

CHAPTER-III

IMPLEMENTATION OF SCHEMES

3.1 Irregularities in release of funds.

As per guidelines of TFC the repair and maintenance of water supply and sanitation schemes in rural areas having monetary value of less than Rs. 0.50 lakh shall not be sanctioned by PS. These schemes should be sanctioned out of the priorities fixed by the Gram Sabha in its annual plan/budget and relevant portion of which will be supplied to the PS for sanction of schemes out of its budget share.

It was noticed that contrary to the provisions of guidelines, funds amounting to Rs. 12.57⁶ lakh were sanctioned/released by PS during 2006-07 for 86 schemes having monetary value of less than Rs.0.50 lakh. However, the works under the schemes were being executed but these schemes were not out of priorities fixed by the respective Gram Sabha. Thus, the release of funds to non-priority works was irregular. The Secretary of concerned PS stated that matter had been taken up with the Govt. for relaxation in monetary value of each scheme as it was not possible to frame schemes having monetary value of Rs. 0.50 lakh and more. Relaxation from Government is awaited.

3.2 Excess expenditure on material component

As per instructions issued (July 2003) by the Government, the expenditure on labour and material component was to be maintained in the ratio of 60:40 for works executed under SGRY.

In violation of these instructions, 64 percent expenditure was incurred on material component and 36 per cent made on labour component during the year 2002-2007 on 587 works such as construction of grounds, path, bowri and tanks etc. approved by the Gram Sabha and executed in 40 Panchayats resulting in excess expenditure on material component of Rs. 22.70 lakh. No reasons for excess expenditure on material component were advanced by any of GPs.

3.3 Incomplete works.

As per condition of sanctions, works were required to be completed within one year from the date of sanction. During test check of works registers and other relevant records, it was noticed that in seven PSs, 89 works totaling to Rs. 21.44

⁶ PS Dharampur Rs. 1.60 lakh five schemes, Sujampur Rs. 2.59 lakh 15 schemes, Chamba Rs. 5.34 lakh 60 schemes, Reconge peo Rs. 1.46 lakh five schemes and Basantpur Rs. 1.58 lakh one scheme.

lakh were approved (2002-07) through annual shelf works and funds of Rs. 21.44 lakh were sanctioned for execution of works. These works were to be executed by the various GPs under the control of seven PSs during the year 2002-2007 under SGRY scheme (details in Appendix-8). It was further noticed that out of above works of Rs. 21.44 lakh, an expenditure of Rs. 11.10 lakh was incurred as of March, 2008 and a balance of Rs. 10.34 lakh remained unutilised. A period of one to six years has elapsed from the date of sanction of funds, but the balance funds of Rs. 10.34 lakh has not been utilised (August 2008).

Thus non-completion of these works even after stipulated period has resulted into unfruitful expenditure besides depriving the public from intended benefits. The concerned EOs stated (June 2007 to February 2008) that some of the works had been completed but accounts were awaited from concerned GPs. It was further stated that incomplete works could not be completed due to local disputes and lack of interest of concerned GPs.

3.4 Expenditure in excess of sanctioned grant.

Rules 46 of the Himachal Pradesh Panchayati Raj Rules 2002 provides that Secretary of the GP shall keep the proper control over expenditure and closely acquainted with the progress of the expenditure.

It was notice that 34 GPs had incurred an expenditure of Rs. 21.63 lakh (Appendix-9) in excess of sanctioned amount of grant in respect of works during 2002-07 for which no approval was obtained from competent authority. No reasons for excess expenditure were advanced. The works had been completed after incurring expenditure in excess of sanctioned amount which resulted into non-execution of other works timely due to shortage of funds.

3.5 Diversion of funds.

Para 4.3 of guidelines of SGRY scheme provides that 22.5 percent of annual allocation of PS must be spent on individual beneficiary/group schemes for the benefit of SC/STs living below the poverty line. Diversion of funds meant for this purpose was not permitted. For this purpose schemes are proposed in the house of PRIs and approved by the Gram Sabha.

Out of Rs. 239.75 lakh allocated to four⁷ PSs for 539 schemes between 2003-04 and 2006-07, a sum of Rs. 53.95 lakh (22.5 percent) was required to be spent

⁷ Nimand 114, Nichar 130, Kalpa 134 and Ani 161.

for individual beneficiaries of SC/STs living below the poverty line. It was however noticed that out of 539 schemes no scheme was sanctioned and approved by the Gram Sabha for individual benefit of SC/STs living below the poverty line. Thus the sum of Rs. 53.95 lakh meant for individual benefit of SC/STs living below the poverty line was diverted to other programmes of SGRY scheme.

The concerned EOs stated (June 2007 to November 2007) that while sanctioning the schemes, the guidelines would be followed in future.

3.6 Non-Execution of works by the Panchayat Samities.

Rule 93 of Himachal Pradesh Panchayati Raj Rules 2002 provides that the PS shall execute works out of the funds available through the participatory⁸ committee constituted by the PS and the separate participatory committee should be framed for each works for maintaining complete transparency in its functioning.

It was noticed that seven test checked PSs had not constituted any participatory committee for execution of works approved by the house of PS. Consequently funds amounting to Rs. 38.90 lakh were released during 2005-07 (Appendix-10) to the blocks for further execution of works by the concerned Panchayats. Which was irregular on the participant of common man was missing in the execution of these works. The concerned institutions stated that the corrective action would be taken in future.

⁸ Includes two members of concerned GP, three members of the village who are to be benefited from works, two women members of Mahila Mandal, one teacher and two representative from Non Government Organization (NGO).