

Press Brief

The Report of the Comptroller and Auditor General of India on ‘Implementation of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) for the period ended March 2024 (Report No.9 of 2025) has been laid on the table of Kerala Legislative Assembly on 24 February 2026.

The summary of important points highlighted in the Report are given below:

Selected Panchayat Raj Institutions (PRIs) did not conduct baseline survey, prescribed in the MGNREGA Operational guidelines, to assess the quantum and timing of demand. In the absence of surveys, Grama Panchayats (GPs) could not ascertain the expected demand for work, nature/type of works to be carried out and timing of demand for employment.

(Paragraph 3.2.1)

Bottom-up approach was not strictly adhered to in the preparation of Annual Plan and Labour Budget in the selected GPs. State Mission set additional targets for creation of individual assets like construction of compost pits, soak pits, work shed, poultry shed, etc. This resulted in inclusion of individual beneficiary-oriented works in the Annual Plan without identifying beneficiaries and non-implementation of 88.73 per cent of beneficiary oriented works.

(Paragraph 3.2.2)

Non-preparation of convergence plan resulted in non-identification of projects implemented by other departments which could have been converged with MGNREGS. Though GPs implemented various schemes through institutions under Agriculture, Dairy Development, Animal Husbandry departments, etc., convergence of their projects with MGNREGS was not planned.

(Paragraph 3.3)

Mate/Worksite Supervisor was not engaged by GPs. Instead, a worker included in the muster roll was entrusted with duties of Mate, such as recording measurements of works, giving daily mark outs, etc. Recording measurements by the person who executed the work was against the principle of transparency and accountability.

(Paragraph 3.4.1.1)

Audit noticed delay ranging from eight days to four months in release of funds by Government of Kerala, which in turn resulted in delay in release of skilled/semi-skilled wages and material costs. Though, MGNREG Act prescribed payment of wage within 15 days of closure of muster roll, audit noticed instances of delay up to 22 months in releasing wages and material cost borne by the beneficiaries which adversely impacted the taking up of material works by beneficiaries.

(Paragraph 4.3)

The MGNREG Act prescribed for payment of compensation if payment of wages are delayed. But, instead of reckoning delay till the actual date of credit of wages into the beneficiaries' account, delay only till signing of Fund Transfer Orders(FTO) by second signatory was taken into account for calculation of compensation for delay. Against the actual delay ranging from eight days to 180 days, Management Information System(MIS) calculated delay of nil to 34 days. Further, payment of 99 *per cent* of compensation for delay was rejected stating reason as 'compensation not due'.

(Paragraphs 4.7.1 and 4.7.2)

Though guidelines prescribed for issuing job cards within 15 days of receipt of application, Audit noticed instances of delay upto 264 days.

(Paragraph 5.1.2)

The wage-to-material ratio in the selected GPs fell significantly below the required 60:40, with material costs ranging from 11 to 18 *per cent*. It was seen that 99 *per cent* of works executed by selected GPs was costing below ₹five lakh. This indicates that the GPs neglected scheme objective of creating durable assets while preparing Annual Plans.

(Paragraph 6.2)

In Pudur GP, Audit identified multiple types of malpractices carried out in Muster Rolls and in MIS to siphon off Government money, through which skilled and unskilled wages of ₹6.02 lakh were paid to persons who did not participate in works.

(Paragraph 6.4)

Audit noticed deficiencies, in the monitoring and grievance redressal system viz., non-empowering State Vigilance Cell after its constitution in January 2021, absence of follow-up action on review reports of district ombudspersons by Local Self Government Department, absence of effective complaint tracking system, non-submission of Annual Reports on the outcome of the scheme in the State Legislature for facilitating oversight by elected representatives, etc.

(Paragraph 7.1.2)