

**Report of the
Comptroller and Auditor General of India
for the period ended March 2023**

Government of Bihar
Report No. 03 of 2025

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Preface

This Report of the Comptroller and Auditor General of India for the period ended March 2023 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 Compliance Audit of the Departments of Agriculture and Planning and Development.

The instances mentioned in this Report are those which came to notice in the course of test-audit for the period 2022-23, 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 2022-23 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 period ended 31 March 2023 includes findings of two subject specific compliance audits (SSCAs). A summary of important audit findings is given below.

SUBJECT SPECIFIC COMPLIANCE AUDIT

2 Implementation of Krishi Input Subsidy Scheme (KrIS)

Krishi Input Subsidy (KrIS) under Krishi Input Subsidy Scheme is disbursed by the State Agriculture Department to farmers via DBT mode to provide them immediate relief from damages caused to their crops due to natural calamities viz., flood/excessive rain, hailstorm, as well as drought/scanty rain.

Audit noticed that the identification of blocks/districts affected by disasters was flawed. The payment of Krishi Input Subsidy (KrIS) was made beyond the identified districts/blocks. KrIS database was not seamlessly integrated with the land database of the Revenue and Land Reforms Department, hampering the identification of beneficiaries and affected lands. The financial inclusion of beneficiaries was inadequate, leading to non-payment of subsidy to a substantial number of legitimate beneficiaries. Scheme implementation exhibited specific deficiencies as highlighted below:

- For disaster occurring during *Kharif* season of 2019, payment of subsidy of ₹ 21.48 crore was made in 10 such districts which were not declared as flood affected by the Disaster Management Department and subsidy of ₹ 4.03 crore was paid to the applicants of 14 such districts which were not among the identified districts wherein land had remained unsown due to scanty rain.

(Paragraphs 2.6.1.1 & 2.6.1.2)

- For the *Rabi* and *Kharif* seasons of 2019 and 2020, the Agriculture Department disbursed subsidy amounting to ₹ 151.92 crore for crop loss in an area which was more than the identified crop loss area by 1.34 lakh Ha.

(Paragraph 2.6.2)

- Non-prescribing of the rates of assistance, in the “*Anudesh*” (set of instructions for processing and payment of KrIS), as per the rates prescribed under State Disaster Response Fund (SDRF) norms, resulted in excess payment of ₹ 3.74 crore to the applicants.

(Paragraph 2.8.1)

- Non/improper mapping of business rules in the KrIS database and non-compliance to the provisions of “*Anudesh*” while processing/ approving the applications resulted in excess/short/irregular payments of ₹ 56.14 crore in 15.53 lakh cases.

(Paragraph 2.8.2)

- During 2019-22, inadmissible payment of subsidy amounting to ₹ 159.28 crore was made in 6,81,617 cases in all the test-checked districts, despite the crop loss area being below the prescribed criteria of 33 per cent.

(Paragraph 2.8.5)

- Payment of subsidy of ₹ 1.77 crore was made to 6,994 farmers (Flood in *Kharif* seasons of 2019, 2020, 2021 and *Yaas toofan* in May 2021) without verification of correctness of beneficiaries' claims by the concerned ACs. During 2018-22, payment of subsidy of ₹ 62.36 crore was made to farmers without filling of mandatory *Khesra* details to establish the identity of the affected plot/land.

(Paragraphs 2.8.7 & 2.8.11)

- The concerned DAOs and ADMs irregularly decreased the payable amount of subsidy by ₹ 17.33 crore in 40,666 cases and they irregularly increased the payable amount of subsidy by ₹ 2.23 crore in 7,562 cases in contravention to the provision of the "*Anudesh*".

(Paragraph 2.9.5)

- Concerned ACs rejected 7,18,982 applications claiming subsidy of ₹ 901.70 crore and reduced subsidy amount as well as affected area in respect of 19,73,782 applications from ₹ 2,572.24 crore for 20.22 lakh Ha to ₹ 808.01 crore for 6.31 lakh Ha, without assigning any reasons.

(Paragraph 2.9.6)

- Payment of subsidy amounting to ₹ 184.74 crore to 6,04,700 applicants failed during 2018-22 as the Department processed the payments of the subsidy without ensuring mapping/ seeding *Aadhaar* with the bank account and validation of financial address for identified beneficiaries.

(Paragraph 2.9.8)

- There were substantial delays up to 608 days in payment of subsidy of ₹ 308.01 crore in 7,27,530 cases in test-checked districts.

(Paragraph 2.9.12)

- DMD, GoB, provided funds for KrIS to the Agriculture Department, based on the assessment of crop damage carried out by the latter. However, during 2018-2022, only 62 *per cent* of the total available funds of ₹ 5,324.92 crore were utilised and remaining 38 *per cent* (₹ 2,040.09 crore) were surrendered/deposited into the Government account.

(Paragraphs 2.10.1)

Recommendations:

The Agriculture Department may ensure:

- ***adherence to SDRF norms for KrIS payment and may take up the issue of any difference in assistance rates/category of beneficiaries with the Disaster Management Department.***
- ***proper mapping of business rules (Anudesh and instructions) with adequate controls in the system, and strengthening of the verification process.***

3 Implementation of Mukhyamantri Kshetra Vikas Yojna (MKVY)

Mukhyamantri Kshetra Vikas Yojna (MKVY), is being implemented in Bihar since 2011-12 to develop basic infrastructure for a balanced regional development in urban and rural areas. Different works, as specified in the guidelines are executed on the recommendations of the elected/nominated Members of the Legislative Assembly (MLA) and Members of the Legislative Council (MLC) of the State. Some specific deficiencies highlighted below indicate ample scope for further improvements in implementation of the Scheme so that the intended objective of balanced regional development could be achieved:

- In all the 13 test-checked divisions, 28 to 59 *per cent* of the total available funds were not utilized resulting in unspent balances lying in their respective Personal Ledger accounts.

(Paragraph 3.6)

- The Bihar Local Area Development Agency (BLADA) did not prepare any model designs and estimates although required for execution of works under MKVY.

(Paragraph 3.7.1)

- District Planning Officers (DPOs) of nine sampled districts sanctioned 158 works of different categories valuing ₹ 10.83 crore, which were not permissible under the Scheme guidelines.

(Paragraph 3.7.2)

- DPO, Banka, irregularly sanctioned nine works amounting to ₹ 12.30 crore, which were beyond the authorisation limit of DPO.

(Paragraph 3.8.1)

- In six of the 10 sampled districts, purchase and supply of books were made by violating the Scheme guidelines and departmental instructions, which led to excess (₹ 10.43 lakh) and irregular (₹ 68.17 lakh) expenditure.

(Paragraph 3.8.3)

- In nine sampled districts, during July 2018 to December 2022, 29 works of ₹ 10.25 crore were split into 64 works, to keep these under the Administrative Approval of the DPOs or to avoid the requirement of e-tendering and publishing of tender in newspaper.

(Paragraph 3.9.1)

- In five districts, 28 community halls constructed at an expenditure of ₹ 2.13 crore were found not utilised for the purpose for which they were constructed as 27 community halls were occupied by private individuals and the remaining one work was incomplete.

(Paragraph 3.9.2)

- In six districts, 11 library buildings constructed during 2018-23 were either occupied by private individuals or were lying unutilised in the absence of basic requirement *viz.*, books, book-shelves, desks *etc.*

(Paragraph 3.9.2)

- During 2018-23, in three works divisions, 22 bidders were awarded more than three works or works valuing more than ₹ 25 lakh, at a time in contravention of the provisions of Bihar Public Works Code. These works, amounting to ₹ 8.42 crore, were mainly related to PCC road, brick soling, community hall, *ghat*, *chabutra*, etc.

(Paragraph 3.9.3)

- Technical/practical equipment valuing ₹ 1.96 crore in 24 colleges of two districts (Madhepura and Araria) were not procured through the Government e Marketplace (GeM) portal despite Government instruction (March 2020). Besides, procured equipment were found unused/ill maintained and most of the supplied equipment were unopened and kept in storage despite lapse of two academic sessions.

(Paragraph 3.10)

- In five sampled districts, 13,444 executed works were not handed over to the concerned administrative departments by the LAEO works divisions even after lapse of one to five years since their completion. In the remaining five districts status of handing over of 8,018 completed works was not provided.

(Paragraph 3.11)

- In all 10 sampled districts 21,462 works were completed during 2018-23. However, neither were the required completion certificates submitted by the LAEO works divisions to the concerned DPOs nor were any efforts made by the concerned DPOs to obtain the same.

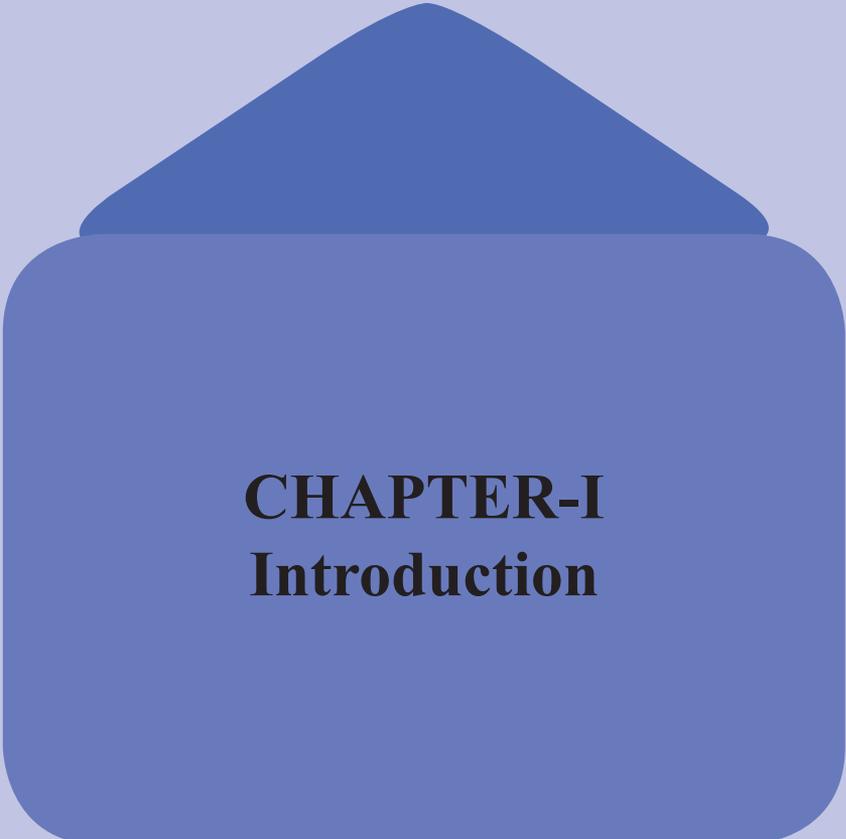
(Paragraph 3.12.4)

- Though required, lists of completed and ongoing works were not found displayed in any of the sampled DPOs and district-wise websites were also not found to have been created, to show the status of completed and ongoing works through digital mode under the scheme.

(Paragraph 3.12.6)

Recommendations:

- ***The Bihar Local Area Development Agency may prepare model designs and estimates of works to ensure that assets being created are of standardised quality and can be used by the intended beneficiaries.***
- ***The Planning and Development Department may make suitable arrangements to ensure the transfer of assets created under the Scheme to the appropriate authorities, for their maintenance.***



CHAPTER-I
Introduction

CHAPTER-I INTRODUCTION

1.1 About this Report

This Report relates to matters arising from the compliance audit of 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 Compliance Audits conducted during 2022-23. The audit findings are expected to enable the Executive to take corrective actions and to frame policies and directives that will lead to improved management of organisations, thus contributing to better governance.

This Report comprises three chapters. The present chapter provides a brief analysis of the expenditure of the State and responses of the Government to Inspection Reports/ Audit Reports and corrective action taken therein. Chapters II and III present detailed audit findings and observations based on the compliance audits, conducted during 2022-23.

1.2 Auditee profile

As of March 2023, there were 44 Departments in the Government of Bihar. During 2022-23, against a total budget of ₹ 3,01,686.46 crore the State incurred an overall expenditure of ₹ 2,35,176.84 crore.

The overview of expenditure, in major departments under the audit jurisdiction of the Principal Accountant General (Audit), Bihar, during 2018-19 to 2022-23 is shown in **Table 1.1**.

Table 1.1: Trend of expenditure in Departments with annual expenditure exceeding ₹ 1,000 crore

(₹ in crore)

| Sl. No. | Name of the Department | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---------|--|-----------|-----------|-----------|-----------|-----------|
| 1 | Education Department | 27,400.85 | 26,084.00 | 26,813.75 | 34,101.88 | 42,095.78 |
| 2 | Rural Development Department | 12,779.00 | 9,692.46 | 9,314.16 | 14,015.03 | 18,412.91 |
| 3 | Energy Department | 12,117.90 | 9,107.45 | 8,911.62 | 10,506.45 | 16,207.98 |
| 4 | Home Department | 8,730.79 | 9,508.75 | 9,611.79 | 10,802.45 | 11,811.93 |
| 5 | Panchayati Raj Department | 8,408.50 | 8,734.75 | 8,402.40 | 8,178.85 | 8,661.18 |
| 6 | Health Department | 7,478.28 | 7,813.04 | 9,166.17 | 11,712.31 | 12,013.95 |
| 7 | Road Construction Department | 6,485.23 | 2,776.07 | 4,894.40 | 5,625.87 | 8,126.33 |
| 8 | Social Welfare Department | 6,346.52 | 7,376.09 | 8,794.70 | 8,995.84 | 11,192.66 |
| 9 | Rural Works Department | 3,955.79 | 3,549.02 | 5,199.65 | 5,990.09 | 9,478.96 |
| 10 | Water Resources Department | 3,849.02 | 1,812.41 | 2,770.48 | 4,296.12 | 3,336.19 |
| 11 | Urban Development and Housing Department | 3,300.02 | 3,144.53 | 5,640.39 | 6,941.43 | 6,546.06 |
| 12 | Building Construction Department | 3,233.94 | 1,783.35 | 1,572.05 | 3,729.50 | 3,645.98 |
| 13 | Public Health Engineering Department | 2,685.14 | 2,342.29 | 5,378.24 | 2,661.81 | 2,142.95 |

| Sl. No. | Name of the Department | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
|---------|---|--------------------|--------------------|--------------------|--------------------|-------------------|
| 14 | Planning and Development Department | 1,928.32 | 1,372.43 | 1,220.94 | 1,899.21 | 1,843.53 |
| 15 | Agriculture Department | 1,869.48 | 2,152.49 | 1,498.54 | 1,927.94 | 2,571.44 |
| 16 | Co-Operative Department | 1,797.56 | 593.29 | 1,070.49 | 876.79 | 1,015.01 |
| 17 | Disaster Management Department | 1,642.28 | 3,621.18 | 6,741.95 | 3,895.42 | 3,119.10 |
| 18 | Finance Department | 1,503.72 | 1,645.53 | 866.03 | 978.71 | 3,095.96 |
| 19 | Backward Classes and Most Backward Classes Welfare Department | 1,215.25 | 1,416.80 | 413.42 | 2,852.95 | 1,634.54 |
| 20 | Food and Consumer Protection Department | 1,112.23 | 706.24 | 728.05 | 914.88 | 1,384.47 |
| 21 | Scheduled Castes & Scheduled Tribes Welfare Department | 1,022.92 | 1,121.26 | 1,270.24 | 1,456.48 | 1,628.09 |
| 22 | Law Department | 769.68 | 768.04 | 809.63 | 848.17 | 1,057.12 |
| 23 | Industries Department | 631.52 | 435.26 | 464.6 | 1,560.80 | 3,330.76 |
| 24 | General Administration Department | 507.19 | 532.83 | 567.29 | 567.85 | 1,074.58 |
| 25 | Others | 39,546.56 | 41,552.40 | 45,794.43 | 48,865.38 | 59,749.38 |
| | Total | 1,60,317.69 | 1,49,641.96 | 1,67,915.41 | 1,94,202.21 | 235,176.84 |

(Source: Appropriation Accounts of the respective years)

1.3 Mandate for Audit

Authority for audit by the CAG is derived from Articles 149 and 151 of the Constitution of India and the CAG's DPC Act, 1971. CAG conducts audit of expenditure of State Government Departments under Section 13 of the CAG's DPC Act. CAG also conducts audit of other Bodies, which are substantially financed by the Government under Section 14 of the DPC Act. Section 16 of the CAG's DPC Act, authorises the CAG to audit all receipts (both revenue and capital) of the Government of India and of the Government of each State and of the Government of each Union Territory having a legislative Assembly. Besides, CAG conducts audit of bodies/ PSUs, audit of which is entrusted under Section 19(2), 19(3) and 20(1) of the DPC Act. Principles and methodologies for various audits are prescribed in the Regulations on Audit and Accounts, 2020 and Auditing Standards issued by CAG.

1.3.1 Planning and conduct of Audit

Compliance Audits are conducted, as per the Annual Audit Plan wherein units are selected on the basis of risk assessment of the Apex units, Audit units and Implementing units. Risk assessment is carried out on the basis of expenditure profile of the units, past instances of fraud, embezzlement, loss, irregularity, media reports etc., as well as findings of previous Audit Reports.

Inspection Reports are issued to the heads of units after completion of audit. Based on the replies received, audit observations are either settled or further action for compliance is advised. Important audit findings are processed further as Draft Paragraphs for inclusion in the Audit Report. Subject Specific Compliance Audits are prepared on issues of significance and selection of issues is done following the analogy explained above.

Formal replies furnished by Departments are carefully considered while finalising materials for inclusion in the Audit Report. Audit Reports are laid before the State Legislature under Article 151 of the Constitution of India.

1.3.2 Response of the Government to Inspection Reports

Principal Accountant General (Audit), Bihar, conducts periodical inspections of Government Departments through test-check of transactions and verifies maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed by issue of Inspection Reports (IRs) to the Heads of Offices, with copies to the concerned Departments. As a rule, matters of lesser significance, which have been remedied during 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 audit findings in the IRs within four weeks from the date of receipt of the Report.

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 2022-23, Compliance Audits of 752 Drawing and Disbursing Officers (DDOs) of the State including 17 Autonomous Bodies related to 36 Departments, were conducted by the office of the Principal Accountant General (Audit), Bihar.

Serious irregularities were brought to the notice of the Heads of the Departments also, on a regular basis.

A detailed review of the IRs issued to 4,441 DDOs (up to March 2023), pertaining to 39 Departments, revealed that 46,752 paragraphs, having financial implication of ₹ 8,05,308.35 crore, covered in 5,715 IRs, remained outstanding as of 31 March 2024, as shown in **Table 1.2**. The age-wise analysis of outstanding IRs/Paragraphs and types of irregularities is detailed in *Appendix-1.1* and *Appendix-1.2*, respectively.

Table 1.2: 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 | 371 (6.49) | 4,511 (9.65) | 67,395.72 |
| 2 | 1 year to 3 years | 426 (7.46) | 4,699 (10.05) | 3,04,369.11 |
| 3 | More than 3 years to 5 years | 410 (7.17) | 4,465 (9.55) | 1,16,202.64 |
| 4 | More than 5 years | 4,508 (78.88) | 33,077 (70.75) | 3,17,340.88 |
| | Total | 5,715 | 46,752 | 8,05,308.35 |

From **Table 1.2**, it can be seen that the departmental officers did not take necessary action on the observations contained in outstanding IRs, within the prescribed time frame, affecting accountability.

Recommendation 1: Government may review outstanding Inspection Reports to ensure timely and proper response to audit observations.

1.3.3 Communication of draft audit reports/draft paragraphs to the Government

During the last few years, Audit has reported several significant deficiencies in implementation of various programmes/activities, as well as the quality of internal controls that 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 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 Subject Specific Compliance Audits (SSCA) /draft audit paragraphs, proposed for inclusion in the Comptroller and Auditor General of India's Audit Reports, within a specified period. Draft reports and paragraphs, proposed for inclusion in the Report, were forwarded to the Heads of Departments, seeking their replies. It was also 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 further advised to discuss the draft SSCA and draft audit paragraph, with the office of the Principal Accountant General.

1.3.4 Response of the Government and auditee units during the conduct of 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 extend. Further, Regulation 19(6) of the Regulations on Audit and Accounts, 2020 stipulates that the officer in charge of the auditable entity shall comply with the requests made by Audit for data, information and documents, within a specified time.

Despite these provisions, there were 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.

This Audit Report for 2022-23 contains two Subject Specific Compliance Audits. 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. Out of 31 auditee units, 18 did not produce certain records requisitioned by Audit. A total of 452 audit memos were issued in these two SSCAs and replies were not received in case of 54 audit memos. Further, only partial replies were received in respect of 145 audit memos, as detailed in *Appendix 1.3*.

Non-production of records severely limits the exercise of CAG's constitutional mandate and may result in erosion of accountability by the State Government functionaries, as well as instances of concealment of fraud, misappropriation, embezzlement etc.

Recommendation 2: The State Government needs to take appropriate action against officers individually responsible for non-production of records.

1.3.5 Follow-up of Audit Reports

In terms of the Manual of Instructions (1998) of the Finance Department, Government of Bihar, the Departments are required to initiate *suo motu* action on all Audit Paragraphs featuring in the Comptroller and Auditor General's Audit Reports. They are 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 Audit Reports to the State Legislature. The status regarding receipt of these Action Taken Notes (ATNs), on the paragraphs included in the Comptroller and Auditor General's Audit Reports, as on 31 March 2024, is given in **Table 1.3**.

Table 1.3: Status of receipt of ATNs on the paragraphs included in the ARs

| Audit Reports for the year | ATNs pending as of 31 March 2024 (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 | 8 | 906.21 | 16/12/2022 | 16/02/2023 |
| 2021-22 | Reports not tabled | | | |
| Total | 15 | 1,419.28 | | |

Table 1.3 reflects the slow response of the Departments on Audit Reports.

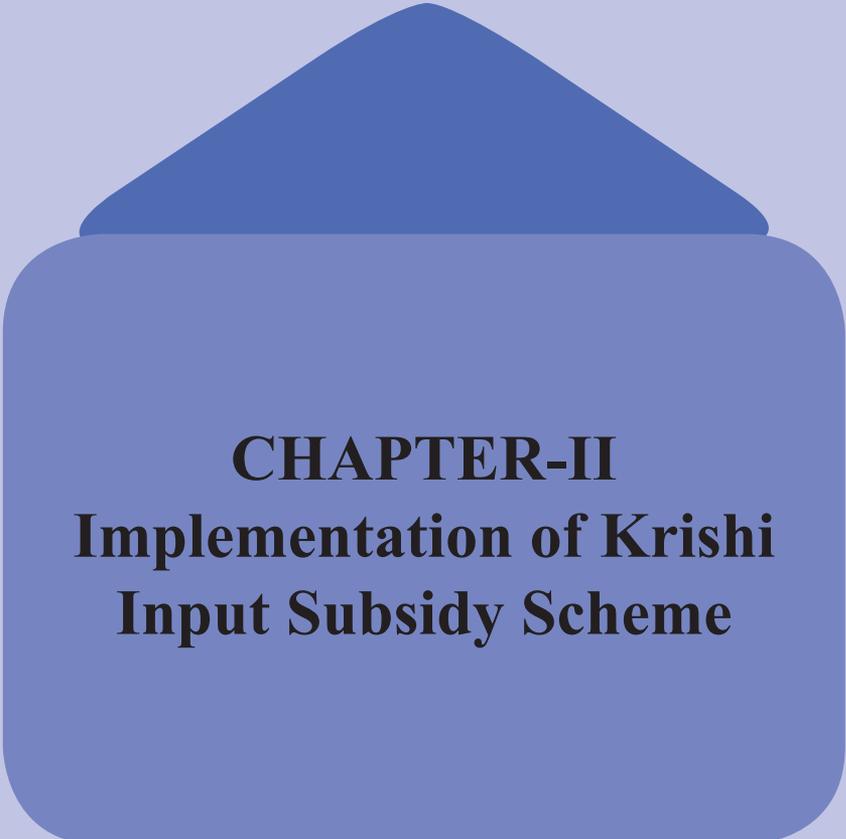
1.3.6 Recoveries at the instance of Audit

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 2022-23, in 44 cases, recoveries amounting to ₹ 29.90 crore, were pointed out by Audit and accepted by the Departments. However, the Departments had recovered only ₹ 1.27 crore in seven cases.

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

Audit of accounts of 12 Autonomous Bodies (ABs) in the State was entrusted to the Comptroller and Auditor General of India, out of which entrustment in respect of accounts of five ABs, has not been renewed. The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Reports and their placement in the Legislature is detailed in *Appendix-1.4*.



CHAPTER-II
Implementation of Krishi
Input Subsidy Scheme

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SUBJECT SPECIFIC COMPLIANCE AUDIT

AGRICULTURE DEPARTMENT

2. Implementation of Krishi Input Subsidy Scheme

Identification of blocks/districts affected by disasters was flawed. The payment of Krishi Input Subsidy (KrIS) was made beyond the identified districts/blocks. Manual processes were adopted in the identification of affected land and beneficiaries as the KrIS database was not seamlessly integrated with the land database of the Revenue and Land Reforms Department, hampering the identification of beneficiaries and affected lands. Furthermore, the KrIS database lacked proper validation and input controls resulting in undue, excess, short, inadmissible, and double payments, as well as rejection of numerous applications without stated/cogent reasons. The application software was not mapped to adhere to prescribed timelines, resulting in delays in processing and disbursement of KrIS. The financial inclusion of beneficiaries was inadequate, leading to non-payment of subsidy to a substantial number of legitimate beneficiaries.

The financial management of the Scheme exhibited deficiencies including, premature fund withdrawal, parking of unutilized funds, delayed surrender of funds and non-remittance of interest into Government Account.

2.1 Introduction

Krishi Input Subsidy (KrIS) under Krishi Input Subsidy Scheme¹ is disbursed to farmers of the State of Bihar, to provide them immediate relief from damages caused to their crops due to natural calamities viz., flood/excessive rain, hailstorm, as well as drought/scanty rain. The subsidy is paid, as per the State Disaster Response Fund (SDRF) guidelines and norms of assistance issued by the Ministry of Home Affairs (Disaster Management Division), Government of India (GoI) and Disaster Management Department (DMD), Government of Bihar (GoB). Payment of subsidy is made via DBT mode by the Agriculture Department (Department), GoB.

On the occurrence of any notified natural calamity, the Department assesses the damaged area and scope of crop-loss. Based on the assessment report of the Department, the districts and blocks thereunder are identified as affected and DMD releases funds to the Department from SDRF/State resources², after approval of the State Executive Committee³ (SEC). Thereafter, the Agriculture Department issues *Kriyanvayan Anudesh (Anudesh)*, which contains instructions

¹ It was found mentioned as 'Krishi Input Subsidy Scheme' in the State Government's records, though the State has not notified this as a Scheme.

² For prescribed disasters, any amount spent by the State Government beyond the ceiling and rates provided under the SDRF norms of assistance was to be borne out of its resources and not from SDRF.

³ Headed by the Chief Secretary, established under SDRF guidelines, which is the apex body to approve proposals of assistance/subsidy from SDRF.

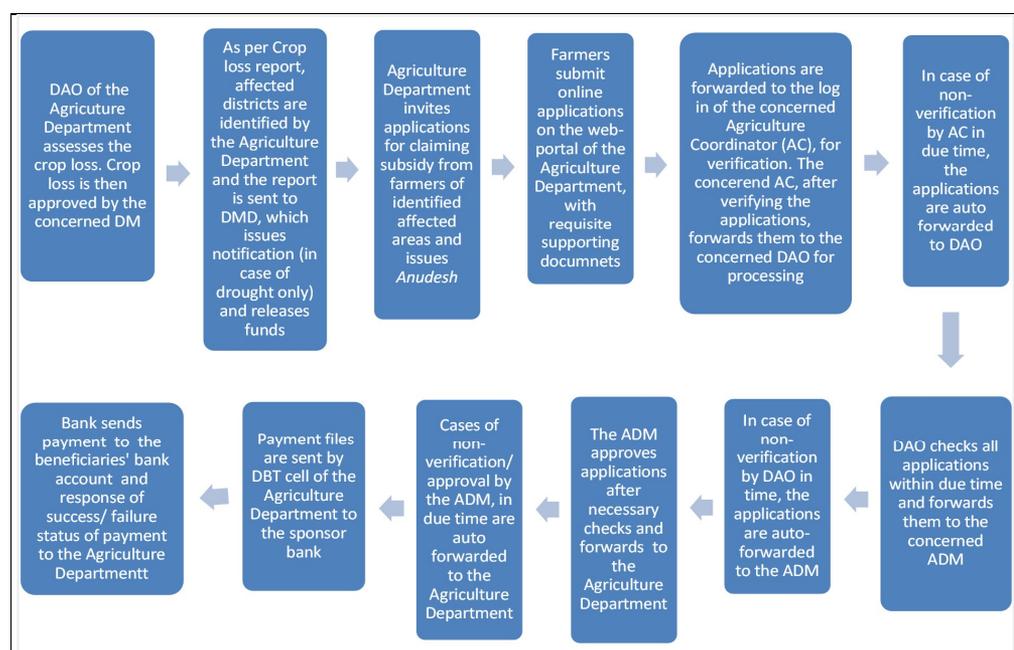
and modalities for invitation of applications, their processing by the Department and payment of subsidy to the applicants. Applications are invited from farmers of the affected areas by the Department through advertisements published in local newspapers. The affected farmers are to submit applications on the DBT portal (dbtagriculture.bihar.gov.in) to claim Krishi Input Subsidy. The verification of the affected land/beneficiaries' claims is conducted at the Panchayat level by the Agriculture co-ordinator (AC). The applications are processed online and forwarded to the concerned District Agriculture Officer (DAO) alongwith recommendation thereon. DAO further checks the applications and final payment is approved and sent to the Department after due verification by the Additional Collector (hereinafter referred as ADM). The subsidy is disbursed to bank accounts of the beneficiaries by the DBT cell of the Department.

2.2 Roles and Responsibilities

The Agriculture Department, GoB, headed by the Principal Secretary, administers the execution of KrIS. The Directorate of Agriculture, headed by a Director, is the executing body for implementation of the Scheme at the State level. Further, the Agriculture Co-ordinator (AC) at the Panchayat level and the Additional Collector (ADM) (Relief), or the officer in-charge of relief at the district level (nominated by District Magistrate) and the District Agriculture Officer (DAO), are entrusted with the responsibility of identification of beneficiaries/land and payment of KrIS. A Nodal officer, in charge of the DBT Cell (at the Headquarters level of the Department), is entrusted with the task of facilitating DBT of KrIS, in the bank accounts of beneficiaries.

The process involved in payment of Krishi Input Subsidy, is shown in **Chart 2.1**.

Chart 2.1:



(Source: Records of the Agriculture Department, GoB)

2.3 Audit Objectives

The audit objectives of the SSCA were to assess whether:

- the natural disaster, districts/blocks affected and beneficiaries of the Scheme had been identified as per prescribed parameters;
- funds were provided adequately and timely, and due subsidy was timely disbursed to eligible beneficiaries; and
- monitoring and feedback mechanism of the Scheme was in place and was adequate, efficient and effective.

2.4 Audit criteria

Audit criteria have been derived from the following sources:

- Notifications/resolutions/circulars issued for payment of KrIS and Standard Operating Procedure (SOP) for drought and flood management issued by the DMD;
- Circulars/orders/guidelines/*Kriyanvayan Anudesh (Anudesh)* issued by the Agriculture Department including its Directorate and DBT cell, from time to time;
- Bihar Financial Rules (BFR), 1950 (as amended from time to time), Bihar Treasury Code (BTC), 2011 and circulars/instructions/ notifications issued by the Finance Department, GoB;
- SDRF guidelines and notifications/circulars, issued from time to time and;
- Bihar Irrigation Rules, 2003.

2.5 Audit scope, methodology and limitations

The Subject Specific Compliance Audit (SSCA) of KrIS Scheme for financial years (FYs) 2018-23 was conducted between April and September 2023. Records/data of the Principal Secretaries of the Disaster Management Department and the Agriculture Department (including DBT Cell), Government of Bihar and the Directorate of Agriculture, were examined at the apex level. At the field level, records/data of 10 District⁴ Agriculture Offices (DAOs)⁵; 20 Block Agriculture Offices⁶ (two in each district) and 41 Panchayats (two Panchayats in each block and one Panchayat where no payments of KrIS were made) were test-checked. The total expenditure incurred on the disbursement of subsidy, as per the data provided by the Department, was ₹ 3,284.87 crore. Out of this, expenditure incurred in the sampled districts was ₹ 1,321.54 crore (40.23 per cent of the total), during FYs 2018-23.

⁴ *Bhagalpur, Darbhanaga, Kaimur, Madhubani, Muzaffarpur, Nawada, Purnea, Rohtas, Siwan and Vaishali.*

⁵ *Districts were selected randomly, using IDEA software, by distributing all the districts into six strata, based on expenditure.*

⁶ *Selection of Blocks and Panchayats was based on the amount of subsidy payments made.*

The Audit methodology *inter alia* included scrutiny of records/files/data, obtaining information by issuing questionnaire and proforma, analysis of data/response of the auditee units. Besides, to validate audit findings and to get beneficiaries' feedback, joint survey of 820 randomly selected beneficiaries (20 from each panchayat), was conducted.

An Entry meeting was held (19 April 2023) with the Joint Secretary, Agriculture Department, Government of Bihar. Further, an Exit Conference was held (18 July 2024) with the Director, Agriculture Department to discuss the major findings of this SSCA. The responses of the Department, on the audit findings, wherever received, have been incorporated at suitable places in the Report.

2.5.1 Limitations to this Subject Specific Compliance Audit

➤ Limitations to this SSCA, included non/partial production of vital records/data (**Appendix-2.1**). Non-availability of these records/information affected comprehensive coverage of non-compliance related issues in KrIS Scheme during audit. For example, due to non-production of MoUs executed by the Department with banks, Audit could not cross check applicable terms and conditions or measures exercised by the Department to ensure compliance with provisions of "*Anudesh*". Further, due to non-production of Fund Transfer Orders (FTO) issued by the Agriculture Department, (for 2018-19), the process of transfer of funds and their authorization could not be checked (**Refer: Paragraph 2.9.12**).

➤ During analysis of KrIS database (test-checked districts) for disasters which occurred during the years 2018-22, it was observed that 24,601 applications were submitted by farmers to obtain subsidy, for more than one type of land (rain fed/irrigated) or more than one type of crop (perennial/non-perennial). Different rates of subsidy were prescribed for different types of lands and crops in the "*Anudesh*". However, the concerned ACs approved/recommended the affected area of 9,472 Ha in a single "field". This "field" did not have any mention of type of land/crop under loss. Due to this non-mentioning with any specific type of land/crop-types, KrIS of ₹ 11.15 crore was paid in these cases without any trail of the rates applied by ACs during processing of applications (**Appendix-2.2**).

Therefore, in the absence of information related to land-type (Irrigated/rain-fed) and crop-type (perennial/non-perennial) in the system, the subsidy amount approved in these cases, could not be verified by Audit.

2.6 Identification of Disasters, Districts and blocks for payment of KrIS

One of the most important factors for payment of KrIS was proper identification of disasters, as well as of districts and blocks affected by such disasters. The identification of affected areas is based on the assessment of affected crops/land carried out by the DAO (at district level) and approved by the Agriculture Department. Districts, blocks and disasters, identified by the Agriculture

Department and release of payment for KrIS, during 2018-23, are detailed in Table 2.1.

Table 2.1: Districts, blocks and disasters identified for payment of KrIS

| Sl. No. | Financial Year | Disaster (season and year) | No. of affected districts | No. of Affected Blocks | No. of farmers paid (in lakh) | Amount of subsidy paid (₹ in crore) |
|---------|----------------|--|---------------------------|------------------------|-------------------------------|-------------------------------------|
| 1. | 2018-19 | Drought (Kharif 2018) | 25 ⁷ | 280 | 13.36 | 904.77 |
| 2. | 2019-20 | Hailstorm/storm/untimely rain (Rabi, February 2020) | 11 ⁸ | NA ⁹ | 1.86 | 54.76 |
| 3. | | Hailstorm/storm/ untimely excessive rain (Rabi, March 2020) | 23 ¹⁰ | NA | 10.33 | 363.73 |
| 4. | | Flood/ excessive rain (Kharif 2019) | 32 ¹¹ | NA | 14.38 | 625.04 |
| 5. | 2020-21 | Hailstorm/ storm/ untimely excessive rain (Rabi, April 2020) | 19 ¹² | 148 | 5.09 | 129.20 |
| 6. | | Flood/Excessive rain (Kharif 2020) | 17 ¹³ | 206 | 14.61 | 616.01 |
| 7. | 2021-22 | Yaas toofan (Rabi, May 2021) | 16 ¹⁴ | 95 | 3.43 | 77.32 |
| 8. | | Flood/excessive rain (Kharif 2021) | 30 ¹⁵ | 265 | 12.48 | 514.04 |
| 9. | 2022-23 | Drought (Kharif 2022) | 11 ¹⁶ | 96 | NA | 0 |

(Source: Information provided by the Agriculture Department and the Disaster Management Department, GoB)

Audit findings

Audit observed instances of payments due to irregular/incorrect identification of disasters, districts/blocks leading to irregular/inadmissible payment of KrIS, as discussed in the succeeding paragraphs.

⁷ Patna, Bhojpur; Buxar, Kaimur; Gaya, Jehanabad, Nawada, Aurangabad, Saran, Siwan, Gopalganj, Muzaffarpur; Vaishali, Darbhanga, Madhubani, Samastipur; Munger; Sheikhpura, Jamui, Bhagalpur; Banka, Nalanda, Saharsa, Sitamarhi and Lakhisarai.

⁸ Patna, Buxar, Gaya, Kaimur, Jehanabad, Aurangabad, Muzaffarpur; East Champaran, Vaishali, Samastipur and Bhagalpur.

⁹ Information was not available.

¹⁰ Patna, Nalanda, Bhojpur; Buxar, Rohtas, Kaimur, Gaya, Jehanabad, Arwal, Nawada, Aurangabad, Gopalganj, Muzaffarpur; West Champaran, Darbhanga, Samastipur; Munger; Sheikhpura, Lakhisarai, Bhagalpur; Banka, Madhepura and Kishanganj.

¹¹ Araria, Arwal, Begusarai, Bhagalpur; Bhojpur; Buxar, Darbhanga, East champaran, Jehanabad, Katihar, Khagaria, Lakhisarai, Madhubani, Munger; Muzaffarpur; Nalanda, Nawada, Patna, Purnea, Saharsa, Samastipur, Sheohar, Sitamarhi, Supaul, Bhabhua, Gaya, Saran, Gopalganj, Aurangabad, Vaishali, Sheikhpura and Madhepura.

¹² Gopalganj, Muzaffarpur; East Champaran, West Champaran, Sitamarhi, Sheohar; Darbhanga, Madhubani, Samastipur; Begusarai, Lakhisarai, Khagaria, Bhagalpur; Saharsa, Supaul, Madhepura, Purnea, Kishanganj and Araria.

¹³ Madhepura, East Champaran, Bhagalpur; Khagaria, Madhubani, Saharsa, Muzaffarpur; Samastipur; Begusarai, Sheohar; West Champaran, Siwan, Saran, Darbhanga, Vaishali, Sitamarhi and Gopalganj.

¹⁴ Patna, Bhojpur; Buxar; Arwal, West Champaran, Vaishali, Darbhanga, Madhubani, Sheikhpura, Lakhisarai, Khagaria, Saharsa, Madhepura, Purnea, Araria and Katihar.

¹⁵ Patna, Nalanda, Bhojpur; Buxar; Bhabhua, Gaya, Jehanabad, Saran, Siwan, Gopalganj, Muzaffarpur; East Champaran, West champaran, Sitamarhi, Vaishali, Darbhanga, Madhubani, Samastipur, Begusarai, Munger, Sheikhpura, Lakhisarai, Khagaria, Bhagalpur; Saharsa, Supaul, Madhepura, Purnea, Araria and Katihar.

¹⁶ Jehanabad, Sheikhpura, Gaya, Aurangabad, Nawada, Munger, Lakhisarai, Jamui, Nalanda, Banka and Bhagalpur.

2.6.1 Payment of KrIS in unidentified districts/blocks

Comparison of the assessment report of crop loss finalised by the Agriculture Department with the KrIS database revealed that subsidy of ₹ 26.27 crore was paid to beneficiaries of the districts/blocks which were not identified as affected by disasters. Related audit findings are discussed in the succeeding paragraphs.

2.6.1.1 Payment of subsidy for flood in unidentified districts/blocks

It was noticed during audit that for the *Kharif* season of 2019, the Agriculture Department identified (October 2019) 32 districts as flood affected. However, for the same crop season, the DMD recognised 26 districts as affected by floods, vide its resolution dated 30 October 2019.

Identification of different numbers of districts, based on varying criteria, led to discrepancies in payment of subsidy as detailed below:

Audit compared the districts mentioned in the resolution issued by DMD, identified by the Agriculture Department and districts in which payment of KrIS was actually made and observed that payment of KrIS was made to the applicants of 32 districts. Out of these 32 districts: (i) 30 districts were identified by the Agriculture Department (ii) 22 were recognised by DMD as flood affected (iii) 22 districts were common to both the Departments (iv) eight districts existed only in the list of Agriculture Department and (v) two districts (Jamui and Siwan) were neither identified by the Agriculture Department nor by DMD.

Audit further observed that payment of subsidy amounting to ₹ 21.48 crore was made in 10 such districts¹⁷ that were not declared as flood affected as per the resolution of the DMD (nodal Department for this purpose), issued during this season. These 10 districts included Jamui and Siwan that were not identified as flood affected either by the Agriculture Department or by the DMD. Despite this, KrIS of ₹ 1.88 crore was paid to the beneficiaries of these two districts.

- On further scrutiny of records, it was also observed that for *Kharif* season of 2019 flood, subsidy of ₹ 399.48 crore was paid to the beneficiaries of 267 blocks. These 267¹⁸ blocks included 41 such blocks which were not identified as flood affected by the Agriculture Department during this crop season. As such, payment of KrIS of ₹ 0.44 crore made to the 614 applicants of these 41 blocks was irregular.

Department stated in the Exit Conference that from 2021-22 the identified districts/blocks are validated/locked in the system, which was not done initially. Further, they also stated that cases pointed out by Audit will be examined and action will be taken accordingly.

¹⁷ Aurangabad, Gaya, Gopalganj, Jamui, Kaimur, Madhepura, Saran, Sheikhpura, Siwan and Vaishali. KrIS was not paid in four (Darbhanga, East Champaran, Kishanganj and Supaul) districts, although these were recognized as flood affected by the DMD.

¹⁸ Payments were made in 226 identified blocks (out of 242) and 41 unidentified blocks.

2.6.1.2 Payment of subsidy for unsown land in unidentified districts/blocks

As per the resolution of the DMD issued in October 2019 for allotment of funds for payment of KrIS to farmers affected by flood/scanty rain, KrIS was to be paid for unsown land from the State resources. During *Kharif* season of 2019, the Agriculture Department assessed/identified 16 districts, wherein land remained unsown due to scanty rain.

- However, analysis of KrIS payment data revealed that instead of 16 districts, subsidy of ₹ 225.56 crore was paid in 29 districts¹⁹ for land remaining unsown during *Kharif* season of 2019. This included subsidy of ₹ 4.03 crore paid to the applicants in 14 such districts²⁰, which were not among the identified districts wherein land had remained unsown. This led to irregular payment of KrIS of ₹ 4.03 crore in these 14 districts.
- Scrutiny of crop loss assessment report of Muzaffarpur district and analysis of KrIS payment data revealed that subsidy of ₹ 7.69 crore was paid in 12 blocks of the district, for land remaining unsown during *Kharif* season of 2019. These 12 blocks included three such blocks²¹, which were not among the blocks that were identified as unsown by the DAO. Thus, KrIS of ₹ 31.62 lakh, was irregularly paid to beneficiaries, in these three blocks.

These discrepancies not only showed lack of input control in the web-application of KrIS but also lack of due diligence by the authorities who approved the payment to the beneficiaries. This resulted in irregular payment of ₹ 26.27 crore to applicants of the districts/blocks which were not identified as affected by disasters.

The Department replied in the Exit Conference that from 2021-22 the identified districts/blocks are validated/locked in the system which was not done initially. Further, cases pointed out by Audit will be examined and action will be taken accordingly.

2.6.2 Payment of subsidy more than the identified (assessed) crop loss

Funds for payment of KrIS are allotted by the DMD as per the crop-loss assessed and reported by the Agriculture Department. In cases where payment made was more than the crop-loss area reported, the Department issued instructions (June 2021) to obtain the approval of the competent authority. Further, instructions to lock the reported area of crop loss in the KrIS software were issued by the Agriculture Department during *Kharif* season of 2020, so that payment of subsidy could not be made/processed for more than the reported area of crop loss.

¹⁹ Payments were made in 15 identified districts (out of 16) and 14 unidentified districts.

²⁰ Araria, Begusarai, Bhojpur, Buxar, Darbhanga, Katihar, Khagaria, Madhubani, Saharsa, Samastipur, Saran, Sheohar, Sitamarhi and Siwan.

²¹ Bandara, Bochaha and Minapur.

- On scrutiny of assessment report of crop loss of the Department for 2018-19 to 2021-22, Audit observed that no analysis was conducted to compare the area of crop loss and payments made, by the Agriculture Department during this period. It was also observed that in 18 districts²², the Department assessed payable subsidy of ₹ 434.85 crore, for crop loss in 3.26 lakh Ha due to flood/hailstorm/excessive and untimely rain²³, in 2020 and 2021. However, against this assessment, the Department disbursed subsidy of ₹ 573.51 crore for crop loss in 4.45 lakh Ha. Thus, the Department disbursed subsidy of ₹ 138.66 crore for crop loss in an area which was more than the identified (assessed) area of crop loss by 1.19 lakh Ha. This additional payment made for these four disasters remained undetected by the Department as the area was not locked in the application software.
- Further, despite the fact that specific instructions had been issued by the Agriculture Department in June 2021 for regularisation of excess payment of ₹ 29.71 crore (related to *Kharif* season of 2020), the same was not found approved by the Competent Authority leading to unauthorised payment of ₹ 29.71 crore.
- On scrutiny of the assessment report of the Department and analysis of KrIS related data for *Kharif* season of 2019, Audit observed that in three districts²⁴, the Department assessed a subsidy of ₹ 57.47 crore, for 0.85 lakh Ha land which remained unsown due to scanty rain during the season. However, the Department disbursed a subsidy of ₹ 70.73 crore to the applicants for crop-loss in 1.00 lakh Ha, which resulted in payment of subsidy of ₹ 13.26 crore for crop loss in an area which was more than the identified (assessed) area by 0.15 lakh Ha, which remained undetected by the Department.

The payment of subsidy amounting to ₹ 151.92 crore for crop-loss in an area which was more than the identified area by ₹ 1.34 lakh Ha indicated lack of due diligence by the approving authorities (DAO/ADM) and absence of processing control in the DBT application resulting in payment of KrIS for area more than the assessment area.

The Department replied in the Exit Conference that the identified/reported crop loss area is being locked in the system since 2021-22, which was not done initially. Also, cases pointed out by Audit will be examined and action will be taken accordingly.

²² Araria, Bhagalpur, Bhojpur, Darbhanga, Gaya, Kaimur, Kishanganj, Madhepura, Madhubani, Munger, Muzaffarpur, Nawada, Patna, Purnea, Saharsa, Samastipur, Saran and Sheohar.

²³ Flood: *Kharif* 2019, Hailstorm: February 2020, Hailstorm: March 2020 and Hailstorm: April 2020.

²⁴ Gaya, Munger and Sheikhpura.

2.7 Absence of Validation process of landholdings of KrIS applications

As per the “*Anudesh*” issued for processing of KrIS applications, the identification/verification of beneficiaries/affected land, was to be carried out in off line mode by the ACs of the Department.

During scrutiny of records in the Department, it was observed that the database of KrIS was not integrated with the land database of Revenue and Land Reforms Department. In the absence of this integration, the land holding details of the farmers uploaded in the application database were not verified/validated from source data during process of verification of applications to confirm the eligibility/entitlement of the farmer. Even the process for offline verification of land entitlements was not prescribed, which led to risk of payment of KrIS to ineligible persons as mentioned in **Paragraphs 2.8.2 and 2.8.13**.

Sub-rule (a) of Rule 3.2.2 of the Bihar Irrigation Rules, 2003, provides that the Divisional Canal Officer shall notify assured irrigable area which has been getting irrigation water continuously in the last five years. Sub-rule (b) of the Rule *ibid* provides that such declaration shall be widely published and the name of landowner and *Khesra* number (a unique identity number of a plot, situated in a revenue village) shall be indicated in the declaration.

During analysis of KrIS data and other relevant records, it was observed that verification of assured irrigated land by the field functionaries *viz.* AC/DAO/ADM, was not prescribed in the “*Anudesh*”, issued by the Agriculture Department. Payment of KrIS of ₹ 1,193.53 crore was found made to 24.30 lakh such applicants who had applied for subsidy under ‘assured irrigated land’ category, due to crop loss. This category of land was affected by all the eight disasters that occurred during 2018-22 in the 10 test-checked districts. In the absence of instructions related to verification in the “*Anudesh*”, the risk of improper processing of applications at the discretion of field functionaries cannot be ruled out. Further, details of verification of assured irrigated land carried out by the concerned field functionaries, in cases of these 24.30 lakh applicants were also not found recorded in the database of the Department.

Recommendation 1: The Agriculture Department may prescribe mandatory verification of land details of the applicants by integrating with source database of Revenue and Land Reforms Department.

2.8 Payment of Krishi Input Subsidy in test-checked districts

Details of assessment of crop loss, applications received and KrIS paid for eight natural disasters that occurred in the 10 test checked districts during FYs 2018-19 to 2021-22, are given in **Table 2.2**.

Table 2.2: Assessment of crop loss, application by farmers and payment of KrIS in the test-checked districts for disasters during 2018-19 to 2021-22 (as of May 2023)

(₹ in crore)

| Disaster (season) | Assessment of crop loss | | Application | | | Payment | | |
|---|-------------------------|-----------------|------------------|-------------------|-----------------|------------------|-------------------|-----------------|
| | Area (in lakh Ha) | Amount | No. of farmers | Area (in lakh Ha) | Amount | No. of farmers | Area (in lakh Ha) | Amount |
| Drought (<i>Kharif</i> 2018) | 3.82 | 465.10 | 6,49,092 | 6.95 | 871.54 | 5,21,542 | 2.95 | 369.07 |
| Flood/excessive rain (2019 <i>Kharif</i>) | 2.33 | 244.17 | 7,59,918 | 7.91 | 832.80 | 4,62,238 | 2.04 | 220.95 |
| Hailstorm/storm/untimely rain February (<i>Rabi</i> 2020) | 0.11 | 14.90 | 3,74,879 | 4.05 | 532.61 | 72,859 | 0.19 | 25.58 |
| Hailstorm/storm/untimely excessive rain (<i>Rabi</i> March 2020) | 1.00 | 134.97 | 4,53,033 | 5.21 | 689.19 | 3,68,389 | 1.39 | 175.19 |
| Hailstorm/storm/untimely excessive rain (<i>Rabi</i> April 2020) | 0.40 | 57.11 | 3,13,136 | 2.63 | 358.53 | 1,74,458 | 0.33 | 47.67 |
| Flood/excessive rain (<i>Kharif</i> 2020) | 2.93 | 391.61 | 7,06,964 | 6.70 | 882.89 | 5,81,276 | 1.87 | 253.05 |
| Flood/excessive rain (<i>Kharif</i> 2021) | 2.46 | 330.93 | 7,85,879 | 8.38 | 1,082.25 | 5,05,795 | 1.55 | 207.10 |
| Yaas <i>Toofan</i> (<i>Rabi</i> May 2021) | 0.25 | 34.35 | 2,59,712 | 2.04 | 274.99 | 1,19,492 | 0.14 | 22.93 |
| Total | 13.30 | 1,673.14 | 43,02,613 | 43.87 | 5,524.80 | 28,06,049 | 10.46 | 1,321.54 |

(Source: Assessment report and KrIS database provided by DBT cell)

It can be seen from **Table 2.2** that:

(i) in the test-checked districts, subsidy of ₹ 5,524.80 crore, on account of crop loss, was claimed by 43,02,613 applicants. However, against this, subsidy of only ₹ 1,321.54 crore (24 per cent), was paid to 28,06,049 applicants (65 per cent). The remaining (35 per cent) applications were either rejected by the Department or payments failed, while disbursing subsidy (**Paragraphs 2.9.6, 2.9.7 and 2.9.8**).

(ii) against the assessment of total crop loss in 13.30 lakh hectare (Ha) area, applications were submitted for 43.87 lakh Ha of land *i.e.*, more than three times the crop loss assessed. The subsidy payments, however, were made against 10.46 lakh Ha area of land (79 per cent of the assessed crop loss area) only.

Analysis of database of payments of KrIS in 10 test-checked districts revealed several deficiencies like excess/short payment, inadmissible payments and irregular payments *etc.*, indicating lack of automation, validation and input controls as discussed in the succeeding paragraphs.

2.8.1 Payment of KrIS in excess of SDRF norms

Ministry of Home Affairs, GoI, vide letter dated 8 April 2015, prescribed the items and norms of assistance from SDRF. Based on this the Disaster Management Department, GoB notified (May 2015) SDRF rates of assistance for disasters as follows:

For farmers having landholding up-to two Ha;

- (i) ₹ 6,800 per hectare, for rain fed areas, restricted to sown areas;
- (ii) ₹ 13,500 per hectare in assured irrigated areas, subject to minimum assistance not less than ₹ 1,000 and restricted to sown areas; and
- (iii) ₹ 18,000 per hectare for all types of perennial crops, subject to minimum assistance not less than ₹ 2,000 and restricted to sown areas.

Farmers having more than two Ha of landholding;

- (i) ₹ 6,800 per hectare, for rain fed areas, restricted to sown areas;
- (ii) ₹ 13,500 per hectare for areas under assured irrigation and restricted to sown areas; and
- (iii) ₹ 18,000 per hectare for all types of perennial crops and restricted to sown areas.

These rates of assistance were to be provided in the cases wherein crop loss is 33 per cent and above, subject to a ceiling of two Ha per farmer.

As per the above notified rates, the minimum amount of assistance was not applicable for land under rain fed category and landholding of more than two Ha. These rates were obligatory only for making payment of KrIS from SDRF and the State Government could pay assistance over and above these rates, from its own resources.

It was, however, observed that the Agriculture Department, through its “Anudesh”, (set of instructions for processing and payment of KrIS) prescribed a minimum payment of ₹ 1,000 for rain fed/irrigated land and ₹ 2,000 for perennial crops, for all types of farmers. Thereby, conditions of the landholding ceiling of two Ha per farmer, as well as exclusion of rain fed areas for the purpose of minimum quantum of assistance, were not observed. These instructions of KrIS “Anudesh” were contrary to the adopted SDRF norms which prescribed minimum payment of ₹ 1,000 to farmers having landholding below two Ha under assured irrigated category only. Thus, the difference between the “Anudesh” and SDRF norms allowed payment of subsidy at the minimum rates to all types of farmers, rather than to farmers having landholding below two Ha under assured irrigated and perennial category only.

On analysis of KrIS database for disasters occurring during crop seasons 2019-20 to 2021-22, Audit observed that in 10 test-checked districts, subsidy payment of ₹ 5.65 crore, at the minimum rates of ₹ 1,000/₹ 2,000 per farmer was made in 0.56 lakh cases. Audit noticed that SDRF norms as detailed above did not prescribe payment of KrIS at the minimum rates in cases where the farmer had landholding either above two Ha under any category (rainfed/assured irrigated/perennial) or, below two Ha under the rain fed category. However, payment of KrIS was made to these 0.56 lakh applicants irrespective of the size, as well as categories of their landholdings.

Audit further analysed that as per the details of landholdings provided by the applicants, actual crop loss area and category of landholding/crop, verified and recommended by the AC, these farmers were eligible for subsidy of only ₹ 1.91 crore, as per the SDRF norms.

Thus, non-prescribing of rates of assistance, in the “Anudesh”, as per the rates prescribed under SDRF norms, resulted in excess payment of ₹ 3.74 crore to the applicants (*Appendix-2.3 (A&B)*).

Recommendation 2: The Agriculture Department may ensure adherence to SDRF norms for KrIS payment and may take up the issue of any difference in assistance rates/category of beneficiaries with the Disaster Management Department.

2.8.2 Excess/short/ irregular payment of Krishi Input Subsidy

The “Anudesh” provided that the AC would verify the claim of the applicant mentioned in the application within the prescribed period and either accept the claim or reject it with reason or accept after rectification and send it to the DAO with their recommendation. The DAO was required to verify all the applications in their login within the prescribed period and either reject the claim with reason or accept and send it with their recommendation to the ADM, Relief/ Officer nominated by the DM, for their approval. The ADM, relief/officer nominated by DM was required to send the accepted/approved applications to the Agriculture Department, for payment of KrIS. Thus, the DAOs/ADMs were not to rectify/alter the subsidy payment finalized by the concerned AC, although, they could either accept or reject the application, by mentioning the reason.

As per the “Anudesh”, the payment of KrIS depends on the area of crop loss, category of affected land, type of affected crop, verification/examination of beneficiary/ affected land and the rates and conditions prescribed for payment of KrIS, as detailed in *Paragraph 2.8.1*.

In 10 test-checked districts, for disasters occurring during 2018-19 to 2021-22, Audit observed cases of non-compliance with the provisions of “Anudesh”, during the processing of KrIS applications, resulting in excess/short/irregular payment of subsidy *etc.*

(i) Excess payment of KrIS

In light of provisions contained in “Anudesh” mentioned above and analysis of KrIS database it was observed that 44,185 applications for subsidy were received for crop loss occurring in 44,891 Ha, in 10 test-checked districts. These applications were related to disasters occurring during 2018-22. Based on the process of verification of the affected land/beneficiaries, as well as the documents uploaded by beneficiaries, crops loss covering 18,057 Ha was recommended by ACs for payment of KrIS. This land area comprised irrigated, rain-fed and perennial crops covering an area of 4,258 Ha, 13,794 Ha and five Ha, respectively. As per the rates applicable for irrigated/rainfed land and

perennial crop, KrIS of ₹ 15.14 crore only was payable in these cases. However, the concerned DAO/ADM approved KrIS amount to be paid to beneficiaries by modifying the quantum of assistance payable. Due to this, KrIS of ₹ 27.63 crore was paid to the beneficiaries resulting in excess payment of ₹ 12.49 crore to the beneficiaries (**Appendix-2.4**).

Further, Audit cross-verified land information (*Khesra, Khata*²⁵, *Thana* number²⁶, applied *rakwa* or area *etc.*) related to 820 beneficiaries, mentioned in the database, with the land documents (rent receipts/*Jamabandi*²⁷/Land Possession Certificate (LPC) *etc.*) uploaded by them in the said database. It was observed that in nine test-checked districts (except Kaimur), 56 beneficiaries had applied for subsidy for crop loss in 74.67 Ha land, during 2019-20 to 2021-22 but in support of their claims, land documents for 18.61 Ha only had been uploaded. Based on type and size of landholdings, subsidy of only ₹ 2.51 lakh was payable to them. However, they were paid subsidy of ₹ 5.37 lakh for 41.40 Ha of land, without the existence of sufficient land records in the system, indicating lack of due diligence by the approving authorities. This resulted in excess payment of KrIS of ₹ 2.86 lakh to these 56 beneficiaries.

(ii) Short payment of KrIS

In light of provisions contained in “*Anudesh*” mentioned above and analysis of KrIS database pertaining to disasters which occurred during 2018-22 (in 10 test-checked districts), it was noticed that 14.74 lakh applications for KrIS were received for crop loss in 15.98 lakh Ha. On the basis of verification of the affected land/beneficiaries, as well as the documents uploaded by the beneficiaries, an area of 7.32 lakh Ha was recommended by the concerned ACs for payment of KrIS, which comprised irrigated, rain-fed and perennial crops of 6.31 lakh Ha, 0.98 lakh Ha and 0.03 lakh Ha, respectively. As per the rates applicable for irrigated/rainfed land and perennial crop, KrIS of ₹ 923.39 crore was payable to the 14.74 lakh beneficiaries. However, against this, KrIS of ₹ 883.65 crore only was paid after approval of reduced subsidy at the DAO/ADM levels, which resulted in short payment of ₹ 39.73 crore to the beneficiaries (**Appendix-2.5**).

Audit verified land/beneficiaries, as well as documents uploaded for KrIS related to 8,586 applications received for crop loss in 7,276 Ha in 10 test-checked districts, for disasters occurring during 2018-22. Based on verification of the affected land/beneficiaries, as well as documents uploaded, an area of 1,542 Ha was recommended by the concerned ACs for payment of KrIS, under irrigated land category. As per the rate applicable for irrigated land, KrIS of ₹ 2.08 crore (at the rate of ₹ 13,500 per Ha) was payable, in these 8,586 cases. However, the concerned DAO/ADM modified the quantum of assistance in these cases to ₹ 1,000 per applicant. Therefore, KrIS of ₹ 0.86 crore only was paid in these 8,586 cases, resulting in short payment of ₹ 1.22 crore (**Appendix-2.6**) to the beneficiaries.

²⁵ An account number that is assigned to a family and represents the total landholding of all of its members.

²⁶ Revenue village number.

²⁷ Land record ledger of a landholder.

(iii) Irregular payment of KrIS

Scrutiny of the KrIS database showed that 26,661 applications were received for crop loss in 28,264 Ha in nine of 10 test-checked districts (except Rohtas), for disasters during 2018-22. With regards to these 26,661 applications, the concerned ACs recommended 'Nil' area for payment of the subsidy, based on the process of verification and documents uploaded by the beneficiaries. Despite this, KrIS of ₹ 2.69 crore was paid irregularly to the applicants after approval of the concerned DAO/ADM (**Appendix-2.7**).

As detailed above, excess/short/irregular payments in 15.53 lakh cases indicated non/improper mapping of business rules in the KrIS database and non-compliance with the provisions of "Anudesh" by the concerned DAO/ADM while processing/ approving the applications, leading to overall irregular/short/excess payment of ₹ 56.14 crore of KrIS.

The Department stated in the Exit Conference (July 2024) that the reply will be sent after examination of the facts/figures of the audit observation.

2.8.3 Double payment of KrIS

As per "Anudesh", the farmers, while applying for KrIS, were required to mention their total affected land to avoid double payment of subsidy for the same disaster during a season. Further, the Department instructed sponsor banks to equip their systems with de-duplication features to detect and weed out duplicate beneficiaries.

Audit analysis of KrIS database showed that in three districts the subsidy was paid twice to 61 beneficiaries for drought occurring during *Kharif* season of 2018 and for the flood occurring during the *Kharif* season of 2020. Double payment to a beneficiary for a disaster in the same season indicated that the approving authorities, as well as the system could not detect duplicate applications for KrIS. This resulted in excess payment of ₹ 3.60 lakh, as detailed in **Table 2.3**.

Table 2.3: Cases of double payment of KrIS

| Sl. No. | Name of the disaster (season) | District | No. of cases | No. of beneficiaries involved | Amount of payment (in lakh ₹) |
|--------------|--|-------------|--------------|-------------------------------|-------------------------------|
| 1. | Drought (<i>Kharif</i> 2018) | Muzaffarpur | 44 | 22 | 2.06 |
| 2. | | Vaishali | 68 | 34 | 1.14 |
| 3. | | Kaimur | 08 | 04 | 0.15 |
| 4. | Flood/excessive rain (<i>Kharif</i> 2020) | Muzaffarpur | 02 | 01 | 0.25 |
| Total | | | 122 | 61 | 3.60 |

(Source: KrIS payment data made available by the DBT cell of the Agriculture Department, GoB)

The above cases included double payments of following types-(a) same applicant/ same application paid twice and (b) same applicant, different applications same land paid twice.

The Department during the Exit Conference (July 2024) replied that the payments were made after instructions from higher officers. The Department, however, did not furnish any corroborative evidence in the form of copies of such instructions issued in this regard. Further, no reply was furnished by the Department for cases wherein application was uploaded twice for the same season.

2.8.4 Excess/inadmissible payment of subsidy for unsown land

As per “Anudesh” for flood which occurred during *Kharif* seasons of 2019 and 2021, KrIS was payable against land which remained unsown due to excessive or scanty rain and flood. The subsidy for “*Parati*” (unsown) land was to be paid at the rate of ₹ 6,800 per Ha. Further, minimum amount viz., ₹ 1,000/ ₹ 2,000 was not admissible for land remaining unsown due to these disasters. This subsidy was payable from the State resources.

➤ Excess payment of subsidy for unsown land

During analysis of data related to the above two disasters, it was observed that in seven²⁸ test-checked districts, ₹ 6.05 crore was paid in 48,658 cases (including minimum payment of ₹ 1,000/₹ 2,000 in 46,484 cases) for *Kharif* seasons of 2019 and 2021 for unsown (*Parati*) land of 3,089 Ha. As per their actual crop loss area ₹ 2.10 crore only was payable (at the rate of ₹ 6,800 per Ha). However, KrIS (including minimum payment) was paid to beneficiaries at different rates applied by functionaries while processing applications in the system. Thus, application of incorrect rates of assistance including minimum payment of ₹ 1,000/₹ 2,000 in 46,484 cases by the Agriculture Department, in deviation to the prescribed rates for “*Parati*” land, resulted in excess payment of ₹ 3.95 crore (*Appendix- 2.8*).

➤ Inadmissible payment of subsidy for unsown land

It was further observed that no rates for payment of KrIS were prescribed for unsown land for the *Kharif* season of 2018 by the Agriculture Department. Further, payment of KrIS for unsown land was also not admissible under SDRF norms of GoI. However, while processing the applications for payment of subsidy in Nawada district, SDRF rates of ₹ 13,500 and ₹ 6,800 per Ha, applicable for irrigated and rainfed land respectively, were used and applied for payment of KrIS on unsown land. Therefore, inadmissible KrIS of ₹ 8.18 crore was paid in 8,148 cases for unsown land of 6,805 Ha in two blocks (*Pakari-barawan and Kashichak*) of Nawada district during the period 2018-20.

The Department stated in the Exit Conference (July 2024) that the reply will be sent after examination of the facts/figures of the audit observation.

²⁸ *Bhagalpur, Darbhanga, Madhubani, Muzaffarpur, Nawada, Siwan and Vaishali.*

2.8.5 Inadmissible payment of KrIS for crop loss below the prescribed limit

As per the SDRF norms of assistance for KrIS and the letter issued by the DMD, in May 2015, KrIS was payable only when crop loss area was 33 *per cent* or more. Further, as per the “*Anudesh*”, the concerned ACs, during site verification were required to ensure that: (i) the applicant has sown the crop (ii) crop loss has occurred in 33 *per cent* or more area due to flood/excessive rain and (iii) the crop could not be restored. The ACs were further required to take the pictures of the farmers, at the affected plots and upload them on the portal.

Audit analysis of the KrIS database for natural disasters occurring during 2019-20 to 2021-22, showed that in 6,81,617 cases in 10 test-checked districts, applications for KrIS were submitted for crop loss in single plots (*Khesra*). These applications related to an affected crop loss area of 7.11 lakh Ha and total farming area of 8.33 lakh Ha. The ACs concerned however, recommended a crop-loss in 1.13 lakh Ha after verification of the land sites and accordingly KrIS of ₹ 159.28 crore was approved by the DAO/ADM for payment.

On comparing the total farming area (8.33 lakh Ha) in these cases, with the recommended crop loss area (1.13 lakh Ha) by the concerned ACs, it was observed that in all 6,81,617 cases the crop loss area was below 33 *per cent*. Therefore, payment of KrIS, amounting to ₹ 159.28 crore, made to these applicants was not admissible, as the crop-loss area was below the prescribed criteria of 33 *per cent* in each case. However, due to lack of due diligence at the level of concerned ACs and absence of mapping of eligibility criteria of 33 *per cent* crop loss area, in the web application, inadmissible payment of ₹ 159.28 crore was made to these applicants (*Appendix-2.9*).

The Department replied in the Exit Conference (July 2024) that the payments had been made on the basis of actual verification of affected land/plot by the concerned ACs.

The reply of the Department is not tenable, as the concerned ACs, DAOs and ADMs ignored the prescribed criteria of 33 *per cent*, while verifying and approving the applications.

2.8.6 Payment of subsidy despite rejection of applications or reasons recorded for rejections

KrIS database showed that in six test-checked districts²⁹, subsidy of ₹ 1.43 crore was irregularly paid to 2,094 applicants for flood during *Kharif* season of 2019. Audit noted that although in these cases, the “AC status³⁰” revealed that the cases were rejected at the AC (panchayat) level and no amount was found approved by DAO/ADM, payment of ₹ 1.43 crore was released to the beneficiaries.

²⁹ *Bhagalpur, Darbhanga, Madhubani, Muzaffarpur, Nawada and Purnea.*

³⁰ *The Application status i.e. acceptance or rejection is mentioned in this field.*

Further scrutiny of KrIS database in these six districts for the period of 2018-22 revealed that in 1,179 cases, there were negative remarks³¹ in the designated³² fields at the AC/DAO/ADM levels that were sufficient grounds for rejection of the applications. However, the applications were forwarded to the next level along with the acceptance of payment of KrIS of ₹ 32.71 lakh. Thus, the action of the concerned AC/DAO/ADM of approving payments was not commensurate with the reasons/entries in aforesaid remarks columns. Details of these cases are given in Table 2.4.

Table 2.4: Cases of payment in rejected and to be rejected cases

| District | Cases of rejected but paid applications | | Cases of remarks recorded for rejection of applications but payment made | |
|--------------|---|-------------------------|--|-------------------------|
| | No. of applications | Amount paid (₹ in lakh) | No. of applications | Amount paid (₹ in lakh) |
| Bhagalpur | 635 | 40.85 | 156 | 4.66 |
| Darbhanga | 230 | 12.76 | 137 | 2.87 |
| Madhubani | 77 | 4.46 | 478 | 11.55 |
| Muzaffarpur | 397 | 22.45 | 90 | 2.42 |
| Nawada | 752 | 62.14 | 153 | 7.77 |
| Purnea | 03 | 0.28 | 165 | 3.44 |
| Total | 2,094 | 142.94 | 1,179 | 32.71 |

(Source: KrIS payment data made available by the DBT cell)

Above discrepancies indicated lack of proper controls in the system and checks at every level of scrutiny in these cases.

The Department replied in the Exit Conference (July 2024) that these are the rejected cases which were reconsidered. The reply of the Department was not according to the “Anudesh” and no justification for reconsidering these cases was provided to Audit.

2.8.7 Payment of KrIS without verification of applications by AC

The “Anudesh” issued for payment of KrIS for each disaster prescribed timelines for verification of beneficiaries’ applications by the concerned AC to ascertain that the various information/documents uploaded and the areas of crop loss claimed by the farmers are correct. In case of non-verification/ approval of applications at the AC level within the prescribed timelines, these were to be auto-forwarded to the next level. The “Anudesh” further provided that all such unverified applications in which payment had been made, shall be examined mandatorily within 15 days of payment and if any irregularity is found, disciplinary action would be taken against responsible AC/DAO/ADM. The amount of subsidy disbursed would also be recovered from the concerned responsible officers.

³¹ *Jameen vivaran truti, vyaktigat vivaran truti, False application, rasisd galat hai, land rashid not uploaded, Awedakk ke jamin par koi kshati nahi hai, Aawedak kheti nahi karte hai, jameen vivaran evam dastawej me antar, aawedak ka swabhipramanit dsataweej galat hai, Awedak gaon me nahi rahta hai, wrong verification by AC, Land receipt is old, uploaded AC’s affidavit is not considerable and uploaded photo is not related to applicant etc.*

³² *At AC level in “AC remarks (used to mention any remarks related to the application)” in 33 cases and “AC reject cause” column in 582 cases, at DAO level in “DAO remarks” column in 509 cases and at ADM level in “ADM remarks” column in 55 cases.*

Analysis of KrIS database revealed that in case of four disasters (Flood in *Kharif* season of 2019, 2020, 2021 and *Yaas toofan* in May 2021), the concerned ACs had not verified 6,994 applications in six test-checked districts³³. While the “AC Action date” column of the database remained blank, there were also no details uploaded of any physical/documentary verification carried out by the ACs. Therefore, the “AC status” column in the KrIS database did not indicate whether these applications had either been accepted or rejected by the AC. These applications were instead auto-forwarded to the next level and approved for payment of ₹ 1.77 crore at the DAO & ADM level. Further, although required as per the “*Anudesh*” *ibid*, no verification of these cases was conducted after 15 days of payment to beneficiaries and there were no recommendations by the ACs, as per the database.

Thus, payment of KrIS of ₹ 1.77 crore was made to 6,994 farmers without verification of correctness of beneficiaries’ claims by the concerned AC.

During the Exit Conference the Department replied that these are cases of auto forwarding of applications from AC level. However, they did not respond regarding examination/verification of these cases within 15 days of payment to beneficiaries as per the provision of “*Anudesh*”.

2.8.8 Payment of subsidy to two or more members of a family on the same land

As per the “*Anudesh*” issued for flood during *Kharif* season of 2021, only one application for KrIS was to be accepted from one family for one piece of land. In cases of division of a family, separate applications may be accepted if they do not apply for the same land/crop.

On scrutiny of the KrIS database for flood occurring in *Kharif* season of 2021, it was observed that in 131 cases (in four panchayats³⁴ of Muzaffarpur and Vaishali districts), subsidy of ₹ 8.97 lakh was paid to two or more persons of the same family for the same land as the *Khesra/Khata* number and *Thana* number of the applicants were the same. Thus, these farmers belonging to the same family, were paid against the same land during a season. The concerned AC/DAO/ADM, as well as the online application system, could not detect this discrepancy while processing and approving their applications which resulted in irregular payment of subsidy of ₹ 8.97 lakh to the farmers.

2.8.9 Payment for more than the applied area of crop loss

During analysis of the KrIS database, it was observed that in 61 cases of nine test-checked districts (except Bhagalpur), payment of subsidy was made for 34.10 Ha of crop loss although the area applied for was 24.23 Ha only³⁵. Thus, area of crop loss of 9.87 Ha was increased by the ACs and as a result ₹ 4.63 lakh was paid instead of payable amount of ₹ 3.12 lakh.

³³ *Bhagalpur, Darbhanga, Madhubani, Muzaffarpur, Purnea and Vaishali.*

³⁴ *Bhagwanpur ratti (Vaishali), Chand Kewari, Dharphari and Dhanaur (Muzaffarpur).*

³⁵ *For disasters that occurred during 2018-22.*

In 34 cases, the approved crop-loss area was more than the total landholding of the farmer concerned (including 10 cases wherein reasons for increasing the affected area were mentioned but the approved area was more than the total landholding of the farmer shown in the database).

These irregularities could not be detected either by the AC or by the DAO/ADM while approving the subsidy amount, leading to excess payment of ₹ 1.51 lakh to 61 beneficiaries, highlighting weaknesses in the verification process. This irregular payment also indicated absence of necessary validation/ controls in the application software.

During the Exit Conference (July 2024) the Department stated that the reply will be sent after examination of facts/figures.

2.8.10 Irregular payment after reconsideration of rejected applications

In the “Anudesh” issued for flood during *Kharif* season of 2019, there was no provision for reconsideration of the claim application rejected by the Agriculture Department. However, during scrutiny of records and analysis of the database it was observed that 9,782 applications for payment of KrIS were rejected by the Department. Despite their rejection at the AC/DAO/ADM levels³⁶, these applications were considered for payment and were sent to bank for payment of ₹ 5.41 crore (January 2022). These applications were submitted between 6 November 2019 and 10 December 2019 and rejected between 11 December 2019 and 20 April 2020 by the AC/DAO/ADM. KrIS amounting to ₹ 5.07 crore was, however, paid to the applicants after reconsideration of their rejected applications resulting in irregular payment of ₹ 5.07 crore to these 9,075 applications.

Thus, payment of KrIS was made after reconsideration of rejected applications, after almost two years of the disaster without such provision in the “Anudesh”.

The Department replied in the Exit Conference (July 2024) that in these cases, payments were made after receipt of complaints of undue rejections from some beneficiaries and instructions given in this regard. The reply of the Department however, was not supported by any documentary evidences.

2.8.11 Payment of subsidy without uploading mandatory information

As per “Anudesh” farmers of all categories were required to fill the details of *Khesra* number, while uploading their application for KrIS. This information was to be mandatorily filled to establish the identity of the affected plot/land.

On analysis of KrIS database for disasters occurring during 2018-19 to 2021-22, it was observed that in 10 test-checked districts, 1,60,411 farmers³⁷ had either entered zero *Khesra* number or left the concerned field blank. In these cases, a total payment of ₹ 62.36 crore was made to farmers for 52,781.78 Ha of crop

³⁶ Rejected by AC (8,693 cases), DAO (622 cases), ADM (450 cases) and 17 failed cases.

³⁷ Bhudhari- 1,21,126 (₹ 48.09 crore), Wastavik khetihar - 36,040 (₹ 12.90 crore) and Bhudhari + Wastavik khetihar- 3,245 (₹ 1.38 crore).

loss. Thus, payment of total ₹ 62.36 crore was made to farmers without filling of *Khesra* details, which is indicative of lack of validation and input control in the database (**Appendix-2.10**).

During the course of validation of the information related to *Khesra* number as mentioned in the application database of 10 test-checked districts with the documents uploaded by the selected beneficiaries, it was observed in 88³⁸ cases in which payment of ₹ 5.39 lakh was made, that *Khesra* number was either not mentioned or did not match the documents, such as rent receipts/*Jamabandi*/LPC, uploaded by them. Thus, payment of ₹ 5.39 lakh was made without validating the mandatory information which indicates lack of due diligence on the part of ACs during verification/processing of applications.

The Department stated in the Exit Conference (July 2024) that the reply will be sent after examination of the facts/figures of the audit observation.

2.8.12 Payment of subsidy without uploading required photograph

As per “*Anudesh*” related to three disasters³⁹, the concerned AC was required to take a picture of the farmer standing on the affected land, and upload it as part of the verification process. On the analysis of KrIS database for the above three disasters, occurring during 2018-22, it was observed that in seven test-checked districts⁴⁰, there were 1,263 cases in which instead of farmer’s photograph, the photographs of family members and relatives were taken/uploaded by the ACs and mentioned in the AC’s remarks column. Instead of rejecting these cases, the cases were accepted, forwarded to the next levels after being approved at DAO/ADM levels and payment of ₹ 55.71 lakh was made in these cases.

During validation/verification of photographs uploaded by the selected 820 beneficiaries in case of the above three disasters, in seven test-checked districts⁴¹, it was observed that: (i) in 18 cases involving payment of ₹ 0.93 lakh, photograph of farmer’s family members and other persons/relatives were uploaded (ii) in 15 cases, in which payment of ₹ 0.65 lakh was made, the photographs were not taken at the disaster affected land and (iii) in Kaimur district, the same photograph (for drought in *Kharif* season of 2018) was used against four different beneficiaries wherein a payment of ₹ 0.14 lakh was made.

2.8.13 Payment of subsidy without uploading required land documents

As per “*Anudesh*” the farmers were required to upload land documents such as land-rent receipt/ LPC/ *Jamabandi* and self-attested declaration, duly signed by AC/*Kisan Salahkar* and a ward member, while uploading their application on the web application.

During course of audit, land details as mentioned in the database of 2018-19 to 2021-22 disasters (in 10 test-checked districts), were validated with the

³⁸ *Bhudhari- 78 (₹ 4.52 lakh), Wastavik khetihar -09 (₹ 0.73 lakh) and Bhudhari +Wastavik khetihar- 01 (₹ 0.14 lakh).*

³⁹ *Drought (Kharif season of 2018), Flood (Kharif season of 2019 and 2021).*

⁴⁰ *Bhagalpur, Darbhanga, Madhubani, Muzaffarpur, Nawada, Purnea and Vaishali.*

⁴¹ *Darbhangha, Madhubani, Muzaffarpur, Purnea, Rohtas, Siwan and Vaishali.*

documents uploaded by the selected beneficiaries. It was observed that in 312⁴² cases, payment of ₹ 17.60⁴³ lakh was made, despite the rent receipts/*Jamabandi*/LPC or self-attested documents uploaded by them not being valid⁴⁴.

Thus, payment of ₹ 17.60 lakh was made without proper validation/verification of the mandatory/relevant documents indicating lack of due diligence while approving the application.

The Department stated in the Exit Conference (July 2024) that the reply will be sent after examination of the facts/figures considering the audit observation.

Recommendation 3: The Agriculture Department may ensure proper mapping of business rules (Anudesh and instructions) with adequate controls in the system, and strengthening of the verification process.

2.9 Other deficiencies observed in the KrIS database

During analysis of KrIS several deficiencies in compliance and control issues were observed, as discussed in the succeeding paragraphs:

2.9.1 Delay in processing of applications for KrIS

Delay in processing of application at AC/DAO/ADM level

The “*Anudesh*”, issued for payment of KrIS, for each disaster, prescribed timelines⁴⁵ for verification of beneficiaries’ applications and approval at the levels of AC, DAO and ADM. In case of non-approval of applications at any of the above levels within the prescribed timelines, the applications were to be auto-forwarded to the next level for processing. Further, after adopting DBT mode, total time from submission of the applications to the payment of subsidy was prescribed as 30 days.

During analysis of the KrIS database, substantial delays in disposal of applications, were observed at every level in the test-checked districts, during 2018-19 to 2022-23. Out of a total of 28,06,049 successful applications, delays ranging from one to 108 days (14.07 lakh cases), one to 68 days (3.97 lakh cases), and one to 28 days (1.24 lakh cases) were observed with respect to prescribed timelines at the levels of AC, DAO and ADM, respectively, in the processing of applications as given in ***Appendix-2.11***.

⁴² Self- 221, Wastavik khetihar – 78 and Self + Wastavik khetihar- 13.

⁴³ Self -₹ 12.77 lakh, Wastavik khetihar- ₹ 3.85 lakh and Self + Wastavik khetihar- ₹ 0.98 lakh.

⁴⁴ Name including Father/Husband name mismatch (186), documents of irrelevant/old period (03), uploading of irrelevant document than prescribed (04), documents not signed by the prescribed authorities (91), Uploading of illegible documents (23) and non-uploading of all requisite documents who applied under both categories (5).

⁴⁵ AC timeline for Drought (Kharif 2018), for Flood (Kharif 2019 and 2020) & Yaas Toofan (May 2021) was 20 days. While for Hailstorm (February 2020, March 2020 and April 2020) was 10 days. Further, DAO and ADM timeline for Drought (Kharif 2018) was five days; for Flood/Drought (Kharif 2019, 2020, and 2021) and Yaas Toofan (May 2021) was seven days. While for Hailstorm (February 2020, March 2020 and April 2020) was three days. Similarly, AC timeline for Kharif 2021 was 27 days in case the total number of applications was below one lakh and 32 days in case the total number of applications exceeded one lakh.

This indicates that applications were not being auto-forwarded to the next level in cases of delay at the level of AC/DAO/ADM. It was noted that instead of an auto-forward as stipulated in the “Anudesh”, manual interventions were required for forwarding applications to the next level, leading to non-adherence of timelines and delayed processing. As a result, it was observed that 6,86,272⁴⁶ applications involving subsidy payment of ₹ 855.07 crore, for disasters occurring during 2018-19 to 2021-22⁴⁷ in the test-checked districts, were rejected by the concerned AC after one to 174 days or by the concerned DAO after four to 160 days after the lapse of due/prescribed period for their disposal.

During Exit Conference (July 2024) the Department replied that the system for auto-forwarding of cases was in place. The cases auto-forwarded to the next level were sent back in the log-in of the respective AC/DAO/ADM as per their request, which caused the delay. The reply confirms manual interventions in the system which was contrary to the provisions of “Anudesh”.

Substantial delays in processing of payments at the Department level

- During scrutiny of “Anudesh” issued for payment of KrIS due to crop-loss caused by the disasters occurring during 2018-22, it was observed that no specific timelines were prescribed for processing of payments at the Department level. As a result, there was wide variance in time taken to process applications by the Department officials. It was observed that in 14.76 lakh cases, eight to 489 days were taken in processing of payments for KrIS at the Department level (*Appendix 2.11*).

It was further observed that against the prescribed 30 days timeline for DBT payment, substantial delays were involved in processing of applications and payment of KrIS as given in **Table 2.5**.

Table 2.5: Delays in payment of subsidy

| Sl. No. | Disaster (season) | No. of cases paid without delays | No. of cases paid with delay up to 30 days | No. of cases paid with delays from 31 days to 100 days | No. of cases paid with delays more than 100 days |
|---------|--|----------------------------------|--|--|--|
| 1. | Flood/ excessive rain (Kharif 2019) | 0 | 29,529 | 2,25,426 | 2,07,283 |
| 2. | Hailstorm/storm/ untimely rain (Rabi February 2020) | 1,040 | 29,953 | 36,395 | 5,471 |
| 3. | Hailstorm/storm/ untimely excessive 2020) | 73,383 | 2,65,285 | 7,536 | 20,552 |
| 4. | Hailstorm/storm/ untimely excessive rain (Rabi April 2020) | 1,15,226 | 40,744 | 718 | 11,369 |
| 5 | Flood/excessive rain (Kharif 2020) | 1,10,239 | 2,76,135 | 1,13,597 | 81,305 |
| 6 | Flood/excessive rain (Kharif 2021) | 1,88,724 | 15,425 | 15,607 | 2,34,969 |

⁴⁶ AC level- 6,84,469 cases (₹ 852.34 crore) and DAO level -1,803 cases (₹ 2.73 crore).

⁴⁷ Except February and March 2020 hailstorm.

| Sl. No. | Disaster (season) | No. of cases paid without delays | No. of cases paid with delay up to 30 days | No. of cases paid with delays from 31 days to 100 days | No. of cases paid with delays more than 100 days |
|---------|-----------------------------|----------------------------------|--|--|--|
| 7 | Yaas toofan (Rabi May 2021) | 0 | 39,685 | 77,429 | 2,378 |
| | Total | 4,88,612 | 6,96,756 | 4,76,708 | 5,63,327 |

(Source: KrIS payment data made available by the DBT cell)

It may be seen from **Table 2.5** that only 22 per cent (4.89 lakh) of 22.25 lakh (total) number of applications were processed within the prescribed period.

The Department replied during the Exit Conference (July 2024) that delays had occurred at the headquarters level due to constraint of funds. The reply of the Department was not tenable as surplus funds were surrendered each year, as highlighted in **Paragraph 2.10.1**.

2.9.2 Acceptance of applications for affected land more than the total land of applicants

The total area affected by natural disasters and crop loss cannot be more than the total land available with an applicant. To prevent this risk wherein subsidy is claimed or paid for affected land area which is more than the total landholding of an applicant, adequate validation/input controls were required to be embedded in the application software.

Analysis of the KrIS payment data related to 10 test-checked districts revealed that 2,140 applicants applied for subsidy for affected land area of 2,184.28 Ha in eight disasters occurring during 2018-19 to 2021-22. However, the total land area (available with the applicants as entered by the applicants, while applying for the subsidy) was only 1,780.90 Ha, which was markedly less than the affected land area applied by them. Thus, the applicants applied for subsidy, for 403.38 Ha more land area (**Appendix-2.12**) than their total landholdings, which was accepted by the software. This was indicative of the lack of validation and input controls in the application software.

2.9.3 Registration/application of farmers after the last date of applications

For disbursing KrIS for various disasters, the Department while publishing advertisements, prescribes the last date for submission of applications. Accordingly, these deadlines should be mapped into the system as input controls, so that applications beyond the prescribed dates are automatically rejected.

- On analysis of KrIS database pertaining to disasters occurring during 2018-22, it was observed in the 10 test-checked districts that 22.13 lakh applications were uploaded after the prescribed last dates. Out of these 22.13 lakh applications, payment of subsidy of ₹ 815.23 crore was made to 15.94 lakh applicants in nine test-checked districts (except Rohtas), based on approvals accorded at the levels of AC/DAO/ADM. The remaining applications were either rejected or payment there against failed (**Appendix-2.13**). These 15.94 lakh applications were up-loaded after one to 112 days of the prescribed last date of applications.

- As per the “Anudesh” issued for the payment of KrIS during 2018-22, the farmers were to register themselves on the DBT portal of the Agriculture Department, to avail the benefits of the subsidy. Only those who were registered on the DBT portal (dbtagriculture.bihar.gov.in) could apply for KrIS as per “Anudesh” *ibid*.

On analysis of KrIS database (2018-22), it was observed that in 10 test-checked districts, dates of submission of applications were prior to the dates of their registration on the portal in 77,808 cases. The differences between both the dates ranged from one to 293 days. In these 77,808 cases KrIS of ₹ 22.94 crore was paid to 46,278 applicants, after approval of their applications at the AC/DAO/ADM levels.

Both the above highlighted issues are indicative of lack of input controls in the application software, as well as inability of the concerned processing/approving authorities in detecting such discrepancies at their respective levels.

The Department stated in the Exit Conference (July 2024) that the reply will be sent after examination of the facts/figures of the database.

2.9.4 Crucial fields left blank in the database

On the analysis of KrIS data pertaining to disasters occurring during 2018-22 in 10 test-checked districts, it was observed that many crucial fields⁴⁸ were either left blank or ‘nil’ was entered, affecting the timely and precise processing and payment of subsidy. In the absence of crucial information, such as *Khesra* number, *Khata* number and *Thana* number, there is a possibility that the actual land details given in the applications could not be checked properly by the concerned AC/DAO/ADM. It also indicates incompleteness of data. Moreover, in the absence of data in the “send date⁴⁹” and “send action date” fields, Audit could not analyse the duration of time taken between the sending date of payment files by the Department to the concerned bank and the receiving dates of such files by the bank. The details are given in (*Appendix-2.14*).

2.9.5 Change in payment amount at DAO/ADM level

As per the “Anudesh” the DAOs/ADMs were not to rectify/alter the subsidy payment finalized by the concerned AC, although, they could either accept or reject the application, by mentioning the reason(s).

In 10 test-checked districts, analysis of the KrIS database revealed that in 40,666 cases (for 2018-22), the DAOs and ADMs irregularly decreased⁵⁰ the payable amount by ₹ 17.33 crore and in 7,562 cases they irregularly increased⁵¹ the payable amount by ₹ 2.23 crore, in contravention to the provision of the

⁴⁸ *Khata no., Khesra no., Thana no., Send date, Send action date, Send by, AC action date, AC reject cause, Land path (Link for uploaded land documents), Transaction date (Date of final payment in the beneficiaries’ bank account), AC change reason (Reason for change in crop-loss area by AC), AC IP address and DAO IP address etc.*

⁴⁹ *Date of sending details of beneficiaries to bank for making payments.*

⁵⁰ *ADM level: ₹ 2.11 crore (4,984 cases); DAO level: ₹ 15.22 crore (35,682 cases).*

⁵¹ *ADM level: ₹ 1.65 lakh (24 cases); DAO level: ₹ 2.21 crore (7,538 cases).*

“Anudesh”. The fact that these modifications were possible was indicative of incorrect mapping of business rules and applicable restrictions in the database.

The Department in the Exit Conference (July 2024) accepted the audit observation and stated that the system would be mapped/corrected as per the provision of “Anudesh”.

2.9.6 Absence of specific reasons during processing of applications

The “Anudesh” issued by the Agriculture Department for all the eight disasters, provided that the AC would verify the claim of the farmer given in the application within the prescribed period and either reject the claim with reason(s) or accept it after rectification. The DAOs were required to verify all the applications in their login within the prescribed period and either reject the claims with reason or accept and send them to the ADM, Relief/ Officer nominated by the DM, for their approval. The ADM, relief/officer nominated by the DM was required to send the accepted/approved applications to the Agriculture Department, for payment of KrIS.

On analysis of the KrIS database for test-checked districts, it was noted that 12,64,119 applications with associated claim of ₹ 1,616.98 crore were rejected by the competent authorities. These applications were related to a crop loss area of 12,98,907.69 Ha and disasters that occurred during 2018-22.

In this regard, the following discrepancies/irregularities were observed in test-checked districts:

- In test-checked districts, it was observed during audit that 7,18,982 applications related to subsidy claims of ₹ 901.71 crore were rejected at the AC level without assigning any reasons (*Appendix-2.15A*) highlighting lack of transparency in the system.
- It was further observed that subsidy claims related to 19,73,782 applications were reduced by ACs from 20.22 lakh Ha to 6.31 lakh Ha and from ₹ 2,572.24 crore to ₹ 808.01 crore, respectively without assigning any reasons (*Appendix-2.15B*).

Based on analysis of the database, Audit also observed that there were cases where applications were rejected based on non-cogent reasons. 5,473 cases involving subsidy claims of ₹ 8.85 crore were rejected by ACs due to submission of incorrect self-attested declaration. This was despite the fact that these farmers were not required to submit the declaration as they had applied under “self” category and the said declaration was to be submitted by farmers of “*wastavik khetihar*⁵²” category only. Thus, it was evident that rejection of applications of 5,473 farmers was not based on valid reasons and led to their being deprived of subsidy of ₹ 8.85 crore.

Rejection of applications and reduction of subsidy claims of such a large number of farmers without any reason/cogent reason indicated non-compliance

⁵² *Who actually cultivates the land.*

with provisions of “*Anudesh*”, lack of transparency and improper mapping of business rules in the database.

The Department in the Exit Conference (July 2024) accepted the audit observation and stated that the system would be mapped/corrected as per the provision of “*Anudesh*”.

2.9.7 Rejection of applications due to non-authentication of *Aadhaar* at the time of registration

The “*Anudesh*” issued by the Agriculture Department for all the eight disasters, provided that during the registration process of farmers, *Aadhaar* authentication was to be carried out before being registered as a farmer. Further, only those who were registered on the DBT portal (dbtagriculture.bihar.gov.in) could apply for KrIS subsidy, as per the “*Anudesh*” *ibid*.

Based on scrutiny of the KrIS database in test-checked districts, it was further observed that 12,810 applications for KrIS involving ₹ 15.98 crore were rejected by ACs in case of six disasters⁵³ due to “Error in *Aadhaar* detail”. This was indicative of the fact that, although the *Aadhaar* authentication was made mandatory for registration in the DBT portal, the portal was accepting applications for subsidy from those applicants who were registered even without *Aadhaar* authentication. Thus, 12,810 farmers were deprived of KrIS benefit of ₹ 15.98 crore due to non-compliance with *Aadhaar* authentication related instructions contained in the “*Anudesh*”.

During the Exit Conference (July 2024), the Department stated that *Aadhaar* authentication was not performed during registration process of farmers in the initial years.

2.9.8 Failure of subsidy payments due to non-mapping of *Aadhaar* with bank accounts

The Department, through the “*Anudesh*”, stipulated that the payment of subsidy to the beneficiaries was to be made in their bank accounts duly seeded with *Aadhaar*, through DBT mode. Further, as per the directives (April 2017) of the Department, mapping of *Aadhaar* with the applicants’ bank accounts was required to be ensured by all the concerned functionaries.

Analysis of KrIS database revealed that payment of ₹ 184.74 crore to 6,04,700 applicants failed during 2018-19 to 2021-22 as the Department processed the payments of the subsidy without ensuring *Aadhaar* mapping/ seeding with the bank account and validation of financial address (Bank account and *Aadhaar*) for identified beneficiaries.

Analysis further revealed that in all 10 test-checked districts, KrIS payment of ₹ 74.90 crore to 2,26,100 applicants failed during 2018-19 to 2021-22, due to various reasons such as lack of *Aadhaar* mapping, inactive *Aadhaar*, closed

⁵³ Drought (Kharif 2018), Flood (Kharif 2019 & 2020), Hailstorm (April 2020), Flood (Kharif 2021) and Yaas Toofan (May 2021).

accounts, account blocked/frozen etc. Out of these, 1,88,994 cases involving ₹ 62.04 crore failed due to non-mapping of Aadhaar and 35,946 cases, involving ₹ 12.21 crore, failed due to inactive and invalid Aadhaar.

The failure of payments due to “Inactive and invalid Aadhaar” indicates improper Aadhaar authentication during the registration process, which was a mandatory pre-requisite for payment of KrIS. As a result, 2,24,940 farmers were deprived of KrIS of ₹ 74.25 crore.

During the Exit Conference (July 2024), the Department accepted that Aadhaar authentication was not performed during the registration process in the initial years despite such provision in the “Anudesh”.

The reply of the Department was not factually correct as the issue has persisted throughout the audit period.

Recommendation 4: The Department may ensure mandatory compliance with the provisions of Anudesh by proper mapping of business rules in the system.

2.9.9 Payment of subsidy to persons other than the applicants

As per the provision of “Anudesh” issued by the Agriculture Department for all eight disasters, the payment was to be made to the applicants in their bank accounts via DBT. Further, as per the conditions of registration for farmers, one bank account number was to be used by one farmer only.

Analysis of KrIS database for the disasters occurring during 2018-22, in 10 test-checked districts revealed that in 18,412 cases, subsidy of ₹ 6.60 crore⁵⁴ was paid in the bank accounts of persons other than the applicants. In all these cases the applicants’ name was entirely different from the actual beneficiaries’ name. Thus, the targeted beneficiaries remained deprived of the benefits of the subsidy amount of ₹ 6.60 crore. This is also indicative of lack of transparency and controls in the payment process.

The Department in the Exit Conference (July 2024) replied that the matter would be investigated.

2.9.10 Payment of subsidy of two beneficiaries in same bank account

Considering the criteria mentioned in Paragraph 2.9.9 ante, one bank account number was to be used by one farmer only. However, on analysis of the KrIS database, it was observed that in seven test-checked districts (2018-19 to 2021-22), subsidy of ₹ 7.54 lakh⁵⁵, payable to 154 applicants was paid in 77 bank

⁵⁴ Bhagalpur: ₹ 4.61 lakh (43 cases); Darbhanga: ₹ 158.06 lakh (4,113 cases); Kaimur: ₹ 13.07 lakh (244 cases) Madhubani: ₹ 89.16 lakh (2,403 cases); Muzaffarpur: ₹ 183.54 lakh (4,924 cases); Nawada: ₹ 75.18 lakh (1,789 cases); Purnea: ₹ 64.19 lakh (2,379 cases), Rohtas: ₹ 0.58 lakh (12 cases), Siwan: ₹ 22.07 lakh (676 cases) and Vaishali: ₹ 49.89 lakh (1,829 cases).

⁵⁵ Bhagalpur: ₹ 0.86 lakh (18 cases); Darbhanga: ₹ 0.28 lakh (8 cases); Muzaffarpur: ₹ 3.15 lakh (44 cases); Nawada: ₹ 0.30 lakh (6 cases); Purnea: ₹ 2.53 lakh (68 cases), Siwan: ₹ 0.15 lakh (6 cases) and Vaishali: ₹ 0.27 lakh (4 cases).

accounts only. Thus, it was evident that subsidy of more than one beneficiary was paid in the same/one bank account.

Since the bank account of each beneficiary is to be unique, therefore, transfer of subsidy of more than one applicant in the same bank account indicates lack of validation in the database.

During the Exit Conference (July 2024) the Department did not reply on the audit observation.

2.9.11 Lack of transparency in processing of failed payments

During scrutiny of records of KrIS for the years 2018-19 to 2021-22, it was observed that there was no prescribed periodicity and timeline in the “Anudesh” for reprocessing of payments that had failed.

On scrutiny of records, it was observed that in cases where payment of KrIS to beneficiaries had failed either during the first or subsequent attempts, the payments were again processed and sent to the bank for payment (by attempting a second/third time). However, there was no uniformity in the number of re-attempts made as in case of five disasters (during October 2020-March 2022) the re-payments were processed twice while a third attempt was made in case of two disasters related to floods occurring during *Kharif* seasons of 2019 and 2021. Further, the duration between two attempts for reprocessing and sending of payments to bank varied between 16 days to 401 days during 2018-19 to 2022-23, as detailed in *Appendix-2.16*.

The above issue highlighted that there was no uniformity in processing of payments and lack of transparency due to absence of clear instructions/guidelines on the part of the Department regarding timelines and frequency of reprocessing of failed payments.

During the Exit Conference (July 2024) the Department replied that due to COVID, uniformity could not be ensured, however, uniformity in reprocessing of payment would be maintained in future payments.

The reply of the Department is only partially correct, as absence of uniformity was evident during pre-COVID period also.

2.9.12 Absence of deterrent measure for delays in payment of Krishi Input Subsidy at Bank level

As per the provision of “Anudesh”, the amount of subsidy was to be transferred in the bank account of beneficiaries on next day after sending the FTOs to the Bank.

However, no such stipulation was found mentioned in any of the records/documents or correspondences between the Department and the sponsor Bank (PNB). Further, any Memorandum of Understanding (MoU) executed between the Department and the bank/s was not produced to Audit. In the absence of the MoU/(s), Audit could not examine the terms and conditions for ensuring timely payment to beneficiaries (i.e., on the next day after FTO).

During analysis of the KrIS database, it was observed that in 10 test-checked districts, out of 22,84,507 successful cases of payment during 2019-20 to 2021-22⁵⁶, there were substantial delays of up to 608 days on the part of bank in making payment of subsidy of ₹ 308.01 crore in 7,27,530 cases (*Appendix-2.17*) impacting timely flow of benefits to farmers affected by natural disasters. Cases with delays of 10 days and above are given in **Table 2.6**.

Table 2.6: Cases with delays of 10 days and above in making payments by the bank

| Sl. No. | District | Delay of 10-99 days | Delay of 100-199 days | Delay of 200-299 days | Delay of above 300 days |
|--------------|-------------|---------------------|-----------------------|-----------------------|-------------------------|
| 1. | Bhagalpur | 50,853 | 0 | 333 | 11,006 |
| 2. | Darbhanga | 72,164 | 0 | 109 | 8,856 |
| 3. | Kaimur | 1,128 | 0 | 0 | 584 |
| 4. | Madhubani | 56,410 | 0 | 390 | 1,967 |
| 5. | Muzaffarpur | 1,17,797 | 0 | 990 | 17,984 |
| 6. | Nawada | 58,300 | 0 | 748 | 13,676 |
| 7. | Purnea | 21,015 | 1,844 | 268 | 6,944 |
| 8. | Rohtas | 0 | 0 | 0 | 257 |
| 9. | Siwan | 42,909 | 0 | 57 | 216 |
| 10. | Vaishali | 63662 | 759 | 0 | 1,278 |
| Total | | 4,84,238 | 2,603 | 2,895 | 62,768 |

(Source: KrIS payment data made available by the DBT cell)

2.9.13 Grievance Redressal Mechanism

A grievance redressal cell was recommended by the Committee headed by the Additional Director (Soil), Agriculture Department, to investigate cases of double payment of KrIS during 2018-19. Moreover, the Agriculture Minister, Government of Bihar, also instructed (April 2019) the Principal Secretary, Agriculture Department, to establish a system to obtain feedback from farmers on various schemes being implemented through DBT.

On scrutiny of records/information in the Agriculture Directorate and DBT portal of KrIS, it was observed that online grievance redressal mechanism was not available on the website/DBT portal.

During scrutiny of records in 10 test-checked districts, it was observed that 242 offline complaint cases related to KrIS, were received in six districts⁵⁷ and all of them were shown as disposed off during the years 2018-19 to 2021-22. However, records to show details of such disposals or corrective action taken were not produced. In the remaining four test-checked districts, no information was provided for offline grievance redressal.

Since DBT platform was providing an online solution for submission of applications and processing of KrIS payments, therefore an online platform should have been in place to address the grievances of citizens and to bring transparency in the payment process.

⁵⁶ Due to absence of field for transaction date in the database pertaining to Drought (Kharif 2018), delays in payment could not be worked out during 2018-19.

⁵⁷ Darbhanga (29 cases), Kaimur (3 cases), Madhubani (69 case), Muzaffarpur (123 cases), Nawada (nil case) and Rohtas (18 cases).

2.9.14 Monitoring

As per the “Anudesh”, the respective Divisional Commissioners and DMs were responsible for monitoring the KrIS payment through weekly review of pending applications and the Scheme. Further, the Block Agriculture Officer (BAO), Block Development Officer (BDO), Circle Officer (CO), Sub-Divisional Officer, Deputy Commissioner Land Reforms (DCLR), District Magistrate (DM) and Joint Director (Division⁵⁸), were required to examine seven per cent, five per cent, five per cent, three per cent, three per cent, 0.2 per cent, and 0.2 per cent of the cases, respectively. The Director, Agriculture Department (at the Headquarters level) was to monitor the Scheme, from time to time.

Despite Audit inquiry (August-September 2023) no information was made available by the two Divisional Commissioners and 10 DMs of the test-checked districts regarding monitoring/inspection of KrIS.

Other officers such as BAO, BDO, CO, DCLR etc., also did not furnish monitoring related information citing non-availability of information and the inaccessibility of online module of the KrIS database. Analysis of the KrIS database revealed that although the Department entrusted the online monitoring function to the above officers, module for this purpose was not found developed/ incorporated. Therefore, the monitoring function entrusted to them was ineffective.

It was further observed that as per the “Anudesh (2018-2021)”, the Monitoring-cum-Vigilance Committee constituted at the district, block, and panchayat levels by the DMD was required to review and monitor the Scheme in the affected areas and approve the list of the beneficiaries. No information in this regard was given by the DMD to Audit, thus implying that there was non-compliance with the above-mentioned directions in the “Anudesh”.

In view of these, Audit concluded that the process of payment of KrIS to beneficiaries was not properly monitored resulting in poor execution of the Krishi Input Subsidy Scheme. It was further observed that provisions of monitoring contained in the “Anudesh” issued for monitoring of the Scheme, lacked clarity about the stages (whether after AC or DAO or ADM level) at which the prescribed percentage of cases would be examined by the authorities responsible for such monitoring and the mode (whether online or offline) through which they were to be examined.

During the Exit Conference (July 2024) the Department accepted that such a module was not developed in the system. However, it would be developed soon for ensuring proper monitoring of the Scheme.

2.10 Financial management

2.10.1 Allocation and Utilisation of funds

DMD, GoB, provided funds for KrIS to the Agriculture Department, based on the assessment of crop damage carried out by the latter.

⁵⁸ Division is Headed by a Joint Director just below the Directorate of the Agriculture Department in the hierarchy and above District Agriculture Office.

Details of the funds allotted by the DMD for KrIS during FYs 2018-19 to 2021-22⁵⁹ and expenditure incurred there against, for disbursement of the subsidy by the Department are given in **Table 2.7**.

Table 2.7: Funds allotted by DMD and spent by the Agriculture Department
(₹ in crore)

| Financial Year | Assessment of crop loss by the Agriculture Department | Allotment made by DMD | Expenditure reported by the Agriculture Department | Surrender/ deposit (per cent) |
|----------------|---|-----------------------|--|-------------------------------|
| 2018-19 | 1,429.30 | 1,430.00 | 904.77 | 525.23 (37) |
| 2019-20 | 832.47 | 773.89 ⁶⁰ | 679.80 | 94.09 (12) |
| 2020-21 | 1,675.45 | 1,649.41 | 1,108.90 | 540.51 (33) |
| 2021-22 | 1,470.24 | 1,471.62 | 591.36 | 880.26 (60) |
| Total | 5,407.46 | 5,324.92 | 3,284.83 | 2,040.09 (38) |

(Source: DMD and Agriculture Department, GoB)

It is evident from **Table 2.7** that during 2018-22, only 62 per cent of the funds could be utilised and the remaining 38 per cent was surrendered/deposited into the Government account. Funds were provided by the DMD as per the assessment of crop-loss reported by the Agriculture Department but had not been efficiently utilized by the Department. Further, excess assessment of crop loss by the Agriculture Department and resultant inflated demand for funds cannot be ruled out.

The Department stated during the Exit Conference (July 2024) that at times funds were allotted at the fag end of the financial year which could not be withdrawn and lapsed. Further, the provisions of Bihar Treasury Code or instructions of the Finance Department for timely deposit of unspent funds could not be complied due to delays in disbursal process of KrIS.

2.10.2 Delays in surrender/deposit of unspent funds in the Government Account

As per Rule 177 of the BTC, 2011, as well as allotment order of the DMD, the unspent balances of the allotted funds were to be deposited in the Consolidated Fund of the State, before the end of the financial year. Scrutiny of treasury challans and other relevant records submitted by the Agriculture Department however, revealed that out of total allotted funds of ₹ 5,324.92 crore (including funds amounting to ₹ 577.96 crore lapsed during 2019 and 2021-22), the Department expended ₹ 3,284.83 crore and unspent balances of KrIS, amounting to ₹ 1,462.10 crore⁶¹, pertaining to FYs 2018-22, were surrendered /deposited into the Government Account, with delays ranging between 183 to 1,026 days (**Appendix-2.18**) i.e. even beyond the relevant Financial year, indicating lack of fiscal discipline on the part of the Agriculture Department.

⁵⁹ No funds were allotted by the DMD during 2022-23. Therefore, allotment and expenditure has been shown for the years 2018-19 to 2021-22.

⁶⁰ It includes ₹ 1.41 crore, allotted by DMD in Madhubani and Sitamarhi districts, during flood in 2019. However, the entire amount was surrendered on the last day of the financial year.

⁶¹ Out of total allotment of ₹ 1,471.62 crore allotted during 2021-22, ₹ 576.55 crore lapsed.

The Department during the Exit Conference (July 2024) stated that there were delays in depositing/surrendering of unspent funds due to non/delayed finalisation of cash book *etc.*, which has now been streamlined.

2.10.3 Allotment of KrIS funds to the districts

For disbursement of KrIS, the DMD was to release funds to the Agriculture Department. As per the instructions of the Agriculture Department (January 2018) all the KrIS payments were to be made through DBT, in the bank account of beneficiaries.

During test-check of records in DMD, it was observed that the DMD allotted ₹ 67.27 crore⁶² to the District Magistrates of 13 districts, for payment of KrIS to the farmers affected by disasters during 2018-19 to 2020-21. Simultaneously, the funds were also released to the Agriculture Department for payment of KrIS. This was in violation of the aforesaid orders/instructions of the Agriculture Department regarding payment of subsidy via DBT only. This not only led to duplicity of efforts between the concerned DMs and the Agriculture Department during 2018-19 to 2020-21 but also affected the very purpose of DBT. Moreover, against these funds allotted to different DMs, no utilization certificates were found available on record. Therefore, actual utilisation of the allotted funds by DMs could not be ascertained by Audit.

2.10.4 Non-receipt of funds for KrIS

(i) Non-seeking of funds by the Department despite notification of disaster by DMD

The DMD, vide notification (October 2022), declared drought during *Kharif* season of 2022. The drought was declared based on inputs from the Agriculture Department (October 2022) wherein 7,841 villages of 96 blocks of 11⁶³ districts, were reported as drought hit. As per the notification (October 2022) of DMD, KrIS funds were to be allotted by the Department for payment of KrIS, only after receipt of a financial proposal from the Agriculture Department.

Audit, however, observed that the Agriculture Department did not furnish any proposal (as of April 2023) seeking funds for payment of KrIS from DMD despite the notified disaster. Thus, due to lack of action on the part of the Department, funds could not be made available for payment of KrIS to the farmers of drought affected 7,841 revenue villages and they remained deprived of the benefit of the KrIS.

It was further observed that the State Executive Committee (SEC) approved the proposal of DMD (13 October 2022) regarding payment of KrIS to farmers

⁶² Aurangabad: ₹ 0.04 crore, Begusarai: ₹ 0.20 lakh, Bhagalpur: ₹ 25.50 crore, Bhojpur: ₹ 2.03 crore, Darbhanga: ₹ 8.90 crore, Gopalganj: ₹ 0.87 crore, Khagaria: ₹ 5.00 crore, Kishanganj: ₹ 0.86 crore, Madhepura: ₹ 0.27 crore, Nalanda: ₹ 0.21 crore, Nawada: ₹ 0.26 crore, Sitamarhi: ₹ 19.69 crore and Vaishali: ₹ 3.63 crore.

⁶³ Aurangabad, Banka, Bhagalpur, Gaya, Jamui, Jehanabad, Lakhisarai, Munger, Nalanda, Nawada and Sheikhpura.

affected by floods in six⁶⁴ districts (*Kharif* 2022). The decision was based on the proposal of the Agriculture Department dated (October 2022) vide which farmers in 138 panchayats of 23 blocks of six districts, were affected by flood during *Kharif* season of 2022.

On scrutiny of records it was however observed that, the Agriculture Department did not submit the crop-loss assessment report to DMD, nor was a request for funds sent to the DMD till April 2023, despite the approval of the SEC.

Thus, due to lack of action by the Agriculture Department, the farmers of flood affected 138 panchayats remained deprived of the benefit of the KrIS.

(ii) Non-demanding of funds from the DMD

During scrutiny of records, it was seen that for crop loss due to floods in *Kharif* season of 2021, funds amounting to ₹ 576.55 crore were allotted by DMD to the Agriculture Department (March 2022). These funds were made available based on an assessment report submitted by the Agriculture Department. The Agriculture Department, however, did not withdraw and spend the allotted funds till 31 March 2022 and as a result the entire amount lapsed at the end of the financial year. Thereafter, neither did the Agriculture Department demand the funds again nor did DMD reallocate these funds, during the next financial year.

Besides lack of fiscal discipline, the above also indicated that either the assessment report of the Agriculture Department was inflated and there was no requirement of funds or, that KrIS was not paid to affected farmers.

2.10.5 Differences between the figures of the KrIS database and those reported by the Agriculture Department

Audit scrutiny of records disclosed that there were differences between the statistics/figures of KrIS furnished by the DBT cell of the Agriculture Department and the figures worked out by Audit after analysis of KrIS database for the FYs 2018-19 to 2022-23. The differences arrived at based on this analysis are detailed in **Table 2.8**.

Table 2.8: Figures of KrIS, as per database and reported by the Department (As of June 2023)

(₹ in crore)

| Name of Disaster (season) | No. of farmers whose payments were successful | | Amount paid to successful farmers | | No. of farmers whose payments failed | | Amount involved in failed cases | |
|--|---|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| | As per Department | As per database analysis by Audit | As per Department | As per database analysis by Audit | As per Department | As per database analysis by Audit | As per Department | As per database analysis by Audit |
| Drought (<i>Kharif</i> 2018) | 13,35,771 | 12,91,416 | 905 | 872 | 89,984 | 1,35,857 | 35 | 63 |
| Flood/excessive rain (<i>Kharif</i> 2019) | 14,37,522 | 14,37,504 | 625 | 625 | 1,04,840 | 1,04,839 | 33 | 33 |
| Hailstorm/storm/untimely rain (<i>Rabi</i> February 2020) | 1,85,685 | 1,85,685 | 55 | 55 | 13,756 | 13,756 | 3 | 3 |

⁶⁴ Begusarai, East Champaran, Gopalganj, Katihar, Lakhisarai and West Champaran.

| Name of Disaster (season) | No. of farmers whose payments were successful | | Amount paid to successful farmers | | No. of farmers whose payments failed | | Amount involved in failed cases | |
|---|---|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------|-----------------------------------|---------------------------------|-----------------------------------|
| | As per Department | As per database analysis by Audit | As per Department | As per database analysis by Audit | As per Department | As per database analysis by Audit | As per Department | As per database analysis by Audit |
| Hailstorm/ storm/ untimely excessive rain (Rabi March 2020) | 10,33,329 | 10,33,319 | 364 | 364 | 64,602 | 64,601 | 16 | 16 |
| Hailstorm/ storm/ untimely excessive rain (Rabi April 2020) | 5,08,801 | 5,08,801 | 129 | 129 | 50,947 | 50,947 | 9 | 9 |
| Flood/excessive rain (Kharif 2020) | 14,60,816 | 14,60,629 | 616 | 616 | 1,28,431 | 1,28,415 | 34 | 34 |
| Flood/excessive rain (Kharif 2021) | 12,47,835 | 12,47,673 | 514 | 514 | 75,780 | 75,766 | 21 | 21 |
| Yaas toofan (Rabi May 2021) | 3,43,228 | 3,43,174 | 77 | 77 | 30,519 | 30,519 | 5 | 5 |
| Total | 75,52,987 | 75,08,201 | 3,285 | 3,252 | 5,58,859 | 6,04,700 | 156 | 184 |

(Source: Extracted from KrIS database and information made available by Agriculture Directorate)

As per the information provided by the Department, KrIS of ₹ 3,285 crore was paid to 75,52,987 beneficiaries during 2018-22, whereas as per the analysis of the database by Audit, KrIS of ₹ 3,252 crore was paid to 75,08,201 beneficiaries indicating a difference of 44,786 (in numbers) and ₹ 33 crore (payment of KrIS) in payment to the beneficiaries.

Similarly, as per the information provided by the Department, KrIS payment of ₹ 156 crore to 5,58,859 beneficiaries failed during 2018-22, whereas as per data analysis conducted by Audit, KrIS payment of ₹ 184 crore to 6,04,700 beneficiaries failed during the same period, indicating a difference of 45,841 (number of failed cases) and ₹ 28 crore (amount involved in the failed cases). Above differences needed to be analysed and reconciled for accuracy by the Department.

2.10.6 Difference between figures of crop-loss reported by Agriculture Department and Disaster Management Department

As per the SoP for flood disaster management, issued by GoB, the Disaster Management Department was the nodal Department for flood management. As per the assessment report of the Agriculture Department, funds for KrIS for the crop-loss due to flood, are allotted by the DMD.

During scrutiny of annual flood reports in Form-IX⁶⁵ reported to the Government of India (GoI) by the DMD, it was observed that, in case of 10⁶⁶ districts, there

⁶⁵ Form prescribed to report various flood related data to Disaster Management Division of MHA, GoI, under Para 3.28 of SOP issued for flood disaster management.

⁶⁶ Three districts (Bhojpur, Jehanabad and Nawada) during Kharif season of 2019, six districts (Araria, Purnea, Katihar, Madhepura, Supaul and West Champaran) during Kharif season of 2020 and one district (Supaul) during Kharif season of 2021.

was no crop loss at all by flood during *Kharif* season of 2019-2021. The Reports in Form IX pertaining to *Kharif* season of 2019-21 floods were submitted by DMD after receipt of assessment report from the concerned District Magistrates. However, as per the assessment reports of the Agriculture Department there was crop-loss in 1.65 lakh Ha by floods during the same period, and accordingly KrIS of ₹ 219.26 crore was assessed by the Agriculture Department. DMD did not detect this variation and allotted funds to the Agriculture Department according to their report of crop loss. Analysis of data of KrIS payment provided by the Department, revealed that payment of KrIS of ₹ 117.33 crore⁶⁷ was made to the beneficiaries of these districts for their crop loss during the same period. Variations in data of crop loss reported by the two departments of the same Government indicates lack of co-ordination and reconciliation of data between them and raises a risk of data reliability.

The DMD replied (February 2024) that interim information is sent by districts in Form-IX, whereas the crop loss is assessed by the Agriculture Department, through their field level officers. Therefore, the figures received from the Agriculture Department are treated as accurate.

The reply of DMD was contrary to the final report in Form-IX, which was prepared by DMD and sent to the Government of India.

Recommendation 5: The Disaster Management Department may reconcile figures of crop-loss reported by itself to GoI with the figures reported by the Agriculture Department before release of fund for KrIS.

2.10.7 Non-compliance to the provisions of Bihar Treasury Code

Rule 176 of the BTC provides that no money should be drawn from the treasury unless it is required for immediate payment. Further, Rule 177 provides that no money shall be drawn from the treasury in anticipation of demands or to prevent lapse of budget grants. If money is drawn in advance, the unspent balance should be refunded to the treasury as early as possible and before the end of the financial year.

During test-check of records in the Agriculture Directorate, it was observed that the funds allotted to the Department are further sub-allotted to the Director, Agriculture, for payments. The Director therefore, withdrew the funds related to KrIS amounting to ₹ 4,431.96 crore from the Government Account (CFS) and transferred the same to the Personal Ledger account (Public Account) of the Bihar Rajya Beej Nigam (BRBN)⁶⁸ during December 2018 to December 2021. Thereafter, as and when required, the funds were withdrawn from the PL account of BRBN and kept in the bank account of the Agriculture Directorate, and the payments were made therefrom to beneficiaries through FTOs issued by the nodal officer of the DBT cell to the PNB.

⁶⁷ ₹ 14.54 crore (*Kharif* 2019), ₹ 99.78 crore (*Kharif* 2020) and ₹ 3.01 crore (*Kharif* 2021).

⁶⁸ A Public Sector Undertaking of the Government of Bihar, under the administrative control of the Agriculture Department.

In this regard it was noted that the BRBN was not a beneficiary of the Scheme, neither was it involved in the execution of payments of KrIS. However, the funds were kept in the PL account of BRBN, up to 378 days after withdrawal from the Consolidated Fund of the State before payment to the beneficiaries during 2018-23. This not only added an extra step in the processing of subsidy payments but it may have also contributed to delayed processing of KrIS payment at the Headquarters level (**Refer: Paragraph 2.9.1**). Moreover, the loss of interest of ₹ 40.03 crore⁶⁹ to the Government and undue benefit to the BRBN cannot be ruled out due to deposit of KrIS funds in Public Account (PL Account).

The Department stated in the Exit Conference (July 2024) that this practice has now been done away with.

2.10.8 Non-payment of KrIS to beneficiaries within stipulated time and delayed deposit of unspent fund

Sub-para (vii) of Para 5 of the instructions (14 May 2020) of the Finance Department (FD), GoB, provides that if it is mandatory to transfer the money from PL account to Bank Account for DBT to beneficiaries, then the money shall be withdrawn based on list of beneficiaries and kept at the headquarters level bank account. Amount shall be transferred to the beneficiaries' bank account within one week and thereafter, unpaid amount shall be deposited in the Consolidated Fund of the State (CFS).

During scrutiny of records in the Agriculture Directorate it was observed that a bill was presented to the treasury by BRBN for withdrawal of ₹ 145.62 crore from the PL account for DBT to 4,49,762 beneficiaries on account of disasters occurring during the seasons of *Kharif* 2019 and *Rabi* 2020. The bill was returned by the treasury with the advice to make payment of subsidy to the beneficiaries through Comprehensive Financial Management System (CFMS), in view of the directives issued by the FD. However, the Department moved the FD for relaxation of the above objection of the treasury. The Finance Department advised the Agriculture Department to act according to sub-para (vii) of Para 5 of its letter dated 14 May 2020 *ibid*. Therefore, the Agriculture Department was to spend the withdrawn amount within one week of withdrawal and deposit the un-spent amount in CFS.

However, it was observed that, ₹ 145.62 crore was withdrawn from PL account of BRBN and deposited into the bank account of Director, Agriculture on 23 December 2020. The payment was sent in different batches (first batch was sent on 15 January 2021 for ₹ 24.22 crore) to the beneficiaries between 15 January 2021 and 21 January 2022 *i.e.*, after 22 to 393 days (instead of prescribed one week) of withdrawal from PL account. The unspent funds of ₹ 59.74 crore were deposited into the government account on 12 October 2022 and 07 February 2023 (*i.e.* beyond the relevant Financial Year) with delays of 658 to 776 days. Thus, the directives of the FD were not adhered to and instructions *ibid* were

⁶⁹ Calculated at the interest rate of three per cent per annum, applicable for savings account.

not complied with, indicating insufficient financial discipline by the Agriculture Department, in this case.

2.10.9 Lack of proper checks during transfer of subsidy

During scrutiny of records in the Agriculture Directorate, it was observed that double payment of ₹ 5.74 crore was made to 7,541 beneficiaries during 2018-19. Instances of duplication were also detected by the sponsor bank wherein it observed that out of 23 FTOs⁷⁰ issued on 14.01.2021 for making payment of ₹ 87.41 crore to 2,20,861 beneficiaries, 15 FTOs involving payments of ₹ 63.19 crore, had 1,65,761 duplicate unique IDs⁷¹. These FTOs were, therefore, rejected by the bank. Further, Audit also detected cases of double payment (*Refer: Paragraph 2.8.3*). Such instances of duplication and double payments indicated persistent shortcomings and lack of de-duplication checks at the Department level while finalising the beneficiaries list for payment.

2.10.10 Opening of more than one account for the Scheme

As per the instructions of the FD, GoB, issued in May 2020, only one bank account for each Scheme was to be opened at Headquarters level.

Scrutiny of records of the Agriculture Department revealed that four bank accounts (two in same branch of HDFC Bank⁷² and other two in same branch of PNB⁷³) were opened for implementation of the KrIS Scheme. Although, one bank account which was opened in PNB in December 2019 was closed in October 2020 without any transaction, ₹ 5.00 crore remained blocked therein for 10 months (December 2019 to October 2020). However, three other bank accounts remained operational at the time of audit (June 2023) even after the instruction of the FD *ibid*.

During the Exit Conference (July 2024), the Department stated that bank accounts were opened after approval of the Competent Authority. One bank account in PNB had been closed in October 2020 and the Scheme is being operated from another account in PNB. Two active bank accounts in HDFC bank are related to 2018-19 which could not be closed due to some technical issues, however attempt is being made to close them.

2.10.11 Diversion of funds

As per sanction orders for KrIS issued by the Agriculture Department between November 2019 and December 2021, the amount for the Krishi Input Subsidy Scheme was not to be diverted for any other items and was to be spent on the intended items only.

⁷⁰ The Department was required to send the beneficiaries list in batches and Fund Transfer Orders duly signed by authorized signatory which were to be collected by bank for further processing of payments.

⁷¹ An applicant's name was incorporated more than once in the FTOs.

⁷² Account no.50100278900518 and 50100261330060 in HDFC Bank, Raja bazar branch (Patna).

⁷³ Account no. 2920000108171117 and 2920000108171126 in PNB, Buddha colony branch (Patna).

Scrutiny of records, such as cash book, bank statement and other related records in the Agriculture Directorate disclosed that during the year 2019-20 to 2021-22, a total of ₹ 160.00 crore⁷⁴ was diverted by transferring the funds towards Diesel Subsidy Scheme from the bank account of KrIS, in violation of the conditions of the allotment order. Out of the total diverted fund, transfer of ₹ 75 crore, from KrIS to the Diesel Subsidy Scheme was not found recorded in the relevant cashbook of KrIS. It was further observed that ₹ 60 crore was recouped to “KrIS Fund” on 28 October 2022, however, ₹ 100 crore was not found returned in the cashbook and thus remained out of the KrIS account as of June 2023.

The Department stated during the Exit Conference (July 2024) that funds were diverted temporarily for payment of diesel subsidy and all such funds have now been either returned or deposited in the Government Account.

The reply of the Department was not tenable, as the funds were diverted in violation of sanction orders. Further, the reply was not supported by any documentary evidence regarding transfer/deposit of the diverted funds into the Government Account.

2.10.12 Miscellaneous issues

2.10.12.1 Blockage of funds

During scrutiny of records in DMD, it was observed that funds amounting to ₹ 5.75 crore were provided (December 2019) to DM, Sitamarhi, for payment of KrIS to 11,346 farmers of four blocks of Sitamarhi district, whose crops were affected by hailstorm in April 2019. The funds were provided on the request of the DM but were not disbursed and were surrendered (August 2020) after almost nine months. Reasons for surrender of these funds were not found mentioned in the records of DMD.

Thus, funds of ₹ 5.75 crore remained blocked for nine months and eligible farmers remained deprived of benefits of the subsidy, despite availability of funds.

2.10.12.2 Non-deposit of interest on the funds

As per Para 4 (iv) of the directions issued (May 2020) by the Finance Department, GoB, all Departments were to deposit the amount of interest earned from funds related to State Schemes, parked/deposited into the bank account, in the State exchequer without delay.

⁷⁴

| Amount (₹ in crore) | Outward transfer date | Remarks | Inward transfer date/ cash-book page |
|------------------------|--------------------------|--------------------------|---|
| 25.00 | 07/06/2019 | Not entered in Cash book | NA/Not entered in Cash- book |
| 25.00 | 29/07/2019 | -do- | |
| 25.00 | 09/09/2019 | -do- | |
| 25.00 | 04/11/2022 | Cash book page no.21 | |
| 60.00 | 26/09/2022 | Cash book page no.14 | 28.10.2022/ Cash book page no.19 |

- On scrutiny of records, such as cash books and bank statements in the Agriculture Directorate, it was observed that interest of ₹ 21.94 crore was earned on the funds of KrIS, parked in two bank accounts of HDFC and PNB, during 2018-19 to 2021-22. Out of that, ₹ 6.41 crore, kept in HDFC bank was deposited into the Government treasury on 2 March 2022, *i.e.*, after one year and nine months of the instructions *ibid*. Further, interest amount of ₹ 15.53 crore was lying in the bank account of PNB, till the date of audit (June 2023), in violation of the directions of the FD.
- Further, during 2018-19, double payment of KrIS amounting to ₹ 5.75 crore was made (26 February 2019) to 7,541 beneficiaries. The amount thus disbursed was to be recovered and deposited into the Government account as per directions issued (April 2019) by the Department. Although the Department effected the recovery, it transferred the recovered amount of ₹ 4.50 crore (recovered up to December 2019) and ₹ 1.25 crore (recovered between December 2019 up to July 2021) to the bank account of BRBN in December 2019 and July 2021, respectively. These recovered amounts remained parked with BRBN for 607 (13 December 2019 to 11 August 2021) and 184 (20 July 2021 to 20 January 2022) days and were deposited into the Government account on 11 August 2021 and 20 January 2022, respectively. However, the interest of ₹ 24.33 lakh⁷⁵, that would have been earned on the funds parked in the bank account of BRBN for these periods was not found deposited in the Government account.

Besides the above, it was observed that interest of ₹ 16.94 lakh, earned on the amount of ₹ 5.75 crore recovered from the beneficiaries (as on March 2022) and deposited into the HDFC bank account of Director Agriculture, had also not been deposited into the treasury and was lying with the bank (as of April 2023).

The Department stated during the Exit Conference (July 2024) that all the interest earned had now been deposited in the Government Account and interest accrued on the KrIS fund kept in the bank account of BRBN would be deposited after verification of facts.

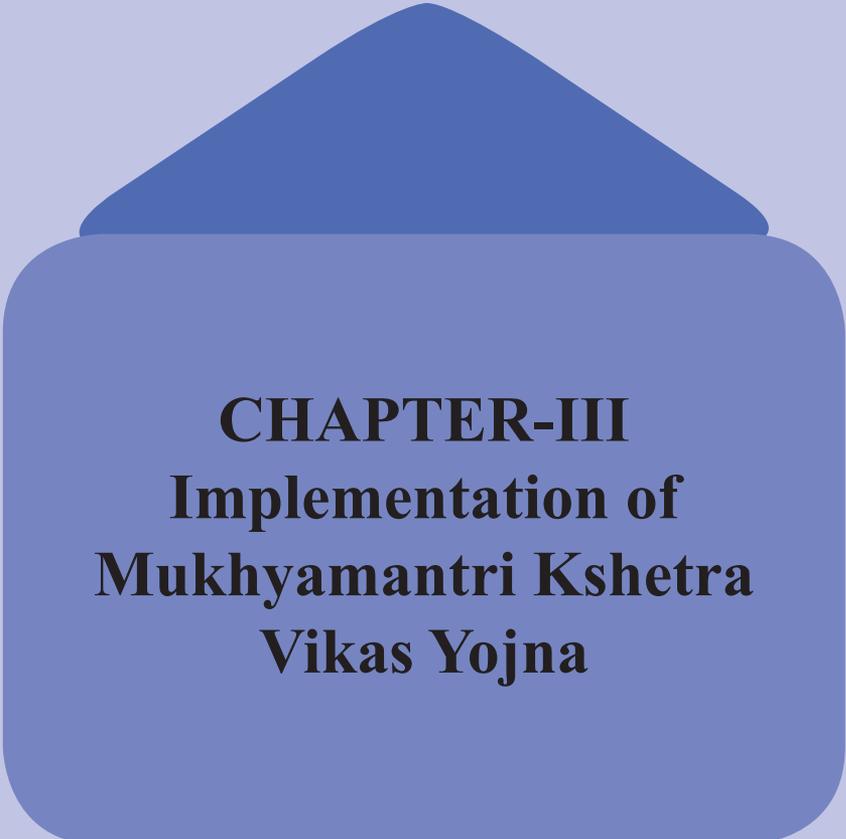
2.10.12.3 Non-accounting of transactions in cash book

Additional Secretary, Finance Department, GoB, directed (November 2018) the administrative Departments and subordinate offices to reconcile and maintain cash books.

During scrutiny of records in the Agriculture Directorate, it was observed, that during FYs 2018-19 to 2021-22, funds amounting to ₹ 4,431.96 crore, were withdrawn from the treasury and paid to BRBN in its PL Account. These transactions were, however, not found recorded in the cashbook of the Agriculture Directorate, in violation of the above instructions, indicating lack of financial controls in disbursal process of KrIS.

⁷⁵ Calculated at the rate of three per cent per annum (rates prevalent in PNB during this period).

During the Exit Conference (July 2024), the Department stated that the amount of KrIS withdrawn from the treasury and transferred to the PL account of BRBN will now be accounted for in cashbook.



CHAPTER-III
Implementation of
Mukhyamantri Kshetra
Vikas Yojna

CHAPTER-III SUBJECT SPECIFIC COMPLIANCE AUDIT

PLANNING AND DEVELOPMENT DEPARTMENT

3 Implementation of Mukhyamantri Kshetra Vikas Yojna (MKVY)

There were significant amounts of unspent balances under the MKVY due to non-completion of works. There were issues related to sanction of non-permissible works under the Scheme, non-preparation of model estimates, undue favour to suppliers, irregular procurement, splitting up of works, idle expenditure etc. Created assets were not transferred to appropriate authorities for repair and maintenance and were found unused and in dilapidated condition. Benchmark Survey of existing facilities/resources for mid-term evaluation of the Scheme was not done. Thus, there was ample scope for further improvements in implementation of the Scheme so that the intended objective of balanced regional development could be achieved.

3.1 Introduction

“Mukhyamantri Kshetra Vikas Yojna” (MKVY) (Scheme), is being implemented in Bihar under the administrative control of the Planning and Development Department (Department), Government of Bihar (GoB), since 2011-12. The guidelines for the Scheme were initially framed in 2011-12 and subsequently revised in July 2014. The main objective of the Scheme is to develop basic infrastructure for a balanced regional development in urban and rural areas. Under the Scheme, different works, specified in the guidelines, are executed on the recommendations of the elected/nominated Members of the Legislative Assembly (MLA) and Members of the Legislative Council (MLC), of the State. Each MLA/MLC can recommend works up to ₹ three crore per annum, for his/her respective constituency under MKVY.

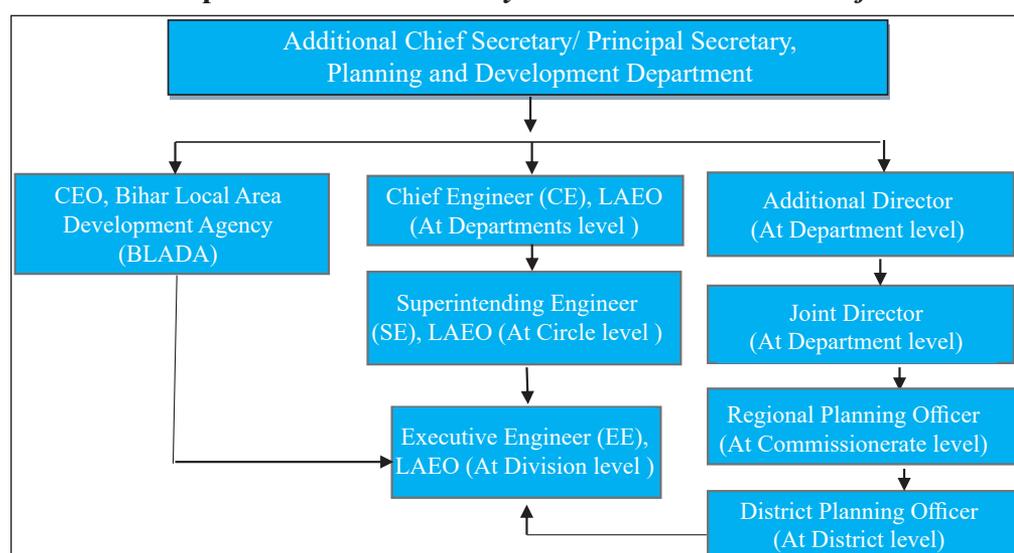
3.2 Organizational Set-up

The Planning and Development Department (Department), GoB, headed by the Additional Chief Secretary (ACS)/ Principal Secretary (PS), is the nodal Department for the Scheme. Further, the Bihar Local Area Development Agency (BLADA) (Agency) was constituted in June 2014 specially for implementation of MKVY, Member of Parliament Local Area Development (MPLAD) and other schemes under the Department. The main functions of the Agency were as follows: (i) providing technical support in designing, estimating and preparation of model designs and estimates for different types of works (ii) preparation of local area plans for different habitations, villages, panchayats, blocks, districts and other geographical areas (iii) drawal, disbursal and management of funds of the Agency (iv) overseeing and inspection of works executed under the Scheme, through independent monitors; and (v)

monitoring progress of works. The Agency functions through an Executive Committee (EC), headed by the ACS/PS of the Department, while the Chief Executive Officer¹ (CEO), BLADA, is the Member Secretary of the Committee.

On the receipt of recommendations for works from the MLA/MLC, District Planning Officer (DPO) of the concerned district forwards these recommendations to the relevant works divisions of the Local Area Engineering Organisation (LAEO), for preparation of the works estimates. After receipt of estimates, DPO sanctions/ accords administrative approval for the works and forwards them to the works division of LAEO, for their execution. Organogram of the Department (including BLADA and LAEO), for the implementation of the MKVY scheme, is shown in **Chart 3.1**.

Chart 3.1: Organogram of the Planning and Development Department for implementation of Mukhyamantri Kshetra Vikas Yojana



(Source: Information provided by the Planning and Development Department, GoB)

3.3 Audit objectives

A Subject Specific Compliance Audit (SSCA) of MKVY was conducted to ascertain whether:

- the planning and selection of developmental works were in accordance with the Scheme guidelines,
- works were taken up and executed as per extant codal provisions and provisions for operation and maintenance were ensured; and
- a mechanism for monitoring and evaluation of the implementation of the Scheme was in existence.

¹ Any officer not below the rank of Joint Secretary to the State Government or Chief Engineer.

3.4 Audit criteria

The criteria, for assessing the implementation and achievement of the Scheme, were drawn from the following sources:

- Mukhyamantri Kshetra Vikas Yojana guidelines, 2014;
- Bihar Financial Rules, 2005;
- Bihar Public Works Department Code;
- Provisions of agreements governing execution of works;
- Orders, Notifications, Instructions and Circulars issued from time to time, by the State Government; and
- By-laws of Bihar Local Area Development Agency.

3.5 Audit scope and methodology

The SSCA covered the period from financial year (FY) 2018-19 to FY 2022-23 and was conducted during May 2023 to October 2023. The audit was conducted through test-check of records of the offices of the Additional Chief Secretary/Principal Secretary, Planning and Development Department (including BLADA) and Chief Engineer, LAEO, at the apex level. At the field level, records related to 10² (out of 38) sampled District Planning Offices (DPOs) and 13³ divisions of the Local Area Engineering Organisation (LAEO) of the sampled districts, were test-checked. Districts were selected on the basis of allotment and expenditure of funds, through Stratified Random sampling.

Audit methodology consisted of seeking information from the auditee through requisitions, analysis of documents, receipt of response on audit queries, collection of information through audit questionnaire on the prescribed formats *etc.* Besides, to corroborate audit observations, Joint Physical Inspection (JPI) of works executed/ procurements made, was also carried out along with officials of the concerned works divisions/ office of the DPO. Entry meetings were held (May to September 2023) with the auditees to brief them on audit objectives, scope and methodology. Further, in order to elicit the views of the auditee on audit findings, an Exit conference was held (April 2024) with the Department and replies of the Department have been incorporated at appropriate places in the Report.

3.6 Funding

The Department, for execution of the Scheme, allots funds to BLADA (Agency) on an annual basis. BLADA in turn, transfers these funds to the works divisions of LAEO, as per their requirements. For management of the funds received under MKVY, the Agency, as well as LAEO divisions, operate

² Araria, Aurangabad, Banka, Buxar, Darbhanga, Goplaganj, Jamui, Madhepra, Muzaffarpur and Nalanda.

³ Araria, Aurangabad, Banka, Buxar, Darbhanga, Benipur (Darbhanga), Goplaganj, Jamui, Madhepura, Muzaffarpur-1, Muzaffarpur-2, Biharsharif (Nalanda) and Hilsa (Nalanda).

through Personal Ledger accounts (PL account⁴). During FYs 2018-19 to 2022-23, the State government allocated ₹ 4,652.73 crore to the Department, under the Scheme. Against this amount, BLADA released ₹ 4,623.27 crore to the works divisions of LAEO (*Appendix-3.1*).

Year-wise allotment, expenditure and unspent balances for test-checked 13 works divisions of LAEO of the selected ten districts are detailed in **Table 3.1**.

Table 3.1: Year-wise allotment and expenditure in 13 works divisions of LAEO under MKVY (as of 31 March 2023)

(₹ in crore)

| Financial Year | Opening balance | Allotment during the year | Total Funds Available | Expenditure | Unspent balance (percentage of available funds) |
|----------------|-----------------|---------------------------|-----------------------|---------------|---|
| 2018-19 | 89.17 | 203.91 | 293.08 | 197.99 | 95.09(32) |
| 2019-20 | 95.09 | 289.31 | 384.40 | 191.55 | 192.85(50) |
| 2020-21 | 192.85 | 209.91 | 402.76 | 289.14 | 113.62(28) |
| 2021-22 | 113.62 | 91.43 | 205.05 | 83.45 | 121.60(59) |
| 2022-23 | 121.60 | 137.79 | 259.39 | 128.56 | 130.83(50) |
| Total | | 932.35 | | 890.69 | |

(Source: Selected LAEO work divisions)

From **Table 3.1**, it is evident that 28 to 59 *per cent* of the total available funds in these 13 divisions, were not utilized resulting in unspent balances lying in respective PL accounts. These funds remained unutilized mainly due to non-completion of sanctioned works, during 2018-23.

This position of unutilized funds becomes even more stark for the State as a whole wherein, at the end of FY 2022-23, an amount of ₹ 779.85 crore (including opening balance of ₹ 750.39 crore, as on April 2018) was yet to be released to the works divisions of LAEO. The unreleased balances with the Agency ranged from 16 *per cent* to 57 *per cent*, during this period, showing persistent savings (*Appendix-3.1*).

Based on audit of test-checked divisions, deficiencies in planning, execution, contract management, etc., were noticed and are detailed in the subsequent paragraphs.

3.7 Planning

Audit observations, pointing out deficiencies in the process of planning, are discussed in the succeeding paragraphs.

⁴ As per Rule 323 of the Bihar Treasury Code, 2011, Personal Deposits are of the nature of banking deposit accounts, the receipts and payments of which are recorded in Personal Ledgers. These accounts are used for special cases where public interest requires speed of expenditure not possible through the normal treasury procedure.

3.7.1 Non-preparation of model designs and estimates for works

The Bihar Local Area Development Agency (BLADA) (Agency) was constituted (July 2014), under The Societies Registration Act, 1860, to expedite and ensure smooth execution of different local area developmental schemes, including MKVY. As per the objectives and functions of the Agency, mentioned in **Paragraph 3.1.2 ante**, it was required to prepare: (i) local area plans of different habitations, villages, panchayats, blocks, districts and other geographical areas and (ii) model design and estimates of different types of works as required for proper implementation of schemes.

Audit, however, observed that the Agency had not prepared any such model designs and estimates for various types of works that could be used under MKVY. As a result, there was no uniformity in design and basic features of similar types of works being executed by concerned LAEO works divisions under the Scheme. During JPIs, Audit observed that due to absence of model design and estimates for community halls, library buildings etc., these works were executed without making provision for basic amenities viz. water supply, electricity and sanitation etc., as discussed in **Paragraph 3.9.2**.

On this being pointed out, the Department replied (May 2024) that implementation of the Scheme is purely based on recommendations received from MLAs/MLCs and due to variation in area and availability of land at work sites, the preparation of model estimate for schemes was not possible. However, the reply of the Department was not in consonance with the provision of the by-laws of BLADA and functions outlined therein.

Recommendation 1: BLADA may prepare model designs and estimates of works to ensure that assets being created are of standardised quality and can be used by the intended beneficiaries.

3.7.2 Sanction of non-permissible works

Paragraph 6 of Scheme guidelines envisaged 19 categories of works as permissible works under the Scheme, which were later amended by the Department to include 46 works (February 2023) (**Appendix 3.2-A**).

Audit, however, observed that contrary to the above provision, the DPOs (except Banka) of the sampled districts had sanctioned 158 works (**Appendix 3.2-B**) of different categories, valuing ₹ 10.83 crore. These works included construction of *shamshan* shed, PCC road in non-permissible areas, boundary walls around ponds, rooms/floor in community halls, *satsang bhawan*, stairs etc., which were not permissible under the Scheme guidelines. These works were executed by the works divisions of LAEO, during FYs 2018-23. As a result, ₹ 8.79 crore was expended on the works which were not permissible under the Scheme.

On being asked about sanction/execution of non-permissible works, the Department stated (May 2024) that the selection and implementation of the works has been done as per the guidelines only.

The reply of the Department was not acceptable as while sanctioning works, their permissibility, as per guidelines, was to be considered by the concerned DPOs.

3.8 Implementation of the Scheme

Based on the recommendations of the Hon'ble MLAs/ MLCs, works are sanctioned by DPOs and executed by the concerned LAEO work divisions. Status of works recommended, sanctioned, executed and cancelled in the 10 sampled districts, during 2018-23, is shown in **Table 3.2**.

Table 3.2: Status of execution of works in sampled districts (2018-23)

(₹ in crore)

| Sl. No. | DPO | Works recommended by MLAs/MLCs | | No. and value of the works sanctioned by the concerned DPOs | | No. of works completed | No. of works incomplete (as of) | No. of works cancelled by the Department |
|---------|--------------|--------------------------------|-----------------|---|---------------|------------------------|---------------------------------|--|
| | | No. | Value (Approx.) | No. | Value | | | |
| 1 | Araria | 488 | NA* | 474 | 79.5 | 426 | 27 (July 2023) | 21 |
| 2 | Aurangabad | 4,739 | 48.21 | 3,245 | 78.82 | 2,843 | 402 (April 2023) | 0 |
| 3 | Banka | 1,787 | 62.98 | 1,419 | 58.12 | 1,323 | 80 (May 2023) | 16 |
| 4 | Buxar | 1,193 | 60.85 | 875 | 58.45 | 827 | 38 (June 2023) | 10 |
| 5 | Darbhanga | 9,997 | NA* | 7,624 | 153.74 | 7,188 | 436 (June 2023) | 0 |
| 6 | Gopalganj | 1,350 | 86.72 | 1,100 | 74.26 | 999 | 49 (March 2023) | 52 |
| 7 | Jamui | 1,888 | 78.86 | 940 | 49.26 | 814 | 109 (March 2023) | 17 |
| 8 | Madhepura | 1,171 | NA* | 1,160 | 57.52 | 1,114 | 40 (August 2023) | 6 |
| 9 | Muzaffarpur | 4,660 | 157.3 | 4,561 | 154.11 | 4,055 | 153 (July 2023) | 353 |
| 10 | Nalanda | 2,829 | 118.53 | 2,153 | 130.18 | 1,873 | 231 (May 2023) | 49 |
| | Total | 30,102 | | 23,551 | 893.96 | 21,462 | 1,565 | 524 |

(Source: Monthly Progress Reports (MPR) of sampled DPOs) *NA: Not available.

It is evident from **Table 3.2** that out of 23,551 works that were sanctioned during 2018-23, 21,462 works were completed, 1,565 works remained incomplete and 524 works were cancelled mainly due to land disputes and public hindrances. Irregularities in execution of works viz., in procurement of solar lights, benches, books, vehicle, practical equipment and in carrying out of civil works were noticed during audit and are discussed in **Paragraphs 3.8.1 to 3.10**.

3.8.1 Procurement/installation/maintenance of solar lights

Paragraph 6 read with Paragraph 7 of the MKVY Guidelines, 2014, provides for installation of solar lights on the recommendation of MLAs/MLCs within their stipulated geographical limits. Under the Scheme, against recommendations for installation of 9,664 solar lights by MLAs/MLCs, 8,983 solar lights were

installed in six⁵, of the 10 sampled districts, during 2018-23, at an expenditure of ₹ 111.13 crore.

Following observations, related to the procurement/installation and maintenance of the solar lights, were noticed during audit:

➤ **Floating of tender without indicating quantity**

Rule 126 (i) of the Bihar Financial (Amendment) Rules, 2005, envisaged that the specifications in terms of quality, type, quantity etc., of the goods to be procured, should be clearly spelt out keeping in view the specific needs of the procuring organizations.

Audit, however, observed that the concerned DPOs⁶ had invited tenders (January 2018 - July 2019), for procurement of solar lights, without indicating number of solar lights required, in the Notice Inviting Tenders (NIT), published for this purpose (except in Madhepura). Besides, leading to non-compliance with the Bihar Financial Rules, non-inclusion of estimated quantity of solar lights also raised the risk of not attracting a better, more competitive price for procurement of these items.

In reply, the Department stated that it had issued (May 2024) directions to all DPOs/EEs to mention the quantity/number in publication of tender.

➤ **Non-maintenance of solar lights installed**

Agreements were executed (February 2018 to August 2021) between the concerned six DPOs of the districts where these solar lights were installed and, the suppliers. As per these Agreements, a maintenance cost was included in the cost of installation of solar lights and it was the responsibility of the suppliers, to maintain the solar lights installed, for five years, from the date of their installation (November 2018 to September 2021).

Audit, however, observed that no mechanism *viz.*, providing of Toll-free numbers, complaint registers, addresses of service centres *etc.*, for maintenance of the solar lights, was defined either in agreements or in work orders placed. In the absence of such a mechanism, the users were unable to register their complaints, regarding functioning of these installed solar lights, if any. Besides, during JPIs of 310⁷ lights, in five of the six sampled districts (except Araria), conducted during June to September 2023, it was noticed that 162⁸ (52 *per cent*) solar lights were non-functional, which was not only indicative of lack of maintenance, but also of absence of an effective complaint redressal mechanism.

While accepting the audit observation, the Department stated (May 2024) that

⁵ Araria: 829 (₹ 18.21 crore), Banka: 664 (₹ 13.39 crore), Darbhanga: 1,321 (₹ 26.09 crore), Jamui: 287 (₹ 14.60 crore), Madhepura: 830 (₹ 13.94 crore) and Muzaffarpur: 5,052 (₹ 24.90 crore).

⁶ Araria, Banka, Darbhanga, Jamui, and Muzaffarpur.

⁷ Banka: 96; Darbhanga: 32; Jamui: 96; Madhepura: 24 and Muzaffarpur: 62.

⁸ Banka:40; Darbhanga:22; Jamui:46; Madhepura:5 and Muzaffarpur:49.

directions had been issued to all DPOs to take corrective action, in this regard, in future.

➤ **Undue favour to the supplier**

DPO, Muzaffarpur, entered into an agreement (August 2017) with a supplier⁹, for supply and installation of solar streetlights. The payment for the material supplied was to be made to the supplier by the Executive Engineer, LAEO-1, Muzaffarpur.

As per conditions of the agreement, the supplier was to maintain the solar lights, for five years, from the date of their installation. Further, 90 *per cent* of the cost of supply and installation was to be paid on receipt of material and completion of installation work. The remaining 10 *per cent* was to be deducted from bill amount of the supplier as security deposit (SD). This deducted 10 *per cent* amount was to be refunded to the supplier after satisfactory completion of the five-year period of maintenance.

Against the supply and installation of solar streetlights amounting to ₹ 17.36 crore, EE, LAEO-1, Muzaffarpur, deducted ₹ 1.73 crore (*i.e.*, 10 *per cent* of the total value of the supply made), as SD, during October 2017 to November 2021 (as per schedule of supplied, received and payments made there against).

Audit observed that out of ₹ 1.73 crore of SD, ₹ 1.68 crore was refunded to the supplier in two instalments in December 2021 *i.e.*, before completion of the maintenance period of five years (September 2022 to October 2026). This act of premature refund of SD by EE was an undue favour to the supplier as it absolved the latter from any financial burden or liability, in the event of non/improper maintenance of the installed solar lights. Further, non/improper maintenance of 37 out of 45 solar streetlights installed by the supplier was noticed, as these were found non-functional during JPIs conducted (September 2023) in the division.

In reply, the Department stated (May 2024) that cognizance of the audit observation has been taken and action against the concerned Executive Engineer has been recommended.

➤ **Irregular sanction for procurements**

Clause 11 of the Scheme guidelines stipulates different financial limits for sanctioning of works, under the Scheme. Accordingly, works up to ₹ 50 lakh under MKVY, could be sanctioned by DPOs, works above ₹ 50 lakh and up to ₹ two crore were to be approved by Regional Planning Officers (RPOs) and works above ₹ two crore were to be approved by the Principal Secretary of the Department.

Audit, during scrutiny of the records at DPO, Banka, observed that during FYs 2018-19 and 2019-20, nine works of ₹ 12.30 crore were sanctioned for procurement and installation of 616 solar streetlights. Supplies and installation

⁹ M/s San Energy & Solution.

of solar streetlights, against these sanctioned works were completed in the works division of LAEO Banka, during FYs 2018-19 and 2019-20.

Each of these works sanctioned by DPO, Banka was above ₹ 50 lakh *i.e.*, beyond the authorization limit of DPO and as such were to be sanctioned by the competent higher authorities in the Department. The DPO, however, had irregularly sanctioned the procurements himself by according nine different administrative approvals, on nine separate occasions, in contravention of the above Clause of the Scheme guidelines. Details of the approvals accorded by the DPO is given in **Table 3.3**.

Table 3.3: Irregular administrative approvals by DPO

(₹ in crore)

| Sl. No. | No. of streetlights | Administrative approval no. & date of approval | Amount of administrative approval |
|--------------|---------------------|--|-----------------------------------|
| 1 | 36 | 111 & 05/02/2019 | 0.72 |
| 2 | 60 | 442 & 14/09/2019 | 1.20 |
| 3 | 51 | 444 & 16/09/2019 | 1.02 |
| 4 | 43 | 445 & 16/09/2019 | 0.86 |
| 5 | 109 | 464 & 17/09/2019 | 2.17 |
| 6 | 37 | 534 & 05/11/2019 | 0.74 |
| 7 | 145 | 554 & 09/11/2019 | 2.89 |
| 8 | 75 | 597 & 29/11/2019 | 1.50 |
| 9 | 60 | 64 & 29/01/2020 | 1.20 |
| Total | 616 | | 12.30 |

As can be seen from **Table 3.3**, in nine cases, the DPO violated the norms while sanctioning the works. In fact, in two cases, works of more than ₹ two crore that could be approved only by the Principal Secretary of the Department, were irregularly sanctioned by the DPO.

This not only violated the Scheme guidelines and delegation of financial powers but was also indicative of the competent authorities remaining relatively unaware of these sanctions. Therefore, the possibility of lack of monitoring of the procurement process cannot be ruled out.

On this being pointed out by Audit, DPO, Banka, replied that administrative approval had been accorded scheme-wise.

The reply of the DPO was not acceptable as the amount of each administrative approval accorded was more than ₹ 50 lakh, which was beyond his/her financial jurisdiction and as such should have been approved by the higher competent authorities of the Department.

Further, the Department stated (May 2024) that clarification from DPO, Banka, in this regard has been sought.

3.8.2 Depriving employment to migrant skilled labourers

The Department directed (June 2020) all DPOs to provide employment to migrant skilled labourers with technical knowledge of making benches/desks, who returned to Bihar, due to lockdown on account of COVID-19 pandemic.

For this purpose, a mandatory clause to the effect that the successful bidder would have to make benches/desks in the respective schools, wherein these were to be used, was to be included in the conditions of NIT for procurement of benches/desks.

During September 2020 to March 2023, 53,299 pairs of wooden bench-desks valuing ₹ 29.80 crore¹⁰, were procured for supplying to government schools in four out of the 10 sampled districts. During test check of records of these four DPOs, Audit observed that: (i) in Muzaffarpur, the clause to the effect that the successful bidder would have to make bench-desks in the respective schools was neither mentioned in NIT nor in work order (ii) in Aurangabad, though the aforesaid clause was included in the NIT, it was not found included in the work order issued to the agency and the bench-desks were supplied to the 53 schools in a ready-made condition; and (iii) in Araria and Darbhanga, although the aforesaid clause was included both in NITs and work orders, 1,202 pairs of bench-desks were found supplied in ready-made condition in 13¹¹, out of 1,019¹² schools, during JPIs conducted (May-September 2023).

Therefore, due to supply of ready-made bench-desk pairs, the intended objective of providing employment to the migrant skilled labourers of the State remained unachieved.

In reply, the Department stated (May 2024) that in the light of aforesaid instruction (June 2020), all the benches/desks were made in the schools itself. The reply of the Department however, was not supported by any documentary evidence. Further, during JPIs of the schools, the concerned Principals/Headmasters stated that the ready-made bench/desks were supplied to the school.

3.8.3 Irregularities in procurement of books

Para 6(11) of the Scheme guidelines provides for purchase of books for supplying to Government schools, constituent colleges, State Government-recognised aided high/ inter schools/ colleges (whose land is registered in the name of the Hon'ble Governor of Bihar) and in the library of the advocates' office in the lower courts.

Further, sub-paras (a), (b) and (d) of Para 2 of the Departmental instructions (November 2014) for the procurement of books to be distributed among students and readers, stipulated that:

- a committee headed by the District Education Officer (DEO) was to accord approval for procurement of books, after checking the list of books recommended by the Hon'ble MLAs/ MLCs.
- the eligible institutions were not to be considered for receiving books

¹⁰ Araria (26,388 pair; ₹ 13.19 crore), Aurangabad (1,000 pair; ₹ 0.49 crore), Darbhanga (22,561 pair; ₹ 14.45 crore) and Muzaffarpur (3,350 pair; ₹ 1.67 crore).

¹¹ Araria: 4 schools (180 pairs) and Darbhanga: 9 schools (1,022 pairs).

¹² Araria: 616 and Darbhanga: 403.

in the succeeding three years, from the year in which the books were received by them.

- the discount rates applicable on the procurement of books were 10, 15, 20, 25, 30 and 35 *per cent* for one to 10 copies, 11 to 25 copies, 26 to 100 copies, 101 to 200 copies, 201 to 500 copies and above from 501 copies, respectively.
- the monetary limit for purchase of books was to be ₹ five lakh for a high school library and ₹ seven lakh for a college library, during a financial year.

In this context, irregularities related to the sanction, procurement and supply of books to institutions during 2018-23, noticed by Audit in six of the 10 sampled districts, are shown in **Table 3.4**.

Table 3.4: Irregular/excess expenditure in the procurement/supply of books

| Sl. No. | Nature of irregularity | District (value of books) | Total amount (₹ in lakh) |
|--------------|--|---|--------------------------|
| 1 | Books were procured and supplied to 344 (out of 463 ¹³ eligible institutions), without obtaining recommendations from the concerned MLAs/ MLCs. | Aurangabad (₹ 0.88 lakh), Darbhanga (₹ 9.69 lakh) and Nalanda (₹ 19.50 lakh) | 30.07 |
| 2 | Books were supplied to 27 and 53 institutions in Darbhanga and Nalanda, respectively, within three years of the earlier supply made to them. | Darbhanga (₹ 15.35 lakh) and Nalanda (₹ 13.50 lakh) | 28.85 |
| 3 | Excess payment, for supply of books in 694 educational institutions ¹⁴ , was made to the suppliers, due to incorrect application of discount rates, applied ¹⁵ during procurement. | Aurangabad (₹ 0.67 lakh), Muzaffarpur (₹ 7.99 lakh) and Nalanda (₹ 1.77 lakh) | 10.43 |
| 4 | DPOs sanctioned, procured and supplied books to 12 non-permissible institutions ¹⁶ (<i>i.e.</i> , primary schools and <i>madarsa</i>). | Araria (₹ 3.50 lakh), Aurangabad (₹ 0.10 lakh) and Darbhanga (₹ 0.40 lakh) | 4.00 |
| 5 | DPO sanctioned, procured and supplied books to seven institutions, which were different from the institutions that were recommended by the concerned MLA. | Nalanda | 2.25 |
| 6 | DPO procured books of ₹ six lakh and ₹ nine lakh instead of ₹ five lakh and ₹ seven lakh for high schools and colleges, respectively which was in excess of the prescribed limits. | Gopalganj | 3.00 |
| Total | | | 78.60 |

(Source: Records of the sampled LAEO work divisions)

As such, purchase and supply of books were made by violating the Scheme guidelines and departmental instructions, which led to excess (₹ 10.43 lakh) and irregular (₹ 68.17 lakh) expenditure.

In reply, the Department stated (May 2024) that the matter would be reviewed and action taken in this regard would be intimated to audit.

¹³ Aurangabad: 52, Nalanda: 297 and Darbhanga: 114.

¹⁴ Aurangabad: 100, Muzaffarpur: 426, Nalanda: 168.

¹⁵ Discount rates: Aurangabad zero and 11 per cent instead of 16 and 21 per cent; Nalanda 11 and 12 per cent instead of 15 and 20 per cent; Muzaffarpur 11 per cent instead of 16, 21 and 26 per cent.

¹⁶ Aurangabad: 1, Darbhanga: 4 and Araria: 7.

3.9 Execution of Civil works

3.9.1 Splitting up of works

Rule 206 of the Bihar Financial (Amendment) Rules, 2005, stipulated that, for the purpose of approvals and sanctions, a group of works, which forms one project, shall be considered as one work. The necessity for obtaining approval or sanction of the higher authority for a project which consists of such a group of works should not be avoided because the cost of each particular work in the project is within the powers of such approval or sanction of lower authority. Further, the Department issued (August 2014) instructions that works valuing less than ₹ 15 lakh would be executed departmentally, by the works divisions of LAEO. Besides, as per the provisions mentioned in Rule 159 (a) (i) of the Bihar Public Works Code, publication of the tender in daily newspapers/ internet was necessary for all the works, having estimated cost of ₹ 15 lakh or more.

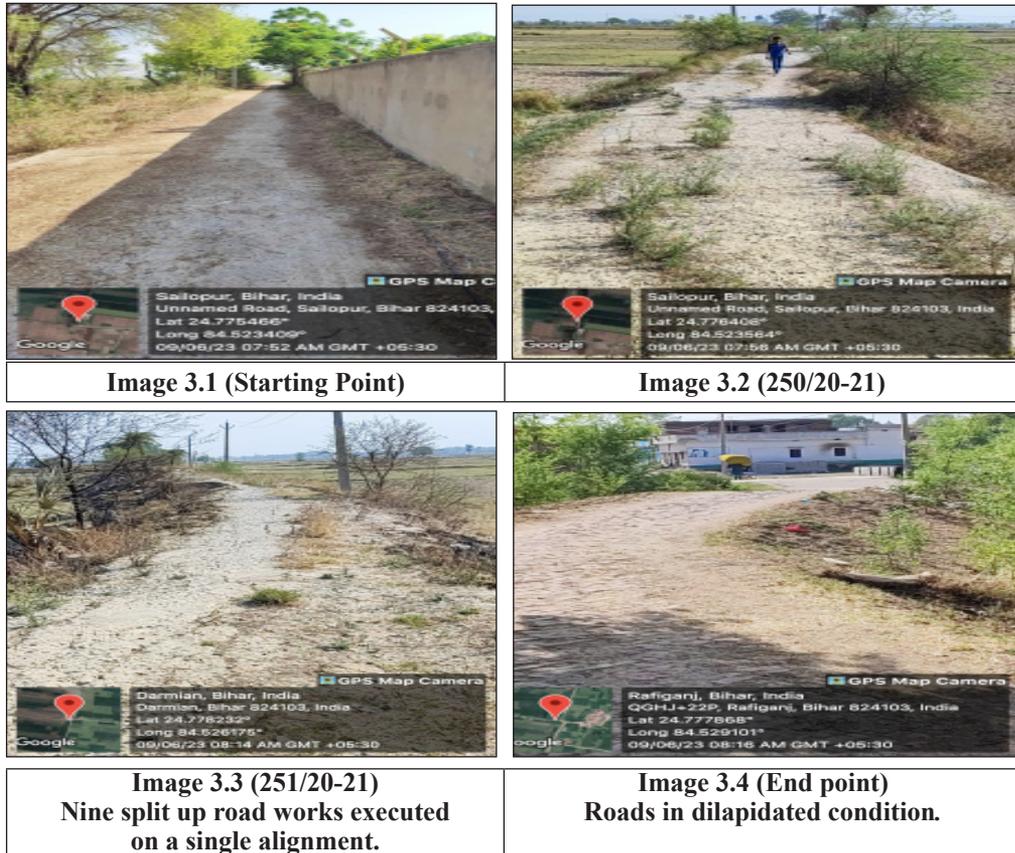
- Audit observed that in nine, out of 10 sampled districts (except Banka), 29 works, recommended by the concerned Hon'ble MLAs/MLCs, were split into 64 smaller works, amounting to ₹ 10.25 crore. These works were sanctioned during the period July 2018 to December 2022 by splitting 23 works in two parts and six works into three parts. Works were split either (i) to keep the money value less than ₹ 50 lakh so that its Administrative Approval may be accorded by DPOs themselves, instead of higher authorities or (ii) to keep the money value of each work less than ₹ 15 lakh so that it may be executed departmentally or (iii) to keep the money value less than ₹ 15 lakh in order to avoid the requirement of e-tendering and publishing of tender in newspaper for wide publicity (**Appendix-3.3**). As a result, competitive rates through wider publicity could not be obtained.

During 2019-21, 13 different works of construction of Pucca Cement Concrete (PCC) road were sanctioned (September 2019 to July 2020) by DPO, Aurangabad and executed by the concerned LAEO works divisions (January 2020 to January 2021) at an expenditure of ₹ 1.58 crore (**Appendix-3.4**).

- Audit observed that: (i) each of these 13 works had a value below ₹ 15 lakh (ii) nine (**Sl. No. 1 to 9 of Appendix – 3.4**) of these 13 works had been executed on a single stretch of a road and six of these nine were sanctioned by the DPO, Aurangabad, on the same date *i.e.*, 16 June 2020.

The above indicated that DPO, Aurangabad, had split this PCC road work to avoid obtaining sanction of higher authorities and in order to execute the works departmentally. Also, during JPIs of these 13 executed works (June 2023), nine works were found to be executed on a continuous single stretch of the road (3.063 KM) starting from *Bhola bigha* village to *Balwant bigha* village, which was also indicative of unnecessary splitting up of a single piece of work into different smaller parcels of works.

Further, during JPIs conducted, the roads were found to be in dilapidated condition. Grass/shrubs were found to be growing in cracks of the road indicating minimal traffic flow, which might be due to poor quality of the road, as shown in **Images 3.1 to 3.4**.



Had these nine works been executed as a single work order, the DPO would have been able to ensure better quality work at more competitive rates, which would have eventually benefitted the intended beneficiaries.

The Department stated (May 2024) that works were executed as per recommendation of the Hon'ble MLAs/MLCs, however, directions have been issued to all the executing agencies to execute the works in light of above instructions. The reply was not acceptable as provisions of BFR in this regard were not adhered to, as required.

3.9.2 Idle expenditure on construction of community halls and library buildings

(i) Idle expenditure on construction of community halls

Audit noticed that in five of the 10 sampled districts, 675 community halls valuing ₹ 26.21 crore, had been constructed during FYs 2018-23 as part of the MKVY, based on recommendations received from the Hon'ble MLAs/MLCs.

JPIs of 28 community halls, constructed in five districts (Araria, Aurangabad, Nalanda, Darbhanga and Madhepura) at an expenditure of ₹ 2.13 crore

(Appendix-3.5), were conducted (June-August 2023 and May 2024) along with the officials of the concerned works divisions of LAEO. During JPIs, it was observed that: (i) none of the community halls were found to be utilised for the purpose for which they were constructed (ii) 27 of 28 community halls were found to be occupied by private individuals of the village, due to non-handing over to the Panchayati Raj Department and incomplete work in one case (iii) Test check of the estimates of these community halls disclosed that in 14 of 28 community halls, no provisions were made for basic amenities viz. electricity, water, toilet etc., affecting their utility.

Some of the audit observations are depicted in **Images 3.5 to 3.8**.



Image 3.5: Community Hall encroached by installing fodder cutting machine in Parwalpur, Gram Panchayat Redhi (Nalanda)



Image 3.6: Community Hall in Gram Panchayat Kursakanta, Ward No. 2, Kursakanta Block, Sikti (Araria), occupied by private individual



Image 3.7: Community Hall in Mandal Tola in Palasmani Village, Kursakanta (Araria), occupied by private individual



Image 3.8: Community Hall near house of Jogendra Yadav in Tardih village under Tardih Block, Benipur (Darbhanga). Boundary wall and gate constructed without provisions in estimate

It can be seen from **Images 3.5 to 3.7** that community halls were not being utilized for the purpose for which they were constructed, thereby rendering the expenditure of ₹ 2.13 crore incurred on their construction, wasteful.

In reply, the Department stated (May 2024) that six community halls were handed over in April 2024 and action was being taken for handing over of remaining community halls. The Department, however, did not respond to the audit observation related to community halls being occupied by private individuals.

(ii) Idle expenditure on construction of library buildings

During 2018-23, DPOs of six of the 10 sampled districts sanctioned 14 library buildings to be constructed at a total cost of ₹ 1.07 crore. These library buildings were built during July 2019 to July 2022 at an expenditure of ₹ 1.02 crore (*Appendix-3.6*) by the concerned works divisions of LAEO.

One of the primary functions of BLADA was the preparation of model designs and estimates for works undertaken. However, Audit observed that these designs and estimates were not prepared for library buildings that were constructed under the MKVY scheme. Test check of the estimates of these buildings disclosed that provisions for basic requirements viz. book-shelves, books, desks etc., were not made in any of the estimates for library buildings (*Appendix-3.6*) affecting the functionality of the units.

JPIs of 11 out of these 14 libraries were conducted (June-September 2023). During JPIs, it was found that the library buildings were either occupied by private individuals or were lying unutilised in the absence of basic requirement viz., books, book-shelves, desks etc., as shown in *Images 3.9 to 3.11*.



Image 3.9: Library at Kursandi, Puraini, Madhepura occupied by private individual

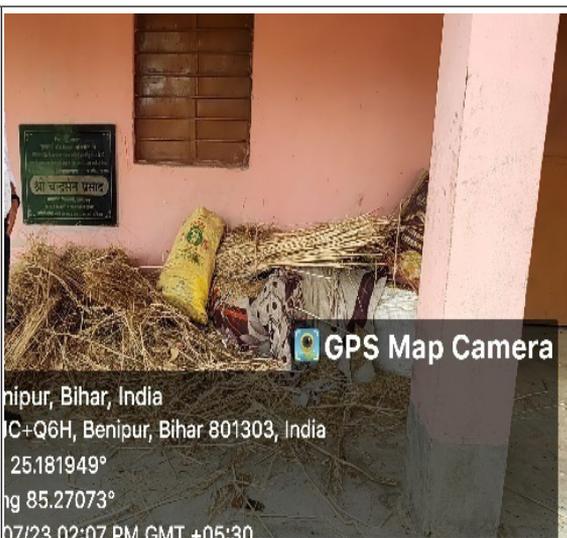
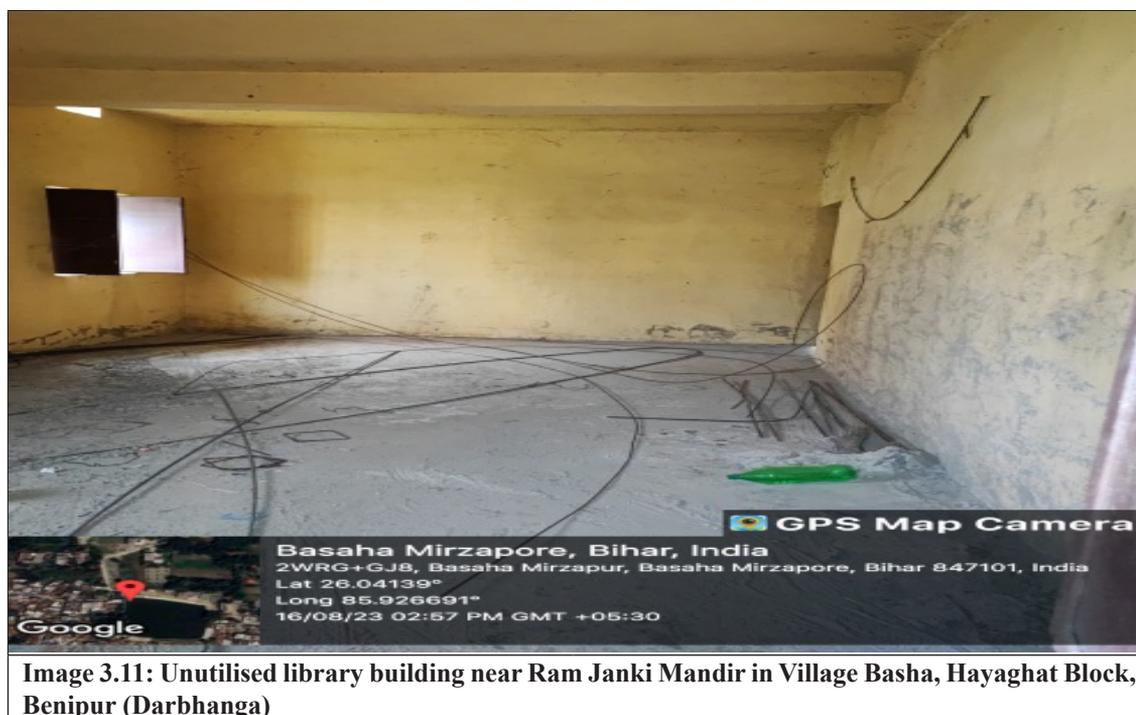


Image 3.10: Library at Agauri, Hilsa, Nalanda occupied by private individual



From *Images 3.9 to 3.11*, it can be observed that library buildings were either under possession of private individuals or were lying unutilised. Therefore, despite expenditure of ₹ 1.02 crore, incurred on the construction of these library buildings, they remained idle as these were either incomplete or were not handed over to the Panchayati Raj Department, after their completion. Further, in the absence of model designs and estimate (that were to be prepared by BLADA), basic provisions and uniformity of buildings therein, could not be ensured. Thus, the intended objective of constructing these buildings could not be achieved.

In reply, the Department stated (May 2024) that action for handing over of library building is being taken. The reply of Department was itself an admission of fact that these library buildings still remained idle.

3.9.3 Irregular allocation of works

According to Rule 159(A) (ii) of the Bihar Public Works Code read with Rule 15(a)(ii) and conditions of the Notice Inviting Tender, maximum of three works or schemes whose total cost does not exceed ₹ 25 lakhs, can be allotted/awarded at a time to any one bidder.

Audit observed that in contravention to this provision, during 2018-23, in three works divisions of LAEO¹⁷, 22 bidders were awarded more than three works or works valuing more than ₹ 25 lakh, at a time. These works, amounting to ₹ 8.42 crore, were mainly related to PCC road, brick soling, community hall, *ghat*, *chabutra*, etc.

¹⁷ Araria: nine bidders- ₹ 3.30 crore, Gopalganj: four bidders- ₹ 2.60 crore and Banka: nine bidders- ₹ 2.52 crore.

In reply, the Department stated (May 2024) that clarification has been sought from the EE of LAEO, Gopalganj. Further, Chief Engineer issued (May 2024) direction to all divisions of LAEO to comply with the aforesaid provision, in future.

3.9.4 Irregular payment on execution of departmental works under MKVY

According to Rule 159A (iii) of Bihar Public Works Code, works valued at less than ₹ 15 lakh may be executed departmentally, by the LAEO works divisions. As per codal provision, for execution of works at the departmental level, payment of wages was to be made through Muster Roll¹⁸.

Test-check of records revealed that the above provision was not followed in nine LAEO work divisions in six sampled districts. In test-checked 149 departmentally executed works of these divisions, muster rolls were not used and payment of ₹ 2.54 crore was made to labourers on vouchers/plain papers/hand receipts *etc.*, as detailed in **Table 3.5**.

Table 3.5: Details of Payment made to labourers without Muster Roll

(₹ in lakh)

| Sl. No. | Name of the district | LAEO Works Division | No. of test-checked works | Payment of Labour cost without Muster Roll |
|---------|----------------------|---------------------|---------------------------|--|
| 1 | Aurangabad | LAEO, Aurangabad | 15 | 32.41 |
| 2 | Buxar | LAEO, Buxar | 25 | 43.02 |
| 3 | Darbhanga | LAEO-1, Darbhanga | 9 | 19.00 |
| | | LAEO-2, Benipur | 10 | 17.69 |
| 4 | Jamui | LAEO, Jamui | 20 | 26.55 |
| 5 | Muzaffarpur | LAEO-1, Muzaffarpur | 25 | 35.58 |
| | | LAEO-2, Muzaffarpur | 25 | 40.65 |
| 6 | Nalanda | LAEO-1, Biharsarif | 9 | 27.15 |
| | | LAEO-2, Hilsa | 11 | 11.56 |
| | | Total | 149 | 253.61 |

(Source: Sampled LAEO works divisions)

In the absence of Muster Rolls, actual numbers of labourers employed for execution of works and wages paid to them could not be ascertained and payment of ₹ 2.54 crore was not verifiable during audit.

The Department replied (May 2024) that Muster Rolls had not been maintained in light of instruction of the Department (March 2014). Reply is not acceptable as revised instructions were issued (August 2014) to maintain muster roll for making payments to labourers.

3.10 Irregular procurement

(i) As per instructions of the Department (March 2021), purchase of vehicle for use in educational activities of State Universities was allowed under the

¹⁸ Muster Roll is the initial record of the labourer employed each day on a work and is to be maintained on daily basis in Public Works Account Form NK21.

Scheme. After purchase, the vehicle was required to be handed over to the Registrar of the concerned university.

In contravention to the aforesaid directive, DPO, Nalanda, irregularly sanctioned (December 2022) purchase of a vehicle for a private college, i.e., Rajeshwar Lall College, affiliated to the Pataliputra University. The vehicle was procured (January 2023) at an expenditure of ₹ 10.45 lakh and in contravention of applicable instructions, was handed over to the private college instead of being retained with the Registrar of the University. Both the purchase of the vehicle amounting to ₹ 10.45 lakh, as well as its handing over to the College, was irregular.

In the Exit Conference (April 2024), the Principal Secretary stated that after seeking report from the DPO Nalanda, reply would be communicated. However, the Department did not furnish any reply on procurement of vehicle (May 2024).

(ii) The Department directed (March 2020) all the DPOs/EEs to procure goods and services from Government e-Marketplace¹⁹ (GeM) only. Also, as per departmental directives (March 2021) technical/practical equipment were to be handed over to the principal of the concerned college under intimation to the Registrar of the concerned university, for repair and maintenance purposes.

DPOs of two of the 10 sampled districts sanctioned (during 2020-21) procurement of technical/practical equipment, to be supplied in 24²⁰ different colleges of Araria and Madhepura districts. Open tenders were invited for procurements of these items in Araria and Madhepura in July 2020 and July 2021, respectively. After finalization of tenders by the District Purchase Committees, equipment were procured at an expenditure of ₹ 1.96 crore (Araria: ₹ 0.97 crore and Madhepura: ₹ 0.99 crore). However, it was noticed that these equipment were procured through open tender and not through the GeM portal.

Audit further noticed that although the equipment were supplied to the colleges, as required, its intimation was not sent to the Registrar of the concerned university. Also, during JPI of two colleges (September 2023), equipment were found un-used/ill maintained and most of the supplied equipment were found un-opened and kept in storage (**Images 3.12** and **3.13**) indicating that these equipment were either not required or have not been used for intended purpose, despite lapse of two academic sessions.

¹⁹ GeM is a portal which facilitates online procurement of common use Goods and Services required by various Government Departments/ Organisations/ PSUs. It aims to enhance transparency, efficiency and speed in public procurement by tools of e-bidding, reverse e-auction and demand aggregation to facilitate the government users, achieve the best value for their money.

²⁰ Araria (12) and Madhepura (12) during 2020-21.



| | |
|--|---|
| <p>Image 3.12 Practical equipment kept unutilized and ill maintained, Baba Vishu Rawat Inter college, Chausa, Madhepura</p> | <p>Image 3.13 Practical equipment kept unutilized and ill maintained, Mahila Mahavidyalaya, Araria</p> |
|--|---|

As such, it is evident that neither the guidelines were followed in procurement of these equipment nor were they put to intended use, resulting in idle expenditure of ₹ 1.96 crore.

In reply, the Department (May 2024) stated that in Araria, equipment were procured from the lowest bidder on the basis of the decision of the purchase committee. Further, in Madhepura, equipment were not procured through GeM because these were to be procured in large numbers.

The reply of the Department is not tenable as the procurement was to be made through GeM. Further, the Department did not reply on the issues of non-intimating the procurement to the Registrar of the concerned university and utility of equipment.

3.11 Non-handing over of created assets for repair and maintenance

As per the Resolution (March 2021) of the Department, assets created under the Scheme, were to be handed over by the local officers of the Planning and Development Department, to the respective administrative departments. These administrative departments were to then maintain and monitor these handed over assets.

Further, the Department directed (March 2022) that the provision of transfer of the assets of the Scheme, after their completion, to the concerned administrative departments, for their repair and maintenance, was to be included in the sanction orders issued. For previously sanctioned works also, transfer of assets created was to be made in light of this Resolution (March 2021).

Audit observed that in five, of the 10 sampled districts, 13,444 executed works²¹ were not handed over to the concerned administrative departments by the LAEO

²¹ Araria: 426, Aurangabad: 2,843, Darbhanga: 7,188, Madhepura: 1,114 and Nalanda: 1,873.

works divisions even after lapse of one to five years since their completion. Reason(s) for not handing over the assets created were not found on the records. In the remaining²² five districts 8,018 works were completed but status of their handing over was not made available to Audit. In order to verify their status, a test check of records of 151 of these 8,018 works was carried out wherein it was noticed that, 114 of these assets created had not been handed over to the concerned departments despite substantial time having elapsed since their completion.

Due to non-handing over, upkeep of these assets could not be ensured affecting their quality due to wear and tear. Further, non-transfer of assets also led to non-achievement of the intended objective of their creation. Assets created such as community halls and library buildings were either lying idle or were occupied by private individuals, as observed during JPIs (*Paragraph 3.9.2*).

In reply, the Department stated (May 2024) that action is being taken in this regard.

Recommendation 2: The Department may make suitable arrangements to ensure the transfer of assets created under the Scheme to the appropriate authorities, for their maintenance.

3.12 Monitoring and Supervision

3.12.1 Non-conduct of Benchmark Survey

As per Para 14 of the Scheme guidelines, a State level recognized institute was to be identified by the Department for conducting a Benchmark Survey and monitoring of the Scheme. The Survey was to be conducted for monitoring and mid-term evaluation of the Scheme. For this purpose, in the first phase, a survey of the existing facilities/resources was to be conducted, so that a benchmark was available for future evaluations and an MIS was also to be prepared in which actual and financial progress of the Scheme could be reflected for each quarter. Relevant output indicators were to be specified for each project, on a quarterly basis so that the progress could be monitored accordingly.

Audit observed that neither was such a State level institute identified for this work nor was a Benchmark Survey conducted for monitoring and mid-term evaluation of the Scheme. This led to the risk of non-identification of available facilities/resources, as well as lack of awareness about existing gaps therein. In the absence of these surveys, no benchmark could be established for mapping and evaluation against relevant output indicators.

The Department did not furnish any reply (May 2024) in this regard.

²² Banka: 1,323, Buxar: 827, Gopalganj: 999, Jamui: 814, and Muzaffarpur: 4,055.

3.12.2 Non-conduct of inspection of works

As per Para 16(1) and (2) of the Scheme guidelines, the implementing agency was responsible for visiting the work sites regularly and ensuring that the progress of works was satisfactory, as per prescribed specifications and time schedule.

Audit, however, observed that there was nothing on records of the LAEO works divisions²³ (implementing agency) to show that inspection of the work sites had been conducted to ensure satisfactory progress of works during 2018-23. In the absence of inspections by the LAEO divisions, the correctness of the works taken-up; their on-time commencement and completion and quality of the works executed, could not be ensured.

On this being pointed out by Audit, EEs, LAEO stated (June-September 2023) that inspection would be conducted in future. Although, the Department, stated (May 2024) that site inspections of the scheme were conducted by SE/EE/AE and JE, no documentary evidence of conducting the inspections was provided.

3.12.3 Non-conduct of training programmes

Clause 15 (2) of the Scheme guidelines provides for imparting necessary training to engineers along with the agencies for better management and technical upgradation during implementation of the Scheme. These trainings were to include training, seminars, workshop, study tours *etc.*

Audit observed that during the audit period (2018-23) no such training programmes were conducted by the Department for engineers and agencies implementing the MKVY. This indicated that the Department did not provide opportunities for skill and knowledge enhancement and upgradation of managerial practices to the envisaged group.

On this being pointed out by Audit, the Department replied (April 2024) that the trainings had been conducted. The Department, however, did not provide any documentary evidence to corroborate its reply.

3.12.4 Non-submission of completion certificates by LAEO

As per Clause 16 (3) of the Scheme guidelines, completion certificates, related to the works executed were to be submitted by the LAEO works divisions, to the concerned DPOs, within one month of the completion of the work.

Audit observed that 21,462 works were completed in the 10 sampled districts, during 2018-23. However, neither were the required completion certificates submitted by the LAEO works divisions to the concerned DPOs nor were any efforts made by the concerned DPOs to obtain the same. This indicated

²³ Araria, Aurangabad, Darbhanga, Benipur (Darbhanga), Madhepura, Biharsharif (Nalanda) and Hilsa (Nalanda).

lackadaisical approach of the concerned DPOs, as well as the LAEO works divisions towards adherence to the Scheme guidelines.

On this being pointed out, while accepting the audit observation, EEs of LAEO works divisions replied (June 2023 to September 2023) that completion certificates would be submitted to the DPOs in future. Further, the Department stated (May 2024) that directions have been issued to all executing agencies (LAEO works divisions) to issue completion certificates.

3.12.5 Non-conduct of meetings of Executive Committee of BLADA

As per Clause 15 of BLADA by-laws, the Executive Committee of BLADA was required to meet as often as necessary but at least once in three months to discharge its functions such as preparation and execution of a detailed plan and programmes for furtherance of the objective of BLADA; approval of the prepared annual plan, appointment of independent monitors to inspect and report on the quality of the programme *etc.*

Audit, however, observed that meetings of the Executive Committee of the Agency were not held during 2018-23. As a result, the scheme was being implemented without: (i) preparation of any plan (ii) monitoring of the progress of the Scheme at the apex level and (iii) appointment of independent monitors to inspect and report on the quality of the Scheme.

On this being pointed out, the Department accepted (April 2023) that no meetings of the Executive Committee of BLADA had been held during 2018-23 and further, it was stated (May 2024) that instructions have been issued to conduct the said meeting in future.

Recommendation 3: The Department may conduct benchmark survey and ensure regular meetings of Executive Committee of BLADA for monitoring and mid-term evaluation of the Scheme.

3.12.6 Non-display of list of completed and ongoing works

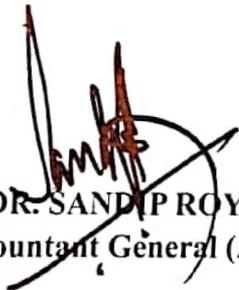
Clause 13 (6) of the Scheme guidelines provided that the lists of completed and ongoing works under MKVY were to be displayed in the offices of DPOs and also on the websites for information of the public.

Audit observed that, in none of the 10 sampled DPOs were the lists of completed and ongoing works found to be displayed. Further, district-wise websites were also not found to have been created and thus, the status of completed and ongoing works was not displayed through digital mode either.

As a result, the intended beneficiaries/users remained unaware about the completion of the works executed/ physical progress of works, being executed under the Scheme.

On this being pointed out, the Department replied (May 2024) that the list of completed and ongoing works under MKVY is displayed on the MIS portal at the district level. Reply of the Department is not acceptable as the MIS portal was not accessible to the public.

Patna
The 18 September 2025


(DR. SANDIP ROY)
Principal Accountant General (Audit), Bihar

Countersigned

New Delhi
The 23 September 2025


(K. SANJAY MURTHY)
Comptroller and Auditor General of India



Appendices

Appendix-1.1
(Refer: Paragraph-1.3.2)
Outstanding Inspection Reports/Paragraphs

(Amount in ₹ crore)

| Year | No. of IRs | No. of Paras | Amount involved |
|----------------|-------------------|---------------------|------------------------|
| 2013-14 | 894 | 5,730 | 41,258.27 |
| 2014-15 | 927 | 5,801 | 41,568.34 |
| 2015-16 | 921 | 6,687 | 28,197.82 |
| 2016-17 | 1,002 | 8,087 | 77,492.84 |
| 2017-18 | 764 | 6,772 | 1,28,823.61 |
| 2018-19 | 128 | 1,292 | 15,447.80 |
| 2019-20 | 282 | 3,173 | 1,00,754.84 |
| 2020-21 | 92 | 944 | 99,974.70 |
| 2021-22 | 334 | 3,755 | 2,04,394.41 |
| 2022-23 | 371 | 4,511 | 67,395.72 |
| Total | 5,715 | 46,752 | 8,05,308.35 |

Appendix-1.2
(Refer: Paragraph-1.3.2)
Types of irregularities in outstanding paragraphs of Inspection Reports

| Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | |
|------|---|--|-------|-------|-------|-------|-------|-----|-----|-----|-----|-----|-------|-----|-----|-------|--------|--------|--|
| | | No. of IRs | | | | | | | | | | | | | | | | | |
| | | Fraud/misappropriation/ embezzlement/ losses detected in audit | 115 | 172 | 100 | 267 | 316 | 38 | 111 | 12 | 73 | 15 | 423 | 19 | 39 | 327 | 3,703 | 5,730 | |
| | | Recoveries & instances of Over payments detected in audit | 126 | 299 | 197 | 186 | 254 | 28 | 97 | 11 | 4 | 13 | 428 | 9 | 21 | 334 | 3,794 | 5,801 | |
| | | Violation of contractual obligations and undue favour to contractors | 59 | 214 | 162 | 298 | 400 | 88 | 195 | 29 | 13 | 77 | 507 | 19 | 23 | 437 | 4,166 | 6,687 | |
| | | Avoidable/excess expenditure | 72 | 161 | 302 | 346 | 419 | 88 | 175 | 60 | 94 | 68 | 533 | 24 | 35 | 636 | 5,074 | 8,087 | |
| | | Wasteful/infructuous expenditure | 81 | 168 | 415 | 243 | 337 | 42 | 30 | 42 | 12 | 27 | 789 | 23 | 18 | 377 | 4,168 | 6,772 | |
| | | Expenditure incurred without sanction from competent authority | 19 | 23 | 39 | 74 | 24 | 5 | 17 | 0 | 0 | 6 | 85 | 3 | 2 | 55 | 940 | 1,292 | |
| | | Diversion of funds from one scheme to another or from one object head to another | 12 | 14 | 41 | 57 | 79 | 10 | 13 | 3 | 0 | 2 | 80 | 7 | 5 | 163 | 2,687 | 3,173 | |
| | | Drawal of funds at the fag end of financial year with a view to avoiding lapse of funds | 8 | 4 | 13 | 41 | 19 | 1 | 3 | 7 | 1 | 0 | 14 | 1 | 2 | 46 | 784 | 944 | |
| | | Incurring of expenditure on banned items or items of special nature without approval of competent authority | 31 | 20 | 63 | 173 | 137 | 80 | 29 | 16 | 3 | 13 | 98 | 26 | 14 | 173 | 2,879 | 3,755 | |
| | | Purchase of stores/ stock in excess of actual requirements with a view to avoiding lapse of funds | 57 | 60 | 69 | 126 | 41 | 8 | 13 | 3 | 11 | 4 | 103 | 3 | 8 | 63 | 3,942 | 4,511 | |
| | | Idle investment/ idle establishment/ blockade of funds | 371 | 60 | 69 | 126 | 41 | 8 | 13 | 3 | 11 | 4 | 103 | 3 | 8 | 63 | 3,942 | 4,511 | |
| | | Delays in commissioning of equipment/ idle equipment and consequences owing thereto | 5,715 | 1,135 | 1,401 | 1,811 | 2,026 | 388 | 683 | 183 | 211 | 225 | 3,060 | 134 | 167 | 2,611 | 32,137 | 46,752 | |
| | | Non-achievement of objectives/ unfruitful expenditure | 580 | 1,135 | 1,401 | 1,811 | 2,026 | 388 | 683 | 183 | 211 | 225 | 3,060 | 134 | 167 | 2,611 | 32,137 | 46,752 | |
| | | Miscellaneous observations | 580 | 1,135 | 1,401 | 1,811 | 2,026 | 388 | 683 | 183 | 211 | 225 | 3,060 | 134 | 167 | 2,611 | 32,137 | 46,752 | |
| | | Total paragraphs | 5,715 | 1,135 | 1,401 | 1,811 | 2,026 | 388 | 683 | 183 | 211 | 225 | 3,060 | 134 | 167 | 2,611 | 32,137 | 46,752 | |

Appendix-1.3
(Refer: Paragraph-1.3.4)
Details of Audit Memos relating to SSCAs for the Audit Report ending March 2023

| Sl. No. | Name of SSCAs | No. of units audited | Details of non/partial production of records to Audit | | | | No. of audit memos on which reply not received |
|--------------|---|----------------------|---|---------------------------|---|--|--|
| | | | 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 | |
| 1 | Implementation of Krishi Input Subsidy Scheme | 13 | 5 | 200 | 21 | 135 | 44 |
| 2 | Implementation of Mukhyamantri Kshetra Vikas Yojna (MKVY) | 18 | 13 | 252 | 232 | 10 | 10 |
| Total | | 31 | 18 | 452 | 253 | 145 | 54 |

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 | Status of entrustment up to FY | 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 Electricity Regulatory Commission | Since formed under the Act of the Parliament, separate entrustment is not required. | 2022-23 | 15/05/2024 | 2020-21 | 13/04/2023 | NA | Entrustment has not been renewed. |
| 2 | Real Estate Regulatory Authority | | 2018-19 | 07/01/2021 | 2018-19 | 07/01/2022 | NA | |
| 3 | Bihar State Legal Service Authority | | 2021-22 | 29/11/2023 | 2019-20 | 12/03/2024 | NA | |
| 4 | Bihar Building and other Construction Workers' Welfare Board | 2008-09 to 2021-22 | 26/06/2024 | Audit under process | - | - | | |
| 5 | Bihar Child Right Protection Commission | Accounts not received | - | - | - | - | | |
| 6 | Bihar State Human Right Commission | Accounts not received | - | - | - | - | | |
| 7 | Bihar State Social Welfare Board | Accounts not received | - | - | - | - | | |
| 8 | Bihar Agriculture University, Sabour | 2021-22 | 2015-16 to 2019-20 2020-21 2021-22 | 20/04/2022 18/06/2024 18/06/2024 | Under process | - | | |
| 9 | Bihar Animal Science University | 2022-23 | 2017-18 2018-19 2019-20 | 22/09/2023 22/09/2023 22/09/2023 | Under process | - | | |
| 10 | Bihar State Bio-diversity Board Patna | 2020-21 | Accounts not received | - | - | - | | |
| 11 | Bihar State Housing Board, Patna | 2015-16 | 2015-16 | 05/07/2019 | 2015-16 | 22/04/2020 | | |
| 12 | Bihar State Khadi and village industries Board | 2009-10 | 2009-10 | 29/08/2013 | 2009-10 | 21/04/2014 | | |

NA – Not available

Appendix-2.1
(Refer: Paragraph-2.5.1)

Non/partial production of vital records/data

Details of records not made available to Audit in spite of requisitions and reminders:

| Sl. No. | Auditee Unit of the Agriculture Department | Details of records not made available |
|---------|--|---|
| 1. | Directorate | MoU executed with HDFC bank for processing and payment of Krishi Input Subsidy through DBT and approval of the competent authority for opening of Bank Account No. 50100261330060 and No. 50100278900518 in HDFC Bank, Raja Bazar, Patna. |
| 2. | | MoU with Punjab National Bank for processing and payment of Krishi Input Subsidy through DBT before opening of Bank Account No. 2920000108171126 in Punjab National Bank, Budha Colony, Patna. |
| 3. | | Fund Transfer Orders related to Krishi Input Subsidy Scheme for the period 2018-19 processed by maker, checked by checker and approved by the approver with authorization of fund transfer to bank along with supportive documents. |
| 4. | | Approved format of application for registration of farmers and format of application for Krishi Input Subsidy which were required to be filled in for registration/KrIS on the DBT portal. |
| 5. | | Approval of period for invitation of applications from farmers for different calamities occurred during 2018-19 to 2023 by competent authority. |
| 6. | District Agriculture Office, Muzzaffarpur | Files and records related to assessment of crop loss by DAO and duly approved by the DM for hailstorm (February 2020, March 2020 and April 2020) and Flood (<i>Kharif</i> 2020) for payment of Krishi input subsidy. |
| 7. | District Agriculture Office, Siwan | Files/records pertaining to assessment of crop loss by DAO for payment of Krishi input subsidy for the drought (<i>Kharif</i> 2018). |
| 8. | District Agriculture Office, Nawada | Files/records pertaining to assessment of crop loss by DAO for payment of Krishi input subsidy for the drought (<i>Kharif</i> 2018). |
| 9. | | Complaint/grievance files related to payment of subsidy for the calamity of drought (<i>Kharif</i> 2018), flood (<i>Kharif</i> 2019) and hailstorm (<i>Rabi</i> 2019-20). |
| 10. | District Agriculture Office, Purnea | Files/records pertaining to assessment of crop loss by DAO for payment of Krishi input subsidy for the hailstorm (<i>Rabi</i> April 2020 and flood (<i>Kharif</i> 2021). |

Appendix-2.2
(Refer: Paragraph-2.5.1)
Non-mentioning of type of land/crop in affected area approved by Agriculture Coordinator

(₹ in lakh)

| District | More than one type of applications | No. of cases | Area approved by AC (in Hectare) | Amount paid |
|------------------------|------------------------------------|---------------|----------------------------------|-----------------|
| Bhagalpur | Land | 5,689 | 3,329.98 | 337.33 |
| | Crop | 63 | 34.81 | 4.85 |
| Darbhanga | Land | 3,608 | 1,354.66 | 169.61 |
| | Crop | 54 | 17.83 | 2.36 |
| Kaimur | Land | 188 | 77.92 | 7.59 |
| | Crop | 1 | 0.36 | 0.04 |
| Madhubani | Land | 2,337 | 586.63 | 80.08 |
| | Crop | 1,922 | 307.23 | 49.14 |
| Muzaffarpur | Land | 3,236 | 1,072.30 | 132.00 |
| | Crop | 28 | 12.03 | 1.64 |
| Nawada | Land | 3,668 | 1,618.84 | 195.67 |
| | Crop | 0 | 0.00 | 0.00 |
| Purnea | Land | 1,611 | 502.34 | 64.10 |
| | Crop | 18 | 5.90 | 0.85 |
| Rohtas | Land | 47 | 21.27 | 2.42 |
| | Crop | 0 | 0.00 | 0.00 |
| Siwan | Land | 548 | 140.41 | 16.30 |
| | Crop | 0 | 0.00 | 0.00 |
| Vaishali | Land | 1,550 | 382.41 | 50.09 |
| | Crop | 33 | 7.08 | 0.97 |
| Total Land Type | | 22,482 | 9,086.76 | 1,055.19 |
| Total Crop Type | | 2,119 | 385.24 | 59.85 |
| Grand Total | | 24,601 | 9,472 | 1,115.04 |

(Source: KrIS payment data made available by the DBT cell)

Appendix-2.3 (A)
(Refer: Paragraph-2.8.1)
Excess payment of KrIS than SDRF norms
(For farmers having landholding up to two Ha under rainfed category)

(₹ in lakh)

| Disaster (season) | No. of farmers involved | Approved affected area (in Hectare) | Amount paid | Amount payable | Excess payment |
|--|-------------------------|-------------------------------------|---------------|----------------|----------------|
| Flood (<i>Kharif</i> 2019) | 2,923 | 219.93 | 29.23 | 14.96 | 14.27 |
| Flood (<i>Kharif</i> 2020) | 11,327 | 581.69 | 113.27 | 39.55 | 73.72 |
| Hailstorm (<i>Rabi</i> February 2020) | 1,127 | 66.70 | 11.27 | 4.54 | 6.73 |
| Hailstorm (<i>Rabi</i> March 2020) | 4,064 | 239.25 | 40.64 | 16.27 | 24.37 |
| Hailstorm (<i>Rabi</i> April 2020) | 2,106 | 101.34 | 21.06 | 6.89 | 14.17 |
| Flood (<i>Kharif</i> 2021-22) | 7,898 | 347.30 | 78.98 | 23.62 | 55.36 |
| <i>Yaas Toofan</i> (<i>Rabi</i> May 2021) | 1,687 | 81.38 | 16.87 | 5.53 | 11.34 |
| Total | 31,132 | 1,637.59 | 311.32 | 111.36 | 199.96 |

(Source: KrIS payment data made available by the DBT cell)

Appendix-2.3 (B)
(Refer: Paragraph-2.8.1)
Excess payment of KrIS than SDRF norms
(For farmers having landholding above two Ha)

(₹ in lakh)

| Disaster (season) | Category of land | No. of farmers involved | Approved affected area (in Hectare) | Amount Paid | Amount payable | Excess payment |
|--|------------------|-------------------------|-------------------------------------|---------------|----------------|----------------|
| Flood (<i>Kharif</i> 2019) | Irrigated | 921 | 33.33 | 9.21 | 4.50 | 4.71 |
| | Un-irrigated | 110 | 8.26 | 1.10 | 0.56 | 0.54 |
| | Perennial | 4 | 0.06 | 0.04 | 0.01 | 0.03 |
| Flood (<i>Kharif</i> 2020) | Irrigated | 3,679 | 97.56 | 36.79 | 13.17 | 23.62 |
| | Un-irrigated | 389 | 18.14 | 3.89 | 1.23 | 2.66 |
| Hailstorm (<i>Rabi</i> February 2020) | Irrigated | 1,128 | 35.79 | 11.28 | 4.83 | 6.45 |
| | Un-irrigated | 58 | 3.70 | 0.58 | 0.25 | 0.33 |
| Hailstorm (<i>Rabi</i> March 2020) | Irrigated | 4,217 | 114.49 | 42.17 | 15.46 | 26.71 |
| | Un-irrigated | 236 | 15.50 | 2.36 | 1.05 | 1.31 |
| Hailstorm (<i>Rabi</i> April 2020) | Irrigated | 2,367 | 74.71 | 23.67 | 10.09 | 13.58 |
| | Un-irrigated | 70 | 3.84 | 0.70 | 0.26 | 0.44 |
| | Perennial | 126 | 2.27 | 1.26 | 0.41 | 0.85 |
| Flood (<i>Kharif</i> 2021) | Irrigated | 8,407 | 82.06 | 84.49 | 11.08 | 73.41 |
| | Un-irrigated | 471 | 15.79 | 4.74 | 1.07 | 3.67 |
| | Perennial | 4 | 0.01 | 0.08 | 0.00 | 0.08 |
| <i>Yaas Toofan</i> (<i>Rabi</i> May 2021) | Irrigated | 2,941 | 114.20 | 30.17 | 15.42 | 14.75 |
| | Un-irrigated | 89 | 4.80 | 1.03 | 0.33 | 0.70 |
| | Perennial | 4 | 0.02 | 0.06 | 0.00 | 0.06 |
| Total | | 25,221 | 624.53 | 253.62 | 79.72 | 173.90 |

(Source: KrIS payment data made available by the DBT cell)

| | | | | | |
|--------------------|---------------|-----------------|---------------|---------------|---------------|
| A | 31,132 | 1,637.59 | 311.32 | 111.36 | 199.96 |
| B | 25,221 | 624.53 | 253.62 | 79.72 | 173.90 |
| Grand Total | 56,353 | 2,262.12 | 564.94 | 191.08 | 373.86 |

Appendix-2.4
(Refer: Paragraph-2.8.2 (i))
Details of excess payment of KrIS
(Cases of other than minimum payment of ₹ 1,000/ ₹ 2,000)

(₹ in lakh)

| Disaster (season) | Category of land | No. of farmers involved | Approved affected area (in Hectare) | Amount paid | Amount payable | Excess payment |
|--------------------------------|------------------|-------------------------|-------------------------------------|-----------------|-----------------|-----------------|
| Drought (Kharif 2018) | Irrigated | 1,655 | 883.98 | 126.79 | 119.37 | 7.42 |
| | Un-irrigated | 25,537 | 13,206.70 | 1,777.29 | 898.06 | 879.23 |
| Flood (Kharif 2019) | Irrigated | 1,786 | 401.38 | 113.90 | 54.19 | 59.71 |
| | Un-irrigated | 1,263 | 158.40 | 86.58 | 10.77 | 75.81 |
| | Perennial | 56 | 3.48 | 5.12 | 0.63 | 4.49 |
| Flood (Kharif 2020) | Irrigated | 1,911 | 158.94 | 70.84 | 21.53 | 49.31 |
| | Un-irrigated | 129 | 8.11 | 2.97 | 0.55 | 2.42 |
| Hailstorm (Rabi February 2020) | Irrigated | 193 | 19.91 | 2.94 | 2.72 | 0.22 |
| Hailstorm (Rabi March 2020) | Irrigated | 397 | 118.79 | 16.96 | 16.05 | 0.91 |
| | Un-irrigated | 52 | 11.51 | 1.18 | 0.78 | 0.40 |
| Hailstorm (Rabi April 2020) | Irrigated | 104 | 15.26 | 2.08 | 2.07 | 0.01 |
| | Un-irrigated | 1 | 0.19 | 0.01 | 0.01 | 0.00 |
| | Perennial | 6 | 1.24 | 0.22 | 0.22 | 0.00 |
| Flood (Kharif 2021) | Irrigated | 4,717 | 1,705.36 | 280.91 | 230.44 | 50.47 |
| | Un-irrigated | 526 | 219.15 | 33.30 | 14.90 | 18.40 |
| Yaas Toofan (Rabi May 2021) | Irrigated | 5,117 | 954.66 | 211.68 | 128.94 | 82.74 |
| | Un-irrigated | 733 | 189.67 | 30.13 | 12.90 | 17.23 |
| | Perennial | 2 | 0.00 | 0.03 | 0.00 | 0.03 |
| Total | | 44,185 | 18,056.73 | 2,762.93 | 1,514.13 | 1,248.80 |

(Source: KrIS payment data made available by the DBT cell)

Appendix-2.5
(Refer: Paragraph-2.8.2 (ii))
Details of short payment of subsidy
(Cases of other than minimum payment of ₹ 1,000/ ₹ 2,000)
(₹ in lakh)

| Disaster (season) | Category of land | No. of farmers involved | Approved affected area (in Hectare) | Amount paid | Amount payable* | Short payment |
|--------------------------------|------------------|-------------------------|-------------------------------------|------------------|------------------|-----------------|
| Drought (Kharif 2018) | Irrigated | 3,30,949 | 1,93,983.77 | 24,054.08 | 26,187.81 | 2,133.73 |
| | Un-irrigated | 3,191 | 2,116.44 | 143.10 | 143.92 | 0.82 |
| Flood (Kharif 2019) | Irrigated | 1,59,644 | 84,982.28 | 11,186.65 | 11,472.61 | 285.96 |
| | Un-irrigated | 1,21,257 | 75,025.69 | 5,073.00 | 5,101.75 | 28.75 |
| | Perennial | 2,397 | 1,002.96 | 177.56 | 182.01 | 4.45 |
| Flood (Kharif 2020-21) | Irrigated | 2,82,544 | 1,27,024.75 | 16,969.11 | 17,148.49 | 179.38 |
| | Un-irrigated | 10,298 | 4,863.08 | 329.60 | 330.69 | 1.09 |
| Hailstorm (Rabi February 2020) | Irrigated | 24,947 | 9,989.22 | 1,333.13 | 1,348.54 | 15.41 |
| | Un-irrigated | 963 | 587.55 | 39.92 | 39.95 | 0.03 |
| Hailstorm (Rabi March 2020) | Irrigated | 2,23,642 | 94,484.86 | 11,860.51 | 12,755.46 | 894.95 |
| | Un-irrigated | 7,639 | 3,777.92 | 254.42 | 256.90 | 2.48 |
| Hailstorm (Rabi April 2020) | Irrigated | 42,376 | 17,478.26 | 2,273.09 | 2,359.56 | 86.47 |
| | Un-irrigated | 939 | 446.08 | 29.71 | 30.33 | 0.62 |
| | Perennial | 9,535 | 1,768.22 | 300.74 | 335.40 | 34.66 |
| Flood (Kharif 2021) | Irrigated | 2,14,694 | 97,189.59 | 12,869.91 | 13,120.59 | 250.68 |
| | Un-irrigated | 20,013 | 10,991.75 | 713.14 | 747.44 | 34.30 |
| | Perennial | 94 | 39.57 | 6.28 | 7.12 | 0.84 |
| Yaas Toofan (Rabi May 2021) | Irrigated | 18,953 | 5,633.53 | 742.36 | 760.54 | 18.18 |
| | Un-irrigated | 355 | 137.04 | 8.80 | 9.32 | 0.52 |
| | Perennial | 10 | 2.10 | 0.22 | 0.39 | 0.17 |
| Total | | 14,74,440 | 7,31,524.66 | 88,365.33 | 92,338.82 | 3,973.49 |

(Source: KrIS payment data made available by the DBT cell)

* Amount payable as assistance has been calculated by applying rates of ₹ 13,500, ₹ 6,800 and ₹ 18,000 for Irrigated, Un-irrigated and Perennial land, respectively.

Appendix-2.6
(Refer: Paragraph-2.8.2 (ii))
Details of short payment of subsidy
(Cases of minimum payment of ₹ 1,000 for irrigated land to farmers having
landholding below two hectare)

(₹ in lakh)

| Disaster (season) | No. of farmers involved | Approved affected area (in Hectare) | Amount paid | Amount payable | Short payment |
|--|-------------------------|-------------------------------------|--------------|----------------|---------------|
| Drought (<i>Kharif</i> 2018) | 3,982 | 423.85 | 39.82 | 57.22 | 17.40 |
| Flood (<i>Kharif</i> 2019) | 1,187 | 288.17 | 11.87 | 38.90 | 27.03 |
| Flood (<i>Kharif</i> 2020) | 117 | 77.28 | 1.17 | 10.43 | 9.26 |
| Hailstorm (<i>Rabi</i> February 2020) | 59 | 6.15 | 0.59 | 0.83 | 0.24 |
| Hailstorm (<i>Rabi</i> March 2020) | 2,376 | 337.81 | 23.76 | 45.60 | 21.84 |
| Hailstorm (<i>Rabi</i> April 2020) | 214 | 77.28 | 2.14 | 10.43 | 8.29 |
| Flood (<i>Kharif</i> 2021) | 489 | 273.92 | 4.89 | 36.98 | 32.09 |
| <i>Yaas Toofan</i> (<i>Rabi</i> May 2021) | 162 | 58.04 | 1.62 | 7.84 | 6.22 |
| Total | 8,586 | 1,542.5 | 85.86 | 208.23 | 122.37 |

(Source: KrIS payment data made available by the DBT cell)

Appendix-2.7
(Refer: Paragraph-2.8.2 (iii))
Details of irregular payment of subsidy
(Cases of minimum payment of ₹ 1,000/ ₹ 2,000 to farmers having irrigated
landholding below two Hectare)

(₹ in lakh)

| Disaster (season) | No. of farmers involved | Applied affected area (in Hectare) | Amount paid | Amount payable | Irregular payment |
|-----------------------------------|-------------------------|------------------------------------|---------------|----------------|-------------------|
| Drought (Kharif 2018) | 441 | 357.09 | 4.41 | 0 | 4.41 |
| Flood (Kharif 2019) | 361 | 344.21 | 3.61 | 0 | 3.61 |
| Hailstorm (Rabi February 2020) | 357 | 268.11 | 3.57 | 0 | 3.57 |
| Hailstorm (Rabi March 2020) | 1,461 | 1,669.34 | 14.61 | 0 | 14.61 |
| Hailstorm (Rabi April 2020) | 131 | 92.72 | 1.31 | 0 | 1.31 |
| Flood (Kharif 2020-21) | 4,663 | 3,014.29 | 46.68 | 0 | 46.68 |
| Flood (Kharif 2021) | 17,699 | 21,163.17 | 177.48 | 0 | 177.48 |
| Yaas Toofan (Rabi May 2021) | 1,548 | 1,354.72 | 17.10 | 0 | 17.10 |
| Total | 26,661 | 28,263.65 | 268.77 | 0 | 268.77 |

(Source: KrIS payment data made available by the DBT cell)

Appendix – 2.8
(Refer: Paragraph-2.8.4)
Details of excess payment of subsidy for unsown land

(₹ in crore)

| Disaster (season) | District | No. of farmers | Total land (in hectare) | Amount payable | Amount paid | Excess Payment | No. of farmers given minimum ₹ 1,000/2,000 |
|---------------------|-------------|----------------|-------------------------|----------------|-------------|----------------|--|
| Flood (Kharif 2019) | Bhagalpur | 844 | 211.81 | 0.14 | 0.22 | 0.08 | 529 |
| | Darbhanga | 6 | 1.21 | 0.00 | 0.00 | 0.00 | 1 |
| | Muzaffarpur | 7,179 | 540.09 | 0.37 | 0.86 | 0.49 | 6,861 |
| | Nawada | 31,946 | 1,728.50 | 1.18 | 3.88 | 2.70 | 30,846 |
| | Siwan | 6 | 2.06 | 0.00 | 0.00 | 0.00 | 4 |
| | Vaishali | 1,803 | 99.75 | 0.07 | 0.18 | 0.11 | 1,787 |
| Flood (Kharif 2021) | Darbhanga | 1,849 | 139.29 | 0.09 | 0.20 | 0.11 | 1,779 |
| | Madhubani | 189 | 10.12 | 0.01 | 0.02 | 0.01 | 185 |
| | Muzaffarpur | 2,741 | 124.59 | 0.08 | 0.34 | 0.26 | 2,625 |
| | Vaishali | 2,095 | 231.46 | 0.16 | 0.35 | 0.19 | 1,867 |
| Total | | 48,658 | 3,088.88 | 2.10 | 6.05 | 3.95 | 46,484 |

(Source: KrIS payment data made available by the DBT cell)

Appendix –2.9
(Refer: Paragraph-2.8.5)
Details of inadmissible payment of subsidy

(₹ in crore)

| District | No. of farmers paid for crops loss in less than 33 per cent area | Total Farming area (in hectare) | Total Affected area (in hectare) | Total affected area as Approved by AC (in hectare) | Subsidy paid to farmers for crop loss in less than 33 per cent area |
|--------------------|--|---------------------------------|----------------------------------|--|---|
| Bhagalpur | 79,071 | 1,23,993.7 | 1,08,060 | 15,333.45 | 22.43 |
| Darbhanga | 60,739 | 62,737.03 | 56,892.1 | 7,971.008 | 11.64 |
| Kaimur | 3,116 | 5,882.559 | 3,499.895 | 802.7571 | 1.00 |
| Madhubani | 39,761 | 38,491.76 | 34,979.57 | 4,816.814 | 7.54 |
| Muzaffarpur | 2,50,249 | 3,11,045.7 | 2,65,335.4 | 42,780.51 | 61.77 |
| Nawada | 91,651 | 1,39,840.9 | 1,14,206.4 | 21,333.71 | 24.46 |
| Purnea | 44,339 | 39,546.86 | 32,566.3 | 4,923.992 | 8.39 |
| Rohtas | 339 | 484.8016 | 328.4 | 87.14575 | 0.12 |
| Siwan | 42,909 | 44,416.83 | 40,187.79 | 6,148.13 | 8.85 |
| Vaishali | 69,443 | 66,448.64 | 54,715.6 | 8,749.721 | 13.08 |
| Grand Total | 6,81,617 | 8,32,888.78 | 7,10,771.46 | 1,12,947.24 | 159.28 |

(Source: KrIS payment data made available by the DBT cell)

Appendix – 2.10
(Refer: Paragraph-2.8.11)
Details of payment of subsidy without uploading mandatory information

(₹ in crore)

| Disaster (season) | District | No. of farmers with blank or Zero Khesra No. | Approved affected area (in hectare) | Amount of subsidy paid |
|--|-------------|--|-------------------------------------|------------------------|
| Drought (<i>Kharif</i> 2018) | Bhagalpur | 47 | 26.47 | 0.03 |
| | Darbhanga | 176 | 99.87 | 0.12 |
| | Kaimur | 926 | 439.7 | 0.32 |
| | Madhubani | 628 | 209.79 | 0.27 |
| | Muzaffarpur | 1,412 | 708.97 | 0.95 |
| | Nawada | 6,550 | 5,020.13 | 5.89 |
| | Siwan | 10,197 | 4,050.89 | 4.85 |
| | Vaishali | 248 | 81.38 | 0.11 |
| Total | | 20,184 | 10,637.20 | 12.54 |
| Flood (<i>Kharif</i> 2019) | Bhagalpur | 1,218 | 717.37 | 0.93 |
| | Darbhanga | 722 | 213.1 | 0.23 |
| | Kaimur | 480 | 221.18 | 0.26 |
| | Madhubani | 1,179 | 307.14 | 0.39 |
| | Muzaffarpur | 2,451 | 898.88 | 0.83 |
| | Nawada | 23,869 | 9,215.15 | 6.74 |
| | Purnea | 1,511 | 508.19 | 0.67 |
| | Siwan | 1,220 | 796.35 | 0.81 |
| | Vaishali | 383 | 130.51 | 0.16 |
| Total | | 33,033 | 13,007.87 | 11.02 |
| Hailstorm (<i>Rabi</i> February 2020) | Kaimur | 29 | 6.13 | 0.01 |
| | Bhagalpur | 0 | 0 | 0.00 |
| | Muzaffarpur | 1,881 | 460.17 | 0.65 |
| Total | | 1,910 | 466.3 | 0.66 |
| Hailstorm (<i>Rabi</i> March 2020) | Bhagalpur | 2,149 | 984.57 | 1.13 |
| | Darbhanga | 3 | 0.2 | 0.00 |
| | Kaimur | 753 | 179.53 | 0.20 |
| | Muzaffarpur | 4,414 | 868.46 | 1.19 |
| | Nawada | 29,807 | 10,256.84 | 13.52 |
| | Rohtas | 1,144 | 436.69 | 0.54 |
| Total | | 38,270 | 12,726.29 | 16.58 |
| Hailstorm (<i>Rabi</i> April 2020) | Bhagalpur | 110 | 66.78 | 0.08 |
| | Darbhanga | 16 | 1 | 0.00 |
| | Madhubani | 200 | 26.34 | 0.04 |
| | Muzaffarpur | 999 | 241.24 | 0.34 |
| | Purnea | 1,170 | 232.74 | 0.33 |
| Total | | 2,495 | 568.1 | 0.79 |

| Disaster (season) | District | No. of farmers with blank or Zero Khesra No. | Approved affected area (in hectare) | Amount of subsidy paid |
|-----------------------------|-------------|--|-------------------------------------|------------------------|
| Flood (Kharif 2020) | Bhagalpur | 48 | 22.92 | 0.03 |
| | Darbhanga | 888 | 222.73 | 0.31 |
| | Madhubani | 1,892 | 311.94 | 0.46 |
| | Muzaffarpur | 7,879 | 2,616.63 | 3.59 |
| | Purnea | 1,996 | 684.9 | 0.92 |
| | Siwan | 35,500 | 7,715.79 | 10.26 |
| | Vaishali | 847 | 132.15 | 0.20 |
| Total | | 49,050 | 11,707.06 | 15.77 |
| Flood (Kharif 2021) | Bhagalpur | 579 | 69.64 | 0.12 |
| | Darbhanga | 454 | 157.82 | 0.19 |
| | Kaimur | 628 | 261.51 | 0.32 |
| | Madhubani | 1,937 | 348.33 | 0.49 |
| | Muzaffarpur | 6,256 | 1,825.16 | 2.46 |
| | Purnea | 108 | 26.94 | 0.04 |
| | Siwan | 618 | 65.77 | 0.09 |
| | Vaishali | 3,279 | 706.19 | 0.97 |
| Total | | 13,859 | 3,461.36 | 4.68 |
| Yaas Toofan (Rabi May 2021) | Darbhanga | 102 | 12.32 | 0.02 |
| | Madhubani | 94 | 13.69 | 0.02 |
| | Purnea | 407 | 82.65 | 0.12 |
| | Vaishali | 1,007 | 98.94 | 0.16 |
| Total | | 1,610 | 207.6 | 0.32 |
| Grand Total | | 1,60,411 | 52,781.78 | 62.36 |

(Source: KrIS payment data made available by the DBT cell)

Appendix – 2.11
(Refer: Paragraph-2.9.1)
Details of delays in processing applications for KrIS

| District | Total Successful Applications | No. of delayed cases/ Delay Range at AC level (in Days) | No. of Delayed cases/ Delay Range at DAO level (in Days) | No. of Delayed cases/Delay Range at ADM level (in Days) | No. of cases/ Time-Range at Department level (in Days) |
|--------------------|-------------------------------|---|--|---|--|
| Vaishali | 2,46,566 | 76,170/1 to 30 | 5,145/1 to 32 | 65/4 | 1,50,990/8 to 203 |
| Muzaffarpur | 7,25,209 | 3,89,630/1 to 108 | 65,303/1 to 46 | 47,110/1 to 24 | 4,31,374/8 to 489 |
| Darbhanga | 4,41,395 | 2,39,461/1 to 36 | 1,23,066/1 to 54 | 13,269/1 to 13 | 2,67,669/8 to 466 |
| Nawada | 3,41,206 | 2,80,837/1 to 35 | 20,621/1 to 35 | 10,860/1 to 18 | 93,749/8 to 460 |
| Madhubani | 2,61,847 | 82,443/1 to 32 | 28,877/1 to 68 | 30,615/1 to 28 | 1,04,966/8 to 482 |
| Kaimur | 23,031 | 9,381/1 to 18 | 3,104/1 to 15 | 649/1 | 8,611/8 to 159 |
| Rohtas | 3,959 | 3,091/1 to 15 | 78/1 to 6 | Nil | 3,702/12 to 75 |
| Purnea | 2,23,852 | 56,048/1 to 36 | 89,002/1 to 33 | Nil | 1,47,036/8 to 322 |
| Siwan | 1,95,775 | 69,905/1 to 27 | 41,662/1 to 22 | 500/4 to 6 | 1,08,195/8 to 180 |
| Bhagalpur | 3,43,209 | 2,00,502/1 to 52 | 20,066/1 to 30 | 20,775/1 to 28 | 1,59,238/8 to 480 |
| Grand Total | 28,06,049 | 14,07,468/1 to 108 | 3,96,924/1 to 68 | 1,23,843/1 to 28 | 14,75,530/8 to 489 |

(Source: KrIS payment data made available by the DBT cell)

Appendix- 2.12
(Refer: Paragraph-2.9.2)

Details of application of affected land more than total land holdings

(land in hectare)

| District | No. of farmers | Total land holdings | Affected land | Difference between total and affected land |
|--------------------|----------------|---------------------|-----------------|--|
| Bhagalpur | 334 | 348.21 | 416.66 | 68.45 |
| Darbhanga | 398 | 388.90 | 437.06 | 48.16 |
| Kaimur | 10 | 6.44 | 12.19 | 5.75 |
| Madhubani | 142 | 120.13 | 145.12 | 24.99 |
| Muzaffarpur | 390 | 316.36 | 395.55 | 79.19 |
| Nawada | 157 | 125.76 | 180.71 | 54.95 |
| Purnea | 312 | 224.55 | 261.13 | 36.58 |
| Rohtas | 14 | 13.09 | 16.00 | 2.91 |
| Siwan | 93 | 77.01 | 107.11 | 30.10 |
| Vaishali | 290 | 160.45 | 212.75 | 52.30 |
| Total | 2,140 | 1,780.90 | 2,184.28 | 403.38 |

(Source: KrIS payment data made available by the DBT cell)

Appendix – 2.13
(Refer: Paragraph-2.9.3)

Details of receipt of applications of farmers after the last date of application
(₹ in crore)

| District | No. of farmers who applied after last date of application | No. of farmers to whom payment was made | Amount Paid |
|--------------------|---|---|---------------|
| Bhagalpur | 2,42,199 | 1,50,683 | 94.80 |
| Darbhanga | 4,55,922 | 2,99,322 | 166.33 |
| Kaimur | 17,377 | 13,137 | 7.55 |
| Madhubani | 2,65,059 | 1,90,660 | 99.77 |
| Muzaffarpur | 6,16,896 | 4,72,297 | 238.55 |
| Nawada | 71,028 | 61,003 | 55.94 |
| Purnea | 53,419 | 37,399 | 14.60 |
| Rohtas | 133 | 0 | 0.00 |
| Siwan | 2,51,962 | 1,93,024 | 71.71 |
| Vaishali | 2,39,500 | 1,76,246 | 65.98 |
| Total | 22,13,495 | 15,93,771 | 815.23 |

(Source: KrIS data made available by the DBT cell)

Appendix – 2.14
(Refer: Paragraph-2.9.4)
Details of crucial fields left blank in the database

| Districts | Field | Drought (Kharif 2018-19) | Flood (Kharif 2019-20) | Hailstorm (February 2020) | Hailstorm (Rabi March 2020) | Hailstorm (Rabi April 2020) | Flood (Kharif 2020-21) | Yaas Toofan (Rabi May 2021) | Flood (Kharif 2021-22) |
|------------------|--|--------------------------------------|------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|-----------------------------|------------------------|
| Bhagalpur | Total No. of successful applications | 39,009 | 67,117 | 3,448 | 89,815 | 29,812 | 8,399 | NA# | 1,05,559 |
| | Khata no. | NA | 9,656 | 546 | 17,028 | 2158 | 843 | NA | 25,390 |
| | Khesra no. | 2 | 0 | NA | 0 | 0 | 0 | NA | 0 |
| | Thana no. | NA | 0 | NA | 0 | 0 | NA | NA | 0 |
| | Send date | NA | NA | 1 | 286 | 35 | 8,399 | NA | 1,03,460 |
| | Send action date | 39,009 | 67,117 | 0 | 0 | 0 | NA | NA | 2,091 |
| | Send by | NA | NA | 0 | 0 | 0 | 0 | NA | 0 |
| | AC Action Date | NA | 873 | NA | NA | 0 | NA | NA | NA |
| | Total no. of application in which payment made | 39,009 | 67,117 | 3,448 | 89,815 | 29,812 | 8,399 | NA | 1,05,559 |
| | Darbhanga | Total No. of successful applications | 86,612 | 97,162 | NA | 7,931 | 23,167 | 1,15,014 | 40,020 |
| Khata no. | | 0 | 5,364 | NA | 243 | 113 | 7,926 | 1,161 | 4,660 |
| Khesra no. | | 0 | 0 | NA | 0 | 0 | 0 | 0 | 0 |
| Thana no. | | 0 | 0 | NA | 0 | 0 | 0 | 0 | 0 |
| Send date | | 0 | 0 | NA | 1,213 | 3,347 | 1,15,014 | 40,020 | 70,768 |
| Send action date | | 86,612 | 97,162 | NA | 0 | 0 | 0 | 26,474 | 287 |
| Send by | | 0 | 0 | NA | 0 | 0 | 0 | 0 | 0 |
| AC Action Date | | 0 | 5 | NA | 0 | 0 | 0 | 0 | 31 |

| Districts | Field | Drought (Kharif 2018-19) | Flood (Kharif 2019-20) | Hailstorm (Rabi February 2020) | Hailstorm (Rabi March 2020) | Hailstorm (Rabi April 2020) | Flood (Kharif 2020-21) | Yaas Toofan (Rabi May 2021) | Flood (Kharif 2021-22) |
|--------------------|--------------------------------------|--------------------------|------------------------|--------------------------------|-----------------------------|-----------------------------|------------------------|-----------------------------|------------------------|
| Kaimur | Total No. of successful application | 10,361 | 3,596 | 753 | 6,041 | NA | NA | NA | 2,280 |
| | Khata no. | 0 | 169 | 10 | 227 | NA | NA | NA | 95 |
| | Khesra no. | 0 | 0 | 0 | 0 | NA | NA | NA | 0 |
| | Thana no. | 0 | 0 | 0 | 0 | NA | 0 | NA | 0 |
| | Send date | NA | NA | 0 | 195 | NA | NA | NA | 1,138 |
| | Send action date | 10,361 | 3,596 | 0 | 0 | NA | NA | NA | 1,138 |
| | Send by | NA | NA | 0 | 0 | NA | NA | NA | 0 |
| | Total No. of successful applications | 1,09,031 | 24,996 | NA | NA | 42,248 | 46,593 | 13,900 | 20,943 |
| Madhubani | Khata no. | NA | 4,431 | NA | NA | 939 | 9,756 | 662 | 7,902 |
| | Khesra no. | 16 | 0 | NA | NA | 1 | 0 | 0 | 0 |
| | Thana no. | 0 | 0 | NA | NA | 0 | 0 | NA | 0 |
| | Send date | NA | NA | NA | NA | 9 | 46,593 | 13,899 | 0 |
| | Send action date | 1,09,031 | 24,996 | NA | NA | NA | 0 | 5,561 | 205 |
| | Send by | NA | NA | NA | NA | 0 | NA | 0 | NA |
| | AC reject cause | NA | NA | NA | NA | NA | 0 | 0 | NA |
| | AC Action Date | NA | NA | NA | NA | NA | NA | 3,423 | NA |
| Muzaffarpur | Total No. of successful application | 88,399 | 69,579 | 68,658 | 1,06,555 | 15,740 | 1,99,969 | NA | 1,76,309 |
| | Khata no. | NA | 3,911 | 2,438 | 6,123 | 584 | 15,272 | NA | 19,617 |
| | Khesra no. | 0 | 0 | 0 | 0 | 0 | 0 | NA | 0 |
| | Thana no. | 0 | 0 | 0 | 0 | 0 | 0 | NA | 0 |
| | Send date | NA | NA | 220 | 5,303 | 4 | 1,99,969 | NA | 1,69,285 |
| | Send action date | 88,399 | 69,579 | 0 | 0 | NA | 0 | NA | 6,994 |
| | Land path | 88,399 | NA | NA | NA | NA | NA | NA | NA |
| | Send by | NA | NA | NA | NA | NA | NA | NA | 0 |
| Transaction date | 88,399 | NA | NA | NA | NA | NA | NA | NA | |

Audit Report (Compliance Audit) for the period ended March 2023

| Districts | Field | Drought (Kharif 2018-19) | Flood (Kharif 2019-20) | Hailstorm (Rabi February 2020) | Hailstorm (Rabi March 2020) | Hailstorm (Rabi April 2020) | Flood (Kharif 2020-21) | Yaas Toofan (Rabi May 2021) | Flood (Kharif 2021-22) |
|---------------|--|--------------------------|------------------------|--------------------------------|-----------------------------|-----------------------------|------------------------|-----------------------------|------------------------|
| Nawada | Total No. of successful application | 55,069 | 1,31,049 | NA | 1,54,088 | NA | NA | NA | NA |
| | Khata no. | NA | 7,565 | NA | 4,327 | NA | NA | NA | NA |
| | Khesra no. | 150 | 0 | NA | NA | NA | NA | NA | NA |
| | Thana no. | 1 | 0 | NA | NA | NA | NA | NA | NA |
| | Send action date | 55,069 | 1,32,049 | NA | 7,069 | NA | NA | NA | NA |
| | Total No. of application | NA | 51,767 | NA | NA | 63,491 | 62,493 | 30,569 | 15,532 |
| Purnea | Khata no. | NA | 1,166 | NA | NA | 658 | 2,506 | 550 | 267 |
| | Khesra no. | NA | 0 | NA | NA | 0 | 0 | 0 | 0 |
| | Thana no. | NA | 0 | NA | NA | 0 | NA | NA | NA |
| | Send date | NA | NA | NA | NA | 12,867 | 62,493 | 30,569 | 15,532 |
| | Send action date | NA | 51,767 | NA | NA | NA | 0 | 22,442 | NA |
| | Send by | NA | NA | NA | NA | 0 | 0 | 0 | NA |
| Rohtas | AC Action Date | NA | 143 | NA | NA | NA | 23 | 33 | NA |
| | Total no. of application in which payment made | NA | 51,767 | NA | NA | 63,491 | 62,493 | 30,569 | 15,532 |
| | Total No. of successful application | NA | NA | NA | 3,959 | NA | NA | NA | NA |
| | Khata no. | NA | NA | NA | 349 | NA | NA | NA | NA |
| | Khesra no. | NA | NA | NA | 0 | NA | NA | NA | NA |
| | Send date | NA | NA | NA | 3,959 | NA | NA | NA | NA |
| | Send by | NA | NA | NA | 0 | NA | NA | NA | NA |
| | AC change reason | NA | NA | NA | 0 | NA | NA | NA | NA |
| | AC IP Address | NA | NA | NA | 0 | NA | NA | NA | NA |
| | DAO IP Address | NA | NA | NA | 0 | NA | NA | NA | NA |

| Districts | Field | Drought (Kharif 2018-19) | Flood (Kharif 2019-20) | Hailstorm (Rabi February 2020) | Hailstorm (Rabi March 2020) | Hailstorm (Rabi April 2020) | Flood (Kharif 2020-21) | Yaas Toofan (Rabi May 2021) | Flood (Kharif 2021-22) |
|-----------------|---|--------------------------|------------------------|--------------------------------|-----------------------------|-----------------------------|------------------------|-----------------------------|------------------------|
| Siwan | Total No. of successful application | 81,675 | 3,219 | NA | NA | NA | 1,07,690 | NA | 2,752 |
| | Khata no. | 0 | 606 | NA | NA | NA | 22,863 | NA | 422 |
| | Khesra no. | 1 | 0 | NA | NA | NA | 0 | NA | 0 |
| | Thana no. | 0 | 0 | NA | NA | NA | 0 | NA | 0 |
| | Send date | NA | 0 | NA | NA | NA | 1,07,690 | NA | 2,428 |
| | Send action date | 81,675 | 3,219 | NA | NA | NA | 0 | NA | 323 |
| | Total No. of successful application | 46,299 | 12,753 | NA | NA | NA | 41,118 | 35,003 | 1,11,363 |
| Vaishali | Khata no. | 0 | 1,569 | NA | NA | NA | 2,285 | 1,131 | 6,437 |
| | Khesra no. | 0 | 0 | NA | NA | NA | 0 | 0 | 0 |
| | Send date | NA | NA | NA | NA | NA | 41,118 | 34,999 | 99,517 |
| | Send action date | 46,299 | 12,753 | NA | NA | NA | NA | 19,719 | 11,707 |
| | Land path | 46,299 | NA | NA | NA | NA | NA | NA | NA |
| | Transaction date | 46,299 | NA | NA | NA | NA | NA | NA | NA |
| | Date of receiving application in the department | 46,299 | 12,753 | NA | NA | NA | 41,118 | 35,003 | 1,11,363 |
| AC Action Date | 46,299 | NA | NA | NA | NA | 2,103 | NA | 0 | |

(Source: Kr/IS payment data made available by the DBT cell) # NA – Not Applicable

Appendix-2.15 (A)
(Refer: Paragraph-2.9.6)

Details of rejection of applications at AC level without assigning any reasons

(₹ in crore)

| Disaster (Season) | District | No. of cases without specific reasons | Amount |
|-----------------------------------|-----------------|---------------------------------------|---------------|
| Drought (Kharif 2018) | Bhagalpur | 3,735 | 4.97 |
| | Darbhangha | 10,947 | 12.23 |
| | Kaimur | 1,404 | 2.01 |
| | Madhubani | 5,349 | 6.66 |
| | Muzaffarpur | 6,108 | 7.57 |
| | Nawada | 2,130 | 2.8 |
| | Siwan | 3,107 | 3.29 |
| | Vaishali | 5,881 | 5.93 |
| Flood (Kharif 2019) | Bhagalpur | 17,061 | 21.75 |
| | Darbhangha | 20,852 | 23.85 |
| | Kaimur | 4,946 | 6.07 |
| | Madhubani | 85,005 | 99.92 |
| | Muzaffarpur | 52,078 | 51.7 |
| | Nawada | 20,625 | 20.04 |
| | Purnea | 5,268 | 4.27 |
| | Rohtas | 1,225 | 1.18 |
| | Siwan | 6,516 | 7.16 |
| | Vaishali | 16,957 | 12.19 |
| Hailstorm (Rabi February 2020) | Bhagalpur | 92,282 | 163.96 |
| | Kaimur | 22,574 | 27.36 |
| | Muzaffarpur | 1,08,192 | 141.11 |
| | Vaishali | 49,008 | 53.43 |
| Hailstorm (Rabi March 2020) | Bhagalpur | 18,300 | 31.63 |
| | Darbhangha | 489 | 0.42 |
| | Kaimur | 2,933 | 4.33 |
| | Muzaffarpur | 15,148 | 19.44 |
| | Nawada | 5,984 | 8.71 |
| | Rohtas | 5,429 | 5.24 |
| Hailstorm (Rabi April 2020) | Bhagalpur | 3,615 | 4.68 |
| | Darbhangha | 39,180 | 48.15 |
| | Madhubani | 39,619 | 45.21 |
| | Muzaffarpur | 5,318 | 5.53 |
| | Purnea | 7,806 | 6.13 |
| Flood (Kharif 2020) | Bhagalpur | 1,066 | 2.08 |
| | Darbhangha | 11,550 | 16.89 |
| | Madhubani | 6,668 | 7.1 |
| | Muzaffarpur | 3,136 | 3.65 |
| | Purnea | 1,648 | 1.84 |
| | Siwan | 8,873 | 10.45 |
| | Vaishali | 970 | 0.78 |
| | G. Total | 7,18,982 | 901.71 |

(Source: KrIS data made available by the DBT cell)

Appendix-2.15 (B)
(Refer: Paragraph-2.9.6)

Details of reduction of claim amount at AC level without assigning any reasons

| Disaster (Season) | District | Changed Amount | | Changed Rakba |
|---|-------------|----------------|--|--|
| | | No. of cases | Applied amount/ changed amount (₹ in lakh) | Applied Rakba/changed rakba (in hectare) |
| Drought (Kharif 2018) | Darbhanga | 86 | 12.53/6.57 | 104.42/54.39 |
| | Madhubani | 37 | 4.02/2.02 | 30.05/14.9 |
| | Muzaffarpur | 11 | 0.84/0.34 | 6.29/3.37 |
| Flood (Kharif 2019) | Bhagalpur | 45,088 | 7,413.13/3,728.63 | 60,514.43/31,150.52 |
| | Darbhanga | 81,704 | 10,983.05/3,935.83 | 82,895.31/29,697.92 |
| | Kaimur | 3,025 | 406.93/182.56 | 3,265.02/1,485.11 |
| | Madhubani | 8,498 | 1,195.93/284.14 | 9,024.77/2,187.78 |
| | Muzaffarpur | 49,104 | 5,594.98/2,387.13 | 52,790/21,620.58 |
| | Nawada | 1,07,631 | 8,514.1/3,249.02 | 1,24,484.47/44,522.62 |
| | Purnea | 42,186 | 4,484.67/2,084.32 | 33,712.34/15,840.5 |
| | Siwan | 2,072 | 271.04/132.42 | 2,357.56/1,173.16 |
| Hailstorm (Rabi April 2020) | Bhagalpur | 22,601 | 3,093.65/1,223.71 | 22,930.95/9,347.49 |
| | Darbhanga | 21,365 | 2,967.62/292.56 | 22,309.72/1,712.36 |
| | Madhubani | 37,043 | 4,235.32/847.38 | 28,178.72/5,309.01 |
| | Muzaffarpur | 13,217 | 1,504.13/404.2 | 11,196.29/2,795.04 |
| | Purnea | 57,538 | 5,912.55/1,188.06 | 44,074.19/7,751.56 |
| Hailstorm (Rabi February 2020) | Bhagalpur | 2,427 | 378.56/157.88 | 3,038.79/1,409.13 |
| | Kaimur | 751 | 102.48/30.62 | 771.15/229.69 |
| | Muzaffarpur | 60,072 | 7,806.58/1,986.46 | 58,543.55/14,206.1 |
| Hailstorm (Rabi March 2020) | Bhagalpur | 83,465 | 16,065.79/5,014.7 | 1,21,759.34/43,775.79 |
| | Darbhanga | 7,896 | 1,145.47/257.8 | 8,547.21/1,833.43 |
| | Kaimur | 5,726 | 783.42/164.62 | 6,165.3/1,442.13 |
| | Muzaffarpur | 85,576 | 11,294.26/2,786.08 | 84,402.86/20,555.95 |
| | Nawada | 1,31,579 | 20,220.35/6,797.42 | 1,52,936.69/51,379.62 |
| | Rohtas | 3,466 | 407.68/189.24 | 3,124.84/1,447.63 |
| Flood (Kharif 2020) | Bhagalpur | 6,535 | 964.44/381.13 | 7,208.2/3,041.94 |
| | Darbhanga | 1,05,300 | 14,672.54/5,781.2 | 1,10,308.99/42,758.58 |
| | Madhubani | 39,648 | 5,164.75/1,131.41 | 39,703.04/8,334.86 |
| | Muzaffarpur | 1,65,459 | 23,195.25/8,488.89 | 1,73,595.13/62,290.33 |
| | Purnea | 56,613 | 6,077.37/2,264.66 | 45,421.65/16,548.85 |
| | Siwan | 1,00,640 | 11,582.82/2,878.8 | 90,243.37/21,640.34 |
| | Vaishali | 40,456 | 4,016.29/1,117.98 | 30,635.19/7,601.33 |

| Disaster (Season) | District | Changed Amount | | Changed Rakba |
|--|-------------|------------------|--|--|
| | | No. of cases | Applied amount/ changed amount (₹ in lakh) | Applied Rakba/changed rakba (in hectare) |
| Flood (Kharif 2021) | Bhagalpur | 1,01,808 | 17,304.17/4,348.96 | 1,29,354.28/31,473.05 |
| | Darbhanga | 68,009 | 9,683.47/3,318.8 | 77,285.61/26,004.47 |
| | Kaimur | 2,110 | 273.02/118.19 | 2,230.28/979.06 |
| | Madhubani | 17,948 | 2,216.46/580.94 | 16,951.72/4,399.74 |
| | Muzaffarpur | 1,49,342 | 21,040.81/5,944.86 | 1,63,180.98/44,914.75 |
| | Purnea | 14,941 | 1,570.69/626.08 | 11,594.8/4,229.49 |
| | Siwan | 2,748 | 288.99/40.55 | 2,247.05/282.91 |
| | Vaishali | 1,04,937 | 10,555.12/3,840.33 | 81,469.85/28,758.44 |
| Yaas Toofan (Rabi May 2021) | Darbhanga | 39,084 | 4,990.33/484.66 | 37,271.49/3,066.21 |
| | Madhubani | 13,219 | 1,738.39/384.36 | 11,925.94/2,030.7 |
| | Purnea | 27,609 | 2,791.18/628.38 | 20,686.37/3,942.55 |
| | Vaishali | 34,673 | 3,307.48/663.51 | 24,232.35/4,213.17 |
| Grand Total | | 19,73,782 | 2,57,223.68/80,801.32 | 20,22,117.05/6,31,324.97 |

(Source: KrIS payment data made available by the DBT cell)

Appendix- 2.16
(Refer: Paragraph-2.9.11)
Lack of transparency in processing of failed payments

| | | (₹ in crore) | | | | | | | | | | |
|-------------------------|----------------------------|-----------------------------|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------------------|-------|------------|--|
| 1 st attempt | Disaster Year | Drought (Kharif 2018) | Flood (Kharif 2019) | Hailstorm (February 2020) | Hailstorm (March 2020) | Hailstorm (April 2020) | Flood (Kharif 2020) | Yaas Toofan (Rabi May 2021) | Flood (Kharif 2021) | | | |
| | | No. of transactions | 18 | 163 | 30 | 154 | 58 | 161 | 39 | 138 | | |
| | Date range | 14/12/2018 to 26/11/2019 | 03/01/2020 to 07/08/2020 | 02/03/2020 to 21/09/2020 | 04/05/2020 to 21/08/2020 | 09/06/2020 to 21/08/2020 | 08/01/2021 to 04/06/2021 | 15/11/2021 to 24/12/2021 | 27/12/2021 to 25/02/2022 | | | |
| | Amount involved (₹) | 941.07 | 653.08 | 57.71 | 379.3 | 138.14 | 650.39 | 82.51 | 534.89 | | | |
| 2 nd attempt | No. of failed transactions | NA | NA | NA | NA | NA | NA | NA | NA | | | |
| | Amount involved (₹) | 34.90 | 85.58 | 3.54 | 38.43 | 18.06 | 60.89 | 7.34 | 36.50 | | | |
| | No. of Transactions | 2 | 23 | 3 | 12 | 9 | 20 | 4 | 12 | | | |
| | Date range | 23/10/2020 (401 days) | 13/01/2021 | 07/09/2021 | 08/09/2021 | 27/09/2021 | 03/11/2021 | 22/02/2022 | 14/03/2022 (16 days) to 15/03/2022 | | | |
| 3 rd attempt | Amount involved (₹) | 4.53 | 24.22 | 6.38 | 33.66 | 18.16 | 60.89 | 7.34 | 40.67 | | | |
| | No. of failed transactions | NA | NA | 0 | NA | NA | NA | NA | NA | | | |
| | Amount involved (₹) | 0.18 | 9.49 | 0 | 15.58 | 8.96 | 34.38 | 5.19 | 24.69 | | | |
| | No of Transactions | No third attempt was taken. | 21 | No third attempt was taken. | 9 | | |
| | Date | | 04/09/2021 | | | | | | | | 06/05/2022 | |
| | Amount involved (₹) | | 72.67 | | | | | | | 24.69 | | |
| | No. of failed transactions | | NA | | | | | | | NA | | |
| | Amount involved (₹) | | 36.11 | | | | | | | 20.85 | | |

(Source: Kr-IS payment data made available by the DBT cell)

NA=Not available

Appendix – 2.17
(Refer: Paragraph-2.9.12)
Details of delays in payment at bank level

| District | No. of successful applications | Amount involved (₹ in crore) | No. of delayed cases | Range of delay (in days) |
|--------------------|--------------------------------|------------------------------|----------------------|--------------------------|
| Bhagalpur | 3,04,150 | 46.08 | 85,290 | 1 to 608 |
| Darbhanga | 3,54,351 | 47.06 | 93,302 | 1 to 589 |
| Kaimur | 12,670 | 1.65 | 3,706 | 1 to 599 |
| Madhubani | 1,48,680 | 20.42 | 66,283 | 1 to 608 |
| Muzaffarpur | 6,36,810 | 90.44 | 2,26,847 | 1 to 608 |
| Nawada | 2,86,137 | 45.55 | 98,165 | 2 to 608 |
| Purnea | 2,23,852 | 14.07 | 32,449 | 2 to 608 |
| Rohtas | 3,959 | 0.24 | 285 | 2 to 462 |
| Siwan | 1,13,661 | 14.01 | 44,251 | 1 to 608 |
| Vaishali | 2,00,237 | 28.49 | 76,952 | 1 to 600 |
| Grand Total | 22,84,507 | 308.01 | 7,27,530 | 1 to 608 |

(Source: Kr/IS payment data made available by the DBT cell)

Appendix –2.18
(Refer: Paragraph-2.10.2)
Details of delays in Surrender/Deposit of unspent balances in Government Account

| Year/ Disaster (Season) | Allotment | Date of allotment | Expenditure | Amount deposited/ surrendered to Government Account | Remarks | Due date of deposit into treasury | Date of deposit into treasury | Delay (in days) |
|-----------------------------|-----------------|-------------------|---------------|---|-----------|-----------------------------------|-------------------------------|-----------------|
| Drought (Kharif 2018-19) | 1,430.00 | 29/11/2018 | 904.77 | 315.00 | Surrender | 31/03/2019 | 26/03/2020 | 361 |
| | | | | 128.81 | Deposit | 31/03/2019 | 06/02/2020 | 312 |
| | | | | 75.00 | Deposit | 31/03/2019 | 23/10/2020 | 572 |
| | | | | 0.67 | Deposit | 31/03/2019 | 05/12/2020 | 615 |
| | | | | 1.25 | Deposit | 31/03/2019 | 20/01/2022 | 1,026 |
| | | | | 4.50 | Deposit | 31/03/2019 | 11/08/2021 | 864 |
| Total | 1,430.00 | | 904.77 | 525.23 | | | | |
| Flood (Kharif 2019-20) | 507.89 | 05/12/2019 | 454.24 | 53.64 | Deposit | 31/03/2020 | 06/10/2022 | 919 |
| | 264.59 | 05/12/2019 | 225.56 | 39.03 | Deposit | 31/03/2020 | 06/10/2022 | 919 |
| | 772.48 | | 679.80 | 92.67 | | | | |
| Hailstorm (Rabi March 2020) | 259.17 | 29/04/2020 | 363.72 | 113.08 | Surrender | 31/03/2021 | 30/09/2022 | 548 |
| | 233.20 | 26/03/2020 | | 15.57 | Deposit | 31/03/2021 | 06/02/2023 | 677 |
| Total | 492.37 | | 363.72 | 128.65 | | | | |
| Hailstorm (Rabi April 2020) | 151.53 | 03/06/2020 | 129.17 | 5.91 | Surrender | 31/03/2021 | 30/09/2022 | 548 |
| | | | | 16.44 | Deposit | 31/03/2021 | 06/02/2023 | 677 |
| Total | 151.53 | | 129.17 | 22.35 | | | | |
| Flood (Kharif 2020-21) | 945.92 | 19/01/2021 | 556.84 | 359.27 | Surrender | 31/03/2021 | 30/09/2022 | 548 |
| | 59.58 | 04/03/2021 | 59.17 | 25.00 | Surrender | 31/03/2021 | 21/02/2023 | 692 |
| | | | | 4.81 | Deposit | 31/03/2021 | 06/02/2023 | 677 |
| Total | 1,005.50 | | 616.01 | 389.49 | | | | |

Audit Report (Compliance Audit) for the period ended March 2023

| | | | | | | | | |
|-----------------------------------|-----------------|------------|-----------------|-----------------|-----------|-------------|------------|-----|
| Yaas Toofan (Rabi May 2021) | 99.07 | 18/11/2021 | 77.32 | 21.75 | Surrender | 31/03/2022 | 30/09/2022 | 183 |
| Total | 99.07 | | 77.32 | 21.75 | | | | |
| Flood (Kharif 2021-22) | 796.00 | 07/12/2021 | 493.29 | 206.71 | Deposit | 31/03/2022 | 06/10/2022 | 189 |
| | | | 20.75 | 75.25 | Deposit | 31/03/20212 | 06/10/2022 | 189 |
| Total | 796.00 | | 514.04 | 281.96 | | | | |
| G. total | 4,746.95 | | 3,284.83 | 1,462.10 | | | | |

(Source: Records and information made available by the Agriculture Department)

Appendix-3.1
(Refer: Paragraph-3.6)
Year-wise allotment received and release of funds under BLADA
(₹ in crore)

| Financial Year | Opening balance | Allotment received during the year | Total available funds | Funds released to the works divisions of LAEO | Unreleased balance | Percentage of unreleased balance against the available funds |
|----------------|-----------------|------------------------------------|-----------------------|---|--------------------|--|
| 2018-19 | 750.39 | 970.28 | 1,720.67 | 809.02 | 911.65 | 53 |
| 2019-20 | 911.65 | 810.90 | 1,722.55 | 1,301.83 | 420.72 | 24 |
| 2020-21 | 420.72 | 639.18 | 1,059.90 | 894.53 | 165.37 | 16 |
| 2021-22 | 165.37 | 1,277.87 | 1,443.24 | 1,018.19 | 425.05 | 29 |
| 2022-23 | 425.05 | 954.50 | 1,379.55 | 599.70 | 779.85 | 57 |
| Total | | 4,652.73 | | 4,623.27 | | |

(Source: Records of Planning and Development Department, GoB)

Appendix-3.2 (A)
(Refer: Paragraph-3.7.2)

List of permissible works as per MKVY Guidelines and their amendments

| Sl. No. | List of permissible works | Letter No. and dated |
|---------|--|---------------------------------|
| 1 | Construction of Government buildings in building less Panchayats | No. 3210 dated 22/06/2016 |
| 2 | Construction of buildings in building less <i>Anganwadi</i> Centres | |
| 3 | Construction of warehouse | |
| 4 | Construction of Community Hall, Public Bus Stand, Passenger Shed, Public Library, <i>Vakalatkhana</i> etc. | |
| 5 | Construction of <i>ghats</i> on rivers and public ponds | |
| 6 | Development of <i>Haat</i> and <i>Mela</i> sites | |
| 7 | Construction of Art Stage/Playground and Stadium | |
| 8 | Construction of <i>sarvjanik chabutara</i> | |
| 9 | Provision of bench desks and construction of cycle sheds in Government schools and such State Government recognized/aided High/Inter Schools whose land is registered in the name of His Excellency the Governor. | |
| 10 | Construction of library buildings (including furniture) of Government Schools and State Government recognised Constituent Colleges and Aided High/Inter Schools/Colleges , whose land is registered in the name of His Excellency the Governor; purchase of books for the above library and <i>Vakalatkhana</i> , if the public use of the library is ensured. | |
| 11 | Construction of boundary walls in State, Government and Project High Schools and Aided High/Inter Schools recognized by the State Government, whose land is registered in the name of His Excellency the Governor. | |
| 12 | Construction of boundary wall, provision of bench desk and construction of cycle shed in Government Madrassas which are fully under the control of Government and Aided Madrasas recognized by the State Government, whose land is registered in the name of His Excellency the Governor. | |
| 13 | Tricycle and Wheelchair (Handheld/Battery Operated) for the welfare of the differently abled. | |
| 14 | Installation of solar lights through tender from authorized and reputed vendor of BREDA/Manufacturer. | |
| 15 | Purchase of Ambulance/hearse for Government Hospital | |
| 16 | Installation of new hand pumps/water supply scheme at public place. Revised: Installation of new hand pumps (Standard India Mark-L at public place/ water supply scheme. | |
| 17 | Construction of Meeting Hall in Sub-Division/Block | |
| 18 | Purchase of equipment and books in libraries and community halls constructed under the Mukhyamantri Kshetra Vikas Yojna. | |
| 19 | Construction/Development of park on government land. | |
| 20 | Construction of buildings and hostels of government-recognized Madrasas and Sanskrit schools. | |
| 21 | Construction of book shelves to preserve books in schools. | |
| 22 | Scheme for purchase of gym, sports equipment (less than ₹ 1 lakh) in the stadium | |
| 23 | Scheme for construction of rooms and toilets in high and higher secondary schools. | |
| 24 | Construction of rooms and toilets in primary and middle schools where there is a shortage of rooms and toilets and no scheme related to any item has been approved in advance. | |
| 25 | Construction of waiting rooms in Government Hospitals, Block-cum-Circle Offices, <i>Vakalatkhana</i> buildings with public amenities. | |
| 26 | Scheme for purchase of fire brigade vehicles with boring and hydrant or without boring and hydrant. | |
| 27 | Beautification of Public Squares (with Installation of statue) | |

| Sl. No. | List of permissible works | Letter No. and dated |
|---------|--|--|
| 28 | Construction of toilets with drinking water in a toilet-less <i>Anganwadi</i> centre built on government land. | No. 3210 dated 22/06/2016 |
| 29 | Construction of boundary wall and toilet in community hall. | |
| 30 | Construction of electric crematorium. | |
| 31 | Other schemes as may be directed by the Government from time to time. | |
| 32 | The following schemes will be implemented in minority high/ higher secondary schools recognized by the Education Department, Bihar: – a) Construction of boundary wall b) Construction of Bicycle Shed c) Purchase of Bench-Desk d) Construction of Library Building (including furniture), Book Purchase in the Library (if public use of the Library is ensured) e) Construction of Room & Toilet | No. 5321 dated 14/09/2016 |
| 33 | The following schemes will be implemented in the universities recognized by the State Government: a) Purchase of Book/Journal/Library Bookshelf/ Almirah for library b) Purchase of bench-desk/chair table/other furniture and fixtures c) Construction of exam hall d) Boundary Wall Construction e) Construction of Bicycle Shed f) Construction of buildings and toilets in the University g) Construction of Hostel h) Construction of Study/Academic Centre i) Purchase of Technical/Experimental Equipment Installation j) Development of playground k) Construction of gymnasium (including equipment) l) Purchase of equipment for Gymnasium m) Purchase of vehicle for use in educational programmes (without recurring expenditure) n) Purchase of Information Technology (IT) related hardware and software (without recurring expenditure) | |
| 34 | Boundary wall of Kabristan | No. 553 dated 09/02/2017 |
| 35 | Construction of Temple Boundary Wall | |
| 36 | Construction of boundary wall of Government Primary Health Center | |
| 37 | The following schemes are included for government and government recognized constituent colleges of the state: a) Purchase of Book/Journal/Library Bookshelf/ Almirah b) Purchase of bench-desk/chair table/other furniture and fixtures c) Construction of exam hall d) Boundary Wall Construction e) Construction of Bicycle Shed f) Construction of toilets including building and drinking water in the college g) Construction of Hostel h) Construction of Study/Academic Centre i) Purchase of Technical/Experimental Equipment/Installation j) Development of playground k) Construction of the Gymnasium l) Purchase of equipment for Gymnasium | No. 2892 dated 01/06/2017 No. 3772 dated 13/07/2017 |
| 38 | Installation of common hand pumps (as per area specific requirement) | No. 3439 dated 30/06/2017 |
| 39 | Construction of “Chilka”, “Fall”, “Check Dam”, “Check Wall”. | |
| 40 | Construction of boundary walls in government and government recognized middle/ primary schools. | |

| Sl. No. | List of permissible works | Letter No. and dated |
|---------|---|---------------------------------|
| 41 | Street-Drain/Sampark Path Scheme | No. 6737 dated 19/12/2017 |
| 42 | Water Supply Scheme | |
| 43 | Purchase of Boat | |
| 44 | Renovation and repair of schemes of all departments of the State Government covered with the list of permissible schemes related to infrastructure construction under MKVY with a maximum of 15 <i>per cent</i> i.e. maximum ₹ 45.00 lakh) of the admissible amount per annum of the Hon'ble Members of the Legislative Assembly. | No. 300 dated 17/01/2019 |
| 45 | "Materials and equipment related to prevention and prevention of the spread of corona epidemic" | No. 1484 dated 03/05/2021 |
| 46 | "Construction of Small Bridges and Culverts" | No. 927 dated 14/02/2023 |

(Source: Records of Planning and Development Department, GoB)

Appendix-3.2 (B)
(Refer: Paragraph-3.7.2)
Details of execution of non-permissible works

(₹ in lakh)

| District | LAEO Works division | Non-permissible works sanctioned/executed | | |
|--------------|---------------------|---|-------------------|----------------------|
| | | No. of works | Amount sanctioned | Expenditure incurred |
| Araria | Araria | 11 | 76.82 | 69.81 |
| Aurangabad | Aurangabad | 10 | 50.86 | 41.22 |
| Buxar | Buxar | 5 | 60.09 | 55.78 |
| Darbhanga | Darbhanga-1 | 10 | 78.24 | 75.00 |
| | Benipur-2 | 20 | 103.96 | 99.70 |
| Gopalganj | Gopalganj | 25 | 167.23 | 100.21 |
| Jamui | Jamui | 13 | 99.80 | 71.97 |
| Madhepura | Madhepura | 5 | 62.17 | 13.22 |
| Muzaffarpur | Muzaffarpur-1 | 10 | 94.04 | 91.41 |
| Nalanda | Biharsharif-1 | 17 | 131.95 | 104.14 |
| | Hilsa-2 | 32 | 158.33 | 156.29 |
| Total | | 158 | 1,083.49 | 878.75 |

Appendix No- 3.3
(Refer: Paragraph-3.9.1)
Details of splitting up of works

| DPO/LAEO | Sl. No. | Name of work | Amount (₹ in lakh) | Split into | Date of administrative approval (AA) by DPO | Remarks |
|----------------------|---------|---|--------------------|-------------|---|--|
| DPO, Gopalganj | 1 | One work for purchase of material and equipment for prevention and treatment from COVID in Baikunthpur and Singhwalya block | 59.99 | Two works | 23/08/2021 | Work was split in two parts to keep the money value less than ₹ 50 lakh so that its AAs may be accorded by DPO itself instead of obtaining it from higher authority. |
| LAEO, Gopalganj | 2 | Construction of PCC road | 20.93 | Two works | 30/06/2021 and 07/07/2021 | Work was split in two parts to avoid the requirement of e-tendering and publishing of tender in newspaper. |
| DPO, Jamui | 3 | Construction of Chhath ghat and stairs | 29.98 | Two works | 04/02/2019 | Work was split to keep the money value of each work less than ₹ 15 lakh so that it may be executed departmentally. |
| DPO, Buxar | 4 | Construction of brick soling and PCC road | 22.93 | Two works | 13/02/2020 | |
| LAEO- 1, Muzaffarpur | 5 | Construction of PCC road | 44.76 | Three works | 23/12/2022 | |
| DPO, Muzaffarpur | 6 | Supply and installation of solar streetlights | 144.91 | Three works | 15/12/2018, 29/12/2018 and 14/01/2019 | The work was split to keep the money value less than ₹ 50 lakh to avoid the requirement of obtaining its approval from the higher authority. |
| | 7 | Supply and installation of solar streetlights | 54.71 | Three works | 19/01/2019, 22/01/2019 and 22/01/2019 | |
| | 8 | Supply and installation of solar streetlights | 115.84 | Three works | 31/12/2018, 03/01/2019, and 05/01/2019 | |

| DPO/LAEO | Sl. No. | Name of work | Amount (₹ in lakh) | Split into | Date of administrative approval (AA) by DPO | Remarks |
|-----------------------------|---------|--|--------------------|-------------|---|--|
| LAEO, Aurangabad | 9 | Construction of PCC road | 17.97 | Two works | 19/09/2018 | The work was split to keep the money value of each work less than ₹ 15 lakh so that it may be executed departmentally. |
| | 10 | Construction of PCC road | 24.89 | Two works | 27/10/2018 | |
| | 11 | Construction of PCC road | 17.31 | Two works | 04/10/2018 and 29/12/2018 | |
| LAEO-2, Hilsa (Nalanda) | 12 | Construction of boundary wall and stairs (<i>Sirhi</i>) | 15.04 | Two works | 15/06/2018 | |
| | 13 | Construction of Stairs (<i>Sirhi</i>) and beautification of ghat | 17.00 | Two works | 17/07/2018 and 24/09/2018 | |
| LAEO-2, Benipur (Darbhanga) | 14 | Area development of <i>Mela</i> campus | 30.00 | Two works | 27/10/2018 | The work was split to keep the money value of each work less than ₹ 15 lakh so that it may be executed departmentally. |
| | 15 | Construction of two rooms with two toilets, Verandah and four feet stairs in High school | 21.64 | Two works | 16/03/2020 | |
| | 16 | Area development of <i>Mela</i> campus | 25.87 | Two works | 23/01/2020 | |
| | 17 | Construction of PCC road | 16.23 | Two works | 26/03/2020 and 27/04/2020 | |
| | 18 | Construction of PCC road | 27.26 | Two works | 12/08/2020 | |
| | 19 | Construction of <i>Sidhighat</i> in <i>Pokhar</i> | 21.76 | Two works | 22/07/2022 | |
| | 20 | Construction of Drain | 39.52 | Three works | 02/12/2022 | |

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| DPO/LAEO | Sl. No. | Name of work | Amount (₹ in lakh) | Split into | Date of administrative approval (AA) by DPO | Remarks |
|-----------------|---------|---|--------------------|-----------------|---|--|
| LAEO, Araria | 21 | Construction of Waiting room, Ladies and Gents toilets | 23.74 | Two works | 06/09/2019 | The work was split to avoid the requirement of e-tendering and publishing of tender in newspaper for wide publicity. |
| | 22 | Construction of drain | 22.47 | Two works | 20/06/2020 | |
| | 23 | Repair work and water supply work | 17.88 | Two works | 29/02/2020 | |
| LAEO, Madhepura | 24 | Construction of PCC road | 29.07 | Two works | 11/01/2019 | The work was split to avoid the requirement of e-tendering and publishing of tender in newspaper for wide publicity. |
| | 25 | Construction of PCC road | 29.99 | Two works | 02/07/2020 | |
| | 26 | Construction of PCC road and earth work | 45.00 | Three works | 18/06/2022 and 21/05/2022 | |
| | 27 | Construction of rooftop manch for surveillance and beautification of pond | 38.75 | Two works | 28/09/2022 | |
| | 28 | Construction of PCC road | 29.55 | Two works | 12/12/2022 | |
| | 29 | Construction of PCC road and earth work | 20.28 | Two works | 24/03/2021 and 25/03/2021 | |
| Total | | | 1,025.27 | 64 works | | |

(Source: Records of DPO & LAEO work divisions)

Appendix-3.4
(Refer: Paragraph-3.9.1)
Statement showing splitting up of works in LAEO Aurangabad

| Sl. No. | Scheme No./ year | Name of the work | Length of road (in feet) | Date of Sanction | Expenditure | Actual date of completion |
|---------|------------------|---|------------------------------------|------------------|-------------|---------------------------|
| 1 | 253/2020-21 | Construction of PCC road and Brick soling from Tubewell boring of Raju saw to <i>Pipal</i> tree in panchayat-Bhadwa under Block- Rafiganj | 1,200 | 16/06/2020 | 13.79 | 08/08/2020 |
| 2 | 123/2020-21 | Construction of PCC road and Brick soling from Pond to VirKunwar in village- Darmiya of panchayat-Bhadwa under Block- Rafiganj | 850 | 11/05/2020 | 9.65 | 13/06/2020 |
| 3 | 250/2020-21 | Construction of PCC road and Brick soling from pyne culvert to <i>Pipal</i> tree in village- Baluganj of panchayat-Bhadwa under Block- Rafiganj | 1,000 | 16/06/2020 | 11.99 | 24/07/2020 |
| 4 | 251/2020-21 | Construction of PCC road and Brick soling from <i>Pipal</i> tree to Boring of Naresh Singh in front of village Balwantbigha of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 16/06/2020 | 14.25 | 24/07/2020 |
| 5 | 252/2020-21 | Construction of PCC road and Brick soling from Electric Pole to Boring in front of village Balwantbigha of panchayat-Bhadwa under Block- Rafiganj | 1,000 | 16/06/2020 | 10.14 | 24/07/2020 |
| 6 | 257/2020-21 | Construction of PCC road and Brick soling in 1200 feet from Boring of Umesh Singh to <i>Pipal</i> tree of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 16/06/2020 | 13.79 | 08/08/2020 |
| 7 | 259/2020-21 | Construction of PCC road and Brick soling in 1200 feet from <i>Pokhar</i> of Alahu to <i>Pipal</i> tree in BholabighaDarmiya road of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 16/06/2020 | 13.79 | 08/08/2020 |
| 8 | 412/2020-21 | Construction of PCC road and Brick soling in 1200 feet from Boring of Kishan Mistri to Palm (Tar) tree of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 06/07/2020 | 13.78 | 13/01/2021 |
| 9 | 414/2020-21 | Construction of PCC road and Brick soling in 1200 feet in front of Boring of Ravindra Sharma to <i>Neem</i> tree of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 06/07/2020 | 13.78 | 13/01/2021 |
| | | | 10,050 (3.063 KM) | | | |

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| Sl. No. | Scheme No./ year | Name of the work | Length of road (in feet) | Date of Sanction | Expenditure | Actual date of completion |
|--------------|------------------|---|--------------------------|------------------|---------------|---------------------------|
| 10 | 59/2019-20 | Construction of PCC road from ShailapurBholabigha Main Road to <i>Pipal</i> tree of panchayat-Bhadwa under Block- Rafiganj | 450 | 13/09/2019 | 3.52 | 07/01/2020 |
| 11 | 255/2020-21 | Construction of PCC road with Brick soling in 1200 feet from Baligaon road to Jainbighachabutara to Pyne of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 16/06/2020 | 13.77 | 08/08/2020 |
| 12 | 258/2020-21 | Construction of PCC road with Brick soling in 1200 feet from Bholabigha-Darmiya road to pond of Hafiz Mukhiya (Shailopur) of panchayat-Bhadwa under Block- Rafiganj | 1,200 | 16/06/2020 | 13.78 | 07/09/2020 |
| 13 | 410/2020-21 | Construction of PCC road with Brick soling in 950 feet from Darmiya -Bholabigha road to Shailopur Field of panchayat-Bhadwa under Block- Rafiganj | 950 | 06/07/2020 | 11.49 | 07/09/2020 |
| Total | | | | | 157.52 | |

(Source: Records of LAEO, Works Division, Aurangabad)

Appendix-3.5
(Refer: Paragraph-3.9.2(ii))
Idle expenditure in construction of community halls

| Sl. No. | Name of LAEO works division | Name of the work | Year | Estimated Cost/ Agreement Value | Expenditure | Findings of JPI |
|---------|-----------------------------|--|---------|---------------------------------|-------------|--|
| 1 | Araria | Construction of Community Hall on the door of Arvind Mandal in kursakanta Block, Sikti. | 2020-21 | 7.72 | 7.29 | Community hall was the extension of a private house and was in possession of a private individual. |
| 2 | | Construction of Community Hall at the Kaamat of Bhagwan Lal Sah in Kursakanta Block, Sikti. | 2020-21 | 14.96 | 14.93 | The community hall was constructed in a private campus (Kamat i.e. farmhouse) of Shri Bhagwan Lal and being in personal possession. The front side walls of the community hall were poorly maintained. |
| 3 | | Construction of Community Hall in Gangai Tola in Sikatiya Panchayat, Kursakanti, Sikti. | 2020-21 | 7.72 | 7.68 | Community hall was in possession of a private individual. |
| 4 | | Construction of Community Hall at the door of Dharmendra Singh in Kursakanta, Sikti. | 2020-21 | 7.74 | 7.69 | Community hall was in personal possession of a local villager. Additional work viz. POP on ceiling etc. was found done. Fodder was dumped in the Varandah of the community hall. |
| 5 | | Construction of Community Hall in Mandal Tola in Palasmani village in Jagir Parasi in Kursakanta, Sikti. | 2020-21 | 7.72 | 7.63 | Community hall was in possession of a private individual. |
| 6 | | Construction of Community Hall in Palasmani village in Kursakanta, Sikti. | 2020-21 | 7.72 | 7.36 | Community hall was in possession of a private individual. |
| 7 | Araria | Construction of Community Hall near house of Sanjeet Singh, Ward No. 13 in Lakshmipur Panchayat, Kursakanta Block. | 2020-21 | 8.17 | 5.42 | The construction work was completed up to plaster work level. Community hall was in the possession of a private individual. |

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| Sl. No. | Name of LAEO works division | Name of the work | Year | Estimated Cost/ Agreement Value | Expenditure | Findings of JPI |
|---------|-----------------------------|---|---------|---------------------------------|-------------|---|
| 8 | Aurangabad | Construction of Community Hall in Village Baniya, Gram Panchayat Badheni, Deo Block. | 2020-21 | 5.20 | 5.17 | Facility of water, electricity etc. was not found. |
| 9 | | Construction of Community Hall in Village Bhairopur, Gram Panchayat Pawai, in Deo Block. | 2019-20 | 5.12 | 5.12 | Facility of water, electricity etc. was not found. Roof was not plastered and finishing of the floor was not properly done and grills were not found in windows. |
| 10 | | Construction of Community Hall in Village- Maitha in Obra Block | 2018-19 | 4.95 | 4.86 | Community Hall was found constructed. Facility of water, toilet, electricity etc. was not found. Roof was not plastered and finishing of floor and wall was not properly done. Community hall was not handed over to concerned competent authority. |
| 11 | | Construction of Community Hall near Pokhar of the Matasya Vibhag in Village- Shailopur, Gram Panchayat- Bhadwa, under Block- Rafiganj | 2018-19 | 4.48 | 4.40 | Community Hall was found constructed. The community hall was in possession of a private individual and was not handed over to the concerned competent authority. |
| 12 | LAEO, Madhepura | Construction of Community Hall near Mahanth Baba.Asthan in Village Badhwa Diyara in Gram Panchayat Ganeshpur. | 2018-19 | 14.59 | 14.57 | Building was found in possession of a private individual. |
| 13 | | Construction of Community Hall in Village Aurai Goth in Gram Panchayat Aurai in the premises of Kali Mandir. | 2018-19 | 14.86 | 14.81 | Community Hall was found constructed. Community Hall was in the premises of Kali Mandir. |
| 14 | | Construction of Community Hall on land of Rajaswa Kutchery in Village Aurai east of Gram Panchayat Aurai, Block Puraini | 2018-19 | 14.86 | 14.79 | Building was marked as Gram Kutchery Office, Aurai. Building was found locked and key was not available. |
| 15 | Darbhanga | Construction of Community Hall in Village Dharnipatti under Panchayat Taralahi, Bahadupur | 2019-20 | 7.95 | 2.96 | Building was found constructed. Staircase was constructed without provision. Iron rods were found erected in the middle of the hall. Building was in possession of a private individual. |

| Sl. No. | Name of LAEO works division | Name of the work | Year | Estimated Cost/ Agreement Value | Expenditure | Findings of JPI |
|---------|-----------------------------|--|---------|---------------------------------|-------------|---|
| 16 | Benipur, Darbhanga | Construction of Community Hall in Village Sajanpura Panchayat Sajanpura under Benipur Block. | 2019-20 | 5.50 | 5.43 | Community Hall was found constructed. It was not handed over for use. Utensils were kept inside the hall. The community hall was poorly maintained and rainwater from the roof was found flowing on the back side wall. |
| 17 | | Construction of Community Hall Near Ram Janki Mandir in Panchayat Sajanpur under Benipur Block | 2021-22 | 6.50 | 6.42 | Community Hall was found constructed in the premises of the temple. |
| 18 | | Construction of Community Hall in Village Tengrahi Panchayat Sajanpura under Benipur Block | 2018-19 | 5.00 | 4.73 | Community Hall was found constructed. It was not handed over for use. It was poorly maintained and fodder was dumped in the hall |
| 19 | | Construction of Community Hall in Dhuniyatola Village Kathra under Tardih Block. | 2019-20 | 10.17 | 9.97 | A community hall was found constructed. It was in the personal possession of a local villager. Motor to run water and electric facility was found |
| 20 | | Construction of Community Hall in Musahri in Lagma Panchayat under Tardih Block | 2020-21 | 10.17 | 9.93 | Community hall was found constructed. It was not handed over after construction. It was found in the personal possession of a private individual. |
| 21 | | Construction of Community Hall in Harsinghpur Chaupaltoli, Uttarwaritola under Alinagar Block | 2020-21 | 10.17 | 10.05 | Community Hall was found constructed. It was in the personal possession of a private individual. Toilet was not in use. A motorcycle was kept in one room. |
| 22 | | Construction of community hall near house of Jogendra Yadav in Tardih Village, Gram panchayat- Bainka under Tardih Block | 2020-21 | 10.17 | 10.01 | Community Hall was found constructed. The boundary wall surrounding the community hall and big iron entrance gate was found constructed without provision in estimate. Bags of food grains and heaves of straw of wheat were dump in the hall and room of the community hall. |
| 23 | Hilsa, Nalanda | Community hall in Village Parwalpur in Gram Panchayat Redhi. | 2019-20 | 5.00 | 4.99 | Community hall was found constructed. Fodder cutting machine was installed in the hall of the community hall. TMT bar was also dumped in the hall. Floor was damaged. |

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| Sl. No. | Name of LAEO works division | Name of the work | Year | Estimated Cost/ Agreement Value | Expenditure | Findings of JPI |
|--------------|-----------------------------|---|---------|---------------------------------|-------------|---|
| 24 | | Construction of community hall in bind toli of Village Cipara, Gram Panchayat Redhi, Block- Hilsa | 2019-20 | 5.00 | 5.00 | Community hall was constructed. A water tank tower of water supply scheme was found just in front of the community hall. Part of the tower was inside the community hall building. Community hall was not found in use. Cement bag, cartoons etc. and almirah was kept inside the hall. |
| 25 | | Construction of community hall in Village Akangardih, Gram Panchayat Akangardih, Block-Akangardih (<i>Khata</i> No. 523 Plot No. 997) | 2018-19 | 4.50 | 4.45 | Community hall was found constructed. A Panchayat office was running in the building, however, authority to run the office was not made available. |
| 26 | | Construction of Community Hall in Village Mobarakpur Bigha, Gram Panchayat Tulsigarh, Block-Chandi (Scheme No. 06/HS/20-21) | 2020-21 | 7.00 | 6.98 | Building was found constructed. Stair to reach the community hall was not constructed. Approach to the building was not smooth. Community Hall was not handed over for operation and maintenance. Heaves of maize was found in the hall. |
| 27 | | Construction of <i>Samudayik Bhawan</i> in west side in Village Manpurwa, Gram Panchayat Kapasiyawan of Hilsa Block (<i>Khata</i> No. 423, <i>Khesra</i> No. 3100) | 2019-10 | 5.00 | 4.95 | <i>Samudayik bhawan</i> was not handed over and was not found in use. Roof was damaged at one place. Floor was getting damaged. |
| 28 | | Construction of <i>Samudayik Bhawan</i> in East side in Village Manpurwa, Gram Panchayat Kapasiyawan of Hilsa block (<i>Khata</i> No. 423, <i>Khesra</i> No. 3135) | 2019-20 | 5.00 | 4.95 | <i>Samudayik bhawan</i> was not found in use. Floor was getting damaged. |
| Total | | | | 222.94 | 212.54 | |

(Source: Records of LAEO, Work Divisions)

Appendix-3.6
(Refer: Paragraph-3.9.2(ii))
Idle expenditure on construction of library buildings

| Sl. No. | Name of LAEO works division | Name of work | Amount of AA | Expenditure | Date of completion of work | Findings of JPI |
|---------|-----------------------------|---|--------------|-------------|----------------------------|--|
| 1 | LAEO-2, Benipur | Construction of a library building on Suryadev Narayan Memorial Library land in Village Pataru, Gram Panchayat Pataur under Hayaghat Block, Benipur | 9.33 | 9.23 | 16/12/2020 | The constructed library building was found locked and not in use and was poorly maintained. |
| 2 | LAEO-2, Benipur | Construction of library near Ram Janki Mandir in Village Basha, Gram Panchayat Raj Basha Mirzapur under Hayaghat Block, Benipur | 7.95 | 7.05 | 19/12/2020 | The constructed library building was not found in use. It was found locked and was poorly maintained. Photograph was taken from open window. |
| 3 | LAEO, Buxar | Construction of library building in Dumraon, Buxar | 14.77 | 13 | 09/07/2022 | The library building was completed but not functional. |
| 4 | LAEO-2, Hilsa | Construction of library building in Village Kothari, Gram Panchayat Gyaspur of Ekangarsarai Block (Khata No. 98, Khesra No. 91), Hilsa | 4.50 | 4.45 | 03/02/2021 | The constructed library building was not handed over for use and was not functional. |
| 5 | LAEO-2, Hilsa | Construction of library building adjacent to Utkramit Madhya Vidyalay, Village Benipur, Gram Panchayat Aagauri of Ekangarsarai Block (Khata No. 287, Khesra No. 1648), Hilsa. | 5.50 | 4.81 | 04/02/2021 | Building was found constructed adjacent to the premises of Utkramit Madhya Vidyalaya Benipur. It was not handed over for use and found non-functional. Dump of garbage was found in verandah and building material was stored in the room of the library building. |
| 6 | LAEO-2, Hilsa | Construction of library building in Village Chakdah, Gram Panchayat Aagauri of Ekangarsarai Block (Khata No. 96, Khesra No. 365), Hilsa | 5.00 | 4.82 | 26/02/2021 | Constructed library building was not handed over for use and it was not functional. Main door of library building was locked and key to open the main door was not available. |

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| Sl. No. | Name of LAEO works division | Name of work | Amount of AA | Expenditure | Date of completion of work | Findings of JPI |
|--------------|-----------------------------|---|---------------|---------------|----------------------------|---|
| 7 | LAEO, Jamui | Construction of Library building at Utkramit Madhya Vidyalaya Parisar Ward no. 25, Nagar Parishad, Jamui | 7.50 | 7.46 | 03/02/2021 | The constructed building was not being used as library as books, bookshelf, desks and bench etc. were not found. |
| 8 | LAEO, Jamui | Construction of Library building at Lohra Village in Jamui Block | 7.50 | 7.42 | 18/03/2021 | The constructed building was not being used as library as books, bookshelf, desks and bench etc. were not found. Grain of wheat and storage bags were found lying on the floor inside the library building. |
| 9 | LAEO, Madhepura | Construction of one room library building in C.M. Science College, Madhepura | 5.50 | 5.46 | 29/03/2021 | JPI was not conducted. |
| 10 | LAEO, Madhepura | Construction of one room library building in Raj Nandan Prasad Uceh Madhyamik Vidyalaya, Pratapnagar, Murliganj. | 5.18 | 5.17 | 15/12/2020 | |
| 11 | LAEO, Madhepura | Construction of one room library building in Gokhul Bhagat Madyamik Vidyalay, Bhatgama Chausa, Madhupura | 5.25 | 5.25 | 17/05/2021 | |
| 12 | LAEO, Madhepura | Construction of library building with one toilet and tubewell in Gram panchayat Kursandi Dira, Ward no. 04, Anandi Paswan Tola under Puraini Block, Madhepura | 14.56 | 14.43 | 06/07/2019 | Constructed library building was in possession of private individual. |
| 13 | LAEO-2, Muzaffarpur | Construction of Library building in Govt. High School, Kanti | 7.00 | 6.80 | 17/10/2021 | The constructed building was not being used as library as books, bookshelf, desks and bench etc. were not found. The library building was used as storeroom. Cement bags and iron rods were kept in the building. |
| 14 | LAEO-2, Muzaffarpur | Construction of Library building in Govt. High School, Kurhani | 7.00 | 6.87 | 10/06/2020 | The constructed building was not being used as library as books, bookshelf, desks and bench etc. were not found. The library building was being used as storeroom. Bench and desks were dumped in the library room. |
| Total | | | 106.54 | 102.22 | | |

(Source: Records of LAEO, Work Divisions)