

Chapter-9 Execution of works

The two most important objectives of the Act are to guarantee 100 days of wage employment to every household in need, and creation of durable assets to strengthen the livelihood resource base of rural poor. The Act and the guidelines also stipulate number of conditions on the works which could be taken up under the scheme:

- The ratio of wage to material costs should be 60:40;
- The list of permissible works which can be taken up is indicated in the Act;
- Engagement of contractor and use of machinery was not allowed;
- At least 50 *per cent* of works in terms of cost should be allotted to GPs for execution; and
- Administrative and technical sanction for all the works should be obtained in advance.

9.1 Status of MGNREGA works

In 10 test-checked districts, altogether 42,979 works of different type for a total amount of ₹1,34,201.50 lakh were sanctioned by the DPCs concerned for execution during 2007-12. Out of 42,979 sanctioned works, 29,378 works were completed at a total cost of ₹1,02,410.98 lakh. The remaining 13,601 sanctioned works could not be completed as of 31 March 2012 as shown in Table-21.

Table-21
Status of execution of MGNREGA works (2007-12)

Sl no	Name of the districts	No. of works sanctioned	Amount sanctioned	No. of works completed	Amount involved	(₹ in lakh)
						Nos. of incomplete works (percentage)
1	Dibrugarh	1,163	5,161.34	843	4,376.03	320 (27.52)
2	Jorhat	2,674	6,817.28	721	1,292.65	1,953 (73.03)
3	Cachar	2,792	12,692.17	666	2,935.85	2,126 (76.14)
4	Hailakandi	3,829	10,340.57	2,447	11,310.94	1,382 (36.09)
5	Goalpara	6,188	12,013.12	3,905	9,995.20	2,283 (36.89)
6	Lakhimpur	1,967	12,099.02	336	2,472.19	1,631 (82.91)
7	Darrang	7,453	14,636.24	6,246	14,261.57	1,207 (16.19)
8	Karbi Anglong	14,117	43,342.55	12,726	43,847.55	1,391 (9.85)
9	Chirang*(2 test checked Blocks)	2,221	14,544.78	1,191	10,944.65	1,030 (46.37)
10	Kamrup (R) *(4 test checked Blocks)	575	2,554.43	297	974.35	278 (48.34)
Total		42,979	1,34,201.50	29,378	1,02,410.98	13,601

Source: Information furnished by the DRDAs/Blocks of selected districts.

(*Authorities of Chirang and Kamrup (R) district did not furnish the position of the district as a whole and hence position of test checked Blocks taken into consideration)

The number of incomplete works in 10 test-checked districts due for completion within 2007-12 ranged between 9.85 and 82.91 *per cent* of the total works sanctioned (42,979) during the aforesaid period.

Records of the DPCs/PD, DRDAs/POs/GPs concerned disclosed that the works sanctioned and executed includes non-permissible works, works taken up but abandoned, excess allotment of works/funds to APs, execution in Individual Private land, procurement of material without observing codal formalities and non-maintenance of approved wage to material ratio etc., instances of which are brought out in the subsequent paragraphs.

9.1.1 Non-completion of works

It is desirable under the Act that funds should immediately be released to the implementing agencies as soon as it is received from the GoI/State so that the works can be taken up and completed early to provide job to the Job seekers as well as to create durable assets under the scheme. The Government of Assam, P&RD department belatedly instructed (July 2011) all concerned to take up schemes/projects of estimated value between ₹three lakh and ₹10 lakh to ensure timely completion within a period of three to six months.

Records of three test-checked districts revealed that 318 works taken up during 2008-09 and 2010-11 remained incomplete after spending ₹15.12 crore mainly due to non-receipt of fund, land dispute etc. District-wise position is given in Table-22.

Table-22
Incomplete works in three test-checked districts (2008-11)

(₹ in lakh)

Sl no.	Name of district	Implementing agencies	No. of incomplete works	Expenditure incurred	Remarks
1	Kamrup (R)	Goroimari Block	AP level=15 GP level=10	133.65	Execution of works commenced during 2008-09 to 2010-11 but could not be completed due to non-receipt of fund, land dispute, etc.
2	Chirang	Kokrajhar Irrigation Division	1	36.74	Execution of works commenced during 2008-09 but could not be completed due to land dispute
3	Lakhimpur	Boginadi Block	AP level=128 GP level=46	710.96	Execution of works commenced during 2008-09 to 2010-11 but could not be completed mainly due to non-receipt of balance fund.
		Narayanpur Block	AP level=85 GP level=33	631.02	
Total			318	1,512.37	

Source: Information furnished by BDOs and GP Secretaries.

Thus, the expenditure of ₹15.12 crore incurred on incomplete works in the three test-checked districts remained unfruitful besides the objective of creating durable assets remained unfulfilled to a large extent.

9.1.2 Wasteful expenditure on abandoned works

In four test-checked districts, as many as 14 works taken up for execution during 2007-08 to 2010-11 were abandoned after incurring expenditure of ₹129.76 lakh due to various reasons as indicated in the Table-23.

Table-23
Incomplete and abandoned works

(₹ in lakh)

Sl No.	Name of district	Name of block	Name of the work	Expenditure incurred	Reason for abandonment
1	Kamrup (R)	Kamalpur	To plug the breach caused in the Puthimari R/B embankment (AP level)	8.30	(i) Lack of technical expertise; (ii) Indecision of the DPC to take up the work under MGNREGS; (iii) The executed works were washed away by flood.
2			Excavation of Public Fishery at Panitema Ghogabil during 2010-11 under Borka-Satgaon GP (GP level)	4.25	Due to inundation of the executed portion of work in flood water.
3			(i) Construction of road from Madhya Kampith College Chowk to Thakuriatal suba (2010-11) under Borka-Satgaon GP (GP level). (ii) Agri-bundh from Phatik Kalita's house to Sutarkuchi (2010-11) under Kendukona GP (GP level). (iii) Agri-bundh from Paduli ME School to Manik Kalita's house (2008-09) under Kendukona GP (GP level).	7.24	Due to resistance from local people against execution of the works.
4	Kamrup (R)	Hajo	Afforestation and Horticulture farm at Pujali field near Pujali Beel for 2008-09" (AP level)	8.06	Reluctance of the labourers/ workers to do the work as the land around the beel was used by them as cattle grazing field.
5			Clearing of Katurajan covering Manahkuchi, Kulhati and 2 No. Hajo GP (AP level)	4.02	Due to public obstruction.
6	Cachar		Flood protection bund at Angarjun under Rangpur GP through WR department.	31.38	Washed away by flood water due to non-execution of initial precautionary protection work on the river bank.
7	Lakhimpur	CEO, ZP, Lakhimpur	(i) Sericulture farm at Joritup with fencing including land Dev.and Chowkidar shed under Azad G.P /Lakhimpur (ii) Const.of road with bridge & its approaches over river Sumdiri to connecting Uttar Telahi & Azad G.P. and to Dev.of rural under Azad G.P / Lakhimpur (iii) Water Conservation at Nabeel at Rajkhowa Pathar under Uttar Telahi G.P., Telahi (iv) Const.of Inter District Boundary Gate at Chouldhuwa under Boginadi Dev.Block under Chauldhuwa G.P., Boginadi (v) Community Hall at Phatbihi Campus under Madhya Dhakuakhana G.P., Dhakuakhana	36.17	During 2007-08 Rs.89.20 was sanctioned for execution of the five works and released ₹48.20 lakh to CEO, Zilla Parishad, North Lakhimpur. Though the commencement of the works started in 2007-08 but could not be completed even after a lapse of more than four years and was abandoned after incurring expenditure of ₹36.17 lakh (with the refund of the unutilised balance of ₹12.03 lakh in March 2012). The reason for abandonment was neither on record nor was stated.
8	Darrang	Bechimari	River Protection work with Bundh from Daipam Village to Simulguri Village of Tangni River under NREGS-2007-08 under Daipam GP (AP level).	30.34	Sanctioned ₹47.02 lakh. The work was abandoned after incurring expenditure of ₹30.34 lakh. The reason behind the abandonment of the scheme and non-completion of the same in later stage was not on records. The relevant records also could not be made available as the same were found to have been seized by Police. Departmental proceeding is on against the then BDO and the JE.
Total				129.76	

Source: Departmental records.

Thus, the expenditure ₹129.76 lakh incurred on works abandoned subsequently, rendered the entire expenditure wasteful, thereby defeating the objective of creating durable assets under the scheme.

9.1.3 Wasteful Expenditure due to lack of initiative

The DC-cum-DPC, Lakhimpur accorded (February 2009) administrative approval for an amount of ₹59.50 lakh for implementation of "Orange cultivation intercropped with turmeric" by a district level Committee at Simaluguri under Rajgarh GP of Narayanpur Block under MGNREGS 2008-09. The Project Report for the work was

prepared by the District Agriculture Officer (DAO) and ₹55.82 lakh was released in two installments (₹40.82 lakh and ₹15 lakh). As per the Progress Report submitted (February 2010) by the DAO, the project was completed at a cost of ₹55.13 lakh.

The DAO, while submitting the Overall Progress Report mentioned that 2,100 quintal Rhizome was used in the land area covering 800 bighas and produced 3,000 quintal turmeric but remained silent on the fate of the 42,000 orange seedlings planted in that area except pointing out death of 7,000 seedlings. DAO intimated (July 2010) the matter of death of 7,000 seedlings to the PD, DRDA, North Lakhimpur and demanded ₹4.28 lakh for replacement of the same including application of fertilizer, mulching and weeding of the area. But the said amount was found to have not been released. As per the decision taken and modalities fixed, the entire cultivated area was to be handed over to the User Group consisting 10 selected members from Rajgarh and Simaluguri GP for maintenance and procuring, processing and marketing of the produces. But it was not on record as to whether the same was done. The information though called for was also not furnished. However, it appeared from the records made available that there was a Working Committee on “Orange intercrops with Turmeric Project” which also brought out (February 2010) the matter of drying up of the plants to the notice of the DPC with a request to provide immediate irrigation facilities. But the details of any action taken thereon were not found on record.

The audit team while conducting joint physical verification of the plantation area alongwith the JEs of the Narayanpur Development Block and Rajgarh GP Secretary found (September 2012) that the entire plantation area including the Sign Board erected were covered with jungle. No Orange Plants, however, came to notice and only erection of fencing in some portion was noticed.



ORANGE CULTIVATION AT RAJGARH GP OF NARAYANPUR DEVELOPMENT BLOCK, LAKHIMPUR DISTRICT
(27.09.2012)

Thus, due to lack of timely and proper action at DPC's level, the objective of raising of orange plantation was not achieved, besides the expenditure incurred on plantation became wasteful.

9.1.4 Execution of non-permissible works

Construction of “Raised Platform”, “Development of Smashan bhumi and Kabarsthan” and “Earthen (Kutch) Road” are not enlisted in the Schedule-I of the Act for taking up and execution under MGNREGS. Again, as per paragraph 5 (ix) of MGNREGS Works Field Manual of MoRD, GOI, land development/levelling of school/college/office ground/field and construction of boundary wall are not permissible under MGNREGS as the same will not strengthen the livelihood resource base of the rural poor.

In four test-checked districts, however, 240 such works incurring expenditure of ₹8.37 crore were executed beyond the scope of the provision of the Act and Works Field Manual. Few such instances noticed in the selected districts is given in Table-24.

Table-24
Instances of district wise execution of inadmissible works in selected districts

(₹ in lakh)

Sl. No.	Name of district	Name of Block	Period of execution	No. of works executed	Expenditure involved
Raised Platform					
1	Kamrup (R)	Hajo (4) Goroimari (3) Chamaria (3)	2009-12	10	58.03
2	Lakhimpur	ZillaParishad (1) Narayapur (2)	2008-10	3	25.18
Smashan Bhumi & Kabarsthan					
1	Kamrup (R)	Kamalpur (2) Goroimari (1) Chamaria (1) Hajo (6)	2008-12	10	34.77
2	Darrang	Paschim Mangaldai (10)	2008-12	10	23.96
Land development and in schools/colleges/offices/cremation ground					
1	Kamrup (R)	Goroimari (19) Kamalpur (16) Chamaria (3) Hajo (17)	2008-12	55	168.10
2	Lakhimpur	Boginadi (3) Narayanpur (1)	20010-11	4	7.28
3	Darrang	Bechimari (12) Paschim Mangaldai (26)	2007-12	38	187.30
4	Karbi Anglong	Nilip (13) Howraghat (60) Longsomepi (17)	2007-12	90	167.39
Earthen (Kutch) Road					
1	Kamrup (R)	Chamaria (14) Hajo (1)	2008-11	15	122.12
2	Lakhimpur	Narayanpur (5)	2008-11	5	42.50
Total				240	836.63

Source: Departmental records.



EARTHEN ROAD FROM BORNI CHOWK TO BORNI VILLAGE (KADAMBARI) PHASE-I UNDER HAJO DEVELOPMENT BLOCK (2 JUNE 2012).



EARTHEN ROAD FROM MAHTOLI BAZAR IDGAH TO ARIKATI BAZAR UNDER CHAMARIA DEVELOPMENT BLOCK (7 MAY 2012).

9.1.5 Excess allotment of work to APs/ZPs beyond norm

As per Paragraph-6.3.1 of the Operation Guidelines, 2008, a minimum of 50 per cent of the works in terms of costs to be executed by the Gram Panchayats as it is the single most important agency for executing the works.

The norm was not adhered to in the test-checked seven Blocks under three districts namely Kamrup (3), Lakhimpur (2) and Darrang (2) where more than 50 per cent works were sanctioned for execution at Anchalik Panchayat (AP) level resulting in excess sanction of ₹5.86 crore to APs. The details of works sanctioned for AP and GP levels are shown in the **Appendix-13**.

Similarly, in Baghchung Development Block under Jorhat district, APs/ZPs were allowed to execute more than 50 per cent works in terms of cost during 2008-09 and 2010-11 thereby sanctioning excess amount of ₹24.18 lakh to AP and ₹21.39 lakh to ZP respectively. In Dhekorgorh block, AP/ZP were also allowed to execute more than 50 per cent works in the year 2010-11, sanctioning excess amount of ₹87.01 lakh. The excess sanction for execution of works at AP level violated the mandates of earmarking a minimum 50 per cent of the works to be executed by GPs. This also indicated the lapses that occurred at the level of DPC while according sanction of works.

9.1.6 Irregular constructions in Individual Private Land

In the two test checked GPs under Chamaria Development Block of Kamrup district, two works namely (i) Fishery tank near Muqtab Compound and (ii) Renovation of Public fishery tank near No.2 Bamunbori LP School were executed during 2011-12 at a cost of ₹2.59 lakh and ₹1.40 lakh respectively in the land of ineligible beneficiaries of GP (GP President's father and the AP Member respectively) which were not permissible under the schemes particularly with reference to the ownership of assets created out of the scheme fund. The schemes were neither prepared/forwarded nor sanctioned as Individual Beneficiary Scheme (IBS). Thus, the works executed were beyond the provisions of MGNREGS and were irregular.

9.1.7 Wide variation in execution of works

Joint Physical verification of as many as 18 completed works of field development and rural connectivity works executed under MGNREGS during the period from 2008-09 to 2011-12 in the test checked eight GPs under four Development Blocks of Kamrup (R) district revealed that the works were not executed as per the provisions made in the estimates. There were wide variations ranging from 18 to 65 *per cent* in execution (with shortfall in the length, width and height) with reference to stipulation in the estimates, involving expenditure of ₹23.76 lakh on account of less execution of works as detailed in the **Appendix-14**.

Similarly, in the two test checked VDCs under Howraghat Development Block of Karbi Anglong district, three works of land development were executed during 2008-09, 2009-10 and 2011-12 at a total cost of ₹8.28 lakh. Joint physical verification of the works revealed shortfall in execution of works *w.r.t.*, approved estimates amounting to ₹7.54 lakh (details are shown in **Appendix-15**).

Thus, less execution of works as compared to stipulation in the detailed estimates not only resulted in doubtful expenditure of ₹31.30 lakh but also reflects poor supervision/inspection at PO/DPC's level.



LESS EXECUTION IN CONSTRUCTION OF ROAD FROM USMUDDIN HOUSE TO LALMIA HOUSE VIA MAIDAN HOUSE & RABIN HOUSE (10.05.2012)



LESS EXECUTION IN CONSTRUCTION OF ROAD FROM LALCHAN ALI HOUSE TO 2 NO.SOULMARI LP SCHOOL (10.05.2012)

9.1.8 Non-maintenance of wage material ratio

In seven out of ten test-checked districts, the wage-material ratio (60:40) was not maintained resulting in excess expenditure on material. The excess utilisation of fund on material led to less generation of minimum 42.64 lakh mandays as per details shown in **Appendix-16**.

9.1.9 Execution of work without AA and TS

Paragraph 6.4 of Operational Guidelines provides that works cannot be executed without Administrative Approval and Technical Sanction in advance.

In three test-checked districts, 14 numbers of works at a cost of ₹74.59 lakh were executed without obtaining administrative approval (AA) and technical sanction (TS) of the competent authority. Details are shown in Table-25.

Table-25
Execution of works without AA and TS

(₹ in lakh)

Sl. No.	Name of district	Name of block	No. of works executed	Expenditure incurred	Remarks
1	Goalpara	Matia	2	13.85	TS not obtained.
2	Karbi Anglong	Howraghat	1	28.48	TS not obtained. The work was washed away as it could not withstand the pressure of water during the very first rainy season after its construction.
3	Jorhat	Baghchung & Dhekorgorah	11	32.26	Both AA & TS not obtained.
Total			14	74.59	

Source: Departmental records.

Thus, there were executions of works without being administratively and/or technically sanctioned in gross violation of the provisions of the Act and the works manual.

9.1.10 Non-existence of works executed

(i) Physical verification of two AP level works revealed that works sanctioned for the year 2009-10, and executed under Goroimari Development Block under Kamrup (R) district were not executed resulting in suspected misappropriation of funds to the extent of ₹13.20 lakh. Details in this regard are given in **Appendix -17**.

(ii) In the test-checked Howraghat Development Block under Karbi Anglong district, scrutiny revealed that 12 horticulture schemes were reported as having been executed by incurring expenditure of ₹20.96 lakh (against estimated value of ₹23.37 lakh) during the period 2007-08 to 2010-11. Joint physical verification conducted (June 2012), however, revealed that the works were not executed. The relevant estimates, MBs and the vouchers were also not produced to audit which pointed to probable misappropriation of scheme fund (Details are shown in **Appendix-18**).

(iii) Similarly, joint physical verification and beneficiary survey in Hailakandi district revealed that 10 works (rural connectivity) involving ₹22.06 lakh although shown to have been executed by AP/ZP during 2010-12 were not found in existence. The details are in **Appendix-19**.

9.1.11 Doubtful expenditure

(i) In the test-checked VDC under Howraghat Development Block of Karbi Anglong district, a sum of ₹22.85 lakh was spent towards construction of three roads of which ₹16.14 lakh was shown to have been spent for procuring sand gravel of

2,061.28 cum. However, muster rolls did not show use of labourers for spreading and rolling of sand gravel. Besides, measurement book showing execution of sand gravelling work was also not shown to audit. During joint physical verification conducted (June 2012) with departmental officials, sand gravel was not found to have been sprayed on the said roads casting doubts on the bona fides of expenditure of ₹16.14 lakh shown against procurement of sand gravel (details are shown in **Appendix-20**).

(ii) Two works namely (a) Sericulture farm at Joritup with fencing including land development and chowkidar shed under Azad G.P/Lakhimpur and (b) Water Conservation at Nabeel at Rajkhowa Pathar under Uttar Telahi G.P., Telahi for the year 2007-08 were taken up by CEO, Zilla Parishad, North Lakhimpur and abandoned after incurring expenditure of ₹16 lakh. Scrutiny of MR bills disclosed that the MR bills were prepared for 30 days at a stretch (ignoring the provision of the Act for a period six days at one go) without indicating job card numbers of the workers and without indicating the period of the work done. The countersignature of the GP secretary on the MRs and the verification of MRs as required to be done by the labourers were absent. In the absence of such signatures, the entire payment of wages of ₹7,85,117 (₹1,05,900+₹6,79,217) stands doubtful.

(iii) The MR bills for ₹1.74 lakh in respect of the work ‘Protection of Udalguri village and its 10 adjoining villages from the erosion of river Aie (R/B)’ executed during 2008-09, showed 188 names recorded in the MR bills without the ID number and Bank/PO account number, which raised doubts on the bonafides of expenditure.

(iv) In the GPs under two test-checked development block of Jorhat district, materials worth ₹8.97 lakh were found procured in respect of 12 schemes after completion of the said schemes which pointed towards doubtful procurement of materials/ expenditure.

(v) In the test-checked Boginadi Development Block under Lakhimpur district, wages for an amount of ₹ 1.92 lakh were shown to have been paid in advance to 288 labourers through 59 MR bills (against four GP level works) prior to period of the works (details shown in **Appendix-21**) irregularly disregarding provision of financial rules. This also pointed to doubtful execution of the works vis-à-vis payments shown to have been made to the labourers.

9.1.12 Payment of wages without measurement of works

The scheme guidelines provide that in order to reduce corruption and to avoid underpayment, measurement of the works must be taken on a daily basis in a transparent manner and recorded in the measurement books maintained by qualified technical personnel in charge of the worksite. Verification should also be done by qualified personnel a week before payment of wages.

(i) In Sayebond GP under Algapur Block of Hailakandi district, ₹7.48 lakh being the amount of wages of workers in respect of four works¹ was paid by the GP president without recording measurement of the works by the JE/AE.

(ii) In the test-checked GPs under two development blocks of Jorhat district, ₹70.30 lakh was spent in 21 schemes without recording of measurement in the MB.

Thus, authenticity of execution of the works without any record of measurement particularly those identified for the test-check, remained unconfirmed.

9.1.13 Excess expenditure than the fund released

As per the records/information furnished, altogether 135 number of works (97 AP level and 38 GP level in four test-checked Rajgarh, Simaluguri, Pichala and Dakhin Narayanpur GP) were sanctioned for execution under Narayanpur Development Block during 2008-09 to 2010-11. Of these, only four AP level and five GP level works could be completed. The physical achievement of the remaining works ranged between 20 and 98 *per cent*. The reason behind non completion of the works was mainly attributed to non-receipt/release of balance fund from DPC level.

Scrutiny of records further disclosed that in as many as 18 incomplete works (15 AP level and three GP level), excess expenditure to the extent of ₹ 29.32 lakh was incurred out of the savings/available fund with the block (including the interest earned over the years) as per the direction of the DPC. Excess expenditure of ₹29.32 lakh from available fund in these 18 works, also proved insufficient to complete the works. The reasons for non-release of available sanctioned fund from DPC's level were not intimated though called for.

9.1.14 Schedule of Rates (SOR)

The matter of preparation of SOR as required under the scheme guidelines in respect of works under Rural Development Department was discussed in the meeting of the SEGC held on 13 August 2008 but no conclusive decision was taken and as a result PWD SORs were adopted for preparation of the estimates till 2010-11. The Government of Assam, P & RD Department, however, prepared one "Schedule of Requirement of Labour and Materials-2010-11" instead of SOR. The use of this Schedule of Requirement came into use only from 2011-12 to work out the requirement of labour and material component for working out the estimates of the works.

¹ 1. Improvement of village path starting from Railway line towards connect Barakhal of Sayebond-II".

2. "improvement of village path starting from NH.154 via Railway line at Sayebond Pt-I".

3. "Improvement of village path starting from S.A. Choudhury to Pandit Mia house of Sayebond Pt-III.

4. Construction of ponds of Islam Uddin Laskar Son of Mosaddar Ali Laskar at Algapur IV.

9.1.15 Procurement of materials without codal formalities and non-accountal thereof

It is mandatory under the provision of the guidelines of the scheme to maintain transparency in regard to procurement of materials and to maintain a register at worksite. Again, as per the modalities for procurement of materials under MGNREGA fixed by the State Government (P&RD department) and communicated to all concerned in June 2010², a District Level Committee (DLC) headed by the Deputy Commissioner was to be formed which will fix the rates for procurement of materials after conducting survey of the market prices of different materials by a Survey Committee consisting of PD, DRDA, Financial Advisor of DC's Office, EE of DRDA's Office and DFO. The rates approved by the DLC would be valid for a year and would be published and displayed at the district/block/GP offices. The concerned executing agencies shall procure the materials at the approved rate from any supplier from the open market and maintain Site Account Register of the materials. In cases of procurement of a particular item in a year exceed ₹50,000, spot quotations were required to be called for.

In six test-checked districts, materials for ₹62.55 crore against execution of 3,915 works were procured during 2007-12 from open market without observing codal formalities, disregarding the provision of the guidelines/modalities prescribed by the State Government. Stock Register/Material at Site account for the materials procured and utilized was also not maintained. District wise position of materials procured is given in Table-26.

Table-26
Procurement of materials

(₹ in lakh)

Sl. No.	Name of district	Name of block/ implementing agency	No. of works executed	Expenditure incurred for material	Remarks
1	Kamrup (R)	Kamalpur, Goroimari, Chamaria and Hajo (AP/GP level)	490	612.11	Procured from open market. Site Account not maintained.
2	Lakhimpur	Boginadi and Narayanpur (AP/GP level)	309	524.18	
3	Darrang	Bechimari and Paschim Mangaldai (AP/GP level)	414	738.31	
4	Karbi Anglong	Howraghat and Longsomepi	2674	4328.00	
5	Jorhat	Baghchung and Dhekorgorah (AP/GP level)	27	52.75	Stock Register/ Site Account not maintained.
Total			3,914	6,255.35	

Source: Information furnished by Blocks/GPs.

Thus, the provision of the guidelines and the mechanism devolved by State Government for maintaining transparency in procurement of materials was not adhered to, by the districts. Non-accountal of materials worth ₹62.55 crore also raises

² Order no.RDD.123/2006/172 dt.28.06.2010.

doubt about procurement and eventual utilisation of materials in the works negating achievement of the primary objective of effective and efficient utilisation of funds.

9.1.16 Idle stock of First Aid Boxes

First Aid Boxes valuing ₹9.39 lakh procured during 2007-08 by the Cachar district authority for issue to the work sites through GPs were lying idle in store till the date of audit (April 2012). The reasons for non-issue of the boxes to GPs were not on records. The expenditure incurred for the procurement of First Aid Boxes, thus remained unfruitful.



FIRST AID BOXES LYING IDLE IN THE STORE OF DRDA, CACHAR. (02.04.2012)

9.1.17 Irregular engagement of contractor or middleman

The NREGA Act, 2005 do not allow engagement of contractors or middlemen for execution of the works under the scheme.

In Chirang district, the work 'Construction of wooden bridge' was executed at ₹20.81 lakh by Water Resource Department by engaging a contractor in contravention of the scope of Act. This not only resulted in irregular execution but also resulted in non-generation of wage employment, defeating the primary purpose of the scheme.

9.1.18 Use of heavy machinery

Use of heavy machinery and truck etc., are not permitted for execution of MGNREGA works.

It was, however, noticed that the CEO, Zilla Parishad, North Lakhimpur in respect of the work "Construction of Inter District Boundary Gate at Chouldhuwa under

Boginadi Development Block” allowed carriage of soil by truck for earth filling incurring expenditure of ₹1.65 lakh against the spirit of the scheme.

9.1.19 Maintenance of Assets

(i) Scrutiny revealed that 746 assets, created after incurring expenditure of ₹16.20 crore in the test checked Kamrup (R) district, were neither handed over to the user groups nor any fresh scheme prepared and included in the Action Plan for their maintenance.

(ii) Similarly, 1,657 assets worth ₹94.90 crore created in the Chirang district during the period 2008-09 to 2011-12 were neither handed over to the user groups nor any attempt was made for their maintenance. During physical verification of assets created out of 29 works completed at the cost of ₹70.25 lakh during 2008-09 and 2009-10 were found in a dilapidated condition for want of maintenance.

9.1.20 Project Completion Report (PCR)

Scrutiny of records revealed that none of the six GPs under two test-checked development blocks of Kamalpur and Goroimari in Kamrup (R) district, 19 GPs under four blocks of Dibrugarh (2) and Jorhat (2) districts, nine VDCs under three blocks of Karbi Anglong district and 15 VCDCs under Chirang district prepared the completion report as per the prescribed format and entered the details in the works register. No photographs of pre, mid and post stage of the completed works were, however, taken and kept on record for verification in the absence of which, the mechanism for eliminating bogus or duplication of works remained ineffective and unverifiable.

9.1.21 Convergence with other schemes

9.1.21.1 Non-ensuring of convergence of schemes

The State Government had neither taken any effort towards convergence of schemes/funds with the programmes of other departments nor prepared any consolidated guidelines till March 2012 in respect of all Rural Development Programmes with significant proportion of wage component. Thus, the intention to create more durable assets with additional employment generation through convergence of similar schemes as envisaged in the Act remained un-achieved.

9.1.21.2 Converging of NREGA funds with Agriculture department to create durable assets.

The DPC-cum-DC, Lakhimpur under MGNREGA-Convergence-2010-11 sanctioned (November 2010) ₹55.25 lakh for construction of 50 numbers of Water Harvesting Tank and distribution Canal there from under Golokdoloni GP of Narayanpur Development Block @ ₹1.50 lakh each and released ₹14.00 lakh to BDO/PO, Narayanpur Development Block as first installment. As per the sanction, out of the total expenditure of ₹1.50 lakh of each unit, ₹1.105 lakh will be met from NREGA

fund and the expenditure of the balance amount of ₹0.395 lakh will be borne by the converging Agriculture Department. The converging department was also liable to supervise the scheme in addition to providing technical guidance and submit monthly Progress Report to the DC.

Records of the PO/BDO, Narayanpur Development Block disclosed that an amount of ₹12.71 lakh³ was released to selected 50 Agricultural Self-help Group (ASG) for scheme and sign board during the period between March to September, 2012. During physical verification (conducted by audit team) of three of the tanks under selected GPs, it was found that the construction of the tanks though started was not completed. There was nothing on records of the block as to why the balance fund of ₹ 41.25 lakh was not released from DPC's level though more than one and half year had already elapsed from the date of release of first installment. It was also not on records as to whether any initiative was taken from the converging department with regard to making due fund of ₹19.75 lakh available and providing technical guidance.

Thus, the effort made by the DPC, Lakhimpur for Convergence of NREGA scheme/funds with other scheme/funds proved unsuccessful.

Conclusion

The MGNREGS works were neither properly planned nor executed economically, efficiently and effectively leading to non-completion of huge number of works/schemes. The execution of a large number of works in the test checked GPs was also not in compliance with provisions of the Act resulting in irregular, unauthorised, wasteful and doubtful expenditure.

Efforts towards ensuring convergence of schemes under MGNREGS with other rural Development Programme for sustainable livelihood to the targeted rural community were also lacking.

Recommendations

- *The State Government should ensure that works are executed economically, efficiently and effectively within the development plan with the aim to create durable assets in compliance with the Act and MGNREGS Works Field Manual.*
- *As GPs are the pivotal body for implementation of the Scheme, they should be allotted not less than 50 per cent of the works in terms of cost as envisaged in the scheme.*

³ @ ₹27,880 to 26 ASG, @ ₹22,880 to 22 ASG, @ ₹21,840 to 1 ASG & @ ₹20,860 to 1 ASG.

- *The State Government needs to plan for the maintenance of assets created and to instruct all concerned to ensure compliance with the norm of 60:40 ratio of wages to material costs so that the workers get their due benefit.*
- *Efforts towards ensuring convergence of schemes/funds under MGNREGS with other rural Development Programme for sustainable livelihood to the targeted rural community needs to be taken by the State Government.*