

# **CHAPTER 3**

## **Implementation of Schemes**

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## Implementation of Scheme

Central Government introduced several schemes viz. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Indira Awaas Yojana (IAY) and Total Sanitation Campaign (TSC) for rural development and improvement of human index in rural areas. PRIs implemented these schemes in pursuance of guidelines framed by Government of India. Chapter-3 deals with the various audit observations regarding implementation of these schemes and also suggests measures for effective implementation of these schemes.

### 3.1 Mahatma Gandhi National Rural Employment Guarantee Scheme

#### 3.1.1 Introduction

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is one of the flagship programmes of Government of India (GoI). The aim of MGNREGS is to enhance the livelihood security of rural people by providing at least one hundred days of guaranteed wage employment to every household in every financial year. It also fosters conditions for inclusive growth ranging from basic wage security and recharging rural economy for transformative empowerment of democracy. Government of West Bengal notified West Bengal Rural Employment Guarantee Scheme (WBREGS), 2006 in February 2006. The Scheme is implemented as a Centrally Sponsored Scheme on a cost-sharing basis between the Centre and the State. The Central Government bears 100 *per cent* wage cost of unskilled manual labour and 75 *per cent* of the material cost and the wages of skilled and semi-skilled workers. The State Government bears 25 *per cent* of the material cost and the wages of skilled and semi-skilled workers.

#### 3.1.2 Receipt and expenditure of funds in 18 districts

The total available fund and expenditure under the scheme in 18 districts of the

State during 2010-13 are as follows:

**Table 3.1**

(₹ in crore)

Year	Opening balance	Receipt				Expenditure	Closing balance
		Central Share	State Share	Misc.	Total		
2010-11	51.67	2117.61	344.15	3.85	2517.28	2481.91	35.37
2011-12	35.37	2597.03	224.63	8.36	2865.39	2844.62	20.77
2012-13	20.77	3395.48	497.33	0.00	3913.58	3893.32	20.26

(Source: Records of P&RDD and nrega.nic.in)

### 3.1.3 Execution of scheme

The following observations were noticed in execution of the scheme:

#### 3.1.3.1 One hundred days' employment not provided

The scheme guideline stipulates that every household in the rural area should be provided not less than one hundred days of guaranteed employment in a financial year. Scrutiny revealed that 1836 GPs could not provide one hundred days of employment to any household in the financial year 2011-12 (**Appendix-XV**). Further, out of these 1836 GPs, 1092 GPs provided only 10 to 30 average mandays per household during the same period. Thus, the primary objective of ensuring livelihood security of the rural households by providing at least one hundred days of guaranteed annual wage employment was not achieved.

#### 3.1.3.2 Creation of durable asset

Creation of durable asset and strengthening livelihood resource base of rural people are auxiliary objectives of MGNREGS. It was observed that 1124 GPs (**Appendix-XV**) expended ₹ 333.99 crore during 2011-12 but failed to create any durable asset.

As a result, the objective of strengthening rural infrastructure was not achieved.

#### 3.1.3.3 Observations on Job Cards

The guideline specified that GP should issue job cards to the registered households after making such enquiry as it deemed fit.

Scrutiny of Registration cum Employment register of the GPs revealed that 198 GPs did not issue job cards to 42052 registered families though applied for (**Appendix-XVI**). Reason for non-issuance of job cards was not found on record.

Photographs of adult members of households were to be affixed on job cards. But photographs were not affixed on any job card in 320 GPs (**Appendix- XVI**).

#### **3.1.3.4 Employment not provided to job seeking families and unemployment allowance not paid**

Guideline stipulates that every applicant should be provided unskilled manual work within 15 days of receipt of application seeking employment or from the date on which employment was sought in case of advance application, whichever was later. In case of failure to adhere to the said provision, the applicant was entitled for a daily unemployment allowance and it would be the liability of the State Government.

Audit noticed that 37426 job applicants in 60 GPs were not provided any employment during 2011-12 (**Appendix- XVI**) and no unemployment allowance was also paid to those applicants in contravention of the provisions of the scheme guideline.

Thus, rural households were deprived of benefits of the scheme.

#### **3.1.3.5 Delay in payment of wages**

Para 22 of WBREGS guideline stipulates that wages should be paid to labourers on a weekly basis or in any case not later than a fortnight after the date on which the work was done. In case of failure the labourers are entitled to receive compensation. Delays of 15 to 90 days in disbursement of wages were noticed in 459 GPs<sup>18</sup> during 2011-12 and no compensation was paid. Reasons as evident from records were late submission of muster rolls by supervisors, delay in receipt of funds, late disbursement of wages by banks and post offices etc. The labourers were thus, deprived of getting their dues in time and they were also not compensated as per the provisions of the guideline for delayed payment.

#### **3.1.3.6 Works taken up without technical and administrative approval**

The Programme Officer (PO) would accord technical and administrative approval of works under MGNREGS. In violation of the said provision, 20 GPs executed works under the scheme in 2011-12 without having the technical and administrative approval of the respective PO (**Appendix- XVII**).

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<sup>18</sup> **ZPs;** Bankura - 40 GPs; Bardhaman - 46 GPs; Birbhum - 31 GPs; Cooch Behar - 14 GPs; Dakshin Dinajpur - 6 GPs; Hooghly - 41 GPs; Howrah - 1 GP; Jalpaiguri - 32 GPs; Malda - 10 GPs; Murshidabad - 43 GPs; Nadia - 25 GPs; North 24 Parganas - 31 GPs; Paschim Medinipur - 69 GPs; Purba Medinipur - 36 GPs; Purulia - 18 GPs; South 24 Parganas - 15 GPs and Uttar Dinajpur - 1 GP.

### 3.1.3.7 Progress reports of works with photos not forwarded to P.O

According to scheme guideline, the GPs should send completion reports alongwith photographs of all the works undertaken to the PO. This helps PO in monitoring the progress of the scheme. Scrutiny revealed that, 157 GPs did not send completion reports alongwith photographs of 8558 works undertaken to the PO during 2011-12.

### 3.1.3.8 Estimated mandays vis-à-vis actual generation

Scrutiny revealed that 1802 GPs prepared annual action plan with an estimate to generate 101.40 crore mandays during 2011-12. But the GPs could generate only 8.51 crore mandays (8.39 per cent) while an amount of ₹ 43.41 crore remained unutilized at the end of March 2012 (**Appendix-XVIII**). This indicates inefficient programme management.

### 3.1.3.9 Observation on Social Audit

Para 37 of WBREGS guideline stipulates that in order to maintain transparency and accountability in MGNREGS works, Gram Sabhas should conduct regular social audits of all the projects within a GP and social audit forum should be constituted for this purpose. Scrutiny revealed that social audit forums were not formed in 33 GPs and social audit was not conducted in 31 GPs though social audit forums were formed (**Appendix- XIX**) during 2011-12 also. Even though social audit was conducted in 30 GPs, the objections raised during audit were not settled and remained pending.

### 3.1.3.10 Excavation or re-excavation of private ponds without making any agreement with the owner

The State Government stipulates that in order to carry out any work of excavation / re-excavation of a private pond, an agreement should be entered with the owner of the pond to the effect that water of the private pond so excavated or re-excavated could be utilised by local people.

In violation of the said guidelines, nine GPs<sup>19</sup> expended ₹ 4.57 crore towards excavation or re-excavation of private ponds during 2011-12 without formalizing any agreement with the owners of those ponds.

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<sup>19</sup> Bankura - Indpur (₹32.51 lakh), Dheko (₹15.99 lakh), Gogra (₹78.22 lakh), Amdangra (₹ 67.60 lakh); Bardhaman - Chaktentul (₹ 17.39 lakh); Birbhum - Babujore (₹ 84.91 lakh), Gangmuri-Joypur (₹ 146.65 lakh); Murshidabad - Bokhara-II (₹ 0.97 lakh) and Paschim Medinipur - Bankibandh (₹ 13.24 lakh).

## KANTURKA GRAM PANCHAYAT

### 3.1.3.11 Execution of Social Forestry Scheme under MGNREGS

District Program Coordinator, MGNREGS, Malda issued (May 2011) instructions to undertake Social Forestry Scheme to Kanturka GP before 15<sup>th</sup> July 2011. But the GP undertook plantation of 2000 trees after monsoon. The work commenced in September 2011 and was completed in October 2011 at a cost of ₹ 3.38 lakh. The GP, however, had neither provided fencing for plants nor engaged any labourer for watering and monitoring the plants. As a result, none of the plants survived. Similarly, in another social forestry work executed at a cost of ₹ 16.42 lakh between August 2011 and November 2011, the GP did not engage any labourer for watering and monitoring the plants. As a result 90 *per cent* plants did not survive and expenditure of ₹ 18.16 lakh (₹ 3.38 lakh + 90 *per cent* of ₹ 16.42 lakh) incurred on social forestry scheme rendered wasteful.

## ZILLA PARISHADS AND PANCHAYAT SAMITIS

### 3.1.3.12 Retention of Sampoorna Grameen Rojgar Yojana (SGRY) funds

Panchayat and Rural Development Department (P&RDD) endorsed (November 2007) the instruction of the Ministry of Rural Development, GoI, wherein it was intimated to transfer balance amount of fund and foodgrains of SGRY to MGNREGS account (after 2008) as the SGRY scheme was abolished and NREGA came into effect.

Scrutiny of cash book, subsidiary cash book and cash analysis report revealed that three ZPs<sup>20</sup> and nine PSs<sup>21</sup> did not adhere to the said instruction and unspent amount aggregating ₹ 1.48 crore was not transferred to MGNREGS till April 2013. Moreover, Jhalda-II PS continued SGRY scheme and expended ₹ 15.38 lakh during 2009-12 and ₹ 10.31 lakh remained in the SGRY account as of March 2012.

Eight PRIs admitted the facts and assured to transfer the un-utilized fund. Purulia ZP replied that retained amount included unadjusted advance of ₹ 39.09 lakh and remaining amount was kept for payment of arrear bills while Taldangra PS

<sup>20</sup> ZPs : Malda (₹56.57 lakh); Dakshin Dinajpur (₹17.70 lakh) and Purulia (₹42.50 lakh).

<sup>21</sup> PSs : Dhaniakhali (₹1.16 lakh); Garbeta-II (₹0.07 lakh); Harishchandrapur-I (₹ 0.67 lakh); Jhalda-II (₹ 23.52 lakh); Joynagar-II (₹ 0.23 lakh), Kharagpur-I (₹ 2.00 lakh); Kaliachak (₹ 0.31 lakh); Sreerampur-Uttarpara (₹ 2.39 lakh) and Taldangra (₹ 0.27 lakh).

stated that the amount was withheld for making payment of carrying cost. Joynagar-II PS did not furnish any reply.

Hence ₹ 1.48 crore was left idle with PRIs, which otherwise could have been used for generation of 109072<sup>22</sup> unskilled mandays under MGNREGS.

### 3.2 Indira Awaas Yojana

#### 3.2.1 Introduction

Indira Awaas Yojana (IAY) aims at providing dwelling units to members of scheduled castes, scheduled tribes, freed bonded labourers and also below poverty line persons in the rural areas. Both Central and State Government bear the cost of IAY in the ratio of 75:25. From the year 2007-08, the State Government introduced the concept of Permanent Wait (PW) list for better transparency in selection of IAY beneficiaries. PW list is prepared from Rural Household Survey. On this basis, families having no home or dilapidated house have been considered as P2=1 and were placed on top of the list according to their total score in Rural Household Survey. Families having mud built house consisting of only one room are identified as P2=2 and families would be eligible for IAY assistance only when the P2=1 list would be exhausted.

The financial and physical performance under IAY in the State during 2010-2013 is summarized below:

**Table 3.2**

(₹ in crore)

Year	Total available fund	Utilization	Percentage of utilized fund	New construction (No.)		Percentage
				Target	Achievement	
2010-11	1226.32	751.72	61.3	195955	180520	92.1
2011-12	1375.70	897.18	65.2	215489	196801	91.3
2012-13	1127.27	873.93	77.5	191758	189543	98.8

(Source: Panchayat and Rural Development Department & rural.nic.in)

The following irregularities were noticed in implementation of IAY scheme during Audit conducted in 2012-13:

<sup>22</sup> Total fund: ZP- ₹11579912.00 + PS- ₹ 3253979 = ₹14833891.00  
Mandays @ ₹136 per head: ₹14833891/₹136 = 109072

### 3.2.2 Improper prioritisation of beneficiaries

As per guideline and subsequent Government orders on IAY fund allotment, the families enlisted in the PW list should be provided the benefit of IAY serially starting from the lowest score (P2=1) and other beneficiaries having higher score (P2=2) would be considered only after beneficiaries of P2=1 category has been fully allotted. But scrutiny revealed that six PSs<sup>23</sup> disbursed IAY assistance to 2350 beneficiaries of P2=2 category without exhausting the P2=1 list. Neturia and Puncha PSs did not furnish any reply and remaining PSs admitted the observation. Shyampur-II PS replied that they disbursed funds as per GPs' report of actual need of those beneficiaries. Shyampur-I PS stated that land problems, death etc. of P2=1 beneficiaries led to selection of P2=2 beneficiaries. Thus, the PSs extended benefit to the beneficiaries from P2=2 list by depriving the benefit to permanent waitlisted beneficiaries under P2=1.

### 3.2.3 Extension of IAY assistance to persons not included in PW list

Following irregularities were noticed in extension of IAY assistance to persons not included in PW list:

- ▶ Nakashipara, Raninagar-I, Contai-I and Gangajalghati PSs extended IAY assistance of ₹64.75 lakh, ₹1.05 lakh, ₹5.60 lakh and ₹2.10 lakh, respectively to 232 persons who were not in the PW list of 2009-12. When pointed out Nakashipara PS stated that beneficiaries were selected from old BPL list. Raninagar-I PS stated that beneficiaries were selected by the GP and first instalment was paid by them. The PS only paid second instalment to the beneficiaries. In Contai-I PS it was also observed that Purba Medinipur ZP ordered to recover the amount. When enquired about the status of recovery, the PS did not furnish the status of recovery as of April 2013. Gangajalghati PS did not furnish any reply to audit observation.
- ▶ In Nowda PS also, it was observed that 14 beneficiaries were selected outside PW list. When pointed out the PS did not furnish any reply.
- ▶ While checking records of IAY disbursements of Bongaon PS, it was revealed that no BPL ID was recorded in respect of 67 male beneficiaries. On being pointed out, the PS admitted the fact.

<sup>23</sup> Haringhata (459), Krishnanagar-I (153), Neturia (226), Puncha (149 - ₹26.08 lakh), Shyampur- I (700 - ₹1.58 crore) and Shyampur- II (663).



### 3.2.4 Allotment of huts to male members of a family

Allotment of huts constructed/upgraded with the scheme assistance would be conferred on the wife or alternatively on both wife and husband as per scheme guidelines. But 3261 male beneficiaries were provided ₹ 6.68 crore IAY assistance by 20 PRIs<sup>24</sup> during 2009-12 in violation of scheme guideline. In reply, 10 PRIs<sup>25</sup> stated that payment to male beneficiaries was mainly due to non-availability/ absence/death of female members, GPs payment of first instalment to male members, female members unfit to operate bank account, P2=2 / BPL list having names of male beneficiaries and possession of land by the male member. To that extent objective of the scheme for empowerment of women was not achieved.

### 3.2.5 Extension of assistance to SC/ST beneficiaries

IAY guideline stipulates that at least 60 *per cent* of the total IAY fund should be utilized for construction/upgradation of dwelling units for SC/ST BPL households. Scrutiny revealed that North 24 Parganas ZP (₹ 8.08 crore), Berhampore (₹ 6.38 crore), Nowda (₹ 5.95 crore), Samsanganj (₹ 5.24 crore) and Tehatta-II (₹ 1.02 crore) PSs could not utilize 60 *per cent* IAY assistance towards SC/ST beneficiaries during 2009-12. There was a shortfall of ₹ 26.67 crore and it ranged between 18 and 51 *per cent* in these PRIs.

When pointed out, Nowda PS did not furnish any reply while Berhampore and Samsanganj PSs admitted the observation. North 24 Parganas ZP and Tehatta-II PS stated that the target was not achieved as the areas had huge minority population.

### 3.2.6 Construction of sanitary latrine

Guideline stipulates that sanitary latrines were to be constructed in IAY houses. Scrutiny revealed that Coochbehar ZP, Farrakka, Raghunathpur-II and Kashipur PSs, the IAY houses were constructed without sanitary latrines.

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<sup>24</sup>(No.) (Amount: ₹ in lakh)

Bongaon: (100) (₹ 22.50); Farrakka: (258) (NA); Jamalpur: (192) (₹ 86.40); Jamboni: (76) (NA); Kakkdwip:(51) (₹ 12.37); Kashipur: (405) (₹ 7.60); Kharagpur-I: (19) (NA); Murshidabad-Jiaganj: (570) (NA); Neturia: (19) (NA); Patrasayer: (35) (NA); Pancha: (277) (NA); Raghunathganj-II: (120) (NA); Raghunathpur-II: (247) (₹ 86.45); Shyampur-I: (14) (NA); Sonarpur: (422) (₹ 94.95); Udaynarayanpur: (94) (₹ 27.35); Uluberia-II: (NA) (₹ 293.15); Mahishadal: (NA) (₹ 16.33); Pingla: (46) (₹ 21.37) and Coochbehar ZP: (316) (NA).

<sup>25</sup>Bongaon, Farrakka, Jamalpur, Jamboni, Murshidabad-Jiaganj, Raghunathpur-II, Shyampur-I, Sonarpur, Udaynarayanpur and Mahishadal.

Table 3.3

Name of the PRIs	No. of houses completed	No. of houses not having sanitary latrine
Coochbehar ZP	8903	3010
Farrakka PS	1555	721
Raghunathpur-II PS	460	460
Kashipur PS	741	439

(Source: Records of PRIs)

When pointed out all PRIs admitted the observation.

Thus, the PRIs merely released the grants to beneficiaries and did not monitor utilization of IAY grants by the beneficiaries. They did not consider the second objective of IAY assistance of providing sanitary latrines to rural houses for improvement of general quality of life.

### 3.2.7 Beneficiaries deprived of second instalment

Paschim Medinipur ZP, Berhampore, Hariharpara, Nowda, Khandaghosh, Raghunathpur-I and Samserganj PSs did not pay second instalment of IAY assistance amounting to ₹ 3.58 crore to 1653 beneficiaries<sup>26</sup> during 2009-12. When pointed out Paschim Medinipur ZP and Nowda PS did not respond to observation and others replied that second instalment was not released due to non-utilization/improper utilization of first instalment, purchase of only materials, death of beneficiaries etc. It is evident from the replies that the PSs did not monitor the execution of IAY houses after allotting assistance to beneficiaries.

### 3.2.8 Utilization of IAY grants

In order to ensure utilization of first instalment of IAY assistance, a certificate of utilisation is obtained from the beneficiaries. Jamalpur PS paid ₹ 57.60 lakh to 128 beneficiaries towards first two instalments during 2010-11. Physical verification reports submitted (November 2012) by the resource person of Jotesriram GP revealed that 30 beneficiaries did not start construction of their houses, nine beneficiaries completed houses only up to foundation level and

<sup>26</sup> Paschim Medinipur ZP (695 nos. of 2011-12), Berhampore (211 nos of 2009-10, 28 nos of 2010-11 and 116 nos of 2011-12), Hariharpara (36 nos of 2010-11 and 330 nos of 2011-12), Nowda (46 nos. of 2010-11), Khandaghosh (12 nos of 2010-11 and 35 nos of 2011-12), Raghunathpur-I (43 of 2009-11) and Samserganj PSs (101 nos of 2009-12)

three beneficiaries completed construction up to window level though a sum of ₹ 18.45 lakh was received by the beneficiaries. Audit team also conducted (December 2012) physical verification along with the members of the PS and it was found that in three cases bricks were stacked at work site but construction was not started and in one case, though house was constructed with bricks, it was covered by thatched roof.

It was evident from the above that the PS did not monitor utilization of 1st instalment/ certificate of utilisation and released 2<sup>nd</sup> instalment to those beneficiaries who did not start construction of houses at all. There was also nothing on record that the PS took any action after receipt of the physical verification report of the GP. The PS admitted the fact and replied to audit that they would press the GP to monitor those beneficiaries for completing the construction.

### **3.2.9 Mismatch in names of beneficiaries**

Nakashipara PS paid assistance of ₹ 10.50 lakh to 30 beneficiaries whose names were not matching with the names of PWL and the list of RHS IDs. As a result, veracity of the payment of assistance could not be ascertained in audit.

### **3.2.10 Loss of IAY assistance of ₹ 95.91 crore**

One of the GoI preconditions for release of central share stipulates that the opening balance of the district should not exceed 10 *per cent* of the funds available during the previous year. In case, the opening balance exceeds the permissible limit, the central share would be reduced by the amount of excess at the time of release of second instalment. Scrutiny of IAY fund of Paschim Medinipur ZP revealed that GoI curtailed ₹ 71.72 crore from central assistance during 2006-07 to 2010-11 due to excess carryover of funds. Besides, the ZP did not get GoI assistance of ₹ 20.74 lakh during 2011-12 for non-submission of utilization certificates and audit reports. Consequently there was no release of State share of ₹ 23.98 crore (1/3 of central assistance of ₹ 71.93 crore).

Thus, failure to adhere to the conditions stipulated by GoI led to loss of IAY assistance of ₹ 95.91<sup>27</sup> crore for the period. Had the ZP followed the stipulations, additional 21313<sup>28</sup> rural poor people would have been extended benefit under the scheme.

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<sup>27</sup> Central share of ₹ 71.93 crore plus state share of ₹ 23.98 crore.

<sup>28</sup> ₹ 95.91 crore / ₹ 45,000 (cost of each house taken as ₹ 45,000/-) = 21313 nos. of houses.

### 3.3 Total Sanitation Campaign

#### 3.3.1 Introduction

GoI introduced Total Sanitation Campaign (TSC) with the emphasis on creating awareness among rural people on sanitary facilities and to bring about a change in attitude towards hygiene practices. Erstwhile Central Rural Sanitation Programme was restructured to "Total Sanitation Campaign" in the year 1999.

#### 3.3.2 Financial performance

Scrutiny of records of TSC of 11 PSs for the years 2010-12 revealed utilization of TSC fund as detailed below:

**Table 3.4**

Name of PRI	Year	Total Available Fund (₹ in lakh)	Expenditure (₹ in lakh)	Percentage of utilization
Chakdaha	2010-11	35.34	9.63	27
	2011-12	69.34	30.02	43
Dantan-I	2010-11	34.55	13.77	40
	2011-12	51.22	0.98	02
Diamond Harbour-II	2010-11	35.49	16.07	45
	2011-12	20.14	2.18	11
Gangajalghati	2010-11	68.31	9.19	13
	2011-12	64.73	22.49	35
Gaighata	2010-11	40.80	11.45	28
	2011-12	119.65	53.06	44
Galsi-II	2010-11	8.85	1.91	22
	2011-12	18.21	0.11	01
Hanskhali	2010-11	59.19	3.33	06
	2011-12	85.60	14.35	17
Haringhata	2010-11	44.91	22.38	50
	2011-12	50.79	20.04	39
Jamalpur	2010-11	5.96	0.50	08
	2011-12	45.66	0.51	01
Kalna-II	2011-12	50.39	0.05	0.1
Tehatta-I	2010-11	18.48	7.46	40
	2011-12	67.87	20.55	30

*(Source: TSC accounts of PRIs)*

It is evident from above, that percentage of utilization was as low as 0.1 per cent in Kalna-II PS during 2011-12 and in Haringhata PS it was 50 per cent during 2010-11. Utilization of TSC fund in Galsi-II, Hanskhali, Jamalpur and Kalna-II PSs ranged between 0.1 and 22 per cent during 2010-12. Thus, the PSs failed to utilize TSC fund for the intended purpose.

### 3.3.3 Diversion of fund

Scrutiny of records of Nakashipara and Jamalpur PSs revealed that they spent ₹ 3.55 lakh and ₹ 0.48 lakh respectively towards purchase of computers with accessories, organising animal health camp, installation of tube well etc. using TSC fund which were beyond the purview of TSC guidelines. When pointed out, the PSs admitted the facts but failed to furnish approvals of any competent authority for expenditure from TSC head. Diversion of specific schematic funds affects the objectives of the programme.

### 3.3.4 Payment of advance for construction of toilets

The guideline stipulates that 60 *per cent* of work order amount may be given as advance for construction of toilets to the Sanitary Mart<sup>29</sup> subject to the condition that any further advance would be allowed to the Mart only on furnishing adjustment bills for the previous advances taken by them.

Records of Tehatta-I PS revealed that the PS paid an advance of ₹ 12.99 lakh to a Rural Sanitary Mart (RSM) during January 2011 to December 2011 in seven phases but the said Mart did not submit adjustment bills amounting to ₹ 9.35 lakh till July 2012. In reply the PS stated that delay occurred as construction of all units was not completed.

Similarly, Gaighata and Samsanganj PSs paid advances amounting to ₹ 43.55 lakh and ₹ 18.32 lakh respectively during 2009-12 to different Sanitary Marts, VECs and School Authorities for execution of TSC works. But whole amount of Gaighata PS and ₹ 3.84 lakh of Samsanganj PS remained unadjusted till March 2013. When pointed out, the PSs did not offer any comment but stated that necessary action would be taken as per decision of Samiti. Besides, in absence of details of execution by Marts, VECs and school authorities the basis of physical progress report sent to Government could not be ascertained.

Nadia ZP issued (January 2011) instruction to PSs that RSMs were to be paid 60 *per cent* of total cost as advance for construction of toilet units at Integrated Child Development Scheme (ICDS) centre and primary schools after ensuring completion of work within a month. There was no provision for payment of advance to RSMs for construction of household latrines. It was prescribed in the said order that fund would be released RSMs for household latrines after

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<sup>29</sup> Rural Sanitary Mart is an outlet dealing with the materials required for the construction of not only sanitary latrines but also other sanitary facilities required for individuals, families and the environment in the rural areas.

construction of the work. In contravention of the aforesaid order Nakashipara PS paid advance of ₹ 1.32 lakh to one RSM for construction of 100 household latrines.

When pointed out, the PS stated that advance was paid as per order of allotment of Nadia ZP. But no such provision was found in the aforesaid order of the ZP.

### **3.3.5 Payment of additional assistance to RSM**

Sonamukhi PS was to construct 267 individual household latrines for BPL homes during 2006-07. Records revealed that the PS entrusted the execution to a RSM @ ₹ 500 per unit within two years (July 2006 to July 2008). The Mart collected ₹ 0.67 lakh from 267 beneficiaries @ ₹ 250 for each unit but did not execute the work during the stipulated period. The PS did not monitor and work was not completed in time. Further, to cover this backlog, an additional amount of ₹ 1950 per Individual House Hold Latrine (IHHL) had to be released due to cost escalation of unit price to ₹ 2200. Hence, the PS had to give an additional assistance of ₹ 5.21 lakh due to non-monitoring of the RSM.

Confirming the facts and figures, the PS stated that the scheme could not be executed in time due to lack of interest of the concerned Mart. Thus non-monitoring of the work by the PS resulted in non-execution of the work within scheduled time and additional burden of ₹ 5.21 lakh towards cost escalation during 2006-07.

### **3.3.6 Incentive directly paid to RSM**

Guideline stipulates that construction of household toilets should be undertaken by BPL household itself. On completion and use of the toilet by the BPL household, cash incentive is given to the BPL household in recognition of its achievement. Scrutiny revealed that Raninagar-I and Samsrganj PSs paid incentive of ₹ 74.74 lakh and ₹ 2.16 crore respectively during 2010-12 to RSMs instead of paying it to the individual households in violation of the guideline. In both cases checks exercised by the PSs before payment of incentive were also not on record.

Besides, in Samsrganj PS there was no record in support of construction of toilets and its usage by the beneficiaries before payment of incentive. Audit scrutiny of the records submitted by the RSM revealed that signature of 3296 beneficiaries was not obtained in the register maintained by the RSM in support of the claim for incentive of ₹ 1.02 crore and no record of date of installation of toilets in respect of 1854 beneficiaries (work done during February 2012 to

April 2012) was found. Wherever signatures of the beneficiaries were available in the muster rolls they were not identified by the competent authority. In view of the above irregularities, actual construction of latrines and payment of incentive to BPL families were not ascertainable.

### **3.3.7 Supervision and monitoring over utilization of TSC Fund**

Jamalpur, Galsi-II and Gangajalghati PSs entrusted the job of constructing latrines to various sanitary marts but did not carry out technical supervision. Neither was any inspection report conducted by the PSs attached nor was any photograph of completed latrines affixed on the vouchers. As a result expenditure of ₹ 12.54 lakh, ₹ 12.37 lakh and ₹ 0.90 lakh of Jamalpur, Galsi-II and Gangajalghati PSs respectively could not be vouchsafed in audit.

### **3.3.8 Incomplete / doubtful / same BPL ID**

Payment bills and records of RHS of Galsi-II PS revealed that incentive of ₹ 0.13 lakh was paid to four persons with each two having same BPL ID number.

Further, an amount of ₹ 1.76 lakh was also paid to 55 persons who were not found in the beneficiary list furnished to audit. Discrepancies were found between BPL ID of 11 persons (paid ₹ 0.35 lakh) as per muster rolls and as per list provided to audit.

Jamalpur PS paid incentive to three persons having same BPL ID number. Further test check of payment vouchers/bills alongwith the soft copy in respect of BPL/IAY beneficiaries' household latrine construction revealed that sanitary mart claimed payment of ₹ 0.25 lakh for eight persons whose names were not recorded in the original soft copy of BPL ID provided to audit. It was also found that Galsi-II and Gangajalghati PSs paid incentive amounting to ₹ 1.51 lakh to 55 persons whose names were either not found or BPL IDs were incomplete and not same as per the list provided to audit.

### **3.3.9 Performance of Sanitary Mart**

Diamond Harbour-II PS issued work order in April 2010 for construction of 12 toilet blocks in different primary schools and paid (July 2010) ₹ 1.65 lakh as advance to a RSM with the instruction to complete the work within one month of the receipt of the work order. Sub Assistant Engineer (RWS) was instructed to supervise the construction works. Even after lapse of two years and eight months (as on March 2013), RSM neither completed the work nor refunded the amount drawn as advance to the PS. Thus, ineffectiveness of the PS in monitoring

the work of the RSM resulted in non-completion of school toilets thereby depriving students of the intended benefits besides blocking of funds.

### 3.4 Conclusions and Recommendations

#### Conclusions

- I. **Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)** – Failure to provide at least 100 days of guaranteed employment in a financial year, shortcomings in creating durable assets, delayed payment of wages, under achievement in generation of estimated mandays, non formation of social audit forums and retention of Sampoorna Grameen Rojgar Yojana (SGRY) funds without transferring it to MGNREGS account as per instruction of the Government indicated deficiencies in the implementation of MGNREGS.
- II. **Indira Awaas Yojana (IAY)** – Implementation of IAY was deficient due to irregular selection of beneficiaries, unauthorised extension of IAY assistance to persons not included in PWL / BPL list, allotment of huts to male members instead of female members in the families, shortfall in extension of assistance to SC/ST beneficiaries and depriving beneficiaries of second instalment. Failure to adhere to stipulated conditions resulted in loss of IAY grant from GoI.
- III. **Total Sanitation Campaign (TSC)** – Performance was not satisfactory as under utilisation of fund, diversion of fund, undue benefit to sanitary marts, unsatisfactory performance of marts, payment of incentives directly to marts instead of BPL households, payment of assistance to persons having doubtful BPL IDs, etc. were noticed.

#### Recommendations

- I. **MGNREGS:**
  - Effective steps may be taken to provide 100 days employment to the job seekers and create durable assets under MGNREGS;
  - Timely payment of wages be ensured alongwith payment of appropriate compensation in all cases of delayed payment of wages;
  - Social audits may be got regularly conducted as envisaged in the West Bengal Rural Employment Guarantee Scheme;
  - Steps may be taken to ensure transfer of unspent balance of SGRY funds to MGNREGS account by all PRIs.



**II. IAY:**

- IAY beneficiaries may be selected in strict adherence to the guidelines and Government orders issued from time to time in this regard so that intended beneficiaries get timely assistance;
- Measures may be taken to ensure that 60 *per cent* of the total IAY fund as stipulated are utilized for construction/upgradation of dwelling units for SC/ST BPL households;
- Utilization of IAY funds may be monitored in order to avoid loss of grant from GoI.

**III. TSC:**

- Proper financial management may be ensured to avoid under utilization and diversion of funds;
- Adjustment of advances given and timely completion of the allotted work by the sanitary marts may be ensured;
- Verification of beneficiaries may be carried out to ensure extension of benefit to the intended persons.