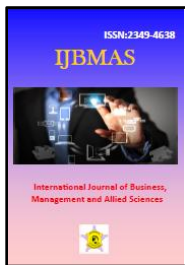

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**PERFORMANCE OF DISTRICT COUNCIL: A STUDY ON NORTH
TWENTY FOUR PARGANAS DISTRICT, WEST BENGAL**

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ABSTRACT

The Paper tries to investigate the performance of District Council as a whole in the state of West Bengal and particularly in the district of north Twenty Four parganas. District Council is a newly constituted body for Panchayats just like the Public Accounts Committee in the State Assembly in each district to examine the accounts of the Panchayats within its territorial jurisdiction in relation to audit and accounts. The constitution of District Councils (DC) in Panchayati Raj of West Bengal was first introduced in 1994 by way of inserting Section 214A in the West Bengal Panchayat Act, 1973. The objectives of formation of such a new body, as stated in the Act, is "to examine the accounts of the Panchayats within its territorial jurisdiction, in relation to the budget approved by the Panchayats concerned for the expenditure to be incurred by such Panchayats, the annual report of such Panchayats and such other accounts of such Panchayats as the District Council may think fit" [Sec. 214A (2) (a)]. In fact, the DC can play a vital role in the sphere of financial management of PRIs by exercising its may fold operations -- by guiding the PRIs to keep records and prepare budget as per rules, by playing the role of watch dog in scrutinizing the accounts and by offering suggestions for the betterment of financial management practices.

KEY WORDS:- Performance, audit and accounts, watch dog, scrutinizing the accounts.

The District Council is a newly constituted body for Panchayats just like the Public Accounts Committee in the State Assembly in each district in relation to audit and accounts. The West Bengal Panchayat (Amendment) Act, 1994 constituted a new body called District Council for Panchayats in each district to examine the accounts of the Panchayats within its territorial jurisdiction in relation to, inter alia, the budget approved by the Panchayats concerned, the annual reports of such Panchayats and such other books of accounts of such Panchayats. It has been empowered to satisfy itself that the amount of money shown in the accounts as having been disbursed is legally available for and applicable to the service or purpose to which they have been applied. This body consists of Adhyaksha or Chairperson who is the leader of the recognized political party in opposition having largest number of members in the Zilla Parishad or Mahakuma Parishad, Upadhyaksha or the vice chairperson to be elected from amongst members not being Sabhadhipati, Sahakari Sabhadhipati, or Karmadhyaksha, five members to be elected by the zilla or Mahakuma Parishad from amongst

themselves, three members to be nominated by the State Government and the additional Executive Officer of the Zilla or Mahakuma Parishad as the member-secretary. This body seeks to inject significant principles of parliamentary democracy in to the working of village democratic institutions also an in-built audit mechanism since as it is conceived to some expert Public Accounts Committee of the higher level legislator.

OBJECTIVES OF THE STUDY

The study identified the following objectives.

1. Identification of the possible factors associated with performance of District Council.
2. Identification of the initiative taken by elected and nominated members of the District Council.
3. Examination of the accounts of the Panchayat in relation to the budget as approved, the expenditure to be incurred, the annual report and such other accounts as the District Council may think fit (Clause a).
4. Suggesting ways and means to remove the difficulties, if any, experienced by the Panchayats in giving effect to any provision of the Act or the rules made there under (Clause f).

METHODOLOGY

The present study is basically descriptive in nature. But the conclusions drawn and suggestive measures offered for improvements is substantiated by empirical evidences collected from primary and secondary data. Field experience collected through the study of records as recorded in the minutes books of district of north Twenty Four parganas District Councils meetings.

ASSESSMENT OF PERFORMANCE OF DISTRICT COUNCIL

The constitution of District Councils (DC) in Panchayati Raj of West Bengal was first introduced in 1994 by way of inserting Section 214A in the West Bengal Panchayat Act, 1973. The objective of formation of such a new body, as stated in the Act, is "to examine the accounts of the Panchayats within its territorial jurisdiction, in relation to the budget approved by the Panchayats concerned for the expenditure to be incurred by such Panchayats, the annual report of such Panchayats and such other accounts of such Panchayats as the District Council may think fit" [Sec. 214A (2) (a)]. In fact, the DC can play a vital role in the sphere of financial management of PRIs by exercising its may fold operations -- by guiding the PRIs to keep records and prepare budget as per rules, by playing the role of watch dog in scrutinizing the accounts and by offering suggestions for the betterment of financial management practices.

But the role and responsibility of DC as identified in the Act has not been duly discharged in practice. Most of the members remain reluctant in attending the DC meeting and to join the team for the visits of the district of north Twenty Four parganas Panchayati Raj Institutions. Table 1 shows the actual participation of DC members, both elected and official, in the DC of district during the period of five years.

Table 1: Number of District Council's Meeting Held Between 2013-14 and 2017-18

Year	No. of meeting held	No. of elected member	No. of elected members present in meetings (M ₁ ... M _n)	No. of Nominated Officials	No. of nominated officials present in meetings (M ₁ ... M _n)
2013-14	04	05	M ₁ =5; M ₂ =3;M ₃ =3;M ₄ =4	04	M ₁ =3;M ₂ =2;M ₃ =4;M ₄ =3;
2014-15	03	05	M ₁ =4; M ₂ =5;M ₃ =3;	04	M ₁ =4;M ₂ =3;M ₃ =4;
2015-16	04	05	M ₁ =3;M ₂ =3;M ₃ =5;M ₄ =4	04	M ₁ =2;M ₂ =3;M ₃ =3; M ₄ =4
2016-17	03	05	M ₁ =5; M ₂ =4;M ₃ =3;	04	M ₁ =3;M ₂ =5;M ₃ =3;
2017-18	05	05	M ₁ =4;M ₂ =3;M ₃ =3;M ₄ =3; M ₅ =2	04	M ₁ =2;M ₂ =3;M ₃ =1; M ₄ =2; M ₅ =2
Total	19				

Source: Compiled from the meeting book of DC, District of north Twenty Four parganas .

It can be seen from the Table 1 that the participation of elected members in DC meetings is much better than its official counterpart. As stipulated in the Act, the DC had to finalise the name of members of Visiting Team for inspection in selected PRIs at a prior meeting. But there were instances where names of the members were recorded in the Minutes Book but no one turned at the time of actual visit. However, the Minutes Book reveals that there were a few occasions when the ZPAAO accompanied the team. This could have been due to the vacancy of ZPAAO post for a long period of time. Needless to mention the ZPAAO is an important member of the visiting team of DC as he only has the technical expertise in accounting and is capable of guiding the Team in the right direction. Another major criticism is being raised against the effectiveness of DC regarding follow up actions. Only a few instances are found when the District Council referred the cases of functional/financial irregularities as uncovered in the course of their inspection to the appropriate authority for taking necessary actions. What measures have exactly been taken by the appropriate authority against the mismanagement of financial resources and accounting irregularities as pointed out by the visiting team of DC are not been considered in any of the subsequent meetings. Thus, follow-up action and timely intervention by the appropriate authority should be a condition to make the District Council's operations more meaningful and more effective.

A comparative study has been made in Table 2 to point out the deviation of functions of DC in actual practice from that of as laid down in the Act.

Table- 2: Comparison between Prescribed and Actual Performance of DC Team

Functions as Prescribed in the Act	Performance Accomplished by the Team
Examination of the accounts of the Panchayat in relation to the budget as approved, the expenditure to be incurred, the annual report and such other accounts as the District Council may think fit (Clause a)	The inspection of budget had regularly been made. Irregularities were found in relation to budget in <i>Bagdah</i> PS and <i>Malipota</i> GP and were duly reported on. Whether the visiting team had ever examined the annual report of Panchayat(s) in course of their inspection was not available from the Minutes Book.
The District Council has to see whether the monies shown in the accounts as having been disbursed were legally available for, and applicable to, the service or purpose to which they have been applied[Clause b(i)]	There were a few recorded instances where the team had carefully examined this clause. Detailed inquiries were made during the visit to <i>Bergoon</i> and <i>Bandipur</i> GP regarding the irregularities of implementing schemes.
The District Council has to see whether the expenditure conforms to the rules governing such expenditure and also the financial proprieties of such expenditure [Clause b(ii)]	This clause had been examined by the team frequently. Irregularities in this regard were pointed out with respect to visits to <i>Swarupnagar</i> PS, <i>Saguna</i> GP, <i>Charghat</i> GP.
The District Council has to see whether every re-appropriation has been made in accordance with such rules as are applicable[Clause b(iii)]	Whether the visiting team had considered this clause, was not clear from the minutes of District Council meeting.
Consideration of the inspection reports on the annual audit of accounts and to examine the replies thereto furnished by the Panchayat (Clause c)	This seems to be the most vital part of inspection; but the visiting team did not pay much attention to the audit reports and post audit actions.
Examination of the accounts of stores and stocks maintained by the Panchayat (Clause d)	This had remained totally untouched. The team only noted down where Stock Register was not maintained.(e.g. GPs, namely, <i>Koniara-I</i> and <i>Mamudpuhpur</i>)

Pursuing of the matters relating to the unsettled objections raised in any inspection report on audit of accounts of Panchayat and refer such matters to the authorities concerned suggesting corrective actions (Clause e)	No such function had ever been performed by the District Council.
Suggesting ways and means to remove the difficulties, if any, experienced by the Panchayats in giving effect to any provision of the Act or the rules made thereunder (Clause f)	This had occasionally been done; for example, Pradhan of a GP had taken advances in his own name. There was no office order for taking such advance. This was pointed out and consequently irregularities were checked

Source: Prepared by the Researcher based on Minute Book

Finally, an observation as pointed out in the audit report of C&AG may be cited as below to have an idea about the lacks in financial management of north Twenty Four parganas Zilla Parishad: ***Decentralised planning and schemes of local development there under frustrated due to inaction on the part of Zilla Parishad (Rs. 19.03 lakh)***

North 24 Parganas Zilla Parishad (ZP) received (March 2010) Rs. 30 lakh from Government of West Bengal under Community Convergent Action (CCA) scheme of local development by the Gram Panchayat (GP) under decentralized planning. The fund was to be sub-allotted to the Gram Panchayats in equal shares for taking up similar kind of schemes. North 24 pargabas ZP sub-allotted only rupees two lakh to two Gram Panchayats in April 2012 and ZP spent Rs. 8.97 lakh during 2016-2017 from the fund in contravention of the government directives issued in March 2010. ZP stated (February 2018) that the balance grants of Rs. 19.03 lakh would be utilised for decentralisation of planning. Thus, apart from diverting the fund of Rs. 8.97 lakh meant for local development in GPs, the ZP also kept idle the residual amount of Rs. 19.03 lakh since March 2010.

(Report of the Examiner of Local Accounts on PRIs for the year ending 31 March 2017, pp.45-46)

Therefore, it may be concluded that the financial management of PRIs deviated from prescribed accounting procedures as the PRIs expended money without preparing annual accounts and did not reconcile the balances between Cash Books and Bank statements. Revenues were directly appropriated before depositing into Bank accounts. There was lack of budgetary control and money was expended either in absence of budget provision or without preparing budget. Primary basic accounting records, viz. Demand and Collection Register, Appropriation Register, Advance Register, Works Register were not properly maintained affecting the quality of governance in the PRIs. The realization of revenues such as taxes, fees and rates was very poor and huge amount on this account remaining outstanding year after year. Inadequate attention in this area hindered the PRIs' endeavor to achieve self-sufficiency. Corrective measures as well as proper planning could not be adopted due to absence of Internal Audit. Poor internal control mechanism was unable to detect pilferage and resulted in loss of PRIs funds due to theft and defalcation of funds and other assets.

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