

## ***CHAPTER II***

### ***Audit Framework***



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#### 2.1 Audit objectives

The Performance Audit on the implementation of the Scheme in the State of Maharashtra was conducted to ascertain whether:

- Planning process and financial management practices were adequately geared towards achieving the goals of the Act while adhering to relevant rules and regulations;
- Fair access to employment opportunities was achieved, as well as employment adequately generated, leading to social protection and livelihood security as envisaged;
- Durable and useful assets were created and maintained in compliance with rules and regulations while ensuring convergence with other programmes/schemes; and
- Appropriate and adequate monitoring, social audit and grievance redressal systems were in place and functioning as envisaged to achieve greater transparency and accountability.

#### 2.2 Audit criteria

Audit criteria evaluating the Performance Audit were derived from:

- Maharashtra Employment Guarantee Act and amendments thereon;
- Mahatma Gandhi National Rural Employment Guarantee Act, 2005, amendments thereon, and Rules issued under the Act;
- MGNREGA Operational Guidelines, 2013;
- Annual Master Circulars issued by the Ministry of Rural Development (MoRD), GoI from time to time;
- Government Resolutions, circulars and instructions issued by the State Government and MoRD, GoI.

#### 2.3 Audit Scope and Methodology

The performance audit was conducted from June 2024 to August 2024, covering the period 2019-20 to 2023-24, through a test-check of records at Planning Department (EGS), Commissioner (MGNREGS), Director, Social Audit besides the selected Districts, Zilla Parishads, and Gram Panchayats.

Out of 34 districts implementing the Scheme in the State, six districts *viz.* Ahilyanagar, Amravati, Chhatrapati Sambhajinagar (CSN), Dharashiv, Nagpur and Palghar were selected using stratified random sampling method based on the total expenditure of the districts during the period 2019-20 to 2023-24. Further, 12 Blocks (two Blocks from each district) were selected using stratified random sampling method based on the total expenditure of the Block during the period 2019-20 to 2023-24, as shown in **Appendix 2.1**. From each Block, four GPs were selected using Probability Proportional to Size without

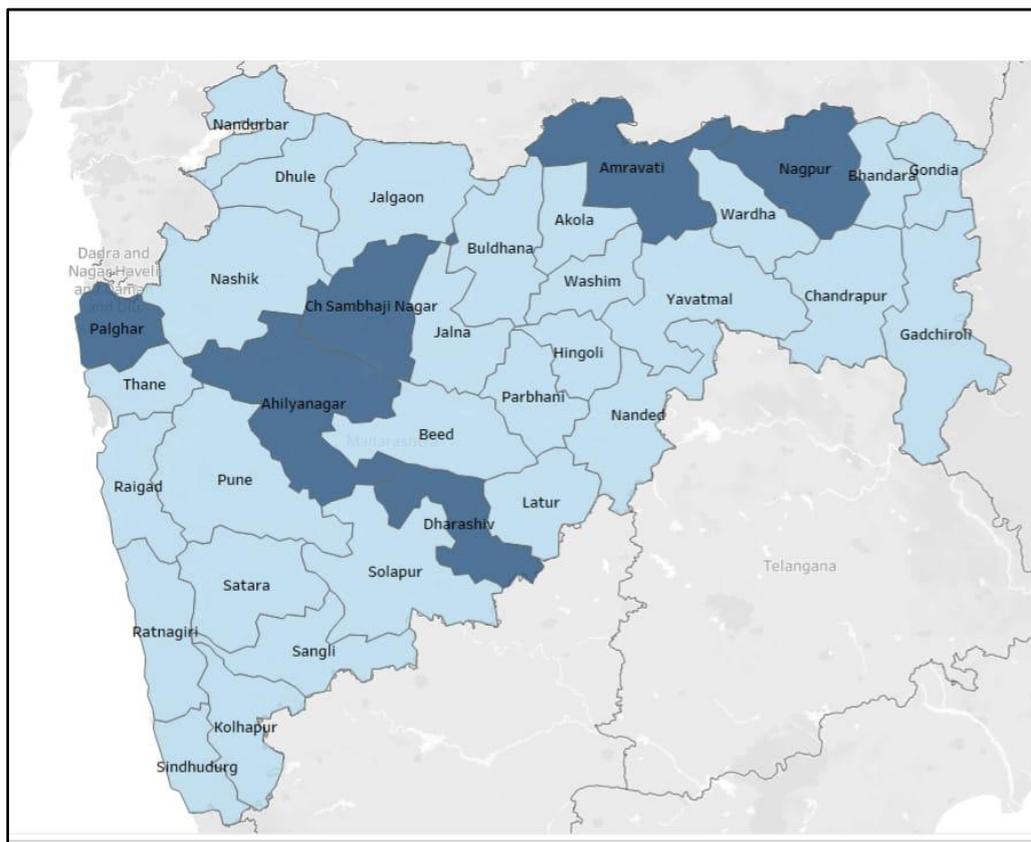
Replacement, with size being the expenditure during 2019-20 to 2023-24 in the GPs. Thus, 48 GPs as shown in **Appendix 2.1** were selected.

Audit also conducted joint physical verification of 336 work sites (seven ongoing or completed work sites were selected on random basis from each selected GP), with the officials of the concerned GPs. Audit also test-checked muster rolls, measurement books, and wage bills in respect of these 336 works. Further, Audit also conducted a survey of 480 job card holders (10 beneficiaries from each selected GP) to ascertain whether the job card holders were aware of the Scheme, received their wages on time, received the entitled unemployment allowance, provided worksite facilities *etc.*

An Entry Conference was held in July 2024 with the Principal Secretary, Planning Department (EGS), wherein audit objectives, audit criteria, audit scope and methodology were discussed. An Exit Conference was held in May 2025, with the Commissioner (MGNREGS) to discuss the audit findings. Replies wherever received (June 2025) from the Commissioner (MGNREGS) have been incorporated in the Report.

The geographical presentation of sampled districts (six out of 34 districts) is shown in **Chart 2.1**.

**Chart 2.1: Geographical presentation of sampled districts**



#### **2.4 Previous Audit Findings on MGNREGS**

Audit findings on the implementation of the Scheme in the State were included in paragraph 2.1 of the Report of the Comptroller and Auditor General of India for the year ended March 2012 on Local Bodies, Government of Maharashtra (Report No. 6 of the year 2013). Recommendations of the Public Accounts Committee on the Report were awaited (August 2025).

#### **2.5 Acknowledgement**

Audit acknowledges the cooperation and assistance extended by the Planning Department (EGS), Commissioner (MGNREGS), the Director, Social Audit, Collectors, Chief Executive Officer, Zilla Parishad, and other field functionaries during the conduct of audit.

#### **2.6 Structure of the Report**

The Report structure is detailed below:

<b>Chapter 1</b>	Introduction
<b>Chapter 2</b>	Audit Framework
<b>Chapter 3</b>	Planning and Financial Management
<b>Chapter 4</b>	Registration of workers and payment of wages
<b>Chapter 5</b>	Execution of works
<b>Chapter 6</b>	Monitoring, Social Audit and Grievance redressal

