

PREFACE

This Report for the year ended 31 March 2006 contains the results of audit of accounts of Urban Local Bodies in the state of West Bengal.

The Report has been prepared for submission to the Government of West Bengal in accordance with the provisions of the West Bengal Municipal Act, 1993 and other respective Acts of six Municipal Corporations.

The cases mentioned in this Report are among those, which came to notice in the course of test audit of accounts of 69 ULBs during the year 2005-06, as well as those noticed in earlier years but could not be dealt with in previous Reports; matters relating to the period subsequent to 2005-06 have also been included wherever considered necessary.

OVERVIEW

This Report contains eight chapters, containing observations of audit on accounting procedures, financial management, revenue receipts, establishment, procurement, implementation of schemes and conclusion and recommendations of Audit. A synopsis of the Audit findings is presented in this overview.

During 2003-04 to 2005-06, the shortfall in revenue expenditure in 18 ULBs ranged between 20 and 78 *per cent* affecting the quality of civic services to the people.

[Paragraph 2.1(b)]

The expenditure under capital section for creation of assets had decreased by four *per cent* from Rs 59.10 crore in 2003-04 to Rs 56.83 crore in 2004-05. Although increased by 48 *per cent* to Rs 84.06 crore during 2005-06, there was a shortfall of 45 *per cent* in utilisation vis-à-vis the budget provisions. The decreasing trend of mobilisation of capital fund and under utilisation narrowed the scope of augmentation / extension of services to the tax payers.

[Paragraph 2.1(c)]

The excess expenditure of Rs.19.17 crore incurred by 10 ULBs during 2003-04 to 2005-06 has not been regularized.

[Paragraph 2.1(d)]

The expenditure of Rs 221.49 crore incurred during 2001-02 and 2005-06 by 22 ULBs could not be vouchsafed due to non preparation of annual financial statements for periods ranging from one year to eight years.

[Paragraph 2.2(a)]

Due to non-preparation of Balance Sheets by 65 ULBs, the financial status of these local bodies could not be verified.

[Paragraph 2.3(a)]

The Balance Sheet of KMC for the year ending 31 March 2005 revealed that several items under liability were understated to the extent of Rs.404.49 crore and assets were overstated by Rs.105.59 and excess of income over expenditure was overstated by Rs.73.13 crore.

[Paragraph 2.3(c)]

Non reconciliation of the cash balance of KMC as on 31 March 2005 has resulted in overstatement of assets by Rs.31.19 crore, underlining the need for resolution of the issue.

[Paragraph 2.3(d)]

Fifty four *per cent* of available resources could not be utilised by 55 ULBs in 2004-05 mainly due to non execution/ delay in implementation of schemes.

[Paragraph 2.4]

Ten ULBs diverted Rs.2.67 crore sanctioned for specific purposes during the years 2001-02 to 2005-06 depriving the beneficiaries of the intended benefits.

[Paragraph 2.5]

Twelve ULBs did not repay loan of Rs.15.15 crore and accumulated huge liability of Rs.38.95 crore. The increasing liabilities adversely impact the financial stability of the ULBs and in turn constricts their capacity to raise market loans and develop infrastructural facilities for the rate payers.

[Paragraph 2.7]

All primary schools under the municipalities stood transferred to the District Primary School Council (DPSC) together with their lands, buildings and other properties. All teachers and other staff shall be deemed to be employed by DPSC with effect from 15 April 1992.

Despite the above arrangement for taking over liabilities of primary schools, nine municipalities incurred a total expenditure of Rs 10.58 crore towards salary of employees and maintenance of primary schools during the period 1992-2006.

[Paragraph 2.10]

The delay ranging from one month to 21 years in crediting of Provident Fund money by 13 ULBs resulted in loss of interest on Provident Fund account to the tune of Rs. 4.22 crore accrued during the intervening period which created an additional burden on them.

[Paragraph 2.14]

Rishra, Jhalda and Mekhliganj municipalities did not maintain 'Pension and Gratuity Fund' to ensure timely payment of retirement benefits to their employees.

[Paragraph 2.15]

No arrangement has been made in 69 ULBs for internal audit of their accounts.

[Paragraph 2.21]

Due to delay in revision of property tax ranging from 3 months to 17 years, 14 ULBs suffered a loss of revenue of Rs.28.84 crore.

[Paragraph 3.3]

Inadmissible remission allowed in property tax resulted in loss of revenue of Rs.78 lakh in 13 ULBs.

[Paragraph 3.4]

Non imposition of surcharge on commercial / industrial holdings by 25 ULBs resulted in loss of revenue of Rs.3.01 crore during 1994-2006.

[Paragraph 3.5]

Thirteen ULBs sustained a loss Rs.5.21 crore due to non imposition or under imposition of water charge during February 2002 to March 2006.

[Paragraph 3.6]

Despite prohibition, 27 ULBs irregularly spent Rs.16.59 crore during the years 1995-96 to 2005-06 on engagement of casual staff.

[Paragraph 4.2]

Six ULBs purchased materials worth Rs.1.38 crore without inviting any tender/ quotations and four other municipalities executed works for Rs.1.75 crore without open competition during 2002-05.

[Paragraph 5.1]

The failure to complete works within the stipulated dates by 16 ULBs deprived the local people of the benefits and blocked funds of Rs.4.98 crore.

[Paragraph 5.5]

Low utilisation of grants under National Slum Development Programme (NSDP) during 2004-05 undermined efforts of the Government in providing basic amenities to slum dwellers.

Thirty five ULBs spent Rs.24.51 crore under NSDP during 2001-06 without declaring slum areas which frustrated the objectives. Works valued at Rs.17.25 crore were executed through contractors by 34 ULBs without involving the beneficiaries.

Twenty six ULBs diverted Rs.5.22 crore from NSDP grants during 2002-06 and 17 ULBs did not take up any work for construction of shelters during 2001-06, thus depriving shelterless beneficiaries from getting the benefit of earmarked funds of Rs.1.10 crore.

[Paragraph 6.1]

The percentage of utilisation of Basic Minimum Service grants during 2004-05 ranged from zero *per cent* to 17 *per cent* in 16 ULBs.

Seven ULBs engaged contractors for execution of works valuing Rs. 2.16 crore under BMS thereby losing Rs.21 lakh towards contractors' profit. Further eight ULBs diverted Rs.93.92 lakh from BMS beyond the scope/purview of the scheme.

[Paragraph 6.2]

The percentage of utilisation of Swarna Jayanti Sahari Rozgar Yojana grants in 47 ULBs during 2003-04 was 58 *per cent* only.

[Paragraph 6.3]

Twenty ULBs diverted Eleventh Finance Commission grant of Rs.2.04 crore for executing works not covered under the objectives of the grant.

[Paragraph 6.4.2]

Leasing out 228.31 cottahs of land on lease on EM Bye-Pass at a lower premium caused loss of Rs.4.09 crore to Kolkata Municipal Commission.

[Paragraph 7.1]

The Bus Terminus constructed by Bishnupur Municipality in 1989 remained unutilised for 18 years resulting in unfruitful expenditure of Rs.30.53 lakh.

[Paragraph 7.2]

The non functioning of the Bus Terminus and the Market Centre constructed by Gobardanga Municipality resulted in blocking of funds of Rs 66.32 lakh and adversely impacted the scope for improving the resource generation capacity of the Municipality.

[Paragraph 7.3]

CHAPTER I

INTRODUCTION

1.1 Background

Article 243W of the Constitution of India envisages that the State Government may, by law, endow the Municipalities with such powers and authority as may be necessary to enable them to function as institutions of self-government and such law may contain provisions for the devolution of powers and responsibilities upon Municipalities, subject to such conditions as may be specified therein, with respect to (i) the preparation of plans for economic development and social justice and (ii) the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to the matters listed in the Twelfth Schedule.

All municipalities (120) of West Bengal are governed according to the provisions of the West Bengal Municipal Act, 1993. Six municipal corporations are governed according to the provisions of the respective Acts legislated separately. Except these six municipal corporations, all other municipalities were classified into five groups on the basis of the population as ascertained in the preceding census for the purpose of application of the provision of the Act. Each municipality is divided into a number of wards, which is determined and notified by the State Government having regard to the population, dwelling pattern, geographical condition and economic consideration of the respective area. The minimum number of wards is nine and the maximum number is kept between 15 and 141 depending on the size of the Urban Local Body (ULB). An elected Councillor represents each ward.

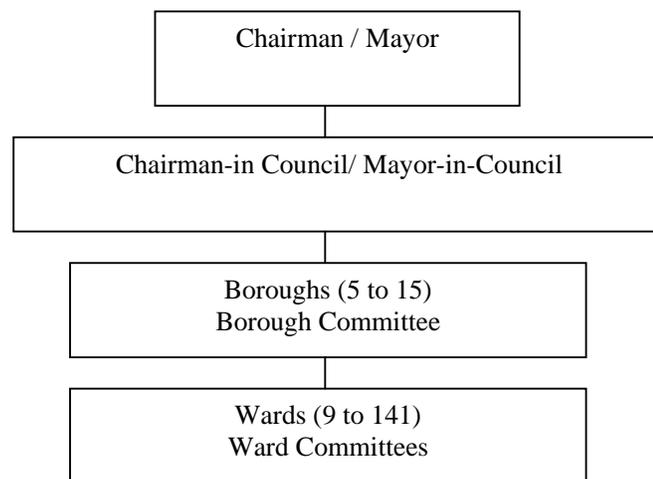
In 2001 the urban population in West Bengal was 2.25 crore spread over 2060 sq.km. with a density of 10915 per sq.km as against the total population of

8.02 crore. During 1991 to 2001, the urban population increased by 20.20 per cent which indicates a declining trend over the previous decade (29.49 per cent).

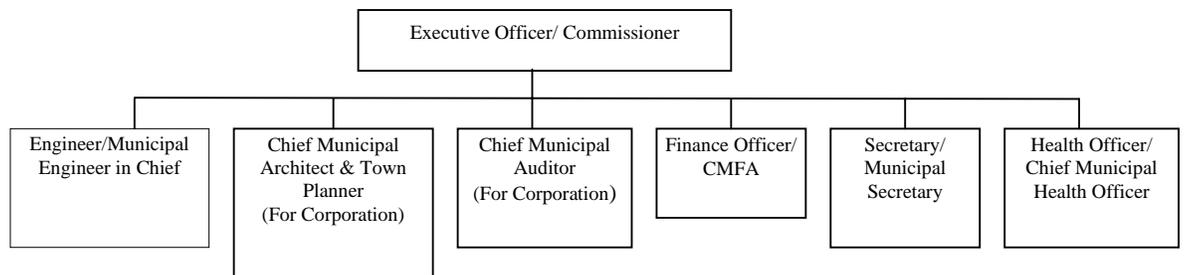
1.2 Organizational Structure

The Chairman/ Mayor, elected by the majority of the Board of Councillors (BOC), is the executive head of the Urban Local Body and presides over the meetings of the Chairman-in-Council/ Mayor-in-Council responsible for governance of the body. The executive power of a ULB is exercised by the Council. The Chairman presides over the Board of Councillors. The Chairman-in-Council/ Mayor-in-Council enjoys such power as is delegated by the Board.

Every Urban Local Body having a population of three lakh or more groups the wards into five (up to 15 in respect of municipal corporation) boroughs. Boroughs are constituted with not less than six contiguous wards and a Borough Committee is also constituted for each Borough. The Councillors of the respective wards are the members of such Borough Committee and elect the Chairman (not being a member of Chairman-in-Council/ Mayor-in-Council) from among themselves. The Borough Committee discharges such functions, as the Urban Local Body requires it to discharge. At ward level, the Urban Local Body constitutes Ward Committee under the Chairmanship of the Ward Councillor. The organizational structure of the governing body of an Urban Local Body is as under:



Under the administrative control of the Board of Councillors, the Urban Local Body creates its establishment structure headed by an Executive Officer/Commissioner. Other officers are also appointed to discharge specific functions of respective area/ nature. Subject to the supervision and control of the Chairman/Mayor, the Executive Officer/ Commissioner functions as the principal executive of the Urban Local Body. The Executive Officer/ Commissioner and the Finance Officer exercise such powers and perform such functions as notified by the State Government from time to time. The organograph of an Urban Local Body is as below:



1.3 Powers and Functions

To function as an institution of self government and to carry out the responsibilities conferred upon them, the ULBs exercise their powers and functions in accordance with the provisions of Article 243W of the Constitution. Some obligatory functions of the ULBs are as follows:-

- Water supply for public and private purpose;
- Construction and maintenance of sewage and drainage system;
- Collection and disposal of solid waste;
- Construction and maintenance of streets, bridges, fly-overs etc.;
- Construction and maintenance of public latrines, urinals and similar conveniences;
- Lighting of public streets and other public places;
- Construction and maintenance of markets;
- Preventing and checking spread of dangerous diseases including immunization;

- Town planning and development including preservation of monuments, places of historical, artistic and other importance;
- Overall administration including survey, removal of encroachment, dangerous buildings, registration of births and deaths and pollution control of all kinds.

Further, the ULBs may at their discretion provide the services either wholly or partially out of its property and fund for the following services:

- Education;
- Sanitation;
- Relief in the time of famine, flood or earthquake;
- Old-age-homes, orphanage;
- Public works relating to relief, care of sick, medical service;
- Low-cost dwelling houses for socially backward classes or citizens.

The State Government may impose or transfer any such functions and duties of the Government to the Urban Local Body including those performed by the departments. Such activities may include employment schemes and programmes, social forestry, health and family welfare, cottage and small-scale industries, formal and non-formal education etc.

1.4 Devolution

Except for 'urban poverty alleviation', all the remaining seventeen functions referred to in the Twelfth Schedule to the Constitution of India have already been incorporated in West Bengal Municipal Laws. Kolkata Municipal Corporation and Howrah Municipal Corporation have their own functionary infrastructure to look after the devolved functions. The remaining ULBs do not have adequate functionaries to look after their day to day works. The works involving technical know-how are executed through Municipal Engineering Directorate under the administrative control of Municipal Affair Department.

The State Government releases both plan and non plan funds to the ULBs for implementation of State and Central schemes and also to undertake developmental works in the respective areas. The pay and allowances of the

employees including relief on pension are also partially borne by the State Government.

The Second State Finance Commission constituted in pursuance of Article 243I(4) and 243Y(2) of the Constitution of India in July 2000 recommended 16 *per cent* of State taxes as entitlement grant for Local Self Government. It further recommended a minimum amount of Rs.700 crore for devolution to Local Self Government as untied grant. The State Government in its explanatory memorandum to the Action Taken on the recommendations decided (July 2005) to allocate the maximum amount possible as against the recommendation of 16 per cent share of taxes. As against the devolution of a minimum of Rs.700 crore, the State has provided Rs.350 crore in the budget of 2005-06 for Local Self Government. The actual release to the ULBs during 2005-06 towards the Second State Finance Commission grant was Rs.71.58 crore which amounts to 0.7 *per cent* of the States Taxes.

1.5 Creation of Data Base on finances

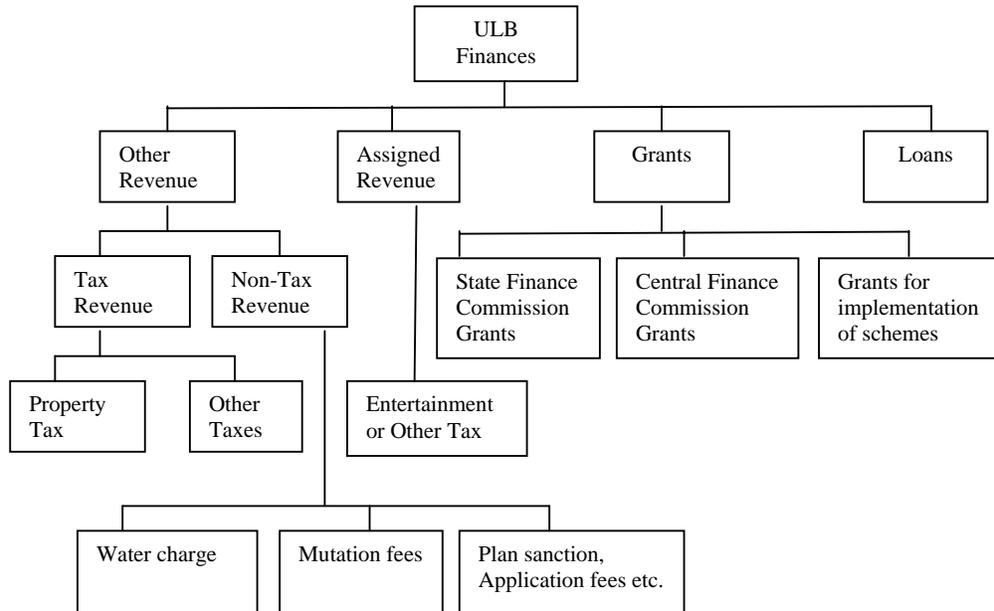
For strengthening accountability and transparency in the ULBs, the Eleventh Finance Commission (EFC), recommended maintenance of database on finances of municipalities in the formats prescribed by the Comptroller and Auditor General of India.

On the basis of the recommendations of the EFC, Rs.195.49 crore was obtained from the Central Government and allotted to ULBs till 2004-05. The ULBs had utilised Rs.157.99 crore for construction of roads, toilets, drains, bathing places, vats, community centres and provisions for drinking water, etc. Allotment and utilisation of EFC grants for maintenance of accounts and data base of local bodies was not made available to audit.

1.6 Financial Profile

The Urban Local Body fund comprises receipts from its own source, grants and assistance from governments and loans obtained from any public financial institutions or nationalized banks or such other institutions as the State Government may approve. A flow chart of finances of a ULB is as under:

Sources of finances of ULB



The property tax on land and building is the principal source of tax revenue of an Urban Local Body.

The main sources of non-tax revenue of an Urban Local Body are plan sanction fees, mutation fees and water charge.

All collections as permissible under the statute in force, such as tax and non-tax revenue are meant for maintenance of administration and services to the tax payers.

The State Government releases administrative grants to the urban local bodies to compensate their revenue expenditure.

The loans raised from different sources with prior approval of the State Government are utilised for execution of various projects/schemes.

Grants and assistance released by the State Government and the Central Government are utilised for developmental activities as specified in the respective schemes or projects.

During the financial year 2002-03, 2003-04 and 2004-05 the own source revenues of 126 ULBs through collection of tax and non-tax revenue was Rs.554.41 crore, Rs.702.38 crore and Rs.686.27 crore respectively. The

dependency on Government grant during 2002-05 ranged between 54 *per cent* and 49 *per cent*. During the year 2004-05 only 28 *per cent* of total demand of property tax had been realised. Moreover, a considerable amount of property tax remained under assessed / unassessed.

1.7 Utilisation of Twelfth Finance Commission Grants

The Twelfth Finance Commission (TFC) has earmarked Rs.393.00 crore for the ULBs of West Bengal for the period 2005-2010 with the recommendation to provide at least 50 *per cent* of the grants-in-aid for solid waste management. According to the recommendation, it is mandatory for the State Government to transfer the grants released by the Government of India to the ULBs within fifteen days of the amount being credited to the State Accounts. The Comptroller and Auditor General of India (CAG) would audit the releases and utilisation of local bodies' grants and the Government of India may withhold grants on the basis of the report of CAG.

Government of India released the first and the second instalment of grants of Rs.39.30 crore each for 2005-06 to the State Government on 24 October 2005 and 4 May 2006 respectively. The State Government released the first instalment amounting to Rs.39.30 crore to ULBs after a delay of more than one month. However, the State Government paid (May 2006) Rs.23.06 lakh to the ULBs towards interest for the delay in release of grants. Fifty *per cent* of the grants were earmarked for solid waste management. The State Government, however, allocated only Rs.28.95 crore for 2005-06 with a shortfall of Rs.10.35 crore in respect of allocation for solid waste management.

The first instalment of Rs.39.30 crore for 2006-07 released to the ULBs in December 2006 has not fully been credited to the respective Local Bodies Fund. The total fund released to the ULBs stood at Rs.118.13 crore. The second instalment for the financial year 2006-07 has not been released (March 2007).

Test check of records of 17 municipalities revealed that these municipalities had incurred an expenditure of Rs.2.27 crore on solid waste management and Rs.4.40 crore on development works as of March 2007 as against the total fund of Rs.13.63 crore (Appendix 1). It was noticed that

Arambag Municipality diverted Rs.4.50 lakh from the fund earmarked for solid waste management to other works.

1.8 Accounting Reforms / Arrangements

In view of the recommendation of Eleventh Finance Commission, Ministry of Finance, Government of India entrusted the responsibility for prescribing appropriate accounting formats for the Urban Local Bodies to the Comptroller and Auditor General of India.

Accrual based system of accounting recommended by the Comptroller and Auditor General of India was accepted by the West Bengal Government. A Steering Committee was formed (January 2004) to coordinate the implementation of the accrual based system of accounting. In the first phase, forty ULBs were selected for implementation of accrual based accounting system. As of February 2007, preparation of balance sheets as on 1 April 2004 has been completed for forty ULBs. Out of these ULBs, chartered accountant firms have certified opening balance sheets of thirty three ULBs. By adopting dummy entry procedure, 18 ULBs have prepared balance sheets as on 1 April 2005. However, none of the balance sheets certified have so far been forwarded to the Examiner of Local Accounts (ELA) for audit.

The Accounting Manual for ULBs, West Bengal (excluding municipal corporations) has been prepared in February 2006 based on the National Municipal Accounts Manual. Accordingly, the West Bengal Municipal Act, 1993 has been amended with effect from 1 October 2006.

1.9 Non maintenance of records

The prescribed basic records viz. Demand and Collection Register, Work Register, Stock Register, Appropriation Register, Investment Register, Loan Register, Un-paid Bill Register, Self Cheque Register, Deposit Ledger, Asset Register, Advance Ledger and Provident Fund Ledger Abstract were not being maintained by most of the ULBs.

Due to non maintenance of basic records the financial status of ULBs could not be ascertained in Audit.

1.10 Audit Arrangement

The recommendations of the Eleventh Finance Commission stipulate that the Comptroller and Auditor General shall be responsible for exercising control and supervision over proper maintenance of the accounts of ULBs and their audit.

The West Bengal Municipal Act, 1993 and the Acts governing other Municipal Corporations envisage that the accounts of a body shall be examined and audited by an auditor appointed by the State Government. Accordingly the State Government in exercise of the power conferred by the Acts, appointed the Examiner of Local Accounts (ELA), West Bengal as the Auditor for audit of the accounts of the Urban Local Bodies. The Acts further envisage that the Auditor shall prepare the report on the accounts examined and shall send such report to the Chairman/ Mayor and a copy thereof to the Director of Local Bodies or such other officers as the State Government may direct.

1.11 Audit Coverage

Out of 126 ULBs, audit of accounts of 69 ULBs (Appendix 2) covering the financial year upto 2002-03, 2003-04, 2004-05 and 2005-06 was conducted during September 2005 to September 2006.

1.12 Response to Audit Observations

The Chairman/ Mayor are required to comply with the observations contained in the Inspection Reports (IRs) and rectify the defects and omissions and report their compliance through proper channel to ELA within three months from the date of issue of IRs.

The details of IRs and the paragraphs outstanding as of December 2006 are given below:

Audit Report on ULBs for the year ending 31 March 2006

Year of issue	No. of Inspection Reports	No. of outstanding paras	Money Value (Rupees in crore)
Upto 2001	31	68	53.57
2001-02	23	72	32.48
2002-03	57	228	161.56
2003-04	121	360	167.21
2004-05	27	161	80.24
2005-06	54	471	334.10
2006-07	17	260	210.40
Total			1039.56

A review of the IRs, which were pending due to non-receipt of replies, revealed that the Heads of the offices, whose records were inspected by ELA, did not send any reply to a large number of IRs/ paragraphs. The Principal Secretaries/ Secretaries of the Departments, who were informed of the position through half yearly reports, also failed to ensure that the concerned officers of the ULBs take prompt and timely action. Although a Departmental Audit Committee was formed, it met only twice in the year 2005-06. Important findings of audit are described in the succeeding chapters.

CHAPTER-II

ACCOUNTING PROCEDURES AND FINANCIAL MANAGEMENT

According to the West Bengal Municipal Act, 1993 and Rules made thereunder, each ULB shall present the budget estimate before the Board of Councillors (BOC) for adoption after discussion. The annual financial statement and the balance sheet shall be placed before BOC within the prescribed time limit. The deficiencies in accounts, lack of control over finance, poor utilisation of development grants and weak internal controls noticed during audit are described in the succeeding paragraphs.

2.1 Budget Provisions

(a) Overall expenditure

Budget proposals are directly related to the aspirations of the people of the local area. It is therefore essential to take utmost care in preparing budget proposals giving due attention to the prioritized needs of the people. The savings in expenditure *vis-à-vis* the budget provisions noticed in audit indicates that there was absence of control over budget formulations rendering them unreliable. The overall budget provision for the year 2003-04, 2004-05 and 2005-06 and the expenditure there against of 30 municipalities as furnished by them are given below: (unit-wise position is detailed in Appendix 3A, 3B and 3C)

Year		Budget Provisions	Actual expenditure	Savings (-) Excess (+)	Percentage of overall utilisation
		(R u p e e s i n c r o r e)			
2003-04	Revenue	128.74	108.58	(-)20.16	84
	Capital	140.41	59.10	(-)81.31	42
2004-05	Revenue	146.87	114.58	(-)32.29	78
	Capital	123.56	56.83	(-)66.73	46
2005-06	Revenue	165.69	125.40	(-)40.28	76
	Capital	153.88	84.06	(-)69.82	55

(b) Shortfall in revenue expenditure

It was noticed in audit that most of the ULBs failed to ensure optimum utilization of revenue funds in any of the years during 2003-04 to 2005-06. Only 12 ULBs out of 30 could utilise more than 80 *per cent* of the respective provisions during the three years, whereas the shortfall for the remaining 18 ULBs ranged between 20 and 78 *per cent* during the same period. A number of ULBs have stated that shortfall had occurred in achieving financial targets due to less allotment of fund by the Government and non implementation of programmes. The reply regarding less allotment of fund by Government was not tenable as grants were released as per prevailing norms. Huge savings under revenue section in all the three years affected the quality of civic services being rendered to the people by the respective municipalities.

(c) Inadequacy in utilization of capital fund

The provisions under capital section for three¹ municipalities reflect continuous decrease during 2003-2006 periods. Five² municipalities could utilize only five *per cent* to 34 *per cent* of the available fund during the same period. The actual expenditure under capital section for creation of assets had decreased by four *per cent* from Rs 59.10 crore in 2003-04 to Rs 56.83 crore in 2004-05. Although it increased by 48 *per cent* to Rs 84.06 crore during 2005-06, yet there was a shortfall in utilisation of 45 *per cent* vis-à-vis the budget provisions.

A decrease in capital expenditure is considered undesirable as it adversely impacts the extension of social and economic infrastructure network and creation of assets by the municipalities.

(d) Excess of expenditure over grant

As per provisions of the municipal law, no payment out of Municipal Fund shall be made unless such expenditure is covered by a current budget

¹ Dainhat, Kalyani and Ramjibonpur

² Basirhat, Gobardanga, Jhargram, Nalhati and Old Malda

grant and a sufficient balance of such budget grant is available, notwithstanding any reduction or transfer thereof under the provisions of the Acts.

Test check of overall budget provisions and expenditure of 30 ULBs revealed that 10 municipalities exceeded the respective provisions during 2003-04 to 2005-06 as detailed below:

Revenue Section

Name of ULB	Year	Budget provision	Expenditure	Excess
		(R u p e e s i n l a k h)		
Dainhat	2004-05	75.00	96.21	21.21
Ramjibanpur	2003-04	28.82	28.91	0.09
	2004-05	33.85	35.72	1.87
	2005-06	38.79	39.98	1.19
South Dum Dum	2003-04	1067.12	1824.59	757.47
	2004-05	1283.47	2003.39	719.92
	2005-06	1813.18	1823.71	10.53
Bhadreswar	2005-06	632.73	636.72	3.99
Burdwan	2005-06	1360.89	1485.72	124.83
Kalyani	2005-06	555.23	558.51	3.28
Total		6889.08	8533.46	1644.38

Capital Section

Name of ULB	Year	Budget provision	Expenditure	Excess
		(R u p e e s i n l a k h)		
Kandi	2003-04	112.75	123.45	10.70
	2005-06	124.20	127.41	3.21
Bhadreswar	2004-05	193.19	252.83	59.64
North Barrackpore	2004-05	203.45	205.68	2.23
	2005-06	211.80	251.36	39.56
Dainhat	2005-06	32.71	78.67	45.96
Kalyani	2005-06	293.63	367.49	73.86
Mekhliganj	2005-06	70.90	75.90	5.00
South Dum Dum	2005-06	1124.00	1153.01	29.01
Titagarh	2005-06	369.00	371.99	2.99
Total		2735.63	3007.79	272.16

The municipalities neither furnished any reasons for incurring such excess expenditure over provisions nor initiated any action to regularize the excess over grant.

2.2 Annual Accounts

(a) Non-preparation of Annual Financial Statement

During audit it was seen that the following ULBs did not prepare Annual Financial Statement for the period as detailed below:

Sl. No.	Name of ULB	Arrear in accounts	Receipts	Expenditure
			(Rupees in crore)	
1.	Bankura	2002-03	6.24	6.99
2.	Dhupguri	2001-02 to 2004-05	3.27	2.79
3.	Habra	2003-04 and 2004-05	NA	NA
4.	Tufanganj	2002-03 to 2004-05	3.85	4.68
5.	Baranagar	1987-88 to 2004-05	NA	NA
6.	Rishra	2002-03 to 2004-05	27.14	19.86
7.	Mal	2002-03 to 2004-05	4.15	5.54
8.	Krishnanagar	2002-03 to 2004-05	29.56	24.85
9.	Nalhati	2001-02 to 2005-06	NA	NA
10.	Titagarh	2003-04 and 2004-05	NA	NA
11.	Mirik	2003-04	1.37	1.67
12.	Naihati	2003-04 to 2005-06	48.19	46.66
13.	Purulia	2002-03 to 2004-05	NA	NA
14.	Dinhata	2002-03 to 2004-05	9.35	9.03
15.	Murshidabad	2002-03 to 2004-05	5.45	6.53
16.	Jalpaiguri	2002-03 to 2004-05	22.86	23.33
17.	Baduria	2005-06	3.40	3.59
18.	Budge Budge	2004-05 and 2005-06	20.98	20.18
19.	Mekhliganj	2003-04 to 2004-05	1.72	1.85
20.	Siliguri	2004-05	35.97	33.88
21.	Arambagh	2004-05 to 2005-06	8.45	7.28
22.	Baruipur	2004-05	2.35	2.78
Total			234.30	221.49

Due to non-preparation of annual accounts, receipt of Rs. 234.30 crore and expenditure of Rs. 221.49 crore incurred during 2001-02 and 2005-06 by these local bodies could not be vouchsafed.

(b) Irregularities in Annual Accounts

Test check of annual accounts of Kanchrapara municipality revealed that opening balance was not reflected in the annual accounts.

Panihati, Dainhat, Bally and North Barrackpore municipalities did not incorporate transaction of Rs 536.22 lakh (2002-05), Rs 66.31 lakh (2002-05), Rs 54.03 lakh (2004-05) and Rs 46.78 lakh (2002-05) respectively in their annual accounts for the period 2002-03 to 2004-06. Similarly, the closing balance of Rs (-)3.33 lakh of nine subsidiary cash books and Rs 10.08 lakh of eleven bank accounts were not included in the annual accounts for the year 2004-05 and 2005-06 by Champdani and Bishnupur municipalities respectively.

These discrepancies raised doubts about the presentation of true and fair view of annual transactions by the respective ULBs.

2.3 Balance Sheet

(a) Non-preparation of Balance Sheet

Each ULB is required to prepare annually a balance sheet of assets and liabilities in the prescribed form, which is to be placed before the Board of Councillors.

It was noticed in audit that none of the 65 ULBs prepared balance sheets for the year upto 2005-06. As a result, the position of assets and liabilities of the ULBs could not be verified.

(b) Deficiencies in the Balance Sheet of Kolkata Municipal Corporation (KMC) for the year ending 31 March 2005

The deficiencies noticed during test check of the balance sheet of the KMC for the year ending 31 March 2005 have been issued separately. The important points noticed are mentioned below:

Liabilities

❖ An amount of Rs 48.99 lakh invested out of Pension Fund stood at Rs 77.21 lakh at the end of March 2005. There was bank balance of Rs 4.29 crore under the Pension Fund as of 31 March 2005. The bank balance of Pension Fund and the investment thereof aggregating Rs 5.06 crore was kept outside the annual account of KMC which resulted in understatement of liability by Rs 5.06 crore with corresponding understatement of investment by Rs 77.21 lakh and cash at bank by Rs 4.29 crore.

❖ The subscription towards Provident Fund is deducted at source from the employees and the entire amount is paid to the Provident Fund Cell which is responsible for maintaining the Fund. The Receipt and Payment Account for the year 2004-05 indicates that an amount of Rs 36.17 crore was deducted at source and there was an unpaid liability of Rs 145.61 crore as of 31 March 2004. Only Rs 42.50 crore was paid to the Provident Fund Cell leaving a current liability aggregating Rs 139.28 crore at the end of March 2005. However, the balance of un-disbursed fund lying with the Provident Fund Cell, interest earned and interest payable were not furnished to Audit. The total liability towards subscribers was also not reflected in the annual accounts. As a result, the extent of understatement of liability on account of Provident Fund could not be ascertained.

❖ Rupees 47.82 crore represents liability on account of Interest Accrued on Calcutta Urban Development Project III (CUDP-III) loan as on 31 March 2005, which includes Rs 18.31 crore representing provision for interest for the year 2004-05. As per the adopted policy, KMC was to make provision for interest of Rs 2.77 crore at the rate 12.5 *per cent* on CUDP-III loan for the year 2004-05 as against Rs 18.31 crore. This has resulted in overstatement of liability by Rs 15.54 crore with corresponding under statement of Municipal Fund as well as Excess of Income over Expenditure for the year ended 31 March 2005.

❖ The funds received earlier from State Government for various purposes/ services which were adjusted wrongly in the accounts for 2003-04 by debiting Miscellaneous Deposits with corresponding credit to the Income and

Expenditure Account by the same amount as prior period adjustment without specific approval/ sanction of the Government. This has resulted in understatement of liabilities with corresponding over statement of Municipal Fund by Rs.5.15 crore as of 31 March 2005.

❖ The accumulated water charges of KMC upto March 2005 amounting to Rs 409.62 crore payable to Kolkata Metropolitan Water and Sanitation Authority (KMWSA) had neither been paid nor the amount has been shown as liability as on 31 March 2005. The non-provision of the said outstanding dues has resulted in understatement of current liability by Rs 409.62 crore including liabilities of Rs 53.72 crore for 2004-05 with corresponding overstatement of excess of income over expenditure for 2004-05 by Rs 53.72 crore and overall overstatement of Municipal Fund to the extent of Rs 409.62 crore as on 31 March 2005.

❖ An amount of Rs 20.10 lakh pertaining to Mayor's Relief Fund has not been incorporated in Other Liabilities of Rs 274.70 crore. This resulted in understatement of Other Liabilities by Rs 20.10 lakh with corresponding understatement of investment as of 31 March 2005.

Assets

❖ The works valued at Rs 25.29 crore were completed and commissioned within 31 March 2005. But neither were the works capitalized nor the depreciation of Rs 0.58 crore was charged to Income and Expenditure for 2004-05. This resulted in understatement of Net Block by Rs 24.71 crore and overstatement of excess of income over expenditure as well as Municipal Fund by Rs 0.58 crore with corresponding overstatement of Capital Work in Progress by Rs 25.29 crore as on 31 March 2005.

❖ The asset under 'Capital Work in Progress' amounting to Rs 283.14 crore included an expenditure of Rs 5.55 crore on Commercial Projects. KMC could not locate and identify the assets so created and ensure if they were completed or abandoned. As a result the asset remained overstated by Rs 5.55 crore with corresponding overstatement of the Municipal Fund as on 31 March 2005.

❖ The “Expenditure on general infrastructure improvement not yet capitalized” of Rs 45.76 crore comprises Rs 27.24 crore towards CUDP III – Projects under Construction and Rs 18.52 crore towards Projects under Slum Development. The Corporation could not locate and identify the assets and continued to reflect the amount of Rs 18.52 crore towards Projects under Slum Development resulting in overstatement of assets by Rs 18.52 crore with corresponding overstatement of the Municipal Fund.

Further, due to non-maintenance of the asset register for the entire assets valued at Rs 666.75 crore and non-conduct of physical verification, the status of the fixed assets could not be verified by audit.

❖ The net shortage of stocks valued at Rs.0.38 crore noticed and recorded during physical verification was not adjusted and the book value of Rs.6.61 crore was taken into account. As a result, inventories under the current assets are overstated by Rs.0.38 crore with a corresponding overstatement of excess of Income over Expenditure as well as the Municipal Fund for the year ended 31 March 2005.

Loans and Advances

❖ Rs 441.74 crore represents the outstanding Loans and Advances as on 31 March 2005 which included Rs 318.23 crore lying unadjusted / unrecovered for over five years and as such was doubtful of recovery. Hence, requisite provision was to be made in the accounts against the irrecoverable advances. Thus, non-provision against irrecoverable advances pending their final adjustment, substantially overstated the assets with corresponding overstatement of Municipal Fund as on 31 March 2005.

(c) Other deficiencies in the Accounts of KMC

❖ The cash and bank balance of Rs 195.71 crore as on 31 March 2005 disclosed an unreconciled difference of Rs 31.19 crore arising out of 45 unreconciled bank accounts and Rs 10.42 crore which includes five bank accounts involving Rs 3 lakh remaining unverified due to non-production of bank statements and unrealised amount of cheques valuing Rs 19.79 crore dishonoured by banks since 1942. Non reconciliation of the cash balance has resulted in its overstatement by Rs 31.19 crore, underlining the need for resolution of the issue.

- ❖ Income of Rs 387.57 crore from Property Taxes includes Rs 336.48 crore for Kolkata proper and three added areas. Records in support of demand for Kolkata proper and partially for three added areas were produced to audit. Scrutiny revealed that against demand of Rs 286.91 crore, income was shown as Rs 320.90 crore resulting in overstatement of income by Rs 33.99 crore with corresponding overstatement of Municipal Fund as on 31 March 2005.
- ❖ KMC has continued to show Rs 74.26 crore as receivables under ‘Dues from Government and Other Institutions’ as on 31 March 2005 for executing schemes/works on behalf of various grantors. In the absence of the commitment or acceptance of the grantors in support of the expenditure of Rs 74.26 crore, the claim for reimbursement of the amount is not valid as receivables. As a result there remains an overstatement of receivables by Rs 74.26 crore with corresponding overstatement of Municipal Fund as on 31 March 2005.
- ❖ Rs 85.16 lakh under receivables represents excess Profession Tax remitted during 1997-98 to 2002-03. The claim for refund to the extent of Rs 40.34 lakh became time barred and the amount is yet to be written off from the accounts. As a result, the receivables have been overstated by Rs 40.34 lakh with corresponding overstatement of Municipal Fund as on 31 March 2005.

2.4 Poor utilization of developmental grants

Grants and assistance released to the ULBs for execution of specific projects / schemes are required to be utilized in the respective year. The position of utilization of developmental grants during the year 2004-05 was as under:

No. of ULBs	Year	Opening balance	Receipts	Total	Utilisation	Percentage of utilization	Remarks
		(R u p e e s i n c r o r e)					
55	2004-05	73.69	71.53	144.72	65.96	46	ULB wise details given in Appendix -4

Test check of records of 55 ULBs revealed that only 46 *per cent* of the available fund was utilized in 2004-05. Twenty five³ ULBs failed to utilize the funds allotted till 2003-04. The poor absorption capacity of funds by the ULBs was mainly due to non-execution of schemes, delay in execution and delay in receipt of funds. This, in turn, deprived the targeted beneficiaries of the intended benefits.

2.5 Diversion of fund

During the period from 2001-02 to 2005-06 ten⁴ municipalities diverted Rs 2.67 crore which were sanctioned for specific purposes. This defeated the very purpose of the grants besides depriving the beneficiaries of their intended benefits.

2.6 Loan taken without approval of the Government

As per Section 72(1) of the West Bengal Municipal Act, 1993, a ULB may with the prior permission of the State Government obtain loan from any public financial institution or any nationalized bank or such other lending institute as the State Government may approve in this behalf. The State Government may, if it considers so necessary, stand as the guarantor for payment.

This is subject to such financial norms in the matter of debt servicing, including creation of a sinking fund, as prescribed by the Government under the provisions of Acts and Rules.

In contravention of the above provisions, Nalhati Municipality had obtained loan of Rs 9.30 lakh during 2005-06 for the purpose of purchase of land for construction of market complex without prior permission of the State Government.

³ BudgeBudge, Champdani, Maheshtala, Nabadwip, Panskura, Ramjibanpur, Siliguri, Sonamukhi, South Dum Dum, Titagarh, Asansol, Bally, Bishnupur, Dhupguri, Gobardanga, Hoogly-Chinsurah, Jangipur, Jhalda, Kanchrapara, Kharar, Mekhliganj, Nalhati, Old Malda, Rajarhat-Gopalpur, Tufanganj

⁴ Dhupguri:Rs 1.00 lakh, Bankura:Rs 109.82 lakh, Nalhati:Rs 28.12 lakh, North Barrackpore:Rs 4.46 lakh, Kandi:Rs 1.11 lakh, Baduria:Rs 13.38 lakh, Mirik:Rs 6.90 lakh, Dinhata:Rs 44.14 lakh, Mekhliganj:Rs 18.25 lakh, Gobardanga:Rs 40.27 lakh

2.7 Increasing liability towards loan

Municipalities obtain loan from financial institutions or nationalized banks or other such lending institutions for implementation of various schemes / programmes. The principal and interest are payable according to the terms and conditions of the respective loan agreement.

During scrutiny in audit it was noticed that 12 municipalities did not repay any loan and interest accrued thereon resulting in accumulation of liability as detailed below:

Name of ULB	Year of loan	Amount of loan	Liability	As of
		(Rupees in lakh)		
Egra	2004-05	13.05	14.75	31 March 2005
Panihati	NA	291.36	1208.67	31 March 2005
English Bazar	1993-94	159.48	330.27	31 March 2005
Madhyamgram	Upto 2000-01	98.25	208.63	31 March 2005
Hoogly-Chinsurah	Before and after 1997-98	436.17	990.71	31 March 2005
Nabadwip	NA	39.54	80.38	31 March 2006
Bansberia	Before and after 1997-98	302.68	629.45	NA
Mekhliganj	2004-05	12.00	13.28	31 March 2005
Arambagh	NA	46.00	111.93	31 March 2006
Jangipur	July 1992 to February 1997	28.00	82.81	31 March 2006
Islampur	NA	8.00	15.52	31 March 2006
Tamluk	1992-93 to 03-04	80.24	207.35	31 March 2006
Total		1514.77	3893.75	

Increasing liabilities on account of unpaid loans adversely impacts the financial stability of the ULBs. This in turn constricted their capacity to raise market loans and develop infrastructural facilities for the rate payers.

2.8 Liability towards outstanding water charges

Khardah Municipality receives potable water at a cost of Rs 3.00 per kiloliter from Kolkata Metropolitan Development Authority for supply within municipal area. Test check revealed that the Municipality did not make payment of water charges of Rs 2.23 lakh as of March 2005 due to non finalisation of actual quantity of water supplied even after a lapse of two years.

2.9 Temporary misappropriation

Test check of records of records of Champdani Municipality revealed that Rs 0.44 lakh collected towards hire charge of ambulance was not credited to Municipal Fund resulting in temporary misappropriation of funds. No responsibility has so far been fixed by the Municipality.

2.10 Unwarranted expenditure

As per Sections 64(2)(a) and 64(2)(b) of the West Bengal Municipal Act, 1993, the municipality has discretionary power in establishing and maintaining pre-primary schools such as *balwadis* and crèches and also promoting civic education, adult education, social education and non formal education, etc. Further in terms of the notification issued by the Government of West Bengal in April 1992, all primary schools under the municipalities stood transferred to the District Primary School Council (DPSC) together with their lands, buildings and other properties. All teachers and other staff shall be deemed to be employed by DPSC with effect from 15 April 1992.

Despite the above arrangement for taking over liabilities of primary schools, nine municipalities incurred a total expenditure of Rs 10.58 crore towards salary of employees and maintenance of primary schools during the period 1992-2006 as shown below:

Sl.No.	Name of ULB	Year of expenditure	No. of schools	Amount (Rupees in lakh)
1.	Baranagar	2002-05	NA	57.88
2.	Rishra	2002-05	5	103.56

3.	Asansol	2004-05	2	14.96
4.	Budge Budge	2004-06	NA	124.88
5.	Hoogly Chinsurah	1998-05	2	43.51
6.	Naihati	2002-06	3	79.80
7.	Bansberia	2003-06	5	68.32
8.	Burdwan	1992-2006	9	500.67
9.	Bhadreswar	2004-06	NA	64.27
Total				1057.85

As maintenance of primary schools does not fall even under the discretionary powers of a ULB, continuing their funding adversely impact the provisions for maintenance of other civic services.

2.11 Non recovery / payment of electricity charges

(a) Five municipalities⁵ paid Rs 56.38 lakh towards electricity charges for the period 1995 to 2006 in respect of staff quarters, shops, stalls, etc. but failed to realise the same from the allottees till the close of the year 2005-06. This has resulted in blocking of fund to that extent and rendered undue benefit to the occupants by the ULBs.

(b) It is essential to make payment of electricity charges within the due date so as to avail of rebate and also avoid payment of surcharge /penalty. Test check of records revealed that nine municipalities⁶ did not pay electricity charges towards pumps, street lights, market light etc. amounting to Rs 14.99 crore pertaining to the period November 2003 to February 2006. Thus, delay in making payment by the ULBs created additional burden on account of surcharge/ penalty resulting in avoidable liabilities on municipal fund.

(c) Similarly, Habra and Kulti municipalities and Siliguri Municipal Corporation could not avail rebate of Rs 1.47 lakh, Rs 2.19 lakh and

⁵ Panihati Rs 44.40 lakh, Basirhat Rs 2.37 lakh, Baruipur Rs 0.08 lakh, Tamluk Rs 6.67 lakh, Bhadreswar Rs 2.86 lakh

⁶ Basirhat Rs 44.98 lakh, Asansol Rs 306.62 lakh, Krishnanagar Rs 390.00 lakh, Jhalda Rs 19.12 lakh, English Bazar Rs 210.40 lakh, Hooghly Chinsurah Rs 249.39 lakh, Naihati Rs 182.00 lakh, Ashoknagar-Kalyangarh Rs 16.22 lakh, Tamluk Rs 80.65 lakh

Rs 3.40 lakh respectively due to delay in payment of electricity bills which led to avoidable loss of Rs 7.06 lakh.

2.12 Non adjustment of advances

Advances aggregating Rs 13.54 crore granted by 47 ULBs to employees, suppliers and contractors for various purposes remain unadjusted till March 2006 (Appendix -5).

This is indicative of weak internal control mechanisms to follow up of regular adjustment of advances resulting in blocking of institutional funds.

2.13 Loss of interest on Provident Fund

Provident Fund subscription collected by deductions from salary is required to be credited to the fund account at the treasury within 15 days of the next month to avoid loss of interest payable to the subscribers. However, it was noticed that 13 ULBs did not remit Provident Fund money into the fund account in the treasury within the stipulated time in spite of regular deduction from salaries. Such delay ranging from one month to 21 years in crediting of Provident Fund money resulted in loss of interest on Provident Fund account to the tune of Rs. 4.22 crore accrued during the intervening period, thereby creating an additional burden on the ULBs (Appendix 6) as the same was not payable by the Government.

Bankura, Kanchrapara and Bally municipalities did not deposit Rs.39.02 lakh Rs.61.73 lakh and Rs.136.19 lakh respectively pertaining to the periods from April 1987 to March 2005 to Provident Fund Account maintained in the treasury. Due to improper maintenance of records the loss towards interest could not be ascertained.

2.14 Non maintenance of Pension Fund

In terms of Para (k) of the Government Circular dated 5 May 1982, all local bodies are to create a special fund for the purpose of payment of pension and gratuity.

Rishra, Jhalda and Mekhliganj municipalities did not maintain ‘Pension and Gratuity Fund’ to ensure timely payment of retirement benefits to their employees.

Although, Bankura Municipality created a separate ‘Pension and Gratuity Fund’ in February 1999 for this purpose but the same remained inoperative. During 2002-05, the Municipality paid Rs 1.73 crore towards pension and gratuity from the General Fund. This adverse impact on the General Fund would affect the quality of services being rendered to the people by the Municipality.

2.15 Irregular expenditure

Eleven municipalities⁷ incurred irregular expenditure of Rs 6.91 crore under various heads of account either without any provision or against less provision. Furthermore, although expenditure towards purchase exceeding rupees five lakh requires approval of the State Government, Basirhat Municipality purchased land valuing Rs 7.54 lakh without obtaining approval of the competent authority.

2.16 Bank reconciliation statement not prepared

The Bank balance as per Cash Book and actual Bank balance should be reconciled periodically but this provision was not adhered to by 25 ULBs in 2004-05 and 2005-06. Out of these, six municipalities did not close the Cash Book. The remaining 19 ULBs had shown a Cash Book balance of Rs.70.40 crore against actual Bank/Treasury balance of Rs.62.24 crore (Appendix-7).

2.17 Non remittance of Government dues / other dues

As per provisions, tax deducted at source shall be credited to the Government account in the succeeding month. It was, however, seen that six

⁷ Ranaghat: Rs 222.38 lakh, Champdani: Rs 60.58 lakh, Rishra: Rs 62.04 lakh, Madhyamgram: Rs 158.20 lakh, Panskura: Rs 5.50 lakh, Taki: Rs 0.43 lakh, Jhargram: Rs 13.92 lakh, Dhuliyani: Rs 14.30 lakh, Bishnupur: Rs 10.24 lakh, Rajarhat Gopalpur: Rs 32.20 lakh and Burdwan: Rs 111.00 lakh

ULBs failed to deposit the Income Tax (IT), Sales Tax (ST) and Professional Tax (PT) deducted at source amounting to Rs 29.10 lakh as of March 2006.

Sl. No.	Name of ULB	Nature of dues	Amount (Rupees in lakh)
1.	Bankura	Professional Tax	7.28
2.	Kandi	Sales Tax	1.80
3.	Diamond Harbour	Sales Tax (1.28) & Income Tax (1.31)	2.59
4.	Purulia	Sales Tax (5.13) & Income Tax (5.39)	10.52
5.	Bishnupur	Sales Tax (0.46) & Income Tax (2.69)	3.15
6.	Bhadreswar	Sales Tax (1.88) & Income Tax (1.88)	3.76
Total			29.10

The delay in deposit of government revenues attracts interest and penalty on the non-remitted amount entailing additional financial burden on those municipalities.

2.18 Creation of unwarranted liability

Bankura Municipality deducted Rs 42.47 lakh from the salary of employees towards Life Insurance Premium during May 2004 to December 2005. The deducted amount has not been transferred to the insurance company till the date of audit. This unpaid amount would accrue additional interest for the period of delay besides penal interest, if any, which would have to be borne by the Municipality. No responsibility has been fixed for such liability on the Municipality and making good the resultant loss.

2.19 Non availability of records

Nineteen ULBs did not produce various records (utilization certificates, vouchers, bills, estimates, measurement books, work registers, stock registers, tender paper, quotation, money receipts of lease premium, consumption records of stores, counterfoil of receipts and dispensaries within municipal area, demand and collection registers, receipt books, balance sheet of previous year, records

on loans, investments, remission of taxes and granting exemption of property tax, transfer of fund etc.) despite requisition by Audit. In the absence of such records, transactions to the tune of Rs 11.66 crore⁸ could not be audited and vouchsafed.

2.20 Deficiencies in maintenance of records

During test check, following irregularities were noticed in maintenance of records in ULBs:

(a) Deficiencies in maintenance of cash book / stock register

- i) Entries in the Cash Book were not authenticated by the competent authority.
- ii) Daily cash balance was not verified and certified.
- iii) Transactions were not entered in the Cash Book on the date of occurrence.
- iv) Particulars of transaction were not recorded in the Cash Book.
- v) Correction and alteration in Cash Book were made without authentication of competent authority.
- vi) There was irregularity in maintenance of stock register.
- vii) Physical verification of stock was not done.
- viii) Improper maintenance of stock of receipt book.

(b) Non- maintenance of basic records

The prescribed basic records viz. Demand and Collection Register, Work Register, Stock Register, Appropriation Register, Investment Register, Loan Register, Un-paid Bill Register, Bill Register, Self Cheque Register, Deposit Ledger, Asset Register, Cashier's Cash Book, Advance Ledger and Provident Fund Ledger Abstract were not being maintained by the ULBs test checked.

⁸ Maheshkala: Rs 730.83 lakh, Tarakeswar: Rs 8.63 lakh, Tufanganj: Rs 0.05 lakh, Baranagar: Rs 147.01 lakh, Champdani: Rs 2.36 lakh, Rishra: Rs 8.08 lakh, Asansol M.C.: Rs 51.60 lakh, Mal: Rs 8.72 lakh, English Bazar: Rs 7.39 lakh, North Barrackpore: Rs 2.82 lakh, Mirik: Rs 1.43 lakh, Titagarh: Rs 0.09 lakh, Siliguri: Rs 80.67 lakh, Jalpaiguri: Rs 6.05 lakh, Islampur: Rs 21.51 lakh, Kulti: Rs 0.25 lakh, Bally: Rs 76.60 lakh, Tamluk: Rs 11.20 lakh, Bhadreswar: Rs 0.28 lakh.

2.21 Internal Audit

In terms of Section 91 of the West Bengal Municipal Act, 1993 the State Government may by rules provide for internal audit of the day-to-day accounts of a Municipality in such manner as it thinks fit.

Rule 24 of the West Bengal Municipal (Finance and Accounting) Rules, 1999 stipulates that the Chairman-in-Council (CIC) of the Municipality shall cause a checking of accounts of the Municipal Fund, at least once in every month. In course of such checking, the officer authorized in this behalf shall identify the errors, irregularities and illegalities, if any, in the matter of maintenance of accounts and make notes of the same. The CIC shall also cause the preparation of a report on checking of accounts of the Municipal Funds for every quarter which shall be placed before the Municipal Accounts Committee and the Director of Local Bodies, for examination and report.

Test check of records of 69 ULBs revealed that none of the ULBs had made arrangements to appoint / authorize any officer to conduct internal audit of their accounts.

Furthermore, Section 156 and 157 of the KMC Act, 1980 provide that the Chief Municipal Auditor shall conduct internal audit of the accounts of the Corporation and shall report thereon highlighting the material impropriety or irregularity noticed. KMC appointed three chartered accountant firms in March 2006 in spite of having 22 functionaries under the Chief Municipal Auditor's establishment. Internal Audit Reports for the period from March 2006 to August 2006 have been submitted in October 2006. The follow up action there against as required under Section 157(4) of the KMC Act, 1980 has not been intimated (March 2007).

Replies from the concerned ULBs / Government are awaited.

CHAPTER III

REVENUE RECEIPTS

The revenue receipts of an Urban Local Body comprises of receipts from its own sources (tax and non-tax revenue), assigned revenue, grants and contributions. The deficiencies in management of resources, loss in assessment/ remission of tax and short/non realisation of other dues and charges noticed during audit are described in the succeeding paragraphs.

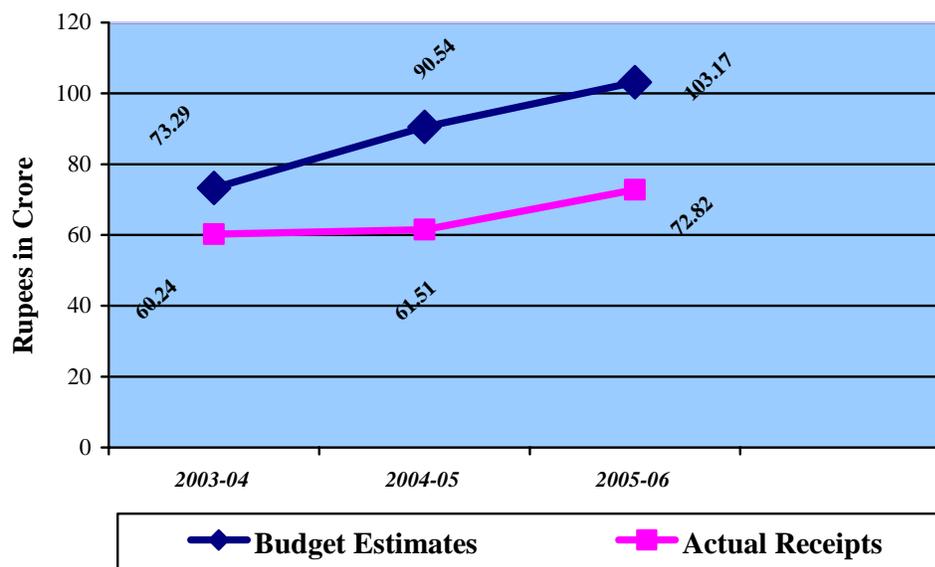
3.1 Budget estimates and actuals

The variations between budget estimates and actuals of revenue receipts from own and other sources of 30 ULBs during the years 2003-04 to 2005-06 are given below (unit wise position is detailed in Appendix – 8A, 8B & 8C):

Year	Source	Budget Estimates	Actual receipts	Variations Increase(+) Shortfall(-)	Percentage of realisation
		(R u p e e s i n c r o r e)			
2003-04	Own	73.29	60.24	(-)13.05	82
	Other	74.82	61.28	(-)13.54	82
	Total	148.11	121.52	(-)26.59	82
2004-05	Own	90.54	61.51	(-)29.04	68
	Other	79.00	65.51	(-)13.49	83
	Total	169.54	127.02	(-)42.53	75
2005-06	Own	103.17	72.82	(-)30.35	71
	Other	80.03	75.05	(-)4.98	94
	Total	183.20	147.87	(-)35.33	81

The overall mobilization of resources under revenue receipts during the years 2003-04 to 2005-06 reflects shortfall upto 25 *per cent* with respect to budget estimates. The shortfall was mainly due to poor collection of taxes and fees and also less receipt of grants from the Government.

Own source revenues remain sluggish



The analysis of collection of revenue from own sources shows decrease from 82 *per cent* in 2003-04 to 68 *per cent* in 2004-05 but there was a slight increase in collection during the year 2005-06. Only eight ULBs could raise 80 *per cent* of estimated receipts during all the three years and the collections of the remaining 22 ULBs ranged between 2 *per cent* and 79 *per cent*. Ten municipalities failed to realise 80 *per cent* of estimated receipts in any year during the three year period.

This trend of shortfall in revenue realisation adversely affects the capacity of ULBs to provide services to their tax payers.

3.2 Outstanding Property Tax

The position of arrears, current demand, collection and outstanding property tax (including service charge) at the end of 2005-06 furnished by 29 ULBs was as under (unit wise details shown in Appendix - 9):

Demand			Collection			Total outstanding dues
Arrear	Current	Total	Arrear	Current	Total	
(Rupees in crore)						
57.87	27.63	85.50	10.83	15.15	25.98	59.52

Only 25 *per cent* of the total demand has been collected during 2005-06 thereby further raising the arrear demand at the close of the year.

Except for six⁹ municipalities, the remaining ULBs failed to collect dues equivalent to even the current demand and thereby added to outstanding accumulation of dues.

However, the concerned ULBs did not take appropriate steps for recovering the outstanding dues.

Dhuliyar Municipality did not realise property tax during the year pending hearing of an application on revised rates of taxes effective from the second quarter of 2004-05. Such delay adversely impacted the Municipal Fund.

Test check of records of the outstanding property tax of Kanchrapara Municipality revealed that a sum of Rs 6.92 crore for the period 1983-84 to 2004-05 remained unrealised from Eastern Railway towards tax of railway properties. No steps were taken by the Municipality to realise such significant arrears of property tax.

3.3 Loss of revenue due to delay in revision of annual valuation of property

Property tax on land and building in a holding is determined on the basis of annual value of that holding. As per provisions of the Act, annual valuation of a holding shall, subject to other provisions, remain in force in respect of each ward for a period of six years (five years with effect from 1 October 2003 in respect of municipality). The ULBs shall cause a general revision of all holdings to ensure that there is a revision of annual valuation of all municipal holdings at the termination of successive period of six years. Each revision shall ensure minimum increase of valuation by 10 *per cent*.

Due to delay ranging from three months to 17 years in such revisions, 14 municipalities suffered a loss of revenue of Rs 28.84 crore (Appendix - 10). The loss of revenue in respect of Champdani, Murshidabad and Krishnanagar municipalities could not be ascertained in the absence of details of current demand.

⁹ Bhadreswar, Burdwan, Hooghly Chinsura, Jhargram, Katwa, South Dum Dum

On the other hand, Dhupguri and Bankura municipalities did not take action for valuation / revision of valuation.

3.4 Loss due to inadmissible remission in property tax

In terms of Section 111(4) of the West Bengal Municipal Act, 1993 any person who is dissatisfied with the decision as entered in the assessment list, may prefer an application for review before the Board of Councillors (BOC) within a period of two months from the date of presentation of bill for payment of tax.

The provision under Section 112(1) of the Act stipulates that every application presented under sub-section (4) of section 111 shall be heard and determined by a Review Committee, provided that where the Review Committee reduces the valuation of any land or building, such reduction shall not be more than twenty five *per cent* of the annual valuation of such land or building except in the case of gross arithmetical or technical mistake. In contravention of the above provision, Review Committees of various ULBs allowed remission upto the maximum of 96 *per cent*, as of March 2006, resulting in loss to the Municipal Fund amounting to Rs. 0.78 crore *per annum* in respect of thirteen ULBs¹⁰.

3.5 Non/ under imposition of surcharge on commercial/industrial holdings

A surcharge at such rate not less than 20 *per cent* and not more than 50 *per cent* of the total property tax imposed on a holding, shall be levied if such holding is wholly or in part used for commercial, industrial or such other non-residential purposes as the BOC may from time to time decide. The rate of surcharge shall form part of property tax for the purpose of recovery.

In violation of the above provision, 25 municipalities did not impose any surcharge on property tax during 1994-2006 resulting in loss of revenue of Rs 3.01 crore (Appendix - 11). The loss in respect of Rishra and Bankura municipalities could not be assessed in audit in the absence of relevant records.

¹⁰ Asansol M.C.: Rs 0.10 lakh, Egra: Rs 10.47 lakh, Habra: Rs 3.09 lakh, Maheshtala: Rs 1.57 lakh, Mal: Rs 2.32 lakh, Old Malda: Rs 5.40 lakh, Panihati: Rs 25.13 lakh, Ranaghat: Rs 3.81 lakh, Dainhat: Rs 4.53 lakh, Nabadwip: Rs 1.00 lakh, Dhuliyani: Rs 6.43 lakh, Jalpaiguri: Rs 12.89 lakh, Baduria: Rs 1.13 lakh

3.6 Non/short realisation of water charges

In terms of Section 226 (1) of the West Bengal Municipal Act, 1993, it shall be the duty of every municipality to provide a supply of wholesome water for the domestic use of inhabitants. The supply of water for domestic and non-domestic uses may be charged for at such scale of fee or price as may be prescribed. Till September 2002, the charge for water for domestic use was to be fixed for supply in excess of such standard as may be prescribed by the BOC. The charge in a municipal area ranging from Rs 15 to Rs 150 for supply of water to domestic and non-domestic consumers was to be fixed on the basis of property tax and ferrule¹¹ size. However, due to non imposition of charges or imposition of charges at a lower rate, thirteen municipalities sustained a loss of Rs 5.21 crore during the period from February 2002 to March 2006 (Appendix - 12).

It was also noticed in audit that three municipalities had outstanding water charges of Rs 1 crore at the end of March 2005 and June 2006 as shown below:

Name of ULB	As on	Amount (Rupees in lakh)
Khardah	March 2005	6.15
Rishra	March 2005	25.09
Asansol	June 2006	68.85
Total		100.09

3.7 Loss of revenue due to non allotment/ delay in allotment of stalls/ shops

The BOC may with prior approval of the State Government undertake the formulation, execution and running of commercial projects including market development schemes, industrial estates, depots for trading in essential commodities, maintain bus or tracker terminals together with commercial complexes, run tourist lodge and centers along with commercial activities or carry on similar projects on commercial basis.

¹¹ A device placed on a water pipe to allow fixed quantum of water to flow through it.

Test check of market complexes of eight¹² municipalities revealed that non-allotment/ delay in allotment of stalls/ shops for a period ranging from one to two years resulted in loss of revenue of Rs 0.46 crore towards *salami*¹³ and rent in addition to blockage of capital.

This reflects inadequate internal controls and a weak monitoring mechanism in the ULBs resulting in loss of potential revenue.

3.8 Non realisation of rent

In 29 ULBs, the arrears in realisation of rent/*salami* from stalls, guest house, *hats* and shops, of market complexes amounted to Rs 3.50 crore as of March 2005, August 2005, February 2006 and March 2006 as the case may be (Appendix - 13).

Inaction in realisation of rent from the above properties reduced the revenues of these ULBs to that extent, thereby widening the resource gap.

3.9 Outstanding fees

Certificate of enlistment for profession, trade and calling is issued annually on receipt of the application fee. License for use of a site for the purpose of advertisement and registration of cart and carriage are not given until license fee and tax for registration is paid by the applicant.

In spite of a provision for realisation of fees in advance, eleven ULBs¹⁴ had accumulated outstanding fees of Rs 1.12 crore and Naihati Municipality accumulated Rs 20.70 lakh at the end of 2004-05 and 2005-06 respectively. No action was initiated by the concerned ULBs to realise the outstanding dues.

3.10 Irregular collection

Test check of records of six municipalities revealed that an amount of Rs 9.75 lakh was collected from tax payers during 2002-2006 either without

¹² Tufanganj: Rs 0.40 lakh, Mirik: Rs 6.72 lakh, Dainhat: Rs 14.26 lakh, Nabadwip: Rs 0.63 lakh, Purulia: Rs 1.95 lakh, Dinhat: Rs 19.05 lakh, English Bazar: Rs 2.57 lakh, Bhadreswar: Rs 0.75 lakh

¹³ One time premium payable by leasee or tenant.

¹⁴ Halisahar: Rs 0.75 lakh, South Dum Dum: Rs 72.41 lakh, Champdani: Rs 0.26 lakh, Rishra: Rs 6.81 lakh, Asansol M.C.: Rs 12.19 lakh, Khardah: Rs 0.15 lakh, Madhyamgram: Rs 10.31 lakh, Mirik: Rs 2.47 lakh, Ramjibanpur: Rs 0.15 lakh, English Bazar: Rs 1.37 lakh, Kandi: Rs 4.95 lakh.

observing the procedure laid down or without any provision for such collection as per the details given below:

Name of ULB	Period	Particulars	Amount (Rupees in lakh)
Dhupguri	June 2004	Collection of advertisement tax without determining the rate by BOC	0.17
Joynagar-Mozilpur	2003-05	Collection of development fees without any provision	1.88
Katwa	2004-06	Collection of penalty charges / fines for regularization of unauthorized construction of buildings	2.48
Naihati	2004-05		0.30
Purulia	2002-05		1.72
Baruipur	2003-05		3.20
Total			9.75

Such collection of revenue without observing the prescribed provision attracts the risk of litigation and consequent financial burden towards repayment with interest.

3.11 Recovery of misappropriated receipts at the instance of audit

As per Rule 79 of the West Bengal Municipal (Finance and Accounting) Rules, 1999, all collections made by the collection clerk shall be entered in daily collection challan and credited to the cashier's cash book on the very day of collection.

Test check of records relating to miscellaneous receipts of Nalhati, Kalyani, Bhadrashwar and Baduria municipalities revealed that collection clerks did not deposit Rs 3.88 lakh collected through receipt books and retained the money with them. On this being pointed out by audit the collection clerks deposited Rs 3.81 lakh as shown below:

Name of ULB	Particulars	Period of collection	Pointed out by audit on	Date of deposit	Amount (Rupees in lakh)
Nalhati	Miscellaneous receipts	August 2003, March /April 2006	16.5.2006 19.5.2006	17.5.2006 29.5.2006	0.56
Kalyani	Market collection	October 2003 to March 2005	20.02.2006 to 30.3.2006	30.03.2006	2.79
Bhadreswar	Cremation charges	January 2005 to March 2006	04.04.2006 to 13.08.2006	02.05.2006	0.01
	Miscellaneous receipts	April 2004 to March 2006	04.04.2006 to 13.08.2006	02.05.2006	0.42
Baduria	Toll tax	January 2005 to June 2005	04.04.2006 to 26.04.2006	12.04.2006	0.03
Total					3.81

However, in spite of the audit observation, Kalyani Municipality did not recover Rs 0.02 lakh and Rs 0.05 lakh in the Municipal Fund representing receipts towards trade license fees and market collection respectively

Non/short deposit of institutional funds within the stipulated time limit amounts to embezzlement besides reflecting inadequate financial discipline in the Municipality and laxity in internal controls.

Nalhati Municipality issued (17 May 2006) a show cause notice to the collection clerks. In reply the collection clerks accepted (17 May 2006) their lapses but the final action of the Municipality in this regard is awaited. Action, if any, taken by the remaining municipalities has not been intimated to audit.

3.12 Non accountal of receipts

According to Section 67 of the West Bengal Municipal Act, 1993, all moneys realised or realizable under this Act and all moneys otherwise received by the Municipality shall be credited into the Municipal Fund. In violation of this provision, the Maternity Home of Champdani Municipality did not deposit an amount of Rs. 8.87 lakh in the municipal account collected during 2002-04. Out of that an amount of Rs. 7.08 lakh was spent directly by the Maternity Home towards miscellaneous expenditure. Similarly parking fee of Rs 2.70 lakh collected during

2004-06 from a bus terminus was not deposited into the Municipal Fund of the Baduria Municipality. This resulted in retention of Rs. 11.57 lakh outside the respective Municipal Fund by the two municipalities.

3.13 Outstanding dues from water bodies

Halisahar Municipality leased out 64 water bodies to different clubs and cooperative societies from the year 1987-88 but failed to collect the dues of Rs 8.31 lakh as of March 2005. No action was taken by the Municipality to recover the outstanding dues till August 2005.

3.14 Short / non realisation of revenue

Five ULBs suffered loss of Rs 17.05 lakh during 2002-2005 due to realisation of revenue at lower rate / non realisation as detailed below:

Name of ULB	Particulars	Amount (Rupees in lakh)
Tufanganj	Realisation of Auditorium cum marriage hall rent at reduced rate	12.87
Champdani	Realisation of hire charges of Rabindra Manch at reduced rate	0.41
Rishra	Property tax for the period 1999 to 2001 against dishonoured cheque not realised	1.74
Dalkhola	Non collection of late fee for renewal of trade license	1.17
Bhadreswar	Collection of subscription at reduced rate from swimming trainees	0.54
	Non realisation of hire charges of road rollers	0.32
Total		17.05

The reasons for realisation of revenue at a lower rate / non realisation were not furnished to audit.

3.15 Loss to Municipal Fund

Bhadreswar Municipality collected fees from the cremation ground by engaging an agency on lease basis. The cremation fees amounting to Rs 0.34 lakh collected by the agency from 14 October 2005 to 31 March 2006 was not realised by the Municipality from the agency till the expiry of the lease term (March 2006). Thus non realisation of fees within the agreement period has resulted in a loss to the Municipal Fund of Rs 0.34 lakh.

Replies from the concerned ULBs/ Government are awaited.

CHAPTER IV

ESTABLISHMENT

Each ULB has its municipal establishment for the smooth running of its day to day activities. The Board of Councillors of a ULB, with the prior sanction of the State Government, may create posts of officers and others employees and fix the salary and allowances to be paid out of the Municipal Fund. The ULB may also provide for pension, gratuity, incentive, bonus and reward for its employees as per their entitlement.

During scrutiny in audit various irregularities including the engagement of excess staff/casual labour, without approval of the State Government and non-creation of 'Special Fund' for the payment of pension and gratuity of employees, were observed which are illustrated below:

4.1 Engagement of staff in excess of sanctioned strength

ULBs were not authorised to create any post without prior approval of the State Government. However, during the year 1998-99 to 2004-05, Old Malda, Panskura and Titagarh municipalities had engaged 62, 5 and 2 numbers of staff in excess of sanctioned strength without approval of the Government and incurred an additional expenditure of Rs 1.35 crore, Rs 3.63 lakh and Rs 12.01 lakh respectively for this purpose. Old Malda Municipality did not take any corrective action in spite of a previous audit observation (February 2004).

4.2 Unauthorised appointment of staff / labour

(a) As per Government order (March 2001), a ULB cannot appoint any employee without prior approval of the State Government. No expenditure can be made for any irregularly appointed municipal employee or casual worker from the Municipal Fund. Twenty seven ULBs had engaged a large number of casual labour and irregularly spent Rs. 16.59 crore during the years 1995-96 to 2005-06 on wages (Appendix -14).

(b) Six municipalities appointed employees, staff, sub-assistant engineers, labour, contractor, etc. for various jobs without approval of the Government and spent Rs 2.35 crore during 1995-96 to 2004-05 (Appendix-15).

(c) Jalpaiguri Municipality engaged 53 conservancy and 13 establishment staff on fixed consolidated pay in spite of having 408 number of employees as on 1st January 2005 and spent Rs 77.42 lakh and Rs 25.75 lakh respectively during 2002-2005, the justification for which was not available on record.

(d) Hoogly-Chinsurah Municipality recruited five employees during 1984-86 under CUDP III scheme on the condition of retrenchment of service on closure of the scheme. The scheme was completed in 1992 and their remuneration was paid from the salary grant up to March 2001. The service of the employees was not discontinued beyond March 2001 and an amount of Rs 17.72 lakh for the period from April 2001 to March 2006 was spent towards remuneration of the five employees from the Municipal Fund.

4.3 Excess drawal of maintenance / fixed grant

The State Government bears the prescribed share of salaries of the employees of a ULB only against the posts already sanctioned by the Government. During 2002-03 to 2005-06 three ULBs¹⁵ had irregularly drawn salary grant of Rs 1.00 crore over and above the permissible amount as per the actual sanctioned posts. In reply, Baruipur Municipality stated that it had not intimated the Government about the actual requirement while the other two municipalities failed to show any reason for such excess drawal.

4.4 Arrears on payment of retirement gratuity

As per Government circular dated 5 May 1982 regarding pension norms for Local Bodies, ULBs shall create a 'Special Fund' for the purpose of payment of pension and gratuity. Krishnanagar Municipality failed to make gratuity payment to 141 employees on their retirement and consequently had an accumulated liability of Rs 58.27 lakh as of March 2005. Against an appeal of

¹⁵ Panskura Rs 10.31 lakh, Baruipur Rs 22.71 lakh, Kulti Rs 67.12 lakh

five retired employees, the Hon'ble High Court directed payment of gratuity to be made along with interest. The Municipality could not clear dues as of January 2006 and stated (February 2006) that it had become difficult to pay gratuity to the retired persons due to non-creation of the Special Fund. This resulted in non payment of retirement gratuity in time for which interest becomes payable.

4.5 Miscellaneous irregular expenditure

Test check of records of 15 ULBs revealed that they incurred irregular expenditure of Rs 1.13 crore on various establishment matters during the years from 1985 to 2006 (Appendix -16). This in turn hampered the delivery of services and development works which could have been undertaken for the benefit of the rate payers, to that extent.

Replies from the concerned ULBs/ Government are awaited.

CHAPTER V

MATERIAL MANAGEMENT AND EXECUTION OF WORKS

ULBs are responsible for maintenance of the infrastructure which enables the provisions of services to the people and also execution of various developmental works. Therefore, materials required for maintenance and developmental works are to be assessed in advance and procured and managed as per the prescribed procedures. The works are also to be executed according to the stipulated rules and codal provisions.

The deviations from prescribed procedure such as non observance of open competitive rates, non maintenance of stock register; excess procurement of material; irregular execution of works; incomplete works; excess payment and non utilisation of assets which were noticed during test check of municipal accounts are described in the following paragraphs:

5.1 **Non observance of tender procedure**

Purchase of materials should be made after ascertaining a competitive price through open tenders. However, six municipalities¹⁶ purchased materials worth Rs 1.38 crore without inviting any tender/ quotations during 2002-2005 in violation of the purchase procedure.

Further, four other municipalities¹⁷ executed works amounting to Rs 1.75 crore during 2002-2005 without ascertaining the reasonableness of the rate through open competition.

Thus, the basic rules of inviting tender/quotations for execution of work and procurement of items were violated by the above municipalities.

¹⁶ Basirhat Rs 40.00 lakh, Bankura Rs 26.81 lakh, Joynagar Majilpur Rs 32.88 lakh, Kanchrapara Rs 4.43 lakh, Titagarh Rs 12.89 lakh, Kharar Rs 21.47 lakh

¹⁷ Ranaghat Rs 1.44 crore, Kanchrapara Rs 4.43 lakh, Titagarh Rs 25.37 lakh, Jangipur Rs 1.36 lakh

5.2 **Non-accountal of materials in stock register**

Baranagar, Jhalda, Budge-Budge and Dinhata municipalities procured materials worth Rs 9.71 lakh, Rs 47.17 lakh, Rs 30.99 lakh and Rs 5.35 lakh respectively during 2002-2005. However, the details of these materials were not entered in the stock books due to which their actual utilisation could not be verified in audit. As such, the possibility of misuse, theft or defalcation of materials could not be ruled out.

5.3 **Excess purchase of materials**

It is essential to make proper assessment of requirement / estimate of consumption of materials before any procurement is made. But Tufanganj and Old Malda municipalities purchased rods, pipes and other materials valued at Rs 1.59 lakh and Rs 1.86 lakh respectively without assessing the actual requirement. Consequently, the materials so purchased remained un-utilised for periods upto 6 years.

5.4 **Irregular execution of works**

The vetting of estimates of a work by the appropriate authority is essential to ensure cost effectiveness and planned execution of work. The ULBs which do not have appropriate manpower in their engineering cell are required to get the estimate of work vetted from the Municipal Engineering Director (MED) before execution of the work.

Test check of records of seven ULBs revealed that they executed works valued at Rs.1.17 crore during the period from 1999-2006 without getting the estimates of works vetted from the MED, as detailed below:

Sl. No.	Name of ULB	Year	Cost of work (Rupees in lakh)
1.	Maheshtala	2002-2005	25.20
2.	Tufanganj	1999-2002	9.69
3.	Kanchrapara	2004-2005	10.35
4.	Baruipur	2003-2005	4.24

5.	Arambag	2004-2006	32.59
6.	Islampur	2004-2006	26.56
7.	Bhadreswar	2004-2006	8.55
Total			117.18

Tufanganj municipality also did not obtain the approval of the State Government for execution of the above works. Panihati Municipality did not obtain approval of the State Government for execution of work valuing Rs 6.17 lakh.

Due to execution of works without first getting the estimates vetted by the appropriate authority, their cost effectiveness could not be ensured. Further, absence of Government approval for execution of the works has rendered the expenditure irregular.

5.5 Infertuous / unfruitful expenditure on incomplete work

Sixteen ULBs undertook various developmental works during 1995-2005. Test check of records revealed that most of the works remained incomplete even after the lapse of a considerable period beyond the scheduled date of completion (Appendix -17). The execution of the works was delayed mainly due to improper planning, constraint of funds and lack of monitoring.

Failure to complete the works, even after a period ranging from six months to 11 years from the stipulated date of completion, rendered the expenditure of Rs 4.98 crore unfruitful since the intended benefits could not be realised.

5.6 Non utilisation of completed works

Two ULBs spent Rs 96.18 lakh on developmental works for various welfare purposes. Test check of records revealed that the works completed by the ULBs remained unutilized as detailed below:

Name of ULB	Brief of works	Year of completion	Expenditure (Rupees in lakh)
Joynagar Majilpur	Construction of commercial complex	2002	27.50
Asansol	Construction of shopping complex at Kalyanpur	2002	44.57
	Dormitory at City Bus Centre	2002	24.11
Total			96.18

Non utilization of the constructed buildings rendered the expenditure of Rs 96.18 lakh unfruitful, since the intended services could not be provided to the rate payers.

5.7 Excess payment to contractors / suppliers

Six ULBs paid an excess amount of Rs 22.65 lakh to contractors / suppliers in finalisation of various bills during 1998-2005 due to reasons as detailed below:

Sl. No.	Name of ULB	Reasons	Excess payment (Rupees in lakh)
1.	Tufanganj	Non-deduction of value of materials issued to contractors.	1.20
2.	Panskura	Payment of transportation cost in excess of schedule of rates or not following the original schedule.	1.53
3.	Nabadwip	Excess payment towards maintenance and operation cost of ambulance	0.62
4.	Siliguri	Excess payment made on account of excess trips for clearance of garbage as against the contractual trips.	10.97
5.	Dhuliyani	Payment in excess of schedule of rate.	7.91
6.	Bhadreswar	Payment towards painting of pipes in excess of schedule of rates	0.26
		Excess payment made towards carriage of supply stone material	0.16
Total			22.65

Action taken by the respective ULBs for recovery of the irregular payments listed above was not made available to audit.

5.8 Other interesting points

Test check of records of four ULBs revealed lapses in monitoring the works resulting in loss of an amount of Rs 8.97 lakh to Municipal Fund as detailed below:

Name of ULB	Description	Amount (Rupees in lakh)
Ranaghat	Excess consumption of bitumen for improvement of road due to non observance of Indian Road Congress specification	0.63
	Less realisation of departmental charges on deposit work on behalf of State Poultry Farm	1.02
Asansol	Delay in placing work order for execution of chlorination project	5.15
Nalhati	Expenditure towards fencing on land which was not acquired	0.29
English Bazar	Excess consumption of steel for construction of 1 st floor of Madhyamgram market complex	1.88
Total		8.97

Replies from the respective ULBs / Government are awaited.

CHAPTER VI

IMPLEMENTATION OF SCHEMES

ULBs were assigned the implementation of various Central/ State sponsored developmental schemes during the periods covered under audit.

Various irregularities including poor utilisation of funds, irregular engagement of contractors, diversion of grants and other shortcomings in the implementation of the schemes are described in the subsequent paragraphs. These are indicative of poor planning and lack of monitoring by the Board of Councillors of the respective ULBs.

6.1 National Slum Development Programme (NSDP)

NSDP, a Centrally sponsored scheme, was introduced in 1996-97 with the objective of overall development of slum areas under ULBs by providing basic amenities like shelter, water supply, healthcare, sanitation, education and connectivity through construction of roads, etc.

6.1.1 Poor utilisation of NSDP Grants

There was an opening balance of Rs 18.78 crore with 55 ULBs under NSDP at the commencement of 2004-2005. They received Rs 30.99 crore during the year but spent only Rs 17.78 crore (36 *per cent*) leaving a balance of Rs 31.99 crore (Appendix -18). The ULBs did not record any reasons for the slow pace of implementation of the programme.

Non utilisation of funds hinders the progress of efforts of the Government in providing basic amenities to slum dwellers.

6.1.2 Non-declaration of slum area

Programme guidelines of NSDP require each ULB to declare its slum areas / pockets before execution of developmental works. 35 municipalities

incurred an aggregate expenditure of Rs 24.51 crore for implementation of the NSDP during 2001-2006 (Appendix -19) without declaring the slum area/ pocket.

Due to non-declaration of slum areas by ULBs, it could not be ascertained in audit if benefits reached the targeted population.

6.1.3 Engagement of contractor

To ensure participation of the community in the development process, ULBs are required to implement NSDP departmentally with the guidance and advice of the Community Development Society (CDS) and Neighbourhood Committee (NHC), to be constituted for this purpose.

However, scrutiny in audit revealed that 34 municipalities engaged contractors for execution of works valuing Rs 17.25 crore under NSDP without executing the same departmentally or involving CDS and NHC (Appendix -20).

The engagement of contractors, thus, defeated the objective of community participation in the execution of works.

6.1.4 Diversion of NSDP fund

During 2002-2006, twenty six ULBs incurred an aggregate expenditure of Rs 5.22 crore from NSDP grants towards various works which were not within the scope of the scheme (Appendix - 21). The amount so diverted was 19.77 *per cent* of the total available fund under NSDP. This is indicative of the absence of an adequate internal control mechanism to prevent the diversion of funds.

6.1.5 No expenditure incurred for shelter less people

Ten *per cent* of the NSDP grants were earmarked for construction of shelter for people of slum areas who were shelter less. However, 17 municipalities did not take up any work for construction of shelter during 2001-2006, in violation of the guidelines, although expenditure of an amount of Rs 1.10 crore was incurred under the scheme.

Thus, in these ULBs, the potential beneficiaries were deprived of availing the benefits of Rs 1.10 crore earmarked under the NSDP (Appendix -22).

6.1.6 Absence of Slum Development Committee

ULBs engaged in slum development activities are required to create a Slum Development Committee (SDC), which would oversee all slum development programmes within the urban area. Test check revealed that eight municipalities¹⁸ spent Rs 8.23 crore during 2001-2005 without setting up of SDC. As a result, the quality of works executed and the extent to which benefits reached the slum dwellers could not be vouchsafed.

Bankura and South Dum Dum Municipalities did not even set up the CDS during 2002-2005 for performing various community development activities.

6.1.7 Non adjustment of advance

In violation of Government order, Bankura Municipality paid advance of Rs 26.39 lakh during 2002-2005 for execution of works without preparing estimates. As a result, the Municipality could not adjust the amount as of March 2005.

6.2 Basic Minimum Services (BMS)

The scheme of BMS was introduced in the year 1996 to improve the quality of life of all sections of society by providing seven basic services like safe drinking water, primary health, primary education, housing, supplementary nutrition, connectivity and streamlining the public distribution system in a time bound manner.

6.2.1 Poor utilisation of BMS grants

Test check of implementation of the scheme during the year 2004-05 revealed that 42 ULBs had an opening balance of Rs 3.09 crore and received Rs 1.08 crore during the year. The ULBs utilised only Rs 2.08 crore leaving a closing balance of Rs 2.10 crore at the end of the year (Appendix 23). Sixteen

¹⁸ Panihati: Rs 197.39 lakh, Habra: Rs 92.92 lakh, Dhupguri: Rs 105.94 lakh, Mal: Rs 43.65 lakh, Ashoknagar-Kalyangarh: Rs 104.10 lakh, Jangipur: Rs 99.51 lakh, Rajarhat-Gopalpur: Rs 152.23 lakh, Kandi: Rs 27.36 lakh

ULBs did not furnish any reason for the poor utilisation of grants which ranged between zero and 17 *per cent* only.

The under utilisation of BMS grants indicates that the implementation of the scheme by ULBs was tardy thereby depriving the inhabitants of access to improved basic services.

6.2.2 Engagement of contractors

To ensure participation of the community in the development process, ULBs are required to implement the BMS scheme departmentally.

In violation of the above guidelines, seven municipalities¹⁹ engaged contractors for execution of works valuing Rs 2.16 crore under BMS. This defeated the objective of active involvement of the community besides resulting in a minimum avoidable expenditure of Rs 21.59 lakh towards contractors' profit.

6.2.3 Diversion of BMS grants

Eight municipalities²⁰ diverted an aggregate amount of Rs 93.92 lakh during 2002-05 from BMS grants for various purposes including expenditure on electrical goods, repair of tube well, office building, routine maintenance, construction of primary school, jungle cutting, etc. which were not within the scope of the scheme. The fund so diverted constituted 49.25 *per cent* of the total available fund under BMS scheme.

6.3 Swarna Jayanti Sahari Rozgar Yojana (SJSRY)

The Swarna Jayanti Sahari Rozgar Yojana (SJSRY), a scheme sponsored by Government of India and State Government (75:25 basis) was launched in the year 1997 with the objective of providing gainful employment to the unemployed

¹⁹ Panihati: Rs 60.52 lakh, Basirhat: Rs 40.48 lakh, Ranaghat: Rs 10.21 lakh, Madhyamgram: Rs 30.62 lakh, Purulia: Rs 18.61 lakh, Baruiপুর: Rs 6.05 lakh, North Barrackpore: Rs 49.46 lakh.

²⁰ Basirhat: Rs 41.57 lakh, Dhupguri: Rs 0.76 lakh, Ranaghat: Rs 10.21 lakh, Joynagar-Mozilpur: Rs 7.16 lakh, Baranagar: Rs 6.28 lakh, Purulia: Rs 18.67 lakh, Madhyamgram: Rs 1.52 lakh, North Barrackpore: Rs 7.75 lakh

or under-employed urban poor through setting up of self employment ventures or wage employment.

The SJSRY comprised two special schemes viz.

- i) The Urban Self Employment Programme (USEP)
- ii) The Urban Wage Employment Programme (UWEP)

6.3.1 Poor utilisation of SJSRY grants

Details of grants received from Government for implementation of SJSRY and utilisation thereof during the year 2004-05 in respect of 47 ULBs revealed that there was an opening balance of Rs 3.86 crore and an amount of Rs 2.02 crore was received during the year. The above ULBs utilized only Rs 3.41 crore being 58 *per cent* of available fund leaving a balance of Rs 2.46 crore (Appendix 24). The financial performance of 17 ULBs was below 50 *per cent* of available fund. The ULBs did not furnish any reasons for under utilisation of available funds despite a significant percentage of the population being below the poverty line.

6.3.2 Irregularities in implementation of SJSRY

Under SJSRY, the under employed and unemployed urban poor are encouraged to set up small enterprises relating to servicing, petty business and manufacture of items etc. For this purpose, beneficiaries are trained under the programme to develop their skills at a unit cost of Rs 2000 per trainee. On completion of the training programme, each beneficiary undertakes a project at a maximum cost of Rs 50,000 and 95 *per cent* of project cost is sanctioned as composite loan (including 15 *per cent* subsidy) by the bank. On scrutiny of records made available to audit, the following irregularities were noticed in implementation of SJSRY:

- (i) Egra Municipality recommended 541 cases to the bank which did not sanction loans to 366 applicants. The fact of implementation of projects by 175 beneficiaries utilizing the loan amount of Rs 4.47 lakh was not ascertained. Similarly Rishra, Mal and Naihati municipalities did not monitor end use of training imparted by them to 337, 182 and 417 trainees respectively during 1997-

2006. Thus due to lack of monitoring by ULBs the fulfillment of the basic objective of providing gainful employment, after imparting training, remained unverified.

Bhadreswar Municipality imparted training to 200 beneficiaries during the year 2004-2006. Thirty five cases were recommended to the bank which did not sanction loans in 23 cases since the applicants had no technical knowledge. Thus, the Municipality failed to ensure utilisation of loans amounting to Rs 1.06 lakh.

(ii) Ranaghat Municipality paid Rs 1.50 lakh in cash to trainees in lieu of providing toolkits which violated the guidelines.

(iii) The following six ULBs diverted Rs 21.03 lakh towards expenditure outside the purview of the scheme:

Name of ULB	Year	Particulars	Amount (Rupees in lakh)
Ranaghat	2002-04	Expenditure towards procurement of diesel /furniture/ electrical goods, earth cutting, advertisement etc.	4.28
Tufanganj	2002-05	Routine maintenance and conservancy work.	5.99
Rishra	2002-06	Expenditure towards salary and contingencies.	3.88
Madhyamgram	2003-05	Wages to watchman, purchase of chairs etc.	3.88
Jhalda	2002-05	Expenditure incurred on office computer, fax, photocopy machine, construction of club house	1.89
Kandi	2003-05	Diversion for construction of marriage cum dormitory hall under IDSMT scheme	1.11
Total			21.03

(iv) The Scheme for Development of Women and Children in the Urban Areas (DWCUA) which was extended to poor urban women to set up self employment ventures in a group, remained neglected in Mal and Jhalda municipalities during 2002-2005.

(v) Mal Municipality incurred an expenditure of Rs 39.73 lakh during 2002-2005 under UWEP without setting up Neighborhood Groups, Neighbourhood Committee and Community Development Society. The identification of viable projects was not made with the involvement of the intended beneficiaries as was envisaged in the scheme. As a result, benefit if any, that reached the targeted groups could not be verified in audit.

6.4 Eleventh Finance Commission

Eleventh Finance Commission (EFC) recommended local body grants to augment the Consolidated Fund of the state governments to supplement the resources of the ULBs on the basis of recommendations of the State Finance Commission. The recommendation was made with a view to maintaining civic services like primary education, primary health care, safe drinking water, street lighting, sanitation and maintenance of cremation and burial grounds in urban areas. The scheme was launched in the year 2000-01.

6.4.1 Poor utilisation of EFC grants

Test check of utilization of EFC grants by 55 ULBs during the year 2004-05 revealed that out of the available fund of Rs 12.71 crore, an amount of Rs 8.11 crore was utilized leaving an unspent balance of Rs 4.60 crore (ULB wise details shown in Appendix -25). The utilisation of available funds by Islampur Municipality and Kulti Municipality was as low as 6 per cent and 5 per cent respectively.

6.4.2 Diversion of fund

Twenty ULBs²¹ diverted an amount of Rs 2.04 crore during the year 2002-2006 for construction of road; drain; culvert; retaining wall; hawkers stall; boundary wall; dumping ground; market complex; municipal building; garage;

²¹ Dhupguri: Rs 0.21 lakh, Halisahar: Rs 8.83 lakh, Ranaghat: Rs 28.78 lakh, Tufanganj: Rs 10.20 lakh, Rishra: Rs 16.27 lakh, Asansol M.C.: Rs 12.13 lakh, Mal: Rs 8.49 lakh, Nalhati: Rs 3.28 lakh, Katwa: Rs 18.52 lakh, Nabadwip: Rs 14.11 lakh, Sonamukhi: Rs 4.68 lakh, Purulia: Rs 3.04 lakh, Ashoknagar-Kalyangarh: Rs 14.22 lakh, Baruipur: Rs 8.46 lakh, Mathabhanga: Rs 4.90 lakh, Islampur: Rs 6.60 lakh, Bishnupur: Rs 10.76 lakh, Jhalda: Rs 18.39 lakh, Jalpaiguri: Rs 2.06 lakh, Dalkhola: Rs 10.50 lakh.

dormitory; procurement of electric goods; cement; fuel; and payment of electricity bills and wages, which did not fall under the objectives of the scheme.

6.4.3 Irregular expenditure

Habra and Joynagar-Mozilpur Municipality incurred expenditure of Rs 8.41 lakh and Rs 4.69 lakh during 2003-04 and 2003-05 respectively towards various construction works without obtaining the approval of the Board of Councillors.

6.5 Member of Parliament Local Area Development Schemes

Under the Member of Parliament Local Area Development Schemes launched in 1994, each Member of Parliament may recommend works for implementation in their constituencies. The selection of the works should be developmental in nature based on local need.

6.5.1 Poor utilisation of grants

Test check of grants under MPLAD scheme in 37 ULBs for the year 2004-05 revealed that they had an opening balance of Rs 5.76 crore and received an amount of Rs 4.06 crore. During 2004-05, an amount of Rs 5.52 crore only was utilized (Appendix -26). Four²² ULBs could not utilise even one *per cent* of the fund available.

6.5.2 Irregular expenditure/action

- Maheshtala, Halisahar and Tufanganj municipalities allotted Rs 7.15 lakh, Rs 3.50 lakh and Rs 14.95 lakh respectively to schools, clubs, libraries and societies for different works. However, the ULBs did not ensure the completion of work by the concerned organisations.
- Maheshtala Municipality executed works for a commercial organization, private institution and societies valuing Rs 0.95 lakh which were outside the purview of the scheme.

²² Ashoknagar – Kalyangarh, Champdani, Diamond Harbour and Tufanganj.

- Kanchrapara Municipality procured material for an amount of Rs 1.80 lakh in excess of requirement. Maheshtala and Bhadreswar Municipality could not produce documents / vouchers in support of utilisation of bitumen and other expenditure valuing Rs 4.91 lakh and Rs 5.08 lakh respectively. Bhadreswar Municipality did not follow an open tender procedure for procurement of materials worth Rs 8.27 lakh under the scheme.
- Diamond Harbour Municipality irregularly spent Rs 4.00 lakh towards construction of a Municipal building and Market Complex in lieu of the sanctioned scheme for construction of a Sanghati Kendra.
- Bhadreswar Municipality incurred an excess expenditure of Rs 8.27 lakh for construction of a Maternity and Child Care Unit without approval of the competent authority.

6.6 Other Schemes

6.6.1 Non/short realisation of beneficiary's share

Krishnanagar Municipality received grants of Rs 25.72 lakh during 2004-2006 for implementation of a Department for International Development (DFID) assisted project for introduction of Honorary Health Worker Scheme. According to norms, health funds need to be raised by collecting Rs 2.00 per month from each Below Poverty Level (BPL) family. As of January 2006, the Municipality had to collect Rs 2.11 lakh from 8800 BPL families for the period from December 2004 to December 2005 against which the municipality collected only Rs 0.64 lakh and Rs 1.37 lakh remained unrealised.

Furthermore, under Valmiki Ambedkar Awas Yojana a sum of Rs. 20.51 lakh, representing share of beneficiaries for construction of dwelling houses, was also not realised as of January 2006.

Replies from the concerned ULBs / Government are awaited.

CHAPTER VII

OTHER ISSUES

KOLKATA MUNICIPAL CORPORATION

7.1 Loss of Rs 4.09 crore on lease out of land on EM Bye-Pass

Allotment of land on EM Bye-Pass on lease to several business houses publishing newspapers at a lower rate of premium resulted in a loss of Rs 4.09 crore to Kolkata Municipal Corporation.

Section 539(c) of Kolkata Municipal Corporation (KMC) Act 1980 provides that the Municipal Commissioner may, with the sanction of the Corporation, lease, sell, let out on hire or otherwise transfer any property, movable or immovable belonging to the Corporation. Section 539(d) of the said Act also provides that the consideration for which any immovable property might be sold, leased or otherwise transferred should not be less than the value at which such immovable property could be sold, leased or otherwise transferred in normal and fair competition.

It was observed in audit that certain business houses publishing newspapers viz. Pratidin Prakashani Ltd., Ananda Bazar Patrika Pvt. Ltd., Akbar-E-Mashriq Pvt. Ltd., all located at Kolkata requested KMC on various dates during May 2003-August 2004 for land on EM Bye-Pass. The Corporation allotted them land on 33 years lease, renewable twice, at a premium of Rs 1.46 lakh per cottah during October 2003 to March 2005. However, M/S RSI Ltd., another business house, had been charged at a normal and fair competitive premium of Rs 3.25 lakh per cottah for land in an adjacent area on the same EM Bye-Pass in 2002-2003. Thus, the Corporation suffered a loss of Rs 408.67 lakh in allotment of 228.31 cottahs of land to three business houses as detailed in the table below:

Business House (Date of request)	Date of allotment	Area allotted in cottah	Amount at the rate of		Loss
			Rs 1.46 lakh per cottah	Rs 3.25 lakh per cottah	
(R u p e e s i n l a k h)					
Pratidin Prakasani Ltd. (May 2003)	14 October 2003	16.08	23.48	52.26	28.78
Akbar-E- Mashriq Pvt.Ltd. (July 2003)	7 March 2005	15.00	21.90	48.75	26.85
Ananda Bazar Patrika(P) Ltd. (August 2004)	31 December 2004	197.23	287.96	641.00	353.04
Total		228.31	333.34	742.01	408.67

The reason for allowing a lower rate of premium to the three business houses were not furnished to audit.

The matter was brought to the notice of the Corporation in March 2007 and the Government in April 2007; their replies are awaited.

BISHNUPUR MUNICIPALITY

7.2 Unfruitful expenditure of Rs 30.53 lakh

Loan assistance under the Integrated Development of Small and Medium Town scheme spent on creation of a bus terminus which remained unutilised, thereby resulting in an unfruitful expenditure of Rs 30.53 lakh.

Mention was made in para 2.7 of the Report of the Comptroller and Auditor General of India (Civil) for the year ended 31 March 1997 regarding inaction in providing fund to the Public Works Department (PWD) for approach road and culvert to the bus terminus built by Bishnupur Municipality in March 1989, at a cost of Rs 24.18 lakh (land Rs 5.00 lakh + construction Rs 19.18 lakh).

Subsequent scrutiny (April 2006) in audit revealed that having failed to provide fund to the PWD for construction of approach road and culvert, the Municipality approached (1995-96) South Bengal State Transport Corporation (SBSTC) for taking over the asset for their use. The State Government decided (December 1994) that land and building of the said bus terminus would be leased out to SBSTC for 99 years on payment of Rs 20 lakh. The decision of the

Government was communicated to SBSTC in December 1994. Accordingly, SBSTC forwarded a draft agreement in April 1995 followed by a reminder in August 1996. In the meantime, SBSTC deposited Rs 14 lakh (April 1996) with District Magistrate, Bankura pending execution of lease agreement for transfer of possession of Bishnupur Bus Terminal Complex in favour of SBSTC. However, the Municipality did not take any action on the draft agreement as of March 2007. The reasons for inaction of the Municipality for almost 11 years were not available on record.

After the completion of the building in March 1989, the Municipality engaged three guards with effect from June 1989 for watch and ward purposes for which incurred an expenditure of Rs 6.35 lakh upto March 2006. The Municipality also conducted a physical verification of the assets in April 2006 and reported that the bus terminal was in a dilapidated condition having been constructed in 1989 and was presently being used as a grazing field.



Bus Terminus without approach road lying unutilized for 18 years

Thus, the expenditure of Rs 30.53 lakh (Rs 24.18 lakh + Rs 6.35 lakh) was rendered unfruitful since the intended benefits could not be derived due to infeasibility of the project and also delay in transfer of the asset to SBSTC by the Municipality. Non-maintenance over the years had also caused damage to the bus terminal building.

The cost of land and building had been met out of Central loan under Integrated Development of Small and Medium Town (IDSMT) scheme. The loan amount stood at Rs 38 lakh as on March 2006 together with interest and has to be repaid by the Municipality. Furthermore, the recurring interest liability on the loan and the increasing cost of maintenance of guards puts an additional burden on the Municipality.

The matter was brought to the notice of the Municipality and the Government in February 2007; their replies have not been received (March 2007).

GOBARDANGA MUNICIPALITY

7.3 Unfruitful investment of Rs 66.32 lakh

Unauthorised deviation from IDSMT scheme frustrated its objectives besides resulting in an unfruitful investment of Rs 66.32 lakh.
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The main objectives of the centrally sponsored scheme of Integrated Development of Small and Medium Towns (IDSMT) were, inter alia, to improve infrastructural facilities and help in the creation of durable public assets in small and medium towns; decentralize economic growth and employment opportunities; promote dispersed urbanization and increase the availability of serviced sites for housing, commercial and industrial uses. The components for assistance under IDSMT included works for roads, sites and services, development of bus/track terminals, construction /upgradation of drains, solid waste management, development of market complexes/shopping centres, provision of tourist facilities and development of parks.

The fund was to be provided as grants by Central and State Governments based on category and size of projects for service oriented / non-remunerative projects. The remunerative projects were to be funded mainly through institutional finance by way of loan.

On the recommendation of the State Level Sanctioning Committee (SLSC), the Gobardanga Municipality accepted (March 1994) six projects

approved by the Town and Country Planning Organisation (TCPO), Government of India under IDSMT Scheme at an estimated cost of Rs 1.10 crore for the overall development of the town. The details of the approved projects and financial outlay were as under:

Sl No.	Projects	Central share	State share	HUDCO share	Total cost
		(Rupees in lakh)			
1.	Market Centre at western side of Railway Station	3.66	2.44	8.90	15.00
2.	Market Centre near Khatura Market	3.73	2.49	9.08	15.30
3.	Super Market at Ward No. 3	4.68	3.12	11.40	19.20
4.	Tourist Dormitory	6.11	4.07	14.82	25.00
5.	Bus Terminus with link road	12.00	8.00	0	20.00
6.	Land Development in Ward No. 7	9.00	6.00	0	15.00
Total		39.18	26.12	44.20	109.50

It was resolved in the meeting of the Board of Councillors (BOC) of the Municipality in March 1995 that the projects were to be executed through Municipal Engineering Directorate (MED) as a 'deposit work'. Accordingly, out of the total receipt of Rs 65.30 lakh from the Central and State government (February 1995 to May 2001), an amount of Rs 63.63 lakh was paid to the MED in 7 instalments during April 1995 to December 2001. An additional amount of Rs 2.69 lakh was also paid in February 2004 to the West Bengal State Electricity Board (WBSEB) for installation of a transformer for the Market Centre. Meanwhile, the BOC in its meeting held in March, 1999 dropped four projects viz. item nos. 2, 3, 4 and 6 due to non availability of site, loan etc. and merged the entire fund earmarked for those four projects with item nos. 1 and 5 viz. the Market Centre and Bus Terminus and utilized the entire amount on these two projects without approval of the TCPO. This contravened the provision of IDSMT guidelines.

The construction of the Bus Terminus and Market Centre started during 2000-01 and was scheduled to be completed in July 2001 and April 2002 respectively. The Market Centre could be completed only in March 2006. In reply (April 2007), the Municipality stated that due to poor response from the

public neither could the stalls be rented out nor any revenue could be earned till date.

As regards the Bus Terminus the Municipality stated (April 2007) that the project had failed to become commercially viable as the Transport Department, Government of West Bengal had not sanctioned the bus routes.

It is, therefore, evident that before ensuring the prospect of renting out the shops and the sanction of routes by the Transport Department in respect of Market Centre and the Bus Terminus respectively, the Municipality commenced the execution of the works. The non functioning of both the Bus Terminus and the Market Centre resulted in blocking of funds of Rs 66.32 lakh and adversely impacted the scope for improving the resource generation capacity of the Municipality. Furthermore, non execution of four projects relating to market centre, supermarket, tourist dormitory and land development frustrated the objectives of the IDSMT scheme of developing small and medium towns as growth and service centres for the rural hinterland.

The matter was reported to the Government in February 2007; their reply has not been received.

CHAPTER VIII

CONCLUSIONS AND RECOMMENDATIONS

A: CONCLUSIONS

8.1 Finance and Accounts

Preparation of budget proposals and financial accounting were found to be defective and not in accordance with the West Bengal Municipal Act, 1993 and other Municipal Corporation Acts. There was lack of budgetary control and absence of reliable budget formulation. Although the ULBs dealt with substantial sums, a full fledged accounts wing with skilled staff continued to be lacking in most of the ULBs to ensure proper budget preparation and accuracy in accounts. Most of the ULBs failed to present accounts in time. Loss of interest on provident fund, increasing liability on unpaid loan, unwarranted expenditure, non adjustment of huge advances, irregular maintenance of cash book and non reconciliation of bank book indicated inadequacy of internal control and monitoring to ensure proper accounting of substantial public funds spent by the ULBs. Non preparation of balance sheet was indicative of lack of transparency of assets and liabilities in the management of public funds besides non implementation of the provisions of Acts.

8.2 Revenue Receipts

Loss of huge revenue due to non / short assessment of taxes, delay in assessment, inadmissible remission of tax and non accountal of receipts reflects poorly on compliance to the provisions of Acts. Lack of sustained drive for collection of tax, fees and other charges caused accumulation of dues which in turn added to fund constraints.

8.3 Establishment

Engagement of excess staff and unauthorised appointment of casual staff / labour were indicative of inadequate management of manpower. Irregular and unwarranted expenditure on establishment deprived the rate payers of obligatory

and discretionary services. Non creation of a special fund for terminal benefits of the retired employees would have adverse implication as regards their assured social security.

8.4 Procurement

Large-scale purchases without tenders/quotations in violation of general procedures for purchase and existence of idle stock evidenced deficient procurement practices. Non-accounting of huge materials and absence of periodical physical verification indicated inadequate material management.

8.5 Execution of works

The execution of works without vetted estimates showed lack of cost consciousness and transparency. Non-completion of works / projects within the stipulated date and non utilisation of completed works blocked public funds and caused undesirable delay in providing intended services to the beneficiaries.

8.6 Implementation of schemes

Poor utilisation of assistance under several schemes suggested inadequate attention to the Government objectives and policies for providing basic amenities and services. Non-implementation of certain schemes / component of schemes and irregular implementation including diversion of fund frustrated the objectives.

8.7 Resource mobilization

Taxes and charges for service are the main source of Municipal Fund which ensure continuance of services to the rate payers. Adhocism in assessment of taxes, inadequate supervision and monitoring have reduced the mobilization of revenue from own sources.

B: RECOMMENDATIONS

In view of the above audit findings, the following recommendations are made for consideration of the State Government.

8.8 Internal control and monitoring mechanism should be strengthened to ensure:

- ❖ Full and timely flow of funds;
- ❖ Accountability of expenditure;
- ❖ Monthly reconciliation of bank and treasury accounts;
- ❖ Timely remittance of statutory deductions from salaries;
- ❖ Prompt recovery / adjustment / write-off of outstanding advances, overpayments;
- ❖ Adoption of need-based procurement at competitive prices.

8.9 Overall financial management needs to be strengthened in the ULBs for augmenting their financial resources by:

- ❖ Improving collection of revenues;
- ❖ Improving assessment procedures to avoid non / short assessment;
- ❖ Preventing leakage of revenue caused due to delay in assessment;
- ❖ Initiation of action for recovery of loss arising out of non-accounting of stores; and
- ❖ Speedy recovery of dues from assesses and contractors.

8.10 Implementation and monitoring mechanism in schemes need to be strengthened by:

- ❖ Implementation as per scheme guidelines;
- ❖ Adequate controls need to be put in place to prevent irregular / excess payments and diversion of funds;
- ❖ Adherence to the provisions of Financial and Accounts Rules;
- ❖ Completion of incomplete works / projects;
- ❖ Evaluation of derived benefits by an independent agency.

The State Government may strengthen internal audit so as to cover all the ULBs at regular intervals and ensure time bound and sustained action on the deficiencies pointed out therein.

Kolkata
The

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Examiner of Local Accounts
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APPENDIX – 1**Statement of expenditure upto March 2007 under Twelfth Finance Commission Grant**

(vide para:1.7; page: 7)

Name of the ULB	Year	Receipt		Total	Expenditure		Total
		SWM	Dev. works		SWM	Dev. works	
(R u p e e s i n l a k h)							
Barasat	2005-06	31.20	54.63	85.83	13.50	41.96	55.46
	2006-07	22.20	22.20	44.40	34.02	32.14	66.16
New Barrackpore	2005-06	11.09	31.47	42.56	11.09	31.47	42.56
	2006-07	6.59	19.75	26.34	6.59	19.75	26.34
Bongaon	2005-06	17.31	25.71	43.02	8.03	25.20	33.23
	2006-07	11.31	11.31	22.62	Nil	11.85	11.85
Gobardanga	2005-06	12.01	13.38	25.39	17.23	3.25	20.48
	2006-07	7.51	7.51	15.02	Nil	Nil	Nil
Kamarhati	2005-06	31.33	65.39	96.72	28.83	66.38	95.21
	2006-07	20.83	21.07	41.90	Nil	19.46	19.46
Madhyamgram	2005-06	28.59	44.50	73.09	Nil	Nil	Nil
	2006-07	22.59	22.59	45.18	12.49	10.52	23.01
Dum Dum	2005-06	13.51	21.79	35.30	Nil	14.15	14.15
	2006-07	7.51	7.51	15.02	Nil	Nil	Nil
Barrackpore	2005-06	19.57	33.92	53.49	2.52	16.29	18.81
	2006-07	13.57	13.57	27.14	14.93	8.04	22.97
Bally	2005-06	31.01	58.92	89.93	12.61	39.42	52.03
	2006-07	22.08	22.08	44.16	3.00	Nil	3.00
Ashoknagar Kalyangarh	2005-06	17.48	27.20	44.68	Nil	15.07	15.07
	2006-07	11.48	11.48	22.96	6.00	33.79	39.79
Katwa	2005-06	32.24	19.82	52.06	Nil	13.90	13.90
	2006-07	6.48	6.48	12.96	NA	NA	NA
Arambagh	2005-06	4.50	7.91	12.41	Nil	12.41	12.41
	2006-07	10.53	10.53	21.06	NA	NA	NA
Bansberia	2005-06	6.00	14.71	20.71	Nil	1.74	1.74
	2006-07	11.37	11.37	22.74	NA	NA	NA
Bhadreswar	2005-06	16.82	20.95	37.77	20.34	8.11	28.45
	2006-07	9.58	9.58	19.16	NA	NA	NA
Tamluk	2005-06	4.50	6.46	10.96	Nil	1.62	1.62
	2006-07	4.01	4.01	8.02	NA	NA	NA
Bidhan Nagar	2005-06	59.89	41.58	101.47	35.44	4.30	39.74
	2006-07	18.45	18.45	36.90	NA	NA	NA
Darjeeling	2005-06	44.38	32.66	77.04	Nil	9.51	9.51
	2006-07	17.55	17.55	35.10	NA	NA	NA
Total	2005-07	605.07	758.04	1363.11	226.62	440.33	666.95

APPENDIX - 2

Name of ULBs

(vide para: 1.11; page: 9)

Sl. No.	Name of ULB	Period of Audit	Sl. No.	Name of ULB	Period of Audit
1.	Arambag	2004-06	35.	Kalyani	2002-05
2.	Asansol M C	2004-05	36.	Kanchrapara	2002-05
3.	Ashoknagar Kalyangar	2003-05	37.	Kandi	2003-05
4.	Baduria	2004-06	38.	Katwa	2004-06
5.	Bally	2004-06	39.	Kharar	2004-06
6.	Bankura	2002-05	40.	Khardah	2002-05
7.	Bansberia	2003-06	41.	Krishnanagar	2003-05
8.	Baranagar	2002-05	42.	Kulti	2004-06
9.	Baruipur	2003-06	43.	Madhyamgram	2003-05
10.	Basirhat	2002-05	44.	Maheshtala	2002-05
11.	Beldanga	2004-05	45.	Mal	2002-05
12.	Bhadreswar	2004-06	46.	Mathabhanga	2004-06
13.	Bishnupur	2004-06	47.	Mekhliganj	2003-05
14.	Budge Budge	2004-06	48.	Mirik	2003-05
15.	Burdwan	2003-06	49.	Murshidabad	2002-05
16.	Champdani	2002-05	50.	Nabadwip	2004-06
17.	Dainhat	2002-05	51.	Naihati	2004-06
18.	Dalkhola	2005-06	52.	Nalhati	2005-06
19.	Dhuliyani	2004-06	53.	North Barrackpore	2002-05
20.	Dhupguri	2002-05	54.	Old Malda	2002-05
21.	Diamond Harbour	2003-05	55.	Panihati	2002-05
22.	Dinhata	2002-05	56.	Panskura	2003-05
23.	Egra	2003-05	57.	Pururlia	2002-05
24.	English Bazar	2002-05	58.	Rajarhat Gopalpur	
25.	Gobardanga	2004-06	59.	Ramjibanpur	2002-05
26.	Habra	2003-05	60.	Ranaghat	2002-05
27.	Halisahar	2004-05	61.	Rishra	2002-05
28.	Hoogly Chinsurah	2004-05	62.	Siliguri M C	2004-05
29.	Islampur	2004-06	63.	Sonamukhi	2002-05
30.	Jalpaiguri	2002-05	64.	South Dum Dum	2002-05
31.	Jangipur	2004-06	65.	Taki	2004-06
32.	Jhalda	2002-05	66.	Tamluk	2004-06
33.	Jhargram	2004-06	67.	Tarakeswar	2002-05
34.	Joynagar Mozilpur	2003-05	68.	Titagarh	2003-05
			69.	Tufanganj	2002-05

APPENDIX 3A
Statement showing budget estimate and actual expenditure for the year 2003-04

(vide para: 2.1(a) : page: 11)

Sl. No.	Name of ULB	Revenue				Capital			
		(R u p e e s i n l a k h)							
		Budget estimate	Actuals	(-) Savings (+) Excess	Percentage of utilization	Budget estimate	Actuals	(+) Savings (-) Excess	Percentage of utilization
1.	Bansberia	407.41	369.47	37.94	91	295.51	191.16	104.35	65
2.	Basirhat	280.88	202.51	78.37	72	1328.7	190.73	1137.97	14
3.	Bhadreswar	554.64	497.48	57.16	90	282	233.76	48.24	83
4.	Burdwan	1246.47	1220.5	25.99	98	1299.2	602.5	696.7	46
5.	Dhuliyan	95.24	88.98	6.26	93	218.6	117.81	100.79	54
6.	Dainhat	79.99	75	4.99	94	96.71	78.57	18.14	81
7.	Egra	39.42	38.11	1.31	97	360.29	136.88	223.41	38
8.	English Bazar	787.67	657.21	130.46	83	1090	513.83	576.17	47
9.	Gobardanga	119.55	82.83	36.72	69	847.5	93.9	753.6	11
10.	Hooghly Chinsurah	848.86	760.45	88.41	90	327.76	231.69	96.07	71
11.	Jangipur	253.05	179.79	73.26	71	260.48	167.72	92.76	64
12.	Jhargram	212.75	120.8	91.95	57	201.11	66.97	134.14	33
13.	Joynagar-Mozilpur	107.48	91.95	15.53	86	118.55	57.64	60.91	49
14.	Kalyani	506.27	471.26	35.01	93	750.79	165.03	585.76	22
15.	Kandi	161.07	137.12	23.95	85	112.75	123.45	-10.7	109
16.	Katwa	380.61	275.65	104.96	72	623.92	135.13	488.79	22
17.	Khardah	473.94	382.49	91.45	81	285.85	165.46	120.39	58
18.	Madhyamgram	493.02	400.11	92.91	81	530.5	414.37	116.13	78
19.	Mekliganj	58.23	42.01	16.22	72	120.75	51.77	68.98	43
20.	Naihati	1266.08	540.23	725.85	43	257.91	164.11	93.8	64
21.	Nalhati	75.69	42.98	32.71	57	231.18	41.47	189.71	18
22.	North Barrackpore	459.86	446.37	13.49	97	241.85	181.38	60.47	75
23.	Old Malda	289.38	139.02	150.36	48	894.8	82.61	812.19	9
24.	Panihati	911.95	554	357.95	61	552.45	306.63	245.82	56
25.	Rajarhat-Gopalpur	747.24	619.02	128.22	83	996.75	431.48	565.27	43
26.	Ramjibonpore	28.82	28.91	-0.09	100	148.38	46.89	101.49	32
27.	Sonamukhi	86.32	77.08	9.24	89	106.95	66.19	40.76	62
28.	South Dum Dum	1067.12	1824.6	-757.47	171	865	554.96	310.04	64
29.	Taki	109.63	89.27	20.36	81	249.8	115.64	134.16	46
30.	Titagarh	725.66	402.74	322.92	55	344.56	180.34	164.22	52
		12874.30	10857.94	2016.39	84	14040.60	5910.07	8130.53	42

APPENDIX 3B

Statement showing budget estimate and actual expenditure for the year 2004-05

(vide para: 2.1(a); page:11)

Sl. No.	Name of ULB	Revenue				Capital			
		(R u p e e s i n l a k h)							
		Budget estimate	Actuals	(+) Savings (-) Excess	Percentage of utilization	Budget estimate	Actuals	(+) Savings (-) Excess	Percentage of utilization
1.	Bansberia	428.96	376.53	52.43	88	150.72	118.42	32.3	79
2.	Basirhat	295.74	287.27	8.47	97	1314.05	448.23	865.82	34
3.	Bhadreswar	638.11	492.11	146	77	193.19	252.83	-59.64	131
4.	Burdwan	1265.05	1246.25	18.8	99	1155.2	541.05	614.15	47
5.	Dhuliyān	128.04	116.42	11.62	91	296.8	174.57	122.23	59
6.	Dainhat	75	96.21	-21.21	128	78.51	32.68	45.83	42
7.	Egra	51.46	43.15	8.31	84	165.74	59.08	106.66	36
8.	English Bazar	865.73	749.96	115.77	87	935.19	687.13	248.06	73
9.	Gobardanga	132.42	87.99	44.43	66	828.3	40.55	787.75	5
10.	Hooghly Chinsurah	858.62	663.26	195.36	77	236	170.68	65.32	72
11.	Jangipur	813.08	177.82	635.26	22	153.79	90.47	63.32	59
12.	Jhargram	231.71	130.93	100.78	57	174.32	46.95	127.37	27
13.	Joynagar- Mozilpur	106.96	96.94	10.02	91	72.1	60.1	12	83
14.	Kalyani	548.89	486.92	61.97	89	400.58	186.71	213.87	47
15.	Kandi	165.32	140.46	24.86	85	116.8	103.05	13.75	88
16.	Katwa	412.4	317.7	94.7	77	520.99	120.35	400.64	23
17.	Khardah	561.53	502.72	58.81	90	439.57	192.83	246.74	44
18.	Madhyamgram	561.73	435.91	125.82	78	435.5	351.46	84.04	81
19.	Mekliganj	87.12	34.26	52.86	39	160.29	30.21	130.08	19
20.	Naihāti	1529.18	576.16	953.02	38	370.05	93.95	276.1	25
21.	Nalhāti	71.03	47.04	23.99	66	334	38.26	295.74	11
22.	North Barrackpore	647.05	491.31	155.74	76	203.45	205.68	-2.23	101
23.	Old Malda	288	107.72	180.28	37	561.65	79.95	481.7	14
24.	Panihāti	984.55	547.21	437.34	56	683.75	292.44	391.31	43
25.	Rajarhat- Gopalpur	676.28	542.01	134.27	80	717.85	367.11	350.74	51
26.	Ramjibonpore	33.85	35.72	-1.87	106	118.83	52.4	66.43	44
27.	Sonamukhi	94.55	86.75	7.8	92	77.41	74.44	2.97	96
28.	South Dum Dum	1283.47	2003.39	-719.92	156	922.5	547.8	374.7	59
29.	Taki	118.85	105.39	13.46	89	158.9	109.79	49.11	69
30.	Titagarh	732.1	432.23	299.87	59	380.1	113.62	266.48	30
	Total	14686.78	11457.74	3229.04	78	12356.13	5682.79	6673.34	46

APPENDIX 3C

Statement showing budget estimate and actual expenditure for the year 2005-06

(vide para: 2.1(a); page:11)

Sl. No.	Name of ULB	Revenue				Capital			
		(R u p e e s i n l a k h)							
		Budget estimate	Actuals	(+) Savings (-) Excess	Percentage of utilization	Budget estimate	Actuals	(+) Savings (-) Excess	Percentage of utilization
1.	Bansberia	508.31	456.72	51.59	90	321.72	177.12	144.6	55
2.	Basirhat	473.24	312.76	160.48	66	1466.77	266.9	1199.87	18
3.	Bhadreswar	632.73	636.72	-3.99	101	365.72	330.9	34.82	90
4.	Burdwan	1360.89	1485.72	-124.83	109	1015.14	583.21	431.93	57
5.	Dhuliyān	138.49	128.49	10	93	314	245.15	68.85	78
6.	Dainhat	96.21	91.83	4.38	95	32.71	78.67	-45.96	241
7.	Egra	59.82	36.45	23.37	61	266.38	142.84	123.54	54
8.	English Bazar	954.83	668.29	286.54	70	1129.6	814.36	315.24	72
9.	Gobardanga	139.64	98.87	40.77	71	1063.5	144.12	919.38	14
10.	Hooghly Chinsurah	994.3	789.26	205.04	79	383.5	244.92	138.58	64
11.	Jangipur	864.22	204.65	659.57	24	290.82	120.25	170.57	41
12.	Jhargram	251.61	158.8	92.81	63	412.97	82.45	330.52	20
13.	Joynagar- Mozilpur	120.59	110.48	10.11	92	102.6	45.2	57.4	44
14.	Kalyani	555.23	558.51	-3.28	101	293.63	367.49	-73.86	125
15.	Kandi	189.31	178.85	10.46	94	124.2	127.41	-3.21	103
16.	Katwa	461.68	345.3	116.38	75	623.53	269.83	353.7	43
17.	Khardah	590.71	506.88	83.83	86	549.25	313.75	235.5	57
18.	Madhyamgram	631.79	522.24	109.55	83	499	452.14	46.86	91
19.	Mekliganj	45.04	39.35	5.69	87	70.9	75.9	-5	107
20.	Naihāti	1766.29	515.67	1250.62	29	302	198.31	103.69	66
21.	Nalhāti	103.15	56.74	46.41	55	268	62.49	205.51	23
22.	North Barrackpore	640.17	442.21	197.96	69	211.8	251.36	-39.56	119
23.	Old Malda	448.33	115.36	332.97	26	1726.8	171.94	1554.86	10
24.	Panihāti	782.38	618.97	163.41	79	570.19	263.58	306.61	46
25.	Rajarhat- Gopalpur	953.33	796.22	157.11	84	956.4	696.03	260.37	73
26.	Ramjibonpore	38.79	39.98	-1.19	103	102.85	99.95	2.9	97
27.	Sonamukhi	116.71	96.82	19.89	83	147.06	89.31	57.75	61
28.	South Dum Dum	1813.18	1823.71	-10.53	101	1124	1153.01	-29.01	103
29.	Taki	139.51	114.74	24.77	82	283.8	165.29	118.51	58
30.	Titagarh	698.03	589.62	108.41	84	369	371.99	-2.99	101
Total		16568.51	12540.21	4028.30	76	15387.84	8405.87	6981.97	55

APPENDIX -4

Statement showing utilisation of developmental grants during the year 2004-05

(vide para: 2.4 page: 19)

Sl. No.	Name of ULB	Opening Balance	Receipts	Total	Expenditure	Balance	Percentage of utilisation
			(R u n n e s i n a k h)				
1	Arambagh	(-)50.56	90.32	39.76	7.36	32.4	19
2	Asansol	433.85	338.49	772.34	307.26	465.08	40
3	Ashoknagar-	37.72	148.19	185.91	97.39	88.52	52
4	Baduria	17.55	104.14	121.69	79.24	42.45	65
5	Bally	270.53	125.56	396.09	135.47	260.62	34
6	Bankura	17.14	263.57	280.71	105.59	175.12	38
7	Bansberia	87.04	121.29	208.33	144.83	63.5	70
8	Baruipur	73.05	56	129.05	77.84	51.21	60
9	Beldanga	111.06	166.72	277.78	125.16	152.62	45
10	Bishnupur	84.91	164.34	249.25	72.29	176.96	29
11	Budge Budge	229.81	47.09	276.9	104.56	172.34	38
12	Burdwan	620.11	353.11	973.22	387.07	586.15	40
13	Champdani	283.82	47.88	331.7	52.19	279.51	16
14	Diamond Harbour	25.26	78.41	103.67	43.15	60.52	42
15	Dalkhola	8.96	17.72	26.68	14.58	12.1	55
16	Dhuliyani	118.88	90.52	209.4	180.8	28.6	86
17	Dhupguri	77.91	64.39	142.3	68.35	73.95	48
18	Dinhata	98.47	148.17	246.64	141.27	105.37	57
19	English Bazar	103.43	129.69	233.12	143.9	89.22	62
20	Gobardanga	114.4	57.04	171.44	31.28	140.16	18
21	Halisahar	32.97	80.92	113.89	70.18	43.71	62
22	Hoogly-Chinsurah	93	84.21	177.21	85.74	91.47	48
23	Islampur	49.32	73.33	122.65	60.18	62.47	49
24	Jalpaiguri	44.08	11.04	55.12	31.52	23.6	57
25	Jangipur	111.31	84.61	195.92	90.68	105.24	46
26	Jhalda	48.17	30.39	78.56	41.8	36.76	53
27	Jhargram	55.02	55.37	110.39	58.37	52.02	53
28	Joynagar-Mozilpur	125.51	127.97	253.48	138.67	114.81	55
29	Kanchrapara	189.01	121.72	310.73	126.46	184.27	41
30	Kandi	13.54	49.13	62.67	53.69	8.98	86
31	Katwa	125.89	227.39	353.28	129.55	223.73	37
32	Kharar	50.24	48.86	99.1	22.41	76.69	23
33	Khardah	36.17	238.2	274.37	131	143.37	48
34	Kulti	122.01	516.13	638.14	144.01	494.13	23
35	Madhyamgram	142.26	225.8	368.06	208.13	159.93	57
36	Maheshtala	579.21	329.61	908.82	475.84	432.98	52
37	Mal	39.66	35.04	74.7	43.23	31.47	58
38	Mathabhanga	34.11	49.6	83.71	41.7	42.01	50
39	Mekhliganj	22.03	7.02	29.05	16.51	12.54	57
40	Nabadwip	332.83	181.78	514.61	162.7	351.91	32
41	Nalhati	71.63	24.35	95.98	35.32	60.66	37
42	North Barrackpore	138.86	136.08	274.94	179.07	95.87	65
43	Old Malda	55.85	62.75	118.6	47.97	70.63	40
44	Panihati	87.84	75.14	162.98	114.19	48.79	70
45	Panskura	72.58	39.55	112.13	30.59	81.54	27
46	Rajarhat Gopalpur	181.48	170.03	351.51	140.01	211.5	40
47	Ramjibanpur	75.47	53.5	128.97	51.69	77.28	40
48	Ranaghat	40.79	208.97	249.76	109.96	139.8	44
49	Siliguri M.C.	728.37	535.66	1264.03	775.26	488.77	61
50	Sonamukhi	102.01	42.76	144.77	52.25	92.52	36
51	South Dum Dum	312.7	254.71	567.41	258.44	308.97	46
52	Taki	83.87	91.44	175.31	91.81	83.5	52
53	Tamluk	43.51	112.1	155.61	90.27	65.34	58
54	Titagarh	283.87	116.14	400.01	117.13	282.88	29
55	Tufanganj	29.99	39.18	69.17	50.47	18.7	73
		7369.06	7153.12	14472.00	6596.38	7875.204	46

APPENDIX - 5**Statement showing details of long outstanding advances**

(vide para 2.12, page: 24)

Sl. No.	Name of ULB	As on	Outstanding advances (Rupees in lakh)
1.	Panihati	March 2005	158.45
2.	Maheshtala	March 2005	80.55
3.	Basirhat	September 2005	92.22
4.	Habra	September 2005	16.14
5.	Khardah	March 2005	0.46
6.	South Dum Dum	March 2005	2.31
7.	Bankura	February 2006	43.52
8.	Ranaghat	March 2006	7.06
9.	Joynagar-Mozilpur	March 2005	57.05
10.	Champdani	March 2005	36.53
11.	Rishra	February 2006	1.53
12.	Kanchrapara	March 2005	30.31
13.	Mal	March 2005	8.72
14.	Krishnanagar	March 2005	9.50
15.	Jhalda	March 2005	44.49
16.	Jalpaiguri	March 2005	16.18
17.	North Barrackpore	March 2005	8.13
18.	Kalyani	April 2006	11.15
19.	English Bazar	March 2005	75.72
20.	Baduria	March 2006	16.40
21.	Budge Budge	March 2006	6.54
22.	Dainhat	March 2004	1.78
23.	Mirik	March 2004	16.76
24.	Panskura	March 2005	0.76
25.	Naihati	March 2006	1.28
26.	Taki	March 2006	3.84
27.	Nabadwip	March 2006	9.27
28.	Diamond Harbour	March 2005	13.38
29.	Purulia	March 2005	368.47
30.	Dinhata	March 2005	2.12
31.	Murshidabad	March 2005	64.21
32.	Mekhliganj	March 2005	3.00
33.	Siliguri M.C.	March 2005	44.61
34.	Baruipur	March 2005	0.96
35.	Arambagh	March 2006	13.70
36.	Jhargram	March 2006	3.05
37.	Mathabhanga	March 2006	1.56
38.	Jangipur	March 2006	7.51
39.	Dhuliyān	March 2006	2.04
40.	Islampur	March 2006	8.59
41.	Kulti	March 2006	14.88
42.	Bishnupur	March 2006	12.51
43.	Bally	March 2005	10.93
44.	Rajarhat Gopalpur	March 2006	8.50
45.	Beldanga	March 2006	12.92
46.	Gobardanga	March 2006	1.94
47.	Katwa	March 2006	2.24
Total			1353.77

APPENDIX - 6

**Statement showing loss of interest due to delay in deposit of
General Provident Fund in the Treasury**

(vide para:2.13, page: 24)

Sl. No.	Name of Municipality	Period	Loss of interest towards GPF (Rupees in lakh)
1.	Tarakeswar	2002-2004	0.03
2.	South Dum Dum	2002-2005	0.39
3.	Baranagar	1996-97 to 2004-2005	30.33
4.	Rishra	1987-88 to 2005-2006	229.98
5.	Asansol M.C.	2003-2004 and 2004-2005	1.21
6.	Jalpaiguri	January 1986 to November 1991 and September 2003 to March 2005	104.45
7.	Jhalda	2002-05	0.28
8.	Budge Budge	2004-06	1.10
9.	Naihati	2002-05	47.44
10.	Nabadwip	2004-06	0.18
11.	Siliguri	2001-05	0.48
12.	Bishnupur	2004-06	0.54
13.	Bhadreswar	2004-06	5.47
Total			421.88

APPENDIX - 7

Statement showing un-reconciled difference between Cash Book and Bank statement

(vide para :2.16, page: 25)

Sl. No.	Name of the Municipality	As on	Bank Balance as Per Cash Book	Bank balance as per Bank/ Treasury	Difference
(R u p e e s i n c r o r e)					
1.	Panihati	31.3.2005	2.96	2.77	0.19
2.	Maheshtala	31.3.2005	9.13	9.35	(-)0.22
3.	Tarakeswar	31.3.2005	1.54	1.53	0.01
4.	Khardah	31.3.2005	3.56	3.63	(-)0.07
5.	South Dum Dum	31.3.2005	10.21	12.16	(-)1.95
6.	Ranaghat	31.3.2005	2.37	2.42	(-)0.05
7.	Old Malda	31.3.2005	1.28	1.29	(-)0.01
8.	Jalpaiguri	31.3.2005	1.23	0.64	0.59
9.	Kalyani	31.3.2005	8.14	1.90	6.24
10.	Budge Budge	31.3.2006	4.34	2.51	1.83
11.	Naihati	31.3.2006	3.87	4.04	(-)0.17
12.	Titagarh	31.3.2005	2.47	2.53	(-)0.06
13.	Diamond Harbour	31.3.2005	1.62	1.61	0.01
14.	Bansberia	31.3.2006	1.56	1.70	(-)0.14
15.	Murshidabad	31.3.2005	0.22	0.24	(-)0.02
16.	Baruipur	31.3.2005	1.22	1.19	0.03
17.	Siliguri M.C.	31.3.2005	7.46	6.66	0.80
18.	Bishnupur	31.3.2006	0.45	0.85	(-)0.40
19.	Bally	31.3.2005	6.77	5.22	1.55
Total			70.40	62.24	13.54

APPENDIX - 8A

Statement showing budget estimate and actual receipts for the year 2003-04

(vide para 3.1; page:29)

(Rupees in lakh)

Sl. No.	Name of ULB	Own source				Other source			
		Budget estimate	Actuals	(+)Increase (-)Shortfall	Percentage	Budget estimate	Actuals	(+)Increase (-)Shortfall	Percentage
1.	Bansberia	178.84	128.07	-50.77	72	262.49	255.77	-6.72	97
2.	Basirhat	103.01	72.07	-30.94	70	175.41	159.04	-16.37	91
3.	Bhadreswar	292.52	197.37	-95.15	67	256.22	274.42	18.2	107
4.	Burdwan	427.35	492.55	65.2	115	1002.79	805.24	-197.55	80
5.	Dainhat	34.9	22.51	-12.39	64	209.9	98.75	-111.15	47
6.	Dhuliyān	14.76	8.01	-6.75	54	3.62	3.17	-0.45	88
7.	Egra	27.12	13.04	-14.08	48	21.6	23.98	2.38	111
8.	English Bazar	421.21	313.21	-108	74	363.1	362.88	-0.22	100
9.	Gobardanga	34	14.23	-19.77	42	85.82	69.46	-16.36	81
10.	Hooghly Chinsurah	276.23	226.13	-50.1	82	519	547.5	28.5	105
11.	Jangipur	64.9	59.9	-5	92	147.31	149.75	2.44	102
12.	Jhargram	72.32	114.92	42.6	159	140.44	78.69	-61.75	56
13.	Joynagar- Mozilpur	29.61	28.56	-1.05	96	59.17	64.07	4.9	108
14.	Kalyani	436.03	315.41	-120.62	72	182.4	224.29	41.89	123
15.	Kandi	122.12	72.99	-49.13	60	99.09	85.18	-13.91	86
16.	Katwa	129.27	141.12	11.85	109	166.34	162.97	-3.37	98
17.	Khurdah	199.73	196.91	-2.82	99	204.99	205.05	0.06	100
18.	Madhyamgram	643.9	582.27	-61.63	90	198.7	191.67	-7.03	96
19.	Mekliganj	38.23	21.24	-16.99	56	20.01	19.45	-0.56	97
20.	Naihati	536.58	430.62	-105.96	80	737.58	329.42	-408.16	45
21.	Nalhati	34.51	41.27	6.76	120	41.18	26.29	-14.89	64
22.	North Barrackpore	490.89	228	-262.89	46	275.92	275.39	-0.53	100
23.	Old Malda	230.15	119.2	-110.95	52	102.95	51.68	-51.27	50
24.	Panihati	100	19.82	-80.18	20	854.81	465.98	-388.83	55
25.	Rajarhat- Gopalpur	780.1	546.29	-233.81	70	262.55	255.12	-7.43	97
26.	Ramjibonpore	9.34	9.03	-0.31	97	20.54	22.43	1.89	109
27.	Sonamukhi	29.7	27.1	-2.6	91	58.94	62.96	4.02	107
28.	South Dum Dum	1045.78	1417.2	371.42	136	575.5	533.69	-41.81	93
29.	Taki	50.83	39.21	-11.62	77	68	55	-13	81
30.	Titagarh	474.92	125.63	-349.29	26	365.38	268.98	-96.4	74
		7328.85	6023.88	-1304.97	82	7481.75	6128.27	-1353.48	82

APPENDIX – 8B

Statement showing budget estimate and actual receipts for the year 2004-05

(vide para 3.1; page: 29)

(Rupees in lakh)

Sl. No.	Name of ULB	Own source				Other source			
		Budget estimate	Actuals	(+)Increase (-)shortfall	Percentage	Budget estimate	Actuals	(+)Increase (-)shortfall	Percentage
1.	Bansberia	194.96	111.57	-83.39	57	258.84	265.89	7.05	103
2.	Basirhat	85.86	75.07	-10.79	87	197.33	188.21	-9.12	95
3.	Bhadreswar	358.82	225.87	-132.95	63	312.46	307.6	-4.86	98
4.	Burdwan	491.8	504.1	12.3	103	877.1	953.52	76.42	109
5.	Dainhat	43.03	23.49	-19.54	55	206.29	91.02	-115.27	44
6.	Dhuliyani	18.61	5.95	-12.66	32	3.02	2.81	-0.21	93
7.	Egra	23.74	13.01	-10.73	55	37.7	24.43	-13.27	65
8.	English Bazar	420.41	418.64	-1.77	100	446.5	401.75	-44.75	90
9.	Gobardanga	48.12	22.59	-25.53	47	84.44	76.49	-7.95	91
10.	Hooghly Chinsurah	311.49	250.3	-61.19	80	480.15	417.47	-62.68	87
11.	Jangipur	69.97	55.78	-14.19	80	140.34	137.62	-2.72	98
12.	Jhargram	69.32	125.06	55.74	180	162.39	81.06	-81.33	50
13.	Joynagar- Mozilpur	34.42	30.32	-4.1	88	64.24	60.31	-3.93	94
14.	Kalyani	420.58	359.09	-61.49	85	211.3	119.38	-91.92	56
15.	Kandi	146.69	74.83	-71.86	51	136.25	130.95	-5.3	96
16.	Katwa	139.11	121.72	-17.39	87	176.77	169.55	-7.22	96
17.	Khardah	244.38	221.54	-22.84	91	233.04	226.41	-6.63	97
18.	Madhyamgram	492.85	354.22	-138.63	72	238.2	229.79	-8.41	96
19.	Mekhliganj	42.64	13.07	-29.57	31	37.8	25.55	-12.25	68
20.	Naihati	901.45	356.64	-544.81	40	696.15	375.43	-320.72	54
21.	Nalhati	40.72	43.12	2.4	106	30.31	20.61	-9.7	68
22.	North Barrackpore	776.45	168.47	-607.98	22	356.87	300.95	-55.92	84
23.	Old Malda	201.55	77.3	-124.25	38	112.38	65.47	-46.91	58
24.	Panihati	900	15.7	-884.3	2	1077.74	476.13	-601.61	44
25.	Rajarhat- Gopalpur	639.38	506.94	-132.44	79	270.65	273.77	3.12	101
26.	Ramjibonpore	14.48	11.03	-3.45	76	22.15	30.48	8.33	138
27.	Sonamukhi	30.87	18.71	-12.16	61	62.51	63.12	0.61	101
28.	South Dum Dum	1459.1	1740.1	281	119	553.35	687.82	134.47	124
29.	Taki	50.36	48.21	-2.15	96	63.5	60.99	-2.51	96
30.	Titagarh	383.17	158.21	-224.96	41	350.3	286.39	-63.91	82
		9054.33	6150.65	-2903.68	68	7900.07	6550.97	-1349.1	83

APPENDIX – 8C

Statement showing budget estimate and actual receipts for the year 2005-06

(vide para 3.1; page: 29)

(Rupees in lakh)

Sl. No	Name of ULB	Own source				Other source			
		Budget estimate	Actuals	(+) Increase (-) Shortfall	Percentage	Budget estimate	Actuals	(+) Increase (-) Shortfall	Percentage
1.	Bansberia	231.26	127.69	-103.57	55	310.17	336.23	26.06	108
2.	Basirhat	122.49	105.2	-17.29	86	201.35	225.72	24.37	112
3.	Bhadreswar	302.67	271.04	-31.63	90	367.91	365.38	-2.53	99
4.	Burdwan	561.5	547.26	-14.24	97	946.1	1058.21	112.11	112
5.	Dainhat	36.85	20.55	-16.3	56	367.12	162.19	-204.9	44
6.	Dhuliyani	21.02	4.64	-16.38	22	3.37	1.72	-1.65	51
7.	Egra	15.8	14.4	-1.4	91	70.54	31.13	-39.41	44
8.	English Bazar	493.36	413.95	-79.41	84	437.6	393.4	-44.2	90
9.	Gobardanga	48.47	22.9	-25.57	47	91.3	73.49	-17.81	80
10.	Hooghly Chinsurah	357.52	321.5	-36.02	90	580.7	551.78	-28.92	95
11.	Jangipur	84.81	87.12	2.31	103	162.25	149.37	-12.88	92
12.	Jhargram	72.7	142.67	69.97	196	178.92	98.09	-80.83	55
13.	Joynagar-Mozilpur	39.05	31.94	-7.11	82	67.82	65.92	-1.9	97
14.	Kalyani	478.68	346.01	-132.67	72	231.55	283.43	51.88	122
15.	Kandi	156.49	52.54	-103.95	34	126.66	139.16	12.5	110
16.	Katwa	161.74	136.69	-25.05	85	232.8	212.55	-20.25	91
17.	Khardah	288.01	228.95	-59.06	79	349.51	312.54	-36.97	89
18.	Madhyamgram	452.2	439.01	-13.19	97	268.05	276.28	8.23	103
19.	Mekhliganj	26.96	16.03	-10.93	59	29.27	24.69	-4.58	84
20.	Naihati	1023.94	290.61	-733.33	28	707.95	352.02	-355.9	50
21.	Nalhati	48.35	55.41	7.06	115	54.79	20.11	-34.68	37
22.	North Barrackpore	767.78	236.95	-530.83	31	338.92	316.11	-22.81	93
23.	Old Malda	277.35	67.53	-209.82	24	117.5	75.05	-42.45	64
24.	Panihati	690.67	163.7	-526.97	24	370	483.61	113.61	131
25.	Rajarhat-Gopalpur	850.03	652.93	-197.1	77	482.52	431.4	-51.12	89
26.	Ramjibonpore	12.47	11.57	-0.9	93	26.82	28.73	1.91	107
27.	Sonamukhi	29.05	21.59	-7.46	74	89.52	78.9	-10.62	88
28.	South Dum Dum	1999.11	1853.81	-145.3	93	617.25	836.41	219.16	136
29.	Taki	50.71	42.17	-8.54	83	72.5	62.85	-9.65	87
30.	Titagarh	615.71	555.77	-59.94	90	102.52	58.71	-43.81	57
		10316.75	7282.13	-3034.62	71	8003.28	7505.18	-498.04	94

APPENDIX -9

Statement showing demand and collection of property tax for the year 2005-06

(vide para:3.2 page: 30)

Sl. No.	Name of ULB	Demand		Collection		Balance	
		Arrear	Current	Arrear	Current	Arrear	Current
(R u p e e s i n L a k h)							
1	Bansberia	302.13	112.76	4.87	56.71	297.26	56.05
2	Basirhat	43.46	53.42	17.16	26.94	26.3	26.48
3	Bhadreswar	17.33	65.82	12.34	55.57	4.99	10.25
4	Burdwan	116.72	230.12	86.58	161.18	30.14	68.94
5	Dainhat	12.28	5.88	1.78	2.61	10.5	3.27
6	Dhuliyani	12.02	12.05	0	0	12.02	12.05
7	Egra	20.58	9.73	4.34	2.88	16.24	6.85
8	English Bazar	214.37	149.43	60.01	77.95	154.36	71.48
9	Gobardanga	50.16	6.25	2.12	0.51	48.04	5.74
10	Hooghly Chinsurah	47.02	89.29	26.54	69.84	20.48	19.45
11	Jangipur	57.65	24.53	13.94	10.47	43.71	14.06
12	Jhargram	100.74	37.09	21.27	15.94	79.47	21.15
13	Kalyani	796	267	57	137	739	130
14	Kandi	31.94	25.2	7.87	12.48	24.07	12.72
15	Katwa	64.12	36.24	15.42	26.47	48.7	9.77
16	Khardah	81.68	86.96	13.37	68.97	68.31	17.99
17	Madhyamgram	213.53	145.14	34.83	90.45	178.7	54.69
18	Mekhliganj	24.09	9.91	3.96	1.95	20.13	7.96
19	Naihati	635.01	95.76	14.12	26.05	620.89	69.71
20	Nalhati	4.72	10.17	1.85	4.39	2.87	5.78
21	North Barrackpore	474.53	126.18	71.31	47.86	403.22	78.32
22	Old Malda	19.81	26.12	6.60	16.37	13.21	9.75
23	Panihati	1035.35	297.87	74.29	128.88	961.06	168.99
24	Rajarhat-Gopalpur	56.5	257.5	65.53	74.87	-9.03	182.63
25	Ramjibonpore	1.57	3.44	0.42	2.66	1.15	0.78
26	Sonamukhi	32.94	10.2	2.8	3.42	30.14	6.78
27	South Dum Dum	1013.47	450.22	287.24	293.1	726.23	157.12
28	Taki	14.1	9.23	2.6	6.51	11.5	2.72
29	Titagarh	293.38	109.98	172.61	92.57	120.77	17.41
		5787.20	2763.49	1082.77	1514.60	4704.43	1248.89

APPENDIX - 10

Statement showing loss of revenue due to delay in general revision of property tax

(vide para 3.3; page: 31)

Sl. No.	Name of ULB	Due date of revision	Actual date of revision	Period of delay	Loss of revenue (Rupees in lakh)
1.	Panihati	01.07.2002	01.01.2004	One year and six months	160.00
2.	Basirhat	01.07.1999	01.07.2004	Five years	123.18
3.	Tarakeswar	01.07.2003	01.01.2004	Six months	11.96
4.	Rishra	01.04.2004	01.07.2004	One quarter	15.27
5.	Kanchrapara	01.09.2001	Revised valuation not imposed as of February 2006	Four years and one quarter	243.44
6.	Mal	1995	01.07.2003	Eight years	145.60
7.	Madhyamgram	01.01.2003	Not completed as of February 2006	Three years	27.77
8.	Naihati	01.04.1998	01.07.2003	Five years and three months	222.63
9.	Taki	01.01.2004	Revised valuation not imposed as of March 2006	Two years and three months	11.27
10.	Nabadwip	01.04.2003	01.10.2004	One year and six months	34.70
11.	Bishnupur	1989-90	Not done as of March 2006	17 years	18.00
12.	Rajarhat Gopalpur	01.01.2001	01.07.2005	Five years and six months	1536.70
13.	Jalpaiguri	01.07.2002	Started from 01.07.2005 and remained incomplete upto January 17.02.2006	Three years	243.18
14	Gobardanga	01.01.2001	01.07.2004	Three years and 6 months	90.60
Total					2884.30

APPENDIX - 11

Statement showing loss of revenue due to non imposition of surcharge
(vide para: 3.5; page:32)

Sl. No.	Name of ULB	Period	Loss (Rupees in lakh)
1.	Basirhat	July 1994 to September 2005	7.53
2.	Egra	2003-05	0.22
3.	Habra	July 1999 to July 2005	4.02
4.	Halisahar	2004-05	10.33
5.	Kanchrapara	October 1996 to March 2005	17.84
6.	Katwa	2004-06	6.12
7.	Mal	July 2003 to march 2005	12.95
8.	Panihati	2002-05	47.46
9.	Ranaghat	2002-05	4.95
10.	South Dum Dum	2002-04	10.80
11.	Tarakeswar	January 2004 to September 2005	3.43
12.	Tufanganj	April 2002 to December 2005	6.27
13.	Madhya gram	2003-05	39.20
14.	Naihati	2004-06	7.85
15.	Taki	1994-2006	3.78
16.	Purulia	2002-05	1.52
17.	Dinhata	2002-05	1.22
18.	Bansberia	2003-06	80.94
19.	Mekhliganj	2003-05	0.88
20.	Baruipur	2003-05	4.90
21.	Arambagh	2004-06	7.86
22.	Jhargram	2004-06	1.30
23.	Islampur	2004-06	5.26
24.	Kulti	2004-06	10.41
25.	Rajarhat Gopalpur	2004-06	4.40
Total			301.44

APPENDIX - 12

Statement showing loss due to non-imposition of water charges

(vide para 3.6; page: 33)

Sl. No.	Name of ULB	Period	Minimum amount chargeable	Amount charged	Loss
			(R u p e e s i n l a k h)		
1.	Panihati	February 2003 to March 2005	33.21	Nil	33.21
2.	South Dum Dum	February 2003 to July 2005	94.91	Nil	94.21
3.	Champdani	February 2002 to December 2005	25.93	Nil	25.93
4.	Kanchrapara	April 2003 to March 2005	48.83	Nil	48.83
5.	Mal	April 2002 to March 2005	36.72	Nil	36.72
6.	Naihati	February 2003 to March 2006	85.53	Nil	85.53
7.	Titagarh	February 2003 to March 2006	20.67	Nil	20.67
8.	Nabadwip	February 2003 to March 2006	14.08	Nil	14.08
9.	Bansberia	March 2003 to March 2006	53.71	Nil	53.71
10.	Baruipur	March 2003 to March 2006	7.81	Nil	7.81
11.	Dhuliyān	February 2003 to March 2006	6.66	Nil	6.66
12.	North Barrackpore	2002-05	62.19	Nil	62.19
13.	Budge Budge	2003-06	31.60	Nil	31.60
Total					521.15

APPENDIX - 13
Statement showing non realization of rent/salami from stalls/shops/guest house/hats
(vide para: 3.8; page:34)

Sl.No.	Name of the ULB	As on	Rent not realised from stalls/shops etc. (Rupees in lakh)
1.	Panihati	31.03.2005	95.18
2.	Habra	31.08.2005	13.80
3.	Tarakeswar	31.08.2005	5.18
4.	South Dum Dum	31.08.2005	25.94
5.	Bankura	28.02.2006	9.65
6.	Joynagar Mozilpur	31.03.2005	1.09
7.	Tufanganj	31.03.2005	0.87
8.	Champdani	31.03.2005	0.74
9.	Asansol M.C.	31.03.2005	3.99
10.	Mirik	31.03.2005	4.72
11.	Sonamukhi	31.03.2005	1.04
12.	Taki	31.03.2005	5.16
13.	Kharar	31.03.2006	1.02
14.	Nabadwip	31.03.2006	3.92
15.	Purulia	31.03.2005	13.57
16.	Dinhata	31.03.2005	16.20
17.	Ashoknagar Kalyangarh	31.03.2005	19.78
18.	Mekhliganj	31.03.2005	2.57
19.	Siliguri M.C.	31.03.2005	17.06
20.	Jhargram	31.03.2006	9.93
21.	Mathabhanga	31.03.2006	16.26
22.	Islampur	31.03.2006	6.24
23.	Bally	31.03.2005	11.24
24.	Jhalda	31.03.2005	2.07
25.	Kalyani	31.03.2005	14.06
26.	English Bazar	28.02.2006	25.34
27.	Baduria	31.03.2005	1.10
28.	Tamluk	31.03.2006	6.50
29.	Bhadreswar	31.03.2006	15.87
Total			350.09

APPENDIX – 14

Statement showing expenditure incurred for casual labour
(vide para:4.2(a); page:39)

Sl. No.	Name of Municipality	Year	No. of casual labour	Expenditure incurred (Rupees in lakh)
1	Basirhat	2002-04	140	7.65
2	Halisahar	1995-96 to 2004-05	From 28 -116	144.00
3	Bankura	2002-05	279	132..45
4	Ranaghat	2003-05	59 and 58	14.24
5	Jainagar Majilpur	2003-05	45	15.30
6	Champdani	2003-05	129 and 135	40.96
7	Rishra	2002-05	467	192.01
8	Kanchrapara	2002-05	From 66 - 80	35.95
9	Mal	2002-05	19	10.32
10	Mirik	2003-05	5	4.69
11	Madhyamgram	2003-05	102	95.24
12	Jhalda	2002-05	Not available.	12.15
13	Jalpaiguri	2002-05	163	90.88
14	North Barrackpore	2002-05	Not available.	87.08
15	English Bazar	2002-05	Not available.	261.00
16	Tamluk	2004-06	26	26.55
17	Taki	2004-06	43	11.05
18	Diamond Harbour	2003-06	50	66.64
19	Bansberia	2003-05	65	56.24
20	Baruipur	2004-06	90	37.83
21	Mathabhanga	2004-06	9	5.39
22	Dhuliyani	2004-06	Not available.	34.46
23	Kulti	2004-06	Not available.	22.29
24	Bishnupur	2004-06	From 297-344	114.07
25	Bally	2002-05	Not available.	90.83
26	Budge Budge	2004-06	Not available.	21.16
27	Gobardanga	2002-06	53	28.79
Total				1659.22

APPENDIX – 15

Statement showing expenditure incurred on unauthorised employment

(vide para:4.2(b); page:40)

Sl. No.	Name of Municipality	Year	Particular of expenditure	Amount (Rupees in lakh)
1.	Egra	2003-05	Appointment of 24 employees on contract without approval of State Government.	27.14
2.	Halisahar	2004-05	Engagement of staff without approval.	5.86
3.	South Dum Dum	2002-05	Deployment of contract labour without the approval.	190.00
4.	Tufanganj	2002-05	Engagement of contractor for cleaning and sweeping of road.	3.34
5.	Asansol	2004-05	Engagement of three sub-assistant engineers without approval.	2.69
6.	Nabadwip	May 95 to July 98	Irregular appointment of 5 employees against post discontinued since 1990.	5.49
Total				234.52

APPENDIX – 16

Statement showing miscellaneous irregular expenditure

(vide para: 4.5; page: 41)

Sl. No.	Name of Municipality	Year	Particular of expenditure	Amount (Rupees in lakh)
1.	Panihhati	1994-05	Overtime allowance.	52.61
2.	Tarakeswar	2002-05	Holding allowance for extra duty.	0.28
3.	Bankura	2002-05	Overtime and Tiffin allowances.	4.07
4.	Ranaghat	2001-05	House Rent Allowance paid to allottees of quarters.	9.88
5.	Rishra	2002-05	Tiffin allowance.	2.9
6.	Asansole	January 1999 to January 2006	Drawal of salary and fuel charges for Health Officer even after discontinuation of service.	7.94
7.	Naihati	2004-06	Tiffin allowance for extra time work.	10.06
8.	Titagarh	October 1985 to April 2004	Higher salary on account of undue promotion of staff.	11.23
		March 2005 and April 2005	Extra remuneration paid for performing normal duty.	0.14
9.	Diamond Harbour	April 2003 to June 2004	Irregular drawal of remuneration by accountant for performing works of SJSRY.	0.05
10.	Purulia	February 1992 to June 2006	House Rent Allowance to allottees of quarter.	1.04
11.	Kulti	2004-06	Tiffin allowance.	0.41
12.	Bishnupur	2004-06	Tiffin allowance.	0.38
13.	Kalyani	2002-05	Overtime and Tiffin allowance.	3.52
14.	Budge Budge	2004-06	Overtime allowance.	5.71
			Interest on overdraft.	1.05
			House Rent Allowance paid to allottees of quarter.	1.45
15.	Gobardanga	2005-06	Payment of rent inspite of having own municipal building.	0.3
Total				113.02

APPENDIX 17

Statement of incomplete works

(vide para: 5.5; page: 45)

Sl. No.	Name of ULB	Particulars of works	Target date of completion	Expenditure (Rupees in lakh)
1.	Egra	Construction of Market Complex II.	December 2003	15.85
2.	Habra	Construction of Auditorium.	January 2003	58.77
3.	Asansol	Construction of Bus Terminus.	March 2001	29.85
4.	Mal	Construction of agricultural market complex.	September 1995	6.06
5.	Halisahar	Sinking of tube well, supply and installation of pump/motor, construction of pump house, laying of pipeline.	September 2004 to November 2005	16.43
		Construction of commercial complex.	May 2003	44.32
6.	Kanchrapara	Construction of health sub center at Ward no. 14, 4 and 7, sinking of tube well.	August 2003 to April 2005	8.93
7.	Jhalda	Construction of community hall, dormitory building, maternity-cum-outdoor hospital.	1994-95 to 2002-03	57.59
8.	Kandi	Construction of dormitory – cum – marriage hall.	February 2002	7.96
9.	Dainhat	Construction of market complex.	March 2004	22.71
10.	Ramjibanpur	Construction of marriage hall and link road.	NA	17.49
11.	Taki	Construction of bus terminus.	June 2002	36.54
12.	Kharar	Construction of Vidyasagar hall and library.	July 2003	18.34
13.	Arambagh	Construction of Hawker corner in Ward no.14	March 2006	21.85
		Construction of footpath beside link road.	February 2006	7.78
		Reconstruction of black top road in Ward Nos. 15 and 16.	February 2006	6.00
14.	Mathabhanga	Construction of Ashutosh Hall and Market Complex from BADP Fund.	February 2001	51.49
15.	Dhuliyani	Construction of market complex.	April 2003	28.87
		Construction of shopping plaza.	October 2002	35.08
16.	Bishnupur	Construction of first floor of dormitory cum guest house of municipal tourist complex	September 2005	5.76
Total				497.67

APPENDIX -18

Statement showing utilisation of NSDP grants during the year 2004-05

(vide para: 6.1.1; page: 49)

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Expenditure	Balance	Percentage
		(R u p e e s i n l a k h)					
1.	Arambagh	-2.17	34.97	32.8	43.12	-10.32	131
2.	Asansol M.C.	142.76	326.52	469.28	108.18	361.1	23
3.	Ashoknagar Kalyangar	7.84	76.77	84.61	47.8	36.81	56
4.	Baduria	4.35	48.18	52.53	32.85	19.68	63
5.	Bally	95.3	62.4	157.7	29.64	128.06	19
6.	Bankura	10.49	79.37	89.86	89.78	0.08	100
7.	Bansberia	34.34	34.99	69.33	31.92	37.41	46
8.	Baruipur	16.72	14.82	31.54	9.99	21.55	32
9.	Basirhat	53.84	77.69	131.53	61.91	69.62	47
10.	Beldanga	12.54	7.76	20.3	9.29	11.01	46
11.	Bishnupur	14.82	38.29	53.11	18.15	34.96	34
12.	Burdwan	144.6	180.07	324.67	124.94	199.73	38
13.	Budge Budge	22.16	25.76	47.92	23.15	24.77	48
14.	Champdani	61.6	35.53	97.13	2.06	95.07	2
15.	Dalkhola	6.69	13.53	20.22	8.74	11.48	43
16.	Dhuliyān	36.55	4.74	41.29	30.17	11.12	73
17.	Dhupguri	7.34	32.99	40.33	8.16	32.17	20
18.	Diamond Harbour	12.37	22.52	34.89	1.74	33.15	5
19.	Dinhata	7.68	27.29	34.97	15.84	19.13	45
20.	English Bazar	65.1	98.83	163.93	93.3	70.63	57
21.	Gobardanga	9.55	33.27	42.82	5.16	37.66	12
22.	Halisahar	3.75	46.01	49.76	25.98	23.78	52
23.	Hoogly Chinsurah	24.24	57.28	81.52	26.62	54.9	33
24.	Islampur	4.41	32.24	36.65	4.45	32.2	12
25.	Jalpaiguri	16.92	2	18.92	9.53	9.39	50
26.	Jangipur	40.73	54.31	95.04	32.11	62.93	34
27.	Jhalda	12.69	11.19	23.88	14.6	9.28	61
28.	Jhargram	7.42	32	39.42	12.69	26.73	32
29.	Joynagar-Mozilpur	18.5	14.5	33	9.17	23.83	28
30.	Kanchrapara	33.7	44.78	78.48	12.93	65.55	16
31.	Kandi	0	27.36	27.36	27.36	0	100
32.	Katwa	33.07	43.07	76.14	40.03	36.11	53
33.	Khardah	11.22	40.82	52.04	11.2	40.84	22
34.	Kharar	2.99	10.13	13.12	2.85	10.27	22
35.	Kulti	28.66	239.77	268.43	55.89	212.54	21
36.	Madhyamgram	19.79	53.14	72.93	14.98	57.95	21
37.	Maheshtala	146.78	123.35	270.13	106.36	163.77	39
38.	Mal	18.13	17.78	35.91	24.72	11.19	69
39.	Mathabhanga	6.13	17.93	24.06	7.84	16.22	33
40.	Mekhliganj	3.45	6.46	9.91	2.75	7.16	28
41.	Nabadwip	149.68	76.59	226.27	49.53	176.74	22
42.	Nalhati	9.63	19.34	28.97	6.13	22.84	21
43.	North Barrackpore	27.65	44.69	72.34	23.99	48.35	33
44.	Old Malda	3.68	41.77	45.45	2.28	43.17	5
45.	Panihati	37.98	16.09	54.07	38.68	15.39	72
46.	Rajarhat Gopalpur	71.23	89.98	161.21	27.36	133.85	17
47.	Panskura	49.42	25.93	75.35	0	75.35	0
48.	Ramjibanpur	7.95	13.93	21.88	6.43	15.45	29
49.	Ranaghat	1.31	42.52	43.83	39.01	4.82	89
50.	Siliguri M.C.	175.32	341.8	517.12	237.79	279.33	46
51.	Sonamukhi	25.88	17.4	43.28	11.93	31.35	28
52.	South Dum Dum	33.45	128.71	162.16	39.43	122.73	24
53.	Taki	3.63	25.63	29.26	7.17	22.09	25
54.	Titagarh	74.28	45.94	120.22	32.69	87.53	27
55.	Tufanganj	9.49	18.22	27.71	17.47	10.24	63
	Total	1877.63	3098.95	4976.58	1777.84	3198.74	36

APPENDIX - 19
Statement showing expenditure incurred without declaring slum area
(vide para: 6.1.2; Page: 50)

Sl. No.	Name of ULB	Year	Expenditure (Rupees in lakh)
1.	Panihati	2002-05	187.39
2.	Egra	2003-05	27.04
3.	Basirhat	2002-05	128.23
4.	Habra	2003-04	92.92
5.	Tarakeswar	2002-05	46.32
6.	Dhupguri	2001-05	105.94
7.	Halisahar	2004-05	25.79
8.	South Dum Dum	2002-04	131.03
9.	Bankura	2002-05	233.56
10.	Ranaghat	2002-05	112.94
11.	Tufanganj	2002-05	56.92
12.	Kanchrapra	2002-05	50.40
13.	Mal	2002-05	43.65
14.	Nalhati	2001-06	51.99
15.	Katwa	2004-06	87.01
16.	Mirik	2003-05	6.31
17.	Hoogly-Chinsurah	2004-05	26.63
18.	Naihati	2004-06	84.40
19.	Taki	2004-06	28.64
20.	Kharar	2004-06	12.91
21.	Diamond Harbour	2003-05	28.70
22.	Dinhata	2002-05	34.88
23.	Ashoknagar-Kalyangar	2003-05	104.10
24.	Baruipur	2003-05	16.44
25.	Arambagh	2004-06	62.05
26.	Jangipur	2004-06	9.53
27.	Dhuliyani	2004-06	82.59
28.	Islampur	2004-06	44.12
29.	Kulti	2004-06	90.21
30.	Bishnupur	2004-06	62.75
31.	Jhalda	2002-05	34.66
32.	Jalpaiguri	2002-05	45.44
33.	English Bazar	2002-05	233.93
34.	Dalkhola	2003-06	19.29
35.	Budge Budge	2004-06	42.56
Total			2451.27

APPENDIX - 20

Statement showing expenditure incurred on engagement of contractor under NSDP

(vide para: 6.1.3; page: 50)

Sl. No.	Name of ULB	Year	Expenditure (Rupees in lakh)
1.	Egra	2003-05	15.96
2.	Basirhat	2002-05	128.23
3.	Habra	2003-04	92.92
4.	Tarakeswar	2002-05	46.32
5.	Dhupguri	2001-05	37.33
6.	South Dum Dum	2002-04	131.03
7.	Bankura	2002-05	117.00
8.	Ranaghat	2002-05	73.65
9.	Old Malda	2002-05	2.92
10.	Rishra	2002-05	64.94
11.	Mal	2002-05	24.65
12.	Nalhati	2001-06	51.99
13.	Madhyamgram	2003-05	43.91
14.	Hoogly-Chinsurah	2004-05	26.63
15.	Naihati	2004-06	84.40
16.	Titagarh	2003-05	0.98
17.	Kharar	2004-06	1.88
18.	Nabadwip	2004-06	11.04
19.	Diamond Harbour	2003-05	28.70
20.	Purulia	2002-05	57.24
21.	Dinhata	2002-05	9.00
22.	Ashoknagar-Kalyangarh	2003-05	104.10
23.	Baruipur	2003-05	10.81
24.	Arambagh	2004-06	62.05
25.	Jhargram	2004-06	16.26
26.	Bishnupur	2004-06	46.66
27.	Rajarhat-Gopalpur	2004-06	90.32
28.	North Barrackpore	2002-05	50.68
29.	English Bazar	2002-05	233.93
30.	Dalkhola	2003-06	5.92
31.	Baduria	2004-06	2.66
32.	Budge Budge	2004-06	42.56
33.	Beldanga	2004-06	4.17
34.	Bhadreswar	2004-06	4.01
Total			1724.85

APPENDIX - 21

Statement showing expenditure incurred outside the scope of NSDP

(vide para: 6.1.4; page: 50)

Sl. No.	Name of ULB	Year	Particulars of expenditure	Amount (Rupees in lakh)
1.	Egra	2003-05	Development of municipal area, payment of salary, electricity bill etc.	27.04
2.	Basirhat	2002-05	Payment of salary , clearing of municipal area	14.73
3.	Tarakeswar	2002-05	Construction of boundary wall of office building, construction of sulabh sauchalaya, office contingent expenditure	4.84
4.	Dhupguri	2001-05	Jungle cutting , road/drain clearance,	24.76
5.	Halisahar	2004-05	Purchase of pump, repairing of road	3.11
6.	Bankura	2002-05	Purchase of furniture/lamp, repair of tractor	10.96
7.	Tufanganj	2002-05	Construction of dormitory, marriage hall and painting of doors etc.	0.14
8.	Old Malda	2003-04	Repairing of drain, construction of cement concrete stairs	2.92
9.	Champdani	2002-05	Clearing of drain, repairing of road, hire of pump, construction of cement concrete road, dewatering of tank etc.	4.10
10.	Rishra	2002-05	Repair/renovation of road/ drains, maintenance of street light, repair of guard wall etc.	64.94
11.	Asansol M.C.	2004-05	Purchase of municipal vehicles, maintenance of Rabindra Bhavan, purchase of pump set etc.	77.04
12.	Mal	2002-05	Electrification of community hall/ market complex, payment of electricity bill, purchase of bitumen, electrical goods, security deposit payment	43.45
13.	Katwa	2004-06	Additional work of office building, supply of grill and shuttering plant for polyclinic	2.86
14.	Mirik	2003-05	Purchase of relief material and cleaning of earth slip in different ward	0.72
15.	Kharar	2004-06	Routine maintenance work, resinking of tube well	7.93
16.	Nabadwip	2004-06	Routine maintenance work	2.61
17.	Purulia	2002-05	Payment of wages to casual worker, purchase of furniture, construction of community hall, Netaji Abash, repair of J.K College Hostel, hire charges of tractor	18.21
18.	Baruipur	2003-05	Repair of roads, drain and Municipal Hospital	3.17
19.	Mekhliganj	2003-05	Construction of Auditorium and payment of SD,IT and ST	3.27
20.	Jhargram	2004-06	Maintenance of water pipe lines and roads	7.22
21.	Bishnupur	2004-06	Pulse polio, cost of fuel, hire charge of vehicle, donation, purchase of tractor and purchase of conservancy materials	46.66
22.	Rajarhat-Gopalpur	2004-06	Repair/upgradation of roads, construction of drain/ protection wall, repair of shelter	90.32
23.	Jhalda	2002-05	Construction of market complex, school building, maternity home, dormitory building, garage, municipal building, purchase of cesspool machine	12.26
24.	Jalpaiguri	2002-05	Purchase of fuel, payment of wages to daily labour	11.94
25.	North Barrackpore	2002-05	Spent on works outside slum area	24.80
26.	Englishbazar	2002-05	Repairing of bitumen road, reconstruction of market construction of staff quarters, guest house	12.04
Total				522.04

APPENDIX – 22

Statement showing under utilization for shelter less people in NSDP
(vide para: 6.1.5; page: 50)

Sl. No.	Name of ULB	Year	Expenditure	Amount earmarked for shelter
			(R u p e e s i n l a k h)	
1.	Panihati	2002-05	187.38	18.74
2.	Basirhat	2002-05	126.93	12.69
3.	Habra	2003-04	22.60	2.26
4.	Dhupguri	2001-05	37.32	3.73
5.	Halisahar	2004-05	25.98	2.59
6.	South Dum Dum	2002-04	124..21	12.42
7.	Ranaghat	2002-05	112.93	11.29
8.	Tufanganj	2002-05	27.77	2.77
9.	Old Malda	2002-05	49.06	4.91
10.	Mal	2002-05	43.45	4.34
11.	Jhalda	2002-05	34.65	3.46
12.	Jalpaiguri	2002-05	117.71	11.77
13.	North Barrackpore	2002-05	50.67	5.06
14.	Dalkhola	2003-06	19.28	1.93
15.	Kandi	2002-05	47.58	4.76
16.	Baduria	2004-06	52.53	5.25
17.	Budge Budge	2004-05	23.15	2.31
Total				110.28

APPENDIX -23
Statement showing utilisation of BMS grants during the year 2004-05

(vide para: 6.2.1; page: 51)

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Expenditure	Balance	Percentage
			(R u p e e s i n l a k h)				
1.	Arambagh	-9.74	0	-9.74	0.24	-9.98	-2
2.	Ashoknagar Kalayangarh	0.34	0	0.34	0	0.34	0
3.	Asansol MC	41.77	1.42	43.19	28.86	14.33	67
4.	Bally	18.5	13.25	31.75	12.02	19.73	0
5.	Bankura	0.01	0	0.01	0	0.01	0
6.	Bansberia	1.58	2.20	3.78	0	3.78	0
7.	Baruipur	3.63	0	3.63	0	3.63	0
8.	Basirhat	9	0	9	4.7	4.3	52
9.	Beldanga	2.33	0	2.33	1.91	0.42	82
10.	Budge Budge	22.48	0	22.48	11.65	10.83	52
11.	Chamdpani	37.29	0	37.29	2.38	34.91	6
12.	Dhuliyān	3.17	0	3.17	2.91	0.26	92
13.	Diamond Harbour	0.04	0	0.04	0	0.04	0
14.	Dinhata	5.29	0	5.29	0	5.29	0
15.	Dhupguri	0.07	0.09	0.16	0.07	0.09	44
16.	English Bazar	5.7	0	5.7	2.71	2.99	48
17.	Gobardanga	18.69	0	18.69	2.5	16.19	13
18.	Hoogly Chinsurah	-1.48	6.66	5.18	4.72	0.46	91
19.	Halisahar	2.82	2.48	5.3	2.93	2.37	55
20.	Islampur	0.07	0.15	0.22	0	0.22	0
21.	Jalpaiguri	0.04	0	0.04	0	0.04	0
22.	Jhalda	2.22	0	2.22	0	2.22	0
23.	Jhargam	6.92	0	6.92	6.92	0	100
24.	Kharar	3	0	3	3	0	100
25.	Kanchrapara	10.62	2.50	13.12	24	-10.88	183
26.	Kandi	2.01	0	2.01	2.01	0	100
27.	Kulti	0.02	10.88	10.9	0	10.9	0
28.	Madhyamgram	9.04	4.48	13.52	3.81	9.71	28
29.	Mal	1.44	0	1.44	0.25	1.19	17
30.	Mathabhanga	0.75	0	0.75	0.75	0	100
31.	Mekhliganj	0.07	0	0.07	0	0.07	0
32.	Nabadwip	6.8	0	6.8	0	6.8	0
33.	Nalhati	0.54	0	0.54	0.54	0	100
34.	North Barrackpore	13.04	12.31	25.35	18.42	6.93	73
35.	Panihati	21.31	17.20	38.51	16.82	21.69	44
36.	Rajarhat Gopalpur	1.73	15.60	17.33	16.07	1.26	93
37.	Ramjibanpur	1.43	0	1.43	1.43	0	100
38.	Ranaghat	-0.44	7.86	7.42	0.34	7.08	5
39.	Siliguri MC	38.55	0	38.55	26.2	12.35	68
40.	Sonamukhi	18	0	18	0.23	17.77	1
41.	Taki	5.91	0	5.91	4.79	1.12	81
42.	Titagarh	4.71	11.2	15.91	4.86	11.05	31
Total		309.27	108.28	417.55	208.04	209.51	50

APPENDIX -24

Statement showing utilisation of SJSRY grants during the year 2004-05

(vide para: 6.3.1; page: 53)

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Expenditure	Balance	Percentage
		(R u p e e s i n L a k h)					
1	Arambagh	2.39	0	2.39	2.47	-0.08	103
2	Asansol MC	10.66	0	10.66	8.77	1.89	82
3	Ashoknagar-Kalyangarh	-1.26	4.95	3.69	3.62	0.07	98
4	Baduria	5.34	3.31	8.65	7.15	1.5	83
5	Bally	4.96	7.76	12.72	2.72	10	21
6	Bansberia	0.76	3.06	3.82	2.37	1.45	62
7	Baruipur	13.98	1.62	15.6	9.93	5.67	64
8	Basirhat	2.75	2.93	5.68	5.39	0.29	95
9	Beldanga	38.83	1.6	40.43	11.66	28.77	29
10	Bishnupur	10.63	0	10.63	0.03	10.6	0
11	Budge Budge	21.67	12.92	34.59	30.27	4.32	88
12	Burdwan	26.7	11.79	38.49	13.51	24.98	35
13	Champdani	4.05	1.47	5.52	1.25	4.27	23
14	Dalkhola	0	2.28	2.28	2.25	0.03	99
15	Dhuliyān	14.61	0.44	15.05	7.04	8.01	47
16	Diamond Harbour	5.02	0	5.02	0	5.02	0
17	Dinhata	14.33	8.47	22.8	14.31	8.49	63
18	English Bazar	14.19	0.57	14.76	10.05	4.71	68
19	Gobardanga	6.12	1.93	8.05	4.33	3.72	54
20	Halisahar	3.76	0.98	4.74	3.85	0.89	81
21	Hoogly Chinsurah	6.87	4.5	11.37	5.49	5.88	48
22	Islampur	7.72	0	7.72	3.13	4.59	41
23	Jangipur	10.15	1.62	11.77	7.01	4.76	60
24	Jhalda	5.9	3.45	9.35	4.46	4.89	48
25	Jhargram	8.27	3.62	11.89	8.29	3.6	70
26	Joynagar-Mozilpur	4.43	0	4.43	2.61	1.82	59
27	Kandi	0.77	0	0.77	0.4	0.37	52
28	Katwa	16.77	3.64	20.41	18.46	1.95	90
29	Khardah	-0.02	9.09	9.07	9.39	-0.32	104
30	Kharar	5.85	1.8	7.65	2.83	4.82	37
31	Kulti	0.03	0	0.03	0	0.03	0
32	Madhyamgram	2.24	25.6	27.84	16.62	11.22	60
33	Maheshtala	2.11	7.83	9.94	9.94	0	100
34	Mal	9.8	1.9	11.7	5.99	5.71	51
35	Mathabhanga	0.86	2.85	3.71	2.96	0.75	80
36	Nabadwip	13	0	13	2.02	10.98	16
37	North Barrackpore	3.96	1.63	5.59	6.96	-1.37	125
38	Kanchrapara	-0.96	1.62	0.66	1.11	-0.45	168
39	Rajarhat Gopalpur	0.05	0	0.05	0	0.05	0
40	Ranaghat	1.74	5.5	7.24	4.16	3.08	57
41	Siliguri MC	34.49	37.42	71.91	62.27	9.64	87
42	Sonamukhi	7.47	6.05	13.52	6.79	6.73	50
43	South Dum Dum	26.95	9.36	36.31	6.22	30.09	17
44	Taki	5	7.85	12.85	8.36	4.49	65
45	Titagarh	6.68	0	6.68	0.29	6.39	4
46	Tufanganj	6.38	0.18	6.56	4.37	2.19	67
Total		386.00	201.59	587.59	341.10	246.49	58

APPENDIX -25
Statement showing utilisation of 11th Finance grants during the year 2004-05
(vide para : 6.4.1; page: 55)

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Expenditure	Balance	Percentage
		(R u p e e s i n l a k h)					
1.	Arambagh	-23.8	0.5	-23.3	4.88	-28.18	-21
2.	Asansol M.C.	16.96	6.18	23.14	12.94	10.2	56
3.	Ashoknagar Kalyangarh	1.95	0.95	2.9	2.42	0.48	83
4.	Baduria	0	0.45	0.45	0	0.45	0
5.	Bally	57.08	1.7	58.78	47.83	10.95	81
6.	Bankura	6.62	1.2	7.82	7.81	0.01	100
7.	Bansberia	8.07	0.95	9.02	8.02	1	89
8.	Baruipur	8.24	0.4	8.64	8.63	0.01	100
9.	Basirhat	66.01	1	67.01	47.51	19.5	71
10.	Beldanga	11.5	0.22	11.72	8.19	3.53	70
11.	Bishnupur	25.54	0.6	26.14	10.15	15.99	39
12.	Budge Budge	65.62	0.7	66.32	23.63	42.69	36
13.	Burdwan	173.7	2.4	176.1	62.15	113.95	35
14.	Champdani	65.67	1	66.67	11.3	55.37	17
15.	Dalkhola	2.2	0.25	2.45	2.45	0	100
16.	Diamond Harbour	8.34	0.35	8.69	8.61	0.08	99
17.	Dinhata	7.74	0.35	8.09	7.73	0.36	96
18.	Dhupguri	8.55	0.3	8.85	4.55	4.3	51
19.	Dhuliyān	21.46	0.63	22.09	21.91	0.18	99
20.	English Bazar	18.45	1.3	19.75	15.81	3.94	80
21.	Gobardanga	18.92	0.45	19.37	13	6.37	67
22.	Halisahar	12.63	1.1	13.73	13.21	0.52	96
23.	Hoogly Chinsurah	43.39	1.5	44.89	27.88	17.01	62
24.	Islampur	0.03	0.5	0.53	0.03	0.5	6
25.	Jalpaiguri	0.2	0.9	1.1	1	0.1	91
26.	Jangipur	18.72	1.76	20.48	24.82	-4.34	121
27.	Jhalda	9.69	0.25	9.94	9.29	0.65	93
28.	Jhargram	0	0.45	0.45	0.45	0	100
29.	Joynagar-Mozilpur	22.42	0.22	22.64	8.28	14.36	37
30.	Kanchrapara	75.46	1	76.46	24.58	51.88	32
31.	Kandi	0	0.45	0.45	0.45	0	100
32.	Katwa	7.89	0.6	8.49	8.49	0	100
33.	Khardah	11.73	0.9	12.63	12.67	-0.04	100
34.	Kharar	5.17	0.13	5.3	1.96	3.34	37
35.	Kulti	0	49.63	49.63	2.4	47.23	5
36.	Madhyamgram	21.45	1	22.45	29.46	-7.01	131
37.	Maheshtala	73.36	2.7	76.06	75.7	0.36	100
38.	Mal	8.94	0.35	9.29	9.2	0.09	99
39.	Mathabhanga	4.58	0.25	4.83	4.83	0	100
40.	Mekhliganj	3.14	0.15	3.29	2.57	0.72	78
41.	Nabadwip	30.84	1.25	32.09	17.03	15.06	53
42.	Nalhati	8.52	0.3	8.82	5.43	3.39	62
43.	North Barrackpore	43.39	1	44.39	30.76	13.63	69
44.	Old Malda	-1.19	0.45	-0.74	1.09	-1.83	-147
45.	Panihati	6.83	2.6	9.43	9.03	0.4	96
46.	Panskura	14.78	0.45	15.23	15.23	0	100
47.	Rajarhat Gopalpur	10.03	1.5	11.53	3.9	7.63	34
48.	Ramjibanpur	5.66	0.18	5.84	5.03	0.81	86
49.	Ranaghat	-1.05	0.65	-0.4	0.8	-1.2	-200
50.	Siliguri M.C.	47.91	0	47.91	43.84	4.07	92
51.	Sonamukhi	12.56	0.3	12.86	6.74	6.12	52
52.	South Dum Dum	57.3	2.2	59.5	54.28	5.22	91
53.	Taki	4.69	0.3	4.99	4.99	0	100
54.	Titagarh	42.03	1.1	43.13	22.8	20.33	53
55.	Tufanganj	3.3	0.27	3.57	3.41	0.16	96
Total		1173.22	98.27	1271.49	811.15	460.34	64

APPENDIX 26

Statement showing utilisation of MPLAD grants during the year 2004-05

(vide para: 6.5.1; page: 56)

Sl. No.	Name of ULB	Opening Balance	Receipt	Total	Expenditure	Balance	Percentage
		(R u p e e s i n l a k h)					
1.	Asansol M.C.	89.42	1	90.42	66.63	23.79	74
2.	Ashoknagar Kalyangarh	5.15	3	8.15	8.09	0.06	99
3.	Bally	9.32	0.10	9.42	1.58	7.84	17
4.	Bansberia	7.86	1	8.86	6.88	1.98	78
5.	Baruipur	13.79	4.49	18.28	13.46	4.82	74
6.	Basirhat	11.92	103.75	115.67	76.97	38.7	67
7.	Budge Budge	16.4	0	16.4	9.5	6.9	58
8.	Burdwan	44.89	19	63.89	27.76	36.13	43
9.	Champdani	2.55	1	3.55	2.64	0.91	74
10.	Diamond Harbour	0.91	0	0.91	0	0.91	0
11.	Dinhata	6.11	4.98	11.09	4.85	6.24	44
12.	English Bazar	0	7	7	5.25	1.75	75
13.	Gobardanga	3.23	5.28	8.51	2.37	6.14	28
14.	Halisahar	6	8.22	14.22	8.72	5.5	61
15.	Hoogly Chinsurah	8.74	13.64	22.38	15.5	6.88	69
16.	Jhalda	4.7	5	9.7	7.68	2.02	79
17.	Jhargram	16.9	0	16.9	10.73	6.17	63
18.	Joynagar-Mozilpur	0	0.75	0.75	0	0.75	0
19.	Kandi	0.46	0	0.46	0.43	0.03	93
20.	Kanchrapara	-0.3	13.03	12.73	21.06	-8.33	165
21.	Katwa	4.26	2.66	6.92	3.1	3.82	45
22.	Khardah	3.28	66.04	69.32	8.6	60.72	12
23.	Kharar	0	7	7	0	7	0
24.	Kulti	14.91	11.05	25.96	10.09	15.87	39
25.	Madhyamgram	34.75	38.05	72.8	34.76	38.04	48
26.	Maheshtala	167.02	0	167.02	73.05	93.97	44
27.	Mathabhanga	0.49	10.22	10.71	4.26	6.45	40
28.	Mekhliganj	6.37	0	6.37	5.05	1.32	79
29.	North Barrackpore	6.44	18.37	24.81	17.44	7.37	70
30.	Panihati	20.56	13.99	34.55	25.61	8.94	74
31.	Rajarhat Gopalpur	2.59	0	2.59	0	2.59	0
32.	Ranaghat	0.39	0	0.39	3.6	-3.21	923
33.	Siliguri M.C.	26.22	0.64	26.86	15.84	11.02	59
34.	South Dum Dum	38.37	32.29	70.66	51.46	19.2	73
35.	Taki	0	7.86	7.86	1.88	5.98	24
36.	Titagarh	2.51	1	3.51	1	2.51	28
37.	Tufanganj	0	5.97	5.97	5.97	0	100
Total		576.21	406.38	982.59	551.81	430.78	56

APPENDIX – 27

GLOSSARY OF ABBREVIATIONS

BMS	Basic Minimum Service
BOC	Board of Councillors
BPL	Below Poverty Line
CAG	Comptroller and Auditor General of India
CDS	Community Development Societies
CIC	Chair-in-Council
CUDP	Calcutta Urban Development Programme
DFID	Department For International Development
DPSC	District Primary school Council
DWCUA	Development of Women and Children in Urban Area
EFC	Eleventh Finance Commission
ELA	Examiner of Local Accounts
EM	Eastern Metropolitan
IDSMT	Integrated Development of Small and Medium Towns
IRs	Inspection Reports
IT	Income Tax
KMC	Kolkata Municipal Corporation
MED	Municipal Engineering Director
MPLAD	Member of Parliament Local Area Development Scheme
NA	Not available
NHC	Neighbourhood Committee
NSDP	National Slum Development Programme
PWD	Public Works Department
PT	Professional Tax
SBSTC	South Bengal State Transport Corporation
SDC	Slum Development Committee
SJSRY	Swarna Jayanti Shahari Rozgar Yojana
SLSC	State Level Sanctioning Committee
ST	Sales Tax
TCPO	Town and Country Planning Organisation
ULB	Urban Local Body
USEP	Urban Self Employment Programme
UWEP	Urban Wage Employment Programme
WBSEB	West Bengal State Electricity Board