SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

Report of the Comptroller and Auditor General of India for the period ended 31 March 2023

Government of West Bengal
Report No. 6 of 2025
(Compliance Audit-Civil)

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PREFACE

This Report for the year ended 31 March 2023 has been prepared for submission to the Governor of West Bengal under Article 151 of the Constitution of India.

This Report contains significant results of audit of eight Departments and one Corporation in West Bengal.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2022-23, as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports. Matters relating to the period subsequent to 2022-23 have also been included, wherever pertinent.

The audit has been conducted in accordance with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Out of 24 Departments under the jurisdiction of Office of the Principal Accountant General (Audit-II), West Bengal, this Report covers matters arising from compliance audit of eight Government Departments including one Corporation.

The significant Audit observations of this Report are as follows:

Significant Audit Observations

Subject Specific Compliance Audit (SSCA) Report on "*e-Procurement in Finance Department, Public Works Department and Public Health Engineering Department*"

The Government of India e-Procurement System developed by the National Informatics Centre (GePNIC) was envisioned to help State Government buyers as well as suppliers to reduce procurement cycle time and unnecessary paperwork and to enhance transparency. It is a web-based solution intended to be used by Departments of State Governments, Local Bodies and Autonomous Bodies and Public Sector Undertakings under the administrative control of the State Governments.

(Paragraph 2.1)

Absence of MoU/SLA resulted in avoidable risks associated with lack of clarity on roles and responsibilities, timelines and deliverables, and inability on the part of the Government to fix responsibility for any delays in implementation or incomplete/ incorrect implementation of the e-Procurement system.

(Paragraph 2.8.1)

As of 31 March 2023, out of all the State Government Departments, the Parliamentary Affairs Department, 18 PSUs and 68 Autonomous bodies had not registered with the e-Procurement portal.

(Paragraph 2.8.2)

The non-implementation of functionality of evaluation of bids and award of contract in the e-Procurement system resulted in control deficiencies. The sub-module under e-Tendering for 'Negotiation' had not been implemented in the State and hence, had to be carried out in offline mode. As a result, there was no trail maintained in the e-Procurement system about the details of the negotiation process.

(Paragraph 2.8.4 and 2.8.5)

Test check of records showed instances where mandatory online tendering was avoided by splitting works, which resulted in violation of the objective of e-Tendering and created avoidable risks related to potential extension of undue benefits to favored contractors.

(Paragraph 2.8.6)

Test check showed that 139 tenders were issued by other than designated Tender Inviting Authorities (TIA) in four divisions. This indicated that tenders of Circle office and sub-Division offices were improperly published using the organisational ID of other Division offices, representing significant control deficiencies.

(Paragraph 2.9.1)

During 2018-19 to 2022-23, there were 67 instances where bid documents were uploaded using expired DSCs related to 11 documents in three divisions.

(Paragraph 2.9.2)

There were no workflows for Departmental users to verify whether the entered PAN matched the details on the copy of the PAN Card if uploaded. Due to absence of application controls, the system could not restrict participation of bidders in the same tender with same PAN.

(Paragraph 2.9.6)

Minimum bid submission time, as stipulated, had not been enforced by the system, in 4,012 tenders out of 90,928 tenders of PWD and PHED published between 2018-19 and 2022-23. Business rules regarding minimum bid submission time were not mapped into the system in the form of application controls to enforce bid submission time as per executive instructions.

(Paragraph 2.10.1)

In 33,614 tenders published (2018-19 to 2022-23), including 7,137 tenders of PWD & PHED, there was a difference between the tender value recorded in the system and the total value of the related BoQ for the tender. This discrepancy had arisen due to absence of application controls in the system to auto-compute the tender value based on BoQ entered by the TIA.

(Paragraph 2.10.2)

There was no link between the tenders cancelled earlier and the subsequent re-tenders invited in 2nd or subsequent calls. As a result, the trail between the original cancelled tenders and the subsequent tenders called for could not be monitored by higher authorities.

(Paragraph 2.10.3)

In 1,247 tenders of GoWB for the period 2018-19 to 2022-23 with tender value more than ₹10 lakh, the provision of two-bid system had not been enforced by the system.

(Paragraph 2.10.4)

Crucial application control failures were noticed as the system permitted bid openers to decrypt and open financial bids submitted by the bidders, without any record of decryption of their technical bids.

(Paragraph 2.12.1)

In test check of 120 tenders out of 249 tenders in nine (09) selected Sub-Division/Divisions/Circles Offices of PWD and PHED, bidders had not uploaded the non-statutory documents specified as mandatory in the respective NIeTs. The system did not have a provision to upload such documents mandatorily.

(Paragraph 2.12.3)

Out of 90,928 tenders of PWD and PHED published during the period from 2018-19 to 2022-23, the amount of the awarded contract was higher than the L1 bid in 1,291 tenders.

(Paragraph 2.13.1)

Recommendations:

Government should:

- ***Ensure execution of MOU/Service Level Agreement with the agency for implementing the remaining functionalities of the system, and for operations and maintenance functions.***
- ***Ensure that all departments, PSUs and autonomous bodies are on-boarded into the system and use of the portal for tenders valued above the threshold value is made mandatory.***
- ***Develop functionalities for negotiation and mandate the use of the system for the critical processes of Bid Evaluation module and Award of Contract.***
- ***Ensure implementation of appropriate application controls during registration of bidders, to guarantee uniqueness and validity of PANs, mobile numbers and e-mail IDs***
- ***Ensure implementation of application controls to enforce the applicable minimum bid submission period.***
- ***Ensure implementation of application controls to link previously cancelled tenders with subsequent re-tender calls, to facilitate monitoring.***
- ***Ensure mapping of business rules for mandatory adoption of two-bids for tenders with value exceeding ₹10 lakh.***
- ***Implement application controls to enforce robust encryption of bids submitted and maintain a clear system trail to derive assurance that data confidentiality and integrity is preserved.***
- ***Issue necessary instructions to mandate the issue of award of contract only through the e-Procurement system and dispense with the manual award of contract, to minimise the risks of error/ deliberate irregularities by users***

SSCA on "Upgradation and Extension of Tourism facilities under Central/ State schemes by the Department of Tourism, Government of West Bengal"

West Bengal is diverse in its geographical character and encompasses snow-capped peaks of the Himalayas in its north and the unique mangrove eco-system of the *Sundarbans* in its south. The Tourism industry generates employment for the State and contributes revenue including foreign exchange. It can also play an important role in developing backward regions of the State. The Tourism industry of West Bengal has immense potential to bring about socio-economic development in the State.

(Paragraph 3.1)

In absence of any Strategic Plan the Department selected areas for development of tourism without conducting feasibility studies and without having a sustainable model for operation and maintenance of created assets.

(Paragraph 3.6.3)

Even after lapse of four years from WBTP-2019, Tourism Department had not framed detailed guidelines for accreditation of Wellness /Spiritual Centres to ensure quality of service delivery.

(Paragraph 3.6.5.4)

During 2017-23, the Tourism Department had undertaken 471 projects, to be implemented by West Bengal Tourism Development Corporation Limited (WBTDCL) and other agencies. Of these, 330 projects were completed while 141 projects (30 *per cent*) were under progress (as on 31 March 2023). The major reasons for delays were non-availability of encumbrance free land and clearances, instances of poor planning *etc.*

(Paragraph 3.7)

Tourism projects were delayed and could not be put to use due to taking up of projects without any feasibility studies and without ensuring availability of land. Due to faulty planning & lack of maintenance, a facility could not be utilised from the beginning itself, leading to its eventual demolition and infructuous expenditure of ₹ 54.45 lakh.

(Paragraphs 3.7.1.1, 3.7.1.2 and 3.7.1.3)

There were lapses on the part of the Department in taking up renovation and up-gradation of tourism properties which frustrated the objective of increasing the capacity of tourist lodges. Even after expenditure of ₹ 97.64 crore on renovation and up-gradation of tourist lodges, the Department did not apply for categorisation of any of the up-graded tourism properties.

(Paragraph 3.7.1.4)

The Department took up (December 2015) 55 works under Swadesh Darshan at a cost of ₹ 85.39 crore for infrastructure development in the Coastal Tourism Circuit of the State. However, GoWB did not arrange the required land and consequently, nine works with an estimated cost of ₹ 18.43 crore at *Tajpur, Mandarmoni, Henry Island* and wayside amenities between *Kolkata and Digha, Bakkhali* were not taken up.

(Paragraph 3.9.1.1)

Due to lack to requisite permissions, Watch/Life guard towers constructed in CRZ area at *Frazergan*j (February 2018) and *Henry Island* (February 2019) in violation of CRZ guidelines were demolished in September 2021 (at *Henry Island*) and in July 2022 (at *Frazerganj)* by WBTDCL.

(Paragraph 3.9.1.2)

Tourism Department did not hand over the properties created at a cost of ₹ 14.82 crore under Swadesh Darshan Scheme to suitable agencies for their proper operation and maintenance.

(Paragraph 3.9.1.3)

Budget utilization for publicity ranged between 17 to 75 *per cent* during 2017-23. Overall the Tourism Department was unable to spend on an average 52.47 *per cent* of the budget allocated for promotion & publicity during 2017-23. There were instances where grants released to WBTDCL for promotional measures of tourism were utilised (19.44 *per cent*) for other purposes like routine hiring of cars, procurement of Laptop *etc*.

(Paragraph 3.11)

During 2017-23, the Department had not conducted any training programmes under '*Hunar Se Rozgar Tak'* although the fund for such training was to be provided by GoI for upgrading skill. Out of 2,081 Home Stay units and 3,462 Tourist guides, only personnel of 91 Home Stay units and 1,684 Tourist guides were trained during the period 2017-23.

(Paragraph 3.12)

Occupancy of self-managed hotels and tourism properties was below par mainly due to lack of efforts towards promotion of tourism, poor development of associated tourism facilities and for non-acquiring the status of a star category.

(Paragraph 3.14.1)

WBTDCL did not have a documented policy for leasing out properties as well as their management. During September 2003 to August 2022, WBTDCL had leased out 14 properties for varying periods ranging between 1 to 33 years with yearly increase in lease rent varying between nil to 20 *per cent*. However, WBTDCL did not take prompt action against lessees for violating the terms of lease/authorization agreements like recovery of outstanding dues and terminating the contract.

(Paragraph 3.14.2)

Joint Physical Verification of 139 registered home stays in eleven districts along with the officials of Tourism Department showed that 28 of them were found to be used either for other unintended purposes like lodge, restaurant and cultural centres or were non- operational.

(Paragraph 3.16)

Registration of tourism units was reduced by 50 *per cent* and 75 *per cent* under WBIS 2015 and WBIS 2021 respectively, in comparison with the tourism units registered under WBIS 2008. The Inter-Departmental Secretaries Committee to ensure speedy grant of permission and clearances through a single window system for ease of business and release of subsidies within the Scheme, came into existence only in April 2022, after a lapse of six years from the date of notification of WBTP-2016.

(Paragraph 3.17)

Recommendations:

- ***The Department should draw up a strategic plan with long-term and short-term deliverables to implement the vision envisaged in Tourism policies.***
- ***The infrastructure projects should be taken up after a detailed planning process and only after conducting feasibility studies and obtaining land clearance.***

- ***Tourism Department should take immediate steps for effective utilization of assets created under Swadesh Darshan and formulate sustainable model for their operation and maintenance.***
- ***Tourism Department should formulate a plan of action for promotion and publicity to tap the unexplored tourism potential in the State. Besides, it should also take steps for capacity building & development of skilled manpower of people associated with the tourism industry through suitable training programmes.***
- ***The Tourism Department should utilize its Tourism infrastructure optimally by effectively promoting its property and obtaining star categorization.***
- ***The Tourism Department should formulate a policy for leasing out properties to maximise revenue collection as well as promoting tourism.***
- ***The Tourism Department should strengthen its monitoring & review mechanism to ensure that subsidies are disbursed only after ascertaining availability of the required amenities as per Home Stay Policy.***
- ***The Department should encourage hoteliers to engage permanent employee to avail additional incentives on generation of employment.***

Individual observations of Compliance Audit

Unnecessary delay in initiating the tendering process and imprudent decision of not accepting competitive rates, resulted in non-collection of tolls on the bridge over river *Ajay,* which led to loss of revenue of ₹ 6.36 crore.

(Paragraph 4.1)

Inordinate delay on part of the Department of Industry, Commerce and Enterprises, in deciding upon the authority for assessing and realising the water rate from the lessees of major minerals, resulted in loss of revenue of ₹ 15.02 crore.

(Paragraph 4.2)

Non-conduct of proper investigations before taking up renovation of a 70-year-old Minor Irrigation Scheme, resulted in damage to the project within three months of the work, and the entire expenditure of ₹ 1.56 crore remaining unfruitful.

(Paragraph 4.3)

Due to the lackadaisical attitude of the Irrigation & Waterways Department and lack of action on the part of the Hooghly River Bridge Commissioners with regard to ensuring timely deposit of Service Tax, the State had to bear avoidable financial burden of ₹ 10.24 crore, in the form of interest and penalty for delayed payment of Service Tax.

(Paragraph 4.4)

In violation of the West Bengal Financial Rules, the MSME&T Department cancelled the initial Notice Inviting Tender, and incurred excess expenditure of ₹ 3.81 crore towards procurement of Frame Looms and Accessories in the subsequent tender. Further, the Bidder was awarded the contract without submitting the requisite Small-Scale Industries (SSI) registration.

(Paragraph 4.5)

Inability of the Department in taking over a *Rural Haat*, as also in allotting stalls to the intended beneficiaries, even after five years of its completion, led to unproductive expenditure of ₹ 2.44 crore.

(Paragraph 4.6)

Non-selection of suitable land and lack of timely action led to inordinate delay in completion/ operationalisation of a project and blockage of funds. Further, delay in operationalisation of another project led to unfruitful expenditure of ₹ 1.31 crore. Consequently, the industrial units remained deprived of the envisaged benefits from the project.

(Paragraph 4.7)

The objectives of the Rural Craft Hub scheme could not be achieved, even after six years from the date of signing of the agreement, resulting in unfruitful expenditure of ₹ 12.05 crore.

(Paragraph 4.8)

Inability of the Public Health Engineering Department to operate a tube well, resulted in unfruitful expenditure of ₹ *0.81 crore.*

(Paragraph 4.9)

Poor planning and inefficient project management led to the collapse of an Over Head Reservoir (OHR) and non-utilisation of six completed OHRs, resulting in wasteful /unfruitful expenditure of ₹ 7.79 crore. The objective of providing piped water to the population of three Arsenic affected blocks, was also not achieved.

(Paragraph 4.10)

Public Works Department (PWD) did not consider the latest PWD Schedule of Rates (SoR), for construction of two roads with interlocking paver block pavement and thereby, incurred avoidable expenditure of ₹ 3.04 crore.

(Paragraph 4.11)

Public Works Department (PWD) in contravention of MoRTH specifications and Departmental Guidelines, did not cover the executed road works with proper layering course for more than two years, which led to damage of the road costing ₹ 1.82 crore.

(Paragraph 4.12)

The Public Works Department, in deviation from the IRC guidelines, laid bituminous layers of higher specification without justification resulting in avoidable expenditure of ₹ 1.16 crore.

(Paragraph 4.13)

Delays were noticed in planning and execution of projects undertaken by WBTIDCL. Moreover, WBTIDCL did not deduct liquidated damages of

₹88 lakh from the contractors. There were also deficiencies in the implementation of JnNURM and GATIDHARA schemes, leading to non-recovery of ₹ 102.42 crore from private bus operators and ₹ 32.85 crore from the beneficiaries respectively. Joint Ventures entered into by WBTIDCL did not fulfil desired objectives.

(Paragraph 4.14)

CHAPTER-I

Overview of Audit

CHAPTER - I

Overview of Audit

1.1 Introduction

This Report covers matters arising out of audit of State Government Departments and Autonomous Bodies (ABs) under the audit jurisdiction of the office of the Principal Accountant General (Audit-II), West Bengal.

As of 30 September 2023, there were 58 Administrative Departments headed by Additional Chief Secretaries/ Principal Secretaries/ Secretaries, who are assisted by Directors/ Commissioners/ Chief Engineers and other subordinate officers in the State of West Bengal. The jurisdiction of this office relates to functioning of 24 Departments ***(Appendix-1.1)*** and 34 ABs ***(Appendix-1.2)***.

Of the total expenditure of ₹ 46,687.22 crore incurred by these Departments during 2022-23, a major portion (83.73 *per cent*) was cumulatively incurred by Food and Supplies (31.13 *per cent*), Agriculture (17.12 *per cent*), Public Works (15.11 *per cent*), Public Health Engineering (7.81 *per cent*), Power (7.17 *per cent*) and Irrigation and Waterways (5.39 *per cent*) Departments. The comparative position of expenditure incurred by different Departments during the period 2020-21 to 2022-23 is given in **Table 1.1**.

Table 1.1: Trend of expenditure over three years

(₹ in crore)

Sl. No.	Name of the Department	2020-21	2021-22	2022-23	*Per cent* of total expenditure incurred in 2022-23
1.	**Agriculture**	**2,977.96**	**6,581.23**	**7,995.07**	**17.12**
2.	Agriculture Marketing	69.47	88.48	121.22	0.26
3.	Animal Resource Development	725.38	855.09	964.08	2.06
4.	Consumer Affairs	79.09	74.07	102.93	0.22
5.	Co-operation	412.25	608.32	540.33	0.16
6.	Environment	27.00	35.93	30.17	0.06
7.	Fisheries	241.78	207.63	235.42	0.50
8.	**Food & Supplies**	**9,624.41**	**13,393.60**	**14,533.33**	**31.13**
9.	Food Processing Industries and Horticulture	70.91	90.25	105.53	0.23
10.	Forest	589.29	622.86	636.42	1.36
11.	Industry, Commerce and Enterprises	14.11	394.33	274.39	0.59
12.	Information & Cultural Affairs	539.78	518.02	546.72	1.17
13.	Information Technology & Electronics	120.87	98.57	775.08	1.66
14.	**Irrigation & Waterways**	**1,845.72**	**2,255.66**	**2,514.95**	**5.39**
15.	Micro, Small & Medium Enterprises and Textiles	407.58	392.43	539.55	1.16
16.	Non-Conventional and Renewable Energy Sources	5.58	34.52	16.66	0.04
17.	**Power**	**2,019.74**	**3,404.26**	**3,349.65**	**7.17**

Sl. No.	Name of the Department	2020-21	2021-22	2022-23	*Per cent* of total expenditure incurred in 2022-23
18.	Public Enterprises & Industrial Reconstruction	188.44	34.28	30.20	0.06
19.	**Public Health Engineering**	**1,743.16**	**4,731.19**	**3,644.12**	**7.81**
20.	**Public Works**	**5,526.16**	**6,016.94**	**7,054.90**	**15.11**
21.	Science and Technology and Biotechnology	17.57	33.18	31.11	0.07
22.	Tourism	116.11	121.90	124.22	0.27
23.	Transport	1,475.33	1,570.63	1,428.01	3.06
24.	Water Resources Investigation & Development	930.90	990.90	1,093.16	2.34
	Total	**29,768.59**	**43,154.27**	**46,687.22**	

(Source: Appropriation Accounts of Government of West Bengal for the relevant years)

This chapter provides the audited entity's profile, planning for and extent of audit and response to Audit by various Departments.

1.2 About this Report

Audit findings arising from Compliance audit of eight Government Departments including one Corporation under the audit jurisdiction of this Office are included in this Report. Compliance Audit covers examination of transactions relating to expenditure of the audited entities to ascertain whether the provisions of applicable laws, rules, regulations and various orders and instructions issued by the competent authorities are being complied with.

1.3 Authority for Audit

The mandate for audit by the Comptroller and Auditor General of India (CAG) is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) (DPC) Act, 1971. The Audit of expenditure of the Departments of Government of West Bengal was conducted under Section 13[1] of the CAG's (DPC) Act. In addition, the CAG is the sole Auditor in respect of Autonomous Bodies which are audited under Sections19(2)[2], 19(3)[3] and 20(1)[4] of the CAG's (DPC) Act. Moreover, CAG also conducts audit of other Autonomous Bodies, under Section 14[5] of CAG's (DPC) Act, which are substantially funded by the Government.

[1] *Audit of (i) all transactions from the Consolidated Fund of the State, (ii) all transactions relating to the Contingency Fund and Public Accounts and (iii) all trading, manufacturing, profit and loss accounts, balance sheets and other subsidiary accounts.*

[2] *Audit of accounts of Corporation (not being companies) established by or under law made by Parliament in accordance with the provisions of the respective legislations.*

[3] *Audit of the accounts of corporations (not being companies) established by or under law made by the State Legislature at the request of the Governor.*

[4] *Audit of accounts of anybody or authority on the request of the Governor, on such terms and conditions as may be agreed upon between the CAG and the Government.*

[5] *Audit of (i) all receipts and expenditure of a body/authority substantially financed by grants or loans from the Consolidated Fund of the State and (ii) all receipts and expenditure of anybody or authority where the grants or loans to such body or authority from the Consolidated fund of the State in a financed year is not less than ₹ one crore.*

Principles and methodologies for various audits are prescribed in the Auditing Standards and the Regulations on Audit and Accounts issued by the CAG.

1.4 Planning and Conduct of Audit

The audit process starts with assessment of risks faced by various Departments of the Government based on expenditure incurred, criticality/ complexity of the activities, level of delegated financial powers, assessment of overall internal controls and concerns of the stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of audit are decided.

An Annual Audit Plan is formulated to conduct audit on the basis of such risk assessment. After completion of audit of each unit, Inspection Reports (IRs) containing audit findings are issued to the Heads of the entities. The entities are requested to furnish replies to audit findings within one month of receipt of the IRs. Wherever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations included in the IRs are processed for inclusion in the Audit Report.

1.5 Response to Audit

Fourteen Audit paragraphs and two[6] Subject Specific Compliance Audits (SSCAs) included in this Report, were forwarded (between March 2023 and February 2024) to Additional Chief Secretary/ Principal Secretaries/ Secretaries of the Departments concerned with a request to send their responses. Departmental replies in respect of ten audit paragraphs and two SSCAs were received till date (February 2025). The responses of concerned Departments as well as replies to initial audit memos, wherever received, have been suitably incorporated in the Report.

Audit Reports for the last five years i.e. 2018-19 to 2022-23 were sent to the State Government between May 2021 and November 2024 for tabling in the State Legislature. However, four reports pertaining to the year 2020-21 (one), 2021-22 (two) and 2022-23 (one) have not yet been (February 2025) laid. Details of the Reports handed over to the State Government for laying in the State Assembly are shown in ***Appendix-1.3***.

Though the Audit Reports for the year 2006-07 to 2019-20 were presented to the State Legislature between March 2008 and March 2022, replies for 191 paragraphs are yet to be received from 18 Departments under the audit jurisdiction of this office. Status of the pending replies as on 30 September 2023 is given in ***Appendix-1.4***.

As stipulated in the Rules of Procedure of the Committee on Public Accounts (PAC), the Administrative Departments are required to take suitable action on the recommendations made in the Reports of PAC presented to the State Legislature and submit comments on the action taken or proposed to be taken on those recommendations, within six months. Action Taken Notes on 12 paras contained in 11 Reports of the PAC presented to the Legislature between July

[6] *Upgradation and extension of Tourist facilities under Central/ State schemes by Department of Tourism, Government of West Bengal and e-procurement in Finance Department, Public Works Department and Public Health Engineering.*

1999 to June 2014 had not been submitted by four Departments[7] to the Assembly Secretariat as of 30 September 2023.

Inspection Reports issued till 30 September 2023 to 24 Departments were reviewed and it was observed that 4,317 paragraphs relating to 1,200 IRs remained outstanding at the end of September 2023 ***(Appendix-1.5)***.

1.6 Placement of Separate Audit Reports of Autonomous Bodies

Separate Audit Reports (SARs) are the audit reports of the CAG on accounts of ABs. These reports are to be laid before the State Legislature as per the provisions of the respective Acts.

The status of placement of SARs issued by the CAG (up to September 2023) on the accounts of ABs in the State Legislature is shown in ***Appendix-1.6***. 76 SARs in respect of the nine ABs were issued to Government during August 2011 to September 2023. These are yet to be placed in the State Legislature.

[7] *Food and Supplies Department, Public Works Department, Tourism Department and Transport Department.*

CHAPTER-II

Subject Specific Compliance Audit on "e-Procurement in Finance Department, Public Works Department and Public Health Engineering Department"

CHAPTER - II

FINANCE DEPARTMENT, PUBLIC WORKS DEPARTMENT AND PUBLIC HEALTH ENGINEERING DEPARTMENT

Subject Specific Compliance Audit on "*e-Procurement in Finance Department, Public Works Department and Public Health Engineering Department*"

2.1 Introduction

Electronic procurement (e-Procurement) refers to the use of information technology by the procuring entity for conducting the procurement process to acquire goods, works and services. Use of information technology promotes the objectives of an open, non-discriminatory and efficient public procurement system through transparent procedures.

E-Procurement was a Mission Mode Project (MMP) approved by the Ministry of Commerce, Government of India (GoI), under the National e-Governance Plan (NeGP). The Government e-Procurement System developed by the National Informatics Centre (GePNIC) was envisioned to help State Government buyers as well as suppliers to reduce time taken, avoid unnecessary paperwork and enhance transparency. The e-Procurement system is a web-based solution intended to be used by State Government Departments, Local Bodies, Autonomous Bodies and Public Sector Undertakings (PSUs) under the administrative control of the State Governments.

GePNIC was developed by NIC in 2007 using Open-Source tools[8]. The System was built by using the following components: (i) Operating System: Linux (ii) Web Server: Apache Tomcat (iii) Data base: PostgreSQL (iv) Front End: Java/ J2EE.

Government of West Bengal (GoWB) made e-Procurement through the GePNIC portal (http://wbtenders.gov.in) mandatory from 25 June 2012, for tenders valued at ₹ 50 lakh and above.

As on 31 March 2023, 9,75,996 tenders with a total tender value of ₹ 5,23,297.19 crore[9] had been floated through the e-Procurement portal in the State. In addition, 36,449 officials were registered as Departmental Users and 1,72,303 bidders were registered as Bidders on the portal as of March, 2023. Out of 54 Departments of the State, 52 Departments (except for Parliamentary Affairs and Law) had floated tenders using the portal.

As per guidelines of the MMP, a 'State Level Core Committee' (SLCC) was constituted (July 2012) by Government of West Bengal for monitoring the tendering related activities through the e-Procurement portal.

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[8] *Open-source tools are software tools that are freely available without a commercial license.*

[9] *except test tenders and Notices Inviting Quotation.*

2.2 System workflow

As per Para 2.4 of System Requirement Specification (SRS) developed for the e-Procurement portal by NIC, the workflow of GePNIC was to consist of the following processes:

(a) Registration of users *i.e.*, (i) procuring entities and (ii) bidders/suppliers/contactors.

(b) Creation and Publication of e-tenders by procuring entities.

(c) Submission of bids by bidders/suppliers/contactors.

(d) Opening of technical bids by the authorised bid openers of the procuring entities.

(e) Evaluation of technical bids by the Technical Evaluation Committees.

(f) Opening of financial bids by the authorised bid openers of the procuring entities.

(g) Evaluation of financial bids by the Financial Evaluation Committees.

(h) Award of contract (AoC).

(i) Retendering: The system was to facilitate the option of retendering, through Corrigendum.

(j) Reporting: The system was to generate reports[10] to cater to various requirements.

All the data available in the e-Tendering system including that of West Bengal was stored centrally in the National Data Centre, New Delhi (NDCSP) and to deal with unprecedented adverse events, another back-up data centre was maintained at the National Data Centre, Hyderabad.

2.3 Audit Objectives

A Subject Specific Compliance Audit (SSCA) on e-Procurement in two Departments of the State[11], Public Works Department (PWD) and Public Health Engineering Department (PHED) was taken up to assess whether: –

- *the e-Procurement system had been effectively implemented and efficiently utilised to achieve the objectives of promoting competition, transparency and accountability.*
- *applicable business rules had been correctly mapped into the system.*
- *completeness, integrity and reliability of data in the system had been ensured through implementation of controls in the system.*

2.4 Scope of Audit

The SSCA covered implementation and utilisation of e-Procurement by the PWD and PHED under the GoWB, during the period 2018-19 to 2022-23. Analysis of the database provided by the Finance Department and data/information uploaded onto the portal by departmental offices and bidders was also conducted by Audit during June to October 2023. Data, wherever required, was verified through field audit in the respective departmental offices to substantiate audit findings.

[10] *User Management Reports, Tender Management Reports, Bid Management Reports and Statistical Reports.*

[11] *These are the two major departments where huge number of tenders were floated through e-tendering portal.*

During the audit period of 2018-19 to 2022-23, total of 6,91,670 tenders with value of ₹ 3,47,963.33 crore were published by various Departments of GoWB. This includes 37,144 published tenders of PWD of tender value of ₹ 45,807.91 crore and 53,784 published tenders of PHED of tender value of ₹ 54,475.20 crore.

2.5 Audit Sample

Out of the above, 90,928 tenders (13.15 *per cent* of the total number of e-tenders published in the audit period) valued at ₹ 1,00,283.11 crore belonging to the two selected Departments *i.e.,* PWD and PHED were included in the scope of Audit.

There were total of 496 Tender Inviting Authorities (TIAs) including 418 in PWD and 78 in PHED. Of these, 10 TIAs of PHED and Seven of PWD were selected for detailed Audit, based on risk assessment and stratified random sampling.

These 17 offices had issued 4,809 tenders with a tender value of ₹ 4,081.73 crore between 2018-19 and 2022-23. Out of which, based on risk assessment from data analysis, Audit selected 341 tenders with tender value of ₹ 304.60 crore, for detailed verification.

2.6 Sources of Audit Criteria

Audit criteria applicable for the SSCA were drawn from the following sources:

- West Bengal Financial Rules
- Applicable Rules/Regulations/Orders/Notifications issued by the Finance Department, PWD and PHED of the Government of West Bengal, from time to time
- Compendium of General Circulars/Instructions issued by the Finance Department, Government of West Bengal
- Public Works Department Code
- IT Act 2000, as amended from time to time
- e-Procurement general guidelines of GePNIC and Guidelines for Compliance to Quality Requirements of e-Procurement System
- Central Vigilance Commission Circulars and Guidelines

2.7 Audit Methodology

Audit methodology involved:

- Entry Conference that was held on 30 June 2023 with the Finance Department, PWD, PHED and NIC to share with them, the audit objectives, criteria, scope and methodology of audit.
- Analysis by using Computer-Assisted Audit Techniques (CAATs) like IDEA[12], PostgreSQL[13] of the data dump of GePNIC obtained from the Finance Department for PWD and PHED.
- Field audit involving scrutiny of records/ files, collection of documentary and electronic evidence based on review of sampled tenders in respect of selected 17 offices (***Appendix-2.1***).

[12] *Interactive Data Extraction and Analysis application.*

[13] *It is an open-source relational database management system.*

Audit findings, conclusion and recommendations were discussed in an Exit Conference with the Finance Department, PWD, PHED and NIC on 19 February 2024 and replies received from the Departments have been suitably incorporated in the report.

Audit Findings

2.8 Project Management and Execution

2.8.1 Absence of MoU & Service Level Agreement between Government of West Bengal and National Informatics Services

Para 3 of Guidelines (August 2011) issued by Standardization Testing and Quality Control (STQC) Directorate of the Ministry of Electronics and Information Technology (MeITY), GoI prescribes that a Memorandum of Understanding (MoU) should be entered into by the purchase organisation and the service provider, for implementing the e-Procurement system.

Further, as per para 2.10.6 of guidance note of MeITY, a Service Level Agreement (SLA) is an essential part of any outsourcing project. It defines the boundaries of the project in terms of functions and services that the service provider will give to its client, the volume of work that will be accepted and delivered, acceptance criteria for responsiveness and quality of deliverables. A well-defined SLA correctly sets expectations & provides targets for accurately measuring performance against stated objectives.

Besides, as per para 2.10 of the said guidelines, SLAs define the quality and timeliness of service delivery during the Operations and Maintenance (O&M) phase of a project along with outlining penalties applicable for failures in service delivery.

Audit noticed that as of March 2023, neither an MoU nor SLA were entered into by Government of West Bengal (GoWB) with NIC, for the implementation of the e-Procurement system. The absence of the MoU and SLA resulted in avoidable risks associated with lack of clarity of roles and responsibilities, timelines and deliverables for both the parties, and inability on the part of the State Government to fix responsibility for any delays in implementation or incomplete/ incorrect implementation of the e-Procurement system.

On being pointed out, Finance Department replied (July 2023) that the copy of the SLA was not available.

2.8.2 Non-utilization of e-Procurement system by all State Government Departments, PSUs and Autonomous Bodies

As per Para 2.4.1 of the System Requirement Specification (SRS) for e-Procurement, the stakeholders of the system such as the TIAs and bidders had to register themselves with the e-Procurement system, to participate in procurement activities.

As of 31 March 2023, 87[14] entities (State Government Departments, their sub-ordinate offices, Autonomous Bodies, Local Bodies, PSUs *etc.*) had registered

[14] *Excluding (i) NIC and (ii) Admin.*

themselves with the e-Procurement portal. The dates of the first e-tenders created by these entities are listed in ***Appendix-2.2***.

Audit noticed that out of all the State Government Departments, the Parliamentary Affairs Department[15] had not registered with the e-Procurement portal and that the Law Department had not published any e-tenders, as of 31 March 2023. At the level of PSUs and Autonomous Bodies, 18 PSUs and 68 Autonomous bodies had not registered with the e-Procurement portal, as depicted in ***Appendix-2.3***.

The non-utilisation of the e-Procurement system by these Government Departments, PSUs and Autonomous Bodies indicated that the benefits from the use of the application had not yet uniformly accrued to all applicable entities within the State Government.

2.8.3 Irregularities in MoU between GoWB and ICICI Bank

As per the Mission Mode Project (MMP) implementation guidelines (July 2011), two banks *viz* State Bank of India (SBI) and Axis Bank were integrated with the e-Procurement portal, for online payment of Earnest Money Deposit (EMD). The guidelines further specified that the Government may include any other bank for online payment for which it would have to enter into an MoU with the concerned bank. Initially, the payment gateway of SBI was integrated with the e-Procurement system, to enable online payments. Subsequently, on the recommendation of the State Level Core Committee (SLCC), the e-Procurement portal was integrated (July 2016) with the payment gateway of ICICI for deposit and refund of EMD of the bidders participating in e-Procurement.

As per clause **'A'** of the MoU between the State Government and ICICI Bank, the MoU was valid for two years from the date of signing of the agreement (July 2016). The MoU was to be renewed subsequently by mutual consent of both the parties. However, Audit observed that the MoU, which was due to be renewed in July 2018 and every two years thereafter, had not been renewed (as of February 2024), despite the fact that the payment gateway of ICICI was still being utilized on the portal. This raises the risk that in case of any disputes in the payment process of the e-Procurement portal, the Government would be unable to fix any responsibility, in the absence of an MoU with its attendant terms and conditions.

During the Exit Conference (February 2024), Government stated that the MoU would be renewed.

2.8.4. Non-implementation of functionalities for evaluation of bids and award of contract through the e-Procurement system

As per SRS, the processes of evaluation of bids (technical and financial) and award of contract were to be implemented through the e-Procurement system as shown in **Chart-2.1**.

[15] *Enlisted Department of West Bengal as per official website 'Egiye Bangla' https://wb.gov.in*

Chart 2.1: Bidding systems as per SRS

Audit observed that in practice, the procuring entities were utilising the e-Procurement system for tender creation, tender publication, corrigendum, bid submission and opening of bids through the system.

However, the processes of evaluation of tenders and award of contract were being carried out outside the system, with manual processing by all entities because the functionality of evaluation of bids had not been built in the system. The evaluation of bids was carried out in offline mode by the Evaluation Committees and only the scanned copy of the summary sheet of evaluation was being uploaded into the e-Procurement system. The contract was awarded to the selected bidder in offline mode by the competent authority and only the scanned copy of the contract awarded was being uploaded into the e-Procurement system.

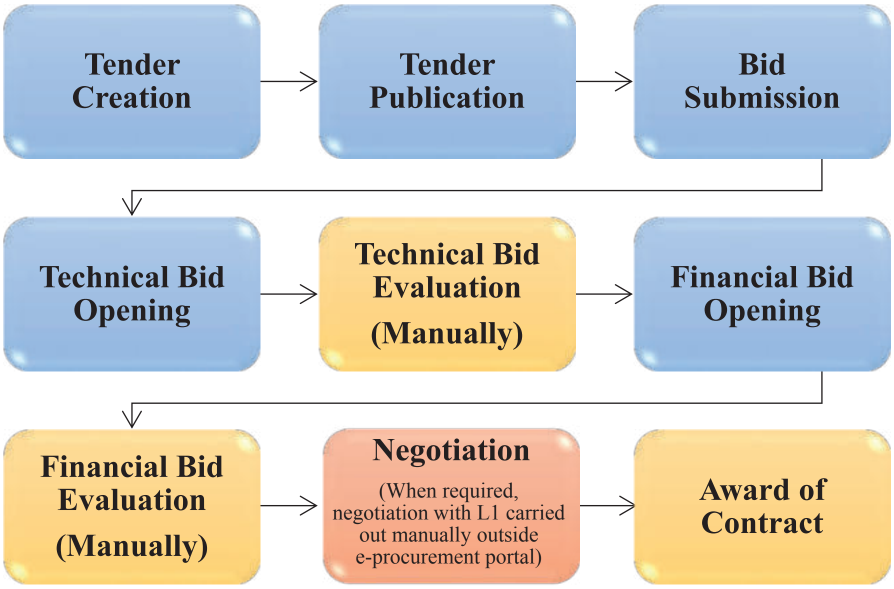
The non-implementation of functionality of evaluation of bids and award of contract in the e-Procurement system resulted in control deficiencies, since the application controls in the system were intended to enforce the applicable business rules for these crucial processes. Without introducing the e-Procurement system for these processes, the material risks of error/ deliberate extension of undue benefits to favoured bidders during the procurement process remained. In these circumstances, the responsibility of ensuring compliance with the Rules remained on individual users instead of shifting it to the system and hence, this primary objective of implementing the e-Procurement system had not yet been achieved.

Audit noticed that the evaluation of bids outside the system had resulted in deficiencies, as discussed in ***Para 2.12.3***. The absence of mandatory generation of Award of Contract (AoC) (as specified in the SRS) through the system had resulted in deficiencies, as discussed in ***Para 2.13***.

2.8.5 Absence of functionality for 'Negotiation' in the e-Procurement system

Central Vigilance Commission Circular (January 2010) allows negotiation with L1 Bidder. Subsequently, Public Works Department issued notification (March 2017) with the concurrence of Finance Department, GoWB, whereby post-tender negotiation was allowed under exceptional circumstances with L1 bidder only. Further, as per SRS and workflow chart of e-Tendering, for the two-cover system, 'Award' of contract was to be carried out after 'Financial Bid Evaluation' as shown in **Chart 2.2** below:

Chart 2.2: Workflow of e-Tendering Process



However, Audit observed that sub-module under e-Tendering for 'Negotiation' had not been implemented in the State despite being provided in SRS (Chart 2.2) and hence, had to be carried out in offline mode. As a result, there was no trail maintained in the e-Procurement system about the details of the negotiation process and the entirety of the process, from floating of tender to award, was not being captured in the system. Audit noticed that records pertaining to cases[16] where negotiations had been carried out in the test checked divisions had been maintained outside the system and were not part of the e-Procurement database.

PHED admitted (June 2024) that as system enabled negotiation was not available in the e-Procurement module, negotiations with L1 bidders were made offline by the TIAs and the resulting decreased tender values were entered into the system subsequently as part of the uploaded scanned copy of the awarded contract.

2.8.6 Splitting of works to avoid e-Tendering

As per GoWB Notification (August 2013), the threshold for mandatory e-Tendering through the centralised e-Tender Portal was revised and reduced from ₹ 50 lakh to ₹ 5 lakh. The Notification of July 2022 further reduced this limit from ₹ 5 lakh to ₹ 1 lakh. As per Memorandum (July 2018) of the GoWB,

[16] *cases in PHED*

splitting of works/tenders was allowed, under exceptional circumstances, after taking approval of the Administrative Department, in cases where the primary consideration of splitting was expediting the execution of work.

Test check of records in 17 Divisions of PWD showed that in two Divisions, there were 34 tenders[17] which were floated offline by splitting 14 works to avoid the threshold limit (*i.e.*, ₹ 5.00 lakh upto July 2022 and ₹ 1.00 lakh thereafter) of mandatory e-tendering. Consecutive number of tender IDs were allotted to the same agency in numerous cases[18] in manual mode. Further, scrutiny of records of the above tenders did not indicate that the splitting had been done to expedite the said works and that administrative approval of the concerned department had been obtained. Thus, by splitting the above works, mandatory online tendering was circumvented, which resulted in violation of the objective of e-Tendering and created avoidable risks related to potential extension of undue benefits to favored contractors.

In reply, both the Sub-Divisions of PWD accepted (July 2023) the observation and stated that this would be taken into consideration to avoid such incidents in future.

During the Exit Conference (February 2024), Government opined that splitting was necessary but the reasons for splitting should be properly documented and it should not be done to avoid e-tendering.

2.8.7 Deficiencies in monitoring by the State Level Core Committee

Department of Commerce, GoI is the central body which monitors implementation of e-Procurement as a Mission Mode Project (MMP) under National e-Governance Plan in States/ UTs. The implementation phase of MMP was from 2011-12 to 2015-2016 (5 years). As per the MMP, a State Level Core Committee (SLCC) headed by Secretary/ Special Secretary, Finance Department was to be set up by the implementing States to take swift decisions relating to implementation of e-Procurement. Accordingly, an SLCC was constituted in July 2012 by GoWB and reconstituted in January 2014 for implementation of the e-Procurement system. However, scrutiny of records at the Finance Department indicated that the SLCC had not been functional between 2019-20 and 2023-24, indicating poor oversight and monitoring at the State level.

Recommendations:

Government should:

1. ***ensure execution of MoU/ Service Level Agreement with the agency for implementing the remaining functionalities of the system, and for operations and maintenance functions.***
2. ***ensure that all departments, PSUs and autonomous bodies are on-boarded into the system and use of the portal for tenders valued above the threshold value is made mandatory.***
3. ***develop functionalities for negotiation and mandate the use of the system for the critical processes of Bid Evaluation module and Award of Contract.***

[17] *16 tenders in O/o the AE, Raiganj Sub-Division-I (PWD) and 18 tenders in O/o the AE, Raiganj Sub-Division-III (PWD).*

[18] *12 contractors in Assistant Engineer I & II, Raigunj Subdivisions, PWD.*

2.9 User Management

The stakeholders of the system such as the Tender Inviting Authorities and the bidders must get themselves registered in the system to carry out their procurement activities. Every user is first identified by a unique user ID and a password is sent to his email, which is followed by registration of his Digital Signature Certificate (DSC)[19] for subsequent authentication, every time the user logs in to upload tenders, required documents *etc.*

2.9.1 Irregular Publishing of e-Tender

Finance Department issued Memoranda from time to time[20] defining the financial power of Chief Engineers, Superintending Engineers, Executive engineers etc. for 'technical sanction' and 'tender acceptance' in case of Work Execution Departments. Offices of the TIAs were mapped in the eprocurement portal for inviting tenders and ensuring fair competition amongst prospective bidders. Unique organisation IDs were also mapped for each TIA office (Actualorgid) into the system.

The designated TIA of a Division office is the Executive Engineer. Analysis of data showed that in four Divisions[21] of the PHED, during 2018-19 to 2022-23, tenders relating to a particular Division were published by other than the designated TIA *i.e.*, Executive Engineer as detailed in ***Appendix-2.4***. Summarised details are below:

Table 2.1: Presence of tenders which were invited by Superintending Engineer and Assistant Engineers in Division offices

Name of the offices of PHED	Designated Tender Inviting Authority	Total Tenders Published during 2018-23	Break up of tenders by Tender Inviting Authority		
			Superintending Engineer (non-TIA)	Executive Engineer	Assistant Engineer (Non-TIA)
Eastern Mech.Division (Under Mechanical Circle - III) (Actualorgid=864)	Executive Engineer	775	-	700	75 (21 tenders were related to BMSD, PHED sub-division under Bankura Mechanical Division)
Bankura Division (Under WESTERN CIRCLE) (Actualorgid=827)	Executive Engineer	34	4	30	-
Electrical Division (Under Mechanical Circle – I) (Actualorgid=859)	Executive Engineer	741	-	687 (2 tenders were of another Division, *i.e.*, SMD, PHED) (Non-TIA)	54 (50 tenders were related to HMSD, PHED sub-division under Electrical Division, PHED)

[19] *A Digital Signature Certificate is an electronic signature that can be used to authenticate the identity of the sender of a message or the signer of a document, and possibly to ensure that the original content of the message or document that was sent is unchanged. Digital signatures are easily transportable, cannot be imitated by someone else, and can be automatically time-stamped.*

[20] *5458 f(Y) dated 27.06.2012, 30 F(Y) dated 05.01.2021, 2320 f(Y) dated 07.06.2022.*

[21] *(i) Eastern Mechanical Division (ii)Bankura Division (iii) Electrical Division and (iv) Bankura W/S Division.*

Name of the offices of PHED	Designated Tender Inviting Authority	Total Tenders Published during 2018-23	Break up of tenders by Tender Inviting Authority		
			Superintending Engineer (non-TIA)	Executive Engineer	Assistant Engineer (Non-TIA)
Bankura W/S Division (Under Bankura W/S Circle) (Actualorgid=8194)	Executive Engineer	4	2 (2 tenders were related to Murshidabad Circle, PHED)	2	-
Total tenders published by non-TIAs			**6**	**4**	**129**

It is evident from the above that the unique organisation ID of a TIA (Executive Engineer) was incorrectly mapped with other TIAs (Superintending Engineer and Assistant Engineer) in these four Divisions. As a result, 139 tenders were issued by other than designated TIA in these four divisions. Further, despite having its own designated TIAs in the Division, TIAs from Circle and sub-division offices used the organisation ID of Division offices.

Therefore, tenders of Circle office (TIA- Superintending Engineer) and sub-Division offices (TIA- Assistant Engineer) were improperly published using the organisational ID of other Division offices. This represented a significant control deficiency.

PHED replied (June 2024) that the unique login credential of a TIA had been shared with other TIAs in cases where the Executive Engineer was transferred from one Division to another but was holding additional charge of the previous Division.

However, PHED did not comment on the tenders published by Assistant Engineers and the Superintending Engineers in the Division Offices.

2.9.2 Absence of application controls to prevent the use of expired DSCs

Digital Signature Certificates were mapped with individual user IDs and have a validity period specified by the Certifying Agencies. The system was required to have application controls to prevent expired DSCs from being used to digitally sign crucial documents in the e-tender process.

Audit examined the database and noticed that during the period 2018-19 to 2022-23, there were 67 instances where bid documents were uploaded using expired DSCs related to 11 documents in three divisions.

This indicated that this crucial application control had not been implemented in the e-Procurement system and created the avoidable risk of use of invalid DSCs.

2.9.3 Irregular issue of DSCs, in violation of delegation of powers

As per Guidelines (August 2011) issued by the MeITY, GoI, for compliance to Quality requirements of e-Procurement Systems, important electronic records of e-Procurement application like tender notice, corrigenda, tender documents, addenda, clarifications to tender documents, bids *etc*. were to be electronically signed. The guidelines further stipulated that there should be provision in the system to verify the electronic signature.

As per GoWB notification (May 2012), the DSC which was essential for e-Tendering, was to be obtained from NIC, which was also acting as the Certifying Authority.

Audit observed that DSC had been issued to Estimators and Junior Engineers in eight PHED offices[22] out of 10 selected offices of PHED. As the Estimators/ Junior Engineers were not eligible to be nominated as members of the evaluation committees for tenders or as TIAs, the issue of DSCs to them was irregular.

On this being pointed out, PHED stated (June 2024) that though Estimator/ Junior Engineer were not included either in the evaluation committee or in the tender inviting authority, they were only discharging duties for compilation of all information based on the uploaded documents by bidders for representing a consolidated technical summary before the bid Evaluation Committee. The accountability of the Estimator/ Junior engineer is warranted by using their DSC and recording their signature on the compilation sheet for further reference and other purpose.

The reply was not tenable, as the practice was non-compliant with the Government's executive instructions and resulted in allowing access to bid data for Government employees who were not authorized to access this data.

2.9.4 Irregular publication of corrigendum without using DSC

Only the Departmental users of the e-Procurement system who were in possession of login credentials and a valid DSC should have been permitted by the system to publish e-tenders and corrigendum.

However, Audit analysis of the data pertaining to 2018-19 to 2022-23 showed that 176 Corrigenda (out of 208) pertaining to 167 tenders of PWD and PHED had been published by the system, without using DSC. This was indicative of deficiencies in application controls to enforce non-repudiation[23] in the system. Also, it raises the risk of unauthorised access to the system for fraudulent purposes.

2.9.5 Deficiencies in mapping Departmental hierarchies into the system

Absence of mapping of Sub-Division Offices

The guidelines on e-Procurement[24], prescribe that details of the organisational hierarchy have to be provided by the Administrative Departments to NIC, to enable them to be mapped into the system.

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[22] *O/o the SE, Mechanical Circle-III (PHE Directorate.); O/o the EE, Eastern Mechanical Division (PWD); O/o the SE, North Bengal Circle-III (PHE Directorate.); O/o the EE, Electrical Division (PHE Directorate.); O/o the SE, RCFA Water Supply Circle (PHE Directorate.); O/o the EE, Jhargram Division (PHE Directorate.); O/o the EE, Durgapur Water Supply Division (PHE Directorate.); O/o the EE, Asansol Mechanical Division (PHE Directorate.);*

[23] ***Non-repudiation** is a security principle that ensures **a user cannot deny** having performed a specific action, like logging in, in a system.*

[24] *Sl. No. 9.3 of Para 5 of '**Implementation Guidelines for e-Procurement'** rollout in states as a mission mode project under national e-governance plan, released on 15 July 2011.*

Audit observed that in three test checked Divisions[25], Sub-Divisions under these Divisions, had not been mapped into the system. Due to the absence of such mapping, tenders published by these Sub-Divisions were incorrectly depicted as published by the Divisions themselves, resulting in erroneous MIS Reporting on the number of tenders published at the TIA level by the Divisions.

The Divisions confirmed the above fact and stated (September & October 2023) that the issue would be addressed through communications with the Department and NIC.

Duplication of mapping of departmental hierarchy for Circles/ Divisions

Audit test checked the IDs mapped to different Divisions in the system and noticed instances of the same Circle/ Division, being mapped to two IDs.

The two different organisational hierarchy chains pertaining to the Health Electrical Circle (PWD) in the system are depicted **Chart 2.3**:

Chart 2.3: Two different organisational hierarchy chains pertaining to the Health Electrical Circle

Organisation Chain 'A'	Organisation Chain 'B'
PUBLIC WORKS DEPARTMENT || PWD DIRECTORATE || PWD (SOUTH ZONE) || **ELECTRICAL HEALTH CIRCLE** || Three Divisions under the Circle (**North Kolkata Health Electrical**, South Kolkata Health Electrical, Central Kolkata Health Electrical)	PWD (Electrical) || **Electrical Health Circle** || Seven Divisions under the Circle (Central Kolkata, Electrical Construction-I, MS Sports Electrical, **North Kolkata Health**, South Kolkata Health-I&II, Sub-Urban Electrical)

It may be seen from the above, that one of the test checked divisions *i.e.*, **E.E, North Kolkata Health Electrical Division**, was mapped to two different organizational chains and was thus using both for publishing tenders during 2019-23.Summary of tenders published by EE, North Kolkata Health Electrical Division using two organisation chains by the same TIA is as detailed in **Table 2.2.**

Table 2.2: Summary of tenders published by EE, North Kolkata Health Electrical Division using two organization chains by the same TIA

Year	Tender Published using Organisation Chain 'A'	Tender Published using Organisation Chain 'B'
2019-20	14	104
2020-21	42	7
2021-22	67	34
2022-23	38	62

[25] *O/o the EE, Eastern Mechanical Division (PHE Directorate.); O/o the EE, Electrical Division (PHE Directorate.); O/o the EE, Jhargram Division (PHE Directorate.)*

This deficiency resulted in erroneous MIS Reporting by the system due to incomplete or duplicate data for related Circles/ Divisions.

PHED replied (June 2024) that henceforth, all Circles/ Divisions would be instructed to correctly map the organisational units under their control. NIC stated (July 2024) that they had directed (May and July 2024) PWD to issue a Circular/GO to all concerned regarding discontinuation of outdated organisational hierarchy chains, to prevent such duplication.

2.9.6 Deficiencies in application controls during Bidder registration

As per SRS, the online forms should clearly indicate which are the mandatory fields and the system should have validation controls to ensure that all mandatory fields are filled in by the user. A bidder can register himself/herself by accessing the "Online bidders enrolment" page of the e-Procurement system, by entering data into mandatory fields such as email ID, mobile number, PAN number *etc*.

(i) Absence of application controls to prevent entry of duplicate/ invalid PAN

Permanent Account Number (PAN) is a unique number issued by the Income Tax Department, GoI to various entities. The fourth character of PAN represents the status of the PAN holder. "P" stands for Individual, "C" stands for Company, "H" stands for Hindu Undivided Family (HUF), "A" stands for Association of Persons (AOP), "B" stands for Body of Individuals (BOI), "G" stands for Government Agency, "J" stands for Artificial Juridical Person, "L" stands for Local Authority, "F" stands for Firm/ Limited Liability Partnership and "T" stands for Trust.

Audit analysed the database and noticed that as of March 2023

- A total of 32,735 bidder IDs had been mapped with 12,201 PANs indicating multiple registrations with the same PAN.
- On test check of 1,71,431 bidders registered, it was noted that there were 525 invalid PANs IDs which did not conform to the valid format of a PAN.

Audit further noticed that there was no provision in the system for mandatory upload of supporting document (scanned PAN Card) into the system at the time of registration. Thus, departmental users could not verify the PAN entered or match it with the details of the PAN card copy if uploaded. The system should have had inbuilt application controls to prevent the entry of PAN which had been previously mapped with an existing bidder ID in the system. The system should also have provisioned for inbuilt validation controls to prevent multiple registrations with same PAN.

During the Exit Conference (February 2024), the Government instructed NIC to ensure that necessary application controls were implemented in the system.

(ii) Absence of application controls to alert Departmental users about participation of bidders in the same tender with the same PAN

According to Notification (June 2012) of the GoWB, selection of an agency for procurement should be made on the basis of submission of at least three tenders. Further, if the number of tenderers/bidders qualifying in the technical bid was less than three, fresh tenders should be invited.

Audit observed that out of 90,928 tenders published between 2018-19 and 2022-23 in PWD and PHED, in case of 137 tenders the same PAN was reflected against two bidders. Further, out of these 137 tenders, there were 46 tenders where only three bids were received, with two bids having the same PAN. This effectively reduced the number of bidders to two, thereby vitiating the process of open tendering.

NIC stated (July 2024) that this had to be resolved at the TIA end as provision exists at bidders' end to enter their PAN correctly. The response was not tenable, as the system should have inbuilt controls to reject such registrations with the same PAN.

(iii) Absence of validation controls to prevent registration of bidders with invalid ages

Audit analysed the database and noticed that 20 users who were apparently minors as per the data were entered in the system while registering as bidders, with their ages ranging from 1 day to 17 years 7 months. This reflected the absence of application controls to regulate the valid entry of date of birth and age in the system.

(iv) Absence of application controls to prevent the mapping of the same mobile number with multiple bidders

As per user manual and e-tender portal, Mobile numbers of bidders were required mandatorily during the registration process in the e-Procurement system, to enable timely communication of notifications (publication of tenders, corrigenda, tender opening *etc*.) to all registered bidders.

Audit analysed the database and noticed that

- In 4,045 tenders out of 90,928 tenders of PWD and PHED published between 2018-19 and 2022-23, the same mobile number was mapped with multiple bidder IDs in 4600 instances, as detailed in **Table 2.3** below:

Table 2.3: Multiple bidders with same mobile number in same tender

No of Bidder ID with same mobile number in the same tender	No. of instances
2 bidders	4,304
3 bidders	275
4 bidders	20
5 bidders	1
Total	**4,600**

(Source: e-Procurement database)

- Further, there were 1,530 tenders having three or less than three bids, with the same mobile number having been mapped with two bidders in each of these tenders. To substantiate this irregularity, Audit also test-checked 341 tenders, in the selected units, and noticed that there were 29 tenders where the same mobile number was mapped with multiple bidders in the same tender.

This indicated the material risk of potential collusion amongst bidders and that the system did not have necessary application controls to prevent such mapping. NIC stated (July 2024) that this had to be resolved at the TIA's end as provision existed at the bidders' end to enter their phone numbers correctly. The response was not tenable, as the system should have had inbuilt controls to prevent such mapping of mobile numbers with multiple bidder IDs at the time of registration and bidding.

(v) Absence of application controls to prevent the mapping of the same email ID with multiple bidders

As per the e-tender portal, for online enrolment of bidders, Email IDs of bidders were required to be mandatorily entered during the registration process in the system, to enable timely communication of notifications to all registered bidders.

Audit analysed the database and noticed that

- In 1245 tenders out of 90,928 tenders of PWD and PHED published between 2018-19 and 2022-23, the same email ID was mapped with multiple Bidder IDs in 1,265 instances, as detailed in **Table 2.4** below:

Table 2.4: Multiple bidders with same email ID in same tender

No of bidders with same email ID in same tender	No. of instances
2 bidders	1,167
3 bidders	83
4 bidders	15
Total	**1,265**

(Source: e-Procurement database)

- To substantiate this irregularity, Audit also examined 341 tenders test checked in the selected units and noticed that there were 12 tenders where the same email ID was mapped with multiple bidders in the same tender. This indicated the material risk of potential collusion among the bidders and that the system did not have necessary application controls to prevent such collusion.

During the Exit Conference (February 2024), Additional Chief Secretary Finance Department instructed that precise guidelines to TIAs should be issued to check potential cartelization keeping in view instances where duplication of mobile numbers and email IDs had been noticed in tenders.

Recommendations:

Government should:

4. ***ensure that user access credentials and DSCs are issued in compliance with executive instructions to authorised Departmental users.***
5. ***ensure correct mapping of the updated hierarchy of the departmental offices as well as TIAs.***
6. ***ensure implementation of appropriate application controls during registration of bidders, to guarantee uniqueness and validity of PANs, mobile numbers and e-mail IDs***

2.10 Tender Creation, Publication and opening by the Tender Inviting Authorities

Each tender requires a set of documents like the NIT, Standard Bidding Document, Price Bid Details *etc*. to be published, as per predefined templates. Other documents like Terms & Conditions, Instructions to Bidders, annexure, checklist *etc*. may also be published as part of the tender. The authorised officials from the TIA were to create the tender documents. Each document uploaded in the system was to be digitally signed using tender creator's DSC. Once the tender is created as per requirement, an official with the role of tender publisher, was to log into the system and verify all the details before publishing the tender. Once published, any registered bidder could see the tender and download the tender documents from the website. After the tenders were published, the system was required to have a functionality for publishing various types of Corrigenda before the bid opening, pertaining to events such as extension of bid submission dates, changes in terms and conditions, change in technical specifications *etc*. However, once the bid was opened, only the Corrigendum for retendering, cancellation *etc*. was to be permitted for publication.

2.10.1 Absence of application controls to enforce minimum time for bid submission

Government of West Bengal's notification (June 2012) prescribes that a minimum period should be allowed for submission of bids from the final date of publication of tenders as follows:

- 7 days where supply of articles or stores or for execution of works and services with estimated value not exceeding ₹ 10 lakh,
- 14 days where supply of articles or stores or for execution of works and services with estimated value exceeding ₹ 10 lakh upto ₹ 1.00 crore; and
- 21 days where supply of articles or stores or for execution of works and services with estimated value exceeding ₹ 1.00 crore.

Audit analysed the database and noticed that in 4,012 tenders out of 90,928[26] tenders of PWD and PHED published between 2018-19 and 2022-23, the minimum bid submission time, as stipulated, had not been enforced by the system.

To substantiate this finding, Audit test checked 341 tenders in selected units and noticed that there were 19 tenders where the minimum bid submission period had not been enforced by the system.

Thus, business rules regarding minimum bid submission time had not been mapped into the system in the form of application controls to enforce the bid submission time as per executive instructions. This deficiency in the application controls had resulted in allowing fewer days to bidders for submission of bids. Thus, due to lack of time interested parties could not participate in such tenders.

During the Exit Conference (February 2024), ACS Finance Department stated that the system does not have a provision for issue of tenders for short duration and advised the representatives of the NIC and Department to introduce such a provision for such tenders, along with facility for necessary disclosure.

The lack of this application control raises the risk of prospective bidders being deprived from participation in the tendering process due to lack of adequate

[26] *1,009 tenders out of 41,784 tenders value less than ₹ 10 lakh, 2,689 tenders out of 36,022 tenders value above ₹ 10 lakhs but below ₹ 1.00 crore and 314 tenders out of 13,122 tenders value above ₹ 1.00 crore.*

time and the possibility of TIAs favoring certain selected bidders. The lack of compliance with the minimum prescribed time period for submission of bids adversely impacted the objectives of transparency and fairness in the procurement process and hence, was a major control failure in the system.

2.10.2 Absence of application controls to auto-compute tender value based on BoQ

Bill of Quantities (BoQ) is the list of quantities of individual items required for execution of any project along with unit rate for each item of work. Hence, the total value of BoQ should be computed by the system as the estimated value of the tender.

Audit analysed the database and noticed that in 33,614 tenders published (2018-19 to 2022-23), including 7,137 tenders of PWD & PHED, there was a difference between the tender value recorded in the system and the total value of the related BoQ for the tender. Out of 341 tenders test checked in selected units, there were seven tenders with such difference.

Audit observed that this discrepancy had arisen due to absence of application controls in the system to auto-compute the tender value based on BoQ entered by the TIA. Instead of auto-computation by the system, the TIA was required to manually enter the tender value into the system, leading to discrepancies.

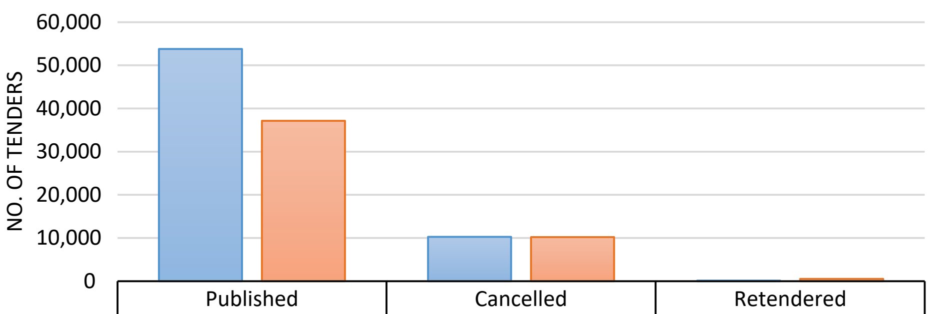
On this being pointed out by Audit, NIC stated (July 2024) that this was being taken up and would be addressed in later versions of e-Procurement system.

Thus, the responsibility for ensuring compliance remained on the individual users instead of shifting to the system through the implementation of necessary controls.

2.10.3 Absence of application controls to link original cancelled tenders with subsequent re-tender calls

Due to various reasons[27] there were instances of tenders being cancelled and fresh tenders being invited for the same work, through the e-portal. **Chart 2.4** indicates the number of published tenders, cancelled tenders and re-tenders during the period 2018-19 to 2022-23.

Chart 2.4: Number of Published tenders, Cancelled Tenders and Re-Tenders during 2018-19 to 2022-23 of PHED & PWD



	Published	Cancelled	Retendered
PHED	53,784	10,267	136
PWD	37,144	10,207	525

[27] *E.g., No Bids received, Mismatch with NIeT, Minimum Bids Not Received, administrative reasons/issues, all bids rejected in technical evaluation (D w/s D).*

Audit noticed that there was no link between the tenders cancelled earlier and the subsequent re-tenders invited in 2nd or subsequent calls. As a result, the trail between the original cancelled tenders and the subsequent tenders called for could not be monitored by higher authorities.

On this being pointed out, ten offices[28] accepted (July 2023 and October 2023) that there were no application controls to link the cancelled/rejected tenders and subsequent re-tenders. PHED accepted (June 2024) that this modification is necessary in the e-Procurement system.

2.10.4 Absence of application controls to enforce the 'Two-bid system' in cases where tender value exceeded the threshold limit

GoWB Notification (June 2012) prescribes, that for high value purchases exceeding ₹ 10 lakh or for purchasing plant, machinery *etc*. of complex and technical nature, bids should be invited in two parts under the two-bid system as under:

(a) The technical bid consisting of all technical details along with commercial terms and conditions;

(b) Financial bid indicating item-wise price for the items mentioned in the technical bid.

Audit analysed the database and noticed that in 1,247 tenders of GoWB for the period 2018-19 to 2022-23 with tender value more than ₹ 10 lakh, the provision of two-bid system had not been enforced by the system. In the selected PHE Divisions, Audit observed that in case of 51 tenders[29] of three Divisions where tender value exceeded ₹ 10 lakh, the two-bid system had not been enforced by the system.

Thus, the business rules for following the two-bid system for tenders valued at more than ₹ 10 lakh, had not been mapped as an application control in the e- Procurement system. The workflow permitted the Departmental user to opt for single cover process even when the tender value was more than ₹ 10 lakh.

Recommendations:

Government should:

7. ***ensure implementation of application controls to enforce the applicable minimum bid submission period.***
8. ***ensure implementation of application controls to link previously cancelled tenders with subsequent re-tender calls, to facilitate monitoring.***
9. ***ensure mapping of business rules for mandatory adoption of two-bids for tenders with value exceeding ₹ 10 lakh.***

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[28] *(i) EE, Diamond Harbour Highway Division-PWD, (ii) EE, Electrical Division, -PHED, (iii) SE, RCFA w/s circle-PHED, (iv) EE, Asansol Mechanical Division-PHED (v) EE Bankura Division, PHED, (vi) EE Jhargram Division PHED, (vii)EE Asansol Division Social Sector, PWD (viii) EE Durgapur W/s Division, PHED (ix) EE Bankura W/s Division, PHED (x) AE Siliguri Sub-Division, PWD.*

[29] *(i) (PHE) Mechanical Circle – II, (PHE) Midnapur Mech. Division (Office Code 860), (ii) (PHE) Mechanical Circle – II, (PHE) Resource Division (Office Code 863), and (iii) (PHE) North Bengal Circle – I, (PHE) Alipurduar Division (Office Code 9273).*

2.11 Bid creation and submission

Bidders, after registration into the system, were to be provided a functionality to enter bid data against individual tenders and upload required documents into the system. Once the bid was submitted, after digital signature, the same was to be encrypted using the designated bid opener's key. Further, the bidder was required to have a provision to resubmit bids within the scheduled bid submission time period and also to withdraw the bid, if tender conditions permitted the same.

2.11.1 Lack of assurance on maintenance of data integrity of bids

As per the SRS, bids were required to be collected in pre-defined standard formats and only such standard formats could be uploaded by TIAs as well as the bidders. The bid formats were to be accompanied by documents in other formats such as PDFs and images. Specifically, the BoQs filled in by the bidders in MS Excel, were required to be encrypted until the bids were opened. The encrypted files would have a hash value[30] recorded in the system, which would enable maintenance of a trail to establish that the bids submitted by the bidders had not been modified by Departmental users at the time of bid evaluation. The recording of the hash value was therefore a major application control to derive assurance on data integrity of the bids.

Audit analysed the database and noticed that there were 19,74,862 documents uploaded by bidders, between 2008-09 and 2022-23. Out of this, 7,39,516 documents were in MS Excel format (BoQ). Audit noticed that out of 7,39,516, the hash value had been recorded as 'null' in 1,85,928 documents (25 *per cent*). Further, for the period 2018-19 to 2022-23, Audit noticed that out of 5,33,081 BoQ documents, hash value had been recorded as 'null' in 2,061 documents (3 *per cent*), as tabulated below:

Table 2.5: Number of BoQs of GoWB with "NULL" Hash value with document type

Document MIME type		Number of cases since inception	Number of cases from 2018-19 to 2022-23
xls	xls	1,85,912	2,051
	Xls	9	9
	XLS	7	1
Total		**1,85,928**	**2,061**

(Source: e-Procurement database)

There were no explanations in the system documentation as to why such cases of hash values being 'null' were being generated. Since there was no workflow

[30] *Hash values can be thought of as fingerprints for files. The contents of a file are processed through a cryptographic algorithm, and a unique numerical value – the hash value - is produced that identifies the contents of the file. If the contents are modified in any way, the value of the hash will also change significantly.*

or functionality at the front end of the system for any user to make changes to the hash values recorded in the database through the encryption process, the presence of 'null' values indicated the very material risk of changes made to the data through the back end of the system.

In the absence of hash values for the BoQ files, Audit was unable to derive assurance that the data integrity of the bids submitted had been maintained in the system, during the bid evaluation process. This represented a major application control failure of the system.

Finance Department replied (January 2024) that the hash values were 'null' for BoQs published for tenders before the introduction of the functionality of recording the hash values.

The response was not tenable, since the Government in its reply did not specify the date from when this functionality had been introduced. Besides, Audit noticed instances of hash values being recorded as 'null' up to 31 March 2023 *i.e.*, the date up to which data had been furnished.

2.11.2 Absence of application controls to prevent submission of bids after the specified closing time and date

As per the SRS, the system was to allow bid submission only upto the timeline specified in the tender document and prevent any bids from being submitted after the closing time and date specified in the tender.

Audit analysed the database and noticed that during the period from 2018-19 to 2022-23, there were nine cases where the bids had been submitted by bidders after the specified closing time and date. The presence of such irregular acceptance of bids indicated that application controls to prevent submission beyond the specified closing time and date had not been implemented.

NIC stated (July 2024) that the system does not permit submission of bids after the specified closing time and date.

The reply was not tenable since it did not offer an explanation for the cases pointed out by Audit.

2.12 Bid Opening and Evaluation

As per the SRS, the bids were required to be opened by the designated bid opener users. Any two, three or four Departmental users could be designated as the bid openers by the TIAs. The bid openers were to be permitted to open the technical bids only after the specified bid opening time and date. The encrypted technical bid documents were required to be decrypted and opened, for onward submission to the Technical Evaluation Committee. The technical bid evaluation was, however, carried out in an offline mode. The results of technical bid evaluation were to be uploaded into the system as a scanned file, along with the time and date for opening of financial bids. The designated bid openers were permitted to open financial bids for only the technically qualified bidders, and only after the specified bid opening time and date. The encrypted financial bids were required to be opened and the system was required to generate a comparative statement (as L1, L2 *etc*.) of the financial bids, for onward submission to the Financial Evaluation Committee. The financial bid evaluation was also carried out in an offline mode. The results of the financial bid evaluation in the form of recommendations of the Evaluation Committee were to be uploaded into the system as a scanned file. The concerned bidders were required to receive system generated intimation by email and SMS on the recommendations made.

Audit analysed the database tables pertaining to the tenders opened and the decryption of bids, and noticed the following irregularities.

2.12.1 Irregular opening of financial bid, without any record of decryption of the technical bid

As per the SRS, e-Procurement system was required to ensure that in case of two-stage bidding process, the technical bid is opened first and only in case the technical bid had been evaluated as qualified, the financial bid for that bidder would be opened.

Audit analysed the e-Procurement database and noticed that during 2018-19 to 2022-23, in a total of 16 tenders, the system had permitted 32 bid openers to decrypt and open financial bids submitted by the bidders, without any record of decryption of their technical bids.

This was a crucial application control failure, since opening of financial bids without having record of technical bid decryption was highly irregular and resulted in non-compliance with the extant Rules. The absence of application controls to prevent such occurrences was fraught with the risk of extension of undue favours by Departmental users to selected bidders. Reply has not been received from the Department.

2.12.2 Inconsistency in recording bid decrypted date as 'NULL' in cases where Award of Contract had been completed

Bid decryption was an automatic process and every bid of a particular tender was required to be decrypted, before any downstream actions such as Award of Contract.

Audit analysed the database and noticed that during the period from 2018-19 to 2022-23, there were 17 tenders where the bid decryption date field was recorded as 'NULL', despite Award of Contract details being recorded. Though as per e-Procurement Portal the bid packets (covers) were decrypted and evaluated, details of bid decryption against none of the bids (Bid ID) of the above mentioned 17 tenders were available in the Bid decrypted table. This inconsistency occurred due to the issue of Award of Contract after revocation of tenders in the system. It also reflected lack of application controls to prevent downstream workflows from being completed, when formal actions to complete the technical and financial bid evaluation had not been finalized. Reply has not been received from the Department.

2.12.3 Absence of application controls to prevent bidders from being technically qualified despite non-submission of non-statutory documents

Technical bids were required to be submitted in two covers (Folders) Statutory Cover[31] and Non-Statutory Cover[32], containing scanned and digitally signed mandatory documents. On failure of submission of any of the documents, as prescribed in Notice Inviting e-Tender (NIeT), the tender was liable to be summarily rejected. Moreover, financial bids of only those bidders were to be opened, whose technical bids had been evaluated as qualified.

Audit examined the requisite documents uploaded by the bidders/tenderers pertaining to Statutory and Non-Statutory Covers and the technical evaluation summary reports prepared by their respective Tender Evaluation Committees and noticed that in test check of 120 tenders out of 249 tenders in nine (09) selected Sub-Division/Divisions/Circles[33] Offices of PWD and PHED, bidders had not uploaded the non-statutory documents specified as mandatory in the respective NIeTs, as tabulated in **Table 2.6**.

Table 2.6: Non-submission of documents in support of technical bid in selected offices of PWD and PHED

Sl. No.	Name of the documents to be submitted	Number of tenders with shortfall in technical documents	Number of bidders in those tenders without required technical documents
1	Tools, Plant & Machineries (Own machineries or Leasehold agreement)	31	63
2	Income Tax Acknowledgement	14	22
3	Affidavit of 1st Class Magistrate	10	16
4	Registered/Notary Partnership Deed	08	08
5	Insufficient credential of previous work	08	10
6	Power of Attorney	45	59

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31 *Statutory cover contains (i) Application duly signed in letter head pad (Format as per Section-B, Form-I); (ii) Declaration of the Tenderer in letter Head Pad with duly signed by the Applicant (Format as per Section-A); (iii) NIeT along with Corrigendum (if any) and (iv) Tender W.B. Form No. 2911(ii) along with special terms and conditions, Specifications, Drawings (if any).*

32 *(i) P Tax receipts/ valid payments certificate, PAN Card, ITR receipts, valid Trade license; (ii) GST Registration Certificate and Return Certificate; (iii) Registered/notarised deed for Partnership firm, Company registration certificate for companies/ltd./Pvt. Limited; (iv) Completion certificate/Credentials (v) Registration papers for Registered unemployed engineers co-operative society and registered labour cooperative society; (vi) Registered Power of Attorney for Partnership firms, companies, LTD, Pvt. LTD, Registered Cooperative Societies etc.; (vii) An Affidavit executed before a 1st Class Magistrate for owner/ proprietorship firms; (viii) P/L and Balance Sheet and Tax Audit Report.*

33 *12 tenders of O/o the AE, Siliguri Sub-Division, PWD; 38 tenders of O/o the EE, Diamond Harbour Highway Division, PW(Roads) Directorate.; 30 tenders of O/o the EE, Electrical Division, PHE; 32 tenders of O/o the EE, Kalimpong Division, PWD;, 27 tenders of O/o the SE, Mechanical Circle-III, PHE; 29 tenders of O/o the EE, Eastern Mechanical Division, PHE; 23 tenders of O/o the EE, Asansol Division Social Sector, PWD; 31 tenders of O/o the EE, Asansol Highway Division, PW (Roads) Directorate. and 27 tenders in O/o the EE, Durgapur Water Supply Division, PHE Directorate.*

Sl. No.	Name of the documents to be submitted	Number of tenders with shortfall in technical documents	Number of bidders in those tenders without required technical documents
7	Tax Audited Report (3CB/3CD)	16	32
8	Pre-qualification Form-II (Structure and Organisation)	16	25
9	Pre-qualification Form-III (Experience Profile)	02	02
10	P. Tax Certificate/ Receipts-challans	08	08
11	Trade License	09	10
12	Application and Declaration not in Letter Head Pad	02	12
13	Affidavit of pre-site visit	29	72
	Total	**198**	**339**

Audit noticed that the system did not have a provision to upload such documents mandatorily. Due to lack of the above application controls and workflows, Audit observed that even in cases where the bidders had submitted irrelevant/ incomplete set of documents, the technical bid evaluation committee had irregularly accepted such bids and opened the corresponding financial bids. Moreover, no workflow was provided in the system to allow departmental users to verify and confirm the accuracy of the uploaded documents of the bidders.

Audit further observed that in respect of 93 tenders, where Award of Contract was issued, there was deficient/ incomplete documentation in case of the bidders who had been evaluated as L1. Record of offline correspondence with these bidders from the TIAs, seeking missing/ deficient records were also not available in the concerned files.

The above circumstances indicated the very material risk of undue benefits being extended to those bidders who had submitted incomplete documents.

In response, eight Sub-Divisional/ Divisional/ Circle offices stated that due to exigencies of work and time constraints, proper checking of documents could not be done. They further added that efforts would be made to ensure compliance in future. The remaining Office[34] stated that the deficient documents had been obtained from the concerned bidders before proceeding with technical bid evaluation.

PHED stated (June 2024) that all the TIAs will be instructed to carefully verify all statutory and non-statutory documents uploaded by tenderers.

The responses indicated that the objective of full mapping of business rules to ensure that the burden of compliance shifts from the individual users to the e-Procurement system, had not yet been achieved.

Recommendations:

Government should:

10. ***implement application controls to enforce robust encryption of bids submitted and maintain a clear system trail to derive assurance that data confidentiality and integrity is preserved.***

[34] *SE, Mechanical Circle-III, PHED.*

2.13 Award of Contract

As per SRS, the TIA, based on the recommendations of the financial evaluation committee, and after getting approval, was required to prepare the contract manually and upload the same into the system. The bidders were to be informed by email about the award of the contract. In addition, the bidders were to be provided the option of viewing the contract awarded on the system.

As described above, critical functions such as technical evaluation, financial evaluation and award of contract were still being carried out manually, outside the e-Procurement system. Due to the continuation of manual processes for these critical functions and the absence of online processing of technical and financial evaluation and award of contract through the system with the required application controls, Audit noticed irregularities in the manual process of Award of Contract, which are detailed below.

2.13.1 Absence of application controls to prevent contract value exceeding the L1 bid amount

As per Rule 177 of WBFR the amount of the contract awarded should not be higher than the amount of the L1 bid.

Audit analysed the database and noticed that out of 90,928 tenders of PWD and PHED published during the period from 2018-19 to 2022-23, the amount of the awarded contract was higher than the L1 bid in 1,291 tenders. Out of 341 tenders test checked in selected units, Audit noticed two instances with this irregularity.

Due to the continuation of manual process for award of contract and the absence of online processing of award of contract through the system, there was avoidable risk of error of commission / deliberate irregularity on the part of the TIA when carrying out this process manually.

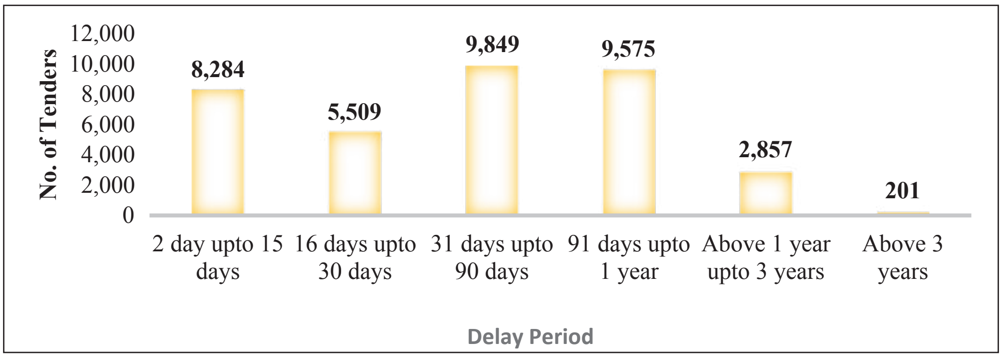
The absence of application controls to prevent such occurrences was fraught with the risk of extension of undue favours by Departmental users to selected bidders. Reply in this regard has not yet been received from the Department.

2.13.2 Non-updation of AoC status resulted in incorrect MIS reports and pending EMD refunds.

After Award of Contract (AoC) through the manual process outside the system, details of the same are to be entered by the TIA into the system, so that EMD may be refunded to the unsuccessful bidders. The completion of this workflow is essential for correct updation of the status of the tender in the system, and for correct generation of the related MIS Report.

Audit analysed the database and noticed that there were significant delays between the date of opening of financial bids and the date of uploading of AoC in the e-Procurement system. It was noticed that in 1,89,361 tenders pertaining to the period 2018-19 to 2022-23, there were delays in uploading AoC, ranging between 2 days to 1769 days. Out of these, in 36,275 tenders of PWD and PHED, the delays ranged between 2 to 1769 days as detailed in **Chart 2.5** below:

Chart 2.5: Range of delay in uploading of AoC after opening of financial bids for the period 2018-19 to 2022-23 i.r.o. PWD and PHED



The delay in uploading of AoC on the e-Procurement portal not only resulted in incorrect MIS Reports but also delayed the refund of EMD to unsuccessful bidders and the deposit of EMD of the successful bidders to Government Account.

During the Exit Conference (February 2024), Government stated that there were numerous cases where tender had been finalised, however, AoC was yet to be issued. Government accepted that due to such instances, significant amounts remained in the EMD pooling account without being refunded to bidders.

Recommendations:

Government should:

11. ***implement the required functionalities and application controls to fully map all the relevant business rules to ensure that award of contract is carried out through the system in compliance with executive instructions.***

12. ***issue necessary instructions to mandate the issue of AoC only through the e-Procurement system and dispense with the manual award of contract, to minimise the risks of error/ deliberate irregularities by users.***

2.14 Timestamp Management and Application Security

2.14.1 Broken chronology in creation and updating of records in key tables

Audit analysed the database and noticed that upto 31 March 2023, there were clear instances[35] where the timestamp[36] recorded for the creation of a record in the database tables was later than the timestamp recorded for updating the same record. This indicated that the system control to enforce chronological sequencing in the recording of transactions in the database had significant deficiencies, or material risk that modifications had been made at the back end of the system.

[35] *59 out of 22,30,619 cases for the period 2018-19 to 2022-23.*

[36] *e-Procurement system should make use of the date and time service of the external timestamping server. All activities in the system should be timestamped with the server time.*

Audit noticed such instances of broken chronology in the creation and updating of records in six crucial database tables. Number of cases of broken chronology in those tables are as follows:

a. **gep_tender_basic_details**[37]**:** 78,099 cases

b. **gep_tender_work_items**[38]**:** 37,080 cases

c. **gep_user**[39]**:** 9 Cases

d. **gep_bids**[40]**:** 2,56,617 cases

e. **gep_bid_aoc**[41]**:** 473 cases

f. **gep_user_certificates**[42]**:** 16 cases

Out of the above, of particular concern was the gep_bids table, which was supposed to record the details of the bids which had been submitted by bidders. As a result of this significant irregularity, Audit was unable to derive assurance on the security of the database and the use of interventions at the back end of the system could not be ruled out.

2.14.2 Gaps in the auto-generated sequence numbers in key tables

The transaction ID column was designed to be auto generated in each database table, and cannot be modified through any user actions at the front end of the system. This ID is necessary to maintain uniqueness of records in each database table. Audit test checked sixteen key tables in the database and noticed that there were gaps in the auto-generated sequence numbers for IDs of the records in the tables, as detailed in **Table 2.7** below:

Table 2.7: Summary of gaps in the sequence number in tables of GePNIC

Sl. No.	Name of table	No. of gaps	No. of IDs
1.	gep_secratariat_Department	3	3
2.	gep_tender_basic_details	7,465	9,013
3.	gep_corporate_tenderer	37	246
4.	gep_tender_work_items	27,310	30,488
5.	gep_user	34	233
6.	gep_orgchain_master	277	589
7.	gep_tender_critical_dates	24,021	26,695
8.	gep_bids	105	312
9.	gep_bid_AOC	1,038	1,725
10.	gep_bid_decrypted	54,885	67,135

37 *the table facilitates the creation and maintenance of tender basic details like tender ref. no., tender id, resubmission allowed etc.*

38 *the table facilitates the creation and maintenance of work item details like tender title, work description, tender value etc.*

39 *the table facilitates the creation of user data such as login id, password, user type, DSC status etc.*

40 *this table facilitates the creation and maintenance of submitted bid details like bid id, EMD exemption details etc.*

41 *this table facilitates the creation and maintenance of Award of Contract details.*

42 *this table facilitates the creation and maintenance of DSC information.*

Sl. No.	Name of table	No. of gaps	No. of IDs
11.	gep_packet_decrypted	21,472	23,410
12.	gep_bid_open_summary	9,988	10,635
13.	gep_tender_bid_openers	1,81,761	6,66,905
14.	gep_tender_opened	10,799	11,440
15.	gep_tenderer	103	115
16.	gep_user_certificates	2,745	4,804

(Source: e-Procurement database)

On this being pointed out, the Finance Department admitted (January 2024) that some of the records had been deleted due to non-responsiveness of the portal at the front end of the system, and that some of the records had been missed during data migration.

Audit noticed that there were gaps in the IDs for key tables such as gep_bids (for storing bid data), gep_bid_decrypted (for storing data of bids decrypted), gep_tender_bid_openers (for storing data on bid openers). While the explanation from the Finance Department was noted by Audit, the existence of such gaps also indicated the material risk that the data in these tables had been modified at the back end of the system, bypassing the intended controls to maintain confidentiality and integrity of bids submitted by bidders. In view of this control deficiency, Audit was unable to derive assurance on the security of the database.

Recommendations:

13. Government should implement application controls to enforce chronological and logical sequencing of actions in the system, and minimise interventions at the back end of the system.

2.15 Other Issues

2.15.1 Non-recovery of interest from ICICI due to delay in deposit and refund of EMD

A Memorandum of Understanding (MoU) was signed (July 2016) between the Finance Department, GoWB and ICICI Bank, Kolkata for online collection of tender amounts. As per the provisions of the MoU:

- The Bank was required to deposit the EMD received from successful bidders on T+1 (next date of transaction) to Government Account. The transfer of EMD of successful bidders was to be routed through a pool Bank Account in ICICI Bank. The failure to deposit the amount on time would result in payment of interest by ICICI Bank.
- The Bank was further required to refund the EMD of the rejected bidders in their respective bank account within T+2 day from the date on which rejection of bid was uploaded to the e-Procurement portal.
- The Memorandum of PWD (March 2018) stipulated that all the unsuccessful bids (L2 onward) shall be rejected citing the reason that the bid is not

L1 (lowest one) and the EMD for unsuccessful bidders shall be released instantly.

On analysis of data of PWD and PHED, Audit noticed that during 2018-19 to 2022-23, there were 1,631 cases[43]of successful bidders where TIA had issued AoC, and there were 10,760 cases of unsuccessful bidders where bids had been rejected, but the timelines prescribed for deposit/refund of EMD, had not been followed by the designated bank. The delays in deposit to Government Account (in case of successful bidders) and refund to bidders (in case of unsuccessful bidders) ranged between 1 to 31 days and 1 to 42 days respectively.

Audit also analysed the entire e-Procurement database (all registered Departments/ entities) from 2018-19 to 2022-23 and noticed that the delays in deposit to Government Account (in case of 11,266 successful bidders) and refund to bidders (in case 54,801 of unsuccessful bidders) ranged between 1 to 97 days and 1 to 42 days respectively.

The delay in depositing the amounts to Government Account had resulted in deferred deposit of ₹ 55.90 crore (in 11,266 cases), on which penal interest could not be recovered from ICICI Bank due to non-renewal of MoU.

During the Exit Conference (February 2024), on the issue of delayed refunds and deposits of EMD, Government stated that a mechanism to monitor the status of pending deposits and refunds would be adopted.

The response had to be seen in light of the fact that the system should have had application controls for generation of exception reports for amounts collected as various fees but not yet refunded to registered suppliers, with communication of system generated alerts on the status of pending refunds (with age analysis) and pending deposits to Government Account to the competent authority by email/ SMS.

2.15.2 Deficiencies in Change Management process

The e-Procurement data of GePNIC was obtained[44] from the Finance Department, GoWB, containing data of the State up to 31 March 2023. From the data (‘*gep_version_control_details’* table), Audit observed that changes had been carried out in the e-Procurement software from time to time. Changes in software were made 15 times from version ‘v1.09.03’ dated 17.04.2015 to version ‘v1.09.15’ dated 02 August 2022. The software version presently operational was ‘1.09.19’ from 19 July 2023.

However, details of the changes carried out in each version in the software since 2015 were not recorded/available in the database provided to Audit.

Finance Department replied (January 2024) that GePNIC is a generic software and the requirements and enhancements come from various stake holders. These requests are discussed to ensure compliance with rules and regulations and analysed for technical viability and incorporated in the subsequent versions. The software development team ensures that testing is done to confirm the customisations are at par with requirements. The customised software is

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[43] *PWD -789 and PHED-842.*

[44] *through State NIC, on 18 April 2023.*

deployed in demo for user feedback before being deployed in the production. Errors are submitted to development team for rectification of the same on being reported by the users.

The response was not tenable, since a clearly documented trail for change management should have been maintained and reported at periodic intervals to the competent authority. Further, User Acceptance Tests should have been conducted before introducing any changes to the production environment but the same was not done. This indicated the presence of material risks associated with lack of accountability in case any errors were inadvertently introduced into the system.

2.16 Conclusion

The absence of MoU and Service Level Agreement between the State Government and NIC resulted in avoidable risks associated with lack of clarity of roles and responsibilities. In the e-Tendering Module, the full mapping of business rules into appropriate application controls had not been completed. This had resulted in the absence of enforcement of minimum period for submission of bids and absence of enforcement of two-cover process based on tender value. These missing business rules had contributed to instances of incorrect selection of bidders, incorrect computation of tender fees and award of contract at amounts higher than bid amounts during the continued manual processes for bid evaluation and award of contract.

There were deficiencies in the validation controls to verify inputs submitted during the bidder registration process, with discrepancies such as mapping of incorrect Digital Signature Certificates, Permanent Account Numbers and mobile numbers. There were deficiencies in the processing controls for computation of total tender value and lacunae in application controls to enforce chronological and logical sequencing of user actions in the system.

There was a material risk of access to and modification of data, including decrypted bid data, at the back end of the system without maintaining Database Administrator logs to record user actions, which was highly irregular. The responsibility for ensuring compliance with executive instructions related to procurement continued to remain on individual users, instead of this being shifted to the e-Procurement system. Hence, the objectives of implementing the e-Procurement system have not yet been fully achieved.

During the Exit Conference (February 2024), Government acknowledged that certain technical issues still remain in e-tendering which need to be addressed to enhance fairness and transparency in the system The Government also stated that based on the Audit observations, guidelines would be prepared and circulated among the Tender Inviting Authorities of various Departments to ensure compliance in future.

CHAPTER-III

Subject Specific Compliance Audit on "Upgradation and Extension of Tourism Facilities under Central/State Schemes by the Department of Tourism, Government of West Bengal"

CHAPTER-III

TOURISM DEPARTMENT

Subject Specific Compliance Audit on "*Upgradation and Extension of Tourism Facilities under Central/State schemes by the Department of Tourism, Government of West Bengal*"

3.1 Introduction

West Bengal is diverse in its geographical character and encompasses snow-capped peaks of the Himalayas in its north and the unique mangrove eco-system of the *Sundarbans* in its south. The State showcases its rich heritage through historical monuments at *Murshidabad*, exquisite terracotta work in *Bishnupur* and its flora & fauna through the green forests and wildlife of the *Dooars* and the serene beaches of *Digha* and *Bakkhali*. West Bengal is home to two[45] UNESCO World Heritage Sites and has 82 approved tourist places, grouped under 21 districts. The State reported a total tourist arrival of 40.17 crore, including 0.64 crore foreign tourists, during calendar years 2017-22. In terms of tourist footfall[46], West Bengal secured the eighth position for Domestic tourist arrivals and third position with respect to foreign tourists, in India. The Tourism industry generates employment for the State and contributes revenue including foreign exchange. It can also play an important role in developing backward regions of the State. The Tourism industry of West Bengal has immense potential to bring about socio-economic development in the State.

	
Fig. 3.1: Gajoldoba Eco-resort	***Fig. 3.2: Beautification work at Moti jheel, Murshidabad***

(Source: Website of Tourism Department)

For a holistic development of tourism, the State Government framed the West Bengal Tourism Policy, 2016, which identifies six tourism circuits namely, Himalayan, Doars, Coastal, Sundarbans, Heritage and Kolkata circuits. In the wake of changing tourism scenario in the State, this Policy was revised in 2019. The Tourism Department (Department) of the Government of West Bengal (GoWB) is responsible for the development of necessary tourism infrastructure and promoting tourism in the State, including attracting private investment for the sector.

For the development of tourism in the State, the Department implemented

[45] *Sundarbans National Park and Darjeeling Himalayan Railway.*

[46] *As per India Tourism Statistics 2023.*

infrastructural projects under two Central Sponsored Schemes[47] and various State Development Schemes. Tourism Department also implemented two schemes namely Home Stay Scheme (HS)-2017 and West Bengal Incentive Scheme (WBIS)-2008 for development of tourism along with employment generation. While the Homestay Policy-2017 was meant to provide incentives and concessions to registered homestay units, the WBIS-2008, aimed at disbursing subsidy to Hoteliers to incentivise creation of tourism in the State. As of March, 2023, 2,081 Home Stay units and 104[48] Tourism units were registered with the State.

3.2 Organisational Set up

The Principal Secretary is the administrative head of the Tourism Department and is assisted by Special and Joint Secretaries. The Directorate of Tourism is headed by the Director and is assisted by Joint and Deputy Directors. At the district level, Additional District Magistrate (ADM) held the charge of Officer-in-charge, Tourism (OC Tourism) who looks after the affairs of Tourism in the respective district.

Besides, Tourism Department has set up two Committees for the purposes of project appraisal:

a) **District Tourism Development Committee** (DTDC) came into force (May 2017) under the chairmanship of District Magistrates of respective districts or his nominee, not below the rank of Additional District Magistrate (ADM). The ADM, in-charge of development, the District Forest Officer and the senior most engineer of the PWD in the district are members of the Committee. The Committee includes officers who could resolve related issues *e.g.* power supply, transport, irrigation, water supply *etc*. and included prominent residents who had knowledge of history and culture of the district. District Information and Cultural Officer (DICO) was the Member Secretary and convenor of the Committee. The Committee has the responsibility of (i) examining proposals for development of tourism originating within the district (ii) identifying areas having tourism potential and requirements for their development therein (iii) monitoring existing tourist sites with regard to hygiene and security and (iv) monitoring, co-ordinating on-going projects *etc*.

b) **Project Clearance Committee** (PCC) was constituted (June 2021) at the Department level under the chairmanship of Joint Secretary, Tourism Department with other members including Managing Director, West Bengal Tourism Development Corporation Limited (WBTDCL), Financial Advisor, Tourism Department, Joint Director of Tourism, ADM in- charge of Tourism of the concerned District (for District Project), Superintending Engineer (North), WBTDCL, Executive Engineer, WBTDCL and invitee members as deemed fit. Deputy Secretary, (WBTDCL Project Cell) is the Member Convener of the Committee. The Committee is responsible for scrutinising all projects and recommending the most suitable among them

[47] *Swadesh Darshan and Pilgrimage Rejuvenation and Spiritual Augmentation Drive.*

[48] *Under WBIS 2008, 2015 and 2021.*

for consideration of the Tourism Department keeping in view available Budget provisions.

West Bengal Tourism Development Corporation Limited was incorporated on 29 April 1974 as a Corporation under the administrative control of Tourism Department. The main objectives of WBTDCL, as the nodal agency of the Tourism Department, are to takeover, run and manage tourism assets, popularise tourist destinations, conduct tour packages, *etc*. The management of hotels established by the Department and other commercial tourism activities are also the responsibility of WBTDCL.

Role of Public Private Partnership in development of tourism projects

As per '*Guidelines for Financial support to Public Private Partnership in Infrastructure*'[49], development of infrastructure for tourism requires large investments which cannot be undertaken out of public financing alone, and that in order to attract private capital as well as the techno-managerial efficiencies associated with it, the Government is committed to promoting Public Private Partnerships (PPPs) in infrastructure development. As infrastructure projects may not always be financially viable because of long gestation periods and limited returns, financial viability of such projects can be improved through Government support.

As per West Bengal Tourism Policy-2016, Public Private Partnership (PPP) involves collaboration between Government and private sector to build up a project that will ultimately lead to development of an area or region. These projects provide a certain standard to the tourists and generate employment opportunities for local residents.

3.3 Audit Objectives

The objectives of this Audit were to seek an assurance whether:

- *the planning for implementation of the tourism Policy was realistic and effective;*
- *infrastructure projects under the GoI/State schemes were effectively implemented and managed;*
- *assistance and incentives, to promote private participation, were implemented as per guidelines and were effective;*
- *initiatives for dissemination of information regarding tourism facilities and products were effective.*

3.4 Scope and methodology of Audit

The audit covered the period from 2017-18 to 2022-23 and assessed the efforts of the Tourism Department in improving tourism infrastructure covering different related segments (*viz.* Eco and Adventure tourism, Religious tourism, Spiritual and Wellness tourism, *etc*.) in the State. Besides, the DCA also sought to assess whether tourism infrastructure as well as basic infrastructure created were effectively managed.

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[49] *issued (January 2006) by Ministry of Finance, Government of India (MoF, GoI)*

Audit analysed records maintained at the Tourism Department, WBTDCL and other project implementing/executing agencies[50] in the 12 selected districts[51]. The districts were selected using statistical sampling methodology[52]. Out of the 389 projects implemented in the selected districts, 66 projects were selected through Stratified Random Sampling method. Further, 15 beneficiaries (out of 38) under West Bengal Incentive Scheme[53], 139 beneficiaries (out of 912) under Home Stay scheme[54] and 29 Tourist spots (out of 55) were selected through Random sampling method. In addition, two schemes[55] funded by Government of India (GoI) were also selected for review. Audit was conducted during April to September 2023.

Audit methodology involved issue of requisitions/queries/observations and conduct of joint physical inspection of tourists spots with Departmental Representatives and gathering evidences through photographs of sites *etc.* Entry Conference was conducted with the Principal Secretary of the Department on 10 May 2023 and the audit observations were discussed in the Exit Conference held on 11 October 2023. Replies obtained from the Department at various levels have been suitably incorporated in the Report.

3.5 Audit Criteria

Audit criteria were derived from:

- Directions and guidelines issued by Ministry of Tourism, Government of India.
- GoWB and GoI guidelines, orders, SoRs and minutes of meetings of different committees and Board of WBTDCL, *etc*.
- West Bengal Financial and Treasury Rules.
- Tourism and related Policies of the State Government, 2016, 2019, *etc*.
- West Bengal incentive Scheme (WBIS) 2015[56] and 2021 – conditions and guidelines
- Home Stay Policy 2017 and 2022.

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[50] *Officer-in-charge (OC) of Tourism of Bankura, Darjeeling, Hooghly, Jalpaiguri, 24 Parganas (South and North), Paschim Bardhaman, Purulia, Kalimpong, Digha Sankarpur Development Authority, Public Works Department, Public Health Engineering Department, Principal Chief Conservator of Forest (Head of Forest Force), Irrigation Department (Joynagar Division), Chief Engineer (North East) and Inland &Waterway Directorate.*

[51] *On request from Principal Secretary, Tourism Department, two districts namely Kalimpong and Purulia included in DCA.*

[52] *Probability Proportional to Size Without Replacement (PPSWOR) method with size measure being the number of works executed on Tourism infrastructure in the district under each Circuit*

[53] *Audit covered the West Bengal Incentive scheme of 2008, 2015 and 2021. The main objectives of the scheme was to promote tourism units in the State*

[54] *Home Stay Scheme was introduced in May 2017 with a view to contribute to employment generation and bring tourist closer to the cultural heritage and traditions of West Bengal.*

[55] *Swadesh Darshan and PRASAD*

[56] *WBIS 2008 was also considered in DCA since the sample included a portion of hoteliers to whom the payment was released under WBIS 2008 during 2017-23.*

Audit Findings

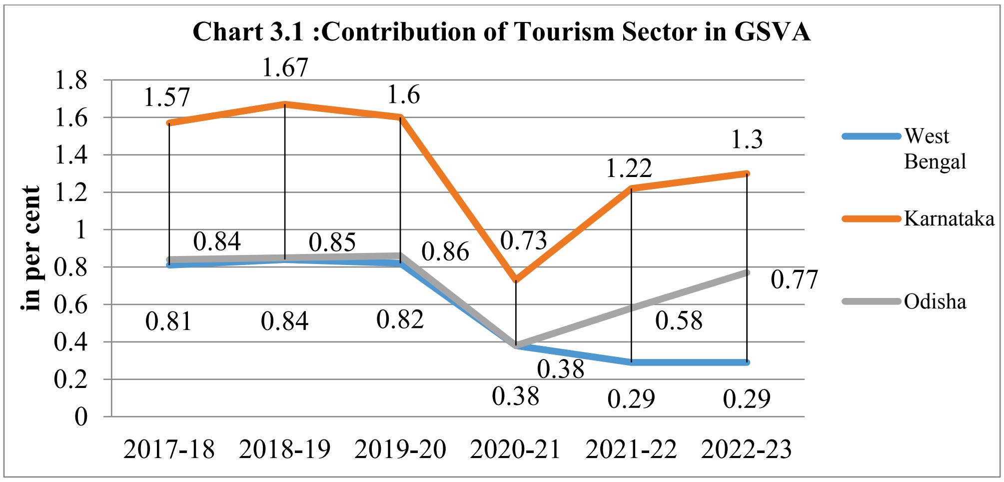
3.6 Planning

The Tourism Policy, 2016 of GoWB aimed to (a) achieve 10 *per cent* annual growth of tourist arrivals during 2017-22, (b) increase the availability of branded hotel accommodation rooms to 10,000 by 2020, (c) identify and develop new tourist destinations, (d) lay greater emphasis on marketing, and (e) achieve economic, environmental and social sustainability. In addition to the above, the State's Tourism Policy of 2019 also emphasised on quality of Tourism Services and promotion of theme-based Tourism projects.

In order to achieve the defined objectives and goals contained in these Policies, Planning was an essential part of the process. Besides this, better Planning would also help identify risks in project implementation and their completion within stipulated timelines. Audit observations in this regard are follows:

3.6.1 Contribution of Tourism sector in State's GVA

Gross Value Added (GVA) is the measure of the contribution of an industry to the GDP. Comparative analysis of the statistics for West Bengal (WB) with Karnataka[57] and Odisha[58] showed that during 2017-23, the GVA of tourism sector in WB declined, from 0.81 *per cent* in 2017-18 to 0.29 *per cent* in 2022-23. Even accounting for certain setbacks due to Covid, from 2020-21 onwards, contribution of tourism sector in Karnataka and Odisha showed improvement as compared to West Bengal, as given in **Chart 3.1**:



(Source: Department of Statistics and Program Implementation, GoWB and Economic survey, Karnataka & Odisha 2022-23)

Thus, despite new Policy measures in 2016 and 2019, there has been no marked improvement in the contribution of tourism towards the State's GDP.

3.6.2 Share of tourist traffic

During 2017-22, West Bengal's share of tourist traffic in the country declined, from 4.82 *per cent* in 2017 to 3.59 *per cent* in 2021 and then slightly improved to 4.92 *per cent* in 2022 as shown in the **Table 3.1**:

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[57] *Karnataka is amongst the best five performing states in terms of Tourist footfall.*

[58] *Being neighboring state, Odisha had been considered for comparison.*

Table 3.1: Share of tourist traffic in India and West Bengal

Year	Tourist traffic (in millions)						Share of State traffic (*per cent*)		
	India			West Bengal					
	Dom.	Foreign	Total	Dom.	Foreign	Total	Dom.	Foreign	Total
2017	1,652.48	26.89	1,679.38	79.69	1.57	81.26	4.82	5.84	4.84
2018	1,853.79	28.85	1,882.64	85.66	1.62	87.28	4.62	5.62	4.64
2019	2,321.98	31.41	2,353.39	92.37	1.66	94.03	3.98	5.28	4.00
2020	610.22	7.17	617.39	28.84	0.46	29.30	4.73	6.42	4.75
2021	677.63	1.05	678.68	24.33	0.03	24.36	3.59	2.86	3.59
2022	1,731.01	8.59	1,739.60	84.54	1.04	85.58	4.88	12.11	4.92

(Source: India Tourism Statistics, MoT, GoI)

3.6.3 Non preparation of Strategic Plan

- Committee on Public Undertakings (CoPU) directed (November 2016), the Tourism Department to prepare a Strategic Plan with long -term and short-term deliverables. Audit observed that despite lapse of six years, the Department had not prepared any Strategic Plan or Action Plan for balanced and justified development of the six tourism circuits identified in the Tourism Policy, 2016. The Department selected areas for development of tourism without conducting feasibility studies and without having a sustainable model for operation and maintenance of created assets as discussed in the Report.
- The Department had entered (August 2011) into an agreement with a consultant (RITES Ltd[59].) for the preparation of a Master Plan for tourism development of *Darjeeling* and *Digha* and its surroundings areas, at a cost of ₹ 1.05 crore. Accordingly, the consultant submitted (October 2011) the draft master plan to the Department at a cost of ₹ 84 lakh. The draft plan thus prepared has not been approved yet (October 2023), resulting in wasteful expenditure of ₹ 84.00 lakh.

The Department in the Exit Conference stated (October 2023) that tourism sector is evolving in nature and developmental activities are being planned accordingly. However, in the absence of a long / short term strategic plan, the activities of the Department towards tourism development in the State, remained *ad-hoc* in nature.

3.6.4 Financial Planning

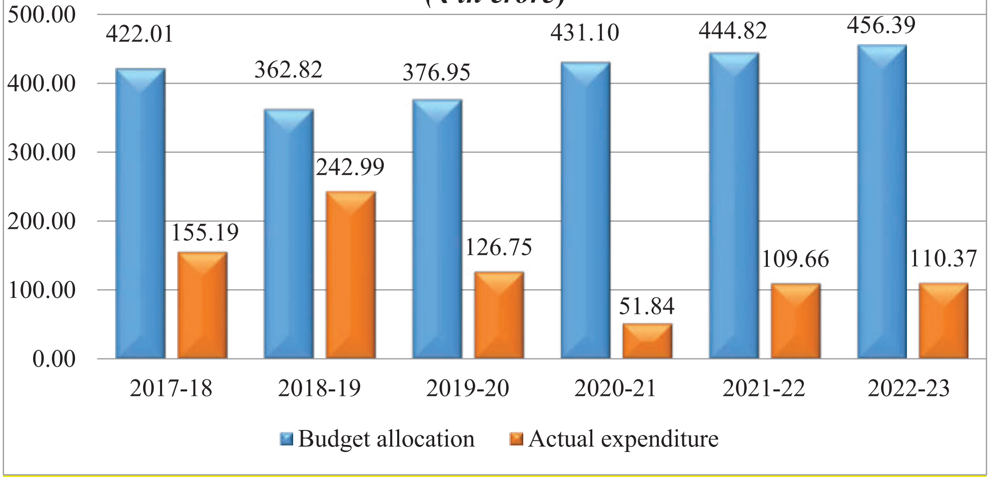
Budget preparation is the principal mechanism for achieving efficient delivery of public services. Effective financial management ensures that decisions taken at the policy level are implemented successfully at the administrative level without wastage or diversion of funds.

During 2017-23, Budget allocation for creation of tourist infrastructure, renovation and up-gradation of existing facilities, disbursement of incentives, promotion & publicity *etc*. was ₹ 2,494.09 crore, however, against this, only ₹ 796.81 crore (32 *per cent*) was utilised. Year- wise status of allocation of fund

[59] *Rail India Technical and Economic Services Limited.*

(under Head of Account 3452 and 5452[60]) *vis*-à-*vis* Actual expenditure is shown in **Chart 3.2**:

Chart 3.2: Budget allocation *vis-a-vis* Actual expenditure (₹ *in crore*)



(Source: Year-wise Budget publication by Finance Department, GoWB)

Audit scrutiny revealed that in-built controls in the Department were inadequate when compared to the range of activities to be performed by the Department. During the period 2017-23, there were persistent lapses of funds ranging between ₹ 119.83 crore to ₹ 379.29 crore, with the percentage of savings being 33 to 88 *per cent* of the budgetary provisions. Funds were transferred to the implementing agencies without appropriate measures in place for watching proper utilisation *vis-à-vis* progress of works which resulted in non-utilization/ blockage of funds. The system could not also provide reasonable assurance against loss/ damage of resources.

Further, during 2017-23, the Tourism Department was not able to spend 68 *per cent* of the funds provided in the budget for the intended purposes. The inability to spend the allocated funds was mainly attributable to non/ poor implementation of infrastructural projects and poor disbursement of subsidies under WBIS & HS as well as inability to spend the fund meant for promotion and publicity.

3.6.5 Development of different tourism segments

West Bengal Tourism Policies (2016 and 2019), had emphasised development of tourism products such as Eco[61] and Adventure Tourism[62], Religious Tourism, Culture and Heritage Tourism (*viz.* sound and light shows), Spiritual and Wellness Tourism, *etc*. Efforts of Tourism Department towards conceptualising, planning and development of these tourism segments were analysed during audit. Scrutiny of selected projects[63] revealed the followings:

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[60] *3452: This major head records expenditure on repairs and maintenance of tourist bungalows, hotels etc. under concerned minor heads. 5452: This major head records expenditure on Capital outlay on Tourism*

[61] *Tourism activities that conserve natural resources and are also directed towards observed wild life.*

[62] *Involves infrastructure and activities that provide the tourists with an opportunity to explore adventure and includes activities such as mountaineering and trekking, river running, kayaking, river rafting, etc.*

[63] *66 State Fund Assistance and two Central Fund Assistance Projects*

3.6.5.1 Eco-Tourism and Adventure Tourism

Apart from environmental benefits, the educational and recreational aspects of forests have gained importance and the Tourism Department has made promotion of eco-tourism and adventure tourism an important goal. However, a comprehensive strategy/action plan to promote Eco & Adventure tourism in the State is yet to be finalised. During audit, three sample works (*Tonglu, Khoirabera and Sabuj Dwip*) under eco-tourism and adventure tourism, sanctioned between January 2018 and June 2019 at an outlay of ₹ 4.59 crore, were examined. Deficiencies noticed in the implementation of the above projects are presented in **paragraphs 3.7.1.2 (i), 3.8.2** and **3.10**.

3.6.5.2 Religious Tourism

The State Government encourages the promotion of religious tourism in the State and the creation of new travelling circuits for pilgrims. The Tourism Department had identified (September 2023)101 religious circuits covering 446 religious spots in the State. Audit sample covered eight developmental works (one Central Fund Assistance and seven State Fund Assistance Projects) related to religious circuits, sanctioned between December 2016 and November 2020 at an outlay of ₹ 51.97 crore. Deficiencies noticed in implementation of the above projects are presented in **paragraphs 3.8.1** and **3.9.2**.

3.6.5.3 Culture and Heritage Tourism

Cultural and Heritage related tourism projects were to be developed by Tourism Department through Public Private Partnership (PPP) mode. Tourism Department was to help the private developers/ operators through market research, promotion and branding of heritage properties and sites.

Audit sample covered a PPP project at *Jharkhali* in Sundarbans area (UNESCO World heritage site). Necessary infrastructure like road, drainage, power supply *etc*. were developed by the State at a cost of ₹ 28.04 crore, to facilitate private investment in the area. A *son et lumire*[64] was also developed on the theme of 1857-First war of Independence at Barrackpore. Deficiencies noticed in implementation of the above project are presented in **paragraphs 3.10 (i)** to **3.10 (iii)** and **3.13.4**.

3.6.5.4 Spiritual and Wellness Tourism

Spiritual/ wellness centres are intended to revive energy, provide a platform for personal introspection, promote positive health, treat diseases by providing different services such as spa, yoga, meditation, skin care treatment *etc*. Minimum requirements for spiritual centres and wellness centres are as follows:

Spiritual centres	Auditorium with seating capacity of at least 500 people Accommodation facilities for at least 100 people
Wellness centres	Certified/licensed medicinal facilities with at least 20 well trained staff on pay roll Well trained yoga teacher with relevant certifications. Minimum 25 rooms of quality equivalent to three star or above categories of hotels.

[64] *An entertainment show held by night at a historic monument or building, telling its history by the use of lighting effects and recorded sound.*

However, even after lapse of four years from WBTP-2019, Tourism Department had not framed detailed guidelines for accreditation of Wellness/Spiritual Centres. Though Wellness/ Spiritual tourism was one of the thrust areas identified in WBTP, in the absence of accredited centres, Tourism Department was not able to either ensure quality of service delivery, or promote the State as a destination for Wellness/ Spiritual tourism, both domestically and internationally.

Recommendation 1:

The Department should draw up a strategic plan with long-term and short-term deliverables to implement the vision envisaged in Tourism policies.

3.7 Implementation of projects

During 2017-23, the Tourism Department had undertaken 471 projects, to be implemented by West Bengal Tourism Development Corporation Limited (WBTDCL) and other agencies. Out of this, 330 projects were completed while 141 projects (30 *per cent*) involving an outlay of ₹ 254.73 crore were under progress (as on 31 March 2023) as shown in **Table 3.2** below:

Table 3.2: Implementation of projects

Implementing agencies	Total projects		Completed projects		On-going projects*	
	No.	Outlay	No.	Outlay	No.	Outlay
State Fund Assistance (SFA) (Outlay ₹ in crore)						
WBTDCL	320	270.70	262	192.45	58	78.25
DM and other agencies	149	253.25	67	100.16	82	153.10
Central Fund Assistance (CFA) (Outlay ₹ in crore)						
WBTDCL	02	91.70	01	65.07	01	23.39
Total	**471**	**615.65**	**330**	**357.68**[65]	**141**	**254.73**

(Source: Data furnished by Tourism Department, GoWB).

**Including abandoned/yet to be taken up projects*

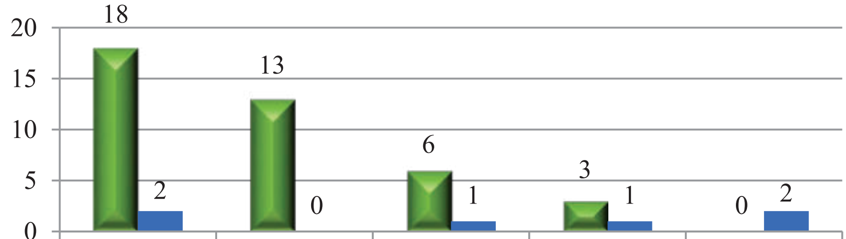
Tourism Department approved the projects and executed them through implementing agencies (*viz*. WBTDCL and District Magistrates (DM) and other agencies). As per Project Implementation Manual[66], proper appraisal should be carried out before start of any project, so that the investments made can be objectively utilised for performing specific activities to achieve desired outputs. In this context, Audit observed that time and cost overruns in implementation of projects were inevitable/ unavoidable as these were launched without ensuring adequate preparation as discussed in subsequent paragraphs.

Out of 469 State Funded Assistance (SFA) projects, 66 projects (involving cost of ₹ 188.27 crore) were selected for detailed scrutiny. Audit observed that of these 66, nine projects were completed on time, two were either abandoned/ not taken up and information on nine other projects, was not available. Further, analysis for 46 projects that are either ongoing or were completed with delays, is given in **Chart 3.3**:

[65] *There was a saving of ₹ 3.24 crore in Swadesh Darshan scheme.*

[66] *Published by Ministry of Statistics and Programme Implementation, June 2010*

Chart 3.3: Delay in execution of projects



	1-12 Months	13-24 Months	25-36 Months	37-48 Months	More than 48 Months
Completed	18	13	6	3	0
On-going	2	0	1	1	2

The major reasons for delays were non-availability of encumbrance free land and clearances, instances of poor planning *etc*. as discussed in the subsequent paragraphs:

3.7.1 Implementation of State Finance Assistance projects

Tourism Department released fund under State Development Scheme (SDS) for creation of new tourism attractions, development of new projects and expansion/ improvement of Tourist Lodges. Besides, there were schemes like West Bengal Incentive Scheme (WBIS) and Home Stay scheme which were aimed at enhancing tourism potential in the State.

As per practice followed by the Tourism Department, Project proposals were initiated at the level of implementing agencies like District Magistrate (DM) of the respective district and/or the WBTDCL with the proposed cost, land requirement details and other documents. Directorate of Tourism (project cell) examined such proposals and forwarded it to Project Clearance Committee (PCC), headed by the Joint Secretary, Department of Tourism, for approval. After approval was accorded by PCC, implementing agencies were instructed to submit cost estimates and other related documents to Tourism Department. Based on delegation of financial power, competent authority[67] issued administrative approval for the proposals. Audit observations in this regard are as follows:

3.7.1.1 Taking up of project without conducting Feasibility Study

On the basis of a proposal by a local representative[68], District Tourism Development Committee of 24 Parganas (South) recommended (August 2017) a project namely '*Beautification of river bank at Diamond harbour from Sub Divisional office to kellar math*' at an estimated cost of ₹ 7.17 crore. The project was assigned (August 2018) to the Public Works Department, GoWB (PWD) and the entire amount was transferred to PWD for execution of the work.

Audit observed that the land covered under the proposed project, belonged to the Irrigation and Waterways Department (I&WD), and it was recorded

[67] *By Tourism Department for project cost upto ₹ 30 lakh. By FD for project cost more than ₹ 30 lakh.*

[68] *Member of Parliament.*

as '*Bandh*[69]' and '*Rasta*[70]' in the land records maintained by Land and Land Reforms Department. During execution of the work by PWD through a private agency, a major portion of the embankment adjacent to NH 117 collapsed (August 2019) into the river Ganges during high tide and the work done by the agency was washed away. The work was stopped and later restoration work was taken up (August 2019) by PWD at a cost of ₹ 13.16 crore from their funds.

The private agency filed (10 December 2020) a case in Calcutta High Court to release their dues worth ₹ 2.59 crore pending with PWD for the work executed (First RA Bill) by the agency upto 31 July 2019. Hon'ble High Court ordered (18 December 2020) the State to pay 50 *per cent* of the claim and accordingly, PWD made payment of ₹ 1.29 crore to the agency.

Later on, it was decided (March 2023) by the Tourism Department to not go ahead with the work in view of the fragile nature of the land as per recommendation (March 2023) of the Jadavpur University, which was engaged to study the feasibility of the work considering fragile nature of the soil. Of the ₹ 7.17 crore released to it, PWD was yet to refund any amount to the Tourism Department.

Thus, despite being aware that the land to be covered was *Bandh* land of fragile nature, proper feasibility study was not conducted by Tourism Department before initiation of the work leading to unfruitful expenditure of ₹ 1.29 crore.

Fig. 3.3: Site of damaged embankment at Diamond Harbour, South 24 Pgns

(Source: Picture was taken during Joint Physical Verification on 16 August 2023)

The Department in its reply stated (May 2024) that the PWD had conducted soil testing, land and hydrographic survey before commencement of work.

However, even after conducting the tests/survey, the Department was not able to assess the vulnerability of the area and had to ultimately abandon the project. Further, the Department could not provide any documents in support of the studies conducted before taking up the project.

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[69] *Bandh- it is an artificial bank built along banks of a river to protect adjacent land by flood*

[70] *Rasta' is a passage used for movement of people and vehicles, it may be both metalled and earthen roads.*

3.7.1.2 Projects undertaken without ensuring availability of land

i) Eco-resort at Tonglu, Darjeeling District

Tonglu or Tumling is situated at an altitude of 3,070 m and is one of the peaks of *Singalila* range, located west of Darjeeling. Trekkers prefer to visit this place for access to Sandakphu peak. WBTDCL undertook (June 2019) the construction of an Eco resort at *Tonglu,* Darjeeling at an estimated cost of ₹ 3.57 crore.

It was noted that after incurring an expenditure of ₹ 2.00 crore and 60 *per cent* physical progress, the remaining work had stalled since 2019. Audit observed that this was because the construction of the Resort was undertaken on land managed under the District Improvement (DI) Fund Management Rule 1928[71]. As such, the ownership of the land vested with the District Magistrate, Darjeeling could not be transferred to Tourism Department. However, the land could be handed over to the Tourism Department on lease only on payment of a lease rent and salami of ₹ 53.25 lakh for 30 years. Tourism Department, GoWB requested District Magistrate & Administrator DI Fund, Darjeeling to waive the entire amount of salami and lease rent on the ground of it being a Government Project. However, the request was turned down by the DM, Darjeeling citing the reason that the lease rent and salami received under this rule was to be utilised for payment of salary to staff of DI Fund. As such, the project was put on hold due to non-payment of aforesaid lease rent and Salami. Audit further observed that WBTDCL undertook the work without ensuring ownership of the land or right of access which resulted in blockage of ₹ 2.00 crore spent on work that has remained incomplete since 13 December 2019.

Fig. 3.4: Under construction cottages at Tonglu, Darjeeling

(Source: Picture was taken during Joint Physical Verification on 14 August 2023)

The Department stated (May 2024) that the project was delayed due to COVID 19 and would be completed soon. However, the project was actually delayed due to commencement of work without transferring/ensuring ownership of land.

ii) Tourism resort at Muruguma in Purulia District

The Tourism Department approved (August 2018) an amount of ₹ 9.57 crore for the construction of a Tourism Resort at *Muruguma* in Purulia district and released (August 2018) ₹ 4.78 crore for the aforesaid work to District Magistrate, Purulia. Work order was issued (January 2019) to a private

[71] *The rule deals in administration of land related affairs (viz. fixation of Salami and lease rent etc.)*

contractor. at a cost of ₹ 8.99 crore with scheduled completion date of January 2020. Initially, the work could not commence as the land selected belonged to the Forest Department and could not be used for operation of an eco-resort, which is treated as a commercial activity. As such, the permission for diversion of land was required to be taken from the Ministry of Environment, Forest and Climate Change (MoEF & CC), Government of India. The Tourism Department sought (August 2019) the approval after seven months of awarding the contract. The approval was received from MoEF & CC (February 2022) and thereafter the work commenced from March 2022. It was seen that only ₹ 3.51 crore was utilised (up to June 2023) for this work.

Fig. 3.5: Under construction Tourism Resort at Muruguma, Purulia

(Source: Picture was taken during Joint Physical Verification on 28 July 2023)

During Joint Physical Verification (July 2023) it was observed that construction work of 24 cottages, two suite rooms, restaurant, kitchen, spa, office room, reception room, swimming pool, *etc*. were still in progress even after three years of scheduled date of completion. This could have been avoided, if the project had been properly planned and requisite permission timely obtained from MoEF&CC, before initiation of work.

The Department stated (May 2024) that the project was completed in December 2023 after obtaining clearance in February 2022. Thus, lackadaisical approach in obtaining clearance before commencement of the project, led to nearly four years delay in completion of work.

3.7.1.3 Infructuous expenditure due to faulty planning

WBTDCL constructed (September 2018) a tree deck/top restaurant at *Malancha* Tourist Lodge in North 24 Parganas at a cost of ₹ 54.45 lakh.

Audit observed that the tree deck was constructed under a banyan tree and its branches came in contact with the deck making it unclean, full of insects/ reptiles and difficult for use by tourists. Further, due to lack of maintenance and friction with the tree branches, the deck was damaged prior to October 2020 and finally demolished in August 2022. It was noted that WBTDCL did not maintain any records of tourists who visited the Tree Deck during the period August 2018 to October 2020.

Fig. 3.6: Tree deck at Malancha, Barrackpore

(Source: picture was taken during Joint Physical Verification on 13 October 2020 and 17 July 2023)

Thus, due to faulty planning & lack of maintenance, the facility could not be utilised from the beginning itself, leading to its eventual demolition and infructuous expenditure of ₹ 54.45 lakh.

The Department in its reply stated (May 2024) that the project was economically not viable. Thus, it was evident that the Department took up the project without ascertaining its economic viability.

3.7.1.4 Renovation and up-gradation of Tourism properties to 3-star category

The Tourism Policy, 2016, aimed to increase the availability of branded accommodation/ rooms to 10,000 by 2020. However, as per data of India Tourism Statistics, although the availability of branded accommodation in the State had increased from 3,091 (in December, 2016), it still only stood at 5,048 rooms by 2020 instead of 10,000.

With a view to improving the standards of existing Tourist Lodges operated by WBTDCL (*i.e.*, up-grading into 3-Star category), renovation and upgradation work of these lodges was taken up in 2017-18. Audit noticed the following irregularities in this regard:

i) Malbazar Tourist Lodge

Renovation[72] of *Malbazar* Tourist Lodge was taken up in Jalpaiguri District at an estimated cost of ₹ 7.29 crore by WBTDCL, with January, 2019 as the scheduled date of completion. Audit observed that the work was completed in May 2021 at a cost of ₹ 6.77 crore after a delay of 28 months. The delay was mainly attributed to faulty drawing and designs prepared by a private architect without conducting field survey. For preparing these drawings, a sum of ₹ 6.25 lakh was paid to the architect by WBTDCL. Further, these drawings were approved by WBTDCL (June 2018) without ensuring their correctness while vetting. Dilapidated and unused equipment in the Malbazar tourist lodge are shown in **Fig. 3.7**.

[72] *The work inter alia consists of construction of lobby, staircase, corridors, Restaurant, Bar, staff room, additional rooms and suite in second floor etc.*

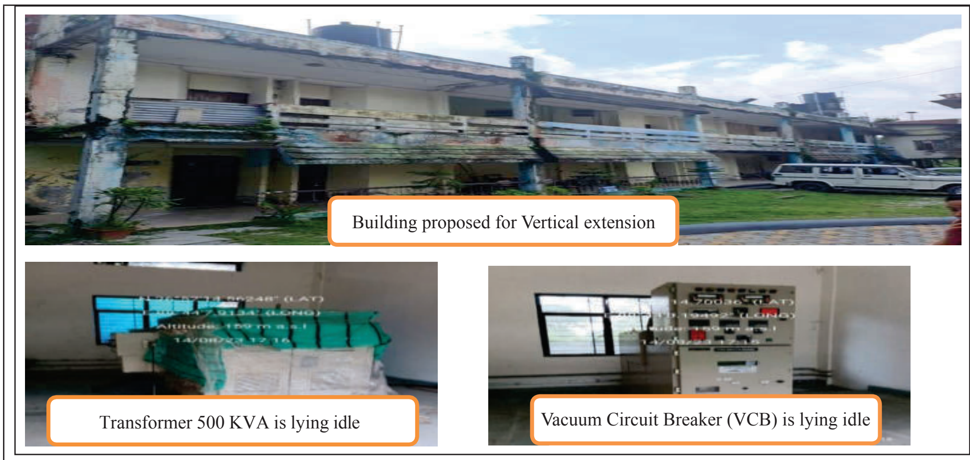


Fig. 3.7: Malbazar Tourist Lodge, Jalpaiguri

(Source: picture was taken during Joint Physical Verification on 14 August 2023)

Audit observed that the vertical extension and renovation of the existing building could not be carried out due to structural weakness of the said building. Since the building was in a dilapidated condition, boarding facilities were stopped (September 2019) due to which 500 KVA Transformer and Vacuum Circuit Breaker (VCB) installed (May 2021) at a cost of ₹ 17.60 lakh remained idle. Thus, the objective of providing boarding facility remained affected even after incurring an expenditure of ₹ 6.77 crore.

The Department stated that the extension of residential block was not economically viable and the said Transformer and Vacuum Circuit Breaker are proposed to be utilised elsewhere. Thus, it was evident that the Department took up the project without ascertaining its viability. Further the equipment purchased at a cost of ₹ 17.60 lakh could not be utilised till date (August 2023).

ii) Maithan Tourist Lodge

Construction of *Maithan* Tourist Lodge in West Bardhaman district was taken up in August 2018 at a cost of ₹ 9.10 crore, with August 2019 as the scheduled date of completion. The scope of work included construction of a boundary wall, six new cottages and one two storied building after demolition of the existing building. Incomplete Maithon Tourist Lodge is shown in **Fig 3.8**.

Fig. 3.8: Incomplete work at Maithan Tourist Lodge, West Bardhaman

(Source: picture was taken during Joint Physical Verification on 20 July 2023)

Audit observed that instead of a new construction, the existing building was renovated at a cost of ₹ 1.56 crore, but no approval from competent authority[73] for this reduction/alteration in scope of work was available on records.

The Site Inspection report (April 2019) by officials of WBTDCL had stated that the contractor was not capable of undertaking new construction in hilly areas and was not interested in doing the work awarded to him. Audit observed that WBTDCL allowed the agency to carry on renovation work and payment of ₹ 1.56 crore was made (December 2022). The contract was finally terminated by WBTDCL (March 2023). As a result, major portion of work[74] remained incomplete (July 2023) pointing towards selection of a technically incompetent contractor. Thus, the objective of increasing the capacity of the Tourist Lodge could not be achieved due to selection of a technically incompetent contractor.

The Department stated that the said property was renovated and upgraded and is now operational with better occupancy rate. However, the potential to improve tourist intake remained unexplored as large portions of the proposed work, including construction of new cottages, were not done.

iii) Batabari Tourism Properties

Tourist Lodge at *Batabari* in Jalpaiguri district was constructed (March 2017) with 10 cottages, kitchen, restaurant and reception block at a cost of ₹ 1.97 crore. However, it was noted that the Tourism Department again approved (June 2018) additional works which included construction of conference/ banquet Hall, bar cum sports room, restaurant and kitchen. These new works were completed in February 2020 at a cost of ₹ 3.82 crore.

Joint physical inspection of the Lodge revealed that the new restaurant and kitchen constructed in February 2020, had not been utilised by boarders since the existing restaurant and kitchen were sufficient to accommodate the demand of the boarders. Presently, the newly constructed conference/ banquet hall, restaurant and kitchen were being offered on rent for cultural and ceremonial purposes only. However, even for these kinds of events, only three bookings had been done since inception of these facilities up to June 2023. Poor utilisation of these facilities were mainly due to absence of advertisement and lack of online booking facility on the website of WBTDCL.

Bar cum sports and gym complex lying idle since inception	New Kitchen & Restaurant	Conference/ Banquet Hall

Fig. 3.9: New facilities at Batabari Tourist Lodge, Jalpaiguri

(Source: picture was taken during Joint Physical Verification on 14-15 August 2023)

[73] *Principal Secretary of the Tourism Department.*

[74] *Six new cottages and one two storied building.*

Fig. 3.10: GPS view showing three Tourist Lodges

It was also noted that the bar-cum sports room had not been utilised since inception. Further, the utilisation of these in the near future was also doubtful as this facility was created within 50 m from NH 31 (in Gram Panchayat area) and as per Supreme Court order (December 2016) no liquor licenses could be granted within 500 metre of the National Highway.

Thus, creation of facilities without assessing demand and by ignoring directions of the Supreme Court, points towards poor planning which resulted into injudicious expenditure of ₹ 3.82 crore.

In reply, the Department stated (May 2022) that a promotional campaign undertaken and a dedicated section in WBTDCL is being created in its website for using the Conference/Banquet halls. The Department further stated that at present the bar is fully operational. However, the Department did not provide the status of utilisation of the Conference/Banquet halls. Further, the bar is being operated in violation of the Supreme Court's directives.

iv) Sagarika Tourist Lodge at Diamond Harbour, South 24 Parganas

Work order for renovation of Sagarika Tourist Lodge at Diamond Harbour, South 24 Parganas was issued (August 2018) at an estimated cost of ₹ 6.05 crore which also included construction of a 'Surface Drain' at a cost of ₹7.97 lakh. The work was shown to have been completed (May 2022) as per work completion certificate issued by WBTDCL. Joint Physical Verification (August 2023) by Audit along with departmental officials revealed that despite the completion report, the work of the drain was only partially executed after incurring an expenditure of ₹ 0.13 lakh without considering the level of the Irrigation canal. As a result, the basement area (car parking area) of the Lodge was waterlogged and the tourist lodge remained unusable during rainy season.

Fig. 3.11: Water logging at the basement of Sagarika Tourist Lodge, South 24 Pgns

(Source: picture was taken during Joint Physical Verification on 17 August 2023)

In reply, the Department stated (May 2024) that the issue can only be resolved if the level of the Irrigation canal was rectified, as it was in same level as that of the drain. However, the Department should have constructed the drain considering the level of the Irrigation canal.

v) Star Categorisation

The Ministry of Tourism, GoI classified Hotels into different categories (1 Star to 5 Star, Star deluxe, Heritage *etc.*) based on facilities available and services offered. The authorities of the Hotels are to apply to the Hotel and Restaurant Approval and Classification Committee (HRACC) under the Ministry of Tourism, GoI to get the Hotel rated. The star classification has an inherent business advantage as the customer would believe that this guarantees certain quality/standard of service to be provided.

Audit observed that the company (WBTDCL) completed (between February 2020 to March 2023) the work of renovation and up-gradation of 13 out of 19 selected tourism properties in the State at a cost of ₹ 97.64 crore, but did not apply for categorisation of any of the up-graded tourism properties till date (September 2023). Remaining six tourism properties are under various stages of construction.

Joint physical inspection (July – September, 2023) of 13 completed Tourism properties revealed that various criteria (*viz*. sewage treatment plant, facilities for differently abled guest and licence for fire safety) for obtaining three-star Category were not available. It was noted that Sewage Treatment Plants (STPs) were non-functional in 13 TLs (*viz.* no Annual Maintenance Contract in four TLs and Non-commissioning of STP in nine TLs) and facilities (*viz.* ramp, braille writing in lift *etc*.) for senior citizens and differently abled person were not available in any of the properties. Rooms were also not available for use by differently abled persons in any of the properties. Further, Licence for Fire Safety under group residential cum commercial building had not been obtained from the West Bengal Fire and Emergency Services Department by the properties. These details are mentioned in ***Appendix-3.1***.

The Department accepted the Audit observations on renovation and up-gradation in respect of *Malbazar*, *Maithan* and *Batabari* Tourism properties during the Exit Conference (October 2023). The Department further stated that acquisition of three-star category was in the process.

Recommendation 2:

The infrastructure projects should be taken up after a detailed planning and only after conducting feasibility studies and obtaining land clearance.

3.8 Non-utilisation of Tourism Properties

The Tourism Department did not have a sustainable model for leasing out/ operation and maintenance of its created assets. During Joint Physical Verification (July-September 2023), audit observed that the assets created were not utilised as discussed in the succeeding paragraphs:

3.8.1 Tourist facilities at Bhramri Devi temple, Jalpaiguri District

As per tourism policy-2019, the State Government encourages the promotion of religious tourism in the State and the creation of new travelling circuits for pilgrims. Religious circuit of Jalpaiguri in West Bengal includes Bhramri Devi mandir which is one of the 51 *Shaktipeeths*. The temple compound lacked basic facilities like Prashad Ghar, proper facilities for cooking food, night stay for devotees and public convenience *etc*.

Development work of *Bhramri Devi* Temple which *inter-alia* included construction of tourist facilities (*viz.* Reception Hall, Kitchen, Prashad Ghar, Dormitory and Toilet Block) was taken up by WBTDCL at a cost of ₹ 3.96 crore. The work was completed in March 2021 after a delay of 18 months and the facilities were handed over (July 2021), to DM, Jalpaiguri for their operation.

Toilet lying idle since inception

Unutilised kitchen

Damaged false ceiling

Fig. 3.12: Tourist facilities at Bhramri Devi Temple, Jalpaiguri district

(Source: picture was taken during Joint Physical Verification on 18 August 2023)

Audit observed that assets created remained idle since March 2021 as basic amenities like source of water, electricity and furniture and fixtures were not available. WBTDCL handed over the facilities to the DM without installation of such basic amenities. As a result, the facilities created at a cost of ₹ 3.96 crore remained unutilised for more than three years and are likely to deteriorate with time.

In reply, the Department stated (May 2024) that basic amenities are being taken care of by the local District Administration so as to facilitate operationalisation. However, the Department has not been able to ensure early utilisation of the infrastructure created due to which it remained idle for more than three years.

3.8.2 Khoirabera Eco Tourism Project – II, Purulia District

The construction of Khoirabera Eco Tourism Project – II in Purulia district was completed (March 2020), at a cost of ₹ 2.34 crore by the DM, Purulia. As per Operation and Maintenance plan submitted by DM, Purulia, at the time of approval of the project, the property was to be leased and the yearly earnings were to be utilised for operation and maintenance of the property under supervision of District Tourism Development Committee. However, Audit observed during joint physical verification that the facility had remained unutilised (as of July 2023).

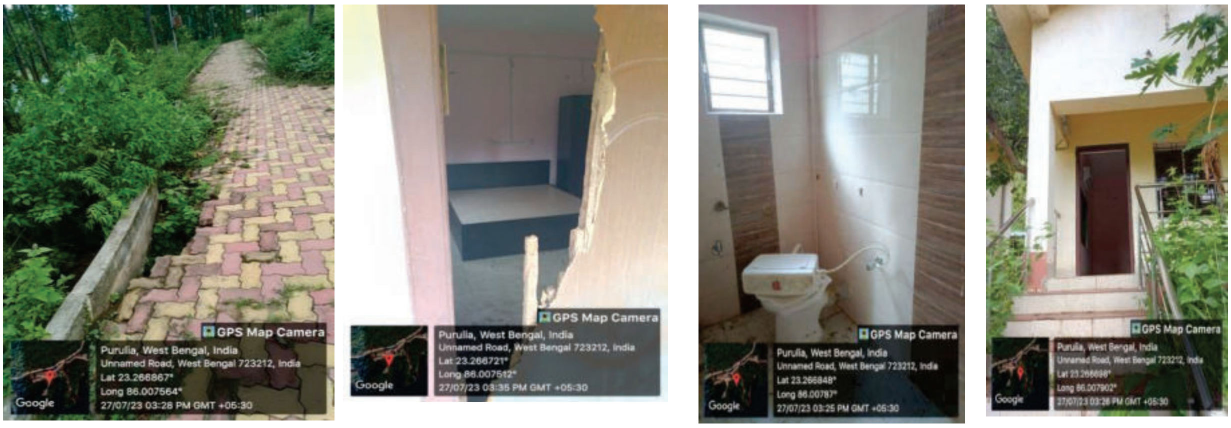


Fig. 3.13: Eco Tourism Project, Khoirabera in Purulia District

(Source: picture was taken during Joint Physical Verification on 27 July 2023)

Joint physical verification also showed that basic amenities like electricity connection, source of drinking water *etc.* were not available. Electrical equipment like ACs, switch boards, electric bulbs, solar lighting *etc*. were fitted in the cottages, but were either not working or were damaged due to prolonged non-use. The DM, Purulia did not take any initiative for engagement of any agency for operation and maintenance of the property. As such, expenditure of ₹ 2.34 crore incurred on the project remained unfruitful for more than three years.

In reply, the Department stated (May 2024) that the process of installation of basic amenities would be initiated and they would also take steps for its operationalisation.

3.8.3 Tourist cottages at Bakreswar, Birbhum

Tourism Department entrusted (November 2013) the work of construction of 10 tourist cottages at *Bakreswar* in Birbhum District to the Birbhum Zilla Parishad. The work was completed in January 2019 at a cost of ₹ 1.80 crore and handed over to WBTDCL in February 2021 for operation and maintenance. However, the newly created facility could not be utilised till the date of Audit (March 2023).

After taking over, WBTDCL observed (December 2021) that the cottages being next to a crematorium (300 m) suffered from locational disadvantage and tourists avoided the facility. Further, the tourists at Bakreswar were generally day visitors to the local hot spring and temple and there were hardly any boarders. During joint physical verification with officials of WBTDCL, it was noticed (June 2022) that the cottages were surrounded with big bushes and were in a dilapidated condition. This could have been avoided if Tourism Department, GoWB had conducted a proper Feasibility study, especially to assess location & demand, before undertaking the project.

Due to non-utilisation and lack of maintenance, the cottages were dilapidated and uninhabitable (September 2023) resulting in wasteful expenditure of ₹ 1.80 crore as shown in pictures below:

Cottage within 300 m from crematorium

Hindu crematorium

Fig. 3.14: Cottage at Bakreswar in Birbhum district

(Source: Picture was taken and provided by Management on 13 September 2023)

In reply, the Department accepted (May 2024) the Audit observations and stated that as per assessment of WBTDCL the property created was not economically viable and alternative use of the property is being explored.

3.9 Implementation of Centrally Sponsored Scheme (CSS)

During 2017-23, the Tourism Department had undertaken two centrally sponsored schemes namely *Swadesh Darshan* for infrastructure development in the Coastal Tourism Circuit and Pilgrimage Rejuvenation and Spiritual Augmentation Drive *(PRASAD)* for development of pilgrimage site at *Belurmath* in the State. **Table 3.3** below summarises the status of projects, fund release and utilisation during 2017-23:

Table 3.3: Status of fund released and expenditure thereof under CSS

Sl. No.	Name of project	Sanctioned cost	Fund released by GoI	Fund utilised	Status
					(₹ in crore)
1.	Swadesh Darshan	85.39	68.31	65.07	Completed
2.	PRASAD	30.03	23.39	22.83	Ongoing

(Source: Data furnished by Tourism Department, GoWB)

3.9.1 Swadesh Darshan Scheme

With the objective of developing potential tourist circuits in a planned and prioritised manner, promoting cultural and heritage value and creating employment through active involvement of local communities, Ministry of Tourism (MoT), GoI launched (2014-15) the Swadesh Darshan Scheme. Under the Scheme, a sum of ₹ 85.39 crore was sanctioned for infrastructure development in the Coastal Tourism Circuit of West Bengal. The works/projects related to Swadesh Darshan were to be implemented in the State by WBTDCL & the *Digha Sankarpur* Development Authority (DSDA). **Table 3.4** outlines the details of work allotted between WBTDCL and DSDA for Swadesh Darshan.

Table 3.4: Area along with fund of Swadesh Darshan allotted to WBTDCL and DSDA

Implementing agencies	Area	Amount (₹ *in crore*)
WBTDCL	Bakkhali-Frazerganz-Henry Island	41.30
DSDA	Udaypur-Digha, New Digha-Sankarpur-Tajpur-Mandarmoni	44.09
	Total	**85.39**

(Source: Documents from WBTDCL and DSDA)

Deficiencies like lack of proper feasibility studies, preparation of DPR without site survey, inclusion of sites without clearances, not having a sustainable operation and maintenance plan, *etc*. were noticed, as discussed in the succeeding paragraphs.

3.9.1.1 Non execution of work due to unavailability of land

The Department took up (December 2015), 55 works under Swadesh Darshan at a cost of ₹ 85.39 crore for infrastructure development in the Coastal Tourism Circuit of the State. As per the scheme guidelines, the State Government was to provide land for execution of the above works. Audit observed that GoWB did not arrange the required land and consequently, nine works[75] with an estimated cost of ₹ 18.43 crore at *Tajpur, Mandarmoni, Henry Island* and wayside amenities between *Kolkata and Digha, Bakkhali* were not taken up.

In reply, the Department accepted (May 2024) that the said projects were not implemented.

3.9.1.2 Construction of facilities in violation of CRZ guideline

MoEF&CC issued (January 2011/ January 2019) notifications under Section 3 of the Environment (Protection) Act 1986, declaring certain coastal stretches as part of the Coastal Regulation Zone (CRZ). These notifications mainly sought to conserve and protect the coastal environment/marine areas, as well as to promote scientifically sustainable development. Accordingly, coastal zones were classified under four main categories and the economic activities permissible therein were specified. Before taking up economic activities in the CRZ areas, necessary studies to mitigate their adverse environmental impact had to be carried out, and thereafter prior approval of the appropriate CRZ Authority had to be obtained. Between September 2016 to December 2021 WBTDCL and DSDA took up work like beachfront beautification, Tourist amenity centre, Toilet and shower block, parking area, Watch/ Life guard tower and Gazebo at *Bakkhali, Henry Island, Frazerganj*, *Digha, Mandarmoni, Udaypur*, *Shankarpur* and *Tajpur* coastal areas, for which required permissions were not obtained from the West Bengal State Coastal Zone Management Authority (WBSCZMA).

The proposed project area, located along the coastline, was susceptible to tidal influence and fell entirely within CRZ areas. Therefore, prior permissions from WBSCZMA were required to implement different components of the project.

[75] *Floating jetty & gangway at Tajpur, Water sports equipment at Mandarmoni and Henry Island, Camping facilities at Henry Island, Wayside amenities between Kolkata & Digha and Kolkata & Bakkhali, garbage bins in overall beach circuits and provision of signage in overall beach circuits.*

Due to lack to requisite permissions, Watch/Life guard towers constructed in CRZ area at *Frazergan*j (February 2018) and *Henry Island* (February 2019) at a cost of ₹ 17.60 lakh in violation of CRZ guidelines were demolished in September 2021 (at Henry Island) and in July 2022 (at *Frazerganj)* by WBTDCL. These were demolished due to objections[76] raised by the National Green Tribunal (NGT) and Local administration. Thus, execution of the towers in violation of CRZ guidelines resulted in wasteful expenditure of ₹ 17.60 lakh.

Demolished Watch/ Life Guard Tower at Henry Island

Demolished Watch/ Life Guard Tower at Frazerganj Island

Fig. 3.15: Demolished Life Guard Towers at Henry Island and Frazerganj in South 24 Pgns

(Source: Picture was taken during Joint Physical Verification on 18 August 2023)

In reply, the Department accepted (May 2024) that the Watch/Life Guard towers had to be demolished in compliance of the NGT order and noted for future compliance.

3.9.1.3 Poor/Non-operation and Maintenance of created assets

State Governments are responsible for Operation and Maintenance (O&M) of projects created under the Swadesh Darshan Scheme, directly or by appointing an agency. The State was also responsible for bearing all operational expenditure related to the Scheme. The Ministry of Tourism, GoI approved projects under Swadesh Darshan on the basis of undertaking given by GoWB that they would set up necessary arrangements for sustainable operation and maintenance of the created properties. The Scheme envisaged that tourism facilities would be maintained and operated in a commercially viable manner.

However, Audit observed that arrangements were not made by the State at five spots, out of nine for effective O&M of the facilities created under the Scheme during the period from September 2016 to January 2022 at a cost of ₹ 65.07 crore. During joint physical verification of these sites/projects, instances of facilities created but not put to use, deterioration of infrastructure due to lack of proper maintenance, *etc*. were observed as discussed below:

i) *Dadanpatrabar* at Mandarmani

Beachfront beautification works like creation of a Tourist Amenity Centre, toilets, shower blocks, parking facilities, landscaping and beautification *etc*. at Dadanpatrabar, Mandarmani were completed (September 2019) at a cost of ₹ 5.51 crore by DSDA.

[76] *February 2020 for Henry Island and February 2022 for Frazerganj.*

During joint site verification (31 July 2023) by Audit, along with officials of the DSDA, it was observed that the landscaping and beautification work was severely damaged and poor maintenance due to non-engagement of any agency. Further, the Tourist Amenity Centre could not be made operational, since inception, as DSDA could not select any interested agency for its O&M, even after four years of completion. Thus, expenditure of ₹ 5.51 crore incurred on infrastructural development of the place has remained unfruitful for the last four years.

Fig. 3.16: Tourist Amenities at Dadanpatrabar, Mandarmoni in East Medinipur

Source: Picture was taken during Joint Physical Verification on 31 July 2023)

In reply, the Department stated (May 2024) that DSDA had entered into an O&M contract with an agency for one year in September 2023. However, DSDA took four years to engage an agency for its O&M during which time assets created have deteriorated due to lack of maintenance.

ii) *Silampur* at Mandarmani

The work at Silampur, Mandarmani *inter-alia* consisted of construction of Tourist Amenities Centre with rest room, restaurant, lobby area, parking facilities, approach road, toilet block, hawker's shops, lighting *etc*. The work was completed (October 2018) at a cost of ₹ 4.81 crore by DSDA. However, the entire facility remained idle since its completion (more than five years) as an agency was not selected for its O&M by DSDA due to a court case. During joint physical verification of the project, it was noticed (31 July 2023) that landscaping and beautification work were damaged due to non-maintenance and the entire facility was lying idle since its completion. As a result, the entire expenditure of ₹ 4.81 crore remained unfruitful.

Fig. 3.17: Tourist Amenities at Silampur, Mandarmoni in East Medinipur

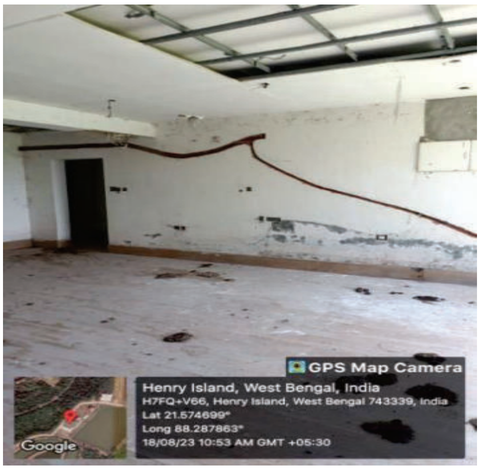
(Source: Picture was taken during Joint Physical Verification on 31 July 2023)

In reply, the Department stated (May 2024) that DSDA had initiated tendering process for the Operation & Maintenance.

iii) *Henry* Island

Works for Construction of Tourist Reception Centre, parking area, pathways, toilet blocks and electrical works at Henry Island, South 24 Parganas were completed (February 2019) at a cost of ₹ 3.05 crore by WBTDCL.

Joint inspection was carried out (18 August 2023) by the Audit team along with officials of WBTDCL. During the verification, it was found that amenities created for tourists like Tourist Reception Centre, pathways, toilet blocks *etc.* were damaged and had remained unutilised. Seating arrangements and gazebos were also unusable and covered with bushes. It was noted that these facilities were not handed over by WBTDCL for O&M to any agency during the period from February 2019 to August 2023. As such, due to poor maintenance and wear and tear, they could not be utilised for more than four years, leading to unfruitful expenditure of ₹ 3.05 crore.



Damaged Tourist Reception Centre along with toilet block and tourist amenities at Henry Island

Gazebos remained unutilised and surrounded with bushes

Fig. 3.18: Tourist Amenities at Henry Island, South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 18 August 2023)

In reply, the Department stated (May 2024) that the proposed area falls under the buffer zone of CRZ due to which further activities could not be done. The reply of the Department reveals lacunae in the planning process wherein no detailed analysis of project viability and feasibility was done, leading to the Project being taken up in a restricted zone and wasteful expenditure of ₹ 3.05 crore having been incurred.

iv) *Bakkhali*

Work for '*Construction of Tourist Amenity/ Tourist Facility Centre, Watch Tower, Parking Area, Gazebo, Seating arrangement, Toilet Block, approach road'* was completed (February 2018) at Bakkhali in South 24 Parganas District at a cost of ₹ 82.39 lakh by WBTDCL. Audit examination showed that none of these assets (*except Parking area which was handed over to Gangasagar Bakkhali Development Authority for use*) were handed over by WBTDCL for O&M to an agency through open tender. As a result, it was observed during Joint Physical Inspection (18 August 2023) that assets like Tourist Facility Centre and toilet block *etc*. were not utilised by tourists and were found in damaged conditions. Further, electrical arrangements created inside the tourist amenities centre were also missing.

Fig. 3.19: Tourist Amenities at Bakkhali, South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 18 August 2023)

In reply, the Department stated (May 2024) that the said property was damaged substantially due to consecutive cyclonic storms and steps were being initiated for its restoration.

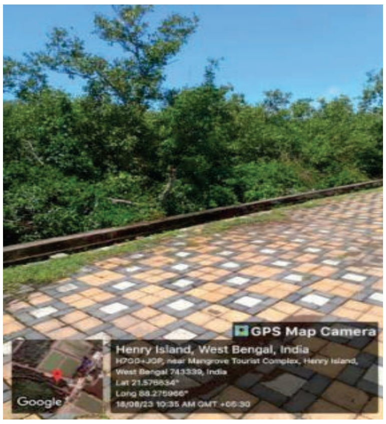
v) *Frazerganj*

Work for '*Construction of Parking lot, Toilet Block and Illuminatio*n' at Frazerganj in South 24 Parganas District was completed (February 2018) at a cost of ₹63.28 lakh by WBTDCL. The facilities were handed over (November 2018) to the State Fisheries Development Corporation Limited (SFDCL) for Operation & Maintenance by WBTDCL without any agreement.

Joint inspection was carried out (18 August 2023) by Audit team along with the officials of WBTDCL which revealed that toilet blocks were unhygienic & consequently unutilised and were partially damaged (including electrical fittings and area illumination). Further, parking lots with Charging Station were not utilised due to non- procurement of e-Cart (battery driven vehicles to transport tourists in and around coastal areas) by WBTDCL. No cable line and outdoor charging feeder arrangements were also found at the site. WBTDCL did not enter into any agreement with SFDCL and thereby could not ensure proper maintenance of the property by SFDCL.

Toilet & Amenity Block in damaged and unclean condition

Non-functional Area illumination (through GRP poles)



Missing Charging Station near parking lot at Henry Island and parking lot unutilised

Fig. 3.20: Tourist Amenities at Frazerganj in South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 18 August 2023)

In reply, the Department stated (May 2024) that the said property was damaged substantially due to consecutive cyclonic storms and steps were being initiated for its restoration.

Thus, the Tourism Department did not hand over the properties created at a cost of ₹ 14.82 crore under Swadesh Darshan Scheme to suitable agencies for their proper operation and maintenance. As a result, the objective of upgradation of facilities & resultant creation of employment through influx of tourists, remained unfulfilled, besides leading to unfruitful expenditure of ₹ 14.82 crore.

Recommendation 3:

Tourism Department should take immediate steps for effective utilization of assets created under Swadesh Darshan and formulate a sustainable model for their operation and maintenance.

3.9.2 Pilgrimage, Rejuvenation and Spiritual Augmentation Drive (PRASAD) Scheme

The Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD) scheme was launched (2014-15) by the Ministry of Tourism (MoT), GoI. The Scheme focuses on identifying and developing pilgrimage sites across India for an enriching religious tourism experience.

Under this scheme in West Bengal, the MoT sanctioned (December 2016) an aggregate assistance of ₹ 30.03 crore for different components like street lighting (general illumination), Solid Waste Management, signage & giant LED Display, Tourist Reception Centre, multi-level car parking *etc*. at the *Belur Ramkrishna Math* (BRM) with a scheduled completion date of June 2018. As per the Scheme guidelines, the State Government was to ensure timely completion of the project and cost escalation on account of delay would not be reimbursed by the Central Government.

The 1st instalment (being 20 *per cent* of total project cost) was to be released after approval of the DPR, while the 2nd and 3rd instalments (being 30 *per cent* of total project cost each) were to be released by GoI to Tourism Department on receipt of utilisation certificates of previous instalments. The 4th and final payment (being 20 *per cent* of total project cost) was to be released by GoI on completion of the Project and receipt of completion certificate. Accordingly, GoI released ₹ 23.39 crore[77] in three instalments between February and December 2017.

WBTDCL, being the implementing agency, entered (March 2017) into a Memorandum of Understanding (MoU) with BRM for the execution of the Project. It was noticed that except construction of the multi-level car parking, the other works were completed by February 2020 at a cost of ₹ 21.82 crore. Due to unavailability of land, the multi-level car park was proposed (February 2018) to be shifted inside the BRM complex. The same was approved (March 2019) by MoT, GoI subject to overall ceiling of the project cost (*i.e.* ₹ 30.03 crore).

The Ministry of Tourism, GoI in a review meeting of the PRASAD scheme with WBTDCL directed (March 2023) the latter to complete the work of the multi-level car parking by June 2023, after which no fund in this respect would be reimbursed by GoI.

In this context it was noted that the work order for the car parking was issued in May 2019 by WBTDCL at a cost of ₹ 9.37 crore and the work was to be completed within 18 months. The remaining amount of ₹ 6.64 crore[78] was not reimbursed by GoI to the State for the Project as the last instalment was to be provided by the State and same would be reimbursed by GoI after receiving UC. The remaining amount was released to WBTDCL by the Tourism Department, GoWB only in December 2021. As of July 2023 the work still remained incomplete. Thus, the delay in arrangement of funds by State Government resulted in delay in execution of the project. Audit observed that delay in construction of car

[77] *₹ 6.01 crore as 1st instalment in February 2017, ₹ 8.94 crore as 2nd instalment in September 2017 and ₹ 8.44 crore as 3rd instalment in December 2017*

[78] *₹ 30.03 crore - ₹ 23.39 crore*

parking was mainly due to (i) change of the site of car parking as the initially proposed land belonged to the Indian Railway and WBTDCL could not sign an agreement with the Railways Authority for the said development and (ii) delay in release (December 2021) of final instalment[79] of ₹ 6.64 crore by the Tourism Department, GoWB to WBTDCL. Thus, reimbursement of ₹ 6.64 crore from GoI as well as non-completion of tourist facility remained doubtful, as the deadline fixed by MOT, GoI has already lapsed.

Fig. 3.21: Under construction car parking at Belur in Howrah

(Source: Picture was taken during Joint Physical Verification on 22 July 2023)

In reply, the Department stated (May 2024) that the car parking was expected to be completed by June 2024.

3.10 Infrastructure development under Public Private Partnership

Public Private Partnership **(**PPP) mode of implementation has the potential to augment tourism infrastructure projects which require substantial investments but are also commercially lucrative. Besides generating revenue by attracting additional tourists, these projects generate employment opportunities for local residents.

Tourism Department, GoWB proposed three PPP projects[80] *viz Gajoldoba* in Jalpaiguri District, *Jharkhali* at Sundarbans in South 24 Parganas district and *Sabuj Dwip* in Hooghly District under the Tourism Policy of 2016. Initially, the projects were to be decided on Concession Frame Work (CFW)[81] basis but Tourism Department decided (June 2015) to go for Short Term Lease (STL)[82], as the Concession framework requires the Government to take on the onus of making termination payment to cover the debt obligation even in case of default by the Concessioners.

[79] *final instalment was to be arranged by State Government and the same would be reimbursed by GoI after getting final completion certificate.*

[80] *For creation of new Tourism infrastructure*

[81] *It is the licensing system in respect of allotted land. According to this, Concessionaire is authorized to implement the project and make commercial use for 33 years. The Department may offer renewal to the concessionaire on a 'Right of first refusal basis'. Government has to take the liability of making termination payment to cover the debt obligation even in case of default by the Concessionaire.*

[82] *It enables the investor to use the land for 30 years (renewable for another two terms for maximum period of 90 years) and to mortgage the lease agreement in financial institution for funding its project.*

Tourism Department had made two attempts (September 2015 and February 2016) at inviting Request for Proposals (RFP) in respect of Gazoldoba under STL but could attract only four responses[83] from private players out of total requirement of 38. Details of attempts (if any) made for inviting RFP in respect of *Jharkhali* and *Sabuj Dwip* were not available on records.

Tourism Department, however, incurred an expenditure of ₹ 134.29 crore during 2017-23, for creation of necessary infrastructure like road connectivity, drainage, power, water supply and setting up resort *etc*. in these three spots to facilitate investment by the private players in setting up resorts/hotels.

Joint Physical Verification of three sites (July-September 2023), revealed that only one Private resort *'Vita Nova'* in *Gajoledoba* and *Techno India* in *Jharkhali* was in operation.

Audit also observed that the Department executed an agreement (August 2015), with M/s *Sikaria Divinity Pvt. Ltd.* to develop the *Sabuj Dwip* Eco Tourism Project in Hooghly district but due to breach of conditions[84] by the agency, the agreement was terminated in July 2017. Finally, the works *i.e.* creation of infrastructure and construction of lodge were completed and the project is being operated by WBTDCL since March 2023.

Audit observed that the poor response from private players with respect to *Gajoledoba*, *Jharkhali* and *Sabuj Dwip* was mainly attributable to the fact that the Department had not conducted Feasibility Studies for the above three projects. Thus, environmental and social impact analysis, preliminary site investigations, analysis of the existing situation, nature and magnitude of the project, need and justification for it, risk factors *etc*. were not assessed before taking up the projects at *Gajoledoba*, *Jharkhali* and *Sabuj Dwip.* Due to this, the objectives of augmenting tourism infrastructure under PPP remain frustrated.

Even the infrastructure created for Eco-Tourism project at Jharkhali by Tourism Department at a cost of ₹ 28.04 crore had deteriorated over time due to non-maintenance as discussed below:

i. The work of street lighting including car parking area was completed (September 2019) by the Tourism Department at a cost of ₹ 1.43 crore at the newly constructed Eco-Tourism site at Jharkhali, South 24 Parganas. During Joint Physical Verification (16 August 2023) with the Public Works Department officials, the entire lighting system was found non-functional and in damaged condition.

Fig. 3.22: Damaged lighting for Jharkhali Eco-Tourism Project, South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 16 August 2023)

[83] *Three investors in first attempt and one investor in second attempt were selected.*

[84] *As the working activities of the covenants was endangering the environment and eco-system.*

ii. The work '*urgent repair and up-gradation of existing bituminous road from Jharkhali Raja more to SDB Jetty ghat*' was completed (November 2014) at a cost of ₹10 crore. During Joint Physical Verification (16 August 2023) with officials of the Public Works Department it was observed that the entire road had been damaged with top layer washed away and big holes were appearing on the road, defeating the objective of smooth traffic and promotion of tourism towards Jharkhali and adjoining areas.

iii. An expenditure of ₹ 2.23 crore was incurred for the work '*Construction of one three vent and four two vent Hume pipe sluice structure along with sump for temporary pump over peripheral embankment'* to solve the drainage problem over 30 acre of land inside *Jharkhali* Eco-Tourism Hub*,* South 24 Parganas. During the Joint Physical Verification (16 August 2023) with irrigation and Waterways Department officials it was observed that the entire structure remained non-operational as no agency had been assigned by the Tourism Department for its operation. Entire sump area was unclean and was covered with grass. Inundation of the entire premises was also seen during the Joint Physical Verification. Thus, the entire expenditure ₹ 2.23 crore became unfruitful.

Fig. 3.23: Damaged Raod for Jharkhali Eco-Tourism Project, South 24 Pgns.

Fig. 3.24: Water logging in Jharkhali Eco-Tourism Project area, South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 16 August 2023)

In reply, the Department accepted (May 2024) the Audit observations and stated that henceforth feasibility study would be conducted before selection of any project.

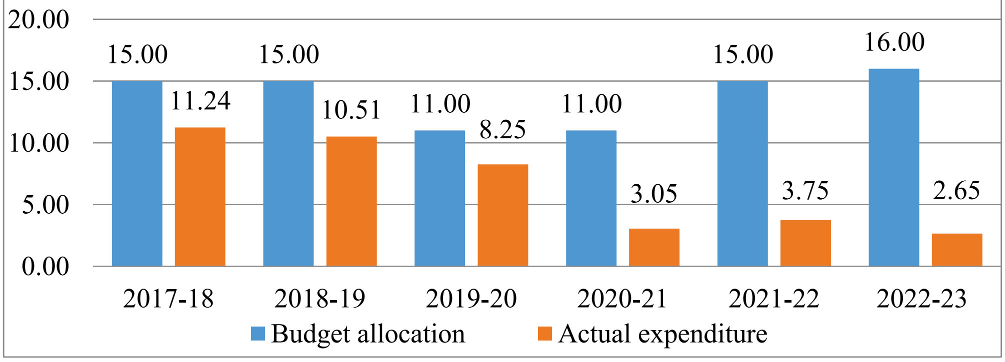
Recommendation 4:

Tourism Department should conduct a detailed viability & feasibility study before selecting a project to be developed under PPP mode so as to attract private investors.

3.11 Effectiveness of tourism promotional measures

Tourism Policy 2016, laid emphasis on showcasing the immense tourism potential of the State both in the domestic and international market through an effective communication plan using all media platforms. The budget for publicity and promotion allocated by GoWB and its utilisation by WBTDCL during the period 2017-23 is shown in **Chart 3.4** below:

Chart 3.4: Budget allocation *vis-a-vis* Actual expenditure (₹ *in crore*)



As may be seen, the budget utilization for publicity, ranged between 17 to 75 *per cent* during 2017-23. Overall the Tourism Department was unable to spend on an average 52.47 *per cent* of the budget allocated for promotion & publicity during 2017-23.

The Tourism Department did not frame a separate Promotion and Publicity policy or action plan. It was only six years after the Tourism Policy 2016 came into effect, that the Tourism Department entered (January 2023) into an agreement with *M/s Price Water House Coopers Private Limited* (PWC) for framing the aforesaid policy for promotion and publicity within two years. As of March 2023, the agency did not furnish any draft policy to the Tourism department.

The grant towards publicity and promotion was allocated to WBTDCL without any implementation plan. Audit observed instances where grants released to WBTDCL for promotional measures of tourism were utilised (19.44 *per cent*) for other purposes like routine hiring of cars, procurement of Laptop *etc*. Thus, the objective of publicity and promotion of tourism remained unfulfilled.

Thus, effective marketing of the State tag line as "***Experience Bengal-the sweetest part of India***" in the national and international arena could not be achieved.

The Tourism Department accepted the Audit observations and stated during the Exit Conference (October 2023) that promotion and publicity activities were being carried through You Tube, blogs *etc*. Audit is of the view that the Tourism Department should explore other avenues to promote tourism in the State like displaying in print and electronic media *etc*.

Accepting the Audit observations in this regard, the Department stated (May 2024) that aggressive publicity campaign across social media and digital platform has since been started in compliance to the Audit observations.

3.12 Capacity Building Programme

As per Tourism policy 2016, there was a very noticeable gap between demand and supply of skilled manpower in the tourism sector and to bridge this gap, training programme under the Central Sector scheme '*Hunar Se Rozgar Tak'*[85] *would be conducted* in phases. Audit observed that during 2017-23, the Department had not conducted any training programmes under '*Hunar Se Rozgar Tak'* although the fund for such training was to be provided by GoI for upgrading skill. The Department did not draw up any plan or seek funds from the GoI in this regard.

WBTP-2019 also emphasised short term skill development courses in focused[86] districts for grass root stakeholders in collaboration with the Technical Education and Training Department and other private stakeholders. The Tourism Department had neither assessed the requirement for training programme of the stakeholders nor had it fixed any targets for monitoring its achievement. However, GoWB conducted State funded training under *Utkarsh Bangla* scheme to provide wage/self-employment linked skills training free of charge to the stakeholders as detailed below in **Table 3.5**:

Table 3.5: Training imparted to the stakeholder by Tourism Department 2017-23

Year	Tourist guides		Beneficiaries of Home Stay Scheme		Hoteliers	
	Enrolled	Training imparted	Enrolled	Training imparted	Enrolled	Training imparted
2017-23	3,462	1,684	2,081	91	NA	147

(Source: Figures obtained from the Tourism Department)

As is evident from the above, as of March 2023, out of 2,081 Home Stay units and 3,462 Tourist guides only personnel of 91 Home Stay units and 1,684 Tourist guides were trained during the period 2017-23. Thus, the State Government did not conduct training for a substantial number of persons associated with tourism promotion in West Bengal.

In reply, the Department stated (May 2024) that due to certain prescribed conditions of the training programme under *Utkarsh Bangla* Scheme, response from Home Stay owners was not forthcoming. Alternate training module was being designed and training was expected to commence shortly. The reply was not tenable as the Department was required to addressed the bottleneck and impart training to the stakeholders to reduce the deficit of skilled manpower.

Recommendation 5:

Tourism Department should formulate a plan of action for promotion and publicity to tap the unexplored tourism potential in the State. Besides, it should also take steps for capacity building & development of skilled manpower associated with the tourism industry through suitable training programmes.

[85] *The programme was aimed at targeting persons with not much means and in need to acquire skills facilitative for employment. MoT, GoI was to provide financial assistance to Govt. sponsored Tourism & Hospitality Institutes, Private Tourism/Hospitality Institutes, State Tourism Development Corporations and State Governments etc. to conduct Skill Development Programmes*

[86] *Districts having tourism prospects*

3.13 Monitoring

To execute tourism related projects economically and efficiently as well as to ensure timely completion of projects/schemes, an effective monitoring system was a pre-requisite. At district level, District Tourism Development Committee (DTDC) is looking after the ongoing projects of Tourism Department. Whereas WBTDCL looks after the ongoing projects of Tourist Lodges. The Department could not provide any records regarding conduct of meetings by the DTDCs for monitoring of ongoing projects. During the course of audit, instances of poor monitoring, wasteful/ unfruitful expenditure *etc*. were noticed as discussed in succeeding paragraphs:

3.13.1 Incomplete work due to delayed termination of Contract

Construction of a Tourist Resort at *Chandannagar* (ALO Resort), Hooghly district was scheduled to be completed in August 2019 at a cost of ₹ 9.48 crore as per work order issued in August 2018 by WBTDCL. It was noticed that the contract was terminated (February 2021) due to slow progress of work.

Fig 3.25: Non-completion of work of Chandannagar Tourism Properties (ALO Resort), Hooghly District

(Source: Picture was taken during Joint Physical Verification on 14 July 2023)

Audit observed that reasons for slow progress of work and responsibility for delay in termination of contractor were not on record indicating poor monitoring on the part of WBTDCL. Subsequently, the work order for the balance work was awarded in July 2021 to another contractor, at a cost of ₹ 6.87 crore with July 2022 as the date of completion. The work remained incomplete till date (September 2023). As of February 2023, only 29 *per cent* of the work was executed by the contractor.

Joint physical verification (July 2023) also revealed that the Resort was near a Sewerage Treatment Plant and did not have enough parking space which would deter potential tourists from using the tourist centre.

In reply, the Department stated (May 2024) that the project has been completed and the property would be made operational by the end of June 2024. It further stated that parking space adjacent to the property was since being allotted by the Municipal Authority. However, the property could not be put to use even after four years of scheduled date of completion.

3.13.2 Undue parking of funds by GTA

Tourism Department released (February 2013) ₹ 1.05 crore to Gorkha Territorial Administration (GTA) for the construction of a nine-hole Golf course in Tiger Hill, Darjeeling. The work could not be executed due to objections raised by the Forest Department as the site falls under the Protected Area within Senchal Wildlife Sanctuary. Thus, for more than 10 years, the amount of ₹ 1.05 crore remained parked in the current account of GTA and could not be utilised by the Government. The Department also did not initiate any steps to get the funds back from GTA or to complete the project. Non utilization of the funds for more than a decade also deprived the State of interest of ₹ 0.63 crore[87] due to parking fund in current account.

In reply, the Department stated (May 2024) that the project was completed after minor alterations. However, the project was completed after more than 10 years. Further, the Department did not provide details of the work done and utilisation of funds by GTA.

3.13.3 Wasteful expenditure at Piyali Tourism Lodge

Piyali Tourism Lodge was maintained by WBTDCL. For safety and security of the Lodge, WBTDCL undertook (February 2018 and June 2018) the work of construction of fencing with M.S. Angle and barbed wire around Piyali Tourist Lodge in South 24 Parganas District. The work was completed (March 2019) at a cost of ₹ 147.92 lakh by WBTDCL.

Fig 3.26: Missing assets (Fencing work) at Piyali Tourist Lodge, South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 15 August 2023)

Joint Inspection was carried out by the Audit team along with officials of WBTDCL on 15 August 2023 which revealed absence of fencing over a large part around the Piyali TL and missing barbed wire along with M.S Angle over the entire area indicating poor monitoring on the part of WBTDCL. Audit observed that in absence of watch and ward staff, the materials appeared to have been stolen. The present status of work done pointed towards poor maintenance of created assets while rendering the entire expenditure of ₹ 1.48 crore unfruitful.

In reply, the Department stated (May 2024) that the barbed wire was installed for safety and security purposes. However, the Department did not furnish reply about the safety issues in view of missing barbed fencing.

[87] *₹ 1.05 crore * 6 per cent for 10 years*

3.13.4 Wasteful Expenditure on procurement of Equipment for Light and Sound show

For promoting cultural and heritage tourism, a *son et lumire*[88] was proposed to be developed at Barrackpore. The theme of the show was 1857-First war of Independence.

WBTDCL entered into (February 2010) an agreement with *M/s Standard Robotics Corporation* for procurement of USITT Micro controlled Intelligent Lighting and sound show (equipment for light and sound show) at *Malancha* Tourist Lodge. Further, WBTDCL entered into (May 2011) agreement with M/s *Lux and Decibels for Project Management Consultancy Service.* Audit observed that equipment for light and sound show was procured (September 2011) at a cost of ₹ 124.26 lakh by WBTDCL and commercial operations started from October 2013 onwards. However, the Show was operational only up to September 2014 and thereafter, due to a defect in the projector, it became non-functional and remained so upto September 2023.

In reply, the Department stated (May 2024) that the project became non-operational as the repair and maintenance costs were too high. Thus, the Department should have taken up the project only after assessing its feasibility and commercial viability.

Fig 3.27: Equipment for Light and Sound Show at Malancha Tourist Lodge, North 24 Pgns. lying idle

(Source: Picture was taken during Joint Physical Verification on 17 July 2023)

3.13.5 Unfruitful Expenditure on construction of paver path

To provide an alternate shorter route from Bakkhali Tourist Lodge to the sea beach, WBTDCL undertook the work of "*Construction of paver path from Bakkhali TL to Seabeach*" at a cost of ₹ 17.90 lakh and the work was completed in June 2019. During Joint Physical Verification (18 August 2023) along with officials of WBTDCL, it was noticed that the road remained unutilized and was in poor condition as seen in pictures below:

[88] *an entertainment held by night at a historic monument or building, telling its history by the use of lighting effects and recorded sound*

Fig 3.28: Poorly maintained & unutilised Paver Path at Bakkhali Tourist Lodge, South 24 Pgns.

(Source: Picture was taken during Joint Physical Verification on 18 August 2023)

Audit observed that WBTDCL did not initiate any action to utilise the created asset. While accepting the Audit observations (May 2024) the Department stated that Gangasagar Bakkhali Development Authority has started to clear the site regularly for ensuring its usage.

3.14 Effective utilisation of Government Tourism properties

3.14.1 Occupancy of Self-managed Hotels and Tourism Properties

West Bengal Tourism Development Corporation Limited (WBTDCL) manages tourism properties spread over different locations in the State through its managers of respective properties. The performance of these tourism properties as indicated by occupancy percentage achieved during 2017-23 is as given in **Table 3.6.**

Table 3.6: Year-wise occupancy of WBTDCL-managed Hotels and Tourism Properties

Particulars		No. of self-operated Hotels/ TPs/ Dormitory facility available	No. of room days available	No. of days room occupied	Occupancy (in *per cent*)	No. of Hotels/ TPs / Dormitory having occupancy			
						Below 20 *per cent*	20 *per cent* and above but below 40 *per cent*	40 *per cent* and above but below 60 *per cent*	Above 60 *per cent*
2017-18	**Room**	29	2,13,236	92,818	43.53	7	5	11	6
	Dormitory	9	21,185	4,228	19.96	6	2	1	0
2018-19	**Room**	29	1,69,957	82,095	48.3	3	3	15	8
	Dormitory	8	17,212	2,033	11.81	6	2	0	0
2019-20	**Room**	28	1,30,031	75,887	58.36	0	3	12	13
	Dormitory	9	17,047	1,980	11.61	7	2	0	0
2020-21	**Room**	30	1,43,984	59,494	41.32	2	11	12	5
	Dormitory	11	21,110	3,234	15.32	7	4	0	0

Particulars		No. of self-operated Hotels/ TPs/ Dormitory facility available	No. of room days available	No. of days room occupied	Occupancy (in *per cent*)	No. of Hotels/ TPs / Dormitory having occupancy			
						Below 20 *per cent*	20 *per cent* and above but below 40 *per cent*	40 *per cent* and above but below 60 *per cent*	Above 60 *per cent*
2021-22	**Room**	32	1,86,123	89,601	48.14	1	6	15	10
	Dormitory	14	37,048	5,163	13.94	10	3	1	0
2022-23	**Room**	34	2,20,589	1,15,316	52.28	1	8	14	11
	Dormitory	17	44,059	6,144	13.94	13	3	1	0

(Source: Figures obtained from the Tourism Department)

As is evident from the above, the occupancy of the hotels/TPs managed by WBTDCL ranged between 41.32 to 58.36 *per cent* and that of dormitories was from 11.61 to 19.96 *per cent* only during 2017-22. This was lower than all India average occupancy which ranged between 43.50 to 66.90 *per cent*[89] during 2017-22. Thus, it indicates that the TPs/ TLs could not attract tourists due to lack of efforts towards promotion of tourism, poor development of associated tourism facilities and non-acquiring the status of star category as discussed in **paras 3.11** and **3.7.1**.

In reply, the Department stated (May 2024) that occupancy rate of WBTDCL properties ranged between 48 *per cent* and 66 *per cent* and appears to be within the all-India average occupancy rate. However, this contention is not supported by the records of the Department which reveal that the occupancy rate ranged between 41 to 58 *per cent* only. Further, the Department, remained silent regarding low occupancy rate of Dormitories.

3.14.2 Leased out Tourism Properties

As of March 2023, WBTDCL had leased out 11 tourist lodges, two house boats and one mobile tower to different private agencies on Minimum Annual Guarantee Return (MAGR) basis. Audit observed that the Company did not have a documented policy for leasing out properties as well as their management and therefore, there was absence of uniformity. On scrutiny of records, it was noticed, that during the period from September 2003 to August 2022, WBTDCL had leased out 14 properties for varying periods ranging between 1 to 33 years with yearly increase in lease rent varying between nil to 20 *per cent*. Further, scrutiny of records made available showed that WBTDCL did not take prompt action against lessees for violating the terms of lease/authorization agreements like recovery of outstanding dues and terminating the contract

In reply, the Department stated (May 2024) that the WBTDCL decided the terms of the lease period on a case-to-case basis. However, it was evident that the Department did not have a uniform policy regarding leasing its property.

Audit further observed that:

(i) Bakreswar Tourist Lodge was given (September 2003) to a private agency on contract basis for a period of 33 years by the WBTDCL, at a minimum annual guaranteed return of ₹ 1.01 lakh, to be increased by five *per cent*

[89] *Source: Hotel Industry Survey conducted by FH&RA, India*

after every four years. However, it was seen from the records, that no amount was received from the lessee since 2008. Despite the fact that the lessee did not adhere to the terms and condition of contract, WBTDCL allowed the lessee to operate the said property without taking any action like termination of agreement, as per applicable terms and conditions. As of August, 2021, the total amount due to the Company from the lease was ₹ 25.42 lakh. Later, after the demise of lessee, his wife expressed (August 2021) inability to pay the dues and intended to hand over the property to WBTDCL. Although WBTDCL had taken back (May 2023) the property, the recovery of pending dues is doubtful. Thus, due to lack of initiative on the part of WBTDCL there was loss to Government to the tune of ₹ 25.42 lakh. The Department stated (May 2024) that WBTDCL was initiating the process of recovery of outstanding dues.

(ii) WBTDCL entered (March 2015) into an agreement with Gangasagar Bakkhali Development Authority (GBDA) for operation of Gangasagar Tourist Lodge for an initial period of five years, at a minimum annual guaranteed return of ₹seven lakhs, to be increased after every three years at a rate of 10 *per cent.* In this context, Audit observed that GBDA made payments upto March 2020 only. The agreement ended as of March 2020 and had not been renewed as of March 2023. However, it was noted that the property is still being utilized by GBDA to run a hotel without making any payments to WBTDCL leading to potential loss of revenue of ₹ 24.64 lakh to the Government. No action was taken by the Department to terminate the contract as per clause 19 of the tender agreement.

While accepting the Audit observations the Department stated (May 2024) that a new agreement was under process and notice has been issued for recovery of outstanding dues. The reply was not tenable as lack of timely action on the part of WBTDCL to terminate the contract resulted in unrealized dues of ₹ 24.64 lakh from GBDA.

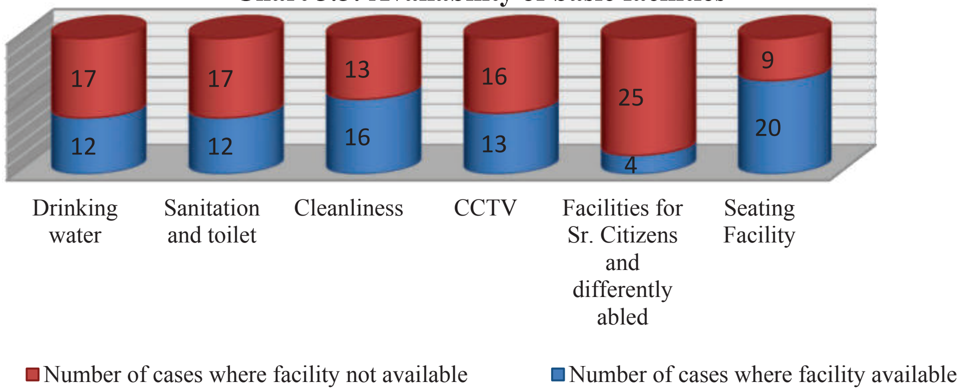
Recommendations:

6. ***The Tourism Department should utilize its Tourism infrastructure optimally by effectively promoting its property and obtaining star categorization.***
7. ***The Tourism Department should formulate a policy for leasing out properties to maximise revenue collection as well as promote tourism.***

3.15 Survey of basic infrastructure available at tourist spots

According to the Tourism Policy, 2016, the development of tourism infrastructure includes creation of basic infrastructure like roads, drinking water, power, transport, solid waste management, *etc*. To assess the availability of minimum basic facilities like drinking water, sanitation & toilets, cleanliness, CCTV, facilities for senior citizens & differently abled persons, seating facilities *etc*. Audit conducted a tourist survey in selected 29 tourist spots and result thereof, has been shown in **Chart 3.5** below:

Chart 3.5: Availability of basic facilities



Audit further noticed that basic facilities were in poor condition as depicted below:

Dooars Circuit

Gorumara Forest (wildlife tourism): NH 31 passes through *Gorumara* forest on both sides of the road for a stretch of 12 kms. Audit observed that the Toilet blocks in this area were inadequate and in an unhygienic condition.

Fig. 3.29: Dilapidated condition of Toilet at Gorumara Forest, Jalpaiguri

(Source: Picture was taken during visit of Jalpaiguri on 10 August 2023)

Chalsa View Point at Chalsa, Jalpaiguri: This point is noted for soothing views from a height of more than 300 metre. The spot was poorly maintained and engulfed with bushes and shrubs. Gazebo and seating arrangement were also in damaged condition.

Fig. 3.30: Tourist facilities poorly maintained at Chalsa, Jalpaiguri

(Source: Picture was taken during visit of Jalpaiguri on 10 August 2023)

Sundarban Circuit

Bakkhali: This site is noted for its beaches which were, however poorly maintained. The garbage was dumped in front of beaches and toilet blocks were also in an unhygienic condition.

Fig. 3.31: Tourist facilities poorly maintained at Bakkhali, South 24 Pgns

(Source: Picture was taken during visit of Jalpaiguri on 18 August 2023)

Inadequate and poor basic amenities in tourist locations highlights the need for taking up development of quality services in tourist spots in order to increase tourist footfall and showcase a positive image of a particular tourist place. While accepting the Audit observations the Department stated (May 2024) that relevant departments, local bodies and other tourism stake holders are being requested to facilitate the up keep and maintenance of basic amenities in and around the tourist attractions.

Recommendation 8:

Tourism Department should upgrade and maintain basic facilities at the tourist spots by involving all stakeholders which would help in boosting tourist traffic to the State.

3.16 Home Stay scheme

Home Stay is a concept of tourism where the tourist stays at the homes of locals, enjoys local culture, cuisine and hospitality. GoWB notified (January 2017) the Home Stay Policy which provides comprehensive guidelines regarding ownership, scale, size, registration, promotion and booking of home stays in the State. This Policy was valid till March 2022 and was later superseded by the Home Stay Policy, 2022.

According to the Home Stay Policy, 2017 (Policy), the Home Stay owners were required to register with the respective District Magistrates; the registration would be valid for three years. GoWB would provide a financial assistance of ₹ 1.50 lakh payable in three equal instalments, to the eligible home stay owners. The 1st instalment would be paid to eligible Home Stay units after registration, 2nd instalment after completing the basic construction/ up-gradation and 3rd after physical verification by the concerned authority. However, as per the revised policy of September 2022, this amount was to be disbursed to home stay owners in two instalments only. The details of Home Stays registered and subsidies disbursed by the Government from 2017 to 2023 (as of March 2023) are shown in **Table 3.7**:

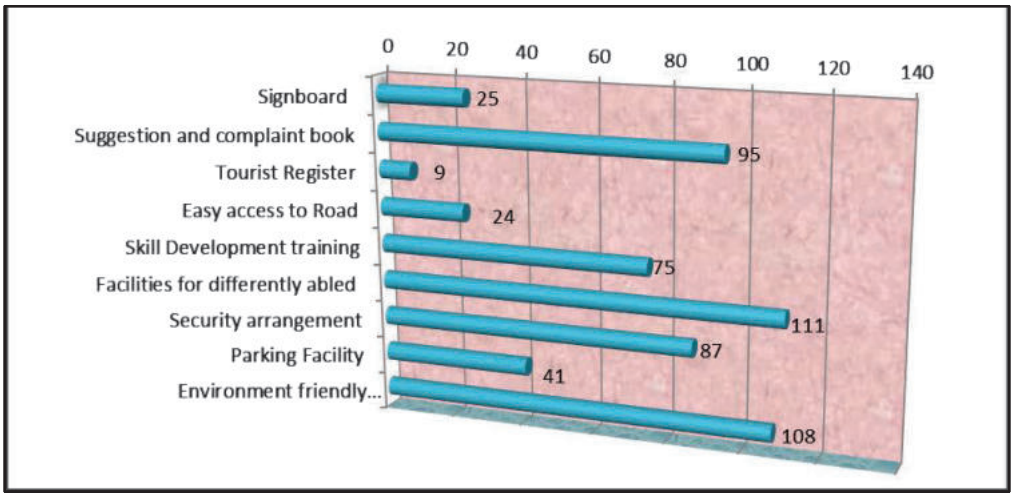
Table 3.7: No. of beneficiaries who received financial assistance and fund disbursed

No. of Home Stays registered	No. of Beneficiaries received financial assistance			Funds disbursed
	1st instalment	2nd instalment	3rd instalment	₹in crore
2081	1204	440	04	8.24

(Source: Data furnished by Department of Tourism, GoWB)

As per Home Stay Policy, 2017, certain standard facilities[90] had to be maintained by registered home stay owners. Audit conducted a Joint Physical Verification of 139 registered home stays in eleven districts along with the officials of Tourism Department. Out of 139 registered Home Stays, 28 of them were found to be used either for other unintended purposes[91] or were non- operational. The results of joint inspection of remaining 111 Home Stay are shown below in **Chart 3.6**.

Chart 3.6: Basic facilities not available (in Nos.)



In reply, the Department stated (May 2024) that concerned District Magistrates have been requested to look into the matter and take necessary action accordingly. Besides, the Department has taken initiative to inspect all the registered home stays by a third party.

3.16.1 Home Stay not used for intended purpose

As per Home Stay Policy, 2017, a home stay is an alternative to hotel accommodation where the tourist can stay with the owner's family member to promote social and cultural interaction.

During joint physical verification, Audit observed that in deviation from the Home Stay policy, certain registered units were being utilised for other purposes. Instances of such deviation are given below:

- A home stay in Murshidabad District was registered (September 2022) under the new Home Stay Policy, 2022 and received 1st installment of ₹ 0.50 lakh (December 2022) after obtaining registration under the scheme.

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[90] *Every home stay needs to maintain sign boards, suggestion and complaint book, tourist registration book, proper security arrangement (CCTV), parking facility, environment friendly arrangement (solar lights, STPs, Rain water harvesting) etc.*

[91] *Home Stays are being utilised for cultural centre, restaurants etc.*

However, during the joint physical verification in August 2023, it was observed that the home stay was instead being operated as a Lodge and Cultural Center.

Fig. 3.32: Home Stays in Murshidabad District

(Source: Picture was taken during Joint Physical Verification on 03 August 2023)

- A home stay in Bankura District was registered (August 2022) and received 1st installment of ₹0.50 lakh in December 2022 after obtaining registration under the scheme, but during joint physical verification (August 2023) it was noted that the units were being operated as a Lodge and Restaurant.

Fig. 3.33: Home Stay in Bankura District

(Source: Picture was taken during Joint Physical Verification on 30 August 2023)

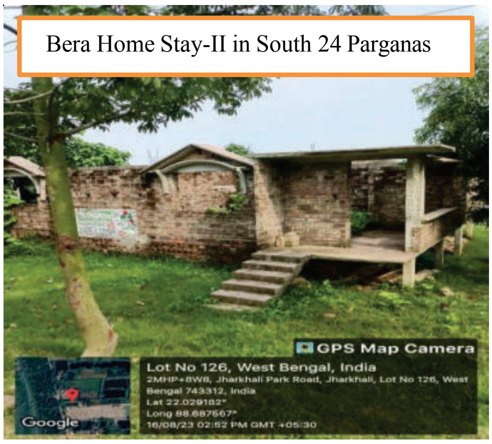
In reply, the Department stated (May 2024) that the concerned District Magistrates have been requested to look into the matter and take action accordingly.

3.16.2 Non-operational Home Stays

As per home stay policy, 2017, owners were required to secure at least 50 *per cent* marks during inspection by the concerned officials of the Tourism Department before registration as per Annexure-B[92] of Home Stay Policy to qualify for registration under Home stay scheme. As per this Annexure, for securing 50 *per cent* marks, the infrastructural works of the home stays should be completed and to be in ready to operate condition.

[92] *Annexure-B of Home Stay Policy listed the quality of tourism amenities required for Home Stays*

i) However, during Joint Physical Verification (14 and 16 August 2023), it was found that in two Home stay units which were registered and received funds aggregating ₹ 2 lakh in two installments (during July 2020 and June 2022), even constructional works were not completed and therefore, could not be utilised for the intended purposes as shown below:



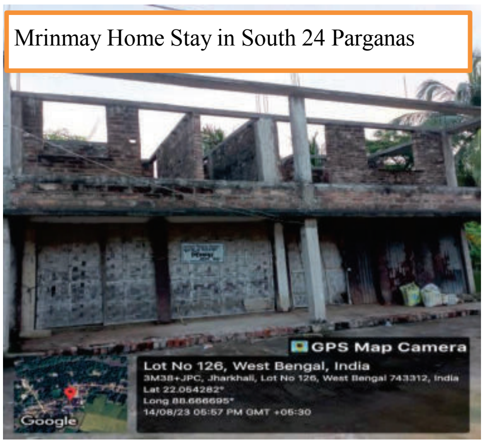


Fig 3.34: Home Stay units under construction in South 24 Pgns. District

(Source: Picture was taken during Joint Physical Verification on 14 and 16 August 2023)

Thus, disbursement of money to the incomplete Home stays indicated faulty appraisal process of the Tourism Department.

Maa Durga Home Stay in Hooghly District was registered by Tourism Department (September 2022) and thereafter, it received (November 2022) an installment of ₹ 0.50 lakh under the scheme. However, the owner was subsequently unwilling to operate the home stay. An application was sent (April 2023) by him to the Officer in Charge of Tourism, Hooghly stating the same. Audit noticed that there was no provision in the Home stay policy, 2022 for recovery of disbursed funds in case of cancellation of registration by Home Stay Owner. Thus, disbursement of ₹ 0.50 lakh to an unwilling Home stay owner resulted in wasteful expenditure.

ii) Non-renewal of Registration Certificate: As per the Home Stay policy, registration of a Home Stay is valid for three years from the date of issue of Registration Certificate after paying the requisite Registration fee. The said Certificate is to be renewed within six months of its expiry.

Audit observed that registration of 30 Home Stay units out of selected 139, were not renewed by the home stay owners, even after expiry (one month to two months) of the prescribed time limit, although the home stays are still in operation. The Department did not initiate any action against the defaulting owners, indicating poor monitoring on the part of the Tourism Department and OC Tourism.

In reply, the Department stated (May 2024) that the concerned District Magistrates have been requested to look into the matter and take necessary action accordingly. Besides, the Department has taken initiative to inspect all the registered Home Stays by third party.

Recommendation 9:

The Tourism Department should strengthen its monitoring & review mechanism to ensure that financial assistance are disbursed only after ascertaining availability of the required amenities as per Home Stay Policy.

3.17 Incentives to Tourism Units

The West Bengal Incentive scheme-2008 (WBIS) was initiated by the State Government to provide support to the growing tourism industry in the State and generate employment. The steps involved in the disbursal of incentives under the Scheme, were as follows: (a) issue of Registration Certificate by the Tourism Department, (b) issue of date of Commencement Certificate, (c) issue of Eligibility Certificate and (d) getting approval of Finance Department by the Tourism Department before granting incentives in each case. Subsequently, the scheme was modified in 2015 and 2021 and renamed as WBIS-2015 (in January 2015) and WBIS, 2021 (February 2021).

Any intending applicant who falls under the purview of definition of the Tourism Unit[93] (TU) as defined under the WBIS, would need to submit an application to the Tourism Department to avail subsidies ((*a) State Capital Investment Subsidy, (b) Interest subsidy, (c) Waiver of Electricity Duty, (d) Additional incentive generation of employment (EPF & ESI), (e) Additional Incentive for Adventure Tour Operator, (f) Reimbursement of Stamp Duty and Registration Fees, (g) Subsidy for Quality improvement, (h) Additional Floor Area Ratio (FAR) and (i) Tourism Promotion Assistance)* offered under the scheme. Details of Tourism Units registered *vis-à-vis* incentive benefits disbursed under WBIS-2008, 2015 and 2021 are shown in **Table 3.8**:

Table 3.8: Scheme wise incentive disbursed to Tourism units

Particulars	Tourism Units registered under the Scheme	Tourism Units to whom incentives were disbursed	Amount distributed *(₹ in crore)*
WBIS 2008	59	21	43.59
WBIS 2015	30	7	13.81
WBIS 2021	15	Nil	-

(Source: Compilation of data maintained at Department of Tourism and WBTDCL)

Above table indicates that the registration of tourism units was reduced by 50 *per cent* and 75 *per cent* under WBIS 2015 and WBIS 2021 respectively in comparison with the tourism units registered under WBIS 2008.

It was observed that the Tourism Policy 2016, emphasised setting up of Inter-Departmental Secretaries Committee to ensure speedy grant of permission and clearances through a single window system for ease of business and release of subsidies within the Scheme. However, this inter-departmental task force came into existence only in April 2022, after a lapse of six years from the date of notification of WBTP-2016. Reasons for delay in formation of such committee were not available on records. Further, lack of awareness among the hoteliers also affected registration under WBIS.

[93] *Means a project related to tourism activities like hotels, motels, heritage hotels, yatri nivas etc.*

No time limit for disbursement of subsidies was prescribed in the WBIS. After registration, the Tourism Units were to complete their physical infrastructure and apply for commencement of operation. Once certificate for commencement of operation is issued to Tourism Units, the subsidy amount was released. The Department did not maintain any records to monitor delay in commencement of operation and for taking appropriate action.

Further scrutiny of records of selected beneficiaries also revealed the following:

3.17.1 Inadmissible payment of ₹ 4.35 crore

WBIS 2008 stipulated that Tourism Promotion Assistance would be provided to Mega Units[94] in lieu of interest subsidy[95]. Further, maximum ceiling for interest subsidy was limited to ₹ 25 lakh per annum for a period of five years, so one unit could be reimbursed upto a maximum of ₹ 125 lakh (₹ 25 lakh × 5 years).

The *Swissotel Kolkata Neotia Vista* (Tourism Unit) was registered (June 2009) by the Tourism Department as a new unit under WBIS 2008 and started its commercial operation in July 2010. Eligibility certificate was issued to this Tourism Unit by WBTDCL in October 2015.

Swissotel was registered as Mega unit by WBTDCL located in Group 'B' Area[96] and was eligible to a Tourism Promotion Assistance @ 75 *per cent* of Value Added Tax (VAT) paid in the year previous to the year for which the claim was made for a period not exceeding five years, in lieu of interest subsidy under WBIS, 2008. Since Tourism Promotion Assistance (VAT reimbursement) was to be paid in lieu of interest subsidy, an eligible unit could claim up to ₹ 125 lakh for five years towards VAT reimbursement.

However, in the instant case, the Tourism Department released the claim of ₹ 5.60 crore to Tourism unit as subsidy resulting in inadmissible payment of ₹ 4.35 crore.

In reply, the Department stated (May 2024) that the subsidy was released as there was no upper limit of assistance in WBIS. The reply was not tenable as Tourism Promotion Assistance was given in lieu of Interest Subsidy and the amount of subsidy should be limited to ₹25 lakh per annum for five years.

3.17.2 Undue favour to Hoteliers

As per Clause 4 of WBIS-2015, projects commenced on and from 07 January 2015 will be eligible for grant of incentive under WBIS 2015. The scheme was not applicable to those projects that had been registered and sanctioned incentives under previous schemes of WBIS. Further a unit which had applied

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[94] *As per WBIS 2015, Mega unit means an eligible unit having fixed capital investment of ₹100 crore and above under Group A and Group B area, exceeding ₹ 50 crore for Group C and D areas and ₹ 25 crore and above for special areas.*

[95] *Interest subsidy @ 50 per cent of total annual interest liability on the term loan borrowed from a commercial Bank/ financial institution is payable subject to a limit of ₹ 25 lakh per year for a period not exceeding five years.*

[96] *Group B is the location of the project related to a tourism unit for the purpose of determination of the type and the quantum of incentives under the schemes. The Group B areas are North 24 Parganas, South 24 Parganas, Howrah, Hooghly, Durgapur and Asansol Municipal Corporation.*

for registration under WBIS 2008 before commencement of the 2015 Scheme and whose application had not been disposed of or deemed to have been disposed of before commencement of the 2015 Scheme, would be entitled to benefits under WBIS 2008 only.

Audit observed that in case of hotelier (*Akash Sarovar Hotel* in Purulia District, West Bengal) Registration Certificates (RC) both for its original and extension unit under WBIS 2008 scheme were issued (October 2012 & June 2013 with amended date August 2014) and its commercial operation was shown to have started from October 2013. Thereafter, Eligibility Certificates[97] (ECs) were issued (December 2013 which were again re-issued in September 2014) and the hotelier was accorded (December 2015) incentive of ₹ 149.38 lakh, both for its original and extension unit. Later on Tourism Department observed that both the original and extension units were the same or a single unit. The Legal Cell of the Tourism Department therefore suggested (February 2020) cancellation of RCs & ECs and recovery of the entire amount of ₹ 149.38 lakh.

Audit noticed that after cancellation (March 2020) of old RCs & ECs, the hotelier was issued (in November 2020) new RCs & ECs under WBIS 2015, showing a new date of commercial operation as February 2016 (earlier it was October 2013) on the grounds that the expansion unit had started only partial operations in October 2013. However, the Incentive Scheme had no such clause for partial commencement of operations. Further without recovery, the entire amount paid to hotelier earlier (under WBIS 2008) was shown as advance payment and adjusted with the payment made (January 2022) under WBIS 2015, though there was no such provision of advance payment in any of the WBIS Policy of 2008 and 2015. It was also observed that an amount of ₹ 149.38 lakhs was parked with the hotelier for about 72 months (December 2015 to January 2022) which also led to loss of interest of ₹ 53.78 lakh (@ 6 *per cent* per annum) as per WBIS (Form 2).

Accepting the Audit observation the Department stated (May 2024) that the entire amount was adjusted from the total subsidies required to be reimbursed as per WBIS-2015. However, the Department remained silent on disbursement of subsidy under WBIS-2008 for partial commencement of operation, as there was no such applicable provision in WBIS-2008.

3.17.3 Non-claiming of subsidy for generation of employment

WBIS (2008, 2015 and 2021) encouraged TUs to avail subsidies through provision of additional incentives for generation of employment. Under the scheme, 60 *per cent* of expenditure incurred by TUs on account of contribution towards Employee Provident Fund (EPF) and Employee State Insurance (ESI) would be reimbursed[98].

Audit observed that out of 15 selected TUs, only two TUs claimed the benefit whereas the others were also eligible to avail such benefit but had not claimed. Thus, the objective of providing incentive to Hoteliers for generation of

[97] *Eligibility Certificates are issued to Tourism Units for grant of assistance under the scheme.*

[98] *For five years, if TUs is located in Group A or B area and seven years if, TUs is located in Group C or D area.*

employment could not be ensured as claims for subsidy from the Hotelier were negligible due to lack of initiatives from Tourism Department to encourage hoteliers to employ permanent employees.

The Department accepted (October 2023) the Audit observation regarding implementation of Incentive Scheme.

Recommendation 10:

The Department should encourage hoteliers to engage permanent employees to avail additional incentives on generation of employment.

CHAPTER-IV

Individual Observations of Compliance Audit

CHAPTER-IV

Individual Observations of Compliance Audit

FINANCE DEPARTMENT AND PUBLIC WORKS DEPARTMENT

4.1 Loss of revenue

Unnecessary delay in initiating the tendering process and imprudent decision of not accepting competitive rates, resulted in non-collection of tolls on the bridge over river *Ajay*, which led to loss of revenue of ₹ 6.36 crore.

The Indian Tolls Act, 1851 enables the State Government to levy tolls at such rates as it thinks fit, upon vehicles plying on roads and bridges under its jurisdiction.

Quotations were invited (September 2019), for the work "*Collection of toll tax on Ajay Bridge over river Ajay at Illambazar in the District of Birbhum*", by Superintending Engineer (SE), Public Works Department (PWD)[99]. As the highest rate offered (₹ 3,85,385 per day) by the bidder[100] was lower than the Reserve Price (₹ 3,96,444 per day), the matter was placed before the Finance Department (FD), Government of West Bengal (GoWB), for approval. The Finance Department, GoWB, accorded (November 2019) concurrence for acceptance of the aforesaid bid value, as an interim measure, with the conditions that: (i) the period under consideration may be reduced to "1 year", from "2 years" and (ii) fresh tender may be invited, after reviewing the eligibility criteria and Reserve Price (if required), to obtain better participation and higher rates, after the one year period was over. The work was awarded (04 December 2019) to the successful bidder and the work site was handed over (07 December 2019) to the contractor.

While recommending the rate, the PWD had categorically mentioned (03 December 2019) that for the next award, all related operations (review of reserve price and inviting fresh tender) should be completed before the expiry of the current contract period (*i.e.*, 06 December 2020).

Audit observed (December 2022) that the one-year contract period with the contractor, expired on 06 December 2020. However, in violation of the specific condition prescribed by PWD, for completion of all formalities within the contract period, the tendering process had not been initiated by the SE, Western Circle No.-I. Instead, the existing contractor had been allowed, by the Executive Engineer, Birbhum Division, PWD, to collect toll up to 21 June 2021, at the old rates.

Subsequently, e-quotation was invited (25 June 2021) by the SE, Western Circle No.-I, only after the existing contractor stopped collection of toll, from 21 June 2021, citing drastic fall in traffic. In response to the e-quotation, the highest rate of ₹ 2,22,222 per day was quoted (25 June 2021) by the bidder.

[99] *Western Circle No-1 (Sl. No-1) vide e-NIB No. WBPWD/SE/WC-I/e-NIEB No-04 of 2019-20 (3rd Call) dated 11.09.2019.*

[100] *Ainul Hoque.*

Although the rate was lower than the reserve price (₹ 4,21,858 per day), PWD considered it justified, in wake of the abrupt reduction in traffic volume. The PWD recommended the lower rate to the FD, for acceptance, for a period of six months, in order to prevent further loss of revenue, as toll collection had stopped since 21 June 2021. However, the proposal was turned down (23 August 2021) by the FD.

As per instructions (27 August 2021) of the Chief Engineer, West Zone, PWD, the Reserve Price was revised (30 September 2021) to ₹3,81,515 per day, based on the traffic census conducted during 08-15 September 2021. Accordingly, fresh e-quotation was invited (08 October 2021) by the SE and the highest bid amount received was ₹ 3,51,351 per day (which was lower than the revised reserve price). The FD again set aside the bid price and directed (15 February 2022) that dynamic e-quotations[101] be invited. After completion of the dynamic e-quotation process, the highest rate of ₹ 3,81,221 per day, was finally accepted (22 February 2022). The work order was issued by the SE, Western Circle No.-I on 04 April 2022 and toll collection commenced from 05 April 2022.

Thus, toll was not collected, on the said bridge, for 286 days (from 21 June 2021 to 04 April 2022), due to PWD delaying the initiation of the tendering process for a new toll collection contract and the FD not accepting the rate obtained through competitive bidding (twice), despite the fact that toll was not being collected during the period. Further, FD being aware that the reserve price had not been received under the normal quotation system, delayed the decision to initiate dynamic e-quotations for four months. As a result, Government suffered loss of revenue, amounting to ₹ 6.36 crore (₹ 2,22,222 x 286 days).

In reply, the PWD stated (July 2023) that the selection of the new agency had been delayed due to the following reasons:

- lockdown/restriction on account of the Covid-19 pandemic,
- failure to obtain a rate higher than the reserve price, in spite of wide circulation,
- delayed approval of the reserve price by the competent authorities in PWD and
- non-acceptance of bid value by the FD, as it was lower than the reserve price.

The reply was not acceptable, as complete lockdown had been withdrawn from 08 June 2020 onwards and the Department was required to have completed all the tendering formalities within December 2020. Further, e-quotation was invited only in June 2021 and dynamic e-quotation was, subsequently, invited in February 2022, which should have been resorted to earlier.

[101] *As per FD, GoWB's order No. 3836-F(Y)/FA/0/2M/71/14 (Pt-II) dated 19.06.2017, different establishments of the State presently undertake dynamic e-Auction procedure for sale of materials owned by them. In this system, the technically qualified bidders submit an "Initial Price Offer" in the first round. In second round, the qualified bidders submit their "Final Price Offer", which may be revised till the conclusion of the e-auction. The qualified bidder who submits the highest "Final Price Offer" is to be declared as the "Preferred Bidder" immediately on the conclusion of the e-Auction.*

INDUSTRY, COMMERCE AND ENTERPRISES DEPARTMENT

4.2 Lack of timely action led to non-realisation of water rate from the lessees

Inordinate delay on part of the Department of Industry, Commerce and Enterprises, in deciding upon the authority for assessing and realising the water rate from the lessees of major minerals, resulted in loss of revenue of ₹ 15.02 crore.

In terms of Rule 27 (1) (d) of the Mineral Concession Rules, 1960 (MCR-1960), issued under the Mines and Minerals (Development and Regulation) Act, 1957, a lessee of any major mineral shall have to pay Water Rate[102], for the surface area used by him for the purpose of mining operations, at such rate as may be specified by the State Government. According to the provisions of the West Bengal Irrigation (Imposition of Water Rate) Act, 1974, the Water Rate was fixed at ₹ 54.00 per acre per annum.

Test-check of the records (April 2023 and June 2022) of the Department of Industry, Commerce and Enterprises (Department) and office of the Chief Mining Officer (CMO), Asansol, revealed that 38 years after MCR-1960 had come into effect, the Department realised (April 1998) that there had been loss of revenue, due to non-stipulation of the Water Rate on mines and minerals in West Bengal. However, no concrete action to implement the procedure for collection of water rate was taken. After a gap of another eight years, the Department opened (September 2006) a new sub-head for deposit of Water Rate, with regard to long-term mining leases of major minerals.

However, Audit observed that assessment/ realisation of Water Rate had not been put into effect, due to the inability of the Department in deciding on the authority responsible for assessment/ realisation of Water Rate. After a gap of another 17 years, the Department issued (January 2023) a notification to authorise the District Land & Land Reforms Officers of the concerned districts, to: (i) assess and realise the water rate @ of ₹ 54.00 per acre per annum, from the lessees of major minerals within their respective jurisdictions and (ii) deposit the same, under the sub-head that had been opened in 2006.

Audit further observed that long-term mining leases, pertaining to 1.95 lakh acres of major minerals, had been awarded to different entities, for different periods, in the State. However, due to the Authority for assessment and collection of the water rate not having been specified, water rate was not collected for the period 2007-08 to 2022-23, resulting in loss of Government revenue, amounting to ₹ 15.02 crore, during the said period, as detailed in ***Appendix 4.1***.

In reply, the Department stated (June 2023) that it has issued (January 2023) necessary notification authorising the concerned DL&LROs to collect water rate @ ₹ 54.00 per acre per year and the same shall be collected henceforth. However, the Department did not offer any explanation as to why it had not issued the necessary notification earlier, despite the water rate being effective

[102] *Water rate to be imposed in areas where water supplied from irrigation works executed, maintained or controlled by the State Government is available for irrigation and for certain matters ancillary thereto and connected therewith.*

from 1974 and a separate head for depositing the collected water rate having been opened in 2006. Thus, the lackadaisical attitude of the Department leading to inordinate delay in issuing the notification, led to loss of revenue for the Government.

IRRIGATION & WATERWAYS DEPARTMENT

4.3 Unfruitful Expenditure

Non-conduct of proper investigations before taking up renovation of a 70-year-old Minor Irrigation Scheme, resulted in damage to the project within three months of the work, and the entire expenditure of ₹ 1.56 crore remaining unfruitful.

Indian Standard 7720: 1991[103] on 'Criteria for Investigation, Planning and Layout for Barrages and Weirs', *inter-alia*[104] stipulates that preliminary investigations/ study, of available river run-off[105] and flood flow data, be carried out, before undertaking construction of any weir {Para 3.1(d)}.

The original *Sibkata* Irrigation Scheme[106] was implemented in the State, in 1950-51, by utilising the water from the river *Gadadhar*, with the objective of irrigating the *mouzas*[107]. The Scheme had not been functioning for a number of years, as the weir structure[108] had been washed away and the embankment of the river had been damaged in floods[109]. Subsequently, due to heavy floods (2016 and 2017), 100 m length of the right bank embankment, was also washed away.

In order to provide a boost to the agro-based economy of the area, Superintending Engineer, North-East Irrigation Circle-I, Cooch Behar, Irrigation and Waterways Department (I&WD), sanctioned (March 2018) works for the construction of a weir, after dismantling a portion of the existing dilapidated weir structure on the river *Gadadhar* and related works. The work *inter alia* consisted of renovation & improvement of the weir structure and construction of an earthen embankment, of 100 m length, to store water, in the upstream zone of the weir, for diverting it into the canal system.

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[103] *Adopted by the Bureau of Indian Standards.*

[104] *Viz. (i) study of Remote Sensing Maps, (ii) regional and site geology, (iii) study of available run-off and flood flow data, (iv) assessment of water requirement, (v) detail topographical survey, (vi) collection of hydrological and meteorological data, (vii) sediment studies, (viii) detailed river morphology, (ix) change in river regime due to construction of weir etc. Further, the banks of the location should, preferably, be high, well-defined & in-erodible (Para 4.2.2 of IS).*

[105] *'River run-off' refers to the entire water that comes into a river water system, from sources such as rainfall, snowfall and ground water etc.*

[106] *In Mouza-Bismile, G.P.- Rajabhatkhawa, Block-Kalchini, Alipurduar District.*

[107] *Mainly Uttar and Dakshin Sibkata, Mahabir colony, 9-Halia and Panbari.*

[108] *'Weir' is a diversion structure that raises the water level of the river slightly, not for creating storage, but for allowing the water to get diverted through a canal situated at one or either of its banks. Since a diversion structure does not have enough storage, it is called a run-of-the-river scheme. The diverted water, which passed through the canal, was to be used for irrigation.*

[109] *Wier during the floods of 1968 & 1993 and embankment during the flood of 1993.*

Executive Engineer, Alipurduar Irrigation Division, I&WD, awarded the work (June 2018) at a tendered cost of ₹1.68 crore[110]. The work was completed in May 2019, after incurring an expenditure of ₹ 1.56 crore[111].

Audit scrutiny (September 2021) revealed that the scheme could not be utilised (August 2019) within three months of completion of the work, as the earthen embankment on the right side, approximately 75 m upstream from the point where the protection work was done, had breached. As a result, the course of the river was diverted away from the renovated weir structure.

Fig. 4.1: Diverted River Course

It was observed that the weak earthen riverbank, upstream of the weir, had not been strengthened during the renovation works. Reconnaissance survey showed that due to the raised bed level of the adjoining river *Jayanti*[112], water had entered through the *Buxa* forest[113] into the *Panbari* forest, during floods. This, in conjunction with flood discharge of the river *Gadadhar,* caused breach of the weak embankment and changed the course of the river. As a result, the canal, along with the sluice gate through which water was to flow to the irrigation canal, was rendered non-functional.

Fig. 4.2: Constructed weir

Fig. 4.3: Non-functional canal

[110] *To two contractors, in 50:50 ratio; M/s Kar Construction & Co.: ₹ 83,85,672.00 and Mrinal Kanti Bose: ₹ 83,92,945.00.*

[111] *M/s Kar Construction & Co.: ₹ 0.78 crore (Less @ 0.13% of ₹ 77,63,538.84) and Mrinal Kanti Bose: ₹ 0.78 crore (Less @ 0.13% of ₹ 78,30,379.52).*

[112] *Another neighboring river.*

[113] *Neighbouring forest.*

Audit observed the following lapses in execution of the scheme:

Executive Engineer (EE), Alipurduar Irrigation Division, I&WD, had not conducted any preliminary investigations, on the plea that this was an improvement and renovation work over the pre-existing dilapidated structure. EE, Alipurduar Irrigation Division, I&WD, stated (September 2021) that the original scheme had been prepared (1950-51) on the basis of a study on run-off and flood flow *etc*. As such, extensive survey works, in terms of latest remote sensing maps, sediment studies, river morphology *etc*. had not been taken into consideration for the present work. The EE further stated (September 2021) that strengthening of the weak earthen river embankment, upstream of the weir, had not been conducted, as there was no history of outflanking or change of course by the river. It was further stated that strengthening work for the embankment, upstream of the Weir proper, at the right bank of the river, required permission of the Forest Department, which had not been taken. The reply was not tenable as the Department should have prepared the scheme after study of present data without relying on 50 year old data.

Thus, execution of renovation work, without conducting proper preliminary studies regarding river runoff and flood flow, resulted in unfruitful expenditure of ₹1.56 crore. Consequently, the objective of providing irrigation to the targeted area, to boost the agro-based livelihood of the local inhabitants had not been achieved.

IRRIGATION & WATERTWAYS DEPARTMENT AND PUBLIC WORKS DEPARTMENT

4.4 Avoidable expenditure due to delayed payment of Service Tax

Due to the lackadaisical attitude of the Irrigation & Waterways Department and lack of action on part of the Hooghly River Bridge Commissioners with regard to ensuring timely deposit of Service Tax, the State had to bear avoidable financial burden of ₹ 10.24 crore, in the form of interest and penalty for delayed payment of Service Tax.

As per the Finance Act, 1994 (Section 68 of Chapter V), every person/organization providing taxable service, to any person/organization, shall pay Service Tax (ST) at the prescribed rate, in such a manner and within such period, as may be prescribed. As per the Act, the service provider is to collect the ST from the recipient of the service and remit the same to the appropriate head of Government of India.

(A) The Superintending Engineer, Greater Calcutta Drainage Circle (SE, GCDC), Irrigation and Waterways Department (I&WD), invited (January 2005), tender for the work of "*Re-sectioning*[114] *of River Ichamati for better Drainage and Flood Protection* in the district of North 24 Parganas". The scope of work *inter alia* included dredging and annual excavation of the river. The work was awarded (February 2005), to Mackintosh Burn Ltd. (MBL), at a tendered

[114] *This involves dredging and/or widening the main channel to increase the discharge capacity. In addition, bed slope may be steepened to increase flow velocities and increase flood capacity.*

cost of ₹24.04 crore. The work was completed in July 2006, and an amount of ₹24.84 crore was paid to MBL, by I&WD, between August 2005 and March 2008, through running account bills.

Audit observed (March 2021) that, after commencement (11 February 2005) of the work, ST on Dredging[115] Services became leviable in terms of the Finance Act 2005 with effect from 16 June 2005. As the work order had been awarded prior to June 2005 *i.e.* before levy of ST on dredging works, ST had not been considered in the estimate. Accordingly, MBL raised (21 December 2006), a bill of ₹ 2.14 crore, on I&WD, for payment of ST but the same was not paid by the latter. In the absence of funds from I&WD, MBL started depositing ST from its own funds, from 08 March 2008, and completed the payment of ₹ 2.20 crore, as ST on 04 November 2011, in nine instalments. In addition, MBL had to pay ₹1.11 crore as interest and ₹ 4.33 crore, as penalty on this amount of ST. MBL then claimed (January 2011) ₹ 7.64 crore[116] as reimbursement of ST, along with interest and penalty from I&WD. Against this, payment of ₹ 7.46 crore (December 2019) was made by the Department to MBL.

Thus, consequent upon inclusion of the activity of 'dredging' under the ST regime, I&WD was obliged to pay ST, as and when running account bills were paid to MBL. Thus, due to inaction on the part of the I&WD in not depositing the required amount of ST timely, even after being reminded about the same by MBL, the State exchequer had to bear extra financial burden of ₹ 5.26 crore[117], as interest and penalty.

(B) As per notification (June 2012) of Finance Department, GoWB, the Hooghly River Bridge Commissioners (HRBC) under Public Works Department implemented civil works of various Departments of the State Government, against levy of an agency fee (up to 8.5 *per cent* of the estimated cost of the project).

Audit observed (December 2022) that HRBC had levied agency fee, against deposit works implemented during the period from FY 2013-14 to FY 2017-18 (up to June 2017)[118]. However, HRBC did not pay ST on the agency fee collected by it. The Director General of GST Intelligence, Kolkata, verified the records/documents of HRBC, pertaining to FYs 2013-14 to 2017-18 (March-June 2018). Subsequently, a demand of ₹ 12.47 crore towards ST liability on agency fees levied by HRBC for the said period (up to June 2017), was raised (August 2018) by the ST Authorities. The amount was inclusive of ST (₹ 7.50 crore), interest (₹ 3.85 crore) on delayed payment and penalty (₹ 1.13 crore) for failure to pay ST on time. Accordingly, HRBC had to pay (September 2018) ₹ 12.47 crore, against the said demand notice.

In reply, the Department stated (September 2023) that HRBC was not aware about the imposition of ST on agency fees.

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[115] *As per clause (36a) under Chapter-V "dredging" includes removal of material including silt, sediments, rocks, sand, refuse, debris, plant or animal matter in any excavating, cleaning, deepening, widening or lengthening, either permanently or temporarily, of any river, port, harbour, backwater or estuary.*

[116] *Service Tax= ₹ 2.20 crore + interest = ₹ 1.11 crore and penalty= ₹ 4.33 crore.*

[117] *₹ 7.46 crore – ₹ 2.20 crore.*

[118] *After introduction of the Goods and Service Tax on 01 July 2017, ST was subsumed under GST.*

Thus, lack of action in regard to payment of ST on the services provided, led to delayed payment of ST liability and resulted in avoidable financial burden of ₹ 4.98 crore on HRBC, towards interest and penalty.

MICRO, SMALL & MEDIUM ENTERPRISES AND TEXTILES DEPARTMENT

4.5 Irregularity in procurement resulted in excess expenditure and undue favour to contractor

In violation of the West Bengal Financial Rules, the MSME&T Department cancelled the initial Notice Inviting Tender, and incurred excess expenditure of ₹ 3.81 crore towards procurement of Frame Looms and Accessories in the subsequent tender. Further, the Bidder was awarded the contract without submitting the requisite Small-Scale Industries (SSI) registration.

Rule 35 of the West Bengal Financial Rules (Volume I), 1979 specifies that 'every officer incurring or authorizing expenditure from public funds, should be guided by high standards of financial propriety. Further, the expenditure should not be *prima facie* more than the occasion demands'.

The Micro, Small & Medium Enterprises and Textile Department (MSME&T), Government of West Bengal, introduced a Scheme, "Supply of Looms and Accessories to loom less weavers" for providing them modern/ modified looms & accessories, for achievement of higher productivity and empowerment of poor and marginalized weavers.

Under the Scheme, the Development Officer (Handloom), *Kalna*, issued (January 2018), Notice Inviting Tender (NIT), for procurement of 9,340 Frame Looms[119] and Accessories, at an estimated cost of ₹ 17.75 crore, for distribution to weavers of the *Purba Bardhaman* district. The eligibility criteria, fixed for bidders for the said supply *inter-alia* included the following:

- The supplying agency should have minimum three (3) years' experience in manufacturing handlooms parts *etc*.
- average turnover of the bidder should be at least 50 *per cent* of the bidding amount during the last three years

In response to the NIT, four bidders submitted their bids, for the supply of Frame Looms and Accessories, as detailed in **Table 4.1**.

Table 4.1: Bid amounts submitted by bidders, for supply of Frame Looms and Accessories (first NIT)

(₹ in crore)

Work	Rate quoted by Bidders for 9,340 Looms and Accessories			
	B1	B2	B3	B4
Frame Looms	11.00	11.20	11.21	12.10
Accessories	1.45	1.28	1.29	1.46
Total	**12.45**	**12.48**	**12.50**	**13.56**

[119] *A loom is a mechanism or tool used for weaving yarn and thread into textiles. There are different types of weaving looms, like Pit loom, Frame loom etc.*

As evident from **Table 4.1**, the lowest amount (L1) was quoted by the Bidder B1[120]. Audit, however, observed (March 2022) that the NIT was cancelled (March 2018) by the Chairman of the Tender Committee as after examination of the SSI[121] certificate it was found that the L1 bidder (B1) was not eligible to supply looms and accessories.

Consequent to the disqualification of the L1 bidder on technical grounds, the Development Officer (Handloom), *Kalna*, was required[122] to offer the contract to the second lowest bidder, *i.e.* B2 (being the L1 bidder, after cancellation of the B1 bidder), out of the remaining three valid bidders. However, the NIT was cancelled (March 2018) without considering B2 bidder.

Audit further observed that a fresh NIT was invited in March 2018 by the Development Officer (Handloom), *Kalna* and the same four bidders again participated in the bid, for supply of 9,340 Frame Looms and Accessories. Details of the bids, submitted against the fresh NIT, are shown in **Table 4.2**.

Table 4.2: Details of bid amount submitted by bidders for supply of Frame Looms and Accessories (second NIT)

(₹ in crore)

Work	Rate quoted by Bidders for 9,340 looms and accessories			
	B1	B2	B3	B4
Frame Looms and Accessories	16.30	16.30	16.39	16.44
Total	**16.30**	**16.30**	**16.39**	**16.44**

Under this NIT, bidders B1 & B2 had quoted the same price and the tender committee distributed (June 2018) the order for supply of 9,340 Frame Looms and Accessories, between the two bidders (B1: 5,500 Frame Looms and Accessories and B2: 3,840 Frame Looms and Accessories). Audit further observed that the lowest bid value had increased by ₹ 3.85 crore (₹1,629.83 Lakh - ₹1,244.74 lakh), within a span of only two months.

It was noted that the Bidder B1 had been declared ineligible in the first NIT, as its SSI registration was for manufacturing of handloom cloth, instead of manufacturing/supplying of Looms and Accessories. However, the same bidder (MD Enterprises) was declared eligible after two months, even though he had not submitted the correct SSI registration under the Second NIT. Further, reasons for non-consideration of second lowest rate, offered by B2, in the first NIT, were not found available on records.

Thus, due to non-award of the supply order for procurement of Frame Looms and Accessories, to the eligible bidder (L2) under the first NIT, the Department had to incur excess expenditure of ₹ 3.81 crore[123]. Further, undue favour was shown to the Bidder B1 during re-tendering, by awarding the contract without the requisite SSI registration.

[120] *M D Enterprise.*

[121] *Small Scale Industries.*

[122] *Due to non-submission of the required registration certificate, the bidder B1 should have been rejected in the technical bid. After rejection of the bidder B1, the Tender Committee should have awarded the work to the L1 bidder, among the remaining three qualified bidders (this is as per Rule 47C of WBFR, as amended in June 2012).*

[123] *₹1,629.83 lakh (lowest bid amount of 2nd NIT) - ₹1,248.76 lakh (second lowest bid amount of 1st NIT).*

In reply, the Department stated (April 2023) that the initial tender was cancelled because both the rates quoted by L1/L2 were about 30 *per cent* below the estimated cost and seemed to be absurd. The bidders were asked (February 2018) to furnish component-wise rate analysis, which they did not. The Department further stated that the bidder B1 was also cancelled as in the Trade Registration Certificate of B1, a few words had been handwritten subsequently, without any counter signature.

The reply of the Department appears to be an afterthought as after verification of the SSI Registration Certificate of the Bidder B1, the Tender Committee had cancelled the bid due to ineligibility of the bidder to supply Looms and Accessories and subsequently Bidder B1 was awarded the contract on the same SSI Registration certificate. Further, the Department could not produce any records regarding communication with the bidders on abnormally low rates.

4.6 Unproductive expenditure

Inability of the Department in taking over a *Rural Haat*, as also in allotting stalls to the intended beneficiaries, even after five years of its completion, led to unproductive expenditure of ₹ 2.44 crore.

To provide direct marketing facilities to intended persons[124],without involving any middlemen/agencies, the *Rural Haat* Scheme was launched in 2012, for better exposure, display and purchase of art and crafts, in a congenial environment. Each *Rural Haat* was required to provide covered stalls & market space, godown, food court, administrative block, toilet blocks, dormitory, open area and other common facilities, in an organised manner, to minimise the gap between the producers, sellers and consumers. The Department of Micro, Small & Medium Enterprises and Textiles, Government of West Bengal, was the coordinating Department, for this purpose.

Government of West Bengal decided (May 2012) to construct *Rural Haats* under the Backward Region Grant Fund (BRGF), through the respective District Administrations. Accordingly, the Department allotted ₹ 2.55 crore[125], in favour of the District Magistrate, Paschim Medinipur, for setting up a *Rural Haat,* with 42 stalls, at Jhargram, under BRGF, during FYs 2012-13 and 2013-14.

The Paschim Medinipur Zilla Parishad (PMZP) awarded (November 2015) the work of construction of the *Rural Haat* at Jhargram to an agency, at a tendered cost of ₹ 2.59 crore, for completion by August 2016. The work was, however, completed in December 2017, at a cost of ₹ 2.44 crore.

The Sub-Divisional Officer, Jhargram Sub-Division, published an advertisement for allocation of 42 constructed stalls, to artisans in the *Rural Haat,* Jhargram (August 2017). Audit observed (April 2023) that since December 2017, the *Rural Haat* was under the possession of the PMZP but had not been utilised for the intended purposes. This was despite 21 applications for allotment of stalls having been received. The applications, along with relevant documents regarding the allotment of stalls, were sent (October 2019) to General Manager (GM), District Industries Centre (DIC), Jhargram for allotment and day to day maintenance of stalls.

[124] *Persons dependent on manufacturing and selling of arts and crafts.*

[125] *Allotments of ₹ 20.00 lakh, ₹ 23.66 lakh and ₹ 2.11crore, vide orders dated 8.10.2012, 20.02.2013 and 19.12.2013, respectively.*

In reply (April 2023), GM, DIC, Jhargram, stated that the stalls could not be allotted, as possession of the *Rural Haat* had not been handed over to them[126]. Audit, however, noticed that the Additional District Magistrate (ADM), PMZP, had requested (October 2018 and October 2019), GM DIC, to take over the *Rural Haat*. Reasons for not taking over the *Haat,* by GM, DIC, from PMZP, were not found available on records.

Audit observed that GM, DIC, had been directed (June 2012) by the Government, to closely liaison with the District Authorities and other respective agencies, in this regard. It was, however, evident that the GM, DIC, Jhargram, had failed to follow these directions and had not initiated any action for taking over possession of the *Haat* and allotting the stalls to intended artisans. As a result, even after incurring an expenditure of ₹ 2.44 crore, the intended artisans remained deprived of the facilities offered by the *Haat,* for more than five years. In addition to leading to blockage of government funds, prolonged non-use and non-maintenance also raises the risk of damage to the created infrastructure.

The matter was reported to the Department (January 2023); reply is awaited (February 2025).

4.7 Unfruitful expenditure and blockage of funds due to non-functioning of Common Facility Centres

Non-selection of suitable land and lack of timely action led to inordinate delay in completion/ operationalisation of a project and blockage of funds. Further, delay in operationalisation of another project led to unfruitful expenditure of ₹ 1.31 crore. Consequently, the industrial units remained deprived of the envisaged benefits from the project.

The Micro, Small and Medium Enterprises and Textiles (MSME&T) Department, Government of West Bengal, is responsible for the promotion of small and micro industries in the State. The Department implements several schemes funded by the Government of India (GoI) and other External agencies.

Audit scrutiny, in two districts (December 2021), revealed that due to poor planning and lack of timely action by the Department, funds released by the GoI/ United Nations Industrial Development Organisation (UNIDO) could not be utilised, and the expenditure incurred by the State Government on construction of two CFCs remained blocked, as these CFCs could not be operationalised. The detailed cases are discussed below:

4.7.1 Metal Casting Foundry Cluster, Howrah

The Ministry of Micro, Small and Medium Enterprises (MSME), GoI, adopted (2007) the cluster[127] development approach, for enhancing productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs), under the Cluster Development Programme (MSE-CDP). Development of these clusters was largely dependent on creation of tangible assets, like Common Facility Centres (CFCs), for use by individual units.

[126] *To GM, DIC, Jhargram and erstwhile Paschim Medinipur GM, DIC (Jhargram DIC was created in 2019).*

[127] *A cluster is a group of enterprises, located within an identifiable, contiguous area, producing same/similar products/services.*

The GoI grant was restricted to 70 *per cent* of the cost of the CFCs (subject to a ceiling of ₹ 15.00 crore). Special Purpose Vehicles (SPVs[128]) were to be formed prior to the setting up and running of the proposed CFCs. The State Government and SPVs were to contribute upfront the remaining amount of 30 *per cent* (in the ratio of 20 and 10 *per cent,* respectively) of the required cost of the CFC. Also, necessary infrastructure like land, building, water and power supply *etc.* was required to be in place before the release of GoI assistance. The CFCs were required to be operationalised by the concerned SPV within two years from the date of final approval by MSME, GoI.

MSME, GoI, accorded (March 2014) administrative approval for setting up of a CFC in the Metal Casting Foundry Cluster in Howrah, at a total cost of ₹ 4.96 crore, to be shared among GoI (₹ 2.90 crore), GoWB (₹ 1.56 crore) and the SPV (₹ 0.50 crore). The West Bengal Export Promotion Society (WBSEPS)[129]was designated as the implementing agency and the project was to be completed within two years, *i.e.*, by March 2016. GoWB's contribution of ₹ 1.56 crore was deposited in a project specific account[130], in June 2015. GoI, however, did not release funds, as the land for the CFC had not been finalised by the Department even after two years of the administrative approval.

As per the DPR, the CFC was to be set up on the Howrah Amta Road. However, during execution, Director (MSME), GoWB, observed (June 2016) that the proposed site was 30 kms away from the existing metal casting foundry cluster and setting up of the CFC at the distant proposed site would impair the operational viability of the project.

Citing unsatisfactory progress of work, GoI cancelled (April 2016) the cluster project and sought justification for the delay. Subsequently, in response to requests received from the implementing agency (WBSEPS), GoI accorded extension of the sanction of the project till October 2017, and thereafter till April 2018.

The purchase/ tender committee for the cluster, in a meeting, decided (June 2017) to shift the site nearer to an existing metallic road in order to make the project more economically viable.

Director (MSME) requested (December 2018) GoI to consider another extension for two years, as the new site selected was in low-lying land and development works thereon would take considerable time. As substantial time had already elapsed, it was decided (May 2019) by the Director, MSME, WB to recast the DPR and send it along with the technical viability report to GoI, for approval. As per the revised DPR finalised by GM, DIC, Howrah, the project cost was enhanced to ₹ 8.71 crore, from ₹4.96 crore, resulting in a higher GoWB share of ₹ 5.14 crore.

[128] *An SPV is a clear legal entity (Cooperative Society, Registered Society, Trust or a Company), with evidence of prior experience of positive collaboration among its members. The bylaws of each SPV are required to have a provision for one member of the SPV being a State Government official.*

[129] *The WBSEPS was formed to encourage and assist potential exporters in small scale sector for promoting export from the state. WBSEPS was registered under West Bengal Societies Registration Act 1961.*

[130] *The account was managed jointly by the SPV and the General Manager, District Industries Centre (GM, DIC).*

In view of the three-fold increase in the State share, the MSME&T Department sought (October 2019) certain clarifications in this regard, from the Director (MSME), GoWB before referring the matter to the Finance Department, GoWB. However, response received was not available on record.

In reply to a specific query, the Department stated (July 2022) that the project was proposed to be dropped from Micro and Small Enterprises - Cluster Development Programme.

Thus, the inability of the Department in finalising a suitable plot of land, resulted in funds of ₹ 1.56 crore, remaining parked in the Project Specific Account, for nine years (March 2014 to March 2023). The CFC project could not be implemented even after lapse of nine years from the receipt of approval of the GoI (as of March 2023).

4.7.2 Brass and Bell Metal Utensil Cluster, Murshidabad

The national programme for technology upgradation of the Brass and Bell Metal Industry, at Khagra, Murshidabad, was to be implemented through funding from UNIDO, New Delhi. WBSESPS[131] was selected as the implementing agency.

Accordingly, the State Government released (March 2010 to December 2013) ₹ 1.31 crore, for civil construction and other infrastructural facilities for the CFC, along with the land cost.

Scrutiny of records at GM, DIC, Murshidabad, revealed (December 2021) that the said amount of ₹ 1.31 crore was expended on purchase of land, construction of building, purchase of transformer for electricity connection and pollution clearance, till December 2013.

However, the SPV[132] refused to take over (September 2014) the CFC, due to lack of basic machinery (like a furnace for melting and a rolling mill for metal sheets). Five years after the construction of the building, the Department engaged (November 2018) the National Metallurgical Laboratory[133] (NML), to prepare a DPR, for operation of the CFC, proposing additional fund requirements of ₹ 2.24 crore.

NML prepared and submitted (December 2019) the DPR to the DIC, Murshidabad, and after validation from the SPV, the DPR was sent (January 2020) to the Director (MSME), seeking approval and guidance for further action. After 11 months, the Director advised the GM, DIC (23 November 2020) that: (i) the matter related to vetting of estimates for civil works and /or Plant & Machinery may be moved to the Public Works Department (PWD) immediately and (ii) the date of inviting tenders may be finalised by 02 December 2020. However, the estimates for civil and electrical works were submitted (August 2021), by GM, DIC, Murshidabad, to the PWD after a delay of another nine months and the estimate for mechanical work was submitted (October 2021) with a delay

[131] *West Bengal State Export Promotion Society.*

[132] *A society named Khagra Brass & Bell Metal Association Welfare Society constituted for running the cluster.*

[133] *It is an Indian research center that functions under the aegis of the Council of Scientific and Industrial Research (CSIR). CSIR-NML played a significant role in the industrial revolution of India starting from 1950 especially in the areas of mineral processing, iron and steel making.*

of eleven months. In response to a specific query, the Department intimated (August 2022) Audit that although the vetted estimates of civil/electrical/ mechanical work had been received recently, tenders for the works could not be invited due to non-availability of funds.

During joint physical verification (09 December 2021), of the CFC by Audit and the departmental staff, it was noted that: (i) the CFC building was accessible only through a narrow *kutcha*[134] pathway and was not accessible for trucks, (ii) the machines installed therein were lying unutilised for prolonged periods, (iii) the high tension power supply to the CFC, had been disconnected by the West Bengal State Electricity Distribution Company Limited, due to non-payment of electricity bills and (iv) the feeder transformer at the gate of the CFC was missing.

Fig. 4.4: Unutilised machines and earthen narrow approach road in the CFC

Thus, the project could not be operationalised and the industrial units in the cluster remained deprived of the envisaged benefits of the project, even after nine years of the funds being released by the State Government for the purpose, resulting in unfruitful expenditure of ₹1.31 crore.

Imprudent parking of funds, without ensuring completion/ operationalisation of these two CFC projects, led to blockage of funds of ₹ 2.87 crore (₹ 1.56 crore + ₹ 1.31 crore). The matter was referred to the Department (February 2022); reply is awaited (as of February 2025).

4.8 Irregularities in implementation of the Rural Craft Hub scheme

The West Bengal Khadi and Village Industries Board, while implementing the Rural Craft Hub scheme, released advances to a private agency but did not obtain utilisation certificates against expenditure incurred. Further, the agency incurred unauthorised expenditure, in violation of the agreement entered into with WBKVIB. The objectives of the scheme could not be achieved, even after six years from the date of signing of the agreement, resulting in unfruitful expenditure of ₹ 12.05 crore.

As per Rule 21 of the General Financial Rules 2017, every officer incurring or authorising expenditure from public money should be guided by high standards

[134] *A road made up of only earthen material.*

of financial propriety. Every officer should also enforce financial order and strict economy and see that all relevant financial rules and regulations are observed by his own office and by subordinate disbursing officers. Every officer is expected to exercise the same vigilance in respect of expenditure incurred from public money as a person of ordinary prudence would exercise in respect of expenditure of his own money.

The West Bengal Khadi and Village Industries Board (WBKVIB), under the Micro, Small & Medium Enterprises and Textiles (MSME&T) Department, invited Expression of Interest (November 2015), for implementation of the Cluster Development Programme, under Rural Craft Hub (RCH)[135], to promote manufacturing of carpets and blankets *etc.* by rural artisans, in the districts of *Kalimpong* and *Darjeeling*. The Project aimed to develop a vibrant creative sector by safeguarding and developing traditional skills of West Bengal into viable enterprises, and ensuring socio-economic inclusion of the poor.

A Facilitating Agency (FA)[136] was selected (December 2015) by WBKVIB and an agreement was signed (September 2016) with the FA, to conduct a baseline survey for: (i) identifying beneficiaries, (ii)identifying land for a Common Facility Centre (CFC), and (iii) preparation of draft Detailed Project Report (DPR) for the RCH, at a cost of ₹10.00 lakh.

An agreement was signed (March 2017) with the selected FA for the implementation of the project at a cost of ₹ 10.19 crore[137] with an aim mainly to increase the *per capita* income of 1,920 artisans in *Darjeeling* and *Kalimpong* districts. The main features of this agreement were as follows:

i. The raw material used and the final products manufactured during training would be kept with the FA. They could, however, be sold by the FA with the prior approval of WBKVIB.
ii. The FA would identify land, for setting up of a CFC, for facilitating multi-purpose Centres, for the village artisans and weavers.
iii. WBKVIB would conduct project progress evaluation. The first evaluation would be conducted in the first month after initiation of the project. Thereafter, six monthly evaluations would be conducted, to assess the impact of the training program on skill development.
iv. The FA would ensure that the services (*professional trainings in handloom and handicraft production, design, use of tools, dyeing, packaging etc.)* were performed by qualified staff and met the highest professional standards.

Audit observed (September 2022) that the Department had failed to accomplish the objectives of the project, even after six years of signing of the agreement

[135] *The rural craft hubs are also being developed aiming at evolving the craft villages as tourism destination offering authentic experience of indigenous life.*

[136] *M/s Mani Trust.*

[137] *Soft Intervention (₹ 4.11 crore): Organising Awareness Camps, Skill Building Workshops through professional trainings in handloom and handicraft production, design, use of tools, dyeing, packaging etc.and advances would be released in eight equal instalments @ ₹ 51.40 lakh each.*

Hard Intervention (₹ 6.08 crore): Setting up an Artisan CFC-cum-Marketing Hub, providing toolkits for the CFC and distributing tool kits at the household level.

(March 2017) and had incurred an expenditure of ₹ 12.05 crore[138]. Lapses in the implementation of the project, as observed in audit, are discussed below :

1. **Diversion of fund:** WBKVIB had paid ₹11.17 crore (during FYs 2016-17 to 2020-21) to the FA under the RCH project, against an amount of ₹ 8.42 crore received from the Department. The excess amount of ₹ 3.63 crore[139] was diverted by WBKVIB to the RCH project from another scheme[140], without obtaining permission/approval from the Department.

   Audit also observed that WBKVIB had released the subsequent advances without obtaining Utilisation Certificates (UCs) for the previous advances.

2. **Training Programme:** The FA reported that training had been imparted to 1,920 beneficiaries under the project, at an expenditure of ₹4.74 crore, against a sanctioned amount of ₹4.11 crore. Audit observed that neither periodical assessment, nor impact assessment had been conducted during or after the training, although this was envisaged under the agreement.

   Audit further observed that WBKVIB had approved (February 2018) an Extension Training Programme, based on a new pattern of weaving and computer-aided fabric designing, and a sum of ₹ 3.25 crore was incurred on this training. However, details of the artisans trained under this new training programme were not available with WBKVIB. During physical verification (May 2023) of three training-cum-production Centres[141], along with departmental officials, the beneficiaries stated that the Extension Training Programme had not been imparted to them.

	
Fig 4.5: Training-Cum-Production Centre at Mazua	***Fig 4.6: Interaction with beneficiaries at Mazua***

3. **Shortage in stock of wool**: Audit further observed that 26,500 kg of wool, valuing ₹1.45 crore, had been procured (during 2018-2020) by the FA, for use in training, as well as for post-production purposes. The FA had utilised 1,947 kg[142] of wool in the training and provided 631 kg to the Production Centers, out of which 303 kg of wool remained in stock. Details regarding balance wool, *i.e.* 23,922 kg (26,500-1,947-631) valuing ₹1.31 crore, were

[138] *₹ 11.17 crore paid to Mani Trust (FA) and looms worth ₹ 0.88 crore procured by the WBKVIB and supplied to FA.*

[139] *₹ 12.05 crore-₹8.42 crore.*

[140] *Mulberry Silk Processing, Reeling & Weaving Scheme to Rural Craft Hub.*

[141] *Mazua and Lodoma, under the Bijanbari Block and Kagey, under Kalimpong Block-II.*

[142] *1,876 kg + 71 kg (wastage).*

not found available on records. The justification for procurement of such a huge quantity of wool was also not found available on records. Audit also did not find the balance quantity of wool during the joint physical verification[143] of the godowns/production Centres in May 2023.

4. **Status of training-cum-production Centres:** The FA reported (May 2023) that all the 40 training-cum-production Centres, which were set up in rented accommodation were now closed. The remaining looms and accessories[144], installed in 29 training-cum-production Centres, valuing ₹ 1.14 crore, had been dismantled and dumped in godowns and in an open space at *Kalimpong*, with high probability of deterioration in time.

Fig. 4.7: Installed Looms at Kagey Centre

During joint physical verification in May 2023 with the officials of the WBKVIB and FA, the audit teams interacted with the beneficiaries (artisans who had been imparted training). It was observed that none of the beneficiaries were engaged in production, due to absence of infrastructure and funds.

Fig. 4.8: Dumped Looms in the Godown of Kalimpong

Fig. 4.9: Dumped Looms in an open yard at Kalimpong

5. **Identification of land for CFC:** As per the agreement, the major work under Hard Intervention (HI) was the construction of CFCs to facilitate the provision of a multi-purpose Centre for village artisans and weavers, where

[143] *Audit team, along with District Officer of the WBKVIB and FA.*

[144] *₹ 88.51 lakh (Supplied by KVIB) + ₹ 25.31 lakh (Locally purchased by FA).*

they could get support in terms of training, hostel facility and marketing. The land for the construction of the CFC was to be identified by the FA and handed over to WBKVIB. However, Audit observed that the FA did not identify and hand over (as of May 2023) the land to WBKVIB, even after a lapse of more than six years of the agreement.

6. **Unauthorised expenditure on salary:** Another agreement had been entered into (March 2018) by WBKVIB with the FA, to set up six Arts and Handicrafts Centres, in Darjeeling and Kalimpong districts. The initial fund for establishment of the Centres, along with the salary/wages of the employees required for the Centres for the first six months, was to be provided by WBKVIB. Thereafter, the salary/wages were to be borne by the FA. Six Art and Craft Centres[145] had, accordingly, been established, at a total cost of ₹ 2.68 crore, including salary (for the first six months), rent, electricity charges *etc*. These six Centres had commenced operations from April 2018 onwards. It was noted during Audit that the FA had incurred an amount of ₹1.44 crore, towards salary/wages for the period April 2018 to March 2022, from WBKVIB funds. This was in violation of the agreement, as WBKVIB was required to pay the salary/wages of the employees for six months only, which amounted to ₹18.00 lakhs. Thus, WBKVIB had allowed unauthorised payment of ₹ 1.26 crore[146], from Government funds.

7. **Sale proceeds not deposited to WBKVIB:** According to the Agreement, the FA was to remit the cost price of the articles sold, along with their overhead charges, to WBKVIB and was to retain the remaining amount from the sale proceeds. As per the statement submitted by the FA, the total sales from the six Centres, during 2018–22, amounted to ₹ 50.43 lakh. In reply to an audit query, WBKVIB stated (April 2023) that the maximum profit margin, on sale of art and crafts items, was 10 *per cent.* Thus, WBKVIB was required to receive ₹ 45.39 lakh[147] as cost price and overhead charges on sale of the items. However, Audit observed that the FA had not deposited this amount with the WBKVIB.

8. **Status of Arts and Crafts Centre:** Audit observed (May 2023) that except for the Kurseong Art and Crafts Centre other Centres had been closed. The material of these five Centres, valuing ₹ 17.84 lakh, was dumped in godowns. Further, the FA had reported that material worth ₹ 20.13 lakh, lying in these six Centres was damaged. During physical verification (May 2023), Audit observed that the Mirik floating Art and Craft Centre was incomplete and was in a dilapidated condition.

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[145] *Kalimpong, Darjeeling, Kurseong, Sepoydhura, Simana and Mirik.*

[146] *₹ 144.00 lakh - ₹ 18.00 lakh (expenditure towards salary/wages for first six month of the FY 2018-19 = ₹* ***36****.00 lakh/2).*

[147] *₹ 50.43 lakh – ₹ 5.043 lakh (10% of` 50.43 lakh).*

	
Fig. 4.10: Deserted floating Craft Centre at Mirik	***Fig. 4.11: Material from the Craft Centres dumped in a godown at Kalimpong***

WBKVIB had not prepared periodical project progress evaluation reports to monitor the progress of the work, although this was envisaged under the terms of the agreement signed with the FA. In reply, WBKVIB accepted (March 2023) the audit comment regarding non-preparation of monitoring reports.

Thus, WBKVIB continued to release funds to the FA, without ensuring their proper utilisation. Soft Intervention activities were undertaken without proper planning and WBKVIB did not diligently supervise the implementation of the Rural Craft Hub Scheme. Thus, the objectives of the Scheme of socio-economic development of rural artisans had not been achieved, and rural artisans continued to be deprived of the intended benefits, resulting in expenditure of ₹12.05 crore being rendered unfruitful.

The matter was referred to the Department in October 2022; reply is awaited (as of February 2025).

PUBLIC HEALTH ENGINEERING DEPARTMENT

4.9 Unfruitful Expenditure

Inability of the Public Health Engineering Department to operate a tube well, resulted in unfruitful expenditure of ₹ *0.81 crore.*

According to Rule 21 of General Financial Rules (GFR) 2005, every officer incurring or authorising expenditure from public money should be guided by high standards of financial propriety. Further, every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

The Public Health Engineering Department (PHED) planned a piped drinking water supply scheme, covering about 832.42 hectares (with a projected population of 9,331 in 2037, considering two *per cent* growth per year), for the population of three mouzas[148] under the *Goalpokhar*-I Block of *Uttar Dinajpur* District. The estimated cost of the project was ₹ 2.38 crore[149] and it was to

[148] *Barapatna, Biprit and Khagar Mouza.*

[149] *₹197.21 lakh was for civil works and ₹ 40.62 lakh for electrical/mechanical component of works.*

be completed within two years from placement of funds. The scheme was approved in the 14th meeting (May 2012) of the State Level Scheme Sanctioning Committee of PHED. Administrative approval for the project was accorded (September 2012) and it was to be financed under the National Rural Drinking Water Program (NRDWP).

The scheme envisaged sinking of two deep tube wells (Tubewell-I and Tubewell-II), along with the construction of two Pump Houses (Pump House-I and Pump House-II) and one Over Head Reservoir (OHR). The OHR and Tubewell-I, alongwith Pump House-I, were to be located at the head work site in the *Biprit* mouza and Tubewell-II, along with Pump House-II, was to be located at the *Barapatna* mouza. The work, which included operation and maintenance at a total cost of ₹ 1.98 crore, was divided into 27 tenders and was awarded to 13 contractors. The work, including the trial run, was completed in March 2016, after incurring an expenditure of ₹ 1.97 crore.

Audit observed (June 2022) that the land for the construction of Tubewell-I and OHR in the Head Work Site, had been gifted by the landowner, but the Department had not taken any initiative for effecting the transfer of the land to the Government. During joint physical verification (June 2022 and May 2023), undertaken along with Departmental officials, Audit noticed that Tubewell-I, along with the OHR located at the Head Work Site, could not be put to operations, after the trial run in March 2016, as the landowner had locked the main gate. The landowner had demanded a government job, as compensation for the land (20 katha[150]) given by him, for construction of Tubewell-I and the OHR.

Fig. 4.12: Locked Head Work Site by the Landowner, dated 21.05.2023

Fig. 4.13: Deserted Over Head Reservoir and Pump House-1, dated 21.05.2023

As a result, Tubewell-I, along with the OHR, constructed at a cost of ₹ 80.92 lakh[151], remained idle since April 2016. Further, due to non-operation of Tubewell-I, drinking water could not be provided to the intended beneficiaries located at the tail end (far end) of the scheme.

Accepting the audit observation, PHED stated (September 2023) that the scheme could not be operated as the main gate of the Head works site including

[150] *'Katha' is a local land measurement unit, used widely in the eastern part of India (one katha=720 sq. ft).*

[151] *Cost of sinking Tubewell-I: ₹ 7.40 lakh, construction of boundary wall: ₹ 5.56 lakh, construction of Pump House-I: ₹ 4.43 lakh and construction of OHR: ₹ 63.53 lakh.*

tubewell-I was locked by the landowner. The PHED further stated that the issue had been taken up recently (May and July 2023) with the local administration, but till now no positive result has been achieved.

Thus, due to inaction on the part of the PHED, drinking water had not been provided to at least 40 *per cent* of the beneficiaries, for more than seven years. Resultantly, non-use of Tubewell-I, alongwith OHR, had resulted in unfruitful expenditure of ₹ 0.81 crore till date (May 2023). Furthermore, the possibility of significant damage occurring to the assets due to extensive period of non-operation, remains high.

4.10 Wasteful/unfruitful expenditure due to collapse of Over Head Reservoirs

Poor planning and inefficient project management led to the collapse of an Over Head Reservoir (OHR) and non-utilisation of six completed OHRs, resulting in wasteful /unfruitful expenditure of ₹ 7.79 crore. The objective of providing piped water to a population of three Arsenic affected blocks, was also not achieved.

The Public Health Engineering Department decided (FY 2006-07), to implement a scheme, namely "Survey, Planning, Designing, Delivery, Erection, Construction and Completion of all Civil, Electrical and Mechanical Works including all allied and related works for the Surface Water Based Piped Water Supply Schemes (PWSS) for Arsenic affected three blocks[152] of Murshidabad District". The command area of the scheme was 63,014 ha, divided in two parts (Part-I: 25,524 ha and Part-II: 37,490 ha), affecting a total population of 13.18 lakhs. The scheme was undertaken to supply safe drinking water to the locals of this region in order to achieve a long-term effective solution to the drinking water problems of the locals.

The work was awarded (February 2008) to an agency, on Engineering, Procurement and Construction (EPC) turnkey basis, at a tendered cost of ₹ 255.56 crore, for completion by February 2010. The scope of the work *inter-alia* included construction of a water intake system, water treatment plant, clear water pump house, 15 Reinforced Cement Concrete (RCC) Overhead Reservoirs[153] (OHRs), rising mains[154], distribution pipelines and other related and allied works. The Department also engaged (November 2006), a supervision consultant[155] for detailed investigation, design and supervision, as well as post-commissioning assistance for the project.

The progress of work was very slow from the beginning and the agency had repeatedly requested for extensions. The final extension was granted by the Superintending Engineer, Murshidabad Circle, PHE Directorate up to April 2016. However, since the work was not completed, the contract was terminated (November 2016) and ₹ 238.40 crore was paid to the agency for

[152] *Berhampore, Murshidabad-Jiaganj and Hariharpara.*

[153] *Part-I: Doulatabad, Ayeshbag, Rampur, Begumpur, Amaipara, Sashidharpur, Habipur; Part-II: Hatinagar, Purvanarayanpur, Bairgachi, Raipur, Lochanmati, Choa, Rukundpur and Pradipdanga.*

[154] *The delivery line carrying water from pump to storage tank (elevated).*

[155] *M. N. Dastur & Company Pvt. Ltd.*

the work done till then. Thus, the Department took more than six years after the scheduled date of completion of the work to terminate the tender, although the progress of the work was very slow, which was indicative of poor project management.

Audit observed (September 2022) that out of 15 OHRs, construction of five OHRs[156] (three in Part-I and two in Part-II) was stopped during March to August 2010, due to problems[157] with the concerned landowners. Pending completion of these OHRs and other allied works[158], the water supply commenced partially under Part-I and Part-II of the command area, in the years 2013 and 2017 respectively, by means of direct pumping of water. As a result, the Department could not provide water to the beneficiaries residing at the tail end (far end) of the scheme. The Department took up the work of construction of OHRs without ensuring availability of encumbrance-free land and further took seven years to resolve the issue related to land problems.

The Department requested **(**09 February 2017**)** the supervision consultant to examine the condition of the five incomplete OHRs. In response, the supervision consultant suggested (March 2017) conducting of Non-Destructive Tests (NDTs)[159] for assessing the health of the structures and taking necessary remedial measures as required.

Nine months after this recommendation was made by the supervision agency, the Department engaged (December 2017) an engineering consultant agency[160] to conduct the required NDTs. The agency conducted the NDTs in December 2017 and recommended (February 2018) certain corrective measures[161], before undertaking the balance work.

Scrutiny of records, however, revealed that the Executive Engineer, Murshidabad Division, without waiting for the report of the supervision consultant and before taking any corrective measures, awarded (during April 2017 to February 2018) the balance work of the five incomplete OHRs to five different agencies, rendering the exercise of assessment by the supervision and engineering consultants meaningless. An expenditure of ₹ 2.33 crore was incurred (up to February 2020) on the balance work on the five OHRs.

Audit observed (September 2022), that one of the OHRs[162] had collapsed (January 2021), during filling of water. As a result, expenditure of ₹ 1.18 crore (₹ 0.64 crore for initial construction and ₹ 0.54 crore on the balance work) incurred on this OHR, was rendered wasteful.

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[156] *Doulatabad, Rampur, Begumnagar, Lochanmati and, Choa.*

[157] *Agitation by landowners in regard to low valuation, partition deed disputes etc.*

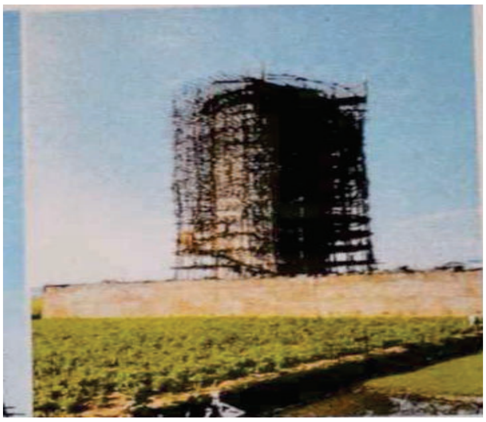
[158] *Interconnection between raising main and OHRs, chlorination system, pump house building etc.*

[159] *'Non-destructive tests' are applications for detecting flaws in materials, without impairing their usefulness.*

[160] *Department of Construction Engineering, Jadavpur University, Salt Lake.*

[161] *Proper corrosion treatment to the shaft top reinforcement, insertion of dowel bars by chemical anchorage, proper surface preparation and subsequent application of bond coat on the existing concrete surface.*

[162] *Lochanmati-OHR.*



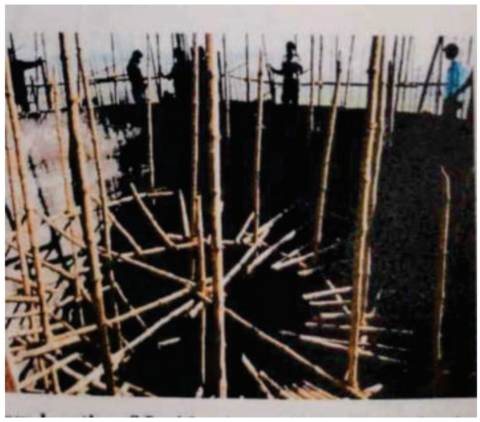


Fig. 4.14: Inside and outside view of the partially constructed Lochanmati OHR (left abandoned for more than six years), which collapsed after completion of the balance work

Consequent to the destruction of the OHR, the other four OHRs, constructed at a cost of ₹ 4.50 crore (₹ 2.71 crore for initial construction and ₹ 1.79 crore on balance work) were not commissioned till the date of Audit (September 2022). Further, two[163] out of the ten completed OHRs constructed at a cost of ₹ 2.11 crore had remained non-functional (as of September 2022) due to cracks and incomplete allied works.

Therefore, the amount of ₹ 6.61 crore (₹ 4.50 crore + ₹ 2.11 crore), incurred on these six OHRs remained unfruitful.

Thus, poor planning, coupled with inefficient project management and monitoring, as well as lack of coordination amongst field functionaries of the Department, resulted in wasteful/unfruitful expenditure of ₹ 7.79 crore[164].

Hence, the objective of providing potable water to all the intended beneficiaries could not be fulfilled, even after 15 years of commencement of the work.

In reply, the Department stated (June 2023) that, although the balance work had commenced earlier, the work of Reinforced Concrete had commenced in April 2018, after receipt of the recommendation (February 2018) by the Engineering Consultant. It further stated that an Investigation Committee had been formed (January 2021) but the report of the Committee has not yet been received (June 2023). Further, IIT Kharagpur, Civil Engineering Department, had been requested (July 2021) to carry out a health check-up of these six OHRs.

The reply of the Department that the work of Reinforced Concrete had commenced after receipt of the recommendation of the Engineering Consultant is not acceptable, as the balance work of the partially completed OHRs was done on the basis of estimates prepared prior to the engagement of the Engineering Consultant and supplementary works had not been undertaken for ensuring compliance with the recommendations of the Engineering Consultant. Further, the lackadaisical attitude of the Department is evident from the fact that, even after a lapse of more than two years, neither the investigation report, nor the health check-up of the OHRs, had been completed.

[163] *Pratapdanga-OHR and Ayeshbag-OHR.*

[164] *Wasteful expenditure of ₹ 1.18 crore on collapse of one OHR + unfruitful expenditure of ₹ 6.61 crore on six other OHRs not commissioned/non-functional.*

PUBLIC WORKS DEPARTMENT

4.11 Avoidable expenditure, due to non-incorporation of the reduced rate of concrete paver block

Public Works Department (PWD) did not consider the latest PWD Schedule of Rates (SoR), for construction of two roads with interlocking paver block pavement[162], and thereby, incurred avoidable expenditure of ₹ 3.04 crore.

Rule 21 of GFR 2017 stipulates that: (i) every officer incurring or authorising expenditure from public money should be guided by high standards of financial propriety, (ii) every officer should also enforce financial order and strict economy and ensure that all relevant financial rules and regulations are observed and (iii) every officer is expected to exercise the same vigilance in respect of expenditure incurred from public moneys as a person of ordinary prudence would exercise in respect of expenditure of his own money.

The Superintendent Engineer, Eastern Circle, Public Works Department (PWD) and the Superintendent Engineer, Central Circle (PWD), awarded (January 2021 and August 2021, respectively) the construction works of two different roads[166] (Work-A and Work-B, respectively), to two contractors, at a tendered cost of ₹ 25.06 crore and ₹ 15.45 crore, respectively. Work A was due for completion by August 2022 while Work-B was to be completed by February 2023. Against this, it was noticed that Work-A was completed in June 2022 and an amount of ₹ 29.26 crore[167] was paid to the concerned contractor, while Work-B was completed in November 2022 and ₹ 15.44 crore had been paid to the contractor.

The estimates for both works had been framed, considering the Schedule of Rates (SoR) of PWD-2018 (Vol-III) and its updated *addenda* & *corrigenda* upto 14 October 2020, for all items, except concrete paver block. The estimate for the concrete paver block work was framed, considering the SoR of PWD-2017 (Volume-I), which was applicable with effect from 04 June 2018.

Audit observed (November 2022 and December 2022) that the rate of 100 mm thick concrete paver block had been reduced, *vide* the 12th *addenda* & *corrigenda* to SoR of PWD-2017 (Volume-I), w.e.f. 14 October 2020, before the approval (on 16 October 2020 and 13 January 2021, respectively) of technical sanctions for Work-A and Work-B, by the Chief Engineer (CE), South Zone, PWD. However, the CE did not consider the reduced rate for paver block while approving the estimate, which resulted in avoidable expenditure of ₹ 3.04 crore, as detailed in **Table 4.3**.

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165 *Paver blocks are small blocks used in pavements. Available in variety of colours, sizes and patterns, these interlocking blocks are laid to form a pavement. As they seamlessly join each other, they are strong with less chances of breakage.*

166 *Work-A: 'Widening and Strengthening of Hasnabad-Hingalganj road from 0.30 kmp to 15.00 kmp' and Work-B: 'Widening and Strengthening of Raghunathganj – Mitrapur road from 0.00 km to 7.50 km'.*

167 *Reasons for excess amount included construction of additional 3,000 m paver block pavement in place of flexible pavement, additional protective works etc.*

Table 4.3: Avoidable expenditure, due to non-incorporation of the reduced rate of concrete paver block

	Rate of paver block considered[168] in the estimate (₹ per m^2)	Reduced rate of paver block (₹ per m^2)	Difference in rate of paver block (₹ per m^2)	Total quantity executed (m^2)	Contractual percentage[169]	Avoidable expenditure after contractual percentage	Add 12% GST and 1% Cess
	(1)	(2)	(3) = (1)-(2)	(4)	(5)	(6) = (3)x(4)-(5)%	(7) = (6)+13%
Work-A	2,058	1,433	625	16,665	14.36% less	89,19,941.25	1,00,79,533.61
Work-B	1,879	1,409	470	52,345.25	26.89% less	1,79,86,717.77	2,03,24,991.08
Total avoidable expenditure							**3,04,04,524.69**

In reply, the Department stated (March 2023) that due to inadvertent omission, the reduced rate of paver blocks effective from 14 October 2020 was not taken into consideration at the time of technical sanction (16 October 2020). It further stated that care would be taken in future to avoid recurrence of such mistakes.

Thus, due to non-incorporation of the reduced rate of concrete paver block, while approving the estimate, the Department had to incur avoidable expenditure of ₹ 3.04 crore.

4.12 Wasteful expenditure

Public Works Department (PWD) in contravention of MoRTH specifications and Departmental Guidelines, did not cover the executed road works with proper layering course for more than two years, which led to damage of the road costing ₹ 1.82 crore.

Clause-406.4 of Ministry of Road Transport and Highways (MoRTH) specifications' stipulates that preferably vehicular traffic of any kind should not be allowed on the finished Wet Mixed Macadam (WMM)[170] surface till it has dried and the wearing course laid. As per Public Works Department's (PWD) Memo dated 09 March 2015 the WMM {*including Granular Sub-Base (GSB)*} is categorised as unbound material and plying of vehicles over GSB and WMM bed are prohibited. This bed should be covered with subsequent upper layer, as early as possible after achieving desired degree of compaction and level. To avoid stripping of the materials from WMM bed, it should immediately be primed, and after the curing of the prime coat it should be covered with bituminous layer without delay.

Superintendent Engineer, North Bengal Construction Circle-II, Public Works Department (PWD), awarded (March 2018) the road work[171] to a contractor[172], at a tendered cost of ₹ 6.73 crore, for completion by November 2018. The scope

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[168] *Vide 3rd addenda & corrigenda to SoR of PWD-2017 (Volume-I) w.e.f. 04.06.2018.*

[169] *Contractual percentage is the rate offered by the contractors on the estimated cost put to tender in percentages above or below the estimated cost.*

[170] *Wet Mix Macadam is an unbound granular base course layer wherein crushed graded aggregates and granular material, like graded coarse sand are mixed with water in mixing plant and rolled to a dense mass on a prepared surface.*

[171] *Construction of Road from Nonai Bridge (Gairkata-Ramsai Road) to Satyapada MSK at Salbari-I GP.*

[172] *M/s Dilip Kumar Das & Sons.*

of the work *inter alia* comprised construction of various protective and drainage works and construction of road pavement with 300 mm GSB[173], 200 mm WMM, 50 mm Bituminous Macadam (BM) and 20 mm Premixed Carpet (PC) & Seal Coat (SC).

Scrutiny of records of the Executive Engineer (EE), Jalpaiguri Division, PWD, revealed (June 2022) that the progress of the work was very slow since the beginning and the contractor failed to complete the work within the scheduled period (November 2018). The EE repeatedly instructed (December 2018, January 2019, May 2019, June 2019 and July 2019) the contractor to expedite the work. However, as the contractor failed to complete the work, the contract was terminated on 27 January 2020. A sum of ₹ 4.17 crore was paid to the contractor out of which ₹1.82 crore[174] was paid for construction of GSB and WMM layers.

During joint physical verification (June 2022) of the road, with the concerned departmental officers, Audit observed that in violation of the MoRTH's specification and the departmental guidelines, the road had been opened to vehicular traffic and exposed to rain for more than two years, without laying the overlay bituminous courses (BM, PC and SC) over the executed GSB and WMM layers. As a result, potholes had formed and stone aggregates used in WMM and GSB layers were exposed and were lying in scattered condition over the entire stretch of the road.

Fig. 4.15: Big size potholes filled with rainwater

Fig. 4.16: GSB and WMM stones found in scattered condition over the entire road

Thus, non-execution of overlay bituminous layers for more than two years over the already executed GSB and WMM layers in contravention of MoRTH specifications and Departmental Guidelines, led to damage of GSB and WMM layers costing ₹ 1.82 crore.

In reply, the Department stated (July 2023 and February 2025) that no GSB layer was damaged, only the existing WMM layer was worn out in some stretches and the repair of worn out stretches of WMM layer followed by laying of bituminous course was completed (November 2023) at a cost of ₹ 2.33 crore.

The reply of the Department is not acceptable as audit during joint site verification noticed that the existing WMM laid as well as GSB layers were worn out and even big ditches had formed in some stretches as shown in the photographs.

[173] *Granular Sub-Base is a layer in the road foundation just above the compacted sub-grade layer, it consists of crushed stone aggregate or natural river bed material having proper gradation, and it works like a drainage layer.*

[174] *For GSB (₹43,90,440.39 + ₹ 39,37,007.07) + for WMM (₹98,30,641.38) = ₹ 1,81,58,088.84 – contractual rebate (0.03%) = ₹1,81,52,641.41.*

4.13 Avoidable expenditure due to unjustified use of costlier binder and wearing course

The Public Works Department, in deviation from the IRC guidelines, laid bituminous layers of higher specification without justification resulting in avoidable expenditure of ₹ 1.16 crore.

The Public Works Department (PWD), Government of West Bengal, executes different road works, based on its Schedule of Rates (SOR), Ministry of Road Transport and Highways (MORTH) specifications, provisions of Indian Roads Congress (IRC) *etc*. Components of pavements are mainly designed following the above guidelines, on the basis of the strength of sub-grade[175] soil, which is expressed in terms of California Bearing Ratio[176] (CBR) and the projected traffic volume (expressed in *MSA*[177]*)*. For roads having msa two or above, the IRC guidelines[178] prescribe laying Dense Bituminous Macadam (DBM) and Semi Dense Bituminous Concrete (SDBC) as binder course[179] and wearing course[180] respectively. In case, where *MSA* is less than two, application of Bituminous Macadam (BM) and Open Grade Premix Carpet (OGPC) is recommended as per IRC guidelines[181].

Superintendent Engineer, Western Circle-I, Public Works Department (PWD), awarded (March 2019) the work of '*Widening and Strengthening with Re-sectioning of a road from Chinchuria to Bhuri (0.00 kmp to 12.70 kmp)'* in Asansol Division, in the district of Paschim Bardhaman, at a tendered cost of ₹ 23.22 crore, for completion by December 2019. The work was, however, completed in February 2020 at a cost of ₹ 24.48 crore[182].

Audit observed (March 2022) that the *msa* of the road was calculated as one for a design life of five years (for bituminous layers). Thus, as the *msa* of the bituminous layer of the road was less than two, the Division was required to lay 50 mm BM as binder course and OGPC as wearing course as per IRC guidelines[183]. However, the Department laid costlier layers of 50 mm DBM as binder course and 30 mm Bituminous Concrete (BC) as wearing course in violation of the guidelines, leading to an avoidable expenditure of ₹ 1.16 crore.

Initially, the Department stated (August 2022) that as per IRC guidelines[184], recommended combination of DBM and SDBC/BC provides an impermeable

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175 *The native material underneath a constructed road.*

176 *The California Bearing Ratio (CBR) is a penetration test for evaluation of the mechanical strength of natural ground, subgrades and base courses, beneath new carriageway construction.*

177 *Million Standard Axles.*

178 *IRC-37–2012.*

179 *The binder course is an intermediate, binder bound aggregate layer placed between the base layer and the wearing course layer of the pavement.*

180 *The topmost layer of the pavement which is laid over the binder course.*

181 *IRC: SP-72-2015, Fig.-4.*

182 *The increase in cost was mainly due to construction of diversion road and laying of additional 125 mm thick Water Mix Macadam over the existing carriage width of the road.*

183 *IRC: SP-72-2015, Fig.-4.*

184 *IRC:37-2018; ANNE-VI-3.*

layer to the pavement and the combination was adopted in place of BM and OGPC, to prevent entry of water into the embankment during rainy season, as the embankment height was low.

The reply is not acceptable as per the relevant IRC code, since the said recommendation is applicable only for design traffic of five *msa* or higher. Further, to restrict water into the embankment, the Department should have raised the height of the embankment by providing a layer of sand as per provision of IRC[185], instead of using costlier items not provided in the IRC guidelines. Further, despite higher specification, the defect liability period has not been increased.

The Department further replied (June 2023) that as per notification[186] circulated by MoRTH, Light Commercial Vehicles (LCV) having Gross Vehicular Weight (GVW) more than three tonnes should be counted as traffic for determining the *msa* value. Taking this into account, Commercial Vehicles Per Day (CVPD) comes to 307 instead of 166 and *msa* value arrived at 2.85 instead of 01, after considering cumulative fatigue damage factor 1.67 for stage construction.

The above reply is also not tenable as the MoRTH notification had been published in July 2018, but traffic census (December 2017) and both Technical and Administrative Approval for the work (June 2018) were completed before the said notification was published.

Further, even after considering the LCV, the design traffic in terms of the cumulative number of standard axles would be 1.7 *msa i.e.* less than 2 *msa*, for which pavement composition should have been designed as per IRC: SP-72-2015[187], which also recommends laying of BM instead of DBM. Moreover, for traffic design, the department followed IRC:37-2012, whereas provision for cumulative fatigue damage factor for stage construction, as mentioned in the reply, is in IRC:37-2018[188], which comes into effect from November 2018 and could not have been anticipated while seeking Technical and Administrative Approval. Further, the fact about the low height of the embankment should have been factored into specifications and the cost at the initial stage itself.

Thus, considering the above facts, it is evident that the replies of the Department are an afterthought to justify the violation of the extant guidelines, which resulted in avoidable expenditure of ₹1.16 crore.

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[185] *IRC:34-2011; Clause 4.2.*

[186] *MoRTH order No. RT11028/11/2017-MVL dated 18/07/2018.*

[187] *IRC: SP-72-2015, Page 22, Fig 4: Pavement design Catalogues for Gravels/Granular Bases and Sub-bases.*

[188] *Clause 4.3.2 of IRC:37-2018.*

TRANSPORT DEPARTMENT

West Bengal Transport Infrastructure Development Corporation Limited

4.14 Deficiencies in performance of West Bengal Transport Infrastructure Development Corporation Limited

Delays were noticed in planning and execution of projects undertaken by WBTIDCL. Moreover, WBTIDCL failed to deduct liquidated damages of ₹ 88 lakh from the contractors. There were also deficiencies in the implementation of JnNURM and GATIDHARA schemes, leading to non-recovery of ₹ 102.42 crore from private bus operators and ₹ 32.85 crore from the beneficiaries respectively. Joint Ventures entered into by the WBTIDCL did not fulfil desired objectives.

West Bengal Transport Infrastructure Development Corporation Limited (WBTIDCL) was set up[189] under the Companies Act, 1956, as a public sector entity to develop infrastructure like bus terminuses, truck terminals, passenger amenities centres *etc*. to collect service charges, levies and fees from users; to acquire bus stations/terminals, truck terminals, passenger amenities centres constructed by STUs/Government/Statutory authority, for the purpose of improvement or maintenance and to develop intermodal facilities in passenger transport operations. WBTIDCL was also responsible for overall augmentation of transport infrastructure in the State through the execution of Central/State schemes *viz*., Jawaharlal Nehru National Urban Renewal Mission (JnNURM)[190], GATIDHARA[191] and by entering into Joint Ventures (JVs) *etc*.

Further, WBTIDCL was also executing works under a World Bank funded project *i.e.* West Bengal Inland Water Transport, Logistics and Spatial Development Project (WBIWTLSDP) which aimed to construct pontoons and gangways in 29 jetties at 27 sites, build 22 new passenger ferries (vessels) and install electronic smart ticketing gates at 40 jetty locations. WBTIDCL also undertook 175 other works related to the construction of these gangway cum pontoon jetties, installation of traffic equipment on various roads, construction of vessels etc. Audit selected 17 works out of 23 works funded by the World Bank and 47 works out of 175 works funded by GoWB through random sampling, for detailed audit examination, for the period 2018-23.

Audit findings showed that there were deficiencies on the part of WBTIDCL in the execution of World Bank and GOI/GoWB projects & JVs. These deficiencies are detailed in the following paragraphs:

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[189] 10 September 1996. Refer Department's order Memo no.7330-T/TR/N/8B-49/95 dated 12 June 1997.

[190] Launched in December 2005 with the objective of providing financial assistance to various State Governments for replacement of Commercial vehicles which were plying on the road for a period of 15 years or more.

[191] Launched in August 2014 to generate self-employment in urban and rural areas through promotion of transport service.

4.14.1 World Bank funded Project

4.14.1.1 Deficiencies in Planning

WBTIDCL undertook the World Bank financed project namely WBIWTLSDP in January 2020[192]. This project, with an estimated cost of ₹ 1,021 crore, aimed to (i) improve the efficiency and safety of passenger and freight movement across the Hooghly River; and (ii) establish a spatial planning framework to enhance accessibility within the Kolkata Metropolitan Area (KMA). WBTIDCL was to be the implementing agency for the project. This Project included construction of pontoons and gangways in 29 jetties at 27 sites, building of 22 new passenger ferries and installation of electronic smart ticketing gates at 40 jetty locations. The scheduled date of completion of the project is March 2026.

Department of Economic Affairs, GoI approved the proposal for obtaining funds for pre-project activity related to WBIWTLSDP, from the World Bank in April 2018. After accord of Administrative Approval (January 2020) by the Transport Department, GoWB, the agreement with the World Bank was concluded in January 2021. The first instalment of funds for the Project were received on 07 September 2021.

In the meanwhile, a Project Operations Manual for WBIWTLSDP projects was prepared and issued by WBTIDCL (13 February 2020). As per this Manual, six Plans/Studies were crucial for the implementation of the project. These Plans/Studies were as follows:

1. Institutional Strengthening and Business Plan (ISBP)
2. Inland Water Transport Safety (IWTS) Study
3. Comprehensive Mobility Plan (CMP)
4. Spatial Development Strategy (SDS)
5. Logistics Management Plan (LMP)
6. Integrated Strategic Development Plan (ISDP)

Audit observed that:

- All these six plans/studies were critical towards implementation of the World Bank assisted project, but despite this, consultants were appointed in five out of six plans and one plan *viz*., Logistics Management Plan (LMP) was not taken up by WBTIDCL (February 2024). The LMP was subsequently dropped in concurrence with the World Bank.
- The Agreement with the World Bank was finalized in January 2021 but there was a delay of nearly 27 months on the part of WBTIDCL in tender processing and selection of a consultant for CMP. The concerned consultant was selected only in April 2023.

[192] *Administrative Approval.*

- Deliverables[193] under the remaining four plans were provided by the Consultants with delays ranging from one month to 38 months mainly due to Covid-19 pandemic and State Legislative Elections. Delays observed in four plans/studies are detailed in ***Appendix 4.2***.
- According to the Terms of Reference (ToR) of the consultancy contracts (signed between 17 February 2020 and 10 May 2023[194]), the main outputs and deliverables provided by the consultants were to be initially vetted by a Review Committee. The Review Committee was to monitor the work of consultants, carry out mid-term review and review the Final Draft Report prepared by the consultants. As of October 2023, the Review Committee was neither constituted by WBTIDCL nor by the Transport Department, for reasons not on record. Due to non-constitution of the Review Committee, crucial aspects like guidance and monitoring of consultants appointed and the vetting of Reports submitted by them, could not be carried out.

4.14.1.2 Delays in construction/reconstruction of gangways cum pontoon jetties under Phase I

During the period 2020-21, the World Bank funded the WBIWTLSDP project for improvement of water transport infrastructure in the State besides aiming to improve passenger and freight mobility. The project was to be implemented in two phases:

Phase I: - The first phase of the project was related to the construction of pontoons and gangways in 29 jetties (at 27 sites), building of 22 new passenger ferries and installation of electronic smart ticketing gates at 40 jetty locations.

Phase II: - The second phase of the project included construction of gangway cum Pontoon with passenger amenities at 15 jetties, development of 10 large medium sized terminals and four integrated terminals and other allied activities.

Under Phase I, WBTIDCL issued (17 December 2020) 13 Work Orders for the construction of 29 gangways-cum-pontoon jetties (jetty) at a total cost of ₹ 123.25 crore in the Hooghly River. These jetties were to be completed by April 2022, but none of them could be completed within the stipulated schedule of 15 months. WBTIDCL gave extensions to all the 29 jetty construction works with revised dates of completion being between February 2023 and October 2023.

As of February 2024, 28 out of 29 gangways-cum-pontoon jetties have been completed and one (Dhobi Ghat) is ongoing. However, it was noted that while 12 jetties[195] have been handed over to local bodies and municipalities for

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[193] *ISBP: - Inception Report with Approach and Methodology for the assignment, Final five-year ISBP on IWT; IWT Safety Study: - Inception Report with Approach and Methodology for the assignment, Final five-year WBIWTLSDP Safety Plan; SDS: - Inspection Report; ISDP:- West Bengal IWT Investment Plan, Feasibility Assessment draft final Report & Workshop with shareholders.*

[194] *ISBP-17 February 2020, IWTS-13 January 2021, CMP-10 May 2023, SDS-28 September 2022 and ISDP-February 2021.*

[195] *1. Panihati Jetty, 2. Chandpal-3 Jetty, 3. Gadiara Jetty, 4. Armennian Jetty, 5. Ahiritola Jetty, 6. Gourhati Jetty, 7. Bansberia Jetty, 8. Debitala Jetty, 9. Rashmoni Jetty, 10. Kuttir Jetty, 11. Outrum Jetty and 12. Ratanbabu Jetty.*

operation, 16 jetties[196] were yet to be handed over by WBTIDCL, despite lapse of five to 10 months[197] since their completion. The delay in handing over of these jetties was mainly due to lack of coordination between the Transport Department and Local bodies such as Municipalities/Panchayats.

Due to not handing over of these assets, despite lapse of five to 10 months (up to February 2024) from the date of completion, expenditure of ₹ 67.89 crore on these projects was rendered idle, besides affecting the objectives behind taking up the project. Passengers were unable to utilize the newly completed jetties, which deprived them of the intended benefits. This issue also highlighted procedural inefficiencies in transferring completed assets as also gaps in communication or coordination between the parties responsible for construction and those responsible for operationalizing the jetties.

The Government accepted (February 2024) the observations and stated that works were completed, but handing over of jetties depends on the decision of the Administrative Department.

4.14.2 Works funded by GoWB

4.14.2.1 Issue of NIT before Administrative Approval and Financial Sanction

Para 168 of the West Bengal Public Works Department (PWD) Code states that for every work (excluding repairs) initiated by, or connected with the requirements of another department, it is first necessary to obtain the concurrence or administrative approval of the department concerned to the proposals. This administrative approval of the work is in effect an order to execute certain specified works at a stated sum to meet the administrative needs of the department. Para 172 of the West Bengal PWD Code states that expenditure sanction means the concurrence of Government to the expenditure proposed in cases where this is necessary.

Audit scrutiny of records showed that 47 works funded by the GoWB were taken up during the period from 2018-19 to 2022-23. It was noted that out of 47, NITs for 11 works were issued by WBTIDCL between 60 and 1,230 days before the issue of administrative and financial approval from the concerned department. As per rule 129 of CPWD Works Manual, 2012, issue of NITs in advance can be resorted to only in cases of emergency. However, review of records did not indicate that these were emergent cases with a necessity for taking them up before approvals of the concerned department could be accorded. Hence, the issue of NITs before administrative and financial sanction in these 11 works, valued at ₹ 33.80 crore[198], lacked justification.

The Government stated (February 2024) that as per the decision[199] taken by WBTIDCL, advance planning for works to be executed is undertaken for

[196] *1. Chandpal Jetty, 2. Fulleswar Jetty, 3. Chandpal Ghat-2 Kolkata, 4. Noorpur Jetty in the District of South 24 Pargana, 5.Sovabazar Jetty, 6. Kharda Jetty, 7. Howrah-3 Jetty, 8. Konnagar in Howrah District, 9. Sheoraphuli Jetty, 10. Serampore Jetty, 11. Chinasura Jetty, 12. Naihati Jetty, 13. Halisahar jetty (Lakshmi Ghat), 14. Manirampur Jetty, 15. Cossipore Jetty and 16. Howrah Jetty no.3.*

[197] *Upto February 2024.*

[198] *Value of administrative approval.*

[199] *FD No. 222-F(Y) dated 10.01.2018.*

preparation of DPRs, completion of tendering formalities *etc.* to ensure timely execution of projects. Hence, NITs in respect of the concerned works were issued before issuance of administrative approval and financial sanction, but work order was issued after issuance of administrative approval.

The reply is not acceptable as this was contradictory to Para 168 and 172 of the West Bengal PWD Code and records pertaining to the respective works did not indicate the need for urgent execution of these works. Hence, the issue of NITs before administrative approval was not justified.

4.14.2.2 Delays in Project Completion by WBTIDCL

Clause 2 of the model NIT regarding Construction of Infrastructure Works by WBTIDCL *inter alia*, stated that the time allowed for carrying out the work as entered in the tender shall be strictly observed by the contractor. If the contractor fails to comply with the timelines, he shall be liable to pay compensation @ one *per cent* or less per day as decided by the Chief Engineer on the tendered amount subject to maximum of 10 *per cent* of the tendered amount. Audit observations regarding execution of 47 selected works are discussed below:

i. As of March 2023, of the 47 works, while 20 works (estimated value ₹ 112.09 crore) were completed on time, there were delays ranging from five to 1,043 days in the completion of 21 works valued at ₹ 55.09 crore. Further, the six remaining works, with an estimated cost of ₹15.03 crore, were still ongoing. Out of these six remaining works, there was delay in one work, of up to 20 months from the scheduled date of completion. The main reasons of delay in 21 works were Covid-19 (two works), delay in receiving engine/machinery (two works), delay in delivery of material (one work), handing over issues after completion (one work), material not being available (one work), rainy season (one work), late handing over of site (seven works) and other reasons (six works).

ii. Out of 21 delayed works, delays in five works were attributable to the contractors. Despite this, in contravention of the NIT, WBTIDCL did not deduct LD amounting to ₹ 0.88 crore from the contractors, for these delays ranging between five and 270 days, in case of these five works.

The Government accepted (February 2024) that due to some unavoidable circumstances (*i.e.* non availability of site, unauthorized occupation of the site, non-co-operation of Local Authority and COVID-19 pandemic) the concerned agency could not carry out/ complete the projects timely and asked for extension of time. The authority, being satisfied with the reasons cited by the agency, allowed for extension of time. The Government's response is not valid, as in five works the reasons were all attributable to contractors but despite this, applicable liquidated damages were not levied.

4.14.3 Centrally Sponsored Schemes/State Schemes/Joint Ventures

4.14.3.1 Deficiencies in the implementation of JnNURM scheme by WBTIDCL

Jawaharlal Nehru National Urban Renewal Mission (JnNURM) was launched (December 2005) by the Ministry of Urban Development (MoUD), GoI to encourage reforms and fast track planned development of urban areas. One of the components of JnNURM included provision of financial assistance to various State Governments for replacement of public transport commercial vehicles which were plying on the road for a period of 15 years or more.

Fig. 4.17: JnNURM Bus by WBTIDCL

Under this component of JnNURM, buses were to be procured by WBTIDCL at a price of ₹ 17.33 lakhs for each bus. Of this 35 *per cent* of funds required were to be provided by GoI, 15 *per cent* by the State Government and the balance 50 *per cent* was to be financed by WBTIDCL.

Central assistance of ₹ 31.60 crore through JnNURM was provided to WBTIDCL (February 2009), for purchase of 512 new buses for the improvement of the urban transport systems in Kolkata and Asansol cities. As of 31 March 2023, under this, 512 buses were procured at a total cost of ₹ 88.72 crore[200].

For financing the 50 *per cent* part of the Scheme, WBTIDCL availed (December 2009/ March 2010) term loans of ₹ 43.57 crore[201] from two banks for purchase of buses, repayable by WBTIDCL in 96 monthly instalments at an interest of 9.70 *per cent* per annum.

It was seen that out of 512 buses procured, 16 buses were handed over to the South Bengal State Transport Corporation and the remaining 496 buses were allotted (September 2009 to April 2010) under Public-Private-Partnership (PPP) mode to private bus operators for use. For the use of these buses, the private operators submitted a security deposit of ₹ two lakhs for each bus and an EMI for each bus was fixed at ₹ 22,000 for 96 months. WBTIDCL executed agreement (July 2011) with 273 Private Operators (PO) for the payment of monthly instalment of ₹ 22,000 per month while agreements were not executed with the remaining 223 POs.

In case of the 223 buses, as per Clause 13 (f) of the Agreement, these were owned by WBTIDCL, and the ownership was to be transferred to the bus owners only after timely payment of all installments. Further, in the event of default, WBTIDCL would take back the buses from private operators.

Audit observed that:

1. The payment of EMIs (₹ 22,000) by all 496[202] POs was unsatisfactory, resulting in financial burden on WBTIDCL. WBTIDCL decreased the

[200] *Central Government Subsidy ₹ 31.60 crore, State Government Subsidy ₹ 13.55 crore and Bank Loan ₹ 43.57 crore.*

[201] *Allahabad Bank (₹ 32.61 crore, loan period: eight years, 402 buses) and Bangiya Gramin Vikash Bank, Kolkata (₹ 10.96 crore, loan period: eight years, 110 buses).*

[202] *WBTIDCL handed over total 496 number of buses to POs, out of the total 273 were with agreement and 223 without agreement.*

EMI amount twice (June 2012 to October 2014) and finally fixed it at ₹ 12,000 per month. However, EMI collection from the bus operators did not improve and several demand notices were issued by WBTIDCL (February and March 2022) to the POs. Finally, WBTIDCL took custody of 321 buses (April 2022) and these were retained in different Government bus depots, with consequent deterioration in their value.

2. Audit observed that there were no records to indicate that inspections of the buses were carried out by WBTIDCL personnel at regular intervals as per Clause 4 of the agreement. Due to this, the condition of these buses could not be monitored by WBTIDCL and by the time they were surrendered back to the Company, they were beyond economic repair. These buses were eventually sold off at auction, at very cheap rates.
3. The company could not take any legal action for recovery of EMIs in case of the 223 buses since no agreements had been signed with WBTDICL for the operation of these JnNURM buses.
4. As per the 111th Board Meeting (September 2018) of WBTIDCL, the loans of both banks, including interest of ₹ 17.18 crore thereon were paid in full by WBTIDCL *i.e.*₹ 60.75 crore, of which, ₹ 11.30 crore was received as EMI from POs and ₹ 3.25 crore was recovered through sales of seized buses. Therefore, ₹ 46.20 crore was paid by WBTIDCL from its own resources.
5. As per the Board Meeting (28 March 2022) of WBTIDCL, the total amount of dues from the POs stood at ₹ 127.37 crore. As of July 2022, total amount due was ₹ 116.07 crore (₹ 127.37 crore - ₹ 11.30 crore).

The Government accepted (February 2024) that due to shortage of manpower, inspection of buses could not be carried out at regular intervals. As per orders of the Calcutta High Court to phasing out of vehicles more than 15 years of age, a good number of older buses, came off road. Due to the urgency of the situation and to solve the problem of off-road buses, WBTIDCL handed over the buses to POs but agreements could not be executed. The Government also stated that WBTIDCL had collected ₹ 48.02 lakh from POs as EMI and 20 abandoned buses which are stacked in different places, would be sold by auction. Beside this, security deposit amounting to ₹ 9.92 crore, was received from the franchise operators.

However, WBTIDCL did not sign any agreements with 223 out of 496 operators. As a result, the company could not take legal action for recovery of EMIs from the POs. As a result, the possibility of realizing ₹ 102.42 crore[203] from the bus operators is remote.

4.14.3.2 Deficiencies in implementation of GATIDHARA

The Labour Department, GoWB introduced (August 2014) a scheme *viz*., GATIDHARA to generate self-employment in urban and rural areas through promotion of transport service. The scheme was implemented based on revised guidelines issued (November 2015) by the Transport Department, GoWB.

[203] *Total due from the bus operator (₹ 116.07 crore) – Further collection of EMI from POs (₹ 0.48 crore) – Security deposit (₹ 9.92 crore) - ₹ 3.25 crore recovered from sale of buses= ₹102.42 crore.*

WBTIDCL was the executing agency for implementing and monitoring the scheme. Under GATIDHARA, a qualified beneficiary[204] would be provided subsidy or grant of 30 *per cent* of the project cost (cost of the vehicle) subject to a maximum of ₹ one lakh per case.

As on 31 March 2024, the subsidy disbursed to 46,419[205] beneficiaries was ₹ 407.23 crore, during the period 2015-16 to 2020-21[206]. The performance of WBTIDCL with respect to the GATIDHARA Scheme for the period 2018-19 to 2022-23 was scrutinized during Audit.

As per Clause 17(C) of the guidelines of the GATIDHARA Scheme, the entire sanctioned project cost of the Scheme was to be disbursed by the bank directly to the authorized dealers who would supply the vehicle to the applicant. This provision was revised by the Government (November 2015) *vide* resolution {Clause 9(d)}, whereby payment of subsidy amount could be made directly to beneficiaries. Further, as per the resolution (November 2015), WBTIDCL would monitor each case and verify that the subsidy amount was paid to the applicant from the declared bank within seven days from the disbursement of subsidy by WBTIDCL for purchasing the vehicle. WBTIDCL would also monitor that the vehicle was delivered and registered by the dealer within 30 days of payment of subsidy amount to the dealer by the applicant.

On the basis of this resolution, the subsidy amount was released directly to 12,649 beneficiaries during 2015-16 to 2016-17. Against this, 151 beneficiaries refunded a total subsidy amount of ₹ 1.42 crore but 3,203 beneficiaries had neither provided vehicle details to WBTIDCL nor had they refunded the subsidy amount of ₹ 30.80 crore (May 2024).

The GoWB further revised (July 2017) the process related to payment of subsidy amount. As per clause 12 (g) and 16 of revised guidelines of the GATIDHARA Scheme (July 2017), the subsidy amount was to be disbursed to a GATIDHARA Facilitator[207]. WBTIDCL would issue a provisional sanction letter for the subsidy amount allowable under the scheme to the applicant and keep necessary records. On receipt of the confirmation letter regarding booking of vehicle from the facilitator and duly forwarded by the concerned State Transport Authority (STA) /Regional Transport Authority (RTA), WBTIDCL would release the subsidy amount *via* the declared bank account of the facilitator, in favour of the beneficiaries.

WBTIDCL was also responsible for monitoring that subsidy amount sanctioned against any beneficiary and released to the concerned facilitator was utilized for

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[204] *A qualified beneficiary is the one who fulfils the following criterion: 1. Unemployed youth of the State enrolled with employment Bank, 2. Age between 20 and 45 years. The upper age limit could be relaxed by 5 years for SC/ST and 3 years for OBC beneficiaries, 3. Family income does not exceed ₹ 25,000 from all sources per month.*

[205] *Application received from 65,605 applicants, provisionally sanctioned for 58,590 applicants, out of 58,590, subsidy unpaid/cancelled for 12,171 applicants.*

[206] *The beneficiaries were not selected during 2021-22 and 2022-23 due to lack of funds.*

[207] *Private vehicle dealers who help registered unemployed youth in the State access employment in the transport sector by facilitating the purchase of vehicles under the scheme.*

the purpose of the Scheme within the stipulated time[208], and ensure that in case of non-utilization, refund of the subsidy was made along with interest.

Accordingly, during the period 2017-18 to 2020-21, subsidy amount of ₹ 280.05 crore was released to GATIDHARA facilitators in favour of 33,770 beneficiaries. Against this, 869 beneficiaries had refunded the subsidy amount of ₹ 7.64 crore. However, in case of 226 beneficiaries, the facilitator had neither registered the vehicles nor refunded the amount of ₹ 2.05 crore. As of 31 May 2024, ₹ 2.05 crore was still lying with the facilitators and the amount was yet to be realized.

The Government replied (May 2024) that WBTIDCL is very serious about realization of unutilized subsidy from both defaulter beneficiaries and facilitators and had already coordinated with the concerned RTA and District Magistrate for taking action against defaulter beneficiaries. WBTIDCL had also issued demand notice to the defaulter facilitators several times for refund of unutilized subsidy with accrued interest. Decision about taking legal action against defaulter beneficiaries and facilitators is under discussion.

Despite the reply of the Government, it was noted that as of May 2024, a total amount of ₹ 32.85 crore (₹ 30.80 crore + ₹ 2.05 crore) was still lying unutilized with 3,429[209] beneficiaries/ facilitators under the GATIDHARA Scheme for the period 2015-16 to 2020-21.

4.14.3.3 Deficiencies in Joint Ventures entered into by WBTIDCL

As per the Public Private Partnership (PPP) policy[210] issued by the GoWB, the State Government would take up infrastructure projects with the objective of enhancing the quality of life of the people by providing better and efficient public services. As per the PPP policy, Finance Department, GoWB was the Nodal Department for co-ordinating with different Departments, Authorities and Agencies, GoI & Financial/Technical Organizations involved in PPP projects.

WBTIDCL entered (August 2001 to February 2009) into 14 joint venture (JV) agreements, with private parties for implementing infrastructure projects[211] on PPP basis. These JVs were entered into with the consent of the State Government. Out of the 14 JV agreements, 13 were for infrastructural works and one for operation of weighbridges.

[208] *Resolution (July 2017) specified that the stipulated time will be 19 days, which is on production of the provisional sanction letter by the applicant [clause 11(b)]. The concerned Gatidhara Facilitator will issue a letter within two weeks confirming that the applicant has made initial down-payment to the facilitator (dealer).*

[209] *3,203+226.*

[210] *No.:5267-F(H) dated 21 June 2012 and 5266-F(H) dated 21 June 2012 superseding the Development Planning Department's Notification No. 2094/DP, dated 06 September 2006.*

[211] *Construction of truck terminals, development of township, transport infrastructure, bus terminus, warehousing facilities, weigh-bridges, commercial complex, housing facilities, logistic hubs and mass transit projects etc.*

As per annual accounts of WBTIDCL for 2022-23, a total investment of ₹ 2.71 crore was made in only six JVs. WBTIDCL exited from three[212] JVs and no amount was invested in the remaining five[213] JVs, as tabulated below: -

Table 4.4: Investment of WBTIDCL in JVs

SL No.	Name of Company	Number of Shares	Amount in ₹
1	West Bengal Sew Prasad Infrastructure Limited	16,56,000 equity shares of ₹ 10/- each (out of which 4,56,000 shares purchased at a premium of ₹ 15/- per shares)	2,34,00,000
2	Bengal Regent Infrastructure Limited	18,200 equity shares of ₹ 10/-	1,82,000
3	J.J. Rastriya Infrastructure Development Limited	26,000 equity shares of ₹ 10/-	2,60,000
4	Bengal Swastik Infra. Ltd	2,50,000 equity shares of ₹ 10/-	25,00,000
5	Kolkata Mass Rapid Transit Private Limited	50,000 equity shares of Rs 10/-	5,00,000
6	Bengal Paul Mech Infra. Private Limited	26,000 equity shares of Rs 10/-	2,60,000
Total			**2,71,02,000**

(Source: Annual Accounts of WBTIDCL)

Audit observed the following regarding the JV projects: -

- Most of the JVs did not fulfil the objectives with which they were set up (based on agreements executed) as 13 out of 14 JV projects had not been completed as of February 2024. As a result, ₹ 2.71 crore was blocked as investment in six of these JVs.
    a. During a joint physical inspection (in September 2023), it was observed that Chuni Babu's market, developed through Bengal Swastik Infra. Ltd. (JV) in 2007, was in a dilapidated condition. The whole marketplace is encroached by local people. This indicated lack of monitoring on the part of the Management.
    b. In another case, during an inspection in October 2023, it was noted that the construction of the Truck Terminal (TT)-cum-Paribahan Nagar at New Town, Rajarhat area had not progressed due to unresolved land-related issues.
- Transport Department in-principle approved (November 2017) the exit of WBTIDCL from 10 JVs[214]. Of these 10 JVs, there was an investment of

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[212] *(1) Lotus Space Built Tech Limited, (2) Bengal Orion Infra-logistics Limited and (3) Border Transport Infrastructure.*

[213] *(1)Bengal Dankuni Truck Terminal Limited, (2) Bengal Pailan Park Infrastructure Development Corporation Limited, (3) Bengal Bangaon Transport City & Infrastructure Private Limited, (4) Dhulagarh Truck Terminal Limited (DTTL) and (5) West Bengal Motor Vehicles Weighbridges Corporation Limited.*

[214] *Lotus Space Built Tech Limited, Bengal Orion Infra-logistics Limited, Border Transport Infrastructure, Bengal Dankuni Truck Terminal Limited, Bengal Pailan Surface Transport Corporation Limited, J.J. Rashtriya Infrastructure Development Limited, Bengal Regent Infrastructure Limited, Bengal Paulmech Infrastructure Limited, Kolkata Mass Rapid Transit Private Limited and Bengal Bangaon Transport City & Infrastructure Private Limited.*

₹ 12.02 lakh by WBTIDCL in four JVs. The valuation of shares for these four JVs[215] was done (October 2018) by a valuation agency to determine the transfer price of shares invested by WBTIDCL in those JV Companies, to complete the exit process.

- Review of Board minutes confirmed that WBTIDCL had exited from three JVs[216] out of 10 that had been approved for in-principle exit by the Transport Department. It is pertinent to mention that there was no investment of WBTIDCL in these JVs from where they exited.
- The legal advisor suggested winding up of three JVs[217] related to three projects[218]out of 10, since they had been unresponsive for the last 19 years (April 2004 to December 2023). The winding up petitions for two of these JVs were filed before the National Company Law Tribunal and the documents of one JV were under process in WBTIDCL.

The Management replied (October 2023) that WBTIDCL acted only as the implementing agency under the guidance and supervision of the Transport Department, which was the deciding authority for each infrastructure project, whether it was through tendering or through JV. The Management further replied (December 2023) that the fruitfulness of JV depends upon various parameters and each JV has different issues and hurdles. WBTIDCL is taking all possible actions and undertaking appropriate measures to make the JVs fruitful.

The reply of the Management was not acceptable because the main objectives of the JVs, which included the development of infrastructure facilities such as transport infrastructure, housing for various income groups, and other related social infrastructure (education, entertainment, and health), were not achieved.

4.14.4 Other issues

4.14.4.1 Ambiguity in levy of rent due to imprudent framing of clause in the Agreement

The Ministry of Road Transport & Highways issued a grant of ₹ 3.28 crore in March 2003 to WBTIDCL to construct a three-storied building for Transport & Traffic Management Training Institute at Jessore Road, Kolkata. The approved plan (of June 2005) allowed for the construction of four additional floors in the institute building. In November 2009, WBTIDCL invited bids from educational institutions to operate the institute under a PPP model, requiring an upfront royalty of ₹ 50 lakh and the option to build four additional floors at the bidder's cost which could be used by the bidder for educational and /or other purposes.

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[215] Bengal Regent Infrastructure Limited (investment: ₹ 1,89,85,630), Bengal Paulmech Infrastructure Limited (investment: ₹ 1,31,040), Kolkata Mass Rapid Transit Private Limited (₹ 3,50,000) and J.J. Rashtriya Infrastructure Development Limited (₹ 73,54,100).

[216] Lotus Space Built Tech Limited, Bengal Orion Infra-logistics Limited and Border Transport Infrastructure.

[217] Bengal Dankuni Truck Terminal Limited, Bengal Pailan Park Infrastructure Development Corporation Limited and Bengal Bangaon Transport City & Infrastructure Private Limited to set up truck terminal, development of infrastructure like road, bus terminal etc.

[218] Bengal Dankuni Truck Terminal Limited, Bengal Pailan Park Infrastructure Development Corporation Limited and Bengal Bangaon Transport City & Infrastructure Private Limited.

A pre-bid meeting[219] was convened (January 2010) where it was clarified that the payment of monthly rent for vertical extension of four additional floors by the successful bidder was to be made irrespective of its completion, whether fully or partly within 18 months. JIS Foundation (JIS) offered the highest rent at ₹ 5.50 per sq. ft for the additional floors. The three storeyed building was completed by WBTIDCL in March 2010 at a cost of ₹ 2.97 crore.

An Agreement between WBTIDCL and JIS was signed in February 2010 and the property was handed over to JIS in March 2010. According to the Exit Clause 9 of the Agreement, JIS had to construct an additional four floors of approximate area of 10,760 sq. feet on the existing three storeyed building.

It was noted that during the period from March 2010 to February 2013, JIS did not construct four floors as per the terms and conditions of the Agreement. However, they paid ₹ 46.87 lakh[220] as roof rent to WBTIDCL. In March 2014, WBTIDCL raised the roof rent bill for the period March 2013 to March 2014, amounting to ₹ 29.26 lakh but JIS claimed (April 2014) that the agreement did not stipulate that rent was payable even if the additional four floors were not constructed. In this context, Audit observed that in spite of clarification issued in the pre-bid meeting, that payment of the rent for the additional four floors was to be made irrespective of its completion fully or partly, WBTIDCL did not apply due diligence in incorporation of the clause while preparing the agreement.

No follow up action (after March 2014) was taken by WBTIDCL to recover dues. The institute remains functional on the premises as of 31 March 2023, and no rent has been paid by JIS for the period from March 2013 to March 2023. As of March 2023, the total rent due from JIS is ₹ 3.13 crore[221](as worked out by Audit).

The Government stated that (February 2024) that WBTIDCL is re-negotiating terms with JIS. The reply of the Government indicates delayed action by WBTIDCL which did not take timely and decisive steps in renegotiating terms with JIS for collection of the roof rent even after a lapse of more than eight years, resulting in loss of revenue to the company.

4.14.4.2 Modification in the terms of the NIT leading to undue benefit to the contractor

WBTIDCL issued (July 2019) NIT for supply, installation, commissioning, operation and maintenance of two weigh-in-motion devices mounted on mobile vans on Build-Operate-Transfer basis.

Clause V of the 'Other essential requirements' of the above said NIT specified that the Weigh-in-Motion (WIMs) devices set up should be available in working condition for a minimum of 20 days in a month and eight hours per day, failing which a penalty shall be levied. In case of availability for less than 20 days, pro-rata deduction of 1.1 times the daily proportionate value on the quoted rate shall be done.

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[219] As per Clause 2.4 of the bid document.

[220] including TDS ₹ 4.69 lakh.

[221] 10,760 sq.ft x 4 floor x ₹ 5.50 per sq.ft x 12 months x 11 years.

Clause VII of the NIT stipulated that the selected agency had to identify a minimum of 4,000 overloaded goods vehicles monthly, prepare notices in the prescribed format with vehicle photos and overloading data in triplicate, and submit them to the Transport Department, ensuring no repetition of vehicles.

A corrigendum was issued (August 2019) whereby the agency was required to identify overloaded goods vehicles on the roads and prepare subsequent notices on monthly basis. Audit observed that the target "Minimum of 4,000 overloaded goods vehicles to be identified" and of ₹ 20 per notice were removed.

M/s Heritage was issued LoA[222] (January 2020) for a consideration of ₹ 8.30 lakh per month (*i.e.*, ₹ 4.15 lakh × two WIMs) plus applicable taxes with the provision to increase by five *per cent* of the quoted rate per year. Audit observed that: -

WIM-I and WIM-II were available for use ranging for one to 19 days and one to 16 days per month, respectively during June 2020 to June 2023. However, pro-rata deduction, as provided for in the NIT, was not made, except for the month of June 2022. The contractor was thus paid ₹ 0.65 crore in excess ***(Appendix 4.3)*** due to non-deduction of charges, as per Clause V of the NIT.

During the Exit Conference (January 2024) the Government agreed that efforts will be made to utilize the Weigh-in-Motion devices. The Government further stated (February 2024) that the payment/penalty would be deducted when the WIM was not available. Further, that no payment was supposed to be deducted as per the NIT when WIM was made available but not used or made in-operational due to certain unavoidable circumstances.

The reply is not acceptable as WIMs were not available for use ranging for one to 19 days, during June 2020 to June 2023 but despite this, pro-rata deduction was not made leading to undue benefit for the contractor.

4.14.4.3 Non-recovery of expenses on feasibility studies of various projects

Para 186 on the Commencement of Work under Volume I of the West Bengal Financial Rules *inter alia* specifies that expenses are to be incurred with the administrative approval or sanction of expenditure from the GoWB. Further, Para 187 states that preliminary works should not be incurred without sending any requisition to the civil officer concerned for allotment of funds.

Audit observed that WBTIDCL had taken up feasibility studies on 24 transport infrastructure Projects, on the directions of the Transport Department. An expenditure of ₹ 102.76 lakh was incurred by WBTIDCL, on various components of these projects such as on feasibility studies. However, it was noted that as of March 2023 this amount of ₹ 102.76 lakh was outstanding since 1998 and had not been received from the Department ***(Appendix 4.4)***. The purpose of the feasibility study was neither clearly defined nor approved by the Transport Department nor did the Transport Department authorize the expenditure. The Management replied (December 2023) that this expenditure on feasibility studies was incurred under directions of the Transport Department. After conducting the feasibility study, WBTDICL was not considered as the implementing agency for projects leaving no scope for realisation of the expenditure.

[222] *Vide LoA no.- 14/ T. Dte./WIM/ Work Order/ 2020 dated 15 January 2020.*

The reply of the Management is not acceptable as while WBTIDCL may have incurred this expenditure on the directions of the Transport Department, the Company did not raise any requisitions seeking funds for carrying out these studies or subsequently claim the amount incurred, from the Transport Department. The Government accepted (February 2024) that the expenditure was provisioned for 'Bad Debt' in the Books of Accounts of WBTIDCL and the Board of Directors of WBTIDCL approved (133rd Meeting held on 07 September 2023) the expenditure to be 'written off' from the Financial Statements of the Company.

Thus, the expenditure of ₹ 102.76 lakh incurred on feasibility studies and other preliminary works was deemed infructuous for WBTIDCL. This was due to a violation of the West Bengal Financial Rules on commencement of work.

4.14.4.4 Improper monitoring of Budge Budge Truck Terminal Project

Budge Budge Municipality (BBM) requested (January 1999) the Transport Department to build a truck terminal to reduce congestion and accidents in Budge Budge. In June 2000, BBM agreed to hand over the land to WBTIDCL, and the terminal was built with financial assistance from HUDCO (₹ 3.45 crore) and the Government of West Bengal (GoWB). WBTIDCL completed the construction of the Budge Budge Truck Terminal (BBTT), by November 2003 at a cost of ₹ 5.92[223] crore.

In March 2005, WBTIDCL entered into a 15 year agreement with S.G. City Link Private Limited (SGCLPL) for operation and maintenance of the BBTT, with a quarterly fee of ₹ 0.11 crore. SGCLPL paid the first fee in September 2010 but did not pay subsequent instalments. WBTIDCL issued a demand notice for ₹ 2.20 crore in arrears in September 2010, but no response was received from SGCLPL. WBTIDCL terminated the agreement in November 2010 and referred the matter to arbitration. An interim order of the Arbitrator (February 2014) required SGCLPL to pay the pending dues to WBTIDCL. However, no such dues were paid by the Agency and Audit observed that WBTIDCL had not initiated any steps to recover this outstanding amount from SGCLPL despite non-compliance with the interim order of the Arbitrator, till March 2023.

WBTIDCL carried out (November 2014) an inspection of the BBTT and noticed that 75 vehicles were parked inside the truck terminal against parking capacity for 226 vehicles. The inspecting official also noted various unauthorized people utilising the terminal facilities. It was thus decided by the Board of WBTIDCL that BBTT would now be operated by the Budge Budge Municipality (BBM) from March 2015. WBTIDCL, further decided (July 2016) that a discussion would be held with BBM on the modalities of revenue sharing and operation of BBTT.

Audit observed that WBTIDCL had the right[224] to impose duties or realize parking fees from each truck till loan taken from HUDCO and interest was fully realized. Despite this, it was seen that while the decision to hand over

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[223] *HUDCO Loan: ₹ 3.45 crore + MP LAD: ₹ 0.15 crore + South 24 Pargana Zilla Parishad: ₹ 0.61 crore and Own fund: ₹ 1.71 crore.*

[224] *Clause 5 of the agreement between WBTIDCL and BBM, for handing over of BBTT.*

the operation of BBTT to the Budge Budge Municipality was taken in March 2015, it was only after more than one year *i.e.* in July 2016 that WBTIDCL took a decision to work out a revenue sharing agreement with the Municipality. A Joint Committee comprising members from BBM and WBTIDCL was to be constituted for working out the modalities for revenue sharing and operation of the BBTT. The Committee was formed only in July 2022, however, WBTIDCL could not reach an agreement with BBM on revenue sharing of BBTT (February 2024).

In reply (February 2024), the Government acknowledged the audit findings, confirming that WBTIDCL had the right to collect parking fees but had not concluded negotiations with BBM. A Committee was formed in July 2022 to discuss, negotiate and finalize the terms of modalities for sharing of revenue generated from BBTT and to suggest appropriate measures/take necessary steps regarding recovery of revenue share.

Thus, because of the inability of WBTIDCL in operating and maintaining the BBTT efficiently and in finalising workable norms for revenue-sharing with BBM, there was a loss of revenue from the investment made by WBTIDCL in BBTT.

KOLKATA **(MANISH KUMAR)**

The 15 OCT 2025 **Principal Accountant General (Audit-II) West Bengal**

Countersigned

NEW DELHI **(K. SANJAY MURTHY)**

The 16 OCT 2025 **Comptroller and Auditor General of India**

APPENDICES

Appendices

Appendix-1.1

(Refer paragraph-1.1)

List of Departments

{Under audit jurisdiction of O/o the PAG (Audit-II) West Bengal}

Sl. No.	Name of the Department
1.	Agriculture
2.	Agriculture Marketing
3.	Animal Resource Development
4.	Consumer Affairs
5.	Co-operation
6.	Environment
7.	Fisheries
8.	Food & Supplies
9.	Food Processing Industries and Horticulture
10.	Forest
11.	Industry, Commerce and Enterprises
12.	Information & Cultural Affairs
13.	Information Technology and Electronics
14.	Irrigation & Waterways
15.	Micro, Small & Medium Enterprises and Textiles
16.	Non-conventional and Renewable Energy Sources
17.	Power
18.	Public Enterprises & Industrial Reconstruction
19.	Public Health Engineering
20.	Public Works
21.	Science and Technology and Biotechnology
22.	Tourism
23.	Transport
24.	Water Resources Investigation & Development

Appendix-1.2

(Refer paragraph-1.1)

List of Autonomous Bodies as of 30 September 2023
{Under audit jurisdiction of O/o PAG (Audit-II) West Bengal}

Sl no.	Department	Name of the Autonomous Bodies
1	Agriculture	West Bengal State Watershed Development Agency
2	Agriculture Marketing	West Bengal State Agriculture Marketing Board
3	Animal Resource	West Bengal University of Animal & Fishery Sciences
		West Bengal Veterinary Council
		Paschim Banga Go-Sampad Bikash Sansthan
		Greater Kolkata Milk Supply Scheme
		Krishnanagar Milk Supply Scheme
		Burdwan Milk Supply Scheme
		Durgapur Milk Supply Scheme
4	Environment	East Kolkata Wetland Management Authority
		Institute of Environmental Studies and Wetland Management (IESWM)
		West Bengal Pollution Control Board
		West Bengal Bio-Diversity Board
5	Food & Supplies	Public Distribution System of Foodgrain units
6	Forest	Compensatory Afforestation Fund Management and Planning Authority (CAMPA)
		West Bengal State Forest Development Agency
		Director of Zoological Garden
7	Information & Cultural Affairs	Paschimbanga Bangla Academy
		Folk & Tribal Cultural Centre
		Roopkala Kendra
		Minerva Natya Sanskriti Charcha Kendra
		Shishu Kishore Academy
		Centre for Archaeological Studies & Training, Eastern India
8	Micro, Small & Medium Enterprises and Textiles	West Bengal State Export Promotion Society (WBSEPS)
		West Bengal Khadi & Village Industries Board (WBKVIB)
9	Non-Conventional and Renewable Energy Sources	West Bengal Renewable Energy Development Agency
10	Power	West Bengal Electricity Regulatory Commission
11	Public Health Engineering	State Water and Sanitation Mission
12	Public Works	Commissioners for the Rabindra Setu
		Hooghly River Bridge Commissioners
13	Science and Technology and Biotechnology	West Bengal State Council of Science & Technology
14	Tourism	State Institute of Hotel Management, Durgapur (erstwhile Food & Craft Institute, Durgapur)
		Food & Craft Institute, Darjeeling
		West Bengal Heritage Commission

Appendix-1.3

(Refer paragraph-1.5)

Status of Tabling of Audit Reports in the Legislative Assembly

Audit Report for the Year	Number of the Audit Report	Title of the Audit Report	Date on which the Audit Report was sent to the Government	Date on which the Audit Report was tabled in the State Assembly	Time taken for laying in the Assembly
2018-19	Report No. 2 of 2021	Audit Report on Economic Sector, Revenue Sector and Public Sector Undertakings for the year ended 31 March 2019	06 May 2021	25 March 2022	10 months
2019-20	Report No. 4 of 2021	Audit Report of the Comptroller & Auditor General of India (Performance and Compliance Audit) for the year ended 31 March 2020	15 December 2021	25 March 2022	3 months
2020-21	Report No. 3 of 2022	Audit Report of the Comptroller & Auditor General of India (Performance and Compliance Audit) for the year ended 31 March 2021	11 January 2023	Not yet laid	-
2021-22	Report No. 2 of 2023	Audit Report of the Comptroller & Auditor General of India (Compliance Audit) for the year ended 31 March 2022	02 May 2023	Not yet laid	-
	Report No. 1 of 2024	Audit Report of the Comptroller & Auditor General of India (Performance & Compliance Audit) for the year ended 31 March 2022	30 April 2024	Not yet laid	-
2022-23	Report No. 4 of 2024	Report of the Comptroller & Auditor General of India on Public Sector Undertakings (PSUs) for the period ended 31 March 2023	14 November 2024	Not yet laid	-

Appendix-1.4
(Refer paragraph-1.5)
Pending Replies to Audit paragraphs/PAs/SSCAs

Sl. No.	Name of the Department	Number of paras/sub-paras/reviews involved in reports for the years														
		from 2006-07 to 2016-17			2017-18			2018-19			2019-20			Total		
		Para	Sub-para	Review	Para	Sub-para	Review	Para	Sub-para	Review	Para	Sub-para	Review	Para	Sub-para	Review
1	Agriculture	-	-	01	-	-	-	01	-	-	02	-	-	03	-	01
2	Agriculture Marketing	-	01	-	-	-	-	-	-	-	-	-	-	-	01	-
3	Animal Resources Development	01	-	-	-	-	-	01	-	-	-	-	-	02	-	-
4	Consumer Affairs	02	-	-	-	-	-	-	-	-	01	-	-	03	-	-
5	Co-operation	-	01	-	-	-	-	-	-	-	-	-	-	-	01	-
6	Fisheries	01	-	01	-	-	-	-	-	-	-	-	-	01	-	01
7	Food and Supplies	03	-	03	-	-	-	-	-	-	03	-	-	06	-	03
8	Forest	01	-	02	-	-	-	-	-	-	-	-	-	01	-	02
9	Industry, Commerce and Enterprises	-	-	01	-	-	-	-	-	-	-	-	-	-	-	01
10	Information & Cultural Affairs	04	-	-	-	-	-	-	-	-	-	-	-	04	-	-
11	Irrigation & Waterways	02	-	-	-	-	-	03	-	-	-	-	-	05	-	-
12	Micro, Small & Medium Enterprises and Textiles	-	-	-	-	-	-	-	-	-	01	-	-	01	-	-
13	Non-Conventional & Renewable Energy Sources	01	02	06	-	-	-	-	-	-	-	-	-	01	02	06
14	Public Enterprises & Industrial Reconstruction	02	-	-	-	-	-	-	-	-	-	-	-	02	-	-
15	Public Health Engineering	04	-	01	01	-	-	-	-	-	-	-	-	05	-	01
16	Public Works	10	01	01	-	-	-	-	-	-	-	-	-	10	01	01
17	Transport	99	04	08	02	06	-	01	05	-	-	-	-	102	15	08
18	Water Resources Investigation & Development	01	-	-	-	-	-	-	-	-	-	-	-	01	-	-
	Total	**131**	**09**	**24**	**03**	**06**	**-**	**06**	**05**	**-**	**07**	**-**	**-**	**147**	**20**	**24**

Appendix-1.5

(Refer paragraph-1.5)

Department-wise Statement of outstanding Inspection Reports and Paragraphs as of 30 September 2023

Sl. No.	Name of the Department	Number of IRs/ Paragraphs pending as of 30 September 2023	
		IRs	**Paragraphs**
1.	Agriculture	165	556
2.	Agriculture Marketing	41	109
3.	Animal Resource Development	65	177
4.	Consumer Affairs	25	69
5.	Co-operation	56	203
6.	Environment	14	33
7.	Fisheries	25	73
8.	Food & Supplies	86	332
9.	Food Processing Industries and Horticulture	14	41
10.	Forest	67	214
11.	Industry, Commerce and Enterprises	47	106
12.	Information & Cultural Affairs	82	337
13.	Information Technology and Electronics	01	06
14.	Irrigation & Waterways	83	267
15.	Micro, Small & Medium Enterprises and Textiles	110	300
16.	Non-conventional and Renewable Energy Sources	03	06
17.	Power	40	183
18.	Public Enterprises & Industrial Reconstruction	11	31
19.	Public Health Engineering	56	206
20.	Public Works	68	278
21.	Science and Technology and Biotechnology	09	27
22.	Tourism	03	09
23.	Transport	61	528
24.	Water Resources Investigation & Development	68	226
Total		**1,200**	**4,317**

Appendix-1.6

(Refer paragraph-1.6)

Status of placement of Separate Audit Reports in Legislature as on 30 September 2023

Sl. No.	Name of Autonomous Body	Year up to which SARs placed in Legislature	Years for which SARs not placed in Legislature	
			Year of SAR	Date of issue to the Government
Autonomous Bodies				
1.	Comissioners for Rabindra Setu (CRS)	2008-09	2009-10	-
			2010-11	10.02.2012
			2011-12	14.02.2013
			2012-13	15.07.2014
			2013-14	20.02.2015
			2014-15	05.02.2016
			2015-16	17.05.2017
			2016-17	14.08.2018
			2017-18	02.07.2019
			2018-19	02.07.2020
			2019-20	04.05.2021
			2020-21	17.06.2021
			2021-22	31.10.2022
2.	Compensatory Afforestation Fund Management and Planning Authority (CAMPA)	Not yet placed	2010-11	25.06.2018
			2011-12	25.06.2018
			2012-13	25.06.2018
			2013-14	25.06.2018
			2014-15	25.06.2018
			2015-16	25.06.2018
			2016-17	25.06.2018
			2017-18	05.11.2019
			2018-19	24.06.2021
			2019-20	24.06.2021
			2020-21	18.08.2022
			2021-22	23.05.2023
3.	Hooghly River Bridge Commissioners (HRBC)	2020-21	2021-22	21.02.2023
4.	West Bengal University of Animal & Fishery Sciences	2009-10	2010-11	30.05.2022
			2011-12	30.05.2022
			2012-13	24.11.2022
			2013-14	24.11.2022
			2014-15	24.11.2022
5.	West Bengal Veterinary Council (WBVC)	Not yet placed	1999-2000	14.01.2016
			2000-01	14.01.2016
			2001-02	14.01.2016
			2002-03	14.01.2016
			2003-04	14.01.2016
			2004-05	14.01.2016
			2005-06	14.01.2016
			2006-07	14.01.2016
			2007-08	14.01.2016
			2008-09	14.01.2016
			2009-10	14.01.2016

Sl. No.	Name of Autonomous Body	Year up to which SARs placed in Legislature	Years for which SARs not placed in Legislature	
			Year of SAR	Date of issue to the Government
Autonomous Bodies				
			2010-11 2011-12 2012-13 2013-14 2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21 2021-22	14.01.2016 14.01.2016 14.01.2016 14.01.2016 21.06.2017 21.06.2017 07.06.2018 29.05.2020 18.01.2022 18.01.2022 11.09.2023 11.09.2023
6.	West Bengal Heritage Commission (WBHC)	Not yet placed	2008-09 2009-10 2010-11 2011-12 2012-13 2013-14 2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21	26.08.2011 18.11.2011 27.06.2012 13.04.2014 13.04.2017 13.04.2017 13.04.2017 13.04.2017 10.04.2019 10.04.2019 19.06.2023 19.06.2023 19.06.2023
7.	West Bengal Khadi & Village Industries Board (WBKVIB)	2015-16	2016-17 2017-18 2018-19 2019-20	22.10.2021 03.11.2021 03.11.2021 28.12.2022
8.	West Bengal Biodiversity Board (WBBB)	2016-17	2017-18 2018-19 2019-20	15.09.2022 15.09.2022 10.02.2023
9.	East Kolkata Wetland Management Authority (EKWMA)	2016-17	2017-18 2018-19	25.02.2020 23.12.2020

Appendix-2.1

(Refer paragraph-2.7)

Division-wise number of tenders selected for checking in Audit

Sl. No.	Name of offices	Total no. of tenders	Total no. of tenders selected/ checked
1.	O/o the AE, Raiganj S/D-I under Uttar Dinajpur Division, PWD	06	06
2.	O/o the AE, Raiganj S/D-III under Uttar Dinajpur Division, PWD	04	04
3.	O/o the EE, Kalimpong Division, PWD (North Bengal Construction Circle-II),	93	25/32
4.	O/o the SE, Mechanical Circle-III, PHED	91	21/27
5.	O/o the EE, Eastern Mechanical Division, PHED (Mechanical Circle-III)	775	26/29
6.	O/o the EE, Asansol Division Social Sector, PWD	61	23
7.	O/o the EE, Asansol Highway Division (Erstwhile Burdwan Highway Division-II), PW Roads Dte.	203	31
8.	O/o the EE, Durgapur Water Supply Division, PHED (RCFA W/S Circle)	791	27
9.	O/o the EE, Bankura Water Supply Division, PHED	04	4/24
10.	O/o the SE, North Bengal Circle-II, PHED	612	25/59
11.	O/o the AE, Siliguri S/D under North Bengal Construction Division, PWD	13	13/12*
12.	O/o the EE, Diamond Harbour Highway Division, PW Roads	328	38
13.	O/o the EE, Electrical Division, PHED (Mechanical Circle-I)	741	26/30
14.	O/o the SE, RCFA Water Supply Circle, PHED	04	04
15.	O/o the EE, Asansol Mechanical Division, PHED (Mechanical Circle-I)	586	24
16.	O/o the EE, Bankura Division, PHED (Western Circle)	34	20/24Ω
17.	O/o the EE, Jhargram Division, PHED	463	24
TOTAL		**4,809**	**341/ 418**

* *One NIeT had been cancelled due to typographical error in the portal. Later, the same was processed in offline mode.*

Ω *These tenders were not invited by the O/o the EE, Bankura Division (PHE Dte.). Therefore, observations were raised on the basis of information available in the portal.*

N.B.-*Selected 24 numbers of tenders of Bankura Division (PHE Dte.) were actually invited by O/o the EE, Bankura Water Supply Division (PHE Dte.) (as per data of eTendering Portal). Therefore, actual number of checked tenders would be 394 (i.e., 418-24).*

Appendix-2.2

(Refer paragraph-2.8.2)

Department-wise date of creation of tenders upto 31 March 2023

Sl. No.	Secretariat Department id	Secretariat name	first_tender_created_on	latest_tender_created_on
1	2	PWRD	28-04-2008 11:48:32.881	31-03-2023 23:28:38.618
2	3	PWD	23-09-2011 16:46:07.110	31-03-2023 18:35:48.037
3	4	I&WD	07-10-2011 16:45:39.889	31-03-2023 17:15:13.939
4	5	PHE	05-12-2011 14:18:05.609	31-03-2023 19:40:43.971
5	6	MSMET	07-01-2012 14:17:33.402	31-03-2023 17:50:40.506
6	10	HEALTH AND FAMILY WELFARE	16-08-2012 12:35:15.448	31-03-2023 19:25:09.702
7	12	WBEIDC LTD	31-08-2012 12:41:54.581	31-03-2023 11:43:16.184
8	15	KOLKATA MUNICIPAL CORPORATION	03-09-2012 14:41:57.378	31-03-2023 22:35:26.428
9	13	DLRS	05-10-2012 12:14:15.845	08-02-2023 15:36:12.565
10	17	AGRICULTURAL MARKETING DEPARTMENT	16-10-2012 13:26:16.830	31-03-2023 17:59:14.841
11	9	HOUSING DIRECTORATE	02-11-2012 17:01:23.587	31-03-2023 17:55:01.244
12	21	DEPARTMENT OF WOMEN AND CHILD DEVELOPMENT AND SOCIAL WELFARE	21-11-2012 15:40:49.790	29-03-2023 16:43:34.392
13	11	WATER RESOURCES INVESTIGATION AND DEV. DEPT.	08-01-2013 11:30:10.884	31-03-2023 18:13:46.093
14	8	NORTH BENGAL DEVELOPMENT DEPARTMENT	09-01-2013 18:47:38.202	31-03-2023 16:29:17.692
15	24	WEST BENGAL ESSENTIAL COMMODITIES	22-01-2013 14:10:05.320	20-03-2023 17:18:37.032
16	18	MUNICIPAL AFFAIRS DEPARTMENT	24-01-2013 19:28:31.906	31-03-2023 21:24:46.427
17	16	URBAN DEVELOPMENT DEPARTMENT	01-02-2013 14:41:50.583	31-03-2023 18:21:10.366
18	22	WB HIDCO LIMITED	13-02-2013 16:36:09.301	31-03-2023 13:27:01.200
19	28	DEPARTMENT OF CIVIL DEFENCE	13-02-2013 20:04:06.926	20-03-2023 17:15:37.290
20	27	BRITANNIA ENGINEERING LIMITED	14-03-2013 17:30:57.650	19-04-2021 17:55:43.031
21	26	MACKINTOSH BURN LIMITED	15-03-2013 19:19:04.901	13-03-2023 18:18:56.158
22	31	WEST BENGAL ZOO AUTHORITY	18-03-2013 13:27:48.582	28-03-2023 17:52:21.919
23	33	DEPARTMENT OF PUBLIC ENTERPRISES	23-03-2013 13:46:39.429	29-03-2023 17:18:05.862
24	34	COMMERCE AND INDUSTRY	03-04-2013 16:31:04.467	31-03-2023 18:18:41.294
25	32	DEPARTMENT OF STATISTICS AND PROGRAMME IMPLEMENTATION	09-04-2013 17:04:21.697	15-03-2023 15:49:48.098
26	30	FISHERIES DEPARTMENT	29-04-2013 17:57:00.755	30-03-2023 13:18:45.282

Sl. No.	Secretariat Department id	Secretariat name	first_tender_created_on	latest_tender_created_on
27	39	DIRECTORATE OF DISASTER MANAGEMENT	30-04-2013 12:43:25.448	09-12-2022 17:04:41.794
28	14	HOUSING DEPARTMENT	08-05-2013 15:02:57.678	22-03-2023 13:51:35.319
29	40	DIRECTORATE OF FORESTS	31-05-2013 13:53:13.440	31-03-2023 16:37:55.348
30	35	ANIMAL RESOURCES DEVELOPMENT DEPARTMENT	10-06-2013 12:33:26.496	31-03-2023 14:22:18.503
31	7	YOUTH SERVICES DEPARTMENT	05-07-2013 14:21:36.426	09-03-2023 13:56:57.198
32	25	WEBEL TECHNOLOGY LIMITED	28-08-2013 13:21:52.863	30-03-2023 15:50:06.499
33	42	KOLKATA POLICE	12-09-2013 13:06:07.293	30-03-2023 12:47:15.069
34	23	DEPARTMENT OF MICRO SMALL & MEDIUM ENTERPRISES AND TEXTILES	09-10-2013 13:44:53.031	31-03-2023 18:08:40.551
35	41	SUNDARBAN AFFAIRS DEPARTMENT	09-10-2013 15:30:15.953	30-03-2023 17:00:33.013
36	44	TECHNICAL EDUCATION AND TRAINING DEPARTMENT	13-11-2013 15:56:38.877	23-03-2023 16:12:57.589
37	36	DEPARTMENT OF FIRE AND EMERGENCY SERVICES	18-11-2013 14:57:17.883	24-02-2020 16:13:22.945
38	43	COPERATION DEPARTMENT	19-11-2013 12:08:58.792	18-11-2016 13:37:24.945
39	19	TRANSPORT DEPARTMENT	19-12-2013 16:25:33.897	30-03-2023 17:13:31.019
40	47	AGRICULTURE	05-02-2014 16:58:35.893	31-03-2023 21:39:55.742
41	49	HOME DEPARTMENT	06-02-2014 14:06:18.915	31-03-2023 16:07:31.398
42	45	DEPARTMENT OF POWER AND NON CONVENTIONAL ENERGY SOURCES	07-02-2014 18:36:18.436	31-03-2023 17:58:14.232
43	46	DEPARTMENT OF ENVIRONMENT	17-02-2014 17:23:24.117	24-03-2023 12:36:16.738
44	50	FINANCE DEPARTMENT	25-02-2014 16:42:54.719	22-03-2023 15:12:32.787
45	48	DISTRICT MAGISTRATE	30-05-2014 14:59:55.024	31-03-2023 23:40:47.632
46	53	WEST BENGAL POLICE (HOME)	02-06-2014 12:58:16.738	29-03-2023 17:15:29.975
47	52	INFORMATION AND CULTURAL AFFAIRS DEPARTMENT	10-06-2014 15:51:37.125	29-03-2023 15:33:14.766
48	55	CONSUMER AFFAIRS DEPARTMENT	26-06-2014 16:41:25.242	03-03-2023 13:49:08.936
49	59	DEPARTMENT OF FOOD AND SUPPLIES	12-07-2014 15:37:49.883	31-03-2023 12:32:10.278
50	56	DEPARTMENT OF IT	18-07-2014 13:12:36.104	10-03-2023 15:10:41.475
51	62	HIGHER EDUCATION DEPARTMENT	07-08-2014 17:41:12.579	31-03-2023 12:35:33.521
52	61	MINORITY AFFAIRS AND MADRASAH EDUCATION DEPARTMENT	08-08-2014 14:05:45.448	30-03-2023 13:32:36.422
53	29	HRBC	12-08-2014 17:08:24.841	30-03-2023 16:36:02.704

Sl. No.	Secretariat Department id	Secretariat name	first_tender_created_on	latest_tender_created_on
54	54	DEPARTMENT OF PASCHIMANCHAL UNNAYAN AFFAIRS	18-08-2014 19:20:25.770	21-03-2023 17:38:57.859
55	58	PUBLIC WORKS DEPARTMENT	20-08-2014 17:55:48.856	31-03-2023 19:59:11.625
56	63	DEPARTMENT OF TOURISM	03-09-2014 14:53:47.684	27-03-2023 17:03:21.563
57	51	DEPARTMENT OF HIGHER EDUCATION	05-09-2014 13:51:55.938	31-03-2023 17:00:17.390
58	60	HOME (POLICE)	09-09-2014 17:30:00.591	31-01-2023 13:01:28.394
59	57	DEPARTMENT OF FOOD PROCESSING INDUSTRY AND HORTICULTURE	16-09-2014 16:51:08.852	29-03-2023 12:42:46.913
60	65	REFUGEE RELIEF AND REHABILITATION DEPARTMENT	21-10-2014 13:33:33.179	29-12-2022 14:49:39.199
61	70	SELF HELP GROUP AND SELF EMPLOYMENT DEPARTMENT	14-11-2014 16:46:48.463	28-12-2022 17:26:36.105
62	67	PERSONNEL AND ADMINISTRATIVE REFORMS	19-11-2014 16:19:55.529	20-07-2022 13:06:16.120
63	64	DIRECTORATE OF INDUSTRIAL TRAINING	25-11-2014 15:25:04.302	30-04-2019 15:35:24.136
64	71	DEPARTMENT OF FOREST	09-12-2014 16:42:12.272	23-03-2023 23:57:39.609
65	69	DEPARTMENT OF LABOUR	16-12-2014 12:03:35.129	28-03-2023 16:24:27.685
66	72	HILL AFFAIRS DEPARTMENT	31-12-2014 14:24:19.599	30-03-2023 22:51:29.153
67	73	DEPARTMENT OF CORRECTIONAL ADMINISTRATION	07-01-2015 15:56:48.386	29-03-2023 14:26:08.901
68	74	BACKWARD CLASSES WELFARE DEPARTMENT	12-06-2015 12:17:59.694	09-11-2022 15:48:38.385
69	75	TRIBAL DEVELOPMENT DEPARTMENT	29-07-2015 13:11:15.756	29-03-2023 14:14:37.208
70	77	DEPARTMENT OF SCHOOL EDUCATION	17-08-2015 16:19:36.082	31-03-2023 16:38:18.094
71	79	OFFICE OF THE REGISTRAR OF SOCIETIES WEST BENGAL	19-11-2015 16:52:56.729	19-11-2015 16:52:56.729
72	68	DEPARTMENT OF DISASTER MANAGEMENT	20-11-2015 23:02:01.504	16-03-2023 18:27:25.785
73	80	DEPARTMENT OF MASS EDUCATION EXTENSION AND LIBRARY SERVICES	02-12-2015 12:41:22.550	29-03-2023 12:51:28.336
74	78	CO-OPERATION DEPARTMENT	22-12-2015 17:16:34.417	29-03-2023 09:47:15.005
75	84	DEPARTMENT OF SERICULTURE	21-06-2016 18:01:42.090	15-06-2018 16:09:15.014
76	83	MIN. OF HEAVY INDUSTRIES AND PE	27-06-2016 11:19:23.267	03-03-2022 17:03:27.868
77	76	DEPARTMENT OF SCIENCE & TECHNOLOGY	11-07-2016 17:09:04.329	14-03-2023 14:21:14.392
78	82	JUDICIAL DEPARTMENT	21-09-2016 13:17:49.267	16-02-2023 11:53:31.123
79	88	GOVERNMENT OF WEST BENGAL	29-11-2016 16:55:05.576	24-03-2022 13:24:25.756

Sl. No.	Secretariat Department id	Secretariat name	first_tender_created_on	latest_tender_created_on
80	81	EXCISE DEPARTMENT	19-01-2017 14:47:00.365	26-11-2020 15:12:18.430
81	89	WEST BENGAL LEGISLATIVE ASSEMBLY SECRETARIAT	27-02-2017 15:12:23.501	02-02-2022 17:23:22.436
82	85	GOVERNMENT OF INDIA	07-02-2018 11:55:35.859	10-03-2023 10:11:44.007
83	38	WEST BENGAL STATE AIDS PREVENTION AND CONTROL SOCIETY	26-11-2018 17:10:24.767	17-02-2023 14:55:15.643
84	91	HOME AND HILL AFFAIRS DEPARTMENT	22-02-2023 15:35:47.097	22-02-2023 15:35:47.097
85	20	NIC	NULL	NULL
86	0	ADMIN	NULL	NULL
87	37	THE WB STATE CO-OPERATIVE MARKETING FEDERATION	NULL	NULL
88	90	LAW DEPARTMENT	NULL	NULL
89	87	DEPARTMENT OF SPORTS	NULL	NULL

Appendix-2.3

(Refer paragraph-2.8.2)

Statement of PSUs and Autonomous Bodies not yet registered in e-Procurement portal as of March 2023

List of PSUs/Autonomous Bodies not registered under e-Procurement	
a. PSUs (Companies and Corporations)	
1.	Banglar Dairy Limited
2.	West Bengal Livestock Development Corporation Limited
3.	West Bengal Trade Promotion Organisation
4.	Silpabarta Printing Press Limited
5.	The West Bengal Small Industries Development Corporation Limited
6.	West Bengal Biotech Development Corporation Limited
7.	Webel Electronics Infrastructure Development Limited
8.	Webel Electronics Manufacturing Clusters Limited
9.	Webel Venture Capital Limited
10.	West Bengal Electronics Industry Development Corporation Limited
11.	Bengal Birbhum Coalfields Limited
12.	West Bengal Transport Corporation Limited
13.	Sundarban Infrastructure Development Corporation Limited
14.	The Electro Medical & Allied Industries Limited
15.	New Town Telecom Infrastructure Development Company Limited
16.	West Bengal Women Development Undertaking
17.	West Bengal Scheduled Castes, Scheduled Tribes and Other Backward Classes Development & Finance Corporation
18.	Gluconate Health Limited
b. Autonomous Bodies	
1.	West Bengal State Agricultural Marketing Board
2.	West Bengal State Watershed Development Agency
3.	Paschim Banga Go-Sampad Bikash Sanstha
4.	West Bengal Veterinary Council
5.	Public Distribution System
6.	Burdwan Milk Supply Scheme
7.	Durgapur Milk Supply Scheme
8.	Greater Kolkata Milk Supply Scheme
9.	Krishnanagar Milk Supply Scheme
10.	West Bengal Compensatory Afforestation Fund Management and Planning Authority
11.	Director of Zoological Garden
12.	District Mineral Foundation Trust
13.	Undertaking of Darjeeling Ropeway Company Limited
14.	Training-cum-production Centre for Wood Industries, Siliguri

15.	Integrated Wood Industries Scheme, Durgapur.
16.	Integrated Wood Industries Scheme, Kalyani
17.	Surgical Instruments Servicing Station, Baruipur
18.	The Commissioners for the Rabindra Setu
19.	State Water and Sanitation Mission
20.	West Bengal Heritage Commission
21.	Shishu Kishore Akademi
22.	Minerva Natya Sanskriti Charcha Kendra
23.	Paschimbanga Bangla Academy
24.	Folk & Tribal Centre
25.	Centre for Archaeological Studies & Training, Eastern India
26.	Food & Crafts Institute, Darjeeling
27.	State Institute of Hotel Management, Durgapur
28.	West Bengal State Council of Technical Education
29.	District Legal Services Authority, Howrah
30.	Bhangore-Rajarhat Area Development Authority
31.	District Legal Services Authority, Malda
32.	District Legal Services Authority, Birbhum
33.	West Bengal Central School Service Commission
34.	West Bengal Regional School Service Commission(Northern Region)
35.	West Bengal Regional School Service Commission(Southern Region)
36.	West Bengal Regional School Service Commission (South-Eastern Region)
37.	West Bengal Regional School Service Commission (Eastern Region)
38.	District Legal Services Authority, Murshidabad
39.	District Legal Services Authority, Jalpaiguri
40.	West Bengal State Legal Services Authority
41.	District Legal Services Authority, Coochbehar
42.	District Legal Services Authority, North 24 Parganas
43.	District Legal Services Authority, Nadia
44.	District Legal Services Authority, Purba Medinipur
45.	District Legal Services Authority, Darjeeling
46.	District Legal Services Authority, Dakshin Dinajpur
47.	District Legal Services Authority, Hooghly
48.	West Bengal Commission for Backward Classes
49.	West Bengal Commission for Women
50.	West Bengal State NGRBA Program Management Group
51.	District Legal Services Authority, Purulia
52.	West Bengal Buildings and Other Construction Workers Welfare Board
53.	West Bengal Regional School Service Commission (Western Region)
54.	West Bengal Comprehensive Area Development Corporation
55.	District Legal Services Authority, Uttar Dinajpur

56.	District Legal Services Authority, Bankura
57.	District Legal Services Authority, Purba Bardhaman
58.	District Legal Services Authority, Paschim Medinipur
59.	West Bengal Commission for Protection of Child Rights
60.	West Bengal Unorganised Sector Workers' Welfare Board
61.	District Legal Services Authority, Kolkata
62.	District Legal Services Authority, Paschim Bardhaman
63.	District Legal Services Authority, South 24 Parganas
64.	District Legal Services Authority, Jhargram
65.	District Legal Services Authority, Kalimpong
66.	West Bengal Allied & Healthcare Council
67.	Bakreswar Development Authority
68.	Patharchapuri Development Authority

Appendix-2.4

(Refer paragraph-2.9.1)

Statement of Tenders relating to a particular Division published by other than the designated TIA

(i) PHE||MECHANICAL CIRCLE-III||EASTERN MECH.DIVISION

Tender published by two TIAs of two offices from one credential

Designation	Inviting officer	count	Group Total	Total
Assistant Engineer	Assistant Engineer	8	75	775
	Assistant Engineer	2		
	Assistant Engineer EMSD II PHE DTE	4		
	Assistant Engineer, BMSD, PHE Dte	12		
	Assistant Engineer, BMSD, PHED	9		
	Assistant Engineer, EMSD-I	25		
	Assistant Engineer, EMSD-III	12		
	Assistant Engineer, EMSD I	3		
Executive Engineer	Executive Engineer	26	700	
	Executive Engineer Eastern Mechanical Division	7		
	Executive Engineer Eastern Mechanical Divn PHED	1		
	Executive Engineer EMD PHED	10		
	Executive Engineer, Eastern Mech. Divn. PHE Dte.	69		
	Executive Engineer, Eastern Mech. Divn., PHE Dte	147		
	Executive Engineer, Eastern Mech. Divn., PHED	236		
	Executive Engineer, Eastern Mechanical Divn, PHED	1		
	Executive Engineer, Eastern Mechanical Divn, PHED	13		
	Executive Engineer, EMD, PHE Dte	179		
	Executive Engineer, EMD, PHED	5		
	Executive Engineer, EMD, PHED	3		
	Executive Engineer, EASTERN MECH DIVN PHEDTE	3		

(ii) PHE||WESTERN CIRCLE||BANKURA DIVISION

Tenders published by two different posts of TIAs from one credential

Designation	Inviting officer	Count	Group Total	Total
Executive Engineer	Executive Engineer, PIU Bankura, WBDWSIP, PHE Dte.	30	30	34
Superintending Engineer	Superintending Engineer PIU Bankura WBDWSIP PHED	3	4	
	Superintending Engineer, PIU Bankura WBDWSIP PHED	1		

(iii) PHE||MECHANICAL CIRCLE-I (PHE)||ELECTRICAL DIVISION

Tenders published by two different posts of TIAs from one credential

<table>
<tr><th>Designation</th><th>Inviting officer</th><th>Count</th><th>Gross</th><th>Total</th></tr>
<tr><td rowspan="2">Assistant Engineer</td><td>Assistant Engineer HMSD PHE Dte</td><td>50</td><td rowspan="2">54</td><td rowspan="8">741</td></tr>
<tr><td>Assistant Engineer I</td><td>4</td></tr>
<tr><td rowspan="6">Executive Engineer</td><td>Executive Engineer</td><td>2</td><td rowspan="6">687</td></tr>
<tr><td>Executive Engineer</td><td>1</td></tr>
<tr><td>Executive Engineer ED PHED</td><td>35</td></tr>
<tr><td>Executive Engineer Electrical Division</td><td>640</td></tr>
<tr><td>Executive Engineer Electrical Division PHED</td><td>7</td></tr>
<tr><td>Executive Engineer SMD PHE Dte</td><td>2</td></tr>
</table>

(iv) PHE||BANKURA W/S CIRCLE||BANKURA W/S DIVISION

Tender published by two TIAs of two offices from one credential

<table>
<tr><th>Inviting officer</th><th>Count</th><th>Total</th></tr>
<tr><td>Executive Engineer, PIU Bankura, WBDWSIP, PHE Dte.</td><td>2</td><td rowspan="2">4</td></tr>
<tr><td>Superintending Engineer, Murshidabad Circle, P.H.E Dte.</td><td>2</td></tr>
</table>

Appendix-3.1

(Refer paragraph 3.7.1.4 (v))

Details of non-availability of facilities required for acquiring Star category and expenditure incurred towards renovation and upgradation of TLs/ TPs during 2017-23

Sl. No.	Name of Tourist Lodge (TL)	Fire License for residential cum commercial building	Arrangement for differently abled person/ Senior Citizen	Sewage Treatment Plant	Completion Date	Expenditure
1	Bishnupur T L	No	No	Non-functional/ No AMC	Sep-21	8,19,41,051
2	Gajoldoba/ Bhorer Alo T L	No	No	No	Mar-21	21,38,49,759
3	Batabari T L	No	No	No	Feb-20	4,50,99,485
4	Tilabari T L	No	No	No	Jan-21	4,33,96,001
5	Murti T L	No	No	Non-functional/ No AMC	May-21	3,24,68,289
6	Malancha/ Mangaldhara T L	No	No	Non-functional/ No AMC	Jul-21	8,63,14,090
7	Tarkeshwar/ Natraj T L	No	No	No	Sep-19	5,21,10,640
8	Sobujdweep T L	No	No	No	Mar-23	12,97,603
9	Dighali-I	No	No	No	Dec-20	7,85,85,940
10	Dighali-II	No	No	No	Jan-21	7,95,14,071
11	Sagorika T L	No	No	Non-functional/ No AMC	May-22	10,01,22,586
12	Gangasagar T L	No	No	No	Mar-21	9,13,87,780
13	Bakkali/ Balutot T L	No	No	No	Nov-19	7,03,31,484
Total						**97,64,18,779**

(Source: Information collected during Joint survey with Departmental officials)

Appendix-4.1

(Refer paragraph-4.2)

Water rate not realised on long-term mining leases for major minerals (from 01.04.2007 to 31.03.2023)

Major Mineral	Lessee	Area (in acres)	Mining lease granted since	Relevant period, between 01.04.2007 to 31.03.23 (in years)	Water rate to be modified (C X E X 54) (in ₹)
A	**B**	**C**	**D**	**E**	**F**
Coal	Steel Authority of India	2,840	1920	16	24,53,760
Coal	Eastern Coalfield Limited	1,52,313	1973	16	13,15,98,432
Coal	Bharat Coking Coal Limited	2,744	1973	16	23,70,816
Coal	West Bengal Power Development Corporation Limited	31,333	04.08.2015	7	1,18,43,874
Coal	Durgapur Projects Limited	694	05.08.2015	7	2,62,332
Coal	Damodar Valley Corporation	2,184	14.10.2015	6	7,07,616
Coal	Calcutta Electric Supply Corporation	1,423	04.11.2015	7	5,37,894
Coal	OCL Iron & Steel Ltd.	1,929	16.05.2018	4	4,16,664
Total		**1,95,460**			**15,01,91,388**

Appendix-4.2

(Refer paragraph-4.14.1.1)

Details of Scheduled Timeline *vis-a-vis* Actual date of submission of Consultant's Report

SL No	Milestone	Timeline	Actual date of submission	Delay in submission
Institutional Strengthening and Business Planning (ISBP) study (Consultant: Feedback Infra Private Limited, The contract was signed on 17 February 2020 and work commenced in March 2020)				
Phase I				
1	Inception Report, with Approach and Methodology for the assignment	End of month one	15 May 2020	>one month
2	Monthly Progress Report	1st week of each month	Not submitted upto September 2023	-
3	Completion Reports of Task-1-IWT Institutional Strengthening Study	End of month four	06 October 2021	15 months
4	Completion Reports of Task-2-TNA completion Report	End of month six	01 December 2021	15 months
5	Draft five-year ISBP on IWT	End of month six	01 December 2021	15 months
6	Five-year Training Plan	End of month six	01 December 2021	15 months
7	Final five-year ISBP on IWT	End of month nine	12 May 2022	17 months
8	Tender packages for operationalizing IWT, ISBP, five Year Training Plan	End of month 12	15 February 2022	12 months
9	Bid management support / Evolution Reports, Draft Contract Documents	(on a rolling basis)	Not available	-
Phase II				
10	Bid management support / Evolution Reports, Draft Contract Documents	(on a rolling basis)	Not available	-
11	Project Communication strategy	End of 13 month	23 December 2021	8 months
12	Project Information Portal Application	(End of 14 month)	Draft on 01 January 2022	Final report not submitted till date
13	Quarterly Project Monitoring Report, with updated Results Framework for monitoring Institutional Strengthening activities under LTIP	1st week of each quarter	Every Quarter	-
14	Biannual Training Completion Report	(Every sixth month)	Not available	-
15	Assignment Completion Report	(End of 36 month)	Not available	-
Inland water Transport Safety Study (Consultant: Kitco Limited, The contract was signed on 13 January 2021 and the project commenced on the same day)				
1	Inception Report, with Approach and Methodology for the assignment.	(End of month 1)	23 April 2021	14 months
2	Monthly progress report.	First week of each month	Were submitted	-
3	Draft West Bengal IWT safety Framework	(End of month 4)	24 December 2021	19 months

SL No	Milestone	Timeline	Actual date of submission	Delay in submission
4	Draft five-year WBIWTLSDP Safety Plan	(End of month 6)	March-April 2023	32 months
5	Final-West Bengal IWT Safety Framework	(End of month 6)	06 May 2022	21 months
6	Final five-year WBIWTLSDP Safety Plan	(End of month 9)	December 2023	38 months
7	Tender packages for operationalizing WBIWTLSDP Safety Plan.	(End of month 12)	November-December 2023	24 months
8	Bid Management Support/ Evaluation Reports, Draft contract documents, vendor deliverable review report	(On rolling basis)	Provided on rolling basis	-
9	Monthly Progress Report	First week of each month	were submitted	**-**
10	Assignment Completion Report	(End of Month 30)	Assignment in progress	-
Spatial Development Strategy (SDS) under Component-B				
1	Inspection Report	Contract Signing+ one month	20 December 2022	>one month
2	a) Data collection, Baseline Assessments and Analysis (Interim)	Contract Signing+ three month	31 December 2022	No delay
	b) Data collection, Baseline Assessments and Analysis(final)	Contract Signing+ four month	01 March 2023	2 months
3	a) Core Development Strategy (Interim)	Final Data collection + 2 months	Not submitted	-
	b) Core Development Strategy (final)	Interim Development Strategy + 1 month	Not submitted	-
4	a) Spatial Development Framework (interim)	Approval of core development Strategy + 2 months	Not submitted	-
	b) Spatial Development Framework(final)	Approval of core Development Strategy +3 months	Not submitted	-
5	a) Detailed Area Plan/Local Area Plans-KMA overall plan	Approval of Spatial Development Plan+ 3 months	Not submitted	-
	b) DPRs Detailed Area Plan Local Area Plans	Approval of Spatial Development plan +5 months	Not submitted	-
6	Economic Development plan	Detailed Area Plan (schemes/project plans)+ 1 months	Not submitted	-
7	Implementation Framework	Economic Development Plan (schemes/project plans)+1 month	Not submitted	-
8	Comprehensive summary report	Implementation Framework +1 month	Not submitted	-

SL No	Milestone	Timeline	Actual date of submission	Delay in submission
Integrated Strategic Development Plan (ISDP) under Component-C (Ernst & Young). The contract was signed on 13 February 2021 and the project commenced on 14 January 2021.				
Phase-1:				
1	Inspection Report	Contract signing + 4 weeks	06 May 2021	3 months
2	Draft Study Report on " Impact of Cyclone Amphan on IWT & River Bank" under the Project Area	Contract signing + 3 weeks	Not available	-
3	Final Study Report on "Impact of cyclone Amphan on IWT and River Bank" under the Project Area	Contract signing + 5 weeks	28 June 2021	4 months
4	Monthly Progress Reports	Every four weeks	Not available	-
5	Interim report with West Bengal IWT Investment plan	Contract signing + 12 weeks	Not available	-
6	West Bengal IWT Investment Plan + Feasibility Assessment Draft Final Report & Work shop with shareholders	Contract signing + 20 weeks	Vol.-1 06 May 2023 Vol.2 10 June 2022	23 months for Vol.-1 12 months for Vol.2
7	Integrated Draft Report	Contract signing + 24 weeks	Not available	-
8	Draft Report with comments from the client and the Bank incorporated Draft Final Report & Workshop with stakeholders	Contract signing + 28 weeks	Not available	-
9	Final Report	Contract signing + 32 weeks	27 February 2023	17 months
Phase II				
1	Approval from Client for Preparation of DPR for a particular Project	Phase II Approval Date	Not available	-
2	Technical survey and Land acquisition Report	Phase II Approval Date + 4 Weeks	13 August 2023	-
3	Alternate Master Plans with preliminary financial assessment	Phase II Approval Date + 6Weeks	Not available	-
4	Draft DPR with all statutory documents for land acquisition, EIA, SIA, Utility shifting and cost estimates	Phase II Approval Date + 12 Weeks	Not available	-
5	Final DPR with tender level and GFC drawings post incorporation comments from client	Phase II Approval Date+ 19 Weeks	Not available	-

Appendix-4.3

(Refer paragraph-4.14.4.2)

Excess payment to M/s Heritage Infrastructures during June 2020 to June 2023,

Date of increment (five *per cent*) is 16th March of each year starting from 16.03.2021

Month	WIM-I		WIM-II			Shortfall (Days)		Monthly charges			As per Applicable clause (Excess Payment)	
	Allotted days (as per Programme)	Actual operated days	Allotted days (as per Programme)	Actual operated days	Minimum Days of operation	WIM-I	WIM-II	WIM-I	WIM-II	Payment for the month (Without GST)	WIM-I	WIM-II
Jun-20	30	4	30	6	20	16	14	4,15,000	4,15,000	8,30,000	2,43,467	2,13,033
Jul-20	17	11	31	9	20	9	11	4,15,000	4,15,000	8,30,000	-	1,67,383
Aug-20	12	4	31	-	20	16	20	4,15,000	4,15,000	8,30,000	-	-
Sep-20	30	8	23	15	20	12	5	4,15,000	4,15,000	8,30,000	1,82,600	76,083
Oct-20	17	7	17	5	20	13	15	4,15,000	4,15,000	8,30,000	-	-
Nov-20	20	6	20	4	20	14	16	4,15,000	4,15,000	8,30,000	2,13,033	2,43,467
Dec-20	31	7	31	7	20	13	13	4,15,000	4,15,000	8,30,000	1,97,817	1,97,817
Jan-21	24	12	24	12	20	8	8	4,15,000	4,15,000	8,30,000	1,21,733	1,21,733
Feb-21	24	11	24	10	20	9	10	4,15,000	4,15,000	8,30,000	1,36,950	1,52,167
Mar-21	29	5	29	7	20	15	13	4,15,000	4,15,000	8,30,000	2,28,250	1,97,817
Apr-21	**Non-operation of WIMs due to Legislative Assembly Election, 2021**				20	20	20	4,35,750	4,35,750	8,71,500	-	-
May-21					4,57,538	4,57,538	9,15,075	-	-	-	-	-
Jun-21	8	4	8	4	20	16	16	4,57,538	4,57,538	9,15,075	-	-
Jul-21	31	20	31	14	20	-	6	4,57,538	4,57,538	9,15,075	-	1,00,658
Aug-21	30	5	30	13	20	15	7	4,57,538	4,57,538	9,15,075	2,51,646	1,17,435
Sep-21	21	9	21	6	20	11	14	4,57,538	4,57,538	9,15,075	1,84,540	2,34,869
Oct-21	31	9	31	20	20	11	-	4,57,538	4,57,538	9,15,075	1,84,540	-
Nov-21	30	11	30	13	20	9	7	4,57,538	4,57,538	9,15,075	1,50,987	1,17,435

Month	WIM-I		WIM-II			Shortfall (Days)		Monthly charges			As per Applicable clause (Excess Payment)	
	Allotted days (as per Programme)	Actual operated days	Allotted days (as per Programme)	Actual operated days	Minimum Days of operation	WIM-I	WIM-II	WIM-I	WIM-II	Payment for the month (Without GST)	WIM-I	WIM-II
Dec-21	31	20	31	10	20	-	10	4,57,538	4,57,538	9,15,075	-	1,67,764
Jan-22	31	20	31	7	20	-	13	4,57,538	4,57,538	9,15,075	-	2,18,093
Feb-22	28	8	28	16	20	12	4	4,57,538	4,57,538	9,15,075	2,01,317	67,106
Mar-22	31	14	31	14	20	6	6	4,57,538	4,57,538	9,15,075	1,00,658	1,00,658
Apr-22	30	17	30	10	20	3	10	4,57,538	4,57,538	9,15,075	50,329	1,67,764
May-22	31	19	31	16	20	1	4	4,57,538	4,57,538	9,15,075	16,776	67,106
Jun-22	30	1	30	19	20	19	1	4,57,538	4,57,538	7,03,673	-	-
Jul-22	31	18	31	13	20	2	7	4,57,538	4,57,538	9,15,075	33,553	1,17,435
Aug-22	31	20	31	13	20	-	7	4,57,538	4,57,538	9,15,075	-	1,17,435
Sep-22	30	19	30	13	20	1	7	4,57,538	4,57,538	9,15,075	16,776	1,17,435
Oct-22	31	12	31	13	20	8	7	4,57,538	4,57,538	9,15,075	1,34,211	1,17,435
Nov-22	30	20	30	19	20	-	1	4,57,538	4,57,538	9,15,075	-	16,776
Dec-22	31	20	31	20	20	-	-	4,57,538	4,57,538	9,15,075	-	-
Jan-23	31	20	31	13	20	-	7	4,57,538	4,57,538	9,15,075	-	-
Feb-23	28	20	28	14	20	-	6	4,57,538	4,57,538	9,15,075	-	1,00,658
Mar-23	31	20	31	19	20	-	1	4,80,414	4,80,414	9,60,829	-	17,615
Apr-23	30	18	30	11	20	2	9	4,80,414	4,80,414	9,60,829	35,230	1,58,537
May-23	31	20	31	9	20	-	11	4,80,414	4,80,414	9,60,829	-	1,93,767
Jun-23	30	20	30	11	20	-	9	4,80,414	4,80,414	9,60,829	-	1,58,537
Total											26,84,414	38,44,015
Total excess payment M/s Heritage Infrastructures against WIM-I and WIM-II											**65,28,429**	

Appendix-4.4

(Refer paragraph-4.14.4.3)

Feasibility Studies undertaken by WBTIDCL

Sl. No.	Description of work	Amount (₹ *in lakh*)
1.	Expenses for toll collection	0.75
2.	North-South Expressway Corridor from Kalyani to Kakdwip	7.01
3.	Modern Tram System Joka to Esplanade	1.56
4.	Provision of parking space under the ramp of Vidyasagar Setu	0.11
5.	Survey of Road Construction under PMGSY at Battali and Beltali	0.74
6.	Study on Monorail	0.13
7.	Elevated pedestrian plaza from Sealdah to BBD Bagh	2.69
8.	Reclamation of North Calcutta Canel System	21.97
9.	Passenger Amentity centre at Sevoke Road	1.09
10.	Vikananda Road Flyover	37.02
11.	Regional crew training centre at Shibpore	0.17
12.	Millenium Convention Centre below Vidyasagar Setu	9.94
13.	Passenger Dispersal System-Dum Dum Junction	12.86
14.	Infrastructure Development Project-Transport & Sports	0.48
15.	Cargo service at Chitpur Kestopur canel	0.42
16.	Construction of Sports complex at Howrah	0.05
17.	Truck Terminal near Bangaon & Petrapole area	0.86
18.	Bus terminus at Bagdogra & Siliguri	0.66
19.	Development of elevated ring road	0.02
20.	Modern Bus Terminus at Dum Dum	1.71
21.	4-lane concrete road along Bagjola canal-B.T Road and V.I.P Road	0.67
22.	Commercial Complex at Dum Dum Cantonment	0.62
23.	Commercial facilities at Canal Circular Road	0.91
24.	Central Bus Terminus at New town, Rajarhat	0.32
Total outstanding amount		**102.76**

GLOSSARY OF ABBREVIATIONS

Glossary of Abbreviations

Abbreviation	Full Form
ABs	Autonomous Bodies
ADM	Additional District Magistrate
AoC	Award of contract
AoP	Association of Persons
BBM	Budge Budge Municipality
BBTT	Budge Budge Truck Terminal
BM	Bituminous Macadam
BoI	Body of Individuals
BoQ	Bill of Quantity
BRGF	Backward Region Grant Fund
BRM	Belur Ramkrishna Math
CAATs	Computer-Assisted Audit Techniques
CAG	Comptroller and Auditor General of India
CBR	California Bearing Ratio
CDP	Cluster Development Programme
CE	Chief Engineer
CFCs	Common Facility Centres
CFW	Concession Frame work
CMO	Chief Mining Officer
CMP	Comprehensive Mobility Plan
COPU	Committee on Public Undertakings
CRZ	Coastal Regulation Zone
CSS	Centrally Sponsored Scheme
CVPD	Commercial Vehicles Per Day
DBM	Dense Bituminous Macadam
DI	District Improvement
DIC	District Industries Centre
DICO	District Information and Cultural Officer
DM	District Magistrate
DPC	Duties, Powers and Conditions of Service
DPR	Detailed Project Report
DSC	Digital Signature Certificates
DSDA	Digha Sankarpur Development Authority
DTDC	District Tourism Development Committee
e-Procurement	Electronic procurement
EC	Eligibility Certificate
EE	Executive Engineer
EMD	Earnest Money Deposit
EMI	Equal Monthly Installment
EPC	Engineering, Procurement & Construction
EPF	Employee Provident Fund
ESI	Employee State Insurance
FAR	Floor Area Ratio

Abbreviation	Full Form
FD	Finance Department
GBDA	Gangasagar Bakkhali Development Authority
GePNIC	Government e-Procurement System developed by the National Informatics Centre
GFR	General Financial Rules
GM	General Manager
GoI	Government of India
GoWB	Government of West Bengal
GSB	Granular Sub-Base
GTA	Gorkha Territorial Administration
GVA	Gross Value Added
GVW	Gross Vehicular Weight
HI	Hard Intervention
HRACC	Hotel and Restaurant Approval and Classification Committee
HRBC	Hooghly River Bridge Commissioners
HS	Home Stay Scheme
HUF	Hindu Undivided Family
IDEA	Interactive Data Extraction and Analysis application
IRs	Inspection Reports
IRC	Indian Roads Congress
ISBP	Institutional Strengthening & Business Plan
ISDP	Integrated Strategic Development Plan
IWTS	Inland Water Transport Safety
I&WD	Irrigation & Waterways Department
JnNURM	Jawahat Lal Nehru National Urban Renewable Mission
KMA	Kolkata Metropolitan Area
LCV	Light Commercial Vehicles
LMP	Logistics Management Plan
MAGR	Minimum Annual Guarantee Return
MBL	Mackintosh Burn Ltd.
MCR	Mineral Concession Rules
MeITY	Ministrty of Electronics & Information Technology
MMP	Mission Mode Project
MOEF & CC	Ministry of Environment, Forest and Climate Change
MoRTH	Ministry of Road Transport and Highways
MoT	Ministry of Tourism
MoU	Memorandum of Understanding
MSEs	Micro and Small Enterprises
MSME	Micro, Small and Medium Enterprises
MSME&T	Micro, Small & Medium Enterprises and Textile Department
NDCSP	National Data Centre, New Delhi
NDT	Non-Destructive Tests
NeGP	National e-Governance Plan
NGT	National Green Tribunal
NIC	National Informatics Centre

Abbreviation	Full Form
NieT	Notice inviting e-Tender
NIT	Notice Inviting Tender
NML	National Metallurgical Laboratory
NRDWP	National Rural Drinking Water Program
O&M	Operations and Maintenance
OC	Officer-in-charge
OGPC	Open Grade Premix Carpet
OHR	Over Head Reservoir
PAC	Committee on Public Accounts
PAN	Permanent Account Number
PC	Premixed Carpet
PCC	Project Clearance Committee
PHED	Public Health Engineering Department
PMZP	Paschim Medinipur Zilla Parishad
PPPs	Public Private Partnership
PPSWOR	Probablity Proportional
PRASAD	Pilgrimage Rejuvenation and Spiritual Augmentation Drive
PSUs	Public Sector Undertakings
PWC	Price Waterhouse Coopers
PWD	Public Works Department
PWSS	Piped Water Supply Scheme
RAs	Registering Authorities
RBI	Reserve Bank of India
RC	Registration Certificate
RCC	Reinforced Cement Concrete
RCH	Rural Craft Hub
RFP	Request for Proposals
RTA	Regional Transport Authority
SARs	Separate Audit Reports
SBI	State Bank of India
SDBC	Semi Dense Bituminous Course
SDS	Spatial Development Strategy
SDS	State Development Scheme
SE	Superintending Engineer
SE, GCDC	Superintending Engineer, Greater Calcutta Drainage Circle
SFA	State Funded Assistance
SFCDCL	State Fisheries Development Corporation Limited
SGCLPL	S.G City Link Private Limited
SLA	Service Level Agreememnt
SLCC	State Level Core Committee’
SoR	Schedule of Rates
SPVs	Special Purpose Vehicle
SRS	System Requirement Specification
SSCA	Subject Specific Compliance Audits
SSI	Small Scale Registration

Abbreviation	Full Form
ST	Service Tax
STA	State Transport Authority
STL	Short Term Lease
STP	Sewage Treatment Plants
STQC	Standardization Testing and Quality Control
TIAs	Tender Inviting Authorities
ToR	Terms of Reference
TT	Truck Terminal
UC	Utilization Certificate
UNIDO	United Nations Industrial Development Organisation
VCB	Vacuum Circuit Breaker
WB	West Bengal
WBIS	West Bengal Incentive Scheme
WBIWTLSDP	West Bengal Inland Water Transport, Logistics & Spatial Development Project
WBKVIB	West Bengal Khadi and Village Industries Board
WBSCZMA	West Bengal State Coastal Zone Management Authority
WBSEPS	West Bengal Export Promotion Society
WBT	the West Bengal Treasury
WBTDCL	West Bengal Tourism Development Corporation Limited
WBTIDCL	West Bengal Transport Infrastructure Development Corporation Limited
WIM	Weight in Motion
WMM	Wet Mixed Macadam
W&MA	Ways & Means Advances

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