

CHAPTER - 4

Execution of Works and Procurement of Supplies

A number of cases of idle expenditure, payment for items of work not executed and unauthorised rate preference to contractors were revealed during scrutiny in audit of works and procurement of supplies.

4.1 IDLE INVESTMENT/BLOCKAGE /DIVERSION/MISUTILISATION OF FUNDS

NORTH 24 PARGANAS ZILLA PARISHAD

4.1.1 Blocking up of fund for Rs. 304.24 lakh and unproductive expenditure of Rs. 41.87 lakh

The State Government released Rs. 350.33 lakh^φ in three instalments (between May 2001 and March 2003) to North 24 Parganas Zilla Parishad (ZP) for construction of River Lift Irrigation (RLI) projects, under the assistance from Rural Infrastructural Development Fund (RIDF)-VI with a view to augmenting the irrigation facilities in the district. It was stipulated, inter alia, that the grant should be spent within the respective financial year (March 2003).

Audit scrutiny revealed that ZP could spend Rs. 46.09 lakh only which included the procurement cost of material and pump sets worth Rs. 41.87 lakh as of November 2006. Furthermore, the ZP did not execute any works of the project as of January 2008 and the materials suffered erosion.

Thus, due to inertia on the part of ZP, the irrigation facilities could not be extended to the rural people although financial assistance of Rs. 304.24 lakh was lying unutilised since March 2003 as well as irrigation materials worth Rs. 41.87 lakh remained unproductive. This was indicative of faulty planning and poor monitoring of implementation of the work by the ZP.

ZP stated (January 2008) that the work remained incomplete due to non supply of materials by the suppliers and action would be taken for utilisation of procured materials.

^φ Rs. 28.31 lakh in May 2001 *plus* Rs. 81.00 lakh in December 2001 *plus* Rs. 241.02 lakh in March 2003 = **Rs. 350.33 lakh.**

NADIA ZILLA PARISHAD

4.1.2 Idle investment resulted in deterioration of work costing Rs. 1.60 crore

Nadia Zilla Parishad (ZP) started (September 2002) construction of “Dignagar Badkulla” road (0-8.4 km) from Rural Infrastructure Development Fund (RIDF)-VI at an estimated cost of Rs. 272.74 lakh, against sanctioned cost of Rs. 197.17 lakh, with the stipulation that the work was to be completed by February 2003. The work* remained suspended after execution of stone metal consolidation work costing Rs. 160.37 lakh (Rs. 95.70 lakh already paid; Rs. 64.67 lakh yet to be paid) since July 2004 due to paucity of fund. In the meantime, the executed part of the works i. e. stone metal consolidation surface got damaged severely throughout the entire stretch of road.

ZP replied (December 2006) that the work remained suspended due to paucity of fund and non-availability of formal sanction from Finance Department. However, scrutiny in audit revealed that the work was started without approval of the competent authority which was in violation of the guidelines[⊕].

Thus, the work costing Rs. 1.60 crore remained suspended for 30 months and also got damaged severely, as a result of which, the expenditure failed to yield the desired benefits.

NALHATI-I PANCHAYAT SAMITI

4.1.3 Unproductive expenditure of Rs. 48.59 lakh on construction of community hall

Nalhati – I Panchayat Samiti (PS) under Birbhum Zilla Parishad undertook (April 1999) a work for construction of a community hall at Rs. 52.94 lakh* without preparation of any project report. The civil work started in April 1999 and continued up to September 2006 which involved an expenditure of Rs. 39.17 lakh out of the MPLAD fund. Meanwhile, the PS awarded (May 2002) the work for construction of roof truss and acoustic of the community hall to M/s Mackintosh Burn Limited (MBL) at

* Work which was to be executed: bituminous macadam as base course after consolidation of stone metals.

⊕ As per clause 21 of Revised guidelines for RIDF schemes issued by Panchayat and Rural Development Department, Government of West Bengal, while accepting tenders it must be seen that tendered cost of the work does not exceed the sanctioned cost of the project.

* Estimates = {Rs. 7.50 lakh (in March 1999) plus Rs. 15.81 lakh (in June 1999) plus 29.63 lakh (in June 2000)}.

Rs. 41.34 lakh for eight items of work (September 2001), without following the tender formalities. MBL left the work in November 2005 after execution of two items of works and Samiti paid Rs. 9.42 lakh to them. Thus, PS incurred total expenditure of Rs. 48.59 lakh^φ as of December 2007, but the construction remained incomplete even after a lapse of eight years from the date of commencement of the work (April 1999).

PS agreed (December 2007) that the work remained incomplete and concluded that a total fund of Rs. 35 lakh would be required for completion of the construction in all sorts.

In effect, the inhabitants were deprived of the benefit of the community hall and the expenditure of Rs. 48.59 lakh incurred was rendered unproductive.

NALHATI – II PANCHAYAT SAMITI

4.1.4 Blocking up of Rs. 33 lakh for construction of a community hall

Nalhati- II Panchayat Samiti (PS) undertook (June 2000) the construction (civil) of a community hall named ‘Lalan Sanskriti Sadan’ at an estimated cost of Rs. 22.74 lakh out of Member of Parliament Local Area Development (MPLAD) fund of Rs. 15.50 lakh without identifying the source of additional fund. The PS received MPLAD fund of Rs. 32.99 lakh including the earlier allotment of Rs. 15.50 lakh on this account between December 1998 and October 2006. The PS, after more than seven years (December 2007), assessed that Rs. 45.40 lakh was required for completion of the hall i.e. internal electrification, sanitary and plastering work, interior decoration etc. Thus, there was a total deficit of fund of Rs. 12.41 lakh for completion of the hall in all respects as of December 2007 and the civil work was still continuing as and when funds were available.

The PS admitted (December 2007) the fact and stated that the internal electrification alongwith interior decoration was yet to be completed. The work remained incomplete even after a lapse of seven years as of December 2007. This was indicative of faulty planning, monitoring and violation of provisions[✓] of West Bengal Panchayat (Zilla Parishad and Panchayat Samiti) Accounts and Financial Rules, 2003. Thus, the

^φ (Rs. 39.17 lakh plus Rs. 9.42 lakh) = **Rs. 48.59 lakh.**

[✓] Rule 19 (2) of West Bengal Panchayat (Zilla Parishad and Panchayat Samiti) Accounts and Financial Rules, 2003.

total expenditure of Rs. 33 lakh remained blocked for several years together and PS failed to achieve its objective of providing a community hall.

HOWRAH ZILLA PARISHAD

4.1.5 Decentralised planning and schemes of local development thereunder frustrated due to inaction on the part of Zilla Parishad (Rs. 19.03 lakh)

Howrah Zilla Parishad (ZP) received (March 2002) Rs. 30 lakh from Government of West Bengal under Community Convergent Action (CCA) scheme of local development by the Gram Panchayat (GP) under decentralised planning. The fund was to be sub-allotted to the Gram Panchayats in equal shares for taking up similar kind of schemes. Howrah ZP sub-allotted only rupees two lakh to two Gram Panchayats[▼] in April 2002 and ZP spent Rs. 8.97 lakh* during 2006-2008 from the fund in contravention of the government directives issued in March 2002.

ZP stated (February 2008) that the balance grants of Rs. 19.03 lakh[◇] would be utilised for decentralisation of planning.

Thus, apart from diverting the fund of Rs. 8.97 lakh meant for local development in GPs, the ZP also kept idle the residual amount of Rs. 19.03 lakh since March 2002.

SABANG PANCHAYAT SAMITI

4.1.6 Blocking up of Rs. 22.83 lakh in idle construction which resulted in loss of rent of Rs. 1.45 lakh

Sabang Panchayat Samiti (PS) under Paschim Medinipur Zilla Parishad undertook a work for construction of a market complex (estimated cost Rs. 26 lakh) at GP no. 8 in September 2001 under Eleventh Finance Commission grant. The estimate was technically vetted in January 2002. A demand survey was not conducted before commencement of the work.

Audit scrutiny revealed that the market complex consisting of 20 stalls was completed at Rs. 22.83 lakh in December 2002. The PS invited (February 2004) application for allotment through publication of notice and fixed a combined premium of

▼ Udong-I GP: Rs. 1 lakh and Udong –II GP: Rs. 1 lakh.

* Towards contingency (Rs. 0.74 lakh) and data collection for human development report (Rs. 8.23 lakh).

◇ Total fund received Rs. 30 lakh *minus* fund sub-allotted Rs. 2 lakh *minus* amount spent Rs. 8.97 lakh.

Rs. 28 lakh[†] and annual rent of Rs. 0.60 lakh for 20 stalls. The stalls remained unallotted since then and PS stated that the reasons thereof were due to higher rate of *salami*.

This resulted in blocking up of funds of Rs. 22.83 lakh for construction of 20 stalls which remained idle for over three and half years from December 2002 to July 2006, besides loss of rent of Rs. 1.45 lakh.^Σ

PS replied (July 2006) that effective efforts would be taken for quick allotment of stalls to avoid further loss of revenue.

SUTI-II PANCHAYAT SAMITI

4.1.7 Unproductive investment of Rs. 21.39 lakh on construction of market complex due to faulty selection of site

Suti-II Panchayat Samiti (PS) under Murshidabad Zilla Parishad constructed a two-storied market complex* at Aurangabad (Rs. 21.39 lakh) out of Tenth Finance Commission grant (Rs. 20.20 lakh) and Border Area Development Programme fund (Rs. 1.19 lakh) in March 2003 without a proper demand survey. PS neither took any decision to lease out the stalls nor could distribute any of the stalls as of October 2006, i.e., after a lapse of three years and seven months*. The stalls and the ground floor could not be rented out as local people were reluctant to take the lease of stalls and ground floor of the market complex. However, a portion of space of the ground floor was provided to private agencies on a seasonal basis (i.e. June 2004 to May 2005 and February 2006 to April 2006) and earned only Rs. 0.74 lakh against total realisable amount of Rs. 1.55 lakh as per cost benefit ratio projected by the PS.

[†] Rs. 1.70 lakh for each of 10 stalls at ground floor i.e. Rs. 1,70,000 x 10 = Rs. 17,00,000

Rs. 1.10 lakh for each of 10 stalls at first floor i.e. Rs. 1,10,000 x 10 = Rs. 11,00,000

Total premium for 20 stalls = Rs. 17,00,000 plus Rs. 11,00,000 = Rs. 28,00,000 or **Rs. 28 lakh.**

^Σ The total monthly rent for 10 stalls at ground floor @ Rs. 300 per stall for 29 months (i.e. April 2004 to July 2006) = Rs. 300 x 10 x 29 = Rs. 87,000 and for 10 stalls at first floor @ Rs. 200 per stall for 29 months (i.e. April 2004 to July 2006) = Rs. 200 x 10 x 29 = Rs. 58,000. Therefore, the total monthly rent for 20 stalls for 29 months = Rs. 87,000 plus Rs. 58,000 = Rs. 1,45,000 or **Rs. 1.45 lakh.**

* Ground floor for accommodation of 40 vendors and first floor consisting of 10 stalls.

* April 2003 to October 2006.

Thus, due to inadequate planning and failure to ascertain demand before commencement of the work, the PS suffered a loss of Rs. 7.33 lakh[✓] being fallout of unproductive expenditure of Rs. 21.39 lakh.

The PS stated (October 2006) that the space of the ground floor and stalls at first floor could not be distributed due to faulty selection of site and that efforts to lease out the stalls would be made.

MAHISHADAL PANCHAYAT SAMITI

4.1.8 Unproductive expenditure of Rs. 19.76 lakh on construction of bus stand and a market complex

Mahishadal Panchayat Samiti (PS) under the Purba Medinipur Zilla Parishad constructed a market complex (consisting of 14 stalls) and bus stand with the Yatri Niwas at Geokhali at a total cost of Rs. 19.76 lakh under the Tenth Finance Commission (TFC) grant in January 2003. But the surface^φ of the bus stand was not completed and reasons thereof were not specified on record. As a result, the market complex and bus stand with Yatri Niwas, which are adjacent to each other, could not be put to use due to non completion of ground work of the bus stand and were yet to generate any revenue as of February 2008.

PS replied (February 2008) that opening of the market complex depended on the operation of the bus stand which could not materialise due to non-completion of surface area of the bus stand.

Thus, the remunerative asset under TFC grant (Rs. 19.76 lakh) could not generate any income and was lying unproductive since January 2003 due to inadequate planning and execution.

Market complex	Revenue as per Cost Benefit Ratio statement	Actual revenue realised	Loss of revenue (Rs. in lakh)
Ground floor	Rs. 1.55 lakh (Rs. 3x40 vendorsx30daysx43 months)	Rs. 0.74 lakh	Rs. 0.81 lakh
1 st floor	Rs. 6.52 lakh Rs. 1.72 lakh (rent: Rs. 400 per monthx10 stallsx43 months) plus Rs. 4.80 lakh (premium)	Nil	Rs. 6.52 lakh
Total			Rs. 7.33 lakh

^φ Surface means ground of the bus stand.

KESHIARY PANCHAYAT SAMITI
4.1.9 Unproductive expenditure of Rs. 15 lakh on construction of a market complex

Keshiary Panchayat Samiti (PS) prepared an estimate of Rs. 21.42 lakh[¶] for construction of a market complex consisting of 64 stalls without assessing the demand for stalls. PS started the construction work in May 1995 without ensuring adequate funds and left the work incomplete in January 2002 after incurring an expenditure of Rs. 15 lakh. Audit scrutiny revealed that only 48 stalls were constructed, of which 24 had no electrification, 16 were constructed only up to lintel level and the remaining eight were merely up to plinth level. No trader was interested to buy or hire on rent the stalls.

As a result, the entire expenditure of Rs. 15 lakh remained unproductive since January 2002 due to non identification of clear source of funds before commencement of work.

PS replied (April 2008) that steps would be taken for electrification of stalls and caution money realisable from 24 stalls, would be utilised towards completion work of the remaining 24 stalls.

THAKURPUKUR MAHESHTALA PANCHAYAT SAMITI
4.1.10 Idle expenditure of Rs. 12.54 lakh on construction of Pailan Hat

Thakurpukur Maheshtala Panchayat Samiti (PS) prepared an estimate of Rs. 54.20 lakh for the construction of Pailan Hat, a market complex, without ascertaining the source of funds as per provision of Rules.^Σ Scrutiny of records revealed that the PS commenced the work in February 2003 and incurred a total expenditure of Rs. 12.54 lakh as of March 2006 when the work was stopped due to paucity of fund. The PS admitted (February 2008) the facts and added that efforts would be taken for completion of the complex.

[¶] 2x16=32 nos = Rs. 11,77,189

4x8 =32 nos =Rs. 9,64,448

Total = Rs. 21,41,637

^Σ Rule 19(2) of WB Panchayat (ZP&PS) Accounts & Financial Rules 2003.

Thus, the entire expenditure of Rs. 12.54 lakh turned idle due to commencement of the work without identifying the source of funds prior to commencement. This was indicative of faulty planning and monitoring mechanism in the PS.

NORTH 24 PARGANA ZILLA PARISHAD

4.1.11 Idle expenditure of Rs. 6.54 lakh on construction of road and residual grant of Rs. 13 lakh remained unutilised

State Government provided (December 1998) Rs. 19.54 lakh out of Backward Classes Welfare grant to the North 24 Parganas Zilla Parishad (ZP) for construction of a road. The ZP undertook the work in April 1999 for Rs. 16.41 lakh (having 16 items) and kept the balance grant of Rs. 3.13 lakh in its fund on account of supervision and contingency charges (19 *per cent*). The work was scheduled to be completed in June 1999.

Scrutiny revealed that the contractor discontinued (September 2000) the work, after execution of earth work at a cost of Rs. 6.54 lakh. The embankment of the road got damaged to some extent by flood and further soling work was contemplated after mending the damaged portion. But the contractor was reluctant to execute further work until preparation of the revised estimate. ZP paid Rs. 6.54 lakh to the contractor. ZP neither took measures for commencing the balance work nor imposed any penalty on the contractor for unfinished work. After a lapse of 59 months from the date of abandonment of the work by the contractor, the ZP decided (August 2005) to take up the work after cancellation of the previous contract.

ZP stated (January 2008) that a revised estimate would be framed within the balance amount by incorporating the items of brick soling in lieu of earth work. However, the work is not completed as yet (April 2008). Thus, on account of poor and faulty monitoring of the work by the ZP, the expenditure of Rs. 6.54 lakh remained idle, and, moreover, the residual amount of Rs. 13 lakh was also not utilised for 112 months since December 1998.

4.2 VIOLATION OF CONTRACTUAL OBLIGATIONS/UNDUE FAVOUR TO CONTRACTORS/AVOIDABLE EXPENDITURE

GARBETA –III PANCHAYAT SAMITI

4.2.1 Irregularities in construction of an auditorium and unproductive investment of Rs. 89.78 lakh

Garbeta-III Panchayat Samiti (PS) under the district of Paschim Medinipur undertook (September 1999) a work for construction of an auditorium, Vidyasagar Mancha (estimated cost Rs. 116.07 lakh), without any project report and without ensuring the source of funds. The work was completed (January 2003) at Rs. 116.07 lakh but Samiti could only pay Rs. 89.78 lakh out of the MPLAD Fund, Tenth Finance Commission and Bidhayak Elaka Unnayan fund to the contractors as of August 2007.

Audit scrutiny revealed that the PS did not adhere to basic rules in execution of the works (i) Notice Inviting Tenders (NIT) was not widely circulated (ii) the agreement was not executed with contractors (iii) the final measurement of the work was not recorded as of August 2006 (iv) the contractor was allowed to write Measurement Books and (v) the security money was refunded to the contractor before finalisation of bills.

The PS stated (August 2006) that the Mancha was handed over verbally to a private organisation without execution of any agreement for rent. The PS further stated that the status remained the same as of April 2008. The PS failed to earn any revenue from the Mancha.

The PS not only failed to adhere to the rules for execution of works but the entire investment of Rs. 89.78 lakh also remained unproductive.

JALPAIGURI ZILLA PARISHAD

4.2.2 Unproductive expenditure of Rs. 66.67 lakh as well as an unauthorised payment of Rs. 7.41 lakh on the construction of a community hall

Jalpaiguri Zilla Parishad (ZP) undertook construction (civil) of a community hall at Maynaguri (December 2001) at an estimated cost of Rs. 74.53 lakh which was to be completed by October 2002. However, the estimates did not include the provision for roofing, acoustics of the hall, sound system, air conditioning system and cost of chairs.

The work was awarded to M/s Mackintosh Burn Ltd. (a State Government undertaking) at 13 *per cent* premium over the estimated cost without inviting tender. According to Finance Department notification issued in October 1991[∅], M/s Mackintosh Burn Ltd. was to be allowed 10 *per cent* preference in rate vis-à-vis other organisation engaged in similar activities, but prior approval from Government of West Bengal was to be obtained. The question of 13 *per cent* preference in rate given to the company should not have arisen since the ZP had neither invited any tender nor was any prior approval from the Government taken. Thus, due to unauthorised negotiation with M/s Mackintosh Burn Ltd. by the ZP and allowance of irregular premium, it had to bear an extra expenditure of Rs. 7.41 lakh. Moreover, the ZP terminated (February 2006) the partly finished work after incurring an expenditure of Rs. 66.67 lakh due to excessive delay in execution of works by the contractor.

Thus, not only did the total expenditure of Rs. 66.67 lakh remain unproductive as of February 2007 but also Rs. 7.41 lakh^{*} was paid in excess to the contractor in violation of the provision of Government instruction.

4.3 EXCESS PAYMENT/WASTEFUL EXPENDITURE/INFRUCTUOUS EXPENDITURE
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MANICKCHAK GRAM PANCHAYAT

4.3.1 Excess payment of Rs. 6.69 lakh made to contractors

Manikchak Gram Panchayat (GP) under Manikchak Panchayat Samiti of Malda district executed (January 2006) two road works at Rs. 4 lakh under National Food for Work Programme (NFFWP). Scrutiny of records as well as physical verification in August 2006 revealed that the contractor executed 810.31 m³ earth work, but GP paid Rs. 4 lakh to the contractors for earthwork of 11,524.35 m³. As a result an excess

[∅] Government of West Bengal, Finance Department, Audit Branch's Notification No. 9600-F, dated 4th October 1991.

^{*} Amount claimed (@13 *per cent* above) Rs. 64.41 *minus* value of bill Rs. 57 lakh.

payment of Rs. 3.73 lakh^r was made to the contractor [i.e. cost of 10,714.04 m³ (11,524.35 m³ minus 810.31 m³) for earth work].

Further, the GP constructed (December 2005 to February 2006) two roads with *laterite* and *morrum* by engaging contractors. Scrutiny of records revealed that the contractors actually used 362.83 m³ of *laterite* but GP paid Rs. 9.13 lakh to the contractors for 913.89 m³ of *laterite*.

As a result, Rs. 2.68 lakh[∞] was paid in excess towards 311.03 m³ of *laterite*. It was also found that Rs. 0.60 lakh was paid to the contractor towards wage payment

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Name of road works	Period	Amount spent (In Rupees)	Quantity of work shown to have been executed (In m ³)	Quantity of work actually executed (In m ³)	Quantity of work not executed (In m ³)	Rate/ m ³	Excess payment (In Rupees)
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	8=(6)x(7)
Bijoy Mandol's house to Jageswar Mandol house	14.1.06 to 27.01.06	1,99,920	5,085.77	211.17	4,874.60	39.31	1,91,621
Ramnagar ramp to Bijoy Mandol's house	14.1.06 to 27.1.06	1,99,920	6,438.58	599.14	5,839.44	31.05	1,81,315
Total		3,99,840	11,524.35	810.31	10,714.04		3,72,936

∞

Name of work	Period of work	Amount spent (In Rupees)	Laterite purchased (In m ³)	Laterite consumed (In m ³)	Short utilisation (In m ³)	Rate (Rs./m ³)	Excess payment made to the contractor (In Rupees)
(1)	(2)	(3)	(4)	(5)	(6)=(4)-(5)	(7)	(8)=(6)x(7)
Improvement of road by <i>laterite</i> with <i>morrum</i> from Rajen's house to Paltu Ghosh's house	2.1.06 to 23.2.06	5,79,405	453.90	243.04	210.86	861.21 (average)	1,81,595
Improvement of road by <i>laterite</i> with <i>morrum</i> from Jyot Patta Highroad to Earthen Bandh	22.12.05 to 24.2.06	3,33,600	219.99	119.82	100.17	863.21	86,468
Total							2,68,063

instead of Rs. 0.32 lakh resulting in excess payment of Rs. 0.28 lakh[≈].

Thus, there was a total excess payment of Rs. 6.69 lakh to the contractors (i.e. Rs. 3.73 lakh *plus* Rs. 2.68 lakh *plus* Rs. 0.28 lakh).

The GP admitted (July-August 2006) the excess payment of Rs. 6.69 lakh to the contractors and stated that the excess payments were mainly due to absence of any system in the GP for physical verification of the work executed by the contractors as well as ignorance of the employees of the GPs.

Moreover, had the works been executed departmentally in accordance with guidelines, 12,706 mandays[✓] could have been generated for the rural people under NFFWP.

4.4 REGULARITY AND OTHER ISSUES

DANTAN-II PANCHAYAT SAMITI

4.4.1 Inordinate delay in construction of Sahid Kshudiram community hall

Dantan-II Panchayat Samiti (PS) under the district of Paschim Medinipur prepared an estimate of Rs. 32.91 lakh in February 2003 for construction of Sahid Khudiram community hall. The construction work was started in March 2003 and continued upto October 2003 incurring expenditure of Rs. 4.67 lakh but the work was discontinued thereafter for paucity of funds. Subsequently, PS revised (September 2005) the estimate to Rs. 43.79 lakh due to hike in the price of cement and steel required for the construction.

Labour component	Amount paid (in Rupees)	Amount admissible (in Rupees)	Excess amount paid (in Rupees)
(1)	(2)	(3)	(4)=(2)-(3)
Improvement of road by <i>laterite</i> with <i>morum</i> from Jyot Patta Highroad to Earthen Bandh	19,798	10,749.60	9,048.40
Improvement of road by <i>laterite</i> with <i>morum</i> from Rajen's house to Paltu Ghosh's house	40,589	21,873.60	18,715.40
Total			27,763.80

[✓] Calculated on the basis of prevalent rate of wages of Rs. 62 per day per head and prescribed percentage of 60 to be spent for wages out of total funds available (Rs. 13.13 lakh* x 60 per cent / Rs. 62 = 12,706 mandays).

*Rs. 4 lakh *plus* Rs. 9.13 lakh= Rs. 13.13 lakh

The revised work was also entrusted to the same contractor without inviting any competitive tender as required under rules⁷ for exceeding ten *per cent* over the original estimate⁸.

During September 2006 to July 2007, PS incurred a further expenditure of Rs. 29.21 lakh out of Bidhayak Elaka Unnayan Prakalpa (BEUP) and Member of Parliament Local Area Developments Scheme (MPLADS) funds. Thus, the total expenditure incurred by the PS was Rs. 33.88 lakh against the total estimate of Rs. 43.79 lakh but the construction work was not completed even after a lapse of five years⁹, since commencement of work.

The Samiti stated (February 2008) that the work was not completed and Rs. 40 lakh was required for final completion.

Thus, due to inadequate planning and failure to mobilise resources, the construction of the community hall could not be completed even after expenditure of Rs. 33.88 lakh.

⁷ Under provision of Rules 91(4), if the estimated work value exceeds maximum amounts for different nature of work or supply as prescribed in sub-rule(3), notice inviting open competitive tender in sealed cover should be published in newspaper and the tender notices should be displayed prominently in the notice boards of the offices of the ZP.

⁸ Original estimate was Rs. 32.91 lakh *plus* 10 *per cent* of Rs. 32.91 lakh = Rs. 36.20 lakh and revised estimate i.e. Rs. 43.79 lakh *minus* Rs. 36.20 lakh= **Rs. 7.59 lakh.**

⁹ March 2003 to February 2008.