



Report of the Examiner of Local Accounts
on
Panchayati Raj Institutions
for the year ending 31 March 2013



Government of West Bengal



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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 Panchayati Raj Institutions (PRIs) under provisions of West Bengal Panchayat Act, 1973. ELA is an officer of Indian Audit and Accounts Department and works under the supervision of Principal Accountant General (General & Social Sector Audit).

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 respectively and a copy thereof to the State Government.

This Report for the year ending 31 March 2013 relates to matters arising from observations of audit of the PRIs as well as Performance Audit of Indira Gandhi National Old Age Pension Scheme. The report also presents findings / observations on Financial Management and Implementation of Schemes by 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 2012-13 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 five chapters. While 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. Outcome of Performance Audit conducted on "Indira Gandhi National Old Age Pension Scheme" has been included in Chapter 4. Chapter - 5 includes audit of transactions relating to examination of transactions of audited institutions to ascertain whether the provisions of guidelines, applicable rules, regulations, 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 short release of ₹ 1261.35 crore to PRIs against provision made in the budget by Panchayat & Rural Development Department during 2008-09, 2010-11 and 2011-12. In these years the shortfall ranged from seven to 22 *per cent* of budget allocation.

During 2012-13 the expenditure under Plan and Non Plan head increased by 26 and six *per cent* respectively in comparison to 2011-12. Total receipts and expenditure under schematic fund increased by 165 *per cent* and 170 *per cent* respectively during 2012-13 in comparison to 2008-09. Own Source Revenue (OSR) constituted only one to four *per cent* of total receipts of PRIs during 2008-11.

PRIs expended 40 to 63 *per cent* schematic fund towards poverty alleviation programmes.

(Paragraphs 1.6.1, 1.6.2 and 1.8)

Out of grants received during 2012-13 under the recommendations of Thirteenth Finance Commission, PRIs spent ₹ 2.55 crore towards safe drinking water which was only six *per cent* of the earmarked fund (₹ 40.90 crore). No fund was earmarked for maintenance of existing e-governance system, though PRIs spent ₹ 5.48 crore under the sector.

(Paragraph 1.7)

During 2009-13 the State Government released only ₹ 1359.11 crore against ₹ 2905.43 crore recommended by the State Finance Commission for 2009-13.

(Paragraph 1.10)

2. Financial management

Audit of 17 Zilla Parishads, one Mahakuma Parishad, 109 Panchayat Samitis and 2599 Gram Panchayats revealed that financial management and internal control system in PRIs were weak. Non-adherence to Rules framed for preparation of budget/supplementary budget, non-deposit of collection money, direct appropriation of revenue, non-deduction of income tax and sales tax, non-reconciliation of balances, failure in collection, diversion of schematic funds, huge amount of unadjusted advances and lapsed cheques were observed in course of audit as detailed below:

Twenty five PRIs spent ₹ 37.37 crore without preparing any budget estimate and 243 PRIs expended ₹ 98.27 crore in excess of budget provision during 2010-12.

(Paragraph 2.2)

During 2011-12, 13 PRIs directly spent ₹ 1.70 crore for miscellaneous payments out of the revenues collected from time to time before depositing those revenues into their respective GP/ PS fund accounts.

(Paragraph 2.3)

In Jalpaiguri ZP, cash amounting to ₹ 10.93 lakh was deposited with a delay ranging from three to nine months and demand draft / banker's cheques valuing ₹ 19.29 lakh were deposited after expiry of their validity. Delay in depositing collection money upto 724 days were noticed in 18 PRIs.

(Paragraph 2.4)

Nakashipara and Namkhana PSs disbursed bearer cheques to GPs for payment of pensions. Neither voucher was produced in respect of ₹ 9.45 lakh nor was the amount deposited as unspent balance with the PSs.

(Paragraph 2.5)

During 2011-12, 25 GPs did not deduct Income Tax of ₹ 2.88 lakh and Sales Tax of ₹ 3.96 lakh from the contractor's bills.

(Paragraph 2.7)

Thirty seven PRIs did not reconcile difference of ₹ 32.33 crore between Cash Book and Pass Book balances of Banks and Treasuries as on 31 March 2012.

(Paragraph 2.8)

Advance of ₹ 14.62 crore remained unadjusted in 23 PRIs, five PRIs diverted/transferred ₹ 20.65 crore from scheme funds and 33 PRIs did not write back value of 1073 lapsed cheques amounting to ₹ 2.14 crore into their accounts

(Paragraphs 2.14, 2.16 and 2.17)

3. Implementation of Schemes

Centrally sponsored schemes like Indira Awaas Yojana (IAY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and Total Sanitation Campaign (TSC) are being implemented by PRIs in pursuance of guidelines framed by Government of India. In 2012-13, PRIs expended ₹ 873.93 crore and ₹ 3893.32 crore on IAY and MGNREGS respectively. Delayed payment of wages, failure to provide at least 100 days of guaranteed employment in a financial year, absence of photographs on job cards, failure to create durable assets, non-transfer of SGRY funds to MGNREGS accounts, wasteful expenditure on social forestry and failure to conduct social audit were some of the deviations from the guidelines noticed. There were also unauthorized extension of IAY benefits to persons not belonging to Permanent Wait List (PWL), shortfall in selection of SC/ST beneficiary, failure to construct sanitary latrine and loss of IAY assistance. In implementation of TSC, diversion of fund, undue benefit to Rural Sanitary Mart (RSM) and unsatisfactory performance of sanitary marts were observed. Some of the major observations are mentioned below:

One thousand eight hundred and thirty six GPs could not provide 100 days of employment to any households and 1124 GPs failed to create durable assets even after spending ₹ 333.98 crore under MGNREGS during 2011-12.

(Paragraphs 3.1.3.1 and 3.1.3.2)

In 60 GPs, 37426 job applicants were neither provided with employment nor paid unemployment allowance during 2011-12. Delay in disbursement of wages was also noticed in 459 GPs.

(Paragraphs 3.1.3.4 and 3.1.3.5)

Social audit forums were not formed in 33 GPs, social audit was not conducted in 31 GPs and objections raised during social audit were not settled in 30 GPs during 2011-12.

(Paragraph 3.1.3.9)

Expenditure of ₹ 18.16 lakh on plantation in Kanturka GP was rendered wasteful as the plants did not survive due to non-engagement of any labour for watering and monitoring.

(Paragraph 3.1.3.11)

Despite government directive, 12 PRIs did not transfer balance fund of SGRY amounting to ₹ 1.48 crore to MGNREGS account.

(Paragraph 3.1.3.12)

Six PSs disbursed IAY assistance to 2350 beneficiaries having mud homes without exhausting the list of more needy beneficiaries who were without any home or with dilapidated home and four PSs unauthorisedly extended IAY assistance of ₹ 73.50 lakh to 232 persons who were not included in the PWL of IAY during 2009-12.

(Paragraphs 3.2.2 and 3.2.3)

Twenty PRIs allotted ₹ 6.68 crore to 3261 male beneficiaries during 2009-12 in violation of IAY guidelines.

(Paragraph 3.2.4)

Nakashipara PS paid assistance of ₹ 10.50 lakh to 30 beneficiaries whose names were not matched with the names of PWL and of Rural Household Survey (RHS) IDs.

(Paragraph 3.2.9)

Non-adherence to the conditions laid down by GoI regarding sanction of IAY grant led to curtailment of IAY assistance of ₹ 95.91 crore in Paschim Medinipur ZP during 2006-12.

(Paragraph 3.2.10)

Utilization of TSC fund in Galsi-II, Hanskhali, Jamalpur and Kalna-II PSs ranged between 0.1 and 22 per cent during 2010-12.

(Paragraph 3.3.2)

Nakashipara and Jamalpur PSs diverted TSC fund of ₹ 3.55 lakh and ₹ 0.48 lakh respectively towards purchase of computer, organising animal health camp, installation of tube well etc beyond the purview of TSC guidelines.

(Paragraph 3.3.3)

Raninagar-I and Samserganj PSs paid subsidy of ₹ 74.74 lakh and ₹ 2.16 crore respectively during 2010-12 directly to RSMs instead of paying it to the individual households in violation of TSC guideline.

(Paragraph 3.3.6)

4. Performance Audit on Indira Gandhi National Old Age Pension Scheme

In nine GPs of four districts, 12 underage persons were unauthorisedly extended the benefits of the scheme as revealed from the Electors' Photo Identity Cards (EPIC) checked during beneficiary survey. Three PSs extended benefits to 10 deceased beneficiaries.

(Paragraphs 4.7.1.2 and 4.7.1.5)

The PRIs did not keep separate accounts of IGNOAPS funds and actual receipt and expenditure was not ascertainable from the accounts of PRIs. Utilisation of fund in five selected districts as per their Monthly Progress Report furnished to GoI varied from 83 to 100 *per cent* during 2008-13.

(Paragraph 4.7.2)

Delays in disbursement of pension ranging from one to 17 months were noticed in Coochbehar and Malda districts, Tufanganj-II, Suri-I, Chanchol-I and Shyampur-II PSs, Bhagawanpur, Matiharpur, Chapra-I, Hatishala-II, Domdoma, Abinashpur and Kasba GPs.

(Paragraph 4.7.2.4)

In Kaliganj PS, ₹ 0.44 lakh in respect of 28 deceased beneficiaries was lying in different post offices. Pension funds amounting to ₹ 2.37 lakh lying with Bhagawanpur, Kasba and Daspalsa GPs had not been deposited to PS fund till September 2013.

(Paragraph 4.7.2.5)

During 2009-10, 20 beneficiaries of Brittihuda GP were paid pension of ₹ 0.08 lakh twice for the month of July 2009.

(Paragraph 4.7.2.7)

Pension in respect of 10 beneficiaries of Chanchol-I PS was withheld since shifting of the scheme from GP to PS.

(Paragraph 4.7.2.8)

Four beneficiaries in four GPs were denied the benefit of enhanced pension even though they were above 80 years as per EPIC.

(Paragraph 4.7.2.9)

Separate committees both at State and District level, to monitor/ evaluate and report the progress of the scheme to GoI, were not constituted.

5. Audit of transactions

Five PRIs executed deposit works on behalf of different line departments but did not recover establishment charges of ₹ 89.34 lakh from these departments.

(Paragraph 5.1.1)

Jalpaiguri and Hooghly ZPs reimbursed royalty charges of ₹ 82.85 lakh to the contractors without verifying the actual payment made by the contractors in contravention to the provision of SOR.

(Paragraph 5.1.2)

Purulia, Jalpaiguri, Hooghly and Uttar Dinajpur ZPs incurred avoidable expenditure of ₹ 1.19 crore by allowing extra carriage for supply of stone metals and also by not considering correct distance and cheapest possible route for transportation of materials.

(Paragraphs 5.1.3 and 5.1.4)

Siliguri Mahakuma Parishad, Jalpaiguri, Uttar Dinajpur and Purulia ZPs, Medinipur Sadar and Amta-I PSs did not adopt revised rate of reinforced concrete work, current rates of bitumen and emulsion and revised rate of spreading/consolidation of WBM (Grade-2/3) and thereby extended undue benefit of ₹ 91.22 lakh to contractors.

(Paragraphs 5.1.5, 5.1.7 and 5.1.9)

Purulia ZP and Karimpur-I PS did not consider nearest source of stone metals while preparing estimates and had not specified the source of stone metal in price schedule/BOQ while Jalpaiguri ZP did not consider same lead (distance) while executing of works at Purba Satali. As a result these PRIs made excess payment of ₹ 31.11 lakh to contractors.

(Paragraph 5.1.8)

Handing over of construction of Bell Metal Sheet Factory to SHGs without providing technical support, lack of monitoring and technical supervision by Patashpur-II PS resulted in unfruitful expenditure of ₹ 23.30 lakh as the factory remained incomplete.

(Paragraph 5.2.1)

Ten PRIs did not adhere to the prescribed provisions of Panchayat Rules regarding tender/ quotation procedure for execution of various works and procurement of materials and incurred irregular expenditure of ₹ 8.01 crore.

Four PSs in Alia (cyclone) affected districts did not disburse the grants of ₹ 2.93 crore received for distribution of assistance to affected families due to non-finalization of list of beneficiaries after receipt of Aila grant depriving the targeted beneficiaries of disaster relief. Three of these PSs refunded ₹ 2.88 crore after a period of 13 to 24 months while the fourth PS retained the amount.

(Paragraph 5.4.1)

CHAPTER 1

An Overview of the Panchayati Raj Institutions

1.1 PRIs in West Bengal

Panchayats, the third tier of democratic-governance providing for self-governance, have been constitutionally created under 73rd Amendment of the Constitution. Article 243 B of the Constitution (appended after 73rd Amendment in 1992) envisages formation of Panchayats at village intermediate and district levels of a State. Prior to the Amendment of the Constitution, West Bengal Panchayat Act, 1973 enacted to reorganize Panchayats of West Bengal outlined the broad aspects of duties, powers and functions of three tier Panchayati Raj Institutions (PRIs) in the State. As of April 2013, the State has 3349 Gram Panchayats (GPs) at the village level, 341 Panchayat Samitis (PSs) at intermediate level between the district and village, 17 Zilla Parishads (ZPs) and one Mahakuma Parishad (MP) at District level.

As per latest census report (2011), the State has 6.22 crore rural population (68 *per cent* of total population of the State) covering an area of over 86,152 sq. km (97.07 *per cent* of total area of 88,752 sq. km of the State).

1.2 Powers, Functions and Organisational structure of the PRIs

The powers, authority and responsibilities of PRIs as laid down under Article 243G and 243H of the Constitution of India are as below:

- 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.

The above powers and duties were earlier included and categorized in Section 19 to 34; 109 to 118 and 153 to 165 of West Bengal Panchayat Act, 1973 for GPs, PSs and ZPs respectively.

The Act stipulates functioning of the PRIs through well-designed Standing Committees called Sthayee Samitis (for ZPs and PSs) and Upa-Samitis (for GPs)

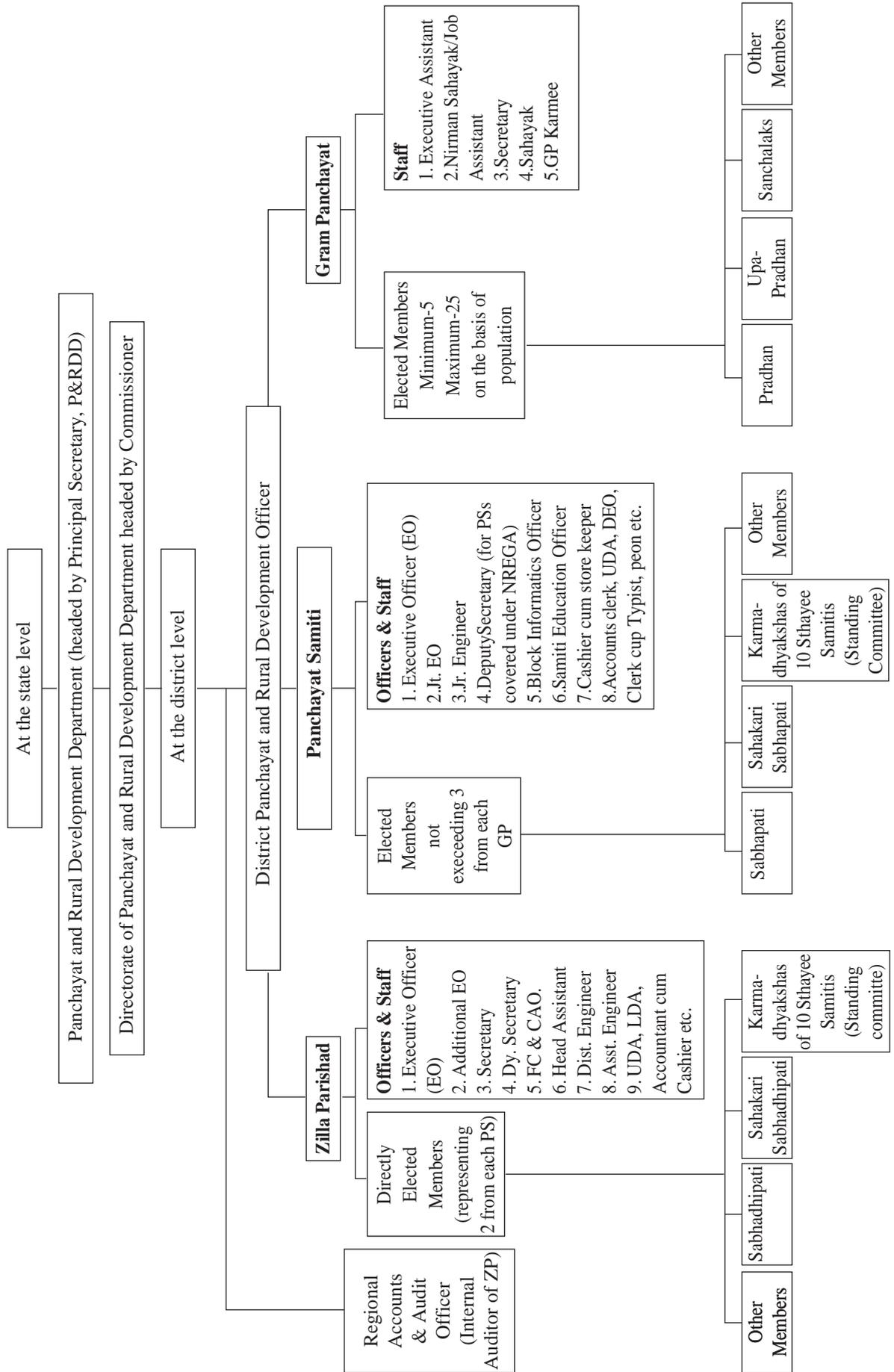
having elected representatives and officials concerned as members. The constitution of the committees are given below:

Table 1.1

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

(Source: The West Bengal Panchayat Act, 1973)

The detailed 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 the 29 subjects listed in the 11th Schedule of the Constitution. Accordingly, the State Legislature inserted Sections 207A (in 1992) and 207B (in 1994) in West Bengal Panchayat Act, 1973 for placement of officers and employees at the disposal of PRIs and transfer of such powers, functions and duties as exercised, performed and discharged by the State Government.

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

PRIs in West Bengal have played increasing role in certain aspects of service delivery but their ability to influence outcome have been limited. Lack of clear allocation of responsibilities, inadequate access to discretionary funds, lack of powers over state level functionaries and inadequate local capacity led to poor service delivery.

1.4 Flow of funds

Panchayats of all three tiers, for their agency functions, receive considerable amounts of grants-in-aid for implementation of assigned schemes, mainly flagship schemes of the Central Government and State's shares to such centrally sponsored schemes. The State Government transfers consist of salary grants, schematic funds, State Finance Commission grants (untied), Bidhayak Elaka Unnyan Prakalpa, State share of centrally sponsored schemes and State sponsored schemes, while Central Government transfers consist of Central Finance Commission grants, centrally sponsored and central sector schemes like Indira Awaas Yojana (IAY), Swarnajayanti Gram Swarajgar Yojana (SGSY), Pradhan Mantri Gram Sadak Yojana (PMGSY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), MPLAD and national social security schemes like IGNFBS, IGNMBS, IGNOAPS. While much of these funds are released directly by the Central Government to the PRIs without routing through the State budget, some funds are also released through the State budget.

ZPs have been taking Rural Infrastructure Development Fund (RIDF) loans for implementation of some medium sized rural programmes. The loan liabilities including interest payments are, however, borne by the State Government. The ZPs have a limited capacity to raise loans for financing their schemes.

The funds are released through State budget and through West Bengal State Rural Development Agency (WBSRDA) of 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. The GPs keep Panchayat Fund in one or more saving accounts 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 accounts as per formats prescribed in West Bengal Panchayat Act, 1973 and Rules framed there under. The accounts are maintained in cash basis double entry system. Two software programmes namely, Integrated Fund Monitoring and Accounting System (IFMAS) for ZPs and PSs and Gram Panchayat Management System (GPMS) for GPs were developed for generation of accounts.

Ministry of Panchayati Raj, GoI in consultation with Comptroller and Auditor General of India, prescribed Model Accounting System (MAS) for Panchayats for exercising proper control and securing better accountability. P&RDD prepared a coding structure comprising of three tier budget head for receipt of grants-in-aid and four tier budget head for expenditure consistent with MAS after minor modifications and issued instruction (March 2012) to all PRIs that the accounts should be maintained in prescribed format with effect from April 2011 and eight database formats were also to be generated as prescribed in MAS.

During audit of accounts of PRIs for the year 2011-12, it was noticed that accounts were not maintained as per the codification structure prescribed by P&RDD. When enquired, the department intimated (June 2012) that the existing Accounting software was being modified to generate the required reports.

1.6 Sources and utilisation of funds

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, Schematic Fund is released by GoI and State Government through State budget and also by WBSRDA, cell of 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 | Percentage shortfall | Utilisation out of State budget allocation | | Percentage of utilisation |
|--------------|-------------------------|----------------|-----------------|-------------------------------------|----------------|----------------------|--|----------------|---------------------------|
| | Plan | Non-plan | Total | | | | Plan | Non-plan | |
| 2008-09 | 1478.00 | 570.07 | 2048.07 | 1830.89 | 217.19 | 11 | 1126.04 | 561.85 | 92 |
| 2009-10 | 2002.73 | 749.61 | 2752.34 | 2780.09 | 00 | 00 | 1784.04 | 861.16 | 95 |
| 2010-11 | 2356.60 | 1182.24 | 3538.84 | 2763.59 | 775.25 | 22 | 1718.38 | 642.01 | 85 |
| 2011-12 | 2412.10 | 1231.73 | 3643.83 | 3374.92 | 268.91 | 7 | 2179.82 | 945.88 | 93 |
| 2012-13 | 2704.14 | 1508.80 | 4212.94 | 4661.15 | 00 | 00 | 2745.25 | 999.11 | 80 |
| Total | 10953.57 | 5242.45 | 16196.02 | 15410.64 | 1261.35 | 8 | 9553.53 | 4010.01 | 88 |

(Source: Panchayat & Rural Development Department)

It would be seen from the above that there was short release of ₹ 1261.35 crore to PRIs against the provision made in the budget by P&RDD during 2008-13 and shortfall was 8 per cent of budget allocation during the period. On year to year basis, it had gone up to 22 per cent in 2010-11. Budget utilisation was 88 per cent of the amounts released.

1.6.2 Financial position of PRIs

- (a) The position of grants received by the PRIs during the last five years is furnished in Table 1.3:

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 Govt. | Fund received from Own Source | Total receipts | Percentage of grants receive | | | |
|---------|------------------------------------|------------|-------------------------------|---|---|----------------|------------------------------|----------------------|-------|------------|
| | Central fund | State fund | | | | | Central | | State | Own Source |
| | | | | | | | Directly to PRIs | Through State budget | | |
| 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 | Information not furnished by the Department | | | | | |
| 2012-13 | 1728.24 | 2911.45 | 4293.38 | 8933.07 | | | | | | |

(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

64 and 75 per cent (between 44 and 51 per cent as direct off-budget transfers to PRIs), while contribution of state grants ranged between 32 and 34 per cent during 2008-11. Own funds of PRIs constituted only one to four per cent of total receipts during 2008-11¹.

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

It was noticed from records of P&RDD that (i) expenditure under Plan and Non Plan head during 2012-13 increased by 26 and six per cent respectively in comparison to 2011-12; (ii) total receipts and expenditure under schematic fund increased by 165 per cent and 170 per cent respectively during 2012-13 in comparison to 2008-09; (iii) GPs received majority (67 to 84 per cent) of the total schematic allocation for PRIs during 2008-09 to 2012-13; and (iv) the Central and State Finance Commission emphasized radical improvement in collection of Own Source Revenue (OSR). But OSR constituted only four per cent, three per cent and three per cent of total receipts of the PRIs during 2008-09, 2009-10 and 2010-11 respectively, whereas the expenditure from OSR constituted only three, three and five per cent of total expenditure respectively during that period. Moreover, P&RDD, administrative department of PRIs, had no information regarding both receipt and expenditure out of OSR for the three tiers of PRI during 2011-13.

1.7 Thirteenth Finance Commission grants

Grants as per recommendations of Thirteenth Finance Commission (13th FC) are released under three heads viz general basic grant, special area basic grant and performance grant. Details of release and utilisation of 13th FC grants during 2010-13 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 the PRIs | |
|--------------|--------------------------|-------------------------|---------------------------|-------------------|----------------------|---------------------------|-------------------|--|---------------|---------------|--|---------------------------|
| | | General basic grants | Special area basic grants | Performance grant | General basic grants | Special area basic grants | Performance grant | ZPs | PSs | GPs | General basic grants | Special area basic grants |
| 2010-11 | 192.93 | 192.93 | 0.80 | Nil | 110.21 | 0 | | 37.14 | 13.55 | 59.52 | 57 | 0 |
| 2011-12 | 429.86 | 430.68 | 1.60 | Nil | 321.57 | NA | | 77.03 | 47.59 | 196.95 | 75 | 0 |
| 2012-13 | 533.83 | 507.42 | 1.60 | 24.01 | 353.63 ² | | | 46.45 | 54.45 | 252.73 | 70 | NA |
| Total | 1156.62 | 1131.03 | 4.00 | 24.01 | | | | 160.62 | 115.59 | 509.20 | 69 | 0 |

(Source: Panchayat & Rural Development Department)

¹ Own funds position for the year 2011-13 was not made available to audit.

² Break up of sector wise utilization of funds by PRIs not furnished by P&RDD.

PRIs had utilised only 69 per cent of the available funds under general basic grants. Information in respect of expenditure during 2011-13 under special area basic grants was not made available by P&RDD.

P&RDD released funds without earmarking for the various item of work except safe drinking water supply. The balance amount released has, hence, been shown under 'Others'.

Details of sector wise expenditure are furnished below:

Table 1.5

(₹ in crore)

| Sector | Fund released | | | Total | Expenditure | | | Total |
|------------------------------------|---------------|-------|--------|--------|-------------|-------|--------|--------|
| | ZP | PS | GP | | ZP | PS | GP | |
| Safe drinking water supply | 7.39 | 0 | 33.51 | 40.90 | 0 | 0.33 | 2.22 | 2.55 |
| Maintenance of PMGSY/RIDF roads | | | | | | | | |
| Recruitment of staff | | | | | 0.02 | 8.11 | 1.75 | 9.88 |
| Maintenance of water resources | | | | | | | | |
| Maintenance of e-governance system | | | | | 0.39 | 1.00 | 4.09 | 5.48 |
| Basic amenities | | | | | | | | |
| Others | 59.65 | 87.43 | 343.37 | 490.45 | 46.04 | 53.03 | 244.68 | 343.75 |

(Source: Panchayat & Rural Development Department)

It is evident from the above table that the PRIs had spent ₹ 2.55 crore during 2012-13 towards safe drinking water supply which is only six per cent of the fund earmarked (₹ 40.90 crore) for the purpose. Moreover, it was stipulated in the guideline that five per cent of the available funds at each tier of PRIs was to be earmarked for maintenance of the e-governance system but no fund was earmarked under this sector. The PRIs had spent ₹ 5.48 crore which is only one per cent of the available fund.

1.8 Sectoral Analysis

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

Table 1.6

(₹ in crore)

| Name of sector | 2008-09 | | 2009-10 | | 2010-11 | | 2011-12 | | 2012-13 | |
|----------------------------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|------------------|----------------|--------------------|
| | Receipts | Expenditure |
| Poverty alleviation | 1104.94 | 1016.71 (40%) | 2137.50 | 2347.59 (55%) | 2629.13 | 2741.88 (63%) | 3027.21 | 3166.61 (62%) | 3862.59 | 3909.26 (47%) |
| Social Security | 503.78 | 481.03 (19%) | 745.47 | 678.33 (16%) | 753.73 | 475.12 (11%) | 910.09 | 792.67 (15%) | 911.87 | 654.61 (8%) |
| Health & Family welfare | 51.59 | 13.17 (0.5%) | 46.75 | 110.74 (3%) | 113.27 | 0.00 | 0.97 | NA | 0.87 | 0.87 (.01%) |
| Backward area development | 183.00 | 125.20 (5%) | 242.18 | 104.10 (25%) | 216.03 | 208.75 (5%) | 251.45 | 229.22 (4%) | 204.62 | 300.32 (4%) |
| Development of natural resources | 15.75 | 1.97 (0.1%) | 13.67 | 7.72 (0.2%) | 2.75 | 0.00 | 1.65 | 3.17 (0.06%) | 0.28 | 3.28 (0.04%) |
| Rural Development | 91.17 | 90.05 (4%) | 87.27 | 93.84 (2%) | 141.01 | 141.01 (3%) | 945.05 | NA | 2,162.88* | 1,428.42* (17%) |
| Rural roads | 5.99 | 5.67 (0.2%) | 8.80 | 8.80 (0.2%) | 7.45 | 0.00 | 823.90 | NA | 431.55 | 343.73 (4%) |
| Rural Housing | 702.92 | 701.97 (28%) | 863.49 | 891.65 (21%) | 791.45 | 796.83 (18%) | 860.43 | 926.13 (18%) | 680.69 | 910.18 (11%) |
| Education | 90.76 | 90.75 (4%) | 37.51 | 37.50 (0.9%) | 7.50 | 0.00 | 60.00 | NA | 74.05 | 74.05 (0.1%) |
| Other sectors | 0.16 | 0.91 (0.04%) | 0.1 | 0.10 | 0.34 | 0.00 | 0.00 | 0.00 | 625.13 | 624.97 (8%) |
| Total | 2750.06 | 2527.43 | 4182.74 | 4280.37 | 4662.66 | 4363.59 | 6880.75 | 5117.80 | 8954.53 | 8249.69 |

(Source: Panchayat & Rural Development Department)

* Receipts and expenditures increased due to inclusion of Central and State scheme and grant-in-aid in the current year.

It can be seen from the above table that,

- After introduction of MGNREGS, the fund flow increased in PRIs. Expenditure incurred under poverty alleviation increased and ranged between 40 and 63 per cent of total schematic expenditure during 2008-09 to 2012-13;
- Though the receipt and expenditure under social security sector increased by 81 per cent and 36 per cent respectively during 2012-13 in comparison to 2008-09, expenditure during 2012-13 declined by 18 per cent in comparison to 2011-12;
- During 2008-13, against receipt of ₹ 1097.28 crore under backward area development, PRIs expended ₹ 967.59 crore;
- Expenditure towards rural housing sector reduced to 11 per cent of total schematic expenditure during 2012-13 from 28 per cent in 2008-09; and
- Expenditure incurred under health and family welfare sector ranged between

nil and 3 per cent of total schematic expenditure during 2008-09 to 2012-13 and the same under education sector ranged between 0.01 and 4 per cent during that period.

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 etc. and the 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 (April 2013) by Examiner of Local Accounts (ELA), West Bengal to furnish details about the working of DPCs during 2012-13. Only 11 districts³ have furnished details **while remaining districts did not respond in spite of reminder (by ELA) in June 2013**. Review of the working of 11 DPCs revealed as under:

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 the districts are given below:

Table 1.7

| Name of the District | Date of formation of DPC |
|----------------------|--------------------------|
| Bankura | May 1985 |
| Bardhaman | September 1996 |
| Birbhum | October 1995 |
| Dakshin Dinajpur | October 1995 |
| Hooghly | August 1996 |
| Howrah | August 2008 |
| Malda | 2008 |
| Murshidabad | December 2008 |
| Paschim Medinipur | December 2008 |
| Purba Medinipur | August 2008 |
| South 24 Parganas | January 2009 |

(Source: Replies of DPCs)

³ Bardhaman, Birbhum, Bankura, Malda, Murshidabad, South 24 Parganas, Howrah, Hooghly, Dakshin Dinajpur, Purba Medinipur and Paschim Medinipur

It is evident from the above that except in Bankura district, DPC was formed in most of the districts with a delay of one to 15 years after passing the West Bengal District Planning Committee Act, 1994.

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 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 and Malda district, out of 43 and 42 members respectively in the DPC there were only two appointed members in lieu of prescribed eight members. In other nine districts, prescribed percentage is more or less maintained in respect of number of appointed and elected members of DPC. In Purba Medinipur, there were 42 elected members against the prescribed 48 members.

1.9.3 Meeting of DPC

The State Government has so far not prescribed any periodicity for holding of meeting of DPC. In absence of this, it was noticed that while Dakshin Dinajpur district could hold three meetings, Malda, Murshidabad and Purba Medinipur districts held two DPC meetings during 2012-2013. Bankura, Birbhum, Hooghly, Howrah, Paschim Medinipur and South 24 Parganas districts had only one DPC meeting and Bardhaman district did not have any DPC meeting during that period.

In order to ensure regular monitoring of the implementation of the District Plans, Government may consider prescribing periodicity of holding of meeting by DPC.

1.9.4 Preparation of Draft Development Plan (DDP)

Bankura, Howrah, Malda, Murshidabad and Paschim Medinipur districts reported that, all the PRIs in the districts prepare their own plan and consolidated plans are received from ZP level. 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 and Planning Department, Government of West Bengal for preparation of State Plan. Bankura

district maintained the time schedule for acceptance of DDP while there was a delay of two to nine months from the scheduled date of acceptance (March 2012) in remaining 10 districts. The districts explained that the delay occurred due to non / late submission of draft plans by Line Departments/ ZPs, Bye Election in the district, etc.

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

1.9.5 Assistance of technical experts and their responsibilities

Bardhaman, Hooghly, Howrah, Paschim Medinipur and Purba Medinipur districts reported that they had no team of technical experts to assist the DPC members for preparation of DDP. In South 24 Parganas, though there was no team of technical experts, DPC members were assisted by the District Planning Department. Dakshin Dinajpur district appointed a Kolkata based NGO for preparation of preparatory plan, compilation of GP and PS level plans. In Murshidabad and Malda districts, District Planning Officer (DPO), Economist Cum-Credit Planner (ECCP), Sub-Assistant Engineer (SAE), Deputy Director Economics & Statistics and Engineers assisted DPC members in compilation, preparation and further transmission of DDP. Birbhum stated that they sought technical expertise of the concerned line department while Bankura district reported that they had technical expertise but did not clarify the nature of assistance taken from them.

1.9.6 Fund sanctioned, released and utilised

In Malda district PRI plans constituted 94 *per cent* of the DDP for the year 2012-13 while in Hooghly district the same was 12 *per cent*. In remaining districts it ranged between 13 and 61 *per cent*.

In Bankura, Bardhaman and Paschim Medinipur districts percentage of fund sanctioned against amount projected for PRIs in DDP for the year 2012-13 was one, 19 and 56 *per cent* respectively. Birbhum district reported that no amount was sanctioned against the DDP for PRIs for the year 2012-13. The remaining districts did not furnish any information regarding amount sanctioned against DDP.

As regards utilization, Paschim Medinipur district reported that they utilised 60 to 70 *per cent* of the grants sanctioned to PRIs but remaining 10 districts failed to furnish any information.

1.9.7 Monitoring

Monitoring arrangement for implementation of various schemes in different

districts as reported by the DPCs of eleven 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 |
| Bardhaman | No monitoring arrangement |
| Birbhum | Does not arise as no fund was sanctioned against DP. |
| Dakshin Dinajpur | District Level Monitoring Committee and District level Officer |
| Hooghly | Respective department/ section |
| Howrah | District Magistrate, Member Secretary of DPC in consultation with <i>Sabhadhipati of Zilla Parishad</i> |
| Malda | Monthly monitoring meeting and spot inspections |
| Murshidabad | Monthly review meeting held at ZP |
| Paschim Medinipur | District Authority/ Sub Divisional Authority/ Block Level Authority level meetings |
| Purba Medinipur | District Magistrate, Member Secretary and Chairman of DPC, <i>Sabhadhipati of ZP</i> etc. |
| 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)

In the 11 Districts, functioning of DPC could not be ensured due to absence of information.

Thus the DPC formed in districts had scope for improvement. District plans were prepared as a routine exercise and without consideration of resource available for implementation of the proposals. Delay in preparation of plans signified that the plans had little or no impact on the State Plan. Districts did not follow up on receipt of funds against their plans. The State Government needed to take remedial measures to improve the efficiency and effectiveness of the DPC.

1.10 State Finance Commission Grants

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 PRIs during 2009-10 to 2012-13 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 release | Shortfall | Utilisation (%) |
|--------------|-------------------------------------|------------------------------------|---|----------------|----------------|---------------------|
| 2009-10 | 16899.98 | 800.00 | 608.00 | 236.50 | 371.50 | 180.67 (76%) |
| 2010-11 | 21128.74 | 896.00 | 680.96 | 301.80 | 379.16 | 61.64 (20%) |
| 2011-12 | 24938.16 | 1003.52 | 762.28 | 252.47 | 509.81 | 268.31(106%) |
| 2012-13 | 32808.49 | 1123.94 | 854.19 | 568.34 | 285.85 | 419.33 (74%) |
| Total | 95775.37 | 3823.46 | 2905.43 | 1359.11 | 1546.32 | 929.95 (68%) |

(Source: Panchayat & Rural Development Department)

It is evident from the above table that the State Government released only ₹ 1359.11 crore (47 per cent) against ₹ 2905.43 crore recommended for four years i.e. 2009-10 to 2012-13. Instead of progressive increase of 12 per cent per annum as stipulated above, actual release during 2011-12 decreased over previous year.

The tier wise receipts (sector wise information not furnished by State Government) and expenditure in different sectors from SFC grant during 2012-13 are as follows:

Table: 1.10

(₹ in crore)

| Sl. No | Sector | Receipt of 3rd SFC grant during 2012-13 | | | Expenditure | | | Total |
|--------------|--|---|--------|--------|--------------|--------------|---------------|---------------------|
| | | ZP | PS | GP | ZP | PS | GP | |
| 1 | Creation/ development of asset | 68.09 | 102.20 | 398.05 | 19.30 | 22.14 | 86.03 | 127.47 (31%) |
| 2 | Social aspects | | | | 1.58 | 8.67 | 32.02 | 42.27 (10%) |
| 3 | Maintenance of existing PRI owned assets | | | | 2.91 | 8.93 | 42.73 | 54.57 (13%) |
| 4 | Contingent expenditure | | | | 0.27 | 0.36 | 4.82 | 5.45 (1%) |
| 5 | Others | | | | 15.46 | 35.57 | 138.54 | 189.57 (45%) |
| Total | | | | | 39.52 | 75.67 | 304.14 | 419.33 |

(Source: Panchayat & Rural Development Department)

1.11 Audit mandate for PRIs

Examiner of Local Accounts (ELA), West Bengal has been appointed as Auditor under Section 186 of West Bengal Panchayat Act, 1973 to examine and audit

cent per cent accounts of funds of ZPs, PSs and GPs, vide Government Order dated 03.09.1980 (for ZPs and PSs) and notification dated 28.03.2003 (for GPs).

1.12 Audit Coverage

Accounts of 18 ZPs (including one MP), 109 PSs and 2,599 GPs for the year 2011-12 were audited during 2012-13. The audit findings are discussed in the succeeding Chapters.

1.13 Response to Audit Reports

In terms of Section 191(A) of 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 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 of West Bengal Legislative Assembly. Accordingly, Reports for the years ending 2004 to 2010 were laid before the State Legislature and the Standing Committee had considered all these Reports by March 2013. Thirty two recommendations have been made on those reports. No action taken note has been received till October 2013. Reports for the years ending 2011 and 2012 have been placed in the State Legislature in November 2013.

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 31st August 2013.

Table 1.11

(₹ in crore)

| Category of PRIs | IRs 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 | 40 | 99 | 165 | 754 | 273.15 | 689.38 |
| PSs | 386 | 790 | 1132 | 4346 | 212.89 | 371.40 |
| GPs | 4058 | 11090 | 37608 | 86399 | NA | |

(Source: Objection Book of ELA)

An Audit Committee comprising Principal Secretary/Secretary of P&RDD, representatives of Finance Department and ELA was formed for settlement of outstanding IRs. Six meetings were held by the Audit Committee during April 2012 to August 2013 on 448 outstanding paras of Howrah and North 24 Parganas but broad sheet replies alongwith comments of Regional Accounts and Audit Officer or P&RDD, with supporting documents had not been received from most of the PSs. As a result, final decision on those outstanding paras is still pending.

1.15 Recovery at the instance of audit

In course of audit of PRIs during 2012-13 it was observed that collection of revenue in respect of 21 PRIs in the shape of house rent receipt, trade registration fees, etc. was not deposited into PRI accounts. Besides, PRI made excess payment to suppliers and contractors due to non-deduction of tender rebate from the final bills, wrong computation of amount, non-deduction of void from material supply, allowing excess rate from the tender rate etc. during 2010-12. Upon the matter being brought to the notice of the concerned PRIs during field inspection, an amount of ₹ 2.66 lakh (**Appendix- III**) was recovered by the concerned PRIs and deposited into PRI accounts.

CHAPTER 2

Financial Management

Chapter 2

Financial Management

West Bengal Panchayat (ZP & PS) Accounts and Financial Rules, 2003 and 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. These rules play a vital role in assisting PRIs to discharge their functions and also act as a control mechanism in PRIs. However, the rules were not adhered to and the general principles of financial management were violated. Budget/ revised budget were not prepared, there was direct appropriation of funds, 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

Panchayat and Rural Development Department (P&RDD) developed and introduced (2003-2004) Gram Panchayat Management System (GPMS) for computerizing the accounting system of GPs. As per P&RDD's records GPMS was installed in 3233 GPs but only 2594 GPs 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 P&RDD's records IFMAS had been installed in all 18 ZPs (including one MP) and 332 PSs. Though the software was functioning and generating Receipts and Payments Accounts in all ZPs, it was not working in 21 PSs. While conducting the audit of ZPs and PSs during 2012-13, it was observed that the annual accounts prepared by 25 PSs during 2009-12 were not generated through IFMAS (**Appendix- IV**).

2.2 Expenditure incurred without preparing budget and in excess of budget

Section 137 of 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, two ZPs viz. North 24 Parganas (₹ 0.51 crore) and Paschim Medinipur (₹ 1.12 crore) expended ₹ 1.63 crore without preparing budget estimates under four heads during 2011-12 and three PSs viz. Krishnaganj (₹ 0.54 crore), Pingla (₹ 9.07 crore) and Bagnan-I (₹ 18.22 crore) spent ₹ 27.83 crore during 2010-12 without preparing budget estimates under 14 heads.

Further, West Bengal Panchayat (ZP & PS) Budget Rules, 2008 prescribes that the supplementary and revised budget should be prepared and approved on or before 28th February of the current financial year. Scrutiny revealed that six ZPs and eight PSs expended ₹ 77.10 crore in excess of budget provision under 65 heads during 2010-12 (**Appendix-V**) without preparing revised budget.

Similarly, Section 48 (3) of West Bengal Panchayat Act, 1973 prescribes that no expenditure should be incurred unless budget was approved by GP. Scrutiny revealed that 20 GPs spent ₹ 7.91 crore during 2011-12 (**Appendix-VI**) without preparing any budget estimate.

Further, Rule 40 of West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 stipulates that supplementary and revised budget estimate of receipts and payments for the current year should be prepared and approved on or before 25th February by GPs. It was observed that 229 GPs expended ₹ 21.17 crore in excess of their respective budget provisions under 43 heads like IAY, MGNREGS, NRHM, 12th FC, BRGF etc. without preparing any supplementary and revised budget estimates during 2011-12 (**Appendix- VII**).

Thus, expenditure of ₹ 136.95 crore was unauthorised in absence of any budget estimates, supplementary and revised budget estimates. PRIs, therefore, as Local Self Government fell short in observing general principles of financial management. Necessary measures should be taken to regularise such unauthorised expenditure.

2.3 Direct appropriation of revenues without depositing into bank account

Rule 5(2) of West Bengal Panchayat (ZP & PS) Accounts and Finance Rules, 2003 stipulates that all sums collected by a person authorized by ZP or the PS shall be remitted in full to the respective fund and no portion shall be appropriated directly towards expenditure of ZP or PS as the case may be. But scrutiny revealed that two PSs viz. Farakka (₹ 1.55 crore) and Garbeta-II (₹ 0.14 crore) directly spent ₹ 1.69 crore from collection money towards payment of installments for IAY beneficiaries, contingent expenses, office expenses, hire charges of vehicles, honorarium for employees, etc.

Similarly Rule 4 (12) of 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, 11 GPs⁴ expended ₹ 1.17 lakh during 2011-12 for miscellaneous payments like telephone bills, electricity bills, commission of the tax collector etc. directly from the revenue collected from time to time.

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

2.4 Delay in deposit of collection money

Rule 5(1) of West Bengal Panchayat (ZP & PS) Accounts and Financial Rules, 2003 prescribes that all sums receivable by the ZP or the PS, including rents receivable from pond, ferry, fishery or any other asset or property of ZP or PS collected by a person, authorized by the ZP or the PS, shall be deposited in cash with the cashier on proper receipt, for crediting the same as quickly as possible to the appropriate account of the ZP or the PS fund, as the case may be; provided that such authorized person shall not keep in his custody at any point of time any amount exceeding rupees one thousand for more than one working day.

Scrutiny of records revealed that

- In Jalpaiguri ZP, an amount of ₹ 10.93 lakh in cash and demand drafts (DD)/ banker's cheques amounting to ₹ 19.29 lakh were collected from the contractors during April 2009 to June 2011 against sale of tender forms. The cash was deposited with delay ranging from three to nine months during July 2009 to March 2012 and 646 Demand Drafts/ banker's cheques were submitted to ZP office in April 2012 after expiry of their validity.

Inordinate delay in depositing DDs/ banker's cheques caused loss of opportunity to earn interest. Besides, the ZP had to go through the process of getting the DDs revalidated.

- In 2011-12, Uttar Dinajpur and Purulia ZPs did not deposit the Provident Fund contribution of ZP employees of ₹ 8.19 lakh and ₹ 21.56 lakh respectively into Treasury within stipulated time (i.e. between 1st and 10th of the month). When enquired, Purulia ZP admitted the fact but Uttar Dinajpur ZP did not furnish any reply.

⁴ Andharthole (₹ 0.01 lakh), Jagadalla-II (₹ 0.1 lakh), Kanuri (₹ 0.05 lakh), Palsona (₹ 0.01 lakh), Mallickpore (₹ 0.73 lakh), Gobrachara Nayarhat (₹ 0.08 lakh), Banupur-I (₹ 0.05 lakh), Thanamakua (₹ 0.05 lakh), Sarberia Aghrahati (₹ 0.02 lakh), Sarberia-I (₹ 0.04 lakh), and Bhangra (₹ 0.03 lakh).

- Kotulpur PS deducted Income Tax from the contractors/agencies but failed to deposit the same in government account in time, which resulted in interest burden of ₹ 0.04 lakh on the PS. In reply the PS admitted the fact.

Similar cases of delay up to 724 days in deposit of collection money were noticed in four ZPs and 14 PSs⁵ during 2010-12.

It is evident that the PRIs did not monitor collection of revenue and misappropriation of public fund cannot be ruled out as the concerned employees retained PRIs cash for a long time.

2.5 Short receipt, misappropriation, defalcation, issue of gift and theft of materials

The following cases were noticed in audit:

(a) Scrutiny of records of Nakashipara and Namkhana PSs revealed that the PSs paid ₹ 89.97 lakh (September 2010) for the month of April and May 2010 and ₹ 1.01 crore (June to August 2010) for the month of June 2009 to March 2010 respectively to different GPs through bearer cheques for the payment of pension to IGNOAPS, IGNWPS and IGNDPS beneficiaries. Though the bank statements revealed that these cheques were encashed by the GPs/bearers, vouchers were not received for full amount. Nakashipara PS received vouchers of ₹ 81.16 lakh but balance cash of ₹ 8.81 lakh was not received till January 2013. Similarly, Namkhana PS received vouchers worth ₹ 95.67 lakh and cash of ₹ 5.03 lakh. But there was no record for balance amount of ₹ 0.64 lakh.

In reply Nakashipara PS accepted that an amount of ₹ 8.81 lakh was retained by the cashier but did not indicate any action taken thereagainst. Thus, the entire amount remained out of the accounts depicting faulty financial management and weak administrative control.

(b) In Puncha PS, ₹ 0.04 lakh and ₹ 0.02 lakh were collected by issue of cashiers' receipt on 18 February 2011 and 21 October 2010 respectively. Till February 2013, only ₹ 0.02 lakh was deposited into PS fund, leaving ₹ 0.04 lakh non-deposited. When pointed out the PS did not furnish any reply.

⁵ **ZPs:** Dakshin Dinajpur (₹ 5350 to ₹ 6850); Purulia (₹ 3000 to ₹ 110600), Jalpaiguri (₹ 2996 to ₹ 44912) and Siliguri Mahakuma Parishad (₹ 500 to ₹ 16000).

PSs: Budge Budge-I (₹ 5496 to ₹ 55424); Chapra (₹ 11556 to ₹ 325080); Dantan-I (₹ 300 to ₹ 15000); Garbeta-I (₹ 200 to ₹ 7000); Galsi-I (₹ 5496 to ₹ 55424); Jamboni (₹ 27180 to ₹ 97000); Kakkdwip (₹ 20920 to ₹ 118375); Kaliganj (₹ 57400); Krishnaganj (₹ 400 to ₹ 491256); Mahishadal (₹ 150 to ₹ 38600), Namkhana (₹ 23390 to ₹ 82270); Para (₹ 13125 to ₹ 62770); Samserganj (₹ 19200 to ₹ 165400) and Taldangra (₹ 900 to ₹ 41000).

(c) Scrutiny of Cash Analysis report for 2009-10, 2010-11 and 2011-12 of the Kakdwip PS revealed that ₹ 46,74,517.97 was booked under head 'Defalcation' but details had not been made available to audit. Thus, the accounting of the said amount was not ascertained and the PS did not initiate any action to rectify the said accounts for the last three years.

(d) Records of Siliguri MP (SMP) revealed that eight laptops purchased at a cost of ₹ 3.34 lakh from 12th FC grants were issued (2010-12) to PRI functionaries and officers for official purpose. In August 2011 SMP decided to treat those laptops as gift to them. Neither West Bengal Panchayat (ZP & PS) Accounts and Financial Rules, 2003 nor operational guideline of 12th FC grants, from which the laptops were bought, has any provision to issue gifts to individuals. On being pointed out, SMP confirmed the facts and figures.

(e) During course of audit in March 2013, the EO of Sabang PS reported that a case of defalcation was noticed at the time of handing over charge by the outgoing EO during August 2012. The cashier of the PS did not turn up though called for during handing over of charge and a sum of ₹ 13.19 lakh was found short in cash. The said cashier remained absconding and a new cashier was appointed. No action was taken against the former cashier.

(f) During audit, it was noticed that Ex-Pradhans of Monirtat GP (under South 24 Parganas) and Dimdiha GP (under Purulia-I PS) had retained ₹ 96449.98 and ₹ 170711.34 respectively since 2003. Till March 2014 neither these amounts have been recovered by the GPs nor any action initiated against those ex-Pradhans by the competent authority. These amounts were shown in GP accounts as cash in hand.

This shows lackadaisical attitude of the GPs in taking action to recover GP fund. Lack of administrative action against the offender indicates poor administrative control of PRIs.

(g) Besides eight GPs reported that during 2010-13 there were cases of theft, defalcation, missing valuable assets etc. valuing ₹ 3.71 lakh etc. (**Appendix-VIII**).

2.6 Retention of cash by the cashier beyond permissible limit

Rule 5 (1) of West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 envisages that all sums receivable from any person by ZP or PS, including rent receivable from pond, ferry, fishery or any other asset or property of the ZP and PS collected by a person, authorized by ZP or PS, shall be deposited with the cashier on proper receipt, for crediting the same as quickly as possible

to the appropriate account of the ZP or the PS fund, as the case may be. Provided that such authorized person shall not keep in his custody at any point of time any amount exceeding rupees one thousand for more than one working day.

In contravention of the aforesaid rule Purulia ZP and Chandrakona-II, Kakdwip and Para PSs kept cash ranging from ₹ 3,496.00 to ₹ 10,77,500.00 for a period of four to 77 days during 2009 to 2012.

Moreover, Rule 25 (9) of the aforesaid rules stipulates that no cheque shall be signed unless required for immediate settlement of a claim and as per Rule 25 (13), every cheque other than cheques involving expenditure on establishment, office expense, etc. shall be drawn in favour of the person to whom the money is actually due. Thus it is not permissible to draw money from Government account in anticipation of demands. However, it was noticed that 12 PSs had withholding funds immediate requirements and cash ranging from ₹ 1.48 lakh to ₹ 1.14 crore was found retained as detailed below:

Table: 2.1

| Sl No | Name of the PS | Amount retained (in ₹) | Date on which the highest amount was kept in cash |
|-------|-----------------|-------------------------|---|
| 1 | Binpur-II | 96,92,110.00 | 31.10.10 |
| 2 | Chandipur | 36,49,658.00 | 31.03.11 |
| 3 | Contai-I | 4,70,577.00 | 31.05.11 |
| 4 | Domkal | 6,81,707.00 | 29.10.10 |
| 5 | Falta | 27,10,612.00 | 23.04.11 |
| 6 | Gopiballavpur-I | 50,28,883.75 | 08.11.11 |
| 7 | Khatra | 18,30,277.00 | 31.01.11 |
| 8 | Manbazar-II | 13,55,114.83 | 30.06.10 |
| 9 | Purulia-I | 7,45,462.00 | 30.06.10 |
| 10 | Sabang | 1,14,04,080.59 | 30.09.11 |
| 11 | Sarenga | 12,77,600.00 | 31.05.11 |
| 12 | Shyampur-II | 1,47,749.00 | 31.01.11 |

(Source: Cash Book of PSs)

Thus these PRIs did not adhere to the aforesaid rules and withdrew amount in excess of requirement retaining amounts, beyond permissible limits, for future use.

This indicates that the PRIs had no internal control system like regular checking of cash, financial monitoring and cash management. Besides, retention of cash more than the permissible limit increases the risk of misappropriation and defalcation of public money.

2.7 Deduction of Income Tax and Sales Tax

Rule 17(13) of West Bengal Panchayat (Gram Panchayat Accounts, Audit and Budget) Rules, 2007 stipulates all payments shall be made after tax deduction at source on account of Income Tax and Sales Tax in accordance with rules in force and the amounts shall be deposited into the respective heads of account. For this purpose, the GP shall obtain TAN No. from the Income Tax authorities.

However the scrutiny of bills and vouchers of 25 GPs revealed that Income Tax amounting to ₹ 2.88 lakh and Sales Tax of ₹ 3.96 lakh were not deducted from the contractors' bills (**Appendix-IX**) during 2011-12.

When pointed out, GPs stated that they did not obtain TAN Nos. from Income Tax authorities.

Thus non adherence to the said provision resulted in loss to the exchequer.

2.8 Reconciliation of discrepancy in cash balances

Rule 21 (12) of West Bengal Panchayat (ZP & 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 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. Three ZPs and 22 PSs did not adhere to the said rule and difference between Cash Book and Pass Book balances of ₹ 32.30 crore as on 31 March 2012 was not reconciled (**Appendix-X**).

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 12 GPs, a total amount of ₹ 2.52 lakh remained unreconciled at the end of 2011-12 (**Appendix-X**).

2.9 Realisation of revenue

Mobilisation of revenue from own resources helps a local body in achieving self-sufficiency and financing programmes formulated by them according to local needs. 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 1920 GPs could collect only ₹ 26.98 crore as land and building tax against a total demand of

₹ 94.74 crore during 2011-12 (**Appendix- XI**). The collection was only 28 per cent of the total demand raised. It was also observed that revenue collection in GPs had not improved in the last five years where the collection was between 24 to 25 per cent. Though poor revenue management has been pointed out in previous Reports of the ELA, no measures were taken to improve realization. Thus, poor collection of revenue by 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 Sansads.

2.10 Security bonds of tax-collectors

Rule 31(1) of 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 GP. Scrutiny revealed that 584 GPs in 17 Districts (**Appendix- XII**) did not obtain any security bond from the tax-collectors engaged for collection of revenue. In absence of any security bonds, the GPs had no control over the tax collectors and in case of misappropriation, negligence, loss or any other irregularity committed by the tax collector, GPs cannot recover any amount from them.

2.11 Maintenance of registers/documents/records

Scrutiny of records of 18 ZPs, 109 PSs and 2599 GPs during 2012-13 revealed that Works Register (561 PRIs), Advance Register (902 PRIs), Asset (leased out property) Register (826 PRIs), Appropriation Register (641 PRIs), General Ledger (63 PRIs), Demand & Collection Register (231 PRIs), General Stock Register (343 PRIs), Budget of GP (15 PRIs), Unpaid Bill Register (130 PRIs), Register of Deposit (37 PRIs), Liquid Cash Book (36 PRIs) and Investment Register (55 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.

2.12 Internal audit of PRIs

Rule 212 of West Bengal Panchayat (ZP & PS) Accounts and Financial Rules, 2003 requires that internal audit of the accounts of ZPs and PSs shall be conducted by Samiti Accounts and Audit Officer (SA&AO) and Parishad Accounts and Audit Officer (PA&AO) in respect of PS and by Regional Accounts and Audit Officer (RA&AO) in respect of ZPs at least once in a month. Similarly, Rule 30

of 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.

Scrutiny revealed that internal audit in 18 PSs and 45 PSs was not conducted during 2009-10 and 2010-11 respectively. Similarly, during 2011-12 internal audit was not conducted in nine ZPs, 53 PSs and 859 GPs (**Appendix-XIII and XIV**). Internal audit in Nadia, Purulia, Purba Medinipur and South 24 Parganas ZPs along with Gaighata PS was conducted only for part of a year and the same was conducted in 49 PSs during 2009-12 but no report was received by them. Non-conduct of internal audit in various PRIs has been brought out in previous ELA Reports.

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

2.13 Observation on Fund Transfer Account

To expedite quick release of specific schematic funds to the implementing agencies, the system of receipts and release of fund through Fund Transfer (FT) Account was introduced by the State Government in the year 2006-07. As per Government order dated 5th February, 2010, the Panchayat body should ensure quick transfer of fund from the 'Fund Transfer Account' to the designated Account as also utilization of fund for which it was given. It was also instructed that unnecessary retention of any fund in the FT Account was not permissible. Interest on FT Account should be added to the particular programme fund after identifying interest component of such programme. When such identification was not possible even after utmost effort, the same should be transferred to PRIs own fund for implementation of schemes of Socio and Economic Development or to meet any charges imposed by the bank.

Scrutiny revealed that in violation of the above instruction 12 PRIs⁶ retained ₹ 13.93 crore amount of schematic fund under FT Account as of March 2012 along with interest accrued.

⁶ **ZPs:** Cooch Behar (₹ 32.13 lakh); Howrah (₹ 165.47 lakh); Murshidabad (₹ 12.86 lakh); Paschim Medinipur (₹ 244.86 lakh) and South 24 Parganas (₹ 518.32 lakh);

PSs: Chandipur (₹ 14.34 lakh), Indus (₹ 52.60 lakh); Khatra (₹ 69.10 lakh); Manbazar-II (₹ 77.07 lakh); Purulia-I (₹ 48.26 lakh), Sarenga (₹ 136.08 lakh) and Sabang (₹ 21.61 lakh).

Moreover, none of the PRIs segregated the said interest into respective scheme funds and six PRIs⁷ had not even transferred the same to Own Fund of the PRIs for implementation of any scheme.

Such unauthorized accumulation of fund under FT Account not only frustrated the scheme objective but also deprived the target group of beneficiaries.

ZILLA PARISHADS AND PANCHAYAT SAMITIS

2.14 Non-observance of prescribed rule resulted in accumulation of advance of ₹ 14.62 crore

Twenty three PRIs failed to adjust advance amounting to ₹ 14.62 crore due to non-observance of prescribed procedure for adjustment of advances

Rule 38 of West Bengal (ZP & PS) Accounts and Financial Rules, 2003, states that adjustment against 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. 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. Scrutiny revealed that 10 ZPs⁸ and 13 PSs⁹ paid advance of ₹ 17.39 crore mainly to the staff of the PRIs concerned, Pradhan of GPs, paymasters of various schemes, Self Help Groups, SSKs and MSKs etc. between April 2008 and August 2012 for execution of works / programmes / schemes under Bidhayak Elaka Unnayan Prakalpa, Swarnajayanti Gram Swarojgar Yojana, 13th Finance Commission, Total Sanitation Campaign, construction of Shishu Shiksha Kendras, etc. Out of ₹ 17.39 crore, only nine PRIs could adjust ₹ 4.04 crore and ₹ 13.35 crore remained unadjusted even after expiry of stipulated time.

It was further observed that 16 PRIs¹⁰ did not properly maintain Advance Register to monitor adjustment of advances. As a result receipt of adjustments was not monitored and advances remained outstanding for years together.

⁷ Howrah ZP, South 24 Parganas ZP, Sabang PS, Sarenga PS, Indas PS and Manbazar-II PS.

⁸ Bankura; Bardhaman; Coochbehar; Dakshin Dinajpur; Howrah; Jalpaiguri; Nadia; Purulia; South 24 Parganas ZPs and Siliguri MP.

⁹ Chapra; Pingla; Hanskhali; Medinipur Sadar; Falta; Indas; Kharagpur-II; Debra; Gaighata; Sonamukhi; Samserganj; Deshapran (Contai-II) and Karimpur-II PSs.

¹⁰ Bardhaman ZP and Deshapran (Contai-II), Khandaghosh, Galsi-I, Chapra, Udaynarayanpur, Falta, Swarupnagar, Garhbeta-I, Kharagpur-II, Amta-I, Taldangra, Debra, Nandakumar, Dantan-I and Bardhaman-II PS.

Further scrutiny revealed that in six PRIs¹¹ advances amounting to ₹ 1.26 crore paid prior to March 2008 was lying unadjusted as of March 2012 though the same was pointed out in previous ELA Reports. Kharagpur-II PS did not take into account unadjusted advance of ₹ 24.54 lakh while installing IFMAS software during 2008-09. The PS also maintained two different Advance Registers since 2007-08 which in turn made the calculation of outstanding advance inaccurate. In Gaighata PS, “advance” head was not created in IFMAS module. Purulia ZP and Siliguri Mahakuma Parishad did not prepare quarterly statement of outstanding advances for placement before the Artha Sthayee Samiti. Thus, these ZPs failed to present non-adjustment of advances before their executive bodies. Besides, these PRIs also allowed subsequent advances without adjustment of the previous advance in contravention of the aforesaid Rules.

When pointed out, six PRIs¹² did not furnish any reply. Medinipur Sadar PS cited unrest as a reason for non-adjustment and stated that steps for adjustment of advances were being taken. Pingla PS reported that utilization certificate for concerned work was not received for adjustment of the advance. Siliguri MP, Howrah, South 24 Parganas, Nadia and Bankura ZPs and Deshapran (Contai-II), Samsanganj, Hanskhali, Debra, Indas and Sonamukhi PSs confirmed the facts and figures pointed out by audit without assigning any reason.

Further, the said observation was raised in respect of 16 PRIs¹³ in the Report of ELA for the years ending 2009 to 2012. But no follow-up action has been taken by these PRIs as yet (December 2013).

¹¹ Details of unadjusted advances in six PRIs

| SI No | Name of the PRI | Unadjusted Advance (₹ in lakh) | Period |
|-------|----------------------|-----------------------------------|-------------------|
| 1 | Kharagpur-II PS | 24.54 | Prior to Apr'08 |
| 2 | Falta PS | 17.09 | Prior to Apr'07 |
| 3 | Nadia ZP | 22.57 | Apr'07 to Mar'08 |
| 4 | Dakshin Dinajpur ZP | 6.64 | Mar'07 to Mar'08 |
| 5 | South 24 Parganas ZP | 5.00 | Nov'06 to Mar'07 |
| 6 | Purulia ZP | 50.57 | July'04 to Mar'08 |
| | Total | 126.41 | |

¹² ZPs: Bardhaman, Coochbehar and Jalpaiguri; PSs: Chapra, Kharagpur-II and Gaighata.

| Year | Name of the ZPs | Name of the PSs |
|------|---|--|
| 2009 | Dakshin Dinajpur; Howrah; Nadia and Purulia. | Debra; Deshapran (Contai-II); Gaighata; Karimpur-II; Kharagpur-II and Samsanganj; |
| 2010 | Coochbehar; Dakshin Dinajpur; Howrah; Nadia; Purulia and Siliguri MP | Falta and Hanskhali. |
| 2011 | Bankura; Bardhaman; Coochbehar and Nadia. | Deshapran (Contai-II) and Hanskhali. |
| 2012 | Bardhaman. | |

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 advance and allowing subsequent advances to the same individual before adjustment of the previous advance resulted in huge accumulation of advance to the tune of ₹14.62 crore in 23 PRIs.

ZILLA PARISHADS AND PANCHAYAT SAMITIS

2.15 Monitoring of utilisation of grants of ₹ 107.14 crore

Three PRIs did not submit utilization certificates of ₹ 1.07 crore to their fund sanctioning authority in time and 37 PRIs sub-allotted ₹ 159.18 crore during 2008-12 to PSs, GPs, Village Education Committees, Schools, Village Water Shed Committees, Self Help Groups, etc. for implementation of various schemes but did not properly monitor these bodies resulting in non receipt of utilization certificate (UCs) for grants amounting to ₹ 106.07 crore

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 ZP or PS 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.

Scrutiny of records of Howrah ZP, Mahishadal and Tehatta-I PSs revealed that they received ₹1.20 crore from the State Government, State Urban Development Agency and Purba Medinipur ZP respectively for payment of salary, execution of schemes and programmes under CHCMI, TSC, mid-day-meal, construction of rural hospital, etc. during 2010-12. In violation of the said rule, these PRIs did not send utilization certificates of grants amounting to ₹1.07 crore to the grant sanctioning authority in due time. When pointed out Howrah ZP did not furnish any reply and the PSs failed to explain the reasons.

Scrutiny of records of ZPs and PSs revealed that nine ZPs and 25 PSs during 2008-12 had sub-allotted developmental funds amounting to ₹ 159.18 crore to PSs (by ZPs), GPs, Gram Sansads, Village Water and Sanitary Committees, Schools, Village Water Shed Committees, Sanitary Marts, SHGs, sports associations, etc. for implementation of various schemes and programmes under Total Sanitation Campaign, Indira Awaas Yojana, CHCMI, BEUP, BRGF,

MPLAD, SSK, Eleventh and Twelfth Finance Commission grants, NRHM, Rural Water Supply, Swajaldhara etc. Though it was mandatory to furnish UCs against the sub-allotted grants, the grantee(s) failed to furnish UCs for ₹106.07 crore¹⁴ to the concerned ZP/PS which constituted 69 per cent of the total sub-allotment. In 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 utilized for the intended purpose. PRIs did not exercise sufficient monitoring over these executing bodies after sub-allotting funds to them. Thirteen¹⁵ ZPs/PSs did not furnish any reply. Shyampur-II PS stated that UC was submitted to Howrah ZP but did not show any documentary evidence in support of the claim. Four ZPs and nineteen PSs admitted the facts and stated that the same were being collected or assured to take steps to collect the UCs. Thus it is evident that the grantees did not adhere to the aforesaid rule after receipt of the fund and utilization of ₹107.14 crore could not be ascertained due to non-submission of UCs.

These shortcomings on part of the ZPs/PSs indicated lack of monitoring over utilization of fund. Such absence of monitoring can lead to improper utilization and potential misappropriation of funds.

¹⁴ **ZPs:** Bankura - ₹ 2294.03 lakh; Bardhaman - ₹ 3734.85 lakh; Cooch Behar - ₹ 49.84 lakh; Dakshin Dinajpur - ₹ 52.25 lakh; Hooghly - ₹ 258.48 lakh; Jalpaiguri - ₹ 412.50 lakh; Nadia - ₹ 342.08 lakh; North 24 Parganas - ₹ 2076.73 lakh and Siliguri Mahakuma Parishad - ₹ 99.87 lakh.

PSs: Bagnan-I - ₹ 34.27 lakh; Bharatpur-II - ₹ 58.27 lakh; Budge Budge-II - ₹ 8.92 lakh; Dantan-I - ₹ 19.54 lakh; Dantan-II - ₹ 37.54 lakh; Deshapran (Contai-II) - ₹ 6.92 lakh; Farakka - ₹ 40.28 lakh; Gangajalghati - ₹ 26.03 lakh; Garbeta-I - ₹ 33.97 lakh; Kalna-I - ₹ 29.52 lakh; Kalna-II - ₹ 53.64 lakh; Kashipur - ₹ 12.01 lakh; Keshpur - ₹ 87.99 lakh; Kharagpur-I - ₹ 11.32 lakh; Khandaghosh - ₹ 221.86 lakh; Nandakumar - ₹ 8.65 lakh; Namkhana - ₹ 253.00 lakh; Patrasayer - ₹ 17.98 lakh; Pingla - ₹ 94.73 lakh; Raghunathganj-II - ₹ 16.70 lakh; Raghunathpur-II - ₹ 16.80 lakh; Shyampur-I - ₹ 81.49 lakh; Shyampur-II - ₹ 11.36 lakh; Taldangra - ₹ 99.89 lakh and Udaynarayanpur - ₹ 3.87 lakh.

¹⁵ **ZPs:** Bardhaman, Dakshin Dinajpur; Hooghly, Howrah, Jalpaiguri; Malda, North 24 Parganas and Siliguri Mahakuma Parishad.

PSs: Datan-I, Khandaghosh, Raghunathganj-II, Kharagpur-I and Patrasayer.

ZILLA PARISHADS AND PANCHAYAT SAMITI

2.16 Diversion and irregular transfer of Central and State grants amounting to ₹ 20.65 crore

Four ZPs and one PS irregularly diverted/transferred specific plan funds of ₹ 20.65 crore leading to non-achievement of objectives

Schemes have been formulated with an aim to develop the human development index in a particular area. The Central and State Governments allocate funds from plan heads with an objective to achieve the targets fixed for development. Diversion from these plan grants frustrates the development process.

Scrutiny revealed that in 2011-12, five PRIs diverted schematic fund amounting to ₹ 20.65 crore received for specific purposes as detailed below:

Table No. 2.2

(₹ in lakh)

| Name of PRIs | Amount diverted | Diverted from | Diverted to | Purpose |
|-------------------|-----------------|--|---|---|
| Bardhaman ZP | 2000.00 | 20 different heads | MGNREGS | For works under NREGS |
| Coochbehar ZP | 1.60 | 3rd SFC GP Share, 13th FC PS & GP Share | Own Fund | Meeting various cost for project implementation |
| Murshidabad ZP | 20.00 | Miscellaneous (suspense unspent/old grant) | Salary of ZP staff | Salary of ZP staff |
| Uttar Dinajpur ZP | 18.54 | Road Transport Grant | Pucca road from 10A to Govindapur Sojnabari | Payment for construction of road |
| Binpur-II PS | 25.00 | IAY | Loan to ITDP & Non-ITDP moujas | Loan due to unavoidable circumstances |

(Source: Records of PRIs)

When this was pointed out, Bardhaman ZP and Binpur-II PS did not furnish any reply. Murshidabad ZP replied that sufficient fund was not available for payment of salary of staff and the expenditure was incurred out of available schematic fund. Similarly, Uttar Dinajpur ZP replied that the available fund for construction of motor vehicle post was utilized for construction of a road which was urgently required. Coochbehar ZP replied that the interest portion of 3rd SFC GP share, PS and GP share of 13th FC grant was transferred to Own Fund to meet the requirement of projects undertaken. However unspent schematic funds and interest earned on the unreleased amount of PS and GP share cannot be utilised for other purposes by the ZP.

Thus diversion of schematic funds and utilization of public money towards establishment cost not only hampered the progress of service delivery to the targeted population but was also contrary to the tenets of financial propriety. Besides, diversion frustrated the objectives set for rural development under those schemes.

ZILLA PARISHADS AND PANCHAYAT SAMITIS

2.17 Lapsed cheques valuing ₹ 2.14 crore not written back into account

Thirty three PRIs did not write back an amount of ₹ 2.14 crore pertaining to 1073 lapsed cheques in the Accounts and money remained idle having no scope of utilisation

Rule 27 of the West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 stipulates that if a cheque is not encashed within three months or six months of its issue, as the case may be, without intimation and 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.

Scrutiny revealed that 33 PRIs¹⁶ did not adhere to the above rule and failed to write back the value of 1073 lapsed cheques of ₹ 2.14 crore to the accounts. As a result, the actual fund balance of those PRIs remained understated. Cheques issued between January 1971 and August 2004 remained unencashed in Siliguri Mahakuma Parishad, Bankura, Bardhaman, Howrah and Jalpaiguri ZPs and Kashipur, Gopiballavpur-I, Mejia, Jamboni, Khatra, Dantan-I, Chakdaha, Budge Budge-I, Bhagwanpur-II and Galsi-I PSs.

This indicates shortcomings in financial discipline in PRIs, as they took no initiative to monitor their finances and unencashed cheques remained idle.

¹⁶ **ZPs** : Bankura (₹ 31.33 lakh); Bardhaman (₹ 7.83 lakh); Howrah (₹ 5.04 lakh); Jalpaiguri (₹ 14.45 lakh); Purulia (₹ 12.56 lakh) and Siliguri Mahakuma Parishad (₹ 20.15 lakh); **PSs**: Galsi-I (₹ 0.86 lakh); Kaliganj (₹ 11.33 lakh); Pingla (₹ 1.77 lakh); Mahishadal (₹ 1.90 lakh); Bagnan-I (₹ 13.42 lakh); Sonarpur (₹ 0.15 lakh); Garbeta-I (₹ 0.97 lakh); Uluberia-II (₹ 1.21 lakh); Taldangra (₹ 3.27 lakh); Raninagar-II (₹ 1.96 lakh); Budge Budge-I (₹ 0.17 lakh); Sonamukhi (₹ 2.46 lakh); Dantan-I (₹ 1.89 lakh); Chakdaha (₹ 0.56 lakh); Bhagwanpur-II (₹ 1.29 lakh); Kashipur (₹ 4.07 lakh); Chandrakona-I (₹ 2.65 lakh); Gopiballavpur-I (₹ 1.12 lakh); Raghunathpur-II (₹ 8.20 lakh); Samsorganj (₹ 0.42 lakh); Manbazar-II (₹ 2.75 lakh); Shyampur-II (₹ 3.81 lakh); Mejia (₹ 9.86 lakh); Jamuria (₹ 20.32 lakh); Kaliachak-II (₹ 13.92 lakh); Jamboni (₹ 11.03 lakh) and Khatra (₹ 1.11 lakh).

Nineteen PRIs¹⁷, while not furnishing any reason for such irregularity or simply admitting the fact and figures, stated that steps were being taken to cancel the lapsed cheques after observing the necessary formalities. No reply was received from the remaining 14 PRIs.

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

Thus, 33 PRIs failed to observe due financial discipline and were responsible for idling of public money amounting to ₹ 2.14 crore for one to 42 years.

2.18 Conclusion and Recommendations

Conclusion

There was lack of budgetary control and money was sometimes expended either in absence of budget provision or without preparing budget. The financial management of PRIs was not strong as deviations from prescribed accounting procedures like instances of revenues being directly appropriated before depositing into bank accounts, non-deposit/ short deposit of collection money, defalcation etc. and absence of administrative action against the offenders were noticed. The PRIs did not monitor their finances and did not reconcile balances between cash books and bank statements. Realisation of revenues from immovable properties was consistently poor and position had not changed for last five years. Inadequate attention to this hindered the PRIs' endeavour to achieve self-sufficiency. 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. Accumulation of advances due to improper monitoring, non adjustment within stipulated period, release of subsequent advances without adjustment of previous advances etc. was also noticed. There was lack of monitoring of utilisation of funds and sending UCs to fund sanctioning authorities. Lack of financial discipline was evident in failure to write back lapsed cheques into account.

¹⁷ **ZPs** : Bankura, Bardhaman and Purulia ;

PSs: Galsi-I, Pingla, Mahishadal, Bagnan-I, Sonarpur, Uluberia-II , Taldangra, Budge Budge-I, Sonamukhi, Dantan-I, Bhagwanpur-II , Chandrakona-I, Samsanganj, Mejia, Jamuria and Jamboni.

Recommendations

Concerted efforts may be made to strengthen internal control 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 may be ensured ;
- Timely collection of revenue to achieve self-sufficiency and monitoring collection may be ensured to avoid misappropriation/ defalcation of fund;
- Identification and plugging of loopholes to safeguard against losses due to theft, defalcation of funds and other assets and appropriate proceedings against offenders may be initiated by the concerned PRIs;
- Timely internal audit and prompt action on the audit observations may be ensured to assist the administration in the effective discharge of its responsibilities;
- Proper action to adjust advances may be initiated and monitoring mechanism may be strengthened.
- Timely submission of Utilisation Certificates for grants may be ensured; and
- Necessary steps may be taken to write back lapsed cheques into account so that money does not remain outside the scope of utilisation.

CHAPTER 3

Implementation of Schemes

Chapter 3

Implementation of Scheme

Central Government introduced several schemes viz. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Indira Awaas Yojana (IAY) and Total Sanitation Campaign (TSC) for rural development and improvement of human index in rural areas. PRIs implemented these schemes in pursuance of guidelines framed by Government of India. Chapter-3 deals with the various audit observations regarding implementation of these schemes and also suggests measures for effective implementation of these schemes.

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 the livelihood security of rural people by providing at least one hundred days of guaranteed wage employment to every household in every financial year. It also fosters conditions for inclusive growth ranging from basic wage security and recharging rural economy for transformative empowerment of democracy. Government of West Bengal notified West Bengal Rural Employment Guarantee Scheme (WBREGS), 2006 in February 2006. The Scheme is implemented as a Centrally Sponsored Scheme on a cost-sharing basis between the Centre and the State. 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 25 *per cent* of the material cost and the wages of skilled and semi-skilled workers.

3.1.2 Receipt and expenditure of funds in 18 districts

The total available fund and expenditure under the scheme in 18 districts of the

State during 2010-13 are as follows:

Table 3.1

(₹ in crore)

| Year | Opening balance | Receipt | | | | Expenditure | Closing balance |
|---------|-----------------|---------------|-------------|-------|---------|-------------|-----------------|
| | | Central Share | State Share | Misc. | Total | | |
| 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 |
| 2012-13 | 20.77 | 3395.48 | 497.33 | 0.00 | 3913.58 | 3893.32 | 20.26 |

(Source: Records of P&RDD and nrega.nic.in)

3.1.3 Execution of scheme

The following observations were noticed in execution of the scheme:

3.1.3.1 One hundred days' employment not provided

The scheme 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 1836 GPs could not provide one hundred days of employment to any household in the financial year 2011-12 (**Appendix-XV**). Further, out of these 1836 GPs, 1092 GPs provided only 10 to 30 average mandays per household during the same period. 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 Creation of durable asset

Creation of durable asset and strengthening livelihood resource base of rural people are auxiliary objectives of MGNREGS. It was observed that 1124 GPs (**Appendix-XV**) expended ₹ 333.99 crore during 2011-12 but failed to create any durable asset.

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

3.1.3.3 Observations on Job Cards

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

Scrutiny of Registration cum Employment register of the GPs revealed that 198 GPs did not issue job cards to 42052 registered families though applied for (**Appendix-XVI**). Reason for non-issuance of job cards was not found on record.

Photographs of adult members of households were to be affixed on job cards. But photographs were not affixed on any job card in 320 GPs (**Appendix- XVI**).

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

Guideline stipulates that 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 to the said provision, the applicant was entitled for a daily unemployment allowance and it would be the liability of the State Government.

Audit noticed that 37426 job applicants in 60 GPs were not provided any employment during 2011-12 (**Appendix- XVI**) and no unemployment allowance was also paid to those applicants in contravention of the provisions of the scheme guideline.

Thus, rural households were deprived of benefits of the scheme.

3.1.3.5 Delay in payment of wages

Para 22 of WBREGS guideline stipulates 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. In case of failure the labourers are entitled to receive compensation. Delays of 15 to 90 days in disbursement of wages were noticed in 459 GPs¹⁸ during 2011-12 and no compensation was paid. Reasons as evident from records were late submission of muster rolls by supervisors, delay in receipt of funds, late disbursement of wages by banks and post offices etc. The labourers were thus, deprived of getting their dues in time and they were also not compensated as per the provisions of the guideline for delayed payment.

3.1.3.6 Works taken up without technical and administrative approval

The Programme Officer (PO) would accord technical and administrative approval of works under MGNREGS. In violation of the said provision, 20 GPs executed works under the scheme in 2011-12 without having the technical and administrative approval of the respective PO (**Appendix- XVII**).

¹⁸ **ZPs**; Bankura - 40 GPs; Bardhaman - 46 GPs; Birbhum - 31 GPs; Cooch Behar - 14 GPs; Dakshin Dinajpur - 6 GPs; Hooghly - 41 GPs; Howrah - 1 GP; Jalpaiguri - 32 GPs; Malda - 10 GPs; Murshidabad - 43 GPs; Nadia - 25 GPs; North 24 Parganas - 31 GPs; Paschim Medinipur - 69 GPs; Purba Medinipur - 36 GPs; Purulia - 18 GPs; South 24 Parganas - 15 GPs and Uttar Dinajpur - 1 GP.

3.1.3.7 Progress reports of works with photos not forwarded to P.O

According to scheme guideline, the GPs should send completion reports alongwith photographs of all the works undertaken to the PO. This helps PO in monitoring the progress of the scheme. Scrutiny revealed that, 157 GPs did not send completion reports alongwith photographs of 8558 works undertaken to the PO during 2011-12.

3.1.3.8 Estimated mandays vis-à-vis actual generation

Scrutiny revealed that 1802 GPs prepared annual action plan with an estimate to generate 101.40 crore mandays during 2011-12. But the GPs could generate only 8.51 crore mandays (8.39 *per cent*) while an amount of ₹ 43.41 crore remained unutilized at the end of March 2012 (**Appendix-XVIII**). This indicates inefficient programme management.

3.1.3.9 Observation on Social Audit

Para 37 of WBREGS guideline stipulates that in order to maintain transparency and accountability in MGNREGS works, Gram Sabhas should conduct regular social audits of all the projects within a GP and social audit forum should be constituted for this purpose. Scrutiny revealed that social audit forums were not formed in 33 GPs and social audit was not conducted in 31 GPs though social audit forums were formed (**Appendix- XIX**) during 2011-12 also. Even though social audit was conducted in 30 GPs, the objections raised during audit were not settled and remained pending.

3.1.3.10 Excavation or re-excavation of private ponds 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 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, nine GPs¹⁹ expended ₹ 4.57 crore towards excavation or re-excavation of private ponds during 2011-12 without formalizing any agreement with the owners of those ponds.

¹⁹ Bankura - Indpur (₹32.51 lakh), Dheko (₹15.99 lakh), Gogra (₹78.22 lakh), Amdangra (₹ 67.60 lakh); Bardhaman - Chaktentul (₹ 17.39 lakh); Birbhum - Babuijore (₹ 84.91 lakh), Gangmuri-Joypur (₹ 146.65 lakh); Murshidabad - Bokhara-II (₹ 0.97 lakh) and Paschim Medinipur - Bankibandh (₹ 13.24 lakh).

KANTURKA GRAM PANCHAYAT

3.1.3.11 Execution of Social Forestry Scheme under MGNREGS

District Program Coordinator, MGNREGS, Malda issued (May 2011) instructions to undertake Social Forestry Scheme to Kanturka GP before 15th July 2011. But the GP undertook plantation of 2000 trees after monsoon. The work commenced in September 2011 and was completed in October 2011 at a cost of ₹ 3.38 lakh. The GP, however, had neither provided fencing for plants nor engaged any labourer for watering and monitoring the plants. As a result, none of the plants survived. Similarly, in another social forestry work executed at a cost of ₹ 16.42 lakh between August 2011 and November 2011, the GP did not engage any labourer for watering and monitoring the plants. As a result 90 *per cent* plants did not survive and expenditure of ₹ 18.16 lakh (₹ 3.38 lakh + 90 *per cent* of ₹ 16.42 lakh) incurred on social forestry scheme rendered wasteful.

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3.1.3.12 Retention of Sampoorna Grameen Rojgar Yojana (SGRY) funds

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 foodgrains of SGRY to MGNREGS account (after 2008) as the SGRY scheme was abolished and NREGA came into effect.

Scrutiny of cash book, subsidiary cash book and cash analysis report revealed that three ZPs²⁰ and nine PSs²¹ did not adhere to the said instruction and unspent amount aggregating ₹ 1.48 crore was not transferred to MGNREGS till April 2013. Moreover, Jhalda-II PS continued SGRY scheme and expended ₹ 15.38 lakh during 2009-12 and ₹ 10.31 lakh remained in the SGRY account as of March 2012.

Eight PRIs admitted the facts and assured to transfer the un-utilized fund. Purulia ZP replied that retained amount included unadjusted advance of ₹ 39.09 lakh and remaining amount was kept for payment of arrear bills while Taldangra PS

²⁰ ZPs : Malda (₹56.57 lakh); Dakshin Dinajpur (₹17.70 lakh) and Purulia (₹42.50 lakh).

²¹ PSs : Dhaniakhali (₹1.16 lakh); Garbeta-II (₹0.07 lakh); Harishchandrapur-I (₹ 0.67 lakh); Jhalda-II (₹ 23.52 lakh); Joynagar-II (₹ 0.23 lakh), Kharagpur-I (₹ 2.00 lakh); Kaliachak (₹ 0.31 lakh); Sreerampur-Uttarpara (₹ 2.39 lakh) and Taldangra (₹ 0.27 lakh).

stated that the amount was withheld for making payment of carrying cost. Joynagar-II PS did not furnish any reply.

Hence ₹ 1.48 crore was left idle with PRIs, which otherwise could have been used for generation of 109072²² unskilled mandays under MGNREGS.

3.2 Indira Awaas Yojana

3.2.1 Introduction

Indira Awaas Yojana (IAY) aims at providing dwelling units to members of scheduled castes, scheduled tribes, freed bonded labourers and also below poverty line persons 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 the concept of Permanent Wait (PW) list for better transparency in selection of IAY beneficiaries. PW list is prepared from Rural Household Survey. On this basis, families having no home or dilapidated house have been considered as P2=1 and were placed on top of the list according to their total score in Rural Household Survey. Families having mud built house consisting of only one room are identified as P2=2 and families would be eligible for IAY assistance only when the P2=1 list would be exhausted.

The financial and physical performance under IAY in the State during 2010-2013 is summarized below:

Table 3.2

(₹ in crore)

| Year | Total available fund | Utilization | Percentage of utilized fund | New construction (No.) | | Percentage |
|---------|----------------------|-------------|-----------------------------|------------------------|-------------|------------|
| | | | | Target | Achievement | |
| 2010-11 | 1226.32 | 751.72 | 61.3 | 195955 | 180520 | 92.1 |
| 2011-12 | 1375.70 | 897.18 | 65.2 | 215489 | 196801 | 91.3 |
| 2012-13 | 1127.27 | 873.93 | 77.5 | 191758 | 189543 | 98.8 |

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

The following irregularities were noticed in implementation of IAY scheme during Audit conducted in 2012-13:

²² Total fund: ZP- ₹11579912.00 + PS- ₹ 3253979 = ₹14833891.00
Mandays @ ₹136 per head: ₹14833891/₹136 = 109072

3.2.2 Improper prioritisation of beneficiaries

As per guideline and subsequent Government orders on IAY fund allotment, the families enlisted in the PW list should be provided the benefit of IAY serially starting from the lowest score (P2=1) and other beneficiaries having higher score (P2=2) would be considered only after beneficiaries of P2=1 category has been fully allotted. But scrutiny revealed that six PSs²³ disbursed IAY assistance to 2350 beneficiaries of P2=2 category without exhausting the P2=1 list. Neturia and Pancha PSs did not furnish any reply and remaining PSs admitted the observation. Shyampur-II PS replied that they disbursed funds as per GPs' report of actual need of those beneficiaries. Shyampur-I PS stated that land problems, death etc. of P2=1 beneficiaries led to selection of P2=2 beneficiaries. Thus, the PSs extended benefit to the beneficiaries from P2=2 list by depriving the benefit to permanent waitlisted beneficiaries under P2=1.

3.2.3 Extension of IAY assistance to persons not included in PW list

Following irregularities were noticed in extension of IAY assistance to persons not included in PW list:

- Nakashipara, Raninagar-I, Contai-I and Gangajalghati PSs extended IAY assistance of ₹64.75 lakh, ₹1.05 lakh, ₹5.60 lakh and ₹2.10 lakh, respectively to 232 persons who were not in the PW list of 2009-12. When pointed out Nakashipara PS stated that beneficiaries were selected from old BPL list. Raninagar-I PS stated that beneficiaries were selected by the GP and first instalment was paid by them. The PS only paid second instalment to the beneficiaries. In Contai-I PS it was also observed that Purba Medinipur ZP ordered to recover the amount. When enquired about the status of recovery, the PS did not furnish the status of recovery as of April 2013. Gangajalghati PS did not furnish any reply to audit observation.
- In Nowda PS also, it was observed that 14 beneficiaries were selected outside PW list. When pointed out the PS did not furnish any reply.
- While checking records of IAY disbursements of Bongaon PS, it was revealed that no BPL ID was recorded in respect of 67 male beneficiaries. On being pointed out, the PS admitted the fact.

²³ Haringhata (459), Krishnanagar-I (153), Neturia (226), Pancha (149 - ₹26.08 lakh), Shyampur-I (700 - ₹1.58 crore) and Shyampur-II (663).

3.2.4 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 wife and husband as per scheme guidelines. But 3261 male beneficiaries were provided ₹ 6.68 crore IAY assistance by 20 PRIs²⁴ during 2009-12 in violation of scheme guideline. In reply, 10 PRIs²⁵ stated that payment to male beneficiaries was mainly due to non-availability/ absence/death of female members, GPs payment of first instalment to male members, female members unfit to operate bank account, P2=2 / BPL list having names of male beneficiaries and possession of land by the male member. To that extent objective of the scheme for empowerment of women was not achieved.

3.2.5 Extension of assistance to SC/ST beneficiaries

IAY guideline stipulates that at least 60 per cent of the total IAY fund should be utilized for construction/upgradation of dwelling units for SC/ST BPL households. Scrutiny revealed that North 24 Parganas ZP (₹ 8.08 crore), Berhampore (₹ 6.38 crore), Nowda (₹ 5.95 crore), Samsanganj (₹ 5.24 crore) and Tehatta-II (₹ 1.02 crore) PSs could not utilize 60 per cent IAY assistance towards SC/ST beneficiaries during 2009-12. There was a shortfall of ₹ 26.67 crore and it ranged between 18 and 51 per cent in these PRIs.

When pointed out, Nowda PS did not furnish any reply while Berhampore and Samsanganj PSs admitted the observation. North 24 Parganas ZP and Tehatta-II PS stated that the target was not achieved as the areas had huge minority population.

3.2.6 Construction of sanitary latrine

Guideline stipulates that sanitary latrines were to be constructed in IAY houses. Scrutiny revealed that Coochbehar ZP, Farrakka, Raghunathpur-II and Kashipur PSs, the IAY houses were constructed without sanitary latrines.

²⁴(No.) (Amount: ₹ in lakh)

Bongaon: (100) (₹ 22.50); Farrakka: (258) (NA); Jamalpur: (192) (₹ 86.40); Jamboni: (76) (NA); Kakdwip: (51) (₹ 12.37); Kashipur: (405) (₹ 7.60); Kharagpur-I: (19) (NA); Murshidabad-Jiaganj: (570) (NA); Neturia: (19) (NA); Patrasayer: (35) (NA); Pancha: (277) (NA); Raghunathganj-II: (120) (NA); Raghunathpur-II: (247) (₹ 86.45); Shyampur-I: (14) (NA); Sonarpur: (422) (₹ 94.95); Udaynarayanpur: (94) (₹ 27.35); Uluberia-II: (NA) (₹ 293.15); Mahishadal: (NA) (₹ 16.33); Pingla: (46) (₹ 21.37) and Coochbehar ZP: (316) (NA).

²⁵Bongaon, Farrakka, Jamalpur, Jamboni, Murshidabad-Jiaganj, Raghunathpur-II, Shyampur-I, Sonarpur, Udaynarayanpur and Mahishadal.

Table 3.3

| Name of the PRIs | No. of houses completed | No. of houses not having sanitary latrine |
|--------------------|-------------------------|---|
| Coochbehar ZP | 8903 | 3010 |
| Farrakka PS | 1555 | 721 |
| Raghunathpur-II PS | 460 | 460 |
| Kashipur PS | 741 | 439 |

(Source: Records of PRIs)

When pointed out all PRIs admitted the observation.

Thus, the PRIs merely released the grants to beneficiaries and did not monitor utilization of IAY grants by the beneficiaries. They did not consider the second objective of IAY assistance of providing sanitary latrines to rural houses for improvement of general quality of life.

3.2.7 Beneficiaries deprived of second instalment

Paschim Medinipur ZP, Berhampore, Hariharpara, Nowda, Khandaghosh, Raghunathpur-I and Samsrganj PSs did not pay second instalment of IAY assistance amounting to ₹ 3.58 crore to 1653 beneficiaries²⁶ during 2009-12. When pointed out Paschim Medinipur ZP and Nowda PS did not respond to observation and others replied that second instalment was not released due to non-utilization/improper utilization of first instalment, purchase of only materials, death of beneficiaries etc. It is evident from the replies that the PSs did not monitor the execution of IAY houses after allotting assistance to beneficiaries.

3.2.8 Utilization of IAY grants

In order to ensure utilization of first instalment of IAY assistance, a certificate of utilisation is obtained from the beneficiaries. Jamalpur PS paid ₹ 57.60 lakh to 128 beneficiaries towards first two instalments during 2010-11. Physical verification reports submitted (November 2012) by the resource person of Jotesriram GP revealed that 30 beneficiaries did not start construction of their houses, nine beneficiaries completed houses only up to foundation level and

²⁶ Paschim Medinipur ZP (695 nos. of 2011-12), Berhampore (211 nos of 2009-10, 28 nos of 2010-11 and 116 nos of 2011-12), Hariharpara (36 nos of 2010-11 and 330 nos of 2011-12), Nowda (46 nos. of 2010-11), Khandaghosh (12 nos of 2010-11 and 35 nos of 2011-12), Raghunathpur-I (43 of 2009-11) and Samsrganj PSs (101 nos of 2009-12)

three beneficiaries completed construction up to window level though a sum of ₹ 18.45 lakh was received by the beneficiaries. Audit team also conducted (December 2012) physical verification along with the members of the PS and it was found that in three cases bricks were stacked at work site but construction was not started and in one case, though house was constructed with bricks, it was covered by thatched roof.

It was evident from the above that the PS did not monitor utilization of 1st instalment/ certificate of utilisation and released 2nd instalment to those beneficiaries who did not start construction of houses at all. There was also nothing on record that the PS took any action after receipt of the physical verification report of the GP. The PS admitted the fact and replied to audit that they would press the GP to monitor those beneficiaries for completing the construction.

3.2.9 Mismatch in names of beneficiaries

Nakashipara PS paid assistance of ₹ 10.50 lakh to 30 beneficiaries whose names were not matching with the names of PWL and the list of RHS IDs. As a result, veracity of the payment of assistance could not be ascertained in audit.

3.2.10 Loss of IAY assistance of ₹ 95.91 crore

One of the GoI preconditions for release of central share stipulates that the opening balance of the district should not exceed 10 *per cent* of the funds available during the previous year. In case, the opening balance exceeds the permissible limit, the central share would be reduced by the amount of excess at the time of release of second instalment. Scrutiny of IAY fund of Paschim Medinipur ZP revealed that GoI curtailed ₹ 71.72 crore from central assistance during 2006-07 to 2010-11 due to excess carryover of funds. Besides, the ZP did not get GoI assistance of ₹ 20.74 lakh during 2011-12 for non-submission of utilization certificates and audit reports. Consequently there was no release of State share of ₹ 23.98 crore (1/3 of central assistance of ₹ 71.93 crore).

Thus, failure to adhere to the conditions stipulated by GoI led to loss of IAY assistance of ₹ 95.91²⁷ crore for the period. Had the ZP followed the stipulations, additional 21313²⁸ rural poor people would have been extended benefit under the scheme.

²⁷ Central share of ₹ 71.93 crore plus state share of ₹ 23.98 crore.

²⁸ ₹ 95.91 crore / ₹ 45,000 (cost of each house taken as ₹ 45,000/-) = 21313 nos. of houses.

3.3 Total Sanitation Campaign

3.3.1 Introduction

GoI introduced Total Sanitation Campaign (TSC) with the emphasis on creating awareness among rural people on sanitary facilities and to bring about a change in attitude towards hygiene practices. Erstwhile Central Rural Sanitation Programme was restructured to "Total Sanitation Campaign" in the year 1999.

3.3.2 Financial performance

Scrutiny of records of TSC of 11 PSs for the years 2010-12 revealed utilization of TSC fund as detailed below:

Table 3.4

| Name of PRI | Year | Total Available Fund (₹ in lakh) | Expenditure (₹ in lakh) | Percentage of utilization |
|--------------------|---------|-------------------------------------|----------------------------|---------------------------|
| Chakdaha | 2010-11 | 35.34 | 9.63 | 27 |
| | 2011-12 | 69.34 | 30.02 | 43 |
| Dantan-I | 2010-11 | 34.55 | 13.77 | 40 |
| | 2011-12 | 51.22 | 0.98 | 02 |
| Diamond Harbour-II | 2010-11 | 35.49 | 16.07 | 45 |
| | 2011-12 | 20.14 | 2.18 | 11 |
| Gangajalghati | 2010-11 | 68.31 | 9.19 | 13 |
| | 2011-12 | 64.73 | 22.49 | 35 |
| Gaighata | 2010-11 | 40.80 | 11.45 | 28 |
| | 2011-12 | 119.65 | 53.06 | 44 |
| Galsi-II | 2010-11 | 8.85 | 1.91 | 22 |
| | 2011-12 | 18.21 | 0.11 | 01 |
| Hanskhali | 2010-11 | 59.19 | 3.33 | 06 |
| | 2011-12 | 85.60 | 14.35 | 17 |
| Haringhata | 2010-11 | 44.91 | 22.38 | 50 |
| | 2011-12 | 50.79 | 20.04 | 39 |
| Jamalpur | 2010-11 | 5.96 | 0.50 | 08 |
| | 2011-12 | 45.66 | 0.51 | 01 |
| Kalna-II | 2011-12 | 50.39 | 0.05 | 0.1 |
| Tehatta-I | 2010-11 | 18.48 | 7.46 | 40 |
| | 2011-12 | 67.87 | 20.55 | 30 |

(Source: TSC accounts of PRIs)

It is evident from above, that percentage of utilization was as low as 0.1 per cent in Kalna-II PS during 2011-12 and in Haringhata PS it was 50 per cent during 2010-11. Utilization of TSC fund in Galsi-II, Hanskhali, Jamalpur and Kalna-II PSs ranged between 0.1 and 22 per cent during 2010-12. Thus, the PSs failed to utilize TSC fund for the intended purpose.

3.3.3 Diversion of fund

Scrutiny of records of Nakashipara and Jamalpur PSs revealed that they spent ₹ 3.55 lakh and ₹ 0.48 lakh respectively towards purchase of computers with accessories, organising animal health camp, installation of tube well etc. using TSC fund which were beyond the purview of TSC guidelines. When pointed out, the PSs admitted the facts but failed to furnish approvals of any competent authority for expenditure from TSC head. Diversion of specific schematic funds affects the objectives of the programme.

3.3.4 Payment of advance for construction of toilets

The guideline stipulates that 60 *per cent* of work order amount may be given as advance for construction of toilets to the Sanitary Mart²⁹ subject to the condition that any further advance would be allowed to the Mart only on furnishing adjustment bills for the previous advances taken by them.

Records of Tehatta-I PS revealed that the PS paid an advance of ₹ 12.99 lakh to a Rural Sanitary Mart (RSM) during January 2011 to December 2011 in seven phases but the said Mart did not submit adjustment bills amounting to ₹ 9.35 lakh till July 2012. In reply the PS stated that delay occurred as construction of all units was not completed.

Similarly, Gaighata and Samserganj PSs paid advances amounting to ₹ 43.55 lakh and ₹ 18.32 lakh respectively during 2009-12 to different Sanitary Marts, VECs and School Authorities for execution of TSC works. But whole amount of Gaighata PS and ₹ 3.84 lakh of Samserganj PS remained unadjusted till March 2013. When pointed out, the PSs did not offer any comment but stated that necessary action would be taken as per decision of Samiti. Besides, in absence of details of execution by Marts, VECs and school authorities the basis of physical progress report sent to Government could not be ascertained.

Nadia ZP issued (January 2011) instruction to PSs that RSMs were to be paid 60 *per cent* of total cost as advance for construction of toilet units at Integrated Child Development Scheme (ICDS) centre and primary schools after ensuring completion of work within a month. There was no provision for payment of advance to RSMs for construction of household latrines. It was prescribed in the said order that fund would be released RSMs for household latrines after

²⁹ Rural Sanitary Mart is an outlet dealing with the materials required for the construction of not only sanitary latrines but also other sanitary facilities required for individuals, families and the environment in the rural areas.

construction of the work. In contravention of the aforesaid order Nakashipara PS paid advance of ₹ 1.32 lakh to one RSM for construction of 100 household latrines.

When pointed out, the PS stated that advance was paid as per order of allotment of Nadia ZP. But no such provision was found in the aforesaid order of the ZP.

3.3.5 Payment of additional assistance to RSM

Sonamukhi PS was to construct 267 individual household latrines for BPL homes during 2006-07. Records revealed that the PS entrusted the execution to a RSM @ ₹ 500 per unit within two years (July 2006 to July 2008). The Mart collected ₹ 0.67 lakh from 267 beneficiaries @ ₹ 250 for each unit but did not execute the work during the stipulated period. The PS did not monitor and work was not completed in time. Further, to cover this backlog, an additional amount of ₹ 1950 per Individual House Hold Latrine (IHHL) had to be released due to cost escalation of unit price to ₹ 2200. Hence, the PS had to give an additional assistance of ₹ 5.21 lakh due to non-monitoring of the RSM.

Confirming the facts and figures, the PS stated that the scheme could not be executed in time due to lack of interest of the concerned Mart. Thus non-monitoring of the work by the PS resulted in non-execution of the work within scheduled time and additional burden of ₹ 5.21 lakh towards cost escalation during 2006-07.

3.3.6 Incentive directly paid to RSM

Guideline stipulates that construction of household toilets should be undertaken by BPL household itself. On completion and use of the toilet by the BPL household, cash incentive is given to the BPL household in recognition of its achievement. Scrutiny revealed that Raninagar-I and Samsrganj PSs paid incentive of ₹ 74.74 lakh and ₹ 2.16 crore respectively during 2010-12 to RSMs instead of paying it to the individual households in violation of the guideline. In both cases checks exercised by the PSs before payment of incentive were also not on record.

Besides, in Samsrganj PS there was no record in support of construction of toilets and its usage by the beneficiaries before payment of incentive. Audit scrutiny of the records submitted by the RSM revealed that signature of 3296 beneficiaries was not obtained in the register maintained by the RSM in support of the claim for incentive of ₹ 1.02 crore and no record of date of installation of toilets in respect of 1854 beneficiaries (work done during February 2012 to

April 2012) was found. Wherever signatures of the beneficiaries were available in the muster rolls they were not identified by the competent authority. In view of the above irregularities, actual construction of latrines and payment of incentive to BPL families were not ascertainable.

3.3.7 Supervision and monitoring over utilization of TSC Fund

Jamalpur, Galsi-II and Gangajalghati PSs entrusted the job of constructing latrines to various sanitary marts but did not carry out technical supervision. Neither was any inspection report conducted by the PSs attached nor was any photograph of completed latrines affixed on the vouchers. As a result expenditure of ₹ 12.54 lakh, ₹ 12.37 lakh and ₹ 0.90 lakh of Jamalpur, Galsi-II and Gangajalghati PSs respectively could not be vouchsafed in audit.

3.3.8 Incomplete / doubtful / same BPL ID

Payment bills and records of RHS of Galsi-II PS revealed that incentive of ₹ 0.13 lakh was paid to four persons with each two having same BPL ID number.

Further, an amount of ₹ 1.76 lakh was also paid to 55 persons who were not found in the beneficiary list furnished to audit. Discrepancies were found between BPL ID of 11 persons (paid ₹ 0.35 lakh) as per muster rolls and as per list provided to audit.

Jamalpur PS paid incentive to three persons having same BPL ID number. Further test check of payment vouchers/bills alongwith the soft copy in respect of BPL/IAY beneficiaries' household latrine construction revealed that sanitary mart claimed payment of ₹ 0.25 lakh for eight persons whose names were not recorded in the original soft copy of BPL ID provided to audit. It was also found that Galsi-II and Gangajalghati PSs paid incentive amounting to ₹ 1.51 lakh to 55 persons whose names were either not found or BPL IDs were incomplete and not same as per the list provided to audit.

3.3.9 Performance of Sanitary Mart

Diamond Harbour-II PS issued work order in April 2010 for construction of 12 toilet blocks in different primary schools and paid (July 2010) ₹ 1.65 lakh as advance to a RSM with the instruction to complete the work within one month of the receipt of the work order. Sub Assistant Engineer (RWS) was instructed to supervise the construction works. Even after lapse of two years and eight months (as on March 2013), RSM neither completed the work nor refunded the amount drawn as advance to the PS. Thus, ineffectiveness of the PS in monitoring

the work of the RSM resulted in non-completion of school toilets thereby depriving students of the intended benefits besides blocking of funds.

3.4 Conclusions and Recommendations

Conclusions

- I. **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** – Failure to provide at least 100 days of guaranteed employment in a financial year, shortcomings in creating durable assets, delayed payment of wages, under achievement in generation of estimated mandays, non formation of social audit forums and retention of Sampoorna Grameen Rojgar Yojana (SGRY) funds without transferring it to MGNREGS account as per instruction of the Government indicated deficiencies in the implementation of MGNREGS.
- II. **Indira Awaas Yojana (IAY)** – Implementation of IAY was deficient due to irregular selection of beneficiaries, unauthorised extension of IAY assistance to persons not included in PWL / BPL list, allotment of huts to male members instead of female members in the families, shortfall in extension of assistance to SC/ST beneficiaries and depriving beneficiaries of second instalment. Failure to adhere to stipulated conditions resulted in loss of IAY grant from GoI.
- III. **Total Sanitation Campaign (TSC)** – Performance was not satisfactory as under utilisation of fund, diversion of fund, undue benefit to sanitary marts, unsatisfactory performance of marts, payment of incentives directly to marts instead of BPL households, payment of assistance to persons having doubtful BPL IDs, etc. were noticed.

Recommendations

- I. **MGNREGS:**
 - Effective steps may to be taken to provide 100 days employment to the job seekers and create durable assets under MGNREGS;
 - Timely payment of wages be ensured alongwith payment of appropriate compensation in all cases of delayed payment of wages;
 - Social audits may be got regularly conducted as envisaged in the West Bengal Rural Employment Guarantee Scheme;
 - Steps may be taken to ensure transfer of unspent balance of SGRY funds to MGNREGS account by all PRIs.

II. IAY:

- IAY beneficiaries may be selected in strict adherence to the guidelines and Government orders issued from time to time in this regard so that intended beneficiaries get timely assistance;
- Measures may be taken to ensure that 60 *per cent* of the total IAY fund as stipulated are utilized for construction/upgradation of dwelling units for SC/ST BPL households;
- Utilization of IAY funds may be monitored in order to avoid loss of grant from GoI.

III. TSC:

- Proper financial management may be ensured to avoid under utilization and diversion of funds;
- Adjustment of advances given and timely completion of the allotted work by the sanitary marts may be ensured;
- Verification of beneficiaries may be carried out to ensure extension of benefit to the intended persons.

CHAPTER 4

Performance Audit on Indira Gandhi National Old Age Pension Scheme

Highlights

Electors' Photo Identity Cards (EPIC) checked during beneficiary survey revealed extension of benefits of the scheme to underage person ineligible under the scheme guidelines. Benefits under the scheme were also released to deceased persons.

(Paragraphs 4.7.1.2 and 4.7.1.5)

The PRIs did not keep separate accounts of IGNOAPS funds and actual receipt and expenditure under the scheme was not ascertainable from the accounts of PRIs. Utilisation of fund in five selected districts varied from 83 to 100 per cent during 2008-13.

(Paragraph 4.7.2)

Delay in disbursement of pension ranging from one to 17 months were noticed in Cooch Behar and Malda districts, Tufanganj-II, Suri-I, Chanchol-I and Shyampur-II PSs, Bhagawanpur, Matiharpur, Chapra-I, Hatishala-II, Domdoma, Abinashpur and Kasba GPs.

(Paragraph 4.7.2.4)

In Kaliganj PS, ₹ 0.44 lakh in respect of 28 deceased beneficiaries was lying in different post offices and Bhagawanpur, Kasba and Daspalsa GPs did not deposit ₹ 2.37 lakh to PS fund till September 2013.

(Paragraph 4.7.2.5)

Twenty beneficiaries of Brittihuda GP were paid pension amounting to ₹ 0.08 lakh twice for the month of July 2009 during 2009-10.

(Paragraph 4.7.2.7)

Pension in respect of 10 beneficiaries of Chanchol-I PS was withheld due to shifting of the scheme from GP to PS.

(Paragraph 4.7.2.8)

No separate state level and district level committee was constituted to monitor, evaluate and report the progress of the scheme to GoI.

(Paragraph 4.7.5.1)

4.1 Introduction

Indira Gandhi National Old Age Pension Scheme (IGNOAPS), a component of National Social Assistance Programme (NSAP) was launched in 1995 by GoI to provide social assistance benefits in the shape of monthly pension to BPL persons of 60 years and above (age limit was reduced from 65 to 60 in June 2011). In June 2011 GoI divided pensioners into two groups - pensioner between the age of 60 and 79 years and other group having pensioners in the age group of 80 years or above. The amount of pension had also been revised from time to time and from October 2012 the rate was revised to ₹ 400 per month for beneficiaries falling in the age group of 60 - 79 years and ₹ 1000 per month for the age group of 80 years or above.

Performance Audit (PA) of IGNOAPS was carried out covering five districts³⁰ in the State of West Bengal for the period from 2008-09 to 2012-13.

4.2 Funding Pattern

IGNOAPS is a Centrally Sponsored Programme and 100 *per cent* Central assistance is extended to States to provide the benefits in accordance with the norms, guidelines and conditions laid down by GoI.

4.3 Organisational set up

Ministry of Rural Development is the nodal Ministry for implementation of IGNOAPS. The State receives funds in the shape of Additional Central Assistance and transfers the funds to District Panchayat Rural Development Officers (DPRDO) who releases funds to PSs and GPs for disbursement to beneficiaries. GPs used to implement the scheme prior to July 2009 and thereafter the responsibility of implementing the schemes has been bestowed to PSs.

4.4 Audit Objectives

The main audit objectives of the PA on IGNOAPS were to seek assurance on whether:

- (i) the systems and procedures were in place for identification and selection of target groups;
- (ii) number of persons targeted were actually covered by the scheme;

³⁰ Birbhum, Cooch Behar, Howrah, Malda and Nadia

- (iii) regular updating of the existing list was carried out by the concerned authority;
- (iv) allocation and disbursement of funds were made in an adequate and timely manner; and
- (v) mechanism in place for monitoring and evaluating the outcomes of the programme were adequate and effective.

4.5 Audit Criteria

Audit criteria used for assessing the performance of implementation of the scheme were sourced from the following:

- Guideline of National Social Assistance Programme 2008,
- Operational Guidelines of IGNOAPS and various clarifications and circulars issued by the Ministry of Rural development,
- Periodical reports/ returns prescribed by State Governments, and
- Instructions issued by Government of West Bengal from time to time.

4.6 Audit scope and methodology

In order to select the districts for the PA, all districts³¹ of the State were stratified into Presidency and Non- Presidency Division and five districts namely Cooch Behar, Birbhum, Malda, Howrah and Nadia were randomly selected. PSs and GPs of five selected districts were selected by using Simple Random Sampling without Replacement method (SRSWOR) and details of selected units are given in **Appendix-XX**. Records for the period from 2008-09 to 2012-13 were checked during the said audit.

Besides, beneficiary survey was conducted to assess the level of awareness and impact of the scheme at users' end. Five beneficiaries from each GP were randomly selected for the said survey.

An Entry Conference was held with the Joint Secretary to the Government of West Bengal, P&RDD in May 2013 wherein audit objectives, criteria, sample selection and methodology were explained. This was followed up by Entry Conferences at the district level with the district authorities of the five selected districts by members of the Field Audit Party before taking up the audit.

³¹ Presidency Division : Howrah and Nadia; Non Presidency Division : Birbhum, Cooch Behar and Malda

4.7 Audit Findings

4.7.1 Implementation of the scheme

4.7.1.1 Publicity of the scheme and involvement of voluntary organization

Operational guideline stipulates that wide and continuous publicity of the scheme should be ensured through posters, brochures, media and other means so as to reach all sections of the society. PRIs should encourage and involve the cooperation of voluntary organization for this task.

Publicity at the district level was visibly absent as per the records provided to audit in selected districts except in Cooch Behar district where the same was done by using mikes, hoarding and by imparting training to members and staffs of PRIs. Selected PSs stated that steps were taken for wide publicity of the scheme at the PS and GP level but no record in support of their claim was made available to audit.

P&RDD intimated that no cooperation was sought from voluntary organization for dissemination of information about the scheme. Birbhum, Nadia and Howrah districts also reported non-involvement of voluntary organizations but Malda and Cooch Behar districts stated that the same was organized at block level and cooperation of Self Help Groups (SHGs) was taken for disseminating information.

4.7.1.2 Selection of beneficiaries

DPRDOs of selected districts stated that the districts did not have any role in selecting beneficiaries and identification was done at the PS level. Prior to introduction of SEBA software in January 2010, eligible applicants used to submit forms alongwith their BPL status and age proof which was then transmitted to Sub-Divisional Office for sanction. GPs then disbursed pension to IGNOAPS beneficiaries through muster roll. In 2005, P&RDD conducted a Rural Household Survey in all GPs. The data of all BPL families so collected was transmitted into SEBA software developed for payment of pension under IGNOAPS. The beneficiaries, thus, got pension under the scheme without specifically applying for the same. In PSs the scroll of beneficiaries generated through SEBA software was sent to the concerned Bank/Post office alongwith the demand draft for credit into the beneficiaries accounts.

Guideline stipulated that BPL persons of 60 years or above and having little or no regular means of subsistence from his/her own sources of income or through financial support from family members or other sources are eligible to be a beneficiary of the scheme. However test check of records of beneficiaries with

their Electors' Photo Identity Cards (EPIC), during beneficiary survey in PRIs in four districts, revealed that 12³² underage persons were unauthorisedly extended the benefits of the scheme in contravention to the provisions of the guidelines.

Data of RH survey was, thus, not foolproof. Besides, verification of beneficiaries done by GPs at the beginning of the year was not reliable as these were done in a routine manner without verifying the actual status of recipients.

4.7.1.3 Target and achievement

GoI fixed the numerical ceiling of IGNOAPS and qualifying financial entitlement of States based on the population projections and poverty ratio as per Modified Expert Group Report for 1993-94. In September 2011, P&RDD estimated the number of IGNOAPS beneficiaries as 1508334 on the basis of census report 2011. When enquired about target P&RDD stated (February 2014) that the actual number of beneficiaries was more than the number of beneficiaries (12.72 lakh) approved by MoRD and as on March 2013, there were 15.26 lakh IGNOAPS beneficiaries in the State but no information of achievement was furnished. In respect of target and achievement of selected districts, no information / record was made available / furnished to audit. However, Cooch Behar, Birbhum and Nadia districts intimated that target was determined by the State Government.

4.7.1.4 Updating of data of SEBA

P&RDD stated that yearly verification was done for all beneficiaries. Since all the beneficiaries could not be covered under the scheme, priority was given to the poorest of the poor. As and when vacancies arose either due to shifting or demise of existing beneficiary such vacancies were filled up by new beneficiaries identified as poorest of the poor. Nadia district intimated that annual verification of beneficiaries was done every year and names of deceased beneficiaries deleted from RHS database and SEBA software selected names of new beneficiaries from the existing list to fill up the vacancy. Besides, names of beneficiaries shifted from the area and receiving benefits under other pension schemes were also sent to higher authorities for updating the data of SEBA software. Duplicate names identified during verification were stated to be marked as 'Not recommended' in the verification report. Malda and Cooch Behar districts stated that the updation

³² Khatanga (2 persons) and Bhurkuna (1 person) GPs of Birbhum, Bally (2 persons), Amta (1 person) and Kanpur (1 person) GPs of Howrah and Baranagar (1 person), Khagrabari (2 persons) and Salbari-II (1 person) GPs of Cooch Behar and Bhagawanpur (1 person) GP of Malda districts.

was being done by PSs while Howrah and Birbhum districts stated that the matter was not dealt by the district.

Thus, it was evident there is no prescribed yardstick to identify poorest of the poor rendering the process of including new beneficiaries non-transparent.

4.7.1.5 Extension of benefits to deceased beneficiaries

Scrutiny revealed that updating of beneficiary list in SEBA Software was not done on regular basis. Addition and deletion of names was not done regularly which not only rendered the beneficiary list incomplete, it also resulted in extension of benefit to deceased beneficiaries as was evident in Chapra (2 beneficiaries) and Chanchol-I (7 beneficiaries) PSs. Further, GPs of Chapra PS did not communicate the death of beneficiaries to the PS and the PS remained unaware till the family of the deceased beneficiary claimed the arrears from the PS. In Arbara Post Office of Chanchol-I PS, ₹ 1.00 lakh was accumulated in 11 pension accounts due to non-drawal of pension by beneficiaries from March 2011 to May 2012.

Thus, as the PS did not regularly verify the status of beneficiaries, pension was extended to deceased beneficiaries and also to those accounts which remained inoperative for more than two years.

In Bargram GP of Shyampur-II PS in Howrah district one beneficiary was identified as dead during December 2012 but the PS continued to pay pension to the concerned pensioner up to the month of April 2013. When pointed out, the PS accepted the observation and stated that the name of the beneficiary was not deleted due to wrong entry in SEBA software.

4.7.2 Financial management

MoRD, GoI stipulates the eligibility of beneficiaries, disbursement method and amount of pension from time to time. GoI releases IGNOAPS fund as additional central assistance through budget. Fund is released in two installments in a year.

The State Government releases funds of NSAP under different components viz. IGNOAPS, IGFBS and IGMBS. The PRIs kept the entire fund under a single head without segregating component wise allocation. Hence actual receipt and expenditure could not be ascertained from the accounts of PRIs.

Selected districts failed to submit year wise receipt and utilisation of IGNOAPS fund and figures submitted by them do not tally with the figures shown in Monthly Progress Reports (MPRs) submitted by the PRIs. Based on the component

wise receipt and utilization figures available in MPRs year wise receipt and utilisation of IGNOAPS funds were calculated and is given below:

Table 4.1

(₹ in crore)

| Name of District | Opening balance | Central assistance received during the period | Total available fund | Utilization | Balance | Percentage of utilisation |
|-----------------------|-----------------|---|----------------------|-------------|---------|---------------------------|
| Howrah (2008-13) | 1.41 | 72.24 | 73.65 | 73.44 | 0.21 | 100 |
| Cooch Behar (2009-13) | 11.59 | 82.08 | 93.67 | 77.84 | 15.83 | 83 |
| Malda (2009-13) | 9.42 | 130.73 | 140.15 | 125.44 | 14.71 | 90 |
| Nadia (2009-13) | 9.17 | 168.92 | 178.09 | 158.20 | 19.89 | 89 |
| Birbhum (2010-13) | 12.15 | 58.00 | 70.15 | 63.93 | 6.22 | 91 |

(Source: MPRs of districts)

Utilisation of fund in the five selected districts varied from 83 to 100 per cent during 2008-13.

4.7.2.1 Accumulation of unspent fund

Scrutiny of MPRs as of 31 March 2013 revealed that ₹ 35.72 crore remained unspent in five selected districts while in 15 selected PSs ₹ 5.29 crore remained unspent under IGNOAPS head. Only Harishchandrapur-II PS utilized the entire available fund.

4.7.2.2 Maintenance of bank account and subsidiary cash book

Funds under NSAP were allocated component wise but all selected PRIs kept the entire fund in a single bank account and also there was no segregation of components in accounts. As a result, the balance of fund vis-à-vis receipt and expenditure could not be verified. DPRDO, Birbhum, Tehatta-II, Kaliganj PSs and Domdama GP did not maintain separate subsidiary cash book for the scheme. In absence of a separate bank account and subsidiary cash book separate ledger head for IGNOAPS could not be created in the accounts (Cash Analysis report). Hence actual financial position of the scheme could not be ascertained and figures incorporated in MPRs also could not be verified.

4.7.2.3 Maintenance of bank accounts and disbursement thereof

Suri-I, Suri-II, Mayureswar-II and Tufanganj-II PSs maintained two bank accounts for the scheme one in SBI and the other in Axis bank. The PSs received the allotment from DPRDO initially in their respective SBI Accounts. Later the fund was transferred to Axis bank for disbursement of pension to beneficiaries. The system not only complicated the disbursement process but also resulted in unwarranted delay in disbursement ranging from 54 to 62 days. Besides, the PSs also failed to reflect the actual receipt and expenditure of fund in their annual accounts.

4.7.2.4 Disbursement of pension

Delay in disbursement of pensions was evident in Malda district as below:

Table 4.2

| Months of pension | Memo no. releasing funds to banks | Amount (₹ in lakh) | Period of delay |
|-------------------|-----------------------------------|--------------------|-----------------|
| Apr 09 to Dec 09 | 2464/P dt.8/10/10 | 864.04 | 9 to 17 months |
| Nov 10 to Jan 11 | 431/P dt.27/05/11 | 955.02 | 4 to 6 months |
| Feb 11 & Mar 11 | 1312/P dt.30/11/11 | 460.35 | 7 to 8 months |
| Apr 11 & May 11 | 1468/P dt.30/12/11 | 737.76 | 7 to 8 months |
| Jun 11 to Jan 12 | 416/P dt.28/3/12 | 1523.57 | 2 to 9 months |
| Apr 12 | 882/P dt.04/07/12 | 460.66 | 3 months |
| May 12 | 1127/P dt.28/08/12 | 455.55 | 3 months |

(Source: Records of DPRDO)

When pointed out, DPRDO stated that the fund was received two or three months late following the months in which such fund was due and Bank (State Bank of India, Malda main branch) further delayed disbursement of funds.

In Cooch Behar district, pension for the period from July 2009 to December 2009 was released to the beneficiaries in March 2010 i.e. after delay of two to seven months, out of which four months of delay occurred after receipt of funds from P&RDD.

In Tufanganj-II PS, there was delay of 55 days between receipt of allotment and disbursement of pension. Similarly, Suri-I PS delayed disbursing pension to beneficiaries by 63 days.

Further delay in disbursement of pension ranging from one to 13 months was noticed in Chanchol-I and Shyampur-II PSs, Bhagawanpur, Matiharpur, Chapra-I and Hatishala-II GPs (**Appendix -XXI**). When enquired, the PRIs pointed to delay in disbursement of funds by DPRDO and also by banks. Shyampur-II PS

stated that pension disbursement was held up due to Panchayat election and introduction of direct benefit transfer system. Besides Domdama, Abinashpur and Kasba GPs also delayed disbursement of pension to beneficiaries ranging between 52 and 116 days.

4.7.2.5 Funds lying with post offices and GPs

In Kaliganj PS, it was noticed that ₹ 0.44 lakh pertaining to the period from March 2010 to August 2012 was lying in different post offices due to accumulation of pension in the accounts of 28 deceased beneficiaries. No steps were taken by the PS to get back the money from post offices.

In terms of P&RDD's order (August 2011), IGNOAPS funds lying with GPs had to be deposited into PS fund. However, in violation of the said order, Bhagawanpur, Kasba and Daspalsa GPs did not deposit ₹ 2.37 lakh (received prior to 2010) to PS fund till September 2013.

4.7.2.6 Allocation of pension between districts and PSs

Scrutiny of MPRs of five selected districts revealed that pension was not uniformly disbursed between blocks except in Howrah district where, as of March 2013, pension was disbursed to all blocks up to the month of August 2012. MPRs as of March 2013 in respect of four selected districts revealed wide gap in payment of pension between different PSs and also among districts as tabled below:

Table 4.3

| Name of the district | Earliest payment of pension | | Most delayed payment of pension | | Position in selected PSs |
|--------------------------|-----------------------------|---------------|---------------------------------------|---------------|--|
| | PS | Month | PS | Month | |
| Birbhum | Rajnagar | March 2013 | Nalhati-II | November 2012 | Suri-I and Mayureswar-II – January 2013 Suri-II and Bolpur-Sriniketan – December 2012 |
| Nadia | Out of 17 PSs in nine PSs | December 2012 | Kaliganj, Krishnanagar-I and Santipur | August 2012 | Chapra – November 2012 Kaliganj – August 2012 Tehatta-II – December 2012 |
| Cooch Behar in three PSs | Out of 12 PSs, 2012 | December | Sitalkuchi | June 2012 | Cooch Behar-II and Tufanganj-II – December 2012 |
| Malda | Habibpur | January 2013 | Bamongola and Kaliachak-II | June 2012 | Chanchol-I and Gajole – September 2012 Harischandrapur-II – December 2012. |

(Source: MPRs of districts)

Thus in Cooch Behar and Malda districts the payment was made up to June 2012 whereas in Howrah and Nadia districts the same was made up to the month of August 2012. Further, pensioners of Rajnagar PS got their pension up to the

month of March 2013 and pensioners of 12 PSs of Cooch Behar and Nadia districts got their pension up to the month of December 2012. Thus there was no uniform allocation of pension between districts and also between PSs and pensioners remained deprived of getting pension in time in all these districts. P&RDD and district authorities did not monitor to ensure the uniform distribution of pension among beneficiaries.

4.7.2.7 Payment of pension

Scrutiny of records at Brittihuda GP of Nadia revealed that the pension in respect of 20 beneficiaries for the month of July 2009 was paid through both muster roll at GP level and again through Talukuhuda post office resulting in extension of undue benefits of ₹ 0.08 lakh to these beneficiaries. Recovery / adjustment has not been carried out till date.

4.7.2.8 Withholding of pension

Records of Bhagawanpur and Matiharpur GPs revealed that pension in respect of 10 beneficiaries, who were getting the benefit from the GP regularly, was withheld by Chanchol-I PS after shifting the system from GP to PS. No reason was furnished to audit though called for.

Further Bhagawanpur GP rejected 231 beneficiaries on receipt of instruction from Chanchol-I PS (by taking a resolution on 16 July 2009) on the ground of not attaining the stipulated age. But RHS list revealed that many of them were above 60 years. However, the PS subsequently allowed benefits to some of those rejected beneficiaries in contradiction with the decision of the GP. Hence, the database of beneficiaries between two PRIs contradicts each other and authenticity of data could not be vouchsafed in audit.

4.7.2.9 Extension of enhanced rate to pensioner above 80 years

Verification of EPIC and SEBA Software of four GPs' revealed that age of EPIC were not taken into consideration and beneficiaries who were above 80 years as per EPIC (evidence of age proof) were not given enhanced rate of pension for which they were eligible under the scheme.

4.7.3 Differences in MPRs and Accounts

Review of MPRs, Cash Analysis Report and Receipt and Payment Account of Cooch Behar-II and Tufanganj-II PSs revealed that the MPRs and Accounts reflected two different figures for the same period.

Table 4.4

(₹ in lakh)

| Unit | Particulars of discrepancy | Figure in MPR | Figure in accounts | Amount of discrepancy |
|-------------------|--|---------------|--------------------|-----------------------|
| Cooch Behar-II PS | Total available fund did not match between MPR and Cash Analysis Report of 2012-13 | 537.93 | 508.14 | 29.79 |
| | Total disbursed fund did not match between MPR and Form 27 of 2012-13 | 258.07 | 514.86 | 256.79 |
| | Opening Balance did not match between MPR and Cash Analysis Report of 2012-13 | 4.16 | 0.00 | 4.16 |
| Tufanganj-II PS | Total available fund did not match between MPR and Cash Analysis Report of 2011-12 | 152.86 | 153.32 | 0.46 |
| | Total disbursed fund did not match between MPR and Form 27 of 2011-12 | 148.61 | 148.70 | 0.09 |
| | Closing Balance did not match between MPR and Cash Analysis Report of 2011-12 | 4.25 | 4.62 | 0.37 |

(Source: MPRs & A/C of PSs)

It was also noticed that differences existed between the opening and closing balance of IGNOAPS fund in two GPs of Chanchol-I PS in Malda.

Table 4.5

| Name of GP | Year | Closing Balance (₹) | Year | Opening Balance (₹) | Difference (₹) |
|-------------|---------|---------------------|---------|---------------------|----------------|
| Bhagawanpur | 2009-10 | 224423.25 | 2010-11 | 191623.25 | 32800.00 |
| Daulatnagar | 2008-09 | 363620.65 | 2009-10 | 363320.65 | 300.00 |
| Daulatnagar | 2009-10 | 0.00 | 2010-11 | 2432.25 | 2432.25 |

(Source: Accounts of GPs)

Further in Kaliganj GP of Nadia district it was noticed that closing balance of IGNOAPS during 2009-10 was ₹1637886.73 but ₹1642272.88 was recorded as opening balance of 2010-11. The difference was not explained by the GP. Recording of bank interest was not done properly in Rajarampur Ghorai khetra GP of Nadia. Bank interest amounting to ₹2367.00 were credited in the Pass Book during 2008-09 but the GP credited ₹487.00 only in the cash book. During 2009-10, the GP showed ₹2596.00 as interest credit in the cash book against actual receipt of ₹3008.00. Similarly in the year 2010-11 bank interest appeared in the Pass book as ₹1762.00 but the same was entered in the Cash book as ₹1834.00.

Scrutiny of accounts of Tehatta-II PS revealed discrepancies between opening balance and closing balance as shown below:

Table 4.6

(in ₹)

| Year | OB | CB | Difference |
|---------|------------|------------|---------------------------------------|
| 2008-09 | - | 1041155.00 | |
| 2009-10 | 1773420.00 | 384600.00 | (1041155.00-1773420.00) = -732265.00 |
| 2010-11 | 3489360.00 | 1457430.00 | (384600.00-3489360.00) = -3104760.00 |
| 2011-12 | 1972885.00 | 1798215.00 | (1457430.00-1972885.00) = -515455.00 |
| 2012-13 | 3257810.00 | 3339873.00 | (1798215.00-3257810.00) = -1459595.00 |

(Source: Accounts of PS)

4.7.4 Monitoring and evaluation

4.7.4.1 State level and district level committee

Guideline envisaged constitution of a State level and district level committee to monitor, evaluate and report progress of the scheme to GoI. While no information about formation of a State Level Committee was furnished, the State Government reported that Commissioner of P&RDD was entrusted with the implementation of the scheme. Regarding district level committee in the five selected districts, DPRDO of Nadia and Malda districts reported that no such committee was formed while Howrah, Cooch Behar and Birbhum districts stated that vigilance and monitoring committee have been set up at district level for monitoring implementation of all schemes including IGNOAPS.

4.7.4.2 Monitoring by the State/District authorities

Nadia, Malda and Howrah districts reported that progress of implementation of IGNOAPS were discussed in the monthly development meeting with BDO/ Panchayat Accounts and Audit Officer while in Birbhum and Cooch Behar districts, meeting was held with Panchayat Development Officer, Panchayat Accounts and Audit Officer and Block Informatics Officer for monitoring the scheme.

4.8 Conclusion and Recommendations

Conclusion

PA of IGNOAPS in five selected districts revealed that the State Government prepared the data of beneficiaries from the information collected during Rural

Household survey in 2005 and all persons aged 60 years and above in every BPL household have been taken into that database as IGNOAPS beneficiaries. Hence, the beneficiaries got their pension without specifically applying for the same. Since 2005 no further verification of the status of beneficiaries was done. The annual verification of beneficiaries suffered from shortcomings as is evident from irregular selection of beneficiaries without considering age limit, non-extension of enhanced rate of pension to eligible beneficiaries, double payment of pension, withholding of pension, payment of pension to deceased beneficiaries, lack of uniformity among PS and GP in selection of beneficiaries, etc. Hence, the verification of beneficiaries was not foolproof. Further disparity in payment of pension between blocks, accumulation of funds in ZPs and PSs, delay in disbursement of pension, withholding of unspent fund by GPs, differences in MPRs and annual accounts etc. were also observed. Though the NSAP fund was allocated component wise, none of the selected unit kept any ledger or statement of expenditure in respect of IGNOAPS but the DPRDO submitted component wise MPRs. Due to absence of component wise statement or ledger, the figures shown in MPRs could not be verified. No separate committee for monitoring of IGNOAPS was constituted either at State or district level. In absence of separate committee, the scheme was not monitored satisfactorily as is evident from the observations stated above.

Recommendations

Concerted efforts may be made to identify the actual beneficiaries instead of including all data of RHS into SEBA software and to extend timely benefits to eligible beneficiaries by addressing the following areas:

- Proper identification/verification of actual BPL status of beneficiaries may be undertaken to extend the benefit to eligible beneficiaries;
- Criteria for age proof may be fixed to avoid extension of benefits to underage persons;
- In order to get the benefit of IGNOAPS, system of submission of application by BPL persons with proper document may be reintroduced instead of transferring entire data from RHS as the data of RHS was not tallied with EPIC;
- PRIs may keep records regarding addition and deletion of names of beneficiaries with proper justification and in case of deletion with proper document to avoid payment of pension to deceased beneficiaries;
- Separate accounts of IGNOAPS funds may be maintained with reference to allocation received and to present figures in MPRs;

- Efforts may be taken to release IGNOAPS funds in time to avoid delay in disbursement and disparity in allocation of pension among PSs;
- Proper reconciliation may be undertaken with banks and post offices to avoid accumulation of unutilised funds with them; and
- Monitoring over PRIs may be strengthened and evaluation of the scheme may be undertaken to assess the impact of the scheme on the beneficiaries.

CHAPTER - 5

Audit of Transactions

Chapter 5

Audit of Transactions

5.1 Non-compliance with rules and regulations

ZILLA PARISHADS AND PANCHAYAT SAMITI

5.1.1 Loss of ₹ 89.34 lakh due to non-realisation of establishment charges

Five PRIs executed deposit works on behalf of different line departments and suffered loss of ₹ 89.34 lakh due to non-realisation of establishment charges from those line departments in violation of the provision of Panchayat Rules

Rule 109 of West Bengal Panchayat (ZP and PS) Accounts and Financial Rules, 2003, empowers the ZP to charge maximum 15 per cent (at the discretion of *Artha Sthayee Samiti*) on the amount of expenditure actually incurred, for the purpose of covering the cost of establishment charge for any work which the ZP undertakes to execute on behalf of any department of the State Government as deposit work. The Rule further envisaged that *Artha Sthayee Samiti* shall not charge any amount less than five per cent of total expenditure of the work. Audit noticed that in following cases concerned ZP did not collect even the minimum establishment charges of five per cent of total expenditure from the concerned Departments as required under the rules:

(i) Department of Health and Family Welfare (H&FW), Government of West Bengal accorded (between September 2010 and January 2012) administrative approval and financial sanction of ₹ 5.62 crore for up-gradation of five Primary Health Centres (PHC) in the district of Purulia under National Rural Health Mission (NRHM). While conveying the approval, the Department specified that the works were to be executed by Purulia ZP as per the plan and estimate approved by the Chief Engineer, NRHM, on behalf of the Department. The funds were placed with the District Health & Family Welfare Samiti, Purulia and the Senior Accounts Officer, NRHM was designated as Drawing and Disbursing Officer for the purpose. It was also specified that fund was to be released as mobilization advance towards execution of the work and subsequent fund was to be released on receipt of utilization certificates of previous advances.

Scrutiny revealed that the ZP received ₹ 3.63 crore till November 2012 for

execution of the said works. The works were started in November 2010 and ₹ 3.47 crore was expended till November 2012. Though the ZP executed the works on behalf of a government department, the ZP did not consider these works as deposit works and did not collect establishment charges at the rate of 5 per cent on actual expenditure of ₹ 3.47 crore from the department. This resulted in loss of ZP fund of ₹ 0.17 crore as of November 2012.

The ZP also undertook another deposit work of reconstruction of 'Rabindra Bhavan' at Purulia town on behalf of Information and Cultural Affairs Department. The ZP received ₹ 3.40 crore under MPLAD and BEUP fund against total estimated amount of ₹ 6.17 crore. Scrutiny revealed that the ZP did not consider the works as deposit works and did not charge any establishment charge at the rate of 5 per cent on actual expenditure of ₹ 1.95 crore from the department till November 2012. ₹ 0.10 crore remained unrealized from the department.

Thus Purulia ZP did not realize an amount of ₹ 0.27 crore on the works undertaken on behalf of Government Departments.

(ii) Bardhaman ZP undertook (between May 2008 and May 2010) up-gradation of 28 PHCs at a cost of ₹ 14.50 crore on behalf of H&FW Department under NRHM. The ZP completed works in respect of 18 units at a cost of ₹ 6.92 crore as of November 2012 but did not consider realising establishment charges as specified in the above rule. This resulted in loss of ZP fund of ₹ 0.35 crore.

(iii) Department of Minority Affairs and Madrasah Education, Government of West Bengal accorded administrative approval and financial sanction (June 2010 and March 2012) of ₹ 11.25 crore for upgradation of 15 PHCs in Howrah district. The entire fund was sub-allotted to Howrah ZP for execution of the said work. The ZP completed upgradation work of four PHCs at a cost of ₹ 2.93 crore by December 2012. Scrutiny revealed that the ZP did not recover establishment charge amounting to ₹ 0.15 crore (5 per cent on actual expenditure ₹ 2.93 crore) from the department.

(iv) Siliguri Mahakuma Parishad executed the work 'Construction of Veterinary Polyclinic at Himul Complex' on behalf of Animal Resources Development Department, Govt. of West Bengal under Rural Infrastructure Development Fund-XIV. Scrutiny revealed that the ZP expended ₹ 2.45 crore for setting up the Polyclinic and handed over the same to the Department in September 2011. Though the ZP executed the work on behalf of State Government department, the ZP did not consider the work as deposit work and did not claim ₹ 0.12 crore towards establishment charge.

(v) District Land & Land Reform Officer, Bankura entrusted the work of construction of two office buildings (one at Neturpur and the other at Chiltore) to Sarenga PS and released fund amounting to ₹ 7.49 lakh in February 2009 and February 2010. The PS executed (September and October 2010) the work at a cost of ₹ 6.84 lakh. Scrutiny revealed that the PS did not consider the work as deposit work and establishment charges of ₹ 0.34 lakh (@5% on actual expenditure) was not claimed from the Department.

When pointed out, four PRIs admitted the fact but Howrah ZP did not furnish any reply. Purulia ZP replied that realisation of establishment charges would be considered in future and Bardhaman ZP stated that they would take up the matter with H&FWD for realisation of establishment charge. Siliguri MP replied that there was no scope to realise the departmental charges as the same was not included in the project cost and there was no instance of claiming departmental charges for works executed on behalf of other departments.

However, Panchayat Rules empower them to charge cost of establishment charges for all deposit works executed by a Panchayat body on behalf of other departments.

Thus, the PRIs suffered a loss of ₹ 89.34 lakh due to non-adherence to the prescribed rules regarding realisation of cost of establishment charges for deposit works.

ZILLA PARISHADS

5.1.2 Excess payment and undue favour to contractors

Schedule of Rates (SOR) of PWD (Road) specified that royalty charges on earth would be reimbursed to the contractor on production of necessary documents in support of payment made by contractor towards royalties to the Land Revenue Department. Accordingly, during initial payment of bills, a deduction at the rate of ₹ 13.25 per cubic meter was to be made.

Jalpaiguri ZP undertook construction of 11 roads under RIDF during 2008-10. While preparing the estimates, the ZP included royalty charges at the rate of ₹ 13.25 per cubic meter to arrive at the cost for embankment work. Scrutiny revealed that the ZP did not adhere to the provision of SOR and did not obtain any documentary evidence regarding payment of royalty charges by the contractors to the Land Revenue Office towards carried earth. Instead of deducting the amount of royalty from the initial bills of all the works, the ZP paid (between September 2010 and July 2012) ₹ 5.47 crore to the contractors for 610000 cubic meter of carried earth including royalty charges of ₹ 80.83 lakh without obtaining any

documentary evidence (**Appendix XXII**). Thus, the ZP reimbursed ₹ 80.83 lakh to the contractors, without verifying the payment of royalty by the contractor to the State Government, in contravention to the provision of the SOR. Out of these, ₹ 61.61 lakh pertains to works already completed and final payment made leaving no scope for recovery.

Hooghly ZP undertook widening and strengthening of road from Kamarpukur to Badanganj and paid ₹ 2.13 crore to the contractor without deducting royalty charges of ₹ 2.02 lakh for 15257.55 cubic meter of earth work in contravention of the provision of SOR.

When pointed out, Jalpaiguri ZP did not furnish any reply. Hooghly ZP admitted the fact and stated that deduction of royalty charges would be made from future bills as the work is in progress.

Thus, in contravention to the provision of SOR, two ZPs reimbursed royalty charges ₹ 82.85 lakh without obtaining documentary evidence of payment by the contractors towards carried earth to the State Government.

ZILLA PARISHADS

5.1.3 Avoidable expenditure of ₹ 71.85 lakh

Purulia, Jalpaiguri and Hooghly ZPs allowed extra carriage for supply of materials from quarry to worksite and from Bardhaman rail yard to worksite in the execution of road works and incurred avoidable expenditure of ₹ 71.85 lakh

A) Purulia ZP undertook (January 2011) construction of four roads³³ and up-gradation of one PMGSY road³⁴ under RIDF - XIV and XVI. Scrutiny of analysis of rates prepared by the ZP revealed that the ZP analysed rates for supply of stone materials considering Chandil variety. While preparing the estimates, the ZP computed the distance from Chandil quarry to worksite as 157, 152, 148, 148 and 155 kms respectively for the five road works. Verification of the SOR, detailed project reports, analysis of rates for supply of materials at site and information supplied by the Purulia Highway Division, PWD (Roads) Department revealed that the actual distance from Chandil quarry to the worksites worked out to 74, 91, 120, 126 and 118 kms respectively for the above mentioned five road works.

³³ Barabazar to Sarberia (0-13 km), Belguma Simulia Road to Koltai (0-3.5 km), Ajoydhya to upper dam PPSP and Ajoydhya to Sahajuri (0-6.8km).

³⁴ Raghunathpur to Sarberia.

Thus, the ZP executed the works on inflated estimates and made avoidable payment of ₹ 47.37 lakh (**Appendix -XXIII**) by allowing rates based on the incorrect calculation of the distance from quarry to worksites.

When pointed out, the ZP did not furnish any reply.

B) Similarly, Jalpaiguri ZP undertook construction of a road from Lalpur near Samuktala to Chuniajhora T.G. at Kumargram Block in November 2010 at a cost of ₹ 6.99 crore. Scrutiny of detailed project report and analysis of rate revealed that the ZP considered the quarry Raidak-II (40 km) for supply of metal, shingles, bazree and quarry Dharshi (40 km) for supply of granular sub-base. As per the records of Government departments and the ZP, it was observed that the distance from Raidak-II bed to Samuktala midpoint of the worksite was 30 km. Thus the ZP incurred an avoidable expenditure of ₹ 12.06 lakh (**Appendix -XXIII**) due to allowing rates based on incorrect calculation of the distance from the quarry to worksite.

When pointed out, the ZP did not furnish any reply.

C) Hooghly ZP undertook (July 2011) “Widening and strengthening of road from Kamarpukur to Badanganj” under Goghat-II PS from RIDF - XVI fund at an estimated cost of ₹ 9.12 crore. Scrutiny of analysis of rate and DPR revealed that the ZP decided to procure stone metals (WBM Grade-II and III) from Bardhaman rail yard and the distance from the rail yard to the worksite was considered as 83 km. However information furnished by Hooghly Highway Division No. I, PWD Roads Directorate shows that the distance from Bardhaman rail yard to Kamarpukur Choti and Kamarpukur Choti to the mid-point of the worksite is 63 km. As a result the rates for WBM (Grade-II and III) got inflated and the ZP incurred an avoidable expenditure of ₹ 12.42 lakh³⁵.

When pointed out the ZP replied that the work was executed by the bidder at 22.99 per cent less and as such no extra amount was incurred for the road work.

The fact remains that an inflated amount was put to tender due to allowing incorrect calculation of the distance from the rail yard to the worksite.

Thus three ZPs incurred avoidable expenditure of ₹ 71.85 lakh for allowing extra carriage for supply/transportation of materials to worksites.

³⁵ Kamarpukur to Badanganj (15 KM)

| Item | Quantity executed (m ²) | Admissible rate (₹/m ²) | Rate allowed (₹/m ²) | Excess rate (₹/m ²) | Total (in ₹) | Tender rebate | Avoidable expenditure (in ₹) |
|--------------|-------------------------------------|-------------------------------------|----------------------------------|---------------------------------|--------------|---------------|------------------------------|
| WBM- grade 2 | 25322.50 | 185.98 | 205.48 | 19.50 | 493789 | 22.99 % | 380267 |
| WBM- grade 3 | 57415.75 | 186.31 | 205.81 | 19.50 | 1119607 | | 862209 |
| Total | | | | | | | 1242476 |

UTTAR DINAJPUR ZILLA PARISHAD

5.1.4 Excess expenditure of ₹ 46.76 lakh due to non-availing of rail transport

Uttar Dinajpur ZP did not consider the cheapest possible route for transportation of road metal and incurred excess expenditure of ₹ 46.76 lakh

Uttar Dinajpur ZP undertook widening/strengthening of four roads between September 2009 and March 2012 under RIDF and BADP. During scrutiny of rate analysis and bill of quantity (BOQ), it was revealed that the ZP allowed the cost of carriage of stone metals for WBM (grade-2), WBM (grade-3), 20mm open graded Premix Carpet and 6mm Seal coat (Type-B) from Pakur to the worksite entirely by road transport. However, SOR of the PWD envisages the rates of Pakur variety stone aggregates at different railway yards. Malda rail yard was the nearest railway yard of the ZP. But the ZP did not avail rail transportation from Pakur quarry to Malda Town rail yard and from Malda Town rail yard to the respective worksites by road.

Thus, the ZP incurred excess expenditure of ₹ 46.76 lakh (**Appendix -XXIV**) by considering costlier transportable route.

When the matter was pointed out, ZP admitted the fact and replied that higher rate was inadvertently allowed. The ZP also stated that full rake had to be booked for booking of stone materials and thus 1800 cubic meter material was to be booked. Reply is not tenable as the quantity of materials required for each work was in any way more than 1800 cubic meter.

ZILLA PARISHADS AND PANCHAYAT SAMITIS

5.1.5 Undue benefit of ₹ 39.87 lakh due to non-adherence to current SOR

Four PRIs did not adopt the revised rate for the reinforced concrete work for construction of market complexes, community centre, poly clinic and office building and extended undue benefit of ₹ 39.87 lakh to contractors

Rule 63 of West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 envisages that the Executive Engineer shall adopt the current SOR rates of PWD.

(a) Siliguri Mahakuma Parishad (SMP) undertook (December 2009) construction

of Naxalbari Panighata More Market Complex under RIDF - XV. SMP prepared the estimates considering the rate of reinforcement at ₹ 56819.00 per MT as per SOR of PWD effective from April 2007. The estimate was vetted (September 2008) by P&RDD. Meanwhile on 4 February 2009, the rate of reinforcement for the reinforced concrete work for foundation, basement and works up to the roof on ground floor / up to 4m was revised as ₹ 40000.00 per MT and revision memo superseded all the earlier corrigendum /memo regarding revision of rates. Scrutiny revealed that the SMP invited tender and prepared price schedule in September 2009 without considering the revised rate of reinforcement. Thus by not applying the revised rate of reinforcement as available in the SOR on the date of floating of tender, SMP extended undue benefit of ₹16.75³⁶ lakh to the contractor. When pointed out SMP did not furnish any reply.

(b) While executing civil works of “Setting up of Poly Clinic at Himul Complex, Matigara, Siliguri”, SMP prepared the estimate and allowed rate of reinforcement as ₹ 56819.00 per MT. While inviting tender on 27 February 2009, SMP did not adopt the revised rate of reinforcement for reinforced concrete work and higher rate was included in the tender. This resulted in extension of undue benefit of ₹ 8.94 lakh to the contractor (**Appendix -XXV**).

In reply the SMP stated that it was a deposit work so the rate of the items was not checked/ changed before inviting tender.

The reply is not tenable as SMP was responsible for floating of the tender and issuing work order and accordingly should have adopted the revised rate of reinforcement as per the SOR applicable on the date. Thus, non adoption of applicable rate led to excess expenditure of ₹ 8.94 lakh.

The estimates for construction of additional office building of Medinipur Sadar PS were vetted by Paschim Medinipur ZP on 05 February 2009 (two estimates of ₹ 36.13 lakh) and 25 February 2010 (two estimates of ₹ 12.60 lakh). The work

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| Floor | Reinforcement (MT) | Rate allowed (₹/MT) | Inclusion of lifting charge (₹/MT) | Admissible rate (₹/MT) | Excess rate (₹/MT) | Excess paid (less 10% tender rebate) (in ₹) |
|--------------|--------------------|---------------------|------------------------------------|------------------------|--------------------|---|
| ground | 37.382 | 56819 | 0 | 40000 | 16819 | 565855.07 |
| 1st | 18.243 | 56945 | 126 | 40126 | 16819 | 276146.12 |
| 2nd | 17.804 | 57071 | 252 | 40252 | 16819 | 269500.93 |
| 3rd | 16.088 | 57197 | 378 | 40378 | 16819 | 243525.66 |
| 4th | 21.11 | 57323 | 504 | 40504 | 16819 | 319544.18 |
| Total | 110.627 | | | | | 1674571.96 |

was completed (August 2010) at a cost of ₹ 43.52 lakh. Scrutiny revealed that the PS invited tender on 9 February 2009 by specifying the last date as 3 March 2009. PS neither adopted the revised rate before floating the tender nor issued any corrigendum to the NIT for the revision of the rate of reinforcement. As a result, the contractor was allowed higher rate for reinforcement work of ₹ 56819.00 instead of ₹ 40000.00 and was given undue benefit of ₹ 4.32³⁷ lakh for execution of 26.114 MT steel works.

When the matter was pointed out, the PS admitted and replied that PS did not scrutinise the same before floating the tender as Paschim Medinipur ZP (PMZP) vetted the rate. The PS also stated that they were not aware of revised rates prior to checking of audit.

(c) Amta-I PS undertook (May 2010) construction of a market complex at Basantapur Bazar at a cost of ₹ 17.10 lakh. The PS prepared the estimate in February 2010 and the same was vetted (February 2010) by the District Engineer (DE), Howrah ZP (HZP). Scrutiny revealed that the PS adopted the pre-revised rate of ₹ 56819 per MT of reinforcement (rate revised on 4 February, 2009 being ₹ 40000 per MT) for preparation of estimate. The DE while vetting neither pointed it out nor corrected the same. Accordingly, the estimate got inflated and tender was invited on inflated estimate. The PS utilized 13.6 MT steel for reinforced concrete works at the rate of ₹ 56819.00 per MT and extended undue benefit of ₹ 1.83³⁸ lakh to the contractor.

In reply to audit observation, the PS admitted the fact and stated that the current rate was not known to the PS.

(d) Jalpaiguri ZP undertook (April 2010) construction of market complex and community centre at Jalpaiguri Sadar PS under RIDF-XV. Two estimates of ₹ 67.41 lakh and ₹ 75.08 lakh were vetted by P& RDD on 19 June 2009. Scrutiny revealed that both the estimates were prepared considering the rate of reinforcement at ₹ 56819.00 per MT instead of ₹ 40000 per MT. It was noticed that P&RDD also did not amend the rate of reinforcement at the time of vetting. The PS allowed

³⁷ 26.114 MT x (₹ 56819-₹ 40000) = ₹ 4.39 lakh less tender rebate of 1.67% i.e. ₹ 4.32 lakh.

³⁸ 13.6 MT x (₹ 56819-₹ 40000) = ₹ 2.29 lakh less tender rebate of 20.02% i.e. ₹ 1.83 lakh

the higher rate in the NIT and paid excess amount ₹ 8.03 lakh³⁹ to the contractor. When pointed out, the ZP did not furnish any reply.

Thus, four PRIs did not adopt revised rate of reinforcement for the reinforced concrete work and extended undue benefit of ₹ 39.87 lakh to contractors. Further, P&RDD, PMZP and HZP also did not exercise obligatory checks and accorded technical sanction for rate not specified in SOR.

UTTAR DINAJPUR ZILLA PARISHAD

5.1.6 Avoidable expenditure of ₹ 36.79 lakh

Uttar Dinajpur ZP did not follow the specification recommended by RRM of IRC and SOR of PWD (Roads) and incurred avoidable expenditure of ₹ 36.79 lakh for construction of five roads

Sub-base is an intermediate layer between sub-grade and granular base course for construction of pavement of a road. Rural Roads Manual (RRM) issued by Indian Road Congress (IRC) recommends the use of granular sub-base (GSB) for construction of sub-bases and as per the Manual, the sub-base materials comprise of natural sand, *moorum*, gravel, laterite, *kankar*, brick metal, crushed stone, crushed slag, crushed concrete or combinations thereof for meeting the prescribed grading and physical requirements. The SOR of PWD (Roads) specified that the use of GSB has an advantage as all its ingredients are mixed mechanically or by adopting a mix-in-place method for getting uniform composition which is not available with the natural occurring River Bed Material (RBM).

Uttar Dinajpur ZP undertook construction of five roads under BADP and RIDF during January to December 2011. Scrutiny of records revealed that the ZP used RBM in the sub-base course in all five works. Thus the ZP did not follow the specification recommended by RRM of IRC and SOR of PWD (Roads).

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| Description | Floor | Qty. in MT | Rate (₹/MT) allowed | Admissible rate (₹/MT) | Excess in rate (₹/MT) | Total excess (less tender rebate) (in ₹) |
|---|--------------|-----------------|---------------------|------------------------|-----------------------|--|
| Community centre, (tender rebate: 12.51%) | Ground | 18.84346 | 56819 | 40000 | 16819 | 277280.44 |
| | 1st | 8.44 | 56945 | 40126 | 16819 | 124194.12 |
| | 2nd | 0.236 | 57071 | 40252 | 16819 | 3472.73 |
| Market complex, (tender rebate 12.01%) | Ground | 18.2052 | 56819 | 40000 | 16819 | 269419.45 |
| | 1st | 8.71 | 56945 | 40126 | 16819 | 128899.62 |
| | Total | 54.43466 | | | | 803266.36 |

Thus by not adhering to the specification recommended by RRM and SOR, the ZP incurred avoidable expenditure of ₹ 36.79⁴⁰ lakh.

When pointed out the ZP admitted the facts and figures and stated that it was a practice of using RBM in the sub-base course for black top roads and the ZP was not fully acquainted with IRC provisions, so RBM was used in the road works instead of GSB (Grade-3). However, they stated that provision would be considered for all the subsequent cases.

ZILLA PARISHADS AND PANCHAYAT SAMITI

5.1.7 Excess expenditure of ₹ 33.41 lakh due to non-adoption of current SOR

Uttar Dinajpur ZP and Siliguri Mahakuma Parishad did not consider current rate of spreading / consolidation of WBM (Grade-2/3) and incurred excess expenditure of ₹ 33.41 lakh

Rule 63 of West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 envisages that the Executive Engineer shall adopt current SOR of PWD for building works and construction and that of PWD (Roads) for roads, bridgeworks etc.

i) Uttar Dinajpur ZP (UZP) undertook construction/strengthening of two roads in January 2011 under RIDF - XVI. UZP prepared the estimates in September 2008 where the rate of spreading/consolidation of WBM (Grade-2/3) were computed at the rate of 0.10 cubic meter/square meter. In September 2010, P&RDD directed the ZP to revise the estimates as per current SOR and sent the same to the Finance Department for approval. The estimates were revised and got the approval of P&RDD and Finance Department (January 2011). But the rate of spreading/consolidation of WBM (Grade-2/3) was not revised with reference

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| Name of road | Quantity of RBM in cubic meter | Rate of RBM in ₹/ cubic meter | Rate of GSB-3 in ₹/ cubic meter | Extra rate in ₹/ cubic meter | Tendered rebate in % | Avoidable expenditure (in ₹) |
|--|--------------------------------|-------------------------------|---------------------------------|------------------------------|----------------------|------------------------------|
| Dhusmal to Maharaja Hospital under Raiganj PS | 101.156 | 2752.64 | 1766.64 | 986 | 25 | 74804.86 |
| Thelamoni to Jhiljhili via Debiganj under Goalpokhar-I PS | 3620.702 | 1638.18 | 1373.29 | 264.89 | 0.75 | 951894.59 |
| SH-10A Thakurbari More via Sherpur under Raiganj & Hemtabad PS | 2439.3 | 2764.91 | 1524.4 | 1240.51 | 35 | 1966884 |
| Pucca Road from Kulavita PWD Road to Nangla Jaingaon under Goalpokhar-I PS | 594.495 | 1522.46 | 1239.08 | 283.38 | 24 | 128035.67 |
| Pucca Road from Krishnapur to Mohiniganj PS under Raiganj PS | 699.053 | 2798.81 | 1776.05 | 1022.76 | 22 | 557671.49 |
| Total | 7454.706 | | | | | 3679290.61 |

to the errata, addenda & 6th Corrigenda of the SOR for Road and Bridge work 2008-09 of the PW (Roads) Directorate effective from July 2010 where the unit requirement of the WBM (Grade-2 & 3) for coarse aggregate was revised as 0.091 cubic meter/square meter in place of previous rate of 0.10 cubic meter/square meter.

Thus, P& RDD and Finance Department approved the estimates prepared by ZP without verifying the correctness of the rates applied therein. The ZP executed the works on that estimates and incurred excess expenditure of ₹ 19.49 lakh (**Appendix-XXVI**) due to non-adherence to current SOR.

When pointed out the ZP admitted non-observance of current SOR.

ii) Scrutiny of 10 works under BADP and RIDF in Siliguri Mahakuma Parishad (SMP) revealed that at the time of preparing the estimates (between June 2010 and January 2012) as well as before inviting NIT, SMP did not adopt the rate of 0.091 cubic meter/square meter for spreading and consolidation of WBM (Grade-2 & 3) as envisaged in the aforesaid errata, addenda & 6th corrigenda of the SOR for Road and Bridge work 2008-09 of the PW (Roads) Directorate effective from July 2010. As a result, SMP incurred excess expenditure of ₹ 13.92 lakh (**Appendix -XXVI**).

When pointed out SMP stated (December 2012) that prior to the issue of Price schedule in NIT the estimates were approved by the competent authority (DGHC/P&RDD) and SMP was not in a position to recast the estimate. The reply is not tenable as P&RDD emphasized adoption of the current SOR in September 2010.

Thus, in violation of the aforesaid rule, two PRIs did not adopt current SOR and incurred excess expenditure of ₹ 33.41 lakh for execution of roads under RIDF and BADP.

ZILLA PARISHADS AND PANCHAYAT SAMITI

5.1.8 Avoidable excess expenditure of ₹ 31.11 lakh

Purulia ZP and Karimpur -I PS incurred avoidable excess expenditure of ₹ 25.02 lakh by not considering nearest source of stone metals while preparing estimates and by not specifying the source of stone metal in price schedule/BOQ and Jalpaiguri ZP did not consider same distance while executing works at Purba Satali and made excess payment of ₹ 6.09 lakh to contractors

(A) Purulia ZP undertook up gradation of road from Kuilapal to Jamtoria under RIDF-XIV during 2009-10. In the detailed project report (DPR), the ZP considered

Malti quarry with a lead from 50 km from worksite for supply of materials. Scrutiny revealed that in the rate analysis for the item of WBM (Grade 2 and 3), while for stone aggregates of 63mm-45mm size approved rate of Malti quarry was considered and for stone sizes of 26.6mm, 22.4mm, 13.2mm, 11.2mm, 5.6mm, stone dust and 20 mm Premix Carpet work approved rate of Chandil quarry which has a lead of 100 km was considered.

Thus, while preparing estimate the ZP did not consider nearest source for supply of materials mentioned in the DPR even though all the variety of stone materials were available at Malti quarry. The ZP prepared the estimate for ₹ 2.20 crore and invited NIT. The ZP also had no way to ensure that the contractor actually obtained the stone metal from Chandil quarry as neither the price schedule attached to NIT nor bill of quantity (BOQ) issued to contractor mentioned that the stone metals had to be brought from Chandil quarry.

Further no documentary evidence was available with the ZP to justify the use of Chandil variety stone metal for the said construction work by the agency.

Thus, deviation from DPR and non issue of specification regarding use of stone metal from a particular quarry led to avoidable excess expenditure of ₹ 20.35 lakh⁴¹.

When pointed out, the ZP admitted the facts and figures.

(B) During execution of six black top rural roads Karimpur-I PS used Pakur variety stone metals for WBM grade-3 consolidation and 20 mm open graded premix carpet. The stone metals were collected from Krishnanagar rail yard. However, as per SOR of PWD (Roads) Nalhati quarry is nearer than Pakur. The PS did not use cost effective materials from Nalhati quarry. Further, the PS did not specify the use of Pakur variety stone metals in priced schedule. Therefore the contractors were not bound to use the costlier stone metal from Pakur. In absence of specification of stone metals to be used in the price schedule/BOQ, the PS did not compel the contractors to use Pakur variety stone metals in works. The PS accordingly, executed 1247.85 cubic meter of WBM grade 3 consolidation of 75mm compacted thickness and laying of 16688m², 20mm open graded

⁴¹ Kuilapal to Jamtoria(0-9.5km)

| Type of WBM | Rate allowed (₹/cubic meter) | Admissible rate (₹/cubic meter) | Excess rate (₹/cubic meter) | Quantity executed in cubic meter | Net excess payment less tendered rebate of 2% (in ₹) |
|--------------|------------------------------------|---------------------------------------|-----------------------------------|--|--|
| grade- 2 | 1454.34 | 1285.27 | 169.07 | 1911.67 | 316741.93 |
| grade-3 | 1901.96 | 1376.89 | 525.07 | 2647.64 | 1362392.41 |
| 20mm PMC | 134.68 | 124.45 | 10.23 | 35490.8 | 355809.47 |
| Total | | | | | 2034943.81 |

premix carpet (PMC) without specifying the type of stone metals to be used and led to avoidable excess expenditure of ₹ 4.67 lakh (**Appendix-XXVII**).

When pointed out the PS confirmed the facts and figures and stated that the type of stone metal to be used was not mentioned in the price schedule due to ignorance.

(C) Jalpaiguri ZP undertook construction of a barrage at Binod Bundh at Purba Satali under Kalchini PS during 2007-08. The work was completed at a cost of ₹ 1.74 crore in December 2011. Records revealed that while executing a road at Purba Satali under Uttarbanga Unnayan Parshad (UUP) fund, ZP considered the distance of 10 km from Bania Basra quarry for supply of stone metals. But the rate of shingles/bazree for barrage work was not calculated considering the same distance from Bania Basra quarry. Further as per information of the ZP, the maximum possible distance from the said quarry to work site of barrage is 5-6 km. Thus, the estimate of the cement concrete work got inflated and this resulted in excess payment of ₹ 6.09 lakh⁴² to the contractor.

When pointed out the ZP did not offer any comment.

PURULIA ZILLA PARISHAD

5.1.9 Undue favour of ₹ 17.94 lakh

Purulia ZP did not adhere to the provisions of Panchayat Rules regarding adoption of the current SOR and allowance of higher rate of bitumen and emulsion over the scheduled rate resulted in undue favour to the contractors to the tune of ₹ 17.94 lakh

Rule 63 of West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 envisages that the Executive Engineer shall adopt current SOR of PWD for building works and construction and that of PWD (Roads) for roads, bridgeworks etc. Further, Rule 83 also specified that the rates entered in the estimates shall agree with the SOR adopted by PWD for similar nature of work unless different rates for different items are prescribed.

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| Item | Quantity | Rate allowed (₹/cubic meter) | Admissible rate (₹/cubic meter) | Excess rate (₹/cubic meter) | Undue payment (less tender rebate of 5.17%) (₹) |
|---------------------|----------|---------------------------------|------------------------------------|--------------------------------|--|
| CC(1:1.5:3) | 59.93 | 2514 | 2507.67 | 6.33 | 359.74 |
| CC(1:4:8) | 948.04 | 1460 | 1429.52 | 30.48 | 27402.32 |
| CC(1:3:6) | 4524.93 | 1750 | 1614.53 | 135.47 | 581300.57 |
| Total excess | | | | | 609062.63 |

Purulia ZP (PZP) undertook 12 works (11 from 13th FC and one from BRGF). Scrutiny of estimates prepared (between October 2010 and July 2012) by the Executive Engineer, PZP revealed that the PZP did not adhere to the aforesaid rule. As per the current SOR, the rates of bitumen (Packed) VG-30 (60/70) and bitumen emulsion (Packed) were revised with effect from December 2009 as ₹ 36865/MT and ₹ 29511.00/MT respectively (Addenda and 5th Corrigenda of SOR of PW (Roads) Directorate 2008 - 2009). The ZP allowed pre-revised rates of bitumen (60/70 packed) and bitumen emulsion (packed) which were ₹ 40638/MT and ₹ 31546/MT respectively. Thus allowance of higher rate of bitumen and emulsion over the scheduled rate resulted in undue benefit ₹ 17.94 lakh (**Appendix-XXVIII**) to the contractors.

When pointed out, PZP admitted the fact.

UTTAR DINAJPUR ZILLA PARISHAD

5.1.10 Unwarranted expenditure of ₹ 11.90 lakh

Uttar Dinajpur ZP adopted premix method of repair of potholes while undertaking strengthening of the same road with WBM grade-3 and incurred unwarranted expenditure of ₹ 11.90 lakh

Uttar Dinajpur ZP (UDZP) undertook (May 2012) construction for strengthening and widening of road from Vendabari to Mahapukur via Nandangram under RIDF-XVII. Scrutiny of estimate and BOQ revealed that the ZP included two types of repairing method for potholes, one by filling the potholes with coarse aggregates and screenings and compacting the same with power roller for volume 1171 cubic meter at the rate of ₹ 2000.53/cubic meter and other by premixed method for volume of 586 cubic meter at the rate of ₹ 4051.72 per cubic meter. After the repairing work, the entire surface area of the said road (both widening portion and strengthening portion: 100245 square meter) was subsequently to be covered and consolidated with WBM grade-3, Tack Coat, Primer Coat, 20mm Premix Carpet and 6mm seal coat. Accordingly, the BOQ containing repairing and strengthening works was issued to the contractor. As the entire surface area of the said road was to be consolidated with WBM grade-3 and 20mm premix carpet subsequently, there was no justification for estimating for compacting of the repaired potholes by premixed method.

Thus, consideration of pothole repair by premix method both in the quantity estimate of the DPR and in the BOQ was unjustifiable and UDZP incurred an

unwarranted expenditure of ₹ 11.90⁴³ lakh due to non adoption of the schedule provision for repair of potholes.

When pointed out, UDZP admitted the fact.

5.2 Audit against propriety/expenditure without justification

PATASHPUR-II PANCHAYAT SAMITI

5.2.1 Unfruitful expenditure of ₹ 23.30 lakh

Injudicious decision of handing over a project to a cluster of SHGs and lack of monitoring and technical supervision led to non-transparent purchase procedure and unfruitful expenditure of ₹ 23.30 lakh towards incomplete Bell Metal Sheet Factory

Six Self Help Groups of Patashpur-II PS formed an activity based cluster in August 2005 at Kalyanpur village under Panchet GP. In July 2005, the SHGs approached the Project Director, DRD Cell, Purba Medinipur ZP for construction of infrastructure for bell metal smelting and sheet making for their income generation. Purba Medinipur ZP approved (July 2005 and August 2006) the project at a cost of ₹ 23.30 lakh (civil: ₹ 8.30 lakh and mechanical: ₹ 15 lakh) from SGSY fund. Patashpur-II PS executed the civil portion at a cost of ₹ 8.30 lakh during 2009-10.

For execution of mechanical portion, the PS decided (12 November 2010) to hand over ₹ 15 lakh to the said cluster towards installation of machinery and the *Pradhan* of Panchet GP would supervise the works.

Scrutiny of records revealed that the cluster started (November 2010) the work without having any technical support or expertise. The factory was constructed on a private land and machineries were purchased for the same. However as of May 2012, the factory had not started operating and hence on the request of the PS, DRDC investigated the matter in May 2012 with experts from Jadavpur University. In absence of any DPR, the experts could not verify the specification of the machine (June 2012) and reported to DRDC that the machine was

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| Quantity of pothole repair done by premix method | Rate allowed | Admissible rate | Excess rate | Tendered rebate | Net excess |
|--|-----------------------|-----------------------|-----------------------|-----------------|--------------|
| 580.39cubic meter | ₹ 4051.72/cubic meter | ₹ 2000.53/cubic meter | ₹ 2051.19/cubic meter | 0.01% | ₹ 1190371.11 |

assembled by local manufacturer and was not ready to carry out its usual functions.

Scrutiny revealed that the PS and DRDC of PMZP neither initiated any action against the cluster for their improper utilisation of Government fund of ₹ 15 lakh nor took any step to complete the project. No supervision was conducted by the PS and the Pradhan of Panchet GP over utilization of fund. As a result, the materials were procured injudiciously and the project remained incomplete. Audit conducted a joint physical verification and observed that neither the factory nor the office premises was electrified. The floor was incomplete and dumped with earth. Machines were disintegrated, covered with cobwebs, some parts were lying on earthen floor and circuitry of the machine was incomplete.

When pointed out, the PS replied that they disbursed the fund as desired by DRDC and supervision was not conducted due to non availability of technical personnel while DRDC replied that the technical supervision was conducted by the Sub-Assistant Engineer (SAE) of DRDC.

Thus, lack of planning, injudicious decision to assign a project to a cluster without providing technical guidance, absence of monitoring and supervision by DRDC, PS and GP frustrated the desired objective and rendered the total expenditure of ₹ 23.30 lakh unfruitful.

5.3 Persistent/Pervasive irregularities

ZILLA PARISHADS AND PANCHAYAT SAMITIS

5.3.1 Idle grants of ₹ 32.30 crore

Six ZPs and 44 PSs kept grants/funds amounting to ₹ 32.30 crore meant for various infrastructural development works idle for three to seven years and deprived common people of intended benefits from these grants

In terms of Rules 36(4) and 116(5) of West Bengal Panchayat (ZP & PS) Accounts and Financial Rules, 2003, funds received for implementation of schemes and developmental works/assigned schemes from the State Government should be utilized without any delay, preferably within a period of six months and utilization certificate should be furnished within six months from the date of receipt of grant.

Scrutiny revealed that six ZPs and forty four PSs⁴⁴ failed to utilize grants / funds amounting to ₹ 32.30 crore received for execution of various programmes under Mid-Day Meal, Old Age Pension, Swajaldhara, MPLAD, BRGF, CHCMI, as well as Finance Commission grants and relief funds for three to seven years. Developmental grants remained idle in these PRIs and they did not take any initiative to either utilize the funds for development works or surrender these funds to the grant sanctioning authorities. Further, grant sanctioning authorities also did not monitor utilization of these development grants after allotting the same.

When pointed out three ZPs and eleven PSs⁴⁵ did not furnish any reply. Suti-II PS stated that unutilized funds mostly lay with local fund account and the funds could not be utilized as the treasury did not allow raising bills under these funds. Swarupnagar, Hanskhali, Joynagar-II and Gaighata PSs replied that funds were not utilized due to pending decision for construction by PS authority, non-availability of site, land dispute, encroachment, shortage of staff and lack of initiatives. Replies of the PSs were not tenable as they failed to take up the matter with the higher authority to resolve the issues. Remaining three ZPs and 28 PSs admitted the facts and stated that attempts would be made to utilize or surrender the grants but could not clarify the reasons for non-utilization of funds for so long.

It was further observed that while in Cooch Behar ZP and Siliguri Mahakuma Parishad succeeded in reducing the idle grants from the previous year, in Nadia and North 24 Parganas ZPs idle grants increased from previous year. Non-

⁴⁴ **Zilla Parishads** - Bankura: ₹ 937.84 lakh, Cooch Behar: ₹ 41.40 lakh, Dakshin Dinajpur: ₹ 51.77 lakh, Nadia: ₹ 44 lakh, North 24 Parganas: ₹ 326.68 lakh. and Siliguri Mahakuma Parishad: ₹ 7.84 lakh.

Panchayat Samitis - Amta-I: ₹ 4.75 lakh, Beldanga-I: ₹ 11.28 lakh, Bhagwanpur-II: ₹ 1.58 lakh, Binpur-II: ₹ 0.22 lakh, Budge Budge-II: ₹ 6.12 lakh, Chapra: ₹ 7.99 lakh, Chandrakona-I: ₹ 3.40 lakh, Chandrakona-II: ₹ 115.81 lakh, Dantan-II: ₹ 0.10 lakh, Debra: ₹ 15.25 lakh, Domkal: ₹ 0.17 lakh, Farakka: ₹ 3.46 lakh, Falta: ₹ 8.47 lakh, Gaighata: ₹ 13.04 lakh, Garbeta-II: ₹ 0.39 lakh, Haringhata: ₹ 1.90 lakh, Hanskhali: ₹ 5.06 lakh, Indas: ₹ 4.39 lakh, Jhalda-II: ₹ 121.92 lakh, Joynagar-II: ₹ 6.40 lakh, Kakdwip: ₹ 28.27 lakh, Karimpur-I: ₹ 9.97 lakh, Kharagpur-I: ₹ 98.90 lakh, Kharagpur-II: ₹ 0.86 lakh, Khatra: ₹ 4.84 lakh, Krishnanagar-I: ₹ 6.74 lakh, Manbazar-II: ₹ 34.39 lakh, Mandirbazar: ₹ 10.24 lakh, Murshidabad Jiaganj: ₹ 4.33 lakh, Nandakumar: ₹ 2.09 lakh, Nakashipara: ₹ 56.03 lakh, Namkhana: ₹ 22.88 lakh, Neturia: ₹ 24.00 lakh, Para: ₹ 12.54 lakh, Pancha: ₹ 2.42 lakh, Purulia-I: ₹ 4.00 lakh, Raghunathganj-II: ₹ 2.01 lakh, Sabang: ₹ 8.09 lakh, Salanpur: ₹ 6.69 lakh, Sarenga: ₹ 7.26 lakh, Shyampur-I: ₹ 5.58 lakh, Suti II: ₹ 2.06 lakh, Swarupnagar: ₹ 1121.21 lakh and Tamluk: ₹ 13.59 lakh.

⁴⁵ **Zilla Parishads** - Bankura, Cooch Behar, North 24 Parganas; **Panchayat Samitis** - Amta-I, Budge Budge-II, Chapra, Kakdwip, Karimpur-I, Kharagpur-I, Krishnanagar-I, Mandirbazar, Murshidabad Jiaganj, Pancha and Sabang.

utilization of developmental grants by 14 PRIs⁴⁶ was also mentioned in the Reports of ELA for the years ending 2009 to 2012. Follow-up action on the same is yet to be taken by these PRIs.

Thus, failure to utilize grants amounting to ₹ 32.30 crore by the PRIs deprived people of intended benefits from these grants. This also indicates that the monitoring mechanism by the grant sanctioning authority is absent as they took little care to monitor utilization of funds after releasing funds to the PRIs.

ZILLA PARISHADS, PANCHAYAT SAMITIS AND GRAM PANCHAYATS

5.3.2 Irregular expenditure of ₹ 8.01 crore

Nine PRIs did not adhere to the provisions prescribed in West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 and West Bengal Panchayat (GP Accounts, Audit and Budget) Rules 2007, regarding tender procedure and irregularly expended ₹ 8.01 crore for execution of various works and procurement of materials

(a) Rule 91(3) of West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003 stipulates that sealed tenders shall be invited from enlisted contractors when the estimated amount for the materials to be procured or work to be executed exceeds rupees twenty thousand but does not exceed rupees ten lakh in case of general, sanitary and plumbing work and rupees four lakh for electrical work or procurement of material or equipment.

Scrutiny revealed that in violation of the said rule Dakshin Dinajpur ZP awarded the work of approach road to Ghukshi Khari Bridge at an estimated cost of ₹ 87.98 lakh to a contractor who executed the said work. Similarly, Samsrganj PS procured tubewell materials worth ₹ 1.98 lakh and Deshpran (Contai-II) PS expended ₹ 2.58 lakh for purchase of flower seedlings, computers and other accessories without inviting any tender.

(b) Further as per Rule 91(4) of the said Rules, notice inviting open competitive tenders in sealed cover shall be published in at least two leading daily newspapers

⁴⁶ Year 2009

ZPs: Nadia. PSs: Amta-I, Farakka, Haringhata, Nakashipara, Para, Pancha and Tamluk.

Year 2010

ZPs: Cooch Behar and Siliguri Mahakuma Parishad. PSs: Joynagar-II and Sarenga.

Year 2011

ZPs: North 24 Parganas and Siliguri Mahakuma Parishad.

Year 2012

ZPs: Cooch Behar, Nadia, North 24 Parganas, Bankura and Siliguri Mahakuma Parishad.

(English and Bengali or Nepali) widely circulated in the State or the region concerned well in advance. Pingla and Bangaon PSs did not adhere to the said rule while undertaking nine works for ₹ 1.26 crore and six works for ₹ 97.53 lakh respectively during 2010-12.

(c) Rule 91(7) of the said Rules stipulates that single tender shall not ordinarily be accepted on the first invitation to the tender. If on second invitation also, a single tender is received, the same may be accepted if the rate is either below the scheduled rate or at par with the scheduled rate and considered as favourable. But if the second tender is not found reasonable and the rate quoted therein is above the scheduled rate, fresh tender shall be invited. In violation of the said rule Raninagar-I PS accepted a single tender from an agency and issued work order for construction of 28 low cost houses at a cost of ₹ 31.52 lakh during 2010-11. Similarly, South 24 Parganas ZP accepted single tender in respect of 61 contracts involving ₹ 4.47 crore and awarded work orders to different agencies during 2011-12. During 2012-13, Uttar Dinajpur ZP Canteen was rented out for a monthly rent of ₹ 4000 and non refundable *Salami* of ₹ 90000 against tendered rate of ₹ 15000 and ₹ 1.00 lakh respectively to the only tenderer without inviting second tender.

When pointed out Dakshin Dinajpur ZP and Deshpran PS did not furnish any reply. Samsorganj, Bangaon and Pingla PSs admitted the facts and figures and stated that the rule procedure would be followed in future. While confirming the facts Uttar Dinajpur ZP said that canteen was rented to the only tenderer as per verbal discussion with the AEO. South 24 Parganas confirmed the facts and figures and stated that due to urgency and on public demand the work had been allotted to the agencies against single tender, however post-facto approval of *Purta Karya-O-Paribahan Sthayee Samity* and *Artha Sthayee Samity* had been obtained. Raninagar PS stated that single tender was accepted with the approval of the District Officer, Minority Affairs, Murshidabad.

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

Review of records of Mayahowri GP of South 24 Parganas revealed that the GP received a sum of ₹ 6 lakh from the District Planning Officer, South 24 Parganas under the head MPLAD to purchase one ambulance for the GP. The

District Planning Officer instructed the GP to send the requisite documents of purchase viz. quotations for the purchase and lowest quotation acceptance declaration.

Scrutiny revealed that the GP had expended ₹ 5.94 lakh for the purchase of the ambulance without inviting any tender/quotation for the same. When pointed out the GP admitted the fact.

Thus the GP violated Rule 11(2) (a) of West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007 and instruction of the District Planning Officer.

Thus, the PRIs failed to adhere to the aforesaid rules and incurred irregular expenditure of ₹ 8.01 crore. Besides, they could not get the best competitive and most economic rates while expending government fund.

ZILLA PARISHADS, PANCHAYAT SAMITI AND GRAM PANCHAYAT

5.3.3 Idle investment of ₹ 4.24 crore

Different developmental works undertaken in seven PRIs either remained unutilized after completion or remained incomplete even after a period ranging from one to 10 years due to paucity of fund, lack of effective monitoring/planning and expenditure of ₹ 4.24 crore on these projects remained idle for years

Completion of a project within scheduled time requires fulfillment of activities like identification of sources of fund, clear site, preparation of plan, design and estimate and necessary infrastructural facilities as envisaged in West Bengal Panchayat (ZP&PS) Accounts and Financial Rules, 2003.

(A) Completed works not put to use

Malda ZP constructed 103 stalls at a cost of ₹ 1.05 crore in three market complexes at Samsi, Charianantapur and Bejpur between December 2009 and March 2012. The ZP failed to allot the stalls till December 2012. Similarly, Murshidabad ZP constructed 73 stalls at a cost of ₹ 0.83 crore at Panchanantala, Jiaganj, Kandi and Salkia between July 2006 and March 2012. But all these stalls remain unallotted till November 2012 and entire investment of ₹ 1.88 crore remained idle for one to seven years.

When pointed, both Malda and Murshidabad ZPs stated that the stalls were not allotted due to unavoidable reasons and also added that steps would be taken shortly to allot the stalls.

(B) Works remaining incomplete for years

(i) Birbhum ZP sub-allotted (March 2011) ₹ 12.29 lakh as 50 *per cent* of the project cost to a Village Water and Sanitation Committee (VWSC) for the implementation of “Cristal Swajaldhara Project” at Hasnabad for providing drinking water facilities to the residents of the area. Scrutiny revealed that the Committee reported utilization of ₹ 12.29 lakh in July 2011 but the ZP did not release the balance amount till November 2012 on the ground that the Committee executed the work at a changed site without getting approval of appropriate authority. The work remained incomplete.

When enquired whether the consequence of the change of site would affect the project, the ZP replied that water supply from the present site would be smooth due to the topography of the site and the students of the school would also be benefitted as it was constructed within the vicinity of the school. Reply makes it evident that the change of site would enhance the benefit to all including school children.

In subsequent audit it was observed that a sum of ₹ 6.15 lakh was sub allotted to the VWSC in March 2013 but the work remained incomplete till February 2014.

(ii) Malda ZP undertook “Improvement of road from Halhali bridge to Bairat via Rangipur” under RIDF- XV (January 2010) at an estimated cost of ₹ 3.04 crore. As of January 2011, work valuing ₹ 55.85 lakh was executed and thereafter it was stalled as the contractor did not execute the remaining portion of the work. The ZP terminated the contract in September 2012 and forfeited ₹ 10.55 lakh (from the security deposit and earnest money held by the ZP). When pointed out, the ZP did not give any reply.

In subsequent audit it was revealed that a fresh work order was issued in May 2013 with the stipulation to complete the work within six months but the work remained incomplete as of February 2014.

(iii) Purba Medinipur ZP undertook (March 2008) construction of two Sluice cum bridges over Nunnan and Mathuri Khal at an estimated cost of ₹ 1.83 crore. As of October 2012 the work over Nunnan Khal was not started and the work of Mathuri Khal remained incomplete even after expending ₹ 53.82 lakh. In reply, the ZP accepted that the delay in start/completing the projects occurred due to improper planning and monitoring.

(iv) Uttar Dinajpur ZP started construction of Motor Vehicle Check Post at Sonapur under Chopra PS at an estimate of ₹ 1.05 crore during 2001-02. The

project was started on the available land and without acquiring an additional 1.16 acres of land required for the project. The ZP expended ₹ 73.37 lakh during April 2002 to March 2003 but the project remained suspended since 2004 as the land required was not acquired till January 2013. When pointed out the ZP replied that the project was started in anticipation that land would be arranged subsequently but the same did not materialize.

(v) P&RDD sanctioned (July 2010) ₹ 32.16 lakh in favour of Chakdaha PS for construction of Administrative Block building. The PS prepared an estimate for ₹ 62.44 lakh and went ahead with that estimate without ascertaining the balance source of fund. As a result, the work got discontinued from July 2012 after spending ₹ 32.15 lakh. When pointed, the PS admitted the fact.

(vi) Sahajadapur GP of South 24 Parganas received ₹ 8.50 lakh from the District Health and Family Welfare Samity, South 24 Parganas for construction of health sub-centre during 2007-10. The construction of the health sub-centre was completed in two phases at a cost of ₹ 8.41 lakh in April, 2011. Scrutiny revealed that the centre remained unutilized till February, 2013. When enquired, the GP reported that the Health Sub-Centre could not be utilised due to non-electrification of the premises.

Scrutiny of estimate of the said work revealed that the GP considered cost of electrification charges of ₹ 0.39 lakh in the said estimate but did not execute the electrification work.

Thus, the health sub-centre remained unutilized for two years and expenditure of ₹ 8.41 lakh remained idle. Also rural people could not avail intended benefits from the project.

Thus lack of proper planning including identification of funds and land, lack of initiative to utilise completed assets, ineffective monitoring over execution of various projects resulted in non-completion of developmental projects and expenditure of ₹ 4.24 crore remained idle for one to 10 years in seven PRIs. Besides, rural people did not get the intended benefits from these projects.

5.4 Failure of Oversight/Governance

PANCHAYAT SAMITIS

5.4.1 Blocking of Aila grant of ₹ 2.93 crore deprived the targeted beneficiaries of disaster relief

Four PSs failed to finalize the list of beneficiaries after receipt of house building grant of ₹ 2.93 crore and three PSs refunded ₹ 2.88 crore after 13 to 24 months of receipt depriving the storm victims of their assistance

Disaster Management Department, Government of West Bengal sanctioned house building grant to 'Aila' affected districts for distribution of assistance to indigent families whose houses were damaged on account of storm.

(i) Disaster Management Department, office of the Howrah District Magistrate sub-allotted (April 2010) a sum of ₹ 83.20 lakh in favour of Amta-I PS for distribution of assistance within 30 days of receipt of fund to people having damaged houses. Selection of beneficiaries was to be finalized at PS level. Scrutiny revealed that the PS did not disburse the assistance within the stipulated time and as a consequence the Disaster Management Department directed (May 2011) them to surrender the undisbursed amount. The PS neither took steps to utilize the fund nor surrendered the undisbursed amount. In September 2011, the district authority enquired the matter of non-distribution of assistance. In reply, the PS stated that the list of beneficiaries could not be finalised in spite of conducting several meetings with the Pradhans of GPs. The PS refunded entire amount in November 2011 i.e. after 18 months of receipt and without providing any assistance to the affected families.

When the matter was pointed out the PS did not furnish any reply.

(ii) Similarly, Bagnan-I and Bagnan-II PSs received ₹ 1.99 crore in July 2010 and ₹ 45.05 lakh in June 2010 respectively for the same purpose.

Scrutiny revealed that Bagnan-I PS disbursed ₹ 38.43 lakh to beneficiaries of only four GPs till July 2011. The PS did not take any initiative to finalise the list of beneficiaries of remaining six GPs and refunded the balance amount of ₹ 1.60 crore in September 2011. When pointed out the PS did not furnish any reason for the above.

Bagnan-II PS failed to finalise the list of beneficiaries and did not disburse any amount. In July 2011, the PS surrendered the entire amount at the instruction

of the Additional District Magistrate, Howrah. When enquired, the PS replied that the actual demand for house building grant was much higher than what they had received. They were unable to prioritize beneficiaries against the received amount. Hence, they decided to surrender the entire grant.

(iii) Dantan-II PS received ₹ 4.34 lakh in May and July 2010 from the District Officer, Horticulture, Paschim Medinipur under “Calamity Relief Fund” for providing relief to the victims of 'Aila' storm. Scrutiny revealed that the PS did not take any action to identify the affected beneficiaries and the relief fund remained blocked in the PS till July 2012.

Reason for non-utilisation was enquired in audit (July 2012) but the PS did not furnish any reason.

Thus, the PSs did not adhere to the government instructions to disburse the relief /assistance to storm victims on time. Inefficient management and inaction on the part of the PSs resulted in blocking of Aila grant of ₹ 2.93 crore for a period ranging between 13 to 24 months after receipt of funds. Moreover, the three PSs surrendered ₹ 2.88 crore thereby depriving the storm affected victims of their legitimate assistance.

ZILLA PARISHADS AND PANCHAYAT SAMITIS

5.4.2 Failure in augmentation of revenue of ₹ 10.97 crore

Sixty eight PRIs failed to augment revenue of ₹ 10.97 crore due to tardy collection, non implementation of the bye-laws framed, non-adoption of bye-laws and absence of formal agreement for rent/lease of properties

Section 133 of West Bengal Panchayat Act, 1973 empowers PRIs to levy tolls on vehicles on any road, bridge and ferry and to lease out assets or properties owned, vested or under the control of Panchayat bodies for fixed revenue. Recoveries for such leased out properties are to be considered as fixed demand and should be recorded in the Demand and Collection Register.

During 2011-2012, 13 ZPs and 35 PSs leased out ferry ghats, hats, water bodies, bundhs, parking plaza etc. Stalls of market complexes, office buildings and bungalows/guest houses were also put on rent. Scrutiny of Demand and Collection Register of these PRIs revealed that ₹ 10.06 crore remained unrealised from their leased out/rented properties (**Appendix-XXIX**). 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. Further, 12 PRIs⁴⁷ framed bye-laws to realise license fees /license renewal fees for trading/business activities in their area but failed to realize such fees from kerosene dealers, brick fields, saw mills, leased land etc. and ₹ 0.66 crore remain unrealised as of March 2012. Moreover, 12 PRIs though framed bye-laws but did not realise ₹ 49.26 lakh as of March 2012. Eight PSs did not frame any bye-laws for augmentation of own revenue and could not generate revenue amounting to ₹ 41.38 lakh (Appendix-XXIX).

Further, 62 PRIs⁴⁸ did not maintain Demand and Collection Register to monitor realisation of revenues.

When this was pointed out, 14 PRIs⁴⁹ 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 monitor the realisation of revenues.

Thus, lack of initiative in collection of revenue, non-execution/ formalisation of terms and conditions of lease/rent, improper 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 ₹ 10.97 crore remained outstanding from the lease holders, occupiers etc. Besides poor collection of own revenue widened resource gap and reduced the capacity of the PRIs to undertake welfare projects for sustainable development of rural areas.

⁴⁷ Howrah ZP (₹ 21.58 lakh) and Samserganj (₹13.07 lakh); Shyampur-II (₹ 0.88 lakh); Bagnan-II (₹ 0.83 lakh); Udaynarayanpur (₹ 5.64 lakh); Jamalpur (₹ 0.79 lakh); Mahishadal (₹ 8.91 lakh); Krishnagar-I (₹ 0.38 lakh); Uluberia-II (₹ 5.23 lakh); Galsi-II (₹ 1.14 lakh); Haringhata (₹ 7.05 lakh) and Bardhaman-II (₹ 0.47 lakh) PSs.

⁴⁸ **ZPs:** Bardhaman; North 24 Parganas and Siliguri Mahakuma Parishad. **PSs:** Pingla; Udaynarayanpur; Swarupnagar; Jamalpur; Mahishadal; Medinipur Sadar; Kharagpur-I; Beldanga-I; Gangajalghati; Falta; Krishnaganj; Sonarpur; Indas; Garbeta-I; Bhangar-II; Kharagpur-II; Amta-I; Krishnagar-I; Salanpur; Tamluk; Kalna-I; Taldangra; Debra; Dantan-II; Galsi-II; Gaighata; Haringhata; Raninagar-II; Budge Budge-I; Karimpur-I; Nandakumar; Bagnan-I; Dantan-I; Bardhaman-II; Chakdaha; Bhagwanpur-II; Manbazar-I; Manbazar-II; Sabang; Nabadwip; Bharatpur-II; Joypur; Neturia; Raghunathganj-II; Joynagar-II; Arsha; Tehatta-II; Chandipur; Purulia-II; Shyampur-II; Khandagosh; Santuri; Murshidabad Jiyaganj; Sarenga; Karimpur-II; Bagnan-II; Contai-I; Keshpur and Khatra.

⁴⁹ **ZPs:** Bardhaman; Cooch Behar; Dakshin Dinajpur; Jalpaiguri; Malda; North 24 Parganas and Siliguri MP. **PSs:** Jamalpur; Gangajalghati; Bhangar-I; Salanpur; Sabang; Pancha and Para.

5.5 Conclusions and Recommendations

Conclusions

PRIs did not adhere to the specification recommended by RRM of IRC and SOR of PWD, adopt revised rates of current SOR and consider shortest carriage, nearest quarry and cost effective materials for execution of works. Consequently, they incurred avoidable/ excess expenditure during execution of works. PRIs also extended undue benefits to contractors by not obtaining documents in support of royalty payments, by not specifying the source of materials in price schedule/bill of quantity and by allowing extra carriage for supply of materials from quarry to worksite. Absence of requisite documents required for overall transparency in course of execution of works rendered expenditure not susceptible to verification. Further, disaster relief fund remained blocked due to non-finalization of beneficiaries and developmental grants remained idle in the hands of PRIs for years together due to lack of initiative. Non-adherence to prescribed financial rules was noticed leading to violation of tendering procedure. Failure of PRIs to mobilize resources for execution of works led to incomplete works and rural people were deprived of intended benefit of development grants. Injudicious decision of handing over a project to a cluster of SHGs and lackadaisical attitude of PRIs resulted in non-transparent purchase procedure and unfruitful expenditure. Tardy 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

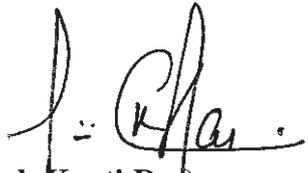
Following measures are recommended to improve efficiency of execution of various development programmes, schemes and works:

- Provisions of SOR/ RRM of IRC may be strictly followed for ensuring financial propriety;
- Adoption of updated and extent of rates and specifications of SOR may be ensured before preparing estimates. Source of materials /variety of materials may be mentioned in the price schedule / BOQ to ensure quality of materials from contractors and avoid excess payment towards transportation charges;
- Establishment charges prescribed in Panchayat Rule may be imposed for execution of works of other departments as provided in the Rules;
- Optimal planning, identification of funds before execution, timely

implementation and efficient execution of works may be focused to achieve targets set for improvement in rural infrastructure;

- A special drive may be conducted to augment revenue and reduce resource gap.

Kolkata,
The 16 JUL 2014


(Pijush Kanti Das)
(Examiner of Local Accounts)
West Bengal

COUNTERSIGNED

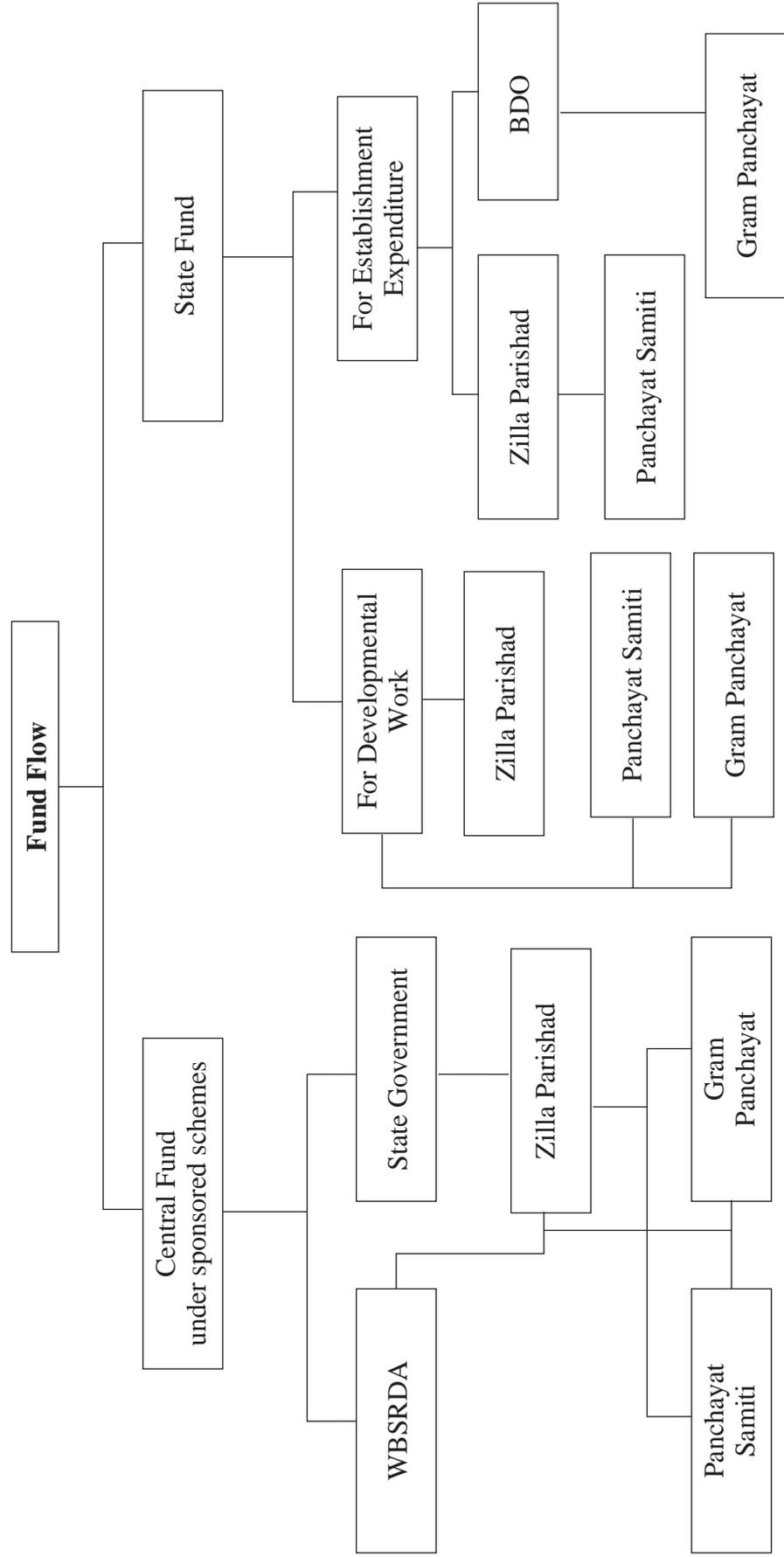
Kolkata,
The 16 JUL 2014


(Madhumita Basu)
Principal Accountant General
(General & Social Sector Audit)
West Bengal

APPENDICES

Appendix – 1

(Reference : Paragraph 1.4; page no. 5)



(Source : Panchayat & Rural Development Department)

Appendix II

(Reference: Paragraph 1.6.2; page no. 7)

Statement showing financial position of the ZPs, PSs and GPs

(₹ in Crore)

| Heads | Year: 2008-09 | | | | | | | | | | | | | | | | | |
|---------------------------------|---------------|---------------|---------------|--------------|----------------|---------------|----------------|---------------|---------------|---------------|--------------|----------------|---------------|----------------|----------------|------------|------------|-----|
| | Receipt | | | | | | Expenditure | | | | | | | | | | | |
| | ZPs | | PSs | | GPs | | Total | | ZPs | | PSs | | GPs | | Total | | Percentage | |
| | P* | NP* | 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 | 52 | |
| (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 | 0 | |
| (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 | 48 | |
| (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 | 100 | |
| (B) Own Source | 0 | 39.51 | 0 | 20.72 | 0 | 70.74 | 130.97 | 0 | 34.85 | 0 | 17.80 | 0 | 68.56 | 0 | 121.21 | 0 | 92 | |
| Total (A+B) | 444.57 | 139.83 | 186.65 | 95.61 | 2255.79 | 444.24 | 3566.69 | 352.81 | 129.26 | 124.48 | 89.93 | 2171.88 | 463.87 | 3332.24 | 1244.91 | 115 | 183 | |

| Heads | Year: 2009-10 | | | | | | | | | | | | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|----------------|---------------|----------------|----------------|------------|------------|-----|
| | Receipt | | | | | | Expenditure | | | | | | | | | | | |
| | ZPs | | PSs | | GPs | | Total | | ZPs | | PSs | | GPs | | Total | | Percentage | |
| | P* | NP* | P* | NP* | P* | NP* | P* | NP* | 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 | 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 | - | |
| (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 | 3746.43 | 621.40 | 4475.47 | 861.16 | 100 | 100 | |
| (B) Own Source | 0 | 42.72 | 0 | 20.11 | 0 | 96.49 | 159.32 | 0 | 37.79 | 0 | 18.99 | 0 | 87.29 | 0 | 144.07 | - | 92 | |
| Total (A+B) | 600.26 | 191.47 | 182.28 | 147.05 | 3651.24 | 697.24 | 5469.54 | 497.72 | 165.85 | 231.32 | 130.69 | 3746.43 | 708.69 | 4475.47 | 1005.23 | 101 | 97 | |

| Year: 2010-11 | | | | | | | | | | | | | | | | | |
|---------------------------------|---------------|---------------|---------------|---------------|----------------|---------------|----------------|---------------|---------------|---------------|--------------|----------------|---------------|----------------|---------------|-----------|-----------|
| Heads | Receipt | | | | | | Expenditure | | | | | | | | | | |
| | ZPs | | PSs | | GPs | | ZPs | | PSs | | GPs | | Total | | | | |
| | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | | | |
| | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | | | |
| (A) Grants: | | | | | | | | | | | | | | | | | |
| (i) Salary and Allowances Grant | 0 | 52.62 | 0 | 51.36 | 0 | 461.04 | 565.02 | 0 | 49.12 | 0 | 49.56 | 0 | 455.64 | 0 | 554.32 | 0 | 87 |
| (ii) Schematic fund | 607.76 | 0 | 936.02 | 0 | 3118.88 | 0 | 4662.66 | 557.0 | 0 | 815.19 | 0 | 2990.71 | 0 | 4363.59 | 0 | 94 | 0 |
| (iii) Other Grants | 48.91 | 61.70 | 54.32 | 23.42 | 211.26 | 108.74 | 508.35 | 9.70 | 27.10 | 11.37 | 10.17 | 40.57 | 46.53 | 61.64 | 83.80 | 20 | 43 |
| (A) Total Grants | 656.67 | 114.32 | 990.34 | 74.78 | 3330.14 | 569.78 | 5736.03 | 566.70 | 76.22 | 826.56 | 59.73 | 3031.28 | 502.17 | 4425.23 | 638.12 | 89 | 84 |
| (B) Own Source | 0 | 47.71 | 0 | 40.90 | 0 | 110.72 | 199.33 | 0 | 40.90 | 0 | 30.45 | 0 | 213.05 | 0 | 284.40 | 143 | 0 |
| Total (A+B) | 656.67 | 162.03 | 990.34 | 115.68 | 3330.15 | 680.5 | 5935.36 | 566.70 | 117.12 | 826.56 | 90.18 | 3031.28 | 715.22 | 4425.23 | 922.52 | 89 | 96 |

| Year: 2011-12 | | | | | | | | | | | | | | | | | |
|---------------------------------|----------------------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|--------------|----------------|---------------|----------------|---------------|----------------|---------------|------------|------------|
| Heads | Receipt | | | | | | Expenditure | | | | | | | | | | |
| | ZPs | | PSs | | GPs | | ZPs | | PSs | | GPs | | Total | | | | |
| | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | | | |
| | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | | | |
| (A) Grants: | | | | | | | | | | | | | | | | | |
| (i) Salary and Allowances Grant | 0 | 57.76 | 0 | 56.59 | 0 | 483.04 | 597.39 | 0 | 57.59 | 0 | 55.39 | 0 | 482.10 | 0 | 595.08 | 0 | 99 |
| (ii) Schematic fund | 676.59 | 0 | 1162.80 | 0 | 3719.97 | 0 | 5559.36 | 694.01 | 0 | 1164.87 | 0 | 3726.61 | 0 | 5585.49 | 0 | 95 | 0 |
| (iii) Other Grants | 41.99 | 101.71 | 45.49 | 65.98 | 176.62 | 292.21 | 724 | 49.52 | 94.31 | 48.45 | 50.09 | 181.82 | 206.39 | 279.79 | 350.79 | 5 | 37 |
| (A) Total Grants | 718.58 | 159.47 | 1208.29 | 122.57 | 3896.59 | 775.25 | 6880.75 | 743.53 | 151.9 | 1213.32 | 105.48 | 3908.43 | 688.49 | 5865.28 | 945.87 | 100 | 100 |
| (B) Own Source | Not furnished by the P&RDD | | | | | | | | | | | | | NA | | | |
| Total (A+B) | Not furnished by the P&RDD | | | | | | | | | | | | | NA | | | |

| Year: 2012-13 | | | | | | | | | | | | | | | | | |
|---------------------------------|----------------------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|-----------|-----------|
| Heads | Receipt | | | | | | Expenditure | | | | | | | | | | |
| | ZPs | | PSs | | GPs | | ZPs | | PSs | | GPs | | Total | | | | |
| | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | P** | NP** | | | |
| | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | Total | | | |
| (A) Grants: | | | | | | | | | | | | | | | | | |
| (i) Salary and Allowances Grant | 0 | 65.52 | 0 | 69.74 | 0 | 489.87 | 625.13 | 0 | 65.52 | 0 | 69.64 | 0 | 489.80 | 0 | 624.96 | 0 | 99 |
| (ii) Schematic fund | 792.67 | 0 | 1275.15 | 0 | 5209.46 | 12.30 | 7289.58 | 820.47 | 0 | 1306.79 | 0 | 4691.38 | 12.85 | 6818.64 | 12.85 | 94 | 104 |
| (iii) Other Grants | 74.65 | 70.48 | 102.20 | 89.14 | 398.05 | 383.49 | 1118.01 | 52.12 | 49.71 | 75.67 | 55.34 | 304.14 | 256.23 | 431.93 | 361.28 | 75 | 66 |
| (A) Total Grants | 867.32 | 136.00 | 1377.35 | 158.88 | 5607.51 | 885.66 | 9032.72 | 875.59 | 115.23 | 1382.46 | 124.98 | 4995.52 | 758.88 | 7250.57 | 999.09 | 92 | 85 |
| (B) Own Source | Not furnished by the P&RDD | | | | | | | | | | | | | NA | | | |
| Total (A+B) | Not furnished by the P&RDD | | | | | | | | | | | | | NA | | | |

* P - Plan * NP = Non-Plan
 (Source : Panchayat & Rural Development Department)

Appendix-III

(Reference: Paragraph 1.15, page 16)

Statement showing names of PRIs where recoveries were made when pointed out by audit

| Sl. No. | Name of the PRI | Year | Amount (in ₹) | Details |
|---------|---------------------------------|---------|------------------|---|
| 1. | Karimpur-II PS of Nadia | 2012-13 | 2000.00 | Recovery of house rent for July and August 2011 collected by PDO |
| 2. | Chapra PS of Nadia | 2012-13 | 102910.00 | Recovery of non-accounted money, collected towards sale of tender forms, auction money of ferry ghats etc. |
| 3. | Narayanpur GP of Patrasayar | 2012-13 | 1185.00 | Recovery of excess payment made to contractors for non-deduction of tender rebate |
| 4. | Sirsha GP of Illambazar | 2012-13 | 87.00 | Recovery of over payment made wrongly to the contractor towards construction of SSK |
| 5. | Pakhanna GP of Barjora | 2012-13 | 2800.00 | Recovery of refund of the cost of Tender Form |
| 6. | Ghutgoria GP of Barjora | 2012-13 | 7696.00 | Recovery of excess payment made due to non deduction of void of sands and stone chips |
| 7. | Chatra GP of Baduria | 2012-13 | 453.00 | Do |
| 8. | Bagjola GP of Baduria | 2012-13 | 435.00 | Recovery of excess payment made due to non-deduction of void for supply of materials for MGNREGS works |
| 9. | Dabgram-II GP of Rajganj | 2012-13 | 25200.00 | Earnest Money returned to the unwilling selected contractors recovered during audit |
| 10. | Bhetaguri-II of Dinhata-II | 2012-13 | 1014.00 | Recovery of excess payment made to suppliers for non-deduction of tender rebate |
| 11. | Gopalpur-I GP of Haroa | 2012-13 | 1182.00 | Recovery of excess amount paid to the suppliers of display boards |
| 12. | Madhabpur GP of Arambag | 2012-13 | 95149.00 | Recovery of excess payment for construction of sub-centre as per Audit Note in 2010-11 |
| 13. | Chatra GP of Murarai-I | 2012-13 | 4023.00 | Refund of excess amount paid for allowing excess rate from the tender rate for construction of boundary wall at GP Office under 3rd SFC |
| 14. | Gopalpur-II GP of Haroa | 2012-13 | 101.00 | Recovery of excess payment made to contractors for non-deduction of tender rebate |
| 15. | Kulti GP of Haroa | 2012-13 | 100.00 | Recovery of collection of Trade Registration fees not deposited into cash |
| 16. | Arrah GP of Nayagram | 2012-13 | 650.00 | Recovery of collection of Trade Registration fees not deposited into cash |
| 17. | Gulandar GP of Itahar | 2012-13 | 315.00 | Refund on account of excess payment made for wrong calculation of void deduction |
| 18. | Kalicharanpur GP of Nandigram-I | 2012-13 | 2900.00 | Recovery of excess payment made to contractors for non-deduction of tender rebate |
| 19. | Kapasias GP of Itahar | 2012-13 | 975.00 | Recovery of land and house tax and Trade Registration fees not collected during 2011-12 |
| 20. | Salepur-II GP of Arambagh | 2012-13 | 3278.00 | Refund deposit of Mini water Tax of 2011-12 |
| 21. | Amarun-II GP of Bhatar | 2012-13 | 14007.00 | Recovery of excess payment made due to non-deduction of void for supply of materials for MGNREGS works |
| | Total | | 266460.00 | |

(Source: Records of PRIs)

Appendix-IV

(Reference: Paragraph 2.1 , page no. 17)

Statement showing non-preparation of annual accounts through IFMAS
by PSs for the year 2009-12

| Sl. No | Name of District | Name of PS | Total |
|--------------------|-------------------|---|-----------|
| 1 | Bankura | Sarenga | 1 |
| 2 | Bardhaman | Bardhaman-II | 1 |
| 3 | Malda | Harishchandrapur-I, Kaliachak-II | 2 |
| 4 | Murshidabad | Berhampore, Nowda | 2 |
| 5 | Nadia | Kaliganj , Karimpur-II, Nakashipara | 3 |
| 6 | Paschim Medinipur | Medinipur Sadar | 1 |
| 7 | Purba Medinipur | Bhagwanpur-II, Pataspur-II | 2 |
| 8 | Purulia | Arsha, Jhalda-II, Manbazar-I, Manbazar-II, Para, Pancha, Purulia-I, Purulia-II, Raghunathpur-I, Raghunathpur-II, Santuri | 11 |
| 9 | South 24 Parganas | Mandirbazar, Namkhana | 2 |
| Grand Total | | | 25 |

(Source: Records of PSs)

Appendix-V

(Reference: Paragraph 2.2; page no. 18)

Statement showing expenditure incurred by ZPs/PSs in excess of budget
provision during 2010-12

(₹ in lakh)

| Sl. No. | Name of PS/ZP | Year | No. of heads | Excess Expenditure |
|--------------------------|-------------------|---------|--------------|--------------------|
| Zilla Parishads | | | | |
| 1 | Bankura | 2011-12 | 3 | 110.43 |
| 2 | Birbhum | 2011-12 | 10 | 332.80 |
| 3 | Nadia | 2011-12 | 3 | 274.25 |
| 4 | Paschim Medinipur | 2011-12 | 2 | 15.15 |
| 5 | South 24 Parganas | 2011-12 | 5 | 2553.76 |
| 6 | Uttar Dinajpur | 2011-12 | 9 | 2930.38 |
| Panchayat Samitis | | | | |
| 7 | Burdwan-II | 2010-11 | 1 | 42.48 |
| 8 | Bagnan-I | 2010-12 | 5 | 72.67 |
| 9 | Uluberia-II | 2010-12 | 9 | 312.42 |
| 10 | Kaliganj | 2010-11 | 3 | 51.53 |
| 11 | Krishnaganj | 2010-11 | 2 | 28.28 |
| 12 | Garbeta-I | 2010-12 | 10 | 853.65 |
| 13 | Mohanpur | 2010-12 | 2 | 125.28 |
| 14 | Pingla | 2010-11 | 1 | 6.99 |
| Total | | | | 7710.07 |

(Source: Records of ZPs and PSs)

Appendix-VI

(Reference : paragraph 2.2; page no. 18)

Statement showing expenditure incurred by GPs without preparing budget during 2011-12

(₹ in lakh)

| Sl No. | Name of GP | Name of ZP | Amount expended without preparing budget |
|--------------|---------------------|-------------------|--|
| 1 | Haludkanali | Bankura | 5.32 |
| 2 | Baidyapur | Bardhaman | 1.57 |
| 3 | Kuchut | | 3.36 |
| 4 | Baraturigram | Birbhum | 172.02 |
| 5 | Malibari-I | Cooch Behar | 44.92 |
| 6 | Rajyadharpur | Hooghly | 0.36 |
| 7 | Badanganj Fului-II | | 0.35 |
| 8 | Malaypur-I | | 208.47 |
| 9 | Satali | Jalpaiguri | 224.92 |
| 10 | Totopara Ballalguri | | 1.25 |
| 11 | Amriti | Malda | 0.52 |
| 12 | Milki | | 2.31 |
| 13 | Amlai | Murshidabad | 0.60 |
| 14 | Korakati | North 24 Parganas | 0.03 |
| 15 | Manikpara | Paschim Medinipur | 6.59 |
| 16 | Arjuni | | 3.62 |
| 17 | Panchet | Purba Medinipur | 1.63 |
| 18 | Ropo | Purulia | 0.27 |
| 19 | Murandi | | 1.46 |
| 20 | Baruna | Uttar Dinajpur | 111.67 |
| Total | | | 791.24 |

Appendix-VII

(Reference : paragraph 2.2; page no. 18)

Statement showing no. of GPs that incurred expenditure in excess of budget provision during 2011-12

(₹ in lakh)

| Sl No. | District | No. of GPs | No. of Heads | Expenditure in excess of budget provision | Range of expenditure over budget provision |
|--------------|-------------------|------------|--------------|---|--|
| 1 | Bankura | 15 | 12 | 77.92 | 0.03-14.38 |
| 2 | Bardhaman | 13 | 12 | 163.49 | 0.06-76.15 |
| 3 | Birbhum | 32 | 15 | 249.41 | 0.13-47.13 |
| 4 | Cooch Behar | 08 | 07 | 54.81 | 0.11-15.95 |
| 5 | Dakshin Dinajpur | 06 | 12 | 53.31 | 0.07-12.72 |
| 6 | Hooghly | 18 | 11 | 329.71 | 0.05-54.19 |
| 7 | Howrah | 03 | 03 | 26.29 | 0.90-9.48 |
| 8 | Jalpaiguri | 17 | 13 | 281.59 | 0.03-123.39 |
| 9 | Malda | 19 | 06 | 90.68 | 0.05-11.54 |
| 10 | Murshidabad | 17 | 08 | 90.14 | 0.07-43.53 |
| 11 | Nadia | 06 | 12 | 55.27 | 0.01-7.51 |
| 12 | North 24 Parganas | 23 | 18 | 406.84 | 0.07-78.70 |
| 13 | Paschim Medinipur | 14 | 14 | 59.2 | 0.20-8.26 |
| 14 | Purba Medinipur | 10 | 11 | 55.55 | 0.02-10.43 |
| 15 | Purulia | 13 | 08 | 45.32 | 0.05-7.52 |
| 16 | South 24 Parganas | 10 | 07 | 48.6 | 0.01-12.08 |
| 17 | Uttar Dinajpur | 05 | 05 | 28.55 | 1.15-8.61 |
| Total | | 229 | | 2116.68 | |

(Source: Budget of GPs)

Appendix-VIII

(Reference : paragraph 2.5; page no. 21)

Statement showing losses due to theft and defalcation of fund and material, missing of official documents and other assets noticed in GPs in the Year 2010-13

| Sl No | Name of GP | Name of district | Year of theft/ defalcation | Nature of theft/ defalcation | Cash (in ₹) | Value (₹ in lakh) | Others | Follow up action |
|--------------|----------------|-------------------|----------------------------|---------------------------------|---------------|-------------------|---|---|
| 1 | Chaktentul | Bardhaman | 2010-11 | Theft | 36000 | 0.36 | Computer accessories worth ₹ 0.36 lakh | |
| 2 | Budhigram | Birbhum | 2011-12 | Computer & computer peripherals | 123650 | 1.24 | | Diary made in Margram PS Diary no. 3889PC88/11 Dated 12.10.2011 |
| 3 | Sahanbanchak | Malda | 2011 | Theft | 95000 | 0.95 | | Case registered with case no. 222/11 |
| 4 | Bethuadhari-II | Nadia | 2013 | Theft | 52698 | 0.53 | | Informed to Police Station |
| 5 | Kamalpur | Nadia | 2012 | Theft | | | Three Computer hardware and electrical appliances | Reported to Police Station Case No. 74/12 Dated 20.03.2012 |
| 6 | Kanko | Paschim Medinipur | 2012 | Theft | 14000 | 0.14 | Rod (3 quintals) | FIR lodged No. 17/12 Dated 06.03.2012 U/S 379 IPC |
| 7 | Debogram | Paschim Medinipur | 2012 | Theft | 50000 | 0.50 | 01 Computer, CPU, Stabiliser and 02 Sound Box | Case registered Case No. 36/12 Dated 27.03.2012 U/S 461/379 IPC |
| 8 | Jagulgachi | South 24 Parganas | 2012 | Theft | | | 02 Electical Fans | Case Registerd Case No. 143/12 U/S 461/379 IPC |
| TOTAL | | | | | 371348 | 3.71 | | |

(Source: Records of GPs)

Appendix-IX

(Reference :Paragraph 2.7; page no. 23)

Statement Showing No of GPs who did not deduct I.T. and S.T. during 2011-12

(in ₹)

| Sl No. | Name of GP | Name of district | Amount of ST not deducted | Amount of IT not deducted |
|--------------|------------------|-------------------|---------------------------|---------------------------|
| 1 | Mosihara | Bankura | 1436.45 | 1479.55 |
| 2 | Akui-I | | 1957.39 | 2016.13 |
| 3 | Nakaijuri | | 1993.59 | 2053.41 |
| 4 | Medinipur | | 3702.95 | 3814.05 |
| 5 | Berugram | Bardhaman | 75738.91 | 78012 |
| 6 | Ruppur | Birbhum | 13913.84 | - |
| 7 | Kaleswar | | 35558.35 | 21762.64 |
| 8 | Bali | Hooghly | 4869.44 | 5015.52 |
| 9 | Rammohanpur-II | | 54606.40 | - |
| 10 | Sujapur Kumarpur | | 309.00 | 5701 |
| 11 | Mahula-I | Murshidabad | 6611.82 | 6810.18 |
| 12 | Birahi-II | | 7745.32 | 7977.68 |
| 13 | Sadhanpara-I | | 17129.64 | 17643.53 |
| 14 | Nowpara | | 1298.81 | 1337.77 |
| 15 | Asharu | North 24 Parganas | 76000 | 38000 |
| 16 | Bhebia | | 19954.67 | 20553.31 |
| 17 | Tepul Mirzapur | | 5017.73 | 5168.27 |
| 18 | Maricha | | 40957.41 | 42186.15 |
| 19 | Khanamohan | Paschim Medinipur | 2256.52 | 2324.21 |
| 20 | Nayaput | Purba Medinipur | 1030.00 | 1060.90 |
| 21 | Majilapara | | 1160.09 | 1194.91 |
| 22 | Chatumadar | Purulia | 1073.34 | - |
| 23 | Bagda | | 2812.80 | 2897.20 |
| 24 | Agdimti Khanti | | 10387.37 | 10699.31 |
| 25 | Ramganj-I | Uttar Dinajpur | 8951.05 | 10261.94 |
| TOTAL | | | 396472.89 | 287969.66 |

(Source: Records of GPs)

Appendix-X

(Reference :Paragraph 2.8; page no. 23)

Statement showing non-reconciliation between Cash Book and Pass Book balance
as of March 2012

(in ₹)

| SI NO. | Name of PRIs | Cash Book balance | Treasury and Bank Passbook / Pass Book Balance | Amount not reconciled |
|--------------------------|----------------------|----------------------|--|-----------------------|
| Zilla Parishads | | | | |
| 1 | Bardhaman | 543333805.59 | 613698550.79 | 70364745.20 |
| 2 | Hooghly | 285836803.00 | 281951240.85 | 3885562.15 |
| 3 | Jalpaiguri | 399307111.1 | 429624578 | 30317466.84 |
| Panchayat Samitis | | | | |
| 4 | Arsha | 50270828.83 | 55093662.33 | 4822833.50 |
| 5 | Berhampore | 86535838.00 | 112175121.50 | 25639283.50 |
| 6 | Binpur-II | 137277715.53 | 146195532.27 | 8483691.00 |
| 7 | Bongaon | 65002940.09 | 84853698.67 | 197733.42 |
| 8 | Budge Budge-II | 29494459.21 | 32570171.87 | 482508.00 |
| 9 | Chandrakona-II | 42448822.82 | 44986721.17 | 1668819.35 |
| 10 | Harishchandrapur-I | 128664412.64 | 129888012.64 | 1223600.00 |
| 11 | Jhalda-II | 69200074.32 | 32331291.00 | 36868783.32 |
| 12 | Joypur | 62079069.22 | 72329726.72 | 10245868.00 |
| 13 | Karimpur-I | 36931291.69 | 51327324.00 | 14396032.31 |
| 14 | Kashipur | 72986424.85 | 86590811.85 | 13604387.00 |
| 15 | Murshidabad Jiyaganj | 56189850.71 | 61553290.62 | 5363439.91 |
| 16 | Nakashipara | 81349307.46 | 107043515.11 | 25694207.65 |
| 17 | Neturia | 54318264.01 | 56341550.01 | 2023286.00 |
| 18 | Nowda | 99823667.23 | 102360083.46 | 2536416.23 |
| 19 | Puncha | 80763571.39 | 84191996.25 | 3428424.86 |
| 20 | Purulia-I | 46147026.92 | 54295195.73 | 8148168.81 |
| 21 | Raghunathpur-I | 57315249.13 | 54986947.13 | 2328302.00 |
| 22 | Samsorganj | 26659533.30 | 35792331.09 | 2985356.00 |
| 23 | Sonarpur | 24711498.14 | 35363184.74 | 10651686.60 |
| 24 | Swarupnagar | 73814149.57 | 105650442.41 | 31836292.84 |
| 25 | Udaynarayanpur | 19320819.38 | 25120128.48 | 5799309.10 |
| Total | | 2629782534.13 | 2896315108.69 | 322996203.59 |

(Source: Records of ZPs and PSs)

Appendix-X (Contd.)

(Reference :Paragraph 2.8 ; page no. 23)

Statement showing non-reconciliation between Cash Book and Pass Book balance
as of March 2012

(in ₹)

| SI NO. | Name of PRIs | Cash Book balance | Treasury and Bank Passbook / Pass Book Balance | Amount not reconciled |
|------------------------|-----------------------|--------------------|--|-----------------------|
| Gram Panchayats | | | | |
| 26 | Anchuri | 3736040.68 | 3735875.68 | 165.00 |
| 27 | Akalpoush | 3324813.86 | 4340733.99 | 17040.00 |
| 28 | Harisara | 2542215.32 | 2711439.97 | 169224.35 |
| 29 | Harali Udaynarayanpur | 1239422.00 | 1264032.00 | 1400.00 |
| 30 | Dalsingpara | 1109418.00 | 4012001.00 | 9578.00 |
| 31 | Looksan | 2670800.53 | 2780575.53 | 34450.50 |
| 32 | Moregram | 3453464.37 | 3657501.37 | 14553.00 |
| 33 | Devgram | 1153687.03 | 1151647.03 | 566.00 |
| 34 | Akaipur | 1632158.66 | 1915876.64 | 50.00 |
| 35 | Gachha Akharpur | 2791576.00 | 3179152.40 | 214.00 |
| 36 | Rupmari | 696692.00 | 2379495.00 | 2389.00 |
| 37 | Mathur | 1641409.00 | 2236726.90 | 1999.10 |
| Total | | 25991697.45 | 33365057.51 | 251628.95 |

(Source: Records of ZPs, PSs and GPs)

Appendix-XI

(Reference :Paragraph 2.9; page no. 24)

Statement showing outstanding revenues (from land and building at the end of 2011-12)

(₹ in lakh)

| SI No | Name of District | No. of GP | Total Cumulative Demand | Total Cumulative Collection | Total Unrealized Amount | Percentage of Collection |
|--------------|-------------------|-------------|-------------------------|-----------------------------|-------------------------|--------------------------|
| (1) | Bankura | 146 | 372.09 | 98.54 | 273.55 | 26 |
| (2) | Bardhaman | 186 | 1092.53 | 307.28 | 785.25 | 28 |
| (3) | Birbhum | 139 | 756.69 | 186.85 | 569.84 | 25 |
| (4) | Cooch Behar | 99 | 556.79 | 80.31 | 476.48 | 14 |
| (5) | Dakshin Dinajpur | 49 | 241.38 | 64.09 | 177.29 | 27 |
| (6) | Hooghly | 122 | 525.15 | 219.30 | 305.85 | 42 |
| (7) | Howrah | 82 | 433.61 | 212.91 | 220.70 | 49 |
| (8) | Jalpaiguri | 110 | 746.65 | 280.18 | 466.47 | 38 |
| (9) | Malda | 81 | 308.84 | 83.99 | 224.85 | 27 |
| (10) | Murshidabad | 129 | 580.73 | 134.63 | 446.10 | 23 |
| (11) | Nadia | 130 | 853.85 | 223.60 | 630.25 | 26 |
| (12) | North 24 Parganas | 138 | 879.89 | 236.91 | 642.98 | 27 |
| (13) | Paschim Medinipur | 210 | 843.48 | 294.15 | 549.33 | 35 |
| (14) | Purba Medinipur | 115 | 297.00 | 118.46 | 177.54 | 40 |
| (15) | Purulia | 34 | 86.21 | 6.51 | 79.70 | 08 |
| (16) | South 24 Parganas | 97 | 562.13 | 117.89 | 444.24 | 21 |
| (17) | Uttar Dinajpur | 53 | 337.11 | 32.07 | 305.04 | 10 |
| TOTAL | | 1920 | 9474.13 | 2697.67 | 6775.46 | 28 |

(Source: Demand and Collection Register of GPs)

Appendix-XII

(Reference: Paragraph 2.10; page no. 24)

Statement showing no. of GPs where tax collector not deposited the bond of ₹ 1000.00

| SI No. | Name of the District | No. of GPs |
|--------|----------------------|------------|
| (1) | Bankura | 37 |
| (2) | Bardhaman | 52 |
| (3) | Birbhum | 51 |
| (4) | Cooch Behar | 40 |
| (5) | Dakshin Dinajpur | 11 |
| (6) | Hooghly | 53 |
| (7) | Howrah | 26 |
| (8) | Jalpaiguri | 44 |
| (9) | Malda | 18 |
| (10) | Murshidabad | 33 |
| (11) | Nadia | 28 |
| (12) | North 24 Parganas | 15 |
| (13) | Paschim Medinipur | 45 |
| (14) | Purba Medinipur | 35 |
| (15) | Purulia | 50 |
| (16) | South 24 Parganas | 29 |
| (17) | Uttar Dinajpur | 17 |
| | Total | 584 |

(Source: Records of GPs)

Appendix-XIII

(Reference: Paragraph 2.12, page: 25)

No. of PRIs where no Internal Audit was conducted during 2009-12 (ZPs & PSs)

| SI No | Period covered under Audit | Name of PRIs | Total |
|-------|----------------------------|--|-------|
| 1 | 2009-10 | PSs: Salanpur, Serampur Uttarpara, Harishchandrapur-I, Beldanga-I, Domkal, Murshidabad Jiyaganj, Gaighata, Garbeta-II, Bhagwanpur-II, Chandipur, Nandakumar, Tamluk, Puncha, Raghunathpur-I, Santuri, Bhangar-II, Kakdwip, Namkhana | 18 |
| 2 | 2010-11 | PSs: Gangajalghati, Mejia, Burdwan-II, Galsi-II, Galsi-I, Jamalpur, Jamuria, Kalna-I, Kalna-II, Khandaghosh, Salanpur, Dhaniakhali, Harishchandrapur-I, Kaliachak-II, Domkal, Murshidabad Jiyaganj, Nowda, Raninagar-I, Raninagar-II, Chapra, Karimpur-II, Karimpur-I, Krishnaganj, Krishnanagar-I, Krishnanagar-II, Nakashipara, Tehatta-II, Binpur-II, Dantan-I, Garbeta-I, Garbeta-II, Gopiballavpur-I, Jamboni, Keshpur, Kharagpur-I, Medinipur Sadar, Bhagwanpur-II, Chandipur, Tamluk, Joypur, Kashipur, Puncha, Bhangar-II, Kakdwip, Namkhana | 45 |
| 3 | 2011-12 | ZPs: Bankura, Bardhaman, Cooch Behar, Dakshin Dinajpur, Siliguri Mahakuma Parishad, Malda, Murshidabad, Hooghly and Paschim Medinipur PSs: Gangajalghati, Mejia, Burdwan-II, Galsi-II, Galsi-I, Jamalpur, Jamuria, Kalna-I, Kalna-II, Khandaghosh, Salanpur, Dhaniakhali, Serampur Uttarpara, Bagnan-I, Udaynarayanpur, Harishchandrapur-I, Kaliachak-II, Beldanga-I, Domkal, Murshidabad Jiyaganj, Nowda, Raninagar-I, Raninagar-II, Samserganj, Chapra, Karimpur-II, Karimpur-I, Krishnaganj, Krishnanagar-I, Krishnanagar-II, Nakashipara, Tehatta-II, Gaighata, Binpur-II, Dantan-I, Debra, Garbeta-I, Gopiballavpur-I, Jamboni, Keshpur, Kharagpur-I, Bhagwanpur-II, Chandipur, Nandakumar, Tamluk, Joypur, Kashipur, Puncha, Purulia-II, Santuri, Bhangar-II, Kakdwip, Namkhana | 62 |

(Source: Replies of ZPs and PSs)

Appendix-XIV

(Reference :Paragraph 2.12; page no. 25)

Statement showing internal audit not conducted by GPs during 2011-12

| SI 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 | 177 | 60 | 34 |
| (2) | Bardhaman | 253 | 49 | 19 |
| (3) | Birbhum | 166 | 70 | 42 |
| (4) | Cooch Behar | 128 | 35 | 27 |
| (5) | Dakshin Dinajpur | 62 | 32 | 52 |
| (6) | Hooghly | 172 | 60 | 35 |
| (7) | Howrah | 131 | 10 | 8 |
| (8) | Jalpaiguri | 139 | 73 | 53 |
| (9) | Malda | 89 | 51 | 57 |
| (10) | Murshidabad | 163 | 51 | 31 |
| (11) | Nadia | 175 | 39 | 22 |
| (12) | North 24 Parganas | 179 | 67 | 37 |
| (13) | Paschim Medinipur | 264 | 78 | 30 |
| (14) | Purba Medinipur | 199 | 34 | 17 |
| (15) | Purulia | 123 | 63 | 51 |
| (16) | South 24 Parganas | 127 | 57 | 45 |
| (17) | Uttar Dinajpur | 52 | 30 | 58 |
| | TOTAL | 2599 | 859 | 33 |

(Source: Records of GPs)

Appendix-XV

(Reference: Paragraph 3.1.3.1 & 3.1.3.2; page no. 36)

Statement showing no. of G.Ps where hundred mandays were not provided and permanent assets were not create during 2011-12

| SL No. | District | Hundred mandays of work not provided | Permanent assets were not created | |
|--------|-------------------|--------------------------------------|-----------------------------------|-----------------|
| | | No. of G.Ps | No. of G.Ps | Amount Expended |
| (1) | Bankura | 130 | 97 | 2982.61 |
| (2) | Bardhaman | 131 | 96 | 4496.33 |
| (3) | Birbhum | 183 | 78 | 4375.63 |
| (4) | Cooch Behar | 53 | 44 | 963.31 |
| (5) | Dakshin Dinajpur | 45 | 26 | 442.86 |
| (6) | Hooghly | 119 | 72 | 2854.65 |
| (7) | Howrah | 80 | 30 | 247.00 |
| (8) | Jalpaiguri | 98 | 67 | 2120.13 |
| (9) | Malda | 73 | 44 | 1010.58 |
| (10) | Murshidabad | 121 | 81 | 2103.68 |
| (11) | Nadia | 131 | 72 | 1111.15 |
| (12) | North 24 Parganas | 133 | 68 | 2381.48 |
| (13) | Paschim Medinipur | 93 | 121 | 2980.08 |
| (14) | Purba Medinipur | 204 | 73 | 2336.04 |
| (15) | Purulia | 104 | 68 | 980.35 |
| (16) | South 24 Parganas | 85 | 64 | 1774.70 |
| (17) | Uttar Dinajpur | 53 | 23 | 238.23 |
| | TOTAL | 1836 | 1124 | 33398.81 |

(Source: Records of GPs)

Appendix-XVI

(Reference: Paragraph 3.1.3.3 & 3.1.3.4; page no. 36 & 37)

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 2011-12

| 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 to whom Job Cards were not issued though they applied | No. of GPs where employment not provided | No. of applicants to whom work not provided |
|--------------|-------------------|---|--|---|--|---|
| (1) | Bankura | 30 | 4 | 3971 | 1 | 1928 |
| (2) | Bardhaman | 33 | 36 | 7389 | 5 | 481 |
| (3) | Birbhum | 20 | 4 | 444 | 4 | 19241 |
| (4) | Cooch Behar | 12 | 8 | 891 | 16 | 1469 |
| (5) | Dakshin Dinajpur | 7 | - | - | - | - |
| (6) | Hooghly | 16 | 4 | 522 | 4 | 5258 |
| (7) | Howrah | 14 | 27 | 4654 | - | - |
| (8) | Jalpaiguri | 20 | 8 | 4458 | - | - |
| (9) | Malda | 17 | 8 | 1308 | 3 | 822 |
| (10) | Murshidabad | 17 | 9 | 1202 | 3 | 2040 |
| (11) | Nadia | 15 | 7 | 1371 | 10 | 1038 |
| (12) | North 24 Parganas | 17 | 21 | 2692 | 4 | 339 |
| (13) | Paschim Medinipur | 29 | 6 | 194 | 2 | 877 |
| (14) | Purba Medinipur | 12 | 45 | 6901 | 3 | 359 |
| (15) | Purulia | 26 | 1 | 1962 | 1 | 27 |
| (16) | South 24 Parganas | 27 | 9 | 4053 | 3 | 3545 |
| (17) | Uttar Dinajpur | 8 | 1 | 40 | 1 | 2 |
| TOTAL | | 320 | 198 | 42052 | 60 | 37426 |

(Source: Register of Job Cards)

Appendix XVII

(Reference :Paragraph 3.1.3.6; page no. 37)

Statement showing no. of G.Ps where administrative and technical permission were not obtained from PO during 2011-12

| Sl No. | District | No. of GPs where administrative approval and technical specification were not obtained from PO |
|--------------|-------------------|--|
| (1) | Bankura | 01 |
| (2) | Bardhaman | 01 |
| (3) | Cooch Behar | 01 |
| (4) | Dakshin Dinajpur | 01 |
| (5) | Hooghly | 01 |
| (6) | Howrah | 02 |
| (7) | Jalpaiguri | 01 |
| (8) | Murshidabad | 02 |
| (9) | Nadia | 02 |
| (10) | Paschim Medinipur | 04 |
| (11) | Purba Medinipur | 01 |
| (12) | Purulia | 01 |
| (13) | South 24 Parganas | 01 |
| (14) | Uttar Dinajpur | 01 |
| Total | | 20 |

(Source: Records of GPs)

Appendix-XVIII

(Reference: Paragraph 3.1.3.8; page no. 38)

Statement showing number of GPs where estimated mandays were not achieved during 2011-12

| Sl No | District | No. of GPs | Estimated mandays | Generated mandays | Difference | Closing Balance (₹ in lakh) |
|--------------|-------------------|-------------|-------------------|-------------------|------------------|-----------------------------|
| 1. | Bankura | 134 | 24256552 | 6731832 | 17524720 | 220.38 |
| 2. | Bardhaman | 171 | 111175753 | 12508423 | 98667330 | 448.01 |
| 3. | Birbhum | 131 | 188272528 | 12404315 | 175868213 | 194.59 |
| 4. | Cooch Behar | 81 | 93177030 | 2410898 | 90766132 | 430.37 |
| 5. | Dakshin Dinajpur | 45 | 8069417 | 1142580 | 6926837 | 232.24 |
| 6. | Hooghly | 107 | 120118638 | 7554630 | 112564008 | 330.30 |
| 7. | Howrah | 65 | 6818477 | 801031 | 6017447 | 183.16 |
| 8. | Jalpaiguri | 108 | 95010559 | 7181571 | 87828988 | 274.67 |
| 9. | Malda | 70 | 78745294 | 2671661 | 76073633 | 47.94 |
| 10. | Murshidabad | 118 | 18055987 | 3413009 | 14642978 | 319.46 |
| 11. | Nadia | 122 | 20245922 | 3436048 | 16809874 | 86.89 |
| 12. | North 24 Parganas | 120 | 86511740 | 7183872 | 79327868 | 484.45 |
| 13. | Paschim Medinipur | 197 | 33353033 | 6668313 | 26684720 | 422.40 |
| 14. | Purba Medinipur | 106 | 21273755 | 4384444 | 16889311 | 124.60 |
| 15. | Purulia | 96 | 83413988 | 3543771 | 79870217 | 367.91 |
| 16. | South 24 Parganas | 79 | 10232612 | 2073612 | 8159000 | 65.86 |
| 17. | Uttar Dinajpur | 52 | 15240652 | 972820 | 14267832 | 107.94 |
| Total | | 1802 | 1013971938 | 85082830 | 928889108 | 4341.17 |

(Source: Scheme Register of GPs)

Appendix-XIX

(Reference: Paragraph 3.1.3.9; page no. 38)

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 2011-12

| 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 | 4 | 2 | 4 |
| (2) | Bardhaman | 3 | 4 | - |
| (3) | Birbhum | 2 | 3 | 1 |
| (4) | Cooch Behar | - | - | 1 |
| (5) | Hooghly | - | - | 1 |
| (6) | Howrah | 3 | 2 | 1 |
| (7) | Jalpaiguri | 1 | - | - |
| (8) | Malda | 2 | 2 | 1 |
| (9) | Murshidabad | 6 | 7 | 4 |
| (10) | Nadia | - | - | 2 |
| (11) | North 24 Parganas | 2 | 3 | 1 |
| (12) | Paschim Medinipur | 6 | 5 | 5 |
| (13) | Purulia | 3 | 3 | 4 |
| (14) | South 24 Parganas | 1 | - | 1 |
| (15) | Uttar Dinajpur | - | - | 4 |
| Total | | 33 | 31 | 30 |

(Source: Records of GPs)

Appendix-XX

(Reference: Paragraph 4.6; page no. 53)

Sample size of Performance Audit on Indira Gandhi National Old Age Pension Scheme (IGNOAPS)

| Division | District | Panchayat Samiti | Gram Panchayat |
|-------------------|-------------|--------------------|--------------------------|
| Presidency | Nadia | Chapra | Chapra-I |
| | | | Brittihuda |
| | | | Bagberia |
| | | | Hatishala-II |
| | | Tehatta-II | Sahebnagar |
| | | | Barnia |
| | | Kaliganj | Kaliganj |
| | | | Juranpur |
| | | | Rajarampur Ghoraikshetra |
| | Matiyari | | |
| | Gobra | | |
| | Howrah | Bally Jagacha | Bally |
| | | | Chakpara Anandanagar |
| | | Amta-I | Amta |
| Kanpur | | | |
| Khardah | | | |
| Shyampur-II | | Udang-II | |
| | | Bachhri | |
| Dihimondalghat-II | | | |
| Non-Presidency | Cooch Behar | Cooch Behar-II | Bararangras |
| | | | Khagrabari |
| | | | Madhupur |
| | | | Takagachh Rajarhat |
| | | Tufanganj-II | Rampur-II |
| | | | Shalbari-II |
| | Malda | Gazole | Rampur-I |
| | | | Deotala |
| | | | Majhra |
| | | | Gajole-I |
| | | | Babupur |
| | | Chanchol-I | Pandua |
| | | | Bhagawanpur |
| | | Harischandrapur-II | Matiharpur |
| | | | Daulatnagar |
| | | | Bhaluka |
| | Mashaldah | | |
| | Suri-I | | |
| | Birbhum | Suri-II | Bhurkuna |
| | | | Khatanga |
| Bolpur Srineketan | | Abinashpur | |
| | | Domdama | |
| | | Kasba | |
| Mayureswar-II | | Singhee | |
| | | Sian Muluk | |
| Daspalsa | | | |
| Mayureswar | | | |
| Total | 05 | 15 | 45 |

Appendix-XXI

(Reference: Paragraph 4.7.2.4; page no. 58)

Statement showing delay in disbursement of pension

| Name of the unit | Period of pension | Date of allotment | Date of disbursement | Period of delay |
|------------------|---------------------------------|----------------------|----------------------|-----------------|
| Chanchol-I | January 2013 to June 2013 | 536/P dt.19.07.2013 | 05.09.2013 | 3 to 8 months |
| | May 2012 | 1126/P dt.02.08.2012 | 05.10.2012 | 5 months |
| | Apr 2012 | 881/P dt.04.07.2012 | 16.07.2012 | 3 months |
| | February 2012 and March 2012 | 663/P dt.21.05.2012 | 16.07.2013 | 5 months |
| Bhagawanpur GP | January 2008 to March 2008 | 18.06.2008 | 20.06.2008, | 5 months |
| | April 2008 to August 2008 | 19.11.2008 | 31.12.2008 | 9 months |
| | November 2007 to August 2008 | 20.12.2008 | 01.01.2009 | 13 months |
| | September 2008 to December 2008 | 12.03.2009 | 19.03.2009 | 6 months |
| Matiharpur GP | February 2008 to April 2008 | 25.05.2008 | 29.05.2008 | 1 to 4 months |
| | May 2008 to July 2008 | 05.09.2008 | 12.11.2008 | 4 to 6 months |
| | September 2008 to December 2009 | 25.02.2009 | 27.02.2009 | 3 to 6 months |
| Chapra-I GP | April 2008 to June 2008 | – | 03.10.2008 | 3 to 5 months |
| | July 2008 to September 2008 | – | 04.11.2008 | 1 to 3 months |
| | April 2010 to September 2010 | – | 17.02.2011 | 3 to 8 months |
| Hatishala-II GP | April 2008 to June 2008 | – | 24.09.2008 | 3 to 5 months |
| | June 2010 to September 2010 | – | 29.12.2010 | 3 to 6 months |
| Shyampur II | Upto November 2012 | 12.04.2013 | 06.09.2013 | 5 months |

Appendix - XXII

(Reference: Paragraph 5.1.2; page no. 68)

Statement of Non-deduction of Royalty Charges from Contractors

| Name of the ZP | Name of the road works | Tendered Amount (₹ in lakh) | Up to date expenditure (in ₹) | Quantity of earthwork executed (in m ³) | Rate allowed inclusive of royalty charge (₹/ m ³) | Amount paid towards earthwork (in ₹) | Amount to be deducted for Royalty charge @ ₹ 13.25 per m ³ |
|----------------|--|-----------------------------|-------------------------------------|---|---|--------------------------------------|---|
| Jalpaiguri | Hemguri Primary School to Chengmari Kadamtala along Gholani river under Kumargram PS | 171.51 | 16059770.80 (4th & Final bill) | 29672.02 | 73.98 | 2195136.04 | 393154.27 |
| | Jalpesh to Nayabandar within Maynaguri PS | 190.34 | 18919175.54 (3rdRA& Final bill) | 22066.0786 | 82.06 | 1810742.41 | 292375.54 |
| | Mahakal more to Chengmari Harendranath under Mal PS | 343.70 | 34015952.95 (6thRA& Final bill) | 39761.89 | 73.98 | 2941584.62 | 526845.04 |
| | Dakshin Jharbelati to Gaderkuthi | 240.05 | 23527221.47 (6thRA& Final bill) | 20667.07 | 82.06 | 1695939.76 | 273838.68 |
| | Railgate near BDO office | 299.77 | 29964338.34 (6thRA& Final bill) | 52737.04 | 73.98 | 3901486.22 | 698765.78 |
| | Taleswarguri Pipe line to high road Shantinagar Cowpathi | 124.36 | 12253693.49 (3rdRA& Final bill) | 35158.02 | 82.06 | 2885067.12 | 465843.77 |
| | Khurakadam more to Jharbeltali road under Falakata PS | 210.62 | 20966763.60 (6th RA& Final bill) | 53829.741 | 73.98 | 3982324.23 | 713244.07 |
| | | | | 35886.494 | 82.06 | 2944845.70 | 475496.05 |
| | | | | 50668.26 | 73.98 | 3748437.88 | 671354.45 |
| | | | | 35198.08 | 82.06 | 2888354.45 | 466374.56 |
| | | | | 21461.11 | 73.98 | 1587692.92 | 284359.71 |
| | | | | 14526.015 | 82.06 | 1192004.79 | 192469.70 |
| | | | 32027.035 | 73.98 | 2369360.04 | 424358.21 | |
| | | | 21351.357 | 82.06 | 1752092.36 | 282905.48 | |
| | Total | | | 465010.2106 | | 35895068.54 | 6161385.31 |

Appendix - XXII (contd.)

(Reference: Paragraph 5.1.2; page no. 68)

Statement of Non-deduction of Royalty Charges from Contractors

| Name of the ZP | Name of the road works | Tendered Amount (₹ in lakh) | Upto date expenditure (in ₹) | Quantity of earthwork executed (in m ³) | Rate allowed inclusive of royalty charge (₹/ m ³) | Amount paid towards earthwork (in ₹) | Amount to be deducted for Royalty charge @ ₹ 13.25 per m ³ | |
|----------------|--|---|------------------------------|---|---|--------------------------------------|---|-------------------|
| Hooghly | Lalpur near Samuktala to Chuniajhora T.G. at Kumargram Block | 699.27 | 38032827.19 (2nd RA bill) | 71045.20 | 136.09 | 9668541.27 | 941348.90 | |
| | | | | 20000 | 148.92 | 2978400.00 | 265000.00 | |
| | Gazoldoba 10 No. via Milan Pally to Sahudangi-NJP | 612.05 | 18617783.69 (2nd RA bill) | 8112 | 129.74 | 1052450.88 | 107484.00 | |
| | | | | 5408 | 195.64 | 1058021.12 | 71656.00 | |
| | Tandu T.G. More to Forest Basti under Nagrakata PS | 125.94 | 7615130.11 (4th RA bill) | 16446.84 | 73.98 | 1216737.22 | 217920.63 | |
| | | | | 12764.14 | 82.06 | 1047425.33 | 169124.86 | |
| | Jalpesh to Susir Hat within Maynaguri PS | 224.52 | 7374929.00 (1st RA bill) | 6805.37 | 134.74 | 916955.55 | 90171.15 | |
| | | | | 4408.28 | 200.64 | 884477.30 | 58409.71 | |
| | | Total | | | 144989.83 | | 18823008.67 | 1921115.25 |
| | | Widening and strengthening of road from kamarpukur to Badanganj | 911.77 | 21288011.69 (3rdRA bill) | 15257.55 | 95.80 | 1461673.29 | 202162.54 |
| | Grand Total | | | 625257.5906 | | 56179750.50 | 8284663.10 | |

Appendix - XXIII

(Reference: Paragraph 5.1.3; page no. 69)

Statement showing avoidable expenditure incurred during execution of road works

| Name of the Road | Item | Quantity executed (m ³) | Admissible rate (₹ / m ³) | Rate allowed (₹ / m ³) | Excess rate (₹ / m ³) | Total (₹ / m ³) | Tender rebate | Avoidable expenditure (in ₹) | |
|--|---|-------------------------------------|---------------------------------------|------------------------------------|-----------------------------------|-----------------------------|---------------|------------------------------|--------|
| Purulia ZP Barabazar to Sarberia (0-6.5 km) Expended ₹ 1.69 crore upto 4th RA bill Barabazar to Sarberia (6.5-13 km) Expended ₹ 2.05 crore upto final RA bill | WBM-grade 2 | 1660.82 | 1329.82 | 1600.90 | 271.08 | 450215 | 0.25% | 449089 | |
| | WBM-grade 3 | 1660.33 | 1600.68 | 2324.27 | 723.59 | 1201298 | | 1198395 | |
| | WBM-grade 2 | 1706.69 | 1329.82 | 1600.91 | 271.09 | 462667 | | 461510 | |
| | WBM-grade 3 | 1706.69 | 1600.68 | 2324.07 | 723.39 | 1234602 | | 1231516 | |
| | 20mm (PMC) | 22413.52 | 120.36 | 128.97 | 8.61 | 192980 | | 192498 | |
| | WBM-grade 2 | 815.91 | 1325.85 | 1528.04 | 202.19 | 164969 | 0.10% | 164804 | |
| | Belguma Simulia Road to Koltai (0-3.5 km) Expended ₹ 52.87 lakh upto 3rd RA bill Ajoydhya to upper dam PPSP Expended ₹ 66.31 lakh upto 3rd RA bill Ajoydhya to Shajuri (0-3.4km) Expended ₹ 77.62 lakh upto 4th RA bill Ajoydhya to Shajuri (3.4-6.8km) Expended ₹ 32.28 lakh upto 3rd RA bill Raghunathpur to Sarberia Expended ₹ 75.83 lakh upto 2nd RA bill | WBM-grade 3 | 430.49 | 1729.07 | 2260.75 | 531.68 | 228883 | | 228654 |
| | | WBM-grade 2 | 1458.92 | 1489.26 | 1580.89 | 91.63 | 133681 | 0.06% | 133601 |
| | | WBM-grade 3 | 205.36 | 2009.07 | 2250.02 | 240.95 | 49481 | | 49451 |
| | | WBM-grade 2 | 787.452 | 1443.55 | 1514.96 | 71.41 | 56232 | 0.05% | 56204 |
| WBM-grade 3 | | 787.452 | 2025.22 | 2226.34 | 201.12 | 158372 | | 158293 | |
| WBM-grade 2 | | 834.559 | 1443.55 | 1514.96 | 71.41 | 59596 | | 59566 | |
| WBM-grade 3 | | 238.485 | 2025.22 | 2226.34 | 201.12 | 47964 | | 47940 | |
| WBM-grade 2 | | 1684.61 | 1462.69 | 1559.95 | 97.26 | 163845 | 29.51% | 115494 | |
| WBM-grade 3 | | 914.09 | 1994.64 | 2277.32 | 282.68 | 258395 | | 182143 | |
| WBM-grade 2 | | 108.15 | 1462.69 | 1559.75 | 96.06 | 10497 | | 7399 | |
| | Total | | | | | | | 4736557 | |
| Jalpaiguri ZP Lalpur near Samuktala to Chuniajhora T.G. | GSB-1 | 3798.38 | 888.54 | 969.9 | 81.36 | 309036 | 33.99% | 203995 | |
| | GSB-2 | 4551.98 | 841.98 | 896.61 | 54.63 | 248675 | | 164150 | |
| | Grade-2/shingles | 46893.75 | 80.07 | 92.98 | 12.91 | 605398 | | 399623 | |
| | WBM-3 | 46893.75 | 119.99 | 130.9 | 10.91 | 511611 | | 337714 | |
| | CC(1:3:6) | 603.903 | 2496.57 | 2582.01 | 85.44 | 51597 | | 34059 | |
| | CC(1:2:4) | 951.057 | 3094.24 | 3200.89 | 106.65 | 101430 | | 66954 | |
| | Total | | | | | | | 1206495 | |
| | Grand total | | | | | | | 5943053 | |

Appendix - XXIV

(Reference: Paragraph 5.1.4; page no. 70)

Statement showing excess expenditure incurred by Uttar Dinajpur ZP due to non-availing rail transportation

| Name of the Road | Item | Quantity executed (m ³) | Admissible rate (₹ / m ³) | Rate allowed (₹ / m ³) | Excess rate (₹ / m ³) | Total (in ₹) | Tender rebate | Avoidable expenditure (in ₹) |
|---|------------------------|-------------------------------------|---------------------------------------|------------------------------------|-----------------------------------|--------------|---------------|------------------------------|
| Lakshipur more (Chaklaghat) to Kapasia within Itahar PS | WBM-grade 2 | 8351.47 | 193.19 | 216.46 | 23.27 | 194338.71 | 0.01% | 194319 |
| | WBM-grade 3 | 11092.49 | 197.29 | 220.37 | 23.08 | 256014.67 | | 255989 |
| | 20mm PMC (Open graded) | 11092.49 | 130.34 | 135.53 | 5.19 | 57570.02 | | 57564 |
| | 6mm Seal coat (Type-B) | 11092.49 | 43.97 | 45.24 | 1.27 | 14087.46 | | 14086 |
| Karnajora to Bamuaahat via Khalshi More under Raigaunge PS | WBM-grade 2 | 19817.302 | 214.45 | 235.84 | 21.39 | 423892.09 | 0.5% | 423680 |
| | WBM-grade 3 | 19817.302 | 218.38 | 239.58 | 21.20 | 420126.80 | | 419917 |
| | 20mm PMC (Open graded) | 19818.242 | 131.69 | 138.53 | 6.84 | 135556.78 | | 135489 |
| | 6mm Seal coat (Type-B) | 19818.242 | 46.24 | 47.43 | 1.19 | 23583.71 | | 23572 |
| SH-10A Thakurbari More via Sherpur under Raiganje and Hemtabad PS | WBM-grade 2 | 10269.649 | 216.41 | 240.39 | 23.98 | 246266.18 | 35% | 160073 |
| | WBM-grade 3 | 10269.649 | 215.51 | 239.05 | 23.54 | 241747.54 | | 157136 |
| | 20mm PMC (Open graded) | 10269.649 | 130.41 | 134.53 | 4.12 | 42310.95 | | 27502 |
| | 6mm Seal coat (Type-B) | 10269.649 | 48.97 | 49.88 | 0.91 | 9345.38 | | 6074 |
| Baharail to Basudevpur under Hemtabad PS | WBM-grade 2 | 27503.53 | 216.41 | 264.89 | 48.48 | 1333371.13 | 0.11% | 1331904 |
| | WBM-grade 3 | 27722.75 | 215.51 | 263.65 | 48.14 | 1334573.19 | | 1333105 |
| | 20mm PMC (Open graded) | 27621.59 | 139.56 | 144.49 | 4.93 | 136174.44 | | 136025 |
| | 6mm Seal coat (Type-B) | 27621.59 | 39.72 | 39.72 | 0.00 | 0.00 | | 0 |
| Total | | | | | | | | 4676435 |

Appendix-XXV

(Reference: Paragraph 5.1.5; page no. 71)

Statement showing undue benefit paid to contractor due to non adoption of revised rate of reinforcement for reinforced concrete work

| Description | Floor | Qty. in MT | Rate (₹/MT) | Admissible schedule rate (₹/MT) | Excess rate in (₹/MT) | Undue benefit (excess paid less 1.47% tender rebate) (in ₹) |
|--------------------|--------------|------------|------------------|---------------------------------|-----------------------|---|
| Polyclinic Bldg | Ground | 8.43801 | 56819 | 40000 | 16819 | 139832.68 |
| | 1st | 7.681235 | 56945 | 40126 | 16819 | 127291.59 |
| | 2nd | 0.91838 | 57071 | 40252 | 16819 | 15219.17 |
| Administrative | Ground | 6.824199 | 56819 | 40000 | 16819 | 113088.99 |
| | 1st | 6.828668 | 56945 | 40126 | 16819 | 113163.05 |
| | 2nd | 0.750986 | 57071 | 40252 | 16819 | 12445.16 |
| Specialized Qr | Ground | 8.29964 | 56819 | 40000 | 16819 | 137539.65 |
| | 1st | 6.97352 | 56945 | 40126 | 16819 | 115563.50 |
| | 2nd | 0.66941 | 57071 | 40252 | 16819 | 11093.30 |
| Security Residence | Ground | 1.05665 | 56819 | 40000 | 16819 | 17510.55 |
| Security shed | Ground | 0.009201 | 56819 | 40000 | 16819 | 152.48 |
| Pump house | Ground | 0.27355 | 56819 | 40000 | 16819 | 4533.21 |
| Garage | Ground | 1.27874 | 56819 | 40000 | 16819 | 21190.97 |
| Concrete pavement | Ground | 1.36023 | 56819 | 40000 | 16819 | 22541.41 |
| Compound wall | Ground | 2.41713 | 56819 | 40000 | 16819 | 40056.10 |
| Compound drain | Ground | 0.19006 | 56819 | 40000 | 16819 | 3149.63 |
| | Total | | 53.969609 | | | 894371.45 |

Appendix- XXVI

(Reference: Paragraph 5.1.7 ; page no. 75)

Statement showing unwarranted expenditure due to excess consumption of stone metal

| Uttar Dinajpur ZP | | | | | | | (in ₹) |
|--|--------------------------------------|---|-------------------------------------|---|---|--|--------|
| Name of work | Rate allowed (₹/ m ²) | Admissible rate as per current SOR (₹/ m ²) | Excess rate (₹/ m ²) | Quantity executed in m ² | Net excess after allowing tendered rebate | | |
| Strengthening of road from Thelamoni to Jhijhili(0.00km-8.80km) under Goalpokher -1 PS Tender rebate -0.75% | 199.94 213.44 | 185.42 199.41 | 14.52 14.03 | 31709.25 31709.25 | 456965.00 441544.00 | | |
| Construction of road from Baharail to Basudevpur (0.00km-7.00km) under Hemtabad PS Tender rebate -0.11% | 264.89 263.65 | 245.59 244.17 | 19.3 19.48 | 27503.53 27722.75 | 530234.00 539445.00 | | |
| Total | | | | | 1968188.00 | | |
| Less 1% cess | | | | | 1948506.00 | | |
| PMGSY road to Ullajote Binnabari GP (phase-1) Tender rebate -1.4% | 135.10 150.00 | 126.15 140.10 | 8.95 9.90 | 3600.75 3600.75 | 31776.00 35148.00 | | |
| PMGSY road to Ullajote Binnabari GP(phase-2) Tender rebate -1.05% | 135.10 150.00 | 126.15 140.10 | 8.95 9.90 | 4263.45 4263.45 | 37757.00 41765.00 | | |
| Phansidewa main road to Phansidewa BOP Tender rebate -1.21% | 135.10 150.00 | 126.15 140.10 | 8.95 9.90 | 5493.8 5493.8 | 48575.00 53731.00 | | |
| Rajibnagar BOP to Rakamjote via Haria More (phase-1) Tender rebate -1.15% | 129.65 145.50 | 121.27 135.27 | 8.38 10.23 | 4896 4896 | 40557.00 49510.00 | | |
| Rajibnagar BOP to Rakamjote via Haria More (phase-2) Tender rebate -1% | 129.65 145.50 | 121.27 135.27 | 8.38 10.23 | 5200 5200 | 43140.00 52664.00 | | |
| Bhulku under Raniganj Panisole GP at Kharibari Block Tender rebate -0.03% | 135.10 150.00 | 126.15 140.10 | 8.95 9.90 | 6578.6 6722.975 | 58861.00 66537.00 | | |
| Kotajote Kalibari to Kalua Jote via south Kotia Under Naxalbari GP Tender rebate -1.75% | 119.07 134.92 | 111.07 125.29 | 8.00 9.63 | 7746.43 7746.43 | 60887.00 73293.00 | | |
| Tetultala to Ruidasa Road under Jalua Nijamtara GP of SMP Tender rebate -2.01% | 116.73 132.52 | 109.11 123.27 | 7.62 9.25 | 9477.525 9477.525 | 70767.00 85905.00 | | |
| Rangali to NH-31 at Panitanki under Ranigaunge Panisole GP in Kharibari block Tender rebate -1.77% | 125.09 140.98 | 114.39 128.76 | 10.70 12.22 | 16830.375 16830.375 | 176897.00 202027.00 | | |
| Dhamal to Nayabasti under Lower Bagdogra GP in Naxalbari Tender rebate -1.10% | 122.97 138.88 | 114.47 128.76 | 8.50 10.12 | 10750.275 8600.22 | 90372.00 86077.00 | | |
| Total | | | | | 1406246.00 | | |
| Less 1% cess | | | | | 1392184.00 | | |
| Grand total | | | | | 3340690.00 | | |

Appendix-XXVII

Reference: Paragraph 5.1.8; page no.77)

Statement showing undue benefit paid to contractors for not specifying the type of stone metals in the price schedule/bill of quantity

| Name of the work | Item | Quantity executed | Rate admissible | Rate allowed | Excess rate | Excess paid | Tender rebate | Excess paid less tender rebate (in ₹) |
|---|-------|------------------------|-----------------|--------------|-------------|-------------|---------------|---------------------------------------|
| | | | (₹/MT) | | | | | |
| BT road from Mathurapur Chintamani Battala to BSF camp at Pipulberia GP | WBM-3 | 254.66 m ³ | 2763.52 | 3094.00 | 330.48 | 84160.04 | 1% | 83318.44 |
| | PMC | 3450.11 m ² | 125.10 | 130.47 | 5.37 | 18527.09 | 1% | 18341.82 |
| BT road from Gopalerpara Bridge to Baliadanga | WBM-3 | 237.91 m ³ | 2866.67 | 3076.53 | 209.86 | 49927.79 | 0.25% | 49802.97 |
| | PMC | 3168 m ² | 119.75 | 122.22 | 2.47 | 7824.96 | 0.25% | 7805.40 |
| BT road from Chamrna BT road to Hogalberia bazar | WBM-3 | 112.06 m ³ | 2815.47 | 3160.80 | 345.33 | 38697.68 | 51.26% | 18861.25 |
| | PMC | 1500 m ² | 119.23 | 123.76 | 4.53 | 6795.00 | 51.26% | 3311.88 |
| BT road from Ber Ramchandrapur to Paiksha | WBM-3 | 177.75 m ³ | 2800.11 | 3421.20 | 621.09 | 110398.75 | 35% | 71759.19 |
| | PMC | 2370 m ² | 122.09 | 123.57 | 1.48 | 3507.60 | 35% | 2279.94 |
| bituminous road from Ber Ramchandrapur Madrasah towards Ber Ramchandrapur BSF camp | WBM-3 | 232.47 m ³ | 2993.87 | 3271.46 | 277.59 | 64531.35 | 0.25% | 64370.02 |
| | PMC | 3095.87 m ² | 121.99 | 125.61 | 3.62 | 11207.05 | 0.25% | 11179.03 |
| BT road from BSF road towards Rampada Mondal house at Nasirer para at Hogalberia GP | WBM-3 | 233 m ³ | 2704.32 | 3184.40 | 480.08 | 111858.64 | 1% | 110740.05 |
| | PMC | 3104.49 m ² | 124.06 | 132.16 | 8.10 | 25146.37 | 1% | 24894.91 |
| Total | | | | | | | | 466664.90 |

Appendix- XXVIII

(Reference: Paragraph 5.1.9; page no. 78)

Statement showing excess payment for allowing excess rate over the scheduled rate

| | | (in ₹) | | | | | | |
|---|-------------------------------|---------------|--------------|----------------|------------------------------|-------------|---------------|---|
| Name of the work | Total /up to date expenditure | Item | Rate allowed | Scheduled rate | Quantity executed (in sq mt) | Excess rate | Excess amount | Total excess less tender rebate |
| Tokoria to Sindhri Road within Barabazar PS | 2409979 | Primer coat | 29.03 | 27.33 | 1457 | 1.70 | 2476.90 | 132844.00 less tender rebate of 0.05% = 132778.00 |
| | | Tack coat | 17.93 | 17.02 | 13155.12 | 0.91 | 11971.16 | |
| | | Premix carpet | 107.91 | 101.78 | 13155.12 | 6.13 | 80640.89 | |
| | | Seal coat | 45.11 | 42.24 | 13155.12 | 2.87 | 37755.19 | |
| Purulia -Beldih Road | 4876883 | Primer coat | 29.03 | 27.33 | 1058.71 | 1.70 | 1799.81 | 190382.00 less tender rebate of 0.04% = 190306.00 |
| | | Tack coat | 17.93 | 17.02 | 19029.45 | 0.91 | 17316.80 | |
| | | Premix carpet | 107.91 | 101.78 | 19029.45 | 6.13 | 116650.53 | |
| | | Seal coat | 45.11 | 42.24 | 19029.49 | 2.87 | 54614.64 | |
| Gurdamore-Kalabani Road | 2497993 | Primer coat | 28.90 | 27.20 | 1369.49 | 1.70 | 2328.13 | 135875.00 less tender rebate of 0.05% = 135807.00 |
| | | Tack coat | 14.22 | 13.55 | 14437.50 | 0.67 | 9673.13 | |
| | | Premix carpet | 105.04 | 99.02 | 14437.50 | 6.02 | 86913.75 | |
| | | Seal coat | 44.12 | 41.56 | 14437.50 | 2.56 | 36960.00 | |
| Bamni-Gopalnagar Road | 2468796 | Primer coat | 29.03 | 27.33 | 968 | 1.70 | 1645.60 | 135854.00 less tender rebate of 0.50% = 135175.00 |
| | | Tack coat | 17.93 | 17.02 | 13542.70 | 0.91 | 12323.86 | |
| | | Premix carpet | 107.91 | 101.78 | 13542.70 | 6.13 | 83016.75 | |
| | | Seal coat | 45.11 | 42.24 | 13542.70 | 2.87 | 38867.55 | |
| Ladhurka to Gamarkuri within Hura/Kashipur PS | 2308138 | Primer coat | 28.90 | 27.20 | 1299.41 | 1.70 | 2209.00 | 125230.00 less tender rebate of 0.05% = 125167.00 |
| | | Tack coat | 14.02 | 13.55 | 13018.10 | 0.47 | 6118.51 | |
| | | Premix carpet | 103.34 | 97.22 | 13018.10 | 6.12 | 79670.77 | |
| | | Seal coat | 44.02 | 41.16 | 13018.10 | 2.86 | 37231.77 | |
| Pundag to Karkara Road | 2493490 | Primer coat | 29.03 | 27.33 | 1336.19 | 1.70 | 2271.52 | 135908.00 less tender rebate of 0.05% = 135840.00 |
| | | Tack coat | 17.93 | 17.02 | 13485 | 0.91 | 12271.35 | |
| | | Premix carpet | 107.91 | 101.78 | 13485 | 6.13 | 82663.05 | |
| | | Seal coat | 45.11 | 42.24 | 13485 | 2.87 | 38701.95 | |

| Name of the work | Total /up to date expenditure | Item | Rate allowed | Scheduled rate | Quantity executed (in sq mt) | Excess rate | Excess amount | Total excess less tender rebate |
|--|-------------------------------|---------------|--------------|----------------|------------------------------|-------------|---------------|--|
| Rakhbar to Begunkodar Road | 2493449 | Primer coat | 29.03 | 27.33 | 1339.43 | 1.70 | 2277.03 | 138634.00 less tender rebate of 0.25%= 138287.00 |
| | | Tack coat | 17.93 | 17.02 | 13759.50 | 0.91 | 12521.15 | |
| | | Premix carpet | 107.91 | 101.78 | 13759.50 | 6.13 | 84345.74 | |
| | | Seal coat | 45.11 | 42.24 | 13759.50 | 2.87 | 39489.77 | |
| Arsha-Beldih road | 4808351 | Primer coat | 29.03 | 27.33 | 2639.61 | 1.70 | 4487.34 | 261516.00 less tender rebate of 0.05%= 261385.00 |
| | | Tack coat | 17.93 | 17.02 | 25936.31 | 0.91 | 23602.04 | |
| | | Premix carpet | 107.91 | 101.78 | 25936.31 | 6.13 | 158989.58 | |
| | | Seal coat | 45.11 | 42.24 | 25936.31 | 2.87 | 74437.21 | |
| Ladhurka to Gmarkuri within Hura/Kashipur PS | 4995392 | Tack coat | 14.22 | 13.55 | 31443.50 | 0.67 | 21067.15 | 294039.00 less tender rebate of 0.08%= 293804.00 |
| | | Premix carpet | 105.15 | 99.02 | 31443.50 | 6.13 | 192748.66 | |
| | | Seal coat | 44.42 | 41.56 | 28050 | 2.86 | 80223.00 | |
| | | Primer coat | 28.90 | 27.2 | 318.40 | 1.70 | 541.28 | |
| Duarsini-Kalabani Road | 2495272 | Tack coat | 14.02 | 13.55 | 15146.91 | 0.47 | 7119.05 | 143680.00 less tender rebate of 0.01%= 143666.00 |
| | | Premix carpet | 103.34 | 97.22 | 15146.91 | 6.12 | 92699.09 | |
| | | Seal coat | 44.02 | 41.16 | 15146.91 | 2.86 | 43320.16 | |
| | | Primer coat | 29.03 | 27.33 | 3426.54 | 1.70 | 5825.12 | |
| Manbazar by Pass Road | 2764010 | Tack coat | 17.93 | 17.02 | 6892.49 | 0.91 | 6272.17 | 74130.00 less tender rebate of 0.51% = 73752.00 |
| | | Premix carpet | 107.91 | 101.78 | 6892.49 | 6.13 | 42250.96 | |
| | | Seal coat | 45.11 | 42.24 | 6892.49 | 2.87 | 19781.45 | |
| | | Primer coat | 29.03 | 27.33 | 2912.12 | 1.70 | 4950.60 | |
| Manbazar by Pass Road (BRGF) | 2017159 | Tack coat | 17.93 | 17.02 | 2557.84 | 0.91 | 2327.63 | 30299.00 less tender rebate of 5.99%= 28484.00 |
| | | Premix carpet | 107.91 | 101.78 | 2557.84 | 6.13 | 15679.56 | |
| | | Seal coat | 45.11 | 42.24 | 2557.84 | 2.87 | 7341.00 | |
| | | Total | | | | | | |

Appendix- XXIX

(Reference: Paragraph 5.4.2; page no. 89)

Statement showing failure to collect fixed revenue of ₹ 10.97 crore

| Sl.No. | Name of PRIs | Particulars of own source revenue | Amount (₹ in lakh) | Period |
|--------|-------------------------|---|-----------------------|--------------------|
| 1 | Pingla | Rent from Mohrar | 0.20 | 01/06 to 05/12 |
| | | Rent from Deed-writer | 0.27 | 03/08 to 05/12 |
| | | Rent from Markets | 3.00 | 04/05 to 05/12 |
| | | Rent from Godown | 0.37 | 10/07 to 06/09 |
| 2 | Udaynarayanpur | License Fees | 5.64 | 2005-06 to 2012-13 |
| 3 | Jamalpur | License Fees of Kerosene Dealers | 0.79 | 2010-11 to 2011-12 |
| | | Lease of ferry ghats | 2.90 | 2005-06 to 2013-14 |
| 4 | Mahishadal | License Fees | 8.91 | 2005-06 to 2011-12 |
| | | Rent from Stall of Market Complex & Canteen | 2.72 | 12/05 to 05/12 |
| 5 | Bagnan-I | Rent from stalls | 3.60 | 06/08 to 02/12 |
| 6 | Gangajalghati | Rent from stalls | 3.66 | 09/05 to 12/12 |
| 7 | Bhangar-II | Rent from office buidling | 1.47 | 07/04 to 03/12 |
| 8 | Kharagpur-II | Rent of office buildings & stall | 12.99 | 04/03 to 12/12 |
| 9 | Amta-I | Rent of shop & vehicles | 4.88 | 07/02 to 05/12 |
| 10 | Krishnagar-I | Rent from stalls | 3.28 | 03/03 to 03/12 |
| | | License Fees of Brick fields & Saw mills | 0.38 | |
| 11 | Salanpur | Rent from stalls | 2.95 | 10/96 to 03/12 |
| 12 | Tamluk | Rent from stalls | 4.62 | 09/05 to 03/12 |
| | | Rent from office buidling | 4.79 | 2001-02 to 2011-12 |
| 13 | Uluberia-II | License Renewal Fees | 5.23 | 2005-06 to 2011-12 |
| 14 | Taldangra | Rent from stalls | 3.04 | 02/09 to 08/12 |
| 15 | Debra | Rent from Canteen | 0.34 | 12/08 to 08/12 |
| 16 | Galsi-II | License Fees of Kerosene Dealers | 1.14 | 2006-07 to 2011-12 |
| | | Rent from stalls | 0.56 | |
| 17 | Haringhata | License Fees, lease amt. etc. | 7.05 | 2010-11 to 2011-12 |
| 18 | Nandakumar | Rent from Stalls | 1.16 | 01/09 to 04/12 |
| 19 | Bardhaman-II | License Fees | 0.47 | 03/98 to 03/12 |
| | | Rent from Stalls | 1.34 | 08/08 to 05/12 |
| 20 | Manbazar-II | Rent & security deposit from Stalls | 1.49 | 10/08 to 02/13 |
| 21 | Sabang | Rent & security deposit from Stalls | 15.11 | 03/09 to 03/12 |
| 22 | Para | Rent from Stalls | 8.76 | 06/02 to 12/12 |
| 23 | Manbazar- I | Office Rent | 1.03 | 8/11 to 1/13 |
| | | Lease of Haat | 8.67 | 03/10 to 02/13 |
| 24 | Hariharpara | Rent of Market Stalls | 1.01 | 09/08 to 03/12 |
| 25 | Samsergunj | Trade license fee | 13.07 | Upto 03/12 |
| 26 | Tehatta- II | Lease of tanks, ponds and qtrs. | 1.94 | 2001 to 2014 |
| 27 | Chandipur | Rent of Market Stalls | 0.46 | 04/09 to 03/13 |
| 28 | Shyampur-II | Trade license fee | 0.88 | 2010-11 to 2011-12 |
| 29 | Santuri | Rent of Market Stalls | 0.74 | 03/11 to 03/12 |
| 30 | Murshidabad Jiyaganj | Rent of Market Stalls | 0.64 | 01/05 to 03/13 |
| 31 | Sarenga | Rent of Market Stalls | 6.43 | 06/00 to 12/12 |
| 32 | Karimpur-II | Lease money of stall (Market Complexes) | 7.50 | 09/07 to 01/13 |
| 33 | Bagnan-II | Lisence fee (Brick field, oil pump etc) | 0.83 | 2008-09 to 2012-13 |
| 34 | Suti-II | Rent of Brick factory | 0.99 | 11/09 to 01/13 |
| 35 | Khatra | Rent of Market Stalls | 0.93 | 06/07 to 06/13 |

| Sl.No. | Name of PRIs | Particulars of own source revenue | Amount (₹ in lakh) | Period |
|---|-------------------|---|-----------------------|--------------------|
| Zilla Parishad | | | | |
| 36 | Bankura | Lease rent of stall (Market Complexes) | 7.12 | Upto 03/12 |
| | | Lease rent of bundhs | 22.33 | |
| | | Sundry dues of ZP Press | 20.03 | |
| 37 | Bardhaman | Lease rent of stall (Market Complexes) & land | 9.19 | 1998-99 to 2012-13 |
| | | Reservation charge of Meeting Hall | 1.46 | |
| | | Sundry dues of ZP Press | 56.63 | |
| 38 | Birbhum | Toll tax | 102.26 | 01/09 to 08/12 |
| | | Lease rent of parking plaza | 30.05 | |
| | | Lease rent of Sainthia bridge | 16.21 | |
| | | Lease rent of stall (Market Complexes) | 29.48 | |
| 39 | Coochbehar | Sundry dues of ZP Press | 65.41 | 1994-95 to 2011-12 |
| 40 | Dakshin Dinajpur | Rent of Market Stalls | 2.00 | Upto 03/12 |
| 41 | Howrah | Lease rent of Ferry ghat | 7.36 | 11/08 to 09/12 |
| | | License fees of leased land | 21.58 | 04/71 to 03/12 |
| | | Rent of Market Stalls | 48.74 | 2010-11 to 2011-12 |
| 42 | Jalpaiguri | Rent of Market Stalls | 277.65 | 2001-02 to 2011-12 |
| 43 | Malda | Rent of Market Stalls | 36.75 | 10/93 to 03/12 |
| 44 | Murshidabad | Rent of Market Stalls | 3.82 | 2011-12 |
| 45 | Nadia | Rent of Market Stalls & charitable dispensary | 13.15 | 01/12 to 09/12 |
| | | Rent of Govt. offices | 8.67 | 10/10 to 10/12 |
| 46 | North 24 Parganas | Lease Money | 14.75 | 08/92 to 12/12 |
| | | Rent of Market Stalls | 43.64 | |
| 47 | Siliguri MP | Rent of Meeting Hall/ bunglow | 2.89 | |
| 48 | Uttar Dinajpur | Rent of Market complex, Bunglow Complx & Ferry Ghat | 6.94 | 2011-12 |
| Total | | | 1006.34 | |
| Non collection of renewal/license fees due to not framing bye-laws | | | | |
| Panchayat Samiti | | | | |
| 1 | Bagnan-II | Trade license fee | 1.15 | 2009 to 2012 |
| 2 | Gangajalghati | Trade license fee | 1.17 | 2010 to 2012 |
| 3 | Jamuraia | Trade license fee | 0.44 | 2010 to 2012 |
| 4 | Khatra | Trade license fee | 26.78 | 2005 to 2012 |
| 5 | Kakdwip | Trade license fee | 2.13 | 2009 to 2012 |
| 6 | Santuri | Trade license fee | 0.72 | 2010 to 2012 |
| 7 | Pingla | Trade license fee | 7.60 | 2005 to 2012 |
| 8 | Arsha | Trade license fee | 1.39 | 2010 to 2012 |
| | | | 41.38 | |
| Non collection of renewal/license fees in spite of framing | | | | |
| 9 | Indas | Trade license fee | 1.39 | 2005 to 2009 |
| 10 | Bhangar-II | Trade license fee | 3.63 | 2009 to 2012 |
| 11 | Dantan-II | Trade license fee | 0.71 | 2005 to 2012 |
| 12 | Kalna-II | Trade license fee | 3.01 | 2005 to 2012 |
| 13 | Bhagwanpur-II | Trade license fee | 1.32 | 2010 to 2012 |
| 14 | Puncha | Trade license fee | 0.40 | 2010 to 2012 |
| 15 | Raghunathpur-II | Trade license fee | 0.88 | 2010 to 2012 |
| 16 | Bharatpur-II | Trade license fee | 0.90 | 2010 to 2012 |
| 17 | Sarenga | Trade license fee | 14.49 | 2005 to 2012 |
| 18 | Kaliachak-II | Trade license fee | 0.95 | 2009 to 2012 |
| 19 | Contai-I | Trade license fee | 11.74 | 2005 to 2012 |
| 20 | Suti-II | Trade license fee | 9.84 | 2009 to 2012 |
| Total | | | 49.26 | |

Glossary of abbreviations

| Abbreviation | Full form |
|---------------------|---|
| 12 th FC | Twelfth Finance Commission |
| 13 th FC | Thirteenth Finance Commission |
| AEO | Additional Executive Officer |
| BOQ | Bill of Quantity |
| BRGF | Backward Region Grant Fund |
| DPC | District Planning Committee |
| DPRDO | District Panchayat and Rural Development Officer |
| DRDC | District Rural Development Cell |
| ELA | Examiner of Local Accounts |
| EPIC | Elector's Photo Identity Cards |
| FT ACCOUNT | Fund Transfer Account |
| GoI | Government of India |
| GP | Gram Panchayat |
| GPMS | Gram Panchayat Management System |
| IAY | Indira Awaas Yojana |
| ICDS | Integrated Child Development Scheme |
| IFMAS | Integrated Fund Monitoring and Accounting System |
| IGNOAPS | Indira Gandhi National Old Age Pension Scheme |
| IR | Inspection Report |
| IRC | Indian Road Congress |
| MAS | Model Accounting System |
| MGNREGS | Mahatma Gandhi Nation Rural Employment Guarantee Scheme |
| MP | Mahakuma Parishad |
| MPLAD | Member of Parliament Local Area Development |
| MPR | Monthly Progress Report |
| NFBS | National Family Benefit Scheme |
| NMBS | National Maternity Benefit Scheme |
| NOAPS | National Old Age Pension Scheme |
| NRHM | National Rural Health Mission |
| NSAP | National Social Assistance Programme |
| OSR | Own Source of Revenue |
| P&RDD | Panchayat and Rural Development Department |
| PA&AO | Parishad Accounts and Audit Officer |
| PHC | Public Health Centers |
| PO | Programme Officer |
| PRIs | Panchayati Raj Institutions |
| PS | Panchayat Samiti |
| PWD | Public Works Department |
| PWL | Permanent Wait List |
| RA&AO | Regional Accounts and Audit Officer |
| RHS | Rural Household Survey |
| RIDF | Rural Infrastructure Development Fund |
| RRM | Rural Road Manual |
| RSM | Rural Sanitary Mart |
| SA&AO | Samiti Accounts and Audit Officer |
| SFC | State Finance Commission |
| SGRY | Sampoorna Gramin Rozgar Yojana |
| SGSY | Swarnajayanti Gram Swarajgar Yojana |
| SHG | Self Help Group |
| SOR | Schedule of Rates |
| SSK | Sishu Siksha Kendra |
| TSC | Total Sanitation Campaign |
| UC | Utilisation Certificate |
| WBM | Water Bound Macadam |
| WBREGS | West Bengal Rural Employment Guarantee Scheme |
| WBSRDA | West Bengal State Rural Development Agency |
| ZP | Zilla Parishad |

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