



Report of the Examiner of Local Accounts
on
the Panchayati Raj Institutions
for the year ending 31 March 2012



Government of West Bengal



सत्यमेव जयते

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PREFACE

Examiner of Local Accounts (ELA), West Bengal has been appointed by the Government of West Bengal as primary auditor of accounts of the Panchayati Raj Institutions (PRIs) under provisions of the West Bengal Panchayat Act, 1973. The ELA is an officer of Indian Audit and Accounts Department and works under the supervision of Principal Accountant General (General & Social Sector Audit).

The ELA prepares Report on the accounts of PRIs unit wise and sends such report to the Pradhan, the Sabhapati or the Sabhadhipati, as the case may be, of the Gram Panchayat, the Panchayat Samiti or the Zilla Parishad and a copy thereof to the State Government.

This Report for the year ending 31 March 2012 relates to matters arising from observations of audit of transactions of the PRIs. The report also presents findings/observations on Financial Management and Implementation of Schemes of the PRIs.

The audit findings in the Report are those which came to notice in the course of audit of accounts of PRIs conducted during 2011-12 as well as those which had come to notice in the earlier years but could not be dealt with in previous Reports.

OVERVIEW

OVERVIEW

This report contains four chapters. Chapter 1 provides an overview of Panchayati Raj Institutions detailing organisational structure, powers and functions, flow of fund, budget allocation, Finance Commission Grants etc. Chapters 2 and 3 present findings/observations on Financial Management and Implementation of Schemes. Chapter - 4 includes audit of transactions relates to examination of transactions relating to receipts and expenditure of the audited institutions to ascertain whether the provisions of guidelines, applicable rules, regulations and various orders and instructions issued by the competent authorities are being complied with. A synopsis of the chapters is presented in the overview.

1. An Overview of PRIs

There was a short release of ₹ 1,544.51 crore to PRIs against the provision made in the budget by P&RDD during 2007-12 except during 2009-10 and shortfall was ranged from seven to 28 *per cent* of budget allocation.

Expenditure under Plan and Non Plan head during 2011-12 was increased by 32 and 48 *per cent* respectively in comparison to 2010-11. Total receipts and expenditure under schematic fund was increased by 126 *per cent* and 161 *per cent* respectively during 2011-12 in comparison to 2007-08.

PRIs expended 40 to 63 *per cent* towards poverty alleviation programmes. Own Source Revenue (OSR) constituted only one to four *per cent* of total receipts of PRIs during 2007-11.

(Paragraph 1.6.1)

Out of grants received during 2010-12 under the recommendations of Thirteenth Finance Commission, PRIs spent ₹ 4.02 crore towards safe drinking water which was only 12 *per cent* of the earmarked fund (₹ 33.51 crore). No amount has spent from Special Area Basic Grants of ₹ 2.40 crore. Further, ₹ 41.08 crore was earmarked for maintenance of road constructed under PMGSY/RIDF and placed at ZP level from the first installment. But no fund was utilised from the

allocation during 2011-12. No fund was earmarked and released for maintenance of existing e-governance system.

(Paragraph 1.7)

During 2009-12 State Government released only ₹ 790.77 crore against ₹ 2051.24 crore recommended for 2009-12. Moreover, instead of progressive increase of allocation, release was decreased during 2011-12.

(Paragraph 1.10)

2. Financial management

Audit of 17 ZPs, one MP, 142 PSs and 3215 GPs showed that PRIs did not adhere to general precepts of financial management and Rules framed for proper accounting procedure. Non-compliance of the rules resulted in non-preparation of budget estimates, appropriation of revenues, balances were not reconciliation of balances, poor collection of revenue, diversion of funds, misappropriation of funds, accumulation of lapsed cheques and huge unadjusted advances. Such financial irregularities are detailed below:

Forty six PRIs spent ₹ 158.31 crore without preparing any budget estimate during 2007-11 and 479 PRIs expended ₹ 157.14 crore in excess of budget provision during 2008-11.

(Paragraph 2.2)

During 2010-11, 70 GPs directly spent ₹ 0.13 crore towards miscellaneous payments out of the revenues collected from time to time before depositing those revenues into their respective GP fund accounts.

(Paragraph 2.3)

Ninety eight PRIs did not reconcile difference of ₹ 23.74 crore between Cash Book and Pass Book balances of Banks and Treasuries as on 31 March 2011.

(Paragraph 2.4)

Two thousand seven hundred and ten GPs failed to collect 76 per cent of land and building tax amounting to ₹ 88.39 crore and 70 GPs did not impose taxes

on land and building during 2010-11.

(Paragraphs 2.5 & 2.6)

The rent collector of Jalpaiguri ZP did not deposit rent of ₹ 0.25 lakh collected from Moynaguri Super Market Complex between 26.03.2010 to 24.11.2010.

Cashier of Harischandrapur II PS did not take the value of self cheque drawn for ₹ 0.06 lakh in liquid cash but booked the amount as expenditure. Further, ₹ 0.20 lakh was defalcated by the cashier from Total Sanitation Campaign Subsidiary cash book by not carried forward the closing balance.

(Paragraph 2.9)

Hooghly ZP and six PSs diverted/ transferred scheme funds of ₹ 3.89 lakh, thereby frustrating the objective of the schemes.

(Paragraph 2.11)

Three hundred and ninety three PRIs did not write back value of 2968 lapsed cheques into their accounts and ₹ 8.30 crore remained idle for years together being outside the scope of utilisation.

(Paragraph 2.12)

PRIs observe prescribed rules for adjustment of advances and advance of ₹ 10.79 crore remain unadjusted due to financial indiscipline, laxity in getting adjustment of advance and allowing subsequent advances to same individual before adjustment of previous advance.

(Paragraph 2.14)

3. Implementation of Schemes

Several centrally sponsored schemes are being implemented by PRIs in pursuance of the guidelines issued in this behalf. In 2011-12, PRIs expended ₹ 854.12 crore, ₹ 2,959.04 crore and ₹ 219.94 crore on IAY, MGNREGS and TSC respectively but failed to provide at least 100 days of guaranteed employment in a financial year. Delayed payment of wages, failure to achieve the estimated mandays, absence of photographs on job cards, failure to create durable assets

and also to conduct social audit indicated significant deviations from the guidelines. There were also irregularities in selection of IAY beneficiaries, failure to achieve the target for construction of latrine and monitoring over execution of schemes under TSC, which are mentioned below:

Two thousand five hundred and ninety GPs could not provide 100 days of employment to any households in the FY 2010-11. One thousand four hundred and ninety two GPs could not create durable assets even after expending ₹ 546.73 crore under MGNREGS during 2010-11.

(Paragraph 3.1.3.1 and 3.1.3.2)

Three hundred and ninety two GPs did not issue job cards to 83,49,037 registered families though applied for the same. No reason was found on record. Photographs of adult members of households were not affixed on any job cards in 1,065 GPs.

(Paragraph 3.1.3.3)

Seventy four GPs could not provide employment to 18,953 job applicants during 2010-11 and no unemployment allowance was also paid to those applicants in contravention of provisions of the scheme guideline.

(Paragraph 3.1.3.4)

Ten GPs expended ₹ 5.91 crore during 2010-11 without preparing any Annual Action Plan under MGNREGS and 74 GPs executed MGNREGS works without taking technical and administrative approval from respective Programme Officer.

(Paragraphs 3.1.3.5 and 3.1.3.6)

Wages were not disbursed within prescribed time in 873 and labourers were also not compensated for delay payment.

(Paragraph 3.1.3.7)

Social audit forums were not formed in 230 GPs and social audit was not conducted in 260 GPs. In 312 GPs, the objections raised during audit were not settled during 2010-11.

(Paragraphs 3.1.3.8)

Sixteen GPs did not maintain MB/MS in respect of 823 works valuing ₹ 10.36 crore during 2010-11 while 532 GPs did not send the completion reports along with photographs of 24,617 works under MGNREGS to the PO.

(Paragraphs 3.1.3.9 and 3.1.3.10)

In 2057 cases, 23 PSs allotted ₹ 4.86 crore during 2010-11 solely to male members of family, in violation of IAY guidelines.

(Paragraphs 3.2.3)

In 10 PSs, the overall performance in construction of sanitary latrine in HHL/School/SSK/MSK/ICDS were far from satisfactory level though a huge sum of ₹ 2.41 crore remained unutilized at the end of 2011.

(Paragraphs 3.3.3)

4. Audit of transactions

Paschim Medinipur, Jalpaiguri and Coochbehar ZPs did not consider nearest availability of materials while execution of road works and incurred an avoidable expenditure of ₹ 82.65 lakh towards costly road metals in lieu of cost effective schedule approved materials available at nearest quarry.

(Paragraph 4.1.2)

Paschim Medinipur and Coochbehar ZPs did not adhere to the provisions of Schedule of Rates and incurred excess expenditure of ₹ 28.32 lakh.

(Paragraph 4.1.3)

Jalpaiguri ZP made payment of ₹ 30.58 lakh to the contractor on the basis of false royalty challans without verifying authenticity of the document.

(Paragraph 4.1.6)

Coochbehar ZP extended undue favour of ₹ 26.82 lakh due to non adherence to Schedule of Rates and also lack of internal control mechanism in monitoring works executed by contractors in respect of strengthening and widening of three roads.

(Paragraph 4.1.7)

Kanksa Gram Panchayat expended ₹ 10.70 lakh towards infrastructural development, Schools, Clubs etc. Absence of measurement of the works, certificate of correctness of the engineer, periodicity of work, approval of executive body and tender procedure in turned the expenditure doubtful.

(Paragraph 4.1.8)

Revenue of ₹ 96.54 lakh was forgone by North 24 Parganas ZP due to extension of unauthorised concession of development charges and failure to implement new rates of development charges after September 2008.

(Paragraph 4.1.9)

Willful change of site of execution for muslim girls' hostel led to litigation and inability of Arambagh Panchayat Samiti to resolve the issue resulted in unfruitful expenditure of ₹ 49.20 lakh towards the incomplete hostel besides contractor's demand of compensation of ₹ 1.58 lakh.

(Paragraph 4.3.2)

Sixty nine PRIs failed to augment revenue of ₹ 7.82 crore due to inertia in collection, non implementation of the bye- laws framed and absence of formal agreement.

(Paragraph 4.4.1)

CHAPTER 1

AN OVERVIEW OF THE PANCHAYATI RAJ INSTITUTIONS

Chapter-1

An Overview of the Panchayati Raj Institutions (PRIs)

1.1 PRIs in West Bengal

Article 243 B of the Constitution envisages formation of Panchayats at village level, intermediate level and district level of a State. Prior to that the West Bengal Panchayat Act, 1973 was enacted to reorganize Panchayats in rural areas of West Bengal and to provide for matters connected therewith. The Act described the broad aspects of duties, powers and functions of three tier Panchayati Raj Institutions (PRIs) in West Bengal. **As on 01.4.2012, the state has 3351 Gram Panchayats (GPs) at the village level, 341 Panchayat Samitis (PSs) at intermediate level between the district and village level, 17 Zilla Parishads (ZPs) and one Mahakuma Parishad (MP) for Siliguri Sub-Division at District level** covering an area of 86,152 sq. km (97.07 per cent of total area of 88,752 sq. km of the state) inhabited by 6.22 crore (68 per cent of total population of the state).

1.2 Power & Functions and Organisational structure of the PRIs

Article 243G and 243H of the constitution of India directed the PRIs the following powers, authority and responsibilities:

- Preparation of plan for economic development and social justice;
- Implementation of schemes for economic development and social justice as may be entrusted to it in relation to the matters listed in the Eleventh Schedule of the Constitution; and
- Powers to impose taxes by and funds of the Panchayats.

Besides, Section 19 to 34, 109 to 118 and 153 to 165 of the West Bengal Panchayat Act, 1973 described the nature of powers and duties to be performed by the GPs, PSs and ZPs respectively.

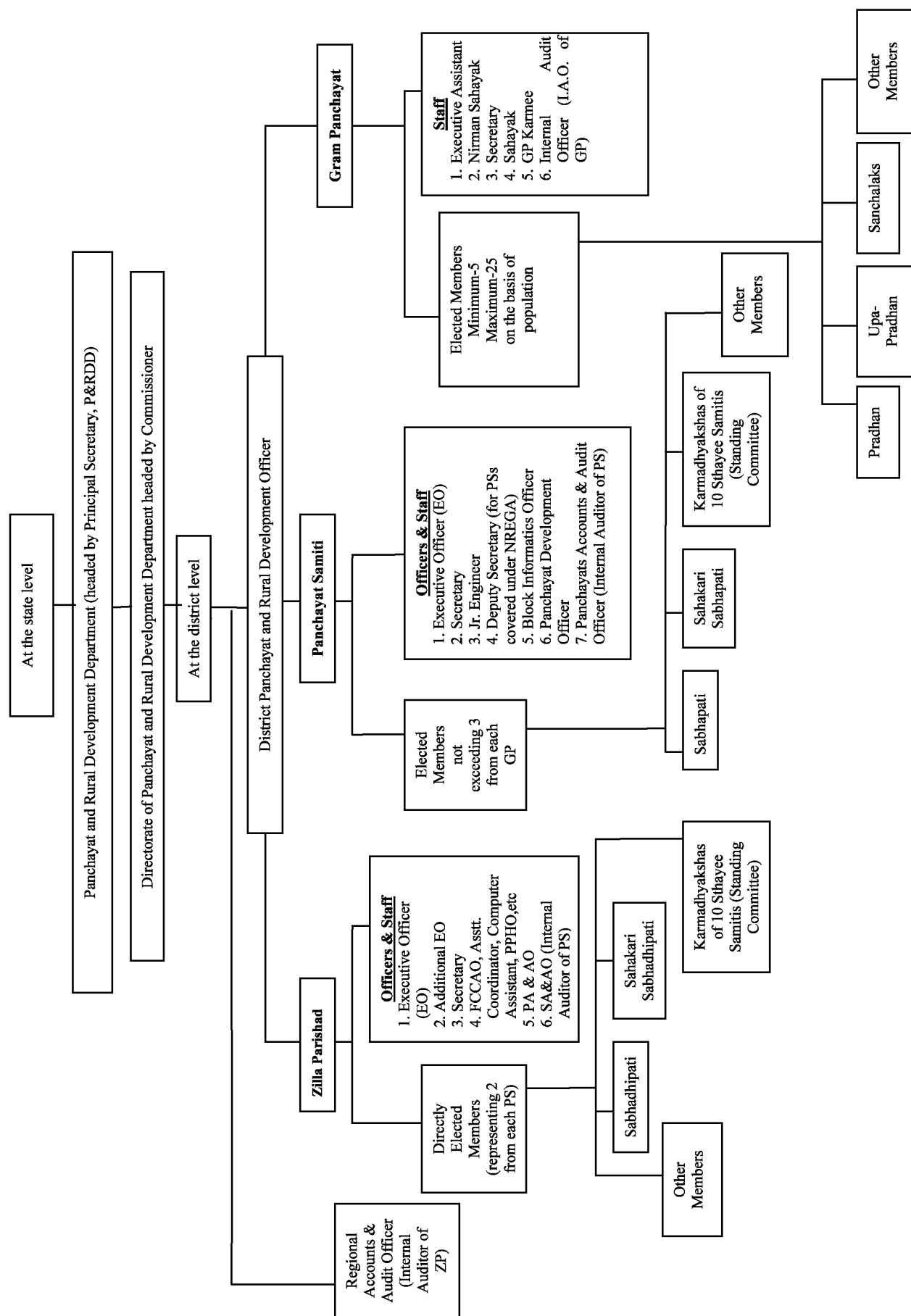
The Act envisages the functioning of the PRIs through functional Standing Committees called *Sthayee Samitis* (for ZPs and PSs) and *Upa-Samitis* (for GPs) having elected representatives and officials concerned as members. The constitution of the committees is given below:

Table 1.1

Level of PRIs	Chief elected executive	Standing Committee
ZPs and PSs	<i>Karmadhyaksha</i>	<i>(i) Artha, Sanstha, Unnayan O Parikalpana</i> (Finance, Establishment, Development and Planning). <i>(ii) Janasasthya O Paribesh</i> (Public Health and Environment). <i>(iii) Purta Karya O Paribahan</i> (Public Works and Transport). <i>(iv) Krishi Sech O Samabaya</i> (Agriculture, Irrigation and Co-operative). <i>(v) Shiksha, Sanskriti, Tathya O Krira</i> (Education, Culture, Information and Sports). <i>(vi) Sishu O Nari Unnayan, Janakalayan O Tran</i> (Children and Women's Development, Social Welfare and Relief). <i>(vii) Bon O Bhumi Sanskar</i> (Forest and Land Reforms). <i>(viii) Matsya O Prani Sampad Bikash</i> (Fishery and Animal Resource Development). <i>(ix) Khadya O Sarbaraha</i> (Food and Supplies). <i>(x) Khudra Shilpa, Bidyut O Achiracharit Shakti</i> (Small Industries, Power and Non-conventional Energy Sources).
GPs	<i>Sanchalak</i>	<i>i) Artho O Parikalpana (Finance and Planning)</i> <i>ii) Krishi O Pranisampad Bikas</i> (Agriculture and Animal Resource Development) <i>iii) Siksha O Janasasthya</i> (Education and Public Health) <i>iv) Nari O Sishu Unnayan, O Samajkalayan</i> (Women's and Children Development, Social Welfare). <i>v) Shilpa O Parikatham</i> (Industry and Infrastructure)

(Source: The West Bengal Panchayat Act, 1973)

The detail organizational set up of the Panchayati Raj system in West Bengal is shown in the flow chart:



1.3 Devolution of functions

Article 243 G of the Constitution provides for devolution of powers and responsibilities by the State Government to the Panchayats in preparation and implementation of plans for economic development and social justice including implementation of schemes relating to 29 subjects¹ listed in the 11th Schedule of the Constitution. Accordingly, the State Legislature inserted Sections 207 A and 207 B in the West Bengal Panchayat Act, 1973 in 1992 and 1994 respectively for placement of officers and employees at the disposal of PRIs and the transfer of such powers, functions and duties are exercised, performed and discharged by the State Government.

The transfer of 28 functions excluding the technical and vocational education was completed through Activity Mapping exercise in November 2005, July 2006 and October 2007.

1.4 Flow of funds

The State Government provides financial support to the PRIs to meet their administrative expenditure on account of establishment cost and for discharging responsibilities entrusted with these bodies. Funds for meeting establishment cost including salary and pension of the employees of Panchayat Bodies are provided out of budget of the Panchayat and Rural Development Department (P & RDD). The major sources of funds available to the PRIs are schematic released by both the Central Government and State Government through State budget and also funds directly released to the PRIs through West Bengal State Rural Development Agency (WBSRDA) of the P&RDD.

The ZPs and PSs deposit state funds in the Treasury in Deposit Account (head “8448-Local Fund Deposit Account, 109-Panchayat Bodies”) that is operated as non-interest bearing bank account and centrally sponsored scheme funds are deposited in Savings Account as per the guidelines of the respective schemes.

¹ (i) Agriculture including agricultural extension, (ii) Land improvement, implementation of land reforms, land consolidation and soil conservation, (iii) Minor irrigation, water management and watershed development, (iv) Animal husbandry, dairying and poultry, (v) Fisheries, (vi) Social forestry and farm forestry, (vii) Minor forest produce, (viii) Small scale industries including food processing industries, (ix) Khadi, village and cottage industries, (x) Rural housing, (xi) Drinking water, (xii) Fuel and Fodder, (xiii) Roads, culverts, bridges, ferries, waterways and other means of communication, (xiv) Rural electrification including distribution of electricity, (xv) Non-conventional energy sources, (xvi) Poverty alleviation programme, (xvii) Education including primary and secondary schools, (xviii) Technical training and vocational education (xix) Adult and non-formal education, (xx) Libraries, (xxi) Cultural activities, (xxii) Markets and fairs, (xxiii) Health and sanitation including hospitals, primary health centres and dispensaries, (xxiv) Family welfare, (xxv) Women and child development, (xxvi) Social welfare including welfare of the handicapped and mentally retarded, (xxvii) Welfare of the weaker sections, and in particular, of the SCs and STs, (xxviii) Public distribution system and (xxix) Maintenance of community assets.

The GP keeps the Panchayat Fund in one or more than one savings account maintained with any one or more branches of a nearby nationalized bank or any other scheduled bank or licensed Co-operative Bank or Post Office or any two or more of them. A fund-flow statement as per general procedure is given in **Appendix-I**.

1.5 Accounting procedure of PRIs

PRIs maintain their account as per the formats prescribed in the West Bengal Panchayat Act, 1973 and Rules framed thereunder. The accounts are maintained in cash basis double entry system. Accounts are generated through two softwares namely Integrated Fund Monitoring and Accounting System (IFMAS) for ZP and PS and Gram Panchayat Management System (GPMS) for GP level.

In pursuance of Model Accounting System (MAS) for Panchayats prescribed by Ministry of Panchayati Raj, GOI in consultation with the Comptroller and Auditor General for exercising proper control and securing better accountability, the State Government intimated (May 2011) that they had prepared a coding structure comprising of three tier Budget Head for receipt of Grants-in-aid and four tier Budget Head for expenditure in consistent with MAS after minor modifications. The Finance Department of the State approved the codification structure. In March 2012, the P&RDD issued order instructing all PRIs that the accounts maintained by PRIs should be consistent with MAS with effect from 01.04.2011 and eight database formats were also to be generated as prescribed in the MAS.

When enquired about the position of implementation of MAS, the department intimated (June 2012) that in order to generate the required reports from the existing softwares, accounting software was being modified.

1.6.1 State Budget allocation vis-à-vis actual release made

Funds are allocated to PRIs under three broad heads viz (i) Salary and Allowances Grant, (ii) Schematic Fund and (iii) Other Grants. Salary and Allowances Grant and Other Grants are released by the State Government through State Budget and Schematic Fund is released by GOI and the State Government through State Budget and also by WBSRDA cell of the P&RDD.

The details of state budget allocation, actual release and shortfall in release are detailed below:

Table 1.2

(₹ in crore)

Year	State Budget Allocation			Actual Released out of state budget	Short release	% shortfall	Utilisation out of state budget allocation		Percentage of utilisation
	Plan	Non-plan	Total				Plan	Non-plan	
2007-08	1,562.58	601.35	2,163.93	1,880.77	283.16	13	619.81	360.91	52
2008-09	1,478.00	570.07	2,048.07	1,830.89	217.19	11	1,126.04	561.85	92
2009-10	2,002.73	749.61	2,752.34	2,780.09	00	00	1,784.04	861.16	95
2010-11	2,356.60	1,182.24	3,538.84	2,763.59	775.25	22	1,718.38	642.01	85
2011-12	2,412.10	1,231.73	3,643.83	3,374.92	268.91	7	2,179.82	945.88	93
Total	9,812.01	4,335.00	14,147.01	12,630.26	1,544.51	11	7,428.09	3,371.81	86

(Source: Panchayat & Rural Development Department)

Thus, it would be seen from the above that (i) there was a short release of ₹ 1,544.51 crore to PRIs against the provision made in the budget by the P&RDD during 2007-12 and shortfall was 11 *per cent* of budget allocation, ranging from seven to 22 *per cent* except during 2009-10 where there was no shortfall; and (ii) utilisation was 86 *per cent* of actual release out of state budget allocation.

1.6.2 Financial position of PRIs

(a) The position of grants received by the PRIs during the last five years according to source is as follows:

Table 1.3

(₹ in crore)

Year	Fund released through State Budget		Central Fund directly to PRIs	Grand Total of grants received from Central and State Govts.	Fund recived from Own Source	Total receipt	Percentage of grants received			
	Central fund	State fund					Central		State	Own Source
							Directly to PRIs	Throug h State budget		
2007-08	729.09	1151.68	1349.66	3230.43	112.84	3343.27	40	22	35	3
2008-09	699.02	1131.87	1604.83	3435.72	130.97	3566.69	44	20	32	4
2009-10	1021.79	1758.30	2530.13	5310.22	159.32	5469.54	46	19	32	3
2010-11	797.55	1966.04	2972.44	5736.03	82.75	5818.78	51	14	34	1
2011-12	1157.17	2184.23	3539.34	6880.74	Not furnished	-	-	-	-	-

(Source: Panchayat & Rural Development Department)

It would be evident from the above table that the PRIs were mostly dependent on government grants especially on Central assistance which ranged between 40 and 51 *per cent* while contribution of state grant ranged between 14 and 22 *per cent* during 2007-11. Own fund constituted only one to four *per cent* of total receipts during 2007-11 and own funds position for the year 2011-12 was not made available to audit. Percentage of receipt from own fund decreased by two *per cent* during 2010-11 in comparison to 2007-08.

(b) Financial position of the ZPs, PSs and GPs are depicted in **Appendix-II**.

It was noticed from records of the P&RDD that (i) expenditure under Plan and Non Plan head during 2011-12 increased by 32 and 48 *per cent* respectively in comparison to 2010-11; (ii) total receipts and expenditure under schematic fund increased by 133 *per cent* and 130 *per cent* respectively during 2011-12 in comparison to 2009-10; (iii) GPs received majority (67 to 84 *per cent*) of the total schematic allocation for PRIs during 2009-10 to 2011-12; and (iv) the Central and State Finance Commission emphasized on radical improvement in collection of Own Source Revenue (OSR). But OSR constitutes only three and one *per cent* of total receipts of the PRIs during 2009-10 and 2010-11 respectively. Thus, OSR during 2010-11 decreased by two *per cent* in comparison to 2009-10. Moreover, the P&RDD, administrative department of PRIs, had no information on expenditure out of OSR of three tiers of PRIs during 2007-08 to 2010-11 and also information regarding both receipt and expenditure during 2011-12.

1.7 Thirteenth Finance Commission Grants

Grants as per recommendations of Thirteenth Finance Commission (13th FC) should be spent on maintenance of existing assets only and not for creation of new asset. Besides, maintenance work relating to the assets owned by the PRIs could be taken up under the 13th FC Grants.

The details of release and utilisation of 13th FC during 2010-12 are detailed below:

Table 1.4

(₹ in crore)

Year	Amount released from GOI	Amount released to PRIs		Utilisation by PRIs		Expenditure towards basic amenities by			Percentage of expenditure incurred by PRIs	
		General basic grants	Special area basic grants	General basic grants	Special area basic grants	ZPs	PSs	GPs	General basic grants	Special area basic grants
2010-11	192.93	192.93	0.80	110.21	0	37.14	13.55	59.52	57	0
2011-12	429.86	430.68	1.60	321.57	NA	77.03	47.59	196.95	75	0
Total	622.79	623.61	2.4	431.78	NA	114.17	61.14	256.47	69	0

(Source: Panchayat & Rural Development Department)

Thus, PRIs have utilised only 69 *per cent* of the available fund under General Basic Grants and nil under Special Area Basic during 2010-11.

Details of sector wise expenditure are tabled below:

Table 1.5

(₹ in crore)

Sl. No	Sector	Fund released			Expenditure		
		ZP	PS	GP	ZP	PS	GP
1	Safe drinking water supply			33.51	0.85	0.08	3.09
2	Maintenance of PMGSY/RIDF roads	41.08			NA	NA	NA
3	Recruitment of staffs				0.02	0.01	0.46
4	Maintenance of water resources				NA	NA	NA
5	Maintenance of e-governance system				1.06	1.74	5.49
6	Basic amenities				NA	NA	NA
7	Others				75.09	45.76	187.90

(Source: Panchayat & Rural Development Department)

It is evident from the above table that PRIs spent ₹ 4.02 crore during 2011-12 towards safe drinking water supply which is only 12 *per cent* of the fund earmarked (₹ 33.51 crore) for the purpose. Out of the funds allocated under 13th FC, an amount of ₹ 82.16 crore has been estimated to be the requirement for maintenance of roads constructed under PMGSY/RIDF. Fifty *per cent* of that amount was earmarked and placed at ZP level, but no fund was utilised during 2011-12 against allocation of ₹ 41.08 crore. Moreover, it was stipulated in the guideline that 5 *per cent* of the available funds at each tier of

PRIs has to be earmarked for maintenance of the e-governance system but no fund was earmarked under this sector.

1.8 Sectoral Analysis

Sector-wise receipt and expenditure under schematic fund like education, rural housing, poverty alleviation and health & family welfare for the past four years as obtained from the records of the P&RDD are as follows:

Table 1.6

(₹ in crore)

Name of sector	2007-08		2008-09		2009-10		2010-11		2011-12	
	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure	Receipts	Expenditure
Poverty alleviation	1,190.48	1,177.58 (55%)	1,104.94	1,016.71 (40%)	2,137.50	2,347.59 (55%)	2,629.13	2,741.88 (63%)	3,027.21	3,166.61 (62%)
Social Security	351.71	323.09 (15%)	503.78	481.03 (19%)	745.47	678.33 (16%)	753.73	475.12 (11%)	910.09	792.67 (15%)
Health & Family welfare	120.25	46.58 (2%)	51.59	13.17 (0.5%)	46.75	110.74 (3%)	113.27	0.00	0.97	NA
Backward area development	266.35	127.04 (6%)	183.00	125.20 (5%)	242.18	104.10 (25)	216.03	208.75 (5%)	251.45	229.22 (4%)
Development of natural resources	1.51	7.68 (0.4%)	15.75	1.97 (0.1%)	13.67	7.72 (0.2%)	2.75	0.00	1.65	3.17 (0.06%)
Rural Development	73.57	73.31 (3%)	91.17	90.05 (4%)	87.27	93.84 (2%)	141.01	141.01 (3%)	945.05	NA
Rural roads	5.94	5.94 (0.3%)	5.99	5.67 (0.2%)	8.80	8.80 (0.2%)	7.45	0.00	823.90	NA
Rural Housing	344.24	269.83 (13%)	702.92	701.97 (28%)	863.49	891.65 (21%)	791.45	796.83 (18%)	860.43	926.13 (18%)
Education	106.59	106.59 (5%)	90.76	90.75 (4%)	37.51	37.50 (0.9%)	7.50	0.00	60.00	NA
Other sectors	0.17	-	0.16	0.91 (0.04%)	0.1	0.10	0.34	0.00	0.00	0.00
Total	2,460.81	2,137.64	2,750.06	2,527.43	4,182.74	4,280.37	4,662.66	4,363.59	6,880.75	5,117.80

(Source: Panchayat & Rural Development Department)

It can be seen from the above table that,

(a) Poverty alleviation was the thrust area in PRIs. Most of the schematic funds were expended on this sector. Expenditure incurred under this sector ranged between 40 and 63 *per cent* of total schematic expenditure during 2007-08 to 2011-12;

- (b) Receipt and expenditure under social security sector increased by 159 *per cent* and 145 *per cent* respectively during 2011-12 in comparison to 2007-08;
- (c) During 2007-12, PRIs expended ₹ 794.31 crore towards backward area development work by utilising Backward Region Grant Fund (BRGF) against receipt of ₹ 1159.01 crore ; and
- (d) Receipt and expenditure under rural housing sector increased by 150 *per cent* and 243 *per cent* respectively during 2011-12 in comparison to 2007-08.

1.9 Working of District Planning Committee

Article 243ZD of the Constitution envisaged that every State should constitute a District Planning Committee (DPC) at district level to consolidate the plans prepared by the Panchayats and Municipalities in the district and to prepare draft development plan for the district as a whole. Further DPC should consider matters of common interest including spatial planning, sharing of water and other physical and natural resources, integrated development of infrastructure, environmental conservation and Chairperson of every district should forward the development plan as recommended by such Committee to the State Government.

The districts in the State were requested (May 2012) to furnish detail workings of DPCs during 2011-12. Only seven districts² have furnished details **while remaining districts did not respond inspite of a reminder in July 2012.** However, the working of seven DPCs is given below:

1.9.1 Functioning of DPC

Section 3 of the West Bengal District Planning Committee Act, 1994 provides that the State Government shall constitute a DPC in every district. Details of DPCs' formation and functioning in seven districts are given below:

² South 24 Parganas, Birbhum, Murshidabad, Bankura, Hooghly, Dakshin Dinajpur and Nadia.

Table 1.7

Name of the District	Date of formation of DPC	Date of functioning of DPC
Bankura	May 1985	May 1985
Birbhum	October 1995	October 1995
Dakshin Dinajpur	October 1995	October 1995
Hooghly	August 1996	November 1996
Murshidabad	December 2008	December 2008
Nadia	September 2008	September 2008
South 24 Parganas	January 2009	February 2009

(Source: Replies of DPCs of districts)

It is evident from the above that DPC was formed in six districts with a delay of one to 15 years after passing the act.

1.9.2 Constitution of DPC

The State Government determines the number of members of DPC which shall be equal to the sum total of the number of constituencies of the ZP for that district and one-fourth of that number provided (a) number of constituencies between 48 and 80 will have 60 members in the DPC and (b) if it is more than 80, the number of members will be 100. Eighty *per cent* members of the DPC will be elected by and from the elected members of the ZP and municipalities and 20 *per cent* will be appointed by the State Government.

In Birbhum District, out of 43 members in the DPC there were only two appointed members in lieu of prescribed eight members. In Murshidabad District number of elected and appointed members as per prescribed rules are 48 and 12 respectively, but the actually existing members are 12 and 44 respectively. In other five districts, prescribed percentage has been maintained in respect of number of appointed and elected members of DPC.

1.9.3 Meeting of DPC

In Bankura, Dakshin Dinajpur and South 24 Parganas districts, only one DPC meeting was held between April 2011 and March 2012. In Murshidabad and Birbhum districts two DPC meetings were held during that period. Hooghly District did not have any DPC meeting during 2011-12. Nadia District stated that one meeting was conducted between July 2011 and July 2012.

1.9.4 Preparation of Draft Development Plan (DDP)

All seven districts reported that, the DPC integrates the plan prepared by all the three tiers of Panchayats along with the plans prepared by the District Urban Committee and the Line Departments.

District Plan prepared by DPC is to be sent to the Development & Planning Department, Government of West Bengal for the preparation of State Plan. The DDP for the year 2011-12 in Birbhum and Hooghly districts were accepted in August 2011 and February 2012 respectively after a delay of five to 11 months from the schedule date of acceptance (March 2011). The districts explained that the delay occurred due to General Election 2011, non-submission of draft plans by Line Departments/ Zilla Parishads etc.

South 24 Parganas District has forwarded the DDP of 2012-13 to State Government in June 2012.

It is evident that the DDP had little or no impact as State Plan was prepared well in advance before the start of financial year.

1.9.5 Assistance of technical experts and their responsibilities

South 24 Parganas and Hooghly districts reported that they had no team of technical experts to assist the DPC members for preparation of DDP. In Murshidabad and Nadia districts, a technical team assisted DPC members in compilation, preparation and further transmission of Annual Plan. Dakshin Dinajpur district appointed a Kolkata based NGO for preparation of preparatory plan, compilation of GP and PS level plans.

1.9.6 Fund sanctioned, released and utilisation

Bankura, Birbhum, Murshidabad, Hooghly districts prepared DDPs with an outlay of ₹ 198.56 crore, ₹ 947.46 crore, ₹ 413.43 crore, ₹ 367.49 crore respectively during 2011-12 and DDP of South 24 Parganas District for the year 2012-13 has an outlay of ₹ 557.83 crore. No information regarding amount sanctioned against DDP, release of funds and utilisation of funds were furnished by the DPC of Murshidabad, South 24 Parganas and Hooghly districts. Birbhum and Dakshin Dinajpur districts stated that there was no allocation against DP while Bankura District stated that amount was not

sanctioned in regular manner and no fund was utilised on the basis of Annual Plan.

1.9.7 Achievement

None of the seven districts furnished any data regarding target and achievement of funds under various schemes during 2007-08 and 2011-12. In reply they stated that funds were not received as per plan outlay, hence target and achievement could not be maintained.

1.9.8 Monitoring

Monitoring arrangement for implementation of various schemes in different districts as reported by the DPCs of seven districts is given below:

Table 1.8

Name of the districts	Monitoring arrangement
Bankura	DPC meeting and field level visit by District & Block level officials
Birbhum	Respective department/section were responsible, DPC had no role due to infrastructural inadequacy.
Dakshin Dinajpur	District Level Monitoring Committee and District level Officer
Hooghly	Does not arise as no fund was sanctioned against DP
Murshidabad	Monthly review meeting held at ZP
Nadia	Three tier monitoring arrangement at District, Sub-division and Block level
South 24 Parganas	i) Development Monitoring Committee meetings at District, Sub-division and Block level; ii) Review meetings iii) Meetings of Standing Committees/ Sub-committees etc. iv) Report return v) Field visit

(Source: Replies of DPCs of districts)

11 out of 18 districts failed to furnish details of DPC. In respect of seven districts which furnished information about DPC, functioning of DPC could not be ensured due to absence of information regarding flow of funds, achievement against target etc.

1.10 State Finance Commission Grants

The Third State Finance Commission, constituted in February 2006, recommended allocation of ₹ 800 crore, constituting around 5 *per cent* of the state's own net tax revenue, to PRIs and ULBs in the ratio of 76:24 respectively for the year 2008-09 with the progressive increase of the allocation at the minimum rate of 12 *per cent* per annum on a cumulative basis for the year 2009-10 to 2012-13. The Government accepted the

recommendation in July 2009 and started releasing grants from 2009-10 onwards.

The actual release under SFC to the PRIs during 2009-10 to 2011-12 is shown below:

Table 1.9

(₹ in crore)

Year	Tax Revenue of the State Government	Recommended by SFC for PRIs & ULBs	Recommended by SFC for PRIs (76% of PRI & ULBs)	Actual released under SFC	Shortfall	Utilisation (%)
2009-10	16,899.98	800	608	236.50	371.50	180.67 (76%)
2010-11	21,128.74	896	680.96	301.80	379.16	61.64 (20%)
2011-12	24,938.16	1003.52	762.28	252.47	509.81	268.31 (106%)
Total	62,966.88	2699.52	2051.24	790.77	1260.47	510.62 (64%)

(Source: Panchayat & Rural Development Department)

It is evident from the above table that the State Government released only ₹ 790.77 crore against ₹ 2051.24 crore recommended for three years i.e 2009-10 to 2011-12. Instead of any progressive increase of 12 *per cent* per annum, release during 2011-12 decreased from the year 2010-11.

1.11 Audit mandate for PRIs

Examiner of Local Accounts (ELA), West Bengal has been appointed as Auditor under Section 186 of the West Bengal Panchayat Act, 1973 to examine and audit *cent per cent* accounts of funds of ZPs, PSs and GPs, vide Government Order no. 21590-Panch/3A-17/78 dated 03.09.1980 (for ZPs and PSs) and notification no. 1149/PN/O/I/3C-2/2000 (Pt. II) dated 28.03.2003 (for GPs).

1.12 Audit Coverage

Accounts of 17 ZPs, one MP, 142 PSs and 3,215 GPs for the year 2010-11 were audited during 2011-12. Audit of 134 GPs of Darjeeling District remained unaudited since 2007-08 due to non-receipt of clearance from the P&RDD. Audit of accounts of one GP each from South 24 Parganas and Howrah districts could not be taken up during 2011-12 due to seizure/ non-availability of records, political disturbances etc. The audit findings are discussed in the succeeding Chapters.

1.13 Response to Audit Reports

In terms of Section 191(A) of the West Bengal Panchayat Act, 1973, the report of the ELA on PRIs shall be laid before the State Legislature and in terms of sub-rule 4A of Rule 310 ZG of the Rules of Procedure and Conduct of Business in the West Bengal Legislative Assembly, matters relating to scrutinising the Report of the ELA on PRIs have been entrusted to the Standing Committee on Panchayats and Rural Development, Land & Land Reforms and Sundarban Development, West Bengal Legislative Assembly. Accordingly, Reports of the ELA on PRIs from the years ending 2004 to 2009 were laid before the State Legislature and the Standing Committee had considered all the Reports as of March 2012. Seven recommendations have been made in respect of Audit Report 2009 (in July 2012). Since, August 2007 i.e the month of laying of Report for the year ending 31 March 2004, 25 recommendations have been received in respect of five Audit Reports (up to Audit Report 2008) but no action taken notes has been received till August 2012.

1.14 Pending Audit Observations of Inspection Reports

Section 191 (1) of the Act envisages that within two months from the receipt of the Inspection Report (IR), the GP, PS or ZP concerned shall, at a meeting, remedy any defect or irregularity pointed out in the IR and shall also inform the auditor of the action taken by it.

The following table indicates position of IRs and paragraphs pending for settlement, as on 30 June 2012.

Table 1.10

(₹ in crore)

Category of PRIs	IRs are pending for settlement		No. of paras contained in the IRs awaiting settlement		Money value	
	More than 5 years	Less than 5 years	More than 5 years	Less than 5 years	More than 5 years	Less than 5 years
ZPs	32	100	107	832	154.6514	884.6986
PSs	366	844	366	4508	188.439	465.221613
GPs		1,06,041		1,06,041	NA	

(Source: Objection Book of the office)

An Audit Committee comprising the Principal Secretary/Secretary of the P&RDD, representatives of the Finance Department and the ELA was formed for settlement of outstanding IRs. Three meetings were held by the Audit Committee in during April 2011 to July 2012 during which 249 paras were discussed but broad sheet replies along with comments of Sub-divisional officer / District Magistrate Commissioner, with supporting documents had not been received (August 2012). As a result, final decision on those outstanding paras is still pending.

CHAPTER 2

FINANCIAL MANAGEMENT

CHAPTER-2

Financial Management

The West Bengal Panchayat (ZP & PS) Accounts and Financial Rules, 2003 and the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007 were framed to promote and develop proper accounting procedures for Panchayati Raj Institutions. After 73rd Amendment of the Constitution, various functions have been devolved to PRIs and these rules play a vital role in assisting PRIs to discharge their functions. The rules also act as a control mechanism in PRIs. However, the general precepts of financial management and the rules were not adhered to. Budget and supplementary budget were not prepared and there was direct appropriation of fund. Balances were not reconciled and revenue collection was poor besides diversion and defalcation of funds. Most of these irregularities were reported in earlier years also.

2.1 Computerisation of PRI accounts

The Panchayat and Rural Development Department (P&RDD) developed and introduced Gram Panchayat Management System (GPMS) for computerizing the accounting system of GPs. As per the P&RDD's records GPMS was installed in 3182 GPs but only 2524 were using the software on a regular basis.

Similarly, Integrated Fund Monitoring and Accounting System (IFMAS) was developed for maintenance of accounts and database for ZPs and PSs. As per the P&RDDs records IFMAS had been installed in all 18 ZPs and 332 PSs. Though the software was functioning in all ZPs, it was not working in 10 PSs. While conducting the audit of ZPs and PSs during 2011-12, it was observed that though 11 PSs prepared the annual accounts during 2009-11, the accounts were not generated through IFMAS software though the software was installed in those PSs. (**Appendix-III**).

2.2 Expenditure incurred without preparing budget and in excess of budget

Budget plays a vital role in financial management of an entity. It helps to identify areas to be covered on priority basis for development. It is a compact statement of all probable financial resources of a body and their apportionment with reference to annual programme. Moreover, passing of budget by PRIs involves participation of people through their elected representatives for ensuring development through deliberation. Non-

preparation of budget by PRIs deprives the people from putting forth their requirements.

Section 137 of the West Bengal Panchayat Act, 1973 prescribes that no expenditure should be incurred unless budget was approved by ZP/PS. In violation of the said provision four³ ZPs expended ₹ 57.42 crore without preparing budget estimates under eight heads during 2010-11 and 30⁴ PSs spent ₹ 85.22 crore during 2007-11 without preparing budget estimates under 45 heads during 2008-11.

Further, the West Bengal Panchayat (ZP and PS) Budget Rules, 2008 prescribe that the supplementary and revised budget should be prepared and approved on or before 28th February of the current financial year respectively. Scrutiny revealed that five ZPs and 30 PSs expended ₹ 87.06 crore in excess of budget provision under 29 heads during 2008-11 (**Appendix-IV**). Further non-preparation of budget/supplementary budget/revised budget in respect of five ZPs (Bankura, Bardhaman, Dakshin Dinajpur, Purba Medinipur and South 24 Parganas) was earlier raised in Audit Reports from 2008 to 2010.

Similarly, Section 48 (3) of the West Bengal Panchayat Act, 1973 prescribes that no expenditure should be incurred unless budget was approved by GP. Scrutiny revealed that 12 GPs spent ₹ 15.67 crore during 2010-11 (**Appendix-V**) without preparing any budget estimate.

Further, Rule 40 of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 stipulates that a supplementary and revised budget estimate of receipts and payments for the current year should be prepared and approved on or before 25th February by GP. It was seen in audit that 444 GPs expended ₹ 70.08 crore in excess of their respective budget

³ Bankura (₹ 4.51 crore); Bardhaman (₹ 1.23 crore); Dakshin Dinajpur (₹ 4.33 crore) and Purulia (₹ 47.35 crore).

⁴ Andal (₹ 0.76 crore); Arambagh (₹ 4.80 crore); Bally Jagachha (₹ 0.04 crore); Banshihari (₹ 5.79 crore); Barasat-II (₹ 0.19 crore); Barrackpore-I (₹ 1.24 crore); Barrackpore-II (₹ 1.99 crore); Basirhat-II (₹ 0.01 crore); Bhagwangola-I (₹ 0.20 crore); Bishnupur-I (₹ 3.91 crore); Canning-II (₹ 5.38 crore); Chanchal-II (₹ 1.73 crore); English Bazar (₹ 0.96 crore); Habra-I (₹ 14.81 crore); Habra-II (₹ 0.38 crore); Harirampur (₹ 1.15 crore); Kaliachak-I (₹ 0.85 crore); Karandighi (₹ 8.58 crore); Khanakul-II (₹ 0.07 crore); Khejuri-I (₹ 3.50 crore); Manikchak (₹ 5.05 crore); Murarai-II (₹ 1.52 crore); Nagrakata (₹ 5.41 crore); Raiganj (₹ 8.00 crore); Ramnagar-I (₹ 0.40 crore); Ramnagar-II (₹ 0.90 crore); Ranibandh (₹ 0.04 crore); Simlapal (₹ 1.23 crore); Sitalkuchi (₹ 4.39 crore) and Tufanganj-II (₹ 1.94 crore).

provisions under 53 heads like IAY, NREGS, NRHM, 12th FC, BRGF etc. without preparing any supplementary and revised budget estimates during 2010-11 (**Appendix-VI**).

Thus, expenditure of ₹ 315.45 crore was unauthorised in absence of any budget estimates, supplementary and revised budget estimates. PRIs therefore, as a Local Self Government, need to strengthen their financial management and take measures to regularise such expenditure.

2.3 Direct appropriation of revenues without depositing into bank account

Rule 4 (12) of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 prescribes that all receipts of the GP fund should be credited in full to an appropriate account of the GP fund.

In violation of the said provision of the rule, 70 GPs directly spent ₹ 0.13 crore during 2010-11 for miscellaneous payments like electricity bills, commission of the tax collectors, telephone bills, stationery etc. out of the revenues collected from time to time before depositing those revenues into their respective GP fund accounts.

As the rule acts as a safeguard against misappropriation of funds while handling liquid cash, non-adherence to the prescribed rule not only increases risk of misappropriation of funds but also weakens internal control mechanism in PRIs.

2.4 Non-reconciliation of discrepancy in cash balances

Rule 21 (12) of the West Bengal Panchayat (ZP and PS) Accounts and Financial Rules, 2003 stipulates that the bank account and the Local Fund account as reflected in the Cash Book shall be reconciled with Pass Book of the bank and the Treasury at the close of each month. Sub-Rule 13 of the aforesaid rule requires that differences detected should be rectified immediately by the PRI itself or the matter should be immediately brought to the notice of the Treasury/ Bank for settlement of discrepancies depending on whether the mistake occurred in the Panchayat itself or otherwise. Jalpaiguri ZP (₹ 8.71 crore) and 17 PSs (₹ 8.49 crore) did not adhere to the said rule and difference between Cash Book and Pass Book balances of ₹ 17.20 crore was not reconciled as on 31 March 2011

(**Appendix-VII**). Further, reconciliation statements prepared by North 24 Parganas ZP and 10⁵ PSs revealed that an amount of ₹ 6.21 crore remained unreconciled as on 31.03.2011. No reason was furnished by the PRIs. Discrepancies need to be rectified immediately other wise the rectification process would become more difficult with the passage of time.

Similarly, Rule 6(5) (c) of West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 prescribes that a Bank Reconciliation Statement shall be prepared at the end of each month in respect of all bank accounts maintained. Scrutiny revealed that in 69 GPs, a total amount of ₹0.33 crore remained unreconciled at the end of 2010-11 (**Appendix-VIII**).

As discrepancies in cash balance were not reconciled, the accounts lacked transparency and chances of irregularities in cash management could not be ruled out.

2.5 Non-realisation of revenue

The GPs are authorised to collect taxes, rates and fees and are also empowered to lease out immovable assets like markets, lands, ponds and tanks. Scrutiny of Demand and Collection Register revealed that 2710 GPs could collect only ₹ 27.20 crore as land and building tax against total demand of ₹ 115.59 crore during 2010-11 (**Appendix-IX**). The collection was only 23.53 *per cent* of the total demand raised.

Mobilisation of revenues from its own resources helps a local body in achieving self-sufficiency. Poor collection of revenue by the GPs hindered the process of development of rural areas as the realisable revenue, if collected duly, could have been utilised by the GPs for area specific works recommended by Gram Samsads.

2.6 Irregularities in imposition and collection of land and building tax

Section 46 of the West Bengal Panchayat Act, 1973 stipulates that a GP shall impose a yearly tax on lands and buildings within its jurisdiction and Rule 10 of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 prescribes that GP shall be responsible for supervising and

⁵ Chanchal-I; Falakata; Gosaba; Harirampur; Jalpaiguri Sadar; Khejuri-II; Kulpi; Mathurapur-II; Murarai-II and Rampurhat-II.

monitoring of the process of imposition and collection of taxes. During 2010-11, 70 GPs failed to impose taxes on lands and buildings in their areas. Consequently, no revenue from those properties was earned **(Appendix- X).**

Thus, the GPs failed to discharge their function of generating own revenue. Lack of proper supervision and monitoring widened the resource gap and reduced the capacity of the GPs to undertake welfare projects for sustainable development of rural areas.

2.7 Security bonds not obtained from tax-collectors

Rule 31(1) of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 prescribes that a GP may engage a person as Tax Collector on commission basis for collection of taxes assessed by the GP. The tax collector will pledge security bonds for rupees one thousand in the form of any Government Savings Certificates with the Gram Panchayat. Scrutiny revealed that 1214 GPs failed to obtain security bond from the tax-collectors. In absence of any security bonds, the GPs had no financial control over the tax collectors and in case of misappropriation, negligence, loss or any other irregularity committed by the tax collector, GPs can not recover any amount from them. **(Appendix- XI).**

2.8 Non-maintenance of registers/documents/records

Audit scrutiny of 18 ZPs, 142 PSs and 3215 GPs during 2011-12 revealed that Works Register (1214 PRIs), Advance Register (1354 PRIs), Asset (leased out property) Register (1279 PRIs), Appropriation Register (1037 PRIs), General Ledger (199 PRIs), Demand & Collection Register (456 PRIs), General Stock Register (678 PRIs), Budget of GP (34), Unpaid Bill Register (74 PRIs), Register of Deposit (61 PRIs), Liquid Cash Book (55 PRIs) and Investment Register (66 PRIs) were not maintained as prescribed in the rules for ZP, PS and GP.

In absence of prescribed registers and other records or documents, source as well as quantum of revenue, appropriation of grants, status of properties, position of works and amount of liquid cash could not be ascertained.

2.9 Losses due to misappropriation, defalcation and theft of materials

During scrutiny of money receipts at Jalpaiguri ZP and cross checking the amounts collected thereon with the cashiers' receipts, it was found that rent amounting to ₹ 0.25 lakh collected by the collector from Maynaguri Super Market Complex on various dates between 26.03.2010 to 24.11.2010. But the amount was not deposited to ZP fund till February 2012. When enquired in Audit, the ZP did not furnish any reply. Thus misappropriation of public money to the tune of ₹ 0.25 lakh cannot be ruled out.

Scrutiny of cash book at Harishchandrapur-II PS revealed that a self-cheque amounting to ₹ 0.06 lakh was drawn by the cashier on 16.10.2009 but the amount was taken as liquid cash on the receipt side of the cash book by way of 'contra entry' but a same amount was booked as expenditure in the cash book on the same day. When enquired in Audit, PS replied that the entire matter was communicated to the District Magistrate, Malda and a show cause notice was issued to the concerned cashier from the DM office on 21.05.2010. Further, scrutiny of Subsidiary Cash Book of the said PS relating to Total Sanitation Campaign revealed that ₹ 0.20 lakh was the closing balance on 28.01.2009 but that was not carried forward on 01.02.2009 as opening balance and the amount could not be traced in the cash book on any subsequent dates. When enquired, the PS stated that the matter had already been referred to the district authority for issuing necessary instructions and a clarification was also sought from the concerned cashier but he failed to provide any satisfactory reply.

Jalpaiguri Sadar intimated that some stock items and tube-well materials were lost during 2010-11 due to theft and FIR was lodged at the local police station.

Similarly, cases of theft, defalcation, missing of valuable assets/documents etc. was noticed in 27 GPs during 2011-12. Five GPs did not take any action (**Appendix-XII**).

This shows lackadaisical attitude of the GPs towards adherence to financial rules and laxity in safeguarding the properties of the GPs.

2.10 Deficiencies in internal audit of PRIs

The objective of the internal audit is to assess the effectiveness of various internal control systems of a PRI and also to assist the administration in the effective discharge of its responsibilities. Internal audit helps to ensure financial propriety in implementation of plans and programmes and acts as an aid to the administration for better performance.

Rule 212 of the West Bengal Panchayat (ZP and PS) Accounts and Financial Rules, 2003 requires that internal audit of the accounts of ZPs and PSs shall be conducted by the Samiti Accounts and Audit Officer (SA&AO) and the Parishad Accounts and Audit Officer in respect of PS and by the Regional Accounts and Audit Officer (RA&AO) in respect of ZPs at least once in every month. Similarly, Rule 30 of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 prescribes that internal audit of GPs shall be conducted by the respective Internal Audit Officer at least once in every three months. Report of internal audit of each quarter should be prepared and sent to the auditee within one month from the end of the quarter.

Audit scrutiny of 18 ZPs, 142 PSs and 3215 GPs revealed that internal audit in two PSs during 2007-09 and 95 PSs during 2009-10 was not conducted. Similarly, internal audit in 11 ZPs, 95 PSs and 837 GPs was not conducted during 2010-11 (**Appendix-XIII and XIV**). Internal audit in Bankura ZP along with eight PSs was conducted only for part of a year. Internal audit was conducted in Purulia and Nadia ZPs during 2010-11 and in 25 PSs during 2009-11 but no report was received by them. Further, non-conducting of internal audit in three ZPs (Cooch Behar, Dakshin Dinajpur and Jalpaiguri) and 69 PSs were earlier reported in Audit Report 2010 but no action was found to have been taken to strengthen internal control system.

Thus, absence of internal audit not only weakened the internal control mechanism of PRIs but also deprived the PRIs of the recommendations for improvements in their service delivery mechanism.

ZILLA PARISHADS AND PANCHAYAT SAMITIS**2.11 Diversion and irregular transfer of funds of ₹ 3.89 crore**

Hooghly ZP and six PSs irregularly diverted/transferred specific plan funds of ₹ 3.89 crore defeating the objectives of those schemes.

The Central and State Governments formulate development schemes sector-wise, area-wise and fix the targets to be achieved. Accordingly funds are allocated from plan heads with an objective to achieve the targeted development. Diversion from these plan grants frustrates the development process.

Audit scrutiny between April 2011 and March 2012 revealed that Hooghly ZP and five PSs diverted schematic fund amounting to ₹ 3.85 crore received for specific purposes as detailed below:

Table 2.1**(₹ in lakh)**

Name of PRIs	Year	Amount diverted	Diverted from	Diverted to	Purpose
Hooghly ZP	2010-11	330.94	12 th FC	PMGSY	Depositing fund for construction of road
Mahamad Bazar PS	2009-11	2.48	IAY	Establishment	Meeting various establishment costs
Kulpi PS	2008-10	25.00	12 th FC, 2 nd SFC and others	-	Election expenditure
Indpur PS	2010-11	15.48	BRGF	NREGS	Labour payment
Jangipara PS	2009-10	0.50	SGSY	SAHAY <i>prakalpa</i>	Schematic expenditure
Balurghat PS	2010-11	10.81	RSP and MWS	BADP	Schematic expenditure

(Source: Records of ZP and PSs)

Similarly Khejuri-I PS transferred ₹ 3.86 lakh from 12th FC to Untied Fund during 2010-11 but the amount remained unspent at the end of the year. This clearly indicated that immediate disbursement was not required under Untied Fund and the transfer could have been avoided.

When this was pointed out, Hooghly ZP, Jangipara, Balurghat and Khejuri-I PSs did not furnish any reply. Mahamad Bazar PS replied that sufficient fund was not available for meeting the establishment needs and the expenditure was incurred out of available interest of IAY and that the amount was not replenished till July 2011. The reply was not tenable as the

interest earned from IAY grant had to be expended for the scheme itself and not for other purposes. Kulpi and Indpur PSs admitted the fact and stated that the amount diverted would be recouped to the respective funds.

Thus, diversion of schematic funds and utilisation of public money towards establishment cost and election purpose not only hampered the service delivery to the targeted population but was also contrary to the tenets of financial propriety. Besides, diversion from a particular scheme jeopardized the objectives set for rural development under that scheme.

ZILLA PARISHADS, PANCHAYAT SAMITIS AND GRAM PANCHAYATS

2.12 Lapsed cheques valuing ₹ 8.30 crore not taken back into account

393 PRIs did not take back 2968 lapsed cheques valuing ₹ 8.30 crore to accounts and the money remained idle.

Rule 27 of the West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 states that if a cheque is not encashed within three months or six months of its issue, as the case may be, without intimation and if it appears in the list of outstanding cheques, such cheque shall be cancelled and the amount shall be taken back to the accounts under appropriate head of accounts from which the cheque was drawn, after keeping note on the counterfoil and the voucher.

Audit scrutiny during 2011-12 revealed that 10 ZPs and 51 PSs did not write back to account the value of 2170 lapsed cheques amounting to ₹ 6.96 crore in contravention of the aforesaid rule. Out of which ₹ 4.17 crores were lying with four⁶ ZPs. As a result, the actual fund balance of those PRIs remained understated. Cheques amounting to ₹ 6.47 crore issued between April 1989 and December 1999 remained uncashed

⁶ Zilla Parishads: Bankura (₹ 33.69 lakh); Paschim Medinipur (₹ 139.69 lakh); Purba Medinipur (₹ 34.73 lakh) and South 24 Parganas (₹ 209.27 lakh).

in 9 ZPs and 41 PSs⁷. This indicated lapse in monitoring on the part of the PRIs over their finances.

Rule 7(7) the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 states that whenever a cheque issued by the Gram Panchayat cannot be encashed within the period of validity of the cheque by the payee, the Custodian may, if he is satisfied about the reasons for such non-encashment, re-issue a fresh cheque after cancelling the previous one recording briefly the reasons for the same in the Cheque Book Register. Audit scrutiny during 2011-12 revealed that 332 GPs did not write back the value of 798 lapsed cheques amounting to ₹ 1.34 crore to account in contravention of the aforesaid rule.

When enquired by audit in between April 2011 and March 2012, PRIs could not furnish any reason for such irregularity or simply stated that steps were being taken to cancel the lapsed cheques after observing the necessary formalities.

Unless that amount of the lapsed cheques are taken back to account, the money would remain idle and will be outside the scope of utilisation. Besides, cancellation of cheques would become more difficult as obtaining of non-payment certificates from Bank/Treasury becomes more difficult with the passage of time.

Thus, 393 PRIs failed to observe the financial discipline and were responsible for idling of public money amounting to ₹ 8.30 crore for one to 23 years.

⁷ **ZPs:** Bankura (₹ 33.69 lakh); Dakshin Dinajpur (₹ 11.38 lakh) ; Howrah (₹ 5.19 lakh); Nadia (₹ 3.94 lakh); Paschim Medinipur (₹139.69 lakh); Purba Medinipur (₹ 34.73 lakh); Purulia (₹ 0.58 lakh); South 24 Parganas (₹ 209.27 lakh). and Uttar Dinajpur (₹ 0.19 lakh) **PSs:** Andal (₹ 1.52 lakh); Balagarh (₹ 1.81 lakh); Bally Jagacha (₹ 0.03 lakh); Bamangola (₹ 0.26 lakh); Bankura-II (₹ 3.41 lakh); Barrackpore-II (₹ 0.02 lakh); Baruipur (₹ 2.91 lakh); Basanti (₹ 0.21 lakh);Basirhat-I (₹ 4.00 lakh); Bhagwangola-I (₹ 2.34 lakh); Bishnupur-I (₹ 0.56 lakh); Burwan (₹ 0.20 lakh); Canning-I (₹ 16.18 lakh); Canning-II (₹ 18.60 lakh); Chatna (₹ 0.99 lakh); Chopra (₹ 3.51 lakh); Contai-III (₹ 11.04 lakh), Domjur (₹ 0.26 lakh); Gangarampur (₹ 0.66 lakh); Goalpokher-II (₹ 1.68 lakh); Gosaba (₹ 9.53 lakh); Habibpur (₹ 0.55 lakh); Habra-I (₹ 2.15 lakh); Harirampur (₹ 2.14 lakh); Hirbandh (₹ 2.83 lakh); Jhargram (₹ 25.52 lakh); Karandighi (₹ 1.83 lakh); Kultali (₹ 0.48 lakh); Lalgola (₹ 16.11 lakh); Mohammed Bazar (₹ 0.76 lakh); Mal (₹ 1.33 lakh); Matiali (₹ 39.00 lakh); Mekhliganj (₹ 1.12 lakh); Nagrakata (₹ 0.30 lakh); Raiganj (₹ 6.75 lakh); Rajganj (₹ 10.67 lakh); Ranaghat-I (₹ 2.28 lakh); Simlapal (₹ 12.06 lakh); Sitalkuchi (₹ 0.24 lakh); Suti-I (₹ 1.62 lakh); and Tarakeswar (₹ 0.63 lakh).

ZILLA PARISHADS AND PANCHAYAT SAMITIS

2.13 Lapses in monitoring of utilisation of grants of ₹ 199.84 crore

Seventy four ZPs/PSs sub-allotted grants amounting to ₹ 246.08 crore between 2005-06 and 2010-11 to PSs, GPs, Village Education Committees, Schools, Village Water Shed Committees, Self Help Groups and other government departments for implementation of various schemes who in turn did not submit utilisation certificate (UC) of grants amounting to ₹ 199.84 crore

Submission of UCs by the grantee(s) to the authority sanctioning the fund constitutes an important component of the internal control mechanism of the PRIs. Rule 36 of the West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 requires that UCs in respect of a grants- in- aid received by the Zilla Parishad or the Panchayat Samiti shall be furnished by the grantee to the authority sanctioning the Fund, within six months from the date of receipt of grant or before applying for further grant for the same purpose, whichever is earlier. Similarly, Rule 16 of the West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007 requires that UCs regarding grants-in-aid received by a GP in a financial year should be submitted by June of the subsequent year.

Audit scrutiny during 2011-12 revealed that 74 Zilla Parishads/Panchayat Samitis (ZPs/PSs) sub-allotted grants amounting to ₹ 246.08 crore between 2005-06 and 2010-11 to Panchayat Samitis (PSs), Gram Panchayats (GPs), Village Education Committees, Schools, Village Water Shed Committees, Self Help Groups and other government departments for implementation of various schemes and programmes viz. Sampoorna Grameen Rozgar Yojana, Eleventh and Twelfth Finance Commission grants, Total Sanitation Campaign, Indira Awas Yojana, Border Region Grant Fund, Rural Water Supply, Swajaldhara, NOAPS etc.

Though it was mandatory to furnish UCs against the sub-allotted grants,

the grantee(s) failed to furnish UCs for ₹ 199.84⁸ crore which constituted 81 *per cent* the total sub-allotment. In the absence of UCs, these ZPs/PSs remained unaware about the status of utilization of the grants sub-allotted and could not provide assurance that the grants had been utilised for the intended purpose.

Twenty two⁹ ZPs/PSs did not furnish any reply and the remaining ZPs/PSs either stated that steps would be taken to collect the UCs or the same were being collected and would be shown to next audit.

Thus it is evident that the grantees did not adhere to the aforesaid rule after receipt of the fund and UCs amounting to ₹ 199.84 crore remained wanting.

This indicates significant lacuna on part of the ZPs/PSs in monitoring the implementation of schemes and also shows that they abdicated their responsibilities by merely sub allotting the funds to other bodies. Absence of monitoring can lead to misutilisation and potential misappropriation of funds. To safeguard against such misutilisation the ZPs/PSs need to take immediate steps.

(Amount rupees in lakh)

⁸ **ZPs:** Bankura (₹ 1079.28); Bardhaman (₹ 8.53) Birbhum (₹ 2706.86); Cooch Behar (₹ 71.70); Dakshin Dinajpur (₹ 484.59) Hooghly (₹ 46.40); Howrah (₹ 55.47); Malda (₹ 685.87); Murshidabad (₹ 842.89); Nadia (₹ 1133.34); Paschim Medinipur (₹ 670.64); Purba Medinipur (₹ 3792.38); Purulia (₹ 3072.34); Siliguri Mahakuma Parishad (₹ 37.48) and Uttar Dinajpur (₹ 2656.69) **PSs:** Arambagh (₹ 104.01); Ausgram-I (₹ 12.25); Balurghat (₹ 87.47) ; Barasat-I (₹ 0.90); Barrackpore-I (₹ 33.73); Barrackpore-II (₹ 14.84); Basirhat-II (₹ 8.46); Bhagawanpur-I (₹ 13.50); Bhagwangola-I (₹ 3.24); Bishnupur (₹ 52.41); Bishnupur-I (₹ 153.09); Burwan (₹ 89.33); Canning-I (₹ 239.46); Chanchol-II (₹ 17.62); Chanditala-I (₹ 52.09); Contai-III (₹ 1.30); Daspur-I (₹ 79.35); Daspur-II (₹ 160.84); Diamond Harbour-I (₹ 6.40); Falakata (₹ 47.72); Goghat-I (₹ 9.96) Gopiballavpur-II (₹ 2.64); Gosaba (₹ 144.06); Haldibari (₹ 7.65); Haripal (₹ 30.39); Harirampur (₹ 1.72); Hemtabad (₹ 2.30); Hirbandh (₹ 9.11); Indpur (₹ 111.72); Jagatballabhpur (₹ 10.11); Jalpaiguri Sadar (₹ 36.72); Jangipara (₹ 203.97); Kaliachak-I (₹ 24.80); Kaliachak-III (₹ 22.86); Khanakul-I (₹ 19.83); Khanakul-II (₹ 49.11); Kulpi (₹ 48.02); Magrahat-II (₹ 27.66); Manikchak (₹ 23.58); Mathabhanga-II (₹ 28.11); Mathurapur-I (₹ 170.42); Mathurapur-II (₹ 75.07); Maynaguri (₹ 30.73); Murarai-II (₹ 33.40); Nagrakata (₹ 12.80); Nandigram-II (₹ 5.12); Onda (₹ 19.00); Panchla (₹ 4.96); Patharpratima (₹ 82.65); Raiganj (₹ 3.22); Raipur (₹ 18.50); Rajganj (₹ 30.20); Ranaghat-I (₹ 5.23); Ratua-I (₹ 22.54); Sandeshkahli-II (₹ 42.27); Santipur (₹ 2.76); Simlapal (₹ 79.13); Singur (₹ 8.46) and Sitalkuchi (₹ 0.80).

⁹ **ZPs:** Bardhaman; Birbhum; Hooghly; Malda; Murshidabad and Purba Medinipur **PSs:** Arambagh; Balurghat; Barrackpore-I; Barrackpore-II; Burwan; Daspur-I; Goghat-I; Gosaba; Haripal; Jagatballabhpur; Jangipara; Kaliachak-I; Khanakul-I; Maynaguri; Raipur and Sandeshkahli-II.

ZILLA PARISHADS AND PANCHAYAT SAMITIS

2.14 Non-observance of prescribed rule resulted in accumulation of advance of ₹ 10.79 crore

Nine ZPs and 28 PSs failed to adjust advance amounting to ₹ 10.79 crore due to non-observance of prescribed procedure for adjustment of advances

Rule 38 of the West Bengal Panchayat (Zilla Parishad and Panchayat Samiti) Accounts and Financial Rules, 2003, (hereinafter referred to as “Rules”) states that adjustment against an advance shall be realised from the person receiving the advance within a reasonable time as may be specified by the authority sanctioning any such advance not exceeding thirty days from the date of drawal of advance and further advance shall not be sanctioned until the previous advance drawn had been fully adjusted. The rule also provides that a quarterly statement of outstanding advance against each individual should be prepared and the Executive Officer should place the matter in the *Artha Sthayee Samiti* for instruction. Audit scrutiny during 2011-12 revealed that nine ZPs and 28 PSs paid advance of ₹ 12.20 crore mainly to the staff of the PRIs concerned, paymasters of various schemes and self help groups during 2005-2011 for execution of works under Total Sanitation Campaign, Untied Fund, Bidhayak Elaka Unnayan Prakalpa, Member of Parliament Local Area Development Scheme, Sampoorna Grameen Rozgar Yojana, Backward Region Grant Fund etc. Out of total advance of ₹ 12.20 crore, only ₹ 1.41 crore was adjusted in 14 PRIs and ₹ 10.79 crore remained outstanding after expiry of the stipulated 30 days in contravention of the aforesaid rules.

It was further revealed that Ausgram-I, Barasat-II and Baruipur PSs did not maintain Advance Register at all. Non- maintenance of Advance Register adversely affected the monitoring over adjustment of outstanding advances.

Jaynagar-I PS did not prepare quarterly statement of outstanding advance for placement in the *Artha Sthayee Samiti*. Thus, they remained unaware about the non- adjustment of advances. Twelve¹⁰ RIs allowed second

¹⁰ **ZPs:** Dakshin Dinajpur; Jalpaiguri and South 24 Parganas **PSs-** Baduria; Basirhat-I; Basirhat-II; Bishnupur; Bishnupur-I; Mathabhanga-I; Mathabhanga-II; Polbadadpur and Rajganj.

advance before adjustment of the first advance in contravention of the Rules.

When pointed out, eleven¹¹ RIs did not furnish any reply. Baduria, Baruipur and Cooch Behar-II PSs confirmed the facts and figures pointed out by audit and noted the same for future guidance. Remaining PRIs stated that steps for adjustment of outstanding advances would be taken and the same would be shown to next audit.

Thus, non-observance of rules prescribed for adjustment of advances and financial indiscipline like non-maintenance of Advance Register, non-preparation of quarterly list of outstanding advances, laxity in getting adjustment of advances and allowing subsequent advances to the same individuals before adjustment of the previous advance resulted in huge accumulation of advances to the tune of ₹ 10.79 crore in 37 PRIs.

2.15 Conclusion and Recommendations

Conclusion

The financial management of PRIs has not been strong as deviations from prescribed accounting procedures were noticed. The PRIs did not monitor their finances well and did not reconcile balances between cash books and bank statements. Revenues were directly appropriated before depositing into bank accounts. There was lack of budgetary control and money was expended either in absence of budget provision or without preparing budget. Basic accounting records, viz. Demand and Collection Register, Appropriation Register, Advance Register, Works Register were not properly maintained affecting quality of governance in the PRIs. Realisation of revenues from immovable properties was inadequate and huge amount on this account remained outstanding year after year. Inadequate attention to this hindered the PRIs' endeavour to achieve self-sufficiency. Gaps in planning were evident and corrective measures could not be adopted due to absence of internal audit. Weak internal control mechanism led to pilferages remaining undetected and resulted in loss of

¹¹**ZPs-** Jalpaiguri; Murshidabad; Purulia and South 24 Parganas, **PSs-** Bhangar-I; Bishnupur; Bishnupur-I; Jaynagar-I; Polbadadpur; Raipur and Sandeshkahli-I.

PRIs' funds due to theft and defalcation of funds and other assets. There was lack of monitoring over utilisation of funds and sending UCs to fund sanctioning authorities. Financial indiscipline was evident in failure to write back lapsed cheques into account and adjust long pending advances.

Recommendations

Concerted efforts should be made to strengthen internal controls and monitoring mechanism, both at the level of the Panchayat and Rural Development Department, as well as individual PRIs, relating to the following areas:

- Preparation of revised/supplementary budget, prompt reconciliation of differences between cash book and bank pass book balances and maintenance of basic records to ensure that true and fair picture of the institutions emerge;
- Timely collection of revenue to achieve self-sufficiency;
- Identification and plugging of loopholes to safeguard against losses due to theft, defalcation of funds and other assets and initiation of legal proceedings against defaulters by the concerned PRIs;
- Timely internal audit and prompt action on the audit observations to assist the administration in the effective discharge of its responsibilities;
- Necessary steps should be taken to write back lapsed cheques into account so that money does not remain outside the scope of utilisation;
- Timely submission of Utilisation Certificates for grants should be ensured; and
- Proper action to adjust advances should be initiated and monitoring mechanism should be strengthened.

CHAPTER 3

IMPLEMENTATION OF SCHEMES

CHAPTER-3

Implementation of Scheme

Central Government introduced several schemes, viz, Indira Awas Yojana (IAY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Total Sanitation Campaign (TSC) and Backward Region Grant Fund (BRGF) for rural development as well as development of human development index in rural areas. PRIs implemented these schemes in pursuance of guidelines framed by Government of India. ₹ 854.12 crore, ₹ 2,959.04 crore and ₹ 219.94 crore were spent on IAY, MGNREGS and TSC respectively during 2011-12. Audit of accounts for the year 2010-11 revealed that PRIs did not adhere to the guidelines of these schemes and could not provide 100 days of guaranteed employment to rural people, payment of wages was delayed, social audit was not conducted, IAY beneficiaries were irregularly selected and target of construction of sanitary latrines under TSC was not achieved.

3.1 Mahatma Gandhi National Rural Employment Guarantee Scheme

3.1.1 Introduction

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is one of the flagship programmes of Government of India (GOI). The aim of MGNREGS is to enhance livelihood security of rural people by providing at least one hundred days of guaranteed wage employment to every household in a financial year. Government of West Bengal notified the West Bengal Rural Employment Guarantee Scheme (WBREGS), 2006 in February 2006. The scheme was to be implemented in the State as a Centrally Sponsored one. The Central Government bears 100 *per cent* wage cost of unskilled manual labour and 75 *per cent* of the material cost and the wages of skilled and semi skilled workers. The State Government bears the remaining 25 *per cent* of material cost and the wages of skilled and semi skilled workers.

3.1.2 Financial Management

3.1.2.1 Receipt and expenditure of funds in 18 districts

The total available fund and expenditure under the scheme in 18 districts of the State during 2009-12 are as follows:

Table 3.1

(₹ in crore)

Year	Opening balance	Receipt				Expenditure	Closing balance
		Central Share	State Share	Misc.	Total		
2009-10	2.50	1787.29	155.50	1.33	1946.62	1894.95	51.67
2010-11	51.67	2117.61	344.15	3.85	2517.28	2481.91	35.37
2011-12	35.37	2597.03	224.63	8.36	2865.39	2844.62	20.77

(Source: P&RDD)

During audit of GPs, it was revealed that nine GPs¹² had total available fund of ₹ 12.97 lakh but did not utilise any amount during 2010-11. Utilisation of 60 *per cent* of the funds towards payment of wages could have generated 7,782¹³ unskilled mandays under the scheme.

3.1.3 Execution of scheme

3.1.3.1 One hundred days' employment not provided

Para 3(1) of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) guideline stipulates that every household in the rural area should be provided not less than one hundred days of guaranteed employment in a financial year. Scrutiny revealed that 2,590 GPs could not provide one hundred days of employment to any of the house holds in the financial year 2010-11 (**Appendix- XV**).

Scrutiny of related records also revealed that 1,373 GPs had provided only 10 to 30 mandays per households.

Thus, the primary objective of ensuring livelihood security of the rural households by providing at least one hundred days of guaranteed annual wage employment was not achieved.

3.1.3.2 Failure to create durable assets

Creation of durable asset and strengthening the livelihood resource base of rural people are auxiliary objectives of MGNREGS. It was observed that 1,492 GPs (**Appendix-XV**) failed to create durable assets even after expending ₹ 546.73 crore during 2010-11 under the scheme.

¹² Chandrapur (₹ 0.69 lakh), Kaliachak-II (₹ 0.10 lakh), Giriya (₹ 1.79 lakh), Kalagechia (₹ 0.96 lakh), Birgram (₹ 5.25 lakh), Bodra (₹ 1.84 lakh), Joka-I (₹ 0.41 lakh), Urelchandrapur (₹ 1.45 lakh), and Chhayghara (₹ 0.48 lakh).

¹³ Calculated on the basis of minimum rate of unskilled labour wages during 2010-11 of ₹ 100 per day per head and prescribed percentage of 60 to be spent for wages out of total funds available (₹ 12.97 lakh x 60 *per cent* / ₹ 100 = 7782 **mandays**).

As a result, the objective of strengthening rural infrastructure was not achieved.

3.1.3.3 Irregularities regarding Job Cards

The guideline specified that, GP should issue job cards to the registered households after making such enquiry as it deemed fit.

Scrutiny revealed that 392 GPs did not issue job cards to 83, 49,037 registered families though they applied for the same (**Appendix-XVI**). Reason for non-issuance of job cards was found on record.

Photographs of adult members of households were to be affixed on job cards. But photographs were not affixed on job cards in 1,065 GPs (**Appendix-XVI**). In absence of photographs in job cards, audit could not ascertain how GPs identified whether a job seeker belonged to a particular household. Besides there is a possibility of issue of more than one job card to any household and the use of job cards by outsiders.

3.1.3.4 Employment not provided to job seeking families and unemployment allowance not paid

As per MGNREGS guideline, every applicant should be provided unskilled manual work within 15 days of receipt of application seeking employment or from the date on which employment was sought in case of advance application, whichever was later. In case of failure to adhere the said provision, the applicant was entitled to a daily unemployment allowance and it would be the liability of the State Government.

Audit noticed that 18,953 job applicants were not provided any employment during 2010-11 in 74 GPs (**Appendix-XVI**) and no unemployment allowance was paid to those applicants in contravention of provisions of the scheme guideline.

Thus, rural households were deprived of their legitimate entitlement.

3.1.3.5 Annual Action Plan not prepared

In order to take up works under MGNREGS, every GP should prepare an Annual Action Plan from the consolidated proposals of all Gram Sansads clearly prioritising the works to be taken up in a year. Annual Action Plan

should be prepared by 15 March every year with due approval of higher authority of ZP. It was observed that 10 GPs expended ₹ 5.91 crore towards excavation of ponds, land leveling, drought proofing, minor irrigation etc. during 2010-11 without preparing any Annual Action Plan (**Appendix-XVII**).

Thus, works were not identified by local people and the objective of involving the village population in planning process as well as addressing of local needs was not achieved.

Also, the Programme Officer (PO) would accord technical and administrative approval of works under MGNREGS. In violation of the said provision, 74 GPs executed works under the scheme without having the technical and administrative approval of the respective PO (**Appendix-XVIII**)

3.1.3.6 Unrealistic preparation of estimated mandays

Scrutiny revealed that 2,348 GPs had prepared annual action plan with an estimate of 1854.33 crore generation of mandays during 2010-11. But the GPs generated only 10.14 crore mandays (0.55 *per cent*) against that estimate though they had unutilised amount of ₹ 81.37 crore at the end of March 2011(**Appendix-XIX**). This indicates that GPs prepared an inflated estimate which led to an insignificant generation of mandays besides showing an inefficient programme management.

3.1.3.7 Delay in payment of wages

Guidelines stipulate that wages should be paid to labourers on a weekly basis or in any case not later than a fortnight after the date on which the work was done. But late disbursement of wages was noticed in 873¹⁴ GPs during 2010-11. Reasons were late submission of muster rolls by supervisors, delay in receipt of funds, late disbursement of wages by bank and post offices etc. The labourers were thus deprived of their timely dues.

¹⁴ ZP: Bankura -52 GPs; Birbhum -75 GPs; Burdwan -54 GPs; Cooch Behar- 36 GPs; Dakshin Dinajpur -6 GPs; Hooghly- 47 GPs; Howrah -3 GPs; Jalpaiguri -76 GPs; Malda- 29 GPs; Murshidabad -66 GPs; Nadia -60 GPs; North 24 Parganas -52 GPs; Paschim Medinipur- 98 GPs; Purba Medinipur -91GPs; Purulia- 55 GPs; South 24 Parganas- 62 GPs and Uttar Dinajpur- 11 GPs.

Besides they were also not compensated as per the provisions of the Payment of Wages Act, 1936 for delay in payment.

3.1.3.8 Absence of Social audit

In order to maintain transparency and accountability in MGNREGS works, Gram Sabhas should conduct regular social audits of all the projects under the scheme taken up within a Gram Panchayat and social audit forum should be constituted for this purpose. The Gram Panchayat should provide all relevant documents to the Gram Sabha for the purpose of conducting the social audit. Scrutiny revealed that social audit forums were not formed in 230 GPs and social audit was not conducted in 260 GPs (**Appendix-XX**) during 2010-11. Though social audit was conducted in 312 GPs, the objections raised during audit were not settled.

In absence of social audit, transparency and accountability were not put in place and rural people remained deprived of their right to information.

3.1.3.9 Non-maintenance of Measurement Book/Measurement Sheet

Maintenance of Measurement Book (MB)/Measurement Sheet (MS) is necessary to ensure proper accountability of the works done or being done under the scheme. Scrutiny revealed that 16 GPs did not maintain the MB/MS in respect of 823 works valuing ₹ 10.36 crore during 2010-11(**Appendix-XXI**). In the absence of any recording in the MB/MS, quantum of work executed could not be ensured, besides, the GPs failed to justify the payment made against the works executed by them.

3.1.3.10 Progress reports of works with photographs attached not forwarded to P.O

According to scheme guideline, the gram panchayats should send completion reports along with photographs of all the works undertaken to the PO. This helps PO in monitoring progress of the scheme. Scrutiny revealed that, 532 GPs did not send the completion reports along with photographs of 24,617 works undertaken to the PO during 2010-11.

In absence of completion reports and photographs, completion of work and post work development could not be ascertained. This indicates that POs could not monitor the execution of MGNREGS works.

3.1.3.11 Excavation or re-excavation of private pond without making any agreement with the owner

The State Government stipulates that in order to carry out any work of excavation / re-excavation of a private pond, an agreement should be entered into with the owner of the pond to the effect that water of the private pond so excavated or re-excavated could be utilised by local people.

In violation of the said guidelines, 17¹⁵ GPs spent ₹ 3.47 crore towards excavation or re-excavation of private ponds during 2010-11 without formalizing any agreement with the owners of those ponds.

Thus, the GPs incurred an irregular expenditure of ₹ 3.47 crore in violation of the guidelines. Besides due to an absence of agreement between GPs and owners of those ponds exclusive benefit to pond owners could not be ruled out.

ZILLA PARISHAD

3.1.3.12 Unauthorised retention of Sampoorna Grameen Rojgar Yojana (SGRY) funds

Jalpaiguri ZP did not transfer SGRY funds of ₹ 33.79 lakh to MGNREGS account despite government directive

The Panchayat and Rural Development Department (P&RDD) endorsed (November 2007) the instruction of the Ministry of Rural Development, GOI, wherein it was intimated to transfer balance amount of fund and food grains of SGRY to MGNREGS Account.

Scrutiny of records revealed that three ZPs and seven PSs¹⁶ did not transfer the balance in SGRY fund (as on January 2012) of ₹ 2.68 crore to MGNREGS account despite standing instructions of GOI.

When pointed out the, PRIs did not furnish any reason for the same.

¹⁵ **Burdwan ZP-** Singhi (₹ 16.07 lakh), Gazipur (₹ 2.43 lakh), Sribati (₹ 18.05 lakh), and Panchgachia (₹ 3.41 lakh); **Murshidabad ZP-** Mahalandi-I (₹ 34.50 lakh), Andulia (₹ 10.83 lakh), Imamnagar (₹ 44.43 lakh), Choa (₹ 18.67 lakh), Jashohari Anukha-II (₹ 30.89 lakh) and Kumarsanda (₹ 4.44 lakh).; **Malda ZP-** Laxmipur (₹ 2.12 lakh) and Jalalpur (₹ 0.27 lakh); **Purulia ZP-** Mankiary (₹ 17.68 lakh) and Durku (₹ 20.34 lakh); **Cooch Behar ZP** – Guriahati-I (₹ 2.40 lakh); **Bankura ZP-** Harmarshra (₹ 111.50 lakh); **Uttar Dinajpur ZP** – Sahapur-I (₹ 8.96 lakh).

¹⁶ **ZPs:** Jalpaiguri, Purulia, Coochbehar; **PSs:** Bally Jagacha, Baduria, Md.Bazar, Daspur I, Barjora, Harirampur and Bankura II.

This resulted in unauthorized retention of funds under inoperative scheme essentially meant for MGNREGS works.

3.2 Indira Awas Yojana

3.2.1 Introduction

Indira Awas Yojana aims at providing dwelling units to members of Scheduled Castes, Scheduled Tribes, freed bonded labourers and also non SC/ST below poverty line families in the rural areas. Both Central and State Government bear the cost of IAY in the ratio of 75:25. From the year 2007-08, the State Government introduced concept of Permanent Wait (PW) list for better transparency in selection of IAY beneficiaries. PW list is prepared from Rural Household Survey on the basis of families having no home or dilapidated house. They have been considered as P₂=1 and placed on the top of the list after arranging serially according to their total score in Rural Household Survey. Families having mud built house consisting of only one room are identified as P₂=2. P₂=2 families are eligible for IAY assistance only when all families with P₂=1 are exhausted.

The financial and physical performances under IAY in the State during 2009-2012 are summarised below:

Table 3.2

(₹ in crore)

Year	Total available fund	Utilisation	Percentage of utilised fund	New construction (No.)		Up gradation (No.)	
				Target	Achievement	Target	Achievement
2009-10	1294.82	895.50	69	297564	229999	112090	128
2010-11	1178.73	779.61	66	103209	169795	103209	00
2011-12	1241.41	854.12	68.80	199176	186219	00	20315

(Source: Panchayat and Rural Development Department & rural.nic.in)

The following irregularities were noticed in implementation of IAY scheme during Audit conducted in 2011-12:

3.2.2 Irregular selection of beneficiaries by allotting funds to P₂=2 category

As per guidelines and subsequent Government orders on the IAY fund allotment the families enlisted in the Permanent Waiting list should be provided the benefit of IAY serially starting from the lowest score (P₂=1) and other beneficiaries will be allotted only after the P₂=1 category have

been fully allotted. But scrutiny of relevant records of 5 PSs¹⁷ disclosed that the PSs had disbursed the funds in a perfunctory manner by allocating funds to beneficiaries of P₂=2 category in contravention to the guidelines. Four PSs furnished no reply except Jalpaiguri Sadar PS which stated that they were bound to pay 2nd installment to the beneficiaries of Pataka GP as 1st instalment was paid to them by the said GP.

Thus, the PS extended benefit to the beneficiaries from P₂=2 list and deprived permanent waiting list beneficiaries under P₂=1.

3.2.3 Allotment of huts to male members of a family

Allotment of huts constructed/upgraded with the scheme assistance would be conferred on the wife or alternatively on both the wife and the husband as per scheme guidelines. But 2,057 Cases were observed in 23 PSs¹⁸ where ₹ 4.86 crore were allotted solely to male members of the families during 2010-11 in violation of scheme guidelines. In reply, the PSs stated that payment to male beneficiaries was mainly due to non-availability of female members, initial payment of instalment to the male beneficiaries by the GP, selection of beneficiaries as per P₂=2 list, opening of bank account in the name of male members of the households, absence of eligible female members in the families, appearance of male members in the PWL, death of wives of heads of the families and possession of land by the male member.

Thus the objective of the scheme to enhance the empowerment of women was not achieved.

3.2.4 Failure in taking any initiative for convergence with other schemes beneficial to IAY beneficiaries

It was observed from the records of four PSs¹⁹ that no effective effort was found to have been made by the PSs for convergence of the following

¹⁷ Sandeshkhali I, Jalpaiguri Sadar, Khanakul I, Haripal and Barasat II

¹⁸ (No) (Amount: ₹ in lakh)

Santipur: (64) (₹ 12.50); Baduria: (237) (₹ 53.32); Habra I: (10) (₹ 3.50); Ranaghat II: (28) (₹ 4.90); Patharpratima: (60) (₹ 11.50); Bhagwanpur I: (154) (₹ 27.10); Chanchal: I (130) (₹ 24.46); Bally Jagachha: (25) (₹ 8.75); Canning I: (33) (₹ 8.00); Banshihari: (60) (₹ 10.50); Barasat I: (36) (₹ 8.10); Balagarh: (22) (₹ 4.95); Ausgram II: (130) (₹ 58.50); Ausgram I: (26) (₹ 5.85); Amdanga: (27) (₹ 11.45); Dubrajpur: (594) (₹ 113.85); Joypur: (26) (₹ 5.85); Mathurapur I: (205) (₹ 49.71); Ramnagar I: (15) (₹ 3.15); Gangarampur: (97) (₹ 33.95); Jangipara: (45) (₹ 20.25); Ranaghat I: (18) (₹ 3.15) and Ramnagar II: (15) (₹ 3.15).

¹⁹ Panchayat Samity: Barasat II, Haripal, Khargram and Bamongola

schemes with IAY so as to ensure that IAY beneficiaries also derive benefit of those schemes as given below:

- (i) Loan upto ₹ 20,000/- per housing unit at an interest rate of 4% per annum.
- (ii) Provision of sanitary latrine to every IAY house under the Total Sanitation Campaign.
- (iii) Supply of free electricity connections to IAY houses under RGGVY.
- (iv) Payment of Credit cum subsidy subject to some conditions.

When pointed out, three PSs did not furnish any reply and only Bamongola PS replied that it was noted for future guidance.

3.3 Total Sanitation Campaign

3.3.1 Introduction

Total Sanitation Campaign Programme was launched by GOI in 1999 by replacing erstwhile Central Rural Sanitation Programme to eliminate open defecation, minimizing risk of contamination of drinking water source and food as well as to accelerate sanitation coverage in rural areas, providing subsidy for construction of Sanitation facilities to the people leaving below poverty line.

3.3.2 Utilisation of fund towards start up activities and IEC

The scheme guideline stipulates that 5 *per cent* of project cost should be spent for Startup Activities which include conducting of preliminary survey to assess the status of sanitation and hygiene practices, people's attitude and demand for improved sanitation etc with the aim to prepare the District TSC project proposal for seeking GOI assistance and 15 *per cent* of the project should be spent on Information, Education & Culture (IEC) to create awareness of utilisation of toilets among beneficiaries.

Records of Dhubraipur, Sitalkuchi, Canning II and Tufanganj PSs revealed that they did not expend any amount towards Startup Activities during 2009-11 but spent ₹ 0.69 lakh, ₹ 1.30 lakh, ₹ 0.18 lakh and ₹ 0.91 lakh respectively towards IEC during the same period. Joynagar I and Mograhat I PSs neither expended any amount for Startup Activities nor spent any amount towards IEC during 2009-11.

Thus, Joynagar I and Mograhat I PSs did not consider IEC as an integral part of TSC for creating demand for sanitary facilities in rural areas. Besides, in the absence of preliminary survey, status of sanitation in the PS area was not assessed for taking up TSC programme.

3.3.3 Poor Performance

Scrutiny of records of nine PSs revealed that the overall performance in construction of sanitary latrines in HHL/School/SSK/MSK/ICDS within the jurisdiction of the PSs during 2009-11 was far from satisfactory as would be evident from the following table:

Table 3.3

Name of PS	Category	Target		Achievement			
		2009-10	2010-11	Number		Percentage	
				2009-10	2010-11	2009-10	2010-11
Magrahat II	HHL	10930	Nil	742	Nil	6.79	Nil
	Latrines for school, SSK, MSK and ICDS	496	Nil	159	Nil	32.06	Nil
Chanditala I	HHL	3850	3781	69	293	1.79	7.75
	School Latrines	24	42	24	Nil	100	Nil
Mekhliganj	HHL	26814		704		5.26	
	Latrines for school, SSK, MSK and ICDS	298		26		22.03	
Indpur	HHL	9553	8646	907	965	9.49	11.16
	Latrines for school, SSK, MSK and ICDS	549	248	301	28	54.83	11.29
M.ayureswar II	HHL	12796	8066	4730	Nil	36.96	Nil
Magrahat I	HHL	NA	NA	NA	NA	NA	NA
	Latrines for school, SSK, MSK and ICDS	493	356	137	Nil	27.79	Nil
Chanchal I	HHL	-	-	12136	2208	52.21	52.06
	Latrines for school, SSK, MSK and ICDS	6	142	2	9	33.33	6.34
Chhatna	HHL	32734	40654	11868	12675	36.25	31.18
	Latrines for school, SSK, MSK and ICDS	239	199	76	130	31.79	65.32
Gazole	IHHL	15500	17700	4307	4966	27.79	28.06
	Latrines for school, SSK, MSK and ICDS	208		89		42.79	

(Record of PSs)

It was evident from the above table that construction of HHL ranged between 1.79 and 52.21 *per cent* during 2009-10 and ranged between 0 and 52.06 in respect of seven PSs. In Mekhliganj PS, percentage of HHL during 2009-11 was only 5.26 *per cent*. Magrahat II PS did not fix any target for HHL during 2010-11 and the target fixed for the year 2009-10 was also not achieved. Achievements in respect of Magrahat II, Chanditala I, Mekhliganj and Indpur PSs were merely 1.79 to 11.16 *per cent* during 2009-11.

In respect of school sanitation, Chanditala I PS achieved construction of 100 *percent* toilets during 2009-10 but could not construct any toilet during 2010-11. Similarly, Magrahat I achieved only 27.79 *per cent* during 2009-10 and nil *per cent* during 2010-11.

When reasons for shortfall in achievement were enquired, Gazole PS stated that due to shortage of sanitary marts, performance of TSC was poor and effective measures would be taken to achieve the target in future. Chhatna PS admitted the facts and figures but did not cite any reasons. Remaining PSs did not give any reasons for their poor performance.

Thus, it was evident from the performance of PSs for two years that the PSs did not take proper initiatives to achieve the target set under TSC and sanitation facilities did not reach rural people.

3.3.4 Achievement against release of subsidy to sanitary marts not ascertained

Canning II PS released subsidy of ₹ 1.82 lakh and ₹ 6.79 lakh to two sanitary marts viz Kalikatala Seven Stars Sporting Club and Sarengabad Majherpara Amar Sangha for construction of 593 and 2411 low cost sanitary latrines for BPL families during 2009-10 and 2010-11 respectively. But the records of PS did not evince the number of sanitary latrines constructed so far by two marts. As a result, achievement of the PS against that subsidy could not be verified.

3.4 Conclusion and Recommendations

Conclusion

Absence of annual action plan, failure to provide at least 100 days of guaranteed employment in a financial year, delayed payment of wages, failure to achieve estimated mandays, absence of photographs on job cards, failure to create durable assets and also to conduct social audit indicated significant deviations from MNREGA guidelines. As a result, people remained unaware of their right to information, their entitlement in the form of wages, unemployment allowance and compensation for delayed payment etc. Transparency and accountability measures were not

put in place. In absence of said factors, improvement of livelihood security of rural people could not be ensured.

In the implementation of IAY, irregular selection of beneficiaries and failure to provide assistance to women beneficiaries deprived the target groups of the intended benefits. As far as TSC is concerned not being able to achieve the targets did not improve the sanitation conditions of the intended beneficiaries.

Recommendations

- Annual Action Plans should be prepared in consultation with rural stakeholders, who should also be involved in identification of works to be taken up under the scheme;
- Compliance with scheme guidelines should be ensured;
- Gram Sabha should be convened for social audit twice a year to monitor the implementation of MGNREGS;
- Photographs to be fixed on job cards;
- Effective steps need to be taken to provide 100 days employment to job seekers and unemployment allowance to eligible households;
- Labourers should be compensated for delayed payments;
- IAY beneficiaries should be selected from the PW list and priority should be given to P₂ =1 beneficiaries;
- Emphasis should be given to identify female beneficiaries in the family for providing IAY assistance; and
- Construction of sanitary latrines under TSC needs to be planned and executed so that the target fixed by government of 100 *per cent* sanitation coverage could be achieved.

Close monitoring of the projects is required to ensure proper delivery of benefits to the target population.

CHAPTER 4

AUDIT OF TRANSACTIONS

CHAPTER-4

AUDIT OF TRANSACTIONS

4.1 Audit of non-compliance with rules and regulations

PASCHIM MEDINIPUR ZILLA PARISHAD

4.1.1 Avoidable expenditure of ₹ 21.02 lakhs

Paschim Medinipur ZP allowed extra carriage of 18 kms on supply of materials from two quarries to worksite for execution of road work from Goaltore to Hoomgarh and incurred avoidable expenditure of ₹ 21.02 lakh

Paschim Medinipur ZP undertook (between February 2010 and July 2011) widening and strengthening of road from Goaltore to Hoomgarh (17 kms) under Rural Infrastructure Development Fund. Scrutiny of analysis of rates prepared by the ZP revealed that the ZP analysed rates for supply of stone materials considering *Baharagorah* and *Chandanpur* variety and computed distance from the source i.e. Baharagorah and Chandanpur to worksite as 150 and 160 kms respectively. While checking the distances with reference of SOR and analysis of rates for supply of bitumen at site, actual distance computed was 132 and 142 kms²⁰ respectively. Thus, the ZP made an avoidable payment of ₹ 21.02 lakh²¹ due to erroneous calculation of distance from quarries to worksite.

²⁰

Carriageway	Reference/page no. of records	Distance (in km)
Haldia to worksite	Analysis of rates for supply of bitumen at site	150
Haldia to Kharagpur	Annexure-IV (Page 328) of SOR	108
Kharagpur to worksite	150 kms <i>minus</i> 108 kms	42
Baharagorh to kharagpur	SOR 1998-1999 page no. 269	90
Baharagorh to worksite	42 kms <i>plus</i> 90kms	132
Chandanpur to Kharagpur	SOR 1998-1999 page no. 269	100
Chandanpur to worksite	42 kms <i>plus</i> 100 kms	142

²¹

Item	Quantity executed (m ²)	Admissible rate(₹/m ²)	Rate allowed by ZP(₹/m ²)	Excess rate(₹/m ²)	Total (in ₹) less tendered rebate of 6.99%
(i)	(ii)	(iii)	(iv)	(v)=(iv)-(iii)	(vi)={ (ii)x(v) } less 6.99 <i>per cent</i>
WBM-grade 2	20844.8	224.28	229.31	5.03	97520.37
WBM-grade 3	62061.24	208.72	238.87	30.15	1740353.25
20mm (PMC)	63750.24	119.84	123.77	3.93	233025.81
6mm seal coat	63750.24	43.67	44.55	0.88	52178.81
Total					2123078.24
Less 1 per cent cess					21230.78
Total extra avoidable expenditure					21,01,847.46

When pointed out in audit in December 2011, the ZP did not furnish any reply.

Thus, the ZP allowed extra carriage of 18 kms from both quarries to worksite and incurred avoidable expenditure of ₹ 21.02 lakh.

**PASCHIM MEDINIPUR, JALPAIGURI AND COOCH-BEHAR
ZILLA PARISHADS**

4.1.2 Avoidable expenditure of ₹ 82.65 lakh

Paschim Medinipur, Jalpaiguri and Coochbehar ZPs did not consider nearest availability of materials while execution of road works and incurred an avoidable expenditure of ₹ 82.65 lakh towards costly road metals in lieu of cost effective schedule approved materials available at nearest quarry

Indian Road Congress (IRC) for rural roads stipulates that in road construction works, optimum use of the locally available materials should be done and also selection of materials should be based on availability, economy and previous experience. National Rural Roads Development Agency also suggests that use of local materials in lieu of conventional hard stone aggregates can bring about savings to the tune of 25 *per cent* of conventional construction costs.

(i) Paschim Medinipur ZP executed upgradation of ‘Turka to Amarda (6.25 kms)’ and ‘Bakurabad to Khakurda (5 kms)’ roads between April 2010 and April 2011 under Rural Infrastructure Development Fund (RIDF). The ZP utilised costly *Baharagorah* variety stone aggregates for execution of 63,724.91m² in lieu of schedule approved cost effective *Nilgiri* variety stone materials and incurred avoidable expenditure of ₹ 20.71 lakh²². While accepting the audit observation, the ZP stated

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Name of Roads upgraded (i)	Quantity executed (m ²) (ii)	Rate allowed (₹/m ²) (iii)	Rate of nearest quarry (₹/m ²) (iv)	Avoidable rate (₹/m ²) (v)=(iii)-(iv)	Avoidable expenditure (₹ in lakh) (vi)=(ii)x(v)	Tender rebate (in per cent) (vii)	Avoidable expenditure less tender rebate (₹ in lakh) (viii)={[(vi)x100-(vii)]}%
Turka to Amarda	36485.63	231.11	187.93	43.18	15.75	1.11	15.58
Bakurabad to Khakurda	27239.28	214.63	194.88	19.75	5.38	0.75	5.34
Total	63724.91						20.92
Less cess 1 per cent							0.21
Avoidable expenditure							20.71

(December 2011) that *Baharagorah* variety was considered technically superior than *Nilgiri* variety. The reply is not tenable as both the varieties are schedule approved. Also the ZP did not furnish documents in support of higher technical effectiveness of *Baharagorah* variety.

(ii) Similarly, the ZP considered distances of 200, 242 and 266 kms for transportation of road aggregates of *Chandil* quarry in lieu of shortest distance of 100, 142 and 166 kms from *Chandanpur* quarry respectively to the worksite for construction of three roads viz. 'Jamna to Pingla', Khasjungle to Murar', and 'Binpur to Belatikri' and incurred avoidable expenditure of ₹ 13.02 lakh²³.

The ZP stated (December 2011) that both *Chandil* and *Chandanpur* varieties were chosen for works executed but *Chandil* variety was presumed to be better in comparison to others. The reply is not tenable as both varieties are schedule approved and the ZP executed six other roads using material from *Chandanpur* variety. The ZP considered the aggregates of *Chandanpur* variety during bitumen coating on the road 'Binpur to Belatikri' where other aggregates were carried from *Chandil*.

(iii) Jalpaiguri ZP considered carriage of road materials from a distance of 65 kms (*Panna* quarry) to worksite in lieu of materials available at shortest distance of 41 kms from *Howri* quarry to the worksite. The ZP considered 40 kms for carrying river bed materials from *Salbari* in lieu of actual distance of 24 kms.

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Name of roads	Item of work	Quantity executed (in m ²)	Rate allowed (₹/m ²)	Admissible rate (₹/m ²)	Excess rate (₹/m ²)	Avoidable payment (₹ in lakh)	Tender rebate (in per cent)	Excess expenditure including (₹ in lakh)
(i)	(ii)	(iii)	(iv)	(v)	(vi)=(iv)-(v)	(vii)=(vi)x(iii)	(viii)	(ix)={ (vii)-(100-viii) }%
Jamna to Pingla	Premix carpet	16125	133.58	111.58	22.00	3.55	1	3.51
	Seal coat	16125	40.31	35.28	5.03	0.81	1	0.80
Khasjungle to Murar	Premix carpet	11880	139.46	117.46	22	2.61	16.59	2.18
	Seal coat	11880	41.70	36.67	5.03	0.60	16.59	0.50
Binpur to Belatikri	Premix carpet (Chandil)	36407.2	138.73	121.70	17.03	6.22	0.60	6.16
	Seal coat (Chandanpur)	36407.2	34.91	34.91	0	0	0.60	0
Total Avoidable Payment								13.15
Less 1 per cent cess								0.13
Total avoidable payment after deducting cess								13.02

As a result, the ZP incurred avoidable expenditure of ₹ 8.69 lakh²⁴.

In the same way, in course of construction of road from Rajgaunge PO More to Kukurjan GP, the ZP considered carriage of 65 kms from *Panna* quarry in lieu of nearest quarry at a distance of 55 kms for carrying boulders and 40 kms for carrying other road materials from *Balason*. As a result, the ZP incurred avoidable expenditure of ₹ 7.98 lakh²⁵. The ZP incurred avoidable expenditure of ₹ 11.80 lakh²⁶ towards construction of road from Railgate near BDO office to Dhupguri by considering carriage of 45 kms from *Jaldhaka* quarry to the worksite in lieu of nearest distance of 26 kms from *Chamurchi* quarry. Thus, the ZP incurred avoidable

²⁴ Khurakadam More to Jharbaltali

Item of work	Quantity executed	Rate allowed	Admissible rate	Excess rate	Excess expenditure including tendered rebate of 3 per cent (₹ in lakh)
(i)	(ii)	(iii)	(iv)	(v)=(iii)-(iv)	(vi)={ (v)x(ii)x(100-3) }%
RBM consolidation	3754.54m ³	628.47/m ³	613.57/m ³	14.90/m ³	0.54
WBM compaction	20990.44m ²	111.08/m ²	90.12/m ²	20.96/m ²	4.27
Shingles consolidation	21018.65m ²	100.31/m ²	80.85/m ²	19.46/m ²	3.97
Total					8.78
Less 1 per cent cess					0.09
Total excess expenditure					8.69

²⁵ Rajgaunge PO More to Kukurjan GP

Item of work	Quantity executed (in m ²)	Rate allowed (₹/m ²)	Admissible rate (₹/m ²)	Excess rate (₹/m ²)	Excess expenditure including tendered rebate of 26.67 per cent (₹ in lakh)
(i)	(ii)	(iii)	(iv)	(v)=(iii)-(iv)	(vi)={ (v)x(ii)x(100-26.67) }%
WBM compaction	24288.75	111.08	97.84	13.24	2.36
Shingles consolidation	23812.50	100.31	75.14	25.17	4.39
Premix carpet	24288.75	78.93	72.91	6.02	1.07
Seal coat	24288.75	40.13	38.79	1.34	0.24
Total					8.06
Less 1 per cent cess					0.08
Total excess expenditure					7.98

²⁶ Railgate near BDO office to Dhupguri pucca road

Item of work	Quantity executed (in m ²)	Rate allowed (₹/m ²)	Admissible rate (₹/m ²)	Excess rate (₹/m ²)	Excess expenditure including tendered rebate of 33.13 per cent (₹ in lakh)
(i)	(ii)	(iii)	(iv)	(v)=(iii)-(iv)	(vi)={ (v)x(ii)x(100-33.13) }%
WBM compaction	33000.06	89.81	69.49	20.32	4.48
Shingles consolidation	33000.06	80.28	60.76	19.52	4.31
Premixed carpet	32827.87	74.51	69.85	4.66	1.02
Seal coat	32827.87	39.24	29.61	9.63	2.11
Total					11.92
Less 1 per cent cess					0.12
Total excess expenditure					11.80

expenditure of ₹ 28.47 lakh due to excess carriage of road materials from quarries to worksites.

On being requested to furnish rate analysis of the road materials that had been carried from nearest quarries, the ZP submitted (February 2012) the same but did not clarify reasons for non consideration of the same.

(iv) Coochbehar ZP undertook construction of Akrahat to Hukudar road between November 2009 and February 2011 under RIDF. The ZP considered distance of 97 kms from *Basra* quarry to worksite for carriage of road materials in lieu of 76 kms distance from nearest quarry at *Dimdima*. As a result, the ZP incurred avoidable expenditure of ₹ 20.45 lakh²⁷.

When pointed out the ZP stated (January 2012) that extra expenditure occurred due to usual practice of collection of materials from *Basra* quarry.

Thus, the ZPs did not consider nearest availability of materials while executing road works and incurred an excess expenditure of ₹ 82.65 lakh towards costly road metals in lieu of cost effective schedule approved materials available at nearest quarry.

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Item of Work	Quantity executed	Rate allowed	Admissible rate	Excess rate	Avoidable expenditure (₹ in lakh)	Avoidable expenditure less tender rebate of 2.25 per cent (₹ in lakh)
(i)	(ii)	(iii)	(iv)	(v)=(iii)-(iv)	(vi)=(ii)x(v)	(vii)={ (vi)-(100-2.25) } %
Patching of Potholes	1449.29m ³	₹ 1826.20/m ³	₹ 1339.6/ m ³	₹ 486.6/m ³	7.05	6.89
WBM Grade-2	11491.72m ²	₹ 177.82/m ²	₹ 155.45/m ²	₹ 22.37/m ²	2.57	2.51
WBM Grade-3	42361.84m ²	₹ 189.47/m ²	₹ 167.28/m ²	₹ 22.19/m ²	9.40	9.19
20mm premix carpet	42361.84m ²	₹ 119.24/m ²	₹ 114.24/m ²	₹ 5/m ²	2.12	2.07
Total						20.66
Less 1 per cent cess						0.21
Avoidable expenditure						20.45

PASCHIM MEDINIPUR AND COOCH-BEHAR ZILLA PARISHADS**4.1.3 Excess expenditure of ₹ 28.32 lakh due to non-adherence to Schedule of Rates**

Paschim Medinipur and Coochbehar ZPs did not adhere to the provisions of Schedule of Rates (SOR) and incurred excess expenditure of ₹ 28.32 lakh

(a) Prime coat is an application of bituminous material to an absorbent granular surface preparatory to any super imposed bituminous treatment or construction. Indian Roads Congress (IRC) and SOR of Public Works (Roads) Department (PWRD) specified that 0.75kg/m^2 of liquid bituminous emulsion is required for laying prime coat on the low porosity surface such as Water Bound Macadam (WBM) surface. Medium porosity surface such as cement stabilised soil base surface and high porosity surface such as gravel base need liquid bituminous emulsion of 1.05 kg/m^2 and 1.35 kg/m^2 respectively.

Paschim Medinipur ZP executed construction and strengthening/widening of eight PMGSY roads between March 2008 and June 2011 under RIDF. Scrutiny revealed that the ZP projected low porosity bitumen emulsion @ 0.75 kg/m^2 for the prime coat in the Detailed Project Reports of those roads but in the rate analysis, bitumen emulsion @ 1.05 kg/m^2 was considered. Accordingly, the estimate was prepared and rate was reflected in bill of quantity. The ZP did not adhere to the specification of IRC and SOR and allowed prime coat @ 1.05 kg/m^2 for eight roads covering WBM surface of $2,37,248.66\text{ m}^2$ in lieu of stipulated 0.75 kg/m^2 . This resulted in excess consumption of bitumen and excess expenditure of ₹ 19.79 lakh on those works.

In reply, the ZP stated (December 2011) that the prime coat was laid @ 1.05 kg/m^2 due to higher traffic movement. But the reply was not acceptable as quantity of bitumen emulsion was dependent on the nature of surface as specified in the manual of IRC and SOR of PWRD and not on traffic movement.

(b) The SOR also envisaged apportionment of cost of loading, unloading and stacking as 40, 35 and 25 *per cent* respectively for the item 'cost of loading and unloading' under 'earthwork in road embankment'. As per the SOR, rate of stacking i.e. 25 *per cent* would be deducted in case of pre-work and post-work measurement of earthwork.

The ZP prepared estimate and issued Bill of Quantity stipulating that payment on earthwork would be made in cubic meter on the finished work as per specification on the basis of pre work and post work level for widening and strengthening of Pirakata-Goaltore road. As such, the ZP had to make payment of earthwork @ ₹ 32.25 per m³ after deducting 25 *per cent* from the rate on earthwork as per schedule provision. But the ZP made payment of ₹ 43 for loading and unloading without deducting rate of stacking. As a result, the ZP made excess payment of ₹ 5.24 lakh²⁸.

The ZP stated (December 2011) that framing of estimate and vetting of the same were done by PWD (Roads) and there was no over expenditure as tendered rate was much below the SOR. It is evident from the reply that the ZP was aware beforehand but did not bring up the matter to the notice of PWD (Roads).

(c) Addenda Corrigenda of SOR of Public Works (Roads) Department (PWRD) stipulated that complete rate of steel materials should be arrived at by adding actual carriage cost from source to site and contractor's profit with the basic price.

Scrutiny of rate analysis prepared by Coochbehar Zill Parishad revealed that the ZP considered ex-quarry rate of steel materials in lieu of

²⁸ Pirakata-Goaltore road

Chainage in km	Quantity of Earthwork (in m ³)	Rate allowed in (₹/m ³)	Admissible rate (₹/m ³)	Excess rate (₹/m ³)	Total excess paid (₹ in lakh)	Tendered rebate (in <i>per cent</i>)	Excess payment after tendered rebate (₹ in lakh)
(i)	(ii)	(iii)	(iv)=(iii)-{(iii)x25%}	(iv)=(iii)-(iv)	(v)={ (ii)x(iv) }/100000	(vi)	(vii)=(v)-(vi)
0-7.5	27431.651	43	32.25	10.75	2.95	26.01	2.18
7.5-16.5	41123.748	43	32.25	10.75	4.42	29.96	3.10
Total Excess payment							5.29
Less 1 per cent cess							0.05
Excess payment							5.24

considering basic prices in course of construction of bridge at Astamirghat under Madhupur Gram Panchayat.

As a result, the ZP made excess payment of ₹ 3.29 lakh²⁹.

The ZP stated (January 2012) that excess payment occurred due to non-availability of addenda corrigenda of SOR.

Thus, the ZPs incurred excess expenditure of ₹ 28.32 lakh due to non adherence to the specification of IRC and SOR.

JALPAIGURI AND PURULIA ZILLA PARISHAD

4.1.4 Excess payment of ₹ 16.06 lakh

Jalpaiguri and Purulia ZPs incurred excess expenditure of ₹ 16.06 lakh due to non adherence to rates stipulated in SOR

(a) Schedule of Rate (SOR) issued by Public Works (Roads) Directorate stipulates the rate of laying of seal coat over the premixed surface at ₹ 7.50 per m².

Scrutiny of Detailed Project Report (DPR) and Bill of Quantity of eight roads prepared by Jalpaiguri ZP during July and September 2007 under Rural Infrastructure Development Fund (RIDF) revealed that the ZP included rate of laying of seal coat as ₹ 16 per m² in lieu of scheduled rate of ₹ 7.50 per m². As a result, the total rate got inflated. Further, the DPRs were sent to Panchayat & Rural Development Department (P&RDD) and

²⁹ Bridge at Astamirghat

Item	Schedule rate (₹/MT)	Carriage (₹/MT)	Contractors profit @ 10% of cost	Unit cost of materials (₹/MT)	Cost including 1% cess
(i)	(ii)	(iii)	(v)=(ii)x10%	(vi)=(ii)+(iii)+(iv)	(vii)=(vi)x101%
Joist (200x100)	32430	3770.10	3243	39443.10	39837.53
Channel	39350	3770.10	3935	47055.10	47525.65
Joist (450x100)	45780	3797.60	4578	54155.60	54697.16
Angle	32430	3770.10	3243	39443.10	39837.53
Plate	32430	3770.10	3243	39443.10	39837.53

Statement showing excess payment

Item	Quantity used (in MT)	Rate allowed (₹/MT)	Admissible rate (₹/MT)	Excess rate (₹/MT)	Excess amount paid (₹ in lakh)	Excess payment after tender rebate of 2.65% ₹ in lakh)
(i)	(ii)	(iii)	(iv)=(vii) of table above	(v)=(iii)-(iv)	(vi)={ (v) x(ii) }/100000	(vii)=(vi)-2.65%
Joist (200x100)	16.01	55461.12	39837.53	15623.59	2.50	2.44
Channel	1.78	57194.28	47525.65	9668.63	0.17	0.17
Joist (450x100)	7.38	61238.32	54697.16	6541.16	0.48	0.47
Angle	4.35	52572.52	39837.53	12734.99	0.55	0.54
Plate	0.21	63549.2	39837.53	23711.67	0.05	0.05
Excess payment						3.66
Less 1 per cent cess						0.37
Excess payment						3.29

Finance Department for obtaining approval under RIDF. But the lapse was not detected by these two departments while sanctioning the works. The ZP accordingly executed the works between February 2009 and April 2011 and incurred an excess expenditure of ₹ 13.62 lakh³⁰ due to allowance of excess rate for laying of seal coat.

When this was pointed out, the ZP admitted (February 2012) the fact and stated that allowance of higher rate towards labour and machinery component had occurred inadvertently. In the reply the ZP stated that they did not rectify the error at the time of execution as the rates were vetted by higher authorities i.e. P&RDD and Finance Department. It is evident from the reply that the ZP detected the error prior to execution but did not take any action to rectify it despite having the opportunity to do so by bringing the issue to the notice of P&RDD and Finance Department.

(b) Purulia ZP prepared (December 2010) rate analysis of bitumen considering rates of SOR (November 2008) in lieu of rates envisaged in 1st corrigenda Addenda issued in January 2009 for improvement of road from Gurda More to Kalaboni Road.

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Sl. No.	Name of the roads constructed	Quantity executed (in m ²)	Rate of consolidation (seal coat) (₹/m ²)	Admissible rate (₹/m ²)	Difference of rate (₹/m ²)	Less rate offered by contractor (in per cent)	Excess payment (₹ in lakh)
1)	Dakshin Jhar Beltali to Gadher Kuthi	29776.68	38.50	29.92	8.58	21.43	2.01
2)	khurkadam more to Jharbeltali	21022.97	40.38	31.78	8.60	3	1.75
3)	Railgate near BDO Office to Dhupguri Pucca Road via Begunbari	32827.87	39.24	30.65	8.59	33.13	1.89
4)	Taleswarguri pipe line to High road shanti nagar chowpathi	18503.65	39.22	30.63	8.59	17.02	1.32
5)	Rajgaunge Office to Kukurjan GP office	24288.75	40.13	31.53	8.60	26.67	1.53
6)	Hemguri Primary School to Chengmari Kadamtala along Gholani river	19850.51	38.29	29.70	8.59	21.01	1.35
7)	Jalpesh to Naya Bandar(Bazar)	17931.90	38.93	30.35	8.58	21.99	1.20
8)	Mahakal more to Chengmari Harendranath	32976.96	37.8	29.92	7.88	1	2.57
Total							13.62

As a result, the ZP made excess payment of ₹ 2.44 lakh³¹.

When pointed out in audit (December 2011) the ZP did not furnish reason for non-adoption of latest rates prescribed in SOR.

Thus, non-adherence to SOR and corrigenda led to incorrect project report and excess payment of ₹ 16.06 lakh.

PASCHIM MEDINIPUR ZILLA PARISHAD

4.1.5 Excess payment of ₹ 14.34 lakh

Paschim Medinipur ZP made excess payment of ₹ 14.34 lakh due to non-adherence to approved rate of utilisation of bitumen by contractors

Paschim Medinipur ZP undertook (December 2006) Pirakata-Goaltore Road (0-7.5 and 7.5-16.70 km) under Rural Infrastructure Development Fund after getting technical approval from Superintending Engineer, State Highway Circle, Public Works (Roads) Directorate. The work included item of 75mm compacted thickness of bituminous macadam as a base course in which quantity of bitumen was fixed at 4 *per cent* by weight of total mix. The same specification of work was also evident in rate analysis and also in Bill of Quantity issued to contractors (March 2008).

Scrutiny of test reports determining the bitumen content in the total mix revealed that the contractors utilised bitumen at an average rate of 3.29 and 3.36 *per cent* by weight respectively for two chainage of roads in lieu of approved 4 *per cent* of total mix. But the ZP ignored the test reports and

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Sl. No.	Name of the item of works executed	Quantity executed (in m ²)	Rate allowed (₹/m ²)	Admissible rate (₹/m ²)	Difference of rate (₹/m ²)	Excess payment (₹ in lakh)	Excess payment after deducting tender rebate of 0.05 per cent (₹ in lakh)
(i)	(ii)	(iii)	(iv)	(v)	(vi)=(iv)-(v)	(vii)=(iii)x(vi)	(viii)=(vii)-0.05 per cent
1)	Premix carpet	14437.5	105.04	95.25	9.79	1.41	1.41
2)	Seal coat	14437.5	44.42	39.80	4.62	0.67	0.67
3)	Primer Coat	1369.49	28.90	25.99	2.91	0.04	0.04
4)	Tack coat	14437.5	14.22	11.85	2.37	0.34	0.34
Total							2.46
Less 1 per cent cess							0.02
Total excess payment							2.44

settled the contractors' bill at a rate of 4 *per cent*. As a result, the ZP made excess payment of ₹ 14.34 lakh³² during 2010-11.

The ZP stated (December 2011) that the nomenclature was changed by the publications of corrigendum of SOR where 3.25 *per cent* came into force in lieu of 4 *per cent* though the consumption of bitumen remained unaltered 5.3kg/m². The reply is not tenable because the approved estimates alongwith the rate analysis, Bill of Quantity and work order envisaged the consumption of bitumen at the rate of 4 *per cent* by weight of the total mix. Specification to be executed by the contractor remained unaltered as the ZP did not issue any further clarification to the contractor in pursuance of corrigendum. Therefore, preconditioned rate specified in BOQ i.e. quantity of bitumen at 4 *per cent* by weight of total mix was to be executed by the contractor. Besides, at the time of clarifying a separate case in respect of another ZP, Panchayat and Rural Development Department directed (June 2006) that Bill of Quantity was the main item of the contract and the agency was legally bound to accept the rate quoted by him.

Thus, the ZP made excess payment of ₹ 14.34 lakh due to non-adherence to approved rate of utilisation of bitumen.

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Chainage (in km)	No. of test conduct ed	Total percentage of bitumen in the mix	Average percentage of bitumen content in the total mix	Content of bitumen in kg as required (@4%)	Content of bitumen as per report (kg/m ²)	Short quantit y used (kg/m ²)	Total less (in kg)	Cost of bitumen /kg	Total amount excess paid including tendered rebate
(i)	(ii)	(iii)	(iv)=(iii/ii)	(v)	(vi)=(v/4%) x(iv%)	(vii)= (v)-(vi)	(viii)	(ix)	(x)=(viii)x(ix)
0-7.5	11	36.2	36.2/11= 3.29	5.36	4.4086	0.9514	41250m ² x 0.9514kg/ m ² = 39245.25	24.301	39245.25kg x 24.301 less 26.01% = 705642
7.5-16.7	38	127.77	127.77/38= 3.36	5.36	4.5024	0.8576	50049.32 m ² x 0.8576kg/ m ² = 42922.296	24.216	42922.296kg x 24.216 less 29.96%= 728000
Total									14,33,642

JALPAIGURI ZILLA PARISHAD**4.1.6 Payment of ₹ 30.58 lakh through false documents**

Jalpaiguri ZP made payment of ₹ 30.58 lakh to the contractor on the basis of false royalty challans without verifying authenticity of the document

Jalpaiguri ZP undertook construction of reinforced cement concrete bored pile foundation bridge over river Garam. Bill of Quantity (BOQ) issued (November 2005) to the contractor contained the item of earthwork of 8000 m³ at the rate of ₹ 25 per m³ (land owned/arranged by the Department) with the stipulation that the work should be completed within 500 days.

Scrutiny of measurement books revealed that the contractor executed 47,801.07m³ earthwork (between April 2006 and August 2010) at the rates ranging from ₹ 25 to ₹ 174.45 instead of BOQ of 8000m³ at the rate of ₹ 25. Scrutiny further revealed that the contractor submitted royalty challans obtained (April and May 2010) from the Block Land and Land Reforms Officer (BL&LRO), Alipurduar-I for 18,406.05m³ of earth arranged by the contractor. The ZP settled the claim of ₹ 31.53 lakh for arranging earth of 18071.10 m³ at the rate of ₹ 174.45 on the basis of the said challan of the contractor. Consequent upon audit enquiry, (February 2012) about genuineness of royalty challans submitted by the contractor, the BL&LRO, Alipurduar-I intimated that no such challans were issued from their end. Therefore, the contractor claimed ₹ 31.53 lakh through false documents and the ZP paid ₹ 30.58 lakh (deducting 3 *per cent* tender rebate) without verifying fact from BL&LRO.

In turn, the ZP did not furnish any reply but forwarded the reply of the BL&LRO to audit.

Thus, the ZP made payment of ₹ 30.58 lakh without checking the authenticity of bills/challans submitted by the contractor. This also indicated weak internal control mechanism of the ZP which resulted in loss of public money.

COOCH BEHAR ZILLA PARISHAD

4.1.7 Undue benefit of ₹ 26.82 lakh

Coochbehar ZP extended undue favour of ₹ 26.82 lakh due to non adherence to SOR and also lack of internal control mechanism in monitoring of works executed by contractors in respect of strengthening and widening of three roads

Schedule of Rates (SOR) issued by the Public Works (Roads) Directorate in November 2008 specified that for earthwork in road embankment and construction of sub-grade in all sorts of soil at Optimum Moisture Content (OMC), rate of compacted earth is arrived at by adding cost of compaction of earth of ₹ 61.60 per cubic meter with total cost of loose earth after dividing by compaction factor (0.92). Thus minimum cost of earthwork at OMC stood at ₹ 102.51³³ per cubic meter. For execution of earthwork at OMC, SOR also specified certain tests to be carried out for required compaction of earth and test records needed to be maintained. For execution of earthwork at non-OMC, the rate of compaction is to be arrived at by adding the cost of compaction of earth of ₹ 17.10 per cubic meter with total cost of earth after dividing by the compaction factor (0.92).

Scrutiny of records revealed that Coochbehar ZP got technical sanction (October 2008) of ₹ 3.38 crore for execution of ‘strengthening and widening of road from ‘Akrahat to Hukuduar’ under RIDF from Panchayat & Rural Development Department (P&RDD). The item of execution of earthwork at OMC as prepared and approved was estimated at ₹ 81.60 per cubic meter which was much less than minimum rate as specified in SOR. The ZP issued Bill of Quantity (July 2009) to the contractor indicating earthwork at OMC at the rate of ₹ 82.42 per cubic meter (including 1 per

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Earthwork for construction of sub-grade in all sorts of soil at OMC	Rate per m ³ (at OMC)
Cost of earth/m ³ (36.70/0.92)	39.89
Compaction of earth in road embankment	61.60
Total	101.49
Add 1% cess	1.01
Total unit rate at OMC	102.51

cent cess). The contractor executed 38060.74 cubic meter earth work at ₹ 82.42 per cubic meter and the ZP settled the claim without having any test report showing that the work had been executed at OMC. The required compaction control reports were also not evinced from records. The fact is evident that the ZP did not monitor the work as per specification and also allowed the contractor to execute the work at non OMC and extended favour of ₹ 16.56 lakh³⁴ to the contractor.

In the similar way, the ZP extended undue favour to the contractors to the tune of ₹ 10.26 lakh⁸ for execution of 10,998.50 and 12,564.53 cubic meters earth work respectively for two roads 'Choukushi Balarampur to Balarampur Battala' and 'Duari bridge to Dhulia Hat' between November 2009 and December 2011.

When the matter was pointed out in audit and supporting documents for justifying the allowance of rate to the contractor were sought, the ZP admitted the fact and stated (January 2012) that due to allowance of lesser rate in the estimate the ZP could not monitor the work as per specification. The replies indicate that the ZP was aware that the rate was not commensurate with the specification of SOR and allowed the contractors to work without adhering the terms of contract.

Thus, the ZP did not monitor the works executed by contractors and extended undue favour of ₹ 26.82 lakh by not adhering to SOR. It is also

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Name of the roads	Quantity of earthwork executed (in m ³)	Rate of compaction at OMC (₹/m ³)	Rate of compaction if not compacted at OMC (₹/m ³)	Difference (₹/m ³)	Excess payment (₹ in lakh)	Tender rebate (in per cent)	Net excess amount paid (₹ in lakh)
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)=(2)x(4)	(7)	(8)=(6)-(7)
Akrahath to Hukudar	38060.74	61.60	17.10	44.50	16.94	2.25	16.56
Choukushi Balarampur to Balarampur Battala	10998.50	61.60	17.10	44.50	4.89	2.11	4.79
Duari bridge to Dhulia Hat	12564.53	61.60	17.10	44.50	5.59	2.15	5.47
Total							26.82

evident that P&RDD also did not exercise its obligatory check and accorded technical sanction for a rate not specified in SOR.

KANKSA GRAM PANCHAYAT

4.1.8 Doubtful expenditure of ₹ 10.70 lakh

Absence of measurement of the works, certificate of correctness of the engineer primarily required for making any payment, periodicity of work, approval of executive body and tender procedure turned the expenditure of ₹ 10.70 lakh doubtful

Rule 17(12) of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 prescribes that all payments shall be made on the basis of a bill supported by the Measurement Book (MB) entries prepared by the engineer-in-charge of the work. Similarly, Rule 9 of the aforesaid rule stipulated that any payment from the Gram Panchayat fund shall be made against a valid bill or claim showing details of such claims. If such bill or claim is found on scrutiny to be genuine and in order by the Nirman Sahayak in case of programme or scheme, he shall place the bill or claim to the Executive Assistant with his observation to the effect that the claim is checked and found genuine and in order and only then the bill may be paid.

Bardhaman Zilla Parishad (ZP) released (Jan 2011) ₹ 10.70 lakh in favour of Kanksa Gram Panchayat (GP) for infrastructure development in connection with “*Rajya Panchayat O Gramonnayan Saptaha 2010*” under Third State Finance Commission grant. While releasing the fund, the ZP also instructed the GP to preserve relevant papers including MB for audit. The GP expended ₹ 10.70 lakh towards infrastructural development of four schools and a club including beautification of a statue.

Scrutiny revealed that the GP did not maintain MB for those works and paid the entire amount of ₹ 10.70 lakh received from ZP. Further, quantity and rate for any item of work and period of execution were not mentioned in the bill. Moreover, the required certificate of correctness and appropriateness of the claim was not recorded in the bill/voucher by the Nirman Sahayak.

It was revealed that in violation of Rule 17(5) of the aforesaid rule, the GP collected three quotations (without date) for selecting the contractor instead of inviting tenders. Neither any approval of the *Artho O Parikalpana Upa-Samiti* was obtained for the said work nor was the basis of selection of the contractor found on record.

When pointed out the GP stated that works were executed as per order of the ZP but failed to explain the reason for non-maintenance of MB and non-compliance with provision of rules.

Thus, non-compliance with rules rendered the expenditure unverifiable in audit.

NORTH 24 PARGANAS ZILLA PARISHAD

4.1.9 Loss of ₹ 96.54 lakh

Revenue of ₹ 96.54 lakh was forgone by North 24 Parganas ZP due to extension of unauthorised concession of development charges and failure to implement new rates of development charges after September 2008

As per the West Bengal Town & Country (Planning and Development) Act, 1979 (hereinafter referred to as Act), development charge is levied for carrying out any development activity or change in land use pattern for which permission is required, in whole or in part of the planning area, at rates not exceeding those specified under the Act. Power to collect development charges was delegated to North 24 Parganas ZP in 1986.

Scrutiny of records revealed that Sachis Kiran Roy Memorial Trust, a private developer, sought permission from North 24 Parganas ZP on December 2007 for construction of Adamas Institute of Technology. Engineers of the ZP inspected the site and proposed (December 2007) development charge at the rate of ₹ 200 per square meter for commercial use and ₹ 205 per square meter for change of land use pattern from agriculture to commerce i.e. the maximum rates fixed by the State Government as per West Bengal (Town & Country) Planning and Development Act 1979. Sabhadhipati, Executive Officer and Executive Engineer of the ZP reduced (December 2007) both charges to ₹ 100 per square meter without seeking approval of the concerned *Sthayee Samiti* of

the ZP, as prescribed. Similarly, in subsequent phases of construction, the ZP allowed (March and April 2008) concessional rates to the developer citing reduced rate allowed in the first phase as precedence.

In September 2008, the State Government enhanced the rates of development charges by issue of notification, imposing fixed amounts of ₹ 300 and ₹ 400 for commercial use and charge of land use pattern from agriculture to commerce, respectively. In violation of the said notification, the ZP allowed (November 2010) concessional rate of development charges at ₹ 100 per square meter on both counts to the trust for construction of Adamas Institute of Legal Studies, Management and Professional Training again citing the rate allowed in December 2007 as precedence. Approval of the *Sthayee Samiti* of the ZP was not sought.

The State Government enhanced the rate for volume content of building from ₹ 5 per cubic meter to ₹ 10 per cubic meter through the same notification. However, the ZP charged the Trust at the pre-revised rate of ₹ 5 per cubic meter.

Thus, the ZP extended unauthorised concession to the said trust and non-adherence to Government notification resulted in loss of ZP funds of ₹ 85.18 lakh³⁵.

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Name of developers	Items	Units	Development charges fixed (w.e.f 19.09.08)		Development charges actually levied and collected		Loss of Government revenue due to extending undue concession (in ₹)
			Rate (in ₹)	Amount (in ₹)	Rate (in ₹)	Amount (in ₹)	
(i)	(ii)	(iii)	(iv)	(v)=(iii)x(iv)	(vi)	(vii)=(vi)x(iii)	(viii)=(v)-(vii)
Sachis Kiran Roy Memorial Trust	For Institution use (Commerce)	14,525.94 m ²	300/m ²	43,57,782.00	100/m	14,52,594.00	29,05,188.00
	For change of use (Agriculture to Commerce)	17,765.71 m ²	400/m ²	71,06,284.00	100/m ²	17,76,571.00	53,29,713.00
	For volume content of building in m ³	56,656.73 m ³	10/m ³	566567.30	5/m ³	2,83,283.65	2,83,283.65
	Sub total			120,30,633.30		35,12,448.65	85,18,184.65
BGD Memorial	For Institution use (Commerce)	509.48 m ²	300/m ²	1,52,844	200/m ²	1,01,896	50,948.00
	For change of use (Agriculture to Commerce)	5,523.95 m ²	400/m ² (w.e.f 19.09.08)	22,09,580	205/m ²	11,32,409.80	10,77,170.20
	For volume content of building in m ³	1,528.44 m ³	10/m ³ (w.e.f 19.09.08)	15,284.40	5/m ³	7,642.20	7,642.20
	Sub-total			23,77,708.40		12,41,948.00	11,35,760.40
Total loss							96,53,945.05

The ZP stated (November 2011) that Sachis Kiran Roy Memorial Trust was involved in social welfare activities (establishment of educational institutes) and hence such special benefit was allowed. The reply is not acceptable as no discretion was received regarding reducing the charges fixed by the State Government. In September 2012, the ZP stated that the concerned Barberia Mouza (JL 8) did not fall within the Kolkata Metropolitan Development Authority (KMDA) and therefore no development charges would be imposed. An extract of notification of Government of West Bengal issued in June 2001 was furnished by the ZP in support of the reply. The reply is not acceptable as the said Mouza was brought under the jurisdiction of West Bengal Town & Country (Planning & Development) Amendment Act, 2006.

Further, another developer, BGD Memorial Trust also applied (February 2010) for special concession on development charges on similar grounds (establishment of educational institute under the banner of West Bengal University of Technology and recognition from AICTE) but the request was rejected.

However, scrutiny of the case of BGD Memorial Trust revealed that the ZP collected development charges at the maximum of the pre-revised rate and not on the enhanced rate applicable from September 2008. The ZP did not place the decision before the *Sthayee Samiti* for approval. This resulted in short collection of ₹ 11.36 lakh³⁵ from the developer.

ZP admitted (November, 2011) the lapse and stated that it would recover the shortfall from BGD Memorial Trust.

Thus, failure to adhere to the provisions of the West Bengal Town & Country (Planning and Development) Act 1979 and Amendment Act 2006 and unauthorised allowance of concessional/pre-revised rate to two developers resulted in loss of ₹ 96.54 lakh.

4.2 Audit against propriety / expenditure without justification

PASCHIM MEDINIPUR AND COOCH BEHAR ZILLA PARISHADS

4.2.1 Avoidable expenditure of ₹ 62.01 lakh

Paschim Medinipur and Coochbehar ZPs incurred an avoidable expenditure of ₹ 62.01 lakh due to selection of costly chandil variety stone chips in lieu of schedule approved cost effective pakur variety materials and steel carried through Kharagpur station and Durgapur respectively

(a) Paschim Medinipur ZP undertook widening and strengthening of Pirakata to Goaltore (0-7.50 kms and 7.50-16 kms) road in March 2008 consisting of bituminous work under Rural Infrastructure Development Fund. The ZP selected Chandil variety stone chips for the purpose and estimated the rate considering transportation from Chandil to the worksites.

Scrutiny of Schedule of Rates (SOR) and analysis of rates revealed that pakur variety stone chips were cheaper than chandil variety and also cost effective if were transported via Kharagpur rail station. It was analysed that the ZP could have avoided ₹ 57.90 lakh³⁶ for execution of 75 mm bituminous works of 91,299 square meters had the transportation of Pakur variety stone chips via Kharagpur station to worksites been considered.

When pointed out in audit, the ZP stated (December 2011) that they were not aware of any yard which was used for loading or unloading of metal or chips at Kharagpur rail station. The reply is not tenable as the SOR considers Kharagpur rail station for loading/unloading of Pakur variety stone chips since 1998-1999. While vetting another project proposal of the

36

Chainage (in km)	Quantity executed (in m ²)	Rate allowed (₹/m ²)	Rate of Pakur variety by rail transport via Kharagpur to worksite by road transport (₹/m ²)	Excess rate allowed (₹/m ²)	Tendered rebate (%)	Avoidable expenditure after deducting 1 per cent cess (₹ in lakh)
0-7.5	41,250	451.32	360.33	90.99	26.01	27.49
7.5-16.7	50,049	458.29	370.65	87.64	29.96	30.41
Total	91,299					57.90

ZP the Superintending Engineer, South Western Circle, Public Works Department and the ZP opined that Pakur was the approved quarry for road construction work in South Bengal and carriageway cost of stone aggregate from Pakur to Kharagpur railway siding by goods train and onwards to project site by road was cost effective.

(b) Similarly, Coochbehar ZP considered carriage of steel from Kolkata in lieu of Durgapur which was the nearest destination, for construction of three bridges. As a result, the ZP incurred avoidable expenditure of ₹ 4.11 lakh³⁷.

The ZP admitted (January 2012) the fact.

Thus, Paschim Medinipur and Coochbehar ZPs incurred an avoidable expenditure of ₹ 62.01 lakh due to selection of costly Chandil variety stone chips in lieu of schedule approved cost effective Pakur variety material, and due to carriage of steel from far away destination.

4.3 Persistent/pervasive irregularities

ZILLA PARISHADS AND PANCHAYAT SAMITIS

4.3.1 Idle grants of ₹ 10.18 crore

Thirtyone PRIs did not utilise developmental grants of ₹10.18 crore which led to blocking of funds.

In terms of Rules 36(4) and 116(5) of the West Bengal Panchayat (ZP and PS) Accounts and Financial Rules, 2003, it is obligatory on the part of any Zilla Parishad/ Mahakuma Parishad or Panchayat Samiti to utilise funds received from the government or any other authority for implementation of specified schemes, without delay and to submit utilisation certificates within six months from the date of receipt of grant or before applying for further grants for the same purpose, whichever is earlier.

³⁷

Name of bridges	Avoidable expenditure (₹ in lakh)
Bridge over river Sanaijan	0.96
Bridge over river Gadhadhar	1.51
Bridge over river Raidak-I	1.68
Total avoidable expenditure	4.15
Less 1 per cent cess	0.04
Extra avoidable expenditure	4.11

Review of Cash Analysis report, Receipt and Payment Statement, Appropriation Register and Grant Statement of eight ZPs and 23 PSs³⁸ conducted during 2010-11 revealed that these PRIs did not utilise ₹ 10.18 crore in respect of different government grants (265 heads) received for various social assistance programmes, creation of durable community assets, infrastructural development, relief funds, finance commission grants and other grants for three to eight years. No evidence was found in the records of these PRIs that they took any initiative to utilize funds for the purposes for which those were sanctioned or to surrender the same to the sanctioning authority. The funds were lying idle with respective treasury/ bank accounts under concerned heads.

When this was pointed out, North 24 Parganas ZP stated (November, 2011) that steps had already been taken to utilise the unspent funds for maintenance of completed schemes. The reply is not acceptable as the guidelines / sanction order of these schemes did not allow utilisation of balance funds towards maintenance of schemes. Besides, idle funds included unutilised funds of SGRY (LF) to the tune of ₹ 13.79 lakh and as per GOI directive (20.11.07), SGRY (LF) was to be transferred to NREGS. Khejuri II PS replied that resolution for utilisation of fund could not be taken due to long absence of PS office bearers. However, the matter was taken up with Purba Medinipur Zilla Parishad (February 2011) and DM, Purba Medinipur (February 2010) for obtaining directions for utilisation of unutilised fund which were awaited till June 2011. Md Bazar PS replied that they were unaware of the mode of surrender of the unspent funds of the schemes that were not in existence.

Fifteen PRIs replied that necessary steps would be taken for utilisation or surrender of the unspent balances without specifying any reason for non-

³⁸ **Zilla Parishads (8 ZPs):** North 24 Pgs : ₹ 259.80 lakh; Siliguri Mahakuma Parishad: ₹ 14.92 lakh South 24 Pgs: ₹ 45.25 lakh; Bankura: ₹ 35.20 lakh; Murshidabad: ₹ 129.14 lakh; Coochbehar: ₹ 138.40 lakh; Jalpaiguri: ₹ 63.75 lakh; Nadia: ₹ 30.03 lakh.

Panchayat Samitis (23 PSs): Kultali: ₹ 4.18 lakh; Old Malda ₹ 15.64 lakh; Baruipur: ₹ 3.75 lakh; Habra II: ₹ 4.24 lakh; Moynaguri: ₹ 40.14 lakh; Pandua: ₹ 11.69 lakh; Alipurduar I: ₹ 12.80 lakh; Rajganj ₹ 8.68 lakh; Jalpaiguri Sadar: ₹ 56.59 lakh; Singur: ₹ 7.15 lakh; Sandeshkhali I: ₹ 12.66 lakh; Md Bazar: ₹ 1.79 lakh; Baduria: ₹ 3.05 lakh; Banshihari I: ₹ 3.10 lakh; Basanti: ₹ 12.48 lakh; Bhangar I: ₹ 11.93 lakh; Andal : ₹ 2.33 lakh; Joynagar I: ₹ 32.91 lakh; Mathabhanga I: ₹ 13.29 lakh; Khejuri II : ₹ 6.40 lakh; Saltora ₹ 14.53 lakh; Sandeshkhali II: ₹ 11.25 lakh and Panskura I: ₹ 11.02 lakh.

utilisation. Remaining 13 PRIs³⁹ did not furnish any reply. In the absence of reply, reason for non-utilisation could not be ascertained.

It was evident from the replies that the PRIs did not utilise the funds within six months from the date of their receipt as prescribed in the aforesaid rule. Moreover no initiative was undertaken to utilise/surrender funds till the point was raised by audit. Non-utilisation of grants resulted in non-creation of durable community assets, failure in infrastructural development and targets fixed under various social assistance programmes not being achieved.

The matter of non-utilisation of government grants in respect of Murshidabad, Coochbehar, Siliguri Mahakuma Parishad, North 24 Parganas and South 24 Parganas ZPs was earlier raised in the Audit Reports between the years 2008 and 2011, but no improvement was found during successive audits of these PRIs.

Thus, lack of initiative of the part of PRIs led to non-utilisation of developmental grants which remained idle for three to eight years. Non-utilisation of funds deprived rural people from intended benefits. This also indicated lack of monitoring by the grant sanctioning authority before release of developmental grants to PRIs.

ARAMBAGH PANCHAYAT SAMITI

4.3.2 Unfruitful expenditure of ₹ 49.20 lakh

Change of site of execution for muslim girls' hostel led to litigation and inability of the PS to resolve the issue resulted in unfruitful expenditure of ₹ 49.20 lakh towards the incomplete hostel besides contractor's demand of compensation of ₹ 1.58 lakh.

Government of West Bengal, Minorities Development and Welfare Department accorded approval (2003) for the construction of Muslim Girls' Hostel at a cost of ₹ 70.08 lakh, on 0.33 acre land donated by Nazir Golam Zilani Ansari Wakf Estate under Arambagh Mouza through a

³⁹ **Zilla Parishads (5 ZPs):** South 24 Pgs; Bankura; Murshidabad; Cooch Behar; Jalpaiguri; **Panchayat Samitis (8 PSs):** Joynagar I; Basanti; Singur; Rajganj; Pandua; Moynaguri; Old Malda and Sandeshkhali II.

registered deed for the said hostel. Arambagh PS was entrusted with the work of implementing the scheme.

Scrutiny of records revealed that Arambagh PS decided (February 2006) to shift the location of hostel towards low land at the southern part of the same plot due to some dispute. During construction of 1st floor, Nazir Golam Zilani Ansari Wakf Estate intimated (March 2009) SDO, Arambagh that the hostel was constructed at a place outside the donated plot and that place was being used for religious purposes. The Estate also requested to construct the hostel as per the map of the land. Thereafter, the Executive Officer of PS instructed (April 2009) the contractor to pause the construction. On the plea of the contractor the EO ordered to start the work on 19 May 2009 without solving the problem and after construction of the roof of second floor the work was stopped by the Idgaha Committee. The work remained suspended since September 2009.

In order to complete the work timely DM, Hooghly formed a team for spot visit on 6 January 2010 and directed (January 2010) SDO, Arambagh to monitor the work. The team observed that the scheme was not executed at the place mentioned in the deed and the PS formed a beneficiary committee keeping the landowners in the dark. In order to solve the problem, demarcation of total area of 0 .33 acre by the BLLRO in presence of landowners and registration of rectification deed were proposed. Further the Idgaha Committee also demanded construction of boundary wall before taking up further construction and a sketch map showing the hostel building including boundary wall for rectification deed. But the PS failed to solve the situation till July 2012. The work remained incomplete for nine years from 2003 as the rectification deed did not materialize. In the process, the PS expended ₹ 49.20 lakh out of ₹ 68.00 lakh received till July 2012.

Meanwhile the contractor demanded ₹ 1.58 lakh as compensation for loss due to material damage. The PS took decision (April 2010) to pay compensation and to cancel the tender but no payment was given to him.

When pointed out, the PS accepted (January & July 2012) the observations and stated that building was constructed outside the donated land and delay was due to circumstantial effect of such deviation.

Thus, change of site of execution led to litigation. Inability of the PS to resolve the issue resulted in non-completion of the hostel and expenditure of ₹ 49.20 lakh became unfruitful alongwith liability of ₹ 1.58 lakh towards unpaid compensation. Moreover the target of the State Government for providing hostel to girls of minority community was not achieved.

PASCHIM MEDINIPUR AND HOWRAH ZILLA PARISHADS

4.3.3 Loss of Indira Awas Yojana (IAY) assistance of ₹ 72.84 crore

Paschim Medinipur and Howrah ZPs failed to adhere to conditions stipulated for release of IAY funds, resulting in reduction of ₹ 72.84 crore of their entitlement during 2010-11. Consequently, 16,187 families were deprived of the benefit of housing under the scheme

(A) Indira Awas Yojana (IAY), a centrally sponsored scheme, is funded by Government of India (GOI) and the State Government in the ratio of 75:25. One of the GOI preconditions for release of central share stipulates that more than 10 *per cent* of the funds available during the previous year should not have remained unspent. In case, the permissible limit is exceeded, the central share would be reduced by that amount of excess at the time of release of the second installment.

Scrutiny revealed that Paschim Medinipur ZP had funds available to the extent of ₹ 128.31 crore during 2009-10. After expending ₹ 80.20 crore, ₹ 48.11 crore was carried forward to 2010-11 which was 37 *per cent* of available funds of 2009-10. As a result of underutilisation, GOI curtailed entire second installment of ₹ 41.40 crore of 2010-11 in March 2011. Consequently, there was no release of state share of ₹ 13.80 crore (1/3rd of central allotment of ₹ 41.40 crore) in favour of the ZP.

(B) Further, GOI laid down (April and May 2010) another condition that complete proposal for second instalment for the year 2010-11 would have

to be submitted by 15th March 2011 and proposals received after that date would not be entertained.

Scrutiny revealed that Howrah ZP did not adhere to the date fixed by GOI and submitted the proposal to the State Government on 24 March 2011. As a result, GOI as well as the State Government did not release second instalment of ₹ 17.64 crore (GOI: ₹ 13.23 crore and State Government: ₹ 4.41 crore).

Thus, two ZPs could not avail IAY assistance of ₹ 72.84 crore due to short utilisation of available funds and failure to adhere to the target date of sending the proposals. It was further noticed that the deducted amount was not restored during 2011-12 in favour of the two ZPs.

On the matter being pointed out by audit (October and December 2011), Paschim Medinipur ZP did not furnish any reply while Howrah ZP admitted the fact.

Thus, failure to adhere to the conditions stipulated by GOI for release of IAY funds led to loss of IAY assistance of ₹ 72.84 crore. Had the ZPs followed GOI stipulations, 16,187 rural poor⁴⁰ would have benefited through construction of new houses under the scheme.

GRAM PANCHAYATS

4.3.4 Irregularities in procurement of material and maintenance of Store Account register

Twenty three GPs failed to adhere to rules while procuring materials valuing ₹ 28.67 lakh. Besides, two GPs did not enter stock valuing ₹ 7.39 lakh into Store Account register

Rules 11 (2) (a) of the West Bengal Panchayat (GP Accounts, Audit and Budget) Rules 2007 stipulates that tender should be invited for purchase of any stock of articles valuing rupees twenty thousand or more from firms generally known to deal in the articles and materials to be so purchased; and, for purchases of less than rupees twenty thousand, sealed quotations of rates should be invited from at least five such firms.

⁴⁰ ₹ 72.84 crore / ₹45,000 (cost fixed per house) = 16,187.

During scrutiny of records of GPs it was revealed that 23 GPs⁴¹ did not invite tenders/ quotations while procuring materials for works during 2010-11. These GPs expended ₹ 28.67 lakh out of Mahatma Gandhi National Rural Employment Guarantee Scheme, Backward Region Grant Fund, 12th FC, 13th FC, 2nd SFC and 3rd SFC and towards purchase of materials.

Further, In terms of rule 25 (2) of the said rule, a GP should maintain a Store Account Register showing every receipt and issue of material.

Simulia GP and Sannyasikata GP procured materials worth ₹ 4.05 lakh and ₹ 3.35 lakh respectively under different schemes but did not enter the receipt of those materials in Store Account Register. As a result, issue/ utilisation of materials against works could not be verified.

Thus, the aforesaid GPs irregularly procured materials valuing ₹ 28.67 lakh without inviting tender/ quotation and two GPs did not enter procured material valuing ₹ 7.39 lakh in the Store Account register, rendering the process non-transparent. Moreover, due to failure to invite tenders/ quotations, the GPs could not get the best competitive and most economic rates and they failed to observe financial propriety while spending public money.

⁴¹ **Bardhaman ZP** - Jagadanandapur GP (₹ 0.95 lakh), Mertala GP (₹ 0.32 lakh) and Purbasthali GP (₹ 2.33 lakh).

Birbhum ZP – Barla GP (₹ 0.25 lakh), Mashra GP (₹ 0.83 lakh) and Mitrapur GP (₹ 0.88 lakh).

Cooch Behar ZP - Hemkumari GP (₹ 0.84 lakh).

Jalpaiguri ZP - Bidhannagar GP (₹ 0.75 lakh), Domohani-II GP (₹ 1.06 lakh) and Vivekananda-I GP (₹ 0.96 lakh)

Malda ZP – Jatradanga GP (₹ 0.70 lakh).

Paschim Medinipur – Arrah GP (₹ 0.22 lakh), Bakhrabad GP (₹ 0.85 lakh), Bhimpur GP (₹ 0.22 lakh), Binpur GP (₹ 0.80 lakh), Jogardanga GP (₹ 0.42 lakh), Kharika Mathani GP (₹ 2.58 lakh), Kusumpur GP (₹ 0.17 lakh), Manidaha GP (₹ 0.82 lakh) and Shilda GP (₹ 7.65 lakh).

Purba Medinipur – Lauda GP (₹ 2.24 lakh)

Purulia ZP – Bhandarpuara Chipida GP (₹ 1.79 lakh) and Sonajhuri GP (₹ 1.04 lakh).

4.4 Failure of oversight/ governance

ZILLA PARISHADS AND PANCHAYAT SAMITIS

4.4.1 Failure in augmentation of revenue of ₹ 7.82 crore

Sixty nine PRIs failed to augment revenue to the tune of ₹ 7.82 crore due to inertia in collection, non implementation of the bye- laws and absence of formal agreements.

Generation of revenue is essential to finance developmental activities planned by PRIs and to assure the benefits of economic progress to rural poor. In terms of Section 133 of the West Bengal Panchayat Act, 1973, PRIs may levy tolls on vehicles on any road, bridge, ferry service vested/established by it or under its management. When the assets or properties owned, vested or under the control of panchayat bodies are leased out for fixed revenue, the recoveries for such leased out properties are to be considered as fixed demand and should be recorded in the Demand and Collection Register.

Scrutiny of records of 13 ZPs and 36 PSs during 2011-2012 revealed that these PRIs leased out *ferry ghats*, *hats*, water bodies etc. Stalls of market complexes and bungalows were also given on rent. Demand and collection register of these PRIs revealed that ₹ 5.57 crore remained unrealised from their leased out/rented properties constructed for the augmentation of revenue (**Appendix-XXII**). It was also noticed that they did not take any appropriate action for collection of lease/rent, to execute the terms and conditions of agreement with the tenants and to improve infrastructural facilities to collect dues. 24⁴² PRIs did not maintain Demand and Collection Register to watch over the realisation of revenues. Further, four⁴³ ZPs could not realize printing charges from Government offices and individuals and ₹ 1.01 crore remained unrealized as of March 2011.

Maynaguri PS failed to realise the outstanding lease amount ₹0.40 lakh, from the lessee after expiry of the lease term. Khanakul-II PS and

⁴² **ZPs:** Howrah; Malda; Murshidabad and Nadia. **PSs:** Arambagh; Balurghat; Bamangola; Barasat-II; Baruipur; Bishnupur; Daspur-II; Dubrajpur; Haroa; Kaliaganj; Khanakul-II; Magrahat-II; Maynaguri; Panchla; Pandua; Panskura-I; Polbadadpur; Pursurah; Ranaghat-I and Singur.

⁴³ Bankura (₹15.19 lakh); Hooghly (₹3.48 lakh); Nadia (₹17.67 lakh) and Paschim Medinipur (₹64.51 lakh)

Bamangola PS could not collect lease money from the lessee as these PSs did not formalise any agreement with the lessee. Baruipur PS stated that realisation of licence fees from the traders was getting hampered due to lack of infrastructural facilities.

Moreover in order to augment revenues 32 PSs framed bye-laws during 2003-09 but failed to collect revenue amounting to ₹ 1.24 crore due to non-implementation/proper implementation of these bye-laws (**Appendix-XXII**).

When this was pointed out, 14⁴⁴ PRIs did not furnish any reply and the remaining PRIs either admitted the facts and figures or stated that steps would be taken for collection of the unrealised revenue. It is evident from the replies that PRIs did not have good monitoring over realisation of revenues.

Thus lack of initiative in collection of revenue, non-execution/formalisation of terms and conditions of lease/rent, non-maintenance of Demand and Collection register and non-imposition of bye-laws resulted in non-realisation of revenues from the properties owned by the PRIs and ₹ 7.82 crore remained outstanding from the lease holders, occupiers etc. Besides the inefficiencies in collection of own revenue widened the resource gap and reduced the capacity of the PRIs to undertake welfare projects for overall sustainable development in the rural areas.

COOCH BEHAR ZILLA PARISHAD AND PURSURAH PANCHAYAT SAMITI

4.4.2 Intended benefit not derived because of incomplete works

Construction of bridges undertaken by Cooch Behar ZP remained incomplete for three to four years due to paucity of fund, non-availability of land and lack of planning by ZP. Execution of building undertaken by Pursurah PS remained incomplete for more than four years due to non ascertainment of source of fund and faulty planning. ₹ 9.10 crore spent could not yield any benefit for rural people.

As per rule 19(2) of the W.B Panchayat (ZP & PS) Accounts and Finance Rules, 2003, no scheme or programme shall be taken up for execution

⁴⁴ **ZPs:** Hooghly; Murshidabad and South 24 Parganas. **PSs:** Balurghat; Bamangola; Bhangar-I; Bishnupur; Haripal; Haroa; Karandighi; Maynaguri; Pandua; Panskura-I and Singur.

without identifying the fund for meeting the liability likely to be incurred on this account and no expenditure shall be incurred in anticipation of future availability of fund.

a) Bridges over river facilitate faster socio economic development of rural areas by establishing connectivity besides convenience. CoochBehar ZP undertook construction of four bridges across Jari Gangadhar, Raidak-I, Gadadhar and Saniajan rivers during 2008-10 at an estimated cost of ₹ 13.13 crore. The ZP received ₹ 9.29 crore during 2009-12 and expended ₹ 8.54 crore as of September 2012. All the bridges remained incomplete as of September 2012.

Scrutiny revealed that the ZP issued work order for the bridge over Jari Gangadhar River to the agency (April 2008). The construction of bridge proper was completed in April 2011, but the work of approach road could not be taken up due to non-availability of required land. As a result the bridge remained non-functional after a lapse of one and half year though the ZP had expended ₹ 2.58 crore as of September 2012. In reply the ZP stated (January 2012) that the construction of link road was restarted but that was not evident from the records of the ZP.

Construction of remaining bridges over Gadadhar, Raidak-I and Saniajan rivers were also taken up under Uttarbanga Unnayan Parshad (UUP) , Backward Area Development Programme (BADP), 3rd State Finance Commission (3rd SFC), 13th Finance Commission (13th FC) and Rural Infrastructure Development fund-VII and XVII (RIDF-VII and XVII) before identifying the required fund in violation of above rule. Against total estimate of ₹ 9.66 crore the ZP received ₹ 6.53 crore as of March 2012. The ZP expended a total sum of ₹ 5.96 crore up to October 2011 but could not complete the construction due to non-receipt of further funds from government. When non-completion of bridges was pointed out, the ZP cited non-availability of fund from government. Reason for non-availability of fund was not on record.

b) Similarly, Pursurah PS undertook construction of a G+ two storied building consisting of office premises, market stalls and store room at an

estimated cost of ₹ 84.38 lakh during 2008-09 without ascertaining the source of fund in violation of the said rule. The PS used funds available from MPLAD fund, own fund and 12th and 13th FC grants received to the tune of ₹ 56.02 lakh.

Scrutiny further revealed that in November 2011, the PS revised the estimate to ₹ 1.31 crore and decided to complete the project from MPLADs fund, own fund and 13th FC grant. But no fund was allotted till February 2012 though the PS intimated (October 2009) the ZP for release of balance fund required for completion of the building. Consequently, the building remained incomplete.

In reply, the PS stated that delay in execution was due to inadequate placement of fund from time to time. Reply is not tenable as the PS started execution without ascertaining the source of fund.

Thus, lack of proper planning, non-availability of land and not identifying the source of fund resulted in non-completion of bridges and a building. Rural people could not get any benefit though ₹ 9.10 crore was expended by the ZP and the PS.

4.5 Conclusion and Recommendations

Conclusion:

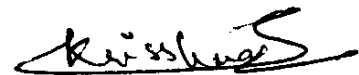
PRIs incurred avoidable expenditure due to non-consideration of shortest carriage, nearest quarry and cost effective materials for execution of works. PRIs incurred excess expenditure due to non adherence to provisions of SOR meant for smooth execution and preventing irregularities. Rural people were deprived of intended benefit of development grants due to faulty planning, change of sites and inertia in utilisation of funds by PRIs. Absence of requisite documents required under Rules for overall transparency in course of execution of works rendered expenditure not susceptible to verification. Lack of initiative in collection of revenue and non-imposition of bye-laws resulted in non-realisation of revenues by the PRIs and legitimate demands remained outstanding for years.

Recommendations:

Following measures are recommended to improve efficiency of execution of various development programmes, schemes and works:

- In order to prevent irregularities and ensure smooth execution of works, rule provisions/SOR need to be strictly adhered to;
- PRIs must adhere to timelines given by GOI and State Government to avoid loss of funds due to non release;
- A special drive should be conducted to augment revenues and reduce resource gap;
- PRIs should be vigilant in selection of source and materials variety so that works may be executed economically, efficiently and effectively; and
- Advanced/optimal planning, identification of funds before execution, timely implementation and efficient execution of works should be focused upon so that PRIs achieve the goal of improvement in rural infrastructure and connectivity.

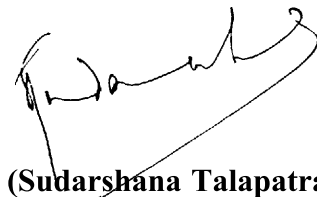
Kolkata,
The



(S. Krishna Chaitanya)
(Examiner of Local Accounts)
West Bengal

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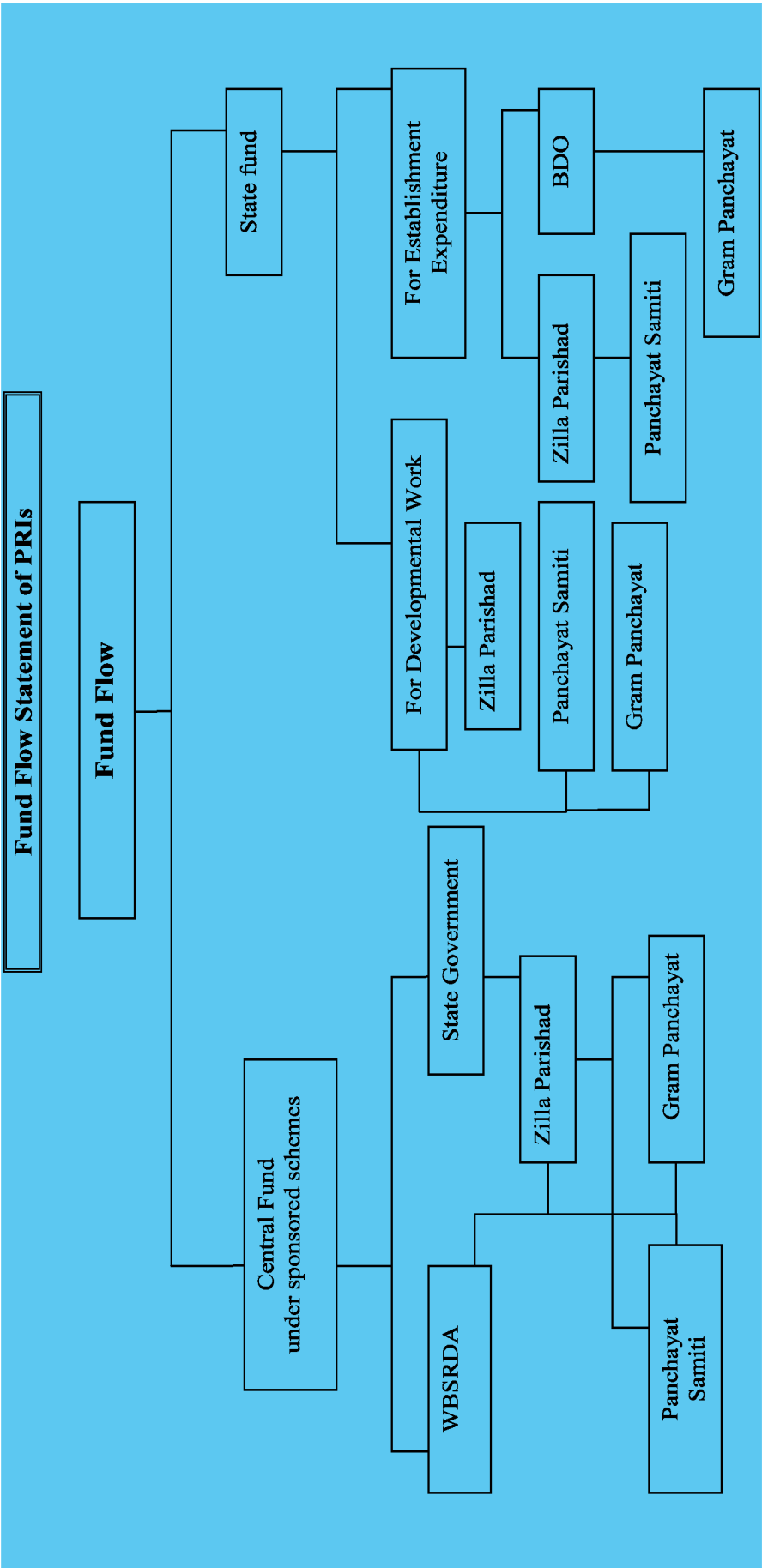


(Sudarshana Talapatra)
Principal Accountant General
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APPENDICES

Appendix I

(Reference: Paragraph 1.4; page no. 5)



Appendix-II

(Reference: Paragraph 1.6.2; page no. 7)

Statement showing financial position of the ZPs, PSs and GPs

(₹ in Crore)

Year: 2007-08																
Heads	Receipt						Expenditure									
	ZPs			PSs			Total		ZPs		PSs		GPs		Total	
	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*
(A) Grants:																
(i) Salary and Allowances Grant	0	29.39	0	19.75	0	201.87	251.01	0	25.76	0	17.43	0	206.47	0	249.66	0
(ii) Schematic fund	509.23	0	398.33	0	1553.25	0	2460.81	1391.55	0	199.74	0	546.35	0	2137.64	0	91
(iii) Other Grants	40.76	100.61	40.97	54.21	123	159.06	518.61	39.02	87.45	44.27	51.15	129.64	156.46	212.93	295.06	54
(A) Total Grants	549.99	130	439.3	73.96	1676.25	360.93	3230.43	1430.57	113.21	244.01	68.58	675.99	362.93	2350.57	544.72	100
(B) Own Source	0-	35.73	0	15.50	0	61.61	112.84		Not furnished by the P&RDDD						NA	NA
Total (A+B)	549.99	165.73	439.3	89.46	1676.25	422.54	3343.27									
Year: 2008-09																
Heads	Receipt						Expenditure									
	ZPs			PSs			Total		ZPs		PSs		GPs		Total	
	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*
(A) Grants:																
(i) Salary and Allowances Grant	0	31.93	0	21.66	0	214.73	268.32	0	29.32	0	21.24	0	242.47	0	293.03	0
(ii) Schematic fund	404.02	0	162.55	0	2183.49	0	2750.06	299.21	0	114.88	0	2113.34	0	2527.43	0	95
(iii) Other Grants	40.55	68.39	24.10	53.23	72.30	158.77	417.34	53.60	65.09	9.60	50.89	58.54	152.84	121.74	268.82	5
(A) Total Grants	444.57	100.32	186.65	74.89	2255.79	373.5	3435.72	352.81	94.41	124.48	72.13	2171.88	395.31	2649.17	561.85	100
(B) Own Source	0	39.51	0	20.72	0	70.74	130.97		Not furnished by the P&RDDD						121.21	
Total (A+B)	444.57	139.83	186.65	95.61	2255.79	444.24	3566.69								3332.24	

(₹ in Crore)

Year: 2009-10																										
Heads		Receipt							Expenditure																	
		ZPs			PSs		GPs		Total	ZPs			PSs		GPs		Total			Percentage						
		P*	NP*	P*	P*	NP*	P*	NP*		P*	NP*	P*	P*	NP*	P*	NP*	P*	NP*	P*	NP*	P*	NP*				
(A) Grants:																										
(i) Salary and Allowances Grant		0	43.83	0	49.72	0	368.26	0	461.81	0	43.68	0	48.33	0	423.23	0	515.24	0	60							
(ii) Schematic fund		538.49	0	134.96	0	3509.29	0	4182.74	451.75	0	192.30	0	3636.32	0	4280.37	0	96	0								
(iii) Other Grants		61.77	104.92	47.32	77.22	141.95	232.49	665.67	45.97	84.38	39.02	63.37	110.11	198.17	195.10	345.92	4	40								
(A) Total Grants		600.26	148.75	182.28	126.94	3651.24	600.75	5310.22	497.72	128.06	231.32	111.70	3746.42	621.40	4475.47	861.16	100	100								
(B) Own Source		0	42.72	0	20.11	0	96.49	159.32	Not furnished by the P&RDD											NA						
Total (A+B)		600.26	191.47	182.28	147.05	3651.24	697.24	5469.54																		

Appendix-III**(Reference: Paragraph 2.1; page no. 17)**

Statement showing non-preparation of annual accounts
through IFMAS by PSs for the year 2009-11

Sl.No.	Name of ZP	Name of PS	Total
(1)	Birbhum	Md. Bazar	1
(2)	Dakshin Dinajpur	Balurghat	1
(3)	Hooghly	Chanditala-II	
(4)		Tarakeswar	2
(5)	Purba Medinipur	Nandigram-II	1
(6)	South 24 Parganas	Patharpratima	1
(7)	Uttar Dinajpur	Hemtabad	
(8)		Goalpokher-II	
(9)		Islampur	
(10)		Raiganj	
(11)		Karandighi	5
Grand Total			11

(Source: Annual Accounts and replies of PSs)

Appendix-IV

(Reference: Paragraph 2.2; page no. 18)

Statement showing expenditure incurred by ZPs/PSs in excess of
budget provision during 2008-11

(₹ in lakh)

Sl.No.	Name of PRIs	Year	No. of heads	Excess Expenditure
Zilla Parishads:				
(1)	Bankura	2010-11	4	1578.89
(2)	Bardhaman	2010-11	3	274.82
(3)	Dakshin Dinajpur	2010-11	5	1077.67
(4)	Purba Medinipur	2010-11	2	501.14
(5)	South 24 Parganas	2010-11	1	0.92
Panchayat Samitis:				
(6)	Andal	2010-11	1	3.21
(7)	Arambagh	2009-11	8	435.85
(8)	Bally-Jagachha	2008-11	10	101.15
(9)	Banshihari	2009-10	1	14.94
(10)	Barrackpore-I	2010-11	4	68.01
(11)	Barrackpore-II	2009-11	2	183.87
(12)	Basirhat-II	2009-11	7	402.63
(13)	Bhagwangola-I	2009-10	1	17.73
(14)	Bishnupur-I	2009-11	5	96.66
(15)	Canning-II	2009-11	6	310.98
(16)	Chanchal-II	2009-11	7	85.82
(17)	English Bazar	2009-11	15	220.49
(18)	Gosaba	2009-11	9	122.66
(19)	Habra-I	2009-11	3	250.53
(20)	Harirampur	2009-11	4	331.69
(21)	Indpur	2009-11	8	105.47
(22)	Kaliachak-I	2009-11	3	31.63
(23)	Khanakul-II	2009-11	10	323.97
(24)	Manikchak	2009-11	6	135.91
(25)	Mathabhanga-II	2009-11	4	245.31
(26)	Minakhan	2009-11	3	364.21
(27)	Murarai-II	2009-11	3	61.58
(28)	Nagrakata	2009-11	5	84.57
(29)	Raiganj	2009-11	3	68.48
(30)	Ramnagar-I	2010-11	6	406.38
(31)	Ramnagar-II	2009-11	10	187.09
(32)	Ranibandh	2009-11	7	308.96
(33)	Simlapal	2009-11	5	163.27
(34)	Sitalkuchi	2009-11	4	78.52
(35)	Tufanganj-II	2009-11	8	60.49
Total				8,705.50

(Source: Budget of ZPs and PSs)

Appendix-V

(Reference: Paragraph 2.2; page no. 18)

Statement showing expenditure incurred by GPs without preparing budget during 2010-11

(₹ in lakh)

SI No.	Name of GP	Name of ZP	If Budget not prepared/ approved then the total amount expended by the GP
(1)	Dhanara	Bankura	100.99
(2)	Dheko		109.67
(3)	Madan mohanpur		198.24
(4)	Sankari-II	Bardhaman	501.62
(5)	Jharaltagram -II	Jalpaiguri	106.43
(6)	Maheshail-I	Murshidabad	45.54
(7)	Gachha Akharpur	North 24 Parganas	41.63
(8)	Gokulnagar	Purba Medinipur	79.66
(9)	Kalagechia		16.28
(10)	Birgram	Purulia	272.42
(11)	Bodra	South 24 Parganas	58.50
(12)	Kumirmari		35.56
Total			1,566.54

(Source: Replies of GPs)

Appendix-VI

(Reference: Paragraph 2.2; page no. 19)

Statement showing no. of GPs that incurred expenditure in excess of budget provision during 2010-11 (₹ in lakh)

Sl. No.	District	No. of GPs	No. of heads	Expenditure in excess of budget provision	Range of expenditure excess over budget provision
(1)	Bankura	40	22	547.53	0.12-80.67
(2)	Bardhaman	42	18	2240.83	0.01-398.81
(3)	Birbhum	41	21	550.34	0.1-98.84
(4)	Cooch Behar	38	22	296.21	0.01-69.14
(5)	Dakshin Dinajpur	8	13	69.18	1.38-25.57
(6)	Hooghly	31	15	566.97	0.38-136.98
(7)	Howrah	26	10	121.42	0.06-21.60
(8)	Jalpaiguri	18	14	59.06	0.23-6.13
(9)	Malda	8	7	67.01	0.02-30.64
(10)	Murshidabad	25	23	422.89	0.48-70.18
(11)	Nadia	31	17	128.76	0.01-16.18
(12)	North 24 Parganas	32	22	728.30	0.28-156.83
(13)	Paschim Medinipur	25	11	212.35	0.28-59.44
(14)	Purba Medinipur	34	13	531.28	0.42-175.16
(15)	Purulia	12	13	129.60	0.29-45.71
(16)	South 24 Parganas	25	15	282.02	0.01-63.20
(17)	Uttar Dinajpur	8	8	54.45	0.08-17.68
Total		444		7008.20	

(Source: Budget of GPs)

Appendix-VII

(Reference: Paragraph 2.4; page no. 20)

Statement showing non-reconciliation between Cash Book and Pass Book
balance as of March 2011 (by ZP and PS)

(In ₹)

Sl.No.	Name of PRIs	Balance as per Cash Book	Balance as per Pass Book	Difference	Amount not reconciled
	Zilla Parishad:				
(1)	Jalpaiguri	415081103.11	502179698.60	87098595.49	87098595.49
	Panchayat Samitis:				
(2)	Amdanga	40795713.77	50872602.00	10076888.23	10076888.23
(3)	Arambagh	16444175.00	17420387.00	976212.00	976212.00
(4)	Baduria	65563978.54	66227855.67	663877.13	663877.13
(5)	Balurghat	112570791.99	111251233.99	1319558.00	1319558.00
(6)	Barasat-I	29453347.04	40710674.12	11257327.08	11257327.08
(7)	Barrackpore-I	34734343.52	22801398.52	11932945.00	11932945.00
(8)	Chinsurah Mogra	37647481.95	45118484.45	7471002.50	7471002.50
(9)	Diamond Harbour-I	45391491.87	45748120.87	356629.00	356629.00
(10)	Haldibari	50786597.82	51130213.42	343615.60	343615.60
(11)	Hingalganj	79554534.00	101006531.58	21451997.58	21451997.58
(12)	Karandighi	79684642.89	81588080.28	1903437.39	1903437.39
(13)	Khanakul-II	35578655.21	39674702.46	4096047.25	4096047.25
(14)	Khejuri-I	21155963.65	24331366.11	3175402.46	2874187.46
(15)	Manikchak	123353186.61	123691144.35	337957.74	337957.74
(16)	Maynaguri	88206193.00	93881375.00	5675182.00	5675182.00
(17)	Pursurah	25277880.84	26720238.28	1442357.44	1442357.44
(18)	Sandeshkahli-I	79320289.53	76566592.50	2753697.03	2753697.03
	Total	965519267.23	1018741000.60	85234133.43	84932918.43

(Source: Reconciliation statement of ZPs and PSs)

Appendix- VIII**(Reference: Paragraph 2.4; page no. 20)**

Statement showing non-reconciliation between Cash Book and Pass Book
balance for the year 2010-11 (in respect of GPs)

Sl. No.	Name of ZP	Name of GPs	Cash Book Balance (in ₹)	Pass Book Balance (in ₹)	Actual Diff not Reconciled as stated in IR (in ₹)
(1)	Bankura	Dhansimla	1042860.20	1026754.77	66.00
(2)		Haludkanali	4100586.91	3751561.79	2308.00
(3)		Harmashra	2750750.80	2419604.80	10000.00
(4)		Kapista	3441987.78	3572806.93	1.00
(5)		Radhamohanpur	2111085.50	2409413.93	1199.00
(6)	Bardhaman	Baghason	1505309.87	1002795.00	17559.00
(7)		Narugram	2142141.55	1494723.55	1000.00
(8)	Birbhum	Abinashpur	2572226.26	3790869.29	1267.97
(9)	Cooch Behar	Moyamari	704008.38	1290259.38	1880.00
(10)	Dakshin Dinajpur	Danga	7304238.91	7586227.85	1.00
(11)	Hooghly	Polaba Dadpur	1805182.00	2269754.00	25.00
(12)	Howrah	Begri	2212460.50	2224817.50	4996.00
(13)		Gangadharpur	1808746.41	1881135.46	4141.00
(14)	Jalpaiguri	Angrabhasa-II	1438451.60	1905473.73	20.00
(15)		Chamurchi	2561577.34	252141.52	0.82
(16)		Dalgaon	2709960.00	2709170.00	790.00
(17)		Hantapara	1638060.50	1686707.00	4850.00
(18)		Khagrabari-I	3310826.39	3486907.39	84.00
(19)		Khoardanga-II	708917.96	708917.25	0.71
(20)		Shikarpur	5711670.81	5733778.94	22108.13
(21)		Sukhani	1329603.00	2153040.00	762111.00
(22)		Totopara Ballalguri	1869403.00	2527370.00	12866.00
(23)	Malda	Alipur-II	4071364.65	4091365.00	50.00
(24)		Enayetpur	6285103.98	6432438.95	325.00
(25)		Mangalbari	1219990.81	973628.81	543.00
(26)		Narhatta	4384228.80	4564962.01	1200.00
(27)	Murshidabad	Dahapara	1229381.00	1242032.00	45.00
(28)		Jasohari-Anukha-II	1915885.94	2772530.59	5022.00
(29)		Kalananagar	1918513.01	3412495.01	19853.00
(30)		Kapasdanga	5973878.79	6527376.79	6250.00
(31)		Kiriteswari	550137.02	919585.02	4.00

Sl. No.	Name of ZP	Name of GPs	Cash Book Balance (in ₹)	Pass Book Balance (in ₹)	Actual Diff not Reconciled as stated in IR (in ₹)
(32)	Nadia	Deypara	3114404.00	3978926.50	198.00
(33)		Fakirdanga Gholapara	1505335.69	1623358.69	362.00
(34)		Narayanpur-II	7677574.40	7575632.72	116097.68
(35)		Raghunathpur Hijuli-I	2487955.53	2498899.80	71.00
(36)		Silinda-II	1490786.50	1501724.50	5300.00
(37)		Tatla-II	406861.66	618577.66	4843.00
(38)	North 24 Parganas	Beraberia	1713214.24	1992503.24	8828.00
(39)		Bhurkunda	794540.59	1717016.59	1806.00
(40)		Chowberia-II	1678371.40	1678248.78	1.00
(41)		Dighra malickberia	1400720.66	2022679.13	4336.00
(42)		Gotra	3058388.28	3369125.28	92.00
(43)		Jadurhati uttar	78647.15	595735.01	1617.00
(44)		Khasbanda	3294811.70	3759320.11	4.00
(45)		Kirtipur	393811.70	340145.70	2021.30
(46)	Rajarhat-bishnupur-II	3389503.14	3484205.90	3.00	
(47)	Paschim Medinipur	Chandabila	2121834.16	1251992.56	930627.60
(48)		Golar	2717095.94	2928095.95	109860.00
(49)		Piasala	2432207.31	2994900.24	40.00
(50)		Salikothaa	3751062.70	4222547.65	16575.00
(51)	Purba Medinipur	Amdabad-II	1549612.14	1594173.14	2987.00
(52)		Bhekutia	2482901.29	2768848.29	125082.00
(53)		Garhabari-II	2163118.10	2093666.10	107.00
(54)		Gokulpur	733673.13	1840649.05	42192.84
(55)		Lakshya-II	793337.00	922224.00	3295.00
(56)		Siddha-II	1214060.00	1993767.00	20000.00
(57)		South khanda	1432758.42	3232393.40	552106.74
(58)	Purulia	Mangalda-moutorh	3803084.01	4055669.36	22.00
(59)		Maru masina	916127.87	1030426.56	2147.69
(60)		Sindri	1594461.50	2530441.50	25.00
(61)		Sonaijuri	3084177.31	3115591.31	102.00
(62)	South 24 Parganas	Charavidya	2714774.47	2809963.07	500.00
(63)		Naskarpur	3678374.78	3241359.63	0.85
(64)		Rajapur karabeg	737445.00	737314.12	0.32
(65)		Uttar durgapur	2427420.25	2216493.46	420782.00
(66)	Uttar Dinajpur	Mahipur	2066338.50	2201063.50	100.00
(67)		Panditpota-II	2267027.38	2482731.40	289.90
(68)		Sahapur-II	1607663.50	1606347.50	33.00
(69)		Tarial	3402524.00	3347263.57	16043.43
Total			164504545.07	178794666.23	3269065.98

(Source: Reconciliation statement of GPs)

Appendix- IX

(Reference: Paragraph 2.5; page no. 20)

Statement showing outstanding revenues (from land and building at the end of 2010-11

(₹ in lakh)

Sl No	Name of the controlling District/ ZP	No. of GP	Total cumulative Demand	Total cumulative Collection	Total Unrealized Amount	Percentage Of Collection
(1)	Bankura	150	350.96	86.35	264.61	23.83
(2)	Bardhaman	182	888.52	238.52	650.00	26.84
(3)	Birbhum	164	810.19	169.60	640.59	20.93
(4)	Cooch Behar	122	623.16	89.65	542.51	14.39
(5)	Dakshin Dinajpur	41	186.31	42.72	143.59	22.93
(6)	Hooghly	154	536.41	202.91	333.50	37.83
(7)	Howrah	154	750.15	285.30	464.85	38.03
(8)	Jalpaiguri	139	798.48	191.90	598.58	24.28
(9)	Malda	144	450.02	95.34	358.68	21.00
(10)	Murshidabad	232	827.62	145.98	681.64	17.64
(11)	Nadia	168	939.13	225.70	713.43	24.03
(12)	North 24 Parganas	143	1,306.75	262.10	1,044.65	20.06
(13)	Paschim Medinipur	197	675.63	198.00	477.63	29.30
(14)	Purba Medinipur	221	506.13	169.25	336.88	33.44
(15)	Purulia	162	105.23	9.20	96.03	8.74
(16)	South 24 Parganas	258	1,334.47	257.58	1,076.89	19.30
(17)	Uttar Dinajpur	79	470.33	50.14	420.19	10.66
Total		2710	11,559.49	2,720.24	8,844.25	

(Source: Demand and Collection Register of GPs)

Appendix- X

(Reference: Paragraph 2.6; page no. 21)

Statement showing no. of GPs where taxes not imposed/ collected during 2010-11

Sl. No.	Name of the ZP	Name of the GP	No. Of GPs
(1)	Bankura	Pakhanna Rajakata	02
(2)	Bardhaman	Nuni, Panuria, Parasia, Punchra, Shyamla	05
(3)	Jalpaiguri	Amguri, Kalchini	02
(4)	North 24 Parganas	Duldali, Guma-II, Nimdaria, Kotalia, Sahebkhali	04
(5)	Purba Medinipur	Mahisagote	01
(6)	Purulia	Ajodhya, Bandwan, Banjora, Bargoria-jamtoria, Barmeshya-ramnagar, Barrah, Bhamuria, Birgram, Bisri, Boro-jaragora, Buribandh, Chandra, Chandra pairachali, Chekya, Chirudih, Dhanara, Dighi, Durku, Gagnabad, Garafusra, Ghaghra, Ghatbera-keora, Gourangdih, Guniara, Gurur, Hadalda uparrah, Ichag, Jabarrah-jhapra-I, Jabarrh-jhapra-II, Janardandi, Jhalda-darda, Kenda, Kuchia, Kuilapal, Kumra, Lagda, Latpada, Manara, Manbazar, Matha, Mathari-khamar, Muradi, Panipathar, Pirrah, Puara, Puncha, Pusti, Raghampur, Raibandh, Rakhera-bishpuria, Sindri, Sonajuri, Supudih, Tunturi suisa, Udih, Udaypur jaynagar	55
(7)	Uttar Dinajpur	Chhayghara	1
TOTAL			70

(Source: Replies of GPs)

Appendix- XI

(Reference: Paragraph 2.7; page no. 21)

Statement showing no. of GPs where tax collector has not deposited the bond of ₹ 1,000.00

SI No.	Name of the district	No. of GPs
(1)	Bankura	66
(2)	Bardhaman	83
(3)	Birbhum	97
(4)	Cooch Behar	64
(5)	Dakshin Dinajpur	21
(6)	Hooghly	93
(7)	Howrah	59
(8)	Jalpaiguri	73
(9)	Malda	49
(10)	Murshidabad	76
(11)	Nadia	66
(12)	North 24 Parganas	32
(13)	Paschim Medinipur	90
(14)	Purba Medinipur	114
(15)	Purulia	91
(16)	South 24 Parganas	107
(17)	Uttar Dinajpur	33
Total		1,214

(Source: Records of GPs)

Appendix- XII**(Reference: Paragraph 2.10; page no. 22)**

Statement showing losses due to theft and defalcation of fund and materials, missing of official documents and other assets noticed in GPs

SL NO.	Name of the GP	Name of the ZP	Year of Theft/ Defalcation	Nature of theft / Defalcation	Cash (in ₹)	Cash (₹ in lakh)	Others	Follow up action taken
(1)	Dhanara	Bankura	2010	Addl. Sahayak of GP forged a cheque (No. 296215 dt. 08.06.10) to make an excess withdrawal of ₹ 2 lakh. He also unauthorizedly kept an amount. Of Rs. 13448. he later on refunded all the money in respective funds. No legal action is taken against him.	2,13,448.00	2.13		He is probed by the GP. Money is refunded. No legal action taken.
(2)	Kurunnahar	Birbhum	2010-11	Measurement book, Veted estimate, Measurement sheet, Tender register, computer peripherals etc.				FIR done
(3)	Moyamari	Cooch Behar	2010-11	Theft			Computer machine, 2nos. CPU, 1no. LCD of machine and 1no. scanner	GD done in Kotowali Police Station.
(4)	Nishiganj-II	Cooch Behar	2010-11	Theft			CPU	Reported to local police station via GD no.563/10 on 31.08.10
(5)	Madhabpur	Hooghly	2010-11	Misappropriation	3,87,400.00	3.87		FIR done against 8 person
(6)	Majhiali	Jalpaiguri	2010	Theft			02 computer with 2 CPU and 01 printer and 2 UPS and 1 charger telephone	FIR lodged

SL NO.	Name of the GP	Name of the ZP	Year of Theft/ Defalcation	Nature of theft / Defalcation	Cash (in ₹)	Cash (₹ in lakh)	Others	Follow up action taken
7)	Chandrapara	Malda	2010-11	Theft			A Computer	Diary No. 211/10, dt. 16.07.2010, u/s 461/379
(8)	Gayespur	Nadia	2010-11	Cash Book Master Roll voucher of IGNOAPS				Case no. 367/10 dated 12.08.10 under section IPC 409 & 419
(9)	Hogalbaria	Nadia	2010-11	Theft			Hero cycle, 12 shawl, 15 sarees, 30 shirt-pant, 10 lungis and 5 blankets stolen from Pradhan's office	complaint made to Hogalbaria PS, Case No. 139/10 Dt. 25/10/10
(10)	Ramnagar-I	Nadia	2010-11	Theft	450.00		Computer monitor & other accessories amounting to ₹ 0.20 lakh	Diary no. US-461/399/79/11
(11)	Bayermari-I	North 24 Parganas	2010-11	Theft			one bi-cycle	informed police station and a diary was filed on 01.02.11
(12)	Aandharia	Paschim Medinipur	2010-11	Loss			GP furniture worth ₹ 2.97 lakh	Informed to Binpur PS and BDO
(13)	Kapgari	Paschim Medinipur	2010-11	Theft	77,347.00	0.77	2 Computer and 2 Printer	FIR done No. 42/10 dated 06.07.10
(14)	Kharbandhi	Paschim Medinipur	2011	theft of fund amount	8,00,000.00	8.00		O/o. Memo No. 12 dated 05.08.11 and GDE No. 314/11 dated 12.08.11
(15)	Balluk-I	Purba Medinipur		Retention of cash by the deceased Pradhan	34,114.56	0.34		
(16)	Birgram	Purulia	2011	Defalcation of Rs. 2.04 lakh by ex-pradhan	2,04,165.00	2.04		FIR lodged at Baghmundi PS vide GD No. 971/24.9.2011

SL N O.	Name of the GP	Name of the ZP	Year of Theft/ Defalcation	Nature of theft / Defalcation	Cash (in ₹)	Cash (₹ in lakh)	Others	Follow up action taken
(17)	Gurur	Purulia	2010	Theft			Computer	Complaint lodged at Bandwan PS on 1.8.2010
(18)	Ichag	Purulia	2010-11	Theft			Computer set & inverter set worth ₹ 0.65 lakh	Jhalda PS case no. 18/2011 dtd. 08.02.11 u/s 461/379
(19)	Khajura	Purulia	2010-11	Defalcation	95,500.00	0.96		
(20)	Nayadi	Purulia	2010	Theft	1,00,000.00	1.00	lenevo desktop with others equipment	
(21)	Bharatgarh	South 24 Parganas	2007	Defalcation	1,50,990.00	1.51		Nil
(22)	Kamrabad	South 24 Parganas	2011-12	Fake currency note	1,500.00	0.02		FIR lodged
(23)	Lakshminarayanpur Dakshin	South 24 Parganas	2001	Money	34,000.00	0.34		
(24)	Magrahat East	South 24 Parganas	2010-11	Theft			Tubewell parts	Case diary no. 111/10 dated 29.05.10 U/S-379 IPC
(25)	North Bawali	South 24 Parganas	2010-11	Theft			Computer & Digital camera valuing ₹ 31,000.	FIR no. 10613 dated 10.01.11
(26)	Shambhunagar	South 24 Parganas	2002-03	Cash in hand of Ex-prodhan	4,49,452.03	4.49		case no. 37 dated 11.09.03 Under section 409
(27)	Gobindapur	Uttar Dinajpur	2011	Theft			A computer and some important files	FIR launched at Islampur PS. FIR No. - Nil- dated 22.02.2011
TOTAL					25,48,366.59	25.48		

(Source: Records of GPs)

Appendix-XIII

(Reference: Paragraph 2.10; page no. 23)

No. of PRIs where no Internal Audit was conducted during 2007-11

Sl. No.	Period	Name of PRIs	Total
(1)	2007-09	Daspur-II PS and Murarai-II PS	2
(2)	2009-10	Alipurduar-I PS, Amdanga PS, Andal PS, Baduria PS, Balagarh PS, Bally Jagachha PS, Bankura-II PS, Banshihari PS, Barasat-I PS, Barasat-II PS, Barrackpore-I PS, Barrackpore-II PS, Baruiপুর PS, Basanti PS, Bhagwanpur-I PS, Bhangar-I PS, Burwan PS, Canning-I PS, Chanchal-I PS, Chanchal-II PS, Chanditala-I PS, Chinsurah Mogra PS, Chopra PS, Contai-III PS, Cooch Behar-I PS, Cooch Behar-II PS, Daspur-I PS, Daspur-II PS, Deganga PS, Falakata PS, Gangarampur PS, Gazole PS, Goalpokher-II PS, Goghat-II PS, Gopiballavpur-II PS, Gosaba PS, Habibpur PS, Habra-I PS, Habra-II PS, Haldibari PS, Harirampur PS, Harishchandrapur-II PS, Haroa PS, Hemtabad PS, Hili PS, Islampur PS, Jagatballavpur PS, Jalpaiguri Sadar PS, Jangipara PS, Jhargram PS, Kalchini PS, Karandighi PS, Khargram PS, Khejuri-I PS, Khejuri-II PS, Kolaghat PS, Kulpi PS, Kultali PS, Lalgola PS, Manikchak PS, Mathabhanga-I PS, Mathabhanga-II PS, Mathurapur-I PS, Matiali PS, Mayureswar-I PS, Mayureswar-II PS, Mekhliganj PS, Minakhan PS, Mayna PS, Murarai-II PS, Nagrakata PS, Nandigram-I PS, Nandigram-II PS, Old Malda PS, Onda PS, Panchla PS, Pandua PS, Polbadadpur PS, Raipur PS, Rajarhat PS, Rajganj PS, Ramnagar-I PS, Ramnagar-II PS, Rampurhat-II PS, Ranaghat-I PS, Ranaghat-II PS, Ranibandh PS, Raniganj PS, Saltora PS, Sandeshkhali-II PS, Santipur PS, Sitalkuchi PS, Suti-I PS, Tarakeswar PS and Tufanganj-II PS	95
(3)	2010-11	Bankura ZP, Cooch Behar ZP, Dakshin Dinajpur ZP, Hooghly ZP, Howrah ZP, Jalpaiguri ZP, Malda ZP, Paschim Medinipur ZP, Purba Medinipur ZP, Siliguri Mahakuma Parishad and Uttar Dinajpur ZP	11
(4)	2010-11	Alipurduar-I PS, Amdanga PS, Andal PS, Balagarh PS, Bally Jagachha PS, Bankura-II PS, Banshihari PS, Barasat-I PS, Barasat-II PS, Barjora PS, Barrackpore-I PS, Barrackpore-II PS, Baruiপুর PS, Bhagwanpur-I PS, Bhangar-I PS, Canning-I PS, Chanchal-I PS, Chanchal-II PS, Chanditala-I PS, Chinsurah Mogra PS, Chopra PS, Contai-III PS, Cooch Behar-I PS, Cooch Behar-II PS, Daspur-I PS, Daspur-II PS, Deganga PS, English Bazar PS, Falakata PS, Gangarampur PS, Gazole PS, Goalpokher-II PS, Goghat-II PS, Gopiballavpur-II PS, Gosaba PS, Habibpur PS, Habra-I PS, Habra-II PS, Haldibari PS, Harirampur PS, Harishchandrapur-II PS, Haroa PS, Hemtabad PS, Hili PS, Islampur PS, Jagatballavpur PS, Jalpaiguri Sadar PS, Jangipara PS, Joypur PS, Jhargram PS, Kalchini PS, Karandighi PS, Khanakul-II PS, Khejuri-I PS, Khejuri-II PS, Kolaghat PS, Kulpi PS, Kultali PS, Lalgola PS, Manikchak PS, Mathabhanga-I PS, Mathabhanga-II PS, Matiali PS, Mayureswar-I PS, Mayureswar-II PS, Mekhliganj PS, Minakhan PS, Mayna PS, Murarai-II PS, Nagrakata PS, Nandigram-I PS, Nandigram-II PS, Old Malda PS, Onda PS, Panchla PS, Pandua PS, Polbadadpur PS, Raipur PS, Rajarhat PS, Rajganj PS, Ramnagar-I PS, Ramnagar-II PS, Rampurhat-II PS, Ranaghat-I PS, Ranaghat-II PS, Ranibandh PS, Raniganj PS, Saltora PS, Sandeshkhali-II PS, Santipur PS, Sitalkuchi PS, Suti-I PS, Tarakeswar PS and Tufanganj-II PS	95

(Source: Replies of PSs and GPs)

Appendix- XIV**(Reference: Paragraph 2.10; page no. 23)**Statement showing internal audit not conducted by GPs
during 2010-11

Sl No.	Districts	Total no. of GPs audited under each District	No. of GPs where internal audit not conducted	Percentage total number of GPs where internal audit not conducted
(1)	Bankura	190	76	40.00
(2)	Bardhaman	277	55	19.86
(3)	Birbhum	167	55	32.93
(4)	Cooch Behar	128	43	33.59
(5)	Dskshin Dinajpur	65	19	29.23
(6)	Hooghly	207	63	30.43
(7)	Howrah	156	31	19.87
(8)	Jalpaiguri	146	37	25.34
(9)	Malda	146	37	25.34
(10)	Murshidabad	254	39	15.35
(11)	Nadia	187	29	15.51
(12)	North 24 Parganas	200	28	14.00
(13)	Paschim Medinipur	290	101	34.83
(14)	Purba Medinipur	223	59	26.01
(16)	Purulia	170	62	36.47
(17)	South 24 Parganas	311	81	26.05
(18)	Uttar Dinajpur	98	22	22.45
	Total	3,215	837	26.00

(Source: Replies of GPs)

Appendix-XV

Reference: Paragraph 3.1.3.1 & 3.1.3.2; page no. 31 and 34)

Statement showing no. of GPs where hundred mandays were not provided
and permanent assets were not created during 2010-11

Sl. No.	District	Hundred mandays of work not provided	Permanent assets were not created	
		No. of GPs	No. of GPs	Amount expended
(1)	Bankura	136	75	4414.29
(2)	Bardhaman	175	111	7622.31
(3)	Birbhum	150	84	5261.85
(4)	Cooch Behar	119	75	2181.46
(5)	Dakshin Dinajpur	40	15	382.45
(6)	Hooghly	152	87	3591.15
(7)	Howrah	152	83	478.80
(8)	Jalpaiguri	132	73	2794.85
(9)	Malda	133	67	1074.36
(10)	Murshidabad	224	107	3263.82
(11)	Nadia	162	109	2453.76
(12)	North 24 Parganas	145	89	4037.59
(13)	Paschim Medinipur	192	127	6042.55
(14)	Purba Medinipur	212	131	5981.33
(15)	Purulia	154	77	3316.71
(16)	South 24 Parganas	243	136	956.23
(17)	Uttar Dinajpur	69	46	819.67
Total		2,590	1,492	54,673.18

(Source: Records of GPs)

Appendix- XVI**(Reference: Paragraph 3.1.3.3 & 3.1.3.4; page no.35)**

Statement showing no. of GPs where photographs were not affixed on Job Cards, Job Cards were not issued though they applied for and employment not provided to the Job seekers during 2010-11

Sl. No.	District	No. of GPs where photographs not affixed on Job Cards	No. of GPs where Job Cards were not issued though they applied	No. Of families applied for Job Card	No. of GPs where employment not provided	No. of applicants to whom work not provided
(1)	Bankura	99	24	387430	1	20
(2)	Bardhaman	60	40	605999	1	100
(3)	Birbhum	42	12	644919	2	2374
(4)	Cooch Behar	51	10	571395	10	1724
(5)	Dakshin Dinajpur	23	0	163428	1	3
(6)	Hooghly	48	8	397976	6	36
(7)	Howrah	36	52	222498	1	2643
(8)	Jalpaiguri	57	21	579544	4	1008
(9)	Malda	59	11	503157	3	63
(10)	Murshidabad	103	25	917650	5	2887
(11)	Nadia	32	19	568627	12	2254
(12)	North 24 Parganas	48	33	493991	9	1599
(13)	Paschim Medinipur	74	14	510999	4	2323
(14)	Purba Medinipur	92	88	618222	6	1680
(15)	Purulia	92	3	385268	1	100
(16)	South 24 Parganas	101	23	531832	3	33
(17)	Uttar Dinajpur	48	9	246102	5	106
Total		1,065	392	83,49,037	74	18,953

(Source: Register of Job cards)**Appendix- XVII****(Reference: Paragraph 3.1.3.5; page no. 36)**

Statement showing non-preparation of Annual Action Plan under NREGS by GPs during 2010-11

SI No.	Name of the ZP	No of GPs	Amount of expenditure outside AAP(₹ in lakh)
(1)	Bankura	2	130.19
(2)	Dakshin Dinajpur	1	1.03
(3)	Hooghly	1	34.42
(4)	Howrah	3	11.96
(5)	Paschim Medinipur	3	413.06
TOTAL		10	590.66

(Source: Works Register and Annual Action Plan)

Appendix- XVIII

(Reference: Paragraph 3.1.3.5; page no. 36)

Statement showing no. of GPs where administrative and technical permission were not obtained from PO during 2010-11

SI No.	District	No. of GPs Where administrative and technical permission were not obtained from PO
(1)	Bankura	11
(2)	Bardhaman	06
(3)	Birbhum	07
(4)	Cooch Behar	05
(5)	Dakshin Dinajpur	01
(6)	Hooghly	01
(7)	Howrah	08
(8)	Jalpaiguri	03
(9)	Malda	02
(10)	Murshidabad	04
(11)	Nadia	02
(12)	North 24 Parganas	05
(13)	Paschim Medinipur	07
(14)	Purba Medinipur	04
(15)	Purulia	01
(16)	South 24 Parganas	07
TOTAL		74

(Source: Records of GPs)

Appendix-XIX

(Reference : Paragraph 3.1.3.6; page no. 36)

Statement showing no. of GPs where estimated mandays were not achieved during 2010-11

Sl. No.	District	No. of GPs	Estimated mandays	Generated mandays	Difference	Closing balance (₹ in lakh)
(1)	Bankura	111	23550739	7277922	16272817	594.10
(2)	Bardhaman	166	135983777	15243688	120740089	708.01
(3)	Birbhum	150	86896394	11388298	75508096	868.71
(4)	Cooch Behar	100	99074660	3217804	95856856	624.20
(5)	Dakshin Dinajpur	34	54785607	1113725	53671882	383.83
(6)	Hooghly	137	60801253	6805979	53995274	442.90
(7)	Howrah	120	7591334	654478	6936856	146.59
(8)	Jalpaiguri	128	17298281718	7067206	17291214512	201.88
(9)	Malda	124	119510606	2308552	117202054	270.15
(10)	Murshidabad	202	43017152	8780085	34237067	810.98
(11)	Nadia	153	77389870	4859009	72530861	563.13
(12)	North 24 Parganas	123	274600421	7032304	267568117	177.50
(13)	Paschim Medinipur	186	42910259	10086676	32823583	543.25
(14)	Purba Medinipur	192	34036113	6249654	27786459	418.81
(15)	Purulia	139	133429105	6338971	127090134	405.31
(16)	South 24 Parganas	212	35876640	1874980	34001660	304.01
(17)	Uttar Dinajpur	71	15550765	1114072	14436693	673.14
Total		2,348	18,543,286,413	101,413,403	18,441,873,010	8,136.50

(Source: Scheme register of GPs)

Appendix-XX

(Reference : Paragraph 3.1.3.8; page no. 37)

Statement showing no. of GPs where social audit forum was not formed,
social audit was not conducted and the objection raised in social audit
were not settled during 2010-11

Sl. No.	District	Social audit forum was not formed	Social audit was not conducted	Unsettled objection
		No. of GPs	No. of GPs	No. of GPs
(1)	Bankura	12	21	27
(2)	Bardhaman	9	11	29
(3)	Birbhum	8	6	8
(4)	Cooch Behar	2	6	17
(5)	Dakshin Dinajpur	4	6	7
(6)	Hooghly	11	18	14
(7)	Howrah	5	4	15
(8)	Jalpaiguri	11	14	8
(9)	Malda	29	27	30
(10)	Murshidabad	44	42	27
(11)	Nadia	4	4	16
(12)	North 24 Parganas	5	12	10
(13)	Paschim Medinipur	20	24	32
(14)	Purba Medinipur	10	21	34
(15)	Purulia	6	6	11
(16)	South 24 Parganas	37	29	23
(17)	Uttar Dinajpur	13	9	4
Total		230	260	312

(Source: Records of GPs)

Appendix-XXI

(Reference : Paragraph 3.1.3.9; page no. 37)

Statement showing no. of GPs where measurement book/ sheet were
not maintained during 2010-11

(₹ in lakh)

Sl. No.	District	No. of GPs	No. of works where measurement book/ sheet were not maintained	Amount expended (₹ in lakh)
(1)	Bankura	3	244	325.21
(2)	Bardhaman	2	173	222.08
(3)	Cooch Behar	1	39	133.82
(4)	Hooghly	1	15	21.54
(5)	Malda	1	7	14.89
(6)	Murshidabad	1	38	67.84
(7)	Paschim Medinipur	1	27	22.99
(8)	Purba Medinipur	1	228	191.27
(9)	South 24 Parganas	4	44	33.28
(10)	Uttar Dinajpur	1	8	3.02
Total		16	823	1,035.94

(Source: Replies of GPs)

Appendix-XXII

(Reference : Paragraph 4.4.1; page no. 71 & 72)

Statement showing failure to collect fixed revenue of ₹ 7.82 crore

(₹ in lakh)

Sl.No.	Name of PRI's	Particulars of own source revenue	Amount	Period of Audit
	Non-collection of revenue from fixed sources			
	Zilla Parishads:			
(1)	Bankura	Rent of Market Complexes	12.52	2010-11 (March,2011)
		Lease rent of water bodies	13.54	
		Sundry dues of ZP Press	15.19	
(2)	Bardhaman	Rent of Market Complexes	6.38	2010-11 (November,2011)
		Lease of ferry ghats and mines	24.21	
(3)	Dakshin Dinajpur	Rent of Market Stalls	1.87	2010-11 (March,2011)
(4)	Hooghly	Lease of ferry ghat	35.03	2010-11 (September,2011)
		Sundry dues of ZP Press	3.48	
(5)	Malda	Rent from Market Complexes	39.29	2010-11 (October,2011)
(6)	Murshidabad	Rent from Market Complexes	37.52	2010-11 (March,2011)
		Lease of ferry ghats	10.39	
(7)	Nadia	Rent from Market Complexes	10.19	2010-11 (December,2011)
		Rent of office buildings	6.28	
		Sundry dues of ZP Press	17.67	
(8)	Paschim Medinipur	Sundry dues of ZP Press	64.51	2010-11 (March,2011)
		Rent from Market Complexes	14.85	
		Rent of office buildings	3.98	
(9)	Purba Medinipur	Lease rent of land	44.33	2010-11 (March,2011)
(10)	Purulia	Rent from Market	0.40	2010-11 (December,2011)
		Rent of office buildings	3.36	
(11)	Siliguri Mahakuma Parishad	Meeting Hall Rent	2.13	2010-11 (October,2011)
(12)	South 24 Parganas	Rent from Super Market Complex	25.63	2010-11 (March,2011)
(13)	Uttar Dinajpur	Rent from Market Complexes and Bungalows	0.47	2010-11 (March,2011)
		Lease of ferry ghats	4.86	
	Panchayat Samitis			
(14)	Arambagh	Lease of ferry ghats	3.76	2009-11 (March,2011)
(15)	Ausgram-I	Stall Rent	0.73	2009-11 (March,2011)

SL.No.	Name of PRI's	Particulars of own source revenue	Amount	Period of Audit
(16)	Bamangola	Lease of ponds and haats	1.38	2009-11 (December,2011)
(17)	Banshihari	Rent from fish market	2.19	2009-11 (March,2011)
(18)	Barrackpore-I	Rent from Stall holders of Market Complex	7.23	2009-11 (June,2011)
(19)	Bhagwanpur-I	Rent from Market Complex, office buidling and water bodies	1.01	2009-11 (March,2011)
(20)	Bhangore-I	Rent of office buildings	19.31	2009-11 (September,2011)
		Lease of Market Complexes	2.35	
(21)	Bishnupur	Toll Tax for sand lifting, rent of canteen and <i>Tathya Mitra Kendra</i>	8.36	2009-11 (March,2011)
(22)	Cooch Behar-I	Rent from stalls	0.72	2009-11 (March,2012)
(23)	Cooch Behar-II	Rent from Market Complex	1.76	2009-11 (March,2011)
		Lease from Stall holder	0.70	
(24)	Daspur-I	Rent from Super Market	2.40	2009-11 (March,2011)
		Toll Tax	6.87	
		Lease of ferry ghats	0.39	
(25)	Daspur-II	Rent from Stall holders	1.24	2007-11 (April,2011)
		Rent from BL&LRO	6.19	
(26)	Domjur	Rent from Market Complex	7.72	2009-11 (February,2012)
(27)	Dubrajpur	Rent from Market Stalls	0.86	2009-11 (May,2011)
		Lease of ferry ghats	1.20	
(28)	Haripal	Rent from Super Market	1.74	2009-11 (December,2011)
(29)	Haroa	Lease of ferry ghat	1.45	2009-11 (March,2011)
(30)	Hemtabad	Rent from Market Complex	1.19	2009-11 (November,2011)
(31)	Indpur	Rent from Market Complex	1.65	2009-11 (August,2011)
		Rent of office buildings	3.67	
(32)	Islampur	Rent from CDPO building	7.74	2009-11 (November,2011)
		Rent from Market Sheds and Pond	0.76	
(33)	Jalpaiguri Sadar	Auction amount of Haats	0.43	2009-11 (March,2011)
(34)	Kaliachak-III	Rent from Market Complexes, ghat and pond	4.32	2009-11 (April,2011)
(35)	Kaliyaganj	House and Stall Rent	0.98	2009-11 (March,2011)

SLNo.	Name of PRI's	Particulars of own source revenue	Amount	Period of Audit
(36)	Karandighi	Rent from Market Complex	3.06	2009-11 (March,2011)
(37)	Khanakul-II	Lease of ferry ghats	7.59	2009-11 (March,2011)
(38)	Magrahat-II	Rent from Stalls	2.98	2009-11 (December,2011)
(39)	Mal	Rent from Stalls	1.08	2009-11 (March,2011)
(40)	Mathurapur-II	Lease of ferry ghats and ponds	3.90	2009-11 (March,2011)
(41)	Maynaguri	Lease of haats	1.80	2009-11 (April,2012)
(42)	Mekhliganj	Salami and Rent from stall holders	2.43	2009-11 (March,2011)
(43)	Nagrakata	Lease of ferry ghat and haat	0.39	2009-11 (March,2011)
(44)	Nandigram-II	Rent of office buildings	3.51	2009-11 (July,2011)
		Rent from stall holders of Market Complex	1.46	
(45)	Rajganj	Rent of office buildings	0.96	2009-11 (November,2011)
(46)	Ranaghat-I	Lease of ferry ghats	4.46	2009-11 (March,2011)
(47)	Ratua-I	Lease of ferry ghats	29.40	2009-11 (February,2012)
		Rent from Stall holders of Market	1.10	
(48)	Santipur	Stall Rent from Market Complex	0.81	2009-11 (March,2011)
(49)	Singur	Water Tax	95.11	2009-11 (March,2011)
Total (A)			658.42	
	Non collection of renewal/licence fees inspite of framing bye-laws			
(1)	Howrah Zilla Parishad	Licence fees for occupied land	19.31	2010-11 (December,2011)
	Panchayat Samitis			
(2)	Baduria	Licence fees for trade/dangerous goods	2.45	2009-11 (June,2011)
(3)	Balurghat	Licence fees for various trades	3.29	2009-11 (March,2011)
(4)	Barasat-II	Trade licence fees	0.41	2009-11 (March,2011)
(5)	Barrackpore-I	Trade licence fees	1.24	2009-11 (March,2011)
(6)	Barrackpore-II	Trade licence fees	0.56	2009-11 (November,2012)

Sl.No.	Name of PRI's	Particulars of own source revenue	Amount	Period of Audit
(7)	Baruipur	Licence fees	7.11	2009-11 (March,2011)
(8)	Canning-II	Licence fees	3.13	2009-11 (March,2011)
(9)	Chanditala-I	Licence fees	4.63	2009-11 (March,2011)
(10)	Chinsurah-Mogra	Licence fees for dangerous goods	0.73	2009-11 (March,2011)
		Annual Renewal fees for various business	5.90	
(11)	Daspur-II	Licence fees	1.12	2007-11 (April,2011)
(12)	Dubrajpur	Licence fees	0.69	2009-11 (March,2011)
(13)	Falakata	Licence fees	1.62	2009-11 (March,2011)
(14)	Kalchini	Licence fees	1.68	2009-11 (March,2012)
(15)	Kaliachak-III	Licence fees	2.70	2009-11 (March,2011)
(16)	Kaliyaganj	Trade licence fees	3.62	2009-11 (March,2011)
(17)	Lalgola	Licence fees	2.90	2009-11 (March,2011)
(18)	Magrahat-II	Licence fees	9.91	2009-11 (December,2011)
(19)	Maynaguri	Licence fees	0.60	2009-11 (April,2012)
(20)	Nandigram-II	Trade licence fees	0.45	2009-11 (March,2011)
(21)	Panchla	Licence renewal fees	1.48	2009-11 (March,2011)
(22)	Pandua	Licence fees	12.18	2009-11 (March,2011)
(23)	Panskura-I	Licence fees	7.32	2009-11 (March,2011)
(24)	Polbadadpur	Licence fees	0.61	2009-11 (March,2011)
(25)	Pursurah	Licence fees	0.61	2009-11 (March,2011)
(26)	Rajganj	Licence fees for various trades	3.43	2009-11 (March,2011)
(27)	Ranaghat-I	Licence fees	0.54	2009-11 (March,2011)
(28)	Ranaghat-II	Licence renewal fees	0.94	2009-11 (June,2011)
(29)	Ratua-I	Licence fees	5.76	2009-11 (March,2011)
(30)	Singur	Licence fees for various trades	11.03	2009-11 (March,2012)
31	Suti-I	Licence fees	5.18	2009-11 (March,2011)
32	Tarakeswar	Licence fees	0.51	2009-11 (March,2011)
Total (B)			123.64	
Grand Total (A+B)			782.06	

(Source: Demand and Collection Register, Resolution Book of PRIs)