

CHAPTER – II

Implementation of Sampurna Gramin Rojgar Yojna (S.G.R.Y) In the State of Bihar by PRIs

2.1 The Government of India undertook a plan for food security and employment opportunity for improving the economic condition of the habitnats of villages and it was named Sampurana Gramin Rojgar Yojna. In September 2001 the said Yojna came into existence by merging Sunishchit Rojgar and Gram Samridhi Yojna. Main features of the scheme are:

- (a) to provide additional labour employment in rural areas.
- (b) to provide food security
- (c) to improve nutritional level and
- (d) to develop the infrastructure

The SGRY was started from September 2001. Initially there were two streams which were merged and made one from 2004-05 with above indicated aims. The scheme is centrally sponsored and the ratio of centre and state assistance is to the tune of 75:25 in respect of cash components and the food grain is to be provided wholly by the Central Government free of cost. All ZPs, PS and GPs are to prepare annual action plan prior to the beginning of financial year and approve this by the end of february. Any work can not be undertaken unless it becomes part of the annual action plan.

2.2 Annual action plan (AAP) not prepared

It was mandatory under S.G.R.Y. Scheme that each Gram Panchayat, Panchayat Samiti and Zila Parishad shall independently prepare and approve an Annual Action Plan (AAP) before the beginning of the financial year. No work can be taken up unless it forms part of the Annual Action Plan.

It was seen that neither any Gram Panchayat nor any Panchayat Samiti prepared and approved such an Annual Action Plan for the years 2002-05 for taking up works under the scheme. Only Zila Parishads prepared the Annual Action Plan for the years 2002-05 for taking up the works under the scheme. On test check by audit in 69 Panchayat Samitis and 200 Gram Panchayats it was found that total amount of Rs. 46.21 crore and Rs. 5.30 crore was spent by the Panchayat Samitis and Gram Panchayats respectively, for the works taken up without A.A.P. in violation of the scheme guidelines. (Appendix- II and III)

In absence of Annual Action Plan it could not be ascertained whether the works were undertaken on priority basis as per requirement of the area and there was no overlapping of schemes.

2.3 In adequate employment opportunities to women

In order to ensure special safeguards for women, it was enjoined in the scheme that at least 30 percent of employment opportunities should be provided to women. It was observed in audit of the units conducted that no employment was provided to the women. However from the Annual Report of the State Government it appeared that the percentage of employment opportunities provided to women ranged from zero to 11.79 percent only which was in violation of the guidelines of the scheme (Appendix- X).

2.4 Irregularities in implementation of S.G.R.Y. Schemes.

S.G.R.Y. guidelines requires that each Zila Parishad, Panchayat Samiti and Gram Panchayat should maintain complete inventory of assets created under the scheme giving details of the date of commencement and completion of the work, cost involved, benefits obtained, employment generated etc. Signboards were to be displayed near the work site giving full details. Photographic records of the works were also to be kept of the various stages of implementation.

It was observed in audit that assets register and employment register were not maintained, completion certificates were not furnished and work orders were not issued. Muster rolls sheets were certified by the Junior Engineers themselves who were the executing agents and the rolls were not certified by any elected member of the PRIs in whose area the works were executed. In the absence of above records the justification of works executed and position of employment generated among the persons listed in Below Poverty Line could not be ascertained in audit.

2.5 Diversion of funds earmarked for SC/ST beneficiaries

According to Para 1.5 of the S.G.R.Y. guidelines 22.5 per cent of the fund received for execution of S.G.R.Y. schemes are required to be spent on works for the benefit of the SC/ST community. It was noticed that out of grant of Rs. 33.16 crore received by 5 Zila Parishads during the years 2002-05 only Rs. 1.59 crore was utilised for the purpose by 5 Zila Parishads, whereas the share for the said purpose came to Rs. 7.46 crore. Thus the sum of Rs. 5.87 crore meant for execution of works for personal benefit of SC/ST Community was diverted towards the execution of general scheme which resulted in violation of the provisions of the guidelines and defeating the very purpose of scheme (Appendix - XI).

2.6 Incorrect position of employment generation

As per guidelines of SGRY five kilograms of food grains were to be distributed per labourer for each mandays. Annual report of the Gramin Vikash Bibhag, Government of Bihar revealed that employment of 2.82 crore mandays was generated by 8 Z.Ps during 2002-05.

It was observed in audit that 1.43 lakh MT of foodgrain was required for employment of 2.82 crore mandays. Against required quantity of foodgrain 1.02 lakh MT only was allotted by the Government. Out of allotted quantity the Zila Parishads lifted 43272 MT only and 31,146 MT only was distributed to the labourers. As per norms employment of 62.29 lakh mandays could alone be generated from the quantity of food grain shown as distributed. Thus either the distribution of foodgrain to the laborures was made at lesser

rate defeating the norms prescribed by the Government or report of the Government showing employment generation of 2.82 crore mandays is not correct.

2.7 Unfruitful Expenditure

Due to defective planning and non-monitoring of the schemes under SGRY taken up by three ZPs 140 schemes were abandoned in midway. Thus, expenditure of Rs. 1.28 crore spent over those schemes was rendered unfruitful.

Details of the case are given below:-

- (i) It was observed that 105 SGRY schemes having estimated value of Rs. 5.71 crore were undertaken by the Kishanganj Z.P. during 2003-04. Out of the above schemes 12 schemes having estimated value of Rs. 1.15 crore were abandoned after incurring expenditure of Rs. 33 lakh. On audit query, the Deputy Development Commissioner cum Chief Executive Officer, Z.P. Kishanganj replied (February 2006) that the works were closed incomplete due to paucity of funds. In this connection it is clear from the SGRY guidelines that the schemes were to be undertaken at the rate of 125 percent of the funds available during previous year. The available balance of previous year was Rs. 1.17 crore. Accordingly schemes worth Rs. 1.46 crore should alone be undertaken for execution but 105 numbers of schemes valued at Rs. 5.71 crore were undertaken. Total receipts during 2002-05 was Rs. 3.26 crore only. Thus the decision of the Z.P. to undertake schemes for Rs. 5.71 crore was not appropriate as this led to abandonment of 12 numbers of schemes incurring infructuous expenditure of Rs. 33 lakh (Appendix - XII). The stated objectives were also not met.
- (ii) Aurangabad Z.P released Rs. 91 lakh to the Executive Engineer, Minor Irrigation Division, Aurangabad, during April and May 2002 for execution of 132 schemes with estimated cost of Rs.
- (iii) In Madhepura Z.P. five development schemes on black topping of roads were taken up without ensuring availability of bitumen. For want of bitumen above works were abandoned midway after incurring expenditure of Rs. 17.38 lakh (Appendix XIII).

Thus, expenditure of Rs. 17.38 lakh proved fruitless.

Table: - Details of unfruitful expenditure due to abandonment of works

Rs. in lakh

Kishanganj	33.00
Aurangabad	78.00
Madhepura	17.38
Total	128.38

i.e 1.28 crore

2.8 Avoidable excess payment on labourers

During test check of 11 schemes in two ZPs it was noticed that engagement of labourers was shown in excess of requirement. This resulted in excess payment of Rs. 3.61 lakh, (Appendix XIV) which was rendered possible due to non-exercise of thorough checks by supervisory technical officers.

2.9 Doubtful Muster Rolls

During test check of muster rolls (44 numbers) of 10 schemes in Munger Z.P. it was noticed that names of same labourers were shown during the same period in two muster rolls of two different works which resulted in double payment of Rs. 4.70 lakh, (Appendix XV).

Thus, genuineness of preparation of musters rolls, execution of works and number of labourers shown engaged was not free of doubt indicating lack of effective supervision by required authorities.

2.10 Sanitary latrines and Smokeless Chullahs not constructed.

According to the provisions of the S.G.R.Y guidelines sanitary latrines and smokeless chullahs are to be constructed along with the construction or upgradation of dwellings. But in audit it was observed that neither the sanitary latrine nor the smokeless chullah was constructed which resulted in non-observance of the objectives of the S.G.R.Y scheme. Reasons for non-construction of sanitary latrines and smokeless chullahs were not explained. The State Government also took no action for execution of the scheme as per guidelines as the State Government was required to monitor through constitution of vigilance committees at various level which was not done.

2.11 Wages to material ratio not maintained under S.G.R.Y.

According to the guidelines of SGRY all works should be labour intensive and wage to material ratio should be 60:40. In test check of 16 cases in one ZP and five PS it was noticed that these PRIs did not maintain such ratio in execution of works. Wages to Materials ratio in above cases varied from 20:80 to 54:46 (Appendix XVI). This resulted in less generation of employment opportunities and non-observance of guidelines for which ZPs and PS authorities were responsible.

2.12 Failure to lift food grains for distribution from PDS

As per provisions contained in para 2.2 of the guidelines of SGRY, 5Kg of food grains is to be distributed to labourers for each manday and for this purpose the DRDA, received allotment from the State Government and it subsequently allotted food grains to Z.P.

Z.P lifted food grains through P.D.S dealers and issued permits to executing agents to lift the required quantity from the dealers and to consume it in approved schemes.

Detailed account of food grains showing quantity lifted through P.D.S dealers, quantity issued to executing agents through permit and quantity consumed in various schemes was

not maintained by Z.P.

On the basis of list of food grains received by ZP (as per list furnished in case of 4 ZPs only) and on scrutiny of scheme register of SGRY it was noticed that against receipt of 1.34 lakh quintals of food grains during 2002-05, 0.83 lakh quintals only were issued to executing agents or consumed in various schemes (Appendix XVII).

Thus, 0.51 lakh quintals of foodgrains valuing Rs. 3.19 crore (subsidised rate) remained with P.D.S. dealers for which no account was rendered by ZP. Hence, chances of misuse/misappropriation of Rs.3.19 crore cannot be ruled out.

2.13 Misreporting by the Panchayat Raj Institutions to the Government.

The Government prepared a report on the basis of the information/reports/returns received from the ZPs responsible for the implementation of works. A comparison of number of S.G.R.Y works completed as noticed during audit along with the report of the State Government revealed that there was misreporting by the Zila Parishads to the Government regarding number of completed SGRY works.

Sl. No.	Name of the Zila Parishad	No. of SGRY work found complete during audit	No. of works shown complete in the Annual Report of the Government	Difference	Percentage of misreporting
1	Aurangabad	810	1022	(+) 212	(-) 26.17
2	Banka	115	452	(+) 337	(+) 293.04
3	Madhepura	869	216	(-) 653	(-) 75.14
4	Mungar	279	260	(-) 19	(-) 6.81
5	Sheoher	Nil	59	(+) 59	(+) 100.00
6	Kishanganj	79	72	(-) 7	(-) 8.86
7	Araria	357	30	(-)327	(-) 91.60
8	Nawada	131	481	(+) 350	(+) 267.17