

Chapter 6: Economic Services

6.1 Employment Generation

The GOI and the State Government have initiated numerous measures to make a dent on poverty, unemployment and the slow pace of progress in rural economy. In addition, provision of food security, especially to the poor and vulnerable sections of the society, has been envisioned as one of the important components of an inclusive growth of the economy. One of the most important schemes sponsored by the Central Government for providing employment in the rural areas as a means of poverty alleviation was Sampoorna Grameen Rozgar Yojana (SGRY). The programme was to be closed on 31 March 2008 in pursuance of introduction of another rural employment guarantee oriented scheme throughout the country viz. NREGP¹⁸ under an Act of Parliament, which in phases covered all the districts of the country w.e.f. April 2008.

(a) Sampoorna Grameen Rozgar Yojana (SGRY)

i) Introduction

The objectives of the scheme were to provide additional wage employment partly in cash and partly through food-grains to the rural poor who were in need and willing to do manual and unskilled work in and around their village, and to create durable community, social and economic assets and infrastructure in rural areas. Towards this end, the GPs were to submit work proposals through the BDOs to the DRDA, based on a comprehensive *shelf of works* to be approved and included in the Annual Action Plan at the beginning of the year as well as in a Perspective Plan. The district had not prepared any Perspective Plan and only two out of four selected blocks had prepared Annual Action Plan. Consequently, works were proposed on a perceived need basis, rather than in a planned and coordinated manner, resulting in overlaps in execution of works and underutilization of available funds. Also, there was no database at the district/DRDA level, detailing the developmental works undertaken and assets created in various Blocks and GPs.

ii) Planning

SGRY guidelines require preparation of independent Annual Action Plan by each Zilla Parishad/ DRDA, Intermediate Level and Village Panchayat and its approval before commencement of each financial year, and without forming a part of this Action Plan no work can be taken up. Further, the guidelines require priority to be given to completion of incomplete works, if any, of the previous year over new works, and no work shall also be taken up which cannot be completed in one year or at the most, within two financial years. It was further envisaged in the guidelines that diversion from one work to another and from one Gaon Panchayat (GP) to another would not be permitted.

It was noticed that neither the DRDA nor any Village Panchayat under the West Tripura District prepared such Annual Action Plan. Out of 4 sampled Blocks, the BDOs of two Blocks viz. Teliamura and Bishalgarh did not prepare any Action Plan. Non-preparation

¹⁸ National Rural Employment Guarantee Programme

of Annual Action Plans at various stages deprived the planning process of effective Community participation and failure to follow such Plans resulted in discretionary action including violation of SGRY guidelines during implementation of the projects as elucidated in succeeding paragraphs.

iii) Receipt and Expenditure for SGRY

The SGRY was funded on 75:25 basis by the GOI and the State Government. The year-wise position relating to the funds received by DRDA, West Tripura and utilisation thereagainst during 2004-09 is given in Table No. 11.

Table No. 11

(Rupees in crore)

Year	Previous Balance (OB)	Total funds placed with				Total i/c OB	Expenditure	Balance (CB)
		Block Level	GP Level	Other Departments	Total			
2004-05	7.86	8.68	8.83	2.16	19.67	27.53	18.33	9.20
2005-06	9.20	8.17	8.53	2.86	19.56	28.76	28.76	Nil
2006-07	Nil	8.94	8.82	1.34	19.10	19.10	14.82	4.28
2007-08	4.28	3.49	1.97	0.31	5.77	10.05	5.58	4.47
2008-09	4.47	Nil	Nil	0.01	0.01	4.48	2.38	2.10
Total		29.28	28.15	6.68	64.11		69.87	

Source: Information furnished by PD, DRDA (W).

From above it is seen that Rs. 2.10 crore remained unutilised even beyond March 2009 although the scheme was supposed to be closed on 31 March 2008. This was mainly due to non adherence to the guidelines which prohibit works being taken up with a completion period of more than one year. The works taken up were mainly for construction of Panchayat Ghar, Community hall, Brick soling road, Bridge etc. In the absence of specific target and adequate planning for achieving the same and due to failure in utilising the funds in time, the implementation of the scheme was far from satisfactory.

iv) Funds flow to selected Blocks

It was noticed in audit that the entire funds received in the selected blocks were reported to be expended in the year of the receipt. However, audit scrutiny revealed that funds were shown as expenditure on mere placement of funds/advances to the implementing officers (IOs) even though the funds were lying unspent with the IOs at the end of each year. Audit scrutiny revealed that the unspent funds lying with the IOs at the end of March 2007 and March 2008 was Rs.130.34 lakh in four blocks and Rs. 31.23 lakh in two blocks respectively.

v) Employment generation under SGRY

The details of employment generated under this scheme during 2004-07 as reported by the DM&C to the GOI are shown in Table No. 12.

Table No. 12

Year	Mandays for SC/ST (Rs.in lakh)	Mandays for others (Rs.in lakh)	Total mandays generated (Rs.in lakh)	Mandays for women (Rs.in lakh)	Value/quantity of rice utilized for wage	Nos of works involved
2004-05	24.83	16.56	41.39	12.42	Rs.8.71 crore	5915
2005-06	36.68	36.74	73.42	22.00	11947 MT	9177
2006-07	23.58	15.75	39.33	11.81	7336 MT	5543
Total	85.09	69.05	154.14	46.23	-----	20635

Source: Figures furnished by the DM&C (W)

Despite instructions of the GOI, MoRD to discontinue SGRY on 31 March 2008, expenditure on the scheme continued. The consolidated figures of mandays generated, foodgrains utilized, number of works involved etc. could not be made available to audit for the period after 2006-07.

vi) Fund management

An amount of Rs. 24 lakh was invested by the BDO, Bishalgarh Block on several occasions in short term Fixed Deposits at Tripura Gramin Bank, between March 2007 and September 2007. Interest earned was segregated from the SGRY funds and exhibited as 'Interest on SB A/c' from which expenditure not related to the scheme was being incurred after obtaining permission from the District Magistrate. Cases were also noticed where SGRY funds were first diverted to Swarnajayanti Grameen Swarozgar Yojana (SGSY) and then invested in Fixed Deposits (two sums each amounting Rs. 2.50 lakh).

The deposits/ withdrawal traceable in the SGRY Bank Pass Book of the respective GPs were not found to be credited/ debited in the Cash Books concerned as shown in Table No. 13.

Table No. 13

Sl. No.	Name of the GP/ VC	Name of the Block	Amount and date of credit in the bank a/c	Amount and date of debit in the bank a/c	Remarks
1)	Paschim Howaibari GP	Teliamura	Rs. 11664/- (28-07-04)	--	Not traceable in the Cash Book
2)	Paschim Teliamura GP	Teliamura	---	Rs. 99200/- (05-10-08)	-Do-
3)	Bishramganj GP	Bishalgarh	Rs. 15566/- (01-12-2005)	--	-Do-

Source: Cash Book and Pass Book of the GPs concerned

vii) Outstanding advances

In three selected blocks¹⁹, test-check of Advance Registers revealed that Rs. 22.73 lakh remained unadjusted (January 2010) against advances paid to 29 Implementing Officers (IOs) for 61 works during the period from March 2006 to January 2008 (**Appendix III**). In view of the discontinuation of the scheme in the West Tripura District on 31 March 2008 following introduction of NREGP, non-adjustment of advances for more than one and a half year was subject to risk of misappropriation.

¹⁹ Teliamura Block, Melaghar Block and Mohanpur Block

Reasons for the advances remaining unadjusted for more than one and a half year, though called for, had not been received. Further recovery position was also awaited (January 2010).

viii) Prohibited Works

While SGRY guidelines prohibited certain categories of works, three of the four selected BDOs had taken up 14 such works (**Appendix IV**) involving Rs. 73.78 lakh. Reasons for selecting the works not permissible under SGRY guidelines, though called for, had not been received (January 2010).

ix) Expenditure on transportation of foodgrains

While Para 2.7 of the SGRY Guidelines envisages that the transportation cost and other handling charges for SGRY foodgrains will be borne by the State Government from its own resources, the DM&C (W) had sanctioned from both Central and State share of SGRY funds, Rs.1.17 crore towards transportation cost of foodgrains from provisions for payment of SGRY wages (Rs. 17.85 lakh in 2004-05 in favour of the Director, Food, Civil Supplies & Consumer Affairs; Rs. 80.99 lakh in 2005-06 and Rs. 18.34 lakh in 2006-07 in favour of 16 BDOs).

Further, the expenditure during 2005-06 included Rs. 29.87 lakh paid from the Central share for 11947 MT of rice @ Rs. 250/- per MT, whereas the balance amount of Rs. 51.12 lakh was paid from the State share for 10023 MT of rice @ Rs. 510/- per MT. By allowing higher rate of transportation cost in the same year for no recorded reasons, the State was burdened with extra share of Rs. 34.41 lakh. Reasons for incurring inadmissible and extra expenditure, though called for, had not been received (January 2010).

x) Works with higher material cost

SGRY guidelines provide that works taken up should be labour intensive. Works requiring larger component of materials like cement, steel etc should not be sanctioned unless the cost on material component is provided from funds of other sectoral programmes.

While implementing the scheme during 2004-07, four BDOs violated the above stated provision of the guidelines in 50 out of the total 161 GPs / ADC villages under these four Blocks as shown in Table No. 14.

Table No. 14

(Rupees in lakh)

Sl. No	Name of the Block (with the No. of GPs involved)	Year of issuing Work Orders	Total number of works involved	Total estimated cost	Total material cost	Variation of percentage of material cost over total cost
1.	Mohanpur (23)	2004-05	8	15.56	13.08	74-88
		2005-06	19	25.70	21.44	65-90
		2006-07	21	44.31	37.87	64-94
2.	Teliamura (5)	2004-05	5	7.62	6.64	85-89
		2005-06	3	8.13	6.96	84-88
3.	Bishalgarh (12)	2004-05	6	17.35	14.95	80-90
		2005-06	4	11.87	10.61	87-90
		2006-07	5	12.86	11.09	84-88
4.	Melaghar (10)	2004-05	7	20.73	17.57	81-89
		2005-06	1	2.24	2.00	90
		2006-07	5	13.82	11.71	73-91
Total	50 GPs in four Blocks	2004-07	84	180.19	153.92	64-94

Source: Compiled from Work Order Register, Assets / Project Register of the concerned Block for SGRY.

In 84 Nos. of the above cases, the total cost of the work comprised 64 per cent to 94 per cent cost on materials (the weighted average being more than 85 per cent), which undermined the purpose of the scheme to generate additional wage employment. Besides, the Purba Gandhigram GP (Mohanpur) and the Kamalasagar GP (Bishalgarh) spent Rs. 0.75 lakh and Rs. 0.12 lakh on Electric Poles and Lamp Post through TSECL²⁰, and purchase of 46 Drinking Water Taps respectively which totally violated the spirit and norms of SGRY guidelines as no employment was generated.

On this being pointed out by Audit, the BDO, Bishalgarh asked (January 2010) the PS concerned to refund the amount of Rs. 0.12 lakh through TR5. Response from the BDO, Mohanpur was awaited (February 2010).

Reasons for selecting works with larger components of materials or without any wage at all, though called for, had not been received (January 2010).

xi) 100 per cent wage through rice

While allowing wages under SGRY to be paid partly in foodgrains and partly in cash, SGRY guidelines prescribed that a minimum of 25 per cent of the wages were to be paid in cash. The BDO Mohanpur Block implemented 12 works (out of 214 under this Block during the year 2004-05), for a total Estimated Cost of Rs. 5.98 lakh by providing only rice and without paying any cash wages to the skilled and unskilled workers (Appendix V).

xii) Diversion of Funds to other programmes

SGRY guidelines provides for dovetailing of funds from other programmes for the works permissible under SGRY with the funds of the latter but not vice versa. It was also stated therein that SGRY funds should not be used as a substitute for departmental Plan funds of different departments and agencies.


²⁰ Tripura State Electricity Corporation Ltd.



The BDO, Mohanpur during the period 2004-05 to 2006-07 had taken up from SGRY at least 9 works, for a total Estimated Cost of Rs. 13.37 lakh, of such nature which fall within the specific scope of other Departmental programmes (**Appendix VI**).


xiii) Audit Findings in the selected GPs/ VCs

Test-check of records in 34 sampled GPs/VCs of the four selected Blocks revealed various categories of irregularities in implementation of the projects taken up under SGRY. A few of such cases with brief particulars of the work/ name of the GP/VC and the Block involved are discussed below.


(1) Doubtful implementation under SGRY




a) Purba Gandhigram GP	
Name of the constructional work : Community Hall	Specific findings: The exact construction site could not be shown to audit. Completed construction was available at one site (near Panchayat Office) but funded from SGSY as per display board on the wall and the work order placed for the work. Constructions shown at other two sites were incomplete. Hence, the implementation of the work seems doubtful.
Name of the GP/VC & the Block : Purba Gandhigram, under Mohanpur Block	
Estimated cost and Reported expenditure: 5.36 lakh	
Date of Work Order: 29-11-2005	
Proposed site: Not specified	
Progress of Work: Reported to be completed	
Site at which such construction was shown: 3 unconfirmed sites	
	
Community Hall at Purba Gandhigram Gaon Panchayat	
b) Kamalasagar GP	
Name of the constructional work : Public Library and Reading Room	Specific findings: The construction shown was funded from another CSS viz. BADP as per the Annual Report of Kamalasagar
Name of the GP/VC & the Block : Kamalasagar GP, Under Bishalgarh Block	
Estimated cost and Reported expenditure: 2.76 lakh	
Date of Work Order: March 2006	
Proposed site: Not specified	
Progress of Work: Reported to be completed	
Site at which such construction was shown: Opposite to the Panchayat Office.	

 <p>A photograph of a two-story pink building with a sign that reads 'LIBRARY KAMALASAGAR GRAM PANCHAYAT BISHALGARH BLOCK'. A smaller sign in front says 'DEVIPUR HIGH SCHOOL'. There are some trees and a utility pole in the background.</p>	<p>GP for the year 2006-07. Hence, implementation of the work under SGRY is doubtful.</p>
<p>c) Madhupur GP</p>	
<p>Name of the constructional work : Market Stalls, Public Bathroom and Toilet</p> <p>Name of the GP/VC & the Block : Madhupur GP, under Bishalgarh Block</p> <p>Estimated cost and Reported expenditure: 3.01 lakh</p> <p>Date of Work Order: March 2006 & January 2007.</p> <p>Proposed site: Madhupur Bazar</p> <p>Progress of Work: Reported to be completed</p> <p>Site at which such construction was shown: As above.</p>	<p>Specific findings: Market stall was not found during physical verification. Public bathroom and toilet was funded from another CSS viz. BADP as per the display board on the wall. Hence, implementation of the work under SGRY is doubtful.</p>
 <p>A photograph of a white building at night. A sign on the wall reads 'পাবনা সড়কভাঙ্গার প্রাচীর' and another sign below it says 'সমুদ্রসড়ক কার্ফ ৩.৩১ ২০০৬.০০ / বিদ্যাসাগর ডাঙা, কামালপুর, ৭৪০০-২০০৭ হাট'.</p>	
<p>d) Devipur GP</p>	
<p>Name of the constructional work: Brick Soling Road from Kanania Bazaar to Border road. (Gr. I & II)</p> <p>Name of the GP/VC & the Block : Devipur GP under Bishalgarh Block</p> <p>Estimated cost and Reported expenditure: Rs.3.25 lakh each</p> <p>Date of Work Order: October 2005</p> <p>Proposed site: Via Haran Sutradhar House</p> <p>Progress of Work: Reported to be completed</p> <p>Site at which h such construction was shown: As above</p>	<p>Specific findings: Supply orders for bricks for both the groups were issued in November 2005 under another CSS viz. BADP, each for Rs. 2.81 lakh which was the estimated material cost</p>

	<p>for each of the SGRY works. Thus, there was overlapping of expenditure of at least Rs.5.62 lakh.</p>
<p>Brick Soling Road from Kanania Bazaar to Border road. (Gr. I & II)</p>	
<p>e) Konaban GP and Lalsingmura GP</p>	
<p>Name of the constructional work: Sinking of Mini Deep Tube Well (2 Nos.)</p>	<p>Specific findings:</p>
<p>Name of the GP/VC & the Block : Konaban GP and Lalsingmura GP under Bishalgarh Block</p>	<p>Sites of the Mini Deep Tube Wells were not traceable, giving rise to doubt about genuineness of the utilization of the funds.</p>
<p>Estimated cost : Rs. 69,121.00 each</p>	
<p>Date of Work Order: September 2006</p>	
<p>Proposed site: To be selected by the GP concerned</p>	
<p>Progress of Work: Reported to be completed</p>	
<p>Site at which such construction was shown:</p>	
<p>For Konaban GP, no record on selection of the site was available; hence could not be visited.</p>	
<p>For Lalsingmura GP, one such record was made available. However, Work Order No. and date therein did not tally with the BDO's Work Order; hence could not be visited.</p>	

(2) Incomplete works for a long period

<p>a) Maiganga GP</p>	
<p>Name of the constructional work : Community Hall</p>	<p>Specific findings:</p>
<p>Name of the GP/VC & the Block : Maiganga GP under Teliamura Block</p>	<p>Work not started for one year resulting in cost escalation of Rs. 10.45 lakh. Fresh Work Order issued in November 2007 and balance funds sought in January 2008 but not sanctioned till December 2009. Meanwhile, the Implementing Officer was advanced Rs. 2.50 lakh from another CSS viz. BADP. The work was still incomplete (January 2010).</p>
<p>Estimated cost : Rs. 7.15 lakh</p>	
<p>Date of Work Order: November 2006.</p>	
<p>Proposed site: Near Maiganga Bazar Railway Over Bridge</p>	
<p>Site at which such construction was shown: As above.</p>	
	
<p>Incomplete construction of Community Hall near Maiganga Bazar Railway Over Bridge for last 3 years</p>	

b) Paschim Teliamura GP	
Name of the GP/VC & the Block : Paschim Teliamura GP under Teliamura Block, diverted to Paschim Howaibari GP under the same Block	
Estimated cost : Rs. 4.03 lakh (Sanctioned amount; Estimate not prepared)	
Date of Work Order: Not issued; but after diversion to Paschim Howaibari GP, issued in January 2008	
Proposed site: Karkaricherra (Later diverted near Howaibari SB School)	
Site at which such construction was shown: Both the sites as aforesaid	
	
Construction of steel bridge at Karkaricherra of Pashchim Teliamura GP, not yet started	Construction of steel bridge near Howaibari SB School of Pashchim Howaibari GP, not yet started
Specific findings: Work Order for the first site not issued for 15 months. Work Order issued only in January 2008 after diversion to another GP (Paschim Howaibari) reportedly due to non-feasibility of execution in the original work site but additional funds of Rs. 7.02 lakh sought for the first site in June 2008. For the new site too, Rs. 3.75 lakh was deposited to RD Stores for supply of materials in April 2009. The work did not start at any of the two sites till January 2010.	
c) Chandigarh GP	
Name of the constructional work : Swimming Pool	
Name of the GP/VC & the Block : Chandigarh GP under Melaghar Block	
Estimated cost : Rs. 18.16 lakh + Rs. 1.86 lakh	
Date of Work Order: June 2006 and March 2007	
Proposed site: Adjacent to Melaghar Block Headquarters	
Site at which such construction was shown: Sites as aforesaid	
	
Incomplete construction of Swimming Pool at Chandigarh GP for more than 3 years	
Specific findings: The work in two spell was due for completion by September 2006 and April 2007. In March 2008, Rs. 4.33 lakh was advanced to Suptd. of Agriculture, Sonamura for beautification of the Pool from another CSS viz. BADP, and also another estimate for Rs. 31.79 lakh was prepared from BADP. The size of the work was thus too big to be managed solely under SGRY and was still incomplete (January 2010).	

(3) Unguarded Box Culvert

A Box Culvert with retaining wall was constructed by the BDO Mohanpur at 22 Card area under Ishanpur GP at a reported cost of Rs. 2.92 lakh (Materials : Rs.2.54 lakh and Wage: Rs.0.37 lakh) against receipt of Rs.3.00 lakh from PTZP for the purpose. Date of completion was shown as 04-08-2007. Cross check with the Budget Control Register of BDO Mohanpur for SGRY (2006-07) however, revealed that an amount of Rs.0.70 lakh only was spent on materials and rupees 0.50 lakh on wages for the said work. The remaining amount (Rs.1.80 lakh) was deposited by two challans in favour of Director of Food & Civil Supply Account being the cost of Transportation Commission/Dealers Commission against 246.71 MT rice. Thus, it is evident that the amount instead of being spent on the work for which funds were sanctioned was diverted for other purposes. This was also corroborated by physical verification of the site by Audit along with officials from the Ishanpur GP which revealed that the culvert was constructed with protection wall at only one side that too of very low height. The other side was totally unguarded. Some villagers also reported that cattle often fell down in the “cherra”²¹ due to absence of side protection.



Unguarded Box Culvert at Ishanpur GP causing frequent falling down of cattle.

xiv) Expenditure from balance SGRY funds beyond the prescribed scheme period

Although the scheme SGRY was to be closed in the District on 31 March 2008 consequent on introduction of NREGP, expenditure under SGRY continued to be incurred in the GPs/ VCs of all the four selected Blocks even upto 2009-10 in certain cases. At the closing stages, four²² of the 10 selected GPs under Melaghar Block allowed repair/maintenance works without creating any community assets.

Advances amounting to Rs. 0.45 lakh and Rs. 0.14 lakh were drawn by Bangshibari GP under Bishalgarh Block in April, 2008 without recording the names of the works in the Cash Book, and also shown to be adjusted without quoting Voucher Nos. etc. Another advance of Rs. 0.54 lakh was drawn and adjusted on two works without quoting any

²¹ Rivulet is locally known as “cherra”

²² Anandapur ADC, Purba Melaghar, Pschim Nalchar and Chandigarh.

Voucher No. and not showing the respective amount spent for each work. In these cases, neither any decision of the Gaon Sabha nor any Work Order was available on record. This expenditure was therefore, suspected to be fraudulent. On this being pointed out by Audit, the BDO, Bishalgarh asked (January 2010) the PS concerned to refund the said amounts through TR5. Further development was awaited (February 2010).

xv) Unapproved/unauthorised Expenditure

In Maiganga GP under Teliamura Block, expenditure on two works of (i) Re-excavation of Irrigation Katcha Channel for Rs. 0.32 lakh and (ii) Re-construction of Katcha Road for Rs. 0.07 lakh were incurred by the Panchayat Secretary (vide Voucher No. 38 and 39 dt. 28-07-07) without approval of the Gaon Sabha, which was in violation of the spirit and norms of the Panchayat Raj Institutions.

The Gaon Sabha of Lembucherra Gaon Panchayat in its meeting dated 10 September, 2007 decided to take up ten works viz. eight katcha roads and two brick soling roads at Rs. 0.75 lakh to be implemented by the then Panchayat Secretary (P/S). Subsequently, the Gaon Sabha in its meeting dated 6 October, 2007 decided to keep the above works in abeyance in pursuance of commencement of NREGS works in the Wards concerned. However, on 23 November, 2007 the entire amount was withdrawn from the bank account and advanced to the Panchayat Secretary for the said works. The adjustments were recorded to have been submitted and cleared between January and April, 2008, although the vouchers could not be shown to Audit. Thus, the expenditure was not duly authorized and violated the spirit and norms of the Panchayat Raj Institutions.

xvi) Part-production of records

Some records were not made available to Audit during test-check of SGRY related to expenditure in the 34 sampled GPs/VCs as shown in Table No. 15.

Table No. 15

Sl. No.	Name of the GP/ VC	Name of the Block concerned	Kind (s) of the records not made available to Audit	Remarks
1)	Bagabasa GP	Melaghar	(i) Cash Book pertaining to the period from January, 2006 to March, 2009, (ii) The related vouchers under SGRY, and (iii) The Minutes of the resolution of the Gaon Sabha	Audit could not exercise due check on six number of withdrawals from the SGRY Bank A/C No. 4712 at Tripura Gramin Bank, Nalchar Branch pertaining to the period from 28 August, 2006 to 11 October, 2007 amounting Rs. 2.19 lakh in total.
2	Madhupur GP	Bishalgarh	Cash Book for the period from 8 October, 2005 to 1 January, 2006	The transactions pertaining to the said period could not be verified in audit, including the closing balance.
3	Uttar Pulinpur VC	Teliamura	SGRY Bank Pass Book	Non reflection of Rs.4834/- and Rs. 47,377/- (placed with the VC direct by the PD, DRDA, West Tripura on 21 May, 2005 and 13 March, 2007 respectively), in the Cash Book remained otherwise unverified, including the SGRY balance which ought to be in hand physically.

xvii) Transition from SGRY to NREGA

As per GOI, MoRD's Press Release on 19 March 2008 containing instructions to ensure smooth transition from SGRY to NREGA, the SGRY works were to be completed by the close of the financial year 2007-08 and the SGRY accounts closed on 31 March 2008. The unspent amount under SGRY was to be transferred to Employment Guarantee Act account. The Press Release further envisaged that no work would be carried out by following SGRY processes after 31 March 2008 and there would be no extension of time under SGRY for completion of these works. Any expenditure incurred from SGRY fund after 31 March 2008 should be on the State account. Full details at the time of the closure of the project should be brought on record and must be sent to the MoRD. A list of incomplete SGRY works as on 31 March 2008 should be displayed at all the levels of the three tier Panchayats. Those incomplete works which were permissible under NREGA could be taken as new projects under NREGA. However, none of these procedural requirements were acted upon even in a single selected Block/GP at the proposed time of the closure of SGRY.

In conclusion, the planning of SGRY works was not proper. The provision of guidelines requiring preparation and approval of Annual Action Plan prior to the financial year was not adhered to resulting in subjective approach in giving priority to works. Prohibited works and works not fulfilling the criteria prescribed in the guidelines etc. were also taken up.

Financial management was poor involving investment of SGRY funds on fixed deposit and keeping the interest accrued thereon out of SGRY funds, unauthorized expenditure on transportation of SGRY foodgrains, huge unspent funds and unadjusted advances lying with implementing officers even after discontinuation of the scheme.

SGRY funds were also diverted to works falling under other departmental programme violating the very spirit behind introducing this employment oriented scheme for the rural poor.

Recommendation

In view of discontinuation of the scheme, time bound action plan for (i) completion of incomplete works (ii) adjustment of advances lying with Implementing Officers and (iii) transfer utilisation of funds lying unspent should be immediately undertaken. Besides, reasons for instances of violation of financial and scheme guidelines and also cases of doubtful implementation of works should be investigated and appropriate accountability fixed.

**(b) National Rural Employment Guarantee Programme (NREGP)
(renamed MGNREGP)**

i) Introduction

To enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment on demand, the National Rural Employment Guarantee Act, 2005 (NREGA) was enacted by Parliament for implementation in all the districts of the country in a phased manner. The Act came into force in the West Tripura District in Phase III of its implementation in the State in the year 2007-08. The State Rural Employment Guarantee Programme (SREGP) formulated under the said Act was to be implemented as a CSS on a cost sharing basis between the Centre and the State.

The work guarantee could also serve other objectives viz. generating productive assets, protecting environment, empowering rural women, reducing rural-urban migration and encouraging social equity, etc.

According to the Act, the rural household would have a right to register themselves at Local Gram Panchayats (GPs), and seek employment. Work was to be provided within 15 days from the date of demand, failing which the State Government would have to pay un-employment allowance at the rates prescribed therein.

ii) Financial Position

The total financial assistance provided for the West Tripura District as a whole for implementation of NREGP during 2007-08 and 2008-09 and expenditure incurred thereagainst, along with the placement of funds and expenditure in the 34 sampled GPs of the four selected Blocks are given in Table No. 16.

Table No. 16

(Rupees in crore)

Particulars	Fund position of West Tripura District	Fund position of the sampled GPs/ VCs				Total of 4 selected Blocks
		Teliamura Block	Mohanpur Block	Bishalgarh Block	Melaghar Block	
No. of sampled GP/ VC	--	5 (4+1)	8 (6+2)	11 (8+3)	10 (8+2)	34 (26+8)
Opening Balance for 2007-08	Nil	Nil	Nil	Nil	Nil	Nil
Funds available during 2007-08	95.37	0.89	1.13	1.36	1.04	4.43 (Placed by the DPC/PO)
Total Funds available	95.37	0.89	1.13	1.36	1.04	4.43
Total expenditure during 2007-08	86.12 (Placed with 16 Blocks)	0.77	0.73	1.00	0.75	3.25 (Actual expenditure through implementation)
Balance	9.25	0.12	0.40	0.37	0.29	1.18
Funds available during 2008-09	212.99	1.52	3.34	3.57	2.45	10.88 (Placed by the DPC/ PO)
Total Funds available	222.24	1.64	3.74	3.94	2.74	12.06
Total expenditure during 2008-09	209.33 (Placed with 16 Blocks)	1.62	2.28	3.51	2.08	9.49 (Actual expenditure through implementation)
Balance	12.91	0.02	1.46	0.43	0.66	2.57

Source: Information furnished by the DPC (W), the POs of the selected Blocks and the sampled GPs/ VCs

iii) Planning

The NREGA operational guidelines required preparation of a five year Perspective Plan at District, Block and Gram Panchayat level to facilitate advance planning and provide a development perspective for the district through identification of the types of Rural Employment Guarantee Scheme (REGS) works to be encouraged, with proper link between these works and long term employment generation for a sustained development.

No such Perspective plans were prepared in the District, and hence works were taken up without proper adherence to the general guidelines issued for the purpose and were also devoid of active community participation.

iv) Employment Generation in selected GP/VC

While the primary objective of NREGA was to enhance livelihood security by providing at least 100 days of guaranteed wage employment on demand, test-check of records in 34 GPs/VCs in 4 Blocks of West District revealed that 515503 and 1029920 mandays were generated during 2007-08 and 2008-09 against specific demands, accounting to an average generation of 24.39 and 48.73 mandays per cardholder respectively as against 100 targeted in the scheme as shown in Table No. 17.

Table No. 17

Name of the Block	No. of registered household	Application for registration	Job card issued	Job card applied for work	Job card holder provided employment	Mandays generated		Average mandays generated per job card holder	
						2007-08	2008-09	2007-08	2008-09
Teliamura	4222	4077	4028	3918	3918	112230	177417	28.64	45.28
Mohanpur	6713	6378	6071	5908	5908	129543	255914	21.94	43.34
Bishalghar	7898	6980	6718	5903	5903	157030	373267	26.60	63.29
Melagarh	6577	5852	5835	5402	5402	116700	223322	21.60	41.34
Total	25410	23287	22652	21131	21131	515503	1029920	24.39	48.73

Source: Compilation from the records made available by the sampled GPs/ VCs under the selected Blocks.

Reasons for low generation of mandays in the GPs/VCs test checked, though asked for, were not made available (January 2010).

v) Unauthorised/Non-Permissible expenditure

Schedule I of the NREGA, 2005 prescribed the list of the categories of works, which were permissible under the NREGA fund. It was also mentioned therein that if any State Government found any difficulty and wanted to take up any work other than those mentioned in the above schedule, proposals were to be sent to the Central Government through the State Employment Guarantee Council (SEGC) for necessary notification.

Section 16 (1) of the Act further provided that the GPs would be responsible for identification of the projects to be taken up in the respective GP areas under the NREGA fund as per the recommendation of the Gram Sabhas.

The Melagarh Panchayat Samitis incurred an expenditure of Rs.112.31 lakh from NREGA funds during 2007-08 for excavation of 324 ponds on land owned by private individuals (Appendix VII). The works were neither included in the Work Plan approved by the concerned Gram Sabhas nor permissible under the NREGA 2005.

The Melaghar Panchayat Samitis also incurred an expenditure of Rs. 89.32 lakh from NREGA funds during the year 2008-09, for various construction purposes which were not permissible according to the NREGA guidelines as shown in Table No. 18.

Table No. 18

Sl. No.	Name of the scheme/fund	Amount
1	Construction of additional room of VIP Dak Banglow	Rs. 9,82,045
2	Steel foot bridge	Rs. 7,34,525
3	Construction of Sluice gate	Rs. 5,87,211
4	Construction of 5 room market stall	Rs. 66,28,280
Total		Rs. 89,32,061

Source: Records of the Melaghar Panchayat Samitis

vi) Use of mechanised transportation on earth filling

The Melaghar Panchayat Samitis incurred an expenditure of Rs. 12.56 lakh from NREGA funds towards mechanical transport used for earth filling. The details are shown in Table No. 19.

Table No. 19

Sl. No.	Name and location of Project	Amount
1	Mechanical earth filling of Paschim Nalchar J.B School field under Paschim Nalchar Gram Panchayat	Rs. 4,29,520.00
2	Mechanical earth filling at the field of community hall (Samar Sadan) under Paschim Nalchar Gram Panchayat	Rs. 2,16,500.00
3	Earth filling at Battali Bazar Complex at Chandanmura	Rs. 6,10,250.00
Total		Rs. 12,56,270.00

Source: Records of the Melaghar Panchayat Samitis

While the main objective of the implementation of NREGA was to provide rural employment to the targeted groups, engagement of sophisticated mechanised system incurring expenditure from the programme fund were not in conformity with the programme.

vii) Works taken up with low wage component

According to the operational guidelines for the scheme, the wage component for an NREGA work must not be below 60 *per cent*. However, during 2007-08, a work for construction of 471 shelter houses (IAY Pucca type) in 37 GPs of the PRI area under the Block was taken up (August 2007) by the P.O.(BDO) Bishalgarh at a total cost of Rs. 1.60 crore²³ where a sum of Rs. 0.79 lakh was provided by the DPC (DM & Collector), West Tripura and another sum of Rs. 0.80 lakh by the Executive Engineer RD Division (West), for RD store materials for the said construction. Thus, the wage component of the work was only 16.40 *per cent*²⁴ of the total cost at much below the minimum requirement of 60 *per cent*.

viii) Diversion of NREGA Funds

The NREGA, 2005 and its operational guidelines allowed payment of unemployment allowance in case employment was not provided within fifteen days of receipt of

²³ RD store materials: Rs. 80.25 lakh; Other materials: Rs. 53.23 lakh and Cash wages Rs. 26.19 lakh

²⁴ (26.19x100) / 160=16.40 (approx.)

application seeking the employment. There was, however, no provision for payment of any subsidy.

In contravention of the above provisions, Rs.75.91 lakh of NREGA fund was diverted during 2007-08 through four BDOs as subsidy for construction of 1186 houses under IAY, as shown in Table No. 20.

Table No. 20

(Rupees in lakh)

Sl. No.	Name of I.O	No. of IAY houses	Rate of subsidy per house	Total amount
1	B.D.O. Melaghar	294	@6400/-	18.82
2.	B.D.O Bishalgarh	399	@6400/-	25.54
3.	B.D.O Mohanpur	353	@6400/-	22.59
4.	B.D.O Teliamura	140	@6400/-	08.96
Total		1186		75.91

Source: Records of the Blocks concerned.

ix) Diversion from one component to another

The Programme Officer (BDO), Bishalgarh R.D. block incurred an expenditure of Rs. 81.56 lakh²⁵ for construction of 10 units of Mini Deep Tube Well for the purpose of Drinking water and Irrigation in 37 specified GPs against sanction and receipt (July 2007) of Rs. 65 lakh only from the District Programme Coordinator (DM&C), West Tripura. The excess expenditure of Rs. 16.56 lakh was met by diverting NREGA funds sanctioned for other works viz. Box culvert, Bridges and Fishery, without the approval of the sanctioning authority.

x) Unique Identification number and Work site facilities

The Act and the operational guidelines for NREGA provide, inter alia, that a unique identity number should be given in each Work Order to avoid duplication, and also require that full Work site facilities (medical aid, drinking water, shade, crèche etc.) should be provided to the labourers.

Test check of records of 34 GPs in 4 Blocks of West District revealed that despite requirement under NREGA operational guidelines, no unique identity number was allotted for the Work Order of 136 works, and Work site facilities provided to the labourers were only partial.

xi) Monitoring and Supervision

The scheme guidelines required constitution of a local Vigilance and Monitoring Committee by the Gram Sabha for every work sanctioned under the scheme, with members of the locality (ensuring representation of SC/ST and women) to monitor the progress and quality of work.

Test check of records of 34 GPs/VCs in connection with 128 works revealed that as against requirement of 128 such Committees, 13 Vigilance Committees (Teliamura: 2; Mohanpur: 8; Bishalgarh: 3) and 34 Monitoring Committees, one in each GP/ VC, were constituted. As such, in most cases there were no separate Vigilance Committees for

²⁵ Irrigation: Rs. 50.43 lakh and M.T.DW: Rs. 31.13 lakh

independent verification of the progress and quality of work of at least 81 works (63 per cent) out of 128 test checked.

xii) Supervisory control

To ensure supervisory control, NREGA operational guidelines require preparation of report on 100 per cent verification of works by the Block level officials for being furnished to audit. An Internal Audit Cell was also required to be constituted exclusively for NREGA activities in the district. However, these instructions were not duly adhered to resulting in laxity in supervisory control.

To sum up, Perspective Plans were not prepared due to which works were taken up without proper adherence to the general guidelines issued for the purpose and were also devoid of active Community participation. Also, works not included in the Work Plan approved by the concerned Gram Sabhas or not permissible under the NREGA 2005 were taken up. Expenditure was incurred for mechanical transport used for earth filling against the spirit of NREGA guidelines. In many cases the wage component was much below the minimum requirement of 60 per cent. NREGA fund was diverted as subsidy for construction of IAY houses. Wage employment provided was much below the minimum guaranteed for 100 days on demand.

Recommendation

Preparation of Perspective plan at the District, Block and Gram Panchayat level and formation of Vigilance and Monitoring Committee for works undertaken should be given priority ensuring Community participation in planning, execution and monitoring process More effective and remedial steps may be taken to provide the prescribed minimum mandays to every registered job-card holder during a year and generation of more mandays through timely and proper utilization of funds.

6.2 Road connectivity

Road connectivity is the basic infrastructural prerequisite for economic development through easy transportation of goods, services and latest technological machines and instruments for all out development in every field. In a State like Tripura where National Highway 44 is the only lifeline to provide vital road link with the rest of the country, intra-road connectivity among the rural habitations of any district is critical. Good road connectivity could ensure habitations to be connected with the mainstream and could enhance better success for poverty alleviation and other social and economic welfare programmes of the Government (both at the Centre and the States).

6.2.1 Pradhan Mantri Gram Sadak Yojana (PMGSY)

i) Introduction

With the above concept in view, PMGSY was launched in the country in December 2000 as a 100 *per cent* Centrally Sponsored Scheme (CSS) aimed at providing connectivity, through all-weather road (with necessary culverts and cross-drainage structures, which would be open to operation throughout the year) to the unconnected habitations in the rural areas having 1000 population or more, by 2003 and those having 500 population or more, by the end of the Tenth Plan i.e. by 2007. In respect of the North East States, connectivity to the Habitations having 250 population or more was also made a part of the objectives of the scheme. Subsequently, Bharat Nirman Programme was announced in February 2005, and construction of rural road under PMGSY for habitations having 500 or more was made one of the six components of Bharat Nirman, the latest revised target for completion being fixed at March 2012.

ii) Formation of TRRDA

The State Public Works Department (Roads & Bridges) which was primarily responsible for implementation of PMGSY, formed a registered Cooperative Society in August 2003 viz. Tripura Rural Roads Development Agency (TRRDA) to oversee and monitor the progress of works in the State. Later, two Central Public sector Undertakings viz. NBCC Ltd. & HSC Ltd. had been engaged as Designated Agencies for implementation of PMGSY/Bharat Nirman works in addition to the State PWD.

iii) Entrustment of Implementation through tripartite agreement

As per a tripartite agreement among NBCC Ltd., State PWD and GOI, MoRD, the task of construction/ commission/ up-gradation of Rural Roads in the district of West Tripura was entrusted to the NBCC Ltd. subject to release of funds by GOI through the TRRDA. The responsibilities of NBCC also included carrying out survey, preparation of DPRs, submission of monthly Progress Reports and carrying out Monitoring, Supervision and 1st tier Quality Control as per provisions of PMGSY guidelines. The TRRDA was responsible for 2nd tier Quality Control headed by State Quality Coordinator. The State Government was, however, required to oversee the Programme through a Monitoring and Supervision Committee to be formed under the Chairmanship of the Secretary

(PWD). While there was a State Level Standing Committee (SLSC) under the chairmanship of the Chief Secretary to vet the Core Network²⁶, nothing was available on record in support of constitution/ functioning of the Monitoring and Supervision Committee.

iv) Financial and Physical Progress

The State Government neither distributed its allocation of PMGSY among the Districts despite being so provided in Para 5.1 of the revised guidelines nor did it keep the district-wise accounts of the coverage of Habitations separately. However, the PMGSY projects were sanctioned for the State in different phases viz. Phase I, II, III, IV, V & VI. The roads taken up in the West Tripura District since 2004-05 onwards were included in Phase III exclusively and in Phase V & VI partially. The numbers of works taken up in these three phases for the West Tripura District with related financial and other particulars upto March 2010 are furnished in Table No. 21.

Table No. 21

Particulars (for West Tripura District)	Phase III	Phase V	Phase VI	Total
No of works sanctioned/ taken up	36	36	142	214
Total amount sanctioned (Rupees in crore)	38.48 (After dropping of two roads)	49.00	210.44	297.92
No of works completed	34	24	24	82
Work in Progress	Nil	11	105	116
Others (with details)l	2 (Dropped due to non availability of land)	1 (Not started due to non availability of land)	13 (4 just awarded, 2 not awarded, 5 done by State PWD, 1 done by IBBR fencing link and 1 not started due to non availability of land)	16
Expenditure incurred upto March 2010(Rupees in crore)				
During 2004-05	Nil	Nil	Nil	Nil
During 2005-06	16.03.	Nil	Nil	16.03
During 2006-07	14.03	Nil	Nil	14.03
During 2007-08	3.44	20.13	1.34	24.91
During 2008-09	0.17	9.06	43.12	52.35
SubTotal (up to March 2009)	33.67	29.19	44.46	107.32
During 2009-10 (up to January 2010)	0.58	1.84	25.92	28.34
Total (up to January 2010)	34.25	31.03	70.38	135.66

Source: Information furnished by TRRDA

From above it is seen that out of 214 roads sanctioned for the district since 2004-05 onwards, only 82 (38 per cent) had been completed, 116 were in progress, eight not yet started, five taken up by State PWD, one by IBBR fencing link and two dropped (June 2010). The progress under Phase VI was the slowest, as out of 142 roads sanctioned since 2007-08, only 24 were completed (17 per cent) as of the latest report received

²⁶ A Core Network is the minimal Network of roads (routes) that is essential to provide Basic access to essential social and economic services to all eligible habitations in the selected areas through at least a single all-weather road connectivity

(June 2010). The Progress Reports revealed that non-availability of land was a problem towards smooth progress of the works.

Delay in completion of the projects under Phase V and VI within the initial target of 2007 was attributed (June 2010) by the Empowered Officer, TRRDA to receipt of sanction and implementation for Phase III simultaneously.

v) Coverage of Habitations

The progress made by the State Government in coverage of habitations for the West Tripura District since inception of PMGSY i.e. 01-04-2000 (upto September 2009) is shown in Table No. 22.

Table No. 22

Category of Habitations	Habitations to be covered as of 01-04-2000	Habitations covered as of September 2009	Habitations not yet connected (September 2009)	Percentage of shortfall
With 1000 & more people	73	32	41	56
With 500 & more people	222	89	133	60
With 250 & more people	327	76	251	77
Sub Total	622	197	425	68
With below 250 people	657	81	575	88
Total	1279	278	1001	78

Source: Information furnished by TRRDA

From the above table it is seen that provision of new connectivity under this scheme varied from 23 per cent to 44 per cent for the four categories and was 32 per cent only on overall basis. In other words, 41 Habitations in the West Tripura District, having 1000 population or more stood uncovered even after more than six years from the initially targeted time schedule (by 2003). Similarly, 133 Habitations having 500 population or more stood uncovered after more than two years from the initially targeted time schedule (by 2007). Further, the total coverage of 278 habitations upto September 2009 included 81 habitations with population below 250, which were enroute the roads constructed under PMGSY but were otherwise outside the purview of the scheme.

To sum up, the State Government neither distributed its allocation of PMGSY among the Districts nor did it keep the district-wise accounts of the coverage of Habitations separately. Execution was very slow. Since 2004-05 onwards, only 38 per cent of works taken up had been completed. The Progress Reports revealed that non-availability of land was a problem towards smooth progress of the works. New connectivity provided under this scheme was only 32 per cent of the targeted habitations even after more than six years since fixation of the target. Nothing was available on record in support of constitution/functioning of the Monitoring and Supervision Committee to oversee the Programme.

Recommendation

The present hindrance in coverage of habitations should be identified and overcome expeditiously, so as to facilitate road connectivity to the rural masses.