

Overview

This Report covers the results of audit of the Government Departments in the Economic Sector including autonomous bodies. Audit findings in respect of “State Public Sector Undertakings” is reported separately through the Audit Report (PSUs) of the State.

1. Overview of the Economic Sector

The Economic Sector of the Government of West Bengal accounted for expenditure of ₹ 9732.23 crore in 2011-12. Of this, the maximum expenditure was by the Public Works Department (₹ 2303.23 crore) followed by Irrigation and Waterways Department (₹ 932.59 crore) and Agriculture Department (₹ 831.29 crore)

As of December 2012, 72 Explanatory notes in respect of audit paragraphs pertaining to Economic Sector Departments were yet to be received and Action Taken Notes on 17 Recommendations of the Public Accounts Committee presented to the State Legislature had not been received. Further, as of December 2012, 659 Inspection Reports (IRs) containing 1519 paragraphs of six departments of Economic Sector issued upto December 2012 were pending settlement.

(Chapter-1)

2.1 Performance Audit of Improvement, Strengthening and Maintenance of State highways, District and Other Roads

Public Works & Public Works (Roads) Department, West Bengal is responsible for construction and maintenance of the State Highways, District and Other Roads of the State and play a vital role in the socio-economic development of the State. These provide connectivity between rural and urban centres, facilitate the growth of industrial and commercial activities, enhance mobility and scope for employment, connect communities to markets and allow timely and affordable delivery of basic services like health and education leading to overall development of the State.

Performance Audit of “Improvement, Strengthening and Maintenance of State Highways, District and Other Roads” was undertaken with a view to assess the performance of the road development work undertaken by the department covering the period from 2007-08 to 2011-12.

Our major audit findings are summarised below:

- Perspective Plan, Vision Plan and Road Development Policy were not prepared as a result, road works were selected for execution on ad-hoc basis. The department did not maintain adequate database of roads as per Indian Road Congress guidelines which are essentially required for planning maintenance and improvement of roads.*
- Though the number of vehicles increased gradually during 2007-11, the length of roads under the department remained static. In nine selected divisions 217 km of State Highways (SHs) and 334 km of District and Other Roads in urgent need of major repair remained unrepaired for a period*

ranging upto 13 years. Similarly in 17 selected divisions, 279.92 km of SH and 687.39 km of District and Other Roads required to be widened immediately.

- Budget estimates were prepared on the basis of annual meetings with the Divisions and not as per the West Bengal Financial Rule. Audit observed that in 13 selected divisions funds to the tune of ₹ 52.53 crore was not utilised. Moreover, six divisions parked funds (₹ 16.16 crore) with the Resource Division to avoid lapse of budget grant.
- In 26 selected divisions, 75 road works were executed at a cost of ₹ 413.65 crore without/inadequate traffic survey and 30 road works were executed at a cost of ₹ 60.43 crore without/inadequate CBR test resulting in non-compliance of the Indian Road Congress guidelines.
- 124 road works (estimated cost ₹ 444.35 crore) were delayed by five months to 53 months due to non-availability of land, delay in finalisation of tenders and delay in issue of work orders.
- Road works were executed in flood prone area at a cost of ₹ 14.12 crore without drainage facility.
- There was no mechanism in the department to ensure use of quality materials like bitumen etc. Audit scrutiny revealed that in eight selected divisions bitumen test certificate was not attached with the passed bills for 65 road works executed at a cost of ₹ 340.57 crore.
- Planning and Monitoring Cell of Public Works Directorate did not discharge its function as no information of road works was provided to them. Monitoring Cell of Public Works Roads Directorate did not make any field visit to monitor the ongoing road works.

(Chapter-2.1)

2.2 Performance Audit on National Food Security Mission

With a view to increase production of rice, wheat and pulses through area expansion and enhancement of productivity, National Food Security Mission, a 100 per cent centrally sponsored scheme was launched in 2007-08 in India. In West Bengal, eight districts for rice, four districts for wheat and seventeen districts for pulses were selected under the scheme.

We conducted the Performance Audit to assess the performance of the scheme during the period from 2007-08 to 2011-12.

Our major audit findings are summarised below:

- The scheme's objective to produce additional quantity of rice, wheat and pulses by the end of March 2012 remained unachieved despite expenditure of ₹ 206.62 crore for this purpose during the period 2007-08 to 2011-12.

- *The potentiality of the districts to take up the scheme activities was not determined in absence of base line survey and feasibility study.*
- *The objective of the scheme for distribution of quality seed at a subsidised rate was frustrated due to non-functioning of District Seed Committees. Farmers were not interested in receiving seeds under the scheme as the price of seeds supplied to them was more or less equal to the market rate.*
- *The objectives of Demonstration Centres meant to disseminate improved practices were not fulfilled mainly due to non-receipt of seeds and other inputs in time, shortage of manpower, non-involvement of scientist from State Agriculture Universities/Krishi Vigyan Kendras in running the Centre and monitoring deficiencies.*
- *Farm Implements required for improving efficiency of the farmers in field operations and for economising the cost of cultivation were neither demonstrated nor made available to the farmers in time and at affordable price. Besides, procurement of farm implements valuing ₹47.52 crore was irregular as these were procured and distributed to the beneficiaries without fixing the price in violation of the guidelines.*
- *Farmers' Fields Schools for dissemination of improved crop production technology for higher productivity remained unfulfilled as course curriculum suiting the local conditions were not devised.*
- *Adequate publicity of the scheme among the farmers was not made. The State did not prepare the list of beneficiaries according to the priority; thereby the possibility of deprivation to the priority category beneficiaries cannot be ruled out.*
- *The State could not utilise the approved annual outlay over the period of five years. The unspent balance stood at ₹13.12 crore at the end of March 2012. The State had received less fund aggregating to the tune of ₹83.87 crore from the Central Government than the approved outlay due to their inability in spending the money received.*
- *Project Monitoring Team constituted in December 2007 remained non-functional due to lack of manpower.*

(Chapter-2.2)

3 Compliance Audit

- *Tax revenue of ₹207.17 crore deducted at source by **Housing, Irrigation and Waterways, Water Resources Investigation and Development, Municipal Engineering, Public, Health Engineering, Public Works, Public Works (Roads), Public Works (Construction Board), Sundarban Affairs And Urban Development Departments** from the contractors' bills and the salary bills of Work-charged establishment during 2009-11 were utilised by these departments without any valid authorisation and against the purpose for which it was meant.*

(Paragraph 3.2)

- *Even after eight years of commencement of the programme by the*

*Department of **Power and Non-Conventional Energy Sources**, 27 per cent of the biogas plant to be installed remained incomplete thereby ₹ 2.43 crore advance paid remained unadjusted. Further, status of 25566 completed plants installed at a cost of ₹11.50 crore was not verified as per project guidelines. Besides, ₹0.60 crore of central subsidy was irregularly drawn by the NGOs due to lack of supervision and monitoring by the nodal agency.*
(Paragraph 3.4)

- ***Public Works and Public Works (Roads) Department** suffered loss of revenue of ₹ 73.80 crore due to irregularities in toll collection, non-approval of reserve bid price and non-finalisation of tenders for collection of toll.*

(Paragraph 3.6)