

HUNDRED AND SEVENTEENTH REPORT

PUBLIC ACCOUNTS COMMITTEE (1987-88)

(EIGHTH LOK SABHA)

**NATIONAL RURAL EMPLOYMENT PROGRAMME
MINISTRY OF AGRICULTURE
(DEPARTMENT OF RURAL DEVELOPMENT)**

[Action Taken on 94th Report (Eighth Lok Sabha)]



Presented in Lok Sabha on 12.4.1988

Laid in Rajya Sabha on 25.4.1988

**LOK SABHA SECRETARIAT
NEW DELHI**

March, 1988/Chaitra, 1910 (Saka)

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CORRIGENDA TO 117TH REPORT OF PUBLIC
ACCOUNTS COMMITTEE (8TH LOK SABHA)

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(1987-88)

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(iv)

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2. **Shri B.D. Duggal—*Chief Financial Committee Officer***
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INTRODUCTION

1. I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Hundred and Seventeenth Report on action taken by Government on the recommendations of the Public Accounts Committee contained in their 94th Report (8th Lok Sabha) on National Rural Employment Programme.

2. In this Report, the Committee have desired the Government to formulate the procedure for collection and compilation of the data by the States including district, block/Taluka level officers with clear allocation of responsibility of the concerned officials so that fixation of responsibility if lapses/errors are detected does not pose any great difficulty. They have, therefore, suggested that the Study Teams visiting various states should check at random the procedure for collection of data as well as the correctness of the figures supplied by the State Governments. Employment generation reports should also be prepared in accordance with the Muster Rolls susceptible of verification.

3. The Government have not accepted the Committee's suggestion for a single Ministry to be made responsible for all the Rural Development Programmes on the ground that such a Ministry would become unwieldy. The Committee have not agreed with the above views of the Government and reiterated their earlier recommendation that all programmes aimed at removing/reducing unemployment in rural areas should be brought under one Ministry particularly because the implementing agencies for all these programmes is the same viz. District Rural Development Agency. This has been considered essential by the Committee to ensure close coordination in the implementation and effectiveness of various programmes.

4. The Report was considered and adopted by the Public Accounts Committee at their sitting held on 17 March, 1988. Minutes of the sitting form Part II of the Report.

5. For facility of reference and convenience, the recommendations and conclusions of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in Appendix II to the Report.

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6. The Committee place on record their appreciation of the assistance rendered in the matter by the Office of the C & AG of India.

NEW DELHI

22 March, 1988

2 Chaitra, 1910 (Saka)

AMAL DATTA

Chairman,

Public Accounts Committee

CHAPTER I

REPORT

1. This Report of the Committee deals with the action taken by Government on the Committee's observations and recommendations contained in their Report* on National Rural Employment Programme.

2. The Committee's Report contained 29 recommendations and observations. Action Taken @Notes have been received from Government in respect of all the observations and recommendations. These have been broadly divided in four categories as shown in Appendix-I.

3. The Committee expect that final replies to those recommendations and observations in respect of which only interim replies have been furnished by the Government so far will be made available to the Committee expeditiously after getting them vetted by the Audit.

4. The Committee will now deal with action taken by Government on some of their recommendations and observations.

Insignificant Success in Removing Unemployment in Rural Areas

5. In reply to Committee's observation† that schemes/programmes launched with a view to eradicating rural unemployment have not been successful in making any significant dent on the unemployment situation in rural areas, the Ministry of Agriculture (Department of Rural Development) have stated that the employment generation under NREP/RLEGP has been of the order of 2035.36 million mandays during the sixth Plan and the target of employment generation for the Seventh Plan is 2500 million mandays. Against the target of generating 980 million mandays of employment for the first 2 years of the Seventh Plan, the Ministry have reported the employment generation of 1215.24 million mandays.

6. The figures relating to achievement of employment generation have already been contested by Audit††. It was also found by Audit during test check in a few States that the reports furnished to state Headquarters/Central Government were not factual but highly exaggerated. In order to

*Ninety-Fourth Report (8th Lok Sabha) on Paragraph 5 of the Report of the Comptroller and Auditor General of India for the year 1983-84, Union Government (Civil).

@Action Taken Notes have not been vetted in Audit.

†Para 1.100 of the Report.

††Para 5 of the Audit Report (Civil) for the year 1983-84, such para 5-61.

ensure effective implementation of the various schemes and programmes' the need for accurate reporting of achievements there-against cannot be over emphasised. The Committee would, therefore, like the Government to formulate the procedure for collection and compilation of the data by the States including District, Block/Taluka level officers with clear allocation of responsibility of the concerned officials so that fixation of responsibility if lapses/errors are detected does not pose any great difficulty. The Committee also desire that the Government devise the machinery for adequate test checking as well as cross checking of the statistical data submitted to them in this regard. The Committee also suggest that the Study Teams visiting various States should check at random the procedure for collection of data as well as the correctness of the figures supplied by the State Governments. It is imperative that employment generation reports are prepared in accordance with the Muster Rolls susceptible of verification.

The Minister of State in the Department of Rural Development in the Ministry of Agriculture also stated in the Lok Sabha on 4.12.87 (APPENDIX II) that computerised monitoring would commence from December 1987 and that the Government would be able to get more correct information. The Committee appreciate the step taken by the Government in making computerising the monitoring mechanism and would watch the results of these efforts. The Committee would, however, like the Government to remember that unless primary data are correctly collected and recorded computerisation at the Ministry's level cannot by itself improve the situation.

Integration of all poverty alleviation programmes and their effective Implementation

7. The Committee had stated* that there was an urgent necessity for undertaking a comprehensive economic survey of rural areas to identify people living below the poverty line. The Seventh Plan also envisages conducting of detailed household surveys of the rural poor with maximum involvement of the local community. The Committee would like to be apprised of further developments in this regard.

The Committee had recommended that it is imperative that all allied programmes and activities and infrastructure required for effective implementation of all rural development programmes are integrated and brought under one Ministry to avoid over-lapping and ensuring effective control over these programmes. It was emphasised that all these programmes must be an integral part of a single development plan formulated by a single Development Authority and for whose effective implementation a single authority should be made responsible and accountable. In their action taken note, the Ministry have stated that the States are being advised to implement various rural

development programmes in close coordination with each other and that the District Rural Development Agencies set up at district level have been made responsible for implementation, coordination and monitoring of all the important rural development programmes. However, the Committee's suggestion for a single Ministry to be made responsible for all the rural development programme has not been accepted by the Government on the ground that such a Ministry would become unwieldy. The Committee do not agree with the above views of the Government and reiterate their earlier recommendation that all programmes aimed at removing/reducing unemployment in rural areas should be brought under one Ministry particularly because the implementing agency for all these programmes is the same viz., District Rural Development Agency. This is considered essential to ensure close coordination in the implementation and effectiveness of the various programmes.

8. Regarding the preparation of a single development plan the Government have stated that the Working Group on district planning as well as the GVK Rao Committee have recommended the preparation of district development plans in an integrated manner where as action on the recommendation of the Working Group on District Planning is being taken in a phased manner, final decision on the recommendation of GVK Rao Committee are yet to be taken. The Committee would like to be apprised of the latest position in this regard.

Refund of money not spent for Prescribed Purposes

9. The Committee had referred* to cases of expenditure incurred in some States on schemes and purposes outside the scope of the programme. In their Action Taken Note, Government have stated that the concerned States have been asked to recoup the amounts to the NREP accounts with the stipulation that if this was not done by September 1987 necessary deduction would be made from the releases of second instalments. The Committee would like the Government to confirm that the necessary action has actually been taken and would like to be apprised of the details thereof. The Committee would also like to know the details of the mechanism introduced to ensure that the moneys sanctioned for NREP programmes were being spent for the specified purposes.

Supply of Foodgrains safe for Human Consumption

10. The Committee had also desired** that Health Departments of the respective State Governments should be advised to take samples of foodgrains from time to time to ensure that foodgrains supplied to workers are of the prescribed quality and safe for human consumption. Audit had pointed

*Para 1.105 of 94th Report.

**Para 1.111 of the 94th Report.

out @ a number of cases in which stocks of foodgrains had been rendered unfit for human consumption due to damage on account of long and improper storage etc. The Committee would like to know whether Joint Inspection by the State Government and FCI officers was actually done before releasing foodgrains for human consumption in these cases and if so, what were the results of such inspection. The Committee reiterate their earlier recommendation that the distribution of foodgrains should be done immediately on lifting them from FCI godowns and the Health Departments of the respective State Governments should also be advised to take samples for foodgrains from time to time to ensure that the foodgrains supplied to workers are of the prescribed quality and safe for human consumption.

Investigation of complaints regarding execution of NREP works through Contractors/Middlemen

11. In order to pass on the full benefits of the programme to the rural poor, the prescribed guidelines envisaged a complete ban on contractors/middlemen executing the NREP works. During test checks by Audit, it was, however, noticed that the ban had been violated in a number of States/ Union Territories resulting in denial of employment opportunities of over 65-65 lakh mandays work to the rural poor. In this regard the Committee had observed* that complaints relating to execution of NREP works through contractors/middlemen should be investigated promptly and deterrent action taken against erring officers and also reported to the Committee. In their reply the Ministry of Agriculture (Department of Rural Development) have stated that "it is the confirmed policy that no contractor/middleman should be engaged to execute the works under NREP".

The Committee are not satisfied with this evasive reply and would like to know whether the Government had advised the State Governments to comply with this recommendation of the Committee and would like to be apprised in detail as to the manner in which the relevant instructions were issued. The Committee would also like to be informed as to what deterrent action was actually taken by the State Governments against erring officials to ensure that the programmes of the Government are followed scrupulously. The Committee would like to be apprised of further developments in this regard.

Releasing the funds for well thought-out schemes

12. The Audit, during test check, have found that in a number of States, works outside the shelf of projects were taken and in Bihar, Haryana, Maharashtra, Orissa, Rajasthan, Uttar Pradesh and Pondicherry

@Paragraph 5.5.3 of the Audit Report (Civil) for the year 1983-84.

*Para 1.114 of the 94th Report.

these shelves had not been prepared in case of districts/blocks checked by them. It was further revealed that works worth Rs. 113.61 lakhs not included in the shelf of projects were undertaken for execution in the States of Rajasthan, Gujarat and Tamil Nadu. Commenting on "Food for work Programme" the Committee had expressed the hope that the funds would be released by the Ministry only after satisfying themselves about the preparation of well thought-out shelf of projects. It has been stated in the Action Taken Note that as authority has been delegated to the DRDAs, it will not be desirable for the Department of Rural Development to release funds only after satisfying that the schemes are well-thought and that this is the function of the DRDAs which they are discharging satisfactorily.

The Committee does not agree with the aforesaid contention of the Government and reiterate its recommendation. The Committee strongly desire that a well thought-out shelf of plans with priorities clearly allotted must be a pre-condition for release of funds by the State Governments to the DRDAs.

13. The Committee was informed in May 1983 that the shelf of projects had been prepared in almost all the States on blocks/districts basis. However, from the findings of the evaluation study conducted by Programme* Evaluation Organisation of the Planning Commission it is noticed that in 1981-82 except Gujarat, Kerala and Rajasthan, none of the selected States had prepared shelf of projects. These were not available even for 1983-84 for Punjab, Tripura and West Bengal and that no priority has been accorded in identification of works under the programme. The Committee would like to know whether the well thought-out shelf of projects based on the felt needs of the people have now been prepared for each District/block in all the States/Union Territories.

14. In reply to a starred question No. 231 dated 23 November, 1987 it has been stated by the Minister of Agriculture that 'complaints have been received by the Government alleging non-payment of notified minimum wages and delayed payment of wages to labourers under National Rural Employment Programme'. It has also been alleged during discussion that the payments of wages is made at time-rate and that for the same type of work minimum wages are not fixed in the same areas. It was also stated by the Minister of State that against the minimum wages of Rs. 14 fixed in Rajasthan, payment is being made at the rate of Rs. 11; in Uttar Pradesh against the minimum wage rate of Rs. 15 payment is being made at the rate of Rs. 11.50; in West Bengal against the minimum wage rate of Rs. 16, the payment is being made at the rate of Rs. 12.50. Similarly, minimum

*Unstarred Question No. 304, dated 9.11.1987.

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wages are not being given in Maharashtra. The Minister had informed the House that necessary under guidelines for payment of wages to the workers engaged under NREP as per the Minimum Wages Act have been circulated to all the States who have been requested to follow the same.

The Committee would like to know whether the guidelines now issued in this regard are being implemented in all the States.

15. The last Evaluation Study on NREP was conducted by the Programme Evaluation Organisation in 1981-82 and 1982-83. The Committee desires that another evaluation study may be conducted without any further delay so that timely action could be taken on the short-comings in implementation of the programme.

CHAPTER II

RECOMMENDATIONS AND OBSERVATIONS WHICH HAVE BEEN ACCEPTED/NOTED BY GOVERNMENT

Recommendation

The National Rural Employment Programme (NREP) was designed chiefly to provide supplementary employment opportunities to the needy in the rural areas where the problem of unemployment and under-employment is chronic and is accentuated during the lean periods of agricultural operations. The Rural Landless Employment Guarantee Programme (RLEGP) was launched in August, 1983 to further expand employment opportunities in the rural areas so that atleast one member of each landless labour household could be provided employment upto 100 days in a year.

[SI. No. 2 of Appendix-II Para No. 1.101 of 94th Report of PAC (8th Lok Sabha)]

Action Taken

No Comments

[Department of Rural Development O.M. No. G-250 11/6/87-NREP dated 29.10.1987]

Recommendation

In order to allocate larger resources to the less developed areas and to pay proper attention to the poorer sections of the rural society, the Government of India had prescribed that 75% of the allocations should be made for programme with direct bearing on agricultural labourers and marginal farmers and 25% poverty. However, in view of limited resources available identification of all unemployed persons was not considered necessary. The Secretary, Rural Development had stated during evidence that 'Micro level data through National Sample Survey' is there. 'Bench Mark Survey is conducted'. In spite of the National Sample Survey and Bench Mark Survey the allocations had been made by the State Governments on *ad hoc* basis. The Committee are surprised that an *ad hoc* approach was adopted in spite of specific recommendations of Estimates

Committee in Para 2.30 of their Thirty-fourth Report namely :

“A lesson.....has to be learnt from the past is that though *ad hoc* or isolated scheme of employment may work well for a short term they cannot sustain for long and are bound to fail to achieve the purpose.”

The 7th Plan document also mentions that “it is not known as to how much of it has been directed towards those who are landless and the poorest amongst the poor. To this extent, the programme has apparently lacked focus on the target group population, for whom it was meant.” It is desirable to have reliable estimates of people in need of employment in different areas of districts and estimated demand for employment during various seasons in a year. The Committee recommended that a system of registering the workers and issuing to them identity cards shall be evolved so that employments provided benefits the poorest of the poor and the Antyodaya approach is followed scrupulously.

[S. No. 4, Appendix-II Para 1.103 of 94th Report of PAC (8th Lok Sabha)]

Action taken

Allocation of resources to the State under NREP is now being done on the basis of giving 50% weightage to the number of agricultural labourers, marginal workers and marginal farmers and 50% weightage to incidence of poverty. The same criteria is being followed in distribution of resources from States to Districts. This criteria is considered to be fair enough for taking care of the normal employment needs in all the districts. Under RIEGP, however, no criteria has been laid down for distribution of resources from the States to districts. The works projects under this programme are to be formulated taking into account the following :

- (i) Work which are needed to be taken up in these areas which have predominant population of landless labourers, scheduled castes and scheduled tribes.
- (ii) Works in these pockets in respect of which persistent complaints are received about the existence of concealed bonded labour.
- (iii) Works in areas which are identified as low wage pockets and
- (iv) Works benefitting women.

It would, therefore, not be correct to say that landless and the poorest among the poor are not being taken care of under these programmes. The Seventh Plan envisages conducting of detailed household surveys of the

rural poor with maximum involvement of the local community. These surveys may have to be accompanied by a process of registration of poor families with the objective of identification of the target group household. The system of registering of workers and issuing them identity cards has been introduced in one block in each state as in experimental measure

[Department of Rural Development O M. No. G-25011/6/87 NREP
dated 29-10-87]

Recommendation

In a number of States, major portion of funds was released by the State Government/Union Territories in the last quarter of the year. Indeed a substantial part thereof was paid during March every year. Even during 1984-85 the expenditure incurred during the first three quarters ranged from 13.3% to 24.04% and during the last quarter it was 43.74%. It is clearly undesirable that such a large percentage of years' expenditure is disbursed in one quarter of the year. The Committee note that quarterly targets have now been fixed for employment generation in each quarter. The Committee hope that the Government would take adequate steps to monitor the achievement with reference to those targets. Only then there will be no rush of expenditure in the last quarter or the last month of the year.

[S. No 8, Appendix-II Para 1.107 of 94th Report of PAC (8th Lok Sabha)]

Action taken

As already explained to the Committee the quarterly targets for employment generation are now being determined for each State/UT. Similar targets for expenditure to be incurred each quarter are also being fixed. Broadly, the targets in the four quarters are 15%, 21%, 24% and 40% respectively. With the adoption of this target the rush of expenditure in the last quarter is avoided to a certain extent. The position in respect of the expenditure incurred and the employment generated during the four quarters of the year 1986-87 is as under :

	Allocation		Employment Generation	
	Target	Expenditure	Target	Achievements
	1	2	3	4
1st				
Quarter 15%	94.20	112.43 (18%)	412.62	1057.47 (38%)

	1	2	3	4
2nd				
Quarter 36%	226.08	284.24 (45%)	990.29	2041.64 (74%)
3rd				
Quarter 60%	376.80	405.45 (65%)	1650.50	2606.64 (95%)
4th				
Quarter 100%	628.00	677.79 (108%)	2750.83	3926.34 (143%)

Partly, the rush of expenditure in the last quarter is because the monthly reports by the States are based on incomplete information received from various districts and the complete reports being sent in the month of March only. Also settlement of bills for material is made at the fag end of the year in many cases even though the works are executed earlier. However, the months of January to March are comparatively lean months of the agricultural activity and maximum employment generation takes place during these months. It may also be stated that in the first and second quarters of the year the implementation of NREP generally remains at low ebb because of the harvesting of crops in the first quarter and heavy rains in the second. The works start picking up in the third quarter only after sowing of agriculture is completed. It may be pointed out that the National Rural Employment Programme is not a regular works programme but it is an employment programme under which the employment generation activities are at their peak in agricultural lean seasons only.

[Department of Rural Development O.M. No. G-25011/6/87 NREP dated 29-10-1987]

Recommendation

According to the guidelines, foodgrain were to be provided at the rate of 1 kg per manday. It was also decided in 1983-84 to subsidise the cost of foodgrains to the extent of 37 to 40 paise per kg. for wheat and rice to be distributed under the programme. The utilisation of foodgrain, however came down sharply from 13.34 lakh MT in 1980-81 to 2.33 lakh MT in 1981-82. It came down further to 1.73 lakh MT in 1982-83 and 1.47 lakh MT in 1983-84 and rose slightly to 1.70 lakh MT in 1984-85. An analysis of the Statewise utilisation of foodgrains revealed that all India per capita utilisation per day was 0.64 kg. (1981-82), 0.45 kg. (1982-83), 0.49 kg. (1983-84) and 0.48 kg. (1984-85). During evidence the Secretary, Rural

Development informed the Committee that all State Governments except Maharashtra who are distributing coarse grains have accepted the rule that not less than 40 per cent of wages should be given in the form of foodgrains. The Committee are of the opinion that keeping in view the comfortable food stocks and the desirability of improving nutritional standard of workers, utilisation of foodgrains under the programme should be stepped up significantly. This would also result in higher real income for the workers as they would also get the benefit of subsidy.

[S. No. 10 Appendix-II para No 1 109 of 94th Report, of PAC (8th Lok Sabha)]

Action taken

Latest guidelines issued on the subject in October '86 provide that not less 50% wages, to the workers engaged under NREP, be paid in the form of foodgrains. The foodgrains are supplied to the workers at subsidised rates. There has been a substantial step up in foodgrains utilisation during 1985-86 and 1986-87. About 5.81 lakh MTs. of foodgrain under NREP and 3.03 lakh MT under RLEGP were utilised totaling to 8.84 lakh MT during 1985-86. During 1986-87 about 12.33 lakh MTs. of foodgrains are reported to have been utilised under NRFP and 8.62 lakh MT under RLEGP. The per capita foodgrains distribution which went down to less than half a kilogram per manday in 1982-83 has gone up to 3 kg. per manday during 1986-87. In the year 1985-86 it was 2 kg. per manday.

[Department of Rural Development O.M. No. G-25011/6/87 NREP dated 29-10-1987]

Recommendation

The Committee also desire that the feasibility of distributing coarse grains, handloom textiles and other items of daily use like pulses and edible oil as a part of payment of their wages should also be examined after ensuring that adequate machinery exists for the purchase, handling and distribution of such items. Such a system would also provide marketing outlets for the products manufactured under IRDP also

[S. No. 11 Appendix II para No. 1.110 of 94th Report of PAC (8th Lok Sabha)]

Action taken

NREP guidelines provide that coarse grains like jawar, bajra, maize and ragi etc., which are popular among the rural poor and the respective States may be utilised under the programme provided the States concerned can procure the same locally. The utilisation of coarse grains can be in

lieu of the FCI foodgrains, States like Maharashtra, Gujarat and Karnataka have been distributing coarse grain procured locally as part of the wages to the workers. Provision has also been made in the guidelines that the State Government may at their discretion supply other commodities such as coarse cloth, edible oil, fuel etc., as part of the wages to the workers.

In the Seventh Plan also it has been mentioned that efforts have been made successfully in some States to distribute other commodities such as sarees as wage payment in kind. Such efforts would be encouraged in other areas also in such manner as to provide encouragement to decentralise production of handloom textile etc.

The position in actual practice, however, is that as the works under the programme are being executed either by the village panchayats or the blocks or the line departments who have no machinery for procuring and distributing the various items like coarse cloth, edible oil etc. the same are not being distributed under the programme except in States like Tripura where locally produced handloom sarees are supplied to the workers in lieu of part of their wages. The whole problem arises for want of adequate machinery for procuring these items and handling them and distributing them. The machinery for this is entirely different. However, the State Governments are being requested to examine whether these articles could also be distributed from now on or atleast with effect from the year 1987-88.

[Department of Rural Development O.M. No. G-25011/6/87 NREP dated 29-10-1987]

Recommendation

Against a total outlay of Rs. 1620 crores provided for the Plan period 1980-85, the actual expenditure under NREP was of the order of Rs. 1843 crores of which component wage outlay was Rs. 981 crores. This outlay was based on the wage rate ranging from Rs. 4.90 to Rs. 6.54 per day. As the agricultural wage rates paid to unskilled worker were already higher the aforesaid targets were obviously un-realistic and the Committee are not fully satisfied about the correctness of figures of achievement of employment actually generated.

According to Ministry's reports of achievements the targets for generation of employment had almost been met during 1980-81 to 1983-84. and more than 300 million mandays' work had been generated in each of these years. However, the Audit has pointed out that against the reported achievement of 2016 lakh mandays the actual number turned out to be 1146

lakh mandays. The Department of Rural Development have admitted that some States were not reporting employment generation properly. Some of the States, viz., Tamil Nadu, Madhya Pradesh, Nagaland have worked out the employment generation figures by dividing the wage expenditure by minimum wage rates prevailing in those States. Officers responsible for manipulating the figures for report should be punished for supplying incorrect data. The Government of India should require the State Governments to maintain authentic record like muster rolls susceptible of verification so that the position of achievement of generation of employment vis-a-vis those targeted is maintained correctly and incorrect information is not supplied by State Governments. The officers indulging in malpractices and manipulation should be punished and reported to the Committee.

[S. No. 14 Appendix II Para No. 1,113 of 94th Report of PAC (8th Lok Sabha)]

Action taken

Employment Generation is not the direct result of allocation alone but it is influenced by other variables like type and nature of works, labour intensity, extent of skilled wages, opportunity cost of employment besides availability of alternate employment to rural labourers. The average wage cost arrived on the basis of Arithmetical mean for country as a whole is not proper indicator to assess the appropriateness of the targets set. These averages conceal interstate variation in wages paid to workers. Some States/UT's have over achieved their targets as a result of taking more and more labour intensive works and relatively smaller number of capital intensive works. In these States the wage expenditure has gone upto 65% to 70% of the total expenditure. Additional funds were also provided to those States/UT's on the basis of their performance and availability of funds. It may also be mentioned that against the original outlay of Rs. 1620 crores for Sixth Plan period, the actual expenditure under NREP during the plan period was of the order of Rs. 1843 crores.

Some States could not achieve the targets fully due to the reasons which include taking up of capital intensive works, flood, drought and other climatic conditions. If such things occur in major states, national performance is significantly altered. Precisely, this was the cause for 6% shortfall in achievement during 1983-84. In all other years the percentage achievement was cent-percent or above the target.

Field visits to a number of States revealed that some States were not reporting employment generation properly. As a general policy, this department has been advising the State Governments to compute the figures of employment generation on the basis of muster-rolls maintained

for work and not on any rough basis as indicated in the case of Tamil Nadu, Madhya Pradesh, Nagaland etc. where the employment generation was being worked out by dividing the wage expenditure by minimum wage rate. In some States, where the payment had been made on piece rate basis, the payments actually made to the workers were less than the minimum agricultural wages although employment had been reported on the basis of minimum agricultural wages. It would thus be seen that if some margin is given to over-reporting, the payment of less wages on the basis of outturn of work will offset the over reporting as such. The revised guidelines now provide for compilation of employment figures strictly on the basis of muster-rolls which will also bear a certificate by the officers maintaining the muster-rolls indicating the employment generated for SC/ST, landless labourers, women and the total employment generated. It has also been emphasized that wages should be paid either on piece rate basis or time rate basis whichever is notified under Minimum wages Act and muster-rolls should be prepared accordingly. It is therefore, expected that in future the employment generation reports will be in accordance with the muster-rolls. All the same, observation made by the committee in this regard have also been brought to the notice of all the States/UT's for compliance.

[Department of Rural Development O.M. No. G-25011/6/87-NREP dt. 29.10.1987].

Recommendation

There were also inordinate delays ranging from one month to two years in 11 States and one Union Territory in making payment of wages. The Committee urge the Government to ensure that payment to workers are made weekly or fortnightly and dilatory tactics are not adopted.

[S.No. 17 Appendix II Para No. 1.116 of 94th Report of PAC (8th Lok Sabha)]

Action taken

To overcome this problem, specific provision has been made in the guideline that the wages to the workers should be paid every week and there should be no delay beyond this except at the option of the workers and in latter case for not more than fifteen days. Whenever the question of delayed payments comes to notice, the State Government is asked to settle the issue without further delays and to arrange the payment of wages as per the provision of the guidelines.

[Department of Rural Development O.M. No. G-25011/6/87-NREP dt. 29.10.1987]]

Recommendation

On of the basic objectives of the programme was to create durable community assets for strengthening the rural infrastructure for rapid

growth of rural economy. The Committee would like to be apprised of the implementation of the new guidelines issued by the Government relating to the creation of assets.

[(S. No. 19 Appendix II Para No. 1.118 of 94th Report of PAC (8th Lok Sabha)].

Action taken

The new guidelines issued on the subject emphasise that works taken up under the programme should be of durable nature and should meet appropriate technical standards and specifications. The State Government should in consultation with technical expert lay down minimum technical standard and specifications for different types of works generally executed in the State under this programme. By and large all the assets are now being made durable although in case of some of the works it is not possible to make them durable during the same year.

]Department of Rural Development O.M. No. G 2501 /6/87-NREP dt. 29.10.1257].

Recommendation

The Committee find that whereas the NREP guidelines emphasised the need for maintenance of proper records of all the assets created, executing agencies in Haryana, Jammu & Kashmir and Rajasthan were not maintaining any consolidated records which could show the details of all the assets created. In the absence of such records it is not possible to conduct physical verification of the assets. This is a serious matter and requires immediate attention. The reasons for not carrying out physical verification in Jammu & Kashmir and Uttar Pradesh in spite of repeated instructions need to be explained to the Committee. The Committee would like to know if the Register of Assets created under the programme is being maintained by the States/Union Territories.

[S.No. 20 Appendix-II Para No. 1.119 of 94th Report of PAC (8th Lok Sabha)].

Action taken

Guidelines issued on the programme emphasise that each village panchayat and block/district should have complete inventory of the assets created under the programme giving details the date of start and date of completion of the project, cost involved, benefits obtained, employment generated and other relevant particulars.

The comments received from the Government of Uttar Pradesh, Haryana and Rajasthan indicate that they have already taken necessary action for proper maintenance of register of assets.

Government of Uttar Pradesh have intimated that the assets created

under National Rural Employment Programme (NREP) were entered in the Register of the concerned departments as a normal practice 10% of these assets were being regularly verified by the next higher supervising officer. A similar procedure upto the highest level officer is being followed. Hence verification of NREP assets was in fact done even though no specific register may have been maintained by the executing agencies.

As regards Jammu and Kashmir, the State Government have intimated that the physical verification of assets has been suggested to be got done through agencies other than block and for this purpose the services of village functionaries are to be utilised. Necessary instructions have also been issued for maintenance of the register for assets created under N.R.E.P.

[Department of Rural Development O.M. No. G. 25011/6/87-NREP dt. 29.10 1987)].

Recommendation

The Committee also note from the Audit paragraph that physical monitoring through field inspections by various officers at State Head Quarters, District, Sub-divisional and block levels was prescribed in the guidelines on NREP. A Schedule of inspection for each supervisory level was to be drawn up by the State Governments. It is disquieting to find that in 15 out of 25 States/Union Territories, these requirements were not complied with. The Committee urge the Government to ensure (a) that administrative apparatus responsible for implementing the scheme is developed and strengthened; (b) that necessary inspection and vigilance machinery is intensified by prescribing surprise checks; (c) that training and motivating the concerned staff is undertaken so that they realise this, feel responsibility and are able to make effective contribution to nation building activities. The Committee need scarcely emphasise that the staff employed for carrying out these activities is not transferred frequently.

[S.No. 21 Appendix-II Para-1. 120 of 94th Report of PAC (8th Lok Sabha)].

Action taken

The advice of the Committee has been noted. The States Govts /UT's Admns. in turn have been requested to follow the provisions made in the guidelines in this regard strictly. A copy of instructions issued by this Department vide letter no. G. 25011/9/85-NREP, dated 28.7.1987 is at Annexures-III.

[Department of Rural Development, O. M. No. G. 25011/7/87-NREP dt. 29.10.1987).]

ANNEXURE—III

No. G-25011/9/85-NREP
 Government of India
 Ministry of Agriculture
 Deptt. of Rural Development

Krishi Bhavan, New Delhi
 Dated the 28th July, 1987

To

The Secretary
 Incharge of NREP (All States/UTs)

SUBJECT : 94th report of the Public Accounts Committee containing recommendations/observations on para 5 of Report of C&AG of India, Union Government (Civil) relating to National Rural Employment Programme.

Sir,

I am directed to send herewith a copy of the recommendations/observations contained in 94th Report of the Public Accounts Committee on para 5 of the C&AG of India, Union Government (Civil) relating to National Rural Employment Programme. Your special attentions is invited to recommendation No. 1-105, 1-106, 1-111, 1-113, 1-120, 1-123 and 1-124 of the report and the observation made therein. I am to request you that action in respect of these observation may be taken as indicated below :

1. *Diversion of funds* : In regard to the cases where diversion of funds as pointed out by audit was established, it was requested that the amount of funds diverted should be recouped to NREP account. It may please be indicated whether the amount in question has been recouped or not. If it is not done by September, 1987, necessary deduction would be made from the releases of the second instalment.

It may also be checked up whether there are similar instances subsequent to the detection of above mentioned irregularities. In respect of such cases also, similar steps be taken as outlined above. A certificate may be recorded and made available to Govt. of India that all such cases upto a particular date have been settled as indicated above. Instructions may be issued (with a copy to Government of India) that such violations will be treated sternly in future.

2. *Blocking and Misappropriation of funds :*

The PAC have observed that the cases mentioned in sub-para of 5.4.3.2. and 5.4.4 of the Audit paragraph relating to blocking of funds and mis-appropriation of fund in various states indicate lack of adequate control by supervisory officers. The Committee has now desired that those cases may be gone into thoroughly in conjunction with audit and the cases where guilt is clearly established, punitive action should be taken.

States Governments are, therefore, advised to examine the cases where blocking and misappropriation of funds as pointed out by Audit are established, fix the responsibility and take punitive action under intimation to the Government of India by the 30th September, 1987.

3. *Distribution of foodgrains :*

The PAC has desired that the Health Department of respective department should be advised to take samples of foodgrains from time to time to ensure that the foodgrains supplied to workers are prescribed quality and safe for human consumption. The requirement of the Committee may kindly be complied with and necessary instructions may be issued to all concerned.

4. *Maintenance of Records :*

The PAC have observed that the Government of India should require the State Government to maintain authentic record like muster rolls susceptible of verification so that the position of achievement of employment generation *vis-a-vis* target is maintained correctly and incorrect information is not supplied. The officers indulging in malpractices and manipulation should be punished and reported to the Committee.

The revised guidelines also provide for compilation of employment figures strictly on the basis of muster rolls which will also bear a certificate by the Officers maintaining the muster rolls indicating the employment generated for SC/ST, landless labourers, women and the total employment generated. The employment generation reports have naturally to be in accordance with the muster rolls. Accordingly, the observation of the Committee may be complied with and officers indulging in malpractices and manipulation should be duly punished. The report in this regard may be furnished after examining the cases of misreporting.

5. *Schedule for Inspection of Works :*

The Committee has observed that the requirement of physical monitoring through field inspections by various officers at State/District/Block level etc. as prescribed in the guidelines are not complied with. It has, therefore, been urged that it should be ensured

- (a) that administrative apparatus responsible for implementing the scheme is developed and strengthened;
- (b) that necessary inspection and vigilance machinery is intensified by prescribing surprise checks;
- (c) that training and motivating the concerned staff is undertaken so that they realise this, feel responsibility and are able to make effective contribution to nation building activities.

The Committee have advised that the staff employed carrying out these activities should not be transferred frequently.

It is requested that the provision made in the guidelines in this regard may be followed strictly and the observation of the Committee in regard to the frequent transfers of the staff may also be complied with.

6. *Execution of works :*

According to NREP guidelines no works outside the Annual Action Plan for the district should be taken up under NREP. The Committee observed a number of instances when the instructions in this regard were not followed. It has been suggested that suitable measures should be taken to ensure that the system provided should be followed and not flouted. It is requested that the provision in this regard is strictly adhered to and the violation of the same should be avoided at all costs.

7. *Preparation of Technical Manual :*

As per the provisions in the guidelines, the State Govts/UT Adms. have to prepare technical manual/guide books for ensuring quality of assets created under the programme. The manual containing the guidelines of NREP/RLEGP issued by the Centre *inter-alia* contains the instructions for construction of rural roads, houses for SCs/STs and free bounded labourers and for construction of school buildings and sanitary latrines etc.

It is however, necessary that technical guidelines in respect of

various other works may be issued by the State Government. In fact, it would be desirable that a fresh manual be issued at the State level in local languages covering all the works.

I am to request that necessary action as indicated above may kindly be taken and the other recommendations of the audit may also be complied with and action taken report may be furnished to this Department at an early date.

Yours faithfully,

Sd/-

(N.P. SINGH)

Deputy Secretary to the Govt. of India

Recommendation

The Committee observe from the Audit report that quite a sizeable volume of assets created had gone into disuse because they were inefficiently maintained. The Committee are distressed to see such lack of foresight as to overlook the vital necessity of seeing to it that adequate arrangements were made for maintaining the assets once created in efficient working condition. The Committee would, therefore, recommend that alongwith planning for works under NREP, suitable machinery should invariably be devised for taking over and maintaining the assets created. It was explained to the Committee that due to want of funds the States have not been able to do so. The maintenance of the assets created under the scheme should be made the responsibility of the State Governments and it should be made a pre-condition for releasing funds that States must provide for funds necessary for maintenance of the assets created under NREP. The Committee are happy to note that the working Group on Seventh Plan Set up by the Planning Commission has recommended that 5 per cent of the allocation provided under the Programme should be utilised for the maintenance of the assets.

[S. No. 22 Appendix-II Para-1.121 of 94th Report of PAC
(8th Lok Sabha)]

Action Taken

Programme guidelines emphasise that State Government should make adequate arrangements for maintenance of assets created under the programme. The assets created under the programme and concerning the line Department should be taken over by the concerned regular Departments of the State Government and should also be maintained by these departments. Necessary allocations for this purpose should be made in the State

Budget in different sectors and detailed instructions issued by the State Government. The maintenance of the assets for which maintenance funds are not ordinarily available, will be the responsibility of the DRDAs. For the maintenance of these assets, funds up to 10% of the allocation under NREP for the District could be utilised.

For this purpose a complete survey of all the assets created under NREP/RLEGP upto date will be undertaken by the DRDA with a view to ascertaining the arrangements for maintenance of these assets. The assets created under the programmes and which have been taken over by the regular department/corporation/agency of the Government and which will be maintained out of the budgeted funds of these departments/corporation/agencies will be placed at list 'A'. The assets relating to sectors for which maintenance funds and systems are not available in the normal course and which have to be looked after by DRDA will be included in list 'B'. During this the periodical maintenance requirement of assets placed in list 'B' will also be worked out. These lists will be annually updated by inclusion of new assets which may have been created subsequent to the earlier survey.

Taking into account the above survey, an Annual Maintenance Plan for the district for assets included in list 'B' during the survey will be prepared. This annual maintenance plan for the district will be limited to 10 percent of the District allocation for NREP. This plan will be implemented after obtaining approval of state RLEGP Project Approval Board.

[Department of Rural Development O.M. No. G. 25011/6/87-NREP,
dt. 29.10.1987]

Recommendation

The Committee learn that the Ministry of Rural Development had stressed in August 1985 that no works outside the shelves should be taken up. Yet it was found during test check in Audit that works worth Rs. 227.22 lakhs not included in the shelves of projects were undertaken for execution in the States of Rajasthan, Gujrat and Tamil Nadu. Similarly, in Sikkim 22 schemes out of 45 schemes sanctioned in 1982-84 were not included in shelves of projects whereas in Tamil Nadu works valuing Rs. 3.03 lakhs, not included in the annual action plan, were undertaken for execution. Suitable measures should be devised to ensure that the system provided is strictly followed and not flouted.

S. No. 24 Appendix-II Para-1.123 of 94th Report of PAC (8th Lok Sabha)]

Action taken

Guidelines specifically lay down that no works outside the Annual Action Plan for the district should be taken up under NREP. A certificate is also taken from the State Govt. at the time of release of 11nd instalment that the basic norms laid down for implementation of the programme are being adhered to. Instructions have been issued again to emphasis that this provision should in no case be violated. (Annexure. III)*

[Department of Rural Development O.M.No. G-25011/6/87-NREP
dt. 29.10.1987]

Recommendation

It is disquieting to find that out of 31 States/Union Territories, only four States(Bihar, Haryana, Madhya Pradesh and West Bengai)had brought out the technical guidelines so far. It is not understood as to how in the absence of technical mannual/guidebook in the local language it was possible to ascertain that the assets created were of proper quality. Standardised technical mannual/guidebooks should be prepared at the Central level and translated in local languages at an early date so that the quality of assets created under the programme may be of the right quality. [(S.No.25Appendix-II Para-1.)24 of 94th Report of PAC (8th Lok Sabha)].

Action taken

The manual containing the guidelines on NREP/RLEGP *inter-alia* contains the instructions for constructions of rural roads, houses for SCs/STs and freed bounded labourers and for construction of school buildings and sanitary latrine etc. State Governments/Union Territories Admn. have been requested to bring out separately technical manuals/guidebooks in local languages for various types of works taken up under the programme.

[Department of Rural Development. O.M.No.G-25011/6/87-NREP
dt. 29.10.1987]].

Recommendation

In their report on Food for Works Programme, the Committee on Programme Evaluation Organisation (PEO) of the Planning Commission had pointed out in December 1979 several shortcomings after making a quik appraisal study in 10 States (2 districts each; 2 blocks per district) out of 31 States/Union Territories. The PEO had found it necessary to undertake further in depth studies covering all States. In the absence of proper evaluation of the implementation of the programme, it is not clear how Food for works Programme was revamped and the Ministry satisfied themselves about proper utilisation of funds provided and achievement of the objectives. The Committee would like to be apprised of the reasons

*See Annexure attached to action taken note to Para 1.120 of this Chapter.

for not conducting the evaluation studies. Unless there is concurrent evaluation of the scheme it cannot be successfully monitored and its progress cannot be watched. The findings of the study conducted by the PEO may be intimated to the Committee alongwith the action taken by the Government. The Committee also urge upon the Government to undertake further in-depth studies in the remaining States/Union Territories. [S.No. 27 Appendix-II Para,1. 126 of 94th Report of PAC(8th Lok Sabha)]

Action taken

The Programme Evaluation Organisation of the Planning Commission were entrusted with conducting of evaluation studies under NREP, as far back as in 1982-83. The draft Report of the Evaluation studies conducted by the PEO in eleven States has since become available. The summary of the findings of the PEO study are at annexure VI. These are being examined. Evaluation studies have also been conducted through independent reputed institutions in Madhya Pradesh, Bihar, Haryana Orissa and Tamil Nadu. Similar studies are also proposed to be conducted in case of Andhra Pradesh, Himachal Pradesh, Uttar Pradesh Hills and Karnataka. Some of the State Governments have also conducted such evaluation studies either through their own organisations or through independent institutions. Besides the evaluation studies as mentioned above a system of concurrent evaluation in implementation of NREP is being introduced from the current year i.e. 1987-88.

[Department of Rural Development O.M.NO. G. 25011/6/87-NREP dt. 29 10 1987)]

ANNEXURE-VI

The P.E.O. of Planning Commission undertook an Evaluation study of NREP in 11 States covering 22 districts, 44 blocks and 132 villages. In Bihar and Orissa the study was conducted to examine the implementation process of NREP. In rest of the 9 States (viz. Gujarat, Jammu & Kashmir, Karnataka Kerala, Punjab, Rajasthan, Tripura, U.P. and West Bengal) a sample of 1080 beneficiaries were selected of which 984 could be canvassed. The basis objectives of the study are.

- (a) to examine the extent of additional employment generation, changes in income level of beneficiaries.
- (b) contribution of NREP to SC/ST and social forestry sector;
- (c) durability of community assets in covering productive potential and economic infrastructure;
- (d) effectiveness of administrative set up at State DRDAs level and;

(e) Perception/reactions involvement of beneficiaries and difficulties in implementation of programme.

The study adopted a methodology whereby best performance and poor performance districts in the State were selected in terms of employment generation. Blocks were selected on the basis of employment generation and SC/ST population. Three villages in each Block were selected on the basis of employment generation.

Major finding of the study are summarised below:-

- (1) During the reference period of the study (1981-82 and 1982-83), the SLC meetings were not held regularly as stipulated under the guidelines. The States were not serious in holding these meetings. No proper arrangements exist for the maintenance of records and no special efforts have been made to build up necessary statistical data. Even available statistical information is not put to use for proper planning at the district and State level.
- (3) In 1981-82 except Gujarat, Kerala and Rajasthan none of the selecte states have prepared shelf of projects. These were not available even for 1983-84 for Punjab, Tripura and West Bengal No priority has been accorded in indentification of works under the programme.
- (4) Involvement of the beneficiaries in planning and selection of the projects was minimum. Barring 17% of the beneficiaries who stated that they were involved in planning and selection of works the remaining were not involved. In States of Karnataka and U.P. the beneficiaries reported participation.
- (5) The socio-economic profiles of the selected beneficiaries indicate that 44% were agricultural labourers, 29% were non-agricultural labourers, 8% were small farmers, 6% marginal farmers and remaining 13% were engaged in other occupations. Of the total sample, 49% were SCs/STs 21% belong to other backward classes. Women accounted for 17%. The socio-economic status of the braficiaries indicate that the benefits of the programme were by and large going to the categories for whom the programme is intended.
- (6) She BDs and VPWs do not play any significant role in dissemoi-nating information about NREP. 60% of the sample beneficiaries come to now about NREP works through Panchaynts and 13% through friends. About 15% of the beneficiaries got themselves

registered for employment on NREP works and the system of registration was reported in Karnataka and Tripura.

- (7) 87% of the beneficiaries got work within their village and 9% got both inside and outside the village. 4% got only outside their villages and some of them were required to walk a distance of over 5 km.
- (8) The study revealed that the predominant source of employment for the beneficiaries were non NREP works. Thus NREP had, in general, some supplementary and additional employment opportunities. The volume of employment opportunities made available to NREP works varied widely and an even between selected districts within the State.
- (9) The average share of employment under NREP during 1982-83 for sample household was 21.6%.
- (10) Considering the focus of NREP being on providing additional employment in rural areas mainly during lean months of the year it could be reasonably concluded that the work of the programme by and large was meeting these objectives.
- (11) About 80% of the total employment under NREP during 1982-83 was shared by SC/ST and backward classes who accounted for 72% of the sample size.
- (12) The share of agriculture labour in employment during 1982-83 was about 79%.
- (13) The schemes benefitting SCs/STs were not taken up by most of the selected states at least in the initial years of the programme. In 1982-83 such schemes were taken up in the selected villages only in Kerala and West Bengal.
- (14) Construction of rural roads were taken up predominantly in the sample villages.
- (15) In all the selected states there was an increase in total wage income of beneficiaries also during 1982-83 as compared to the year prior to NREP. Wage income from NREP was 23% of average wage income of the household.
- (16) Wages paid under NREP by and large was that of minimum agriculture wage rates fixed by the States or by district administration in the sample areas except in Kerala, Punjab and West

Bengal. In Kerala the actual wages paid under NREP was higher than minimum wages. On the other hand wages paid under NREP were lower in West Bengal, Gurdaspur district of Punjab and Bikaner district of Rajasthan. In Kerala, some times muster rolls records were inflated to adjust for higher payment than minimum wages.

- (17) About 65% of the beneficiaries received wages partly in cash and partly in foodgrains and the rest were paid in cash only. About 27% of the beneficiaries preferred entire wages in cash and on the other hand about 7% wanted the entire payment to be in foodgrains.
- (18) The periodicity of payment of wages were basically weekly.

Recommendation

The Committee would like to make one general recommendation relating to all rural development programmes viz. IRDP, NREP, Drought Prone Area, RLEGP etc. that there should be monitoring cell in each state. [S.No. 29 Appendix-II Para-1.128 of 94th Report of PAC(8th Lok Sabha)].

Action taken

Instruction were issued as far as back on 19.8.1981 to all the States/UTs. for setting up monitoring cell in the DRDA's for monitoring the implementation of IRDP (Integrated Rural Development Programme). As a result of it monitoring cells have been created in the most of the States. This monitoring cell has also been made responsible for monitoring the Implementation of NREP/RLEGP. The need for proper monitoring of such development programme has also been emphasised in the guidelines and it is being impressed upon the State government every now and then. [Department of Rural Development . O.M.No.G. 25011/6/87-NREP dt. 29.10.1987)].

CHAPTER III

RECOMMENDATIONS AND OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES RECEIVED FROM GOVERNMENT

Recommendation

The Committee note from the guidelines issued in March 1981 that the payment of wages was to be made at rates not exceeding the minimum agricultural wage prescribed for the area. It is noticed from the Audit Paragraph that higher rates of wages had been paid in Mizoram, Nagaland, Dadra and Nagar Haveli. Similarly, against the minimum agricultural wages fixed for the area of employment it was noticed that there was either no uniform practice or the rates paid were lower than the minimum. The Committee hope that with the issuance of new guidelines there would not be any more cases of payment of wages at rates other than prescribed under the Minimum Wage Act.

[S. No. 16, Appendix II Para No. 1.115 of 94th Report of PAC (8th Lok Sabha)]

Action Taken

NREP Guidelines clearly provided that the payment of wages to workers under the programme should be made in accordance with the minimum agricultural wages fixed for different regions/areas. In case the State Government notify under Minimum Wages Act payment of wages can also made on the basis of piece rates, which sometime may amount to payment of less wages than the daily minimum agricultural wage rate if the out turn of works comes to less than prescribed norm. In regard to payment of wages at higher rates in Mizoram, Nagaland and Dadra & Nagar Haveli under 1983-84, it may be stated that in case of Mizoram, the U.T. Admn. have informed that no Minimum wages having been fixed in the Union Territory the wages to workers under NREP were being paid at the rate of Rs. 10.00 per day which had been fixed by the local PWD for unskilled workers for similar type of work. In case of Dadra & Nagar Haveli, the UT Admn. has reported that at no time the workers were paid higher wages upto Rs. 20.00 per day during 1982-83. In the case of Nagaland there is some fallacy in reporting because although the expenditure incurred during 1981-82 was reported, the employment generation was

reported subsequently during 1982-83. As a result, the average wage rate during 1981-82 was very high and during 1982-83 it works out to Rs. 6.62 only which is much below the minimum wage. The State Government have now stated that since 1984-85 the minimum wages have been fixed at Rs. 15/- per day and the same is being strictly adhered to.

[Department of Rural Development O.M. No. G-25011/6/87-NREP
dt. 29.10.1987]

Recommendation

The NREP Committee at the Centre which had the responsibility of providing over all guidance and undertaking continuous monitoring of the programme met only once in 1980-81, 4 times in 1982-83, 6 times in 1983-84 and 8 times in 1984-85. During 1981-82, it did not meet at all. Similarly, the State Level Steering Committee, headed either by Chief Minister or Minister-in-Charge of Rural Development and Panchayats were required to meet regularly, at least once in 3 months, to make a detailed review of the programme with particular reference to the speed, execution and quality of works and other allied matter. The Committee are concerned to note from the audit paragraph that in 12 States/Union territories, out of 25 tests checked, the number of meetings of these committees varied from one to two during the whole period from 1981-82 to 1983-84. In this connection the Department of Rural Development have stated that in case, in any State such meetings are not held on regular basis, the attention of the concerned State/Union Territory is drawn towards this. In addition to the review made by the State Level Coordination Committee in their meetings, the implementation of the programme is monitored at the State level through the monthly and quarterly Reports. The monthly and quarterly progress reports are to be submitted by the 10th of the following month and 25th of the month following the quarter. However, the Committee note that there had been delay in submission of monthly reports ranging from 2 to 14 months in 1980-81, 1 to 12 in 1983-84 and in the case of quarterly report it was 1 to 13 months in 1981-82 and 1982-83 and 1 to 7 months in 1983-84. The Committee fail to understand as to how the implementation of the programme is being monitored at the State level without receipt of monthly and quarterly reports in time. The Committee would like to know the mechanism in vogue for verifying the reliability of the monthly and quarterly reports. They need hardly emphasise that monthly and quarterly reports should be submitted on the due dates for ensuring the proper monitoring of the programme.

[S. No. 26 Appendix-II Para 1.125 of 94th Report of PAC (8th Lok Sabha)]

Action taken

The meetings of the State Level Coordination Committee are now being held in most of the States at more or less regular intervals. In case such meetings are not held on regular basis in any of the State their attention is drawn towards this and they are asked to hold the meetings in time. In addition to the review made by the State Level Coordination Committee in their meetings, the implementation of the programme is monitored through the monthly and quarterly reports which are being submitted by the District authorities to the State Governments on a regular basis. There were some delays in submission of the reports and returns by different States/UTs. as pointed out by audit in their report. The reporting gaps have however, now been reduced. For the year 1986-87 the position of monthly and quarterly reports is indicated in the Annexure at Sl. No. V.

Under NREP the works are executed all over a country including the interior villages. It, therefore, poses a little problem in collecting information from all execution agencies in time. Moreover, in many cases the village panchayats who have no staff for maintaining the accounts etc. are involved in execution of works. Because of these factors, some of the reports get delayed. However, with the inclusion of the programme in the 20-Point Programme, the submission of monthly and quarterly progress reports has improved considerably and there are only limited States/UTs. where delays are taking place. Whenever, there is any delay in submission of the reports, this is immediately brought to the notice of the concerned States/UTs. Submission of monthly/quarterly reports is also one of the essential conditions for release of funds. This has also helped in timely submission of the reports. NREP has a comprehensive monitoring system which uses many key indicators to check the correctness of reporting employment, cash funds/foodgrains utilisation and physical assets created as well as to evaluate the performance, the reliability of the information supplied through Monthly Progress Reports and Quarterly Progress reports are subject to consistency test. These are cross checked with Annual reports which give district wise details. NREP has computerised management information system at the Central level and the aggregate of the Monthly progress reports should tally with the quarterly progress reports of March and aggregate to district-wise Annual reports. The discrepancies noted are taken up with the State Government.

[Department of Rural Development O.M. No. G. 25011/6/87-NREP
dt. 29.10.1987]]

ANNEXURE-V

Position of Monthly and Quarterly report for the year 1986-87 in respect of NREP.

S. No.	State/ U.T.	Monthly progress Reports										Quarterly progress Report					
		4/86	5/86	6/86	7/86	8/86	9/86	10/86	11/86	12/86	1/87	2/87	3/87	QE. 6/86	QE. 9/86	QE. 12/86	QE. 3/87
1.	Andhra Pradesh												R	R	R	R	R
2.	Arunachal Pr.												R	R	R	R	R
3.	Assam												R	R	R	NR	NR
4.	Bihar												R	R	R	NR	NR
5.	Gujarat												R	R	R	R	NR
6.	Haryana												R	R	R	R	R(inco mplete
7.	Himachal Prd.												R	R	R	R	NR
8.	Jammu & Kashmir												R	R	R	R	NR
9.	Karnataka												R	R	R	R	R
10.	Kerala												R	R	R	R	R
11.	Madhya Pradesh												R	R	R	R	NR
12.	Maharashtra												R	R	R	R	NR
13.	Manipur												NR	R	NR	NR	NR
14.	Meghalaya												R	R	R	R	R
15.	Mizoram												R	R	R	R	R
16.	Nagaland												R	R	R	R	R
17.	Orissa												R	R	R	R	R
18.	Punjab												R	R	R	R	R
19.	Rajasthan												R	R	R	R	R
20.	Sikkim												R	R	R	R	NR
21.	Tamil Nadu												R	R	R	R	R
22.	Tripura												R	R	R	R	R

23.	Uttar Pradesh	--RECEIVED						
24.	West Bengal	--RECEIVED						
25.	A&N Island	--RECEIVED						
26.	Chandigarh	--RECEIVED						
27.	D & N Haveli	--RECEIVED						
28.	Delhi	--RECEIVED						
29.	Goa. Daman & Diu	--RECEIVED						
30.	Lakshadweep	--RECEIVED						
31.	Pondicherry	--RECEIVED						

All India

NR—Not Received

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Recommendation

The Committee also view that there should be some sort of specialised treatment for implementation of rural employment programme which is so vital for uplifting the poverty level of persons of rural areas. Any breach or misuse or misappropriation of funds in the implementation of NRE Programme should be treated as severely as in the case of economic offences for which there is special enactment like Essential Commodities Act. The Committee would urge the Government to consider this question urgently and would also like to be apprised of further developments in this regard.

[S. No. 28 Appendix-II Para-1.127 of 94th Report of PAC (8th Lok Sabha)]

Action taken

The NREP is being implemented by the State Governments as a Centrally sponsored scheme on 50:50 sharing basis. Monitoring of the implementation of the programme and ensuring that the resources given under the programme are utilised properly is mainly the responsibility of the State Governments. As regards the question of provision for specialised treatment of the rural employment programme for treating any breach or misuse or misappropriation of funds in implementation of the programme severely as in the case of economic offenders for which there are special enactments Acts like Essential Commodities Act, it may be stated that standards for financial propriety and vigilance etc. for proper utilisation of resources under various works programmes including rural employment programmes have to be common. The departmental rules are tight enough to deal with any incidence of breach or misuse or misappropriation of funds under NREP as well as other programmes. More than the legal enactments, the effective means of ensuring is the public opinion and involvement of people in implementation of the programme. This is why the emphasis under this programme has all along been on selection and execution of works by the village community and banning of engagement of contractors. The Members of Parliament and the Members of Legislative Assembly have also been involved as members of the DRDAS which is responsible for planning, coordination & monitoring etc. of the programme.

[Department of Rural Development O.M. No. G. 25011/6/87-NREP dt. 29-10-87]

CHAPTER IV

RECOMMENDATIONS AND OBSERVATIONS THE REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation

A number of schemes like Rural Manpower Programme, Crash Scheme for Rural Employment Programme, Food for Works Programme etc. have been launched in the past with a view to eradicating rural un-employment. It is to be regretted that these schemes have not been successful in making any significant dent on the unemployment situation in rural areas.

[Sl. No. 1. Appendix II Para No. 1.100 of 94th Report of PAC (8th Lok Sabha)]

Action taken

Government strategy for removal of un-employment/under employment in the rural areas consists of accelerating growth in rural sector and expanding employment opportunities through programmes for identified target group such as IRDP, NREP, RELGP and TRYSEM. Taking into account the seasonal and low productivity rate of employment in rural areas, the package of poverty alleviation programmes implemented by the Govt. aims at providing self-employment and wage employment to the poorer sections in the rural areas.

NREP/RLEGP aim at generating additional employment opportunities for the unemployed/under-employed in the rural areas. During Sixth Plan employment generation under these programmes has been of the order of 2035.36 million mandays. Against the target of generating 980 million mandays of employment for the first two years of the Seventh Plan, the reported employment generation is 1251.14 million mandays. Target of employment generation for the 7th Five Year Plan is about 2500 million mandays. Achievements during the first two years of the 7th Plan indicates that this target will be over-achieved at the end of the plan period.

[Department of Rural Development O.M. No. G. 25011/6/87-NREP
dt. 29.10.1987]

Recommendation

Besides NREP and RLEGP, area development Programmes like Drought Prone Area Development Programme are also being implemented in areas affected by drought and under these programmes also employment opportunities are created. The IRDP continues to provide the main thrust for alleviating rural poverty in the Seventh Plan. The Committee feel that an integrated and concerted approach to the implementation of all these schemes is imperative if opportunities for employment are to be maximised. The Committee feel that it would be advisable to have family-wise planning for families living below poverty line. The linkage of IRDP with other anti-poverty rural programmes must be clearly established. The NREP should be recognised as the first step for providing livelihood to people who are destitute and have no resources. The ultimate aim of all these programmes should be to make it possible for more and more people to take up ventures of self-employment or wage employment. Employment must be reasonably remunerative besides being productive. There is an urgent necessity for undertaking a comprehensive economic survey of rural areas to identify people living below the poverty line. The Committee have made recommendation in its Report on IRDP that it is imperative that all allied programmes and activities and the infrastructure required for effective implementation of the all such programmes are integrated and brought under one Ministry to avoid overlapping and ensuring effective control over these programmes. These must be an integral part of a single development plan formulated by a single Development Authority and for whose effective implementation a single authority shall be made responsible and accountable. This would make it possible for beneficiaries to obtain adequate assistance to enable them to cross the poverty line at one go and in a lasting manner.

[(Sl. No. 3 Appendix-II Para No. 1.102 of 94th Report of PAC (8th Lok Sabha)]

Action taken

NREP guidelines specifically provide that while preparing the shelf of projects, it is necessary to establish suitable linkage with other rural development programmes such as Minimum need programme, Desert Development Programme, Drought Prone Areas Programme and Integrated Rural Development Programme. To achieve the best results execution of works under NREP in conjunction with works to be taken up by other Department is absolutely essential. This aspect is being given due emphasis and states are being advised to implement various rural development programmes in close coordination with each other. District

Rural Development Agencies set up at district level have been made responsible for implementation, coordination and monitoring of all the important rural development programmes.

The seventh Five Year Plan envisages that there should be an integrated package of benefits under the programmes connected with poverty alleviation and raising the level of living of the poor such as the NREP, RLEGP, IRDP and MNP. While it is agreed that there should be an integrated approach to the development of rural poor and there should be no overlapping, a very, wide definition of rural development would obscure the ultimate objective of IRDP i.e. to assist the poorest of the poor. If a single Ministry is to be made responsible for so many aspects of development of the rural areas, it will become unwieldy. The focus will shift from assisting directly the rural poor to take advantage of the infrastructure available and to benefit from the assistance given individually by way of an asset to take up self-employment to one of ensuring over-all growth of the rural areas. Past experience has shown that growth oriented programmes did not trickle down to the poorest. Therefore, the strategy of a direct attack on poverty was evolved so as to by-pass the normal market mechanism and have the delivery system reach out directly to the poorest through programme like IRDP.

Infrastructure development is essential for assisting the rural poor, but it must be ensured by the different departments engaged in rural development. It is not possible for a single Ministry of agency at the field level to do this. Individual Deptt. could be made to allocate or earmark funds for providing infrastructure in support of IRDP.

Regarding the preparation of a single development plan it may be stated that the Working Group on district planning and the G.V.K. Rao Committee have recommended the preparation of district development plans in an integrated manner. Whereas action on the recommendation of the Working Group on District Planning is being taken in a phased manner, final decisions on the recommendation of G.V.K. Rao Committee are yet to be taken.

[Department of Rural Development O.M. No. G-25011/6/87—NREP
dt. 29.10.1987]

Recommendation

A test check by Audit has revealed that more than Rs. 3.792 lakhs were utilised on the schemes and purposes outside the scope of the programme. Such cases of diversions were not pointed out during the

meetings of the State Level Standing Committee which were usually attended by a representative of the Department of Rural Development. The Governments of Andhra Pradesh, Bihar, Kerala, Uttar Pradesh, West Bengal Rajasthan and Pondicherry Administration have not given their observations to audit's criticism. However, the Ministry of Rural Development after examining the replies of the remaining States/Union Territories, found that a sum of Rs. 316.85 lakhs was spent within the scope of the programme and there was diversion of funds in Himachal Pradesh, Punjab Sikkim and Tamil Nadu to the extent of Rs. 112.49 lakhs. The States have been asked to credit this amount to NREP account. Necessary details in regard to Rs. 849.93 lakhs spent on schemes outside the scope of the programme are awaited. The Committee cannot but take serious view of the situation. The figures mentioned above have been arrived at as a result of test check, by Audit : in actual practice there may be more cases of expenditure outside the scope of the programme. This leads to the inevitable conclusions that there is no proper control over monitoring of the implementation of the programme. The Committee would like to be apprised of the remedial measures proposed to be taken by the Government to rectify and wrong diversion and to see that such unauthorised diversions does not take place in future.

[S. No. 6 Appendix II Para No. 1.105 of 94th Report of PAC (8th Lok Sabha)]

Action taken

In regard to the cases where diversion of fund was established, the position is being ascertained from the state Govts. whether they have recouped the amount to NREP account. If it is not done by September, 87 it was contemplated that necessary deduction will be made from the releases of second instalment. In view, however, of the severe drought conditions prevailing in the country and the request from the states that the deductions may not be made during the current financial year, it has been decided that the amounts of diversion will be deducted from the first instalment to be released under the programme during 1988-89 in case the State Govts. fail to recoup the amount to NREP account by 31st March, 88.

In so far as the question of likely diversion of some more funds is concerned, necessary instructions have been issued to the State Govts. that to examine whether there were any other diversions and should also ensure that no diversion of funds, allowed in future. In case, it happens, necessary deductions will be made from next release.

A copy of the instructions issued to the State Govts. is already Annexed. (Annexure III).*

[Deptt. of Rural Development O.M. No. G-25011/6/87-NREP. dt. 29.10.1987]

Recommendation

The Department of Rural Development have informed the Committee that the State Governments have been advised to see that the distribution of foodgrains is done immediately on lifting them from FCI godowns and foodgrains are not stored for unduly long periods. The Committee desire that the Health Departments of the respective State Governments should be advised to take samples of foodgrains from time to time to ensure that the foodgrains supplied to workers are of the prescribed quality and safe for human consumption.

[S. No. 12 Appendix II Para No. 1.111 of 94th Report of PAC (8th Lok Sabha)]

Action taken

The NREP guidelines specifically provide that for ensuring the quality of foodgrains supplied under the programme officers of the State Government and FCI should conduct joint inspections of the stocks if necessary. The implementing agencies are required to ensure that only foodgrains conforming to 'fair average quality' are taken delivery of from FCI and the same are distributed to the workers under the programme. In case of any complaint of the foodgrains being unfit for human consumption the Food/Health Departments of the respective State Government may take samples of foodgrains from time to time in accordance with their existing laws with a view to ensuring that the foodgrains supplied to workers are of the prescribed quality and safe for human consumption. Necessary instructions have also been issued in this regard.

[Department of Rural Development O.M. No. G-25011/6/87-NREP dt. 29.10.1987]

Recommendation

In order to pass on the full benefits of the programme to the rural poor, the guidelines had prescribed a complete ban on contractors/middlemen executing the NREP works. During test-checks by Audit it was noticed that the ban had not been observed in several States/Union Territories resulting in denial of employment opportunities of over 65.65 lakh mandays works to the rural poor. More and more emphasis should be given to execution of works through Panchayat Raj institution involving

*See Annexure attached to action taken Note to Para No. 1.120 of Chapter-II.

the village community in implementation of the programme so that there is no scope for engaging the contractors or middlemen in any form and there is no exploitation of workers and they may get the full benefit of the scheme. The Committee recommend that complaints regarding execution of NREP works through contractors/middlemen should be investigated promptly and deterrent action taken against erring officers and also reported to the Committee.

[S. No. 15 Appendix II Para No. 1.114 of 94th Report of PAC (8th Lok Sabha)]

Action taken

It is the confirmed policy that no contractor/middlemen should be engaged to execute the works under NREP. Instructions have already been issued to all the States to ensure that the contractors are not employed directly/indirectly for execution of works under NREP. The need for executing the works through the Panchayati Raj Institutions and not to engage the contractor is emphasised to the States/implementing agencies at various forums. In the meeting of Secretaries held recently this was brought to the notice of the State Secretaries and again emphasised in the workshops held for Project Directors of the DRDA's during May and June, 1987.

[Department of Rural Development O.M. No. G-25011/6/87-NREP
dt. 29.10.1987]

Recommendation

In their Report on Food for Work Programme, the Committee had expressed the hope that the funds would be released by the Ministry only after the Ministry is satisfied that well thought out schemes have been drawn up. The Committee desire that the above aspect would be kept in view.

[S. No. 23 Appendix-II Para-1.122 of 94th Report of PAC (8th Lok Sabha)]

Action taken

Detailed guidelines in regard to the type of works to be taken under the programme have been laid down. As per these guidelines, shelf of projects based on the felt needs of the people are required to be prepared for each District for a plan period. The needs of the community are to be ascertained by the block officials by holding meetings of the Gram Sabhas. On the basis of shelf of projects each DRDA finalises the annual action plan before beginning of each year. Necessary technical assistance for implementation of the programme is provided by the Blocks to ensure

that well thought on schemes are drawn up. Authority having been delegated in this regard to the DRDAs it will not be desirable for the Department of Rural Development to release funds only after satisfying that the schemes drawn up are well thought. This is the function of the DRDAs which they are discharging satisfactory.

Department of Rural Development exercises the check through the field visits by the officers from centre to ascertain that projects taken up under the Programme are proper and assets created are durable and sound.

[Department of Rural Development O.M. No. G-25011/6/87-NREP
dt. 29.10.1987]

CHAPTER V

RECOMMENDATIONS AND OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

It is noticed from Audit Paragraph that only some 50.37 to 62.76 per cent of the total available resources could be utilised during 1980-81 to 1983-84 and there remained huge unspent balances with the States/Union Territories. The Ministry of Rural Development have stated that the resources utilised were between 64.72 to 84.61 per cent.

It is surprising that the Ministry have furnished completely different figures under all the heads, viz., unspent balances from the previous year; resources actually made available; resources utilised; percentage of utilisation of the total available resources. Even the statement of unutilised balances with individual States/Union Territories submitted to the Committee does not tally with Ministry's own Annual Statement. The Committee would like to be apprised of the correct position after this is reconciled with Audit.

[S. No. 5 Appendix-II Para No. 1.104 of 94th Report of PAC (8th Lok Sabha)]

Action taken

Complete reconciliation of the resources provided under NREP (cash funds and foodgrains) during the year 1980-81 to 1983-84 is being done in consultation with the State Government a fresh. While some of the states have furnished the complete reconciled figures, reconciled statements from some of the other States/UTs are awaited.

A final reconciled statement in respect of the total resources provided during the years 1980-81 to 1983-84 will be furnished as soon as the fresh reconciliation work is completed.

[Department of Rural Development O.M. No. G-25011/6/87-NREP—
dt. 29.10.1987]

Recommendation

The cases mentioned in sub-paras 5.4.3.2 and 5.4.4 of the Audit Paragraph relating to blocking of funds and misappropriation of funds in

various States indicate lack of adequate control by supervisory officers. The Committee would like these cases to be gone into thoroughly in conjunction with audit. The cases where guilt is clearly established, punitive action should be taken.

[S. No. 7 Appendix II Para No. 1.106 of 94th Report of PAC (8th Lok Sabha)]

Action taken

The matter has been taken up with the State Governments concerned to comply with recommendations of the committee.

[Deptt. of Rural Development O.M. No. G-25011/6/87-NREP
dt. 29.10.87)]

Recommendation

There are substantial discrepancies in statistical figures supplied by the Department of Rural Development and those given in the sub-para 5.5 of Audit Paragraph under the head quantities of foodgrains released and utilised during 1980-81 to 1984-85. The discrepancy should be reconciled to the satisfaction of Audit and the Committee informed accordingly.

[S. No. 9 Appendix-II Para 1.103 of 94th Report of PAC (8th Lok Sabha.)]

Action taken

The quantities indicated in sub paragraph 5.5 of Audit Paragraph under the head quantities of Foodgrains released and utilised during 1980-81 to 1984-85 were based on incomplete reports. The figures supplied by the Department of Rural Development later were the updated figures. The reconciliation work of the quantity of foodgrains released and utilised during the period in different states was taken up with the concerned states and the majority of the States have furnished completely reconciled figures. A statement has now been prepared based on the reconciliations already done and is placed at Annexure I*. This would be updated further on receipt of the reconciled statements from the remaining states

[Department of Rural Development O.M. No. G-25011/6/87-NREP dt.
29-10-1987]

Recommendation

Regarding shortages of foodgrains due to non-reconciliation mentioned in sub-para 5.5.4 of the Audit Paragraph, the Ministry have supplied information relating to utilised balances of foodgrains based on actual

*See Annexure attached to action taken note to para 1.112

quantity lifted in different States. The Ministry should reconcile the information and the Committee apprised of the final position.

[S.No. 13 Appendix II Para No. 1.112 of 94th Report of PAC (8th Lok Sabha)]

Action taken

As indicated in action taken notes or recommendations para 1.108 the reconciliation of the quantity of foodgrains released, lifted and utilised during the 1980-81 to 1984-85 is being done in consultation with the concerned States. Based on the reconciliation already done, a statement is placed below at Annexure I. This would be updated when the reconciliation work in respect of the remaining states/UT's is also completed.

[Department of Rural Development O.M. No. G-25011/6/87-NREP dt.
29-10-1987]

ANNEXURE—I

Statement showing the total foodgrains available and their utilisation under National Rural Employment Programme during 1980-81

(In MTs.)

S. No. State/UT		Unutilised balance as on 1.4.80	Quantity released	Quantity lifted	Total quantity available (co-13+5)	utilisation	unutilised balance.
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	19490.22	105000.00	107872.30	127362.52	87046.52	40316.00
2.	Assam	—	5500.00	4615.40	4915.40	4615.40	—
3.	Bihar	52258.98	110000.00	140396.00	192654.98	137182.98	55472.00
4.	Gujarat	—	22500.00	26070.00	26070.00	26070.00	—
5.	Haryana	13625.24	23500.00	20159.36	33784.60	30210.86	3573.74
6.	Himachal Pradesh	141.00	20500.00	20577.58	20718.58	20718.58	—
7.	Jammu & Kashmir	4982.91	10000.00	19166.33	14149.24	13563.24	586.00
8.	Karnataka	2210.00	32000.00	27131.57	29341.57	28431.96	869.61
9.	Kerala	75.05	31500.00	14169.89	14244.94	13575.00	669.16
10.	Madhya Pradesh	—	199000.00	195370.00	195370.00	195370.00	—
11.	Maharashtra	—	72000.00	127324.00	127324.00	127324.00	—

1	2	3	4
12.	Manipur	—	—
13.	Meghalaya	—	750.00
14.	Nagaland	—	2400.00
15.	Orissa	9003.12	100500.00
16.	Punjab	2922.07	6000.00
17.	Rajasthan	85370.66	130000.00
18.	Sikkim	—	500.00
19.	Namil Nadu	6645.44	60000.00
20.	Tripura	—	4750.00
21.	Uttar Pradesh	119873.83	269500.00
22.	West Bengal	61837.00	80000.00
23.	A & N Islands	41.57	1050.00
24.	Arunachal Pradesh	56.50	500.00
25.	Chandigarh	—	—
26.	D & N Haveli	—	—
27.	Delhi	—	—

5	6	7	
2443.00	2443.00	2443.00	—
—	—	—	—
4032.96	4032.96	4032.96	—
125667.53	134670.65	123460.07	11210.58
4120.63	7042.70	5688.37	1354.33
129377.28	214747.94	197329.28	17418.66
212.00	212.00	212.00	—
64340.64	70986.08	47378.00	23608.08
1164.25	1164.25	125.61	1038.64
130062.25	249936.08	233613.08	16323.00
74178.00	136015.00	83250.00	52765.00
1938.43	1980.00	1980.00	—
36.48	92.98	92.98	—
—	—	—	—
—	—	—	—
—	—	—	—

28. Goa & Daman Diu	—	—	—	—	—	—
29. Lakshdweep	—	—	—	—	—	—
30. Mizoram	—	—	262.70	262.70	262.70	—
31. Pondicherry	150.98	650.00	649.00	799.98	799.28	—
32. All India	378684.57	1288100.00	1231337.58	1610022.15	1384817.35	225204.80

Note : Final reconciled figures have not been received in respect of the States/UTs viz., Gujarat Haryana, H.P, J & K, Kerala, Maharashtra, Meghalaya & U.P.

Statement showing the total foodgrains available and their utilisation under National Rural Employment Programme during 1981-82

S. No.	State/U.T.	<i>In MTS</i>					
		Unutilised balance as on 1.4.81	Quantity released	Quantity lifted	Total Quantity available (Col. 3+5)	Utilisation	Unutilised balance
1.	Andhra Pradesh	40316.00	32342.00	26549.00	66865.00	53127.48	13737.52
2.	Assam	—	6000.00	—	—	—	—
3.	Bihar	—	20000.00	22529.50	22529.50	6141.40	16388.10
4.	Gujarat	—	15450.00	15800.00	15800.00	366.00	15434.00
5.	Haryana	3573.74	3034.00	2779.96	6353.70	4952.00	481.00
6.	Himachal Pradesh	—	2000.00	481.00	481.00	—	481.00
7.	Jammu & Kashmir	586.00	1250.00	395.00	981.00	813.00	168.00
8.	Karnataka	869.61	21386.00	10291.82	11161.43	2218.00	8943.43
9.	Kerala	669.16	13400.00	1469.84	2139.00	1600.00	538.20
10.	Madhya Pradesh	—	22000.00	13550.00	13550.00	13550.00	—

1	2	3	4
11.	Maharashtra	—	24000.00
12.	Manipur	—	150.00
13.	Meghalaya	—	200.00
14.	Nagaland	—	1400.00
15.	Orissa	11210.88	17250.00
16.	Punjab	1354.33	4300.00
17.	Rajasthan	17418.66	8000.00
18.	Sikkim	—	100.00
19.	Tamil Nadu	23608.08	26638.00
20.	Tirpura	1008.64	1000.00
21.	Uttar Pradesh	16323.00	55800.00
22.	West Bengal	52765.00	35215.00
23.	A & N Islands	—	150.00
24.	Arunachal Pradesh	—	400.00
25.	Chandigarh	—	—
26.	D & N Havlel	—	—

5	6	7	8
19961.00	19961.00	19961.00	—
150.00	150.00	150.00	—
—	—	—	—
—	—	—	—
24846.34	36056.92	24834.69	11222.23
1762.70	3117.03	1462.09	1654.94
1373.60	18792.26	14837.70	3954.56
100.00	100.00	99.56	0.44
22113.98	45722.06	31137.06	14585.00
2337.30	3375.95	2941.81	434.64
509.00	16832.00	14563.00	2269.00
10435.00	63200.00	43187.00	20013.00
150.00	150.00	41.23	108.77
—	—	—	—
—	—	—	—
—	—	—	—

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1	2	3	4	5	6	7	8
27.	Delhi	—	—	—	—	—	—
28.	Goa, Daman & Diu	—	—	—	—	—	—
29.	Lakashdweep	—	—	—	—	—	—
30.	Mizoram	—	150.00	—	—	—	—
31.	Pondicherry	—	300.00	150.00	150.00	26.00	124.00
32.	All India	169732.80	311915.00	177735.05	347467.85	236009.32	11145.53

Note : Final reconciled figures have not been received in respect of States viz., Gujarat, Bihar, Himachal Prd. J & K, Maharashtra, Meghalaya U.P. & Andaman & Nicobar Islands.

Statement showing the total foodgrains available and their utilization under National Rural Employment Programme during 1982-83.

(In MTs)

S. No.	State/U.T.	Unutilised Balance as on 1.4.82	Quantity Released	Quantity Lifted	Total Quantity Available (Col. 3+5)	Utilization	Unutilised Balance
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	13737.52	21781.00	19646.71	33384.23	22355.23	11029.00
2.	Assam	—	4500.00	—	—	—	—
3.	Bihar	16388.10	24200.00	24192.20	40580.30	28450.50	12129.80
4.	Gujarat	15434.00	9911.00	8426.00	23860.00	14489.00	9371.00
5.	Haryana	1401.70	1150.00	1322.40	2724.10	1895.30	828.80
6.	Himachal Pr.	481.00	2389.00	1530.79	2011.79	1070.79	941.00
7.	Jamm & Kashmir	168.00	1690.00	1442.48	1610.48	1111.54	498.94
8.	Karnataka	8943.43	10600.00	13267.49	22210.92	12087.01	10123.91
9.	Kerala	538.20	8600.00	5762.47	6300.67	5408.90	891.77
10.	Madhya Pradesh	—	15435.00	7063.23	7063.23	7063.23	—

1	2	3	4
11.	Maharashtra	—	40750.00
12.	Manipur	—	150.00
13.	Meghalaya	—	140.00
14.	Nagaland	—	150.00
15.	Orissa	11222.23	18035.00
16.	Punjab	1654.94	1680.00
17.	Rajasthan	3954.56	9160.00
18.	Sikkim	9.44	222.00
19.	Tamil Nadu	14585.00	24568.00
20.	Tripura	434.64	960.00
21.	Uttar Pradesh	2269.00	60670.00
22.	West Bengal	20013.00	37795.00
23.	A & N Islands	108.77	401.00
24.	Arunachal Pra.	—	100.00
25.	Chandigarh	—	24.00
26.	D & N Haveli	—	87.00

5	6	7	8
27437.00	27437.00	—	27437.00
150.00	150.00	120.88	29.12
78.36	78.36	7.06	71.30
—	—	—	—
17805.35	29027.58	12172.85	16854.73
1593.60	3248.54	1460.34	1788.26
6619.37	10573.93	4922.79	5651.14
222.00	222.44	137.44	85.00
24358.00	38943.00	25819.00	13124.00
1935.00	2369.64	2089.62	280.02
44303.00	46572.00	1411.00	45161.00
35115.00	57190.00	30675.00	26515.00
404.21	512.98	294.85	258.13
—	—	—	—
—	—	—	—
24.09	24.09	3.91	20.18

8

27. Delhi	—	20.00	20.00	20.00	—	20.00
28. Goa, Daman & Diu	—	150.00	—	—	—	—
29. Lakshadweep	—	30.00	49.00	49.00	49.00	—
30. Mizoram	—	233.00	197.95	197.95	197.95	—
31. Pondicherry	124.00	261.00	361.00	485.00	177.50	307.50
All India	111458.53	295846.00	243326.70	356847.23	173470.69	183376.54

Note :—Final Reconciled figures have not received in respect of States/UT's viz. Gujarat, Bihar, Himachal Pradesh, Jammu & Kashmir, Maharashtra, Meghalaya, Uttar Pradesh and A & N. Islands.

Statement showing the total foodgrains available and their utilisation under National Rural Employment Programme during 1983-84.

S. No.	State/U.T.	Unutilised Balance as on 1.S.83	Quantity Released	Quantity Lifted	Total Quantity Available (Col. 3+5)	Utilisation	Unutilised Balance
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	11029.00	27365.00	25719.00	36748.00	26568.00	10180.00
2.	Assam	—	6025.00	2228.00	2228.00	173.07	2054.93
3.	Bihar	12129.80	37168.00	1886.20	14016.00	13548.50	467.50
4.	Gujarat	9371.00	4333.00	4333.00	13704.00	10609.00	3095.00
5.	Haryana	828.80	1439.00	1399.32	2228.12	1469.52	758.60
6.	Himachal Pr.	941.00	733.00	766.81	1707.81	968.80	739.01
7.	Jammu & Kashmir	498.94	1650.00	1343.50	1842.44	1365.90	476.54
8.	Karnataka	10123.91	16079.00	4335.10	14459.01	10384.32	4074.69
9.	Kerala	891.77	11120.00	6966.33	7858.10	6992.56	865.54
10.	Madhya Pradesh	—	23100.00	12392.02	12392.02	12392.02	—
11.	Maharashtra	27437.00	—	—	27437.00	15.03	27421.97

12. Manipur	29.12	165.00
13. Meghalaya	71.30	240.00
14. Nagaland	—	250.00
15. Orissa	16854.73	16685.00
16. Punjab	1788.20	1145.00
17. Rajasthan	5651.14	6213.00
18. Sikkim	85.00	220.00
19. Tamil Nadu	13124.00	28289.00
20. Tripura	280.02	910.00
21. Uttar Pradesh	—	22930.00
22. West Bengal	26515.00	28510.00
23. A & N Islands	218.13	125.00
24. Arunachal Pr.	—	174.00
25. Chandigarh	—	6.00
26. D & N Haveli	20.18	95.00
27. Delhi	20.00	65.00

135.88	165.00	141.20	23.80
48.40	119.70	55.76	63.94
250.00	250.00	250.00	—
8027.66	24882.39	15682.47	9199.92
—	1788.20	910.72	877.48
2825.00	8476.14	4681.86	3794.28
210.20	295.20	200.17	95.30
27423.00	40547.00	22999.00	17548.00
1881.00	2161.02	1717.64	443.38
7143.00	7143.00	3181.41	3961.59
15639.00	42154.00	22089.00	20065.00
—	218.13	200.31	17.82
—	—	—	—
—	—	—	—
—	20.18	19.33	0.85
—	20.00	12.50	7.50

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1	2	3	4	5	6	7	8
28.	Goa Daman Diu	—	183.00	—	—	—	—
28.	Lakshadweep	—	135.00	189.00	189.00	189.00	—
29.	Mizoram	—	170.00	34.00	3400	34.00	—
31.	Pondicherry	307.50	241.00	228.00	535.50	294.72	240.78
All India		138215.54	235763.00	125403.42	263618.96	157145.81	106473.15

Final Reconciled figures have not been received in respect of States/UT's viz :- Gujarat, Bihar, Himachal Pradesh, Jammu & Kashmir, Maharashtra, Meghalaya, Uttar Pradesh, A & N Islands.

Statement showing the total foodgrains availability and their utilisation under National Rural Employment Programme during 1984-85

(In MTs.)

S. No.	States/UTs.	Unutilised balance as on 1.4.1984	Quantity released	Quantity lifted	Total availability (co. 3+5)	Utilisation	Unutilised Balance
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	10180.00	22964.00	1648.00	11828.00	8009.45	3818.55
2.	Assam	2054.93	5723.00	1830.64	3885.57	2258.66	1626.91
3.	Bihar	467.50	43000.00	26244.00	26711.50	17043.50	9668.00
4.	Gujarat	3095.00	8533.00	8786.00	11881.00	8501.00	3380.00
5.	Haryana	758.60	1666.00	1603.20	2361.80	1980.70	381.10
6.	Himachal Pradesh	739.01	1280.00	1043.36	1782.37	1149.59	632.78
7.	Jammu & Kashmir	476.54	2138.00	1096.94	1573.48	1181.35	392.13
8.	Karnataka	4074.69	20294.00	4206.00	8280.79	7201.26	1079.53
9.	Kerala	865.54	13028.00	2972.23	3837.77	3327.80	509.97
10.	Madhya Pradesh	—	19850.00	13170.00	13170.00	11152.73	2017.27

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1	2	3	4
11.	Maharashtra	27421.97	25100.00
12.	Manipur	23.80	300.00
13.	Meghalaya	63.94	304.00
14.	Nagaland	—	430.00
15.	Orissa	9199.92	17111.00
16.	Punjab	877.48	—
17.	Rajasthan	3794.28	6110.00
18.	Sikkim	95.03	350.00
19.	Tamil Nadu	17548.00	33401.00
20.	Tripura	443.38	1594.00
21.	Uttar Pradesh	3961.59	49536.00
22.	West Bengal	20065.33	33251.00
23.	A &N Islands	17.82	260.00
34.	Arunachal Pradesh	—	400.00
25.	Chandigarh	—	35.00
26.	Dadra & Nagar Haveli	0.85	150 00
27.	Delhi	7.50	40.00

5	6	7	8
—	27421.97	5.30	27416.67
276.20	300.00	111.42	188.58
103.48	167.42	121.64	45.78
430.00	430.00	430.00	—
11507.50	20707.42	14044.37	6663.05
—	877.48	8.00	869.48
4415.79	8210.07	6170.70	2039.37
256.32	351.35	141.35	210.00
30445.00	47993.00	29252.00	18741.00
1191.66	1635.04	415.40	1219.64
32763.03	36724.62	24761.98	11962.64
11014.00	31079.00	21160.00	9919.00
310.00	327.82	274.79	53.03
—	—	6.50	—
17.00	17.00	12.00	5.00
209.21	210.06	195.07	14.99
40.00	47.50	9.80	37.70

28. Goa, Daman & Diu	—	135.00	—	—	—	—
29. Lakshadweep	—	71.00	142.00	142.00	142.00	—
30. Mizoram	—	180.00	—	—	—	—
31. Pondicherry	240.78	275.00	200.00	440.18	303.79	136.99
All India	106473.15	307509.00	155921.66	262394.81	159372.15	103029.16

Note :— Final reconciled figures have not been received in respect of States Viz. Andhra Pradesh, Assam, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Meghalayn, Punjab, Tripura, Uttar Pradesh, A & N Islands, Chandigarh.

Recommendation

A minimum of 10% of resources allocated under NREP was required to be earmarked every year for utilisation exclusively on programmes of social forestry and fuel plantation so as to preserve ecological balance and also to meet the fuel needs of the rural poor. From information furnished to the Committee, it is seen that in the case of 11 States and 5 Union Territories there were substantial shortfalls in utilisation of the funds earmarked for social forestry. In Jammu and Kashmir, Andaman & Nicobar Islands, Goa, Daman and Diu more than 50% of the funds could not be utilised whereas in the case of Assam, Nagaland, Tripura, Arunachal Pradesh, Mizoram and Pondicherry about 40% of funds remained unutilised. In this connection the Sub-Group of Rural Employment Programme has observed that considerable delays were taking place in the resources reaching the implementing agencies. This group observed that one of the major reasons for big short fall in implementing social forestry scheme was that the funds were not available with the implementing agencies prior to rainy season. To avoid this problem the Sub-Group had suggested that in the Seventh Plan Central assistance should be released directly to the District Rural Development Agencies. The Committee would like to be apprised of further developments in this regard. The Committee would further urge Government to take up plantation of trees under this programme for a period of 5 years. Plantation of fruit-bearing trees could also be taken up where the labourers in villages could plant some trees, nurture them and eventually enjoy the product for period of time. This scheme would give employment to farmers, generate employment in rural areas and would also improve ecological environment in the country.

[S. No. 18 Appendix II Para No.1.117 of 94th Report of PAC
(8th Lok Sabha).]

Action taken

In view of the Prime Minister's decision to bringing 5 million hectares of land every year under fuel wood and fodder plantations, the earmarking under this programme has been raised to 25 per cent of the allocations against earlier earmarking of 10 per cent. The scheme of tree patta has since been introduced. Under this scheme the benefits of social forestry can directly accrue to the rural poor under which the tree planting permit holder/tree patta holder shall be entitled to usufruct of the trees. The usufruct rights under the tree planting permit/tree patta shall include the rights to gather dead branches, twigs and loppings, harvest produce such as fruits, flowers, seeds, leaves, tappings etc.

The entire earmarked funds for social forestry are released alongwith

the first instalment so that full advantage of the plantation season can be taken by the executing agencies.

Wherever there have been shortfalls in social forestry sector, deductions are made from the States' allocations to the extent of shortfall unless the States/UT's undertake to make good the shortfall during the following year. This aspect is being constantly monitored through Quarterly Progress Reports and by reviewing the achievements from time to time. In regard to the States mentioned in the audit observation, the position is shown at Annexure—IV.*

The guideline now emphasise that while preparing annual action plans at the District level, there should be separate sub-plans for the earmarked sector so that full utilisation of the earmarked funds could be ensured.

In so far as the question of release of funds direct to DRDA's is concerned, the matter is under active consideration of the Government.

[Department of Rural Development O.M.No.G-25011,6/87-NREP dt. 29.10.1987].

NEW DELHI ;

22 March, 1988

2 Chaitra, 1910 (Saka)

AMAL DATTA

Chairman

Public Accounts Committee

ANNEXURE IV

(Rs. in lakhs)

Sl. No.	States/UTs.	Total funds earmarked for social forestry works during 1981-82 to 84-85	Total utilisation for social forestry works during 1981-82 to 84-85	Shortfall in utilisation
1.	Andhra Pradesh	1613.59	1571.20	42.30*
2.	Assam	298.39	187.84	110.55*
3.	Jammu & Kashmir	101.68	46.28	55.40**
4.	Kerala	728.20	629.88	98.32**
5.	Maharashtra	1149.00	951.56	197.44@
6.	Nagaland	17.80	9.81	7.99(3)
7.	Orissa	601.23	192.77	408.46
8.	Rajasthan	437.84	454.21	—
9.	Tamil Nadu	1559.11	1329.00	230.11**
10.	Tripura	52.33	57.89	—
11.	Uttar Pradesh	2843.00	2522.59	320.41(2)
12.	A & N Islands	11.66	5.24	6.42**
13.	Arunachal Pradesh	13.59	7.01	6.58(1)
14.	Goa, Daman and Diu	15.47	6.80	8.66
15.	Mizoram	12.60	8.59	4.01(3)
16.	Pondicherry	9.98	5.72	4.26(4)

* Half of the shortfall being central share deducted in 1984-85 and 1985-86.

** Half of the shortfall amount being central share has been deducted in the year 1985-86.

@ Shortfall deducted in the year 1983-84 and 1984-85.

(1) As the diversion of earmarked funds was allowed to other works, no deduction was made on this account.

(2) Half of the deductions made in the second instalment of 85-86 was subsequently restored on receipt of assurance that shortfall of the VI Plan would be made good during 1985-86. During 1985-86 though the earmarked funds was raised to 20% from 10% in the middle of the year. It was however, decided that 1985-86 being the 1st year the utilisation of 10% would be considered as sufficient as such as the shortfall of VIth Plan was also made good alongwith utilisation of 10% earmarked funds.

- (3) Taking into account the expenditure under social forestry upto two quarters of 1985-86, no deduction was made assuming that the shortfall of the VIth Plan would be made good before the close of the year. During 1985-86 though the earmarked funds was raised to 20% from 10% in the middle of the year it was decided that 1985-86 being the first year, the utilisation of 10% would be considered as sufficient. As such the shortfall of VIth Plan was also made good alongwith utilisation of 10% earmarked funds.
- (4) Shortfall deducted during 1983-84 and 1985-86.

PART (II)

MINUTES OF THE 88TH SITTING OF THE PUBLIC ACCOUNTS
COMMITTEE (8TH LOK SABHA) HELD ON 17TH
MARCH, 1988 (AN)

The Committee sat from 1530 to 1700 hours.

PRESENT

Shri Amal Datta—*Chairman*

MEMBERS

2. Shri Ajay Mushran
3. Shri S. Jaipal Reddy
4. Shri Chiranji Lal Sharma
5. Genl. R. S. Sparrow
6. Shri Vir Sen
7. Shrimati Manorama Pandey
8. Shri B. Satyanarayan Reddy

SECRETARIAT

1. Shri B. D. Duggal—*Chief Financial Committee Officer*
2. Shri S. M. Mehta—*Senior Financial Committee Officer*
3. Shri R. K. Chatterjee—*Officer on Special Duty*

REPRESENTATIVES OF AUDIT

1. Shri G. M. Mani—ADAI (Reports)
2. Shri P. Parameswar—Director of Audit (CWM-I)
3. Shri S. B. Krishnan—Director (Reports—Central)

2. The Committee considered the following Draft Reports and adopted them with certain modifications/amendments as shown in Annexures-II.

* * * *

(ii) Draft Report on action taken on recommendations contained in the 94th Report, (8th Lok Sabha) of Public Accounts Committee relating to National Rural Employment Programme.

* * * *

2. The Committee authorised the Chairman to finalise the draft Reports in the light of the above modifications and also make verbal and consequential changes arising out of factual verification by the Audit and present them to the Parliament.

The Committee then adjourned.

ANNEXURE II

AMENDMENTS/MODIFICATIONS MADE BY PUBLIC ACCOUNTS COMMITTEE IN DRAFT REPORT ON ACTION TAKEN ON 94TH REPORT (8TH LOK SABHA) RELATING TO NATIONAL RURAL EMPLOYMENT PROGRAMME AT THEIR SITTING HELD ON 17 MARCH, 1988 (AN)

Page	Para	Line (s)	Amendment/Modification
5	7	10-13	<i>Delete "that would also make effect".</i>
9	12	7	<i>For Rs. 227.52 lakhs Read Rs. 113.61 lakhs</i>

APPENDIX-I
(Vide Para No. 1-2)

- I. **Recommendations and observations which have been accepted/noted by Government;**
Sl. Nos. 2, 4, 8, 10, 11, 14, 17, 19, 20, 21, 22, 24, 25, 27 and 29
- II. **Recommendations and observations which the Committee do not desire to pursue in view of the replies received from Government;**
Sl. Nos. 16, 26, and 28
- III. **Recommendations and observations replies to which have not been accepted by the Committee and which require reiteration;**
Sl. Nos. 1, 3, 6, 12, 15 and 23
- IV. **Recommendations and observations in respect of which Government have furnished interim replies.**
Sl. Nos. 5, 7, 9, 13, and 18

APPENDIX II

Statement of Conclusions & Recommendations

S No.	Para No.	Ministry Department	Conclusion & recommendation
1	2	3	4
1	3	Department of Rural Development	The Committee expect that final replies to those recommendations and observations in respect of which only interim replies have been furnished by the Government so far will be made available to the Committee expeditiously after getting them vetted by the Audit.
	6	do	The figures relating to achievement of employment generation have already been contested by Audit. It was also found by Audit during test check in a few States that the reports furnished to State Headquarters/ Central Government were not factual but highly exaggerated. In order to ensure effective implementation of the various schemes and programmes, the need for accurate reporting of achievements there-against cannot be over emphasised. The Committee would,

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therefore, like the Government to formulate the procedure for collection and compilation of the data by the State including District, Block/ Taluka level officers with clear allocation of responsibility of the concerned officials so that fixation of responsibility if lapses/ errors are detected does not pose any great difficulty. The Committee also desire that the Government devise the machinery for adequate test checking as well as cross checking of the statistical data submitted to them in this regard. The Committee also suggest that the study Teams visiting various States should check at random the procedure for collection of data as well as the correctness of the figures supplied by the State Government. It is imperative that employment generation reports are prepared in accordance with the Muster Rolls susceptible of varifications. The Minister of State in the Department of Rural Development in the Ministry of Agriculture also stated in the Lok

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Sabha on 4.12.87 (APPENDIX II) that computerised monitoring would commence from December 1987 and that the Government would be able to get more correct information. The Committee appreciate the step taken by the Government in making computerising the monitoring mechanism and would watch the results of these efforts. The Committee would, however, like the Government to remember that unless primary data are correctly collected and recorded computerisation at the Ministry's level cannot by itself improve the situation.

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The Committee had stated that there was an urgent necessity for undertaking a comprehensive economic survey of rural areas to identify people living below the poverty line. The Seventh Plan also envisages conducting of detailed household surveys of the rural poor with maximum involvement of the local community. The Committee would like to be apprised of further developments in this regard.

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The Committee had recommended that it is imprative that all allied programmes and activities and infrastructure required for effective implementation of all rural development programmes are integrated and brought under one Ministry to avoid overlapping and ensuring effective control over these progrmmes. It was emphasised that all these programmes must be an intergral part of a single development plan formulated by a single Development Authority and for whose effective implementation a single authority should be made responsible and accountable. In their action taken note, the Ministry have stated that the States are being advised to implement various rural development programmes in close coordination with each other and that the District Rural Development Agencies set up at district level have been made responsible for implementation, coordination monitoring of all the important rural development programmes. However, the Committee's suggestion for a single

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Ministry to be made responsible for all the rural development programmes has not been accepted by the Government on the ground that such a Ministry would become unwieldy. The Committee do not agree with the above views of the Government and reiterate their earlier recommendation that all programmes aimed at removing/ reducing unemployment in rural areas should be brought under one Ministry particularly because the implementing agency for all these programmes is the same viz., District Rural Development Agency. This is considered essential to ensure close coordination in the implementation and effectiveness of the various programmes.

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Regarding the preparation of a single development plan the Government have stated that the Working Group on district planning as well as the GVK Rao Committee have recommended the preparation of district development plans in an integrated manner. Whereas action on the recommendation

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			<p>of the Working Group on District Planning is being taken in a phased manner, final decision on the recommendation of GVK Rao Committee, are yet to be taken the Committee would like to be apprised of the latest position in this regard.</p>
5	9	do	<p>The Committee had referred* to cases of expenditure incurred in some States on schemes and purposes outside the scope of the programme. In their Action Taken Note, Government have stated that the concerned States have been asked to recoup the amounts to the NREP accounts with the stipulation that if this was not done by September 1987 necessary deduction would be made from the releases of second instalments. The Committee would like the Government to confirm that the necessary action has actually been taken and would like to be apprised of details thereof. The Committee would also like to know the details of the mechanism introduced to ensure that the moneys sanctioned for NREP programmes were</p>

* Para 105 of 94th Report

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6	10	do	<p>being spent for the specified purposes.</p> <p>The Committee had also desired* that Health Departments of the respective State Govts. should be advised to take samples of foodgrains from time to time to ensure that foodgrains supplied to workers are of the prescribed quality and safe for human consumption. Audit had pointed out a number of cases in which stocks of foodgrains had been rendered unfit for human consumption due to damage on account of long and improper storage etc. The Committee would like to know whether Joint Inspection by the State Government and FCI officers was actually done before releasing foodgrains for human consumption in these cases and if so, what were the results of such inspection. The Committee reiterates their earlier recommendation that the distribution of foodgrain should be done immediately on lifting them from FCI godowns and the Health Departments of the respective State Government should also be advised to take samples of</p>

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foodgrains from time to time to ensure that the foodgrains supplied to workers are of the prescribed quality and safe for human consumption.

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The Committee are not satisfied with this evasive reply and would like to know whether the Government had advised the State Governments to comply with this recommendation of the Committee and would like to be apprised in detail as to the manner in which the relevant instructions were issued. The Committee would also like to be informed as to what deterrent action was actually taken by the State Governments against erring officials to ensure that the programmes of the Government are followed scrupulously. The Committee would like to be apprised of further developments in this regard.

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The Committee does not agree with the aforesaid contention of the Government and reiterate its recommendation. The Committee strongly desire that a well thought-out

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to time from time to time to ensure that the foodgrains supplied to workers are of the prescribed quality and quantity.

The Committee is not satisfied with the evasive reply and would like to know whether the Government of the State had decided to comply with the recommendation of the Committee and would like to be apprised in detail of the manner in which the Government intend to meet the commitment. The Committee would like to be informed as to when the Government would start the supply of foodgrains to the State Government for the purpose of the Government programme of the Government and the Government would like to be apprised of the arrangements in this regard.

The Committee does not agree with the Government of the State in its contention that the Government and the State Government should be treated as one entity.

The Committee strongly desires that a well thought-out

self of plans with priorities clearly allotted must be a pre-condition for release of funds by the State Governments to the DRDAs.

The Committee was informed in May 1983 that the self of projects has been prepared in almost all the States on blocks/districts basis. However, from the findings of the evaluation study conducted by Programme* Evaluation Organisation of the Planning Commission it is noticed that in 1981-82 except Gujarat, Kerala and Rajasthan, none of the selected states had prepared self of projects. These were not available even for 1983-84 for Punjab, Tripura and West Bengal and that no priority has been accorded in identification of works under the programme. The Committee would like to know whether the well thought-out self of projects based on the felt needs of the people have now been prepared for each district/block in all the States/Union Territories.

The Committee would like to know whether the guidelines now issued in this

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regard are being implemented in all the States.

The last Evaluation Study on NREP was conducted by the Programme Evaluation Organisation in 1981-82 and 1982-83. The Committee desire that another evaluation study may be conducted without any further delay so that timely action could be taken on the shortcomings in implementation of the programme.

