

CHAPTER 3

IMPLEMENTATION OF SCHEMES

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Implementation of Scheme

Central Government introduced several schemes, viz, Indira Awas Yojana (IAY), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Total Sanitation Campaign (TSC) and Backward Region Grant Fund (BRGF) for rural development as well as development of human development index in rural areas. PRIs implemented these schemes in pursuance of guidelines framed by Government of India. ₹ 854.12 crore, ₹ 2,959.04 crore and ₹ 219.94 crore were spent on IAY, MGNREGS and TSC respectively during 2011-12. Audit of accounts for the year 2010-11 revealed that PRIs did not adhere to the guidelines of these schemes and could not provide 100 days of guaranteed employment to rural people, payment of wages was delayed, social audit was not conducted, IAY beneficiaries were irregularly selected and target of construction of sanitary latrines under TSC was not achieved.

3.1 Mahatma Gandhi National Rural Employment Guarantee Scheme

3.1.1 Introduction

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is one of the flagship programmes of Government of India (GOI). The aim of MGNREGS is to enhance livelihood security of rural people by providing at least one hundred days of guaranteed wage employment to every household in a financial year. Government of West Bengal notified the West Bengal Rural Employment Guarantee Scheme (WBREGS), 2006 in February 2006. The scheme was to be implemented in the State as a Centrally Sponsored one. The Central Government bears 100 *per cent* wage cost of unskilled manual labour and 75 *per cent* of the material cost and the wages of skilled and semi skilled workers. The State Government bears the remaining 25 *per cent* of material cost and the wages of skilled and semi skilled workers.

3.1.2 Financial Management

3.1.2.1 Receipt and expenditure of funds in 18 districts

The total available fund and expenditure under the scheme in 18 districts of the State during 2009-12 are as follows:

Table 3.1

(₹ in crore)

Year	Opening balance	Receipt				Expenditure	Closing balance
		Central Share	State Share	Misc.	Total		
2009-10	2.50	1787.29	155.50	1.33	1946.62	1894.95	51.67
2010-11	51.67	2117.61	344.15	3.85	2517.28	2481.91	35.37
2011-12	35.37	2597.03	224.63	8.36	2865.39	2844.62	20.77

(Source: P&RDD)

During audit of GPs, it was revealed that nine GPs¹² had total available fund of ₹ 12.97 lakh but did not utilise any amount during 2010-11. Utilisation of 60 *per cent* of the funds towards payment of wages could have generated 7,782¹³ unskilled mandays under the scheme.

3.1.3 Execution of scheme

3.1.3.1 One hundred days' employment not provided

Para 3(1) of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) guideline stipulates that every household in the rural area should be provided not less than one hundred days of guaranteed employment in a financial year. Scrutiny revealed that 2,590 GPs could not provide one hundred days of employment to any of the house holds in the financial year 2010-11 (**Appendix- XV**).

Scrutiny of related records also revealed that 1,373 GPs had provided only 10 to 30 mandays per households.

Thus, the primary objective of ensuring livelihood security of the rural households by providing at least one hundred days of guaranteed annual wage employment was not achieved.

3.1.3.2 Failure to create durable assets

Creation of durable asset and strengthening the livelihood resource base of rural people are auxiliary objectives of MGNREGS. It was observed that 1,492 GPs (**Appendix-XV**) failed to create durable assets even after expending ₹ 546.73 crore during 2010-11 under the scheme.

¹² Chandrapur (₹ 0.69 lakh), Kaliachak-II (₹ 0.10 lakh), Giriya (₹ 1.79 lakh), Kalagechia (₹ 0.96 lakh), Birgram (₹ 5.25 lakh), Bodra (₹ 1.84 lakh), Joka-I (₹ 0.41 lakh), Urelchandrapur (₹ 1.45 lakh), and Chhayghara (₹ 0.48 lakh).

¹³ Calculated on the basis of minimum rate of unskilled labour wages during 2010-11 of ₹ 100 per day per head and prescribed percentage of 60 to be spent for wages out of total funds available (₹ 12.97 lakh x 60 *per cent* / ₹ 100 = 7782 mandays).

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

3.1.3.3 Irregularities regarding Job Cards

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

Scrutiny revealed that 392 GPs did not issue job cards to 83, 49,037 registered families though they applied for the same (**Appendix-XVI**). Reason for non-issuance of job cards was found on record.

Photographs of adult members of households were to be affixed on job cards. But photographs were not affixed on job cards in 1,065 GPs (**Appendix-XVI**). In absence of photographs in job cards, audit could not ascertain how GPs identified whether a job seeker belonged to a particular household. Besides there is a possibility of issue of more than one job card to any household and the use of job cards by outsiders.

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

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

Audit noticed that 18,953 job applicants were not provided any employment during 2010-11 in 74 GPs (**Appendix-XVI**) and no unemployment allowance was paid to those applicants in contravention of provisions of the scheme guideline.

Thus, rural households were deprived of their legitimate entitlement.

3.1.3.5 Annual Action Plan not prepared

In order to take up works under MGNREGS, every GP should prepare an Annual Action Plan from the consolidated proposals of all Gram Sansads clearly prioritising the works to be taken up in a year. Annual Action Plan

should be prepared by 15 March every year with due approval of higher authority of ZP. It was observed that 10 GPs expended ₹ 5.91 crore towards excavation of ponds, land leveling, drought proofing, minor irrigation etc. during 2010-11 without preparing any Annual Action Plan (**Appendix-XVII**).

Thus, works were not identified by local people and the objective of involving the village population in planning process as well as addressing of local needs was not achieved.

Also, the Programme Officer (PO) would accord technical and administrative approval of works under MGNREGS. In violation of the said provision, 74 GPs executed works under the scheme without having the technical and administrative approval of the respective PO (**Appendix-XVIII**)

3.1.3.6 Unrealistic preparation of estimated mandays

Scrutiny revealed that 2,348 GPs had prepared annual action plan with an estimate of 1854.33 crore generation of mandays during 2010-11. But the GPs generated only 10.14 crore mandays (0.55 *per cent*) against that estimate though they had unutilised amount of ₹ 81.37 crore at the end of March 2011(**Appendix-XIX**). This indicates that GPs prepared an inflated estimate which led to an insignificant generation of mandays besides showing an inefficient programme management.

3.1.3.7 Delay in payment of wages

Guidelines stipulate that wages should be paid to labourers on a weekly basis or in any case not later than a fortnight after the date on which the work was done. But late disbursement of wages was noticed in 873¹⁴ GPs during 2010-11. Reasons were late submission of muster rolls by supervisors, delay in receipt of funds, late disbursement of wages by bank and post offices etc. The labourers were thus deprived of their timely dues.

¹⁴ ZP: Bankura -52 GPs; Birbhum -75 GPs; Burdwan -54 GPs; Cooch Behar- 36 GPs; Dakshin Dinajpur -6 GPs; Hooghly- 47 GPs; Howrah -3 GPs; Jalpaiguri -76 GPs; Malda- 29 GPs; Murshidabad -66 GPs; Nadia -60 GPs; North 24 Parganas -52 GPs; Paschim Medinipur- 98 GPs; Purba Medinipur -91GPs; Purulia- 55 GPs; South 24 Parganas- 62 GPs and Uttar Dinajpur- 11 GPs.

Besides they were also not compensated as per the provisions of the Payment of Wages Act, 1936 for delay in payment.

3.1.3.8 Absence of Social audit

In order to maintain transparency and accountability in MGNREGS works, Gram Sabhas should conduct regular social audits of all the projects under the scheme taken up within a Gram Panchayat and social audit forum should be constituted for this purpose. The Gram Panchayat should provide all relevant documents to the Gram Sabha for the purpose of conducting the social audit. Scrutiny revealed that social audit forums were not formed in 230 GPs and social audit was not conducted in 260 GPs (**Appendix-XX**) during 2010-11. Though social audit was conducted in 312 GPs, the objections raised during audit were not settled.

In absence of social audit, transparency and accountability were not put in place and rural people remained deprived of their right to information.

3.1.3.9 Non-maintenance of Measurement Book/Measurement Sheet

Maintenance of Measurement Book (MB)/Measurement Sheet (MS) is necessary to ensure proper accountability of the works done or being done under the scheme. Scrutiny revealed that 16 GPs did not maintain the MB/MS in respect of 823 works valuing ₹ 10.36 crore during 2010-11(**Appendix-XXI**). In the absence of any recording in the MB/MS, quantum of work executed could not be ensured, besides, the GPs failed to justify the payment made against the works executed by them.

3.1.3.10 Progress reports of works with photographs attached not forwarded to P.O

According to scheme guideline, the gram panchayats should send completion reports along with photographs of all the works undertaken to the PO. This helps PO in monitoring progress of the scheme. Scrutiny revealed that, 532 GPs did not send the completion reports along with photographs of 24,617 works undertaken to the PO during 2010-11.

In absence of completion reports and photographs, completion of work and post work development could not be ascertained. This indicates that POs could not monitor the execution of MGNREGS works.

3.1.3.11 Excavation or re-excavation of private pond without making any agreement with the owner

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

In violation of the said guidelines, 17¹⁵ GPs spent ₹ 3.47 crore towards excavation or re-excavation of private ponds during 2010-11 without formalizing any agreement with the owners of those ponds.

Thus, the GPs incurred an irregular expenditure of ₹ 3.47 crore in violation of the guidelines. Besides due to an absence of agreement between GPs and owners of those ponds exclusive benefit to pond owners could not be ruled out.

ZILLA PARISHAD

3.1.3.12 Unauthorised retention of Sampoorna Grameen Rojgar Yojana (SGRY) funds

Jalpaiguri ZP did not transfer SGRY funds of ₹ 33.79 lakh to MGNREGS account despite government directive

The Panchayat and Rural Development Department (P&RDD) endorsed (November 2007) the instruction of the Ministry of Rural Development, GOI, wherein it was intimated to transfer balance amount of fund and food grains of SGRY to MGNREGS Account.

Scrutiny of records revealed that three ZPs and seven PSs¹⁶ did not transfer the balance in SGRY fund (as on January 2012) of ₹ 2.68 crore to MGNREGS account despite standing instructions of GOI.

When pointed out the, PRIs did not furnish any reason for the same.

¹⁵ **Burdwan ZP-** Singhi (₹ 16.07 lakh), Gazipur (₹ 2.43 lakh), Sribati (₹ 18.05 lakh), and Panchgachia (₹ 3.41 lakh); **Murshidabad ZP-** Mahalandi-I (₹ 34.50 lakh), Andulia (₹ 10.83 lakh), Imamnagar (₹ 44.43 lakh), Choa (₹ 18.67 lakh), Jashohari Anukha-II (₹ 30.89 lakh) and Kumarsanda (₹ 4.44 lakh).; **Malda ZP-** Laxmipur (₹ 2.12 lakh) and Jalalpur(₹ 0.27 lakh); **Purulia ZP-** Mankiary (₹ 17.68 lakh) and Durku (₹ 20.34 lakh); **Cooch Behar ZP** – Guriahati-I (₹ 2.40 lakh); **Bankura ZP-** Harmarshra (₹ 111.50 lakh); **Uttar Dinajpur ZP** – Sahapur-I (₹ 8.96 lakh).

¹⁶ **ZPs:** Jalpaiguri, Purulia, Coochbehar; **PSs:** Bally Jagacha, Baduria, Md.Bazar, Daspur I, Barjora, Harirampur and Bankura II.

This resulted in unauthorized retention of funds under inoperative scheme essentially meant for MGNREGS works.

3.2 Indira Awas Yojana

3.2.1 Introduction

Indira Awas Yojana aims at providing dwelling units to members of Scheduled Castes, Scheduled Tribes, freed bonded labourers and also non SC/ST below poverty line families in the rural areas. Both Central and State Government bear the cost of IAY in the ratio of 75:25. From the year 2007-08, the State Government introduced concept of Permanent Wait (PW) list for better transparency in selection of IAY beneficiaries. PW list is prepared from Rural Household Survey on the basis of families having no home or dilapidated house. They have been considered as P₂=1 and placed on the top of the list after arranging serially according to their total score in Rural Household Survey. Families having mud built house consisting of only one room are identified as P₂=2. P₂=2 families are eligible for IAY assistance only when all families with P₂=1 are exhausted. The financial and physical performances under IAY in the State during 2009-2012 are summarised below:

Table 3.2

(₹ in crore)

Year	Total available fund	Utilisation	Percentage of utilised fund	New construction (No.)		Up gradation (No.)	
				Target	Achievement	Target	Achievement
2009-10	1294.82	895.50	69	297564	229999	112090	128
2010-11	1178.73	779.61	66	103209	169795	103209	00
2011-12	1241.41	854.12	68.80	199176	186219	00	20315

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

The following irregularities were noticed in implementation of IAY scheme during Audit conducted in 2011-12:

3.2.2 Irregular selection of beneficiaries by allotting funds to P₂=2 category

As per guidelines and subsequent Government orders on the IAY fund allotment the families enlisted in the Permanent Waiting list should be provided the benefit of IAY serially starting from the lowest score (P₂=1) and other beneficiaries will be allotted only after the P₂=1 category have

been fully allotted. But scrutiny of relevant records of 5 PSs¹⁷ disclosed that the PSs had disbursed the funds in a perfunctory manner by allocating funds to beneficiaries of P₂=2 category in contravention to the guidelines. Four PSs furnished no reply except Jalpaiguri Sadar PS which stated that they were bound to pay 2nd installment to the beneficiaries of Pataka GP as 1st instalment was paid to them by the said GP.

Thus, the PS extended benefit to the beneficiaries from P₂=2 list and deprived permanent waiting list beneficiaries under P₂=1.

3.2.3 Allotment of huts to male members of a family

Allotment of huts constructed/upgraded with the scheme assistance would be conferred on the wife or alternatively on both the wife and the husband as per scheme guidelines. But 2,057 Cases were observed in 23 PSs¹⁸ where ₹ 4.86 crore were allotted solely to male members of the families during 2010-11 in violation of scheme guidelines. In reply, the PSs stated that payment to male beneficiaries was mainly due to non-availability of female members, initial payment of instalment to the male beneficiaries by the GP, selection of beneficiaries as per P₂=2 list, opening of bank account in the name of male members of the households, absence of eligible female members in the families, appearance of male members in the PWL, death of wives of heads of the families and possession of land by the male member.

Thus the objective of the scheme to enhance the empowerment of women was not achieved.

3.2.4 Failure in taking any initiative for convergence with other schemes beneficial to IAY beneficiaries

It was observed from the records of four PSs¹⁹ that no effective effort was found to have been made by the PSs for convergence of the following

¹⁷ Sandeshkhali I, Jalpaiguri Sadar, Khanakul I, Haripal and Barasat II

¹⁸ (No) (Amount: ₹ in lakh)

Santipur: (64)(₹ 12.50); Baduria: (237) (₹ 53.32); Habra I: (10) (₹ 3.50); Ranaghat II: (28) (₹ 4.90); Patharpratima:(60) (₹11.50); Bhagwanpur I: (154) (₹ 27.10); Chanchal: I (130) (₹ 24.46); Bally Jagachha: (25) (₹ 8.75); Canning I: (33) (₹ 8.00); Banshihari: (60) (₹ 10.50); Barasat I: (36) (₹ 8.10); Balagarh: (22) (₹4.95); Ausgram II: (130) (₹58.50); Ausgram I: (26) (₹5.85); Amdanga: (27) (₹11.45); Dubrajpur: (594) (₹113.85); Joypur: (26) (₹ 5.85); Mathurapur I: (205) (₹49.71); Ramnagar I: (15) (₹3.15); Gangarampur: (97) (₹33.95); Jangipara: (45) (₹20.25); Ranaghat I: (18) (₹3.15) and Ramnagar II: (15) (₹ 3.15).

¹⁹ Panchayat Samity: Barasat II, Haripal, Khargram and Bamongola

schemes with IAY so as to ensure that IAY beneficiaries also derive benefit of those schemes as given below:

- (i) Loan upto ₹ 20,000/- per housing unit at an interest rate of 4% per annum.
- (ii) Provision of sanitary latrine to every IAY house under the Total Sanitation Campaign.
- (iii) Supply of free electricity connections to IAY houses under RGGVY.
- (iv) Payment of Credit cum subsidy subject to some conditions.

When pointed out, three PSs did not furnish any reply and only Bamongola PS replied that it was noted for future guidance.

3.3 Total Sanitation Campaign

3.3.1 Introduction

Total Sanitation Campaign Programme was launched by GOI in 1999 by replacing erstwhile Central Rural Sanitation Programme to eliminate open defecation, minimizing risk of contamination of drinking water source and food as well as to accelerate sanitation coverage in rural areas, providing subsidy for construction of Sanitation facilities to the people leaving below poverty line.

3.3.2 Utilisation of fund towards start up activities and IEC

The scheme guideline stipulates that 5 *per cent* of project cost should be spent for Startup Activities which include conducting of preliminary survey to assess the status of sanitation and hygiene practices, people's attitude and demand for improved sanitation etc with the aim to prepare the District TSC project proposal for seeking GOI assistance and 15 *per cent* of the project should be spent on Information, Education & Culture (IEC) to create awareness of utilisation of toilets among beneficiaries.

Records of Dhubrajpur, Sitalkuchi, Canning II and Tufanganj PSs revealed that they did not expend any amount towards Startup Activities during 2009-11 but spent ₹ 0.69 lakh, ₹ 1.30 lakh, ₹ 0.18 lakh and ₹ 0.91 lakh respectively towards IEC during the same period. Joynagar I and Mograhat I PSs neither expended any amount for Startup Activities nor spent any amount towards IEC during 2009-11.

Thus, Joynagar I and Mograhat I PSs did not consider IEC as an integral part of TSC for creating demand for sanitary facilities in rural areas. Besides, in the absence of preliminary survey, status of sanitation in the PS area was not assessed for taking up TSC programme.

3.3.3 Poor Performance

Scrutiny of records of nine PSs revealed that the overall performance in construction of sanitary latrines in HHL/School/SSK/MSK/ICDS within the jurisdiction of the PSs during 2009-11 was far from satisfactory as would be evident from the following table:

Table 3.3

Name of PS	Category	Target		Achievement			
				Number		Percentage	
		2009-10	2010-11	2009-10	2010-11	2009-10	2010-11
Magrahat II	HHL	10930	Nil	742	Nil	6.79	Nil
	Latrines for school, SSK, MSK and ICDS	496	Nil	159	Nil	32.06	Nil
Chanditala I	HHL	3850	3781	69	293	1.79	7.75
	School Latrines	24	42	24	Nil	100	Nil
Mekhliganj	HHL	26814		704		5.26	
	Latrines for school, SSK, MSK and ICDS	298		26		22.03	
Indpur	HHL	9553	8646	907	965	9.49	11.16
	Latrines for school, SSK, MSK and ICDS	549	248	301	28	54.83	11.29
M.ayureswar II	HHL	12796	8066	4730	Nil	36.96	Nil
Magrahat I	HHL	NA	NA	NA	NA	NA	NA
	Latrines for school, SSK, MSK and ICDS	493	356	137	Nil	27.79	Nil
Chanchal I	HHL	-	-	12136	2208	52.21	52.06
	Latrines for school, SSK, MSK and ICDS	6	142	2	9	33.33	6.34
Chhatna	HHL	32734	40654	11868	12675	36.25	31.18
	Latrines for school, SSK, MSK and ICDS	239	199	76	130	31.79	65.32
Gazole	IHHL	15500	17700	4307	4966	27.79	28.06
	Latrines for school, SSK, MSK and ICDS	208		89		42.79	

(Record of PSs)

It was evident from the above table that construction of HHL ranged between 1.79 and 52.21 *per cent* during 2009-10 and ranged between 0 and 52.06 in respect of seven PSs. In Mekhliganj PS, percentage of HHL during 2009-11 was only 5.26 *per cent*. Magrahat II PS did not fix any target for HHL during 2010-11 and the target fixed for the year 2009-10 was also not achieved. Achievements in respect of Magrahat II, Chanditala I, Mekhliganj and Indpur PSs were merely 1.79 to 11.16 *per cent* during 2009-11.

In respect of school sanitation, Chanditala I PS achieved construction of 100 *percent* toilets during 2009-10 but could not construct any toilet during 2010-11. Similarly, Magrahat I achieved only 27.79 *per cent* during 2009-10 and nil *per cent* during 2010-11.

When reasons for shortfall in achievement were enquired, Gazole PS stated that due to shortage of sanitary marts, performance of TSC was poor and effective measures would be taken to achieve the target in future. Chhatna PS admitted the facts and figures but did not cite any reasons. Remaining PSs did not give any reasons for their poor performance.

Thus, it was evident from the performance of PSs for two years that the PSs did not take proper initiatives to achieve the target set under TSC and sanitation facilities did not reach rural people.

3.3.4 Achievement against release of subsidy to sanitary marts not ascertained

Canning II PS released subsidy of ₹ 1.82 lakh and ₹ 6.79 lakh to two sanitary marts viz Kalikatala Seven Stars Sporting Club and Sarengabad Majherpara Amar Sangha for construction of 593 and 2411 low cost sanitary latrines for BPL families during 2009-10 and 2010-11 respectively. But the records of PS did not evince the number of sanitary latrines constructed so far by two marts. As a result, achievement of the PS against that subsidy could not be verified.

3.4 Conclusion and Recommendations

Conclusion

Absence of annual action plan, failure to provide at least 100 days of guaranteed employment in a financial year, delayed payment of wages, failure to achieve estimated mandays, absence of photographs on job cards, failure to create durable assets and also to conduct social audit indicated significant deviations from MNREGA guidelines. As a result, people remained unaware of their right to information, their entitlement in the form of wages, unemployment allowance and compensation for delayed payment etc. Transparency and accountability measures were not

put in place. In absence of said factors, improvement of livelihood security of rural people could not be ensured.

In the implementation of IAY, irregular selection of beneficiaries and failure to provide assistance to women beneficiaries deprived the target groups of the intended benefits. As far as TSC is concerned not being able to achieve the targets did not improve the sanitation conditions of the intended beneficiaries.

Recommendations

- Annual Action Plans should be prepared in consultation with rural stakeholders, who should also be involved in identification of works to be taken up under the scheme;
- Compliance with scheme guidelines should be ensured;
- Gram Sabha should be convened for social audit twice a year to monitor the implementation of MGNREGS;
- Photographs to be fixed on job cards;
- Effective steps need to be taken to provide 100 days employment to job seekers and unemployment allowance to eligible households;
- Labourers should be compensated for delayed payments;
- IAY beneficiaries should be selected from the PW list and priority should be given to P₂ =1 beneficiaries;
- Emphasis should be given to identify female beneficiaries in the family for providing IAY assistance; and
- Construction of sanitary latrines under TSC needs to be planned and executed so that the target fixed by government of 100 *per cent* sanitation coverage could be achieved.

Close monitoring of the projects is required to ensure proper delivery of benefits to the target population.