

## Chapter 6: Economic Services

### 6.1 Infrastructure

Good infrastructure will go a long way in enhancing the growth potential of the district and bridging the gap between urban and rural areas. It will also bring the remote and backward areas closer to the district headquarters and bring about equity and inclusive growth of the economy. Infrastructure includes provision of good all weather roads, adequate electricity for household, industrial and irrigation needs, railway connectivity, air services and reliable communication facilities.

The only airport in the District is at Kumbhirgram, 35 kms away from Silchar town. Except the district headquarter Silchar, only one Block headquarter (Salchapra) is connected by rail. A review of the development of roads in the District revealed that 40 *per cent* habitations had been provided road connectivity upto March 2010. Audit findings in this regard are discussed below.

#### 6.1.1 Roads

##### (a) Status of Road Connectivity

Out of the total 1,054 habitations in the District, only 425 habitations have been provided road connectivity as of March 2010. The distance of various places from the district headquarter ranges from 9 kms (Baskandi) to 40 kms (Rajabazar). The distances from the Blocks to the district headquarter is given in Table-16.

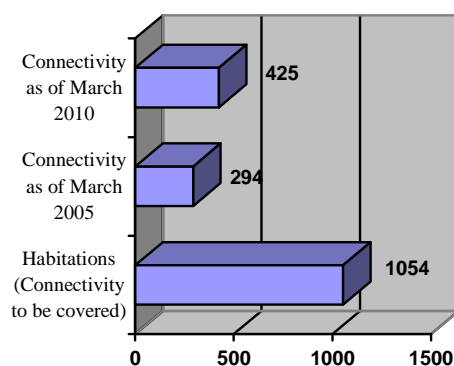
**Table-16: Distance of various places from the district headquarters**

Block	Distance from district headquarter (kms)
Silchar	This block is at district headquarter.
Narsingpur	17
Sonai	15
Palonghat	25
Barjalenga	25
Borkhala	28
Udharbond	12
Baskandi	9
Binnakandi	30
Salchapra	10
Tapang	38
Lakhipur	24
Kalain	25
Katigora	32
Rajabazar	40

Source: Departmental figures.

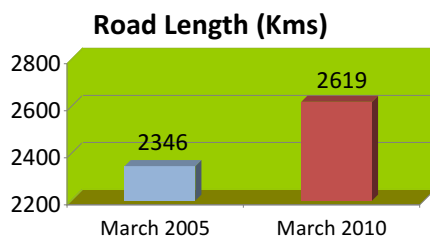
The status of road connectivity as well as road length in the District as of 31 March 2010 is given in Chart-8 and Chart-9 below:

**Chart: 8**



Source: Departmental figures.

**Chart: 9**



Source: Departmental figures.

As can be seen from the charts above, there has only been an increase of 131 habitation (45 per cent) connected through roads and 273 kms (12 per cent) of road length provided during last five years after incurring an expenditure of ₹263.55 crore<sup>11</sup> indicating poor progress. The delay was attributed to delay in land acquisition, insurgency problem, redesigning of bridges etc.

Detailed position of different types of road length in the District as of March 2005 and March 2010 is given in Appendix-I.

**(b) Schemes for Development of Roads**

**(i) Pradhan Mantri Gram Sadak Yojana (PMGSY) and Bharat Nirman Programme**

The PMGSY was launched in 2000 and aimed at connecting all the rural habitations by providing all weather roads. The status of connectivity as of March 2010 was as shown in Table-17.

**Table-17: Status of habitations connectivity as of March 2010**

Habitations with population	Total numbers of habitations	Habitations as on 31.3.2010		Percentage of shortfall
		Connected	To be connected	
(1)	(2)	(3)	(4)	(5)
More than 1000	559	322	237	42
More than 500	208	59	149	72
More than 250	287	44	243	85
<b>TOTAL</b>	<b>1054</b>	<b>425</b>	<b>629</b>	<b>60</b>

Source: Departmental figures.

During 2005-10 out of total available funds of ₹154.20 crore, ₹140.27 crore was spent for implementation of the scheme leaving unspent balance of ₹13.93 crore.

**(ii) Status of works**

During 2005-10, total 524 works (PMGSY and other schemes) were sanctioned of which 170 works (32 per cent) were completed. Only 54 works (10 per cent) were completed within stipulated date of completion. 49 works were completed with delays ranging between one and 30 months. Detailed position regarding delay in completion of 67 works was not on records. Further, out of 354 incomplete works, 42 works had not been started whereas the remaining 312 works were in progress. Out of 312 works, 139 works were due for completion, which remained incomplete with delays ranging from one to 43 months.

**(iii) Implementation issues**

➤ The Border Roads Construction (BRC) Division incurred (March 2010) an expenditure of ₹2.40 crore for payment of price adjustments to contractors for construction of Sluice cum Bridge over rivers Kherua, Foiska,

<sup>11</sup> Cost of improvement, Major repairing and restoration, Original works.

Balerwar and Gumrah. The works were scheduled to be completed between February 2007 and January 2008. But due to delay in land acquisition the works remained incomplete till March 2010 and the contractors were paid price adjustments for the period from February 2007 to March 2009. Thus, time over run resulted in cost over run of ₹2.40 crore.

➤ Improvement of TRK Road and conversion of SPT Bridge No. 3/1 to RCC Bridge under CRF was awarded (November 2002) by the Executive Engineer, Rural Road Division to a contractor with the stipulation to complete the work by June 2004. But due to slow progress of work the contract was terminated (February 2008) at the risk and cost of the contractor for the balance work as per clause 3 of tender agreement. Scrutiny of the records revealed that value of balance works was ₹9.57 lakh and due to non-finalisation of the balance work, the liquidated damage was not recovered from the contractor. Further, an amount of ₹8.00 lakh was paid (March 2007) to the contractor in excess, on account of lump sum advance on measured work in addition to cost of same measured works. The division stated (June 2010) that the excess amount would be adjusted from final bill and security deposit. Thus, lack of financial management resulted in undue financial aid to the contractor. The work also remained incomplete (November 2010).

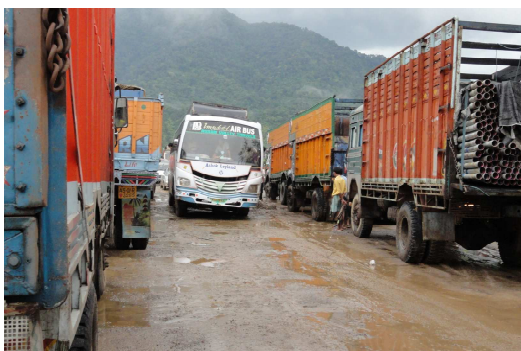
➤ In the Assam Public Works (APW) Department Manual there is no provision for payment of mobilisation advance to contractors. Contrary to the APW Manual, the Superintending

Engineer, Cachar Road Circle, Silchar, paid ₹3.70 crore as mobilisation advance during March 2006 to September 2010 to 15 contractors resulting in undue benefit to the contractors. Out of ₹3.70 crore, ₹1.67 crore was recovered leaving ₹2.03 crore yet to be recovered (November 2010) (*Appendix-II*).

➤ As per rules, equipment advances are payable to the contractor on production of evidence of availability of the equipments required for the construction works. During March 2006 to June 2009, equipment advance of ₹5.65 crore was paid to 10 contractors (*Appendix-II*) without obtaining any documentary evidence regarding availability of the required equipments. This indicated that codal formalities were not observed. Further, out of ₹5.65 crore, only ₹2.49 crore was recovered leaving ₹3.16 crore yet to be recovered (November 2010).

➤ The State Government is responsible for providing funds for regular maintenance of roads other than PMGSY roads. Scrutiny of records revealed that funds under repair and maintenance were not provided by GOA. The divisions, however, took up schemes as renovation of road works. For want of regular maintenance and repair, the condition of the roads were found unsatisfactory as evident from the information furnished by 35 GPs. Further, physical verification of NH 44 which is the gateway to the Barak Valley (Cachar, Karimganj and Hailakandi districts) and neighbouring States of Mizoram, Manipur and Tripura revealed deplorable condition causing immense difficulties to vehicular traffic

as evident from the following photographs.



Photographs showing the deplorable condition of NH 44 in between Malidhar and Kalain  
(Photographs taken during April-May 2010)

**To sum up only 131 habitations could be covered under PMGSY and road length of 273 km including conversion of 109 km gravel roads to black top roads, were constructed during 2005-10 after incurring an expenditure of ₹263.55 crore. Besides, large number of schemes remained incomplete even after due date of completion. Lack of financial control resulted in undue financial aid, excess payment and cost over run. Besides, main gateway (NH-44) connecting rest of India with Barak Valley and the state of Mizoram, Tripura, Manipur was not maintained resulting in intermittent disruption of main arterial communication. Poor road condition of the District caused immense difficulty to the local people, besides inter-state trade was badly affected.**

### **Recommendations**

- The district administration should formulate long term and medium term plans for connecting all the habitations/villages in the District with a clear prioritisation.
- Financial control should be strengthened and codal formalities to be observed to avoid loss, cost over run and undue financial benefit etc.
- The main communication roadway (NH-44) connecting Barak Valley and other neighbouring states with the rest of India should be made traffic worthy forthwith.

### 6.1.2 Irrigation

Cachar district is a flood prone area. Repeated and alternate occurrences of floods and droughts are a natural phenomenon in the District. This badly affects the crops of the entire valley by lowering the productivity of the traditional crops, which are entirely dependent on natural rainfall. To overcome this problem and to increase raising of crops of high yielding varieties, irrigation schemes like Lift Irrigation Scheme (LIS), Deep Tube Well (DTW), Shallow Tube Well (STW) and Flow Irrigation Scheme (FIS) were sanctioned in the District from time to time.

As on 31 March 2005 there were 64 irrigation schemes in the District. Out of 64, 15 schemes were completed, three schemes were not started and 46 schemes were in progress. As on 31 March 2010, it was observed that out of these 64 schemes, three completed schemes were handed over to Water Users' Association, seven schemes were abandoned, 34 schemes became non-functional, 14 schemes left incomplete and three schemes were not commenced. Only three schemes were found partially functioning. The Division incurred ₹9.74 crore on those 64 schemes. Out of 11,718 hectare targeted potential only 3,812 hectare (32 *per cent*) could be created.



Damaged pump house and stilling tank of Udharbond ELIS, Bagerkona PC (Inoperative)/27 April 2010



Damaged stilling tank of Gajalghat LIS Phase-I/26 April 2010



Lined canal of Udharbond ELIS, (Inoperative)/27 April 2010

During 2006-10, ₹67.68 crore was released to the Executive Engineer, Irrigation Division, of which ₹66.09 crore was spent for implementation of 55 new schemes sanctioned under Accelerated Irrigation Benefit Programme and Assam Bikash Yojana at an estimated cost of ₹165.01 crore.

Out of these 55 schemes, 49 schemes (Estimated cost: ₹136.54 crore) were taken up for execution. Of these 49 schemes 37 were due for completion as on 31 March 2010, against which only seven schemes (Expenditure: ₹3.31 crore) were completed as of March 2010 and the balance 42 schemes were in progress after incurring an expenditure of ₹62.78 crore, with physical progress (March 2010) ranging between one and 95 *per cent*. Against the targeted potential of 10,818 hectare only 2,868 hectare (27 *per cent*) could be created indicating shortfall of 7,950 hectare.

Thus, the objective of speedy development of irrigation potential and its eventual utilisation for the increase of production of traditional crops and high yielding variety to improve the quality of life of the poor people remained unachieved.

### 6.1.3 Schemes for other developmental activities

Other developmental activities like renovation/repairs of Government Schools, health institutions, water supply schemes, etc., were taken up in the District under District Development Plan (DDP), Untied funds, Members of Parliament Local Area Development Scheme (MPLADS), Members of Legislative Assembly Local Area Development Scheme (MLALADS), etc.

#### (a) District Development Plan

The 'District Development Plan (DDP)' a State sector scheme was introduced with effect from 2006-07. Under the scheme emphasis was given to infrastructure development, improving agricultural productivity, development of woman and weaker sections.

DPMC was responsible for preparation and submission of annual plan under the scheme for approval of the State planning and development department. People's participation and involvement in planning, implementation and monitoring is the main criteria of the scheme. During 2006-07 and 2007-08, AAPs were prepared by DC, Cachar and by CEO, Zilla Parishad involving ₹7.37 crore and ₹6.03 crore respectively. From 2008-09, no fund was released due to a case pending in Gauhati High Court filed by GP Secretaries for not involving

GPs in preparation of Annual Plan for the year 2008-09.

During 2005-10, ₹12.71 crore was spent leaving unspent balance of ₹69 lakh. Out of 113 works<sup>12</sup> sanctioned and taken up for execution through line departments, 107 works were completed as of March 2010. Utilisation certificates for ₹6.39 crore being 50 per cent funds released as 2<sup>nd</sup> installment (completed schemes) had not been received from the executing agencies.

Thus, peoples' participation as envisaged in the guidelines was not ensured. Non-submission of UCs by the executing agencies for 107 works and absence of any monitoring report raises doubt about completion of the works.

#### (b) Untied funds

Untied fund is a State sector scheme with the objectives to support creative, innovative and demand driven ideas of the heads of the Department in the District/District Administration having immediate social and economic benefits. The proposals for such works are required to be submitted to the DDC for its approval and onward transmission to the Planning and Development (P&D) Department for sanction. DC, Cachar being the Chairman of DDC is responsible for maintenance of the funds.

During 2005-10, ₹4.18 crore was released by the P&D Department to DC, Cachar. Out of available funds of ₹5.58

<sup>12</sup>

Roads	: 42 works
Water supply schemes	: 40 works
Ferry/boat services	: 17 works
Community halls	: 3 works
Others	: 11 works
	<b>113 works</b>

crore (including opening balance of ₹1.40 crore as on 1 April 2005), ₹4.59 crore was released to the executing agencies leaving an unspent balance of ₹99 lakh as of March 2010. ₹40 lakh, which was drawn (March 2007) for construction of multistoried car parking was deposited (September 2009) in Government account following Government's direction which indicated that funds were drawn in advance of requirement. The construction of multistoried car parking remained incomplete (November 2010).

Out of 27 works<sup>13</sup> targeted to be completed, 26 works were taken up but only nine were completed as on March 2010. Audit scrutiny of the records revealed that the works were neither proposed by the line departments nor approved by DDC. Proposals submitted by MLA/MP/NGO were directly forwarded by DC, Cachar to P&D Department which were sanctioned accordingly. Further, Out of 27 works, four works sanctioned for ₹35 lakh were not covered under the scheme guidelines.

**(c) Members of Parliament Local Area Development Scheme (MPLADS)**

The Silchar Parliamentary Constituency covers the entire district. According to MPLADS, the MP proposes the schemes to be taken up during the year within the entitled amount of ₹ two crore per year.

13

Community halls	:	2 works
Infrastructure development of auditorium, stadium, hospitals etc.	:	12 works
Market complex	:	2 works
Others	:	<u>11 works</u>
		27 works

DC of the concerned district is to accord sanction and administrative approval after assessing the feasibility of the schemes. During 2005-10, 851 works (Estimated cost ₹8.96 crore) were recommended by the Hon'ble MP and also sanctioned by DC, Cachar.

During 2005-10, ₹ nine crore was received by DC, Cachar. Out of which ₹8.01 crore was released to the executing agencies leaving an unutilised balance of ₹99 lakh as of March 2010.

Out of 851 works sanctioned, 777 works were taken up for execution as of March 2010 of which 736 works were due for completion by March 2010. Of 736 works, 61 works on which ₹45 lakh was released to the executing agencies remained incomplete for one to four years. Audit scrutiny of the records revealed that 269 works valuing ₹2.38 crore were sanctioned for construction of community halls without assessing any requirement. Most of the community halls were proposed to be constructed near religious places. Joint physical verification with departmental representatives of two such works revealed that the community halls were constructed within the premises of worship, which was not permissible according to scheme guidelines, as evident from the following photographs:



Community Hall at Shiva Mandir, Tarapur, Silchar/1 March 2010



Community Hall at Shani Mandir, Tarapur,  
Silchar/1 March 2010

#### (d) Member of Legislative Assembly Area Development Scheme (MLAADS)

The District has seven Legislative Constituencies. As per scheme guidelines, the MLAs are required to submit the recommendations of works to be carried out in his/her constituency within 90 days from the beginning of the financial year. Audit scrutiny, however, revealed that recommendations from MLAs for ₹60 lakh in respect of three constituencies for the year 2009-10 had not been received. During 2005-10 recommendations of 1,600 works for ₹10.60 crore were received from the MLAs, which were sanctioned by DC, Cachar.

**Thus, other developmental schemes like District Development Plan (DDP), Untied funds, Members of Parliament Local Area Development Scheme (MPLADS), Member of Legislative Assembly Area Development Scheme (MLAADS) etc., were taken up in the district in an uncoordinated way as the works were neither properly planned nor completed within the specified timelines resulting in funds remaining unutilised for prolonged periods. The assets created out of these schemes also remained unknown to the district administration as no asset register was maintained at any level.**

#### Recommendation

**A coordinated approach needs to be adopted by the State/District administration with the executing agencies to ensure that the works are planned and completed in time to ensure that benefits percolate down to the people.**

Under the scheme ₹11.20 crore was received by DC, Cachar of which ₹8.59 crore was released to the executing agencies leaving unutilised balance of ₹2.61 crore. Against sanction of 1,600 works during 2005-10, 1,106 works were completed. Of the remaining 494 works, 396 works which were due for completion remained incomplete for one to four years.

#### (e) Common Implementation Issues

- Asset registers are required to be maintained to keep track of the assets created out of the funds sanctioned. However, these registers were not maintained at District/Block/GP level resulting in absence of documentation of huge funds spent. Besides, the benefits envisaged out of these assets remained unknown to the district administration.
- Future maintenance of these assets was not ensured by handing over the assets to the user groups as required under the scheme guidelines.



## 6.2 Employment Generation

GOI and the State Government have initiated numerous measures to tackle problems of poverty, unemployment and the slow pace of progress in the rural economy. The two most important schemes sponsored by the Central Government for providing employment in the rural areas as a means of poverty alleviation are Sampoorna Gramin Rozgar Yojana (SGRY) and Swarnajayanti Gram Swarozgar Yojana (SGSY). The SGRY was subsequently subsumed in National Rural Employment Guarantee Scheme (NREGS) in February 2006.

### 6.2.1 SGRY

The objectives of SGRY were to provide additional wage employment to the rural poor and to create durable community, social and economic assets. GPs were to

submit work proposals through BDOs to DRDA and a comprehensive *shelf of works* were to be approved at the beginning of the year. In actual practice, schemes were sanctioned by DC in an adhoc manner without any inputs from GPs. **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 underutilisation of available funds. Also, there was no database at the district/DRDA level, detailing the developmental works undertaken in various Blocks and GPs.**

The SGRY was funded on 75:25 basis by GOI and the State Government. The year-wise position relating to the funds received by DRDA, Cachar and utilisation there against during 2005-08 is given below:

**Table-18: Year-wise position of funds received by DRDA, Cachar and utilisation there against during 2005-08**

(₹ in crore)

Year	Opening balance	Funds received			Total	Funds utilised	Unspent balance (Percentage)
		Centre	State	Other misc. receipts			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2005-06	2.49	15.49	4.64	2.51	25.13	23.18	1.95 (8)
2006-07	1.95	17.45	7.62	5.88	32.90	31.81	1.09 (3)
2007-08	1.09	11.63	6.48	0.53	19.73	19.30	0.43 (2)
<b>Total</b>		<b>44.57</b>	<b>18.74</b>	<b>8.92</b>	<b>--</b>	<b>74.29</b>	<b>--</b>

The Scheme discontinued from 31-3-2008.

Source: Departmental figures.

The details of funds received and utilised during this period by the seven sampled Blocks are as follows:

**Table-19: Funds received and utilised during 2005-08 by the seven sampled Blocks**

(₹ in crore)

Year	Opening balance	Funds received	Other receipts	Total	Funds utilised	Unspent balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005-06	0.78	8.96	0.03	9.77	9.22	0.55
2006-07	0.55	11.28	0.03	11.86	11.63	0.23
2007-08	0.23	7.98	0.01	8.22	8.13	0.09
<b>Total</b>		<b>28.22</b>	<b>0.07</b>	<b>--</b>	<b>28.98</b>	<b>--</b>

Source: Departmental figures

Though SGRY was merged with NREGS w.e.f. 2007-08 in the District, DRDA Cachar continued the scheme for the period 2007-08 and transferred the unspent balance to NREGS in April 2008.

**(a) Employment Generation under SGRY**

The details of employment generated under this scheme during 2005-08 as reported by DRDA to GOI are as follows.

**Table-20: Details of employment generated under SGRY during 2005-08**

(Mandays in lakh)

Year	Mandays for SC/ST	Mandays for others	Total mandays generated	Mandays for women
(1)	(2)	(3)	(4)	(5)
2005-06	7.45	14.45	21.90	0.54
2006-07	10.92	20.11	31.03	1.36
<b>Total</b>	<b>18.37</b>	<b>34.56</b>	<b>52.93</b>	<b>1.90</b>

Source: Departmental figures.

The details of employment generation during 2007-08 had not been reported to GOI.

There were no annual targets relating to employment generation although DRDA planned to execute small works like construction of tanks, roads, community halls etc., for generating employment. Therefore, the extent of employment generated vis-à-vis targets could not be ascertained. Further, AAPs prepared based on proposals made by GPs were not produced to Audit.

The status relating to employment generation in the seven test-checked Blocks was reported as in Table-21.

**Table-21: Status of employment generation in the test-checked Blocks**

(Mandays in lakh)

Year	Mandays for SC/ST	Mandays for others	Total mandays generated	Mandays for women
(1)	(2)	(3)	(4)	(5)
2005-06	1.29	1.46	2.75	0.09
2006-07	1.46	2.04	3.50	0.23
2007-08	0.86	1.18	2.04	0.13
<b>Total</b>	<b>3.61</b>	<b>4.68</b>	<b>8.29</b>	<b>0.45</b>

Source: Departmental figures

More details are shown in *Appendix-III*.

According to the guidelines, 30 per cent employment opportunities were earmarked for women beneficiaries.

As can be seen from the tables above, negligible employment opportunities to women were provided in the District and in the sampled blocks.

The sampled Blocks and GPs had not maintained employment registers in the prescribed format indicating the category-wise details of people provided employment and the number of mandays generated for each work. In the absence of these details, the figures of employment generated were compiled from the muster rolls directly. In the absence of complete details in the employment registers, the employment reported to have been generated, especially in respect of women and SC/ST categories could not be verified in audit.

**Table-22: Year-wise position of NREGS funds received by DRDA, Cachar and utilisation there against during 2007-10**

(₹ in crore)

Year	Opening balance	Funds received		Other misc. receipts	Total	Funds utilised	Unspent balance (percentage)
		Centre	State				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2007-08	--	57.57	0.44	1.19	59.20	19.51	39.69 (67)
2008-09	39.69	--	5.89	1.35	46.93	31.76	15.17 (32)
2009-10	15.17	22.36	1.33	--	38.86	30.32	8.54 (22)
<b>Total:</b>		<b>79.93</b>	<b>7.66</b>	<b>2.54</b>	<b>--</b>	<b>81.59</b>	<b>--</b>

Source: Departmental figures.

In all the 23 test-checked GPs, the category-wise details of SC/ST and women beneficiaries provided wage employment were not recorded in the muster rolls. While 30 per cent of employment generated should have been in respect of women beneficiaries, DRDA reported only 1.90 lakh (4 per cent) mandays for women out of 52.93 lakh mandays generated in the district during 2005-08, resulting in less wage employment of 13.98 lakh (26 per cent) mandays for the women.

### 6.2.2 National Rural Employment Guarantee Scheme

The National Rural Employment Guarantee Scheme (NREGS) is being implemented in the District since April 2007. The basic objective of the scheme is to enhance security of livelihood in rural areas by providing at least 100 days of guaranteed wage employment.

Under NREGS, the wages of skilled and semi-skilled workers and cost of material is shared in the ratio of 75:25 by GOI and State Government. In addition, the State Government bears the unemployment allowance and the administrative expenses of State Employment Guarantee Council.

The year-wise position of funds received by DRDA, Cachar and utilisation there against during 2007-10 is given below:

The details of funds received and utilised during this period in the seven sampled blocks are as follows:

**Table-23: Details of NREGS funds received and utilised during 2007-10 by the seven sampled blocks**

(₹ in crore)

Year	Opening balance	Funds received	Other misc. receipts	Total	Funds utilised	Unspent balance (percentage)
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2007-08	--	21.59	0.03	21.62	12.01	9.61 (44)
2008-09	9.61	14.36	0.48	24.45	16.17	8.28 (34)
2009-10	8.28	12.76	--	21.04	14.51	6.53 (31)
<b>Total:</b>	<b>--</b>	<b>48.71</b>	<b>0.51</b>	<b>--</b>	<b>42.69</b>	

Source: Departmental figures.

The under utilisation of funds was due to slow progress of works by GPs which in turn resulted in less opportunity for employment generation. The reasons for slow progress of works were lack of supervision and overage of the workers.

**(a) Employment Generation under NREGS**

(i) The details of employment generated under this scheme during 2007-10 as reported by DRDA to GOI were as follows:

**Table-24: Details of employment generated under NREGS during 2007-10**

(Numbers in lakh)

Year	Total mandays generated	Mandays for SC/ST	Mandays for others	Mandays for women
(1)	(2)	(3)	(4)	(5)
2007-08	14.70	5.03	9.67	1.23
2008-09	28.97	10.61	18.36	2.91
2009-10	16.97	5.19	11.78	0.98
<b>Total:</b>	<b>60.64</b>	<b>20.83</b>	<b>39.81</b>	<b>5.12</b>

Source: Departmental figures.

The details of job card holders registered, those who demanded employment and those who were provided employment in the District during 2007-10 are as under:

**Table-25: Details of job card holders registered, demanded employment and provided employment in the District during 2007-10**

(In numbers)

Year	Total number of job card holders registered	Job card holders who demanded and were provided employment	Job card holders provided 100 days employment	Percentage of shortfall w.r.t. job card holders who demanded but were not provided 100 days employment
(1)	(2)	(3)	(4)	(5)
2007-08	68,384	59,057	70	99.88
2008-09	1,22,634	90,118	3,991	95.57
2009-10	1,60,062	62,001	237	99.62

Source: Departmental figures

The shortfall in providing guaranteed 100 days wage employment to card holders who had demanded employment ranged between 95.57 and 99.88 *per cent*. No unemployment allowance was granted to eligible job card holders who were not provided employment. This shows lack of adequate efforts on the part of implementing agencies for ensuring effective implementation of the scheme.

(ii) During 2007-10, 60.64 lakh mandays were generated by providing employment to 2,11,176 workers (job card holders). Of these women workers were provided only 5.12 lakh mandays (8 *per cent*) against the required mandays of 20.01 lakh (33 *per cent*). Thus, the women beneficiaries were not given adequate employment opportunities as required under the Act.

In the shelf of projects for the period 2007-10, 1,674 works were projected for completion. Against this, achievement was only 521 works (31 *per cent*). Thus, creation of durable assets for strengthening livelihood of rural poor was not ensured to the desired level. Further, in 49 works under NREGS, 60:40 ratio of wage (₹2.96 crore) and materials (₹3.67 crore) was not maintained. The excess utilisation of material (₹1.23 crore) resulted in creation of less mandays. As most of the works undertaken were earth work, durability of the assets created remained doubtful as evident from the given photograph.



Road from PWD Arunachal to Akrum Ali's House near river Barak under NREGS 2008-09 in Tupkhana GP under Silchar Dev. Block/11 March 2010

### 6.2.3 Swarnyanti Gram Swarozgar Yoyana (SGSY)

The objective of the SGSY is to bring the assisted poor families above the poverty line by ensuring appreciable sustained level of income over a period of time by organising the rural poor into Self Help Groups (SHGs) through a process of social mobilisation, their training and capacity building and provision of income generating assets through a mix of bank credit and subsidy.

Each District Rural Development Agency may incur expenditure on the following items from the funds available under the scheme (1) Infrastructure Development (2) Training (10 *per cent* of total fund) (3) Providing Revolving fund to SHGs (10 *per cent* of total fund), and (4) Providing subsidy through bank loan. Providing infrastructure support under SGSY is primarily to bridge the gaps in available infrastructure (maximum 25 *per cent* of total fund).

Further, the progress/performance of the SHG/individual in management of assets for generation incremental income has to be continuously followed up, monitored and evaluated. The follow up on the projects under taken by the Swarozgaries should be done by DRDA/Block officials and Bankers to assess the capability to generate the projected income.

The funds received and expenditure incurred during 2005-10 is indicated in Table-26.

**Table-26: Funds received and expenditure incurred during 2005-10**

(₹ in crore)						
Year	Opening balance	Funds received	Other receipts	Total	Expenditure incurred	Closing balance
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005-06	0.53	4.07	0.24	4.84	4.34	0.50
2006-07	0.50	2.66	0.15	3.31	3.11	0.20
2007-08	0.20	7.72	0.37	8.29	7.48	0.81
2008-09	0.81	16.66	2.23	19.70	15.40	4.30
2009-10	4.30	10.46	--	14.76	11.63	3.13
<b>Total</b>		<b>41.57</b>	<b>2.99</b>	<b>--</b>	<b>41.96</b>	<b>--</b>

Source: Departmental figures.

Physical target and achievement during 2005-10 is given below:

**Table-27: Physical target and achievement during 2005-10**

Year	Target (In numbers)		Achievement (In numbers)		Expenditure (₹ in crore)	
	SHG	Individual	SHG	Individual	Subsidy	Revolving funds
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005-06	--	--	170	--	1.69	0.47
2006-07	343	--	30	--	1.22	0.76
2007-08	374	107	366	--	3.92	1.29
2008-09	570	1572	501	850	7.71	2.00
2009-10	542	942	426	527	5.15	1.86
<b>Total</b>	<b>1829</b>	<b>2621</b>	<b>1493</b>	<b>1377</b>	<b>19.69</b>	<b>6.38</b>

Source: Departmental figures.

Though, a database indicating year of formation of the SHGs and individual Swarojgaries, amount of subsidy and revolving fund released to participating banks is maintained, details of payment of loan and subsidy and revolving funds to the beneficiaries were not indicated. Further, financial status of the SHGs and individual Swarojgaries were not physically verified/ensured at any level as evident from the records produced to Audit. Performances/activities of the SHGs/Swarojgaries as required to be constantly monitored had not been done.

Joint physical verification of 21 SHGs (*Appendix-IV*) were carried out by Audit with departmental officers. DRDA released revolving funds of ₹5.25 lakh and subsidy of ₹16.28 lakh to

these 21 SHGs. Though the SHGs were found to be well functioning, the common problem faced by them was non-cooperation from the participating banks as stated by the SHG members. In respect of one SHG (Sl. No-15 of *Appendix-IV*), though DRDA had already released (February 2010) the subsidy of ₹1.18 lakh, the bank (Bank of Boroda, Silchar Branch) instead of releasing the amount to the SHG kept the same as fixed deposit in the name of the SHG. In another case (Sl. No-16 of *Appendix-IV*) the bank had not released even the revolving fund of ₹0.25 lakh after nine months of release (October 2009) by DRDA.

**Photographs (taken on 28 and 29 July 2010) of some SHGs physically verified**



Piggery shed of United Women Federation, Bhaga  
(Group of five SHGs)



Members of Dhanehari Pt-III Roy Para Women  
SHG, Sonabarighat working in the shed



Working shed of Jibangram Weaving Federation  
(Group of five SHGs)



Members of Debipur Kimber Women Society SHG  
Jibangram (Weaving) working in the shed



Working shed of Bekirpar Weaving Federation  
(Group of five SHGs)



Fishery of Bulbul SHG, Sonabarighat Pt-II

**To sum up, the district authorities failed to provide the guaranteed wage employment in rural areas of the District thereby defeating the objective of security of livelihood to the needy and the vulnerable sections viz., SC/ST and women; the extent of poverty alleviation through these schemes remains doubtful.**

### **Recommendation**

The district administration should ensure finalisation of beneficiary lists at the beginning of the financial year for timely utilisation of funds and ensure technical support/training of the beneficiaries for maximize the outcome in terms of employment generation.

### 6.3 Housing Scheme

Indira Awaas Yojana (IAY) is a flagship scheme to provide houses to the poor rural people. The objective of the scheme is primarily to help construction/upgradation of dwelling units of members of Scheduled Castes/Scheduled Tribes, free bonded labourers and other below the poverty line non SC/ST rural house holds by providing them a lump-sum financial assistance. Under the scheme, 60 per cent of total allocation should be spent for SC/ST BPL households.

#### 6.3.1 Identification of beneficiaries

The Gram Sabha is responsible for selection of beneficiaries from the list of eligible BPL households, restricting this number to the target allotted as per the scheme guideline. Selection by the Gram Sabha is final and no approval from higher authority is required.

Audit scrutiny of the records revealed that in Silchar Development Block, 82 beneficiaries for the year 2008-09 were selected by Anchalik Parishads (AP), which was in violation of scheme guidelines. Following the selection of beneficiaries by APs, the GP Secretary Association moved Gauhati High Court

for imposition of stay order in extending benefits to the beneficiaries selected by the APs. Accordingly, the release of funds for 2008-09 and 2009-10 pertaining to IAY schemes to the selected beneficiaries were stayed by the court. BDO, Barjalenga did not furnish any evidence in support of selection of beneficiaries by the Gram Sabha.

From 2007-08, cost of Sanitary Latrine at the rate of ₹300/- per beneficiary was released to the PHE Department for construction of latrine under TSC programme. The PHE Department returned ₹9.60 lakh pertaining to 3,199 IAY beneficiaries in respect of nine blocks on the ground that the names of the beneficiaries did not figure in BPL list, which indicated that 3,199 beneficiaries were not selected from BPL households.

#### 6.3.2 Funding Pattern

The IAY is a centrally sponsored scheme funded on cost sharing basis in the ratio of 75:25. Funds received and expenditure incurred during 2005-10 is indicated below:

**Table-28: Funds received and expenditure incurred during 2005-10**

(₹ in crore)

Year	Opening balance	Funds received		Other receipt	Total funds available	Expenditure incurred	Closing balance (percentage)
		GOI	GOA				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2005-06	4.46	6.90	2.57	0.62	14.55	11.73	2.82 (19)
2006-07	2.82	14.23	3.56	0.87	21.48	18.80	2.68 (12)
2007-08	2.68	17.52	4.33	0.32	24.85	21.91	2.94 (12)
2008-09	2.94	25.12	7.91	0.32	36.29	25.61	10.68 (29)
2009-10	10.68	38.16	12.76	--	61.60	58.52	3.08 (5)
<b>Total</b>		<b>101.93</b>	<b>31.13</b>	<b>2.13</b>	<b>--</b>	<b>136.57</b>	<b>--</b>

Source: Departmental figures.



The above table indicates that utilisation of funds during 2005-10 ranged between 71 and 95 *per cent*. Records revealed that during 2008-09 and 2009-10, the PD, DRDA released funds for 1,451 IAY houses (2008-09: 876; 2009-10: 575) to BDO, Silchar but the BDO could take up 1,260 houses during the period as there was no SC/ST beneficiaries left out for assistance. The PD released funds to BDO, Silchar. Thus, due to excess release of funds for 191 houses ₹73.54 lakh remained locked up with the Block.

- The position of funds received and utilised in the sampled blocks are as follows:

**Table-29: Position of funds received and utilised in the sampled blocks**

(₹ in crore)

Year	Opening balance	Funds received	Other receipts	Total funds available	Expenditure	Closing balance	Percentage of utilisation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2005-06	1.02	3.48	0.02	4.52	3.72	0.80	82
2006-07	0.80	8.17	0.01	8.98	8.63	0.35	96
2007-08	0.35	10.00	0.02	10.37	9.86	0.51	95
2008-09	0.51	14.32	0.03	14.86	8.81	6.05	59
2009-10	6.05	20.20	0.01	26.26	17.22	9.04	66
<b>Total</b>	--	<b>56.17</b>	<b>0.09</b>	--	<b>48.24</b>	--	

Source: Departmental figures.

### 6.3.3 Target and Achievement

Physical target and achievement of IAY houses is indicated below:

**Table-30: Physical target and achievement of IAY houses**

Year	Opening balance	Target	Total	Number of houses completed	Percentage	Houses under progress
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005-06	3,607	5,114	8,721	6,826	78	1,895
2006-07	1,895	7,144	9,039	8,086	89	953
2007-08	953	7,860	8,813	3,274	37	5,539
2008-09	5,539	7,867	13,406	5,547	41	7,859
2009-10	7,859	13,643	21,502	6,686	31	14,816

Source: Departmental figures.

Position of target and achievement in sampled blocks is given below:

**Table-31: Target and achievement in sampled blocks**

Year	Opening balance	Target	Total	Number of houses completed	Percentage	Houses under progress
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2005-06	188	1,643	1,831	1,604	88	227
2006-07	227	2,956	3,183	2,920	92	263
2007-08	263	3,396	3,659	3,463	95	196
2008-09	196	3,723	3,919	2,678	68	1,241
2009-10	1,241	6,994	8,235	834	10	7,401

Source: Departmental figures.

During 2005-10, 31 to 89 *per cent* houses were completed in the District whereas in six test-checked Blocks 10 to 95 *per cent* houses were completed. Construction of 958 houses in three Blocks (Udharbond: 166; Katigorah: 123; Narsingpur: 669) were not taken up for non-selection of beneficiaries.

### 6.3.4 Implementation

➤ From 2007-08 funds were disbursed to the beneficiaries through account payee cheques, as the beneficiaries were responsible for construction of IAY houses under technical supervision of the JE of the concerned block and over all supervision of the GP Secretary. It was seen that both in the case of district and sampled blocks the percentage of completion of targeted houses reduced since 2007-08 indicating lack of supervision and monitoring.

➤ No action had been initiated either at district level or at block level for providing benefit of free electricity connection, drinking water supply, low rate loans from banks, insurance benefits to IAY beneficiaries as required under the rules.

➤ The Implementing Agencies should have a complete inventory of houses constructed under the IAY giving details of date of start and date of completion of dwelling unit, name of the village, block, occupation and category of beneficiaries. But, no such inventory of houses was maintained at any of the district, block and GP level.

➤ Joint physical verification with departmental officers revealed that houses remained incomplete in one GP though shown completed as evident from the photograph and completed houses did not have IAY logos displayed as required as per guidelines.

	
<p>IAY (2008-09) house of Shefali Malakar of Katigorah GP shown as completed/1 April 2010</p>	<p>IAY (2008-09) house of Smriti Malakar of Katigorah GP shown as completed/1 April 2010</p>
	
<p>Completed IAY (2008-09) house of N. K. Rajbongshi, Larsing without IAY logo/31 March 2010</p>	<p>Completed IAY (2007-08) house of Khirod Roy, Dhanehari, Sonabarighat without IAY logo/6 April 2010</p>

**To sum up 3,199 IAY beneficiaries were selected from outside BPL list and also without selection by the Gram Sabha. Besides, houses could not be completed within time due to lack of supervision at Block and GP level despite availability of funds.**

#### **Recommendations**

- Selection of BPL beneficiaries should be ensured.
- A coordinated approach needs to be adopted by DRDA to ensure providing all benefit to IAY beneficiaries as admissible to BPL households under different schemes.

## 6.4 Energy

Out of 1,020 villages in the District, 850 villages (83 *per cent*) were electrified as of March 2010. The State Government chalked out (February 2006) plans for electrifying 890 villages and did not initiate any action to electrify the remaining 130 villages.

### 6.4.1 Rajiv Gandhi Gramin Vidyutikaran Yojana (RGGVY)

The RGGVY which is a component of Bharat Nirman Programme was launched by GOI in April 2005 to provide electricity to all the rural households within a period of five years. The Power Grid Corporation Limited (PGCL) is the implementing agency in the District. The main objective of the scheme was to –

- (i) electrify 890 villages;
- (ii) provide free electric connection and subsequent energisation to 73,512 BPL households;
- (iii) provide on an average seven pillars each of LT and HT lines for drawing of connection;
- (iv) set up three new substations.

Audit scrutiny revealed that as of March 2010, 850 villages were electrified and 40,000 BPL households were covered. Out of 40,000 BPL households only 4,227 (11 *per cent*) were energised and out of 850 villages only 95 villages were commercially energised. Though the construction of three sub-stations was completed but the status of their functioning was not on record. As the PGCL did not complete the works by the stipulated dated of March 2009, a revised DPR was approved at a cost of ₹74.02 crore. Out of ₹58.42 crore released, ₹58.41 crore was spent by the PGCL as of March 2010.

Thus, delay in completion of the work resulted in price escalation of ₹15.60 crore besides depriving the eligible beneficiaries of the intended benefit even after five years of launching of the scheme.

## Recommendation

The district administration should streamline its internal processes and co-ordination among different agencies to ensure coverage of un-electrified villages and completion of the project with in a specific timeframe.

