

CHAPTER VII

OTHER IMPORTANT OBSERVATIONS

KOLKATA MUNICIPAL CORPORATION

7.1 Heritage buildings and sites in Kolkata Municipal Corporation

HIGHLIGHTS

Separate technical wing was not created for carrying out activities related to conservation and preservation of heritage related buildings/sites in the Kolkata Municipal Corporation.

(Paragraph 7.1.6.1)

Out of 1363 identified heritage buildings/sites in 1998, only 179 (13 per cent) were documented, 125 (9 per cent) were graded and 137 (13 per cent) were declared as heritage buildings and sites for conservation and preservation by Kolkata Municipal Corporation.

(Paragraphs 7.1.6.4, 7.1.6.5 & 7.1.6.6.)

Buildings declared as heritage sites were de-listed without obtaining prior approval of the State Government.

(Paragraph 7.1.6.7)

Buildings identified as heritage sites were demolished due to delay by KMC in taking effective protective measures.

(Paragraph 7.1.6.8)

Despite spending Rs 12.54 crore, the reconstructed auditorium including the *sikhara* and façade of the Star Theatre could not redeem the original architectural significance and design and thus the standard of the works was not commensurate with the expenditure incurred.

(Paragraph 7.1.6.9)

The information management system on heritage buildings/sites in KMC, including its web site, is inadequate and faulty.

(Paragraph 7.1.6.10)

7.1.1 Introduction

The Archaeological Survey of India (ASI) took up (1904) protection of monuments of national importance according to the Ancient Monuments Preservation Act. In West Bengal, the State Government adopted the Preservation of Historical Monuments and Objects and Excavation of Archeological Sites Act in 1957. The Ancient Monuments and Archaeological Sites and Remains Act replaced the earlier Act of 1904 in 1958. These Acts were confined to only 105 number of protected buildings in the whole of West Bengal, including 18 buildings in Kolkata Metropolitan Area, leaving a large number of unidentified and unprotected buildings vulnerable to attrition. The Kolkata Municipal Corporation (KMC) was responsible for identification, preservation and conservation of heritage buildings and sites as per the provisions of Sections 425A to 425P of the Kolkata Municipal Corporation Act, 1980. However, the issues relating to preservation and conservation of heritage buildings and sites within the jurisdiction of KMC were taken up in a relatively more organized manner only since 1997.

7.1.2 Scope of Audit

Audit on the topic was conducted during November 2006 to March 2007 to review enforcement of the provisions of the Acts and implementation of the recommendations of the Expert Committee on Heritage during 2001-02 to 2006-07 in Kolkata Municipal Corporation (KMC).

7.1.3 Audit objectives

Keeping in view the serious risks and deleterious impact associated with demolition, encroachment and attrition of heritage buildings and sites of social, architectural, historic, national and local importance, the following audit objectives were set to assess whether:

- ❖ any technical group was created to monitor the survey, maintenance, restoration and preservation;
- ❖ listing, documentation, gradation and declaration were taken up within the stipulated period;
- ❖ the existing provisions of law and rules were adequate and were implemented properly;
- ❖ conservation policy was formulated;

- ❖ adequate resources were mobilized and judicious expenditure was made; and
- ❖ efforts were made to disseminate information about heritage sites to create awareness of the people at large.

7.1.4 Audit Methodology

The methodology for conducting the audit included the following:

- ❖ Review of records of KMC.
- ❖ Study of records of the Heritage Commission, Government of West Bengal.
- ❖ Visit to some of the sites.
- ❖ Review of the materials on the web site of KMC.

7.1.5 Expert Committee on Heritage

Prior to the constitution of the Expert Committee (EC) on Heritage Buildings in October 1997, lists of heritage buildings were published in different land use and development control plans by the Kolkata Metropolitan Development Authority. The State Government constituted EC to review the necessity of addition or deletion of built heritage in such lists by identifying heritage buildings and suggesting measures for their preservation.

The Report of the EC was submitted in September 1998 to the Government of West Bengal along with a list of 1363 heritage buildings and sites in the KMC area. The important recommendations of the EC are summarized below:

- ❖ The enlistment be given explanatory and authoritative history with reasons for significance and salient architectural style with photographs by a professional group in six months.
- ❖ A manual be prepared including final enlistment with annotation giving reasons for marking the significance of each item and photographs and be published in Bengali and English.
- ❖ A technical manual be prepared with the help of specialists for the work of preservation and maintenance of architectural and cultural heritage. An autonomous Institute of Conservation be set up to train existing technical manpower and create new human and financial resources for research and development in this field.

- ❖ A West Bengal State Heritage Commission be created as a statutory body by legislation in the Assembly.
- ❖ Setting up of a corpus fund by the State Heritage Commission for mobilizing resources from various individuals and institutions and such fund should be liable to exemption from income tax.

The Report was forwarded (December 1998) to Kolkata Municipal Corporation for adoption and necessary action under the KMC Act, 1980. The KMC in September 2000 and January 2001 approved the list in principle subject to proper survey and documentation of buildings/ sites by the Heritage Conservation Committee (HCC) and placement of the final list before the relevant authority in phases for sanction.

KMC prepared the draft Heritage and Buildings Rules and Regulations, 2000 to carry out the purpose of the KMC Act, 1980 (Amended) and forwarded the same to the State Government in January 2001. However, approval from the State Government is awaited (September 2007).

The Government set up (21 March 2001) the West Bengal Heritage Commission under the West Bengal Heritage Commission Act, 2001. The West Bengal Heritage Regulation was framed in September 2004.

7.1.6 Audit findings

7.1.6.1 Absence of separate technical group/wing

KMC constituted (1999-2000) the Heritage Conservation Committee (HCC) as per the provisions of Section 425D of the KMC Act, 1980 (Amended). The function of the Committee was to scrutinize every application or proposal for declaration of a building as a heritage site /building.

Although KMC decided in April 1999, that a separate technical team be created to take care of heritage buildings, this was yet to be developed as of January 2007. The Town Planning Cell headed by the Chief Municipal Architect is also tasked with heritage related work in addition to its normal functions. It was staffed with an Executive Engineer and an Assistant Engineer only in September 2005 and November 2006 respectively, leaving little scope for additional work related to heritage preservation and conservation.

Seven conservation architects were empanelled by KMC in July 1999 for offering consultancy required for preservation and conservation of listed buildings. However, no list of trained masons, carpenters etc. for undertaking such specialised work has been prepared till date although it was decided by KMC in October 2000. KMC stated (February 2008) that a Project Management Unit had been established in February 2007 and necessary work force would be created.

There is absence of any system for recording follow up action taken against the decisions of the municipal authority on heritage related matters on the recommendation of the HCC.

7.1.6.2 Tardy pace of declaration procedures

As per the recommendations of the EC, the buildings/sites enlisted were to be given explanatory and authoritative history with reasons for significance and salient architectural style and photographs within six months from the date of listing. The procedure involves notification, documentation, gradation and finally declaration of heritage buildings. The table below indicates the progress at each stage in KMC:

Intended heritage sites as on September 1998	Progress as on March 2007			
	Notified	Documented	Graded	Declared
1363	352	179	125	137
Percentage with respect to intended number of heritage sites	26	13	9	10

The poor progress as well as the declaration of 137 sites against completion of gradation of only 125 sites indicates that the system of notification, documentation, gradation and declaration is flawed.

7.1.6.3 Issuance of notice

Caretakers /owners of only 352 buildings in KMC area were notified during 2001-2006 intimating that the respective buildings were approved in principle and were to be classified as heritage buildings. But no justification for doing so was clarified /explained in the notices. Reasons for non-issuing of notice for the remaining 1011 intended heritage buildings was not furnished to audit.

KMC replied (February 2008) that notices could not be issued due to anomaly in mailing address of some buildings.

7.1.6.4 Documentation

Survey and documentation was completed for 179 out of 1363 intended heritage buildings/sites (13 *per cent*) in KMC area till December 2006. The proforma used for collecting data/ information in respect of 179 buildings was not uniform in nature and therefore systematic documentation was not carried out. Thus, even after preparation of intended list of heritage buildings/sites in September 1998 by EC, no updating and /or systematic listing was carried out by KMC in respect of 87 *percent* of intended heritage buildings/ sites till date. This delay would have adversely impacted the preservation/conservation of heritage buildings and sites in the KMC area.

KMC stated that as of February 2008 out of 1363 intended heritage structures/precincts/sites etc. photo documentation with basic information collection for more than 1200 heritage sites has been completed. However, since the supporting documentation was not furnished for the additional 1021 sites, it could not be verified in audit as to whether the basic information stated to have been collected by KMC is comprehensive in terms of the recommendation of the EC.

KMC further stated (February 2008) that initially the format was not standardized. Afterwards the format was standardized and necessary detailed documentation would be made in a phased manner after completion of the gradation process.

7.1.6.5 Grading

Section 425 C of the KMC Act, 1980 (Amended) also stipulates that the gradation of a heritage building according to its historical, architectural, environmental or ecological purpose shall be such as may be prescribed.

As of January 2007 gradation of 125 out of 1363 intended heritage buildings/ sites (9 *per cent*) is stated to have been completed by KMC. Since the gradation of a heritage building is a categorization which facilitates the prioritization of action to be taken for proper conservation, the poor progress in this regard stymied the very purpose of conservation of heritage.

KMC stated (February 2008) that grading has been done by the Sub-Committee of the Heritage Conservation Committee for more than 600 buildings so far. Final listing will be done after completion of grading of all the listed buildings. For finality in respect of already graded 600 Heritage Structures/Precincts/Sites etc. proposal will be placed before the Mayor-in-Council for approval.

7.1.6.6 Declaration

Section 425 B of the KMC Act, 1980 (Amended) provides that where the Corporation, on the recommendation of the HCC and also of the Mayor-in-Council, is of the opinion that any building in Kolkata should be preserved and conserved for historical, architectural, environmental or ecological purpose, it may declare such building as a heritage building.

As per provision of West Bengal Heritage Commission Regulation, 2004 the process of declaration of a building is to be completed within 6 months from the date of the initiation of a proposal. But test check of records revealed that KMC had (January 2007) declared only 137 out of 1363 buildings (10 *per cent*) till January 2007. Thus, KMC could not finalize declaration procedures for 1226 items (90 *per cent*) of intended heritage buildings/ sites due to non-completion of documentation and gradation. It could not be clarified by KMC as to how an additional 12 buildings have been declared as heritage when gradation was completed in respect of only 125 buildings. Additionally four sites viz. (i) Choto Rasbari (ii) Baro Rasbari (iii) Satkhira Rajbari and (iv) House of Raja Subodh Mallick were declared as heritage sites by KMC even before completion of their documentation.

KMC stated (February 2008) that after completion of grading, declaration would be done in the near future.

7.1.6.7 Delisting even after documentation and declaration as heritage building/site

As per Section 425 O of the KMC Act, 1980 (Amended) if the Corporation decides that any heritage building has ceased to be of public interest or has lost its importance for any reason, it may with the approval of the State Government, declare that such building has ceased to be a heritage building.

Scrutiny in audit revealed that the Satkhira Rajbari and House of Harish Mukherjee were de-listed by KMC after their declaration as heritage sites without obtaining prior approval of the State Government. Harish Mukherjee was a social reformer and editor of the Hindu Patriot. His house was declared as a heritage building after following the standard procedure. The house was however de-listed on the basis of the owner furnishing documents that it was not the residence of Harish Mukherjee. However, it could not be verified whether due process of law for delisting of the building was followed by KMC since records of cross verification of the claims/documents of the owner by the HCC were not furnished to audit. Thus, classification of this building by HCC without being appraised by general public did not satisfy the provisions of the Act leading to dismissal of the classification.

7.1.6.8 Listed heritage items demolished due to delay in declaration

(a) The YMCA²² at 5 Russel Street was the residence of the first Bishop of Calcutta and it had a huge arched gateway. The building was an identified heritage building having historical, religious and archaeological value. Timely action was not taken to review the status of this site and the Bishop's Gate was demolished in August 2001. KMC did not take any step for reconstruction of the Gate although a reputed NGO offered reconstruction of the same free of cost.



Erstwhile Bishop's Gate

²² Youngmen's Christian Association.

While admitting the fact of demolition of Bishop's Gate, KMC stated (February 2008) that efforts were on for restoration of the Gate.

(b) The house of Promothesh Barua was included in the intended list of heritage sites and documented but it was not declared as a heritage building for reasons not available on record. Promothesh Barua was a legendary film maker of the Indian film history and star actor. Despite receiving prior information regarding demolition of the house, KMC failed to take proper action to stop the same. KMC stated (February 2008) that the matter came to their notice after demolition.

The reply is not tenable since it is evident from the KMC record dated 22nd March 2006, that though KMC had prior information as to the fact that the said building was under threat of demolition, it failed to take effective measures to stop the loss of an important heritage building.

7.1.6.9 Other findings

For conservation and preservation of Heritage buildings/sites, KMC mobilized resources from own fund, MP LAD Fund and a Corpus Fund constituted in February 2006 under Section 425M of KMC Act, 1980 (amended 1997) which provides that the Municipal Commissioner may receive voluntary contributions towards the cost of maintaining any heritage building. The Corporation, however, did not initiate mobilisation of any resources for a Corpus Fund for a period of eight years from December 1997. It was also noticed that KMC had not taken any action to get such donations exempted from income tax as recommended by the EC. KMC incurred a total expenditure of Rs 14.29 crore during 2001-02 to 2006-07. The details of available fund and expenditure for the last six years have been shown in **Appendix – 23**.

❖ Out of the total expenditure i.e. Rs 14.29 crore, KMC spent Rs 83.00 lakh on beautification of the burning *ghat* at Keoratala which was not a scheduled classified heritage site resulting in diversion of heritage fund. KMC also spent Rs 12.54 crore on Star Theatre which was gutted by a devastating fire in 1991. It is pertinent to mention that the Star Theatre (1888) is a historical auditorium associated with the modern Indian theatre movement. KMC acquired the premises with 28 cottahs of land valued at Rs 2.21 crore with a view to reviving the façade and to construct an ultra modern auditorium, commercial plaza and car

parking, the construction of which was completed at a cost of Rs 8.90 crore in February 2006. The auditorium so constructed does not bear resemblance to the original auditorium.

The work for revival of the façade was awarded (March 2004) to a contractor without documentary evidence in support of his experience in heritage related work. The work was completed at a cost of Rs 1.43 crore.

The shape of the *Sikhara* and the front view were changed. Two designated gates situated on the both sides of the facade were not restored. The erstwhile auditorium was not visible from the front but the height of the newly constructed auditorium has been raised beyond the facade.



Deviation in the façade of Star Theatre.

Original Facade

Reconstructed Facade

As result, the reconstructed façade could not redeem the original frontal architectural significance and design. It was seen that for this purpose HCC and empanelled architects were not consulted. Therefore, the standard of the works carried out for the preservation of the Star Theatre as a heritage building were not commensurate with the expenditure of Rs 12.54 crore. KMC while accepting the fact, stated (February 2008) that it would try to use the available resource in an effective manner in future.

❖ Section 425A of KMC, Act 1980 (Amended) provides that every owner or occupier of any heritage building declared as such by the Corporation shall maintain, preserve and conserve it. However no rules and procedure were framed to protect and preserve the listed and / or declared heritage items from demolition and natural attrition due to non maintenance.

- The *Atchala* constructed in 1610 by the Roy Chowdhury family has historical significance where in 1698 Sabarna Roy Chowdhury sold three villages viz. Sutanati, Gobindapur and Kalikata for Rs 1,300/- paving the way for the foundation of Calcutta by the East India Company/British. Although, the *Atchala* is well maintained by the owners, KMC has not as yet identified and declared such a significant site as a heritage one. Even the narrow passage to such a historic site has not been widened by KMC.

While accepting the suggestions of audit, KMC stated (February 2008) that the proposal for widening the approach road is a difficult proposition but did not provide a justification for the same.



ATCHALA-place of transfer of three villages comprising Calcutta

- Raja Subodh Mallick, a great nationalist and founder of Jadavpur University donated his residence at 12 Subodh Mallick Square to Calcutta University. However, non maintenance of a building of such historic and social significance by Calcutta University and lack of monitoring by KMC led to the severe deterioration of the building.



House of Raja Subodh Mallick

KMC stated (February 2008) that Calcutta University had been taking legal action for taking over full possession of the property.

- Baro Rasbari, a temple at 78 Tollygunge Road was constructed by Uday Narayan Mondal in 1834 and has enormous architectural and social importance. The condition of the temple is grave and it is on the verge of attrition.



One of the dilapidated temples of Baro Rasbari

- The residence of Rani Rashmani, the founder of Dakshineswar Temple, is a declared heritage building. Due to non maintenance, the building is facing

attrition. KMC did not initiate action to restore a building of such significant historical and social value.



House of Rani Rashmoni

In reply, KMC stated (February 2008) that the collapsed portion of Rani Rashmoni's building was restored recently. However, documentation in support of the stated restoration including prior/post photographs and evidence that the proper procedure was followed by KMC in this regard could not be furnished to audit.

- The Duff College at Nimtala Ghat Street constructed in 1843 was a pioneer centre for education initiated by the British. The building owned by the State Government is on the verge of destruction.



Abandoned Duff College on the verge of destruction.

- Besides, the status of a few declared heritage buildings of note along with their importance/value attached is given below:

Building Address	Status documented by KMC as of	Importance / Value attached	Owner
1. House of Sister Nivedita, Bose para Lane	Bad (March 2002)	Sister Nivedita, a foreign disciple of Swami Vivekananda used to reside here from 1898. A number of distinguish personalities like Swami Vivekananda, Rabindranath Tagore, Ma Sarada Devi and others used to come to this house. European and Indian culture mingled here with the initiative of Nivedita who dedicated her life for the service of the people and development of women's education.	Private/ Individual.
2. Bhukailash Rajbari and temple. Karl Marx Sarani	Bad (July 2000)	The building has got great architectural, cultural and archeological significance. This was constructed in 1780 by Raja Joynarayan Ghosal the recipient of the title of Maharaja from the Mughal. He founded two temples of Shiva and wide spread pond. People still gather here for celebration of festivals and for offering puja.	Private/ Debottar.
3. House of Nandalal and Pasupati Bose Bagbazar Street and Pashupati Bose Lane	Bad (July 2000)	The building has got great historic and architectural value. Many historical events are attached with this house. Swami Vivekananda after representing India in Chicago International Convocation came straight to this house. C R Das, Matilal Nehru, B Patel and Dadabhai Nauraji used to meet here on political issues. The first National Fund was formed here in 1905.	Government and multiple.
4. House of Sambhunath Pandit Sambhunath Pandit Street	Bad (March 2001)	It was the residence of Sambhunath Pandit. He devoted his life for socio-economic and educational development of Indian society. Many distinguished personalities like Vidyasagar and Harish Mukherjee used to visit this house.	Private/ multiple.
5. Birendra Kutir, S P Mukherjee Road	Bad (December 2001)	The building has got great historical significance. Deshpran Birendra Shasmal, owner of the house, dedicated his life for well being of common people. It is associated with the history of the Bengal Movement against the British rule.	Private/ multiple.

KMC in reply stated (February 2008) that it is true that a few of the buildings were demolished since the introduction of the Act but the demolished buildings were not so important heritage buildings. KMC further stated that fragmentation of property, Premises Tenancy Act and the declining financial condition of the owners may be the factors inhibiting works relating to/for restoration of the heritage buildings.

However, the reasons for deterioration of heritage buildings/sites attributed by KMC are not satisfactory since the lack of monitoring and slow process of documentation, gradation and declaration has contributed significantly to the steady decline of a large number of heritage buildings of Kolkata.

7.1.6.10 Inadequacy in information management system

There is no comprehensive information management system on heritage buildings/sites in KMC. The records and website of KMC on heritage do not reveal the following information and data:

- (i) outline of conservation policy;
- (ii) policy regarding maintenance of heritage buildings and sites;
- (iii) status of survey, investigation and gradation;
- (iv) guiding rules and regulations; and
- (v) roadmap to facilitate identification of the location of heritage sites and buildings.

The existing information on the KMC website on heritage is therefore inadequate and the available information is also faulty. Though 137 sites had already been declared upto December 2006, the website displayed 89 heritage buildings as on 8 March 2007. Furthermore, in 26 cases, no image was made available on the website. This included the AG Bengal's office, Basu Bigyan Mandir, House of Sir Asutosh Mukherjee, Mahajati Sadan etc. Thus owners/caretakers of heritage buildings/sites and citizens are deprived of getting updated information on all heritage related matters which in turn also affects the public awareness and interest on heritage issues. KMC admitted (February 2008) the fact and stated that refreshed information would be provided in KMC's website after completion of the grading.

The time frame for completion of the grading process has, however, not been indicated by KMC.

7.1.7 Conclusion

The protection of heritage buildings and sites did not receive due attention of the implementing authorities. Although KMC has made a beginning in this huge task, the recommendations of the EC could not be implemented.

7.1.8 Recommendations

To ensure proper conservation and preservation of heritage buildings and sites, KMC should develop:

- (i) a separate heritage wing equipped with technical staff and supporting infrastructure;
- (ii) heritage manual and guidelines for regulation, conservation and preservation of heritage buildings and sites including management of the corpus fund;
- (iii) final list of buildings and sites after proper review and due documentation and gradation;
- (iv) scheme for income tax/ other tax benefits / fiscal relief to contributors and owners / care takers of heritage buildings;
- (v) appropriate modification /amendment to the Act and procedures of declaration; and
- (vi) a comprehensive information management system to generate greater public awareness and facilitate development of heritage tourism.

7.2 Avoidable expenditure of Rs 33.11 lakh towards air freight

KMC incurred an avoidable expenditure of Rs 33.11 lakh on air freight on the ground of urgent circumstances, although the Corporation itself at several stages delayed the approval and execution of the project of construction of reservoir with booster pumping station.

KMC initiated (2000) construction of a reservoir with booster pumping station at Kalighat Park, for improvement of water supply in the adjoining areas which were under low pressure. The tenders called for were cancelled because the lowest rate received in this connection was not workable. In April 2001, M/s. IRCON International Ltd. (IRCON) proposed to take up the work and KMC

decided (August 2001) to appoint IRCON as the turnkey executing agency for construction of 4 MGD semi-under ground reservoir with booster pumping station at a lump sum estimated cost of Rs 20 crore. KMC entered into an agreement with IRCON in September 2001 with the stipulation to complete the project within 30 months either from the date of handing over the site to the contractor or payment of mobilization advance, whichever was later. The agency was entitled to 11 *per cent* commission on the cost of the project. KMC issued work order in September 2001 and paid mobilization advance in November 2002, after a delay of 14 months.

The work of electro-mechanical part of the project including procurement and installation of imported motors was put to tender in July 2003 without incorporating any clause for exemption benefit of excise/custom duties. This necessitated invitation of a revised offer in November 2003. KMC accepted (March 2004) the offer of M/s Voltas Ltd. excluding supply of soft starter which was an inherent component of the machinery. The contractor expressed inability to execute the work without the soft starter. After negotiation with the contractor, KMC finally accepted (May 2004) the offer with soft starter and awarded (May 2004) the work at Rs 4.38 crore. Non inclusion of the clause for exemption of excise/customs duties and soft starter in the notice inviting tender and subsequent ratification delayed the work by 10 months.

The work was scheduled to be completed by February 2005. However, the drawings and design of the pumps were submitted (July 2004) by M/s Voltas Ltd. after a delay of 50 days and thereafter approved by KMC (November 2004) after a further delay of three months. The contractor informed that two out of four motors would be ready by 14 February 2005 and considerable time would be required to transport them by sea route from the UK. KMC directed the contractor to transport the motors by air which was approved in view of the urgency of commissioning the booster pumping station. The motors were air freighted on 28 February 2005 and 5 March 2005 respectively at a cost of Rs 36.11 lakh as against shipment by sea of Rs 3.00 lakh, thereby incurring an extra expenditure of Rs 33.11 lakh.

The urgency of commissioning the project by KMC was an afterthought at a much later stage (February 2005). Prior to that at several stages KMC delayed the approval of the project for improvement of water supply and its operationalisation thereon as evident from the belated finalisation of tenders (over a year), the late release of the mobilisation advance and delay in finalisation of drawings and design. This resulted in an avoidable expenditure of Rs 33.11 lakh on the subsequent air freight of the imported motors.

The matter was reported to the Corporation and the Government in February 2008; their replies have not been received (March 2008).

ASANSOL MUNICIPAL CORPORATION

7.3 Unfruitful expenditure under IDSMT scheme led to blockage of Rs 53.76 lakh

Non allotment of stalls of shopping complex constructed at a cost of Rs 53.76 lakh frustrated the scope of improving the economic infrastructure and generating revenue.

The Integrated Development of Small and Medium Towns (IDSMT), a centrally sponsored scheme was launched in the year 1979-80 with the objective of development of small and medium towns by improving economic and physical infrastructure as well as promoting resource generation for urban local bodies.

The IDSMT scheme for the Asansol Municipal Corporation (AMC) was sanctioned in the year 1996 for Rs 2.32 crore which was revised to Rs 6.23 crore and sanctioned (June 1999) by the Town and Country Planning Organisation (TCPO), Government of India. The project was to be funded through Central Government grant of Rs 2.24 crore, State Government grant of Rs 1.50 crore and institutional loan of Rs 2.49 crore.

In February 2003, the Municipal Engineering Directorate (MED) and AMC modified the project components within its revised cost of Rs 6.23 crore and incorporated the construction of Kalyanpur Shopping Complex without conducting any survey regarding users' demand. However, AMC did not obtain fresh approval from TCPO.

AMC received the entire grant of Rs 3.74 crore during June 1996 to February 2004 but did not arrange the institutional loan of Rs 2.49 crore.

Scrutiny of the implementation of Kalyanpur Shopping Complex revealed that the complex was taken up for construction at a spot in Ward No.30 which was about five km away from the central bazaar of the city. The construction of 50 stalls estimated at Rs 62.00 lakh was taken up in December 1998 and was completed in August 2002 at a cost of Rs 53.76 lakh. AMC in its financial viability report projected a premium of Rs 55.32 lakh and yearly rent of Rs 9.76 lakh from the complex. However, despite floating two successive auction notices (March and May 2003) for allotment of 50 stalls no buyers showed interest in it.



Shopping complex lying idle since August 2002

The shopping complex remained unutilised since August 2002 rendering the expenditure of Rs 53.76 lakh unfruitful. AMC has also not been able to make alternative use of the shopping complex. The condition of the shopping complex has also deteriorated as reported (September 2004) by the Assistant Engineer of the Corporation. Furthermore, AMC has informed (February 2008) that no arrangement has been made to look after the property.

Thus, due to injudicious selection of site and not ascertaining users' demand prior to taking up the scheme, the shopping complex constructed at a cost of Rs 53.76 lakh failed to augment revenue rendering the investment unfruitful.

The matter was reported to the Corporation and the Government in February 2008; their replies have not been received (March 2008).

DURGAPUR MUNICIPAL CORPORATION

7.4 Misappropriation of 188.12 MT of rice worth Rs 29.06 lakh under mid-day-meal programme

Absence of proper monitoring over implementation of mid-day-meal in primary schools by Durgapur Municipal Corporation led to misappropriation of 188.12 MT of rice worth Rs 29.06 lakh during April 2006 to 12 September 2007.

The mid-day-meal programme is designed for distribution of rice or cooked food to the students to give a boost to universalisation of primary education by increasing enrolment, retention and attendance and simultaneously impacting on the nutritional level of students in primary classes. The Central Government assists the ULB by providing fully subsidized food grain. Primary schools within Durgapur Municipal area also had the programme and DMC has been responsible for its implementation.

The District Magistrate allots the quantity of rice based on the number of students on roll in DMC area as per their record. The authorized distributor appointed by DMC lifts rice from Food Corporation of India and distributes it amongst the schools within DMC area. The Corporation is responsible for supervising and monitoring the implementation and collecting utilization certificate for onward transmission to the district authority.

Scrutiny of records of DMC and the distributor revealed that 897.36 MT of rice was allotted by the district authority for the schools under the Corporation during the period from April 2006 to August 2007. During the period the distributor got a total stock of 904.29 MT of rice together with opening balance of 6.93 MT on 1 April 2006 against which he distributed 780.79 MT as per his stock register leaving a closing balance of 123.5 MT of rice.

Scrutiny of the challans acknowledged by schools for the period from April 2006 to 12 September 2007 revealed that only 594.07 MT of rice was actually received by the various schools. Therefore the distributor should have

had with him 310.22 MT of rice as on 12 September 2007. A joint physical verification was conducted on 12 September by DMC in presence of the audit team and it revealed only 122.10 MT of rice in the godown of the distributor. The distributor could not satisfactorily account for 188.12 MT of rice worth Rs 29.06 lakh at the rate of Rs 1545.00 per quintal (2006-07).

The Mayor-in-Council, DMC on 25 September 2007 held the distributor responsible for the shortage of rice and decided not to issue further rice till the shortfall in quantity was provided by the distributor to the schools.

The misappropriation of above amount of rice was facilitated by the fact that District Authority allotted to the distributor rice based on their own data for number of students within DMC area notwithstanding the fact that DMC had intimated less number of students.

The Corporation without due monitoring of lifting of rice and receipt by schools (through acknowledged challan) to ensure whether actual distribution corresponds to the amount of lifting, furnished utilization certificates to the District Authority for the whole quantity of rice lifted which was always in excess of requirement even as per records of DMC.

A test check of seven months at random revealed that the District Authority allotted 475.27 MT of rice for 275706 student (as per record of District Authority) against entitlement of 415.17 MT for the enrolment of 222017 i.e. allotment of 60.10 MT in excess.

The distributor misrepresented the position of physical stock of rice in the stock book and DMC never physically verified the stock position.

The matter was reported to the Corporation and the Government in November 2007 and March 2008. In reply, DMC referred (December 2007) to subsidized rate against actual rate of rice but did not furnish any reasons for such loss. The matter was reminded in March 2008. Their replies have not been received.