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PAC-III

COMMITTEE ON PUBLIC ACCOUNTS

(2006-2008)

ONE HUNDRED AND ELEVENTH REPORT

(TWELFTH ASSEMBLY)



सत्यमेव जयते

**REPORT OF THE COMMITTEE ON PUBLIC ACCOUNTS ON THE
REPORTS OF THE COMPTROLLER AND AUDITOR GENERAL
OF INDIA (CIVIL) FOR THE YEARS 2003-2004 AND 2004-2005
RELATING TO PANCHAYAT AND RURAL
DEVELOPMENT DEPARTMENT,
GOVERNMENT OF ASSAM**

Presented to the House on 10-3-2007

**ASSAM LEGISLATIVE ASSEMBLY SECRETARIAT
DISPUR :: GUWAHATI-6**

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COMPOSITION OF THE COMMITTEE

2006-2008)

CHAIRMAN :

1. Shri Brindaban Goswami

MEMBERS :

1. Shri Sarat Borkotoky
2. Shri Rameswar Dhanowar
3. Shri Gobinda Chandra Langthasa
4. Shri Abdul Khaleque
5. Shri Rajib Lochan Pegu
6. Shri Chandra Mohan Patowary
7. Shri Phani Bhusan Choudhury
8. Smti. Kamali Basumatary
9. Shri Parimal Sukla Baidya
10. Shri Jagat Sing Engti
11. Shri Anwarul Hoque
12. Shri Akon Bora

SECRETARIAT :

1. Shri G. P. Das, Secretary
2. Shri B. Basumatari, O. S. D.
3. Shri K. Rahman, C. O.

(ii)

PREFATORY REMARKS

1, Shri Brindaban Goswami, Chairman, Committee on Public Accounts having been authorised to submit the Report on their behalf, present this **Hundred and Eleventh** Report of the Committee on Public Accounts on the Audit paras contained in the Reports of the Comptroller and Auditor General of India (Civil) for the years 2003-2004 and 2004-2005 pertaining to Panchayat and Rural Development Department, Government of Assam.

2. The Reports of the Comptroller and Auditor General of India (Civil) for the years 2003-2004 and 2004-2005 was laid before the House on 3rd March 2005 and 8th February 2006.

3. The Reports as mentioned above relating to the Panchayat and Rural Development Department have been considered by the Committee in its meeting held on 28th November, 2006.

4. The Committee has considered the draft report and finalised the same in its sitting held on 23rd February, 2007.

5. The Committee has appreciated the valuable assistance rendered by the Principal Accountant General (Audit), Assam and his Junior Officers and Staff during the examination of the departments.

6. The Committee thanks to the departmental witnesses for their kind co-operation and offers appreciation to the Officers and Staff dealing with the Committee on Public Accounts, Assam Legislative Assembly Secretariat for their strenuous and sincere services rendered to the Committee.

7. The Committee earnestly hopes that Government would promptly implement the recommendations made in this report.

Dispur :
The 23rd February, 2007

BRINDABAN GOSWAMI,
Chairman,
Committee on Public Accounts.

The Report

Panchayat and Rural Development Department

Misappropriation of Government fund

(Audit para 4.1.5/CAG (Civil)/2003-2004)

- 1.1 The audit has pointed out that a test-check (August-September 2003) of cash books of Lahorighat Block under District Rural Development Agency (DRDA), Marigaon revealed that the cashier cum Accountant of the Block had shown in cash book payment of Rs. 8.61 lakh to the then Senior Block Development Officer (Sr. BDO) in cash between 11th January 2001 and 3rd March 2001 towards expenditure against Indira Awas Yojana, but without vouchers and relevant records to support the expenditure. The present BDO stated (September 2003) that vouchers/muster roll bills and actual payee's receipt (APRs) against which expenditure was recorded in the cash book were not available on record. Thus, the amount of Rs. 8.61 lakh stood misappropriated which was corroborated by the reply (July 2004) of the PD, DRDA, Marigaon that based on investigation conducted by him and FIR with lodged Police, the then Sr. BDO was arrested by Police and was placed under Suspension. Further, a test check of relevant records of Mayong Development Block under the same DRDA revealed that the Sr. BDO of the Block while conducting (July-August 2003) physical verification of stock of rice under Swarnajayanti Gram Swarozgar Yojana (SGSY) 2002-2003 recorded short account of 757.735 quintal of rice valuing Rs. 9.32 lakh lifted by one Junior Engineer of the Block in June 2003. Though the Sr. BDO reported (August 2003) the shortage to the PD, DRDA, the letter had neither intimated the matter to the higher authority nor did he initiate any step for further investigation and to fix responsibility for the loss.
- 1.2 The Department by their written reply has stated that Morigaon :
(A) It is a fact that gross misappropriation of Govt. money took place in Laharighat Dev. Block under the then Sr. BDO, Shri Manas Das. It is also a fact that since, all records were seized by the police, the BDO, Laharighat could not furnish the documents sought for. As per direction of DC Morigaon and report of BDO, Laharighat Development Block, Shri Manas Das was arrested on 25-12-2003

by the Laharighat Police Station but there is no record available in this DRDA Morigaon regarding the date of suspension of Shri Manas Das, the then Sr. BDO, Laharighat. (B) The physical verification of stock of rice was made under SGRY.

1. 1490.56 quintals of rice i.e. 9 trucks and not 11 trucks as mentioned in the BDO's report was lifted by Shri Dilip Hazarika on 13-6-03.

2. 1938.64 quintals of rice was lifted on 17-6-03.

Therefore, a total quality of 3429.20 qtls. was actually lifted by Shri Dilip Hazarika and not 3775.82 qtls. as mentioned. This clarification was given to the Sr. BDO, Mayang Development Block by Junior Engineer. Of the total receipt of 3429.20 qtls. 411.415 qtls was shown to be issued as mentioned by Sr. BDO, Mayang. This is based on the report submitted by Shri Dilip Hazarika, JE, Mayang. It is not a fact that the DRDA has not taken any measures to inquire or to recover the loss or intimate the same to the higher authority. This DRDA has informed the DC and P.D. DRDA, Morigaon not only in earlier cases of misappropriation of rice by Shri Dilip Hazarika, but also in this case requested for a magistrate level inquiry into the same. The P.D. DRDA had deputed a magistrate to take the stock position. However, Shri Dilip Hazarika was absconding (due to FIR filed against him in earlier cases and this has been informed to Govt.) at this particular time and this matter was informed to the DC, Marigaon and Commissioner and Secretary to the Government of Assam, P and RD Department, Dispur, Guwahati. Also an enquiry Committee constituted by the Government of Assam was sent to Mayang Development Block on the report submitted by the DRDA to enquire into all these allegation and records have been seized by the Committee. Therefore, 3017.785 qtls. was found in stock and actually issue of the rice can be verified from documents seized by the Committee.

OBSERVATIONS/RECOMMENDATIONS

1.3 The departmental witnesses has informed the Committee that the gross misappropriation of Government money by the then Senior BDO Shri Manas Das of Laharighat Development Block has been placed under suspension and he was arrested by the Police. The Junior Engineer Shri Dilip Hazarika under Mayang Development Block was also placed under suspension. The case of Shri Manas Das has been referred before the Personnel Department since Shri Das (the post of Senior BDO) is an ACS officer. The Committee, therefore, recommends that the action should be taken expeditiously by the Personnel Department against the fraudulent officer and recovery should be made entire misappropriated amount from him : The Committee also directed the department to pursue the matter vigorously with personnel Department. The Committee further recommends that the department should take disciplinary action against the then Junior Engineer, Mayang Development Block for short Account of rice. Action taken in this regards may be intimated to the Committee within 30 days from the date of presentation of this report before the House.

Wasteful outlay on tool kits

(Audit para 4.2.2./CAG (Civil)/2003-2004)

1.4 The audit has pointed out that after scrutiny (August-September 2003) of records of the Project Director (PD), District Rural Development Agency (DRDA), Dhubri revealed that the PD procured 1,630 sets of tool kits during October-December 1999 under different trades costing Rs. 31.90 lakh (at Rs. 1,957.06 pr set) from the Assam State Industrial Development Corporation (ASIDC). Out of this, the PD issued 1,506 sets of tool kits during 1999-2002 to all the 14 block under him leaving balance 124 sets in the stock of DRDA. Cross-check of the records of block revealed that three block already had stock of 67 sets of such tool kits procured during 1998-99. The Block out of their fresh receipts and old stock aggregating 1,573 (1,506+67) sets, distributed 620 sets only to the beneficiary artisans leaving a balance of 953 (1,573-620) sets in their stock. Thus, 1,077 (124+953) sets of tool kits worth Rs. 21.08 lakh remained idle in the stock of DRDA and the blocks, as of September 2003. Further, from the reports of the blocks, it was revealed that 100 sets of tool kits worth Rs. 1.97 lakh out of unutilised stock were damaged for reasons neither on records nor stated to audit. The Block Development officers of the blocks attributed the reasons for non-distribution of tool kits to non selection of beneficiaries and reluctance of the beneficiary artisans to received the tool kits because of their inferior quality. Thus, expenditure of Rs. 21.08 lakh on procurement of 1,077 sets of tool kits that remained unutilized in stock for more than three years proved to be wasteful.

1.5 The department by their written reply has stated that Dhubri : during the period from October 1999 to December 1999 DRDA, Dhubri procured 1625 sets of tool kits for different trades and not 1630 sets as pointed out in the Audit para. The total cost of the above tool kits was Rs. 31.90 lakh. At the time of Audit, it is reported that 1506 Nos. set of Tool kits were issued to different Development Blocks for distribution to the beneficiaries. Accordingly, in the draft para a total of 124 (1630-1506) set of Tool kits have been shown as balance in the stock of Project Director, DRDA. Dhubri. But in fact, it is to be state that as per record available with the DRDA, Dhubri, all the 1625 sets of Tool kits under different trads have already been distributed to the different Development Block for distribution to the beneficiaries/Rural artisans. Thus, there is no sets of Tool kits lying in the stock of DRDA, Dhubri. Meanwhile, present status report from each of the Block of this district regarding receipt and distribution of the above indicated Tool kits including previous balance has been received. As per report, all Development Block excluding Nayer alga Development Block have already distributed the entire quantity of Tool kits to the beneficiary/Rural artisans. The details of distribution made by the different Development Block are shown below.

Sl No.	Name of Block	No. of Tool kits received from DRDA (under Different Trades	No. of Tool kits distributed to the beneficiaries/Rural artisans by the blocks	Balance
1.	Agomoni	114	114	Nil
2.	Bilasipara	114	114	Nil
3.	Birsing Jarua	132	132	Nil
4.	Chapor Salkocha	114	114	Nil
5.	Debitola	114	114	Nil
6.	Fenkamari	107	107	Nil
7.	Jamadarhal	106	106	Nil

8.	Gauripur	122	122	Nil
9.	Golakganj	114	114	Nil
10.	Mahamaya	121	121	Nil
11.	Mankachar	132	132	Nil
12.	Nayeralga	114	03	111
13.	Rupshi	114	114	Nil
14.	South Salmara	107	107	Nil
	Total	1625.	1514	111

As per report as on 8.10.2004 received from Nayeralga Development Block, only 111 number of Tool kits were pending for distribution. Current distribution status report on the above 111 number of Tool kits could not be obtained from Nayeralga Development Block for the reason that the concered J.E. has already been transferred and joined during the last Assembly Election 2006 and he has not yet handed over his charge. Hence it is request that since almost entire stock of Tool kits as indicated above has already been distributed and utilized, the audit para may be dropped.

OBSERVATIONS/RECOMMENDATIONS

- 1.6 Having heard the deposition of the Government witnesses, the Committee directed the department to take disciplinary action against Shri Jakir Hussain, the then Junior Engineer, Nayeralga Development Block and to inform the Committee accordingly within 15 days from the date of presentation of this report before the House. The Committee further recommends that the department should clarify the matter as pointed out by the audit.

Diversion of schemes fund

(Audit para 4.5.3/CAG/ (Civil)/2003-2004)

- 1.7 The Audit has pointed out that after scrutiny (February-March 2003) of records of Project Director (PD) District Rural Development Agency (DRDA), Tinsukia revealed that during 1998-99, the PD with the approval of the Government (Rs.13.88 lakh) and District authorities (Rs.14.80 lakh) incurred an expenditure of Rs.28.68 lakh towards construction of DRDA office buildings, approach roads, electrification, sanitation etc.. out of interest earned on EAS fund and JRY allocation for 1998-99. This amounted to diversion of EAS and JRY fund of Rs. 28.68 lakh. Diversion of scheme fund and/or interest earned thereon programmes other than specified in the respective guidelines was irregular and frustrated the basic objectives of the schemes to provide benefits to the target group of rural people.
- 1.8 The department by their written reply has stated that Tinsukia : An expenditure of Rs. 28.68 lakhs under EAS interest fund, JRY 1998-99 were incurred against six numbers of scheme with due approval from the Commissioner and Secretary to the Government of Assam, Panchayat and Rural Development Department, Assam and the Governing Body of DRDA, Tinsukia. All the schemes were completed within the approved amount. Allocated amount against each schemes and expenditure made are shown as below :

A. JRY 1998-99 (15% DRDA share)

Sl.	Name of Scheme	E/Amount	Progress	Remarks
1.	Community Hall at DRDA Office	Rs. 8.00 Lakh	Completed	Copy of AAP
2.	Approach Road and landscaping of DRDA office at Borguri	Rs. 2.50 Lakh	Completed	JRY of 1998-99 and approval of GB held on 22.9.98
Total		Rs. 10.50 Lakhs		

B. Addl. JRY 1998-99 (15% DRDA share)

3.	Electrification, water Supply, sanitation including Service connection at DRDA office.	Rs. 1.90 Lakh	Completed	Copy of AAP JRY 1998-99
4.	Land development at DRDA office.	Rs. 0.60 Lakh	Completed	
5.	Construction of garage at DRDA office and Chowkidar's Shed.	Rs. 1.00 Lakh	Completed	
Total		Rs. 3.50 Lakh		

C. Addl. JRY 1998-99 (AP share)

6. Community hall of DRDA office (Ph-II) godown	Rs. 1.25 Lakh	Completed	Copy of AAP Addl. JRY 1998-99
Total	Rs. 1.25 Lakh		
Estimated Grand total (A+B+C)	Rs. 15.25 Lakh		
Less 3% contingency	Rs. 0.45 Lakh		
Total	Rs. 14.80 Lakh		
Total expenditure made	Rs. 14.80 Lakh		
D. Construction of DRDA Office Building Civil work from Interest accrued from EAS Fund	Rs. 13.88 Lakh	Completed	Approval of Commissioner and Secy. P&RD Assam GB Minutes.
Expenditure of fund	Rs. 13.88 Lakh		
Total scheme undertaken	Rs. 29.13 Lakh		
Less contingency	Rs. 0.45 Lakh		
Total expenditure made	Rs. 28.68 Lakhs		

Approval from the Commissioner and Secretary to the Government of Assam, P & RD Department for schemes "construction of DRDA Office building" and the minutes of the Governing Body meeting held on 22.09 1998 regarding approved of the scheme and Annual Action Plan of JRY and Addl. JRY 1998-99.

OBSERVATIONS/RECOMMENDATIONS

- 1.9 The Committee heard the deposition of the departmental witnesses and recommends that the department should be cautious that funds earmarked to a particular scheme, should not be diverted to any other schemes in future. If fund will be diverted in future the officer concern will be responsible. With this recommendation. the Committee decided to drop the para.

Short receipt of GCI sheet

(Audit Para 4.6.2/CAG(Civil)/2003-2004)

1.10 The audit has pointed out that a test check of records (August-September, 2003) of the Project Director (PD), District Rural Development Agency (DRDA), Morigaon revealed that between August and November, 2000, the Agency procured 727.305 tonne GCI sheets of two specifications for execution of works under Indira Awas Yojana/ Employment Assurance Scheme. According to the entries made in stock registers, the DRDA received 75,284 pieces of GCI sheets against 83,785 pieces receivable as per standard norms. The DRDA, thus sustained a loss of Rs.24.25 lakh due to short receipt of 8,501 pieces of GCI sheets weighing 73,533 tonne. The short receipt was facilitated due to the wrong procedure adopted by the PD both in issuing supply orders for GCI sheets as well as during receipt of the same. While issuing supply orders, the PD should have clearly mentioned in the supply order the average weight per piece of GCI sheet for each specification and ensure correct receipt both in terms of weight and in number of pieces to avoid short supply by the suppliers. A similar observation was made in Para 6.13 of the Report of the CAG of India (Civil) for the year ended 31 March, 2000 that the DRDA, N.C. Hills sustained a loss of Rs.6.80 lakh due to short receipt of 22.30 tonne of GCI sheets in a similar manner. The Public accounts Committee in their Ninety Third Report (placed in the Legislature on 2nd April, 2003) recommended that action be taken by the Government against the officials responsible for the short receipt. The Government action had not been intimated to this office (October, 2004).

1.11 The Department by their written reply has stated that Morigaon : The DRDA, Morigaon placed orders to the firms indicated in the audit para for 727.30 MT of GCI sheets during the period between August and September, 2000 under EAS and IAY.

Sl. No.	Name of Firms	No. & date of supply order	Programme	Size	Quantity (in MT)	Amount paid	Date of payment
1	Shiv Steel, Ghy	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	EAS	10'	10.00	2,92,000/	12.8.2000
2	Shiv Steel, Ghy	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	EAS	10'	20.00	5,84,00/	12.8.2000
3	Shiv Steel, Ghy	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	IAY	8'	121.00	41,16,420/	29.9.2000
4	Assam Asbestors	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	IAY	8'	208.30	68,62,225/	30.8.2000
5	Assam Asbestors	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	EAS	8'	14.00	7,24,768/	8.12.2000
6	Assam Asbestors	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	EAS	10'	8.00	7,24,768/	8.12.2000
7	Assam Asbestors	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	IAY	8'	20.00	6,58,880/	8.12.2000
8	Assam Asbestors	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	IAY	8'	126.00	41,50,944/	8.12.2000
9	Assam Asbestors	DRDA(M)88/ Pt./99-2000/ 348, dt. 26.7.2000.	IAY	8'	200.00	65,88,800/	8.12.2000
Total					727.30		

As against the above-mentioned order, the DRDA received 727.30 MT GCI sheets and this has been duly recorded in the Stock books. The total quantity of GCI sheets received is 75284 pieces as shown in the audit para. As orders were placed indicating the quantity, weight, thickness, length, breath and rate per MT and not indicating the number of pieces the GCI sheets were received in weight and not in pieces. As per norms set in the Civil Engineerings hand book, the weight of GCI sheets of 8 feet length and 10 feet length may vary according to the zinc coating. It is a fact that the orders placed by the DRDA do not mention the average weight per piece of GCI sheets and hence the receipt of the GCI sheets were made mentioning the weight only in bulk and not weight per piece of the GCI sheet in the bunudles. However, the amount received cannot be treated as short receipt and the DRDA, Morigaon has received the quantity as per supply orders given to the suppliers, payment has also been made accordingly, as shown in the above statement.

OBSERVATIONS/RECOMMENDATIONS

1.12 The Committee observed that the department issued defective supply order for GCI sheets as the Project Director, DRDA has not mentioned the thinkness against the numbers of GCI sheets to be received and also not mentioned the ISI branded sheet. Moreover, on receipt of the GCI sheets, it was not immediately pointed out that a number of GCI sheet is shortage i.e. 5801 against the 83.785 sheets. The Committee, therefore recommended that the Commissioner and Secretary to the Government of Assam, Panchayat and Rural Development Department should make an enquiry and submit a report in consultation with technical expart to the Committee within 30 days from the date of presentation of this report before the House and action should be taken against the guilty officer and steps should be taken for recovery.

Unfruitful and unauthorized expenditure**(Audit para 4.2.4/CAG (Civil) 2004-2005)**

1.13 The audit has pointed out that a test check (May-June, 2004) of records of the Project Director (PD), District Rural Development Agency (DRDA), Cachar revealed that 21 market sheds were constructed through the Zila Construction Committee during February-March 2002, at different places of 12 Development Blocks at a total cost of Rs. 42 lakh. Besides, six fishery tanks and three piggery sheds were also constructed in March, 2002 incurring a total expenditure of Rs.18.49 lakh. Though the tanks/sheds were constructed in February/March, 2002, these could not be handed over to the beneficiaries or utilized even after a lapse of over three years (May, 2005) from the date of completion due to non-selection of beneficiaries/swarozgaries. Expenditure of Rs. 19.13 lakh was also incurred by PD during February-March, 2002 for construction of one building, one godown two RCC bridges, improvement of market place and land development works in public interest through departmental Construction Committees formed by Government in December, 2001. The works though done with the approval of the Governing Body were, however, not permissible under SGSY guidelines. Thus, there was an unfruitful expenditure of Rs.60.49 lakh on construction of market sheds, piggery sheds and fishery tanks without identifying beneficiaries/swarozgaries besides an unauthorized expenditure of Rs.19.13 lakh on construction works not permissible under SGSY guidelines.

1.14 The Department by their written replay has stated that Cachar : The market sheds, fisheries and piggery sheds were constructed under different blocks of this District on the basis of the demand of local people and with the approval of the Governing Body and Schemes so taken were constructed and are being utilized by the beneficiaries. The construction of godown/RCC bridges were also taken up to the basis of long pending demand of the local particularly from the SC and ST community. Their livelihood mainly depends on agriculture based product and to keep constant market linkage, it was very necessary to construct the godown and bridges.

OBSERVATIONS/RECOMMENDATIONS

1.15 During the course of discussion the department has informed the Committee that the objection of A.G. is that the Project Director, DRDA, Cachar incurred expenditure of Rs.60.49 lakh on construction of infrastructure without selecting beneficiaries and also spent Rs.19.13 lakh on construction works not permissible under SGSY guidelines. But all the schemes were undertaken on the request of the local people of the areas with the approval of the Governing Body. Most of the people of that areas are belonging to S.C. and S.T. and they depend on agriculture. The bridge was constructed on their request for marketing of their agricultural product. The Committee observes that as per guideline SGRY 25% can spend for infrastructure. Guideline should be followed. Responsibilities should be fixed against the erring officials. Though it is informed that this has the approval of Governing Body but the department could not produce the same before the Committee. Diversion of fund should not be made in future. The Committee therefore recommends that if construction works are completed it may be handed over to the beneficiaries. Hence, the Committee decided to drop the para.

Diversion of Funds

(Audit para 4.4.2/CAG (Civil)/2004-2005)

1.16 The Audit has pointed out that a test-check (September-October, 2004) of records of the Project Director (PD), District Rural Development Agency (DRDA), Nagaon and information collected subsequently revealed that during 2002-03, the PD lifted and distributed 81,260.59 quintals of rice under the scheme through different blocks. In violation of the programme guideline, the PD incurred an expenditure of Rs.21.80 lakh out of the scheme funds towards transportation cost of rice. Besides, as required, the PD did not dispose of 1,16,086 empty gunny bags held in the stock of blocks, as of March, 2003, for utilization of the sale proceeds towards the transportation cost etc. Thus, the Project Director diverted an amount of Rs. 21.80 lakh out of the scheme fund.

1.17 The Department by their written reply has stated that Nagaon : It is a fact that as per SGRY guidelines the State Government should bear the transportation cost and handling charge (including taxes if any) from their own resources. For smooth implementation of the schemes transportation of food grains to be done to the work site first, for which some one have to pay the transportation charge, as no contractor was engaged. Trucks from the open market was brought on hire rate, for transportation of the food grains. The Agency incurred an expenditure of Rs.25.80 lakh for transportation/handling charge of food grains during 2002-2003 within the permissible rate of Rs.25/- per quintals. The said amount was provided for the schematic contingencies of the works executed against which food grains were utilized. Though it is mentioned in the para that 81,13,740 K.G. (81137.40 qtls.) of rice were shown lifted and distributed by the DRDA, Nagaon through the Development Blocks during 2002-2003 the actual quantities lifted by DRDA, Nagaon during 2002-2003 were 1,04,007.59 qtls. under EAS/JGSY/SGRY(i) & SGRY (ii). The details are as follows :

<u>Year</u>	<u>Programme</u>	<u>Quantity lifted</u>
2002-2003	(i) EAS	33,853.82 qtls.
	(ii) JGSY	27,146.77 qtls.
	(iii) SGRY (i)	20,260.00 qtls.
	(iv) SGRY (ii)	22,747.00 qtls.
Total		1,04,007.59 qtls.

The figure quoted in the audit para may perhaps be the total figure of (i), (ii) & (iii) (however there is slight difference of 123.19 qtls). Again the numbers of bages shown in the Report was 115910 Nos. which was calculated taking the average of 70 K.G. rice in each bag. If the same method applied in case of 1,04,007,59 qtls., the number of bags supposed to be 148582 Nos (in case of (i), (ii) and (iii) are 116086). The recovery rate as mentioned @ Rs.21.60 per bages is perhaps the purchase rate of new bags. The condition of most of the empty bags till the utilization of food grains is normally beyond reusable as the bags attain dilapidated condition after several times of loading, unloading use of hooks by the labours and prolonged storage in different places/godowns/truck etc. Hence, the fixation of resale of empty gunny bags @ Rs.21.60 per bag is not reasonable and as such Rs. 25.04 lakh being total cost of used empty gunny bags also not resonable. As the return of used empty gunny bags to Block H.Q. was made after use of the food grains, sale proceed of these, by open auction etc. were deposited to their respective SGRY accounts by the Blocks. However, reimbursement bill will be submitted to Govt. for the actual amount, deducting the sale proceed earned by the Blocks from the used empty gunny bags in the light of SGRY Guidelines.

OBSERVATIONS/RECOMMENDATIONS

1.18 The Committee observes that the sale proceed of the empty gunny bags were to be spent for transportation purpose of rice/wheat etc. as per norms. But the Project Director DRDA Nagaon diverted an amount of Rs. 21.80 lakh for transportation purpose knowing fully the fact that the expenditure should not be incurred out of the scheme fund. The Committee, therefore, recommends that the department should not divert the fund in future to implement another schemes which is towards a particular scheme.

Division of funds**(Audit para 4.4.3/CAG (Civil)/2004-2005)**

1.19 The audit has pointed out that a test check (February, 2004) of records of the Director, P. & R.D., Assam revealed that the Government of Assam received Rs. 38.47 crore during 2002-03 (Rs. 10 lakh) and 2003-04 (Rs. 38.37 crore) from Government of India under the programme. The Director released Rs. 36.94 crore during 2003-04 to 21 District Commissioners as programme money and without obtaining approval from the Government of India, diverted Rs. 1.53 crore as administrative charges from the allotted funds.

1.20 The department by their written reply has stated that as per State Government Notification No. 239/2002/138 dated 17.06.2006 of NSAP guideline 4% Administrative charges have been deducted from the earmarked fund released by the Government. This 4% Administrative charge has been utilized for other contingency expenditure for smooth implementation of NSAP.

OBSERVATIONS/RECOMMENDATIONS

1.21 During the course of discussion the department has informed the Committee that the NSAP scheme is most important scheme and for smooth functioning of the scheme diversion of fund was made though the Government of India is not insisting. If it is not diverted the beneficiaries will be deprived. As per administrative approval 4% administrative charges have been deducted from the earmarked fund released by the Government. This has been utilized for other contingency expenditure for implementation of NSAP scheme. Having heard the deposition of the departmental witnesses the Committee observes that there is no such provision for diversion of fund with the administrative approval. If fund is diverted in future officer concern will be responsible. The fund is towards a particular scheme but the department have extended diversion of fund to the extend of beneficiaries. The Committee, therefore, recommends the department should not incur such expenditure in future as administrative charges from programme allocation without approval of the Government of India.

Irregular and doubtful utilization of scheme funds**(Audit para 4.5.1/CAG (Civil)/2004-2005)**

1.22 The Audit has pointed out that a test check (May-June, 2004) of records of the Project Director (PD), District Rural Development Agency (DRDA), Cachar revealed that the Project Director without preparing any Action Plan/Development Plan for implementation of Wasteland Development Programme, paid (July, 2002) Rs. 21.49 lakhs as advance to two Junior Engineers at Head Quarters for construction of 43 fishery cum water reservoirs. The agency could not furnish any information about actual execution of works of 43 fishery cum watershed reservoirs. The Finance and Accounts Officer of the Agency informed (May, 2004) that the concerned file containing estimates, payment order etc. for fishery schemes under IWDP was taken away by the then Project Director. The Agency also failed to produce other relevant records such as construction register, measurement books adjustment vouchers, muster roll etc., on the ground that the concerned Junior Engineers did not submit the same. The advances paid to the two Junior Engineers thus remained unadjusted even after expiry of over two years. In May, 2005, the Project Director informed that the concerned Junior Engineers had not submitted the relevant records and they had been placed under suspension, the PD also failed to furnish the status of fishery cum water reservoirs. Due to non-availability of any records in support of actual execution of the works, which were supposedly taken up by violating IWDP guidelines, the genuineness of the transactions could not be checked in audit and the possibility of misappropriation of Rs. 21.49 lakh could not be ruled out.

1.23 The Department by their written reply has state that Cachar : Regarding construction of 43 Nos. of Fishery-cum Water reservoirs and payment of Rs. 21.49 lakhs made to the JE's of HQ in July, 2002 as advance under IWDP programme, the then PD, DRDA, Cachar informed in 2005 that the concerned JE's had not submitted the relevant records and due to non availability of any records in support of actual execution of schemes, the PD also failed to furnish the status report of fishery-cum water reservoir as yet. Under the above circumstances presently this office is also not in a position to submit any relevant records. Moreover the matter is also within the CM's Special Vigilance Cell. Action was already taken against the concerned officials.

OBSERVATIONS/RECOMMENDATIONS

1.24 As reported by the department that the matter is under the Chief Minister's Special Vigilance Cell, the Committee recommends that the department should pursue the matter vigorously with the C.M's Special Vigilance Cell so that action may be taken against the guilty officials early. Action taken may be intimated to the committee within 30 days from the date of presentation of this report before the House.

Irregular expenditure**(Audit para 4.5.2/CAG (Civil)/2004-2005)**

1.25 The Audit has pointed out that a test-check (October, 2004) of the Project Director (PD) DRDA, Nagaon revealed that the agency incurred an expenditure of Rs.50.06 lakh during 2001-02 towards improvement had gravelling of 27 roads in the Nagaon district which were outside the purview of the scheme guidelines. The PD, DRDA, Nagaon stated (October 2004) that the works were executed on the basis of selection done by the Gram Sabha. The contention of the PD is not tenable since the Gram Sabha did not act according to the scheme guidelines. Thus, execution of works outside the purview of the scheme guidelines resulted in irregular expenditure of Rs.50.06 lakh. The matter was reported to government in April, 2005. The government in August, 2005 stated that the term improvement and repair used in records was a misnomer and actually all these road works were new constructions. The reply of the Government was not acceptable as the annexure furnished with the Government letter issued 27 works all of which were improvement and gravelling works with cost ranging from Rupees one lakh to Rupees two lakh only for each work.

1.26 The department by their written reply has stated that Nagaon : SGSY was launched in the year 1999 and come into effect from 1.4.99 which dedicate entirely to the development of rural infrastructure at the village level and was implemented by the village panchayat. The village panchayat was the sole authority for preparation of annual action plan and their implementation including power to execute works with the approval of the Gram Sabha. As per SGSY guidelines (1.4.1999). Chapter-IV para 21.1) "All works that result in the creation of durable productive community assets can be taken up under the programme as per the left need of area/people by the village panchayat". In this regards, Para-21.50 the same chapter says "which there is no ceiling on the cost of works to be taken up under the programme only such works should generally be taken up whose size and cost nature are such that they may be implemented at the local level and do not involve high level technical inputs etc.

The works taken up must be kept within the over all Annual Action Plan (as per para-22.1) the following works shall not be taken up under the programme :

- (i) Building for religious purposes such as temple, mosque, gurudwara, church etc.
- (ii) Monuments, memorials status, idols, arch gate (welcome gate)
- (iii) Bridges.
- (iv) Building for Higher Secondary Schools.
- (v) Building for Colleges.
- (vi) Desiltation of irrigation tanks.
- (vii) Black toping/cementing of road, other than roads within the village site.

In case of implementation of 27 nos of roads as mentioned in the audit para the implementation of roads may be treated as new construction or as the existence of the roads were either in very dilapidated conditions or there are village (gobat). The schemes were selected by the Gram Sabha concerned and need base in nature, only the nomenclature was not properly put. Apart from this, the list of banned schemes as per JGSY guideline 1999 para 21.5 Chapter-IV not included the improvement, gravelling of roads. The basic points of Gramin road linkage for transportation/communication facilities are given by this roads served the poor villagers.

OBSERVATIONS/RECOMMENDATIONS

1.27 The Committee heard the explanation from the departmental witnesses and observes that the Project Director, DRDA Nagaon had incurred expenditure of Rs.50.06 lakh for road works which did not cover under the scheduled scheme. The Project Director had executed the works as selected by the Gram Sabha without verifying the basic guidelines of the scheme. The entire amount which had incurred expenditure for improvement and repair works not for new works which is irregular as per guidelines under JGSY. Fund should not be diverted in future if diverted the Officer concern will be responsible. The committee, therefore, recommends that the department should submit a detail report within 30 days from the presentation of this report before the House regarding the schemes undertaken by the concerned DRDA where an amount of Rs.50.06 lakh incurred expenditure.

Wasteful expenditure on procurement of pond lining

(Audit para 4.6.1/CAG(Civil)/2004-2005)

1.28 The audit has pointed out that a test-check (September, 2003) of records of the Project Director (PD), District Rural Development Agency (DRDA), Dhubri revealed that the PD with the approval of the Director, P & RD, procured (November, 2000) 22 "Silpaulin" brand lining films measuring 52,822 sqm. for 22 ponds at a total cost of Rs. 45.64 lakh from the lowest tenderer for implementation of the programme under Swarnjayanti Gram Swarojgar Yojana without preparing any detailed estimates and guidelines for implementation of the scheme. In the estimates prepared by the Fishery Department, the yearly net profit had been shown as Rs. 20,000 against capital investment of Rs.2,17,500 and annual recurring investment of Rs.20,000. Further, the PD did not procure any 3 HP pump machine, which was an integral part of the pisciculture programme. The pond lining films were issued to five Development Blocks for utilization in December, 2000 but test-check of records of all the five blocks revealed that as of September, 2003, 21 (50.421 sqm.) out of 22 films were lying idle in the godown of respective blocks. The Gouripur Block issued (September, 2003) one film (2401 sqm.) to a beneficiary on the recommendation of the local MLA but without any estimate. The Block Development Officers (BDO) of five blocks informed (September, 2003) that there was no requirement for the Pond Lining Films from the blocks and as such neither was any estimate prepared nor were beneficiaries selected for utilizing the films. The BDO's further informed that self life of the films was not known to them and no precaution had been taken for their preservation. Thus, unnecessary purchase of pond lining films worth Rs. 45.64 lakh proved wasteful. The possible deterioration of the films could not also be ruled out.

1.29 The Department by their written reply has state that Dhubri : By obtaining approval from the Director, Panchayat and Rural Developmente, Assam on local requirement during the year 1999-2000, DRDA, Dhubri procured Pond Lining Film "Silpaulin" measuring 52,822 sqm. (49 X 49 sqm. -2401 sqm. Per Pkt. Pond Lining Film) for 22 Nos. of Ponds with a total cost involving Rs.45.64 lakh under SGSY. The above quantity of Pond Lining Film was issued to k5 (five Nos) of Block as shown below with an instruction to utilize the same for the development

of pisciculture in consultation with the Department of Fisheries.

Sl. No.	Name of the Dev. Block	No. of Pkt. of Pond Lining Film Issued to Block	No. of Pkt. of Pond Lining utilized Before		Remarks
			Sept./03	31st July/05	
1	2	3	4	5	6
1	Rupshi	4	3	1	
2	Debitola	5	2	3	
3	Agomoni	3	0	3	
4	Golakganj	5	1	4	
5	Gauripur	5	1	4	
Total		22	7	15	

Till Sept., 2003 the Pond Lining Film were partially utilized due to want of proper estimate and guideline for implementation of the scheme. Later on, necessary steps were taken up for utilization of the same in full through different Self Help Groups related with Fish Farm under SGSY. As per report received from concerned Block Development Officer the above materials have already been utilized. Hence, the purchase of Pond Lining Film worth Rs. 45.64 lakh was not in fructuous as well as unplanned.

OBSERVATIONS/RECOMMENDATIONS

1.30 The Committee observes that the Project Director, Dhubri procured 22 Pond Lining Films without selection of beneficiaries. Since there were no orders and estimate papers in the DRDA. The Project Director had executed the works which occurred wastful expenditure of Rs. 45.64 lakh. The committee, therefore, recommends that a detailed report may be submitted to the Committee within 30 days from the date of presentation of this report before the House stating the latest position of unnecessary purchase of Film lining with the copy of orders and estimate papers. The Committee further recommends that the officer concern should be fixed responsibility and recovery should be made from him.

Unnecessary procurement of Wooden Racks

(Audit para 4.6.2/CAG(Civil)/2004-2005)

1.31 The Audit has pointed out that a test-check (May-June 2004) of records of the Project Director, District Rural Development Agency (DRDA) Cachar revealed that during March and April, 2002, the PD purchased 403 wooden racks from a Guwahati based firm at a total cost of Rs.17.13 lakh for storing cement at godown of different Block and DRDA headquarters. The Project Director could not produce the relevant purchase records like purchase file, tender, quotation, comparative statement, sanction, supply orders etc, which were stated to have been lying with the then Executive Engineer of the Agency. In the absence of these records, the regularity justification and authenticity of the purchase could not be verified in audit. Scrutiny of payment vouchers and Measurement Book, however, revealed that payments were released to the supplier on the basis of certificate of receipt recorded on the reverse of each bill. The Project Director intimated (May, 2005) that the wooden racks were lying in the godown of DRDA headquarters and these could not be issued to block due to change of procurement procedure after introduction (September, 2002) of Panchayati Raj system and steps would be taken to utilize the wooden racks at Panchayat level. The Project Director, however, failed to state the reasons for non-issue of the materials to blocks before introduction of PRI in September, 2002. Thus purchase of 403 wooden racks by the Project Director without assessing actual requirement was doubtful. In any case it resulted in locking of funds to the tune of Rs. 17.13 lakh.

1.32 The Department by their written reply has state that Cachar : Regarding purchase of 403 nos of wooden racks by the PD, DRDA, Cachar during March and April, 2002 for Rs. 17.13 lakhs for storing cement at Godown of Blocks and DRDA HQ.

OBSERVATIONS/RECOMMENDATIONS

1.33 The Committee heard the deposition from the departmental witnesses and observes that no tender was called by the Project Director, DRDA, Cachar for purchasing of Wooden Racks. Since the Junior Engineer is a subordinate officer and how he can execute the work incurring an expenditure of Rs.17.13 lakh without approval of the Governing Body by his own volition. The Committee, therefore, recommends that an enquiry may be made by the department and to submit a detailed report to the Committee within 15 days from the date of presentation of this report before the House along with all relevant papers including the proposal of the Governing Body. The Committee further recommends that action should be taken against the then Junior Engineer and recovery should be made from him.