹ 5.95 (₹ 9.80 -₹ 3.85) x 7,65,000 blank answer books.*

### 4.3.13 Irregularities in selection of Outsourcing Services

Rule 131 (J) (C) of the Bihar Financial Rules, 2005, provided that, in case of availability of only a single bid for financial evaluation, after evaluation of the technical bids received, fresh tender was to be invited.

➢ **Discrepancies in the finalisation of tenders**

Scrutiny of records of PPU revealed that, for appointment of manpower, including Security Guards, on outsourcing basis, a tender had been floated (August 2021). During the tendering process, only one, out of three bidders, was found to be technically qualified (August 2021). In terms of the BFR, the University was required to cancel the tender and float a tender afresh. The University, however, decided to open the financial bids of two bidders without recording any reasons (including a technically disqualified bidder, as well as the technically qualified bidder), in contravention of the provisions of the BFR. Thereafter, the work order was issued to the lowest bidder[43] (who was also the technically qualified bidder) and an agreement was executed (September 2021), between the University and the agency, for the period from September 2021 to September 2024. Therefore, the work awarded by the University, to the agency was both invalid and irregular. The University had made payments of ₹ 2.90 crore, to the agency, during the period from September 2021 to March 2022.

Audit further noticed that, in PPU, a tender for appointment of manpower (Personal Secretary, Computer Operator, MTS, Accountant, Driver *etc*.), on outsourcing basis, was floated (August 2018). Clause 1.19 of the Bid Document had not incorporated any provision for appointment of security guards, to the University, within the scope of the tendered works. However, the tender was finalised in the favour of M/s Sybex Support Services Pvt. Ltd. (agency) and the work order, for supply of manpower, including security guards, had been awarded (September 2018), after obtaining (September 2018) a written consent from the agency, in this regard. The outsourcing agency had, accordingly, been engaged for providing security guards, without undergoing the tendering process (as this requirement had not been incorporated in the Bid Document, as well as in the Technical and Financial bids). The University had made payments of ₹ 2.04 crore, to the agency, for providing manpower[44], for the period from September 2018 to December 2019.

Department replied (January 2024) that: (i) single tender was decided as per satisfaction of the Technical Assessment Committee (ii) irregularities occurred were under consideration and would be reviewed and (iii) Government Rules & Regulations would be followed accordingly.

The reply of the Department was not acceptable, as provisions of BFRs were not adhered to.

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43 *M/s Ridhi Sidhi Security Services Pvt. Ltd.*

44 *Copies of the bills raised and payments made, in regard to the security guards, were not provided to Audit.*

## 4.3.14 Unfruitful expenditure on incomplete works

Audit observed that, in BNMU, three works, related to the construction of boundary wall, main gate and extension of buildings, in the new campus, with an estimated cost of ₹ 7.00 crore, had commenced, in November 2011 and March 2015, respectively. The works were to be completed within three to nine months of their commencement. However, even after lapse of seven to 10 years of the scheduled date of completion, these works had not been completed and remained suspended since 2013 and 2021. As of April 2021, the University had incurred expenditure of ₹ 2.80 crore only, on these works, as detailed in **Table 4.9**.

**Table 4.9: Incomplete works at BNMU (as of October 2022)**

***(₹ in lakh)***

| Sl. No. | Work (in new campus) | Agreement value | Date of commencement of work | Scheduled date of completion | Work stopped since | Expenditure incurred till date | Delay in years (*approx.*) |
|---|---|---|---|---|---|---|---|
| 1 | Construction of boundary wall | 350.00 | 07.11.2011 | 06.08.2012 | 10.03.2013 | 113.00/ 26.02.2013 | 10 |
| 2 | Construction of main gate | 125.00 | 07.11.2011 | 06.08.2012 | 10.03.2013 | 48.95/ 13.03.2013 | 10 |
| 3 | Extension of building | 225.00 | 17.03.2015 | 16.06.2015 | 10.03.2021 | 118.28/ 28.04.2021 | 7 |
| | **Total** | **700.00** | | | | **280.23** | |

*(Source: Records provided by the University)*

The inordinate delays (up to 10 years), in completion of these works, indicated that the University had not taken any effective steps for their timely completion. As such, the expenditure of ₹ 2.80 crore only, incurred on these incomplete works, had largely remained unfruitful and the possibility of degeneration of the assets created out of this expenditure, could not be ruled out. This also indicated the ineffective financial and monitoring mechanism within the University.

Department replied (March 2024) that the effective steps were being taken for recovery of excess amount from the contractor. No specific reply was provided for the incomplete works.

## 4.3.15 Irregularities in the maintenance of accounts and records

➢ **Non-preparation of Annual Accounts**

Section 34 (j) of the Bihar State Universities Act, 1976, provided for maintenance of accounts of the income and expenditure of the University. Section 52 (2) of the Act *ibid* provided that a copy of the Annual Accounts of the University, together with the auditor's report thereon, was to be submitted, by the Syndicate of the University, within six months of the receipt of the report, to the State Government, the Chancellor and the Senate. The Chancellor was to publish this report, in the official Gazette of the State Government.

Test-check of records revealed that Annual Accounts, for the period from FY 2017-18 to FY 2021-22, had not been prepared, by eight of the test-checked Universities[45]. Further scrutiny revealed that these Universities had not prepared their balance sheets, income and expenditure accounts and receipts and payment accounts, as well. Due to non-preparation of the Annual Accounts, the State Government, the Chancellor and the Senate, were not in a position to ascertain that: (i) the transactions occurred during the year and (ii) these transactions had been carried out in accordance with the approved budget.

Department agreed (January-March 2024) with audit observation regarding non-preparation of annual accounts in three Universities (JPU, TMBU and VKSU) but did not furnish the status of the remaining five Universities.

➢ **Maintenance of multiple bank accounts**

Rules 176 and 177 of the Bihar Treasury Code, 2011, provided that no money was to be drawn from the treasury in anticipation of demands or to prevent lapse of grants. Further, the Finance Department, GoB, had issued (August 2017 to May 2020) instructions to close unnecessary bank accounts.

Test-check of the records of LNMU and PPU, revealed that:

➢ in LNMU, 80 bank accounts were being operated. Out of these 80 bank accounts, 58 bank accounts, having a total balance of ₹ 26.22 crore (as of March 2021), were inoperative[46].

➢ in PPU, 29 bank accounts were being operated, out of which eight accounts, having a total balance of ₹ 5.81 crore (as of November 2022), were inoperative.

Thus, ₹ 32.03 crore was lying, in 66 inoperative bank accounts, of these two universities, in contravention of the above mentioned rules and instructions.

This was indicative of the weak financial management system in these Universities. Further, the multiplicity of accounts was likely to led to improper management of these accounts, by these Universities.

Department did not furnish reply to the audit observation (as of June 2024).

➢ **Non/ irregular maintenance of Cash Books**

Rules 323 and 324 of the Bihar Board Miscellaneous Rules, 1958 (amended up to 2017), issued by the Finance Department, GoB, provided for maintenance of item-wise subsidiary Cash Books and a General Cash Book. These Rules further provided for recording of date-wise entries for all transactions, in the Cash Books. Separate ledgers, accounts and records, were also required to be maintained, in regard to various funds, representing the grants received from various sources.

Audit observed, in 10 of the test-checked universities (*i.e.*, except for AKU), that: (i) the General Cash Book had not been maintained by them, in contravention of the above-

[45] *BRABU, KSDSU, JPU, LNMU, MMHAPU, PU, TMBU and VKSU.*

[46] *As per RBI, a savings, as well as current account is to be treated as inoperative if there are no transactions in the account for over a period of two years.*

mentioned Rules (ii) the prescribed 142 Subsidiary Cash Books, in respect of eight of these Universities, had either not been maintained, or had been maintained improperly (iii) the Opening and Closing Balances had not been calculated in four Universities and (iv) Cash Books had not been verified by the DDOs concerned, in six of the test-checked universities **(*Appendix-4.11*)**.

Non-maintenance of cash books, as well as irregularities in their maintenance, was demonstrative of the inadequate financial and record-keeping mechanisms of these Universities.

Department replied (January-March 2024) that Cash Books shall be prepared by all the Universities, in accordance with the prescribed provisions.

## 4.4 Administrative Mechanism and Operational Management

### 4.4.1 Delay in publication of results of undergraduate and postgraduate courses

Section 30 (2) of the Bihar State Universities Act, 1976, envisaged that the results of examinations were to be published within 60 days of completion of the concerned examinations. This period could be extended to a period beyond 60 days, for reasons to be recorded in writing.

The information provided by eight (*i.e.,* except for AKU, JPU and PPU) of the test-checked universities, showed that the results of the undergraduate and postgraduate examinations, conducted by these universities, had been published with delays from four to 946 days. Delays in publishing of results, during FYs 2017-18 to 2021-22, are detailed in **Table 4.10.**

**Table 4.10: Delays in publishing of examination results by Universities**

| Sl. No. | University | Total number of examinations conducted | Number of results published beyond 60 days | Percentage of results published with delays | Delay in publishing of results *(in days)* |
|---|---|---|---|---|---|
| 1. | BNMU | 231 | 210 | 91 | 04 to 946 |
| 2. | BRABU | 29 | 22 | 76 | 06 to 205 |
| 3. | KSDSU | 36 | 13 | 36 | 05 to 504 |
| 4. | LNMU | 11 | 11 | 100 | 11 to 194 |
| 5. | MMHAPU | 05 | 02 | 40 | 13 to 62 |
| 6. | PU | 277 | 204 | 74 | 07 to 219 |
| 7. | TMBU | 45 | 30 | 67 | 04 to 136 |
| 8. | VKSU | 25 | 14 | 56 | 23 to 360 |
| | **Total** | **659** | **506** | **77** | |

*(Source: Data provided by the Universities)*

It is evident from **Table 4.10** that the results of 506 examinations (77 *per cent*), conducted by these eight test-checked Universities, during Financial Years 2017-18 to 2021-22, had been published with delays ranging from 04 to 946 days. Further, all the results of LNMU had been published with delays and BNMU had the maximum delays, in terms of the number of days. Publication of results, beyond the prescribed timelines, was in contravention of the provisions of the BSU Act.

Reasons for the delays in publishing the result of examinations were not available, as related records were not produced by the Universities. Further, no timelines were found to have been prescribed for publication of the results of examinations to be conducted, in the Act of AKU.

Delays in the publication of results showed lack of administrative control in these Universities, which was likely to have had cascading effect on the schedule of future academic sessions of these Universities. Further, these delays would hinder the further studies of the students enrolled in these Universities and also adversely impacted their further studies, as well as participation in career-oriented competitive examinations.

Department replied (January 2024) that: (i) publication of results was delayed due to COVID-19, in LNMU, KSDSU, BNMU and VKS (ii) the results would be published timely and (iii) in TMBU, results were published on time.

The reply of the Department was not tenable as audit period covered the results declared during 2017 to 2022 and out of 506 delayed results, 367 were prior to COVID-19 period. Further, no reply was furnished with respect to MMHAPPU, BRABU and PU. In respect of TMBU, no supportive documents were provided.

### 4.4.2 Irregularities in preparation of results

The Tabulation Register[47] (TR), in the Universities of Bihar, is one of the basic, important and permanent records related to examinations. It contains the marks scored by the students, in examinations. The results of the students are declared and recorded in the TR and future inquiries, pertaining to the results/certificates/degrees, are satisfied on the basis of the TR. Therefore, the TR, related to any examination, was required to be error-free; and properly authenticated, to avert any incorrect entries, as also to ensure that the information entered therein, was correct.

➢ **Irregularities in the TRs of LNMU**

In LNMU, scrutiny of TRs related to the Post Graduate Examination (Academic session: 2017-19) of Botany, Zoology, Chemistry and Physics, revealed that: (i) marks obtained in the examinations of the first/second semester, by 23 students, had not been recorded correctly in the TR (Final) (ii) the results of these 23 students, had been declared without correcting the marks obtained by them and (iii) in two, out of 23 cases, students had been declared as having passed in the 2nd division (below 60 but equal to or above 45 *per cent* marks, out of total 1,600 marks), due to incorrect entries of marks in the TR. Had the marks obtained by them in the first semester, been entered correctly in the TR of the final semester, these two students would have secured 1st division (60 *per cent* marks and above), as detailed in ***Appendix-4.12***.

Department did not furnish reply to the audit observation (as of June 2024).

[47] *The 'Tabulation Register', maintained by a University, is a complete list of the examination scores of students, throughout their academic history, in a specific course, in that University.*

### ➢ Irregularities in the TRs of KSDSU

Audit scrutiny in regard to the TRs of KSDSU, relating to the final year Part-III examinations for the Shastri (Nomenclature used for three year Graduation course in Sanskrit) degree, conducted during 2019 and 2020, revealed that: (i) in five cases of Shastri Final Examination 2020, the results had been decided based on the sum of marks, obtained by the candidates, in only two, out of three parts (ii) in nine cases, the details of candidates had been entered twice with different results **(*Appendix-4.13*.)** and (iii) in eight cases of the Shastri Final Examinations of 2019 and 2020, two different candidates each, from the same colleges and appearing in the same examination centres had the same roll numbers.

For audit observation at (i), the Department stated (January 2024) that revised results had been published after making necessary changes in TRs by adding marks obtained in all three parts. Replies, in respect of the remaining two observations were still awaited (June 2024).

### ➢ Irregularities in the TR of MMHAPU

Scrutiny of the TR of B.Ed. (Bachelor of Education) Part-I Examination 2020 of MMHAPU, revealed that, in four cases, the marks recorded in the marks folio[48] and the TR, were more than the marks awarded in the answer books of the students, as detailed in **Table 4.11**.

**Table 4.11: Difference between the marks mentioned in the Answer sheets, Marks folio and TR**

| Sl. No. | Roll No. | Registration No. | Marks awarded in the Answer Books | Marks written in the Marks folio | Marks entered in the TR | Deviation from the Answer Books |
|---|---|---|---|---|---|---|
| 1. | 20203150XXXX | 1620193XXXX | 43 | 53 | 53 | 10(+) |
| 2. | 20263150XXXX | 1620193XXXX | 44 | 57 | 57 | 13(+) |
| 3. | 20263150XXXX | 1620193XXXX | 42 | 54 | 54 | 12(+) |
| 4. | 20263150XXXX | 1620193XXXX | 53 | 53 | 55 | 02(+) |

*(Source: Records provided by the University)*

The University accepted the audit observation and stated that these were human and typographical mistakes and the University would pay proper attention, in future, to avoid such mistakes.

As the results/certificates/degrees are prepared on the basis of the TRs, improper maintenance of such a vital record shows the inadequate administrative mechanism of the Universities, which was likely to have had an adverse impact on the future academic/ career related prospects of the students enrolled therein.

Department did not furnish reply to the audit observation (as of June 2024).

[48] *Answer-wise marks obtained by an examinee, written by an examiner on a piece of paper, attached with Answer book is termed as 'Marks folio'. While the 'Tabulation Register (TR)' is a record, which contains subject-wise marks obtained by all examinees individually, in an educational institution. The 'Tabulation Register' is compiled on the basis of the marks reflected in the Marks folios.*

### 4.4.3 Affiliation related observation

➢ **Grant of affiliation without realizing the requisite fees**

(i) As per Section 4 of the Statutes for affiliation of a college to AKU[49], a non-government institute was required to have an Endowment Fund[50] (pledged to the University), to run the institute at least for three years without any aid from external sources, for its continued and efficient functioning. Further, Section 5.4 (f) of the Statutes stipulated that, in case of non-government colleges/institutes, the University would notify the affiliation, only after receipt of the affiliation fee and Endowment Fund. In addition, AKU issued (August 2018) a notification, stipulating that the private colleges affiliated with it, deposit the Endowment Fund in any of the nationalized/ scheduled banks, as Fixed Deposit (FD), in the name of college. The said FD was to be pledged in favour of AKU.

Audit scrutiny revealed that 62 colleges, affiliated with the University, had not deposited Endowment Fund of ₹ 9.83 crore, with the University, in the form of fixed deposit. Further, application fee and affiliation fee, amounting to ₹ 0.64 crore, had also not been realised from these colleges, before grant of affiliation ***(Appendix-4.14*****)**. Thus, a total amount of ₹ 10.47 crore[51] had not been deposited/ realised, in the University funds.

(ii) As per statutes made under the AKU Act, for affiliation to AKU, non-refundable inspection-cum-processing fee, as prescribed by the University, was to be submitted by the concerned college/institution with their applications. Scrutiny of records, however, revealed that 30 colleges/institutions had not deposited Inspection Fee, for granting NOC, as also Inspection-cum-processing fee (a precondition for granting affiliation), amounting to ₹ 0.19 crore, to the University (***Appendix-4.15*****)**.

Therefore, the University had granted affiliation to 69 Colleges[52], without fulfilling the mandatory conditions for granting such affiliations, leading to non-realisation/deposit of fee/endowment fund. This was indicative of the ineffective control mechanisms in the University.

Department replied (January 2024) that dues in respect of Application, Affiliation and Endowment fees, NOC and Inspection-cum-processing fee were recovered.

The reply of the Department was, however, not supported by any documentary evidences.

### 4.4.4 Admission and examination taken without affiliation

➢ **Grant of affiliation without approval of the Government**

Sub Sections 2(d), 3(i) and 4(19), of Section 21 of the BSU Act, 1976, stipulated that MMHAPU, having jurisdiction over the whole of the State of Bihar, was to be established

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49 The *Aryabhatta Knowledge University is required to conduct and facilitate affiliation of institutions, in conventional, as well as, professional education.*

50 An '*Endowment fund' is a pool, where the money received from 92 affiliated colleges, or donations, are kept together and invested for the purposes of the university.*

51 *₹ 9.83 crore as Endowment Fund and ₹ 0.64 crore as application and affiliation fee.*

52 *62 Colleges + 30 Colleges= 92 Colleges. However, 23 colleges were common.*

for the development of higher standard studies in Arabic and Persian. According to the Bihar State Universities Statutes, the Universities had powers to affiliate or disaffiliate colleges, subject to the prior approval of the Department.

Audit scrutiny of the records of the MMHAPU, revealed that the University had granted (June 2015) nine colleges[53], permission for taking admissions in degree courses, for the academic sessions 2015-18 and 2016-19, in anticipation of the approval of the State Government, for grant of affiliation for these courses. The Department, however, rejected (March 2019) the proposal of the University, for grant of affiliation to these nine colleges, due to administrative reasons.

Thus, although the Department had not granted affiliation to nine colleges, the University, in contravention of the above-mentioned provisions, had irregularly granted permission to these colleges, to take admissions for these academic sessions. Resultantly, these colleges had enrolled 8,624 students, during the academic sessions of 2015-18 and 2016-19, without been affiliated during this period. This was indicative of the inadequate administrative and operational control mechanisms in the University.

Department did not furnish reply to the audit observation (as of June 2024).

- **Running of colleges/courses without affiliation**

The Department informed (January 1994) the Universities that admissions, in degree-level courses, were to be made only after receiving affiliation. It further reiterated (March 2005) that Universities were to ensure that their affiliated colleges had not admitted students after termination of the affiliation of colleges for a course/ subject.

In this regard, audit scrutiny revealed that:

(i) BRABU had granted temporary affiliation to a college[54], from 1999, to 2006 only, for degree-level courses in the Science and Commerce streams. The Department rejected (March 2018) the application for further (2007 and onwards) affiliation of the college for the Science and Commerce streams and the college had not been affiliated for these courses till March 2022.

Although the temporary affiliation had been only up to 2006 and the Department had not extended it beyond that period, the University continuously allowed the students of this college to appear in the examinations in Science and Commerce streams till 2017. According to the TR maintained by the University, 856 students had appeared in the examinations conducted in these two streams, till 2018.

Department did not furnish reply to the audit observation (as of June 2024).

(ii) Scrutiny of records of TMBU showed that permanent affiliation, for degree-level courses, in only nine subjects[55], had been granted to the Deep Narayan Singh College,

[53] *Baba Vishwanath Kedarnath Vimla College, Samastipur; Millat Degree College Samastipur; Kisan Degree College, Purnea; Nimi College, Sheikhpura; Cresent Degree College, Bettiah; CBI College, Siwan; Shiv Janam Ray College, Chapra; A.S College, Munger and Chandra Shekhar Prasad Degree College, Madhubani.*

[54] *Maheshwar Nath Mahamaya Women's College, Bettiah.*

[55] *Hindi, History, Economics, Sociology, Political Science, Industrial Relations and Personnel Management (Labour and Social Welfare), Sanskrit, Rural Economics and Commerce.*

Bhusia (Banka), in 1996-97. The College had, however, been allowed to admit students in subjects other than these nine affiliated subjects and the University had continued to conduct examinations in these non-affiliated subjects, until the academic session of 2017-20. Audit observed that 164 students, out of 172 students, who had appeared in 13[56] non-affiliated subjects, had been declared passed by the University, for Part III degree-level examinations, conducted at the end of academic session 2017-20.

Department accepted (March 2024) the audit observation and stated that admissions were taken in non-affiliated subjects.

### 4.4.5 Irregular retention of Guest/Part-time teachers

The Department, vide its resolutions (August 2014 and April 2021), had stipulated that the services of guest/ part-time teachers were to be terminated automatically, on the appointment of regular teachers.

Scrutiny of records of the JPU revealed that the University had terminated the services of 61 guest teachers, after a delay of three months, following the appointment (August 2019) of regular teachers. This had resulted in avoidable payment of ₹ 26.74 lakh, made to these teachers, as detailed in **Table 4.12**.

**Table 4.12: Avoidable payment to Guest/Part-time teachers**

***(amount in ₹)***

| Sl. No. | Date of appointment of regular teachers | Date of termination of services of Guest/ Part Time Teachers | Period of retention of guest teachers, even after appointment of regular Teachers | No. of Guest/ Part Time Teachers terminated | Avoidable payments made to Guest/ Part-time teachers |
|---|---|---|---|---|---|
| 1 | 03.08 2019 | 15.11.2019 | 03 months (approx.) | 30 | 13,23,000 |
| 2 | 03.08 2019 | 15.11.2019 | 03 months (approx.) | 23 | 10,51,000 |
| 3 | 03.08 2019 | 15.11.2019 | 03 months (approx.) | 8 | 3,00,000 |
| **Total** | | | | **61** | **26,74,000** |

*(Source: records provided by the University)*

Thus, the University, by not adhering to the provisions stipulated by the Department, had made avoidable payments of ₹ 26.74 lakh, to guest/ part-time teachers.

Department replied (January 2024) that excess manpower was deployed in the light of UGC direction of January 2019. Although, the reply was not supported by any documentary evidences.

### 4.4.6 Appointment of Assistant Professors without verification

The Department directed (March 2017) the Universities that, before appointing selected candidates, verification of documents, *viz*. educational certificates, dates of birth, caste certificates, health check ups *etc*., were to be verified.

Test-check of records of the MMHAPU revealed that the University had appointed (May 2017 to March 2022) seven candidates (two each in the departments of English

[56] *Ancient Indian History, Botany, Chemistry, English, Geography, Home Science, Mathematics (Arts), Mathematics (Science), Philosophy, Physics, Psychology, Urdu and Zoology.*

and Urdu and three in the department of Islamic studies), as Assistant Professors. These appointments had been made in violation of the Department's direction as the verification of documents, of these Assistant Professors, was still pending (as of May 2022). The University had paid an amount of ₹ 1.45 crore, to these teachers, as salary, till March 2022.

The University replied (May 2022) that the process of verification was under progress and it would take time to complete the same.

The reply of the University was not acceptable, as the appointment of the Assistant Professors was to be made only after verification of the documents and the verification had remained pending for almost five years.

Department did not furnish reply to the audit observation (as of June 2024).

### 4.4.7 Shortage of teaching and non-teaching staff and non-rationalisation of the posting of teaching staff

Availability of sufficient manpower plays a vital role in the efficient functioning of any institution.

Audit scrutiny of the records of the 11 test-checked universities, revealed that there were significant shortages of both teaching, as well as non-teaching-staff, during the academic year 2021-22, in these Universities, as well as in their Constituent Colleges.

In these test-checked Universities, 9,240 posts of teaching staff had been sanctioned. Against these 9,240 sanctioned posts, only 3,998 (43 *per cent*) teachers had been posted in the test-checked Universities and 5,242 posts (57 *per cent*) were lying vacant. The shortages in teaching staff had ranged from 49 *per cent* (BNMU) to 86 *per cent* (MMHAPU).

Similarly, 9,970 posts had been sanctioned for non-teaching staff, against which only 4,358 (*44 per cent*) staff had been posted. Thus, 5,612 posts (56 *per cent*) were vacant in these test-checked universities. Shortages, in the non-teaching staff, had ranged between 31 *per cent* (MMHAPU) and 80 *per cent* (VKSU). There was an overall shortage of 56 *per cent,* as detailed in ***Appendix-4.16***.

Despite acute shortages in the cadre of teaching staff in some Constituent colleges, the Universities had not rationalised the posting of teaching staff. In some cases, teachers were performing administration related works exclusively, instead of performing teaching work. In some colleges, teachers were posted in excess of sanctioned strength, while in some cases, there were acute shortages against the sanctioned strength, as detailed below:

- In KSDSU, 12 teachers, from different colleges, had been deputed, to various administrative posts in the University (between the period from 2010 to 2022), despite the colleges facing shortages of teachers.
- In the Home Science Department of PU, during 2021-22, five teachers had been posted against a single sanctioned post, whereas, in the Public Administration Department of the University, no teacher was available for 20 students.

- In VKSU, during 2022-23, six teachers had been posted against five sanctioned posts and five teachers had been posted against four sanctioned posts, in the Zoology and History Departments, respectively.
- In the HPS College, Nirmali of BNMU, two teachers had been posted against 104 students, while four regular teachers had been posted for four students in the P.G Department (West Campus) of the University. Further, two teachers, from two colleges[57] each, had been deputed to non-teaching posts, resulting in 'nil' men-in-position, for particular streams, during the Academic Year 2022-23.

Due to non-posting of staff in a rationalized manner, curricular and planning activities would have been interrupted, making management and delivery of the curriculum difficult. Some classes had been left without teachers, or with very few teachers, with extra workload, ultimately hampering the teaching and learning process.

Department accepted (January 2024) that there were vacancies in the universities and stated that the vacancies in LNMU, PU and PPU, had been filled through deployment of guest and outsourced teachers. In KSDSU, teachers were deputed on administrative posts against the vacancy of administrative staff.

### 4.4.8 Poor Pupil-Teacher Ratio

To portray the status of higher education in the country, since 2010-11, the Ministry of Education, GoI, had been conducting an annual "All India Survey on Higher Education (AISHE)", covering all the institutions in the country, engaged in imparting higher education. As per the AISHE report: 2020-21, the Pupil-Teacher Ratio (PTR) for the universities and their constituent units, in the regular mode,[58] was 19:1, in the country. In Bihar, the PTR for the Universities and its constituent colleges, was 31:1, in the regular mode.

Scrutiny of records relating to Sanctioned Strength (SS) and Persons-in-Position (PIP) of teachers, and the numbers of students enrolled in constituent colleges of four of the test-checked universities, revealed that PTR had ranged from 49 to 507, in these universities. This ratio is far much below the average of the country. The poor PTR would have an adverse impact on the quality of education imparted in these universities. Details of the Pupil-Teacher Ratio, in these universities are mentioned in **Table 4.13**.

**Table 4.13: PTR in Constituent Colleges**

| Sl. No. | Academic Year | University | No. of colleges | No. of Teachers | | No. of students | PTR |
|---|---|---|---|---|---|---|---|
| | | | | SS | MIP | | |
| 1 | 2021-22 | BRABU | 42 | 1,781 | 648 | 1,90,060 | 293:1 |
| 2 | 2020-21 | KSDSU | 31 | 316 | 89 | 4,367 | 49:1 |
| 3 | 2021-22 | LNMU | 43 | 1,514 | 674 | 3,41,645 | 507:1 |
| 4 | 2021-22 | PPU | 29 | 1,473 | 747 | 1,74,281 | 233:1 |

*(Source: data provided by Universities)*

[57] *T P College and P S College, Madhepura.*

[58] *'Regular mode' of Education as against distance education refers to traditional mode of Education where students attend classes physically in an educational institution.*

It is evident from **Table 4.13** that the PTR was very poor, in the four test-checked universities, in comparison to the all India ratio of 19:1 for higher educational institutions, as per the AISHE Report.

In the case of the Government Degree College, Rajgir, Nalanda, under PPU, while 3,311 students had been enrolled during 2019-22, the college had been functioning without any regular teacher. Only two teachers (on deputation basis), were available (as of March 2022), against the sanctioned strength of 51 teachers.

Department replied (January 2024) that in PPU, teaching and non-teaching staff was posted on deputation basis from other colleges for its smooth functioning.

The reply of the Department was not acceptable, as the college was functioning without any regular teachers. Further, the Department did not reply for low PTR.

## 4.5 Internal Control and Monitoring

➢ **Non-implementation of UMIS**

The Education Department had decided (February 2018) to implement the University Management Information System (UMIS) centrally, with five modules[59] for the Universities in Bihar. UMIS was to be implemented with the objective of standardization of processes across Universities; to bring about a unified approach in functioning of the Universities, which included monitoring and governance, analysis of budget, facilitate paperless working, automate management control and ensure seamless integration of students' information *etc*. Initially, for implementation of the UMIS, the Education Department was to publish RFP (Request for Proposal) and select the Vendor. However, in the meeting of Vice-Chancellors, held (August 2018) under the Chairmanship of the Hon'ble Chancellor, it was decided to implement the UMIS, by the Universities themselves, in a decentralised manner, from 2018-19 academic session.

Test-check of the records of five[60] universities, revealed that these Universities had decided to implement different modules of UMIS and all modules[61] had not been implemented, till the academic year 2021-22, as detailed in ***Appendix-4.17***. The remaining six test-checked universities did not produce records related to implementation of the UMIS.

Non-implementation of all the modules of UMIS indicated a deficient monitoring system. Had there been a fully functional UMIS in these Universities, the irregularities, that had arisen out of financial and administrative related functions, as enumerated above, could have been mitigated.

In reply, the Department confirmed (January-March 2024) that all the modules of UMIS could not be implemented in the Universities.

[59] *Student, Teachers, Academic functions, University/College monitoring and Administration.*

[60] *BNMU, KSDSU, LNMU, PPU and PU.*

[61] *Student Resource Management, Human Resource Management, Financial Management, Inventory and Library Management, Examination Management, Hostel Management and Others/Miscellaneous.*

- **Non-existence of grievance redressal mechanism**

The Governor's Secretariat instructed (July 2016) the Universities in the State, to constitute a Pension Cell, Employees Grievance Cell and Student Welfare Cell, for early redressal of grievances. It again directed (August 2018), all Universities to ensure receipt and compliance of representations, in matters related to the Universities.

In this regard, audit scrutiny revealed that:

**(i)** No timelines for redressal of complaints had been prescribed in the instructions (July 2016 and August 2018), for early disposal of the complaints.

**(ii)** TMBU had not constituted any grievance redressal cell. BNMU, BRABU and JPU did not provide records in this regard. Therefore, the status of the constitution and functioning of grievance redressal cells, in these Universities, could not be verified. In LNMU, out of 860 complaints that had been received from 2015 to July 2022, 132 had not been redressed (as of November 2022). In PPU, 578 complaints were received during February 2019 to October 2022. Out of these 578 complaints, 78 were pending, as of November 2022 (year wise and month wise break up was not available). During the period from January 2022 to October 2022, 145 complaints were received, out of which 42 were pending for disposal (as of November 2022).

Due to non-constitution of grievance redressal cells and non-fixation of timelines for redressal of complaints, the objective of addressing the grievances of teaching, non-teaching employees, students and pensioners and to ensure receipt and compliance of representations, in matters related to the Universities, could not be achieved.

Department did not furnish reply to the audit observation (as of June 2024).

# CHAPTER-V
# Border Area Development Programme

# CHAPTER-V
# Subject Specific Compliance Audit

## PLANNING AND DEVELOPMENT DEPARTMENT

## 5 Border Area Development Programme

***Baseline survey and spatial mapping for assessing the critical gaps in basic physical and social infrastructure, were not conducted and no long-term action plan was prepared, for achieving the intended objectives of the Programme. Annual action plans were prepared with substantive delays and had several deficiencies, such as selection of non-feasible/non-admissible works, which were eventually cancelled. A number of created assets were not put to use and remained idle. In addition, certain instances of inadmissible, as well as irregular expenditure, were also detected. None of the strategically prioritized villages of the border districts could be certified as having been 'saturated', ever since the commencement of the Programme in the state.***

### 5.1 Introduction

The Border Area Development Programme (Programme) (BADP) was started during the Seventh Five-Year Plan (1985-90), for development of sensitive border areas in the Western Region of the country, through adequate provision of infrastructural facilities and promotion of a sense of security, amongst the local population. In the Eighth Five-Year Plan (1992-97), the Programme was extended to States that had an international border with Bangladesh. Thereafter, during the Ninth Five-Year Plan (1997-2002), it was further extended to the States having international borders with Myanmar, China, Bhutan and Nepal. The BADP currently covers 17 States, which have international land borders. The State of Bihar was included in the Programme during the Ninth Five-Year plan and implementation of the BADP therein, started during the financial year (FY) 1999-2000.The main objectives of the Programme are to: (i) meet the special developmental needs and well-being of people living in remote and inaccessible areas, situated near the international border and (ii) saturate these border areas, with the entire essential infrastructure.

### 5.2 Roles and responsibilities

The Department of Border Management, Ministry of Home Affairs (MHA), GoI, is the nodal department at the GoI level. It was required to: (i) approve plans received from the States (ii) allocate funds to the states, for implementation of the Programme and (iii) monitor the financial and physical progress of the Programme. The Planning and Development Department (PDD), Government of Bihar, is the nodal department (Department) in the State, for implementation of Programme. The State Level Screening Committee (SLSC), under the chairmanship of the Chief Secretary, Government of Bihar (GoB), was to finalize and approve the works recommended by the District Level Committees (DLCs), for forwarding them onwards to the MHA, for its final approval.

The Border Guarding Forces (BGFs), under the MHA, were to identify and draw the list of prioritized villages and forward it to the DLCs. The DLCs, headed by the District Magistrates (DM), were responsible for planning and implementation of the Programme at the district level. After sanction of schemes by the MHA, GoI, District Planning Officers (DPOs) of the border districts were responsible for according administrative approval (AA) and execution of the field level work of the Programme, through the works divisions of the Local Area Engineering Organisation (LAEO), under the PDD, GoB. Further, the DPOs of the concerned districts, as well as the Executive Engineers, LAEO, were the drawing and disbursing officers, for utilisation of the funds received. In addition, some works were being executed by the concerned divisions of certain line departments, like the Public Health Engineering Department (PHED), Environment, Forest and Climate Change Department, Water Resources Department *etc*.

Roles and responsibilities of the concerned departments/committees, at various levels, have been shown in **Chart 5.1**.

**Chart 5.1: Roles and responsibilities of the departments/ committees, for implementation of the Programme**


*(Source: Information provided by the Planning and Development Department, Government of Bihar)*

## 5.3 Audit Objectives

The Subject Specific Compliance Audit (SSCA) had been conducted to ascertain whether:

- the planning process had been adequate and in accordance with the guidelines of the Programme
- the works/ schemes had been executed, as per the extant rules/provisions and
- the implementation of the Programme had been monitored effectively.

## 5.4 Audit Criteria

The criteria for assessing the implementation and achievement of the Programme, were drawn from the following sources:

- BADP guidelines, issued during 2005 and 2015 (Guidelines), by GoI
- General Financial Rules, issued by GoI; Bihar Financial Rules, issued by GoB; and the Bihar Treasury Code, issued by GoB
- Bihar Public Works Department (BPWD) Code, issued by GoB
- Minutes of meetings of the Empowered Committee of the MHA, GoI and State Level Screening Committee and
- Orders, notifications and circulars, issued from time to time, by GoI/ GoB.

For implementation of the Programme, MHA, GoI, had revised/modified its guidelines, from time to time. The audit period was, however, covered under the revised/modified guidelines, 2015.

## 5.5 Audit Scope and Methodology

Audit covered the period of FYs 2017-18 to 2021-22 and was conducted during June to October 2022, with all the seven[1] border districts being covered in audit. Funds had been released under seven[2] major components of the Programme. The Audit focused on four[3] of these components, which were selected based on the amount of approved AAPs for the FY 2017-20 for these components (which covered 77 *per cent* of the total approved amount). Audit scrutinised records of the Department, at the apex level; DPOs of the seven border districts; EEs of eight works divisions[4] under the LAEO; and other related executing agencies at the field level. These units were sampled on the basis of the number of works under progress; works having higher estimated costs; and works wherein the AAs accorded had been more/less than the amount sanctioned

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[1] *Araria, East Champaran (Motihari), Kishanganj, Madhubani, Sitamarhi, Supaul and West Champaran (Bettiah).*

[2] *Infrastructure, Health, Agriculture, Social Sector, Education, Sports activities and Special Specific Area Schemes.*

[3] *Education, Health, Infrastructure and Social Sector.*

[4] *Works Division-I, Araria; Works Division-II, Pakridayal (East Champaran); Works Division, Kishanganj; Works Division-I, Madhubani; Works Division-II, Pupri (Sitamarhi); Works Division, Supaul; Works Division-I, Bettiah (West Champaran) and Works Division-II, Bagaha (West Champaran).*

by the MHA, GoI. In order to assess the physical and financial status of the works being executed, Audit conducted Joint Physical Inspection(JPI), at 44 work sites (***Appendix-5.1***), out of the 82 test-checked works. Results of JPI of the work sites, conducted during audit, were geo-tagged with the help of Google Earth-Pro software, and are presented in ***Image 5.1***.

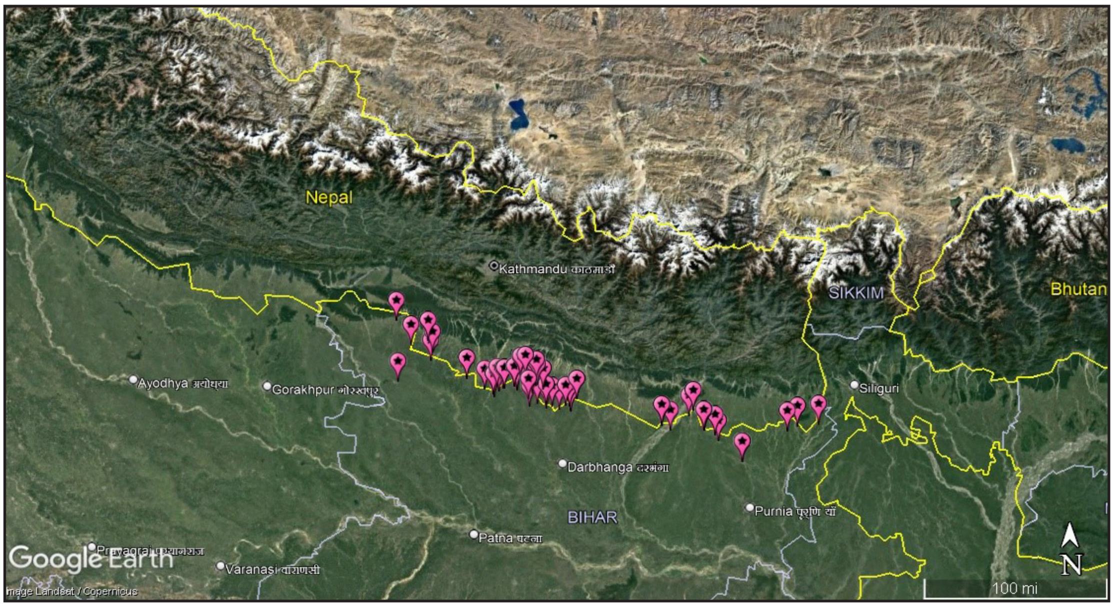


**Image 5.1: Geo-tagged inspected work sites**

Entry and exit meetings for this SSCA were held during July to October 2022) and the SSCA was forwarded to the Department in December 2022. The response of the Department (July 2023 and May 2024) are incorporated suitably in the report and the report has been finalised on the basis of responses furnished by the Department (as of May 2024).

**Audit findings**

## 5.6 Planning

Paragraph 2.1 of the Programme guidelines envisaged that priority would be accorded to the villages located within 0-10 km from the International Border. The Border Guarding Forces (BGFs) were to identify these villages. The DLCs of the concerned districts were to carry out baseline surveys and spatial mapping, in their respective border areas, to assess the gaps in basic physical and social infrastructure. Gaps identified during these surveys were to be filled through a detailed village-wise long-term action plan, prioritising the projects therein, prepared by DLCs. The BGFs, on the basis of the spatial mapping, carried out by the DLCs, were to: (i) draw up a list of prioritised villages, which were to be saturated first, with respect to developmental activities, and (ii) forward this list to the DLCs. The DLCs, after picking up the prioritized projects, were to prepare their Annual Action Plans (AAPs), based on the long-term plans. Thereafter, the DLCs were to forward the Annual Action Plan to SLSC which was to send the Plans to the MHA, GoI, for their approval.

Deficiencies related to the planning of the Programme, as noticed during audit, are discussed in the succeeding paragraphs.

### 5.6.1 Non-conduct of baseline surveys/ non-preparation of long-term/ perspective plans

Audit observed that the DLCs had neither conducted baseline surveys and spatial mapping, nor had they prepared any long-term plans (up to FY 2020-21), in any of the districts. As a result, the existing gaps in infrastructure could not be assessed and the villages could not be prioritized, though this was required under the Programme guidelines. While AAPs had been prepared during 2017-22, they had deficiencies like selection of non-feasible/inadmissible works *etc*., as discussed in the succeeding paragraphs.

On this being pointed out, the Department replied (July 2023) that, as per the Programme guidelines, 2020, Perspective Action Plan, prepared for FYs 2021-22 to 2024-25 (for four FYs), had been sent, by the SLSC, to the MHA, GoI.

The reply of the Department was not acceptable, as it had not prepared village-wise long-term action plans and Perspective Action Plan up to 2019-20 and during 2020-21, respectively, as per the Programme guidelines. Further, the Perspective Action Plan, prepared and submitted with delay, was yet to be approved (as of July 2023).

### 5.6.2 Delays in sanctioning of Annual Action Plans

The Programme guidelines envisaged that the DLCs would prepare and forward the AAPs to the SLSC, latest by February every year, for its consideration. The SLSC, in turn, was to submit it to the MHA, latest by the month of March/April of that year.

Audit observed that all the DLCs had submitted the AAPs for FYs 2017-20[5], to the SLSC, with delays ranging from one to eight months. Subsequently, the SLSC had forwarded these AAPs to MHA, GoI, with delays ranging from two to six months (***Appendix-5.2***). It was also observed that the AAP for FY 2016-17 had been forwarded (06.11.2017) to the MHA, alongwith the AAP for FY 2017-18. Delays in the submission of the AAPs had resulted in delayed approval thereof by the MHA and subsequent delays in execution of the works proposed therein.

On this being pointed out, the Department replied (July 2023) that the Programme guidelines stipulated consultation with the local Member of Parliament and Member of *Vidhan Sabha*, while preparing the AAP. Besides, the schemes/works included in the AAPs had been sanctioned and executed, after obtaining certificates from the concerned DPOs that there was non-repetition of schemes and after completing all the procedural formalities.

The reply of the Department was not acceptable as, while preparing AAPs, these DLCs had to complete these formalities, well in time, to avoid delays.

[5] *MHA, vide its letter dated 12.04.2021, had conveyed delinking of approval of works/projects under the BADP and sanction of funds to the State. It also conveyed that the works/projects, proposed by the State Government, which could not be sanctioned during FY 2020-21, would be considered during FY 2021-22.*

### 5.6.3 Selection of non-feasible works/excess number of works

**(i)** Scrutiny of records revealed that the SLSC had got 925 works, costing ₹304.37 crore, approved from the MHA, for AAPs 2017-18 to 2019-20. The Department, however, at its level, had cancelled (March 2022), 115, out of these approved 925 works, costing ₹ 26.49 crore ***(Appendix-5.3)*** and forwarded them to the MHA, through SLSC, requesting the cancellation at MHA level also. These works had been cancelled after being found non-feasible by DLCs, due to reasons such as non-availability of land; the concerned works having already been sanctioned under other schemes; or the concerned works already being executed by other departments *etc*. The SLSC, on the recommendation of the concerned DPOs, had cancelled these works, after lapse of two to four years. However, final approval for the cancellation of these works, was awaited from MHA, GoI (as of September 2022).

Thus, non-feasible works had been included in the AAPs, indicating that these AAPs had been prepared without conducting baseline surveys and gap-analysis, and had, therefore, erroneously been approved by the concerned DPOs.

On this being pointed out, the Department replied (July 2023) that: (i) the works pertaining to FYs 2017-18 to 2019-20 had been recommended by the SLSC and were taken up for execution after their due approval by the MHA, GoI (ii)the AAPs had been prepared on the basis of local requirements (iii) sanctioning of a scheme from the MHA, GoI, after its selection at the district level, takes a lot of time and (iv) since most of the schemes, under AAPs, were of low cost and related to public welfare, some of them had been executed/completed by other departments.

The reply of the Department was not tenable, since the Department was required to ensure availability of land, as well as feasibility of the works prior to proposing them. As such, non-adherence to the Programme guidelines had resulted in submission of proposals for non-feasible works.

**(ii)** Paragraph 9.1 of the Programme guidelines stipulated that MHA would convey the quantum of funds to be allocated to the State, during the next financial year, for implementation of the Programme. Accordingly, the SLSC was to forward the AAPs, including details of the works, proposed to be taken up for execution, during that financial year, for approval of MHA, GoI.

During FYs 2017-20, MHA, GoI, had allocated an amount of ₹ 129.29 crore under the BADP. GoB had, in turn, released the matching State share of ₹ 86.20 crore to the Scheme. Thus, the total available funds for BADP were ₹ 215.49 crore. It was observed that although the SLSC was aware, well in advance, about the quantum of funds to be received from MHA, GoI, it had forwarded proposals for 1,033 works, amounting to ₹ 321.26 crore i.e. in excess of funds available. Out of these forwarded works, MHA, GoI, had found 108 works[6] (₹ 16.89 crore) inadmissible and had not approved them. The remaining 925 works (₹ 304.37 crore), approved by MHA, had financial implications in excess of ₹ 88.88 crore, against the available funds of ₹ 215.49

[6] *(2017-18: 69, 2018-19: 29 and 2019-20: 10).*

crore (FYs 2017-20). Out of these 925 approved works, the Department could not take up 132 works (₹ 57.04 crore) for execution (as of October 2022). Therefore, selection of an excess number of works, by the Department, in comparison to the available funds, had shown improper planning on its part and had resulted in non-execution of these works, resulting in the beneficiaries of the concerned areas having remained deprived of the intended objectives of the scheme.

The reply of the Department was awaited (as of May 2024).

### 5.6.4 Non-development of Model/Smart villages

Para 4 (i) of the concept note, issued (February 2017) by MHA, GoI, envisaged development of at least one village of sizeable population, surrounded by five six or more villages close to the border. The Model Villages were to have better connectivity, food security, electric power supply, telecommunication and civic infrastructure facilities, for sustainable livelihood and employment in the border areas. The State Governments were to prepare plans, for development of at least one Model village, to be established in each district, in the next five years *i.e.*, during FYs 2017-22).

Audit observed that the State Government had forwarded proposals for two model villages, in the Araria (FY 2017-18) and Sitamarhi (FY 2018-19) districts, during 2017-22. MHA had approved (2017) only one proposal of Model/Smart village, for an amount of ₹ 159 lakh, in Araria district, against which ₹ 155.60 lakh was spent on connectivity component. Thus, the intended objective of the composite development of at least one village of sizeable population, surrounded by five six or more villages close to the border, was not achieved.

On this being pointed out, the Department replied (July 2023) that the concerned districts had taken action in this regard. Further, the MHA, GoI, had directed to develop 'Vibrant Villages' instead of Model Villages and the concerned districts were preparing proposals, accordingly.

The reply of the Department was not tenable, as no Model Villages, as directed by MHA, GoI, had been developed in any of the border districts and the direction to develop Vibrant villages was the latest one. The reply corroborated the fact that the earlier directions of MHA, GoI, had not been followed.

## 5.7 Financial Management

Till FY 2015-16, BADP had been a 100 *per cent* centrally funded Programme. From FY 2016-17 onwards, the Programme had been classified as a core centrally[7] sponsored scheme and funding of the Programme was being shared between the Central and State Governments, in the ratio of 60:40. Further, MHA decided to utilise the unspent balance of funds, released up to FY 2019-2020, in FY 2020-21.

[7] *Core Centrally sponsored schemes are schemes that are largely funded by the Central Government with a defined State Governments' share and are implemented by the State Governments.*

The proposals for sanction of funds, made by the Department, as well as the receipts and releases of funds by it, to the concerned DPOs, for implementation of the Programme in the State, during FYs 2017-22, are shown in **Table 5.1**.

**Table-5.1: Proposals, receipts and releases of funds**

***(₹ in crore)***

| Financial Year | Proposal | | Sanctioned and received from GoI and GoB | | | Released to the DPOs | | |
|---|---|---|---|---|---|---|---|---|
| | Central share | State share | Central share | State share | Total | Central share | State share | Total |
| **2017-18** | 54.39 | 36.06 | 46.00 | 30.67 | 76.67 | 46.00 | 30.67 | 76.67 |
| **2018-19** | 53.18 | 36.75 | 32.20 | 21.47 | 53.67 | 32.20 | 21.47 | 53.67 |
| **2019-20** | 74.40 | 49.61 | 51.09 | 34.06 | 85.15 | 51.09 | 34.06 | 85.15 |
| **2020-21** | 62.85 | 41.90 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **2021-22** | | | 6.26 | 4.17 | 10.43[8] | 0.00 | 0.00 | 0.00 |
| **Total** | **244.82** | **164.32** | **135.55** | **90.37** | **225.92** | **129.29** | **86.20** | **215.49** |

*(Source: Planning and Development Department, GoB)*

### 5.7.1 Unspent balances with DPOs

Scrutiny of records, of all the seven selected DPOs, revealedthat, during FYs 2017-22, they had not been able to utilise the funds released to them, for execution of works under the Programme. Although the Department had not received any funds from MHA, during FYs 2020-21 and 2021-22, there were unspent balances with the DPOs, amounting to ₹ 88.35 crore (including the interest amount), at the end of March 2022. Out of the seven DPOs, West Champaran had the maximum unspent balance, amounting to ₹ 27.24 crore (as of March 2022). These balances were due to non-execution of works, owing to various reasons, *viz*. non-availability of land/disputed land, abandonment of works *etc*., as detailed in the succeeding paragraphs.

On this being pointed out, the Department replied (July 2023) that MHA, GoI, had directed (April 2022) not to start the works for which AAs had been accorded but which had not yet been started. Therefore, such works had not been started and implementation of the schemes had suffered. Further, in the light of direction of the MHA and the Finance Ministry, ₹ 59.52 crore had been deposited in the Single Nodal Account[9], under new fund flow system.

The reply of the Department was not acceptable. Had the concerned DPOs accorded AAs to the works sanctioned by MHA in a timely manner, and ensured availability of undisputed land as per Resolution no. 948 (July 1986) of the Cabinet Secretariat of GoB, they could have been completed within their stipulated time and cases of unspent balances could have been avoided.

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[8] *The amount received (April 2022) has been deposited in the Single Nodal Account opened under new fund flow system, for implementation of the programme in the State.*

[9] *A Single Nodal Account is opened for a Single Nodal Agency, for executing Centrally Sponsored Schemes.*

### 5.7.2 Blockage of interest

Para 12 of the guidelines stipulated that the interest received on the deposits of the Programme funds, at any level, was to be treated as additional resources and was to be utilized on the works to be executed under the Programme. MHA, GoI, instructed (September 2021) the State Governments to deposit the interest accrued (if any), to it, on the funds released under BADP.

Scrutiny of records of five DPOs, five EEs of LAEO works divisions and one EE of a PHED division, revealed that, out of the interest amount of ₹ 26.11 crore, earned on the Programme funds, during FYs 2007-22, only ₹ 7.26 crore had been returned (January 2022) to the GoI (***Appendix-5.4***). The remaining amount of ₹ 18.85 crore had been retained by the concerned DPOs/ EEs, LAEO and EE, PHED. The Department could have either utilised the amount of interest on works which could not be taken up due to paucity of funds, or it could have returned this amount to the GoI.

The Department replied (July 2023) that, in the light of direction of the MHA, GoI, out of the total interest, amounting to ₹ 29.02 crore, accrued on the BADP funds, ₹ 20.40 crore had been deposited in the Consolidated Fund of India. In addition to this, interest amounting to ₹ 0.55 crore (Central Funds: ₹ 0.33 crore and State Funds in SNA: ₹ 0.22 crore), had been deposited in the respective Consolidated Fund of GoI and Consolidated Fund of the State Government. The reply of the Department was not acceptable, as interest amounting to ₹ 8.07 crore, accrued on BADP funds, was yet to be deposited in the designated Funds (as of July 2023).

### 5.7.3 Non-submission of Utilization Certificates

Paragraph 9 of the guidelines envisaged that funds would be released to the states in two instalments. The first instalment, carrying 90 *per cent* of the amount sanctioned, was to be released after the receipt of Utilization Certificates (UCs) for the amounts released in the previous years, except the preceding year. The second instalment, of 10 *per cent* of the amounts sanctioned, was to be released in the month of October, after furnishing of UCs to the extent of not less than 50 *per cent* of the amount released during the preceding year. As such, the Department had to furnish the UCs, for funds released to it, at least after 12 months.

Scrutiny of records of the Department revealed that it had submitted UCs for only ₹ 157.38 crore, against funds amounting to ₹ 215.49[10] crore, received during FYs 2017-20. Scrutiny further revealed that the Department had not received/obtained UCs for the remaining amount of ₹ 58.10 crore[11], released to the DPOs/ EEs of the works divisions of the LAEO/ line departments, during FYs 2017-20, though they were outstanding (as of February 2022).

In the absence of UCs for the funds released to the Department, it could not be ensured whether the amount released to it had been used for the intended purpose.

[10] *Out of ₹ 225.92 crore (Central share: ₹135.55 and State share: ₹90.37) received during 2017-2022, the UC was due for only ₹ 215.49 crore as ₹ 10.42 crore was received in March 2022 and hence UC for this amount was not due till date of audit.*

[11] *FYs 2017-18: ₹ 9.93 crore; 2018-19: ₹ 9.91 crore and 2019-20: ₹ 38.26 crore.*

On this being pointed out, the Department accepted the facts and stated that still UCs for ₹ 49.03 crore were pending (July 2023) for the period 2017-20.

The reply of the Department corroborated the audit observation. Further, the Department had not provided, the year-wise segregated figures of the amounts for which the UCs had been submitted.

## 5.8 Execution of works

During the audit period, MHA, GoI, had approved 925 works (₹ 304.37 crore), relating to infrastructure, social sector, education, sports, health, agriculture *etc*. Out of these approved works, the Department had taken up 793 works for execution (132 works could not be taken up for execution). From the works taken up for execution, 598 (75 *percent*) had been completed, 80 were under progress and 115 works had been cancelled ***(Appendix-5.5)***, as of August 2022. Audit test-checked 82 (nine *per cent*), out of 925 approved works, amounting to ₹ 38.05 crore, whereas in 44 works, JPIs were conducted, to corroborate the audit findings.

### 5.8.1 Administrative approval (AA) not in consonance with the approved AAPs

For execution of the works approved by the MHA, the concerned DPOs were to accord Administrative Approvals (AAs), for the funds to be expended on such works. In the Kishanganj, Sitamarhi and Supaul districts, it was observed that in 19, out of 265 works, the amounts of the AAs, accorded by the concerned DPOs, during FYs 2017-20, were in excess of the amounts approved by the MHA, with the excess ranging from 27 *per cent* to 216 *per cent* ***(Appendix-5.6)***. In another 22 works, the AAs were lesser in comparison to the amounts approved by the MHA, with the deficiency ranging from 25 *per cent* to 60 *per cent* ***(Appendix-5.7)***. This was indicative of selection of works, without proper estimation.

On this being pointed out by Audit, the Department replied (May 2024) that since the schemes/works were in public interest, these were approved on the basis of the estimates received from the concerned Executive Engineer.

The reply of the Department was not acceptable, as the AAs were not in consonance with the AAPs approved by MHA, as per the Programme guidelines.

### 5.8.2 Incomplete works

Scrutiny of records, of six works divisions of the LAEO situated in six different districts, revealed that 19 works, amounting to ₹ 4.99 crore, had not been completed, despite the stipulated dates of their completion having elapsed, since five to 45 months (***Appendix-5.8)***. The delays were mainly attributed to delay in executing agreements, unavailability of land in time *etc*. These delays were also corroborated during the JPIs of the work sites, conducted by Audit, along with the staff of LAEO. These incomplete works included construction of guesthouses, farmers' training centre, warehouse, toilets, auditorium, stadium, volley ball ground *etc*.

A picture of the incomplete building of the auditorium, at Umgaon village in the Harlakhi block of Madhubani district, is shown in **Image-5.2** (taken during JPI). This building was scheduled for completion in July 2021.


**Image 5.2: Incomplete building of auditorium in Harlakhi, Madhubani**

Due to non-completion of these works in time, the intended beneficiaries were deprived of the benefits, that were to be accrued to them, by creation of these assets.

On this being pointed out, the Department replied (May 2024) that out of 19 works, 11 had been completed and remaining eight were under progress. The reply of the Department was, however, not corroborated by any documentary evidences such as completion certificate, Geo-tagged photographs *etc*.

### 5.8.3 Idle expenditure on works

As per Para 20 of revised directive (June 2014) for execution of the Programme, Executing Agency was to hand over the completed work to the concerned department and after that the concerned department was to be responsible for its maintenance.

Scrutiny of records, of five works divisions of the LAEO, showed that they had executed 10 works, amounting to ₹ 2.73 crore. However, the concerned EEs of these works divisions had not handed over the assets/ structures, created out of these executed works, to the user department, even after four to 41 months of their completion (***Appendix-5.9)***, which showed negligency on the part of executing agencies. Delays in handing over of the assets/ structures were also corroborated during JPIs of the sites, conducted by Audit, along with the staff of the LAEO. These completed but not handed over works, included construction of kisan market, guesthouse, public toilets, old age home *etc*. A market shed in Thakurganj, Kishanganj, which had been completed (September 2021), but was yet to be handed over (as of July 2022) is shown in **Image 5.3** (taken during JPI).


**Image 5.3: Compeleted but yet to be handed over Market shed, in Thakurganj, Kishanganj**

Due to non-handing over of these completed assets/structures in time, the intended beneficiaries remained deprived of the benefits, that were to accrue to them by creation of such assets. Further, degeneration of the created assets, with the passage of time, also could not be ruled out.

On this being pointed out, the Department replied (May 2024) that out of 10 works, eight had been handed over.

The reply of the Department was not supported by any documentary evidences *viz*., handing over certificates and for remaining two works, it did not furnish any responses.

### 5.8.4 Inadmissible expenditure

Annexure-III, Para 5(C) of the guidelines provided that any type of infrastructure, inside the Border Outposts (BOPs), including construction of barracks, *machan*, watch towers, residences, common infrastructure *etc*., was not permissible.

Audit, however, observed that DPO, Madhubani, had sanctioned five works, relating to water supply, in the BOPs of Madhubani, for an amount of ₹ 50 lakh and had incurred inadmissible expenditure of ₹ 43.10 lakh, on these works.

On this being pointed out, the Department replied (May 2024) that all the schemes/ works were approved by the Government of India and were completed by the executing agency.

The reply of the Department was not acceptable as these types of works were not permissible under the Programme guidelines.

### 5.8.5 Irregular expenditure

Para 7.5 of the guidelines stipulated that the works/schemes, approved by MHA, for a particular year, would not be changed ordinarily, and, if there was any change in the schemes/projects, it had to be approved by the MHA, only in special circumstances.

**(i)** Audit observed that a *Pucca* Cement Concrete (PCC) road of 2,118 metres length, was to be constructed in Parihar (Sitamarhi), with a cost of ₹ 81.75 lakh. The EE of the works division of LAEO, Pupri, (Sitamarhi), had, however, constructed (July 2020) a road of 1,031 metres length, with a different alignment and had constructed two culverts (extra work) with an expenditure of ₹ 1.23 crore (Road: ₹ 1.06 crore and Culverts: ₹ 0.17 crore). Changes in the alignment of the road, as well as in the scope of the work, were to be got approved from the MHA. However, lack of such approvals, resulted in irregular expenditure of ₹ 1.23 crore.

EE, LAEO, Pupri, replied (July 2022) that a proposal for *post facto* approval, would be sent to MHA. The reply of the Department, in this regard, was awaited (May 2024).

**(ii)** Similarly, MHA had approved (2019-20) construction of a PCC road, of 1,500 metres length, for ₹ 90 lakh, in Thakurgaj, Kishanganj. Audit observed that DPO, Kishanganj, had accorded (June 2020) administrative approval of ₹ 1.63 crore, for the work, but limited the expenditure to be incurred on the work, to ₹ 90 lakh only. EE, LAEO, Kishanganj, had, however, completed the work at a cost of ₹ 1.19 crore, thereby expending ₹ 29 lakh in excess of the approved amount, as well as in excess of the limit fixed by the DPO, and had, thereby, created a liability, to the extent of this excess expenditure.

On being pointed out, EE, LAEO, Kishanganj, replied that efforts were being made for approval of the balance amount of ₹ 29 lakh. Further, the Department replied (May 2024) that the payment was made to the contractor within the limit approved by MHA, GoI.

The replies of EE, LAEO and the Department were corroborating the audit contention that a liability of ₹ 29 lakh has been created by executing work, in excess to the approval of MHA, GoI.

### 5.8.6 Non-saturation of prioritized villages

Paragraph 2.1 of the guidelines envisaged that priority would be accorded to those villages which were located within 0-10 km from the International Border. Villages within this range were to be identified by the Border Guarding Forces (BGFs). They were to get the uppermost priority and be known as 'strategic' villages. Such villages were to be saturated first, with respect to developmental activities, such as road connectivity, electricity, drinking water supply, sanitation, health and allied sectors *etc*. The DLCs were to certify the saturated villages and the State Government was to send a list of such saturated villages, to the MHA, GoI. Only after saturation of 0-10 km villages, could the State Governments take up the next set of villages within the 0-20 km distance, and then within 0-30 km distance, and so on, up to 0-50 km.

Audit observed that the BGFs had forwarded (March 2016) a list of 568 strategic villages, to the Department, which had subsequently provided (April 2016) it to all the concerned DPOs. However, none of the prioritized villages had been saturated (as of October 2022), indicating that the intended benefits of the Programme had not been extended to these strategic villages.

On this being pointed out, the Department stated (July 2023) that the schemes had been selected and executed to: (i) meet the requirements of the people living in the vacant, remote and distant areas of the international border (ii) make basic infrastructure available to them and (iii) saturate the border areas of 0-10 km, as per Programme guidelines.

The reply of the Department was not acceptable, as none of the border villages, situated within 0-10 km distance from the international border, had been saturated, despite the Programme having been under execution in the State, since 1999-2000.

### 5.8.7 Procurement of multi-gym equipment, without requirement

Finance Department, GoB, vide its notification dated 27.11.2017, made it mandatory for the Planning and Development Department to procure goods and services, only through the GeM portal. Audit observed that DPO, Sitamarhi, DPO, Sitamarhi, purchased the gym equipment, by directly placing a work order to a supplier[12], in violation of the orders of the FD, GoB. During JPIs (June-July 2022) of 21 schools, it was observed that none of the schools had put the gym equipment to use. There were instances of non-installation and storage of the equipment in the rooms, in an inappropriate manner, as shown in **Images 5.4 to 5.7**, taken during the JPIs.

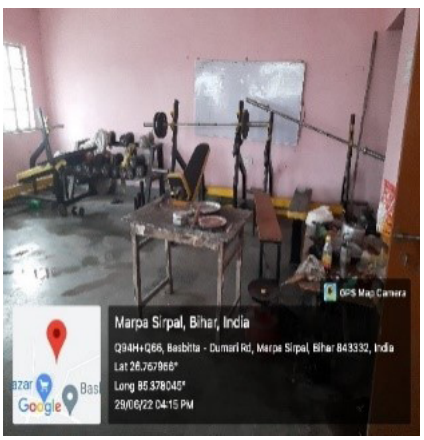


**Image 5.4: Shri Shankar 10+2 Govt. High School, Majorganj**

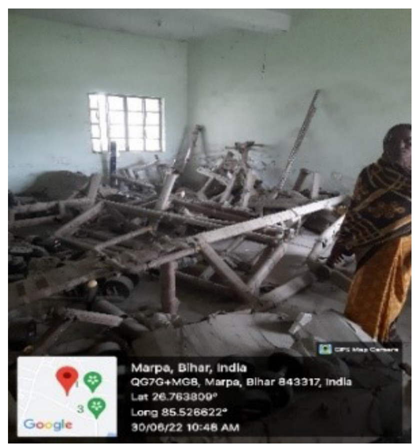


**Image 5.5: Upgraded Govt. High School, MarpaKachor**

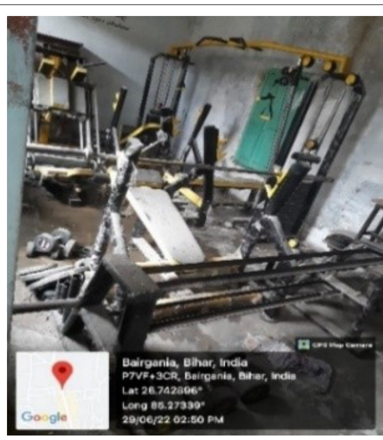


**Image 5.6: Govt. High School, Bairgania**

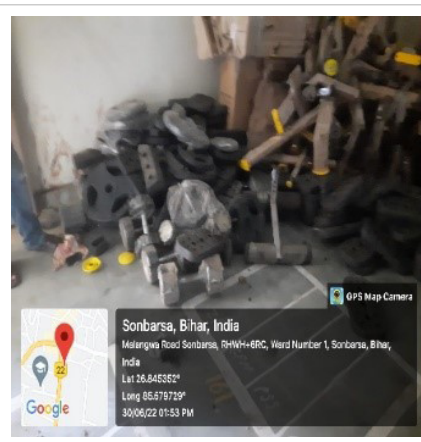


**Image 5.7: Govt. High School, Sonbarsa**

[12] *Pustak Bhawan, Shivpuri and Patna.*

Further, DPO, Sitamarhi, had purchased (July-August 2020) multi-gym equipment, for 28 schools, of six[13] border blocks, at an amount of ₹ 3.35 crore (₹ 11.98 lakh each school), MHA, had, however, approved expenditure of ₹ 1.80 crore only, for 18 schools.

The principals of the concerned schools, stated (June-July 2022) that the gym equipment had not been put to use, due to non-availability of gym trainers and that they had not been consulted, before supply of the equipment.

In the absence of need-based assessment, for requirement of the equipment, and in the absence of any trainer, the expenditure of ₹ 3.35 crore had remained unfruitful, since almost two years.

The concerned DPO accepted (July 2022) the audit observation and replied that gym equipment had been purchased for 28 schools, against the approval of 18 schools. Department replied (May 2024) that the gym equipment were purchased and installed on the basis of reports/lists received from DPO, Sitamarhi, and District Education Officer (DEO), Sitamarhi, respectively. The quality report was received from the Deputy Superintendent of Physical Education (DSPE), Sitamarhi; General Manager, District Industries Centre, Sitamarhi and the Principals of the concerned school.

The reply of the Department was not acceptable, as: (i) concerned GM, DIC and DSPE did not conduct required joint physical inspections (JPIs) (ii) GM, DIC, submitted quality test report for only four schools and (iii) the Department did not furnish any reasons for purchasing gym equipment for 28 schools, against approved 18 schools.

***Recommendation: Department may fix responsibility for: (i) purchasing gym equipment in excess of approval and (ii) their non-utilisation leading to wasteful expenditure.***

### 5.8.8 Non-deduction of compensation

Clause two of Form F-2 (containing general and special conditions for the contract agreements up to ₹ two crore), issued by the Bihar Public Works Department, provided that the time allowed for carrying out a work, as entered in the tender, had to be strictly observed by the contractor and would be reckoned from the date on which the written order, to commence the work, had been issued. In case the work remained incomplete, the agencies had to pay compensation, equal to 0.5 *per cent* per day, but not exceeding to 10 *per cent* of the estimated cost of the work.

Audit observed that, in 14 works, out of 82 test-checked works, executed by seven works divisions of the LAEO, in six districts, contractors had completed eight works, with delays ranging from three to 36 months. The remaining six works were incomplete, though the scheduled dates of their completion had already elapsed since six to 46 months (as of October 2022). For these delays, the concerned EEs of the LAEO works divisions were required to recover ₹ 58.52 lakh from the contractors. However, such recoveries had not been made from the contractors (***Appendix-5.10***), resulting in loss to the State Government, to this extent.

[13] *Bairgania-2, Majorganj-3, Parihar-8, Sonvarsa-9, Suppi-2 and Sursand-4.*

On this being pointed out, the Department replied (May 2024) that: (i) out of 14, one work was completed in time and (ii) for remaining five works, recovery of compensation had been made and (iii) for two works action was being taken.

The reply of the Department was not corroborated by any documentary evidences. Further, it did not furnish relevant reply for remaining six works.

## 5.9 Monitoring

### 5.9.1 Non-conduct of meetings of the SLSC

The Programme guidelines (2015) envisaged that the SLSC was to meet in March/ April and November/December, every year. In the meeting to be conducted in November/ December, the SLSC was to review the progress of works under BADP, submission of UCs and Quarterly Progress Reports (QPRs) *etc*. As such, the SLSC was to held its five meetings, during the audit period, to discharge the functions assigned to it. Audit, however, observed that the SLSC had not conducted any meetings, for the said purposes, during FYs 2017-22.

As a result, works taken up for execution, as also the implementation of the Programme as a whole, had not been reviewed. Further, submission of UCs had also not been monitored, though this was envisaged under the guidelines. The reply of the Department, in this regard, was awaited (May 2024).

### 5.9.2 Non-appointment of Nodal/Prabhari officers for monitoring

As per the Programme guidelines, the State Government was to develop an institutional system for inspection of the works executed in each border block, by assigning a block-wise high-ranking Nodal Officer/ Prabhari Officer, who would make regular visits in the blocks. The officer was to provide independent feedback on the development works being undertaken in the border areas and also submit quarterly reports thereon.

Audit observed that the Department had not appointed any high-ranking State Government Nodal officer/Prabhari Officer, for conducting regular visits and submitting his/her reports thereon. Non-appointment of Nodal/Prabhari Officers, for monitoring, had contributed to the instances of works remaining incomplete, idle *etc*. The reply of the Department, in this regard, was awaited (May 2024).

# CHAPTER-VI

## Implementation of Neer Nirmal Pariyojna

# CHAPTER-VI
# Subject Specific Compliance Audit

## PUBLIC HEALTH ENGINEERING DEPARTMENT

## 6 Implementation of Neer Nirmal Pariyojna

***The Department had not ensured adequate participation of Panchayati Raj Institutions, for ensuring a decentralised approach in policy formulation, preparation of annual work plans and programme implementation, in regard to the Neer Nirmal Pariyojna (NNP). There had been delays in approval/implementation of schemes, which finally led to non-completion of the schemes/ delays in their completion, apart from failure to avail of World bank assistance under the Project. There were instances of overestimation of schemes costs; idle expenditure on procurement of items, such as multi-jet water meters; avoidable expenditure on Multi-Village Schemes and lack of an effective monitoring mechanism, for implementation of the Project, under the SPMU. Further, the sanitation activities under the NNP were hampered by delay in the signing of an MoU with the BRLPS; as also, by the delays in providing the list of GPs to be covered and in the disbursal of funds under the NNP, by the SPMU, to the BRLPS. This led to poor implementation of SLWM works under the Project, with the result that the overall objective of the scheme, i.e. to "improve piped water and sanitation services" for selected rural communities, through decentralized service delivery systems, was not fulfilled.***

## 6.1 Introduction

The Ministry of Drinking Water and Sanitation (MoDWS), Government of India (Ministry), launched (2009) the National Rural Drinking Water Programme (NRDWP) and prepared a long-term strategic plan (2011-22) with aim of covering 90 *per cent* of rural households, with piped water connections. However, as per Census 2011, in low-income states such as Bihar, Jharkhand and Assam, only 2.6 to 6.8 *per cent* rural households had access to pipe water connection. Therefore, in partnership with the World Bank (WB), the Government of India (GoI) proposed (2012) the Rural Water Supply and Sanitation Project for Low Income States[1] (RWSSP-LIS). This project was intended to strengthen the efforts of the NRDWP, by overcoming the low coverage of the piped water supply scheme and water quality challenges. The period of implementation of the project was Financial Years (FYs) 2013-14 to 2019-20. Subsequently, (January 2015), the project was renamed as the *Neer Nirmal Pariyojna* (NNP), the overall objective of which was to "improve piped water and sanitation services" for selected rural communities. The project intended to promote: (i) decentralized service delivery systems with increased participation of Panchayati Raj Institutions (PRIs) and communities and (ii) to enhance accountability at all levels, to develop a sense of ownership.

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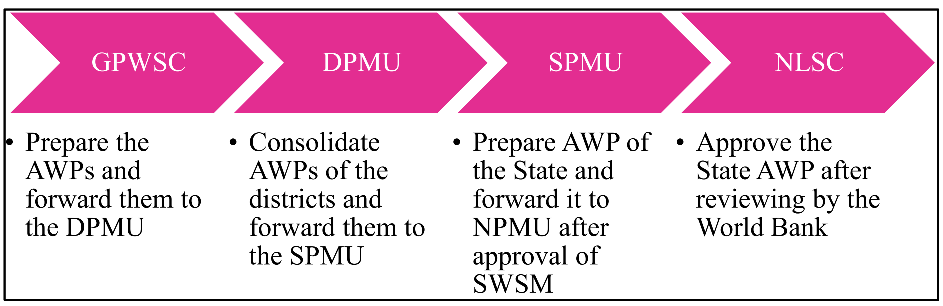
[1] *Assam, Bihar, Jharkhand and Uttar Pradesh.*

## 6.2 Roles and Responsibilities

For implementation of the project, an agreement was executed (February 2014) between the World Bank, GoI and Government of Bihar (GoB). The project was to be implemented in accordance with its seven years' perspective plan, called the Project Implementation Plan (PIP) and its annual plan, called the Annual Work Plan (AWP). It was to be completed by March 2020.

The planning process, of each implementing entity was required to follow a "bottom-up" approach. The process was to be started from the *Gram Panchayat* Water and Sanitation Committee (GPWSC), which had to prepare Annual Work Plans (AWPs) and forward them to the District Project Management Unit (DPMU), for consolidation of AWP at its level, which, in turn, was to forward them to the State Project Management Unit (SPMU), for preparation of the AWP of the State, for approval by the State Water and Sanitation Mission (SWSM). The National Level Steering Committee (NLSC) was to approve the State AWP. The World Bank was to review this AWP, before its finalisation. The process flow for preparation of Annual Works Plan is shown in **Chart 6.1**.

**Chart-6.1: Process flow to prepare Annual Works Plan (AWP)**



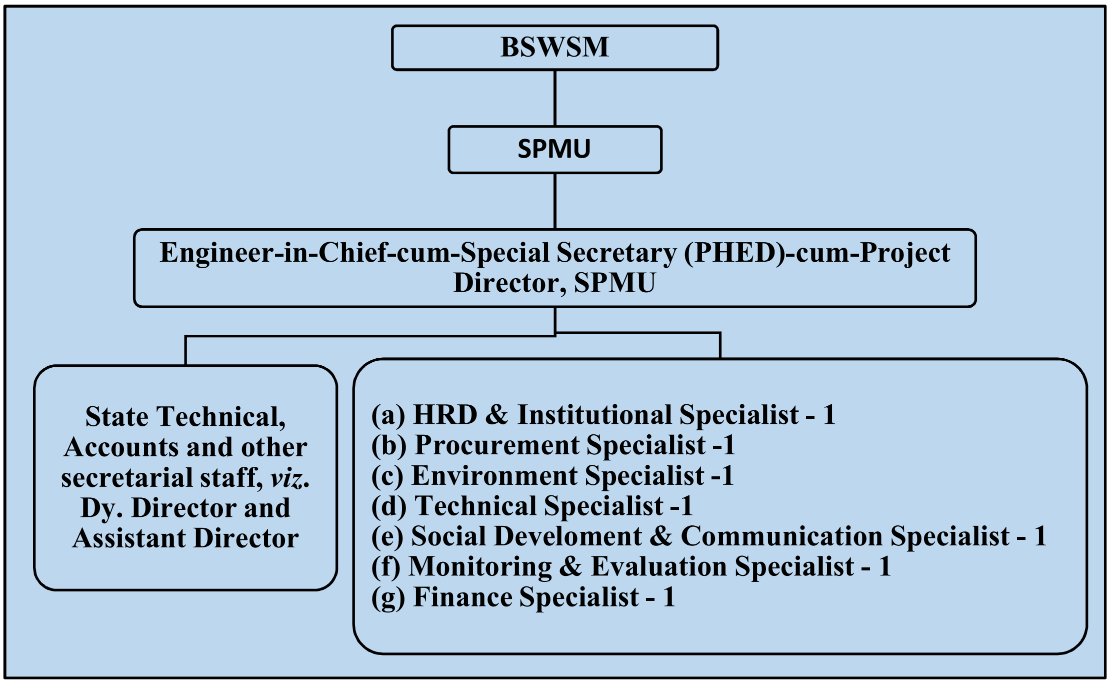

***(Source: Records of Public Health Engineering Department, Bihar)***

Under the 'infrastructure' component, schemes were to be undertaken after Technical Clearance been accorded by the State Level Scheme Sanctioning Committee (SLSSC), wherein a representative of Ministry of Drinking Water and Sanitation (MoDWS), GoI, was also a member. Thereafter, the Public Health Engineering Department, GoB (Department) was to give administrative approval for execution of the schemes under the NNP.

## 6.3 Organisational set-up

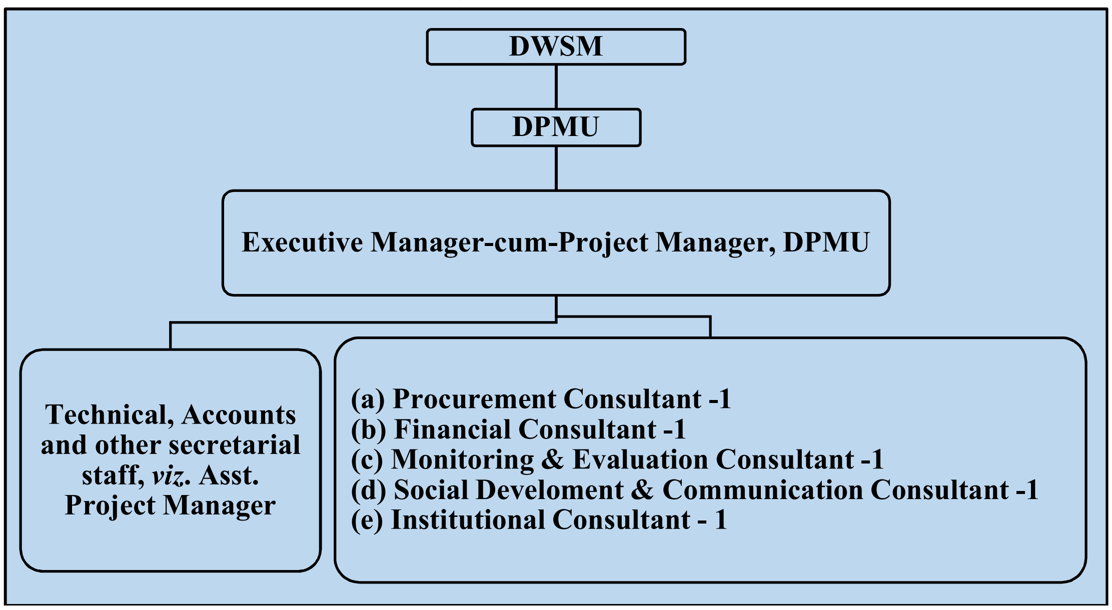
The Public Health Engineering Department (PHED), GoB, was the nodal Department for the NNP. Projects under the NNP were to be implemented by the State Project Management Unit (SPMU) and District Project Management Units (DPMU), established within the Bihar State Water and Sanitation Mission (BSWSM) and District Water and Sanitation Mission (DWSM), at the State and District levels, respectively, as depicted in **Charts 6.2** and **6.3**.

**Chart-6.2: Organisational set-up of SPMU**




*(Source: Records of PHED, GoB)*

**Chart-6.3: Organisational set-up of DPMU**




*(Source: Records of PHED, GoB)*

As can be seen from **Charts 6.2** and **6.3**, the Project Director and Project Managers, at the SPMU and DPMU levels, were to be supported by technical, accounts and other staff, and were to report to the BWSM and DWSM, at the State and District levels, respectively, and to submit reports on the progress of the project. The SPMU and DPMUs, were to be supported by specialists/ consultants, for providing co-ordination support, in their respective fields.

## 6.4 Audit objectives

The audit was conducted to examine whether:

- the selection of districts had been carried out as per the specified criteria
- capacity building and sector development had been carried out for planning and implementation of the scheme
- infrastructure development had been carried out as per provisions
- the management of funds was in accordance with the financial manual of the NNP and
- effective monitoring mechanisms existed for implementation of the Project.

## 6.5 Audit criteria

The audit criteria were, *inter alia,* sourced from the following:

- Guidelines issued by the World Bank; Ministry of Drinking Water and Sanitation, Govt. of India; and Department of PHED, Government of Bihar; for implementation of NNP and Jal Jivan Mission[2]
- Project Implementation Plan (PIP) of NNP, approved by the World Bank; Financial manual of NNP; and Bihar Financial Rules 2005
- Data/information of the Central Ground Water Board (CGWB) and Public Health Engineering Department (PHED) and
- Central Public Health and Environmental Engineering Organisation (CPHEEO) Manual, issued by the Ministry of Housing and Urban Affairs (GoI).

## 6.6 Audit scope and methodology

The SSCA, on implementation of Neer Nirmal Pariyojna, for the period covered by the Financial Year 2013-14 to 2021-22, was conducted during July 2022 to December 2022. Audit was conducted through test-check of records of the Engineer in Chief (EIC)-cum-Special Secretary, PHED, GoB and all 13 Public Health (PH) Divisions,[3] under the 11 selected districts[4] of the State, where the NNP had been implemented. In 13 PH Divisions, Audit test-checked records related to 60 water supply schemes[5] of the NNP. The audit methodology included test-check/scrutiny of records, obtaining responses to audit memos/questionnaires and joint physical inspection of schemes under NNP. Entry and exit meetings were held (July-December 2022) with the audited entity *i.e* with the Department as well as with the Executive Engineers of all the selected Public

[2] *A Centrally Sponsored Scheme, launched in 2019, to provide supply of water to every person per day, to every rural household, through Functional Household Tap Connections (FHTC), by 2024.*

[3] *Muzaffarpur, Biharsharif and Hilsa (Nalanda), Nawada, Saran (Chapra), Munger, Bettiah, Purnea, Banka, Begusarai, Patna East and Patna West (Patna) and Madhubani.*

[4] *Muzaffarpur, Nalanda, Nawada, Chapra, Munger, West Champaran, Purnea, Banka, Begusarai, Madhubani and Patna.*

[5] *PH Division, Biharshariff (Nalanda): 4; PH Division, Hilsa (Nalanda): 7; PH Division, Nawada: 4; PH Division, Madhubani: 1; PH Division, Banka: 4; PH Division, Patna East: 6; PH Divison, Patna West: 3; PH Divison, Munger: 2; PH Division, Muzaffarpur: 2; PH Division, Chapra (Saran): 4; PH Division, Bettiah (West Champaran): 4; PH Division, Purnea: 9; PH Division, Begusarai: 10.*

Health Divisions. The report has been finalised based on the responses furnished by the department (June 2023).

**Audit Findings**

## 6.7 Project Planning

### 6.7.1 Batch-wise phasing of project implementation

As per the PIP, the schemes were to be implemented in three batches, with the scheme cycle comprising of the Pre-Planning, Planning, Implementation and Post-implementation phases. The schemes under Batch-I, II and III were to be started from February 2014, February 2016 and February 2017 and to be completed up to March 2017, March 2019 and March 2020, respectively.

The pre-planning, planning, implementation and post-implementation phases of each Batch were to be completed within specified months, as given in the **Table 6.1.** Besides, the targets envisaged and achievements there against, in each phase, under the above-mentioned scheme cycle, are also shown in **Table 6.1**.

**Table 6.1: Phase-wise implementation targets for Batches-I, II and III and achievements there against**

| Scheme Cycle | Period to complete the cycle | Batch-I | | Batch-II | | Batch-III | |
|---|---|---|---|---|---|---|---|
| | | Target to complete the scheme cycle | Achievement | Target to complete the scheme cycle | Achievement | Target to complete the scheme cycle | Achievement |
| **Pre-planning phase** (selection of Support Organisation *etc.*) | 2-3 months | May 2014 | November 2016 to October 2017 | Completed under Batch-I | | Completed under Batch-I | |
| **Planning phase** (Technical and Administrative Approval) | 3-4 months | September 2014 | July 2015 | May 2016 | January 2018 to February 2019 | May 2017 | Not initiated |
| **Implementation phase** (selection of construction contractor for execution of schemes) | 6-10 months | July 2015 | May 2017 to August 2021 | March 2017 | November 2019 to October 2021 | March 2018 | Not initiated |
| **Post-implementation phase** (O&M) | 17-24 months onwards | July 2017 | On going | March 2019 | Ongoing | March 2020 | Not initiated |

*(Source: PIP and PHED, GoB)*

**Table 6.1** indicates that the SPMU had not been able to complete each cycle, in each phase, within the PIP timelines. Reasons for the same included delay in selection of the support organisation and specialists in SPMU and DPMUs; according of AA; selection of construction contractors; and prioritisation of the State Sponsored scheme *"Har Ghar Nal Ka Jal" etc.*, as discussed in the succeeding paragraphs.

### 6.7.2 Improper selection of districts

The PIP of NNP envisaged that districts were to be selected on the basis of districts: (i) with low coverage of piped water supply and sanitation, (ii) where groundwater-based drinking water sources are affected with chemical contamination, (iii) with large number of water scarce habitations and (iv) with large socially and economically disadvantaged population.

As per PIP (November 2013), the Department had selected ten districts for implementation of the project. Subsequently, (February 2019), one more district (Madhubani) was included in the NNP. However, the schemes related to the Madhubani district were not approved by the World Bank. Audit analysed data related to the selection criteria, keeping in view the district-wise population covered with tap water connections; districts with a large socially and economically disadvantaged population; districts having water quality issues and net availability of ground water ***(Appendices-6.1 to 6.4)***. The analysis showed that the department had selected the Nalanda and Saran districts, which were not among the ten most eligible districts, on the basis of the above-mentioned criteria.

On this being asked, the Department replied (September 2022 and June 2023) that the districts under NNP had been selected based on the criteria fixed by the World Bank and the fact that drinking water schemes had earlier been executed in some districts.

The reply of the Department was not tenable, as the PIP criteria was not different from the World Bank's criteria. However, the relevant documents and justification, for selection of the districts, were not made available to Audit.

### 6.7.3 Non-decentralisation of the service delivery system

As per the PIP, the project was to be designed to promote decentralized service delivery arrangements, with adequate participation of Panchayati Raj Institutions (PRIs) in policy and planning activities, for execution of single Gram Panchayat/village/habitation schemes, by the GPs. Further, the DPMUs were to make scheme-wise quarterly allocations to the concerned Gram Panchayat Water and Sanitation Committees (GPWSC) and to provide cheque books, linked to the DPMU's bank account, to enable them to make payments.

Audit, however, observed that:

- the Department had not involved GPs in the policy making process, annual work plans and execution of/ payments, in regard to NNP schemes. In violation of the guidelines, annual work plans had been prepared by the SPMU at headquarters level and, thereafter, forwarded to the DPMUs, for implementation.
- the DPMUs had neither made quarterly allocation of funds, nor had they provided cheque books to the concerned GPWSCs. Instead, payments were being made through the DPMUs.

Thus, the objective of promoting a decentralized delivery system, with the participations of the PRIs, had not been ensured.

The Department replied (June 2023) that it had implemented the schemes, as per the NNP guidelines.

The reply of the Department was not acceptable, as schemes were being formulated and implemented through a top-down approach, instead of the envisaged bottom-up approach.

### 6.7.4 Lack of specialists/consultants in SPMU and DPMUs

According to the PIP, the SWSM and DWSM were to be supported by the SPMU and DPMUs, at the State and District levels respectively, with specialists/consultants having experience in different areas[6]. These specialists/consultants were to provide support in: (i) preparation of budgets (ii) engagement of agencies and development of standard bid documents (iii) environmental safeguards (iv) preparation of capacity building plans (v) reviewing and finalising the detailed project reports (vi) institutional development and (vii) reporting the progress of projects and flagging issues to the SWSM/DWSMs and SPMU/DPMUs.

During audit, it was noticed that, although the BSWSM had approved the constitution of the SPMU and 10 DPMUs in the State and 10 selected districts under NNP, during February and September 2013, respectively, the SPMU and DPMUs had functioned without the required strength of specialists/consultants, during the project period. The SPMU had functioned with the full strength of seven specialists only during December 2014. Thereafter, only four[7] specialists, out of the seven specialists required as per the PIP, had remained with the SPMU till the end of the project period (March 2020). In regard to DPMUs of 10 districts, where the water supply schemes under NNP were to be executed, the process of recruitment of specialists/consultants had been initiated in December 2014. However, the DPMUs had also functioned without the full strength of specialists, between FYs 2015-16 and 2019-20. Against the sanctioned strength of 60 (six in each DPMU), only 20 to 44 specialists had been in place, in the ten DPMUs of the 10 NNP districts (Madhubani had no DPMU) where water supply schemes, under the NNP, were executed.

Thus, the SPMU, as well as the DPMUs had not functioned with their full strength of specialist during the project period. This was attributable to delays in: (i) according administrative approval (AA) to schemes (ii) release of funds, (iii) selection of construction contractors and (iv) completion of schemes *etc*., as noticed in audit.

The Department replied (September 2022) that manpower shortage was a result of procedural delays and the position had improved in course of time. The reply of the Department was not tenable, as the SPMU, as well as DPMUs, had shortages of specialists, throughout the project period.

[6] *Financial Management, Procurement, Environment, Social, Technical, Institutional Development and Monitoring & Evaluation (M&E) Specialists.*

[7] *Monitoring and Evaluation (M&E), Institutional Development, Environment and Procurement.*

### 6.7.5 Delay in selection of support organisations (pre-planning phase)

As per the PIP, the SPMU was to appoint District Project Management Consultants (DPMCs[8]) having expertise in providing support activities, in regard to the planning, implementation and monitoring of water supply and sanitation schemes, at the village and panchayat levels. The DPMCs (support organisations) were to work as the field arm of the ten DPMUs, with most of their staff being available at the GPs/villages, to support project activities and coordinate with DPMUs at the district headquarters.

Audit noticed that, against scheme cycle, which stipulated the appointment of support organisations within two to three months (May 2014) from the dates of the concerned agreements, the support organisations had been appointed with delays of more than two years for six[9] districts and more than three years for four[10] districts. Due to delays in the selection of support organisations, support activities in planning could not be ensured for Batch-I schemes, as they had been sanctioned during July 2015, before selection (November 2016) of the support organisations. Further, the required support for planning, implementation and monitoring of schemes, could also not be ensured, during the project period.

The Department did not provide any specific response to the audit observation.

### 6.7.6 Baseline survey data not used for preparation of DPRs

As per the PIP, a baseline survey was to be undertaken by the implementing department, before commencement of schemes under the NNP. The survey was to be conducted with the objective of assessing the number of households, villages/habitations, institutions, drinking water sources, status of toilets and the arrangements for Solid Liquid Waste Management (SLWM) in the project areas. Further, the Department (May 2016), as well as the World Bank, directed (May 2019) the SPMU and DPMUs, to use the baseline data, for preparation of DPRs.

Scrutiny of records showed that the Department had instructed (August 2014) the DPMUs to complete the baseline survey and the same was to be completed by October 2014. The DPMUs, however, had not completed the survey, till August 2016 (for the schemes to be taken up under Batch-I). Thus, 133 Single Village Schemes (SVS) were approved (March 2015), under Batch–I, without utilising the baseline survey data. As a result, the DPMUs executed contracts on the basis of inflated DPRs, since, the baseline survey data showed 1,58,525 households in these SVS, while the DPRs of these schemes, showed 1,89,219 households. Similarly, the population, as per the DPRs and the baseline survey, was 10.68 lakh and 9.23 lakh, respectively.

The Department replied (September 2022) that the water supply schemes had been formulated on the basis of NRDWP data, while the baseline survey had been conducted for approval of variations in regard to the left-out houses and areas. The reply of

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8 *DPMC was to have specialists with expertise in community mobilization, technical, social and environment, communications, procurement, financial management etc.*

9 *Patna, Nalanda, Nawada, Muzaffarpur, Saran and Begusarai.*

10 *Munger, Banka, Purnia and East Champaran.*

the Department was not acceptable, as the baseline survey data was to be used for preparation of DPRs.

### 6.7.7 Delays in approval of schemes

As per the PIP, works relating to water supply schemes were to be implemented in three batches. Further, as per the Project Financial Management Manual of the NNP, under the 'infrastructure' component, no scheme was to be undertaken without technical clearance from the SLSSC, wherein a representative of MoDWS, GoI, was also a member.

Audit observed that administrative approvals (AAs) for 133, out of 152 SVS, under Batch-I, had been accorded in July 2015, *i.e.* with a delay of 10 months. Similarly, AAs for 557 SVS/ Small Single Village Schemes (SSVS[11]), under Batch-II (including the remaining schemes of Batch-I), had been accorded during the period January 2018 to February 2019, *i.e.* with delays of 19 to 32 months, from the stipulated date of September 2014 for Batch-I and June 2016 for Batch-II, respectively. Further, schemes under Batch-III had not been taken up for approval.

The main reasons, for delays in according AAs, to schemes under Batch-I, were : (i) delays in hiring technical specialists (responsible for reviewing and finalising the DPRs at the SPMU and DPMU levels) and (ii) the department's decision to prioritise the preparation of a plan for piped water supply, with house connections and toilet facilities, to the entire rural population of the State, during 2015-20, under the *Har Ghar Nal ka Jal* Scheme (one of the seven *Nischays* of GoB). Therefore, the SPMU had not proposed any schemes under the NNP, up to January 2018, and the remaining 19 schemes of Batch-I had been approved by the SLSSC in January 2018.

Thus, implementation of the schemes of Batch-I had been delayed by 10 months and approval of Batch-II schemes had also been delayed by 20 months to 33 months, respectively, and only 81 schemes had been completed during the project period.

The Department accepted (June 2023) the delays in the implementation of the project and attributed it to: (i) lack of experience of contractors in implementing the schemes (ii) several rounds of the tendering process, which took place due to the limited availability of potential bidders and (iii) shifting of the procurement system, from the National Informatics Centre (NIC), to the Bihar State Electronics Development Corporation Ltd. (BELTRON).

The Department, however, did not offer any comments in regard to according priority to the State scheme (*HGNKJ*) over NNP.

### 6.7.8 Degradation of the ratings of projects

As per the Project Financial Management Manual, the component-wise breakup of costs, documented in the financing agreements of the World Bank, was sacrosanct and could not be altered without its prior approval.

[11] *Small Single Village Schemes are ward level schemes covering one ward in a panchayat.*

As per the PIP, 330 schemes were to be initiated, up to FY 2017-18. The SPMU, however, had sanctioned only 137 schemes (133 SVS and 4 MVS) during this period. Further, it had sanctioned 557 schemes during FY 2019-20 *i.e.* only in the last year of the project period, as detailed in **Table 6.2**.

**Table 6.2: Number of schemes as per the PIP and as sanctioned by the SPMU**

| | Financial Year | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Source** | **2013-14** | **2014-15** | **2015-16** | **2016-17** | **2017-18** | **2018-19** | **2019-20** | **Total** |
| **PIP** | 53 | 103 | 83 | 63 | 28 | 0 | 0 | **330** |
| **AAs** | 0 | 0 | 137 | 0 | 0 | 0 | 557 | **694** |

Audit also observed that the SPMU, without obtaining prior approval of the World Bank, had proposed 557 schemes, amounting to ₹ 65.54 crore, under Batch-II. Although the World Bank, subsequently approved 213 schemes, out of these proposed 557 schemes, it first degraded the project from the "Satisfactory range" to the "Moderately unsatisfactory", then refused the request for the extension and finally closed the project by March 2020. Thus, inordinate delays in the approval of schemes, under Batch-II, had resulted in withdrawal of the World Bank from the project and deprivation of possible financial assistance, as discussed in ***Paragraph 6.8.1***.

The Department did not respond to the audit observation.

## 6.8 Financial Management

As per the PIP, the project cost was to be financed by the World Bank (50 *per cent)*, GoI (33 *per cent*), GoB (16 *per cent*) and community contribution (one *per cent).* Details of the receipt, expenditure and balance of funds with the SPMU, under the NNP, during the FYs 2013-14 to 2020-21, are shown in **Table 6.3**.

**Table 6.3: Receipts, expenditure and balance of funds with the SPMU**

***(₹ in crore)***

| Financial Year | Year-wise break- up of the project cost | Opening Balance | Funds released to SPMU | | | | Interest and Other income | Total available funds | Expenditure incurred | Closing balance |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | World Bank | GoI | GoB | Total | | | | |
| 2013-14 | 63.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2014-15 | 204.44 | 0.00 | 9.99 | 12.49 | 4.30 | 26.78 | 0.22 | 27.00 | 1.27 | 25.73 |
| 2015-16 | 374.89 | 25.73 | 39.49 | 10.42 | 32.40 | 82.31 | 0.21 | 108.25 | 30.11 | 78.14 |
| 2016-17 | 384.05 | 78.14 | 53.51 | 42.33 | 21.18 | 117.02 | 1.35 | 196.51 | 132.11 | 64.40 |
| 2017-18 | 321.50 | 64.40 | 90.61 | 45.36 | 37.02 | 172.99 | 2.81 | 240.20 | 147.56 | 92.64 |
| 2018-19 | 169.88 | 92.64 | 57.50 | 29.18 | 11.65 | 98.33 | 4.91 | 195.88 | 84.78 | 111.10 |
| 2019-20 | 87.51 | 111.10 | 75.00 | 43.77 | 30.11 | 148.88 | 3.07 | 263.05 | 159.60 | 103.45 |
| 2020-21 (up to September 2020)[12] | 0.00 | 103.45 | 0.00 | 0.00 | 0.00 | 0.00 | 2.25 | 105.70 | 100.67 | 5.03 |
| **Total** | **1,605.91** | | **326.10** | **183.55** | **136.66** | **646.31** | **14.82** | **661.13** | **656.10** | |

*(Source: Records of PHED, GoB)*

[12] *The deadline for submission of applications for funds (relating works completed up to March 2020), to the World Bank, under the project was September 2020.*

As indicated in **Table 6.3**, although the SPMU had been able to utilise 99 *per cent* of the available funds, it had not been able to secure the envisaged receipt of ₹ 803 crore, in full, from the World Bank, due to delays in the implementation of the schemes under the NNP.

### 6.8.1 Additional burden on the State exchequer, due to non-receipt of World Bank assistance

As per the PIP, the World Bank was to contribute approx. ₹ 803.00 crore (50 *per cent* of the project cost) against the total project cost of ₹ 1,606 crore. Since the schemes had been implemented with delays, and only ₹ 656.10 crore (41 *per cent)* of the total project cost had been spent till March 2020, GoB had received only ₹ 326.10 crore from the World Bank. As such the State Government had been deprived of World Bank assistance, amounting to ₹ 476.90 crore.

Subsequently, the SLSSC decided (May 2020) to complete the NNP Schemes that were under progress, through Jal Jeevan Mission (JJM) funds, from March 2020 onwards, on 50:50 sharing basis with GoI. Due to change in sharing pattern, the GoB had to bear additional financial burden of 34 *per cent (50 per cent* under JJM-16 *per cent* under NNP) of the expenditure. The SLSSC approved (May 2020) an amount of ₹ 432.46 crore, for implementation of these incomplete schemes of NNP. Accordingly, the GoB had to release an amount of ₹ 216.23 crore as per JJM sharing pattern. As of August 2022, the GoB released ₹ 186.43 crore against the required ₹ 69.19 crore (16 *per cent)* under NNP. Therefore, the State Government had to bear additional financial burden, amounting to ₹ 117.24 crore (₹ 186.43 crore- ₹ 69.19 crore), due to delay in completion of the schemes under NNP.

The Department agreed with the audit observation (June 2023).

### 6.8.2 Delay in release of funds to SPMU

As per sanction orders of GoI, the State Government was to ensure release/transfer of funds to the SPMU, within 15 days of receipt of the World Bank's share.

Audit, however, observed that prescribed timeline had not been adhered to, while releasing/transferring funds to SPMU. Details of delays, in release of funds to the SPMU, are given in **Table 6.4**.

**Table 6.4: Delays in release of funds to SPMU**

***(₹ in crore)***

| Financial Year | Date-wise release of World Bank's, GoI's and GoB's shares | | | | Dates of receipt of funds in SPMU's bank account | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Date | World Bank's share | GoI's share | GoB's share | World Bank's share | | GoI's share | | GoB's share | |
| | | | | | Date | Delay (in days) | Date | Delay (in days) | Date | Delay (in days) |
| **2013-14** | 31.03.2014 | 9.99 | 5.49 | 4.30 | 05.05.2014 | 20 | 26.09.2014 | 164 | 13.10.2014 to 22.11.2014 | 181 to 221 |
| **2014-15** | 12.12.2014 | 58.63 | 32.25 | 25.21 | 30.12.2015 to 04.02.2017 | 368 to 770 | 08.01.2015 to 22.02.2017 | 89 to 865 | 06.11.2015 to 31.12.2015 | 369 |
| **2016-17** | 10.01.2017 | 25.00 | 13.75 | 10.75 | 20.02.2017 to 17.08.2017 | 28 to 160 | 22.2.2017 to 30.12.2017 | 18 to 261 | 31.12.2015 to 28.07.2017 | 6 to 106 |
| | 23.02.2017 | 25.00 | 13.75 | 10.75 | | | | | | |
| | 29.03.2017 | 32.48 | 17.86 | 13.97 | | | | | | |
| **2017-18** | 22.09.2017 | 50.00 | 27.50 | 21.50 | 13.12.2017 to 29.03.2019 | 84 to 370 | 30.12.17 to 12.09.2018 | 84 to 614 | 28.11.2017 to 29.03.2019 | 70 to 550 |
| | 09.03.2018 | 50.00 | 29.18 | 20.07 | | | | | | |
| **2019-20** | 03.10.2019 | 25.33 | 14.79 | 10.17 | 28.11.2019 | 41 | 28.11.19 to 04.02.2020 | 40 to 74 | 26.11.2019 | 38 |

*(Source: Records of PHED, GoB)*

As evident from **Table 6.4**, the Department had released/ transferred the World Bank's Share with inordinate delays, ranging up to 770 days, to SPMU, in violation of GoI directions, which would have affected the progress of the project.

The Department accepted the audit observation in its reply (June 2023) that the funds had been released with delays, due to delays in the finalisation of policy and schemes.

### 6.8.3 Community participation

The World Bank instructed (2014) that the beneficiaries had to make a one-time community contribution, at the rate of ₹ 450 (for SC/ST ₹ 225), to instil a sense of ownership of the project and to properly maintain, the facilities created.

Audit observed that the SPMU had been able to collect only ₹ 1.71 crore, against the estimated community contribution of ₹ 14.32 crore, during FYs 2014-15 to 2018-19. Further, the Department, in violation of the World Bank's instructions, decided (February 2019) to discontinue the community contribution and to return the already collected ₹ 1.71 crore, to the concerned beneficiaries ***(Appendix-6.5)***, assuring that it would provide funds, under 'community contribution', from the State Plan funds. The World Bank expressed (April 2019) concern over the decision and requested the State Government to reconsider it. The State Government, however, neither reviewed the decision, nor returned the amount to the contributors.

The Department replied (June 2023), in this regard, that: (i) it had been difficult to collect ₹ 450 (₹ 225 for SC/ST persons) from the households of the NNP project areas (ii) after due consultation with the World Bank Team and GoI, it had been decided that the State Government would pay the amount of the community contribution and (iii) no amount, had, however, been returned to the community.

The reply of the Department was, however, not satisfactory, as the World Bank had itself expressed deep concern on violation of the provisions of the contract.

### 6.8.4 Diversion of NNP funds towards payment on Operations and Maintenance (O&M) and non-eligible schemes

As per the scheme guidelines, no expenditure on O&M was to be incurred from NNP funds, as this was the responsibility of the State Government. Further, NNP funds were to be utilised only for the schemes that had been approved by the World Bank. Test-check of records, however, showed that NNP funds, amounting to ₹ 12.90 crore, had been spent on O&M of the concerned schemes, in five DPMUs[12]. Further, ₹ 51.31 crore had been incurred on 142 non-eligible schemes (which had not been approved by the World Bank), under NNP. Thus, NNP funds, amounting to ₹ 64.21 crore, had been diverted towards payment of O&M and non-eligible schemes, against the provisions of the guidelines.

The Department replied (June 2023) that expenditure on O&M had been made on the perception that these schemes would be approved by the World Bank. However, these schemes had ultimately not been approved by the World Bank and had been declared non-eligible.

The reply of the Department was not tenable as the expenditure on O&M and approval of schemes by the World Bank are different. Expenditure on O&M of the schemes was the responsibility of the State Government. Further, expenditure on the schemes, without approval of the World Bank, was not justifiable.

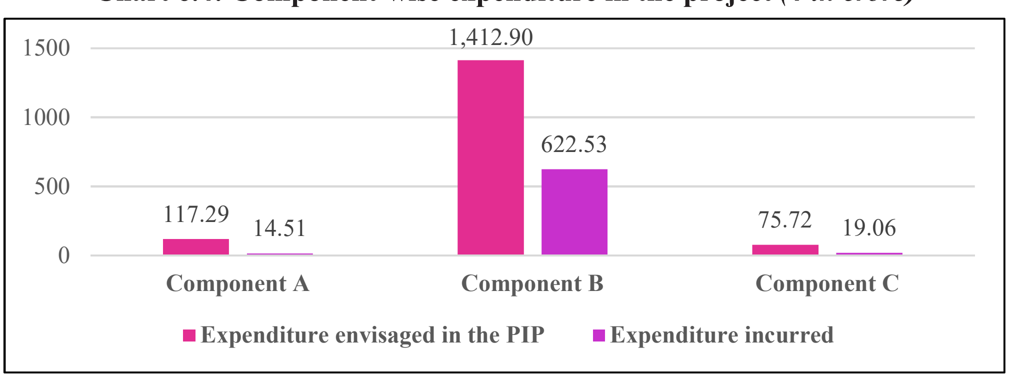
## 6.9 Implementation of the project components

Shortcomings noticed in the implementation of the components of the project, are discussed in the succeeding paragraphs.

### 6.9.1 Inadequate expenditure on the components of the project

The NNP had been divided into three components *viz*. **A**: Capacity building and sector development; **B:** Infrastructure Development and **C:** Project Management Support. Component-wise expenditure envisaged as per the PIP, and as actually incurred (as of September 2022), is shown in **Chart 6.4**.

**Chart 6.4: Component-wise expenditure in the project *(₹ in crore)***




[13] *Nalanda (₹ 1 crore), Nawada (₹ 0.65 crore), Munger (₹ 6.20 crore), Muzaffarpur (₹ 4.95 crore) and Begusarai (₹ 0.10 crore).*

As indicated in **Chart 6.4**, only 12 *per cent*, 44 *per cent* and 25 *per cent,* of the expenditure envisaged in the PIP, had been incurred, under components A, B and C, respectively.

The Department did not provide any response on the audit observation.

### 6.9.2 Lack of capacity building and sector development activities

Under the 'capacity building and sector development' component, training programmes and workshops were to be organised, to strengthen the capacity of the State, district, block and GP level functionaries. SPMU and DPMUs were to provide overall support in this activity, with the help of the specialists available at the SPMU and DPMUs.

Audit observed that no expenditure had been incurred on some of the sub-components, such as 'capacity building and training for SWSM (workshops)', 'training programmes at the district/ block level, including workshops for DWSMs/ DWSCs' *etc.* **(*Appendix*-6.6).** Further, the SPMU and DPMUs did not have the required number of specialists, which also led to lack of capacity building and sector development activities.

The Department did not offer any comments in this regard.

### 6.9.3 Inadequate execution of infrastructure development activities

As per the PIP, investment was to be made under the Infrastructure Development Component, to provide safe and adequate piped water supply to all households in the habitations of the villages covered. As per the scheme cycle of NNP, the implementation phase, which included selection of construction contractors, was to be completed within six to 10 months. Details of the batch-wise number of schemes envisaged in the PIP, proposed and completed by the State, as of March 2020 are given in **Table 6.5**.

**Table 6.5: Batch-wise number of schemes envisaged in the PIP, proposed and completed by the State (as of March 2020)**

| Batch | Period of implementation | No. of schemes envisaged in the PIP | No. of schemes proposed by the State | No. of schemes approved by the World Bank | No. of schemes completed under NNP (as of March 2020) |
|---|---|---|---|---|---|
| I | February 2014 to March 2017 | 156 | 137 (SVS-133 + MVS-4) | 137 | 81 (79 SVS+2 MVS) |
| II | February 2016 to March 2019 | 117 | 557 (556 SVS+1 MVS) | 213 | 0 |
| III | February 2017 to March 2020 | 57 | 0 | 0 | 0 |
| | **Total** | **330** | **694** | **350** | **81** |

*(Source: Records of PHED, GoB)*

**Table 6.5** indicates that the World Bank had approved only 350 schemes, out of the 694 schemes proposed by the State. Of these, the State had completed only 81 schemes. Hence, 613 schemes were incomplete, as of March 2020. Out of these 613 schemes, nine and four schemes of Batch-I were subsumed in Batch-II schemes and shifted to the '*Har Ghar Nal Ka Jal'* scheme*,* respectively. 557, out of the remaining 600 schemes had been completed from JJM funds, leaving 43 schemes still incomplete (as of August 2022).

Delayed implementation/ implementation of lesser number of schemes than envisaged under the NNP, was attributable to: (i) delays in the publishing of Notices Inviting Tenders (NITs) after AAs (ii) finalisation of tenders after NITs and (iii) republishing of NITs, due to changes in the clauses of the bid documents, after their publication. Resultantly, only 81 (59 *per cent*), out of 137 schemes of Batch-I, had been completed till the stipulated date (March 2020) and none of the schemes of Batch-II had been completed.

The Department replied (June 2023) that 121 schemes of Batch-I and 252 SVSs had been completed, as of June 2023.

The reply of the Department corroborated that all the schemes had not been completed.

### 6.9.4 Unrealistic household connections

As per the PIP, the key project development objective was to improve piped water supply services for selected rural communities in the targeted states through decentralised delivery systems.

Progress reports of the Department (January 2022), related to the NNP schemes, showed that the overall coverage of households, with piped water connections, under both Batch I & II of the NNP, was 91 *per cent* of the targeted households (as of January 2022), as shown as in **Table 6.6**.

**Table 6.6: Coverage of households as per departmental progress reports (as of January 2022)**

| Batch | No. of household covered, as per departmental progress reports related to NNP | | |
|---|---|---|---|
| | Target | Achievement | Percentage of achievement against target |
| I | 1,39,215 | 1,33,456 | 96 |
| II | 14,19,58 | 1,21,182 | 85 |
| **Total** | **2,81,173** | **2,54,638** | **91** |

*(Source: PHED, GoB)*

In light of above, Audit compared these progress reports with the DPRs of the Batch-I schemes and observed that, actual households to be covered, as per the DPRs, were 1.89 lakh. However, the Department had covered (January 2022) only 1.33 lakh households (70 *per cent*), with the district-wise coverage percentage ranging between 39 *per cent* and 97 *per cent* (except Munger).

Further, Audit cross-checked the achievement of household coverage, as per the measurement books (MBs) of 37 test-checked completed schemes (Batch-I) of 10 districts, with the targets shown in the DPRs, as well as in the progress reports of the Department. The comparison showed that the number of household connections, as per the DPRs, progress reports of the Department and MBs, were 71,451, 45,441 and

34,848, respectively ***(Appendix-6.7)***. This indicated that the coverage of household connections, as shown by the Department in its progress reports, as well as DPRs, was not realistic and the actual number of households covered was only 49 *per* cent of the number envisaged in the DPRs.

### 6.9.5 Avoidable expenditure on multi-village schemes

The Technical Manual of the NNP envisaged the provision of SHS/SGS/SVS[14], with local ground water sources, such as deep bore wells. Further, the Manual prescribed that MVS[15], with surface water sources, like rivers, ponds, lakes *etc.*, were to be proposed where locally available ground water had quality and quantity related issues and where the water was to be conveyed from long distances. As per the PIP, the per capita cost[16] of MVS was very high, in comparison to SVS.

Out of the four MVSs[17] sanctioned under the NNP, test-check of records of two MVSs, *viz*. Ghogha Ghat (West Champaran) and Silao (Nalanda) indicated that both these MVSs had envisaged drawing of ground water by installing deep tubewell in their technical sanction instead of using surface water as per technical manual. Further, contrary to the provisions of the Technical Manual, the Ghogha Ghat MVS had been executed at such places where there were no quality/ quantity related issues in regard to ground water and thus, in both these MVSs, water supply was provided to households by utilising ground water, instead of by using surface water sources.

Test-check of records related to these schemes disclosed that only 50 to 100 metre pipes, were required, under SVS specifications, for conveying water from the sources to the storage systems. Since the SPMU had considered MVSs at these places, 35.22[18] km length of rising[19] main pipes had been provisioned, to convey water from the water sources (deep tube wells), to six storage systems (Zonal Elevated Service Reservoir-ZESR[20]), as the storage systems, were located far away from the locations of the water sources. Had the Department considered SVSs at the six locations covered in these MVSs, rising main pipes, with a maximum length of 600 metres, only, would have been required, to convey water from tube wells, to the respective ZESRs.

Thus, in contravention of the NNP guidelines, neither had surface water been used for the MVSs, nor had SVSs been implemented at these locations, despite the usages of ground water being envisaged under these schemes. Resultantly, the expenditure

14 *Under Single Habitation Scheme (SHS), Single Gram Scheme (SGS), Single Village Scheme (SVS) water supply is ensured from ground water through deep tube wells for smaller number of habitations coming within same GPs/villages.*

15 *Under Multi-Village Schemes (MVSs), water supply is ensured through surface water sources like river, pond etc., for larger number of habitations coming within some GPs/villages.*

16 *The per capita cost, for Large MVSs was ₹ 6,650; for Small MVSs, it was ₹ 5,430 and for SVSs, it was ₹ 2,900.*

17 *Silao (Nalanda), Rajauli (Nawada), Cheria (Begusarai) and Gogha Ghat (West Champaran).*

18 *Ghogha ghat (West Champaran): 10.85 km and Silao (Nalanda): 24.37 km.*

19 *Rising Main: A pipeline to carry water from Master Elevated Service Reservoir to Zonal Elevated Service Reservoir.*

20 *Zonal Elevated Service Reservoir is the last level of reservoir used for storing of water at the panchayat/village/habitation level and distributing it to households.*

incurred on laying of 34.62 km length of rising main pipes, amounting to ₹ 19.44 crore,[21] was avoidable.

Executive Engineer PHED, West Champaran, accepted (October 2022) that the expenditure incurred on the rising main pipes was avoidable. The Department, however, replied (June 2023) that: (i) West Champaran was a Japanese Encephalitis (JE) Acute Encephalitis Syndrome affected district (ii) there was no comprehensive piped water supply system and the entire rural population was dependent on hand pumps and other means of drinking water (iii) therefore, the sub-surface water had been tapped, to provide water supply in the area and (iv) Silao was a Fluoride affected area and (v) considering the impact of climate change on the availability of drinking water, large water supply schemes were more beneficial.

The reply of the Department was not acceptable, as, despite the technical guidelines having prescribed implementation of MVSs through surface water sources only, both these MVSs had been executed using ground water. Further, there was no justification for extracting ground water through deep tube wells which were far away from the locations of ZESRs, resulting in avoidable expenditure, amounting to ₹ 19.44 crore, incurred on the rising mains.

### 6.9.6 Idle expenditure on multi-jet water meters under MVS

Para 3.11.2 of Technical Manual of NNP envisaged provision of metered connections to all households, under an MVS. The cost of these meters was to be included in the project. The meters were intended to avoid water loss at the beneficiary's end. A phased approach was to be adopted, for achieving full O&M cost recovery, through user fees, from the beneficiaries.

Test-check of records of three MVSs[22] showed that 24,123 multi-jet water meters had been installed, at a cost of ₹ 4.11 crore, for collecting the user fee. With regard to the collections of user fee, Audit observed that the Department had decided (June 2021) to charge user fee, at a fixed rate of ₹ 30 per month, for each connection. The decision of the Department had rendered the idle expenditure of ₹ 4.11 crore, incurred on the installation of 24,123 water meters. Further, the purpose of preventing water loss, at the beneficiary's end, had also not been achieved.

The Department replied (June 2023) that the O&M agency was responsible for utilising the multi-jet water meters, installed at the user level, and it had been directed to take the meter readings monthly and give them to Gram Panchayats concerned, for collection of monthly user charges.

The reply of the Department was not acceptable, as it had fixed the water user charges. As such, taking the meter readings would neither have any impact on the collection of water user charges, nor would it prevent wastage of water at the end of users, as had been intended in the guidelines.

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[21] *Ghogha Ghat (West Champaran): ₹ 4.44 crore (10.55 km) and Silao (Nalanda): ₹ 15 crore (24.07 km).*

[22] *Rajauli (Nawada), Ghogha Ghat (West Champaran) and Silao (Nalanda).*

### 6.9.7 Overestimation of requirements, under the schemes

As discussed in ***Paragraph 6.7.6***, the baseline survey data of population and the number of households, had not been used in the preparation of DPRs and agreements had been executed on the basis of inflated DPR data. Further, the actual quantum of work executed, as per the measurement books, was lesser than the quantum of work required to be executed, based upon the number of household connections envisaged in the DPR. However, the capacity of tube wells, motor pumps, storage systems *etc*., to be executed under the envisaged schemes, had been computed on the basis of the DPR data, resulting in over-estimation of the quantum of work required to be executed under the schemes. This had resulted into excess installed capacity of ESRs, excess estimation of O&M *etc*., as discussed in paragraphs below.

**(i) Excess expenditure on ESRs**

The Central Public Health and Environmental Engineering Organisation (CPHEEO) Manual envisaged the minimum storage capacity of an ESR as 33 *per cent* of the daily water demand for 8 hours' pumping. The daily water demand had been calculated as being 81[23] litre per capita per day (lpcd), multiplied by the population.

Test-check of records of 15 SVSs, of five divisions,[24] indicated that the actual number of household connections (executed on the basis of the DPRs) were more than the number of household connections indicated in the baseline survey data. The capacity of the required infrastructure, such as tube wells, motor pumps, ESRs *etc*., of the 15 test-checked schemes, had been computed on the basis of the DPR data. Resultantly, the components of these water supply schemes had been formulated on the basis of overestimated capacity. To quantify the amount of overestimation, Audit calculated the required capacity of ESRs, on the basis of the data of population and the number of household connections provided as per the measurement books, *vis-a- vis* the corresponding numbers envisaged in the DPRs. The calculation indicated that, against the provision of 6,653 kilo litre (KL) capacity of ESRs, in the DPRs/agreements, for 15 test-checked SVSs, only 3,374 KL was actually required. Therefore, in these schemes, ₹ 7.20 crore had been paid, due to the capacity of the ESRs being higher than the capacity actually required, as per the work actually executed, resulting into excess expenditure of ₹ 3.57 crore ***(Appendix-6.8)***.

The Department replied that (June 2023) there was no overestimation and all the estimates had been worked out, as per the ground situation.

The reply of the Department was not tenable, as the works had not been designed on the basis of the ground level survey, *i.e*. baseline survey, and the data used in designing the DPRs was inflated and overestimated.

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23 *70 lpcd + 15 per cent wastage.*

24 *Hilsa, Nalanda (2 schemes); Purnea (6 schemes); West Champaran (2 schemes), Begusarai (4 schemes) and Saran (1 scheme).*

### (ii) Excess estimation of O&M cost

The agreements of the MVSs of Rajauli (Nawada) and Silao (Nalanda) stated that O&M cost was payable on the basis of the actual volume of water supplied, to the households of the area covered under these MVSs. To measure the actual volume of water supplied, bulk meters were attached to the water distribution system. Scrutiny of the agreements showed that both the quantum of population, as well as the quantum of water requirement taken into account for preparation of the DPRs were more than the quantum mentioned in the baseline survey data. Further, payments of O&M cost, had been made, without ensuring the actual volume of water supplied as per bulk meters. In the MBs, the monthly volume of water supplied was entered, without mentioning the current and previous readings of bulk meters. Therefore, excess provision and payment of O&M charges, in the DPRs and MBs, in comparison to the baseline surveys, as noticed, is depicted in **Table 6.7**.

**Table 6.7: Projection of water requirement, as per the baseline survey and the DPRs**

***(₹ in crore)***

| Name of Scheme | Population as per DPR | Population, as per the baseline survey | Volume of per annum water requirement and payment made (in KL) | | | | | | Excess provision of O&M cost, made in the DPRs in comparison to the baseline survey (Col. 7 * Col. 9) | Excess payment made on account of O&M cost, in comparison to the baseline survey (Col. 8 * Col. 9) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Requirement of water, as per DPRs | Actual requirement, as per the baseline survey | Payment made for volume of water, as per MBs | Excess water requirement projected in the DPRs (Col.4 – Col.5) | Excess payment made for volume of water in comparison to baseline (Col.6 – Col.5) | Rate of O & M charges (₹ /KL) | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) |
| MVS, Rajauli, Nawada | 86,096 | 59,075 | 24,78,273 | 15,09,366 | 23,56,039 | 9,68,907 | 8,46,673 | 10 | 0.96 | 0.85 |
| MVS, Silao, Nalanda | 66,787 | 50,579 | 18,39,702 | 12,92,293 | 18,62,955 | 5,47,409 | 5,70,662 | 11 | 0.60 | 0.63 |
| **Total** | **1,52,883** | **1,09,654** | **43,17,975** | **28,01,659** | **42,18,994** | **15,16,316** | **14,17,335** | | **1.56** | **1.48** |

*(Source: PHED, GoB)*

As can be seen from **Table 6.7**, due to overestimation of water requirements, the annual O&M cost had been inflated by ₹ 1.56 crore and the concerned contractors had been paid, O&M cost of ₹ 1.48 crore, on the basis of inflated volume of water supply.

The Department replied (June 2023) that: (i) all calculations had been made as per the DPRs and all payments had been made as per the provisions of the agreements. Therefore, no excess payment had been made to the O&M agency (ii) the O&M Bill had to be prepared on the basis of water supplied, as noted from the Flow Meter installed, which had been monitored through SCADA. Therefore, there was no scope of irregular billing or payment.

The reply of the Department was not acceptable, as no water meter reading had been recorded at the household level, as well as in the MBs, for arriving of the actual water supplied to the beneficiaries. Therefore, the payments had been not made on the basis of actual volume of water supplied.

**(iii) Execution of works in excess of estimates**

The Public Health divisions, in Purnea, had published (2019-20) NITs for selection of construction contractors, for SVSs of two or more habitations, by clubbing them into one package, with an identical capacity of the envisaged ESRs and Iron Removal Plants (IRPs), being taken for each habitation. Scrutiny of records, to the related five DPRs, however, indicated that water supply schemes for each habitation had been designed with different capacities of the ESRs and IRPs. Audit test-checked five schemes of these divisions and noticed that, against the overall provision of 1,990 KL and 845 Kilo Litre Per Hour (KLPH), of ESR and IRP, respectively, in the eight DPRs, these divisions had executed agreements/works for 2,951 KL and 1,365 KLPH, *i.e.*, with excess capacities of 961 KL and 520 KLPH, respectively. As a result, excess provision of ₹ 2.62 crore had been made in the related agreements (***Appendix-6.9***).

The Department replied that baseline survey had been conducted for providing water supply in the GPs and schemes had been prepared on the basis of the NRDWP data, as available with the Department.

The reply itself corroborated that the baseline survey data had not been used in the schemes. Further, no material was found available in records, indicating the use of NRDWP data, in the preparation of DPRs.

### 6.9.8 Irregular payment of O&M costs of Single Village Schemes

The terms and procedures of payment, mentioned in the standard bidding document (SBD) of the NNP envisaged that O & M payments were to be made on a monthly basis, on the basis of the rates quoted by the operator, multiplied by the volume of water supplied (60 *per cent* of the fixed fee of O&M costs), with the balance 40 *per cent* performance fee being payable on fulfilment of specific performance indicators[25].

Audit observed that payments of ₹ 8.29 crore, on account of O&M costs relating to 28 schemes, out of the 60 test-checked schemes ***(Appendix-6.10)***, had been made only on the basis of the volume of water supply mentioned in the agreements, without the actual reports of the water flow meters having been obtained from the concerned contractors. Further, the calculation of the volume of water, in the agreements for O&M, had been derived on the basis of the population data mentioned in the DPRs, although the number of household connections were lesser than the numbers envisaged in the DPRs. In this light, payments were to be made as per the actual volume of water supplied to the households, instead of the volume of water mentioned in the agreements.

Audit further test-checked the O&M payments of nine schemes of four divisions (Hilsa, Purnea, Saran and Begusarai) and noticed that payments of O&M had been made without computation of fixed and performance fee. The payments had been

[25] *Coverage of 90 per cent households: 10 per cent; all sample water tested: 10 per cent; uninterrupted water supply to households: 8 per cent; satisfactory addressing of complaints: 7 per cent; and billing efficiency: 5 per cent.*

made only on the basis of volume of water supplied, without indicating the current and previous readings of the bulk water meters in the measurement books. Therefore, the actual volume of water supplied, during the period of which O&M costs were paid, was not accurate. Further, Audit computed the yearly volume of water to be supplied, on the basis of number of household connections, as per the measurement books and as per the house populations mentioned in the DPRs of these schemes. This calculation indicated that, against 5,969 household connections, as per the measurement books of the schemes, the total population had been computed as 38,063 (on the basis of the per house population mentioned in the DPRs). Based upon this computation of the population, the total annual requirement of the volume of water had been calculated as being 9.72 lakh cum, against which payment of ₹ 48.58 lakh was to be made. The test-checked divisions, had, however, made payments of ₹ 86.11 lakh under O&M cost for 19.15 lakh cum water, without computing the actual volume of water supplied during the period, by mentioning the current and previous readings of the bulk water meters ***(Appendix-6.11)***. Resultantly, payment of ₹ 37.53 lakh had been made, without assessing the actual water supply under O&M costs.

The Department replied (June 2023) that directions had been issued to all the concerned Executive Engineers to verify the payments made and excess payments, if any, that had been made, would be adjusted in the next bills or recovered from the security deposits of the contractors.

### 6.9.9 Water quality not ensured

As per the Para 8.6.6 (i) and 3.9.2 of the Technical Manual of the NNP, Chlorinator[26] was to be installed for disinfection of water, to ensure protection against transmission of water borne diseases and testing of water for chemical examination was to be carried out at least twice a year. In addition, as per Clauses mentioned in the Appendix-III B of the O&M service of contract, cleaning of water tanks, was to be carried out at least twice a year, to ensure the quality of water supplied to the households, by the concerned implementing divisions.

During joint physical inspection, conducted during September to December 2022, along with the engineers of the concerned divisions for 44 SVSs, 12 small single village schemes (SSVSs) and four MVSs, in ten districts, it was observed that Chlorinators had either not been installed; or they were non-functional; or they had been installed but had not been connected to the water supply, in six, 20 and eight schemes, respectively. Further, quality testing of water and cleaning of water tanks, were not being performed twice a year, though this was required, as per the Technical Manual. Therefore, disinfection of water had not been ensured in 34 of the test-checked schemes.

The Department replied (June 2023) that: (i) water quality monitoring had been carried out as per the defined protocol and the District Water Testing Laboratories, as well as the Sub-Divisional Water Testing Laboratories, had been assigned to collect the samples and test the water (ii) tank cleaning drives had been carried out, both Pre and Post

[26] *A device filled with the chemical Chlorine, which mixes the Chlorine into the water, at the point where the water source is located.*

Monsoon (iii) penalties had been imposed on O&M agencies where Chlorinators had been found to be non-functional, not installed and not connected with supply system, respectively and (iv) directions had been issued to all Executive Engineers, to ensure the functioning of Chlorinators and testing of the supplied water.

## 6.10 Sanitation activities

The NNP adopted an integrated approach to water supply, household and institutional sanitation and community-wide environmental sanitation, that was to be implemented in convergence with the NRDWP and Nirmal Bharat Abhiyan (NBA).

The MoDWS directed (November 2015) to transfer Solid Liquid Waste Management (SLWM) funds of the NNP, to the Implementing Agency (IA), under the Swachh Bharat Mission-Gramin (SBM G)[26] of the State. These funds were intended to supplement the efforts of IA of the State, in execution of SLWM. The Ministry also decided that the IA, under SBM (G), would be the nodal agency for implementing the SLWM component.

In Bihar, works related to SLWM, under the Centrally Sponsored SBM (G) alongwith the State sponsored Lohia Swachchha Bihar Abhiyan (LSBA), were being initially executed through the Department. Subsequently (June 2016), the execution was transferred to the Rural Development Department (RDD). The Bihar Rural Livelihood Promotion Society (BRLPS)-*JEEVIKA*, an autonomous society under the RDD, was the Implementing Agency for the SBM (G) and LSBA programmes.

### 6.10.1 Lack of proper planning

In view of the directions of the Ministry (November 2015), the Department was to adopt the following modalities:

- The SPMU was to intimate the names of the GPs/villages/habitations being covered by the IA of SBM (G), once the tendering process for execution of drinking water supply schemes had been initiated.
- The IA was to mark such habitations for ODF and start preparation of DPRs for SLWM schemes.
- The SPMU was to transfer funds under SLWM, to the IA, within two weeks of the directions of the Ministry (November 2015) with regard to execution of SLWM, in the habitations under NNP.
- In order to implement the SLWM component of NNP, an MoU was to be executed between the BRLPS (*JEEVIKA*) and the SPMU, after launching of the Project in Bihar.

Audit observed the following discrepancies in planning of the schemes, under the SLWM component of NNP:

[27] *The Swachh Bharat Mission (Gramin) was launched in October 2014, for rural sanitation, with the prime objective of achieving Open Defecation Free (ODF) status for all villages, by restructuring the Government of India's Nirmal Bharat Abhiyan (NBA) Programme.*

**(i)** **Delayed execution of MoU**: The MoU, between SPLU and BRLPS, had been executed only in May 2018, although, as per the PIP, SLWM, under the project GPs, was to be started in FY 2014-15.

**(ii)** **Non-constitution of the Sanitation Cell:** As per the terms of the MoU, the BRLPS was required to set up a Sanitation Cell, to develop detailed implementation methodologies and annual plans, at the State, district, block and GP levels. However, the Cell had not been set up, which had affected the implementation of the schemes under SLWM.

The Engineer-in-Chief, PHED, GoB, replied (September 2022) that the Sanitation Cell had not been constituted.

**(iii)** **Delay in supply of lists of GPs:** The tendering process, for water supply schemes, for MVS Ghogha Ghat (West Champaran), Cheria Barriyarpur (Begusarai) and SVSs of Batch–I, had been initiated in October 2013, December 2013 and May 2016, respectively. However, the SPMU had provided the list of 160 GPs, to be covered under the project, to BRLPS, only in October 2016, *i.e.* after six months to three years, from the initiation of the tendering process of the schemes, in violation of the direction of the Ministry, to provide the list to the IA, once the tendering process of water supply schemes has been initiated. This had further resulted in poor implementation of SLWM related works under the Project.

**(iv)** **Delay in providing funds to BRLPS:** As per the Project Appraisal Document (PAD), ₹ 825 per capita (an additional amount over SBM (G) funds), for an estimated 65 *per cent* of the population, with prioritization of large villages, had been kept for SLWM. Accordingly, funds amounting to ₹ 167 crore, had been allocated for implementation of SLWM, in 160 Panchayats of the 10 selected districts. These funds were to be utilised during FYs 2014-15 to 2019-20. However, the SPMU had provided only ₹ 11 crore to BRLPS (₹ 1 crore, in December 2016 and ₹ 10 crore, in September 2018). Thus, the SPMU had not provided adequate funds to BRLPS, for execution of SLWM works instantly, despite being directed by the Ministry (November 2015) to do so.

Resultantly, due to delays on the part of SPMU in: (i) signing of the MoU with the IA (BRLPS) (ii) providing the list of GPs to be covered under NNP to the IA and (iii) providing funds to the IA, the implementation of SLWM works, under the project GPs, had suffered.

### 6.10.2 Poor implementation of SLWM works

As per the PIP, the SLWM component was to be rolled-out in a project mode, in the village, based on the sanitation plan, focusing on three key areas: (i) building SLWM infrastructure (ii) developing sustainable community management models for SLWM and (iii) IEC programmes for waste management behaviour. Further, expenditure on the SLWM component was to be incurred in a phased manner, during the project period.

Audit observed the following in this regard:

- **Non/ inadequate expenditure:**

(i) As mentioned in ***Paragraph 6.10.1 (iv)*** *ante*, the SPMU had not provided funds to the BRLPS, owing to which, BRLPS had been unable to incur any expenditure during FYs 2014-15 to 2016-17. However, expenditure on the SLWM components had remained to be very poor, during FYs 2017-18 to 2019-20 as well, despite availability of funds with BRLPS as detailed in **Table 6.8**.

**Table 6.8: Component-wise expenditure on SLWM under NNP during FYs 2017-18 to 2020-21**

***(₹ in lakh)***

| Financial Year | Waste processing unit/purchase of Material | IEC | Capacity Building/ Training | Project Management & Admin. Cost | Procurement of Fixed Assets | Total Expenditure |
|---|---|---|---|---|---|---|
| **2017-18** | 0 | 0.77 | 0 | 2.83 | 18.13 | 21.73 |
| **2018-19** | 0 | 4.29 | 0.34 | 26.56 | 0 | 31.19 |
| **2019-20** | 0 | 6.28 | 10.75 | 29.93 | 0 | 46.96 |
| **2020-21** | 381.22 | 123.53 | 0.10 | 16.82 | 0 | 521.67 |
| **Total** | **381.22** | **134.87** | **11.19** | **76.14** | **18.13** | **621.55** |

*(Source: Compiled on the basis of information received from PHED, Bihar)*

It is evident from **Table 6.8**, that out of total ₹ 6.22 crore spent on SLWM works, during FYs 2017-18 to 2020-21, a major portion (84 *per cent*) of the expenditure, amounting to ₹ 5.22 crore, on SLWM works, had been incurred during FY 2020-21, which was not the project period (the SWLM activities under NNP were to be initiated in FY 2014-15 and to be completed by March 2020). Besides, BRLPS had been able to spend only ₹ 6.22 crore, out of the available funds, amounting to ₹ 11 crore.

(ii) Audit analysis further disclosed that out of ₹ 6.22 crore, spent on SLWM by BRLPS during FYs 2017-18 to 2020-21, only ₹ 99.88 lakh (16 *per cent*) had been on all the components of SLWM and only ₹ 18.13 lakh (2.92 *per cent*) and ₹ 11.34 lakh (1.82 *per cent*) had been spent on procurement of fixed assets/ building infrastructure and IEC activities, respectively, up to financial year 2019-20, during the project period, as indicated in **Table 6.8**. This showed inadequate/ poor expenditure on building infrastructure and IEC and no expenditure on developing a sustainable community management model under NNP, in violation of the provisions under the PIP, regarding utilization of the funds under these SLWM components, during the Project period.

- **Non-preparation of a comprehensive sanitation plan:** As per the PIP, each Gram Panchayat Water & Sanitation Committee (GPWSC) was to prepare a comprehensive sanitation plan for the concerned GP, for undertaking household sanitation works and SLWM activities. However, as discussed in ***Paragraph 6.7.3***, the GPs had not been involved in the implementation of the NNP. Accordingly, no sanitation plans had been prepared by the GPWSCs, for undertaking household sanitation works and SLWM activities, under the Project GPs.

- **Inadequate coverage:** The Ministry observed (September 2016 and June 2018) that almost 'nil' progress had been made in SLWM component of the Project. Further, SPMU's Completion Report, submitted to the World Bank, mentioned that it had targeted to provide improved sanitation services and improved latrines, to 39 lakh and 27 lakh population, respectively. However, it had been able to achieve the target for only 13.05 lakh (33.47 *per cent*) and 12.83 lakh (47.52 *per cent*) population, respectively, till March 2020.
- **Non-maintenance of records/data:** Audit observed that information, in regard to the GPs actually covered, against the list of 160 GPs provided to BRLPS, as well as the item-wise details of expenditure incurred on SLWM activities by BRLPS, were also not available with the SPMU, for the purpose of enabling monitoring of SLWM.

Thus due to poor execution of SLWM works under NNP, the integrated approach envisaged under the NNP, for planning, implementing and managing water supply and sanitation schemes, in order to ensure the overall cleanliness of villages, through SLWM interventions, had not been achieved.

The Department replied that work relating to rural sanitation had been transferred (June 2016) to the Rural Development Department. It added that the audit observations had been forwarded to the BRLPS and its reply was awaited (June 2023).

## 6.11 Monitoring

As per the PIP, the key objectives of the monitoring and evaluation system, under the NNP, were to provide analysed information, in a timely and responsive manner, across selected and defined measurable and strategic indicators.

### 6.11.1 Non-functional online monitoring system

The Department had envisaged (December 2019) using the Internet of Things (IoT),[28] for real-time monitoring of the functioning of large numbers of water supply schemes.

Audit observed that, 9,323 IoT devices, against the required 10,347 IoT devices, had been installed (July 2022), through contracts executed with four[29] agencies. Further, the IOT dashboards, installed at the division level, had either remained non-functional, or had not displayed the required information. This was due to installation of devices, with different specifications/monitoring dashboards, in different districts, by the agencies. As a result, a common dashboard, for real-time monitoring, could not be ensured at the headquarters level of the SPMU.

During joint physical inspection (September to December 2022) with the engineers of the concerned divisions of 60 schemes, having 66 IoT devices[30], it was seen that the IOT devices were non-functional under 29 schemes; had not been installed in 19 schemes;

[28] *In this context, a GPS enabled system for providing real-time information of motor running time, as well as the availability of electricity and the quantity of water supply, without any human intervention.*

[29] *M/s Aynic Private Limited, Hyderabad; M/s Geron Engineering Private Limited, Ghaziabad; M/s Herbauer India Pvt. Ltd., Kolkata and M/s Suryadeep, Jaipur.*

[30] *56 IoT devices at 56 SVSs/SSVSs and 10 IoT devices at 4 MVSs.*

and were functional only in 18 schemes (30 *per cent*). Further, these functional IoT devices were not providing useful report/data for monitoring of the schemes, as there were several, discrepancies, including functional schemes being shown as being 'non-functional' or 'offline' *etc*. Thus, the real-time monitoring of NNP schemes had not been ensured, through the installed IoT devices.

The Department stated (September 2022) that: (i) the selected agencies had installed dashboards at the works divisions, for monitoring of the schemes and (ii) synchronisation of the IoT devices, at the State level, had been assigned to the National Informatics Centre.

The reply of the Department was not tenable as the real time monitoring of NNP Schemes had not been ensured through IoT devices.

### 6.11.2 Lack of monitoring of SLWM activities

Audit observed that monitoring reports of the SPMU, regarding: (i) constant monitoring of works done by BRLPS (ii) achievement of ODF coverage and (iii) works done under the SLWM components of the Project, were not available on records, indicating poor monitoring of sanitation activities by the SPMU.

The Department replied that (September 2022) that the necessary information would be made available to Audit. However, the information was still awaited (as of June 2023).

### 6.11.3 Non-functional SCADA systems

The Supervisory Control and Data Acquisition (SCADA) system, is a computer-aided system, to supervise, control and monitor data; view system alarms; and view and store data of water supply, in each ESR, from the central control room. The Department was required to establish a link between the SCADA terminals, with individual ESRs, for water supply and monitoring.

Scrutiny of records showed that SCADA systems had been installed in four MVSs, *viz*. Ghoga Ghat, Rajauli, Cheria Bariyarpur and Silao, at a total cost of ₹ 4.74 crore. During joint physical inspection (September to December 2022) of these schemes, with the engineers of the concerned divisions, it was noticed that the SCADA systems were non-functional. The main reasons for the SCADA systems being non-functional were lack of internet facilities (Ghogha Ghat) and non-integration of the Zonal SCADA systems with the central control room (Rajauli and Cheria Bariyarpur). Thus, the objective of monitoring, supervising and controlling the water supply, in each ESR, had not been achieved and the amount of ₹ 4.74 crore, expended on the acquisition and installation of the SCADA systems, had largely remained unfruitful.

The Department replied (June 2023) that: (i) SCADA systems were functional in each MVS and (ii) there might be a possibility of minor and major failure, due to unavoidable circumstances.

The reply of the Department was not acceptable, as, during joint physical inspection, the SCADA systems were found to be non-functional.

# CHAPTER-VII
## Audit Paragraphs

# CHAPTER-VII
# Audit Paragraphs

## BUILDING CONSTRUCTION DEPARTMENT

### 7.1 Wasteful expenditure

***Expenditure of ₹ 4.89 crore, on construction of a Sub-divisional Hospital, could not yield any benefits , as the constructed building was deteriorating on being left abandoned and idle, for last ten years.***

Rule 205 of the Bihar Financial Rules (BFR), read with Rule 126 of the Bihar Public Works Department Code, prescribes that no works shall be commenced, until an estimate, containing the detailed specifications and quantities of various items, has been prepared. The detailed estimate must be technically sanctioned by the competent authority. Further, as per Para 7.5 of Resolution No. 948 (July 1986) of the Cabinet Secretariat Department, Government of Bihar (GoB), the tender process should be initiated only after the technical sanction is accorded.

Scrutiny of the records of the Executive Engineer (EE), Building Division, Begusarai, revealed (January 2022) that, for construction of a 75 bedded sub-divisional hospital (SDH) in Manjhol, Begusarai, an administrative approval (AA) was accorded (March 2007), by the Health Department, GoB, for ₹ 4.91 crore. An agreement for the construction work was executed (May 2008), by the EE, with an agency[1], for ₹ 4.44 crore and ₹ 4.89[2] crore had been expended (up to September 2012) on the construction work of the building. As per the physical and financial report of the division (June 2021), the work was stopped[3] (September 2012) by the agency, due to paucity of funds.

Scrutiny further revealed that not only had the agreement been executed with the agency, but the construction work had also been initiated, without obtaining prior technical sanction (TS), from the competent authority. The TS was accorded (March 2013) by Chief Engineer (Design), Building Construction Department (BCD), Bihar, Patna, for ₹ 5.52 crore[4] only after execution of the basic structure work of the building.

Estimates for the remaining work of the building were prepared, and submitted (October 2013, January 2017 and February 2021) by the division, for approval. However, neither had the estimates been approved (July 2022) by the BCD, nor had any action been initiated by the Department to accord revised AA/allotment/TS, to complete the work. The EE communicated (December 2016, September 2020 and July 2022), about the possibility of structural defects in the building and requested Chief Engineer, North,

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1 *M/s Amarendra Prasad Singh.*

2 *Construction of Building (₹ 4.50 crore), Electrification (₹ 38.58 lakh), Contingency (₹ 0.75 lakh).*

3 *Work related to painting, window, flooring, as mentioned in the agreement, was not executed.*

4 *Included construction of Building (₹ 4.60 crore), Swacchta adhisthapan and Water supply work (₹ 20.70 lakh), Electrification (₹ 38.58 lakh), Boundary/Main Gate (₹ 29.26 lakh).*

to assess the status of the building, through inspection by a team of senior technical officers, prior to incurring any further expenditure on the building. However, no such inspection had been conducted (as of July 2022).

In the absence of maintenance, certain specifications[5] of the building had been damaged up to 16 *per cent* and some fixtures[6] had been stolen up to 30 *per cent*, as recorded in the estimate prepared for the remaining work (January 2017) and also observed during joint physical inspection(March 2022), conducted by Audit, along with the Department's officials. Further, due to non-maintenance, the building of the hospital was deteriorating, as shown in ***Images 1*** and ***2***.


**Image 1: Incomplete building of SDH, Manjhol, Begusarai**

**Image 2: Damaged walls and windows (due to lack of maintenance)**

On this being pointed out, the Secretary, BCD stated (May 2023) that a joint physical inspection of the hospital was conducted (September 2022), on the basis of which AA, for ₹ 10.53 crore on revised estimate had been sought from the Health Department. The fresh tender would be invited after obtaining revised AA.

The reply reflected the lackadaisical approach of the Department towards the execution of such works, as even after preparing multiple estimates[7], the revised AA could not be obtained and work could not be restarted (May 2023). Therefore, the building was left abandoned and idle, for more than last ten years causing its deterioration and expenditure of ₹ 4.89 crore, incurred on this idle project, was proving to be wasteful. Besides, intended objectives of construction of the hospital building were also not achieved.

5 *Brick work in foundation/plinth (10 per cent), terrazzo (mosaic) tiles (10 per cent), vitrified floor tiles (10 per cent), white glazed tiles (16 per cent), and plaster (10 per cent).*
6 *Fully glazed Steel doors/windows (30 per cent), Mild Steel grills (30 per cent).*
7 *October 2013, January 2017, February 2021 and September 2022.*

## DEPARTMENT OF INDUSTRIES

## 7.2 Implementation of the Neera Project

***The project was initiated without proper planning and assessing the viability of the project as availability of required quantity of Neera on regular basis was not ensured. Ineffective implementation of the Project resulted in installation of machinery for only two plants against construction/renovation of the buildings for all the four plants alongwith negligible chain of production and finally in non-functional stage from almost last three years. There were issues of substantive losses due to high production cost of the Palm produces resulting unfruitful and injudicious expenditure. The Department failed in achievement of the intended objectives of creating more employment opportunities and providing financial support to the associated families.***

### 7.2.1 Introduction

An Integrated Project, for processing Palm Neera[8], including its various different value-added products, namely jaggery, beverages, *etc*., and to provide them to consumers, in attractive consumer packs, was approved/initiated (2016-2017) by the Department of Industries (Department), Government of Bihar (GoB). It was also conceived that this would provide a decent income to the palm farmers and create rural employment opportunities.

Under the Chairmanship of the Development Commissioner (DC), Bihar, it was decided (September 2016) to implement the project in four districts (Gaya, Vaishali, Biharsharif and Bhagalpur). Necessary plant/machinery was to be established by the Bihar State Cooperative Milk Federation (COMFED). The civil work was to be executed by the Building Construction Department (BCD) and the timeline for standardisation, branding, packaging and sales of these products was fixed as January 2017.

Audit analysed (October 2022 and November 2022) the records of the Department of Industries, its two field offices (General Manager, District Industries Centres (DIC), Vaishali and Biharsharif); offices of the Executive Engineers, BCD (Gaya, Hajipur and Biharsharif); and offices of the in-charges of the Neera Plants (Hajipur and Biharsharif).

Against the Administrative Approval (March 2017) of ₹ 50.00 crore, the Department allotted ₹ 56.00 crore. The Department has stated (July 2023) incurring expenditure of ₹ 56.75 crore on the Project, although records supporting this assertion were not made available to Audit.

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8 *Liquid obtained from palm tree fruits.*

### 7.2.2 Lack of planning

- As per the resolution (April 2016) of the Department, a detailed survey was to be conducted, to assess the economic status/needs of the people/ groups who were dependent on palm tree based products, for their livelihood. Further, a committee was to be constituted, under the chairmanship of the Development Commissioner, Bihar, to chalk out a detailed work plan, regarding the above mentioned Integrated Project for processing of palm Neera.

  Scrutiny of records, however, showed that neither had such a survey been conducted, nor had any detailed work plan been formulated. Further, no initiative, for use of the plants, during the off-season, had been taken, during 2016-22.

- The DPR prepared (October 2016) for the project, by M/s Raj Industrial and Technical Consultancy Organisation (RITCO)[9], had concluded that the project was not economically viable, as there was no survey regarding the availability of surplus Neera/ jaggery; number of collection routes; and the cluster centres, to be created to cover the entire State, through the four[10] plants envisaged in the DPR. Besides, it also concluded that, against the three months of the Neera period, nine months' period had been taken into accounts in the DPR, which had resulted in inflated projections of figures for production, sales, profits *etc*. Further, in view of issues faced in the operationalistion of the project, COMFED also seconded (January 2019) that the project was not viable. However, the Department had not taken any decision (as per the available records) on the issues raised in the DPR and report of COMFED, till the date of audit, *i.e.*, November 2022.

On this being pointed out, no comment was offered by the Department on the above observations.

### 7.2.3 Idle expenditure

The construction/ renovation of buildings for the *Neera* plants, at four places, (Gaya, Bhagalpur, Biharsharif and Hajipur)[11] had been completed (January 2017 - November 2018) by the BCD, with an expenditure of ₹ 5.93 crore[12]. COMFED installed (December 2018) plant and machinery therein, with an expenditure of ₹ 5.75 crore (Biharsharif: ₹ 2.73 crore and Hajipur: ₹ 3.02 crore).

- Audit observed that production in the Biharsharif and Hajipur (Viashali) plants had started in financial year (FY) 2017-18. However, the *Neera* and Jaggery

[9] *A private firm, hired by the Department for the purpose.*

[10] *At Biharsharif, Gaya, Hajipur and Bhagalpur.*

[11] *At two locations (Bhagalpur and Gaya), new bbuildings for the Neera plants were constructed, whereas at the remaining two locations, buildings made available (Biharsharif: godown of the Bihar State Warehousing Company Ltd. and Hajipur: building of Raswanti plant) were renovated for using as Neera Plants.*

[12] *Bhagalpur: ₹ 1.86 crore; Hajipur: ₹ 1.37 crore; Gaya: ₹ 2.01 crore and Biharsharif: ₹ 0.69 crore.*

produced in these plants were not found fit for human consumption. This was due to collection and storage of *Neera* beyond the prescribed maximum temperature ($4^{o}$ C) and with a high pH value (from 6.5 to 8.5) at Hajipur plant. Besides, the quality of *Neera* being collected for processing, in the Biharsharif plant, was also not found to be up to the mark.

- Further, after June 2017, Neera had not been received in the Hajipur plant (as of November 2022), while the Biharsharif plant had received Neera and prepared jaggery thereof, during FY 2018-19 as well. However, due to very high production costs, it could not be sold and it had expired, in due course. Thereafter, there had been no production during FYs 2019-22.
- COMFED decided (January 2022) to replace the existing pasteurisation technology with the sterilization technology for Biharsharif and Hajipur plants at an additional cost of ₹ 5.18 crore, apart from one time capital expenditure of approximately ₹ 1.50 crore. It forwarded a proposal in this regard and sought sanction and approval from the Department, which was awaited (as of November 2022).

  During Joint Physical Inspection (JPI) with officials of DIC, Vaishali, and in-charge Neera plant, Hajipur, the building of the plant was found (7/11/2022) locked and non-operational.
- As the production cost of *Neera* drink/jaggery was very high in the Hajipur and Biharsharif plants ***(Paragraph 7.2.6)***, the decision of installation of machinery, at the Gaya and Bhagalpur plants, was also put on hold. The Department decided (April 2019) to hand over the building of the *Neera* plant at Gaya, to the *Bihar Rajya Khadi and Asainik Aapurti Nigam Ltd*., and to take back (December 2019) the building of the Bhagalpur Neera plant from COMFED. As such, the buildings constructed for installation of the *Neera* plants, had been lying idle for almost three years.

Thus, the building of the *Neera* plant at Hajipur had not been used since June 2017 and the plant at Biharsharif had not produced any marketable product during FYs 2019-22. Also, the buildings at Gaya and Bhagalpur, were not being used for the intended purpose. As such, the expenditure of ₹ 11.68 crore, incurred on these buildings, as well as the plant and machinery installed therein, had remained largely idle.

On this being pointed out, no comment was offered by the Department on the above observation.

### 7.2.4 Unfruitful/avoidable expenditure on purchase of Refrigerated Vans

Rule 9 of the Bihar Financial Rules, 2005, stipulated that public procurement, like any other expenditure in government, must conform to the standards of financial propriety. Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public money, as a person of ordinary prudence would exercise in respect of expenditure of his own money.

Contrary to the above provisions, COMFED purchased (February 2017) 20 Refrigerated Vans (five for each plant)for procurement of *Neera* for ₹ 2.20 crore[13], despite plant and machinery not having been installed (as of November 2022), at Gaya and Bhagalpur. Therefore, the purchase of 10 Refrigerated Vans, amounting to ₹ 1.10 crore, for Gaya and Bhagalpur, was avoidable and the vans were being used only for other off-season related works (dairy purposes) in other COMFED units at different locations.

Thus, the vans had been purchased without any immediate need. On this being pointed out, the Department had not offered any comments (as of June 2023).

### 7.2.5 Injudicious expenditure on rent

The Development Commissioner, Bihar, asked (February 2017) the District Magistrate, Biharsharif, to search for a new piece of land, wherein the *Neera* plant could be transferred, after construction of its own building. However, no initiative, in this regard, had been taken, as per the available records.

Meanwhile, without mentioning any specific reasons on record, the plant had been installed (January 2017) in the go down of the Bihar State Warehousing Company Limited (BSWCL).With the approval of the Department, COMFED had paid (January 2017-February 2022) an amount of ₹ 2.55 crore, on account of rent for the building of the Biharsharif Neera plant.

Thus, though during 2017-19, there had been negligible production activities and no production during 2019-22, COMFED had paid ₹ 2.55 crore, as rent, to BSWCL. This was indicative of injudicious expenditure, with continuous creation of liability.

On this being pointed out, the Department stated (January 2023) that the rent was being paid to BSWCL due to non-availability of a suitable land.

### 7.2.6 Loss due to sub-standard/expired Jaggery

Scrutiny of records showed that the Jaggery produced (Biharsharif: 3,331.50 kg and Hajipur: 582.99 kg), during FY 2017-18, was unfit for human consumption and had finally been discarded. The cost of production of jaggery, in the Biharsharif and Hajipur plants, was ₹ 1,278.84 per kg and ₹ 8,262.46 per kg, respectively. Accordingly, the Department had sustained a loss of ₹ 90.77 lakh, for this production.

Despite high production cost and huge difference with the market rate of jaggery (₹ 150 to ₹ 200 per kg) in FY 2017-18, production was again started in FY 2018-19 and in April-May 2018, 555.50 kg jaggery was produced in the Biharsharif plant. Out of this, only 11.20 kg had been sold at the rate of ₹ 590.00 per kg, against the production cost of ₹ 20,211.90 per kg, resulting in loss of ₹ 2.20 lakh. The

[13] *₹ 2.20 crore: ₹ 2.15 crore (cost of Refrigerated Vans) + ₹ 0.05 crore (Insurance cost).*

remaining 544.30 kg remained unsold and became inconsumable, resulting in loss of ₹ 1.10 crore[14].

Therefore, not implementing proper quality control measures and not considering the huge difference between the cost of production and the market rate, resulted in loss of ₹ 2.03 crore.

On this being pointed out, the Department had not offered any comments (as of June 2023).

### 7.2.7 Payment without work

The Department entrusted (December 2018) COMFED with the monitoring of the building construction works, of the project at Gaya, being executed by an agency[15] through BCD. The in-charge of the Neera Project, Gaya, reported (December 2018) to COMFED, that the internal approach road, costing ₹ 27.38 lakh, had not been constructed. COMFED, however, transferred (February 2019) the funds (₹ 2.01 crore) for construction of building including the cost of the approach road, to the BCD, which paid (March 2019) it to the agency, although the internal approach road had not been constructed (as of December 2022).

Therefore, undue benefit was given to the agency, as ₹ 27.38 lakh was paid for a work that had not been executed.

On this being pointed out, the Department had not offered any comments (as of June 2023).

### 7.2.8 Absence of a monitoring mechanism

To ensure proper implementation of the project, it was proposed (November 2016) to form a Palm Board, under the Chairmanship of the Hon'ble Minister, Department of Industries. However, the composition of the 'Bihar Palm Development Board', along with its duties and work, was yet to be approved (as of November 2022). Evidence of the existence of any other mechanism, to monitor the ground work; implementation of the project; and coordination with different stakeholders, like the COMFED, Building Construction Department, consumers *etc*., was not found available on records.

On this being pointed out, the Department stated (January 2023) that a decision, in this regard, was under processing, at higher levels.

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14 *544.30 kg X ₹ 20,211.90 (production cost per kg).*

15 *Sri Balajee Enterprises, Bhojpur, Bihar.*

## ROAD CONSTRUCTION DEPARTMENT

## 7.3 Wasteful expenditure

***Construction of a Toll Plaza, by the National Highways Division, Gulzarbagh (Patna), in violation of instructions of the MoRTH, led to wasteful expenditure of ₹ 1.48 crore.***

The Ministry of Road Transport and Highways (MoRTH), Government of India (GoI), approved (September 2016) the exemption of user fee collection on all road projects, standalone structures and road stretches, with project construction cost (excluding cost of pre-construction activity, utility shifting, land acquisition *etc*.) less than ₹ 100.00 crore, in the larger public interest.

Scrutiny of records (July 2022) of the office ofthe Executive Engineer (EE), National Highway (NH) Division, Gulzarbagh (Patna), revealed that MoRTH had accorded (December 2015) Administrative Approval (AA) and Technical Sanction (TS) for construction of a Road Over bridge (ROB)[16], in lieu of the existing level crossing, at km 132 on NH 19, in the State of Bihar, for ₹ 77.38 crore[17] (including construction of a toll plaza for ₹ 7.42 crore). An agreement was executed (May 2017) with an agency[18], for ₹ 44.13 crore, for the above work. The stipulated period for completion of the work was 24 months. The agency was paid ₹ 7.75 crore (up to April 2023) for the work executed by it, including ₹ 1.48 crore for construction of the Toll Plaza.

Thus, contrary to the above mentioned exemption (September 2016) from collection of user fee, in cases where the project cost was less than ₹100 crore, the Division entered into an agreement for construction of a toll plaza. Construction of the Toll Plaza was avoidable, in terms of the above mentioned exemption (September 2016) and had resulted in wasteful expenditure of ₹ 1.48 crore.

On this being pointed out, the EE replied(July 2022) that work on the Toll Plaza had been stopped, in the light of instructions received from the Department and payment had been made according to the work carried out by the agency. The reply was not tenable, as the agreement had been executed after almost nine months from the issuance of the instructions of September 2016, which had exempted collection of user fee on such projects.

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[16] *Road Over bridges (ROBs) are bridges constructed over railway lines, where road alignments cross the railway alignments.*

[17] *₹ 77.38 crore: ₹ 44.13 crore (Work cost); ₹ 1.24 crore (Contingency); ₹ 9.63 crore (Maintenance, Price escalation etc.) and ₹ 22.38 crore (Land acquisition cost etc.).*

[18] *Gawar Construction Ltd.*

## RURAL WORKS DEPARTMENT

### 7.4 Idle expenditure

***Construction of a High Level Bridge, without ensuring the availability of eligible habitations and land, led to idle expenditure of ₹ 3.33 crore.***

The primary objective of the *Pradhan Mantri Gram Sadak Yojana* (PMGSY) is to provide connectivity, by means of all-weather roads, to the eligible[19] unconnected habitations in rural areas. The programme guidelines of PMGSY envisaged that the State Government/Zila Panchayat would be responsible for ensuring that land was available for undertaking the proposed road works.

Scrutiny of records (October 2021) of the Executive Engineer (EE), Rural Works Division (RWD), Barh (Patna), showed that the division had taken up a scheme under PMGSY for construction of a road and High Level Bridge[20] (HLB), at a cost of ₹ 8.03 crore[21], to provide connectivity from the Laxmipur village, to the Kumhra village, under the Ghoswari block. The Administrative Approval (AA) and Technical Sanction (TS) for construction of the road was accorded (March 2009) for ₹ 4.04 crore, whereas the AA and TS for HLB was accorded for ₹ 2.97 crore (October 2013) and ₹ 3.34 crore (December 2013), respectively. As per the alignment of work, the road was to be constructed in a total length of 7.088 kms (having two parts, *i.e.* from Laxmipur village to HLB: 3.00 kms and from HLB to Kumhra village: 4.088 kms). Both parts of the road were to be connected with a HLB of 52 metre length. An agreement was executed (December 2009), for construction of the said road, at a cost of ₹ 4.61 crore, with the scheduled date of completion being December 2010. Another agreement, for construction of the HLB, was executed (March 2014) for ₹ 3.42 crore.

Construction of the HLB was completed in June 2018, after incurring expenditure of ₹ 3.32 crore. However, due to laxity on the part of the agency, the road work could not be completed and the agreement was rescinded in March, 2016, after incurring expenditure of ₹ 0.73 crore[22].

In order to complete the remaining road work[23], an agreement was executed (October 2018) for ₹ 4.45 crore. However, as the availability of the land had not been ensured, prior to entering into the agreement, the road was constructed (October 2019) only on one side of the bridge (Laxmipur side), i.e. in a length of 3.00 KM,

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19 *Habitations with a population of 500 persons and above, in plain areas.*

20 *A high level bridge is a bridge which carries the roadway above the Highest Flood Level (HFL) of a channel (including afflux), with appropriate vertical clearance.*

21 *The agreement value of the road work was ₹ 4.61 crore, whereas the agreement value of the HLB was ₹ 3.42 crore.*

22 *Only partial earth work (Embankment, sub grade and earthen shoulder) and cleaning and grubbing of road land etc., valued at ₹ 73.59 lakh, was executed, against the agreement value of ₹ 4.61 crore.*

23 *Revised AA and TS were accorded for ₹ 5.90 crore (May 2018) and ₹ 5.20 crore (June 2018), respectively.*

after incurring expenditure of ₹ 1.12 crore. The work on the other side (Kumhra side) of the bridge (4.088 km) had not been started (as of October 2022), due to non-availability of land. This exhibited laxity on part of the State Government, as the availability of land had not been ensured, even after four years of entering into agreement with the agency.

Scrutiny further revealed that the Executive Engineer, RWD, Barh, had reported (April 2020) that: (i) the Laxmipur village had got connectivity[24] through the part of the road constructed in the length of 3.00 KM, under this scheme, whereas the Kumhra village had got connectivity with another road[25] and, (ii) the proposal for construction of a road, in the remaining length, therefore, needed to be dropped. The EE had also recommended foreclosure of the agreement, stating that no eligible habitation was available in the balance length of the road.

**Image 3: One side of the bridge (Kumhra side) remained unconnected (as of 30.09.2021), with the 3 km length of road, having been constructed on other side of the HLB (Laxmipur side)**

**Image 4: The other side (Laxmipur side) of the bridge was connected with the road (as of 30.09.2021)**

The Superintending Engineer, Rural Works Circle, Patna, stated (October 2022) that action for the required land was being taken. The reply was not tenable, as, in the absence of the required land, the remaining portion of the road, under the scheme, could not be constructed, and this was an instance of erroneous planning. Therefore, expenditure of ₹ 3.33 crore[26], incurred on the HL Bridge, constructed to connect both parts of the road, remained idle.

## 7.5 Avoidable payment

**Bihar Rural Roads Development Agency availed of loan at higher rates of interest, leading to avoidable payment of ₹ 7.08 crore.**

The *Gramin Tola Sampark Nischay Yojana* (GTSNY) envisages providing all-weather connectivity to left-out habitations[27], having population in between 100-249, from

[24] *Laxmipur village has been connected to the already constructed Paijana-Samaygadh road, through this scheme.*

[25] *Kumhra village got connectivity with a road constructed from NH 82 to Kumhra under Package RR 23117.*

[26] *₹ 3.33 crore: ₹ 3.32 crore (construction cost) and ₹ 0.01 crore (for maintenance).*

[27] *Habitations not connected with single all weather road.*

the financial year 2016-17 onwards, in all districts of Bihar. Rural Works Department (RWD), Government of Bihar (GoB) resolution (September 2016), provided that GTSNY would be implemented from the State's own funds or funds received from other sources.

Scrutiny of records (July 2021) of the Bihar Rural Roads Development Agency (BRRDA), during audit of the office of the Engineer-in-Chief, Rural Works Department, revealed that a Detailed Proposal Report (DPR), for obtaining loans for construction of rural roads, to provide connectivity to Tolas/habitations[28], through 4,643 schemes, was forwarded (April 2017) to NABARD. The total requirement of funds, for the implementation of this scheme, was ₹ 3,826.53 crore. NABARD Infrastructure Development Assistance (NIDA) sanctioned (September 2017) a term loan of ₹ 2,820.41 crore (73.70 *per cent* of the total required funds), at the rate of interest[29] of 10 *per cent* per annum, with a repayment period of 15 years. BRRDA and NABARD signed (March 2018) an agreement for the purpose. The balance amount of ₹ 1,006.12 crore (26.30 *per cent*) was margin money of the State Government, to be released to BRRDA, in the form of grant-in-aid.

As per Clause 7 of RWD, GoB's resolution (March 2018), Finance Department, GoB, had to provide its consent for drawal of the amount from NABARD, after comparing the interest rates of the NIDA loan and loan from market.

Scrutiny of records revealed that the rate of interest of the NIDA loan was 10 *per cent* per annum, during drawal (March 2018) of the first installment of loan (₹ 500.00 crore), as also during drawal (February 2019) of the second installment of the loan (₹ 100.00 crore). During drawal (October 2019) of the third installment of loan (₹ 500.00 crore), the rate of interest was 8.75 *per cent* per annum. However, the prevailing interest rates on market borrowing, by the State, at the time of sanction and release of the first, second and third installments, were 8.15 *per cent*, 8.27 *per cent* and 7.17 *per cent* per annum, respectively.

As per Clause 5 of the agreement, the interest rate, payable on the loan amount released by NABARD, was to be determined by it, from time to time. At the time of drawing the first and second installments, the Finance Department stated that the interest rates of the NIDA loan were much higher than the prevailing market rates. At the time of drawal of third installment, the Finance Department advised BRRDA to take NIDA loan only if NABARD gave a proposal to provide loan at interest rate equivalent to the rate applicable for State Development Loans[30] (SDL). Secretary, BRRDA, requested (July 2019) NABARD to consider downward revision of the rate of interest on NABARD loan. After negotiations, NABARD reduced (October 2019) the rate of interest to 8.75 *per cent* per annum. Considering the rate

[28] *For the purpose of this scheme a Tola is one of mohalla/basti/habitation of a village, having population more than 100.*

[29] *Per annum payable half-yearly.*

[30] *SDL is a market oriented instrument for the States, to mobilize funds from the open market, under the guidance of RBI.*

of interest to be still high, in a meeting with senior officers of NABARD, the Finance Department indicated that it would consider having the NIDA loan at the rate of SDL+1.5 *per cent*, *i.e.* 8.57 *per cent* per annum. NABARD agreed to the proposal, with the conditions that: (i) the present loan account of BRRDA may be closed and (ii) the State Government may execute a fresh agreement with NABARD. Audit observed that, despite there being a substantial difference between the rates of market borrowing and the interest rates of the NIDA loan, BRRDA/RWD had not negotiated with NABARD, to reduce the rate of interest, at the time of drawal of the first two installments. At the time of proposal of drawal of further installment of loan from NABARD, the Finance Department had categorically stated (May 2020) that rate of interest of NIDA loan was very high (8.3 *per cent* per annum), in comparison to loan from Rural Infrastructure Development Fund (RIDF)[31] (2.75 *per cent* per annum). Hence, it advised that the rest of the work under GTSNY may be executed by taking loan from RIDF, or from State Government funds. Accordingly, BRRDA requested (July 2020) NABARD to close the loan account, citing a higher rate of interest of 8.75 *per cent* per annum, in comparison with RIDF loan.

As per the formula suggested by NABARD (September 2019), loss of ₹ 7.08 crore (***Appendix-7.1***), on account of interest payment, could have been avoided, if BRRDA had negotiated earlier with NABARD, for reducing the rate of interest.

The Department replied that: (i) against the total sanctioned loan of ₹ 2,820.41 crore, the Department had not taken further loan after ₹ 1,100.00 crore, as the rate of interest had not been reduced below 8.75 *per cent* per annum and (ii) RWD would submit a proposal to the Finance Department to refund the amount of loan taken.

The reply of the Department was not acceptable, as negotiation with the NABARD, at the agreed formula, could have saved ₹ 7.08 crore, which had already been paid as interest.

[31] *The RIDF was set up by the Government in 1995-96, for financing ongoing rural infrastructure projects.*

## WATER RESOURCES DEPARTMENT

### 7.6 Avoidable expenditure

***Decision of Water Resources Department to use New Empty Cement Bags in place of Old Empty Cement Bags in flood fighting work led to avoidable expenditure of ₹ 21.98 crore and creation of liability for ₹ 14.13 crore.***

Rule 126 of the Bihar Financial Rule (BFR) states that every authority delegated with the financial powers of procuring goods in public interest shall have the responsibility and accountability to bring efficiency, economy and transparency in matters relating to public procurement. The specifications in terms of quality, type *etc*. and also quantity of goods to be procured, should be clearly spelt out keeping in view the specific needs of the procuring organisations**.**

Water Resources Department (WRD), Government of Bihar (GoB), executes flood fighting works every year. For this purpose it procures empty cement bags, Nylon crates, geo bags, *etc*. The supply orders are placed by the Director, Purchase, Store and Material Management Directorate (DPM), WRD, GoB, Patna.

Scrutiny of the records (August 2021 and September 2021) of WRD, DPM and two divisions[32] thereunder, revealed that DPM had purchased Old Empty Cement Bags (OECBs)[33], for flood fighting works for the years 2018, 2019 and 2020 at the rate[34] of ₹ 4.31 per bag. Thereafter, WRD had decided (July 2020) to utilize New Empty Cement Bags (NECBs) for the year 2021, on the grounds that: (i) it was facing difficulties in putting departmental stamps on OECBs for identification and (ii) NECBs were more effective and durable. The Departmental Schedule Rate Fixation Committee (DSRFC) fixed (September 2020) the rate of NECBs as ₹ 9.11 per bag, inclusive of taxes.

The Engineer-in-Chief (EIC), WRD, while proposing (June 2020) purchase of NECBs, submitted that: (i) it might be possible that NECBs would be more useful than OECBs (ii) a lesser number of NECBs would be required for flood fighting works and (iii) the difference in the cost of NECBs and OECBs would not be very significant. Besides, the EIC also referred to a departmental decision regarding utilization of NECBs, taken in a meeting (October 2016). Audit, however, noted that the said decision had been taken only in regard to anti-erosion[35] works and not for flood fighting works.

[32] *Punpun Flood Protection Division, Patna City and Ganga-Sone Flood Protection Division, Digha, Patna.*

[33] *OECBs: Cement bags used once.*

[34] *₹ 4.07 rate of OECB+₹ 0.24 for departmental stamp per bag.*

[35] *'Anti-erosion work' is the protection work that is to be carried out before the next flood season, on the basis of river behaviour in the antecedent flood period, as per Rule 4.9 of the Bihar Irrigation, Flood Management and Drainage Rules, 2003.*

Accordingly, DPM invited (May 2021) quotations for NECBs. On the basis of the quotations so received, DPM finalised (June 2021) the rate per bag as ₹ 14.45 (59 *per cent* higher than the rate fixed by the DSRFC) and placed (during the year 2021) supply orders for 4,75,20,000 bags, for 57 flood control divisions. WRD allotted (September 2021) ₹ 42.86 crore, to 57 flood control divisions, for making payments against the actual supply of NECBs made to these divisions, by the vendor. As per the data made available by DPM, the vendor supplied 4,75,20,000 NECBs, costing ₹ 68.67 crore. Against these supplies, different divisions had made payment of ₹ 41.80 core (as of January 2022), for 2,89,24,040 NECBs (at the rate of ₹ 14.45 per NECB), to the vendor.

Upon enquiry from two test-checked divisions, regarding the usefulness of and problems, if any, noticed while utilizing OECBs for flood fighting works, both divisions did not mention any problems, stating that: (i) this was a policy matter decided by the WRD and (ii) purchase (September 2021) of NECBs had been made as per departmental instructions. Both these divisions had utilized 13,54,145 OECBs (already in stock) for flood fighting works, in the year 2021.

Audit observed that the two test-checked divisions had been using OECBs, since last several years, without any incident of defects being found mentioned in their records. Further, the Department had repeatedly instructed flood control divisions to utilize the OECBs that were lying in stock with them, after the flood fighting works of 2020, during the year 2021. Accordingly, 57 flood control divisions had utilized 1,27,39,204 OECBs, for flood fighting works, in 2021.

Upon enquiry from the Department as to whether any flood control division had sent details of defects noticed while utilizing OECBs for flood fighting works in the recent years, the Department stated (January 2022) that such reports were not available. It further stated (July 2022) that it had taken a policy decision to use NECBs, instead of OECBs, considering technical and financial aspects, as well as the recommendations of technical experts, as NECBs were more efficacious, strong and durable. It did not, however, provide reports of any technical expert, to support its claim. Audit noted that it had decided to use both types of bags simultaneously, without carrying out a cost-benefit analysis.

Therefore, the decision of WRD, to use NECBs, in place of OECBs[36], in flood fighting works, led to avoidable expenditure of ₹ 21.98 crore[37] and creation of liability for ₹ 14.13 crore[38].

Vishal Bansal

| | |
|---|---|
| **Patna** | **(VISHAL BANSAL)** |
| **The : 11 November 2024** | **Principal Accountant General (Audit), Bihar** |

**Countersigned**

| | |
|---|---|
| **New Delhi** | **(GIRISH CHANDRA MURMU)** |
| **The : 12 November 2024** | **Comptroller and Auditor General of India** |

36 *The rate (₹ 6.85) of OECBs, for the year 2021, was derived after increasing the rate (₹ 4.31) by 59 per cent, as the NECBs had witnessed price escalation for that much percentage.*

37 *₹ 21,98,22,704 = 2,89,24,040 x ₹ 7.60 (₹ 14.45-₹ 6.85).*

38 *₹ 14,13,29,296 = 1,85,95,960 (4,75,20,000-2,89,24,040) x ₹ 7.60 (₹ 14.45-₹ 6.85).*

# Appendices

## Appendix-1.1

*(Refer: Paragraph-1.3.1)*

**Outstanding Inspection Reports/Paragraphs**

*(Amount in ₹ crore)*

| Year | No. of IRs | No. of Paras | Amount |
|---|---|---|---|
| **2012-13** | 601 | 3,852 | 43,732.91 |
| **2013-14** | 879 | 5,680 | 41,284.68 |
| **2014-15** | 923 | 5,810 | 42,333.25 |
| **2015-16** | 934 | 6,742 | 28,495.06 |
| **2016-17** | 1,017 | 8,247 | 76,378.56 |
| **2017-18** | 766 | 6,797 | 1,29,047.34 |
| **2018-19** | 127 | 1,256 | 15,413.99 |
| **2019-20** | 280 | 3,189 | 98,602.73 |
| **2020-21** | 91 | 953 | 1,00,531.55 |
| **2021-22** | 338 | 3,844 | 2,07,708.47 |
| **Total** | **5,956** | **46,370** | **7,83,528.54** |

**Appendix-1.2**

***(Refer: Paragraph-1.3.1)***

**Types of irregularities in outstanding paragraphs of Inspection Reports**

| Year | No. of IRs | Fraud/misappropriation/ embezzlement/ losses detected in audit | Recoveries &instances of Overpayments detected in audit | Violation of contractual obligations and undue favour to contractors | Avoidable/excess expenditure | Wasteful/infructuous expenditure | Expenditure incurred without sanction from the competent authority | Diversion of funds from one scheme to another or from one object head to another | Drawal of funds at the fag end of financial year with a view to avoiding lapse of funds | Incurring of expenditure on banned items or items of special nature without approval of the competent authority | Purchase of stores/ stock in excess of actual requirements with a view to avoiding lapse of funds | Idle investment/ idle establishment/ blockade of funds | Payment of idle wages to staff | Delays in commissioning of equipment/ idle equipment and consequences owing thereto | Non-achievement of objectives/unfruitful expenditure | Miscellaneous observations | Total paragraphs |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| **2012-13** | 601 | 23 | 163 | 82 | 202 | 194 | 46 | 126 | 6 | 27 | 7 | 264 | 25 | 34 | 210 | 2,443 | 3,852 |
| **2013-14** | 879 | 115 | 171 | 100 | 267 | 316 | 38 | 111 | 12 | 73 | 15 | 423 | 19 | 38 | 327 | 3,655 | 5,680 |
| **2014-15** | 923 | 126 | 299 | 197 | 186 | 254 | 28 | 97 | 11 | 4 | 13 | 426 | 9 | 21 | 334 | 3,805 | 5,810 |
| **2015-16** | 934 | 59 | 214 | 162 | 289 | 393 | 88 | 191 | 29 | 13 | 75 | 495 | 19 | 23 | 430 | 4,262 | 6,742 |
| **2016-17** | 1,017 | 72 | 157 | 302 | 336 | 419 | 88 | 175 | 60 | 94 | 68 | 523 | 24 | 35 | 627 | 5,267 | 8,247 |
| **2017-18** | 766 | 81 | 168 | 413 | 237 | 336 | 42 | 30 | 42 | 12 | 27 | 789 | 23 | 18 | 373 | 4,206 | 6,797 |
| **2018-19** | 127 | 19 | 23 | 35 | 74 | 24 | 5 | 17 | 0 | 0 | 1 | 84 | 1 | 2 | 52 | 919 | 1,256 |
| **2019-20** | 280 | 12 | 13 | 42 | 57 | 79 | 10 | 13 | 3 | 0 | 2 | 80 | 7 | 5 | 163 | 2,703 | 3,189 |
| **2020-21** | 91 | 5 | 4 | 13 | 40 | 18 | 1 | 3 | 7 | 1 | 0 | 11 | 1 | 2 | 36 | 811 | 953 |
| **2021-22** | 338 | 35 | 20 | 69 | 177 | 143 | 80 | 29 | 16 | 3 | 13 | 101 | 30 | 14 | 175 | 2,939 | 3,844 |
| **Total** | **5,956** | **547** | **1,232** | **1,415** | **1,865** | **2,176** | **426** | **792** | **186** | **227** | **221** | **3,196** | **158** | **192** | **2,727** | **31010** | **46,370** |

## Appendix-1.3

***(Refer: Paragraph-1.3.3)***

**Status of Audit Memos relating to PAs/SSCAs for the Audit Report ending March 2022**

| Sl. No. | PA/SSCA | Name of PA/SSCA | Reply received on PA/SSCA from the Department concerned | No. of units audited | No. of units did not produce certain records | No. of audit memos issued | No. of audit memos on which full reply received | No. of audit memos on which partial reply received | No. of audit memos on which reply not received |
|---|---|---|---|---|---|---|---|---|---|
| 1 | PA | Welfare of Building and other Construction Workers | Yes | 31 | 8 | 201 | 132 | 0 | 69 |
| 2 | SSCA | Implementation of Neer Nirmal Pariyojana | Yes | 14 | 12 | 274 | 215 | 59 | 0 |
| 3 | SSCA | Border Area Development Programme | Yes | 15 | 15 | 214 | 173 | 0 | 41 |
| 4 | SSCA | Implementation of Bihar Rajya Fasal Sahayata Yojana | Yes | 16 | 16 | 123 | 117 | 0 | 6 |
| 5 | SSCA | Administrative and Financial issues in the Universities of Bihar | Partial reply received from University level | 11 | 11 | 193 | 109 | 15 | 69 |
| **Total** | | | | **87** | **62** | **1,005** | **746** | **74** | **185** |

# Appendix-1.4
### *(Refer: Paragraph-1.4)*
### Status of entrustment of Audit and rendering/issuance of Separate Audit Reports of Autonomous Bodies

| Sl. No. | Name of Autonomous Body | Entrustment up to | Rendering of accounts to Audit | | Issuance of SAR | | Date of placement in the Legislature | Remarks |
|---|---|---|---|---|---|---|---|---|
| | | | Year of accounts | Date | Year of accounts | Date | | |
| 1 | Bihar State Khadi and Village Industries Board, Patna (Industry Department) | 2009-10 | 2009-10 | 29/08/2013 | 2009-10 | 21/04/2014 | It has been intimated (14/02/2019) by the Department that the SARs, from the period 2002-03 to 2009-10 have been sent to Bihar State Legislature, for placement. | SARs, up to the year 2001-02, have been placed in the legislature by the Industry Department. |
| 2 | Bihar State Housing Board, Patna (Urban Develop and Housing Department) | 2015-16 | 2015-16 | NA* | 2015-16 | NA | Not placed. | For entrustment of audit from the year 2016-17 letters have been written (11.08.2016 and 05.08.2019) to Pr. Secretary, Government of Bihar. |
| 3 | Bihar Electricity Regulatory Commission (Energy Department) | Not required in terms of section 104 of the Electricity Act, 2003 | 2020-21 | 21/03/2022 | 2019-20 | 20/09/2021 | Not placed. | Letter sent (July 2022) to the Principal Secretary, Energy Department, GoB, for taking action on non-placement of SARs on the accounts of BERC and convey the status. |
| 4 | Bihar State Legal Service Authority (Law Department) | Permanent | 2020-21 | 17/08/2022 | 2020-21 | 19/12/2022 | Yet to be laid before State Legislature | |
| 5 | Bihar State Disaster Management Authority (BSDMA) (Disaster Management Department) | Nil (The audit of BSDMA has not been entrusted yet) | | | | | | |
| 6 | Rajendra Agriculture University, PUSA, Samastipur (Agriculture Department, Now it is a Central University) | For 5 years from the year 2012-13. | 2015-16 | 07/02/2018 | 2013-14 | | 27/11/2018 | |
| | | | | | 2014-15 & 2015-16 | 21/09/2022 & 09/11/2022 | SARs for the period 2014-15 & 2015-16 have been placed in Bihar Vidhan Parishad on 03/03/2023 and in Bihar Vidhan Sabha on 24/03/2023. | |

| Sl. No. | Name of Autonomous Body | Entrustment up to | Rendering of accounts to Audit | | Issuance of SAR | | Date of placement in the Legislature | Remarks |
|---|---|---|---|---|---|---|---|---|
| | | | Year of accounts | Date | Year of accounts | Date | | |
| 7 | Bihar Agriculture University, Sabour, Bhagalpur (Agriculture Department) | Up to 2021-22 | 2015-16 to 2019-20 | 19/01/2018 (2015-16 & 2016-17)<br>15/03/2019 (2017-18)<br>16/03/2020 (2018-19)<br>11/08/2021 (2019-20) | | Yet to be issued | | |

**NA=Not available*

## Appendix-2.1
### *(Refer: Paragraph-2.5)*
### Details of Audit Sample

| Sl. No. | District | Offices of the Labour Resources Department | Works divisions | ULBs | Unregistered establishments (Name of Work) | Registered Establishment (Name of Work) |
|---|---|---|---|---|---|---|
| 1 | Darbhanga | Deputy Labour Commissioner, Darbhanga | 1. Executive Engineer (EE), Road Division, Darbhanga<br>2. EE, Road Division, Benipur | 1. Municipal Corporation, Darbhanga<br>2. Municipal Council, Be nipur | Ashok Bairoliya (Construction of Commercial Building)<br>2. Ram Sati Kumari (AV Signature Residency, Darbhanga)<br>3. Shri Shyam Homes Pvt. Ltd., Darbhanga (Construction of Commercial Building)<br>4. Universal Buildcon (Construction of Commercial Building)<br>5. M/s Siddhi Vinayak (Ekmighat to Kalighat road, Darbhanga) | 1. M/s Adyaraj Macro Ranjan Construction, Darbhanga (Construction of Hospital)<br>2. M/s Adani Agri logistics, Darbhanga (Construction of Wheat Silo)<br>3. M/s Urmila Devi Charitable Trust, Darbhanga (Construction of Swimming Pool in G D Goenka School)<br>4. M/s HSCC (India) Ltd. |
| 2 | Gaya | Deputy Labour Commissioner, Gaya | 1. EE, Tilaiya Canal Division, Wazirganj<br>2. EE, Building Division, Gaya | 1. Municipal Corporation, Gaya<br>2. Municipal Council, Bodhgaya | 1. M/s Dipansu Promoter & Builder Pvt. Ltd. (Polytechnic Boy's and Girl's hostel, Gaya)<br>2. M/s Saryug Gautam Construction Pvt. Ltd. (Administrative Training Institute, Gaya)<br>3. Braj Kishore Mishra (Usha-Ishwari Brinda Residency, Gaya)<br>4. Braj Kishore Mishra (Shree Ram Brinda Residency, Gaya)<br>5. Shakil Ahmad (Imperial Heights, Gaya) | 1. Ashoka Buildcon Limited, Gaya (Construction of 11 KV feeder and extension)<br>2. Megha Engineering & Infrastructures, Gaya (Drinking water project, Manpur, Gaya)<br>3. Ahluwalia Contracts Limited, Gaya (State Guest house, Bodhgaya)<br>4. NCC Ltd. |
| 3 | Muzaffarpur | Deputy Labour Commissioner, Muzaffarpur | 1. EE, Road Division No.-1, Muzaffarpur<br>2. EE, Building Division, Muzaffarpur | 1. Municipal Corporation, Muzaffarpur<br>2. Municipal Council, Kanti | 1. M/s Siemens Construction Corporation (Construction of Boys and Girls Hostel in MIT)<br>2. Sachchida Nand Singh (Construction of Boys hostel, Government Polytechnic, Muzaffarpur) | 1. Toshiba Water Solutions Pvt Ltd, Muzaffarpur (Development of underground sewage system)<br>2. M/s Ashoka Buildcon Pvt Ltd, Muzaffarpur (Electrical work in Paru Block) |

| Sl. No. | District | Offices of the Labour Resources Department | Works divisions | ULBs | Unregistered establishments (Name of Work) | Registered Establishment (Name of Work) |
|---|---|---|---|---|---|---|
| | | | | | 3. Sri Sanjeev Sharma (Construction of District Excise Office, Muzaffarpur)<br>4. M/s Aditya Build Max Pvt. Ltd, Muzaffarpur (Construction of Residential-cum-commercial building)<br>5.Shishir Kiran and Satya Kiran (Construction of Residential Building) | 3. Asha Vihar Properties Pvt. Ltd.<br>4. Ashok Kumar Singh |
| 4 | Patna | Deputy Labour Commissioner, Patna | 1. EE, Construction Division-1, Patna<br>2. EE, Road Division, Gulzarbagh, Patna City | 1. Municipal Corporation, Patna<br>2. Municipal Council, Danapur | 1. UPRNN Ltd. (Construction of Type B Quarters, Patna)<br>2. Ram Kripal Singh Construction Pvt. Ltd. (Construction of Type A quarters)<br>3. M/s Vineet Homes Pvt. Ltd. (Vikash Paradise),<br>4. M/s Nutan Construction (Lotus Plaza)<br>5. Sankalp Construction (Das Enclave) | 1. Ahluwalia Contractors (India) Ltd, Patna (Construction of Bihar Animal Science University, Patna)<br>2. NJ Homes Private Limited, Patna (Madhuri Enclave)<br>3. Cratus Paraak Infra LLP, Patna (Sun Square Residential- cum-Commercial Complex)<br>4. Kaustubh Developers & Builders Pvt. Ltd, Patna (Emerald Garden) |
| 5 | Saran | Assistant Labour Commissioner, Chapra | 1. EE, Road Division, Chapra<br>2. EE, Flood Control and Drainage Division, Chapra | 1. Municipal Corporation, Chapra<br>2. Nagar Panchayat, Rivilganj | 1. Sri Brajkishor Singh (Construction of Building)<br>2. Mrs. Neelu singh (Construction of Building)<br>3. Smt. Meena Devi (Construction of Building)<br>4. J K Engicon Pvt. Ltd. (Ekma to Mashrakh Road)<br>5. Banshidhar Construction Pvt. Ltd. (Janta Bazar Sikatia to Paigambarpur Road) | 1. M/s Ahluwalia Contracts Ltd, Saran (Medical College and Hospital, Saran)<br>2. NCC Limited, Saran (Development of distribution infrastructure, Khaira feeder, Chapra rural)<br>3. NCC Limited, Saran (Double Decker Overbridge, Bhikari Thakur Chowk to Bus stand), |

| Sl. No. | District | Offices of the Labour Resources Department | Works divisions | ULBs | Unregistered establishments (Name of Work) | Registered Establishment (Name of Work) |
|---|---|---|---|---|---|---|
| | | | | | | 4. Sanjay Construction Company, Saran (Construction of inter model terminal at Kalu Ghat) |
| 6 | West Champaran | Assistant Labour Commissioner, Bettiah | 1. EE, Road Division, Bettiah<br>2. EE, Building Division, Bettiah | 1. Municipal Council, Bettiah<br>2. Municipal Council, Bagaha | 1. M/s Dipanshu Promoter & Builder Pvt. Ltd. (Convention centre, Valmiki Nagar)<br>2. Aditya Enterprises (Lauriya Sugauli Road)<br>3. Satyendra Kumar Construction Pvt. Ltd. (ITI Semra Bazar)<br>4. Sudhanshu Shekhar Sinha (Construction of Building)<br>5. Birendra Kumar Srivastava (Construction of Building) | 1. Larsen & Toubro Limited Building & Factories IC, West Champaran (Construction of Government Medical College, Kali Bagh, Bettiah)<br>2. Sterlite Power Transmission Ltd.<br>3. M/s C K Infrastructure Ltd.<br>4. Ashoka Buildcon Ltd. |

*(Source: Information provided by the Board/Works Units/ULBs)*

## Appendix-2.2
### *(Refer: Paragraph-2.5)*
### Sampling methodology

| Sl. No. | Type of Unit | Selection methodology |
|---|---|---|
| 1 | Districts | Six (15 *per cent*) out of 38 districts were selected. Three districts were selected on the basis of the maximum amount of benefits disbursed under welfare schemes, whereas the remaining three were selected on the basis of their having higher contributions in the cess fund. |
| 2 | Works Divisions | 12 Works Divisions (two from each sampled district) were selected on the basis of the highest expenditure incurred by the Divisions. |
| 3 | Local Bodies/Urban Development Authorities | 12 ULBs (two from each sampled district) were selected by taking one ULB from the district headquarters and one was selected on the basis of random sampling, using the IDEA software. |
| 5 | Registered Establishments | Four registered establishments, in each sampled district, were selected randomly, using the IDEA software. |
| 6 | Unregistered Establishments | Five ongoing unregistered establishments, in each sampled district, were selected on the basis of the highest value of building/ construction projects. |
| 7 | Schemes | Out of the 15 welfare schemes, 10 were selected on the basis of Stratified Random Sampling, using the IDEA software. Out of these 10 selected schemes, five[1] were selected on the basis of the maximum amount of financial assistance disbursed, while three[2] schemes with moderate[3] amount of financial assistance, were also selected in addition to two[4] out of the three schemes that had no beneficiaries. |

*(Source: BOCW Act, 1996 and Bihar BOCW Rules, 2005)*

1 *Annual Medical Assistance, Building Repair Grant, Death Benefit, Financial Assistance for Marriage and Maternity Benefit.*
2 *Cash Award, Funeral Assistance and Pension.*
3 *Six, out of 12 schemes having expenditure descending from the middle range to the least one.*
4 *Disability Pension and Medical Assistance.*

**Appendix-2.3**

***(Refer: Paragraph-2.7.1)***

**Works executed (establishments) by the sampled works divisions, during FYs 2017-22**

| Sl. No. | District | Department | Unit | No. of establishments | |
|---|---|---|---|---|---|
| | | | | Total | Registered |
| 1 | Patna | Building Construction Department (BCD) | EE, Construction Division-1, Patna | 40 | 03 |
| 2 | | Road Construction Department (RCD) | EE, Road Division, Gulzarbagh, Patna City | 103 | Nil |
| 3 | Muzaffarpur | RCD | EE, Road Division No.-1, Muzaffarpur | 55 | Nil |
| 4 | | BCD | EE, Building Division, Muzaffarpur | 109 | Nil |
| 5 | West Champaran | RCD | EE, Road Division, Bettiah | 132 | Nil |
| 6 | | BCD | EE, Building Division, Bettiah | 607 | Nil |
| 7 | Gaya | WRD | EE, Tilaiya Canal Division, Wazirganj | 16 | 02 |
| 8 | | BCD | EE, Building Division, Gaya | 260 | Nil |
| 9 | Saran | RCD | EE, Road Division, Chapra | 79 | Nil |
| 10 | | WRD | EE, Flood Control and Drainage Division, Chapra | 16 | Nil |
| 11 | Darbhanga | RCD | EE, Road Division, Darbhanga | 418 | Nil |
| 12 | | RCD | EE, Road Division, Benipur | 40 | Nil |
| **Total** | | | | **1,875** | **05** |

*(Source: Information provided by the works units)*

# Appendix-2.4

***(Refer: Paragraph-2.8.3)***

## Collection of cess at different rates, by the sampled ULBs, during FYs 2017-22

***(₹ in crore)***

| Sl. No. | District | ULB | No. of sampled cases | No. of cases in which there was short collection of cess | Cess to be collected* | Cess actually collected | Short collection of cess |
|---|---|---|---|---|---|---|---|
| 1 | Darbhanga | Municipal Corporation, Darbhanga | 10 | 10 | 0.17 | 0.10 | 0.07 |
| 2 | Gaya | Municipal Corporation, Gaya | 10 | 10 | 0.05 | 0.02 | 0.03 |
| 3 | Muzaffarpur | Municipal Corporation, Muzaffarpur | 10 | 10 | 0.96 | 0.55 | 0.41 |
| 4 | Patna | Municipal Corporation, Patna | 10 | 10 | 2.53 | 1.91 | 0.62 |
| 5 | | Municipal Council, Danapur | 10 | 02 | 1.57 | 1.31 | 0.26 |
| 6 | Saran | Municipal Corporation, Chapra | 10 | 05 | 0.02 | 0.01 | 0.01 |
| 7 | West Champaran | Municipal Corporation, Bettiah | 10 | 07 | 0.06 | 0.02 | 0.04 |
| 8 | | Municipal Council, Bagaha | 10 | 10 | 0.08 | 0.03 | 0.05 |
| **Total** | | | **80** | **64** | **5.44** | **3.95** | **1.49** |

*(Source: Informion provided by the ULBs)*

**Cost of construction has been estimated as per CPWD prevailing plinth area rates. Thereafter, one per cent of estimated amount has been worked as "cess to be collected"*

## Appendix-2.5

***(Refer: Paragraph-2.8.4)***

**Non-collection of cess by the test-checked units, during FYs 2017-22**

***(₹ in crore)***

| Sl. No. | District | ULB | No. of sampled cases | No. of cases in which cess had not been collected | Amount of cess not collected |
|---|---|---|---|---|---|
| 1. | Darbhanga | Municipal Council, Benipur | 10 | 10 | 0.07 |
| 2. | Muzaffarpur | Municipal Council, Kanti | 03* | 03 | 0.01 |
| 3. | Patna | Municipal Council, Danapur | 10 | 08 | 6.67 |
| 4. | Saran | Municipal Corporation, Chapra | 10 | 05 | 0.04 |
| 5. | | Nagar Panchayat, Rivilganj | 05* | 05 | 0.03 |
| 6. | West Champaran | Municipal Corporation, Bettiah | 10 | 03 | 0.03 |
| | **Total** | | **48** | **34** | **6.85** |

*(Source: Information provided by the ULBs)*

**Only three cases were provided at Municipal Council, Kanti and only five building plans were approved at Nagar Panchayat, Rivilganj, Saran during the audit period.*

## Appendix-2.6

***(Refer: Paragraph-2.8.6 (i))***

**Non-remittance of the cess deducted/collected, by the test-checked units, during FYs 2017-22**

**(*₹ in crore*)**

| Sl. No. | District | Works division/ULB | Unremitted cess amount |
|---|---|---|---|
| 1 | Darbhanga | Municipal Council, Benipur | 0.69 |
| 2 | | Road Construction Division (RCD), Benipur | 3.14 |
| 3 | | RCD, Darbhanga | 3.44 |
| 4 | Gaya | EE, Tilaiya Canal Division, Wazirganj, Gaya | 6.46 |
| 5 | | EE, Building Construction Division, Gaya | 1.60 |
| 6 | | Executive Officer, Municipal Council , Bodhgaya, Gaya | 0.17 |
| 7 | Muzaffarpur | EE, RCD-1,Muzaffarpur | 1.38 |
| 8 | | EE, Building Construction Division (BCD), Muzaffarpur | 1.95 |
| 9 | | Commissioner, Municipal Corporation, Muzaffarpur | 0.06 |
| 10 | Patna | RCD, Patna City | 7.87 |
| 11 | | BCD-1, Patna | 2.45 |
| 12 | | Municipal Council, Danapur | 0.37 |
| 13 | Saran | RCD, Chapra | 6.59 |
| 14 | | Flood Control and Drainage Division, Chapra | 2.57 |
| 15 | | Municipal Corporation, Chapra | 0.25 |
| 16 | | Nagar Panchayat, Revelganj | 0.12 |
| 17 | West Champaran | BCD, Bettiah | 2.73 |
| | | **Total** | **41.84** |

*(Source: Information provided by the works units/ULBs)*

## Appendix-2.7

***(Refer: Paragraph-2.8.6 (ii))***

**Delay in remittance of the cess deducted/collected by the test-checked units, during FYs 2017-22 (as of March 2022)**

(*₹ in crore*)

| Sl. No. | District | Works division/ULB | Cess amount remitted to the Board | Range of delay (in days) |
|---|---|---|---|---|
| **1** | Darbhanga | Municipal Corporation, Darbhanga | 0.81 | 06 to 405 |
| **2** | Gaya | Municipal Corporation, Gaya | 0.01 | 216 to 350 |
| **3** | Muzaffarpur | EE, RCD-1, Muzaffarpur | 0.61 | 5 to 373 |
| **4** | | Commissioner, Municipal Corporation, Muzaffarpur | 2.90 | 06 to 1,034 |
| **5** | | Municipal Council , Kanti | 0.05 | 611 to 940 |
| **6** | Patna | RCD, Patna City | 0.85 | 30 to 240 |
| **7** | | BCD-1, Patna | 10.04 | 08 to 1,212 |
| **8** | Saran | RCD, Chapra | 0.98 | 30 to 180 |
| **9** | | Municipal Corporation, Chapra | 0.09 | 30 to 1,290 |
| **10** | | Nagar Panchayat, Revelganj | 0.04 | 30 to 240 |
| **11** | West Champaran | RCD, Bettiah | 1.64 | 30 to 510 |
| **12** | | BCD, Bettiah | 0.20 | 30 to 143 |
| **13** | | Municipal Corporation, Bettiah | 0.23 | 30 to 210 |
| **14** | | Municipal Council, Bagaha | 0.57 | 30 to 690 |
| **Total** | | | **19.02** | |

*(Source: Information provided by the Board/works units/ULBs)*

## Appendix- 2.8 A

***(Refer: Paragraph-2.11 & 2.11.3.1 (ii))***

**Monetary benefits disbursed under various welfare schemes, during FYs 2017-22**

| Sl. No. | Scheme | Expenditure on welfare schemes, during FYs 2017-22 | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | 2017-18 (4,88,405)* | | 2018-19 (8,21,059)* | | 2019-20 (13,72,238)* | | 2020-21 (16,67,447)* | | 2021-22 (20,45,472)* | | Total (20,45,472)* | |
| | | No. of beneficiaries | Amount (₹ in crore) | No. of beneficiaries | Amount (₹ in crore) | No. of beneficiaries | Amount (₹ in crore) | No. of beneficiaries | Amount (₹ in crore) | No. of beneficiaries | Amount (₹ in crore) | No. of beneficiaries | Amount (₹ in crore) |
| 1 | Financial Assistance for Marriage | 40 | 0.20 | 341 | 1.71 | 1,081 | 5.38 | 898 | 4.49 | 1,964 | 9.82 | 4,324 (0.21)# | 21.58 |
| 2 | Maternity Benefit | 10 | 0.01 | 46 | 0.05 | 151 | 0.25 | 218 | 0.47 | 631 | 1.50 | 1,056 (0.05)# | 2.28 |
| 3 | Paternity Benefit | 0 | 0.00 | 0 | 0.00 | 12 | 0.01 | 46 | 0.03 | 103 | 0.06 | 161 (0.008)# | 0.10 |
| 4 | Cash Award | 0 | 0.00 | 0 | 0.00 | 100 | 0.14 | 245 | 0.31 | 541 | 0.71 | 886 (0.04)# | 1.15 |
| 5 | Bicycle Purchase Grant | 0 | 0.00 | 0 | 0.00 | 58 | 0.02 | 104 | 0.04 | 42 | 0.01 | 204 (0.01)# | 0.07 |
| 6 | Building Repair Grant | 40,681** | 61.02 | 371 | 0.74 | 466 | 0.93 | 82 | 0.16 | 14 | 0.03 | 41,614 (2.03)# | 62.89 |
| 7 | Annual Medical Assistance Scheme | 0 | 0.00 | 2,57,345 | 77.20 | 6,70,532 | 282.48 | 9,89,853 | 296.96 | 9,90,530 | 297.16 | 29,08,260 | 953.80 |
| 8 | Financial Assistance for Education | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 2 | 0.0003 | 8 | 0.01 | 10 (0.0005)# | 0.01 |
| 9 | Pension | 6 | 0.01 | 11 | 0.01 | 0 | 0.00 | 20 | 0.02 | 24 | 0.02 | 61 (0.003)# | 0.06 |
| 10 | Death Benefit | 3 | 0.03 | 59 | 1.10 | 379 | 6.42 | 684 | 13.51 | 1386 | 28.18 | 2511 (0.12)# | 49.24 |
| 11 | Funeral Assistance | 3 | 0.0003 | 37 | 0.0004 | 195 | 0.07 | 502 | 0.24 | 990 | 0.49 | 1727 (0.08)# | 0.80 |
| 12 | COVID-19 Special Grant Scheme | 0 | 0.00 | 0.0 | 0.00 | 0 | 0.00 | 11,07,696 | 221.54 | 0 | 0.00 | 11,07,696 | 221.54 |
| 13 | Disability Pension | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 14 | Medical Assistance | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 15 | Family Pension | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| | **Total** | **40,743 (8.34)#** | **61.2703** | **2,58,210 (31.45)#** | **80.8104** | **6,72,974 (49.04)#** | **295.70** | **21,00,350 (66.60)##** | **537.7703** | **9,96,233 (48.70)#** | **338.00** | **40,68,510** | **1,313.53** |

*(Source: Information provided by the Board)*
**Total number of workers registered with the Board*
***Grant for house repair and purchase of tools and bicycle (a combined scheme)*
*# Percentage of beneficiaries w.r.t. total registered workers*
*## Percentage of beneficiaries excluding the beneficiaries under Annual Medical Assistance as they had also received the benefit of COVID-19 Special Grant Scheme.*

## Appendix-2.8 B

***(Refer: Paragraph- 2.11.3.1 (ii))***

**Monetary benefits disbursed under various welfare schemes, in the sampled districts, during FYs 2017-22**

**(*₹ in lakh*)**

| Sl. No. | District Scheme | Darbhanga (57,467)* | | Gaya (89,033)* | | Muzaffarpur (1,00,093)* | | Patna (2,30,521)* | | Saran (57,959)* | | West Champaran (1,35,776)* | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | No. of cases | Amount | No. of cases | Amount | No. of cases | Amount | No. of cases | Amount | No. of cases | Amount | No. of cases | Amount |
| 1. | Cash Award | 26 | 3.05 | 20 | 2.45 | 62 | 8.15 | 53 | 7.15 | 11 | 1.15 | 13 | 1.60 |
| 2. | Funeral Assistance | 83 | 4.15 | 7 | 0.35 | 345 | 16.61 | 19 | 0.87 | 40 | 1.96 | 143 | 6.59 |
| 3. | Death Benefit | 137 | 271.00 | 70 | 138.00 | 362 | 785.00 | 88 | 204.00 | 48 | 97.00 | 159 | 328.00 |
| 4. | Financial Assistance for Marriage | 262 | 131.00 | 104 | 52.00 | 864 | 432.00 | 199 | 99.50 | 19 | 9.50 | 244 | 122.00 |
| 5. | Financial Assistance for education | 1 | 0.05 | 0 | 0.00 | 0 | 0.00 | 3 | 0.30 | 1 | 0.10 | 0 | 0.00 |
| 6. | Building repair grant | 2 | 0.40 | 0 | 0.00 | 26 | 5.20 | 0 | 0.00 | 0 | 0.00 | 87 | 17.40 |
| 7. | Maternity Benefit | 45 | 11.05 | 25 | 6.16 | 122 | 29.53 | 137 | 21.71 | 3 | 0.74 | 24 | 5.44 |
| 8. | Paternity Benefit | 11 | 0.66 | 0 | 0.00 | 5 | 0.30 | 0 | 0.00 | 0 | 0.00 | 1 | 0.06 |
| | **Total** | **567 (1)#** | **421.36** | **226 (0.25)#** | **198.96** | **1,786 (1.78)#** | **1,276.79** | **499 (0.22)#** | **333.53** | **122 (0.21)#** | **110.45** | **671 (0.49)#** | **481.09** |

*(Source: Information provided by the Board)*

* *Total number of workers registered in the district*

# *Percentage of beneficiaries*

**Appendix-3.1**
***(Refer: Paragraph. 3.5)***
**Sampled districts, blocks and panchayats**

| Sl. No. | District | Block | Panchayat |
|---|---|---|---|
| 1 | Banka | Bausi | Kasba Mandar |
| | | | Chilkara |
| | | Barahat | Khariyara |
| | | | Panjwara |
| 2 | East Champaran | Ghorasahan | Kawaiya |
| | | | Sripur |
| | | Kalyanpur | Dilawarpur |
| | | | Pipra Khem |
| 3 | Gaya | Dumariya | Manjhauli |
| | | | Sewara |
| | | Gurua | Kolauna |
| | | | Raghunath Khap |
| 4 | Samastipur | Hasanpur | Bhatwan |
| | | | Paridah |
| | | Singhia | Hardia |
| | | | Keontahar |
| 5 | Supaul | Saraigarh Bhaptiyahi | Dholi |
| | | | Saraigarh |
| | | Supaul | Balwa |
| | | | Laukaha |

*(Source: Approved samples by statical consultants)*

# Appendix-3.2
## *(Refer: Paragraph 3.6.3)*
## Applications rejected during various seasons

| Season<br>Particulars of rejection | *Kharif* 2018 | | *Rabi* 2018-19 | | *Kharif* 2019 | | *Rabi* 2019-20 | | *Kharif* 2020 | | *Rabi* 2020-21 | | *Kharif* 2021 | | Total (*per cent*) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | D | F | D | F | D | F | D | F | D | F | D | F | D | F | |
| **A. Issues related to LPCs**<br>i. LPCs not available/ uploaded | 7,470 | -- | 3,594 | -- | 74,163 | -- | 88,004 | -- | 3,92,954 | -- | 58,695 | -- | 2,894 | -- | 6,27,774 |
| ii. Old LPCs/ revenue receipts uploaded | 11,587 | -- | 2,117 | -- | 17,034 | -- | 79,407 | -- | 1,60,258 | -- | 41,768 | -- | 90,886 | -- | 4,03,057 |
| iii. LPCs not issued by Block Offices/ Revenue receipts uploaded in place of LPCs | -- | -- | 24,889 | -- | -- | 1,34,414 | -- | 1,43,031 | -- | -- | -- | -- | -- | -- | 3,02,334 |
| iv. *Khata* no. not as per LPC | -- | -- | -- | -- | -- | 4,502 | -- | 4,473 | -- | -- | -- | -- | -- | -- | 8,975 |
| **Total of A** | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | **13,42,140 (51 *per cent*)** |
| **B. Issues related to self-declaration**<br>i. Self-declaration not attested by the Ward Member/kisan salahkar | -- | -- | -- | -- | 4,573 | -- | 5,186 | -- | 1,47,778 | 25,747 | 29,938 | 4,895 | 61,272 | 5,476 | 2,84,865 |
| ii. Self-declaration either not uploaded or wrong | 1,447 | -- | 608 | -- | 14,951 | -- | 20,006 | -- | 74,221 | -- | 21,091 | -- | 31,160 | -- | 1,63,484 |
| **Total of B** | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | --- | -- | -- | -- | **4,48,349 (17 *per cent*)** |

| Season<br>Particulars of rejection | *Kharif* 2018 | | *Rabi* 2018-19 | | *Kharif* 2019 | | *Rabi* 2019-20 | | *Kharif* 2020 | | *Rabi* 2020-21 | | *Kharif* 2021 | | Total (*per cent*) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | D | F | D | F | D | F | D | F | D | F | D | F | D | F | |
| **C. No farmer/ representative present** | -- | -- | -- | -- | -- | 33,217 | -- | 52,235 | -- | 1,94,948 | -- | 42,743 | -- | 72,171 | **3,95,314 (15 *per cent*)** |
| **D. Reasons not detailed**<br>(i) Field Rejected | -- | 65,067 | -- | 26,745 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 91,812 |
| (ii) Rejected in desk review | 6,046 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 6,046 |
| **Total of D** | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | **97,858 (04 *per cent*)** |
| **E. Multiple applications by one family in the *Gair-raiyat* category** | 58 | -- | 13 | -- | -- | 20,032 | -- | 19,051 | -- | 1,12,048 | -- | 8,389 | -- | 24,380 | **1,83,971 (07 *per cent*)** |
| **F. Miscellaneous**<br>i. Crops not sown | 12 | -- | 246 | -- | -- | 21,154 | -- | 30,742 | -- | 61,665 | -- | 15,501 | -- | 18,196 | 1,47,516 |
| ii. Surveyor remarks not cleared | 5,434 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 5,434 |
| iii. UIDs not verified till payment closure | 4,028 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | 4,028 |
| iv. Wrong documents uploaded/ documents void due to wrong area declarations/Farmer category change | 462 | -- | 1,038 | -- | 1,080 | -- | 238 | -- | 157 | -- | 219 | -- | 2,658 | -- | 5,852 |
| **Total of F** | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- | **1,62,830 (06 *per cent*)** |
| **Grand Total** | **36,544** | **65,067** | **32,505** | **26,745** | **1,11,801** | **2,13,319** | **1,92,841** | **2,49,532** | **7,75,368** | **3,94,408** | **1,51,711** | **71,528** | **1,88,870** | **1,20,223** | **26,30,462** |

*(Source: Weekly Reports of the Co-operative Department, Govt. of Bihar)*

*Note: D denotes applications rejected at the Department level during desk review and F denotes applications rejected at the field level.*

## Appendix-3.3
### *(Refer: Paragraph 3.6.4)*
### *Delayed payments to beneficiaries*

***(Amount in ₹)***

| Sl. No. | Season | Due month of payment | Actual month of payment | Delay in month(s) | No. of beneficiaries | Total amount paid | Amount of delayed payment |
|---|---|---|---|---|---|---|---|
| 1 | Kharif 2018 | March- April 2019 | March 2019 | 0 | 1,24,748 | 1,31,27,62,496 | 0 |
| 2 | Kharif 2018 | March- April 2019 | May 2019 | 1 | 2,32,031 | 1,61,49,69,415 | 1,61,49,69,415 |
| 3 | Kharif 2018 | March- April 2019 | June 2019 | 2 | 28,338 | 24,53,36,203 | 24,53,36,203 |
| 4 | Kharif 2018 | March- April 2019 | July 2019 | 3 | 14,777 | 14,38,80,721 | 14,38,80,721 |
| 5 | Kharif 2018 | March- April 2019 | August 2019 | 4 | 12,083 | 2,89,19,257 | 2,89,19,257 |
| 6 | Kharif 2018 | March- April 2019 | September 2019 | 5 | 41,028 | 34,06,20,171 | 34,06,20,171 |
| 7 | Rabi 2018-19 | August- September 2019 | August 2019 | 0 | 18,754 | 14,25,04,766 | 0 |
| 8 | Rabi 2018-19 | August- September 2019 | September 2019 | 0 | 1,34,189 | 44,93,37,579 | 0 |
| 9 | Rabi 2018-19 | August- September 2019 | October 2019 | 1 | 36,947 | 15,21,74,719 | 15,21,74,719 |
| 10 | Kharif 2019 | March- April 2020 | April 2020 | 0 | 2,89,442 | 2,06,49,21,912 | 0 |
| 11 | Kharif 2019 | March- April 2020 | May 2020 | 1 | 84,158 | 63,27,11,731 | 63,27,11,731 |
| 12 | Kharif 2019 | March- April 2020 | July 2020 | 3 | 2,838 | 2,23,99,997 | 2,23,99,997 |
| 13 | Kharif 2019 | March- April 2020 | September 2020 | 5 | 10,179 | 7,37,06,111 | 7,37,06,111 |
| 14 | Kharif 2019 | March- April 2020 | October 2020 | 6 | 163 | 13,22,908 | 13,22,908 |
| 15 | Kharif 2019 | March- April 2020 | June 2021 | 14 | 6,507 | 4,55,37,030 | 4,55,37,030 |
| 16 | Kharif 2019 | March- April 2020 | August 2021 | 16 | 7,126 | 4,21,99,871 | 4,21,99,871 |
| 17 | Kharif 2019 | March- April 2020 | January 2022 | 21 | 4 | 31,231 | 31,231 |
| 18 | Rabi 2019-20 | August- September 2020 | September 2020 | 0 | 2,06,118 | 93,05,15,408 | 0 |
| 19 | Rabi 2019-20 | August- September 2020 | November 2020 | 2 | 1,03,889 | 38,62,12,500 | 38,62,12,500 |
| 20 | Rabi 2019-20 | August- September 2020 | December 2020 | 3 | 34,137 | 35,44,87,850 | 35,44,87,850 |
| 21 | Rabi 2019-20 | August- September 2020 | February 2021 | 5 | 28,035 | 9,64,65,461 | 9,64,65,461 |
| 22 | Rabi 2019-20 | August- September 2020 | March 2021 | 6 | 9 | 57,576 | 57,576 |
| 23 | Rabi 2019-20 | August- September 2020 | May 2021 | 8 | 8,143 | 3,31,16,581 | 3,31,16,581 |
| 24 | Rabi 2019-20 | August- September 2020 | August 2021 | 11 | 13,188 | 5,05,35,082 | 5,05,35,082 |

| Sl. No. | Season | Due month of payment | Actual month of payment | Delay in month(s) | No. of beneficiaries | Total amount paid | Amount of delayed payment |
|---|---|---|---|---|---|---|---|
| 25 | Rabi 2019-20 | August- September 2020 | March 2022 | 12 | 1 | 15,378 | 15,378 |
| 26 | Kharif 2020 | March- April 2021 | May 2021 | 1 | 1,90,486 | 98,08,46,001 | 98,08,46,001 |
| 27 | Kharif 2020 | March- April 2021 | July 2021 | 3 | 1,97,464 | 96,14,37,906 | 96,14,37,906 |
| 28 | Kharif 2020 | March- April 2021 | August 2021 | 4 | 5,640 | 2,51,08,953 | 2,51,08,953 |
| 29 | Kharif 2020 | March- April 2021 | December 2021 | 8 | 72,533 | 30,48,07,949 | 30,48,07,949 |
| 30 | Kharif 2020 | March- April 2021 | January 2022 | 9 | 1,327 | 47,07,622 | 47,07,622 |
| 31 | Kharif 2020 | March- April 2021 | February 2022 | 10 | 1,409 | 60,36,584 | 60,36,584 |
| 32 | Kharif 2020 | March- April 2021 | March 2022 | 11 | 2,806 | 1,39,80,088 | 1,39,80,088 |
| 33 | Kharif 2020 | March- April 2021 | June 2022 | 14 | 694 | 74,60,262 | 74,60,262 |
| 34 | Kharif 2020 | March- April 2021 | July 2022 | 15 | 15 | 1,40,415 | 1,40,415 |
| 35 | Rabi 2020-21 | August- September 2021 | December 2021 | 3 | 42,180 | 17,50,71,011 | 17,50,71,011 |
| 36 | Rabi 2020-21 | August- September 2021 | January 2022 | 4 | 1,35,724 | 52,06,94,806 | 52,06,94,806 |
| 37 | Rabi 2020-21 | August- September 2021 | February 2022 | 5 | 1,457 | 62,85,641 | 62,85,641 |
| 38 | Rabi 2020-21 | August- September 2021 | July 2022 | 10 | 354 | 23,84,261 | 23,84,261 |
| 39 | Kharif 2021 | March- April 2022 | March 2022 | 0 | 39,335 | 28,09,48,653 | 0 |
| 40 | Kharif 2021 | March- April 2022 | April 2022 | 0 | 68,270 | 39,14,01,829 | 0 |
| 41 | Kharif 2021 | March- April 2022 | June 2022 | 2 | 1,76,159 | 1,13,31,77,853 | 1,13,31,77,853 |
| 42 | Kharif 2021 | March- April 2022 | July 2022 | 3 | 35,590 | 26,67,72,483 | 26,67,72,483 |
| **Total** | | | | | **24,08,275** | **14,24,60,04,271** | **8,67,36,11,628** |

*(Source: Weekly reports furnished by the Co-operative Department, Govt. of Bihar)*

# Appendix-3.4
## *(Refer: Paragraph 3.6.5)*
## Cases of more than one beneficiary in the *Gair-Raiyat* family category

| Sl. No. | District | Block | Panchayat | Details of Beneficiary | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Name of Beneficiary | Name of husband/ father | Registration no. | Aadhaar No. | Account No. | Date of Payment | Amount Paid (in ₹) | Crop Season |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 1 | Banka | Bausi | Chilkara | Pradeep Kumar Yadav | Ganpat Yadav | 225002361766 | 7347**5167 | 0069****0292 | 25/03/2022 | 7,588 | Kharif 2021 |
| 2 | Banka | Bausi | Chilkara | Pradeep Kumar Yadav | Ganpat Yadav | 225002361766 | 7347**5167 | 0069****0292 | 18/12/2021 | 8,094 | Rabi 2020-21 |
| 3 | Banka | Bausi | Chilkara | Pradeep Kumar Yadav | Ganpat Yadav | 225002361766 | 7347**5167 | 0069****0292 | 09/09/2020 | 10,117 | Rabi 2019-20 |
| 4 | Banka | Bausi | Chilkara | Jay Prakash Singh | Lalit Singh | 225002570344 | 8533****1066 | 381****7989 | 09/09/2020 | 4,047 | Rabi 2019-20 |
| 5 | Banka | Bausi | Chilkara | Jay Prakash Singh | Lalit Singh | 225002570344 | 8533****1066 | 381****7989 | 18/12/2021 | 8,094 | Rabi 2020-21 |
| 6 | Banka | Bausi | Kasba Mandar | Santosh Panjiyara | Mandir Panjiyara | 225007885426 | 7350**1308 | 33****8585 | 25/03/2022 | 4,553 | Kharif 2021 |
| 7 | Banka | Bausi | Kasba Mandar | Bhumeshwar Mandal | Radhe Mandal | 225003182862 | 6825****9303 | 326****1351 | 18/12/2021 | 7,588 | Rabi 2020-21 |
| 8 | Banka | Bausi | Kasba Mandar | Bhumeshwar Mandal | Radhe Mandal | 225003182862 | 6825****9303 | 326****1351 | 09-09-2020 | 13,759 | Rabi 2019-20 |
| 9 | Banka | Barahat | Khariyara | Bibi Kuntara | Md Istiyak | 225008066394 | 3118**7901 | 35588****10672 | 25/03/2022 | 7,487 | Kharif 2021 |
| 10 | Banka | Barahat | Khariyara | Asma | Hafij | 225005697577 | 2793**6193 | 0069****4939 | 25/03/2022 | 10,117 | Kharif 2021 |
| 11 | East champaran | Kalyanpur | Dilawarpur | Rajmangal Thakur | Naga Thakur | 204000567166 | 5204****6096 | 350****1335 | 29/06/2022 | 10,117 | Kharif 2021 |
| 12 | East champaran | Kalyanpur | Dilawarpur | Shyamsundar Pandey | Badri Pandey | 204003387465 | 6529***2632 | 324****6389 | 19/05/2021 | 6,070 | Kharif 2020 |
| 13 | East champaran | Kalyanpur | Piprakhem | Poonam Devi | Ragho Prasad | 204005388554 | 3524***2972 | 72110001****2563 | 20/07/2021 | 1,518 | Kharif 2021 |
| 14 | Samastipur | Hasanpur | Bhatwan | Dropadi Devi | ShatrudhanSahu | 221001554499 | 4409**6215 | 306****0961 | 25/05/2021 | 3,035 | Kharif 2020 |
| 15 | Samastipur | Hasanpur | Bhatwan | Dropadi Devi | ShatrudhanSahu | 221001554499 | 4409**6215 | 306****0961 | 24/11/2020 | 3,035 | Rabi 2019-20 |

| Sl. No. | District | Block | Panchayat | Details of Beneficiary | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Name of Beneficiary | Name of husband/ father | Registration no. | Aadhaar No. | Account No. | Date of Payment | Amount Paid (in ₹) | Crop Season |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 16 | Samastipur | Singhia | Hardia | Rajesh Kumar Singh | Triveni Prasad Singh | 221002031458 | ********1560 | 317****3617 | 25/05/2021 | 14,569 | Kharif 2020 |
| 17 | Samastipur | Singhia | Hardia | Rajesh Kumar Singh | Triveni Prasad Singh | 221002031458 | ********1560 | 317****3617 | 24/06/2022 | 14,164 | Kharif 2021 |
| 18 | Supaul | Saraigarh Bhaptiyahi | Saraigarh | Sonwati Devi | Mahendra Mandal | 208000673929 | 2135****3756 | 24910001****7442 | 13/05/2020 | 2,185 | Kharif 2019 |
| 19 | Supaul | Saraigarh Bhaptiyahi | Saraigarh | Yuganand Sah | Janak Sah | 208001113629 | 2133****0854 | 10073010****1229 | 14/05/2020 | 4,553 | Kharif 2019 |
| 20 | Supaul | Saraigarh Bhaptiyahi | Saraigarh | Yuganand Sah | Janak Sah | 208001113629 | 2133****0854 | 10073010****1229 | 04/10/2019 | 10,886 | Rabi 2019 |
| | | | | | | | | | **Total** | **1,51,576** | |

| Details of beneficiaries' spouse | | | | | |
|---|---|---|---|---|---|
| *Aadhaar* No. | Registration no. | Account no. | Date of Payment | Amount Paid | Crop Season |
| 13 | 14 | 15 | 16 | 17 | 18 |
| 6860**3077 | 225002958623 | 072001****2035 | 25/03/2022 | 9,105 | Kharif 2021 |
| 6860**3077 | 225002958623 | 072001****2035 | 18/12/2021 | 8,094 | Rabi 2020-21 |
| 6860**3077 | 225002958623 | 072001****2035 | 09/09/2020 | 8,094 | Rabi 2019-20 |
| 6169****6715 | 225002930453 | 371101****4822 | 09/09/2020 | 4,856 | Rabi 2019-20 |
| 6169****6715 | 225002930453 | 371101****4822 | 18/12/2021 | 8,094 | Rabi 2020-21 |
| 4430**9536 | 225001930500 | 127632****6466 | 05/07/2022 | 6,374 | Kharif 2021 |
| 2841****6396 | 225004303999 | 127601****2383 | 18/12/2021 | 6,070 | Rabi 2020-21 |
| 2841****6396 | 225004303999 | 127601****2383 | 09-09-2020 | 12,343 | Rabi 2019-20 |
| 4362**9256 | 225008043335 | 355881****2577 | 25/03/2022 | 16,187 | Kharif 2021 |
| 8214**8241 | 225007948033 | 355881****1068 | 25/03/2022 | 5,059 | Kharif 2021 |
| 8268***4612 | 204005718425 | 358****8613 | 28/06/2022 | 10,117 | Kharif 2021 |
| 2386***1248 | 204006401322 | 345****1045 | 07/07/2021 | 4,047 | Kharif 2020 |
| 7046***2953 | 204004313316 | 72110001****2355 | 19/05/2021 | 1,518 | Kharif 2021 |
| 4243**6318 | 221004367893 | 357****9578 | 25/05/2021 | 3,035 | Kharif 2020 |
| 4243**6318 | 221004367893 | 357****9578 | 26/11/2020 | 3,035 | Rabi 2019-20 |
| ********4456 | 221002131539 | 348****6033 | 25/05/2021 | 11,534 | Kharif 2020 |
| ********4456 | 221002131539 | 348****6033 | 27/06/2022 | 10,117 | Kharif 2021 |
| 7623****5999 | 208000708800 | 24910001****5448 | 13/05/2020 | 4,553 | Kharif 2019 |
| 5332****3639 | 208001120592 | 101****6639 | 05/04/2020 | 6,070 | Kharif 2019 |
| 5332****3639 | 208001120592 | 101****6639 | 16/08/2019 | 8,660 | Rabi 2019-20 |
| | | | | **1,46,962** | |

*Source: Data provided by the Co-operative Department, Govt. of Bihar and data collected during physical verification of the sampled beneficiaries*

# Appendix-3.5

***(Refer: Paragraph 3.8.2)***

## Delays in holding SLCC meetings and payment to beneficiaries

| Season/ Scheduled month of SLCC meeting | Actual date of convening the SLCC meeting, against the scheduled dates (March/August) | Delay (in months) in convening of SLCC meeting | Scheduled date for registration of farmers | Actual dates of registration of farmers | Scheduled payments of the assistance amounts | Actual dates of making payments |
|---|---|---|---|---|---|---|
| Kharif 2018/ March 2018 | June-2018 & August-2018 | 3 | 31.07.2018 | 15.11.2018 | March-April 2019 | 28.02.2019 to 19.08.2019 |
| Rabi 2018-19/ August 2018 | November-2018 | 3 | 31.12.2018 | 26.02.2019/28.03.2019 | August-September 2019 | 30.07.2019 to 10.10.2019 |
| Kharif 2019/ March 2019 | July-2019 | 4 | 31.07.2019 | 30.09.2019/15.11.2019 | March-April 2020 | 28.02.2020 to 30.11.2021 |
| Rabi 2019-20/ August 2019 | November-2019 | 3 | 31.12.2019 | 26.02.2020/28.03.2020 | August-September 20 | 01.09.2020 to 27.01.2022 |
| Kharif 2020/ March 2020 | November-2020# | 8 | 31.07.2020 | 31.08.2020 | March-April 2021 | 04.03.2021 to 08.07.2022 |
| Rabi 2020-21/ August 2020 | November-2020 | 3 | 31.12.2020 | 26.02.2021/28.03.2021 | August-September 2021 | 13.09.2021 to 20.07.2022 |
| Kharif 2021/ March 2021 | November-2021# | 8 | 31.07.2021 | 31.07.2021 | March-April 2022 | 16.03.2022 to 20.07.2022 |

*[(Source: Information provided by the Co-operative Department (# SLCC meetings for the Kharif 2020 and 2021 seasons, were held post-facto)]*

## Appendix-4.1
***(Refer: Paragraph 4.1.6)***
**Records not produced during audit and limitations caused due to non-production of records**

| Sl. No. | Record | Audit checks that could not be conducted |
|---|---|---|
| 1 | General Cash book, Annual Account | Amount received and expenditure incurred, basis of preparation of Budget, true and fair view of state of affairs of the University. |
| 2 | Vouchers | Actual expenditure incurred. |
| 3 | Copy of Utilisation Certificates | Genuineness of expenditure. |
| 4 | Number and series of cheque of each Bank A/c, stock register and Bank Statements. | Comparison of cheques issued with Bank Statements. Genuineness of the cheques issued. Identify any discrepancies between balances. |
| 5 | Stock, Distribution and Issue registers | Purchases made, stock issued and amounts paid. |
| 6 | Assets register | Determination of the status, location and value of assets. |
| 7 | Admission related records/ data | Amount of fee collected and number of students enrolled and registered. |
| 8 | Examination related records/ data | Whether examination schedules had been followed; compliance with the norms of contract for purchase/ printing, conduct of examinations, along with the amounts incurred thereon, students that appeared for the examinations, different types of fees collected, use of answer books. |
| 9 | Result related records/ data/information. | Declaration of results, comparison of data of the students who registered and appeared for examinations, results declared and their tabulation. |
| 10 | Affiliation related lists of files, record/ data | Number of colleges affiliated, files maintained, amounts collected for inspection, reserve fee *etc*., affiliation given in accordance with the laid down norms and procedures in-force for at that time. |
| 11 | Recruitment/ Salary/ Promotion | Whether appointments, promotions *etc*. had been made as per norms and payments made were regular. |
| 12 | Contract agreement / Memorandum of Understandings (MOUs) with contractors/ NGOs | Whether the Contracts/ MoUs were as per norms and the payments made were regular. |
| 13 | Internal Control & Monitoring | Checks and controls and the number of channels operated for the purpose of monitoring. Assurance in regard to achievement of the set goals and objectives. |

*(Source: Requisitions and enquiries issued during audit)*

## Appendix-4.2

***(Refer: Paragraph 4.2)***

**University-wise Budget Provision, Expenditure and Surrender of funds by the 11 test-checked universities**

***(Amount ₹ in crore)***

| For the Financial Years 2017-18 to 2021-22 | | | | |
|---|---|---|---|---|
| **University** | **Budget Provision** | **Expenditure** | **Surrender** | **Surrender *(per cent)*** |
| **AKU** | 160.70 | 131.68 | 29.02 | 18 |
| **BNMU** | 1,806.58 | 1,459.74 | 346.84 | 19 |
| **BRABU** | 3,057.50 | 2,510.39 | 547.11 | 18 |
| **JPU** | 1,329.95 | 1,143.13 | 186.82 | 14 |
| **KSDSU** | 1,444.77 | 1,392.19 | 52.58 | 4 |
| **LNMU** | 3,116.48 | 2,573.57 | 542.91 | 17 |
| **MMHAPU** | 16.94 | 13.70 | 3.24 | 19 |
| **PPU** | 1,739.30 | 1,465.35 | 273.95 | 16 |
| **PU** | 1,334.28 | 1,120.29 | 213.99 | 16 |
| **TMBU** | 2,157.49 | 1,643.02 | 514.47 | 24 |
| **VKSU** | 1,688.90 | 1,347.01 | 341.89 | 20 |
| **Total** | **17,852.89** | **14,800.07** | **3,052.82** | **17** |

*(Source: Data provided by the Education Department)*

## Appendix-4.3 (A)

***(Refer: Paragraph: 4.3.2)***

**Registration of employees for PRAN**

| Sl. No. | University | Total no. of employees eligible for NPS | No. of PRANs generated | PRANs not generated | |
|---|---|---|---|---|---|
| | | | | Number | Percentage |
| 1 | BNMU | 233 | 116 | 117 | 50 |
| 2 | KSDSU | 36 | 0 | 36 | 100 |
| 3 | LNMU | 746 | 0 | 746 | 100 |
| 4 | MMHAPU | 40 | 40 | 0 | 0 |
| 5 | PPU | 401 | 0 | 401 | 100 |
| 6 | PU | 275 | 186 | 89 | 32 |
| 7 | VKSU | 64 | 0 | 64 | 100 |
| | **Total** | **1,795** | **342** | **1,453** | **81** |

## Appendix-4.3 (B)

***(Refer: Paragraph: 4.3.2)***

**NPS amounts deducted and parked in bank accounts**

***(₹ in crore)***

| Sl. No. | University | No. of employees eligible for NPS | No. of PRANs generated | No. of employees whose contributions were deducted | Percentage of employees whose NPS contributions had been deducted | Period of deduction | Deducted amount, parked in bank account | Estimated employers' contributio[5]@ 10 *per cent* |
|---|---|---|---|---|---|---|---|---|
| 1 | LNMU | 746 | 0 | 523 | 70 | January 2019 to October 2022 | 11.93 | 93.93 |
| 2 | MMHAPU | 40 | 40 | 40 | 100 | November 2016 to October 2022 | 0.99 | 99.99 |
| 3 | PU | 275 | 186 | 164 | 60 | January 2015 to September 2022 | 10.42 | 10.42 |
| **Total** | | **1,061** | **226** | **727** | | | **23.34** | **23.34** |

[5] As per resolution (January 2019), 10 *per cent* of the salary of the employee was to be deducted as contribution for NPS and was to be deposited together with 14 *per cent* (previously at the rate of 10 *per cent*) matching contribution of the employer.

## Appendix-4.4

***(Refer: Paragraph 4.3.3)***

**Excess payment of HRA to employees**

***(Amount in ₹)***

| University | College | February 2020 to July 2022 | | | |
|---|---|---|---|---|---|
| | | Basic Pay of employees | HRA Paid (at the rate in *per cent*) | HRA payable (at the rate in *per cent*) | Excess payment |
| **KSDSU** | Rishikul Br. Sanskrit College, Bediban, Madhuban, East Champaran | 59,48,400 | 4,75,872 (*8*) | 2,37,936 (*4* ) | 2,37,936 |
| **KSDSU** | Mahanth Keshaw Sanskrit College Fatuha, Patna | 1,03,74,225 | 16,59,876 (*16* ) | 6,17,004 (*6* ) | 10,42,872 |
| **KSDSU** | Lakshmishwari Priya Sanskrit College, Samaul, Madhubani | 2,31,01,300 | 18,48,104 (*8* ) | 9,24,052 (*4* ) | 9,24,052 |
| **KSDSU** | Sri Ganesh Girivardhari Sanskrit College, Bakhtiyarpur, Patna | 1,23,05,785 | 9,84,463 (*8* ) | 7,41,562 (*6* ) | 2,42,901 |
| **KSDSU** | Gurukul Sanskrit College, Mehiyan, Chapra | 2,08,48,230 | 16,67,858 (*8* ) | 8,33,929 (*4* ) | 8,33,929 |
| **KSDSU** | Saraswati Bilash Skt. College, Shokhara, Barauni, Begusarai | 32,26,200 | 2,58,096 (*8* ) | 1,29,048 (*4* ) | 1,29,048 |
| **Sub-total (A)** | | **7,58,04,140** | **68,94,269** | **34,83,531** | **34,10,738** |
| **LNMU** | VSJ College, Rajnagar, Madhubani | 3,16,57,000 | 25,32,560 (*8* ) | 12,66,280 (*4* ) | 12,66,280 |
| **LNMU** | BM College, Rahika, Madhubani | 3,38,17,500 | 27,05,400 (*8* ) | 13,52,700 (*4* ) | 13,52,700 |
| **LNMU** | DB College, Jainagar, Madhubani | 2,70,58,400 | 21,64,672 (*8* ) | 16,23,504 (*6* ) | 5,41,168 |
| **LNMU** | APSM College, Barauni, Begusarai | 3,19,05,400 | 25,52,432 (*8* ) | 19,14,324 (*6* ) | 6,38,108 |
| **LNMU** | RCS College, Manjhaul, Begusarai | 4,42,94,674 | 26,57,680 (*6* ) | 17,71,787 (*4* ) | 885,894 |
| **LNMU** | KV Sc. College, Uchhaith-Benipatti, Madhubai | 3,43,63,135 | 27,49,051 (*8* ) | 20,61,788 (*6* ) | 687,263 |
| **Sub-total (B)** | | **20,30,96,109** | **1,53,61,795** | **99,90,383** | **53,71,413** |
| **Grand Total** | | **27,89,00,249** | **2,22,56,064** | **1,34,73,914** | **87,82,151** |

*(Source: Records of the concerned universities)*

**Appendix-4.5**

***(Refer: Paragraph 4.3.3)***

**Excess/incorrect payment of HRA to employees of the outsourced security agency**

***(Amount in ₹)***

| Sl. No. | Month | Category | Man-days | Gross Amount | HRA Paid | HRA Payable | Excess HRA Paid |
|---|---|---|---|---|---|---|---|
| 1. | April 2021 | Ex-Man Supervisor | 45 | 61,129.35 | 5,831.78 | 2,915.89 | 2,916.00 |
| | | Ex-Man With Gun | 45 | 53,887.05 | 5,140.80 | 2,570.40 | 2,570.00 |
| | | Ex-Man Without Gun | 195 | 1,99,165.20 | 19,000.80 | 9,500.40 | 9,500.00 |
| | | Civil Guard (Non-DGR) | 780 | 4,88,826.00 | 48,048.00 | 0.00 | 48,048.00 |
| 2. | May 2021 | Ex-Man Supervisor | 93 | 1,26,333.99 | 12,052.35 | 6,026.18 | 6,026.00 |
| | | Ex-Man With Gun | 93 | 1,11,366.57 | 10,624.32 | 5,312.16 | 5,312.00 |
| | | Ex-Man Without Gun | 403 | 4,11,608.08 | 39,268.32 | 19,634.16 | 19,634.00 |
| | | Civil Guard (Non-DGR) | 1,550 | 9,71,385.00 | 95,480.00 | 0.00 | 95,480.00 |
| 3. | June 2021 | Ex-Man Supervisor | 90 | 1,22,258.70 | 11,663.57 | 5,831.78 | 5,832.00 |
| | | Ex-Man Guard | 350 | 3,57,476.00 | 39,984.00 | 19,992.00 | 19,992.00 |
| | | Ex-Man With Gun | 89 | 1,06,576.71 | 8,672.16 | 4,336.08 | 4,336.00 |
| | | Civil Guard (Non-DGR) | 1,541 | 9,65,744.70 | 94,925.60 | 0.00 | 94,926.00 |
| 4. | July 2021 | Ex-Man Supervisor | 71 | 97,407.00 | 9,201.26 | 4,600.63 | 4,601.00 |
| | | Gunman Guard | 84 | 1,01,586.00 | 9,596.16 | 4,798.08 | 4,798.00 |
| | | Ex-Man Guard | 124 | 1,27,910.00 | 12,082.56 | 6,041.28 | 6,041.00 |
| | | Civil Guard (Non-DGR) | 1,840 | 11,99,919.00 | 1,13,344.00 | 0.00 | 1,13,344.00 |
| 5. | August 2021 | Supervisor | 93 | 1,23,474.00 | 12,052.35 | 6,026.18 | 6,026.00 |
| | | Gunner | 93 | 1,08,843.00 | 10,624.32 | 5,312.16 | 5,312.00 |
| | | Security Guard | 434 | 4,33,244.00 | 42,288.96 | 21,144.48 | 21,144.00 |
| | | Civil Guard (Non-DGR) | 1,612 | 10,17,317.00 | 99,299.20 | 0.00 | 99,299.00 |
| 6. | September 2021 | Supervisor | 90 | 1,23,474.00 | 11,663.57 | 5,831.78 | 5,832.00 |
| | | Gunner | 90 | 1,08,842.00 | 10,281.60 | 5,140.80 | 5,141.00 |
| | | Security Guard | 420 | 4,33,243.00 | 40,924.80 | 20,462.40 | 20,462.00 |
| | | Civil Guard (Non-DGR) | 1,560 | 10,17,323.00 | 96,096.00 | 0.00 | 96,096.00 |
| 7. | October 2021 | Supervisor | 93 | 1,23,474.00 | 12,210.68 | 6,105.34 | 6,105.00 |
| | | Gunner | 93 | 1,08,843.00 | 10,773.12 | 5,386.56 | 5,387.00 |
| | | Security Guard | 465 | 4,64,190.00 | 45,904.80 | 22,952.40 | 22,952.00 |
| | | Civil Guard (Non-DGR) | 1,612 | 10,17,328.00 | 1,00,072.96 | 0.00 | 1,00,073.00 |

| Sl. No. | Month | Category | Man-days | Gross Amount | HRA Paid | HRA Payable | Excess HRA Paid |
|---|---|---|---|---|---|---|---|
| 8. | November 2021 | Supervisor | 90 | 1,25,097.00 | 11,816.78 | 5,908.39 | 5,908.00 |
| | | Gunner | 90 | 1,10,370.00 | 10,425.60 | 5,212.80 | 5,213.00 |
| | | Security Guard | 450 | 4,70,280.00 | 44,424.00 | 22,212.00 | 22,212.00 |
| | | Civil Guard (Non-DGR) | 1,530 | 10,05,516.00 | 94,982.40 | 0.00 | 94,982.00 |
| 9. | December 2021 | Supervisor | 93 | 1,25,097.00 | 12,210.68 | 6,105.34 | 6,105.00 |
| | | Gunner | 155 | 1,83,950.00 | 17,955.20 | 8,977.60 | 8,978.00 |
| | | Security Guard | 465 | 4,70,280.00 | 45,904.80 | 22,952.40 | 22,952.00 |
| | | Civil Guard (Non-DGR) | 1,644 | 10,52,796.00 | 1,02,059.52 | 0.00 | 102,060.00 |
| 10. | January 2022 | Supervisor | 93 | 1,25,097.00 | 12,210.68 | 6,105.34 | 6,105.00 |
| | | Gunner | 155 | 1,83,950.00 | 17,955.20 | 8,977.60 | 8,978.00 |
| | | Security Guard | 465 | 4,70,280.00 | 45,904.80 | 22,952.40 | 22,952.00 |
| | | Civil Guard (Non-DGR) | 1,581 | 10,05,516.00 | 98,148.48 | 0.00 | 98,148.00 |
| 11. | February 2022 | Supervisor | 84 | 1,25,097.00 | 11,029.00 | 5,514.50 | 5,514.00 |
| | | Gunner | 140 | 1,83,950.00 | 16,217.60 | 8,108.80 | 8,109.00 |
| | | Security Guard | 616 | 7,29,248 | 60,811.52 | 30,405.76 | 30,406.00 |
| | | Civil Guard (Non-DGR) | 1,540 | 10,98,586 | 95,603.20 | 0.00 | 95,603.00 |
| 12. | March 2022 | Supervisor | 93 | 1,25,097 | 12,211.00 | 6,105.00 | 6,106.00 |
| | | Gunner | 155 | 1,83,950.00 | 17,955.20 | 8,977.60 | 8,978.00 |
| | | Security Guard | 682 | 7,29,248 | 67,327.04 | 33,663.52 | 33,664.00 |
| | | Civil Guard (Non-DGR) | 1,705 | 10,98,576 | 1,05,846.40 | 0.00 | 105,846.00 |
| 13. | April 2022 | Supervisor | 90 | 1,26,717.00 | 11,970.00 | 5,985.00 | 5,985.00 |
| | | Gunner | 150 | 1,86,490.00 | 17,616.00 | 8,808.00 | 8,808.00 |
| | | Security Guard | 660 | 7,38,714 | 66,000.00 | 33,000.00 | 33,000.00 |
| | | Civil Guard (Non-DGR) | 1,666 | 11,54,028 | 1,07,423.68 | 0.00 | 107,424.00 |
| 14. | May 2022 | Supervisor | 93 | 1,26,717.00 | 12,369.00 | 6,184.50 | 6,185.00 |
| | | Gunner | 155 | 1,86,490.00 | 18,203.20 | 9,101.60 | 9,102.00 |
| | | Security Guard | 682 | 7,38,714 | 68,200.00 | 34,100.00 | 34,100.00 |
| | | Civil Guard (Non-DGR) | 1,705 | 11,41,140.00 | 1,09,938.40 | 0.00 | 1,09,938.00 |
| 15. | June 2022 | Supervisor | 90 | 1,26,717.00 | 11,970.00 | 5,985.00 | 5,985.00 |
| | | Gunner | 150 | 1,86,490.00 | 17,616.00 | 8,808.00 | 8,808.00 |
| | | Security Guard | 660 | 7,38,714 | 66,000.00 | 33,000.00 | 33,000.00 |
| | | Civil Guard (Non-DGR) | 1,736 | 11,95,560 | 1,11,937.28 | 0.00 | 1,11,937.00 |

| Sl. No. | Month | Category | Man-days | Gross Amount | HRA Paid | HRA Payable | Excess HRA Paid |
|---|---|---|---|---|---|---|---|
| 16. | July 2022 | Supervisor | 94 | 1,28,325.00 | 12,502.00 | 6,251.00 | 6,251.00 |
| | | Gunner | 155 | 1,86,490.00 | 18,203.20 | 9,101.60 | 9,102.00 |
| | | Security Guard | 682 | 7,38,714 | 68,200.00 | 34,100.00 | 34,100.00 |
| | | Civil Guard (Non-DGR) | 1,741 | 11,54,351 | 1,12,259.68 | 0.00 | 1,12,260.00 |
| 17. | August 2022 | Supervisor | 93 | 1,26,717.00 | 12,369.00 | 6,184.50 | 6,185.00 |
| | | Gunner | 155 | 1,86,490.00 | 18,203.20 | 9,101.60 | 9,102.00 |
| | | Security Guard | 682 | 7,38,714 | 68,200.00 | 34,100.00 | 34,100.00 |
| | | Civil Guard (Non-DGR) | 1,705 | 11,26,290.00 | 1,09,938.40 | 0.00 | 1,09,938.00 |
| 18. | September 2022 | Supervisor | 90 | 1,26,717.00 | 11,970.00 | 5,985.00 | 5,985.00 |
| | | Gunner | 150 | 1,86,490.00 | 17,616.00 | 8,808.00 | 8,808.00 |
| | | Security Guard | 660 | 6,98,698.00 | 66,000.00 | 33,000.00 | 33,000.00 |
| | | Civil Guard (Non-DGR) | 1,470 | 10,03,422.00 | 94,785.60 | 0.00 | 94,786.00 |
| **Total** | | | | | | | **24,73,893** |

*(Source: Records provided by LNMU)*

## Appendix-4.6

***(Refer Paragraph 4.3.4)***

**Loss of interest due to non-maintenance of savings bank account by LNMU**

***(Amount in ₹)***

| Sl. No. | Period | Average balance amount in the account | No. of months (*approx.*) | Rate of Interest (*per cent per annum*) | Interest amount |
|---|---|---|---|---|---|
| 1 | 04.05.16 to 03.01.17 | 10,00,00,000 | 08 | 3.50 | 23,33,333 |
| 2 | 04.01.17 to 05.01.18 | 2,19,86,075 | 12 | 3.50 | 7,69,513 |
| 3 | 07.01.18 to 12.04.18 | 85,34,083 | 03 | 3.50 | 74,673 |
| 4 | 13.04.18 to 03.05.18 | 70,71,834 | 01 | 3.50 | 20,626 |
| 5 | 04.05.18 to 03.07.18 | 5,70,71,834 | 02 | 3.50 | 3,32,919 |
| 6 | 04.07.18 to 20.07.18 | 5,59,58,526 | 0.5 | 3.50 | 81,606 |
| 7 | 21.07.18 to 13.02.19 | 5,74,58,491 | 07 | 3.50 | 11,73,111 |
| 8 | 14.02.19 to 04.10.19 | 5,52,63,222 | 08 | 3.00 | 11,05,264 |
| 9 | 05.10.19 to 16.12.19 | 5,46,33,145 | 02 | 3.00 | 2,73,166 |
| 10 | 17.12.19 to 06.01.20 | 4,38,58,237 | 01 | 3.00 | 1,09,646 |
| 11 | 07.01.20 to 25.02.20 | 4,30,00,000 | 1.5 | 3.00 | 1,61,250 |
| 12 | 26.02.20 to 05.03.20 | 4,25,67,134 | 0.67 | 3.00 | 71,299 |
| 13 | 06.03.20 to 13.05.20 | 3,98,82,231 | 2.5 | 2.75 | 2,28,492 |
| 14 | 14.05.20 to 27.08.20 | 3,56,48,756 | 3.5 | 2.70 | 2,80,734 |
| 15 | 28.08.20 to 11.02.21 | 3,55,61,830 | 5.5 | 2.70 | 4,40,078 |
| 16 | 12.02.21 to 17.06.21 | 3,55,61,182 | 3.5 | 2.70 | 2,80,044 |
| 17 | 18.06.21 to 21.12.21 | 3,46,59,243 | 06 | 2.70 | 4,67,900 |
| **Total** | | | | | **82,03,654** |

*(Source: Records of LNMU)*

**Appendix-4.7**
***(Refer: Paragraph 4.3.5)***
**Non-Submission of Utilisation Certificates**

***(₹ in lakh)***

| Sl. No. | University | Financial Year | Grant released by | Amount released | Amount for which UCs were pending |
|---|---|---|---|---|---|
| 1. | LNMU | 2018-19 | Education Department, GoB | 116.02 | 116.02 |
| | | | | 10.00 | 10.00 |
| | | | | 234.00 | 234.00 |
| | | | RUSA | 39.20 | 39.20 |
| 2. | KSDSU | 2019-20 | RUSA | 857.00 | 857.00 |
| | | 2018-19 | Education Department, GoB | 62.00 | 62.00 |
| | | | | 62.00 | 62.00 |
| 3. | PU | 2018-19 | Education Department, GoB | 25.00 | 25.00 |
| | | | | 30.00 | 30.00 |
| | | 2019-20 | RUSA | 1,000.00 | 189.00 |
| 4. | VKSU | 2018-19 | RUSA | 15.00 | 15.00 |
| | | 2018-19 | Education Department, GoB | 39.00 | 39.00 |
| | | | | 102.00 | 102.00 |
| 5. | BNMU | 2018-19 | Education Department, GoB | 33.00 | 33.00 |
| 6. | JPU | 2018-19 | Education Department, GoB | 87.00 | 87.00 |
| | | | | 47.00 | 47.00 |
| | | | | 47.00 | 47.00 |
| 7. | MMHAPU | 2009-10 to 2020-21 | Minority Welfare Department, GoB | 1,059.27 | 1,059.27 |
| 8. | PPU | 2018-19 | GoB | 13,300.00 | 6,793.57 |
| 9. | BRABU | 2018-19 | GoB | 791.19 | 251.28 |
| | | 2019-20 | | 7,318.11 | 54.56 |
| **Total** | | | | **25,273.79** | **10,152.90** |

*(Source: Records provided by the Universities)*

## Appendix-4.8
### *(Refer: Paragraph 4.3.6)*
### Non-adjustment of advances (as of November 2022)

***(Amount in ₹)***

| University | Advances given for | Amount of advances outstanding since (no. of years) | | | | Amount for which details were not made available by the University | Total |
|---|---|---|---|---|---|---|---|
| | | 0-05 | 05-10 | 10-15 | More than 15 | | |
| **AKU** | Examination | 32,98,565 | 0 | 0 | 0 | 0 | 32,98,565 |
| **BNMU** | Examination, Sports, Contingency | 7,67,26,564 | 1,55,84,914 | 0 | 0 | 0 | 9,23,11,478 |
| **BRABU** | Examination, Sports, Contingency | 3,58,02,801 | 1,64,13,407 | 0 | 0 | 1,12,38,700 | 6,34,54,908 |
| **JPU** | Examination, Sports, Contingency | 3,09,71,257 | 46,42,625 | 0 | 0 | 0 | 3,56,13,882 |
| **KSDSU** | Examination, Sports, Contingency | 86,45,255 | 5,21,300 | 0 | 0 | 0 | 91,66,555 |
| **LNMU** | Examination, Contingency | 20,18,61,920 | 7,30,04,198 | 0 | 0 | 1,43,58,771 | 28,92,24,889 |
| **MMHAPU** | Examination | 2,36,54,699 | 48,93,158 | 3,45,600 | 0 | 0 | 2,88,93,457 |
| **PPU** | Examination, Contingency | 12,35,60,730 | 0 | 0 | 0 | 0 | 12,35,60,730 |
| **PU** | Examination, Contingency | 0 | 0 | 0 | 0 | 86,64,315 | 86,64,315 |
| **TMBU** | Examination, Sports, Contingency | 2,32,06,107 | 2,14,47,240 | 29,46,350 | 46,11,000 | 5,00,84,434 | 10,22,95,131 |
| **VKSU** | Examination, VKSU fund & Sports fund | 1,26,45,130 | 38,64,026 | 0 | 0 | 44,000 | 1,65,53,156 |
| **Total** | | **54,03,73,028** | **14,03,70,868** | **32,91,950** | **46,11,000** | **8,43,90,220** | **77,30,37,066** |

*(Source: Data and records provided by the concerned Universities)*

**Appendix-4.9**
***(Refer: Paragraph 4.3.10)***
**Non-deduction of TDS on GST**

***(Amount in ₹ lakh)***

| University | Sl. No. | Period | Particulars of goods/services supplied | Total amount paid | Amount of TDS not deducted |
|---|---|---|---|---|---|
| **PPU** | 01 | May 2019 to August 2022 | Answer sheets and eight pages of practical examination sheets | 303.68 | 6.07 |
| | 02 | May 2020 to May 2021 | Development of UMIS software | 121.29 | 2.43 |
| | 03 | May 2020 to May 2022 | Printing of question papers | 644.00 | 12.87 |
| | 04 | November 2021 | E-book and E-research journal | 165.00 | 3.31 |
| | 05 | September 2018 to November 2021 | Outsourcing of manpower | 658.90 | 13.18 |
| **PU** | 06 | 2021-22 | ACs and Computers | 81.09 | 1.62 |
| **Total** | | | | **1,973.96** | **39.48** |

*(Source: Records provided by the concerned Universities)*

## Appendix-4.10

***(Refer: Paragraph 4.3.11)***

### Non-Deduction of Building and Other Construction Workers Welfare Cess and Royalty, for the period from 2019-20 to 2020-21

***(Amount in ₹)***

| Sl. No. | Name of Work | Cost of work | Amount of deductible Labour Cess @1 *per cent* | Sand | | Stone Chips | | Bricks | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Quantity *(in m³)* | Royalty @ ₹ 75 per m³ | Quantity *(in m³)* | Royalty @ ₹ 150 per m³ | Quantity (in no.) | Royalty @ ₹ 18 per 400 |
| 1 | Upgradation of G.C.I sheet Shed roofing Shed in R.C.C roofing Slab of Classroom | 64,20,000.00 | 64,200.00 | 205.00 | 15,375.00 | 190.00 | 28,500.00 | 80,000.00 | 3,600.00 |
| 2 | Construction of P.C.C Road from Zoology PG Department to Nargauna Palace Road | 6,82,890.00 | 6,828.90 | 37.70 | 2,827.50 | 75.40 | 11,310.00 | 0.00 | 0.00 |
| 3 | Construction of Examination Department | 2,53,48,180.00 | 2,53,481.80 | 576.00 | 43,200.00 | 585.00 | 87,750.00 | 3,35,000.00 | 15,075.00 |
| 4 | Renovation and upgradation of garage under VC Residential office | 13,97,618.00 | 13,976.18 | 20.00 | 1,500.00 | 23.00 | 3,450.00 | 6,000.00 | 270.00 |
| 5 | Construction of Home Science Department on first floor | 43,37,504.00 | 43,375.04 | 120.00 | 9,000.00 | 76.00 | 11,400.00 | 79,000.00 | 3,555.00 |
| 6 | Construction of PCC Road from Shyama Mandir to Chaurangip | 21,33,532.00 | 21,335.32 | 115.15 | 8,636.25 | 227.00 | 34,050.00 | 0.00 | 0.00 |
| 7 | Renovation and Repairing work in the Physics, PG Department Building | 30,08,551.00 | 30,085.51 | 11.78 | 883.50 | 5.33 | 799.50 | 7,215.00 | 324.68 |
| 8 | Renovation work in Zoology PG Department Building | 23,31,645.00 | 23,316.45 | 4.43 | 332.25 | 1.98 | 297.00 | 3,985.00 | 179.33 |
| 9 | Renovation and PCC Road in Mathematics Department | 8,30,257.00 | 8,302.57 | 26.26 | 1,969.50 | 52.52 | 7,878.00 | 0.00 | 0.00 |
| 10 | Construction of PCC Road in front of Gandak Hostel to Main Road | 90,908.00 | 909.08 | 4.99 | 374.25 | 9.99 | 1,498.50 | 0.00 | 0.00 |
| 11 | Construction of PCC Road from Main Road to Bagmati Boys Hostel | 7,50,088.00 | 7,500.88 | 28.88 | 2,166.00 | 57.76 | 8,664.00 | 0.00 | 0.00 |
| 12 | Construction of PCC Road from culvert (near press building) to PWD main road | 13,66,520.00 | 13,665.20 | 83.00 | 6,225.00 | 166.00 | 24,900.00 | 0.00 | 0.00 |
| 13 | Upgradation of Newly constructed Girls Hostel | 9,79,300.00 | 9,793.00 | 20.00 | 1,500.00 | 11.00 | 1,650.00 | 10,000.00 | 450.00 |
| 14 | Dismantling and Reconstruction of Boundary Wall in front of Gandhi Sadan with antiskid Tile Pavement | 15,88,585.00 | 15,885.85 | 37.50 | 2,812.50 | 31.50 | 4,725.00 | 6,650.00 | 299.25 |
| **Total** | | **5,12,65,578.00** | **5,12,655.78** | | **96,801.75** | | **2,26,872.00** | | **23,753.26** |
| **Total labour Cess deductible but not deducted** | | | | | | | | | **5,12,656.00** |
| **Total royalty (on sand, stone chips, bricks consumed) deductible but not deducted** | | | | | | | | | **3,47,427.00** |

*(Source: Records of LNMU)*

## Appendix-4.11
***(Refer: Paragraph 4.3.15)***
**Non/ irregular maintenance of Cash Books**

| Sl. No. | Irregularity | Number of Universities | University/(ies) |
|---|---|---|---|
| 1. | General Cash Book not maintained | 10 | BNMU, BRABU, JPU, KSDSU, LMNU, MMHAPU, PPU, PU TMBU and VKSU |
| 2. | Subsidiary Cash Books (142) not Maintained/ improperly maintained | 08 | BNMU (18), KSDSU (14), LMNU (22), PPU (29), PU (01), BRABU (26), TMBU (31) and VKSU (01) |
| 3. | DDO's initials not found | 06 | BNMU, JPU, PU, BRABU, TMBU and VKSU |
| 4. | OB/CB not calculated | 04 | BNMU, PU, BRABU and VKSU |
| 5. | Non-Verification of Cash Book | 05 | BNMU, JPU, PU, TMBU, BRABU and VKSU |

*(Source: Records of the concerned Universities)*

## Appendix-4.12
***(Refer: Paragraph 4.4.2)***
**Irregularities in the Tabulation Registers of LNMU**

| Sl. No. | Roll No. | Registration No./ Year | College/Department | Subject | Actual Marks in PG 1st Semester/2nd Semester (as per TR), Session: 2017-19 | 1st Semester marks taken in PG as per 4th Semester Tabulation Register (Final), for the 2017-19 session |
|---|---|---|---|---|---|---|
| 1. | 18001230XXXX | 132118XXXX /2013 | P.G. Department | Zoology | 227 | 275 |
| 2. | 18103230XXXX | 109080XXXX /2009 | G.D. College, Begusarai | Zoology | 217 | 209 |
| 3. | 18103230XXXX | 141038XXXX /2014 | -do- | Zoology | 255 | 215 |
| 4. | 17204236XXXX | 421106XXXX /2013 | C.M. Sc. College, Darbhanga | Zoology | 44 | 235 |
| 5. | 18204230XXXX | 132298XXXX -2013 | -do- | Zoology | 254 | 179 |
| 6. | 161XXXX | 101100XXXX -2010 | G.D College, Begusarai | Physics | 38 | 264 |
| 7. | 18204230XXXX | 132098XXXX -2013 | C.M. Sc. College, Darbhanga | Physics | 258 | 235 |
| 8. | 17211235XXXX | 124128XXXX -2012 | M.R.M. College, Darbhanga | Physics | 21 | 223 |
| 9. | 17211235XXXX | 133058XXXX -2013 | -do- | Physics | 32 | 222 |
| 10. | 17211235XXXX | 134128XXXX -2013 | -do- | Physics | 15 | 234 |
| 11. | 18211230XXXX | 122118XXXX -2012 | -do- | Physics | 245 | 227 |
| 12. | 18211230XXXX | 124128XXXX -2012 | -do- | Physics | 294 | 264 |

| Sl. No. | Roll No. | Registration No./ Year | College/Department | Subject | Actual Marks in PG 1st Semester/2nd Semester (as per TR), Session: 2017-19 | 1st Semester marks taken in PG as per 4th Semester Tabulation Register (Final), for the 2017-19 session |
|---|---|---|---|---|---|---|
| 13. | 18311230XXXX | 222101XXXX -2010 | R.K. College, Madhubanni | Physics | 243 | 200 |
| 14. | 18311230XXXX | 124088XXXX -2012 **(* would have got 1st Division had the marks obtained been corrected/updated)** | -do- | Physics | 222 (1st + 2nd +3rd +4th Semesters marks 222 + 239+ 229 + 273 = 963, 1st Division) | 210 (1st + 2nd +3rd +4th Semesters marks 210 + 239+ 229 + 273 = 951, 2nd Division) |
| 15. | 18409230XXXX | 124108XXXX -2012 | Samastipur College, Samastipur | Physics | 230 | 193 |
| 16. | 18409230XXXX | 134068XXXX -2013 | -do- | Physics | 278 | 240 |
| 17. | 161XXXX | 124108XXXX -2012 | G.D. College, Begusarai | Botany | 39 | 207 |
| 18. | 18103230XXXX | 131028XXXX -2013 **(* would have got 1st Division had the marks obtained been corrected/updated)** | -do- | Botany | 241 (1st + 2nd +3rd +4th Semesters marks 241 +223 + 236 + 261 = 961, 1st Division) | 228 (1st + 2nd +3rd +4th Semesters marks 228 + 223+ 236 + 261 = 948, 2nd Division) |
| 19. | 17409235XXXX | 124218XXXX -2012 | Samastipur College, Samastipur | Botany | 48 | 270 |
| 20. | 18103230XXXX | 144088XXXX -2014 | G.D. College, Begusarai | Chemistry | 219 | 203 |
| 21. | 18103230XXXX | 144038XXXX -2014 | -do- | Chemistry | 232 | 212 |
| 22. | 18204230XXXX | 144108XXXX -2014 | C.M. Sc. College, Darbhanga | Chemistry | 251 | 238 |
| 23. | 18409230XXXX | 124028XXXX -2017 | Samastipur College, Samastipur | Physics | 251 | 265 |

*(Source: Records of LNMU)*

**Appendix-4.13**

***(Refer: Paragraph 4.4.2)***

**Irregularities in the Tabulation Registers of KSDSU**

| (A.) Cases noticed in the TR of the Shastri Final Year Part-III examination-2020, wherein results had been decided on the basis of marks obtained in only two, out of the three Parts of the examinations | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Sl. No.** | **Roll /Registration number of the students** | **Name of College** | **Part III Marks** | **Part II Marks** | **Part I Marks** | **Total Marks** | **Result/ Division** |
| 1 | 173XXXX / 10 XXXX /2016 | Sanskrit Mahavidyalay Pothiya, Katihar | 235 | 123 | Blank | 358+2 *(235+123)* | Pass (2nd ) |
| 2 | 163XXXX / 31XXXX /- | Swami Karmdev Purushottam Giri Sanskrit Mahavidyalay, Maharajganj, Siwan | 241 | 133 | Blank | 374 *(241+133)* | Pass (2nd ) |
| 3 | 3XXXX / 31XXXX /2013 | Bharteshwari Marwari Sanskrit Mahavidyalay, Chapra | 251 | 116 | Blank | 367 *(251+116)* | Pass (2nd ) |
| 4 | 173XXXX / 10XXXX /2016 | Raghvendra Sanskrit Mahavidyalay, Taretpali, Patna | 288 | Blank | 122 | 410 *(288+122)* | Pass (2nd ) |
| 5 | 183XXXX / 31XXXX /2018 | Bharteshwari Marwari Sanskrit Mahavidyalay, Chapra | 261 | 103 | Blank | 364 *(261+103)* | Pass (2nd ) |

**(B.) Cases where details of the students had been written twice in the Tabulation Register of the Shastri (Graduation) Final Year Part-III Exam-2019, yielding different results**

| Sl. No. | As per TR | | Roll No. | Registration No./ Year | Name of College | Name of Examination Centre | Result |
|---|---|---|---|---|---|---|---|
| | Sl. No. | Page No. | | | | | |
| **1.** | 039 | 30 | 173XXXX | 31XXXX/2017 | Hargauri Sanskrit College, Rohtas (1402) | K. N. College, Buxar | Pass |
| | 040 | 30 | 173XXXX | -do- | -do- | -do- | Blank |
| **2.** | 043 | 30 | 173XXXX | 31XXXX/2017 | -do- | -do- | Pass |
| | 044 | 30 | 173XXXX | -do- | -do- | -do- | Blank |
| **3.** | 014 | 28 | 173XXXX | 31XXXX/2017 | -do- | -do- | Pass |
| | 015 | 28 | 173XXXX | -do- | -do- | -do- | Blank |
| **4.** | 010 | 148 | 173XXXX | 31XXXX/2017 | Shri Fenku Mahto Sanskrit College, Begusarai (8205) | Saraswati Bilas Sanskrit College, Begusarai | Blank |
| | 011 | 148 | 173XXXX | -do- | -do- | -do- | Pass |
| **5.** | 019 | 121 | 173XXXX | 31XXXX/2017 | Madan Kant Jha Sanskrit College, Samastipur (5302) | B.Ed Department, KSDSU, Darbhanga | Pass |
| | 020 | 121 | 173XXXX | -do- | -do- | -do- | Fail |
| **6.** | 039 | 121 | 193XXXX | 10XXXX/2015 | -do- | -do- | Pass |
| | 040 | 121 | 193XXXX | -do- | -do- | -do- | Fail |
| **7.** | 001 | 118 | 163XXXX | 10XXXX/2015 | Sanskrit College, Samastipur (5301) | B.Ed Department, KSDSU, Darbhanga | Pass |
| | 002 | 118 | 163XXXX | -do- | -do- | -do- | Fail |
| **8.** | 004 | 118 | 163XXXX | 31XXXX/2016 | -do- | -do- | Pass |
| | 005 | 118 | 163XXXX | -do- | -do- | -do- | Blank |
| **9.** | 003 | 120 | 153XXXX | 31XXXX/2015 | Madan Kant Jha Sanskrit College, Samastipur (5302) | B.Ed Department, KSDSU, Darbhanga | Pass |
| | 004 | 120 | 153XXXX | -do- | -do- | -do- | Blank |

*(Source: data provided by the University)*

**(C.) Cases wherein two different students of the same college had the same roll numbers and had appeared in the same examination centres, for the Shastri (graduation) Part-III Examination-2019/2020**

| Sl. No. | Roll No. | Reg No./ Year | College | Examination Centre | Examination (TR) | Result |
|---|---|---|---|---|---|---|
| 1. | 173XXXX | 31XXXX/2017 | Bharat Mishra Sanskrit Mahavidyalay, Chhapra (4101) | Dayanand Aayurvedik Medical College, Siwan | Shastri (Graduation) Honours Part-III Exam-2019 | Pass 2$^{nd}$ Division |
| | 173XXXX | XXXX/2004 | -do- | -do- | -do- | Pass 2$^{nd}$ Division |
| 2. | 163XXXX | 10XXXX/2015 | Raghvendra Sanskrit Mahavidyalay, Patna (1104) | Rajkiya Sanskrit Mahavidyalay, patna | -do- | Pass 1$^{st}$ Division |
| | 163XXXX | 10XXXX/2013 | -do- | -do- | -do- | Pass 1$^{st}$ Division |
| 3. | 173XXXX | - | Shri Fenku Mehto Sanskrit Mahavidyalay, Begusarai (8205) | Saraswati Vilas Sanskrit Mahavidyalay, Begusarai | -do- | Pass 2$^{nd}$ Division |
| | 173XXXX | - | -do- | -do- | -do- | Pass 2$^{nd}$ Division |
| 4. | 173XXXX | 31XXXX/2017 | Saraswati Vilas Sanskrit Vidyalay, Begusarai (8202) | Saraswati Vilas Sanskrit Mahavidyalay, Begusarai | Shastri (Graduation) Honours Part-III Exam-2020 | Pass 1$^{st}$ Division |
| | 173XXXX | 10XXXX/2016 | -do- | -do- | -do- | Pass 1$^{st}$ Division |
| 5. | 183XXXX | 10XXXX/2012 | Shri Mahant Vaidehi Sharan Sanskrit Mahavidyalay, Bhagalpur (7102) | Rajkiya Sanskrit Mahavidyalay, Bhagalpur | -do- | Pass 2$^{nd}$ Division |
| | 183XXXX | 10XXXX/2012 | -do- | -do- | -do- | Pass 2$^{nd}$ Division |
| 6. | 183XXXX | 10XXXX/2017 | Goswami Lakshaminath Sanskrit Mahavidyalay, Saharsa (6102) | Ugratara, Bharti Mandan Sanskrit Mahavidyalay, Saharsa | Shastri (Graduation) Honours Part-III Exam-2020 | Pass 2$^{nd}$ Division |
| | 183XXXX | 10XXXX/2017 | -do- | -do- | -do- | Pass 1$^{st}$ Division |

**(C.) Cases wherein two different students of the same college had the same roll numbers and had appeared in the same examination centres, for the Shastri (graduation) Part-III Examination-2019/2020**

| Sl. No. | Roll No. | Reg No./ Year | College | Examination Centre | Examination (TR) | Result |
|---|---|---|---|---|---|---|
| 7. | 183XXXX | 10XXXX/2015 | Lakshami Narayan Rameshwar Sanskrit Mahavidyalay, Darbhanga | Shikshashastra Vibhag, KSDSU, Darbhanga | -do- | Fail |
| | 183XXXX | 31XXXX/2018 | -do- | -do- | -do- | Pass 1st Division |
| 8. | 183XXXX | 10XXXX/2012 | Rajkiya Sanskrit Sanskrit Mahavidylay, Patna | Raghvendra Sanskrit Mahavidyalay, Patna | -do- | Pass 2nd Division |
| | 183XXXX | 10XXXX/2017 | -do- | -do- | -do- | Pass 2nd Division |

**Appendix-4.14**

***(Refer: Paragraph 4.4.3)***

**Non/short recovery of Application Fee, Affiliation Fee and Endowment Fund**

| Sl. No. | Name of College/Institution | Name of Course | Academic Session | Amount short realized *(in ₹)* | | |
|---|---|---|---|---|---|---|
| | | | | Application Fee | Affiliation Fee | Endowment Fund |
| 1 | Adwaita Mission Institute of Technology, Banka | BBA, BCA | 2019-20 | 0 | 0 | 30,00,000 |
| 2 | Ambedkar College of Nursing Education Dalmianagar, Rohtas | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 3 | Ambedkar Institute of Higher Education, Chhitnawa, Danapur, Patna | BBA, BCA, BMC | 2021-22 | 75,000 | 2,25,000 | 40,00,000 |
| | Ambedkar Institute of Higher Education, Danapur, Patna | Bachelor of Ophthalmic Technology | 2021-22 | 25,000 | 75,000 | 2,50,000 |
| | Ambedkar Institute of Higher Education, Danapur, Patna | Master of Physiotherapy | 2021-22 | 25,000 | 1,00,000 | 2,50,000 |
| | Ambedkar Institute of Higher Education, Danapur, Patna | Master of Medical Lab Technology | 2021-22 | 25,000 | 1,00,000 | 2,50,000 |
| 4 | Apollo College of Nursing, Laheriasarai, Darbhanga | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 5 | Arcade Business College, Khagaul Road, Patna | BBA, BCA | 2021-22 | 1,00,000 | 4,50,000 | 30,00,000 |
| 6 | Ashoka College of Professional Studies, Nagarnausa, Nalanda | BBA, BCA | 2021-22 | 50,000 | 1,50,000 | 30,00,000 |
| 7 | Ashoka Nursing & Paramedical College Nagarnausa, Nalanda | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 8 | Azmat Institute of Technology, Kishanganj | BBA, BCA | 2019-20 | 0 | 0 | 30,00,000 |
| 9 | Bradford International Business School, Didarganj, Patna | MBA, MCA | 2021-22 | 0 | 2,00,000 | 20,00,000 |
| 10 | Chanakya College of Pharmacy & Medical Science, Koilwar, Bhojpur | Pharmacy | 2019-20 | 0 | 0 | 5,00,000 |
| 11 | Chanakya Institute of Management and Higher Studies, Koilwar, Bhojpur | MBA | 2021-22 | 25,000 | 5,00,000 | 10,00,000 |
| | Chanakya Institute of Management and Higher Studies, Koilwar, Bhojpur | BBA, BCA, BMC & B.Com (P) | 2020-21 | 0 | 3,00,000 | 50,00,000 |
| 12 | D.P. Singh Institute of Education, Gautamnagar, Nalanda | B.Sc. Nursing | 2018-19 | 0 | 0 | 5,00,000 |
| 13 | Daksh B.Sc. Nursing College Maharajganj, Siwan | B.Sc. Nursing | 2019-20 | 0 | 75,000 | 0 |

| Sl. No. | Name of College/Institution | Name of Course | Academic Session | Amount short realized *(in ₹)* | | |
|---|---|---|---|---|---|---|
| | | | | Application Fee | Affiliation Fee | Endowment Fund |
| 14 | Dhanarua School of Nursing & Paramedics Awadhara, Dhanarua, Patna | Bachelor of Physiotherapy | 2019-20 | 0 | 0 | 2,50,000 |
| | Dhanarua School of Nursing & Paramedics Awadhara, Dhanarua, Patna | Bachelor of Occupational Therapy | 2019-20 | 0 | 0 | 2,50,000 |
| | Dhanarua School of Nursing & Paramedics Awadhara, Dhanarua, Patna | Bachelor of Hospital Management | 2019-20 | 0 | 1,50,000 | 2,50,000 |
| | Dhanarua School of Nursing & Paramedics Awadhara, Dhanarua, Patna | Bachelor of Medical Lab Technology | 2019-20 | 0 | 75,000 | 2,50,000 |
| | Dhanarua School of Nursing & Paramedical Dhanarua, Patna | B.Sc. Nursing | 2018-19 | 0 | 0 | 5,00,000 |
| 15 | Dhanarua Training Institute, Dhanarua, Patna | BBA, BCA, BMC | 2021-22 | 75,000 | 2,25,000 | 40,00,000 |
| 16 | Dr. Trishuldhari Pandey Memorial College of Education, Nalanda | B.Sc. Nursing | 2019-20 | 0 | 50,000 | 5,00,000 |
| 17 | Gautam College Bhaganbigha, Nalanda | BBA, BCA, BMC | 2021-22 | 0 | 2,25,000 | 40,00,000 |
| 18 | Gautam Institute of Nursing & Paramedics, Nalanda | Bachelor of Physiotherapy | 2020-21 | 0 | 0 | 2,50,000 |
| | Gautam Institute of Nursing & Paramedics, Nalanda | Bachelor of Occupational Therapy | 2020-21 | 0 | 0 | 2,50,000 |
| | Gautam Institute of Nursing & Paramedics, Nalanda | Bachelor of Operation Theatre Technology | 2020-21 | 0 | 0 | 2,50,000 |
| | Gautam Institute of Nursing & Paramedics, Nalanda | Bachelor of Medical Lab Technology | 2020-21 | 0 | 0 | 2,50,000 |
| | Gautam Institute of Nursing, Hilsaroad, Nalanda | B.Sc. Nursing | 2020-21 | 0 | 0 | 5,00,000 |
| 19 | Gautam Institute of Pharmacy, Saiyad Bahari, Nalanda | Pharmacy | 2019-20 | 5,000 | 0 | 0 |
| 20 | Himalaya College of Nursing, Paliganj, Patna | B.Sc. Nursing | 2020-21 | 25,000 | 75,000 | 5,00,000 |
| 21 | Himalaya College of Professional Education, Paliganj | BBA, BCA, BMC | 2021-22 | 0 | 0 | 40,00,000 |
| 22 | Himalaya Institute of Higher Education(Nursing School), Khemnichak, Patna | B.Sc. Nursing | 2018-19 | 0 | 0 | 5,00,000 |
| 23 | Indian Institute of Yoga, Patna | CCYS (40), PGDYS (60) | 2017-18 | 0 | 0 | 5,00,000 |
| 24 | Katihar B.Sc. of Nursing college, Katihar | B.Sc. Nursing | 2020-21 | 0 | 75,000 | 5,00,000 |

| Sl. No. | Name of College/Institution | Name of Course | Academic Session | Amount short realized *(in ₹)* | | |
|---|---|---|---|---|---|---|
| | | | | Application Fee | Affiliation Fee | Endowment Fund |
| 25 | Krishna Institute of Nursing & Paramedical Sciences, Samastipur | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| | Krishna Institute of Nursing & Paramedical Sciences, Samastipur | Bachelor of Physiotherapy | 2019-20 | 0 | 1,50,000 | 2,50,000 |
| | Krishna Institute of Nursing & Paramedical Sciences, Samastipur | Bachelor of Occupational Therapy | 2019-20 | 0 | 75,000 | 2,50,000 |
| | Krishna Institute of Nursing & Paramedical Sciences, Samastipur | Bachelor of Hospital Management | 2019-20 | 0 | 1,50,000 | 2,50,000 |
| 26 | Maa Kanti College of Nursing, Fatuha, Patna | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 27 | Madhubani Medical College, Stadium Road, Madhubani | MBBS | 2019-20 | 0 | 0 | 10,00,000 |
| 28 | Magadh Paramedical & Nursing Institute, Hardas Mokri, Gaya | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 29 | Mamta Institute Of Education, Siwan | BBA, BCA, BMC | 2021-22 | 75,000 | 2,25,000 | 40,00,000 |
| 30 | Mata Sita Sundar College of Education, Sitamarhi | BBA, BCA, BMC & B.Com (P) | 2021-22 | 25,000 | 3,00,000 | 50,00,000 |
| 31 | Mata Sushila Institute of Education, Hilsa, Nalanda | B.Sc. Nursing | 2018-19 | 0 | 0 | 5,00,000 |
| 32 | MGM College Chirura, Azad Nagar, Patna | BBA, BCA, BMC & B.Com (P) | 2021-22 | 1,00,000 | 3,00,000 | 50,00,000 |
| 33 | MGM College of Nursing & Paramedical, Patna | Bachelor of Operation Theatre Technology | 2020-21 | 0 | 0 | 2,50,000 |
| | MGM College of Nursing & Paramedical, Patna | Bachelor of Radio-Imaging Technology | 2020-21 | 0 | 0 | 2,50,000 |
| | MGM College of Nursing & Paramedical, Patna | Bachelor of Medical Lab Technology | 2020-21 | 0 | 0 | 2,50,000 |
| 34 | Moti Babu Institute of Technology, Forbesganj | BBA, B.Com (P) | 2018-19 | 0 | 0 | 20,00,000 |
| | Moti Babu Institute of Technology, Forbesganj | BCA | 2019-20 | 25,000 | 0 | 20,00,000 |
| 35 | Muzaffarpur College of Professional Education, Muzaffarpur | BBA, BCA, BMC & B.Com (P) | 2021-22 | 25,000 | 3,00,000 | 50,00,000 |
| 36 | National Institute of Health Education &Research, Patna | Master of Operation Theatre Technology | 2019-20 | 0 | 25,000 | 0 |
| | National Institute of Health Education &Research, Patna | Master of Physiotherapy | 2019-20 | 0 | 25,000 | 0 |
| | National Institute of Health Education &Research, Patna | Master of Medical Lab Technology | 2019-20 | 0 | 25,000 | 0 |
| 37 | Nutan College of Nursing, Runni Saidpur, Sitamarhi | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |

| Sl. No. | Name of College/Institution | Name of Course | Academic Session | Amount short realized *(in ₹)* | | |
|---|---|---|---|---|---|---|
| | | | | Application Fee | Affiliation Fee | Endowment Fund |
| 38 | Patna Institute of Nursing and Paramedical Science, Patna | Bachelor of Hospital Management | 2019-20 | 25,000 | 0 | 2,50,000 |
| | Patna Institute of Nursing and Paramedical Science, Patna | Master of Medical Lab Technology | 2019-20 | 0 | 0 | 2,50,000 |
| | Patna Institute of Nursing and Paramedical Science, Patna | Master of Operation Theatre Technology | 2019-20 | 0 | 0 | 2,50,000 |
| | Patna Institute of Nursing and Paramedical Science, Patna | Master of Ophthalmic Technology | 2019-20 | 0 | 0 | 2,50,000 |
| | Patna Institute of Nursing and Paramedical Science, Patna | Master of Radio-Imaging Tech | 2019-20 | 0 | 0 | 2,50,000 |
| | Patna Institute of Nursing and Paramedical Science, Patna | Master of Physiotherapy | 2019-20 | 0 | 0 | 2,50,000 |
| 39 | Prameela Adhar Nursing School, Samastipur | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 40 | Prashant Nursing Training College, Muzaffarpur | B.Sc. Nursing | 2021-22 | 0 | 0 | 5,00,000 |
| 41 | Priyadarshini Nursing Institute Laheriasarai, Darbhanga | B.Sc. Nursing | 2020-21 | 0 | 0 | 5,00,000 |
| 42 | R.R.P School of Nursing, Sasaram | B.Sc. Nursing | 2020-21 | 25,000 | 75,000 | 5,00,000 |
| 43 | Raj Aryan Nursing & Paramedical college, Nalanda | B.Sc. Nursing | 2020-21 | 25,000 | 75,000 | 5,00,000 |
| 44 | Royal Ashoka Institute of Mass Communication and Journalism, Kankarbagh, Patna | BMC | 2021-22 | 0 | 75,000 | 10,00,000 |
| 45 | S.K.Global School of Health Science, Muzaffarpur | B.Sc. Nursing | 2021-22 | 0 | 0 | 5,00,000 |
| 46 | S.N.S Institute of Nursing Science, Motihari | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 47 | S.N.S Vidyapeet, Motihari | BBA, BCA, BMC & B.Com (P) | 2021-22 | 1,00,000 | 3,00,000 | 50,00,000 |
| 48 | Shershah Medical Research and Training Sansthan, Sasaram | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 49 | Shivam College of Higher Studies (Nursing), Patna | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 50 | Shri Bhagwat Prasad Singh Memorial College of Nursing, Aurangabad | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 51 | Shri Sai College of Nursing and Paramedical, Kankarbag, Patna | B.Sc. Nursing | 2020-21 | 0 | 0 | 5,00,000 |
| 52 | Shyamlal Chandrashekhar Paramedical Institute, Khagaria | Bachelor of Ophthalmic Technology | 2018-19 | 0 | 0 | 2,50,000 |
| | Shyamlal Chandrashekhar Paramedical Institute, Khagaria | Bachelor of Operation Theatre Technology | 2018-19 | 0 | 0 | 2,50,000 |
| | Shyamlal Chandrashekhar Paramedical Institute, Khagaria | Bachelor of Medical Lab Technology | 2018-19 | 0 | 0 | 2,50,000 |
| | Shyamlal Chandrashekhar Paramedical Institute, Khagaria | Bachelor of Radio Imaging Technology | 2019-20 | 0 | 0 | 2,50,000 |

| Sl. No. | Name of College/Institution | Name of Course | Academic Session | Amount short realized *(in ₹)* | | |
|---|---|---|---|---|---|---|
| | | | | Application Fee | Affiliation Fee | Endowment Fund |
| 53 | SNS College of Pharmacy, Motihari | Pharmacy | 2019-20 | 30,000 | 0 | 0 |
| 54 | Sri Raj Nursing Training Institute & Para Medical Institure, Patna | Bachelor of Operation Theatre Technology | 2021-22 | 0 | 0 | 2,50,000 |
| | Sri Raj Nursing Training Institute & Para Medical Institure, Patna | Bachelor of Medical Lab Technology | 2021-22 | 0 | 0 | 2,50,000 |
| 55 | Sri Ram Institute of Medical Sciences, Siwan | Bachelor of Medical Lab Technology | 2019-20 | 0 | 0 | 2,50,000 |
| | Sri Ram Institute of Medical Sciences, Siwan | Bachelor of Operation Theatre Technology | 2019-20 | 0 | 0 | 2,50,000 |
| | Sri Ram Institute of Medical Sciences, Siwan | Bachelor of Physiotherapy | 2019-20 | 0 | 0 | 2,50,000 |
| | Sri Ram Institute of Medical Sciences, Siwan | Bachelor of Radio Imaging Technology | 2019-20 | 0 | 0 | 2,50,000 |
| 56 | Subhadra Devi School of Nursing, Hajipur,Vaishali | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 57 | Subhwanti Institute of Education Pachaura, Siwan | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 58 | Subhwanti Institute of Professional Education, Senuria | BBA, BCA, BMC & B.Com (P) | 2021-22 | 0 | 3,00,000 | 50,00,000 |
| 59 | Swami Vivekanand Nursing School Simultala, Jamui | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| 60 | Swami Vivekanand Paramedical College, Jamui | Bachelor of Physiotherapy | 2018-19 | 0 | 75,000 | 0 |
| 61 | Vidya Vihar Institute of Technology, Maranga, Purnea | BBA, BCA | 2017-18 | 0 | 0 | 30,00,000 |
| 62 | Vivekanand Paramedical & Nursing College, Hardas Mokri, Koshila Gaya | B.Sc. Nursing | 2019-20 | 0 | 0 | 5,00,000 |
| **Total** | | | | **8,85,000** | **55,25,000** | **9,82,50,000** |
| **Grand Total** | | | | **10,46,60,000** | | |

*(Source: Data provided by AKU) # Total 62 colleges*

**Appendix –4.15**

***(Refer: Paragraph 4.4.3)***

**Non/short realization of Inspection Fee and Inspection-cum-Processing Fee**

| Sl. No. | College/Institution Name | Name of Course | Academic Session | Short realised amount *(in ₹)* | |
|---|---|---|---|---|---|
| | | | | Inspection fee of NOC for Affiliation | Inspection-cum-Processing Fee |
| 1 | Aihe Professional Institute Jamsaut, Danapur, Patna | B.Sc. Nursing | 2018-19 | 30,000 | 0 |
| 2 | Ambedkar Institute of Higher Education Chhitnawa, Danapur, Patna | BBA, BCA, BMC | 2021-22 | 0 | 1,20,000 |
| | Ambedkar Institute of Higher Education Chhitnawa, Danapur, Patna | B.Sc. Nursing | 2018-19 | 30,000 | 0 |
| 3 | Apollo College of Nursing Laheriasarai, Darbhanga | B.Sc. Nursing | 2019-20 | 30,000 | 0 |
| 4 | Arcade Business College, Khagaul Road, Patna | BBA, BCA | 2021-22 | 0 | 40,000 |
| 5 | Ashoka College of Professional Studies, Nagarnausa, Nalanda | BBA, BCA | 2021-22 | 0 | 80,000 |
| 6 | Chanakya College of Pharmacy & Medical Sciences, Koilwar, Bhojpur | Pharmacy | 2019-20 | 60,000 | 0 |
| 7 | Chanakya Institute of Management and Higher Studies, Koilwar, Bhojpur | MBA | 2021-22 | 60,000 | 0 |
| 8 | D.P. Singh Institute of Education Gautamnagar (Bhaganbigha), Nalanda | B.Sc. Nursing | 2018-19 | 30,000 | 0 |
| 9 | Dhanarua Training Institute, Dhanarua, Patna | BBA, BCA, BMC | 2021-22 | 0 | 1,20,000 |
| | Dhanarua Training Institute, Dhanarua, Patna | Post Basic B.Sc. Nursing | 2019-20 | 30,000 | 0 |
| 10 | Gautam College, Bhaganbigha, Nalanda | BBA, BCA, BMC | 2021-22 | 0 | 1,20,000 |
| 11 | Gautam Institute of Nursing, Saiyad Bahri, Dist - Nalanda | B.Sc. Nursing | 2020-21 | 30,000 | 0 |

| Sl. No. | College/Institution Name | Name of Course | Academic Session | Short realised amount *(in ₹)* | |
|---|---|---|---|---|---|
| | | | | Inspection fee of NOC for Affiliation | Inspection-cum-Processing Fee |
| 12 | Gautam Institute of Pharmacy, Saiyad Bahari, PO-Jaitpur, Dist – Nalanda 803116 | Pharmacy | 2019-20 | 60,000 | 0 |
| 13 | Harakhdeo Singh College of Education, Khudaganj, Nalanda | B.Ed. | 2017-18 | 30,000 | 0 |
| 14 | Himalaya Institute of Higher Education (Nursing School) | Post Basic B.Sc. Nursing | 2019-20 | 30,000 | 0 |
| 15 | Mamta Institute of Education, Siwan | BBA, BCA, BMC | 2021-22 | 0 | 1,20,000 |
| 16 | Mata Sushila Institute of Education, Hilsa- Chandi Road, Nalanda | B.Sc. Nursing | 2018-19 | 30,000 | 0 |
| 17 | MGM College, Chirura, Azad Nagar, Patna | BBA, BCA, BMC, B.COM (P) | 2021-22 | 0 | 1,60,000 |
| 18 | Mona School of Nursing & Paramedical College, Patna | B.Sc. Nursing | 2020-21 | 30,000 | 0 |
| 19 | Nibha Institute of Pharmaceutical Sciences, At-Karimpur, Post-Gorour, Nalanda | Pharmacy | 2019-20 | 60,000 | 0 |
| 20 | Patliputra College of Nursing, Subhas Nagar, Khemnichak, Patna | B.Sc. Nursing | 2018-19 | 30,000 | 0 |
| 21 | Patna Institute of Nursing & Paramedical Sciences, Patna | B.Sc. Nursing | 2017-18 | 30,000 | 0 |
| 22 | R.R.P School of Nursing, Sasaram | B.Sc. Nursing | 2020-21 | 30,000 | 40,000 |
| 23 | R.S. Sharda Devi Education College, Hajipur | B.Ed. | 2018-19 | 30,000 | 0 |
| 24 | Raj Aryan Nursing & Paramedical College, Nalanda | B.Sc. Nursing | 2020-21 | 0 | 40,000 |
| 25 | Royal Ashoka Institute of Mass Communication and Journalism, Kankarbagh, Patna | BMC | 2021-22 | 0 | 40,000 |
| 26 | S.N.S Vidyapeeth, Motihari | BBA, BCA, BMC, B.COM (P) | 2021-22 | 0 | 1,60,000 |

| Sl. No. | College/Institution Name | Name of Course | Academic Session | Short realised amount *(in ₹)* | |
|---|---|---|---|---|---|
| | | | | Inspection fee of NOC for Affiliation | Inspection-cum-Processing Fee |
| 27 | Shri Bhagwat Prasad Singh Memorial College of Nursing, Aurangabad | B.Sc. Nursing | 2019-20 | 30,000 | 0 |
| 28 | SNS College of Pharmacy, Motihari | Pharmacy | 2019-20 | 60,000 | 0 |
| 29 | Vivekanand Paramedical & Nursing College, Hardas Mokri, Gaya | B.Sc. Nursing | 2019-20 | 30,000 | 0 |
| 30 | Zee Educational Foundation Institute of Pharmacy, Jasoiya More, Aurangabad | Pharmacy | 2019-20 | 60,000 | 0 |
| **Total** | | | | **8,40,000** | **10,40,000** |
| | | | | **Grand Total =18,80,000** | |

*(Source: Data provided by AKU)*

**Appendix-4.16**
***(Refer: Paragraph 4.4.7)***
**Shortage of manpower in the Universities**

| Sl. No. | Name of University | Sanctioned Strength | | Men-in-Position | | Shortage | | Shortage *(in Percentage)* | |
|---|---|---|---|---|---|---|---|---|---|
| | | Teaching staff | Non-teaching staff | Teaching staff | Non-teaching staff | Teaching staff | Non-teaching staff | Teaching staff | Non-teaching staff |
| 1. | TMBU | 912 | 1,035 | 356 | 544 | 556 | 491 | 61 | 47 |
| 2. | LNMU | 1,620 | 2,500 | 750 | 1,080 | 870 | 1,420 | 54 | 57 |
| 3. | BNMU | 824 | 875 | 423 | 452 | 401 | 423 | 49 | 48 |
| 4. | JPU | 799 | 808 | 374 | 201 | 425 | 607 | 53 | 75 |
| 5. | PPU | 1,473 | 1,486 | 747 | 713 | 726 | 773 | 49 | 52 |
| 6. | PU | 377 | 704 | 94 | 299 | 283 | 405 | 75 | 58 |
| 7. | KSDSU | 316 | 153 | 89 | 64 | 227 | 89 | 72 | 58 |
| 8. | AKU* | 7 | 69 | 2 | 37 | 5 | 32 | 71 | 46 |
| 9. | MMHAPU | 56 | 54 | 8 | 37 | 48 | 17 | 86 | 31 |
| 10. | VKSU | 845 | 147 | 424 | 30 | 421 | 117 | 50 | 80 |
| 11 | BRABU | 2,011 | 2,139 | 731 | 901 | 1,280 | 1,238 | 64 | 58 |
| **Total** | | **9,240** | **9,970** | **3,998** | **4,358** | **5,242** | **5,612** | **57** | **56** |

*(Source: Data provided by the Universities) *SS and MIP in AKU, except Constituent Colleges*

**Appendix-4.17**

***(Refer: Paragraph 4.5)***

**Implementation of UMIS Modules in the Universities**

| Sl. No. | University | Number of UMIS modules to be implemented | Number and names of Module(s) implemented | Name and number of Modules not implemented |
|---|---|---|---|---|
| 1 | BNMU | 04 | 1. Student Life Cycle | 1. Human Resources Management System<br>2. Financial Management System<br>3. Library Management System |
| 2 | KSDSU | 07 | 1. Student Life Cycle<br>2. Library Management System | 1. Human Resources System<br>2. Payroll & Accounts Management System<br>3. Inventory Management System<br>4. Hostel Manage System<br>5. Others |
| 3 | LNMU | 06 | Nil | 1. Student Life Cycle<br>2. Library management System<br>3. Examination management system<br>4. Payroll & Accounts Management System<br>5. Human Resources Management System<br>6. Inventory Management System |
| 4 | PPU | 06 | 1. Student Life Cycle | 1. Human Resources management System<br>2. Affiliation & New teaching Programme<br>3. Payroll & Accounts Management System<br>4. Inventory Management System<br>5. Hostel Management System |
| 5 | PU | 04 | 1. Student Life Cycle (Partially implemented) | 1. Student Life Cycle (Partially implemented) |

*(Source: Data provided by the concerned Universities)*

**Appendix-5.1**

***(Refer: Paragraph 5.5)***

**Works and places verified during Joint Physical Inspection**

| Sl. No. | DPO | LAEO works division | Sl. No. of work | Name of work |
|---|---|---|---|---|
| 1. | DPO, Motihari (East Champaran) | LAEO, WD-2, Pakari Dayal | 1. | Construction of Doctors' and Staff quarters for Bankatwa PHC under Bankatwa block, East Champaran |
| | | | 2. | Construction of PCC road from Mahadeva Chowki to boarder road via railway dhala 42 under Raxaul block |
| | | | 3. | Construction of modern hygienic fish market in Haraiya village under Raxaul block |
| | | | 4. | Construction of indoor stadium in Narkatiya High School under Chhauradano block |
| | | | 5. | Construction of Indoor stadium in Raxaul block |
| 2. | DPO, Bettiah (West Champaran) | LAEO, WD-1, Bettiah | 6 | Construction of PCC road from Chowk of Mainatand to SSB Tin Lalten via Suresh Rawt house |
| | | | 7 | Construction of cross breeding building in Sikta block |
| | | | 8 | Construction of four Additional Classroom (ACR) in Govt. High School, Marjdawa, block-Mainatand |
| | | | 9 | Construction of computer room in Govt. high School, Marjdawa block-Mainatand |
| | | LAEO, WD-2, Bagha | 10 | Construction of stadium in MaujaVasantpur Thana No. 153 in Raj Dhanauji Panchayat in Gaunaha block |
| 3. | DPO, Araria | LAEO, WD-1, Araria | 11 | Development of Phulkaha Hatia with toilet and other amenities under Narpatganj block |
| | | | 12 | Development of boundary wall, basket ball court, stadium and other amenities in Kunkun Devi High School under Narpatganj block |
| | | | 13 | Construction of additional PHC building, bhanghi panchayat under Narpatganj block |
| | | | 14 | Development of Forbesganj bus stand with Ladies and gents toilet and other amenities in Nagar Parishad, Forbesganj |
| | | | 15 | Development of BathnahaHatia with toilet and other amenities under Forbesganj block |
| | | | 16 | Construction of Tourist & Sports personnel Transit Guest House with GYM in Sikti block campus |
| | | | 17 | Development of Stadium with basket ball court in Sikti Block campus |

| Sl. No. | DPO | LAEO works division | Sl. No. of work | Name of work |
|---|---|---|---|---|
| 4. | DPO, Madhubani | LAEO, WD-1, Madhubani | 18 | Construction of Toilet with Mechanical Hand Pump in Middle School, Dubahi Campus (2017-18) |
| | | | 19 | Construction of Toilet with Mechanical Hand Pump in Middle School, Dubahi Campus (2018-19) |
| | | | 20 | Construction of Auditorium/Indoor Stadium in headquarters of Harlakhi block |
| | | | 21 | Construction of Four Seated Toilet with mechanical hand pump in Gidhwas Panchayat, village Kavilasa in Mahadalit Safi Tola. |
| | | | 22 | Construction of Guest House near Girja mandir, village Phulhar, block-Harlakhi |
| | | | 23 | Construction of auditorium (Meeting Room/Art and Display Centre) in Madhvapur block campus |
| | | | 24 | Construction of warehouse at Basopatti |
| | | | 25 | Construction of guest house near Mahade Mandir, village Kalna, block-Harlakhi |
| 5. | DPO, Sitamarhi | | 26 | Installation of multy-gym equipment in 3 high school of each BADP (six) block {3 High school X 6 Block= 18 School one School allocation ₹ 10.00 lakh hence total ₹ 10.00 lakh X 18 = ₹ 180.00 lakh} |
| | | LAEO, WD-2, Sitamarhi | 27 | Construction of PCC road from Bhagwatipur village to Indo Nepal Border via SSB BOP Kanhwa |
| | | | 28 | Construction of volley ball ground in High School Dumri of Majorganj, Suppi, Parihar, Sonbarsa block |
| | | | 29 | Construction of Farmer training centre in village kuwari Madan in Majorganj block |
| | | | 30 | Construction at old age home/common center in BairganiaPrihar and Sonbarsa block (one unit each block) |
| 6. | DPO, Supaul | LAEO, WD-1, Supaul | 31 | Constructions of additional building and boundry wall with gate in PHC Dagmara |
| | | | 32 | Provision of PCC road/Platform /lighting/drain etc. in KunauliHatt. |
| | | | 33 | Construction of Doctors Quarter Building in Birpur hospital |
| | | | 34 | Construction of ANM quarters PHC, Kunauli |

| Sl. No. | DPO | LAEO works division | Sl. No. of work | Name of work |
|---|---|---|---|---|
| | | | 35 | Construction of multiple toilets in Mahadalit Basti Narpatpatti (sc) |
| | | | 36 | Construction of Community Hall with All facilities in ward no. 1, Banelipatti (sc). |
| | | | 37 | Construction of PCC road from Jail gate to Bhola Baba Temple in Basantpur block (sc). |
| | | | 38 | Construction of Transit camps in Kunauli |
| | | | 39 | Construction of waiting hall and check post near SSB chek post Bhimnagar |
| 7. | DPO, Kishanganj | LAEO, WD-1, Kishanganj | 40 | Construction of Community Toilet in block campus Dighalbank. |
| | | | 41 | Construction of appx 1.5 km PCC road from Inter high school Thakurganj to Jilebiya Mor, Thakurganj |
| | | | 42 | Construction of marketing shed and development of Kaddubhitta bazar. |
| | | | 43 | Construction of marketing shed and development of Kadogaon bazar. |
| | | | 44 | Construction of marketing shed and development of Jiyapokhar bazaar. |

**Appendix-5.2**

***(Refer: Paragraph 5.6.2)***

**Delayed submission of Annual Action Plans (AAPs)**

| District | Stipulated time for submission of the AAP by DLC to SLSC<br>Stipulated time of submission of the AAP, by SLSC, to MHA | | | Date of submission of the AAP by DLC to SLSC<br>Period of Delay | | | Date of submission of the AAP, by SLSC, to MHA<br>Period of delay | | | Date of approval of the AAP, by MHA, GoI | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2017-18 | 2018-19 | 2019-20 | 2017-18 | 2018-19 | 2019-20 | 2017-18 | 2018-19 | 2019-20 | 2017-18 | 2018-19 | 2019-20 |
| Araria | February/ 2017<br>March/April 2017 | February/ 2018<br>March/ April 2018 | February 2019<br>March/ April 2019 | 20.06.2017<br>3 months | 06.06.2018<br>3 months | 04.07.2019<br>4 months | 06.11.2017<br>6 months | 02.07.2018<br>2 months | 29.07.2019<br>3 months | 14.11.2017 | 03.08.2018 | 08.08.2019 |
| East Champaran | | | | 07.06.2017<br>3 months | 04.06.2018<br>3 months | 01.06.2019<br>3 months | | | | 14.11.2017 | 03.08.2018 | 08.08.2019 |
| Kishanganj | | | | 11.05.2017<br>2 months | 26.06.2018<br>3 months | 30.04.2019<br>1 month | | | | 14.11.2017 | 03.08.2018 | 08.08.2019 |
| Madhubani | | | | September 2017<br>6 months | April 2018<br>1 months | July 2019<br>4 months | | | | 14.11.2017 | 03.08.2018 | 08.08.2019 |
| Sitamarhi | | | | 07.11.2017<br>8 months | 07.06.2018<br>3 months | 03.07.2019<br>4 months | | | | 14.11.2017 | 03.08.2018 | 08.08.2019 |
| Supaul | | | | 20.06.2017<br>3 months | 28.05.2018<br>2 months | 06.07.2019<br>4 months | | | | 14.11.2017 | 03.08.2018 | 08.08.2019 |
| West Champaran | | | | June 2017<br>3 months | June 2018<br>3 months | June 2019<br>3 months | | | | 14.11.2017 | 03.08.2018 | 08.08.2019 |

**Appendix-5.3**

***(Refer: Paragraph 5.6.3)***

**District and year-wise cancelled works**

***(₹ in crore)***

| District | 2017-18 | | 2018-19 | | 2019-20 | | Total | |
|---|---|---|---|---|---|---|---|---|
| | No. of works | Amount | No. of works | Amount | No. of works | Amount | No. of works | Amount |
| **Araria** | 11 | 2.25 | 11 | 6.46 | 0 | 0.00 | 22 | 8.71 |
| **East Champaran** | 2 | 0.49 | 4 | 0.38 | 0 | 0.00 | 6 | 0.87 |
| **Kishanganj** | 16 | 3.03 | 17 | 4.41 | 0 | 0.00 | 33 | 7.43 |
| **Madhubani** | 19 | 3.62 | 7 | 1.53 | 0 | 0.00 | 26 | 5.16 |
| **Sitamarhi** | 2 | 0.33 | 5 | 0.43 | 1 | 0.25 | 8 | 1.01 |
| **Supaul** | 10 | 1.36 | 9 | 1.32 | 0 | 0.00 | 19 | 2.68 |
| **West Champaran** | 2 | 0.88 | 3 | 0.68 | 0 | 0.00 | 5 | 1.56 |
| **Total** | 62 | 11.96 | 56 | 15.21 | 1 | 0.25 | 119* | 27.42 |

** These 119 works include four works, costing ₹ 92.53 lakh, which had been partially cancelled. As such, 115 works (₹ 26.49 crore) have been taken as having been fully cancelled.*

**Appendix-5.4**

***(Refer: Paragraph 5.7.2)***

**Interest amount retained by DPOs/EEs, LAEO and EE, PHED**

***(₹ in crore)***

| Sl. No. | Unit | Period (Financial Year) | Interest Earned* | Amount of interest deposited in the designated Fund | Balance interest amount |
|---|---|---|---|---|---|
| 1. | EE, LAEO works division-II, Pupri (Sitamarhi) | 11/2019 to 03/2022 | 0.19 | 0.00 | 0.19 |
| 2. | EE, LAEO works division, Supaul | 06/2018 to 06/2022 | 0.41 | 0.00 | 0.41 |
| 3. | DPO, Araria | 2006-07 to 2021-22 | 4.81 | 3.84 | 0.98 |
| 4. | EE, LAEO, Works Division-I, Araria | 2020-21 and 2021-22 | 0.05 | 0.00 | 0.05 |
| 5. | EE, PHED, Araria | 2018-19 | 0.07 | 0.00 | 0.07 |
| 6. | EE, LAEO works division-II, Bagaha (West Champaran) | 2020-21 and 2021-22 | 0.29 | 0.00 | 0.29 |
| 7. | DPO, Kishanganj | 2006-07 to 12/2021 | 4.73 | 3.42 | 1.31 |
| 8. | EE, LAEO, Works Division-I, Madhubani | 06/2018 to 06/2022 | 1.32 | 0.00 | 1.32 |
| 9. | DPO, Madhubani | 2017-18 to 2022-23 | 3.05 | 0.00 | 3.05 |
| 10. | DPO, Sitamarhi | 03/2013 to 11/2021 | 5.48 | 0.00 | 5.48 |
| 11. | DPO, West Champaran | 01/2022 to 06/2022 | 5.71 | 0.00 | 5.71 |
| Total | | | **26.11** | **7.26** | **18.85** |

* *The amount on which interest had been earned could not be verified, due to improper maintenance of records.*

## Appendix-5.5

***(Refer: Paragraph 5.8)***

**Progress of works taken up for execution (as of August 2022)**

***(₹ in crore)***

| District | Sanctioned by MHA | | Not taken up for execution/status not known | | Cancelled | | Completed | | | | Under progress | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | No. | Amount as per AAP | No. of schemes/ works | Amount as per AAP | No. | Amount as per AAP | No. | Amount as per AAP | AA amount | Exp. Amount | No. | Amount as per AAP | AA amount | Expenditure incurred |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 |
| **Araria** | 104 | 46.51 | 0 | 0.00 | 22 | 8.71 | 65 | 22.48 | 23.15 | 19.93 | 17 | 15.32 | 15.16 | 4.16 |
| **East Champaran** | 183 | 37.52 | 36 | 8.64 | 6 | 0.87 | 135 | 26.82 | 27.05 | 25.89 | 6 | 1.20 | 1.20 | 0.85 |
| **Kishanganj** | 99 | 34.65 | 4 | 4.40 | 33 | 7.43 | 60 | 19.20 | 17.90 | 15.98 | 2 | 3.62 | 3.61 | 0.00 |
| **Madhubani** | 177 | 63.85 | 21 | 6.41 | 26 | 5.16 | 116 | 35.28 | 32.25 | 29.00 | 14 | 17.01 | 16.41 | 2.17 |
| **Sitamarhi** | 119 | 43.93 | 23 | 11.71 | 7 | 0.77 | 81 | 28.03 | 29.72 | 27.44 | 8 | 3.43 | 2.91 | 1.26 |
| **Supaul** | 114 | 19.52 | 8 | 2.87 | 19 | 2.68 | 85 | 13.64 | 13.49 | 11.26 | 2 | 0.34 | 0.35 | 0.00 |
| **West Champaran** | 129 | 58.39 | 40 | 23.02 | 2 | 0.88 | 56 | 19.21 | 19.50 | 16.95 | 31 | 15.28 | 14.44 | 3.27 |
| **Total** | **925** | **304.37** | **132** | **57.05** | **115.00** | **26.50** | **598** | **164.66** | **163.06** | **146.45** | **80** | **56.20** | **54.08** | **11.71** |

**Appendix-5.6**

***(Refer: Paragraph 5.8.1)***

**Works/schemes wherein the amounts of administrative approval were more than the amounts approved by the MHA, in the Annual Action Plans**

***(₹ in lakh)***

| Sl. No. | Financial Year | District | Work/Scheme | Amount, as per the approved AAP | Amount of Administrative Approval | Difference | Percentage of excess amount |
|---|---|---|---|---|---|---|---|
| 1 | 2017-18 | Kishanganj | Construction of one unit (Boys and Girls) Toilet in PS Khata Basti Lalpani/ PS Khaniyabad/ UMS Fatehpur/ UMS KhuniaToli/ MS Baria/ UMS AmatToli (Adarshgram) | 9.20 | 21.71 | 12.51 | 136 |
| 2 | 2018-19 | | Construction of Community Toilet in block campus Dighalbank | 7.96 | 13.50 | 5.54 | 69 |
| 3 | | | Construction of Community Toilet in Galgaliya Bus stand | 7.96 | 13.42 | 5.46 | 69 |
| 4 | | | Construction of Boundary wall for vetenary hospital | 17.20 | 27.97 | 10.77 | 63 |
| 5 | | | Construction of PCC road from KhuniaToliMadarsa to house of AklilHazi Panchayat Khaniyabaad | 23.00 | 32.40 | 9.40 | 41 |
| 6 | | | Construction of Community Toilet in village Fulwariyahatt under Bhoraha Panchayat | 10.45 | 14.03 | 3.58 | 34 |
| 7 | 2017-18 | | Construction of Building of NPS South Tola Chichora (Adarshgram) | 30.00 | 39.75 | 9.75 | 32 |
| 8 | | | Construction of Building of NPS Mafi Tola (Adarshgram) | 30.00 | 39.75 | 9.75 | 32 |
| 9 | | | Construction of Building of NPS Prem Nagar Aadiwasi Tola | 30.00 | 39.33 | 9.33 | 31 |
| 10 | | | Construction of Building of NPS Naya Tola Bibiganj | 30.00 | 39.05 | 9.05 | 30 |

| Sl. No. | Financial Year | District | Work/Scheme | Amount, as per the approved AAP | Amount of Administrative Approval | Difference | Percentage of excess amount |
|---|---|---|---|---|---|---|---|
| 11 | 2017-18 | Kishanganj | Construction of Building of HL Singh PS Bhelaguri under Kalpir Panchayat | 30.00 | 39.05 | 9.05 | 30 |
| 12 | 2018-19 | | Construction of Community Toilet near house of Samanya Hasda (Ward No.5 in village Fulwari) (Adarsh gram)(SC/ST) | 11.00 | 14.03 | 3.03 | 28 |
| 13 | 2019-20 | Sitamarhi | Construction at old age home/common centre in Bairgania Prihar and Sonbarsa Block (one unit each block) | 14.00 | 44.26 | 30.26 | 216 |
| 14 | 2018-19 | | Construction of PCC road from Bhagwatipur village to Indo Nepal Border via SSB BOP Kanhwa | 81.75 | 146.24 | 64.49 | 79 |
| 15 | 2019-20 | | Construction of PCC road from Akhta Bagmati Bandh to house of SekhFarukha in Suppi Block | 50.00 | 76.20 | 26.20 | 52 |
| 16 | | Supaul | Construction of Wooden badminton court in Indoor Stadium Birpur | 5.00 | 7.57 | 2.57 | 51 |
| 17 | | | Construction of Basket Ball Court in Kanya Middle School Kunauli | 5.50 | 7.08 | 1.58 | 29 |
| 18 | 2018-19 | | Constructions of PCC Road From UP Mehta House to RamuHaouse Near Bolder Chowk in Bhagwanpur Panchayat. | 7.00 | 8.93 | 1.93 | 28 |
| 19 | | | Constructions of PCC Road From jail gate to Bhola Baba Temple in Basantpur Block (sc) | 25.70 | 32.64 | 6.94 | 27 |

## Appendix-5.7
*(Refer: Paragraph 5.8.1)*
**Works/schemes wherein the amounts of administrative approval were less than the amounts approved by the MHA, in the Annual Action Plans**

*(₹ in lakh)*

| Sl. No. | Financial Year | District | Work/scheme | Amount, as per the Approved AAP | Amount of Administrative approval | Difference | Percentage of difference |
|---|---|---|---|---|---|---|---|
| 1 | 2017-18 | Kishanganj | Construction of Kisan Market Shed in Fatehpur Hatt. (Adarshgram) | 19.00 | 7.59 | 11.41 | 60 |
| 2 | 2018-19 | | Construction of boundary wall in APHC Kamati under Dhaweli panchayat | 20.80 | 11.01 | 9.79 | 47 |
| 3 | 2019-20 | | Construction of marketing shed and development of kadogaon bazar | 12.00 | 6.83 | 5.17 | 43 |
| 4 | | | Construction of marketing shed and development of Fulwariya halt bazar | 40.00 | 24.15 | 15.85 | 40 |
| 5 | | | Construction of community hall near Fatehpur thana | 50.00 | 30.28 | 19.72 | 39 |
| 6 | 2018-19 | | Construction of PCC road from boarder road to house of Sagir to house of Nazim Panchayat hattgaon | 30.15 | 19.55 | 10.60 | 35 |
| 7 | 2017-18 | | Construction of Patient Shed in Primary Health Centre, Terhagachh | 27.75 | 18.34 | 9.41 | 34 |
| 8 | 2018-19 | | Construction of Doctor and staff Quarters in Terhagachh PHC | 42.90 | 29.87 | 13.03 | 30 |
| 9 | 2019-20 | | Construction of 1.5 km PCC road from Mafitola to Mallahtoli | 100.00 | 71.33 | 28.67 | 29 |
| 10 | 2019-20 | | Construction of Medical Staff Quarters at Primary Health Centre, Terhagachh | 50.00 | 37.17 | 12.84 | 26 |
| 11 | 2017-18 | | Construction of Community Hall near Shiwali Mandir Fatehpur Ward No. 02 (Adarshgram) | 25.00 | 18.63 | 6.37 | 25 |
| 12 | 2019-20 | Sitamarhi | Construction of PCC road from main road towards house of Dasharath Sah in village Pipra Persaine tola under Sonbarsa Block | 20.00 | 10.24 | 9.76 | 49 |
| 13 | 2017-18 | | Construction of PCC road from the shop of Bharat Rai to Sagar Mandal house in Srikhandi Bhitta Purvi village | 11.00 | 6.62 | 4.39 | 40 |

| Sl. No. | Financial Year | District | Work/scheme | Amount, as per the Approved AAP | Amount of Administrative approval | Difference | Percentage of difference |
|---|---|---|---|---|---|---|---|
| 14 | 2019-20 | Supaul | Construction of Community Hall with all facilities in Ward No.-1 Banelipatti (sc) | 35.00 | 15.68 | 19.32 | 55 |
| 15 | 2019-20 | | Construction of badminton court in Nathu Koshi High School in Dagmara panchayat | 6.00 | 2.72 | 3.28 | 55 |
| 16 | 2018-19 | | Construction of Badminton Court near SSB Check Post Dhadha. | 5.50 | 2.54 | 2.96 | 54 |
| 17 | 2017-18 | | Construction of boundary wall with Gate of health Sub-centre, Ratanpura | 13.60 | 6.54 | 7.06 | 52 |
| 18 | 2018-19 | | Construction of Badminton Court in near SSB Cheak post Munshi Piprahi | 4.50 | 2.33 | 2.17 | 48 |
| 19 | | | Construction of Badminton Court in near SSB Cheak post Raniganj | 4.50 | 2.33 | 2.17 | 48 |
| 20 | | | Construction of B/E/S Road From Hanuman Mandir to Nepal Border with 1 Nos. Culvert in Model Village Banelipatti | 20.00 | 10.42 | 9.58 | 48 |
| 21 | | | Construction of PCC Road From Agamlal Kamat House to Prakash Jha House Via Leeladharjha House in Dagmara Panchayat | 18.00 | 12.23 | 5.77 | 32 |
| 22 | 2017-18 | | Construction of boundary wall with gate of PHC, Basantpur, at Bhimnagar | 15.00 | 10.54 | 4.46 | 30 |

## Appendix-5.8
***(Refer: Paragraph -5.8.2)***
**Work-wise details of incomplete works**

***(₹ in lakh)***

| LAEO works division | Sl. No. | Work | Date of award of work | Expenditure incurred | Scheduled date of completion, as per agreement | Delay in months |
|---|---|---|---|---|---|---|
| Works Division-I, Madhubani | 1 | Construction of Auditorium in Madhwapur block, Madhubani | 30.04.2021 | 26.86 | March 2022 | 6 months (as of September 2022) |
| | 2 | Construction of additional two rooms in Mahmmadia middle school in Deodha middle school in Jainagarblock, Madhubani | 12.06.2018 | 9.77 | December 2018 | 45 months (as of September 2022) |
| | 3 | Construction of Four-seated Toilet with Mechanical Hand Pump Ladaniya/ Madhubani | 11.07.2020 | 4.60 | November 2020 | 22 months (as of September 2022) |
| | 4 | Construction of Auditorium Harlakhi/ Madhubani | 11.07.2020 and 14.03.2022 | 41.37 | July 2021 (As per original agreement) January 2023 (As per revised agreement) | 27 months (as of September 2022) |
| | 5 | Construction of warehouse at Basopatti, Madhubani | 30.04.2021 | 10.11 | October 2021 | 23 months (as of September 2022) |
| | 6 | Construction of Guest House near Girja mandir, village Phulhar, Block-Harlakhi, Dist- Madhubani | 31.12.2020 | 82.60 | 10.02.2022 | 7 months (as of September 2022) |
| Works Division-II, Pupri (Sitamarhi) | 7 | Construction of Volley ball ground in four school in four blocks Bairgania, Parihar, Sonbarsa and Suppi/ Sitamarhi | 28.02.2020 and 10.09.2020 | 13.83 | May 2020 | 38 months (as of July 2022) |
| | 8 | Construction of Farmer training centre in village kuwari Madan in Majorganj block, Sitamarhi | 29.02.2020 | 40.13 | March 2021 | 28 months (as of July 2022) |
| Works Division-II, Bagaha (West Champaran) | 9 | Construction of stadium in Mauza Vanspur, West Champaran (Gaunaha) Gaunaha/ West Champaran | 05.07.2021 | 21.53 | 16.03.2022 | 5 months (as of August 2022) |

| LAEO works division | Sl. No. | Work | Date of award of work | Expenditure incurred | Scheduled date of completion, as per agreement | Delay in months |
|---|---|---|---|---|---|---|
| Works Division-I, Araria | 10 | Development of Bathnaha Hatia with toilet and other amenities in Forbesganj, Araria | 09.09.2020 | 7.18 | 08.01.2021 | 21 months (as of September 2022) |
| | 11 | Development of Phulkaha Hatia with toilet and other amenities under Narpatganj, Araria | 09.09.2021 | 7.15 | 08.01.2022 | 8 months (as of July 2022) |
| | 12 | Development of Boundary wall, Basket Ball court, Stadium and other amenities in KunKun Devi High School under Narpatganj, Araria | 06.04.2021 | 70.34 | 5.12.2021 | 9 months (as of July 2022) |
| | 13 | Development of Forbesganj bus stand with Ladies & Gents toilet and other amenities in Nagar Parishad, Forbesganj, Araia | 11.02.2022 | 23.21 | 10.01.2023 | 8 months (as of September 2022) |
| | 14 | Development of stadium with Basketball court in Sikti block, Araria | 06.04.2021 | 5.83 | 05.10.2021 | 11 months (as of September 2022) |
| | 15 | Construction of tourist and sports personnel guest house with gym in Sikti block, Araria | 22.09.2020 | 53.51 | 10.09.2021 | 12 months (as of September 2022) |
| Works Division-II, Pakridayal, East Champaran | 16 | Construction of PCC road from Mahadeva Chowki to border Road via Railway Dhala-42 under Raxaul block, East Champaran | 27.02.2018 | 49.22 | 26.08.1018 | 39 months (as of June 2022) |
| Works Division, Supaul | 17 | Construction of Community Hall with All facilities in ward no. 1 Banelipatti (sc), Supaul | 28.06.2021 | 5.90 | December 2021 | 21 months (as of September 2022) |
| | 18 | Construction of additional PHC(APHC) building alongwith boundary wall and gate in Dagmara in Supaul | 11.11.2019 | 18.74 | May 2020 | 28 months (as of September 2022) |
| | 19 | Provision of PCC road/Platform /lighting/drain *etc*. in Kunauli Hatt in Supaul | 11.11.2019 | 7.47 | May 2020 | 28 months (as of September 2022) |
| **Total** | | | | **499.35** | | |

**Appendix-5.9**

***(Refer: Paragraph -5.8.3)***

**Work-wise details of idle expenditure**

***(₹ in lakh)***

| LAEO works division | Sl. No. | Work | Expenditure incurred | Date of Completion | Delay in handing over (in months) |
|---|---|---|---|---|---|
| Works Division, Kishanganj | 1 | Development of Kadogaon market and construction of market shed in Thakurganj, Kishanganj | 6.29 | September 2021 | 10 months (as of July 2022) |
| | 2 | Development of Kaddubhitta bazar and construction of market shed in Thakurganj, Kishanganj | 13.72 | June 2020 | 25 months (as of July 2022) |
| | 3 | Construction of community toilet in block campus Digghalbank, Kishanganj | 12.69 | June 2021 | 13 months (as of July 2022) |
| | 4 | Construction of Kishan market shed in Fatehpur haat Terhagachhi, Kishanganj | 7.50 | February 2019 | 41 months (as of July 2022) |
| Works Division-I, Bettiah, West Champaran | 5 | Construction of PCC road from Mainatand to SSB Tin lalten Mainatand, West Champaran | 35.00 | March 2020 | 28 (as of August 2022) |
| Works Division-I, Madhubani | 6 | Construction of Guest House near Mahadeo Mandir, village Kalna, Block-Harlakhi, Dist- Madhubani | 97.08 | May 2022 | 4 months (as of September 2022) |
| Works Division, Supaul | 7 | Construcrion of Multiple Toilet Mahadalit Basti Narpatpatti (sc), Supaul | 4.41 | March 2022 | 6 months (as of September 2022) |
| | 8 | Construction of Doctor quarter building in Birpur Hospital Birpur/ Supaul | 21.55 | July 2019 | 37 months (as of September 2022) |
| | 9 | Construction of ANM quarter PHC Kanhauli, Supaul | 35.28 | February 2021 | 18 months (as of September 2022) |
| Works Division-II, Pupri, Sitamarhi | 10 | Construction of old age home in Sonbarsa bock in Sitamarhi | 39.19 | July 2020 | 24 months (as of July 2022) |
| **Total** | | | **272.71** | | |

**Appendix-5.10**

***(Refer: Paragraph 5.8.8)***

**Non/short deduction of compensation (as of October 2022)**

***(₹ in lakh)***

| Sl. No. | LAEO works division | Work | Estimated cost of works | Date of start of work | Scheduled date of completion of work | Actual date of completion of work/delay *(in months)* | Amount of compensation required to be deducted | Amount of compensation actually deducted | Amount of compensation not/less deducted |
|---|---|---|---|---|---|---|---|---|---|
| 1 | Works Division-I, Araria | Construction of PCC road from Forbesganj SDO office to Raniganj | 105.53 | 27.12.2018 | 26.06.2019 | 02.07.2022<br>36 | 10.55 | 0 | 10.55 |
| 2 | Works Division-II, Bagaha | Construction of Stadium in thana 153 under Dhanauji Panchayat | 49.00 | 05.07.2021 | 04.01.2022 | 11.07.2022<br>6 | 4.90 | 0 | 4.90 |
| 3 | | Construction of boundary wall in Govt. Primary School, Balbal | 10.82 | 06.10.2018 | 05.01.2019 | 26.09.2019<br>8 | 1.08 | 0 | 1.08 |
| 4 | Works Division, Kishanganj | Construction of Kishan Market Shed in Fatehpur Hatt. Under block Terahganch | 7.52 | 30.06.2018 | 29.10.2018 | 14.02.2019<br>3 | 0.75 | 0.42 | 0.33 |
| 5 | Works Division-I, Madhubani | Construction of additional two rooms mohmmadia middle school in devdha middle school in Jainagar block | 15.87 | 12.06.2018 | 11.12.2018 | Not completed<br>46 | 1.59 | 0.98 | 0.61 |
| 6 | | Construction of Auditorium in Madhvapur block | 141.20 | 30.04.2021 | 29.04.2022 | Not completed<br>6 | 14.12 | 0 | 14.12 |
| 7 | | Construction of Guest House at village Phulihar near Girja Mandir, block - Harlakhi, Dist.-Madhubani | 122.73 | 31.12.2020 | 30.12.2021 | Not completed<br>10 | 12.27 | 8.26 | 4.01 |
| 8 | | Construction of warehouse in Basopatti in Basopatti block | 55.74 | 30.04.2021 | 30.10.2021 | Not completed<br>12 | 5.57 | 2.06 | 3.51 |
| 9 | | Construction of Guest House at village Kalana near Mahadev Mandir, block - Harlakhi, Dist.-Madhubani | 122.73 | 31.12.2020 | 30.12.2021 | 18.05.2022<br>10 | 12.27 | 9.70 | 2.57 |

| Sl. No. | LAEO works division | Work | Estimated cost of works | Date of start of work | Scheduled date of completion of work | Actual date of completion of work/delay *(in months)* | Amount of compensation required to be deducted | Amount of compensation actually deducted | Amount of compensation not/less deducted |
|---|---|---|---|---|---|---|---|---|---|
| 10 | | Construction of Four Seated Toilet with Machanical hand Pump in Gidhwas Panchayat village Kavilasa in Mahadalit Safi Tola. | 7.87 | 11.07.2020 | 10.11.2020 | Not completed<br>23 | 0.79 | 0.46 | 0.33 |
| 11 | Works Division-II, Pakridayal | Construction of Meeting room for seating capacity of 500 under Ghodasahan block | 25.99 | 02.08.2019 | 01.12.2019 | 20.09.2021<br>22 | 0.72 | 0 | 0.72 |
| 12 | Works Division-II Pupri | Construction of Kishan Training Centre at Kuwanri Madam village in Major Ganj block | 68.71 | 16.09.2020 | 15.03.2021 | Not completed<br>19 | 6.87 | 1.67 | 5.20 |
| 13 | Works Division-I, Bettiah | Construction of PCC road from Katharia Mahadalit Basti to Dhankutwa | 44.33 | 28.06.2019 | 27.12.2019 | 23.12.2020<br>12 | 4.43 | 0 | 4.43 |
| 14 | | Construction of PCC road from Mainatand chowk to Teen Lalten | 61.64 | 27.10.2018 | 26.02.2019 | 19.03.2020<br>13 | 6.16 | 0 | 6.16 |
| **Total** | | | **839.68** | | | | **82.07** | **23.55** | **58.52** |

## Appendix-6.1

***(Refer: Paragraph 6.7.2)***

**Districts with coverage of tap water supply**

| Sl. No. | District | Tap connections in ascending order (in *per cent*) |
|---|---|---|
| 1. | Kishanganj | 0.9 |
| 2. | Supaul | 1.2 |
| 3. | Araria | 1.2 |
| 4. | Purnea | 1.2 |
| 5. | Katihar | 1.2 |
| 6. | Sitamarhi | 1.3 |
| 7. | Sheohar | 1.4 |
| 8. | Arwal | 1.4 |
| 9. | Madhepura | 1.5 |
| 10. | Saharsa | 1.5 |
| 11. | East Champaran | 1.6 |
| 12. | Samastipur | 1.9 |
| 13. | Darbhanga | 2.0 |
| 14. | Madhubani | 2.1 |
| 15. | West Champaran | 2.3 |
| 16. | Jehanabad | 2.3 |
| 17. | Vaishali | 2.4 |
| 18. | Nawada | 2.5 |
| 19. | Gopalganj | 2.6 |
| 20. | Begusarai | 2.6 |
| 21. | Muzaffarpur | 2.7 |
| 22. | Khagaria | 2.9 |
| 23. | Gaya | 2.9 |
| 24. | Rohtas | 3.0 |
| 25. | Siwan | 3.2 |
| 26. | Saran | 3.2 |
| 27. | Bhojpur | 3.4 |
| 28. | Aurangabad | 3.4 |
| 29. | Buxar | 3.5 |
| 30. | Kaimur | 3.6 |
| 31. | Jamui | 3.6 |
| 32. | Banka | 3.7 |
| 33. | Sheikhpura | 3.9 |
| 34. | Nalanda | 3.9 |
| 35. | Patna | 4.6 |
| 36. | Lakhisarai | 5.1 |
| 37. | Bhagalpur | 5.4 |
| 38. | Munger | 6.8 |

*(Source: PHED, GoB)*

**Appendix-6.2**

***(Refer: Paragraph 6.7.2)***

**District-wise population of socially and economically disadvantaged communities (as on 31.03.2012)**

| Sl. No. | District | SC | ST | Total |
|---|---|---|---|---|
| **1.** | **2.** | **3.** | **4.** | **5.** |
| 1. | Gaya | 12,93,024 | 2,759 | 12,95,783 |
| 2. | Samastipur | 7,52,448 | 10,315 | 7,62,763 |
| 3. | Patna | 6,41,976 | 1,752 | 6,43,728 |
| 4.. | Vaishali | 6,39,098 | 1,431 | 6,40,529 |
| 5. | Purbi Champaran | 6,12,720 | 7,491 | 6,20,211 |
| 6. | Darbhanga | 6,05,558 | 43 | 6,05,601 |
| 7. | Muzaffarpur | 5,76,707 | 3,371 | 5,80,078 |
| 8. | Madhubani | 5,69,549 | 592 | 5,70,141 |
| 9. | Aurangabad | 5,49,010 | 1,037 | 5,50,047 |
| 10. | Paschim Champaran | 4,99,413 | 45,831 | 5,45,244 |
| 11. | Purnea | 3,87,914 | 1,31,500 | 5,19,414 |
| 12. | Nawada | 5,01,059 | 2,470 | 5,03,529 |
| 13. | Nalanda | 5,02,195 | 546 | 5,02,741 |
| 14. | Rohtas | 4,64,749 | 19,381 | 4,84,130 |
| 15. | Begusarai | 4,65,802 | 277 | 4,66,079 |
| 16. | Saran | 4,16,483 | 5,464 | 4,21,947 |
| 17. | Sitamarhi | 4,15,437 | 2,439 | 4,17,876 |
| 18. | Katihar | 2,46,678 | 1,61,828 | 4,08,506 |
| 19. | Madhepura | 3,63,045 | 20,602 | 3,83,647 |
| 20. | Bhojpur | 3,65,773 | 8,649 | 3,74,422 |
| 21. | Siwan | 3,54,900 | 8,337 | 3,63,237 |
| 22. | Araria | 3,25,759 | 33,648 | 3,59,407 |
| 23. | Jamui | 2,72,547 | 80,591 | 3,53,138 |
| 24. | Bhagalpur | 2,63,981 | 64,059 | 3,28,040 |
| 25. | Banka | 2,38,740 | 83,764 | 3,22,504 |
| 26. | Supaul | 3,10,663 | 4,608 | 3,15,271 |
| 27. | Saharsa | 2,99,565 | 4,067 | 3,03,632 |
| 28. | Gopalganj | 2,54,537 | 4,836 | 2,59,373 |
| 29. | Buxar | 2,42,701 | 7,379 | 2,50,080 |
| 30. | Khagaria | 2,22,207 | 194 | 2,22,401 |
| 31. | Jehanabad | 1,98,448 | 60 | 1,98,508 |
| 32. | Munger | 1,36,668 | 14,595 | 1,51,263 |
| 33. | Arwal | 1,47,728 | 104 | 1,47,832 |
| 34. | Kishanganj | 81,958 | 55,338 | 1,37,296 |
| 35. | Lakhisarai | 1,27,080 | 4,327 | 1,31,407 |
| 36. | Sheikhpura | 1,09,943 | 42 | 1,09,985 |
| 37. | Sheohar | 91,690 | 90 | 91,780 |
| 38. | Kaimur | 36,968 | 40,265 | 77,233 |

*(Source: Website of MoDWS, GoI)*

## Appendix-6.3

***( Refer: Paragraph 6.7.2)***

**Districts affected with various types of chemical contamination**

| Sl. No. | District | Total | | Fluoride | | Arsenic | | Iron | |
|---|---|---|---|---|---|---|---|---|---|
| | | Habitations | Population | Habitations | Population | Habitations | Population | Habitations | Population |
| 1. | Begusarai | 3,091 | 30,84,535 | 0 | 0 | 131 | 2,60,417 | 2,960 | 28,24,118 |
| 2. | Purnea | 4,768 | 30,03,492 | 0 | 0 | 0 | 0 | 4,768 | 30,03,492 |
| 3. | Katihar | 1,838 | 25,65,691 | 1 | 23 | 98 | 1,71,896 | 1,739 | 23,93,772 |
| 4. | Araria | 2,350 | 25,61,588 | 0 | 0 | 0 | 0 | 2,350 | 25,61,588 |
| 5. | Madhepura | 2,494 | 21,06,956 | 0 | 0 | 0 | 0 | 2,494 | 21,06,956 |
| 6. | Supaul | 3,940 | 19,45,797 | 0 | 0 | 9 | 0 | 3,940 | 19,45,797 |
| 7. | Vaishali | 3,940 | 19,45,797 | 0 | 0 | 110 | 3,03,673 | 0 | 0 |
| 8. | Banka | 110 | 3,03,673 | 2253 | 028 | 0 | 0 | 0 | 33862 |
| 9. | Saharsa | 3,069 | 18,61,980 | 2,253 | 28 | 0 | 0 | 0 | 33,862 |
| 10. | Khagaria | 2,895 | 17,09,828 | 0 | 0 | 0 | 0 | 2,895 | 17,09,828 |
| 11 | Kishanganj | 1,031 | 13,45,676 | 0 | 0 | 550 | 7,75,014 | 481 | 5,70,662 |
| 12 | Rohtas | 3,084 | 12,91,870 | 0 | 0 | 0 | 0 | 3,084 | 12,91,870 |
| 13 | Jamui | 378 | 7,79,364 | 188 | 3,10,118 | 0 | 0 | 190 | 4,69,246 |
| 14 | Munger | 1,346 | 7,57,697 | 1,346 | 7,57,697 | 0 | 0 | 0 | 0 |
| 15 | Shekhpura | 747 | 5,98,378 | 0 | 1,317 | 149 | 10,192 | 451 | 3,64,719 |
| 16 | Buxar | 316 | 5,30,737 | 316 | 5,30,737 | 0 | 0 | 0 | 0 |
| 17 | Gaya | 466 | 4,13,369 | 0 | 0 | 466 | 4,13,369 | 0 | 0 |
| 18 | Bhojpur | 533 | 4,01,815 | 533 | 4,01,815 | 0 | 0 | 0 | 0 |
| 19. | Nalanda | 136 | 3,09,237 | 1 | 727 | 135 | 3,08,510 | 0 | 0 |
| 20. | Samastipur | 257 | 2,57,355 | 257 | 2,57,355 | 0 | 0 | 0 | 0 |
| 21 | Lakhisarai | 204 | 2,29,045 | 9 | 27,325 | 195 | 2,01,720 | 0 | 0 |
| 22 | Aurangabad | 303 | 1,79,030 | 0 | 0 | 289 | 1,50,184 | 14 | 28,846 |
| 23 | Patna | 251 | 1,69,428 | 251 | 1,69,428 | 0 | 0 | 0 | 0 |
| 24 | Nawada | 104 | 1,61,591 | | | 104 | 1,61,591 | 0 | 0 |
| 25 | Bhabua | 182 | 1,27,466 | 182 | 17,466 | 0 | 0 | 0 | 0 |
| 26 | Saran | 100 | 88,442 | 100 | 88,442 | 9 | 0 | 0 | 0 |
| 27. | Darbhanga | 40 | 69,963 | 0 | 0 | 40 | 6 9 | 0 | 0 |
| 28. | Bhagalpur | 8 | 9,373 | 0 | 0 | 6 | 7,306 | 2 | 2,067 |
| 29. | Arwal | 868 | 83 | 373 | 1,46,928 | 237 | 2,35,057 | 258 | 4,71,857 |
| 30. | Jehanabad | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31. | Madhubani | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32. | Muzaffarpur | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33. | West Champaran | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34. | East Champaran | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35. | Sheohar | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36. | Sitamarhi | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 37. | Siwan | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38. | Gopalganj | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

*(Source: PHED, GoB)*

**Appendix-6.4**
***(Refer: Paragraph 6.7.2)***
**Net ground water availability in Bihar (As of 2009)**

| Sl. No. | District | Net ground water availability *(Billion cubic metres)* |
|---|---|---|
| 1 | Sheikhpura | 15,933 |
| 2 | Sheohar | 16,774 |
| 3 | Arwal | 21,607 |
| 4 | Lakhisarai | 27,941 |
| 5 | Jehanabad | 29,408 |
| 6 | Munger | 30,907 |
| 7 | Jamui | 39,826 |
| 8 | Banka | 42,738 |
| 9 | Nawada | 51,364 |
| 10 | Madhepura | 51,703 |
| 11 | Khagaria | 53,121 |
| 12 | Saharsa | 54,575 |
| 13 | Darbhanga | 58,726 |
| 14 | Buxar | 59,153 |
| 15 | Begusarai | 60,083 |
| 16 | Gopalganj | 60,356 |
| 17 | Nalanda | 66,195 |
| 18 | Bhagalpur | 69,583 |
| 19 | Vaishali | 71,952 |
| 20 | Kishanganj | 72,276 |
| 21 | Siwan | 73,995 |
| 22 | Supaul | 74,519 |
| 23 | Sitamarhi | 75,065 |
| 24 | Bhojpur | 75,285 |
| 25 | Saran | 76,446 |
| 26 | Bhabhua | 78,947 |
| 27 | Araria | 80,397 |
| 28 | katihar | 86,902 |
| 29 | Purnea | 90,066 |
| 30 | Madhubani | 90,844 |
| 31 | Aurangabad | 91,046 |
| 32 | Samastipur | 91,336 |
| 33 | Patna | 96,455 |
| 34 | Gaya | 1,04,634 |
| 35 | Muzaffarpur | 1,07,052 |
| 36 | Rohtas | 1,07,053 |
| 37 | East Champaran | 1,24,861 |
| 38 | West Champaran | 1,41,450 |

*(Source: PHED, GoI)*

**Appendix-6.5**

***(Refer: Paragraph 6.8.3)***

**Community contribution (as on 31 March 2020)**

***(₹ in lakh)***

| Sl. No. | District | Amount of contribution |
|---|---|---|
| 1. | Purnea | 6.19 |
| 2. | Begusarai | 26.39 |
| 3. | Munger | 7.46 |
| 4. | Saran | 16.32 |
| 5. | Banka | 6.05 |
| 6. | West Champaran | 17.12 |
| 7. | Muzaffarpur | 12.59 |
| 8. | Nawada | 23.86 |
| 9. | Nalanda | 41.87 |
| 10. | Patna | 12.67 |
| **Total** | | **170.52** |

*(Source: PHED, GoB)*

# Appendix-6.6

***(Refer: Paragraph 6.9.2)***

## Component-wise expenditure incurred under 'Capacity Building and Sector Development', during FYs 2013-14 to 2019-20

***(₹ in lakh)***

| Sl. No. | Project Component | 2013-14 | | 2014-15 | | 2015-16 | | 2016-17 | | 2017-18 | | 2018-19 | | 2019-20 | | Total | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As per PIP | Actual | As per PIP | Actual | As per PIP | Actual | As per PIP | Actual | As per PIP | Actual | As per PIP | Actual | As per PIP | Actual | As per PIP | Actual |
| 1. | **Capacity Building of Institutions** | | 0 | | 0 | | 0 | | 0 | | 0 | - | 0 | | 0 | | 0.00 |
| a) | **Capacity Building & Training for SWSM (Workshops)** | **1** | 0 | 4 | 0 | 5.00 | 0 | 5.00 | 0 | 5.00 | 0 | 6.00 | 0 | 3.00 | 0 | 29.00 | 0.00 |
| b) | **Strengthening of SPMU & WSSO (**Included Training Programs, Exposure Visits and Twinning Arrangement costs) | **55** | 0 | 80 | 6.60 | 83.00 | 9.57 | 89.00 | 40.10 | 96.00 | 242.70 | 102.00 | 102.00 | 91.00 | 87.63 | 596.00 | 488.60 |
| c) | **Capacity Building of PHED** (Included Training Programs, Exposure Visits and Twinning Arrangement costs) | **54** | 0 | 104 | 0 | 111.00 | 0 | 119.00 | 0 | 120.00 | 0 | 125.00 | 0 | 87.00 | 0 | 720.00 | 0.00 |
| d) | **Capacity Building at District/Block level (**Included workshops for DWSMs/DWSCs (BRCs where appropriate), Training Programs and Exposure Visits) | **52** | 0 | 81 | 0 | 86.00 | 0 | 92.00 | 0 | 89.00 | 0 | 92.00 | 0 | 78.00 | 0 | 570.00 | 0.00 |
| e) | **Strengthening of GPs/ GPWSCs (**Included Training Programs and Exposure Visits) | **54** | 0 | 161 | 0 | 173.00 | 0 | 185.00 | 5.00 | 142.00 | 3.07 | 132.00 | 0 | 81.00 | 0 | 928.00 | 8.07 |
| f) | **Strengthening of Training Institutions** | **0** | 0 | 363 | 0 | 388.00 | 0 | 538.00 | 0 | 51.00 | 0 | 55.00 | 0 | 59.00 | 0 | 1,454.00 | 0.00 |
| 2. | **Project IEC/BCC Activities*** | **0** | 0 | 602 | 30.60 | 644.00 | 25.79 | 690.00 | 113.57 | 738.00 | 171.00 | 789.00 | 254.42 | 845.00 | 92.26 | 4,308.00 | 687.64 |
| 3 | **Sector Development Studies-** including sector studies, Sanitation Plans & Water Security Plans, Strengthening Program for PHED & Baseline Survey | **178** | 0 | 447 | 22.02 | 683.00 | 9.33 | 346.00 | 0 | 485.00 | 20.95 | 112.00 | 31.02 | 120.00 | 0 | 2,371.00 | 83.32 |
| 4 | **Monitoring and Evaluation** | **0** | 0 | 128 | 2.15 | 137.00 | 22.72 | 110.00 | 42.43 | 118.00 | 44.18 | 126.00 | 20.34 | 135.00 | 1.62 | 754.00 | 133.44 |
| | **Total Capacity Building Cost** | **394** | **0** | **1,970** | **61.37** | **2,310.00** | **67.41** | **2,174.00** | **201.10** | **1,844.00** | **481.90** | **1,539.00** | **407.78** | **1,499.00** | **181.51** | 11,730.00 | 1,401.07 |

*(Source: PHED, GoB)*

## Appendix-6.7

***(Refer: Paragraph 6.9.4)***

**Achievement of Batch-I schemes, as per DPRs, progress reports and measurement books**

| Sl. No. | District | No. of test-checked schemes | Target of household connections, as per DPRs | No. of household connections, as per progress reports | No. of house connections, as per MBs |
|---|---|---|---|---|---|
| 1. | Nalanda | 6 | 9,971 | 6,068 | 5,210 |
| 2. | Nawada | 3 | 3,610 | 1,493 | 1,266 |
| 3. | Munger | 3 | 1,586 | 2,142 | 682 |
| 4. | Banka | 2 | 2,206 | 1,525 | 1,502 |
| 5. | Chapra | 2 | 2,743 | 2,743 | 1,693 |
| 6. | West Champaran | 2 | 11,631 | 8,863 | 8,331 |
| 7. | Purnea | 7 | 8,776 | 3,074 | 2,949 |
| 8. | Begusarai | 7 | 25,436 | 16,054 | 10,517 |
| 9. | Patna | 2 | 2,625 | 612 | 413 |
| 10. | Muzaffarpur | 3 | 2,867 | 2,867 | 2,285 |
| **Total** | | **37** | **71,451** | **45,441** | **34,848** |

*(Source: PHED, GoB)*

**Appendix-6.8**

***(Refer: Paragraph 6.9.7(i))***

**Payment on excess capacity of ESRs**

| Sl. No. | Name of SVS (Name of division) | Number of households | | Population of ultimate year | | Capacity of ESR (in KL) | | | Cost of ESR in the agreement *(₹ in lakh)* | Cost of ESR per KL, as per agreement | Excess expenditure on ESR *(₹ in lakh)* |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As per DPR | As per the actual work done | As per DPR | As per the actual work done | As per DPR | As per the actual work done[6] | Difference | | | |
| 1 | Sartha (B-I, Hilsa) | 1,295 | 851 | 10,318 | 6,780 | 271 | 183 | 88 | 35 | 12,731 | 11 |
| 2 | Panhar (B-I, Hilsa) | 2,021 | 955 | 18,713 | 12,477 | 535 | 239 | 296 | 52 | 9,720 | 29 |
| 3 | Sapha (B-I, Purnea) | 740 | 454 | 7,944 | 4,804 | 227 | 132 | 95 | 34 | 14,758 | 14 |
| 4 | Matkopa (B-I, Purnea) | 1,644 | 602 | 14,315 | 5,242 | 400 | 142 | 258 | 45 | 11,250 | 29 |
| 5 | Khokha (B-I, Purnea) | 2,055 | 695 | 17,574 | 5,944 | 454 | 160 | 294 | 46 | 10,132 | 30 |
| 6 | Kajhi Hridyanager (B-I, Purnea) | 1,359 | 298 | 13,713 | 3,007 | 375 | 81 | 294 | 46 | 10,132 | 36 |
| 7 | Bithnauli (B-I, Purnea) | 1,190 | 520 | 10,224 | 4,468 | 271 | 121 | 150 | 38 | 14,022 | 21 |
| 8 | Chandi (B-I, Purnea) | 2,017 | 825 | 24,129 | 9,869 | 655 | 266 | 389 | 55 | 8,397 | 33 |
| 9 | Fakuli (B-I, Saran) | 1,232 | 659 | 15,147 | 8,102 | 454 | 219 | 235 | 47 | 1,035 | 24 |
| 10 | Patjirwa (B-I, West Champaran) | 4,481 | 1,863 | 47,533 | 19,762 | 1,000 | 534 | 466 | 125 | 12,500 | 58 |
| 11 | Jagdishpur B-I, West Champaran) | 1,624 | 905 | 9,991 | 5,568 | 341 | 150 | 191 | 38 | 11,001 | 21 |
| 12 | Parna (B-I, Begusarai) | 1,903 | 1,139 | 12,083 | 7,232 | 340 | 195 | 145 | 33 | 9,675 | 14 |

| Sl. No. | Name of SVS (Name of division) | Number of households | | Population of ultimate year | | Capacity of ESR (in KL) | | | Cost of ESR in the agreement (₹ in lakh) | Cost of ESR per KL, as per agreement | Excess expenditure on ESR (₹ in lakh) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As per DPR | As per the actual work done | As per DPR | As per the actual work done | As per DPR | As per the actual work done[6] | Difference | | | |
| 13 | Ratan (B-I, Begusarai) | 784 | 350 | 7,786 | 3,476 | 210 | 94 | 116 | 24 | 11,361 | 13 |
| 14 | Amri (B-I, Begusarai) | 2,687 | 2,126 | 28,833 | 22,813 | 710 | 616 | 94 | 68 | 9,548 | 9 |
| 15 | Hasanpur (B-I, Begusarai) | 1,535 | 961 | 14,325 | 8,968 | 410 | 242 | 168 | 36 | 8,683 | 15 |
| | **Total** | | | | | **6,653** | **3,374** | **3,279** | **720** | | **357** |

*(Source: PHED, Bihar)*

[6] *The capacities of the ESRs had been calculated, in the corresponding works, as per the, Central Public Health and Environmental Engineering Organisation (CPHEEO) Manual.*

**Appendix-6.9**

***(Refer: Paragraph 6.9.7 (iii))***

**Excess provision of ESR and IRP in the agreements as compared to the DPRs**

| Name of scheme (SBD no./ year) (1) | Name of habitations included in the scheme (2) | Description of work (construction of) (3) | Total capacity of item, as per DPR (4) | Capacity and cost of item, as per agreement | | | Excess provision in the agreement, as compared to the DPR | |
|---|---|---|---|---|---|---|---|---|
| | | | | Total (5) | Amount *(₹ in lakh)* (6) | Rate per unit *(in ₹)* (7) | Quantity (8)=(5)-(4) | Amount *(₹ in lakh)* (9)=(7)*(8) |
| Koyeli Simra (1/2019-20) | Nandgola, Bhagwa Tola, Dumri | ESR (in KL) | 470 | 681 | 81.00 | 11,894 | 211 KL | 25.10 |
| | | IRP (in KLPH) | 166 | 315 | 78.00 | 24,762 | 149 KLPH | 36.90 |
| Chandi (2/2019-20) | Chandi Wari, Ranipatra, Chandi Kathua | ESR (in KL) | 480 | 681 | 77.45 | 11,373 | 201 KL | 22.86 |
| | | IRP (in KLPH) | 201 | 315 | 100.40 | 31,872 | 114 KLPH | 36.33 |
| Gurhi (3/2019-20) | Jiyaganj, Lahsuna, Yadav Tola | ESR (in KL) | 430 | 681 | 77.74 | 11,416 | 251 KL | 28.65 |
| | | IRP (in KLPH) | 204 | 315 | 92.14 | 29,250 | 111 KLPH | 32.47 |
| Khokha North (5/2019-20) | Pirpanti and Bansar | ESR (in KL) | 330 | 454 | 57.27 | 12,614 | 124 KL | 15.64 |
| | | IRP (in KLPH) | 156 | 210 | 54.59 | 25,995 | 54 KLPH | 14.04 |
| Singhiya (5/2019-20) | Mandal Tola, Jojo Tola, Prem Nagar | ESR (in KL) | 280 | 454 | 68.00 | 14,978 | 174 KL | 26.06 |
| | | IRP (in KLPH) | 118 | 210 | 54.59 | 25,995 | 92 KLPH | 23.92 |
| **Grand Total** | | ESR (in KL) | **1,990** | **2,951** | **361.46** | | **961 KL** | **118.31** |
| | | IRP (in KLPH) | **845** | **1,365** | **379.71** | | **520 KLPH** | **143.65** |

*(Source: PHED, GoB)*

## Appendix-6.10
***(Refer: Paragraph 6.9.8)***
**Irregular Payment of O&M Costs (as of December 2022)**

***(₹ in lakh)***

| Sl. No. | Division | Sl. No. | Scheme | Agreement No. | Date of Agreement | Cost of O&M |
|---|---|---|---|---|---|---|
| 1 | **Biharsharif** | 1 | Kariyanna, SVS | SBD-05/16-17 | 13.08.2016 | 12.32 |
| | | 2 | Eksari Single Village Piped Water Scheme | SBD-13/18-19 | 21.02.2019 | 10.94 |
| | | 3 | Silo, MVS | SBD 01/2014-15 | 20.08.2014 | 87.33 |
| 2 | **Nawada** | 1 | Bhadokhra, SVS | SBD 2/2016-17 | 02.06.2016 | 41.41 |
| | | 2 | Goni, SVS | SBD 09/2019-20 | 09.03.2019 | 5.39 |
| | | 3 | Harinarayanpur (SVS) | SBD- 10/2018-19 | 09.03.2019 | 5.2 |
| 3 | **Banka** | 1 | Jaipur, SVS | SBD-01/17-18 | 13.10.17 | 16.91 |
| 4 | **Patna West** | 1 | Dausi, SVS | SBD-08/17-18 | 02.02.2017 | 1.94 |
| 5 | **Hilsa** | 1 | OAP, SVS | SBD 11/WB/16-17 | 04.10.2016 | 7.03 |
| | | 2 | Dhurgaon, SVS | SBD 02/WB/16-17 | 28.11.2016 | 3.42 |
| | | 3 | Imarpur, SVS | SBD 12/WB/18-19 | 25.05.2019 | 5.26 |
| | | 4 | Sartha, SVS | SBD 01/WB/16-17 | 28.11.2016 | 15.51 |
| | | 5 | Panhar, SVS | SBD 06/WB/16-17 | 20.08.2016 | 24.06 |
| 6 | **Chapra, Saran** | 1 | Phakuli, SVS | SBD 10/WB/2016-17 | 20.09.2016 | 26.03 |
| | | 2 | Mobarakpur, SVS | SBD 09/WB/16-17 | 31.08.2016 | 42.67 |
| | | 3 | Aloni, SVS | SBD 11/WB/19-20 | 02.08.2019 | 6.42 |
| | | 4 | Sargatti, SVS | SBD 13/WB/16-17 | 10.12.2016 | 15.03 |
| 7 | **Bettiah** | 1 | Patjirwa, SVS | SBD 14/WB/16-17 | 27.01.2017 | 9.47 |
| | | 2 | Ghogha ghat, MVS | SBD-01/14-15 | 06.08.2014 | 162.00 |
| 8 | **Purnea** | 1 | Chandi, SVS | SBD06/WB/16-17 | 07.03.2017 | 4.30 |
| | | 2 | Singhia, SVS | SBD 07/WB/16-17 | 28.03.2017 | 13.03 |
| | | 3 | Sapaha Koyali | SBD 5 /2016-17 | 25.02.2017 | 15.46 |
| | | 4 | Kajhi Hridaynagar | SBD-03/16-17(W.B.) | 15.11.2016 | 11.27 |
| 9 | **Begusarai** | 1 | Cheria Barriyarpur MVS | SBD-03/2014-15 | 18.07.2014 | 241.49 |
| | | 2 | Hasanpur | SBD 02/2017-18 | 11.09.2017 | 17.56 |
| 10 | **Patna East** | 1 | Jaitiya | SBD 07/WB/2016-17 | 31.12.2016 | 13.55 |
| | | 2 | Chaura | SBD-06 of 16-17 | 31.12.2016 | 10.16 |
| | | 3 | Ajgara | SBD-03/2016-17 | 29.11.2016 | 4.22 |
| | | | | | | **829.38** |

*(Source: PHED)*

## Appendix-6.11
### *(Refer: Paragraph 6.9.8)*
### Difference in payment of O&M cost (As of December 2022)

| Division | Scheme (agreement no.) | Rate of O&M (Rw) *(₹ per cum)* | No. of house connections, as per DPRs | No. of actual house connections provided (Hc), as per MBs | Initial year population, as per actual house connections | Volume of water per day (@70 LPCD) (6*70 lpcd/ 1000) | Volume of water yearly (Vb) *(cum)* (7*365) | Volume of water as per MBs *(in cum)* | Payment of O&M, as per MBs (Col. 3*10) *(₹ in lakh)* | Admissible payment *(₹ in lakh)* of O&M as per volume of water for population based on house connection as per MB | Difference in Fixed fee *(₹ in lakh)* |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 10 | 11 | | 12 |
| Hilsa | Sartha B-I (SBD-1/16-17) | 3.90 | 1,295 | 851 | 4,517 | 316 | 1,15,409 | 2,27,241 | 7.76 | 4.50 | 3.26 |
| Hilsa | Panhar_B-I (SBD-6/16-17) | 1.70 | 2,021 | 955 | 5,896 | 413 | 1,50,643 | 3,22,239 | 5.48 | 2.56 | 2.92 |
| Purnea | Sapha_B-I (SBD-5/16-17) | 6.00 | 740 | 454 | 2,947 | 206 | 75,296 | 78,316 | 4.70 | 4.52 | 0.18 |
| Purnea | Matkopa_B-I (SBD-2/16-17) | 4.00 | 1,644 | 602 | 3,342 | 234 | 85,388 | 2,42,496 | 9.70 | 3.42 | 6.28 |
| Purnea | Kajhi Hridyanagar_B-I (3/16-17) | 3.50 | 1,359 | 298 | 3,007 | 210 | 76,829 | 2,09,112 | 7.32 | 2.69 | 4.63 |
| Purnea | Chandi_B-I (6/16-17) | 4.00 | 2,017 | 825 | 6,215 | 435 | 1,58,793 | 3,42,222 | 13.69 | 6.35 | 7.34 |
| Saran | Kewani_B-I (SBD-4/18-19) | 4.99 | 604 | 600 | 3,001 | 210 | 76,676 | 93,598 | 4.67 | 3.83 | 0.84 |
| Saran | Fakuli_B-I (06/16-17) | 3.49 | 1,232 | 659 | 5,375 | 376 | 1,37,331 | 2,55,569 | 8.92 | 4.79 | 4.13 |
| Begusarai | Patla_B-II (6/19-20) | 16.58 | 1,079 | 720 | 3,757 | 263 | 95,991 | 1,43,950 | 23.87 | 15.92 | 7.95 |
| **Total** | | | **11,995** | **5,969** | **38,063** | | **9,72,356** | **19,14,743** | **86.11** | **48.58** | **37.53** |

*(Source: PHED, GoB)*

## *Appendix-7.1*
## *(Refer: Paragraph-7.5)*
## Excess payment of interest

*(Amount ₹ in crore)*

| 1st installment | Period | | No. of days | Rate of interest @ 10 *per cent* | Interest paid | SDL (Market rate) rate of Interest +1.5% (8.15% +1.5%) | Interest to be paid (SDL +1.5%) | Excess interest paid |
|---|---|---|---|---|---|---|---|---|
| | From | To | | | | | | |
| 500.00 | 28-03-2018 | 30-09-2018 | 187 | 10 | 25.62 | 9.65 | 24.72 | 0.90 |
| 500.00 | 01-10-2018 | 31-03-2019 | 182 | 10 | 24.93 | 9.65 | 24.06 | 0.87 |
| 500.00 | 01-04-2019 | 30-09-2019 | 183 | 10 | 25.07 | 9.65 | 24.19 | 0.88 |
| 500.00 | 01-10-2019 | 31-03-2020 | 183 | 10 | 25.07 | 9.65 | 24.19 | 0.88 |
| 500.00 | 01-04-2020 | 30-09-2020 | 183 | 10 | 25.07 | 9.65 | 24.19 | 0.88 |
| 500.00 | 01-10-2020 | 30-03-2021 | 181 | 10 | 24.79 | 9.65 | 23.93 | 0.87 |
| 454.17 | 31-03-2021 | 31-03-2021 | 1 | 10 | 0.12 | 9.65 | 0.12 | 0.00 |
| | | | | | **150.67** | | **145.40** | **5.27** |

*Note: Principal amount for 31.03.2021 = ₹ 500.00 crore-₹ 45.83 crore = ₹ 454.17 crore since ₹ 45.83 crore was deducted from the principal amount due to repayment of principal on 31.03.2021 as per terms and conditions.*

| **2nd installment** | **Period** | | **No. of days** | **Rate of interest @ 10 *per cent*** | **Interest paid** | **SDL (Market rate) rate of interest+1.5% (8.27% +1.5%)** | **Interest to be paid (SDL + 1.5 %)** | **Excess interest paid** |
|---|---|---|---|---|---|---|---|---|
| | From | To | | | | | | |
| 1,000.00 | 06-02-2019 | 31-03-2019 | 54 | 10 | 1.48 | 9.77 | 1.45 | 0.03 |
| 1,000.00 | 01-04-2019 | 30-09-2019 | 183 | 10 | 5.01 | 9.77 | 4.90 | 0.12 |
| 1,000.00 | 01-10-2019 | 31-03-2020 | 183 | 10 | 5.01 | 9.77 | 4.90 | 0.12 |
| 1,000.00 | 01-04-2020 | 30-09-2020 | 183 | 10 | 5.01 | 9.77 | 4.90 | 0.12 |
| 1,000.00 | 01-10-2020 | 31-03-2021 | 182 | 10 | 4.99 | 9.77 | 4.87 | 0.11 |
| | | | | | **21.51** | | **21.01** | **0.49** |
| **3rd installment** | **Period** | | **No. of days** | **Rate of interest @ 8.75 *per cent*** | **Interest paid** | **SDL (Market rate) rate of interest+1.5% limited to 8.57% (7.17% +1. 5%)** | **Interest to be paid (SDL + 1.5 %)** | **Excess interest paid** |
| | From | To | | | | | | |
| 500.00 | 17-10-2019 | 31-03-2020 | 167 | 8.75 | 20.02 | 8.57 | 19.61 | 0.41 |
| 500.00 | 01-04-2020 | 30-09-2020 | 183 | 8.75 | 21.93 | 8.57 | 21.48 | 0.45 |
| 500.00 | 01-10-2020 | 31-03-2021 | 182 | 8.75 | 21.82 | 8.57 | 21.37 | 0.45 |
| | | | | | **63.77** | | **62.46** | **1.31** |
| | | | | | | | **Grand Total** | **7.08** |

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