

CHAPTER-3

Implementation of Schemes

Gram Panchayats

Indira Awas Yojana (IAY)

3.1 Annual Action Plan not prepared

It was mandatory under the scheme of IAY that each of the Gram Panchayats shall independently prepare and approve an Annual Action Plan (AAP) before the beginning of each financial year.

It was seen that 499 Gram Panchayats did not prepare and approve such Annual Action Plan for the year 2003-04 for selection of beneficiaries under the scheme. The Gram Panchayats spent during 2003-04 a total amount of Rs. 12.68 crore by selection of beneficiaries outside the AAP in violation of the scheme guidelines (as detailed in **Appendix-XXI**).

In the absence of Annual Action Plans, there is increased risk of selection of ineligible beneficiaries.

3.2 Irregular selection of beneficiaries without following BPL criteria

The scheme envisaged selection of the beneficiaries under IAY from the BPL list prepared on the basis of certain priority criteria, such as SC/ST households who are victims of atrocity, SC/ST households headed by widows and unmarried women, SC/ST households affected by natural calamities and other calamities like riot, physically and mentally challenged persons etc.

However, in 1348 Gram Panchayats, while Rs. 25.62 crore were spent during 2003-04 towards IAY assistance for construction/up-gradation of huts, none of the beneficiaries was from the BPL list (as detailed in **Appendix-XXII**).

This shows lack of internal control in selection of beneficiaries as per scheme guidelines.

3.3 Ownership of huts not conferred on women in violation of scheme provision

The IAY envisaged that ownership of huts constructed/up-graded with the scheme assistance would be conferred on the wife or alternatively on both the wife and the husband jointly as a couple. But in 37,910 cases in 2079 Gram Panchayats, ownership of huts constructed/up-graded with the scheme funds at a total cost of Rs. 63.57 crore was conferred solely on the male member of the family during 2003-04 (as detailed in **Appendix-XXIII**).

This defeated the purpose of the scheme to enhance empowerment of women.

3.4 Land ownership for the beneficiaries not ensured before construction/up-gradation of huts

As per guidelines of IAY, every beneficiary should possess a valid title of the land before obtaining the assistance for construction/up-gradation of hut. However, in 662 Gram Panchayats where Rs. 48.84 crore in 25,088 cases were disbursed during 2003-04 towards assistance for construction/up-gradation of huts, the beneficiaries had no valid records of ownership of the land on which their huts were constructed/up-graded (as detailed in **Appendix-XXIV**).

This was indicative of lack of effective controls to ensure that ineligible beneficiaries are not covered in the scheme.

3.5 Sanitary latrines and smokeless chullahs not constructed

As per scheme guidelines, every Gram Panchayat is to ensure that a sanitary latrine and a smokeless chullah are constructed along with the construction or up-gradation of the hut.

However, in 611 Gram Panchayats, 14,668 sanitary latrines and in 866 Gram Panchayats, 22,006 smokeless chullahs were not constructed although the full amount of assistance was given to the beneficiaries by the Gram Panchayats during 2003-04 (as detailed in **Appendix-XXV**).

The guidelines of IAY provided for deduction of Rs. 600 for sanitary latrine and Rs. 100 for smokeless chullah from the consolidated amount of assistance given to the

beneficiaries if these were not constructed at all. As such, Rs. 88 lakh for sanitary latrine and Rs. 22 lakh for smokeless chullah to be deducted from the assistance given to the beneficiaries were not deducted.

Sampoorna Grameen Rozgar Yojana (SGRY)

3.6 Annual Action Plan not prepared

It was mandatory under the scheme of SGRY that each of the Gram Panchayats shall independently prepare and approve an Annual Action Plan (AAP) before the beginning of each financial year. No work can be taken up unless it forms part of the Annual Action Plan.

It was seen that 668 Gram Panchayats did not prepare and approve such Annual Action Plan for the year 2003-04 for taking up works under the scheme. The Gram Panchayats spent a total amount of Rs. 16.95 crore for works taken up outside the AAP in violation of the scheme guidelines (as detailed in **Appendix-XXVI**).

In the absence of Annual Action Plans, there is increased risk of selection of ineligible beneficiaries.

3.7 Inadequate employment opportunities to women

In order to ensure special safeguards for women, it was enjoined in the scheme that at least 30 per cent of employment opportunities should be provided to women. But in 1165 Gram Panchayats, during 2003-04, the percentage of employment opportunities provided to women ranged from zero to 20 only, in violation of scheme guidelines (as detailed in **Appendix-XXVII**), denying employment opportunities to women.

PANCHAYAT SAMITIS

Sampoorna Grameen Rozgar Yojana (SGRY)

3.8 Works executed outside Annual Action Plan

It was mandatory under the scheme of SGRY that each of the Panchayat Samitis shall independently prepare and approve an Annual Action Plan (AAP) before the beginning of each financial year. No work can be taken up unless it forms part of the Annual Action Plan.

It was seen that 34 Panchayat Samitis executed works outside Annual Action Plan for the years 2002-03 and 2003-04. The Panchayat Samitis spent a total amount of Rs. 8.88 crore during the years for works taken up outside the AAP in violation of the scheme guidelines (as detailed in **Appendix-XXVIII**).

3.9 Inadequate employment opportunities to women

In order to ensure special safeguards for women, it was enjoined in the scheme that at least 30 per cent of employment opportunities should be provided to women. But in cases of 61 and 60 Panchayat Samitis during 2002-03 and 2003-04 respectively, the percentage of employment opportunities provided to the women ranged from zero to 20 only, in violation of scheme guidelines (as detailed in **Appendix-XXIX**).

3.10 Expenditure incurred, in excess of permissible limits, on maintenance of public assets

Every Panchayat Samiti is permitted to spend up to a maximum of 15 per cent of the funds provided under the scheme on maintenance of the public assets created from time to time under any Centrally sponsored wage-employment programme within its geographical boundary.

But it was seen that, during 2002-03 and 2003-04, 33 Panchayat Samitis spent Rs. 10.63 crore towards maintenance cost for such assets in excess of the permissible limit of Rs. 4.65 crore (as detailed in **Appendix-XXX**).

3.11 Expenditure incurred on works engaging contractors

According to the guidelines of Sampoorna Grameen Rozgar Yojana (SGRY) issued by the GOI in September 2002, no contractor was allowed to be engaged for any work, and the works should be done departmentally. But it was seen that 19 Panchayat Samitis spent Rs. 2.58 crore towards execution of works by engaging contractors during 2002-03 and 2003-04 (as detailed in **Appendix-XXXI**). **With these funds of Rs. 2.58 crore, the Samitis could have ensured employment generation of 2,49,677 mandays[⊕] for the rural people under SGRY.**

[⊕] Calculated on the basis of prevalent rate of wages of Rs. 62 per day per head and prescribed percentage of 60 to be spent for wages out of total funds available (Rs. 2.58 crore x 60 per cent / Rs. 62 = **2,49,677 mandays**).