

TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2006-2008)**

TWENTY EIGHTH REPORT

(Presented on 25th July, 2007)



**SECRETARIAT OF THE KERALA LEGISLATURE
THIRUVANANTHAPURAM
2007**

TWELFTH KERALA LEGISLATIVE ASSEMBLY

**COMMITTEE
ON
PUBLIC ACCOUNTS
(2006-2008)**

TWENTY EIGHTH REPORT

On

**Paragraphs relating to Local Self Government (Rural Development)
Department, contained in the Reports of the Comptroller and Auditor
General of India for the year ended 31st March 1994 No. 2 (Civil).**

CONTENTS

	<i>Page</i>
Composition of the Committee ..	v
Introduction ..	vii
Report ..	1
Appendices :	
I Summary of Main Conclusions/Recommendations ..	39
II Notes furnished by the Government ..	47
III Annexure to audit paragraph 7.4.5 (i) contained .. in the Report of the C & AG of India for the year ended 31st March, 1994 No. 2 (Civil)	108
IV Annexure to audit paragraph 7.4.5 (iii) contained in the Report of the C & AG of India for the year .. ended 31st March, 1994 No. 2 (Civil)	109
V Annexure to audit paragraph 7.4.12 (iii) (a) contained.. in the Report of the C & AG of India for the year ended 31st March, 1994 No. 2 (Civil)	110
VI Annexure to audit paragraph 7.4.16 contained in the.. Report of the C & AG of India for the year ended 31st March, 1994 No. 2 (Civil)	113

COMMITTEE ON PUBLIC ACCOUNTS (2006-2008)

Chairman :

Shri Aryadan Muhammed

Members :

- Shri C. T. Ahammed Ali
- » Alphons Kannanthanam
 - » P. Jayarajan
 - » K. M. Mani
 - » K. P. Mohanan
 - » C. K. P. Padmanabhan
 - » M. Prakashan Master
 - » Thiruvanchoor Radhakrishnan
 - » N. Rajan
 - » A. K. Saseendran

Legislature Secretariat :

- Dr. N. K. Jayakumar, Secretary
Shri K. Gireesa Kumar, Joint Secretary
Shri K. Ravikumar, Deputy Secretary.
Smt. A. Achamma, Under Secretary

INTRODUCTION

I, the Chairman, Committee on Public Accounts, having been authorised by the Committee to present this Report on their behalf present the Twenty Eighth Report on paragraph relating to Local Self Government (Rural Development) Department contained in the Report of the Comptroller and Auditor General of India for the year ended 31st March 1994 No. 2 (Civil),

The Report of the Comptroller and Auditor General of India for the year ended 31st March 1994 No. 2 (Civil), was laid on the Table of the House on March 31,1995.

The Committee considered and finalised this Report at the meeting held on July 18, 2007.

The Committee place on record their appreciation of the assistance rendered to them by the Accountant General in the examination of the Audit Report.

ARYADAN MUHAMMED,

Thiruvananthapuram,
25th July, 2007.

*Chairman,
Committee on Public Accounts.*

REPORT

RURAL DEVELOPMENT DEPARTMENT

AUDIT PARAGRAPH

JAWAHAR ROZGAR YOJANA

Introduction

The Jawahar Roszgar Yojana (JRY) was launched by Government of India (GOI) in April 1989, merging the wage employment programmes, viz., National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP). The primary objective of the programme is to tackle the hard-core of rural poverty by generating additional gainful employment for the unemployed and underemployed men and women in the rural areas. The secondary objectives are—

- * creation of employment by strengthening the rural infrastructure and also assets;
- * creation of community and social assets;
- * positive impact on wage levels and
- * overall improvement in the quality of life in the rural areas.

The expenditure on the scheme is shared between Centre and State in the ratio of 80:20.

The target group for the scheme is the rural population below the poverty line and preference is given to Scheduled Castes/Scheduled Tribes (SC/ST) and freed bonded labourers. *Thirty per cent* of the employment opportunities are reserved for women.

The JRY has two sub schemes:

(i) Indira Awas Yojana (IAY)—Construction of houses for SC/ST and freed bonded labourers.

(ii) Million Well Scheme (MWS)—Development of well irrigation for the benefit of SC/ST and freed bonded labourers.

Organisational set up

The Commissioner, Rural Development Department (CRD) is the nodal agency for JRY. A State-level Co-ordination Committee has been set up in November 1990 to oversee and monitor the implementation of the programme.

836/2007.

At the district level, the District Rural Development Agencies (DRDAs) are implementing the programme through Community Development Blocks (CDBs) and Panchayats.

The Panchayats under the control of Panchayat Department are expected to function under the DRDAs and CDBs for the implementation of JRY. Such control relates to scrutiny of Annual Action Plan, technical support, supervision and monitoring of works executed. The Engineering staff attached to Blocks and DRDAs are responsible for the preparation of estimates, technical supervision and measurement of works.

Audit coverage

A review of the implementation of the programme from its inception (1989-90) to 1993-94 was conducted by Audit during January to June 1994 based on a test-check of the records of the Commissionerate of Rural Development, offices of 6 of the fourteen DRDAs and eighteen CDBs. The records of the Panchayats under the Blocks test-checked were also reviewed at the CDBs.

PLANNING

Identification of beneficiaries

The JRY Manual did not provide a method of identification of beneficiaries. Detailed instructions were also not issued by the State Government suggesting the proper method to be followed in the identification of the beneficiaries. There had been no survey to identify people below poverty line with precise data of SC/ST, freed bonded labourers, landless and women workers. No register of eligible workers at Panchayat level on the basis of the 'Anthyodaya' approach and also no record of employment given to each eligible person in a particular period. No identity card-cum-pass book was issued to those workers eligible to get assistance under the scheme.

In the absence of a separate register of eligible workers in the Panchayats, the Integrated Rural Development Programme (IRDP) survey was generally followed in selecting workers for employment under the scheme.

Based on the norm of 5 persons per family, the rural population below the poverty line as per the IRDP survey 1992 will be 89.34 lakhs which would work out to 41.71 percent of the total rural population as per 1991 census. The District wise details of population below poverty line as per IRDP Survey 1992 are given in Appendix III.

However, as per the report of the quinquennial survey on consumer expenditure (National Sample Survey Organisation-June 1990), 16.4 per cent of the rural population of 37.47 lakhs (March 1988) was below poverty line.

The IRDP being a family oriented scheme, the survey did not disclose the details of unemployed/underemployed workers who would merit consideration under JRY. Further, IRDP survey excluded those families who were already assisted under the scheme. There was, thus, no proper system for identification of beneficiaries and to assess the extent of assistance to be rendered to individual workers under the scheme.

Planning of schemes to be executed by Blocks and Panchayats

As per the directive issued (May 1990) by the State Government, the Panchayats and DRDAs shall prepare a shelf of projects containing categories of works to be taken up within a period of 3 to 5 years and the Annual Action Plans were to cover only those works listed in the shelf of projects prepared on a priority basis as per guidelines. Annual Action Plan was prepared for incurring expenditure on works equivalent to 125 per cent of amount up to 1990-91 and up to 200 per cent of the amount allocated from 1991-92 onwards.

No shelf projects was prepared for any district of the State (June 1994)

Poor investment on directly productive assets

The investment on creation of socio-economic assets was Rs. 19,399 lakhs which worked out to 55 per cent of the total investment of Rs. 35,292 lakhs under the scheme vide Appendix IV. Of this, 80 per cent (Rs. 15,543 lakhs) was exclusively utilised for rural roads; the balance being investment on school buildings and other buildings, sanitary latrines and drinking water wells. The investment on rural roads was mainly confined to maintenance and repairs. A test check of road works under Thiruvananthapuram DRDA revealed that out of 362 road works executed up to 1993-94 by incurring expenditure of Rs. 443.83 lakhs, only 10 road works were on 'formation of new roads'. This was tantamount to subsidisation of road maintenance expenditure of Panchayats. The investment on directly productive assets was 6.22 per cent vide Appendix IV.

Under-utilisation of assistance

There had been substantial under-utilisation of assistance in Idukki District in 1989-90 and the details of percentage of under-utilisation in some of the Panchayats in Idukki district were 74 in Bisonvalley, 45 in Arrakulam, 66 in Pampadumpara, 75 in Rajakkad, 80 in Karunapuram and 72 in Nedumkandam. Substantial percentages of under-utilisation (26 to 69) of funds in the Panchayats under DRDAs Kollam and Thrissur were also noticed.

Financial outlay and expenditure

(i) The table below gives the details of allocation, release, expenditure,¹ etc., of the scheme for the five years up to 1993-94.

Year	Unspent balance	Allocation			Release			Total Funds available	Expenditure
		Central	State	Total	Central	State	Total (Rs. in lakh)		
1989-90	2029	4472	1314	5786	4472	1314	5786	7815	6587
1990-91	1494	4861	1215	6076	4861	1215	6076	7570	6820
1991-92	750	5417	1279	6696	5335	1259	6594	7344	7253
1992-93	394	4991	1247	6238	5037	1442	6479	6873	6844
1993-94	298	6128	1531	7659	6099	1524	7623	7921	7788
Total		25869	6586	32455	25804	6754	32558		35292

(ii) GOI released a sum of Rs. 1.45 crores under JRY for “Members of Parliament local area development Scheme” for the year 1993-94. This release was excluded from the Central share of releases to DRDAs.

(iii) There had been undue delay in receipt of funds in all the DRDAs in 1990-91 as the major portion of allocation of funds was in the last quarter of the year and even in March 1991 itself. During 1990-91, DRDA, Kollam received funds of Rs. 503.91 lakhs of which Rs. 221.72 lakhs were received only in the last quarter and Rs. 164.11 lakhs in March 1991.

(iv) Periodical releases and utilisation of funds envisaged in the scheme were not followed by DRDA, Thrissur as 410 cheques amounting to Rs. 145.20 lakhs were issued on the last date of the financial year 1990-91.

(v) The original allocation under JRY for 1990-91 for DRDA, Kottayam was Rs. 341.32 lakhs which was reduced to Rs. 324.44 lakhs due to economy measures and Rs. 34.20 lakhs received during 1989-90 as cash in lieu of food grains not lifted by the Agency were also treated as grant for 1990-91. After adjusting Rs. 3.66 lakhs towards administrative cost, the balance of Rs. 286.58 lakhs was received in cash during 1990-91. Out of this, nothing was received during first quarter, Rs. 46.56 lakhs received in the second quarter, Rs. 120.77

¹ The figures computed by the Rural Development Department

lakhs in the third quarter and Rs. 119.25 lakhs in the fourth quarter of which an amount of Rs. 85.10 lakhs (30 *per cent* of total allocation) was received in March 1991. The delay in receipt of grant resulted in delayed utilisation of fund *vis a vis* implementation of the scheme.

(vi) During the period from 1991-92 to 1992-93, DRDA, Thrissur earned an interest of Rs. 20 lakhs on investment of Surplus funds under JRY. Of this, Rs. 4.58 lakhs were utilised for the construction of Block Headquarters at Cherpu and another amount of Rs. 5 lakhs for the construction of Block Headquarters, Kodagara contrary to the guidelines of JRY. These buildings were shown (March 1993) as the assets of DRDA.

(vii) Rupees 3.74² lakhs were diverted by DRDA, Palakkad during 1990-91 for the maintenance of 4 Block Office buildings to be utilised for the creation of durable community assets at Panchayat areas under JRY.

Non-utilisation/misutilisation of JRY funds by Panchayats/DRDAs

(i) The Payyavoor Panchayat had an unspent balance of Rs. 8.15 lakhs as on 31 March 1994 under JRY. The amount represented the unspent balances as on 31 March 1993 (Rs. 4.23 lakhs) and releases of JRY share for 1993-94. The fund remained unspent due to a dispute between the Panchayat President and the Executive Officer. According to Project Officer, DRDA, Kannur (October 1994) the unspent balance with the Panchayat at the end of 1993-94 was Rs. 5.56 lakhs and steps were initiated to implement the programme in 1994-95.

(ii) In violation of JRY guidelines, not to take up large and expensive works with high level of technical input, DRDA, Palakkad took up the work relating to "Improvement to Kunnamkattupathy main canal" from chainage 0 to 5 km involving construction of aqueducts, cement concrete lining and rubble packing of canal. The work taken up in March 1991 was completed in February 1992 at a cost of Rs. 64.86 lakhs through the Irrigation Department of the State Government. This canal formed part of the Chittoorpuzha Major Irrigation Project of the State Government.

(iii) The DRDA, Palakkad undertook (1991-92) the Causeway at Rayamthuruthy under the Mannarkad Block which involved high technical inputs, masonry, cement lining and other concrete works. The work was completed at a cost of Rs. 12.65 lakhs.

The expenditure of Rs. 77.51 lakhs incurred on the above 2 projects had to be construed as diversion of JRY funds for executing State projects.

² Sreekrishnapuram Block: 0.50 lakhs, Palakkad Block: Rs. 1.70 lakhs, Coyalmannam Block: Rs. 0.96 lakhs and Mannarkad Block: Rs. 0.58 lakhs.

(iv) It was noticed in test check that six³ DRDAs spent Rs. 34 lakhs on 31 works for construction of various structures which were not covered under the JRY Scheme. Some examples of such works are given below:

Construction of compound wall for the offices of Block and Panchayat in 16 cases amounting to Rs. 16.65 lakhs, a swimming pool at Nanniyode Panchayat at a cost of Rs. 4 lakhs, a memorial for Raja Ravi Varma at a cost of Rs. 1.30 lakhs at Kilimanoor, protective work at a Sub Treasury at Vellanad Panchayat at a cost of Rs. 0.70 lakh, 3 Village office buildings in Palakkad district at a cost of Rs. 1.92 lakhs and a Post Office building at Karipuzha at a cost of Rs. 0.60 lakh. The assets created did not result in any direct and continued benefits for the rural poor as envisaged under JRY Scheme.

Deposit of JRY funds

(i) JRY funds are to be kept in a Bank or Post Office in an exclusive and separate Savings Bank account. However, Government directed (June 1989) that the DRDAs and Panchayats should deposit the amount in the Treasury Savings Bank account. Reasons for this deviation in violation of GOI norms were not on record.

An analysis of cash balances at the end of the year in seven DRDAs for the period from 1989-90 to 1993-94 revealed that the entire cash balance other than cash in hand was deposited in the Treasury Savings Bank as indicated in the table below:—

DRDA	<i>Cash Balance other than cash in hand as on</i>		
	<i>31st March 1990</i>	<i>31st March 1991</i>	<i>31st March 1992</i>
<i>(Rupees in lakhs)</i>			
Thiruvananthapuram	21.60	685.69	209.82
Kollam	96.55	71.23	56.62
Alapuzha	104.67	62.11	29.32
Palakkad	224.52	23.73	200.13
Thrissur	119.71	36.39	31.49
Malappuram	132.30	158.07	191.09
Kannur	96.77	37.15	107.73

³. Alappuzha, Kannur, Kollam, Malappuram, Palakkad and Thiruvananthapuram.

No amount was kept in the above cases in Bank accounts or Post Office Savings Bank account. This resulted in non-availability of funds due to periodical restrictions on withdrawals from treasury.

The Project Officer, DRDA, Malappuram stated (June 1994) that there had been delay (i) in crediting the Panchayat share released from DRDA for implementation of JRY (ii) in collecting the cheques issued by the DRDA, Palakkad towards cost of bitumen (iii) in remittance of cost of bitumen to petroleum companies and (iv) issue of fresh cheques in lieu of time expired cheques due to ban on several occasions.

The Executive Officer, Vazhakkad Panchayat (DRDA, Malappuram) stated (May 1994) that in March 1994, 5 or 6 trips had to be made to the treasury 16 km away by SC and ST beneficiaries to encash the cheques given to them for building houses and considerable difficulties were experienced by them.

A cheque for Rs. 49,000 being the fifth instalment of allocation for 1990-91 issued by Kannur DRDA to Eruvessy Panchayat on 20 February 1991 for payment could be encashed by the Panchayat only in August 1991, due to restrictions on payment by treasury.

The policy of investment of JRY funds in Treasury Savings Bank, while improving the ways and means position of the State Government, created difficulties in the implementation of JRY.

(ii) As a rule interest on Government money is not liable for assessment of income tax. However it was noticed that District Treasury Officer, Thrissur had deducted Rs. 99,533 towards Income tax on interest earnings from JRY fund deposited by DRDA, Thrissur in Treasury Savings Bank account. No claim of refund was put forth by the Agency till July 1994.

(iii) Poor utilisation of funds led to reduction of grants by G.O.I. A total amount of Rs. 84.06 lakhs was reduced in 1991-92 (Rs. 67.20 lakhs from Central share and Rs. 16.86 lakhs from State share). Similar figure for 1993-94 was Rs. 36 lakhs (Rs. 28.79 lakhs from Central share and Rs. 7.21 lakhs from State share).

Poor utilisation of funds thus resulted in less release of grants of Rs. 120.06 lakhs. The scheme got adversely affected to that extent.

Advance to works

With a view to ensure that JRY Programme did not suffer unnecessary delay, Panchayat Committees were authorised (August 1989) to sanction advance for execution of works up to Rs. 15,000 or 20 percent of the cost of work

whichever was less. The advance was given to the convenors of JRY works. In July 1990, the facility of advance was enhanced to 50 *per cent* of the estimated value of work in convenient instalments. In March 1993, Government reduced the payment of advance to convenors to the extent of Rs. 25,000 or 20 *per cent* of the estimated cost of work whichever was less. A test-check revealed that:

(i) In 47 cases, excess payment of advances (Rs. 10.71 lakhs) for works more than the prescribed ceiling was made.

(ii) In 5 cases, advances exceeded the limit by Rs. 2.60 lakhs and the estimated amount by Rs.0.88 lakhs.

(iii) In 30 cases, advances amounting to Rs. 15 lakhs were paid to convenors/contractors, but works were not commenced. The advances were found unadjusted for more than 2 years as of July 1994.

(iv) It was found that in 64 cases advances to the tune of Rs. 29.12 lakhs were not adjusted by 38 Panchayats when final bills were passed for payment.

(v) In 40 cases, payment for works in excess of bill amount was disbursed to convenors by 16 Panchayats. This amounted to Rs. 6.19 lakhs.

(vi) The President of Purakkad Panchayat of Alappuzha District was selected as convenor of all works from 1990-91 onwards by the Panchayat Committee. Altogether he had been entrusted with 34 works aggregating Rs. 10.15 lakhs up to 1993-94. As against 11 works (Estimated amount: Rs. 3.75 lakhs) taken up in 1990-91 and 5 works (Estimated amount: Rs. 2.63 lakhs) in 1991-92, he was paid a total advance of Rs. 2.14 lakhs in respect of 9 works (4 in 1990-91 and 5 in 1991-92) which was pending adjustment as of June 1994.

(vii) Advances amounting to Rs. 3.46 lakhs were paid for 8 works during January 1991 to March 1992 to seven convenors of 5 Panchayats under DRDA, Thiruvananthapuram. The whereabouts of the convenors could not be traced. The DRDA had not taken any action as prescribed by the CRD in August 1993.

Temporary misappropriation cases

(i) An amount of Rs. 1, 60, 100 being the second instalment, allocated by DRDA, Thiruvananthapuram on 12 January 1993 for JRY, was misappropriated by encashing the cheque on 15 January 1993. The Panchayat President, Vellanad had not brought this amount into account in cash book as on 15 January 1993, but remitted in piecemeal between 15 January 1993 to 26 April 1993 in the Treasury Saving Bank account maintained for the JRY. The retention of cash in hand for more than 3 months was irregular.

(ii) An amount of Rs. 20,000 was accounted short (March 1991) in the fund account of Cherukara Panchayat in Kondotti Block of DRDA, Malappuram which was detected in April 1993. The short remittance was made good in April 1993. No action was taken for recovering interest for the period during which the amount was temporarily misappropriated and to take penal action against the persons involved.

(iii) In Kodikulam Panchayat of Idukki DRDA, out of total disbursement of Rs. 3,27,713 during the year 1989-90, an amount of Rs. 2,43,383 was drawn on self cheque by the President of the Panchayat and cheques for Rs. 84,320 alone were issued in the name of conveners. The utilisation of the amounts drawn on self cheque could not be certified by the Chartered Accountant.

Under-utilisation of obligatory expenditure by panchayats

It is obligatory on the Panchayats to spend 22.5 percent of annual allocation (15 percent up to October 1992) on individual beneficiary schemes for SC/ST. A test-check revealed that in 12 Panchayats under 3 DRDAs (Alappuzha, Malappuram and Thiruvananthapuram) percentage of expenditure on SC/ST ranged between 0.35 and 10.89. The reasons for the shortfall were not on record.

PHYSICAL PROGRESS

General

The Table below gives year-wise physical target and achievement for the 5 years up to 1993-94 and spill-over works at the end of 1993-94.

No.	Physical assets		1989-90	1990-91	1991-92	1992-93	1993-94	Spill over works as on 31st March 1994
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
A	Housing							
	(i) Indira Awas Yojana	T	5102	3899	3258	3964	5195	..
		A	719	8724	5172	4100	4827	6367
	(ii) Million Well Scheme	T	..	13974	4083	5587	5167	..

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		A	..	135	10674	6820	5501	6686
(iii)	Panchyat House	T	..	6611	6482	5601	10328	..
		A	..	5396	6336	5613	6671	11692
(iv)	Spill over works	T	25410	..	..	..	-	..
	Houses (NREP/RLEGP)							
		A	17043	..	..	-	-	..
(v)	15 percent	A	5170	-	..	..	-	..
	SC/ST beneficiary scheme by DRDA							
	Percentage of Acheivement	..	..	33	52	45	41	..
	Physical assets		1989- 90	1990-91	1991-92	1992-93	1993-94	Spill- o v e r w o r k s a s o n 3 1 s t M a r c h 1 9 9 4
B.	Wells							
	Million Well	T	..	2023	5374	3572	2813	..
	Scheme	A	..	444	1742	3893	3064	4634
C.	Socio-economic assets							
(i)	Drinking Water Wells	T	1465	399	532	380	498	..
		A	954	548	443	309	359	661
(ii)	Roads	T	..	3463	4260	2906	3453	..
		A	..	..	..	..	..	..
		(km)	2835	2144.42	1873.38	1767.19	1487.14	491
(iii)	School buil dings including Operation Black Board	T	223	62	128	94	47	..

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		A	57	73	53	47	70	254
(iv)	Other buildings and other works	T	1777	3024	3895	2731	4057	..
		A	244	1919	2044	2175	289 613	
(v)	Sanitary latrines	T	12311	7812	10234	4802	6111	..
		A	7853	7622	6112	4516	4620	10552
D. Directly Productive Assets (as included in the Proforma II to the Jawahar Rozgar Yojana Manual)								
(i)	Irrigation Wells	T		15	47	38	31	..
		A		17	73	73	24	33
(ii)	Irrigation tank	T		154	124	130	152	..
		A		102	148	97	119	165
(iii)	Field Channels	T	390	170	107	170	342	..
		A		187	118	126	238	205
(iv)	Flood protection	T		139	67	105	123	..
		A		104	67	129	138	135
(v)	Anti-water logging	T		74	36	85	19	..
		A		73	61	49	44	27
(vi)	Soil conservation	T		41	3	91	99	..
		A		34	5	45	46	88
(vii)	Other Works	T		252	442	533	370	..
		A		198	231	363	183	651

T - Target

A - Achievement

Housing Schemes

PHYSICAL PROGRESS

Housing was an important activity executed under the following components of JRY.

Indira Awas Yojana (IAY) - A component of JRY

Million Well Scheme - Diverting 2/3rd of fund

(MWS) allotted under the scheme

Panchayat and DRDA - 15 percent or 22.5 percent of expenditure of houses under SC/ST individual beneficiary scheme

The construction cost of houses was revised in 1990-91 from Rs. 7800 as under:—

	<i>Plain Areas</i>	<i>Difficult Areas</i> <i>(in Rupees)</i>
1. Construction of houses	8000	9800
2. Sanitary latrines and Smokless chullah	1400	1400
3. Provision for infrastructure and common facilities	3300	3300
Total	12700	14500

Kerala was declared as a difficult area and hence the rate applicable for difficult area was adopted for all houses. The activities of implementing agencies during the period from 1989-90 to 1993-94 were as follows:

The target envisaged for the three housing projects altogether and achievement against the targets contemplated were as follows:

<i>Year</i>	<i>Cumulative Target</i>	<i>Achievement</i>	<i>Percentage</i>
1990-91	43098	14255	33
1991-92	43046	22182	52
1992-93	36873	16533	45
1993-94	41744	16999	41

Note:— Cumulative means spill over of previous year plus sanctioned for the current year.

No reasons for the non-achievement of the targets in respect of housing were available on record. As at the end of March 1994, the spillover houses for completion was 24745 numbers (IAY ; 6367; MWS: 6686; SC/ST: 11692). There had been no year -wise analysis of spillover works and the amounts invested on those incomplete houses.

Long pending advances

A test-check of 3 Block Offices in Thiruvananthapuram district (Parassala, Vellanad and Kazhakootam) and one Block in Kollam District (Kottarakkara) showed that advances for construction of houses were given to the beneficiaries, but there was no physical progress of works. The year wise details of advances pending (March 1994) with the beneficiaries amounted to Rs. 11.49 lakhs as shown in the following table.

Year	Parassala CDB			Vallanad CDB			Kazhakootam			Kottarakkara CDB		
	No. of Panchayats	Bene fici aries	Amount in Rs.	No. of Panchayats	Bene fici aries	Amount in Rs.	No. of Panchayats	Bene fici aries	Amount in Rs.	No. of Panchayats	Bene fici aries	Amount in Rs.
1989-90	2	9	55300	1	5	27000	1	6	34498	1	29	247702
1990-91	2	4	34400	-	-	-	1	1	800	-	-	-
1991-92	1	3	26400	3	20	253100	1	6	44300	2	20	70010
1992-93	2	14	103300	1	9	111300	1	11	36000	1	9	104500
Total	7	30	219400	5	34	391400	4	24	115598	4	58	422212

Construction of houses under 'MWS'

Construction of houses under MWS was carried out by diversion of 2/3rd of fund for the MWS. A total amount of Rs. 3,282 lakhs was so diverted between 1990-91 and 1993-94 for the construction of 28,811 houses of which 6,686 houses had not been completed. The diversion was not authorised by the G.O.I. The diversion affected the construction wells under JRY.

Panchayat houses

Panchayat houses were constructed utilising 15 per cent (22.5 percent from November 1992) of SC/ST beneficiary scheme. Out of total sanction of 35,708 numbers, houses completed by the beneficiaries would account for only 24,016 leaving a balance of 11,692 numbers of houses to be completed as at the end of

March 1994. The achievement would come to 67.2 percent. The average number of houses commissioned by Panchayats in each year would account for only 6 numbers and the average turn out by Blocks in each year was below 90 numbers.

Ambedkar Colony houses

Edappaya Tribal Colony under Block Development Office, Irutty in Kannur district was selected as Ambedkar Colony during 1990-91 and 20 houses were allotted under IAY. The colony being situated on a hill-top about 600 feet high and 2.5 km away from road, the building materials had to be transported by head-load. Though the full advance of Rs. 11,200 per house was given and the work was commenced in 1990-91, the buildings had not been completed as of September 1994.

Execution of works

The estimated cost of works executed under JRY ranged up to Rs. 4 lakhs. The estimates were based on the data and practices followed by the State Public Works Department (PWD). The works were supervised and certified by the technically qualified staff positioned at DRDAs and Blocks. The works were to be executed only through convenors selected by the beneficiary committees of the locality in which the work was executed.

Excess lead on road works

A practice of giving lead over the standard initial lead of 50 metres was observed in the road works executed by the Blocks under DRDA, Alappuzha.

Many road works required filling up with cut earth and the work provided for head load conveyance of 50 metres from the work site to the various sections of the road. Since the work sites were at the various locations of the road, the cut earth could be dumped at the various sites and for filling up, lead of more than 50 metres was not required. But the estimates for the works provided a lead of more than 50 metres and even up to 200 metres in many cases. DRDA, Alappuzha, however, stated (June 1994) that extra lead was provided to increase the percentage of wage components in the work. It was not appropriate to include provision for necessary labour for the mere objective of increasing the wage component of the work. In 13 road works in the district, payment for extra lead provided in the estimates amounted to Rs. 2.68 lakhs *vide* Appendix V.

Non-deduction of shrinkage allowance

As per the State PWD Standard Data Book, which is adopted for preparing JRY work estimates, 1.05 cubic metres of loose earth is obtained on excavating 1 cubic metre of compact earth. A substantial share of provision made for road works taken up in Alappuzha DRDA under JRY (20 percent share) was for filling and raising the roadway with convenor's own ordinary/gravelly earth without any provision for consolidation. Hence, the quantity stood inflated to the extent of 0.05 cubic metre per 1 cubic metre at the time of measurements and no recovery was made towards shrinkage of earth. In 7 cases test-checked in Alappuzha DRDA, recovery to the extent of Rs. 0.61 lakh was to be made towards shrinkage allowance and no recovery was made in any case. The Project Officer, DRDA stated (May 1994) that measurements were taken up for the consolidated thickness of filling as per the specification and hence there was no need for any recovery for shrinkage. It was not clarified as to how measurements for consolidated thickness would be possible when consolidation of loose earth had not taken place at all. The recovery forgone was thus an unauthorised financial aid to the convenors.

Improvements of ponds, paddy fields and bus stand

A test-check of works executed by Alappuzha DRDA revealed that in 3 cases, works relating to the filling up of ponds, paddy fields and improvement of bus stand were taken up by utilising JRY funds not coming within the scope of JRY.

(i) The work of filling up of a pond covering an area of 36 cents near Nangiarkulangara Junction in Cheppad Panchayat in Muthukulam Block was taken up (November 1989) by the Panchayat and completed in March 1990 at a cost of Rs. 1.88 lakhs. The reason for taking up the work was stated to be reclamation of pond though the work executed was actually filling up of the pond with earth. Though the filling up of the pond did not require the removal of weed growth, 492 mandays of labour at the rate of Rs. 15 per manday (cost: Rs. 7,380) was reported to be employed in a period of seven days for the removal of weed growth. This expenditure was infructuous, but not recovered from the officials responsible.

(ii) St. George Church, Edathuva (Champakulam Block) was stated to have donated 2.5 acres of paddy fields in Edathuva Village (Kuttanad taluk) for the construction of a bus stand by Kerala State Road Transport Corporation (KSRTC). The filling up of the KSRTC land was undertaken by DRDA and an expenditure of Rs. 9.07 lakhs was incurred. A quantity of 14065.45 cubic

metres of earth was stated to have been utilised for the filling up of the paddy fields. The bus stand has not come up as of August 1994. Since it was clarified by Government of India (November 1993) that such works do not come within the ambit of JRY the expenditure of Rs. 9.07 lakhs incurred for development of land belonging to KSRTC was not proper.

(iii) As per the guidelines issued by the GOI, only rural works which result in creation of durable productive community assets can be taken up under NREP. But, Government directed (September 1986) the DRDA, Alappuzha to take up the work of soling and metalling of KSRTC's bus stand at Haripad under the programme. Accordingly administrative sanction for the work was accorded in November 1986 by the District Collector and Chairman, DRDA, Alappuzha for Rs. 3.70 lakhs. The work was completed in December 1988 at a cost of Rs. 3.22 lakhs.

When the irregularity was pointed out by Audit (February 1993), the Commissioner for Rural Development stated (March 1993) that the work was taken up as directed by Government and it would promote development activities in rural areas. However, utilisation of NREP funds for improvement of bus station which belonged to KSRTC, a state Government Undertaking, did not conform to the norms of NREP and was, therefore, irregular.

Misutilisation of funds – Construction of a balawady building at Kottur

The work of construction of balawady building at Kottur in Kuttichal Panchayat in Vellanad Block, included in the Annual Action Plan for 1989-90 was entrusted to Mithraniketan Rural Technology Centre by the District Collector at an estimated cost of Rs. 0.50 lakh. The completion certificate was issued on 5 October 1991 and a total expenditure of Rs. 0.90 lakh spent by the executing agency was claimed from the Panchayat. It was, however, seen from the records of Kuttichal Panchayat that a convenor was paid advance amounting to Rs. 0.90 lakh (Rs. 85,000 and 2500 kg of rice between January 1990 and December 1990) for the same work. The issue was not settled between the Panchayat and Mithraniketan. The advance with the convenor from 1989-90 onwards was not recovered (September 1994).

Excess payment of land development cost

As per JRY Village Manual, the cost of family labour payable for land development was Rs. 10.93 *per cent* of land up to 31st August 1992 and Rs. 16.39 *per cent* of land thereafter. The maximum amount payable to beneficiary is to be limited to Rs. 1,500. However, Mokeri Panchayat in Kuthuparamba Block of Kannur District, effected payment of land development cost at Rs. 120 percent to 17 beneficiaries in 1992-93 covering an area of 221.2 cents. This resulted in an excess payment of Rs. 0.12 lakh. Similar excess

payments were made by other Panchayats in Kannur District, but the details of excess payments were not made available.

Improvements to Kunnamkattupathy Main Canal

The work of “improvements to Kunnamkattupathy Main Canal from chainage 6 km to 30 km” in Palakkad District was taken up earlier under the erstwhile RLEGP at an estimated cost of Rs. 201.85 lakhs. The project was cleared by the GOI in June 1988. The work was continued as spill over after the merger of RLEGP and NREP under JRY with effect from 1st April 1989.

It was revealed in audit that the improvement works for a total outlay of Rs. 201.85 lakhs was taken up initially from the tail end of the main canal in 1988, and that the improvements of the canal from chainage 1 km to 5 km were arranged only in March 1991 thereby denying the benefit of the investment of Rs. 287.14 lakhs to beneficiaries till the completion of improvements from chainage 1 km to 5 km in February 1992. The benefit envisaged on taking up the work from chainage 6 km to 30 km under RLEGP was estimated as 5163 tonnes of additional paddy cultivation and this could not be achieved as the initial stretch from 1 km to 5 km was not taken up first and completed. The Agency and the Irrigation Division had not offered any remarks on the points raised in audit (June 1994).

Based on a proposal of the Executive Engineer, Irrigation Division, Chittur, the DRDA, Palakkad issued sanction (30th March 1991) to take up the work of improvements from chainage 1 km to 5 km at an estimated cost of Rs. 59.20 lakhs under JRY. The work in all reaches from chainage 1 km to 30 km including the spill over was completed by February 1992 incurring a total expenditure of Rs. 287.14 lakhs. Being the component of a major irrigation project, the work should not have been taken up under JRY. The work was to be executed through the Irrigation Department of the State Government.

(g) Purchase of tiles for houses violating JRY provisions

JRY Manual does not envisage procurement of materials in favour of beneficiaries. The Vizhinjam Panchayat, contrary to the provisions, had placed supply orders between November 1990 and January 1991 on SIDCO for the supply of first quality roofing tiles. Supplies were made up to January 1991. The Panchayat records did not, however, show the beneficiaries to whom these tiles were distributed for roofing.

(h) Unfruitful investments on lift irrigation works

Two lift irrigation works-one each in Kannur (1990-91) and Malappuram Districts (1989-90)- were sanctioned to widen and deepen the tanks and to

construct cistern canals and installation of pumpsets at an outlay of Rs 1.36 lakhs and Rs. 1.65 lakhs respectively. The sanction was subject to the condition that the respective panchayats should supply the pumpset free of cost. The works were partially executed incurring an expenditure of Rs. 0.80 lakh (September 1991) and Rs. 1.60 lakhs (June 1994) respectively. However, the projects were not commissioned due to non-supply of pumpset by the Panchayat in Kannur District and due to lack of energy connection in Malappuram District. The investment of Rs. 2.40 lakhs thus remained unfruitful (June 1994).

(i) Undue delay in completing a road work

Work of improvement of a road from Thriveni Junction to Kura temple at Talavoor Panchayat in Pathanapuram Block in Kollam district was entrusted to a convenor in December 1989 at an estimated cost of Rs. 1.44 lakhs and advances amounting to Rs. 1.21 lakhs were paid between February 1990 and September 1990 besides a sum of Rs. 0.34 lakh given towards procurement cost of materials, viz, cement, metal, sand, implements, etc. According to departmental valuation certificate (October 1991), work valued at Rs. 0.45 lakh only was done. There was, however, no progress. In March 1991, the work "Protective works to Thriveni Junction to Kura Temple" at an estimated cost of Rs. 0.89 lakh was awarded to the same convenor and advance of Rs. 0.50 lakh as well as cost of materials amounting to Rs. 0.29 lakh were also given during the period from March 1991 to November 1991. Both the works had not been completed (October 1994). The advances pending for adjustment in both the works amounted to Rs. 2.34 lakhs (October 1994).

Creation of asset under JRY on behalf of Kerala Water Authority

In the Annual Action Plan for 1989-90 of Cheriya mundam Panchayat of Tanur Block in Malappuram district, the work of construction of a 50,000 litre capacity water tank at an estimated cost of Rs. 1.10 lakhs was included.

The work of construction of water tank was completed in March 1992 at a cost of Rs. 1.08 lakhs. The tank was handed over (January 1994) to Kerala Water Authority without any request from them. The asset created, thus, did not form part of JRY.

Dovetail of JRY resources

According to JRY Manual, village panchayat may dovetail the JRY resources along with the resources received from other government departments. Local bodies may take up any item of work which satisfies the need of the village community and is approved by the Panchayats. In such cases, JRY fund

shall only be an additionality and not a substitute. In respect of 7 works undertaken in two DRDAs (Malappuram and Thiruvananthapuram), between 1989-90 and 1991-92, the cost of execution amounted to Rs. 3.67 lakhs out of which Rs. 1.36 lakhs were recoverable from Panchayats. No recovery was, however, made.

Inventory of assets

An inventory of assets created under JRY is to be maintained at the Panchayat, block and district levels. In the absence of an inventory of the assets and the periodical verification of their existence, condition and upkeep it could not be ensured that all the community assets created under the JRY were available to the beneficial use of the community.

Payment of wages

The wage payments were made partly in cash and partly by way of food grains. The components of foodgrains was 1.5kg per manday up to March 1992 and 2 kg per manday from April 1992. The muster rolls and the work registers to be maintained by the panchayats and blocks formed the important documents to support the employment of labourers and to record the actual distribution of wages and supply of foodgrains to labourers. A test-check of muster rolls maintained by the panchayats indicated that there were no entry relating to the distribution of foodgrains in the muster rolls and in many cases issue of foodgrains as per the stock register was made to the convenors of the works, after the completion of the work and also prior to the lifting of foodgrains from Food Corporation of India (FCI).

Particulars of women labourers and labourers belonging to SC/ST were not separately recorded on the rolls. The muster rolls were not authenticated by the Executive Officers of the Panchayats and the convenors.

The number of mandays reported to have been generated as per muster roll did not tally with number of mandays certified while check measurement.

Distribution of Foodgrains

(i) The workers employed in various works under JRY were entitled to receive part of their wages as foodgrains. Only rice was allotted by the GOI to the State under JRY.

The details of rice allotted for the 5 years up to 1993-94 are given in the table below:—

<i>Year</i>	<i>Quantity allotted (In tonnes)</i>	<i>Quantity lifted</i>	<i>Percentage of lifting</i>
1989-90	32127.00	26806.52	83.4
1990-91	8534.59	3607.90	42.3
1991-92	36720.00	2552.19	6.9
1992-93	25700.00	1138.29	4.4
1993-94	6425.00	419.59	6.5

(ii) It was found that Pathanamthitta, Idukki, Ernakulam, Palakkad and Malappuram DRDAs did not implement the policy of issue of subsidised food grains as part of the wages during the period from 1990-91 to 1993-94. The reasons for not implementing the policy in these districts were not on record.

According to the scheme, the workers employed in JRY works were entitled for a subsidy of 25 paise per kg of foodgrains on FCI issue prices up to 31st March 1993 and 50 paise per kg thereafter. The failure to lift the allotted quantity of foodgrains and to distribute them as part of the wages to workers employed in JRY works up to 1993-94 deprived them of the benefit of subsidy on foodgrains amounting to Rs. 202.40 lakhs.

(iii) A quantity of 614.52 tonnes of wheat was sold by DRDA, Thrissur to a private agency at the rate of Rs. 2568.33 per tonne. The party lifted the quantity between January 1991 and March 1991. As against the purchase price of Rs. 2.34 per kg, the DRDA secured a price of Rs. 2.57 per kg and realised a profit of Rs. 1.42 lakhs in the transaction. The reasons for the sale of wheat meant for the distribution to workers at a subsidised rate to a private agency were not on record. The details as to whether the sale was effected after invitation of competitive quotations were not available.

(iv) It was found that in DRDA, Malappuram an unutilised quantity of 210 tonnes of rice was brought forward in stock account from 1991-92 and 3.37 tonnes of wheat was brought forward from the stock account from 1989-90 onwards. These could not be distributed (March 1994) to JRY workers; the reasons therefore were not on record.

Employment generation

Targets of employment generation were fixed by GOI at the minimum wage rate in force from time to time and the wage rate adopted for 1989-90 and 1990-91 was at Rs. 15 per day and that for 1991-92 to 1993-94 was at Rs. 27 per day.

The minimum wage rate in Kerala (Rs. 15 per day up to April 1990) was revised by State Government as follows:—

		<i>Men</i>	<i>Women</i>	<i>Boys</i>
		<i>(In Rs)</i>		
May	1990	27	22	18
April	1992	27	27	..
September	1992	40.5	40.5	..

The table below gives the particulars of expenditure on the scheme, manpower generation, targets and achievements for the 5 years up to 1993-94.

	<i>1989-90</i>	<i>1990-91</i>	<i>1991-92</i>	<i>1992-93</i>	<i>1993-94</i>
Total expenditure (Rs. in lakhs)	6587.35	6819.92	7252.79	6843.94	7788.38
Wages (Rs. in lakhs)	3428.30	3891.77	4283.01	4045.10	4578.96
Percentage	52	57	59	59	59
Non-wage (Rs. in lakhs)	3034.05	2866.59	2877.27	2692.17	3092.73
Percentage	46	42	40	39	40
GOI Target (lakh mandays)	214.18	249.92	138.98	138.63	113.47
Achievement (lakh mandays)	231.79	180.96	177.08	134.54	120.43
Percentage	108	72	127	97	106
Average wage rate (Rs. per mandays)	14.79	21.50	24.19	30.06	38.02
Cost of providing work for 1 manday including non-wage (Rs. per manday)	27.88	37.35	40.44	50.86	64.67
Average Number of persons provided employment (284 days per year) in each Panchayat or Block	72	56	55	42	37

Test-check conducted in audit disclosed the following points:—

(i) The generation of employment computed for every year was not based on the actual mandays employed in works in Panchayats/blocks. A test-check of progress reports of six DRDAs indicated that mandays generated were computed by dividing the wage components of expenditure with the average wage rate. The wage rate at which payment was stated to have been made was also found below the minimum wage rate in force.

(ii) “Wage” and “Non-wage” components of expenditure were fixed in the ratio of 60:40 except for the year 1989-90 when it was 50:50. Allocation of funds to implementing agencies was done on this basis. Instructions of nodal agency (June 1991) laid down maintenance of proper records detailing the wage component, material component, mandays to be generated and actually generated in respect of each work under the programme. A test-check of individual work registers maintained at blocks and Panchayats levels did not contain wage and non-wage components of works. No consolidated register to watch the expenditure and labour component on works in the district as a whole was maintained .

(iii) It was found that financial assistance granted to schemes such as IAY, MWS Housing, SC/ST Housing were also reckoned for the purpose of employment generated and hence a precise data on direct employment generation did not emerge. A test-check of works executed under DRDA, Palakkad for 1990-91 disclosed that the wage component was less than the prescribed rate of 60 percent . The failure to take up the works with the prescribed wage component of 60 percent resulted in non-generation of employment of 37000 mandays approximately.

(iv) Reports of concurrent evaluation of GOI (1991) indicated that wages paid were at local rates which were above the wage rate fixed for JRY workers. Payment of wages at rates higher than the minimum wage rates fixed by Government and computation of generation of employment at labour rates lower than the minimum wage rates had the effect of inflating figures of generation of mandays with reference to the target fixed. No arrangements existed for collection of actual generation of employment under the programme.

(v) One of the major works undertaken by DRDA, Palakkad during 1989-90 to 1993-94 was the “formation of Kunnamkattupathy Main Canal” (implemented through the Irrigation Wing of State PWD) for a length of 30 km and was completed in February 1992. As per progress reports of the Agency, the mandays generated during the aforesaid period for the work was 7 lakhs which included 0.45 lakh generated for the year 1993-94. A scrutiny of the

records of Irrigation Divisions, Chittur revealed that the target fixed for generation of employment as per estimate was 9.07 lakhs against which the achievement was only 3.73 lakh mandays. Apparently the figures of employment generation indicated in the progress report in respect of this work for 1993-94 was incorrect.

(vi) The advances paid to convenors for the execution of works in respect of works not executed/partially executed were treated as final expenditure on the scheme and this incorrect procedure had also contributed to the overstatement of mandays generated.

(vii) The information regarding the number of persons available/eligible for employment under the scheme and the persons to whom employment was provided was not maintained in any Panchayat/Block to assess the number of days for which employment could be provided to any particular person below the poverty line.

Provision for employment to weaker sections

Details of employment to various categories in respect of six DRDAs (Thiruvananthapuram, Kollam, Alappuzha, Palakkad, Malappuram and Kannur) are given in Appendix VI.

There had been a significant fall in the coverage of landless workers and women in 1992-93 and 1993-94.

The number of days of employment generated to tribal group of beneficiaries during the period 1989-90 to 1993-94 was in the range of 4 to 6 *percent* of total number of mandays generated. According to JRY Manual, preferences should be given to SC/ST and freed bonded labourers for employment. Though the tribal population was small (3.09 lakhs), no attempt was made to enumerate eligible workers and provide employment to them at reasonable levels.

Social Forestry

(i) The main purpose of social forestry programme under JRY was to accrue benefits to the rural poor through farm forestry, tree patta, plantation on forest land as well as village community land. No advance plans were prepared for the implementation of social forestry programmes under JRY. The species of plants for social forestry were also not selected based on the needs of the area

and geo-climatic conditions. The table below gives the particulars of area planted in farm forestry, forest land and village community lands.

<i>Particulars</i>	<i>1989-90</i>	<i>1990-91</i>	<i>1991-92</i>	<i>1992-93</i>	<i>1993-94</i>	<i>Total</i>
	<i>(Area in hectares)</i>					
Farm forestry operation Extent	..	21.50	32.50	38.48	51.47	143.95
Plantation on forest land						
Extent	..	..	..	3.37	..	3.37
Plantation on village community land						
Extent	..	13.02	217.14	28.41	257.61	516.18

(ii) In terms of guidelines, 25 *per cent* of the resources available under general sector with DRDAs were to be utilised on social forestry works. However the required provision was not made in their action plans by any of the DRDAs during all these years.

As a result there was wide range of diversion of funds (Rs. 597 lakhs) for other schemes.

(iii) A test-check of social forestry works executed in 1993-94 revealed that substantial expenditure was incurred on civil works connected with the social forestry programme than the actual planting of saplings as indicated in the table below: —

<i>DRDA</i>	<i>Number of works taken up</i>	<i>Number of saplings planted</i>	<i>Expenditure</i>		<i>Cost per sapling (Rs)</i>
			<i>on Plantation (Rs. in lakhs)</i>	<i>Civil works</i>	
Palakkad	10	810	0.87	17.04	2211
Alappuzha	11	261	0.31	10.83	4268
Kollam	17	652	0.36	17.89	2799
Thiruvana nthapuram	12	274	0.56	16.23	6127

The undertaking of social forestry projects with a predominant element of civil works was improper.

There was no monitoring and periodical evaluation on social forestry operations. No arrangements were made for maintenance of plants at the initial stages and the survival rate of plantations analysed. No records were available in the blocks to show as to how many plants actually survived.

Monitoring

According to JRY Manual, physical monitoring through field inspection is implicit. Officers dealing with JRY at the State headquarters should visit districts, blocks and Panchayats regularly and ascertain through field visits that programme is being implemented satisfactorily and the execution of works is in accordance with prescribed procedure and specifications. Likewise, Officers at district levels and block levels must also closely monitor all aspects of the programme through visits to work sites.

A test-check of records of CRD, DRDAs, Blocks and Panchayats revealed that the officers of the CRD had not discharged their duties relating to inspections during 1991-92, 1992-93 and 1993-94. As against 2478 inspections due in respect of 433 Panchayats under Thiruvananthapuram, Kollam, Pathanamthitta, Alappuzha, Ernakulam and Idukki DRDAs the officers of CRD conducted only 40 inspections during the period.

Evaluation

(i) The State Government confirmed that they had not conducted any evaluation of the implementation of the programme so far (May 1994). No norms for evaluation were also laid down. However, an evaluation of the implementation was conducted by the Centre for Mathematical Sciences, Thiruvananthapuram and Institute for Rural studies, Kottayam for 1990-91, 1992-93 and 1993-94 at the instance of the Ministry of Rural Development. Evaluation reports covering 54 Panchayats in 5 Districts (Idukki, Pathanamthitta, Alappuzha, Kollam and Thiruvananthapuram) were made available to audit. The reports revealed that (a) the wage rate paid for workers under JRY was at local wage rate which were higher than the rates provided under the Scheme, (b) muster rolls were not kept in proper manner, (c) assets created by the utilisation of JRY funds were beneficial to labourers from the point of view of employment generation, but provisions were not made for the maintenance of such assets and (d) labourers engaged were in many cases from outside the Panchayat area.

(ii) A concurrent evaluation carried out by the Ministry of Rural Development in January-December 1992 commented upon certain short comings in implementation of the programmes in Kerala. The short comings pointed out were the following:—

(a) Seventy five *per cent* or more of Panchayat Chiefs were not given training in the implementation of the programme.

(b) The share of SC/ST in the total employment generated was only 40.48 *per cent*.

(c) There had been disparity in the wage rates of males (Rs. 34.25) and females (Rs. 26.90).

(d) Muster rolls were not maintained by the village Panchayats in 61 *per cent* of the cases.

(e) The percentage of expenditure on JRY works by village Panchayats was only 64.88 *per cent* of the funds available.

The points mentioned above were referred to Government in September 1994; reply has not been received (October 1994).

[Paragraph 7.4 (Jawahar Rozgar Yojana) contained in the Report of the Comptroller and Auditor General of India for the year ended March 31, 1994].

Notes received from Government are included in Appendix II.

The Committee made no remarks on paras 7.4.1, 7.4.2, 7.4.3 and 7.4.4.

2. The Committee brought the attention of the witness to the audit observation that there was no list of beneficiaries and that no survey to identify the people below poverty line was conducted. The Committee wanted to know how the department could identify the beneficiaries who wanted wage employment in the absence of a detailed survey. The Principal Secretary, Rural Development Department answered that in the JRY Scheme no list as in the case of SGSY scheme was prepared. But it was specified that in order to be a beneficiary of JRY the person should belong to BPL category. He added that normally for wage employment few people turned up and hence it was opened to all rural poor who are in need of wage employment and desire to do manual and unskilled work in and around the village. The Additional Development Commissioner informed the Committee that in the Employment Guarantee Bill, wage employment was restricted to people in the BPL category only. In the Bill it was insisted that people in the BPL category should be identified in each Grama Panchayat and cards should be issued to them.

3. The Committee observed that it was not possible to identify the beneficiaries for JRY schemes with the data collected for IRDP schemes and enquired about the status of BPL survey. The witness answered that the BPL survey was completed in 2001. It was understood from the assurance given by the Union Minister that Government of India had decided to file an affidavit in the Supreme Court to the effect that the freedom to fix the norms for determining the income cut off for inclusion under BPL should be given to the concerned states. The Additional Development Commissioner stated that as per the provision in the Employment Guarantee Bill if employment for 100 days was not provided then the State had to give unemployment dole to the beneficiaries from its own resources.

4. The Committee opined that instead of preparing comprehensive list of beneficiaries for the employment guarantee scheme, Government could call for application from rural poor who were interested to participate in the scheme and select them. The Committee cited the employment scheme implemented in the Kunnathukavu Panchayat where employment was provided to poor both in the Public Sector and Private Sector. Such beneficiaries would be provided cards wherein the details of employment like the number of days of employment provided in Public and Private Sector would be recorded and the remaining period for assuring 100 days job is filled up by the Panchayat. The Committee wanted to know whether such a scheme could be experimented. The witness explained that if the provision in the Bill for payment of unemployment dole is approved then the number of applicants would be more as in the case with employment exchange. The Chairman opined that there should be a system of preparing beneficiary list and then the people would get the benefit of wage employment in private sector as well as in public sector.

5. On being asked on the audit objection on the non preparation of shelf of projects in Blocks and Panchayats in the State, the witness, Commissioner, Rural Development Department, replied that there were two schemes EAS and JRY— for JRY there was no perspective plan for a long period but— in EAS Scheme five year perspective plans along with annual Action plan and shelf of projects had been prepared. But the real problem was that the Panchayat did not stick on to these projects instead changes were made as per local needs.

6. The Committee opined that the system was not an appropriate one and hence the Local Self Government Institutions should have to prepare perspective plans/projects to be implemented over a period of time. They had to prepare a comprehensive connecting programme to be implemented within 10-15 years perspective from which, as and when funds were available, projects could be selected and implemented on priority basis.

7. While considering this para the Committee observed that a major share of expenditure incurred under the scheme was for the maintenance of roads and that investment on directly productive assets was only 6.22%.

8. Regarding the query on the under utilisation of funds in Panchayats especially in Idukki Districts, the witness Commissioner, Rural Development replied that the works in Grama Panchayats in Idukki District could not be undertaken because of some restrictions imposed by the Forest Department as well as from the plantation authorities.

9. The Committee found that not only in the case of rural roads, but in the case of Individual Beneficiary Schemes such as construction of houses and wells the performance was very poor. The Committee wanted to know its present performance and the Panchayat's role. The Commissioner in charge Rural Development Department stated that the work decision was taken at Panchayat level and all technical works were rendered at block levels. The Committee suggested that a comparative study of the centrally sponsored schemes for a five year period before 1997 and for a five year period from 1997, should be undertaken so as to evaluate whether there was any significant improvement or deterioration.

10. While examining the audit para 7.4.6(iii)-' the Committee sought the reasons for undue delay in allocating funds to DRDA. The witness, Commissioner, Rural Development, submitted that though there were some delay in getting the State's share, no delay had occurred with regard to the Central Assistance. Now all the procedures were changed and all DRDAs were permitted to maintain bank accounts in their name. Since the entire allocation of funds both Central & State directly go to this Accounts no blockage of funds or delay in receiving funds in DRDA was experienced. The Committee expressed its appreciation over the new procedure introduced in the financial side.

11. Audit Para 7.4.6 (iv) regarding the releases and utilisation of funds the Committee observed that the norms prescribed were not followed by DRDA, Thrissur 410 cheques were issued only on the last date of the financial year 1990-91. Pointing out this fact the Committee enquired why the cheques were not encashed. The Rural Development Commissioner stated that the treasury had not honoured the cheques because cheques issued by DRDA were with the Blocks and Panchayats. The Committee pointed out that delay had occurred in releasing funds and these delays had affected the proper implementation of the scheme. The Committee recommended that special care should be taken in releasing funds to Centrally sponsored programmes so that the implementation is not adversely affected.

12. While considering Audit para 7.4.6 (v) the Committee wanted to know how it could be stated that the works would not be affected even if delay occurs in release of funds as 150% action plan is chalked out. The Commissioner in charge Rural Development informed the Committee that the delay in payment would not affect the work to be executed as envisaged. But payment would be delayed and would get accumulated. The Committee observed that if such a situation occurs then peoples' committee could not afford to take up work and only contractors could execute the work. The Commissioner, Rural Development Department stated that all the works in Local Self Government Department were now carried out on contract basis.

13. On Audit Para 7.4.6 (vi) the Committee expressed its view that though the construction of Panchayat building by using JRY fund was irregular from the point of view of Central Government it would not be irregular from the social point of view.

14. While examining the audit observation regarding the diversion of funds from JRY to other construction works which were not covered under the scheme, the Committee put forth a mild remark that whenever the programmes are implemented the State Government should avoid such irregular diversions of funds. However, the Committee appreciated the construction of a swimming pool and the proposed project of the Water Stadium in Nanniyode Panchayat, Thiruvananthapuram District.

15. The Committee pointed out that as per the Panchayat Raj Act the money sanctioned under plan fund should be deposited under the Panchayat account. But it was seen that the instruction had not been followed. The Commissioner in charge Rural Development Department admitted that the investment of JRY funds in Treasury Savings Bank had created difficulties in the implementation of JRY. Now the system had been changed.

16. Regarding the refund of income tax amounting to Rs. 99,533 the Joint Rural Development Commissioner informed the Committee that the case was taken up with the Income Tax Department. But the amount had not been refunded so far and still the matter was under correspondence. The Committee opined that the works executed under JRY scheme through conveners should be fully exempted from Income Tax and that any money deposited under the scheme in Panchayat account along with the interest should also be exempted from IT.

17. Regarding the financial cut imposed in the sectors beneficial to the Scheduled Castes and Scheduled Tribes, the Committee wanted to know the problem faced by the Department in utilisation of funds in the programme. The

witness answered that due to the delay in obtaining the list of beneficiaries from the Panchayats, the Rural Development Department was experiencing difficulties with regard to granting of assistance. The Committee opined that Panchayats should be asked to prepare a comprehensive list of beneficiaries belonging to the Scheduled Castes/Scheduled Tribes category on priority basis and keep it as a permanent record. If such a record is prepared then selection of beneficiaries during each phase for the JRY Programme would be easier.

18. The Commissioner in Charge, Rural Development Department informed the Committee that the audit observation regarding the payment of advances for 47 works in excess of the prescribed ceiling was being examined by the Department. Regarding the cases reported from Idukki District, the witness informed that some of the works executed did not come under the stipulated programmes. In three cases in Idukki District R.R. had to be initiated and in the remaining case the excess paid could be adjusted in the final bills. The witness submitted that the details regarding all the cases pointed out by Accountant General would be furnished within 30 days.

19. The Committee observed that advances paid for many works done under JRY scheme had not been adjusted in the final bills passed for payment. The Committee desired to get a report on all such cases.

20. The Commissioner in Charge, Rural Development Department informed the Committee that in cases where irregularities were noticed in adjusting advances and other financial matters, the persons responsible were proceeded against and in some cases failed. In some cases R.R. proceedings were initiated but the final statement about the recovery had not yet been received from the Revenue Department.

21. The Committee wanted to know the present position of the temporary misappropriation case booked against Vellanad Panchayat President. The witness informed the Committee that the Vigilance case charged against the Vellanad Panchayat President had been closed and that he had remitted the amount in 26 instalments. Regarding the Cherukara Panchayat the witness stated that the latest position had to be ascertained. The Committee wanted to know how the Panchayat Presidents could withdraw money by issuing self cheques. The Additional Development Commissioner, stated that as per Government of India guidelines the President of the Panchayat had to hold the account during the initial stages. Later the account was transferred to the Secretary of the Panchayat. The Committee desired to know the latest position regarding the utilisation of the amount drawn by self cheque of the President of Kodikulam Panchayat, Idukki District. The witness could not give a satisfactory answer

and requested more time to collect the details. The Committee, expressed their displeasure over this and observed that the witness had not studied the matter properly for presenting before the Committee, though advance information was given to the Department regarding the examination of this audit para

22. Regarding audit paragraph 7.4.11 the Committee observed that there was definite lapse in the utilisation of obligatory expenditure by Panchayats in the case of beneficiary scheme for Scheduled Castes/Scheduled Tribes.

23. When enquired about the achievement of target under the housing scheme, the witness stated that even though in 1990-91 the target could not be achieved, in 1991-92 both the backlog and also the target set for the year could be achieved. The Additional Development Commissioner clarified that there was no particular target for housing scheme. The target was for individual beneficiary scheme under which, houses, wells, latrines etc. came.

24. The Committee desired to know whether the Rural Development Department had conducted any review regarding the construction of houses by beneficiaries in cases where advances were given. The Additional Development Commissioner informed the Committee that only 10% of the houses were completed. The balance houses were incomplete. In some cases the beneficiaries had sold the houses. In such cases R.R. would be recommended but often the request for R.R. would be returned with the remarks that no recovery could be effected. He added that at present since the contribution from Panchayat had increased there was a considerable increase in the completion of houses. The Department itself had taken an initiative in encouraging the beneficiaries to complete the houses.

25. The Committee observed that beneficiaries who had been given assistance for construction of houses under JRY Scheme, and who had not been able to complete the houses, subsequent assistance extended by blocks or other agencies could not be availed due to the simple reason that they had obtained assistance under JRY scheme. The Committee pointed out that there were other attractive schemes under Panchayat and Local Plan and hence recommended that the Department should take earnest efforts to conduct a comprehensive review of implementing the scheme and close all the pending cases.

26. The Committee pointed out that there was obvious inconsistency in the target and achievement as pointed out by the Accountant General and as given by the Department in their note. The Committee wanted a clarification in the matter and requested the Accountant General to look into the matter.

27. Regarding the Ambedkar Colony houses the Committee wanted to know the present position of the R.R. action.

28. On audit para – non-deduction of shrinkage allowance – the objection was that some earth filling works and raising of roadways under JRY scheme in DRDA, Alappuzha had been done without any provision for consolidation of soil. To the question of the Committee how the measurement of the soil was taken, the witness replied that the measurements were taken only after the consolidation and on the basis of the thickness of the soil. The Committee suggested that the PWD procedures should be followed in these kind of works and also asked the witness to submit to the Committee some systematic clarification on the issue and the details of the authorities who give general guidance and what the PWD procedures were.

29. The Committee was not satisfied with the explanation of the Department in removing the weed growth spending an amount of Rs. 7,380 before filling up of a pond with earth. The Committee observed that there was no necessity to remove the weed growth and hence the audit point of view was correct.

30. The Committee did not pass any comment on the construction of Edathua K.S.R.T.C bus stand and noted that a place like Edathua required a bus stand. It also accepted the explanation of the Department on the construction of Balawady building at Kattur. In the case of excess payment of land development cost, the Committee pointed out that the amount allowed were not excess payment but incurred for additional work.

31. The Committee made no remarks on the audit observation of improvements to Kunnamkattupathy Main Canal from chainage 6 k.m. to 30 k.m. in Palakkad district and on the amount spent on purchase of tiles during 1990-91 taking into account the good intention behind the action to make available the required material at lower cost to the individual beneficiaries of the programme.

32. While examining the audit para relating to the two lift irrigation projects at Kannur and Malappuram districts, the Commissioner, Rural Development apprised the Committee that the two irrigation projects had since been completed. The Committee asked the witness to inform the Committee whether these projects were functioning at present or not.

33. The Committee examined the audit para 7.4.12(1) and asked the Rural Development Commissioner to inform the Committee the present position of the R.R. action against the Panchayat President, Talavoor Panchayat in Kollam district who was the Convenor and contractor entrusted with the work.

34. The Committee also demanded the Department to furnish the present position of the functioning of the Water Tank which was constructed under JRY scheme by Cheriyaundam Panchayat of Tanur Block in Malappuram District and later handed over to Kerala Water Authority.

35. The Commissioner, Rural Development deposed before the Committee that no separate inventory registers were maintained at Panchayath level. The Committee urged the Government to maintain such inventory of assets in Panchayaths.

36. To the audit observation that the number of man days reported to have been generated as per muster rolls did not tally with number of man days certified, the witness stated that the discrepancies could not be rectified at this stage. The only measure that could be taken was to issue strict instructions not to repeat such instances.

37. The Committee noted that the Department had failed to lift the food grains allotted as part of wages and wanted to know the reason for this. The witness answered that during the period under audit, food grains was not an additional benefit over and above the wages. At that time, the department had to pay for the rice allotted and then lift it. The labourers were not keen in receiving food grains as wages. Since they preferred money, Department abstained from lifting the food grains. But now the system had been changed and food grains are given as additional assistance free of cost.

38. As the explanation for Audit paras 7.4.14, 7.4.15(i) (ii) were satisfactory, the Committee made no remarks.

39. Regarding para 7.4.15 (iii) the Committee pointed out that a final reply had not been furnished so far. The witness stated that the work was got done by the Irrigation Department and they had not furnished a reply on the objection raised by A.G. The Rural Development Department was helpless in this case.

40. The Committee opined that it would be difficult to stick on to the rate of wages fixed at national level under the programme in our State and hence offered no remarks with regard to the observation in para 7.4.15(iv).

41. Regarding paras 7.4.15 (vi) & (vii) the Commissioner in Charge Rural Development Department informed the Committee that at present advances given to convenors are treated as such and the utilisation was audited by C.As and then booked as expenditure and reported to Government of India.

42. The Committee wanted to know whether the Department had evaluated the benefits accrued to Scheduled Castes/Scheduled Tribes families under the scheme for weaker sections. The Commissioner in charge Rural Development Department admitted that no such details were available with them.

43. The Commissioner in Charge Rural Development Department deposed before the Committee that under the component social forestry the Rural

Development Department had undertaken establishment of decentralised nurseries through Mahilasamajams for raising and distribution of seedling of fruit bearing trees, fodder, coconut etc. All the remaining works were carried out by the Forest Department.

44. The Committee was informed that the implementation of JRY schemes had been handed over to Panchayats and the role of the R.D. Department and D.R.D.As is only monitoring.

45. While examining the audit para 7.4.19—Evaluation of JRY scheme in the state—the Committee observed that the share of Scheduled Castes/Scheduled Tribes in the total employment generation under the scheme was only up to 40% instead of 50% which was earmarked in the scheme. The Committee opined that the share of Scheduled Castes/Scheduled Tribes under the employment generation scheme should be increased to 50%. The Committee also found that there had been disparities in the wage rate between male and female workers. The Committee suggested that there should not be any gender discrimination with regard to wage rate to workers. The female workers should have to get what the fellow male workers were getting.

46. The Committee urged the witness to submit a list containing the details of all recommendations of the evaluation studies of the Ministry of Rural Development, Government of India and also the details of the measures taken by the State Government to that effect.

47. In reply to another question the Commissioner stated that an internal audit wing consisting of one Section Officer, two Assistants and two internal audit officers is working under Rural Development Department. Physical verification and checking were also entrusted to them. Steps were also being taken at the instance of the Finance Department to revitalise the section, which was abolished. He also added that the Rural Development Department would try to consolidate the reports of the Inspection Wing as well as internal Audit Wing at Secretary's level.

Conclusions/recommendations

48. The Committee understands that the Jawahar Rozgar Yojana (JRY) was launched by Government of India in April 1989 merging the then wage employment programmes to tackle the hard core of rural poverty by generating additional gainful employment for the unemployed in the rural areas. The expenditure of the scheme was shared between Centre and State in the ratio 80:20. This scheme targeted people below poverty line where 30 per cent of the employment opportunity was reserved for women and preference is given to Scheduled Caste/Scheduled Tribes and freed bonded labourers.

49. The Committee notices that the JRY Manual did not provide a method of identification of beneficiaries and remarks that it was not possible to identify the beneficiaries for JRY schemes with data collected for IRDP Scheme. The Committee finds that the Central Government is going to furnish an affidavit to the case pending with the Supreme Court regarding the freedom to the State Government to adopt a criteria at their choice to fix the norms of income cut off of the families to be included in the Below Poverty Line. The Committee wants to be furnished with the details of the outcome of the case.

50. The Committee opines that instead of preparing comprehensive list of beneficiaries for the Employment Guarantee Scheme, Government can call for application from rural poor who are interested to participate in the scheme and prepare a list of the beneficiaries. The Committee urges the department to consider the employment scheme implemented in the Kunnathukal Panchayat as a test case where poor people were provided with employment both in the Public Sector and Private Sector. The Committee recommends that the department take necessary steps to issue identity cards to the beneficiaries of the scheme wherein the details of employment like the number of days of employment provided in Public and Private sector would be recorded and the remaining period for assuring 100 days job could be filled up by the Panchayat. The Committee wants to be furnished the details of remedial measures taken in this regard.

51. The Committee understands that though the directives issued by the State Government insisting upon Block & Panchayats to prepare a shelf of Projects and annual action plan for the works listed in the shelf of projects, none of the districts in the state has prepared shelf of projects. The Committee opines that the system is not an appropriate one. The Committee recommends that the Local Self Government Institutions should prepare perspective plans/projects to be implemented over a period of time for various schemes. They should prepare a comprehensive connecting programme to be implemented within 10-15 year perspective from which as and when fund arises, projects could be selected and implemented, on priority basis.

52. The Committee agrees to the argument of department that the successful utilisation of assistance could not be undertaken in Idukki district because of some restrictions imposed by Forest Department as well as from the Plantation authorities. The Committee also analyses the performance of Individual Beneficiary Schemes like construction of houses and wells etc. that too is very poor. The Committee urges the department

to undertake a comparative study of the targets and achievements of Panchayats in respect of the Centrally Sponsored Schemes between the five year period before 1997 and five year period after 1997, so as to evaluate whether there were any significant improvement or deterioration took place. A detailed report in this regard should be furnished at the earliest, the Committee suggests.

53. Regarding the release and utilisation of funds, the Committee observes that the norms prescribed were not followed by DRDA, Thrissur. The Committee finds that though there was no delay in getting the central assistance, the funds from the state's share could not be made available in time which had affected the proper implementation of the scheme. However, the Committee expresses its appreciation over the new procedure introduced in the financial sides. That is, all DRDAs are permitted to maintain bank accounts in their names and the entire fund both central and state will go to this account and hence there will be no delay in releasing of funds. It recommends that special care be taken in releasing funds to centrally sponsored programmes so that its implementation is not adversely affected.

54. The Committee sees that there was an unspent balance of Rs. 5.56 lakhs during the year 1994-95 in the Payyavur Panchayat, Kannur, which was earmarked for the implementation of the JRY Programme and, steps were since taken to implement the Programme. So the Committee urges the department to furnish details regarding the present stage of the matter. The Committee also finds that in DRDA, Palakkad, there had been a diversion of funds of Rs. 77.51 lakhs to 2 state owned projects from the JRY funds. The Committee opines that this is a serious irregularity and suggests that government curtails the tendency of diverting funds earmarked to a particular scheme to other construction works which are not covered under the scheme. The Committee appreciates the construction of Swimming Pool and the proposed project of the Water Stadium in Nanniyode Panchayat, Thiruvananthapuram district. It points out that about 60-70 people got employment as a result of the training from that Swimming Pool and remarks that it is an innovative ideal programme.

55. The Committee recommends that the works executed under JRY scheme through convenors should be fully exempted from Income Tax and that any money deposited under the scheme in Panchayat account along with interest should also be exempted from Income Tax.

56. The Committee comes to know that the delay in obtaining the list of beneficiaries from Panchayats caused difficulties with regard to granting of assistance. The Committee urges that Panchayats prepare a comprehensive list of beneficiaries belonging to the SC/ST category on priority basis and keep it as a permanent record. If such a record is prepared then selection of beneficiaries during each phase for the JRY Programme would be easier.

57. The Committee understands that with a view to ensure that the JRY programme do not suffer unnecessary delay, Panchayat Committees are authorised to sanction advance for execution of works upto Rs. 25,000 or 20 *per cent* of estimated cost of work whichever is less. The Committee observes that advances paid for many works done under JRY scheme had not been adjusted in the final bills passed for payment. The Committee urges the department to furnish a detailed report on all these cases and the steps taken to rectify the lapse at the earliest.

58. The Committee also urges the department to furnish the latest position regarding the utilization of the amount drawn by self cheque by the President of Kodikulam Panchayat, Idukki District.

59. The Committee observes that there was definite lapse in the utilization of obligatory expenditure by Panchayats in the case of beneficiary scheme for SC/ST. So the Committee urges the department to take necessary steps to avoid such lapse in future and to ensure their participation as prescribed in the guideline.

60. The Committee realises that beneficiaries who had been given assistance for construction of houses under JRY scheme, and who had not been able to complete the houses, subsequent assistance extended by blocks or other agencies could not be availed of due to the simple reason that they had obtained assistance under JRY scheme. The Committee points out that there are other attractive schemes under Panchayat and Local Plan and hence recommends that the Department take earnest efforts to conduct a comprehensive review of implementing the scheme and to close all the pending cases. Remedial measures taken in this regard be furnished at the earliest.

61. The Committee points out that there was obvious inconsistency in the target and achievement as pointed out by the Accountant General and those furnished by the Department in their note. Therefore, the Committee suggests that the Government should take necessary steps to rectify the discrepancy in the matter. The Committee urges the department to furnish the present position of Revenue Recovery action initiated with regards to the Ambedhkar Colony Houses.

62. The Committee knows that the reason for the non-recovery of shrinkage allowance from the convenor in a road work under JRY in DRDA Alappuzha is attributed to that the measurements are taken only after consolidation of the soil and on the basis of the thickness of the soil. The Committee suggests that the Public Works Department procedures

should be followed in these kind of works and urges the department to submit some systematic clarification on the issue and the details of authorities who give general guidance for the work and the details of the Public works Department procedures followed in the work.

63. The Committee expresses its dissatisfaction over the explanation of the Department in removing weed growth spending an amount of Rs. 7,380 before filling up of a pond with earth in Cheppad Panchayat, in Alappuzha District.

64. The Committee urges the department to furnish the present position of the following 3 cases :

(i) Two lift irrigation projects at Kannur and Malappuram Districts.

(ii) The Revenue Recovery action initiated against the Panchayat President, Thalavoor Panchayat in Kollam district.

(iii) The Water Tank constructed by Cheriyaundam Panchayat of Tanur Block in Malappuram District, under the JRY scheme and later handed over to Kerala Water Authority.

65. The Committee urges the department to take necessary steps to maintain an inventory of assets created under JRY in Panchayats.

66. The Committee comes to know that the State Government had not conducted any evaluation of the implementation of the programme. The Committee urges the department to develop an effective monitoring system of the scheme. The Committee recommends that the share of the SC/ST under the employment generation scheme be increased to 50% as envisaged in the guidelines. The Committee finds that there had been disparities in the wage rate between male and female workers. The Committee demands that the female workers should get what the fellow male workers are getting and there should not be any gender discrimination with regard to wage rate to workers.

67. The Committee urges the department to submit a list containing details of all recommendations of the evaluation studies of the Union Ministry of Rural Development and the details of remedial measures taken by the State Government to that effect.

ARYADAN MUHAMMED,

Thiruvananthapuram,
25th July, 2007

Chairman,
Committee on Public Accounts

APPENDIX I

SUMMARY OF MAIN CONCLUSION/RECOMMENDATION

<i>Sl. No</i>	<i>Para No.</i>	<i>Department concerned</i>	<i>Conclusions /Recommendations</i>
(1)	(2)	(3)	(4)
1.	48	Local Self Government (Rural Development)	The Committee understands that the Jawahar Rozgar Yojana (JRY) was launched by Government of India in April 1989 merging the then wage employment programmes to tackle the hard core of rural poverty by generating additional gainful employment for the unemployed in the rural areas. The expenditure of the scheme was shared between Centre and State in the ratio 80:20. This scheme targeted people below poverty line where 30 per cent of the employment opportunity was reserved for women and preference is given to Scheduled Caste/Scheduled Tribes and freed bonded labourers.
2	49	„	The Committee notices that the JRY Manual did not provide a method of identification of beneficiaries and remarks that it was not possible to identify the beneficiaries for JRY schemes with data collected for IRDP Scheme. The Committee finds that the Central Government is going to furnish an affidavit to the case pending with the Supreme Court regarding the freedom to the State Government to adopt a criteria at their choice to fix the norms of income cut off of the families to be included in the Below Poverty Line. The Committee wants to be furnished with the details of the outcome of the case.
3	50	„	The Committee opines that instead of preparing comprehensive list of

(1)	(2)	(3)	(4)
			<p>beneficiaries for the Employment Guarantee Scheme, Government can call for application from rural poor who are interested to participate in the scheme and prepare a list of the beneficiaries. The Committee urges the department to consider the employment scheme implemented in the Kunnathukal Panchayat as a test case where poor people were provided with employment both in the Public Sector and Private Sector. The Committee recommends that the department take necessary steps to issue identity cards to the beneficiaries of the scheme wherein the details of employment like the number of days of employment provided in Public and Private sector would be recorded and the remaining period for assuring 100 days job could be filled up by the Panchayat. The Committee wants to be furnished the details of remedial measures taken in this regard.</p>
4	51	Local Self Government (Rural Development)	<p>The Committee understands that though the directives issued by the State Government insisting upon Block & Panchayats to prepare a shelf of Projects and annual action plan for the works listed in the shelf of projects, none of the districts in the state has prepared shelf of projects. The Committee opines that the system is not an appropriate one. The Committee recommends that the Local Self Government Institutions should prepare perspective plans/projects to be implemented over a period of time for various schemes. They should prepare a comprehensive connecting programme to be implemented within 10-15 year perspective from which as and when fund arises, projects could be selected and implemented, on priority basis.</p>

(1)	(2)	(3)	(4)
5	52	Local Self Government (Rural Development)	The Committee agrees to the argument of department that the successful utilisation of assistance could not be undertaken in Idukki district because of some restrictions imposed by Forest Department as well as from the plantation authorities. The Committee also analyses the performance of Individual Beneficiary Schemes like construction of houses and wells etc. that too is very poor. The Committee urges the department to undertake a comparative study of the targets and achievements of Panchayats in respect of the Centrally Sponsored Schemes between the five year period before 1997 and five year period after 1997, so as to evaluate whether there were any significant improvement or deterioration took place. A detailed report in this regard should be furnished at the earliest, the Committee suggests.
6	53	,,	Regarding the release and utilisation of funds, the Committee observes that the norms prescribed were not followed by DRDA, Thrissur. The Committee finds that though there was no delay in getting the central assistance, the funds from the state's share could not be made available in time which had affected the proper implementation of the scheme. However, the Committee expresses its appreciation over the new procedure introduced in the financial sides. That is, all DRDAs are permitted to maintain bank accounts in their names and the entire fund both central and state will go to this account and hence there will be no delay in releasing of funds. It recommends that special care be taken in releasing funds to centrally sponsored programmes so that its implementation is not adversely affected.

(1)	(2)	(3)	(4)
7	54	Local Self Government (Rural Development)	The Committee sees that there was an unspent balance of Rs. 5.56 lakhs during the year 1994-95 in the Payyavur Panchayat, Kannur, which was earmarked for the implementation of the JRY Programme and, steps were since taken to implement the Programme. So the Committee urges the department to furnish details regarding the present stage of the matter. The Committee also finds that in DRDA, Palakkad, there had been a diversion of funds of Rs. 77.51 lakhs to 2 state owned projects from the JRY funds. The Committee opines that this is a serious irregularity and suggests that government curtails the tendency of diverting funds earmarked to a particular scheme to other construction works which are not covered under the scheme. The Committee appreciates the construction of Swimming Pool and the proposed project of the Water Stadium in Nanniyode Panchayat, Thiruvananthapuram district. It points out that about 60-70 people got employment as a result of the training from that Swimming Pool and remarks that it is an innovative ideal programme.
8	55	„	The Committee recommends that the works executed under JRY Scheme through convenors should be fully exempted from Income Tax and that any money deposited under the scheme in Panchayat account along with interest should also be exempted from Income Tax.
9	56	„	The Committee comes to know that the delay in obtaining the list of beneficiaries from Panchayats caused difficulties with

(1)	(2)	(3)	(4)
			regard to granting of assistance. The Committee urges that Panchayats prepare a comprehensive list of beneficiaries belonging to the SC/ST category on priority basis and keep it as a permanent record. If such a record is prepared then selection of beneficiaries during each phase for the JRY Programme would be easier.
10	57	Local Self Government (Rural Development)	The Committee understands that with a view to ensure that the JRY Programme do not suffer unnecessary delay, Panchayat Committees are authorised to sanction advance for execution of works upto Rs. 25,000 or 20 <i>per cent</i> of estimated cost of work whichever is less. The Committee observes that advances paid for many works done under JRY Scheme had not been adjusted in the final bills passed for payment. The Committee urges the department to furnish a detailed report on all these cases and the steps taken to rectify the lapse at the earliest.
11	58	,,	The Committee also urges the department to furnish the latest position regarding the utilization of the amount drawn by self cheque by the President of Kodikulam Panchayat, Idukki District.
12	59	,,	The Committee observes that there was definite lapse in the utilization of obligatory expenditure by Panchayats in the case of beneficiary scheme for SC/ST. So the Committee urges the department to take necessary steps to avoid such lapse in future and to ensure their participation as prescribed in the guideline.
13	60	,,	The Committee realises that beneficiaries who had been given assistance for construction of houses under JRY Scheme,

(1)	(2)	(3)	(4)
			and who had not been able to complete the houses, subsequent assistance extended by blocks or other agencies could not be availed of due to the simple reason that they had obtained assistance under JRY Scheme. The Committee points out that there are other attractive schemes under Panchayat and Local Plan and hence recommends that the Department take earnest efforts to conduct a comprehensive review of implementing the scheme and to close all the pending cases. Remedial measures taken in this regard be furnished at the earliest.
14	61	Local Self Government (Rural Development)	The Committee points out that there was obvious inconsistency in the target and achievement as pointed out by the Accountant General and those furnished by the Department in their note. Therefore, the Committee suggests that the Government should take necessary steps to rectify the discrepancy in the matter. The Committee urges the department to furnish the present position of Revenue Recovery action initiated with regards to the Ambedhkar Colony Houses.
15	62	”	The Committee knows that the reason for the non-recovery of shrinkage allowance from the convenor in a road work under JRY in DRDA Alappuzha is attributed to that the measurements are taken only after consolidation of the soil and on the basis of the thickness of the soil. The Committee suggests that the Public Works Department procedures should be followed in these kind of works and urges the department to submit some systematic clarification on the issue and the details of authorities who give general guidance for the work and the details of the Public Works Department procedures followed in the work.

(1)	(2)	(3)	(4)
16	63	Local Self Government (Rural Development)	The Committee expresses its dissatisfaction over the explanation of the Department in removing weed growth spending an amount of Rs. 7,380 before filling up of a pond with earth in Cheppad Panchayat, in Alappuzha District.
17	64	,,	<p>The Committee urges the department to furnish the present position of the following 3 cases.</p> <p>(i) Two lift irrigation projects at Kannur and Malappuram Districts.</p> <p>(ii) The Revenue Recovery action initiated against the Panchayat President, Thalavoor Panchayat in Kollam district.</p> <p>(iii) The Water Tank constructed by Cheriya mundam Panchayat of Tanur Block in Malappuram District, under the JRY Scheme and later handed over to Kerala Water Authority.</p>
18	65	,,	The Committee urges the department to take necessary steps to maintain an inventory of assets created under JRY in Panchayats.
19	66	,,	The Committee comes to know that the State Government had not conducted any evaluation of the implementation of the programme. The Committee urges the department to develop an effective monitoring system of the scheme. The Committee recommends that the share of the SC/ST under the employment generation scheme be increased to 50% as envisaged in the guidelines. The Committee finds that there had been disparities in the wage rate between male and female workers. The Committee demands that the female workers

(1)	(2)	(3)	(4)
			should get what the fellow male workers are getting and there should not be any gender discrimination with regard to wage rate to workers.
20	67	Local Self Government (Rural Development)	The Committee urges the department to submit a list containing details of all recommendations of the evaluation studies of the Union Ministry of Rural Development and the details of remedial measures taken by the State Government to that effect.

APPENDIX II

**ACTION TAKEN REPORT ON THE REPORT OF THE COMPTROLLER
AND AUDITOR GENERAL OF INDIA FOR THE YEAR ENDED
31-3-1994 NO. 2 OF 1995 (CIVIL)**

<i>File No.</i>	<i>Audit Para</i>	<i>Subject/Brief description of observation</i>	<i>Reply/Action taken</i>
(1)	(2)	(3)	(4)
13268/JRY/ 3/95 CRD	Para No. 7.4	Jawahar Rozgar Yojana	No remarks
	7.4.1	Introduction	
	7.4.2	Organisational set up	
	7.4.3	Audit Coverage	
	7.4.4	Highlights	
	7.4.5	Planning	: Detailed replies/action taken report are given parawise
	7.4.5.1	<i>Identification of Beneficiaries</i>	
		The JRY Manual did not provide a method of identification of beneficiaries. Detailed instructions were also not issued by the State Govt. suggesting the proper method to be followed in the identification of the beneficiaries. There had been no survey to identify people below poverty line with precise data of SC/ST, freed bonded laboures, land less and women workers. No register of eligible workers at Panchayat level on the basis Anthyodaya approach and	As pointed out by the C & AG, the JRY Manual did not provide a method of identifications of beneficiaries. However, the employment opportunities are being provided exclusively for the target group as specified in para 3.1 of JRY Manual with special safeguards to SC/ST and women as in the case of erstwhile NREP/RLEGP Schemes. The mention in the report that, there had been no survey to identify people below poverty line is contrary

(1)	(2)	(3)	(4)
		<p>also no record of employment given to each person in a particular period. No identity card-cum-pass book was issued to those eligible workers to get assistance under the scheme.</p> <p>In the absence of a separate register of eligible workers in the Panchayats the IRDP Survey was generally followed in selecting of workers for employment under the scheme.</p> <p>The IRDP being a family oriented scheme, the survey did not disclose the details of unemployed/under employed workers who could merit consideration under JRY. Further IRDP survey excluded those families who were already assisted under the scheme. There was, thus, no proper system for identification of beneficiaries and to assess the extent of assistance to be rendered to individual workers under the scheme.</p>	<p>to facts. Prior to each plan period, a detailed household survey was being undertaken at Village level to identify families below poverty line for the purpose of implementing IRDP. The details such as SC/ST, women, landed property occupied by the family etc. are available in the register of IRDP survey. For the purpose of implementation of all poverty alleviation Programmes and employment generation programmes, generally this survey register is reported to for identification of beneficiaries. Practically it is also difficult to conduct detailed household surveys separately for implementing each and every scheme implemented by this Dept. which is also not envisaged in the Manual. The beneficiaries to be provided employment under JRY are selected from the list of identified families living below poverty line, prepared for the purpose of IRDP implementation. The</p>

(1)	(2)	(3)	(4)
			<p>identity of labourers provide with employment as per the muster rolls can be got verified with the list of IRDP beneficiaries at village level. No identity card for the workers is also insisted by the Ministry of Rural Development, government of India.</p>
			<p>Regarding those beneficiaries who have been excluded from the IRDP survey register by virtue of assistance already received, details of such beneficiaries are available in a separate register of IRDP maintained at village level. Further, the responsibility of preparing Muster rolls are vested with the Village Extension Officer who is working at village level and hence it could be ensured that only workers in or near the locality where the work is executed above are engaged.</p>

(1)	(2)	(3)	(4)
7.4.5.2	<p>Planning of schemes to be executed by Blocks and Panchayats.</p> <p>As per the directive issued (May 1990) by State government the Panchayat and DRDAs shall prepare a shelf of projects containing categories of works to be taken up within a period of 3 to 5 years and Annual Action Plans to cover only those works listed in the shelf of projects prepared on a priority basis as per guidelines.</p> <p>No shelf of project were prepared for any district of the State (June 1994).</p>	<p>In the Manual of NREP/ RLEGP there were provisions to prepares shelf of projects to draw up long term plan for 3 to 5 years. Eventhough this provision was not made in the JRY Manual. Government had issued directions to prepare shelf go projects, for JRY as well. However selecting works solely from the shelf of projects was found difficult due to the following reasons. The Blocks did not have the requisite expertise to prepare comprehensive shelf of projects. Works were generally taken up in response to local needs articulated by public representatives. Even if a shelf of Projects have been prepared, the Districts would have been able to take up only a small percentage of the works included in the shelf of Projects owing to limitations of the resources. As a result Districts and Blocks operated through annual action plans. Moreover certain works have to be taken up owing to contingencies like natural calamities etc.</p>	

(1)	(2)	(3)	(4)
7.4.5.3	<i>Poor investment on directly productive asset</i>	<p>The investment on Socio-Economic assets was Rs. 19,599 lakhs which worked out to 55 percent of the total investment of Rs. 35,292 lakhs under the scheme vide Appendix 18 of this 80 percent (11,543 lakhs) was exclusively utilised for Rural Roads, the balance is being invested on school buildings and other buildings, sanitary latrines and drinking water wells. The investment on rural roads was mainly confined to maintenance and repairs. A test check of road works in Trivandrum DRDA revealed that out of 362 road works executed upto 1993-94 by incurring expenditure of Rs. 443.82 lakhs only 10 road works were on formation of new roads. This was tantamount to subsidisation of road maintenance expenditure of Panchayats. The investment of directly productive assets was 6.22 percent.</p>	<p>As per the provisions contained in para 16 of JRY (Village) Manual, there was no sectorial earmarking of resources at Village level except 22.5% (formerly 15%) of the annual allocation to be spent on items of work directive benefitting SC/ST. 80% of the general JRY fund was placed at the disposal of the Panchayat as their resource to implement the programme. As per para 7 of JRY (Village) Manual, the Panchayats are the sole arbiter of funds allocated to them and the items of works chosen by them. Investment on improvement and repair of the existing road meeting the expenditure from Panchayat share of JRY is not prohibited as per the JRY guidelines. Improvements of road included stabilization, protective and cross drain works, surfacing etc. The DRDA share (20% of general JRY resources) is permitted to be utilized for sectoral works as specified in para 13.8 of JRY Manual. this is strictly</p>

(1)	(2)	(3)	(4)
			<p>adhered to incur expenditure at District level.</p> <p>The freedom of action granted to a village panchyat under the Manual cannot be encroached upon by any authority as provided for with JRY incurred. So sectoral priorities cannot be specified to the Village Panchayat.</p>
	<p>7.4.5.4 <i>Under Utilisation of assistance</i></p>	<p>There had been substantial under utilisation of assistnace in Idukki Distrcit in 1989-90 and the details of percentage of under utilisation in some Panchayats in Idukki district were 74 in Bison Valley, 45 in Arrakkulam, 66 in Pampadum para 75 in Rajakkad 80 in Karunapuram and 72 in N e d u m k a n d a m . Substantial percentages of under utilisatior (26 to 69) of funds in the Panchyats under DRDAs Kollam and Thrissur were also noticed.</p>	<p>According to para 12 of JRY (Village) Manual if the carry over balance exceeds 25%(15% upto 1992-93) proportionate cut can be imposed in the share of Panchyats to the extent of the unspent balance. The Panchyats in Idukki District are located in the remote hilly areas having comparetively less facilities for the execution of works especially during Monsoon. The Panchyat authorities were not conversant with the guide lines, proceedure etc. of the implementation of JRY. Due to the above reasons, the desired</p>

(1)	(2)	(3)	(4)
			<p>(75%) expenditure could not be achieved in the 7 Panchyats during the first year (1989-90) of JRY implementation. As the annual action plan covered under work costing 150% of the resources made available for 1989-90 and those works were taken up in all these Panchayats and substantial progress was also expected in the execution of works, no financial cut as envisaged in the JRY, Manual was imposed.</p> <p>At present proportionate financial cut in the share of Panchayat is being effected to the extent of unspent balance to prevent under utilisation of assistance.</p>
7.4.6.	Financial outlay and Expenditure		} No remarks
7.4.6.1	Table showing details of allocation, release expenditure for five years upto 1993-94.		
7.4.6.2	Government of India released a sum of Rs. 1.45 crores under JRY for 'MP's local area development scheme for	An amount of Rs. 1.45 lakhs released under MPLAD scheme was received by the State Planning Dept., since state Government have decided Planning Dept.	

(1)	(2)	(3)	(4)
		the year 1993-94. This releases was excluded from the Central share of releases to DRDAs.	as the Nodal Dept. for the implementation of the programme in the state. This amount was also released by the Planning Dept. to the Dist. Collectors as per G.O. (Ms) No. 4/94/Plg. dated 30-3-1994. As the Rural Development Dept. was not involved in the implementation of the programme, the amount was not accounted as a source of JRY.
7.4.6.3	There had been undue delay in receipt of funds in all DRDAs in 1990-91 as the major portion of allocation of funds was in the last quarter of the year and even in March 1991 itself. During 1990-91 DRDA, Kollam received funds of Rs. 503.91 lakhs of which Rs. 221.72 lakhs were received only in the last quarter and Rs. 164.11 lakhs in March 1991.	During the first year (1989-90) of JRY implementaiton the Central share of assistance was directly released to the District and hence only state share was released in proportion to the Central share. From 1990-91 onwards the Central share to all Districts was released through the state who in turn released the amount with the state share to the DRDAs. The amount provided under JRY the State Budget for 1990-91 was exclusively meet the state share as provided in the budget for 1989-90. The revision of proceedure was necessitated to provide additional resources for	

(1)	(2)	(3)	(4)
			which clearance had to be obtained from the State Planning Board and Finance Department. This has resulted in the delay in releasing the amount.
7.4.6.4	Periodical releases and utilisation of funds envisaged in the scheme were not followed by DRDA, Thrissur as 410 cheques amounting to Rs. 145. 20 lakhs were issued on the last date of the financial year 1990-91	The delay in release of funds by DRDA, Thrissur during the financial year 1990-91 was due to fact that the funds of Rs. 146.38 lakhs under JRY was received by DRDA, Thrissur only on 18-3-1991. On receipt of the funds, 215 cheques were issued for an amount of Rs. 73, 46,246 on 30-3-1991. A number of cheques issued earlier from DRDA, Thrissur were not encashed and returned to DRDA for issuance of fresh cheques during the period from 26-11-1990 to 29-3-1991. 195 cheques were issued in lieu of returned cheques. the delay for the release of funds was mainly due to the delay in receipt of funds by the DRDA.	
7.4.6.5	The original allocation under JRY for 1990-91 for DRDA, Kottayam was Rs. 341.32 lakhs which was reduced to Rs. 324.44 lakhs due to economy measures and Rs. 34.20 lakhs received	Since the Panchayats were permitted to take up works costing 150% of the allocation, and the works are taken up based on the prefixed Action Plan, the delay in release of funds had not in any way affected the implementation of the programme.	

(1)	(2)	(3)	(4)
		<p>during 1989-90 as cash in lieu of food grains not lifted by the Agency were also treated as grant for 1990-91. After adjusting Rs. 3.66 lakhs towards administrative cost, the balance of Rs. 286.58 lakhs was received in cash during 1990-91. Out of this nothing was received during first quarter, Rs. 46.56 lakhs received in the second quarter, Rs. 120.77 lakhs in the third quarter and Rs. 119.25 lakhs in the fourth quarter of which an amount of Rs. 85.10 lakhs (30 percent of total allocation) was received in March 1991.</p>	
	7.4.6.6	<p>During the period from 1991-92 to 1992-93 DRDA, Thrissur earned an interest of Rs. 20 lakhs on investment of surplus funds under JRY. Of this 4.58 lakhs were utilised for the construction of Block Headquarters at Cherpu and another amount of Rs. 5 lakhs for the construction of Block head quarters, Kodagara contrary to guide lines of JRY, these buildings were shown as</p>	<p>The construction of Block Headquarters building for Kodagara and Cherpu Blocks was undertaken by DRDA, Thrissur and the expenditure debited to the interest funds of JRY. When the Accountant General observed that the expenditure tantamounted to diversion of JRY funds, Govt. in G.O. (Rt) No. 278/97/RDD dt. 22-5-1997 accorded sanction to debit the entire expenditure to IRDP interest fund as laid down in para 5-11 of IRDP manual 1988. Now the expenditure has been regularised.</p>

(1)	(2)	(3)	(4)
7.4.6.7	assets of DRDA (March 1993) Rs. 3.74 lakhs were diverted by DRDA, Palakkad during 1990-91 for the maintenance of 4 Block Office buildings to be utilised for the creation of durable community assets at Panchayath areas under JRY.		The Project Officer, Palakkad has reported that the maintenance of 4 Block Office buildings, construction of Village Offices and one Post Office at Karimpuzha was taken up under JRY. The works were taken up according to local necessity and with the approval of governing body of the DRDA. It is also reported that taking up of such works have completely been excluded from the Action Plan from 1993-94 onwards.
7.4.7	Non-Utilisation/Mis Utilisation of JRY funds by Panchayats/DRDAs		A report from the Project Officer, Kannur is awaited on the present stage of the matter.
7.4.7.1	The Payyannor Panchayath had an unspent balance of Rs. 8.15 lakhs as on 31st March 1994 under JRY. The amount represented the unspent balances as on 31-3-1993 (Rs. 4.23 lakhs) and releases of JRY share for Rs. 1993-94. The fund remained unspent due to a dispute between the President and Executive Officer. According to the Project Officer, DRDA, Kannur		

(1)	(2)	(3)	(4)
		(Oct. 1994) the unspent balance with Panchayath at the end of 1993-94 was Rs. 5.56 lakhs and steps were initiated to implement the programme in 1994-95.	
	7.4.7.2	In violation of JRY guidelines not to take up large and expensive works with high level technical input DRDA, Palakkad took up the work relating to 'Improvements to Kunnamkattupetty main Canal' from ch. 0 to 5 km involving construction of aqueducts, cement concrete lining and rubble packing of canal. The work taken up in March 1991 was completed in Feb. 1992 at a cost of Rs. 64.86 lakhs through the Irrigation Department of the State. This canal formed part of the Chittoorpuzha Major Irrigation Project of the State Govt.	According to para 60 of JRY Manual, large and costly works requiring high level of technical inputs are prohibited to be taken up under JRY, mainly due to the involvement of high percentage of material component and to stipulate completion of the work within a period of 2 yeas. Usually large and costly works involving high level of technical inputs are not taken up for execution. The improvement of Kunnumkattttupetty Canal in Palghat District was a project originally included under RLEGP for which clearance was obtained from the Ministry of Rural Development, Govt. of India. Consequent on the abolition of RLEGP the spill over works were carried out under JRY. The total estimated cost of the project was Rs. 201.85 lakhs for the formation of the Canal

(1)	(2)	(3)	(4)
			<p>having a length of 25 km to provide irrigation from the Chittoorpuzha major Irrigation Project. The main items of works included in the estimate are earth work excavation filling of earth, forming embankment, random rubble masonry, turfing providing sluice etc. which do not involve high level of technical inputs and such items of works are usually carried out in JRY works. More over the work was spilt up into 22 reaches and the work in each reach was carried out independently with seperate A.S, and T.S and executed by seperate beneficiary committees.</p>
7.4.7.3	<p>The DRDA, Palakkad undertook (1991-92) the causeway at Rayanthuruthy under the Mannarkad Block which involved high technical inputs, Masonry, cement lining and other concrete works. The work was completed at a cost of Rs. 12.65 lakhs. The expenditure of Rs. 77.51 lakhs incurred on</p>	<p>This causeway at Rayanthuruthy under Mannarghat Block constructed under JRY is intended to drain the water crossing the road. The items of work included in the estimate are earth work excavation random rubble masonry, R.C.C. etc. for which no high technical inputs are required.</p>	

(1)	(2)	(3)	(4)
		the above 2 projects had to be constructed as diversion of JRY funds for executing State Projects.	Adequate technical support was also made available for the construction of assets from Block level to the State level for the execution of the 2 works mentioned in the review report.
			In view of the above explanations, the construction of Kunnumkettupetty canal, Rayanthuruthu causeway etc. may not be treated as large and costly works involving high technical inputs for execution under JRY.
7.4.7.4	It was noticed in test check that six DRDAs spent Rs. 34 lakhs on 31 works for construction of various structures which were not covered under the JRY Scheme. Some examples are given below :—	(a) Construction of compound wall for Block Offices and Panchayat Offices-16 cases Rs. 16.65 lakhs.	The constructions taken up by DRDAs/Panchayat pointed out by audit is for Block Offices, Village Offices, Post Offices, Dispensaries, Veterinary Hospitals, Fire Station, etc. The constructions are for facilitating sectoral departments for the implementation of the welfare programmes for the rural poor. It is also pointed out that para 20 & 77 of JRY Manual (Panchayat) permits for the construction of dispensaries. The illustrative works listed out in the Manual of JRY (1994) includes
		(b) Swimming pool at Nanniyode Panchayat Trivandrum Distcrit -4	

(1)	(2)	(3)	(4)
	lakhs.		construction of
	(c) Raja Ravi Varma Memorial at Kilimanoor - Rs. 1.30 lakhs		community centres, Panchayat ghers, dispensaries etc. which are of social and community nature.
	(d) Protective works to Sub Treasury Vithura - Rs. 0.70 lakhs		The Project officer, DRDA, Trivandrum reported that the swimming pool at Nanniyode taken up by Panchayat after approving the same by the Panchayat Committee. Raja Ravi Varma Memorial is a community hall constructed in Kilimanoor Panchayat, construction of Varandha and protective works to sub Treasury mentioned in the audit report is actually carried out in the building of the Panchayat Office, Vithura (not Vellanad) in which the Sub Treasury is housed. On a detailed analysis it could be seen that all these works are beneficial to the rural poor and also for the development of the rural area.
	(e) 3 Village Office Buildings in Palakkad District-1.92 lakhs		
	(f) Post Office building at Karimpuzha Rs. 0.60 lakhs		
	The assets created did not result in any direct and continued benefits for rural poor.		
	7.4.8	<i>Deposit of JRY Funds</i>	
	7.4.8.1	JRY funds are to be kept in a Bank or Post Office in an exclusively and	The objective of para 15 of JRY Manual is to ensure that the funds are

(1)	(2)	(3)	(4)
		<p>seperate Savings Bank account. However Government directed (June 1989) that the DRDAs and Panchyaths should deposit the amount in Treasury Savings Bank account. Reasons for this deviation in violation of Govt. of India norms were not on record.</p> <p>An analysis of cash balance at the end of the year in seven DRDAs for the period from 1989-1990 to 1993-94 revealed that entire cash balance was deposited in Treasury Savings Bank. No amount was kept in Bank Accounts or Post Office Savings Bank accounts. This resulted in non-availability of funds due to periodical restrictions on withdrawals from Treasury. The policy of investment of JRY funds in Treasury Savings Bank while improving the ways and Means position of the State Govt. created difficulties in the implementation of JRY.</p>	<p>readly accessible to DRDAs and panchayats. Govt. Vide G.O. (Ms) 29/89/RDD dated 29-6-1989 have ordered to deposit the funds under JRY at District and Panchayat level in seperate savings bank account of Treasuries by the DRDA and the panchayats.</p> <p>The Treasury Savings Bank accounts existing in the State can be opertated as in the case of S/B accounts in any other Commercial Bank. Depositing an amount in a Treasury Savings Bank account does not mean that the amount becomes part of Govt. funds, the implementing agencies can withdraw the funds from the Treasury Savings Bank Account through cheques as from any other bank for JRY implementation as and when necessary. The DRDAs/Panchayats have the freedom to draw the funds from Treasury according to requirement and indeed they have been doing so without any difficulties. In brief, the Treasury Savings Bank Account has a</p>

(1)	(2)	(3)	(4)
			<p>seperate entity transacting banking business. In case any difficulties being experienced in drawing funds from the TSB this could be attended to and resorted by Govt. immediately.</p> <p>No amount out of the JRY funds deposited in the Treasury Savings Bank had been utilised for any purpose other than the implementation of the programme.</p>
	7.4.8.2.	The District Treasury officer, Thrissur had deducted a sum of Rs. 99,533 towards income tax. On interest earnings from JRY funds deposited by DRDA, Thrissur, No claim of refund was put forth by the Agency till July 1994.	A detailed report is awaited from the Project Officer DRDA, Thrissur.
	7.4.8.	Poor utilisation of funds led to reduction of grants by Govt. of India. A total amount of Rs. 84.06 lakhs was reduced in 1991-92 (Rs. 67.20 lakhs from Central share and Rs. 16.86 lakhs from State share). Similar figure for 1993-94 was Rs. 36 lakhs. Poor utilisation of funds thus resulted in less release of grants of Rs. 120.06 lakhs. The scheme got	<p>Poor utilisation of funds leading to deduction of grant by Government of India.</p> <p>The details of financial cut made in the Central share are given below :—</p> <p>1991-92</p> <p>Kozhikode Rs. 8.37 lakh under MWS</p> <p>Rs. 14.35 lakhs for SC/ST coverage</p>

(1)	(2)	(3)	(4)
		adversely affected to that extent.	Wayanad Rs. 0.36 lakh under IAY
			Palakkad Rs. 4.81 lakhs for SC/ST coverage
			Ernakulam Rs.0.23 lakh under MWS
			Rs. 22.72 lakh for SC/ST coverage
			Idukki Rs. 14.23 lakhs for SC/ST coverage
			Kasaragod <u>Rs. 16.63</u> lakh under <u>Rs. 81.70</u> MWS
			1993-94
			Kannur Rs. 18.67 lakhs for SC/ST coverage
			Thrissur Rs. 2.58 lakhs for SC/ST coverage
			Wayanad Rs. 0.66 lakh under IAY
			Rs. 6.88 lakhs for the excess carry over balance.
			<u>Rs. 28.79</u>

(1)	(2)	(3)	(4)
-----	-----	-----	-----

The above details clearly reveals that the financial cut was imposed in the sectors benefitted to the individual SC/ST. Delay in the selection of beneficiaries, failure to complete the individually benefitted works like houses, wells etc. frequent flood occurred during the monsoon are the reasons attributed for the shortfall in expenditure under the earmarked sectors.

7.4.9. *Advance to works*

With a view to ensure that JRY Programme did not suffer unnecessary delay. Panchayat Committees were authorised (August 1989) to sanction advance for execution of works upto Rs. 15,000 or 20 per cent of the cost of work whichever was less. The advance was given to the Convenors of JRY works. In July, 1990 the facility of advance was enhanced to 50 per cent of the estimated value of work in convenient instalments. In March, 1993, Government reduced the amount of advance to Convenors to

(1)	(2)	(3)	(4)
		the extent of Rs. 25,000 or 20 per cent of the estimated cost of work whichever is less. A tech-check revealed that;	
		1. In 47 cases, excess payment of advances (Rs. 10.71 lakhs) for works more than prescribed ceiling was made.	Out of the 47 cases pointed out by audit, 10 cases pertain to Palakkad DRDA. The Project Officer, DRDA, Palakkad has reported that all the advance reported by audit have been adjusted. Regarding the other districts namely Kannur, Malappuram, Idukki, Alappuzha, the reports for respective DRDAs are awaited.
		2. In 5 cases, advances exceeded the limit by Rs. 2.60 lakhs and the estimated amount by Rs. 0.88 lakhs.	A detailed report from DRDA, Idukki is awaited.
		3. In 30 cases, advances amounting to Rs. 15 lakhs were paid to Convenors/contractors, but works were not commenced, The advances were found unadjusted for more than 2 years as July, 1994.	The Project Officer, DRDAs, Ernakulam Kottayam and Palakkad have reported that the advance pending adjustment in their districts have been fully adjusted. The Project Officer, DRDAs. Kollam informed that Pooyappally Panch-ayat Committee had filed a siut against a Convenor to realise to a sum of Rs. 40,000 paid to him as advance for two works. A further

(1)	(2)	(3)	(4)
			<p>report from Thrissur and Malappuram districts are awaited.</p> <p>Out of Rs. 15.00 lakhs identified, Rs. 13.54 lakhs has been adjusted and action has been taken to regularise the balance amount.</p>
	<p>4. It was found that in 64 cases advances to the tune of Rs. 29.12 lakhs were not adjusted by 38 Panchayats when final bills were passed for payments.</p>	<p>The Project Officer, DRDA, Palakkad has informed that the excess payment made by Alanelloor, Karakuzhi Kanjira-puzha, Vaniamkulam, Chalavara, Poruthur, Lekkidi-Perur, Vandazhy, Elavanchery and Koduvayoor Panchayat have been regularised. Out of a sum of Rs. 88,000 issued as advance for the road work in Puthunagaram Panhayat, only a sum of Rs. 31,925 was adjusted and balance of Rs. 56,075 is pending adustment. A Vigilance case is also involved in this work. All records connected with this work are with the Vigilance Department. The balance amount could be recovered only after receipt of documents from Vigilance Department.</p>	

(1)	(2)	(3)	(4)
			The Project Officer, DRDA, Kozhikode has also reported that out of a sum of Rs. 18,59,122 pending adjustment, an amount of Rs. 12,45,287 has been adjusted. The balance amount pending adjustment is Rs. 6,13,835. Revenue Recovery Proceedings have been initiated for the realisation of the balance amount in some cases.
	5. In 40 cases payment of works in excess of bill amount was disbursed to Convenors by 16 Panchayats. This amounted to Rs. 6.19 lakhs.		Reports are awaited.
	6. The President of Purakkad Panchayat of Alapuzha District was selected as Convenor of all works from 1990-91 towards by the Panchayat Committee. Altogether he has been entrusted with 34 works aggregating Rs. 10.15 lakhs upto 1993-94. As against 11 works (Estimated cost Rs. 3.75 lakhs) taken up in 1990-91 and 5 works (Estimate amount Rs. 2.63 lakhs) in 1991-92 he has paid a total advance		Revenue recovery action has already been initiated against former President, Purakkad Panchayat. Recovery particulars are awaited. The B.D.Os have been instructed to advise the Panchayats to close the accounts and proceed with R.R. action against all other cases, where the advance is pending adjustment for more than two years.

(1)	(2)	(3)	(4)																
		of Rs. 2.14 lakhs in respect of 9 works (1990-91-4 & 1991-92-5) which was pending adjustment as June, 1994.																	
		7. Advance amount to Rs. 3.46 lakhs were paid for 8 works during January, 1991 to March 1992 to 7 Convenors of 5 Panchayats in Thiruvananthapuram DRDA. The whereabouts of the Convenors could not be traced. The DRDA has not taken any action as prescribed by the CRD in August, 1993.	The details of adjustments are given below :—																
			<table border="1"> <thead> <tr> <th data-bbox="976 737 1024 835">Name of Panchayat</th> <th data-bbox="1040 737 1105 835">Amount of Advnace</th> <th data-bbox="1122 737 1170 835">Amount ad-justed</th> <th data-bbox="1187 737 1235 835">Remarks</th> </tr> </thead> <tbody> <tr> <td data-bbox="976 852 1024 905">1. Maranelloor</td> <td data-bbox="1040 852 1105 873">20,000</td> <td data-bbox="1122 852 1170 873">..</td> <td data-bbox="1187 852 1235 1024">RR action initiated against the Con-venor</td> </tr> <tr> <td data-bbox="976 1083 1024 1115">2. Edava</td> <td data-bbox="1040 1062 1105 1083">2,30,000</td> <td data-bbox="1122 1062 1170 1083">1,06,217</td> <td data-bbox="1187 1062 1235 1587">Work partially completed the value of the work done is only Rs. 1,06,217. RR action has been initiated to recover the balance amount of Rs.</td> </tr> <tr> <td data-bbox="976 1598 1024 1650">3. Vettoor</td> <td data-bbox="1040 1598 1105 1619">20,000</td> <td data-bbox="1122 1598 1170 1619">..</td> <td data-bbox="1187 1598 1235 1688">1,23,783 Rs. 15,200 has al-</td> </tr> </tbody> </table>	Name of Panchayat	Amount of Advnace	Amount ad-justed	Remarks	1. Maranelloor	20,000	..	RR action initiated against the Con-venor	2. Edava	2,30,000	1,06,217	Work partially completed the value of the work done is only Rs. 1,06,217. RR action has been initiated to recover the balance amount of Rs.	3. Vettoor	20,000	..	1,23,783 Rs. 15,200 has al-
Name of Panchayat	Amount of Advnace	Amount ad-justed	Remarks																
1. Maranelloor	20,000	..	RR action initiated against the Con-venor																
2. Edava	2,30,000	1,06,217	Work partially completed the value of the work done is only Rs. 1,06,217. RR action has been initiated to recover the balance amount of Rs.																
3. Vettoor	20,000	..	1,23,783 Rs. 15,200 has al-																

(1)	(2)	(3)	(4)
			ready been re- covered by RR action. Balance amount of Rs. 4,800+ interest will also be re- c o v - ered..
		4. 19,000	.. RR ac- tion has b e e n initiated to re- c o v e r the ad- v a n c e with in- terest.
		Vattiyo- orkavu	
		5.,, 20,000	.. do.
		6. ,, 36,000	.. W o r k h a s b e e n c o m - p l e t e d. Advance will be adjusted in the fi- nal bill

(1)	(2)	(3)	(4)
		7.Kutti 8,000 chal	} .. T h e S e c r e - t a r y G r a m a p a n c h a y a t h a s b e e n i n - s t r u c t e d b y t h e P r o j e c t O f f i c e r , D R D A t o i n i - t i a t e R R a c t i o n .
		8. ,, 4,000	
	7.4.10	<i>Temporary Misappropriation Cases.</i>	
	7.4.10.1	An amount of Rs. 1,60,100 being the second instalment, allocated by DRDA, Thiruvananthapuram on 12-1-1993 for JRY was misappropriated by enhancing the cheque on 15-1-1993. The President, Vellanad Panchayat had not brought this amount into account in cash book as on 15-1-1993, but remitted in piece meal between 15-1-1993 to 21-4-1993 in the Treasury S.B. maintained for JRY. The retention of cash in hand for more than 3 months was irregular.	The entire amount of Rs. 1.601 lakhs temporarily misappropriated by the President, Vellanad Panchayat had been recovered and accounted. Action is in progress recover the interest for the amount for the period of misappropriation. A vigilance case is also pending against the former President of Vellanad Grama Panchayat.
	7.4.10.2	An amount of Rs. 20,000 was accounted short (March 1991) in the fund of Cherukara Panchayat in Kondotti Block of	The Project Officer, DRDA Malappuram has informed that he has sought the explanation of

(1)	(2)	(3)	(4)
		<p>Malappuram DRDA which was detected in April, 1993. The short remittance was made good in April, 1993. No action was taken to recover interest for the period of temporary misappropriation and penal action against persons involved.</p>	<p>the executive Officer and President, Cherukara Panchayat. The Executive Officer had stated that the entire accounts and money are with the President. The President has informed that he has paid the amount of Rs. 20,000 to one Shri Veerankutty, Convenor of the work Kuriyodan-Ottuperamana Road. This was also not accounted in the Panchayat records for the meantime a case has been registered with the Kerala Public Men Corruption (Investigation and Enquiries) Commission, Thiruvananthapuram. As per their direction, the files related to the case have been handed over to the commission. The penal action is now pending before the Commission.</p>
7.4.10.3	<p>In Kodikulam Panchayat of Idukki DRDA, out of total disbursement of Rs. 3,27,713 during the year 1989-90 an amount of Rs. 2,43,383 was drawn on self cheque by the President of the Panchayat and cheque for Rs. 84,320 alone were issued in the name of Convenors. The utilisation</p>	<p>The Vigilance Department of the State Govt. had initiated action against the former President of Kodikulam Panchayat who misappropriated the Money and all connected records had been seized by them. The Project Officer, DRDA, Idukki is pursuing action to get back the files</p>	

(1)	(2)	(3)	(4)
	7.4.11.	<p>of amounts drawn on self cheque could not be verified by the Chartered Accountant.</p> <p><i>Under Utilisation of obligatory Expenditure by Panchayat</i></p>	<p>for recovering the amount had to regularise the account.</p> <p>The prescribed minimum expenditure of 15% Upto October, 1992 and 22.5% thereafter on individual benefitting schemes for SC/ST could not be achieved in a few Panchayat mainly due to the following reasons :</p> <ol style="list-style-type: none"> 1. The Panchayat Committees were not fully conversant with the provisions of the JRY Manual. 2. The delay in selection of beneficiaries. 3. Major portion of the fund earmarked for individual beneficiary schemes were utilised for construction of Houses. The construction of houses were entrusted to the beneficiary themselves who badly delayed the construction and hence the amount prescribed for different stages could not be released in time.

(1)	(2)	(3)	(4)
7.4.12.	<i>Physical Progress</i>	1. General 2. (a) <i>Housing Schemes</i>	4. P a n c h a y a t Committees have not taken any follow-up action to complete the scheme.
	<p>The physical targets envisaged in the three housing schemes were not achieved in full. During 1990-91 the achievement was 33%. In 1991-92, 52% 1992-93- 45% and during 1993-94 only 41%. No reason for non-achievement of target were available on record. There had been no year-wise analysis of spill over works and the amounts inverted on those incomplete houses.</p>	No remarks	<p>The funds under IAY are exclusively meant for housing. Under Million Well Scheme upto $\frac{2}{3}$ of the funds was permitted to be utilised for housing scheme for SC/ST in the State as a special case. But the 22.5% (formerly 15%) of the JRY is not meant exclusively for housing scheme. This earmarked fund is utilised for individual benefitting schemes such as Sanitary Latrines, Drinking Water Wells, Electrification of Houses etc. other than construction of houses. As such usually the funds under IAY $\frac{2}{3}$ funds under MWS were alone taken into account to fix the target for construction of houses by the Ministry of Rural Development. As a portion of 22.5% of JRY funds are</p>

(1)	(2)	(3)	(4)															
			<p>also utilised for housing schemes and to ensure 100% achievement in this sector, the Rural Development Deptt. of the State had fixed annual target exceeding the target fixed by Govt. of India. The details of actual target fixed by Govt. of India and achievement made for 1000-01 to 1003-04 are given below :—</p>															
			<table border="1"> <thead> <tr> <th data-bbox="980 873 1024 894">Year</th> <th data-bbox="1081 873 1138 947">Target fixed (Nos.)</th> <th data-bbox="1175 873 1235 947">Achievement (Nos.)</th> </tr> </thead> <tbody> <tr> <td data-bbox="976 972 1045 993">1990-91</td> <td data-bbox="1081 972 1138 993">14810</td> <td data-bbox="1175 972 1235 993">14255</td> </tr> <tr> <td data-bbox="976 1003 1045 1024">1991-92</td> <td data-bbox="1081 1003 1138 1024">14655</td> <td data-bbox="1175 1003 1235 1024">22182</td> </tr> <tr> <td data-bbox="976 1052 1045 1073">1992-93</td> <td data-bbox="1081 1052 1138 1073">13372</td> <td data-bbox="1175 1052 1235 1073">16553</td> </tr> <tr> <td data-bbox="976 1100 1045 1121">1993-94</td> <td data-bbox="1081 1100 1138 1121">16185</td> <td data-bbox="1175 1100 1235 1121">16699</td> </tr> </tbody> </table>	Year	Target fixed (Nos.)	Achievement (Nos.)	1990-91	14810	14255	1991-92	14655	22182	1992-93	13372	16553	1993-94	16185	16699
Year	Target fixed (Nos.)	Achievement (Nos.)																
1990-91	14810	14255																
1991-92	14655	22182																
1992-93	13372	16553																
1993-94	16185	16699																
	<p>7.4.12.2 <i>Long pending advance</i></p>	<p>A test check of 4 Blocks showed that advances for construction of houses were given to beneficiaries, but there was no physical progress of work.</p>	<p>From the above it is clear that no shortfall is noticed in the construction of houses during the years mentioned above.</p> <p>The construction of houses were entrusted to the beneficiaries themselves.</p> <p>The SC/ST beneficiaries selected for housing schemes are economically backward and hence at times, the financial assistance provided to them for</p>															

(1)	(2)	(3)	(4)
7.4.12.2(c)	<i>Construction of houses under MWS</i>	<p>Construciton of houses under MWS was carried out by diversion of 2/3 of fund for MWS. A total amount of Rs. 3,282 lakhs was so diverted between 1990-91 and 1993-94 for construciton of 28,811 houses. the diversion was not authorised by Govt. of India. The diversion affeted construction of wells under JRY.</p>	<p>house construction is misutilised. The unit cost allowed for construction of houses was also insufficient when compared to the cost of materials in the market. Only those beneficiaries who are in possession of some money or able to raise money could alone complete the houses in time. In several cases, especially women headed households they are not even able contribute labour.</p> <p>The primary objective of MWS is to provide open draw wells for irrigation purposes free of cost to poor small and marginal farmers belonging to SC/ST freed labourers to increase the irrigation potential in their land holdings. As the average land holdings for the SC/ST families is very meagre in the State it was not possible to construct well in all holdings. So it was decided to utilise $\frac{2}{3}$ of the allocation under MWS for the constrcution of houses in the State as a special case. Govt. of India have approved this the target</p>

(1)	(2)	(3)	(4)
7.4.12.2(d)	<i>Panchayat Houses</i>	Panchayat houses were constructed utilising 15 per cent or 22.5 per cent of SC/ST beneficiary	<p>for housing under IAY was being fixed taking into account the $\frac{2}{3}$ funds of MWS also. Hence no diversion of funds was made from MWS for the better utilisation of the resources. The Million Well Scheme was intended to provide irrigation facilities, water harvesting structures and land development in the holdings of SC/ST families living below poverty line. The land holding of SC/ST families below poverty line in the State is very meagre to invest the entire amount received under MWS exclusively for the above activities. This issue was taken up with the Ministry of Rural Development and Govt. of India as per letter No. V. 24015/2/90/JRY-II dt. 17th Jan. 1991 have allowed to utilise $\frac{2}{3}$rd MWS funds for construction of houses for SC/ST. As such, the observation of audit that the amount was irregularly diverted from MWS funds cannot be agreed to.</p> <p>While preparing Annual Action Plans, the Panchayats were directed to take up individual</p>

(1)	(2)	(3)	(4)
		<p>scheme. Out of the total sanction of 35708 numbers sanctioned only 24016 houses were completed leaving a balance of 11,692 at the end of March, 1994.</p>	<p>benefitting schemes including houses for 150% of the actual 22.5% (15% formerly) to ensure full utilisation of funds. Therefore it is natural that every year a few houses will be carried over to the next year in each Panchayat as spill over . It may also be noted that the DRDAs are closely monitoring the achievements in the earmarked sector for SC/ST and in any case non-utilisation is detected beyond 25% of the earmarked fund, proportionate cut are imposed in the allocation.</p>
	<p>7.4.12.2(c) <i>Ambedkar Colony Houses</i></p> <p>The Edappaya Tribal Colony under Block Office, Irutty in Kannur District 20 houses were allotted under IAY. Though the full advance of Rs. 11200 per house was given and the work was started in 1990-91, the buildings had not been completed as of September.</p>	<p>The Project Officer, DRDA, Kannur has reported on 7-6-1995 that out of the 20 houses sanctioned in Edappaya Tribal Colony 18 houses had been completed. The beneficiaries of two houses had abandoned the construction. A sum of Rs. 7200 per houses was paid and the construction reached upto wall plate level. the B.D.O., Irutty had initiated R.R . action to recover the amount advanced to the beneficiaries.</p>	

(1)	(2)	(3)	(4)
7.4.12.3	<i>Execution of works</i>	The estimated cost of works executed under JRY upto Rs. 4.00 lakhs. The estimates were based on the date and practices followed by State PWD. The works were supervised and certified by the technically qualified staff positioned at DRDA and Blocks. The works were to be executed through Covenors selected by the beneficiary committee of the locality in which the work was executed.	No remarks
7.4.12.3.(a) (a)	<i>Excess land on road works</i> A practice of giving lead over the standard initial lead of 50 metres was observed in the road works executed by the Block under DRDA, Alappuzha. Many road works required filling up with cut earth and the work provided for head load conveyance of 50 metres from the work site to the various sections of the road. Since the work sites were at the various locations of the road, the cut earth could be dumped	The observation of audit relates to the works undertaken in Alappuzha District. The Project Officer, DRDA, Alappuzha has reported that, the peculiar nature of the terrain of Alappuzha Dist. is water logged and land locked (sandy soil) where conveyance of materials by road to work sites are impossible. In such locations materials are conveyed through Boat and deposited in the shore and from where the same are transported	

(1)	(2)	(3)	(4)
		<p>at the various sites and for filling up, load of more than 50 metres was not required. But the estimates for the works provided a lead of more than 50 metres and even upto 200 metres in many cases. DRDA, Alapuzha, however stated (June, 1994) that extra lead was provided to increases the percentage of wage components in the work. It was not appropriate to include provision for necessary labour for the mere objective of increasing the wage component of the work. In 13 road works in the district, payment for extra lead provided in the estimates amounted to Rs. 2.68 lakhs.</p>	<p>to work sites by head load. Under such a situation the prescribed lead of 50 mtrs. pointed out by audit is practically not possible. The only alternative is to lift the materials through head load employing labourers.</p> <p>It is also pointed out that the estimates are sanctioned based on the conveyance statement certified by the Asst. Engineer after verification at site and the same again verified and checked by the Asst. Ex. Engineer. It is always ascertained that the leads provided in the conveyance statement is the minimum required.</p> <p>In the circumstances stated above, an amount of Rs. 2.60 lakhs as pointed out in the audit cannot be treated as excess expenditure.</p>
	7.4.12.3(b)	<p><i>Non-deduction of shrinkage allowance</i></p> <p>As per the state PWD standard data book, which is adopted for preparing estimates for JRY works, 1.05 cubic metres of</p>	<p>Earth work filling was done including consolidation as per standard specification for all the works as can be noticed from the agreement schedule. No recovery was</p>

(1)	(2)	(3)	(4)
		<p>loose earth is obtained on excavating 1 cubic metre of compact earth. A substantial share of provision made for road works taken up in Alappuzha DRDA under JRY (20% share) was for filling and raising road way with Convenors ordinary/gravelly earth, without any provision for consolidation. Hence the quantity stood inflated to the extent of 0.05 cubic metre per 1 cubic metre at the time of measurements and no recovery was made towards shrinkage of earth.</p>	<p>made for shrinkage of earth since only consolidated thickness was measured. It was ensured that the consolidation of loose earth has been taken place as per the standard specification and measurement were taken only on the consolidated thickness.</p>
	<p>7.4.12.3(c) <i>Improvements of ponds, paddy fields and Bus stand</i></p>	<p>A test check of work executed by Alappuzha DRDA revealed that in 3 cases works relating to the filling up of ponds, paddy fields and improvement of bus stand were taken up by utilising JRY funds not coming within the scope of JRY.</p>	<p>As regards the first point raised by audit the Project Officer DRDA, Alappuzha has reported that the removal of weed growth before filling up the pond in Chappad Panchayat was done as per the specific provisions in Kerala Departmental Standard Specificaitons in para 4.7. The para 4.7.1 is reproduced below :—</p>
		<p>1. The work of filling up of a pond covering an area of 36 cents near</p>	<p><i>4.7.1. Site clearance and preparation of bed.</i> “Before the earth work is</p>

(1)	(2)	(3)	(4)
		<p>N a n g i a r k u l a n g a r a Junction in Cheppad Panchayat in Muthukulam block was taken up by Panchayat and completed in March, 1970 at a cost of Rs. 1.88 lakhs. The reason for taking up the work was stated as reclamation of the pond, the work actually done was filling up.</p>	<p>started, the full width of the base of the embankment shall be cleared and shrubs, weeds, grass, vegetable mould and trees and saplings of girth upto 30 cms. The roots shall be thoroughly grubbed up. The roots of trees shall be removed completely upto a depth of 0.5 m. below ground level or formation level.</p>
	(c) (ii) 7.4.12.3.	<p>St. George Church, Edathuva (Champakulam Block) was stated to have donated 2.5 acres of paddy fields in Edathua Village for the construction of a Bus stand by K.S.R.T.C. The filling up of K.S.R.T.C. land was undertaken by DRDA, Alapuzha and on expenditure of Rs. 9.07 lakhs was incurred. A quantity of 14065.45 m³ of Earth was stated to have been utilised for filling up the paddy field. The Bus Stand has not come up as on August, 1994. Since it was clarified by Govt. of India (Nov. 1993) that such works do not come within the ambit of JRY the</p>	<p>The work undertaken by the DRDA is to develop the land for facilitating the KSRTC to operate Bus Station. The Edathuva Grama Panchayat is at the interior part of Alappuzha Dist. surrounded by back waters. The land & terrain are sandy and water logged. The communication facility to the Panchayat is very little and people have to travel by canoes and boats. The establishment of a Bus Station was the need and necessity of the locality to enable the people, mainly agricultural labourers and farmers to transport their produce to the nearby town. Further the work undertaken by the DRDAs is only to develop the kind</p>

(1)	(2)	(3)	(4)
		<p>However the work taken up did not confirm to the norms of NREP and was, therefore irregular.</p>	
7.4.12.3(d)	<p><i>Misutilisation of funds— Construction of a Balawady Building at Kottur.</i></p>	<p>The construction of a Balawady Building at Kottur, Kuttichal Panchayat of Vellanad Block was entrusted to Mithranikethan Rural Technology Centre by the District Collector, TVPM. Against an estimated cost of 0.50 lakhs, a sum of Rs. 0.90 lakhs were paid to the Convenor as advance. The advance with the Convenor not recovered from 1989-90 onwards.</p>	<p>As per the Annual Action Plan of the Panchayat for 1989-90, Rs. 50,000 was allocated for the construction of a Balawady Building at Kottoor. The Panchayat Committee had carried out the work under the supervision of Rural Technology Centre, Mithranikethan under low cost technology for which the Dist. Collector, Thiruvananthapuram had issued specific sanction vide Proceedings Order No. K.Dis/320/90/D7 dated 3-1-1990. The plan for the buildings was prescribed by Shri Laury Baker, Cheif Architect, Rural Technology Centre, Mithranikethan and they had completed the building.</p> <p>The Panchayat Committee had then proposed to construct a Store Room, Latrine and compound wall and provided Rs. 35,000 in the Annual Action Plan. The Panchayat Committee had sought permission for these items and Dist.</p>

(1)	(2)	(3)	(4)
			<p>Collector, Tvpm. in his proceedings No. D3. 57457/90/K.Dis.dt 3-8-1990 sanctioned the work. In letter No. D3. 27932/91, the Dist. Collector, Tvpm. has also permitted the Engineer, Rural Technology Centre, Mithranikethan to supervise the work. The Engineer has issued a valuation certificate for Rs. 89,497. A sum of Rs. 85,000 and 2500 by food-grains had been given by the Panchayat.</p>
	(e)		
7.4.12.3	<i>Excess payment of land development cost</i>	<p>As per JRY Village Manual, the cost of family labour payable for land development was Rs. 10.93 per cent upto 31-8-1992 and Rs. 163.9 thereafter. Maximum amount payable is limited to Rs. 1500. However Mokeri Panchayat of Kuthuparamba Block in Kannur Dist. effected payment @ Rs. 120 per cent.</p>	<p>The Project Officer, DRDA, Kannur has reported that, during the year 1992-93, 17 SC beneficiaries were assisted for Land Development Works under JRY in Mokeri Panchayat. The works were carried out as per the estimate prepared by the Asst. Engineer of Block Office and payment effected based on measurement recorded in the M. Book. On verification of the statement furnished by</p>

(1)	(2)	(3)	(4)
			<p>the Project Officer, it is seen that maximum amount allowed was Rs. 1500. The identification of beneficiary, selection of Work, execution of work and payments effected are reported by the Commissioner (RD) as in conformity with rules. This is being examined further.</p>
7.4.12.3 ^(f)	<p><i>Improvements for Kunnumkattupathy Main Canal</i></p>	<p>The work of Improvements to Kunnumkattupathy Main Canal from chainage 6 km to 30 km. in Palakkad District was taken up earlier under RLEGP at an estimated cost of Rs. 201.85 lakhs and the project was got cleared by Govt. of India in June, 1988. The work continued as spill over after the merger of RLEGP with JRY.</p>	<p>A detailed reply has already been furnished against para 7.4.7(ii) & (iii)</p>
		<p>Being the component of a major irrigation project the work should not have</p>	

(1)	(2)	(3)	(4)
7.4.12.3	(g) <i>Purchase of Tiles for housing scheme violating JRY provisions</i>	<p>been taken up under JRY.</p> <p>The Vizhinjam Panchayat contrary to the provision, had placed orders with SIDCO for supply of first quality tiles supplies were made upto January, 1991.</p>	<p>The Project Officer, DRDA, Tvpm. has reported that on verification of the records of Vizhinjam Panchayat no amount is seen spent for purchase of tiles during 1990-91 or afterwards. The reference regarding Vizhinjam Panchayat is not correct. Even if any of the Panchayat had attempted to purchase tiles in large quantity, it is only with good intention to make available the required materials at lesser cost to the individual beneficiaries of the Programme. The act of the panchayat committee to implement the programme expeditiously cannot be treated as violation of rules. The work cost of the houses has not been exceeded in any case as the cost of tile has been deducted from the payment of instalments to the beneficiaries and hence no loss to</p>
7.4.12.3	(h) <i>Unfruitful investments on Lift Irrigation Works</i>	Two lift irrigation works-	<p>The Project Officer, DRDA, Malappuram has reported that, during 1989-90 one lift irrigation work was sanctioned in</p>

(1)	(2)	(3)	(4)
		<p>one each in Kannur (1990-91) and Malappuram District (1989-90) were sanctioned to widen and deepen the tanks and to construct cistern canals and installation of pumpsets at an outlay of Rs. 1.36 lakhs and Rs. 1.65 lakhs respectively. The sanction was subject to the condition that the respective Panchayats should supply the pumpsets free of cost. The works were partially executed incurring an expenditure of Rs. 0.80 lakh (Sept. 1991) and Rs. 1.60 lakhs (June 1994) respectively. However the projects were not commissioned due to non-supply of pumpset by the Panchayat in Kannur District and due to lack of energy connection in Malappuram District. The investment of Rs. 2.40 lakhs thus remained</p>	<p>Karula Panchayat of Nilambur Block for widening, deepening of a tank and for constructing cistern canals at an estimated cost of Rs. 1.65 lakhs. The sanction was given on a condition that the Karula Panchayat should provide a pumpset free of cost. The work completed during June, 1994 at Rs. 1.60 lakhs. As agreed, The Panchayat had installed a pumpset and KSEB has provided electric connection. The lift irrigation scheme is functioning well.</p> <p>The Project Officer, DRDA, Kannur has also reported that the work in respect of lift irrigation scheme at Kaithenyidam has been completed and the Panchayat had already decided to install a pumpset. A further report will be submitted on the present stage.</p>

(1)	(2)	(3)	(4)
(i) 7.4.12.3	<p>unfruitful (June 1994). <i>Undue delay in completing a road work.</i></p> <p>Work of improvement of a road from Thriveni Junction Jute Kura Temple was entrusted to a Convenor in December, 1989 at an estimated cost of Rs. 1.44 lakh. In March, 1991 the work protective works to Thriveni Jn. Jute Kura Temple was also entrusted to the same Convenor at an estimated cost of Rs. 0.89 lakhs. The advance pending for adjustment in both the works amounted to Rs. 2.34 lakhs.</p>	<p>The Project Officer, DRDA, Kollam has reported that the work improvement of the road from Thriveni Jn. Jute Kura Temple in Thalavoor Panchayat in Pathanapuram Block had been included in the AAP 1989-90 of Thalavoor Panchayat at an estimated cost of Rs. 1.44 lakhs. The work was entrusted to Shri. Gopinatha Pillai, Panchayat Member, Kuraward of Thalavor Panchayat. A sum of Rs. 1,55,158 was also paid to the Convenor as advance against the estimated cost of Rs. 1.44 lakhs by the Panchayat. Since the road has no required width of 8 metres the work could not be started. The Panchayat authorities have not even moved for getting exemption for width either from Dist. Collector or from Govt.</p>	<p>Another work protective works to the above road at an estimated cost of Rs. 88,500 was also entrusted with the same Convenor by the Panchayat Committee and a sum of Rs. 79,300 has been released to the Convenor</p>

(1)	(2)	(3)	(4)
			<p>as advance . This work has also not been completed or not in a position to close at a convenient stage. All these actions were taken by the Panchayat committee and they were responsible for misutilisation of Govt. money. These irregularities hapened at the first two years of the programme. The funds of the JRY to the Panchayat had been withheld subsequently for the irregularities. The amounts paid to the Convenor has to be recovered under RR Act for which the Panchayat had been directed to initiate action but of no use.</p>
			<p>The Project Officer, DRDA, Kollam is being directed to initiate RR action against the delinquent Convenor to realise the Govt. money through B.D.O. Pathanapuram if there is any further laxity in the part of Panchayat Committee to initiate action. The progress is to be watched.</p>

(1)	(2)	(3)	(4)
7.4.12.3 (j)	<i>Creation of Asset under JRY on behalf of Kerala Water Authority</i>	The Cheriyamundam Panchayat of Tanur Block constructed a water tank with 50,000 litre capacity at an estimated cost of Rs. 1.10 lakhs and completed it at Rs. 1.08 lakhs and handed over to water authority without their request. The asset created did not form part of JRY.	The Project Officer DRDA, Malappuram has reported that though the Panchayat authorities have approached the Kerala Water Authority to take over the project. Since the Panchayat at felt it difficult to maintain due to paucity of funds, the Kerala Water Authority have not yet turned up to take over the Water Supply Project. Therefore the panchayat committee decided to construct the covering slab inlet and outlet facilities from their untied funds. The asset created under JRY is still in tact with Panchayat.
7.4.12.3. (k)	<i>Dovetail of JRY Resources</i>	According to JRY Manual, Village Panchyat may dovetail the JRY resources along with resources received from other departments. In such a cases JRY fund shall only be additionally and not a substitute. In respect of 7 works undertaken in two DRDAs of Malappuram and Thiruvananthapuram between 1989-90 to 1991-92 the cost of execution amounted to Rs. 3.67 lakhs out of which Rs. 1.36 lakhs were recoverable from Panchayat. No recovery was however made.	Detailed reports from Project Officer, DRDA, Malappuram and Thiruvananthapuram awaited.

(1)	(2)	(3)	(4)
7.4.12.3 (1)	<i>Inventory of assets</i>	An inventory of assets created under JRY is to be maintained at Panchayat, Block and District levels.	As per Circular No. 30740/JRY.1/93/CRD dt. 28-8-1993 strict directions were issued to the implementing officers to maintain the inventory of assets. A format had also been devised and communicated. Maintenance of inventory of assets will be enforced.
7.4.12.	<i>Payment of Wages</i>	The wage payments were made partly in cash and partly by way of food-grains. The Buster rolls and work register to be maintained by the Panchayats and Blocks formed the important documents to support the employment of labourers and to record the actual distribution of wages and supply of food-grains. A test check revealed that there were no entry relating to the distribution of food-grains in the Muster Rolls and in many cases issue of food-grains as per the stock register was made to the convenors of the works, after the completion of works and also prior to the lifting of food-grains from Food Corporation of India.	The Project Officers have been directed to check the discrepancies pointed in the maintenance of muster rolls. Observation of audit noted for future guidance.

(1)	(2)	(3)	(4)
		<p>Particulars of women labourers, SC/ST labourers were not separately indicated in the rolls and the rolls were not authorised by Executive Officers of Panchayats and Convenors.</p> <p>The number of mandays reported to have been generated as per Muster Rolls did not tally with the number of mandays certified while check measurements.</p>	
	7.4.14	<p><i>Distribution of food grains</i></p> <p>(1) The workers employed in various works under JRY were entitled to receive the part of their wages as food-grains. Only rice was allotted to the State by Govt. of India under JRY.</p> <p>(2) It was found that Pathanamthitta, Idukki, Ernakulam, Palakkad, Malappuram DRDAs did not implement the policy of issue of subsidised food-grains as part of the wages during the period 1990-91, 1991-92 and 1993-94. The reasons for not implementing the policy in these districts were not in record.</p>	<p>No remarks</p> <p>Majority of the workers engaged in the JRY works were reluctant to accept food-grains as part of the wages due to the inferior quality of food-grains received. The exorbitant charges levied by the headload workers are handling charges was another reason for shortfall. Further unlike the erstwhile scheme of NREP/RLEGP, the issue</p>

(1)	(2)	(3)	(4)
			of food-grains to JRY is not an additional resources. The food grains were to be lifted from F.C. I after remitting the cost in advance. The cost of food grains is inclusive of JRY resources. Thus majority of the Panchayats decided to effect payment to workers in cash in lieu of food-grains. These are all the resources attributed for the shortfall in lifting food grains.
7.4.14(3)	<i>Sale of Wheat</i>	A quality of 614.52 tonnes of wheat was sold by DRDA, Thrissur to a private agency at the rate of Rs. 2568.33 per tonne. The party lifted the quantity between Jan. 1991 and March, 1991. As against the purchase price of Rs. 2.57 per k.g. DRDA secured a price of Rs. 2.57 per kg. and realised a profit of 1.42 lakhs in the transaction. The reason for the sale of wheat and whether competitive quotations were invited were not in record.	Govt. vide G. O. (Rt) No. 191/91 RDD dt. 16-5-91 have ratified the action of the Project Officers who have disposed off the food-grains in public auction. A sum of Rs. 20,12,173.80 had been realised from the disposal of damaged food-grains in Alappuzha, Ernakulam, Malappuram, Kozhikode and Thrissur Dists. The case pointed out by audit is also included in the rectification order issued by govt.

(1)	(2)	(3)	(4)
7.4.14.(4)	In DRDA, Malappuram an unutilised quantity of 210 tonnes of rice was brought forward in stock account from 1991-92 and 3.37 tonnes of wheat was brought forward from the stock account from 1989-90 onwards. Those could not be distributed to JRY workers (March 1994) reasons thereof not in records.	A report from Project Officer, DRDA, Malappuram is awaited.	
7.4.15	<i>Employment Generation</i>	(1) The generation of employment computed for every year was not based on the actual mandays employed in works in Panchayat/Blocks. A test check of progress reports of six DRDAs indicated that mandays generated were computed by dividing the wage components of expenditure with the average wage rate. The wage rate at which payment was stated to have been made was also found below the minimum wage rate in force.	As per the existing directions, the actual number of mandays generated in the JRY works has to be reflected in the progress reports. The observations of audit will be enforced to check the discrepancies if any crept in while preparing progress reports by Blocks/DRDAs.
7.4.15.(2)	<i>Wage and Non-wage components</i>	“Wage” and “Non-wage” components of expenditure were fixed in the	The defects observed in audit has come to the notice of Commissioner

(1)	(2)	(3)	(4)
		<p>ration of 60:40 except for the year 1989-90 when it was 50:50. Allocation of funds to implementing agencies was done on this basis. Instructions of nodal agency (June, 1991) laid down maintenance of proper records detailing the wage component, material component, mandays to be generated and actually generated in respect of each work under the programme. A test-check of individual work registers maintained at blocks and panchyats levels did not certain wage and non-wage components of works. No consolidated register to watch the expenditure and labour component on works in the district as a whole was maintained.</p>	<p>(RD) and hence as per Circular No. JRY. 1.30640/93/CRD dt. 28-8-1983, detailed directions were issued regarding maintenance of a register for watching the wage and material expenditure at Panchayat/Block level. A format has also been prescribed for maintaining the register. The Project Officers have been directed to see that the register is maintained properly at all levels.</p>
	7.4.15 (3)	<p>It was found that financial assistance granted to schemes such as IAY, MWS(Housing), SC/ST housing were also reckoned for the purpose of employment generated and hence a precise data on direct employment generation did not emerge. A test check made at Palakkad for 1990-91 disclosed that the wage component was less</p>	<p>The employment provided under housing schemes has also to be reckoned for the purpose of employment generated as it also involves labour component. The construction of houses is carried out by the beneficiaries themselves. In Palakkad dist. during 1989-90 and 1990-91 a major work was undertaken for improve-</p>

(1)	(2)	(3)	(4)
		<p>than the prescribed rate of 60 per cent. The failure to take up works with the prescribed wage component of 60% resulted in non-generation of employment of 37,000 mandays, approximately.</p>	<p>ments to Kunnammattupathy main canal at an estimated cost Rs. 201.85 lakhs. The work was executed through the Executive Engineer, Irrigation Division, Chittur. The Project Officer, DRDA, Palakkad is awaiting a report from the Executive Engineer, Irrigation for the reason of low generation of employment. A final report will be furnished on receipt of the same from Project Officer.</p>
	7.4.15.(4)	<p>Report of concurrent evaluation of Govt. of India (1991) indicated that wages paid were at local rates which were above the wage rate fixed for JRY workers. Payment of wages at rates higher than the minimum wages rates fixed by government, and computation of generation of employment at labour rates lower than the minimum wage rates had the effect of inflating figures of generation of Mandays with reference to the target fixed. No arrangements existed for collection of actual generation of employment under the programme.</p>	<p>The local wage rates even in a particular district may vary from place to place. The rates prevailing in the locality where the work is taken up cannot be taken into account as such for preparing estimates. The rates given in the PWD Schedules of rates alone is followed throughout the state. But it will be ensured that the labourers engaged in JRY works, the payment of wage is not below the prescribed minimum wage. Since different wage rates are prevailing in the different localities, there will be difference in the generation of actual</p>

(1)	(2)	(3)	(4)
			mandays. As there is difference between the actual wage rates and rates included in the estimates, if actual mandays are gathered from the work sites, that may not tally with the figures computed on final measurements. So long as the difference in wage rates exist between actuals in work sites and estimate it will be difficult to evolve a system to reckon the actual mandays.
7.4.15(5)	One of the major works undertaken by DRDA, Palakkad during 1989-90 to 1993-94 was the formation of Kunnamkattupathy Main Canal for a length of 30 km and was completed in February 1992. As per progress reports of the Agency, the mandays generated during the afforesaid period for the work was 7 lakhs which included 0.45 lakh mandays generated during 1993-94. A scrutiny of the records in Irrigation Division, Chittoor revealed that the target fixed		A detailed report is awaited from DRDA, Palakkad.

(1)	(2)	(3)	(4)
		for generation of employment as per estimate was 9.07 lakhs against which, the achievement was only 3.73 lakh mandays. Apparently the figures of employment generation indicated in the progress reports in respect of this work for 1993-94 is incorrect.	
7.4.15(6)	The advances paid to Convenors for the execution of works in respect of works not executed/partially executed were treated as final expenditure, on the scheme and this incorrect procedure had also contributed to the over statement of mandays generated.	In the absence of specific instances detailed examination and reply not possible. However it is brought to the notice that the works which are not started will not be taken into account for calculating generation of mandays. The works which are partially completed and prematurely closed, only the number of mandays generated for the work done upto that stage alone will be reported.	
7.4.15(7)	The information regarding the number of persons available eligible for employment under the scheme and the persons to whom employment was provided was not maintained at Panchayat/	A major portion (80%) of the JRY allocation was given to the village panchayat based on parametre prescribed by Govt. of India. In making the allocation 60% weightage was given for	

(1)	(2)	(3)	(4)
	Block to assess the no. of days for which employment could be provided to any particular person below poverty line.	SC/ST actual/demand population and 40% weightage for total population/demand total population. As the allocation was to be done mainly on the basis of population the presumption is that there are sufficient no. of workers. No other directions in this regard were received from Govt. of India. As such no assessment regarding the no. of persons available was made seperately.	
7.4.16	<i>Provision of employment to weaker section</i>	<p data-bbox="672 1041 964 1192">There had been a significant fall in the coverage of landless workers and women in 1992-93, 1993-94.</p> <p data-bbox="672 1205 964 1686">The number of days of employment generated to tribal group of beneficiaries during the period 1989-90 to 1993-94 was in the range of 4-6 per cent of the total number of mandyas generated, According to JRY Manual preference should be given to SC/ST and freed/bonded labourers for employment. Though the tribal population was small (3.09 lakhs) no attempt was made to</p>	<p data-bbox="974 1041 1260 1413">No prescribed percentage has been fixed to provide employment to the Sch. tribe as per para 4 of JRY Manual. All the eligible workers belonging to S.T. willing to work are provided employment under the programme. No willing persons from the S.T. category have been denied unemployment under JRY.</p>

(1)	(2)	(3)	(4)
		<p>enumerate eligible workers and provide employment to them at reasonable levels.</p>	
	<p>7.4.17</p>	<p><i>Social Forestry</i></p> <p>The main purpose of Social Forestry Programme was to secure benefits to the rural poor through farm forestry, tree plants, plantation on forest land as well as village community land. No advance plans were prepared for the implementation of Social Forestry Programme under JRY. The species of plants for Social Forestry were not selected based on the needs of the area and general climatic conditions.</p>	<p>The Social forestry activities undertaken by this department under JRY are establishment of decentralised nurseries through Mahilasamajoms for raising and distribution of seedlings of fruit fodder and fuel plants, purchase and supply of seedlings of improved varieties of fruit plants, coconut etc. and area planting at 50% subsidised rate in Govt. Panchayat lands. Every year when the Annual Action Plan (AAP) was prepared provision was included for the above three programmes.</p> <p>Wherever seedlings of improved varieties are purchases and supplied care was taken to identify the species according to the necessity in each Block.</p>

(1)	(2)	(3)	(4)
7.4.17(2)	<p>In terms of guidelines, 25% of the resources available under general sector with DRDAs were to be utilised on Social Forestry Works. However the required provision was not made in their action plans by any of the DRDAs during all these years. As a result there was wide range of diversion of funds (Rs. 597 lakhs) for other schemes.</p>	<p>From the inception of the scheme it was felt that social forestry activities have less importance in this State in view of the density of population and small land holdings. The DRDAs were frequently representing to reduce the quantum of allocation under Social Forestry activities.</p>	<p>As per the revised guidelines issued by the Govt. of India in the JRY Manual, Social Forestry is not a distinct item and this is included under the sectoral allocation along with economically productive assets. It may also be seen that for the protection of seedlings planted under Social Forestry Programme some kind of civil work are also necessary. Further it may be noted that the civil works were undertaken based on the decisions of the governing body of the DRDAs.</p>
7.4.17(3)	<p>A test check of Social Forestry Works executed in 1993-94 revealed that substantial expenditure was incurred on civil works connected with the</p>	<p>The test check was conducted by the audit party in Palakkad, Alappuzha, Kollam, Thiruvananthapuram Districts.</p>	

(1)	(2)	(3)	(4)
		social forestry programmes than the actual planting of saplings. The undertaking of social forestry projects with a predominant element of civil works was improper.	<p>The Project Officer, DRDA, Kollam has reported that in most of the Social Forestry Works land improvements are necessary afresh for planting seedlings instead of planting in the existing land. The other civil works included land levelling, terracing, and providing protection works for soil erosion etc. As such in certain cases, the expenditure on land improvements had exceeded the prescribed limits.</p> <p>It is a fact that whenever seedlings saplings are planted some kind of civil work is necessary and it is not reasonable to compare the cost of seedlings and civil work. Further it may be seen that by virtue of undertaking civil works for preventing soil erosion, terracing etc. the entire vegetation in the area is benefitted and this will help to increase water content and humous in the surface soil and the civil works were undertaken in accordance with the decisions of the Governing Body of DRDA.</p>

(1)	(2)	(3)	(4)
7.4.18	<i>Monitoring</i>	<p>According to JRY The observations of the Manual, physical monitoring through field inspection is implicit. Officers dealing with JRY at the State headquarters should visit districts, blocks and panchayats regularly and ascertain through field visit that programme is being implemented satisfactorily and the execution of works is in accordance with prescribed procedure and specifications. Likewise, officers at district levels and block levels must also closely monitor all aspects of the programme through visits to work sites.</p> <p>A test check of records of CRD, DRDAs, Blocks and Panchyats revealed that the officers of CRD had not discharged their duties relating to inspections during 1991-92, 1992-93 and 1993-94. As against 2478 inspections due in respect of 433 Panchyats under Thiruvananthapuram, Kollam, Pathanamthitta, Alappuzha,</p>	<p>The observations of the audit is noticed for future guidance. The limited number of officers in the CRD and requirement of their presence at Headquarters have resulted in the shortfall in conducting inspections. However, whenever specific complaints are received irregularities are received the officers of CRD have undertaken inspections in Blocks, DRDAs and Panchayats.</p>

(1)	(2)	(3)	(4)
		Ernakulam and Idukki DRDAs, the officers of CRD conducted only 40 inspections during the period.	
	7.4.19	<i>Evaluation</i>	
		<p>(i) The State Govt. had not confirmed that they had not conducted any evaluation of the implementation of the programme so far (May, 1994). No norms for evaluation were also laid down. However, an evaluation of the implementation was conducted by the centre for Mathematical Sciences, Thiruvananthapuram and Institute of Rural Studies, Kottayam for 1990-91, 1992-93 and 1993-94 at the instance of the Ministry of Rural Development. Evaluation reports covering 54 Panchayats in 5 districts (Idukki, Pathanamthitta, Alappuzha, Kollam and Thiruvananthapuram) were made available to Audit. The reports revealed that (a) the wage rate paid for workers under JRY was at local wage rate which were higher than the rates</p>	<p>The State Govt. had not undertaken any special evaluation studies of the programme. The proposal for conducting a work study on the implementation of JRY in Kollam district is being arranged and the State Institute of Rural Development is entrusted the work. The findings of the evaluation studies conducted by the Ministry of Rural Development have been received and timely instructions were issued to rectify defects in the implementation of the programme.</p>

(1)	(2)	(3)	(4)
		<p>provided under the Scheme, (b) muster rolls were not kept in proper manner, (c) assets created by the utilisation of JRY funds were beneficial to labourers from the point of view of employment generation, but provisions were not made for the maintenance of such assets and (d) labourers engaged were in many cases from outside the panchayat area.</p>	
		<p>(ii) A concurrent evaluation carried out by the Ministry of Rural Development in Janaury-December 1992 commented upon certain shortcomings in implementation of the programmes in Kerala. The shortcomings pointed out were the following :—</p>	
		<p>(a) Seventy five percent or more of Panchyat Chiefs were not given training in the implemtaiton of the programme.</p>	

(1)	(2)	(3)	(4)
		<p>(b) The share of SC/ST in the total employment generated was only 40.48 per cent</p>	
		<p>(c) There had been disparity in the wage rates of males (Rs. 34.25) and females (Rs. 26.90).</p>	
		<p>(d) Muster rolls were not maintained by the Village Panchyats in 61 per cent of the cases.</p>	
		<p>(e) The percentage of expenditure on JRY works by village panchayats was only 64.88 per cent of the funds available.</p>	
		<p>The points mentioned above were referred to Government in September, 1994; reply has not been received (October, 1994).</p>	

APPENDIX III

POPULATION BELOW POVERTY LINE

[Reference : Paragraph 7.4.5 (i)]

<i>District</i>	<i>Total Rural Population</i>	<i>SC</i>	<i>ST</i>	<i>Below Poverty line</i>	
				<i>No. of families as per IRDP Survey 1992</i>	<i>Population @ 5 per family</i>
Thiruvananthapuram	19,48,407	2,45,063	15,331	2,03,259	10,16,295
Kollam	19,61,530	2,66,810	3,443	1,85,668	9,28,340
Pathanamthitta	10,33,298	1,39,563	6,590	69,327	3,46,635
Alappuzha	13,91,607	1,54,689	1,732	1,34,522	6,72,610
Kottayam	15,07,353	1,17,689	17,582	1,09,276	5,46,380
Idukki	10,27,185	1,53,860	49,531	76,205	3,81,025
Ernakulam	14,44,059	1,50,768	2,202	1,20,690	6,03,450
Thrissur	20,17,095	2,70,712	3,891	1,76,016	8,80,080
Malappuram	28,13,876	2,37,233	10,514	1,70,926	8,54,630
Palakkad	20,07,658	3,33,881	34,899	1,52,711	7,63,555
Wayanad	6,49,179	26,387	1,12,543	51,759	2,58,795
Kozhikode	16,15,444	1,31,859	4,942	1,66,537	8,32,685
Kannur	11,06,251	48,202	17,640	1,06,235	5,31,175
Kasaragod	8,95,282	75,208	28,924	63,743	3,18,715
Total	2,14,18,224	23,51,924	3,09,764	17,86,874	89,34,370

APPENDIX IV
 CREATION OF ASSETS UNDER JRY
 [Reference : Paragraph 7.4.5(iii)]

(Rs. in lakhs)

<i>year</i>	<i>Housing</i>	<i>Percentage</i>	<i>Million well</i>	<i>Percent age</i>	<i>Socio-economic assets</i>	<i>Percentage</i>	<i>Directly productive assets</i>	<i>Percentage</i>	<i>Social forestry</i>	<i>Percentage</i>	<i>Administrative cost</i>	<i>Other items</i>	<i>Total</i>
1989-90	1452.21	22.04	..	..	4004.18	60.79	375.19	5.70	..	..	79.12	676.65	6587.35
1990-91	1870.95	27.43	307.91	4.51	4154.96	60.92	240.45	3.53	38.21	0.56	61.56	145.88	6819.92
1991-92	2148.18	29.62	372.06	5.13	4033.08	55.61	434.96	6.00	108.57	1.50	106.22	49.72	7252.79
1992-93	1859.63	27.17	583.74	8.53	3593.62	52.51	478.94	7.00	166.40	2.43	106.66	54.95	6843.94
1993-94	2349.73	30.17	710.91	9.13	3612.96	46.39	663.92	8.52	267.48	3.43	153.32	30.06	7788.38
Total	9680.70	27.43	1974.62	5.60	19398.80	54.97	2193.46	6.22	580.66	1.65	506.88	957.26	35292.38

APPENDIX V

PAYMENT OF EXTRA LEAD ON ROAD WORKS

[Reference : Paragraph 7.4.12(iii) (a)]

<i>Sl. No.</i>	<i>DRDA/Block</i>	<i>Name of work</i>	<i>provision for head load at site</i>	<i>Quantity of earth filled</i>	<i>Expenditure on conveyance (Rs.)</i>
(1)	(2)	(3)	(4)	(5)	(6)
1.	DRDA, Alappuzha	Special repairs to the road from Kaithavanakadavu in Neelamperoor Panchayat	100 M Rs. 89/10M ³	1384.25 M ³	12320
2.	do.	Formation of road from KR Junction to Kochukasi in Vayalar Panchayat	100 M Rs. 89/10M ³	1411.352 M ³ ordinary earth 592.13 M ³ gravelly earth	17831
3.	do.	Forming Kunnerseril Thenalapuzha road in Thuravoor Panchayat	70 M Rs. 177.90/10M ³	1242.93 M ³ ordinary earth 294.34 M ³ gravelly earth	27348
4.	do.	Formation of road for Kanakoor to Madathumkara in Mannamcherry Panchayat	150 M Rs. 150.90/ 10M ³	2414.58 M ³ ordinary earth 217.87 M ³ gravelly earth	39724

5.	DRDA, Alappuzha	Formation of AT road to Thayankara I- reach	25 M Rs. 4620/10M ³	1554.84 M ³ ordinary earth	7183
6.	Champakulam Block	Formation of lead from AC road to Kodupunna colony	175 M Rs. 311.70/ 10M ³	2557.72 M ³ ordinary earth	79724
7.	do.	Construction of a road from Thottuvathala to X reach	50 M Rs. 113.50/ 10M ³	964.115 M ³ ordinary earth	10943
8.	do.	IX reach	100 M Rs. 177.90/ 10M ³	542.95 M ³ ordinary earth	9659
9.	Champakulam Block	Road from Theycherry to Pullickal	100M Rs. 89/10 M ³	1261.561 M ³ ordinary earth	11228
10.	Pattanakkad Block	Road to Kozhiaridamoola Harijan colony-Ward XII in Aroor Panchayat	50 M Rs. 46.20/ 10M ³	3752.17 M ³ ordinary earth	17335
11.	Ambalapuzha Block	Formation of Kozhithara-kattakizha road	200 M Rs. 92.40/ 10M ³	798.40 M ³ ordinary earth	7377

(1)	(2)	(3)	(4)	(5)	(6)
12.	Ambalapuzha Block	Mandapam Iykkavedi Jn. Road	100 M Rs. 307.7/ 10M ³	527.27 M ³ ordinary earth	16224
13.	-do-	Formation of Kottaravalavu-Attukadavu Road	200 M Rs. 92.40/ 10 M ³	1163.16 M ³ ordinary earth	10748
				Total	267644

APPENDIX VI
DETAILS OF EMPLOYMENT GENERATION

[Reference : Paragraph 7.4.16]

DRDA	Thiruvananthapuram					Kollam					Alapuzha					
	Years	1989-90	1990-91	1991-92	1992-93	1993-94	1989-90	1990-91	1991-92	1992-93	1993-94	1989-90	1990-91	1991-92	1992-93	1993-94
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Expenditure ¹																
DRDA	190.50	289.13	277.88	269.13	262.56	272.14	201.36	255.28	346.79	292.24	149.45	156.14	170.71	147.26	176.28	
Panchayat	367.93	351.44	366.37	316.61	315.74	320.83	339.08	316.70	311.64	357.67	241.96	240.85	253.78	212.43	211.53	
Total	558.43	640.57	644.25	585.74	578.30	592.97	540.44	571.98	658.43	649.91	391.41	396.99	424.49	359.69	387.81	
Employment generation ²																
SC	5.69	4.54	4.95	4.14	2.88	7.78	5.33	4.53	4.67	4.43	5.19	4.97	3.35	2.80	2.13	
ST	0.70	0.97	0.64	0.36	0.40	0.06	0.06	0.06	0.02	0.04	0.09	0.04	-	-	-	
Others	12.28	12.14	9.26	7.91	5.40	12.12	7.75	6.73	6.71	6.20	8.73	6.76	7.04	5.55	4.14	
Total	18.67	17.65	14.85	12.41	8.68	19.96	13.14	11.32	11.40	10.67	14.01	11.77	10.39	8.35	6.27	
Land less workers	3.25	4.95	3.13	2.88	1.13	4.54	2.40	2.29	2.30	1.55	2.18	1.18	3.42	2.69	1.32	
Women	4.84	6.30	4.22	3.59	2.08	5.55	2.95	3.03	3.31	3.09	4.69	4.58	3.71	2.93	2.19	

¹In lakhs of rupees

²In lakhs of mandays

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Percentage															
SC	30.48	25.72	33.33	33.36	33.18	38.98	40.56	40.02	40.96	41.52	37.04	42.23	32.24	33.53	33.97
ST	3.75	5.50	4.31	2.90	4.61	0.30	0.46	0.53	0.18	0.37	0.64	0.34	-	-	-
Others	65.77	68.78	62.36	63.74	62.21	60.72	58.98	59.45	58.86	58.11	62.31	57.43	67.76	66.47	66.03
Landless workers	17.41	28.05	21.08	23.21	13.02	22.75	18.26	20.23	20.18	14.53	15.56	10.03	32.92	32.22	21.05
Women	25.92	35.69	28.42	28.93	23.96	27.81	22.45	26.77	29.04	28.96	33.48	38.91	35.71	35.09	34.93
Wage rate ³	14.96	21.78	26.03	28.32	39.97	14.85	24.68	30.32	34.65	36.55	13.97	20.24	24.51	25.85	37.11

³Minimum wage rate

		Men	women	Boy
From	1-4-1989 to 30-4-1990	15.00	-	-
„	1-5-1990 to 31-3-1992	27.00	22.00	18.00
„	1-4-1992 to 31-8-1992	27.00	27.00	-
„	1-9-1992 to 31-3-1994	40.50	40.50	-

<i>DRDA</i>	<i>Palakkad</i>					<i>Malappuram</i>					<i>Kannur</i>				
	Years	1989-90	1990-91	1991-92	1992-93	1993-94	1989-90	1990-91	1991-92	1992-93	1993-94	1989-90	1990-91	1991-92	1992-93	1993-94
(1)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
Expenditure ¹															
DRDA	348.67	356.54	405.89	461.63	425.62	220.01	142.83	227.12	196.61	249.95	175.60	192.45	187.29	228.72	152.71
Panchayat	456.50	506.43	510.60	508.48	537.41	322.85	372.19	379.52	313.65	411.16	254.12	255.33	207.38	199.77	235.98
Total	805.17	862.97	916.49	970.11	963.03	542.86	515.02	606.64	510.26	661.11	429.72	447.78	394.67	428.49	388.69
Employment generation ²															
SC	10.23	7.67	8.60	5.48	4.90	6.67	4.49	4.78	3.70	3.55	3.60	3.40	2.48	1.62	1.90
ST	1.05	1.22	1.25	0.46	0.25	0.20	0.25	0.30	0.30	0.28	1.04	1.00	0.15	0.19	0.21
Others	19.77	15.32	14.58	10.70	9.40	13.31	9.06	9.81	7.13	6.37	14.10	7.31	6.24	8.45	6.81
Total	31.05	24.21	24.43	16.64	14.55	20.18	13.80	14.89	11.13	10.20	18.74	11.71	8.87	10.26	8.92
Land less workers	2.04	3.25	1.90	0.95	0.85	2.40	2.41	2.60	2.27	1.86	2.77	3.85	1.65	0.07	-
Women	10.65	7.85	7.34	5.14	4.65	3.71	4.04	3.74	3.22	2.77	5.27	3.15	0.95	1.18	0.77

¹In lakhs of rupees

²In lakhs of mandays

(1)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)
Percentage															
SC	32.95	31.68	35.20	32.93	33.68	33.05	32.54	32.10	33.24	34.80	19.21	29.04	27.96	15.79	21.30
ST	3.38	5.04	5.12	2.76	1.72	0.99	1.81	2.01	2.70	2.75	5.55	8.54	1.69	1.85	2.35
Others	63.67	63.28	59.68	63.30	64.60	65.96	65.65	65.88	64.06	62.45	75.24	62.43	70.35	82.36	76.35
Landless workers	6.57	13.42	7.78	5.71	5.84	11.89	17.46	17.46	20.40	18.24	14.78	32.88	18.60	0.68	-
Women	34.30	32.42	30.05	30.89	31.96	18.38	29.28	25.12	28.93	27.16	28.12	26.90	10.71	11.50	8.63
Wage rate ³	12.97	21.39	22.51	34.98	39.71	13.45	22.39	244.44	27.51	38.89	11.47	22.94	26.70	25.06	26.14

³Minimum wage rate

		Men	Women	Boy
From	1-4-1989 to 30-4-1990	15.00	-	-
„	1-5-1990 to 31-3-1992	27.00	22.00	18.00
„	1-4-1992 to 31-8-1992	27.00	27.00	-
„	1-9-1992 to 31-3-1994	40.50	40.50	-