

CHAPTER III

SECTION – A AUDIT REVIEWS

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BACKWARD CLASSES WELFARE DEPARTMENT

3.1 UTILISATION OF FUND FOR SCHEMES FOR SCHEDULED CASTES AND SCHEDULED TRIBES DURING THE PERIOD 1996-2001

HIGHLIGHTS

To ensure socio-economic development of Scheduled Castes (SC) and Scheduled Tribes (ST) Communities, Family Oriented (FO) Schemes, Community Development Schemes, various educational schemes and Infrastructural Development Schemes were implemented with assistance from Government of India.

Though various schemes were implemented in the State to ameliorate the condition of the SC and ST people, the performance under such schemes were far from satisfactory and the basic objectives of the schemes remained unfulfilled.

This was attributable mainly to the lack of proper supervision and near total dependence of Government on WBSCSTDFC and the banks for implementation of the schemes. While large amount of Rs 253.38 crore remained parked in the deposit account and banks, there was little follow up and intervention by the Government to ensure that the schemes were implemented effectively and benefits accrued to the SC/ST people in a timely and effective manner. The programme was hampered by delayed release of fund by Government and further delay in release of funds to the implementing agencies. On the whole, the programme suffered from lack of attention and monitoring by Government, though funds were not a constraint.

Of Rs 355.01 crore of budgeted scheme funds parked in the deposit account during 1996-2001 Rs 69.26 crore remained unspent as of March 2001. Besides, a Government owned corporation parked Rs 127.65 crore of scheme funds in short term deposits in banks instead of prompt implementation of the schemes. Scheme funds of Rs 130.14 crore was released to West Bengal Scheduled Castes and Scheduled Tribes Development and Finance corporation (WBSCSTDFC) at a delay of 3 to 12 months from the date of sanction and due to late receipt of departmental directives Rs 159.25 crore were released to the executing agencies at a delay of 3 to 23 months. Further of Rs 4.40 crore of scheme funds are lying idle in the bank account of implementing agencies, Rs 1.24 crore represented educational scholarships lying undisbursed since 1985-86 in the district of South 24 Parganas. Rupees 1.60 crore meant for development of Lodha Community was not utilised at all.

(Paragraphs 3.1.4, 3.1.9, 3.1.16 (vii))

The abbreviations used in this review have been listed in Glossary in Appendix 60 (page302)

State Government furnished utilisation certificates (UCs) for Rs 191.17 crore to Government of India even before the actual release of fund to the executing agencies or receipt of UCs from them.

(Paragraph 3.1.5)

Undisbursed subsidy and margin money loan of Rs 2.98 crore was refunded by the banks to WBSCSTDFC without implementing the schemes.

(Paragraph 3.1.7(a)(ii))

Projects (3411) valued Rs 3.60 crore were not implemented by the beneficiaries due to refund of bank loan (Rs 1.69 crore) either in cash or by maturity value of term deposit within a short span of time instead of following the repayment norms resulting in unfruitful disbursement of government subsidy of Rs 1.79 crore without any useful economic activity. Thus, no projects were implemented though funds were available for that purpose.

(Paragraph 3.1.7(b)(i)&(ii))

Failure to construct 37 Central Hostels at an estimated cost of Rs 8.73 crore deprived 2712 SC & ST students of hostel facilities. Though Rs 5 crore was received for construction of 5 Residential Schools specially for students of three tribal communities identified under Article 275(1) of the Constitution of India, work was delayed by 2 to 3 years.

(Paragraphs 3.1.8(a)(b))

Though Rs 16.94 crore was awarded as Pre-Matric Scholarships, 3.75 lakh students dropped out from their studies in various stages. In five districts, Rs 4.20 crore remained unspent as of March 2001. Similarly, Rs 2.22 crore of Post-Matric Scholarship remained undisbursed in four districts, thus depriving the benefit to SC and ST students.

(Paragraphs 3.1.8(c)(d)(i))

Penal interest of Rs 0.96 crore was paid by WBSCSTDFC to National Scheduled Castes and Tribes Finance and Development Corporation (NSFDC) due to non-execution of schemes.

(Paragraph 3.1.10)

Of Rs 5.75 crore meant for implementation of National Scheme for liberation and rehabilitation of Scavengers (NSS), Rs 4.14 crore remained unspent as of March 2001 while only 9 per cent of the identified scavengers were provided financial assistance.

(Paragraph 3.1.11)

West Bengal Backward Classes Development and Finance Corporation (WBBCDFC) sanctioned/dispensed Rs 1.60 crore to 203 beneficiaries against 690 beneficiaries sponsored by the District Authorities leading to a shortfall of 71 per cent in terms of beneficiaries.

(Paragraph 3.1.14)

Of Rs 21.82 crore released by the department for execution of 937 Community Development Schemes in five districts, utilisation certificates for Rs 13.88 crore against 479 schemes were not obtained (March 2001) from the executing agencies. Further Rs 1.81 crore of Special Central Assistance

(SCA) fund for Community Development Schemes were sanctioned/ released for ineligible works.

(Paragraphs 3.1.15 and 3.1.16 (v))

As per evaluation study conducted by Cultural Research Institute in respect of Family Oriented schemes, NSFDC and NSS, 29 to 60 per cent schemes were defunct while only 12 to 40 per cent beneficiaries could be gainfully employed on implementation of the schemes.

(Paragraph 3.1.18)

District authorities did not effectively monitor and evaluate different schemes executed by the various agencies. The impact of the schemes remained un-assessed and the benefit did not accrue to the poor SC and ST people to the extent of release of funds.

(Paragraphs 3.1.19 and 3.1.20)

3.1.1 Introduction

With a view to ensuring socio-economic development of Scheduled Castes (SC) and Scheduled Tribes (ST) Communities, the State Government introduced Special Component Plan (SCP) and Tribal Sub Plan (TSP) which were being supplemented by the Government of India (GOI), in the shape of Special Central Assistance (SCA) for implementation of Community Development Programmes/ Family Oriented Income Generating Schemes.

According to 1991 Census, SC and ST population in the State were 160.81 lakh and 38.09 lakh representing 24 and 6 per cent of the total population of the State respectively.

SCP and TSP were the two main development plans, covering family oriented income generating schemes, community development schemes, various educational schemes and infrastructural development schemes implemented by Backward Classes Welfare (BCW) department. For the schemes under different sectors viz. Agriculture and Allied activities, Rural Development and Employment, Irrigation and Flood Control, Energy, Transport, Industry, etc. implemented by other departments, funds were required to be quantified for SCP (24 per cent) and TSP (6 per cent) against the State Plan Budgetary Outlay of the respective departments.

3.1.2 Organisational Set up

Department of BCW, Government of West Bengal, being the nodal department was to monitor the progress of the schemes taken up by its Directorate and other executing agencies,¹ Project Officer cum District Welfare Officer (PO cum DWO)/Backward Classes Welfare Officer (BCWO) of the district, Zilla Parishad,

¹ West Bengal Scheduled Castes and Scheduled Tribes Development and Finance Corporation (WBSCTDFC) and West Bengal Backward Classes Development and Finance Corporation (WBBCDFC).

Block Development/Executive Officer of Panchayat Samiti and participating Banks were also responsible for implementation of various schemes.

3.1.3 Audit Coverage

Records of BCW Department, its Directorate and 5 (five) districts viz. Bankura, Bardhaman, Coochbehar, Medinipur and South 24 Parganas from 1996-97 to 2000-2001 were test-checked between February 2001 and April 2001. These districts had a total SC and ST population of 69.95 lakh (43 per cent) and 14.39 lakh (38 per cent) of the total SC and ST population of the State. Results of audit are discussed below.

3.1.4 Financial outlay and expenditure

Total expenditure on the activities of the Department during 1996-97 to 1999-2001 was Rs 791.63 crore against an allotment of Rs 812.90 crore including Rs 280.72 crore received from GOI under SCA as shown below:

Year	Total Grant	Expenditure (Rupees in crore)
1996-97	138.24	124.75
1997-98	154.56	110.55
1998-99	152.14	160.97
1999-2000	169.74	173.40
2000-2001	198.22	221.96
Total	812.90	791.63

Source: Finance Accounts of Govt. of West Bengal.

Analysis of financial outlay of the scheme revealed the following:

Of Rs 791.63 crore spent during 1996-2001, Rs 510.91 crore of State funds was mainly spent on educational schemes (Rs 245.60 crore), Tribal area sub-plan (Rs 64.45 crore), General Administration (Rs 67.09 crore) and different infrastructure works under BMS and other schemes (Rs 69.06 crore).

Out of Rs 280.72 crore (Rs 193.50 crore for SCP and Rs 87.22 crore for TSP) being SCA received from GOI during 1996-2001, Rs 256.16 crore (after deducting administrative expenses of Rs 0.04 crore) were deposited in Deposit Account of the WBSCSTDFC maintained at the Pay and Accounts Officer, (PAO) Kolkata. The balance amount of Rs 24.52 crore was drawn by WBSCSTDFC by submitting bills to the PAO, Kolkata and kept in the savings bank accounts. Besides, Rs 41.64 crore under different heads² received from BCW Department by the Corporation was also credited in its Deposit Account during 1996-2001.

² Government contribution to equity share of the corporation Rs 15 crore, Central grant for development of primitive tribes Rs 11.18 crore, construction of central hostels Rs 5.73 crore, salary grant Rs 3.42 crore, community development scheme 2.79 crore and others Rs 3.52 crore.

Though Rs 285.75 crore was released for implementation of the scheme, Rs 127.65 crore had been kept in short term deposit

Against Rs 355.01 crore available in Deposit Account of WBSCSTDFC during 1996-2001 (including Rs 57.21 crore as opening balance at the start of 1996-97) Assistant Secretary, department of BCW released Rs 285.75 crore to implementing agencies leaving a balance of Rs 69.26 crore at the end of March 2001, of which Rs 14.45 crore related to the years 1989 to 1995. Further, out of the fund received from the Government WBSCSTDFC parked, without concurrence of the Government, Rs 127.65 crore meant for implementing the schemes for the benefit of the weaker sections in short term deposits as of 31 March 2001.

Contrary to the GOI directives (October 1998), SCA funds of Rs 130.14 crore received from GOI were not transferred to the account of WBSCSTDFC promptly by the BCW department. The delay in transfer ranged between 3 to 12 months from the date of their sanctions during 1996-2000 (Appendix 18).

Further, due to late receipt of suitable directives from BCW department, the release of funds (Rs 159.25 crore) to the executing agencies from the Deposit Account was also delayed by WBSCSTDFC for 3 to 23 months for implementation of the schemes during 1996-2000 (Appendix 19). The delay on both the counts adversely affected the timely completion of the schemes. Such delays were not monitored by Government and no responsibility was fixed for such inordinate delays.

3.1.5 Submission of wrong utilisation certificates

Utilisation Certificates for Rs 191.17 crore were forwarded to GOI during 1996-2000, though not obtained from the executing agencies

To obtain funds for SCA grants from GOI, the State Government had to forward utilisation certificates (UCs) to the GOI. Scrutiny revealed that UC for SCA funds amounting to Rs 191.17 crore were forwarded during 1996-2000 to GOI though funds were either not allotted to the implementing agencies or UCs were awaited from them.

Thus, incorrect utilisation certificates indicating inflated figures of actual expenditure were submitted by the Government.

3.1.6 Programme implementation structure

The BCW department was responsible for planning, implementation and monitoring of the Community Development Schemes (CD Schemes) through the different district level executing agencies viz. PO cum DWOs, Zilla Parishads, Panchayat Samitis, etc., while funds for the purpose were released from the Deposit Account of WBSCSTDFC.

The WBSCSTDFC was responsible for planning, implementation, monitoring and evaluation of family oriented income-generating schemes. On receipt of Central assistance under SCP and TSP from the State Government, the Managing Director, WBSCSTDFC fixed both physical and financial targets for the district, as per population ratio of SC and ST communities. In turn, district offices of

WBSCSTDFC allocated targets and funds for each Block/Panchayat Samitis of the district. The Gram Panchayats (GP) were to sponsor the applications of the selected SC and ST beneficiaries (as per village survey report/IRDP muster register) through Panchayat Samitis for sanction of bank loans. The banks were required to conduct pre-sanction appraisals through interviews, joint inspections and forward the valid applications for approval of the district offices of WBSCSTDFC for release of subsidy and margin money.

3.1.7 Family Oriented Income Generation Scheme

The WBSCSTDFC was to provide Government subsidy and margin money after sanctioning of institutional finance (Bank Loan) for various income generating schemes under various sectors viz. Agriculture and Minor Irrigation, Fisheries, Animal Husbandry, Cottage and Small Scale Industries, Transport, Trade and Business, etc. to SC and ST families living below the poverty line (BPL) aiming at not only to provide a sustained income but also enabling them to cross the poverty line and achieve the capacity to repay the loan. However, eligibility of selected beneficiaries could not be verified in absence of list of beneficiaries selected in the open meeting of Gram Sansad, Village survey reports, BPL/IRDP muster register, joint inspection report, etc.

(a) Physical and Financial targets vis-à-vis achievements

The physical and financial targets *vis-à-vis* achievement under the Family oriented scheme during 1996-2001 as per the annual reports of the WBSCSTDFC are detailed in Appendix 20.

There was an overall shortfall of 34 and 23 *per cent* in physical and financial achievement. The consolidated position of amount disbursed to beneficiaries against sanction was not available. Further while reporting their achievement to the Government the WBSCSTDFC indicated the amount sanctioned as disbursed instead of actual disbursement and this depicted an incorrect and unreliable picture of achievement and utilisation of funds.

Fund position of the five test checked districts during the year 1996-2000 for implementation of Family Oriented (FO) schemes under SCA, SCP and TSP were as under:

Name of the district	(Rupees in Crore)												
	Opening balance as on 1 April 1996		Fund received during 1996-2000		Undisbursed fund received back from the bank		Recovery of Margin Money	Total Fund available		Fund disbursed by banks		Balance	
	Subsidy	Margin Money	Subsidy	Margin Money	Subsidy	Margin Money		Subsidy	Margin Money	Subsidy	Margin Money	Subsidy	Margin Money
Bankura	0.19	0.42	4.22	0.22	0.30	0.11	0.52	4.71	1.27	3.26	0.51	1.45	0.76
Bardhaman	0.28	0.60	12.26	0.56	0.75	0.25	0.95	13.29	2.36	8.63	0.84	4.66	1.52
Coochbehar	0.29	0.24	7.42	0.69	0.13	0.09	0.43	7.84	1.45	4.54	0.38	3.30	1.07
Medinipore	(-)0.09	NIL	17.03	0.36	0.35	0.09	1.60	17.29	2.05	11.91	0.61	5.38	1.44
South 24 Pgs.	(-)0.10	1.79	9.80	0.36	0.65	0.26	0.83	10.35	3.25	5.23	0.28	5.12	2.97
Total			50.73	2.19	2.18	0.80		53.48	10.38	33.57	2.62		

Scrutiny of records revealed that against target of 1,54,726³ projects during 1996-2000 involving subsidy and margin money of Rs 77.15 crore, the participating banks disbursed subsidy of only Rs 33.57 crore and margin money Rs 2.62 crore (47 *per cent*) for 71665 projects/beneficiaries (46 *per cent*).

Scrutiny revealed that:

i) Out of total 96880 loan applications sent to the concerned banks by WBSCSTDFC in five districts for sanctioning of loans under SCP and TSP, 84280 applications were approved while 12600 applications remained with the banks at the end of 1999-2000. These applications were neither accepted nor the same were returned to the respective Panchayat Samitis for further vetting and resubmission.

Undisbursed subsidy and margin money loan amounting to Rs 2.98 crore refunded by the banks without implementing the schemes

ii) During 1996-2000 Rs 2.98 crore (subsidy-Rs 2.18 crore and margin money-Rs 0.80 crore) were refunded to WBSCSTDFC by the implementing banks of the five test checked districts. These amounts are lying undisbursed with them since 1995-96. No records indicating the number of cases involved in these amounts were made available to audit by WBSCSTDFC.

iii) As per Government guidelines, 20 *per cent* of the project cost were to be borne as margin money by the executing agencies from its own resources. However, WBSCSTDFC decided (September 1996) to restrict payment of margin money for the schemes with project cost of Rs 4000 or less. As a result, shortfall of margin money loan of Rs 13.04 crore in five districts⁴ were met through bank loan for which the beneficiaries (number could not be ascertained) had to bear extra interest burden of Rs 1.04 crore⁵ per annum due to higher rate of bank interest (12 *per cent*) compared to interest on margin money loan (4 *per cent*).

iv) Project cost was to be disbursed within 90 days of sanction by all banks. Scrutiny of records revealed that there were inordinate delays ranging from 6 months to 60 months in disbursing project costs in 41409 cases involving Rs 33 crore⁶. In four districts project costs in 20250 cases⁷ valued at Rs 17.40 crore sanctioned between 1996-2000, were not disbursed by the concerned banks till March 2001 Bardhaman and Medinipur being the districts where higher number of non-disbursed projects were noticed.

Reasons for such delay in disbursement of project cost as observed in audit were due to the controllable factors viz. late selection and sponsoring of cases; casual

³ (Bankura-25622 Bardhaman-29378; Coochbehar-17409; Medinipore-38535 and South 24 Parganas-43782)

⁴ Bankura Rs 1.30 crore, Bardhaman Rs 3.70 crore, Coochbehar Rs 0.90 crore, Medinipur Rs 4.16 crore and South 24-Parganas - Rs 2.98 crore.

⁵ Bankura Rs 0.10 crore, Bardhaman Rs 0.30 crore, Coochbehar Rs 0.07 crore, Medinipur Rs 0.33 crore and South 24-Parganas Rs 0.24 crore.

⁶ Bankura:1977 cases- Rs 1.81 crore, Bardhaman: 14709 cases Rs 12.85 crore, Coochbehar: 11611 cases Rs 5.44 crore, Medinipur: 2647 cases Rs 2.70 crore and South 24-Parganas: 10465 cases Rs 10.20 crore.

⁷ Bardhaman-7164 cases Rs 6.72 crore; Coochbehar-4121 cases Rs 1.94 crore, Medinipore-5580 cases Rs 5.38 crore and South 24-Parganas- 3385 cases Rs 3.36 crore.

selection disregarding essential linkages vital for the scheme; delay in holding of joint inspection and by holding back fresh disbursement by the banks to Panchayats when loan recoveries were not prompt and regular.

(b) Failure of participating banks in implementation of Family Oriented (FO) Schemes

Banks were to play a vital role by effective participation and monitoring at all levels for successful implementation of schemes. Besides, the WBSCSTDFC was also to see that money disbursed among the weaker sections through banks was gainfully utilised.

Test check of records maintained by the 74 participating bank branches of five selected districts relating to implementation of FO schemes revealed the following irregularities/deficiencies.

2400 beneficiaries refunded bank loan of Rs 1.24 crore in lump without implementing the projects

i) In 33 bank branches, 2400 beneficiaries refunded bank loan component Rs 1.24 crore in lump either on the same date or within twenty months from the date of disbursement of project cost of Rs 2.57 crore against the repayment schedule of 40 to 60 monthly instalments.

ii) In 23 bank branches, a portion of 1011 projects involving Rs 1.03 crore were kept in Term Deposit/Fixed Deposit accounts by the beneficiaries without utilising the fund and repaid the bank loan amount (Rs 0.45 crore) fully or partly on maturity.

The above facts indicated that the participating banks effectively arranged for repayment of loans without implementing the projects so as to show improvement in recovery position of outstanding bank loans. Thus, government subsidy of Rs 1.79 crore failed to generate any useful economic activity.

Under financing of the project- Rs 14.46 lakh

iii) Total project cost comprising of subsidy, margin money loan and bank loan are required to be paid to the beneficiaries for successful implementation of the project but it was observed that in 414 cases, Rs 30.47 lakh were disbursed by 20 bank branches against project cost of Rs 44.93 lakh resulting in short disbursement of the project cost by Rs 14.46 lakh.

Moreover, excess adjustment of subsidy and margin money of Rs 4.59 lakh were made due to non-disbursement of the full amount of bank loan component.

iv) In 25 cases out of project cost of Rs 2.31 lakh, subsidy and margin money of Rs 1.23 lakh were released by five banks branches without disbursement of the bank loan.

v) In 2 banks, against project cost of Rs 6.36 lakh, banks disbursed Rs 3.02 lakh and started receipt of repayment of loans in instalment from the beneficiaries before disbursement of full amount of the project cost.

vi) In spite of holding undisbursed subsidy of Rs 3.28 lakh and margin money of Rs 0.45 lakh since 1994-95, one bank in Medinipur district failed to release the project cost involving Rs 5.74 lakh including bank loan in 159 cases sanctioned during 1996-97.

Thus the beneficiaries were either not encouraged or keen to initiate their projects with the amount disbursed, and instead deposited the amount in Savings or Term Deposit Account from which the bank loans were paid on maturity. As a result, no projects were taken up in these cases and the income generation schemes were not implemented though funds were available for that purpose.

(c) Selection of unviable projects

Projects were to be chosen keeping in view the profile of beneficiary families, considering their need, aptitude and available local resources. Backward and forward linkages viz. supply of necessary inputs, training, rendering extension services, marketing support, etc. were also to be provided in coordination with other departments/organisations for sustenance of the projects. However, test-check showed that un-viable projects were selected.

The average cost of projects undertaken in five districts during 1996-97 to 1997-98 ranged between Rs 4560 and Rs 10426 which affected the chances of a proper project to generate income as well as utilisation of fund. The WBSCSTDFC's instruction (June 1999) to the District Managers to sponsor SCP and TSP cases at an optimum project cost of Rs 18000 for FO schemes, fixed by DRDA⁸ based on the 1998-99 price index so that the project could generate additional income to enable the beneficiaries to cross the poverty line, were ignored with the average cost of projects implemented during 1999-2000 and 2000-2001 being Rs 9169 and Rs 11445 respectively.

Audit scrutiny of the projects undertaken during 1999-2001 revealed that 54729 projects valued at Rs 54.42 crore were not economically viable as the project cost were less than Rs 18,000 in each case and were thus, unsuitable to generate additional income for the beneficiaries to cross the poverty line.

(d) Poor recovery of margin money loan

Timely repayment of margin money loans were important for recycling of funds. The participating banks were primarily responsible for disbursing funds placed by WBSCSTDFC to the beneficiaries and for recovery of the margin money loans along with interest thereon at the rate of 4 per cent per annum. Besides, for regular inspections/visits to be made by the Bank and the Corporation, the Bank branches would send a list of the loanees and amount due one month before the instalment fell due to the DM, WBSCSTDFC. The District Managers, in co-ordination with the District Magistrate and the Panchayat Samitis were to make repayment drives till the instalments were recovered. Scrutiny revealed that

**Against
Rs 33.14 crore over
due Margin money
loan, Rs 24.80 crore
not recovered**

⁸ District Rural Development Agency

of Rs 33.14 crore overdue margin money loans,⁹ only Rs 8.34 crore¹⁰ (ranging between 19-30 per cent) could be recovered till 31 March 2000.

Ineffective monitoring and follow up action by District Administration and failure of the participating banks in effecting recovery led to such poor recovery of margin money loans.

3.1.8 Educational Schemes

(a) Construction of Central Hostels

For construction of 62¹¹ Central hostels for SC and ST students in different districts a sum of Rs 6.46 crore being 50 per cent share of the costs were received as Central assistance during the period from 1990-91 to 1999-2000. The entire amount was routed through the deposit account of the WBCSSTDFC.

Failure to construct 37 Central Hostels for SC and ST deprived 2712 SC and ST students of the facilities

Out of these 62 hostels, 14 SC and 11 ST hostels were completed at a cost of Rs 4.23 crore and the construction work of 3 SC and 7 ST hostel estimated at Rs 2.61 crore were in progress as of March 2001. Construction work of 27 hostels¹² (SC:16 and ST:11) involving estimated cost of Rs 6.12 crore could not be started (March 2001) due to non-availability of land and non-preparation of revised estimates by the department/district authorities. Non-construction of hostel buildings thus deprived 2712 SC and ST students from hostel facilities. Scrutiny of records of five districts in regard to the construction of Central Hostels for SC and ST students revealed substantial delay in completion and also non-utilisation as follows:

Name of the district and item of work	Name of the Executing agencies	Fund released ¹³ by the department and year of sanction	Original Estimated cost and Year of estimates	Revised/ Final Estimate	Expenditure incurred	Remarks
(R u p e e s i n l a k h)						
Bardhaman						
Construction of 80 seated ST boys' hostel	Zilla Parishad, Bardhaman	16.17 (1992-93)	35.50 (March 1997)	36.87 (June 2000)	Nil	Due to change of site the estimate was revised but the work could not be started till March 2001. The entire amount of Rs 16.17 lakh had been lying with WBCSSTDFC.
Construction of 70 seated SC girls' hostel at Asansol	Zilla Parishad, Bardhaman-	14.15 (1993-94)	21.25 (February 1995)	-	21.25	The hostel was constructed at a total cost of Rs 21.25 lakh and handed over to PO cum DWO, Bardhaman in April 1998, but it did not start functioning till March 2001, as the place was not secure for girl students. Department stated (September 2001) that the hostel had been converted to a boys' hostel but not yet functioning.

⁹ Bankura Rs 6.58 crore, Bardhaman Rs 6.09 crore, Coochbehar Rs 5.53 crore, Medinipore Rs 14.94 crore and South 24-Parganas - Not available.

¹⁰ Bankura Rs.1.74 crore, Bardhaman Rs.1.84 crore, Coochbehar Rs.1.03 crore and Medinipore Rs.3.73 crore.

¹¹ 33 for SC students and 29 for ST students

¹² Bardhaman-1 (ST), Coochbehar-1(SC), Darjeeling-3(ST), Hooghly-2(SC), 3(ST), Medinipore- 2(ST), Murshidabad-1(SC), Nadia-3(SC), Purulia-2(SC), North 24 Parganas- 3(SC),2(ST), South 24 Parganas-4(SC)

¹³ As per norms of GOI set from time to time

Name of the district and item of work	Name of the Executing agencies	Fund released ¹³ by the department and year of sanction	Original Estimated cost and Year of estimates	Revised/ Final Estimate	Expenditure incurred	Remarks
Bankura						
Construction of 80 seated SC girls' hostel at Bankura.	Zilla Parishad, Bankura	10.22 (1989-90)	24.79 (August 1997)	34.07 (December 1999)	34.07	The construction completed in March 2000 at a total cost of Rs 34.07 lakh but the hostel could not start functioning. Due to delay in preparation of estimates the cost raised to Rs 34.07 lakh in 1998-99 entailing an extra expenditure Rs 23.85 lakh.
Construction of 69 seated ST Girls' hostel at Bankura	Zilla Parishad, Bankura -	4.93 (1983-84)	27.74 (April 1999)		2.00	Owing to delay in preparing estimates (April 1999) in an alternative site the estimate was escalated by Rs 22.81 lakh. The revised estimate is awaiting approval. Meanwhile, Rs 2 lakh spent (1987-88) for construction of boundary wall at the earlier site became redundant.
Construction of 80 seated Girls hostel at Garhripur.	Zilla Parishad, Bankura	16.18 (1992-93)	16.18 (May 1994)	35.55 (November 1997)	35.44	The place and area selected initially for construction of hostel was proposed (August 1993) to be changed due to non-availability of vested land. The estimate for Rs 16.18 lakh was approved (August 1995). The estimate was revised as site was changed Thus, improper selection of site resulted in extra expenditure of Rs 19.26 lakh.
South 24 Parganas						
Construction of 80 seated SC Boys' Hostel at Diamond Harbour	Zilla Parishad, South 24 Parganas	16.17 (1992-93)	16.17 (January 1993)	30.13 (Sept. 1997)	33.70	Due to delayed possession of land (April 1997) and taking up of work (April 1999) an extra expenditure of Rs 17.53 lakh had to be incurred. The hostel is yet to be functional (June 2001).

Further, in South 24 Parganas out of sanctioned five Central Hostels construction of four Hostel buildings were not started till June 2001 though possession of land was made available as indicated from the table below:

Name of Hostel	Possession	Plan/Estimate	Remarks
Central Hostel at Kakdwip	Land was identified. Possession taken and registered in the name of BCW Department.	Plan and estimate was prepared by ZP South 24 Parganas and forwarded to BCW Department for administrative approval and sanction of fund (January 2000).	No administrative approval for release of fund (estimate : Rs 47.90 lakh) was received by PO-cum-DWO, BCW, South 24 Parganas till date (14-06-2001).
Central Hostel at Behala	Land was handed over by Urban Land Ceiling Department, Alipore to BCW Department.	Copy of sketch map of land and other particulars were sent to BCW Department.	PO-cum-DWO, BCW, South 24 Parganas was not aware of the latest position (14-06-2001).
Central Hostel at Sagar	Paper possession of land has been taken on behalf of BCW Department (13-06-2001).	ZP South 24 Parganas is being requested to submit plan and estimate.	Administrative approval and release of fund is pending.
Central Hostel Building at Sonarpur	Land was identified and paper possession was taken on behalf of BCW Department on 13-08-1998.	Plan and estimate was prepared by ZP South 24 Parganas and sent to BCW Department.	Though preparation of plan and estimate/ construction of hostel building was assigned to PW Department, the aforesaid land was encroached upon by Rajpur/Sonarpur Municipality and Municipal buildings were being constructed on the land.

Delay in construction of residential schools– diversion of the fund and deprivation of tribal students

(b) Non-construction of school buildings

Funds amounting to Rs 5 crore (Rs 2 crore in 1997-98 and Rs 3 crore in 1998-99) was received from GOI in March 1998 and March 1999 for construction of 5 (five) residential schools specially for students of three¹⁴ primitive tribal communities under Article 275(I) of the Constitution of India in the State. These were lying in the Deposit Account of the WBSCSTDFC as of March 2001 and no effective action was taken except preparation of plan and estimates for only one school by the BCW Department (March 2001). While the tribal students were deprived of the schooling facilities, the funds kept in the Deposit Account helped the Government in its ways and means position.

(c) Pre-Matric Scholarship

In respect of the SC and ST students pursuing studies in the Secondary stages (Class V to Class X) Government of West Bengal introduced (1979) four schemes viz. Book grants and Examination fees, grants for Hostel charges, (accounts for most of the funds), grant for Maintenance charges and Compulsory charges (ST students only).

Scrutiny of records of five test-checked districts revealed that during 1996-2001 the Government as per requirement furnished by the district authorities sanctioned Rs 97.77 crore¹⁵, of which Rs 93.57 crore¹⁶ were spent leaving a balance of Rs 4.20 crore as of March 2001. Of the unspent balance, Rs 0.82 crore was drawn in advance and Rs 3.38 crore were surrendered due to incorrect assessment by the District Authorities.

Unfruitful expenditure of Rs 16.94 crore on payment of scholarship

Scrutiny revealed that despite investment of Rs 16.94 crore towards various scholarships between 1995-2000, 3.75 lakh out of 25.33 lakh students pursuing studies at secondary level dropped out from their studies in various stages. Further, defalcation of Rs 4.60 lakh pertaining to “Maintenance charges to SC students” was noticed till 1999-2000 in one block in South 24 Parganas.

(d) Post-Matric Scholarship

i) Against the total allotment of Rs 25.81 crore in the test-checked districts (relevant records of South 24 Parganas districts were not produced to audit) during 1996-97 to 2000-01 for payment of post-matric scholarship, Rs 23.59 crore was paid leading to an unspent balance/surrender of fund of Rs 2.22 crore. Further of Rs 23.59 crore placed in 470 Bank branches during 1996-2001 for disbursement of scholarships to the beneficiaries only 23 disbursement certificates involving Rs 0.15 crore were received (March 2001). In absence of disbursement

¹⁴ Under Article 275 (1) of the Constitution of India, Lodha/Kheria, Toto and Birhor tribes are treated as primitive tribes

¹⁵ Bankura Rs 19.96 crore, Bardhaman Rs 10.65 crore, Coochbehar Rs 8.59 crore, Medinipur Rs 40.67 crore and South 24 Parganas Rs 17.90 crore

¹⁶ Bankura Rs 19.02 crore, Bardhaman Rs 9.50 crore, Coochbehar Rs 8.28 crore, Medinipur Rs 39.44 crore and South 24 Parganas Rs 17.33 crore

certificates for Rs 23.44 crore, chances of mis-utilisation and non-disbursement or delayed disbursement etc. could not be ruled out.

ii) The scheme for payment of scholarships to SC and ST students studying in Post-Matric stages funded by GOI, was to be implemented by the PO cum DWO, BCW Department. The rates were revised by GOI in October 1995 but delay by the district authorities to give effect to the revised rates from April 1997 resulted in depriving 21311 students in the three districts of Bankura, Bardhaman and Medinipur of the benefits of enhanced scholarships amounting to Rs 78.17 lakh.

3.1.9 Retention of scheme funds of Rs.4.40 crore in the banks

Rupees 4.40 crore lying idle in the district branches of the WBCSTDFC

An amount of Rs 4.40 crore was retained in the bank accounts of several district branches of WBCSTDFC (Medinipur-Rs 60.12 lakh, Bardhaman- Rs 62.78 lakh, Bankura-Rs 53.19 lakh, Coochbehar-Rs 40.10 lakh and South 24 Parganas - Rs 223.57 lakh) for long period. The period of retention of funds could not be verified from either the records of the respective District Manager or the PO cum DWOs/BCWO as detailed position (GO wise) of funds received and released were not available. Of the total amount retained an amount of Rs 1.24 crore representing educational scholarship was lying undisbursed since 1985-86 in the district of South 24 Parganas thus depriving the SC and ST students from the benefit of the scholarships.

No reasons for retention of the funds were offered by the PO-cum-DWOs, though called for (March 2001). Evidently the implementation of the programmes were not properly monitored by the Department which led to such deposits.

3.1.10 Implementation of National Scheduled Castes and Scheduled Tribes Finance and Development Corporation (NSFDC) credit linked schemes

To encourage SC and ST unemployed people whose family income does not exceed double the poverty line, (i.e. Rs 42412 for urban and Rs 31952 for rural areas per annum) the NSFDC credit linked programme was introduced (1991-92) by the WBCSTDFC to ensure regular employment and to make provisions for creating and offering additional employment opportunities. According to the scheme the Corporation was to borrow fund from NSFDC against guarantee of State Government for the viable schemes of minor irrigation, transport and industries, service and business sector and to provide loans at low rate of interest (6 to 9 *per cent*) to the eligible beneficiary. As per agreement, in case of failure to disburse the loan amount to selected beneficiaries within 120 days from the date of receipt of fund the Corporation was liable to pay penal interest of 10 *per cent* per annum on unutilised funds.

**Penal interest of
Rs 95.90 lakh paid to
NSFDC due to
non-execution of the
scheme**

Between November 1991 and March 1998 the Corporation drew Rs 11.64 crore against 36 projects prior to the selection of eligible beneficiaries. Consequently, it could disburse Rs 4.74 crore only and refunded the balance of Rs 6.90 crore between May 1994 and July 1999 after delays of 108 to 1166 days, resulting in payment of penal interest of Rs 95.90 lakh to NSFDC. Non-implementation of schemes also defeated the very objective of economic development of the SC/ST population.

Scrutiny of records of the five selected districts further revealed the following:

Against the financial target of Rs 34.17 crore, the five district units could disburse only Rs 4.93 crore (14 *per cent*) to 460 beneficiaries (SC: 432, ST: 28) during 1996-2001 and only Rs 1.58 crore of term and margin money loan was recovered up to December 2001 against the demand of Rs 3.14 crore thereby showing a total lack of efficient or concerted functioning. It was noticed in audit that failure of the beneficiaries to implement the schemes was due to lack of training and expertise, which resulted in poor recovery performance.

3.1.11 National Scheme for liberation and rehabilitation of Scavengers (NSS)

GOI launched (March 1992) a national scheme under the Eighth Five Year Plan (1992-97) in order to liberate and rehabilitate scavengers and their dependents engaged in the inhuman occupation and extended the scheme further up to the Ninth Five Year Plan (1997-2000).

During the period 1991-92 to 1993-94, WBSCSTDFC received central assistance of Rs 5.75 crore for implementation of the scheme of which it could spend only Rs 0.12 crore on training, Rs 1.49 crore (Subsidy-Rs 1.28 crore M.M-Rs 0.21 crore) on rehabilitation leaving an unspent balance of Rs 4.14 crore as of March 2001. The Corporation identified 22382 scavengers, in the state, but could impart training to only 489 persons and gave financial assistance of Rs 2.44 crore to only 1992 scavengers (9 *per cent*).

Scrutiny of records in the test-checked districts confirmed the dismal picture of implementation of scheme.

a) Out of Rs 71.37 lakh received by the test-checked district offices during 1993-94 to 1998-99, Rs 24.80 lakh (35 *per cent*) remained unspent as of March 2001.

b) Although 2227 scavengers were identified (between 1992-93 and 1994-95), training was imparted only to 183 persons while 434 scavengers were brought under rehabilitation schemes involving Rs 42.25 lakh. However, WBSCSTDFC neither monitored the implementation of projects by scavengers nor did ensure that they did not return back to their inhuman occupation.

3.1.12 Uttar Banga Samabay Sech Prokolpa

A minor irrigation scheme 'Uttarbanga Samabaya Sech Prokalpa' was launched (1996-97) by the WBCSTDFC in Coochbehar district for providing irrigation facilities to the marginal farmers belonging to SC/ST communities having land in a compact area by formation of individual Sech Samabay units with ten members and registered under Co-operative Registration Act. Each Co-operative Society would be provided pump sets with shallow tube wells as per project cost of Rs 32000¹⁷ per unit.

For this purpose, the WBCSTDFC arranged financial assistance with NSFDC treating the scheme under NSFDC credit linked programme. Accordingly, NSFDC sanctioned (November 1995) a Term Loan assistance of Rs 1.5 crore with the standard terms and conditions. Target for implementation of the scheme was fixed for 6 months from the date of sanction for each phase i.e. in 3 phases covering 500 units in every year during 1996-1998.

Meanwhile, the cost of the project was enhanced to Rs 40,000 per unit¹⁸ which was vetted (April 1998) by the Executive Engineer, Rural Development Department, Coochbehar Zilla Parishad.

It was noticed from the records of the District Manager, Coochbehar that 1200 pump sets along with shallow Tube wells were installed in different blocks of the district during 1997-99 (517 in 1997-98, 683 in 1998-99) and Rs 4.57 crore was spent.

**State Government
invested
Rs 62.40 lakh in
WBCSTDFC for
repayment of loan of
Rs 48 lakh and
interest of
Rs 14.4 lakh to
NSFDC**

For execution of these 1200 pump sets, WBCSTDFC received Rs 1.20 crore from NSFDC (1997-98 -Rs 51.70 lakh and 1999-2000 Rs 68.30 lakh) as term loan which was to be repaid by the beneficiaries as per standard terms and conditions of the NSFDC loan.

However, Government decided to repay both the principal and interest component of the loan amount within 5 years and for this purpose Government sanctioned a total amount of Rs 62.40 lakh (Rs 27.20 lakh during 1999-2000 and Rs 35.20 lakh in 2000-2001) for repayment of loan (principal Rs 48 lakh interest Rs 14.40 lakh) on behalf of WBCSTDFC treating the fund as an investment to the share capital of the Corporation. Besides, an amount of Rs 24 lakh was also to be borne by the Government on account of margin money loan due to change in the concept of the scheme.

Scrutiny of records further revealed the following:

i) Between November 1997 and April 1998 Rs 25.85 lakh was paid as drilling charges of 517 STWs (1997-98) at the rate of Rs 5000 per unit to

¹⁷ Promoters' contribution: Rs 0.08 lakh, Subsidy: Rs 0.12 lakh, Margin Money Loan: Rs 0.02 lakh and NSFDC Loan: Rs 0.10 lakh.

¹⁸ Promoters' contribution: Rs 0.08 lakh, Subsidy: Rs 0.20 lakh, Margin Money Loan: Rs 0.02 lakh and NSFDC Loan: Rs 0.10 lakh.

12 Blocks on the basis of ad-hoc estimates, but the estimates as vetted by the Executive Engineer, RD department, Coochbehar Zilla Parishad (April 1998) came down to Rs 3000 per unit. This resulted in extra expenditure of Rs 10.34 lakh due to over estimation of drilling costs.

ii) WBSCSTDFC, Coochbehar paid Rs 3.05 lakh to a firm for purchase of 128 strainers (April 1998) which were not as per specifications for utilisation by one block.

3.1.13 Non-selection of trained persons for WBSCSTDFC's Schemes

The Training-cum-Production Centres (TCPCs) were set up in different districts of the State with the objective of making the SC/ST persons self-reliant.

Test-check of records of the PO-cum-DWOs of the five selected districts revealed that training to the 1081 SC/ST persons representing 61 *per cent* against the capacity of 1760 SC/ST persons were imparted by 22 TCPCs incurring an amount of Rs 0.14 crore as stipend to the trainees and Rs 2.24 crore towards salary of the staff attached to the TCPCs. Although one TCPC in the district of Medinipur had become non-functional since 1997-98 an expenditure of Rs 8.83 lakh was incurred towards salary of staff attached to it.

As per instructions of the BCW Department the District Managers of the Branch offices of WBSCSTDFC were to procure a list of trained persons from the TCPCs and give them priority in the different self-employment schemes taken up by them. However, the records of the selected districts indicated that trained persons were not provided with any financial assistance under the self-employment programme, thereby negating the very basis of the TCPCs functioning

3.1.14 NBCFDC Credit linked Programme

National Backward Classes Finance and Development Corporation (NBCFDC) credit linked programme was launched in August 1999 in the State through West Bengal Backward Classes Development and Finance Corporation (WBBCDFC) set up (October 1995) for rendering financial assistance to persons belonging to Other Backward Classes (OBC) and living below double the poverty line. The schemes were to be implemented by the PO-cum-DWO/DWO in the districts. The West Bengal State Co-operative Bank (Sole Banker) with its associate District Central Cooperative Banks (DCCB's) were to act as a conduit for channelising the loans and recovery thereof

WBBCDFC received Rs 11.25 crore from NBCFDC as term loan and Rs 2.54 crore as share capital from Government of West Bengal during 1998-2001. Against 1839 cases approved, 849 cases were finally sanctioned involving an amount of Rs 5.33 crore during 1999-2001, no cases were, however, sanctioned in 1998-99.

Scrutiny of records of the WBBCDFC further revealed the following:-

- i) An amount of Rs 4.52 crore was refunded (April –July 2000) to NBCFDC due to non-utilisation of fund and also to avoid penal interest.
- ii) An amount of Rs 3.50 crore received (Rs 2 crore in August 2000 and Rs 1.50 crore in June 1999) had been kept in ‘Fixed Deposit’ in the West Bengal State Co-operative Bank.
- iii) An amount of Rs 0.41 crore was repaid to NBCFDC till March 2001.
- iv) Recovery of Rs.0.32 crore (50 *per cent*) was made from the beneficiaries against an overdue loan amount of Rs 0.65 crore (March 2001). Number of beneficiaries involved was not available.

Test check of records of the five selected districts revealed that against the target of 684 to 932 cases,¹⁹ 690 cases were sponsored by the PO cum DWOs/BCWO, of which the WBBCDFC sanctioned/disbursed 203 cases involving Rs 1.60 crore leading to a shortfall of 71 *per cent* in sanctioning of cases. WBBCDFC did not offer any reasons for such shortfall.

3.1.15 Community Development Scheme

For giving adequate weightage towards infrastructure incidentals to Family oriented schemes various Community Development Schemes (CD schemes)²⁰ were to be taken up. According to the guidelines of Government of India, 25 *per cent* of the SCA fund (since 10 *per cent* from September 1998) was to be utilised for implementation towards CD schemes. Besides, funds from the Basic Minimum Services (BMS) were also provided for infrastructural development works from the year 1999-2000. Details of sanction of funds, number of schemes to be executed, expenditure incurred etc under CD schemes and BMS programme during 1996-97 to 2000-2001 in five selected districts are shown in Appendix 21.

Audit analysis revealed that

- i) Of the sanctioned amount, records in respect of detailed expenditure of Rs 219.05 lakh (1996-99) for implementation of different developmental schemes in Bankura were not made available for scrutiny, while Rs 27.11 lakh released (June 2000) to Zilla Parishad, Bankura for execution of two schemes was not traceable in the records of the Zilla Parishad.
- ii) As per resolution of the District Welfare Committee (DWC) Rs 39.44 lakh were released by PO cum DWO, Medinipur during 1999-2000 to 27 Panchayat Samitis on ad-hoc basis without plans and estimates and number of schemes to be executed.

¹⁹ 3 to 4 loan cases targeted for each Block and Municipality of the district as fixed by WBBCDFC.

²⁰ Check dams, water harvesting structure, establishment of residential schools, development of village link roads, drinking water facilities etc

iii) Against Rs 21.82 crore involving 937 schemes, utilisation certificates for Rs 13.88 crore (64 *per cent*) relating to 479 schemes were not obtained from the executing agencies for onward transmission to the Government (March 2001).

iv) Rupees 38.50 lakh (Rs 13.50 lakh for SC and Rs 25 lakh for ST areas) earmarked for Medinipur district for the years 1997-98 and 1999-2000 lapsed owing to non-submission of schemes in time by the PO cum DWO. Further, Rs 5.75 lakh earmarked during 1997-98 could not be released (January 2001) by the PO cum DWO to one Panchayat Samiti owing to non-submission of scheme.

v) Utilisation certificate for Rs 31.21 lakh were furnished by 3 Panchayat Samitis (Coochbehar-1, Medinipur-2) against actual expenditure of Rs 22.03 lakh.

3.1.16 Other points of interest

Delay in finalisation of scheme resulted in blocking of Rs 22.95 lakh for more than six years

i) Rupees 22.95 lakh sanctioned by the BCW department for construction of a low cost hume pipe vented causeway at Papatpur under Binpur-I Panchayat Samiti was transferred (July 1995) to the bank account of the Corporation. Subsequently, the DWC in their meeting (February 2000) proposed, in lieu of the original work, to change the work as well as site of construction and directed (March 2000) the Medinipur ZP to prepare the plans and estimates for the "construction of a causeway over river Bhairab-Baki" under Binpur-IPS. No plans and estimates were, however, received from ZP (January 2001). Thus, delay in finalisation of the scheme resulted in blocking up of fund for more than 6 years, besides depriving the beneficiaries of the benefit of the scheme.

Rupees 14.25 lakh kept in Local Fund account without implementing the schemes for more than two years

ii) District Magistrate, Coochbehar sanctioned (September 1998) Rs 15 lakh in favour of BCWO Coochbehar for implementation of a housing scheme for "Rehabilitation of people of economically weaker section of Lichutala and Khalasipatty", out of fund allocated under Basic Minimum Services Programme. The scheme was ultimately cancelled (March 2001) and the District Magistrate ordered (March 2001) the BCWO, Coochbehar to place the amount of Rs 15 lakh to the Local Fund Account of the Coochbehar Zilla Parishad. The BCWO, Coochbehar deposited (April 2001) Rs 14.25 lakh in the LF Account of Coochbehar Zilla Parishad after incurring an expenditure of Rs 0.75 lakh towards preparation of plan and estimates, soil testing contingency, etc.

Thus, non implementation of the scheme not only deprived the SC/ST people of the benefit of the scheme but also rendered unnecessary blocking up of fund of Rs 14.25 lakh for more than two and half years and an unfruitful expenditure of Rs 0.75 lakh.

iii) The work relating to construction of "55 meters long Reinforced Steel Joist (RSJ) Bridge at Mukul Danga under Ruidanga GP" (Coochbehar) sanctioned during 1999-2000 at an estimated cost Rs 21.46 lakh was taken up through a contractor in May 2000 on the basis of "Single Tender" (invited in April 2000) as

per the decision of the "Purta-Karja-Sthayee-Samity" of the Panchayat Samiti in violation of Financial Rules.

iv) The work for "Improvement of Hazrahat-Giladanga Village Path (0-3 Km)" under Mathabhanga Sub-Division (Coochbehar) sanctioned during March 2000 at an estimated cost of Rs 16 lakh was taken up by the Executive Engineer, PWD Coochbehar Division in May 2000 on the basis of single tender in violation of PWD code Vol. I. However, the work was completed (March 2001) for the stretch of 0 to 2.1 Km (instead of 0 to 3 Km) at a cost of Rs 13.72 lakh on the basis of revised PWD schedule of rates (1999-2000) though there was no such provision in the agreement which entailed an escalation of cost of Rs 4.98 lakh on prorata basis.

Rupees 1.81 crore was sanctioned for CD schemes violating GOI guidelines

v) During the period under review in 16 cases Rs 1.81 crore was sanctioned to Coochbehar District from the SCA fund for implementation of CD Schemes²¹ in contravention of the GOI guidelines for SCA.

Funds (Rs 7.10 crore) were released without considering population criterion

vi) Out of the sanctioned amount of Rs 9.22 crore under "SCA" and "BMS" programme during 1996-2001, Rs 7.10 crore was allocated/released by the BCWO, Coochbehar to the implementing agencies for implementation of 257 schemes without considering the density or *percentage* of SC and ST population as shown in Appendix 22.

Of the funds released under Article 275(1) Rs 1.60 crore was lying unspent and Rs 11.28 lakh diverted

vii) Of Rs 2.29 crore sanctioned by GOI under Article 275(I) of the Constitution of India during 1994-2000 for implementation of developmental schemes of Lodha Community in Medinipur, Bankura and South 24 Parganas districts, Rs 57.70 lakh was only sub-allotted between February 1997 and January 2001 by the PO cum DWOs to the executing agencies for implementation of schemes and Rs 11.28 lakh was diverted between August 1994 and January 2000 for purposes not covered under the scheme leaving an unspent balance of Rs 1.60 crore.

3.1.17 Weakness in implementation of programme

i) Banks sanctioned about 67 *per cent* of the cases during the last quarter of the respective financial year, due to delayed sponsoring of cases by the Gram Panchayats, thereby restricting the scope of holding pre-sanction joint inspection, scrutiny of projects to ascertain its viability. Further, the WBSCSTDFC did not ensure the existence of sufficient inputs for survival of the projects undertaken by adopting "cluster-cum-saturation approach". In effect, selection of non-viable projects caused major hindrance in successful implementation of the programme.

No effective steps were taken by WBSCSTDFC/Government to ensure disbursement of full project cost to the beneficiaries by the banks and to stop the practice of early/immediate refunding of loan component to the banks by the

²¹ Major roads; Dairy Plant; Creche home; Day home; Club house; Medical and Science apparatus; Cold Storage; Science Buildings; Market and Huts, etc.

beneficiaries leading to underfinancing and thus un-viability of the projects *ab-initio*. Moreover, total dependence of WBCSTDFC on the participating banks in executing the programme led to non-achievement of the objectives at desired level.

As per guidelines issued by GOI, prescribed spot evaluation of the projects to ascertain the creation of assets and its operation were to be carried out by the implementing agencies viz. the District Manager/Assistant Manager/Field Organiser of the WBCSTDFC. However, scrutiny revealed that no such spot evaluation was done since 1994-95. Reasons for non-enforcement/monitoring by the department was not stated.

ii) Release of funds on ad-hoc basis by the District Authorities for CD schemes to the executing agencies, release of funds in contravention of guidelines of SCA and inability to furnish consolidated data of execution of different CD schemes at Government level indicated total apathy on the part of the Government.

iii) No assessment was made by the Government to ascertain the cause of significant dropout of students in pre-matric stages and take remedial measures in improving the situation.

iv) No effective steps were taken by the Government to ensure the early possession of land and approval of plans and estimates in case of construction of Central Hostels.

3.1.18 Impact Assessment

Against 2.98 lakh beneficiaries covered under SCA to SCP and TSP (FO Scheme) during 1996-2000 an evaluation of 216 beneficiaries of four districts, conducted by Cultural Research Institute (CRI-a technical wing of BCW department) revealed that *29 per cent* of the schemes were defunct, only *40 per cent* beneficiaries could cross the poverty line after implementation of the schemes and *66 per cent* beneficiaries were defaulters in repayment of bank loans. Similarly, an evaluation of NSFDC credit linked scheme and NSS conducted in four districts (Bardhaman, Birbhum, Hooghly, Murshidabad) and seven districts (Bankura, Bardhaman, Birbhum, Hooghly, Malda, Murshidabad and Nadia) respectively indicated that out of 131 (NSFDC) and 437 (NSS) schemes surveyed, *39 to 60 per cent* were defunct and only *12 per cent* of the beneficiaries under NSFDC schemes could cross double the poverty line after implementation of the schemes, while, in case of NSS no perceptible changes were noticed in the income level of the beneficiaries. Regarding evaluation of education scheme a study at pre-matric level (Classes V to X) in three districts (Birbhum, Nadia and North 24 Parganas) showed (i) poor enrolment pattern of students among the SC and ST communities, (ii) wastage at various stages due to huge dropout, (iii) poor educational standard and (iv) low percentage of successful students in Madhyamik Examinations.

3.1.19 Monitoring

No monitoring and evaluation were conducted at any stage to assess the impact of the schemes for the benefits of the poor class of the society

As per guideline issued by the GOI, the State Government should strengthen their monitoring mechanism by forming district and state level monitoring committees who will watch monthly and quarterly progress of implementation, utilisation of fund on receipt of feed back from implementing agencies. No such state level monitoring committee had been formed except in the case of NSS. Further in pursuance of the Government instructions (November 1988) WBSCSTDFC fixed a target of concurrent evaluation through spot visit of five and two beneficiaries per month by each Field Organiser and Assistant Manager/District Manager respectively. However no such evaluation was conducted during 1996-2001 in the five districts test-checked.

Further, the department could not furnish any consolidated position of execution of different Community Development schemes as of September 2001 which indicated that the schemes were not monitored by the Government.

Apart from compilation of statistical data from the annual reports and returns, the department did not undertake any effective monitoring to assess the actual impact of the scheme and devise methods of better implementation.

3.1.20 Recommendations

For ensuring speedy and effective implementation of the schemes Department has to review the reasons for idling of Rs 253.38 crore in Bank Accounts/cash balances of field formations and Deposit Account in the Kolkata Treasury (PAO).

ii) Government should closely supervise the implementation of the schemes by WBSCSTDFC and the banks and take follow up action to prevent unnecessary delay in completion of the schemes.

iii) Avoidable delay in transfer/release of funds at various stages and diversion of funds by Finance Department at the cost of weaker sections of society need be curtailed and the funds should be made available for timely completion of the scheme.

iv) The District Authorities should ensure in liaison with participating banks that FO schemes are implemented properly.

v) Work of construction of Central Hostels/School Buildings, which has been languishing for years, should be completed early to provide benefit to the SC/ST students.

vi) Timely submission of plans and estimates by the executing agencies under Community Development schemes should be ensured to avoid delay in construction, escalation of cost and un-necessary blocking of fund.

The matter was referred to Government in June 2001; reply had not been received (January 2002).

ENVIRONMENT DEPARTMENT

3.2 IMPLEMENTATION OF ENVIRONMENT ACT AND RULES RELATING TO AIR POLLUTION AND SOLID WASTE MANAGEMENT

Highlights

The Environment Department is responsible for formulation of policies relating to all environmental issues and their execution through The West Bengal Pollution Control Board (Board). The Board failed to take appropriate measures against the polluting industries for violation and disregard of pollution norms. Inspection and 'stack analysis' were insignificant to have any impact on control of pollution. Large number of small industries were operating without consent. Control of pollution from vehicular emission by the Transport Department was ineffective. Thermal Power Stations operating within the residential areas in Kolkata Municipal Corporation (KMC) did not observe ambient air quality standards. Due to pollution, blood lead level of about 55 per cent of children in Kolkata was above safe limits. Kolkata's citizens had almost ten times higher Alveolar Macrophage (AM) count in their sputum. According to an estimate following a study conducted by World Health Organisation (WHO) based on air quality of Kolkata in 1995-96, hospitalisation and sickness requiring medical assistance and pre-mature death in Kolkata were 55 lakh and 0.11 lakh respectively. Calcutta Electric Supply Corporation's (CESC) Cossipore Unit alone contributes 64 per cent of Kolkata's Particulate Matter (PM). In absence of any notified site, hazardous waste was dumped in low-lying areas causing serious environmental hazards. Bio-medical waste in most cases are not segregated and dumped along with the domestic garbages in the water bodies and even on the riverside in one case. The pollution control mechanism was virtually non-operational in the State.

Against total budget provision of Rs 45.23 crore during the years 1997-2001 the Department could utilise only Rs 23.05 crore.

(Paragraph 3.2.4)

Out of 3.1 lakh industrial units registered in the State, Board could identify only about 10000 polluting units (3.23 per cent).

(Paragraph 3.2.5)

Out of 127 grossly Air polluting units, 69 units did not conform to pollution standards set by Central Pollution Control Board (CPCB).

(Paragraph 3.2.6(b))

The abbreviations used in this review have been listed in the Glossary in Appendix 60 (page 302)

Out of 9496 industrial units under consent regime, Board conducted 3347 inspections on an average during 1999-2001 and analysed only 541 stack samples which would be 36.17 per cent and 3.9 per cent respectively of the required number considering at least one inspection/analysis per unit per year for 4627 red category units.

(Paragraphs 3.2.6(c) & 3.2.6 (d))

Due to failure to equip its laboratory, Board could not assess some parameters like Carbon Mono Oxide (CO), Mercury (Hg), Chlorine (Cl₂), Hydro Chlorine Vapour (HCl) and mist.

(Paragraph 3.2.6(e))

Pollution load from vehicular emission increased from 311 tons per day in 1988 to 486 tons per day in 2000. Out of 1.93 lakh vehicles checked by Kolkata Police during 1998-2000, 1.36 lakh vehicles failed to pass the test, of which 0.29 lakh vehicles were running with Pollution under Control certificates.

(Paragraphs 3.2.8 & 3.2.8 (c))

All the five stations of CESC located in densely populated areas could never maintain pollution standards. Of these Cossipore unit alone contributed 64 per cent of Suspended Particulate Matter (SPM) of Kolkata and southern generating station in the vicinity of a hospital failed to maintain even the standards for residential areas.

(Paragraph 3.2.9A(i))

A good number of rubber industries, dyeing and bleaching units, small pharmaceutical units, paper board manufacturing units etc. in the eastern and northern parts of Kolkata were running without consent and without adopting any Pollution Control System (PCS).

(Paragraph 3.2.9A(iii))

Durgapur Steel Plant and Burnpur and Kulti units of Indian Iron and Steel company, engaged in production of steel materials consistently failed to maintain pollution standards but no action was taken against these units.

(Paragraph 3.2.9B (i) & (ii))

Both Kolaghat Thermal Power Station (KTPS) and Santaldih Thermal Power Station (STPS) were operating with shorter stack heights and consistently failed to maintain pollution standards. Ash ponds at KTPS were inadequate and frequent overflowing of ash slurry resulted in deterioration of water quality and siltation of the recipient water bodies (Medinipur and Denun Canal).

(Paragraph 3.2.9C(i))

Board monitored ambient air quality in eight district towns during the period from December 1999 to March 2000, SPM in all cases and NO₂ in most of the cases exceeded the standards.

(Paragraph 3.2.10)

According to an estimate following a study conducted by World Health Organisation (WHO) based on air quality of Kolkata in 1995-96,

hospitalisation and sickness requiring medical assistance and pre-mature death in Kolkata were 55 lakh and 0.11 lakh respectively. At Picnic Garden in Kolkata lead concentration in dust on roof tops, soil around the lead factories and in sediment of the local ponds were found in alarming quantity. Blood lead level of about 55 per cent of children in Kolkata was above safe limits. Kolkata's citizens had almost ten times higher Alveolar Macrophage (AM) count in their sputum.

(Paragraphs 3.2.9 A (iv) and 3.2.11)

In test-checked 25 Municipalities, in absence of separate system for collection and disposal of bio-medical wastes which were disposed off along with domestic garbages in adjoining low lying areas. Hazardous wastes were dumped in low lying areas causing serious environmental problems in absence of any site notified by Board. In the State, facility for incineration of bio-medical wastes was not available. In Kolkata all medical wastes from the hospitals were not handed over to the KMC vehicles for disposal. In many cases those were not properly disinfected and segregated. In several cases medical wastes were disposed off along with domestic garbages.

(Paragraphs 3.2.12(a) and (c))

3.2.1 Introduction

In order to prevent, control and abate air pollution, Government of India (GOI) enacted The Air (Prevention and Control of Pollution) Act 1981. In West Bengal transport and industrial sectors are the major contributors to air pollution. Untreated solid wastes including hazardous wastes and bio-medical wastes also cause environmental degradation.

The Environment Department (Department) is responsible for formulation of policies relating to all environmental issues and exercised its control through the West Bengal Pollution Control Board (Board). The Board is responsible for planning and execution of programmes for prevention, control and abatement of air pollution and pollution from solid wastes, inspecting the Pollution Control System (PCS) adopted by industries, analysing stack samples and prescribing standards for control of industrial and vehicular pollution. Motor Vehicles Department and Home (Police) Department are the nodal agencies for checking the standard of vehicular emission while the Municipal bodies are responsible for solid waste management.

3.2.2 Organisational set up

The Principal Secretary of Environment Department is the nodal officer of the State who is assisted by one Chief Environment Officer and three Senior Environment Officers for formulation and implementation of policy in respect of environment and pollution matters. The Principal Secretary of the Department is also the Chairman of the Board and the Member Secretary is the Chief Executive Officer of the Board, which includes 15 other members nominated by the State Government. The Board has 11 regional offices with its headquarters in Kolkata.

3.2.3 Audit Coverage

A review on the working of the Department and the Board relating to water pollution was included in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2000. The present review, on management of air pollution covering the period from 1996 to 2000, was reviewed in March 2001. Records of the Office of Deputy Commissioner of Police (Traffic) and 27 municipal bodies were also examined.

3.2.4 Financial management

Against total grants at Rs 45.23 crore, only Rs 23.05 crore could be utilised during 1997-2001

Expenditure towards management of environmental controls was financed from the State Budget. Against total grants of Rs 45.23 crore for 1997-2001, the Department spent only Rs 23.05 crore, which included Rs 18.10 crore released to Board as grant. Thus, there was a savings of Rs 22.18 crore (49 per cent). Government stated (July 2001) that out of Rs 22.18 crore, Rs 20.41 crore was meant for improvement of infrastructural facilities of the Board which could not be executed due to some problems.

Besides receipt of grants from Government of West Bengal and Government of India as State's share of water cess, the Board's own receipt accrued from issuing of NOC, consent, sale of forms, etc. During 1996-2001 Board's receipt and expenditure were Rs 53.36 crore and Rs 32.91 crore respectively.

3.2.5 Poor identification of polluting industries

Out of 3.1 lakh industrial units, only 10,000 could be identified as polluting ones

The Board had not conducted any district-wise or category-wise survey for identification of polluting industries and assessment of pollution from such industries. Out of 3.1 lakh industrial units registered in the state, the Board could identify only about 10,000 polluting units (3.23 per cent) till March 2001 in relation to the provisions of the Water Act, 1974 and the Air Act, 1981. However, details of industries attracting the provisions of the Water Act and the Air Act could not be furnished by the Board. Board contended (May 2000) that only 10,000 major and medium factories registered with the Chief Inspector of Factories (CIF) were running. This was not tenable since a recent survey (June 2000) sponsored by the Department and Kolkata Metropolitan Development Authority (KMDA) identified 9600 polluting industries within Kolkata Municipal Corporation (KMC) area. Of those about 4400 units were running only on the strength of trade licenses issued by KMC. Thus, Board was not aware of the polluting industries or the extent of pollution caused by small industries in KMC area.

3.2.6 Enforcement of Air Pollution measures

According to the Air Act, 1981, polluting industries should take necessary pollution control measures including installation of Pollution Control Systems (PCS) for treatment of emission before discharging into the air. The consent of the Board was mandatory for any industry to continue its operations. The provisions of the Act were, however, not enforced effectively by the Board as discussed below :

(a) Polluting industries running without consent

Consent is granted for 1, 3 and 5 years to Red¹ (4627), Orange (3934) and Green (935) category of industries respectively. As of March 2001, 3850 industrial units were running without consent from the Board (Appendix 23). Out of 9496 units brought under its consent administration, the Board granted consent to 6514 units only during 1999-2000. Against 2300 red category industrial units (as of April 2000) consent could be granted to 1775 units only, which was indicative of the fact that at least 525 red category units were running without consent. Board did not maintain consolidated consent register as required under Air Act, 1981. In the absence of such a register Board had no consolidated information of the industrial units running without consent or could monitor their units centrally.

(b) Pollution status of grossly polluting units

Out of 127 grossly air polluting units, 69 units failed to maintain pollution standards

During 2000-2001, out of 127 grossly (Special Red) Air polluting units, 69 units failed to maintain pollution standards. The percentage of failure to maintain the pollution standards in respect of individual units ranged between 25 per cent (4 units) and 100 per cent (46 units). Thus, performance of the Board in controlling air pollution was grossly ineffective. As a result, air pollution load of the State was on the rise. Government stated (July 2001) that Board issued show cause notices for non compliance and some units were asked to submit action plan to comply with the standard within specific time limit. As seen during Audit, there was little effective follow up on such notices and industries continued to violate the norms as stated in the subsequent paragraphs.

(c) Inspections

For planning, control and abatement of pollution, the Air Act, 1981 emphasises compulsory and regular physical monitoring through field inspections. For grossly polluting units (Air 145 and water 110) the norms for inspection were monthly, bi-monthly, quarterly, half-yearly or yearly and for other red category units the inspection schedule was at least once a year. Out of 9496 industrial units, the number of inspections conducted by the board during 1999-2001 was 3347² on an average per year which would be 36.17 per cent of the required number considering at least one inspection per year per unit for 4627 red category units. The Board did not maintain any record showing the time schedule of inspection, dates of inspection, name of units covered under inspection and results of inspection. Thus, there was no systematic monitoring of inspection and its compliance of controls. Government admitted (July 2001) the fact and stated that to focus more attention to the gross polluters, the grossly polluting industries were kept under strict surveillance through a prefixed inspection schedule with Board's limited manpower.

¹ On the basis of pollution potential industries were classified in 3 categories –
Red – Major polluting units,
Orange – Medium polluting units,
Green – Minor polluting units.

² Obtained from Annual report of the Board – no centralized information was available from Board

(d) Inadequate monitoring of emission

As against 4627 red category units only 541 stack analysis were conducted during 1998-2000

For assessment of effectiveness of PCS installed by the units for maintenance of pollution standard in conformity with the standard set by the Central Pollution Control Board (CPCB), Board was required to collect and analyse stack samples on a regular basis. During 1998, 1999 and 2000 Board collected and analysed only 541 stack samples which would be only 3.9 per cent of required number considering at least one analysis per unit per year for 4627 red category units. Considering that more than 55 per cent of grossly polluting units failed to maintain pollution standards, the number of stack analysis done were too meagre for such an important checking regime. Government admitted (July 2001) the fact and stated that the Board did not have adequate facility to collect samples from stacks of industries.

(e) Deviation from testing standard

Deviation from testing standard due to inadequate laboratory facility

CPCB developed Minimal National Standards for stack emission to be tested according to categories of industry. The Board did not follow those standards and except particulate matter (PM) other parameters were not tested for which the Board relied on the test reports submitted by the units. Scrutiny revealed that while the report in respect of a unit submitted by a Board's approved laboratory, indicated that all the parameters tested were within the limit, the PCS of the unit was defunct during the period of the test. The Member Secretary of the Board stated that in absence of facility, some parameters like CO, SO₂, Hg, Cl₂, HCl vapour and mist could not be analysed in its laboratories. This is despite the fact that till date the Board could not utilise a grant of Rs 4.52 lakh received from Government of West Bengal during 1995-96 for procurement of laboratory equipment. Thus due to failure to equip its laboratory properly the Board was not in a position to assess the pollution status of the units to be monitored by them.

3.2.7 Air Pollution

Major sources of air pollution in the State are industrial and vehicular activities. The estimated air pollution load of Kolkata during 2000 was about 3.53 lakh tons³. No systematic data on air pollution load of the State as a whole was available. Of the total pollutants, transport sector contributes 50 per cent, industrial sector contributes 48 per cent and domestic sector contributes the rest.

3.2.8 Vehicular emission

Pollution load from vehicular sector increased from 311 tons per day in 1988 to 486 tons per day in 2000

Automobiles are the largest contributors of pollution load of Kolkata. Due to rapid urbanisation in and around Kolkata, there had been a sharp rise in the number of vehicles. The total number of vehicles registered up to January 2001 in the city was 7.21 lakh. Pollution load from this sector increased from 311 tons per day in 1988 to 486 tons per day in 2000.

³ Source- Report of the Committee (2000) constituted under the order of Kolkata High Court

(a) Pollution from old vehicles

About 54 *per cent* of the total vehicles plying in the city of Kolkata were more than 15 years old. State Government had not implemented any policy for phasing out the old vehicles off road. The vehicles with two-stroke engines (scooters, motor cycles, auto rickshaws, tempos, etc.) contribute about 46 *per cent* of city vehicles. Emissions of pollutants from two-stroke vehicles are much higher than from the vehicles with four stroke engines. There had been a steep increase (70 *per cent*) in two-stroke engine vehicles during the last ten years. About 40 *per cent* of the auto rickshaws⁴ plying in the city have no authorization from Public Vehicle Authority.

(b) Excess use of 2T oil

Excess use of 2T oil in two-stroke engines by one *per cent* increases smoke and particulate matter by 15 *per cent*. Though premixed 2T oil dispensers were installed at all the petrol filling stations in Delhi and sale of loose 2T oil was banned from December 1998⁵, in West Bengal, sale of loose 2T oil is still continuing contributing to increase in vehicular pollution. Government stated (July 2001) that the issue of appropriate ban order on the sale of loose 2T oil was under active consideration.

(c) Lack of control of vehicular emission

Though transport sector contributes about 50 *per cent* of total air pollution, neither the Department nor the Board made any effort to control the pollution from this sector. There was no co-ordination between the two agencies. More than 75 *per cent* of all category of vehicles plying on the roads emit air pollutants beyond permissible limits. In Kolkata there were only seven motor vehicle inspectors for checking 7.2 lakh vehicles. Committee constituted under the order of Kolkata High Court observed that during the last ten years only 5 *per cent* of the vehicles registered in Kolkata was tested for issue of Certificate of Fitness (CF), but the condition of the engines were not seriously checked and emission standard was never checked. Thus no remedial measures had been taken by the State Government. In-use vehicles are to obtain PUC certificates from Public Vehicles Department, which remain valid for six months. In Kolkata, issue of PUC certificates for 7.2 lakh vehicles by conducting auto-emission test were entrusted to 75 private automobile testing centres by the Public Vehicles Department from time to time. Number of such testing centres were palpably inadequate. According to a study (2000) conducted by the Board, the integrity of such centres were not only doubtful but their performance was also unsatisfactory, due to the absence of skilled and trained manpower, regular maintenance of equipment and lack of supervision and assessment of the performance of these automobile testing units. Scrutiny revealed that out of 1.93 lakh vehicles checked by Kolkata Police during 1998-2000, 1.36 lakh vehicles failed to pass the test (Appendix 24) of which 0.29 lakh vehicles were running with PUC certificates.

Out of 1.93 lakh vehicles checked, 1.36 lakh vehicles failed to pass the pollution test

⁴ Source- Report of the Committee (2000) constituted under the order of Kolkata High Court

⁵ Source – CPCB report 2000

3.2.9 Industrial Emission

Emissions from industries including Thermal Power Stations (TPS) is the major source of air pollution other than the emission from vehicles. Though Durgapur and Howrah have been identified as critically polluting zones by CPCB, the Board did not conduct any comprehensive study to assess the impact of the pollution of these zones on environment and human health. In the State 16 TPS discharge about 2182 tons of PM per day. A few major cases of polluting units are discussed below:

A *Kolkata Metropolitan Area*

TPS, big industries dealing with hazardous chemicals, batteries etc and several clusters of small industries operating in the Kolkata Metropolitan Area (KMA) are the major contributors of air pollution. A study conducted by Kolkata Metropolitan Development Authority (KMDA) for identification of industrial units within KMA indicated the presence of very large number of tiny hazardous units in densely populated areas.

(i) *Calcutta Electric Supply Corporation*

**Cossipore unit of
CESC alone
contributes
64 per cent of SPM of
Kolkata**

Each of the 5 Stations of CESC located in densely populated areas often failed to maintain pollution standards. Of these Cossipore Station was the most polluting station which alone contributed 64 per cent Suspended Particulate Matter (SPM) of Kolkata. On prayer, the Board relaxed (August 2000) the standard of SPM from 150 mg/m³ to 350 mg/m³. Nevertheless the test reports of November 2000 (SPM – 539mg/m³)⁶ and January 2001 (SPM – 788.27 mg/m³) did not indicate any improvement in emission quality. The station though located in a densely populated residential area, could never maintain ambient air quality standard set for such areas. Southern Generating Station of CESC also located in a densely populated area and in the vicinity of a hospital also could never maintain the ambient air quality standard even for residential areas (Appendix 25).

(ii) *Exide Industries Limited, Shyamnagar*

The unit engaged in manufacturing of acid lead battery and grouped under the grossly polluting industries consistently failed to maintain the pollution standards. Height of the stacks (11m to 15m) attached to different operational units were much less than the minimum stack height (30m). During 1996-1997 the company continued its operations inspite of denial of consent by the Board. In 1998, Board granted conditional consent subject to upgradation of PCS of the company. The Board again granted conditional consent for two consecutive years inspite of the failure of the company to comply with its directions. In May 2000, concentration of lead (23mg/Nm³) in stack emission exceeded the set standard (1 mg/Nm³) by 2200 per cent and in January 2001 concentration of SPM (8826 mg/Nm³) exceeded the set standard (150 mg/Nm³) by 5784 per cent. Government stated

⁶ All figures relating to stack analysis adopted in this report are obtained from Board's records

(July 2001) that it was Board's policy against the errant units to allow a reasonable time period for erection of pollution control system. The unit is presently under monitoring of a fixed schedule.

(iii) Small Industries

A large section of small industries are running without consent and without adopting PCS

Large number of small industries are clustered in different densely populated areas within KMA area. Rubber industries, dyeing and bleaching units, small pharmaceutical units, paper board manufacturing units, etc in the eastern and northern part of Kolkata use various sizes of coal fired boilers. Clusters of small scale foundries and rolling mills at Howrah, lead smelting units in the eastern fringe of Kolkata and the coal fired ceramic units at North 24 Parganas were contributing significantly towards atmospheric pollution in the cities of Kolkata and Howrah. Though such units consume only 4 *per cent* of total coal consumed by the industrial units, their contribution towards air pollutants is around 30 *per cent*. These units, running with old technology, discharge huge emission. In most cases, PCS adopted by them are inadequate to meet the standards fixed for different groups of industries. Another problem in this sector is to keep the PCS idle to save recurring expenditure on electricity. A good number of such units were running without consent and without adopting any PCS (Appendix 26). The use of furnace oil fired heating systems in different industries also contribute greatly to increasing SO₂ levels in the city air. However, neither the Department nor the Board formulated any programme for monitoring and corrective action for improving the pollution standards of such units. Government stated (July 2001) that the units using small boiler, ceramic units and rolling mills were directed to use cleaner fuel like oil, gas etc and Government would provide financial help for such change in heating equipment.

(iv) Secondary Lead Smelting Units

About 31 units within KMA mostly use battery scraps and lead dross as raw material and discharge flue gases containing lead which pollute the ambient air quality of the area. It was seen from stack analysis reports that concentration of lead in the ambient air rose up to 9 times higher than the standard set for residential and sensitive areas. Concentration of lead in the ambient air quality of working zone also was found up to 14 times higher than the set standard.

Study undertaken by School of Environment Studies, Jadavpur University in 1995 revealed that in and around Picnic Garden area in Kolkata the concentration of lead in the dust collected from the roof tops varied from 30000 to 60000 *micro-gram* per gram of dust, in the soil around the lead factory it varied from 1890 to 21330 *micro-gram* of lead per gram of soil and in the sediment of the local ponds it was 6347 to 11380 *micro-gram* of lead per gram of sediment.

Lead is especially harmful to the developing brain of fetuses and young children as children absorb lead more readily. Blood lead levels as low as 10 *micro-gram/decilitre* are associated with harmful effects on a child's learning process and behaviour.

The study by the George Foundation in 1999 disclosed that in Kolkata out of 294 children below 12 years of age, 164 children (55.8 *per cent*) had blood lead level more than 10 *micro-gram/decilitre* and 55 children (18.7 *per cent*) had blood lead level more than 20 *micro-gram/decilitre*. Government stated (July 2001) that increased blood lead level in children was not only due to emission of lead from secondary lead smelting units but mainly due to lead present in automobile exhaust gases. Now supply of unleaded (0.013 *per cent* gm of lead/litre) petrol has been arranged in the State from February 2000.

B Durgapur-Asansol Industrial Zone

About 1213 industrial units (Red-693, Orange-440 and Green-80) are located here and Durgapur town have been identified by CPCB as critically polluted zone. Besides coal mines, several chemical, steel and ancillary industries and Thermal Power Stations are the major contributors of air pollution. Pollution status of steel plants are as under:

(i) Durgapur Steel Plant

The industry, engaged in production of steel materials, consistently failed to maintain pollution standards. The report on the surprise check conducted by a team led by Adviser to the Ministry of Environment and Forests, Government of India disclosed that in May 1999, fugitive emission from coke oven and sintering plant was not working and leakage through door, lid and off take points were much beyond the standard. Monthly inspection reports by the Board for 1999 and 2000 revealed that stack emissions were all along unsatisfactory. Concentration of SPM, SO₂ and NO₂ in the ambient air was also much higher than the standard set for residential areas. Government stated (July 2001) that directions had been issued for compliance with emission norms by 31 December 2001.

(ii) Indian Iron and Steel Company, Burnpur and Kulti units

The Burnpur unit of Indian Iron and Steel Company (IISCO) engaged in production of different steel materials all along failed to meet emission standards during 1999 and 2000. Concentration of SPM, NO₂ and SO₂ in ambient air was also higher than the standard set for residential areas. Similar was the case of Kulti unit. Here also concentration of SPM in September 2000 was 988.32 mg/Nm³ against permissible limit of 150 mg/ Nm³ and SO₂ ranged between 391 to 578.5 mg/Nm³ (October-November 1999) against permissible limit of 300 mg/Nm³. Government stated (July 2001) that the company was directed to take steps for compliance with the pollution norms.

Steel Plants working in Durgapur-Asansol industrial Zone consistently failed to maintain pollution standard

C Haldia-Bankura-Purulia Industrial Zone

This zone, particularly Haldia, is a fast developing industrial area where several chemical manufacturing units and thermal power plants are major sources of pollution. About 509 units (red-252, orange-189 and green-68) are located in this area. There was a severe public agitation (July 2000) against a chemical company (Hind Chemicals Limited) for discharging toxic gaseous effluents that caused destructions of agricultural products. Pollution status of some of the units are as under:

(i) Thermal Power Stations

Kolaghat and Santaldih Thermal Power Stations were working with shorter stack height and consistently failed to maintain pollution standards

Both Kolaghat Thermal Power Station (KTPS) and Santaldih Thermal Power Station (STPS) were operating in this zone with shorter stack heights and consistently failed to maintain pollution standards. Concentration of SPM in Stack emission of KTPS ranged between 10647 mg/Nm³ (6998 per cent) and 16301 mg/Nm³ (10767 per cent) during July 2000 against permissible limit of 150 mg/Nm³ while the same for STPS ranged between 712.56 mg/NM³ (375 per cent) and 9495 mg/NM³ (6230 per cent) during 1999 and 2000. Ash ponds at KTPS were inadequate and frequent overflowing of ash slurry resulted in deterioration of water quality and siltation of the recipient water bodies (Medinipur and Denun Canal). There were several complaints from the public for degradation of water quality, which was being used for agricultural purposes. Surprise check by CPCB in STPS revealed that the ash ponds were filled up and ash slurry were being discharged in Kadma river. Government stated (July 2001) that KTPS submitted an action plan for upgradation of its PCS by 2003.

D. Siliguri-Jalpaiguri Industrial Zone

Teesta Agro Industries

The unit falling under grossly polluting category was engaged in production of super phosphate and sulfuric acid (H₂SO₄). In the process of production of H₂SO₄, sulfur is burnt in the air resulting in huge emission of SO₂. Considering the pollution potential, this type of industry is not allowed to operate in residential areas. The unit, however, started its business in the residential area of Rajgunj in Jalpaiguri district since January 1991 in the name of Sundarban Fertilisers Limited for production of single super phosphate and was renamed as Teesta Agro Industries in 1995 and started production of H₂SO₄ without obtaining NOC from the Board. On the basis of several public complaints the Board conducted an inspection (28 September 1999) and found that the unit was operating without any valid permission from the Board and without adopting any pollution control system. In February 2000 the unit for the first time applied for consent to operate which was granted in June 2000 with the condition to complete the PCS within December 2000. The bank guarantee for Rs 1 lakh submitted by the unit for maintaining time bound programme for installation of PCS expired in March 2001 and was not renewed though the installation was not completed.

Scrutiny revealed that the unit was discharging SO₂ beyond permissible limit (150 mg/Nm³) ranging between 972.6 mg/Nm³ to 1291.5 mg/Nm³. Government stated (July 2001) that as the unit complied with load based standard of 4 Kg per ton, the Bank Guarantee was released (May 2001). Action taken by the Board is not tenable as the unit even while complying with load based standard, failed to comply with the concentration based standard of 150 mg/NM³.

3.2.10 Ambient air quality monitoring

Annual average concentration of SPM and RPM in the State was much higher than national standards

The Board monitored ambient air quality in eight district towns during the period from December 1999 to March 2000 (Appendix 27). Scrutiny revealed that SPM in all cases and NO₂ in most of the cases exceeded the standard. Strangely, the annual average concentration of SO₂ and NO₂ in Kolkata was however within the national standard (60 µg/M³ both for SO₂ and NO₂). Though annual average concentration of NO₂ was within the permissible limit, during peak hours it was alarming. During a survey conducted by the Board (January 2000) to assess the level of exposure to air pollution during journey through major traffic corridors of the city, concentration of NO₂ inside the car was found to be 171 µg/m³. The air quality of Kolkata (Appendix 28) had been significantly altered during the last decades due to severe air pollution. The annual average concentration of SPM and Respirable Particulate Matter (RPM) was much higher than the national standards for residential areas (140 µg/M³ for SPM and 60 µg/M³ for RPM). The monthly average of hourly mean concentration of O₃ measured in the noon hours during 1999 was between 129 µg/M³ and 315 µg/M³ which was higher than WHO's permissible limit. The monthly average concentration of CO during 1999 ranged between 3500 µg/M³ and 6500 µg/M³ against national standard of 2000 µg/M³. During winter season 10 percent of Kolkata's PM contained Benzene Soluble Organic Fraction. This fraction is rich in some of the carcinogenic compounds like benza-a-pyrene and other polycyclic aromatic hydrocarbon compounds.

3.2.11 Impact of Air pollutants on human health

As per WHO estimate based on air quantity of Kolkata premature death due to air pollution was 0.11 lakh

The Board never conducted any comprehensive study to assess the impact of air pollutants on human health. As per WHO estimate based on air quality of Kolkata during 1995-96, pre-mature death and hospitalisation and sickness requiring medical assistance due to air pollution in Kolkata were 0.11 lakh and 55 lakh respectively.

Alveolar Macrophage (AM) count in sputum is an indicator reflecting the lungs tissue reaction to the inhaled pollution. In 1995-96 the Department sponsored a study to assess the direct health effects due to air pollution in Kolkata, the AM response of the selected people of Kolkata and that of a control group chosen from non-polluted areas. The study revealed that Kolkata citizens had about 10 times AM in their sputum compared to the control group. Moreover presence of iron in AM of the study group was much higher than that of the control group. According to the study, accumulation of iron in AM was due to secretion of blood

from lungs. The study also indicated that while only 14 *per cent* of rural children suffered from cold in winter, 46 *per cent* of children in Kolkata suffered from different lung diseases. Genetic changes in AM cells were also noticed. Government stated (July 2001) that the study improved the understanding as to how air pollution affects respiratory system of human beings and several measures had been taken for controlling vehicular emission by introducing stringent standard in automobile engines and fuel.

3.2.12 Solid Waste Management

a) Solid Waste

Solid Waste other than hazardous and bio-medical waste are generated from domestic and industrial sectors. Though indiscriminate disposal of solid waste causes environmental degradation, Government of West Bengal has not formulated any Solid Waste Management Policy. Responsibility for disposal of solid waste lies with the respective Municipalities. Report (1999) on the status of environment in West Bengal brought out the following cases of disregard and violation of the safety norms and standards for disposal of solid and bio-medical wastes.

In KMC out of estimated generated quantity of 3000 MT on an average per day, about 2200 MT per day is collected by conservancy labours of the corporation. Of the remaining, about 500 MT per day is recycled by the rag pickers and rest 300 MT per day is dumped in water bodies and open space around slum areas where no collection is provided. Before final disposal, uncleared heaps of solid wastes are commonly lying in the road side vats for long periods in the city. Most of the medium and small scale industries have no separate disposal systems. Dumping of industrial refuses, containing metal and toxic sludge, with domestic waste poses a major threat to the surrounding areas. The study conducted by the Society for Participatory Research disclosed that all the major chemical constituents of ground water of shallow tube wells in the area around the Dhapa dumping site of KMC was unsafe for human consumption.

In the State, mechanical decomposition and sanitary land filling of solid waste were totally absent. As a result these dumps created serious health hazards due to uncontrolled dumping and leaches. House flies spreaded pathogens of infectious diseases from these dumps. Moreover, mosquitoes responsible for dengue and filaria, bred in partly filled marshy lands.

In absence of any designated area for dumping or disposal of solid wastes, disposal of solid waste in the water bodies and low and marshy land was common practice in 25 test-checked municipalities in Howrah, Hooghly and Bardhaman districts. In one municipality (Arambagh) disposal of solid waste on the river side was also noticed. A large number of ponds in Khardaha – Titagarh area have already been filled up by fly ash from a CESC's thermal power station at Titagarh. Indiscriminate dumping of solid waste in the open storm water

drains/canals also causes clogging and flooding of the area in the monsoon season. In the hilly areas of Darjeeling, municipal solid waste dumped on the hill sides ultimately find their way in hilly streams resulting in contamination of the water of the rivers besides creating slippage and land slides.

(b) Hazardous Waste

Site for disposal of hazardous wastes still to be notified

The Board was assigned the responsibility for implementation of Hazardous Wastes (Management and Handling) Rules 1989. According to the rules the Board was required to identify and notify the sites for disposal of hazardous wastes. Till date no such notification indicating the site for disposal of hazardous wastes was issued. Hazardous wastes were stored in the backyard of the industries and dumped in low areas causing serious environmental problems.

(i) Chemical Industries in Konnagar-Rishra area

Hazardous waste of chemical industries in Konnagar-Rishra area in the district Hooghly were being dumped into the adjoining low lying area. The waste contained chromium, and toxic material, causing contamination of the under ground aquifers and agricultural land. Analysis (July 1999) of sludge (Appendix 29) as well as the samples of water from tube-wells collected (July 1999) by the Board as per complaint of the local people, revealed the presence of high concentration of total chromium. Hexavalent-chromium was also far above the permissible limit. During sampling the Board's officials found that a large section of local people in these areas were suffering from skin diseases. Government stated (July 2001) that the industrial units responsible for such disaster were identified and the land and the tube wells were properly treated and made free from chromium contamination at the cost of the units responsible for such contamination.

(c) Bio-Medical Waste

Under the Bio-Medical Wastes (Management of Handling) Rules, 1998, the Board was declared as the prescribed authority for implementation of the rules. Under the said rules authorisation of the Board was mandatory for each medical institution handling bio-medical wastes. In West Bengal there were 0.11 lakh medical institutions in public sector under the management of Director of Health. Figures for medical institutions in private sector were not available with Board. Records of 25 municipalities in the State revealed that they had no system for collection and disposal of medical wastes separately and those were being disposed of collectively in the adjoining low lying areas. The aspect of irregular disposal of bio-medical waste in Howrah Municipal Corporation area was incorporated in the Comptroller and Auditor General's report ending March 2000. Follow up action in this respect is still awaited. In the KMC area only 78 institutions were running with authorisation while outside the KMC area such number was 100. Handling and disposal of bio-medical wastes need special care to avoid any adverse effect on human health and environment. In the State,

facility for incineration of medical wastes was not available and none of the units had any proper facility for disinfecting. Out of 607 health units in Kolkata, 585 units participated in KMC's waste disposal system. Under the instruction of Green Bench of Kolkata High Court, KMC adopted a system for collection of bio-medical waste directly from the health units and final disposal through deep burial. KMC observed that in the hospitals of KMC area all the bio-medical waste generated in the units, were not being handed over by the hospital authorities to KMC vehicles; in many cases the wastes were not properly disinfected and segregated according to the category of wastes and in several cases medical wastes were disposed off along with general garbage in the KMC dumping ground causing severe environmental and health hazards particularly to the waste handlers. Some of the wastes were finding their way for unauthorised recycling. Media also frequently reported the matter of unauthorised recycling of used syringes/needles.

3.2.13 Co-ordination and Evaluation

Scrutiny revealed that there was lack of adequate co-ordination between Environment Department and other concerned department/agencies (Transport, Industry, Municipal Affairs, Local bodies) regarding implementation of statutory provisions relating to pollution. No periodical reports/information on control of air, water and other types of pollution were received in Environment Department from the concerned implementing departments. For example though vehicular emission was the largest contributor to air pollution, no feed back was obtained from the Public Vehicles Department regarding the steps taken by them in this regard. Several polluting industries were functioning on the strength of trade licenses issued by Kolkata Corporation without the knowledge of the Industry Department and the Board, who were to monitor the pollution control measures by such industries. Thus, evidently there was lack of co-ordination between the Environment Department, the Industries Department and the Municipal Affairs Department. The Department and the Board took no effective steps regarding pollution from bio-medical wastes on the plea that responsibility for this matter lay with the Municipal Affairs Department. Lack of co-ordination among the departments significantly contributed to the failure in implementing the schemes and contain the pollution in the State.

3.2.14 Environment Audit Report (EAR)

Submission of EAR by 31 May each year is mandatory for the units falling under any of the prescribed 17 categories of industries. Scrutiny revealed that time limit for submission was not maintained and those were submitted along with the consent applications only. Board did not make any effective use of the EARs for assessment of extent of pollution and its impact on human health and environment. Thus, an important control mechanism remained non-operational.

HEALTH AND FAMILY WELFARE DEPARTMENT

NATIONAL PROGRAMME FOR PREVENTION AND CONTROL OF DISEASES

3.3 NATIONAL TUBERCULOSIS CONTROL PROGRAMME

HIGHLIGHTS

National Tuberculosis Control Programme (NTCP) was implemented in the State since 1965 and Revised National Tuberculosis Control Programme (RNTCP) from 1999. Despite the implementation of the programme for 36 years sputum positive cases increased. Excess consumption/indiscriminate use of drugs created drug resistance. The programme implementation was marred by non-investigation of all suspects/symptomatics for TB, deficiency in sputum microscopy, shortage of microscopy centres, absence of proper health education, non-observance of dose medication, inadequate supervision and monitoring. Action plans were not prepared and supply of medicines was not regular; diagnostic facilities were inadequate. As a result target of new sputum smear positive patients remained largely unachieved. There were serious irregularities in purchase of medicines and issue of unnecessary medicines. Despite availability of funds, RNTCP was implemented late and all districts were not covered.

Of Rs 4.21 crore of GOI assistance, Rs 3.38 crore were spent. State share of Rs 1.50 crore was not released. In RNTCP utilisation of GOI fund was 59 per cent in 4 years.

(Paragraph 3.3.4(a) and (b))

Due to shortage in microscopy centres intended benefit of the programme was denied to 2.82 crore targeted population.

(Paragraph 3.3.5)

Implementation of RNTCP was delayed due to lack of advance planning. Benefit of the programme could not reach large population as detection rate was poor.

(Paragraphs 3.3.6 and 3.3.11)

Shortfall in sputum examination and identification of new smear positive cases ranged from 52 to 84 per cent and 39 to 64 per cent respectively during 1996-2001 in the State. High dropout rate aggravated spread of Tuberculosis while expenditure of Rs 8.02 crore on dropout cases was wasted.

(Paragraph 3.3.7 (a) and (b))

The Abbreviations used in this review have been listed in the Glossary in Appendix 60 (page 302)

In 4 test-checked districts, excess consumption of Short Course Chemotherapy (SCC) drugs of Rs 3.13 crore was noticed due to their indiscriminate use. Excessive use of Capsule Rifampicin contributed to development of drug resistance. In Sub-divisional Hospital, Bolpur fictitious issue of Short Course Regimen medicine worth Rs 22.95 lakh was noticed.

(Paragraph 3.3.7 (e))

Capsule Rifampicin valued at Rs 4.15 crore was purchased by CMOH (Rs 2.01 crore) and DDHS, Equipment and Stores (Rs 2.14 crore) in excess of requirement.

(Paragraph 3.3.12 (a))

Irregular purchase of SCC drugs worth Rs 3.10 crore was made by DDHS, E&S (Rs 2.34 crore) and CMOH, Birbhum (Rs 0.76 crore) in violation of GOI guidelines. In Birbhum district SCC drugs valued at Rs 1.12 crore were consumed though the district was non-SCC one. Huge funds so wasted by the Department calls for investigation.

(Paragraph 3.3.12 (b))

Issue of injection Streptomycin (9.75 lakh vials) valued at Rs 46.01 lakh to patients without use of distilled water was doubtful.

(Paragraph 3.3.13)

Anti-Tuberculosis drugs (ATDs) valued at Rs 55.90 lakh were issued to patients in the RNTCP districts in violation of GOI guidelines.

(Paragraph 3.3.15)

ATDs worth Rs 25.21 lakh were diverted to Modified Leprosy Control Unit for indoor treatment while such drugs valuing Rs 3.97 crore were utilised under the NTCP without conducting quality control tests.

(Paragraphs 3.3.16 and 3.3.17)

ATDs worth Rs 24.64 lakh were not accounted for in Darjeeling district (Rs 21.26 lakh), Birbhum District Tuberculosis Centre (DTC) (Rs 2.67 lakh) and Malda DTC (Rs 0.71 lakh).

(Paragraph 3.3.18)

In RNTCP, Non-Government Organisations (NGOs) were not involved.

(Paragraph 3.3.22)

Due to inadequate training of Medical Officers and Paramedical staff and non-utilisation of media officers in Information, Education and Communication activities, effectiveness of the programme was reduced.

(Paragraphs 3.3.19 and 3.3.24)

3.3.1 Introduction

Tuberculosis (TB) continues to remain the most pressing health problem in India. To control the disease the National Tuberculosis Control Programme (NTCP) was launched by the Government of India (GOI) in 1962 and taken up by the State in 1965. A revised system of 'Directly Observed Therapy – Short Term (DOTS)' was introduced with World Bank assistance from March, 1997 under Revised National Tuberculosis Control Programme (RNTCP) which aimed at achieving cure rate of at least 85 *per cent* and detection rate of at least 70 *per cent* of the estimated cases. It was extended to 6 districts from 1999 in the first year.

It proposed to cover 7 more districts in the second year and the remaining 5 districts in the third year. The RNTCP programme was started in phases only from January 1999.

3.3.2 Organisational set up

The Additional Director of Health Services (Tuberculosis) West Bengal (ADHS-TB) is in overall charge of implementation of the programme in the State. Assistant Chief Medical Officer of Health - Public Health and Family Welfare (ACMOH—PH & FW) plans, organises, implements and supervises the programme in the districts. For implementation, monitoring, supervision and evaluation of the programme, State Tuberculosis Control Society under the Chairmanship of the Secretary Health and Family Welfare Department and the District Tuberculosis Control Society with the District Magistrate as its Chairman are functioning at the State/District level respectively. The programme is implemented at the districts through District Tuberculosis Centre (DTC), Tuberculosis Units (TU), Treatment Centre (TC), Microscopy Centre (MC), DOT Centres and DOT Workers.

3.3.3 Audit Coverage

The accounts and records for 1996-2001 of 5 districts namely Bardhaman, Birbhum, Darjeeling, Howrah and Malda as well as those of the Department and Directorate of Health and Family Welfare including Central Medical Stores (CMS) were test checked during December 2000 to June 2001. The findings of audit are given in the succeeding paragraphs.

3.3.4 Finance

(a) NTCP was a centrally sponsored scheme shared by Central and State Governments on 50:50 basis. GOI provided its share in kinds. From 1997-98 onwards GOI released its share in cash for purchase of drugs. During 1996-2001, Rs 36.54 crore was spent against Budget Provision of Rs 40.88 crore (Appendix 30) as shown below:

Year	Budget Provision	Expenditure	(-) Savings / (+) Excess
	(R u p e e s i n c r o r e)		
1996-97	5.41	4.00	(-) 1.41
1997-98	6.01	4.99	(-) 1.02
1998-99	8.18	9.32	(+) 1.14
1999-2000	10.92	10.13	(-) 0.79
2000-2001	10.36	8.10	(-) 2.26
Total	40.88	36.54	

Source : Budget Publication of the State Government.

Reasons for excess/savings were not stated by the department though called for.

Against Central release of Rs 4.21 crore (1997-01), State release was only Rs 2.71 crore resulting in shortfall of Rs 1.50 crore in the State share as shown below:

Year	GOI release	State release	Shortfall in State share	Expenditure as per accounts
	(R u p e e s i n c r o r e)			
1997-98	1.34	1.09	0.25	Nil
1998-99	1.54	1.32	0.22	Nil
1999-00	0.66	0.30	0.36	1.41
2000-01	0.67	NIL	0.67	NA
Total	4.21	2.71	1.50	1.41

Source : Sanction Orders of Health & Family Welfare Department

Reasons for shortfall in State release were not stated by the department though called for.

Of Rs 4.21 crore of GOI assistance received (1997-2001), Rs 3.38 crore was utilised though only Rs 1.41 crore was booked in accounts. The entire fund of Rs 0.67 crore received in January 2001 remained unspent due to its allotment to the Drawing and Disbursing Officer on 29 March 2001. The department did not reconcile departmental expenditure with those booked in the accounts of the Principal Accountant General (Accounts & Entitlement).

**GOI grant of
Rs 18.40 lakh
remained unspent**

In the three test-checked districts (Bardhaman, Birbhum and Darjeeling), GOI grant of Rs 18.40 lakh received during 1999-2001 remained unspent for want of advance planning as of June 2001. In the State TB Control Society Rs 5.53 lakh were spent in excess due to delayed procurement of 10 four wheelers (Rs 35.53 lakh) in March 2001 though funds (Rs 30 lakh) were received in August 1999.

(b) RNTCP is a cent *per cent* Centrally sponsored scheme and the assistance both in cash and kind are being released to the societies direct by the GOI. The State TB Cell did not compile year-wise/ district-wise receipt and expenditure figures though copies of sanctions from GOI and quarterly statement of expenditure from districts were received by them. Thus Government was not aware of the position of funding for the State as a whole and control and monitoring by the ADHS (TB), West Bengal over the districts in this regard was very inadequate.

Out of Rs 3.77 crore available during 1997-2001 in 5 test-checked districts including State TB Control Society only Rs 2.22 crore (59 *per cent*) could be spent as would be evident from the table below :

(Rupees in crore)

Year	Opening balance	Amount received	Interest earned	Total	Expenditure incurred	Closing balance
1997-98	NIL	0.69	0.01	0.70	0.03	0.67
1998-99	0.67	Nil	0.03	0.70	0.18	0.52
1999-2000	0.52	2.16	0.04	2.72	0.30	2.42
2000-01	2.42	0.76	0.08	3.26	1.71	1.55
		3.61	0.16		2.22	

Source : Compilation from the replies of the test-checked units.

Rupees 3.01 crore of assistance given in kind by the GOI through Medical Store Depot, Kolkata during 1996-2000 was not adjusted in accounts of State Government, reasons of which were not stated by the ADHS (TB).

3.3.5 Microscopy centers (MCs)

282 MCs were not functioning depriving 2.82 crore people of the facility

The RNTCP envisaged expansion of the programme for Microscopy centers (MCs). As of March 2001 of 563 MCs targeted only 281 (50 *per cent*) were participating in the programme (Appendix 31). Shortfall of 282 (563-281) MCs deprived 2.82 crore targeted population of the benefits of the scheme.

In 4 test-checked districts (excepting Darjeeling), there were 69 non-functioning MCs thus depriving 0.69 crore people. In Malda there was shortfall in MC as the sites for setting up MCs were not identified as well as there was shortage of MOs. Reasons for the shortfall for the State as a whole were not stated by the ADHS (TB).

3.3.6 Programme implementation

Action plans were not prepared and requirement of ATDs never assessed

In none of the test-checked districts, Action Plans were prepared for implementation of either NTCP or RNTCP. Requirement of Anti-TB drugs (ATDs) under NTCP was never assessed. No advance planning was made for imparting training, identification of MCs, renovation thereof and for starting service delivery. Further, district-wise target for each component of work for the State as a whole was not prepared. As a result, the eligibility criteria for RNTCP were not fulfilled in time and the programme in the first phase started from first quarter of 1999 in place of December 1997 as fixed by GOI and in the second phase only 6 out of 7 districts started functioning between August 2000 and April 2001 barring Medinipur district (April 2001) as it failed to fulfill all eligibility criteria. The programme did not start in the third year districts as of April 2001. Thus out of 18 districts where the programme was to operate in the State as of March 2000, only 12 districts were covered.

3.3.7 Treatment

To detect maximum number of cases among the patients attending outdoor departments of different Government Health Institutions and to treat them effectively, NTCP was launched. Detection of TB was done through sputum examination and X-ray when the sputum is negative. Treatment is rendered under two Regimens namely, Standard (for both sputum positive and negative cases) and short course Regimen (for sputum positive cases only).

(a) Shortfall in sputum examination and identification of smear positive cases

Shortfall in Sputum examination and identification of smear positive cases ranged between 52 and 84 *per cent*, 39 and 64 *per cent* respectively

During 1996-2001 in the state, shortfall in targeted sputum examination increased from 52 to 84 *per cent* and in identification of new smear positive cases from 39 *per cent* to 64 *per cent* as shown below:

Year	T.B. suspects for sputum examination		Shortfall (<i>per cent</i>)	Identification of new smear positive cases		Shortfall (<i>per cent</i>)	Percentage of New Smear positive cases
	Target	Achievement		Target	Achievement		
1996-97	205000	99076	52	20500	12600	39	12.72
1997-98	113582	96678	15	37854	14936	61	15.45
1998-99	384460	98944	74	38446	17816	54	18
1999-2000	389860	85068	78	38990	15595	60	18.33
2000-2001	395040	62293	84	39500	14346	64	23.02

Source : Reports of the ADHS (TB), West Bengal.

No steps taken to curb increasing trend of sputum positive cases

Information regarding total detection of new TB cases was not furnished by the ADHS (TB). Due to such steep increase in shortfall of examinations, sputum positive cases increased from 13 per cent to 23 per cent over the estimated rate of 10 per cent. Thus the disease was spreading. No steps were taken to achieve the target as fixed by GOI. Possibility of a good number of suspected sputum positive cases remaining undetected also could not be ruled out.

In the 4 test-checked districts (Bardhaman, Birbhum, Darjeeling and Malda), shortfall in sputum examination and identification of new smear positive cases averaged 55 per cent and 40 per cent respectively during 1996-2001 as detailed in Appendix 32.

(b) Unfruitful expenditure on dropouts

In the State, 2.72 lakh patients (22 per cent) left (drop-outs) before completion of treatment thus increasing the scope of spreading the disease and rendering the expenditure of Rs 8.02 crore on their treatment unfruitful.

The Statewide position of treatment and drop outs was as follows:

Unfruitful expenditure of Rs 8.02 crore on 2.72 lakh dropout cases

Year	Number of patients at the beginning of the year	Number of new patients	Total	Number of patients completed treatment	Number of dropouts	Number of patients at the end of the year
1996-97	227742	77538	305280	34173	78907	192200
1997-98	192200	71593	263793	33174	65886	164733
1998-99	164733	81753	246486	39995	51490	155001
1999-2000	155001	78358	233359	48460	43459	141440
2000-2001	141440	49048	190488	29825	32012	128651
		358290	1239406	185627	271754	

Source : Status report of ongoing Public Health Programme and reports of the ADHS(TB), W.B.

Dropouts aggravated spread of TB in the society

In 4 test-checked districts (Bardhaman, Birbhum, Darjeeling and Malda), 0.31 lakh out of 3.57 lakh patients completed full course of treatment and 0.50 lakh patients (14 per cent) received partial treatment. Expenditure of Rs 1.39 crore on the incomplete cases had become unfruitful. The drop outs attributed to irregular supply of ATDs by the implementing authorities of the units. It was, however, observed that lack of home visits by Health staff, motivation among patients and absence of health education, inadequate monitoring and supervision were the other factors contributing to such large dropouts.

Due to large number of drop out cases expenditure of Rs 8.02 crore¹ for the State became largely wasteful. Further the possibility of the patients becoming drug resistant could not be ruled out due to inadequate drug intake/discontinuation of treatment.

¹ Working of Rs 8.02 crore: Rs 36.54 crore X 2.72 lakh ÷ 12.39 lakh

(c) Inadequate Diagnostic Centre

Diagnostic centres not increased despite having infrastructural facilities

In 3 test-checked districts (Bardhaman, Birbhum and Malda) only 11 diagnostic centres were functioning as against at least 79 due to be available under NTCP. Further 68 Block Primary Health Centres (BPHCs) out of a total of 70 centres had no such facility due to failure of the ACMOH (PH&FW) to supply reagent, which costs only Rs 7 per patient. No target was fixed by the ACMOHs (PH&FW) for sputum examination though laboratory and technicians were available. Thus the patients were deprived of getting their sputum examined from a nearby centre while the staff and laboratory equipment were not utilised.

(d) Treatment without conducting tests

(i) In 4 test-checked districts (Bardhaman, Birbhum, Darjeeling and Malda), 0.84 lakh patients were registered during 1996-2001 (Appendix 33). In Darjeeling district 16507 patients were put under treatment against 18680 detected leaving 2173 patients. In Malda district 11223 patients were given treatment (total detection being 11291 and number put on treatment – 22514). All these treatments were given without conducting sputum examination.

(ii) In Manickchak TU of Malda district five patients were declared cured by the Medical Officer without examination of sputum at the completion of treatment. Again sputum negative cases were put on treatment under Category II meant for re-treatment (sputum positive relapsed cases) and not under Category-III (patients with negative smear) as required. A smear positive patient who had completed treatment and had not got his sputum examined at the end of treatment was declared as cured.

(e) Fictitious issue of medicines

As per guidelines of the National Tuberculosis Institute (NTI) Capsule Rifampicin-450 mg and Tablet Pyrazinamide-500 mg should be given to smear positive cases at the ratio of 1 : 3 daily for a period of sixty days (Intensive Phase) under Short Course Regimen. In Bolpur Sub Divisional Hospital no Treatment Card/ TB Patient Register was maintained. However, as per Laboratory records 428 TB cases (3 positive and 425 negative) were detected. For 3 positive cases 4.87 lakh Capsule Rifampicin-450mg and 0.56 lakh Tablet Pyrazinamide-500 mg were reportedly issued by the Hospital Authority instead of 180 capsules and 540 tablets respectively. In addition 0.91 lakh Injection Streptomycin, though not admissible under the above Short Course Regimen A were also shown as issued by the hospital. Genuineness of issue of so much excess medicine valuing Rs 22.95 lakh were doubtful and the matter calls for investigation.

Doubtful consumption of SCC drugs valuing Rs 3.13 crore

Further, drugs were reportedly issued beyond the intensive period of 60 days by the units even up to 18 months in some cases. Capsule Rifampicin and Tablet Pyrazinamide were reportedly issued in huge quantity by the Medical Officers. It was seen that ADHS (TB) or ACMOHs (PH&FW) did not issue NTI guidelines.

In Darjeeling district issue of excess capsule amounted to Rs 31.45 lakh. Such excessive issue of Capsule Rifampicin had no valid reason and possibility of these issues being fictitious cannot be ruled out. This involved excess expenditure of Rs 3.13 crore as shown below:

No. of patients put under SCC Regimen A during 1996-2001	Particulars	Capsule Rifampicin	Tablet Pyrazinamide
24288	Quantity issued	97,53,450	50,58,024
	Quantity required	14,57,280	43,71,840
	Excess quantity	82,96,170	6,86,184
	Value of excess quantity	Rs 301.98 lakh	Rs 11.32 lakh

Total value Rs 3.13 crore

Source : Figures compiled from replies of MOs of the test-checked districts

3.3.8 Excess expenditure on treatment

Cost of treatment for each patient was Rs 2119 against Rs 392.65

In 4 test-checked districts (Birbhum, Bardhaman, Malda and Darjeeling) of 3.56 lakh patients, 30993 patients (9 per cent) were given complete treatment at Rs 9.86 crore. Thus, for each patient Rs 2119 were spent (cost of drugs only) against prescribed norm of Rs 392.65 while 0.50 lakh (14 per cent) patients received partial treatment rendering the expenditure of Rs 1.39 crore unfruitful.

3.3.9 Use of medicine without sputum examination

In 4 test-checked districts (Bardhaman, Birbhum, Darjeeling and Malda) SCC drugs were given by the attending physicians even to patients with negative smear and without examination of sputum to detect the cases as positive or negative.

In Asansol Sub-Divisional hospital where sputum examination was never done, Capsule Rifampicin and Tablet Pyrazinamide were issued by the attending Medical Officers to the extent of 2.26 lakh (Rs 8.24 lakh) and 2.29 lakh (Rs 3.77 lakh) respectively to 23988 patients during 1996-2001.

3.3.10 Periodical review of treatment not conducted by Medical Officers

As per guidelines of NTI, patients treated under Standard Regimen are required to be reviewed by the attending physicians after 6 and 12 months and those under Short Course Regimen, after 3 and 6 months from the initiation of treatment. In the test-checked districts efficacy of treatment of the patients were never reviewed by the Medical Officers for follow up treatment. As the treatment Cards/TB Patient Register showing the date of starting treatment, particulars of ATDs issued, etc. were not maintained by the units, no periodical review was conducted.

3.3.11 Activities under RNTCP

Performance in implementation of RNTCP (phase III) in 8² districts, including 3 Pilot Projects at Tangra Ward of Calcutta Municipality (1994), Sagardighi Block of Murshidabad district (1994 Phase-I) and Chandannagar Sub-Division of Hooghly district (1995- Phase-II) were as under :

² Bankura, Hooghly, Howrah, Jalpaiguri, Kolkata, Malda, Murshidabad and Nadia.

Poor detection rate under RNTCP

	Expected level	1996	1997	1998	1999	2000
Population covered (In lakh)	-	10	17	70	254.30	317.30
Performance Indicators						
Total detection rate per lakh population	135	215.8	125	36.4	73.8	92
Detection rate of new smear positive cases per lakh population	50	92.8	56	16	28	33
Conversion rate at 2(3) months of treatment of new smear positive cases, relapses and failure	90 per cent	80.3	83.1	86.3	75.2	73.8
Cure rate of new smear positive cases	85 per cent	85.2	87.2	88.2	80.6	Not due
Default rate	5 per cent	3.2	4.4	3.6	7.9	Not due

Source : "RNTCP in West Bengal" published by the STDC, W.B.

In Howrah and Malda RNTCP was operative from the first quarter of 1999 and 0.11 lakh patients stood registered during 1999 and 2000 (Appendix 34). Performance of 2 test-checked districts³ (Malda and Howrah) were as follows :

Achievement under RNTCP were far below the target

	Expected level	1999		2000	
		Malda	Howrah	Malda	Howrah
Population covered (in lakh)	-	30	42.3	32.90	42.3
Performance indicators					
Total detection rate per lakh population	135	39.46	41.65	94.74	63.23
Detection rate of new smear positive cases per lakh population	50	13.77	17.11	32.82	25.15
⁴ Conversion rate at 2(3) months of treatment of new smear positive cases, relapses and failure	90 per cent	80.78	71.80	73.22	77.70
⁵ Cure rate of new smear positive cases	85 per cent	71.9	73	Not due	Not due
Default rate	5 per cent	18.54	18.06	Not due	Not due

Source : Compiled from replies of the test-checked districts

Total detection rate and detection rate of smear positive cases were far below the expected level of 135 and 50 respectively from 1998 onwards. Default rate was also high in 1999. Conversion rate also decreased from 1999 onwards. Though cure rate was at the expected level, poor detection rate indicated that the programme could not cover all the targeted population. In the 2 test-checked districts the default rate was always higher and achievement in the remaining components were much less than the expected level. The number of Relapse cases increased from 140 in 1999 to 218 in 2000 in 2 test-checked districts. Cure rate of Relapse cases was 62 per cent whereas default rate was 16 per cent in case of new smear positive cases in 1999.

As seen during audit, poor implementation and monitoring viz. non-investigation of all suspects/symptomatics for TB, deficiencies and shortfall in sputum microscopy, absence of health education, non-observance of dose medication, poor health service, non-utilisation of the laboratory technicians, shortage of staff and inadequate monitoring/supervision were the main reasons for such poor performance though adequate funds and medicines were available.

³ In Bardhaman and Birbhum service delivery started from March 24 and April 02, 2001 respectively. In Darjeeling district the DTCS was formed only on December 05, 2000.

⁴ Data furnished in Appendix 35

⁵ Data furnished in Appendix 36.

3.3.12 Short Course Chemotherapy (SCC) drugs

(a) Excess purchase

Purchase of medicine valued at Rs 4.15 crore in excess of requirement

As per guidelines prescribed by NTI, SCC drugs like Capsule Rifampicin (450 mg) and Tablet Pyrazinamide (500 mg) should be given under Regimen A of SCC (treatment under Regimen B not being rendered) to smear positive and seriously ill extra-pulmonary TB cases during the intensive phase of 60 days in the ratio of 1:3. However, during 1996-2001 the norm was not followed by Chief Medical Officer of Health/Deputy Director of Health Services (Equipment & Stores) in the 5 test-checked districts and Central Medical Stores respectively. While 96.97 lakh Tablet Pyrazinamide (average cost Rs 1.65 each) needed 32.32 lakh Capsule Rifampicin (average cost Rs 3.64 each) 146.20 lakh Capsules were procured by them in defiance of guidelines resulting in procurement of 113.88 lakh excess quantity of capsules valued at Rs 4.15 crore during 1996-2001. In the Central Medical Store the excess procurement was for Rs 2.14 crore (83.92 lakh purchased against 25.21 lakh required) while in the districts it amounted to Rs 2.01 crore (62.28 lakh for 7.11 lakh required). Reasons for purchase of such excess huge quantity of Capsule Rifampicin were not stated by concerned DDOs. The matter calls for investigation.

(b) Huge purchase of unnecessary medicines

Irregular purchase of SCC drug valuing Rs 3.10 crore

GOI released cash assistance only for purchase of non-SCC drugs, required for sputum negative cases, in non-RNTCP districts. In 25 cases Deputy Director of Health Services (Equipment & Stores) of Central Medical Stores (CMS), Kolkata procured SCC drugs (Capsule Rifampicin and Tablet Pyrazinamide) valued at Rs 2.34 crore during 1998-2000 though not permissible. Of this purchase medicines worth Rs 1.18 crore were issued to 7 non SCC districts in violation of guidelines. ADHS (TB) did not review the procurement periodically. The Deputy Director could not state how the requirement of the SCC drugs was assessed and purchased. In the sanctions issued by the PHP Branch of Health and Family Welfare Department in March 1999, drugs to be purchased were not indicated though the GOI instruction was received in February 1999.

Further, Chief Medical Officer of Health, Birbhum purchased SCC drugs for Rs 0.76 crore during 1996-2001 irregularly though the district was a non-SCC one and was not authorised to render treatment with drugs like Capsule Rifampicin and Tablet Pyrazinamide. SCC drugs valued Rs 1.12 crore were also stated to have been consumed in the above non-SCC district, genuineness of which was not evident. In the process huge amount of funds were wasted by senior officers of the department which calls for investigation.

Irregular purchase of Rs 3.37 lakh

In Malda, sputum containers, laboratory consumables involving Rs 1.43 lakh was purchased by the Dy. CMOH-II in 11 cases without obtaining approval of the purchase committee. Forms and printed materials valued at Rs 1.94 lakh were not accounted for.

3.3.13 Doubtful consumption of Injection Streptomycin

Doubtful consumption of Injection Streptomycin valuing Rs 46.01 lakh

Streptomycin injections are required to be pushed dissolving in distilled water. As per guidelines of the NTI, the injections are to be administered daily only at the Peripheral Health Institutes. In the 5 test-checked districts 9.75 lakh vial injections valuing Rs 46.01 lakh were reportedly issued to the patients by test-checked centres without distilled water in violation of the prescribed norms. Use of such drugs was doubtful and the possibility of malpractice in the matter could not be ruled out.

3.3.14 Drug resistance

Drug resistant cases were not yet surveyed for treatment

Due to irregular supply of ATDs the TB patients did not get regular treatment according to MOs of test-checked units, and the patients were likely to become drug resistant posing great public health problems by spreading the disease. The high drop out rate, discontinuance of treatment, lack of awareness among the patients, indiscriminate use of Capsule Rifampicin were the major reasons for the drug resistant cases. In the State, no survey of the status of drug resistant cases was undertaken.

3.3.15 Issue of Anti-TB drugs to RNTCP districts

Inadmissible issue of ATDs worth Rs 55.90 lakh to RNTCP districts

In violation of GOI guidelines which stipulated purchase of drugs only for non-RNTCP districts, anti-TB drugs worth Rs 55.90 lakh, as detailed below, were issued by Central Medical Stores (CMS) to the RNTCP districts.

Name of the drug	Quantity issued during 1999-2000	Value (Rs in lakh)
Inj. Streptomycin	116500	5.83
Cap. Rifampicin	804600	28.12
Tab INH	962000	1.88
Tab Ethambutol	906500	7.42
Tab Pyrazinamide	683000	11.27
Tab INH + Thiactazone	502000	1.38
		55.90

Source : Statement furnished by the Central Medical Store.

Reasons for allowing CMS by ADHS (TB), WB to issue these drugs were not stated.

3.3.16 Diversion of anti-TB drugs (ATDs)/time barred medicines

Diversion of ATDs valuing Rs 25.21 lakh

In Bardhaman, Capsule Rifampicin (450 mg) valuing Rs 2.47 lakh under Tuberculosis Control Programme was issued to the Modified Leprosy Control Unit (MLCU), Katwa during 1996-2000 for treatment of Leprosy patients in deviation of the norms. As confirmed by the MLCU, Katwa, the capsules received at the fag end of their validity period could not be utilised as there was sufficient stock of Blister Pack meant for treatment of Leprosy. In consequence, these capsules lost their shelf life and were damaged every year raising serious doubts of fraud. While accepting audit observations the unit had stated that Capsule Rifampicin (300 mg) was only required for treatment of leprosy. This needs investigation.

In Birbhum Capsule Rifampicin and Tablet Pyrazinamide worth Rs 1.13 lakh meant for domiciliary treatment were used in indoor department of Suri Sadar Hospital. Detection of TB was also not done there. ATDs valued at Rs 6.17 lakh in Malda and Rs 15.44 lakh in Darjeeling were issued to the Indoor department of different hospitals in violation of guidelines.

In Darjeeling district Tuberculosis centre 2080 pouch of 7 blister combipack valued at Rs 1.92 lakh received in July 2000 lost their shelf life in December 2000 as these could not be put to use in time.

3.3.17 Lack of quality control

Utilisation of ATDs worth Rs 3.97 crore without testing of potency

During 1996-2001 the Chief Medical Officers of Health (CMOH) of 5 test-checked districts utilised ATDs valued at Rs 3.97 crore without getting their potency and efficacy tested by the Assistant Director, Drug Control. Possibilities of drug reaction could not be ruled out in those cases.

3.3.18 Non-accountal of ATDs

ATDs worth Rs 24.64 lakh accounted for

In Darjeeling, district-wide difference between the quantity issued by the CMS and received by 3 units namely District Reserve Stores, District Tuberculosis Centre and the Dy. Assistant Director of Health (E&S) Siliguri was noticed as indicated below :

	1996-97	1998-99	1998-99	1999-00	1999-00	1999-00	1999-00	
	Cap. Rifampicin (450 mg)	Tab Pyrazinamide	Tab Ethambutol	Tab INH	Tab Ethambutol	Cap Rifampicin (450 mg)	Tab Pyrazinamide	
Quantity issued by CMS	53090	67100	38400	930000	857600	1005000	786000	
Quantity received by the district units	50000	25000	25000	600000	527600	675000	456000	
Difference	3090	42100	13400	330000	330000	330000	330000	
Value (in lakh)	Rs 0.11	Rs 0.70	Rs 0.12	Rs 0.63	Rs 2.71	Rs 11.55	Rs 5.44	
Total : Rs 21.26 lakh								

Source : Compiled from the data collected from Darjeeling district.

Besides, the following ATDs were not found recorded in the stock ledger of 2 District Tuberculosis Centres :

Name of the DTC	Particulars of ATDS	Value	Remarks
Birbhum	Inj. Streptomycin 48940 vials	Rs 2.67 lakh	48940 vials arising out incorrect balancing
Malda	Tab Pyrazinamide 10000 Tab INH 50000 Tab INH + Thiacitazone 10000 Cap Rifampicin 10000 Tab INH 40000	Rs 0.71 lakh	Quantity received against indents dated 01.11.99 and 22.07.99 not accounted for.
		Rs 3.38 lakh	

Source : Compiled from replies of Birbhum and Malda districts

Whereabouts of the above ATDs valued at Rs 24.64 lakh could not be traced out in Audit raising doubts about their utilisation.

3.3.19 Shortfall in training programme

Shortfall in training ranged between 16 and 82 per cent

Training of the key staff is an essential pre-requisite for effective implementation of a programme. Due to lack of advance planning there was a shortfall of 60 per cent and 82 per cent in respect of training of Medical Officers (MO) and Para-Medical Staff (PMS) in Bardhaman district. In Birbhum, it was 31 per cent and 16 per cent respectively. In Malda only 79 per cent of MOs were trained up as of March 2001.

3.3.20 State TB Demonstration cum Training Centre (STDC)

No advance planning for training center

In the STDC set up in 1960 in Kolkata Medical College and Hospitals for conducting training course in BCG vaccination and Sputum Microscopy no advance planning was made for training to be imparted with target specifying the category and number of staff to be trained.

3.3.21 Expenditure on Defunct Clinic/Idle Establishment

In Birbhum district Rs 3.24 lakh was spent during 1999-2001 towards maintenance of a defunct chest clinic. In Bardhaman and Howrah districts Deputy CMOH II incurred an expenditure of Rs 4.40 lakh towards salaries of two drivers remaining idle during July 1998 and March 2001.

3.3.22 Non-involvement of Non-Government Organisation (NGO)

Involvement of NGO in implementation of the programme was insignificant. In Bardhaman, Birbhum and Malda no involvement of NGO and Anganwadi workers were noticed. In Howrah 2 NGOs could be involved only in February 2001.

3.3.23 Manpower

Shortfall in manpower

In the 5 test-checked districts there was shortage of 28 Tuberculosis Health Visitors, 31 Medical Technologists (MT Lab), 1 MT (X-Ray), 1 Pharmacist, 1 Senior Treatment Supervisor (STS) and 20 Microscopists affecting implementation of the programme.

The overall position for the State was not furnished by the ADHS (TB).

3.3.24 Information, Education and Communication (IEC) activities

Inadequate IEC activities

Successful implementation of RNTCP depended to a large extent on the knowledge and awareness of different aspects of tuberculosis and its control measures to the providers, users and the community at large. In the State, the State Media Officer was not involved in Planning, organising, monitoring and co-ordinating IEC activities. No IEC officer was appointed and the fund for remuneration of the officer (Rs 0.80 lakh received in March 1999) remained unutilised as of January 2001.

No Medical Officer, Information, Education and Communication (IEC) officer, etc. was also appointed on contract basis for strengthening of State TB Cell though Rs 18.20 lakh was available for the purpose.

IEC activities were not taken up (March 2001) in Bardhaman district and the fund received remained unspent. In Birbhum district only 4 per cent of the fund (Rs 0.17 lakh against Rs 3.62 lakh) was utilised. In Malda where RNTCP was in operation from 1999, only 65 per cent of fund (Rs 3.27 lakh) was utilised against Rs 5.06 lakh.

3.3.25 Other points

(i) During 1999-2000, in Malda under DOTs, 28122 vials of Injection Streptomycin valuing Rs 1.41 lakh were handed over to the patients of category II for getting them administered from outside.

(ii) There are large number of street dwellers in Kolkata Municipal Corporation (KMC) area. Possibility of some of these dwellers suffering from TB and even dying of the disease cannot be ruled out. Pavement dwellers who pull rickshaws, work in home, at roadside shops, etc. have ample scope of spreading the disease. As per RNTCP guidelines patients requiring registration must have specific address. As the footpath dwellers do not have any ration cards and fixed addresses they were not yet covered under the programme for treatment. Thus spread of disease from them had remained unchecked.

(iii) In KMC a sum of Rs 1.16 lakh (Rs 0.95 lakh as *ex-gratia* for 1998 and 1999, Rs 0.21 lakh as leave salary for Maternity and Medical leave) was paid to the contractual staff in violation of norms.

(iv) Of 6 lakh Tab Ethambutal (400 mg) received in August 2000 from CMS, 3.66 lakh tablets were issued between August and November 2000 by the ACMOH (PH&FW), Bardhaman. Complaints of reaction like weakness, headache, giddiness, etc. were received and 128463 tablets (Rs 1.05 lakh) were received back by the ACMOH (PH&FW). The matter was not investigated into. Again of 500 Patient Wise Box (PWB) medicines of category I worth Rs 2.11 lakh supplied by GOI between June 2001 and July 2001 for consumption and further issue was stopped on receipt of report from the Medical Store Depot of GOI that the medicines were of substandard quality. Reasons for supply of such substandard medicines were not stated.

(v) In Howrah 23 cartons of 7 blister combipack worth Rs 1.70 lakh was lost (June 1997) due to theft. FIR was lodged but final reports were awaited as of July 2001.

(vi) No means were adopted to identify the gap, if any, between chest symptomatics identified during routine visit of the Tuberculosis Health Visitors and the number put under treatment as the relevant reports were not obtained and compiled by the ACMOsH (PH&FW).

Reports on visits not maintained

3.3.26 Monitoring and Supervision

Monitoring and supervision are of great importance for successful implementation of any programme.

Officers of State Tuberculosis Cell are required to supervise the DTCs once in a month and check the activities of District Tuberculosis Programme rotationally. District Tuberculosis Officer (ACMOH – PH & FW) was to visit every quarter all TUs and Block Primary Health Centres in the District. No State Level Officer paid any visit for the purpose excepting in September and December 2000 as reported by the District Level Officers of Bardhaman and Darjeeling (Appendices 37 and 38). ACMOH (PH & FW) had never paid any visit to the Peripheral Health Institutes to assess implementation of NTCP. Regarding RNTCP except in Howrah nothing regarding monitoring and supervision made by the ACOMH (PH & FW), of the remaining test-checked districts were on records. As per resolution adopted in the meeting of the State TB Control Society on December 1, 1999 and June 14, 2000, 4 State Level Officers were asked to monitor and supervise the TB Control Programme. Of these, reports of one officer were produced but corrective measures, if any, were not communicated to the Districts concerned for taking necessary action. Inadequate monitoring and supervision failed to detect deficiencies, weakness of the Programme, if any and to suggest corrective measures for improvement the working of the Scheme.

The matter was referred to Government in October 2001; reply had not been received (January 2002).

HEALTH AND FAMILY WELFARE DEPARTMENT

**NATIONAL PROGRAMME OF PREVENTION AND
CONTROL OF DISEASES**

3.4 NATIONAL PROGRAMME FOR CONTROL OF BLINDNESS

HIGHLIGHTS

Government of India launched National Programme for Control of Blindness in 1976-77 and in the State it was implemented from 1981-82. The progress aimed at reduction in incidence of blindness from 1.4 per cent to 0.3 per cent by 2000 AD. Even after lapse of 19 years, State could not achieve this target. Large amount of central assistance for upgradation of OT, construction of eye wards and preparation of blind registry were not utilised.

Rupees 86.41 lakh (32 per cent), out of Rs 2.67 crore of Central assistance was not released by the State Government.

(Paragraph 3.4.4(ii))

Development of services were provided only in 2 District Hospitals and 25 PHCs while creation of additional facilities like OTs, Eye Banks and Mobile Units remained unachieved

(Paragraph 3.4.5)

Against target of 9.13 lakh cataract operations, achievement in the State was reported to be 842145 (shortfall 8 per cent) whereas achievement of 4 test-checked districts was 86196 (shortfall 60 per cent) against target of 215500 during 1996-2001 thus depicting a different picture.

(Paragraph 3.4.6(a)(i))

Thirty Eye Surgeons of hospitals test-checked performed 10054 operations (10 per cent) as against norm of 105000 operations during 1996-2001.

(Paragraph 3.4.6(a)(ii))

Performance of operations by the Eye Surgeons attached to District Hospitals was lower than that of the nursing homes in the districts.

(Paragraph 3.4.6(a)(iv))

State Government fixed lower targets (10 to 20 per cent) for Intra Ocular Lense Operation (IOL) against the norm of 30 per cent as per guidelines. Even this lower target remained unachieved.

(Paragraph 3.4.6(a)(v))

Although corneas can be preserved for only 4 days, Regional Institute of Ophthalmology (RIO), Kolkata intimated about availability of Corneas to wait-listed blind patients by post. Due to such delay only 321 eyes

The abbreviations used this Review have been listed in Glossary in Appendix 60 (page 302)

(34 per cent) could be transplanted out of 946 eyes collected. Eye Bank in Bankura Sammilani Medical College and Hospital remained non-functional for over 2 decades for want of deployment of staff, though sanctioned.

(Paragraph 3.4.6(c))

Sentinel Surveillance Unit (SSU) established for working out reporting system could not start functioning for want of feed back from the concerned Deputy CMOH-II though Rs 0.75 lakh was provided by GOI in May 2000.

(Paragraph 3.4.6 (e))

Out of Rs 8 lakh sanctioned (1999-2000) by GOI towards renovation and furnishing of OT and eye wards of 7 Medical College & Hospitals and 17 District Hospitals in the State, 2 District Hospitals of 4 test-checked districts failed to utilise the sanctioned amount of Rs 0.95 lakh

(Paragraph 3.4.6(f))

Out of Rs 2 lakh allotted towards maintenance of equipment during 1999-2000 to 7 Medical College and Hospitals and 17 District Hospitals in the State, Rs 0.43 lakh meant for 4 units in the test-checked districts remained unutilised.

(Paragraph 3.4.6(g))

Of Rs 14 lakh released by Government of India (GOI) for preparation of village-wise blind registry in 7 districts, only Rs 0.54 lakh could be utilised by one district and balance of Rs 13.46 lakh remained unutilised as of March 2001.

(Paragraph 3.4.6(i))

Rupees 70 lakh released by GOI in May-June 2000 for construction of eye wards and eye operation theatre in 5 selected hospitals remained unutilised till March 31, 2001 due to non-receipt of approval for construction sent after March 2001 to GOI. Central assistance of Rs 50.10 lakh towards purchase of equipment also remained unutilised on grounds of shortage of time for observance of purchase formalities.

(Paragraph 3.4.6 (k) (i) (ii))

3.4.1 Introduction

The National Programme for Control of Blindness (NPCB) launched by Government of India in 1976-77, is being implemented by the State from 1981-82. The Programme envisaged reduction in incidence of blindness from 1.4 per cent (1975) to 0.3 per cent by 2000 AD through various programme activities namely (i) establishment of Regional Institute of Ophthalmology, (ii) upgradation of Medical Colleges & District hospitals, (iii) development of Mobile Eye Units and (iv) recruitment of required ophthalmic manpower and provision of various ophthalmic services.

Incidence of blindness in the State was less than 1 per cent as per survey Report of 1986. No survey on the position of the State as a whole was conducted thereafter. District-wise up to date position and the position of worst affected districts, if any, could not be furnished by the Government.

With the objective of decentralising the implementation of the programme, seventeen District Blindness Control Societies (DBCSs) were formed in the State between 1993 and 1997.

3.4.2 Organisational set up

At the State Level, Health and Family Welfare Department was to implement the programme by forming a committee under the chairmanship of the Secretary of the Department. As the said committee was not formed, Assistant Director of Health Services, Ophthalmology, West Bengal (ADHSOWB), was in overall charge of implementation of the programme. At the District level, District Blindness Control Society with the Deputy Chief Medical Officer of Health (Deputy CMOH-II) as Member Secretary is responsible for implementation, monitoring and supervision of the programme through District Hospital, Sub-Divisional Hospital, Block Primary Health Centre and Non Government Organisation (NGO).

3.4.3 Audit Coverage

Records for the period from 1996-97 to 2000-2001 maintained in the Government/Directorate, RIO, Kolkata and 4 (Bankura, Bardhaman, Purulia and Uttar Dinajpur) out of 17 districts were test-checked between February and June 2001, the results of which are brought out in the succeeding paragraphs.

3.4.4 Finance

Expenditure exceeded budget provision by Rs 7.07 crore

Government of India (GOI) was to provide 100 *per cent* financial assistance for the activities of the programme. Certain equipment were also to be provided by Danish International Development Agency (DANIDA). GOI has been releasing funds directly to all the DBCSs.

(i) Under the programme State provided Rs 12.99 crore during 1996-2001 against which actual expenditure of Rs 20.06 crore was incurred. The excess expenditure over budget provision was Rs 7.07 crore. Finance (inverse) Tree shown in Appendix 39.

(ii) State received Central assistance of Rs 2.67 crore during 1996-01. Out of this Rs 86.41 lakh remained unallocated as of March 2001, the reason for which was not stated by the Government.

(iii) Total cash assistance received by all the DBCSs from GOI could not be ascertained as the same were received directly. However, funds received and expenditure incurred thereagainst by the four test-checked DBCSs during 1996-2001 were as follows :

(Rupees in lakh)

DBCS	Total GOI fund received (including Bank interest) during 1996-01	Total expenditure during the period	Percentage of utilisation	Balance as of 31.03.2001
Bankura	23.44	21.14	90	2.30
Bardhaman	31.08	25.10	81	5.98
Purulia	17.38	12.40	71	4.98
Uttar Dinajpur	25.48	24.12	95	1.36
Total				14.62

Source : Compilation of data of test-checked districts.

3.4.5 Development of services

Target set by GOI for services viz. provision of Eye Surgeon, Ophthalmic Assistant, Ophthalmic equipment, etc, to be developed during 1997-99 were as under :

Development of services remained unachieved

Units	Target	Achievement
Primary Health Centre	25	25
District hospital (North 24-Parganas, Uttar Dinajpur)	2	2
District Mobile Unit	6	Nil
Sub Divisional Hospital	13	Nil
Medical Eye Bank	3	Nil
Operation Theatre	4	Nil

Full range of services were only provided in 2 District Hospitals and 25 PHCs while all the other targeted items including OTS, Eye Banks and Mobile Units remained unachieved.

3.4.6 Programme implementation

No action plan was drawn for the State as a whole in the absence of any survey of the existence of blind/impaired eyed persons. In four test-checked districts while two DBCSs (Bardhaman and Purulia) did not prepare any action plan for execution of different activities under the Programme, two others (Bankura and Uttar Dinajpur) prepared action plans but norm of 400 cataract operations per lakh population was not considered.

(a) Cataract operation

Against the target (set by GOI) for cataract operation, State Government reported achievement as under :

Year	Target	Achievement	Shortfall	
			Number	Percentage
1996-97	150000	144000	6000	4
1997-98	168000	146485	21515	13
1998-99	184800	169397	15403	8
1999-2000	200000	205790	(-) 5790	-
2000-01	210000	176473	33527	16
Total	912800	842145	70655	8

Achievement, however, was at variance with the position of achievement in 4 test-checked districts as analysed in next sub-para.

(i) Scrutiny of records of the test-checked districts revealed as follows :

Sl No	Target	Target as per norm of 400 cataract operation/ lakh population	Target fixed by Directorate	Achievement	Shortfall	
					With reference to norm	With reference to target fixed
1.	Bankura (Population 28.05 lakh as per 1991 census)	56100	74000	14410	41690	59590
2.	Bardhaman (60.50 lakh as per 1991 census)	121000	70000	24353	96667	52322
3.	Purulia (22.24 lakh as per 1991 census)	44480	40000	41884	2596	-
4.	Uttar Dinajpur (18.97 lakh population as per 1991 census)	37940	31500	5549	32391	25951
		259520	215500	86196	67 per cent	60 per cent

Shortfall in achievement of cataract operation

It would be seen from the above table that State Government fixed the target on lower side except in Bankura without honouring the norms. Again, against the target, achievement during 1996-2001 was only 86196 which recorded shortfall of 67 per cent as compared to the target as per norm and 60 per cent to that actually fixed. Reasons for shortfall were, however, not stated.

Doubtful achievement

Achievement in Uttar Dinajpur was 5549 cases during 1996-2001 whereas State Government reported 7594 to Government of India. Thus the Report of the State Government was fictitious. The district authorities failed to allot the target amongst district institutions and NGOs. As a result, their performance could not be analysed. In six Block Primary Health Centres (BPHCs) of Bardhaman district where no records for complicated/ failure cases were maintained, 2141 patients were referred to Sub-Divisional Hospitals for Cataract surgery and other ailments. Of the above referred cases, information as to how many was operated upon and got back vision were not available. As there was no separate target and reporting, achievement of cataract surgery on SC/ST people could not be ascertained in audit.

ii) Performance with reference to the norms per eye surgeon per year during 1996-2001 was dismal as indicated below :

Sl No	District	Number of eye surgeons	Required number of cataract operations as per norm of 700/ surgeon per year during 1996-2001	Cataract operation actually done	Shortfall
1.	Bankura	10	35000	3351	
2.	Bardhaman	15	52500	5795	
3.	Purulia	2	7000	672	
4.	Uttar Dinajpur	3	10500	236	
		30	105000	10054	90 per cent

Poor performance by 30 eye surgeons on cataract operations

As per norm of 700 cataract operations per surgeon per year, against 105000 operations scheduled 10054 were done during 1996-2001 by 30 eye surgeons in the district/ Sub-Divisional Hospitals of the 4 test-checked districts which recorded shortfall of 90 per cent.

Principal, Bankura Sammilani Medical College and Hospital stated (June 2001) that the poor achievement was due to non-availability of Surgeons in Eye OT for more than 3 days in a week due to load of outdoor patients. The reply was not tenable since the performance of the surgeons even on the 3 days was very nominal. As evident from the table, even if the OT was utilised for 6 days in a week, the shortfall would have been more than 50 per cent. Under-utilisation of OT not only frustrated the target fixed but also failed to extend service to the poor people. Conducting of cataract operations only on 3 days was therefore not justified.

iii) 10032 cataract operations were carried out against norms of 41500 during 1996-2001 (50 cataract operations per bed per year), in the district/sub-divisional hospitals of 4 test-checked districts registering a shortfall of 76 per cent as shown below

Target as per norms not fulfilled

Sl No	District & Sub-Divisional Hospitals	No. of eye bed	Number of cataract operations to be done as per norm of 50 operations/ per bed/ year during 1996-2001	Operation actually done	Shortfall
1.	Bankura	56	14000	3351	
2.	Bardhaman	84	21000	5795	
3.	Purulia	18	4500	672	
4.	Uttar Dinajpur	8	2000	214	
		166	41500	10032	76 per cent

For 41500 operations in 166 eye beds, 12 eye surgeons were required but 30 eye surgeons were retained in districts/ sub-divisional hospitals. This resulted in excess retention of 18 (30-12) eye surgeons. The district authorities could not state the reasons for such excess retention.

Poor performance by surgeons attached to District Hospitals

(iv) Of the 2 nursing homes test-checked in Raigunj, Uttar Dinajpur, in one nursing home 227 cataract operations were done by one eye surgeon during 1996-2001, in another nursing home, 113 cataract operations done by one eye surgeon (attached to the district hospital) during 1999-2001 (no records prior to 1999-2001 was available with nursing home) which was far above the performance of two eye surgeons in district hospitals who operated only 214 cases during 1996-2001.

In one nursing home of Bardhaman district 739 cataract operations were conducted during 1996-2001 by one surgeon, attached to Bardhaman Medical College and Hospital, whereas during same period only 385 catops on an average were done by each surgeon (total 09 surgeon) of the same hospital. Thus, 385 operations per surgeon in Bardhaman Medical College & Hospital was very poor in comparison to that of nursing home.

Cataract operations, done by the hospitals in North 24-Parganas district was very low compared to the performance of the NGOs and nursing homes. In the district of North 24-Parganas total 18283 cataract operations conducted during 2000-2001 of which the district hospitals operated only 1295 cases (7 per cent) while 5011 (27 per cent) and 11977 (66 per cent) operations were done by the NGOs and nursing homes respectively.

In Purulia district one NGO run hospital conducted 807 operations per eye surgeon during 2000-2001 while the District Hospital performed only 82 operations during the same period indicating comparatively insignificant performance by the Government Hospital.

Target for IOL operations not achieved

(v) As per GOI guidelines 30 per cent of the operations are to be performed by IOL surgery subject to availability of Microscope and trained eye surgeon. However, the State Government fixed the target of IOL at 10 per cent and 20 per cent of the total target of cataract operations only in 1999-2000 and 2000-2001 respectively during the period under review (1996-2001). Accordingly, 62000 Intra Ocular Lense (IOL) operations were required to be performed but there was no reflection in the report indicating IOL done during the years. Assistant Director of Health Services (Ophthalmology), West Bengal, however, stated (August 2001) that IOL was done but full target could not be achieved due to lack of infrastructure.

(b) Screening for refractive error

Of 27 schools under 2 BPHCs of Bankura district, 227 students were identified during 1996-2001 as having refractive errors. No information about spectacles provided to them was furnished.

(c) Eye Bank

There are four eye banks in the government sector. Out of this RIO, Kolkata is treated as the Prime eye bank, the performance of which was as under :

Year	Number of eyes collected in the bank during the year	Number of eyes utilised in the year		Cornea discarded after collection due to malignancy and unknown cause of death	Number of eyes rendered useless
		Number	Percentage		
1996	195	46	24	26	123
1997	182	41	23	29	112
1998	160	54	34	11	95
1999	132	63	48	6	63
2000	277	117	42	20	140
Total	946	321	34	92	533

533 Corneas not used though there were wait listed patients

Corneas collected from the donors (By RIO and NGOs) and certified as good are used for optical grafting within four days of collection for restoration of vision. Cornea not fit for optical grafting are kept in eye bank for Therapeutic grafting/Tectonic grafting/ Histopathy or other pathological study and ultimately thrown away when found unusable. However, scrutiny of records revealed that against 854 useable (946 collected – 92 discarded due to malignancy and unknown cause of death) corneas collected between 1996 and 2000 only 321 (38 per cent) could be grafted and balance 533 (625-92) were not grafted though there was a wait list of patients for cornea grafting and there were 8 dedicated beds. In reply Director, RIO, Kolkata stated (September 2001) that there was poor response from the patients due to lack of proper communication. Scrutiny revealed that in most cases, the wait-listed patients were contacted mainly through post (letters) although the cornea could be preserved only for 4 days.

Staff not deployed – Eye Bank remained non-functional

In Bankura Sammilani Medical College and Hospital, for establishment of Eye Bank, post of MO – 4, Nurse-3, Lab Technician-1, GDA-4 was sanctioned as far back as in (1980). No staff was deployed and the unit remained non-functional (March 2001). NRS Medical College and Hospital furnished performance report for the year 2000 only. Information regarding performance of the eye bank at North Bengal Medical College and Hospital was not furnished to audit.

(d) Rehabilitation of incurable blind

RIO, Kolkata and district hospitals of Bankura, Purulia and Uttar Dinajpur issued “Visually Handicapped Certificate” to 1507 incurable blind persons during 1996-2001, but these blind persons could not be rehabilitated due to non-provision of fund under the programme.

(e) Quality of cataract surgery

SSU could not start functioning for want of feed back

In order to assess and improve the quality of cataract surgeries in various government and NGO hospitals under the programme for South 24-Parganas district, Sentinel Surveillance Unit (SSU) as a joint collaborative project of Regional Institute of Ophthalmology and Department of Community Medicine, Medical College, Kolkata, had been established (May 2000). The project aimed to work out reporting system for continuous monitoring and feedback between Central, State and District units. A sum of Rs 0.75 lakh was provided (May 2000) by GOI as first instalment towards purchase of minor ophthalmic equipment, furniture for computer system and recurring expenditure on surveillance. All the cataract surgical records from Government and NGO hospitals of South 24-Parganas district were to be sent by the Deputy CMOH II, DBCS South 24-Parganas to the SSU for analysis of data and onward transmission to GOI from time to time. Field work envisaged under the project, however, was not started for want of feed back from Deputy CMOH II, South 24-Parganas (March 2001). SSU also failed to procure required materials for the purpose. As a result monitoring work by the SSU could not be started.

(f) Modernisation of Eye OT and Eye ward

Funds for modernisation not utilised by two districts

GOI sanctioned Rs 8 lakh during 1999-2000 towards renovation and furnishing of Operation Theatres and eye wards attached to seven Medical College & Hospitals and seventeen District Hospitals in the State. Test check revealed that Purulia district hospital and Bankura Sammilani Medical College and Hospital did not utilise sanctioned fund of Rs 0.95 lakh. Position of utilisation of fund of the units of the State as a whole was not furnished by the Directorate though called for.

(g) Maintenance of equipment

Maintenance of equipment neglected

Rupees 2 lakh was sanctioned in 1999-2000 for maintenance of ophthalmic equipment including replacement of accessories to seven¹ Medical College and Hospitals and seventeen² District Hospitals in the State. Position of utilisation of the fund of all the units as a whole was not available at the State level though called for. Entire fund of Rs 0.43 lakh sanctioned to 4 test-checked units (RIO & 3 District Hospitals) remained unutilised.

(h) Grants-in-aid to Non Government Organisations (NGOs)

Permission to organise eye camp by NGOs accorded without verification

Grants of Rs 57.53 lakh were given in 441 occasions to the NGOs of the said districts against cataract operations of 29485 cases through eye camps during 1996-2001. Cataract operation in eye camps exceeded permissible 20 per cent

¹ 1. RIO Medical College, Kolkata, 2. NRS Medical College Hospitals, 3. RG Kar Medical College, 4. Chittaranjan National Medical College, 5. Bardhaman Medical College, 6. North Bengal Medical College Hospitals, 7. Bankura Sammilani.

² 1. South 24-Parganas, 2. North 24-Parganas, 3. Howrah, 4. Hooghly, 5. Murshidabad, 6. Bardhaman, 7. Birbhum, 8. Bankura, 9. Purulia, 10. Medinipur, 11. Malda, 12. Nadia, 13. Darjeeling, 14. Jalpaiguri, 15. Coochbehar, 16. Dakshin Dinajpur, 17. Uttar Dinajpur.

limit of total cataract operation. Against 86196 cataract operations, 29485 cases in 4 test-checked districts were done in eye camps which was 71 *per cent* above the permissible limit. Most of these NGOs were local clubs, etc. having no infrastructural facilities for cataract operation. Member Secretary of DBCSs test-checked stated that visits though made but records of visits were not maintained. Permissions were accorded by the CMOH to these NGOs without verification of their credibility, registration and up-to-date audited accounts as required under the guidelines. Whether all the patients who underwent cataract operations through these camps had their visions restored was also not assessed by the DBCSs though Rs 57.53 lakh was spent for this purpose. No IOL were implanted in those camps.

Out of 20 patients who had undergone cataract operation in an eye camp organised (October 2001) at Barasat by the Red Cross Relief Society, Barasat (NGO), 11 patients had to be removed to a private hospital of Kolkata (Shasrut) due to serious post operative infections. Of the three critical cases, two were recovering gradually while the vision of one patient was not restored. Although no specific reasons were accorded for the serious complications, the reply of the Dy.CMOH II, Barasat that proper care would be ensured in future for infrastructure, sterilized equipment, water, etc. and visit of camps by an expert speaks for itself.

(I) Preparation of village-wise Blind Registry and micro plan at district

On receipt of grant of Rs 14 lakh from GOI, State Government allotted the said fund to Dy.CMOsH II of 7 districts (Bankura, Birbhum, Jalpaigui, Coochbehar, Malda, Purulia and Hooghly) at the rate of Rs 2 lakh each in July 1999 for preparation of village-wise blind registry and micro plan under the programme. Only Dy.CMOH II, Purulia could spend Rs 0.54 lakh towards printing of registry and sub-allotted balance of Rs 1.46 lakh to 20 BMOsH for door to door screening. No other district could draw the amount allotted within the financial year (1999-2000) and government had to re-allot balance of Rs 12 lakh to six remaining districts in January 2001. Test-check of five Block-wise registers of Purulia district revealed that prevalence of blind persons ranged between 0.8 *per cent* and 1.56 *per cent* as recorded in the registers as per screening. As a result, village-wise blind registry and microplan under the programme were not prepared as of March 2001.

(J) Information, Education and Communication activities

Under Information, Education and Communication (IEC) activities, DBCSs were required to organise orientation of 3-4 persons from villages for identification and motivation of blind persons in a village. The Member Secretary failed to furnish any information regarding group meetings held at any level. Two DBCSs (Uttar Dinajpur and Bankura) spent Rs 1.24 lakh during 1996-2001. None of the DBCSs test-checked prepared any action plan for IEC activities during 1996-2001. Physical achievement was not available from DBCS Bankura. Rupees 13.28 lakh

Details of IEC activities not furnished

was placed with five NGOs³ (Rs 3.95 lakh) and State Mass Education and Information Officer (SMEIO), West Bengal (Rs 9.33 lakh) during 1996-2001 for this purpose. Details of mass education programme and actual expenditure incurred there against were not stated by the Government.

(k) Non-utilisation of Central assistance

Non-compliance of formalities resulted in non-execution of work

(i) For purchase of ophthalmic equipment State Government received Rs 50.10 lakh from GOI in 1999-2000 and allotted the fund to the Deputy Director (Equipment & Stores), West Bengal only in January 2001, but the allotment order reached the Deputy Director in February 2001 resulting in non-procurement of the required material for shortage of time and completion of the purchase formalities like calling of tenders, etc. Consequently, the fund remained unutilised and the patients were deprived of the intended benefits.

(ii) For appropriate development of eye care infrastructure through construction of eye wards and eye operation theatres, GOI allocated (May-June 2000) Rs 70 lakh for 5 selected hospitals⁴. Estimates for proposed construction in all the districts were however sent after March 2001 to GOI for approval which was awaited (August 2001).

(l) Training

Three institutes⁵ in the State were engaged in imparting training to the various staff attached to the programme. Records of the Department revealed that Rs 1 lakh was spent (1996-97) for imparting in-service training but details of training imparted so far were not on records nor the Department could furnish such details though called for.

State Government allotted Rs 11.80 lakh during 1996-2001 to the above three⁵ institutes for two years training course for the PMOA. Test-check of the records of two Institutes viz. RIO, Kolkata (Rs 6.63 lakh) and Bankura Sammilani College and Hospital (Rs 3.18 lakh) revealed that out of the allotment, RIO, Kolkata could spend Rs 5.30 lakh while Bankura Sammilani Medical College and Hospital Rs 2.62 lakh during 1996-2001. Details of enrolment, training completed, etc. so far are given below :

Name of the Institute	Period	Number enrolled	Training completed	Training continued	Number deserted
RIO, Kolkata	1996-2001	40	19	20	1
Bankura Sammilani Medical College & Hospital	1996-2001	18	10	8	Nil
		58	29	28⁶	1

³ Vivekananda Ashram, Haldia (Rs 1.60 lakh), Bankrishnapur Janashree Sangha, Jangalpara Bazar, Hooghly (Rs 1.55 lakh), Avetanik Nurshing Training Centre (Rs 0.20 lakh), All India Doctors' Sevika Unit, National Committee, Kasba, 106, Kamarpara Lane, Kolkata-41 (Rs 0.50 lakh), Social Welfare Organisation, Kolkata (Rs 0.10 lakh).

⁴ MJN Hospital, Coochbehar Sub-Divisional Hospital, Ghatal, District Hospital Krishnanagar, Sub-Divisional Hospital, Bidhannagar, North 24-Parganas and Deben Mahato Hospital, Purulia

⁵ RIO, Kolkata, Bankura Sammilani Medical College and Hospital and North Bengal Medical College and Hospital.

⁶ Candidates who were unsuccessful continued their course.

3.4.7 Other points of interest

- Idle equipment** (i) Nine Ophthalmic Microscopes, two Slit lamps, one Retinoscope, one Tonometer, one YAG Laser (worth Rs 10 lakh approx.) received by Purulia, Uttar Dinajpur, Bardhaman districts, RIO between July 1998 and May 2000 from DGHS and Health System Development Project remained unutilised as of June 2001. The cost of the instruments except YAG Laser and reasons for non-utilisation were not made available to audit.
- Diversion** (ii) DBCS Uttar Dinajpur purchased furniture, worth Rs 0.45 lakh though not permissible under the programme.
- Damaged equipment** (iii) DBCS received 450 packets virgin silk from GOI in 1999. Out of which only 250 packets could be utilised within the validity period and balance 200 packets worth Rs 0.20 lakh became damaged.
- Non-accountal of stock of virgin silk** (iv) In Bankura Sammilani Medical College and Hospital, against 72 dozens of virgin silk (8-0) being closing balance of 1999-2000 only 25 dozens was taken into account as opening balance of 2000-2001. Forty-seven dozens virgin silk valuing Rs 1.03 lakh was thus not accounted for, nor the whereabouts of the same could be explained.

3.4.8 Monitoring and Evaluation

Poor supervision and monitoring The eight government hospitals in Bardhaman district submitted monthly returns to DBCS only for 3 to 13 months during the entire period of review (1996-2001). Despite such irregular submission of report, the DBCS did not make adequate efforts to obtain progress reports from the field offices. Monitoring and supervision of the programme was grossly inadequate. The impact of implementation of the programme was not evaluated. Hence the possibility of achieving the goal to bring down the incidence of blindness from 1.4 *per cent* to 0.3 *per cent* by 2000 AD remained difficult to achieve.

3.4.9 Conclusion

Though NPCB was introduced in 1981-82 and Rs 1.81 crore was spent in addition to cash assistance provided by GOI to 17 DBCSs, the State Government failed to develop infrastructure and IOL facilities. Though the target was to achieve prevalence rate of blindness as 0.3 *per cent* at the end of 2000 it was 0.8 *per cent* in Bankura and 1.5 *per cent* in Purulia. In Uttar Dinajpur survey of blind persons though completed (June 2001), prevalence rate was not computed (October 2001) while in Bardhaman no such information could be known as no survey was conducted (October 2001). Prevalence of blindness in the State also could not be ascertained due to absence of any survey after introduction of the programme.

The matter was referred to Government in October 2001; reply had not been received (January 2002).

MASS EDUCATION EXTENSION DEPARTMENT

3.5 NON-FORMAL EDUCATION PROGRAMME

HIGHLIGHTS

Non-formal Education (NFE) Programme which is an integral component of Universalisation of Elementary Education (UEE) was conceived by the Government of India in 1979-80. The aim of the NFE is to provide elementary education, comparable to the quality of formal education, to the children in the 6-14 age group engaged in their domestic works. The programme was scheduled to be implemented by the State Government and Non-Government Organizations (NGOs). In the NFE centres run by the State Government the central assistance to the State would be provided on sharing basis between GOI and the State Government in the ratio of 60 : 40 (for co-education centres) and 90 : 10 (for exclusively girls centres). Cent per cent central assistance was provided to the NGOs for running such centres.

Government of West Bengal took up the programme in 1979 but discontinued it from 1990-91. Since then the programme was implemented by NGOs with cent per cent central assistance. The State was thus deprived from availing the Central assistance for programme on eradication of illiteracy.

No NFE centre was set up under the Government Sector between 1995-96 and 1999-2000 during the period of continuance of the scheme in the State.

(Paragraph 3.5.4)

The State Government, the Mass Education Extension Directorate and the district offices were not aware of the activities of the NGOs and did not monitor their activities though copies of sanction of funds released to the NGOs were regularly endorsed to the Directorate and State Government by GOI. State Government did not conduct any review of the activities of NGOs as required by GOI.

(Paragraph 3.5.7)

NFE centres were set up in the districts with higher percentage of literacy by depriving the districts with lower percentage of literacy and population of backward classes of hilly and tribal areas.

(Paragraph 3.5.8)

Implementation of the programme suffered due to ineffective or non-existent inspection, supervision and monitoring. Test-check of performance of 3 NGOs revealed that 79 per cent of the targeted group of learners remained outside the ambit of education. Only 12 per cent of the successful NFE learners could take admission in upper primary and formal education in respect of 4 NGOs.

(Paragraphs 3.5.10, 3.5.12 A(i)(ii a) and 3.5.14)

The abbreviations used in this review have been listed in the Glossary in Appendix 60 (page 302)

GOI released Rs 34.07 lakh to one NGO in Uluberia-I Block, against 100 non-existent centres. One NGO in South 24 Parganas district furnished fictitious figures of learners.

(Paragraph 3.5.11 (a) and (b))

1439 number of Attendance Registers (87 per cent) could not be produced by 3 NGOs indicating doubtful existence / functioning of the NFE centres.

(Paragraph 3.5.12 (B) (i))

Though Primary Level Course had been designed for two years, one NGO in North 24 Parganas district ran NFE centres for one year.

(Paragraph 3.5.13)

Rupees 8.22 lakh were reportedly spent by two NGOs for lighting charges for 137 NFE centres though these were organised during day time. Genuineness of the expenditure were therefore doubtful.

(Paragraph 3.5.16 (a))

The Pre-Sanction Appraisal Committee organised only 4 meetings in four years, against the prescribed norm of 16.

(Paragraph 3.5.18)

3.5.1 Introduction

Non-Formal Education (NFE) Programme introduced in the State in 1979 with central assistance, was subsequently revised in 1993 with emphasis on organisation, flexibility, relevance of curriculum, diversity in learning activities to suit the needs of learners through decentralised management. The aim of the NFE was to provide elementary education comparable to the quality of formal education and to bring the 'out of school' children of 6-14 year age group into the mainstream of formal education.

3.5.2 Organisational set up

The programme was to be implemented through the State Government as well as Non-Government Organisations (NGOs). The Principal Secretary to the Government of West Bengal, Mass Education Extension Department (MEE) was responsible for implementation of the scheme under the State Government and for monitoring the activities of other NGOs. At the Directorate level, Deputy Director (DD) MEE was responsible for allocation, inspection, monitoring, supervision and compilation of reports/returns of the NGOs. The District Mass Education Extension Officer (DMEEEO) was to provide technical and academic support to NFE programmes in the district. In all the NFE centres run by the NGOs, the project officer was responsible at the project level for educating, orienting and training the instructors of NFE centres and supervision of 100 NFE centres. In respect of the centres run by the State Government the central assistance to State was to be provided on sharing basis between Government of India (GOI) and State Government in the ratio of 60: 40 for co-educational centres and 90: 10 for exclusively girls centres.

3.5.3 Scope of the Project

As per guidelines the programme was to be implemented by the State Government and the NGOs. The review of the scheme covered the period from the year 1995-96

to 1999-2000. In West Bengal the State Government did not participate in the implementation of the scheme. The programme was implemented only by the NGOs with direct cent *per cent* central assistance from GOI. State level periodical evaluation was to be conducted by Joint Evaluation Team and field visit of Central and State officials for evaluation of the work of NFE project.

3.5.4 Target and Achievement

GOI did not fix up any target for opening of NFE centres in the State. The State Government also did not involve themselves for setting up of NFE centres during the period of review. However, out of 9 NGOs, 7 were engaged in imparting Non-formal Education with the targeted group of children. According to survey report of 6 NGOs, 4.21 lakh learners were to be imparted Non-formal Education during 1995-2000 but only one lakh could be brought under the scheme leaving 3.21 lakh learners (76 *per cent*) out of the ambit of education. One NGO (Samatat Sanstha) had not conducted any survey to ascertain total eligible learners existing in the area of its operation.

3.5.5 Audit Coverage

Implementation of the programme was reviewed by test-check of records of 9 NGOs covering seven districts¹, the Department and the Directorate between December 2000 and September 2001.

3.5.6 Finance

Cent *per cent* central assistance was provided to the NGOs direct from GOI for running the NFE centres. During 1995-2000 amount of grants received by the NGOs from GOI were as under.

Year	Grant released (Rupees in lakh)
1995-96	13.39
1996-97	103.36
1997-98	140.46
1998-99	138.44
1999-2000	131.37
Total	527.02

(Source: Guideline)

Due to non-implementation of the programme by the State Government, the central assistance could not be obtained.

3.5.7 Absence of monitoring of NGOs

The Department and Directorate were responsible to monitor the activities of the NGOs who were working in eradicating illiteracy in the State. Evaluation of the activities of the NGOs was required to be conducted jointly by the State and GOI. Further, Department and Directorate, did not maintain any record indicating the number and location of NGOs functioning in the State, number of learners enrolled, dropped out, passed out and entered into mainstream of formal education. Further, the

Performance of the NGOs under the scheme was neither monitored nor evaluated

¹ Birbhum, Bardhaman, Purulia, Medinipur, Howrah, South 24 Parganas and North 24 Parganas

performance of the NGOs under the scheme was neither monitored nor evaluated. The Deputy Secretary, Mass Education Extension Department stated (January 2001) that the GOI directly implemented the scheme through NGOs and the State Government was not informed regarding release of grants to the NGOs. The GOI, however, endorsed a copy of the sanction to the State Government. The Deputy Director (MEE) further added (January 2001) that no directives were forwarded by the GOI for monitoring the NGOs and also accepted the fact that due to non/poor receipt of annual/quarterly progress reports from the NGOs as well as performance and evaluation reports from the DMEEOs, no records were available with them. The reply of the Deputy Director was not tenable since GOI had requested the Secretary, MEE Department and the Deputy Director, MEE Directorate, from time to time to review the performance of the NGOs and to intimate the GOI regarding the performances of the NGOs so that release of grant could be regulated on the basis of their performance. Further, the NGOs while submitting quarterly reports to the GOI also endorsed copies to the Deputy Director, MEE Directorate of the State Government. The instructions of the Director (MEE) to the DMEEOs to submit reports/returns on the activities of the NGOs working in the districts were not complied with. Thus, DMEEOs did not involve themselves with the activities of the NGOs working in the districts. The entire activities of the NGOs in the State relating to performance and working remained unmonitored. As such, there was no co-ordinations between the Government and the NGOs in providing elementary education comparable to the quality of formal education.

3.5.8 Non-setting up of NFE centres in the hilly/tribal areas

Criteria for setting up of NFE centres in the districts were not considered strictly

In hilly, tribal and educationally backward areas and urban slums, the NFE centres were to provide education to those children who remained out of formal education due to various socio-economic constraints. However, NFE centres were set up in districts with higher percentage of literacy while districts with lower percentage of literacy was totally ignored. NFE centres run with State and Central assistance during 2000-2001 were as under:

Name of the district	Percentage of literacy	NFE Centres under	
		State Sector	Cent percent Central assistance (NGO)
Coochbehar	45.10	--	--
Jalpaiguri	45.00	150	50
Darjeeling	61.40	50 (not in hill area)	--
Uttar and Dakshin Dinajapur	38.50	150	75
Malda	34.20	--	--
Murshidabad	36.60	150	--
Nadia	52.70	--	--
North 24 Parganas	66.60	250	225
South 24 Parganas	53.70	400	325
Kolkata	84.70	--	--
Howrah	69.00	100	250
Hooghly	69.10	100	75
Medinipur	69.10	450	225
Bankura	51.50	--	--
Purulia	42.90	50	100
Bardhaman	62.70	650	50
Birbhum	47.10	--	200

Thus, evidently important aspects like percentage of literacy, special features of the population (like hilly, tribal or socio-economically backward) were not considered while according sanction and approval for setting up of NFE centres.

3.5.9 Non acceptance of class VIII pass certificate issued to NFE students

Objective of the scheme remained captive

Children who passed under NFE were not allowed to register their names in Employment Exchanges. Moreover, adoption of uniform strategy of testing and certification of NFE students as in formal education was not followed. NGOs issued certificates of their own accord.

Though NFE programme envisaged strategy of testing and certification of NFE learners to enable their entry into formal education system, no such certification was done by the test checked NGOs except SRSA² and TSRD³ during 1995-2000.

CUSCON⁴ (NGO) stated (August 2001) that the NFE passed-out learners were not admitted by formal schools. So, the NGO discontinued the issue of certificates to passed out learners. Thus, for not having any certificate, NFE learners were not only deprived of their recognition as passed students eligible for admission into mainstream of formal school education but also made the children less enthusiastic to join the NFE centres with the result that the objective of the scheme became frustrated.

3.5.10 Lack of monitoring

Government decision not implemented – monitoring, supervision, etc. totally inadequate

For proper implementation of the programme the State Government decided (1988) to place the entire NFE section under the School Education Directorate at the disposal of MEE Directorate. However, as the DD, MEE Directorate had no supporting staff and was alone looking after the work of NFE in addition to his duties, the inspection, monitoring and supervision of the NGOs was totally inadequate and even absent in some areas.

3.5.11 Malpractices by the NGOs

The GOI requested the State Government to review the performance of NGOs in the field of NFE while considering further release of grants by GOI, but no such review was performed by the State Government inspite of the directives of GOI. Scrutiny revealed the following :

Existence of the centres and expenditure thereon was doubtful

a) One NGO (CUSCON) received grants of Rs 34.07 lakh from GOI for running 100 NFE centres in Uluberia-I block during 1995-2000. On enquiry it was found by the DMEEO, Howrah that no NFE centre was run by the NGO in that block which had been corroborated by the BDO, Uluberia-I and Sabhapati, Panchayat Samity of the block.

² Sri Ramkrishna Satyananda Ashram

³ Tagore Society for Rural Development

⁴ Calcutta Urban Service Consortium

Submission of fictitious information regarding attendance, etc. by the NGO

b) In South 24 Parganas the DMEEEO observed (November 1997) in his inspection reports that in Kulpi Block, four (4) centres were found non-functioning on the date of his visit. In some other centres, learners were manipulated by collecting them from formal schools where attendance was 25 to 30 *per cent* of enrolment. Besides the NGO was using its own publication instead of approved books of the Government. He further added that the NGO was furnishing fictitious names and figures of the learners present in the centre which at the time of his visit did not appear in the relevant attendance register. However, the DMEEEO, South 24 Parganas could not provide details of activities of the other two (2) NGOs in the district.

3.5.12 Performance of NGOs

(A) Test-check of nine (9) NGOs in 7 districts – Sri Ramkrishna Satyananda Ashram (SRSA), Samatat Sanstha (SS), Ichapur Janaklyan Parshad (IJP), Basirhat Women Development Society (BWDS), Calcutta Urban Service Consortium (CUSCON), Paschim Banga Kheria Sabar Kalyan Samiti (PBKSKS) Tagore Society for Rural Development (TSRD) and District Resource Units (DRUs) at Bardhaman and Birbhum revealed the following.

Huge learners remained outside the ambit of education

i) As per Survey Report conducted by NGOs year-wise position of illiterate and drop-out learners in the age group 6-14 years, learners admitted in NFE centres and passed out, etc were as follows

Position during	Name of the NGO	Total learners eligible for admission	Total learners admitted	Left out Learners	Percentage of left out learners to eligible learners	Learners Passed out	Percentage of passed out learners to admitted
1995-2000	SRSA	133815	38250	95565	71	21473	56
	CUSCON	177874	13254	164620	93	327	2
	TSRD	70010	28474	41536	59	23077	81
	SS	No survey	7339	NA	NA	1228	17

It would appear from above that on an average 79 *per cent* of the targeted group of learners remained outside the ambit of education. Moreover, the percentage of successful learners in evaluation test was only 62 *per cent* on an average for 3 NGOs while for the other it was only 2 *per cent*. Thus, the objective of bringing 'out of school children' under NFE education system and subsequently to bring them under mainstream of formal education was largely unachieved.

As the remaining three (3) NGOs started functioning since 1999, the course (Primary Level) was not completed till 1999-2000.

(ii)(a) Out of 46105 successful NFE learners of primary and upper primary level only 5412 learners (12 *per cent*) were admitted in upper primary and formal education as shown below:

Year	Name of NGO	Number of successful learners in NFE		Number of learners admitted in NFE upper primary and the mainstream of formal education	
		Primary	Upper Primary	Upper Primary	Formal
1995-2000	SRSA	18982	2491	396	123
	TSRD	21898	1179	569	4324
	CUSCON	265	62	NA	NA
	SS	1228	-	NA	NA
	Total	42373	3732	965	4447

In the case of SRSA and TSRD flow of primary level to upper primary level was insignificant.

(b) Number of learners admitted in formal and upper primary school, out of successful learners of NFE centres, were not furnished by CUSCON and SS though called for (April 2001).

(iii) As per programme NFE primary centres require to be organised on the basis of prevalence of illiterate and the drop-out of the age group of 6-14 years. It was, however, observed that one NGO (BWDS) organised 50 NFE primary centres in February 2000 on the basis of survey report of June 1997 that too on one report of the age group of 9 – 14 years. Moreover, no survey was conducted in the area of operation by the IJP though 100 centres were organised by them.

(iv) PBKSKS organised 100 primary centres only for 19 months as against 24 months required since September 1999 and all illiterate learners (3097) in the area of operation were admitted. Against 3097 learners, 1750 learners appeared for evaluation test and 906 learners passed out successfully. As the centres were prematurely closed, the purpose of bringing 'out of school children' under NFE and subsequent entry into mainstream of formal education was defeated though Rs 10.36 lakh was spent on them

Percentage of successful learners was not satisfactory

(v) In the case of SS out of 7339 enrolled learners, only 1228 learners (17 per cent) appeared and passed out in evaluation test. Reasons for such poor appearance in evaluation test was not spelt out by SS in the status report or any other records.

(vi) Out of 220 names of learners recorded in both the Attendance and Evaluation Registers by one NGO (SRSA) in respect of ten NFE centres of Suri-I Block, anomalies in the names of learners in as many as 159 cases (72 per cent) were noticed.

Thus, evaluation done by the NGO was not based on facts. Basic records of evaluation was not also produced. Project Officers did not supervise 200 centres of Suri –I & II Blocks.

While no reply was received from the Government, the NGO did not dispute the discrepancy in the number of learners pointed out by Audit but expressed their inability to reconcile the discrepancy as the scheme was defunct.

(vii) The NGOs did not incorporate the number of drop out children in their annual reports. Test check of monthly reports, however, revealed that 4266 (SRSA: 3101,SS: 1165) children dropped out during 1995-2000.

(viii) In PBKSKS, 1347 learners (43 *per cent*) dropped out from the NFE centres during 1999-2000. Reasons for such alarming drop out, as attributed by the NGO, was due to migration of learners of Sabar tribal community from one place to another in search of employment.

(ix) SRSA's report indicated a constant roll strength of 7650 but the names of new entrants and drop outs were not furnished though called for (February 2001).

(x) Records of 50 NFE Centres under SS for five years (1995-2000) were called for audit scrutiny, but records of 39 NFE centres for only one year i.e. 1999-2000 were produced by SS covering particulars of 1074 learners against recorded 1435. Existence of eleven centres was therefore, doubtful. Thus, due to lukewarm attitude of the State Government, the programme failed to achieve optimum gear.

(B) Effective functioning of NFE centres not ascertained

(i) Attendance register of learners was an important initial record to indicate existence/ functioning of the centres of the NGOs. However, 3 NGOs could produce only 211 (13 *per cent*) Attendance Registers in place of 1650 required to be maintained by them during 1995-2000 as shown below :

Name of the NGO	Number of attendance registers to be maintained	Number of attendance registers produced to audit	Percentage
SS	250	39	16
TSRD	900	92	10
CUSCON	500	80	16

Moreover, CUSCON could not produce reports returns of the Supervisors and Project Officers also. In absence of such large number of attendance registers, the existence/functioning of the centres was doubtful

TSRD replied (September 2001) that perhaps due to flood, some attendance registers were damaged/destroyed. The reply was not tenable as incidence of such damages was not reported earlier and appeared to be an afterthought.

(ii) SS did not form Village Level Education Committee (VLEC), while VLEC constituted by the IJP was ineffective.

(iii) Irregular purchases and utilisation of teaching and learning materials are indicated below:

Year	Name of the NGO	Amount admissible for purchase of teaching and learning materials	Amount spent	Excess expenditure, if any	Remarks
		(Rupees in lakh)			
1995-2000	SRSA	50.17	54.36	4.19	Out of Rs 54.36 lakh, Rs 16.61 lakh had been spent for the books published by the NGO itself without assessing the benefit derivable on bulk purchase of those books from open market and the Books were distributed after lapse of seven to nine months from beginning of academic session
	CUSCON	16.72	16.72	Nil	Vouchers for Rs 16.11 lakh and main stock and sub-stock register of materials were not produced. Tender formalities were not followed. Rupees 0.19 lakh spent for different purposes like purchase of bags, bati, etc.
	SS	6.82	6.82	Nil	Rupees 0.31 lakh spent for books for 7333 learners for five years and rest Rs 6.51 lakh was spent for purchase of learning materials. Vouchers for Rs 0.70 lakh for purchase of learning materials were produced only. Learning materials for Rs 0.61 lakh had been lying in stock even after closure (April 2001) of the programme.
1999-2000	IJP	1.92	1.92	Nil	Purchases of teaching and learning materials were made through kutch receipt. The distribution of the same were not shown. 4250 number of "Barna Parichyay" books (Rs 0.40 lakh) were purchased for 2500 learners. As to the whereabouts of 1750 books (Rs 0.25 lakh), the NGO stated that excess books had been distributed among extra learners. The contention could not be corroborated by any record as the number of learners was 2500 as per records. No books for arithmetic had ever been purchased. Moreover, learning materials had been distributed after lapse of 7 to 12 months of beginning of the session. Thus, the purpose of teaching remained defeated.

3.5.13 Unfruitful expenditure

Courses remained incomplete for want of fund and discontinuation of the scheme

BWDS received grant of Rs 2.67 lakh in February 2000 for running 50 NFE centres for 6 months and continued up to January 2001, though the NFE Primary Level Course (Class I to V) was designed for 2 years. Thus, the course remained incomplete frustrating the very purpose for propagating NFE education and rendering the entire expenditure of Rs 2.67 lakh unfruitful. The course was also discontinued from April 2001.

3.5.14 Inspection

Inspection of the centres run by the NGOs, conducted by NCERT and State Government officials revealed a dismal picture as shown below:

	SRSA						CUSCON					
	1995	1996	1997	1998	1999	2000	1995	1996	1997	1998	1999	2000
Total number of centres run	300	300	300	300	300	300	100	100	100	100	100	100
Inspected by NCERT	Nil	22	3	Nil	7	Nil	2	Nil	1	Nil	Nil	Nil
State Government	270	NA	15	Nil	Nil	Nil	1	1	Nil	2	1	Nil

Inspection of the NGOs by the State was negligible

It would appear from the above that during last three years (1998-2000) no centre under SRSA and CUSCON had virtually been visited by any State Government and NCERT officials. No inspection reports were made available to Audit. Further, no centre of the other test-checked NGOs was either visited by NCERT or State Government officials.

3.5.15 Doubtful payment of honorarium to the Instructors and Supervisors of IJP

During 1999-2000 honorarium of Rs 2.40 lakh was stated to have been paid to the instructors. Scrutiny of the payments of honorarium to the instructors revealed that the acquittances of the recipient in support of payment to the concerned instructors were not obtained. Thus, the actual receipt of the concerned instructors could not be verified in audit in absence of actual payees receipt.

Similarly, 10 Supervisors were paid honorarium of Rs 0.60⁵ lakh by IJP without any acknowledgement. The payment also appeared to be doubtful.

3.5.16 Inadmissible light and fuel charges

Inadmissible fuel charges for running centres in day time

(a) SS and CUSCON had reportedly spent Rs 8.22 lakh during 1995-2000 towards lighting charges of the NFE centres (SS 50 centres and CUSCON 87 centres) organised during day time. The payment was stated to have been made (SS) to the Instructors for coaching the learners during evening times. The contention was not tenable as there was no provision for holding additional coaching at night when classes were held in day time. No comment was however, offered by CUSCON. The expenditure of Rs 8.22 lakh was doubtful and inadmissible.

(b) IJP purchased 8400 litres of kerosene oil during 1999-2000 at Rs 1.20 lakh⁶ against kutchra receipt from an unauthorised kerosene shop. Records of distribution of oil to the NFE centres could not be produced though called for (July 2001).

(c) BWDS purchased fuel of Rs 0.10 lakh in February –March 2000. The said materials had not been accounted for in any stock register. Hence, its receipt and issue could not be vouchsafed in audit.

⁵ Rs 500 per month for 10 Supervisors for 12 months.

⁶ Re 14 per litre + Rs 2400 contingencies

3.5.17 District Resource Unit (DRU)

District Resources Units (DRU) at Bardhaman and Birbhum were set up in 1991 with the objectives of providing technopedagogic support to the agencies organising Adult Education (AE), NFE training of different field functionaries etc. Rupees 18.77 lakh received by DRU, Bardhaman during 1995-2000 was spent on implementation of TLC, PLC and Continued Education programme in the age group of 6-50 years. But any report on evolution of NFE learners in the age group of 6-14 years was not furnished by the DRUs though called for (April 2001).

Of Rs 19.06 lakh received by DRU, Birbhum during 1995-2000, Rs 3.71 lakh was earmarked for NFE activities. No accounts for expenditure on NFE activities were maintained separately by DRU, Birbhum. Hence, the expenditure on NFE remained unverified in Audit.

During 1995-2000 neither any programme was held exclusively for NFE nor any monitoring on the activities of the NFE centres working in the district was conducted by DRUs.

3.5.18 Role of Pre-sanction Appraisal Committee (PSAC)

Government decided in February 1997 to form a State Level PSAC consisting of five members with the Secretary, MEE to assess the competence of NGOs in NFE sector and to process application for grants submitted by the NGOs for onward transmission to GOI. Review of the Register containing details of proceedings of the meetings of the PSAC on NFE revealed that the committee met only four times in four years, though the committee was required to meet at least once in every three months. Records/ files relating to receipt and processing of applications had not been produced to audit though called for (January 2001).

3.5.19 Impact

Despite expenditure of Rs 5.27 crore incurred during 1995-2000 and even after lapse of 20 years, 24 per cent of the targeted children completed the NFE and only 12 per cent of them could be made eligible for admission to the formal education.

The matter was referred to Government in June 2001; reply had not been received (January 2002).

**Poor functioning of
Pre-Sanction
Appraisal Committee**

CHAPTER III

SECTION – B

AUDIT PARAGRAPHS

**AGRICULTURE/ BACKWARD CLASSES WELFARE/
COMMERCE AND INDUSTRIES/ FINANCE/ FISHERIES/
POWER DEPARTMENTS**

3.6 Diversion of Scheme funds by Government through Deposit Accounts

WBIDFC raised Rs 4540.55 crore during 1999-2001 through bonds/ bank loans for the purpose of infrastructure development of the State but spent only Rs 291.54 crore while the remaining funds were kept in the Deposit Account raising serious doubts about the stated purpose of raising these funds. Six Government Companies and Statutory Corporations parked scheme of Rs 281.47 crore, meant for implementation of various development schemes, in their deposit accounts with the Government.

(a) Mention was made in Paragraph 1.9.5 of the Audit Report (Civil) Volume I for the year ended March 2000 about raising of funds aggregating Rs 1567.93 crore by West Bengal Infrastructure Development Finance Corporation Limited (WBIDFC) through bonds and bank loans for the purpose of infrastructure development in the State and placement of Rs 1117.93 crore in the Deposit Accounts with Pay and Accounts Officer, Kolkata for utilisation by the State Government for other purposes. During the year 1999-2000, an aggregate of Rs 1215 crore was taken by the State Government from WBIDFC as loan.

Scrutiny (September 2001) revealed that Rs 582.31 crore remained in the Deposit Account of WBIDFC as on 31 March 2000 awaiting conversion to loans. In addition, during the year 2000-2001, WBIDFC raised Rs 2972.62 crore through bonds (Rs 1689.85 crore), loans from Housing and Urban Development Corporation (Rs 590.77 crore) and term loans (short term: Rs 542 crore and long term: Rs 150 crore) from commercial banks at interest rates varying from 11.75 to 14 *per cent per annum* for the purpose of infrastructure development of the State. Out of Rs 2972.62 crore, Rs 2549.07 crore were parked in the Deposit Account with PAO, Kolkata. The State Government converted Rs 2508.89 crore into loans repayable in 92 equated monthly instalments along with interest at the rate of 18 *per cent per annum*. Thus, the total loans received by Government from WBIDFC amounted to Rs 3723.89 crore, of which Government repaid principal amount of Rs 183.59 crore and paid interest of Rs 485.76 crore during 1999-2001.

Further, out of Rs 4540.55 crore raised by WBIDFC during the years 1999-2001 through bonds and loans for the purpose of infrastructure development in the State, only Rs 291.54 crore (6.4 *per cent*) had been utilised for the specified purpose and the remaining fund was parked in Deposit Account. Thus, actual use of the funds did not match the stated purpose of raising these loans. The State Government used WBIDFC as a vehicle of borrowing to improve the ways and means position of the Government.

(b) Mention was made in paragraph 1.8 of the Report of the Comptroller and Auditor General of India for the year ended March 2000 – Volume I (Civil) about parking of funds aggregating Rs 1304.72 crore as on 31 March 2000 in the deposit accounts of 36 Government Companies and 2 Statutory Corporations. Further, test check revealed that during 2000-2001 various departments of the State Government drew Rs 479.79 crore on the ostensible purpose of loans and advances to 4 Government Companies and 2 Statutory Corporations but deposited the amount in the deposit accounts of these institutions. Out of the total fund of Rs 673.82 crore available in the Deposit Accounts of these Companies/ Corporations, Rs 392.35 crore were withdrawn and the remaining amount of Rs 281.47 crore was lying unutilised in the Deposit Accounts.

Out of Rs 392.35 crore withdrawn from Deposit Accounts, Rs 248.57 crore were utilised for specified purposes and the balance amount of Rs 143.78 crore was parked in short term deposits with Commercial Banks as detailed below:

Sl. No.	Name of the department (Name of company/ corporation)	Balance of Deposit Account (as on 31 March 2001) Rupees in crore	Audit findings
1	Backward Classes Welfare Department (West Bengal Scheduled Castes and Scheduled Tribes Development and Finance Corporation (WBSCSTDFC))	69.26	The opening balance in the Deposit Account with KOL PAO as on 1 April 2000 was Rs 105.37 crore. During 2000-2001, the Government transferred Rs 75.05 crore into the Deposit Account and the Corporation withdrew Rs 111.16 crore. Further, out of Rs 85.90 crore disbursed by the Corporation to its district offices during 2000-2001, only Rs 8.30 crore representing 9.7 per cent were spent during the year and the balance amount of Rs 77.60 crore was lying in the banks at district level pending disbursement to beneficiaries. This indicates that the funds for implementation of various schemes for development and welfare of the scheduled castes and scheduled tribes were parked in the Public Account and used for ways and means purpose. This apart, Rs 127.65 crore of scheme funds meant for amelioration of people of scheduled castes and scheduled tribes of the State were lying in Short Term Deposits¹ with Commercial Banks.
2	Power Department (West Bengal Rural Energy Development Corporation Limited (WBREDC))	162.30	The Government deposited total amount of Rs 240.30 crore (Rs 50 crore in 1999-2000 and Rs 190.30 crore in 2000-2001) in the Deposit Account (Rs 10 crore as working capital and Rs 230.30 crore for execution of rural electrification schemes in different districts). The Company withdrew Rs 10 crore in 1999-2000 and Rs 68 crore in 2000-2001. Thus, Government ultimately retained 67.5 per cent of budgetary outgo in the Deposit Account. Out of Rs 78 crore withdrawn, Rs 25.49 crore were spent for pilot study and survey report, etc and Rs 43.01 crore were given to 18 Zilla Parishads for rural electrification. The balance amount of Rs 9.50 crore was invested in Short Term Deposits with Commercial Banks. Up to 31 March 2001 the Zilla Parishads utilised Rs 35.89 crore and remaining amount of Rs 7.12 crore were kept in non-interest bearing Local Fund accounts with the Treasuries.
3	Commerce and Industries Department (West Bengal Industrial Infrastructure Development Corporation (WBIIDC))	0.96	The State Government deposited (December 2000) plan loan of Rs 55 crore in the Deposit Account at the interest rate of 9 per cent per annum for disbursement as short term loan to Haldia Petrochemicals Limited (HPL), a private sector company, for meeting its urgent financial commitment. WBIIDC withdrew Rs 55 crore from Deposit Account in December 2000 and disbursed the same to HPL as short term loan. The loan was repayable by HPL within one year in four instalments along with interest at the rate of 9 per cent per annum plus service charge of 2 per cent payable to WBIIDC as against the interest rate of 14.25 per cent per annum at which the Government released plan loans to other PSUs during 2000-2001. Thus, Government used WBIIDC to extend loan facilities to a company in the private sector at concessional rate of interest and sustained loss of interest amounting to Rs 2.83 crore during the year. Despite this undue benefit extended by the State Government, HPL defaulted in payment of principal loan of Rs 27.50 crore (March and June quarter) and interest of Rs 1.51 crore (June quarter) as of September 2001.

¹ For periods not exceeding 179 days

² Acquisition of land: Rs 6.36 crore, Scheme for waste disposal system: Rs 0.70 crore and Widening and repair of Jetty at Falta: Rs 0.20 crore

Sl. No.	Name of the department (Name of company/ corporation)	Balance of Deposit Account (as on 31 March 2001) Rupees in crore	Audit findings
			Further, out of Rs 8.21 crore withdrawn by WBIDC from its Deposit Account during the year 2000-2001, Rs 7.26 crore was withdrawn for different infrastructural schemes ² . But, the Corporation utilised only Rs 3.33 crore for the specific purposes and parked the balance amount of Rs 3.93 crore in Short Term Deposits with Commercial Banks.
4	Commerce and Industries Department (West Bengal Industrial Development Corporation Limited (WBIDC))	27.27	Out of Rs 17 crore available in the Deposit Account for disbursement to the eligible industrial units under West Bengal Incentive Scheme, WBIDC withdrew Rs 13.75 crore during 2000-2001 and disbursed Rs 12.80 crore to the eligible units. Although the balance amount of Rs 3.25 crore remained in the Deposit Account as on 31 March 2001, WBIDC submitted the utilisation certificate in February 2001 indicating that Rs 3.25 crore had also been utilized. This fund of Rs 3.25 crore was actually withdrawn from Deposit Account only in May 2001.
5	Agriculture Department (The West Bengal State Seed Corporation Limited (WBSSCL))	15.26	An amount of Rs 6 crore deposited by the Government into the Deposit Account of the Company in 1992-93 as short term loan had not been withdrawn and utilised by the company as yet. Interest accrued on the loan amounted to Rs 2.78 crore up to March 2001.
6	Fisheries Department (West Bengal Fisheries Corporation Limited (WBFCL))	6.42	The State Government deposited an amount of Rs 4.51 crore into the Deposit Account between November 2000 and March 2001 to meet the expenditure for fishing training & extension centre, construction of fishing harbour at Shankarpur and at Hardwood point, dredging at Shankarpur and pisciculture etc. WBFCL withdrew the entire amount but, utilised only Rs 1.81 crore during the year and invested the balance amount of Rs 2.70 crore in Short Term Deposits with Commercial Banks.

Thus, the funds meant for utilisation by the companies/ corporations for implementation of various development schemes were routed back to the Public Account to meet the revenue deficit of the State Government.

The matter was referred to Government in December 2001; reply had not been received (January 2002).

BACKWARD CLASSES WELFARE /HEALTH AND FAMILY WELFARE/LAND AND LAND REFORMS/PANCHAYAT AND RURAL DEVELOPMENT /SCHOOL EDUCATION DEPARTMENTS

3.7 Performance of the Birbhum District Administration

Introduction

Birbhum District comprises of three sub-divisions and 19 blocks covering an area of 4545-Sq KM with 30.13 lakh population (as per Census 2001) in which the SC and ST population constitutes 30.68 and 6.95 *per cent* respectively. The percentage of literacy is 52 *per cent* of the total population (male 31 *per cent*, female 21 *per cent*).

The District Magistrate (DM) is head of the district administration and functions in co-ordination with other district level officers viz.³ SP, CMOH, PAO.

³ SP-Superintendent of Police, CMOH-Chief Medical Officer of Health; PAO-Principal Agricultural Officer, DIS-District Inspector of School; PODWO-Project Officer-cum-District Welfare Officer; PD, DRDC – Project Director, District Rural Development Cell

DIS (Primary and Secondary), PO-DWO, Scheduled Castes and Scheduled Tribes Welfare and PD, DRDC responsible for performance in their respective fields.

Performance of Birbhum District Administration during 1996-2001 was reviewed in March and April 2001 through test-check of records of the offices of the DM, CMOH, Dy. CMOH-III, DIS (Primary and Secondary), PO-DWO, Scheduled Castes and Tribes Welfare and PD, DRDC. The results of examination are highlighted in the succeeding paragraphs.

3.7.1 Finance

Plan funds received and utilised by various district officers during the years 1996-2001, were as under:

Names of office	Fund Received	Fund utilised	Balance
			(Rupees in crore)
DM	54.21	34.18	20.03 (lying in the PL A/c of DM and LF A/c of Zilla Parishad and Panchayat Samitis)
DI(S)	1.04	0.44	0.60 (lying with the schools)
DI(P)	2.78	2.54	0.24 (lying with Primary School Council)
PO cum DWO	9.83	8.60	1.23 (lying in the DM SC&TF Development Corporation).
DRDC	21.21	15.22	5.99 (lying in the Savings Bank Account).
Total	89.07	60.98	28.09

The various wings of district administration failed to utilise 31.45 *per cent* of the funds given to them during 1996-2001.

Of the unspent balance, Rs 28.09 crore were lying in PL Account, LF Account and Savings Bank Account of different district officers.

3.7.2 District Magistrate's office

District Magistrate is the overall in-charge of the district administration. He directly looks after the works of Treasury, Executive Magistrate's Court, Judicial, General, Development and Planning, Election, Land and Land Reforms, granting licence, Motor vehicles, Excise, Revenue Munshikhana, etc. These functions are done with the help of 794 officials (officers and staff) in the district headquarters, Sub-divisional officers with their staff in the sub-divisions and Block Development Officers with their staff in the block level. Four officers were posted as District Magistrate during 1996-2001. The average period of tenure was 2 to 3 years.

In addition DM functions as Chief Executive Officer of Zilla Parishad, Vice-Chairman of District Rural Development Agency, Secretary of the District Planning Committee, Chairman of Regional Transport Authority, District Welfare Committee for Scheduled Castes and Tribes, National Child Labour Project, Vice-President of Zilla Sarbic Saksharata Prosar Samiti, Chief Project Manager of State Health System Development Project-II and Member of Three members Committee consisting of DM, Superintendent of Police and District Judge to

monitor the maintenance and control of law and order problem. Information regarding number of committee meetings attended by the DM were not furnished though called for.

During the period 1996-2001 DM handled funds of Rs 73.08 crore (Rs 54.21 crore funds for different schemes and Rs 18.87 crore for meeting establishment cost) through his executives for implementing different schemes and running the establishments. The schemes were implemented through Zilla Parishad, Panchayat Samitis, Public Works Department, Public Works Department (Roads), Public Health Engineering and Urban Local bodies. These funds were drawn from treasury by Senior Deputy Collector and Nezarath Deputy Collector (NDC) and disbursement were made by NDC.

Government placed fund pertaining to various schemes like MPLAD, BMS, DPF, etc. at the disposal of DM and he was authorised to transfer such scheme amounts to his PL Account. The schemes were implemented through Zilla Parishad, Panchayat Samitis, etc. as per approval of District Planning Committee headed by Sabhadhipati, Zilla Parishad. The DM also acted as a member of that committee. The funds for the implementation of the schemes were routed through Zilla Parishad and DM reported utilisation of funds to Government as and when the utilisation certificates were received from executive agencies. Thus, it appeared that implementation of the schemes fully rested with ZP and other agencies, while DM acted as drawing and disbursing officer.

(i) DM and SDO did not submit statement of monthly expenditure to their Controlling Officers⁴ as per Budget Manuals. The budget estimate prepared by DM was not realistic, as there was excess expenditure of 35.23 lakh during 1996-97 and savings of Rs 1.23 crore during 1997-98.

(ii) Monthly reconciliation⁵ of balances held in PL Cash Book and Treasury Pass Book was not done during the last five years. Retention of Rs 4.93 lakh to Rs 22.79 lakh as unclassified in the cash balance was irregular and misleading requiring an urgent probe. It was further noticed that retention of liquid cash in chest on various dates ranged between Rs 11.34 lakh and Rs 2.23 crore during the period from November 1996 to February 2001. From undisbursed cash balance, Rs 6.94 lakh was unauthorisedly advanced to the officers and staff during August 1997 and March 2001 which remained unadjusted as of March 2001.

Year-wise funds drawn from Treasury in advance through Abstract Contingent bills and detailed bills submitted there against during last five years ending February 2001, were as under:

⁴ SDO's controlling officer was the DM. The Controlling Officer for the DM was the Secretary, Department of Land and Land Reforms.

⁵ Except in January 1998

PHE-Public Health Engineering, GP-GramPanchayat, PS-Panchayat Samiti

Year	Fund drawn in AC bills		Detailed bills submitted		Outstanding of AC bill	
	No of bills	Amount	No of bills	Amount	No of bills	Amount
	(R u p e e s i n l a k h)					
1996-97	39	569.31	22	67.22	17	502.09
1997-98	20	102.34	14	47.52	6	54.82
1998-99	16	70.72	4	31.11	12	39.61
1999-2000	26	152.42	21	147.77	5	4.65
2000-2001	20	141.53	3	17.90	17	123.63
Total	121	1036.32	64	311.52	57	724.80

Out of Rs 10.36 crore drawn in 121 AC bills during 1996-2001, detailed adjustment bills of Rs 3.12 crore in 64 bills were submitted leaving Rs 7.25 crore unadjusted. Delay in submission of detailed bills ranged between 17 days and 3 years 3 months beyond the stipulated period of 60 days.

(iii) The balances lying in PL Account at the close of the financial years were carried forward to the next financial years in violation of provision under SR 412 of WBTR Vol.I. No ledger account/scheme register showing the scheme/GO-wise fund transferred to PL Account was maintained.

(v) Programme implementation

The District Magistrate is responsible for implementation and monitoring of a large number of Central and State Schemes either directly or through his subordinate offices. A review of selected schemes indicated significant deficiency in their implementation as discussed below:

a) Rupees 2.17 crore released by District Magistrate during 1996-2001 under Basic Minimum Services (BMS) Programme were lying unspent with executing agencies.

b) Rupees 46.54 lakh meant for District Plan Schemes had been diverted for other works/purposes like installation of computer printer, renovation of circuit house, construction of the office of Superintendent of police, car-shed, installation and maintenance of EPABX system, etc. during March 1997 to December 1998.

c) Of Rs 9.72 crore sanctioned between February 1997 and February 2000 by the Department of Panchayat and Rural Development for infrastructure development of 169 GPs, and 19 PS etc, Rs 4.30 crore remained unutilised as of March 2001.

d) Bengali typewriter machine and duplicating machine valuing Rs 27.68 lakh were purchased by District Panchayat Officer for 169 Gram Panchayats⁶ in August 1999 and April 2000 which remained idle for want of type knowing persons rendering the expenditure unfruitful.

⁶ Records of Three Panchayat Samitis and 9 Gram Panchayats test checked in audit

e) Due to short lifting of food grains by implementing agencies and non-release of allocated quota by the FCI, 9.24 lakh children were deprived of the benefit of mid day meal during 1996-2001.

f) Of Rs 10 crore released during 1996-2001 under MPLAD for 939 works recommended, only Rs 3.15 crore was utilised. Total number of works completed as on the date could not be furnished to Audit.

3.7.3 Health Care System

CMOH being the head is responsible for health care measures in the district. There are one District Hospital, 2 Sub-divisional Hospitals, 3 Rural Hospitals, 16 Block Primary Health Centres, 54 Primary Health Centres and 425 Sub-Centres in the district for extending general and specialist treatment to urban and rural population of the district. A review of various aspects of health care system in the district brought out various deficiencies. Evidently, the role of CMOH in their monitoring and implementation had vast scope of improvement as discussed below :

(i) Upgradation of four (4) Block Primary Health Centres (BPHCs) at Dubrajpur, Murarai, Labpur and Sainthia to Rural Hospital (RH) for imparting better health care and specialist treatment could not be extended for years together as specialist medical officer was not posted and funds not provided for functioning as RH, and for non-notification of the opening of RHs and non declaration of the Superintendent of RH as DDO etc. Expenditure of Rs 2.88 crore spent on construction of 3 RHs (Rs 201.07 lakh) between 1989-94, salary of idle staff (Rs 70.33 lakh) and purchase of X-ray machines (Rs 16.33 lakh) which remained idle since its installation between 1987 and 1995 became wasteful and did not serve the intended purpose of providing better health care to the rural population. The CMOH did not furnish the reasons for non-utilisation.

A 20 bed TB hospital in Murarai block constructed at Rs 16 lakh was handed over to the Block Medical Officer of Health (BMOH), Murarai in 1990 by the Public Works Department. No staff was posted since its handing over and one Medical Officer, who joined in July 1998, was utilised in CMOH office till his return to Kolkata in March 1999. The hospital building constructed at a cost of Rs 16 lakh remained unutilised for over ten years.

(ii) Despite availability of necessary infrastructure and staff the indoor beds in 59 PHCs remained unutilised which resulted in unfruitful expenditure of Rs 2.57 crore on idle staff during 1996-2001 while 3 PHCs⁷ were running without medical officers, 2 BPHCs⁸ without pharmacist, 5 PHCs without sweepers affecting health care measure.

⁷ PHC-Primary Health Center

⁸ BPHC – Block Primary Health Centre

(iii) Medicines worth Rs 12.31 lakh were purchased between September 1999 and March 2001 by SDH Bolpur in violation of rules and orders and due to inconsistent assessment of requirement and consumption in DRS⁹ and SDH¹⁰, Bolpur. 20 items of medicine valuing Rs 4.46 lakh became time barred for negligence of the storekeeper and hospital authorities.

(iv) The CMOH authority did not maintain stock account of equipment worth Rs 22.56 lakh for 1999-2000 while 17 items of equipment (Rs 27.39 lakh) received from SHSDP-II though not requisitioned by SDH Bolpur remained unutilised indicating slack monitoring by the authorities.

(v) In absence of allopathic medical officer as BMOH, the BPHC did not function properly. There were reports of public agitation over inadequacy in health care facilities.

(vi) Retention of Rs 7.19 lakh in shape of vouchers by Superintendent of Sub-divisional hospital, Bolpur and shown as cash balance was irregular as the vouchers could not be considered as cash balance.

(vii) Government decided to post one Inspector of Accounts (IOA) in each district office of CMOH as representative of Audit, Accounts and verification cell of Health Directorate. Each IOA was required to inspect not less than 65 units a year.

In Birbhum district neither any IOA was posted in the office of CMOH, nor any IOA selected by Directorate visited any unit of the district during 1996-2001. Had one IOA been posted, financial indiscipline as discussed above could have been reduced or avoided.

3.7.4 District Inspector of Schools (Primary Education)

District Inspector of Schools (DI) implements and monitors implementation of the educational programmes through inspection of the schools.

(i) Out of 2373 schools in the district, 2328 schools were functioning (1996-2001) with inadequate or no basic infrastructural facilities like without building (105), without drinking water facility (1044), without toilet/ urinals (2139), separate urinals for girls (2271) and separate lavatory for girls (2328).

(ii) One hundred and seventy four schools were being run by one teacher while in 69 schools there were 230 teachers in place of 132 teachers required as per norms resulting in retention of 98 excess teachers. Nine schools were functioning (1996-2001) with 41 teachers in place of 92 teachers required as per norms (student-teacher ratio 40:1).

⁹ DRS-District Reserve Store

¹⁰ SDH – Sub-Divisional Hospital

(iii) In 17 schools precondition for continuance of a primary school with minimum 20 students was not maintained (1996-2001).

(iv) Enrolment in class I in 1996-97 was 125407, whereas enrolment in class-V after 5 years in 2000-2001 was 49029, indicating a high dropout figure of 76378 students (61 *per cent*).

DI did not take any action either for development of school buildings or proper utilisation of resources.

(v) Ten (10) primary schools were to be compulsorily inspected every month by each inspecting officer like DI, AI, SI¹¹, etc. Thirty nine inspecting staff of the district covered only 7594 schools (32 *per cent*) against 23400 to be covered by them during 1996-2001.

3.7.5 District Inspector of Schools (Secondary Education)

(i) Even though grants-in-aid applications of 5 schools were lying in the office of AI, Bolpur, Rs 1.51 crore was released by the DI, Birbhum at Suri without enquiring into the grants-in-aid applications.

(ii) Utilisation certificates for Rs 59.24 lakh disbursed during 1996-2001 were awaited from 474 schools as of April 2001.

(iii) Fifty six (56) schools had 145 teachers in excess as compared to 1 : 40 norm of teacher student ratio resulting in extra expenditure of Rs 4.65 crore during 1996-2001 while Rs 3.98 lakh was disbursed to seven unrecognised Madrasas in 1997-99 by the Directorate.

(iv) With one DI, 14 AIs, and 9 SIs inspections of 2928 schools were to be conducted annually, whereas only 1438 (25 *per cent*) inspections were actually undertaken by them during 1999-2001.

3.7.6 Project Officer cum District Welfare Officer (PO cum DWO)

To ameliorate the economic condition of people belonging to SC/ST Community family oriented benefit schemes, Community Development Schemes, etc. were taken up by Government. The Project officer cum DWO was responsible for monitoring the implementation of the programme in the district.

The family oriented economic benefit (FOB) schemes were implemented under six broad heads viz. (1) Agriculture, (2) Animal Husbandry, (3) Cottage and Small Scale Industries, (4) Fisheries, (5) Trade and Business and (6) Rural Transport.

¹¹ DI-District Inspector of Schools, AI-Assistant Inspector of Schools, SI-Sub-Inspector of Schools

(i) There was nothing on record to show that evaluation/ monitoring of the scheme was undertaken by the Manager and Assistant Manager of West Bengal SC and ST Financial Development Corporation, while Field Organisers covered 254 beneficiaries during 1996-2001 against 1500 to be covered. Various shortcomings were noticed in the implementation of the scheme.

(ii) Muster rolls for subsidy of Rs 10.70 crore (SC) and Rs 2.64 crore (ST), and margin money of Rs 53.88 lakh (SC) and Rs 10.23 lakh (ST) were not produced to Audit.

(iii) Under Family oriented benefit scheme, subsidy of Rs 10.70 crore and 2.64 crore to SC & ST beneficiaries respectively and margin money of Rs 3.74 crore and Rs 0.95 crore were disbursed during 1996-2001 in the ratio of 3:1 in defiance of norm of 5:2. This was indicative of inflation of figures of actual achievements by 15590 for SC and 3766 for ST people.

(iv) During 1998-2001, total 12650 cases of SC and 4158 cases of ST people were sponsored to banks under Family Oriented benefit scheme against target of 16500 and 5885 respectively depriving 3850 SC (23 *per cent*) and 1727 ST (29 *per cent*) population. In the Municipalities the target was fixed without reference to concentration of SC/ST population.

(v) Of 57 sanctioned community development schemes, funds were released for 55 schemes against which 42 were completed at Rs 71.23 lakh during 1996-2001 leaving Rs 73.05 lakh unspent for 13 incomplete schemes.

(vi) Utilisation certificates for Rs 20.23 lakh sanctioned during 1996-2001 in respect of 11 completed schemes were awaited as of April 2001.

(vii) Achievement under Animal Husbandry and Fisheries heads of Family Oriented Benefit Scheme fell short of the target by 10 and 17 *per cent* respectively which indicated improper utilisation of these two resourceful schemes.

3.7.7 DRDC

Principal Director, District Rural Development Cell is to implement various Centrally sponsored schemes.

(i) Against the total available fund of Rs 22.68 crore, (1996-2001) for implementation of different schemes, Rs 13.84 crore was spent during 1996-2001, leaving Rs 8.84 crore (39 *per cent*) in hand as shown in the Appendix 40.

(ii) Matching Grant of Rs 1.48 crore was short released under different schemes by State Government during 1996-2001.

(iii) Physical achievement under IRDP¹² scheme declined (99 per cent) from 6827 beneficiaries in 1996-97 to 77 beneficiaries in 2000-2001 while under TRYSEM¹³ only 760 could get employment till March 2001 out of 4366 youth trained during 1996-1999 and grants (Rs 1.09 crore) received during 1996-98 for implementation of Ganga Kalyan Yojana remained unutilised.

3.7.8 Conclusion

There are several gaps in the district administrative machinery. As large number of developmental schemes were implemented by the District Magistrate, the machinery at his disposal was to be strengthened to provide an effective administration. Finance and accounting were particularly weak areas and this provided scope of mis-utilisation of funds and risk for safety of the cash. Computerisation of the District Magistrate's office and the monitoring system are required to provide necessary support to the DM for effective co-ordination and monitoring. There was sufficient scope for improvement in the functioning of the district level officers of other departments. Effective monitoring of the district offices by the Directorate and the Government could improve the working of the district.

The matter was referred to Government in August 2001; reply had not been received (January 2002).

FINANCE/ POWER/TRANSPORT DEPARTMENTS

3.8 Management of loans given by the departments and borrowings of the Government of West Bengal

Borrowings of the Government of West Bengal and repayment thereof during the years 1996-97 to 2000-2001 and Management of Loans given by the Power Department and Transport Department, Government of West Bengal were reviewed during September-October 2001.

3.8.1 Borrowing of the Government of West Bengal.

The gross amount of market loan to be raised in a particular year is fixed in a meeting of the State Government with the Planning Commission and Government of India, Ministry of Finance. The State Government approaches Government of India for obtaining their consent under Article 293 (3) of the Constitution of India for floating of the above loan. No account in this respect indicating the year wise amount of market borrowings and utilisation thereof, was maintained by the Finance Department, Government of West Bengal on the ground that the Reserve

¹² IRDP- Integrated Rural Development Project.

¹³ TRYSEM- Training of rural youth for self employment.

Bank of India acts as an agency for raising the market loans by the State Government as per direction of the Planning Commission and Government of India. RBI also intimates the State Government the quantum of market loans raised in a particular year. Usually, the State Government raises market loans to generate Plan Resource and is meant for financing the Core Plan Schemes.

The table below indicates the amounts of loans raised, loans repaid and balance outstanding during the five years up to 31 March 2001:

Year	Amount of loans raised during the year	Repayment of loans during the year	Outstanding loan as on 31 March
		(Rupees in Crore)	
1996-97	492.17	Nil	3218.51
1997-98	570.81	29.44	3760.58
1998-99	705.76	97.35	4370.31
1999-2000	766.68	102.02	5035.12
2000-01	727.36	62.70	5852.92

It transpired from the above table that the outstanding amount of loans increased from Rs 3218.51 crore in 1996-97 to Rs 5852.92 in 2000-2001 (82 *per cent*) because the State Government failed to make re-payment of the loans. The failure was attributed by the State Government (October 2001) to its stringent financial condition.

3.8.2 *Sanction of loans*

The Power Department and the Transport Department sanctioned loans of Rs 5873.71 crore and Rs 1018.55 crore till March 2001 respectively to the various Government Undertakings/ Statutory Bodies under their control. Of which loans sanctioned during 1996-01 amounted to Rs 5436.83 crore and Rs 221.37 crore respectively representing 80 *per cent* of total loans of Rs 7034.94 crore of the State Government as a whole.

(i) *Discrepancy in the loan figures of the Department and the Finance Accounts*

During 1996-98, amount of loan sanctioned as per records of Power Department stood at Rs 1260.65 crore whereas the corresponding figure as per Finance Accounts was Rs 1436.77 crore resulting in discrepancy of Rs 176.12 crore. Similar discrepancies were also noticed in Transport Sector. As per departmental records, loans given to Calcutta State Transport Corporation, West Bengal Surface Transport Corporation Limited and Hooghly River Bridge Commissioners were Rs 40.59 crore, Rs 9.20 crore and Rs 33.45 core respectively whereas Finance Accounts exhibited figures of Rs 37.46 crore, Rs 10.20 crore and Rs 36.80 crore respectively during 1996-01. Excepting in case of Hooghly River Bridge Commissioner, the departments stated (October 2001) that the matter would be taken up with the Principal Accountant General (A&E), West Bengal for reconciliation of the discrepancies. During discussion (February 2002) Joint Secretary, Transport Department stated that reconciliation of monthly accounts though not done during 1999-2001 would be done henceforth.

(ii) Non-maintenance of accounts of loans

Both the Power and Transport Departments did not maintain accounts of loans sanctioned indicating amounts of principal loans, interest due for recovery and loans and interest actually recovered even though it was obligatory to keep proper accounts of loans to effect timely recovery of loans and interest thereon. Principal amount of loan and accrued interest overdue in respect of Power and Transport Departments as on 31 March 2001 were as under:

Name of Department	Principal amount of loan overdue	Accrued interest
	(Rupees in Crore)	
Power	285.83	473.98
Transport	140.88	242.62

Non-maintenance of accounts of loans, non-monitoring of recovery of loans and interest accrued thereon and non-pursuance by the Departments resulted in accumulation of outstanding loans and interest. Joint Secretary, Transport Department during discussion (February 2002) assured to maintain the Loan Register with all information regarding loan as well as to initiate actions for recovery of overdue principal and interest henceforth.

(iii) Terms and conditions of loans not decided

The Terms and conditions governing repayment of loans by the borrowers were not fixed by the Power and Transport Departments prior to sanction of loans resulting in non-payment of the outstanding loans as indicated below:

Department	Name of borrower	No. of loans	Amount of loans (In crore)	Settlement of terms awaited from the year	Remarks
Power	West Bengal Power Development Corporation Ltd.	2	392.88	1988-89	Government order incorporating terms and conditions of the loans was not on record.
	Durgapur Projects Ltd	1	45.84	1994-95	Terms and conditions not settled.
	West Bengal State Electricity Board	17	723.67	1997-98	Terms and conditions not settled.
Transport	Calcutta Improvement Trust	2	0.01	1968-69	Terms and conditions not settled.
	Howrah Improvement Trust	3	0.53	1965-66	Terms and conditions not settled.
	Calcutta State Transport corporation	134	106.97	1969-70	Terms and conditions not settled.
	North Bengal State Transport Corporation	117	51.35	1980-81	Terms and conditions not settled.
	South Bengal State Transport Corporation	207	28.70	1973-74	Terms and conditions not settled.
	Calcutta Metropolitan Dev. Authority	47	8.89	1982-83	Terms and conditions not settled.
	Calcutta Tramways company Ltd.	72	86.25	1983-84	Terms and conditions not settled.

It would be evident from the above table that in 582 cases of sanctions the terms and conditions were not fixed by the Transport Department for more than decades despite the directions of Finance Department, Budget Branch. While accepting the audit contention, Joint Secretary, Transport Department intimated (February 2002) that terms and conditions of loans granted earlier would be settled under intimation to audit.

(iv) Loans converted into equity

Loans of Rs 105 crore, Rs 1352.62 crore and Rs 182.78 crore provided to Durgapur Projects Limited (DPL), West Bengal State Electricity Board (WBSEB) and West Bengal Power Development Corporation Limited (WBPDCCL) respectively were converted into equity between April 1992 and August 2000 for strengthening the financial status of the units. Up to 2000-2001, DPL and WBSEB incurred accumulated loss of Rs 366.11 crore and Rs 2443.13 crore respectively while WBPDCCL earned accumulated profit of Rs 152.24 crore. As these companies were loss making, the conversion of loans into equity in effect meant writing off of these loans.

(v) Conversion of interest into loan/Waiver of interest on loans

(a) On the basis of the advice of the Power Department (July 2001) WBSEB submitted a proposal to the Government for conversion of loan of Rs 1090.35 crore into equity. In addition, WBSEB had written back interest aggregating Rs 833.98 crore¹⁴ in their annual accounts for the years from 1994-95 to 1998-99, out of which Rs 414.43 crore was treated as waived by WBSEB without any sanction from the State Government. This was eventually regularised only in May 1999 and July 2000.

(b) During 1995-96 to 1998-99 the State Government waived interest of Rs 42.99 crore¹⁵ on the loans provided to DPL. Further in 2000-2001 the Government sanctioned grant of Rs 6.43 crore¹⁴ to DPL for adjustment of outstanding interest on loans. The principal amount of loans and interest outstanding as on 31 March 2001 amounted to Rs 135.68 crore¹⁴ and Rs 5.63 crore¹⁴ respectively. Such undue financial benefits were given to DPL to keep the Company out of the purview of the Board for Industrial Financial Reconstruction (BIFR). Such conversion of loans to equity and waiver of interest were done without protecting the financial interest of the Government.

(c) Till March 1995, Principal amount of loan of Rs 62.51 crore and interest of Rs 24.40 crore remained overdue for recovery from the Road Transport Undertakings. Despite this, Government continued to sanction loans to the Undertakings up to 2001 fresh loan of Rs 252.98 crore was sanctioned to the defaulting units. Consequently the amount of loans due for recovery soared from Rs 62.51 crore as on 31 March 1995 to Rs 140.88 crore as on 31 March 2001. During discussion (February 2002) the Joint Secretary, Transport Department stated that reasons for extending such loan assistances to the defaulting units were not available and that fresh loans were granted to keep the units running.

The matter was referred to Government in December 2001; reply had not been received from Finance Department (January 2002).

¹⁴ Source – Statement of Accounts of WBSEB.

¹⁵ Source – Annual Accounts of Durgapur Projects Limited.

**FINANCE (TAXATION)/ FOOD PROCESSING AND
HORTICULTURE/ LAW/ PANCHAYAT AND RURAL
DEVELOPMENT DEPARTMENTS**

3.9 Avoidable payment on hiring vehicles

Defiance of notification of Transport Department by four departments resulted in extra expenditure of Rs 47.93 lakh on hire-charges of vehicles paid at casual rates instead of monthly rates

Government of West Bengal, Transport Department notification (January 1992) regulating hiring of vehicles in Government offices clearly mentioned that hiring of vehicles in Government offices should be done either on casual or monthly basis, keeping in view their actual requirement and resultant economy.

The Commissioner, Commercial Taxes, West Bengal (CCT) obtained orders of the Finance (Taxation) Department, for hiring 145 to 149 cars/taxis daily for deployment in different offices, checkpoints and Range Offices on casual basis/ casual rates, instead of monthly rates, on grounds of collection of revenue and checking tax evasion.

When the violation was pointed out by Audit in January 1999, CCT stated (May 1999) that the vehicles were required for round the clock duties and were therefore hired at casual rates. Cross verification of Log-sheets and vehicle bills revealed that most of the vehicles were hired continuously for 20 to 31 days in a month and for 10 to 12 hours in a day and not round the clock, as stated, and their hire-charges were always paid at casual rates which were much higher than the monthly rate. No remedial action was taken by CCT till December 2000 when Finance (Budget) Department issued Economy Circular (December 2000) directing strict observance of the rule of hiring of vehicles at monthly rates. Only thereafter the CCT discontinued the system of hiring of vehicles at casual rates from January 2001.

Rupees 30.58 lakh were spent in excess between March 1997 and December 2000 on hiring of vehicles unnecessarily on a casual basis instead of monthly basis by the Finance (Taxation) Department.

Scrutiny (November 1999 and January 2001) of records of three departments¹⁶ further revealed that vehicles hired by the departments were similarly paid on casual rates (during July 1995 and July 2000) instead of monthly rates resulting in excess expenditure of Rs 17.35 lakh.

Thus, unjustified rates paid by the departments resulted in excess expenditure of Rs 47.93 lakh on hire-charges of vehicles between July 1995 and July 2000.

¹⁶ Panchayat and Rural Development Department Rs. 4.82 lakh (March 1996 to January 2000)
Food Processing and Horticulture Department Rs 5.60 lakh (July 1995 to March 2000)
Law Department Rs 6.93 lakh (March 1996 to September 1999)

Law Department and Panchayat and Rural Development Department in replies (September 2001 and October 2001 respectively) accepted the audit observations and intimated that the payment of hire-charges of vehicles on casual rates has been discontinued from October 1999 and October 2000 respectively.

The matter was also referred to Government in the department of Finance (Taxation) (May 2001) and Food Processing Industries (August 2001); their replies have not been received (January 2002).

**COTTAGE AND SMALL SCALE INDUSTRIES/COMMERCE
AND INDUSTRIES/POWER/ TRANSPORT DEPARTMENTS**

**3.10 Issue and Management of Guarantees given by the Government
of West Bengal**

3.10.1 Introduction

Under article 293 of the Constitution, the State Government provides guarantee to the loans raised by Public Sector Undertakings, local authorities, Statutory Boards/Corporations, Co-operative Institutions, etc. in the State from financial institutions, Banks and other sources upon the security of the Consolidated Fund of the State, within the limits fixed by the legislature. The guarantee given by the Government constitutes contingent liability of the State. No law prescribing the maximum limit up to which the Government could give guarantee was in force till the passage of the “West Bengal Ceiling on Government Guarantees Act 2001” effective from July 31 2001. Total outstanding Government guarantee as on the first day of April of any year shall not exceed ninety percent of the State Revenue receipts of the second preceding year of such year. The administrative departments provide guarantee with the concurrence of the Finance Department and the approval of the State Cabinet. The Administrative Departments and the Finance Department are also responsible for monitoring the debt servicing liability of the loanees.

Finance and four¹⁷ other departments provided guarantee for Rs 7401.54 crore at the end of 2000-01 out of total guarantee of Rs 9676.52 crore (76.49 per cent) as shown below :

Maximum Amount Guaranteed As on	Amount	Sums guaranteed outstanding (R u p e e s i n c r o r e)	Percentage
	(R u p e e s i n c r o r e)		
31 March 1997	4415.56	2379.93	53.9
31 March 1998	5863.31	2977.70	50.79
31 March 1999	6098.81	3379.48	55.41
31 March 2000	5606.40	3907.07	69.69
31 March 2001	9676.52	6959.67	71.92

¹⁷ i) Cottage & Small Scale Industries Department, (ii) Power Department, (iii) Transport Department, (iv) Commerce and Industries Department

The total guaranteed amount increased from Rs 4415.56 crore to Rs 9676.52 crore (increase of 119.14 per cent) during March 1997 and March 2001 whereas the outstanding guaranteed amount increased from Rs 2379.93 crore to Rs 6959.67 crore (increase of 192 per cent).

3.10.2 Failure to follow procedures

i) Non-maintenance of Records

Though guarantees constitute contingent liability of the Government, Finance Department/Administrative Departments have not maintained systematically any records of the guarantees given by the Government and collection of guarantee fee. The information/details of guarantee were being collected by Finance Department from loanee institutions through Administrative Departments and consolidated for incorporation in the Finance Accounts each year. Since most of the units for whom the Guarantees were provided by Government are perpetually loss making, the guarantees have a high risk of turning into actual liability.

ii) Condition of Guarantees not fulfilled

Scrutiny of records of the Administrative Departments and the Finance Department revealed that guarantees were given as a matter of course. The Credit worthiness/solvency of the loanee institution and utility of the guaranteed amount towards public interest were neither judged nor submission of periodical statement of assets and liabilities, annual accounts, creation of sinking of fund for amortization of loans, payment of guarantee commission, cancellation of unavailed portion of guarantee within a year were considered to minimise the risk factor involved in the issue of guarantees, neither the Finance Department issued any guidelines for deciding the guarantees.

In the departments test-checked, guarantee of Rs 533.67 crore was given against loans obtained by loss making companies¹⁸ (as per latest accounts finalised) up to the end of 31 March 2001.

Cottage and Small Scale Industries Department stated (October 2001) that the units were created for promotion and development of small scale industries and for marketing the products of the poor handicraft artisans, and hence Department felt the

¹⁸

<i>Durgapur Project Limited</i>	<i>Rs 412.88 crore (issued between September 1985 and August 1998)</i>
<i>Calcutta State Transport Corporation</i>	<i>Rs 76.99 crore (issued between December 1994 and December 1997)</i>
<i>West Bengal Handloom and Power loom Development Corporation</i>	<i>Rs 35 crore (issued between April 1989 and December 1999)</i>
<i>West Bengal Small Industries Development Corporation</i>	<i>Rs 5 crore (issued between December 1980 and April 1989)</i>
<i>West Bengal State Leather Industries Corporation</i>	<i>Rs 3 crore (issued between April 1991 and January 1992)</i>
<i>West Bengal Handicraft Development Corporation Limited</i>	<i>Rs 0.80 crore (issued in April 1999)</i>

need for extending guarantees though the units were running in loss. The reply was not tenable, as Government was required to take effective steps to minimise the risk of failure in discharge of the guarantees which providing guarantee to any unit.

iii) Loan granted by Government for repayment of existing loan against which guarantee was issued

Repayment capacity of the loanee unit prior to issue of Government guarantee was not assessed by the Administrative Departments as in many cases loanee institutions failed to repay the loan and consequently such institutions arranged with the banks/financial institutions for one time settlement (OTS) against some concession in accrued interest. Thereafter the loanee units approached and received loan from Government for repayment of the OTS dues to the bank. A few examples where the loanee received loan from Government for repayment of OTS dues to IDBI, IFCI, IIBI, and ICICI¹⁹ were as under:

Loanee unit	Loan guaranteed (Rs in lakh)	Loan granted by Government (Rs in lakh)	Balance of outstanding guarantee as on 31.3.01 (Rs in lakh)
1. Kalyani Spining Mills Ltd.	450.00 (ICBI) 220.00 (IIBI)	695.9	230.42
2. Tamralipta Coop spinning Mills Ltd.	610.00 (IDBI/IFCI,ICICI)	518.79	173.00
3. Kangshabati Coop spinning Mills Ltd.	443.00 (IDBI/IFCI,ICICI)	300.00	331.11

The loan sanctioned by the Government was required to be repaid in 15 equal annual instalment with an interest of 15 *per cent* per annum. No records were maintained by the Administrative Departments from which the actual position of outstanding loan/instalment/interest dues and recovery made could be ascertained. This indicated that the Departments were not monitoring the loans and guarantees.

iv) Guarantee Commission not realised

In terms of Government Order (June 1974) loanee institution were to pay guarantee fee at the rate of half per cent per annum on the sums guaranteed by the State Government and for which an agreement was to be executed between the Government and the loanee concerned in consultation with the Legal Remembrancer of the Government, Guarantee fees levied should be recovered punctually and credited to the Govt. account. Against the guaranteed loan of Rs 9676.52 crore (as of March 2001) crore raised by Statutory Corporation/Public Sector Undertakings etc from various financial institutions, Banks, etc. accumulated guarantee commission outstanding was Rs 131.16 crore²⁰ as of March 2001 of which Rs 130.94 crore were outstanding against West Bengal State Electricity Board (Rs 75.32 crore), West Bengal Power Development Corporation Limited (Rs 32.28 crore), Kolkata Metropolitan Development Authority (Rs 16.97 crore) and Durgapur Project Limited (Rs 6.37 crore). No effective steps were taken by the Administrative Departments for realisation of the outstanding guarantee fees.

¹⁹ IDBI-Industrial Development Bank of India, IFCI- Industrial Finance Corporation of India, IIDI- Industrial Investment Bank of India, ICICI-Industrial Credit and Investment Corporation of India Limited.

²⁰ Computed on the basis of information as furnished by some of the departments

3.10.3 Other Institutions

i) *West Bengal State Electricity Board*

The Reserve Bank of India (RBI), acting on an irrevocable and unconditional authority issued by the Finance Department, paid Rs 27.38 crore (December 1998), towards repayment of principal liabilities of the Government guaranteed WBSEB bonds²¹ during 1998-99 to eleven banks, being the subscribers to the State Government (Power Department) guaranteed WBSEB bonds.

The payment, in liquidating the State Governments obligation as the guarantor, constituted a burden of Rs 27.38 crore on the state exchequer.

Besides, WBSEB which borrowed money from time to time from the market by floating bonds guaranteed by the State Government defaulted persistently in discharging the debt liabilities pertaining to repayment of bonds, on maturity, and payment of interest. The Government paid a total sum of Rs 349.37 crore, as loan, during 1994-2001, to the defaulting borrower (Board) for enabling them to discharge liabilities towards repayment of the principal amount of the WBSEB bonds which are guaranteed by the Government and also payment of interest. The WBSEB, however, did not repay any amount of such loan to the State Government.

ii) *North Bengal State Transport Corporation*

North Bengal State Transport Corporation (NBSTC) was incorporated (April 1960) under Section 3 of the Road Transport Corporation, as an undertaking of the Transport Department, Government of West Bengal, to provide an efficient and economical system of road transport services.

During 1991-92 to 1999-2000 NBSTC borrowed funds of Rs 16.31 crore from West Bengal State Cooperative Bank Limited at rates of interest varying from 15 to 16 *per cent per annum* for procurement of chassis with the guarantee provided by the State Government.

The outstanding dues towards the loans obtained from the State Cooperative Bank stood at Rs 10.56 crore as on 31 March 2001 due to non-payment by NBSTC. As guarantor the State Government had to disburse Rs 10.56 crore as loan to NBSTC to enable it to repay the outstanding dues of the bank.

NBSTC also took loan from IDBI of Rs 1.34 crore for the vehicles supplied by Ashok Leyland during 1990 and 1991 under the Bills Rediscounting Scheme of IDBI, duly guaranteed by the State Government. Due to non-payment of loan by NBSTC the outstanding dues as on 31 March 2001 stood at Rs 6.56 crore (Principal Rs 1.34 crore, Interest Rs 5.22 crore).

²¹ as on 09.09.1998 (Rs 17.50 crore in respect of bonds of 1998 (2 series) and 20.01.1999 (Rs 9.875 crore – 50 per cent of Rs 19.75 crore in respect of bonds of 1999 (4 series)

Despite the observation of the Finance Department (April 2001) that NBSTC did not discharge their loan liability through improvement of their earnings and exercising economy, they fell back upon the Government to bail them out quite often and the State Government released (April/June 2001) Rs 2.75 crore in the form of loans to enable them to make part repayment of the outstanding dues of Ashok Leyland.

iii) West Bengal State Leather Industries Development Corporation Limited

West Bengal State Leather Industries Development Corporation Limited, a Government undertaking was incorporated in March 1976 had accumulated loss of Rs 3.46 crore up to March 2000 against the paid up capital of Rs 3.38 crore.

The company had a cash credit arrangement, needed for procurement of footwear and leather goods and marketing thereof with West Bengal State Cooperative Bank Limited up to a limit of Rs 3 crore against Government guarantee. The guarantee was given, before the approval of the cabinet, by the Cottage and Small Scale Industries Department.

However, as the Corporation did not regularly deposit in the cash credit account the outstanding amount exceeded the sanctioned limit of Rs 3 crore and reached Rs 9.61 crore (cash credit Rs 2.22 crore plus interest Rs 7.38 crore) in March 2001. This resulted in liability for payment of Rs 7.38 crore as interest on overdrawn amount.

3.10.4 Conclusion

Government need to frame proper guidelines for approving guarantees against loan to be raised by the various institutions. Further, there is need to put in plan suitable control to ensure that the discharge of guarantees are suitably monitored by the Finance Department and line Departments.

The matter was referred to Government in December 2001; reply had not been received (January 2002)

ANIMAL RESOURCES DEVELOPMENT DEPARTMENT

3.11 Failure to produce Vaccines

Laboratory equipment procured and installed without ensuring availability of seed virus for production of Anti Rabies Vaccine resulted in unfruitful expenditure of Rs 20.51 lakh

For production of Anti Rabies Vaccine (ARV) through tissue culture of rabies seed virus, the Institute of Animal Health & Veterinary Biologicals (Research and

Training), Kolkata set up a laboratory in May 1995 based on expectation of availability of seed virus from vaccine producing laboratories all over the country. For this purpose, equipment valuing Rs 20.51 lakh²² were acquired and installed between April 1994 and April 1995. As of August 2001, the scheme remained unimplemented for 6 years owing to non-availability of seed virus from any source.

The matter was referred to Government in March 2001; reply had not been received (January 2002).

FINANCE DEPARTMENT

3.12 Follow up action on Audit Reports

(a) Review of outstanding Action Taken Notes (ATNs) on paragraphs included in the Report of the Comptroller and Auditor General of India, Government of West Bengal revealed that Action Taken Notes on 209 paragraphs (selected : 46 from 1992-93 to 1998-99, not selected: 163 from 1981-82 to 1998-99) involving 28 departments²³ remained outstanding as of August 2001. A list of selected paragraphs involving 23 departments is furnished in Appendix 41. Out of the said 46 selected paragraphs system deficiency had been pointed out by Audit in 18 paragraphs involving 14 departments.

The administrative departments were required to take suitable action on the recommendations made in the Report of the Public Accounts Committee (PAC) presented to the State Legislature. Following the circulation of the Reports of the PAC, heads of Departments were to prepare comments on action taken or proposed to be taken on the recommendations of the Committee and submit the same to the Assembly Secretariat.

Out of 17 Reports of the PAC²⁴ 5 were presented to the Legislature between March 1987 and February 1994 and 12 between March 1998 and July 2000. None of the 14 departments²⁵ cared to send the Action Taken Notes to the Assembly Secretariat even as of August 2001. Thus, the fate of the valuable

²² Value of other 9 equipment were not made available

²³ Agriculture, Animal Resources Development, Backward Classes and Welfare, Cottage and Small Scale Industries, Excise, Fisheries, Food and Supplies, Health and Family Welfare, Higher Education, Hill Affairs, Home (Const. and Elec.), Home (PAR), Home (Political), Home (Police), Home (Transport), Information and Cultural Affairs, Irrigation and Waterways, Labour, Land and Land Reforms, Mass Education Extension, Municipal Affairs, Panchayats and Rural Development, Public Health Engineering, Social Welfare, Sports and Youth Services, Technical Education and Training, Urban Development and Finance

²⁴ 1987: one Report, 1988: two Reports, 1992: one Report, 1994: one Report, 1998: three Reports, 1999: five Reports, 2000: four Reports

²⁵ Agriculture, Fisheries, Health and Family Welfare, Higher Education, Home (Police), Industrial Reconstruction, Labour, Municipal Affairs, Panchayats and Rural Development, Public Works, Public Works (Roads), Social Welfare, Technical Education and Training, and Transport

recommendations contained in the said reports of the PAC and whether they were being acted upon by the Administrative Departments could not be ascertained in audit.

(b) Mention was made in para 3.14 of the Report of the Comptroller and Auditor General of India for the year ended 31 March 1995 regarding Modernisation of Prison Administration wherein irregularities and lapses of Home (Jails) Department in converting a part of the Dum Dum Central Jail into “Maximum Security Jail” under Centrally Sponsored Scheme was highlighted. State Government released Rs 50 lakh (September 1992) for the work; Rs 10.56 lakh was only spent up to March 1995. The main work remained to be completed,

The Department, through ATN, submitted in August 1997 contended that the demarcation of the land of the Central Jail could not be done as the land had been unauthorisedly occupied. Most of the squatters were jail staff, their family members and relatives and the encroachers had protested against eviction. During oral evidence before the PA Committee (November 1999) the Department further added that the encroachers had been enjoying the land for about 20 years and the Land Revenue Department had given the ownership to some of the encroachers.

The Committee was utterly dissatisfied with the state of affairs and recommended in its 31st Report placed in the Assembly on 29 June 2000 that the matter should be pursued and taken up with District Magistrate and the Collector for eviction without further delay. The Committee stressed upon identifying the employees as also the outsiders, illegally encroached the land so as to initiate departmental proceedings against the employees and to take serious action against outsiders.

No positive improvement was achieved other than to take up the matter with the District Authorities and eviction of some of the unauthorised occupants only as evident from the departmental reply on the PAC recommendation, received in February 2001.

c) Wasteful expenditure on capitation fees

Under the Employees State Insurance (Medical Benefit) Scheme (ESI, MB), Capitation fees²⁶ are payable to the Insured Medical Practitioners (IMP) at the rate of Rs 15 per Insured Person (IP) for treatment of IP and his/her family members. The fee is payable quarterly on the basis of the number of IPs appearing in the list of the IMPs on the first day of each quarter. Intimation of the “exit”²⁷ list in respect of the IPs debarred of the medical benefits is sent by the Regional Director, Employees State Insurance Corporation (RD, ESIC) from time to time to the Administrative Medical Officer, (AMO) ESI, MB who in turn sends such intimation to the IMPs for correction of their list accordingly.

²⁶ Fees payable to the Insured Medical Practitioner (IMP) which includes the cost of ordinary medicines and dressing to be supplied by the IMPs

²⁷ Discontinuation of medical benefit to insured persons

Mention was made in paragraph 34 of the Audit Report (Civil) for the year 1970-71 and again in the paragraph 3.24 of the Audit Report for the year ending March 1988 regarding excess payment of Capitation fees for debarred IPs in Kolkata and the three districts of 24 Parganas, Hooghly and Howrah. The department's assertion that they had commissioned computers for speedy indexing of the "exit" list to avoid such excess payment, before the Public Accounts Committee (PAC) was included in their reports laid before the Legislative Assembly in 1976. However, the reply of the AMO, ESI (MB) (April 2001) revealed that only in 1995-96 a proposal for computerisation was submitted to the Government and the same was yet to be taken up even as of April 2001.

Thus effectively, computerisation of indexing did not commence as of April 2001 at all despite Department's assurance before the PAC in 1976.

Scrutiny revealed (October 2000) that delay in preparation of the "exit" list of the debarred IPs relating to the four districts during January 1996 and May 2000 by the RD, ESIC and delay in intimating the same to the IMPs by the AMO, ESI (MB) resulted in excess payment of Capitation fees of Rs 47.55 lakh.

The AMO, ESI (MB) has confirmed the facts (April 2001).

Thus, despite repeated audit comments and assurance of the department for avoiding such excess payment the Government failed to take steps for computerisation of the "exit" list resulting in excess expenditure of Rs 47.55 lakh during 1996-2000.

The matters were referred to Government in May 2001(c) and November 2001 (a and b); replies had not been received (January 2002).

FINANCE (TAXATION) DEPARTMENT

3.13 Loss on printing and subsequent destruction of unperforated and ungummed Entertainment Tax Stamps

Printing of ungummed and unperforated Entertainment Tax Stamps ignoring prior unwillingness of the Exhibitors to accept the same led to loss of Rs 73.14 lakh towards cost of printing and eventual destruction of the stock

Following Government of India's decision to discontinue printing of West Bengal Entertainment Tax (ET) Stamps at the India Security Press, Nasik, the Finance (Taxation) Department, Government of West Bengal decided (August 1992) to entrust the printing job for these stamps to Sree Saraswati Press Ltd. (SSP),

Kolkata, a Government of West Bengal undertaking. Since SSP did not have the necessary equipment for perforation and gumming of the stamps, the departmental guideline issued to the designated Press for printing of ET stamps (August 1992) *inter alia* stated that no perforation or gumming of the ET Stamps would be made for first year i.e. (1992-93) pending regular arrangement for printing of such stamps. Cost of printing 15.94 lakh sheets of ET stamps worked out to Rs 72.85 lakh inclusive of water marked security paper worth Rs 10.18 lakh. The Eastern India Motion Picture Association, however, stated as early as in July 1992 that it would not be possible for the exhibitors to use unperforated and ungummed ET stamps.

As the exhibitors Eastern India Motion Picture Association who had categorically refused to accept the ungummed and unperforated stamps were not utilised by/ issued to them. Department sanctioned additional funds of Rs 0.55 lakh (Rs 0.40 lakh in February 2000 and Rs 0.15 lakh in August 2001) on their destruction/ burning, of which, the details of expenditure of Rs 0.29 lakh were only furnished.

Thus, unjustified printing of the ungummed and unperforated stamps without considering the unwillingness of the exhibitors to use such stamps, resulted in a loss of Rs 73.14 lakh towards the cost of production and their disposal.

The Department stated (November 2001) the stamps were destroyed (August 2001) in order to create space for new stamps in the strong room. The department, however, did not reply to the reason of unjustified printing of unperforated and ungummed stamps.

HEALTH AND FAMILY WELFARE DEPARTMENT

3.14 National Leprosy Elimination Programme

3.14.1 Introduction

Leprosy remains a major Public Health problem in India, and West Bengal is one of the six major endemic States in the Country. National Leprosy Elimination Programme (NLEP) was launched in the State in 1955 with the financial assistance of the Government of India. To eliminate Leprosy initial Dapsone Monotherapy was used. With the introduction of short course effective treatment by Multi Drug Therapy (MDT) and as recommended by World Health Organisation (WHO), MDT started in the State in 1982 first in Purulia district as a pilot project. The highly affected district in the State were Purulia, Coochbehar, Bankura, South Dinajpur and Birbhum. All the districts, however, were brought under MDT Coverage in 1996 with the object to eliminate Leprosy reducing the case load to less than 1 per 10,000 population by the end of the year 2000.

The Programme was to be implemented through the State Leprosy Society (SLS) and District Leprosy Societies (DLS) formed under the Chairmanships of Principal Secretary, Health & Family Welfare and District Magistrates respectively. Approximately ten Non-Government Organisations (NGOs) were also engaged under the NLEP.

3.14.2 Finance

Diversion of GOI grant – Rs 5.66 crore

State Government received grant of Rs 5.66 crore from Government of India (GOI) for maintenance of vertical units²⁸ created during 1996-97 to 2000-2001. The entire GOI grant of Rs 5.66 crore was spent for payment of pay and allowances of the staff of the units created during 1994-95 in violation of GOI orders as the units created prior to 1996-97 was to be maintained by the State Government.

As the funds provided by GOI was spent on salaries, etc. no unit/infrastructure was created during 1996-2001.

All the 18 District Leprosy Societies (DLSs) received cash assistance directly from GOI for certain components like incentive, health education, maintenance of vehicles, etc. irrespective of the Plan period during 1996-97 to 2000-2001. Information regarding actual amount received on this score by the DLSs were not available with the State Government. However, cash assistance received during the period by 4 test-checked districts is detailed below:

	Bankura	Bardhaman	Uttar Dinajpur	Purulia
	(R u p e e s i n l a k h)			
1996-97	Nil	Nil	Nil	23.00
1997-98	12.02	45.69	33.25	1.04
1998-99	15.00	Nil	5.00	Nil
1999-2000	29.00	22.23	15.03	22.82
2000-01	Nil	Nil	11.68	Nil

Under National Leprosy Elimination Programme (NLEP) for two Modified Leprosy Elimination Campaign (MLEC), District Societies received (1998-2000) Rs 6.64 crore from GOI. Details of expenditure incurred, however, were not furnished to audit.

Scrutiny of audited statement of accounts of District Leprosy Societies of four test-checked districts for the relevant period revealed the following irregularities :

(i) DLS, Uttar Dinajpur incurred expenditure of Rs 46.36 lakh on medicine, health education, petrol oil and lubricants (POL), office expenses (OE), furniture, etc. during 1996-2001 in excess of the limit fixed by the GOI.

(ii) DLS, Purulia made payment of Rs 6.83 lakh to The Leprosy Mission (TLM) Purulia, a NGO on the basis of bill preferred by them towards Reconstructive Surgency (RCS) and supply of footwear (MCR) of Gr. II

Doubtful expenditure of Rs 6.83 lakh

²⁸ Leprosy Control Unit (LCU), Modified Leprosy Control Unit (MLCU), Urban Leprosy Centre (ULC), Survey, Education and Training Centres (SET), etc.

deformity patients without verification of any basic records like reference from different LCUs under DLS, Purulia rendering the expenditure doubtful.

iii) DLS, Bankura kept the fund in the Bank Current accounts unlike other DLS who kept in the Savings accounts. Thus DLS, Bankura lost interest about Rs 4 lakh for the period from 1996-97 to 2000-2001.

iv) The Ex-Member Secretary of the DLS was involved in the defalcation of Rs 10.49 lakh from the DLS, Hooghly in February 2000. The amount was shown as expenditure and booked under suspense head. The case is sub-judice.

3.14.3 Physical performance

The NLEP status report of the Government for the last 5 years (1996-2001) disclosed as under:

	1996-97	1997-98	1998-99	1999-2000	2000-2001
Estimated Population	77979397	78698128	80819858	80819858	82274617
Balance Case of previous year	70937	51666	37422	54116	42466
Case detected during the year	42092	38134	71728	54361	35666
Total cases	113029	89800	109150	108477	78132
Released from treatment (RFT)	36137	44654	44528	55250	46558
Otherwise discharged (OD)	25226	8197	12610	11747	9843
Total discharged	61363	52851	57138	66997	56401
Balance case at the end of the year	51666	37422	54116	42466	22396
Percentage of RFT of total discharge	58.89	84.49	77.93	82.47	82.55
Percentage of OD of total discharge	41.11	15.51	22.07	17.53	17.45
Prevalence Rate (PR) per 10000 population	6.63	4.72	6.64	5.25	2.72
Detection Rate (DR) per 10000 population	5.40	4.80	8.88	6.73	4.33
PD* ratio	1.23	0.98	0.75	0.78	0.63

Source: Status Report of 2001 published by Government of West Bengal

While the overall State Prevalence Rate (PR) was stated to be 2.72 per 10,000 the PR in the four test-checked districts for the period 1996-2001 was found to be much higher as shown below :

Districts	Prevalence Rate				
	1996-97	1997-98	1998-99	1999-2000	2000-2001
Purulia	22.03	12.04	12.86	19.11	7.18
Bankura	14.42	9.53	13.17	9.75	4.71
North Dinajpur	13.58	10.89	13.65	10.28	3.62
Bardhaman	6.28	5.52	10.41	4.78	3.32

The PR as per the Status Report was not correct as revealed during scrutiny in the test-checked districts as detailed below :

(i) Estimated population in each year has been inflated which resulted in lower PR/10,000 population, whereas actual estimated population for each year was to be taken as per prescribed formula on the basis of 1991 and 2001 census for the period 1996-2001.

* PD ratio = Prevalence Ratio: Detection Ratio (Ideally it should be 0.5 or less)

Incorrect State Report on performance

(ii) In test-checked districts reports of all sub-centres/sectors did not agree with the information recorded in relevant registers and records. The consolidated report of all sub-centres under a LCU did not also agree with the report submitted to DLS. Again consolidated reports of the LCUs did not agree with the report of DLS submitted to SLO for preparation of State Report. Thus, the performance showing Balance Cases, PR, DR and PD ratio in the State Report was not correct. This was also admitted by the Secretary Health & Family Welfare Department who as seen from the minutes of the workshop on Leprosy held in June 2001 at Kolkata, observed that Health & Family Welfare Department was very much negligent about the scheme.

Poor survey leads to low detection of new cases of leprosy

(iii) Total survey such as school survey, contact survey and rapid survey was to be conducted by each unit (LCU/MLCU/ULC, etc) under DLS covering at least 90 *per cent* of the population of the endemic areas. Test-check of district records revealed that survey was conducted by LCU/MLCU, etc. under concerned DLS during 1996-2001 only covering 10 to 25 *per cent* of the population for detecting new cases and proper records were not maintained. Had the survey been total as envisaged under NLEP new case detection would have been more than that reflected in the State Report. In some units, not a single patient was registered during a period of more than one year.

Incorrect reporting to show lower PR

(iv) The State Leprosy Officer issued an order in May 2000 that the patients having no Ration Card or Voter Identity Card should be treated separately and their cases should not be reflected in the reports on the ground that the PR was not coming down even after repeated efforts. Action on such orders by the units under the DLS resulted in depicting incorrect number of PR.

Patients released before completion of treatment

(v) The Patients were to be released from treatment after completion of 6 doses of MDT within 9 months in case of Pauci-Bacillary (PB) cases and 12 doses of MDT within 18 months in case of Multi Bacillary (MB) cases. During test-check some cases were noticed where patients (of both PB and MB cases) were discharged even before completion of required doses but shown under RFT. This irregular practice was done depict lower PRs per 10,000.

Patients deleted from Register as otherwise discharged

(vi) About 25 per cent of the total patients discharged were shown as 'other-wise discharged' (OD) on the grounds that the patients refused treatment or was absent. No follow-up action was taken to bring them under the treatment regime. Medical Officer, LCU, Raiganj of the Uttar Dinajpur district stated (May-June 2001) that number of patients were discharged as OD with a view to show the lower rate of PR as per oral instruction of higher authorities. The patients, thus, remained untreated though shown as OD.

From the above it is clear that the Government not only failed to achieve the target of bringing down the PR to below 1 (one) per 10,000 by end of 2000 but also reported a doubtfully low PR of 2.72 by showing less number of prevailing patients, discharging them before completion of treatment and by not registering new patients as detailed above.

3.14.4 Modified Leprosy Elimination Campaign (MLEC)

Under NLEP two MLECs were launched in the state - first in 1998-99 (2 September 1998 to 8 September 1998) and the second in 1999-2000 (26 January 2000 to 9 February 2000) with the main objectives (i) to create mass awareness by campaigning about Leprosy (ii) to give orientation training to all Medical staff and officers and (iii) to detect suspected and hidden cases within a short period. GOI provided Rs 6.64 crore for conducting two MLEC Programmes to the 18 districts of the State.

Performance of the State on these two MLECs is detailed below:

	Population		No. of Cases suspected	No. of Cases examined for confirmation	No. of confirmed cases
	Enumerated	Examined			
1 st MLEC	73345805	59414678	215139	Not reported	39275
2 nd MLEC	74571966	55624141	109017	Not reported	17709

From the above reports and examination of records of 4 test-checked districts, audit observed as under:

i) Out of total population of the relevant years (777.9 lakh and 790.1 lakh) only 76.38 and 70.40 *per cent* population of the State could be examined for detection of suspected cases.

ii) All the search teams issued a copy of the referral slip to the suspected case with the instruction to report to the nearby treatment centre with the referral slip for further examination, confirmation and treatment. Another copy of the referral slip along with the list of suspected cases were to be forwarded by MLEC search teams to the concerned treatment centre. But no such referral slip/list of suspected cases were forwarded by them to the treatment centres.

Procedural lapses caused poor confirmation of suspected leprosy cases under MLEC – Fund spent – Rs 6.64 crore

In the absence of the list of suspected cases the centres were not in a position to ascertain whether or not all such cases reported to centres for examination and consequentially the centres could attend only those who appeared voluntarily for examination, confirmation and treatment. Test-check, however, revealed that percentage of the leprosy suspected persons who voluntarily reported to the treatment centres along with the referral slip for examination and confirmation ranged between 27 to 42 *per cent* only, thus leaving 58 to 73 *per cent* suspected cases unexamined. This procedural lapses were confirmed in May-June 2001 by all the Zonal Leprosy Officers. Government avoided mentioning in the MLEC Reports the actual number of suspected cases examined in detection of confirmed leprosy cases. Scrutiny also disclosed that due to this procedural lapses only 18 and 16 *per cent* of suspected cases could be confirmed as leprosy patients under two MLEC programmes though GOI fund of Rs 6.64 crore was spent for this purpose.

3.14.5 Other points of interest

- i) Bankura Leprosy Training Centre (LTC) imparted training to only 117 Para Medical Workers (PMWs) against 560 to be trained as per capacity of the centre during January 1996 to June 2001 while Rs 88.86 lakh spent towards salary and contingencies for 20 staff including 3 MOs who were engaged in this work.
- ii) One 20 bedded Temporary Hospitalisation Ward (THW) for leprosy patients sanctioned in 1982, was constructed at a cost of Rs 5.50 lakh and handed over to the Superintendent, State General Hospital, Raghunathpur, Purulia in April 1988. The THW remained non-operational for want of formal Government Order for opening (June 2001).

3.14.6 Conclusion

Even after 19 years of MDT, State's achievement under NLEP was far below the target. Even these figures of achievement were overstated by various informal methods. Monitoring by the controlling officers/authorities were found deficient and hence despite funds being available, the impact of the programme on the control of disease was not significant.

The matter was referred to Government in September 2001; reply had not been received (January 2002).

3.15 AIDS Prevention and Control Programme

3.15.1 Background

Cause of AIDS

Acquired Immuno Deficiency Syndrome (AIDS) is a dreaded disease not curable but preventable. It is caused by Human Immuno Deficiency Virus (HIV). AIDS case was first detected in West Bengal in 1986. Subsequently the disease spread in the State mainly through unprotected sex practices (more than 80 *per cent*) and other modes of transmission through blood, blood products and from infected mother to the baby during pregnancy.

Activities

The Programme mainly aimed to prevent the spread of HIV infection in the community, ensure safe blood transfusion free from HIV, Hepatitis B (HBSag), VDRL and Malaria Parasite (MP), strengthen the measures to control sexual transmitted disease, create awareness by promoting IEC network and social mobilisation.

In the State at this stage only support and care services towards treatment is being rendered by one AIDS clinic, functioning at Apex AIDS Referral Centre at Medical College Hospital, Kolkata. Two Counsellors are working at HIV testing laboratory at School of Tropical Medicine (STM). STM had detected 637 AIDS

cases up to December 2000 out of 119343 samples tested. No district-wise figure is available with the State AIDS Control Society (SACS).

**Implementing units
of AIDS programme
in West Bengal**

The programme is implemented in the State by Department of Health and Family Welfare, AIDS Cell, from 1992 and by West Bengal State AIDS Prevention and Control Society (WBSAP and CS) from August 1998. WBSAP and CS was formed for smooth and speedy implementation and management and to ensure easy flow of fund. State Health Secretary is the President of the Society.

Records of various offices including hospitals/NGOs in Kolkata, Bardhaman, Birbhum, Malda and Darjeeling districts were test-checked.

3.15.2 Financial position

**Available fund not
utilised**

AIDS Prevention and Control Programme is a World Bank aided *cent per cent* Centrally assisted programme. Due to deficient Annual Action Plan (AAP), GOI reduced the amounts sought for by the State Government by 30 to 67 *per cent* during 1996-2001. The State Government could not spend even the reduced amounts sanctioned in the previous years. State Government could spend maximum of 37 *per cent* of the fund available up to 1998-99 while it increased substantially in 1999-2000, it again fell back to 88 *per cent* in 2000-2001. Shortfall in expenditure was attributed to insufficient infrastructure as at the end of March 2001 the unspent balance aggregated Rs 6.63 crore.

During the last five years (1996-2001) total expenditure in the State on this programme was Rs 22.91 crore of which Rs 5.77 crore (25 *per cent*) were in the form of unadjusted advances. On 31 March 1997 Rs 4 crore sanctioned by State Government, was drawn by the State AIDS Cell office on the same date to avoid lapse of the budget and kept in PL Account. During the next two years the amount could not be spent fully. As the PL Account was to be closed on 31 March 1999 as per State Government Order, the State AIDS Cell office made advances of Rs 58.72 lakh to different district offices during March 1999. Rupees 59.15 lakh lying in PL Account was drawn by self cheques and spent by the Residual Cell Office during 1999-2000 though State AIDS Cell was officially closed in August 1998.

3.15.3 Blood Safety Measures (BSM)

During 1996-2001, NACO provided Rs 10 crore and different machines and accessories for modernisation of Blood Bank and blood safety measures. Presently Blood Banks collect blood from voluntary and exchange donors. As per orders since 1995 each Blood Bank is to carry out four mandatory tests in respect of each unit of blood to ensure safe blood transfusion and that the collected blood was free from HIV, Hepatitis B (HB Sag), Syphilis and Gonorrhoea (VDRL) and Malaria Parasite (MP). If any blood sample was found to contain any one of four viruses the blood bottle should be discarded immediately. Three tests excepting

MP are to be conducted from the fund placed by NACO. During the last 5 years no new Blood Bank was established.

State AIDS Control Society (SACS), West Bengal claimed that 59 Government Blood Banks in West Bengal were modernised. However, scrutiny of records revealed that modernisation programme was not effective as all the required machineries/equipment were not installed in 30 (51 *per cent*) of the Blood Banks in the State. In many Blood Banks out of 8 vital equipments only 2 to 6 equipments²⁹ were supplied. Essential equipments like Microscopic Binocular, Incubator and Generator 10 KVA were supplied to only 2, 3 and 2 Blood Banks respectively out of 59 Blood Banks. Blood Component Separation Facilities were available only at Central Blood Bank, Kolkata and out of 12 equipments earmarked for supply, only 5 equipments were supplied. Major equipments like Refrigerated Centrifuge (2), Deep Freezers 75 C & 40 C (1+1), Leminaf Flow Bench (1), Platlet Incubator with agitator (1), Dielectric sealer (2), Cell Counter (1) were not supplied. Further, Generator 10 KVA (1) was not supplied.

As indicated below none of the private and PSU Blood Banks submitted collection report between 1997 and 1999 to the State Blood Transfusion Council (SBTC) even after repeated reminder as informed by the Director SBTC. Thus, work done by them was neither known nor monitored by the SBTC.

The position of blood donation for last 3 years is given below :

Number of Blood Banks	Year								
	1997-98			1998-99			1999-2000		
	Voluntary	Exchange	Total	Voluntary	Exchange	Total	Voluntary	Exchange	Total
59 State Government Blood Banks	144513	78244	222757	181758	91496	273254	211887	98147	310034
32 Private & PSU Blood Banks	NA	NA	NA	NA	NA	NA	34417	18084	52501

The position of collection of blood and number of cases where the above tests were conducted during 1997-2001 in 8 Blood Banks of 4 test-checked districts of Bardhaman, Malda, Birbhum and Darjeeling are mentioned in Appendix 42.

Untested blood supplied by 8 BBs

Blood Banks in the Government Hospitals of 4 districts collected 1.34 lakh bottle of blood during 1997-2001 against which they conducted test of HIV in 82614 cases. The shortfall in HIV test was 51513 (38 *per cent*). As all the blood were shown to have been utilised, in absence of testing of 38 *per cent* for HIV, the possibility of transfusion of untested blood to the patients was a strong possibility. Blood Bank authorities stated (February and July 2001) that they could not carry out mandatory test in all collected blood due to delay in supply of HIV kits by NACO and other kits by hospital authority. This reply is not tenable since there was no shortage of HIV kits in State Store and shortage of fund for purchase of other kits in hospital. Besides, the AIDS Cell and WBSAP and CS offices permitted Blood Bank Authorities to purchase HIV kits if there was shortage. There was also shortage of testing of HBSag (Hepatitis B) for 29382 (22 *per cent*) and VDRL 31855 (24 *per cent*) cases.

²⁹ In one Blood Bank, 7 equipment and in another 8 equipment were supplied.

Further, it was found that in test-checked Blood Banks costly machines like one costly CD 4 machine for human blood counting cells and one Frozen Plasma Deep Freezer of 480 litre (-86⁰ C Temperature), 2 Deep Freezer of 480 litre (-20⁰ C Temperature), one Eliga Reader Model Tecan Spectra machine and one Deep Freezer of 200 litre (-20⁰ C Temperature) valued Rs 40.79 lakh sent by NACO were lying idle or had become defective since their receipt in 1991-92(1), 1996-97(1), 1997-98 (2) and 1998-99 (2).

3.15.4 Detection of HIV and AIDS cases

Detection of HIV/AIDS as per STM, Kolkata

Screening test of Blood samples conducted by School of Tropical Medicine (STM) Kolkata detected the following HIV and AIDS cases during September 1997 to December 2000.

Cumulative figure up to	Total blood samples examined	HIV positive	AIDS	HIV(+) rate per thousand	Remarks
September 1997	110096	989	NA	8.98	
October 1998	113375	1246	114	10.99	
December 1999	116140	1728	271	14.88	
December 2000	119343	2357	637	19.75	Death case 8

The above table would show that Sero Surveillance of HIV positive cases among different groups of people had increased from 989 in 1997 to 2357 in 2000. For 9247 tests carried out by STM, Kolkata during 1998 to 2000, HIV was 1368 (147.94 per thousand). According to an expert of STM, Kolkata, the gravity of HIV was more serious which might not have been reflected in the above table because many people remained out of screening test and also the prevention efforts were lagging far behind the epidemics growth. Again, HIV reactive cases detected in blood banks were not being sent to STM, Kolkata for further confirmation, in some cases if sent the report thereof was not available for want of feed back report from STM. Total HIV reactive case in 3 Blood Banks of Kolkata during 1996-99 was 761, of this in 1999 in Central Blood Bank alone it was 554 out of 80564 bottles of blood collected. But in these cases blood donors are not identified as per NACO guidelines.

Out of 29 STD clinics (6 in Medical Colleges and 23 in other places) in 20 clinics no equipment were supplied while in others equipment were partly supplied.

3.15.5 Information, Education and Communication (IEC) activities

IEC Programme

IEC is one of the most important strategies in the fight against HIV/AIDS. It is a process to motivate common people to adopt and maintain healthy practice. Main activities of IEC in the State were use of mass media, involvement of NGOs, training to health workers and inter-sectoral personnel like police, ICDS functionaries, jail warders, prisoners, etc. A hotline service for 24 hours counseling on AIDS/HIV (1097 dialing) with active voice response system in Kolkata, Howrah, Hooghly, Bankura and Darjeeling districts had been introduced since 1999.

Condom promotion in Sonagachi, a red light area was organised mainly through different NGOs in Kolkata. But no such concerted effort was taken up in the districts.

**Poor IEC activities in
3 test-checked
districts**

In Asansol where 900 CSWs stayed as per the December 2000 survey by one NGO, there was only 42 *per cent* coverage through condoms. The working report of peer educators and outreach workers were not available. At Durgapur where 250 CSWs were working just one awareness campaign had been organised by District AIDS Control Officer and was attended by only 75 CSWs. Condoms were distributed through intermediaries and was not ensured whether they were received by the ultimate users. Sib Sankar Seva Samity, an NGO in Bardhaman town, had received Rs 2.76 lakh from AIDS Cell office and arranged only 4 seminars out of targeted 9 among university and college students in 1999. The District Office had received posters, banners, folders, booklets in 1999-2001 but there was no record of distribution to any place of the district. Though there was no dearth of fund (balance in hand Rs 3 lakh for IEC activities), only 6 seminars among youths had been organised in three years.

In Birbhum district, no IEC activity was organised by District Office till March 2001. There was no instance of display of permanent hoardings, posters, banner and distribution of leaflet during 1998 to 2001, nor of any awareness generation programme organised among vulnerable groups. No Sentinel Surveillance either to STD attenders or to ante-natal mothers was conducted. One NGO (St John Ambulance Association, Birbhum) was financed by SACS (Rs 6.75 lakh) to work among flying sex workers (FSWs) and truckers for 80 km highway, but only 20 km was covered by them. The NGO contacted only 20 FSWs and 250 truckers and distributed 300 condoms in 6 months.

In Malda district, there was no permanent hoarding in any prominent place. Poster, flip chart, leaflet were neither developed nor distributed till march 2001. Sensitisation programme and Sentinel Surveillance was also not conducted. One NGO (Durbar Mahila Sammelan Committee, Malda) was working in red light area in Malda town where 75 CSWs out of 110 used condoms while out of 7 tested for VDRL, 5 were found positive. All CSWs in the area were living below poverty line. Condoms were not distributed to them free of cost by Government or by the NGO. Records of treatment in STD clinic of Government Districts hospital revealed that 66 STD male patients were treated during 1998-2000 were red-light-area-going people, which indicated that condoms were not used by the sex workers.

In Darjeeling district, Rs 17.93 lakh was spent through 4 NGOs³⁰ for IEC activities and awareness programme. One NGO (Sebakarya) received Rs 2.47 lakh and took up condom promotion among clients and FSWs in specified

³⁰ 1. Seba Karya (WBVHA)

2. Darjeeling Town Youth and Mass Development Society

3. Indian Red Cross Society, Darjeeling

4. Federation of Societies for Environmental Protection.

20 hotels of Darjeeling. Records revealed that in 15 selected hotels no work was done. The District level officer did not monitor and or evaluate the work of NGOs on IEC activities.

3.15.6 Other points of interest

(i) WBSAP and CS gave advances to different implementing agencies during 1999-2001 and outstanding advance stood at Rs 4.97 crore (76 per cent of total expenditure of 2000-01) in different offices as on March 31, 2001.

(ii) Rupees 4 crore was kept in PL Account as of 31 March 1997 by State AIDS Cell office, which could not be spent fully in the next two years and till close of State AIDS Cell office in August 1998. Rupees 59.15 lakh remained unutilised as of March 31, 1999.

(iii) Though the AIDS Cell was declared as officially closed in August 1998, it spent Rs 88.96 lakh between April 1999 and April 2000 unauthorisedly instead of utilising the fund through WBSAPCS.

(iv) Out of the urgent purchase of medicine of Rs 29.47 lakh for STD in Second Family Health Awareness Campaign from January 26, 2000 to February 09, 2000, medicine worth Rs 2.48 lakh remained unutilised till December 2000 and medicine worth Rs 1.51 lakh and Rs 0.45 lakh were issued to State AIDS Cell office and Writers' Buildings Health Unit which have no STD clinics. Possibility of misutilisation and diversion of medicine cannot be ruled out.

(v) Excess expenditure of Rs 2.08 lakh was incurred by State AIDS Cell towards purchase of medicine disregarding CMS approved rate in 1998-99, while Superintendents of NRS Hospital, Kolkata and Durgapur SD Hospital incurred extra expenditure of Rs 1.51 lakh and Rs 0.60 lakh respectively for purchase of chemicals and test tubes at higher rates. The Project Director stated (April 2001) that the purchases were made from the State Government Undertaking as there was no sufficient time for market survey while the Superintendents of NRS Hospital and Durgapur Sub Divisional Hospital accepted the observation of irregular purchase.

(vi) Rupees 0.40 lakh and Rs 1.27 lakh were diverted for purchase of refrigerator and general medicine by Superintendent, Bardhaman Medical College Hospital and Superintendent, Kalna SD Hospital respectively from STD and Blood safety fund.

(vii) Deputy CMOH II of Darjeeling district drew Rs 4.50 lakh in March 1999 in AC Bill which remained unadjusted till July 2001 and Rs 58500 drawn in AC Bill in October 1997 was refunded in January 2000, after 2 years.

(viii) Darjeeling AIDS Control Centre (DACC) paid RS 17.93 lakh to 4 NGOs for Target Intervention (TI) Programme not approved by National AIDS Control Board, Government of India.

Amount kept in P/L
Account till March
31, 1999

(ix) During 1998-99 Rs 2.25 lakh was allotted to Bardhaman Medical College Hospital by AIDS Cell, Department of Health & Family Welfare, for Blood Safety Measures, STD clinic and IEC activities but whereabouts of such funds could not be ascertained in audit from the records of the hospital.

3.15.7 Monitoring and Evaluation

Though five years of first phase and 3 years of second phase had passed, no monitoring and evaluation of the programme at the State level, was done by the NACO or by State Government. Baseline, midterm and annual performance and expenditure review had not even been done after 3 years of second phase of National AIDS Control Programme. Base level data had not been collected at State level to help the corrective action to be taken up by the AIDS Control Society.

3.15.8 Conclusion

Rupees 22.91 crore was spent during 1996-2001 under AIDS Prevention and Control Programme aimed at reducing the HIV and AIDS affected cases. The programme failed to have adequate impact as HIV positive and AIDS cases increased from 1246 (1998) to 2357 (2000) and from 114 (1998) to 637 (2000) respectively. The State Government failed to utilise 63-70 *per cent* of funds received from GOI during 1996-98. Again much of the utilised funds were actually advances for which accounts were not available. Large quantity of Blood was transfused without HIV testing. Modernisation of the Blood Banks was not completed in 30 out of 59 targeted Blood Banks though funds were not a constraint. Several expensive machines were lying unutilised in the hospitals. IEC activities and target intervention for sex workers, track drivers, migrant labour and street children were not effective.

The matter was referred to Government in September 2001; reply had not been received (January 2002).

3.16 State Health System Development Project –II (1996-2001)

Implementation of IDA sponsored schemes for the secondary health care system suffered from tardy progress of civil work and delay in providing infrastructural facilities in the hospitals though funds were not a constraint

3.16.1 Introduction

With a view to overcoming the constraints existing in the secondary health care system, Government of West Bengal decided (April 1996) to implement the State Health System Development Project-II (SHSDP-II) with Rs 701.46 crore funded by the International Development Association (IDA). The project had the long

term goal of improving the health status of the people especially the poor and the underserved by reducing mortality, morbidity and disability in the District/Sub-division and Block level hospitals.

The project with a six year programme started in June 1996 for completion by March 2002, subsequently extended up to March 2004. The main components of the project are (i) Management Development and Institutional Strengthening, (ii) Improving service quality and effectiveness at District, Sub-divisional and Community/Rural Hospitals and (iii) Improving access to Primary Health Care in remote and underdeveloped areas. As of 31 March 2001, Rs 354.07 crore was spent on the project.

The project is managed and implemented by the Department of Health and Family Welfare, Government of West Bengal through Project Governing Board, Project Management Cell and District Health Committees and the Project Director who is the ex-officio Secretary to the Government of West Bengal in the Health and Family Welfare Department.

Records at Government, Project Directorate and 80 out of 118³¹ project hospitals³² in five districts covering the period 1996-2001 were test-checked by Audit (March-June 2001). The audit findings are discussed below.

3.16.2 Funding Pattern

70 per cent of the project assistance was loan

The project cost was to be financed jointly by IDA (88.70 per cent) and the State Government (11.30 per cent). The financial assistance would be provided in the form of grant (30 per cent) and loan (70 per cent) to the State Government, bearing 12 per cent interest per annum, over 20 years. Government of India would release three months' anticipated expenditure in advance to the State Government and on receipt of fund, the State Government would have to immediately transfer the same together with its own contribution to the project account.

3.16.3 Financial performance

Out of provision of Rs 689.41 crore, Rs 335.34 crore was not spent

Expenditure against fund received by the project during 1996-2001 was as follows:

Year	Total fund (Capital Plus Revenue)	Expenditure incurred (Capital plus Revenue)	Saving (-) Excess (+)	Percentage of saving
	(R u p e e s i n C r o r e)			
1996-97	30.00	21.39	(-) 8.61	28.70
1997-98	139.41	5.35	(-) 134.06	96.16
1998-99	100.00	30.02	(-) 69.98	69.98
1999-2000	150.00	107.70	(-) 42.30	28.20
2000-2001	270.00	189.61	(-) 80.39	29.77
Total	689.41	354.07	(-) 335.34	48.64

Source : Appropriation Accounts of Government of West Bengal

³¹ North 24 Parganas (35), Nadia (13), Howrah (11) South 24 Parganas (38) and Medinipur (21)

³² DH-District Hospital - 5, SDH-Sub-Divisional Hospital- 15, SGH-State General Hospital- 16, RH-Rural Hospital-22, BPHC-Block Primary Health Centre-5, PHC-Primary Health Centre-17.

a) Scrutiny in five test checked districts (North 24 Parganas, Nadia, Howrah, Midnapore and South 24 Parganas) revealed that 33 *per cent* of the fund (Rs 54.25 crore) allotted, could not be utilised during 1996-2001. Thus, large part of the project funds were not spent.

b) As per certified audit report for 1996-2000, Rs 7.53 crore, out of Rs 153.40 crore, were spent for the purposes not envisaged in the Agreement and hence they were not reimbursed by the IDA. No voucher/utilisation certificate in support of expenditure of Rs 1.69 crore could be produced to audit.

3.16.4 Physical Performance

Of 214³³ hospital buildings proposed to be taken up for renovation and extension works between January 1997 and October 1998 and scheduled to be completed between April 1999 and March 2000, work in respect of 161 hospitals (75 *per cent*) were completed (August 2001) and an expenditure of Rs 152.97 crore (89 *per cent*) of available funds have been incurred so far against the contractual value of Rs 172.41 crore. Renovation and extension of 53 hospitals are incomplete.

Construction of Hospitals

Review of construction of 80 hospitals in 5 test-checked districts revealed that though these were due for completion by July 2001 work in respect of only 30 hospitals were fully completed as of August 2001, as discussed below :

i) North 24 Parganas

Renovation and extension of 11 hospital buildings in the district were taken up at a contract value of Rs 14.92 crore against which Rs 6.65 crore were spent as of March 2001. As of April 2001, three hospitals (Saltlake, Balram Seva Mandir and Gopalpur) were completed. Construction work in 8 (eight) hospitals remained incomplete, of which progress of work in respect of four hospitals was below 30 *per cent* while that of four hospitals ranged between 44.40 and 71.41 *per cent* though these were due to be completed between September 2000 to June 2001. The detailed position is given in Appendix 43.

Civil works in respect of Gopalpur PHC was completed by PWD but was not handed over to hospital authority for non-completion of pipeline. As regards Balaram Seva Mandir, SGH though Civil works stated to have been completed was not taken over by the hospital authority as of August 2000 due to non-completion of various allied civil works.

Civil works in 50 hospital buildings remained incomplete though Rs 59.74 crore was spent

³³ (Phase.I-42 hospital, Phase.II-54 hospital, Phase.III-63 hospital and Phase.IV-50 hospital)

ii) Nadia

In Nadia district, construction work of 13 hospital buildings was taken up in 1998-99 at a contract value of Rs 20.65 crore, out of which Rs 9.09 crore (44 *per cent*) were spent and 2 buildings only could be completed up to March 2001. Progress of works in respect of other building ranged between 5 to 78 *per cent* though they were due for completion by September 1999.

The detailed position is given in Appendix 44.

The progress of civil works in three hospitals (DH-Krishnanagar, Ranaghat SDH and Nabadwip SGH) was below 20 *per cent*. In Krishnaganj RH, the progress of work was only 4.93 *per cent* while in other five hospitals performance ranged between 21.51 and 53.91 *per cent*.

iii) Medinipur

Renovation and extension works of 8 hospital buildings in the district were taken up during December 1998 to August 2000 at a contract value of Rs 13.60 crore against which Rs 10.87 crore was spent but the construction of 7 hospitals remained incomplete and progress of work ranged between 36 and 95 *per cent* though they were to be completed during November 1999 – July 2001. The detailed position is given in Appendix 45.



Cracked foundation and plinth of Binpur Rural hospital due to water logging

Civil works in Binpur RH was awarded at a contract value of Rs 1.24 crore for which work order was issued on April 2000. After execution of work valuing Rs 82.07 lakh the building developed multiple cracks. Even after this, the contractor was favoured (November, December 2000) with secured advance of

Rs 46 lakh of which Rs 31 lakh remained unadjusted. He was also paid 4th RA Bill (Rs 31.83 lakh) on December 2000.

Though the Civil work of Contai SDH was stated to have been completed the hospital authority did not take over the same as the work was not done according to the plan and cracks developed in the newly constructed OT Complex.

iv) South 24 Parganas

Construction of 38 hospital buildings in the district were taken up during 1998-99 at a contract value of Rs 38.53 crore to be completed in one year. As of April 2001 expenditure of Rs 25.75 crore was incurred, while the progress of work in three hospitals was from 30 *per cent* to 48 *per cent* and that of in 18 hospitals ranged between 60 *per cent* to 91 *per cent*, the progress of work in respect of Baghajatin SGH was only 7.81 *per cent* though their stipulated dates of completion was March 1999.

v) Howrah

Renovation and extension of 10 hospital buildings in the district were taken up at a contract value of Rs 10.49 crore against which Rs 7.39 crore were spent as of August 2001. Construction of eight (8) hospitals were completed after incurring an expenditure of Rs 6.37 crore while the progress of work in respect of other two hospitals ranged between 23.27 and 34.36 *per cent*.

vi) Other districts

In Birbhum district, out of contract value of Rs 7.10 crore for 3 hospitals only Rs 2.10 crore and in Murshidabad district for 5 hospitals Rs 2.53 crore (contract value not available) was spent towards upgradation. Progress of work done stood at 5 to 82 *per cent*³⁴. Non-completion of works was attributed by the divisions to (i) non-availability of sites, (ii) wrong site plan and (iii) waterlogging in the sites, etc.

Scrutiny revealed that the slow progress of work was mainly attributable to lack of effective monitoring at various levels. The Chief Engineer of the project is the overall in-charge of monitoring the progress of construction work at State level through Nodal Engineer of Public Works Department who was also responsible for monitoring the progress of work at district level. Besides, delay in progress of Civil Work was due to delay in engagement of Consultants for more than a year, the process of augmenting the Engineering Division of the Project Management Cell (PMC) which started functioning in June 1998, lack of comprehension on the part of the Consultant, the contractor and even the PMC at times about the World Bank Tendering process, etc.

³⁴ Birbhum-42 to 53 *per cent*, Murshidabad(3 hospitals) 5 to 38 *per cent* , (2 hospitals) 65 to 82 *per cent*

All these factors were controllable factors and reflected poor planning and monitoring by the Project Director and the Government.

3.16.5 Purchase of equipment

Norms of procurement of equipment

Procurement of major medical equipment, other equipment and complex hospital furniture was made by the Project Management Cell through RITES MSM Wing (Consultant) and at district level by the Chief Project Manager through National Shopping Procedure. Rupees 88.54 crore was spent towards purchase of equipment against target of Rs 132.96 crore thereby giving rise to a saving of 33.41 *per cent* which indicated unrealistic estimate. Moreover, scrutiny reveals that purchases were not made in consonance with the progress of civil work and without assessing the necessity of the equipment and scope of use of the district and block level hospitals resulted in non-utilisation of bulk of costly equipment for more than 1-2 years

3.16.6 Non-utilisation of costly equipment

The project envisaged improved quality of diagnosis and treatment using various costly equipment procured out of project funds.

Costly equipment valued at Rs 16.97 crore remained idle due to absence of specialists and delay in renovation/construction

Scrutiny of records of the Project Directorate revealed that equipment worth Rs 16.97 crore represented 19 *per cent* of the total cost of equipment (Rs 88.54 crore) purchased at Project Directorate level, received during 1998-2001 had not been installed/made functional (June 2001) due to lack of accommodation, absence of specialists/technicians, etc. A list of such equipment is given in Appendix 46. Of the same, 8 costlier equipment³⁵ valued Rs 10.56 crore represented 62 *per cent* of the expenditure.

The above position indicated that in spite of being aware of such large scale non-utilisation, the Project Director took no steps to arrange for installation of the equipment and thus the patients were deprived of getting the benefit of modern health-care services.

Review of records of 50 hospitals in North 24 Parganas, Nadia, South 24 Parganas, Midnapore and Howrah revealed that the equipment were delivered either from the Project Directorate or from the District Project Office at random without considering the norms³⁶ fixed in the project guidelines. Audit findings of test checked units are shown below:

³⁵ 18 colour Doppler (Rs 3.78 crore), 20 Perimeter (Rs 1.11 crore), 3 Microscope Zoom Focus (Rs 0.25 crore), 90 Programmable Dental Chair (Rs 1.42 crore), 49 Mobine Anaesthetic Machine (Rs 0.97 crore), 99 Hydraulic Dental Chair (Rs 1.10 crore), 185 Autoclave (Rs 1.64 crore), 30-60 MA X-Ray Machine (Rs 0.29 crore).

³⁶ (a) Equipment norms for each facility, (b) volume of existing equipment, (c) volume of additional equipment needed, (d) equipment maintenance procedure and (e) procurement of instrument

	Name of the equipment	Number of hospitals involved	Value (Rupees in lakh)	Period of receipt between	Warranty period expiry between/ on	Audit findings
i)	Dental chair-39 (Hydraulic 14 & programmable-25)	48	56.54	March 2000 and March 2001	March 2001-March 2002	Equipment remained unutilised due to non-existence of dental department, absence of trained doctors, non-completion of and non-demonstration to the use by the Supplier.
ii)	Dental X-Ray Machine-24	24	9.29	March and May 2000	May 2001	The equipment could not be made functional as it had not been asked for by the concerned hospitals and subsequently could not be accommodated.
iii)	Diathermy-135	32	51.84	May and July 2000	July 2001	The equipment could not be made functional for want of necessary infrastructure.
iv)	Ventilator-44	32	18.32	January and March 2000	March 2001	The equipment could not be put to use due to want of necessary demonstration regarding its functioning accommodation, etc. These were also and not requisitioned by the receiving units.
v)	Emergency Resuscitation kit-55	50	14.76	January and March 2000	March 2001	The equipment could not be put to use due to want of necessary demonstration regarding its functioning accommodation, etc. These were also and not requisitioned by the receiving units.
vi)	Operation table-70	50	43.26	February and September 2000	September 2001	Unutilised due to non-completion of civil work and excess receipt without assessing the existing stock of equipment.
vii)	Auto clave-28	26	24.78	September 1999	September 2000	Not installed due to non-opening of operation theatre, non-completion of civil and electrical works. Some machines having inherent defects were acquired which were neither rectified nor replaced though called for.
viii)	Anaesthetic machine-31	23	14.22	September 1999 and August 2000	August 2001	The equipment could not be made functional due to non-opening of operation theatre and accommodation.
ix)	Bone drill-14	14	10.48	February and March 2000	March 2001	The articles could not be put to use for want of doctor and necessary infrastructure like civil works etc.
x)	Tissue processor-24	24	12.84	February 2000	February 2001	The machine remained idle due to non-availability of technical expertise.
xi)	Equipment like Operating Table (H), Bone Drill, Pulse Oxymeter, etc	2	16.29	November 1999 and February 2000	February 2001	The equipment were supplied in two project hospitals viz. Belur SGH and South Howrah SGH without considering their actual need. As a result the equipment remained idle and the department withdrew (February 2000) those from the project hospital and placed them for installation at the Calcutta Medical College and Hospital which was not a beneficiary unit under the SHSDP-II.
xii)	Surgical Requisites		17.35	April 1999 and April 2000		The stores were supplied to three project hospitals in Howrah district without assessing the actual need of the hospital and hence are lying unutilised
Total:			289.97			

Thus, equipment valuing Rs 2.90 crore remained idle in 50 hospitals for 1-2 years and was thus, vulnerable to damage. The targeted group of beneficiaries would continue to remain deprived of the intended benefit till their installation/commissioning.

As the warranty period of most of the equipment have expired, Government's interest remained unprotected in case of defects, if any, found during installation/commissioning and the project burdened with additional cost of repairing /overhaul.

3.16.7 Non-utilisation of hi-tech equipment due to lack of infrastructure/ technical staff

Non-functioning of hi-tech machines/ equipment

- a) Fifteen Ultra Sound Scanner machines valuing Rs 54.20 lakh could not be put to use by 15 hospitals though the same were received 1-2 years back as radiologists were not posted and Civil works were defective and incomplete.
- b) Due to non-availability of Specialists/ Surgeons/ Anaesthetists in 13 RHs and one SGH, out of 16 rural hospitals test-checked, sophisticated equipment like Dental Chair, Emergency Resuscitation Kit, Foetal Monitor, Bionocolur, Anaesthetic Machine, etc. received by them remained non-operational. Thus, benefit of upgradation of health care system were not available to the patients.
- c) Intensive Coronary Care Unit (ICCU) at DH, Medinipur could not be made functional for non-completion of Civil works though Physician and Anaesthetist (4 each) and one ITU technician were posted (between July 1999 and February 2001) and required equipment were supplied. Rupees 15.85 lakh were spent towards pay and allowances of those idle staff for above period while the equipment were idling.
- d) Equipment valuing Rs 20.75 lakh could not be made functional for non-completion of works and dilapidated condition of existing buildings of Egra and Binpur RH, Medinipur, Warranty period of the equipment having expired long ago.
- e) Due to non-electrification of Ghutiary Shariff PHC, South 24 Parganas, Dental Chair, Emergency Resuscitation Kit, Foetal Monitor, etc. worth Rs 2 lakh supplied to the project could not be put to use though Rs 54.28 lakh was spent for Civil works. Thus, the local patients were deprived of the medical facilities intended to be provided under the project.
- f) Equipment like Diathermy, Autoclave, etc. valuing Rs 14.34 lakh were delivered to Sub-divisional hospital, Ghatal and Jangipur between April 1997 and July 2001 could not be put to use as there was no demand from the hospital authority and non-completion of civil work.
- g) Though there was no indoor facilities in the Bankura Sammilani District Hospital, the Project Management Cell purchased equipment like Diathermy, Operating Table (H), Dental Chair, etc. needed for indoor treatment worth Rs 50 lakh during 2000-2001 for this hospital. All the equipment remained unutilised. This indicated unplanned procurement.

3.16.8 Equipment damaged due to flood (Rs. 20.40 lakh)

Equipment/ machines valuing Rs 20.40 lakh damaged due to flood

Various costly equipment/machines³⁷, etc. were reportedly damaged in the stores of different hospitals in Nadia district due to floods in October 2000. The total amount of damaged equipment was assessed to be Rs 20.40 lakh (Appendix 47). The damages indicated that adequate arrangements were not made for the storing these in a safer place considering the occurrence of flood.

3.16.9 Extra expenditure

Excess expenditure – Rs 32.09 lakh due to acceptance of higher rates

i) To cater to the need of the patients, District Project Officer Nadia hired 14 ambulances (DH Nadia-2 and one each for the 12 project hospitals) of which four ambulances (single bed) were hired at the rate of Rs 495 per day while nine at the rate of Rs 445 per day while one double-bedded ambulance was hired at the rate of Rs 680 per day. Due to non-acceptance of the lowest offer i.e. at the rate of Rs 290 per day for single bedded ambulance and Rs 500 per day for double-bedded ambulance the DPO had incurred extra expenditure Rs 32.09 lakh. Reasons for non-acceptance of the lowest offer were neither on record nor stated.

Extra expenditure – Rs 24.99 lakh due to additional work not included in the original estimate

ii) The MR Bangur hospital located in CMC area was included in the Health System Project although it is not a rural District hospital. As against contract amount of Rs 2 crore for upgradation, extension and renovation, Rs 2 crore had been spent up to July 2000. Out of Rs 2 crore, Rs 24.99 lakh, was unauthorisedly paid by the nodal engineer for items of work not included in the original estimate. The work had not been completed (June 2001) even after lapse of eleven months from the scheduled date (28 July 2000) of completion.

iii) The Nodal Engineer was responsible for execution of all the items of work (upgradation of Balaram Seva Mandir in North 24 Parganas) and to make payment to the agency. Final bill for civil work revealed that the work was certified as completed in January 2000 and payment released, though works valuing Rs 11.55 lakh remained incomplete.

3.16.10 Diversion of Fund

Diversion of fund – Rs 21.95 lakh

(i) Records of PHE Barasat Division, North 24 Parganas, revealed that Rs 19.92 lakh had been diverted from the Project for meeting past liabilities like cost of cement, wages etc. which were not related to the Project. This should have been met from State Plan Head.

(ii) Rupees 2.03 lakh earmarked for upgradation of the District Hospital, Howrah and Liluah (TLJ) SGH were diverted for purchase of two CANON automatic paper copiers for use in Public Works Department which was not covered under the scheme.

³⁷ Dental Chair (programmable), Ultra Sound Scanner, Microscope, OT Light (Ceiling Type), Slit Lamp

3.16.11 Decentralised procurement of waste management materials

Waste Management norms

As inappropriate management of medical waste could cause health hazards, World Health Organisation suggested use of some³⁸ simplified classification of medical waste for developing countries. The project provided funds for procurement of coloured plastic bag, trolley, auto clave, construction of vat, etc. To implement the system, DPO, North 24-Parganas advanced Rs 11.43 lakh to eleven hospitals between January 2001 and March 2001 for procurement of coloured plastic bags. Fund allocated towards purchase of materials for waste management for different hospitals ranged between Rs 0.24 lakh and Rs 1.45 lakh, but the basis of allocation was not indicated.

Test-check of records of seven hospitals in Nadia district showed that in five hospitals, the waste management guidelines, as envisaged in the World Bank guidelines, was not followed though various articles, necessary for this, were available.

3.16.12 Referral Services

Non-adherence to Referral Services

An effective referral system minimises bypassing of lower levels of health facilities. It was estimated that a third of all cases which are currently treated at tertiary facilities could be treated at lower cost at first referral facilities, if these facilities received adequate inputs. Under this component, Referral and Feed back Cards were to be introduced for extending required medical treatment and the patient would receive a Referral Card. At the referred hospital, the patient could report directly to the unit or department to which he or she had been referred. Test check revealed the following:

(a) Records in five districts of North 24 Parganas, Nadia South 24 Parganas, Midnapore and Howrah indicated that the system of referral services was not followed. Test-check of records of nine project hospitals in North 24 Parganas revealed that no hospital was utilising the card.

Referral and feedback cards were introduced in 13 project hospitals of Nadia district while feedback in 7 hospitals was not followed at all.

(b) Facilities of Intensive Coronary Care Units were not available in any of the five test-checked district hospitals. In Barasat district-hospital, ICCU was not opened for non-availability of specialists/technical staff (23) (cardiologist/ RMO-6, Nursing staff-5, Medical technologist-4 General Duty Attendants-8) despite having necessary infrastructure.

³⁸ (i) General waste.
(ii) Sharps (having a fine edge viz. needle, scalpel etc.)
(iii) Inflections waste other than infected sharps.
(iv) Chemical and pharmaceutical waste and
(v) Other hazardous hospitals medicals waste.

3.16.13 *Other points of interest*

- a) Equipment valuing Rs13.78 lakh were supplied to MR Bangur Hospital, treating it as a district hospital of South 24 Parganas although it was situated in Kolkata Municipal Corporation area. Inclusion of MR Bangur Hospital as a beneficiary unit under the SHSDP-II deprived the rural people/poor people of the South 24-Parganas district of the benefit of the better medical services.
- b) Nodal Engineering divisions failed to recover liquidated damages of Rs 27.82 lakh from the contractors of 8 hospital buildings (South 24 Parganas: 6, Hooghly: 1 and Midnapore: 1) for delay in completion of work ranging between 37 days to 390 days³⁹.
- c) Excess contingent expenditure of Rs 4.47 lakh on hiring of vehicle, telephone charges, fuel charges etc. was incurred for upgradation of seven hospital buildings in North and South 24 Parganas and Birbhum districts.
- d) Rupees 2.53 lakh was incurred from project fund towards salary of one Joint Secretary to the Government in the Health and Family Welfare Department, who was on study leave in Washington, USA during 2000-2001 and had nothing to do with the project.
- e) The department deployed and retained 20 officers namely, Joint Secretary, Deputy Secretary, Principal Nursing Officer, Chief Engineer, Superintending Engineer, Executive Engineer, etc. though there was no such provision in the agreement. Total expenditure incurred towards salary and vehicles for those officers between 1998-99 and 2000-2001 was Rs 1.32 crore.
- f) Despite receipt of allotment in phases during 2000-2001 the District Project Officer, Medinipur and Malda had drawn advance of Rs 2.50 crore and Rs 79.79 lakh respectively from the treasury in March 2001. During 1999-2000 to September 2001 unspent fund in the current account in the State Bank of India in favour of District Project Officer at Medinipur at the end of March 2001 ranged between Rs 22.33 lakh and Rs 2.62 crore and that of in Malda Rs 20.76 lakh to Rs 7.80 crore entailing loss of interest of Rs 40.32 lakh.

3.16.14 *Conclusion*

Though 5 out of 6 years of the project period elapsed only 50 *per cent*⁴⁰ of the project cost had been spent up to March 2001. The expenditure of Rs 354.07 crore included Rs 16.97 crore towards cost of equipment procured far in advance of actual requirement. The Project suffered from poor overall performance due to tardy progress of civil works and delay in providing infrastructural facilities in the hospitals. The Project outcome in realising the final goal of improving health

³⁹ Fraserganj PHC (101 days), Kantamari PHC (37 days), Bagdah PHC (43 days), Contai SDH (390 days), Singur Rural Hospital (255 days)

⁴⁰ Source :Information collected from the Project Appraisal Report

status of the poor was not evaluated or analysed by the project authorities. According to the guideline issued by the World Bank the Project Director should strengthen their monitoring mechanism by forming District and State Level Monitoring Committee who will watch monthly and quarterly progress of implementation of different components of the project. Scrutiny revealed absence of effective monitoring system in the project which led to the tardy progress of civil works and unplanned procurement. No inspection of hospitals by the officials at Project Directorate Level was found to have been made.

The matter was referred to Government in August 2001; reply had not been received (January 2002).

3.17 Non-functional Rural Hospital in Purulia

Rural Hospital constructed at a cost of Rs 67.71 lakh remained unutilised for over 7 years as no staff was provided depriving the rural population of proper health care services - Rs 54.59 lakh was spent on repair/replacement of stolen materials



Abandoned hospital building

In May 1986, Government accorded administrative approval for upgrading the existing Primary Health Centre (PHC) at Hura, Purulia district into a 30 bedded Rural Hospital (RH) at an estimated cost of Rs 68.84 lakh subsequently revised to Rs 88.36 lakh. The construction work was taken up by the Executive Engineer, Purulia Division, PW (CB) in February 1987 at another location 3 Kms away from the existing PHC and completed in November 1993 at a cost of Rs 67.71 lakh. The reasons for the change of site and Government's approval for

the same were not on record. The hospital building was taken over by the Chief Medical Officer of Health only in March 1995, one and half years after its completion. However, even thereafter the RH did not start functioning due to non-receipt of Government orders regarding opening of the hospital. No staff was posted for the RH as of April 2001.



Missing windows, empty ward and damaged roof plaster

The hospital remained unguarded and without any maintenance rendering it vulnerable to acts of vandalism since 1993. There was theft of material estimated at Rs 2.76 lakh in April 1995. The replacement cost of stolen sanitary-fittings, doors, window shutters, grill-gates, etc., and repairs was assessed at Rs 22.83 lakh in August 1998 by the Assistant Engineer, PWD (CB) Purulia, West Bengal. Failure on the part of the Government to protect the RH building has further escalated the cost of repairs and replacement to Rs 54.59 lakh (October 2000). The work was taken up (October 2000) under West Bengal State Health System Development Project-II (SHSDP) and Rs 19.38 lakh were spent as of March 2001. Although the building was still being repaired, equipment worth Rs 6.25 lakh was procured by the District Magistrate and Chief Project Manager SHSDP-II, Purulia between 1998 and 2000, which remained unutilised.



Stolen door frame and missing window frames

Thus, due to negligence of the Government to support the Rural Health needs in Purulia in opening the RH and to provide required staff and to protect and up-keep the hospital, the RH building constructed at a cost of Rs 67.71 lakh remained unutilised for more than seven years, besides an estimated additional burden of Rs 54.59 lakh on repairs and replacement of stolen materials.

The matter was referred to Government in August 2001; reply had not been received (January 2002).

3.18 Purchase of a defective X-ray machine

Procurement of X-ray machine without specified accessories and its installation without conducting test to ensure intended workability for critical investigations led to wasteful expenditure of Rs 29.93 lakh

The Health and Family Welfare Department, Government of West Bengal in March 1999 sanctioned Rs 35.03 lakh for purchase of a Siemens make 800 MA X-Ray Machine with all accessories and one optional item on the basis of tender approved by the selection committee. The machine was supplied on 30 March 1999 and payment made in June 1999. Audit scrutiny revealed that though funds were drawn in March 1999 no payments were made till June 1999 as security deposit was not given by the firm.

Although the machine was received (March 1999) and certified as “OK” by the Professor, Department of Radiology, NRS Medical College and Hospital, Kolkata, the Supplier (Siemens India Ltd.) took it on the very next day of supply for rectification of defects.

The Head of the Department, Radiology reported (December 1999 and April 2000) that some accessories⁴¹ were not supplied as per specification/agreement. Further though automatic ‘C’-Arm was ordered, the firm supplied a fully manual and cumbersome device causing health hazards due to over exposure to the radiologists/technicians. The manually operated image intensifier TV and screening pact with TV screen facility for diagnosis of spinal injury, artery disease, etc. was also functioning poorly. Milography, Angiocardiology and Periphenal angiography could not be done in absence of sliding table top. Standix and multix (accessory and optional items) though required to be supplied concurrently along with the machine were supplied as late as November 1999. Thus, the machine was accepted without specified accessories and full payment was made without proper verification.

The machine remained non-functional up to January 2000 due to various defects and faults even after its return by the supplier to the hospital in June 1999. Of the 5255 exposures made in the machine from January 2000 to September 2000, not a single special or critical test could be conducted due to absence of the sliding table top. Thus, the machine was primarily utilised for ordinary X-ray functions of 300 MA capacity which would cost Rs 5 lakh only.

The hospital also failed to realise the differential cost of Rs 3.06 lakh for supply of **KLINOSCOPE** X-Ray plates in place of **KLINOGRAPH** as the Head of the Department, Radiology reported the discrepancy only after expiry of the validity period of the bank guarantee.

Thus, the purpose of purchase of the high capacity machine for critical investigations at a cost of Rs 35.03 lakh was defeated. The machine was being utilised as an ordinary X-ray machine.

The matter was referred to Government in May 2001; reply had not been received (January 2002).

⁴¹

<i>As per agreement</i>		<i>Parts supplied</i>
i)	<i>Main X-Ray Plate KLINOGRAPH</i>	<i>KLINOSCOPE</i>
ii)	<i>Motorised Shiftable table top</i>	<i>Plain table</i>
iii)	<i>Fluoroscopic device fully automatic</i>	<i>Only manually operated</i>
iv)	<i>Fully Automatic ‘C’ Arm</i>	<i>Only manually operated</i>
v)	<i>Screening pact with TC search facility</i>	<i>Only manually operated</i>

HOME (POLICE) DEPARTMENT

3.19 Ineffective Implementation of National Crime Criminal Information System (CCIS)

The Crime Criminal Information System launched in 1994-95 with investment of Rs 2 crore to cope with the increasing trend of crime remained unimplemented for over seven years for want of on-line connectivity, absence of State level monitoring, lack of co-ordination, inadequate training. Crime pending investigation was increasing in the meantime.

To overcome the inherent limitations of the existing manual crime record maintenance system and to check organised crime, the Ministry of Home Affairs (MHA) approved (August 1987) introduction of an on-line computerised system under Modernisation of Police Force, to facilitate the law enforcing agencies for speedy and accurate storing, dissemination, retrieval, exchange, monitoring and co-ordination of crime and criminal information as and when required. The system envisaged installation of computers at the National Crime Record Bureau (NCRB), State Crime Record Bureaux (SCRBx) and all the District Crime Record Bureaux (DCRBx) with on-line connectivity.

The MHA was to provide fund for the scheme as a separate Central Sector Non-plan grant. As of July 2001, the NCRB supplied 49 computers (with accessories) valuing Rs 172.67 lakh between November 1994 and August 2000. Besides, the MHA provided Rs 15.48 lakh for infrastructural development to the SCR B, West Bengal, out of which Rs 14.76 lakh were spent by the State.

The State was responsible for introduction of Integrated Investigation Forms (IIFs) and training for which Rs 10.09 lakh and Rs 3.95 lakh were released respectively as of July 2001.

The scheme, scheduled to be launched in 1991-92, was launched in 1994-95. There had been delay up to 24 months in installing computers supplied between November 1994 and June 1995 by the NCRB. As of July 2001, 7 out of 22 computers supplied during 1994-95 remained non-functional/non-operational and unattended due to absence of any technical personnel which required to have been formed by the SCR B, West Bengal.

In August 2000 the NCRB further supplied 27 upgraded Pentium-III computers, with modem.

As of July 2001, all those computers could not be utilised for the purpose of the CCIS scheme for want of any on-line connectivity.

Till June 2001, neither any of the IIFs were introduced nor the DCRB was formed by the Kolkata Police. Thus, the expenditure of Rs 30.18 lakh on the purchase of computers and Rs 1.14 lakh for infrastructural development became unfruitful.

In January 1997, only 2 out of 7 types of standardized IIFs (recommended by the NCRB) were introduced in WB (except Kolkata Police). As of July 2001 those were still to be provided to the police stations.

Besides, the SCRB, WB could never achieve the target fixed for imparting training regarding documentation and management of crime records under the CCIS project during 1994-2001. Only 108 police personnel from 442 police stations were trained up of IIFs as of July 2001. The SCRB, WB spent Rs 3.95 lakh for training purposes during 1994-2001.

Moreover, the absence of State Level Monitoring Committee, a full time Director in the SCRB, WB or a DSP/Inspector in the DCRBx and absence of any prescribed periodical report/return for submission by the DCRBx/SCRB, were indicative of lack of co-ordination, control and supervision at all levels for which the scheme remained unimplemented in the State for 7 years since launched.

Due to non-implementation of the CCIS scheme the desired benefits for efficient use of the crime and criminal related information in control, investigation and prevention of crime could not be derived while the crimes pending investigation were increasing every year (from 23805 cases in 1996 to 39189 cases in 2000). Besides, several major crimes involving kidnapping and operation of inter-state criminal gangs were reported in the State. Thus, there is urgent need to operationalise the CCIS.

The matter was referred to Government in August 2001; reply had not been received (January 2002).

3.20 Skewed deployment of police personnel to combat crime resulted in high incidence of crime.

Superintendent of Police in a district is responsible for ensuring law and order, security, peace and harmony among various communities and people of the district through police personnel deployed in the police stations in the district. To deal with crime, effective deployment of police personnel in crime prone area is necessary.

Scrutiny of records of Superintendent of Police, Birbhum district revealed that deployment of police personnel in high risk zone were less as would be evident from the tabulation of crime position under different police stations during last 5 years ending March 2001 as shown below:

Name of the Police Stations	N a t u r e o f C r i m e						Total	Strength of Police Personnel
	Decoity	Robbery	Theft	Murder	Rioting	Crime against women		
Suri	4	4	71	4	32	34	149	41
Bolpur	2	2	67	8	30	32	141	66
Rampurhat	4	2	21	7	19	18	71	50
Mayureswar-I	1	2	15	10	32	24	84	26
Nalhathi	--	--	25	08	20	17	70	19
Mohmad Bazar	3	1	25	07	21	16	73	20
Dubrajpur	3	3	20	05	26	25	82	27
Labpur	3	3	22	02	38	32	100	21
Ilambazar	--	2	10	02	11	20	45	26
Sainthia	1	2	21	06	12	23	65	20
Rajnagar	--	--	12	03	14	13	42	16
Mourgram	--	2	14	03	18	19	56	20
Khairasole	4	3	09	05	13	16	50	13
Kankartala	--	3	15	--	14	05	37	14

Thus, the area with high crime rate was provided with less police personnel while some police station area with low crime rate had more police strength.

The actual lady police personnel was 9 during 1996-99 and 21 in 2000 against total strength of force ranging between 975 (1996) and 1035 (2000). Strength of lady police force was to the extent of one *per cent* only during 1996-2000 whereas crime against women during 1996-2000 ranged between 18 and 14 *per cent* of the total crime.

Crime rate and police strength per lakh population ranged between 62 to 74 *per cent* and 32 to 34 *per cent* respectively in the district during 1996-2000. Again, each police personnel was to cover an area of 9.13 square kilometer and 6092 people. The district authority did not furnish any reply as of March 2001 regarding inadequacy of police personnel.

Shortage of police personnel coupled with their irrational deployment in crime prone areas to combat crimes could contribute to higher incidence of crime.

The matter was referred to Government in January 2002; reply had not been received (January 2002).

HOME (CONSTITUTION & ELECTION) AND HOME (POLICE) DEPARTMENTS

3.21 Diversion and Misutilisation of Election Funds

Election funds aggregating Rs 1.20 crore were unauthorisedly spent on purchase of luxurious goods/office equipment, etc., by seven Superintendents of Police, while 19 Election Observers were accommodated in an expensive private club instead of Government/Semi-Government Guest Houses incurring Rs 5.15 lakh towards food, lodging, laundry, bar items and entertainment

a) Diversion of Election fund

Government of West Bengal, in pursuance of Government of India's directions, ordered (March 1999) that administrative expenditure, like purchase of furniture, Fax machine, Xerox copiers, etc, should not be incurred from the funds sanctioned for election purpose.

Test-check (February 2000 to April 2001) of records of Seven⁴² Superintendents of Police (SP) revealed that they drew Rs 3.90 crore in 1999-2000 for meeting expenditure in connection with holding of 13th Lok Sabha Election (1999) as well

⁴² Superintendent of Police Medinipur Birbhum, Hooghly, Darjeeling, North 24 Parganas, Bardhaman, and Malda.

as for bye-elections of Vidhan Sabha and Municipalities. Scrutiny of the expenditure of Rs. 3.90 crore revealed that in violation of the Government's order SPs utilised Rs 1.20 crore (30.77 per cent) for purchases of various items not related to election as shown under:

Sl No.	Name of the DDOs	Sanctioned	Drawn	Amount Diverted	Expenditure incurred not related to election
		(Rupees in lakh)			
1	Superintendent of Police Medinipur	168.25	109.75	26.97	For purchase of 8 Refrigerators (Rs 1.28 lakh), 15 Colour TV sets (Rs 2.60 lakh), 6 Air conditioners (Rs 2.66 lakh), 4 Water Coolers (Rs 1.22 lakh), 8 Cordless telephones (Rs 0.70 lakh), 10 Battery Chargers (Rs 0.35 lakh), 4 Stabilizers (Rs 0.83 lakh), 62 Ceiling fans (Rs 0.90 lakh), 200 Colour Maps (Rs 0.49 lakh), 4 Aqua Guards (Rs 0.25 lakh), 2 Music Systems (Rs 0.26 lakh), Furniture (Rs 1.71 lakh), 2 Nikon SLR Cameras (Rs 0.80 lakh), one Sony handy-cam video camera (Rs 0.50 lakh), Studio Umbrella, Light, Stands, etc. (Rs 0.99 lakh), Computer, Printer and other accessories (Rs 1.56 lakh), 1 Xerox Machine (Rs 0.91 lakh), 20 Type writers (Rs 2.52 lakh), Repairing cost of offices/ Residential Buildings etc. (Rs 1.63 lakh)
2	Superintendent of Police Malda	50.00	50.00	26.24	Computer, Printers and other accessories (Rs 6.91 lakh), 1 Xerox Machine and accessories (Rs 2.80 lakh), 1 Generator (Rs 1.31 lakh), Furniture (Rs 1.46 lakh), Civil works (Rs 2.09 lakh), 2 Fax Machines (Rs 0.70 lakh), one Sony handy-cam video camera (Rs 0.44 lakh), Misc. Items (Rs 7.55 lakh)
3	Superintendent of Police North 24 Parganas	96.50	96.50	22.61	Computer, Printer and other accessories (Rs 6.04 lakh), Installation for VHF sets of IG Telecom and EPBX with 96 extension lines (Rs 4.68 lakh), Portable Handset (Rs 3.67 lakh), Fax Machine (Rs 1.26 lakh), 4 Typewriters (Rs 0.88 lakh), 1 Xerox machine (Rs 1.15 lakh), Misc. items (Rs 4.59 lakh)
4	Superintendent of Police Bardhaman	73.00	47.00	14.54	Installation of Telecom System consisting of 20 VHF sets, 10 mobile aerials, 10 Manpack sets (Mobile hand set range 3 Kms) along with other accessories (Rs 8.15 lakh), Civil Works (Rs 1.49 lakh), Computer, Printer and other accessories (Rs 4.10 lakh), 2 Fax Machines (Rs 0.58 lakh).
5	Superintendent of Police Darjeeling	52.00	52.00	14.38	Civil Works (Rs 8.42 lakh), 20 Portable handsets (Rs 2.12 lakh), 2 Xerox Machines (Rs 1.83 lakh).
6	Superintendent of Police Birbhum	33.10	26.10	9.91	Installation of Telecom System 20 piece PRM-8025 and 20 piece VHF whip antenna for IG Telecom (Rs 3.24 lakh), Computer, Printer and other accessories (Rs 3.15 lakh), 1 Xerox machine (Rs 1.75 lakh).
7	Superintendent of Police Hooghly	20.00	9.00	5.39	1 Computer (Rs 0.43 lakh), 3 Printers (Rs 1.12 lakh), Computer accessories (Rs 1.28 lakh), 2 EPBX systems for 8 P & T line with 24 extension along with accessories (Rs 2.49 lakh)
Total		492.85	390.35	120.04	

Besides these, election funds were misutilised for repair, etc of offices/residential buildings. SP Darjeeling spent Rs 8.42 lakh for repair and maintenance of Guest

house (Rs 2.90 lakh) and 6 Police outposts (Rs 5.52 lakh). SP Medinipur also spent Rs 1.63 lakh for repairing of hired residential building of the Range DIG (Rs 87150) and Bath rooms and office rooms of the SP and Additional SP. SP Bardhaman spent Rs 1.49 lakh for construction of Police Station. SP Medinipur misutilised the election fund even for making payment of his telephone bill (Rs 7282) of his residence at Barrackpore (North 24 Parganas) outside his jurisdiction.

The SP, Medinipur stated (February 2001) that out of Rs 9 lakh drawn in Abstract Contingent Bill (September 1999) for election purpose, purchase of Refrigerators, Colour TV sets, AC Machines, etc., were made for the welfare of VVIPs and the West Bengal Police for staying in Police Inspection Bungalow at Digha. Acquisition of SLR (Nikon) Cameras and Video Cassette Recorder was made to record photographic evidences for the Election Commission, etc. in case of complaints of police over-action/ in-action. The reply is not tenable since diversion of funds for the purposes other than those specified in the sanction order is not permissible. Since the sanction of funds was made for deployment of Police personnel/NVF/CRPF, etc. for the conduct of election, expenditure for non-election purposes by diversion of election fund in disregard to the orders of Government would need investigation and fixing of responsibility. The funds so misutilised would require to be refunded/reduced from the expenditure reimbursed by the Government of India.

b) Entertainment of Election Observers at an exclusive private club

According to the guidelines issued (October 1998) by the Election Commission of India, New Delhi the Election Observers should, by and large, be housed in Government and Semi-Government Guest-Houses located in the constituency for which they functioned as Observers. In case, suitable Government Guest-Houses were not available, alternative accommodation might be provided of an appropriate quality in consultation with the Chief Electoral Officer (CEO) as per assessment of the district administration ratified by the CEO.

Scrutiny (November-December 2000) of records of DM, South 24 Parganas revealed that 19 Election Observers deployed for the Lok Sabha Election in 1999, were lodged at Tollygunge Club, a private club. The District Magistrate (DM), South 24 Parganas spent Rs 4.77 lakh towards the cost of food, lodging, laundry, bar, etc. The cost of facilities like laundry charges (Rs 2357) and bar items (Rs 6122) provided to nine and twelve observers respectively was also paid by the Government.

The availability of accommodation in Government/semi Government Guest Houses, the ratification orders of the CEO for accommodating them in Tollygunge Club and copies of appointment orders detailing their period of duties as Observers, were not furnished by the DM, South 24 Parganas. Further, some observers viz. S/Shri A. Ghosh, G. M. Bandyopadhyay, B. K. Saha, Viswarup Saha and R. Kumar whose bills were paid for stay in the Tollygunj Club on

various dates between 17 September and 8 October 1999 for Rs 9950 were not included in the list of Observers furnished by the Officer-in-charge. Possibility of ineligible persons being accommodated on behalf of Observers need scrutiny.

In reply the CEO stated (February 2001), that no written permission was accorded by his predecessor who held charge during the period for accommodating the Election Observers in the Tolly Club. The DM, South 24 Parganas did not approach him for accommodating them in Government of India Public Sector Guest Houses available in Kolkata.

Thus, expenditure on lodging the Election Observers in luxurious private club and guest-house and on their entertainment resulted in misutilisation of election fund of Rs 5.15 lakh by the DMs (excluding the amount of normal expenditure on Central Government Guest House).

The CEO, West Bengal, while accepting the contention of audit about accommodating the Election Observers in an expensive private guest house, stated (September 2001) that expenditure on Laundry and Bar items should have been made by the Observers themselves, who left behind the unpaid bills on this score, and hence expenditure had to be met by the District Election Authorities. Regarding misutilisation of election funds aggregating Rs 1.20 crore, the CEO, West Bengal requested to refer the matter to Home (Police) Department for comments, since the election funds for the Police Department were controlled by them.

MUNICIPAL AFFAIRS DEPARTMENT

WEST BENGAL FIRE SERVICES

3.22 Fire Protection and Control

3.22.1 Introduction

In order to provide protection against fire to the people of the State, the West Bengal Fire Services (WBFS) was constituted under West Bengal Fire Services Act 1950 (Act) and placed under the administrative control of the Municipal Affairs Department. The Director General (DG) is responsible for both technical and administrative management of the fire services who is assisted by the Director, Deputy Director.

Ten Divisional Officers look after the fire brigades attached to 93 fire stations of the State. To ensure adequacy of fire prevention/safety measures taken by the different warehouses, workshops and owners of high rise and high risk buildings the Fire Prevention Officer and Fire Protection Officer performed their duties in

association with Collector, Special Officer, License and the Calcutta Municipal Corporation/Municipalities. During 1996-2001, 20033 fire incidences occurred in the State causing loss of property worth Rs 169.14 crore.

3.22.2 Finance

Funds provided for improvement and upgradation viz. acquisition of fire fighting appliances, construction of fire station buildings, effective fire call communication system, improved fire water supply, etc. of fire service in the State during 1996-2001 were as follows:

a) Governments' own resources	Rs	49.25 crore
b) loans from General Insurance Corporation of India	Rs	17.21 crore
c) under Tenth Finance Commission Award	Rs	13.39 crore
Total	Rs	79.85 crore

Out of total available funds of Rs 79.85 crore during 1996-2001, Government could spend only Rs 41.61 crore. Utilisation of GIC loan and TFC grant was very poor at only 27 per cent and 14 per cent respectively. Though state funds remained unutilised, GIC loans were availed of unnecessarily further burdening the exchequer. There was a savings of 41 per cent on capital works, the expenditure being only Rs 4.64 crore out of Rs 7.84 crore as shown in Appendix 48. The department did not explain the reasons for savings of Rs 38.24 crore though called for. The expenditure on salaries during the period was Rs 234.81 crore.

3.22.3 Procurement performance

Scrutiny of records of 15 offices/units including Municipal Affairs department and the office of the DG, Fire Services disclosed the following:

Non-utilisation of GIC loan

**Unutilised GIC loan
– Rs 14 crore – total
interest paid –
Rs 22.06 crore**

To procure fire fighting appliances for upgradation of fire services, State Government raised loan of Rs 34.17 crore (Rs 16.96 crore during 1981-96 and Rs 17.21 crore during 1996-2001) from GIC of India. Government utilised only Rs 20.17 crore as of March 2001 and paid interest of Rs 22.06 crore thereon up to March 2001 which included Rs 7.23 crore on un-utilised amount of Rs 14 crore. Non-utilisation of loan was attributed by Assistant Secretary, Municipal Affairs Department to (i) receipt of fund at the fag end of each year (ii) delay in according sanction by the Government (iii) delay in execution of orders by the firms (iv) departmental delay and re-tendering due to failure of SSI to carry out the orders. Avoidable/irregular payment of interest are discussed below.

Procurement of appliances, etc. – blockade of interest bearing loan fund

Penal action not initiated against non-supply of fire fighting vehicles

a) Municipal Affairs Department paid an advance of Rs 1.55 crore in June 1999 against Bank guarantee valid up to June 2000 to a local firm for procurement of 5 water bousers worth Rs 1.73 crore out of GIC loan funds within May 2000. Though the bousers were not supplied by the firm as of July 2001 no action was initiated against the firm as stipulated in the agreement. The interest bearing loan fund thus remained blocked and Government paid interest of Rs 39.57 lakh (1998-2001). No steps were taken to revalidate the bank guarantee which constituted undue favour to the firm.

Chassis not supplied for 8 to 11 years

b) Seven chassis procured at Rs 17.06 lakh were placed for fabrication at a cost of Rs 42.30 lakh with four local firms during November 1989 and October 1992. These were not received back after fabrication even after a lapse of 8 to 11 years. The Equipment Officer did not pursue the matter. No legal action was initiated by the DG as of July 2001 though directed (May 1998) by the Minister-in-charge. The matter calls for investigation.

Government paid (1986-2001) interest of Rs 46.41 lakh to the GIC (Rs 13.51 lakh + Rs 32.90 lakh) on Rs 17.06 lakh being cost of chassis and on Rs 42.30 lakh earmarked for fabrication cost.

Orders for supply of vehicles not executed in 8 years

c) An order for procurement of 61 vehicles and fabrication of 10 chassis at Rs 4.15 crore was placed between March 1993 and January 1996 with a sick Government Company (Carter Pooler Engineering Company Ltd) without inviting tender and executing any agreement. The Government Company in turn sub-contracted the work to three private firms. The Company, however, could fabricate 10 bodies (between July 1994 and June 2000) and the firms supplied (April 1995 – August 2000) 17 vehicles against the order. Delayed supply/non-supply not only affected the upgradation programme but also imposed interest burden of Rs 1.93 crore payable to GIC on the loan amount during the period of non-supply.

Despite instruction (May 1999) of the Joint Secretary, Municipal Affairs Department, DG did not cancel the unexecuted orders.

Further, under the upgradation scheme, 21 new fire fighting vehicles worth Rs 1.43 crore could not be pressed into service in time due to delay in fabrication ranging from 20 months to 108 months. No penalty was imposed on the firms though interest of Rs 68.32 lakh was paid to the GIC during the period of such delay.

3.22.4 Underutilisation of funds for construction of fire stations

Short utilisation and incomplete construction of fire stations

As against allotment of Rs 7.84 crore for construction of 9 fire stations and housing block, only Rs 4.64 crore (59 per cent) was spent by the Municipal Engineering Directorate (MED). Of the 9, 5 fire stations were completed,

3 remained incomplete and the work for the other involving Rs 0.20 crore was kept suspended due to Court case.

The Directorate attributed savings generally to receipt of allotment at the fag end of the year, stoppage of work and court case.

3.22.5 Diversion of funds

**Unauthorised
diversion of TFC
Grant Rs 17.88 lakh**

Material worth Rs 17.88 lakh purchased (March 1997) for the fire stations of Diamond Harbour and Jadavpur out of TFC Grant was diverted (April 1997 and May 2001) without Government approval to 5 different units viz. 2 fire stations not included in the Action Plan of the Commission and 3 other units not related to Fire Services.

3.22.6 Utilisation Certificates

**UC included
unutilised advances
of Rs 45.94 lakh for
work remained
incomplete**

Against Tenth Finance Commission Grant of Rs 7.84 crore, Government submitted Utilisation Certificate to GOI for Rs 7.06 crore which included an unutilised amount of Rs 45.94 lakh allotted for construction of Water Reservoirs (Rs 20 lakh) to Kolkata Municipal Corporation (KMC) and construction of Diamond Harbour Fire Station (Rs 25.94 lakh) raising serious doubts about the system.

Utilisation Certificate did not, however, include Rs 8.96 lakh being the cost of material purchased (March 1997) for Jadavpur Fire Station without ascertaining the availability of land for the fire station. The scheme was dropped subsequently (August 2000).

3.22.7 Non-utilisation of departmental workshop

**57 fire fighting
appliances not
repaired for long**

The WBFS has its own Central workshop with technical infrastructure, inspite of this, repair works to the defective fire fighting appliances were got done from outside agencies. During 1995-2001 in all 137 different jobs involving repair works were got done by outside agencies at a cost of Rs 20.40 lakh. Nineteen fire-fighting appliances worth Rs 85.42 lakh requiring major repairs also were assigned (1996-2000) to outside agencies; but these were not taken back after repair till March 2001.

Thirty eight appliances valuing Rs 1.41 crore received from different divisions for repairs were lying in Central Workshop since 1996-97 due to non procurement of spare parts.

3.22.8 Inadequacy of infrastructure

In the event of out break of fire, active fire brigade stationed at different fire stations are required to respond within 40 seconds from receipt of fire calls to combat fire and save property and life. The fire fighting machineries viz.

manpower, appliances and fire water were not adequate to meet these requirements as discussed below :

a) *Fire fighting appliances not kept in readiness*

Only 51 per cent fire fighting appliances kept in readiness

In the test-checked divisions, out of 585 fire fighting appliances, 296 were in running condition, 129 condemned/condemnable and 160 under repair/repairable. The force was thus compelled to function with only 51 per cent operational readiness.

An aerial ladder purchased at Rs 3.69 crore remained unused

Records revealed that one 54 metre aerial ladder, meant for fighting fire in the buildings as high as G+14 floor, was purchased (March 2001) at Rs 3.69 crore and kept idle without testing its workability as of July 2001 in absence of trained personnel.

b) *Non-upgradation of communication system*

For development of Wireless Communication System only 5 mobile phones and 10 pagers were procured (March 2001) at a cost of Rs 1.02 lakh against provision of Rs 88 lakh (Rs 78 lakh GIC loan and Rs 10 lakh TFC award). Thus, despite availability of funds the system was not upgraded.

c) *Inadequate manpower to combat fire*

Shortage of operational staff : 1111

The total available manpower for the State was 6179 (Operational – 6006 and Office Staff – 173) as against sanctioned strength 7477 (Operational – 7255 and Office Staff – 222). Operational Staff directly engaged in extinction of fire was 5730 against 6841 as required (as per sanctioned strength) with a shortfall of 1111.

New fire stations opened and running with shortage of 359 operational staff

Ten fire stations were opened during February 1996 to February 2001 with only 321 staff against requisite strength of 680 staff and that too 31 operational staff from fresh recruit and 290 by diverting from other stations which are already suffering from staff shortage.

This rearrangement of staff weakened the functioning of the existing fire stations while the newly opened fire stations were run with shortage of operational staff.

Divisional office opened without any assigned duty

Berhampore Divisional Office (D2) was opened in August 1999 with a Divisional Officer and 7 other operational staff against sanctioned strength of 10 to supervise the functioning of 8 fire stations situated in Murshidabad (2), Nadia (3) and in Birbhum (3) which were already working under Divisional Officers of Barrackpore and Durgapur. The jurisdiction of these two divisions was not amended and consequently the Divisional officer and 7 staff were left idle. Rupees Rs 5.89 lakh was spent towards their pay and allowances during August 1999 to March 2001 (for Divisional Officer) and August 2000 to March 2001 (for the staff).

d) Insufficient source of water/water carrying vehicles

Insufficient fire water in KMC area

In KMC area, against total 39 under ground (UG) water reservoirs having 11.87 lakh gallon capacity, 27 reservoirs (8.10 lakh gallon capacity) remained in defective condition as revealed from the joint inspection by the KMC and WBFS authorities. To renovate the UG reservoirs at 4 points for augmenting 1.10 lakh gallon water availability and to rejuvenate 5 hydrant points the State Government paid (February 2000) Rs 20 lakh to KMC as advance out of TFC Award at the request (July 1999) of WBFS. Till date only 0.10 lakh gallon of water could be ensured.

Insufficient fire fighting vehicles

In the Districts, open ponds/tanks were the main source of fire water. Scarcity of water was acute in Purulia, Durgapur and Asansol necessitating large number of water tenders (fire fighting vehicles) to carry water from longer distance. As against total 42 vehicles available in fire stations in these districts only 14 were in running condition, 13 were under repair/ repairable and 15 were condemned/condemnable.

3.22.9 Inadequate Training

WBFS maintained a training centre with 23 staff (11 trainers and 12 administrative) against sanctioned strength of 29 (14 Trainers and 15 administrative).

No scheduled programme of fire training operated

There was no scheduled programme of fire training. As per necessity of the department and of other offices/industries, eight categories of training were imparted (1996-2001) to 1950 Trainees (1259 outsiders and 691 of WBFS).

Against 4646 operational staff (Fire Operator : 3553, Fire Engine Operator-cum-Drivers : 869 and Sub-officers : 224) training was imparted to only 691 staff during 1996-2001 while 813 leaders directly involved in combating fire were not trained. Thus, WBFS was compelled to run with untrained staff to combat fire.

The DG did not clarify as to how the efficiency of operational staff (4768) including leaders could be ensured without proper training.

3.22.10 Fire protection and prevention measures not ensured

License not issued to ensure fire safety

a) Licences are issued to the users/owners of buildings, premises storing (warehouse), workshops dealing inflammable articles and selling fireworks on being satisfied about adequacy of fire prevention and safety measures taken by the applicant and on realization of prescribed licence fees. During 1996-2001 only 11101 (17 per cent) licenses were issued by the Collector (Licensing) being the competent authority against 64032 applicants who had deposited Rs 4.51 crore for obtaining licences (new and renewal) leaving the remaining high risk buildings to continue without licence. The dismal performance was attributed by the department due to shortage of staff.

Suggestions/directives of WBFS disregarded – violation of building rules

b) Fire prevention Wing of WBFS inspected (September 1994 - December 2000) 376 high rise buildings up to the height of G+ 23 floors to ascertain the adequacy of fire protection measures / installation of safety appliances and suggested various safety measures in case of any inadequacy to the owners /users but the suggestions were disregarded in more than 95 per cent cases. DG/Fire Services did not take appropriate action/persue to ensure safety of life or property of Kolkata people as stipulated under Section 17 of the Act.

Sanction of high-rise buildings without referring to WBFS

c) Scrutiny revealed that KMC sanctioned building plans of 395 high rise educational and residential buildings with proposed height of 14.5 metres each without referring the cases to WBFS for obtaining no objection certificates which is mandatory. Thus, safeguards against risk of safety of life and property in the event of fire out break was not provided as required under Rule 106 of the KMC Building Rules 1999 (amended up to 1993).

3.22.11 Conclusion

The upgradation programme to combat fire was not effectively implemented and large amount of available funds remained unutilised while the people of the State were exposed to the high risk of fire. The main weaknesses were : (i) failure to keep the water sources and fire fighting appliances in readiness, (ii) inadequate training to the key staff, shortage of staff and (iii) protracted delays in procurement of insufficient fire fighting vehicles/equipment and non-upgradation of the communication system and sanction of high-rise buildings without referring these to WBFS for clearance from fire hazard angle.

There was no system for monitoring and evaluation of the activities of the Department. Only in April 2001 a Committee was formed to watch the progress of work in each wing of the WBFS.

The matter was referred to Government in June 2001 ; reply had not been received (January 2002).

RELIEF DEPARTMENT

3.23 Infructuous payment of interest on undisbursed loans raised for flood relief/natural calamity

Raising Rs 110 crore of loans for flood affected houses/schools on unrealistic assessment of requirement led to infructuous expenditure of Rs 5.54 crore towards interest burden on unutilised loans

a) With a view to undertaking urgent repair/reconstruction of houses destroyed/damaged due to flood and natural calamity of 1998 flood, Government

of West Bengal in Relief Department raised a loan of Rs 100 crore from the Housing and Urban Development Corporation Ltd. (HUDCO) in November 1998 (Rs 50 crore) and March 1999 (Rs 50 crore) of which Rs 99.75 crore⁴³ were credited to Government Account after deduction of Rs 25 lakh by HUDCO as front-end fees. Out of the loan of Rs 50 crore received in March 1999 a sum of Rs 25 crore remained idle up to December 1999.

Scrutiny revealed that out of Rs 99.75 crore allotted (1998-2000) to 17 DDOs for payment of House Building grants⁴⁴ to the affected population, Rs 78.03 crore were utilised and Rs 4.51 crore were deposited/surrendered by seven District Magistrates⁴⁵ of which Rs 3.50 crore was surrendered by the District Magistrate, Malda, the worst affected district, on grounds of problems in selecting beneficiaries although large number of relief measures were still pending execution even as of August 2001. Details regarding utilisation/surrender of balance of Rs 17.21 crore were awaited.

Scrutiny revealed that Government paid interest of Rs 26.37 crore as of September 2001 on Rs 100 crore which included Rs 2.90 crore on Rs 25 crore remaining idle for about nine months and also on unutilised loans for Rs 4.51 crore for 2 years 11 months between March 1999 and December 1999.

b) A second loan of Rs 10 crore⁴⁶ (actual amount Rs 9.92 crore after a deduction of Rs 0.08 crore towards front-end fees) raised from HUDCO in March 1999 to undertake repairs/reconstruction of primary school buildings severely damaged by floods/natural calamities of 1998 was placed at the disposal of the Principal Secretary, School Education Department only in September 2000. The School Education Department, however, did not draw the amount. Acting on a revised proposal of the department, the amount was re-sanctioned in favour of School Education Department on 21 November 2000 for repair/reconstruction of the School Buildings (both Primary and Secondary) damaged by the floods of 2000. The entire amount was credited into the Local Fund Accounts of seven Zilla Parishads for eventual spending as per advice of the District Level Co-ordination Committee on Primary Education. The Utilisation Certificates and Progress Report were awaited from the Zilla Parishads as of August 2001.

The objectives for which the loan was raised between April 1999 and August 1999 were not ascertainable. Further, extending the area of coverage to the areas damaged by floods of 2000 was indicative of the fact that the funds were not required for immediate use and Government unnecessarily shouldered the interest liability of Rs 2.64 crore from April 1999 to November 2000.

⁴³ Rs 74.75 crore in November 1998 and Rs 25 crore received in March 1999

⁴⁴ @ Rs 2000 per family for fully damaged house

@ Rs 1000 per family for partially damaged house

⁴⁵ Nadia, North 24 Parganas, Medinipur, Murshidabad, Cooch Behar, Malda and Birbhum

⁴⁶ Loan amount was repayable in quarterly instalments at the rate of Rs 0.28 crore together with interest at the rate of 16 per cent per annum and 2 per cent tax on interest per annum (abolished with effect from 01-04-2000) payable.

Thus, in both the cases, failure of the Government to assess the requirement realistically and to restrict drawal of loan to the actual requirement led to infructuous expenditure of Rs 5.54 crore towards interest burden on unutilised/ idling of loan fund.

The Relief Department stated (September 2001) that though the proposal was submitted in 1999, the Finance Department (FD) released Rs 9.92 crore (second loan) in September 2000 and the same was allotted to the School Education Department forthwith. The reply was not factually correct since the proposal of May 1999 was turned down by the FD and the Relief Department resubmitted its proposal only in July 2000.

SPORTS AND YOUTH SERVICES DEPARTMENT

3.24 Avoidable payment of interest for Yuba Bharati Krirangan

Failure to adhere to the schedule of payment of interest as per agreement not only led to incurring additional liability of Rs 5.61 crore towards delayed payment of interest but also attracted shouldering further liability on this score

The Society for Sport and Stadium (SSS) constructed the Yuba Bharati Krirangan (Salt Lake Stadium) at a cost of Rs 34.58 crore which included Rs 6.41 crore taken by SSS as long-term (Rs 5 crore) and short-term (Rs 1.41 crore) loan from seven commercial banks against a guarantee furnished by the State Government between November 1981 and October 1986. In November 1990, SSS with all assets and liabilities was taken over by the Government of West Bengal.

Due to the SSS's inability to repay the loan, the banks⁴⁷ had initially recalled the advance and then invoked the State Government guarantee between August-November 1989. The State Government gave an assurance to repay the loan and interest accrued thereon, but failed to do so. A meeting held subsequently between the State Government and the concerned banks in January 1993 resolved the following terms of repayment.

Compound interest would be charged up to 30 June 1992.

State Government would pay the principal amount of Rs 6.41 crore in two or three instalments before 31 March 1993.

Interest of Rs 18.60 crore (June 1992) reduced by 1/3 to Rs 12.40 crore was to be paid in two equal instalments by June 1993 and March 1994.

On failure to adhere to the terms of settlement, the banks would revert to their original claims.

⁴⁷ *Canara Bank – Rs 1 crore, Punjab national Bank – Rs 1 crore, United Commercial Bank – Rs 1 crore, United Bank of India – Rs 1 crore, Allahabad Bank – Rs 1.16 crore, Andhra Bank – Rs 0.25 crore and State Bank of India – Rs 1 crore*

Even after the above settlement, the State Government repaid only the principal amount of loan (Rs 6.41 crore) on 15 March 1993 and held back the payment of interest.

Government took up the matter with the Union Finance Minister for full waiver of interest (August 1991 and April 1993) but the Union Finance Ministry expressed (March 1998) unwillingness to interfere with the commercial decision of the banks.

Canara Bank moved the Debt Recovery Tribunal (DRT) in August 1995 and an order for payment was passed by the Tribunal in December 1996 and subsequently other banks followed suit. As of December 1996, the banks claimed interest of Rs 35.77 crore.

The State Government decided (December 1999) to pay the outstanding interest of Rs 12.40 crore (2/3 of the total calculated up to 30 June 1992) as agreed (January 1993) to be paid by 31 March 1994 together with the delayed payment of interest of Rs 5.61 crore from April 1994 to December 1999. Thus, total outstanding as of December 1999 worked out to Rs 18.01 crore to be payable in six instalments (January, February, March, May, June and July). From January 2000 onwards interest would be charged on reducing balance method. As of November 2000, a payment of Rs 15.01 crore had been made leaving a liability of Rs 3 crore.

Government did not ascertain its financial capability towards repayment of dues (principal as well as interest thereon) and settle the repayment schedule to its best interest. Thus the Department dishonouring the terms of settlement (January 1993) resorted to pressurising the banks for waiver of interest through the Union Finance Minister. This resulted in accrual of delayed payment of interest amounting to Rs 5.61 crore (interest on interest payable by 31 March 1994) up to December 1999, of which Rs 2.61 crore was paid (February 2001) leaving a liability of Rs 3 crore. Besides, further liability of interest payment on reducing balance method for the period from January 2000 till the date of final payment will have to be borne by the Government.

The matter was referred to Government in June 2001; reply had not been received (January 2002).

TOURISM DEPARTMENT

3.25 Failure to utilise a tourist lodge for four years

Due to failure of the Tourism Department to evict unauthorised encroachers as well as another Government office from the Piyali Island Tourist Lodge in the Sunderbans its conversion into a composite tourist complex was stalled for over 10 years leading to idle investment of Rs 60.28 lakh

Tourism Department decided to build a Tourist Lodge at Piyali Island (Sundarbans) in 1990 and placed Rs 49.09 lakh inclusive of GOI assistance of Rs 40 lakh between

September 1990 and April 1996 with the Central Public Works Department (CPWD), Kolkata. The construction of the lodge was commenced in August 1991 by CPWD, completed at a cost of Rs 38.28 lakh⁴⁸ and handed over by CPWD to West Bengal Tourism Development Corporation (WBTD) in August 1997. The department also placed Rs 22 lakh⁴⁹ (1992) with Irrigation and Waterways (I&W) department for construction of a substitute office complex and staff quarters to shift their functioning from the old construction on the island as well as for repairing the link road leading towards Piyali Island for developing the island as a composite tourist complex. Functioning of I&W department continued (October 2001) from old construction for non-completion of the new building. The department stated that construction could not be completed due to non-receipt of sufficient fund from the Tourist Department and the matter was taken up with the department (October 2001) for final settlement.

The Management Contractor⁵⁰ selected (March 1997) for developing the Island expressed their disinclination to associate with the project as the staff of the I&W department did not vacate the premises. Subsequent attempt made in October 1999 also failed. As per the report of the Management Contractor and the WBTD, the local inhabitants also continued to unauthorisedly occupy portions of the old construction within the tourist Complex premises and occurrences of theft and pilferage caused damage to the newly built lodge. Besides, as ascertained during audit, one room of the newly constructed lodge at Piyali was forcibly occupied by I&W staff (September 1999). Despite providing Rs 12 lakh by Tourism Department for building a substitute office building as agreed in October 1992, there was no monitoring at the Secretary level except issue of reminder for shifting of I&W Department.

Thus, due to failure of the Secretary, Tourism to take steps to evict local encroachers and continued occupation by the I&W department, the much advertised tourist complex in Sunderban location has not been converted to a composite tourist complex even after ten years leading to an idle investment of Rs 60.28 lakh.

The Tourism Department stated (September 2001) that the delay in selecting the Management Contractor was attributable to the non-commissioning of the Tourist Lodge. The reply was not tenable as the selected Management Contractor withdrew on grounds of failure of the department to hand over the complex free from encumbrance.

GENERAL

3.26 Lack of responsiveness of Government to audit

Accountant General (Audit)-I (AG) arranges to conduct periodical inspection of the Government departments to test check the transactions and verify the

⁴⁸ Based on Statement of Expenditure submitted by CPWD in January 1998

⁴⁹ Rupees 12 lakh for alternative office complex and staff quarter and rest for repairing of Link Road

⁵⁰ Hotel Aranyak Limited

maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed up with Inspection Reports (IRs). When important irregularities, etc. detected during inspection are not settled on the spot, these find place in IRs and are issued to the Heads of offices inspected with a copy to the next higher authorities. Government of West Bengal, Finance Department Memo No 5703(72)/FB dated 29-08-1972 provides for prompt response by the executive to the IRs issued by the AG to ensure rectificatory action in compliance of the prescribed rules and procedures and secure accountability for the deficiencies, lapses, etc. noticed during his inspection. The Heads of offices and next higher authorities are required to comply with the observations contained in the IRs and rectify the defects and omissions promptly and report their compliance to the AG. Serious irregularities are also brought to the notice of the Head of the Department by the Office of the Accountant General (Audit)-I. A half yearly report of pending reports is sent to the Principal Secretary/Secretary of the Department in respect of pending IRs to facilitate monitoring of the audit observations in the pending IRs.

Inspection Reports issued up to December 2000 relating to 347 offices of Home (Police), Animal Resources Development, Food and Supplies, Municipal Affairs, Urban Development, and Water Investigation and Development departments disclosed that 2894 paragraphs relating 861 IRs remained outstanding at the end of June 2001. Of these, 138 IRs containing 330 paragraphs had not been settled for more than 10 years. Year-wise position of the outstanding IRs and Paragraphs are detailed in Appendix 49. Even the initial replies, which were required to be received from the Heads of Offices within six weeks from the date of issue were not received from 1980-81 in respect of 287 offices for 538 IRs. As a result the following serious irregularities commented upon in these IRs had not been settled as of June 2001.

	Nature of Irregularities	Grand Total	
		Total Para	Amount (Rupees in crore)
1	Non-adjustment of advance drawn in Abstract Contingent bills	39	11.21
2	Loss of Revenue	72	10.09
3	Theft/Defalcation/misappropriation of Government money	41	0.47
4.	Overdrawal of pay and allowances	14	0.34
5	Non-recovery of loans and other dues	123	12.70
6	Excess/irregular/avoidable/infructuous expenditure	302	55.70
7	Non-adherence to prescribed procedure relating to Cash Book	38	5.17
8	Shortage/Losses not recovered/written off	115	8.56
9	Utilisation Certificate wanting	10	8.96
10	Diversion of Fund	20	6.24
11	Security deposit money not furnished	1	-
12	Excess expenditure due to non-acceptance of lowest tender	20	2.77
13	Non-maintenance/non-production of records	46	19.98
14	Miscellaneous	1861	80.05
	Total	2702	222.24

A review of the IRs which were pending due to non receipt of replies, in respect of Home (Police), Animal Resources Development, Food and Supplies, Municipal Affairs, Urban Development, and Water Investigation and Development departments revealed that the Head of the offices and the Head of the Department

(Principal Secretaries/Secretaries to the Government) whose records were inspected by AG, failed to discharge due responsibilities as they did not send any reply to a large number of IRs/Paragraphs indicating their failure to initiate action in regard to the defects, omissions and irregularities pointed out in the IRs of the AG. The Secretaries of the Home (Police), Animal Resources Development, Food and Supplies, Municipal Affairs, Urban Development, and Water Investigation and Development departments, who were informed of the position through half yearly reports, also failed to ensure that their subordinate officers of the Department took prompt and timely action.

Audit Committees, comprising the Principal Secretary/Secretary of the Administrative Department and representatives of the Finance Department and the Accountant General were formed in 44 out of 51 Departments of Government for expeditious settlement of the Outstanding Inspection Reports. Of the 44 Departments where Audit Committees were formed, meetings were held by 14 Departments on 19 occasions between July 2000 and June 2001. As a result of the meetings of these Committees, it was possible to settle 364 paragraphs and 67 Inspection Reports. No meetings were held by 30 other Departments. Matter was taken up with the Government to form Audit Committees in the remaining Departments.

Follow up action if any, taken by the Finance Department to the paras/ IRs was also not found. The above was also indicative of lack of will to take action against the defaulting officers thereby facilitating the continuation of serious financial irregularities and loss to the Government, though these were pointed out in Audit.

It is recommended that Government should re-look into this matter and ensure that procedure exists for (a) action against the officials who failed to send replies to IRs/paras as per the prescribed time schedule, (b) action to recover loss/outstanding advances/overpayments in a time bound manner and (c) revamping the system of proper response to the audit observations in the Department.

The matter was referred to Government in January 2002; reply had not been received (January 2002).

3.27 Misappropriation, losses, etc.

Cases of misappropriation, losses, etc. of Government money reported up to 31 March 2001 and on which final action was pending as of March 2001 were as under :

	Number of cases	Amount (Rupees in lakh)
Cases outstanding as on 31 March 2000	779	580.12
Cases reported during 2000-2001	8	35.33
Cases disposed of till March 2001	24	16.37
Cases outstanding as on 31 March 2001	763	599.08

Appendix 50 contains department-wise details of the outstanding cases. Of the 763 cases outstanding as of March 2001, 740 cases (amount involved : Rs 529.16 lakh) were pending for more than two years. Fifty one *per cent* of these cases related to the Land and Land Reforms Department. Twenty six (26) cases involving an amount of Rs 61.02 lakh were subjudice and 10 cases (amount involved : Rs 5.92 lakh) awaited final action after Hon'ble Court's decision.

A review again revealed that, Heads of Departments as shown in Appendix 50 failed to discharge due responsibility as they did not send replies and were reluctant to initiate action for recovery of losses or initiate investigation of the cases pointed out which was also indicative of the failure of Senior Officials to enforce accountability and safeguard the interest of Government.

The matter was referred to Government in December 2001; reply had not been received (January 2002).

3.28 Misappropriation and Misutilisation of Cash

Non-adherence to the provision of Treasury and Financial Rules by 36 Drawing and Disbursing Officers in 12 districts and Kolkata led to a shortage of cash of Rs 43.30 lakh

As per Treasury Rules, of the Government of West Bengal no money is to be drawn from the Treasury unless it is required for immediate disbursement. All financial transactions are to be recorded in the Cash Book as soon as they occur under proper attestation by the Drawing and Disbursing Officer (DDO). Cash Book is required to be closed every day and the head of the office is required to physically verify the cash balance depicted in the Cash Book at the end of each month and record a certificate to that effect. Bill and date-wise analysis in respect of closing cash balance are also required to be recorded. Out of these 9, 4 DDOs⁵¹ (Sl No 1,2,3 and 9) did not get their cash physically verified during the last 12 to 15 months.

⁵¹ Superintendent, Nilratan Sarkar Medical College and Hospital, Superintendent, R.G. Kar Medical College and Hospital, Superintendent, Berhampore District Correctional Home and Superintendent, Dum Dum Central jail

Scrutiny (July 2000 to April 2001) of records⁵² pertaining 36 DDOs in 12 districts and Kolkata revealed serious financial irregularities due to non-compliance of the provisions of the above Rules. Such non-compliance resulted in misutilisation of undisbursed cash, theft and suspected misappropriation of huge sum of Government money (Rs 43.30 lakh) as detailed in Appendix 51.

i) Shortage of Cash during physical verification in presence of audit

Physical verification of cash done by 36 DDOs during July 2000 to April 2001 at the instance of audit disclosed that against the total closing cash balance of Rs 8.40 crore as per Cash Books of these DDOs, only Rs 7.97 crore was found physically available, indicating a shortage of Rs 43.30 lakh in 36 offices.

Out of Rs 43.30 lakh, shortage of Rs 17.75 lakh, remained unexplained and were thus misappropriated. Rupees 19.57 lakh was explained by unadjusted vouchers while Rs 5.98 lakh was shown as advances to different staff from undisbursed cash and Rs 0.26 lakh reported to have been stolen details of which are brought out in succeeding paragraphs. As the vouchers were not substituted for cash, this amount was unauthorisedly spent and need be considered as temporary misappropriation.

(a) Suspected misappropriation of cash

Physical verification of cash in 9 (nine) DDOs (Sl. No. 1 to 9) conducted during July 2000 to April 2001 at the instance of audit brought out shortage of cash of Rs 17.49 lakh the details of which are shown in Column 9 of Appendix 51. As the concerned DDOs failed to explain for such shortage, the cash was thus misappropriated. Of these Rs 10.75 lakh pertained to R.G Kar medical College (Rs 4.56 lakh) and Chittaranjan Seva Sadan, Kolkata (Rs 6.19 lakh). In the office of the Superintendent, District Hospital, Malda, cash of Rs 0.26 lakh was found short due to theft occurred in December 1980 and October 1984. As the case is yet to be finalised, the amount shown as theft continued to be a part of the closing cash balance.

(b) Unauthorised advances from undisbursed cash

Twelve (12) DDOs (Sl. No. 1, 3, 4, 7, 9, 12, 13, 14, 15, 19, 24 and 27) of Appendix 51 (column 8) paid Rs 5.98 lakh out of undisbursed cash irregularly as advances to different officials for various purposes⁵³. There is no provision in the Rules for making such advances which were to be made against regular budget provisions and through bills drawn from Treasury. Rupees 5.45 lakh out of Rs 5.98 lakh, remained unadjusted for periods as long as 13 years in 8 DDOs. The antiquity of Rs 0.61 lakh drawn by 4 DDOs⁵⁴ was not on record. None of the

⁵² Cash Books, Bill-registers, Acquittance roll, Paid vouchers, Duplicate Carbon Receipts, etc.

⁵³ Implementation of I.P.P. Programme, Purchase of Vegetables, Kerosene oil, Car hiring charges, Ultra sonography of convicted prisoners, etc

⁵⁴ Sl. Nos.1, 12, 13 and 24 of Appendix 51

DDOs maintained any authenticated advance register to watch the recovery of such advances. As such the necessity of such expenditure could not be verified. The possibility of misappropriation of these funds could not be ruled out. Government need to take urgent action to recover the amounts and prevent the malpractice of such unauthorised advances.

(c) *Misutilisation of undisbursed cash balance*

Rupees 19.57 lakh were paid against hand/kutchareceipt for purchases, etc. and these receipts were termed as vouchers and recorded in the Cash Book as such by 26 DDOs (Sl. Nos. 1, 4, 5, 7, 10 to 13, 16 to 18, 20 to 23, 25, 26, 28 to 36). These disbursements were made unauthorisedly out of available cash balance/hospital receipts for various purposes⁵⁵. As these 'Vouchers' did not constitute cash balance, these amounts could be construed as temporary misappropriation. The details are shown in Column 7 of Appendix 51.

(ii) *Absence of Physical verification of cash*

Thirteen (13) out of 36 DDOs did not conduct physical verification of closing cash balance at the end of each month during the period as indicated in Appendix 52. Out of these, except for two, remaining DDOs did not get their cash physically verified for 12 to 15 months at a stretch prior to the cash verification done at the instance of audit. The monthly closing balance in these DDOs varied from Rs 67.04 lakh to Rs 0.65 lakh. Thus, huge amount of cash was being handled by the cashiers without any safeguard against misuse due to absence of physical verification of cash. This also provides opportunity for misappropriation, misuse and diversion without any financial control of the DDOs.

(iii) *Action taken by the Government*

Cases of misappropriation and misutilisation of cash due to non-adherence to the provisions of the Financial Rules by the DDOs were mentioned in the Report of the Comptroller and Auditor General of India for the years ended March 1997, 1998, 1999 & 2000. Such irregularities were continued by the same 9 (nine) DDOs (Sl. No.s 2,7,8,9,18, 19, 21, 24 and 34).

The details of action taken and recovery/adjustment of these shortages of cash were not intimated to audit as of June 2001.

Thus, inadequate control over drawal and disbursement of cash by the Government and non-observance of the statutory rules by the DDOs led to serious financial irregularities including misappropriation of cash.

The matter was referred to Government in August 2001; reply had not been received (January 2002).

⁵⁵ *Purchase of Oxygen, loading/unloading charges of medicines, purchase of petrol/diesel, tiffin expenses, etc.*