

14 Conclusion

As brought out in the foregoing paragraphs, structural and capacity building measures as well as planning by State Government for implementation of MGNREGA were largely adequate, with several good practices. Audit found certain deficiencies in financial management, although the implementation of a centralised Financial Management System by the State Government is commendable.

While Audit notes the importance of the State Government' transaction-based MGNREGS MIS, through which payments are generated (as opposed to the post facto MIS adopted elsewhere), significant control deficiencies were found in the MIS, which need to be addressed urgently. Audit analysis of MIS data revealed large number of overlapping Muster Roll entries, which were also substantiated through test-check. There were also huge delays (at different stages) in payment of wages to the beneficiaries.

While the beneficiary surveys conducted by Audit confirmed an improvement in the lives of workers (income, change in expenditure pattern, bargaining power), accompanied by a reduction in migration to urban areas, but it was also noted that MGNREGA implementation in the State lacked focus on creation of durable assets. Audit scrutiny revealed large numbers of incomplete works, as well as works (across different categories – land development, water conservation and harvesting, horticulture, and GP and Mandal office buildings) improperly executed and not serving the intended objectives of assets beneficial to the local community. High material component works (more than 90 per cent to wage component) were executed by the line departments, in violation of the Act and procedures for procurement were either not followed or inadequate.