# CHAPTER-I
# SOCIAL SECTOR

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## 1.1 Introduction

This Chapter contains findings based on audit of State Government departments/offices under the Social Sector.

During 2023-24, against a total budget provision of ₹64,849.92 crore, 18 departments, including three Autonomous District Councils *viz*., Bodoland Territorial Council under Welfare of Bodoland Department; North Cachar Hills Autonomous Council and Karbi Anglong Autonomous Council under Hill Areas Department incurred an expenditure of ₹57,061.68 crore. **Table 1.1.1** gives details of Department-wise budget provision and expenditure incurred thereagainst by these departments.

**Table 1.1.1: Department-wise budget provision and expenditure during 2023-24**

*(₹ in crore)*

| Sl. No. | Department | Grant No. and Name | Budget provision | | Expenditure | |
|---|---|---|---|---|---|---|
| | | | Revenue | Capital | Revenue | Capital |
| 1. | Co-operation | 43 – Co-operation | 141.22 | 127.44 | 110.50 | 65.20 |
| 2. | Cultural Affairs | 27 – Art and Culture | 247.02 | 611.58 | 195.18 | 555.98 |
| | | 28 – State Archives | 3.08 | 0.53 | 1.71 | 0.31 |
| 3. | Higher Education | 26 – Education (Higher) | 3329.13 | 199.21 | 2875.95 | 113.11 |
| 4. | Food, Civil Supplies and Consumer Affairs | 46 – Weights and Measures | 25.81 | 0.57 | 16.27 | 0.53 |
| | | 37 – Food Storage and Warehousing | 818.20 | 3.69 | 581.66 | 0.84 |
| 5. | Health and Family Welfare | 29 – Medical and Public Health | 6788.77 | 1067.50 | 5834.32 | 660.07 |
| | | 24 – Aid Materials | 0.01 | - | - | - |
| 6. | Labour and Employment | 36 – Labour Welfare, Skill, Employment & Entrepreneurship | 251.53 | 109.35 | 163.37 | 72.28 |
| 7. | Public Health Engineering | 30 – Water Supply and Sanitation | 472.80 | 1477.65 | 377.70 | 1312.45 |
| 8. | Social Welfare | 39 – Women and Child Development | 3808.08 | 325.28 | 3378.80 | 230.91 |
| | | 40 – Social Justice and Empowerment | 476.00 | 64.75 | 290.56 | 34.00 |
| 9. | Minorities Welfare and Development | 42 – Other Social Services (Welfare of Minorities & Development) | 162.91 | 0.58 | 36.16 | 0.22 |
| 10. | Sports and Youth Welfare | 74 – Sports and Youth Welfare | 243.10 | 62.84 | 195.52 | 34.92 |
| 11. | Tribal Affairs | 38 – Tribal Affairs (Plain) | 836.62 | 297.67 | 720.17 | 75.47 |
| 12. | Welfare of Bodoland | 78 – Bodoland Territorial Region | 3861.09 | | 2806.94 | |
| | | 79 – Welfare of Bodoland | - | 4.50 | - | 2.25 |
| 13. | Indigenous and Tribal Faith and Culture Department | 80 – Indigenous and Tribal Faith and Culture | 55.39 | 11.64 | 22.87 | 6.07 |
| 14. | Guwahati Development | 73 – Housing and Urban Affairs (Guwahati Development) | 505.86 | 807.73 | 414.51 | 563.24 |
| 15. | Secondary Education | 71 – School Education | 17366.60 | 1027.51 | 14936.57 | 796.27 |
| 16. | Elementary Education | | | | | |
| 17. | Pension and Public Grievances | 23 – Pension & Other Retirement Benefits | 16203.21 | - | 17646.34 | - |
| 18 | Hill Areas | 70 – Hill Areas | 6.21 | 62.02 | 4.62 | 61.96 |
| | | 76 – Karbi Anglong | 1956.83 | 10.00 | 1116.01 | - |

| Sl. No. | Department | Grant No. and Name | Budget provision | | Expenditure | |
|---|---|---|---|---|---|---|
| | | | Revenue | Capital | Revenue | Capital |
| | | Autonomous Council | | | | |
| | | 77 – N.C Hills Autonomous Council | 1008.41 | 10.00 | 749.87 | - |
| **Total** | | | **58,567.88** | **6,282.04** | **52,475.60** | **4,586.08** |
| **Grand Total (includes Charged)** | | | **64,849.92** | | **57,061.68** | |

***Source: Appropriation Accounts 2023-24.***

### 1.1.1 Planning and conduct of audit

Performance Audit and Compliance Audit are conducted as per the Annual Audit Plan. Auditable entities for Compliance Audit are selected following risk assessment methodology of the Apex Units, Audit Units and Implementing Units involving matters of financial significance, past audit coverage, findings of previous Audit Reports, media reports, *etc.* In case of Performance Audit, criteria are framed on the basis of financial significance, major policy announcements/ initiatives of Government included in the Budget Speech, budget allocation, *etc.* Inspection Reports are issued to the heads of units after completion of audit. Based on the replies received, audit observations are either settled or further action for compliance is advised. Important audit findings are processed further as Compliance Audit Paragraphs for inclusion in the Audit Report of the Comptroller and Auditor General of India.

During 2023-24, out of 925 auditable entities under Social Sector, 146 auditable entities[2] were audited involving an expenditure of ₹24,942.36 crore (including expenditure incurred in earlier years). This chapter contains one Performance Audit and five Compliance Audit Paragraphs.

## PERFORMANCE AUDIT

## Panchayat and Rural Development Department

## 1.2 Performance Audit on the Implementation of Mahatma Gandhi National Rural Employment Guarantee Act

Government of India (GoI), Ministry of Rural Development (MoRD) enacted the 'National Rural Employment Guarantee Act, 2005 (NREGA)' in September 2005 with a view to enhance livelihood security in rural areas by providing 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 and brought it into effect from February 2006. The other objectives of NREGA were to create durable assets, empower the socially disadvantaged, especially women, Scheduled Castes (SCs) and Scheduled Tribes (STs), through the process of right-based legislation and to strengthen Panchayati Raj Institutions. The Act covers all districts of the country[3]

[2] Out of 148 auditable entities planned, 146 auditable entities (including 116 implementing units) covered during 2023-24.

[3] Except the districts having *cent per cent* urban population.

including all the 35 districts of Assam. The name of the Act was changed to 'Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)' in October 2009. It is a centrally sponsored scheme implemented on a cost sharing basis[4]. The State Government also bears the total expenditure of compensation allowance for delayed payment of the wages to the workers, unemployment allowance and administrative expenses of the State Employment Guarantee Council (SEGC). Unlike earlier wage employment programmes, which were allocation-based, MGNREGA provides a legal guarantee of wage employment focused on rural household, a demand driven, people-centred programme, with a bottom-up approach. Besides, Social audit is also an integral part of the Scheme.

The Act requires the States to formulate and notify the State Rural Employment Guarantee Scheme (SREGS) and establish a fund to be called the State Employment Guarantee Fund (SEGF). Accordingly, Government of Assam (GoA) notified the scheme called 'Mahatma Gandhi National Rural Employment Guarantee Scheme' (MGNREGS) and the 'SEGF Rules, Assam, 2013' in March 2013.

Rural area in the State consists of 77,178 Sq. Km. out of the total area of 78,438 Sq. Km in which 85.90 *per cent* (2.68 crore) of the total population[5] of 3.12 crore reside. The main occupation of the rural population is agriculture on which the rural work force is dependent. As agriculture has a seasonal pattern, MGNREGA can be implemented effectively in the State by synchronising the demand of work during the period when agricultural demand is slack.

The Act also supports the activities towards achieving elimination of poverty as a component of Sustainable Development Goals (SDG) by the end of year 2030.

***Highlights:***

***Out of 47 sampled Gaon Panchayats (GPs)/ Village Development Councils (VDCs), 35 GPs/ VDCs did not prepare LB for the period 2019-24 implying that adherence to the principles of bottom-up approach from planning to approval of selected shelf of projects were not ensured by the District Programme Coordinators (DPC).***

***(Paragraph 1.2.4.3)***

***There were delays in release of Central share as well as corresponding State share ranging from 11 to 249 days (Central share) and 11 to 327 days (State share) during the years 2019-24. There were also instances of diversion of funds (₹6.19 crore), doubtful expenditure (₹7.76 crore) and non-payment of wages to the workers (₹16.51 crore).***

***(Paragraphs 1.2.4.7.2 to 1.2.4.7.7)***

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[4] GoI bears the entire cost of wages for unskilled manual workers, up to 75 *per cent* of the cost of material including wages for skilled and semi-skilled workers and Administrative Expenses (up to six *per cent* of total expenditure including up to 0.5 *per cent* expenditure on Social Audit), whereas the State Government bears the 25 *per cent* of the cost of material and wages for skilled and semi-skilled workers.

[5] As per 2011 Census and Statistical Handbook of Assam, 2023.

***There was limited conduct of door-to-door survey which affected identification of eligible households that may have been left out of registration. There were instances of issue of multiple Job Cards (JCs), delay in payment of compensation allowance to the workers thereby undermining the primary objective of ensuring livelihood security of the rural population. The State Government had not appointed an Information, Education and Communication (IEC) Nodal Officer to look after the IEC activities in the State and no documented IEC plan was produced to audit. There was shortfall (86 per cent) in conducting Rozgar Diwas and worksite facilities did not exist in sampled GPs/VDCs.***

***(Paragraphs 1.2.5.1 to 1.2.5.9)***

***The scheme implementation showed serious lacunae leading to non-completion of a substantial number of works. Eighteen per cent of the works completed in the selected blocks were yet to be geotagged. Efforts towards ensuring convergence of MGNREGA works with resources of other programmes/schemes available with panchayat and other line departments of Government were deficient.***

***(Paragraphs 1.2.6.1 & 1.2.6.2)***

***The envisaged monitoring and steering of the scheme at the highest level of SEGA was reduced to being a perfunctory exercise reducing accountability of Executive to the Legislature. During 2019-24, against the provision of conducting Social Audit of each GP once in six months, except for the year 2022-23, the Assam Society for Social Audit (ASSA) could not achieve the prescribe target with shortfall ranging between three per cent and 80 per cent. The Grievance redressal mechanism in the State was not adequate as 236 out of 720 complaints remained pending for disposal as of December 2024.***

***(Paragraphs 1.2.7.1.4, 1.2.7.2 & 1.2.7.3)***

### 1.2.1 Organisational Set-up

The organisational set up for implementation of the MGNREGA is shown in **Chart 1.2.1**.

**Chart 1.2.1: Organisational Set up for Implementation of MGNREGA**

**State Level**

- Additional Chief Secretary, Panchayat and Rural Development Department (P&RD), GoA, Chairman designate of State Employment Guarantee Council
- Commissioner and Secretary, (P&RD), Assam designated as State Programme Coordinator (SPC) and Director of State Employment Guarantee Council. He is assisted by Joint Commissioner, Assistant Development Commissioner, IT Officer, Finance Officer, Works Officer and Quality Control Officer

**District Level**

- District Commissioner designated as District Programme Coordinator (DPC) for MGNREGA
- Project Director (PD), District Rural Development Agency (DRDA) designated as Additional District Programme Coordinator. He is assisted by Executive Engineer, MIS Manager

**Block Level**

- Programme Officer (PO) assisted by Assistant/ Junior Engineer, Computer assistant and Accountant

**Gram Panchayat (GP) level**

- GP Secretary assisted by Gram Rozgar Sahayak (GRS)
- Gram Sabha

***Source: Departmental records***

The roles and responsibilities of the designated officers at the State, districts, blocks and GPs levels for implementation of MGNREGA are shown in **Table 1.2.1**.

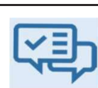
**Table 1.2.1: Statement showing Roles and Responsibilities of the designated officers at State, District, Block and GP levels**

| Level | Designated Officers | Roles and Responsibilities |
|---|---|---|
| **State Level** | Additional Chief Secretary, Panchayat & Rural Development Department, Chairman designate of State Employment Guarantee Council (SEGC) | **Provide guidance and support to the SPC, monitors and coordinates with relevant Departments, makes rules, plans and implements the scheme.** |
| | Commissioner, (P&RD), designated as State Programme Coordinator (SPC) | **Nodal agency for implementation, review and monitoring of the scheme, co-ordinates with DPC, organises trainings, *etc*.** |
| | Commissioner, P&RD, Assam designated as Director, SEGC | **Advises the State Government, reviews and monitors the implementation of the scheme with Programme Officers. Responsible for Quality Control & Vigilance.** |
| **District Level** | District Commissioner, designated as DPC | **Overall co-ordination and implementation of the scheme in the District.** |
| | CEO, ZP (General area)/PD-DRDA (6th Schedule area), designated as Additional DPC | **Reports to SPC and DPC and is responsible for overall programme management in the district, responsible for MIS and assists DPC in various matters.** |
| **Block level** | Programme Officer (Coordinator for MGNREGA at Block level) | **Responsible for matching demand with work and ensures effective implementation of the scheme at Block level; co-ordinates with the PD DRDA. He is the in-charge of MIS at Block level, uploads the work orders, pay orders, muster rolls, *etc*.** |
| | Block Engineer (Assistant | **Prepares the detailed estimates for works, give** |

| | | |
|---|---|---|
| | Executive Engineer/Assistant Engineer Level) | **technical sanction for works and check all the works for final payments.** |
| **Gram Panchayat (GP) Level** | Panchayat Secretary(PS) | **Receives applications for Job Cards, wage employment, maintains muster roll, timely payment of wages and maintenance of assets.** |
| | Gram Rojgar Sahayak (GRS) | **Assists the Panchayat Secretary in maintaining records, supervises the works, maintains the muster rolls, gives mark outs at work sites, maintains the register of material procured, maintains the village information boards.** |
| | GP Level Technical Staff (Accredited Engineer) | **Prepares plan and estimates for works and supervise execution of works.** |

***Source: Departmental records***

## 1.2.2 Audit Snapshot

| | |
|---|---|
|  *Why did we do this audit?* |  *What did we find?* |
| • To assess the planning process and financial management practices of the department.<br>• To verify whether fair access to employment opportunities was achieved and employment adequately generated.<br>• To evaluate whether durable and useful assets were created and maintained.<br>• To assess whether appropriate and adequate monitoring, social audit and grievance redressal systems were in place and functioning. | • Comprehensive baseline survey with empanelment of Expert Institutions was not conducted.<br>• Lack of adequate manpower especially at the GP level limiting effective implementation of Scheme.<br>• Control over Administrative Funds was weak resulting in cases of diversion of fund/unverified procurement.<br>• 83,519 transactions valuing ₹14.06 crore were yet to be resolved.<br>• 27.56 lakh compensation for delay in payment of wages were yet to be disbursed.<br>• IEC activities were inadequate leading to low awareness about provisions of MGNREGA amongst the workers.<br>• 30.76 lakh MGNREGA works were yet be completed.<br>• Worksite facility to the workers were not available.<br>• Separate Schedule of Rates (SoR) for MGNREGA was yet to be framed and the contractor led, machine based system of SOR was being used.<br>• There was huge shortfall ranging between 82 and 99 *per cent* in work site visit by the officials.<br>• Quality Monitoring Unit was not set up in any districts.<br>• There was shortfall (**13 to 57** *per cent*) in conducting Social Audit in selected sampled GPs.<br>• Maintenance of mandatory records in the GPs were poor. |
| |  *What do we recommend?* |
|  | • Draw out a plan for base line survey of Job Card holders by involving expert institutions and Civil Society Organisations.<br>• Stop diversion of administrative funds. |

| | |
|---|---|
| Registered Households<br>69.04 lakh<br><br>Total expenditure incurred: ₹11,356.94 crore | • Resolve the issue of non-payment of wages to the workers due to failed transactions promptly.<br>• Ensure providing employment to those who demanded employment within a specified period.<br>• Step up IEC activities and organise *Rozgar Diwas* on regular basis.<br>• Ensure timely completion of works.<br>• Install CIB at the work site.<br>• Ensure setting up of State Quality Monitoring Unit in the districts.<br>• Conduct social audits of all GPs.<br>• Intensively monitor the scheme through State Employment Guarantee Authority. |

## 1.2.3 Audit Framework

### *1.2.3.1 Audit Objectives*

The objectives of the Performance Audit were to assess 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.

### *1.2.3.2 Audit Criteria*

The audit findings were benchmarked against the criteria derived from the following sources:

- National Rural Employment Guarantee Act, 2005 as amended from time to time and Operational Guidelines, 2013 issued under the Act;
- Annual Master Circular for the period 2019-24 issued by the Ministry of Rural Development (MoRD), GoI;
- Guidelines for Timely Payment of Wages to MGNREGA workers;
- Mahatma Gandhi National Rural Employment Guarantee Scheme, State Employment Guarantee Fund Rules, Assam, 2013.
- Government Orders, circulars and instructions, Guidelines *etc*., issued by Government of India and the State Government;

### *1.2.3.3 Audit Scope and Methodology*

The Performance Audit, covering the period from 2019-20 to 2023-24, was conducted by test check of records of the Commissioner of Panchayat and Rural Development (P&RD) Department, Assam, Project Directors (PDs) of District Rural Development Agencies (DRDAs) of six Districts[6], 12 Block Development Officers (BDOs), 47 Secretaries/Chairmen of the Gram Panchayats (GPs)/Village Development Councils (VDCs) during the period from July 2024 to October 2024. Besides, physical verification of the 352 assets created (in sampled districts) and beneficiary survey of 443 beneficiaries were also carried out. The audit methodology involved analysis of documents, responses to questionnaires, examination of reports and other evidence in implementing and sampled district offices.

The performance audit commenced with an entry conference held on 26 June 2024 with the Commissioner and Secretary, Panchayat and Rural Development Department, wherein audit objectives, criteria, scope and methodology were discussed and inputs of the departments were obtained. The Draft Performance Audit Report was issued to the Government on 25 April 2025. An Exit Conference was held on 13 June 2025 with the Additional Chief Secretary to the Government of Assam, Panchayat and Rural Development (P&RD) Department and officers from the Panchayat and Rural Development Department and the Finance Department. The responses of the Department have been suitably incorporated in the report.

### *1.2.3.4 Audit Sampling*

Six districts (17 *per cent*) out of the total 35 districts were selected on the basis of total expenditure incurred during 2019-20 to 2023-24 by using the Stratified Random Sampling method. Twelve Blocks[7], *i.e.,* two blocks from each selected district, were selected on the basis of total expenditure incurred during the period covered in audit by using Stratified Random Sampling Method. Forty Gram Panchayats[8], *i.e.,* four Gram Panchayats from each of the ten selected blocks, were selected through Probability Proportional to Size without Replacement (PPSWOR) taking expenditure as criteria and seven VDCs[9] from the two sampled blocks were selected on the basis of VDC wise population as VDC wise expenditure was not available. Further, 352

[6]Cachar, Dhubri, Karbi Anglong, Kokrajhar, Lakhimpur and Tinsukia.

[7]Binnakandi, Borkhola, Ghilamora, Gossaigaon, Hatidhua, Itakhuli, Jamadarhat, Kakopathar, Karunabari, Langsomepi, Nayeralga and Nilip.

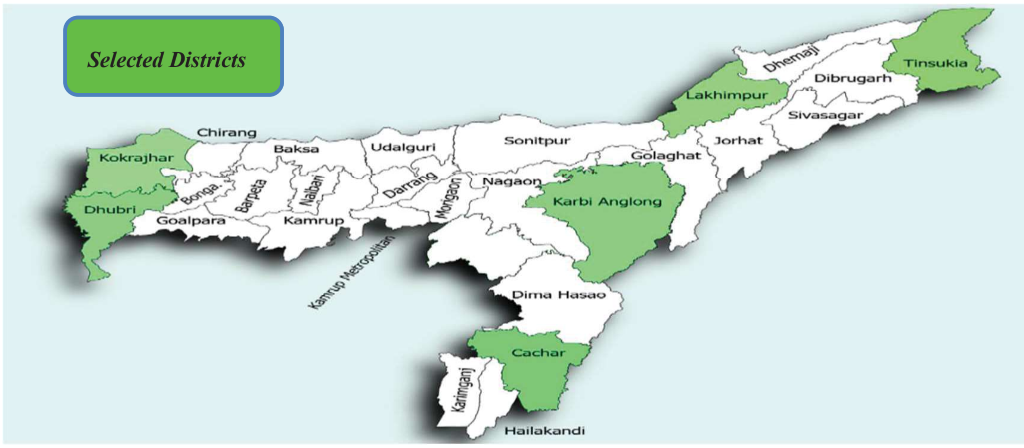
[8]Airkata, Badarpur Mashumpur, Bardoibam, Barkhamukh, Beldubi, Bijulibon, Binnakandi, Borchala Mahghuli Pandhuwa, Boyzeralga, Chechri, Chirakuti, Deolia, Dikrong, Dingdinga Parowa, Grahampur, Habrubil, Joypur, Kaptanpur, Kazikata Suapata, Laipuli, Lakhipathar, Langkashi, Maithong, Majadabri, Mashughat, Nayeralga, Pabda, Panbari, Puronipukhuri, Rangsupur, Rupaibali, Sagunmari, Satyapur, Subansiri, Sunapur, Tengapani, Thakurpur, Tinthengia, Tongona and Uttar Laluk.

[9] Howraghat, Langhin, Phuloni and Shinghason under Langsomepi block and Deopani, Duarbagori and Nilip under Nilip block as the block has three VDCs only.

assets[10] and 443 beneficiaries[11] (10 beneficiaries in each selected GP/VDC) were selected randomly to conduct beneficiary survey. In the selected units, the maintenance of records was poor, as prescribed records were not found maintained. Hence, Audit also used data available in the NREGASoft[12] (MIS data).

The map (**Chart 1.2.2**) indicates the location of the six selected districts.

**Chart 1.2.2: Selection of Districts in the State**




### *1.2.3.5 Acknowledgement*

Audit acknowledges the co-operation extended by the Panchayat and Rural Development Department, GoA, selected DPCs, Additional DPCs, DRDAs, Block Development Offices, Gram Panchayats and Village Development Councils and other authorities in conduct of the audit.

**Audit Objective 1: To assess whether the planning process and financial management practices were adequately geared towards achieving the goals of the Act, while adhering to relevant rules and regulations.**

## 1.2.4 Planning Process and Financial Management

### *1.2.4.1 Non-conduct of baseline survey*

Para 6.2 (i) of the Operational Guidelines of MGNREGA, 2013 envisaged that a survey of job card holders is to be mandatorily conducted in every Gram Panchayat (GP), in order to prepare a baseline to assess the quantum and timing of demand for employment in the GP. Expert institutions may be empanelled separately in each State to finalise the framework and methodology for the pilots for the baseline survey and once the methodology is finalised, these institutions will train teams from each district

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[10] Eight works from each sampled GPs under Kokrajhar and Lakhimpur districts and seven works from the sampled GPs under the remaining four sampled districts.

[11] Out of 470 beneficiaries, 5 beneficiaries did not turn up and 22 beneficiaries were found to have been issued multiple JCs.

[12] It is a web enabled application, developed by GoI to capture the real time data of the scheme.

to conduct the surveys. Leading Civil Society Organisations (CSOs) could also assist in this process. The State Rural Development Secretary and the DPCs were to ensure that the pilots for baseline survey were to be completed in Financial Year 2012-13 so that the baseline surveys for GPs are completed in Financial Year 2013-14. Para 6.2 (ii) of the Operational Guidelines of MGNREGA, 2013 also provides for reassessment of the base year Labour Budget/demand for work, on the basis of household survey once in every five years to account for the changes in the local pattern of livelihoods and opportunities for work in production activities.

Scrutiny of records (May to October 2024) showed that the State is yet to finalise the framework and methodology for the pilots for baseline survey by empanelment of expert institutions. Neither were CSOs involved in the process. Test-check of records in audit as well as information furnished by the sampled GPs showed that 12[13] out of 47 GPs conducted the baseline survey of Job Card holders to assess the quantum and timing of demand for employment in GPs and 16[14] out of 47 sampled GPs had conducted the reassessment of base year Labour Budget during 2019-24. The status of approval of Labour Budget by GoI during 2013-14 to 2023-24 is shown in ***Appendix-1.1***.

Thus, the Department could not finalise the methodology for the baseline survey and impart training to the GP teams to conduct the survey uniformly across the State.

The Department in its reply (June 2025) stated that the observation on finalisation of framework and methodology for base line survey of Job Card holders by empanelling third party have been noted for future course of action. The Department also stated that field level inquiry was conducted to ensure accuracy of information provided by the household/ individual prior to issue of Job Card and Job Cards had been verified from time to time.

### *1.2.4.2 Incomplete preparation of Development Plan*

As per Para 6.3 of Operational Guidelines of MGNREGA 2013, the projects to be taken up as part of the Labour Budget should emerge from an integrated plan for local development with focus on Natural Resource Management especially on a micro watershed basis so that sustainable livelihoods are created. The steps involved in preparation of Plan *inter-alia* stipulate that needs of the people are identified through consultations at the habitation level in large village Panchayats and special efforts should be taken to include the priorities suggested by SCs and STs. In addition to consultations, Cluster Facilitation Teams (CFT) or Task Force (TF) need to be set up from among the elected members of the village Panchayat officials, experts, *etc*., for identification of the resources available locally and the own resources of Panchayat.

[13] BMP, Dikrong, Grahampur, Habrubil, Joipur, Majadabari, Panbari, Rangsupur, Satyapur, Thakurpur, Tinthengia and Uttar Laluk.

[14] BMP, Barkhamukh, Bordoibam, Deolia, Dikrong, Grahampur, Habrubil, Joipur, Majadabari, Panbari, Rangsupur, Satyapur, Subansiri, Thakurpur, Tinthengia and Uttar Laluk.

The CFT/TF, in partnership with elected Panchayat, prepare the Development Plan by matching the prioritised needs with resources available and the draft Plan presented to Gram Sabha for approval. The Plan approved by Gram Sabha was then finalised by the Gram Panchayat without disturbing the priority of work decided by Gram Sabha.

Audit observed that out of 47 sampled GPs, 32 prepared Annual Development Plans (ADPs), while the remaining 15 prepared Annual Action Plans (AAPs) showing the list of schemes only. In all 32 cases, the plans were prepared by GP staff (Secretary and GRS) based on Gram Sabha recommendations. However, no CFT or TF team was constituted in any of the sampled GPs to provide inputs for identifying suitable projects based on locally available resources.

Due to non-setting up of CFT/TF from among the elected members of village panchayats and experts *etc*., and absence of planning as envisaged under Paragraph 6.3 of Operational Guidelines, there was deficiency in preparation of shelf of projects leading to issues as elaborated under Objective 3.

During the Exit Conference (June 2025) the Additional Chief Secretary to the GoA, Panchayat and Rural Development (P&RD) Department accepted the audit observation.

#### *1.2.4.3 Submission of Labour Budget to GoI without inputs from lower formations*

Chapter 6 of the Operational Guidelines of MGNREGA, 2013 envisaged that a prior assessment of the quantum of work likely to be demanded should be made and the timing of such demand should also be ascertained. Accordingly, a shelf of projects[15] is to be prepared and prioritised to meet this demand. This matching of demand and supply of work is the process of planning under MGNREGA and this is to be achieved through the preparation of a Labour Budget (LB). The LB thus covers two aspects *viz*., assessment of quantum & timing of demand for work and preparation of a shelf of projects to meet demand for works within the time prescribed in the Act.

Sub-section 6 of Section 14 of the MGNREGA mandates that the District Programme Coordinator (DPC) under MGNREGA shall prepare in the month of December every year, a LB for the next financial year containing the details of anticipated demand for unskilled manual work in the district and the plan for engagement of workers in the works covered under the programme.

The DPC has to ensure strict adherence to the principles of bottom-up approach from planning to approval of the selected shelf of projects by each of the Gram Sabhas (GSs) in the district. The time frame for preparation and submission of LB at every level is given in **Chart 1.2.3**.

[15] As per Section 2(n) of the Act, 'Project' means any work taken up under a Scheme for the purpose of providing employment to the applicants.

**Chart 1.2.3: Timeline for preparation and submission of LB at different levels**

**Gram Panchayat**

- Preparation and approval of Annual Plan by including shelf of projects in LB by Gram Sabha
- Submit to Programme Officer (PO) by 15th August.

**Block Panchayat**

- Consolidate the LB received from GPs at Block level into a Block Annual Plan
- Present the Block Annual Plan before the Block Panchayat by 15th September for approval.
- Submit the approved Block Annual Plan to District Panchayat by 2nd October.

**District Panchayat**

- Consolidate the LB received from Block Panchayats into the District Annual Plan
- Present the same by 15th November before the District Panchayat for approval.
- Approved Plan data disaggregated into GP wise data for data entry in MIS by 15th December.
- MIS entry made in regard to LB at GPs aggregated and sent to Ministry through State Authority by 31st December.
- GoI approves LB and communicate to State during February-March.

The State communicates the agreed LB to district, block and GP level through data entry in MIS within 15 days.

The position of LB proposed by the State, approved and achieved during the period 2019-24 is shown in **Table 1.2.2**:

**Table 1.2.2: Status of LB proposed by the State, approval and achievement during 2019-24**

***(In lakhs of person days)***

| Year | Person-days proposed | Person-days approved | Person-days achieved |
|---|---|---|---|
| **2019-20** | 633 | 615 | 622.20 |
| **2020-21** | 900 | 900 | 910.36 |
| **2021-22** | 900 | 730 | 915.57 |
| **2022-23** | 900 | 792 | 787.48 |
| **2023-24** | 1198 | 900 | 873.89 |

***Source: Records of CPRD, Assam and MIS data.***

Scrutiny of records and information furnished to audit showed that 12[16] out of 47 GPs/ VDCs and two blocks[17] out of 12 blocks followed the process of preparing and submitting the GP wise LB proposals. The remaining 35 GPs/VDCs and 10 blocks did not prepare LB proposals. Further, even the 12 GPs/VDCs and two blocks that prepared LB did not adhere to the timeline laid down for submission to the higher authority.

Examination of MIS data[18] showed that out of the total of 2,661 GPs in the State, 577 GPs and 1,078 GPs in the State did not prepare the LB during the years 2022-23 and 2023-24 respectively.

[16] Eight selected GPs under Dhubri district, Laipuli and Tongona GPs under Tinsukia district, Howraghat and Langhin VDC under Karbi Anglong district.
[17] Jamadarhat and Nayeralga.
[18] Data on number of GPs prepared the labour budget was not available in MIS for the years 2019-20, 2020-21 and 2021-22.

The Department did not furnish reply for non-preparation LB by 577 GPs during 2022-23 and 1,078 GPs during 2023-24. Instead, it stated (June 2025) that the State LB was prepared by considering number of schemes to be taken up in the next financial year as per Annual Action Plan, employment generation of last three years, number of active Job Cards and total number of ongoing targeted PMAY-G houses. The Department further added that the observation had been duly noted and efforts have been made to follow the guidelines persistently. The Department also stated that monitoring had been done to ensure updation of the LB in all GPs for the current financial year.

The reply of the Department is not tenable, as the Labour Budget was not prepared based on inputs received from the grassroots level, *i.e.*, GPs/VCDCs, as envisaged in the guidelines. As a result, the Labour Budget lacked realistic assessment of local demand for employment, which, inter alia, led to wide variations between the Labour Budget planned and the actual achievements.

### *1.2.4.4 Non-preparation of District Perspective Plan*

Para 15.3.1 and 15.3.1.1 of Operational Guidelines, 2013 envisaged that for implementation of convergence, a District Perspective Plan (DPP) should be prepared to identify the needs and gaps in the districts in all the sectors. The district perspective plan is a multiyear plan for different departmental projects. The projects that are identified for convergence with MGNREGA should be discussed in the Gram Sabhas located in the project area. It also requires that the activities/ structures/ tasks which were identified for convergence with MGNREGA should be included in the annual shelf of works for MGNREGA and will be part of the LB.

Scrutiny of records in the sampled districts showed that three sampled districts[19] had not prepared DPP for different departmental projects for reasons not on record. Thus, needs and gaps of all the sectors in these three districts, with reference to convergence could not be identified.

In reply, the Department stated (June 2025) that earlier District Perspective Plan for five years were prepared. Since the Gram Panchayat Development Plan covered all works/ schemes and DPP was a repetition of all such works, it had been discontinued. The Department however, stated that the point had been noted for future course of action.

### *1.2.4.5 Lack of adequate manpower*

Section 18 of the MGNREGA provides that State Government is mandated to make available to the DPC and PO, necessary staff and technical support as may be necessary for effective implementation of the Scheme. Para 18 (4) of the Operational Guidelines, 2013 also emphasised for additional support to the Village Panchayats by

[19] Kokrajhar, Dhubri and Tinsukia.

attaching community resource persons, both on the technical as well as on the accounting and audit side.

Scrutiny of records showed that against total sanctioned posts of 7,088 in various key categories, only 5,687 employees (80 *per cent)* were deployed at district, block and GP levels in the State as of March 2024. The availability of staff against the sanctioned posts is given in **Table 1.2.3**.

**Table 1.2.3: Persons-in-position against sanctioned posts at District, Block and GP levels**

| Sl. No. | Name of the Post | Sanctioned Post | Persons-in-position | Shortfall (*per cent*) |
|---|---|---|---|---|
| 1 | District MIS Manager | 35 | 25 | 10 (29) |
| 2 | Account Assistant (Block level) | 887 | 812 | 75 (08) |
| 3 | Computer Assistant (Block level) | 1,330 | 1,272 | 58 (04) |
| 4 | Accredited Engineer (AE) (GP level) | 2,176 | 1,701 | 475 (22) |
| 5 | Gram Rojgar Shahayak (GP level) | 2,660 | 1,877 | 783 (29) |
| | **Total** | **7,088** | **5,687** | **1,401** |

***Source: Information furnished by CP&RD***

**Table 1.2.3** shows that the shortfall of available key staff against the sanctioned strength for implementation of the scheme ranged between four and 29 *per cent.* The State Government sanctioned only 2,176 posts of Accredited Engineer (AE) against the provision of at least one post of AE in each of the 2,661 GPs in the State, as required under Paragraph 4.2.5 of Operational Guidelines 2013.

Thus, due to shortfall in availability of key staff against sanctioned posts, various shortcomings were noticed in this performance audit as discussed in Paragraphs 1.2.5.1, 1.2.5.2, 1.2.6.1.1 and 1.2.7.1.1.

While accepting the audit observation, the Department stated (June 2025) that recently recruitment against 10 vacant post of District MIS Manager has been completed and recruitment for several State level posts are under process.

### *1.2.4.6 Capacity Building Initiatives*

Para 5.1 of the Operational Guidelines, 2013 envisaged that adequate infrastructure at cutting-edge level of implementation, institutionalised arrangement for involvement of Civil Society Organisations (CSOs) in training and support, *etc*., need to be ensured for which a cascading network of capacity building institutions needs to be created. The Guidelines envisaged that States should assess requirements of funds for capacity building and consider earmarking funds for capacity building from the administrative expense head. Para 5.2.2 of the guidelines further laid down that each State would also set up a MGNREGA Human Resource Development (HRD) and Capacity Building Division (CBD) with a view to train district level MGNREGA and support teams and act as a resource agency. It was also envisaged that the State should identify State level training organisations for different segments of the MGNREGA training requirements.

Scrutiny of records however, showed that the State Government had not assessed the requirement of earmarked funds for capacity building from the administrative expense head. Audit further observed that the MGNREGA HRD and CBD institutions were not set up in the State and the responsibility of overseeing capacity building under MGNREGA was assigned to the State Institute of Panchayat and Rural Development (SIPRD). Scrutiny of records showed that against proposal for imparting training to 31,000 trainees during the period covered in audit, only 14,548 officers/officials (47 *per cent* of target) were imparted training in different courses relating to implementation of MGNREGA as shown in **Table 1.2.4**.

**Table 1.2.4: Training imparted in different courses relating to implementation of MGNREGA**

| Year | Number of trainees proposed for training | Number of trainees attended training | *Per cent* of trainees who did not attend the training |
|---|---|---|---|
| 2019-20 | 5,600 | 3,200 | *42.86* |
| 2020-21 | 3,000 | 1,226 | *59.14* |
| 2021-22 | 6,400 | 3,123 | *51.20* |
| 2022-23 | 8,000 | 3,720 | *53.50* |
| 2023-24 | 8,000 | 3,279 | *59.01* |
| | **31,000** | **14,548** | ***53.07*** |

***Source: Information furnished by SIPRD.***

While accepting the audit observation, the Department stated (June 2025) that the training target for the years 2019-24 could not be achieved fully due to Covid 19 pandemic and paucity of funds.

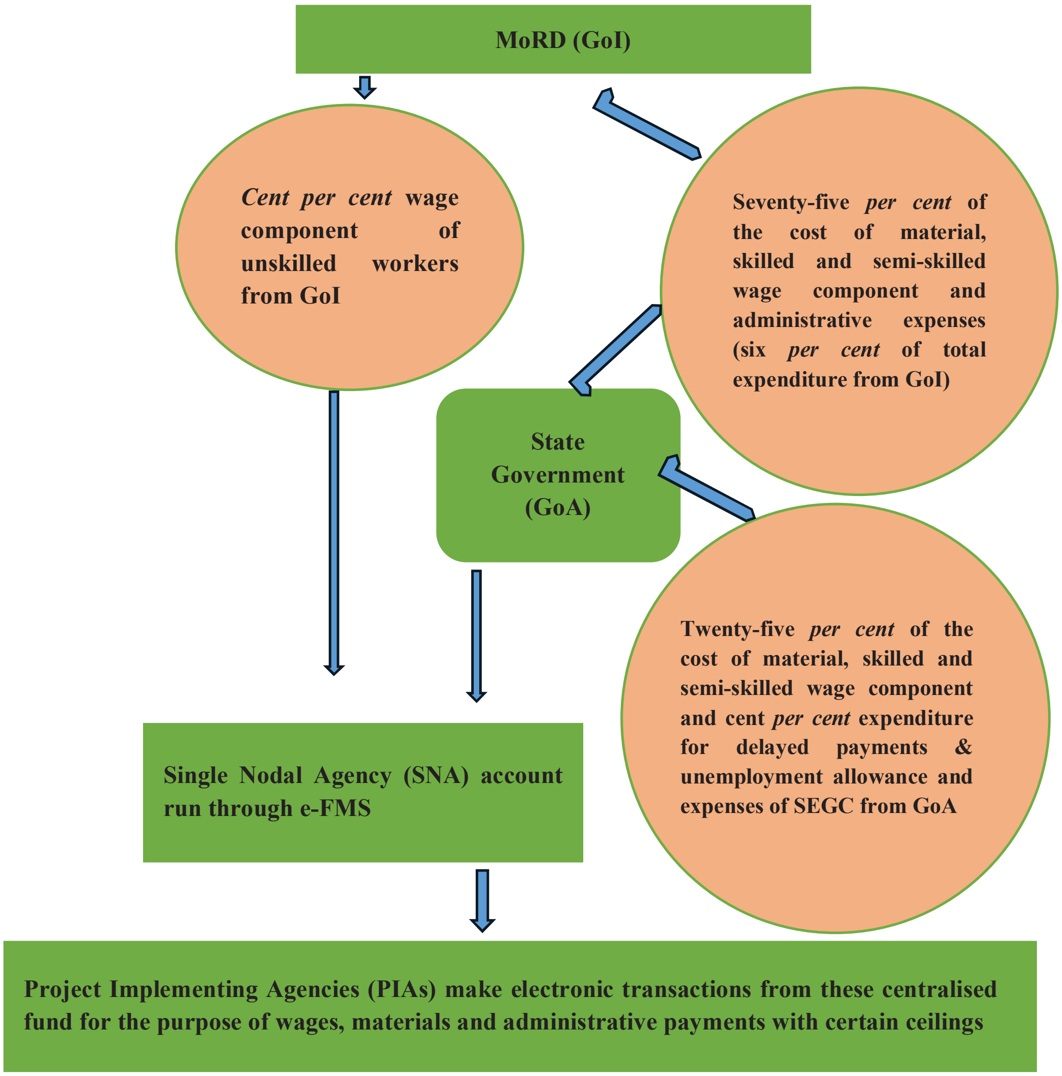
## 1.2.4.7 Financial Management

### *1.2.4.7.1 Funding Pattern*

Para 2 of the sanction letter issued by the GoI provides that the State Government must transfer the funds along with State share to SEGF for programme implementation. The State adopted (2016-17) an integrated fund management system called e-FMS of GoI till 2020-21 for fund management in MGNREGA and thereafter from 2021-22 adopted Single Nodal Agency (SNA) account system into which all MGNREGA fund (Central share and State share) is credited. All Project Implementing Agencies (PIAs) in the Blocks/ GPs across the State, are the users of this centralised fund and have access to this pooled fund. PIAs make electronic transactions of these centralised funds for the purpose of wages, materials, and administrative payments with certain ceilings.

The fund flow mechanism of MGNREGA is shown in **Chart 1.2.4.**

**Chart 1.2.4: Fund Flow Mechanism of MGNREGA**




The overall financial position of implementation of MGNREGA in the State as per e-FMS/SNA records during the period 2019-20 to 2023-24 is shown in **Table 1.2.5 (a).**

**Table 1.2.5(a): Status of funds received and expenditure incurred during 2019-24**

**(₹ in crore)**

| Year | OB | Material | | Wages of unskilled workers | Admn. & Others | Adjustment | Total receipt | Total fund Available | Expenditure incurred | | | | CB |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Central Share | State Share | | | | | | Material[20] | Wages of unskilled workers | Admin Exp. | Total | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8=(3+4+5+6-7) | 9=(2+8) | 10 | 11 | 12 | 13 | 14 |
| 2019-20 | 88.50 | 282.54 | 94.18 | 1258.73 | 2.07 | 200[21] | 1437.52 | 1526.02 | 189.87 | 1258.73 | 74.41 | 1523.01 | 3.01 |
| 2020-21 | 3.01 | 516.64 | 172.21 | 2188.52 | 3.45 | | 2880.82 | 2883.83 | 536.83 | 2134.94 | 85.75 | 2757.53 | 126.30 |

[20] In respect of Material account, both Central share and State share deposited in same bank account. Therefore, bifurcation of Central and State share expenditure could not be done.

[21] In the FY 2019-20, ₹1,541.27 crore has been received from Ministry of Rural Development. Out of which, ₹200 crore has been adjusted against advance received from the State Government.

| Year | OB | Material | | Wages of unskilled workers | Admn. & Others | Adjust ment | Total receipt | Total fund Available | Expenditure incurred | | | | CB |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Central Share | State Share | | | | | | Material[2] | Wages of unskilled workers | Admin Exp. | Total | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8=(3+4+5 +6-7) | 9=(2+8) | 10 | 11 | 12 | 13 | 14 |
| 2021-22 | 126.31 | 378.20 | 126.07 | 2008.41 | 18.19 | | 2530.87 | 2657.18 | 313.59 | 2061.94 | 154.03 | 2529.57 | 127.61 |
| 2022-23 | 127.60 | 222.16 | 74.05 | 1929.04 | 4.68 | | 2229.93 | 2357.53 | 167.81 | 1928.97 | 94.96 | 2191.74 | 165.79 |
| 2023-24 | 165.79 | 278.22 | 68.94 | 2004.88 | 26.82 | | 2378.85 | 2544.64 | 294.71 | 2004.94 | 55.44 | 2355.09 | 189.55 |
| **Total** | **88.50** | **1677.7** | **535.45** | **9389.58** | **55.20** | **200** | **11457.99** | | **1502.81** | **9389.52** | **464.59** | **11356.94** | **189.55** |

***Source: Information furnished by Commissioner, P&RD Department, Assam***

It was observed that there were discrepancies between the figures of receipts and expenditure appearing in the Finance Accounts and the figures furnished by Commissioner, P&RD Department, Assam during the period 2019-20 to 2023-24 as shown in **Table 1.2.5 (b).**

**Table 1.2.5 (b): Discrepancy between the figures of receipts and expenditure appearing in the Finance Accounts and the figures furnished by the Department**

**(₹ in crore)**

| Year[22] | Receipts as per Finance Accounts | | Receipts as per figures furnished by the Department | | Difference in Receipts | | Expenditure[23] as per | | |
|---|---|---|---|---|---|---|---|---|---|
| | Central Fund | State Fund | Central Fund | State Fund | Central Fund | State Fund | Finance Accounts | the Department | Difference |
| 2019-20 | 468.59 | 94.18 | 282.54 | 94.18 | 186.05 | 0.00 | 179.80 | 264.28 | (-) 84.48 |
| 2020-21 | 449.32 | 172.21 | 516.64 | 172.21 | (-) 67.32 | 0.00 | 690.62 | 622.58 | 68.04 |
| 2021-22 | 259.90 | 126.07 | 378.20 | 126.07 | (-)118.30 | 0.00 | 507.49 | 467.62 | 39.87 |
| 2022-23 | 225.09 | 74.05 | 222.16 | 74.05 | 2.93 | 0.00 | 296.21 | 262.77 | 33.44 |
| 2023-24 | 278.21 | 68.94 | 278.22 | 68.94 | (-) 0.01 | 0.00 | 347.15 | 350.15 | (-) 3.00 |

***Source: Finance Accounts figures and information furnished by Commissioner, P&RD Department, Assam***

The Department had not reconciled the receipts and expenditure figures with the figures appearing in the Finance Accounts.

During the Exit Conference (June 2025), the Additional Chief Secretary to the GoA, Panchayat and Rural Development (P&RD) Department assured that the matter would be verified.

### *1.2.4.7.2 Delay in release of State share and transfer of Central and State share into SNA*

As per clause 2 of the GoI sanction order, Central share along with the corresponding State share should be released to SEGF/eFMS/SNA within three days[24] (2019-20 to 2022-23) and within 15 days (2023-24) from the date of receipt of Central share by GoA. In case of delay during 2019-20 to 2022-23, the State was liable to pay interest at the rate of 12 *per cent* per *annum* for the period of delay. There was however, no

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[22] Finance Accounts of the State for the year 2023-24 is yet to be finalised.

[23] No bifurcation of expenditure in respect of Central and State Fund was available in Finance Accounts.

[24] As per sanction orders pertaining to the year 2023-24, Central Share should be transferred to SNA within 15 days of receipt of Central share.

such provision in the sanction order of 2023-24 for payment of interest on account of delayed release of Central share along with corresponding State share.

Scrutiny of records and information furnished to audit showed that there were delays in release of Central share as well as corresponding State share ranging from 11 to 249 days (Central share) and 11 to 327 days (State share) during the years 2019-20 to 2022-23 as shown in **Table 1.2.6**.

**Table 1.2.6: Delay in release of Central and State share**

(₹ in crore)

| Year | Central Share released | Date of release | Corresponding State share due to be released | Due date of release of Central and State share to SNA | Actual date of release by GoA to e-FMS/ SNA account | | Delay in release (in days) | | Amount of Interest |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | Central Share | State Share | Central Share | State Share | (10) = [{(2) x (8) + (4) x (9)}/365] x{12/100} |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| 2019-20 | 30.91[25] | 09.03.2019 | 10.30 | 12.03.2019 | Not applicable | 18.07.19 | Not applicable | 127 | 0.43[26] |
| 2019-20 | 184.04[27] | 05.08.2019 | 61.35 | 09.08.2019 | 20.08.19 | 20.08.19 | 11 | 11 | 0.30[28] |
| 2019-20 | 4.27 | 22.10.2019 | 1.42 | 25.10.2019 | 20.11.19 | 22.11.19 | 25 | 27 | 0.05 |
| 2019-20 | 28.71 | 27.12.2019 | 9.57 | 31.12.2019 | 03.02.20 | 03.02.20 | 34 | 34 | 0.43 |
| 2019-20 | 26.95 | 05.02.2020 | 8.98 | 09.02.2020 | 16.03.2020 | 17.03.20 | 36 | 37 | 0.43 |
| 2019-20 | 190.61 | 23.03.2020 | 63.54 | 27.03.2020 | 20.06.2020 | 20.02.21 | 85 | 327 | 12.16 |
| 2020-21 | 121.36 | 17.03.2021 | 40.45 | 20.03.2021 | 09.09.2021 | 04.09.21 | 167 | 167 | 8.88 |
| 2020-21 | 8.29 | 07.12.2020 | 2.76 | 10.12.2020 | 23.02.2021 | 27.01.21 | 71 | 47 | 0.24 |
| 2020-21 | 100.15 | 07.04.2020 | 28.54 | 11.04.2020 | 20.06.2020 | 16.06.20 | 66 | 66 | 2.79 |
| | 217.59 | 07.04.2020 | 77.37 | 11.04.2020 | 19.12.2021 | 06.01.21 | 249 | 270 | 24.68 |
| 2021-22 | 256.84 | 21.05.2021 | 21.35 | 24.05.2021 | 12.07.2021 | 29.07.21 | 50 | 65 | 4.68 |
| | | | 64.27 | 24.05.2021 | | 29.11.21 | | 188 | 3.97 |
| 2022-23 | 222.16 | 07.06.2022 | 74.05 | 10.06.2022 | 22.10.2022 | 23.10.22 | 133 | 134 | 12.98 |
| **Total** | **1391.88** | | **463.95** | | | | | | **72.02** |

***Source: Sanction Orders of GoI and GoA and Bank Statement of SNA.***

Thus, due to delay in release of State share and transfer of Central and State share to e-FMS and SNA account, the State Government was liable to pay interest of ₹72.02 crore at the rate of 12 *per cent* per *annum* for delay in release of funds for the period 2019-20 to 2022-23. No correspondence relating to raising of demand of interest from State was found on records. Delay in release of funds adversely affected a large number of works approved during the period covered in audit remained incomplete as elaborated in paragraph 1.2.6.1.1.

[25] The entire amount of ₹30.91 crore released on 09.03.2019 was adjusted against ₹200 crore loan taken from GoA.

[26] ₹0.43 crore = ₹10.30 x 126/365x12/100 *i.e.*, delay for State share is considered in this case as Central share was adjusted against ₹200 crore taken from GoA.

[27] Out of ₹184.04 crore released on 05.08.2019, ₹161.43 crore was adjusted against ₹200 crore loan taken from GoA.

[28] ₹0.30 crore = [{₹22.61 x 11+₹61.35 x 11}/365] x 12/100 *i.e.*, actual Central share released is ₹22.61 crore (₹184.04 crore - ₹161.43 crore).

Thus, delays in the transfer of Central as well as State share of funds for implementation of the programme indicates inefficient management of financial resources and resulted in an avoidable interest liability of ₹72.02 crore.

The Department stated (June 2025), that Ministry of Finance, Department of Expenditure, GoI decided (16 February 2023) that State Government should transfer the Central share as well as the commensurate State share to SNA account within 30 days of receipt of Central Share and charge interest *w.e.f.* 01.04.2023 on the number of days delay beyond 30 days in transfer of Central share to SNA account @ seven *per cent* per *annum*.

However, even after considering Ministry of Finance, Department of Expenditure, GoI order dated 16 February 2023, there was delay in release of Central share and commensurate State share during 2023-24 and the State will be liable to pay interest of ₹72.02 crore for the period 2019-23.

#### *1.2.4.7.3 Diversion of MGNREGA Funds*

Para 12.5.5 of the Operational Guidelines, 2013, lays down the list of permissible activities under administrative expenditure. The permissible activities *inter-alia* include development of training modules, organisation of training programmes for officials of PRIs and Village Monitoring Committee members, preparation and dissemination of Information, Education and Communication activities, collection of data for e-processing, quality management, setting up of grievance redressal system, hiring of professional and technical services, office expenses related to implementation of MGNREGA, conduct of evaluation studies and expenses towards additional staff deployment at GP/block/district as per the extant instructions of MoRD, social audits, worksite facilities and contingency expenditure towards ex-gratia payments, medical treatment including hospitalisation of MGNREGA workers.

Scrutiny of records of the Commissioner, P&RD, Assam however, showed that during the period from March 2021 to October 2022, the Commissioner, P&RD, Assam irregularly incurred an expenditure of ₹6.19 crore from MGNREGA funds towards construction of temporary *pandals* to hold the following ceremonial functions as shown in **Table 1.2.7**.

**Table 1.2.7: Details of expenditure incurred against ceremonial functions**

**(₹ in crore)**

| Sl No. | Activities taken up for execution | Amount spent | Date of payment |
|---|---|---|---|
| 1. | Construction of temporary *pandal* for launching of Muhkyamantir Divangana Atamnirbhar Achoni (11-02-2021) | 1.70 | 10.03.2021 |
| 2. | Construction of temporary *pandal* for launching of Muhkyamantir Divangana Atamnirbhar Achoni (11-02-2021) | 1.18 | 10.03.2021 |
| 3. | Construction of temporary *pandal* for launching Swa Nirvar Nari Atmanirbhar Achoni, View Cutters and temporary electrification, *etc*., (08-10-2020) | 1.94 | 03.03.2021 |
| 4. | Construction of temporary *pandal* and flex printing Sign Board for ceremonial function to distribute appointment letters for GAD and PHE Department. | 0.67 | 22.07.2022 |

| Sl No. | Activities taken up for execution | Amount spent | Date of payment |
|---|---|---|---|
| | (11-01-2022) | | |
| 5. | Construction of temporary *pandal* for holding conclave between P&RD and PHED (13-02-2022) | 0.70 | 10.10.2022 |
| | **Total** | **6.19** | |

***Source: Sanction Orders of Commissioner, P&RD, Assam***

It may be seen from the table above that the activities on which expenditure of ₹6.19 crore was incurred, were not permitted under administrative expenditure of the schemes.

The Department accepted (June 2025) that the expenditure ₹6.19 crore was incurred from Administrative Fund under MGNREGA and stated that the observation has been duly noted and would be taken care of in future course of action.

### *1.2.4.7.4 Expenditure on doubtful/unverified procurement*

The Commissioner, P&RD, Department Assam issued (10 May 2021) 21 sanction orders valuing ₹7.76 crore for payment to the suppliers from the administrative expenses of MGNREGA for designing, printing and supply of 35,29,701 MGNREGA Job Card Laminated Covers[29] (JCLCs) along with ribbon and steel clip meant for 33 districts of Assam. Accordingly, a total amount of ₹7.49 crore was paid (June to July 2021) against 21 un-dated invoices received (16 to 30 June 2021) from 20 suppliers after deducting TDS of ₹0.27 crore[30] towards under GST and Income Tax as detailed in ***Appendix-1.2***.

However, records such as the administrative approval for the work, the copies of the Notice Inviting Tender/comparative statement, copies of the supply orders issued to the suppliers, delivery challans and acknowledgement payment receipts evidencing supply and receipt of the JCLCs along with ribbon and steel clip by the different districts though called for (April 2024) were not made available to audit. The verification of the invoices of 20 suppliers revealed that only one supplier had a valid GST Identification number, three suppliers did not bear the GST Identification Number and two suppliers had invalid GST Identification Number. The remaining 14 suppliers had registered (March 2021) themselves under GST after the date of supply order (24 February 2021) and their GST registration was cancelled *suo-moto* between January 2022 and January 2024.

Audit further observed that the Department deducted TDS under GST @ two *per cent* from the suppliers' bills and balance GST were released to the suppliers' for deposit to Government Account. However, records relating towards deposit of balance GST by the suppliers though called for (June 2025) from the Commissioner of Taxes, Government of Assam, were not furnished (June 2025).

[29] Cost of each Job card laminated cover was ₹19.40 + GST.
[30] CGST: ₹0.07 crore, SGST: ₹0.07 crore and Income Tax: ₹0.13 crore.

As per the stock entry reference for receipt of the JCLCs along with ribbon and steel clip recorded in the body of the invoices[31], by the Jt. Director, Commissionerate P&RD, the stock was received in good condition in full quantity and entered in the stock book maintained at the Commissionerate. The certification also contained the stock book page reference number except against bills for supplies meant for Kokrajhar and Udalguri Districts. However, stock book/register showing receipt and issue of JCLCs along with ribbon and steel clip to different districts was not furnished though called for in audit (April 2024). The Commissionerate did not facilitate the JPV of stock though requests were made by audit (October 2024) for the same.

On cross verification of records in respect of five[32] out of six selected districts[33], it was observed that none of the five districts received the JCLCs along with ribbon and steel clip as of October 2024 even though as per invoices 7,32,764 JCLCs along with ribbon and steel clip were meant for these districts and an amount of ₹1.55 crore was paid to the suppliers after deduction of two *per cent* TDS under GST and two *per cent* Income tax amounting to ₹0.06 crore.

Thus, the sequence of events elaborated above point towards doubtful and unverified expenditure of ₹7.76 crore on printing and supply of 35,29,701 JCLCs along with ribbon and steel clip.

The Department stated (June 2025) that an inquiry has been initiated in this regard and the result would be intimated.

#### *1.2.4.7.5 Mandatory records and their maintenance*

Para 10.3.1 to Para 10.3.9 of the Operational Guidelines, 2013 mandates maintenance of tender/contract register, material procurement register, e-muster roll issue folder/ register, e-muster roll receipt folder/register for GPs, Job Card application register, employment register, works register, assets register and complaint register in order to facilitate systematic collection of information at district, block and GP levels and for complete transparency and accountability.

Scrutiny of records (July-September 2024) of selected six districts, 12 blocks and 47 GPs/VDCs revealed that the said registers were not maintained by each and every sampled districts/blocks/GPs.

The details of maintenance of records/registers by the selected districts/blocks/GPs are shown in ***Appendix-1.3*** and summarised in **Chart 1.2.5**.

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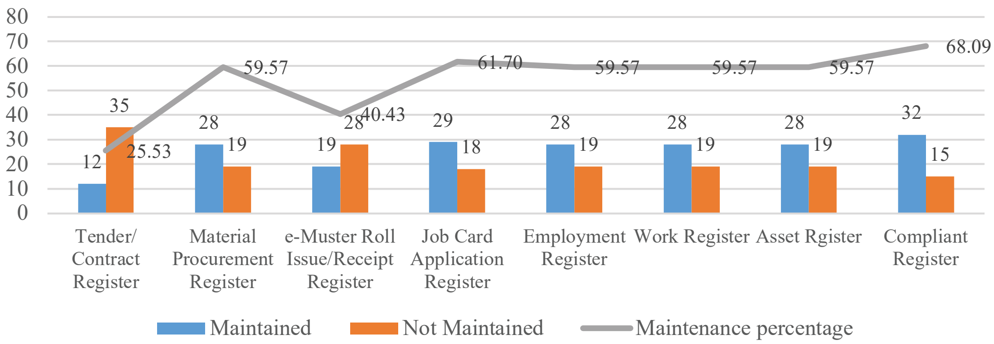
[31] The invoices (computer generated) did not contain the invoice number and date. It however, included the supply order number, the copies of which was not available with the Commissionerate.
[32] Dhubri, Karbi Anglong, Lakhimpur, Kokrajhar and Cachar
[33] Suppliers invoices for supply of JCLCs in respect of Tinsukia district contains JCLCs of Bongaigaon district also (amalgamated number) and therefore, Tinsukia district was excluded.

**Chart 1.2.5: Records/Registers maintained by the selected GPs**




***Source: Information furnished by selected GPs***

It can be seen from the above chart that 31.91 *per cent* to 74.47 *per cent* of GPs did not maintain the prescribed registers/records. The complaint register which was to contain the date of receipt of the complaint, the action taken on the complaint, *etc*., was maintained by 68.09 *per cent* of the GPs only.

Thus, due to non-maintenance of the records/ registers as prescribed in the MGNREGA Guidelines, there was lack of transparency and accountability in execution of the scheme.

The Department stated (June 2025) that the districts had been requested to ensure immediate and complete maintenance of all prescribed registers as per the guidelines.

### *1.2.4.7.6 Non-payment of wages due to failed transactions*

According to Para 8.3.3 of the Operational Guidelines, 2013, to ensure timely payment of wages/reduce delays in payments to workers, MoRD, GoI developed (2016-17) a solution 'Electronic Fund Management System (e-FMS)' that leverages National Electronic Fund Transfer/ Real Time Gross Settlement/ Electronic Clearance Service/ Accepted Bills for Payment platforms for crediting the accounts of workers expeditiously. The guidelines provided for proactive role of Programme Officer (PO) in opening of bank accounts of workers and linking of bank accounts with their job cards after verification to safeguard prompt payment to the right beneficiaries. As per the Guidelines for 'Timely Payment of Wages' for MGNREGA workers, rejection of payment transaction occurs when the workers' details regarding his bank, account number, Aadhaar number, *etc*., do not match with the details present with the destination bank. In such cases, the PO has to regenerate the fund transfer order (FTO) with the worker's correct bank details and ensure payment. Regeneration of rejected transaction should be done in a time bound manner and field functionaries must ensure cent *per cent* success of regeneration of the rejected transactions within two days from the receipt of rejected transaction in PO login except the rejection occurring due to the error attributable to the worker. The detailed protocol for successfully crediting regenerated rejected transactions into the Bank/Post office account of the worker is a maximum of 24 days from closure of muster roll in case where the rejection occurs due to the error not attributable to the worker. When the rejection occurs due to the error attributable to the worker, the PO will contact the worker and ensure successful crediting of regenerated rejected transactions into the Bank/Post office account of the worker within a maximum of eight days from the date of correction by the worker.

Audit observed that during 2019-24, 6.13 lakh transactions for payment of wages amounting to ₹95.04 crore were rejected by the banks for reasons such as bank account of the recipients reaching the maximum debit/credit limit, bank account being frozen, non-existence of accounts, bank account being closed, *etc*. Out of the above failed transactions, the State was able to resolve 5.26 lakh transactions during 2019-24 while 0.03 lakh transactions involving ₹0.71 crore were pending for regeneration and 0.84 lakh regenerated transactions for payment of wages amounting to ₹14.06 crore were yet to be resolved as of August 2024. No records were available to indicate that the Department had contacted the workers to rectify the error for which the transactions were rejected with their bank where the error was attributable to the workers. The details of the failed transactions in the State are shown in **Table 1.2.8**.

**Table 1.2.8: Details of failed transactions**

***(₹ in crore)***

| Year | Transactions rejected | | Rejected transactions pending regeneration | | Transactions regenerated and successfully resolved | | Regenerated transactions yet to be resolved | |
|---|---|---|---|---|---|---|---|---|
| | No. | Amount | No. | Amount | No. | Amount | No. | Amount |
| 2019-20 | 1,23,448 | 16.71 | 0 | 0.00 | 1,13,270 | 15.15 | 10,178 | 1.56 |
| 2020-21 | 1,52,463 | 21.86 | 1 | 0.0001 | 1,38,190 | 19.66 | 14,272 | 2.20 |
| 2021-22 | 1,87,616 | 26.38 | 69 | 0.0095 | 1,56,732 | 21.97 | 30,815 | 4.40 |
| 2022-23 | 67,637 | 13.40 | 93 | 0.015 | 57,886 | 11.42 | 9,658 | 1.97 |
| 2023-24 | 82,274 | 16.69 | 3,313 | 0.69 | 60,365 | 12.07 | 18,596 | 3.93 |
| **Total** | **6,13,438** | **95.04** | **3,476** | **0.71** | **5,26,443** | **80.26** | **83,519** | **14.06** |

***Source: MIS data as on 26 August 2024.***

In the sampled districts, out of 1.60 lakh transactions, for payment of wages amounting to ₹27.83 crore, rejected by the banks during 2019-20 to 2023-24, 1.37 lakh transactions have been resolved, 674 transactions worth ₹0.18 crore were still (August 2024) pending regeneration and 0.22 lakh transactions for payment of wages amounting to ₹4.43 crore were yet to be resolved. The details of the failed transactions in the sampled districts are shown in **Table 1.2.9**.

**Table 1.2.9: Details of failed transactions in the sampled districts**

***(₹ in crore)***

| Year | Transactions rejected | | Rejected transactions pending regeneration | | Transactions regenerated and successfully resolved | | Regenerated transactions yet to be resolved | |
|---|---|---|---|---|---|---|---|---|
| | No. | Amount | No. | Amount | No. | Amount | No. | Amount |
| 2019-20 | 30,019 | 5.00 | 0 | 0.00 | 25,406 | 4.11 | 4,613 | 0.89 |
| 2020-21 | 41,998 | 6.98 | 1 | 0.0001 | 36,089 | 5.89 | 5,908 | 1.09 |
| 2021-22 | 51,540 | 7.89 | 4 | 0.0005 | 47,783 | 7.12 | 3,753 | 0.77 |
| 2022-23 | 16,455 | 3.44 | 7 | 0.0010 | 12,919 | 2.64 | 3,529 | 0.80 |
| 2023-24 | 19,837 | 4.51 | 662 | 0.17 | 15,228 | 3.46 | 3,947 | 0.87 |
| **Total** | **1,59,849** | **27.83** | **674** | **0.18** | **1,37,425** | **23.22** | **21,750** | **4.42** |

***Source: MIS data as on 26 August 2024.***

Thus, failure to resolve the issue related to failed transactions and to regenerate transactions in a time bound manner resulted in depriving the rural workers of their legitimate wages.

The Department stated (June 2025) that the POs had been instructed to expedite the process.

### *1.2.4.7.7 Non-payment of wages due to pending authentication*

Para 9.8.3 of Master Circular 2018-19 provides that the Programme Officer (PO) will ensure that compensation claims are settled within 15 days of compensation being due, and such claims will not be allowed to be accumulated without any decision of acceptance or rejection.

Analysis of MIS data relating to pending compensation claims of wages in the selected six districts showed that 3,624 muster rolls (MRs) involving wages amounting to ₹1.74 crore were pending for settlement since April 2019, as the respective Programme Officers (2$^{nd}$ signatory) had neither authenticated nor rejected (August 2024) the payment. The details of the MRs pending authentication/rejection by the POs are shown in **Table 1.2.10**.

**Table 1.2.10: Details of MRs pending authentication/rejection**

**(In ₹)**

| Name of District | Nos. of MRs pending authentication/rejection by the 2$^{nd}$ signatory | | | | | | Amount involved |
|---|---|---|---|---|---|---|---|
| | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | Total | |
| Lakhimpur | 315 | 41 | 183 | 259 | 469 | 1,267 | 20,22,835 |
| Kokrajhar | 0 | 5 | 348 | 79 | 152 | 584 | 9,27,460 |
| Cachar | 169 | 95 | 49 | 132 | 99 | 544 | 47,35,019 |
| Karbi Anglong | 3 | 8 | 12 | 33 | 55 | 111 | 7,05,726 |
| Tinsukia | 33 | 0 | 9 | 22 | 226 | 290 | 7,41,400 |
| Dhubri | 165 | 29 | 44 | 56 | 534 | 828 | 82,33,040 |
| **Total** | **685** | **178** | **645** | **581** | **1,535** | **3,624** | **1,73,65,480** |

***Source: MIS data as on 28 August 2024.***

Thus, non-settlement of compensation claims amounting to ₹1.74 crore in a timely manner by the POs concerned, responsible for verification and authentication of MRs in violation of the instructions of MoRD, undermined the very objective of the scheme.

The Department stated (June 2025) that action would be initiated against the erring officials based on the districts' reply in due course of time.

### 1.2.4.8 Conclusion

Out of 47 GPs/VDCs, 35 GPs/VDCs did not prepare LB for the period 2019-24 implying that adherence to the principle–of bottom-up approach from planning to approval of selected shelf of projects was not ensured by the DPCs.

Financial management was inefficient as there were instances of delay in release of the State share and transfer of Central share to e-FMS/Single Nodal Agency account. There were also instances of expenditure on doubtful/unverified procurement, diversion of funds and non-payment of wages to the workers.

### 1.2.4.9 Recommendations

***The Government may ensure that***

- ***the funds received from the GoI along with the State Matching Share are released in time.***
- ***mandatory records are maintained at all the levels for transparency.***
- ***the issue of non-payment of wages to the workers due to failed transactions is resolved promptly and the pending compensation cases for delayed payments to unskilled workers are cleared at the earliest.***

**Audit Objective 2: To assess whether fair access to employment opportunities was achieved, as well as employment adequately generated, leading to social protection and livelihood security as envisaged.**

### 1.2.5 Access to Employment Opportunities and Generation of Employment

The first step in ensuring that the beneficiary can exercise his/her right of 100 days of employment under the scheme is registration with the Gram Panchayat. As per Schedule II of the MGNREG Act, 2005, it is the duty of the Gram Panchayat to register the household and issue a job card (JC). The primary objective of MGNREGA is to enhance the livelihood security of the rural households by providing at least 100 days of guaranteed wage employment in each financial year to every household having adult members and volunteer to do the unskilled manual work. The various activities related to the registration process, issue of JCs and employment allocation are outlined in **Chart 1.2.6**.

**Chart 1.2.6: Process of Registration, Issue of Job Card and Employment Allocation**

| | |
|---|---|
| **Registration activities** | • Door-to door survey for identifying people willing to register, to be conducted by GP<br>• Person/household can also register by applying at GP office<br>• All applications to be verified within a fortnight<br>• Unique registration number to be assigned |
| **Job card** | • To be issued within a fortnight of application<br>• It should contain photograph of adult members<br>• To be in custody of household<br>• Valid for five years<br>• Provision for addition/deletion of members<br>• Issue, addition/deletion to be done in presence of local community/ Gram Sabha |
| **Employment allocation activities** | • Application for work can be given at GP office, worksite or to Programme Officer<br>• Dated receipt of each application to be given<br>• Employment to be given within 15 days of application, if not unemployment allowance to be paid<br>• PO is responsible for ensuring each applicant gets employment |

Audit findings on the issues relating to registration, issue of job cards, access to employment and generation of employment are discussed in the succeeding paragraphs.

#### 1.2.5.1 Limited conduct of door-to-door survey

Para 3.1.1 (ii) of the Operational Guidelines, 2013 envisages that a door-to-door survey should be undertaken by each GP every year to identify eligible households who have been missed out and wish to be registered under the Act. The survey was to be held at that time of the year when people have not migrated to other areas in search of employment or for other reasons and the Programme Officer (PO) will lay down a schedule for this survey and ensure that all GPs in his/her charge have done this survey.

Test-check of records in the sampled GPs/VDCs showed that 16 (34 *per* cent) out of 47 GPs/VDCs carried out door-to-door survey to identify persons willing to register themselves during 2019-24 while 31 GPs/VDCs (66 *per cent*) did not conduct door-to-door survey. In response to an Audit enquiry (June 2025), the sampled districts attributed the non-conduct of door-to-door survey to overload of work, lack of awareness, absence of instructions from higher authority and shortage of manpower.

Thus, due to non- conduct of door-to-door survey in a majority of the GPs, coverage of eligible households could not be assured. Further, inability of the POs to ensure door-to-door survey reflects inadequate oversight and monitoring.

The Department accepted the audit observation during Exit Conference (June 2025).

#### 1.2.5.2 Issue of Job Card

Para 3.1.2 (i) of Operational Guidelines, 2013 stipulates that a household having adult members desirous of seeking unskilled employment in MGNREGA may apply for registration. The application for registration may be given on plain paper to the local Gram Panchayat. Application for registration must be made on behalf of the household by any adult member. However, all members included in the application should be local residents.

Para 3.1.4 (i) of the 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.

Para 3.1.5 (i) of Operational Guidelines stipulates that if a household is found to be eligible for registration, the GP will, within a fortnight of the receipt of application, issue a Job Card to the household.

Further, Para 10.3.5 stipulates that Job Card Application Register is required to be maintained at GP level by the Panchayat Secretary.

#### *1.2.5.2.1 Non-maintenance of Job Card Register*

Job Card Application Register as prescribed under the MGNREGA guidelines is essential for recording individual work demands, issuing dated receipts and planning for timely employment generation. Non-maintenance of JC Application Register may lead to the denial or delay in employment and also violates the legal provision under Section 7 of the Act, which entitles workers to unemployment allowance if work is not provided within 15 days of demand.

Test-check of records of 47 selected GPs/VDCs showed that Job Card Application Register was maintained only in 29 out of 47 GPs/VDCs and JCs were issued within a fortnight. But it could not be ascertained in audit whether the Job Cards were issued within a period of 15 days by the remaining 18 GPs/VDCs (47 GPs/VDCs – 29 GPs/ VDCs) due to non-maintenance of Job Card Application Register. The 18 sampled GPs/ VDCs attributed non-maintenance of Job Card Application Register to shortage of manpower.

Further, analysis of MIS data of the State and 47 sampled GPs/VDCs in the six selected districts showed that JCs were issued to 63,82,506 and 1,30,661 HHs against 69,04,247 and 1,37,646 registered HHs as of 2023-24 in the State and selected GPs/ VDCs level respectively. However, after deletion and addition of HHs, the No. of registered HHs against which JCs were to be issued, stood at 67,36,905 in the State.

Thus, non-maintenance of Job Card Application Register hampered planning and budgeting under the Labour Budget process, creating opportunities for manipulation and fictitious entries.

The Department in its reply stated (June 2025) that the point has been noted for future course of action.

#### *1.2.5.2.2 Issue of Multiple Job Cards*

Scrutiny of MIS data in the 28 GPs/VDCs out of 47 sampled GPs/VDCs under the six selected districts, showed that multiple JCs were issued against 505 households[34]. The status of issue of multiple JCs in the sampled GPs/VDCs are shown in **Table 1.2.11**.

**Table 1.2.11: Details of issue of multiple Job Cards in the sampled GP/VDCs**

| Sl. No. | Name of the District | No. of Blocks | No. of GPs | No. of cases of multiple job cards | Range of multiple job cards |
|---|---|---|---|---|---|
| 1 | Cachar | 2 | 7 | 116 | 2 |
| 2 | Dhubri | 2 | 8 | 222 | 2 |
| 3 | Karbi Anglong | 1 | NA | 100 | 2 |
| 4 | Tinsukia | 2 | 8 | 55 | 2 |
| 5 | Lakhimpur | 2 | 3 | 6 | 2-3 |
| 6 | Kokrajhar | 1 | 2 | 6 | 2 |
| | **Total** | **10** | **28** | **505** | |

***Source: MIS data as of January 2025.***

[34] 503 households had two JCs each and two households had three JCs each.

Issue of multiple JCs against single households contravened the provisions of guidelines and also indicates lack of proper verification at the GP level. Audit further observed that the issuance of multiple JCs resulted in doubtful payment of ₹0.82 lakh to 12 beneficiaries through 109 different MRs, where the same JC holder were shown as having worked at same/different worksites during the same period.

The Department stated (June 2025) that the Government had adopted measures like Aadhaar based authentication, Aadhaar seeding in MGNREGA database, field verification, *etc*. to address the issue of multiple Job Cards. During Exit Conference the Commissioner, P&RD further stated that an enquiry has been initiated regarding issue of multiple JCs.

### 1.2.5.3 Payment of compensation for delayed payment to workers

In terms of Para 29 of the revised Schedule II of NREGA, 2005 and vide Notification No. S.O. 19 (E) of January 2014, a detailed procedure establishing a compensation system for delay in payments has been laid down. As per system, MGNREGA workers are entitled to receive delay compensation, at a rate of 0.05 *per cent* of the unpaid wages per day for the duration of the delay beyond the 15$^{th}$ day of the closure of the muster roll (MR). The amount paid for delayed compensation, is to be recovered from the responsible officials.

Scrutiny of records and information furnished by Commissioner, P&RD, Assam showed that against approved compensation of ₹28.87 lakh for the period 2019-24, an amount of ₹1.31 lakh was paid after recovering the compensation amount from the responsible officials leaving ₹27.56 lakh yet to be paid as of March 2025 as detailed in **Table 1.2.12.**

**Table 1.2.12: Status of delayed compensation paid and due to be paid in the State**

**(in ₹)**

| Year | Approved delay in days | Approved Amount | Delayed compensation paid | Delayed compensation due to be paid |
|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 (3-4) |
| 2019-20 | 2,04,917 | 1,56,840 | 71,659 | 85,181 |
| 2020-21 | 39,879 | 26,842 | 14,322 | 12,520 |
| 2021-22 | 12,77,287 | 10,71,371 | 44,633 | 10,26,738 |
| 2022-23 | 11,33,608 | 10,55,654 | 0 | 10,55,654 |
| 2023-24 | 4,71,553 | 5,76,586 | 750 | 5,75,836 |
| **Total** | **31,27,244** | **28,87,293** | **1,31,364** | **27,55,929** |

***Source: MIS data (as of March 2025) and information furnished by Commissioner, P&RD, Assam.***

Audit examination of MRs of 352 sampled works in six sampled districts covered during joint physical verification (July to October 2024) showed that wages amounting to ₹38.89 lakh were paid late against 2,634 MRs beyond the stipulated period of 15 days after closure of MRs in five out of six selected districts. The district wise position of delay in payment of wages in respect of sampled works are shown in **Table 1.2.13**.

**Table 1.2.13: Delay in payment of wages in the sampled districts in respect of sampled works**

| Name of District | Number of works | | No. of MRs against which wages were paid late | Wages involved (₹) | Range of delay in payment of wages (in days) | Amount of compensation due (₹) |
|---|---|---|---|---|---|---|
| | covered under JPV | against which wages were paid late | | | | |
| Dhubri | 56 | 29 | 1,032 | 20,09,045 | 2-1,249 | 95,835 |
| Tinsukia | 56 | 33 | 802 | 8,80,170 | 1-345 | 12,018 |
| Cachar | 56 | 8 | 29 | 59,781 | 7-624 | 3,267 |
| Kokrajhar | 64 | 45 | 433 | 4,89,341 | 1-340 | 19,340 |
| Lakhimpur | 64 | 32 | 338 | 4,51,022 | 2-591 | 22,765 |
| Karbi Anglong | 56 | 0 | 0 | 0 | 0 | 0 |
| **Total** | **352** | **147** | **2,634** | **38,89,359** | | **1,53,225** |

***Source: MIS data***

It may be seen from the table above that an amount of ₹1.53 lakh was payable to the workers on account of late payment (delay ranging between one day and 1,249 days) against execution of works. The sampled districts attributed delay in payment of wages to technical issues of bank *i.e.,* mismatch of name in bank account No. & Aadhaar, spelling mistake of name, *etc*. However, no supporting documents were produced to substantiate that delay in payment of wages was due to technical issues.

The Department stated (June 2025) that due to technical issues in PFMS, the disbursement of delayed compensation was not possible until October 2024 and a total amount of ₹1.63 lakh was paid to the Job Card Holders in the State till June 2025.

The Department also stated that necessary steps were being taken to recover the remaining amount from the officials responsible for delay in payment of wages.

### 1.2.5.4 Information, Education and Communication activities

Para 5.4.2 of Operational Guidelines of MGNREGA, 2013, stipulates that for creation of awareness among rural people and other stakeholders, particularly MGNREGA workers in respect of the scheme provisions as well as their rights and entitlements, the State should initiate actions such as (i) develop an Information, Education and Communication (IEC) plan with focus on reaching out to the registered workers as well as other groups which could benefit from MGNREGA, (ii) prepare special communication strategies for ensuring greater participation of women, ST, SC, small and marginal farmers & BPL families, in MGNREGA works, (iii) engage CSOs for support and strengthening of IEC activities and (iv) conduct intensive and regular IEC drives using different media for awareness generation. Para 11.6 of Master Circular 2018-19 of MGNREGA, provides that IEC Nodal officers are to be nominated by the States to look after IEC activities of MGNREGA in the State.

Audit observed that no IEC plan was prepared at State, district and block level during 2019-24. In reply to an audit query issued on 13 June 2024, the Assistant Development Commissioner, P&RD, Assam stated (October 2024) that the State had developed an IEC calendar that clearly delineated the activities at the State, district and block levels and has systematically monitored the implementation of these activities in accordance with the calendar. However, records in support of IEC activities undertaken in the State though called for in audit were not provided (February 2025). Further, the State Government neither appointed IEC Nodal officer to look after IEC activities in the State nor evolved special communication strategies for ensuring greater participation of women, ST, SC, small and marginal farmers & BPL families, in MGNREGA works as of February 2025.

Cross-check of records pertaining to period 2019-24 in the 12 selected blocks, showed that contrary to the claim of the Assistant Development Commissioner, P&RD, Assam, only Karunabari block under Lakhimpur district carried out a few IEC activities such as sharing Government instructions, information on works done under MGNREGA, conducting awareness meeting with SHGs, *etc*., through WhatsApp during the period covered in audit and the remaining 11 blocks did not furnish records in support of conduct of IEC activities.

The Department stated (June 2025) that the State had developed a comprehensive IEC calendar outlining planned activities at the State, district and block level and several blocks initiated informal IEC efforts such as formation of WhatsApp group for workers and panchayat functionaries to share updates, use of community radio and microphone announcement during Gram Sabha meetings to promote MGNREGA entitlements and collaboration with SHGs for door to door campaigns. It also stated that due to non-standardised documentation practices, records from some blocks could not be produced during the audit period.

The Department added that the process of appointment of dedicated IEC nodal officers at the district level had been initiated.

### 1.2.5.5 Shortfall in conducting *Rozgar Diwas*

Para 3.3 (i) of the Operational Guidelines, 2013 provides that every GP should organise a *Rozgar Diwas* at least once every month. At this event, the GP should pro-actively invite applications for work from potential workers for the current as well as subsequent quarters. The ‘Employment Guarantee Day’ should be earmarked for processing work applications and related activities such as disclosure of information, allocation of work, payment of wages and payment of unemployment allowances.

Test-check of records and information furnished by the sampled GPs/VDCs however, showed that there was huge shortfall ranging between 84 to 88 *per cent* in organising *Rozgar Diwas* as shown in **Table 1.2.14**.

**Table 1.2.14: Status of Rozgar Diwas organised in the sampled GPs/VDCs**

| Years | Number of days Rozgar Diwas to be organised | Number of days Rozgar Diwas organised | Shortfall in organising Rozgar Diwas (*per cent*) |
|---|---|---|---|
| 2019-20 | 564[35] | 68 | 496 (88) |
| 2020-21 | 564 | 74 | 490 (87) |
| 2021-22 | 564 | 77 | 487 (86) |

[35] 47 GPs/VDCs were required to organise 564 Rozgar Diwas per year

| Years | Number of days Rozgar Diwas to be organised | Number of days Rozgar Diwas organised | Shortfall in organising Rozgar Diwas (*per cent*) |
|---|---|---|---|
| 2022-23 | 564 | 89 | 475 (84) |
| 2023-24 | 564 | 92 | 472 (84) |
| **Total** | **2,820** | **400** | **2,420** |

***Source: Information furnished by selected GPs***

It may be seen from the table above that against requirement of 2,820 *Rozgar Diwas* to be organised by the sampled GPs/VDCs during the period covered in audit, only 400 (14 *per cent*) *Rozgar Diwas* were held. It was observed that 12 GPs/VDCs[36] out of 47 GPs/ VDCs did not organise any *Rozgar Diwas* during 2019-24.

The Department accepted (June 2025) the audit observation and attributed the shortfall in organising Rozgar Diwas by the selected GPs/VDCs to disruptions caused by COVID 19 pandemic during the period 2019-20 to 2021-22 and stated that since 2023-24, the State had initiated corrective measures to improve the regular conduct of Rozgar Diwas.

#### 1.2.5.6 Availability of worksite facilities

Para 7.12 of Operational Guidelines of MGNREGA, 2013 envisages providing of facilities such as Medical aid, drinking water and shade, first aid box as and when required to the workers at the work site. Expenditure on worksite facilities is to be incurred out of administrative expenditure.

However, Audit observed that in the sampled 47 GPs/VDCs no administrative expenditure on worksite site facilities was incurred during the period 2019-24. Survey of the sampled beneficiaries and JPV of incomplete schemes (130 numbers) also highlighted non-availability of worksite facilities. Further, in response to an audit query (July to October 2024) the sampled GPs/VDCs replied (July to October 2024) non-existence of facilities such as Medical aid, drinking water, shade and first aid box for the workers at the worksite. The reasons for non-existence of such manated worksite facilities, however, was not furnished to audit.

While noting the audit observation for future course of action, the Department in its reply stated (June 2025) that the districts have been instructed to ensure work site facilities to the workers.

#### 1.2.5.7 Social security coverage

Para 8.9 of the Operational Guidelines, 2013 provides that MGNREGA workers are covered under the Janashree Bima Yojana (JBY) implemented by Ministry of Finance. JBY provides life coverage and disability benefits to rural people. Rastriya Swasthya Bima Yojana (RSBY) has been extended to all the MGNREGA workers/beneficiaries who have worked more than 15 days in the preceding financial year. DPCs and POs are required to make workers aware of these schemes.

[36] Airkata, Beldubi, Chirakuti, Dingdinga Parowa, Boyzeralga, Kazaikata Suapata, Nayeralga, Sagunmari, Habrubil, Joypur, Panbari, and Sataypur.

However, scrutiny of records (July to October 2024) of sampled 47 GPs/VDCs revealed that the workers were yet to be covered under Janashree Bima Yojana and Rastriya Swasthya Bima Yojana. Reasons for non-coverage under the JBY and RSBY was not furnished.

Thus, non-coverage of MGNREGA workers under JBY and RSBY, coupled with non-furnishing of reasons, indicate inadequate implementation and lack of awareness initiative by the authorities concerned.

The Department stated (June 2025) that action would be initiated to ensure full compliance with Para 8.9 of MGNREGA Operational Guidelines, 2013.

#### 1.2.5.8 Payslips not generated through NREGASoft system

Para 7.15.2 and Para 7.15.3 of Operational Guidelines, 2013 envisages generation of individual payslips through NREGASoft along with pay orders. GRS along with mates are responsible for distribution of payslips amongst workers.

Information furnished by the sampled 47 GPs/VDCs and MIS data showed that individual payslips were neither generated nor were pay-slips distributed to the workers indicating lack of transparency in payment of wages.

The Department in its reply stated (June 2025) that wages to the Job Card holders has been credited through DBT mode in the respective bank account linked with the Job Card with effect from 01 April 2024 through ABPS mode. Further, it was stated that there was a citizen centric mobile App “Janmnrega” to verify the status of fund disbursement, *etc*., by Job Card holders.

The justification provided by the Department is not acceptable as operational guidelines provide for generation of individual pay slips through NREGASoft along with pay orders and distribution of the same to the workers to ensure transparency in payment of wages. Further, as pointed out in succeeding Para 1.2.5.9, even till the date of audit (October 2024) there were large number of beneficiaries who were not aware of their entitlements under the various provisions of the Act.

#### 1.2.5.9 Results of Beneficiary Survey

Altogether 443 beneficiaries (290 Male & 153 Female) under 47 GPs/VDCs of 12 Blocks from six test-checked districts were interviewed/surveyed to ascertain their awareness about MGNREGA and the impact that MGNREGA had in their lives. The background of the beneficiaries surveyed was as under:

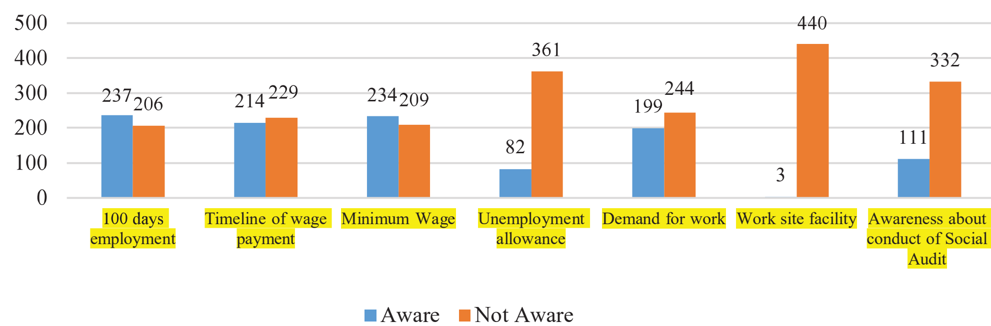
- The age of beneficiaries surveyed ranged between 18 and 88 years. While 414 beneficiaries were in the age group of 18-60 years, 29 beneficiaries were above 60 years of age.
- 136 beneficiaries were illiterate, 249 beneficiaries had educational qualification between Lower Primary and 10$^{th}$ Standard, and 58 beneficiaries had educational qualification beyond the 10$^{th}$ Standard.

- The annual income of the beneficiaries ranged between ₹9,000 and ₹two lakh.

The results of the beneficiary survey were as under:

- 244 beneficiaries (55 *per cent*) out of the 443 beneficiaries covered stated that their income and livelihood security had increased to some extent while the remaining 199 workers (45 *per cent*) did not report any change in their income and livelihood security.
- 399 beneficiaries (90 *per cent)* out of 443 beneficiaries expressed dissatisfaction with the existing wage rate and opined for a higher wage rate.
- It was noticed that 54 *per cent* of the surveyed beneficiaries *i.e.*, 237 out of 443 beneficiaries were aware of their entitlement to 100 days of employment in a year. However, there remained a large section of the beneficiaries who were not aware of the various provisions of the Act as shown in ***Chart 1.2.7***.

**Chart 1.2.7: Awareness of Surveyed Beneficiaries about MGNREGA**




The Department in its reply (June 2025) expressed its satisfaction for significant improvements *i.e.*, 55 *per cent* of the beneficiaries reported increase in their income and livelihood security as a result of the scheme and acknowledged the concerns raised by the remaining 45 *per cent* beneficiaries. The Department stated that the input provided by 45 *per cent* beneficiaries would be used for further strengthening the implementation and outreach of the Scheme. The Department also noted the feedback given by the beneficiaries regarding the wage rates.

### 1.2.5.10 Conclusion

There was limited conduct of door-to-door survey leading to non-identification of eligible households who have been missed out and wish to be registered. There were instances of issue of multiple Job Cards, delay in payment of compensation allowance to the workers thereby undermining the primary objective of ensuring livelihood security of the rural population. The State Government had not appointed an IEC Nodal Officer to look after the IEC activities in the State and also did not develop an IEC plan focussed on reaching out to the registered workers in general as well as targeted groups in particular.

### 1.2.5.11 *Recommendations*

***The Government may***

- ***ensure conduct of door-to-door survey on priority.***
- ***strengthen the control mechanism to issue job-cards and ensure that Job Cards are issued to eligible households in a time bound manner.***
- ***ensure payment of the compensation allowance for delayed payment of wages and recovery of the same from the erring officials.***
- ***step up IEC activities and organise Rozgar Diwas regularly to ensure that the beneficiaries are aware of their rights under the MGNREG Act.***

**Audit Objective 3: To assess whether durable and useful assets were created and maintained in compliance with rules and regulations, while ensuring convergence with other programmes/schemes.**

## 1.2.6 Creation and maintenance of durable assets ensuring convergence with other Programme/Scheme

### 1.2.6.1 Creation and utilisation of durable assets

Implementation of MGNREGA involves roles and responsibilities of a large number of stakeholders from village to National level. The scope of work/activities to be taken up under MGNREGA are broadly categorised into water conservation and harvesting, drought-proofing, micro and minor irrigation works, renovation of traditional water bodies, rural connectivity and land development, *etc*. The implementation of MGNREGA depends on execution of works against which employment is provided and Person Days (PD) generated.

#### *1.2.6.1.1 Non Completion of Works*

As per Para 7.17 of Operational Guidelines MGNREGA 2013, works which are to be executed over more than one year, may be split into annual work elements, with each annual segment given a distinct work identity. For those Programme Implementing Authorities (PIA) that have incomplete works for more than one fiscal year, after the year in which the works were proposed, no sanction should be given for beginning new works.

The status of works approved, completion of works, expenditure on completed works and expenditure on incomplete works during the period 2019-24 in the State and the six sampled districts as analysed from MIS data is shown in **Table 1.2.15**.

**Table 1.2.15: Works approved, works completed, works not completed, expenditure on completed and incomplete works in the State and the sampled districts**

**(₹ in crore)**

| Year | Total works approved | No of works not started | No. of works completed | Expenditure on completed works | No. of works not completed/ suspended | Expenditure on incomplete works |
|---|---|---|---|---|---|---|
| ***Status in the State*** | | | | | | |
| 2019-20 | 4,73,325 | 1,05,391 | 77,732 | 1,125.44 | 2,90,202 | 243.51 |
| 2020-21 | 6,24,364 | 1,12,606 | 1,31,884 | 2,041.67 | 3,79,874 | 398.92 |
| 2021-22 | 8,03,333 | 1,35,820 | 1,27,710 | 1,951.83 | 5,39,803 | 373.28 |
| 2022-23 | 14,75,788 | 1,69,494 | 2,64,424 | 1,658.96 | 10,41,870 | 289.96 |
| 2023-24 | 16,19,288 | 2,08,453 | 5,86,104 | 1,719.71 | 8,24,731 | 652.31 |
| **Total** | **49,96,098** | **7,31,764** | **11,87,854** | **8,497.61** | **30,76,480** | **1,957.98** |
| ***Status in the sampled districts*** | | | | | | |
| 2019-20 | 1,08,471 | 17,455 | 19,464 | 286.92 | 71,552 | 102.68 |
| 2020-21 | 1,45,598 | 19,995 | 29,334 | 505.90 | 96,269 | 156.17 |
| 2021-22 | 2,02,226 | 23,499 | 32,677 | 408.08 | 1,46,050 | 97.97 |
| 2022-23 | 3,09,179 | 30,106 | 66,835 | 346.74 | 2,12,238 | 73.85 |
| 2023-24 | 3,36,394 | 37,901 | 1,19,668 | 358.26 | 1,78,825 | 156.16 |
| **Total** | **11,01,868** | **1,28,956** | **2,67,978** | **1,905.90** | **7,04,934** | **586.83** |

***Source: MIS data as of December 2024.***

It may be seen from the table that in the selected districts, a total expenditure of ₹586.83 crore was incurred on 7.05 lakh incomplete works as of December 2024.

It was observed in audit that the selected districts did not split the incomplete works into annual work element with a distinct annual work identity to complete the works. It was further seen that the number of works remaining incomplete increased from 71,552 in 2019-20 to 2,12,238 during 2022-23 and marginally reduced to 1,78,825 during 2023-24 since the PIAs were allocating new works despite having incomplete works year after the year. The district programme management authorities did not adopt the methodology suggested in the Operational Guidelines for completion of works which were lying incomplete for years together thereby leading to non-creation of durable assets.

The Department stated (June 2025) that instructions had been issued to all districts for completion of incomplete works pertaining to previous financial years through video conference, letters, *etc*.

### *1.2.6.1.2 Pre closure of works and suspended works*

As per Para 6 of the Operational Guidelines 2013, a shelf of projects is to be prepared and prioritised to meet the demand for work by wage seekers.

Analysis of MIS data and information furnished to Audit by the 12 sampled blocks in the selected districts showed that in nine blocks[37], 991 works were pre-closed and shown as completed after incurring expenditure of less than 50 *per cent* of the estimated cost of the works.

[37] Karunabari, Ghilamara, Kakopathar, Itakhuli, Binnakandi, Borkhola, Gossaigaon, Hatidhura and Jamadharhat.

The year wise position of the pre-closed works in nine sampled blocks during 2019-24 is shown in **Table 1.2.16.**

**Table 1.2.16: Year wise position of pre-closed works in sampled blocks**

**(₹ in lakh)**

| Year | No. of works approved | Nos. of works pre-closed and shown as completed after incurring expenditure of less than 50 *per cent* of the estimated cost | Estimated cost of pre-closed works | Expenditure on pre-closed works (*per cent*) |
|---|---|---|---|---|
| 2019-20 | 1364 | 33 | 233.61 | 96.74 (41.41) |
| 2020-21 | 3581 | 747 | 574.26 | 215.82 (37.58) |
| 2021-22 | 1303 | 181 | 325.75 | 119.38 (36.65) |
| 2022-23 | 221 | 23 | 86.15 | 31.32 (36.65) |
| 2023-24 | 164 | 7 | 18.92 | 1.88 (9.96) |
| **Total** | **6,633** | **991** | **1,238.69** | **465.14 (37.55)** |

***Source: Records of the concerned blocks***

Scrutiny of records and the data from the table above showed that out of 6,633 works approved during the period covered in audit, 991 works with estimated cost of ₹12.39 crore were pre-closed after incurring expenditure of ₹4.65 crore (38 *per cent*). No records, however, could be produced to audit for pre-closure of works by the concerned blocks.

Thus, due to pre-closure of works, creation of durable assets as per plan and estimates could not be achieved and indicates that the works were not prioritised to meet the demand for work by the wage seekers.

The Department stated (June 2025) that as per MoRD, GoI provision in NREGASoft., an ongoing scheme may be closed after second geotagging if expenditure exceeds 30 *per cent* of the sanctioned amount. It further stated that schemes with less than 50 *per cent* expenditure against the sanctioned amount, may be closed, after technical vetting, if no further feasibility exists. The Department also assured that a district-level enquiry would be initiated in such cases and action taken against responsible officials.

However, the reply is not acceptable since the department neither provided evidence of either geotagging of the above works or approval of pre-closure by any technical committee.

### *1.2.6.1.3 Geotagging of works under MGNREGA*

As per GoI instructions (15 February 2017 and 15 November 2017), all works under MGNREGA above ₹50,000 except Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) works completed on or after 01 April 2017 should be geotagged in three stages[38], with the final stage to be completed within one month from the date of completion of work.

[38] Before the start of work, at intermediate stage and after completion of the work.

Analysis of MIS data of 12 sampled blocks under six districts showed that 4,443 MGNREGA works above ₹50,000 were completed after 01 April 2017, of which 3,651 works were geo-tagged. The status of the geo-tagged assets in the 12 sampled blocks during 2019-24 is shown in **Table 1.2.17**.

**Table 1.2.17: Status of geo-tagging of assets in the sampled districts**

| District | Total No. of works completed in the selected blocks | Total No. of works completed in the selected blocks with sanctioned amount more than ₹50,000 | Nos. of works geo-tagged after completion | Nos. of works not geo-tagged after completion (*per cent*) |
|---|---|---|---|---|
| Lakhimpur | 2,896 | 879 | 770 | 109 (12) |
| Kokrajhar | 827 | 790 | 673 | 117 (15) |
| Cachar | 460 | 460 | 299 | 161 (35) |
| Karbi Anglong | 938 | 871 | 753 | 118 (14) |
| Tinsukia | 1,165 | 1,096 | 870 | 226 (21) |
| Dhubri | 347 | 347 | 286 | 61 (18) |
| **Total** | **6,633** | **4,443** | **3,651** | **792 (18)** |

***Source: MIS data as of December 2024.***

It may be seen from above that 792 works (18 *per cent*) were still pending to be geo-tagged in violation of GoI's instructions. In the absence of geo-tagging of the completed works, the provisions to facilitate accountability and transparency in the execution of these works had not been adhered to. On enquiry, the sampled districts stated that geo-tagging of all completed schemes would be carried out at the earliest, however, no reasons for delay in geo-tagging the works were furnished.

Out of total 352 sampled works selected for JPV, 43 works were still to be geotagged (December 2024) and of which six works were not in existence. Details of works pending for geotagging are shown in ***Appendix-1.4***.

The Department stated (June 2025) that out of the total 1,710 works, only 306 works were pending for geo-tagging as of 23 May 2025 and out the 43 works covered under JPV only 15 works were pending for geo-tagging as of 23 May 2025.

### *1.2.6.1.4 Findings on execution of works during Joint Physical Verification*

Para 14.1 of the Operational Guidelines, 2013 envisages *inter*-alia creation of durable assets and strengthening the livelihood resource base of the rural poor. The Master Circular – A guide for programme Implementation (2018-2019) issued by GoI, provides that the expected economy, durability and outcome/ productivity of assets created under MGNREGA is minimum five years, including work of 'kutcha' nature. The responsibility of preparing the estimates and giving layout of works for construction/civil works, obtaining necessary technical and administrative approval, execution of work, monitoring and providing technical supervision was assigned to the Junior Engineer (works) as per Para 4.2.5 of the Operational Guidelines of the scheme.

JPV (August – October 2024) of 352 selected works in 47 GPs/VDCs showed the following deficiencies:

- Twenty-five works in 16 GPs/VDCs valuing ₹1.74 crore completed (20 nos.) between 09 April 2021 and 16 August 2024 and ongoing (5 nos.) were found damaged and unusable due to water logging, fishery tank without depth, drainage system not connected to water bodies, *etc*., resulting in wasteful expenditure of ₹1.74 crore (detailed in ***Appendix-1.5***). The photographs of some of these works are shown below.


*Land developed site at Langtuk Engti under Deopani VDC become unusable due to water logging*

*Farm pond at Mon Rongpi without water and fishing activity*


*Construction of earthen peripheral bund from END dyke to Kora Chapori under Barkhamukh GP.*


*The depth of Community fishery tank with plantation near Kulbahadur Chetry land at Mandarkuti under Thakurpur GP was found without depth (Date of completion July 2024).*


*Drainage system from Amguri Mazdur Gaon to Sandeswari Sonowal found silted and covered by thick jungle and not connected to water bodies and paddy field.*


*Agril bund at Dighirpar Abdul Salam house at Beldubi GP found in damaged condition as a plain plot of land.*

- Nineteen drains constructed at a cost of ₹87.36 lakh for the purpose of Micro Irrigation under MGNREGA for the year 2019-24 under eight GPs were found damaged and filled with silted soil, mud, covered with thick jungle and in non-usable condition. Besides, these drains were constructed in village areas which were not connected with any paddy fields and water bodies indicating that it could not have been used for irrigation thereby resulting the entire expenditure of ₹87.36 lakh incurred on Micro Irrigation wasteful (detailed in ***Appendix-1.6***).

The Department stated (June 2025) that the District Commissioners of the concerned districts had been requested to conduct an inquiry in connection with wasteful expenditure incurred on 25 works and 19 drains by a magistrate along with a technical person not below the rank of an Executive Engineer and submit the detailed enquiry report to Commissioner, P&RD at the earliest.

- Out of 352 selected works, the Project Completion Report (PCR) of only 53 works, as prescribed under Para 7.16.1 of the Operational Guidelines, 2013 were made available to audit. The PCR of remaining 299 works (352 works-53 works) though available in the MIS Report website, did not contain details of village, location of work, priority number in 'shelf of works', sanction order No. and date, *etc*.

- As per Para 7.9.1 read with Para 7.9.3 of the Guidelines, *e-muster* (muster rolls) shall be the norm. Only in exceptional circumstances, paper musters can be issued. Further, only those musters that are signed/certified by PO are considered authentic for generation of pay orders before starting a work. Scrutiny of records relating to execution of works covered under JPV showed that 312 *e-musters* against 20 works in four GPs[39] were not certified by the respective POs and pay orders were generated without authentication of the same. Payment of wages without authentication of the e-musters by the concerned POs, is fraught with the risk of use of fake e-muster rolls and fraudulent payment thereagainst.

  The Department stated (June 2025) that e-MR is system generated and attendance of all workers were captured through National Mobile Monitoring System (NMMS) at the work site in real time by Mates/GRS. After completion of working days, PO had verified the filled e-MR through his login and generated the FTO for wage payment and thus PO had authenticated the attendance and the MR and hence there was no scope for generation of fake e-Muster rolls.

  The reply is not acceptable as Operational Guidelines provides that only those musters that are signed/certified by PO before starting a work, are considered authentic for generation of pay orders.

- As per Para 8.8 (ii) of the Operational Guidelines, to ensure timely payments to the workers for the work done, the State shall fix up maximum time limits for each completing process resulting in payment of wages to the wage seekers, in such a way that each wage seeker gets the wage payments for the work done in the week by the end of the subsequent week.

[39] Binnakandi, Pabda, Airkata and Ding Dinga Parwa GPs.

During cross-verification of e-MR with physical MR, it was observed that in four blocks under Lakhimpur and Kokrajhar districts, attendance recorded in the physical MR was not entered into the e-MR for 10,100 mandays of work leading to non-payment of wages amounting to ₹23.41 lakh. It was further observed that the person-days entered into the e-MR did not tally with the person-days recorded in MBs, as shown in **Table 1.2.18**.

**Table 1.2.18: Details of wages not paid against works recorded in MR**

***(In ₹)***

| District | Block | No. of mandays | Amount involved |
|---|---|---|---|
| Lakhimpur | Ghilamara | 4,080 | 9,23,837 |
| | Karunabari | 4,373 | 10,34,182 |
| Kokrajhar | Hatidhura | 1,329 | 3,10,262 |
| | Gossaigaon | 318 | 73,044 |
| **Total** | | **10,100** | **23,41,325** |

***Source: MIS data and records of sampled GPs.***

The Department stated (June 2025) that the process had been initiated to resolve the unpaid wage payments for 10,100 person-days for ₹23.41 lakh in the specified block and explicit instruction were given to accelerate the Aadhaar seeding for the remaining workers and ensure that all pending payments are processed at the earliest.

- The work 'Construction of Agri Bund from Chukia Chapori to Budu Path' under Subansiri GP was executed w.e.f. 20.02.2022 to 26.02.2022. As per work measurement recorded in the MB, the actual volume of the work executed was 2.73 cum. However, the volume of work was recorded as 5.73 cum by tampering the original measurement (2.73cum) of the MB for reasons which could not be explained. Wrong calculation through tampering of the actual volume of work executed resulted in excess expenditure of ₹1.30 lakh.

- Para 7.13.5 of the Guidelines provides that measurement recorded by Technical Assistant/ Overseer/Junior Engineer be checked by authority higher than the measuring officer for effective monitoring and ensuring quality of MGNREGA works. The irregularities noticed in maintenance of MBs/e-MBs in respect of 352 works selected for JPV in the six sampled districts are detailed below in two separate sub paragraphs.

*Irregularities in Cachar, Dhubri, Karbi Anglong and Kokrajhar districts:*

- The measurements recorded in the MBs of 218 works undertaken in four sampled districts were not uploaded into NREGASoft.
- In Cachar district, against 14 works valuing ₹2.04 crore neither physical MBs nor e-MBs were maintained,
- Against execution of 42 works in Cachar (17 works) and Karbi Anglong (25 works) districts valuing ₹3.70 crore, MBs were only partially maintained for ₹1.18 crore and no MBs were maintained for works involving expenditure of ₹2.52 crore.

*Irregularities in Lakhimpur and Tinsukia districts:*

In Lakhimpur and Tinsukia districts, where the measurements were uploaded, it was observed that there were discrepancies in 137 entries against 39 works (28 works in Lakhimpur and 11 works in Tinsukia) between the details recorded in the physical MBs and NREGASoft as detailed below:

- In 39 cases, measurement regarding work done involving 8,320 mandays and valuing ₹18.47 lakh was available in physical MBs but the same were not entered in NREGASoft.
- In nine cases, although no entry was available in the physical MBs, entries of measurement against these works involving 5,148 mandays and valuing ₹11 lakh was uploaded in NREGASoft.
- In 87 cases, work done for 3,007 mandays was entered short in NREGASoft as compared to physical MBs.
- In two cases, work done for 566 mandays was entered excess in NREGASoft as compared to physical MBs.

The Department stated (June 2025) that the matter had been noted for further necessary action.

- ➢ Para 7.10.1 of the Operational Guidelines, 2013 requires that the Citizen Information Board (CIB) with logo must be set up at the work site containing the essential information on the work executed. During JPV, CIB with logo was found only in 67 works (19 *per cent*) and in remaining 285 works (81 *per cent*) CIB with logo was not set up at the work site. Due to non-installation of CIB at the work site, the important information about the work was not made public.
- ➢ Section 17(2) of the MGNREGA 2005 makes it mandatory for the Gram Sabhas to conduct regular social audit of all the projects under the scheme taken up within the Gram Panchayat. During JPV, it was however seen that against 352 selected works, social audit was conducted only against six works (1.7 *per cent*).

The Department stated (June 2025) that as per instruction of MoRD, from the financial year 2025-26 onwards, Social Audit was being planned to be undertaken twice in a year for each GP.

It was further seen that none of the MBs of the works was checked by an authority higher than the measuring officer. Thus, due to the discrepancies between measurements recorded in the physical MBs and measurements entered in NREGASoft and absence of counter-verification of MBs by an authority higher than the measuring officer, the risk of short/excess payment cannot be ruled out.

***1.2.6.1.5 Identification of works for differently abled persons***

Para 9.9 of the Operational Guidelines, 2013 provides for identification of suitable works for differently abled persons.

As reported by the selected GPs, no identification of suitable works for differently abled persons was done. Although the selected GPs provided employment to 43 differently abled workers who had demanded work (out of a total of 122 registered differently abled workers); but suitable works were not identified for them and they were engaged in works applicable for general workers such as construction of paver block roads, MI Bund, Farm Pond, Flood Protection Bund, *etc.*

The Department stated (June 2025) that a total of 24 categories of works had been identified based on the capacity of differently abled persons and the DPC of all districts had been asked (03 June 2025) to designate officer co-ordinator (Vulnerable Groups) in their respective district.

#### *1.2.6.1.6 Non fixation of separate Schedule of Rates*

As per Para 7.7.1 of the Operational Guidelines, 2013 payments to workers based on work valuated using outmoded Schedule of Rates (SoR), which were appropriate for a contractor led, machine based system of implementation, will lead to under payment. In the absence of machines under MGNREGA, the application of these SoRs inevitably leads to underpayment. Hence, there is a need to devise separate SoR for activities that are done manually.

Scrutiny of records however, showed that the State Government had not framed SoR for works to be done manually and instead followed the SoRs of line departments. Absence of the separate SoRs was fraught with the risk of underpayment to MGNREGA workers.

The Department stated (June 2025) that National Institute of Technology (NIT), Silchar had been engaged to conduct Time and Motion Study for formulation of a separate SOR for works to be done manually and final report was awaited from NIT, Silchar.

#### *1.2.6.1.7 Improvement of infrastructure at village level under sanitation*

As per paragraph 4 (1) (IV) (i) of Schedule- I of the MGNREG Act, 2005, the focus of the scheme shall be on rural sanitation related works, such as, individual household latrines, school toilets, anganwadi toilets, solid and liquid waste management works, *etc*., in proposed or completed Nirmal Grams which can be taken up either independently or in convergence with schemes of other Government Departments to achieve 'open defecation free' (ODF) status. Swaach Bharat Mission, Grameen Phase-II operational guidelines set the target of making all villages 'ODF Plus' by 2024-25. The guidelines (Chapter 4), defines ODF plus village as 'A village which sustains its ODF status, ensures solid and liquid waste management and is visually clean'.

In the selected districts, the percentage of works taken up relating to rural sanitation was very low (4.23 to 9.23 *per cent)* during the audit period. Against a total expenditure of ₹1,951 crore incurred, expenditure towards sanitation works was to the extent of 0.03 *per cent* (₹0.66 crore) only. Besides, there was no convergence with other sanitation programme, such as Swachh Bharat Mission (Gramin) for undertaking sanitation related works in the sampled districts. This led to low percentage of villages achieveing ODF Plus Model Village status during the period covered in audit.

Status of 'ODF Plus' villages in Assam as on 15 January 2025 as per the data available at the Swachh Bharat Mission, Grameen website is shown in **Table 1.2.19**.

**Table 1.2.19: Status of 'ODF Plus' villages in the State and sampled Districts.**

| District | Total No. of Villages | ODF Plus Model Villages | ODF Plus Rising Villages | ODF Plus Aspiring Villages | Total ODF Plus Villages (Col 3 to 5) |
|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 |
| **State as a whole** | **25,368** | **19,173** | **1,343** | **4,658** | **25,174** |
| **Cachar** | 1,018 | 994 | 0 | 17 | 1,011 |
| **Dhubri** | 905 | 905 | 0 | 0 | 905 |
| **Karbi Anglong** | 2,172 | 2 | 954 | 1,099 | 2,055 |
| **Tinsukia** | 1,137 | 1,137 | 0 | 0 | 1,137 |
| **Kokrajhar** | 1,054 | 0 | 0 | 1,051 | 1,051 |
| **Lakhimpur** | 1,123 | 1,123 | 0 | 0 | 1,123 |
| **Total** | **7,409** | **4,161** | **954** | **2,167** | **7,282** |

***Source: Dashboard of Swachh Bharat Mission, Grameen***

It can be seen from the table above that 6,195 villages[40] (24 *per cent*) in the State are yet to achieve the status of 'ODF Plus Model Village'. In the selected districts, 3,248 villages[41] (44 *per cent*) were yet to achieve the ODF Plus Model Village status.

Thus, low prioritisation of sanitation works and the absence of convergence with other programmes resulted in substantial number of villages not achieving OPD Plus Model status.

The Department stated (June 2025) that 3,340 community soak pits were constructed under MGNREGA; however, due to low sanctioned amount and high material component, such works received less focus. It further stated that new targets for creation of solid and liquid waste management (SLWM) assets under MGNREGA, from Swachh Bharat Mission (Grameen), Assam had been communicated (13 May 2025) to the districts.

However, the fact remained that despite undertaking permissible sanitation related activities, a substantial number of villages did not achieve ODF Plus Model status, reflecting inadequate planning and lack of effective convergence of sanitation activities with other departments.

#### 1.2.6.2 Convergence between MGNREGA and other Programmes/Schemes

The objectives of MGNREGA, namely creation of durable assets and securing livelihood of rural households, can be facilitated through convergence of MGNREGA works with resources of other programmes/schemes available with panchayats and other line departments. These resources are not restricted to availability of funds but

[40] 25,368 villages - 19,173 villages.
[41] 7,409 villages - 4,161 villages.

include technical expertise and knowhow that officials of the line departments may be endowed with.

As per Para 15.3.1.3 of the Operational Guidelines, 2013 planning for works and managing the convergence would require institutional arrangements for proper coordination at district, block and village level. Resource Groups (RG) at the district, block and village level will ensure that technical quality of the convergence project will be maintained, works selected by Gram Sabha under MGNREGA and the work taken up by the line department that is proposed for convergence are compatible with each other and implementation of programmes identified for convergence respectively.

Except for convergence with PMAY-G and a Bamboo plantation work taken up in collaboration with Assam Bio-Refinery Private Limited and Assam Rural Livelihood Mission during the year 2024-25, no other convergence activity was taken up with other departments for execution of major schemes like PMGSY, NRLM, *etc.,* under MGNREGA during 2019-2024. No records were shown to audit in the selected GPs/VDCs for identification and inclusion of project for convergence in the annual shelf of project. This indicated that effective steps for inter departmental convergence was lacking. Thus, institutional arrangement for execution of the convergence model and identification of projects for convergence was lacking in the State.

The Department stated (June 2025) that the P&RD Department had taken up various initiatives on convergence with various departments and discussions had been held with departments like Animal Husbandry and Veterinary, Dairy, Forest, Agriculture, Sericulture, Assam Agricultural University, Assam Bio-Refinery Private Limited *etc*. It was also stated in reply that in the previous financial year initiatives were taken for convergence of schemes such as providing unskilled wages to PMAY-G beneficiaries, Bamboo Plantation with Assam Bio-Refinery Private Limited, Construction of Cattle and Piggery Shed in convergence with Animal Husbandry and Veterinary and Dairy Department and convergence initiative for plantation of *Som, Suwalu, Kessaru, Champa, etc*., under MGNREGA in sericulture vacant land.

The reply of the department reflects that, although certain initiative had been taken for convergence with other schemes, no evidence was furnished to establish that such convergence had been institutionalised through systematic planning and project identification at the GP/VDC, block and district levels as envisaged in the Guidelines.

### 1.2.6.3 Conclusion

The scheme implementation showed serious lacunae leading to non-completion of a substantial number of works. Several works executed in the test checked GPs/VDCs were without adequate planning and technical scrutiny leading to pre-closure of works. Eighteen *per cent* of the works completed in the selected blocks were yet to be geotagged. Efforts towards ensuring convergence of MGNREGA works with resources of other programmes/schemes available with panchayat and other line departments of Government for sustainable livelihood to the targeted rural community were deficient. These point towards the fact that Operational Guidelines were not being followed to ensure transparency in implementation of the scheme.

### 1.2.6.4 Recommendations

***The Government may***

- ***prepare the estimates for works in a realistic manner after making proper analysis of requisite work and ensure timely completion.***
- ***ensure geotagging of completed works in compliance with GoI instructions.***
- ***install CIB at the work site to facilitate dissemination of the essential information about the work to be executed.***
- ***ensure convergence of MGNREGA works with resources of other programmes/ schemes available with panchayat and other line departments of Government for providing sustainable livelihood to the targeted rural community.***

**Audit Objective 4: To assess whether appropriate and adequate monitoring, social audit and grievance redressal systems were in place and functioning as envisaged to achieve greater transparency and accountability.**

## 1.2.7 Monitoring, Social Audit and Grievance Redressal

### 1.2.7.1 Monitoring

The substantial funds involved in the implementation of MGNREGA coupled with its implementation across the State makes the monitoring and evaluation of the scheme challenging. It was thus imperative to have a robust and efficient monitoring, evaluation and review mechanism of the scheme.

#### *1.2.7.1.1 Monitoring at Block and GP level*

The Operational Guidelines, 2013 provide for monitoring, supervision of implementation of works taken up under MGNREGA at various levels. The GP is responsible for monitoring the implementation at the village level and the progress of MGNREGA is to be reviewed once in a month by each level of Panchayat. Para 2.2.1 (iv) of the Guidelines assigns the responsibility for monitoring and supervising the implementation of works to POs and Para 2.3.1 of the Operational Guidelines entrusts the DPCs with the responsibility of monitoring the implementation of the scheme in the districts. Further, as per Para 14.7 of Guidelines, a State Quality Monitoring Unit comprising of a State Quality Monitor (SQM) for each district in the State and a Nodal Officer of the rank of at least Superintending Engineer to be designated as Director (QM). The Director (QM) will coordinate the work of all SQMs in the State.

No records, however, were made available to audit to support that monitoring was carried out at district/block and GP level. In reply to audit query, the Assistant Development Commissioner, P&RD Department, Assam stated (October 2024) that the monitoring reports were submitted online through 'Area Officer App'[42] at the district level and the district authorities held video conferencing (VC) with BDOs/block officials for monitoring. According to Area Officer App, the annual target of visits was fixed at 120 (total 600 for five years) in respect of DPC/ADPC/EE/AE/JE. However, no physical monitoring report could be made available to audit.

Scrutiny of data from the 'Area Officer App' regarding work site visits of MGNREGA works by the DPCs, ADPCs, Executive Engineers/Assistant Engineers/Junior Engineers in the State during the period 2019-20 to 2023-24 showed that there was huge shortfall in site visits by the concerned stakeholders in the as shown in **Table 1.2.20.**

**Table 1.2.20: Details of site visits by concerned stakeholders in the State and sampled Districts**

| State | DPC | | ADPC[43] | | Executive Engineer | | AE | | JE | | Others |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Target | Work site visited | Target | Work site visited | Target | Work site visited | Target | Work site visited | Target | Work site visited | work site visited |
| State as a Whole | 21,000 | 670 | 21,000 | 3,878 | 21,000 | 1,259 | 21,000 | 3,532 | 21,000 | 255 | 1,673 |
| (Shortfall in percentage) | | (97) | | (82) | | (94) | | (83) | | (99) | - |
| | | | | | | | | | | | |
| **Selected Districts** | **DPC** | | **ADPC** | | **Executive Engineer** | | **AE** | | **JE** | | **Others** |
| | **Target** | **Work site visited** | **Target** | **Work site visited** | **Target** | **Work site visited** | **Target** | **Work site visited** | **Target** | **Work site visited** | **work site visited** |
| Cachar | 600 | 9 | 600 | 8 | 600 | 0 | 600 | 90 | 600 | 0 | 79 |
| Dhubri | 600 | 12 | 600 | 63 | 600 | 0 | 600 | 64 | 600 | 0 | 0 |
| Karbi Anglong | 600 | 0 | 600 | 40 | 600 | 13 | 600 | 77 | 600 | 3 | 90 |
| Kokrajhar | 600 | 0 | 600 | 39 | 600 | 0 | 600 | 37 | 600 | 0 | 0 |
| Lakhimpur | 600 | 101 | 600 | 172 | 600 | 152 | 600 | 247 | 600 | 0 | 36 |
| Tinsukia | 600 | 7 | 600 | 33 | 600 | 4 | 600 | 116 | 600 | 16 | 7 |
| **Selected District** | **3,600** | **129** | **3,600** | **355** | **3,600** | **169** | **3,600** | **631** | **3,600** | **19** | **212** |
| **(Shortfall in percentage)** | | **(96)** | | **(90)** | | **(95)** | | **(82)** | | **(99)** | **-** |

***Source: Dashboard of Area Officer 2.0 portal Dashboard (areaofficer.nic.in/report)***

It may be seen from the table above that out of targeted 21,000 work site visits in the State during 2019-20 to 2023-24 for the DPC/ADPC/EE/AE/JE, the shortfall in site visits ranged from 82 *per cent* to 99 *per cent* at the State level. Similarly, out of

[42] The "Area Officer App" is a mobile application. App was launched by MoRD, to facilitate the officials of the State/UT to record their field visit findings of Rural Development schemes online where officers of different ranks from Commissioner, DPC, CEO, PDs, BDOs and Executive Engineers/ Assistant Engineers/ Junior Engineers have been registered. It facilitates the supervisory officers to record their findings online along with time-stamped and geo-coordinate tagged photographs for all the schemes of MGNREGA. GoA has ensured use of this App by different officers right from top to bottom.

[43] Additional District Programme Co-ordinator.

targeted 3,600 work site visits in the selected districts during 2019-20 to 2023-24, there were shortfalls ranging from 82 *per cent* to 99 *per cent*.

Further, State Quality Monitoring Unit in the State and State Quality Monitor for each district in the State were non-existent. Only a technical cell had been constituted at the State Headquarters headed by the Chief Engineer which carried out enquiry of irregularities on execution of schemes at the field level. Thus, independent quality monitoring of works in the State by a nodal unit, including proper monitoring at all the levels, was deficient leading to irregularities in execution of the scheme as elaborated in different paragraphs[44] of this report.

During Exit Conference, the Department stated (June 2025) that earlier MGNREGA and PMAY-G were having a combined target and now targets were separated since 2024 and the sudden doubling of targets led to shortfall in monitoring. The Department also stated that State Quality Monitoring Unit was formed at State level while District Quality Monitoring Units were still to be formed.

#### *1.2.7.1.2 Preparation of Citizens' Charter*

As per Para 13.12.1 of the Operational Guidelines, the Citizens' Charter shall cover all aspects of the duties of Panchayats and officials under the Act. It should describe the specific steps involved in implementing the provisions of the Act, and lay down the minimum service levels mandated by these provisions on the Panchayats and the officers concerned.

Scrutiny of records showed that out of 47 selected GPs/VDCs, only 17 GPs/VDCs[45] (36 *per cent*) prepared the Citizens' Charter. In the absence of the Citizens' Charter in the remaining 29 GPs/VDCs, transparency in implementation of the provisions of the Act at the grassroots level was weakened.

The Department stated (June 2025) that the point has been noted for future course of action.

#### *1.2.7.1.3 Vigilance Mechanism*

As per Para 13.6.1 of the guidelines, all States shall make an arrangement for a three-tier vigilance mechanism (State Level Vigilance Cell, District Vigilance cell and at Local level, Vigilance and Monitoring Committee) to proactively detect irregularities in the implementation of the Act and to follow up detected irregularities and malfeasance, including those identified during social audit, and ensure that the guilty are punished and recoveries of misspent funds duly made.

In reply to an audit query, Joint Commissioner, P&RD Department, Assam stated (October 2024) that a proposal has been submitted to the GoA to form Vigilance and

[44] 1.2.6.1.1, 1.2.6.1.2, 1.2.6.1.3 and 1.2.6.1.4

[45] Lakhipathar, Langkashi, Tengapani, Maithong, Purani Pukhuri and Tongana under Tinsukia district, Airkata, Beldubi, Chirakuti, Dingdinga Parowa, Boyzeralga, Nayeralga and Kazaikata Suapata under Dhubri district, Joypur, Habrubil, Panbari and Satyapur under Kokrajhar district.

Monitoring Committees in different districts for implementation of schemes under the MGNREGA and it is currently under process at the Government level. Thus, it was seen that a three tier vigilance mechanism was not in place in the State and vigilance cells were not created at any level of implementation of the programme.

In absence of a vigilance mechanism, irregularities in implementation of scheme as detailed in this Report remained undetected. Further, there was no follow up of irregularities detected in social audit as elaborated in Paragraph 1.2.7.2.2.

In reply, the Department stated (June 2025) that the point had been noted for necessary action.

#### *1.2.7.1.4 Structural Mechanism for Monitoring*

Section 12 of the Act provides for setting up of a State Employment Guarantee Council (SEGC) (or 'State Council') by every State Government. The SEGC was to advise the State Government on the implementation of the scheme, review the monitoring and redressal mechanisms and suggest improvements, evaluate and monitor the scheme within the State, recommend the proposals of works to be submitted to the Central Government, promote widest possible dissemination of information about this Act and the Schemes under it and prepare the annual report to be laid before the State Legislature by the State Government.

Scrutiny of records showed that the State Government had set up (March 2013) the State Employment Guarantee Authority (SEGA) to advise the State Government on all matters concerning the scheme, recommend the proposals of works to be submitted to the Central Government, promote widest possible dissemination of information and to prepare the annual report to be laid before the State Legislature. The SEGA was required to meet once in every three months.

Audit observed that the SEGA met only once in a year during the years 2019-20, 2020-21 and 2023-24, twice in 2022-23 and did not hold any meeting in 2021-22, against the prescribed norm of one meeting every three months. The inconsistent meetings of SEGA indicated lack of willingness of SEGA to advise the State Government on matters concerning the implementation of the Act.

The Department stated (June 2025) that SEGA met only once in a year during the period 2019-24 due to administrative constraints and unforeseen circumstances including disruptions caused by COVID 19 and the State Government was taking corrective steps to ensure regular convening of SEGA meetings in line with the prescribed norms.

### 1.2.7.2 Social Audit

Section 17 of the Act states that the Gram Sabha would monitor the execution of works within the GP, conduct regular social audit of all the projects under the scheme taken up within the GP. The Department of Panchayat and Rural Development, Assam set up the Assam Society for Social Audit (ASSA), in December 2016 and notified (22 November 2017) the Guidelines (also called Rules) for Social Audit under Section 17 of the Act. However, the registration of ASSA was only up to 02 December 2019 and had not been renewed thereafter (February 2025).

The Department stated (June 2025) that renewal of Society registration will be completed shortly as per Rule.

#### *1.2.7.2.1 Shortfall in required Social Audit*

As per Para 13.1.1 & 13.2.2 of the Operational Guidelines, 2013, Social Audit Unit shall identify appropriate number of Resource persons at State, district, block and GP levels to facilitate Gram Sabha in conducting social audit. Social Audit has the following dimensions:

- As a continuous and ongoing process, involving public vigilance and verification of quantity and quality of works at different states of implementation and
- As a process, it is to be conducted in every GP at least once in six months, involving a mandatory review of all aspects.

The position of coverage of GPs in Social Audit by the Assam Society for Social Audit (ASSA) during the period 2019-24 is given in **Table 1.2.21.**

**Table 1.2.21: Year wise position of coverage of GPs in the State**

| Year | Total number of GPs | | | Shortfall in coverage (*per cent*) | Nos. of selected GPs covered in Social Audit[46] | Shortfall in coverage of selected GP | *Per cent* shortfall in coverage of selected GPs. |
|---|---|---|---|---|---|---|---|
| | in the State | planned for Social Audit | covered in Social Audit | | | | |
| **1** | **2** | **3** | **4** | **5** | **6** | **7** | **8(7/47*100)** |
| 2019-20 | 2,661 | 1,584 | 1,542 | 1,119 (42) | 23 | 24 | *51* |
| 2020-21 | 2,661 | 702 | 542 | 2,119 (80) | 20 | 27 | *57* |
| 2021-22 | 2,661 | 1,626 | 1,626 | 1,035 (39) | 33 | 14 | *30* |
| 2022-23 | 2,661 | 2,661 | 2,661 | 0 (0) | 41 | 6 | *13* |
| 2023-24 | 2,661 | 2,661 | 2,593 | 68 (3) | 36 | 11 | *23* |

***Source: Information furnished by the Social Audit Directorate, Assam and selected GPs.***

It can be seen from the above table that against the provision of conducting Social Audit of each GP once in six months, 1,584 GPs, 702 GPs and 1,626 GPs were planned to be covered during 2019-22. However, except for the year 2022-23, ASSA did not achieve its target in any year, with shortfalls ranging between three and 80 *per cent* for the State.

Further, in the selected GPs, shortfall ranging between 13 *per cent* and 57 *per cent,* were observed in achieving the social audit target during the period covered by audit. In view of shortfalls in the selected GPs even during 2022-23, the report of cent *per cent* coverage of GPs in the State during 2022-23, furnished by the Social Audit Directorate, Assam (**Table 1.2.21)**, was not found reliable.

The Department stated (June 2025) that due to outbreak of COVID 19 and imposition of Model Code of Conduct for State Assembly Election in 2021 and Lok Sabha

[46] Out of 47 selected GP/VDCs

Election in 2019 and 2024, there was shortfall in coverage GPs in Social Audit as pointed out by audit. It also stated that in the financial year 2024-25, Social Audit has been conducted in all the 2661 GPs (100 *per cent*) of the State. The MIS data as on 25 June 2025, however, showed that during 2024-25, Social Audit of 2,647 GPs were conducted only once in a year instead of twice during the year and Social Audit of only two GPs were conducted twice during 2024-25.

#### *1.2.7.2.2 Follow up of Social Audit Reports*

Para 13.4.4 of the Operational Guidelines, 2013 envisaged that the State Government shall be responsible to take follow up action on the findings of social audit. Para 13.4.3 of the Guidelines also specifies that the Social Audit Unit shall be responsible to host the social audit reports including action taken reports in the public domain. Further, as per Para 13.4.5 of Guidelines, SEGC shall monitor the action taken by the State Government on previous audit reports and incorporate the Action taken Report in the annual report to be laid before the State Legislature by the State Government.

The position of settlement of Social Audit observations raised in the State is shown in **Table 1.2.22.**

**Table 1.2.22: Year wise position of settlement of Social Audit observations in the State**

| Year | Social Audit Observations raised | Social Audit observations settled | Outstanding Social Audit observations | Percentage of outstanding Social Audit observations |
|---|---|---|---|---|
| 2019-20 | 1,502 | 987 | 515 | 34 |
| 2020-21 | 1,970 | 1,858 | 112 | 6 |
| 2021-22 | 6,080 | 5,024 | 1,056 | 17 |
| 2022-23 | 11,209 | 6,113 | 5,096 | 45 |
| 2023-24 | 8,524 | 2,684 | 5,840 | 69 |

***Source: Information furnished by ASSA.***

As seen from above, a considerable number of social audit observations raised during the period covered in audit were yet to be settled (September 2024).

SEGA did not monitor the action taken by the State Government on Social Audit Reports and no Action Taken Report was incorporated in the Annual Report laid before the State Legislature by the State Government. In the selected GPs, no records were shown to show that findings of Social Audit had been discussed in the Gram Sabhas. This indicated that follow up action on previous reports of Social Audit was not in place.

The Department stated (June 2025) that DPC/PO had responded to observation raised in Social Audit through MIS regularly and the percentage of outstanding social audit observations as of May 2025 ranged between 4.5 and 45 *per cent* during the years 2019-2024 against six and 69 *per cent* reflected in the Report.

Although there was decrease in the percentage of outstanding social audit observations, a considerable number of observations were still outstanding for settlement.

### 1.2.7.3 Grievance Redressal Mechanism

As per section 19 of the Act, the State Government shall by rules, determine appropriate grievance redressal mechanisms at the block level and district level for dealing with any complaint by any person in respect of implementation of the Scheme and lay down the procedure for disposal such complaints. Para 13.13.1(i) of MGNREGA Guidelines, 2013 provides for multiple modes of complaints for registering a complaint with the Programme Officer and will include written complaints and complaints made through telephone help lines. Further, Complaint Registers are to be maintained at district, block and GP levels.

Audit scrutiny showed that the Rules for Grievance Redressal was yet to be formulated. The empowered committee of MoRD, GoI, in its meeting held on 16 December 2022 also reiterated the requirement of notifying the rules by the State Government. However, the State Government was yet to formulate and notify (December 2024) the Rules for Grievance Redressal.

Complaint Registers were maintained only in three (50 *per cent*) out of six selected districts, four (33 *per cent*) out of 12 selected blocks and 32 (68 *per cent*) out of 47 selected GPs/VDCs respectively. At the Commissionerate level, on enquiry, the Assistant Development Commissioner, P&RD Department, Assam stated (October 2024) that complaints were received through 'Telephonic Help Desk' (THD) system only. However, the records/report of receiving complaints through THD and disposal thereof could not be made available to audit.

Further, as per MIS data, a total of 720 complaints were received in the State out of which 484 cases had been disposed and 236 cases (33 *per cent*) were still pending to be disposed (December 2024).

Thus, the grievance redressal mechanism in the State was inadequate due to weak monitoring and poor record maintenance, requiring strengthening of systems for prompt disposal of grievances.

The Department stated (June 2025) that it had a grievance redressal mechanism at multiple level but admitted that Complaint Registers were not uniformly maintained across all districts, blocks and GPs and that training is being imparted to the field functionaries on record keeping and reporting protocols.

### 1.2.7.4 Ombudsman system

As per Para 13.14.1 of the guidelines, in keeping with the principles of transparency and accountability, the State Government will establish the office of Ombudsman in all districts for expeditious redressal of grievances regarding implementation of MGNREG Scheme. Depending on requirement, the States may initially appoint one Ombudsman for two districts and watch the workload.

Audit observed that the State Government had engaged 27 Ombudsman in 27 districts (77 *per cent*), including five selected districts[47] for redressal of grievances. However, although the Ombudsmen had been appointed in all five selected districts, only the Ombudsman in Dhubri district carried out the activities for redressal of grievances, while the Ombudsman in the remaining four districts did not carry out any activities.

Thus, non-establishment of the offices of Ombudsman in the remaining eight districts indicates that the Department was not following the provisions of Guidelines for expeditious settlement of grievances regarding implementation of MGNREGA.

The Department stated (June 2025) that the State had 26 Ombudspersons who were posted in 35 districts of Assam with additional charge of nine districts and recruitment in those nine districts were under process. It was also stated that vacancy in the post of Ombudsman occur frequently as persons appointed in the post did not complete their tenure due to health and other issues.

### 1.2.8 Conclusion

The envisaged monitoring and grievance redressal mechanism was practically non-functional. SEGA did not perform the role of advisory to the Government satisfactorily on various matters relating to implementation of schemes. There were shortcomings in number of social audits carried out and settlements of observations raised in social audit Reports.

### 1.2.9 *Recommendations*

***The Government may***

- ***ensure setting up of State Quality Monitoring Unit with State Quality Monitors for each districts in the State to ensure quality monitoring by external monitors.***
- ***evolve a mechanism to conduct social audit of all the GPs and ensure the timely settlement of observations raised in social audit Reports.***
- ***intensively monitor the scheme through SEGA for proper implementation.***
- ***formulate and notify rules to establish Grievance Redressal mechanism.***

[47] Dhubri, Lakhimpur, Cachar, Karbi Anglong and Kokrajhar.

## Compliance Audit Paragraphs

## Medical Education and Research Department

### 1.3.1 Unfruitful expenditure

**Health and Family Welfare Department, Government of Assam did not put to use the ancillary works executed at a cost of ₹1.62 crore due to demolition of the same for construction of new Medical College and Hospital rendering the expenditure incurred on the works unfruitful.**

Rule 466(1) of Assam Financial Rules (AFR), 1939 stipulates that every public officer should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money.

The Health and Family Welfare (H&FW) Department[48], Government of Assam (GoA) accorded (February 2021) administrative approval (AA) of ₹998.30 crore for construction of new Medical College and Hospital (MC&H) in Mohendra Mohan Choudhury Hospital (MMCH) and Kalapahar Campus along with 800 bedded General Hospital at MMCH campus in Guwahati. The AA contained the condition, *inter alia*, to the Public Works Department (PWD) that "there should be no duplication of the aforesaid work *vis-à-vis* any other work undertaken in the institution". The estimate for the new MC&H at MMCH campus was prepared (February 2021) by the Executive Engineer (EE), Office of the Chief Engineer, PWD (Building), Assam covering the whole area of the MMCH and demolishing all the existing buildings except Bagri Building[49].

Audit observed (October 2023) that after accordance of approval for construction of new MC&H, two Pressure Swing Absorption Oxygen Generation Plant[50] (PSAOGPs) were installed at MMCH campus by H&FW Department. Subsequently, for commissioning the PSAOGPs, on the ground of surge of COVID-19 pandemic, H&FW Department issued (July 2021) go-ahead to PWD (Building) for taking up ancillary works *viz.*, civil, electrical and oxygen pipeline works in 18 hospitals across the State, including MMCH. The purpose of taking up the ancillary works was to facilitate supply of oxygen directly through pipeline from the already installed PSAOGP.

Audit further observed that the EE prepared (November 2021) the estimates for four ancillary works at MMCH valued ₹2.04 crore, which included installation of two DG

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[48] H&FW Department was reorganised into two separate Departments namely (i) H& FW Department and (ii) Medical Education & Research Department *vide* GoA's notification No. AR 28/2022/6 dated 05 May 2022.

[49] Being used as a Covid 19 maternal and child Ward of MMCH upto June 2021. Thereafter, the building was to be used by Mission Smile (an NGO) and a portion by MMCH for office purpose.

[50] One oxygen generation plant of 1,000 LMP installed (30.04.2021) by M/s Premier Cryogenics Ltd. for ₹2.07 crore and another one of 333 LMP was donated by M/s LEHS I WISH, New Delhi.

sets worth ₹42.45 lakh[51]. The ancillary works were executed during November to December 2021 by incurring an expenditure of ₹2.04 crore as detailed in ***Appendix-1.7***. The EE handed over the completed work to the Additional Superintendent, MMCH during February 2022.

The ancillary works, however, could not be put to use as the MMCH was closed for construction of the 800 bedded hospital and the Doctors and staffs of the MMCH were already directed (December 2021) to join different health centres by 31 December 2021. The construction of new MC&H at MMCH commenced on 27 January 2022 and except the Bagri building, two DG sets and PSAOGPs, all the existing structures including the four ancillary works were demolished. The DG sets and PSAOGPs were subsequently shifted to Dhubri Medical College and Hospital and Guwahati Medical College and Hospital respectively.

In this context, Audit observed the following:

- GoA already accorded (February 2021) AA to construct new MC&H by demolishing all the existing building of MMCH campus during the Covid-19 period itself with the condition that no other work would be undertaken in the campus. The decision of the Department to include (July 2021) MMCH in the list of 18 hospitals across the State to facilitate supply of oxygen directly through pipeline without consulting relevant stakeholders was not justified.
- The delayed action on the part of the EE of taking up (November 2021) the ancillary works on receipt (July 2021) of go-ahead order for execution of the work and also delay in handing over (February 2022) of the works after completion (December 2021) indicated that there was no immediate need to take up the ancillary works urgently. Lack of urgency in executing the work despite being authorised in July 2021 pointed towards procedural inefficiencies in PWD's project execution framework.
- Further, handing over the completed work by the EE to the Additional Superintendent, MMCH in February 2022 after closure of the hospital and shifting of the existing Doctors and staffs in December 2021 to other hospitals indicated lack of co-ordination between the two Departments involved.
- Audit also observed that lack of coordination between H&FW Department and PWD (Building) led to the contradictory approval of ancillary works. There was lack of timely communication between Departments regarding project timelines and scope changes. The Decision-making was based on short-term needs without aligning with the long-term project plans by H&FW.

[51] One 250 KVA DG Set for 1,000 LPM Oxygen Generator Plant valuing ₹30 lakh and one 100 KVA DG Set for 333 LPM Oxygen Generator Plant valuing ₹12.45 lakh.

- Absence of due diligence in assessing the feasibility and utility of the ancillary works in light of the impending demolition and construction activities indicated lack of proper need assessment before including MMCH in the project.
- Hasty decision-making by the H&FW Department without consulting relevant stakeholders regarding the utility of the ancillary works highlighted the failure to account for the upcoming closure of MMCH and relocation of staff, which rendered the works redundant. Besides, there was failure to incorporate updates about MMCH's closure into project planning and execution, which indicated absence of a centralised monitoring and decision-making framework for large-scale infrastructure projects.

Thus, the H&FW Department's decision to execute ancillary works in the MMCH campus during its Covid-19 closure for new M&CH construction proved injudicious. The subsequent demolition of these unused ancillary works rendered the expenditure of ₹1.62 crore[52] unfruitful, as the works were not put to use and were later demolished for construction of new MC&H.

GoA, in reply, stated (July 2025) that to supply oxygen through pipeline to Covid-19 patients in their ward as well as to those in the ICUs seemed to be the most feasible solutions especially in the hospitals where the oxygen generation plants were already installed. It was also added that the ancillary works were integral and crucial component of the PSA oxygen generation plant for building complete ecosystem to extract the optimal benefit of the project.

The reply is, however, not tenable as the ancillary works were completed only during November – December 2021 and handed over to the MMCH authority in February 2022 *i.e.*, after closure of services of MMCH and no Covid-19 patients were admitted in MMCH since June 2021. As a result, the ancillary works were not put to use and the same were demolished for construction of new MC&H.

**Public Works (Building & NH) Department and Tea Tribes and Adivasi Welfare Department**

### 1.3.2 Avoidable extra expenditure

**The implementing agencies finalised tender based on the faulty estimate prepared by the Executive Engineer (EE), PWD (Building), Capital Construction Division[53], Guwahati leading to an extra expenditure of ₹2.07 crore, which was avoidable.**

Rule 466 (1) of the Assam Financial Rules (AFR), 1939 stipulates that every public officer should exert same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure of

[52] ₹2.04 crore *minus* ₹42.45 lakh being the value of two DG sets.

[53] Renamed as Dispur and Dimoria Territorial Building Division vide Notification No. ECF No. 431621/1 dated 11 March 2024.

his own money. Rule 248 of AFR, 1939 provides that the estimated rates should generally agree with the schedule of rates or else the rates allowed should be with proper justification/ analysis.

Further, GoA, Public Works Department (Building & National Highways) notified (June 2021) that SoR used by CPWD will be adopted for execution of all works (Civil, Sanitary, Water Supply and Electrical) under Assam PWD (Building).

Directorate of Tea Tribes Welfare[54], Assam took up (September 2022) the scheme 'Installation of Permanent Structural Hoardings for Publicity of Welfare Schemes for Tea Tribes in all the 1,100 Tea Gardens of Assam' with a budgetary provision of ₹seven crore for the year 2022-23. The Director allotted (October 2022) the work to the Assam Government Marketing Corporation (AGMC) Limited, Guwahati, with the concurrence of the Finance Department, who got the estimates prepared through the Executive Engineer (EE), PWD (Building), Capital Construction Division, Dispur, Guwahati for an amount of ₹1.02 lakh per Hoarding (cost of civil work - ₹0.90 lakh and cost of two sets of Solar Electric Lights - ₹0.12 lakh).

On receipt of approval (November 2022) of the Plan and Estimates, the AGMC Limited invited (November 2022) bids through Government e-Marketplace (GeM) portal. Out of the three technically qualified bidders, AGMC awarded the work to Metro Traders, being the lowest bidder for installation 618 hoardings in Tea Gardens in the 1st Phase at a bid value of ₹1,01,790 per hoarding for completion within November 2023. On completion of the work between September-November 2023, the AGMC submitted (December 2023) bills worth ₹6.29 crore[55] to the Director, who made (March 2024) payment of ₹6.08 crore to AGMC Limited.

As per the estimated provisions, the item rates of the approved estimate were based on Delhi Schedule of Rates (DSR), 2021 and analysed/ market rates. Audit, however, observed that the item rates allowed in the approved estimate were higher than the admissible rates as per DSR 2021 and also contained totalling mistakes in the analysis of rates. As a result, for installation of each hoarding, against the actual estimated cost of ₹68,824, the estimated rate was ₹1,02,315, an inflation of ₹33,491 (48.66 *per cent*) per hoarding as detailed in **Table 1.3.1**:

**Table 1.3.1: Hoarding wise details of analysis of rates**

**(Amount in ₹)**

| Sl. No. | Rates allowed in the approved estimate | | | | | | Estimated cost based on DSR/ analysis of rates | |
|---|---|---|---|---|---|---|---|---|
| | DSR item code | Description of item | Unit | Qty | Rate | Amount | Rate | Amount |
| 1. | DSR/2.6.1 | Earth work in excavation by mechanical means (exceeding 30 cm in depth, 1.5 m width and 10 | Cum | 1.30 | 752 | 975 | 205.45 | 267 |

[54] Renamed as 'Director, Tea Tribes and Adivasi Welfare' w.e.f. 13.04.2023.

[55] ₹1,01,790 x 618 hoardings.

| Sl. No. | Rates allowed in the approved estimate | | | | | | Estimated cost based on DSR/ analysis of rates | |
|---|---|---|---|---|---|---|---|---|
| | DSR item code | Description of item | Unit | Qty | Rate | Amount | Rate | Amount |
| | | sqm on plan) including disposal of excavated earth up to lead of 50 m and lift up to 1.5m. | | | | | | |
| 2. | DSR/4.1.5 | Providing and Laying in position cement concrete excluding the cost of centering and shuttering up to plinth level: 1:3:6. | Cum | 1.32 | 9,600 | 12,672 | 6,833.40 | 9,020 |
| 3. | DSR/5.9 | Centering and shuttering including strutting, propping, *etc*., and removal of form for 5.9.1 Foundations, footings, bases of columns, *etc*., for mass concrete. | Sqm | 0.48 | 307.95 | 148 | 307.95 | 148 |
| 4. | DSR/10.1 | Structural steel work in single section, fixed with or without connection plate, including cutting, hoisting, fixing in position and supplying a printing coat of approved steel primer. | Kg | 380.50 | 145 | 55,173 | 93.05 | 35,406 |
| 5. | Analysis of Rate **(Appendix-1.8)** | Printing, framing and fixing of flex including local carriage, *etc*., and dismantling after the function is over. | Sqm | 13.12 | 1512.76 | 19,847 | 799[56] | 10483 |
| 6. | Market Rate | Maintenance of hoardings up to three years. | Each | 1.00 | 1,500 | 1,500 | 1500 | 1500 |
| **Cost of Civil Works** | | | | | | **90,315** | **--** | **56,824** |
| 7. | Market rate | 2 sets of Solar Electric Lights | Each | 2.00 | 6,000 | 12,000 | 6000 | 12,000 |
| | | | | | **Grand Total** | **1,02,315** | **--** | **68,824** |
| **Excess cost allowed in the estimate: ₹33,491 (₹1,02,315 – ₹68,824)** | | | | | | | | |

***Source: Departmental records.***

The faulty estimate not only accommodated extra cost of ₹33,491 per hoarding in the estimates but also led to an extra expenditure of ₹2.07 crore[57] as the lowest quoted rate of ₹1,01,790 was finalised based on the inflated estimated cost of ₹1,02,315 put to tender instead of the actual estimated cost of ₹68,824. This was facilitated due to preparation of faulty estimates by the EE, PWD (Building), Capital Construction Division coupled with the failure on the part of the AGMC to verify the correctness of the estimates.

[56] Details of actual Analysis of Rate shown in Annexure
[57] ₹33,491 x 618 hoardings = ₹2,06,97,438

Further, audit also observed that the registrations obtained by the contractor in the GST portal did not include the item of works assigned to it. This indicated that without ascertaining the necessary eligibility criteria in terms of the GST Act, 2017, the contractor was awarded the work.

On this being pointed out, the Additional Chief Secretary (Tea Tribes and Adivasi Welfare Department) to the Government of Assam stated (March 2025) that the Directorate did not have a dedicated technical wing or personnel to analyse cost estimates and market rate. As a result, AGMC Ltd. was entrusted with the job of implementation of the scheme and approved the estimate submitted by them. However, the Department would have the estimates re-examined by other technical Department and take necessary steps based on their recommendations.

GoA, Tea Tribes and Adivasi Welfare Department stated (July 2025) that the Directorate did not have a dedicated technical wing or personnel to analyse and verify the technical issues. GoA, Public Works (Building & NH) Department stated (July 2025) that while preparing estimate, certain clerical as well as arithmetical errors had occurred, which was duly corrected in accordance with the DSR 2021 and submitted to AGMC on 28 March 2025.

Audit, however, observed that the rates of the DSR (2.6.1, 4.1.5 and 10.1) and non-DSR items were enhanced through analysis by manipulating the quantity of material and labour components of the analysis as per the DSR and also by incorporating new items to justify the estimated rates. Thus, the contention that clerical and arithmetical errors were corrected in accordance with the DSR 2021 was factually incorrect.

## Tribal Affairs (Plain) Department

### 1.3.3 Avoidable excess expenditure due to procurement above Maximum Retail Price

**The Directorate of Tribal Affairs (Plain), Assam, incurred an avoidable excess expenditure of ₹11.49 crore in procuring Pressure Cookers, Gas Stoves, and Battery Operated Sprayers for Scheduled Tribe (ST) and Other Backward Class (OBC) beneficiaries under various welfare schemes. This was due to procurement at rates exceeding the Maximum Retail Price (MRP), in contravention of financial prudence and statutory procurement norms.**

As per Rule 466(1) of the Assam Financial Rules (AFR), 1939, public officers are required to exercise vigilance in public expenditure as a person of ordinary prudence would in managing personal funds. Rule 18(2) of the Legal Metrology (Packaged Commodities) Rules, 2011, prohibits any sale of packaged goods above the MRP, which is inclusive of all components such as taxes, transportation, and profit margins. Section 4(1)(c) of the Assam Public Procurement Act, 2017, mandates economy and efficiency in procurement by all public functionaries.

Audit scrutiny (September–October 2021) of records of the Directorate of Welfare of Plain Tribes and Backward Classes (renamed as Directorate of Tribal Affairs (Plain) from 31 August 2022) showed that the Department floated e-tenders in July 2019

(Pressure Cookers and Gas Stoves) and October 2020 (Battery Operated Knapsack Sprayers of 16 litres capacity) for distribution among the Scheduled Tribes (ST)/ Other Backward Classes (OBC) beneficiaries of Assam under the different welfare schemes[58]. The tenders required bidders to certify that quoted rates were not more than MRP or prevailing retail prices in Assam.

Based on e-tender results, the Government of Assam sanctioned ₹64 crore (₹44 crore for Pressure Cookers & Gas Stoves in February 2021, and ₹20 crore for Sprayers in January–February 2021). Orders were placed for:

- 66,715 Pressure Cookers & Gas Stoves at a combined rate of ₹6,595/unit, and
- 56,281 Sprayers at ₹3,555/unit.

Supplies were made between February 2021 and December 2022, with payments released between March 2021 and December 2022.

Audit scrutiny and physical verification of sample items revealed that the printed MRP on the appliances was significantly lower than the approved procurement rates as shown in **Table 1.3.2**:

**Table 1.3.2: Item wise comparison of MRP *vis-à-vis* approved rates**

| Item | MRP (₹) | Rate Paid (in ₹) | Excess/Unit (in ₹) | Quantity | Excess Expenditure (₹ in crore) |
|---|---|---|---|---|---|
| **Pressure Cooker** | 2,625 | 2604 | — | 66,715 each | — |
| **Gas Stove** | 3,395 | 3990 | 575 | | |
| **Sub-Total*** | 6020 | 6,595** | 575 | 66,715 | 3.84 |
| **Battery Operated Sprayer (16L)** | 2,195 | 3,555 | 1,360 | 56,281 | 7.65 |
| **Total** | | | | | **11.49** |

**** The combined bids were called for Pressure Cooker and Gas Stove.***
***** The received rates amounting to ₹6,594 has been approved as ₹6,595.***

***Source: Departmental records.***

Further, the acceptance of bidder affidavits for price compliance was not verified against actual MRPs printed on the goods. The Department allowed procurement at rates inconsistent with the MRP norms and in contravention to statutory pricing provisions. Audit also observed that the basis for selection of these items for welfare distribution was not documented and no need assessment or beneficiary demand data was furnished to audit. The Departmennts claim that requirement of items had been communicated by stakeholders remained unsupported by documentary evidence.

The Department did not ensure compliance with statutory pricing norms, exercised inadequate oversight of vendor declarations, and did not establish the necessity or beneficiary alignment for the procured goods. This reflects systemic deficiencies in

[58] (i) One-time Special Grant for Development of OBC Community, (ii) One-time Special Grant for Development of ST Community, (iii) CM's special One Time Assistance to Tai Ahom Development Council (iv) Special Central Assistance to Tribal Sub Scheme and (v) Article 275 (1) of Constitution of India.

procurement planning, internal control, and financial accountability, resulting in avoidable excess expenditure of ₹11.49 crore.

On this being pointed out, GoA stated (December 2024) that the rate was invited through e-tendering process for fixation of rates of the items and the procurement of the same for delivery to the different districts and sub-divisions of Assam and the rates were fixed as per L1 rates received through the tendering process which included the rate of the item along with GST, transportation, loading, stocking, incidental costs, *etc*.

The GoA's justification that rates were determined via L1 bids inclusive of all costs - fails, as MRP by definition already includes all such components. Therefore, procurement above MRP was a violation of Rule 18(2) of Legal Metrology (Packaged Commodities) Rules, 2011 and rendered the entire process irregular/ non-compliant.

### 1.3.4 Irregular expenditure

**The Directorate of Tribal Affairs (Plain), Assam did not adhere to the codal provisions in implementation of a community driven scheme and released payment without ensuring actual receipt of the items by the intended beneficiaries, which resulted in irregular expenditure of ₹9.92 crore. Besides, the distribution of items worth ₹6.58 crore without obtaining any acknowledgement of receipt, rendered the validity of such distribution doubtful.**

The Directorate of Welfare of Plain Tribes and Backward Classes (WPT&BC), Assam took up schemes[59] for distribution of Mini Rice Mills, Paddy Threshers and Solar Dryers to beneficiaries from Other Backward Classes (OBC) and Scheduled Tribe (ST) communities. As per the guidelines of the schemes, the cost of the equipment was to be shared between the Government of Assam (GoA) and the beneficiaries in the ratio of 80:20. Accordingly, the Directorate invited tenders between 19 October and 17 November 2020. Based on the bids received, L1 bidder[60] for each item was selected for supply of the items. Subsequently, based on proposals submitted by the Directorate during December 2020 to January 2021, GoA, WPT&BC Department (renamed as Tribal Affairs (Plain) Department *w.e.f.* 31 August 2022) sanctioned ₹20.46 crore (Solar Dryer: ₹4.98 crore, Tractor operated Mini Rice Mill: ₹9.49 crore and Paddy Thresher: ₹5.99 crore) between January and February 2021.

The Directorate issued orders ( January to February 2021) to the selected suppliers for supply of total 1,095 units of Solar Dryer (150 Nos.), Tractor operated Mini Rice Mill (464 Nos.) and Paddy Thresher (481 Nos.) at the finalised rates for distribution to the

[59] OTSG for Development of OBC Community, Grants under Article 275 (1) of constitution of India for development of ST community and OTSG for Development of ST Community.
[60] Trade Supply India for supply of Mini-Rice Mill (₹2,55,555/ piece), J K Engineering for supply of Paddy Thresher (₹1,55,555/ piece) and Progressive Enterprise for supply of Solar Dryer (₹4,14,750).

beneficiaries through various offices[61] in Assam. The Directorate paid (between February 2021 and March 2022) ₹16.91 crore, being the GoA's share of 80 *per cent* of the unit price for 922 items.

Audit observed irregularties in the procurement, supply and distribution of items under this scheme as detailed below:

### 1.3.4.1 Deviation from the prescribed procurement procedure

Rule 24 (L) of the Assam Public Procurement Rule (APPR), 2020 provides the procedure for procurement of inputs such as equipment, machinery, *etc*., in community driven schemes. The procedure *inter alia* included the following:

- The procuring entity shall fix the minimum technical and quality specifications of the required items and establish a 'Rate-Bank' consisting of the names of manufacturers of the specific input items, equipment or machinery with the list of their local dealers, brands and models with corresponding prices through a transparent and open competitive process. Before signing a contract with all the manufacturers included in the 'Rate-Bank', the procuring entity will seek the willingness of the manufacturer to sell the input items to the beneficiaries of the scheme directly at the pre-determined price and to provide necessary after-sales service thereof.
- The 'Rate-Bank' along with the procedure that the beneficiaries are required to follow to procure the input items as well as the list of the eligible beneficiaries with details, shall be published in the State Public Procurement Portal as well as the Departmental website by the procuring entity and also given wide publicity.
- The eligible beneficiaries shall be free to choose the brand and model of the input item at the corresponding price as well as the particular dealer from the published 'Rate-Bank' by paying their share of the cost.
- The concerned dealers shall maintain records and evidence as prescribed by the procurement entity and shall submit the same along with the bills to the procuring entity for payment of the Government share. The procuring entity shall release the payment to the concerned dealers after due verification of the bills and shall maintain all the records, invoices, and evidence for audit.

In this regard, audit observed that the tenders were invited prior to the submission of proposals for sanction of funds and receipt of the financial sanction in violation of Rule 8 (1) (4) of the APPR, 2020, which stipulated that bids might be accepted only after the financial sanction is duly accorded. Further, in respect of two[62] out of the three schemes, financial sanctions were accorded in the name of the suppliers. The

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[61] Sub-Divisional Welfare Officer, Principal Secretaries, North Cachar Hills Autonomous Council, Karbi Anglong Autonomous Council and Project Director, Integrated Tribal Development Program.

[62] OTSG for Development of OBC Community and OTSG for Development of ST Community.

authority based on which, the financial sanctions were issued in the name of the suppliers instead of the Department was not found on record.

Further, scrutiny of the bidding documents and supply orders showed that the registrations obtained by the suppliers in the GST[63] portal did not include the items for which the Directorate issued the supply orders. This indicated that without ascertaining the necessary eligibility criteria in terms of the GST Act, 2017, the suppliers were allowed to participate in the tendering process and supplying the items.

Against the payment for the 922 items, delivery challans only for 647 items were, however, made available to audit by the Directorate. In reply to an audit query, the Directorate stated (September 2024) that the items were kept in the suppliers' godown to avoid extra cost burden towards their storage till distribution. This process of storing items in suppliers' godowns was not in adherence to the procedure prescribed in the APPR, 2020, which provides that on the receipt of the beneficiaries share, the suppliers need to deliver the items directly to the beneficiaries and maintain the records and evidence for payment of the Government share. As such, there was no need to involve the procuring entity in the storage of the items.

In view of the above, Audit is of the opinion that despite availability of a prescribed procedure in the APPR, 2020 for the transparent and effective implementation of community driven schemes, the Directorate decided to bypass the same in the implementation of the schemes for reasons that were not placed on record and were therefore not known.

### 1.3.4.2 Irregular release of payment without adequate supporting documents

The Directorate made payment of ₹16.91 crore for 922 items, which included payment of ₹5.94 crore for 291 Mini Rice Mills (Tractor operated) based on the 'Proforma Invoice' submitted by Trade Supply India. As the 'Proforma Invoice' is a document which *inter alia* provides information about the particulars of the goods to be delivered including estimated prices, making payments based on 'Proforma Invoice' instead of the supplier's bills was not only irregular, but also showed that the payment was not made based on actual supply of the goods.

Out of 922 units of the items, 490 items (Tractor operated Mini Rice Mill: 112 and Paddy thresher: 378) were distributed to the beneficiaries ***(Details are in Table 1.3.3)***. But the acknowledgement showing receipt of the items by the beneficiaries for only 20 Tractor operated Mini Rice Mills could be produced to audit. In the absence of acknowledgement of receipt in respect of 470 items (92 Tractor operated Mini Rice Mills and 378 Paddy threshers) involving a total expenditure of ₹6.58 crore[64], the distribution of these items to the intended beneficiaries remained doubtful. The Directorate stated that in the case of solar dryers, the beneficiary's share was not

[63] Goods and Services Tax.

[64] (₹2,04,444 x 92) + (₹1,24,446 x 378) = ₹6,58,49,587.

received though 18 had applied for the same and in case of Mini Rice Mills, 112 out of 303 applicants had deposited their share and the Mills were delivered to them.

Although the Directorate had stated that the items were kept in the suppliers' godowns till distribution to avoid extra cost burden towards their storage, there was no recorded reason for challans being available for 647 units only and payments being made for 922 units, thereby indicating that the Directorate had paid the suppliers without actual receipt of the items by the beneficiaries.

#### 1.3.4.3 Non-distribution and doubtful distribution

Rule 3 of the Assam Public Procurement Rules (APPR), 2020 {clause (l) of sub-section (1) of section 28 of the Assam Public Procurement Act, 2017} makes it obligatory on the procuring entity to clearly determine the need for any public procurement by assessing its essentiality with specific quantum and the extent or scope of the subject matter to avoid unwarranted expenditure or idle inventories.

Scruinty of records of the Directorate revealed that out of 922 units of the items received from the supplier, only 490 items were distributed while 432 items valuing ₹9.92 crore were yet to be distributed (till September 2024) to the beneficiaries as shown in **Table 1.3.3**.

**Table 1.3.3: Details of item wise distribution**

*(₹ in crore)*

| Sl. No. | Name of the supplier | Item | Quantity procured | Rate in ₹ | | Bill submitted by the supplier | | Payment made (GoA share *i.e.*, 80 *per cent* of unit price) | Quantity distributed | Quantity received as per Challan | No. of item yet to be distributed (*per cent*) | Value (GoA share) of not distribute items |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Unit price | GoA Share (80 *per cent* of unit price) | Unit | Value | | | | | |
| *1* | *2* | *3* | *4* | *5* | *6* | *7* | *8(5x7)* | *9 (6x7)* | *10* | *11* | *12 (7-10)* | *13(12x6)* |
| 1. | Progressive Enterprise | Solar Dryer | 150 | 4,14,750 | 3,31,800 | 150 | 6.22 | 4.98 | Nil | 87 | 150 (100) | 4.98 |
| 2. | Trade Supply India | Mini Rice Mill (Tractor operated) | 464 | 2,55,555 | 2,04,444 | 291 | 7.44 | 5.94 | 112 | 291 | 179 (61) | 3.66 |
| 3. | J.K. Enterprise | Paddy thresher | 481 | 1,55,558 | 1,24,446 | 481 | 7.48 | 5.99 | 378 | 269 | 103 (21) | 1.28 |
| **Total** | | | **1,095** | | | **922** | **21.14** | **16.91** | **490** | **647** | **432** | **9.92** |

***Source: Departmental records.***

From the table above, it was evident that even after the lapse of almost four years from the date of issue of supply orders, 21 *per cent* to 100 *per cent* of the items, against which the payments were already made, were yet to be distributed, which showed that the Department procured the items without assessing the actual need for these and the demand by the intended beneficiaries. This resulted in irregular expenditure of ₹9.92 crore.

Although 490 items were stated to have been distributed, acknowledgement of receipt was available for only 20 items, rendering the distribution of the remaining 470 items valued at ₹6.58 crore unverifiable and doubtful. Besides, the distribution of items worth ₹6.58 crore without obtaining any acknowledgement of receipt, rendered the authencity of such distribution doubtful.

Thus, the overall procurement was undertaken without proper assessment of the actual beneficiary need or demand, in violation of the APPR, 2020. The process also deviated from the prescribed procurement and distribution mechanism due to premature tendering, payment without valid invoices or delivery evidence and the absence of adequate records confirming receipt by beneficiaries.

The Department may, therefore, establish a robust mechanism for need assessment prior to public procurement and ensure transparent distribution supported by adequate records and proper documentation to avoid unwarranted expenditure, idle inventory and non-verifiable delivery to beneficiaries.

The matter was forwarded to GoA (December 2024); their reply is still awaited (March 2025).

## Woman and Child Development Department

### 1.3.5 Excess expenditure

**Injudicious decision of the Director, Women and Child Development, Assam to procure rice from open market for distribution to adolescent girls under Scheme for Adolescent Girls, disregarding the rice allotted from Food Corporation of India, resulted in excess expenditure of ₹7.24 crore.**

Rule 466 (1) of Assam Financial Rules, 1939 provides that every public officer should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money.

With a view to improving the health and nutritional status of adolescent girls, Government of India initiated the Scheme for Adolescent Girls (SAG) under the Integrated Child Development Services (ICDS) Umbrella Scheme. As per the Administrative Guidelines (2018) of the Scheme, the SAG focuses on out of school girls in the age group of 11 to 14 years. As per Paragraph 7.1.1 of the Scheme Guidelines *ibid*, each out of school adolescent girl in the age group of 11-14 years registered under the Scheme will be provided supplementary nutrition containing 600 calories and 18-20 grams of protein & micronutrients in the form of Take Home Ration (THR) or Hot Cooked Meal (HCM), whichever is feasible for 300 days in a year. The cost of nutrition provision was fixed at ₹9.50 per beneficiary per day.

Scrutiny of records (August – October 2020, September-October 2021, October-November 2022) at Social Welfare Directorate showed that the Director of Women & Child Development (DWCD), Assam invited (November 2018) Expression of Interest (EoI) from Non-Government Organisations (NGOs)/ Self Help Groups (SHGs) for supply[65] of rice and white peas at the prescribed rate of ₹9.50[66] for each beneficiary per day for the period 2018-19.

The DWCD, based on the acceptance of the terms of the EoI, extended the period of supply to 2019-20 to 2021-22 and issued (July 2019 to September 2021) supply orders to 61 suppliers for supply of 5,343.03 Metric Tonnes (MT) of THR comprising 3,863.61 MT of rice and 1,479.42 MT of white peas including cost of transportation, oil, fuel and condiments at a unit cost of ₹9.50 per beneficiary per day. During March 2020 - June 2022, the DWCD incurred expenditure of ₹28.23 crore[67] (***Appendix-1.9***) towards providing THR aggregating to 2,97,19,278 feeding days.

Audit observed that Ministry of Women and Child Development, Government of India allotted rice to the State at Central Issue Price applicable for Below Poverty Line (BPL) families under the SAG for the year 2019-20 and 2020-21 as per the details in **Table 1.3.4**.

**Table 1.3.4: Allotment of rice during 2019-20 to 2021-22**

| Year | | Allotment order and Date | Quantity of Rice (in MT) | BPL rate per MT (in ₹) |
|---|---|---|---|---|
| 2019-20 | 1st Quarter | SAG/3/2019-SAG dated 20 March 2019 | 529.93 | 5,650 |
| | 2nd Quarter | | 529.93 | |
| | 3rd Quarter | SAG/3/2019-SAG dated 02 January 2020 | 815.00 | |
| | 4th Quarter | | | |
| 2020-21 | 1st Quarter | SAG/2/2020-SAG dated 18 May 2020 | 617.51 | |
| | 2nd Quarter | | 617.52 | |
| | 3rd Quarter | No allotment was made | | |
| | 4th Quarter | | | |
| 2021-22 | | No allotment was made during the year | | |

***Source: Departmental records.***

It may be seen from the table above that the Government of India allotted 3109.89 MT of rice during 2019-20 and 2020-21.

The DWCD, however, did not lift the rice from the Food Corporation of India went ahead with the supply of rice through NGOs/SHGs. The injudicious decision of the DWCD to procure rice from the open market rice at higher rate ignoring the allotted rice resulted in excess expenditure as shown in **Table 1.3.5**.

[65] Fine variety Aijong (Old) Rice: 130 grams per day having 448.50 Calories and 8.84 gram Protein and Matar (While Peas): 50 grams per day having 157.50 Calories and 9.85 gram Protein.
[66] Inclusive of cost of transportation, oil, fuel and condiments @ ₹0.60 as per norms.
[67] Including committed liability of ₹0.58 crore.

**Table 1.3.5: Details of amount involved in supply of rice during 2019-20 to 2021-22**

<table>
<tr><th rowspan="2">Year</th><th rowspan="2">Month of issue of supply order</th><th rowspan="2">No. of beneficiary</th><th rowspan="2">No. of feeding days</th><th rowspan="2">Total quantity of rice supplied (Col. 3* Col 4*130 gms) (in MT)</th><th colspan="2">Cost of rice at (in crore)</th><th rowspan="2">Excess expenditure (in crore) (Col. 7-Col.6)</th></tr>
<tr><th>FCI Rate</th><th>Supplied Rate[68]</th></tr>
<tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td></tr>
<tr><td rowspan="2">2019-20</td><td>July 2019</td><td>61,210</td><td>150</td><td>1,193.60</td><td rowspan="7">@ ₹5650 per MT for 3,109.89 MT</td><td>4.36</td><td rowspan="7">For 3,109.89 MT of rice allotted by the Government of India</td></tr>
<tr><td>February 2020</td><td>8,424</td><td>141</td><td>154.41</td><td>0.56</td></tr>
<tr><td rowspan="2">2020-21</td><td>June 2020</td><td>6,765</td><td>140</td><td>123.12</td><td>0.47</td></tr>
<tr><td>September 2020</td><td>5,946</td><td>54</td><td>41.74</td><td>0.16</td></tr>
<tr><td rowspan="3">2021-22</td><td>May 2021</td><td>32,033</td><td>206</td><td>857.84</td><td>2.40</td></tr>
<tr><td rowspan="2">September 2021</td><td>27,812</td><td>300</td><td>1084.67</td><td>1.05*</td></tr>
<tr><td>33,398</td><td>94</td><td>408.12</td><td></td></tr>
<tr><td colspan="2">Total</td><td>175,588</td><td>-</td><td>3,863.50</td><td>1.76</td><td>9.00</td><td>7.24</td></tr>
</table>

***Source: Departmental records.*** *calculated only for 350.49 MT.

Thus, DWCD incurred an excess expenditure of ₹7.24 crore on procurement of 3,109.89 MT of rice from open market ignoring the allotment made by the Government of India.

The Department stated (April 2025) that the allotted rice could not be lifted from FCI due to non-receipt/ delay in receipt of funds.

The justification provided by the Department is not acceptable as there were unspent balances of ₹98.16 lakh and ₹1,772.71 lakh at the end of 2019-20 and 2020-21 respectively under SAG, which could have been utilised for lifting the allotted rice from FCI. Further, incurring an expenditure of ₹9.00 crore for procurement of rice by avoiding the allotted rice worth ₹1.76 crore cannot be termed as prudent.

[68] By calculating based on the maximum wholesale price *i.e.*, ₹36.50 per KG for July 2019 & February 2020, ₹38.00 per KG for June 2020 & September 2020, ₹28 per KG for May 2021 and ₹30 per KG for September 2021.