Chapter 3

Implementation of *Yuvasree* Scheme in West Bengal

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LABOUR DEPARTMENT

Brief Snapshot

Government of West Bengal introduced (October 2013) a scheme titled '*Yuvasree*' with the objective of providing unemployment assistance to job-seekers enrolled in the Employment Bank (a web-based job portal). Under the Scheme, an unemployment assistance of ₹ 1,500 per month was to be provided to job-seekers to enable them to upgrade their skills & make them employable or suitable for setting up of self-employment ventures. Job-seekers between the ages of 18 – 45 years were eligible for assistance under the Scheme. The Scheme was implemented by the Labour Department, Government of West Bengal through its Directorate of Employment.

An audit of the Scheme covering the period 2018-19 to 2022-23 was undertaken to examine issues related to planning, implementation, *etc*. During the period covered under the audit, against an allocation of ₹ 924.17 crore, ₹ 896.77 crore was expended by the State Government on the Scheme:

- The *Yuvasree* Scheme, which was conceptualized to provide assistance to unemployed youth, could not achieve its desired result as only 1.24 *per cent* of the beneficiaries were able to attain employment in the test-checked districts. Based on the beneficiary survey it was noted that there were cases of financial assistance being given to employed youth in place of unemployed job-seekers.
- Further, issues like beneficiaries not undergoing training even after receiving financial assistance, absence of a system of cross-verification to check whether a beneficiary had received any other financial assistance, deficiencies in monitoring of implementation of the Scheme *etc.*, were noted during audit.
- Moreover, the State Level Monitoring Committee had not yet been set up, even after more than 10 years from the commencement of the Scheme.

3.1 Introduction

The Labour Department, Government of West Bengal (GoWB) introduced[73] (August 2013) a scheme titled "*Yuva Utsaha Prakalpa* (YUP)-2013" which was to be implemented throughout the State, with effect from 3 October 2013. The objective of the Scheme was to provide unemployment assistance (₹ 1,500 per month) to job-seekers enrolled in the Employment Bank[74], to enable them to upgrade their skill level, in order to make them employable or suitable for setting up self-employment ventures. This scheme was renamed as '*Yuvasree*', by the State Government in September 2013.

[73] *vide Resolution No. 175-Emp dated 29 August 2013*

[74] *The Employment Bank is a web-based job portal and is a joint initiative of the Labour and the Information Technology Departments of the GoWB.*

The Directorate of Employment, under the Labour Department is responsible for implementing the *Yuvasree* Scheme. At the district level, the Scheme is monitored by District Offices headed by Additional Director of Employment/ Joint Director of Employment/ Deputy Director of Employment. There are 18 District Offices in charge of the 23 districts of the State. At the ground level, issues/ works[75] related to the Scheme are handled by the Sub-Divisional Officer (SDO)/ District Employment Exchange (DEE), except in Kolkata. The Joint Director of Employment, Kolkata was the implementing agency for *Yuvasree* in Kolkata district.

The Central Management Cell (CMC), functioning under the Directorate, is responsible for looking after the Employment Bank and *Yuvasree* related activities. The CMC is headed by one Additional Director of Employment and assisted by officers of the rank of Joint Director of Employment/ Deputy Director of Employment/ Employment Officers.

3.1.1 Eligibility criteria

As per applicable guidelines, in order to obtain financial assistance under the *Yuvasree* Scheme, the candidates were to fulfill following eligibility conditions:

- **a.** must be unemployed and a resident of West Bengal
- **b.** should be enrolled with the Employment Bank as 'job-seeker'
- **c.** educational qualification should be class VIII pass and above
- **d.** should be between 18 – 45 years of age on the 1st day of April of the year in which he/ she is considered under the scheme
- **e.** has not availed financial assistance/ loan under any State/ Central government sponsored self-employment scheme
- **f.** only one member of a family is eligible to receive assistance

3.1.2 Procedure for application and selection of beneficiaries

The State Government had set up an Employment Bank (in July 2012) *i.e.* a web-based job portal to widen the window of employment opportunities for job-seekers in the State. Subsequently, considering the number of job-seekers registered in the Portal, the *Yuvasree* scheme (Scheme) was launched on 3 October 2013 for providing financial assistance of ₹ 1,500 per month to the first one lakh job-seekers enrolled in the Employment Bank. The aim of the Scheme was to enable the job-seekers to enhance their employability by undergoing some education or training within the period of assistance.

Labour Department (Department), GoWB, through its Directorate of Employment (Directorate) was responsible for the overall implementation of the *Yuvasree* Scheme in the State.

[75] *scrutiny/ processing and sanction of applications and review of self-declarations in form of Annexure-III (submitted every six months by the beneficiaries stating the utilization of fund and the continuation of eligibility criteria).*

The procedure for submission of applications was as follows:

- All eligible and desirous candidates could apply for unemployment assistance *via* prescribed form (Annexure-I) available in the Employment Bank portal along with an 'Unemployment Certificate' (Annexure-II).
- To ensure desirous candidates were not deprived of the benefits of the Scheme & could avail of unemployment benefit:
  - The "Central Management Cell", on the basis of the district/ sub-division-wise list of enrolled job-seekers (as included in the Employment Bank database), would prepare a list of the first one lakh enrolled job-seekers. Thereafter, the applicants would be informed, through email/ SMS/ post, so that they could apply for unemployment assistance subject to fulfilment of the eligibility criteria.
  - Simultaneously, the Labour Department, in order to generate awareness and coverage under the Scheme was to publish advertisements in newspapers to disseminate all relevant information including eligibility criteria, applicable dates, mode of submission of application *etc.*
- Upto June 2018, applicants were to submit their filled-in applications with the required documents to the office of the concerned Sub-Divisional Officer/ Joint Director of Employment, Kolkata within the specified time period. However, from July 2018, as per the changed modalities, new applicants were required to submit Annexure-I and II respectively, to the Employment Exchanges.
- The applicant was to have a bank account with any nationalized bank, preferably State Bank of India for the payment of unemployment benefit.
- The selection of applicants was done on 'First come, first served' basis considering the date and time of enrolment of the applicant in the Employment Bank and fulfilment of eligibility criteria.

The procedure for selection of beneficiaries was as follows:

a) Upto June 2018

- The SDOs/ Joint Directors of Employment, Kolkata, after receiving applications from the enrolled job-seekers scrutinized them and after satisfying themselves about their eligibility, sanctioned the application.

  Subsequently, a list of eligible applicants with details of enrolment number, name of the applicant, date of birth, bank account details, Indian Financial System Code (IFSC) of the bank *etc.,* was then prepared by the SDO/ Joint Director of Employment. Thereafter, the CMC was to accord final sanction subject to the overall State ceiling of one lakh beneficiaries.
- To facilitate periodic review, each recipient was to submit every six months, a self-declaration certificate (Annexure-III) to the office of the SDO/ Joint Director of Employment, Kolkata. The periodic review was aimed to examine whether:

i. the recipient was utilizing the financial assistance for the right cause and undergoing any training courses to upgrade his/ her skill.

ii. the recipient still fulfilled the eligibility criteria to receive unemployment assistance under the Scheme.

b) From July 2018 onwards, there were changes made in the guidelines, which were as follows:

- For seamless implementation, the Scheme was partially modified by the Labour Department. Annexure-I & II along with bank details of all live beneficiaries, were to be transferred from the SDO offices to Employment Exchanges[76]. In case of new applicants, Annexure-I and II were to be submitted to Employment Exchanges.
- The Employment Exchanges were to verify and provisionally approve these Annexures. Thereafter, the CMC was to accord final sanction in respect of each such provisionally selected beneficiary.
- To facilitate periodic review, each recipient was to submit every six months, a self-declaration certificate[77] (form Annexure-III) through the employment bank. The Directorate only had access to such certificates.

On the basis of periodic review, the process of delisting of beneficiaries was carried out by the CMC based on whether the beneficiary had secured employment, crossed eligible age, *etc.* Besides this, non-furnishing of self-declaration certificates by the beneficiaries (Annexure III) regarding training/ continued unemployment status, was also an attributable factor for delisting of job-seekers. The beneficiaries who became ineligible were delisted and the next set of eligible candidates from the Employment Bank (replacing the set of delisted beneficiaries) were provided financial assistance.

3.1.3 Procedure followed for disbursement of funds

The budget for the *Yuvasree* Scheme was prepared by the Labour Department and after obtaining approval from the Finance Department, funds were allotted to the Director of Employment for disbursement. The Directorate, in turn, transferred the funds to the accounts of district level functionaries (up to February 2018) and directly to the bank accounts of beneficiaries through Direct Benefit Transfer (DBT) mode (from March 2018 onwards).

Prior to February 2018, on receipt of budgetary allocation, the Directorate office drew and transferred funds in favour of the SDOs/ Joint Directors of Employment, Kolkata. Thereafter, these offices advised the concerned bank to credit the amount to the respective account of the individual beneficiary.

[76] ***Employment Exchanges*** *under Directorate of Employment received Annexure-I and II of the newly identified probable beneficiaries and verified, approved and maintained the Annexures and posted the bank details of the provisionally selected beneficiaries of the scheme in the Employment Bank portal.*

[77] *Directorate issued orders to allow beneficiaries, who defaulted in submission of online Annexure-III, to submit offline applications to the office of the Joint Director of Employment concerned*

Subsequently, the Labour Department adopted (March 2018) a centralised payment system involving transfer of funds by the Directorate to the bank accounts of the beneficiaries through Direct Benefit Transfer (DBT) mode.

3.1.4 Budgetary allocation and expenditure

For the period covered under audit *viz.* 2018-19 to 2022-23, following was the budget allocation for *Yuvasree* Scheme and the expenditure incurred against such allocation:

Table 3.1: Budgetary allocation and expenditure *(₹ in crore)*

Year	Financial Outlay	Actual Expenditure
2018-19	151.27	178.86
2019-20	190.00	180.00
2020-21	198.90	180.00
2021-22	204.00	178.61
2022-23	180.00	179.30
Total	**924.17**	**896.77**

Source: Replies received from the Directorate[78]

As evident from the **Table 3.1** above, during the Financial Years (FYs) 2018-19 to 2022-23, against an allocation of ₹ 924.17 crore, ₹ 896.77 crore was expended by the Department on the Scheme resulting in savings of ₹ 27.40 crore during the above-mentioned period.

3.2 Audit Objectives

A Subject Specific Compliance Audit (SSCA) was conducted during the period from August 2023 to February 2024 to assess whether:

1. the Scheme was planned to cover eligible and exclude the ineligible beneficiaries;
2. the Scheme was implemented to achieve its stated objectives; and
3. the Scheme is being monitored to achieve its desired goal.

3.3 Scope of the audit

The audit of *Yuvasree* covered the period FY 2018-19 to FY 2022-23 and involved scrutiny of physical and digital records pertaining to the Scheme at the Directorate and district offices thereunder. Out of 23 Districts of West Bengal, six districts (Alipurduar, Bankura, Hooghly, Murshidabad, North 24 Parganas and Uttar Dinajpur) were selected based on stratified random sampling for test check. Records related to the Scheme available at the offices of Joint Directors in the selected districts and the 19 Employment exchanges[79] under their jurisdiction were scrutinised. Further, Audit also conducted a beneficiary survey[80] amongst 874 beneficiaries out of a total of 40,620 beneficiaries (as of March 2023) in the selected districts to assess the implementation of the

[78] *The expenditure for the FY 2018-19 was in excess of the financial outlay, as the excess expenditure was incurred from the Head of account 'under Social Welfare Scheme for unemployed persons (35-2235-02-800-009-50-00)', against which there was no financial outlay for this Scheme.*

[79] *Alipurduar-one, Bankura-three, Hooghly-four, Murshidabad-five, North 24 Parganas-four and Uttar Dinajpur-two*

[80] *Sampling was carried out based on the following criteria: (i) Different locality, (ii) Period of receipt of financial assistance and (iii) Gender.*

Scheme. An Entry Conference was held with the Labour Department & Directorate of Employment in January 2024 to *inter-alia* discuss audit objectives and approach to be adopted for auditing purposes. To discuss the findings, an Exit conference was held in December 2024. Replies received from the Department have been suitably included in the Report.

3.4 Audit Criteria

The audit objectives were assessed against the following audit criteria:

a. Guidelines, Rules and Regulations governing the *Yuvasree* Scheme.

b. Government Orders/ Departmental Instructions and Manuals *etc.*

c. Integrated Financial Management System (IFMS)/ DBT related orders/ instructions.

Audit Findings:

3.5 Irregularities noticed in coverage of beneficiaries

The issue of whether the Scheme was adequately planned in order to cover all eligible beneficiaries and exclude the ineligible ones, was analyzed during audit. Based on this examination, the following observations were made by Audit.

3.5.1 Continuation of financial assistance for 27 years for applicants between 18-45 years of age

For receiving unemployment assistance of ₹ 1,500 per month under the *Yuvasree* Scheme, the eligible candidate, *inter alia,* should be between 18 to 45 years of age on the 1st day of April of the year in which he/ she is considered under the Scheme to receive the benefit. However, the criteria do not prescribe any maximum tenure for which the financial assistance is to be provided to the beneficiary. A person once registered under the Scheme, will continue to receive assistance till 45 years of age or till he/ she gets employed.

During audit, records pertaining to initial inception & approval of the *Yuvasree* Scheme were not furnished by the Department and therefore, the justification for a maximum coverage of 27 years (18-45 years) of financial assistance under the Scheme could not be assessed in audit. In comparison, similar schemes of two neighboring States, *viz.*, Jharkhand[81] and Bihar[82] were examined wherein it was noted that the period of financial assistance was much lesser. In case of Jharkhand, the eligibility condition was age limit between 18-35 years & assistance for a maximum period of one year, while in case of Bihar, this increased to a maximum period of two years, for candidates between 20-25 years of age.

Further, during scrutiny of information furnished by the Directorate, it was noticed that the total number of job-seekers enrolled in the Employment Bank stood at 40,53,409 (as of September 2023). The year-wise details are given in the **Table 3.2**.

[81] *Mukhyamantri Protsahan Yojana*
[82] *Mukhyamantri Nischay Swyam Sahayata Bhatta Yojna*

Table 3.2: Number of job-seekers enrolled during 2012 to 2023

Year of Enrollment	Number of job-seekers enrolled
2012	54,773
2013	14,38,091
2014	2,89,160
2015	4,37,204
2016	1,68,201
2017	2,91,119
2018	5,09,463
2019	2,43,227
2020	1,24,802
2021	2,75,715
2022	1,69,618
2023	52,036

Source: Information furnished by the Directorate

As seen from the above **Table 3.2**, number of job-seekers enrolled increased significantly between the years 2012 to 2013 (by 2,525.55 *per cent*). The launch of the *Yuvasree* Scheme in October 2013 and anticipation of getting financial assistance, could be one of the possible reasons for this significant jump in the number of job-seekers registered.

The *Yuvasree* Scheme is implemented on a first-come-first–served basis. The order of coverage of beneficiaries is based on the date of enrolment in the Employment Bank. Only one lakh beneficiaries are paid every year under the Scheme. Whenever a beneficiary is delisted (either by being employed or obtaining the age of 45 years), the next person from the list in the Employment Bank gets the option of availing the financial assistance under the Scheme. In this regard, audit scrutiny revealed the following:

- Of one lakh beneficiaries (receiving financial assistance under *Yuvasree* as of September 2023), 71,423 beneficiaries (*i.e.* more than 71 *per cent*) had been receiving the benefit for more than five years.

- Further, 36 *per cent* of the beneficiaries had been availing *Yuvasree* financial assistance for nine to ten years.

Considering the fact that the Scheme does not limit the overall period for which financial assistance could be provided and the large number of potential beneficiaries registered in the Employment Bank[83], the aim of covering all/ significant portion of eligible candidates waiting since 2013 (inception of the Scheme) seems unlikely to be achieved.

The period-wise details with regard to financial assistance provided to the one lakh beneficiaries, as of September 2023, are shown in **Table 3.3**:

[83] *As of September2023 total number of enrolled persons was 40,53,409*

Table 3.3: Period-wise details of financial assistance provided to the beneficiaries

Range of years for which financial assistance being received	Number of beneficiaries	*Percentage* of total beneficiaries
0-1	10,818	10.82
1-2	2,710	2.71
2-3	1,738	1.74
3-4	5,741	5.74
4-5	7,570	7.57
5-6	11,783	11.78
6-7	10,112	10.11
7-8	8,442	8.44
8-9	5,483	5.49
9-10	35,603	35.60
Total:	**1,00,000**	

Source: Information furnished by the Directorate

It would emerge from the above **Table 3.3**, read in conjunction with **Table 3.2**, that the current coverage of one lakh beneficiaries is from persons enrolled in the year 2012-2013. This indicated that 25.61 lakh candidates enrolled between 2014-2023 and a significant number of youths enrolled in 2013, as depicted in **Table 3.2**, were yet to receive the financial assistance under the Scheme.

This meant that those enrolled later would have to wait till the beneficiaries enrolled earlier and currently receiving financial assistance are delisted after securing employment or attaining the age of 45 years. In this way, once a beneficiary became eligible and was availing the financial assistance, he/ she could technically continue to draw the benefit for a period of 27 years, provided he/she was still unemployed. This clearly restricted the scope/ opportunity of the subsequently enrolled candidates to get financial assistance.

On this being pointed out the Department admitted (December 2024) that *Yuvasree* Scheme in its present form has not been effective in reaching out to the maximum number of job-seekers and the benefits of the Scheme have been restricted to around two lakh beneficiaries out of 41 lakh enrolled jobseekers in the Employment Bank and thus, the Government's very objective to maximise the prospects of them to be employed or self-employed in the job market gets defeated in the Scheme. The Department further informed that a proposal for modification of the policy-decision of the Government to limit the period of payment of *Yuvasree* assistance to a maximum of three years has been moved by the Directorate/ Department for examination and consideration of the Government.

Recommendation:

3.1 Government may examine the feasibility of fixing a maximum time-frame for which financial assistance is to be provided to each beneficiary, to ensure that job-seekers enrolled subsequently are not deprived of the benefits of the Yuvasree Scheme.

3.5.2 Non-availability of self-declaration certificates and lack of verification of self-declaration certificates

As per clause 6.4 of the *Yuvasree* Scheme, in order to facilitate a periodic review, each beneficiary was to submit a self-declaration certificate (Annexure-III) to the concerned SDO/ Joint Director of Employment, Kolkata, every six months to certify that the beneficiaries were still eligible for getting unemployment assistance. The methodology of submission of self-declaration was modified, self-declaration certificates were to be submitted online by the beneficiaries in the Employment Bank (as discussed in *Paragraph 3.1.2*).

As under the modified system, the Employment Exchanges were the provisional sanctioning authorities for the *Yuvasree* Scheme, it was essential that such self-declaration certificates were available at their end to carry out periodic review and verification. However, scrutiny of records of the selected Employment Exchanges (along with related District Employment Offices) revealed that the certificates, were not accessible by them in the Employment Bank and consequently remained unverified. Hence, the process of periodic verification of beneficiaries so that they could either continue to receive benefits or be delisted, was not carried out, pointing to poor monitoring of the Scheme on the part of Department/ Directorate. This lack of verification also raises the risk that ineligible job-seekers may continue to obtain financial assistance under the Scheme for prolonged periods, thereby depriving other registered and eligible candidates (*as discussed in paragraph 3.5.1*).

A beneficiary survey covering 874 beneficiaries was carried out in six districts (during August 2023 to February 2024) by Audit. During this survey it was noted that 133 beneficiaries (*i.e.* more than 15 *per cent*) were not undergoing any training even though they were receiving financial assistance for skill upgradation under the Scheme, highlighting lack of periodic verification.

Further, records related to online submission of certificates of utilization by the beneficiaries were not furnished by the Directorate although called for by Audit.

On this being pointed out, the Department stated (December 2024) that the order of May 2014 issued by the Director of Employment (which had the concurrence of the Department) broadened the scope of courses/ training to include other items apart from upgradation of skills like pursuing general education (matric, higher secondary and graduation) and pursuing professional/ technical education. Besides, Annexure-III is a form of self-declaration and the responsibility of the information lay entirely on the beneficiary.

The reply is not tenable since students pursuing general education are covered through various scholarship schemes and should not be considered for unemployment assistance and even the self-declaration made through Annexure-III could have been verified. Further, the order of May 2014 as stated in the reply was neither made available with the reply nor furnished to Audit during the process of audit scrutiny. Moreover, the above reply also shows the absence of verification on the part of Department.

3.5.3 Payments to already employed candidates

For receiving assistance under the *Yuvasree* Scheme, the eligible candidate must be unemployed. Further, the notification[84] of Labour Department (of July 2014), mandated that the eligible candidates must be "completely unemployed". The Scheme guidelines mandated six-monthly submission of self-declaration by the beneficiaries in Annexure-III to this effect as mentioned in *paragraph 3.5.2*.

During scrutiny of records, in the offices of the Joint Directors of Employment, in the test-checked six districts (including 19 subordinate employment exchanges), it was observed that there was no mechanism in place to verify and cross-check the authenticity of the declarations made by beneficiaries regarding 'unemployment' or in context of their 'not receiving any other financial assistance'.

It was noticed by Audit that out of 874 beneficiaries covered in the beneficiary survey, 397 (*i.e.* more than 45 *per cent*) were not completely unemployed and were earning their livelihood by means of private tuitions, services, professional works or business*, etc.* In addition, 116 beneficiaries had received employment benefit of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

The Department in its reply stated (December 2024) that beneficiaries were solely responsible for their self-declaration and beneficiaries earning a living through private tuitions or small private jobs or business are underemployed and cannot be classified as employed and employment under MGNREGS did not fall under regular employment. The Department in its reply also accepted the fact that there was no mechanism to verify and cross-check the authenticity of the declarations made by beneficiaries.

The reply of the Department clearly undermined the spirit of the notification of the Labour Department (of July 2014), which was issued with the solitary objective of changing the eligibility criteria for receiving assistance under the Scheme from 'unemployed' to "completely unemployed".

Recommendation:

> ***3.2*** ***Government should devise a suitable verification mechanism to ensure that ineligible applicants are identified and excluded from the list of beneficiaries.***

3.5.4 Non-achievement of employment by the beneficiaries of the Scheme

The main objective of the *Yuvasree* Scheme was to make beneficiaries employable through skill upgradation or for setting up of self-employment ventures by providing unemployment assistance. However, no impact assessment studies or surveys were undertaken by the Department to assess whether the Scheme is fulfilling its primary purpose of making beneficiaries employable.

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[84] *Resolution No. 326-Emp/IM-10/2013 dated 28 July 2014*

During test check it was noticed that of 40,620 beneficiaries who were provided financial assistance of ₹ 360.43 crore for a period of five years (2018-19 to 2022-23), only 504 beneficiaries (1.24 *per cent*) got employed. District-wise details of beneficiaries who secured employment (in the test-checked districts) are tabulated below:

Table 3.4: District-wise status of beneficiaries who got employment

Sl. No.	Name of the district	Names of the Employment Exchanges under the district	Number of beneficiaries as on 31 March 2023	Total number of beneficiaries who got employment	*Percentage* of number of beneficiaries who got employment with respect to number of beneficiaries
(A)	(B)	(C)	(D)	(E)	(F) = (E)/ (D) x 100
1	**North 24 Parganas**	DEEs Barasat, Bangaon, Basirhat and Sree Barrackpore	7,938	118	1.49
2	**Hooghly**	DEEs Chandannagar, Arambagh, Srirampur and Chinsurah	4,579	67	1.46
3	**Bankura**	DEEs Bankura, Khatra and Bishnupur	8,998	121	1.34
4	**Murshidabad**	DEEs Berhampore, Jangipur, Lalbagh, Domkal and Kandi	13,145	158	1.20
5	**Uttar Dinajpur**	DEEs Islampur and Raiganj	4,998	32	0.64
6	**Alipurduar**	DEE Alipurduar	962	8	0.83
Total			**40,620**	**504**	**1.24**

Source: Records/ information furnished by Directorate

It may be noted that the above-mentioned comment is based on review of applications voluntarily submitted by the beneficiaries for delisting after gaining employment. As there is no system in place for verification/ periodic survey of beneficiaries to ascertain their employment status, there is a possible risk that the number of ineligible (or employed) beneficiaries receiving benefits under the Scheme is much larger.

The Department in respect of the above stated (December 2024) that the Scheme is not a job-oriented scheme and did not guarantee jobs to each and every beneficiary of the scheme. The reply of the Department needs to be considered from the fact that the objective as specified in the guidelines of the Scheme was to make beneficiaries employable through skill upgradation or for setting up of self-employment ventures by providing unemployment assistance.

The Department, however, agreed that the Scheme did not have a follow up mechanism in place.

3.5.5 Grant of financial assistance to the beneficiaries in spite of missing or defective Certificates of Unemployment

As prescribed by notification (August 2013) of the Labour Department, GoWB, for receiving benefits of *Yuvasree* Scheme, all desirous applicants may apply for unemployment assistance in the prescribed form (Annexure-I) along with Certificate of Unemployment (Annexure-II). As per the prescribed proforma, the Certificate of Unemployment was to be issued by a Group-A officer with his dated signature, name in full, designation with seal and Official Identity Card Number.

During scrutiny of records, in the offices of the Joint Directors of Employment, in six selected districts including their 19 subordinate employment exchanges, the following were noticed:

- In DEE Jangipur, Annexures-I and II of 103 beneficiaries (of 1,089 beneficiaries), who had submitted the same in December 2019 and were receiving financial assistance, were not traceable. An amount of ₹ 34.05 lakh was paid during April 2020 to March 2023 to these beneficiaries. This highlighted the fact that DEE office was making payments without ensuring the availability of required documents, indicating lack of internal control.

  On this being pointed out the Department stated (December 2024) that preservation of Annexures leads to accumulation of huge volume of physical papers. However, the Department did not furnish any information regarding the actions taken by them for retrieval of missing documents or present status of action taken, if any, to trace out the missing documents.

- In addition, in 356 cases (of 10,874 cases) the certificates of unemployment submitted by beneficiaries were defective since the date of issue of the certificates were not found to have been recorded by the certifying Group-A officer and the status of unemployment as on the date concerned, was not ascertainable. This indicated that payments were made to these beneficiaries without ensuring the correctness/ appropriateness of the submitted documents. In this case, a payment of ₹ 1.15 crore was made during April 2019 to March 2023.

  While accepting the fact, the Department stated (December 2024) that in the initial stages some of the Unemployment Certificates (Annexure-II) might have been overlooked, however, all Employment Exchanges were being instructed to be careful and cautious while checking the details of both the annexures to avoid any lapses.

- Further, in six Employment Exchanges under the offices of the Joint Directors of Employment, North 24 Parganas and Hooghly, it was found that in 22 cases, the certificates of unemployment submitted by beneficiaries were faulty as these were issued by persons other than Group-A officers. However, the Department paid financial assistance under the Scheme in these cases.

The Department stated (December 2024) that necessary measures would be taken to ensure that such instances of unemployment certificates being issued by the officers below the rank of Group-A officers do not recur in future.

- In contrast to the Scheme guidelines, the Official Identity Card Number of the certifying Group-A officer, establishing the authenticity of the identity of the officer, was not found mentioned in 4,558 certificates of unemployment of beneficiaries as shown in Table below:

Table 3.5: Certificates of unemployment without employment ID of Gr.-A Officer

Sl. No.	Name of the District	Number of certificates of unemployment scrutinized in audit	Number of certificates without employment ID no. of Gr-A Officer
1	North 24 Parganas	977	397
2	Hooghly	1,227	393
3	Bankura	2,191	962
4	Murshidabad	4,010	1,878
5	Uttar Dinajpur	2,125	703
6	Alipurduar	344	225
	Total	**10,874**	**4,558**

Source: Records/ information furnished by Directorate

On this being pointed out, the Department stated (December 2024) that due to several constraints faced by the job-seekers in obtaining unemployment certificates, the Employment Exchanges accepted the certificates if they were satisfied about the genuineness of the certificate signed by a Group-A officer having the name, designation and seal of the Group-A officer. The reply of the Department was, however, not tenable since the provision regarding furnishing the Official Identity Card Number of the certifying Group-A officer was not optional and the number was not found mentioned in more than 41 *per cent* cases checked in audit.

3.5.6 Continuance of financial assistance without retrieval of documents of beneficiaries from the Sub-Divisional Offices

During scrutiny of records, in the offices of the Joint Directors of Employment of the selected districts and the subordinate 19 employment exchanges, it was noticed that 28,804 beneficiaries were being provided assistance through SDO offices prior to 2018 and had submitted their Annexure-I to the SDO Offices.

Audit further noticed that in place of SDOs, the Directorate of Employment started making payments to such beneficiaries from 2018 onwards (between 2018-19 to 2022-23) in DBT mode. However, these payments were made without retrieving Annexure-I and Annexure-II related to such candidates from the SDO Offices. Even after lapse of more than five years, these documents are yet to be retrieved from the SDO Offices and consequently, could not be scrutinized during audit for their veracity and correctness of payment. The details are as follows:

Table 3.6: Financial assistance to beneficiaries without retrieval of documents from SDOs

Sl. No.	Name of the district	Number of beneficiaries as on March 2023	Number of beneficiaries whose documents are yet to be retrieved from the SDO Offices
1	North 24 Parganas	7,938	6,122
2	Hooghly	4,579	3,352
3	Bankura	8,998	6,807
4	Murshidabad	13,145	9,032
5	Uttar Dinajpur	4,998	2,873
6	Alipurduar	962	618
Total		**40,620**	**28,804**

Source: Records/ information furnished by Directorate

During the period 2018-23, an amount of ₹ 259.23 crore[85] was paid to such beneficiaries by the Directorate without having relevant records of the beneficiaries in their possession.

On this being pointed out, the Department stated (December 2024) that for seamless implementation of the Scheme it was decided that all the original e-mandates (Annexure-I and supporting bank details) of all live beneficiaries at that point of time would be transferred electronically from all SDO offices to the concerned Employment Exchanges. The Department further replied that this was completed successfully. The Directorate of Employment then checked the final SDO-wise beneficiary list and transferred funds to beneficiaries' bank accounts through IFMS. The Department further stated that considering the above procedure the question of physical retrieval of the copies of Annexure-I and Annexure-II from the concerned SDO offices did not arise and no physical copies of Annexures I and II were retrieved from SDO offices. The Department also stated that many SDOs who were approached by the Officers of the concerned Employment Exchanges stated their inability to search, find and handover such huge number of physical documents.

The reply of the Department was not tenable as the Directorate only checked the final SDO-wise beneficiaries list and did not cross-check the related soft copy of Annexure-I data and e-mandates before making payments to beneficiaries' bank accounts through IFMS.

3.5.7 Irregular recommendation for financial assistance on offline submission of certificates of utilization

Every beneficiary under the Scheme was to submit a self-declaration, every six months in the form of Annexure-III for periodic review to ascertain proper utilization of the financial assistance received as well as to confirm whether the recipient still met the eligibility criteria for receiving such assistance. Further, the Directorate issued orders to allow beneficiaries, who defaulted in submission of online Annexure-III, to submit offline applications to the office of the concerned Joint Directors of Employment for continuation of financial assistance.

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[85] *2,8804x1,500x12x5=₹ 259,23,60,000 (considering only those beneficiaries who continued to draw the assistance for the entire five years as of March 2023)*

During scrutiny of records at the test-checked offices of the Joint Directors of Employment (JDsE) it was noticed that

- 1,382 beneficiaries submitted offline applications during the period 2018-19 to 2022-23 which were recommended for continuation of the financial assistance by the Joint Directors of Employment concerned.
- Out of these 1,382 recommended beneficiaries, JDsE had recommended 314 (22.72 *per cent*) cases despite there being deficiencies like absence of requisite certificate of declaration of employability (Annexure-III) or otherwise/ any proof of undertaking training during the previous six months.

This resulted in irregular extension of financial assistance to such beneficiaries amounting to ₹ 1.55 crore in five of the test-checked districts.

The Department stated (December 2024), that in respect of such offline submission each applicant was required to submit an application *inter alia* mentioning his/ her personal details and reasons for non-submission through online mode. The reply, however, remained silent regarding status of submission of Annexure-III with the applications. Further, the reply also remained silent with regard to instances pointed out in audit wherein deficiencies in submission of offline applications were observed.

3.6 Deficiencies in monitoring of the *Yuvasree* Scheme

While assessing the monitoring system of the *Yuvasree* Scheme, the following issues were noted by Audit:

3.6.1 State Level Monitoring Committee not formed

As per the Scheme guidelines, a State Level Monitoring Committee (SLMC) was required to be set up by the Government to review and monitor the progress of the Scheme at regular intervals.

During audit at the Directorate of Employment, records regarding the formation and meetings (if any) of the SLMC were not produced although called for.

The Department accepted (December 2024) that there is no SLMC and only the Central Management Cell had been set up at the Directorate of Employment to oversee and monitor the functioning of the *Yuvasree* Scheme.

However, paragraph 4 of the Resolution issued (August 2013) by the Labour Department defines the Central Management Cell as the nodal cell attached to the Employment Bank whereas, paragraph 14 of the Resolution referred *ibid* prescribes that an SLMC may be set up by the Government to review and monitor the progress of the Scheme at regular intervals. The composition of this monitoring committee was to be decided in due course. Hence, the Central Management Cell could not be considered as the SLMC.

Recommendation:

3.3 Government may expeditiously set up the State Level Monitoring Committee to review and monitor the progress of the Yuvasree Scheme.

3.6.2 Non-monitoring of the Scheme at the Directorate/ District level

As per the Scheme guidelines, the Directorate/ District-level offices were responsible for monitoring and review of the Scheme through selection/ verification of beneficiaries, sanction of unemployment assistance and periodic review of such financial assistance to assess the continued eligibility of the recipients.

During audit at the Directorate as well as offices of the Joint Directors of Employment/ District Employment Exchanges, it was noticed that there was no system in place to monitor and periodically assess the implementation of the Scheme.

It was also noticed that there was no regular monthly/ quarterly/ six-monthly reporting for monitoring the additions and deletions of beneficiaries (if any) in the Scheme including the reasons for delisting from the Scheme.

On this being pointed out, the Department stated (December 2024) that as the Scheme was almost fully operational in the online mode, hence there was very little scope of manual intervention to monitor and assess the implementation of the Scheme to achieve its objectives. It was further stated that the various types of reports that were required by the Department for its own assignments or for submitting to other Departments were all generated from the system itself and made available for internal use and for use of other Departments. The reply, however, did not specify the nature of reports generated, periodicity thereof and contents of these reports. In absence of these details, the effectiveness of the generated data in monitoring and periodically assessing the implementation of the Scheme, could not be assessed.

3.6.3 Non–capturing of Unique Identification Number & absence of validation checks of Unique Identification number in the system

Unique Identification (UID) Number is a unique number for each individual which can be utilized by the authorities for verifying the authenticity of genuine beneficiaries and preventing duplicate registration and payments. In this regard scrutiny of data revealed that there were significant instances where UID number had not been captured in the *Yuvasree* database. During the period from April 2018 to March 2023, no UID number was captured against 7,227 beneficiaries under the Scheme.

Absence of necessary control checks in the *Yuvasree* portal and lack of systemic checks for verification of UID numbers raised the risk of non-integrity of data and cases of duplicate payments.

The Department stated (December 2024) that in cognisance of the audit observation the Department would capture the UID numbers for all the jobseekers enrolled in the Employment Bank portal, by making the UID number in the enrolment form mandatory and creating the provision of uploading the UID card during registration for verification by the Employment Exchange. However, action in this respect was yet to be initiated by the Department.

3.6.4 Non-furnishing of records

The Department of Labour and the Directorate did not furnish the following records, though called for (August 2023, September 2023 and February 2024) during audit due to which issues related to the aspects mentioned below could not be examined during audit:

i) Records pertaining to inception, initial proposal & approval of the *Yuvasree* Scheme.

ii) Certificates of utilization (Annexure-III) submitted online by the beneficiaries.

iii) Records pertaining to delisting of beneficiaries from the *Yuvasree* Scheme including reasons thereof.

On this being pointed out, the Department stated (December 2024) that the uploading of any physical certificate of training undertaken by the beneficiaries was not possible as the server was of old configuration. The Department further stated that for live beneficiaries only the updated and latest details of Annexure-III were available which could be viewed at the back end of the portal. However, the Department did not furnish any reason regarding non-availability of all versions of Annexure-III. The Department also did not furnish any reply regarding non-furnishing of records pertaining to 'inception, initial proposal and approval of the *Yuvasree* Scheme' and 'delisting of beneficiaries from the Scheme'.

Audit observations as discussed in the preceding paragraphs indicated that there were inadequacies in implementation of the Scheme. The primary objective of the Scheme meant to provide assistance to unemployed youths remained largely unachieved as Audit found that only 1.24 *per cent* of the beneficiaries were able to attain employment in the test-checked districts. Beneficiaries were found to be irregularly provided with financial assistance despite having no or defective Certificates of Unemployment. Audit found that there were procedural deficiencies like lack of verification of self-declaration certificates and payment being made to already employed candidates. There were shortcomings in monitoring of the Scheme manifested through non-formation of the State Level Monitoring Committee.