

MGNREGS is open to all rural households and 100 days of wage employment in a financial year is guaranteed to the registered household. In order to become eligible for employment under the scheme, an application for registration can be given on plain paper to the local *GP*, giving the names of those adult members who are willing to do unskilled manual work or an individual could appear personally and make an oral request. The *GP* will issue job cards to every such registered household, within 15 days of receipt of this application/request.

Audit noticed various shortcomings in registration and employment generation which are highlighted in the succeeding paragraphs.

Audit findings

5.1 Registration, Issue of Job Cards and providing employment

Following deficiencies were noticed in registration and providing of job cards to the wage seekers:

- To extend the opportunity provided under the Act, door-to-door surveys to identify the willing persons for their registration were not conducted in 420 test checked *GPs* of 17 districts¹.
- During 2008-12, job cards to 1,298² households of Bulandshahar and Varanasi districts (Harauwa block) were not issued despite registration, thereby denying them the guaranteed employment opportunity.
- Photographs of 960 beneficiaries on job card register in 14 test checked *GPs*³ of Azamgarh, Balrampur, and Sultanpur districts were not affixed, thereby leaving scope for providing employment to one beneficiary on the registration of another.

The State Government stated (January 2013) that the Job Cards were prepared on the basis of application received from the beneficiaries after wide publicity and special drives. The State Government also stated (January 2013) that in Balarampur District the register was prepared after door-to-door surveys.

Reply was not substantiated with documents in support of the surveys neither at the time of audit nor with the reply. Further, the discrepancies detailed above have no direct co-relation with the reply furnished.

¹ Allahabad, Azamgarh, Balrampur, Banda, Bulandshahar, Chitrakoot, Ghaziabad, Gonda, Jalaun, Kushinagar, Lucknow, Moradabad, Rampur, Sitapur, Sultanpur Unnao and Varanasi districts.

² In district Bulandshahar 51 job cards against total 1,05,369 registered households and in Harauwa block of Varanasi district, 1,247 job cards against 12,062 registered households.

³ *GPs* Chaurasi (15 cases) & Maha ji Devera jaheed (10 cases) of Azamgarh, *GP* Mujehna (12 cases) of Balrampur and *GPs* Patipur (221 cases), Belasada (39 cases), Abhija kala (145 cases), Alipur (62 cases), Kuchmuch (8 cases), Kenora (114 cases), Mahesuwa (83 cases), Sarai Achal (186 cases), Uchhehra (42 cases) of Sultanpur district and Arifpur (17 cases), Firozpur (6 cases) in Ghaziabad district.

Position of demand and providing employment to households in the State during 2007-12 was as under:

Table 5.1: State level position of employment provided

(Figures in lakh)		
Year	Employment demanded	Employment provided
2007-08	41.04	40.96
2008-09	43.79	43.36
2009-10	56.65	54.80
2010-11	81.76	81.15
2011-12	70.00	69.35
Total	293.24	289.62

It is evident from the table above that there has been significant decline in providing employment in 2011-12 compared to the previous year (2010-11).

5.2 Lower Representation of Women

Paragraph 1.4 of the Guidelines provided that 33 *per cent* of the labour employment should be provided to women. However audit noticed that the representation of women, amongst those getting employment, ranged between 18 *per cent* and 22 *per cent* in the State during 2008-12. In 18 test checked districts, it ranged from 13 to 20 *per cent* during the 2007-12 and in the test checked 460 GPs from 14 to 27 *per cent*. The representation was specially low (14 *per cent*) in 2007-08 (*Appendix-VIII*).

The State Government stated (January 2013) that efforts were being made to increase the participation of women up to the prescribed 33 *per cent*.

Reply was not justified in view of a fall of six *per cent* in the women representation ratio during 2011-12 *vis-a-vis* 2010-11 in test checked GPs.

5.3 Demand and providing employment

The deficiencies noticed in providing employment were as under:

- Seventy-two test checked GPs of three districts⁴ did not register workers on their oral demand of employment, thereby denying employment to them.
- Dated receipts were not issued against written applications for demand of works in 366 test checked GPs of 18 districts. Consequently, providing of employment within stipulated 15 days could not be confirmed in Audit.

In reply, the State Government noted (January 2013) audit observation for compliance in future.

⁴ Jalaun (18 GPs), Kushinagar (30 GPs) and Moradabad (24GPs) districts.

5.3.1 Non-achievement of guaranteed 100 days employment

At the State level, only 2.3 per cent to 6.80 per cent workers were provided with 100 days employment during 2007-12. The position in 18 test checked districts ranged between 2.14 per cent and 8.25 per cent during the same period. Similarly 100 days employment by test checked 460 GPs ranged between 0.64 per cent and 2.03 per cent. Average employment provided per household in a year by these districts during 2007-12 ranged between 18 and 29 days and the same in test checked GPs was between 16 to 23 days. The status of employment provided in test checked districts and GPs are annexed (*Appendix-IX*).

The State Government did not furnish reply to the audit observations raised in 11 Districts but accepted the findings in respect of Balrampur and Sultanpur Districts. In respect of remaining districts, the State Government stated (January 2013) that the employment had been given on demand made by the registered families. The reply was not convincing on the ground that 100 days employment in the State was provided to 2.3 to 6.80 per cent workers only.

5.3.2 Employment for more than 100 days

Under MGNREGS, the members of a household were entitled to receive employment not exceeding 100 days in a year. In case they were provided employment exceeding 100 days, the State Government was to bear expenditure on providing this excess employment.

Audit observed (through the data downloaded from website www.nrega.nic.in) that 55.76 lakh man days employment (exceeding 100 days) involving payment of ₹ 57.98 crore was provided in the State during 2009-12 as detailed in the table below.

Table 5.2: Employment provided for more than 100 days

Year	Households provided completed 100 days employment	Admissible person days under MGNREGA	Total person days generated	Employment provided for extra person days	Admissible payments (₹ In crore)
2009-10	4,28,873	4,28,87,300	4,51,62,403	22,75,103	22.75
2010-11	4,69,420	4,69,42,000	4,91,35,504	21,93,504	21.94
2011-12	3,07,949	3,07,94,900	3,19,02,656	11,07,756	13.29
Total	12,06,242	12,06,24,200	12,62,00,563	55,76,363	57.98

(Source: Information available on www.nrega.nic.in)

Separate fund as required under the Act to meet the expense on any additional employment was not maintained by the State Government. The above included ₹ 13.38 crore paid to 12.13 lakh households against 12.90 lakh person days (more than 100 days) provided in 18 test checked districts during 2008-12 (*Appendix- X*).

In reply, the State Government stated (January 2013) that the necessary directives for not providing employment for more than 100 days and recovery of the amount paid in excess of 100 days have been issued.

Status of recovery is awaited in audit.

5.4 Unemployment Allowance

As a right based scheme, under MGNREGS employment was to be provided on demand within a period of 15 days. If the same was not provided the worker was entitled for payment of unemployment allowance, which was to be paid from the State budget. The State Government was thus required to make funds available separately for meeting this liability, as and when it occurred.

Information downloaded from the www.nrega.nic.in revealed that the State did not provide employment to the workers on demand within the stipulated time of 15 days. This would have resulted in unemployment allowance becoming due. The allowance to the extent of ₹ 5.12 crore⁵ for the period from 2009-12, remained unpaid by the State Government as detailed below:

Table 5.3: Unemployment allowance days generated

(₹ in lakh)					
Year	No. of Districts	Days for Unemployment Allowance	Days for the Allowances paid	Amount paid	Amount payable equal to wage rate ₹100/120 per day
2009-10	71	13,629	71	0.07	13.55
2010-11	72	3,67,239	147	0.18	367.09
2011-12	72	1,09,099	0	0	130.91
Total					511.55

(Source: www.nrega.nic.in)

Further, workers of 25 villages of two⁶ Blocks in district Sitapur demanded (November 2007) unemployment allowance as employment was not provided to them on demand (May to October 2007). The requests of the workers (Rambeti and others) were rejected (December 2007) by DPC on the ground that they were provided employment in another scheme of the area. Consequently, the workers union lodged (December 2007) an appeal with the Commissioner for payment of unemployment allowance. The Commissioner directed DPC to pay unemployment allowance of ₹ 14.99 lakh to them. The same was then irregularly paid by DPC, from the MGNREGS fund.

The State Government stated (January 2013) that the districts provided employment on demand within stipulated time period. The State Government also stated (January 2013) that instructions have also been issued to avoid a repeat of such instances in the future.

⁵ Worked out at the prevailing wage rate, however it should not be less than one fourth of the minimum wage for the first 30 days, and one half thereafter.

⁶ Mishrikh (15 villages) and Pisanwa (10 villages).

However, the data on the website refutes the Government's assertion. If the reply of the Government is to be accepted then it implies that the data uploaded on nrega.nic.in is incorrect. In either case, the Government needs to take corrective measures for ensuring timely grant of employment and also correctly uploading data on the internet.

5.5 Conclusion

No door to door surveys were conducted to identify adult persons in rural areas willing to do unskilled manual work. The participation of women was far less as compared to the prescribed percentage. The records maintained were improper thus it was not possible to ascertain from the ground level records whether employment was provided within the stipulated 15 days or not. The unemployment allowances were also not paid to the eligible wage seekers from the State funds.

5.6 Recommendations

- The Government should ensure registration of persons willing to work after surveys at the level of *GP* in order to implement the scheme in letter and spirit.
- The Government should ensure 100 days of work in a year to those registered and payment of unemployment allowances to those not getting work within the stipulated time, as per guidelines.