



**Report of the  
Examiner of Local Accounts  
on  
Panchayati Raj Institutions  
for the year ended March 2015**



**Government of West Bengal**



## TABLE OF CONTENTS

	Paragraph no.	Page no.
<b>PREFACE</b>		ix
<b>OVERVIEW</b>		xi-xvi
<b>CHAPTER I</b>		
<b>AN OVERVIEW OF THE PANCHAYATI RAJ INSTITUTIONS</b>		
Introduction	1.1	1
State Profile (Rural)	1.2	1
Powers, Functions and Organisational structure of PRIs	1.3	1
Devolution of functions	1.4	4
Fund of PRIs	1.5	4
Accounting procedure of PRIs	1.6	5
Financial Position of PRIs	1.7	6
Sectoral Analysis	1.8	6
Thirteenth Finance Commission Grants	1.9	8
District Planning Committee	1.10	8
State Finance Commission Grants	1.11	11
Audit mandate for PRIs	1.12	12
Audit Coverage	1.13	13
Response to Audit Reports	1.14	13
Pending Audit Observations of Inspection Reports	1.15	13
Recovery at the instance of audit	1.16	14
<b>CHAPTER II</b>		
<b>FINANCIAL MANAGEMENT</b>		
Computerisation and preparation of PRI accounts	2.1	15
Expenditure incurred without preparing budget and in excess of budget	2.2	15
Losses due to misappropriation, defalcation and theft of materials	2.3	16
Deduction of Income Tax, Sales Tax, Cess etc.	2.4	16
Reconciliation of discrepancies in cash balances	2.5	16
Maintenance of registers/documents/records	2.6	16
Internal audit of PRIs	2.7	17
Irregularities in Fund Transfer Account (FT Account)	2.8	17
Irregular diversion of funds amounting to ₹ 13.25 lakh	2.9	17

Lapsed cheques valuing ₹ 1.17 crore not taken back into account	2.10	18
Delayed and non-deposit of collection money	2.11	18
Non-adjustment of advance of ₹ 8.91 crore	2.12	19
Failure in augmentation of revenue	2.13	20
Lapses in monitoring over utilisation of grants	2.14	22
<b>CHAPTER III</b>		
<b>IMPLEMENTATION OF SCHEMES</b>		
<b>Mahatma Gandhi National Rural Employment Guarantee Scheme</b>	<b>3.1</b>	<b>25</b>
Violation of Scheme Guidelines	3.1.1	25
Delay in payment of wages	3.1.2	26
Estimated mandays vis-à-vis actually generated mandays	3.1.3	26
More than 100 days' employment provided to household	3.1.4	26
Observation on social audit	3.1.5	27
Retention of Sampoorna Grameen Rozgar Yojana (SGRY) funds	3.1.6	27
<b>Indira Awaas Yojana</b>	<b>3.2</b>	<b>27</b>
Curtailment of IAY assistance due to excess unspent balance	3.2.1	28
Assistance given to ineligible persons	3.2.2	28
Homeless people not given priority	3.2.3	29
Allotment of huts to male members of a family	3.2.4	30
Non-utilisation of assistance and non-disbursement of subsequent installments	3.2.5	30
Mismatch in the names of beneficiaries	3.2.6	32
Land ownership of beneficiaries not ensured before disbursement	3.2.7	32
Engagement of agency	3.2.8	32
Unauthorised expenditure	3.2.9	32
Construction of sanitary latrines and smokeless <i>chullahs</i> not ensured	3.2.10	33
<b>Total Sanitation Campaign (TSC)/ Nirmal Bharat Abhiyan (NBA)</b>	<b>3.3</b>	<b>33</b>
Non-inclusion of TSC funds in ZP's accounts	3.3.1	33
Inadmissible expenditure	3.3.2	34
Undue benefit to RSM	3.3.3	34
Poor physical performance in Solid and Liquid Waste Management (SLWM)	3.3.4	35
<b>Conclusions</b>	<b>3.4</b>	<b>35</b>

<b>CHAPTER IV</b>		
<b>PERFORMANCE AUDIT</b>		
<b>Total Sanitation Campaign/ <i>Nirmal Bharat Abhiyan</i></b>	<b>4.1</b>	<b>37</b>
Introduction	4.1.1	38
Funding Pattern	4.1.2	38
Organisational set up	4.1.3	39
Audit objectives	4.1.4	40
Audit Criteria	4.1.5	40
Scope and audit methodology	4.1.6	40
Audit findings	4.1.7	41
<b>Conclusion</b>		<b>51</b>
<b>Recommendations</b>		<b>52</b>
<b>Thirteenth Finance Commission recommendations and grass root level development through PRIs</b>	<b>4.2</b>	<b>53</b>
Introduction	4.2.1	54
Organisational set up	4.2.2	54
Audit Objectives	4.2.3	54
Audit Criteria	4.2.4	55
Audit coverage and methodology	4.2.5	55
Audit findings	4.2.6	56
Identification of priority sectors for utilisation of 13th FC Grant	4.2.7	61
Preparation of Annual Action Plan	4.2.8	66
Inadmissible expenditure /diversion of funds	4.2.9	67
Identification of areas for augmentation of revenues	4.2.10	69
Appointment of local body Ombudsman	4.2.11	70
Setting of bench marks in respect of service delivery	4.2.12	70
Monitoring	4.2.13	71
Maintenance of Scheme Register	4.2.14	71
<b>Conclusion</b>		<b>72</b>
<b>Recommendations</b>		<b>72</b>

<b>CHAPTER V</b>		
<b>AUDIT OF TRANSACTIONS</b>		
<b>Non-compliance with rules and regulations</b>	<b>5.1</b>	<b>73</b>
Excess expenditure of ₹ 4.58 crore	5.1.1	73
Excess expenditure of ₹ 1.98 crore due to non-adherence to SOR	5.1.2	74
Non-recovery of ₹ 1.52 crore owing to non-execution of lease agreement	5.1.3	75
Loss of ₹ 37.11 lakh due to non-adherence to the government orders	5.1.4	77
<b>Expenditure without justification and against propriety</b>	<b>5.2</b>	<b>78</b>
Unfruitful Expenditure of ₹ 58.89 lakh	5.2.1	78
Excess expenditure of ₹ 39.05 lakh due to excess lead in supply of materials	5.2.2	79
Excess expenditure of ₹ 35.87 lakh due to allowance of unwarranted component	5.2.3	80
Avoidable expenditure of ₹ 28.07 lakh	5.2.4	81
<b>Persistent/pervasive irregularities</b>	<b>5.3</b>	<b>83</b>
Loss of ₹ 4.79 crore due to non-realisation of establishment charges	5.3.1	83
<b>Failure of oversight/ governance</b>	<b>5.4</b>	<b>85</b>
Irregularities in tender formalities for works worth ₹ 4.32 crore	5.4.1	85

## APPENDICES

Appendix no.	Description	Page no.
Appendix-I	List of Audit Queries in respect of which no reply was received.	89
Appendix-II	Statement showing no. of GPs that incurred expenditure in excess of budget provision during 2013-14.	91
Appendix-III	Statement showing losses due to theft and defalcation of fund and material, missing of official documents and other assets noticed in PRIs in the year 2013-14.	92
Appendix-IV	Statement Showing no. of GPs who did not deduct IT and ST during 2013-14.	92
Appendix-V	Statement showing non-reconciliation between Cash Book and Pass Book balances as of March 2014.	93
Appendix-VI	Statement Showing Internal Audit not conducted in PSs and ZPs during 2011-14.	94
Appendix-VII	Statement Showing Internal Audit not conducted in GPs during 2013-14.	95
Appendix-VIII	Statement showing no. of GPs where durable assets were not created during 2013-14.	95
Appendix-IX	Statement showing no. of GPs where estimated mandays were not achieved during 2013-14.	96
Appendix-X	Statement showing number of GPs where female persondays were less than prescribed percentage during 2013-14.	96
Appendix-XI	Details of units selected for Performance Audit of Total Sanitation Campaign (TSC)/ <i>Nirmal Bharat Abhiyan</i> (NBA).	97
Appendix-XII	Delay in release of TSC/NBA funds during 2009-14.	98
Appendix-XIII	Details of units selected for Performance Audit of Thirteenth Finance Commission Recommendations and grass root level development through PRIs.	99
Appendix-XIV	Statement showing total receipt and expenditure of 13th FC fund in selected PRIs during 2010-15.	100
Appendix-XV	Statement showing total collection of own fund vis-à-vis total receipts of 25 PRIs during 2010-15.	101
Appendix-XVI	Statement showing excess expenditure occurred due to consideration of expensive/ excess quantity of materials.	104
Appendix-XVII	Statement of excess expenditure for allowing payment for higher degree of compaction without obtaining any documentary evidence.	106
Appendix-XVIII	Statement showing excess expenditure incurred due to inclusion of additional void in the rate of stone metal.	107
Appendix-XIX	Statement showing avoidable expenditure incurred by Bankura ZP.	109



# PREFACE

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

The ELA prepares unit-wise report on the accounts of PRIs 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 ended March 2015 relates to matters arising from observations of audit of the PRIs as well as Performance Audits of Total Sanitation Campaign/ *Nirmal Bharat Abhiyan* and Thirteenth Finance Commission Recommendations and grass root level development through PRIs. 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 2014-15 as well as those noticed in the earlier years but could not be dealt with in the previous Reports.



# OVERVIEW



## OVERVIEW

This report contains five chapters. While Chapter I provides an overview of Panchayati Raj Institutions (PRIs) detailing powers, functions and organisational structure of PRIs, Fund and Financial position of PRIs, State Finance Commission Grants etc., Chapters II and III present findings/observations on Financial Management and Implementation of Schemes. Outcomes of Performance Audits conducted on “Total Sanitation Campaign/ *Nirmal Bharat Abhiyan*” and “Thirteenth Finance Commission recommendations and grass root level development through PRIs” have been included in Chapter IV. Chapter V 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 given below.

### An Overview of PRIs

Collection of Own Fund Receipt (OFR) in respect of PRIs remained poor. In Bankura, it was the least with 0.1 *per cent* of total receipt while in Cooch Behar, it was the best with 4.61 *per cent* of total receipts.

*(Paragraph 1.7)*

Receipt and expenditure of all heads for the year 2014-15 were found identical which indicated lack of accounting controls in P&RDD. Overall receipt of PRIs increased by 21 *per cent* during 2014-15 over that of 2013-14. Allocation under Social Security and Rural Development were decreased by 40.58 *per cent* and 61.74 *per cent* respectively during 2014-15 over 2013-14.

The accounts of PRIs were not consolidated at any level and P&RDD failed to provide figures for the total expenditure incurred by PRIs.

*(Paragraphs 1.8 and 1.8.1)*

PRIs expended most of the funds received under Third State Finance Commission Grants for creation and development of new assets and maintenance of existing assets. Social sectors were given less priority.

*(Paragraph 1.11)*

## **Financial Management**

Audit of 18 Zilla Parishads (including one Mahakuma Parishad), 96 Panchayat Samitis and 3231 Gram Panchayats revealed that financial management and internal control system in PRIs were weak as detailed below:

Howrah and South 24 Parganas ZPs spent ₹ 4.54 crore without preparing the budget estimates and 232 PRIs made excess expenditure of ₹ 32.16 crore without preparing supplementary and revised budget estimates during 2013-14.

*(Paragraph 2.2)*

Three ZPs, 17 PSs and 17 GPs did not prepare bank reconciliation statement of differences between bank balances as per cash book and bank pass book of ₹ 62.32 crore as on 31 March 2014.

*(Paragraph 2.5)*

Eighteen ZPs and 94 PSs retained schematic funds of ₹ 284.24 crore along with interest accrued under Fund Transfer Account as of March 2014.

*(Paragraph 2.8)*

In 28 PRIs, advance of ₹ 8.91 crore remained outstanding after expiry of the stipulated time and 77 PRIs failed to augment revenues to the tune of ₹ 14.21 crore during 2013-14.

*(Paragraphs 2.12 and 2.13)*

## **Implementation of Schemes**

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is being implemented in PRIs. Delayed payment of wages, failure to generate estimated mandays and stipulated women persondays, provide more than 100 days' employment and failure to conduct social audit were the deviations from the guidelines noticed.

Delay in disbursement of wages was noticed in 74 GPs and 347 GPs in 2012-13 and 2013-14 respectively.

*(Paragraph 3.1.2)*

Six hundred and seven GPs could not generate estimated mandays according to their annual action plan and 767 GPs failed to generate the stipulated minimum women persondays of 33 *per cent* during 2013-14.

**(Paragraph 3.1.3)**

Employment in excess of 100 days' was provided in 257 GPs and social audit was not conducted in 43 GPs during 2013-14.

**(Paragraphs 3.1.4 and 3.1.5)**

GoI curtailed total ₹ 44.66 crore from Central assistance of Paschim Medinipur ZP and Siliguri Mahakuma Parishad during 2013-14 due to excess carry over of funds and State share to the tune of ₹14.89 crore was also curtailed.

**(Paragraph 3.2.1)**

IAY assistance amounting to ₹ 23.18 lakh was provided to 54 ineligible beneficiaries of Old Malda, Murarai-II and Jagatballavpur PSs during 2011-14.

**(Paragraph 3.2.2)**

During 2010-14, in 32 PSs, IAY assistance of ₹ 33.73 crore were allotted to 7140 male members despite female members being available in the family in violation of guidelines.

**(Paragraph 3.2.4)**

During 2011-14, English Bazar, Raghunathpur-I and Arambagh PSs spent ₹ 11.18 lakh for purposes not authorised under IAY while smokeless *chullahs* and sanitary latrines were not constructed in 17217 IAY houses of 13 PSs.

**(Paragraphs 3.2.9 and 3.2.10)**

Accounts of TSC for the years 2012-13 and 2013-14 were not incorporated in the accounts of Hooghly ZP and three PRIs expended ₹10.23 lakh towards items not permissible under TSC.

**(Paragraphs 3.3.1 and 3.3.2)**

## **Performance Audits**

### **4.1 Total Sanitation Campaign/ *Nirmal Bharat Abhiyan***

Two sets of accounts were prepared by P&RDD and WBSRDA for TSC/NBA at State level and in those accounts, there were discrepancies in the figures reflected in respect of Central and State shares. These discrepancies ranged from ₹ 0.96 crore to ₹ 1.96 crore for the Central shares and from ₹ 1.96 crore to ₹ 11.99 crore for the State shares during 2009-10 to 2012-13.

TSC/NBA funds were released to PRIs after delays ranging from 3 to 117 days in respect of Central shares and after 52 to 195 days in respect of State shares. Bardhaman and Purba Medinipur ZPs also delayed the disbursement of funds during 2009-14.

***(Paragraph 4.1.7.3)***

Six GPs failed to maintain their *Nirmal* status after three to four years of receiving the award.

***(Paragraph 4.1.7.4)***

Beneficiary database was not found in any of the selected PRIs. Forty beneficiaries of three districts were found to have been provided double benefits of IHHL.

***(Paragraph 4.1.7.5)***

During 2010-14, Uttar Dinajpur and Jalpaiguri ZPs did not prepare any convergence plan; no fund under convergence was provided to IAY beneficiaries for construction of toilets in Murshidabad, Uttar Dinajpur and Jalpaiguri districts.

***(Paragraph 4.1.7.7)***

None of the selected 56 GPs out of five selected districts convened *Gram Swachhhata Sabha* (GSS) as required. Moreover, no mechanism for periodic evaluation had been developed by the State Government except for NGP aspirant GPs.

***(Paragraphs 4.1.7.10 and 4.1.7.11)***

## 4.2 Thirteenth Finance Commission recommendations and grass root development through PRIs

Finance Department delayed releasing the funds to P&RDD, subsequently causing delay in release of funds to PRIs and released interest to the tune of ₹ 21.64 crore against total amount of interest payable to the PRIs amounting to ₹ 37.29 crore for delayed release.

*(Paragraph 4.2.6.1)*

West Bengal had an allocation of ₹ 4157.94 crore for PRIs but P&RDD received a total amount of ₹ 2750.24 crore against such allocations for disbursement to PRIs.

*(Paragraph 4.2.6.2)*

The State Government delayed releasing funds to the PRIs and selected PRIs also delayed transferring the funds to other tiers of PRIs. Delays ranging from few days to several months were observed at every stage in the transfer of funds.

*(Paragraphs 4.2.6.4 and 4.2.6.5)*

Ranges of fund utilisation towards basic amenities of civic life and water supply in selected 58 PRIs were sub-optimal, while 11 PRIs could not utilise any amount for e-governance system.

*(Paragraphs 4.2.7.3 and 4.2.7.4)*

All 58 PRIs incurred inadmissible expenditure of ₹ 16.30 crore towards creation of new assets, maintenance of religious infrastructure, maintenance of assets not belonging to PRIs and payment of salaries to casual staff in violation of the order of the State Government.

*(Paragraphs 4.2.9.1, 4.2.9.2 and 4.2.9.3)*

Out of selected PRIs, 33 PRIs did not frame bye-laws for augmentation of revenue and in the remaining 25 PRIs, own funds constituted only 0.05 to 19.19 *per cent* of total receipts of those PRIs during 2010-15. Besides, none of the selected PRIs took up any step to recover Operations and Maintenance (O&M) costs in the form of user charges.

*(Paragraphs 4.2.10.2 and 4.2.10.3)*

The State Government could not furnish any documents in support of monitoring over utilisation of funds reported by PRIs in MPRs. Monitoring at all level was found inadequate as instances of non-submission/ irregular submission of MPRs and UCs were observed.

*(Paragraphs 4.2.13.1 and 4.2.13.2)*

### **Audit of Transactions**

Murshidabad ZP while executing construction works of 14 roads incurred excess expenditure of ₹ 4.58 crore due to payment at rates higher than those prescribed in the Schedule of Rates.

*(Paragraph 5.1.1)*

Hooghly ZP did not execute the lease agreement with the lessee of Telenipara *ferry ghat* and did not terminate the lease in the event of non-deposit the lease money which resulted in non-recovery of ₹ 1.52 crore.

*(Paragraph 5.1.3)*

Hooghly ZP, in sheer disregard to the Government orders, decided to continue with development charges at old rates and suffered a loss of ₹ 37.11 lakh.

*(Paragraph 5.1.4)*

Paschim Medinipur failed to utilise the market complex even after five years of construction and Jalpaiguri ZP failed to coordinate with Irrigation and Waterways Directorate (I&WD) before taking up construction work of *sausage bundh* and incurred unfruitful expenditure of ₹ 58.89 lakh.

*(Paragraph 5.2.1)*

Bankura and Birbhum ZPs did not adhere to the provisions of SOR, IRC codes and specifications of MORT&H while executing road works and incurred an avoidable expenditure of ₹ 28.07 lakh.

*(Paragraph 5.2.4)*

Purba Medinipur and Malda ZPs irregularly awarded contracts worth ₹ 4.32 crore to non-deserving bidders without adhering to the provisions of the Rules prescribed for the tendering procedures.

*(Paragraph 5.4.1)*

# **CHAPTER I**

## **An Overview of the Panchayati Raj Institutions (PRIs)**



# Chapter I

## An Overview of the Panchayati Raj Institutions (PRIs)

### 1.1 Introduction

Panchayats, the third tier of democratic governance were constitutionally shaped under 73rd Amendment of the Constitution in 1992. Prior to that, West Bengal Panchayat Act, 1973 was enacted to promote democratic decentralisation of power and involvement of people at grass root level for identification and implementation of developmental projects in the State. As of April 2015, the State has 3,347 Gram Panchayats (GPs) at the village level, 333 Panchayat Samitis (PSs) at intermediate level between the district and village, 18 Zilla Parishads (ZPs) and one Mahakuma Parishad (MP) at the district level.

### 1.2 State Profile (Rural)

The total population of rural areas of West Bengal was 6.22 crore and it was 68.13 *per cent* of the total population of the State as per census data 2011. Out of which, males and females were 3.18 crore and 3.03 crore respectively. The population growth rate recorded in the previous decade was 7.68 *per cent*.

In West Bengal, children (0-6 age) constitute 12.58 *per cent* of total rural population and females constitute 953 per 1000 males, while for the children (0-6 age) the ratio was 959 girls per 1000 boys.

### 1.3 Powers, Functions and Organisational structure of 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.

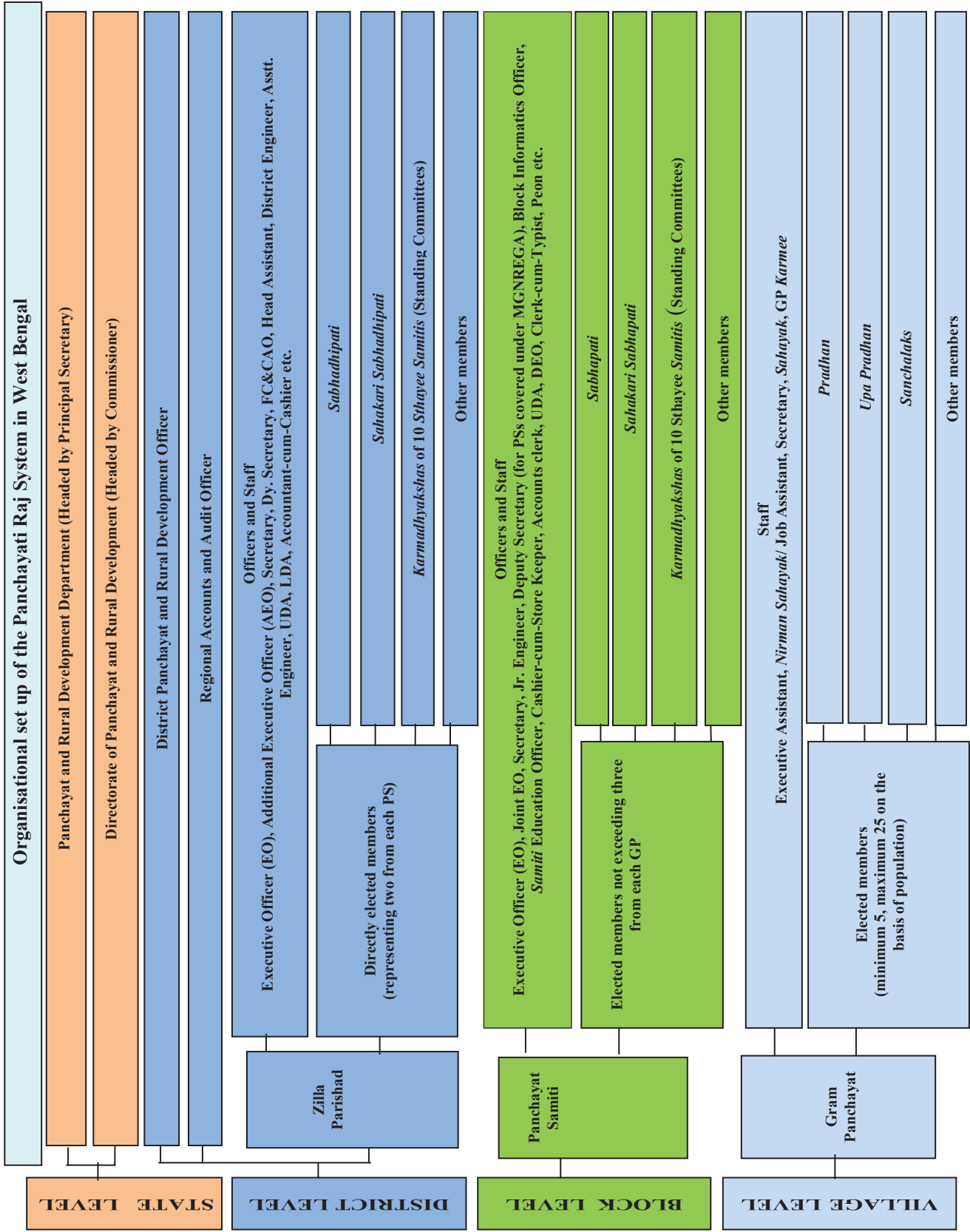
The above powers and duties were included and categorised in Sections 19 to 34; 109 to 118 and 153 to 165 of West Bengal Panchayat Act, 1973 for GPs, PSs and ZPs respectively.

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 as members.

**Table 1.1**  
**Standing Committees under ZPs, PSs and GPs**

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

*(Source: Sections 171, 124 and 32A of West Bengal Panchayat Act, 1973)*



#### **1.4 Devolution of functions**

Article 243G 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 exercised between November 2005 and October 2007.

PRIs in West Bengal have played an advanced role in certain aspects of service delivery through implementation of certain schemes but their ability to influence the outcome has 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.

#### **1.5 Fund of PRIs**

PRIs receive grants from the Central and the State Governments for implementation of assigned schemes. Central funds were released to PRIs either directly or through the State budget while the State Government releases salary grants, state share of Centrally Sponsored Schemes and Finance Commission grants through State budget and also via West Bengal State Rural Development Agency (WBSRDA), an agency of Panchayat and Rural Development Department (P&RDD), West Bengal.

ZPs and PSs deposit State funds in the Treasury in Deposit Account head 8448-Local Fund Deposit Account, 109-Panchayat Bodies which is operated as non-interest bearing bank account while funds for the Centrally Sponsored Scheme are deposited in Savings Account as per the guidelines of the respective schemes. GPs keep these funds in one or more Savings Account maintained with a nearby nationalised bank or any other scheduled bank or licensed Co-operative Bank or Post Office. The sources of various funds and their custody for each tier as well as the fund flow arrangements for flagship schemes are given in the table below:

**Table 1.2**  
**Sources and custodian of fund in PRIs**

Nature of Fund	Zilla Parishads		Panchayat Samitis		Gram Panchayats	
	Source of fund	Custodian of fund	Source of fund	Custodian of fund	Source of fund	Custodian of fund
<b>Own Source Revenue (OSR)</b>	Revenues collected from ZPs' jurisdiction	Executive Officer of the ZP	Revenues collected from PSs' jurisdiction	Executive Officer of the PS	Revenues collected from GPs' jurisdiction	Pradhan
<b>State Plan</b>	State Govt.		State Govt.		State Govt.	
<b>State Finance Commission Fund (Untied fund)</b>	State Govt.		State Govt.		State Govt.	
<b>Centrally Sponsored Schemes</b>	GoI/ State Govt.(through State budget/ other agencies)		GoI/ State Govt.(through State budget/ other agencies)		GoI/ State Govt.(through State budget/ other agencies)	
<b>Central Finance Commission Grant Fund</b>	GoI/ State Govt.(through State budget)		GoI/ State Govt.(through State budget)		GoI/ State Govt.(through State budget)	

(Source: Sections 179, 132 and 45 of West Bengal Panchayat Act, 1973)

### 1.6 Accounting procedure of PRIs

PRIs maintain their accounts as per formats prescribed in West Bengal Panchayat Act, 1973 and Rules framed thereunder. The accounts are maintained on 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 are made operational 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 three tier budget head for receipt of grants-in-aid and four tier budget head for expenditure in consistent with MAS after minor modifications.

During audit of accounts of PRIs for the year 2013-14, it was noticed that accounts were not maintained as per the codification structure prescribed by P&RDD. When enquired, the department intimated (January 2016) that verified financial data of GPs were being uploaded to the website of Ministry of Panchayati Raj (MoPR) through *SETU* software since 2013-14 to facilitate generation of online reports in eight database formats prescribed by Comptroller and Auditor General of India (C&AG). Further the implementation of MAS in ZPs and PSs is under progress. However, from the website

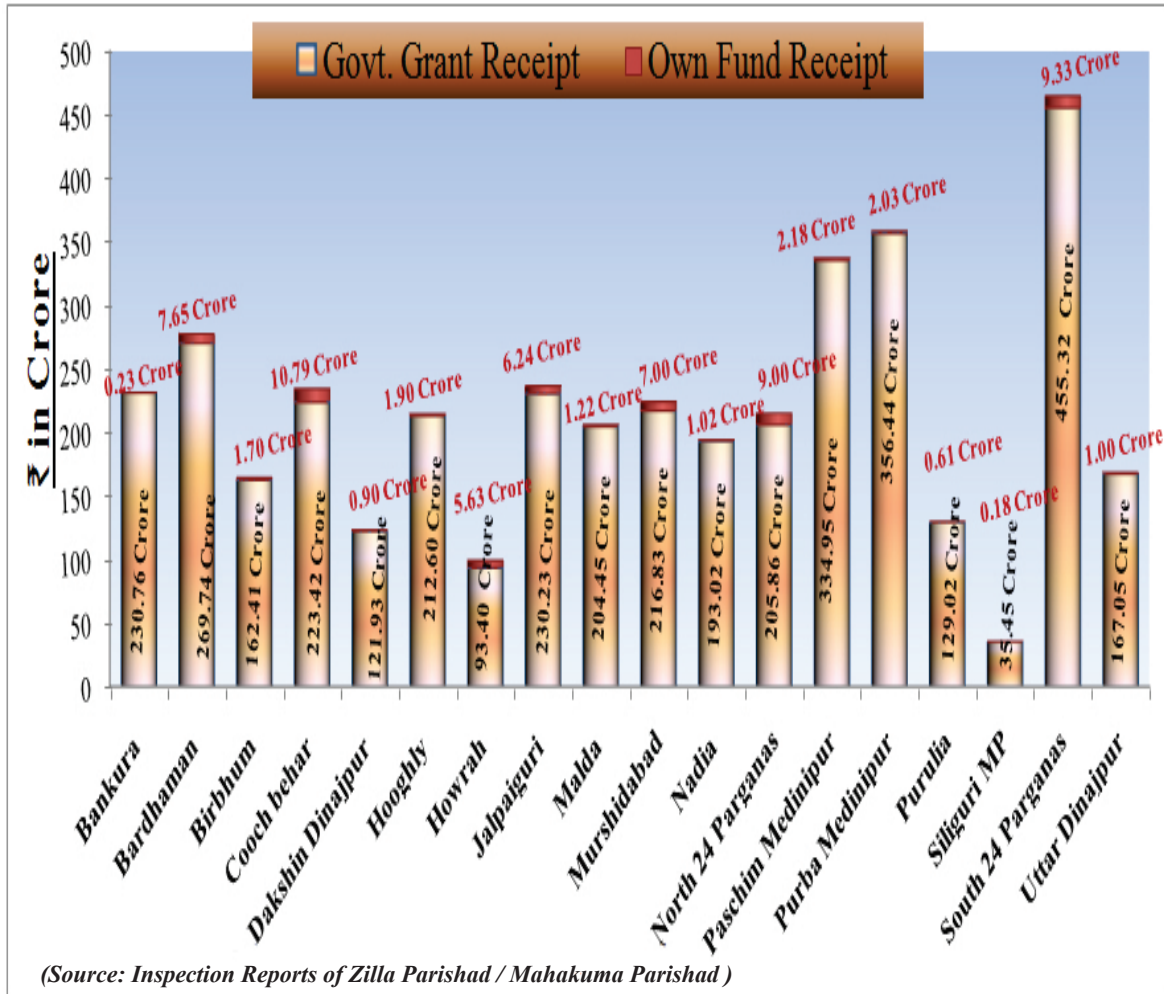
(<https://accountingonline.gov.in>) it was seen that data of all GPs in the State were not uploaded in that site.

### 1.7 Financial Position of PRIs

Financial position of 17 Zilla Parishads and 01 Mahakuma Parishad in the year 2013-14 is depicted by the graph shown below:

Graph 1.1

#### Position of Own fund and government grant during 2013-14 in ZPs



Collection of Own Fund Receipts (OFR) in respect of PRIs remained poor with respect to government grant. OFR ranged between 0.1 per cent (₹ 0.23 crore) of total receipt (₹ 230.99 crore) in Bankura ZP to 4.61 per cent (₹ 10.79 crore) of the total receipts (₹ 234.21 crore) in Cooch Behar ZP.

### 1.8 Sectoral Analysis

Sector-wise receipt and expenditure under schematic funds like education, rural housing, poverty alleviation and health and family welfare for the last five years ending 2014-15 were as follows:

**Table 1.3**  
**Sector wise analysis of Receipts and Expenditure**

(₹ in crore)

Name of Sector	2010-11		2011-12		2012-13		2013-14		2014-15	
	Receipt	Expn	Receipt	Expn	Receipt	Expn	Receipt	Expn	Receipt	Expn
Poverty alleviation	2629.13	2741.88	3027.21	3166.61	3862.59	3909.26	3543.98	3696.41 (36.66%)	4141.89 (16.87%)	4141.89 (33.37%)
Social Security	753.73	475.12	910.09	792.67	911.87	654.61	2374.74	2374.74 (23.55%)	1410.88 (-40.58%)	1410.88 (11.37%)
Health & Family Welfare	113.27	0.00	0.97	NA	0.87	0.87	1.08	1.08 (0.01%)	16.84 (1459%)	16.84 (0.14%)
Backward area development	216.03	208.75	251.45	229.22	204.62	300.32	310.29	310.29 (3.08%)	360.81 (16.28%)	360.81 (2.91%)
Rural Development	143.76	141.01	946.70	NA	2163.16	1431.70	2766.33	2406.20 (23.86%)	1058.45 (-61.74%)	1058.45 (8.53%)
Rural roads	7.45	0.00	823.90	NA	431.55	343.73	442.49	442.49 (4.39%)	1807.90 (308.57%)	1807.9 (14.56%)
Rural housing	791.45	796.83	860.43	926.13	680.69	910.18	100.00	100.00 (0.99%)	2805.72 (2705%)	2805.72 (22.60%)
Education	7.50	0.00	60.00	NA	74.05	74.05	79.44	79.44 (0.79%)	85.74 (7.93%)	85.74 (0.69%)
Other sectors	0.34	0.00	0.00	0.00	625.13	624.97	673.3	673.30 (6.68%)	723.91 (7.52%)	723.91 (5.83%)
Total	4662.66	4363.59	6880.75	5117.80	8954.53	8249.69	10291.66	10083.94	12412.14 (20.60%)	12412.14

(Source: Panchayat &amp; Rural Development Department)

Funds were allocated to PRIs sector wise and under different programmes/schemes by P&RDD.

However, it can be seen from the table that,

- Receipts and expenditure of all heads for the year 2014-15 were found identical. P&RDD replied (4 March 2016) that since there was no surrender of funds from the PRIs, receipt and expenditure matched. This issue is addressed in sub-para no. 1.8.1.
- Overall receipt of PRIs increased by 21 *per cent* during 2014-15 over that of 2013-14.
- Allocations under Social Security and Rural Development were decreased by 40.58 *per cent* and 61.74 *per cent* respectively during 2014-15 over 2013-14.
- Receipts under 'Rural roads' increased by 309 *per cent* during 2014-15 from that of 2013-14 and under 'Rural housing' it increased steeply from ₹ 100.00 crore during 2013-14 to ₹ 2805.72 crore during 2014-15.

### 1.8.1 Lack of accounting controls in the Department of Panchayat and Rural Development

- PRIs prepare their accounts individually but these accounts are not consolidated at any level. P&RDD failed to provide figures for the total expenditure incurred by all PRIs due to non-consolidation of those accounts.

- P&RDD did not prescribe detailed codified heads for PRI accounts. Hence, receipts are not classified uniformly in PRIs. This was also observed in Para 4.2.6 of the Audit Report for the year 2013-14. In absence of uniformity, consolidation of accounts would not give actual status concerning the receipts and expenditure under different heads. It was pointed out in the Audit Report for the last year that ZPs and PSs did not follow the classification mentioned in the allotment orders and receipts were booked incorrectly.
- Identical receipts and expenditure figures pertaining to 2014-15 given by P&RDD in respect of different sectors indicate lack of proper accounting controls and these figures do not depict the actual receipt and expenditure of funds incurred by PRIs. Audit is thus not in a position to certify these figures as correct.

### **1.9 Thirteenth Finance Commission Grants**

A Performance Audit on “13th Finance Commission recommendations and grass root level development through PRIs” of five districts<sup>1</sup> has been carried out covering the period from 2010-11 to 2014-15, results of which have been incorporated in Chapter IV of this Report.

#### **1.10 District Planning Committee**

Article 243ZD of the Constitution envisages 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. 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 2015) by Examiner of Local Accounts (ELA), West Bengal to furnish details about the working of DPCs during 2014-15. Only 11 districts<sup>2</sup> furnished details while the remaining eight districts did not respond in spite of reminders (by ELA) sent in July and October 2015.

Review of the working of 11 DPCs revealed as under:

##### **1.10.1 Functioning of DPC**

Section 3 of West Bengal District Planning Committee Act, 1994 provides that the State Government shall constitute a DPC in every district.

Every DPC shall, in preparing the draft development plan -

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<sup>1</sup> Dakshin Dinajpur, Purulia, Malda, North 24 Parganas and Paschim Medinipur.

<sup>2</sup> Alipurduar, Bankura, Birbhum, Cooch Behar, Dakshin Dinajpur, Howrah, Hooghly, Paschim Medinipur, Purba Medinipur, South 24 Parganas and North 24 Parganas.

- (a) have regard to -
  - (i) matters of common interest between the Panchayats and the Municipalities including spatial planning, sharing of water and other physical and natural resources, the integrated development of infrastructure and environmental conservation;
  - (ii) the extent and type of available resources whether financial or otherwise;
- (b) consult such institutions and organisations as the Governor may, by order, specify.

DPCs were formed in 17 districts with a delay of one to 15 years after introduction of West Bengal District Planning Committee Act, 1994 while Bankura district reported formation and function of DPC from May 1985, prior to enactment of DPC Act.

It was observed that none of the DPCs had a team of technical experts in the planning process except in Purba Medinipur and Dakshin Dinajpur, which reported that a technical planning team of experts for plans under Backward Region Grant Fund (BRGF) and a NGO was appointed for assisting DPCs of these two districts respectively.

### 1.10.2 Constitution of DPC

As per Section 3 of West Bengal District Planning Committee Act, 1994, the State Government will determine the number of members of DPC, provided that 80 *per cent* of the members of the DPC will be elected by and from the elected members of the ZP and municipalities in accordance with the ratio of population and remaining 20 *per cent* will be appointed by the State Government.

Out of the 11 districts which furnished replies, seven districts maintained prescribed percentage of the appointed and elected members in DPC while in four districts viz. Bankura, South 24 Parganas, Hooghly and Cooch Behar, there were lesser number of elected members against the stipulated numbers, which amounts to lack of proper representation of every constituency of the district in the development plan of the district as a whole.

### 1.10.3 Submission of Draft Development Plan (DDP) to State Government

It was noticed that none of the DPCs could submit DDPs for the year 2014-15 before the onset of the targeted period of the plan. Five DPCs<sup>3</sup> submitted the DDPs to the State Government with a delay of six to eleven months while five DPCs<sup>4</sup> did not prepare DDPs for the year 2014-15 at all. North 24 Parganas did not furnish any information about DDP of 2014-15.

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<sup>3</sup> Bankura, Dakshin Dinajpur, Paschim Medinipur, Purba Medinipur and South 24 Parganas.

<sup>4</sup> Birbhum, Alipurduar, Howrah, Hooghly and Cooch Behar.

#### **1.10.4 Funds projected, sanctioned and utilised**

Funds were released to PRIs at district level by the State Government based upon State Plan prepared out of plans forwarded by the each DPC to the Development & Planning Department, Government of West Bengal.

In Purba Medinipur district, funds projection for PRI plans constituted 99.69 *per cent* of the total amount involved in DDP for the year 2014-15 and the same was only 54.69 *per cent* in Paschim Medinipur, 16.77 *per cent* in South 24 Parganas and 28.82 *per cent* in Dakshin Dinajpur districts respectively while plan size in respect of North 24 Parganas and Bankura districts was not furnished and remaining five districts did not prepare DDP for the year 2014-15.

In Purba and Paschim Medinipur districts percentages of funds sanctioned against amount projected for PRIs in DDP for the year 2014-15 were 41.3 *per cent* and 60.66 *per cent* respectively. The remaining districts did not furnish any information regarding funds sanctioned against DDP.

Purba Medinipur and Paschim Medinipur districts reported utilisation of 98.18 *per cent* and 82.39 *per cent* respectively of the grants sanctioned to PRIs but the remaining districts failed to furnish any information in respect of utilisation of grant received against DDP.

#### **1.10.5 Monitoring**

Monitoring arrangement for implementation of various schemes in different districts, as reported by the DPCs of 11 districts, is given below:

**Table 1.4**  
**Monitoring on schemes by DPCs**

<b>Name of the districts</b>	<b>Monitoring arrangement</b>
Alipurduar	Monitoring committee was not in existence.
Bankura	No monitoring committee was formed.
Birbhum	No reply furnished.
Cooch Behar	Did not furnished any reply.
Dakshin Dinajpur	By District level Review Committee and Block level Review Committee.
Hooghly	Did not furnish any reply.
Howrah	Monitoring is yet to start.
North 24 Parganas	Did not furnish any reply.
Purba Medinipur	DPC monitors the progress of different development schemes through monthly development meeting of District Development Monitoring Committee.
Paschim Medinipur	Monitoring was done at GP, PS and ZP levels as well as SDO's level and DM level in fortnightly meeting.
South 24 Parganas	i) Development Monitoring Committee meeting at District, Sub-division and Block levels, ii) Review meetings with the functionaries of Panchayats, Municipalities and Line departments /Corporations /Boards /Authorities.

*(Source: Information provided by DPCs)*

Thus, out of eighteen DPCs and one Sub-division Planning Committee, only eleven districts furnished data on DPCs. Hence, the working of remaining eight DPCs could not be ascertained. Further, DPCs of Birbhum, Alipurduar, Howrah, Hooghly and Cooch Behar districts did not prepare any DDP while DPC of Bankura District prepared DDP for BRGF only. DPCs of South 24 Parganas, North 24 Parganas and Dakshin Dinajpur districts could not furnish data on funds received against the DDP prepared for 2014-15 and utilisation of the same. All the DPCs defaulted in timely submission of DDP to the State Government and failed to monitor receipt and utilisation of funds received against the DDPs except in Purba Medinipur and Paschim Medinipur districts where DPCs monitored receipts and utilisation against allotment for PRIs. Suitable measures need to be taken for capacity building of DPCs in the field of decentralised planning, monitoring and implementation of the plan for development.

### 1.11 State Finance Commission Grants

Third State Finance Commission (SFC) was constituted in February 2006, recommended allocation of ₹ 800 crore, constituting around five *per cent* of the State's own net tax revenue to PRIs and Urban Local Bodies in the ratio of 76 and 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 2013-14. The Government accepted the recommendations in July 2009 and started releasing funds from October 2010 onwards.

The actual release of funds under SFC and amount expended by PRIs during 2010-11 to 2014-15 are given below:

**Table 1.5**  
**Release of Third SFC funds and amount expended by PRIs**

(₹ in crore)

Year	Tax Revenue of the State Government	Recommended by SFC for PRIs and ULBs	Recommended by SFC for PRIs (76% of the total of PRI and ULBs)	Actual release	Shortfall	Expenditure (%)
2010-11	21,128.74	800.00	608.00	301.80	379.16	76.96 (26%)
2011-12	24,938.16	896.00	680.96	252.47	510.21	260.84 (103%)
2012-13	32,808.49	1,003.52	762.68	568.34	285.85	419.34 (74%)
2013-14	35,830.56	1,123.94	854.20	493.73	462.97	436.40 (88%)
2014-15 <sup>5</sup>	39,411.98	1,258.81	956.70	683.76	272.94	595.70 (87%)
<b>Total</b>		<b>5,082.27</b>		<b>2300.10</b>		<b>1789.24 (78%)</b>

(Source: Data and information furnished by P&RDD)

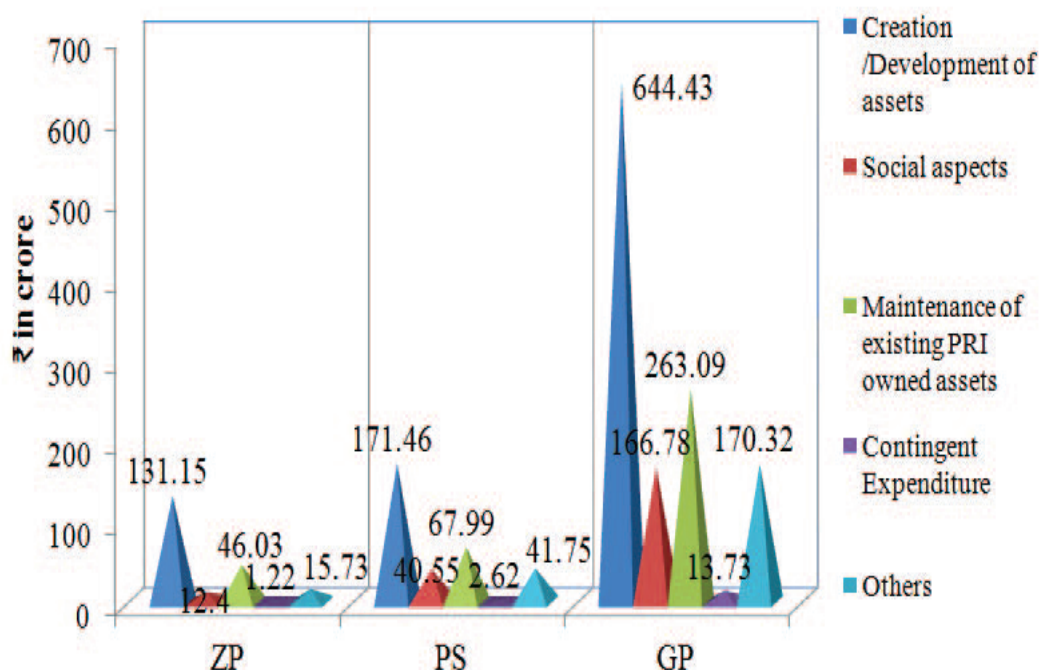
<sup>5</sup> Fourth State Finance Commission has framed its recommendations in February 2016.

Thus, PRIs expended ₹ 1789.24 crore against total release of ₹ 2300.10 crore and over all expenditure was 78 per cent of total release under Third SFC during 2010-11 to 2014-15. Further, funds were not expended optimally during 2010-11 to 2014-15 except during the year 2011-12, when unutilised funds of 2010-11 were expended.

The sector-wise expenditure in three tiers of PRIs is given below:

**Graph 1.2**

**Sector-wise expenditure in three tiers of PRIs during 2010-11 to 2014-15**



(Source: Data furnished by P&RDD)

Thus, the PRIs expended most of the funds for creation and development of new assets and maintenance of existing assets. Social sectors were given less priority though P&RDD stipulated that priority would be given to social sectors particularly for women and child development.

Fourth State Finance Commission (SFC), constituted in April 2013, has submitted its report in February 2016.

**1.12 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 3 September 1980 (for ZPs and PSs) and notification dated 28 March 2003 (for GPs).

### 1.13 Audit Coverage

Accounts of 18 ZPs (including one MP), 96 PSs and 3231 GPs were audited during 2014-15. The audit findings are discussed in the succeeding Chapters.

### 1.14 Response to Audit Reports

In terms of Section 191(A) of West Bengal Panchayat Act, 1973, Report of the ELA on PRIs shall be laid before the State Legislature and 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 (WBLA) in terms of sub-rule 4A of Rule 310ZG of the Rules of Procedure and Conduct of Business in WBLA. Accordingly, the ELA Reports for the years 2004 to 2014 were laid before the State Legislature and all these Reports (except Report for the year 2014 laid on 26 February 2016) have been considered by the Standing Committee. Thirty nine recommendations were made on those reports. However, no action taken report has been received till February 2016.

### 1.15 Pending Audit Observations of Inspection Reports

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

The following table indicates position of IRs and paragraphs pending for settlement, as on 31 March 2015:

**Table 1.6**  
**IRs pending and paras awaiting settlement**

Category of PRIs	IRs pending for settlement		No. of paras contained in the IRs awaiting settlement		Money value (₹ in crore)	
	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	62	88	255	735	36561.31	57168.447
PSs	615	702	1856	4143	29503.712	40268.408
GPs	4583	12593	23527	83632	NA	

(Source: Objection Book of ELA)

Further, no Audit Committee meeting was held to settle the outstanding IRs and paragraphs during 2014-15.

Besides, PRIs did not respond to audit observations of ₹ 56.77 crore pointed out at the time of audit of 17 ZPs and one Mahakuma Parishad during 2014-15 (**Appendix- I**).

### **1.16 Recovery at the instance of audit**

In course of audit of PRIs during 2014-15 it was observed that there were instances of over payment due to miscalculation of rate to suppliers and contractors, payments made to fraudulent beneficiaries, short deposit of money collected on behalf of PRIs, non-deduction of incorrectly allowed void<sup>6</sup> and allowance of excess rates. Upon the matter being brought to the notice of the concerned 10 PRIs<sup>7</sup> during field inspection, an amount of ₹ 6.65 lakh was recovered by the PRIs and deposited into PRI accounts.

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<sup>6</sup> Void is gap existed in the stacking of stone materials like chips, aggregates etc.

<sup>7</sup> ₹ in lakh PSs: Hura (0.97), Banshihari (0.08), Manbazar-II (4.18), Raghunathganj-II (0.18), Beldanga-II (0.04), Ratua-I (0.57) and Bhagwanpur-I (0.52); GPs: South Garia-I (0.03), Marishda (0.04) and Kalekhantala-II (0.04).

# **CHAPTER II**

## **Financial Management**



## Chapter II

# 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 (PRIs). After the 73rd Constitutional Amendment, various functions were devolved to PRIs and the aforesaid rules play a vital role in assisting PRIs to discharge those functions. The rules also act as a control mechanism for PRIs. However, these rules were not adhered to and the general principles of financial management were violated.

### 2.1 Computerisation and preparation of PRI accounts

Panchayat and Rural Development Department (P&RDD) developed and introduced (2004-05) the Integrated Fund Monitoring and Accounting System (IFMAS), software for maintenance of accounts and database in ZPs and PSs. As per P&RDD records, IFMAS had been installed in all the 18 ZPs (including one MP). Receipts and Payments Accounts of all ZPs for the year 2013-14 were generated through this software while annual accounts of seven PSs<sup>8</sup> out of 96 PSs audited, were not generated through IFMAS, but were prepared manually. On being asked, the concerned PSs informed that due to non-installation/ technical failure, the system could not be used. However, GPs prepared their accounts through Gram Panchayat Management System (GPMS), software developed by P&RDD for maintenance of GP accounts.

### 2.2 Expenditure incurred without preparing budget and in excess of budget

Section 137 of West Bengal Panchayat Act, 1973 prescribed that no expenditure should be incurred unless budget was approved by ZP/PS. In violation of the said provision, Howrah ZP spent ₹ 52.37 lakh under Ashray, Swajaldhara scheme and South 24 Parganas ZP spent ₹ 4.02 crore under the heads 'Minority Affairs & Madrasa Education', 'Construction of Muslim Girls Hostel', 'Land & Land Revenue' and 'Information & Culture' during 2013-14, without preparing the budget estimates.

Further, West Bengal Panchayat (ZP&PS) Budget Rules, 2008 prescribed that supplementary and revised budget should be prepared and approved on or before 28th

<sup>8</sup> **PSs (Year):** Cooch Behar-I (2012-14), Purulia-II (2012-14), Karandighi (2011-14), Islampur (2011-14), Raiganj (2011-14), Mathabhanga-I (2011-13) and Tapan (2012-13).

February of the current financial year. Scrutiny revealed that three ZPs<sup>9</sup> made excess expenditure of ₹ 2.62 crore during 2013-14 without preparing revised budget.

Further, Rule 40 of West Bengal Panchayat (GP Accounts, Audit and Budget) Rules, 2007, hereinafter mentioned as GP Rules, 2007, stipulated 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 GP. It was observed that 229 GPs spent ₹ 29.54 crore in excess of their respective budget provisions under 15 heads like ISGP, MGNREGS, CHCMI, 13th FC, BRGF etc. without preparing any supplementary and revised budget estimates during 2013-14 (**Appendix-II**).

### **2.3 Losses due to misappropriation, defalcation and theft of materials**

Ten GPs reported that there were cases of theft, misappropriation, loss of valuable assets, etc. valuing ₹ 2.03 lakh during 2013-14 (**Appendix-III**).

### **2.4 Deduction of Income Tax, Sales tax, Cess etc.**

Rule 17(13) of GP Rules, 2007 stipulated that all payments should be made after tax deducted at source on account of Income Tax and Sales Tax in accordance with rules in force and the amounts should be deposited into the respective heads of account. For this purpose, the GP should obtain TAN from the Income Tax authorities. Scrutiny revealed that 29 GPs did not deduct Income Tax of ₹ 3.41 lakh and Sales Tax of ₹ 3.60 lakh from the contractors' bills (**Appendix-IV**) during 2013-14.

In addition, Dubrajpur, Bankura-I, Chanditala-II and Bhagwanpur-II PSs did not deduct security deposit and cess of ₹ 12.84 lakh from the contractors' bills during 2012-14.

### **2.5 Reconciliation of discrepancies in cash balances**

Three ZPs, 17 PSs and 17 GPs did not prepare bank reconciliation statement of differences between bank balances as per cash book and bank pass book of ₹ 62.32 crore as on 31 March 2014 (**Appendix-V**). Further, Malda ZP did not reconcile differences between cash book and bank account and Local Fund Deposit Account for six consecutive years since 2008-09.

### **2.6 Maintenance of registers/documents/records**

Scrutiny of records of ZPs and PSs during 2014-15 revealed that Works Register (27 PRIs), General Ledger (11 PRIs), Unpaid Bill Register (39 PRIs), Register of movable

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<sup>9</sup> **ZPs:** Howrah (₹51.56 lakh under 13<sup>th</sup> FC), Malda [₹147.91 lakh under CHCMI (₹92.11 lakh), NRHM (₹33.66 lakh) and Madrasa Education (₹22.14 lakh)] and South 24 Parganas (₹62.65 lakh under Rural Water Supply) respectively.

properties (36 PRIs), Register of immovable properties (40 PRIs) and Investment Register (17 PRIs) were not maintained as per ZP & PS Rules, 2003.

### 2.7 Internal audit of PRIs

Internal audit in 42 PSs, 60 PSs and 62 PSs was not conducted during 2011-12, 2012-13 and 2013-14 respectively and the same was not conducted in 13 ZPs and 955 GPs during 2013-14 (**Appendix-VI** and **VII**). However, in two ZPs and nine PSs<sup>10</sup>, internal audit was conducted during 2013-14 but no report was submitted.

### 2.8 Irregularities in Fund Transfer Account (FT Account)

The State Government introduced (2006-07) Fund Transfer Account in every PRI to expedite quick release of specific schematic funds and instructed (February 2010) that unnecessary retention of any fund in the FT Account by the PRIs was not permissible. Interest accrued under FT Account should be added to the particular programme fund after identifying interest component of such programme. When such identification was not possible, the same should be transferred to PRIs' own fund for implementation of schemes of socio-economic development or to meet any charges imposed by the bank. The funds received for a particular programme were to be transferred to the bank account maintained for the programme or its LF Accounts in the treasury as may be required under the programme/scheme guidelines.

Scrutiny revealed that in violation of these instructions, 18 ZPs and 94 PSs retained schematic funds of ₹ 284.24 crore along with interest accrued under FT Account as of March 2014. It was also noticed that South 24 Parganas ZP irregularly diverted ₹ 22.55 crore from FT Account to MGNREGS and RWP. Further, instead of transferring the funds to eligible programmes, the ZP spent ₹ 1.24 crore directly from FT Account for payment of lunch packets, electricity bills, fuel charges, immediate relief to families of deceased for consuming illicit liquor etc.

### 2.9 Irregular diversion of funds amounting to ₹ 13.25 lakh

Scrutiny revealed that seven GPs transferred schematic funds amounting to ₹ 11.93 lakh to own fund and three GPs diverted ₹ 1.32 lakh received for specific purposes as detailed below:

<sup>10</sup> North 24 Parganas and Birbhum ZPs and Khoyrasole, Kaliachak-III, Rajarhat, Bally Jagachha, Tarakeswar, Burwan, Patashpur-II, Chanditala-II and Beldanga-II PSs.

**Table 2.1**  
**Details of diversion of funds**

(in ₹)

Name of PRIs	Year	Diverted from	Diverted to	Amount diverted
Purandarpur	2013-14	Third SFC	Thirteen FC	15615.00
Sundarpur	2013-14	Third SFC	Thirteen FC	3844.00
Dubra	2013-14	Thirteen FC	MGNREGS	112841.00
<b>Total</b>				<b>132300.00</b>

*(Source: Compiled Collection Statements of GPs)*

The Central and State Governments allocated funds from plan heads with specific objective to achieve the targets fixed for development. Diversions from these plan funds frustrated the development process.

### **2.10 Lapsed cheques valuing ₹ 1.17 crore not taken back into account**

Rule 27 of ZP & PS Rules, 2003 specified that a cheque if not encashed within three months or six months of its issue, as the case may be, without intimation and appearing in the list of outstanding cheques, such cheque should be cancelled and the amount should be taken back to the account under appropriate head of accounts from which the cheque was drawn, after keeping note on the relevant counterfoil and the voucher.

Scrutiny revealed that 75 cheques of ₹ 45.06 lakh in Paschim Medinipur ZP, 75 cheques of ₹ 68.40 lakh in Arambagh PS and 14 cheques of ₹ 3.98 lakh in Hirbandh PS issued between April 2004 and March 2013 were lapsed but not written back to the accounts in contravention of the aforesaid rule.

When enquired, the PSs admitted the fact and stated that steps were being taken to cancel the lapsed cheques after observing the necessary formalities while the ZP did not furnish any reply.

### **2.11 Delayed and non-deposit of collection money**

Rule 5(1) ZP & PS Rules, 2003 prescribed that all sums collected by a person, authorised by the ZP or the PS, should 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 authorised person should not keep in his custody at any point of time any amount exceeding rupees one thousand for more than one working day.

However, instances of delay up to 188 days in depositing collected sum ranging between

₹ 500.00 and ₹ 9.75 lakh were noticed in 23 PSs<sup>11</sup> during 2011-14. Further, there was short deposit of ₹ 6.52 lakh collected on account of *bungalow* rent, rent of quarters etc. in Uttar Dinajpur (₹ 3.22 lakh) ZP and Patharpratima (₹ 3.30 lakh) PSs. In Patharpratima PS, own fund collection of ₹ 0.84 lakh pertaining to the period between 12 December 2011 and 21 September 2012 was also not deposited till December 2014. When pointed out, Uttar Dinajpur ZP, Lalgola, Chanditala-II and Tapan PSs did not furnish any reply while Chopra PS stated that amount so collected was not entered in accounts due to shortage of manpower. Remaining PRIs accepted the observations but did not intimate the remedial action to be taken on the issue.

## 2.12 Non-adjustment of advance of ₹ 8.91 crore

Rule 38 of ZP & PS Rules, 2003 stated that adjustment against an advance should be realised from the person receiving the advance within a reasonable time as might be specified by the authority sanctioning any such advance not exceeding 30 days from the date of drawing of advance and further advance should not be sanctioned until the previous advance drawn had been fully adjusted. The rule also stated that a quarterly statement of outstanding advance against each individual should be prepared and the Executive Officer should place the matter in the *Artha Sanstha Unnayan O Porikalpana Sthayee Samiti* (ASUOPSS) for instructions.

Scrutiny during 2014-15 revealed that nine ZPs and 19 PSs paid advance of ₹ 9.59 crore to sanitary marts, contractors, NGOs and staff of the concerned PRIs between August 1981 and March 2014 for execution of works under Total Sanitation Campaign/ *Nirmal Bharat Abhiyan*, paddy procurement etc. Out of these advances, only ₹ 67.61 lakh was adjusted in Nadia (₹ 59.80 lakh), Purba Medinipur ZPs (₹ 0.14 lakh), Andal (₹ 0.72 lakh) and Saithia PSs (₹ 6.95 lakh) while ₹ 8.91 crore<sup>12</sup> remained outstanding after expiry of the

<sup>11</sup> PSs: Bishnupur (₹5000 to ₹28000), Joypur (₹2000 to ₹88000), Mayureshwar- II (₹500 to ₹85000), Arambagh (₹500 to ₹300000), Murarai-II (₹5386 to ₹248579), Onda (₹2100 to ₹483000), Chopra (₹1000 to ₹146500), Ranibandh (₹4200 to ₹738000), Bankura-I (₹2000 to ₹55000), Mathabhanga- I (₹1500), Burwan (₹1000 to ₹74650), Lalgola (₹9500 to ₹89700), Hirbandh (₹1350 to ₹258000), Kalna- II (₹8000 to ₹168948), Patashpur- II (₹4350 to ₹100000), Chanditala- II (₹9700 to ₹130000), Bhagawanpur- II (₹4500 to ₹11000), Kalna- I (₹830 to ₹31618), Banshihari (₹600 to ₹141025), Harirampur (₹2000 to ₹135950), Tapan (₹1000 to ₹975000), Islampur (₹1500 to ₹110900) and Budge Budge - II (₹2100 to ₹54000).

<sup>12</sup> ZPs-Bardhaman: ₹231.99 lakh; Cooch Behar: ₹3.15 lakh; Jalpaiguri: ₹103.43 lakh; Malda: ₹13.33 lakh; Murshidabad: ₹39.40 lakh; Nadia: ₹28.97 lakh; North 24 Parganas: ₹ 3.72 lakh; Purba Medinipur: ₹10.43 lakh and South 24 Parganas: ₹ 77.44 lakh. PSs- Andal: ₹9.21 lakh; Bishnupur: ₹10.26 lakh; Burwan: ₹4.83 lakh; Cooch Behar-II: ₹43.98 lakh; Dinhat-I: ₹0.68 lakh; Jangipara: ₹5.00 lakh; Karandighi: ₹0.56 lakh; Khargram: ₹26.35 lakh; Lalgola: ₹64.56 lakh; Manbazar-I: ₹5.60 lakh; Mathabhanga-I: ₹44.77 lakh; Murarai-II: ₹0.96 lakh; Onda: ₹14.00 lakh; Patashpur-I: ₹8.05 lakh; Raghunathganj-I: ₹1.60 lakh; Ranaghat-II: ₹17.90 lakh; Saithia: ₹19.40 lakh; Srirampur Uttarpara: ₹3.97 lakh and Suti-I: ₹97.95 lakh.

stipulated 30 days in contravention of the aforesaid rules and unadjusted advance was accumulating day by day.

When pointed out, nine<sup>13</sup> PRIs did not furnish any reply and others confirmed the facts and figures pointed out by Audit while stating that steps would be taken for adjustment of outstanding advances.

### **2.13 Failure in augmentation of revenue**

A) In terms of Section 133 of West Bengal Panchayat Act, 1973, PRIs may levy tolls on vehicles on any road, bridge, *ferry* service vested/established by it or under its management. When the assets or properties owned, vested or being under the control of panchayat bodies are leased out for fixed revenue, the recoveries for such leased out properties are to be considered as fixed demand and should be recorded in the Demand and Collection Register.

Scrutiny of records of 15 ZPs and 33 PSs<sup>14</sup> revealed that the ZPs and PSs could not collect ₹ 8.09 crore as of March 2014 on account of *salami*, lease money and tolls from market complexes, *ferry ghats*, *bunglows*, *atithiniwas*, *haats* and stalls constructed for augmentation of own resources. It was also noticed that these PRIs failed to take appropriate action for collection of lease/rent and to improve infrastructural facilities to collect dues. Moreover, 23 PRIs<sup>15</sup> did not maintain Demand and Collection Register to watch over the demands of revenue.

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<sup>13</sup> **ZPs**-Bardhaman; Nadia; North 24 Parganas and South 24 Parganas; **PSs**-Khargram; Lalgola; Murarai-II; Srirampur-Uttarpara and Suti-I.

<sup>14</sup> **ZPs**: Bankura: ₹29.70 lakh; Birbhum: ₹ 78.83 lakh; Cooch Behar: ₹11.53 lakh; Dakshin Dinajpur: ₹2.60 lakh; Hooghly: ₹ 1.23 lakh; Howrah: ₹12.18 lakh; Jalpaiguri: ₹ 89.46 lakh; Murshidabad: ₹69.30 lakh; Nadia: ₹31.32 lakh; North 24 Parganas: ₹177.07 lakh; Paschim Medinipur: ₹46.75 lakh; Purulia: ₹ 17.59 lakh; Purba Medinipur: ₹91.52 lakh; Siliguri Mahakuma Parishad: ₹ 21.50 lakh and Uttar Dinajpur: ₹7.59 lakh.

**PSs**: Andal: ₹1.23 lakh; Arambagh: ₹11.85 lakh; Banshihari: ₹1.13 lakh; Bhagwanpur- I: ₹1.25 lakh; Bhagwanpur- II: ₹0.71 lakh; Bishnupur: ₹0.74 lakh; Bardhaman-II: ₹0.62 lakh; Chinsurah Mogra: ₹1.24 lakh; Chopra: ₹1.75 lakh; Cooch Behar-I: ₹2.54 lakh; Cooch Behar-II: ₹15.00 lakh; Domjur: ₹3.85 lakh; Dubrajpur: ₹1.93 lakh; Egra-I: ₹1.69 lakh; Hemtabad: ₹4.05 lakh; Kaliachak-III: ₹3.03 lakh; Kaliaganj: ₹16.49 lakh; Kalna-I: ₹1.07 lakh; Karandighi: ₹1.35 lakh; Khargram: ₹3.22 lakh; Mathabhanga-I: ₹1.17 lakh; Mekhliganj: ₹3.26 lakh; Purshurah: ₹19.42 lakh; Purulia-II: ₹2.43 lakh; Raghunathganj-I: ₹1.75 lakh; Raghunathganj-II: ₹ 0.49 lakh; Rajarhat: ₹1.60 lakh; Ranaghat-I: ₹0.79 lakh; Ranaghat-II: ₹3.08 lakh; Ratua-I: ₹3.35 lakh; Srirampur-Uttarpara: ₹1.95 lakh; Tapan: ₹4.74 lakh and Tarakeswar: ₹2.06 lakh.

<sup>15</sup> **ZPs**:Howrah; Nadia and North 24 Parganas, **PSs**:Andal; Arambagh; Banshihari; Bhagwanpur-I; Bardhaman-II; Dinhata-I; Dubrajpur; Jhargram; Kalchini; Kaliachak-III; Kalna-II; Lalgola; Mathabhanga-I; Mayureswar-II; Mekhliganj; Moyna; Patashpur-II; Purulia-II; Rajarhat and Tarakeswar.

Further scrutiny revealed that 21 PSs<sup>16</sup> framed bye-laws during 2005-06 for augmentation of revenue from own sources but failed to collect revenue amounting to ₹ 2.58 crore due to non-implementation of bye-laws and eight<sup>17</sup> ZPs could not realise ₹ 3.54 crore on account of printing charges from government offices as of March 2014.

When pointed out, 25 PRIs<sup>18</sup> 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 unrealised revenues.

Hence, the PRIs failed to augment revenues to the tune of ₹ 14.21 crore which otherwise could have been useful to strengthen their finances for development of the local areas.

B) North 24 Parganas ZP had two assets viz. Rabindra Bhavan and Satyajit Roy Bhavan. During the period 2011-14, the ZP earned ₹ 37.00 lakh while it expended ₹ 59.83 lakh as electricity charges and day-to-day maintenance, besides ₹ 46.87 lakh on renovation during 2012-14. Thus, the ZP had failed to assess the viability of such assets and assets became non-remunerative. When pointed out, the ZP did not furnish any reply.

C) Purba Medinipur ZP possessed land measuring 1670.45 acres scattered under its jurisdiction. The ZP fixed occupation fee of four *per cent* of market value of land per decimal per year alongwith one time license fee i.e. ten times of occupation fee for leasing out such land. None of the records indicated that any step was taken to lease out the property. Had those lands been leased out, the ZP could have earned one time license fee of ₹ 19.51 crore along with occupation fee of ₹ 1.95 crore p.a. as calculated below:

<sup>16</sup> **PSs:** Dinhata-I: ₹0.66 lakh; Goghat-II: ₹1.88 lakh; Habibpur : ₹ 1.35 lakh; Indas : ₹ 197.08 lakh; Jangipara : ₹ 3.10 lakh; Jhargram : ₹1.11 lakh; Joypur (Bankura) : ₹7.41 lakh; Kalchini : ₹1.35 lakh; Kaliachak-I: ₹8.21 lakh; Kalna-II: ₹3.87 lakh; Lalgola: ₹ 3.68 lakh; Manbazar-II : ₹ 0.85 lakh; Mathabhanga II: ₹ 1.16 lakh; Maynaguri : ₹1.38 lakh; Mayureswar-I: ₹ 1.74 lakh; Mayureswar-II : ₹1.95 lakh; Moyna: ₹1.50 lakh; Onda: ₹14.06 lakh; Patashpur-II: ₹ 1.22 lakh; Saltora : ₹3.63 lakh and Sitalkuchi : ₹ 0.62 lakh.

<sup>17</sup> **ZPs:** Bankura: ₹ 19.36 lakh; Bardhaman: ₹47.39 lakh; Cooch Behar: ₹230.47 lakh; Dakshin Dinajpur: ₹1.08 lakh; Hooghly: ₹1.21 lakh; Murshidabad: ₹27.79 lakh; Nadia: ₹2.04 lakh and Paschim Medinipur: ₹24.42 lakh.

<sup>18</sup> **ZPs:** Bardhaman; Birbhum; Cooch Behar; Dakshin Dinajpur; Hooghly; Howrah; Jalpaiguri; Nadia; North 24 Parganas; Paschim Medinipur and Uttar Dinajpur; **PSs:** Bhagwanpur-I; Domjur; Dubrajpur; Joypur (Bankura); Kaliachak-I; Khargram; Lalgola; Manbazar-II; Mayureswar-I; Mekhliganj; Raghunathganj-II; Rajarhat; Srirampur-Uttarpara and Tapan.

Table 2.2

Calculation of License fee and Occupation fee

Category of land	Quantity in acre	Quantity in decimal (1 acre = 100 decimal)	Market value per decimal (₹)	Total Valuation of Land (₹)	Occupation Fee (4% of Land valuation) (₹)	License fee (10 times of Occupation fee) (₹)
Bastu	19.8251	1982.51	229900	455779049	18231162	182311620
Shop	3.27555	327.555	97518	31942508	1277700	12777000
<b>Total</b>	<b>23.10065</b>	<b>2310.065</b>		<b>487721557</b>	<b>19508862</b>	<b>195088620</b>

\*(Market Value was considered as per other land leased out in rural area vide DSR report)

(Source: Records of Purba Medinipur ZP)

When pointed out, the ZP admitted their lapses in leasing out those lands and stated that lands were not leased out due to litigation and unauthorised occupation. It was evident from the reply that there was lack of proper monitoring by the ZP and lands were occupied by unauthorised persons. Moreover, documents in support of litigation cases and steps taken to recover those lands were not furnished to Audit.

#### 2.14 Lapses in monitoring over utilisation of grants

Rule 36 of the ZP & PS Rules, 2003 requires that Utilisation Certificates (UCs) in respect of grants-in-aid received by 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 revealed that 15 ZPs and 28 PSs sub-allotted grants amounting to ₹ 332.79 crore from 2002-03 to 2013-14 to PSs, GPs, Village Education Committees, Schools, Self Help Groups and Sanitary Marts for implementation of various schemes and programmes viz. Total Sanitation Campaign, Indira Awaas Yojana, Rural Water Supply, Thirteenth Finance Commission grants, National Rural Health Mission etc. In turn, these PRIs and other bodies failed to furnish UCs of ₹ 193.78<sup>19</sup> crore (as of March 2014) which constituted 58 per cent of total sub-allotments. In the absence of UCs, it could be inferred that these ZPs/PSs remained unaware about the status of utilisation of those grants and hence could

<sup>19</sup> **ZPs:** Bankura: ₹6077.81 lakh; Birbhum: ₹962.63 lakh; Dakshin Dinajpur: ₹125.05 lakh; Hooghly: ₹ 5043.04 lakh; Howrah: ₹119.34 lakh; Jalpaiguri: ₹257.75 lakh; Malda: ₹77.00 lakh; Murshidabad: ₹ 592.08 lakh; Nadia: ₹115.40 lakh; North 24-Parganas: ₹1511.34 lakh; Paschim Medinipur: ₹315.51 lakh; Purba Medinipur: ₹65.19 lakh; Purulia: ₹2092.46 lakh; Siliguri Mahakuma Parishad: ₹88.87 lakh and Uttar Dinajpur: ₹254.10 lakh.

**PSs:** Arambagh: ₹35.19 lakh; Bamangola: ₹32.03 lakh; Bankura-I: ₹362.13 lakh; Banshihari: ₹147.04 lakh; Bardhaman-II: ₹37.63 lakh; Chanditala: ₹7.00 lakh; Cooch Behar-I: ₹ 58.80 lakh; Domjur: ₹19.08 lakh; Dubrajpur: ₹19.80 lakh; English Bazaar: ₹16.97 lakh; Goghat-I: ₹28.15 lakh; Gopiballavpur-II: ₹291.97 lakh; Joypur (Bankura): ₹78.51 lakh; Kaliachak-III: ₹13.90 lakh; Kalna-I: ₹138.22 lakh; Lalgola: ₹11.40 lakh; Manbazar-II: ₹26.66 lakh; Mathabhanga-II: ₹11.90 lakh; Maynaguri: ₹44.63 lakh; Mayureswar-II: ₹15.00 lakh; Purulia-I: ₹66.30 lakh; Ranaghat-I: ₹30.57 lakh; Ranaghat-II: ₹10.25 lakh; Saltora: ₹8.10 lakh; Srirampur-Uttarpara: ₹13.51 lakh; Suti-I: ₹122.00 lakh; Tapan: ₹17.60 lakh and Tarakeswar: ₹15.87 lakh.

not provide assurance to the grantor that the grants had been utilised for the intended purpose.

Ten ZPs and eight PSs<sup>20</sup> did not furnish any reply and the remaining ZPs/PSs either stated that steps would be taken to collect the UCs or that the same were being collected and would be shown to next audit.

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<sup>20</sup> **ZPs:** Bankura; Birbhum; Dakshin Dinajpur; Hooghly; Jalpaiguri; Nadia; North 24-Parganas, Paschim Medinipur, Purulia and Siliguri Mahakuma Parishad .  
**PSs:** Bamangola; Bardhaman-II; Goghat-I; Joypur (Bankura); Lalgola; Srirampur-Uttarpara; Tapan and Tarakeshwar.



# **CHAPTER III**

## **Implementation of Schemes**



## Chapter III

# Implementation of Schemes

Government of India (GoI) introduced Indira Awaas Yojana (IAY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and Total Sanitation Campaign (TSC) for rural development and improvement of Human Development Index in rural areas. PRIs have been implementing these schemes in pursuance of guidelines framed by GoI. During annual audit of PRIs, various audit observations on implementation of MGNREGS, IAY and TSC schemes emerged, which are discussed in this chapter.

### 3.1 Mahatma Gandhi National Rural Employment Guarantee Scheme

GoI notified Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) to enhance the livelihood security of rural people by providing at least one hundred days of guaranteed employment in a financial year to every household in rural areas covered under the Scheme. The Scheme is implemented as a Centrally Sponsored Scheme on cost-sharing basis between GoI and the State Government. GoI 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.

#### Execution of scheme

##### 3.1.1 Violation of Scheme Guidelines

Creation of durable asset and strengthening livelihood resource base of rural people are the auxiliary objectives of MGNREGS. It was observed that 658 GPs (**Appendix-VIII**) expended ₹ 312.78 crore during 2013-14 for recurring activities like repairing and reconstruction of earthen roads, re-excavation and cleaning of water bodies, repairing of street lights etc. which were not allowed as per para 7.1.3 of Operational Guidelines, 2013 of MGNREGS.

### 3.1.2 Delay in payment of wages

Guidelines stipulate that wages should be paid to labourers on a weekly basis or in any case not later than a fortnight after the date on which the work was done. In case of failure, the labourers are entitled to receive compensation. Delays ranging from 15 to 90 days in disbursement of wages were noticed in 74 and 347 GPs during 2012-13 and 2013-14 respectively, but no compensation was paid. Reasons, as noticed 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 were also not compensated, as per the provisions of the guidelines, for delayed payment.

### 3.1.3 Estimated mandays vis-à-vis actually generated mandays

Scrutiny revealed that during 2013-14, 607 GPs prepared annual action plan with an estimate to generate 14.74 crore mandays, whereas the GPs could generate only 3.66 crore mandays (24.77 per cent) (**Appendix- IX**). Further, 767 GPs failed to generate the stipulated minimum women persondays of 33 per cent during 2013-14 (**Appendix- X**).

### 3.1.4 More than 100 days' employment provided to household

The guidelines also stipulate that a maximum of 100 days' employment may be provided per household in a financial year and GoI is liable for providing funds for unskilled employment up to 100 days per family in a financial year. Liability for employment in excess of 100 days has to be borne by the State Government accordingly. The State Government also issued instructions (March 2010) to strictly adhere to the ceiling of 100 days' employment per household in a financial year. Otherwise, the erring GP would be liable to bear the cost of wages associated with the works in excess of 100 days.

Audit noticed that 257 GPs<sup>21</sup> in 19 ZPs provided employment in excess of 100 days during 2013-14 and paid ₹ 2.21 crore from MGNREGS fund in contravention of aforesaid instructions.

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<sup>21</sup> **ZPs: (No. of GPs / Amount in lakh)** Alipurduar (02 / ₹0.36), Bankura (18 / ₹6.97), Bardhaman (14 / ₹1.07), Birbhum (10 / ₹12.44), Cooch Behar (04 / ₹0.21), Dakshin Dinajpur (05 / ₹0.88), Siliguri MP (04 / ₹0.34), Hooghly (31 / ₹18.50), Howrah (03 / ₹0.71), Jalpaiguri (09 / ₹0.71), Malda (03 / ₹1.07), Murshidabad (24 / ₹5.10), Nadia (17 / ₹5.60), North 24 Parganas (13 / ₹2.23), Paschim Medinipur (36 / ₹73.55), Purba Medinipur (11 / ₹4.85), Purulia (10 / ₹8.49), South 24 Parganas (38 / ₹77.24) and Uttar Dinajpur (05 / ₹0.18).

### 3.1.5 Observation on social audit

Guidelines stipulate that in order to maintain transparency and accountability in MGNREGS works, *Gram Sabhas* shall conduct regular social audits of all the projects under the scheme taken up at the GP level. Scrutiny revealed that social audit was not conducted in 43 GPs<sup>22</sup> during 2013-14.

### 3.1.6 Retention of Sampoorna Grameen Rozgar Yojana (SGRY) funds

Panchayat and Rural Development Department (P&RDD) endorsed (November 2007) the instructions of Ministry of Rural Development, GoI, wherein it was intimated to transfer balance amount of fund and food grains of SGRY to MGNREGS account (after 2008) as SGRY scheme was abolished and MGNREGS was introduced.

Scrutiny of records revealed that 11 ZPs did not adhere to the said instructions and unspent balance of SGRY funds amounting to ₹ 1.92 crore<sup>23</sup> were not transferred to MGNREGS till March 2015. Further, out of these SGRY funds, five ZPs<sup>24</sup> spent ₹ 46.39 lakh to meet expenditures unrelated to MGNREGS as revealed from their accounts. However, no relevant document in respect of such expenditure was made available to Audit.

When pointed out, Jalpaiguri (December 2014), Nadia (January 2015) and Purulia ZPs (November 2014) admitted the fact and assured to transfer the unutilised fund at the earliest. Remaining ZPs did not respond.

Thus, an amount of ₹ 1.92 crore was left idle with the PRIs, which otherwise could have been utilised for generation of 1,27,328<sup>25</sup> unskilled mandays under MGNREGS.

## 3.2 Indira Awaas Yojana

The objective of Indira Awaas Yojana (IAY) is primarily to help in construction/upgradation of dwelling units for Below Poverty Line (BPL) householders belonging to Scheduled Castes/ Scheduled Tribes, freed bonded labourers, minorities and other

<sup>22</sup> **ZPs:** Bankura-2 GPs, Bardhaman-7 GPs, Birbhum-2 GPs, Cooch Behar-1 GP, Dakshin Dinajpur-1 GP, Howrah-4 GPs, Murshidabad-2 GPs, Nadia-4 GPs, North 24 Parganas-2 GPs, Paschim Medinipur-8 GPs, Purba Medinipur-1 GP, Purulia-1 GP, South 24 Parganas-6 GPs and Uttar Dinajpur-2 GPs.

<sup>23</sup> **ZPs** (₹ in lakh): Jalpaiguri (34.06), Nadia (14.32), Cooch Behar (72.28), Purulia (13.57), Hooghly (0.41), South 24 Parganas (3.16), North 24 Parganas (0.39), Paschim Medinipur (2.57), Malda (13.33), Bardhaman (1.96) and Siliguri MP (36.21).

<sup>24</sup> **ZPs** (₹ in lakh): Purulia (17.39), Hooghly (0.97), Nadia (0.36), Malda (27.45) and Uttar Dinajpur (0.22).

<sup>25</sup> Total fund ₹19226542.55/@₹151.00 daily wage per head (rate prevailed during 2013-14) =1,27,328 mandays.

non-SC/ST members of rural areas by providing them a lump sum financial assistance.

From the year 2007-08, the concept of Permanent Wait List (PWL) (list of eligible householders) was introduced for selection of IAY beneficiaries. The list was prepared from the existing BPL list considering the nature of household as per the parameters mentioned in Rural Household Survey (RHS) and the beneficiaries were categorised accordingly. Persons who were homeless or dependent on others for accommodation were kept in P2=1 category and persons having one room mud-built house were kept in P2=2 category. Persons in the P2=1 category were to be placed at the top of the list of eligible beneficiaries and given priority.

Following irregularities were observed in implementation of IAY scheme audited during the year 2014-15 covering the period 2010-14:

### **3.2.1 Curtailment of IAY assistance due to excess unspent balance**

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 to the extent of excess at the time of release of second instalment.

Scrutiny revealed that GoI curtailed ₹ 38.52 crore and ₹ 6.14 crore respectively from Central assistance of Paschim Medinipur ZP and Siliguri Mahakuma Parishad during 2013-14 due to excess carry over of funds. Consequently, State share to the tune of ₹ 12.84 crore and ₹ 2.05 crore respectively (1/3<sup>rd</sup> of Central assistance) was also curtailed.

Had the ZPs utilised the allotted funds, additional 8,507<sup>26</sup> rural people would have been benefitted under the Scheme.

Both the PRIs admitted the non-utilisation of funds.

### **3.2.2 Assistance given to ineligible persons**

Old Malda, Murarai-II and Jagatballavpur PSs provided (2011-14) assistance of ₹ 23.18 lakh for construction/upgradation of huts to 54 beneficiaries whose names were either not included in the PWL or not there in RHS.

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<sup>26</sup> Total number of houses that could have been made considering the cost of each house as ₹ 70,000 : (₹ 38.52 crore + ₹ 6.14 crore + ₹ 12.84 crore + ₹ 2.05 crore) / ₹ 70,000 = 8,507

When pointed out, all the PSs admitted the fact.

### 3.2.3 Homeless people not given priority

In violation of provisions *ibid*, 13 PSs allotted ₹ 35.62 crore to 7,938 beneficiaries of P2=2 category (who had one room mud-built house) while 15,401 beneficiaries of P2=1 category (who were homeless) were overlooked as detailed in the following table:

Table: 3.1

#### Assistance given to persons having one room mud-built house overlooking the homeless persons

Sl No.	Name of the PS	Homeless category persons not given assistance	Persons having one room mud-built house but given assistance	Amount (₹ in lakh)
1	Budge Budge-II	626	351	61.43
2	Chinsurah Mogra	5527	986	556.95
3	Cooch Behar-II	1212	1212	300.00
4	Domjur	4022	1271	266.37
5	Gaighata	744	2343	1313.85
6	Gangarampur	256	355	248.50
7	Harirampur	190	190	133.00
8	Indas	180	180	126.00
9	Krishnanagar-I	74	74	51.80
10	Old Malda	3	3	1.35
11	Purshurah	1869	327	76.35
12	Ranaghat-I	648	596	417.20
13	Suti-I	50	50	8.75
	<b>Total</b>	<b>15401</b>	<b>7938</b>	<b>3561.55</b>

(Source: Records of PRIs)

In addition, Audit observed from the allotment records that in Murarai-II PS, 21 persons having either partially *pucca* houses or completely *pucca* houses were given assistance of ₹ 9.45 lakh during 2013-14. Hence, irregular selection of beneficiaries other than homeless category frustrated the core objective of providing IAY assistance for construction of homes to rural homeless people.

When pointed out, Gaighata, Indas and Suti-I PSs did not furnish any reply while remaining PSs cited reasons like absence of proper land record of beneficiaries, beneficiaries later found ineligible, selection of beneficiaries done by ZP etc. Ranaghat-I PS stated that an enquiry was initiated to find out the reason. The replies were not tenable as eligible persons were included in PWL after conducting proper survey and for landless eligible persons, there was homestead scheme under IAY. Hence, grounds for not considering those waitlisted beneficiaries were not found valid.

### 3.2.4 Allotment of huts to male members of a family

Allotment of huts constructed/upgraded with the scheme assistance was to be given to the wife or alternatively to both the wife and the husband as per scheme guidelines.

It was observed that in 32 PSs<sup>27</sup>, 7,140 male members of the family were allotted ₹ 33.73 crore as assistance during 2010-14 in violation of the scheme guidelines. Thus, the objective of the scheme of women empowerment was not achieved.

When pointed out, Mekhliganj, Lalgola, Gaighata, Dinhata-I, Contai-III, Tarakeswar and Tapan PSs did not respond to audit observation while remaining PSs cited various reasons like presence of names of male members in PWL, unwillingness of the family, land problem etc. and stated that necessary action would be taken in future. Replies were not tenable as women empowerment was one of the objectives of IAY which was not given its due importance by the PRIs in the aforementioned instances.

### 3.2.5 Non-utilisation of assistance and non-disbursement of subsequent instalments

Prior to July 2013, IAY assistance was released in two equal instalments and thereafter assistance was provided in three instalments of 25, 60 and 15 *per cent* of the unit cost. As and when funds were received under the Scheme, allocations pertaining to the first instalment were made to the beneficiaries as per the priority in the PWL maintained for the purpose. On receipt of self-declaration by the beneficiaries regarding the full utilisation of the first instalment of assistance, subsequent instalment was released.

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<sup>27</sup> **PSs: (No. of male beneficiaries/₹ in lakh)**  
Arambagh (79/44.83); Bally-Jagachha (3/0.93); Bankura-I (92/63.43); Banshihari (100 /63.00); Bhagwanpur-II (32/7.20); Budge Budge-I (154/72.07); Budge Budge-II (177/54.65); Chanditala-I (28/6.83); Contai-III (208/ NA); Cooch Behar-I (23/10.35); Dinhata-I (342/239.40); Domjur (48/ NA); Dubrajpur (870/175.00); Gaighata (649/379.80); Gangarampur (235/164.50); Gopiballavpur-II (6/3.60); Harirampur (90/42.00); Indas (36/16.65); Joypur (Bankura) (112/59.75); Kalchini (275/136.50); Kalna-I (648/358.75); Kalna-II (389/231.81); Lalgola (54/18.25); Mayureswar-II (106/35.20); Mekhliganj (1399/679.25); Moyna (185/92.75); Patashpur-I (7/ NA); Patashpur-II (67/21.45); Purulia-II (10/4.83); Ranibandh (207/114.31); Tapan (414/258.80) and Tarakeswar (95/16.63).

Scrutiny revealed that 43 PSs disbursed ₹ 38.19 crore as first instalment to 9,536 beneficiaries<sup>28</sup> during 2011-14 but the PSs did not release subsequent instalments to these beneficiaries even after a period up to three years from the date of release of first instalment till December 2015. No reasons were found on record for non-disbursement.

When pointed out, Raghunathganj-II, Srirampur-Uttarpara, Tapan, Mekhliganj, Lalgola, Hura, Dinhat-I, Contai-III and Bardhaman-II PSs did not furnish any reply, while remaining PSs admitted the fact and stated various reasons like, beneficiaries did not start construction, their names were later not recommended by GP, beneficiaries later found ineligible etc.

The replies were not cogent and convincing as the PSs had to monitor the utilisation of assistance. Besides, recovery process of the assistance paid to ineligible beneficiaries was also not initiated. Thus, the PSs did neither monitor the construction of houses nor conduct any periodical checking of PWL to delete the names of beneficiaries who did not require assistance.

Patharpratima PS disbursed ₹ 2.18 crore as the first instalment to respective bank accounts of 900 beneficiaries during 2011-12 but the second instalment was disbursed (2011-12) to respective GPs for onward transmission to beneficiaries instead of giving directly to beneficiaries' bank account. When details of utilisation of second instalment by GPs were sought for, the PS failed to furnish relevant documents. Thus, receipt of second instalment by beneficiaries could not be ascertained.

Further, due to underutilisation of IAY grant, an amount of ₹ 7.63 crore was accumulated in Tapan (₹ 4.24 crore) and Kalchini (₹ 3.39 crore) PSs. These unutilised funds remained blocked till those were refunded (September 2013 and March 2015 respectively) to Dakshin Dinajpur and Jalpaiguri ZPs.

<sup>28</sup> **PSs: (No of beneficiaries/₹ in lakh)**

Andal (20/4.50); Arambagh (438/NA); Bally-Jagachha (10/1.75); Bankura-I (148/110.47); Banshihari (1117/236.77); Bishnupur (61/13.09); Budge Budge-I (206/96.64); Bardhaman-II (215/37.63); Contai-III (994/411.30); Dinhat-I (6/2.52); Domjur (187/32.73); Dubrajpur (187/78.54); English Bazar (8/1.70); Gangarampur (228/39.90); Goghat-II (731/294.83); Habibpur (307/62.53); Harirampur (7/1.23); Harishchandrapur-II (316/62.90); Hemtabad (18/4.05); Hura (44/9.68); Indas (95/NA); Jagatballavpur (19/3.40); Jhargram (43/10.43); Joypur (Bankura) (623/1168.12); Joypur (Purulia) (61/13.52); Kalchini (1203/ 490.83); Kalna-I (295/52.48); Kalna-II (7/1.23); Kaliaganj (27/5.33); Khoyrasole (58/11.50); Lalgola (138/31.05); Manbazar-II (31/7.01); Mayureswar-I (253/52.13); Mayureswar-II (366/97.63); Mekhliganj (36/9.85); Onda (531/224.11); Raghunathganj-II (13/2.92); Raiganj (56/12.60); Ranaghat-I (60/13.70); Ranibandh (91/NA); Saltora (69/16.03); Srirampur-Uttarpara (3/0.63) and Tapan (210/91.77).

### **3.2.6 Mismatch in the names of beneficiaries**

Each person included in PWL was identified with a unique Rural Household Survey (RHS) identification number. Five beneficiaries of Murarai-II PS and one beneficiary of Chanditala-I PS were provided with assistance of ₹ 2.60 lakh though the names of those beneficiaries were not found in PWL.

When pointed out Murarai-II PS admitted the fact and stated that guidelines would be followed in future while Chanditala-I PS stated that assistance was provided to a relative of the person included in PWL. Action of Chanditala-I PS was not found to be in order as per scheme guidelines.

### **3.2.7 Land ownership of beneficiaries not ensured before disbursement**

In Bardhaman-II, Bally-Jagachha and Tarakeswar PSs assistance of ₹12.58 lakh (2012-13) was provided to 48 beneficiaries. Audit checked the land records and observed that the beneficiaries did not have any land of their own. Thus, the PSs disbursed assistance without ensuring ownership of land.

No reply was furnished by the PSs.

### **3.2.8 Engagement of agency**

In violation of para 4.9 of IAY scheme guidelines, Burwan PS deducted beneficiary contribution for construction of sanitary latrines from IAY instalments and paid (2011-14) ₹ 2.51 lakh to an agency engaged in constructing sanitary latrines. However, the PS could not produce any evidence in support of construction of those sanitary latrines.

When pointed out, the PS admitted the fact and stated that the system had been discontinued and status of construction of the latrines was sought from the concerned agency.

### **3.2.9 Unauthorised expenditure**

During 2011-14, English Bazar PS spent ₹ 7.40 lakh for vehicle hiring charges, cost of fuel, supply of lunch packet etc., Raghunathpur-I PS spent ₹ 2.30 lakh for purchase of tube well materials, computer, organising animal health camp and Arambagh PS spent ₹ 1.48 lakh for purchasing cameras, monitor, cable, memory card etc. though these items of expenditure were not permissible as per the scheme guidelines.

When pointed out, English Bazar PS stated that the amount would be replenished from their own funds while other two PSs only admitted the facts.

### 3.2.10 Construction of sanitary latrines and smokeless *chullahs* not ensured

As per scheme guidelines, every IAY house should include smokeless *chullah* and sanitary latrine. However, during 2011-14, smokeless *chullahs* and sanitary latrines were not constructed in 17,217 IAY houses in 13<sup>29</sup> PSs. Hence, the PSs did not monitor proper utilisation of assistance by beneficiaries and also failed to ensure clean environment in their areas.

When pointed out, Chanditala-I, Harishchandrapur-II, Indas, Khejuri-II, Kaliaganj and Lalgola PSs did not furnish any reply while remaining PSs admitted the observation and cited reasons like, performance of beneficiaries was not verified, proper verification was not conducted, guidelines would be followed in future etc.

### 3.3 Total Sanitation Campaign (TSC)/ *Nirmal Bharat Abhiyan* (NBA)

GoI launched sanitation programme to improve the quality of life of the rural people and expanded the programme to include personal hygiene, home sanitation, safe drinking water, garbage disposal and excreta disposal. In the State, Rural Sanitary Marts (RSM) were engaged for construction of latrines.

#### 3.3.1 Non-inclusion of TSC funds in ZP's accounts

Scrutiny of accounts of Hooghly ZP revealed that the ZP was maintaining a separate Cash Book for TSC funds till March 2012. That Cash Book was closed in April 2012 and the closing balance of ₹ 1.13 crore was handed over to the Sanitation Cell of the ZP. Scrutiny of records of the Sanitation Cell revealed that during the years 2012-13 and 2013-14 TSC funds amounting to ₹ 29.10 crore were received and payments of ₹ 21.94 crore were made. Since the Sanitation Cell was part of the ZP and was functioning for implementation of TSC Scheme, all transactions should have been incorporated in the accounts of the ZP. But, it was observed from the accounts of ZP for the years 2012-13 and 2013-14 that no receipts or payments towards TSC/NBA funds appeared in the accounts. Owing to this omission the accounts did not present the true picture of the financial status of the ZP.

When pointed out (December 2014), the ZP did not furnish any reply.

<sup>29</sup> PSs: Arambagh (1675); Beldanga-I (186); Bhagwanpur-II (895); Chanditala-I (377); Chinsurah-Mogra (1231); Gangarampur (4864) Harishchandrapur-II (1272); Indas (1145); Kaliaganj (1176); Kalna-II (897); Khejuri-II (1083); Lalgola (1194) and Ranibandh (1222).

### 3.3.2 Inadmissible expenditure

Scrutiny revealed that three PRIs expended ₹10.23 lakh towards items not permissible under TSC as below:

Table 3.2

#### Amount expended on non-permissible items

Name of PRI	Year	Amount	Purpose
South 24 Parganas ZP	2013-14	₹ 8.27 lakh	For publishing advertisement and <i>utsav</i> committees
Nagrakata PS	2013-14	₹ 1.24 lakh	Renovation of Chapramari Forest Bungalow
Krishnanagar-I PS	2012-13	₹ 0.72 lakh	Sinking of tubewell
<b>Total</b>		<b>₹ 10.23 lakh</b>	

(Source: Records of PRIs)

When pointed out, South 24 Parganas ZP did not furnish any reply while the PSs admitted the fact.

### 3.3.3 Undue benefit to RSM

Records of Uttar Dinajpur ZP revealed that NBA funds were allotted during 2013-14 to Chopra PS for construction of Individual Household Latrines (IHHL) through two RSMs. Test check of payment records of Chopra PS revealed that the RSMs were paid ₹1.02 lakh for construction of 20 IHHLs. However, during joint inspection (March 2015) conducted by Audit alongwith the PS officials, it was revealed that nine IHHLs were not constructed at all whereas 10 toilets were constructed with substandard quality of material and one toilet was found demolished by the beneficiary. Payment of NBA subsidy without verifying the completion and quality of work indicated that undue benefit was extended to the RSMs. When the lapse was pointed out, the PS admitted (March 2015) the facts and assured to take necessary action.

### 3.3.4 Poor physical performance in Solid and Liquid Waste Management (SLWM)

Paschim Medinipur ZP sub allotted (2013-14) ₹ 66.00 lakh to Debra, Daspur-II, Jhargram and Garhbeta-III PSs for execution of projects under SLWM. Scrutiny revealed that SLWM projects were started only in Debra and Garbeta-III PSs but could not be completed till November 2014.

When enquired, the ZP admitted the facts and figures but did not furnish any reason for non-completion of those projects. However, from the available records, it was revealed that the lands were not identified before starting the projects.

Similarly, Patashpur-I and Bhagwanpur-I PSs were asked to refund (November 2014) ₹ 20.00 lakh to Purba Medinipur ZP due to their failure in implementing SLWM project. The PSs refunded the amount accordingly.

In reply (March 2015) to audit observations, Patashpur-I PS stated that in absence of drawing and design, the project could not be implemented. The reply was not tenable as the Model drawing and estimate for SLWM project was forwarded (January 2013) to all the ZPs by P&RDD well before allotment of fund by the ZP (March 2013). Bhagwanpur-I PS did not offer any comment.

Murarai-II PS received (July 2012) ₹ 10.00 lakh from Birbhum ZP for two SLWM projects. The ZP specified that utilisation certificate should be furnished within 90 days and photographs of SLWM should be preserved for future reference. On receipt of funds from the ZP, the PS sub-allotted (August 2012) that to two NGOs for execution of projects in two GPs. During joint physical verification (January 2015) along with PS authority, it was noticed that no unit was constructed at Rudranagar GP and only one concrete ring was found in Paikar GP campus. Further, no estimate, measurement books etc. related to the works were kept by the PS and no UC for the works was collected/ submitted by the PS even after lapse of 30 months from receipt of fund. The PS also failed to furnish any documents regarding monitoring of the said projects.

When pointed out (January 2015), the PS admitted the facts and figures and stated (January 2015) that necessary steps would be taken.

### 3.4 Conclusions

**I. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** – Violation of scheme guidelines, delayed payment of wages, underachievement in generation of estimated mandays and retention of Sampoorna Grameen Rozgar Yojana (SGRY) funds without transferring it to MGNREGS accounts as per instructions of the Government were observed, which indicated deficiencies in the implementation of MGNREGS.

**II. Indira Awaas Yojana (IAY)** - Implementation of IAY was deficient due to irregular selection of beneficiaries, misplaced priority, incorrect allotments and inadequate disbursements of assistance. Failure to adhere to stipulated conditions also resulted in loss of IAY grant from GoI.

**III. Total Sanitation Campaign (TSC)** - Irregularities like inadmissible expenditure, undue benefit to RSM and poor performance in SLWM projects were noticed.

# **CHAPTER IV**

## **Performance Audits**



# Chapter IV

## Performance Audits

### 4.1 Total Sanitation Campaign/ Nirmal Bharat Abhiyan

#### Highlights

*Two sets of accounts were prepared by P&RDD and WBSRDA for TSC/NBA at State level and in those accounts, there were discrepancies in the figures reflected in respect of Central and State shares. These discrepancies ranged from ₹0.96 crore to ₹1.96 crore for the Central shares and from ₹1.96 crore to ₹11.99 crore for the State shares during 2009-10 to 2012-13.*

*TSC/NBA funds were released to PRIs after delays ranging from 3 to 117 days in respect of Central shares and after 52 to 195 days in respect of State shares. Bardhaman and Purba Medinipur ZPs also delayed the disbursement of funds during 2009-14.*

*In five selected districts, beneficiaries' contributions had been collected and utilised by Rural Sanitary Marts unauthorisedly and the contributions were not reflected in TSC/NBA accounts maintained in PRIs.*

*(Paragraph 4.1.7.3)*

*Six GPs failed to maintain their Nirmal status after three to four years of receiving the award.*

*(Paragraph 4.1.7.4)*

*Beneficiary database was not found in any of the selected PRIs. Forty beneficiaries of three districts were found to have been provided double benefits of IHHL.*

*(Paragraph 4.1.7.5)*

*Ten Community latrines in five PSs and 16 School toilets in Mangalkote and Katwa-II PSs remained unutilised.*

*(Paragraph 4.1.7.6)*

*During 2010-14, Uttar Dinajpur and Jalpaiguri ZPs did not prepare any convergence plan; no fund under convergence was provided to IAY beneficiaries for construction of toilets in Murshidabad, Uttar Dinajpur and Jalpaiguri districts.*

*(Paragraph 4.1.7.7)*

*None of the selected 56 GPs of the five selected districts convened Gram Swachchhata Sabha (GSS) as required. Moreover, no mechanism for periodic evaluation had been developed by the State Government except for Nirmal Gram Puraskar aspirant GPs.*

*(Paragraphs 4.1.7.10 and 4.1.7.11)*

#### 4.1.1 Introduction

Government of India introduced Central Rural Sanitation Programme (CRSP) in 1986. The CRSP was modified in 1999 by changing the ‘high subsidy supply driven approach’ to ‘incentive based demand driven approach’ and was renamed as Total Sanitation Campaign (TSC). An award called *Nirmal Gram Puraskar* (NGP) was launched by GoI in October 2003 for GPs, blocks and districts with fully sanitised and open defecation free areas under them. Encouraged by the success of NGP, TSC was renamed as *Nirmal Bharat Abhiyan* (NBA) with effect from 01 April 2012 with the objective to accelerate the sanitation coverage in the rural areas. It envisaged covering the entire community for saturated<sup>30</sup> outcomes for creating *Nirmal* Gram Panchayats.

#### 4.1.2 Funding Pattern

Funding arrangement was such that GoI, the State Government and the beneficiary/community were to contribute as per the component-wise shares fixed under the Scheme. The proportional funding in respect of different components of TSC/NBA was as follows:

**Table 4.1.1**  
**Funding pattern**

Sl. No.	Sector/ Components of NBA	Funding Pattern
1	Start-Up activities	Cost of Start-up activities –Should not exceed 5% of the total project cost* -100 per cent GoI assistance.
2	IEC (Information, Education and Communication)	The total IEC cost including start up grant should not exceed 15 per cent of the total project cost - Funding in the ratio of 80:20 by GoI and the State Government.
3	Capacity Building	Limited to 2 per cent of the IEC budget – Funding in the ratio of 80:20 by GoI and the State Government.
4	RSMs (Rural Sanitary Marts)	₹3.50 lakh as interest free loan to set up an RSM from the Revolving funds available at the district level
5	Construction of IHHL (Individual Household Latrine)	Below Poverty Line (BPL) household - ₹3200.00 (₹3700.00 for difficult and hilly areas) Central share - ₹2200.00 (₹2700.00 in case of hilly and difficult areas) State share - ₹1000.00 Minimum beneficiary share - ₹300.00
6	Community Sanitary Complex	Sharing pattern - GoI, State Government and community in the ratio of 60:30:10
7	Institutional Toilets	a) School toilet: Unit cost -₹35,000.00 (₹ 38,500.00 in case of hilly and difficult areas) GoI and State Government in the ratio of 70:30 b) <i>Anganwadi</i> Toilets: Unit cost up to ₹ 8,000 (₹ 10,000 in case of hilly and difficult areas) GoI -₹ 5,600 (₹ 7,000 in case of hilly and difficult areas) Additional expenses may be met by the State Government, Panchayats or funds from Twelfth/Thirteenth FC, etc.

(Source: Guidelines of NBA)

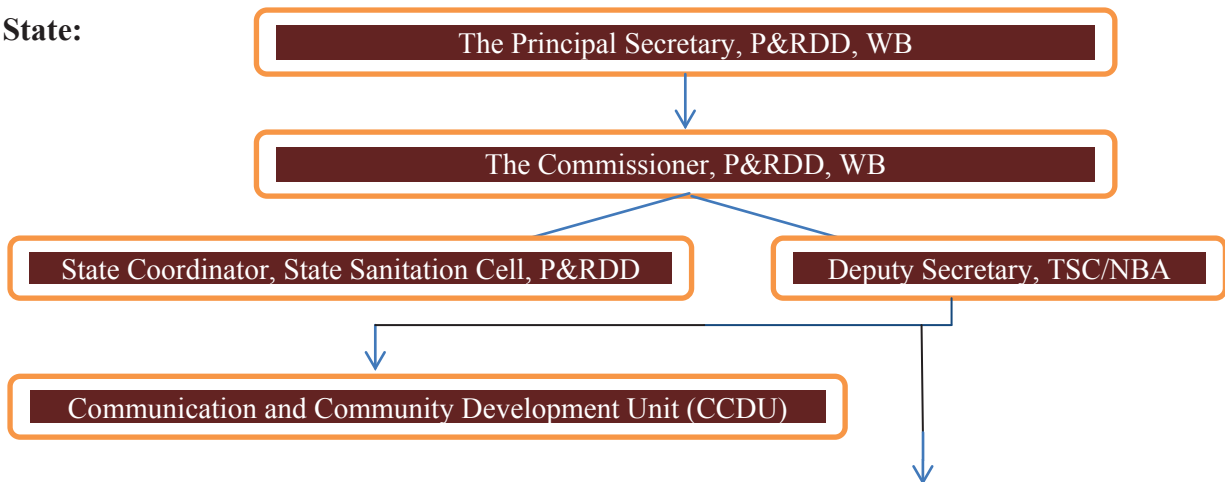
<sup>30</sup>100 per cent achievement

\* Total project cost= cost of all components of TSC+IEC activities+capacity building+revolving fund

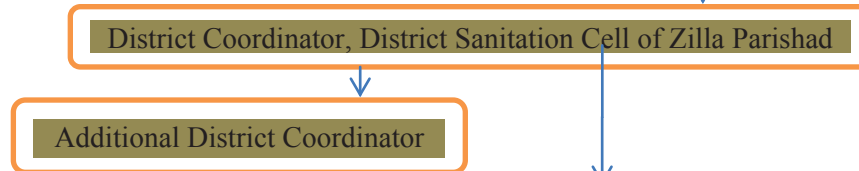
### 4.1.3 Organisational set up

Ministry of Rural Development is the nodal Ministry for implementation of TSC/ NBA. In the TSC, the focus of the Scheme was on sanitation only, but after convergence of the Scheme into NBA, safe drinking water was also included in the scope of the Scheme. Under the TSC, State Sanitation Cell (SSC) was the implementing agency in the State. For NBA, which had a broader scope, State Water and Sanitation Mission (SWSM) was constituted for coordination and convergence among State Departments, supervision of implementation of the Scheme, and finalisation of Annual Plan of districts. SWSM was constituted in Public Health and Engineering Department (PHED) to deal with drinking water part, while the erstwhile SSC under P&RDD continued to deal with the sanitation part of NBA. The guidelines of the Scheme stipulated that for coordination, review and monitoring of the Scheme, District Water and Sanitation Mission (DWSM) be constituted in districts. For capacity building, creation of awareness and assisting the GPs in attaining *Nirmal* status, Block Resource Centres (BRC) were to be constituted at the block level. The Organogram of administrative set up in West Bengal is illustrated below:

#### State:



#### District:



#### Block:



A Performance Audit (PA) of Total Sanitation Campaign/ *Nirmal Bharat Abhiyan (NBA)* was carried out in five<sup>31</sup> districts of the State covering the period from 2009-10 to 2013-14.

#### **4.1.4 Audit Objectives**

The Performance Audit was conducted with an aim to seek assurance on whether:

- Planning was adequate and effective for the achievement of the Scheme objectives;
- Funds were released, accounted for and utilised in compliance with the guidelines;
- Selection of beneficiary was transparent; and
- Monitoring and evaluation of the outcomes of the programme were adequate and effective.

#### **4.1.5 Audit Criteria**

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

- TSC guidelines 2007, 2010 and 2011 and NBA Guidelines, 2012; notifications and circulars issued by Ministry of Drinking Water and Sanitation;
- State Government orders relating to implementation of TSC/NBA;
- Guidelines for the *Nirmal Gram Puraskar*; and
- Physical and financial progress reported under Management Information System ([tsc.gov.in](http://tsc.gov.in)).

#### **4.1.6 Scope and audit methodology**

The Performance Audit covering the period from 2009-10 to 2013-14 was conducted during May 2014 to September 2014. Out of the 18<sup>32</sup> districts of West Bengal, five districts i.e. Bardhaman, Jalpaiguri, Murshidabad, Purba Medinipur and Uttar Dinajpur were selected by using Probability Proportional to Size With Replacement method (PPSWR). PSs and GPs of these five districts were selected by using Simple Random Sampling without Replacement method (SRSWOR). Details of selected units are given in **Appendix-XI**. Besides, 10 beneficiaries from each GP were randomly selected to assess the level of awareness and impact of the Scheme at users' end.

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<sup>31</sup>Bardhaman, Jalpaiguri, Murshidabad, Purba Medinipur and Uttar Dinajpur.

<sup>32</sup>The 19th District (Alipurduar) was created (25 June 2014) after initiation of PA.

An Entry Conference was held with the Commissioner of P&RDD in June 2014 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 five selected districts before taking up the audit. After completion of the PA, an Exit Conference was also held in March 2016 with the Special Secretary, P&RDD and other State Government officer wherein results of PA along with recommendations were discussed.

#### 4.1.7 Audit Findings

##### 4.1.7.1 Infrastructure at three levels of PRI

Out of the five districts selected for audit, it was noticed that the District Water and Sanitation Missions (DWSM) were constituted in only three<sup>33</sup> districts in 2012-13, while in the remaining two districts i.e. Jalpaiguri and Purba Medinipur, DWSMs were not constituted. However, during the course of audit it was noticed that the DWSMs were not functional and the entire programme was implemented by ZPs. Similarly, at the block level, PSs carried out TSC/NBA activities through Rural Sanitary Marts (RSMs) and Self Help Groups (SHGs).

##### Achievement against target

Individual Household Latrine (IHHL), Community Sanitary Complex (CSC), School Toilets etc. were the components of the Scheme which were to be implemented to fulfill diverse sanitary requirements of people. During 2009-14, the percentage of achievement of the State with reference to target set as per the Baseline Survey (BLS) 2001 in respect of those components were as follows:

**Table: 4.1.2**

**Details of target and achievement in respect of different components of TSC/NBA during 2009-14**

**A) IHHL-BPL**

Year	Project Target	Cumulative Achievement	Percentage of Achievement
2009-10		Data not available in P&RDD	
2010-11	6619158	5000330	76
2011-12		5363929	81
2012-13		5792377	88
2013-14		6254425	94

<sup>33</sup>Bardhaman, Murshidabad and Uttar Dinajpur.

**B) IHHL-APL**

Year	Project Target	Cumulative Achievement	Percentage of Achievement
2009-10	Data not available in P&RDD		
2010-11	4997498	2275115	46
2011-12		2712416	54
2012-13		2843083	57
2013-14		3281597	66

**C) Sanitary Complex**

Year	Project Target	Cumulative Achievement	Percentage of Achievement
2009-10	Data not available in P&RDD		
2010-11	1140	865	76
2011-12		1010	89
2012-13		1109	97
2013-14		1294	114

**D) Toilets for Schools**

Year	Project Target	Cumulative Achievement	Percentage of Achievement
2009-10	Data not available in P&RDD		
2010-11	134081	85497	64
2011-12		102395	76
2012-13		121870	91
2013-14		135897	101

(Source: Audited accounts of P&RDD)

It can be seen from the above table that achievements substantially improved since 2012 and there were over-achievements reported in 2013-14 in respect of items C and D above. However, these figures do not represent the actual achievement against the higher revised targets but against the original targets. The project aim set in BLS 2001 was revised in 2012 and achievements were mapped with reference to the pre-revised target set in 2001.

**4.1.7.2 Planning for implementation of the Scheme**

**Preparation of Project Implementation Plan (PIP) and Annual Implementation Plan (AIP)**

As per guidelines, basic requirement for successful implementation of the Scheme was its proper planning. The Scheme included Baseline Survey (BLS) to assess the status of sanitation and also to prepare a composite plan called Project Implementation Plan (PIP). Annual Implementation Plan (AIP) was to be prepared with an aim to identify GPs for attaining the *Nirmal* status and containing details of activities taken up under the various components of the Scheme in a particular year along with the total cost required to fulfill those activities.

The State Government reported that PIP for 2013-14 was prepared by consolidating the data obtained from Baseline Survey 2012. In Murshidabad and Uttar Dinajpur ZPs, the target for IHHL, School toilets and *Anganwadi* Toilets were incorporated in the PIP

prepared in the year 2004 but Community Sanitary Complex (CSC) was not included. However, all ZPs prepared PIP after BLS 2012 and AIPs for the years 2009-10 to 2013-14.

Scrutiny of the PIPs prepared after Baseline Survey 2012, revealed that in the survey report of Bardhaman ZP, components like School toilets, *Anganwadi* toilets and CSC were not recorded. In Murshidabad ZP, total number of households without toilet was 736611 whereas PIP exhibited 1209405. Reason for the discrepancy was enquired but the ZP did not respond.

### Target of achieving *Nirmal* Status

*Nirmal* status indicated complete elimination of open defecation within the boundaries of the PRI. Nobody, including floating population, defecated in the open and child faeces were disposed off in toilets.

AIPs were to be prepared with an aim to achieve *Nirmal* status in PRIs in a particular year. However, AIPs were neither prepared following the community saturation approach nor any GP was identified for *Nirmal* status during the year. However, P&RDD set a target to achieve *Nirmal* Status of the entire rural Bengal by March, 2017. The status of receipt of *Nirmal* Gram Puraskar during 2009-14 was as shown below:

**Table: 4.1.3**

#### Status of *Nirmal* Gram Puraskar awarded during 2009-14

Year	No. of NGP awarded
2009	109
2010	Nil
2011	36
2012	Nil
2013	Nil
2014	Nil

(Source: [nirmalgrampuraskar.nic.in](http://nirmalgrampuraskar.nic.in))

Thus, it was observed that no GP in the State achieved *Nirmal* status during 2012-14.

### IEC Planning & Implementation

TSC/NBA was a demand-driven scheme for which use of information, education and communication (IEC) was very important for creating awareness about the benefits of sanitation and hygiene among rural population. In order to strengthen communication machinery at the village level with participatory social mobilisation, the guidelines stipulated for engagement of village level motivators called *Swachchhata Doots*. In addition, field functionaries like *Bharat Nirman* Volunteers, ASHA (Accredited Social

Health Activists), *Anganwadi* workers, school teachers etc. were to be engaged for demand creation and communicating change of habit.

Scrutiny of records at the State level revealed that the State Government organised “*Swachchhata Utsav*” (October 2011), ‘World Toilet Day’ (November 2013) and National Safe Drinking Water and Sanitation Week (February 2014) as part of IEC activities. Out of selected ZPs, only Murshidabad and Bardhaman prepared (May and September 2013) action plan on IEC activities.

To motivate rural people, *Swachchhata Doots* were engaged in one GP of Purba Medinipur, in six PSs of Bardhaman and in 15 GPs in Murshidabad districts during 2013-14. Field functionaries like *Bharat Nirman* Volunteers, ASHA workers, *Anganwadi* workers, School Teachers etc. and local NGOs were not found to have been engaged as motivators in 41 selected GPs of Purba Medinipur, Murshidabad, Uttar Dinajpur and Jalpaiguri districts; it was found to have been done only in Bardhaman ZP.

#### 4.1.7.3 Financial Management

##### Flow of funds

West Bengal State Rural Development Agency (WBSRDA) under supervision of Commissioner, P&RDD dealt with transferring of scheme funds at the state level. It received central share of TSC/NBA funds directly from GoI as well as matching state shares from P&RDD and released the funds to ZPs.

The receipt and expenditure of funds in respect of the State are given below:

**Table 4.1.4**  
**Receipt and expenditure of funds in the State during 2009-14**

(₹ in lakh)						
Year	Opening balance	Central share	State share	Total available fund	Expenditure	Percentage of expenditure
2009-10	8014.69	2666.76	2433.21	13114.66	11057.12	84.31
2010-11	9289.50	8907.00	2120.34	20316.84	10236.28	50.38
2011-12	16952.55	14124.34	6634.23	37711.12	14424.35	38.25
2012-13	25226.49	28847.65	6334.82	60408.96	22963.53	38.01
2013-14	30360.25	12937.60	8892.00	52189.60	26401.35	50.59
<b>Total</b>		<b>67483.35</b>	<b>26414.60</b>	<b>101912.64*</b>	<b>85082.63</b>	

(Source: Records of P&RDD)

\*(OB of 2009-10 of ₹8014.69 lakh+ total central share of ₹67483.35 lakh+ state share of ₹26414.60 lakh=₹101912.64 lakh)

It can be seen that the percentage of expenditure in the State varied between 38 and 84 per cent during 2009-14 and there was an unspent balance of ₹ 257.88 crore (i.e. 50 per cent of total receipt) as of March 2014. Further, receipts were increasing steeply since

2011-12 but expenditures were not keeping the pace with receipts which resulted in accumulation of substantial funds.

### Accounting of funds

P&RDD prepared the accounts of TSC/NBA by consolidating data from the accounts submitted by the PRIs. On the other hand, WBSRDA prepared accounts on transactions of TSC/NBA at the State level. Scrutiny of these two accounts revealed discrepancies in the quantum of central and state share received as given below:

**Table: 4.1.5**

#### Difference between the accounts of P&RDD and WBSRDA in respect of TSC/NBA funds

(₹ in crore)

Year	Receipt of TSC/NBA funds	Amount shown in WBSRDA's accounts	Amount shown in P&RDD's accounts	Difference
2009-10	Central share	32.99	33.95	0.96
	State share	12.24	24.23	11.99
2010-11	State share	19.25	21.20	1.96
2011-12	State share	69.78	66.34	3.44
2012-13	Central share	308.08	288.48	1.96
	State share	59.91	63.35	3.44

(Source: Records of P&RDD)

The discrepancy in respect of central share was ranging from ₹ 0.96 crore to ₹ 1.96 crore during 2009-10 to 2012-13 and the same in respect of state share was ranging from ₹ 1.96 crore to ₹ 11.99 crore during the same period.

### Delay in release of funds

In terms of TSC/ NBA guidelines, the State was to release the central funds along with the matching state shares to the district implementing agency/ agencies within 15 days of receipt of central funds. The guidelines also stipulated that the district implementing agency (i.e. ZPs) should transfer the funds for the works to executing agency (i.e. PSs) within 15 days of receipt of funds.

WBSRDA, however, delayed the release of State shares during 2009-14 on each of the 12 occasions, with delays ranging from 52 to 91 days on eight occasions and 151 to 195 days on four occasions. Similarly, Central shares were released on 11 occasions and there were delays of 3 to 117 days on six occasions. These delays were over and above the permissible limit of 15 days (**Appendix –XII**).

At the district level, Bardhaman ZP released TSC/NBA funds of ₹ 59.48 crore to PSs in 15 cases with delays ranging from 18 to 98 days in 9 cases, 110 to 152 days in 2 cases

and 199 to 278 days in 4 cases during 2011-14, while in Purba Medinipur delays found ranged from 11 days to 83 days in releasing funds of ₹ 2.30 crore to PSs during 2009-14.

#### **Non-utilisation of funds**

In selected five ZPs and 21 PSs<sup>34</sup> TSC/NBA funds of ₹ 51.32 crore remained unutilised at the end of March 2014 while ₹ 42.99 crore (83.77 per cent) pertaining to five ZPs.

#### **Non-incorporation of beneficiary contribution**

As already stated in Para 4.1.2, for construction of individual household latrines, the beneficiary BPL households had to contribute a minimum share of ₹ 300 which was subsequently (2013-14) increased to ₹ 900. Scrutiny of records of PSs/GPs revealed that PRIs themselves did not collect these contributions from beneficiaries for construction of IHHLs. Instead, the same was collected by Rural Sanitary Marts which were NGOs and these contributions were not reflected in the accounts of PRIs and hence not included in the audited accounts of the ZPs. However, beneficiary contributions amounting to ₹ 206.98 crore were found included in the audited accounts of the State for the years 2010-11 to 2013-14, which was a compilation of audited accounts of all ZPs. Source of inclusion of beneficiary contributions could not be ascertained from records of P&RDD and authenticity of the figure could not be vouchsafed.

When enquired, the department did not furnish any reply.

Scrutiny in five selected districts revealed that beneficiary contributions were not reflected in TSC accounts of ZPs and PSs. When enquired, selected PSs stated that the contributions were collected and utilised by RSMs. Authority of collection of beneficiary contribution by RSM was also not found on records.

Thus, PRIs remained unaware about the quantum of beneficiary contributions collected by RSMs and total costs of construction of toilets were also not reflected in any document.

#### **4.1.7.4 Nirmal Gram Puraskar (NGP)**

In order to recognise the achievements and efforts made in ensuring full sanitation coverage, GoI launched an award based incentive scheme for fully sanitised and open

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<sup>34</sup>(₹ in lakh) ZPs: Purba Medinipur (671.20), Bardhaman (569.34), Murshidabad (1958.07), Uttar Dinajpur (582.85) and Jalpaiguri (517.88); PSs: Sutahata-II (6.76), Contai-I (2.09), Ramnagar-II (24.75), Nandigram-I (33.28), Patashpur-II (2.09), Katwa-II (79.76), Mongalkote (29.20), Ausgram-I (34.45), Ausgram-II (52.75), Barabani (146.35), Salanpur (66.72), Jalangi (40.48), Suti-II (44.60), Raninagar-II (32.96), Domkal (29.80), Nabagram (29.33), Islampur (3.04), Goalpokhor-II (0.51), Alipurduar-I (66.81), Kumargram-I (39.90) and Dhupguri (66.81).

defecation free Gram Panchayats, Blocks, Districts and States called “*Nirmal Gram Puraskar*” (NGP) in October 2003 as a component of TSC.

#### Sustainability of NGP awarded GPs

During BLS-2012, it was revealed that there were households without toilet in NGP awarded GPs in Purba Medinipur and Murshidabad ZPs as detailed below:

**Table 4.1.6**  
**Status of NGP awarded GPs after BLS-2012**

Name of the GP	Year of attaining <i>Nirmal</i> Status	Percentage of household without toilet as per BLS-2012 (Excluding non-functional toilets)
Sonachura	2007-08	66%
Kendemari Jalpai	2007-08	51%
Badalpur	2007-08	21%
Satilapur	2007-08	14%
Deulpota	2007-08	15%
Aurangabad-II	2008-09	51%

(Source: BLS Report of selected PRIs)

Thus, the GPs earlier awarded, failed to maintain their *Nirmal* status after three to four years of getting the award. This also indicated lack of proper monitoring by PRIs and non-consideration of demand enhancement after getting the award.

When pointed out, Purba Medinipur and Murshidabad ZPs did not furnish any reply.

#### **4.1.7.5 Construction of Individual Household Latrine (IHHL)**

##### Non-existence of eligible beneficiary list

Eligible list for beneficiaries was not found in existence in any of the selected ZPs and GPs were not involved in identification of beneficiaries. Database of beneficiaries was also not found in selected PSs. While issuing the work order to RSMs, selected PSs did not attach any beneficiary list. After completion of construction of toilets, the muster roll for payment to RSMs containing the names of beneficiaries was itself considered as the beneficiary list.

However, beneficiaries of IHHL were selected from the BPL list in all selected ZPs.

##### Irregular extension of double benefits to beneficiaries

During beneficiary survey, it was noticed that 40 beneficiaries of Bardhaman (8 no.s), Murshidabad (30 no.s) and Uttar Dinajpur (2 no.s) districts were provided double benefits of IHHL. When pointed out, Raninagar-II PS of Murshidabad and Islampur PS of Uttar Dinajpur did not furnish any reply while Mangolkote and Katwa-II PSs of Bardhaman district accepted the observation.

#### 4.1.7.6 Results of physical verification of TSC/NBA works

##### Non-utilisation of Community Sanitary Complexes (CSC)

Ten CSCs of Alipurduar-I, Pataspur-II, Nandigram-I, Ramnagar-II and Mangalkote PSs were physically verified. During verification it was observed that CSCs remained unutilised due to incomplete construction, absence of maintenance/ water arrangement, approach road etc.

Table: 4.1.7

##### Non-utilisation of CSCs in five PSs

Name of PS	No. of CSC	Reason for non-utilisation
Alipurduar-I	1	Construction remained incomplete
Pataspur-II	3	Narrow entrance, non-maintenance, no arrangement of water
Nandigram-I	2	No water arrangement, door was broken
Ramnagar-II	3	Defunct, no water arrangement
Mangalkote	1	Approach road was not constructed, no water arrangement

(Source: Results of physical verification of toilets)

##### Non-existence of CSC and ICDS toilets

Purba Medinipur ZP sub-allotted ₹ 1.80 lakh to the Secretary of a *bazaar* committee from Mohammadpur GP for construction of 'pay and use' latrine. During joint physical verification with members and Pradhan of the GP along with the intended beneficiaries, the CSC was found not to have been constructed.

##### Non-utilisation of School/ Anganwadi Toilets

In Mangalkote and Katwa-II PSs, 16 School toilets were physically verified and it was found that toilets were not utilised due to reasons like obstruction in front of toilet, placing of garbage inside the toilets, absence of maintenance, damaged condition, toilets being located at disadvantageous places, etc.

Thus, 16 Schools/ *Anganwadi* toilets remained unutilised and the purpose of constructing those toilets remained unfulfilled.

##### Irregularities in delivery of sanitary plates

Nandigram PS paid (July 2011) ₹ 1.60 lakh to a RSM for construction of 500 Individual Household Latrines (IHHLs) in Mohammadpur, Haripur and Gokulnagar GPs. The PS neither issued any work order nor supplied any beneficiary list to RSM and no verification of beneficiaries was undertaken. During physical verification of 10 selected beneficiaries in those GPs, 27 beneficiaries reported that they did not receive any squatting plate. On earlier occasion also, the PS issued (March 2008) work order for

supply of 361 sanitary plates in four GPs. During physical verification of those toilets, 90 per cent beneficiaries reported that they did not receive the plate.

#### 4.1.7.7 Solid and Liquid Waste Management (SLWM)

SLWM was to be implemented in project mode for each Gram Panchayat to enable all GPs to implement sustainable SLWM projects. Activities like construction of compost pits, vermi composting, common and individual biogas plants, low cost drainage, reuse of waste water etc. were considered.

In Purba Medinipur ZP, 17 projects of SLWM were taken up under NBA and only one project was stated to have been completed in Sabajput GP. However, during physical verification by Audit, it was observed that the project was still under progress as of September 2015; however no report showing the physical progress of the project was available. In Bardhaman District, one SLWM project was stated to have been completed while in Uttar Dinajpur, Jalpaiguri and Murshidabad districts, no project was taken up.

A SLWM project was taken up in Dalui Bazar-II GP of Bardhaman district. During physical verification of the project, it was observed that most of the sewage of the GP was directly discharged into water bodies, cultivable lands and irrigation canals. Polluted water was found to be accumulated around drinking water sources (tube wells) due to lack of proper drainage system. Besides, water from septic tanks of some houses was directly being discharged into the ponds and roads creating health hazard. Action taken by the GP in this regard was not found on records made available to audit.

#### 4.1.7.8 Convergence with other department and schemes

NBA guidelines had given emphasis on convergence with MGNREGS with unskilled man-days and skilled man-days for construction of toilets to facilitate the rural households with funds for creating their own sanitation facilities. Further, in terms of IAY guidelines, there should be convergence with activities and funds provided under the Scheme for providing sanitary latrines in IAY houses.

- Purba Medinipur, Murshidabad and Bardhaman ZPs reported that the project plan on convergence mechanism was prepared while Uttar Dinajpur and Jalpaiguri ZPs did not prepare any convergence plan.
- No funds under the TSC / NBA were provided to IAY beneficiaries for construction of toilets in Murshidabad, Uttar Dinajpur and Jalpaiguri districts. However, Purba Medinipur and Bardhaman ZPs stated that the TSC/NBA funds were provided to IAY

beneficiaries but no specific allocation was found on records for construction of toilets under convergence with the IAY funds.

- Convergence with MGNREGS for construction of IHHLs was reported to have been undertaken by Murshidabad and Bardhaman ZPs. Purba Medinipur ZP stated that convergence with MGNREGS was undertaken for construction of IHHLs but no documentary evidence was made available to audit. In Jalpaiguri and Uttar Dinajpur ZPs, convergence with MGNREGS was undertaken only from the year 2014-15. No physical and financial reports on convergence works were sent to the higher authority till July 2014.
- GoI would provide ₹ 5600.00 for construction of *Anganwadi* toilets in the total unit cost fixed for ₹ 8000.00. The differential cost had to be provided from other sources like MPLADs, MLALADs and state/GP funds. However, Bardhaman, Murshidabad and Uttar Dinajpur ZPs incurred the entire expenditure of *Anganwadi* toilets from TSC funds. Purba Medinipur and Jalpaiguri ZPs could not provide any record in this respect to audit.

#### **4.1.7.9 Inspection and review**

The guidelines stipulated that Review Mission arrangements at State Government level were mandatory and should be headed by Joint Secretary level officer with other specified members of other linked departments and independent representatives from reputed organisations in the field of sanitation. Based on the reports of the State Review Mission, proposal for release of funds should be sent to Government of India.

However, first State Review Mission had been constituted on 28th December 2005 and reconstituted later from time to time, but no records in respect of the activities of the Mission were made available to audit though asked for.

No regular inspection was found to have been carried out by officers of ZPs to verify progress of implementation. All selected ZPs stated that inspection was done at their level. However, no documentary evidence was made available in support of their inspection.

Bardhaman ZP stated that the review report was submitted to higher authority, but no action was taken against the report while Purba Medinipur, Murshidabad, Uttar Dinajpur and Jalpaiguri ZPs stated that no such report was submitted to P&RDD.

#### 4.1.7.10 *Swachchhata Sabha*

NBA is to provide a central role to ‘social audits’ as a means of continuous and comprehensive public vigilance. The GP would convene periodic assemblies of ‘*Gram Swachchhata Sabha*’ (Village Sanitation Assembly) to strengthen the elements of transparency, participation, consultation and consent, accountability and grievance redressal in the implementation of NBA.

None of the selected 56 GPs of five selected districts convened ‘*Gram Swachchhata Sabha*’ (GSS).

#### 4.1.7.11 Monitoring and research

##### Departmental monitoring

P&RDD intimated that the review of progress by district officials was done on a monthly basis by the Commissioner and on a quarterly basis by the Secretary-in-charge. However, no records in respect of those review meetings were made available to audit. No mechanism for periodic evaluation of PRIs in general had been found developed by P&RDD. However, for NGP aspirant GPs, IEC intervention and its impact were examined by the department.

##### **Conclusion**

*Nirmal Bharat Abhiyan* (NBA) was intended to accelerate the sanitation coverage in the rural areas through a demand driven approach for saturated outcomes with a view to create *Nirmal* Gram Panchayats. Audit observed various shortcomings and lapses in the implementation of the NBA.

During 2009-14, TSC/NBA activities were carried out as per the Project Implementation Plan (PIP) prepared in 2002 though the PIP was revised in 2012-13 under NBA. Further, achievement during 2012-14 was also evaluated with reference to pre-revised PIP and over-achievement was reported. NGP awarded GPs also failed to maintain their open defecation-free status.

Database of beneficiaries was not found in existence. Solid and Liquid Waste Management (SLWM) was not taken up and the households were exposed to unhygienic conditions.

In selected PRIs, extension of double benefits, non-utilisation of toilets, non-existence of toilets etc. were observed. *Gram Swachchhata Sabha* (GSS) was not convened.

The financial management under the Scheme was poor. Rural people were deprived of the benefits of sanitation as very few IHHLs were converged with the IAY or

MGNREGS. Monitoring of the Scheme was found inadequate and mechanism for periodic evaluation had not been developed to achieve the *Nirmal* status by 2017.

### **Recommendations**

- Periodical review of targets may be undertaken to ascertain the demand for toilets and to identify the weakest areas;
- Beneficiary database should be maintained in all PRIs;
- Significant awareness campaigns should be undertaken to discourage open defecation; and
- Works in respect of Solid and Liquid Waste Management should be widely undertaken in order to arrest water pollution, prevent contamination of food and spread of water-borne diseases.

## 4.2 Thirteenth Finance Commission recommendations and grass root level development through PRIs

### Highlights

*Finance Department delayed releasing the funds to P&RDD, subsequently causing delay in release of funds to PRIs and released interest for the delayed release of fund to the tune of ₹21.64 crore which was ₹15.65 crore less than the interest payable to the PRIs for such delay.*

*(Paragraph 4.2.6.1)*

*West Bengal had an allocation of ₹4157.94 crore for PRIs but P&RDD received a total amount of ₹2750.24 crore against such allocations for disbursement to PRIs.*

*(Paragraph 4.2.6.2)*

*The State Government delayed the release of funds to PRIs and the selected PRIs also delayed transferring of the funds to other tiers of PRIs. Delays ranging from few days to several months were observed at every stage of the transfer of funds.*

*(Paragraphs 4.2.6.4 and 4.2.6.5)*

*Range of utilisation towards basic amenities of civic life and water supply in selected 58 PRIs was sub-optimal, while 11 PRIs could not utilise any amount for e-governance system.*

*(Paragraphs 4.2.7.3 and 4.2.7.4)*

*All 58 PRIs incurred inadmissible expenditure of ₹16.30 crore towards creation of new assets, maintenance of religious infrastructure, maintenance of assets not belonging to PRIs and payment of salaries to casual staff in violation of the order of the State Government.*

*(Paragraphs 4.2.9.1, 4.2.9.2 and 4.2.9.3)*

*Out of selected PRIs, 33 PRIs did not frame bye-laws for augmentation of revenue and in the remaining 25 PRIs, own funds constituted only 0.05 to 19.19 per cent of their total receipts during 2010-15. Besides, none of the selected PRIs took up any step to recover Operations and Maintenance (O&M) costs in the form of user charges.*

*(Paragraphs 4.2.10.2 and 4.2.10.3)*

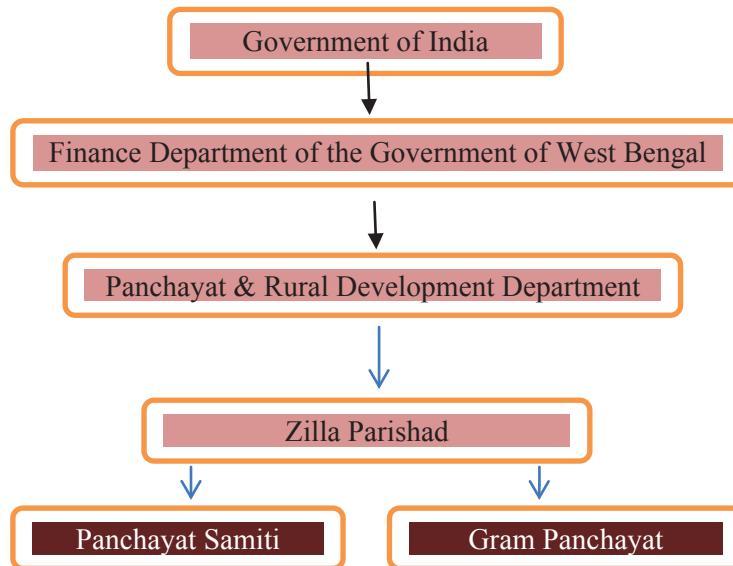
*The State Government could not furnish any documents in support of monitoring over utilisation of funds reported by PRIs in MPRs. Monitoring at all level was found to be inadequate as instances of non-submission/ irregular submission of MPRs and UCs were observed.*

*(Paragraphs 4.2.13.1 and 4.2.13.2)*

#### 4.2.1 Introduction

Thirteenth Finance Commission (13th FC) constituted on 13 November 2007 made recommendations for the period from 2010 to 2015 in respect of measures needed to augment the Consolidated Fund of a State to supplement the resources of the Panchayati Raj Institutions (PRIs) in the State. It had recommended that Government of India (GoI) should release grants of ₹ 87519 crore for local bodies (PRIs, ULBs and Special Areas) in all States during 2010-15, out of which, PRIs' share was ₹ 63051 crore. West Bengal was to get 6.57 per cent of total outlay for PRIs, i.e. ₹ 4144.30 crore. Funds under 13th FC grants were divided into General Basic Grant, Special Area Basic Grant, General Performance Grant and Special Area Performance Grant.

Fund flow chart of 13th FC funds is illustrated below:



#### 4.2.2 Organisational set up

GoI releases 13th FC funds to the State Government and the State Government through Finance Department allocates the funds to Panchayat & Rural Development Department (P&RDD). Being the administrative department, P&RDD releases funds to PRIs.

#### 4.2.3 Audit Objectives

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

- (i) Allocation and release of grants were in terms of the criteria fixed by 13th FC;

- (ii) The fund was utilised in accordance with the laid down procedures and directives of the State Government; and
- (iii) Documentation and monitoring were adequate and effective to ensure proper utilisation of grants.

#### 4.2.4 Audit Criteria

The performance assessment of the implementation of 13th FC recommendations was benchmarked against the audit criteria sourced from the following:

- (i) Guidelines and recommendations of 13th FC;
- (ii) Guidelines/notification on 13th FC issued by the P&RDD, Government of West Bengal;
- (iii) Respective Act and Rules for utilisation of funds by PRIs; and
- (iv) Orders/ instructions issued by the State Government from time to time.

#### 4.2.5 Audit coverage and methodology

The Performance Audit on “13th Finance Commission recommendations and grassroot level development through PRIs” was carried out in five districts<sup>35</sup> of the State covering the period from 2010-11 to 2014-15.

Audit had scrutinised the records of P&RDD at State level, Zilla Parishads (ZP) at district level, Panchayat Samitis (PS) at block level and Gram Panchayats (GP) at village level. PRIs were selected randomly by using Simple Random Sampling Without Replacement (SRSWOR) method after exclusion of districts selected in last year’s Performance Audit. Details of selected units are given in **Appendix-XIII**.

An Entry Conference was held with the Principal Secretary and Commissioner of P&RDD in July 2015 wherein audit objectives, criteria, sample selection and methodology were explained. This was followed by Entry Conferences at the district level with the district authorities of the all selected districts by members of the Audit Teams before taking up the audit. Exit Conference was held in March 2016 with Special Secretary of P&RDD wherein audit findings and recommendations were discussed in detail.

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<sup>35</sup> Malda, Paschim Medinipur, Purulia, Dakshin Dinajpur and North 24 Parganas.

## 4.2.6 Audit findings

### 4.2.6.1 Allocation and release of grants

Details of receipts of 13th FC grants from the Finance Department by P&RDD during 2010-15 are given below:

**Table 4.2.1**  
**Receipts of 13th FC grants during 2010-15**

(₹ in crore)

Year	Gen Basic Grant	Gen Per. Grant	Spl Area Basic Grant	Spl Area Per. Grant	Interest for delayed releases	Total
2010-11	192.93	0 <sup>36</sup>	0.8	0	0	193.73
2011-12	430.68	0	1.6	0	0.01	432.29
2012-13	507.42	24.01	1.6	0	4.44	537.47
2013-14	287.97	188.28	0.8	0	2.94	479.99
2014-15	316.94	795.68	0.8	0.73	14.26	1128.41
<b>Total</b>	<b>1735.94</b>	<b>1007.97</b>	<b>5.6</b>	<b>0.73</b>	<b>21.65</b>	<b>2771.89</b>

(Source: Records of P&RDD)

Finance Department had passed on the interest amount of ₹ 21.65 crore to P&RDD for delayed release of funds. However, GoI guidelines for implementation of recommendations of 13th FC stipulated that the State Governments must release funds to the PRIs within five days of receipt from GoI. In the event of delay in release, the State Government was to pay interest at the bank rate of RBI for the period of delay.

Scrutiny revealed that Finance Department delayed releasing the funds to P&RDD, subsequently causing delay in release of funds to PRIs. There were delays ranging from 07 to 81 days in respect of General Basic Grants and 32 to 367 days in respect of Performance Grants in releasing funds to PRIs. Finance Department released interest to the tune of ₹ 21.65 crore against total amount of interest payable amounting to ₹ 37.29 crore for delayed release; hence, there was a short release of interest of ₹ 15.64 crore.

When pointed out (May 2015), P&RDD did not agree with the rate of interest of 9 per cent and number of days of delays considered by Audit. Audit calculated the rate of interest applied by Finance Department and days were calculated from the dates of sanction order of GoI to the dates of actual release by P&RDD to PRIs.

<sup>36</sup> The State Government did not receive funds during the year.

#### 4.2.6.2 Short receipt of grants to the tune of ₹ 1407.70 crore

As per GoI order<sup>37</sup>, West Bengal had total allocation of ₹ 4157.94 crore under four heads (as shown in the table below) during the years 2010-15 for PRIs. Against the allocations, GoI released ₹ 3067.98 crore, out of which P&RDD received a total amount of ₹ 2750.24 crore against such allocation as detailed below:

**Table 4.2.2**  
**Allocation of 13th FC grants and subsequent received by P&RDD during 2010-15**

(₹ in crore)

		General Basic Grants	General Performance Grant	Special Area Basic Grants	Special Area Performance Grants	Total
For All States	(a)	56335	29826	798	559	
Percentage of share for West Bengal in PRI sector	(b)	4.81%	4.81%	1%	1%	
Amount of allocation of grants for West Bengal	(c)	2709.71	1434.63	8.00	5.60	4157.94
Amount of funds released to West Bengal	(d)	2053.67	1007.97	5.6	0.73	3067.97
Amount of grants received by P&RDD	(e)	1735.94	1007.97	5.6	0.73	2750.24
<b>Amount of grants not received</b>	<b>f=(c)-(e)</b>	<b>973.77</b>	<b>426.66</b>	<b>2.4</b>	<b>4.87</b>	<b>1407.70</b>

(Source: GoI guidelines, allotment orders and data furnished by P&RDD)

It can be seen from the above table that P&RDD did not receive ₹ 1407.70 crore against allocation for PRIs in the State. Out of these short received funds, ₹ 1089.96 crore were not released by GoI. Records of Finance Department revealed that GoI had released ₹ 317.74 crore as 2nd instalment of 2013-14 during 2014-15, but the same was not released to P&RDD till September 2015. Reasons for non-receipt of these funds by P&RDD were not available in the records of either Finance Department or P&RDD.

#### 4.2.6.3 Delay in submission of Utilisation Certificate

As per GoI order dated 23 September 2010, release of any instalment was subjected to submission of Utilisation Certificates (UCs) for the previous instalment drawn and the UC was to provide details of distribution and release of the relevant instalments to PRIs.

<sup>37</sup> Order No. 12(2) FCD/2010 dated 23 September 2010 of Ministry of Finance, Department of Expenditure, Finance Commission Division.

Details of UCs sent by P&RDD/ Finance Department to GoI are given in the following table:

**Table 4.2.3**  
**UCs submitted by P&RDD and Finance Department during 2010-15**

Year	Instalment	Amount (₹ in crore)	Delay (in no. of days) in release of funds by Finance Deptt.	Date of release by P&RDD	UCs sent by P&RDD to Finance Deptt.	Delay (in no. of days) by P&RDD to submit UCs to Finance Deptt.	UCs sent by Finance Deptt.	Delay (in no. of days) by Finance Deptt. to submit UCs to GoI
2010-11	1st	192.93	18	02.08.2010	22.2.2011	203	NA	NA
	2nd	189.07	NA	11.04.2011	NA	NA	NA	NA
2011-12	1st	241.61	51	16.11.2011	28.2.2012	103	NA	NA
	2nd	246.73	81	27.08.2012	30.10.2012	63	NA	NA
2012-13	1st	261.49	31	07.03.2013	19.3.2013	12	8.8.2013	141
	2nd	287.97	46	24.03.2014	22.08.2014	147	02.9.2014	10
2013-14	1st	316.94	60	10.11.2014	NA	NA	4.12.2014	NA

(Source: UCs submitted by P&RDD and Finance Department)

Thus there were delays (except for the 1st instalment of 2012-13) ranging from 63 to 203 days in submission of UCs by P&RDD after distribution and release of instalments to PRIs during 2010-14. It is also seen that GoI released funds after submission of UCs by the State Government. During July 2014, Ministry of Finance, GoI asked for UC of the second instalment of 13th FC grants for the year 2012-13 and the same was submitted on 2 September 2014. On receipt of that UC, the first instalment of 2013-14 was released on 11 September 2014. Thus, delay in submission of UCs resulted in non-release of funds by GoI. P&RDD did not furnish any reason for delay in submission of UCs.

#### 4.2.6.4 Delay in releasing of funds to lower tier of PRIs

P&RDD released funds to ZPs with an instruction to transfer funds to respective PSs and GPs but did not specify any time frame for such transfer. In violation of the said instructions, Paschim Medinipur ZP (PMZP) released GP shares to respective PSs for onward transmission to GPs instead of releasing funds directly to GPs. The PSs then sub-allotted the same to the respective GPs. As a result, the process of sub-allotment was delayed from 15 to 157 days at ZP level and from 2 to 294 days at PS level. It was also observed that all selected ZPs caused delays ranging from 6 to 337 days in sub-allotting funds to PSs. Details of delay are depicted in the following table:

**Table 4.2.4**  
**Delays in release of 13th FC grants by ZPs and PSs during 2010-15**

(₹ in lakh)

Name of PRIs	Amount released with a delay	Range of delay
Purulia ZP	11520.83	14 days to 337 days
North 24 PGS ZP	15297.46	06 days to 190 days
Dakshin Dinajpur ZP	5914.65	09 days to 70 days
Malda ZP	12681.06	25 days to 279 days
Paschim Medinipur ZP	19545.43	15 days to 157 days
Daspur – I PS	316.45	15 days to 93 days
Mohanpur PS	181.13	2 days to 294 days
Narayangarh PS	637.40	6 days to 234 days
Kharagpur-II PS	384.30	14 days to 134 days
<b>Total</b>	<b>66478.71</b>	

(Source: Bank statements of selected PRIs)

#### 4.2.6.5 Delay/non-transfer of funds from FT Account to Account for 13th FC grants

Under the instructions of the P&RDD (August 2007)<sup>38</sup>, each PRI is to maintain a Fund Transfer (FT) Account for receiving funds and for transferring them to the bank account for particular programme or the Local Fund Account in the treasury, as may be required under the programme/scheme guidelines. It was further directed<sup>39</sup> that the funds were to be transferred to the designated account related to the programme/ scheme immediately.

In selected PRIs, it was observed that there were delays ranging from 5 to 899 days<sup>40</sup> in transferring funds from FT Account to designated bank account meant for 13th FC grants/ Local Fund Account in treasury during 2010-15.

P&RDD on receipt of funds from Finance Department, issued the allocation orders and transferred the funds to the ZPs' FT Accounts for disbursement to all tiers of PRIs. ZPs transferred funds to PSs and GPs. Scrutiny revealed that the amounts were retained in FT accounts for extended periods and not transferred to the designated bank/Local Fund Account as shown below:

<sup>38</sup> Notification No. 3416/PN/O/II/3B-5/2005 dated 2 August 2007.

<sup>39</sup> Memo No. 611/PN/A&AC/V/3A-9/08 dated 5 February 2010.

<sup>40</sup> **PSs:** Ratua-II (34 to 250 days), Kaliachak-I (118 to 388 days), Old Malda (18 to 199 days), Rajarhat (15 to 205 days), Balurghat (30 to 255 days), Banshihari (05 to 215 days), Raghunathpur-II (12 to 899 days), Jhaldah-I (06 to 831 days), Barabazar (43 to 148 days), Baghmundi (05 to 112 days), Barrackpur-II (19 to 619 days), Barasat-I (06 to 155 days) and Sandeshkhali-I (16 to 253 days). **GPs:** Jatradanga (10 to 263 days), Sreepur-II (39 to 290 days) and Maharajpur (21 to 341 days).

**Table 4.2.5**  
**Non-transfer of 13th FC funds to respective head by PRIs during 2010-15**

(₹ in lakh)

Name of the PRIs	Amount	Date of receipt	Date of release	Delay	Remarks
Paschim Medinipur ZP	24.21	01.10.2013	Not released till 20.08.15.	23 months	Allocation of PSs and GPs not released.
Barrackpur-II PS	8.47	03.04.2013, 10.01.2014 and 15.06.2015	Not credited to designated account till September 2015.	03 to 30 months	
Ratua-II PS	36.79	07.02.2015	Cheque not encashed till July 2015.	05 months	Amounts were received through cheques.
Baghmundi PS	9.57	11.05.2015	Not transferred to dedicated account till September 2015.	04 months	
Daspur-I PS	1.27	07.05.2013	Not released to GPs till 25.08.2015.	27 months	Shares of GPs not released by the PS.
	3.08	20.02.2015		06 months	
Mohanpur PS	1.78	06.02.2015 and 20.02.2015	Not released to GPs till September 2015.	07 months	Shares of GPs not released by the PS.
Narayangarh PS	1.15	12.03.2013	Not released to GPs till September 2015.	06 to 07 months	Shares of GPs not released by the PS.
	6.01	20.02.2015			
Kharagpur-II PS	3.84	20.02.2015	Not released to GPs till September 2015.	07 months	Shares of GPs not released by the PS
Banshihari PS	23.76	23.12.2014	Not transferred to dedicated account till July 2015.	07 months	
	9.21	04.04.2015	Not transferred to dedicated account till July 2015.	03 months	
Balurghat PS	17.34	04.04.2015	Not transferred to dedicated account till July 2015.	03 months	
Maharajpur GP	4.09	19.02.2011	Not credited to dedicated account till 22.07.2015.	53 months	Debited from FT Account on 25 March 2011 but not yet credited to the dedicated account of 13th FC. As per the subsidiary Cash Book the amount was debited from FT A/c on 25 March 2011 and credited to BGVB. But BGVB A/c was opened only on 09 June 2011 and the amount was not credited till 22 July 2015
<b>Total</b>	<b>150.57</b>				

(Source: Bank Statements of FT account of selected PRIs)

Thus, ₹ 1.51 crore remained in the FT Account of above PRIs and was not transferred to the designated bank accounts of 13th FC grants. PRIs failed to expend the said funds even after expiry of the Commission's term (March 2015).

#### 4.2.7 Identification of priority sectors for utilisation of 13th FC Grant

P&RDD laid down<sup>41</sup> principles of entitlement and allocation of 13th FC grants and utilisation thereof by PRIs. Funds were allocated for:

1. Maintenance of road constructed under Pradhan Mantri Gram Sadak Yojana (PMGSY)/ Rural Infrastructure Development Fund (RIDF) (₹ 82.16 crore);
2. Maintenance of water testing laboratories and payment to the water sample collectors (₹ 369.36 lakh annually);
3. Maintenance of sources for drinking water (₹ 0.50 lakh per GP annually); and
4. Conducting recruitment process in ZPs as per actual requirement.

Scrutiny of allotment orders revealed that the State Government allotted ₹ 82.16 crore for maintenance of PMGSY/RIDF roads, ₹ 18.46 crore for water testing and ₹ 117.32 crore for maintenance of water sources during 2010-15.

Records of 58 selected PRIs revealed that PRIs didn't adhere to the directives of the State Government as discussed in subsequent paragraphs.

##### 4.2.7.1 Maintenance of road constructed under PMGSY/RIDF Scheme

From the records, it was observed that in five ZPs selected for audit, the State Government had allotted ₹ 24.14 crore towards maintenance of PMGSY/RIDF roads from 13th FC grants. Out of these, Malda ZP received ₹ 3.29 crore during 2010-15 for maintenance of 14 roads constructed under PMGSY/RIDF. The ZP allotted ₹ 3.13 crore to West Bengal Agro Industries Corporation (WBAIC) Limited (a State Government undertaking) with a stipulation to submit the utilisation certificates (UCs) after completion of work. The ZP did not observe tender formalities while entrusting the work to WBAIC. Besides, WBAIC did not submit any UC/progress report of those works. In absence of any records, status of utilisation of funds by WBAIC could not be ascertained. It also indicates lack of monitoring by the ZP. When pointed out, the ZP reported that the organisation had executed several works of the ZP in earlier occasions and assured that UCs would be collected soon.

In North 24 Parganas (₹ 5.19 crore) and Dakshin Dinajpur (₹ 3.43 crore) ZPs, a sum of ₹ 8.62 crore was allocated for maintenance of road constructed under PMGSY/RIDF but

<sup>41</sup>Memo.no. 5901/PN/O/I/4F-5/07 (Part-I) dated 5 August 2010.

no records in respect of utilisation of the said funds by North 24 Parganas ZP was made available to audit, while Dakshin Dinajpur ZP reported that no funds were utilised for this purpose.

#### **4.2.7.2 Verification of quality of drinking water**

The State Government identified safe drinking water supply as one of the basic duties of the local self-government and allotted ₹ 18.46 crore out of the 13th FC grants for maintenance of 114 water testing laboratories and making payment to the water sample collectors. These laboratories were operating under Public Health Engineering Department (PHED) (34) and Non-Government Organisations (80) to verify the quality of drinking water in the State.

Scrutiny of records at state level revealed that PRIs in the State expended ₹ 19.75 crore for maintenance of water testing laboratories, i.e. in excess of earmarked funds by ₹ 1.29 crore. Maintenance of water testing laboratories was assigned to the ZPs and as per P&RDD's guidelines for this purpose, PSs and GPs had not been assigned with the responsibility to make any payment for maintenance of these laboratories, but during the period 2010-15, ₹ 0.92 crore and ₹ 12.91 crore were spent towards laboratory charges for drinking water by PSs and GPs respectively. When the matter was enquired from P&RDD, the department stated that there was no order empowering PSs and GPs for maintenance of laboratory and PSs and GPs incurred expenditure according to local needs. The reply was not tenable as the ZPs had the responsibility to maintain all specified laboratories of the districts; hence, separate local need of PSs/GPs was not found justified. Owing to lack of internal controls, the PSs and GPs spent the funds unauthorisedly resulting in excess expenditure.

From the records of selected five ZPs it was observed that an amount of ₹ 5.51 crore was allotted during 2010-15 for maintenance of water testing laboratories and making payment to the water sample collectors. Out of those funds, the ZPs disbursed ₹ 54.49 lakh<sup>42</sup> to PHED and ₹ 2.25 crore to NGOs. In turn, the NGO run laboratories submitted water testing reports to ZPs. No report from the PHED run laboratories was found on record. As per the available water testing reports of North 24 Parganas, Paschim Medinipur, Purulia

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<sup>42</sup> Dakshin Dinajpur (₹ 18.82 lakh), Purulia (₹ 28.87 lakh), North 24 Parganas (₹ 1.13 crore), Malda (₹ 45.76 lakh) and Paschim Medinipur (₹ 73.08 lakh).

and Dakshin Dinajpur districts, some of the tube wells were found fluoride/arsenic/bacteria-affected as detailed below:

**Table 4.2.6**  
**Statement showing number of fluoride/arsenic/bacteria affected tube wells**

Name of PRI	No. of Fluoride affected tube wells	No. of Arsenic affected tube wells	No. of bacteria affected tube wells	Report as of
Paschim Medinipur ZP	0	0	2463	March 2015
North 24 Parganas ZP	0	124	128	March 2015
Purulia ZP	246	0	739	March 2014
Dakshin Dinajpur ZP	23	0	0	April 2015

(Source: Reports of the NGOs and PHED)

But there was nothing on record that any of the ZPs conducted periodical reviews of those test reports and took necessary steps to disinfect bacteriological contaminated water or took any preventive measure in case of arsenic/ fluoride affected water.

Thus, the ZPs, except transferring funds to PHED and NGOs, did not take any further action to make use of these reports for ensuring availability of safe drinking water.

#### 4.2.7.3 e-Governance and Model Accounting System

As per P&RDD's order (August 2010) prescribing the principles of Entitlement, Allocation and Utilisation of 13th FC grants, out of the total 13th FC funds available with all tiers of PRIs, five *per cent* was to be earmarked for maintenance of the existing e-governance system. From the Monthly Progress Reports (MPRs) of ZPs, it was observed that during 2010-15, an amount of ₹ 45.04 crore was incurred for maintenance of existing GPMS, IFMS and uploading of report/ returns on PRIASOFT<sup>43</sup>, which was equal to 2.59 *per cent* of the total funds of ₹ 1735.93 crore. Despite this expenditure, the work of uploading of data/accounts on the PRIASOFT was started only in GPs; however, not all GPs were uploading accounts in PRIASOFT as commented upon in Para 1.6 of this Report. Further, except e-tendering system in Zilla Parishads and in some Panchayat Samitis, no other public interface existed in PRIs.

Though the State Government had stated to have adopted the codification structure of Model Accounting System (MAS), the accounts of PRIs were being generated as per the format and structure prescribed in Panchayat Rules. Besides, in absence of uploading of

<sup>43</sup> PRIASOFT-Name of the software on GoI portal <https://accountingonline.gov.in>.

data/ accounts in the PRIASOFT portal in respect of ZPs and PSs, it is concluded that one of the criteria for releasing the performance grant, i.e. implementation of the MAS in the PRIs was also not fulfilled.

Records of selected PRIs revealed that 11<sup>44</sup> PRIs could not utilise any amount for e-governance system while the second tier of PRIs, viz. Raghunathpur-II, Barrabazar, Barrackpore-II, Barasat-I PSs and the lowest tier of PRIs, viz. Nildih, Sewli, Jatradanga and Nilda GPs could utilise the earmarked five *per cent* funds for purchase of computer, laptop and accessories during 2010-11 to 2014-15. In remaining PRIs, the utilisation ranged from 0.05 to 4.57 *per cent* only.

#### **4.2.7.4 Water supply**

The State Government emphasised to provide basic amenities of civic life and water supply was identified as a priority area. Besides, while releasing funds to ZPs, the State Government directed ZPs to inform GPs about the specific funds for maintenance of water sources and allocated ₹ 3.50 lakh per GP from the 13th FC grant during 2010-15. Accordingly, ZPs while releasing funds to GPs, specified the funds for maintenance of water sources. However, GPs did not maintain any records/ database for this purpose.

Scrutiny of records at state level revealed that against an estimate of ₹ 83.78 crore for 3351 GPs for five years, the State Government had released ₹ 117.32 crore under 13th FC funds. Thus, an excess amount of ₹ 33.54 crore was released.

Further, scrutiny in selected PRIs revealed that 11 PRIs<sup>45</sup> did not spend any amount towards sinking/re-sinking/repair of tube wells, maintenance of water supply line and water supply sources. Five PRIs did not furnish any information. Percentage of utilisation in the remaining selected PRIs is detailed below:

**Table 4.2.7**  
**Utilisation of 13th FC funds in respect of maintenance of water supply lines and sources**

<b>Range of utilisation (%)</b>	<b>No. of PRIs</b>
Below 20	27
21-40	11
41-60	03
Above 60	01

*(Source: Records of selected PRIs)*

<sup>44</sup> Paschim Medinipur ZP, Old Malda PS and Jaluabadhal, Gayeshbari, Pakurseni, Lachhmapur, Palshya, Ganguria, Mahabari, Chelyma and Rajarhat Bishnupur GPs.

<sup>45</sup> Dakshin Dinajpur and North 24 Parganas ZPs, Rajarhat PS and Latpada, Berada, Chhoto Jagulia, Nazat-II, Nazat-I, Gayeshbari, Jaluabadhal and Lachhmapur GPs.

#### 4.2.7.5 Recruitment Procedure

Manpower is essential for effective functioning of PRIs and for the purpose of conducting recruitment process in PRIs, the State Governments specified (August 2010) that funds would be placed at the ZP level on the basis of actual requirement. Scrutiny of Monthly Progress Reports (MPRs) pointed that an amount of ₹ 6.68 crore was spent for the said purpose during 2010-15. Though the funds had to be placed at the ZP level, it was observed that out of this amount, PSs and GPs expended ₹ 0.22 crore and ₹ 5.44 crore respectively for the same purpose, which they were not authorised to do. Scrutiny of records revealed that selected ZPs neither placed the demand of funds for the recruitment process to P&RDD nor received any funds from any source for the purpose.

No records could be produced to audit regarding either the requirement submitted by the PRIs or how these amounts were spent by the GPs/ PSs; in absence of which audit cannot certify such expenditure as regular. There was no evidence produced to audit for the number of employees recruited out of these funds.

In the test-checked districts, it was seen that Paschim Medinipur ZP paid ₹ 19.18 lakh during 2013-15 to District Panchayat and Rural Development Office of that district for recruitment at GP and PS levels. Similarly, North 24 Parganas ZP released ₹ 2.00 lakh to the SDO, Barasat and ₹ 5.96 lakh to SDO, Barrackpore for the purpose of recruitment in PRIs. However, no UC was received from the above authorities. In absence of demand for actual requirement or receipt of funds, the basis of such transfer of funds to DPRDO/SDO could not be ascertained in audit. Besides, details of recruitment of staff for PSs and GPs were also not made available in the test-checked districts.

In reply, P&RDD stated that the recruitment of PRI staffs was done in accordance with the respective rules but failed to produce any documentary evidence in support.

#### 4.2.7.6 Unutilised funds

The State Government had identified 'Sanitation and drainage', 'solid and liquid waste disposal' and 'maintenance of street light' as priority areas where funds were to be utilised. From the receipt and expenditure accounts of the selected PRIs, it was observed that some of the PRIs took up construction/repairing of drains under the sector 'sanitation

and drainage'. Out of 58 selected PRIs, 27 PRIs<sup>46</sup> expended ₹ 1.03 crore towards construction and repair of drains during 2010-2015. Twelve PRIs did not furnish any information and remaining PRIs did not expend any amount towards sanitation and drainage from the 13th FC funds.

Further, out of 58 selected PRIs, only Paschim Medinipur ZP paid (2011-12) ₹ 6.00 lakh to Garhbeta-III PS for 'solid and liquid waste management'. There was nothing on record that the PS utilised the said amount and sent any report to the ZP till September 2015. Similarly, only Rajarhat Bishnupur-I GP expended ₹ 2.10 lakh during 2013-15 towards 'Maintenance of Street-light'.

Hence, it was observed that despite adequate scope for expenditure on priority sectors, there was unutilised balance of ₹ 35.41 crore in selected 58 PRIs at the end of March 2015 (**Appendix-XIV**) due to inadequate initiatives.

#### **4.2.8 Preparation of Annual Action Plan**

The State Government stipulated (August 2010) that, to achieve the targeted performance, the PRI bodies had to prepare Annual Action Plan (AAP) well in advance so that works could be started physically as soon as the 13th FC funds were placed at the respective levels of the PRI bodies and the same was to be sent to P&RDD for approval.

Out of the test checked PRIs, seven<sup>47</sup> PRIs did not prepare any AAP, four<sup>48</sup> PRIs failed to furnish any record to Audit and the remaining 47 PRIs prepared AAPs. However, it was also noticed that these PRIs prepared 'Supplementary AAPs' after receipt of funds and decided to take up those works by passing resolutions in the meetings of ASUOPSS (Standing Committee), held from time to time. A test check revealed that Malda ZPs prepared AAPs for 2010-11, 2012-13 and 2013-14 during January 2011, November 2014 and June 2015 respectively. Similarly, Paschim Medinipur ZP prepared AAPs for 2010-11

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<sup>46</sup> (₹ in lakh) : Malda ZP (0.97), Kaliachak-I (2.42), Old Malda (0.81), Narayangarh (23.45), Rajarhat (4.33) PSs, Sreepur-II (2.81), Alipur-II (4.57), Gayeshbari (4.66), Muchia (2.30), Jatradanga (4.03), Nilda (0.52), Kashipur (5.29), Chandpur (2.84), Rajarhat-Bishnupur-I (5.38), Chingishpur (1.75), Nildih (8.22), Ajodhya (1.22), Iloo-Jargo (7.94), Kalma (1.62), Serengdih (1.84), Bandipur (2.83), Duttapukur-II (1.52), Sewli (1.52), Ganguria (1.53), Bhatpara (3.21), Mahabari (5.07) and Chelyma (0.75) GPs.

<sup>47</sup> Narayangarh, Kharagpur-II, Sandeshkhali-I and Barrackpore-II PSs and Chhoto Jagulia, Nazat-I and Palshya GPs.

<sup>48</sup> Purulia and North 24 Parganas ZPs, Bagmundi PS and Duttapukur-II GP.

and 2014-15 in December 2010 and November 2014 respectively. Thus, AAPs were not prepared well in advance for smooth and planned utilisation of 13th FC funds.

There was nothing on record in respect of any of the PRIs selected for audit to indicate that they had ever got approval of AAPs from their respective higher tiers.

#### 4.2.9 Inadmissible expenditure /diversion of funds

As per the guidelines of the State Government (August 2010), 13th FC grants were not to be spent for creation of new assets, maintenance of assets of other Departments as well as religious infrastructures. No amount was to be spent on salary and purchase of vehicle etc.

##### 4.2.9.1 Amount expended for creation of new assets and religious infrastructure

In violation of the guidelines, 20 PRIs<sup>49</sup> expended ₹ 6.16 crore for creation of new assets like construction of bridges, block resource centres, community halls, cremation *ghat* etc. and four PRIs<sup>50</sup> expended ₹ 24.10 lakh for maintenance of religious infrastructure.

##### 4.2.9.2 Maintenance of assets of other Departments where responsibility did not lie with PRIs

Review of records revealed that out of the test checked 58 PRIs, 11 PRIs expended ₹ 9.16 crore during 2010-15 for creation and maintenance of assets of other departments and also for maintenance of such assets where responsibility did not lie with PRIs as detailed below:

<sup>49</sup> (₹ in lakh): Paschim Medinipur ZP (113.39), Ratua-II (54.06), Daspur-I (96.17), Mohanpur (11.12), Narayangarh (65.90), Kharagpur-II (32.14), Rajarhat (77.37), Banshihari (37.62), Barabazaar (61.91) PSs, Nandanpur-I (3.32), Mohanpur (30.50), Nilda (0.52), Pakurseni (1.50), Mannya (3.35) Chingishpur (1.24), Bhatpara (8.41), Latpada (9.30), Kalma (6.37), Bandipur (1.02) and Chandpur (0.89) GPs.

<sup>50</sup> (₹ in lakh): Dakshin Dinajpur ZP ( 13.40), Mohanpur PS ( 4.53), Nandanpur-I ( 2.20) and Chandpur ( 3.97) GPs.

Table 4.2.8

**Maintenance of assets of other departments from 13th FC funds during 2010-15**

Name of the PRI	Amount expended (₹ in lakh)	Name of the department
Paschim Medinipur ZP	831.51	Creation of asset at School, PHC, Anganwadi etc.
Dakshin Dinajpur ZP	20.00	Sinking of shallow tube wells for PHED
Narayangarh PS	17.12	Construction work at Sub-Centre at Rajiv Gandhi Seva Kendra, water supply related work at BL&LRO, construction work at Pry. School, construction work at Food Supply Office and Godown
Mohanpur PS	10.34	Construction of RI Office and High School
Kharagpur-II PS	4.02	Construction of meeting hall at BPHC / School
Mannya GP	3.27	Construction work at High School building ( <i>Lok Sanskriti</i> )
Nilda GP	15.70	Construction of High School Building
Palshya GP	5.28	Repairing of Pry. School
Chandpur GP	1.04	Maintenance of Pry./High School
Rajarhat Bishnupur-I GP	2.30	Maintenance of market not owned by GP
Mohanpur GP	5.23	Construction of school building
<b>Total</b>	<b>915.81</b>	

(Source: Records of selected PRIs)

**4.2.9.3 Expenditure on payment of salary, election infrastructure and census work**

During 2010-15, out of the test checked PRIs, 14 PRIs expended ₹53.09 lakh<sup>51</sup> for payment of salary of casual staff which was not permissible under the conditions of 13th FC grant. Further, following five PRIs diverted funds towards other purposes which were not relevant to rural development under 13th FC recommendations:

Table 4.2.9

**Inadmissible expenditure from 13th FC grant during 2010-15**

Name of the PRI	Amount (₹ in lakh)	Purpose of Expenditure
Balurghat PS	3.55	Repairing of polling stations, installation of temporary structure for nomination with electricity and sound arrangement, construction of observer room and toilet
Ratua-II PS	0.62	Repairing of toilets and construction of ramp at different polling station
Narayangarh PS	15.74	Repair of approach road and ramp at different polling station
Rajarhat PS	0.47	Census work
Chandpur GP	0.35	Construction of shed for election booth
<b>Total</b>	<b>20.73</b>	

(Source: Records of selected PRIs)

<sup>51</sup> (₹ in lakh): Malda (17.42), Purulia (1.23), Dakshin Dinajpur (23.73) ZPs, Narayangarh (1.46), Kharagpur-II (0.19), Balurghat (0.41) PSs, Jaluabadhal (0.42), Gayeshbari (0.50), Nilda (0.64), Mannya (1.81), Palshya (0.30), Chandpur (3.15), Ganguria (0.80) and Rajarhat Bishnupur-I (1.03) GPs.

#### 4.2.10 Identification of areas for augmentation of revenues

The State Government identified the areas for augmentation of revenue in PRI bodies and instructed (August 2010) PRIs to try to recover at least 50 *per cent* of the recurring cost in the form of user charges from the beneficiaries. Besides, toll tax and charges were to be levied for maintenance of roads, for waste disposal, for maintaining street lights etc. under West Bengal Panchayat Act, 1973.

##### 4.2.10.1 Management of own revenue sources

In terms of the State order, 13th FC grant may be utilised for preparation of an inventory of assets of the Panchayats, assessment of demand for revenue collection and engagement of professional valuers for assessment of land and building in panchayat areas as well as for outsourcing the work that require specialisation like survey, data creation and management etc. However, none of the selected 58 PRIs prepared the inventory of assets while Asset Register was not maintained in any of the PRIs except in 10 PRIs<sup>52</sup>.

##### 4.2.10.2 Framing of bye-laws for augmentation of non-tax revenues and its implementation

In terms of section 223 of Panchayat Act 1973, all tiers of PRIs are empowered to frame bye-laws for augmentation of revenue and different tiers of PRIs have different jurisdictions for framing of bye-laws. For augmentation of non-tax revenues, PRIs identified many areas like tolls, fees on roads, bridges and ferries, fees for providing sanitary/bathing arrangement in fairs, fees for offensive and dangerous trade, parking fee, rent for hats/markets, rates for water supply, enlistment of contractors etc. including penalties for breach of bye-laws for collection of revenue. However, scrutiny of record revealed that PRIs could implement the bye-laws only for collection of fees from brick-fields, sand-mines (*bali khadan*), tolls from roads, bridges, rents from markets and renewal of trade-license but user charges for sanitary arrangement, fees from pilgrims, advertisement fee for hoardings/display boards, licence fee for pets, etc. were not collected.

<sup>52</sup> Purulia ZP, Banshihari, Raghunathpur-II PSs, Nildih, Bhatpara, Berada, Kalma, Ayodhya, Bandipur and Sewli GPs.

Out of the selected PRIs, 33 PRIs<sup>53</sup> did not frame bye-laws for augmentation of revenue. Purulia ZP, Baghmundi PS, Berada, Ajodhya and Jatradanga GPs, though framed bye-laws, failed to implement them fully till October 2015.

Position of own fund collection in the remaining 25 PRIs was compared with total receipts of those PRIs during 2010-15 and it was found that their own funds constituted only 0.05 to 19.19 *per cent* of total receipt of those PRIs (**Appendix-XV**). Consistent increase in trends in the collection of own funds were not observed in any of these 25 PRIs.

#### **4.2.10.3 Non-imposition of user charges**

Review of records of the PRIs selected under PA revealed that none of the PRIs took any step for introduction of Operations and Maintenance (O&M) cost in the form of user charges as envisaged in the order of P&RDD from the beneficiaries in respect of water supply, solid and liquid waste disposal and street light.

Further, none of the PRIs even took any initiative for collection of user charges from the beneficiaries utilising sanitary complexes within the jurisdiction of the PRIs.

#### **4.2.11 Appointment of local body Ombudsman**

The State Government did not furnish the status of appointment of local body Ombudsman and referred West Bengal Lokayukta Act, 2003. Though the Act covers all public functionaries, information in respect of appointment and workings of Lokayukta during 2010-15 were not submitted to Audit. However, in none of the selected 58 PRIs, local body Ombudsman was appointed during 2010-15 for improvement of grievance redressal mechanism in the PRIs.

#### **4.2.12 Setting of benchmarks in respect of service delivery**

The State Government specified that all PRIs should set up certain benchmarks regarding delivery of certain essential services and PRIs may start with sanitation and quality of drinking water. However, none of the selected PRIs could set up any benchmark for services like sanitation and quality of drinking water.

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<sup>53</sup> **ZPs:** Malda, Dakshin Dinajpur and North 24 Parganas, **PSs:** Ratua-II, Old Malda, Kaliachak-I, Narayangarh, Kharagpur-II, Sandeshkhali-I, Barabazar, Jhalda-I, **GPs:** Sreepur-II, Maharajpur, Jaluabadhal, Alipur-II, Gayeshbari, Muchia, Nandanpur-I, Pakurseni, Palshya, Rajarhat Bishnupur-I, Kalma, Iloo Jargo, Chelyama, Nildih, Latpada, Mahabari, Nazat- I, Nazat - II, Duttapukur-II, Chhoto Jagulia, Bandipur and Sewli.

### 4.2.13 Monitoring

The State Government specified that for regular monitoring of the schemes, monthly reports were to be sent to the next higher tier within 5th of every month and every district should send a consolidated report by 8th of every month to P&RDD.

#### 4.2.13.1 Monitoring by the State Government

The State Government prepared consolidated MPRs of all districts in every year and the same was placed in monthly review meetings with the districts officials for monitoring of all aspects of 13th FC grants. But in the absence of any minutes of such review meetings, results of such monitoring could not be ascertained. No record was also available to ascertain if the State Government had ever done any monitoring over utilisation of funds reported through MPRs.

#### 4.2.13.2 Submission of Monthly Progress Report (MPR)/ UCs

Records of selected 58 PRIs revealed that except 11 PRIs<sup>54</sup>, 42 PRIs regularly submitted MPRs regarding utilisation of 13th FC funds to the respective higher tiers. Narayangarh PS and Mannya GP sent MPRs but not in prescribed format. MPRs of Raghunathpur-II, Barasat-I PSs and North 24 Parganas ZP were not made available to Audit. Further, out of selected 58 PRIs, in 36 PRIs<sup>55</sup>, the system of submission of UC to the respective higher tiers did not prevail. Further, Malda, Paschim Medinipur and Dakshin Dinajpur ZPs submitted UC of ₹ 51.38 crore, ₹ 169.61 crore and ₹ 50.38 crore respectively to P&RDD till March 2015 against total receipts of ₹ 147.68 crore, ₹ 227.60 crore and ₹ 70.92 crore respectively. UCs in respect of Purulia and North 24 Parganas ZPs were not made available to Audit.

### 4.2.14 Maintenance of Scheme Register

The State Government stipulated that Scheme Registers were to be maintained regularly and to be updated for physical and financial progress. Out of 58 selected PRIs, 26 PRIs<sup>56</sup>

<sup>54</sup> **PSs:** Ratua-II, Kharagpur-II, Barabazar, Baghmundi **GPs:** Chingishpur, Bhatpara, Latpada, Iloo Jargo, Serengdih, Ajyodhya and Nazat-I.

<sup>55</sup> **PSs:** Ratua-II, Kaliachak-I, Mohanpur, Kharagpur-II, Barrackpore-II, Balurghat, Banshihari, Raghunathpur-II, Barrabazar, Baghmundi, Barasat-I, Old Malda, Sandeshkhali-I; **GPs:** Jaluabadhal, Alipur-II, Gayeshbari, Muchia, Sreepur-II, Jatradanga; Pakurseni; Palshya; Rajarhat Bishnupur-I, Chingishpur, Bhatpara, Chelyama, Latpada, Kalma, Iloo Jargo, Serengdih, Ajyodhya, Bandipur, Sewli, Chhoto Jagulia, Duttapukur -II, Nazat -I and Nazat-II.

<sup>56</sup> **PSs:** Ratua-II, Old Malda, Daspur-I, Mohanpur, Narayangarh, Kharagpur-II, Rajarhat, Balurghat, Raghunathpur-II, Baghmundi; **GPs:** Muchia, Nilda, Pakurseni, Palshya, Nildih, Latpada, Berada, Kalma, Iloo Jargo, Serengdih, Ajyodhya, Bandipur, Chhoto Jagulia, Duttapukur-II, Nazat-I and Sewli.

did not maintain any Scheme Register while North 24 Parganas ZP, Barrackpore –II, Barasat - I, Sandeshkhali -I and Barabazar PSs did not furnish any record.

### **Conclusion**

Performance Audit of implementation of 13th Finance Commission recommendations and grass root level development through PRIs revealed that selected PRIs utilised 85 *per cent* of their entire allocation till the end of the award period i.e. March 2015. Funds were not released within the stipulated time by the State Government as well as by the ZPs. Submission of utilisation certificates was inordinately delayed leading to short release of grants by GoI.

The State Government identified the priority sectors for utilisation of FC grants by issuing an order, which were not followed by the PRIs. Performance of the PRIs in respect of supply of safe drinking water, maintenance of water sources, maintenance of e-governance system, preparation of inventory of assets, etc. was rather poor.

PRIs released substantial funds to other organisation for maintenance of PMGSY/RIDF roads and for ensuring proper quality of drinking water but did not monitor their utilisation by those organisations. Model Accounting System was implemented only partially. PRIs were lacking in effort for augmentation of revenue for achieving self-sufficiency. Thus, the recommendations of FC for strengthening the rural bodies remained unfulfilled and PRIs treated the allocations as grants-in-aid without focusing on spending the funds towards meeting the objectives. The aim of the recommendation of 13th FC to strengthen the resource base of PRIs for self-sufficiency and to improve the service delivery mechanism with grass root level development remained unfulfilled.

### **Recommendations**

- PRIs should expend Finance Commission funds on the sectors prioritised by P&RDD. P&RDD needs to strengthen its monitoring mechanism over the utilisation of funds by PRIs on the priority sectors for rural development.
- PRIs should ensure proper quality of drinking water and steps need to be taken on those water testing reports wherein poor quality of water was reported.
- PRIs should take steps to implement bye-laws properly to improve their own sources of revenues for attaining self-sufficiency.

# **CHAPTER V**

## **Audit of Transactions**



## Chapter

## V

## Audit of Transactions

## 5.1 Non-compliance with rules and regulations

## 5.1.1 Excess expenditure of ₹ 4.58 crore

**Murshidabad ZP while executing construction works of 14 roads incurred excess expenditure of ₹ 4.58 crore due to payment at rates higher than those prescribed in the Schedule of Rates.**

Panchayat and Rural Development Department (P&RDD) directed (September 2009) that the design and specification of the building/ road or structures etc. should conform to Indian Standard (IS) and Indian Road Congress (IRC) codes for providing desired life to such construction.

As per IRC-SP-20-2002, the total design thickness of a road is divided into base and sub-base. The sub-base is a layer of selected materials placed on the compacted sub-grade which consists of locally available low cost marginal aggregates. IRC also specifies that the material to be used for granular sub-base (GSB) should be natural sand, *moorum*, gravel, crushed concrete, brick metal and *kankar* etc. Further, IRC-SP-72-2007 stipulates that the shoulder material of a rural road should normally be of sub-base quality.

A) Murshidabad ZP undertook construction of 14 roads under Rural Infrastructure Development Fund (RIDF-XVI) during February 2011 to May 2011. Scrutiny of records revealed that the laterite (laterite and sand) was used for preparation of sub-base and bottom layer of hard shoulder. But this item has not been specified in the Schedule of Rates (SOR) issued by PW (Roads) for using in Murshidabad district. Besides, the laterite was more expensive than low cost marginal aggregates. Due to use of expensive material in construction, the ZP incurred an excess expenditure of ₹ 3.36 crore (**Appendix-XVI**).

B) Further, the ZP followed the Schedule of Rates (SOR) prescribed by West Bengal State Rural Development Agency (WBSRDA) for preparation of estimates for construction of cement concrete pavement of those roads. It considered the rate of consumption of cement at 490 kg/cum instead of 350 kg/cum as stipulated in that SOR.

As a result of excess consumption of cement, an excess expenditure of ₹ 1.22 crore was incurred (**Appendix-XVI**).

When pointed out (November 2014), the ZP stated (November 2014) that it was Department's prerogative by which it was done as a special case and the ZP had nothing to do with this. Moreover, use of laterite yielded uniformly graded mix whose quality was better than the normal brick bats which yielded lower-quality gap graded mix. The ZP also stated that as per Rule 63 and 83 of West Bengal Panchayat (Zilla Parishad and Panchayat Samiti) Accounts and Financial Rules, 2003, the ZP was empowered to enhance the rate for construction work and to prescribe the rates of its own, if the item was not included in any SOR.

The reply was not tenable as the said rules do not empower the ZP to enhance any rate and to increase consumption of material than prescribed. Further, IRC 63-1976 classifies both laterite and brick aggregates as low grade aggregates. It also states that brick aggregates are suitable for all climatic conditions whereas laterite is climate-sensitive. Hence, use of brick aggregate in place of laterite would have provided the same strength but at lower costs. Moreover, ZP's contention regarding consideration of these roads as a special case at Department level was not substantiated by any documentary evidence.

P&RDD also failed to rectify the estimates at the time of vetting the same to ensure economy in public expenditure.

Thus the ZP incurred an excess expenditure of ₹ 4.58 crore due to non-adherence to the provisions of IRC, guidelines issued by MoRD and order of P&RDD.

### **5.1.2 Excess expenditure of ₹ 1.98 crore due to non-adherence to SOR**

**Murshidabad and Purba Medinipur ZPs did not adhere to the provisions of SOR of PW (Roads) regarding earthwork compaction in road embankment while undertaking eight road works and incurred an excess expenditure of ₹ 1.98 crore.**

SOR of PW (Roads) stipulates two types of rates for "cost of labour and roller" for earthwork compaction in road embankment; one is for only roller compaction of ordinary soil and the other is for roller compaction of soil at Optimum Moisture Content<sup>57</sup> (OMC) having 95 per cent/ 97 per cent dry soil. Rates also vary depending on the nature of soil (i.e. ordinary/ mixed/ mixed hard) and distance from source of material

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<sup>57</sup>Optimum Moisture Content is the moisture content of the soil acceptable for compaction.

to worksite. SOR also specifies that the contractor has to submit the required test reports (for compaction at OMC) to the Engineer-in-charge at least seven working days before the compaction work.

A) Murshidabad ZP while awarding the work of construction of five roads from Rural Infrastructure Development Fund (RIDF-XVI) between February 2011 and June 2011, specified that earthwork compaction was to be done at OMC and accordingly rates were fixed. But during execution of works, the ZP allowed higher rate for "cost of labour and roller" at ₹ 61.60 *per cum* instead of ₹ 17.10 *per cum* for normal compaction without obtaining the required test reports. As a result the ZP incurred an excess expenditure of ₹ 1.60 crore (**Appendix-XVII**).

When pointed out (November 2014), the ZP did not furnish any reply.

B) Purba Medinipur ZP while preparing estimates (between August 2012 and January 2013) for construction/ up-gradation of three road works under RIDF-XVIII, incorrectly incorporated the rates applicable for earthwork compaction at OMC for the earthwork compaction by power roller only. As a result the estimate got inflated and the ZP incurred excess expenditure of ₹ 37.78 lakh (**Appendix-XVII**).

When pointed out (November 2014), the ZP stated (December 2014) that the items of works of road embankment were erroneously printed in the estimates and the required tests for allowing the rate at OMC were obtained from the contractor. The ZP in support of their reply also produced some test reports in respect of two works.

The reply was not tenable as the verification of those test reports revealed that the moisture content was mere 15 to 23 *per cent* i.e. far below the optimum level of 95 *per cent*/ 97 *per cent*. Hence, compaction by power roller would have been sufficient. The ZP also failed to submit the test result of other work.

Thus the ZPs incurred an excess expenditure of ₹ 1.98 crore (including one *per cent* cess) due to non-adherence to the provisions of SOR.

### 5.1.3 Non-recovery of ₹ 1.52 crore owing to non-execution of lease agreement

**Hooghly ZP did not execute the lease agreement with the lessee of Telenipara ferry ghat and did not terminate the lease in the event of non-deposit the lease money which resulted in non-recovery of ₹ 1.52 crore.**

Hooghly ZP leased out Telenipara *ferry ghat* at a cost of ₹ 1.60 crore for a period of three years from February 2012 to January 2015. In terms of the notice inviting tender

(January 2012) and order of the ZP (February 2012), the entire lease amount was to be deposited within seven days from the first day of lease period and the lessee was liable for maintenance of the *ghat*. In case of violation, the lease was to become null and void and the ZP would take possession of the *ferry ghat* as well as take legal steps for realisation of dues with interest at 18 *per cent* p.a.

The ZP intimated the successful bidder about his selection as lessee and directed him to deposit the lease money amounting to ₹ 1.60 crore within the stipulated period and execute the lease agreement. The lessee did not execute any lease agreement and prayed for extension of period for payment of lease money. The ZP neither insisted for execution of lease agreement nor permitted any extension, however, the lessee took over the *ferry ghat* and paid ₹ 1.36 crore in 17 spells over a period of two years and ten months. Remaining amount of ₹ 0.24 crore was outstanding till the date of audit (November 2015). Instead of cancelling the process due to non-payment of lease money as per schedule, the ZP only issued reminders for payment of lease money and accepted the fragmented payment.

Besides, the ZP expended ₹ 30.00 lakh on maintenance of *ghat* (July 2014) and ₹ 2.00 lakh for payment of compensation to the families of accident victims (September 2014) in contravention of terms mentioned in the lease inviting notice.

On expiry of lease term (January 2015), the ZP did not invite any fresh tender and continued with the existing arrangement till July 2015 without raising any demand for lease money for this period. In August 2015, the ZP handed over the *ferry ghat* to Bhadreshwar Municipality without making any revenue sharing arrangements.

Audit observed that the ZP had calculated (December 2015) the total amount due from the lessee as ₹ 1.20 crore by taking into account the outstanding lease money, interest on the delayed payments, lease money on average basis for the period beyond the lease term etc. Irregular expenditure of ₹ 0.32 crore incurred by ZP towards maintenance and compensation was not included. However, no demand notice was issued to the lessee. Absence of registered lease agreement provided leeway to the lessee who did not pay the dues within the lease term and the ZP also had no scope to terminate the lease and to take any legal action.

Thus, the casual approach of the ZP led to extension of undue benefits to the lessee and dues amounting to ₹ 1.52 crore remained unrecovered.

When pointed out in December 2014 and December 2015, the ZP did not offer any comment.

#### 5.1.4 Loss of ₹ 37.11 lakh due to non-adherence to the government orders

**Hooghly ZP suffered a loss of ₹ 37.11 lakh due to non-adherence to revision orders of the State Government in respect of development charges.**

Section 102 of West Bengal Town & Country (Planning and Development) Act, 1979 stipulated that every Planning Authority or Development Authority shall, by notification published in the Official Gazette, levy a charge (hereinafter called the development charges) on carrying out any land development or change of use of land, for which permission was required. Kolkata Metropolitan Development Authority (KMDA) delegated the power to local authorities for assessment of development charge in areas of their jurisdiction at the rates prescribed by Urban Development Department.

Scrutiny of records of Hooghly ZP revealed that while sanctioning no objection certificate (NOC) for conversion of land for construction of factories to four private parties between September 2014 and November 2014, the ZP collected the development charges at pre-revised rate of ₹ 55 per sqm instead of ₹ 140 per sqm<sup>58</sup>. The *Artha, Sanstha, Unnayan O Parikalpana Sthayee Samiti* (ASUOPSS) of the ZP, in the meeting held in January 2013, decided not to comply with the revision orders issued by the Principal Secretary to the Government of West Bengal under the orders of Hon'ble Governor, published in the Kolkata Gazette. In sheer disregard to the Government orders, the Standing Committee of the ZP decided to continue with development charges at old rates. Thus, due to non-adherence to the revision orders, the ZP suffered loss of ₹ 37.11 lakh as detailed in the following table:

**Table 5.1**  
**Loss of revenue due to non-adherence to revised rate of development fee**

(In ₹)

Location of the agricultural land converted to industries	Area in sqm	Fees collected @₹ 55 /sqm	Fees at revised rate of ₹ 140 /sqm	Loss
Noapara Mouza ( <i>Khatian</i> -1943)	2589.44	142419.20	362521.60	220102.40
Noapara Mouza ( <i>Khatian</i> -1942)	2548.98	140193.90	356857.20	216663.30
Jalaghata Mouza	32691.68	1798042.40	4576835.20	2778792.80
Rajhat Mouza	5826.24	320443.20	815673.60	495230.40
<b>Total</b>				<b>3710788.90</b>

(Source: Records of Hooghly ZP)

When pointed out (December 2014), the ZP did not furnish any reply.

<sup>58</sup> Revised vide Urban Development Department notification no. 2118-T&CP/C-2/T&CP/3A-5/2008 dated 19 September 2008.

## 5.2 Expenditure without justification and against propriety

### 5.2.1 Unfruitful Expenditure of ₹ 58.89 lakh

**Paschim Medinipur ZP failed to utilise the market complex even after five years of construction. In another instance, lack of coordination between Jalpaiguri ZP and Irrigation and Waterways Department (I&WD) before taking up construction work of *sausage bundh* resulted in unfruitful expenditure of ₹ 58.89 lakh.**

A) Paschim Medinipur ZP undertook (2007-08) construction of Panchkuri Market Complex to boost infrastructural facilities for rural market under RIDF-XII. The project was completed (June 2009) at a cost of ₹ 43.32 lakh. The ZP handed over (March 2010) the complex to Medinipur Sadar PS. In August 2010, the PS handed over the Market Complex to Panchkhuri-I GP with a stipulation that all the expenditure regarding maintenance of the market complex would be borne by the GP. But thereafter no effort was made for utilisation of the complex which has been lying unutilised ever since. In July 2014, the ASUOPSS (Standing Committee) of the ZP decided to form a committee for taking necessary decision after inspection of the complex. However, no further action on the matter was reflected in records of the ZP.

Scrutiny of records revealed that the location was selected (October 2007) after considering recommendation of Medinipur Sadar PS. The feasibility report of the project was not made available by the ZP/PS. Audit conducted joint physical verification (in December 2014) with the concerned officials to ascertain the condition of the market complex. During inspection it was observed that the complex was constructed at an isolated place surrounded by vast agricultural land. Construction was found damaged and covered by creepers, electrical fittings and parts of submersible pumps were found missing and there were unauthorised occupants in the godown. In February 2016, another joint physical verification was conducted along with PRIs representatives to ascertain the latest position of utilisation of the market complex and it was observed that the condition of the complex remained the same.

When enquired in December 2014 and February 2016, neither the ZP nor the PS furnished any reply.

B) Jalpaiguri ZP undertook (December 2010) construction of 'Sausage *Bundh* from Irrigation *Bundh* to Tiknapur Forest Plantation' at a cost of ₹ 84.30 lakh and issued work order (January 2011) to a contractor with a stipulation to complete the work by

November 2011. Scrutiny revealed that the contractor completed (June 2011) the earthwork and gunny bag filling work. The work was stalled due to monsoon and the contractor was paid a sum of ₹ 15.57 lakh (November 2011). After monsoon, the contractor intimated the ZP (March 2012) that the said work of construction of Sausage *Bundh* was completed by Irrigation and Waterways Department (I&WD).

Owing to non-coordination between the ZP and I&WD, same work was initiated by both the authorities. In response to an audit query, the Executive Engineer, Alipurduar Irrigation Division, reported that I&WD did not consider the work executed by ZP and the entire work was planned on the basis of estimates framed by I&WD. Hence, the expenditure amounting to ₹ 15.57 lakh incurred by the ZP proved to be wasteful due to non-coordination with the line Department.

When pointed out (December 2014), the ZP did not furnish any reply.

Thus, due to ill-planned construction of market complex and lack of coordination with the line department the expenditure of ₹ 58.89 lakh (₹43.32 lakh + ₹15.57 lakh) turned unfruitful.

### 5.2.2 Excess expenditure of ₹ 39.05 lakh due to excess lead in supply of materials

**By allowing excess lead from quarry during execution of road works, Murshidabad ZP incurred excess expenditure of ₹ 39.05 lakh.**

Murshidabad ZP undertook construction of two roads<sup>59</sup> under RIDF-XVI in May 2011. Rate analysis of the works revealed that the rates of different types of stone aggregates were considered for supply from Nalhati quarry with a lead of 65 km and 64 km for both roads respectively. However, Audit calculated the distance as 42 km and 50 km respectively with reference to records of the ZP and information obtained from PW (Roads) Directorate. Due to consideration of excess lead for supply of materials, the cost estimates of both the works were inflated by ₹ 39.05 lakh resulting in excess expenditure of that amount as detailed in the following table:

<sup>59</sup> Jarun Fultala to Uttar Ramara in Raghunathganj-I PS and Gopaldighi More to Polsunda More in Sagardighi PS.

**Table 5.2**  
**Excess expenditure due to consideration of excess lead for supply of materials**

Name of the work	Item of work	Quantity (in sqm)	Rate allowed (₹/sqm)	Admissible rate (₹/sqm)	Excess rate (₹/sqm)	Tender rebate (%)	Excess expenditure (in ₹)
		(a)	(b)	(c)	(d)=(b)-(c)	(e)	f={((a*d)/(100-e))%}
Jarun Fultala to Uttar Ramara under Raghunathganj-I PS	WBM(grade-2)	47572.60	132.33	109.63	22.70	0.14	1078386.16
	WBM(grade-3)	47572.60	135.87	113.17	22.70	0.14	1078386.16
	20 mm Premix	47572.60	109.25	103.62	5.63	0.14	267458.77
	6 mm seal coat	47572.60	43.02	41.75	1.27	0.14	60332.62
Gopaldighi More to Palsunda More in Sagardighi PS	WBM(grade-2)	45988.03	131.36	117.70	13.66	1.04	621663.25
	WBM(grade-3)	45543.88	134.90	121.24	13.66	1.04	615659.26
	20 mm Premix	46062.54	108.90	105.58	3.32	1.04	151337.19
	6 mm seal coat	46062.54	42.90	42.21	0.69	1.04	31452.61
<b>TOTAL</b>							<b>3904676.02</b>

(Source: Records of ZP and SOR of PW (Roads))

When pointed out (November 2014), the ZP contended the lead calculation of Audit and argued that the distances were vetted by P&RDD. The ZP also stated that they were empowered to prescribe the rates of its own if not included in Schedule of Rates (SOR) as per Rule 63 and 83 of ZP & PS Rules, 2003.

The reply was not tenable as the lead was calculated on the basis of information furnished by the office of the Superintending Engineer, Central Highway Circle, Murshidabad. Further, in terms of ZP & PS Rules, 2003, the ZP had powers to prescribe a rate where the rate of any item was not included in the SOR but not the lead.

### 5.2.3 Excess expenditure of ₹ 35.87 lakh due to allowance of unwarranted component

**During execution of road works, Murshidabad ZP incurred excess expenditure of ₹ 35.87 lakh by allowing expenditure on account of the element of void which was not allowed by the SOR.**

SOR rates for materials include charges for taxes, royalty etc. and also allowance for sinkage and contractor's profit. However, there is no provision of allowance of additional elements like void (gaps in the stacking of stone materials like chips, aggregates etc.) which are automatically included in the rates. Further, Rule 63 of ZP & PS Rules, 2003 envisages that Executive Engineer shall adopt the current SOR of the PW (Roads).

Scrutiny of the records of 11 road works undertaken by Murshidabad ZP during 2007-08 to 2013-14 revealed that the ZP had prepared estimates according to the applicable SORs

of PW (Roads). However, in the analysis of rate, the ZP added the additional element of void for stone aggregates which was not allowed.

As a result, the cost of stone metal was escalated and the ZP incurred an excess expenditure of ₹ 35.87 lakh (**Appendix-XVIII**).

In response, the ZP stated that in no case the payment of bills had been made in excess of the estimates vetted by P&RDD and that ZP was empowered to prescribe the rate of its own other than the rate prescribed by P&RD Department.

The reply of the ZP was not tenable as the SOR of PW (Roads) did not permit the inclusion of additional element of void in the estimates. Moreover, Rule 83 of ZP & PS Rules 2003, empowered ZP to prescribe a rate for the items not included in the SOR. However, in this case the rates were already prescribed in the SOR, hence, the reply was not relevant.

Thus, by allowing unwarranted element of void while considering rate of material, the ZP made an excess expenditure of ₹ 35.87 lakh.

#### 5.2.4 Avoidable expenditure of ₹ 28.07 lakh

**Bankura ZP did not adhere to the provisions of SOR, IRC codes and specifications of MORT&H<sup>60</sup> while executing road works and incurred an avoidable expenditure of ₹ 15.04 lakh. Similarly, Birbhum ZP incurred an avoidable expenditure of ₹ 13.03 lakh by using higher density bitumen emulsion for road works.**

A) IRC codes for rural road state that Hot Mix Plant (HMP) is required for major bituminous works such as bituminous macadam and asphaltic concrete. SOR of PW (Roads) also stipulates that bituminous macadam (BM) mix should be prepared in a HMP of adequate capacity and capable to yield a mix of proper and uniform quality with thoroughly coated aggregates. Further, Rule 63 of ZP & PS Rules, 2003 envisages that Executive Engineer shall adopt the current SOR of the PW (Roads).

Scrutiny of records revealed that while preparing estimates (January 2014) on the basis of SOR 2008-09 issued by PW (Roads) for widening and strengthening of a road<sup>61</sup> under RIDF-XVIII (January 2014), Bankura ZP did not consider HMP having capacity 100-120 tonne *per* hour (TPH) and allowed the use of lower capacity of 40-60 TPH for bituminous works with higher costs.

Besides, as per 7th Corrigenda, Addenda & Errata of SOR of PW (Roads) 2008-09 (effective from 30 April 2012), the rates of both higher and lower capacity HMPs were

<sup>60</sup> Ministry of Road Transport and Highways

<sup>61</sup> Road from Bankadaha to Jayrambati covering Bishnupur, Joypur and Kotulpur blocks of Bankura District

reduced. However, the ZP also did not adopt the revised rates of SOR and allowed the pre-revised higher rates of HMP. This resulted in avoidable expenditure of ₹ 6.39 lakh as detailed in the following table:

**Table 5.3**  
**Avoidable expenditure due to use of low capacity machine**

As per payment of 1 <sup>st</sup> RA Bill	
Quantity in sqm	2652.22
<b>Allowed by ZP</b>	
Rate of 40 mm Bituminous Macadam (BM) using HMP of 40-60 TPH (₹/sqm) (allowed)	₹309.91
Cost of Bituminous Macadam ₹/cum (₹ 309.91/0.04 = ₹7747.75)	₹7,747.75
Expenditure incurred by the ZP (A)	₹2,05,48,738.50
<b>As admissible</b>	
Rate of 40 mm BM using HMP of 100-120 TPH (₹309.91/sqm – ₹64.80/sqm + ₹54.80/sqm = ₹299.91/sqm)	₹299.91
Cost of Bituminous Macadam ₹/cum [₹299.91 / 0.04 = ₹7497.75]	₹7,497.75
Total admissible expenditure (B)	₹1,98,85,682.50
<b>Avoidable expenditure (A-B)</b>	<b>₹663056.00</b>
<b>Net avoidable expenditure after tendered rebate of 3.69%</b>	<b>₹638589.00</b>

(Source: Records of Bankura ZP and 7th Corrigenda, Addenda & Errata of SOR of PW (Roads) 2008-09)

It was also observed that P&RDD did not rectify the rates while approving the revision of project cost in August 2014.

B) The 6th Corrigenda, Addenda & Errata of SOR of PW (Roads) 2008-09 for the road and bridge works, effective from July, 2010, revised the unit requirement of stone aggregates for Water Bound Macadam (WBM) consolidation, to be 0.091cum/ sqm from the erstwhile 0.1cum/ sqm.

Scrutiny revealed that Bankura ZP did not adopt (between September and December 2010) the revised unit requirement for stone aggregates as per SOR for Water Bound Macadam (WBM) consolidation and incurred an avoidable expenditure of ₹ 8.65 lakh **(Appendix-XIX)**.

On being pointed out, the ZP admitted (December 2014) the lapse and assured adoption of the rate in future cases.

C) SOR of PW (Roads) 2008-09 and IRC codes classified Water Bound Macadam (WBM) and Wet Mix Macadam (WMM) surfaces as low porous, for which the quantity of liquid bituminous material required was 0.75 kg/ sqm.

Scrutiny of five road works of Birbhum ZP revealed that the ZP allowed 1.05 kg/ sqm of bitumen emulsion for laying of the primer coat on the WBM surface in lieu of SOR specified quantity of 0.75 kg/ sqm. Thus, due to considering the higher quantity of

bitumen, the ZP incurred an avoidable expenditure of ₹ 13.03 lakh as calculated in the following table:

**Table 5.4**  
**Avoidable expenditure due to use of higher quantity of bitumen emulsion**

Name of the road work	Cost of bitumen emulsion	Rate of * bitumen emulsion including cess	Rate allowed	Difference in rate/sqm	Quantity executed	Avoidable expenditure	Avoidable expenditure after tender rebate	
	₹/ kg	in ₹			sqm	₹ in lakh		
Uttakana to Kharui in Illambazar PS	32.84	27.03	37.75	10.72	10409.33	1.12	1.08	
Tentulbandhi to Nabin Rice Mill under Mayureswar-II PS	32.81	27.00	37.72	10.72	7136.30	0.77	0.73	
PMGSY road to Canalpar via Paikuni, Tul Amra	32.81	27.00	37.72	10.72	11250.00	1.21	1.14	
Kantagoria to Panchgram within Nalhathi-II PS	33.08	27.21	38.01	10.80	54450.00	5.88	5.84	
Nagari more to Karamsai PMGSY Road under Suri-I	32.76	26.97	37.67	10.70	16458.51	1.76	1.48	
Nabagram more to Akdala via Sirsha High School	32.87	27.05	37.78	10.73	27406.00	2.94	2.76	
<b>Total:</b>							<b>13.03</b>	

\*Unit rate of bitumen @0.75kg/sqm= Cost of bitumen emulsion × 0.75+ cost of labour/machinery@₹2.40  
(Source: Records of ZP and SOR of PW (Roads))

The matter was referred to the ZP (January 2015) but no reply has been received.

Thus, the two ZPs incurred avoidable expenditure of ₹ 28.07 lakh due to non-adherence to the provisions of SOR and IRC codes and non-adoption of the current rate of SOR.

### 5.3 Persistent/pervasive irregularities

#### 5.3.1 Loss of ₹ 4.79 crore due to non-realisation of establishment charges

**Five ZPs executed deposit works on behalf of different line Departments and suffered loss of ₹ 4.79 crore due to non-realisation of establishment charges from those Departments in violation of the provisions of Panchayat Rules/ orders of P&RDD.**

Rule 106 read with Rule 109 of ZP & PS Rules, 2003 empowers the ZP/PS to charge an amount as establishment charges not less than 5 per cent of actual expenditure incurred on any work undertaken by ZP/PS as deposit work on behalf of any Department of the State Government/public or private bodies or individuals. Under the orders of Hon'ble

Governor, P&RDD directed<sup>62</sup> (September 2008) ZPs to levy the establishment charges at the rate of 10 per cent on the estimated cost of all works of line Departments which had not been formally devolved by the concerned Department. It further directed the ZPs to collect additional one per cent of the estimated cost of the works as the cost for audit.

Scrutiny of records revealed that in 2014-15, five ZPs did not adhere to the provisions of ZP & PS Rules, 2003 as well as the orders of the P&RDD and did not demand the establishment charges from the line Departments for execution of works relating to construction of health centres, roads, graveyards, hostels, barracks for home guards, fire station etc. which were not devolved to ZPs. Due to non-adherence to the above provisions, ZPs sustained loss of ₹ 4.79 crore as detailed in the following table:

**Table 5.5**  
**Details of non-collection of establishment charges in respect of deposit works undertaken**

(₹ in thousand)

Sl. No.	Name of the ZPs	Nature of works	Department for which the work was done	Estimated amount	Establishment charge (11 per cent of estimated amount)
1	Bankura	Up-gradation of 19 Primary Health Centres (PHCs)	Department of Health and Family Welfare (H&FW), Government of West Bengal	129342	14228
2	Howrah	Up-gradation of 16 PHCs	H&FW, Government of West Bengal	114318	12575
3	Purba Medinipur	Construction of two bituminous roads, one guard wall including approach road and one concrete road	Haldia Development Authority	24356	2679
		Construction of Central Hostel	Backward Welfare	19900	2189
		Construction of barracks for Home guards	Home Department	4874	536
4	Jalpaiguri	Construction of three fire stations	Department of Fire and Energy Services	25150	2767
5	Hooghly	Upgradation of 17 PHCs	H&FW, Government of West Bengal	107865	11865
		Construction of guard wall of nine Muslim Grave and one Muslim girls hostel	Minority Affairs and Madrasa Education	9396	1034
<b>TOTAL</b>					<b>47873</b>

(Source: Records of ZPs)

When pointed out (October 2014 to January 2015), Hooghly ZP did not respond to the observation while Bankura ZP replied (November 2014) that the matter would be placed in the next meeting of the concerned *Sthyaee Samiti* (Standing Committee) and that depending upon the decision of that meeting the Department would be requested to place

<sup>62</sup> No. 3751/PN/O/I/4P-1/05(pt-IV) dated 8 September 2008.

funds. Purba Medinipur and Jalpaiguri ZPs stated (December 2014) that development charges were not imposed by *Artha Sanstha Unnayan O Porikalpana Sthayee Samiti* (ASUOPSS) as the works were done for the development of locality. Howrah ZP replied (November 2014) that ASUOPSS decided (January 2014) not to realise establishment charges for works for benefit and development of rural poor.

The replies are not tenable as ASUOPSS does not have the power to revoke the provisions of the Rules and orders of the Hon'ble Governor.

Thus, due to non-collection of development charges the ZPs suffered a loss of ₹ 4.79 crore of Own Source Revenue.

## 5.4 Failure of oversight/governance

### 5.4.1 Irregularities in tender formalities for works worth ₹ 4.32 crore

**Purba Medinipur and Malda ZPs irregularly awarded contracts worth ₹ 4.32 crore to non-deserving bidders without adhering to the provisions of the Rules prescribed for the tendering procedures.**

(A) Kolaghat Thermal Power Station (KTPS) had been regularly entrusting Purba Medinipur ZP with the work of evacuation and settlement of ash from ash ponds. The ZP, in turn, got the works executed by engaging contractors.

Scrutiny of the tender formalities for awarding contracts during 2012-14 revealed that the ZP floated (October 2012) notice inviting tender (NIT-2nd call) setting specific credentials of bidders which included: (i) experience of execution of similar nature of works to a value of 50 *per cent* of estimated cost in a single tender completed within the last five years and (ii) turnover of any one year during the last five years being equal to the estimated cost of the work.

The ZP, in violation of the terms of its own, selected (November 2012) the bidder by accepting the experience of similar nature of work completed in December 2006 (i.e. not within last five years). It also accepted the value of total fixed assets instead of annual turnover during the last five years as valid credentials. The ZP awarded the contract to execute the work for ₹ 56.87 lakh within three months.

The performance of the contractor was not satisfactory and KTPS expressed (January and March 2013) their concern over poor performance of the agency. The ZP only issued reminders (January and April 2013). Further, the ZP instead of taking any action, again

engaged that contractor (March 2014) to carry out similar work having value of ₹ 68.20 lakh.

When enquired, the ZP stated that the contractor had executed another work of ₹ 68.58 lakh which was considered as a valid credential but due to labour problem the work had got stranded. This reply was not tenable as after issuing the work order, labour problems were not the responsibility of the ZP. Further, the ZP had specified the credential with reference to similar nature of work and not merely another work of similar value. Also, as per the letters of KTPS, timely evacuation of ash was essential for smooth running of power plant.

(B) Similarly, in case of another work of construction of 100 bedded hostel under Babu Jagjivanram Chhatrawas Yojana, Purba Medinipur ZP relaxed (February 2013) the eligibility criteria after opening of technical bid as none of the three bidders was found eligible in all respects. The tender selection committee was not satisfied with the bid capacity and financial turnover of the lowest bidder but recommended the ZP to relax the credentials. Accordingly, the ZP awarded the contract of ₹ 1.94 crore to that lowest bidder. In reply the ZP stated that they had to lower the eligibility criteria due to emergent situation. The reply was hardly convincing as lowering of eligibility criteria after opening of technical bid was grossly irregular and tantamount to showing undue favour to a particular bidder. A fresh tender with the relaxed criteria could have attracted other bids.

(C) Rule 91(5) of ZP & PS Rules, 2003 stipulates that ASUOPSS shall constitute a Tender Selection Committee which shall evaluate antecedents and past records of the tenderers, their financial status, experience, standard and quality of earlier jobs performed, quality and specification of the materials or services offered and reasonability of rates quoted. Malda ZP floated (April 2012) an NIT for work of improvement of a road under RIDF-XVII at a cost of ₹ 1.13 crore. Scrutiny revealed that the agency selected for the work had provided a certificate issued by Executive Engineer, Irrigation & Waterways Directorate, Malda Division, as a part of its eligibility. Audit ascertained from the Irrigation & Waterways Directorate, Malda Division that no such work had been executed under their jurisdiction. Thus, it transpired that the contractor was awarded the contract worth ₹ 1.13 crore on the basis of fictitious credentials. The ZP did not reply to the Audit observations.

Thus, the ZPs failed to observe the provisions of rules while finalising tenders and irregularly awarded contracts worth ₹ 4.32 crore to non-deserving bidders.

**Kolkata**

**The 26 April, 2016**



**(Sitangsu Kumar Guha)  
Examiner of Local Accounts  
West Bengal**

**Countersigned**



**Kolkata**

**The 26 April, 2016**

**(Madhumita Basu)  
Pr. Accountant General (G&SSA)  
West Bengal**



# APPENDICES



## Appendix-I

(Reference: Paragraph 1.15; page no. 13)

## List of Audit Queries in respect of which no reply was received

Sl No.	Zilla Parishads	Para Caption	Money value (₹ in lakh)
1	South 24 Parganas	Wasteful expenditure of ₹ 54.87 lakh due to inordinate delay in execution of work	54.87
2		Idle expenditure amounting to ₹ 192.46 lakh due to abnormal delay in execution of road under RIDF XVII, Excess payment of ₹ 26.44 lakh, and Non-imposition of penalty for delayed execution amounting to ₹ 74.89 lakh	293.79
3		Unadjusted advance to the tune of ₹ 77.44 lakh	77.44
4	North 24 Parganas	Loss of revenue of ₹ 64.80 lakh due to levying of vetting charges instead of development fee	64.8
5		Loss of ₹ 42.79 lakh as govt. revenue due to wrong assessment of development fee	42.79
6		Short collection of govt. revenue to the tune of ₹ 110.99 lakh owing to non charging of development fee on super built area of housing complexes	110.99
7		Non-realisation of ₹ 78.37 lakh of govt. revenue due to acceptance of bank guarantee against collection of cash revenue	78.37
8		Excess expenditure of ₹ 24.17 lakh for allowing higher lead than the admissible one in different road works under RIDF	24.17
9		Excess expenditure of ₹ 15.49 lakh due to erroneous estimates not warranted under the Schedule of Rates of PW(Roads) and IRC 16	15.49
10		Loss of revenue worth ₹38.00 lakh from ferry ghat due to non-leasing	38
11		Payment of ₹ 56.54 lakh made to a security agency after expiry of agreement period without floating fresh tender	56.54
12		Wasteful expenditure of ₹ 46.87 lakh coupled with recurring loss of ₹ 22.83 lakh on non-productive assets	69.7
13		Utilisation certificates wanting against sub allotment of ₹ 2.55 crore under Rural Water Supply Scheme	255
14	Birbhum	Non-availing of economic rate of the approved schedule resulted in loss of fund to the tune of ₹31.83 lakh from the government exchequer	31.83
15		Excess expenditure of ₹22.98 lakh for allowing higher rate of compaction	22.98
16		Non- utilization of government grants: ₹ 372.24 lakh	372.24
17		Revenue to the tune of ₹ 78.83 lakh outstanding from remunerative assets of ZP	78.83
18		Excess expenditure of ₹ 11.66 lakh incurred due to erroneous preparation of estimate and Analysis of Rate	11.66
19	Bankura	Overpayment of ₹15.79 lakh for non deduction of various components in earthwork	15.79
20		Irregularities in strengthening and upgradation of road under RIDF-XVIII	7.98
21		Non-utilisation of government grants : ₹28.79 lakh	28.79
22	Bardhaman	Over payment of ₹41.59Lakh for non-deduction of various components in earthwork.	41.59
23		Excess expenditure of ₹18.17 lakh for allowing higher rate of compaction	18.17
24		Excess expenditure of ₹7.58 lakh incurred due to erroneous preparation of estimate and Analysis of Rate	7.58
25		Outstanding dues of ₹ 47.39 lakh to be received from parties against Press Work	47.39
26		Unadjusted advance of ₹233.63 lakh sanctioned upto March 14	233.63

Sl No.	Zilla Parishads	Para Caption	Money value (₹ in lakh)
27	Dakshin Dinajpur	Excess expenditure of ₹28.29 lakh for erroneous preparation of estimate.	28.29
28		Overpayment of ₹0.81 lakh.	0.81
29		Injudicious financial assistance to Gangarampur Block Gramodyog Society for construction of Kaldighi Tourist Lodge: ₹ 67.44 lakh	67.44
30		Excess expenditure for allowing higher rate of compaction : ₹ 12.97 lakh	12.97
31		Non-realisation of establishment charges of ₹96.13 lakh	96.13
32	Howrah	Unfruitful expenditure of ₹23.42 lakh on the construction of Barda market complex at Udaynarainpur	23.42
33		Un-realised leased rent of ₹12.18 lakh from <i>ferry ghats</i>	12.18
34		Excess expenditure of ₹ 13.79 lakh due to application of incorrect Schedule of Rates	13.79
35	Jalpaiguri	Non-submission of utilisation certificate to the tune of ₹ 90.83 lakh under various scheme like under RWS (scheme).	90.83
36	Murshidabad	Undue favour to the agency by ₹158.70 lakh in the shape of excess payment	158.70
37		Non-realisation of outstanding bill of Zilla Parishad Press to the extent of ₹ 27.78 lakh	27.78
38	Nadia	Unutilised government grants: ₹122.82 lakh	122.82
39		Non-realisation of revenue from various sources: ₹13.70 lakh	13.70
40		Unadjusted advances: ₹14.77 lakh	14.77
41		Outstanding rent from various offices: ₹17.61 lakh	17.61
42	Uttar Dinajpur	Short deposit of Bunglow rent ₹3.22 lakh	3.22
43		Unfruitful expenditure due to non completion of "Swajaldhara" project: ₹215.80 lakh	215.8
44	Malda	Installation of 2 <sup>nd</sup> electrically operated crematorium at Sudullapur in violation of financial rules and without the clearance certificate from Pollution Control Board stood infructuous expenditure of ₹35.78 lakh and undue favour to agency	35.78
45		Infructuous expenditure of ₹ 28.92 lakh	28.92
46		Infructuous expenditure of ₹42.22 lakh including a wasteful expenditure of ₹15.37 lakh	42.22
47		Erroneous estimate leads to an overpayment of ₹336300.00	3.36
48		Unauthorised sanction of house building loan to ZP employees amount of ₹ 11.56 lakhs	11.56
49	Hooghly	Wrong levying of the charges of development fee leading to short collection of ₹ 67.50 lakh	67.50
50		Non-remittal of development fee of ₹ 34,92,831.00 to KMDA out of development fee	34.93
51		Short collection of ₹ 13.13 lakh of govt. revenue due to wrongful assessment of institutional fee of building permission	13.13
52		Non-remittal of ₹7.80 lakh out of the collection to KMDA	7.80
53		Non-realisation of revenue amounting ₹ 144.20 lakh as cost of establishment charges etc. from the line deptt.	144.20
54		Non-realisation of premium amount of ₹ 33.20 lakh as well as unrealised lease premium of ₹ 54.66 lakh at Telenipara Ferry Ghat	87.86
55		Zilla Parishad Press Section – Outstanding Bills of ₹ 24.02 lakh up to Oct'2014.	24.02
56	Paschim Medinipur	Excess expenditure of ₹1.87 lakh due to use of costly variety of material	1.87
57		Idle expenditure of ₹ 16.40 lakh on the work of Community Hall cum Recreation Centre due to project remained incomplete and abandoned	16.40
58		Non-recovery of outstanding rent ₹ 24.06 lakh from the market complex	24.06
59		Unutilized government grants of ₹ 221.98 lakh	221.98

Sl No.	Zilla Parishads	Para Caption	Money value (₹ in lakh)
60	Cooch Behar	Excess expenditure amounting to ₹1.55 lakh in case of construction of roads	1.55
61		Loss of ₹22.76lakh on the incomplete construction of market complex at Sutkabari and Dhangdingurihat under RIDF-XII ultimately declared abandoned	22.76
62		Unspent grant to the tune of ₹ 245.60 lakh	245.60
63	Purulia	Non-realisation of ₹103.22 lakh as establishment charges.	103.22
64		Undue benefit to the private agency : ₹11.43 lakh	11.43
65		Erroneous computation of lead resulted undue benefit to the private agency : ₹61.09 lakh	61.09
66		Undue benefit to the agencies by allowing excess rate over the scheduled rate : ₹9.86 lakh	9.86
67		Non-utilization of government grants : ₹ 1301.02 lakh	1301.02
68		Outstanding advances of ₹ 132.86 lakh from 2008-09 to 2013-14	132.86
<b>TOTAL</b>			<b>5675.65</b>

(Source: IRs of respective ZPs)

#### Appendix-II

(Reference: Paragraph 2.2; page no. 16)

Statement showing no. of GPs that incurred expenditure in excess of budget provision during 2013-14

(₹ in lakh)

Sl No.	District	No. of GPs	No. of Heads	Expenditure in excess of budget provision	Range of expenditure over budget provision
1	Alipurduar	02	02	4.70	2.20-2.50
2	Bankura	18	05	200.51	0.07-98.74
3	Bardhaman	25	06	313.38	0.16-90.06
4	Birbhum	14	08	59.86	0.61-14.41
5	Cooch Behar	13	05	151.62	0.84-102.21
6	Dakshin Dinajpur	10	05	71.79	0.09-33.25
7	Darjeeling	01	01	3.93	3.93-3.93
8	Hooghly	08	07	126.01	1.41-57.55
9	Howrah	14	04	66.41	0.02-30.95
10	Malda	01	02	8.68	8.68-8.68
11	Murshidabad	08	05	41.87	0.17-14.99
12	Nadia	23	07	1091.81	0.64-158.43
13	North 24 Parganas	17	06	148.13	0.2-48.4
14	Paschim Medinipur	19	05	87.41	0.13-12.44
15	Purba Medinipur	37	07	482.87	0.32-262.16
16	South 24 Parganas	15	05	85.80	0.09-30.03
17	Uttar Dinajpur	04	03	9.13	0.24-4.74
<b>TOTAL</b>		<b>229</b>		<b>2953.91</b>	

(Source: Budget of GPs)

**Appendix-III**

(Reference: Paragraph 2.3; page no.16)

Statement showing losses due to theft and defalcation of fund and material, missing of official documents and other assets noticed in PRIs in the year 2013-14

Sl No	Name of PRIs	Name of district	Year of theft/defalcation	Nature of theft/defalcation	Value (₹ in lakh)	Others	Follow up action
1	Dulalpur	Purba Medinipur	1995	Misappropriation	0.16		No action taken
2	Lakshya I	Purba Medinipur	2013-14	Theft			Case no. 497/13 dated 11/12/2013 registered
3	Shimula	Murshidabad	2013-14	Theft		02 CPU, 01 Laptop, 01 8KV Stabilizer and 01 Handy Cam	GD NO. 168 dated 04/09/14 filed
4	Panchal	Bankura	2004-05	Theft	0.10		GD No. 71/04 dated 18.12.2004 filed
5	Shibdaspur	North 24 Parganas	2011-12	Theft	0.15		Complaint lodged in PS
6	Bansra	South 24 Parganas	2013-14	Theft	0.16		Case No. 379/457 dt. 07.03.14 filed
7	Srinagar	Birbhum	2001-02	Defalcation	0.96		Case no. GR 858/2001 lodged and dismissed by Court
8	Jajigram	Bardhaman	2013-14	Theft		Computer	GD No. 21/13 dated 01/12/2013 filed
9	Durgapur	Dakshin Dinajpur	2013-14	Theft		Laptop	GD no.1099 dated 17.04.2011 filed
10	Chingishpur	Uttar Dinajpur	2013-14	Theft	0.50		Reported to Police, case no.-704/13 dt.11.03.14
<b>TOTAL</b>					<b>2.03</b>		

(Source: Records of GPs)

**Appendix-IV**

(Reference: Paragraph 2.4; page no. 16)

Statement showing no. of GPs who did not deduct I.T. and. S.T. during 2013-14

(in ₹)

Sl No.	Name of GP	Name of the District	Amount of IT not deducted	Amount of ST not deducted
1	Falakata-II	Alipurduar	3655	0
2	Narayanpur	Bankura	2007	2007
3	Banashuria		999.50	999.50
4	Kanjukura		3929	3929
5	Kuchiakol		1800	1800
6	Arui		8280	8280
7	Bara Belun-II	Bardhaman	9200	9200
8	Trilokchandrapur		9361.60	9361.60
9	Anukhal		10989.65	10989.65
10	Rajgram	Birbhum	6034	6034
11	Burirhat-I	Cooch Behar	0	61044
12	Burirhat-II		13444.92	13444.92
13	Petla		0	4977
14	Dhandali	Howrah	2757.20	2757.20
15	Bagnan-I		22950.80	22950.80
16	Sankarhati-I		3715.20	3715.20
17	Bilborakopra	Murshidabad	505.07	0
18	Dharampur		0	85466

SI No.	Name of GP	Name of the District	Amount of IT not deducted	Amount of ST not deducted
19	Fakirdanga Gholapara	Nadia	2184.80	2184.80
20	Kadambagachi	North 24 Parganas	158000	0
21	Bhagawantpur I	Paschim Medinipur	6633.60	6633.60
22	Garhmal		3942.50	3942.50
23	Jalchak I		0	15149
24	Jamboni		3857.60	3857.60
25	Santipur II	Purba Medinipur	8353	8353
26	Barogoria-Jamtoria	Purulia	24473.60	24473.60
27	Chalteberia	South 24 Parganas	28000	28000
28	Gangasagar		5534.74	16604.46
29	Kautala		0	3973.74
	<b>Total</b>		<b>340608.78</b>	<b>360128.17</b>

(Source: Records of GPs)

## Appendix-V

(Reference: Paragraph 2.5; page no. 16)

## Statement showing non-reconciliation between Cash Book and Pass Book balances as of March 2014

(in ₹)

SI No.	Name of PRIs	Cash Book balance	Treasury and Bank Passbook / Pass Book Balances	Amount not reconciled
<b>Zilla Parishads</b>				
1	Hooghly	421129865.60	671116973.75	249987108.2
2	South 24 Parganas	1864837201.07	1844421680.56	130567809.2
3	Malda	1257696535.97	1261552515.27	5075508.70
<b>Panchayat Samitis</b>				
4	Mathabhanga-I	41675771.59	46485458.59	917760.00
5	Murarai-II	103987795.49	144010771.63	40022976.14
6	Tarakeshwar	49781880.55	60327417.55	15520367.00
7	Ranibandh	92245243.87	98927514.37	6682270.50
8	Old Malda	73371391.96	80104167.07	6732775.11
9	Chinsurah Mogra	36838325.79	33699099.33	9256674.46
10	Lalgola	97156897.27	86319822.43	12423272.84
11	Gangarampur	56506720.65	65881048.52	9374327.87
12	Manbazar-I	86952997.18	86923003.68	40517.50
13	Chanditala-II	26762795.82	44932539.55	18169743.73
14	Purulia-II	48001447.23	49701070.00	1699622.77
15	Khejuri-II	22691709.32	26248881.32	216018.00
16	Mayanaguri	79579664.00	165736185.70	86156521.70
17	Beldanga-II	69819033.38	85664824.80	15845791.42
18	Raghunathpur-II	25915943.12	29909666.12	3993723.00
19	Nagrakata	53833770.31	63318531.81	10315796.50
20	Raiganj	101446486.29	103274857.29	15145.00
<b>Gram Panchayats</b>				
21	Agardanga	942362.59	1141115	2
22	Amrul	4074401.55	4271422.15	300
23	Bakshihat	996977.49	1206261.77	21376
24	Beonta-I	988152.78	1433336	78
25	Billeswar	349142.99	3397181.80	74
26	Birnagar	6073256.85	6073030	26
27	Dharmapur-I	262965.79	1860093.30	1400
28	Dhatrigram	2149123.23	2683212	32505
29	Garhmal	2103023.36	2248002	40
30	Gogra	654589.47	687217	34000
31	Joydev-Kenduli	1777173.56	2262782	16.85

SI No.	Name of PRIs	Cash Book balance	Treasury and Bank Passbook / Pass Book Balances	Amount not reconciled
32	Kampachakla	125349.99	1542844	10
33	Laksmijanardanpur	2038896.32	5827265.23	120000
34	Magurmai-II	3520132.22	3248742.22	2000
35	Maithana	1952999.21	2614478.23	1.30
36	Malam	1018216.29	1040123	52
37	Nayarhat	287179.26	424986	1521
<b>TOTAL</b>				<b>623227131.79</b>

(Source: Records of ZPs, PSs and GPs)

#### Appendix-VI

(Reference: Paragraph 2.7; page no. 17)

#### Statement showing Internal Audit not conducted in PSs and ZPs during 2011-14

Period of Audit	Name of PRIs	Total
2011-12	<b>PSs:</b> Bamangola, Kaliachak-I, Ranaghat-II, Joypur, Dubrajpur, Mayureshwar-II, Jangipara, Mathabhanga-I, Saltora, Murarai-II, Onda, Contai-III, Harishchandrapur-II, Patharpratima, English Bazar, Khargram, Chopra, Ranibandh, Bhagwanpur-I, Panchla, Old Malda, Chinsurah Mogra, Sainthia, Lalgola, Gopiballavpur-II, Hirbandh, Moyna, Gangarampur, Manbazar-I, Sitalkuchi, Banshihari, Khejuri-II, Kaliaganj, Hemtabad, Karandighi, Andal, Kalchini, Mayanaguri, Ratua, Islampur, Mekhliganj and Raiganj.	42
2012-13	<b>PSs:</b> Bamangola, Kaliachak-I, Ranaghat-II, Joypur, Ranaghat-I, Dubrajpur, Mayureshwar-II, Jangipara, Mathabhanga-I, Saltora, Murarai-II, Onda, Bardhaman-II, Contai-III, Harishchandrapur-II, Patharpratima, Indas, English Bazar, Khargram, Chopra, Ranibandh, Bhagwanpur-I, Panchla, Bankura-I, Old Malda, Chinsurah Mogra, Sainthia, Lalgola, Gopiballavpur-II, Hirbandh, Purulia-I, Moyna, Gangarampur, Kalna-II, Manbazar-I, Beldanga-I, Bhagwanpur-II, Sitalkuchi, Purulia-II, Swarupnagar, Kalna-I, Banshihari, Khejuri-II, Raghunathgunj-II, Kaliaganj, Hemtabad, Manbazar-II, Raghunathganj-I, Karandighi, Joypur, Andal, Kalchini, Mayanaguri, Krishnanagar-II, Raghunathpur-II, Ratua-I, Islampur, Mekhliganj, Raiganj and Raghunathpur-I.	60
2013-14	<b>ZPs:</b> Bankura, Uttar Dinajpur, Bardhaman, Howrah, Purba Medinipur, Jalpaiguri, Nadia, Dakshin Dinajpur, Murshidabad, Cooch Behar, Purulia, Malda and Siliguri MP	13
	<b>PSs:</b> Bamangola, Kaliachak-I, Ranaghat-II, Joypur, Ranaghat-I, Dubrajpur, Mayureshwar-II, Jangipara, Mathabhanga-I, Saltora, Murarai-II, Onda, Bardhaman-II, Contai-III, Harishchandrapur-II, Patharpratima, Indas, English Bazar, Khargram, Chopra, Ranibandh, Panchla, Bankura-I, Hura, Old Malda, Chinsurah Mogra, Sainthia, Lalgola, Gopiballavpur-II, Hirbandh, Purulia-I, Moyna, Gangarampur, Kalna-II, Manbazar-I, Beldanga-I, Bhagwanpur-II, Sitalkuchi, Purulia-II, Kalna-I, Banshihari, Khejuri-II, Raghunathgunj-II, Harirampur, Kaliaganj, Hemtabad, Manbazar-II, Raghunathganj-I, Karandighi, Joypur, Andal, Kalchini, Mayanaguri, Krishnanagar-II, Dinhat-I, Raghunathpur-II, Ratua-I, Islampur, Nagrakata, Mekhliganj, Raiganj and Raghunathpur-I.	62

(Source: Records of PRIs)

## Appendix-VII

(Reference: Paragraph 2.7; page no. 17)

## Statement Showing Internal Audit not conducted in GPs during 2013-14

SI No.	Name of Districts	No. of GPs
1	Alipurduar	17
2	Bankura	68
3	Bardhaman	98
4	Birbhum	70
5	Cooch Behar	61
6	Dakshin Dinajpur	26
7	Darjeeling	05
8	Hooghly	34
9	Howrah	70
10	Jalpaiguri	18
11	Malda	40
12	Murshidabad	51
13	Nadia	61
14	North 24 Parganas	54
15	Paschim Medinipur	91
16	Purba Medinipur	71
17	Purulia	29
18	South 24 Parganas	67
19	Uttar Dinajpur	24
	<b>TOTAL</b>	<b>955</b>

(Source: Records of GPs)

## Appendix-VIII

(Reference: Paragraph 3.1.1; page no. 25)

## Statement showing no. of G.Ps where durable assets were not created during 2013-14

SI No.	Name of District	Durable assets were not created	
		No. of GPs	Amount Expended (₹ in lakh)
1	Alipurduar	06	593.55
2	Bankura	63	2310.30
3	Bardhaman	118	8334.94
4	Birbhum	56	3321.11
5	Cooch Behar	35	1019.89
6	Dakshin Dinajpur	17	309.63
7	Darjeeling	03	148.52
8	Hooghly	28	2236.46
9	Howrah	51	376.43
10	Jalpaiguri	03	216.83
11	Malda	08	67.96
12	Murshidabad	14	202.91
13	Nadia	56	3079.44
14	North 24 Parganas	37	1580.51
15	Paschim Medinipur	61	2436.55
16	Purba Medinipur	55	3802.31
17	Purulia	13	215.57
18	South 24 Parganas	28	969.65
19	Uttar Dinajpur	06	55.85
	<b>TOTAL</b>	<b>658</b>	<b>31278.41</b>

(Source: Records of GPs)

**Appendix-IX**

(Reference: Paragraph 3.1.3; page no. 26)

Statement showing number of GPs where estimated mandays were not achieved during 2013-14

Sl No.	Name of District	No. of GPs	Estimated Mandays	Generated Mandays	Difference
1	Alipurduar	07	3917833	458906	3458927
2	Bankura	60	8377974	3635037	4742937
3	Bardhaman	91	37970392	7988486	29981906
4	Birbhum	47	9397536	4681710	4715826
5	Cooch Behar	23	12676349	1557770	11118579
6	Dakshin Dinajpur	16	2371705	420182	1951523
7	Darjeeling	02	144257	136361	7896
8	Hooghly	25	9423050	2964688	6458362
9	Howrah	43	2624075	573484	2050591
10	Jalpaiguri	04	216817	170885	45932
11	Malda	12	396979	144209	252770
12	Murshidabad	41	6551974	1077516	5474458
13	Nadia	34	4695745	2942721	1753024
14	North 24 Parganas	46	9157697	2229076	6928621
15	Paschim Medinipur	50	8223702	2670721	5552982
16	Purba Medinipur	35	7506495	2354508	5151987
17	Purulia	13	1516606	752597	764009
18	South 24 Parganas	48	3902872	1709191	2193681
19	Uttar Dinajpur	10	18365561	136260	18229301
	<b>TOTAL</b>	<b>607</b>	<b>147437619</b>	<b>36604308</b>	<b>110833312</b>

(Source: Records of GPs)

**Appendix-X**

(Reference: Paragraph 3.1.3; page no. 26)

Statement showing no. of GPs where female persondays were less than prescribed percentage during 2013-14

Sl No.	Name of District	No. of GPs	Generated persondays	Female persondays	Percentage
1	Alipurduar	01	156128	46265	29.63
2	Bankura	23	1463564	303975	20.61
3	Bardhaman	81	7683453	1495316	19.86
4	Birbhum	59	7295363	1148863	16.47
5	Cooch Behar	44	2303971	353398	15.11
6	Dakshin Dinajpur	24	468795	72278	15.57
7	Hooghly	28	3676587	847313	23.52
8	Howrah	70	3092586	326509	12.36
9	Jalpaiguri	11	841835	82752	13.40
10	Malda	28	886143	159794	15.87
11	Murshidabad	97	2990325	432501	13.66
12	Nadia	44	3278718	703415	20.36
13	North 24 Parganas	68	3392533	686623	20.53
14	Paschim Medinipur	43	2865819	591543	20.83
15	Purba Medinipur	19	1086383	250150	21.29
16	Purulia	01	41594	9318	22.40
17	South 24 Parganas	108	3432580	401711	12.85
18	Uttar Dinajpur	18	200121	33050	15.93
	<b>TOTAL</b>	<b>767</b>	<b>45156498</b>	<b>7944774</b>	<b>18.35</b>

(Source: Records of GPs)

## Appendix-XI

(Reference: Paragraph 4.1.6; page no. 40)

## Details of units selected for Performance Audit of Total Sanitation Campaign (TSC)/ Nirmal Bharat Abhiyan (NBA)

Districts	Panchayat Samitis	Gram Panchayats
Jalpaiguri	Kumargram	Chengamari
		Kamakhyaguri – I
		Khoardanga - II
	Alipurduar-I	Kanthalbari Purba
		Parorpar
		Shalkumar - I
	Dhupguri	Jharaltagram-I
		Salbari –I
		Sakoyajhora –I
Banarhat -II		
Purba Medinipur	Sutahata-II	Deulpota
	Contai-I	Sabajput
		Nayaput
	Ramnagar-II	Satilapur
	Nandigram-I	Badalpur
		Mahammadpur
		Sonachura
	Patashpur-II	Kendumari-Jalpai
Bardhaman	Katwa-II	Khargram
		Argoyal
	Aushgram-I	Karui
		Jagadanandapur
	Barabani	Guskara -II
		Dignagar-I
	Mangalkote	Barabani
		Punchrah
		Kshirgram
		Bhalgram
	Salanpur	Chanak
		Majigram
		Dendua
Alladi		
Aushgram-II	Ethora	
	Kota	
	Valki	
Murshidabad	Suti-II	Umrapur
		Mahesail – I
		Aurangabad – II
	Jalangi	Faridpur
		Khayramari
		Ghoshpara
	Raninagar-II	Raninagar – I
		Katlamari – II
		Kalinagar – I
	Domkal	Garaimari
		Sarangpur
		Juranpur
Nabagram	Mahurul	
	Kiriteswari	
	Narayanpur	
Uttar Dinajpur	Goal Pokhar-II	Chakulia
		Toriyal
		Belon
	Islampur	Ramganj II
		Gaisal-II
		Kamalgaon-Sujali

**Appendix –XII**

(Reference: Paragraph 4.1.7.3; page no. 45)  
**Delay in release of TSC/NBA funds during 2009-14**

**A) Delay in release of State Share**

Year	GoI share amount released (in lakh)	Date of receipt of GoI share by WBSRDA	State share released to WBSRDA		Delay
			Date	Amount (in lakh)	
2009-10	579.50	10/05/2010	17/08/2010	228.53	84 Days
	2666.76	03/12/2009	09/02/2010	1223.84	52 Days
2010-11	4163.73	19/08/2010	18/11/2010	1696.25	75 Days
	4163.73	31/12/2010	07/04/2011	879.66	84 Days
2011-12	7062.13	09/07/2011	11/01/2012	2740.16	171 Days
	7062.21	31/12/2011	29/03/2012	2768.00	72 Days
	02/01/2012				
2012-13	15319.07	06/09/2012	19/02/2013	5991.09	151 Days
	15319.07	06/03/2013	20/06/2013	5991.09	91 Days
2013-14	417.44	30/09/2013	29/03/2014	2900.91	73-165 Days
	6980.21	31/12/2013			
	3749.46	01/03/2014	07/07/2014	1342.10	82 Days

**B) Delay in release of Central share**

Year	Funds sanctioned by GoI		Received by WBSRDA	Delay (from GoI sanction)	Release by WBSRDA (date of sanction order)	Released on	Delay (by WBSRDA)	
	Date	Amount (in lakh)						
2009-10	20/10/2009	2666.76	3/12/2009	20 Days	08/12/2009	11/12/2009	No Delay	
	30/03/2010	579.50	10/05/2010	41 Days	20/05/2010	28/05/2010	3 Days	
2010-11	19/07/2010	4163.75	19/08/2010	30 Days	25/08/2010	27/08/2010	No Delay	
	24/10/2010	4163.75	31/12/2010	66 Days	11/01/2011	15/01/2011	No Delay	
2011-12	28/06/2011	6625.33	09/07/2011	11 Days	20/07/2011	28/07/2011	4 Days	
	July 2011	436.80						
	28/12/2011	7062.21	2170.55	31/12/2011	02 Days	09/01/2012	11/01/2012	No Delay
			4684.07	9/01/2012	11 Days			
207.59			02/01/2012	03 Days				
2012-13	27/08/2012	15319.07	06/09/2012	12 Days	16/10/2012	20/10/2012	44 Days	
	28/02/2012	15319.07	06/03/2013	05 Days	13/03/2013	18/03/2013	No Delay	
2013-14	27/09/2013	417.44	30/09/2013	02 Days	07/01/2014	25/01/2014	117 Days	
	27/12/2013	6980.21	31/12/2013	03 Days	24/01/2014	08/02/2014	39 Days	
					06/03/2014			
	27/02/2014	3749.46	01/03/2014	01 Days	12/03/2014	22/03/2014	07 Days	

(Source: Records of P&RDD)

## Appendix XIII

(Reference: Paragraph 4.2.5; page no. 55)

Details of units selected for Performance Audit of 13<sup>th</sup> FC recommendations and grass root level development through PRIs

Name of the ZP	Name of the PS	Name of the GP
Malda	Ratua-II	Sreepur-II
	Kaliachak-I	Maharajpur
		Jaluabadhal
		Alipur-II
	Old Malda	Gayeshbari
		Muchia
Paschim Medinipur	Daspur-I	Nandanpur-I
	Mohanpur	Panchberia
		Mohanpur
		Nilda
	Narayangarh	Kashipur
		Pakurseni
	Kharagpur-II	Mannya
		Lachhmapur
Palshya		
Dakshin Dinajpur	Balurghat	Vatpara
	Banshihari	Chingishpur
		Ganguria
		Mahabari
Purulia	Raghunathpur-II	Cheliama
	Barabazar	Nildih
		Berada
	Jhaldah-I	Latpada
		Kalma
	Baghmundi	Ilu Jargo
Serengdih		
Ajodhya		
North 24 Parganas	Barrackpur-II	Bandipur
	Barasat-I	Sewli
		Choto Jagulia
	Sandeshkhali-I	Duttapukur-II
		Nazat-I
	Rajarhat	Nazat-II
Chandpur		
		Rajarhat Bishnupur-I

Appendix XIV

(Reference: Paragraph 4.2.7.6; page no. 66)

Statement showing total receipt and expenditure of 13th FC fund in selected PRIs during 2010-15  
(₹ in lakh)

Name of the PRI	Total Receipt	Total Expenditure	Closing Balance	Percentage of utilisation
Malda ZP	6726.82	5995.63	731.19	89.13
Paschim Medinipur ZP	5551.42	4976.67	574.75	89.65
Dakshin Dinajpur ZP	1080.37	820.52	259.85	75.95
Purulia ZP	2039.36	1574.90	464.46	77.23
North 24 PGS ZP	3470.16	2909.08	561.08	83.83
Ratua-II PS	95.57	71.46	24.11	74.77
Kaliachak-I PS	236.18	73.82	162.36	31.26
Old Malda PS	78.42	43.49	34.93	55.46
Daspur-I PS	133.67	113.7	19.97	85.06
Mohanpur PS	66.04	63.37	2.67	95.96
Narayangarh PS	210.17	154.51	55.66	73.52
Kharagpur-II PS	474.88	415.86	59.02	87.57
Rajarhat PS	170.96	151.7	19.26	88.73
Balurghat PS	178.37	105.48	72.89	59.14
Bangshihari PS	80.11	73.41	6.7	91.64
Raghunathpur-II PS	109.84	89.93	19.91	81.87
Barrabazar PS	174.33	120.25	54.08	68.98
Jhalda-I PS	109.83	91.14	18.69	82.98
Baghmundi PS	102.22	47.04	55.18	46.02
Barrackpur-II PS	96.48	94.03	2.45	97.46
Barasat-I PS	150.35	149.59	0.76	99.49
Sandeshkhali-I PS	149.51	127.30	22.21	85.14
Sreepur-II GP	41.28	37.3	3.98	90.36
Maharajpur GP	84.31	62.96	21.35	74.68
Jaluabadhal GP	77.02	51.31	25.71	66.62
Alipur-II GP	72.28	36.58	35.7	50.61
Gayeshbari GP	75.06	55.23	19.83	73.58
Muchia GP	54.3	36.56	17.74	67.33
Jatradanga GP	54.9	45.5	9.4	82.88
Nandanpur-I GP	31.77	29.18	2.59	91.85
Panchberia GP	36.78	36.52	0.26	99.29
Mohanpur GP	56.43	54.03	2.4	95.75
Nilda GP	53.94	53.69	0.25	99.54
Kashipur GP	53.93	44.63	9.3	82.76
Pakurseni GP	39.73	39.26	0.47	98.82
Mannya GP	56.89	37.68	19.21	66.23
Lachhmapur GP	99.55	97.42	2.13	97.86
Palshya GP	76.18	69.51	6.67	91.24
Chandpur GP	83.04	82.89	0.15	99.82
Rajarhat Bishnupur-I GP	58.00	53.62	4.38	92.45
Chingishpur GP	91.17	85.01	6.16	93.24
Nildih GP	55.17	50.06	5.11	90.74
Ajodhya GP	54.58	28.51	26.07	52.24
Iloo Jargo GP	30.85	30.30	0.55	98.22
Kalma GP	42.15	36.87	5.28	87.47
Latpada GP	65.39	37.35	28.04	57.12
Berada GP	34.65	32.55	2.1	93.94
Serengdih GP	54.08	33.19	20.89	61.37

Name of the PRI	Total Receipt	Total Expenditure	Closing Balance	Percentage of utilisation
Chhoto Jagulia GP	78.04	77.59	0.45	99.42
Bandipur GP	32.18	29.91	2.27	92.95
Duttapukur-II GP	53.03	53.03	0	100.00
Nazat-II GP	86.83	83.19	3.64	95.81
Nazat-I GP	28.24	17.71	10.53	62.71
Sewli GP	26.17	17.12	9.05	65.42
Ganguria GP	78.35	73.17	5.18	93.39
Bhatpara GP	76.95	72.45	4.5	94.15
Mahabari GP	85.78	85.71	0.07	99.92
Chelyma GP	53.81	46.01	7.8	85.50
<b>Total</b>	<b>23617.87</b>	<b>20076.48</b>	<b>3541.39</b>	<b>85.01</b>

(Source: Records of selected PRIs)

#### Appendix-XV

(Reference: Paragraph 4.2.10.2; page no. 70)

Statement showing total collection of own fund vis-a-vis total receipts of 25 PRIs during 2010-15

(₹ in lakh)

Sl. No.	Name of PRI	Year	Total Receipts as per Form 27	Own fund as per Form 27	Percentage of Own fund over total receipts
<b>Zilla Parishads</b>					
1	Paschim Medinipur	2010-11	24877.11	220.21	0.89
		2011-12	19850.1	146.12	0.74
		2012-13	19167.34	82.23	0.43
		2013-14	34038.94	218.32	0.64
		2014-15	68937.1	304.03	0.44
2	Purulia	2010-11	12936.77	143.93	1.11
		2011-12	12184.28	313.93	2.58
		2012-13	14381.18	74.81	0.52
		2013-14	13025.20	61.02	0.47
		2014-15	31929.46	30.29	0.09
<b>Panchayat Samitis</b>					
3	Daspur-I	2010-11	844.96	10.53	1.25
		2011-12	782.95	11.01	1.41
		2012-13	852.89	8.59	1.01
		2013-14	970.03	6.53	0.67
		2014-15	1773.72	17.66	1.00
4	Mohanpur	2010-11	843.37	1.49	0.18
		2011-12	875.32	2.83	0.32
		2012-13	687.28	6.78	0.99
		2013-14	769.88	6.57	0.85
		2014-15	1459.45	9.14	0.63
5	Rajarhat	2010-11	448.15	2.84	0.63
		2011-12	608.77	10.8	1.77
		2012-13	673.64	9.15	1.36
		2013-14	1079.19	44.04	4.08
		2014-15	1721.65	91.83	5.33
6	Balurghat	2010-11	1084.58	22.73	2.10
		2011-12	1043.16	8.22	0.79
		2012-13	1725.22	24.73	1.43
		2013-14	1818.06	43.40	2.39
		2014-15	2812.85	7.01	0.25

Report of the Examiner of Local Accounts on PRIs for the year ended March 2015

Sl. No.	Name of PRI	Year	Total Receipts as per Form 27	Own fund as per Form 27	Percentage of Own fund over total receipts
7	Banshihari	2010-11	976.39	5.37	0.55
		2011-12	1009.57	4.86	0.48
		2012-13	1140.06	28.76	2.52
		2013-14	1174.83	4.54	0.39
		2014-15	1573.69	9.61	0.61
8	Raghunathpur-II	2010-11	498.80	1.02	0.20
		2011-12	407.75	3.71	0.91
		2012-13	620.76	21.95	3.54
		2013-14	992.05	32.08	3.23
		2014-15	1602.71	12.49	0.78
9	Baghmundi	2010-11	721.52	6.47	0.90
		2011-12	535.82	8.62	1.61
		2012-13	540.15	12.16	2.25
		2013-14	773.22	6.20	0.80
		2014-15	1402.26	4.40	0.31
10	Barrackpur-II	2010-11	544.70	8.81	1.62
		2011-12	652.24	5.30	0.81
		2012-13	532.29	24.74	4.65
		2013-14	701.55	28.45	4.06
		2014-15	1336.44	30.31	2.27
11	Barasat-I	2010-11	700.61	7.81	1.11
		2011-12	1014.55	9.36	0.92
		2012-13	1121.85	10.35	0.92
		2013-14	1414.51	6.68	0.47
		2014-15	2874.36	8.28	0.29
<b>Gram Panchayats</b>					
12	Jatradanga	2010-11	187.91	1.04	0.55
		2011-12	<i>Not available</i>		
		2012-13	256.72	2.84	1.11
		2013-14	145.58	2.26	1.55
		2014-15	167.71	7.71	4.60
13	Panchberia	2010-11	185.95	3.99	2.15
		2011-12	136.99	5.17	3.77
		2012-13	141.61	5.24	3.70
		2013-14	141.43	7.49	5.30
		2014-15	134.43	6.88	5.12
14	Mohanpur	2010-11	<i>Not available</i>		
		2011-12	134.2	7	5.22
		2012-13	148.93	12.99	8.72
		2013-14	200.74	17.1	8.52
		2014-15	307.74	16.16	5.25
15	Nilda	2010-11	NA	NA	NA
		2011-12	114.67	9.02	7.87
		2012-13	228.03	4.75	2.08
		2013-14	179.81	5.23	2.91
		2014-15	294.22	7.47	2.54
16	Kashipur	2010-11	<i>Not available</i>		
		2011-12	111.15	1.52	1.37
		2012-13	131.53	1.97	1.50
		2013-14	141.93	7.19	5.07
		2014-15	214.67	3.13	1.46

Sl. No.	Name of PRI	Year	Total Receipts as per Form 27	Own fund as per Form 27	Percentage of Own fund over total receipts
17	Mannya	2010-11	NA	NA	NA
		2011-12	164.76	9.38	5.69
		2012-13	243.19	3.24	1.33
		2013-14	156.92	4.42	2.82
		2014-15	277.56	11.6	4.18
18	Lachhmapur	2010-11	<i>Not available</i>		
		2011-12	<i>Not available</i>		
		2012-13	201.93	9.35	4.63
		2013-14	320.75	23.31	7.27
		2014-15	310.23	12.41	4.00
19	Chandpur	2010-11	100.7	13.92	13.82
		2011-12	125.23	22.89	18.28
		2012-13	100.01	15.14	15.14
		2013-14	142.57	27.36	19.19
		2014-15	150.4	25.27	16.80
20	Ajothya	2010-11	<i>Not available</i>		
		2011-12	114.35	0.29	0.26
		2012-13	231.78	0.73	0.31
		2013-14	127.18	8.58	6.75
		2014-15	116.54	2.87	2.47
21	Berada	2010-11	139.80	0.07	0.05
		2011-12	124.20	1.05	0.84
		2012-13	74.62	1.20	1.61
		2013-14	137.93	0.69	0.50
		2014-15	95.10	0.91	0.96
22	Ganguria	2010-11	92.76	2.89	3.12
		2011-12	108.24	3.18	2.94
		2012-13	212.38	7.66	3.61
		2013-14	166.28	3.97	2.39
		2014-15	204.78	5.08	2.48
23	Bhatpara	2010-11	85.39	2.27	2.66
		2011-12	99.49	2.85	2.87
		2012-13	160.46	3.41	2.13
		2013-14	160.33	3.33	2.08
		2014-15	227.17	3.81	1.68
24	Serengdih	2010-11	142.00	0.11	0.08
		2011-12	189.43	0.67	0.35
		2012-13	136.74	0.66	0.48
		2013-14	104.02	0.76	0.73
		2014-15	161.85	0.49	0.30
25	Chingishpur	2010-11	<i>Not available</i>		
		2011-12	<i>Not available</i>		
		2012-13	<i>Not available</i>		
		2013-14	<i>Not available</i>		
		2014-15	<i>Not available</i>		

(Source: Records of selected PRIs)

Appendix-XVI

(Reference: Paragraph 5.1.1; page no. 73 & 74)

Statement showing excess expenditure occurred due to consideration of expensive/ excess quantity of materials

Sl. No.	Name of the Road	Tendered less (%)	Sub-base (cum)	Hard shoulder (bottom layer) (cum)	Total (m <sup>3</sup> )	Laterite (80%) & sand (20%) (₹/cum)	Rate of brick bats (₹/cum)	Difference rate	Excess expenditure (₹)	Quantity (in cum)	Rate allowed by cement @ 490kg/cum (₹/cum)	Admissible rate by allowing cement @ 350kg/cum (₹/cum)	Excess rate (₹/cum)	Excess expenditure (₹)
		(a)	(b)	(c)	(d)=(b)+(c)	(e)	(f)	(g)=(e)-(f)	(h)={d}*(g) (100-a)%	(i)	(j)	(k)	(l)=(j)-(k)	(m)={l*i}* 100-a)%
1	Ghoramara to Boxipur Market under Domkol block	0.1	4356.68	701.16	5057.84	1718.22	1228.13	490.09	2476318.01	289.99	5810.38	4816.34	994.04	287973.40
2	Baidyanathpur to gadda to Sherpur ferry ghat in Bharatpur-I and Burwan PS	0.08	4180.83	742.875	4923.705	1690.51	1228.13	462.38	2274801.42	498.75	5788.56	4794.52	994.04	495381.83
3	Diara Maszid more to Malipara more	0.01	8231.84	1308.99	9540.83	1282.81	1228.13	54.68	521640.42	1569.67	5373.41	4473.46	899.95	1412483.25
4	Polsunda to Gopalidighi more under Sagardighi Block	1.04	9555.34	1528.41	11083.75	1282.81	1228.13	54.68	599756.43	1220.10	5373.41	4473.46	899.95	1086609.49
5	Jarun Fultala to Uttar Ramara under Raghunathganj-I block	0.14	9840.91	1631.85	11472.76	1292.85	1228.13	64.72	741477.50	1330.31	5475.41	4481.37	994.04	1320532.02
6	Rukunpur school more to Ramkrishnapur Chowmatha	0.01	8609.11	1428.34	10037.45	1690.51	1228.13	462.38	4640652.02	1118.61	5788.56	4794.52	994.04	1111834.89
7	Sadikkhansdiar more to Fakirabad school more	0.2	8695.45	1435.85	10131.3	1921.37	1228.13	693.24	7009375.57	749.80	5970.36	4976.32	994.04	743842.53
8	Kaborikhana More to Sekhalipara BMSS Madrasa more in Domkol block	0.12	3499.06	538.83	4037.89	1718.22	1228.13	490.09	1976554.79	553.45	5810.38	4816.34	994.04	549051.14

Sl. No.	Name of the Road	Tendered less (%)	Sub-base (cum)	Hard shoulder (bottom layer) (cum)	Total (m <sup>3</sup> )	Laterite (80%) & sand (20%) (₹/cum)	Rate of brick bats (₹/cum)	Difference rate	Excess expenditure (₹)	Quantity (in cum)	Rate allowed by cement @ 490kg/ cum (₹/cum)	Admissible rate by allowing cement @ 350kg/ cum (₹/cum)	Excess rate (₹/ cum)	Excess expenditure (₹)
9	Narkelbagan to Shibpur via Raghupur at Nabagram block	0.11	3200.09	691.58	3891.67	1363.15	1228.13	135.02	524875.28	702.67	5530.77	4536.73	994.04	697715.76
10	Kirtiswari to Asondighi under Nabagram block	0.26	2964.63	619.6	3584.23	1423.4	1228.13	195.27	698072.87	524.63	5578.22	4584.18	994.04	520147.30
11	Kanudiar School more to Aminabad more under Domkol block	0.01	6316.00	1024.21	7340.21	1718.22	1228.13	490.09	3597003.78	1161.80	5810.38	4816.34	994.04	1154760.18
12	Sagarpara Kalitala to Narasinghapur in Jalangi block	0.08	3205.44	644.16	3849.6	1865.97	1228.13	637.84	2453464.52	454.03	5926.73	4932.69	994.04	450962.92
13	Mokterpur more to Sekhalipara under Domkol block	0.05	8084.15	1325.86	9410.01	1792.09	1228.13	563.96	5304215.80	1544.61	5868.55	4874.51	994.04	1534636.42
14	Chandanbati More to Poradanga Halt Railway station	0.15	11884.19	1865.74	13749.93	1282.81	1228.13	54.68	750718.40	960.55	5373.41	4473.46	899.95	863150.30
<b>Total</b>									<b>33568926.83</b>					<b>12229071.43</b>

(Source: Records of Murshidabad ZP)

**Appendix-XVII**

(Reference: Paragraph 5.1.2; page no. 75)

**Statement of excess expenditure for allowing payment for higher degree of compaction without obtaining any documentary evidence**

Sl. No.	Name of the road	Volume of earthwork (in cum)	Rate allowed for compaction at OMC (in ₹/ cum)	Rate admissible for only roller compaction (in ₹/ cum)	Difference (in ₹/ cum)	Tender rebate (in %)	Excess expenditure (in ₹)
		(a)	(b)	(c)	(d)=(b)-(c)	(e)	(f)= {(a)*(d)}*(100-e)%
<b>MURSHIDABAD ZILLA PARISHAD</b>							
1	Construction of road from Diara Maszid more to Malipara more	69987.79	61.60	17.10	44.5	0.01	3114145.21
2	Construction of road from Polsunda to Gopaldighi more	78775.49	61.60	17.10	44.5	1.04	3469052.01
3	Construction of road from Rukunpur school more to Ramkrishnapur Chowmatha	64991.66	61.60	17.10	44.5	0.01	2891839.66
4	Construction of road from Mokterpur more to Sekhalipara	61872.72	61.60	17.10	44.5	0.05	2751959.37
5	Construction of road from Alinagar Roypur via Khan Road	82037.09	61.60	17.10	44.5	0.20	3643349.20
Total							15870345.45
<b>(A) Total excess including 1 per cent cess (in ₹)</b>							<b>16029048.90</b>
<b>PURBA MEDINIPUR ZILLA PARISHAD</b>							
6	Construction of road from Nikashibazar to Bindubashini under Nandakumar PS (Final Bill Paid)	32453.94	61.60	17.10	44.50	1.20	1426869.93
7	Construction of road from Rautra to Majna under Contai-I PS (Final Bill Paid)	29844.72	61.60	17.10	44.50	0.17	1325832.29
8	Strengthening of existing road from Uttar Itaberia to Uttarchowmukh under Pataspur-II PS (Paid upto 6th RA Bill)	22540.55	61.60	17.10	44.50	1.54	987607.44
							3740309.66
<b>(B) Total excess including 1 per cent cess (in ₹)</b>							<b>3777712.76</b>
<b>Total A+B</b>							<b>19806761.66</b>

(Source: Records of Murshidabad and Purba Medinipur ZPs)

Appendix XVIII

(Reference: Paragraph 5.2.3; page no. 81)

Statement showing excess expenditure incurred due to inclusion of additional void in the rate of stone metal

Name of the work	Item of work	Quantity in sqm	Rate* allowed (₹/sqm)	Scheduled rate (₹/sqm)	Excess rate (₹/sqm)	Tender rebate (in %)	Excess expenditure
		(a)	(b)	(c)	(d)=(b)-(c)	(e)	f={{(d)*(a)}*(100-e)%}
1. Bituminous road from Dadpur Ambagan (NH34) towards Dadpur HS	WBM(grade-2)	2479.39	210.85	198.30	12.55	0.51	30957.65
	WBM(grade-3)	2479.39	211.17	198.63	12.54	0.51	30932.98
	20 mm Premix	2479.39	156.03	136.37	19.66	0.51	48605.94
	6 mm seal coat	2485.00	53.74	53.40	0.34	0.51	840.59
	<b>Total</b>						<b>111337.16</b>
2. Pitch road from Bagnapara more to Bidhan Colony	WBM(grade-2)	3749.90	160.60	151.78	8.82	0.51	32905.44
	WBM(grade-3)	3749.90	164.15	155.32	8.83	0.51	32942.75
	20 mm Premix	3749.90	129.12	127.10	2.02	0.51	7536.17
	6 mm seal coat	3749.90	50.92	50.33	0.59	0.51	2201.16
	<b>Total</b>						<b>75585.51</b>
3. Black Top Road from Samnyasidanga to Sanda under Jamur GP in Raghunathganj	WBM(grade-2)	252.46	1225.81	1158.00	67.81	0.11	17100.48
	WBM(grade-3)	255.83	1246.01	1178.00	68.01	0.11	17379.86
	screening	112.92	897.06	795.00	102.06	0.11	11511.94
	<b>Total</b>						<b>45992.28</b>
4. Construction of pitch road from Amaipara more towards Palasbati Ghat under Bahadurpur GP in Jiaganj PS	WBM(grade-2)	4510.19	158.47	149.89	8.58	0.12	38650.99
	WBM(grade-3)	4510.19	162.00	153.43	14.57	0.12	38605.95
	20 mm Premix	4510.19	128.58	126.71	1.87	0.12	8423.93
	6 mm seal coat	4510.19	50.78	50.13	0.65	0.12	2928.11
	<b>Total</b>						<b>88608.98</b>
5. Improvement of road from Karticks para more to Radhakantapur Prry school via Narendrapur under Raninagar-II PS	WBM(grade-2)	2649.29	230.46	216.30	14.16	0.10	37476.43
	WBM(grade-3)	2649.29	230.79	216.63	14.16	0.10	37476.43
	<b>Total</b>						<b>74952.86</b>
6. Improvement of road from Madpur Colony (Nut Mandir) towards Hatimagar via Jibannagar in Hatimagar GP under Berhampur PS	WBM(grade-2)	3042.76	183.39	173.19	10.20	0.10	31005.12
	WBM(grade-3)	3042.76	183.71	173.52	10.19	0.10	30974.72
	20 mm Premix	3042.76	149.57	18.85	1.88	0.10	57298.67
	6 mm seal coat	3042.76	52.34	51.89	0.45	0.10	1367.87
	<b>Total</b>						<b>120646.38</b>

\* Rate after deduction of 1 per cent cess for works Sl. No.7 to Sl. No. 11.

Name of the work	Item of work	Quantity in sqm (a)	Rate* allowed (₹/sqm) (b)	Scheduled rate (₹/sqm) (c)	Excess rate (₹/sqm) (d)=(b)-(c)	Tender rebate (in %) (e)	Excess expenditure $f = \{(d) * (a)\} * (100 - e) \%$
7. Improvement of road from Tenya Rly Station towards Malihati under Bharatpur PS	Stone dust	2025.00	1861.17	1646.87	214.30	0.10	433523.54
	WBM(grade-2)	15000.00	176.10	163.75	12.35	0.10	185064.75
	WBM(grade-3)	15000.00	194.23	190.62	3.61	0.10	54095.85
	<b>Total</b>						<b>672684.14</b>
8. Improvement of road from Burwan Belgam Near Tantipara Ghasiara under Burwan PS	Stone dust	2542.39	1446.06	1283.65	162.41	2.88	401017.76
	WBM(grade-2)	19043.90	144.70	134.79	9.91	2.88	183289.77
	WBM(grade-3)	19043.90	160.90	157.83	3.07	2.88	56780.99
	<b>Total</b>						<b>641088.52</b>
9. Improvement of road from Chunakhali -Jalangi state highway at Nazirpur to Islampur SH in Domkal & Raninagar I PS	Stone dust	1500.85	1682.80	1492.21	190.59	16.94	237590.64
	WBM(grade-2)	14736.50	161.62	149.02	12.60	16.94	154225.72
	WBM(grade-3)	14736.50	163.68	160.41	3.27	16.94	40025.25
	<b>Total</b>						<b>431841.61</b>
10. Improvement of Road from Nawabganj Pucca Road to Nalbata in Islampur GP under Raminagar-I	Stone dust	1200.94	2185.90	1932.87	253.03	1.00	300835.11
	WBM(grade-2)	12009.40	200.83	194.05	6.78	1.00	80609.49
	WBM(grade-3)	12009.40	220.40	186.55	33.85	1.00	402453.01
	<b>Total</b>						<b>783897.61</b>
11. Improvement of Road from Titkiripara More to Kudba Pukur under Jiaganj & Berhampur PS	Stone dust	2630.09	1398.71	1243.39	155.32	1.00	404420.52
	WBM(grade-2)	24375.00	138.60	135.88	2.72	1.00	65637.00
	WBM(grade-3)	24375.00	140.86	137.96	2.90	1.00	69980.63
	<b>Total</b>						<b>540038.15</b>
<b>Total excess expenditure</b>							<b>3586673.20</b>

(Source: Records of Murshidabad ZP)

\* Rate after deduction of 1 per cent cess for works Sl. No.7 to Sl. No. 11.

## Appendix-XIX

(Reference: Paragraph 5.2.4; page no. 82)

## Statement showing avoidable expenditure incurred by Bankura ZP

Name of road	Part	Name of item	Quantity executed (sqm)	Rate allowed (₹/sqm)	Rate admissible (₹/sqm)	Excess (₹/sqm)	Tender rebate	Avoidable expenditure after tendered rebate (₹)
			(a)	(b)	(c)	(d)=(b)-(c)	(e)	$f = \frac{(d) * (a)}{(100-e) \%}$
Maintenance and improvement of road from Gogra to Darapur	0 to 0.735 km	WBM-Grade II	2809.116	230.48	216.02	14.46	37.99% below	25188.34
		WBM-Grade III	2577.85	230.98	216.35	14.63	37.99% below	23386.41
	0.735 to 1.31 km	WBM-Grade II	2199.375	230.48	216.02	14.46	35.13% below	20630.57
		WBM-Grade III	2199.375	230.98	216.35	14.63	35.13% below	20873.12
	1.31 to 2.06 km	WBM-Grade II	2868.75	230.48	216.02	14.46	32.10% below	28166.35
		WBM-Grade III	2868.75	230.98	216.35	14.63	32.10% below	28497.50
	2.06 to 2.77 km	WBM-Grade II	2689.05	187.98	175.33	12.65	37.26% below	21341.93
		WBM-Grade III	2689.05	190.3	178.41	11.89	37.26% below	20059.73
	2.77 to 3.48 km	WBM-Grade II	2689.05	187.98	175.33	12.65	37.16% below	21375.95
		WBM-Grade III	2689.05	190.3	178.41	11.89	37.16% below	20091.70
	3.48 to 4.19 km	WBM-Grade II	3780.5	187.98	175.33	12.65	16% below	40171.58
		WBM-Grade III	3780.5	190.3	178.41	11.89	16% below	37758.11
	4.19 to 4.90 km	WBM-Grade II	2689.05	187.98	175.33	12.65	16% below	28573.84
		WBM-Grade III	2689.05	190.3	178.41	11.89	16% below	26857.15
	4.90 to 5.61 km	WBM-Grade II	2689.05	187.98	175.33	12.65	27% below	24832.02
		WBM-Grade III	2689.05	190.3	178.41	11.89	27% below	23340.14
	5.61 to 6.32 km	WBM-Grade II	2689.05	187.98	175.33	12.65	27% below	24832.02
		WBM-Grade III	2689.05	190.3	178.41	11.89	27% below	23340.14
Construction of road from Panchmura to Arhra	0 to 0.87 km	WBM-Grade II	3312.5	159.18	149.65	9.53	39.21% below	19190.26
		WBM-Grade III	3312.5	162.68	152.73	9.95	39.21% below	20035.99
	0.87 to 1.79 km	WBM-Grade II	3429.79	159.18	149.65	9.53	38.95% below	19954.73
		WBM-Grade III	3429.79	162.68	152.73	9.95	38.95% below	20834.17
	1.79 to 2.69 km	WBM-Grade II	3405	159.18	149.65	9.53	40.21% below	19401.64
		WBM-Grade III	3405	162.68	152.73	9.95	40.21% below	20256.70
	2.69 to 3.49 km	WBM-Grade II	3072.90	159.18	149.65	9.53	33.33% below	19524.13
		WBM-Grade III	3072.90	162.68	152.73	9.95	33.33% below	20384.58
	3.49 to 4.34 km	WBM-Grade II	3101.81	159.18	149.65	9.53	37.37% below	18513.57
		WBM-Grade III	3101.81	162.68	152.73	9.95	37.37% below	19329.49
	4.34 to 5.24 km	WBM-Grade II	3425	159.18	149.65	9.53	37.37% below	20442.58
		WBM-Grade III	3425	162.68	152.73	9.95	37.37% below	21343.52
	5.24 to 6.14 km	WBM-Grade II	3425	159.18	149.65	9.53	37.33% below	20455.64
		WBM-Grade III	3425	162.68	152.73	9.95	37.33% below	21357.15
	6.14 to 7.04 km	WBM-Grade II	3380	159.18	149.65	9.53	37.33% below	20186.88
		WBM-Grade III	3380	162.68	152.73	9.95	37.33% below	21076.54
	7.04 to 7.94 km	WBM-Grade II	3425	159.18	149.65	9.53	37.33% below	20455.64
		WBM-Grade III	3425	162.68	152.73	9.95	37.33% below	21357.15
7.94 to 8.84 km	WBM-Grade II	3395.83	159.18	149.65	9.53	37.33% below	20281.41	
	WBM-Grade III	3395.83	162.68	152.73	9.95	37.33% below	21175.24	
<b>Total</b>								<b>864873.61</b>

(Source: Records of Bankura ZP)

## Glossary of Abbreviations

Abbreviation	Full Form	Abbreviation	Full Form
AOPUS	<i>Artho O Parikalpana Upa Samiti</i>	NABARD	National Bank for Agricultural and Rural Development
ARWSP	Accelerated Rural Water Supply Programme	NAC	National Accounting Code
ASUOPSS	<i>Artho Sanstha Unnayan O Parikalpana Sthayee Samiti</i>	NGNB	<i>Nijo Griha Nijo Bhumi</i>
BCW	Backward Class Welfare	NGO	Non Government Organisation
BEUP	Bidhayak Elaka Unnayan Prakalpa	NIT	Notice Inviting Tender
BM	Bituminous Macadam	NRHM	National Rural Health Mission
BOQ	Bill of Quantity	NRWSP	National Rural Water Supply Programme
BPL	Below Poverty Line	OSR	Own Source of Revenue
BRGF	Backward Region Grant Fund	P&RDD	Panchayat and Rural Development Department
CFC	Central Finance Commission	PA	Performance Audit
DDP	Draft Development Plan	PHC	Primary Health Centre
DPC	District Planning Committee	PHED	Public Health Engineering Department
DPR	Detailed Project Report	PMGSY	Pradhan Mantri Gram Sadak Yojana
DRDA	District Rural Development Agency	PO	Programme Officer
DRDC	District Rural Development Cell	PPSWR	Probability Proportional to Size with Replacement
ELA	Examiner of Local Accounts	PRI	Panchayati Raj Institution
FC	Finance Commission	PS	Panchayat Samiti
FT	Fund Transfer	PUP	Paschimanchal Unnayan Parshad
GoI	Government of India	PWD	Public Works Department
GP	Gram Panchayat	PWL	Permanent Wait List
GPMS	Gram Panchayat Management System	RGGVY	Rajiv Gandhi Gramin Vidyutikaran Yojana
GSB	Granular Sub Base	RIDF	Rural Infrastructure Development Fund
H&FW	Health & Family Welfare	RSM	Rural Sanitary Mart
HMP	Hot Mix Plant	RSVY	Rashtriya Sam Vikash Yojana
IAY	Indira Awaas Yojana	SFC	State Finance Commission
ICDS	Integrated Child Development Services Scheme	SGRY	Sampoorna Gramin Rojgar Yojana
IFMAS	Integrated Fund Monitoring and Accounting System	SGSY	Swarnajayanti Gram Swarozgar Yojana
IHHL	Individual Household Latrine	SHG&SE	Self Help Group & Self Employment
IRC	Indian Road Congress	SLVMC	State Level Vigilance and Monitoring Committee
JM	Jhama Metal	SOR	Schedule of Rate
MAS	Model Accounting System	SRSWOR	Simple Random Sampling Without Replacement
MB	Measurement Book	SSK	Sishu Siksha Kendra
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme	TSC	Total Sanitation Campaign
MORT&H	Ministry of Rural Transport and Highways	UC	Utilisation Certificate
MP	Mahakuma Parishad	ULBs	Urban Local Bodies
MPLAD	Member of Parliament Local Area Development	WBLA	West Bengal Legislative Assembly
MPR	Monthly Progress Report	WBM	Water Bound Macadam
MS	Measurement Sheet	WBREGS	West Bengal Rural Employment Guarantee Scheme
MSDP	Multi Sectoral Development Programme	WBSRDA	West Bengal State Rural Development Authority
MSK	Madhyamik Siksha Kendra	WMM	Wet Mix Macadam
MSS	Mix Seal Surfacing	ZP	Zilla Parishad
MT	Metric Ton		