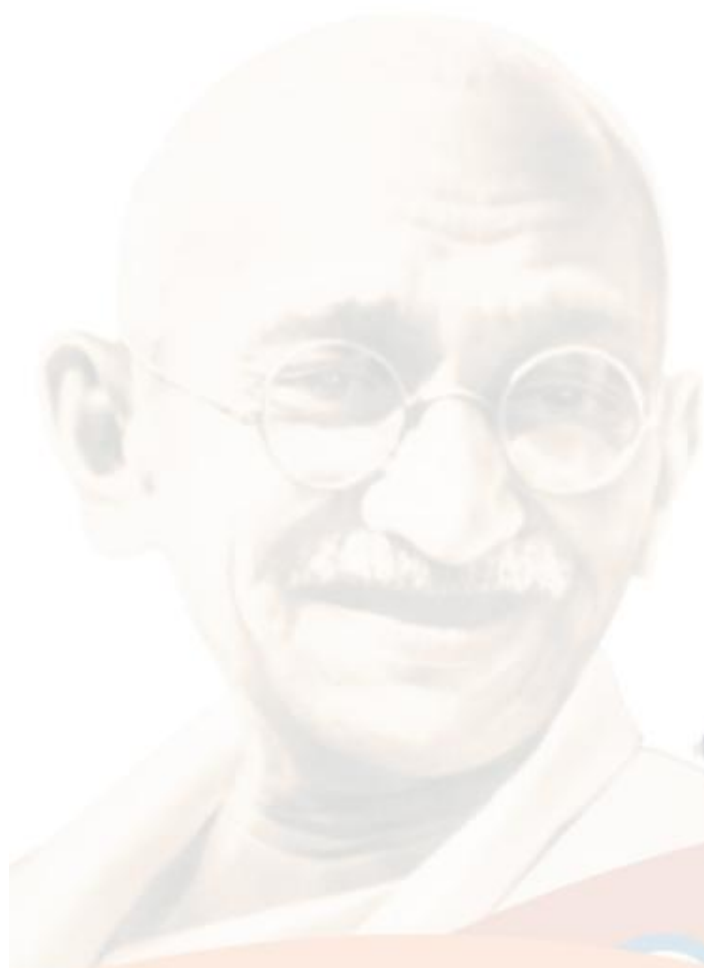




EXECUTIVE SUMMARY



महात्मा गांधी राष्ट्रीय ग्रामीण रोजगार गारंटी अधिनियम
Mahatma Gandhi National Rural Employment Guarantee Act



महात्मा गांधी नरेगा

Mahatma Gandhi NREGA

ग्रामीण विकास मंत्रालय, भारत सरकार

Ministry of Rural Development, Govt. of India

Executive Summary

Rural Development Department

Performance Audit on Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

Executive Summary

The Government of India (GoI) passed the National Rural Employment Guarantee Act (NREGA) in September 2005, which was renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in October 2009. The Act provides for the enhancement of livelihood security of the households (HHs) in rural areas of India by providing at least 100 days of guaranteed wage employment in every financial year to each household whose adult members volunteer to do unskilled manual work. Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) was launched in Jharkhand in February 2006. A performance audit on implementation of MGNREGS in the State for the period April 2007 to March 2012 was conducted between March and August 2012 covering six out of 24 districts of the State.

Some of the major audit findings are discussed below:

Capacity Building

- The State scheme (NREGS-Jharkhand) was formulated in June 2007 after a delay of one year and nine months from the date of notification of the NREG Act. Similarly, State Employment Guarantee Council was also constituted after a delay of 11 months from the date of launching of the scheme.
- In six sampled districts, vacancies in the cadre of Programme Officers ranged between 19 and 50 *per cent*, and between 61 and 90 *per cent* in the cadre of Assistant Engineers except in Pakur district where vacancy was 100 *per cent*.
- The delay in formulation of rules and constitution of SEGEC by the State and inadequacy of manpower including technical resource staff adversely affected capacity building for proper implementation of the Scheme. Insufficient training meant that personnel would not be equipped to discharge their duties properly for effective implementation of the scheme.

Planning

- In absence of District Perspective Plan and improper preparation and delay in approval of Development Plans/Annual Action Plans the districts lacked a framework for implementation of the scheme properly. Further, execution of work without approval of the Gram Sabha indicated systemic weaknesses in the planning process.

Financial Management

- Budget estimation under MGNREGS was defective due to unrealistic preparation of labour budget by District Planning Committees. The State was deprived of Central share owing to slow pace of expenditure by the districts. Funds provided under the schemes to DPCs were not fully utilised.
- The State Employment Guarantee Fund was not created in any of the test checked blocks and GPs. SGRY and NFFWP funds were not merged with MGNREGS funds.

Registration and Employment

- During 2007-12, 13,000 households were deprived of employment though demanded. However, no unemployment allowance was paid to them. Out of the eligible registered households only one to three *per cent* households were provided 100 days of employment.
- Registration and employment of labourers suffered due to non-conducting of door-to-door survey. The job card register was not maintained properly. Adequate employment was not provided to labourers though demanded.

Muster rolls and payment of Wages

- Instances of utilisation of the MRs prior to the date of their issue by the Programme Officers and engagement of 238 labourers twice/thrice for the same period were noticed resulting in fraudulent wage payments.
- During the period 2009-12 wages amounting to ₹ 2.14 crore were paid to the labourers through Large Area Multi Purposes Society (LAMPS) which resulted in short payment of wages amounting to ₹ 8.81 lakh as service charges were deducted from the wages of the labourers.

- Timely and adequate payment of wages by issuing wage slips to labourers was not ensured. The beneficiaries were deprived of legally guaranteed employment as well as unemployment allowance.

Execution of Schemes

- During the period 2007-12 1,408 inadmissible *Mitti-murram* works were taken up for construction violating the prescribed norms.
- In three out of six test checked districts, works amounting to ₹ 1.72 crore were abandoned mid-way, rendering the entire expenditure on these works wasteful.
- The Government failed to create durable assets for the use of the community as 2,949 works sanctioned during the period 2007-12 remained incomplete even after lapse of time of upto five years due to improper planning, slow progress of work, engagement of GRS in multiple works etc., despite incurring expenditure of ₹ 27.91 crore.

Environment protection and Social aspect

- A sum of ₹ 11.93 crore of MGNREGS funds was spent during 2007-12 on procurement of materials such as boulder, metal, chips, *murram* etc. from unregistered suppliers who supplied the materials through illegal extraction. This would have adverse implications on the environment.
- Representation of SC/ST in implementation of the MGNREGS in the State was encouraging. However, the number of women who got employment under the scheme in 2011-12 was below the prescribed norms.

Convergence of MGNREGS with other programmes

- Only one scheme, construction of BNRGSK building, was converged under MGNREGS. The completion of construction of BNRGSK buildings in the test checked districts was only 11 *per cent* of the target for construction. Schemes from other sectors/programmes such as literacy and health missions were not converged with MGNREGS though provided in the Guidelines.

Monitoring and Evaluation

- The status of inspection of works was inadequate. State Quality Monitors and District Quality Monitors not appointed in the State and at district level as of July 2012.

- A Citizens' Charter was not prepared as a result of which MGNREGS was implemented without a specific document detailing the steps involved in implementation of the scheme and the minimum service levels to be provided by the officials.
- No meetings/inspections were held by the High level Coordination Committee. Thus the State was deprived of the benefits of supervision and directions which should have emanated from the Committee.
- There were large number of discrepancies between the data uploaded in the MIS and the information furnished in the Monthly Progress Report, rendering the data in respect of the scheme unreliable.