

10. Miscellaneous

10.11 JRY/IAY/MWS/CRSP-execution of scheme works by Village Panchayats – procedure to be followed for making payment - Instructions

Lr.Roc.No.74549/96 JVVT-1 dated 10.09.97

CIRCULAR

VERY IMPORTANT / FOR PERSONAL ATTENTION

To

All Collectors

All Project Officers of DRDAs

- Sub : JRY/IAY/MWS/CRSP – execution of scheme works by Village Panchayats – procedure to be followed for making payment – instructions issued – Reg.
- Ref : 1. This Office Circular No.74549/96/JVVT-1 dt.31.03.972.
2. G.O.Ms.No.92 RD(III) Dept. dated : 26.03.1997.

During the Project Officers, DRDA, review meeting held on 13.08.97 doubts were raised by some of the Project Officers as to the procedure for making payment in respect of scheme works entrusted to Village Panchayats under JRY / IAY / MWS / CRSP. The following instructions are therefore communicated:

1. All individual beneficiary-oriented schemes such as IAY houses, Jeevandhara wells component of MWS, Individual household latrines component of CRSP should be entrusted to the beneficiaries only. *The Work orders should be issued by the ABDO (Pts.) in the names of the beneficiaries but the work orders should be served on them through the Village Panchayat. The payment for work done should be made by the President (in accordance with the procedure laid down in the reference 2nd cited) by cheque to the individual beneficiaries.* If the beneficiaries do not already have a bank account, an account should be opened for this purpose and payment made by cheque – as this will minimize leakage. The President shall not draw a 'self cheque' for making cash payments to the beneficiaries since a self cheque cannot be drawn for more than Rs.300 and that too only for transactions under the Village Panchayat fund account.
2. If the beneficiaries are unwilling or unable to execute the works themselves, then the work order may be issued by the ABDO (Pts.) in the name of the Village Panchayat, as stated in the reference first cited. Similarly, in respect of community works such as roads, buildings etc. that are implemented through Village Panchayats, the work order should be issued by the ABDO (Pts.) in the name of the Village Panchayat. In both these cases, the Village Panchayat will do the work 'departmentally' i.e.without calling for tenders and without engaging contractors but through a servant of the Village Panchayat such as the Panchayat Assistant/Panchayat Clerk.
3. *Please note that the work is to be executed by the 'Village Panchayat' and not by the 'President'* in fact, the president (or any member of the Panchayat) will incur disqualification under S.38(e) of the Tamil Nadu Panchayats Act, 1994 if he were to do this. Further, if the President were to execute the work the payment would have to be made to him by a 'self cheque'; but as per the reference 2nd cited, self cheque cannot be drawn for more than Rs.500 and that too only for transactions under the Village Panchayat fund account. A point has been raised as to whether the Village Panchayat can nominate a 'third party' to execute the work on its behalf but this would amount to giving work to a surrogate contractor, which is banned as per para 80(2) of the JRY Manual. The only option left, therefore, is to execute the works through a servant of the Village Panchayat such as the Panchayat Assistant/Panchayat Clerk.

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4. Payment for work done should be made by the President (in accordance with the procedure laid down in the reference 2nd cited), by cheque, in the name of the Panchayat Assistant/Panchayat Clerk (in the same way as the BDO makes payment by cheque in the name of the (erstwhile) RWO / Union Overseer / Road Inspector when the work is executed 'departmentally' by the Panchayat Union), The ABDO (Pts.) Should make an endorsement in the work order to this effect.
5. On no account should the ABDO (Pts.) issue work orders in the name of the (erstwhile) RWO/Union Overseer/Road Inspector or any other employee of the Block office in respect of Village Panchayat works. Similarly, the Village Panchayat President shall, on no account, draw or give any cash advances, he should make payment only for work done.

Collectors and project Officers are requested to communicate these instructions to all ABDO (Pts.) and Village Panchayat Presidents and ensure that they are scrupulously followed in respect of works executed through Village Panchayats from 1997-98 onwards.

K. ASHOK VARDHAN SHETTY
DIRECTOR OF RURAL DEVELOPMENT