

CHAPTER-II

2.1 District - Centric Audit of Hazaribag

Highlights

The district-centric audit of Hazaribag involved a performance audit of the significant socio-economic developmental programmes implemented in the district during the period 2008-11. The review was conducted through a test check of records in the offices of the District Rural Development Agency; the District Programme Officer, Sarva Shiksha Abhiyan; Executive Engineers of Road, Irrigation, Drinking Water and Sanitation and Rural Works departments; the District Health Society; the Welfare Department; the Municipal Council, Hazaribag; the State Electricity Board and various other district level implementing agencies. The implementation of the schemes suffered in the district due to non-preparation of Annual Plans, inefficient fund management, insufficient manpower, infrastructural bottlenecks, ineffective monitoring etc. The major findings of the audit are as under:

Under-utilisation of funds ranging between two and 32 per cent was noticed due to non-availability of sites, non-supply of materials, non-finalisation of tenders etc.

(Paragraph 2.1.7.1)

The Annual Works Plan and the budget for SSA was prepared each year by the District Programme Officer of SSA without conducting any household surveys. It was noticed that out of 1,716 schools, 44 schools had no classrooms and 13 schools had only one classroom in 2010-11.

(Paragraph 2.1.8)

Physical verification of the residential school buildings under Kasturba Gandhi Balika Vidyalaya (KGBV) revealed that 70 girl students were residing in a single room at Churchu while 64 and 45 girl students were accommodated in separate rooms each at KGBV Ichak. No separate classrooms were provided as the residing place was used as classrooms as well.

(Paragraph 2.1.8)

Basic health care services like blood storage, obstetric care, facilities of X-ray, ultra-sound and electro-cardiogram, etc were not available in the Community Health Centres.

(Paragraph 2.1.9)

There were only 36,261 (36 per cent) institutional deliveries as against 1,00,632 pregnant women registered in the district during 2008-11 and only 57,243 (57 per cent) pregnant women received all three ante-natal checkups, as specified under the Janani Suraksha Yojana.

(Paragraph 2.1.9.2)

Out of 1,826 operational Anganwadi Centres (AWCs), 1,584 AWCs had no toilet facilities and 377 AWCs had no hand pumps.

(Paragraph 2.1.11.2)

Widening and strengthening of two roads at an agreed cost of ₹ 36.38 crore with stipulated dates of completion between October 2009 and June 2010 remained incomplete after incurring expenditure of ₹ 22.39 crore as on March 2011.

(Paragraph 2.1.12.1)

Ninety six to 99 per cent households did not receive 100 days' wage employment under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) during 2008-11.

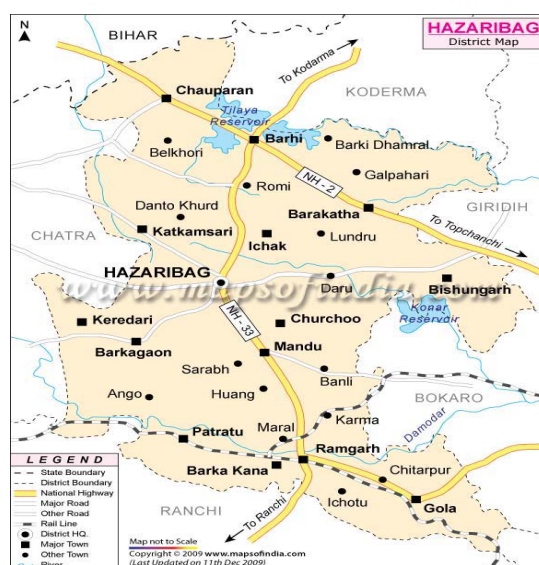
(Paragraph 2.1.14.2)

The total expenditure under MGNREGA of the district as reported to the State Employment Guarantee Commissioner for the year 2010-11 was ₹ 41.99 crore instead of the actual expenditure of ₹ 36.94 crore, booked as per Management Information System (MIS) of the Ministry of Rural Development, Government of India resulting in a discrepancy of ₹ 5.05 crore.

(Paragraph 2.1.14.7)

2.1.1 Introduction

Hazaribag district is bounded by Koderma and Gaya (Bihar) districts in the north, Giridih and Bokaro districts in the east, Ramgarh district in the south and Chatra district in the west. The district, having an area of 5,976 sq km, is divided into two sub-divisions (Hazaribag and Barhi) and 15 blocks. The Hazaribag district includes 1,230 villages with five elected members of the Legislative Assembly, 257 Gram Panchayats, one Municipal Council with 32 elected Ward Commissioners and one Zila Parishad with 25 elected members.



Important indicators of the district are given below:

Administrative division	North Chotanagpur Division
District Headquarters	Hazaribag Town
Population	17.34 lakh
Area	5,976 sq km
Population Density	346 per sq km
Scheduled Caste	2.51 lakh
Scheduled Tribe	0.86 lakh
Sex ratio	946
Literacy Rate	70.48 per cent
Gram Panchayats	257
Municipality	One

2.1.2 Administrative structure

The Deputy Commissioner (DC) is the administrative head of the district and is the sanctioning authority for all developmental programmes. The DC is also the Chairman of the District Rural Development Agency (DRDA) and ensures co-ordination between the DRDA, Panchayati Raj Institutions (PRIs), Block Development Officers (BDOs) and all departments of the State Government situated in the district.

The DC is assisted by the Deputy Development Commissioner (DDC) who is also the Managing Director (MD) of DRDA. The DDC is assisted by the District Planning Officer (DPO) and the Director, Accounts and Self Employment. The BDOs and Panchayat Secretaries (PS) are responsible for implementing various programmes at the block level and panchayat level respectively. The Superintendent of Police is responsible for maintenance of law and order of the district with the help of four Deputy Superintendents of Police (DSP) and 15 Police Stations.

The MD (DDC) is the executive in charge of the DRDA and is responsible for interaction with the District/State administration as well as the Government of India (GOI).

The DC is responsible for monitoring the overall progress of the implementation of various developmental programmes in the district and ensures timely execution of works.

2.1.3 Audit objectives

The main objectives were to ascertain whether:

- the planning process for different programmes in the district was effective;
- the fund allocation and financial management was efficient;
- implementation of programmes/schemes was economical, efficient and effective;
- the management of law and order was effective; and
- an effective monitoring and evaluation mechanism was in place.

2.1.4 Audit criteria

The audit criteria applied for assessing the implementation of various developmental programmes/schemes were:

- Annual Action Plans and Project Implementation Plans;
- Guidelines of the concerned programmes and schemes;
- Police Manual;
- Jharkhand Financial Rules, Jharkhand Public Works Accounts/Department Code and instructions issued there under; and
- Prescribed monitoring mechanisms of the selected programmes and schemes.

2.1.5 Scope and methodology of audit

A district-centric audit of Hazaribag district was carried out between April and June, 2011. The audit encompassed an appraisal of significant socio-economic developmental programmes (Social sector: health, education, water supply and sanitation; Economic sector: infrastructure, road connectivity, rural electrification, employment generation, irrigation etc. and General sector: law and order, civic amenities), implemented in the district during the period 2008-11.

Audit commenced with an entry conference held in April 2011 with the Deputy Commissioner, Hazaribag to discuss the audit objectives, audit criteria and the desired outcomes. The records of the DRDA; the District Project Officer (DPO), Sarva Shiksha Abhiyan (SSA); Executive Engineers of Road, Irrigation, Drinking Water and Sanitation (DWSD) and Rural Works departments; the District Health Society; the Welfare Department; the Municipal Council, Hazaribag and the State Electricity Board were scrutinised for this purpose. To corroborate observations arrived at from the examination of records and data, physical verification of the assets created and beneficiaries' surveys were conducted jointly with departmental officers. An exit conference was held between the Principal Accountant General and the district authorities of the concerned line departments, headed by the Deputy Commissioner, Hazaribag in September 2011, wherein the audit findings were discussed. Views of the departments have been duly incorporated in the Audit Report, wherever found suitable, in light of the supporting documents.

Audit findings

2.1.6 Planning

Decentralised planning envisages an inclusive and participative planning process for the development of districts, focussing on local variations and development patterns. The 74th Amendment to the Constitution mandated the establishment of District Planning Committees (DPC) for consolidating the plans prepared by the *panchayats* and municipalities in the districts into integrated District Plans. All the three tiers of local administration *viz.* the DRDA, blocks and GPs were to prepare Annual Action Plans (AAP) at the beginning of each financial year and no work was to be taken up unless it formed a part of the AAP.

No DPC was constituted in Hazaribag district. In reply, the Director, Accounts and Self Employment, DRDA, Hazaribag stated that the DPC was not constituted due to non-receipt of required instructions from the State Government. The audit findings relating to planning in respect of various programmes and schemes are discussed in the succeeding paragraphs.

2.1.7 Financial Management

Funds are allocated to the district through the State budget for various developmental activities. In addition, funds are directly released to the DRDA and implementing agencies for various socio-economic programmes by the State and GOI. The DRDA releases the funds to the blocks and other executing agencies based on the approved allocations for individual schemes.

2.1.7.1 Fund flow and Expenditure

The total flow of funds in the district under various sectors and schemes during 2008-11 and expenditure incurred thereagainst was as given in **Table-1:**

Table-1
Allotment, expenditure and unspent balances

(₹ in crore)

Sectors/schemes	Funds released/available	Expenditure	Unspent balance (per cent)
Indira Awaas Yojana	70.02	56.56	13.46 (19)
Mahatma Gandhi National Rural Employment Guarantee Scheme	186.80	158.74	28.06 (15)
Backward Region Grant Fund	25.06	19.40	5.66 (23)
Social Welfare Schemes	28.83	28.33	0.50 (2)
Welfare Schemes	44.94	30.59	14.35 (32)
National Rural Health Mission	29.12	22.23	6.89 (24)
Drinking Water and Sanitation	48.64	36.72	11.92 (25)
Roads and Bridges	124.05	111.33	12.72 (10)
Irrigation	105.07	81.11	23.96 (23)
Sarva Shiksha Abhiyan	225.19	200.32	24.87 (11)
Total	887.72	745.33	142.39 (16)

(Source: DRDA, Public Works Divisions, CMO and DPO, SSA)

Under-utilisation of funds ranging between two and 32 per cent was due to non-availability of sites, non-supply of materials, non-finalisation of tenders etc.

Under-utilisation of funds ranging between two and 32 per cent was noticed during 2008-11. The main reasons behind under-utilisation of funds were non-availability of sites, non-supply of materials, non-finalisation of tenders, allotment at the close of the year, slow progress of works etc.

Audit also noticed that there were curtailments in Central as well as State allocations in Indira Awaas Yojana (₹ 26.42 crore) due to previous releases not being fully utilised (*Appendix-2.1*).

Programme implementation

Social Sector

Absence of adequate and skilled manpower

A review of the implementation of the flagship programmes in the social sector viz Sarva Shiksha Abhiyan (SSA), the National Rural Health Mission (NRHM), schemes related to drinking water supply and sanitation, Welfare and Integrated Child Development Scheme (ICDS) under departments of Human Resources, Health, Medical Education and Family Welfare, Drinking Water and Sanitation and Social Welfare, revealed that there was a need for adequate and skilled manpower and robust infrastructure in these sectors to achieve the intended objective for providing quality health care, education, water and basic amenities to the people of the district. This is evident from the audit findings discussed in the succeeding paragraphs:

2.1.8 Education (Sarva Shiksha Abhiyan)

The district has one university, namely Vinova Bhave University, three constituent colleges¹, 34 high schools and 1,716 primary/upper primary schools. Sarva

¹ St Columbus College, K B Mahila College, Markham Commerce College, Hazaribag.

Shiksha Abhiyan (SSA), a Centrally sponsored scheme for universalisation of elementary education, is a time-bound programme, with a clear mandate to achieve specific goals for children from age six to 14. It is therefore, essential to conduct household surveys and carry out micro-planning in every habitation, rural or urban, to track the status of each child. The following deficiencies were noticed:

Annual work plans and budgets were prepared without conducting household surveys

Out of 1,716 government schools, 44 primary schools had no classrooms and 13 schools had only one classroom each

- The Annual Works Plans and the budgets under SSA were prepared each year by the District Programme Officer of SSA without conducting any household surveys.
- As per SSA guidelines, there should be two classrooms with a verandah in every primary school and an additional room for the headmaster in every upper primary school. It was noticed that out of the 1,716 Government schools in the district, 44 primary schools had no classrooms and 13 schools (11 primary plus two upper primaries) had only one classroom each in 2010-11. The DPO, SSA, Hazaribag stated that out of 44 primary schools, classrooms had been constructed for 22 schools. Land for six schools was not available and works in the remaining 16 schools were under progress. Of the 13 single classroom schools, land for four was unavailable and works were in progress in the remaining nine schools (September 2011).
- As per the SSA guidelines, one classroom was required for every 40 children. However, it was noticed that in 2010-11, against the requirement of 8,378 classrooms, (for 3,35,113 enrolled children) only 7,963 classrooms were available.
- SSA guidelines stipulate that training for teachers has to be conducted at Block Resource Centres (BRC). It was noticed during joint physical verification of the BRC, Hazaribag Sadar, conducted (June 2011) by Audit and officials of SSA, Hazaribag, that the BRC was being used for dumping undistributed materials, tricycles meant for physically handicapped students and books.

The condition of the BRC is shown in the photographs below:



(Photographs taken on 4 June 2011 showing condition of BRC, Hazaribag Sadar)

- The number of 'out of school' children in the district increased during 2008-11 as detailed in **Table-2:**

Table-2
Details showing never-enrolled, drop-outs and total ‘out of school’ children

Year	Never enrolled children			No. of drop-outs			Total ‘out of school’ children		
	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
2008-09	3998	3700	7698	1160	1077	2237	5158	4777	9935
2009-10	2739	2603	5342	809	756	1565	3548	3359	6907
2010-11	5387	4958	10345	2628	2685	5313	8015	7643	15658

(Source: Office of the DPO, Hazaribag)

The above table shows that ‘out of school’ children included children who were never enrolled and drop-outs, whose number increased from 9,935 in 2008-09 to 15,658 in 2010-11.

The Kasturba Gandhi Balika Vidyalaya (KGBV) scheme was launched by the Government of India in July 2004 for setting up residential schools at the upper primary level for girls belonging predominantly to the Scheduled Caste (SCs), Scheduled Tribe (STs), Other Backward Class (OBC) and minority communities. The scheme was merged with SSA with effect from 1 April 2007 as a separate component of the programme. The KGBVs were to have their own residential school buildings. Of the 10 existing KGBVs in the district, four² had their own residential school buildings and three³ were under construction. Construction work in the remaining three⁴ KGBVs was not taken up due to non-availability of land.

Physical verification of KGBV, Charhi (25 April 2011) and KGBV, Ichak (28 April 2011) revealed that BRC buildings were being used as residential schools as the KGBVs did not have their own school buildings. Audit noticed the following:

Girl students residing in cramped accommodation in KGBV, Churchu and Ichak

Physical verification revealed that 70 girl students were residing in a single room (25’X15’) at KGBV Churchu while 64 and 45 girl students were accommodated in two rooms (size of each room 25’X15’) at KGBV Ichak. No separate rooms were used as classrooms, denying the right atmosphere for studies to students.

In Kasturba Gandhi Balika Vidyalaya, Churchu, 70 girl students were residing in a single room (25’ X 15’)



Accommodation of girl students in KGBV, Ichak



Residential facilities used as classroom at KGBV, Churchu

² KGBV, Barkagaon, Barkatha, Bishnugarh, and Chouparan.

³ KGBV, Barhi, Katkamsandi and Padma.

⁴ KGBV, Churchu, Ichak and Keredari.

Basic Amenities

As per the Right to Education Act, toilets and safe drinking water facilities were to be provided in each school. Electricity, ramps⁵ and kitchen sheds were to be provided to each school. Majority of the schools at the elementary level did not have the basic minimum amenities as detailed in **Table -3**:

Table-3
Details showing non-availability of basic amenities in the district

Year	Total number of schools	Common toilets	Girls toilets	Electricity	Ramps	Drinking water facilities	Kitchen shed
2008-09	1686	1315	1471	1526	1429	943	1238
2009-10	1692	1605	1515	1494	1344	74	1244
2010-11	1716	1483	783	1512	1231	208	646

(Source: SSA, Hazaribag)

Against the target of 674, 255 girls' toilets were constructed

It was observed that no proposal for basic amenities in schools was included in the Annual Work Plan and Budget (AWP&B) of the district for 2009-10. Cumulative progress of provision of basic amenities till 2010-11 as per AWP&B of 2011-12 was as follows:

As against the requirement of 1,605 common toilets, 1,515 girls' toilets, and electrification of 1,494 schools, construction of 230 common toilets, 674 girls' toilets, and electrification of 10 schools respectively were targeted up to 2010-11, of which construction of 230 common and 255 girls' toilets and electrification of 10 schools was completed. However, proposals for providing ramps and drinking water facilities and construction of kitchen sheds in primary/upper primary schools of the district in AWP&B during 2008-09 to 2011-12 were not included. Thus, basic amenities as per requirements were not available in the schools. In response to an audit query, fund constraints were cited (September 2011) by the district officials. However, savings to the tune of ₹ 24.87 crore during 2008-11 showed that the district could not even spend what was provided.

Scholarship schemes:

The Secretary, Department of Welfare, is responsible for the implementation of various scholarship schemes for SC, ST and OBC students. The Tribal Welfare Commissioner (TWC) acts as the nodal officer at the State level for the overall development of SCs, STs and OBC students. The District Welfare Officer (DWO) and the Block Welfare Officers (BWO) are responsible for implementation of the various schemes of the Welfare Department at the district and block levels respectively.

⁵ Architectural barriers for easy access.

2.1.8.1 Planning

The Welfare Department directed (November 2006) all DWOs that a database may be prepared at the district level with details of eligible students who were seeking scholarships. However, neither was the database prepared nor was any survey conducted to identify eligible beneficiaries. The DWO stated (May 2011) that due to lack of manpower and computers, the database could not be prepared.

2.1.8.2 Students deprived of financial assistance at the pre-Matric level

As per guidelines⁶, all the ST, SC and OBC students studying in State Government schools were eligible for *pre-Matric* scholarships. There was no ceiling of parental income under this scheme.

Applications for scholarships to deserving students were received from the various blocks. During 2008-11, there were 8,05,170 applicants in the district, out of which only 5,89,630 students were provided scholarships. Thus, 2,15,540 (27 per cent) students were deprived of financial assistance under this scheme due to short allotment of funds by the department.

Of 8,05,170 students, only 5,89,630 students were provided scholarships, depriving 2,15,540 (27 per cent) students

2.1.8.3 Non-completion of construction of hostels within the stipulated time

Rupees 6.10 crore was allotted during 2005-09 for construction of seven hostels for 500 SC, ST, OBC and minority students to be completed between June 2006 and March 2009. Although an expenditure of ₹ 2.52 crore was incurred, all the seven hostels were incomplete due to non-availability of funds (May 2011). As a result, the students were deprived of the desired benefits of hostel.

Further, the Secretary, Welfare Department, Government of Jharkhand allotted (2001-03) ₹ 90.32 lakh (₹ 28.48 lakh for school and ₹ 61.84 lakh for a 100-bedded hostel) to the DWO, Hazaribag for construction of an OBC girls high school with hostel. The construction work commenced (February 2003) without survey and investigation at Jabra village, but was stopped after incurring ₹ four lakh due to unsuitability of the site. The work was re-started (August 2005) at Matwari but was stopped again after incurring ₹ 26 lakh due to litigation. However, the litigation proceedings were subsequently settled in October 2008. In the meanwhile, the estimate was revised to ₹ 141.84 lakh but the residual work could not be started due to non-receipt of the balance funds. The remaining amount of ₹ 60.32 lakh was still lying (September 2011) with the Building Construction Division.

The school and the hostel were located in a dilapidated building. Thus, the students continued to remain deprived of the desired facilities and the Government incurred an extra financial burden of ₹ 51.52 lakh due to improper survey and investigation before starting the work.

⁶ Guidelines for Scholarships issued (November 2006) by the Welfare Department, Government of Jharkhand.



(Photographs taken on 4 May 2011 showing dilapidated building of OBC girls' high school with hostel presently running in the hostel of K.B. Women College, Hazaribag)

2.1.9 National Rural Health Mission

The Chief Medical Officer (CMO), Hazaribag, functioning under the State Health, Medical, Education and Family Welfare Department, is responsible for providing health care services to the people through a Sadar Hospital at Hazaribag and 10 Community Health Centres (CHCs), 13 Primary Health Centres (PHCs) and 142 Health Sub Centres (HSCs). Under NRHM, a household and facility survey was to be carried out to identify the gaps in health care facilities in rural areas. The District Health Society (DHS), the implementing agency of NRHM at the district level, was required to prepare Annual Plans for the district. According to the NRHM guidelines, these plans were to be prepared after receipt of household and facility survey reports from the lower functionaries.

The audit findings regarding the implementation of NRHM in the district were as follows:

- Annual Plans had not been prepared during 2008-10.
- As per NRHM guidelines, there was to be a CHC, PHC and HSC for populations over 80,000, 20,000 and 3,000 respectively. However, it was noticed that there were 10 CHCs, 13 PHCs and 142 HSCs against the requirement of 22 CHCs, 87 PHCs and 578 HSCs. Further, basic health care services like blood storage, obstetric care, facilities of X-ray, ultra-sound, electro-cardiogram, etc were also not available in five⁷ out of 10 CHCs as these CHCs were not fully upgraded due to lack of infrastructure, manpower and funds as stated (September 2011) by the CMO, Hazaribag.

Basic health care services were not available in Community Health Centres

⁷ Barhi, Barkatha, Chauparan, Churchu and Ichak.

2.1.9.1 Human Resources

Efficiency and quality of health care services largely depend on the availability of adequate number of qualified doctors, nurses and other categories of staff.

- Against the sanctioned strength of 357 persons, 224 persons were posted by the State Government in all categories, leaving 133 posts (37 per cent) vacant in the district (*Appendix -2.2*). Although the Chief Medical Officer (CMO) took up the matter with the State Health Department, no action was initiated. Thus, the shortage of medical staff in the health centres impeded the delivery of better health care services in the district.
- Under NRHM, *Sahiyas*⁸ were to be appointed to act as an interface between the community and the health care system to achieve the goal of reducing the Infant Mortality Rate (IMR), the Maternal Mortality Rate (MMR) and the Total Fertility Rate (TFR). However, the position of IMR, MMR and the TFR of the district could not be ascertained as no survey was done during 2008-11. Moreover, *Sahiyas* in the district were to be trained in five modules⁹ but 834 out of 2,657 *Sahiyas*, remained untrained in all five modules.

834 out of 2,657 *Sahiyas* remained untrained in all five modules

On this being pointed out, the CMO accepted the facts and stated (September 2011) that the process was on for imparting training to all untrained *Sahiyas*.

2.1.9.2 Janani Suraksha Yojana

The main objective of the Janani Suraksha Yojana (JSY) was to reduce the overall maternal and infant mortality rate and to increase institutional (in hospitals) rather than domiciliary (at home) deliveries. Ante-natal care was an important part of JSY for which, three full checkups and other medical advice were to be given to all registered pregnant women.

Of 1,00,632 pregnant women registered, there were 36,261 (36 per cent) institutional deliveries and 57,243 (57 per cent) received all three ante-natal checkups

Audit revealed that there were only 36,261 (36 per cent) institutional deliveries as against 1,00,632 pregnant women registered in the district during 2008-11 and only 57,243 (57 per cent) received all three ante-natal checkups, as specified under the Janani Suraksha Yojana. The CMO, Hazaribag stated that the shortfall was due to lack of awareness among the rural population and shortage of staff. Inadequate numbers of institutional deliveries, shortfall in ante-natal check-ups and ineffective implementation of JSY thus, adversely affected the extent and quality of maternal health care in the district.

2.1.9.3 Immunisation Programme

The immunisation programme was one of the most important elements of NRHM. It was observed in audit that as against the target of 1,33,113 children up to the one-year age group being immunised covering Bacillus Calmette-Guerin (BCG);

Against the target of 1,33,113 children, only 80,120 (60 per cent) were immunised

⁸ Female Community Health Worker.

⁹ 1st Module: Sahiya Sandesh Parichay, 2nd Module: Sahiya Sandesh Swasthya Sishu Ujjwal Bhavisya, 3rd Module: Bhojan Pani and Safai, 4th Module: Surakshit Matritwa and 5th Module: Netritwa Kshamta Vikash.

Diphtheria; Polio and Tetanus (DPT); Oral Polio Vaccine (OPV) and measles, only 80,120 (60 *per cent*) children were immunised due to shortage of Auxiliary Nurse Midwife (ANM) as stated (May 2011) by the CMO.

2.1.9.4 National Programme for Control of Blindness

Against 12,979 detected refractive error cases, only 1,203 spectacles were provided

The National Programme for Control of Blindness (NPCB) aimed at reducing the incidence of blindness through increased cataract surgeries, eye screening of schoolchildren, providing free glasses to children, promotion of eye donation and creation of donation centres and eye banks. It was noticed that cataract surgeries performed during 2009-11 in the district ranged between 75 and 80 *per cent* of the targets fixed. During 2008-11, only 1,203 spectacles were provided to schoolchildren as against the detection of 12,979 refractive error cases among them. No facility for eye donation had been created in the district and no eye bank was established (June 2011). Non-availability of sufficient funds was the constraint for effective implementation of NPCB. In the absence of such facilities, the objectives of the programme were not fully achieved.

2.1.9.5 Non-functional ultrasound machine

An ultrasound machine in the Sadar Hospital, Hazaribag was non-functional since December 2009 due to non-deployment of a Radiologist/Sonologist, denying the facility of ultra-sonography to patients. As a result, 52 indoor patients had to avail of this facility from private institutions between January 2010 and March 2011.

2.1.10 Drinking Water and Sanitation

Drinking Water

To provide safe, sufficient and potable drinking water to the people, the Drinking Water and Sanitation Department (DWSD) had taken up the following schemes during 2008-11:

- Sinking of new drilled tube-wells (DTWs) in non-covered and partially covered habitations; primary and middle schools; Anganwadis and panchayats;
- Relocation and special repairs of old and defunct DTWs;
- Structural modifications and change of rotten riser pipes of DTWs;
- Rural and mini-rural piped water supply schemes; and
- Installation of fluoride removal attachment units and Terafill Standalone drinking water purification systems in fluoride-affected habitations and schools.

The Drinking Water and Sanitation Division (the division) was responsible for implementation of the drinking water schemes in the district. The major findings noticed in audit are discussed in the following paragraphs:

2.1.10.1 Insufficient supply of drinking water through DTWs

As on 1 April 2011, there was a town piped water supply scheme in Hazaribag town covering a population of 1,25,000. In addition, 12 out of 14 piped water supply schemes, running in 12 habitations including five out of 16 block headquarters, were in operation in the district, providing drinking water facilities to a population of 59,533. Thus, a large population of the district did not have the facility of piped water supply and the major sources of drinking water in the district were DTWs.

In terms of the population coverage in respect of drinking water facilities, all 4,931 habitations of the district had been fully covered as on 1 April 2011. The status of functional DTWs in the district as on 1 April 2011 and sunk, relocated or repaired DTWs during 2008-11 is given in **Table-4**:

Table-4
Status of functional DTWs

Year	Status of DTWs as on 1 April			DTWs repaired during the year				Newly sunk DTWs	Total added DTWs	Increase in functional DTWs
	Total DTWs	Non-functional DTWs	Functional DTWs	Ordinary repairs (per cent of col 4)	Relocation	Change of rotten riser pipes	Total			
1	2	3	4	5	6	7	8	9	10 (6+7+9)	11
2008-09	14428	1809	12619	7330 (58)	480	94	7904	1518	2092	NA
2009-10	15946	2298	13648	8891 (65)	914	1164	10969	1013	3091	1029
2010-11	16959	1812	15147	8942 (59)	624	930	10496	633	2187	1499
2011-12	17592	2309	15283	NA	NA	NA	NA	NA	NA	136
Total		8228			2018	2188	29369	3164	7370	2664

(Source: Drinking Water And Sanitation Division, NA stands for not applicable)

7,370 DTWs were added during 2008-11, but the functional DTWs increased by only 2,664 (21 per cent)

It may be seen from the above table that 7,370 DTWs were added during 2008-11 but the numbers of functional DTWs as on 1 April 2011 increased only by 2,664 (21 per cent) than the numbers of DTWs as on 1 April 2008. As such, 4,706 old DTWs became non-functional during the same period due to the expiry of the life spans of DTWs, drying up of bores, rusting of riser pipes, non-completion of required numbers of relocations and change of rotten pipes etc. Thus, sufficient drinking water through DTWs was not being ensured as the numbers of non-functional DTWs increased with respect to the net addition in functional DTWs.

2.1.10.2 Excessive breakdown of DTWs

Being the major source of drinking water, every step should have been taken to make the DTWs functional throughout the year, thereby maintaining the required discharge and quality of drinking water. Scrutiny, however, disclosed high percentages (ranging between 58 and 65) of ordinary repairs of temporarily closed DTWs as shown in **Table-4** above. The regular maintenance of DTWs was not being undertaken by the division due to shortage of required manpower and vehicles. Such breakdown of DTWs affected the uninterrupted supply of

drinking water to the beneficiaries. The required water discharge of functional DTWs was also not found to have been checked by the division except at the time of sinking or relocation of new DTWs.

Piped water supply schemes

2.1.10.3 Rural piped water supply schemes

During 2008-09, there were 11 completed rural piped water supply schemes, of which four¹⁰ were non-functional due to mechanical and electrical faults. Of these, three schemes were made functional in 2010-11. The scheme at Jhumra could not be made functional as of March 2011 for want of sanction of the estimate for special repairs. In addition, one scheme at Charhi became non-functional in 2010-11 due to widening of a road which caused extraction of pipes.

The construction of four rural piped water supply schemes¹¹ were sanctioned during 2006-08 at an estimated cost of ₹ 4.37 crore. Of these, three schemes¹² sanctioned for ₹ 2.26 crore, were completed in 2010-11 at a cost of ₹ 2.23 crore whereas one scheme at Ichak was closed (March 2009) by the division due to insufficient source of water after incurring expenditure of ₹ 3.78 lakh and thus, deprived the targeted beneficiaries of safe and sufficient drinking water.

2.1.10.4 Poor performance under Swajaldhara scheme

Swajaldhara scheme, a Centrally Sponsored Scheme, is a community participation based scheme in which involvement of the benefited communities is ensured at every stage of execution of the drinking water supply scheme.

Supply of safe and potable drinking water could not be ensured to 9,218 persons of 11 villages

In Hazaribag district, 26 piped water supply schemes were sanctioned at an estimated cost of ₹ 1.83 crore during 2005-07. These works were taken up through Village Water and Sanitation Committees (VWSCs) between January 2006 and May 2007 to be completed between May 2006 and October 2007. Of these, only nine schemes were completed between January 2007 and July 2011 at a cost of ₹ 45.08 lakh. Six schemes estimated at ₹ 60.24 lakh were closed due to insufficient source of water after incurring an expenditure of ₹ 8.96 lakh. Eleven schemes estimated at ₹ 66.04 lakh remained incomplete after incurring an expenditure of ₹ 29.13 lakh as of August 2011. Non-completion of the schemes after a lapse of more than four years from the scheduled date of completion was due to lack of funds during 2007-09 though the requirements of funds had been sent (October 2008 and February 2009) to the State Water and Sanitation Mission. Thus, the supply of safe and potable drinking water to 9,218 persons of 11 villages could not be ensured as of August 2011.

¹⁰ Bishnugarh, Jhumra, Kariyatpur and Padma-Saraiya water supply schemes.

¹¹ Banaso, Barasi, Ichak and Lakhe-Nutan water supply schemes.

¹² Banaso, Barasi and Lakhe-Nutan water supply schemes.

Quality of drinking water

The Centrally sponsored schemes viz. Accelerated Rural Water Supply Programme (ARWSP), National Rural Drinking Water Programme (NRDWP), Bharat Nirman and National Rural Water Quality Monitoring and Surveillance Programme (NRWQMSP) emphasised the availability of safe and potable drinking water. Water was defined as safe if it was free from biological contamination i.e. guinea worm, cholera, typhoid and within permissible limits of chemical contamination i.e. arsenic, fluoride, iron, nitrate etc. Under these programmes, laboratories were to be set up at the district, sub-division and block levels and all drinking water sources were to be tested at least once in a year for checking chemical parameters and twice in a year for checking bacteriological parameters.

The district laboratory, established and equipped in 2006 remained non-functional for want of a Chemist and a Laboratory Assistant

It was seen in audit that though the district laboratory was established in the year 2006 and was equipped, it remained non-functional during 2008-11 except the period from April 2008 to July 2009¹³, for want of a Chemist and the Laboratory Assistant. There were no laboratories at the sub-division and block levels. The required checking of the drinking water sources for chemical and bacteriological parameters was also not being conducted in the district due to non-functioning of the laboratory as discussed below:

2.1.10.5 Insufficient quality test of the drinking water sources

Under NRWQMSP, ₹ 13.60 lakh was provided to the district during 2007-09 for conducting training and awareness programmes for district, block and Gram Panchayat functionaries, testing of quality of drinking water sources, survey of sanitation facilities and purchase of test kits required for chemical and bacteriological checking of the drinking water sources.

As of March 2011, the district spent only ₹ 8.90 lakh on conducting training and awareness programmes, purchase of test kits, surveys etc. and failed to achieve the targets of the programme as given in **Table-5**:

Table-5
Target and achievement under NRWQMSP

Activities to be undertaken	Target	Achievement	Shortfall (Per cent)
Persons to be trained	1340	1072	268 (20)
Test of water sources	12731	6132	6599 (52)
Sanitation survey	12731	1072	11659 (92)

(Source: District Water and Sanitation Mission)

There were shortfalls of 52 to 92 per cent in achieving the targets of testing drinking water sources and conducting sanitation surveys. Further, out of 28,114 bacteriological testing kits, received from the Chief Engineer, DWSD in 2008-09, 27,216 (97 per cent) were not utilised due to absence of trained manpower.

¹³ Chemist and the laboratory assistant were hired on contract.

For primary detection of chemical and biological contamination, 59 multi-parameter water field testing kits¹⁴ were purchased in December 2007, at a cost of ₹ 1.03 lakh. These were to be utilised by trained Gram Panchayat level workers i.e. Anganwadi workers, Accredited Social Health Activists (ASHAs), school teachers, social workers etc. These kits, however, could not be utilised due to the absence of functional laboratories and trained manpower. The validity of these multi-parameter kits expired in March 2009. As the water sources were not tested, the inhabitants of the district were exposed to the risk of drinking non-potable water.

2.1.10.6 Fluoride removal attachment units

Consumption of drinking water contaminated with excess fluoride than the permissible limit for a long period is dangerous to health. This causes a disease called fluorosis which affects the teeth and bones.

Under ARWSP, the DWSD sanctioned (May and August 2008) installation of 84 fluoride removal hand pump attachment units in 42 habitations (two for each habitation) which were fluoride-affected. In addition, 14 fluoride removal attachment units were sanctioned (May 2008) for installation in schools. Accordingly, ₹ 42.63 lakh was allotted in 2008-09 to the division.

Of 98 fluoride removal attachment units, 53 units were lying unutilised in the store

The DWSD ordered (between May and August 2008) a contractor to supply and install 98 attachment units between August 2008 and August 2009. As per the work orders, the Executive Engineer and the Superintending Engineer were to ensure installation of attachment units within the time schedule. However, only 45 attachment units were installed (February 2009) by the contractor at a cost of ₹ 20.46 lakh and the balance 53 units were supplied (between July and December 2008) to the division and were lying in the store as on March 2011. The contractor did not install these units despite several reminders and the matter had been reported to the department as stated (May 2011) by the EE.

Further, 130 out of 2,380 samples and sources tested between July 2008 and July 2009 in the district laboratory were found to be contaminated with fluoride for which no action had been taken by the department as of March 2011.

Thus, the people of the affected habitations were exposed to the risk of developing fluorosis due to consumption of excess fluoride in the water.

2.1.10.7 Iron contaminated sources left untreated

Excess iron in the body increases the risk for liver diseases, heart attack, diabetes, hair loss etc.

In sample tests conducted by the Public Health Environment Engineering Trust and the district laboratory, 70 out of 3,366 sources were found to be

¹⁴ A handy kit containing chemicals, reagents and glassware capable of testing pH, fluoride, nitrate, iron and residual chlorine.

contaminated with iron. However, DWSD had made no plans as of March 2011 for treatment of drinking water sources contaminated with iron.

2.1.10.8 Non-installation of water purification systems in schools

To provide safe and potable drinking water in schools, installation of 330 Terafill Standalone drinking water purification systems¹⁵, at least one in each classroom of a school, was sanctioned (October 2009) under the Jalmani Programme of NRDWP.

Out of 330 Terafill Standalone Drinking Water Purification Systems, 248 systems were still to be utilised

The Chief Engineer-cum-Executive Director, Jharkhand State Water and Sanitation Mission allotted (April 2010) a work to a contractor for supply, installation and maintenance of the system. The systems were to be installed within three months i.e. by July 2010. However, it was found that only 82 systems had been installed in 10 schools up to August 2011. Thus, the children were forced to drink untreated water.

2.1.10.9 Sanitation

The Central Rural Sanitation Programme (CRSP) was launched in 1986, with the objective of improving the quality of life of the rural people. CRSP later on moved towards a demand-driven scheme, titled 'Total Sanitation Campaign (TSC)' emphasising more on Information, Education and Communication (IEC) to increase awareness among the rural people and generate demand for sanitary facilities. TSC aimed to provide sanitation coverage in rural areas by giving access to toilets to all by 2012 and good sanitation practices through separate urinals/toilets for boys and girls in all schools by March 2008 and in Anganwadis by March 2009.

The District Water and Sanitation Mission (DWSM) was the implementing agency of the various activities of TSC based on the approved project implementation plans (PIPs). The physical achievements of the Mission, as of March 2011 are given in **Table-6**:

Table-6
Physical achievements against targets

Activities		Target as per PIP	Achievements	Shortfall (per cent)
Individual Household Latrine (IHHL)	BPL	140453	90143	50310 (36)
	APL	71402	4939	66463 (93)
Toilets	Schools	1563	1155	408 (26)
	Anganwadis	169	169	Nil
Community sanitary complex		105	04	101 (96)

(Source: District Water and Sanitation Mission)

As shown in **Table-6**, DWSM failed to achieve the targeted objectives of TSC as the shortfalls in providing sanitation facilities to the targeted beneficiaries ranged between 26 and 96 *per cent*. The shortfall was alarming in the case of families above the poverty line (APL) and construction of community sanitary

¹⁵ A system in which burnt red clay (terracotta) porous media is used for filtration of drinking water so that it is free from turbidity, residual chlorine and certain micro-organisms causing water-borne diseases.

complexes. The shortfall was due to insufficient Rural Sanitary Marts¹⁶, non-completion of works by the Village Water and Sanitation Committees, Village Education Committees, district and block level functionaries as well as lack of awareness among people for sanitary facilities.

The DC, in an annual meeting, had directed (May 2009) that intensive campaigns may be organised up to panchayat levels through distribution of pamphlets, hoardings, wall graffiti etc. As a result, demand for Individual Household Latrines (IHHLs) increased and 49,045 IHHLs were provided to BPL households during 2009-11 in comparison to 41,098 IHHLs during 2003-09.

In addition, it was seen in audit that the schools and Anganwadis running in private buildings were to be covered under TSC, subject to adjustment of the cost of sanitation facilities from the rent payable. However, these were not included for sanitation coverage in the project implementation plans (PIPs). Lists of the schools and Anganwadis running in private buildings were also not prepared by the Mission.

2.1.11 Integrated Child Development Services Scheme

The Integrated Child Development Services (ICDS) scheme, a Centrally sponsored scheme, was launched in the State with a view to improve the nutritional and health status of children in the age group of 0-6 years and to enhance the capability of mothers to look after the normal health and nutritional needs of their children through proper nutrition and health education.

2.1.11.1 Unfruitful expenditure

The Social Welfare Department, Jharkhand allotted ₹ 3.76 crore for construction of 138 buildings¹⁷ under ICDS during 2005-11. The funds were released to different executing agencies. However, the executing agencies failed to complete the works of 43 buildings (*Appendix -2.3*) after incurring expenditure of ₹ 111.95 lakh. Construction of 17 Anganwadi Centres (AWCs) could not be initiated due to non-availability of the required land and ₹ 39.13 lakh was deposited into the treasury.

On this being pointed out, the DSWO stated (September 2011) that the remaining work of construction of the working ladies hostel was being tendered for after revision of the estimates and the work of the *Nari Niketan* had been closed by the Junior Engineer due to poor quality of work.

2.1.11.2 Inadequate facilities in Anganwadi Centres

Of 1,826 Anganwadi Centres, 1,584 centres had no toilet facilities and 377 centres had no hand pumps

On scrutiny of records, it was noticed that out of 1,826 AWCs, 1,584 had no toilet facilities and 377 had no hand pumps. Besides, 1,043 AWCs were housed in rented buildings. Thus, most of the centres were deficient in basic facilities and many had no buildings of their own as no funds were made available for this

¹⁶ Outlets dealing with materials, hardware and designs required for the construction of sanitary facilities and can be opened and operated by NGOs/ SHGs/ women's organisations/Panchayats etc.

¹⁷ Anganwadi Centres (136), Working Ladies Hostel (one) and one *Nari Niketan*.

purpose by the department. Absence of such basic facilities may adversely affect the outreach of the scheme.

2.1.11.3 Shortfall in Supplementary Nutrition Programme

The Supplementary Nutrition Programme (SNP) aimed at holistic development of children in the age group of 0-6 years, adolescent girls, pregnant women and lactating mothers. This scheme was an effective tool to fight malnutrition amongst children. The target under this scheme had been fixed each year by the district. During 2008-11, it was observed that the target had remained unachieved as detailed in **Table-7**:

Table-7
Targets, achievements and shortfall

Year	Number of beneficiaries		
	SNP		
	Target	Achievement	Shortfall (<i>Per cent</i>)
2008-09	594609	578889	15720
2009-10	741547	567886	173661
2010-11	815882	670469	145413
Total	2152038	1817244	334794 (16)

(Source: DSWO Office, Hazaribag)

It is evident from the table that there was a shortfall of 16 *per cent* against the targets fixed. The targets could not be achieved as the required monitoring of AWCs was not carried out by the Child Development Project Officers (CDPOs)/ Lady Supervisors (LSs) as discussed in paragraph 2.1.11.6.

2.1.11.4 Pre-School Education kits

According to the guidelines of ICDS, pre-school education (PSE) kits meant for facilitating motor and muscular development and eye-hand coordination through constructive play materials, playing with dolls/toys, role play etc. were to be provided to all operational AWCs, each year for necessary preparation for primary schooling. It was observed that no funds were allotted to the district during 2008-11 for procurement of PSE kits. Thus, the intended benefits of PSE were denied to the children.

No funds were allotted to the district during 2008-11 for procurement of pre-school education kits

2.1.11.5 Inadequate training

According to the guidelines of ICDS, induction training was to be imparted through the State Government to Anganwadi Workers (AWWs), Anganwadi Helpers (AWHs).

It was observed that 150 AWWs and 265 AWHs, out of 1,802 AWWs and 1,713 AWHs respectively were not given induction training as of September 2011. Therefore, these AWWs and AWHs, working at different centres, remained untrained, which could affect the effective delivery of services like supplementary nutrition, health check-up, referral services, PSE, nutrition and health education. The DSWO replied (September 2011) that the headquarters would be requested for imparting training to all untrained AWWs/AWHs.

2.1.11.6 Medicine kits not supplied

As a vital input to providing essential health services, medicine kits consisting of easy to use and dispensable medicines were to be supplied to each AWC every year for healing common ailments like coughs and common colds, skin infections etc. The State Government was required to do the procurement and distribution of kits in the district for AWCs.

Scrutiny of records revealed that during 2008-11, no medicine kits were received from the department. This resulted in non-supply of medicine kits to AWCs depriving beneficiaries of medicines for common ailments.

For effective implementation of ICDS, CDPOs and Lady Supervisors were required to visit 30 and 40 AWCs respectively per month. During 2008-11, none of the CDPOs and Lady Supervisors achieved the target of inspections as the achievements ranged between 61 and 78 *per cent*.

Economic Sector

2.1.12 Roads and bridges

A good infrastructure goes a long way in enhancing the growth potential of a district and bridging the gap between urban and rural areas. It brings the remote and backward areas closer to the district headquarters and enhances equity and inclusive growth of the economy.

The Road Construction (RCD) and Rural Works (RWD) Departments were administrative departments responsible for construction and maintenance of black-topped roads in the district with the help of Road Construction and Rural Works Divisions in the district.

There were 120.50 km of national highways (NH), 171.08 km of State highways and 955.90 km of black-topped rural roads¹⁸ in the district as on March 2011. Condition of these roads was as below:

- Out of 120.50 km of NH, 50 km had been transferred (April and August 2010) to the National Highway Authority of India for widening and strengthening which was under progress. Remaining length of roads was in fair condition.
- Out of 171.08 km of State highways, widening and strengthening of 76.25 km was in progress. Condition of the balance roads was partially fair for which special repairing of 39.6 km and ordinary repairing of 19.64 km had been approved by the department under the Work Plan of 2011-12.
- Condition of rural roads was poor and maximum number of roads needed repair and maintenance. Estimates for repair of 17 roads {excluding Pradhan Mantri Gram Sadak Yojana's (PMGSY) roads} having a total length of 95.23 km had been submitted (August 2011) by the division for

¹⁸ Excluding roads constructed by other divisions and not handed over to the Rural Works Division.

administrative approval. Condition of PMGSY roads has been discussed in paragraph 2.1.12.5.

State highways

2.1.12.1 Non-completion of works

Widening and strengthening of two roads remained incomplete after incurring an expenditure of ₹ 22.39 crore as on March 2011

- The work of widening and strengthening of two roads¹⁹ having a total length of 76.25 km was sanctioned in August 2007 and May 2008. Of these, widening and strengthening works of 64.25 km were taken up at the cost of ₹ 36.38 crore, to be completed between October 2009 and June 2010. These works, however, remained incomplete even after incurring an expenditure of ₹ 22.39 crore as of March 2011. Reasons for non-completion of works were slow progress of works, paucity of bitumen, encroachment of lands, utility shifting etc, for which the contractors had been directed to accelerate the works and the department was trying to resolve issues through regular monitoring, besides holding of elections, declaration of bandhs etc. as stated (June 2011) by the Executive Engineer (EE), RCD, Hazaribag.
- The construction of eight high-level bridges on two roads (in which widening and strengthening was in progress) was sanctioned between April 2007 and August 2009. Construction of these bridges started between July 2007 and April 2010 at an agreed cost of ₹ 9.90 crore. Seven bridges were to be completed between December 2008 and March 2011 and one bridge by April 2011. All these bridges remained incomplete as of March 2011 even after incurring an expenditure of ₹ 4.76 crore due to non-acquisition of 7.86 acres of land required mainly for construction of approach roads.

2.1.12.2 No change in the status of State highways

The status of State highways in the district during 2008-11 is shown in **Table-8**:

Table-8
Status of State highways in the district

(In kilometres)

Year	Status of roads			Single lane		Intermediate lane		Double lane	
	Nos.	Length	Equivalent length ²⁰	Nos.	Length	Nos.	Length	Nos.	Length
2008-09	10	170.87	201.98	6	108.37	3	58.63	1	3.87
2009-10	11	171.08	202.29	6	108.37	4	58.84 ²¹	1	3.87
2010-11	11	171.08	202.29	6	108.37	4	58.84	1	3.87

(Source: Road Construction Division)

Though widening and strengthening of two roads were taken up between October 2008 and March 2009 to be completed between October 2009 and June 2010, the length and carriage-way of the State highways in the district remained unchanged during 2008-11 due to non-completion of works.

¹⁹ Hazaribag-Katakamsandi-Chatra and Hazaribag-Barkagaon-Tandwa roads.

²⁰ Equivalent length of a road increases with increase in its carriage width (lane) compared to the road with single lane.

²¹ Length of 210 meter increased due to transfer of a stretch of NH 2.

Status of rural roads

The construction, upgradation and maintenance of rural roads in the district were taken up under the Pradhan Mantri Gram Sadak Yojna (PMGSY) and the State Plan. PMGSY was launched in December 2000 to provide all-weather road connectivity to all rural habitations with populations of more than 500 by the end of the Tenth Plan Period (2007).

Pradhan Mantri Gram Sadak Yojana

2.1.12.3 Non-achievement of objectives

For planning purposes, a survey was conducted in 2001-02, based on which a district core network of roads was prepared for selection of roads under PMGSY to provide all-weather road connectivity to all rural habitations. Roads up to the IVth phase were sanctioned from this core network. A fresh survey of rural habitations was conducted in 2005-06.

As per these surveys, nearly 50 per cent of rural habitations (816 out of 1,624) of the district were found unconnected with all-weather roads. Accordingly, a revised core network of roads and a core network of new connectivity priority list (CNCPL) was prepared for providing connectivity to all unconnected rural habitations under PMGSY. The CNCPL included 185 roads having a length of 624.63 km.

For giving connectivity to 559 out of 816 unconnected rural habitations, 68 new roads from CNCPL having a total length of 236.12 km were sanctioned by GOI during 2007-11 and taken up under the Vth to VIIIth phases of PMGSY. To provide targeted connectivity to 257 habitations²², 117 roads were still to be sanctioned. The physical and financial progress of these roads as of March 2011 is given in **Table-9**:

Table-9
Physical and financial progress of roads sanctioned under PMGSY

(₹ in crore)

Phase	Habitations to be connected		Roads sanctioned				Roads completed			Roads incomplete		
	Above 500	Below 500	Nos	Length (km)	Estimated cost	Agreement cost	Nos.	Length (km)	Expenditure	Nos.	Length (km)	Expenditure
V	141	418	5	29.41	9.83	9.69	5	28.81	8.81	Nil	Nil	Nil
VI			44	144.86	47.02	43.46	31	91.96	23.80	13	52.90	4.03
VII			1	5.50	1.83	1.76	Nil	Nil	Nil	1	5.5	0.43
VIII			18	56.35	11.72	14.83	Nil	Nil	Nil	18	56.35	2.47
Total	141	418	68	236.12	70.40	69.74	36	120.77	32.61	32	114.75	6.93

(Source: Rural Works Division)

From **Table 9**, it can be observed that:

- (i) All rural habitations with population of more than 500 were to be connected with all-weather roads by the end of 2007. However, it was seen in audit that 142 such habitations were not selected for connectivity as on March 2011.

²² Habitations with populations of more than 1000 = 18, 500 - 999 = 124 and less than 500 = 115.

Out of four roads under VIth phase totalling 10.65 km in total, three roads totalling 9.55 km could not be completed

(ii) Out of 13 incomplete roads of the VIth phase, construction of four roads having a total length of 10.65 km was started between May and June 2009, and was scheduled for completion by June 2010, at an agreed cost of ₹ 3.23 crore . Of these, one road having a length of 1.10 km was completed by August 2011 and the remaining three roads having a total length of 9.55 km could not be completed due to slow progress of work by the contractor for which a notice had been served (August 2011) by the Executive Engineer. Rupees 1.46 crore had been spent on these incomplete roads till August 2011.

2.1.12.4 Faulty survey of connectivity of habitations

It was seen in audit that the approved core network of 2005-06 included 358 roads having a total length of 1,832.76 km. A revised core network was, however, prepared in June 2010 containing 581 roads having a total length of 2,576.46 km. The additional provision for these 223 roads having a total length of 743.70 km was added to connect 302 habitations including 26 and 73 habitations with populations of more than 1,000 and 500 respectively. Again in May 2011, 596 roads having a total length of 2,604.66 km were proposed to be added in the revised core network due to wrong depiction of connected habitations in the approved core network, wrong assessment of the surface condition of the roads and addition of habitations with populations of more than 250 as mentioned by the EE. The revised core network containing additional provision for 238 roads with length of 771.90 km was not found approved by May 2011 and thus, 302 habitations remained unconnected through all-weather roads under PMGSY.

2.1.12.5 Non-maintenance of roads built under PMGSY

As per the operations manual of PMGSY, the cost of maintenance of the roads constructed under PMGSY was to be borne by the State Government. Further, the maintenance clause of the contracts envisaged defect liability periods of five years from the dates of completion of the roads. During this period, the contractors were required to inspect the roads monthly and were to carry out routine maintenance and necessary rectification to keep the roads pliable.

Scrutiny of records revealed that the Rural Works Division assessed a requirement of ₹ 13.35 crore up to March 2011 for repairs and maintenance of 62 roads with a total length of 356.36 km, which were completed during 2003-11 under phases I to VI of PMGSY. However, the funds were still to be provided to the division as of March 2011. There was no documentary evidence in the division regarding repairs and maintenance of roads carried out by the contractors as required under the contract.

Thus, the prime objective of PMGSY to provide all-weather roads to rural habitations was not achieved.

2.1.12.6 Rural roads under the State Plan

The construction/surface renewals/special repairs of 10 rural roads with a total length of 33.15 km was started in 2008-09 at an agreed cost of ₹ 4.50 crore. Of these, works on eight rural roads having a total length of 29.49 km were completed after incurring an expenditure of ₹ 3.76 crore till March 2011.

However, repairs of two roads²³, taken up in January and February 2009 at an agreed cost of ₹ 44.15 lakh for completion by March 2009 could not be completed after incurring an expenditure of ₹ 17.39 lakh as of March 2011 because of non-execution of works by the contractors and non-allotment of funds during 2009-11 by the department.

2.1.12.7 Status of Rural bridges

For providing connectivity throughout the year, high level bridges in rural areas are sanctioned under the Mukhya Mantri Gram Setu Yojana. The Rural Development Special Division is responsible for construction of the bridges in the district under the administrative control of the Panchayati Raj and National Rural Employment Programme (Special Division) Department (PRNREP).

During 2008-11, construction of 36 bridges was sanctioned by PRNREP. Of these, 22 bridges were taken up in 2011-12 (up to August 2011), the total agreed cost of which was ₹ 40.06 crore, to be completed between February 2012 and June 2013. Out of these, two bridges were completed at ₹ 3.02 crore and the remaining 20 bridges with an agreed total cost of ₹ 37.04 crore were under construction. However, it was seen that execution of 14 bridges was still to be started as on August 2011 due to non-finalisation of tenders and non-approval of detailed project reports in remaining six bridges, physical progress ranged between five and 80 per cent of the estimated bill of quantity.

2.1.13 Rural Electrification

2.1.13.1 Rajiv Gandhi Grameen Vidyutikaran Yojana

The Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) was launched by the Government of India (GOI) in March 2005 to provide electricity to all rural households (RHH) within a period of five years by March 2010. GOI also notified (August 2006) the Rural Electrification Policy (REP) incorporating the goal of reliable power supply at reasonable rates for all households by the year 2009 and a minimum lifeline consumption of one unit per household per day by the year 2012.

The Rural Electrification Corporation (REC) was the nodal agency for implementation and financing the scheme. Besides financing the scheme by way of subsidy/loans, REC had the prime responsibility for implementation, meeting scheme-related expenditure, appraisal and evaluation of projects both at pre-award and post-award stages and monitoring and supervising the projects to ensure quality control.

The objectives of RGGVY were:

- to provide REDB²⁴ by providing 33/11KV (or 66/11KV) Power Sub-Stations (PSS) of adequate capacity and lines in blocks where these did not exist;

²³ Bargadda to Lupung via Bahimar and Belo Peto to Sayal.

²⁴ Rural Electricity Distribution Backbone. It means power sub-stations (33/11 KV or 66/11 KV) of dequate capacity and lines for purpose of distribution of electricity.

- to create village electrification infrastructure i.e., electrification of un-electrified villages/habitations and provision of distribution transformers of appropriate capacity;
- to provide decentralised generation-cum-distribution from conventional sources for villages where grid connectivity was neither feasible nor cost-effective;
- to cater to the requirement of agriculture and other activities including irrigation pump sets, small and medium industries, cold chains, health care, education and IT to facilitate overall rural development, employment generation and poverty alleviation; and
- to electrify unelectrified Below Poverty Line (BPL) households with 100 per cent capital subsidy.

Under RGGVY, electrification of 27,174 villages comprising 19,712 un-electrified (UE) and de-electrified (DE) villages and 7,462 EVUTs²⁵ was to be done at a total cost of ₹ 2,662.61 crore during the X and XI Five Year Plan period in Jharkhand.

2.1.13.2 Planning

The Government entrusted (July 2005) the implementation of the scheme in Hazaribag district to the Damodar Valley Corporation (DVC), which prepared the Detailed Project Report (DPR) for the district in May 2006 at a project cost of ₹ 151.60 crore. The work was awarded (March 2008) to M/s Larsen & Toubro on turnkey basis at a cost of ₹ 138.82 crore. However, after route survey, the awarded cost was revised (August 2009) to ₹ 154.15 crore. The following were observed during audit of the implementation of RGGVY:

2.1.13.3 Installing meters in the rural households

Single point metered service connections were to be provided to 85,000 un-electrified BPL households by September 2009. The contractor had provided 84,382 metered connections to BPL households up to March 2011. Though meters were installed to record the actual consumption by BPL consumers as per the scheme, meter readings were not taken by the Jharkhand State Electricity Board (JSEB) and the BPL consumers were billed as unmetered connections at a flat rate of ₹ 32 per month. Thus, the purpose of installation of the meters was defeated and the expenditure of ₹ 9.86²⁶ crore incurred on purchase of meters became wasteful.

Audit observed that as against the Central Electricity Authority norms of one tripping per month, the trippings were 108 to 184 per month during 2009-11 in the district. This indicated poor quality of power supply, thereby defeating the objectives of the REP.

Though 84,382 meters were installed, meter readings were not taken by the JSEB and the BPL consumers were billed at a flat rate of ₹ 32 per month. Thus, expenditure of ₹ 9.86 crore on the meters became wasteful

²⁵ Electrified villages unelectrified tolas

²⁶ 84,382 energy meters multiplied by ₹ 1,168.

2.1.13.4 Monitoring and Reporting

As per an order of the Ministry of Power, GOI, dated 6 February 2008, the Project Implementing Agency (PIA) was to engage a third party inspection agency, whose responsibility would be to ensure that all the materials utilised and the workmanship conformed to the prescribed specifications. This inspection was to cover approximately 50 *per cent* villages on random sample basis for each project. M/s Biecco Lawrie Limited was appointed (May 2009) by DVC to conduct third party inspections of the ongoing electrification works in the district, 15 months after the date of issue of the work orders, by which time the electrification of 336 villages was already completed. Thus, due to the delay in appointment, third party inspection of ongoing works could not be carried out in these 336 villages.

Employment Generation

The Central and State Governments have initiated numerous measures to tackle the problems of poverty, unemployment and the slow pace of progress of the rural economy. The two most important schemes sponsored by GOI for providing employment in the rural areas are the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the Swarnjayanti Gram Swarozgar Yojana (SGSY).

2.1.14 Mahatma Gandhi National Rural Employment Guarantee Act

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is being implemented in the district since February 2006. The basic objective of MGNREGA is to enhance security of livelihood in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household. The District Programme Co-ordinator (DPC), the Block Programme Officers (BPO) and Panchayat Secretaries (PS) are responsible at the district, block and Gram Panchayat (GP) levels respectively for implementation of the scheme.

2.1.14.1 Preparation of Annual Action Plan under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

The operational guidelines of MGNREGS stipulated the preparation of an Annual Action Plan (AAP) of projects and a labour budget by the end of December of each year prior to the start of the new financial year. It further prescribed that the AAP would be a working plan that was to identify the activities to be taken up in a financial year. Any new activity required to be taken up, was to be justified in terms of needs and outcomes. The Annual Plan was to clearly indicate the existing demand for work; the demand in the previous year; the works taken up in the previous year; ongoing works and works proposed for the next year; likely costs and the proposed implementing agencies.

Annual Action Plans were not prepared as per the MGNREGS guidelines

Audit scrutiny revealed that the AAPs for the year 2008-11 only indicated the works proposed for the next year and the likely costs. Thus the AAPs were not prepared as per the MGNREGS guidelines.

As details of ongoing works were not included in the AAPs and budget demands did not include these ongoing works, the possibilities of delayed payment of wages as brought out in para 2.1.14.3 and closer of incomplete works could not be ruled out.

2.1.14.2 Shortfalls in employment generation

An individual had to appear personally and make an oral request for registration under the MGNREGS. A door-to-door survey was also to be conducted to identify persons willing to register under the Act. The registration was to be opened throughout the year at the GP level to allow maximum opportunities to families so that they did not migrate. GPs were to issue job cards²⁷ to the households after registration. Each household was to submit an application for employment. It was observed that there were shortfalls in providing 100 days' wage employment to households due to non-preparation of need-based Annual Action Plans for implementation of the scheme and lack of awareness among the households. Details are given in **Table-10**:

Table-10
Details of shortfalls in wage employment

Year	Total number of households issued job cards	Number of households provided employment	Number of households which completed 100 days of wage employment	Shortfall with respect to households which were not provided 100 days wage employment (in per cent)
2008-09	171078	48298	3740	98
2009-10	177118	58419	6217	96
2010-11	180909	53315	2689	99

(Source: Records of DRDA)

Shortfalls in providing 100 days wage employment to households ranged upto 99 per cent during 2008-11

Table-10 indicates that there were shortfalls in providing 100 days wage employment to households, ranging up to 99 per cent during 2008-11. Further, it was observed that the funds received during 2008-11 (GOI: ₹ 168.35 crore, State Government: ₹ 13.09 crore and opening balance: ₹ 5.35 crore) for employment generation could not be spent in the district, which defeated the very purpose of the scheme.

2.1.14.3 Non/delayed payment of wages

According to the scheme guidelines, wages were to be paid on a weekly basis and in any case, within a fortnight of the dates on which the labourers were engaged. In the event of delays in the payment of wages, the workers were

²⁷ Job cards contain permanent information regarding the households such as registration number and particulars, age and sex, of all adult members of the family.

Payment of wages to labourers was delayed for 12 to 24 months

entitled to compensation as per the provisions of the Payment of the Wages Act 1936. Compensation costs were to be borne by the State Government.

Scrutiny (April and May 2011) of the records of three divisions²⁸ revealed non-payment of wages amounting to ₹ 64.53 lakh to labourers and delayed payment of wages of ₹ 55.34 lakh for more than 12 to 24 months as discussed below:

- During 2010-11, against ₹ 1.43 crore to be paid on account of wages of unskilled labourers, the Executive Engineer (EE), National Rural Employment Programme (NREP), Hazaribag paid ₹ 1.29 crore, resulting in non-payment of wages amounting to ₹ 13.97 lakh. The periodicity of unpaid wages could not be ascertained as muster rolls were not available in the division. However, scrutiny of available muster rolls relating to two works²⁹ disclosed that out of unpaid wages of ₹ 13.97 lakh, ₹ 1.55 lakh at the rate of ₹ 99 per day had not been paid to labourers engaged between March and April 2010. Thus, there was a delay of over 12 months in making payments as on March 2011.

On this being pointed out, the EE replied (September 2011) that these two works were measured on 2 August 2011 and ₹ 1.55 lakh was paid to the beneficiary committees. No reply was furnished regarding the remaining works.

The reply indicated that even after a delay of more than 16 months (up to August 2011), payments of wages to labourers was not ensured and the money was instead being paid to the beneficiary committees.

- Wages of ₹ 1.73 lakh were not paid by the EE, NREP, Hazaribag for more than 24 months to labourers engaged between November 2008 and August 2009 in two works³⁰ though funds amounting to ₹ 25.02 lakh were available with the division as on March 2009.

The EE replied (September 2011) that the amount had already been paid to the beneficiary committees between December 2008 and January 2010. The reply is not acceptable as the payments of wages to labourers were not made even though money was available with the beneficiary committees.

- Payment of wages of ₹ 52,992 was made (June 2009) by the EE, NREP, Hazaribag after a gap of more than six months to the labourers engaged (November and December 2008) in construction of a Grade- I road from village Konhar Chabutra to village Mandigarha.
- Records of the EE, Rural Development Special (RDS) Division, Hazaribag revealed that a liability of ₹ one crore was created (between May 2009 and March 2011) on account of wages. Further, the EE requested (April 2011)

²⁸ MI, NREP and RDS Divisions, Hazaribag.

²⁹ Moorum road from Pipratand to house of Md. Sattar Khan in Rewar village and renovation of Jamunia Aahar in Dato village.

³⁰ Grade I roads from Konhar Chabutra to Mandigarha and from Lava Kundar School to Saloni Tand.

the DDC, Hazaribag to release the funds for payment of pending wages. Out of these, ₹ 51.20 lakh was paid in May 2011 with a delay of up to 24 months while the balance amount of ₹ 48.83 lakh was still to be paid (May 2011).

- The EE, Minor Irrigation (MI) Division, Hazaribag paid wages of ₹ 3.61 lakh to labourers who were engaged between December 2008 and March 2010 in two works³¹ after delays ranging between 23 and 117 days.

Thus, the very objective of timely payments of wages to labourers was defeated.

2.1.14.4 Non-creation of assets

One of the objectives of the MGNREGS was to generate productive assets.

Scrutiny (April and May 2011) of records of four divisions³² disclosed that 113 works were closed after partial execution and incurring expenditure of ₹ 3.45 crore as discussed below:

- Scrutiny (April to May 2011) of records of three divisions³³ disclosed that 101 schemes relating to construction of metalled roads, wells and check dams; renovation of ponds and 'aahars'³⁴ etc. were sanctioned (between May 2006 and December 2008) at an estimated cost of ₹ 5.52 crore, to be completed within three months. Accordingly, ₹ 2.91 crore was allotted to the divisions up to March 2011. However, these schemes were closed (May 2011) after partial execution and incurring a total expenditure of ₹ 2.73 crore (*Appendix-2.4*). These schemes were closed by the order of the DC as completion of these schemes was pending since long after being sanctioned during 2006-09.

On the above facts being pointed out, the EEs, MI Division and RDS Division stated (May 2011) that the schemes were closed midway by the order of the DC, Hazaribag as incurring further expenditure on these schemes was considered unfruitful. Replies indicated that the objective of the MGNREGS to generate productive assets was not achieved and incomplete schemes were ultimately closed.

- Twelve works, related to construction of ponds, soil conservation, afforestation, rehabilitation of forest, Grade I road and permanent nursery, taken up by the Divisional Forest Officer (DFO), West Division on which ₹ 71.88 lakh was spent were not completed and closed (September 2009) by the DDC. Hence, protection of the afforested land and soil conservation was not ensured. As the completion of these schemes was pending since long, the works were closed midway. Thus, the objective of employment generation under MGNREGA was not fulfilled (*Appendix-2.5*). The DFO,

113 works were closed after partial execution and incurring expenditure of ₹ 3.45 crore

³¹ Grade I roads from Pachkheri More to Mahua Tand and Berokala PCC road to Kolhuakudar.

³² MI, NREP, RDS and District Forest Officer (West) Division, Hazaribag.

³³ MI, NREP and RDS Divisions.

³⁴ Small water courses.

West Division accepted the facts during the exit conference (September 2011).

2.1.14.5 Payment to beneficiaries without supporting documents

The Secretary, Rural Development Department issued (May 2010) instructions that beneficiary committees³⁵ would not be engaged in the execution of works sanctioned under MGNREGS. The management of sites and maintenance of muster rolls were to be looked after by labour mates³⁶ and materials were to be supplied by the implementing agencies themselves. Advances given to beneficiary committees for purchase of materials were to be adjusted and further advances were not to be granted.

Scrutiny (April and May 2011) of the records of the EEs, NREP and MI divisions, Hazaribag disclosed execution of works through beneficiary committees by granting advances to them and non-adjustment of the same as discussed below:

- The EE, NREP, Hazaribag advanced (between June and October 2010) ₹ 24.33 lakh to beneficiary committees for execution of 13 schemes which remained unadjusted as of March 2011. Further, the EE, NREP advanced ₹ 36.40 lakh between January 2007 and September 2008 in five test-checked schemes.

The committees, however, submitted vouchers worth ₹ 24.35 lakh with statutory deductions of revenue (royalty and sales tax) of ₹ 65,872 as of March 2011. Thus, ₹ 12.71 lakh including revenue of ₹ 65,872 was recoverable/adjustable from the beneficiary committees (*Appendix-2.6*).

- Similarly, the EE, MI Division, Hazaribag advanced (between May 2010 and March 2011) ₹ 28.19 lakh to the beneficiary committees which remained unadjusted as on April 2011.

2.1.14.6 Payments to labourers without documentation

The construction of 39 wells³⁷ at an estimated cost of ₹ 51.73 lakh was sanctioned in January 2008. The EE, MI Division, Hazaribag was nominated as the executing agency and ₹ 20.69 lakh was provided to the division. The division started execution of 28 wells through beneficiaries. As on May 2011, ₹17.97 lakh had been advanced to the beneficiaries against a total work value of ₹ 22.79 lakh entered in measurement books. However, test check of vouchers submitted by beneficiaries in respect of six 10 feet diameter wells, involving expenditure of ₹ 4.11 lakh disclosed that there were instances of payment of wages to the same labourers for the same period through different muster rolls, discrepancies in the dates of measurements and engagement of labourers, cancellation of muster rolls after showing attendance of labourers, differences in certified payments and payments shown through muster rolls, etc. All these irregularities were indicative of payments to beneficiaries without proper documentation (*Appendix-2.7*).

³⁵ Committee of villagers constituted for execution and monitoring of the scheme after holding Gram Sabha.

³⁶ A person engaged for maintenance of muster rolls and management of works at site.

³⁷ 25 numbers of 20 feet diameters at estimated cost of ₹ 1.59 lakh each and 14 numbers of 10 feet diameter at estimated cost of ₹ 85,600 each.

On this being pointed out by audit, the EE stated (September 2011) that the vouchers submitted by the beneficiaries had not been admitted by the division as these vouchers were not entered in the Management Information System (MIS) and adjustment of advances were made on the basis of works measured in measurement books. The reply is not acceptable as the work values entered in the measurement books should have been supported by vouchers.

2.1.14.7 Discrepancy in expenditure figures

Discrepancy in expenditure between the figures reported to the State Employment Guarantee Commissioner and the figures of MIS in 2010-11

As per the operational guidelines of MGNREGS, proper maintenance and timely updating of information was required for the comprehensive computerized MIS developed by the Ministry of Rural Development, GOI. In a review meeting held on 10 May, 2010, the Deputy Commissioner, Hazaribag instructed the BDOs and executing agencies to ensure reconciliation of differences between the Monthly Progress Reports (MPRs) and MIS by 15 May 2010. Otherwise, First Information Reports (FIRs) would be lodged against the erring executing agencies. It was observed that the total expenditure under the scheme in the district as reported to the State Employment Guarantee Commissioner for the year 2010-11 was ₹ 41.99 crore. However, the expenditure as per the MIS of 2010-11 was ₹ 36.94 crore, resulting in a discrepancy of ₹ 5.05 crore. No action was taken against the erring executing agencies. Further, the Rural Development and Special Division, Hazaribag did not enter vouchers of ₹ 3.34 crore in the MIS, which was fraught with the risk of misappropriation, embezzlement and defalcation of MGNREGS funds.

As per the MGNREGS guidelines, State level and district level officers were to inspect at least two *per cent* and 10 *per cent* of the works respectively whereas block level officers were to inspect 100 *per cent* of the works to ensure comprehensive and continuous assessment of the scheme. However, no schedule of inspection was prepared by them and they did not inspect as per the guidelines.

2.1.15 Indira Awaas Yojana

The Indira Awaas Yojana (IAY) promises to provide financial assistance to Scheduled Castes, Scheduled Tribes and other Below Poverty Line (BPL) people for the construction of houses in rural areas. The following deficiencies were noticed in audit:

Fifty to 100 *per cent* houses taken up for construction in various villages remained incomplete

- The physical performance of IAY in Hazaribag District was unsatisfactory during 2008-11, as 50 to 100 *per cent* houses taken up for construction in various villages remained incomplete due to lack of supervision and monitoring at various levels as detailed in **Table-11**:

Table-11
Incomplete houses under Indira Awaas Yojana

Scheme	Year	Incomplete houses of previous years	Target	Taken up for construction	Total houses	Incomplete houses (per cent)
General	2008-09	848	1893	1786	2634	1492 (57)
	2009-10	1492	3160	4797	6289	5220 (83)
	2010-11	5220	7102	7102	12322	7176(58)
Upgradation	2008-09	284	1103	1103	1387	699(50)
	2009-10	699	921	792	1491	1081(73)
	2010-11	1081	NIL	NIL	1081	649(60)
Naxal affected-General	2009-10	NIL	5495	5519	5519	5519(100)
	2010-11	5519	NIL	NIL	5519	4533(82)
Naxal affected-Upgradation	2009-10	NIL	3205	2164	2164	2156(100)
	2010-11	2156	NIL	NIL	2156	1875(87)

(Source: Records of DRDA)

- According to IAY guidelines, sanitary latrines and smokeless chulhas were to be constructed in each IAY house. It was observed during physical verification of villages in the Hazaribag Sadar, in the Padma and Katkamdag blocks that fuel-efficient smokeless chulhas and sanitary latrines had not been provided in any IAY house due to lack of monitoring and inspections.

Close monitoring of all aspects of IAY was to be conducted by officers at the district, sub-division and block levels through field visits. Lack of monitoring and inspections by DC and other district officials adversely affected the implementation of schemes/programmes.

2.1.16 Backward Regions Grant Fund

The Backward Regions Grant Fund (BRGF) was designed to redress regional imbalances in development. The Fund was to provide financial resources for supplementing and converging existing developmental inflows in the districts. Audit noticed the following deficiencies:

2.1.16.1 Physical performances

The physical performance under BRGF in the district is given in **Table-12**:

Table-12
Physical performance of works under BRGF

Year	Pending works of previous years	Works taken up	Total Works	Works completed (per cent)	Works to be completed
2008-09	Nil	124	124	Nil	124
2009-10	124	13	137	93(68)	44
2010-11	44	184	228	50 (22)	178
Total		321		143 (45)	

(Source: District Planning Officer, Hazaribag)

In 2009-11, only 93 (68 per cent) and 50 (22 per cent) works were completed because of weak internal control mechanism

During 2008-11, 321 works (Panchayat Bhawan-64, ICDS Anganwadi Kendra-208, Rajiv Gandhi Subidha Kendra-47, PCC road in collectorate campus-01, Bridge-1) were taken up. It is evident from the above table that no work was completed in 2008-09. In 2009-10 and 2010-11, only 93 (68 per cent) and 50 (22 per cent) works respectively were completed because of weak internal controls. The DPO also accepted the facts of delay in execution of works under BRGF and stated (September 2011) that monthly reviews of works were being conducted in which executing agencies were being instructed to complete the works within the scheduled time.

2.1.16.2 Delays in completion of Panchayat Bhawans and Anganwadi buildings

The DC, Hazaribag sanctioned (December 2008) the construction of four Panchayat Bhawans³⁸ and seven Anganwadi buildings³⁹ at an estimated cost of ₹ 1.13 crore, to be completed by March 2009. The EE, RDS, Hazaribag was declared the executing agency for these works and ₹ 1.01 crore was provided to the division between December 2008 and March 2009.

Scrutiny (April 2011) of records disclosed that the division started departmental execution of the works and advanced (December 2008 and March 2009) ₹ 1.01 crore to the Assistant Engineers/Junior Engineers (AEs/JEs). As the works were not completed within the stipulated time, the DC, Hazaribag in a meeting (November 2010), directed the EE to complete these schemes by December 2010. However, these works remained incomplete as on April 2011 after incurring expenditure of ₹ 64.72 lakh on 10 works due to non-execution of works by the concerned engineers to whom the advances were granted. Rupees 15.99 lakh, pertaining to the Chaiyakala Panchayat Bhawan, was refunded to the district in March 2011.

The EE replied (June 2011) that FIRs had been lodged against the concerned engineers. Efforts were being made to complete the schemes at the earliest.

2.1.17 Irrigation

There were two Waterways divisions⁴⁰ and one Minor Irrigation division in the district for implementing and monitoring various irrigation schemes under the administrative control of the Water Resources Department (WRD). The following deficiencies were noticed in audit:

2.1.17.1 Non-utilisation of created irrigation potential

Irrigation facilities were being provided to the farmers of the district through various major, medium and minor irrigation schemes. Irrigation facilities provided during 2008-11 by these divisions are shown in **Table-13**:

³⁸ Chaiyakala, Potanga, Selhara and Urimari.

³⁹ Asnachua, Barahmoria, Bindwar, Hudwa, Igunia, Jugar and Ranik.

⁴⁰ Waterways divisions, Barhi and Hazaribag.

Table-13
Irrigation facilities provided to the farmers

(Area in hectares)

Details of schemes		Created potential		Irrigation achievements					
Nature	Nos.	Kharif	Rabi	2008-09		2009-10		2010-11	
				Kharif	Rabi	Kharif	Rabi	Kharif	Rabi
Reservoirs	5	5190	1130	3355	Nil	384	110	1610	Nil
Weirs	1	400	Nil	180	Nil	Nil	Nil	Nil	Nil
Medium irrigation	5	244	106	89	15	174	56	22	Nil
Lift irrigation	9	220	45	83	14	106	37	27	Nil
Checkdams	7	815	271	160	15	215	15	73	Nil
Microlifts	42	172	43	Nil	Nil	77	Nil	50	Nil
Wells	418	375	65	15	5	220	5	70	Nil
Total	487	7416	1660	3882 (52)	49 (3)	1176 (16)	223 (13)	1852 (25)	Nil

(Source : Waterways and Minor Irrigation Divisions)(Figures in brackets indicate percentage)

It may be seen from the above table that the actual achievements were far below the created irrigation potential ranging between three and 52 per cent and were continuously decreasing over the years. This was due to non-maintenance or renovation of old and damaged schemes and deficient rainfall during 2009-10, as stated (June 2011) by the EEs, Minor Irrigation and Waterways Divisions, Hazaribag.

Major and medium irrigation schemes

2.1.17.2 Non-completion of renovation works

To utilise the created irrigation potential, renovation of three irrigation schemes⁴¹ was sanctioned between March 2008 and June 2009 by the Water Resources Department (WRD) at a cost of ₹ 2.36 crore. The Waterways Division, Hazaribag executed 11 agreements for ₹ 2.46 crore between February 2009 and August 2010 for renovation of these schemes between May 2009 and December 2010. However, only the renovation of the Jamuniya reservoir was completed by March 2011 after incurring an expenditure of ₹ 1.27 crore. As on August 2011, renovation of the remaining two schemes remained incomplete due to slow execution of the works by the contractors, even after incurring a total expenditure of ₹ 72.57 lakh.

Minor irrigation schemes

2.1.17.3 Non-functional lift irrigation schemes

There were 29 defunct lift irrigation schemes in Hazaribag district with irrigation potential of 30 hectares each. These were non-functional since long, due to damaged intake wells, pump houses, motors and pipes; non-availability of electricity etc. The DC sanctioned (January 2011) the rectification of 21 out of the 29 schemes under the Integrated Action Plan of 2010-11 at an estimated cost of ₹ 1.18 crore for completion within three months and released ₹ 83.99 lakh to the division against their demand between February and May 2011. The division commenced rectification of civil defects i.e. damaged intake wells and pump houses of 20 schemes at an agreed cost of ₹ 49.05 lakh in February 2011 for completion by May 2011. However, the rectification of

⁴¹ Gonda, Jamunia and Kutipisi reservoir schemes.

civil defects of only seven schemes was completed as of August 2011. Rectification of mechanical and electrical defects of all the schemes was still to be completed (August 2011). Thus, the lift irrigation schemes continued to remain non-functional.

2.1.17.4 Non-completion of check dams

No check dam was sanctioned in Hazaribag district during 2008-10. In 2010-11, construction of five series of check dams, sanctioned (between February and September 2010) at a cost of ₹ 8.42 crore, was taken up between July 2010 and February 2011 for completion between February and December 2011. These works were under progress as of August 2011 after incurring expenditure of ₹ 4.23 crore. Further, two schemes taken up between April 2007 and February 2008 at a sanctioned cost of ₹ 1.44 crore remained incomplete due to non-installation of microlifts as on March 2011, after incurring expenditure of ₹ 98.33 lakh. Microlifts could not be installed due to non-availability of required pipes for which funds were to be allotted by the department.

Thus, the district did not have adequate facilities of irrigation through lift irrigation or check dams, which were considered to be major sources of minor irrigation.

2.1.18 Forests and Environment

2.1.18.1 Introduction

According to the State Forest Report (SFR) 2009, out of the total geographical area of 5,976 sq km of Hazaribag district, the forest cover is 2,053 sq km (very dense: 272 sq km; moderately dense: 622 sq km; and open forests: 1,159 sq km) which accounts for about 34 *per cent* of the total geographical area.

The Department of Forests and Environment, Government of Jharkhand is responsible for management of forests, checking soil erosion, water conservation, conservation of wild life and pollution control, including restoration of ecological balance. Plantation activities in forest areas are carried out by the Afforestation, Social Forestry and Research Divisions. The deficiencies noticed during audit are discussed below:

2.1.18.2 Failure and delayed handing over of plantations

According to the instructions issued (January 1998) by the Principal Chief Conservator of Forests (PCCF), a plantation was to be termed as successful if survival of the plants was more than 60 *per cent*. The PCCF further instructed that responsibility was to be fixed in cases of failure of plantations.

In order to ensure maintenance, protection and management of the plantations, they were to be handed over to the respective territorial divisions along with details of surviving plants, as funds for maintenance (after the fourth year) were provided only to those divisions. The PCCF, Jharkhand, instructed (October 2005) the Chief Conservator of Forests/Regional Chief Conservator of Forests to ensure timely handing over of plantations after completion of the fourth year. The following irregularities were noticed in audit:

In the Hazaribag Afforestation Division, 81,250 saplings were planted under the Rehabilitation of Degraded Forest (RDF) and Minor Forest Produce (MFP) schemes in 100 hectares of Markacho (RDF) and Tham (MFP) during 2005-06 at a cost of ₹ 18.07 lakh. The survival percentage of the plantations at Markacho and Tham was 57 and 51 respectively which was below the prescribed norm of the State Government. However, responsibility for failure of the plantations had not been fixed by the department as on June 2011.

- A total of 22.31 lakh saplings were planted in 1,575 hectares of forest land by the Hazaribag Afforestation/Social Forestry Division, during 2006-08. On the dates of completion of the schemes, the survival percentage ranged between 80 and 96. The plantations were actually handed over to the respective territorial divisions between April 2009 and December 2010, after delays of up to nine months. Due to the delays in handing over of plantations, the survival percentage reduced, ranging between 60 and 90 *per cent*. Thus, 4.04 lakh plants valued at ₹ 68.32 lakh had failed to survive. This could have been avoided had the plantations been handed over to the territorial divisions on time for further maintenance after the fourth year as funds for maintenance after the fourth year were provided to these divisions only.

The DFO attributed (June 2011) the delay in transfer of plantations to shortage of staff.

2.1.18.3 Unfruitful expenditure on Shahid Nirmal Mahto Park

The construction of an eco-tourism and recreational park (now named the Shahid Nirmal Mahto Park) at Hazaribag was administratively approved and technically sanctioned (March 2008) by the Chief Engineer, Building Construction Department at a cost of ₹ 4.47 crore, to protect the existing degraded urban land from further deterioration and for promotion of environmental awareness among the local population. The construction of the park was taken up in 2007-08 and was scheduled to be completed by 2009-10. Scrutiny revealed that ₹ 4.47 crore was allotted during 2007-11 of which ₹ 3.84 crore was spent on construction of the park as on March 2011 and the rest of the money amounting to ₹ 62.45 lakh was surrendered, although several ancillary works⁴² were incomplete. The park was still incomplete (June 2011) and non-functional. Thus, the expenditure of ₹ 3.84 crore incurred on its construction remained unfruitful.

The DFO stated (June 2011) that the works could not be completed as they were allotted on the basis of the estimates sanctioned at the old rates. The DFO further stated that revised estimates had been sent for approval to the department.

⁴² Water bodies, boundary, pathways, provision for electrical fittings, generator and construction of generator rooms etc.

General Services

2.1.19 Law and Order

For maintenance of law and order in the district, the police department has 15 police stations and six police outposts under the administrative control of the Superintendent of Police (SP), Hazaribag who is the overall in-charge of internal security in the District. Audit findings are discussed in the succeeding paragraphs:

2.1.19.1 Police infrastructure

Modernisation of Police force (MPF), a Centrally sponsored scheme, envisaged provision of basic infrastructure like Police Stations (PS), Police outposts, barracks and housing viz. Upper Subordinate Quarters (USQs) and Lower Subordinate Quarters (LSQs).

The position of availability of infrastructure against the minimum requirements in the district is given in **Table-14**:

Table - 14
Availability of infrastructure against the requirements

Types of Building	Position as on 1 April 2008		Position as on 31 March 2011		Addition claimed during 2008-11
	Requirement	Availability	Requirement	Availability	
Police Station	13	13	18	15	2
Police Out Posts	6	6	6	6	-
Barracks	50	21	50	24	3
Lower Subordinate Quarters	2144	173	2144	239	66
Upper Subordinate Quarters	298	17	298	35	18
Garage	25	10	30	10	-

(Source: Data furnished by the SP, Hazaribag)

Against the requirement, as projected by the Superintendent of Police, Hazaribag, of 18 police stations and 50 barracks, the availability was 15 and 24 respectively. Only two police stations and three barracks were added during 2008-11, indicating shortage of three police stations and 26 barracks in the district. Against the requirement of 2442 USQs/LSQs, the availability was 274 (11 per cent) and only 84 housing units were added during 2008-11, indicating huge shortage of housing infrastructure in the district. Against the requirement of 30 garages for parking of vehicles in police stations, the availability was 10 (33 per cent) indicating the shortage of 20 garages in the district. In his response to the audit query, the SP stated (September 2011) that the available quarters were based on strength of the district police personnel. However, it was seen in audit that the available number of quarters was far less than the existing strength of the police force.

2.1.19.2 Weaponry

In view of being a Naxal-affected district, the replacement of outdated and unserviceable weapons and provision of modern and sophisticated weaponry for the force was one of the major components of modernisation. Need-based requirement for weaponry had been worked out by the SP as per the

There was shortage of main strike weapons which ranged between 16 and 61 per cent and area weapons which ranged between nine and 100 per cent

minimum requirement for the police force in the district. However, there was a shortage of main strike weapons⁴³ which ranged between 16 and 61 *per cent* and area weapons⁴⁴ which ranged between nine and 100 *per cent* as given in **Appendix- 2.8**.

On this being pointed out in audit, the SP stated (September 2011) that generally joint anti-Naxal operations were conducted with the Central Reserve Police Force/Jharkhand Armed Police, which had many area weapons. The reply is not acceptable as the district police should not have had a shortage of weapons, in any case.

2.1.19.3 Mobility

One of the major thrust areas under modernization was to increase the mobility of the district police so that challenges to internal security were faced effectively and the response time was reduced. The position of availability of various types of vehicles with the district police during the period is detailed in **Table- 15**:

Table - 15
Position of availability of various types of vehicles in the district

Particulars	Position as on 1 April 2008					Position as on 31 March 2011				
	HV	MV	LV	MC	Total	HV	MV	LV	MC	Total
Requirement	-	-	-	-	-	19	60	90	130	299
Available	08	35	54	27	124	11	48	78	64	201
Deficiency	-	-	-	-	-	8	12	12	66	98
Deficiency in per cent	-	-	-	-	-	42	20	13	51	33

(Source: Data furnished by the SP, Hazaribag)

(HV-Heavy Vehicle, MV- Medium Vehicle, LV - Light Vehicle and MC- Motor Cycle)

Overall shortage of vehicles was 33 *per cent*

As can be seen, the overall shortage of vehicles in the district as on 31 March 2011 was 33 *per cent*.

Further, modernisation under MPF envisages priority in purchase and distribution of field vehicles for basic policing. The availability of various types of vehicles with police stations in the district as on September 2011 was as detailed in **Table -16**:

Table - 16
Position of availability of various types of vehicles in the Police Stations

Particulars of vehicles	Total requirement	Holding	Deficiency	Reason for deficiency
Heavy Vehicles	23	2	21	Not furnished
Medium Vehicles	23	13	10	Not furnished
Light Vehicles	46	27	19	Not furnished
Motor Cycles	345	19	326	Not furnished

(Source: Data furnished by the SP, Hazaribag)

⁴³ Weapons to strike specific target such as 5.56 mm Insas rifles, AK 47, 9 mm pistols etc.

⁴⁴ Weapons to target certain areas such as light machine gun, mortars, hand grenades etc.

The shortage of vehicles at the Police Stations was bound to impact adversely on the mobility of the forces. The SP stated that all the police stations have vehicles provided by the Police Headquarters (September 2011) but availability of vehicles was less than the requirement.

2.1.19.4 Human Resources

One of the principal areas of focus under the modernisation scheme was the expeditious filling up of vacancies.

There was shortage of 16 to 50 per cent in the officers' cadre and 25 to 100 per cent in the constabulary cadre

It was observed in audit that there was a shortage of 16 to 50 per cent in the officers' cadre and 25 to 100 per cent in the constabulary cadre (*Appendix 2.9*) as on March 2011. The shortage of adequate manpower affected the investigation of cases as given in **Table-17**:

Table-17
Statement showing pending cases for investigation

Year	Backlog cases	New cases	Total cases	Cases disposed of	Per cent	Cases pending
2008-09	2767	3399	6166	3856	63	2310
2009-10	2310	2773	5083	3403	67	1680
2010-11	1680	2606	4286	3043	71	1243

(Source: Data furnished by the SP, Hazaribag)

Due to shortage of manpower, 1,243 pending cases still existed

It can be seen from **Table-17** that though the number of reported cases had decreased during 2008-11 and their disposal had improved, 1,243 pending cases still existed.

The SP accepted the audit observation and stated (September 2011) that the number of cases pending per Inspecting Officer (IO) was quite high as the same officers were deployed in law and order duties, which hampered the completion of the investigations.

2.1.20 Civic Amenities provided by the Municipal Administration

2.1.20.1 Infructuous expenditure on construction of Dwelling Units under Valmiki Ambedkar Malin Basti Aawaas Yojana

The Hazaribag Municipal Council executed an agreement with the Housing and Urban Development Corporation (HUDCO) for construction of 942 dwelling units (DUs) at a cost of ₹ 3.77 crore under the Valmiki Ambedkar Malin Basti Aawaas Yojana (VAMBAY). However, a provision was made in VAMBAY for creation of infrastructure and common facilities such as roads and drains etc. for the DUs. As a result, even after HUDCO constructed the DUs at Jabra and handed them over (May 2009) to the Municipal Council the beneficiaries refused to take possession, rendering the expenditure of ₹ 3.77 crore infructuous.

On this being pointed out in audit, the Council stated that it had prepared a new list of beneficiaries which it had sent to the Urban Development Department (UDD) for approval.

2.1.20.2 Blockage of funds due to non-construction of an Inter-State Bus Terminus

A sum of ₹ 2.90 crore⁴⁵ was allotted to the Hazaribag Municipal Council for construction of an Inter-State Bus Terminus (ISBT) in the municipal area. Interest at the rate of 13 *per cent* per annum was chargeable after three years of the withdrawal of the amount. The whole amount was recoverable in 15 equal annual instalments and rebate of 2.5 *per cent* was admissible for timely repayment.

Land required for the proposed site of ISBT could not be acquired

Land measuring 16.01 acres was required for the proposed site of the ISBT. The District Land Acquisition Officer (DLAO) demanded ₹ 33 lakh as cost of acquisition (80 *per cent* of the cost, i.e. ₹ 41.33 lakh) which was released in March 2008. However, the land could not be acquired (September 2011). By that time, the cost of the land had increased to ₹ 80 lakh from ₹ 41.33 lakh.

The proposed site, which was being used as a dumping ground for solid waste required a fresh Soil Investigation Test for preparation of a revised Bill of Quantities (BOQ) and a revised DPR. The Council, however, could not get the Soil Investigation Test conducted due to which neither could the BOQ be approved nor could the revised DPR be prepared (September 2011).



Proposed site for Inter State Bus Terminus at Hazaribag

Thus, an amount of ₹ 2.57 crore (₹ 2.90 crore minus ₹ 33.00 lakh minus ₹ 40 thousand) remained blocked for more than nine years besides creation of a liability in the shape of interest for ₹ 1.06 crore⁴⁶. Moreover, a sum of ₹ 30 lakh, diverted (September 2006) from the allotment for part payment of salaries of the municipal staff, was still to be recouped (September 2011).

The failure of the DLAO to acquire the land and the Municipal Council to get the soil test conducted along with the absence of monitoring by the Urban Development Department (UDD), the residents of Hazaribag were deprived of the intended benefits of the bus terminus.

2.1.20.3 Inordinate delay in construction of Marriage Hall and Dharamshala

An amount of ₹ 53.65 lakh was allotted (February 2007) to Hazaribag Municipal Council by the UDD for construction of a marriage hall and a dharamshala at the Old Bus Stand.

⁴⁵ Grant: ₹ 1.25 crore, loan: ₹ 1.25 crore (2001-02) and ₹ 40 lakh for acquisition of land (2006-07)

⁴⁶ At the rate of 13 *per cent* on ₹ 1.25 crore for a period of 6.5 years.

Besides the delays in processing/finalizing the tender, the Council failed to identify a suitable site on time. Although the site had been identified in December 2010, the proposed work was still incomplete (September 2011). Thus, funds amounting to ₹ 53.65 lakh remained blocked for more than four and a half years, depriving the public of the intended benefits.

2.1.21 Conclusion

A District Planning Committee was not constituted in the district. Under-utilisation of funds ranging between two and 32 *per cent* was noticed during 2008-11. The main reasons behind under-utilisation of funds were non-availability of sites, non-supply of materials, non-finalisation of tenders, allotment at the close of the year, slow progress of works etc. The Annual Works Plans and budget for Sarva Shiksha Abhiyan were prepared without conducting household surveys.

In Kasturba Gandhi Balika Vidyalaya, basic amenities were lacking. Girl students were residing in cramped accommodation. Basic health care services were not available in the Community Health Centres. Pregnant women, registered in the district, did not receive all three ante-natal checkups as specified under the Janani Suraksha Yojana. Providing safe, sufficient and potable drinking water to the people of the district was defeated as drinking water, supplied through drilled tube wells (DTWs) was insufficient. Excessive breakdown of DTWs, poor performance of the Swajaldhara Scheme and non-installation of water purification systems in schools was noticed. Anganwadi Centres were lacking in basic facilities and the performance of Supplementary Nutrition Programme was poor under Integrated Child Development Services Scheme. A majority of households did not receive 100 days' wage employment under Mahatma Gandhi National Rural Employment Guarantee Scheme. Houses taken up for construction under Indira Awaas Yojana (IAY) remained incomplete. Smokeless chullahs and sanitary latrines were not provided in any IAY house. Created irrigation potential was not utilised, lift irrigation schemes remained non-functional and check dams were not completed under irrigation schemes. There was shortage in the availability of police infrastructure, weaponry, vehicles and human resources for management of law and order of the district.

Beneficiaries refused to take possession of houses under Valmiki Ambedkar Malin Basti Awaas Yojana due to lack of common facilities.

Deficient monitoring and supervision was noticed in implementation of schemes in the district.

2.1.22 Recommendations

- The Annual Action Plans under National Rural Health Mission should be prepared after assessing the realistic needs of the district through conducting household and facility surveys;
- Adequate infrastructure /amenities should be provided at schools and to Indira Awaas Yojana beneficiaries;

- Basic infrastructure/health facilities with adequate number of doctors/paramedical staff need to be provided at all levels. The Community Health Centres, Primary Health Centres, Sub-Centres and sub-divisional hospitals lying incomplete should be completed;
- Under Pradhan Mantri Gram Sadak Yojana (PMGSY), unconnected habitations need to be provided with all-weather roads on top priority. The State Government should release funds for maintenance of roads constructed under PMGSY;
- The district administration should take up the issue with the Government for getting the balance funds released for completion of schemes;
- Impact of the schemes on intended beneficiaries should be assessed to get the optimal utilisation of the resources; and
- The monitoring mechanism should be strengthened to achieve the desired objectives.

HOME (JAIL) DEPARTMENT

2.2 Management of Prisons

Highlights

The management and administration of prisons fall exclusively under the State Government and are governed by the Prisons Act, 1894 and 1900. The main purpose of establishing prisons is to confine offenders committing offences under the various laws. Apart from providing custodial care and detention for a certain period of time to the offenders of laws, the State Government also undertaken planned programmes aimed at reforming them as part of social reclamation. A performance audit on Management of Prisons in the State revealed many significant deficiencies including instances of non-execution of civil works, financial mismanagement, overcrowding in jails, large number of vacancies existing in the functional level of security staff and required periodic inspection of the prisons not being carried out by the Inspector General of Prisons.

Congestion was very severe as prison occupancy ranged between 134 and 318 per cent of the total capacity of the prisons.

(Paragraph 2.2.6.1)

The open jail constructed at a cost of ₹ 3.23 crore in Hazaribag could not be made operational, even six months after handing it over, due to non-recruitment of staff and non-selection of prisoners.

(Paragraph 2.2.6.3)

During 2005-08, ₹ 79.64 lakh was spent on construction of cowsheds in four test-checked prisons for setting up of dairies in jails. However, the dairies could not be started as no cows were purchased.

(Paragraph 2.2.6.5)

In seven jails, an amount of ₹ 5.26 crore pertaining to sales made in 2001-11 was due for recovery from various jails.

(Paragraph 2.2.6.10)

Instead of modern firearms, old and obsolete firearms like .303 rifles, .410 muskets etc were stocked in the armoury. The .303 rifles had been procured from the police department in 1987 and 1994.

(Paragraph 2.2.6.11)

During 2006-07, 16 Close Circuit Televisions, installed at a cost of ₹ 37.50 lakh in Central Jail, Ranchi, were non-functional.

(Paragraph 2.2.6.12)

Prohibited items like cell phones, SIM cards, mobile chargers, katta, revolvers, cartridges, knives, cash etc. were recovered by the district administration during search operations in jails during 2006-11.

(Paragraph 2.2.6.13)

A total of 284 works at a cost of ₹ 51.56 crore were sanctioned, of which 42 works amounting to ₹ 11.82 crore (23 per cent) had not been taken up as on May 2011.

(Paragraph 2.2.7.1)

A total of ₹ 8.26 crore was drawn without requirement during 2006-09 by the Jail Superintendent of Central Jail, Hazaribag and the amount was remitted into the treasury in April 2010.

(Paragraph 2.2.7.2)

Abstract contingent bills amounting to ₹ 22.53 crore under Non-Plan and ₹ 22.64 crore under the Plan head were pending with the Jail Superintendents due to non-submission of DC bills during 2005-11.

(Paragraph 2.2.7.3)

There were vacancies ranging between 47 and 100 per cent in the cadres of security personnel which constituted the backbone of the jail security.

(Paragraph 2.2.8.1)

2.2.1 Introduction

Jails are used to receive and process people after arrest. They also hold people in pre-trial detention until courts resolve their cases. They incarcerate offenders of minor offences for short periods of time, usually a year or less and hold offenders who have been sentenced to prisons and are awaiting transfer. Prisons are an integral and important part of the criminal justice system and function to provide safe custody and confinement to convicts and under-trial offenders committing offences under various laws. Apart from the providing custodial care to offenders of laws and thus, isolating them from general community for a certain period of time with a view to ensuring security, peace and tranquility, the State Government arranges for their correctional treatment and subsequent rehabilitation. Prisons in Jharkhand are administered under the provisions of the Bihar Jail Manual (adopted by the Government of Jharkhand) incorporating mainly the provisions of the Prisons Act, 1894 and the Prisons Act, 1900.

2.2.2 Organisational set-up

The prisons in Jharkhand function under the overall supervision and control of the Home Department, which has a separate Inspectorate for administration and control of prisons in the State. There are 26 prisons¹ and one Borstal School² in the State. At the Government level, the Principal Secretary (Home) is responsible for overall supervision and functioning of prisons. The Inspector General (IG) (Prisons) is head of the Prison Inspectorate and responsible for administration and control of prisons in the State. He is assisted by two Assistant Inspectors

¹ Five prisons located at Dumka, Hazaribag, Jamshedpur, Medininagar (Palamau) and Ranchi are classified as Central Prisons, 17 are District Prisons and four are Sub-Prisons.

² Borstal School ensures care, welfare and rehabilitation of young offenders between the ages of 18 and 21 years, to keep them away from the contaminated atmosphere of the prisons.

General (Prisons) (AIGP) for exercising administrative and supervisory control over prisons. The prisons and the Borstal School are headed by Superintendents. Security personnel, clerical staff as well as medical and para-medical personnel assist the Superintendents in discharging their duties.

2.2.3 Audit objectives

The objectives of the performance audit were to assess whether:

- the implementation of the programmes for the management of prisons were efficient and effective;
- the financial management was efficient and effective;
- human resource management was adequate and efficient; and
- the monitoring and internal control/audit mechanism were in place and effective.

2.2.4 Audit criteria

The main criteria used in the performance audit were as under:

- Bihar Jail Manual (adopted by Jharkhand);
- The Prisons Act, 1894 and the Prisons Act, 1900;
- State Financial Rules;
- Treasury Rules;
- Government orders issued from time to time; and
- Model Prison Manual, 2003³.

2.2.5 Scope and methodology of audit

A performance audit of the management of prisons in the State of Jharkhand covering the period 2005-11 was conducted between March and May 2010 and April and May 2011 in the Secretariat, the Inspectorate of Prisons, 10⁴ out of 26 prisons, one Borstal School (Medininagar) and one Jail Training Institute (Hazaribag). Eight⁵ prisons were selected on the basis of the Simple Random Sampling Without Replacement (SRSWOR) method. Two prisons⁶ having the biggest manufacturing industries compared to other prisons of the State were also selected. Besides, the Borstal School at Medininagar and the Jail Training Institute, Hazaribag were also test-checked. The audit objectives were discussed with the IG (Prisons) in an entry conference held on 28 April 2011 for the purpose. An exit conference was held with the Principal Secretary,

³ The Model Prison Manual was formulated in 2003 by the Bureau of Police Research and Development, Ministry of Home Affairs, GOI, but has not been adopted as yet by the State Government.

⁴ Deoghar, Dhanbad, Giridih, Hazaribag, Jamshedpur, Khunti, Koderma, Medininagar (Palamau), Ranchi and Tenughat.

⁵ Central Jail at Jamshedpur and Medininagar (Palamau), District Jails at Deoghar, Dhanbad, Giridih, Koderma and Sub-Jails at Khunti and Tenughat.

⁶ Central Jails at Hazaribag and Ranchi.

Home, on 21 September 2011, during which the audit findings along with recommendations were discussed.

2.2.6 Implementation of programmes

In order to provide custodial care to offenders of laws and reforming the prisoners as part of social acceptance, the State government undertook various programmes. The deficiencies noticed during audit in implementing the programmes for management of the Prison department are discussed below:

Strengthening of Prison Infrastructure

2.2.6.1 Non- construction of new wards resulted in overcrowding in prisons

As per the provisions contained in Rule 1110 of the Bihar Jail Manual and para 2.09 of the Model Prison Manual, 2003, the capacity of prisons is regulated by scales of cubical space and lateral ventilation prescribed for each prisoner. The capacity, actual occupancy and the percentage of occupancy of prisoners in all prisons of the State during 2005-10 is indicated in **Table-1**:

Table-1

Capacity and actual occupancy of inmates in Jails

Calendar Year	Total capacity of all prisons	Actual average inmates population	Percentage of occupancy
2005	6045	19233	318
2006	9905	17717	179
2007	10738	17936	167
2008	12831	18441	144
2009	12846	17162	134
2010	12921	18081	140

(Source: Office of the IG (Prisons))

The table shows that during 2005-10, the congestion was very severe with the occupancy ranging between 134 and 318 *per cent* of the total capacity.

The prison-wise details of occupancy during December 2010 in respect of all the prisons in the State are given in **Appendix 2.10**.

From the above table, it may be seen that the problem of congestion was extremely severe during 2005 (occupancy rate being 318 *per cent*) which gradually eased to 134 *per cent* in 2009 due to construction of new wards in jails as well as upgradation of the two existing Central jails at Ranchi and Jamshedpur. Detailed analysis of the prison-wise position of occupancy rates of prisoners revealed that the position was very severe in 21 prisons⁷ where occupancy rates ranged between 104.19 and 448.88 *per cent* of capacity during 2010. It was noticed that during the same period, the average

Congestion of prisoners was very severe ranging between 134 and 318 *per cent* of the total capacity

⁷ Central Jails Dumka, Hazaribag and Ranchi. District Jails Chaibasa, Chatra, Deoghar, Dhanbad, Garhwa, Giridih, Godda, Gumla, Koderma, Lohardaga, Latehar, Medininagar (Palamau), Pakur, Simdega and Saraikela, Sub-Jails Ghatshila, Rajmahal and Tenughat.

occupancy rates of prisoners in the Borstal School, Medininagar (Palamau) and five Jails⁸ ranged between 27 and 99.11 *per cent*.

The prescribed minimum spaces to be provided to the prisoners were as under:

Particulars of space	Sleeping Barracks	Cells	Hospital Barracks
Ground space in sqm	3.71	8.92	5.58
Air space in cum	15.83	33.98	23.75
Lateral ventilation in sqm	1.12	2.23	Not applicable

Overcrowding in prisons resulted in denial of the prescribed ground, air and lateral ventilation spaces to the prisoners, which could affect their mental and physical health. It also put pressure on civic utilities like water supply and sanitation facilities. The workload of the security staff would also have increased, hampering their ability to control crime and violence in the prisons.

2.2.6.2 Construction of jails in close proximity of densely populated areas

As per paragraph 2.05 (iv) of the Model Prison Manual, 2003, no building was to be constructed within 150, 100 and 50 metres of the prison walls of the Central Jails, the District Jails and Sub-Jails respectively. Existence of double or triple-storied buildings in close proximity of the prisons could cause serious security threats to the prisoners and Jail staff, making them prone to attacks from outside and could also facilitate easy interaction between the prisoners and outsiders.



(Photograph of District Jail, Ghaghidih, Jamshedpur)

Outer wall of the newly constructed jail was very close (around 40 ft) to an existing residential colony

It was noticed that the Central Jail, Jamshedpur was constructed in Ghaghidih during 2005-08 by extending the existing sub-Jail. The Jail was made functional from September 2008. During Audit, it was observed that the outer wall of the newly constructed jail was very close (around 40 ft) to an existing residential colony. On this being pointed out, the IG (Prisons) stated that construction of the Central Jail was commensurate with the provision of distance of at least 16 feet under Rule 1119 of the Jail Manual. The reply was not acceptable as the Assistant Inspector General (Prisons) in his enquiry report submitted to the IG (Prisons) on the incident of murder of two inmates in the Central Jail, Ghaghidih, Jamshedpur stated that the firearms and ammunition used in the incident could have been thrown from neighboring residential buildings situated at the south-west corner of the perimeter wall of

⁸ Central Jail Jamshedpur, District Jails Chas, Jamtara and Sub-Jails Khunti, Sahebganj.

the jail. Thus, the directives of prison architecture as contained in the Model Prison Manual, 2003 were ignored in constructing the Central Jail, Ghaghidih, Jamshedpur which compromised the security of the Central Jail.

2.2.6.3 *Non-functioning of open jail*

As per para 21.01 of the Modern Prison Manual, 2003, open jails are intended to put into practice the contemporary ideology of reformation, correction and rehabilitation of convicted prisoners so that they may lead a self disciplined and cultured life after release. These institutions provide the prisoners opportunities of employment and living a life in the open. This restores the dignity of the individuals and develops self-reliance, self-confidence and social responsibility in them, which are necessary for their rehabilitation in society.

Due to non-recruitment of staff and non-selection of prisoners to be housed in the open jail, it could not be made operational

The IG (Prisons) proposed (2005-06) the setting up of an open jail in Hazaribag at an estimated cost of ₹ 2.97 crore, having a capacity to house 100 prisoners. The infrastructure which was to be provided to each prisoner included a one-room cottage with a bathroom, kitchen and verandah, community hall, industry shed, dispensary/ hospital etc. Those convicts who had spent half of the sentence in the jail and had good health and character were to be screened by the District Screening Committee headed by the Deputy Commissioner and was finally to be approved by the Central Screening Committee headed by the IG (Prisons), were to be housed in the open jail. For smooth functioning of the open Jail, creation of necessary posts was in final phase.

This work was to be executed by the Executive Engineer (EE), Building Construction Division, Hazaribag with the due date of completion being November 2007. The work was completed by the division with a total expenditure of ₹ 3.23 crore and handed over to the IG (Prisons) in November 2010. However, it could not be made operational due to undue delays in creation of necessary posts as stated (September 2011) by the IG (Prisons). Thus, a maximum of 100 prisoners were denied the benefits of the open jail.

2.2.6.4 *Delay in construction of new Sub-Jails*

In the Five-Year Perspective Plan of the modernisation of prison administration scheme⁹, seven new sub-jails¹⁰ were originally approved (November 2002) for construction by the Government of India. Later, the construction of new sub-jails at Chakradharpur and Madhupur was shifted (December 2004) from the Centrally Sponsored Scheme to the State Plan. After this revision, funds of ₹ 20.19 crore for construction of four jails¹¹ were released during 2004-08. Funds for construction of a sub-jail at Chhatarpur were not released. Scrutiny revealed that construction work in Hussainabad could not be started, as on May 2011, due to non-acquisition of land. In the remaining three cases (Barhi, Nagaruntari

⁹ To improve the condition of prisons, Government of India introduced (November 2002) the scheme on cost sharing basis with ratio of 75:25 between the Central and the State Government.

¹⁰ Barhi, Chakradharpur, Chhatarpur, Hussainabad, Madhupur, Nagaruntari and Ramgarh.

¹¹ Hussainabad, Ramgarh, Nagaruntari and Barhi.

and Ramgarh), work was in progress. The scheme of modernisation of prison administration was to be completed up to the extended period of March 2009. The IG (Prisons) stated (June 2011) that the reasons for delay were non-availability of land and change in design. Thus, even after expiry of two years of the extended period of the scheme, the work of construction of sub-jails could not be completed. The avowed purpose of reducing congestion in jails by constructing new sub-jails, was, therefore, defeated.

2.2.6.5 *Infertuous expenditure on construction of cowsheds*

Infertuous expenditure of ₹ 79.64 lakh on construction of cowsheds

During 2005-08, ₹ 79.64 lakh was spent on construction of cowsheds in four¹² test-checked prisons for setting up dairies in jails to provide milk to the sick in jail hospital, old and weak prisoners. Any milk that would remain unutilised was to be issued as food for ordinary prisoners¹³.

However, the dairies could not be started as no cows were purchased. On this being pointed out, the IG (Prisons) replied (September 2011) that due to non-finalisation of tenders, cows were not purchased. Further, it was stated that a proposal for converting these cow sheds to industrial training centres-cum-godowns was under consideration at the Government level. Thus, despite expenditure of ₹ 79.64 lakh, the very purpose of setting up the dairies was not achieved.

Welfare measures for Prisoners

2.2.6.6 *Non-constitution of District Parole Boards for temporary release of prisoners*

The State Government did not constitute District Parole Boards for temporary release of prisoners

As per Section 31 A and B (Part VI-A) of Prisons Act, 1900, District Parole Boards were to be constituted by the Government for recommending temporary release of convicted prisoners. The Boards were to recommend temporary release (not exceeding 30 days at a time) of convict prisoners. During scrutiny of the records of the IG (Prisons), it was noticed that the State Government did not constitute District Parole Boards for any district. On this being pointed out in audit, the IG (Prisons) stated (September 2011) that convict prisoners were sent on parole under police escort for a maximum of three days at the time of their need. The reply of the IG (Prisons) is not correct as the arrangement of release of prisoners under police escort cannot be equated to parole and is an ad hoc arrangement in the absence of the Parole Boards. Thus, the convicted prisoners in the State who qualified for release on parole were deprived of the facility of temporary release as per the Act.

2.2.6.7 *Improper management of Borstal School*

The primary objective of a Borstal School is to ensure care, welfare and rehabilitation of juvenile offenders between the ages of 19 to 21 years and to

¹² Giridih, Hazaribag, Medininagar (Palamau) and Ranchi.

¹³ Rule 1065 of Bihar Jail Manual (as adopted by Jharkhand).

keep them away from the contaminating atmosphere of the prison. Emphasis is to be given on the education, vocational training and moral influence conducive for their reformation and prevention of crime.

The only Borstal School of Jharkhand was established in April 1960 at Medininagar (Palamau). The school, situated inside the campus of the Central Jail, Medininagar (Palamau), had a two-storey building (five wards in each storey) having a capacity of 100 prisoners. The first floor was to be used for education, vocational training in tailoring and entertainment while the ground floor was to be used for hospital and residential purposes.

Four wards of the Borstal school were being utilised to house prisoners of the Central Jail

Scrutiny of records and physical verification of the Borstal School, Medininagar (Palamau) revealed that four of its 10 wards were being utilised to keep the inmates of the Central Jail, Medininagar (Palamau). As the school was situated inside the premises of the Central Jail, Medininagar (Palamau), the inmates of the school and Central Jail were free to meet each other. Running of the Borstal School inside the Central Jail as well as using the school building as a jail for keeping the inmates defeated the objective of keeping the juvenile offenders away from the atmosphere of the prison. Despite the instruction (December 2002) of IG (Prisons) and request of the Superintendent, Borstal School, to shift the juvenile offenders from other jails to the Borstal School, Medininagar (Palamau), juvenile offenders of Medininagar (Palamau) only were kept in the school.

Further, there were only five persons in position against the sanctioned strength of 20. The vacancies included those of the Superintendent, teachers, head teacher, instructor, supervisor, cook etc. It was seen that the clerk, supervisor, Group 'D' staff and educated prisoners of Central Jail, Medininagar (Palamau) were teaching the inmates of the Borstal School. Vocational training facility was insufficient as there was no allotment for purchase of raw materials for training purposes. As against the sanctioned posts of two instructors, only one instructor (tailor) was posted for imparting training to the inmates during 2005-11. Thus, care, welfare and rehabilitation of juvenile offenders, which were the primary objectives of a Borstal school, remained unachieved.

2.2.6.8 Provision of small scale industries in prisons

The ultimate objective of the prison administration is reformation and rehabilitation of offenders and shifting of the emphasis from custody and control of prisoners to their training and treatment. This was also stressed in the Model Prison Manual, 2003, which stated that prisons needed to be equipped with facilities which enabled the prisoners to 'Learn and Earn'.

An appraisal of the performance of prison industry activities relating to correctional treatment of prisoners revealed the following:

Rule 751 of the Jail Manual envisages that the ultimate objective of the prison administration was reformation and rehabilitation of offenders so as to make them responsible members of the civil society by the time they complete their sentences and leave the jails. Each Central/ district jail is to concentrate on one

or two main industries and their products are to be utilised for jail requirements. The balance products are to be purchased by Government departments.

In the State, small scale industries were running in eight¹⁴ out of 22 Central/ district jails as on September 2011. These jails were involved in manufacturing cloths, blankets, soaps, phenyl, candles etc. In the eight test-checked jails, prison industries were running in six¹⁵ Central/ district jails. Two test-checked jails, viz Deoghar and Koderma district jails had no production units.

In sub-jails, mostly under-trial prisoners were kept and hence, no production unit/small scale industries were established. However, the Deoghar and Koderma jails had been recently upgraded in the year 2006 to district jails with the same infrastructure as sub-jails and had insufficient space. As such, prison industries could not be set up there.

Convicts living in 14 jails were not provided with the opportunities to learn gainful industrial activities

Further, a training-cum-production centre in Central Jail, Medininagar (Palamau) was constructed at a cost of ₹ 17.36 lakh during 2007-08 for providing vocational training for production of cloth items, phenyle and soap. However, this centre was not handed over to the jail authorities by the Building Construction Division, Medininagar (Palamau) as it was constructed in the extended portion of the jail, which was not within the jail premises. Thus, convict prisoners of the 14 remaining jails of the State were not provided with the opportunities to learn gainful industrial activities, defeating the very objectives envisaged in the Prison Manual.

2.2.6.9 *Correctional activities in prisons*

The prison managements had started activities like literacy and educational programmes through the National Institute of Open Schooling (NIOS)/ Indira Gandhi National Open University (IGNOU), computer training, yoga and meditation for prisoners as a part of correctional measures which could detract them from committing crimes and could change their behaviour and attitude. This would ultimately facilitate their rehabilitation in the mainstream of the society.

5,470 prisoners were made literate under the literacy programme and 1,108 prisoners were imparted education through NIOS/ IGNOU

Data furnished by IG (Prisons) revealed that during 2005-10, in four Central jails¹⁶, 5,470 prisoners were made literate under the literacy programme and 1,108 prisoners were imparted education through NIOS/ IGNOU. Further, 802 prisoners were imparted computer training and 8,163 prisoners were trained in yoga/ Art of living during the same period.

¹⁴ Central Jails at Dumka, Hazaribag, Jamshedpur and Ranchi and District Jails at Chaibasa, Chas (Bokaro), Dhanbad and Giridih.

¹⁵ Dhanbad, Giridih, Hazaribag, Jamshedpur, Medininagar (Palamau) and Ranchi.

¹⁶ Dumka, Hazaribag, Jamshedpur and Ranchi.

2.2.6.10 Outstanding recoveries on account of sales by prison industries

Rule 1269 (2) of the Jail Manual stipulates that in the case of non-realisation of dues on account of sales to other jails, the matter should be specially reported to the IG (Prisons), for orders as to what action is to be taken.

In seven jails an amount of ₹ 5.26 crore pertaining to sales made in 2001-11 was due for recovery from various jails

Scrutiny of records of IG (Prisons) revealed that in seven jails, ₹ 5.26 crore¹⁷ pertaining to sales made during 2001-11 remained unrealised from other jails. On this being pointed out, the IG (Prisons) attributed the same to non-availability of sufficient funds. The reply of the IG (Prisons) was not acceptable as there were regular savings under the Non-Plan head as indicated in **Table-3** under paragraph 2.2.7.1, which could have been re-appropriated by the controlling officer.

Prison security arrangements

2.2.6.11 Custody and maintenance of armoury

Paragraph 5.07 of the Model Prison Manual, 2003 envisages that security personnel should carry modern weapons like pistols, carbines, self-loading rifles, pump action guns and authorised quality of rubber bullets, plastic bullets and live ammunitions so that these can be used in emergencies. Maintenance of armouries is an important prerequisite for ensuring the security in jails. Security threats can effectively be countered by the use of fire-arms by trained security personnel.

Obsolete firearms like .303 rifles, .410 muskets etc were stocked in armoury

Audit scrutiny revealed that in all 10 test-checked units, instead of modern firearms, old and obsolete firearms like .303 rifles, .410 muskets etc were stocked in the armoury as shown in **Appendix 2.11**. The .303 rifles were procured from the police department in 1987 and 1994. Further, in four¹⁸ test-checked units, 21 rifles and 24 muskets were found unserviceable.

Thus, non-supply of modern weapons to security staff, unserviceable firearms and lack of training/ firing practice as discussed in paragraph 2.2.8.2 could seriously hamper the security of the prisons.

2.2.6.12 Modern security equipment in the prisons

Paragraph 5.02 of the Model Prison Manual, 2003 envisage installation of close circuit televisions (CCTVs) and other electronic gadgets to effectively monitor and maintain a close watch for any breach of security inside the prisons. In the test-checked jails, the deficiencies noticed in electronic gadgets are discussed below:

¹⁷ Chaibasa- ₹ 6.50 lakh, Dhanbad- ₹ 8.52 lakh, Dumka- ₹ 70.06 lakh, Giridih- ₹ 5.48 lakh, Hazaribag- ₹ 75.98 lakh, Jamshepur- ₹ 13.39 lakh and Ranchi- ₹ 346.15 lakh.

¹⁸ Central Jail, Hazaribag (two muskets), Central Jail, Medininagar (three rifles), Central Jail, Ranchi (13 rifles and 17 muskets) and District Jail, Dhanbad (five rifles and muskets each).

- **Installation of Closed Circuit Television**

In 2006-07, ₹ 22 lakh was allotted by the Inspectorate of Prisons to 11 Jails¹⁹ at the rate of ₹ two lakh per jail for installation of Closed Circuit Television (CCTV) systems. However, the systems could not be installed till September 2011 the funds remained un-utilised. On this being pointed out, the IG (Prisons) stated (September 2011) that due to non-finalisation of tenders, the funds could not be utilised and were remitted into the treasury. Thus, the purpose of allotment of funds for installation of CCTVs was defeated.

All the 16 CCTVs installed in the Central Jail, Ranchi were non-functional

Sixteen CCTVs of ₹ 37.50 lakh were installed in Central Jail, Ranchi by Bharat Electronics Ltd. (BEL) (Government of India Enterprise) in April 2007. During the warranty period, equipment was damaged due to a lightning strike and were rectified by BEL. However, it was found in audit that all the 16 CCTVs installed in the Central Jail, Ranchi were non-functional since October 2010. On this being pointed out, the IG (Prisons) stated (September 2011) that the Jharkhand Agency for Promotion of Information Technology (JAPIT) was asked to repair and submit fresh proposal for installation of CCTVs of latest technology.

Again during 2007-08, the IG (Prisons) allotted ₹ 2.04 crore to JAPIT for the installation of CCTVs and Jammers in six jails²⁰. Audit scrutiny revealed that CCTVs were installed by JAPIT in all the six jails at a cost of ₹ 1.56 crore. However, during the course of audit, it was found that 27 out of 70 CCTVs installed in four jails were non-functional, details of which are given in **Table-2:**

Table-2
Details of non-functional CCTVs

Sl. No.	Name of jail	No. of CCTVs installed	No. of CCTVs not working
1	Central Jail, Hazaribag	23	08
2	District Jail, Dhanbad	16	11
3	District Jail, Medininagar (Palamau)	16	07
4	District Jail, Koderma	15	01

(Source: Office of the Jail Superintendents of four test-checked units)

No information was furnished by the Jail Superintendents about the period since when the CCTVs were non-functional, though called for. On this being pointed out, the IG (Prisons) stated (September 2011) that the installed CCTVs were still under warranty and were functioning. The reply of the IG (Prisons) is not tenable as it was observed by Audit that CCTVs were not functioning in the above-mentioned jails. Thus, the objective of equipping the jails with CCTV facilities for security management could not be fully achieved (May 2011).

¹⁹ Chas, Chatra, Deoghar, Dhanbad, Garhwa, Giridih, Godda, Hazaribag, Koderma, Medininagar (Palamau) and Tenughat.

²⁰ Dhanbad, Garhwa, Hazaribag, Khunti, Koderma and Medininagar (Palamau).

Biometric equipment in 11 jails at an estimated cost of ₹ 8.80 lakh was not installed

- According to the Model Prison Manual, 2003, X-ray screening machines, explosive detection devices, cell phone detectors and high frequency binoculars were also important security equipment for prisons. It was seen that the above-mentioned equipment was not available in any jail except in Central Jail, Ranchi where one X-ray screening machine was provided by the Police Department (September 2011). No proposal had been submitted by the IG (Prisons) to the Government for purchase of explosive detection devices, high frequency binoculars and cell phone detectors. Further, though bio-metric²¹ equipment was planned for installation in 11²² jails which included the seven test-checked jails of Jharkhand, at an estimated cost of ₹ 8.80 lakh during 2007-08, it was noticed that the funds for this purpose had been transferred to JAPIT. It was found in the test-checked jails that the biometric equipment had not been installed. JAPIT returned (February 2011) the amount without executing the work on the ground that bio-metric devices were being used in all jails. On being asked, the IG (Prisons) stated (July 2011) that the reason furnished by JAPIT was not correct and ₹ 8.80 lakh was sent back to JAPIT for installation of the bio devices. Thus, ₹ 8.80 lakh was still lying with the IG (Prisons) as of July 2011, though made available in 2007-08. Non-availability of important security equipment such as X-ray screening machines, explosive detection devices, biometric devices etc led to the jails being exposed to the risk of entry of prohibited items inside the jail premises as discussed in paragraph 2.2.6.13.

Eight DFMDs, eight HHMDs and 35 Search Lights were found to be unserviceable

Hand Held Metal Detectors (HHMDs), Door Frame Metal Detectors (DFMDs) and searchlights were also important security items essential for the security of prisons. Scrutiny of records revealed that 12 DFMDs were available in the 10 test-checked jails²³ out of which eight²⁴ were not in working condition. Similarly, 35 HHMDs were provided to all the 10 test-checked jails during 2006-11, out of which eight were not working. Further, it was noticed that the 10 test-checked jails were provided with 70 searchlights during the same period, of which 35 were found to be unserviceable.

2.2.6.13 Recovery of prohibited items

Prohibited items like cell phones, katta, revolvers, cartridges, knives, cash etc had been recovered in search operations

Rule 615 of the Bihar Jail Manual (adopted by Jharkhand) listed the articles which were prohibited inside the prison. These included alcohol or spirituous liquors of any kind, *ganja*, opium and poisonous materials, money, metal, currency notes, knives, arms etc. Further, as per Rule 41 of the Prisons Act, 1894, a jailer could demand the name and address of any visitor to a prisoner and when the jailer had any ground for suspicion, he could search any visitor, or cause him to be searched,

²¹ Biometrics comprises methods for uniquely recognising humans, based upon one or more intrinsic physical or behavioural traits.

²² Chas, Chatra, Deoghar, Dhanbad, Garhwa, Giridih, Godda, Hazaribag, Koderma, Medininagar (Palamau) and Tenughat.

²³ Deoghar, Dhanbad, Giridih, Hazaribag, Jamshedpur, Khunti, Koderma, Medininagar (Palamau), Ranchi and Tenughat.

²⁴ Deoghar, Hazaribag, Jamshedpur, Khunti, Medininagar (Palamau), Ranchi and Tenughat.

but the search was not to be made in the presence of any prisoner or of another visitor.

Scrutiny of records of the test-checked jails revealed that prohibited items had been recovered by the district administration during search operations in five jails²⁵ during 2006-11. These included 29 cell phones, 20 SIM cards, 13 mobile chargers, one *katta*, two revolvers, seven cartridges, one mobile cabinet, one pair of small scissors, one iron, three knives, thin electric wire and two *pattar* (steel sheet) along with cash worth ₹ 10,590. These items had not been detected by the jail security system either at the entry points at gates or at the time of the daily security check during *Number Khuli* and *Number Bandi*²⁶. On being asked, the IG (Prisons) stated (September 2011) that due to lack of trained security personnel at the gates as well as modern security equipment, prohibited items could not be detected at the entry point. Thus, due to lack of trained security personnel and modern security equipment, further entry of prohibited items could not be ruled out, thereby facilitating criminal/terrorist activities within the jail premises.

2.2.7 Financial management

The deficiencies noticed during audit of the financial management of the Home (Jail) Department are discussed below:

2.2.7.1 Fund allocation and expenditure

Rule 112 of the Jharkhand Budget Manual envisages that all anticipated savings should be surrendered to the Government immediately when they are foreseen without waiting till the end of the year, unless they are required to meet excesses under some other unit or units which are definitely foreseen at the time. No savings should be held in reserve for possible future excesses.

The budget allocations under Plan and Non-Plan heads were provided by the Home Department to different units through the IG (Prisons). The expenditure incurred during 2005-11 is shown in **Table-3**:

Table-3
Budget allotments and expenditure

(₹ in crore)

Year	Non-Plan			Plan		
	Allotment	Expenditure	Savings (-)	Allotment	Expenditure	Savings (-)
2005-06	30.09	28.39	(-) 1.70	8.48	8.48	Nil
2006-07	39.90	38.10	(-) 1.80	31.26	31.26	Nil
2007-08	46.01	43.07	(-) 2.94	35.82	34.86	(-) 0.96
2008-09	50.87	48.56	(-) 2.31	48.90	48.90	Nil
2009-10	73.37	68.36	(-) 5.01	19.93	19.93	Nil
2010-11	59.18	56.70	(-) 2.48	39.24	21.40	(-) 17.84
Total	299.42	283.18	(-)16.24	183.63	164.83	(-) 18.80

(Source: Office of the IG (Prisons))

²⁵ Dhanbad, Jamshedpur, Koderma, Medininagar (Palamau) and Ranchi.

²⁶ Counting of prisoners kept in a ward at the time of unlocking the ward in the morning.
Counting of prisoners kept in a ward at the time of locking the ward in the evening.

Against a total allotment of ₹ 183.63 crore under the Plan head during 2005-11, the actual expenditure was ₹ 164.83 crore

The above table indicates that 100 per cent utilisation was shown under Plan head during 2005-10 except during 2007-08. However, during 2010-11, against a total allotment of ₹ 39.24 crore, expenditure of ₹ 21.40 crore was incurred and there were savings of ₹ 17.84 crore (45 per cent). The above-mentioned amount was meant for construction of new sub-jails, land acquisition for jails, construction of a jail inspectorate building, installation of devices used for non-conventional sources of energy, installation of sewerage treatment plants, construction of staff quarters, security arrangements in jails etc, which was surrendered. On this being pointed out in audit, the IG (Prisons) replied (September 2011) that due to non-sanction of re-appropriation proposals by the Government, the amount under the Plan head was surrendered. Non-sanction of the proposals under the Plan head resulted in prison infrastructure not being created, which resulted in shortage of facilities for the jail inmates as well as the prison staff. Besides this, prison security was also compromised.

Further, in eight²⁷ out of the 10 test-checked units, it was observed that the Superintendents of Jails had advanced a total sum of ₹ 51.56 crore for execution of 284 civil works²⁸ under the State Plan head. Of these, 90 works were either in progress or not taken up as on May 2011, as detailed in

Table-4:

Table-4
Details of schemes taken under State Plan

(Amount in ₹)

Year	No. of works	Total allotment	No. of works completed	Expenditure incurred on complete schemes	No. of works in progress	Amount paid to executing agencies	No. of works not yet started	Amount
2005-06	19	74570850	18	13770850	01	60778000	-	-
2006-07	41	57825220	24	24700995	02	20008300	15	13115925
2007-08	45	62673145	33	42389195	09	16726650	03	3557300
2008-09	83	230741700	63	46865150	14	96189050	06	84984209
2009-10	62	62355775	45	40911748	11	15382750	06	6061277
2010-11	34	27468878	11	6139826	11	10854690	12	10474362
Total	284	515635568	194	174777764	48	219939440	42	118193073

(Source: Office of the Jail Superintendent of eight test-checked units)

42 out of 284 works amounting to ₹ 11.82 crore (23 per cent) had not been taken up

Thus, 284 works at a cost of ₹ 51.56 crore were sanctioned, of which 194 works were completed at a cost of ₹ 17.48 crore (34 per cent). Forty-eight works (Appendix 2.12) costing ₹ 21.99 crore (43 per cent) were in progress and 42 works (Appendix 2.13) costing ₹ 11.82 crore (23 per cent) had not been taken up as on May 2011. However, the entire amount of ₹ 51.56 crore was booked as final expenditure in the books of accounts. The financial reporting, thus, did not match the physical progress in the test-checked units and was deficient to that extent.

²⁷ Dhanbad, Giridih, Hazaribag, Jamshedpur, Khunti, Koderma, Medininagar (Palamau) and Ranchi.

²⁸ Construction of staff quarters (20), community hall (06), PCC road (16), watchtowers (11), toilets (13), machinery and equipment (37), repair and renovation (12), lighting, water supply and sanitation (44), construction works of building, office, training-cum-production centre, barracks etc (123) and acquisition of land (02) for a new sub-jail etc.

2.2.7.2 Irregular remittances into treasury

Rule 300 of the Jharkhand Treasury Code Vol. I envisages that no money should be withdrawn from the treasury unless it is required for immediate payment. It is not permissible to draw advances in anticipation of demands from the treasury either for the prosecution of works, the completion of which is likely to take a considerable time, or to prevent the lapse of appropriations.

Rupees 8.26 crore for seven works was drawn during 2006-09 and remitted (April 2010) into the treasury without incurring any expenditure

Scrutiny revealed that ₹ 8.26 crore for seven works²⁹ was drawn during 2006-09 and remitted (April 2010) into the treasury under the Head “0050-Police” by the Superintendent, Central Jail, Hazaribag. On being asked in audit, the Superintendent stated (June 2010) that funds drawn for seven works were remitted into the treasury as the executing agency (Public Works Department) did not execute four works and returned the amount and the other three works were no longer required. The reply is not acceptable as the funds were drawn for specific purposes for the jail. Keeping the same was irregular because it resulted in artificial inflation of the figures of expenditure in the preceding years and also the figures under the receipt head in the year 2010-11.

Thus, withdrawal from the treasury and subsequent remittance was done in violation of the relevant Treasury Rules.

2.2.7.3 Pending detailed contingent bills

AC bills amounting to ₹ 22.53 crore under Non-Plan and ₹ 22.64 crore under the Plan head were pending due to non-submission of DC bills

According to Rule 319 of the Jharkhand Treasury Code, a certificate to the effect that the monthly detailed contingent (DC) bills for abstract contingent (AC) bills drawn in the previous month have been submitted for countersignature to the controlling officer on such and such a date is to be attached to the first AC bill presented for payment after the 10th of each month. On no account should an AC bill be cashed after the 10th of the month without this certificate. Further, as per note below Rule 322, DC bills should be submitted to the Accountant General on or before the 25th of the next month against any amount drawn on AC bills during the previous month. Thereafter, the AC bill would be treated as pending.

During audit, it was seen that in nine³⁰ out of 10 test-checked units and the Jail Training Institute, Hazaribag, 1,629 DC bills amounting to ₹ 22.53 crore under Non-Plan and in all the 10 test-checked units, 154 DC bills amounting to ₹ 22.64 crore under Plan head were pending with the Jail Superintendents due to non-submission of DC bills during 2005-11 as shown in **Table-5**:

²⁹ (i) construction of community hall (ii) construction of eight new wards of capacity of 100 prisoners (iii) construction of PCC road and drainage around perimeter wall of Jail from outside (iv) construction of PCC road and drainage around perimeter wall of Jail from inside (v) construction of staff quarters in under-construction Barhi Sub-Jail (vi) expansion of Jail hospital (vii) maintenance of Jail kitchen.

³⁰ Deoghar, Dhanbad, Giridih, Hazaribag, Jamsshedpur, Koderma, Medininagar (Palamau), Ranchi and Tenughat.

Table-5
Pendency of Detailed Contingent bills

(₹ in crore)

Year	No. of AC bills drawn		Amount of AC bills drawn		No. of DC bills submitted		Amount of DC bills		No. of DC bills pending		Amount	
	Head 2056	Head 4055	Head 2056	Head 4055	Head 2056	Head 4055	Head 2056	Head 4055	Head 2056	Head 4055	Head 2056	Head 4055
2005-06	1389	13	13.09	0.81	439	07	3.47	0.10	950	06	9.63	0.71
2006-07	1152	65	20.41	11.37	949	19	17.88	1.09	203	46	2.53	10.28
2007-08	1459	48	22.60	5.96	1424	25	22.50	3.21	35	23	0.10	2.75
2008-09	686	41	12.88	3.08	252	26	2.80	1.78	434	15	10.08	1.30
2009-10	78	66	1.39	7.43	71	14	1.19	1.00	07	52	0.19	6.43
2010-11	-	12	-	1.17	-	-	-	-	-	12	-	1.17
Total	4764	245	70.37	29.82	3135	91	47.84	7.18	1629	154	22.53	22.64

(Source: Office of the Principal Accountant General (A&E), Jharkhand, Ranchi)

Non-adherence to the provision of the rules governing drawals on AC bills resulted in a large pendency of DC bills which was fraught with the risk of fraud and misappropriation of Government funds.

2.2.7.4 Irregular purchase of foodgrains from open market

As directed (September 2005) by the IG (Prisons), purchase of foodgrains for inmates of jails was to be made exclusively from the State Food Corporation (SFC). In cases of non-availability of foodgrains in the Food Corporation of India (FCI) depots, the same was to be purchased from suppliers on the basis of rates approved by the IG (Prisons) subject to certification of non-availability of foodgrains in the FCI depots. During audit, it was seen that wheat and rice were irregularly purchased in different spells during 2005-10 from suppliers, at rates approved by the IG (Prisons), without obtaining non-availability certificates in the FCI depots as detailed in Table-6:

Table-6
Details of foodgrains purchased from supplier

(Quantity in quintals and ₹ in lakh)

Year	Foodgrains purchased from supplier			Total amount	Total admissible expenditure	Avoidable expenditure
	Rice	Wheat	Total quantity purchased			
2005-06	3264.20	1779.59	5043.79	48.55	39.61	8.94
2006-07	5969.36	2681.14	8650.50	100.65	68.76	31.89
2007-08	7003.11	6061.21	13064.32	176.91	99.33	77.58
2008-09	8024.31	8904.07	16928.38	205.35	126.36	78.99
2009-10	9114.88	7393.01	16507.89	317.58	132.52	185.06
Total	33375.86	26819.02	60194.88	849.04	466.58	382.46

(Source: Office of the Jail Superintendent of test-checked units)

Avoidable expenditure of ₹ 3.82 crore on irregular procurement of foodgrains from private suppliers

Cross-verification with the records of the Food and Civil Supplies Department revealed that wheat and rice for the Above Poverty Line (APL) category was available in SFC during 2005-10. This resulted in avoidable expenditure of ₹ 3.82 crore.

The Jail Superintendents stated (June 2010) that, several times, SFC neither supplied foodgrains nor furnished non-availability certificates. The reply of the Jail Superintendents was incorrect as SFC, had taken up (October 2007) the matter with the district administration for directing the jail authorities to lift the APL category foodgrains, failing which, the quota would lapse.

2.2.8 Human Resource Management

The Bihar Jail Manual, adopted by Jharkhand, provides for custody of prisoners in a safe and secure manner. According to Rule 384, the fundamental principle to be observed in guarding the inside of a jail is that every prisoner should at times, both during day and night, be in the charge of some responsible official. The cadres of Chief Head Warder, Head Warder, Male Warder and Female Warder were responsible for the inside security of the jails. Audit scrutiny revealed the following shortcomings:

2.2.8.1 Shortage of security staff

As per information provided by the IG (Prisons), the ratio of warders and prisoners should be 1:25 and the duty period of each warder was eight hours. The cadre-wise position of sanctioned strength and persons-in-position thereagainst of security personnel involved in jail security in the State was as given in **Table-7**:

Table-7
Overall sanctioned strength and persons-in-position

Sl. No.	Name of security cadre	Sanctioned strength	Persons-in-position	Vacancy	Percentage of vacancy
1.	Chief Head Warder	3	0	3	100
2.	Head Warder	263	45	218	83
3.	Male Warder	1742	356	1386	80
4.	Female Warder	115	61	54	47
Total		2123	462	1661	78

(Source: Office of the IG (Prisons))

There were vacancies ranging between 47 and 100 per cent in the cadres of security personnel

From the **Table 7**, it is evident that there were vacancies ranging between 47 and 100 per cent in the cadres of security personnel which constituted the backbone of jail security. Further analysis based on information provided by IG (Prisons) revealed that the ratio of warders and prisoners for the sanctioned strength and capacity of all jails was 1:21 which was well within the prescribed norms of 1:25. However, the warder-prisoner ratio for the existing strength and capacity of all jails put together was 1:93 while the ratio based on actual occupancy in all jails was 1:130, which was very high in comparison to the prescribed norms (**Appendix 2.14**). Thus, it was evident that the prison management was facing acute shortage of security personnel in important cadres. On this being pointed out, the IG (Prisons) replied (September 2011) that no appointment under these cadres had been made since the creation (November 2000) of Jharkhand and recruitment in all cadres was not done due to non-approval of recruitment rules by the State Government and non-functioning of the Staff Selection Commission

of the State. Thus, the shortages in the cadre of security personnel in the jails were fraught with the risk of escaping of by prisoners as well as occurrence of crimes like murders inside the jails. Audit noticed the incidents of escape of six prisoners from three test-checked jails³¹ and the murder of two prisoners inside Jamshedpur jail during 2005-11.

2.2.8.2 *Inadequate training to security staff*

Paragraph 5.02 (XXVI) of the Model Prison Manual, 2003 envisages that untrained personnel are not to be posted inside the prisons, prison premises, under any circumstances for guarding purposes. Scrutiny of records revealed that during 2007-10, 106 out of 462 warders were imparted training at the Jail Training Institute, Hazaribag. Information regarding training of 356 warders was called for from the IG (Prisons). No reply has been furnished as on 12 September 2011. However, on the behest of the IG (Prisons), the Principal, Jail Training Institute, Hazaribag stated (14 September 2011) that “perhaps all the recruits have been imparted training except 20-25 remained untrained”. From the reply, it is evident that the department was not sure of the actual number of trainees still to be imparted training.

Target practice for warders had not been arranged even once during 2005-11

The Musketry Practice Rules³² of the Bihar Jail Manual provide that all warders must get target practice of 15 rounds (five rounds each at 50 and 75 yards in standing position and 100 yards in kneeling position) on annual basis for handling firearms. The target practice should be carried out during November to December each year. However, the data furnished by the Superintendents of test-checked jails revealed that target practice for warders had not been arranged even once during 2005-11 except in Central Jail, Ranchi where it was carried out only in 2008-09. On this being pointed out, the IG (Prisons) replied (September 2011) that the main reason for non-imparting training was shortage of warders in the prisons. Thus, the warders were not fully trained to handle exigencies relating to security arrangements of prisons.

2.2.8.3 *Inadequate facilities at Jail Training Institute, Hazaribag*

Training is necessary for all officials/security personnel to address the changing needs of prison administration relating to security and management. For fulfilment of these objectives, the Jail Training Institute, Hazaribag was established in 1979. As per information provided (September 2011) by the Principal, Jail Training Institute, the institute required an administrative building, a magazine for keeping arms, a gymnasium, a conference hall, a firing range, quarters for the Principal and staff, hostels etc. as its physical infrastructure. Besides this, it also needed three well-equipped classrooms and arms and ammunition for imparting training.

However, it was observed that the training institute had an administrative building with a chamber for the Principal, a room for the Senior Instructor, a room for the office and a store. There was one training hall available in which 35 trainees could be imparted training. Information regarding the norms/standards for arms/

³¹ Two at Medininagar (Palamau), one at Hazaribag and three at Koderma.

³² Rules prescribing scale of firing practice to be carried out by the security personnel of the prisons.

ammunition required for training, though called for, was not made available to audit. The institute had 20 *lathis* and 25 muskets of mark number I and III each. These muskets were transferred (July 2006) to the magazine of Police Line, Hazaribag due to non-availability of a magazine in the institute.

No training course was arranged/ conducted for clerical cadre staff and officers of the rank of Assistant Jailer to Superintendent during 2005-11. On this issue, the Principal, Jail Training Institute stated (May 2011) that no trainees had been sponsored by the jail authorities due to non-recruitment in all cadres. Further, as discussed in paragraph 2.2.8.2, training for only 106 warders and head warders was conducted as shown in **Table-8**:

Table - 8
Training imparted for Warders/Head Warders during 2005-11

Year	Training Programme conducted	Trainees imparted training	Trainees per programme
2005-06	Nil	Nil	Nil
2006-07	Nil	Nil	Nil
2007-08	01	13	13
2008-09	02	31	16
2009-10	04	62	16
2010-11	Nil	Nil	Nil

(Source: Jail Training Institute, Hazaribag)

It can be seen from the above table that no training was imparted during 2005-07 and 2010-11. On this issue, the Principal, Jail Training Institute stated that due to shortage of warders in jails, no training was conducted during the above-mentioned period.

Further, due to non-approval of recruitment rules by the Government, sanctioned posts of five lecturers in Law, Crime Psychology, Social Science, Public Accounts and Public Administration were lying vacant for more than 10 years and only one Senior Instructor was working against the sanctioned post of two Senior Instructors, one Junior Instructor, six Parade Instructors, one Physical Training Instructor and one Vocational Instructor.

Shortages of infrastructural facilities and qualified trainers/ lecturers would naturally affect the effectiveness of the training imparted to the personnel.

2.2.8.4 Status of Jail Hospitals

Rule 1161 of the Bihar Jail Manual provides that in every jail, separate hospitals should be provided for male and female prisoners. Further, as per paragraph 7.32 of the Model Jail Manual, a jail hospital should have a dental clinic, an ophthalmology clinic, a minor operation theatre, a clinical laboratory, an X-ray laboratory, a physiotherapy unit, a detoxification unit and a psychiatric unit with all equipment. Besides this, for smooth functioning of a jail hospital, a medical unit comprising a Medical Officer, a Pharmacist, a Compounder, a Dresser, nursing staff etc. was required.

The overall cadre-wise sanctioned strength and persons-in-position thereagainst and

the vacancies in the jail hospitals in the State were as given in **Table-9**:

Table-9
Sanctioned strength and persons-in-position of medical personnel

Sl. No.	Name of cadre	Sanctioned strength	Persons -in-position	Vacancy	Percentage of vacancies
1	Resident Medical Officer cum Superintendent	1	0	1	100
2	Special Medical Officer	4	0	4	100
3	Medical Officer	39	10	29	74
4	Pathologist	2	0	2	100
5	Male Nurse	35	0	35	100
6	Female Nurse	8	0	8	100
7	Pharmacist	4	0	4	100
8	X-ray Technician	8	1	7	88
9	Compounder	24	5	19	79
10	Dresser	22	5	17	77
11	Nursing Orderly	8	0	8	100
Total:		155	21	134	86

(Source: Office of the IG (Prisons))

Most of the posts of para-medical and medical cadres were vacant

From the above, it may be seen that percentage of vacancies ranged between 74 and 100 *per cent* in all cadres. Even in the crucial cadre of Medical Officer, the shortage was as high as 74 *per cent*. Most of the posts of para-medical cadres were vacant. It was found that medical staff under Civil Surgeons was deputed as ad hoc arrangements in most of the hospitals.

As per information provided by the IG (Prisons), a 300-bedded hospital existed in the Central Jail, Ranchi with a separate dental unit, a pathological laboratory, an X-ray unit, an AIDS testing and counseling centre and an operation theatre. It was also informed that most of the facilities mentioned above were in existence in Dhanbad, Giridih, Hazaribag and Medininagar (Palamau) jail hospitals. Hospitals in other jails had no such facilities. Due to shortage of technicians as well as regular doctors in the hospitals as evident from the table, the utility of such facilities was doubtful. Thus, due to large scale vacancies in all cadres, full medical care to sick prisoners could not be provided properly.

2.2.9 Monitoring and internal control mechanism

Board of Visitors not constituted for any jail in the State

- As per Rules 48 and 49 of the Bihar Jail Manual, a Board of Visitors comprising official and non-official visitors was to be constituted for each jail separately. Non-official visitors were to be nominated for each jail by the Government. The visitors were required to visit the jail to listen to the complaints of prisoners and record their comments in the visitors' book for redressal of grievances by the jail administration. Scrutiny revealed that non-Government visitors were not nominated by the Government during 2005-11 and thus the Board of Visitors could not be constituted for any jail in the State. This deprived the prisoners of the opportunity of redressal of their grievances. In response to an audit query, the IG (Prisons) stated (September 2011) that the process for nomination/notification of non-official visitors would be expedited.

- According to Rules 31 and 33 of the Bihar Jail Manual, the IG (Prisons) was required to submit inspection reports to the State Government after inspecting every Central Jail twice a year, every District Jail at least once a year and every Sub-Jail once in two years. During the exit conference, the Principal Secretary (Home) stated (September 2011) that regular inspections were being conducted. However, the inspection reports, submitted to the Government during 2005-11, were not produced to Audit, in spite of requests.
- Internal audit examines and evaluates the level of compliance with departmental rules, regulations and procedures so as to provide assurance to the management on the adequacy of risk management and an internal control framework. The department had no internal audit wing. The internal audit wing of the Finance Department, Government of Jharkhand was mandated to audit the Home (Jail) Department. However, no internal audit of prisons was conducted by the audit wing of the Finance Department during 2005-11, leading to financial irregularities like those mentioned in the preceding paragraphs remain undetected.
- The Principal Accountant General (Audit) conducts the audit of the offices of the Home (Jail) Department and major irregularities are reported to them through Inspection Reports (IRs). The initial replies to the IRs are to be sent within a month from the date of their receipt by the auditee units. A review of outstanding IRs revealed that 16 out of 24 IRs pertaining to the period 2005-11 were outstanding, for which even the initial replies were not furnished by any of the auditee units. Further, these 24 IRs contained 161 paragraphs, which were outstanding (May 2011) for want of compliance by the department. No steps were taken by the Home (Jail) Department for speedy clearance of these outstanding paragraphs.

2.2.10 Conclusion

The State had not adopted the Model Prison Manual, 2003 of the Government of India. Plan formulation and implementation was not adequately sufficient. The financial management system in the department was deficient. The problem of congestion in the prisons largely remained unresolved. The open jail could not be operationalised due to non-recruitment of staff and selection of prisoners. Inadequate number of security personnel, instructors and lecturers in the Jail Training Institute, Hazaribag and medical and para-medical officials in jail hospitals adversely affected the smooth functioning of the prisons. Inspections/ searches were not effective to ensure strict security and surveillance.

2.2.11 Recommendations

The Government may consider the following:

- Ensure strong security systems and surveillance in prisons by procuring modern security equipment and by training security personnel in a time-bound manner;

- Take appropriate steps to fill up the vacant posts of security personnel, medical and para-medical officials in prisons as well as lecturers and instructors in the Jail Training Institute, Hazaribag on priority basis;
- Ensure completion of ongoing projects of construction of new jails on priority basis to check overcrowding in jails;
- Expedite adoption of the provisions of Model Prison Manual, 2003 incorporating specific provisions to streamline the prison administration;
- Ensure that corrective activities like adult education, computer training, yoga and meditation for prisoners, started in Central Jails are extended to other jails also; and
- Constitute a Board of Visitors for each prison by appointing non-official visitors on priority basis.

2.3 Mukhya Mantri Gram Setu Yojana

Highlights

The Mukhya Mantri Gram Setu Yojana was launched by the Government of Jharkhand in the year 2001-02. It aimed at improving rural connectivity and thereby boosting rural economy by obtaining remunerative prices for agricultural produce. It also aimed to connect all villages with Gram Panchayats, Gram Panchayats with block headquarters and blocks with district headquarters. A review of the implementation of the Mukhya Mantri Gram Setu Yojana was conducted and deficiencies like absence of a Perspective District Bridge Plan / Annual Action Plan, lack of surveys, non-adherence to the terms and conditions of contracts and ineffective monitoring were noticed. The major findings of the review are as under:

Government did not adhere to the phased sequence of components and did not prepare a Perspective District Bridge Plan and Annual Action Plans as envisaged under the scheme. This resulted in unplanned and sub-optimal utilisation of limited Government resources.

(Paragraph 2.3.6.1)

Programme Implementation Units headed by Deputy Commissioners were not set up at the district level, in violation of instructions.

(Paragraph 2.3.6.2)

Contractors were allowed to execute work without technically sanctioned estimates and ₹ 498.57 crore was paid to contractors for 229 bridges without recording measurements, in the test-checked divisions.

(Paragraphs 2.3.8.1 and 2.3.8.2)

A total of 194 bridge works costing ₹ 361.59 crore were completed during 2006-11. However, the contractors did not submit the required insurance certificates to cover failures of structural designs of the bridges, approach roads and materials utilised. Thus, in the absence of required insurance coverage, refund of the security deposits amounting to ₹ 36.15 crore resulted in undue favour to the contractors.

(Paragraph 2.3.8.3)

Short/ non-recovery of penalty for delay in completion of works from defaulting contractors resulted in a loss of ₹ 25.25 crore to the Government.

(Paragraph 2.3.9.7)

Proper system of internal control, monitoring and effective periodic evaluation was not in place.

(Paragraph 2.3.11)

2.3.1 Introduction

Connectivity of village roads with district headquarters through *Panchayats* and block headquarters is an essential component of rural development. As bridges need to be constructed over rivers for uninterrupted road connectivity, the Government of Jharkhand launched the Mukhya Mantri Gram Setu Yojana (MMGSY) in 2001-02 to first connect all the villages with Gram Panchayat headquarters and subsequently, Gram Panchayats with block headquarters and block headquarters with district headquarters. The scheme aimed to provide connectivity throughout the year by constructing bridges over rivers and *nallas*.

2.3.2 Organisational set-up

The Principal Secretary, Rural Development Department (RDD) is responsible for implementation of the scheme. He is assisted by a Chief Engineer (CE) at the State level, four Superintending Engineers (SEs) at the circle level and 23 Executive Engineers (EEs) at the divisional level (*Appendix-2.15*).

2.3.3 Audit objectives

The main objectives of the performance audit were to assess whether:

- the planning for implementation of the scheme was efficient;
- financial management was sound and effective;
- the management of contracts for implementation of the scheme was efficient;
- the implementation of the scheme was effective, efficient and economical; and
- an effective monitoring and evaluation mechanism was in place.

2.3.4 Audit criteria

The audit criteria adopted to arrive at the audit conclusions were the following:

- Provisions of the Jharkhand Public Works Department (JPWD) Code, Jharkhand Public Works Account (JPWA) Code, Jharkhand Financial Rules and relevant circulars and instructions;
- Physical and financial progress reports;
- Detailed Project Reports and contract documents;
- Standards laid down by the Indian Road Congress (IRC) and the Ministry of Road Transport and Highways (MORTH), Government of India; and
- Terms and conditions of the National Bank for Agriculture & Rural Development (NABARD) for granting loans.

2.3.5 Scope and methodology of audit

A performance audit of MMGSY was conducted (between April and July 2011) for the period 2006-11 by test check of records of the office of the Chief Engineer, two Circle Offices and 11¹ out of 23 Rural Development Special Divisions (RDSD) selected by the simple random sampling without replacement method. Audit methodology included scrutiny of records at the department, district and divisional level, joint physical verification and examination of responses to the questionnaire issued to the department. An entry conference was held (April 2011) with the Principal Secretary, RDD where audit objectives, criteria and methodology were discussed. An exit conference was held on 11 October 2011 with the Principal Secretary, RDD, wherein audit findings, conclusions and recommendations were discussed. The Principal Secretary accepted the audit observations and assured that appropriate corrective measures would be taken, wherever necessary, in accordance with the rules and procedures.

Audit findings

2.3.6 Planning for the implementation of the scheme

The department was required to prepare detailed guidelines, Perspective District Bridge Plans and Annual Action Plans for proper implementation of the scheme. However, it was found that no such Plans were prepared for construction of bridges as discussed below:

2.3.6.1 Non-preparation of Perspective District Bridge Plans and Annual Action Plans

The department issued instructions to the Engineer-in-Chief (Rural Development Department), the Chief Engineer (RDS Zone, Ranchi), all Deputy Commissioners and Deputy Development Commissioners of Jharkhand between January and September 2001, to implement the project. The bridges under the scheme were to be selected at the block level. As stated above, a Perspective District Bridge Plan and Annual Action Plans were to be prepared at the district level by incorporating proposals for construction of bridges. The Planning & Development Department, Government of Jharkhand directed (November 2008) all Deputy Commissioners of Jharkhand to select schemes for the districts at the village level and after approval of the *Gram Sabhas* and administrative approval of the *Prabandh Parishads*², to prepare a vision document for each district by preparing a Perspective District Bridge Plan for five to 10 years. To provide connectivity between villages and block and district headquarters, the Government decided (September 2001) to complete the scheme in three phases. However, no time frame for completion of the three phases was prescribed. The components under these three phases were as below:

¹ RDSD Bokaro, Chaibasa, Dumka, Giridih, Godda, Gumla, Koderma, Palamu, Ranchi, Sahebganj and Saraikela.

² Governing bodies of DRDAs, headed by the DCs, the DDCs, Directors, DRDA, District Planning Officers, Project Officers, EEs etc as Government members and MLAs/MPs of the areas concerned as public representatives. They approve the proposals for execution of works and monitor the projects carried out in the districts.

- I Villages with Panchayat headquarters
- II Panchayats with block headquarters
- III Blocks with district headquarters

No Perspective District Bridge Plans or Annual Action Plans were prepared at the district level during 2006-11

Scrutiny revealed that no Perspective District Bridge Plans or Annual Action Plans at the district level were prepared during 2006-11. Neither was any survey conducted in rural areas to assess the actual requirement of bridges nor were the approvals of *Gram Sabhas* obtained. The Government did not adhere to the prescribed phased sequence. Instead of completing components in a phased manner, works were taken up on the basis of direct recommendations of MLAs and MPs of the areas concerned. The department did not have any information regarding how many villages had been connected with district headquarters.

This resulted in unplanned and sub-optimal utilisation of limited Government resources. Further, failure to adhere to the time frame and phased construction resulted in non-completion of the components even after 10 years of commencement of construction of 779 bridges (March 2011).

2.3.6.2 Non- setting up of Programme Implementation Units

Programme Implementation Units headed by Deputy Commissioners were not set up at the district level

As per the instructions (September 2001) of the department, Programme Implementation Units (PIUs) headed by Deputy Commissioners were to be set up at the district level to ensure effective and timely implementation of the scheme. The Deputy Development Commissioners were to be the Vice- Chairmen of the PIUs. The units were also to include technical members³ and the District Planning Officers were to work as co-ordinators. The PIUs were required to inspect the works for ensuring quality and proper implementation of the scheme.

Scrutiny revealed that PIUs had not been constituted in any district and the works were being executed by RDSO under the administrative control of the departmental authorities. The reason for non-setting up of PIUs was not found on record. The CE stated (September 2011) that proposals for bridges were received directly from MLAs and MPs of the areas concerned. Since 2007-08, these proposals were being approved by the State Cabinet and PIUs were not constituted. The reply of the CE is not acceptable as PIUs were to be responsible for quality assurance and proper implementation of the scheme and should have been set up after receipt of the instruction of September 2001. However, the Department assured (October 2011) that steps would be taken to constitute the PIUs.

2.3.6.3 Bridge work without approval of Prabandh Parishad

According to a direction issued (January 2001) by the RDD, the *Prabandh Parishads* of the DRDAs were to accord approvals for construction of all the selected bridges. However, it was noticed that the *Prabandh Parishads* had recommended the construction of only 33 bridges valuing ₹ 85.83 crore in four divisions⁴ as against 338 bridges taken up for construction in 11 test-checked

³ Executive Engineer of RDD, two Executive Engineers and two Assistant Engineers of other technical departments.

⁴ Dumka, Gumla, Sahebganj and Saraikela.

divisions at a total cost of ₹ 659.36 crore during 2006-11. Thus, there was a risk of local requirements of bridges not been taken care of.

The department, in its reply, stated (October 2011) that steps would be taken to get initial approvals for construction of bridges from the *Prabandh Parishads* before putting up the same for Cabinet approval.

2.3.6.4 Work without acquisition of land

According to Rule 146 of the Jharkhand Public Works Department (JPWD) Code, if land for construction of bridges along with approach roads is not under the possession of the Government, it should be acquired under the Land Acquisition Act through the District Land Acquisition Officer. However, in contravention of the above provision, acquisition of land was left to contractors. Scrutiny of records in the test-checked divisions revealed that due to non-availability of land with the department, completion of three works in Koderma district were delayed, one work in Ranchi district was abandoned and one work in Giridih district remained incomplete (*Appendix-2.16*).

In reply, the department stated (October 2011) that in future, tenders would be invited after availability of *raiyat* land by voluntary donation or acquisition of land through Land Acquisition Act.

2.3.7 Financial Management

2.3.7.1 Budget allocations and expenditure

Budgetary allocations *vis a vis* expenditure incurred during 2006-11 are shown in **Table-1**:

Table-1
Budget allocations and expenditure under MMGSY

(₹ in crore)

Year	Budget Allocation	Allotment	Expenditure	Excess (+) / Savings (-)	Per cent in saving against allotment of fund
2006-07	95.75	65.62	48.32	(-)17.30	26
2007-08	206.35	160.39	95.40	(-)64.99	41
2008-09	175.00	174.61	180.94	6.33	-
2009-10	287.68	287.68	286.58	(-)1.10	-
2010-11	214.00	213.22	206.63	(-)6.59	3
Total	978.78	901.52	817.87	(-)83.65	

(Source –Appropriation and Detailed Accounts)

It is evident from the above table that the department did not utilise ₹ 83.65 crore against the allotments released during 2006-11. The percentage of savings ranged between three and 41 *per cent* due to lack of proper planning and execution of projects at the district level, delayed execution of agreements and multiple works being allotted to single contractors etc as mentioned in Paragraph 2.3.9.

The financial position of the scheme in 11 test-checked divisions during 2006-11 is shown in **Table-2**:

Table-2
Allotment & Expenditure in the test-checked divisions

(₹ in crore)

Year	Allotment	Expenditure	Savings
2006-07	30.84	27.87	2.97
2007-08	73.43	69.24	4.19
2008-09	80.59	80.55	0.04
2009-10	190.91	190.91	0
2010-11	134.19	130.00	4.19
Total	509.96	498.57	11.39

(Source –Figures provided by test-checked divisions)

It may be seen from the above that these divisions did not utilise ₹ 11.39 crore during 2006-11 due to non-completion of works in time.

2.3.8 Contract Management

Under MMGSY, works were got executed through award of contracts. Contract management for the scheme was to be guided by the JPWA Code, the JPWD Code, the Jharkhand Financial Rules and executive instructions issued from time to time. One *per cent* of DPR cost was provided in the estimate to be reimbursed to the consultant engaged by the department for preparation of DPR. Based on the DPRs, tenders were invited on turnkey basis, the works were awarded and the EEs of the concerned divisions entered into agreements with the qualified contractors. Since initiation of the project, 998 bridges were taken up for construction, of which 779 bridges (78 *per cent*) were completed as on March 2011. In the 11 test-checked divisions, 229 contracts at an agreed cost of ₹ 659.36 crore were examined. The department prepared 338 DPRs for 338 bridges during 2006-11 through hiring consultants.

As per the terms and conditions of the agreements, the contractors could prepare their own DPRs based on surveys and investigations of the sites, for which they were entitled to the cost at one *per cent* of the agreed value. Clause 13 of the Standard Bidding Document (SBD) stipulated that the contractors should prepare General Arrangement Drawings (GADs) and Alignment Plans⁵ and submit the same to the Chief Engineer (CE) for approval. After approval of the same, the contractors should prepare detailed designs, working drawings and estimates of all the components of the bridges for further approval by the CE before the works commenced. It was found that the contractors submitted their Project Reports which were inclusive of GAD, detailed designs and working drawings. The Project Reports, however, did not include detailed estimates. The GADs were at variance with the department's specification (**Appendix-2.17**). Instead of ascertaining reasons for the variances, the CE accorded conditional approval to the GADs alone stating that the contractors would be responsible for the structural safety of the bridges. Other deficiencies noticed in the management of contracts are discussed below:

⁵ Showing the salient features of the bridges and structures proposed to be constructed along with the approach road which will cover alignment, overall length, span arrangement, cross-section and deck level etc.

2.3.8.1 Execution of work without technical sanction

Contractors were allowed to execute works without technically sanctioned estimates

As per Rules 126 to 128 of the JPWD code, according of technical sanction (TS) is mandatory before commencement of any work. The TS is no more than a guarantee that the proposals are structurally sound and the estimates are accurately calculated, based on adequate data. A TS comprises sanction of alignment plans, detailed drawings, design, estimates etc.

As discussed in the previous paragraph, it was seen in audit that the GAD submitted by the contractors were conditionally approved but the contractors were not asked to prepare quantities of works and material statements according to their drawings and designs of bridges through the attachment of 'Bills of Quantities' or 'Estimates' in their Project Reports. As a result, additions or alterations as per submitted drawings and designs of bridges including details of materials to be consumed under the work and adherence to prescribed standards { Ministry of Road Transport and Highways (MORTH) & Indian Roads Congress (IRC) } during execution of the work could not be assessed. The contractors were allowed to execute the works without technically sanctioned estimates. Thus, Audit could not vouch as to whether the executed work was in conformity with the prescribed standards or not. Further, non-recording of measurements of different components of the works, raised doubts on the quality of the works undertaken, as described in the next paragraph.

In reply, the department stated (October 2011) that the works were being allotted on 'item rate' of contract and executed on the basis of technically sanctioned departmental DPRs.

2.3.8.2 Irregular expenditure without measurements

In the instructions issued by the CE to the concerned EEs with the letters of award of the works, it was clearly mentioned that in cases of fundamental differences between the drawings and designs of the department-sanctioned DPRs and the drawings and designs submitted subsequently by the contractors, a proportionate deduction would be made in the bill/payment for the work. Proportionate deductions in the bills of the contractors were not possible unless and until measurement of different components of the work such as foundation, plinth, piers, deck slab etc was done.

As per the JPWA Code⁶, a 'lump sum contract' is an arrangement under which a contractor is required to complete a project on the owner's specifications. No allusion is made in a lump sum contract to the departmental estimates, schedule of rates or quantities of the work to be done, except for additions and alterations in the GADs submitted by the contractors. These were required to be physically quantified and payment regulated according to the prevailing Schedule of Rates. Payments against the works were to be made after obtaining certificates from responsible officers of the Government not below the rank of Divisional Officer (say EE) certifying that the value of the works was not less than the specified amount of the bill through measurements or methods decided by the Government,

⁶ Rules 340, 341 and 343 of JPWA Code.

except for additions and alterations for which detailed measurements were required.

Rupees 498.57 crore was paid to contractors for 229 contract works without recording measurements

Scrutiny of records of test-checked divisions revealed that payments to contractors were made without recording any measurements of works. Measurement Books (MBs) were silent even about the length and height of the bridges. Despite the CE's directive (March 2009) to the divisions to ensure 100 *per cent* measurements of foundation and reinforcement work of the bridges, no measurements were taken. Consequently, in the case of 229 executed works costing ₹ 498.57 crore in the test-checked divisions⁷, payments were made to contractors without recording any measurements / detailed measurements in the MBs. Thus, consumption of materials as per departmental / contractor's DPRs could not be ascertained in audit and hence, the quality of works as per the prescribed specification remained doubtful. Non-measurement of different components of works undermined the principle of accountability of the PWD engineers towards the quality of work.

In reply, the department accepted the audit observation and stated (October 2011) that necessary orders had already been issued for allotment of work on 'item rate' of contract and to record detailed measurements of work in MBs.

2.3.8.3 Non-submission of Professional Liability Insurance certificates by contractors

As per clause 25.2 of the Standard Bidding Document (SBD), the contractors were required to submit Professional Liability Insurance (PLI) certificates, the values of which were to be equivalent to the contract prices effective for 10 years after completion of the works. The insurance was required to cover failures of structural designs of bridges, approach roads and materials utilised during the construction. Further, according to clause 48 of the SBD, the defect liability period for completed bridges was six months after issue of the completion certificates by the EEs.

The contractors did not submit the insurance certificates of the works value to cover failures of structural designs of the bridges

In the test-checked divisions, it was noticed that 194 bridges under 121 work contracts at ₹ 361.59 crore were completed during 2006-11. However, the contractors did not submit the required insurance certificates. The last payments of works were made by the divisional officers and the security deposits were also released to the contractors after completion of the defect liability periods without obtaining the PLI. According to Rule 172 of the JPWD code, security (in all cases) is taken for the due fulfilment of contracts. Since the contractors did not fulfill the terms of the contracts by not submitting PLI, their security deposits should not have been released. Thus, in the absence of the required insurance coverage, refund of security deposits amounting to ₹ 36.15 crore resulted in undue favour to the contractors. Besides, the department was not in a position to cover the risk of liability due to damage to bridges, due to faulty structural design or bad workmanship.

In their reply, the department assured (October 2011) to issue necessary instructions to the EEs regarding submission of PLI certificates by the contractors.

⁷ Shown in Table 2 under Paragraph 2.3.7.1.

2.3.9 Programme implementation

2.3.9.1 Targets and Achievements

As stated in paragraph 2.3.6.1, no Perspective District Bridge Plans or Annual Action Plans at the district level were prepared during 2006-11. As a result, the priorities of the department under the scheme could not be ascertained by Audit.

The details of sanctioned bridges and achievements thereon are given in **Table-3**:

Table - 3
Statement showing targets and achievements of construction of bridges

Year	Bridges sanctioned by Government	Targets fixed by the Department	Achievements	Remarks
2006-07	N.A	N.A	N.A	No new bridges were sanctioned during 2008-09.
2007-08	308	Nil	55	
2008-09	0	Nil	113	
2009-10	283	Nil	147	
2010-11	172	Nil	91	
Total	763		406	

(Source: CE, Rural Development Special Zone, Ranchi)

It is evident from **Table-3** that:

- no year-wise target was fixed by the department. However, during the period 2007-11, the Government sanctioned 763 bridges to be completed by March 2012 against which only 406 bridges (53 per cent) were completed as on March 2011.

2.3.9.2 Unfruitful expenditure

In the test-checked divisions, 80 bridges, stipulated to be completed between July 2007 and February 2011 were incomplete even after spending ₹ 114.02 crore as on July 2011 (**Appendix-2.18**). The reasons for delays in completion were allotment of multiple works to single tenderers, delay in execution of the agreements and award of work to invalid tenderers, as detailed in the succeeding paragraphs.

2.3.9.3 Multiple allotment of work to a single contractor

According to Rule 16 of the Revised Enlistment of Contractors Rules, 1992, no contractor should be allotted more than one work at a time even if his bid is valid and the lowest one unless the previously allotted work of the contractor is 75 per cent complete.

Scrutiny of records of 11 test-checked divisions revealed that in six divisions, 26 contracts were awarded to seven contractors on a particular day in contravention of this rule with two to 10 contracts being awarded to a single contractor. Further scrutiny revealed that in 10 out of 11 test-checked divisions, 36 contracts were irregularly allotted to 20 contractors before completion of 75 per cent of their previously allotted works.

A total of 36 contracts were irregularly allotted to 20 contractors before completion of 75 per cent of their previously allotted works

Thus, such irregular allotments of 62 contracts at a cost of ₹ 161.38 crore could have been one of the important reasons of delays in completion of the works (**Appendix -2.19**).

In reply, the department stated (October 2011) that the matter would be examined by the CE.

2.3.9.4 Allotment of work at unworkable rates

According to a recommendation⁸ (December 1983) of the Technical Examiner Cell (TEC) of the Government, if the rate offered by a contractor is less by more than 15 per cent of the estimated cost of a work, the tender should be treated as invalid.

Scrutiny, however, revealed that during 2006-11, in four⁹ out of 11 test-checked divisions, 11 contracts amounting to ₹ 14.61 crore were awarded to 11 contractors in which the rates quoted by the contractors was more than 15 per cent below the estimated costs (**Appendix-2.20**). The works were awarded ignoring the recommendation of the TEC. The awarding of contracts below 15 per cent of the estimated cost could affect the quality of the works as 10 per cent contractor's profit only was included in the Schedule of Rates (SoR). Hence, there was a risk of the contractors using sub-standard materials in construction of the bridges under the scheme.

2.3.9.5 Allotment of works to single tenderers

According to Rule 163 of the JPWD Code, in cases of single tenders, approval of the next higher authority should be taken.

In four¹⁰ of the 11 test-checked divisions, seven works amounting to ₹ 9.51 crore were allotted to six single tenderers by the CE. In reply, the CE stated (September 2011) that there was no sanctioned post of Engineer-in-Chief and hence, approval of a higher authority could not be taken (**Appendix-2.21**). The reply is not acceptable since according to the norms approval of next higher authority to the competent authority was necessary.

2.3.9.6 Delay in execution of agreements

The department prescribed seven days for execution of agreements after allotment of works. In all the test-checked divisions, it was noticed that there were delays in execution of 126 agreements ranging between 12 and 288 days. Delays in execution of agreements resulted in delayed commencement of the works and consequential delays in completion of the schemes. In his reply, the CE stated (September 2011) that the signing of agreements was delayed due to late submission of earnest money by the contractors. The reply of the CE was not satisfactory as prescribed time limit for executing agreements with contractors were not enforced by the divisions for timely completion of works.

⁸ Technical Examiner, Cabinet (Vigilance) Department, letter No 2347 dated 31 December 1983.

⁹ Dumka, Giridih, Ranchi and Sahebganj.

¹⁰ Bokaro, Chaibasa, Giridih and Saraikela.

2.3.9.7 *Short recovery and non-recovery of penalties for delays in execution of works*

Clause 37.2 of the SBD envisaged that if delays occurred in satisfactory completion of works due to the fault of the contractors, the contractors were liable to pay penalty at the rate of 0.5 per cent per calendar day, subject to a maximum of 10 per cent of the contract price.

Penalty for delay in completion of works from defaulting contractors were not/short recovered

Audit observed that in 10¹¹ out of the 11 test-checked divisions, penalty totalling ₹ 12.55 crore was not recovered against 35 contracts which were not completed within the scheduled time. Further, penalty of ₹ 12.70 crore was short-recovered from contractors against 49 contracts of bridge works, resulting in undue benefits to defaulting contractors besides loss of ₹ 25.25 crore to the Government (*Appendix- 2.22*).

2.3.9.8 *Avoidable cost*

Scrutiny of records of the three¹² test-checked divisions revealed that the project cost of 32 bridges increased from ₹ 50.42 crore to ₹ 68.13 crore during 2004 to 2008 due to delays in according approvals for inviting tenders, preparing DPRs and inviting and finalising tenders, resulting in avoidable expenditure of ₹ 17.71 crore.

2.3.9.9 *Non-deduction of Labour Cess*

Out of 11 test-checked divisions, labour cess was being regularly recovered from the contractors in five divisions. However, it was seen that in six divisions¹³ labour cess amounting to ₹ 1.49 crore had not been recovered from the contractors during the period July 2009 and June 2011. This resulted in loss of revenue to the Government, which is to be used for the welfare of the labour community. The CE replied (October 2011) that all the divisions had been directed to deduct labour cess according to the rules.

2.3.9.10 *Other points of interest*

The divisions did not initiate punitive action against the contractors who breached the contracts

According to the SBD, the contractors were required to follow IRC & MORTH specifications during the execution of the work. Under the contract document, 10 stages were stipulated to be followed by the contractors to maintain the progress, so that the work could be completed within the prescribed time schedule. If a contractor stopped work for 28 days without authorisation of the Engineer, the act of the contractor was to be treated as a breach of contract and the employer was to be free to terminate the contract. However, the divisions did not initiate punitive action such as rescinding of works, forfeiture of security deposits and blacklisting of contractors who breached the contracts as discussed below:

- Under RDSD, Gumla, the work of construction of four bridges¹⁴ was allotted

¹¹ Bokaro, Chaibasa, Dumka, Godda, Gumla, Koderma, Palamu, Ranchi, Sahebganj and Saraikela.

¹² RDSD Dumka, Gumla and Saraikela.

¹³ Dumka, Gumla, Koderma, Ranchi, Sahebganj and Saraikela.

¹⁴ 1. Construction of bridge over Suda River on 18th K.M of Banari-Jamati Road under Bishunpur block; 2. Construction of bridge over North Koel River on 20th K.M of Ghaghra-Tendar Road under Bishunpur block; 3. Construction of bridge over Ankuri River on 5th K.M of Chatakpur-Bahagora Road under Bishunpur block; and 4. Construction of bridge over South Koel River on 10th K.M of Kamdara-Bano Road in Kamdara block.

(May 2007) to a contractor at an agreed cost of ₹ 6.15 crore, to be completed within 18 months. According to the SBD, the work was required to be executed as per the standards of IRC and MORTH. However, it was noticed in audit that the contractor did not follow the same during the execution of the work. Out of four bridges, the foundations of two bridges (over south Koel/Kamdara Road and north Koel/Ghaghra-Tendar Road) were not constructed according to the required specifications/standards. It was found that the eighth pier of the bridge on south Koel river had tilted (July 2008). The contractor was asked (between March and July 2008) by the EE to rectify the same without any additional cost. However, an amount of ₹ 2.02 crore was released¹⁵ (March 2008) to the contractor without waiting for the rectification. As per the SBD, the contractor was allowed 18 months time (up to December 2008) for completion of the work. According to the last measurement taken (September 2008), the contractor had completed 82 *per cent* of the work valuing ₹ 5.06 crore. The division reminded (July 2008) the contractor to complete the work and also issued a warning for blacklisting and rescinding of the contract. However, as on date, no action had been taken (June 2011) to complete the works.

- Scrutiny of records of the RDSB, Palamau revealed that the construction of a bridge over the Amant river of Joor Sikki Kala Path under the Patan block was awarded (May 2003) to a contractor at an agreed value of ₹ 5.67 crore, to be completed by August 2004. Audit scrutiny revealed that the length of the bridge was proposed to be 391.50 m as per the approved design but the constructed bridge was 365.74 m long which was shorter in length by 25.76 m. The Special Secretary, RDD, directed (July 2007) the CE to initiate disciplinary action against the concerned officials and recover a sum of ₹12.72 lakh from the contractor. Thus, the bridge which was constructed after incurring an expenditure of ₹ 5.25 crore, was not in conformity with drawings, designs and specifications approved by the department. Recovery of ₹12.72 lakh was neither made from the contractor nor was any disciplinary action taken against the erring officials.
- In RDSB, Dumka, the work of construction of four bridges¹⁶ was awarded (December 2008) to a contractor at an agreed cost of ₹ 4.02 crore, to be completed by August 2010. The contractor did not start the work even after a lapse of eight months from the date of the agreement. However, the division failed to initiate any action against the contractor. The contractor also ignored the prescribed quality standards and specifications during construction. The work remained incomplete (January 2011) even after incurring an expenditure of ₹ 2.13 crore. In April 2011, the agreement was rescinded. However, securities and other deposits were still to be forfeited as on May 2011.
- In RDSB, Saraikela, the work of construction of two bridges¹⁷ was allotted

¹⁵ i. South Koel/Kamdara Road : Payment upto 100 *per cent* deckslab level ₹ 1,23,32,955,
ii. North Koel/Ghaghra-Tendar Road: Payment upto 100 *per cent* pier cap level ₹ 78,61,920.

¹⁶ i. Bridge between Shyampur and Nawadih; ii. Bridge between Birajpur and Pandeshwarnath; iii. Bridge between Gopalpur and Raghuaidih; and iv. Bridge between Sakri and Baswerwa in Jarmundi Block.

¹⁷ Bridge over river Sona connecting Bargaon to Sherbeda on Sini main road and construction of bridge over river Sona connecting Ramgarh to Rampur.

(February 2009) to a contractor at an agreed cost of ₹ 4.35 crore, to be completed by March 2010. Scrutiny revealed that the work did not commence within the prescribed time, but, no action was taken by the department. The work, which was delayed by more than 14 months, remained incomplete as on May 2011. An expenditure of ₹ 2.47 crore had been incurred on the incomplete project.

- Scrutiny of records of RDSB, Koderma revealed that the work of construction of a bridge over Sakri River near Bali-Mahadeo, Sheopur-Madhupur road was sanctioned (October 2003) at an estimated cost of ₹ 3.87 crore. The work was awarded (November 2003) to a contractor at an agreed cost of ₹ 3.87 crore, to be completed by November 2004. The contractor delayed the work by 630 days and ignored the instructions of the EE to execute it as per the specifications. However, the contractor was granted time extension up to August 2005 on the grounds of general elections, floods etc after incurring an expenditure of ₹ 1.86 crore. Subsequently, the agreement was rescinded and the security deposit of the contractor was partially forfeited (August-September 2006). The agreement was revived (December 2006) for execution of the remaining work by November 2007. However, as the contractor did not take interest in executing the work, the department again rescinded (October 2007) the work. Fresh tenders were invited at a cost of ₹ 3.51 crore for completion of the residual work, which resulted in an extra expenditure of ₹ 1.05 crore¹⁸ besides sub-standard work of ₹ 1.86 crore executed by the previous contractor could not be ruled out.

2.3.10 Quality control

Quality control is a process employed to ensure a desired level of quality in a work. The basic goal of quality control is to meet specific requirements. According to clause 27 of the SBD, contractors were required to install fully functional laboratories for quality testing as per the specifications of MORTH and IRC. Defects in construction or failure to enforce quality control could result in huge losses as discussed in succeeding paragraphs.

The department did not appoint any independent agency for quality monitoring of the works

From the records made available to Audit, it could not be ascertained whether fully functional laboratories had been set up by the contractors. Further, as per a stipulation of NABARD, the department had to engage an independent agency for ensuring the quality of work during the process of construction. It was found that the department did not appoint any independent agency for quality monitoring of the works. Moreover, Programme Implementation Units (PIUs) mentioned earlier in paragraph 2.3.6.2, which had to be set up to ensure quality and timely implementation of the works were not functional. Besides,

18 Details of extra cost:

Previous payment to contractor:		₹ 185.76 lakh
Expenditure on residual work:		₹ 351.50 lakh
		₹ 537.26 lakh
Less original cost of work:	(-)	₹ 387.00 lakh
		₹ 150.26 lakh
Less forfeited amount:	(-)	₹ 45.12 lakh
		₹ 105.14 lakh

as mentioned in paragraph 2.3.8.2, no detailed measurements were recorded for the different components of works. Hence, in the absence of proper and regular supervision either by a PIU or an independent technical agency and non-recording of measurements of the works in the MBs, quality control for the constructed bridges was not assured. The concerned issue is being dealt with in the subsequent paragraph.

2.3.10.1 Operation and maintenance

Under the special terms and conditions of NABARD for loan assistance, the department was required to prepare a policy for operation and maintenance (O&M) of the completed bridges. However, it was noticed that as on date (June 2011), no such policy had been framed for O&M of the completed bridges in the State.

The CE stated (October 2011) that the department would prepare a policy of O&M of completed bridges soon.

2.3.11 Monitoring and evaluation

In order to provide a reasonable assurance that the construction of bridges was carried out effectively and efficiently, it was necessary that a proper system of internal control, monitoring and effective periodic evaluation was in place. Audit noticed the following deficiencies in the monitoring mechanism:

2.3.11.1 Lack of detailed guidelines of scheme

To achieve the objectives of MMGSY in a cost-effective and efficient manner, detailed guidelines incorporating all important aspects i.e. time and cost schedules, land acquisition, contract management, O&M and monitoring and evaluation were required to be framed. However, these were not prepared. Non-preparation of detailed guidelines may result in improper, unplanned implementation and finally non-achievement of the stated objective.

2.3.11.2 Inadequate documentation

Maintenance and upkeep of records by the divisions was not adequate. Important records and information in respect of the financial position of the scheme along with progress reports during 2006-07, the agreement with NABARD, the list of schemes administratively approved by *Prabandh Parishad/ DRDA*, etc were not available with the department. Besides, the DPRs/GADs, inspection notes of higher authorities, etc were not available at the divisional level. Consequently, information sought for by Audit was not furnished by two circle offices and eight DRDAs. Work files and MBs of several agreements executed during 2006-11 in RDSD, Ranchi were not made available to Audit in spite of requests.

2.3.11.3 Absence of monitoring and evaluation

Regular monitoring is a key factor for effective and efficient implementation of any scheme. However, no effective system for regular monitoring of the works under MMGSY was devised. According to Rule 20 of the JPWD Code, the CE was required to inspect each circle and divisional office once in every two and three years respectively and submit a report to the Government soon after inspection. Similarly, under Rule 24 of the JPWD Code, the SE was required to inspect each divisional office once every year, each sub-divisional office once in every two

years and submit his report to the CE. Information furnished to Audit disclosed that the CE carried out only six inspections in five divisions during 2006-11 while there were no records in the divisions to show the number of inspections carried out by the SEs.

Further, RDD did not develop any system of periodical evaluation of the performance, effectiveness and impact of the scheme in the context of the stated objectives of improving rural connectivity for boosting rural economy.

2.3.12 Conclusion

The MMGSY was launched by the Government to provide connectivity to the village communities by involving them in the planning process. Although the guidelines of the scheme stipulated that a Perspective Plan and Annual Action Plans had to be prepared for the districts, bridges were being constructed on the basis of recommendation of local MP and MLAs without getting approval from the *Prabandh Parishads* of the districts and the *Gram Sabhas*. The implementation of the scheme lacked proper surveys to assess the requirement of bridges. Programme Implementation Units, required to inspect the work for ensuring quality and proper implementation of the schemes, were not constituted. Bridges were constructed without accord of technical sanction by the Chief Engineer, Rural Development Special Zone (RDSZ), Ranchi and no recording of measurements was made in MBs. The department shifted the responsibility to the contractors for structural failure of the bridges for which Professional Liability Insurance (PLI) certificates had to be submitted by the contractors. PLI certificates were neither submitted by the contractors nor insisted upon by the department. Annual targets for construction of bridges on priority basis were not fixed. The reasons for non-completion of the bridges were multiple award of work to the same contractors and non-recovery of penalty as per agreement. Neither was quality control of the materials used in the construction assured nor was any independent agency appointed to monitor the quality of the works as directed by NABARD. Payments to the contractors were made without ascertaining the quantity and quality of materials. Due to inadequate monitoring and supervision by concerned departmental authorities and non-recording of the executed work in MBs, possibility of sub-standard work could not be ruled out as eight bridges had already collapsed.

2.3.13 Recommendations

- Bridges for construction should be selected on the basis of surveys and community participation;
- A Programme Implementation Unit may be constituted for timely and effective implementation of the scheme;
- Technical sanctions of works should be ensured before their commencement;
- Measurement of work done should be ensured;
- Independent agency may be engaged to ensure quality of work during construction;
- The department should ensure adherence to the prescribed specifications of IRC & MORTH and should follow codal provisions in execution of works; and
- Proper monitoring and supervision by the departmental authorities should be ensured.

CABINET (VIGILANCE) DEPARTMENT

2.4 Functioning of the Cabinet (Vigilance) Department

2.4.1 Introduction

Jharkhand, the 28th State of India, came into existence on 15 November, 2000, on bifurcation of the State of Bihar. In undivided Bihar, the Department of Vigilance functioned as a wing of the Political (General) Department and its main assignment was to eradicate corruption. In 1946, it was renamed as the Anti-Corruption Department. In course of time, it was further renamed as the Cabinet (Vigilance) Department and was placed as a wing under the Cabinet Co-ordination Department. In February 1981, the Cabinet (Vigilance) Department was reconstituted as an independent department. The main objective of this department was to “purge the administrative set-up and to contain the prevailing corruption and malpractices rampant in Government organisations”. After the State of Jharkhand came into existence, it constituted its own Cabinet (Vigilance) Department.

Audit of the working of the Cabinet (Vigilance) Department for the period 2006-11, was conducted during March to June 2011 through a test check of records and vigilance cases referred to the department by individuals and administrative departments.

2.4.2 Organisational set-up and functioning

The Cabinet (Vigilance) Department is divided into three wings viz. the Vigilance Secretariat, the Vigilance Bureau (VB) and the Technical Examiner Cell (TEC), headed by the Vigilance Commissioner. The Vigilance Secretariat functions under a Special Secretary who is assisted by Deputy Secretaries, Under Secretaries, Section Officers and Assistants. The Vigilance Bureau functions under the Director General of Police, who is assisted by an Inspector General (IG) of Police, a Deputy Inspector General (DIG) of Police, Superintendents of Police (SPs), Deputy Superintendents of Police (DSPs), Inspectors, Sub-Inspectors and Constables. The Technical Examiner Cell functions under a Chief Engineer who is assisted by Superintending Engineers, Executive Engineers, Assistant Engineers and Junior Engineers.

On the advice of the Vigilance Commissioner and the Chief Secretary, the Government appoints Chief Vigilance Officers (CVOs) in each administrative department, who co-ordinate with the Vigilance Commissioner and the Government on vigilance matters.

Working of the Vigilance Secretariat

2.4.2.1 Role of the Vigilance Secretariat, the Vigilance Bureau and the Technical Examiner Cell

The three wings of the department function as described below:

i) Vigilance Secretariat

The Vigilance Secretariat exercises administrative control over the VB and the TEC. It receives complaints regarding corruption, irregularities, misappropriations, administrative lapses etc and after preliminary examination, directs these

complaints for enquiry/investigation to the appropriate investigating agency i.e. the VB or the TEC. In cases of administrative lapses, the complaints are sent to the concerned administrative departments for enquiry and appropriate action against the concerned Government officials. The Secretariat also issues vigilance clearances required for promotion, deputation etc to Government officials.

ii) **Vigilance Bureau**

The Vigilance Bureau conducts detailed investigations of all cases referred to it and files requisite charge-sheets in the Vigilance Court. It is also entrusted with the task of trapping corrupt Government servants red-handed and investigating disproportionate assets cases.

For this purpose, a 'Vishesh Satarkata Ikai' (Special Vigilance Cell) was constituted (September 2009) under the VB, which was specially entrusted with the responsibility of trapping corrupt Government servants and investigating disproportionate assets cases.

iii) **Technical Examiner Cell**

The Technical Examiner Cell, conducts technical audit of all ongoing works and projects under any Government department, probes complaints referred by the Vigilance Secretariat, and approves Schedule of Rates (SoR) of construction material. It also issues vigilance clearances required for promotion, deputation etc, to officers, working under works-related technical departments such as the Road Construction Department and Building Construction Department.

2.4.2.2 **Allocation of funds and expenditure**

The department receives funds from the Finance Department under the Non-Plan Head and thereafter, releases it to its three wings, viz. the Cabinet Vigilance Secretariat, the VB and the TEC. Details of allocations and utilisation, during 2006-11, are given in **Table-1**:

Table -1
Allotment and expenditure of the Cabinet (Vigilance) Department

(₹ in crore)			
Year	Allotment	Expenditure	Savings (Per cent)
2006-07	6.48	4.13	2.35(36)
2007-08	6.56	4.25	2.31(35)
2008-09	7.21	6.53	0.68(9)
2009-10	9.88	8.95	0.93(9)
2010-11	10.63	9.66	0.97(9)
Total	40.76	33.52	7.24 (18)

(Sources: Vigilance Secretariat, Vigilance Bureau and Technical Examiner Cell)

2.4.2.3 **Dealing with complaints**

A complaint received in the Cabinet (Vigilance) Department is initially examined at the Vigilance Secretariat. After confirmation of the existence of the complainant and if the case is found to be *prima facie*, suitable for investigation, the same is referred either to the VB or the TEC for registration as a complaint. Cases of complaints referred to the VB, are investigated by the bureau, which sends reports to the Vigilance Secretariat, which in turn, examines the reports

and directs the VB to register the complaints for Preliminary Enquiries (PE). On the basis of preliminary enquiries and availability of enough evidence, First Information Reports (FIRs), are filed by the VB and sanctions for prosecution of the alleged officers are sought from the concerned administrative departments. If it is found that the cases have potential but lack adequate evidence to file FIRs, the matters are referred to the concerned administrative departments with recommendations to initiate departmental proceedings against the erring officials. Cases of complaints regarding technical matters referred to the TEC processed and investigated by them.

Audit findings

During the audit of the Cabinet (Vigilance) Department, the following deficiencies were noticed:

2.4.3 Handling of vigilance complaints

2.4.3.1 Non-response/non-compliance by administrative departments in respect of complaints sent by the department for enquiry

Prompt and meaningful investigation of complaints along with desired follow-up action is an important aspect of effective vigilance administration. Inordinate delays in investigation of complaints denote poor performance on the part of the investigating agencies.

During 2006-11, out of 758 complaints received by the department, 556 had potential for vigilance investigation. Of these, 316 complaints were sent to the concerned administrative departments for necessary investigations and the balance 208 and 32 complaints were referred to the VB and the TEC respectively.

The prescribed time limit for completion of investigations was fixed by the department as six months. Scrutiny of the data furnished by the department revealed that the concerned administrative departments had not sent any reports regarding the completion of investigation of cases sent by the department, during the last five years. This showed the indifferent attitude of the departments towards vigilance issues and also carried the risk that those indulging in corrupt practices would escape the clutches of the law owing to slackness of the departments.

The department, in its reply, (September 2011) stated that the concerned administrative departments would be reminded.

Pendency of vigilance cases

2.4.3.2 Inordinate delays in completion of vigilance enquiries in respect of complaints/ preliminary enquiries /FIRs.

The maximum time limit for completion of vigilance enquiries by the VB and the TEC was six months, as prescribed by the department. In cases of delay, the investigating officers were to submit reports before the expiry of the stipulated period to the notified officers under the Act, explaining the reasons for delay and the Vigilance Courts could extend the period of investigation for

a definite period of not more than six months, within which the investigation had to be completed.

During 2006-11, 1,206 complaints, 116 preliminary enquiries, 98 FIRs were pending in the Vigilance Bureau

Scrutiny of records of the VB and the TEC, revealed that during 2006-11, 1,206 complaints, 116 PEs and 98 FIRs were pending in the VB and 39 technical enquiries remained to be investigated by the TEC as detailed in **Table-2**, involving a total amount of ₹ 1,875.50 crore (**Appendices-2.23, 2.24 and 2.25**) as of 31 March 2011. The details of delays in completion of enquiries are shown in **Table-2**:

Table-2
Details of delay in completion of enquiries

Particulars	Number	Delay up to one year	Delay between 1 to 3 years	Delay between 3 to 5 years	Delay more than 5 years
Complaint	1206	159	607	404	36
Preliminary Enquiry	116	28	47	20	21
F.I.R	98	34	10	1	53
Technical Enquiry	39	9	19	2	9

(Source: *The Vigilance Bureau & the Technical Examiner Cell*)

It was also seen that the major pending complaints related to alleged defalcation (12 complaints: ₹ 129.76 crore), loss of Government revenue (three complaints: ₹ 1,533.24 crore) and disproportionate assets (six complaints : ₹ 31.53 crore).

It was further observed that a number of vigilance cases were pending for investigation by the VB and the TEC for various reasons as described below:

- Twenty six FIRs were pending with the VB due to non-issuing of requests to the concerned administrative departments for permission to prosecute the accused individuals. (**Appendix-2.26**)
- Eleven FIRs were pending with the VB due to non-submission of supervision notes¹ by the supervising officers on the enquiry reports submitted by the investigating officers. (**Appendix-2.27**)
- Seven technical examinations were pending with the TEC due to lack of coordination (non-sharing of records) between the VB and the TEC. (**Appendix-2.28**). An order dated 13 July 2000 of the Government stipulated that records related to the vigilance enquiries called for by the Cabinet (Vigilance) Department should be made available immediately by the concerned departments as delayed submission of records would defeat the very purpose of the enquiries. On being intimated by the Vigilance Department that the records required for further processing of cases had not been submitted, the administrative departments were to immediately fix responsibility and initiate due process of suspending the erring officials.
- It was found that 31 FIRs² and 38 PEs were pending with the VB whereas 18 technical examinations³ were pending with the TEC due to non-availability of relevant records from the concerned administrative departments (**Appendices 2.29, 2.30 and 2.31**). However, the Cabinet (Vigilance) Department

¹ Comments on the enquiry reports by supervising officers regarding further action.

² Includes 12 FIRs from the State of Bihar.

³ Includes three from the State of Bihar

had not pursued these cases properly and disciplinary action had not been initiated by the administrative departments against erring officials.

Other reasons for pendency of vigilance cases were as follows:

- Thirty one FIRs were pending with the VB due to non-arrest of 157 accused during the period from June 1993 to December 2010 (*Appendix-2.32*).
- Five PEs were pending with the VB due to non-verification of complainants and non-furnishing of affidavits by the complainants (*Appendix-2.33*).
- Four FIRs were pending with the VB as the names and addresses of the accused were not known (*Appendix-2.34*). It was stated by the department that these were very old cases pertaining to the pre-partition period and the Bureau could not verify the name, address, place of posting and other details of the accused.

The department, in its reply, (September 2011) stated that the delay was not willful but due to engagement of the department in high profile cases such as land scams, disproportionate assets cases against ex-Ministers, senior Government officials etc. and due to shortage of manpower, the disposal of vigilance cases was slow.

2.4.3.3 Non-conducting of technical examination by TEC of schemes executed by different departments

According to a departmental resolution of July 2002, the main function of the TEC was to conduct technical examinations of schemes which had been executed and those which were ongoing in different departments to ensure that works were executed according to the terms and conditions of the agreements and material and labour were utilised judiciously.

The Technical Examiner Cell had not completed technical examination of any scheme since its inception

Scrutiny of records and the information furnished (April 2011) by the TEC revealed that the Cell had not completed technical examination of any scheme executed by any department of the Government since its inception till the date of audit (April 2011). According to the information made available to Audit on the basis of Appropriation Accounts, five Works departments⁴ incurred expenditure of ₹ 4,112.79 crore on execution of different schemes during the period 2006-10 (*Appendix-2.35*). The Comptroller and Auditor General of India (C&AG) had pointed out serious irregularities, defalcations etc. in its reports. By conducting the technical examinations of completed/ongoing works, such irregularities, defalcations etc. could be minimised, if not stopped. Some instances are given in **Table - 3:**

⁴ Building Construction Department, Drinking Water and Sanitation Department, Road Construction Department, Rural Development Department and Water Resources Department.

Table-3
Details of some serious irregularities pointed out by the C&AG

Period of Audit Reports (Civil and Commercial) of the C&AG	Name of the department	Gist of Paras
2006-07	Road Construction Department	1) Recording of inflated measurements in respect of consumption of stone metal and moorum resulted in fraudulent payment of ₹ 26.49 lakh.
2007-08	Road Construction & Rural Works Department	2) In 15 divisions, ₹ 6.69 crore was paid as cost of bitumen against 305 invoices bearing identical invoice codes in support of purchase of 3,790.346 MT bitumen.
		3) ₹ 6.15 crore was paid against reported procurement of 3,296.94 MT bitumen against 352 invoices bearing customer and product codes different from those used by HPCL.
		4) A contractor was paid ₹ 8.42 crore for procurement of 4,898.08 MT bitumen against invoices issued in the name of another contractor.
		5) Transporters / assesses, submitted crossed, reprint and photo copies of invoices, though not admissible, were admitted by EEs for payment of ₹ 15.02 crore.
2009-10 (Report No. 2)	Rural Development Department	6) Rupees 2.33 crore was fraudulently paid to contractors as cost of bitumen against submission of inadmissible invoices.
	Rural Works Department	7) Lack of proper monitoring by higher authorities and failure to adopt necessary checks as per codal provisions resulted in fraudulent payment of ₹ 1.26 crore.

The Department, in reply (September 2011) stated that due to shortage of manpower, technical audit could not be started. However, it would be started soon.

The reply of the Department is not acceptable because despite the presence of nine officials of the rank of Superintending Engineers, Executive Engineers, Assistant Engineers and Junior Engineers being deployed in the Cell, not even a single technical examination of ongoing projects and schemes of technical nature could be initiated by the TEC.

2.4.3.4 Infertuous expenditure on laboratory equipment - ₹ 11.16 lakh

A sum of ₹ 2.01 crore was released to the TEC in 2006-07 under the 'Machine and Equipment' head, but only ₹ 11.16 lakh (5.55 per cent) was utilised. The amount was spent (March 2007) on the purchase of equipment for establishment

of a laboratory for quality testing of construction materials. The remaining amount was surrendered. Scrutiny of records further revealed that the equipment was lying (March 2007 to March 2011) idle due to non-availability of a laboratory building. In the absence of an independent quality control laboratory, the capability of TEC to conduct proper investigation of complaints related to quality of materials used for roads and buildings was doubtful.

The department, in its reply, (September 2011) stated that the laboratory equipment had not been utilised due to non-availability of a laboratory building, for which several requests have been made to the Building Construction Department.

2.4.3.5 Non-compliance of Chief Secretary's directives

In a review meeting on the functioning of the VB in October 2010, the Chief Secretary had directed the VB to take immediate action on the following matters:

- Arrest all the accused within one fortnight and dispose of all pending 31 FIRs which were pending due to non-arrest of the accused.
- Dispose of FIR Case no. 49/10 related to organisation of National Games in two months.
- All the 29 FIR cases registered during 2010 (prior to October 2010) must be disposed of by the end of the year.

Scrutiny of records and data furnished (April 2011) by the VB revealed that 31 FIR cases were still pending due to non-arrest of the 157 accused. FIR Case no. 49/10 relating to organisation of the National Games in Jharkhand was also pending as on March 2011. Out of 29 FIR cases registered during 2010, only four cases were disposed of and the balance cases were still pending (March 2011) in the VB due to stated reasons such as non-availability of relevant records, non-submission of supervision notes by the Supervising Officers and non-issuance of request for sanction of prosecution by the concerned departments.

2.4.4 Human Resource Management

2.4.4.1 Sanctioned strength and persons-in-position

Scrutiny of the sanctioned strength and persons-in-position of the Vigilance Secretariat, the VB and the TEC as on March 2011 (*Appendix-2.36*) revealed that the vacancies in the important wings of the department ranged between 41 and 60 *per cent*. As stated earlier, no regular Vigilance Commissioner was posted since the creation of the State and there was no incumbent in the important post of Director General of Police, for heading the VB. There were two persons-in-position against the sanctioned post of five Superintendents of Police in the VB. In Inspector/Sub-Inspector cadres, the number of vacancies was very high (36 *per cent*). In the Technical Examiner Cell, against the sanctioned strength of four Superintending Engineers and six Executive Engineers, only one Superintending Engineer and two Executive Engineers were deployed. In the Assistant Engineer/

The vacancies in the important wings of the department ranged between 41 and 60 per cent

Junior Engineer cadre, as against the sanctioned strength of five and four engineers, three and two engineers respectively were posted (*Appendix-2.37*).

The department, in its reply, (September 2011) stated that the concerned administrative departments would be requested to post the personnel according to the sanctioned strength in the Vigilance Secretariat, the Vigilance Bureau and the Technical Examiner Cell.

Appointment of various functionaries

2.4.4.2 Non-filling up of the post of Vigilance Commissioner

Scrutiny (March 2011) of the records of the Cabinet (Vigilance) Department, Jharkhand revealed that no Vigilance Commissioner had been posted since the creation of the State to head the department. The department was being looked after by an officer holding the charge of Vigilance Commissioner as an additional charge. Non-posting of a regular Vigilance Commissioner for such a long period showed the lackadaisical attitude of the State Government towards building a strong institution to curb corruption in the State.

The department accepted (September 2011) the observation and stated that the Department of Personnel, Administrative Reforms & Rajbhasa would be requested for filling up the post of Vigilance Commissioner.

2.4.4.3 Non-functioning of Jharkhand State Complaint and Vigilance Board

The Government constituted (December 2001) the Jharkhand State Complaint and Vigilance Board under the chairmanship of the Chief Minister to review the functioning of the VB, TEC and other administrative departments handling corruption cases, to create public awareness against corruption and to frame a policy for eradication of the same. The Board consisted of a Chairman, a Deputy Chairman and four non-Government members. The Government also accorded the rank of Minister to the Deputy Chairman. The Vigilance Commissioner was the ex-officio Secretary of the Board.

The Deputy Chairman of the Board had not been nominated since April 2007, thus the Board remained non-functional

Scrutiny of records of the department revealed that the then Deputy Chairman of the Board was relieved (April 2007) of his post by the Chief Minister. No Deputy Chairman had been nominated by the Government and the Board had ceased to exist since April 2007. The State was, therefore, deprived of the benefit of advice emanating from such a high level advisory body.

The department accepted (September 2011) the observation but no reasons were stated by it.

2.4.4.4 Non-constitution of Vigilance and Anti-Power Theft Cell in the Electricity Board under the Cabinet (Vigilance) Department

As per the Cabinet (Vigilance) Department's order dated 22 August 2002, a Vigilance and Anti-Power Theft Cell for the Jharkhand State Electricity Board (JSEB) was required to be constituted under the department to weed out corruption from the Electricity Board and prevent power theft by miscreants.

Scrutiny of records of the department revealed that the Cell had not been constituted even after a gap of over eight years. In the absence of an independent Vigilance and Anti-Power Theft Cell under the Cabinet (Vigilance) Department,

power theft was rampant in the area covered under the Jharkhand State Electricity Board. This was also evident from the fact that as against the Central Electricity Authority norms of transmission and distribution (T&D) loss of 15.5 *per cent*, the JSEB had T & D losses of 36 to 46 *per cent* during the years 2006-10.

The department, in its reply, stated (September 2011) that the Jharkhand State Electricity Board had its own Vigilance and Anti-Power Theft Cell, which functioned under the control of the JSEB. There was no provision in the State of Jharkhand to set up a Vigilance and Anti-Power Theft Cell of the JSEB under the Cabinet (Vigilance) Department.

The reply is not acceptable as the Joint Secretary (II), JSEB, stated (October 2011) that no vigilance cell had been constituted in the JSEB and the department had itself proposed (August 2002) the constitution of a Vigilance and Anti-Power Theft Cell under the Cabinet (Vigilance) Department.

2.4.4.5 Non-posting of Chief Vigilance Officers in administrative departments

As per a reorganisation order dated 26th February 1981, of the Cabinet (Vigilance) Department, one officer of the rank of Joint Secretary was required to be posted in each administrative department as CVO, under the administrative control of the Cabinet (Vigilance) Department. He was to be the link between the Vigilance Commissioner and the Principal Secretary/Secretary of the administrative department regarding vigilance matters and was to be responsible for taking preventive measures in respect of corruption and other malpractices prevalent in the concerned administrative department. Scrutiny of records of the department revealed that no officer had been posted in any administrative department as CVO by the Cabinet (Vigilance) Department since the creation of the State in November 2000. As per the data available with Audit, despite a large number of complaints/vigilance cases pending in the departments, no CVOs had been posted. It is a distinct possibility that had CVOs been posted in these departments, the incidence of corruption in these departments could have been contained to an appreciable extent. A few important departments and the complaints/vigilance cases pending in these departments during 2006-11 may be seen in **Table-4**:

Table-4
Complaints pending in the Departments

Sl. No.	Name of the department	Total no of complaints pending
1	Health Department	47
2	Energy Department	46
3	Home Department	25
4	Forests and Environment Department	19
5	Department of Personnel, Administrative Reforms & Rajbhasa	55
6	Welfare Department	17
7	Mines & Geology Department	19

(Source : Cabinet (Vigilance) Department)

The department, in its reply, stated (September 2011) that no such post had been sanctioned in the Cabinet (Vigilance) Department of Jharkhand.

The reply is not acceptable as the reorganisation order dated 26 February 1981, of the Cabinet (Vigilance) Department of undivided Bihar (which the Jharkhand Government adopted) clearly stated that one officer of the rank of Joint Secretary was required to be posted in each administrative department as CVO, under the administrative control of the Cabinet (Vigilance) Department.

2.4.4.6 Non-Establishment of Vigilance Cell in the Commissionerates

The department decided (June 2009) to establish Vigilance Cells in the headquarters of each of the five revenue Commissionerates⁵ for decentralisation of the functioning of the VB and strengthening of the vigilance system so that leakage of revenue could be minimised.

Scrutiny of records of the department revealed that no such cell had been established in any Commissionerate which may have resulted in a weak vigilance system, as the existence of these decentralised cells would have facilitated easy access by the complainants as well as non-leakage of revenue to some extent.

The department accepted (September 2011) the observation and stated that necessary action would be taken. The VB, in its letter dated 25 June 2011, had requested the Vigilance Commissioner to take appropriate action for the establishment of Vigilance Cells in the headquarters of each Commissionerate.

2.4.4.7 Non-Establishment of Special Courts for Vigilance

Special Courts for Vigilance had not been established as on March 2011

In addition to the existing Vigilance Courts at Ranchi and Dhanbad, the Government decided (June 2009) to establish four more Special Courts at Dumka, Palamu (Medininagar), Chaibasa and Hazaribag, for speedy disposal of trap and vigilance cases investigated by the VB, elimination of the evil of corruption prevalent in public life and administration in the State and creation of public awareness against corruption.

Scrutiny of records of the department revealed that no such additional courts had been established as on March 2011.

The department, in its reply, (September 2011) stated that the Hon'ble Jharkhand High Court had been requested to establish the Special Courts.

2.4.4.8 Training

Training programmes had not been arranged for vigilance officials of the Vigilance Secretariat and the TEC

Training was necessary to address the changing needs of the department in order to introduce modern technological applications and develop skills. It was observed that no training programmes had been arranged for vigilance officials of the Vigilance Secretariat and the TEC during 2006-11. In the absence of need-based training programmes, adverse effects on the efficiency of employees could not be ruled out.

The department stated (September 2011) that the assessment of training needs was being initiated and a proposal would be prepared accordingly.

2.4.5 Conclusion

A large number of complaints, Preliminary Enquiries, FIRs and Technical Examinations, were pending for a long time due to non-filling up of the vacant posts

⁵ Kolhan (Chaibasa), North Chhotanagpur (Hazaribag), Palamu (Medininagar), Santhal Pargana (Dumka) and South Chhotanagpur (Ranchi).

in the Vigilance Department and the indifferent attitude of the administrative departments towards the complaints referred to them by the Cabinet (Vigilance) Department. No Chief Vigilance Officer (CVO) was appointed in any administrative department to expedite the investigation of vigilance cases in the respective departments. Jharkhand State Complaint and Vigilance Board and Anti-Power Theft Cell for the Electricity Board were not constituted.

Thus, the main objective of the department to eradicate corruption from Government offices was far from being achieved.

2.4.6 Recommendations

The Government may consider the following:

- Heads of administrative departments may be asked to take immediate action on complaints forwarded by the Cabinet (Vigilance) Department and to provide necessary records and information to the Vigilance Bureau and the Technical Examiner Cell as and when called for;
- A full-time Vigilance Commissioner may be appointed and the vacant posts of officials in the Vigilance Secretariat, the VB, the TEC and CVOs in each department, may be speedily filled up; and
- Immediate steps may be taken to start functioning of the Jharkhand State Complaint and Vigilance Board and to constitute an Anti-Power Theft Cell for the Electricity Board.