

Chapter 8 Infrastructure Development

8.1. Consumer Courts

Infrastructure developments play an important role in efficient implementation and functioning of any scheme. The successful implementation of PDS depends upon infrastructure development like consumer courts, godowns, Village Grain Banks (VGBs) etc.

Government of India, Ministry of Consumer Affairs sanctioned and released (1995-97) a sum of ₹2.80 crore for creation of infrastructure of consumer courts in the State, @ ₹50 lakh for the State Commission and ₹10 lakh each for 23 district fora.

Out of the total amount of ₹2.69 crore released by GOA, the Director, FCS & CA, had drawn and disbursed ₹2.44 crore for the State Commission and four district fora as detailed in the table below:

Table - 1
Release and expenditure incurred towards construction of Consumer Courts

(₹ in lakh)

Particulars	Released by GOA	Drawal & disbursement by Director, FCS&CA	Expenditure incurred	Remarks
State Commission	110.10 (3/06)	110.10 (3/06)	107.04	3.06 Kept in DCR
District Fora (6)	71.37 (3/96 to 5/09)	45.97 (3/07 & 3/09)	10.00	Released for 4 district fora UC for 10.00 received.
Joint Director, FCS&CA	87.93 (3/96 & 3/03)	87.93 Drawn in AC bill & kept in Revenue Deposit.	17.93	70.10 lying unutilized as Revenue Deposit.
Total	269.40	244.00	134.97	

Source: Information collected from the Director, FCS & CA, Assam.

Audit scrutiny of the records of the Director and the position shown in the table above revealed the following irregularities:

- Central assistance of ₹10.60 lakh (₹280 lakh – 269.40 lakh) was not released by the State even after lapse of 12 years.
- Out of the total release, ₹25.40 lakh (₹269.40 lakh – 244 lakh) could not be drawn by the Director for want of FOC¹.

¹ Fixation of Ceiling.

- Disbursed amount of ₹1.09 crore (₹244 lakh – 134.97 lakh) remained unutilized (February 2010).
- Excess expenditure of ₹74.87 lakh² over the sanctioned amount of ₹50 lakh on State Commission was unauthorisedly met from the fund meant for the district fora.
- GOA released funds for only six district fora against 23 sanctioned by the GOI. Four district fora were actually provided with funds by the Director, out of which only one district fora (Silchar) utilised the fund and completed construction of Consumer Court Building.
- Seven out of 23 district fora and the State Commission were functioning from rented buildings and a total expenditure of ₹27.42 lakh was incurred towards payment of rent during March 2004 to January 2010 with a committed liability of ₹13.96 lakh.

Thus, non-utilization of ₹145.03 lakh (52 *per cent*) of Central Assistance even after lapse of 13 years failed to yield the desired result.

8.2 Construction of Storage Godowns

Government of India sanctioned and released financial assistance of ₹5.23 crore and ₹3.43 crore during February 1997 to March 1999 and in March 2007 respectively for construction of 23 storage godowns (first phase: 19; second phase: 4).

Audit scrutiny revealed that in the first phase, where financial assistance was given on loan and subsidy basis (50:50), only 12 godowns could be completed, out of which two were constructed below approved capacity. Rest remained incomplete (under construction: 3 and yet to be taken up: 4).

In the second phase, where funds were released as Grants-in-aid, ₹3.42 crore was paid to Assam State Warehousing Corporation (ASWC) in February 2009 for construction of four godowns in Kamrup district for a total capacity of 18,000 MT and 24,000 Tea chests within 18 months from the date of sanction.

Audit scrutiny, however, revealed that only one godown at Amingaon could be taken up and expenditure of ₹45.10 lakh was incurred with physical progress of only 12.81 *per cent* (February 2010). Construction of other godowns was not taken up due to declaration of the sites as Green Belt, Water Body and unsuitable location.

² (₹107.04 lakh – ₹50 lakh) + ₹17.83 lakh = ₹74.87.

Thus, out of the total 23 godowns sanctioned, Government could construct only 12 godowns in a span of nearly 13 years from the date of sanctions. Hence, the very purpose of financial assistance for construction of godowns was frustrated and there was an adverse impact on availability of buffer stock required on account of topographical constraints and natural calamity.

The position of storage loss of various commodities is detailed in Paragraph 6.5.

8.3 Purchase of Mobile Van/ Truck

The scheme was intended to provide financial assistance to the State for purchase of mobile vans/trucks for distributing essential commodities in such areas where regular fair price shops are not feasible due to topographical constraints and floods during monsoon. Financial assistance under the scheme is released on subsidy and loan (50:50) basis and operation and maintenance cost etc., are to be borne by the State Government.

Audit scrutiny revealed that the disadvantaged and chronically food scarce areas, required to be identified for supply of food items under PDS through mobile vans / trucks, were not done by the Government (March 2010). It also revealed that GOI released ₹1.41 crore in 1998-99 for purchase of altogether 26 mobile vans/trucks of different capacities. Out of the said GOI release, GOA, however, sanctioned (March 2009) ₹1.39 crore for purchase of seven trucks of six MT capacity and 11 trucks of eight MT capacity without any release order (March 2010). During the exit conference (October 2010), the department accepted the fact.

Thus, failure of the State Government to utilize the Central Assistance frustrated the intended objective of providing door to door delivery of foodgrain in far flung and inaccessible areas. During exit conference the Department accepted the facts.

8.4 Village Grain Bank Scheme

Village Grain Bank (VGB) Scheme, which was also mandated by the National Common Minimum Programme, was launched (1996-97) with the objective to enhance accessibility to foodgrain of marginalized communities in chronically food scarce areas. Subsequently, it was expanded (October 2010) to include all willing and eligible BPL families as envisaged in the scheme.

Audit scrutiny of the records revealed that 100 VGBs were approved by GOA (September 2006) for setting up in various districts of Assam for which a total amount of ₹14.00 lakh (@ ₹14,000/- per bank) as cash component was released (March 2007) by the Director, FCS&CA. Out of 100 banks, only 67 banks were established in 21 districts incurring expenditure of ₹12.04 lakh and ₹0.94 lakh was kept in Deposit at Call Receipt

since March 2007. Balance ₹1.02 lakh was surrendered. UCs for only ₹6.20 lakh were received.

Thus, due to failure on the part of the State Government to set up and operationalise initially approved 100 banks, the State not only lost the opportunity of setting up another 300 banks proposed subsequently by GOI (2007-08), but also failed to enhance accessibility to foodgrain in chronically food scarce and vulnerable areas.

Further, scrutiny of records at field level i.e., 15 civil sub-divisions of seven test-checked districts revealed the following:

- 120 Qtls of rice lifted by Dibrugarh Co-operative Societies Ltd. in April 2009 was lying in stock unutilised as of May 2010 due to non-establishment of banks with required infrastructure.
- In Cachar district, rice @ 40 qtls per grain bank was released to only nine VGBs against the target of 27, while only a part of cash component @ ₹3,600 out of total amount of ₹14,000 per bank was released to these banks. The balance amount of cash component @ ₹10,400 per bank was lying in the form of DCR, thereby rendering the grain banks ineffective.
- As per Government approval, 280 Qtls of rice was lifted by PD, DRDA Sonitpur for distribution to seven VGBs in Sonitpur district. Details of distribution to the banks were however not on record. Moreover, reasons for surrendering (March 2008) cash component of ₹0.98 lakh meant for VGBs, received in March 2007, were also not on record.
- In Nagaon district, two VGBs were established (March 2008) on receipt of cash component of ₹14,000 per bank against four VGBs approved by the Department out of targeted nine VGBs. As regards lifting, issue and recoument of rice in respect of approved four VGBs, no records could be shown to audit. The functioning of both the established banks was doubtful.

Thus, in the matter of infrastructure development e.g., construction of storage godowns, setting up of VGBs etc., required emphasis has not been given by the Government.

Recommendation

The Government should ensure implementation of infrastructure development schemes without delay.