

Chapter-IV
Implementation and Employment
Generation

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The Department had done little to maintain transparency, in release of payments, for execution of works. The mandatory records, like MBs and Muster Rolls were not maintained and the NREGASoft system lacked necessary application control, to prevent system override, for making payments in the absence of validated data from MBs. In the absence of validation checks persons were drawing wages on two job cards simultaneously, on different works. Physical verification of certain works revealed expenditure rendered unfruitful due to works lying incomplete or works lying in various states of disuse. There were cases of short and delayed payment of wages and wages were denied to workers as Government of Punjab had not evolved a mechanism for paying funds/wages for work done over hundred days.

The main objectives of MGNREGS are to provide minimum 100 days of guaranteed wage employment every year to a willing household whose adult members volunteer to do unskilled manual work and to create durable assets to strengthen the livelihood resource base of the rural poor. The scope of works/activities to be taken-up under the scheme are broadly categorised into water conservation and harvesting, drought-proofing, micro and minor irrigation work, renovation of traditional water bodies, rural connectivity and land development etc. The implementation of MGNREGS depends on execution of works against which employment is provided and PDs generated.

4.1 Sample of selected works

As mentioned in previous chapter on planning, the assessment of demand was not based on any survey. The Department had provided employment through allotment of works based on the budget distributed as has been pointed out in Chapter II¹.

In the PA, out of 22 districts, six districts² covering 12 Blocks (two blocks from each selected district), and 120 GPs (10 GPs from each selected block) were selected (*Appendix 1.1*). A sample size of five works including three works executed by GPs and two works executed by Line department in 120 selected GPs were taken for physical survey. Total 600 completed works were required to be checked in selected GPs whereas only 551 completed works were actually test checked.³ Of this, 138 works pertained to

¹ In display of top to bottom approach, the Department asked its field units to prepare a labour budget of ₹ 1300 crore generating 3,71,42,857 PDs.

² (i) Amritsar; (ii) Ferozepur; (iii) Jalandhar; (iv) Moga; (v) Sangrur; and (vi) SAS Nagar.

³ Only labour component of works executed by line departments was checked during field audit as the material component was borne by the line department.

Line departments and 413 works pertained to GPs. The sample fell short of 49 works because no work was executed during 2016-2021 in four⁴ selected GPs and in some other GPs, less than five works were completed during the audit period. 413 works executed by GPs included renovation of ponds, cleaning of ponds, berms works and plantation works.

4.2 Generation of Person Days for works executed

Availability of records relating to the test checked works was as under:

Table 4.1: Convergence and GPs works

Sr. No.	Descriptions	Available Related to Line department	Available Related to GPs	Not Available Related to Line department	Not Available Related to GPs	Total Related to Line department works	Total related to GPs works
		A	B	C	D	A+C	B+D
1.	Estimates	81	192	57	221	138	413
2.	Sanction	101	242	37	171	138	413
3.	Muster Roll	104	295	34	118	138	413
4.	Manual MB	60*	185	78	228	138	413
5.	Payments on Labour	373.94	1,058.56	----	---	373.94	1,058.56
6.	Payments on material	220.59	320.26	---	-----	220.59	320.26
Total						594.53	1,378.82

Source: Departmental data

* Out of 60 manual MBs, measurement of works only was mentioned in 5 MBs and out of 185 manual MBs, measurement of works only was mentioned in 20 MBs.

Audit findings relating to these works are discussed below:

- 1. Convergence works:** As per chapter 15 of the Operational Guidelines, the objectives of MGNREGS, namely creation of durable assets and securing livelihood of rural households, can be facilitated through convergence of MGNREGS works with resources of other programmes/ schemes available with GPs and other line departments. These resources would be in the nature of availability of funds, technical expertise and knowhow of officials of the line departments. However, it must be ensured that while exploring options of convergence, MGNREGS do not substitute resources from other sectors or schemes. The projects which are identified for convergence are required to be discussed in the Gram Sabhas located in the project area.

However, it was noticed that all the convergence works were decided and marked as convergence by the POs and no discussion was held in Gram Sabhas. In this scenario, whether the works were convergence works in

⁴ (i) Thater kalan (Ghall Khurd); (ii) Khursadpur (Mehatpur); (iii) Nannu Majra; and (iv) Balongi Colony (Kharar).

the true sense or not could not be verified in audit. It could also not be verified whether other sector resources were substituted by MGNREGS resources.

2. **Work Estimates:** Estimates in 57 works of convergence and 221 GP works were not found available in files. The correctness of the expenditure incurred on each component could not be verified in audit in such cases. Even out of the works for which Budget Estimates were available it was found that out of 12 selected blocks, in nine blocks, 51 works were administratively approved for ₹ 1.52 crore against which an amount of ₹ 2.01 crore was incurred during 2016-2021. This resulted into excess expenditure of ₹ 0.49 crore over sanctioned amount for which revised sanction was not obtained from competent authority. The details are given in **Table 4.2**.

Table 4.2: Excess expenditure beyond sanction amount

(₹ in lakh)

Block	Baghapurana	Malerkotla	Lohian	Moga-1	Ghal Khurd	Sangrur	Zira	Kharar	Majri	Total
No. of works	14	7	2	6	4	3	4	3	8	51
Sanctioned Amount	52.59	17.96	1.83	38.11	5.96	8.02	4.27	6.89	16.16	151.79
Actual expenditure	72.75	21.4	2.32	53.23	7.65	10.92	4.92	8.58	19.30	201.07
Excess Expenditure	20.16	3.44	0.49	15.12	1.69	2.9	0.65	1.69	3.14	49.28

Source: Departmental data

Further, it was also noticed that out of six, in four selected blocks in respect of 28 completed works, an expenditure of ₹ 63.34 lakh was incurred against the sanctioned amount of ₹ 194.27 lakh, which resulted into savings of ₹ 130.93 lakh, as detailed in **Table 4.3**.

Table 4.3: Savings against sanctioned estimates

(₹ in lakh)

Block	Malerkotla	Mehatpur	Sangrur	Zira	Total
No. of works	8	8	8	4	28
Sanctioned Amount	75.89	19.38	74.26	24.74	194.27
Actual expenditure	24.12	8.25	24.08	6.89	63.34
Less Expenditure	51.77	11.13	50.18	17.85	130.93

Source: Departmental data

The huge variations between the estimated cost and actual expenditure on the works showed that the estimates of works were not prepared on realistic basis. The Department acknowledged the fact and stated (September 2022) that the instructions would be issued to field offices to prepare the estimates in a realistic manner.

3. **Sanctions:** Sanctions in 37 works of convergence and 171 GP works were not found attached in files, which showed the works were executed without required approval. Thus, in the absence of required sanctions, the possibility of unapproved work/fictitious work getting executed could not be ruled out.

- 4. Muster Roll:** Muster Roll in 34 works of convergence and 118 works of GPs were not found available in files; still payments were made based on entries in the NREGASoft muster rolls.

As muster rolls are the base of generation of FTOs, non-maintenance/non-availability of the Muster rolls makes the payments doubtful and questionable. Without acquittance of the beneficiaries, the veracity of payments could not be verified.

- 5. Measurement Books (MB):** Para 7.5 of Chapter II of section 1 of CPWD Manual stipulates that the measurement Book is one of the most important records. It is the basis of all accounts of quantities of work done, purchase made etc. and it must contain such a complete record of facts as to be conclusive evidence in court of law. The description of the work/materials must be lucid, and such as to admit easy identification and check. MBs in 78 works of convergence and 228 GP works were not available in work files. Without verification of MBs, Audit could not ascertain the accuracy and authenticity of payments made against the works.

In five line works and 20 GP works, the measurement was only in terms of quantity and not in monetary terms.

Para 7.13.2 of MGNREGS Operational Guidelines, 2013 provides that weekly measurement of works should be undertaken by measurement officers (Technical Assistants/Overseers/Junior Engineers). Measurement officers should ensure that all measurements are taken within three days after close of weekly muster rolls. This is crucial for timely payment of wages. Further, para 7.13.4 explained that measurement recorded in MBs need to be entered in NREGASoft to determine valuation of work done.

In audit of records in the Verka (41 works) and Rayya Blocks (seven works), it was noticed that the measurement of works entries were not recorded in the MBs. However, funds transfer orders were generated by overriding the system and payment of wages was made by entering '0' as MB number and '0' as page number of the MB in MIS. It was not feasible to make the task entries in a single page of MB. This shows that it was done only for generation of FTOs and entries relating to mandatory records of the executed works were not made. FTOs in respect of these 41 selected works and seven selected works of Verka and Rayya block respectively were generated and payment of ₹ 45.93 lakh and ₹ 7.57 lakh respectively were made without measurement of executed works.

Further, it was observed that a payment of ₹ 13.99 lakh was made by the implementing agency without measurement of the works in 13 works in two other blocks. In absence of measurement of works, genuineness of works executed could not be verified. Also, the genuineness of wages paid could not be verified.

In light of the fact that basic records at GP level were not available, yet were found entered in the NREGASoft, Audit relied on the works implemented in the selected GPs where measurement books were available to arrive at a meaningful analysis of the works undertaken and PDs generated. The PDs generated in our sample, for such cases came to 4,65,064 PDs. Against this, a total of 6,28,300 PDs were claimed to have been generated in NREGASoft in the selected GPs. The difference of 1,63,236 PDs had no basis. This, however, did not mean that the entire demand at the GP level had been met as no such assessment was available anywhere with the Department because such an exercise to assess the demand was not made by the Department as discussed earlier in this report. The authenticity of the payments made against the differential PDs was questionable and needed investigation.

The Department accepted the facts and stated (October 2022) that the record entries would be made regularly in the MBs and MIS data in future.

The fact that departmental officials were not maintaining mandatory record, was making authenticity of the executed works and payments made there against, doubtful. The serious lapses in not maintaining the requisite records need to be investigated by the Department.

Besides, a number of other irregularities were noticed as detailed below:

4.2.1 Irregular booking of expenditure

Para 11.5 (xiii) of Operational Guidelines, 2013 provides that no expenditure can be booked against a work after it is shown as completed in MIS.

Scrutiny of MIS data on NREGASoft regarding completed 29 works of one selected block⁵ of district Ferozepur revealed that expenditure of ₹ 1.47 crore was booked in NREGASoft against these works. Out of booked expenditure, ₹ 0.61 lakh was booked after the works were shown as completed in MIS during 2016-2021 (*Appendix 4.1*). Thus, the expenditure booked after completion of works indicated that the MIS data was not reflecting a true picture on a particular date on which the work was entered as completed.

The Department accepted the facts (September 2022) and stated that the matter was being scrutinised based on technical angles.

The Department needs to urgently investigate and resolve the matter as this kind of system override has exposed the system to possibility of large scale manipulation and fraud. In all cases where the status of works was wrongly shown, action may be taken on those responsible.

⁵ Ghall Khurd.

4.2.2 Non-providing of Work site facilities

Para 7.12 of Operational Guidelines provides that work site facilities⁶ are to be provided. The first aid box should be replenished as and when required and should not have medicines that are expired. Provision of drinking water may require trolleys for fetching water from long distances. In case the children below the age of six years accompanying the women workers at any site are five or more, a crèche will need to be provided. Para 7.12.5 provides that all expenditure on worksite facilities should be booked as part of administrative expenditure and not as part of work.

Scrutiny of record revealed that no work site facility in sampled works were provided to the workers as no expenditure was incurred for providing these facilities. The beneficiary survey of the 1,097 beneficiaries showed the following:

- 154 (14.04 *per cent*) beneficiaries stated that drinking water facility at work sites was not adequate; and
- 841 (76.66 *per cent*) beneficiaries stated that first aid facility at work sites was poor.

In the exit conference (September 2022), the Department acknowledged the fact and assured to take necessary corrective measures. The Department stated (October 2022) that no funds were provided by the headquarter office for this purpose.

The reply is not acceptable as funds were available under the head of administrative expenses. Moreover, non-availability of basic facilities at work sites might result into exclusion of women/old-age beneficiaries in MGNREGS works.

4.2.3 Non-verification of the bills/vouchers at the worksite

Rule 7.11.5 of Operational Guidelines, 2013 provides that when a work is in progress, the workers engaged in that work will select, from among themselves, not less than five workers, on a weekly rotational basis, to verify and certify all the bills/vouchers of their worksite, at least once a week.

Scrutiny of records and information of 551 sampled works collected from the selected 12 Block offices revealed that this aspect of verification/certification of bills/vouchers was not operationalised.

⁶ Medical aid, drinking water and shade.

The Department replied (October 2022) that vouchers, bills and muster rolls would be got verified from at least five workers who would be deputed on that work.

Beneficiaries survey results

All the 1,097 surveyed beneficiaries were not aware about the social audit. Thus, shortfall in conducting of social audit affected the monitoring mechanism of works executed.

4.2.4 Non-maintenance of Wage and Material ratio

Para 20 of schedule-I of MGNREGA provides that for all works taken up by the Gram Panchayats and other implementing agencies, the cost of material component including the wages of the skilled and semi-skilled workers shall not exceed forty *per cent* at the District level.

While discussing the CAG's Report for the year ended March 2012 (Paragraph 2.2.9.5.2), PAC settled the para (September 2014). However, it was noticed that the irregularity still persists in the Department.

Out of six selected districts, one district⁷ had not maintained the prescribed wage material ratio (60:40). The percentage of expenditure incurred on materials was more than the prescribed limit of 40 *per cent* and expenditure incurred on wages was lower than the prescribed limit of 60 *per cent* at district level, as given in **Table 4.4**.

Table 4.4: Non-maintenance of Wages Material ratio

(₹ in crore)

Year	Labour expenditure on cost basis	Material expenditure on cost basis	Total expenditure	Percentage expenditure on labour	Percentage expenditure on material
2016-17	8.23	15.36	23.59	34.89	65.11
2017-18	17.03	8.28	25.30	67.28	32.72
2018-19	22.48	20.64	43.12	52.13	47.87
2019-20	31.96	18.92	50.88	62.81	37.19
2020-21	55.34	52.60	107.94	51.27	48.73

Source: Departmental data

Table 4.4 shows that the wages and material ratio was not maintained during 2016-17, 2018-19 and 2020-21 and expenditure on material was incurred in excess of prescribed limit of 40 *per cent*.

The Department acknowledged the fact and assured (September 2022) to take necessary corrective measures. The responsibility of the authority who sanctioned/approved the works in which material cost exceeded the prescribed limit may be fixed.

⁷ Ferozepur.

4.2.5 Payments made to mates from unauthorised component resulting into extra burden on Central Government

Para 4.1.2 (vi) of Operational Guidelines, 2013 provides that the cost of payments to the technical personnel including the mates, Technical Assistant etc. shall be part of the material component.

In selected 30 GPs of four blocks, 37 'Mates' were deployed by the GPs for the tasks such as; giving mark out, taking measurement, maintenance of MBs and updating the job cards with details of each worker, quantum of work done and wages received. An amount of ₹ 15.93 lakh was paid to the mates during 2016-2021 against the due amount of ₹ 23.41 lakh. The payment was made out of funds available for unskilled workers whereas it should have been paid out of funds of material component i.e. wages of semi-skilled workers. Thus, making of payment out of unskilled component not only resulted in extra burden on this component but also short payment of ₹ 7.48 lakh of wages to the mates. This showed that state Government was reluctant to pay wages from the state component.

The Department admitted the fact and stated (September 2022) that responsibility would be fixed and assured to make a mechanism to break such type of misappropriation. However, compliance was awaited (November 2022).

4.2.6 Short /non-payment of wages

(A) Para 16 of Schedule-I of NREGA-2005 provides that payment should only be made based on the measurements taken at the worksite by the authorised person within three days of closure of the muster roll. The State Government shall ensure that adequate technical personnel are deployed to complete the work within the stipulated period.

It was observed that in two selected GPs⁸, the wages of unskilled workers were paid less than the scheduled rates in two works without entering the reduced rate entry in the MB. The PO reduced the wage rate according to the executed work in 34 muster rolls in which 630 workers were engaged and an amount of ₹ 0.94 lakh was short paid to them during 2020-21 (*Appendix-4.2*). Thus, the workers were denied their legitimate payment of wages.

The Department stated (September 2022) that corrective measures to provide the wages to the workers would be taken. However, final compliance in this respect was awaited (November 2022).

(B) Para 7.14.2 of Operational Guidelines, 2013 provides that Pay orders can be generated through the software after weekly muster rolls and measurements recorded in Measurement Book are entered into NREGASoft.

⁸ Tharaj and Sukhanand of Baghapurana block of Moga District.

In order to assure timely payment of wages to the labour, pay orders should be generated within 3 days after close of weekly muster rolls.

Scrutiny of records (September to December 2021) revealed that the seven works were executed during 2018-2021 in seven selected GPs of five selected blocks⁹. In these works, 168 workers were deployed through eleven muster rolls and 945 PDs were generated. However, the said Muster Rolls were not entered in MIS for generating pay orders due to which the wages amounting to ₹ 2.49 lakh were not paid to the workers engaged to execute the work. In MIS data, the attendance against these workers was marked 'Zero'. Therefore, the workers were denied, their legitimate payment of wages against the work done.

The Department admitted the facts and stated (September 2022) that expenditure was incurred in excess of the estimates and FTOs could not be generated by block offices and assured to take all necessary corrective measures for payment of wages. However, compliance was awaited (November 2022) in audit.

(C) Scrutiny of muster rolls of four PO offices¹⁰ revealed that wages of, ₹ 18,998/- (**Appendix 4.3**) were paid short to 20 workers in 14 muster rolls as explained below:

- payment of wages of ₹ 3,964/- to the four workers was denied by the PO office of Baghapurana as these workers had worked in excess of 100 days during the year 2020-21. Denial of payment of wages for the works done in excess of 100 days was irregular as the Department was required to pay the wages beyond 100 days from the State Fund. Further, there was no in-built check in NREGASoft to flag cases where the beneficiary had worked for 100 days.
- Similarly, wages of ₹ 15,034/- in respect of 16 workers were paid short by marking less attendance in 11 muster rolls.

The Department admitted the facts and stated (September 2022) that the GoP had not framed policy for the payment of more than 100 days of wages during the financial year to a house hold. Further, Department assured to take up the matter with GoP to frame the policy. Compliance was awaited (November 2022) in audit.

The NREGASoft should have mechanism of highlighting the cases where 100 days employment has been generated so as to ensure provisioning of the wages from the State Funds for the period beyond 100 days.

⁹ Baghapurana, Moga-1, Lohian, Mehatpur and Rayya.

¹⁰ Baghapurana, Kharar, Mehatpur and Rayya.

In above cases, the responsibility of officials/officers concerned may be fixed as the records showed that workers had performed their duties at work site but wages were denied to them. The Department may investigate whether the beneficiaries had actually worked and if so, the reasons for non-payment to the beneficiaries may be examined. Department may also investigate into the reasons for allowing workers to work beyond 100 days.

4.2.7 Irregular payments

(i) Employment to the deceased workers

Para 3.1 (iii) of Operational Guidelines, 2013 provides that apart from door-to-door survey for identification of eligible HH for registration under MGNREGS, details of individuals in the registered households should also be verified by the Panchayat Secretary with assistance of Gram Rozgar Sahayak. Corrections in the database should be made after due verification.

Audit had collected copy of death register from Civil Surgeon of selected districts to compare the deceased persons with the names of workers to whom work had been provided during 2016-2021. During comparison of records of Civil Surgeon with the online registration register of selected GPs, it was noticed that total 231 Job Card Holders (JC Holders) died in six selected blocks of four districts¹¹ during 2016-2021. Out of which, 18 deceased JC holders pertaining to 14 selected GPs had got work during June 2016 to January 2021 as well as wages of ₹ 63,633 were paid after their death (*Appendix 4.4*) during April 2016 to January 2020. Block and GPs wise details are given in **Table 4.5**.

Table 4.5: Details of Blocks and GPs where payment was made to deceased workers

Block	Verka	Rayya	Moga-1	Baghapurana	Kharar	Lohian	Total
Number of JC holders deceased	46	52	66	34	13	20	231
No. of deceased JC holders shown as working	2 (2 GPs) ¹²	6 (5 GPs) ¹³	3 (2 GPs) ¹⁴	5 (3 GPs) ¹⁵	2 (2 GPs) ¹⁶	0	18 (14 GPs)
Wages paid (in ₹)	19,439	29,204	3,918	8,180	2,892	0	63,633

Source: Departmental data

Further, out of above 231 deceased workers, 42 workers of five selected blocks were shown as demanding work. Moreover, the Department was also offering them work for 590 days as depicted in NREGASoft data. It is pertinent to mention here that Audit also approached the family members of

¹¹ (i) Amritsar: Rayya and Verka; (ii) Jalandhar: Lohian; (iii) Moga: Moga-I and Bagha Purana; and (iv) SAS Nagar: Kharar.

¹² (i) Ball Kalan; and (ii) Ganushabad.

¹³ (i) Butari; (ii) Gagadbhana (two cases); (iii) Khanpur; (iv) Palah; and (v) Dayan Pur.

¹⁴ (i) Charik Patti Sarkar (two cases); and (ii) Daudhar Garbi.

¹⁵ (i) Kale Ke (three cases); (ii) Lagiana Nawar; and (iii) Tharaj.

¹⁶ (i) Kailaon; and (ii) Mausal.

deceased workers and they confirmed the fact that the workers had died which confirmed the irregular payments.

The Department, while admitting the facts stated (September 2022) that responsibility would be fixed and assured to make a mechanism to break such type of misappropriation. However, compliance was awaited (November 2022).

(ii) Providing employment on two Job Cards simultaneously

Para 3.1.4 of Operational Guidelines, 2013 provides that every registered household will be assigned, through the system, a unique registration number. The registration number shall be assigned in accordance with the prescribed coding system. The registration shall be valid for a period of five years and may be renewed/re-validated after following the process prescribed for renewal/revalidation as and when required.

Scrutiny of MIS data i.e. online register available for registration of beneficiaries for the period 2016-2021 revealed that six POs issued more than one job card to 315 HHs in 37 GPs in contravention of ibid guidelines. Providing of work on second JC for 14,319 days to 174 workers and payment of wages ₹ 34.05 lakh on second JC was also irregular. This resulted into undue favour to particular households and deprived the other wage seekers to get employment.

Further, test check of data in respect of employment details provided in NREGASoft revealed that 31 JC holders of 20 GPs to whom double JCs were issued were doing work on both JCs simultaneously. This resulted into irregular payment of ₹ 1,60,087 (**Appendix 4.5**) by providing employment on both JCs simultaneously as details given in **Table 4.6**.

Table 4.6: Details of double JCs issued and employment provided

(Amount in ₹)

Block	Verka	Rayya	Moga-1	Baghapurana	Lohian	Mehatpur	Total
No. of double JC issued (No. of GPs)	14 (4)	84 (9)	111 (8)	71 (8)	34 (7)	1 (1)	315(37)
JC holders worked on both JCs simultaneously (GPs)	0	6 (5)	9 (6)	11 (6)	5 (3)	0	31 (20)
Amount of irregular payment	0	26,167	67,165	37,421	29,334	0	1,60,087

Source: Departmental data

(iii) Excess payment of wages to the unskilled workers

Scrutiny of records (December 2021) of four selected blocks¹⁷ revealed that excess payment of wages of ₹ 24,244 for 94 PDs was given in 18 muster rolls by marking excess attendance while uploading it online instead of actual attendance on original muster rolls. This resulted in giving undue favour to the workers by enhancing their working days during generation of FTOs (**Appendix 4.6**).

¹⁷ (i) Baghapurana (Moga); (ii) Lohian (Jalandhar); (iii) Kharar (SAS Nagar); and (iv) Rayya (Amritsar).

The Department admitted the facts and assured to start a drive from October 2022 to delete the Job Cards of deceased workers; responsibility would be fixed and a mechanism would be put in place to prevent such type of misappropriation. Final action was awaited (November 2022).

4.3 Quality of Works

The outcomes of physical verification of completed works are discussed in succeeding paragraphs:

4.3.1 Incomplete Works

Rule 17.6 (a) of PFR Vol-I provides that it is not sufficient merely to have sanction of competent authority to the expenditure, but it must not be entertained until the budget has been passed and the requisite funds communicated.

(A) The PO Mehatpur (District Jalandhar) accorded (January 2018) administrative approval of ₹ 1.90 lakh which included, ₹ 0.82 lakh of GPs' share and rest of the amount was to be incurred from MGNREGS funds for construction of park.

It was noticed that without obtaining the share of the GP, the work was started and expenditure of ₹ 0.97 lakh (₹ 0.25 lakh on labour and ₹ 0.72 lakh on material) was incurred during February to May 2018. Though, the MIS report indicated the work as completed but during physical verification (January 2022) of the park, it was noticed that the park was lying incomplete as only one side boundary wall was constructed. Thus, due to non-completion of park expenditure of ₹ 0.97 lakh remained unfruitful.



Incomplete Park at GP, Parjian Khurd (04.01.2022)

(B) Similarly, with a view to generate 796 PDs, the work of construction of play field in GP Rupewal, PO Lohian, Jalandhar was sanctioned (2020-2021) for ₹ 6.10 lakh¹⁸. However, it was observed that the work was stopped after incurring an expenditure of ₹ 0.30 lakh as the site was situated in a low lying area and waste water accumulated there. Thus, due to selection of inappropriate site, the expenditure of ₹ 0.30 lakh incurred on this work was unfruitful.

¹⁸ GP funds ₹ 1.00 lakh; and MGNREGS funds ₹ 5.10 lakh.

(C) The work of construction of park with various sports facilities at GP Ramuwala Harchoke, Block Moga-I was sanctioned (2017-18) for ₹ 13.00 lakh. It was observed that ₹ 10.37 lakh was incurred on execution of work during March 2018 to August 2019 and in MIS data the work was shown as complete.



**Pond at GP Ramuwala Harchoke
(02.11.2021)**

However, during physical verification, it was observed that the work was lying incomplete as work to provide sports facilities was not executed in the park, due to which the park was found in very dilapidated condition. Consequently, the park was not in use and expenditure of ₹ 10.37 lakh was unfruitful. It also resulted in denial of intended benefits of the park to the people of the village.

The Department acknowledged the audit observation and stated (September 2022) that directions would be issued to the field offices to incur the MGNREGS funds on fruitful works and assured to take strict action, if discrepancies were found in the districts in this regard. However, compliance was awaited (November 2022).

(D) In terms of Para 14.1 of Operational Guidelines, 2013, the important objective of the MGNREGS is to create durable assets and strengthen the livelihood resource base of the rural poor. It is, therefore, of utmost importance to ensure good quality and durability of assets being created under MGNREGS.

Audit observed that a work was sanctioned (November 2019) for ₹ 2.67 lakh to construct a street - brick work from Baljinder Singh House to village Phirni¹⁹ at GP 'MiranKot Kalan', Block Verka District Amritsar. An amount of ₹ 2.66 lakh (Material: ₹ 2.38 lakh and Labour ₹ 0.28 lakh) was spent during 2019-2020 for execution. During physical verification, it was observed that the work was partially executed due to objections raised by the land owners and the material costing ₹ 0.94 lakh was lying with the vendor. However, the status of the work had been depicted as complete in the MIS data.



**Street work at GP MiranKot Kalan
(20.09.2021)**

The Department acknowledged the fact and stated (September 2022) that the directions would be issued to the field offices to take appropriate action against the responsible person. However, the compliance was awaited (November 2022) in audit.

¹⁹ Outer limit of village.

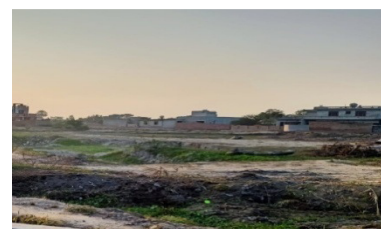
4.3.2 Wasteful expenditure

(i) Work of cleaning and digging of pond of 'Dere Wala' was executed during 2020-21 at Sukhanand Village - District Moga under MGNREGS. The work was completed after incurring an expenditure of ₹ 4.57 lakh. During physical verification of the site, it was observed that instead of using the pond for village wastewater, the villagers were using this pond for storage of cow/buffalo dung cake. Thus, incurring of expenditure for cleaning of pond was defeated.



Pond at GP, Sukhanand
(16.12.2021)

(ii) The PO Baghapurana incurred an expenditure of ₹ 8.14 lakh on cleaning of silt and digging of pond at Gholia Kalan. During physical visit, it was noticed that there was no water in the pond and the residents were dumping debris and other material in it. Thus, the dumping of debris in the pond area has defeated the purpose of cleaning of the pond.



Pond at GP, Gholia Kalan
(07.12.2021)

(iii) Works of Renovation of community ponds in GPs Dhindsa and Mansur Deva Gram Panchayats of Block Ghall Khurd and Zira respectively were executed between May 2020 and January 2021. The works were completed after incurring an expenditure of ₹ 10.50 lakh²⁰. During physical verification of the sites of works (November and December 2021), no renovation work of pond was found executed in the pond of Mansur Deva and it was covered with jungle jaala booti whereas work was found executed in May 2020 in the pond located in Dhindsa GP.



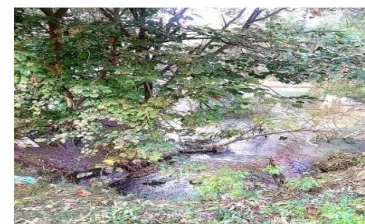
Pond at GP, Mansur Deva
(21.12.2021)



Pond at GP, Dhindsa
(17.11.2021)

²⁰ Dhindsa: ₹ 0.16 lakh and Mansur Deva: ₹ 10.34 lakh.

(iv) The work of renovation (earthwork excavation, retaining wall, ring bunds etc.) of pond in GP Dhudike, Block Moga-I, District Moga was technically sanctioned (June 2020) for ₹ 8.12 lakh. The work was executed between June 2020 to January 2021 and expenditure of ₹ 7.70 lakh was incurred.



**Pond at GP, Dhudike
(16.12.2021)**

As per NREGASoft data, the status of the work had been shown as completed. During physical verification, the work was found incomplete.

(v) It was observed that the work of renovation of pond located in GP Daudhar Garbi, Block Moga-I, District Moga was executed every year since 2017 by the Gram Panchayat under MGNREGS and an amount of ₹ 35.86 lakh was incurred on the works during 2017-2021. As detailed in **Table 4.7**.

Table 4.7: Expenditure on the same pond in four years

(Amount in ₹)

Year	Name and code of work	Status of the work	Actual expenditure
2017-18	Pond Work WH/40166	Completed	10,52,461
2018-19	Pond Work WH/41643	Completed	9,17,560
2019-20	Pond Work WH/86197	Completed	6,53,522
2020-21	Pond Work WH/92308	Completed	9,63,106
Total			35,86,649

Source: Departmental data

During physical verification (November 2021) of the work, it was noticed that no inlet channel for water was found at site from where the water was to be collected in the pond. The water was not available in the pond and the villagers were dumping debris and other waste material in it. Thus, incurring of huge expenditure for renovation of pond was unjustified.



**Pond at GP, Daudhar Garbi
(10.11.2021)**

(vi) The work of construction of Retaining wall, digging and cleaning of pond located in GP Awan Khalsa, Block Mehatpur, District Jalandhar was sanctioned (October 2018) for ₹ 7.01 lakh. Against the approved cost, an amount of ₹ 3.44 lakh was incurred on the work and it was shown as complete in MIS. However, during physical verification, it was noticed that the work of retaining wall was



**Pond at GP, Awan Khalsa
(30.12.2021)**

not completed and the pond was not being maintained. The non-completion of the work of pond would lead to non-accumulation of excess water during rainy season.

The above shortcomings highlight that neither intended infrastructure nor durable assets were created despite incurring expenditure of ₹ 70.21 lakh, thus, affecting the lives of the rural poor.

The Department stated (September 2022) that directions would be issued to the field offices to execute the work according to the guidelines of the scheme. The reply of the Department is not acceptable as reasons for incomplete work were not given. The Department may investigate and fix responsibility on delinquent officials as ₹ 70.21 lakh remained unfruitful on the above mentioned works.

4.3.3 Doubtful execution of work

(A) The work of construction of street in GP Samalsar, block Baghapurana, District Moga was sanctioned (October 2019) for ₹ 10.25 lakh. In the scope of work, the interlocking tiles were to be laid after preparation of sand bed. As per the technical sanction and approved estimate of the work, total area of 14,169 square feet (Sq. ft) was to be covered with interlocking tiles.

However, during measurement of the work done by Audit by obtaining technical assistance of the departmental officials, it was found that total area of 9,995 square feet was covered with tiles whereas as per records it was shown as 14,169 square feet. Therefore, a doubtful execution of 4,174 sq. ft was made and an amount of ₹ 1.17 lakh was booked only on tiles. The actual expenditure on other components i.e. labour, sand, cement etc. could not be calculated. Thus, due to discrepancies, doubtful execution could not be ruled out.

The Department acknowledged the fact and stated (September 2022) that the directions would be issued to the field offices to take appropriate action against the responsible person. However, compliance in this respect was awaited (November 2022) in audit.

(B) Scrutiny of record of work of construction of park at GP Khizrabad block Majri district SAS Nagar revealed that against the estimated provision of ₹ 0.25 lakh for purchase of grass, an expenditure of ₹ 0.90 lakh was incurred. Further, 9,215 saplings plants were also claimed to be procured for ₹ 1.47 lakh, whereas there was no provision for plantation in the estimate. No plant saplings were found planted. Moreover, no entry of plants was found made in the MB for making payment. Thus, the Department not only incurred an excess expenditure of ₹ 0.65 lakh on grass but also incurred doubtful expenditure of ₹ 1.47 lakh on plantation of trees.

The Department stated (October 2022) that letter would be issued to GRS and TA concerned and final reply would be submitted after obtaining clarification from them. Reply of the Department was not acceptable as neither the plants expenditure was allowed in estimate nor plantation was appearing in the measurement book.

(C) During Physical verification of the works executed and beneficiaries' surveyed at the Gaggad Bhana Gram Panchayat, Rayya (Amritsar), it was noticed that the works were not found executed at ground level. As per muster roll, an amount of ₹ 6.10 lakh was incurred on plantation at the jungle clearance site in the village during 2020-21 but no plantation by the Forest Department was found on the site. Three stage photographs of the execution of works were not attached in the work file.

The Department stated (September 2022) that the reply from the district concerned was still awaited and action would be taken on the basis of the reply received from the district concerned. The reply was not acceptable because during physical visit to the site with departmental officials, audit observed that the work was not executed at site, for which no justification was provided.

Thus, the payment was made for non-existent works. Therefore, the departmental inquiry should be initiated in such cases for taking appropriate disciplinary action against the defaulting officials.

4.3.4 Irregular use of JCB Machine

The scheme guidelines para 15.4.2 (VI and VII) strictly prohibits the deployment of machine for excavation works. During test check of pond work in GP Samalsar, it was noticed that the Gram Panchayat incurred an expenditure of ₹ 0.53 lakh on hiring of JCB machine for excavation of village pond instead of deploying manual labour available with them.

The Department stated that (October 2022) the point was noted for compliance and necessary directions would be issued to the GRS/Sarpanch to stop the irregular expenditure from the MGNREGS funds. However, the fact remains that the work was done in contravention of the scheme guidelines and strict action may be taken against the officials concerned.

4.3.5 Irregular procurement of material by the GPs

As per para 7.1.7 of master circular MGNREGS 2019-20, if some items are to be used across the entire block e.g. bricks, reinforcement bars etc., then the requirement from each GP for the entire financial year may be aggregated at the block level. The BDPO shall call a tender for such aggregated items so that materials are procured at competitive rates and economies of scale are achieved. The BDPO shall approve the vendors along with rates for

procurement of the aggregated items. In all such cases, the GPs may procure the material at approved rates through vendors approved by BDPO.

Scrutiny of records and information provided by the selected blocks in respect of procurement of material for the works in the GPs concerned revealed that procurement of material like bricks, cement, steel etc. was purchased by the GPs on the basis of quotations and no tender were called for by the POs concerned for the procurement of material for the works in the GPs. It was also noticed that rates of material like bricks, cement and steel was fixed by the Collector of districts concerned in the four districts out of six selected districts. However, in Kharar and Majri blocks (SAS Nagar), no such rates were fixed by the district collector and it was noticed that during 2016-2021, material like cement, interlock tiles, bricks etc. were purchased by the selected GPs for the selected works for ₹ 20.71 lakh (Kharar: ₹7.80 lakh and Majri: ₹ 12.91 lakh) on the basis of quotations. No assessment was worked out at block level for the requirement of material in the block. It was also noticed that no tenders were called for and no rates were approved by PO Majri and PO Kharar. The deviation from the rules ibid resulted into irregular purchase of material in the blocks by the GPs and possible non-detection of competitive rates.

On being pointed out, the Department replied that this matter would be taken up with higher authority and procurement would be made as per their instructions. Reply of the Department is not tenable as the material purchased on quotation basis, in contravention of the guidelines, should have been investigated promptly and remedial measures taken.

4.4 Analysis of MIS data

As MIS data maintenance at the GP or block level was poor, the data available publicly in the NREGASoft was perused for audit analysis. It was noticed that there were inconsistencies even in the data, so available.

4.4.1 Shortfall in achievement of targets of execution of works

Para 7.17 of Operational Guidelines, 2013 provides that there should be a strategy to address incomplete works. Further, para 7.17.4 of Operational Guidelines, 2013 provides that no sanction should be given to those Programme Implementing Agencies (PIA) where works are lying incomplete for more than one fiscal year, after the year in which these were proposed.

The overall status of work was taken from MIS. The status of works approved, completed, incomplete and not started in the selected districts during 2016-2021 is given in **Table 4.8**.

Table 4.8: Status of works in selected Districts

District	Work to be executed	No. of works completed	No. of Works not completed/suspended	Expenditure of incomplete works (₹ in crore)	No of works not started
Amritsar	36,583	6,941	11,908	45.09	17,734
Moga	17,132	4,682	7,778	34.17	4,672
Jalandhar	26,686	6,013	17,001	41.52	3,672
Mohali	16,089	1,944	9,666	36.03	4,479
Ferozepur	44,429	7,432	26,556	98.65	10,441
Sangrur	47,536	7,630	16,138	51.40	23,768
Total	1,88,455	34,642	89,047	306.86	64,766

Source: NREGASoft data

In the selected districts out of 1,88,455 works, only 34,642 (18.38 per cent) were completed and 89,047 were lying incomplete as of March 2021 besides, 64,766 were not started even after approval.

In selected blocks, out of approved 48,564 works only 9,552 (19.67 per cent) were completed, whereas 23,939 were lying incomplete/suspended besides 15,074 were not started at all during 2016-2021 (*Appendix 4.7*). Further, in selected GPs, only 1,573 works were completed, 3,172 works were lying incomplete and 1,759 works were not started during 2016-2021.

Further, 21 new works costing ₹ 21.14 lakh were allotted to GP Sahoke during 2020-21 despite the fact that GP did not complete three works during 2018-19, in contravention of MGNREGS Rule 7.17.4.

The status of total number of works to be executed in State, number of works completed is given in the **Table 4.9**.

Table 4.9: Status of approved works

(₹ in crore)

Year	No. of works to be executed	No. of works completed	No. of incomplete works	Expenditure incurred on incomplete works	No. of works abandoned	Expenditure incurred on abandoned works	No. of works suspended	No. of works not started
1	2	3	4	5	6	7	8	9
2016-17	47,667	20,115	129	3.41	11,766	1.65	0	15,657
2017-18	63,802	34,816	399	11.66	6,990	1.75	13	21,584
2018-19	96,600	40,318	4,819	82.28	9,799	0.08	51	41,613
2019-20	1,04,701	25,439	32,196	372.86	6,678	0	181	40,207
2020-21	1,49,356	7,125	77,930	520.43	1,913	0	132	62,256
Total	4,62,126	1,27,813	1,15,473	990.64	37,146	3.48	377	1,81,317

Source: Departmental data

From the above table it is evident that:

- Out of total 4,62,126 works proposed to be executed only 1,27,813 (27.66 per cent) were completed and 1,15,473 (24.99 per cent) were lying incomplete as of March 2021 after incurring an expenditure of ₹ 990.64 crore.
- An amount of ₹ 3.48 crore was spent on 37,146 abandoned works.
- The Department failed to start 1,81,317 works (39.24 per cent) even after planning. It was noted that the number of non-started works were more

than the completed works. This was again indicative of the fact that the works were being exhibited to fit into the budget allotted. This is a matter of concern as the projected person days was also calculated thus and this would translate to non-generation of as many person days.

The Department stated (September 2022) that incomplete works were due to pending material payments to vendors due to late release of grant from GoI. Further, in respect of abandoned/suspended works, Department stated that details of abandoned works could not be deleted from MIS as some expenditure had been booked against these works out of panchayat funds and other sources. The reply is not justified as no strategy was prepared to complete the incomplete works as provided in the guidelines *ibid*.

Audit observed that expenditure of ₹ 990.64 crore on incomplete works may result into time and cost overrun while expenditure of ₹ 3.48 crore for abandoned works was wasteful which required investigation.

4.4.2 Expenditure on Natural Resources Management works

Para 6.1.10 of Annual Master Circular 2017-18 of the scheme stipulates that the DPC will ensure, at least 65 *per cent* of the expenditure under MGNREGS to be incurred on works related to Natural Resource Management²¹ (NRM) during the year in the blocks under Mission of Water Conservation (MWC).

Scrutiny of report generated on Management Information System revealed the following observations:

Out of selected 12 blocks, the requisite percentage of expenditure was not maintained in five blocks (*Sr. No. one to five of Appendix 4.8*). In remaining seven blocks the percentage of expenditure on NRM works was partially maintained (*Sr. No. six to 12 of Appendix 4.8*) during 2017-2021.

The percentage of expenditure on NRM works in selected districts except Moga and Sangrur during 2017-2021 was lower than the norms as shown in **Table 4.10**:

Table 4.10: Percentage of expenditure on NRM works in selected districts

Year	2017-18	2018-19	2019-20	2020-21
Amritsar	49.24	67.38	63.78	57.72
Ferozepur	51.93	47.54	44.60	36.61
Jalandhar	57.38	56.53	61.20	58.92
Moga	66.58	64.54	73.62	72.90
Sangrur	66.26	71.22	70.03	60.63
SAS Nagar	47.78	44.87	57.26	48.09

Source: MIS data

²¹ Started during 2017-18 under which the various works were to be executed i.e. Check dam, ponds, renovation of traditional water bodies, land development, embankment, field bunds, etc.

Similarly, as per the data collected from the JDCC, the position of mandatory expenditure on NRM works during the year 2017-2021 was as detailed in **Table 4.11**.

Table 4.11: Shortage in mandatory expenditure on NRM works

(₹ in crore)

Year	Total Works (Complete/ongoing)	Expenditure on works	NRM Works taken-up (out of column 2)	Expenditure on NRM Works	Percentage of expenditure on NRM works
1	2	3	4	5	6
2017-18	35,215	660.64	26,404	374.29	56.66
2018-19	45,137	692.90	31,774	420.87	60.74
2019-20	57,635	741.17	40,311	450.26	60.75
2020-21	85,055	1,473.63	58,981	811.86	55.09

Source: MIS data

From the above, it is evident that the expenditure incurred on NRM works in the state was ranging between 55.09 per cent and 60.75 per cent during 2017-2021 against the mandatory expenditure of 65 per cent.

The Department stated (September 2022) that development plans/shelf of Projects were prepared according to the norms of 65 per cent of NRM works but due to non-clearance of payment, percentage of expenditure on NRM works was low in some districts. Further, Department assured to take necessary corrective measures.

4.4.3 Employment provided to the differently abled persons

Para 9.3.9 of Operational Guidelines, 2013 provides that a special drive should be initiated to identify all persons with disability and other vulnerable persons and provide 100 days of work to each of the household that they belong to in all the villages within a specified timeframe. The Co-ordinator (Vulnerable Groups) shall hold a monthly meeting to review the progress of such implementation with Block and Gram Panchayat level officials and he will submit monthly and quarterly progress reports to the DPC.

Audit noticed that no special drive had been initiated by the Department for the disabled and other vulnerable persons. Further, no demand register was maintained for checking work demanded/offered in any of the selected 120 GPs.

In selected blocks, no monthly meeting of Coordinator (Vulnerable Groups) to review the progress of identified disabled and other vulnerable persons was held with Block and Gram Panchayat level officials.

Further, the data available on the Management Information System regarding employment generated was scrutinised and following shortcomings were found: -

Out of 120 selected GPs, in 23 GPs, 59 differently abled persons were registered against which employment was provided to 24 persons only and 100 days work was not provided to any of the differently abled person.

In the selected blocks, the percentage of employment provided was ranging between 'Zero' and 77.78 *per cent*. Further, 100 days employment was not provided to any differently abled person during 2016-2021 (*Appendix 4.9*).

In the selected districts, employment ranging between eight *per cent* and 53 *per cent* to the registered differently abled persons was provided. (*Appendix 4.10*).

In State, it was observed that total 9,469 differently abled persons were registered upto March 2021. The employment provided to differently abled persons is given in **Table 4.12**.

Table: 4.12: Employment generation of differently abled persons

Year	Registered differently abled persons	Differently abled persons provided work	Percentage
2016-17	3,245	983	30
2017-18	3,832	1,249	33
2018-19	4,395	1,374	31
2019-20	9,271	2,562	28
2020-21	9,469	3,421	36

Source: MIS data

Table 4.12 shows that employment ranging between 28 *per cent* and 36 *per cent only* was provided to differently abled persons during 2016-2021.

Further, it was noticed that data of differently abled persons who demanded works during 2016-2021 was neither depicted in NREGASoft nor any corroborative physical record was maintained. Therefore, the percentage of differently abled persons who demanded works could not be ascertained in audit.

The Department acknowledged the fact and assured (September 2022) to take necessary corrective measures to provide work to differently abled persons. However, compliance was awaited (November 2022).

4.4.4 Non-generation of a single PD in Gram Panchayats

Para 1.1 of Operational Guidelines, 2013 provides that the mandate of the Act is 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.

This data was available only on MIS and on scrutiny, it revealed that:

Out of 120 selected GPs, 27 GPs of 10 selected blocks have registered HHs and Labour Budget was also projected; however, PDs were not generated every year during 2016-2021 (*Appendix 4.11*). Further, the demand register or work register was not maintained in these GPs. Therefore, it was not possible to ascertain the number of persons who demanded work. Thus, 'Nil' generation of PDs in the GPs defeated the basic objective of the scheme of providing 100 days of employment to the volunteer workers.

It was, further, observed that in selected districts, the GPs ranging between one *per cent* and 48.10 *per cent* did not generate a single PD (*Appendix 4.12*) during 2016-2021.

It was observed (August 2021) that GPs ranging between one *per cent* and 28 *per cent* did not generate even a single PD of employment during 2016-2021. The detail of GPs where no PD was generated is given in **Table 4.13**:

Table 4.13: Details of GPs with nil person days

Year	Total GPs in the State	GP generated nil PDs	Percentage
2016-17	13,380	3,718	27.78
2017-18	13,369	2,604	19.48
2018-19	13,359	1,591	11.91
2019-20	13,330	373	2.80
2020-21	13,330	119	0.89

Source: Departmental data

The Department acknowledged the fact and stated (September 2022) that number of GPs having nil PDs had been reducing every year. However, the fact remains that the problem of non-generation of PDs was still existing even after a lapse of 15 years of the scheme.

4.4.5 Unfruitful expenditure on Rajiv Gandhi Sewa Kendra

Government of India, Ministry of Rural Development has expanded (November 2009) the scope of works under schedule-I para 1(g) to include construction of Bharat Nirman Rajiv Gandhi Sewa Kendra (RGSK) at the Gram Panchayat and block level to use these for (i) the meeting/Training hall, (ii) office space for MGNREGA and for (iii) the use of citizen centric interface room.

In four GPs of one selected block²², an amount of ₹ 36.57 lakh was incurred on construction of RGSKs. These works were completed between March 2013 and February 2019. However, these RGSKs were not in use. This resulted into unfruitful expenditure of ₹ 36.57 lakh. (*Appendix 4.13*).

²² Lohian.

In the State, 994 RGSks were to be constructed out of which 942 and 52 RGSks were to be constructed at Gram Panchayat and block level respectively. 250 RGSks and one RGSk at GP and block level respectively were not started as the sanction for these Kendras was not accorded. Further, 655 and 12 RGSks were completed at GP and block levels respectively whereas 76 RGSks²³ were in progress. The status of works related to RGSks in the selected districts is given in **Table 4.14**.

Table 4.14: Details of RGSks of selected districts

Sr. No.	District	To be constructed		Work started		Sanctioned but not started		Completed		Incomplete		Amount of incomplete RGSK (₹ in lakh)	
		GP	Block	GP	Block	GP	Block	GP	Block	GP	Block	GP	Block
1.	Amritsar	5	7	4	7	1	0	4	0	0	7	0	479.51
2.	Ferozepur	97	0	92	0	5	0	91	0	1	0	1.71	0
3.	Jalandhar	61	2	59	2	2	0	40	0	19	2	98.03	16.97
4.	Moga	32	0	24	0	8	0	21	0	3	0	14.97	0
5.	Sangrur	83	0	44	0	39	0	44	0	0	0	0	0
6.	SAS Nagar	17	2	16	2	1	0	16	1	0	1	0	12.47
Total		295	11	239	11	56	0	216	1	23	10	114.71	508.95

Source: MIS data

Table 4.14 shows that total 306 works of RGSks were sanctioned in selected districts, out of which only 250 RGSks were taken up and 56 RGSks were sanctioned but not started. The works of 217 RGSks were completed whereas 33 RGSks were lying incomplete (June 2022) after incurring of ₹ 6.24 crore.

The Department acknowledged the fact and stated (September 2022) that the efforts would be made to complete the works and instructions would be issued to field offices to utilise the buildings. However, compliance was awaited (November 2022).



**RGSK at GP Rupewal
(05.01.2022)**

4.5 Conclusion

The scheme implementation showed serious lacunae in maintenance of basic records like the measurement books and muster rolls. Instances of payments to deceased workers and payments on more than one job card issued to same family were noticed. Audit unearthed cases of fraudulent payments and fictitious works. There were also cases of short and delayed payment of wages to the workers. These problems point to the fact that the Operational Guidelines were not being followed to ensure transparency in implementation of the scheme.

²³ GP level : 37 and Block level: 39.

4.6 Recommendations

- (i) *The Department may ensure the updation of Job Cards to avoid the irregular expenditure from MGNREGS funds by making payment to deceased workers or to double job card holders in a single household, etc;*
- (ii) *The Department may prepare the estimates for works in a manner provided in the Operational Guidelines. All mandatory records may be maintained to ensure transparency; and*
- (iii) *The Department should prepare the estimates for works in a realistic manner after making proper analysis of requisite work.*

