

CHAPTER –IV

AUDIT OF TRANSACTIONS

Audit of transactions of the Departments of Government, their field formations as well as that of the autonomous bodies brought out several instances of ineffective management of resources and failures in the observance of the norms of regularity, propriety and economy. These have been presented in the succeeding paragraphs under broad objective heads.

4.1 Fraudulent Drawal/Misappropriation/Losses

REVENUE AND LAND REFORMS DEPARTMENT AND WELFARE DEPARTMENT

4.1.1 Irrecoverable advances

Irrecoverable advances - Rs 25.90 lakh due to non-pursuance by the DDOs

Scrutiny of records of District Nazarat (DN), West Singhbhum Chaibasa (September 2002), District Welfare Officer (DWO), Deoghar (February 2003) and DWO, Jamshedpur (November 2003) revealed that Rs 1.05 crore were advanced to the staff by the Drawing and Disbursing Officers (DDO's¹) during the years 1991 to 2002 for various purposes viz., affidavit, purchase of stationery and other articles, vehicle repair, fuel etc. These advances were carried over for many years without any effective steps being taken by the DDO's to get the advances recovered or adjusted.

Audit scrutiny also revealed that Rs 21.79 lakh advanced to various officials by the DDO (DN), Chaibasa had become irrecoverable as confirmed by the Nazarat Deputy Collector (DN), Chaibasa. In DWO Jamshedpur and DWO Deoghar advances amounting to Rs 0.38 lakh were outstanding against nine officials who had either retired or died. Similarly, advances amounting to Rs 3.73 lakh were also outstanding against 19 persons in DWO Deoghar and DWO Jamshedpur who were transferred elsewhere. No effort was made by the DDOs to either adjust or recover the advances amounting to Rs 1.05 crore which were lying unadjusted from as far back as 1991 of which Rs 25.90 lakh had already become irrecoverable.

Spending the amounts from undisbursed cash on contingent expenditure and not recouping the same was a breach of budgetary discipline besides being grossly irregular and unauthorised. Responsibility for such lapses need to be fixed and steps taken to recover the amount.

¹ DN, Chaibasa - Rs 51.87, DWO, Jamshedpur – Rs 48.85 lakh and DWO, Deoghar – Rs 4.01 lakh).

On this being pointed out in audit DN, Chaibasa stated that the efforts were being made to recover the advances and further submitted a list of cases in which recovery appeared to be impossible. However Rs 2.63 lakh were recovered at the instance of audit (September 2004). DWO, Deoghar and DWO, Jamshedpur stated that action was being taken to recover the outstanding advances.

Government stated (March 2005) that the concerned DDOs had been asked to recover/adjust the advances.

4.2 Overpayment/wasteful Infructuous expenditure

ROAD CONSTRUCTION DEPARTMENT

4.2.1 Wasteful expenditure

Arbitrary decision to change the proposed site of the bridge resulted in abandonment of work and wasteful expenditure of Rs 1.92 crore

The Road Construction Department (RCD), Bihar administratively approved (October 2000) construction of RCC submersible bridge over Patro river at 26 Km (Mohanpur) of Deoghar-Madhupur road at a cost of Rs 1.48 crore. The RCD nominated (October 2000) the Bihar State Bridge Construction Corporation (BSBCC) to construct the bridge and EE, RCD, Deoghar was made the DDO. However before the fund could be released and work could commence, the Minister, RCD laid (November 2000) the foundation for the bridge at a different site at Saptarghat. Against this decision, a Public Interest Litigation was filed (January 2001) in the Hon'ble High Court of Jharkhand. Hon'ble High Court ordered the department (January 2001) to verify, if any change in the site had been made and take corrective steps within two weeks.

Scrutiny of records (June 2004) of RCD, Deoghar revealed that the department released Rs 2.58 crore between March 2001 and July 2002 without technical sanction for construction of the bridge at Saptarghat though there was no approach road at this site. While the work of Saptarghat bridge was underway, a contempt case was filed (September 2001) against the department for failure to comply with the orders of the court. In response the department filed (April 2002) a counter affidavit agreeing to construct the bridge at Mohanpur. By that time the BSBCC had constructed 21 piers, 1 abutment and 21 deck slabs at a cost of Rs 1.92 crore (December 2002). The work was abandoned after RCD sanctioned construction of bridge at Mohanpur and the work at the new site was in progress (June 2004). Thus the injudicious action of the department to construct a bridge at a site other than one approved by the Government led to abandoning the work and the expenditure of Rs 1.92 crore incurred thereon proved wasteful. Besides an amount of Rs 66 lakh advanced to the construction agency had not been returned to the Government.

Matter was reported to the Government (June, November 2004 and February 2005); their reply has not been received (May 2005).

HOME DEPARTMENT

4.2.2 Unfruitful expenditure on abandoned and idle barracks

Unfruitful expenditure of Rs 1.70 crore on abandoned and idle barracks at Sakchi Jail and Khunti Sub-jail due to commencement of work without technical sanction and proper planning

Sakchi Jail, Jamshedpur

Construction of three sets of male prisoners barrack beside Sakchi Jail, Jamshedpur was administratively approved (November 1998 and March 1999) for Rs 60 lakh by the Home (Special) Department, Government of Bihar. Technical sanction (TS) was not granted by the Building Construction Department (BCD). The work was tendered (September 1999) by the Executive Engineer (EE) Building Construction Division, Jamshedpur for two barracks at an estimated cost of Rs 40.14 lakh. The Chief Engineer (CE) awarded (October 1999) the work to two agencies at 10 per cent above estimated cost at Rs 44.16 lakh for completion by July 2001, extended upto July 2002. The agencies were paid Rs 51.94 lakh on construction of barracks as of September 2002.

Scrutiny (August 2003) revealed that vital components of the work viz. water supply, sanitation, electrification and perimeter wall were excluded from the estimate and tender. Hence, a revised estimate was submitted (June 2001 and June 2003) by the EE for the barracks which included water supply, sanitation, electrification and perimeter wall was not approved by Home (Special) Department as they observed (October 2000) that the site was unfit for barracks as perimeter walls surrounding these could not be constructed as per Jail Manual resulting in idle structures. Records further revealed that the site for construction of barracks had been proposed (April 1999) by the EE and approved (May 1999) by the Jail Superintendent, Jamshedpur and Deputy Commissioner (DC), East Singhbhum, Jamshedpur. The Home (Special) Department directed the Inspector General (Prisons) and DC to fix responsibility on the officials involved in selection of wrong site.

Meanwhile, BCD Jharkhand decided to shift the jail by according (July 2003) administrative approval for construction of a new jail at Ghaghidih at a cost of Rs 13.45 crore. This rendered the expenditure of Rs 51.94 lakh on the barracks completely unfruitful. This could have been avoided had the department granted TS for the whole work including perimeter wall with the barracks taking into account the provisions of Jail Manual and the work should have commenced only after TS was granted as per rule.

The EE stated (August 2003) that the barracks were constructed at the instruction of higher authorities. Undertaking the work without TS and proper planning at wrong site excluding essential components led to idle barracks and the intended objective was defeated.

Further information collected from IG (Prisons) (June 2004) revealed that neither responsibility was fixed nor action was initiated as of May 2004 except reminding the Jail Superintendent only after audit enquired (June 2004) about it. Thus, the Home Department's order to fix responsibility remained a mere formality for two years due to lack of effective pursuance.

Matter was referred to the Government in June 2004; their reply had not been received (May 2005).

Sub-jail, Khunti

Construction of three sets of prisoners' barracks with perimeter wall at Sub-jail, Khunti was administratively approved (March 1997) for Rs 58.37 lakh by BCD Bihar and revised (May 2002) to Rs 1.34 crore by BCD Jharkhand. TS was not granted though the CE, BCD approved (February 1997) an estimate for Rs 89.30 lakh (building and perimeter wall) without approving the design. On this incomplete estimate, the EE Building Construction Division No.1, Ranchi invited (February 1997) tender at Rs 71.25 lakh and the CE awarded (April 1997) the work to an agency at Rs 78.37 lakh at 10 per cent above estimated cost for completion by February 1999. While the design remained unfinalised the agency executed work valued at Rs 34.38 lakh upto February 1999 and stopped further work for want of design. On the request of the agency the CE closed (September 1999) the work. The balance of the work was re-tendered and awarded (September 1999) to an agency at Rs 84.38 lakh.

Scrutiny of records revealed (June 2004) that the agency executed work valued at Rs 83.20 lakh and on receiving (January 2003) payment again stopped work due to obstruction caused by two high tension wires passing over the perimeter wall. No provision was made in the estimate for its removal. This prevented completion of the barracks. Further, the effort (March 2004) of the EE to hand over the barracks to the Jail department proved futile as water supply, sanitation and electrification along with watch towers for security were not completed. This resulted in structures constructed lying without any use after incurring expenditure of Rs 1.18 crore.

EE stated (June 2004) that Electricity Board had been requested to remove the poles and jail authorities would be persuaded to take over the barracks. The reply was not tenable as removal of poles should have been considered prior to commencement of work.

Matter was referred to the Government (July 2004); their reply had not been received (May 2005).

HUMAN RESOURCES DEVELOPMENT DEPARTMENT

4.2.3 Excess payment due to unauthorised sanction of higher scale

Excess payment due to unauthorised sanction of higher scale to teachers by DSE, West Singhbhum - Rs 29.79 lakh

According to the erstwhile Government of Bihar, Education Department (renamed Human Resources Development Department) notification of December 1984, first appointment of teachers in Rajkiyakrit Middle Schools and Primary Schools was to be made by the District Superintendent of Education in the basic entry grade of scale of pay Rs 580-860 from the panel of trained candidates, prepared by the District Education Establishment Committee and duly approved by the Regional Deputy Director of Education (RDDE). Promotion to teachers in the Rajkiyakrit Middle Schools in Basic Grade of Intermediate trained scale (Rs 730- 1080) was to be made from among the Basic Grade teachers (scale of pay Rs 580-860) on the basis of qualification and satisfactory performance of work.

Scrutiny (February 2004) of records the DSE, West Singhbhum, (Service books and appointment letters of the teachers) revealed that DSE appointed (1985-86), 21 trained Graduate/Intermediate trained teachers in the time scale of Intermediate trained teachers of Rs 730-1080 (Revised Rs 1200-2040) instead of in the entry grade scale of pay Rs 580-860 (Revised Rs 1200-2040). This was irregular as the scale of Intermediate trained teachers was to be granted on promotion only. The pay scale of these teachers was changed by DSE, West Singhbhum retrospectively to even to higher scale Rs 850-1350 (revised scale Rs 1640-2900.) with effect from their appointment dates.

Unauthorised sanction of higher scale of pay resulted in excess payment of pay and allowance aggregating Rs 29.79 lakh during 15 November 2000 to March 2004.

Government replied (February 2005) that the District Superintendent of Education had accepted the objection and action is being taken to recover the over payment. Besides departmental officers/officials involved in the issue are being identified for action against them.

4.3 Violation of contractual obligation/ undue favour to contractors

RURAL DEVELOPMENT DEPARTMENT

4.3.1 Non supply of cement

Non supply of cement by agencies worth Rs 36.84 lakh and loss of interest of Rs 9.62 lakh on the amount outstanding with the agencies.

Scrutiny of records (May-June 2004) of three Block Development Officers (BDO, Jainagar, BDO, Koderma and BDO, Markacho) revealed that 89282

bags of cement were to be purchased for the work of Indira Awaas Yojana, and for construction of buildings and a small bridge during 2001-02.

In a meeting taken by the then Deputy Development Commissioner (DDC), Koderma to finalise the purchase of cement (March 2001) decision was made to place the supply order to M/s Shiva Cement Factory, Rourkela at Rs 124 per bag. An agreement was executed (April 2001) between DDC, Koderma and M/s Shiva Cement Factory accordingly. As per terms of the agreement, the cement was to be supplied by 31 March 2002 on 100 per cent advance payment to the supplier by the executing agencies (BDOs, Koderma, Markaccho and Jainagar) and cement bags were required to be supplied directly to work site within fifteen days of receipt of supply order. However, executing agencies did not place any supply order during May 2001 to August 2001.

In the meantime, on request of the firm, the Deputy Commissioner enhanced the rate of Rs 124 per bag to Rs 135 per bag in August 2001 and accordingly the DDC directed the executing agencies to follow the new approved rate. The executing agencies paid an advance of Rs 1.20 crore to the firm for supply of 89282 bags of cement at the new rate ($89282 \times \text{Rs } 135 = \text{Rs } 1.20 \text{ crore}$) between August 2001 and April 2002. Against advance of Rs 1.20 crore the firm supplied 61996 bags of cement worth Rs 83.70 lakh. The agencies did not supply the balance 27286 bags of cement worth Rs 36.84 lakh as of June 2004. Loss of interest on outstanding advance worked out to Rs 9.62 lakh at the rate of 12 percent per annum leading to total loss to the Government amounting to Rs 46.46 lakh. It was also seen that no provision existed in the contract for invoking any penalty in case of non-delivery of cement. Thus, Government interest was not adequately safeguarded.

In response to audit query as to why cement was not delivered the BDO stated (May-July 2004) that they were regularly demanding cement from the company and that the cement could not be supplied due to some technical problem in the company.

The matter was referred to the Government (August 2004); their reply had not been received (May 2005).

4.4 Avoidable/ excess expenditure

FOREST AND ENVIRONMENT DEPARTMENT

4.4.1 Avoidable expenditure

Non-determination of norms under Plan schemes leading to avoidable expenditure of Rs 33.77 lakh

Construction of Contour Trenches is an important measure to check soil erosion and retain moisture in the soil. The standard of earthwork to be executed per day for constructing contour trenches was fixed at 85 cft per manday by the Principal Chief Conservator of Forest (PCCF). Test-check of

records (October 2003 to January 2004) of five forest divisions² revealed that 127350 contour trenches of different sizes were constructed in these divisions during 2002-03 at a cost of Rs 59.47 lakh under the India Eco Development Programme, the Soil Conservation and Plantation Scheme and the Scheme for Rehabilitation of Degraded Forests. A total of 92040 mandays were consumed for constructing these contours involving 33.80 lakh cft of earthwork which worked out to 36.7 cft per manday. In terms of the yardstick of 85 cft of earthwork per man-day fixed by the PCCF, only 39766 mandays should have been consumed for constructing these 127350 contour trenchers. Thus, 52274 mandays were consumed in excess in these cases which involved an extra expenditure of Rs.33.77 lakh @ Rs.64.61 per man-day.

On this being pointed out in Audit, the Divisional Forest Officer stated that the work had been carried out as per the Schedule of Rates sanctioned by Government. The reply is not tenable as the norm of earthwork per day fixed by the PCCF should have been applied to these cases as well.

The matter was reported to the Government (June 2004); reply had not been received (May 2005).

4.5 Idle investment/ idle establishment/ blockage of funds

HEALTH, MEDICAL EDUCATION AND FAMILY WELFARE DEPARTMENT

4.5.1 Payment of idle wages

Nugatory expenditure on the establishment of the Lady Health Visitor Training School – Rs 40.26 lakh

With a view to imparting in service training to Auxiliary Nurse Midwives (ANM) for their promotion as health supervisors, a Lady Health Visitor (LHV) Training School was established at Ranchi in 1981. Director, Health and Family Welfare Department was to identify and sponsor trainees to the LHV Training School.

Scrutiny of records (August 2003) and further information collected (April 2004) from the Sadar Hospital Ranchi revealed that no training was imparted to any ANM in the school from May 1992 to April 2004 though the school was to provide training for 60 LHV's in each batch. The school had one Superintendent and nine other staff on roll and incurred an establishment expenditure of Rs 40.26 lakh during the period November 2000 to March 2004.

² Chatra (N), Daltonganj (S), Garhwa (N), Garhwa (S) and Project Tiger Division, Palamu

On this being pointed out (August 2003 and April 2004) Superintendent, Sadar Hospital, Ranchi stated that names of ANMs were not nominated for the intended training by the Government. The Superintendent further informed that though the department had not taken any action in this regard, though approached by him.

Thus, failure of the department to send the list of candidates for the intended training resulted in idling of the staff and nugatory establishment expenditure of Rs 40.26 lakh during November 2000 to March 2004 besides defeating the objective of training LHV's.

The matter was reported to the Government in June 2004; their reply had not been received (May 2005).

INDUSTRY DEVELOPMENT DEPARTMENT

4.5.2 Payment of idle establishment

Failure to monitor the functioning of Handicraft Resource-cum-Development Centre resulted into nugatory expenditure of Rs 1.58 crore

With a view to imparting highly standardised, result oriented training to artisans with all basic infrastructure and facilities in the field of handicraft, all existing 37 handicrafts training centres were amalgamated into eight training centres³ and put under the direct control of the Department of Industry (September 2002). The purpose of imparting training to the people of the area was to make them skilled labourers in different trades in Handicraft. An annual calendar was to be drawn up to impart training with the help of techno aided facility to the artisans.

Scrutiny of records of Handicraft Resources-cum-Development Centres (HRDC) Hazaribagh (May 2004) and further information collected (August – September 2004) from three centre (Daltonganj, Dhanbad and Jamshedpur) revealed that no training was provided by these training centres since 2001-02 though Rs 1.58 crore was spent as establishment expenditure during 2001-02 to 2003-04.

On this being pointed out (May/August-September 2004) the General Managers accepted that training programme had not been conducted.

Thus, the failure of the department to monitor the functioning of the training centres resulted in nugatory establishment expenditure of Rs 1.58 crore without achieving intended objectives.

The matter was referred to the Government (June 2004); their reply has not been received.

³ Hazaribagh, Daltonganj, Dhanbad, Jamshedpur, Ranchi, Khunti, Dumka, and Deoghar.

WATER RESOURCES DEPARTMENT

4.5.3 Nugatory expenditure in pay and allowances

Nugatory expenditure of Rs 5.70 crore on pay and allowances of staff of Kharkai Canal Division and Design Division No. 3, Adityapur, Jamshedpur

The Kharkai Canal Division, Adityapur, Jamshedpur

The Kharkai Canal Division, Adityapur, Jamshedpur was established in July 1984 for the construction and maintenance work of Kharkai Right and Left Main Canal and its distributaries after the work of construction of Gajia Barrage had ceased and the division established for the construction of Gajia Barrage had become defunct. Another division, Kharkia Canal Division, Gajia was also defunct and the charge of accounts and materials at site only was handed over to the Kharkai Canal Division, Adityapur in March 1997.

Scrutiny of records of Kharkai Canal Division, Adityapur, Jamshedpur (December 2003) revealed that since 1990 no work has been assigned/undertaken by the Division except maintaining the quarters of Old Subarnrekha Colony, for which only Rs 19.00 lakh was sanctioned in the year 2003-04, out of which only Rs 4.89 lakh was utilised during the year.

Thus, the Executive Engineer alongwith two SDOs, 43 other supporting staff and eight work charged Drivers posted in the division remained idle resulting in nugatory expenditure of Rs 2.83 crore on their pay and allowances from 15 November 2000 to September 2004.

No action by the department was taken for redeployment and gainful utilisation of the services of Executive Engineer and other staff in the other division or elsewhere.

On this being pointed out in audit (December 2003), the Executive Engineer stated (December 2003) that since 1990 the division has received no allotment.

Design Division No. 3, Adityapur, Jamshedpur

The Design Division No. 3, Adityapur, Jamshedpur was established in November 1985 for the work of preparing design and drawing for working divisions under the Subarnarekha Multipurpose Project.

Scrutiny of records (November 2003) of division revealed that the division has not been assigned any design work since 1994. Thus the Executive Engineer alongwith six Assistant Engineers, 10 Junior Engineers and 45 other supporting staff posted in the division remained idle resulting in nugatory expenditure of Rs 2.87 crore on their pay and allowances from 15 November 2000 to September 2004.

No action by the department was taken for redeployment and gainful utilisation of the services of Executive Engineer and other staff in another division or elsewhere.

On this being pointed out in audit (November 2003), the Executive Engineer stated (November 2003) that the work of six designs was assigned to the division during 2003-04 and the annual programme for 2004-05 has been sent to higher authorities for approval. The reply was not tenable as with strength of 62 staff, the work done was negligible.

On the matter being referred to the Government (July 2004), it was stated (August 2004) that due to non-availability of funds, the work of the entire Subarnarekha Project was stopped since 1990. After creation of Jharkhand State, revised administrative approval of the Project has been obtained and after the approval the divisions have undertaken work. It was, however, seen that both the divisions were non-functional and no funds for work had been provided to them as of September 2004.

ANIMAL HUSBANDRY DEPARTMENT

4.5.4 Nugatory expenditure

- **On establishment due to non-renovation of Bacon factory- Rs 1.56 crore,**
- **On idle staff of Non-Functional Frozen Semen Bank, Hotwar- Rs 1.25 crore and**
- **On idle staff of non-functional hay production farm- Rs 44.77 lakh**

Pig Breeding Farm-cum-Bacon Factory, Ranchi

The Bihar Government sanctioned a Pig Breeding Farm-cum-Bacon Factory at Ranchi in December 1964 which was commissioned in February 1972 to provide marketing facilities of pigs to farmers, especially tribals of Chotanagpur area. The factory became non-functional due to machines being old and worn out and for want of funds since December 1996.

Scrutiny of records of General Manager, Bacon Factory (July 2004) revealed that the project report (Rs 84.40 lakh) for the rehabilitation of the factory was submitted to Bihar Government in August 1999 and to the Animal Husbandry Department, Government of Jharkhand in April 2001. But the rehabilitation of the factory could not be taken up due to paucity of funds as of June 2004. As a result the outdated equipment could not be repaired or replaced and the factory became non-functional. The staff of the factory were, however, paid their salaries regularly without any work.

This resulted in infructuous expenditure of Rs 1.56 crore on the factory establishment between November 2000 and June 2004

On this being pointed out (July 2004), the General Manager, Bacon factory accepted that there were no production or marketing activities since December 1996.

Frozen Semen Bank (FSB) Hotwar, Ranchi

A Frozen Semen Bank (FSB) (with sanctioned strength of 100 Bulls) was established at Hotwar, Ranchi in 1979-80 for semen collection and production of semen straws.

Scrutiny of records (July 2004) of the Regional Director (RD), Animal Husbandry (AH), South Chhotanagpur, Ranchi revealed that no bull was available for semen straws during 2000-2004, though FSB, Hotwar had two Artificial Insemination Officers, five technicians, two mechanics, 12 Bull attendants and 16 other staff during the aforesaid period.

All the staff posted in FSB Hotwar remained without work and expenditure of Rs 1.25 crore incurred on their pay and allowances during 2000-04. It was also noticed that electric supply of FSB was disconnected (October 1995) due to non-payment of electric bills. This confirmed that the FSB was not working at all.

On this being pointed out (July 2004) the RD (AH), Ranchi stated that the matter was referred to the Government (2001) and revival of FSB would be possible in the current year. The reply was not tenable because no further reference was made to the government for restoration of electric supply to FSB. Thus, due to Government apathy the FSB could not be revived. This resulted in nugatory expenditure of Rs 1.25 crore on payment to staff besides denial of benefit of controlled insemination facility and production of high breed varieties of animals.

Hay production farms (Barwadih, Kunaandih, Rajhara and Rajnagar)

In South Chotanagpur Animal husbandry region four hay production farms (Barwadih, Kunaandih, Rajhara and Rajnagar) were established under fodder development scheme of the erstwhile Bihar Government to produce good fodders/ hay and 16 staff were engaged for smooth running of these farms.

Scrutiny of records (July 2004) of the Regional Director (RD), Animal Husbandry (AH), South Chotanagpur, Ranchi and District Animal Husbandry Officer (DAHO), Chaibasa revealed that hayseeds were not supplied to these farms by the department during 1999-2004. This resulted in non- production of any fodder/ hay in these farms and payment of Rs 44.77 lakh to the staff during 2000-04 without any work.

In response to audit queries it was stated (July 2004) by the RD (AH) Ranchi and DHAO Chaibasa that the work was interrupted due to paucity of funds and departmental action was being taken to start the activities of the farms. The reply confirmed that no action was taken by the department to revive these farms for five years (2000-04) or to absorb or deploy the staff elsewhere.

The above issues referred to the Government (between June to August 2004) replies had not been received (May 2005).

HOME DEPARTMENT AND BUILDING CONSTRUCTION DEPARTMENT

4.5.5 Idle expenditure on construction of Jail

Idle expenditure of Rs 20.42 crore on construction of Birsa Munda Central Jail at Hotwar

The State Government decided to construct a new Central Jail at Hotwar in order to ease congestion in the Birsa Munda Central Jail, Ranchi and for this purpose appointed MECON (September 2001) as the Consultant. An agreement was executed (February 2002) between the Executive Engineer, Building Construction Division I, Ranchi and MECON for preparation of cost estimate for the entire project including residential and non-residential buildings, electrification, drinking water and sanitation. In December 2001, MECON submitted a bill of quantity for Rs.16.89 crore only for the jail buildings and not for the other components like residential buildings, electrification, etc. Administrative approval for the work of non-residential buildings was accorded by the Home Department in December 2001 for Rs.20.61 crore and technical approval was granted by the Chief Engineer, BCD for Rs.22.02 crore in August 2002. The work was awarded to the lowest tenderer and was completed by September 2003 at a cost of Rs.20.42 crore.

In order to make use of the jail buildings, the Chief Engineer approved an estimate of Rs.11.54 crore for construction of residential buildings, water supply, sanitation, etc. This part of the work had been tendered for in November 2003 but the award of the contract had not been finalized as of June 2004.

There was a clear failure on the part of Home Department in not insisting upon MECON furnishing the full estimate for all components of the work (residential as well as non-residential buildings, water supply, sanitation, electrification, approach road, etc.) at the very outset. By accepting only a bill of quantity for jail buildings from MECON and undertaking the work without any plans and estimates for the other components, resulted in the delay in completion of the new central jail and put it in to use. The jail building constructed in September 2003 at a cost of Rs.20.42 crore has remained idle since then. Apart from idling of such a large investment, the problem of congestion in the Birsa Munda Central Jail at Ranchi also remain unresolved.

The matter was referred to Government (August 2004); reply had not been received (May 2005) .

4.6 Other points

RURAL DEVELOPMENT DEPARTMENT

4.6.1 Diversion of Zila Yojana fund

Fund meant for construction of durable community assets diverted for construction and beautification of Vikash Bhawan – Rs 28.10 lakh

Zila Yojana guidelines prescribe that funds under Zila Yojana should be spent/ utilised for construction of rural roads, school buildings, health centre/ sub-centre and supply of potable water to SC/ ST 's hamlets. Besides each scheme under taken should be limited to maximum expendable amount of Rs 10 lakh.

Scrutiny of records (December 2003) of Project Officer, Meso, Jamtara revealed that Zila Yojana funds of Rs 28.10 lakh were utilised for the construction of Vikash Bhawan, its furnishing, construction of a boundary wall of collectorate campus at Jamtara and PCC road during 2001 to 2003 which was in contravention of the Zila Yojana guidelines.

On this being pointed out Project Officer, Meso, Jamtara stated (December 2003) that those works were executed by the order of the then Deputy Commissioner, Jamtara.

Reply is untenable as fund amounting to Rs 28.10 lakh were expended in complete disregard to the provision of Zila Yojana.

The matter was referred to the Government (August 2004); their reply had not been received (May 2005).