

CHAPTER-II

AUDIT FINDINGS ON PANCHAYATI RAJ INSTITUTIONS

This chapter contains one Performance Audit ‘Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme’, Compliance Audit of ‘Magra Area Development Scheme’ and two paragraphs relating to Panchayati Raj Institutions.

PERFORMANCE AUDIT

Rural Development and Panchayati Raj Department

2.1 Implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme

Executive summary

Government of India (GoI) enacted National Rural Employment Guarantee Act for providing employment to rural population in September 2005. In Rajasthan, the Act was made applicable from February 2006 initially in six districts and extended to all the districts by April 2008. The Act was renamed as “Mahatma Gandhi National Rural Employment Guarantee Act” (MGNREGA) from October 2009. Under the Act, Government of Rajasthan (GoR) notified the National Rural Employment Guarantee Scheme, Rajasthan in July 2006. The basic objective of the Act is enhancement of livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to any rural household (HH) whose adult members volunteer to do unskilled manual work on demand.

A Performance Audit of the implementation of MGNREGA in the selected districts revealed that Annual Development Plan and Labour Budget were not approved timely and quorum for approval by Gram Sabha was not fulfilled, list of approved works was not displayed on the notice board. Convergence with the line departments was very low as percentage of expenditure on works executed average only 6.53 per cent.

No door to door survey was conducted for identification of eligible households and job cards were not renewed after their issuance. Further, workers were not given receipts for work demanded and works provided to disabled persons was only 29 to 36 days. Overall 37.05 per cent works were incomplete and there were deficiencies in the construction of durable assets.

Average employment provided in the State was only 52.02 days per household and employment of 100 days and more was provided to only an average of 9.91 per cent households. Overall 15.82 per cent muster rolls remained with zero attendance and attendance of workers was not marked

on daily basis and not entered in the NREGASoft. Further, pending liabilities of wages and materials were ₹ 704.37 crore. Labour amenities and other entitlements guaranteed to the workers were not being provided except water facility.

Financial management was weak as State share was delayed/short released and huge sums of money on account of excess material component etc., were not recouped into the State Employment Guarantee Fund. There were also huge shortages of staff at all levels and as of July 2017, 70.86 per cent posts were lying vacant.

Inspite of numerous flaws being there in the implementation of the Scheme, very few observations were noticed during conduct of Social Audit. The grievance mechanism was not effective as 76.82 per cent complaints were not disposed off within the prescribed time limit. Further, periodical inspection of works was not carried out.

2.1.1 Introduction

Government of India (GoI) enacted National Rural Employment Guarantee Act for providing employment to rural population in September 2005. In Rajasthan, the Act was made applicable from 2nd February 2006 initially in six districts¹ and extended to all the districts by April 2008. The Act was renamed as “Mahatma Gandhi National Rural Employment Guarantee Act” (MGNREGA) from 2nd October 2009. Under the Act, Government of Rajasthan (GoR) notified the National Rural Employment Guarantee Scheme, Rajasthan in July 2006. The basic objective of the Act is enhancement of livelihood security in rural areas by providing at least 100 days² of guaranteed wage employment in a financial year to any rural household (HH)³ whose adult members volunteer to do unskilled manual work on demand.

2.1.2 Organisational structure

Additional Chief Secretary (ACS), Rural Development and Panchayati Raj Department (RD&PRD) is the head of nodal agency. The organizational structure and functional responsibilities for implementation of MGNREGS is given in *Appendix-II*.

2.1.3 Audit objectives

The objectives for the Performance Audit (PA) were to ascertain whether:

1. There was effective planning for implementation of the scheme;

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1. District: Banswara, Dungarpur, Jhalawar, Karauli, Sirohi and Udaipur.
 2. Government of Rajasthan allowed upto 100 days of additional employment for ‘*Saharia*’ and ‘*Kherua*’ tribe households in Baran District and ‘*Kathodi*’ tribe household in Udaipur district every year since 2011-12.
 3. "Household" mean the members of a family related to each other by blood, marriage or adoption and normally residing together and sharing meals or holding a common ration card.

2. *The process for registration of households, allotment of job cards and allocation of employment was effective and according to the prescribed guidelines;*
3. *Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) works were timely executed and durable assets were created and maintained properly;*
4. *Hundred days guaranteed employment under the scheme was provided to adult members of every household and Unemployment Allowance and labour amenities were provided in accordance with the Act;*
5. *Financial and manpower management was effective; and*
6. *Mechanisms for monitoring of the scheme at different levels existed.*

2.1.4 Audit criteria

The Audit criteria for the PA were based on the following:

- National Rural Employment Guarantee Act, 2005 (Act) and amendments thereon, notifications, circulars and guidelines issued there under by Central and State Government.
- MGNREGA Operational Guidelines (2008 and 2013).
- MGNREGA Technical Guidelines, 2010.
- Finance and Accounts Guidelines, 2011 of the GoR.
- Gramin Karya Nirdeshika (GKN), 2010, of the GoR.
- Rajasthan Panchayati Raj (RPR) Act, 1994.
- Rajasthan Panchayati Raj Rules (RPRs), 1996.

2.1.5 Audit scope and methodology

The PA covered the activities carried out under the scheme during the period 2012-13 to 2016-17.

Out of 33 districts selection of eight districts was done on the basis of risk categorization of the districts as high, medium and low based on expenditure, number of households to whom job cards were issued, number of registered workers, number of active workers and number of works started during period 2012-13 to 2016-17. Accordingly, three districts (Banswara, Barmer and Dungarpur) were selected from high risk category, three districts (Bhilwara, Jodhpur and Nagaur) from medium risk category and two districts (Jaipur and Jalore) from low risk category. Further in each selected district, 25 per cent Panchayat Samitis (PSs) totalling 27 PSs and in the selected PS, 25 per cent GPs totalling 222 GPs were selected randomly. Further, five per cent works

were selected for detailed check/physical verification and interviews with 10 beneficiaries in each GP. Details are given in **Appendix-III**.

The results of the beneficiary survey are given in **Appendix-IV**. Apart from this, the Audit team was also present as observer when Social Audit was being conducted in two GPs⁴ by the Directorate of Social Audit of the GoR.

An Entry conference was held on 28 March 2017 with Secretary, RDD and Commissioner, Employment Guarantee Scheme (EGS) in which Audit methodology, scope, objectives and criteria were discussed. An Exit Conference with Secretary, RDD was held on 20 March 2018 to discuss the Audit findings and recommendations.

2.1.6 Audit findings

Objective-1: Whether there was effective planning for implementation of the scheme

2.1.6.1 Annual Development Plan

As per section 16 of the Act, every GP shall, after considering the recommendations of the Gram Sabha, prepare a development plan and maintain a shelf of possible works to be taken up under the scheme.

The Development Plans of individual GPs are to be consolidated and approved by Programme Officer (PO) at the Block Panchayats. A similar exercise will be carried out at the District level. Based on the approved District Plan, the District Programme Coordinator (DPC) will co-ordinate the preparation of detailed technical estimates and sanction each work. The Audit findings in respect of planning are summarised below.

2.1.6.2 Lack of quorum for approval by Gram Sabha

As per RPR Act 1994, the quorum for a meeting of the Gram Sabha shall be one-tenth of the total number of members out of which presence of members belonging to the Scheduled Castes (SC), Scheduled Tribes (ST), and Other Backward Classes (OBC) and Women members shall be in proportion to their population.

Scrutiny of records of 222 test checked GPs⁵ revealed that in 157 GPs (70.72 *per cent*), quorum for a meeting of the Gram Sabha was not fulfilled in terms of number of members for meetings held by the Gram Sabha during the period 2012-17.

Further, in order to evaluate the Social Audit being conducted by the SAU, an Audit team also witnessed the process of Social Audit as ‘observers’ during Social Audit of GP Daulatgarh (PS Asind) and GP Chandras (PS Mandal) for the period 1 October 2016 to 31 March 2017. It was observed that Gram

4. Gram Panchayat: Daulatgarh (PS Asind) and Chandras (PS Mandal) of ZP Bhilwara.
5. Records were not provided by 65 GPs.

Sabha was chaired by Sarpanch instead of an elderly person and Gram Sabha was held in the village of Sarpanch instead of a neutral place.

Thus, public participation as intended in the Scheme was not ensured. The GoR stated (March 2018) that the information is being called from ZPs concerned.

2.1.6.3 Delayed approval of Annual Development Plan and Labour Budget

As per paragraph 6.9 of Operational Guidelines 2013 and Master Circular 2016-17 i.e. the guidance for programme implementation, Annual Development Plans (ADP), Consolidated ADPs and Block ADPs were to be approved by Gram Sabha, Block Panchayat and DPC respectively every year as per prescribed timeliness. Further, District Annual Plan and Labour Budget were to be submitted by DPC to District Panchayat for approval every year as per prescribed timeline. Scrutiny of records revealed that during the years 2012-13 to 2016-17:

- Out of 222 test checked GPs, in 176 GPs approval of ADP was delayed for period upto 356 days.
- Out of 27 test checked PSs, in 24 PSs, approval of Block ADP was delayed for period upto 210 days.
- Out of eight test checked ZPs, in 6 ZPs⁶, approval of District Annual Plan and Labour Budget was delayed for periods upto 395 days.
- Aggregated Labour Budget at District level is required to be sent to Ministry of Rural Development (MoRD) by 31st December every year by GoR. Scrutiny of records of Commissioner, EGS revealed that the GoR had sent MGNREGA Labour Budgets with delays ranging from 43 to 75 days for the next financial year during the year 2012-13 to 2016-17. Thus, first tranche of funds was released by the GoI on 14 May 2012 and 22 April 2013 for the year 2012-13 and 2013-14.

2.1.6.4 Preparation of District Perspective Plan

Chapter 2 (9) of notified MGNREG Scheme of GoR and paragraph 4.5 of Operational Guidelines 2008 also suggest development of District Perspective Plans (with a five year timeframe) for facilitating advance planning and to provide a development perspective for the district.

Scrutiny of records revealed that in all test checked ZPs, District Perspective Plans were not prepared by the ZP. The GoR (March 2018) accepted the fact.

During Exit Conference (March 2018) the Secretary, RDD assured to take effective steps to improve the timely submission and disposal of various aspects/plan of scheme.

6. Zila Parishads: Barmer, Dungarpur, Jaipur, Jalore, Jodhpur and Nagaur.

2.1.6.5 Works disaggregated GP-wise not entered in the Management Information System

The list of works to be undertaken was to be disaggregated GP-wise and sent to respective GPs for data entry in the Management Information System (MIS) by 15th December of each year. Scrutiny of records revealed that in all eight test checked ZPs, entries of all the works in shelf of projects mentioning category wise priority etc., was not being entered in the MIS. The GoR stated (March 2018) that necessary directions have been issued to authority concerned for entering data in the MIS according to Labour Budget.

2.1.6.6 Non-display of list of approved works at notice board of GP

As per paragraph 25 (a) (3) of Schedule I of MGNREGA, shelf of projects approved, year-wise works taken up or completed by GPs and line department, employment provided, fund received and expenditure, list of materials with quantities used in each work, rates at which the material was procured, were to be displayed through notice boards at the GP Office.

Scrutiny of records revealed that out of 222 test checked GPs, in 220 GPs⁷ list of approved works was not displayed on the notice board. The GoR Stated (March 2018) that necessary directions have been issued for display of lists of approved work.

2.1.6.7 Convergence with MGNREGS

Government of India had evolved guidelines for convergence of MGNREGS with the specific programmes and schemes as the objective of creating durable assets and securing livelihood of rural households can be facilitated with resources of other programmes/schemes available with Panchayats and other line departments.

(i) State Convergence Plan

Government of India had issued directions (May 2014) for preparation of revised State Convergence Plan (SCP) focused on some of the possible areas of convergence identified in close consultation with the line departments. The SCP was to be approved by the State Employment Guarantee Council (SEG) or alternatively, by the appropriate authority at the State level. In compliance of aforesaid directions GoR had sent (June 2014) a revised roadmap for convergence of MGNREGS with other schemes in the State with projected expenditure of ₹ 747.99 crore (₹ 408.12 crore from MGNREGS and ₹ 339.87 crore from line departments). The aforesaid SCP was approved by GoI on 26 June 2014.

Scrutiny of records of Commissioner, EGS revealed that:

- Principal Secretary, RD&PRD's directed (18 June 2014) to line departments, that a tentative convergence plan was being sent to GoI by

7. Records were not provided in two GPs i.e. Bandasar and Negariya.

making a provision of ₹ 20 crore from each line department. He urged the concerned department to make a provision of a minimum of ₹ 20 crore with the approval of Chief Secretary and to submit the actual convergence plan. However, actual convergence plan was not prepared. SCP for 2015-16 and 2016-17 were also not made available to Audit. Against 2014-15 SCP only ₹ 191.92 crore was spent from MGNREGA fund by the line departments, however, contribution of line department was not made available to Audit.

- For 2016-17, physical and financial targets (1,352 lakh person days with ₹ 3,900 crore targeted expenditure) for line departments for convergence with MGNREGS were fixed by GoR. However, only ₹ 304.63 crore (7.81 *per cent* of total target) expenditure was incurred by the line departments from MGNREGS fund during 2016-17.

(ii) Implementation of convergence of MGNREGS with line departments

During the period 2013-14 to 2016-17, percentage of expenditure on works executed by the GPs (through PRIs) averaged 93.47 *per cent* of total expenditure incurred under MGNREGS. Expenditure on works executed by the other line departments (other than PRI) averaged at only 6.53 *per cent* of total expenditure incurred under MGNREGS. The convergence of some of the major line departments with MGNREGS is discussed in **Table 2.1** below:

Table 2.1

S.No.	Department	Issue
(i)	Convergence with Public Works, Water Resource & Forest Department	<p>Public Works Department (PWD), Water Resource Development (WRD) and Forest Department were requested for taking up 15 <i>per cent</i> works each of total outlay of MGNREGS.</p> <p>The actual average convergence during the period 2013-14 to 2016-17 was only 2.69 <i>per cent</i> (PWD), 1.39 <i>per cent</i> (WRD) and 2.21 <i>per cent</i> (Forest Department) as against required 15 <i>per cent</i> of total expenditure incurred under MGNREGS.</p>
(ii)	Convergence with Agriculture Department	<p>GoI had issued direction (June 2013) that annual plan of Agriculture department may be prepared in a manner that both plans complement each other.</p> <p>The actual average convergence during the period 2013-14 to 2016-17 by the Agriculture department was only 0.01 <i>per cent</i> of total expenditure incurred under MGNREGS.</p>
(iii)	Convergence with RD& PRD	<p>GoR issued ‘Shamlat Pahal Scheme’ guidelines in March 2015 for convergence of MGNREGS with other RD&PRD schemes⁸. Inspite of MGNREGS and other schemes being implemented by the same department i.e. RD&PRD, the convergence during the period 2015-16 and 2016-17 was below one <i>per cent</i> of total expenditure incurred under MGNREGS.</p>

8. Rural Development Department: MLALAD, MPLAD, MAGRA, MEWAT, BADP, Rural contributory Schemes SWVIVEK and SHREE Scheme etc. and Panchayati Raj Department: BRGF, SFC, TFC, Untied Fund Scheme, RGPSA etc.

S.No.	Department	Issue
(iv)	Convergence with Integrated Watershed Management Programme	In all the test checked ZPs neither any proposal for new works nor any watershed management work had been included in the ADP.
(v)	Convergence with Pradhan Mantri Gramin Sadak Yojna (PMGSY)	GoI issued (November 2013) convergence guidelines for Pre-PMGSY ⁹ and Post PMGSY ¹⁰ works. In all test checked ZPs, neither a district wise project of works was prepared and shared by the PMGSY unit nor was any work executed with convergence.

Thus it can be seen that convergence with the major line departments was very low. During exit conference (March 2018) Secretary, RDD stated “line departments were not willing to work with MGNREGS. They are not comfortable with muster-roll culture of MGNREGS, however efforts will be made to increase convergence with other departments as well as *Shamlat Pahal Scheme*”.

Conclusion

Planning for implementation

The Annual Development Plan for effective implementation of MGNREGS which was to be built up through a bottom up approach i.e. through approval by Gram Sabha, Block Panchayat and District Programme Coordinator, was delayed at all three levels. Further people's participation in preparation of Annual Development Plan was not adequate as in 70.72 per cent of the GPs, the quorum of members was not ensured. This resulted in delayed submission of the Annual Plan and Labour Budget to GoI. Five year District Perspective Plans were also not prepared at the Zila Parishad level. The State Convergence Plan, which was to focus on possible areas of convergence with other line departments, could not be made based on actual assessments. In 2014-15 where targets for convergence were set, could not be achieved. The percentage of expenditure on works executed by the other line departments averaged only 6.53 per cent, thereby showing very low convergence of total expenditure incurred under MGNREGS.

Recommendations

1. *Government of Rajasthan should ensure that planning activities at all levels i.e. Gram Sabha, Block Panchayat and District are initiated and completed timely so that annual development plan and labour budget are submitted without delays to GoI duly ensuring the peoples participation in Gram Sabhas.*
2. *Government of Rajasthan should analyse the reasons for low convergence and consider policy changes, if required, so that durable and sustainable assets are also created with the available resources of other programmes/schemes.*

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9. Pre PMGSY works: the earth work formation and compaction/consolidation works.
 10. Post PMGSY works for durability (maintenance) and value addition (Roadside Plantation, Water harvesting structure).

Objective-2: Whether the process for registration of households, allotment of job cards and allocation of employment was effective and according to the prescribed guidelines

2.1.7 Allotment of job cards and allocation of employment

2.1.7.1 Door-to-door survey for registration of job cards

As per paragraph 3.1.1 of Operational Guidelines 2013, a door-to-door survey was to be undertaken by each GP every year to identify eligible households, who were missed out and wished to be registered under the Act. Scrutiny of records revealed that out of 222 test checked GPs¹¹, in 166 GPs no door-to-door survey was conducted during the period 2012-17. Thus, eligible households who were missed out and wished to be registered under MGNREGS, were not identified. The GoR stated (March 2018) that *rozgar diwas* is being organised for registration of job cards. The reply is not acceptable as no records were made available to Audit to establish that eligible households were registered during *rozgar diwas* as discussed in **Paragraph 2.1.7.4.**

2.1.7.2 Renewal and verification of job cards after five years

As per paragraph 3 of Schedule-II (revised on 3 January 2014) of MGNREG Act, the job card issued shall be valid for at least five years after which it may be renewed after verification. Scrutiny of records revealed that out of 222 test checked GPs, in 157 GPs, job cards were not renewed after issuance in the year 2008 and onward. Job cards were renewed in 12 GPs¹² and records were not provided in 53 GPs. The GoR stated (March 2018) that directions have been issued for renewal and verification of job cards.

2.1.7.3 Providing job card to all landless casual labourer's households

Ministry of Rural Development took a decision (December 2016) to provide job cards under MGNREGS to each of the willing landless casual labourer's household as per Socio Economic Caste Census (SECC) 2011. Accordingly, a provision was made in NREGASoft¹³ to map SECC data with the NREGASoft data with reference to households and individuals and the data was to be updated in NREGASoft after conducting survey by 15 January, 2017.

- As per the MIS data available at NREGASoft, in the State position of households of landless casual labourers surveyed, mapped, unmapped and issue of job card to unmapped willing HHs in the State are given in **Table 2.2** below:

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11. Records were not provided in 56 GPs.
 12. Job cards were renewed in 12 GPs Shyampura, Chimana, Jamba, Kalansingh ki Seer, Narayan Pura, Bhaloo Rajwa, Deriya, Aau, Denok, Indonka Bas, Motiya Nagar, Siyol Nagar.
 13. Government of India developed a work flow based, web enabled application to capture all the activities under NREGA at Center/State/District/Block and Panchayat level.

Table 2.2

Total landless casual labour as per SECC shown at NREGASoft	Total HH surveyed	HH not surveyed (Col. 1 - 2)	Total HH mapped from surveyed HH	Total HH unmapped from surveyed HH (Col. 2 - 4)	Willing for job card	Not willing for job card (Col.5-6)	No. of willing HHs got job card
1	2	3	4	5	6	7	8
19,99,505	15,46,964 (77.37%)	4,52,541 (22.63%)	9,47,881 (61.27%)	5,99,083 (38.73%)	57,811	5,41,272	2,959 (5.12%)

Source: MIS data NREGASoft as of 7 September 2017.

- Thus,out of the unmapped 5,99,083 (38.73 *per cent*) households, a total 57,811 households had shown willingness for job cards. However as of 7 September 2017, job cards were issued to only 2,959 households (5.12 *per cent*) leaving 54,852 willing households of landless casual labourers without job cards.
- Further it was also noticed that data shown in respect of landless casual labourer households in the MIS at NREGASoft have vary from the data available at SECC website. The variation in number of households ranged between (-) 93,388 (Alwar) and (+) 5,134 (Jaipur). Thus mapping of SECC data with the NREGASoft data with referrence to households and individuals was not correct and complete.The GoR stated (March 2018) that directions have been issued to authority concerned for issuance of job cards to landless casual labourer households.

2.1.7.4 Application for work

As per paragraph 3.2 of Operational Guidelines 2013, application for work may be on plain paper or it may be in a printed proforma that will be made available free of cost at the GP. The provision for submitting applications for work must be kept available on a continuous basis through multiple channels¹⁴ so designated by GPs. The GP or PO, as the case may be, shall be bound to accept valid applications for work and to issue a dated receipt to the applicant. In case of joint applications for work, dated receipt of work application was to be issued to every individual applicant separately by the GP/PO. As per paragraph 8 of schedule-I of MGNREG Act, demand for work, either oral or written, shall be registered as and when required by any job card holder and in the *rozgar diwas* which is to be conducted at every Ward and GP level at least once a month.

Scrutiny of records as well as physical verification at ongoing work sites and interviews with workers revealed the following:

- Out of 222 test checked GPs, in 99 GPs, Work Application Form was not available with multiple channels and beneficiaries were not able to register their demand in a proper manner.

14. Ward members, Aanganwadi workers, School teachers, Self Help Groups, Village-level revenue functionaries, Common Service Centers (CSCs).

- Out of 222 test checked GPs, in 170 GPs the work applications in groups were submitted through Mate¹⁵ but dated receipt of work application was not issued to every individual applicant separately by the GP/PO. A beneficiary survey of 2,180 was conducted in 218 GPs by Audit, it was found that 78 *per cent* beneficiaries not received receipts in respect of their demand for work (**Appendix-IV**). This defeated the very purpose of the right given to the workers to get a receipt for their demand for work.
- Out of the 222 test checked GPs, in 170 GPs it was observed that records (demand of work, registration etc.) related to organising *rozgar diwas* at every Ward and GP level were not maintained and made available, as such could not be verified by Audit.

During the exit conference (March 2018) Secretary, RDD accepted the facts.

2.1.7.5 Allocation of employment

Paragraph 16 of schedule II of MGNREG Act provides that applicants who are provided with work shall be intimated in writing, by means of a letter sent to him at the address given in the job card or by a public notice displayed at the office of the Panchayats at districts, intermediate or village level. Further as per paragraph 17, a list of persons who are provided with work shall be displayed on the notice board of the GP and at the office of the PO.

Scrutiny of records revealed the following:

(i) Out of the 222 test checked GPs, in 168 GPs information regarding allotment of work to each applicant was not provided in prescribed format. It was also observed that list of persons who were provided work, was not displayed on the notice board. This could have also contributed to the absence of workers from the worksite as 15.82 *per cent* muster rolls remained with zero attendance of workers as discussed below:

(ii) Muster rolls with zero attendance

In the State during 2013-14 to 2016-17, out of total 1,27,93,428 issued muster rolls for unskilled labours, 15.82 *per cent* muster rolls remained with zero attendance of worker as shown in **Table 2.3** below:

Table 2.3

Year	Number of muster roll for unskilled			
	Issued	Filled with attendance	Filled with zero attendance	Total muster roll filled
2013-14	25,97,211	22,11,348	3,68,538	25,79,886
2014-15	26,63,365	21,96,272	4,36,488	26,32,760
2015-16	35,24,124	29,34,078	5,63,573	34,97,651
2016-17	40,08,728	32,27,469	6,55,634	38,83,103
Total	1,27,93,428	1,05,69,167	20,24,233	1,25,93,400
Percentage		82.61	15.82	98.43

Source: MIS data on NREGASoft.

15. Worksite Assistant.

(iii) Scrutiny of records in all 27 test checked PSs as well as information available on NREGASoft, revealed that:

- **Non marking of daily attendance:** Muster roll was being maintained at the worksite by marking attendance daily by a Mate but details of daily attendance was not being made available in public view on daily basis in the computer system. Instead of this, attendance of worker was marked only at the time of preparation of wage list. Further, it was also seen in Chaksu Block (ZP Jaipur), that attendance of the labourers was marked continuously even on holidays.
- **Muster rolls not countersigned by the workers:** The muster rolls were not being countersigned by each worker on last given day of the closure of muster rolls, as required.
- **Incomplete muster roll control register:** A muster roll control register was being maintained at PS level, however the entries like details of financial sanction, name and signature of receiver of muster roll, date of deposit of muster roll, date of handing over muster roll to JEN/JTA etc., in the register as specified were incomplete.
- **Non verification/certification of bills or vouchers by group of workers:** No cases were noticed in which weekly verification and certification of bills or vouchers was done by the group of workers at worksite.

During exit conference (March 2018), the Secretary, RDD stated that GoR is planning to link work application of labourers with Mobile phones for informing them about allocation of work through Short Messaging Service (SMS). Department is also making efforts to reduce zero attendance muster roll.

(iv) As per Chapter 9 of Operational Guidelines 2013, each State Government should designate one officer in each district as a Coordinator (Vulnerable Groups) who will exclusively look after the needs and requirements of the special categories and create enabling conditions for their inclusion in MGNREGS works.

Scrutiny of records revealed that during the years 2012-17, the disabled persons accounted for 16.33 to 26.76 *per cent* of registered disabled persons under MGNREGA. Such disabled persons got only 29 to 36 day employment on an average.

Further, in none of test checked ZPs, dedicated officer as a Coordinator (Vulnerable Groups) was designated by the GoR for exclusively looking after the needs and requirements of the special categories and create enabling conditions for their inclusion in MGNREGS works. The GoR stated (March 2018) that necessary directions have been issued to authority concerned for proper monitoring.

Conclusion

Allotment of job cards and allocation of employment

No door-to-door survey was conducted as required for identification of eligible households who missed out and wished to be registered under the scheme. Moreover, job cards were not renewed after their issuance. The survey to identify willing landless households for issuing job cards was not completed. Due to non availability of form for applying for work, workers were not able to register their demand. Further, workers were not given receipts for their demand and also were not intimated when work allocation was made in their favour. An average 29 to 36 days work was provided only to registered disabled persons.

Out of total 1,27,93,428 muster rolls issued, 15.82 per cent remained with zero attendance of workers. The muster roll control register was not maintained properly and the muster rolls were not countersigned by each worker. Neither attendance of workers was marked on a daily basis nor date wise attendance was entered in the MIS.

Recommendations

3. As registration of eligible households was a pre requisite to be considered for work allotment under the scheme, GoR should ensure that survey at the level of Gram Panchayat is conducted on regular basis to identify eligible households who wished to be registered.
4. GoR should ensure renewal and verification of job card on timely basis.
5. GoR should ensure that the work application form is available, so that workers can easily register their demand for work.

Objective-3: Whether MGNREGS works were timely executed and durable assets were created and maintained properly

2.1.8 Execution of works

2.1.8.1 Incomplete works

As per paragraph 22.10 of Gramin Karya Nirdeshika (GKN) 2010¹⁶, work should be completed by the executing agency within a period of nine months. In the State out of the total 15,77,141 works started upto the 2016-17 since inception, 5,84,321 works (37.05 per cent) were yet to be completed as of 7 July 2017. Moreover 2,54,184 incomplete works were related to 2015-16 or prior period. Moreover in the four districts (Banswara, Dungarpur, Jhalawar and Pali) work completion rate was below 50 per cent. As most of the works started under MGNREGS related to water conservation, irrigation and land development, their slow progress would negatively impact creation of durable assets in villages. Thus there is a need to carefully monitor the completion of

16. As per GoR circular dated 27 May 2010, all works undertaken under the centrally/State Sponsored Schemes are to be executed according to GKN 2010.

these works. The GoR stated (March 2018) that efforts are being made to complete the works sanctioned upto 2016.

2.1.8.2 *Delay in issue of sanctions*

Paragraph 22 of GKN, 2010 prescribes 10 days for issue of financial sanction after issuing technical sanction of works. Scrutiny of records of four test checked ZPs¹⁷ revealed that financial sanctions were not issued by ZP within prescribed time limit and delayed upto 232 days. The GoR stated (March 2018) that necessary directions have been issued to concerned ZPs for timely issuance of sanctions at DPC level.

2.1.8.3 *Measurement of works for wage payment*

Paragraph 7.10.1(iii) of Operational Guidelines 2013 provides that before starting any work under MGNREGS, workers may be divided into small groups of four to six persons at the worksite for easy execution, measurement of work and proper calculation of wages of the workers. Measurement recorded in Measurement Book (MB) need to be entered in NREGASoft to determine valuation of work done. Scrutiny of records as well as information available at NREGASoft, in all test checked 27 PSs revealed that:

- (i) Computerization of measurement using electronic measurement book (eMB) was not being done for wage payment and only MB number was being mentioned in the assets register in NREGASoft.
- (ii) Although different groups were formed at the worksite to carry out one task, payment to workers was being distributed equally without considering work done by members of each group and wage payment was being made equally to members without evaluating the performance of the various groups separately. For instance, if one group had done 20 *per cent* of the task and the other group had done 80 *per cent* of task, both the group got paid equally without considering the quantum of task done by members of each group. The GoR stated (March 2018) that necessary directions have been issued to upload eMB in the NREGASoft and for payment to workers on group task.

2.1.8.4 *Joint physical verification of durable assets created under MGNREGS*

As per paragraph 3(a) of Schedule-I of MGNREG Act, the core objective of scheme was creation of productive assets of prescribed quality and durability. Joint physical verification with departmental officials of 670 works in 222 GPs/27 PSs was conducted in April-October 2017.

- (a) In the seven test checked ZPs¹⁸, 40 works relating to construction of *talab/ talai/ bawdi/ nada/ nadi/ johad/ nala/ minor/ canal/ nahar/ anicut* were sanctioned between March 2008 and May 2016 and completed with an

17. Zila Parishads: Jaipur: No. of works - 40 (delay 14 to 190 days), Barmer: No. of works - eight (delay 39 to 232 days), Dungarpur: No of works – 52 (delay 38 to 104 days) and Jodhpur: No. of works - 52 (delay 33 to 197 days).
18. Barmer, Bhilwara, Dungarpur, Jaipur, Jalore, Jodhpur and Nagaur.

expenditure of ₹ 3.73 crore during the period from October 2012 to March 2017. During joint physical verification of 40 works (**Appendix-V**), the following irregularities were noticed:

- There were uneven ditch type pits in the *talab* which was unsafe.
- Stone pitching/safety wall works were not executed.
- Display boards at worksite were not available.

A few cases are detailed below:

Case 1: Gram Mundrahedi, GP Haripura (PS Chaksu)		
Name of work	<i>Talab Khudai Dayal Sagar Mundrahedi</i>	
Sanctioned amount	₹ 9.97 lakh	
Expenditure	₹ 8.03 lakh	
Work completed on	6 July 2016	
Physical verification on	30 May 2017	
Remarks	One side of earthen wall (<i>Pal</i>) of <i>talab</i> was damaged which precluded the possibility of storing water in <i>talab</i> and thus objective of construction of <i>talab</i> was not achieved.	
Case 2: GP Chatrpura (PS Asind), Bhilwara		
Name of work	Construction of <i>Jal Sanrakshan Dhancha</i> at Border of Rampura	
Sanctioned amount	₹ 9.51 lakh	
Expenditure	₹ 4.92 lakh	
Work completed on	31 March 2017	
Physical verification on	14 September 2017	
Remarks	Only <i>Kuchcha Karya</i> was executed. There was no water in the structure and it did not have catchment area.	
Case 3: GP Kumahariyawas (PS Chaksu)		
Name of work	<i>Talab Khudai, Suraksha Diwar and Pattar Pitching work</i>	
Sanctioned amount	₹ 14 lakh	
Expenditure	₹ 8.68 lakh	
Work completed on	15 May 2013	
Physical verification on	13 June 2017	
Remarks	Only earth work was executed. <i>Patthar pitching</i> and <i>suraksha diwar</i> work was not executed. Also, there were uneven ditch type pits in the <i>talab</i> .	
Case 4: GP Siwana, PS-Siwana		
Name of work	Construction of <i>Rata Nadi</i> work in <i>Radia Wala</i>	
Sanctioned amount	₹ 12.79 lakh	
Expenditure	₹ 12.59 lakh	
Work completed on	March 2013	
Physical verification on	28 July 2017	
Remarks	The <i>nadi</i> was to be excavated to 4.5 meter depth; however, the excavation was done only up to 0.3 meter. Therefore, purpose of digging the <i>nadi</i> failed as there was no water in the <i>nadi</i> even in the monsoon season.	

Case 5: GP Golia, PS-Siwana	
Name of work	Digging of Khorishwar Nadi work
Sanctioned amount	₹ 9.93 lakh
Expenditure	₹ 9.67 lakh
Work completed on	July 2015
Physical verification on	26 July 2017
Remarks	<i>Nadi</i> was constructed at the base of the mountain; however no structure was available at present as it appeared to have been washed away. Thus the purpose of construction of <i>nadi</i> for conservation of water was defeated.

The GoR stated that (March 2018) directions have been issued to authority concerned for remedial action.

(b) Scrutiny of records of PS Kushalgarh revealed that three works of plantation (10,000 plants in each work) were sanctioned (July 2012) (included digging of pits, Planting, construction of check dam and maintenance of these plants) under MGNREGS for ₹ 0.99 crore¹⁹ in GP Mohakampura, Bassi and Jheenkli and an expenditure of ₹ 0.43 crore²⁰ was incurred on digging pits and planting of plants. As of May 2017, even after a lapse of five years, these were being shown as ongoing by the Forest Department (implementing department).

It was observed that no plants had survived after lapse of five years, thereby defeating the very objective of the plantation.



The GoR stated that (March 2018) necessary directions have been issued to authority concerned.

(c) In ZP Chittorgarh, 10 works amounting to ₹ 2.64 crore (₹ 1.55 crore for PS, Dungla in May 2011 and March 2012 + ₹ 1.09 crore for PS, Rashmi in June 2011 and January 2014) were sanctioned on *Charagah* land for plantation of five types of fruits under '*Panchfal Yojana*'. The works included digging of pits, fencing, plantation, watering of plants and maintenance of plants and was to be completed in five years. An expenditure of ₹ 0.83 crore²¹ was incurred in six plantations in PS, Dungla and four plantations in PS Rashmi as on March 2017. It was noticed that not a single fruit plant was available. Thus, even after a lapse of five years and an expenditure of ₹ 0.83 crore, the *Panchfal Yojana* was rendered unfruitful.

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- 19. Gram Panchayats: Mohakampura (₹ 21.23 lakh-July 2012); Bassi (₹ 45.58 lakh-July 2012) and Jheenkli (₹ 31.92 lakh-May 2012).
 - 20. Gram Panchayats: Mohakampura (Expenditure: ₹ 13.41 lakh (April 2016); Bassi (₹12.01 lakh-May 2014) and Jheenkli (₹ 17.52 lakh-May 2016).
 - 21. Panchayat Samitis: Dungla (₹ 0.41 crore) and Rashmi (₹ 0.42 crore).

(d) Two works of “*development of pasture (charagah) land*” by plantation of trees amounting to ₹ 0.17 crore²² were sanctioned between June 2013 and May 2015 in GP Bhimdiyawas and Chitamba (PS Mandal). The work was completed with an expenditure of ₹ 0.16 crore²³ in August 2016. It was noticed that the tree plantation works were not executed. The GoR stated that (March 2018) necessary directions have been issued.

(e) In ZP, Bhilwara and Jodhpur two works of ‘*Construction of medbandi of charagah land*’ costing ₹ 0.16 crore was sanctioned (May 2015) and completed (May 2016).

It was noticed that both works were damaged at various places and cattle were grazing inside the *charagah (pasture land)*. Thus, purpose of construction of *medbandi* at *charagah* was not fulfilled after incurring an expenditure of ₹ 0.14 crore.

(f) In ZPs, Banswara and Jaipur, four works relating to construction of pucca floor, urine tank, fodder trough for cattle and goat shelter costing ₹ 4.74 lakh²⁴ were sanctioned (September 2013 to May 2017) at an expenditure of ₹ 3.31 lakh.

It was noticed that instead of *pucca* floor, urine tank and fodder trough for cattle, a room for residential purpose was constructed which was not allowed under MGNREGS. It was further noticed that construction of Goat Shelter was not constructed as per design. Moreover the constructed structure was used as a store room instead of goat shelter, which was not permissible under MGNREGS.



(g) In ZP, Bhilwara, Dungarpur and Jodhpur, 18 works relating to construction of gravel road costing ₹ 2.49 crore were sanctioned during March 2008 to October 2016 and completed with an expenditure of ₹ 1.50 crore during July 2012 to August 2017. It was noticed that gravel roads were encroached/blocked by farmers, and purpose of rural connectivity could not be

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- 22. Gram Panchayats: Bhimdiyawas (₹ 9.17 lakh-June 2013) and Chitamba (₹ 8.48 lakh-May 2015).
 - 23. Gram Panchayts: Bhimdiyawas: ₹ 8.13 lakh (April 2016) and Chitamba: ₹ 8.08 lakh (August 2016).
 - 24. Panchayat Samitis, Anandpuri (two works) GP Chhaja (Construction of cattle shed Ganesh/Ganji: ₹ 1.50 lakh (September 2013) - Expenditure ₹ 1.38 lakh (June 2015), Construction of cattle shed Santu/Kapura - ₹ 1.50 lakh (September 2013) - Expenditure ₹ 1.37 lakh (June 2015) PS Chaksu - GP Jhapda Kalan (Construction of cattle shed Panchuram/Gyarsa - ₹ 1.29 lakh (September 2016 - Expenditure ₹ 0.13 lakh (March 2017) PS Sanganer - GP Lakhana (construction of Goat Shelter Chunilal/Bodhuram- ₹ 0.45 lakh (March 2017) Expenditure - ₹ 0.43 lakh (May 2017).

achieved as envisaged in the Act. This indicates that department had not made required demarcation on the road land before the sanction.

	
<p><i>Construction work of Gravel road house of Shambu Lal Nai to Bhagora Chaurha via Lakshman/Kerang. (Date of completion: July 2012)</i></p>	<p><i>Construction work of gravel road from Ganesh nagarto PMJSY road Ramrakh Bhopaki Dhani tak GP Jamba (PS Bap) ZP Jodhpur- encroached/blocked by fencing (Date of completion October 2015)</i></p>

(h) In ZPs Bhilwara, Banswara, Barmer, Jalore, Jodhpur and Nagaur 27 works of construction of gravel roads costing ₹ 4.28 crore were sanctioned (March 2009 to December 2015) and completed (March 2013 to March 2017) with an expenditure of ₹ 1.31 crore.

It was noticed that only earth works was executed and no gravel was laid over it. Thus, expenditure ₹ 1.31 crore incurred on the earth work was wasteful and the purpose of connectivity was not achieved.

(i) Clause 17 of Schedule I of technical guidelines 2010, stipulates that gravel should be laid in 20 centimeter thickness and after compaction it should be 15 centimeter. In ZP Jalore and Nagaur, eight works for construction of gravel roads amounting to ₹ 0.97 crore were sanctioned (April 2010-March 2016) in PSs Chitalwana, Jayal and Makrana and completed (May 2013-July 2016) with an expenditure of ₹ 0.81 crore.

In eight gravel roads (total length of 14,096 meter), against a total requirement of 8,810 cubic meter gravel, 11,331.55 cubic meter was shown as consumed in MBs. However, only 7,440.42 cubic meter material was used on the gravel roads. Thus, an excess consumption of 3,891.13 cubic meter (i.e. 11,331.55-7,440.42) gravel material was recorded in the MBs.

2.1.8.5 Execution of non permissible works

(i) Construction of pucca boundary in the forest area

Paragraphs 20 and 21 of Appendix of Technical Guidelines 2010 provide for construction of dry stone masonry wall for prevention of encroachment and illegal grazing in the forest area. GoR had further clarified (June 2015) that construction of *pucca* boundary wall in forest area should not be permitted under MGNREGS.

Scrutiny of records of PS Jaswantpura, ZP Jalore revealed that work of ‘eco-restoration and ground water conservation’ in forest range of Golana village, GP Kalapura was sanctioned (August 2014) for ₹ 40.71 lakh. Out of this ₹ 10.29 lakh was spent on construction of *pucca* boundary wall by the Forest Department in violation of technical guidelines.

(ii) Gravel work alongside the canal

GoR issued instructions (November 2010) that gravel work should not be permitted alongside the canals under MGNREGS. Scrutiny of records of PS Jaswantpura revealed that work of annual maintenance and repair of Bandi Sindhara dam worth ₹ 36.06 lakh was sanctioned (December 2012) in GP Thur. The sanction included ₹ 5.40 lakh for gravel work alongside the canal, out of which an expenditure of ₹ 3.64 lakh was incurred on laying of gravel alongside the canal. The aforesaid work was executed by Water Resources Department in violation of technical guidelines.

The GoR stated that (March 2018) necessary directions have been issued for action against the defaulting officials and for recovery.

Conclusion

The works undertaken under MGNREGS were delayed as out of 15,77,141 works started upto the 2016-17, 5,84,321 works (37.05 per cent) were yet to be completed as of July 2017.

Joint Physical verification of durable assets created under MGNREGS by Audit teams along with departmental officials revealed numerous deficiencies in the construction of talabs, plantations, development of pasture lands, gravel roads etc,. This defeated the purpose of creation of durable assets through MGNREGS.

Recommendations

6. *Government of Rajasthan should initiate measures for completion of incomplete works on priority basis and so that community can be benefited by these assets.*
7. *As creation of durable assets is beset by numerous deficiencies, GoR should initiate measures to ensure that high quality assets are created and maintained for durability.*

Objective-4: Whether 100 days' guaranteed employment under the scheme was provided to adult members of every household and Unemployment Allowance and labour amenities were provided in accordance with the Act

2.1.9 Employment provided under MGNREGS

The mandate of the Act was to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work. The position of registered households, active job cards and employment provided under MGNREGS in the districts, in the State during the year 2013-14 to 2016-17 was as shown in **Table 2.4** below:

Table 2.4

Year	HHs job cards		Per cent of total attendance between							Total attendance		Average person days per HH
	Registered	Active	1-10 days	11-20 days	21-30 days	equal to 100 days	(101-150) days	(101-150) days in Drought Effective Areas	Above 150 days	No. (in lakh)	No. (in lakh)	
	(in lakh)	HHs	HHs	HHs	HHs	HHs	HHs	HHs	HHs	Person days Generated		
2013-14	98.30	55.71	9.24	14.29	13.34	1.30	10.54	0.00	0.50	36.15	1,838.56	50.86
			36.87		11.84							
2014-15	98.46	53.12	10.17	15.16	13.67	5.05	2.55	0.00	0.03	36.86	1,685.83	45.74
			39.00		7.60							
2015-16	99.19	60.06	6.38	11.11	11.36	6.09	4.93	3.68	0.09	42.21	2,341.25	55.47
			28.85		11.02							
2016-17	95.50	60.77	5.65	10.62	11.39	3.31	5.87	5.72	0.03	46.35	2,596.82	56.03
			27.66		9.18							
Average					9.91							52.02

Source: MIS data on NREGASoft.

It is evident from the above table that:

- During the period 2013-14 to 2016-17, the overall average employment provided was just 52.02 days per household.
- Employment of 100 and more days was provided to just an average of 9.91 *per cent* households.

The GoR stated (March 2018) that MGNREGS is demand driven programme and work was provided as per demand. The reply is not convincing as 67 *per cent* beneficiaries of the surveyed 2,180 beneficiaries in 218 GPs stated that work was provided only as and when available and not when demanded (*Appendix-IV*). Thus adequate employment as demanded by the workers was in fact not being provided.

2.1.9.1 Employment provided to Women beneficiaries under MGNREGS

Schedule II of MGNREG Act provides that in the allocation of work priority shall be given to women in such a way that at least one third of the beneficiaries shall be women who have registered and requested for work. Scrutiny of MIS revealed that during the period 2012-17, the participation of women beneficiaries under the scheme was good and ranged between 67.03 *per cent* and 69.02 *per cent* with 36 and 43 average days employment being provided. Thus participation of women beneficiaries was significant in the State.

2.1.9.2 Pending liabilities

According to MIS data displayed on NREGASoft that there were pending liabilities of ₹ 704.37 crore on account of material bills and muster rolls/vouchers for 2012-17 as given in **Table 2.5** below:

Table 2.5

(Amount in ₹ crore)

Year	Number of muster roll (unskilled)	Amount	Number of material bills	Amount	Number of muster roll/voucher (Skilled/ Semi Skilled)	Amount	Total liability
2012-13	211	0.14	1,597	6.29	1,717	0.48	6.91
2013-14	2,016	0.46	2,973	9.78	4,068	1.37	11.61
2014-15	7,023	1.01	1,398	5.09	2,602	1.02	7.12
2015-16	36,538	5.56	1,187	4.07	2,894	1.15	10.78
2016-17	1,52,485	37.65	72,046	547.38	1,26,574	82.92	667.95
Total	1,98,273	44.82	79,201	572.61	1,37,855	86.94	704.37
<i>Per cent of total liability</i>		6.36		81.30		12.34	

Source: MIS data NREGASoft as on 19 April 2017.

During exit conference (March 2018) Secretary, RDD accepted that there are pending liabilities in respect of wage/material payment due to less allocation of budget.

2.1.9.3 Delayed payment and compensation

Paragraph 29 of schedule II of the MGNREG Act provides that the workers are entitled to receive ‘delay compensation’ at a rate of 0.05 *per cent* of the unpaid wages per day for the duration of the delay beyond the sixteenth day of the closure of the muster roll. Paragraph 4 of GoI guidelines (June 2014) provides that every PO shall decide whether the compensation that has been automatically calculated by NREGASoft, is payable or not within 15 days from the date of the delay compensation becoming applicable.

(i) Delayed payment to MGNREGS workers

Scrutiny of records of RDD and MIS data revealed that during the period 2013-17, there were inordinate delays in payment of wages to MGNREGS workers as 51.67 *per cent* of total payment of wages were delayed more than the prescribed period for payment as shown in Table 2.6 below:

Table 2.6

(₹ in crore)

Year	Delayed payment between								Total delayed payment		Total payment for financial year	
	15-30 Days		30-60 Days		60-90 Days		More than 90 Days					
	T	A	T	A	T	A	T	A	T	A	T	A
2013-14	58,61,376	620.70	63,98,443	682.31	22,42,454	239.77	11,33,126	123.85	1,56,35,399	1,666.63	1,83,52,057	1,959.66
2014-15	73,78,106	775.50	26,79,113	269.67	3,61,946	35.36	1,03851	10.08	1,05,23,016	1,090.61	1,71,85,507	1,836.65
2015-16	94,82,781	1,103.68	24,10,528	269.55	4,05,988	44.83	4,22303	49.04	1,27,21,600	1,467.10	2,32,11,254	2,718.47
2016-17	55,63,764	710.44	5,18,214	69.12	1,07,356	14.47	1,01,834	13.39	62,91,168	807.42	2,48,91,602	3,223.19
Total	2,82,86,027	3,210.32	1,20,06,298	1,290.65	31,17,744	334.43	17,61,114	196.36	4,51,71,183	5,031.76	8,36,40,420	9,737.97
<i>Per cent of total delayed payment</i>	63.80		25.65		6.65		3.90			51.67		

T: Transaction, A: Amount

Source: MIS data NREGASoft as on 20 April 2017.

A beneficiary survey conducted by Audit found that 64 *per cent* beneficiaries of the surveyed 2,180 beneficiaries in 218 GPs had not received wages within 15 days (*Appendix-IV*).

(ii) Payment of compensation for delayed payment of wages

As per MIS data displayed on NREGASoft, the compensation was automatically calculated by the NREGASoft. During 2013-14 to 2016-17, 98.38 *per cent* of total compensation payable amount was rejected by the POs. The reasons stated for rejecting the compensation amount listed on MIS were (i) Compensation not due (26.13 *per cent*) (ii) Insufficient Funds (2.93 *per cent*) (iii) Natural Calamity (41.78 *per cent*) (iv) Others (29.16 *per cent*) (*Appendix-VI*).

Reasons like “Natural Calamity” cited for rejection of compensation appears unfair and reason of “Others” was ambiguous as the Programme Officer had rejected the compensation without proper verification/evidence.

A beneficiary survey conducted by Audit found that 73 *per cent* beneficiaries had not received compensation for delay in wage payment (*Appendix-IV*).

The GoR stated (March 2018) that compensation is being paid on delayed payment as per rules. The reply is not convincing as compensation was arbitrarily rejected without proper verification/evidence.

(iii) Delayed payment to beneficiaries in spite of introduction of NeFMS

In order to streamline the system of fund releases and to avoid multiple levels of fund release an electronic Fund Management System (e-FMS), was introduced in MGNREGS. The implementing agency (GP/ Block), after due verification of the work and the muster rolls, generates an electronic Fund Transfer Order (FTO) to transfer the wages direct into the beneficiary accounts duly debiting the State level account. This electronic advice allows transfer of wages within 2 working days into the accounts of the beneficiaries. Although the funds are held centrally at State level, the decision to spend is taken at the field level.

It is observed that after introduction of NeFMS from 1 April 2016, though the overall position of delayed transactions decreased, still only 17.80 *per cent* FTOs were processed timely by crediting the wages within two working days of the issue of FTO into the accounts of the beneficiaries. Further, 23.55 *per cent* FTOs were paid between three to four days and 58.64 *per cent* FTOs were paid after 5 days of the prescribed limit of 48 hours.

(iv) Compensation not paid for delayed payment of wages beyond generation of FTOs and till credit into account of beneficiary

Paragraph 29 (1)(c) of Revised schedule II of MGNREG Act provides for compensation payable based on the closure of the muster roll and date of deposit of wages in the accounts of wage seeker. Scrutiny of records of Commissioner EGS revealed that compensation for delayed wage payment @ 0.05 *per cent* of the unpaid wages per day was not being paid for the period beyond generation of FTOs upto the date of deposit of wages in account of beneficiary. The GoR stated (March 2018) that responsibility is being fixed for officials/officers who were responsible for delayed payment.

2.1.9.4 Payment of average wage rate to workers

Every person working under the scheme is entitled to wages at the wage rate notified by the Central Government under Section 6(1) of the MGNREGA. Notified wage rates shall also be displayed prominently at the worksites.

However, as per paragraph 16.8 of Technical Guidelines 2010, action was to be taken in the case of average daily wage earned by the workers in any fortnight comes below ₹ 70²⁵. It was observed in Audit that the average wage paid was less than ₹ 70 in 182, 284, 127 and 52 GPs during the year 2013-17 respectively. However, in all 27 test checked PSs, it was noticed that no action was taken by the higher authorities (i.e. by PO and DPC) to analyse the reasons for the same as prescribed in guidelines.

2.1.9.5 Non issuing of pay slip to workers

Paragraph 7.15 of Operational Guidelines 2013, prescribes that individual pay slips or wage slips should be given to each worker for increasing transparency in the implementation of program. Individual pay-slips shall be generated through NREGASoft along with pay-orders. Scrutiny of records of all 27 test checked PSs revealed that individual pay slips or wages slips were not generated through NREGASoft along with pay orders.

The GoR stated (March 2018) that the payment of wages is now being made/transferred to labourers bank account through NeFMS and therefore there was no necessity for issuing pay slip to workers. The reply is not convincing as Operational Guidelines 2013, prescribed that individual pay slips or wage slips should be given to each worker for increasing transparency in the implementation of program even when wages was being transferred into the accounts of the beneficiaries through the eFMS system.

2.1.9.6 Unemployment allowance

As per paragraph 3.5 of Operational Guidelines 2013 read with Section 7 of the Act, if an applicant is not provided employment within fifteen days of receipt of his/her application seeking employment, he/she shall be entitled to a daily unemployment allowance. Scrutiny of records and MIS report on NREGASoft, revealed that only in one case, unemployment allowance amounting to ₹ 1,564 was paid in GP-Sarot (PS-Bhim, ZP-Rajsamand) during 2015-16. The GoR stated (March 2018) that action is being initiated for payment of unemployment allowance.

However the fact remains that unemployment allowance was paid only in one case during 2012-17.

2.1.9.7 Labour amenities and other entitlements

According to paragraph 23 and 24 of Schedule II of MGNREG Act 2005, the facilities of safe drinking water, shade for workers and children, first-aid box

25. Revised to ₹ 120 vide GoR letter dated 19th January 2016.

with adequate material for emergency treatment for minor injuries and other health hazards connected with the work being performed shall be provided at the work site.

(a) Labour amenities and other entitlement to workers

- **Worksite Facilities to workers:** Scrutiny of records as well as physical inspection at ongoing works revealed that out of 222 test checked GPs, in 220 GPs (two GPs did not provide records) only drinking water facility was being provided to workers at site and no other worksite facilities like shade for workers and children, first-aid box with adequate material for emergency treatment for minor injuries and other health hazards were provided.

The GoR stated (March 2018) that necessary directions have been issued for providing worksite facilities to labourers.

- **Perception of workers:** The MGNREGA provides a number of legal entitlements to rural workers through a series of provisions in the law. To ascertain the level of workers' satisfaction on the rights and entitlements provided under the Act, a detailed questionnaire was prepared and beneficiary survey was conducted during April to October 2017 by the Audit parties along with officials of GPs in 218 selected GPs covering 10 beneficiaries from each GP. The response received from the 2,180 workers as shown below:

Beneficiary survey and response received (Entitlement-6)

No.	Entitlement-6: Right to work site facility	
(i)	Medical Aid	100 <i>per cent</i> told that Medical aid facility was not provided at the worksite.
(ii)	Drinking Water	100 <i>per cent</i> told that Drinking Water facility was provided at the worksite.
(iii)	Shade	100 <i>per cent</i> told that Shade facility was not provided at the worksite.
(iv)	Crèche	100 <i>per cent</i> told that Crèche facility for children was not provided at the worksite.
(v)	Look after for Children Below Age of 5/6 years	100 <i>per cent</i> told no person was engaged for look after for Children below age of 5/6 years at the worksite.
(vi)	Insurance under Various Schemes	97 <i>per cent</i> told that they are not insured under any scheme for MGNREGA workers.

The response received from the beneficiaries also indicated lack of amenities like medical facilities, shade facilities, crèches for their children etc., which were not adequately provided to labourers.

(b) Social security of MGNREGS workers

Paragraph 8.9 of Operational Guidelines 2013 provides that MGNREGA workers who have worked for more than 15 days in the preceding financial year, are covered under the Janashree Bima Yojana (JBY) implemented by Ministry of Finance. Rashtriya Swasthya Bima Yojana (RSBY). DPCs and POs are required to make workers aware of these schemes. For RSBY, a list of workers/households that are entitled to this scheme is available in NREGASoft.

Scrutiny of records revealed that no information was available with Commissioner EGS regarding enrollment of MGNREGA workers under JBY/ RSBY. Further in the eight test checked ZPs and 27 test checked PSs, no such information was available at district level and at block level. In the absence of such information, the compliance to the guidelines relating to provision of insurance cover to the workers could not be verified in Audit.

During exit conference (March 2018) Secretary, RDD stated that it will be ensured that required facilities are provided to workers at work site and carrying out social welfare activities as prescribed under the Act.

Conclusion

Hundred days guaranteed employment and labour amenities

Average employment provided in the State was just 52.02 days per household. Employment of 100 and more days was provided to just an average of 9.91 per cent households. Employment provided to women beneficiaries was significant as it was an average of 68.20 per cent during the period 2012-17 and far above the prescribed level of 33.34 per cent.

Payment of wages and material amounting to ₹ 704.37 crore was pending. 51.67 per cent of payment of wages was delayed. The average wage earned per person per day was much lower than the notified average wage rate.

Unemployment allowance was paid only in one case during 2012-17 as dated receipts of work application were not being issued to workers. Labour amenities and other entitlements guaranteed to the workers were not being provided except drinking water facility.

Recommendations

8. *Government of Rajasthan should analyse the reasons for low wage rates and take action to ensure that average wage earned by the workers is not below the wage rates notified by the GoI.*
9. *Government of Rajasthan should ensure that adequate labour amenities and entitlements are provided.*

Objective-5: Whether financial and manpower management was effective

2.1.10 Financial management

As per the MGNREGS guidelines, the share of GoI was 100 per cent of the cost for payment of wages for unskilled labourers & administrative expenses (upto six per cent of expenditure incurred under scheme) and 75 per cent of material cost. The State share was 25 per cent of material cost and 100 per cent of unemployment allowances & administrative expenses of SEGC. The financial progress of MGNREGS during the years from 2012-13 to 2016-17 is as shown in **Table 2.7** below:

Table 2.7

Year	Status of State fund				(₹ in crore)	
	Opening balance	Funds released during the year		Misc. income		
		Central	State			
2012-13	157.22	2,585.34	270.38	10.84	3,023.78	
2013-14	76.99	2,059.43	299.91	11.51	2,447.84	
2014-15	11.29	2,976.10	322.90	-	3,310.29	
2015-16	101.24	2,695.83	223.42	-	3,020.49	
2016-17	84.61	4,818.17	342.67	-	5,245.45	
Total	15,134.87	1,459.28		22.35	17,047.85	
					17,570.14	

Source: MIS report (financial statement).

2.1.10.1 Release of State share

GoI releases funds to the states as per the projections made in the approved labour budget. The State Government should release its share within a fortnight of the date of release of the central assistance. From April 2014, State share was to be released with central assistance within three days from the date of receipt of these funds and in case of non transfer of funds the State Government would be liable to pay interest at the rate of 12 *per cent* for the period of delay beyond the specific period.

- During the period 2012-13 to 2016-17, against the GoI release of ₹ 11,963.33 crore²⁶, GoR actually released ₹ 1,235.89 crore against a matching share of ₹ 1,532.06 crore resulting in short release of matching State share amounting to ₹ 296.17 crore.
- It was, however, observed in Audit that during 2012-13, there was delay ranging from 30 to 57 days in release of ₹ 141 crore State share. Further for the period 2014-17, the interest leviable for short release (₹ 228.34 crore)/ delayed release (₹ 199.67 crore) worked out to ₹ 44.02 crore.

During exit conference (March 2018) Secretary, RDD assured that financial issues would be examined.

2.1.10.2 Pending utilisation certificates

As per General Financial & Accounting Rules Part-I, UCs would be necessary in case of grants released to PSs/ZPs. Further as per Finance and Accounts Guidelines 2011, funds provided to PO/IA are to be shown as an advance amount and would be adjusted on receipt of UCs.

Scrutiny of records of Commissioner, EGS revealed that UCs amounting to ₹ 72.56 crore were pending as of 31 March 2016, though it has been utilised by Implementing Agencies, UCs were yet to be furnished. Further, scrutiny revealed that out of ₹ 72.56 crore, ₹ 55.05 crore (75.86 *per cent*) were pending with 10 ZPs²⁷.

26. Excluding GoI release through NeFMS during the year 2016-17 against wage payment.
 27. Bundi: ₹ 4.28 crore, Chittorgarh: ₹ 3.99 crore, Dausa: ₹ 3.69 crore, Jhalawar: ₹ 4.99 crore, Karauli: ₹ 11.24 crore, Kota: ₹ 3.18 crore, Pali: ₹ 6.42 crore, Rajsamand: ₹ 4.29 crore, Tonk: ₹ 4.83 crore and Udaipur: ₹ 8.14 crore.

The GoR accepted the facts March 2018.

2.1.10.3 Unspent balances not transferred to MGNREGA account

(i) The National Food for Work Programme and Sampurna Gramin Rozgar Yojana (SGRY) were merged into MGNREGA in 2006 with all unutilised balances/resources and the works were to be completed as per NREGA guidelines. In February 2014, GoR directed all the DPCs to remit unspent balances lying with ZPs and line departments by transferring these funds into the State level MGNREGS account

Scrutiny of records of Commissioner, EGS revealed that:

- A sum of ₹ 4.28 crore²⁸ of SGRY was not transferred by nine districts as of 31 March 2016.
- A total of ₹ 57.40²⁹ crore unspent balances were lying with ZPs and line departments as of 31 March 2016.

During exit conference (March 2018) Secretary, RDD assured that matter will be examined and unspent balances lying with districts/line department/post offices will be transferred in the State Employment Guarantee Fund Account.

2.1.10.4 Non recoupment of administrative expenses/ other liabilities

(i) Scrutiny of records of Commissioner EGS revealed that following liabilities paid from the MGNREGS fund account during the year 2012-17 were to be borne by GoR which was yet to be recouped in the State Employment Guarantee Fund (SEGF) by making additional fund allotment as summarized in **Table 2.8** below:

Table 2.8

(₹ in crore)

Sl. No.	Liabilities of the State	Years					Total
		2012-13	2013-14	2014-15	2015-16	2016-17	
1.	Excess Material Component	116.19	82.96	139.74	58.96	-	397.85
2.	Amount spent on excess person days (more than days allowed by the GoI for any households)	4.80	109.82	7.05	4.87	0.29	126.83
3.	Administrative expenses	-	49.61	27.53	26.78	-	103.92

28. Ajmer: ₹ 0.28 crore, Baran: ₹ 0.007 crore, Bundi: ₹ 0.08 crore, Chittorgarh: ₹ 0.23 crore, Churu: ₹ 0.0003 crore, Jhalawar: ₹ 0.68 crore, Nagaur: ₹ 0.15 crore, Rajsamand: ₹ 0.52 crore and Udaipur: ₹ 2.33 crore.

29. ₹ 57.40: (A total ₹ 45.01 crore was pending with all 33 district as of 31 March 2016, which was showing as cash in the consolidated financial accounts of State certified by the Chartered Accountant of MGNREGS fund, A total ₹ 11.19 crore was pending with Post offices in 13 districts as of 31 March 2016 as per financial accounts certified by the Chartered Accountant of MGNREGS fund; and a total ₹ 1.20 crore was pending with Line departments in 12 districts as per CA reports as of 31 March 2016).

Sl. No.	Liabilities of the State	Years					Total
		2012-13	2013-14	2014-15	2015-16	2016-17	
4.	Other Liabilities	-	-	-	-	-	-
(i)	Unemployment allowance	-	-	-	0.00*	-	0.00*
(ii)	Compensation paid for delayed payment of wages	-	-	0.01	0.19	0.09	0.29
(iii)	Expenditure on SEGC	-	-	-	-	-	-
Total		120.99	242.39	174.33	90.80	0.38	628.89

* Relates to ₹ 1,564 paid as unemployment allowance in one case during the period 2015-16.

Source: Information provided by EGS, Commissioner.

Thus ₹ 628.89 (₹ 103.92 + ₹ 524.97) crore was to be recouped in the SEGF by the State Government. GoR stated (March 2018) that the matter was under consideration for recoupment of excess administrative expenditure and other liabilities on the part of GoR.

2.1.11 Human resources management

As per Section 18 of the MGNREGA, 2005 the State Governments are mandated to make available to the District Programme Coordinator and Programme Officer, necessary staff and technical support as may be necessary for effective implementation of the scheme. Supporting staff could also be hired, on contractual basis, to provide professional services at the national as well as at the State level.

2.1.11.1 Shortage of manpower

- Scrutiny of records of Commissioner EGS revealed that sanctioned posts, men-in-position and vacant posts at State/District/Panchayat Samiti and Gram Panchayat level were as of 7 July 2017 as shown in **Table 2.9** below :

Table 2.9

Level	Sanctioned	Men in position deputation/contract	Vacancy	Per cent vacancy
State Level	342	66	276	80.70
District Level	1,209	281*	928	76.76
Panchayat Samiti Level	7,978	3517**	4,461	55.92
Gram Panchayat Level	18,354	4,261***	14,093	76.78
Total	27,883	8,125	19,758	70.86

* Includes 170 posts filled on Contract basis.

** Includes 3221 posts filled on Contract basis.

*** Includes 4261 posts filled on Contract basis.

Source: Information provided by EGS.

The non-appointment of staff and giving the additional charge has impacts on effective implementation of scheme.

- **Appointment and Deployment of Barefoot Technician after Training**
As per paragraph 16 of Schedule I of MGNREG Act, the State Government shall ensure that adequate technical personnel are deployed to complete measurement at worksite and suitable persons from the families of workers may be trained or skilled and deployed as Barefoot Technicians (BFTs).

Scrutiny of records of Commissioner EGS revealed that against the target of total 623 BFTs to be trained, 509 BFTs had completed training; out of which 457 BFTs were certified and 295 BFTs were deployed as of 27 September 2017. 162 certified BFTs were yet to be deployed in the identified clusters and 114 BFTs were yet to be provided training.

During exit conference (March 2018) Secretary, RDD stated that vacant posts would be filled up and clarified that deputation under MGNREGA of 7,765 posts of newly recruited LDC were cancelled by the Panchayati Raj Department vide order dated 30th May 2016. However, services of aforesaid LDC were being utilised continuously under MGNREGA.

2.1.11.2 District Human Resource Development and Capacity Building Unit

As per paragraph 5.2.4 of Operational Guidelines 2013, a District Human Resource Development and Capacity Building Unit is to set up at District level, which comprises full-time dedicated resource persons who will act as master trainers for MGNREGS, providing training and field-based hand-holding support to block and sub-block implementation teams. Scrutiny of records of Commissioner EGS revealed that in all test checked ZPs, District Human Resource Development and Capacity Building Unit was not set up during 2012-17. The GoR stated (March 2018) that necessary directions have been issued to set up the District Human Resource Development and Capacity Building Unit.

2.1.11.3 Project for livelihoods in full employment

Livelihoods in Full Employment (LIFE-MGNREGA) project was formulated for promoting self-reliance and improving the skill-base and thereby improving livelihoods of MGNREGS workers. The State Rural Livelihood Mission (SRLM)/State Nodal Skills Mission (SNSM) were to access NREGASoft and prepare a list of rural households whose members had completed at least 15 days of work under MGNREGS in previous Financial Year. Further it was also provided that priority shall be given to youth who had completed 100 days of work under MGNREGS in the previous Financial Year.

A survey of 1,91,568 households who had completed 100 days employment under MGNREGS in Financial Year 2014-15 was conducted at GP level and it was found that 1,19,090 households were interested in livelihood skilling, self employment and livelihood up-gradation. Accordingly GoI fixed target for skill development training for 1,49,625 youth.

The details of training conducted by Rajasthan Skill and Livelihoods Development Corporation (RSLDC), Rural Self Employment and Training Institutes (RSETI) and Rajasthan Grameen Aajeevika Vikas Prashid (RGAVP)/ SRLM were as shown in **Table 2.10** below:

Table 2.10

Training provided for livelihood							
Choice for skilling	Workers interested in livelihood	Agency	Target fixed by GoI	Targets 2015-16	Training provided during 2015-16	Targets 2016-17* (Plus spillover of 2015-16)	Training provided during 2016-17
Skilling for Wage	87,085	RSLDC	86,000	25,800	Nil	(7,079+25,800) 32,879	Nil (0.00%)
Skilling for Self Employment	36,841	RSETI	35,346	8,238	214 (2.60%)	(22,245+8,024) 30,269	5,299 (17.51%)
Livelihood Up-gradation	36,662	RGAVP/ SRLM	28,279	8,484	72 (0.85%)	(17,067+8,412) 25,479	2,042 (8.01%)
Total	1,60,588		1,49,625	42,522	286 (0.67%)	(46,391+42,236) 88,627	7,341 (8.28%)

Overall achievement 8.58 per cent of total target upto March 2017.*

* Training provided : total targeted (2015-16) 42,522 + (2016-17) 46,391 = 88,913 and total achievement (2015-16) 286 + (2016-17) 7,341 = 7,627 (7,627/88,913 x 100) = 8.58 per cent.

Source: Information provided by EGS, Commissioner.

It was evident from the above Table that:

- During the years 2015-16 and 2016-17, only 286 (0.67 per cent) and 7,341 (8.28 per cent) youth were provided training respectively.
- No one was trained by RSLDC under the component ‘Skilling for Wage’ during the year 2015-16 and 2016-17.
- The overall achievement from the LIFE-MGNREGA project was just 8.58 per cent of total targets upto March 2017.

Thus, the aim of building sustainable livelihoods for the rural households by providing training for Livelihood has not been achieved so far through this project.

Conclusion

Financial Management

During 2012-17, ₹ 296.17 crore was short released by GoR and ₹ 199.67 crore was released with delays for which an interest amounting to ₹ 44.02 crore was leviable.

Further, UCs amounting to ₹ 72.56 crore was pending as of March 2016. An unspent balance of ₹ 61.68 crore lying with Zila Parishads, line department was not transferred to the scheme account.

A sum of ₹ 628.89 crore towards excess material components, excess person days, excess administrative cost, unemployment allowances and compensation for delayed payment of wages was not recouped in the State Employment Guarantee Fund by GoR.

Manpower Management

There were huge shortages of staff at the State/District/Panchayat Samiti and Gram Panchayat levels and as of July 2017, 70.86 per cent posts were lying vacant.

The aim of building sustainable livelihoods for the rural households has not been achieved so far as only 8.58 per cent of the willing youth could be provided with training for Livelihood.

Recommendations

10. *The processes for adjustment of unspent balance with various implementing agencies needs to be streamlined.*
11. *Government of Rajasthan should immediately recoup the pending liabilities ₹628.89 crore to State Employment Guarantee Fund.*

Objective 6: Whether mechanisms for monitoring of the scheme at different levels existed

2.12 Monitoring of the Scheme

2.1.12.1 Functioning of State Employment Guarantee Council

The NREGA Act, 2005 mandates constitution of State Employment Guarantee Council (SEGC) and formation of separate rules³⁰ for holding of meetings and its procedure. Administrative Reform Department (GoR) had constituted SEGC (March 2006). The meetings of the SEGC was to be held at least two times in a year. Various duties and functions³¹ were assigned to SEGC for implementation of scheme.

Scrutiny of records of Commissioner, EGS revealed that only two meetings (on 16 May 2012 and 5 July 2016) were held during the period 2012-13 to 2016-17as against requirement of ten meetings. Though the annual reports on implementation of scheme during 2012-16 were prepared and submitted to the State Legislature, however, only annual report for the year 2015-16 was got approved in the SEGC meeting, which was a requirement.

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30. Section 12 (2) provided that the terms and conditions subject to which the Chairperson and members of the State Council may be appointed and the time, place and procedure of the meetings (including the quorum at such meetings) of the State Council shall be such as may be prescribed by the State Government.
 31. Duties and functions of SEGC include-(a) advising the State Government on all matters concerning the scheme and its implementation in the State;(b) determining the preferred works; (c) reviewing the monitoring and redressal mechanisms from time to time and recommending improvements;(d) promoting the widest possible dissemination of information about this Act and the schemes under it; (e) monitoring the implementation of this Act and the schemes in the State and coordinating such implementation with the Central Council; (f) preparing the annual report to be laid before the State Legislature by the State Government; (g) any other duty or function as may be assigned to it by the Central Council or the State Government.

2.1.12.2 Formation of executive committee for assistance of SEGC and holding of its meeting

Government of Rajasthan had made provisions in MGNREGS (July 2006) for appointment of Chairman and members of an Executive Committee for assistance of SEGC. Further, meetings of executive committee, which was headed by the Additional Chief Secretary, were to be conducted every three months or as decided by the Council as per need. Scrutiny of records of Commissioner, EGS revealed that no meeting of the executive committee was organized during the period 2012-17. Constraints in holding the meetings need to be analysed and action taken as these meetings are essential for effective monitoring.

During exit conference (March 2018) Secretary, RDD assured that efforts will be made for timely meetings of SEGC as well as Executive Committee for assistance of SEGC.

2.1.12.3 Social Audit

Social Audit was formally brought into MGNREG Scheme through the 'MGNREG Audit of Scheme Rules, 2011'. Conduct of Social Audit by Gram Sabha, once in six months, is mandatory as per Section 17 of the MGNREG Act. Accordingly, GoR formulated detailed Social Audit guidelines during 2012 for effective implementation of the scheme and delegation of responsibilities to various functionaries. The objective of Social Audit was to ensure public accountability in the implementation of projects, laws and policies.

(i) Shortfall in Social Audit

As per rule 3 of MGNREG Audit of Scheme Rules 2011, the State Government shall facilitate conduct of Social Audit of the works taken up under the MGNREG Act in every GP at least once in six months. Details of Social Audit conducted were shown in **Table 2.11** below:

Table 2.11

Year	Total no. of GPs	No. of Social Audit to be done	I-Phase Social Audit Gram Sabha conducted	II-Phase Social Audit Gram Sabha conducted	Shortfall	Percentage of shortfall
2012-13	9,177	18,354	-	867	17,487	95.28
2013-14	9,177	18,354	7,976	-	10,378	56.54
2014-15	9,177	18,354	8,649	8,433	1,272	6.93
2015-16	9,894	19,788	9,102	9,237	1,449	7.32
2016-17	9,894	19,788	9,324	8,923	1,541	7.79

Source: Information provided by Director, Social Audit.

Though there was an increasing trend in conduct of Social Audit during the 2012-17, however, 7.79 *per cent* GPs still remained uncovered by Social Audit in the year 2016-17.

(ii) Quality of Social Audit Reports

- Scrutiny of records revealed that in 141 out of 222 test checked GPs where SAU reports were made available, very few observations were noticed by SAU during conduct of Social Audit and work of GP was generally found satisfactory, inspite of numerous flaws being there in the implementation of the scheme.

Further it was also noticed that:

- As per Social Audit Guidelines 2012, Director, Social Audit would be responsible for uploading Social Audit reports within seven days on NREGASoft website. Social Audit reports were not being uploaded on the NREGASoft website.
- As per rules 3 (2) of MGNREG Audit of Scheme Rules 2011, a summary of findings of Social Audit conducted during a financial year was to be submitted by the State Government to the Comptroller and Auditor General of India. These reports were not being sent to Comptroller and Auditor General of India during the period 2012-17.

During exit conference (March 2018) Secretary, RDD assured that efforts will be made to improve quality of Social Audit reports.

2.1.12.4 Grievance redressal mechanism

Section 23(6) of MGNREG Act stipulates that the PO shall enter every complaint in a complaint register maintained by him and shall dispose of the complaints within seven days of its receipt.

Delay in disposal of complaints

Though as per MGNREGA, complaints/disputes were to be disposed of within seven days, the “Rajasthan Sampark”³² website only showed information regarding disposal within 15 days and beyond. The position of complaints registered through “Rajasthan Sampark” in respect of MGNREGS was as of 7 July 2017 as shown in **Table 2.12** below:

Table 2.12

Year	Received	Disposed	Pending	Disposed within time limit (15 days)	Disposed Beyond time limit (in months)					
					One	Three	Six	Above Six	Total	Per cent
2014-15*	159	159	Nil	18	36	53	23	29	141	88.68
2015-16	129	127	2	19	37	42	17	12	108	85.04
2016-17	5,180	5,042	138	1,198	1,850	1,297	567	130	3,844	76.24
Total	5,468	5,328	140	1,235	1,923	1,392	607	171	4,093	-
Per cent			2.56							76.82

* from June 2014.

Source: Information provided by EGS, Commissioner.

32. “Rajasthan Sampark” has been implemented through Department of IT and Communications as an online grievance redressal mechanism to ensure proper service to the citizens.

It is evident from the above table that average 76.82 *per cent* complaints were not disposed of within the prescribed time limit. In the beneficiary survey conducted by Audit it was found that 68 *per cent* of the surveyed beneficiaries were not aware of the grievances redressal mechanism as well as help line numbers (*Appendix-IV*). Besides offline complaints were also received by the Commissioner EGS. A total 730 complaints³³ were received offline during the year 2012-17, out of which total 326 complaints³⁴ were pending as of 7 July 2017.

2.1.12.5 Appointment of ombudsman and formation of appellate authority

As per Section 30, Schedule I of the MGNREG Act, the States are mandated to appoint an Ombudsman for each district for receiving grievances, enquiring into and passing awards. Further, paragraph 13.4 of GoI guidelines (January 2014) provides that Appellate Authority was also to be set up to consider representation by any party aggrieved by the awards of Ombudsman.

The status of Ombudsman during 2012-13 to 2016-17 was 7,19,20,16 and 15 respectively out of 33 districts. Further, GoR had also not set up Appellate Authority so far to consider representation by any party aggrieved by the awards of Ombudsman as required in guidelines.

During exit conference (March 2018), Secretary, RDD assured that efforts will be made for timely redressal of complaints and to appoint ombudsman in every district.

2.1.12.6 Periodical inspection

During the period 2012-13 to 2016-17, scrutiny of records revealed that:

- (i) In all 27 test checked PSs inspection reports and monitoring register of works were not maintained for the years 2012-17.
- (ii) In all eight test checked ZPs, neither record of constitution of internal quality supervision team was available nor uploaded on NREGASoft. Therefore Internal Quality Management was not done as prescribed in the guidelines during the period 2012-17.
- (iii) In all eight test checked ZPs, State Quality Monitors for each district were not appointed at ZP level during the year 2012-17.

The GoR stated (March 2018) that matter is being reviewed.

33. 226, 63, 213, 188 and 40 complaints during the year 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 respectively.
34. 18,17,124,150 and 17 complaints lying pending for the year 2012-13, 2013-14, 2014-15, 2015-16 and 2016-17 respectively.

Conclusion:

Social Audit, Grievance and Inspections

The duties and functions of State Employment Guarantee Council for advising GoR for implementation of scheme were not being performed properly.

Further, in spite of numerous flaws being there in the implementation of the scheme, very few observations were noticed during the conduct of Social Audit. Also, Social Audit reports were not being uploaded on the NREGASoft website.

The grievance mechanism was not effective as 76.82 per cent complaints were not disposed of within the prescribed time limit. Further there were shortages in the number of Ombudsmen appointed for receiving grievances, enquiring into and passing awards.

Neither were periodical inspections of works carried out by administrative/technical officers nor were inspection reports & monitoring register of works maintained.

Recommendations

12. *Government of Rajasthan should ensure timely meetings of SEG C in order to ensure effective implementation of the scheme.*
13. *The Grievance Redressal Mechanism should be made more effective by disposing of complaints in the prescribed time frame and also by ensuring appointment of Ombudsman in each district.*
14. *Government of Rajasthan should ensure that periodical inspection of MGNREGS works are carried out by the administrative/technical officials, internal and external monitors to strengthen the implementation and execution of the scheme.*

2.1.13 Conclusion

The basic objective of Mahatma Gandhi National Rural Employment Guarantee Act” (MGNREGA) is enhancement of livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to any rural household whose adult members volunteer to do unskilled manual work on demand.

Results of the Performance Audit conducted revealed that the planning for implementation of the scheme was not effective as there were delays in the planning process at all levels, bottom up approach to planning was not followed and there was lack of convergence with other line departments. Though job cards were being provided, they were not being renewed and eligible households who had missed out and wished to be registered were not identified. The allocation of employment was not effective as workers were not intimated when work allocation was made in their favour. Further

unemployment allowance was paid only in one case during 2012-17 as dated receipts of work application were not being issued to workers.

Many of the works executed under the scheme were delayed and there were deficiencies in the creation of durable assets. The overall average employment provided in the State was just 52.02 days per household and this was far below the 100 days guaranteed employment. Further, labour amenities and other entitlements guaranteed to the workers were not being provided except drinking water facility.

Financial management was weak as State share was delayed/short released and huge sums of money on account excess material component etc., were not recouped into the State Employment Guarantee Fund. There were also huge shortages of staff at all levels and as of July 2017, 70.86 per cent posts were lying vacant. Inspite of numerous flaws being there in the implementation of the scheme, very few observations were noticed during the conduct of Social Audit. The grievance mechanism was not effective as 76.82 per cent complaints were not disposed of within the prescribed time limit. Further, periodical inspection of works was not carried out.

The findings discussed above and the beneficiary survey conducted points to the fact that the workers were not being provided their entitlements satisfactorily in the case of eight out of 10 entitlements i.e. (2) Right to demand and receive work within 15 days, (3) Right to Unemployment Allowance, (4) Right to plan and prepare a shelf of projects, (6) Right to work site facilities, (7) Right to notified wage rate, (8) Right to receive wage within 15 days, (9) Right to receive compensation for delay in wage payment and (10) Right to time bound redressal of grievances, Social Audits.

Considering the deficiencies in the functioning of MGNREGS at the ground level, Government of Rajasthan may analyze the reasons for non-compliance keeping in view the practical difficulties being faced by the department in the implementation of the Scheme.

COMPLIANCE AUDIT

Rural Development Department

2.2 Magra Area Development Scheme

2.2.1 Introduction

Magra Area Development Scheme (MADS) was introduced (August 2005) for socio-economic development of the Magra Area. The main objectives of the MADS were to create opportunity of employment with socio-economic and basic infrastructural development. The funds were to be utilised on five basic infrastructure facilities included in SHREE Yojana (Sanitation, Health, Rural Connectivity, Education & Medical and Energy) on priority basis as per the revised guidelines issued (March 2015).

The Rural Development and Panchayati Raj Department (RD&PRD) is the administrative department and responsible for overall supervision, monitoring and co-ordination of various activities of the Panchayati Raj Institutions (PRIs). At the district level, Zila Parishad (Rural Development Cell) is the nodal agency for implementation of the scheme.

Magra Area Development Scheme is being implemented in 14 Panchayat Samitis (PSs)³⁵ of five districts of three zones³⁶ of the State. Implementation of the MADS for the period from 2012-13 to 2016-17 was conducted by the test check of records during April to September 2017 in the selected units. Out of five districts, three districts i.e. Bhilwara, Pali and Rajsamand were selected on the basis of expenditure. Further, six Panchayat Samitis³⁷ (*50 per cent*) were selected randomly and 60 Gram Panchayats³⁸ (*25 per cent*) were selected on the basis of number of works executed by them, for Audit.

Audit findings

2.2.2 Planning

Scrutiny of records of Rural Development Department (RDD) and test checked ZPs, PSs and GPs revealed that no Holistic Village Development Action (HVDA) plan was prepared duly identifying the infrastructure gaps in Magra Area. Further, Prospective Plan, Drainage Plan including Detailed Project Report/Consolidated Project Report was also not prepared as envisaged in the MADS guidelines. RDD accepted the facts and stated (April 2017) that the Finance Department did not sanction administrative expenditure for this purpose.

2.2.3 Financial management

The scheme was *100 per cent* funded by the GoR. As per MADS, *50 per cent* of the funds of budget allocation were to be allocated annually to every district on the basis of number of families living Below Poverty Line (BPL) and the remaining *50 per cent* was to be allocated on the basis of number of GPs in the district by reducing the literacy rate of the area out of the literacy rate of the

35. **District, Ajmer:** Jawaja and Masuda, **Bhilwara:** Asind, Mandal and Raipur, **Chhitorgarh:** Nimbahera; **Pali:** Marwar Junction, Raipur and **Rajsamand:** Amet, Bhim, Devgarh, Khamnor, Kumbalgarh and Rajsamand.

36. **Zone, Ajmer:** Ajmer and Bhilwara, **Jodhpur:** Pali and **Udaipur:** Chhitorgarh and Rajsamand.

37. Panchayat Samiti: Asind and Mandal (Bhilwara district), Marwar Junction (Pali district) and Bhim, Devgarh and Rajsamand (Rajsamand district).

38. **Panchayat Samiti, Asind:** 10 GPs (Badanor, Bhadasi, Bhojpur, Chainpura, Chatarpura, Jalariya, Katar, Mogar, Ojhiyana and Ratanpura (Bha)); **Bhim:** 10 GPs (Baghana, Bali, Barar, Bhim, Dungar Khera, Kooker Khera, Kusulpura, Sameliya, Thaneta and Togi); **Devgarh:** 10 GPs (Aanjana, Jiran, Kaleshariya, Kundwa, Mad, Narana, Pardi, Sangawas, Swadari and Tal); **Mandal:** 10 GPs (Bhabhana, Dhuwala (K), Goverdhanpur, Kareda, Motaka Khera, Nareli, Nimabaheda Jatan, Senunda, Shivpur, and Umari); **Marwar Junction:** 10 GPs (Bansor, Bhagoda, Bornadi, Borimada, Chokadiya, Jhinjhadi, Kantaliya, Phulad, Saran and Siriyari) and **Rajsamand:** 10 GPs (Baman Tukara, Bhana, Bhatoli, Bhawa, Boraj, Farara, Mahasatiyo ki Madri, Mundol, Pasoond and Peepali Achariyan).

State³⁹. Release of first installment of 50 *per cent* was to be made within the first month of the financial year and second installment was to be made after submission of Utilisation Certificates (UC) of 90 *per cent* funds released during previous year and 60 *per cent* of the current year. In this regard, the following points were observed:

2.2.3.1 Utilisation of funds

(i) The position of annual funds released and expenditure incurred during 2012-17 at the State level is given in **Table 2.13** below:

Table 2.13

Year	Opening Balance	Funds released during the year		Total available funds	Expenditure	Closing Balance	Percentage of expenditure against total available funds (₹ in crore)
		GoR	Misc. Receipts				
2012-13	21.1	20.00	0.02	41.12	1.56	39.56	3.79
2013-14	39.56	50.00	0.04	89.60	24.26	65.34	27.08
2014-15	65.34	49.65	0.03	115.02	16.83	98.19	14.63
2015-16	98.19	38.66	0.04	136.89	34.47	102.42	25.18
2016-17	102.42	44.03	0.01	146.46	56.17	90.29	38.35
Total		202.34	0.14			133.29	21.81

During the period 2012-17 expenditure ranged between 3.79 *per cent* and 38.35 *per cent*. This resulted in unspent balances of ₹ 90.29 crore remaining unutilised at the end of March 2017.

The position in test checked ZPs of funds allotted and expenditure incurred during 2012-17 is given in **Table 2.14** below:

Table 2.14

Year	Opening Balance	Funds released during the year		Total available funds	Expenditure	Closing Balance	Percentage of expenditure against total available funds (₹ in crore)
		GoR	Misc. receipts				
2012-13	19.45	17.97	0.02	37.44	0.78	36.66	2.08
2013-14	36.66	44.93	0.04	81.63	20.95	60.68	25.66
2014-15	60.68	44.62	0.01	105.31	13.43	91.88	12.75
2015-16	91.88	34.37	0.01	126.26	29.08	97.18	23.03
2016-17	97.18	39.65	0.00	136.83	52.63	84.20	38.46
Total		181.54	0.08			116.87	20.40

Source: Information provided by RDD.

During the period 2012-17, the expenditure ranged between 2.08 *per cent* and 38.46 *per cent*. Huge unspent balances of amounting to ₹ 84.20 crore remained unutilised at the end of March 2017.

The ZP Bhilwara, Pali and Rajsamand stated (May-August 2017) that under utilisation was due to slow progress of works and non-submission of UC/CCs

39. (State literacy rate - District literacy rate) x Number of GPs in District x 100 / Total allocation of fund.

(ii) Submission of UCs/CCs and release of second installment:

Scrutiny of records of ZP Bhilwara, Pali and Rajsamand revealed that UCs/CCs were outstanding for an amount of ₹ 48.92 crore⁴⁰ as of March 2017. Despite this, second installment amounting to ₹ 19.15 crore was released to five districts⁴¹ without obtaining UCs in violation of the provisions of GKN guidelines.

RDD stated (April 2017) that it was essential to release second installment for completion of ongoing works. The reply is silent regarding the need to obtain UCs as provided in the guidelines.

(iii) Diversion of funds: Against the allocation of funds amounting to ₹ 99.17 crore⁴² reserved for basic infrastructures, no expenditure was incurred. However an amount of ₹ 4.84 crore was allotted from these funds in 2015-16 and 2016-17 for construction of water harvesting structure works under the *Mukhyamantri Jal Swavlamban Abhiyan* (MJS), which was a separate GoR funded scheme. RDD confirmed (April 2017) diversion of funds to MJS.

(iv) Non implementation of eFMS: According to paragraph 11.4 of revised guidelines 2015 electronic Fund Management System (eFMS) is required for financial control for implementation of the scheme and required training would be imparted at State, District and Block level. Scrutiny of records of RDD, selected ZPs, PSs and GPs revealed that neither arrangement of eFMS for financial control existed at State, District and Block level nor training was imparted.

(v) Unadjusted advances: Rule 215(2) of RPDR 1996 envisaged that an advance amount given for works or other purposes would be adjusted within three months. Scrutiny of records of RDD revealed that advance amounting to ₹ 44.11 crore⁴³ released to implementing agencies for execution of works remained outstanding as of March 2017. The RDD accepted the facts and stated (May 2017) that directions for adjustment of advances have been issued to respective ZPs.

2.2.4 Execution

The annual plan (includes works to be executed) of GP was submitted to PS and consolidated annual plan of PS, further, forwarded to ZPs for administrative and financial sanction. The annual plan was to be approved by the concerned ZP.

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40. Rajsamand: ₹ 26.13 crore, Bhilwara: ₹ 16.63 crore and Pali: ₹ 6.16 crore.
 41. Ajmer: ₹ 1.11 crore, Bhilwara: ₹ 2.70 crore, Pali: ₹ 2.70 crore, Rajsamand: ₹ 11.43 crore and Chittorgarh: ₹ 1.21 crore.
 42. 2015-16: ₹ 49.67 crore and 2016-17: ₹ 49.50 crore, an amount of ₹ 19.83 crore (2015-16: ₹ 9.93 crore and 2016-17: ₹ 9.90 crore).
 43. Zila Parishads, Ajmer: ₹ 1.35 crore, Bhilwara: ₹ 8.68 crore, Chhitorgarh: ₹ 0.23 crore, Pali: ₹ 5.38 crore and Rajsamand: ₹ 28.47 crore.

2.2.4.1 Physical performance

During 2012-17, in 241 GPs of the test checked districts, 4,772 works amounting to ₹ 195.46 crore were sanctioned. Out of 4,772 sanctioned works, information of 4,716 works amounting to ₹ 194.53 crore was provided by the test checked ZPs, Bhilwara, Pali and Rajsamand.

During 2012-17, 2,272 works for ₹ 91.81 crore⁴⁴ (48 *per cent*) were sanctioned for rural connectivity followed by 829 works of ₹ 39.15 crore⁴⁵ (17 *per cent*) for Health, 738 works of ₹ 29.37 crore⁴⁶ (16 *per cent*) for Education & Medical, 454 works of ₹ 21.10 crore⁴⁷ (10 *per cent*) for Sanitation, 56 works of ₹ 1.29 crore⁴⁸ (one *per cent*) for Energy and 367 works of ₹ 11.81 crore⁴⁹ (eight *per cent*) for other activities. It was observed that in the three test checked ZPs of Bhilwara, Pali and Rajsamand:

- (i) Out of 4,772 works sanctioned during 2012-17, 1,493 works (31.29 *per cent*) valued to ₹ 76.43 crore were incomplete. The physical performance of the other two Magra Area districts (ZP Chhitorgarh and Ajmer) was not provided by RDD though called for (April 2017). Test checked ZPs stated (May-August 2017) that the works remained incomplete due to slow progress of works and non-submission of UC/CCs.
- (ii) In ZP Bhilwara and Rajsamand 90 works for setting up of solar lights, construction of CC road/boundary wall, Aanganwadi center etc., amounting to ₹ 2.71 crore⁵⁰ sanctioned by concerned ZPs during the period 2012-16 were subsequently cancelled due to complaints, disputed work site, works executed in other schemes, issue of double sanction and technical problems etc.
- (iii) In ZP Bhilwara, Pali and Rajsamand, 591 works⁵¹ were sanctioned by concerned ZPs during the year 2012-16 were lying incomplete even after lapse of stipulated period of completion of nine months despite incurring an expenditure of ₹ 23.47 crore, as of March 2017. The ZP Bhilwara, Pali and Rajsamand stated (April-August 2017) that works remained incomplete due to slow progress.

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- 44. **Rural connectivity** – (2,272 works ₹ 91.81 crore): ZPs, Bhilwara (744 works: ₹ 28.62 crore), Pali (196 works: ₹ 9.92 crore) and Rajsamand (1,332 works: ₹ 53.27 crore).
 - 45. **Health** – (829 works: ₹ 39.15 crore): ZPs, Bhilwara (307 works: ₹ 10.69 crore), Pali (60 works: ₹ 3.15 crore) and Rajsamand (462 works: ₹ 25.31 crore).
 - 46. **Education & Medical** – (738 works: ₹ 29.37 crore): ZPs, Bhilwara (191 works: ₹ 7.84 crore), Pali (42 works: ₹ 1.78 crore) and Rajsamand (505 works: ₹ 19.75 crore).
 - 47. **Sanitation** – (454 works: ₹ 21.10 crore): ZPs, Bhilwara (81 works: ₹ 3.64 crore), Pali (119 works: ₹ 6.11 crore) and Rajsamand (254 works: ₹ 11.35 crore).
 - 48. **Energy** – (56 works: ₹ 1.29 crore): ZPs, Bhilwara (50 works: ₹ 1.13 crore) and Pali (6 works: ₹ 0.16 crore).
 - 49. **Other activity** – (367 works: ₹ 11.81 crore): ZP Bhilwara (182 works: ₹ 5.49 crore), Pali (21 works: ₹ 0.94 crore) and Rajsamand (164 works: ₹ 5.38 crore).
 - 50. Zila Parishads, Bhilwara (32 works): ₹ 0.94 crore and Rajsamand 2012-13 (23 works): ₹ 0.70 crore, 2013-14 (nine works): ₹ 0.24 crore, 2014-15 (19 works): ₹ 0.51 crore and 2015-16 (seven works): ₹ 0.32 crore.
 - 51. Zila Parishads, Bhilwara (136 works): ₹ 5.72 crore, Pali (101 works): ₹ 4.62 crore and Rajsamand (354 works): ₹ 13.13 crore

(iv) In ZP Rajsamand in contravention of guidelines, five works⁵² amounting to ₹ 61 lakh were sanctioned by concerned ZPs at Amet, which was not covered under village or GP notified in the guidelines during 2016-17. The ZP Rajsamand stated (April 2017) that the works were sanctioned as per approved plan. The reply is not convincing as the works were sanctioned outside the ambit of the Scheme.

(v) In ZP Bhilwara, Pali and Rajsamand 29 works of Cement Concrete road/Paver Interlocking Block road along with drains were sanctioned at the cost of ₹ 1.29 crore⁵³. Though the aforesaid 29 road works had provisions of drains in the estimates, these works were completed with an expenditure of ₹ 1.23 crore⁵⁴ without constructing drains along with the roads.

(vi) In ZP Rajsamand nine works of construction of CC roads were sanctioned worth ₹ 46 lakh⁵⁵ (August 2013-December 2014) with a provision of providing CC in two layers of CC 1:4:8/1:3:6 and CC 1:2:4 was made in the sanctioned estimate. As per measurement book (MB) only one layer of CC 1:2:4 was laid instead of two layers by increasing the length (three roads), width and thickness (six roads) of CC roads. The ZP Rajsamand did not furnish any reply.

2.2.4.2 Joint physical verification of works

Out of total 1,604 works, in test checked 60 GPs, 292 works⁵⁶ were physically verified (May-September 2017) by Audit with Junior Engineer (JEN)/Junior Technical Assistant (JTA) and Secretary of GPs. Audit findings are discussed below:

(a) Payment for unexecuted items

In ZP Bhilwara and Rajsamand, five works relating to construction of CC roads with drain/CC block/Paver interlocking block road costing ₹ 27.50 lakh were sanctioned by concerned ZP between the period August 2013 and December 2014 with a provision in the estimate of laying CC in two layers. These road works were completed with an expenditure of ₹ 27.33 lakh. Payments were made for Precast Cement concrete (base layer for CC block road) not actually executed amounting to ₹ 9.63 lakh in five works as detailed in *Appendix-VII*. The work completion certificate was issued by PS Bhim, Devgarh, Mandal and Rajsamand after evaluation of work by the then JEN/JTA and Secretary of GPs. Similarly in ZP Bhilwara, Pali and Rajsamand, eight works relating to construction of CC roads with drain/CC block/ Paver interlocking block road amounting to ₹ 49 lakh were sanctioned

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52. Construction of boundary wall (two works): ₹ 7 lakh and construction of shop (three works): ₹ 54 lakh.
 53. Zila Parishads, Bhilwara (eight works): ₹ 0.37 crore and Pali (six works): ₹ 0.37 crore and Rajsamand (15 works): ₹ 0.55 crore.
 54. Zila Parishads, Bhilwara (eight works): ₹ 0.36 crore, Pali (six works): ₹ 0.34 crore and Rajsamand (15 works): ₹ 0.53 crore.
 55. PSs, Bhim (five works): ₹ 33 lakh, Kumbhalgarh (three works): ₹ 11 lakh and Khamnor (one work): ₹ 2 lakh.
 56. 292 works: (ZPs Bhilwara- 120 works, Rajsamand: 131 works, Pali: 41 works).

(August 2013 to August 2015) and completed with an expenditure of ₹ 47.81 lakh during September 2013 to June 2016. Irregular payment of ₹ 8.49 lakh was made for the items which were not executed though recorded in the MBs as indicated in *Appendix-VIII*.

No reply has been furnished by the PS Asind, Bhim, Devgarh, Mandal, Marwar Junction and Rajsamand though called for (June-September 2017).

(b) In ZP Rajsamand eight works of CC road with drain/CC block/Paver interlocking block road amounting to ₹ 53 lakh were sanctioned (August 2013 to August 2015) and completed with expenditure of ₹ 52.64 lakh (January 2014 to January 2016). It was revealed that the length of road recorded in the Measurement Book was much higher than the quantity actually executed as detailed in *Appendix-IX* resulting in irregular payment of ₹ 12.94 lakh.

On this being pointed out, PS Bhim, Devgarh and Rajsamand did not furnish reply though called for (May-September 2017).

(i) Non-utilisation of assets created

(a) In ZP Bhilwara and Rajsamand 17 works of construction of Ayurveda and Library Building/Government Sub-Health Centers/Public Toilets/Bathrooms and Community Centre etc., worth ₹ 0.90 crore were sanctioned in February 2012 to June 2015 and completed with an expenditure of ₹ 0.84 crore in January 2013 to March 2017 (*Appendix-X*).

It was observed that these Ayurveda and Library Building/Government Sub-Health Centers/Public Toilets/Bathrooms and Community Centre were lying unutilised resulting in unfruitful expenditure.



(b) In ZP Bhilwara, Pali and Rajsamand seven works for construction of Ground Level Reservoir (GLR)/Water Tank with laying and jointing of pipeline worth ₹ 24 lakh were sanctioned in (September 2013-September 2016) and completed with an expenditure of ₹ 22.91 lakh in (December 2013-December 2016). Details are given in *Appendix-XI*.

It was noticed that GLRs/Water Tanks were constructed without assuring the water source and hence lying unutilised since construction.

(c) A work of Lift Irrigation Scheme with 'motor tank' connection and GLR worth ₹ 8 lakh in (GP Senuda, PS Mandal) ZP Bhilwara was sanctioned in September 2013. An amount of ₹ 5 lakh was incurred on construction of GLR and laying of pipelines upto July 2017. Lift irrigation scheme was lying

idle due to non installation of submersible motor pump set. The reason for non installation of submersible motor pump set was not furnished by PS Mandal though called for (September 2017).

(d) In GPs Bornadi, Borimada, Jhinjhari and Saran (PS Marwar Junction) ZP Pali 58 solar lights⁵⁷ were purchased and installed at a cost of ₹ 12.68 lakh during 2013-14. It was noticed that 53 solar lights⁵⁸ valued at ₹ 11.59 lakh out of 58 were lying out of order since January 2015. The GPs Bornadi, Borimada, Jhinjhari and Saran stated (August 2017) that the solar lights were lying out of order due to non-maintenance and lack of funds. The reply is not acceptable as there is sufficient fund available for maintenance as discussed under Paragraph 2.2.4.3.

(e) In GPs Bhagora and Phulad (PS Marwar Junction) ZP Pali and GP Baghana (PS Bhim), ZP Rajsamand three works⁵⁹ of construction of *Rapat* and *strengthening of rasta*, Anganwadi Center and boundary wall of Rajeev Gandhi Seva Kendra worth ₹ 8.75 lakh were sanctioned in (November 2012-September 2013) and completed with an expenditure of ₹ 6.01 lakh in (March-October 2013). It was noticed that all these three works were in a dilapidated condition.

(ii) Works executed at other than sanctioned place

(a) In GP Mundol (PS Rajsamand) work of construction of CC road with drain from Government Upper Primary School to Bhil Basti, village Puthol amounting to ₹ 5 lakh was sanctioned in December 2013 and completed with an expenditure of ₹ 5 lakh in October 2014. It was noticed that CC road was constructed from Bhil Basti to Bayan Mata Mandir instead of sanctioned place i.e. from Government Upper Primary School to Bhil Basti, village Puthol. PS Rajsamand did not furnish any reply though called for (May 2017).

(b) In GP Bhabhna (PS Mandal) ZP Bhilwara construction work of two rooms, hall with veranda in Government Secondary School amounting to ₹ 10 lakh was sanctioned in March 2015 and completed with an expenditure of ₹ 10 lakh in November 2016. It was noticed that two new rooms, hall with veranda were actually constructed in GP Bhabhna instead of in the premises of Government Secondary School. PS Mandal did not furnish any reply (September 2017).

57. Gram Panchayat, Borimada (10 Solar lights): ₹ 2.18 lakh, Bornadi (10 Solar lights): ₹ 2.18 lakh, Jhinjhari (28 Solar lights): ₹ 6.14 lakh and Saran (10 Solar lights): ₹ 2.18 lakh.

58. Gram Panchayat, Borimada (10 Solar lights): ₹ 2.18 lakh, Bornadi (five Solar lights): ₹ 1.09 lakh, Jhinjhari (28 Solar lights): ₹ 6.14 lakh and Saran (10 Solar lights): ₹ 2.18 lakh.

59. Gram Panchayat, Phulad (Construction of *Rapat* and strengthening of *rasta*): ₹ 3 lakh, Bhagora (Construction of Anganwadi Center): ₹ 3.75 lakh and Baghana (Construction of Boundary wall of Rajeev Gandhi Seva Kendra): ₹ 2 lakh.

2.2.4.3 Maintenance of assets

As per paragraph 24.3 of GKN, 2010, a register of assets (Development Register) is required to be maintained at ZPs, PSs and GPs were required to record all assets created under various schemes in each GP. Further, paragraph 7.5 of the revised guidelines provided that 15 *per cent* of funds could be utilised for maintenance, restoration, up keep and strengthening of the assets created under various schemes.

Scrutiny of records of selected ZPs and PSs revealed the following:

(i) Register of assets created under various schemes were not maintained in selected test checked ZPs and PSs during 2012-17.

(ii) During 2015-17, though funds of ₹ 10.49 crore (15 *per cent* of allotted fund ₹ 69.95 crore⁶⁰) were available for maintenance, strengthening, restoration and upkeep of the assets, However, no maintenance works had been executed despite availability of adequate funds. State Government reply is awaited (March 2018).

2.2.5 Monitoring, Evaluation and Social Audit

2.2.5.1 District Level Area Development Committee

Paragraph 10.2 of revised guidelines provided that a DLADC was to be constituted at District level. However, the committees were constituted in ZP Bhilwara and Pali but was not constituted in ZP Rajsamand as required under the scheme for approval of Annual Action Plan.

2.2.5.2 Impact study and evaluation of the scheme

Paragraph 6.9 of revised guidelines provided that impact study of the scheme was required to evaluate the socio-economic development of village community residing in Magra Area. Scrutiny of records of RDD, ZPs, PSs and GPs revealed that impact study of the scheme to evaluate the socio-economic development of Magra Area was not carried out during 2012-17. Thus, the impact of the scheme for socio-economic upliftment of the villagers could not be ascertained.

2.2.5.3 Inspection of works

Paragraph 16.2 and 16.3 of GKN, 2010 provided that periodical inspection for ensuring quality of work at every stages should be carried out by the Junior Engineer, Junior Technical Assistant and Assistant Engineer of PSs, Assistant Project Officer, Assistant Engineer, Senior Technical Assistant, Executive Engineer of ZPs and Administrative Officer and an inspection register in a prescribed proforma should be maintained at ZPs, PSs and GPs.

60. During 2015-17 funds allotted to test checked districts (Bhilwara): ₹ 21.90 crore; (Pali): ₹ 9.16 crore and (ZPs Rajsamand): ₹ 38.89 crore.

Records relating to periodical inspections for the periods 2012-17 were not made available to Audit. However, the authorities of the selected ZPs, PSs and GPs stated (April-September 2017) that periodical inspections were carried out. The reply is not convincing as inspection reports and registers were not maintained as required as per provisions of the GKN.

2.2.5.4 Third party inspection

Paragraph 6.6 of revised guidelines provided that third party inspection was to be carried out for the works executed under MADS. Scrutiny of records of RDD, ZPs, PSs and GPs revealed that no third party inspections were carried out. Thus in the absence of third party inspection, the quality of work could not be ensured. The GoR and test checked ZPs, PSs and GPs accepted the facts.

2.2.5.5 Social Audit of the Scheme

Section 7(i) of Rajasthan Panchayati Raj Act, 1994 provided that the Ward Sabha of GP would conduct Social Audit of all works implemented in the area. Scrutiny of records of RDD revealed that Social Audit of MADS was not carried out during 2012-17. The GoR accepted the facts (April 2017).

2.2.5.6 Monitoring of works through GPS/GPRS

Paragraph 6.5 of revised guidelines provided that Global Positioning System (GPS)/General Packet Radio Service (GPRS) modern techniques would be used for monitoring of the works executed under the scheme. Scrutiny of records of RDD revealed that no GPS/GPRS modern techniques were used for monitoring of the works executed under the scheme. The RDD accepted the facts (April 2017).

Rural Development and Panchayati Raj Department

2.3 Non-recovery of outstanding rent

Panchayat Samiti, Shiv (Barmer) failed to recover outstanding rent ₹ 89.13 lakh.

Rule 164 of Rajasthan Panchayati Raj Rules (RPRRs), 1996 stipulates that shops and other commercial sites may be leased out through open auction by a committee of three members and for not more than three years. The agreements for leasing out such premises on rent shall include the condition of 10 *per cent* increase in rental amount every year. Panchayat and Panchayat Samiti (PS) may also negotiate the matter for extending the term of three years, but in such case, yearly increase shall be 20 *per cent* in rental amount every year, by mutual agreement. In case the premises are not vacated after three years time limit or it is sub-let to any other person in violation of terms of agreement or rent is not deposited regularly, Chief-Executive Officer, if requested by the Panchayat or Panchayat Samiti concerned, shall get the premises vacated after giving Show Cause Notice for eviction of premises.

Scrutiny (January 2017) of records of PS, Shiv (Barmer) revealed that 16 shops were leased out on rent to different individuals through auction during the period from May 2001 to April 2014. The shops were rented out to the individuals at different dates and at different rates of rent. Against the total amount of rent due of ₹ 114.81 lakh⁶¹, only ₹ 25.68 lakh (22.37 per cent) was recovered as of January 2017. The department neither took any action to recover the government dues from the defaulters nor initiated any action for vacating the shops/ extending the term of agreement after lapse of more than three years from the date of allotment of shops. This resulted in non-recovery of rent amounting to ₹ 89.13 lakh as of January 2017 (*Appendix-XII*).

In reply to the Audit observation (January 2017), the Development Officer, PS, Shiv stated that action would be taken for vacating the shops and outstanding rent would be recovered under PDR Act 1952.

Thus, the department had failed to recover the outstanding rent of ₹ 89.13 lakh (77.63 per cent) from the tenants and also did not initiate any action to vacate the shops even after three years, as stipulated in rules.

The matter was brought (May 2017) to the notice of Government for comments; reply is awaited (January 2018).

2.4 Unproductive expenditure on construction of hostels

Non completion of hostel buildings (Isarda and Bamanwas) in Zila Parishad, Sawai Madhopur resulted in deprival of proper hostel facilities to the students.

District Planning Committee, Sawai Madhopur, decided (September 2009) to construct hostel buildings at three locations through Backward Region Grant Fund (BRGF). Accordingly, an Administrative and Financial sanction amounting to ₹ 1.80 crore was issued (October 2010) by Rural Development and Panchayati Raj Department (RD&PRD) for construction of hostel buildings at Isarda (₹ 60 lakh), Bamanwas (₹ 60 lakh) and Shiwar (₹ 60 lakh). Each hostel was to accommodate 25 students of SC/ST/OBC, who presently resided in hostels run by Social Justice and Empowerment Department in rented accommodations.

Scrutiny of records of Zila Parishad (ZP), Sawai Madhopur (January 2016) revealed that:

- Construction of hostel building at Shiwar was completed at a cost of ₹ 60 lakh and handed over in February 2014.
- Construction of hostel building at Isarda was stated to be completed (August 2010) by PWD including digging of tube-well and boundary wall, with an expenditure of ₹ 60 lakh. However there was no water in the tube-well and boundary wall remained unexecuted due to paucity of fund. According to

61. The amount worked out after calculating the 10 per cent increase every year and after three years of allotment 20 per cent increase every year.

PWD (May 2016), the cost of completing the remaining works (tube-well and boundary wall) was ₹ 11.48 lakh. The scheme BRGF was discontinued in 2015. Social Justice and Empowerment Department refused to take over the hostel building without water facility and boundary wall, hence the hostel remains unutilised so far (July 2017).



- Construction of hostel building at Bamanwas was completed up to roof level (September 2011) and was lying incomplete (June 2017) after incurring an expenditure of ₹ 25.75 lakh. According to PWD (July 2015), the cost of completing the remaining works was ₹ 34.25 lakh.

Thus, both the hostel buildings were lying incomplete for more than six years, depriving the students at Isarda and Bamanwas of the hostel facilities. The RD&PR Department did not take effective actions to provide necessary fund to complete the hostel buildings to put it effectively.

Government of Rajasthan accepted the facts (February 2018) and stated that the matter was being expedited.