

Chapter 11

Monitoring and Evaluation Mechanisms

11.1 Monitoring and Evaluation Framework

The substantial amount of funds involved in the implementation of MGNREGS coupled with its implementation across the country in two lakh GPs, 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. In addition, there are also increased demands for accountability and transparency in the execution of the programme by various stakeholders.

The Act and the Operational Guidelines envisage a multipronged and extensive system of internal and external monitoring mechanisms at all levels of the Scheme. The monitoring mechanism at the Central and the state level are depicted in the **Charts-10 and 11** as below:

Chart-10: Frame work of monitoring at the Central level

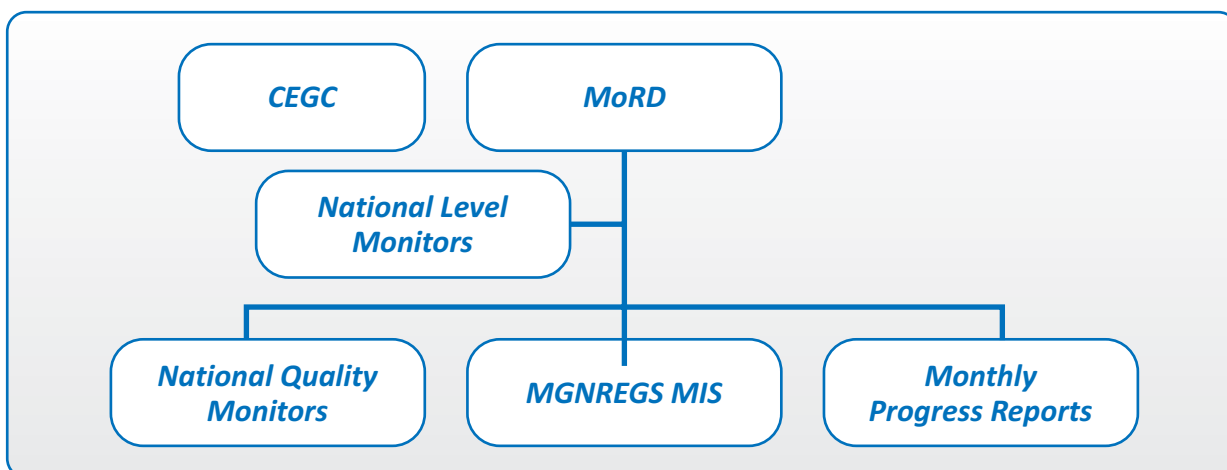
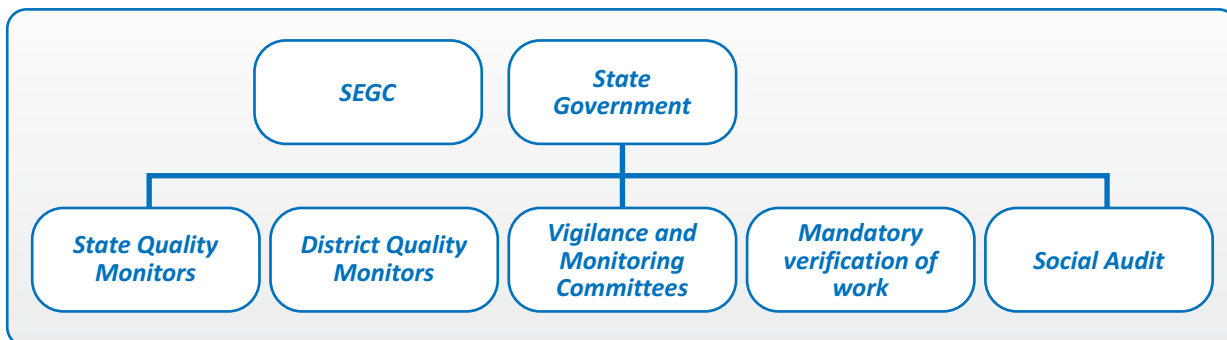


Chart-11: Framework of monitoring at the state level



Audit findings pertaining to the monitoring, evaluation and review under the Scheme are discussed below.

11.2 Central Monitoring and Evaluation

11.2.1 Central Employment Guarantee Council (CEGC)

Section 10 (1) of the Act requires the Central Government to set up the Central Employment Guarantee Council (CEGC). The role of CEGC was to monitor the implementation of the Act and suggest ways to the Ministry to improve the Scheme. The Ministry notified the setting up of the CEGC in September 2006.

The CEGC works under the Chairmanship of the Union Minister for Rural Development. It comprises 12 official members of the rank of Joint Secretary and above to Gol, six state representatives of the rank of Secretary to the state government and not more than 15 non-official members representing the Panchayati Raj Institutions, organisations of workers and disadvantaged groups. The main functions of the CEGC are outlined in the box below.

Functions of the CEGC as per the Act:

- (a) Establish a central evaluation and monitoring system;
- (b) Advise the Central Government on all matters concerning the implementation of the Act;
- (c) Review the monitoring and redressal mechanism from time to time and recommend improvements required;
- (d) Promote the widest possible dissemination of information about the Schemes under the Act;
- (e) Monitoring the implementation of the Act;
- (f) Preparation of annual reports to be laid before Parliament by the Central Government on the implementation of the Act; and
- (g) Any other duty or function assigned by the Central Government.

Further, the Act provides that the CEGC shall have the power to undertake evaluation of the various schemes made under this Act and for that purpose collect statistics pertaining to the rural economy and the implementation of the Scheme.

Under section 11 of the Act, the CEGC was required to establish a central evaluation and monitoring system. Audit noted that though meetings of CEGC were held as per the Central Council Rules, 2006 during the last six years, no efforts were made by the Council to establish a Central monitoring and evaluation system.

The Ministry stated that monitoring and evaluation at Central level was being done through Web based Monitoring Information System and regular evaluation studies were being conducted by National Institutional Network comprising IITs, IIMs, Agriculture Universities, NIIT, ICSSR and related institutions, etc. The Ministry had been constantly monitoring the data entered by the states/UTs on Web based Monitoring Information System during PRC meetings, Regional Review meetings and through visits by area officers. Further, the reports submitted by various Institutes were shared among CEGC members followed by field visits to monitor the functioning of MGNREGS.

The reply of the Ministry was not convincing as the Act recognises the CEGC as a distinct body and requires the Council to set up an independent monitoring and evaluation mechanism. The current practice cannot be a substitute to the mechanism envisaged under the Act.

It was also noticed that the CEGC played a very limited role as far as monitoring of the Scheme was concerned. The Council members conducted a total of 13 field visits in six states viz. Uttar Pradesh (4), Gujarat (3), Madhya Pradesh (2), Odisha (2), Karnataka (1) and Rajasthan (1) during the period under performance audit. The details are given in **Annex-11A**.

Scrutiny of the records pertaining to the field visits by the Council members revealed the following deficiencies:-

1. Out of a total 13 visits (three visits during 2010-11 and 10 visits during 2009-10), action taken reports from only two state governments viz. Uttar Pradesh (Mahoba) and Gujarat (Dahod), were received as of October 2012. This was despite the fact that the members in their field reports pointed out cases of suspected frauds among other serious irregularities. This indicates ineffective follow-up by the Council.
2. Audit observed arbitrariness in the process and functioning of CEGC as they did not adopt any defined procedure for selection of the states for field visits to be conducted by the members. The Council in its reply (May 2012) to the audit observation admitted that a need was felt to lay down a procedure for visits of CEGC members to the states. As was evident from an analysis of the 13 field visits undertaken, members had been repeatedly visiting particular states.
3. The reports of the visits or action taken reports on these visits by the state governments were generally not brought up for discussion in the Council's meetings.

In response, the Ministry stated (September 2012) that a separate file for each visit of the Council Members was maintained. These files include follow up correspondence with respective state governments. The reports submitted by CEGC members were sent to the state governments for their comments and action including corrective measures. In case of serious irregularities, the Ministry had deputed National Level Monitors (NLMs) to investigate and submit report to the Ministry. The Ministry further stated that issues raised by the Council members and their observations during field visits were also reviewed in the Performance Review Committee (PRC) meetings, during field visit by Area Officer, Regional Review meetings, visits by officers of the Ministry and in Empowered Committee meetings on labour budget.

The Ministry's reply was not convincing as it fails to recognise CEGC as an independent entity and moreover it does not provide the final action taken on these reports, despite adequate time having been given.

The above facts reveal that a proper monitoring and evaluation mechanism had not been evolved by the Council and comprehensive monitoring of implementation of the Act was not undertaken, thus defeating the purpose for which the Council was constituted.

The reason for the deficiencies noticed in the Council may, in part, be attributed to the non-functioning of the Executive Committee as defined in the National Rural Employment Guarantee (Central Council) Rules 2006. The Executive Committee was supposed to give effect to the decisions of the Council, appoint expert groups for technical support and advise to improve the quality of implementation of the Act and manage the administrative and financial affairs of the Council.

Audit observed that though the Executive Committee was constituted, only four meetings of the Committee were held during 2007-08 and 2008-09. Thereafter, no meetings of the Committee, as required under section 10 (2) of Central Council Rules 2006, took place. Thus, the Executive Committee did not function in accordance with the rules. Further, the Council was deprived of a body which would give effect to its decision.

A related consequence of the Council not having administrative support can be seen from the fact that there was poor management and monitoring of the CEGC's own financial affairs. The Council had been utilizing funds from its initial corpus of ₹ five crore given to it in 2006-07 and had never demanded annual grants thereafter. The Council did not even maintain a cash book to record transactions of its functioning.

In its reply, the Ministry stated (November 2012) that Executive Committee of the CEGC had been constituted.

In the absence of the envisaged support to the Council, it was evident that the Council's role in monitoring and evaluation of the Scheme was grossly inadequate.

11.2.2 National Level Monitors

For complaints of a serious nature, the Ministry deposes National Level Monitors (NLMs) to investigate the complaints. Reports of the NLMs are shared with the concerned state governments for taking corrective action.

The Ministry had evolved a system of NLMs by involving retired Government officers and academicians, willing to provide voluntary services for a public cause. The basic premise was that by involving third party independent monitors, unbiased and objective monitoring could be achieved.

The Ministry designed formats for monitoring by the NLMs. The Ministry also formulated Guidelines for inspection by NLMs. The Guidelines state that there should be quarterly visits of NLMs to the districts to monitor all the important Rural Development programmes. It was

envisaged that approximately 150 districts would be covered in each such round. This would imply that all districts of the country were to be covered in a year.

Scrutiny of records revealed that regular monitoring at the Central level through NLMs could not cover all the districts of the country in the years 2007-08 to 2010-11. Out of 622 districts in the country where MGNREGA was being implemented, NLM could cover only 171, 225, 251 and 479 districts during the years 2007-08, 2008-09, 2009-10 and 2010-11 respectively. The details are given in **Annex 11B**. Further, 39 districts in 18 states were not covered even once by the NLMs till 2010-11. The details are given in **Annex -11C**.

11.2.3 Ineffective Follow-up Action on NLM Reports

At the Central level, the complaints received by MoRD are enquired into by NLMs who submit their reports to the MoRD. MoRD requests the concerned state governments to examine the matter and furnish a detailed action taken report. Out of the total 85 case files relating to complaints regarding misappropriation of funds/ corruption in implementation of MGNREGS that were called for by Audit, only 21 files were made available. It was noticed that in eight cases, action on reports of NLMs were pending as of October 2012, on the part of state government ranging from 13 to 46 months. In seven cases, final outcome/ status regarding initiating action against erring officers viz. recoveries, filing of appropriate FIRs, was pending from 19 to 35 months. In six cases, the complaints were found to be false and unverifiable. Ministry had not specified any time frame within which action was to be taken by the state governments.

In response to five cases out of total 21 cases, Ministry stated (January 2013) that it had directed the concerned state governments to submit action taken report and in most of the cases, action taken report was still awaited.

Case Study: NLM Inquiry in Uttar Pradesh

Shri Bharat Singh and Shri Rajeev Kumar Singh of district Chandauli, UP requested for a high level enquiry into certain irregularities in implementation of MGNREGS. Sh. G R Gupta was deputed as the National Level Monitor (NLM) during 5-9 July 2010 to look into the irregularities reported.

The NLM made investigations and reported that the complaints were false. However, Shri Bharat Singh made a further representation in July 2010 raising objections on the findings of the NLM and alleged that the NLM had reported with malafide intentions and presented fake reports by taking bribe.

A team {(i) Consultant Works, MGNREGA division, MoRD (ii) another NLM and (iii) Sr. Dy Commissioner, Rural Development Division, Government of Uttar Pradesh} was thereafter deputed to conduct a fresh inquiry in the matter from 20-24 December 2010. The team found seven out of 10 allegations to be correct and three to be false.

As financial irregularities were established, the Ministry on 20 March 2012 again sought clarification from the state government whether criminal proceedings and departmental enquiry had been initiated against those found guilty in addition to the recovery of the amount.

Since the state government had not taken action either by filing FIR or by initiating departmental enquiry against responsible officers, the Ministry again asked the state government on 13 September 2012 to take steps and furnish fresh action taken report as early as possible. However, no further action was taken as of October 2012.

Thus, not only did the NLM furnish an unreliable report initially but even after lapse of one year and nine months from receipt of fresh enquiry report, action was pending on the part of state government. The Ministry also did not take any effective measures in terms of issuing directions under section 27 of the Act to the state government.

11.2.4 Monitoring by National Quality Monitors

According to the monitoring methods prescribed in the Operational Guidelines (para 10.3.2) of the Scheme, verification and quality audit should also be undertaken by external monitors. External monitors are required to undertake monitoring at the central, state and district levels. For this purpose, National Quality Monitors (NQM) at the National level were to be designated by MoRD with the approval of the Central Council.

The Ministry stated that it had engaged NLMs to conduct independent evaluation of the processes in the implementation of MGNREGS as well as quality monitoring of works.

The reply failed to recognise that NQMs were to be appointed for a specific purpose i.e., quality audit of works under MGNREGS. The system of NLMs was mainly started with the aim of looking into complaints received and to carry out general monitoring of all the schemes operated by the Ministry while visiting a district. NLMs were not required to carry out quality audit of works nor were any norms fixed for the activity. Hence, the system of NLMs was not a substitute for NQMs which were supposed to carry out a specific task under the Operational Guidelines.

11.3 State Level Monitoring and Evaluation

As noted in **Chart-11** monitoring of the implementation of the Scheme at the state and implementation levels was to be carried out by the State Employment Guarantee Council, State Quality Monitors, mandatory internal verification of works, Vigilance and Monitoring Committees (VMCs) and social audits. The shortcomings noticed in the monitoring mechanism in the states are discussed below.

11.3.1 State Employment Guarantee Council

The Act stipulates setting up of State Employment Guarantee Council (SEGC) at the state level for regular monitoring and evaluation of the implementation of the Scheme. The role of the SEGC in a state was analogous to that of the CEGC in the Centre.

Role and functions of the SEGC:

- (a) Advising the state government on all matters concerning the Scheme and its implementation;
- b) Determining the preferred works;
- c) Reviewing the monitoring and redressal mechanisms and recommending improvements;
- d) Promoting dissemination of information about the Act and the Scheme;
- e) Monitoring the implementation of the Act and coordination with the Central Council;
- f) Preparing the annual reports to be laid before the state legislature; and
- g) Any other duty or function assigned to it by the Central Council or the state government.

The Council shall have the power to undertake an evaluation of the Scheme operating in the state and for that purpose to collect statistics pertaining to the rural economy and the implementation of the Scheme in the state.

Audit observed that though all states had set up SEGCs, following shortcomings were noticed in the functioning of the SEGCs:

1. In 10 states *viz.* Goa, Gujarat, Haryana, Jharkhand, Karnataka, Mizoram, Punjab, Sikkim, Uttarakhand and West Bengal, SEGCs were not constituted within prescribed period. Union Territory of Dadra & Nagar Haveli had not constituted the Council till December, 2012.
2. The SEGCs of Karnataka and Maharashtra prepared annual reports for the years 2006-07 to 2011-12 and 2008-09 to 2009-10 respectively. These reports were not laid before the respective State Legislatures.

In its reply, the Ministry stated that an advisory on effective functioning of SEGC had been issued to all states/UTs and functioning of SEGC was a regular agenda item for review in the Performance Review Committee (PRC) meetings and Regional Review meetings held by the Ministry.

11.4 Internal Verification of Works at Field Level

As per para 10.3.1 of the Operational Guidelines, the following quarterly targets were fixed for internal verification of works at the field level by official functionaries:

- 100 *per cent* of the works at the block level
- 10 *per cent* of the works at the district level
- two *per cent* of the works at the state level

Audit analysis revealed that in seven states and one UT viz. Arunachal Pradesh, Chhattisgarh, Goa, Haryana, Madhya Pradesh, Odisha, Uttar Pradesh and Puducherry, there were deficiencies in record keeping about the inspections described above. Details are given in **Annex-11D**. In the absence of proper records it was not possible to verify the achievement with regard to internal verification.

Further, in 11 states, there were shortfalls in the inspections of works in respect of targets fixed in the Guidelines, as specified above. The shortfall ranged between 82 and 100 *per cent* at state level, 37 and 76 *per cent* at the district level and 2 and 71 *per cent* at the block level. The details are given in **Annex-11E**.

The Ministry stated that to verify physical existence of work, ascertain the execution of work as per approved plan and estimate, check usage of machinery and engagement of contractors, etc., census of MGNREGS works was undertaken by National Institute of Rural Development (NIRD) in one district each in Andhra Pradesh (Vizianagaram), Madhya Pradesh (Umariya), Odisha (Deogarh) and Rajasthan (Sirohi).

The reply of the Ministry does not address the issue of weakness in internal verification of works. Further, the study conducted by National Institute of Rural Development was for only four districts.

11.5 Appointment of State and District Quality Monitors

For the purpose of verification and quality audit, State Quality Monitors (SQM) at the state level were to be designated by the state government with the approval of the state council. Each district was also to identify District Quality Monitors (DQM) with the approval of the state government (para 10.3.2 of the Operational Guidelines).

Scrutiny of records revealed that both SQMs and DQMs were not appointed in six states viz. Arunachal Pradesh, Bihar, Jharkhand, Mizoram, Nagaland and Tamil Nadu while in three other states Assam, Karnataka and Meghalaya SQMs were not appointed. Further, in Jammu & Kashmir (in Poonch district), Uttar Pradesh and West Bengal DQM were not appointed.

The Ministry stated that Quality Monitoring Systems in states were reviewed in the PRC meetings. In the PRC meeting held on 15-16 October 2012, all states were directed to expedite Quality Monitoring System and upload all SQM reports on websites.

Even after seven years of implementation of the Scheme, the process of monitoring through SQM and DQM was ineffective.

11.6 Vigilance and Monitoring Committees

In terms of para 10.1.2 of the Operational Guidelines, for every work sanctioned under the Scheme, there should be a local Vigilance and Monitoring Committee (VMC), comprising nine members of the locality or village where the work was undertaken, to monitor the progress and

quality of work while it was in progress. Gram sabhas were to elect the members of the Committee and Programme Officers were responsible for ensuring that the local VMCs were constituted. The final report of the Committee was required to be attached along with the Completion Certificate of the work.

It was observed that VMCs were not appointed in six states amounting to 24 *per cent* of test checked GPs where the work was in progress (**Annex-11F**). In case of Andhra Pradesh, Bihar and Odisha, in almost all test checked GPs, VMCs were not constituted.

Further, in Goa (Pernem block) and Dadra & Nagar Haveli, VMC reports were not available with the completion report of the work. Thus, the functioning of VMCs in these areas was doubtful.

11.7 Transparency and Accountability

In addition to the monitoring mechanisms mentioned above, the Act and the Guidelines had also mandated a separate set of mechanisms to be put in place for increased transparency and accountability in the implementation of the Scheme. These are outlined in the table below:

Table 17: Transparency and accountability

Proactive Disclosures	Social Audits	Grievance Redressal	Citizens Charter
Annual reports on outcomes to be laid in Parliament and State Legislatures in the Centre and the states/ UTs, respectively.	Social audits of all works and activities carried out by GPs under MGNREGS	A grievance redressal cell to be set up at block and district level, to be monitored by an Ombudsman	To set standards of performance of officials involved in the implementation

11.8 Social Audit

MGNREGA gives a central role to social audits as means of continuous public accountability. Section 17 of the Act requires the gram sabhas to regularly conduct social audits of all the projects under the Scheme taken up within the gram panchayat. Further, as per para 12.4.1 of the Operational Guidelines, gram sabha were required to convene periodic assemblies as a part of the process of the social audit. This was referred to as 'social audit forum'. As per the Operational Guidelines, these forums were to be held at least once every six months and to conduct the social audit as per the mandatory minimum agenda. The Operational Guidelines also require that wide publicity regarding the date, time and agenda should be given and all records be made available for social audit. All officials responsible for implementation must be present in social audit forum to answer queries from the members of the Gram Sabha.

11.8.1 Social Audit Units

The Ministry strengthened the provisions for social audit by notifying MGNREGA Audit of Schemes Rules, 2011. These rules required the state governments to identify or establish an independent organization, called the social audit unit to facilitate conduct of social audit by the gram sabhas. The functions of the social audit units were to:

- build capacities of gram sabhas for conducting social audit, prepare social audit reporting formats, resource material, guidelines and manuals for the social audit process;
- create awareness amongst the labourers about their rights and entitlements under the Act;
- facilitate verification of records with primary stakeholders and work sites;
- facilitate smooth conduct of social audit by gram sabhas for reading out and finalizing decisions after due discussions; and,
- host the social audit reports including action taken reports in the public domain.

During audit, it was noted that the state governments of 10 states and four UTs viz. Arunachal Pradesh, Assam, Goa, Gujarat, Haryana, Meghalaya, Nagaland, Tamil Nadu, Uttarakhand, West Bengal, Andaman & Nicobar islands, Dadra & Nagar Haveli, Lakshadweep and Puducherry had not constituted social audit units.

In the case of Odisha, to facilitate social audit, the state government had constituted an autonomous society called Odisha Society for Social Audit, Accountability and Transparency (OSSAAT) in April 2012, while in the case of Sikkim, the work related to social audit unit had been assigned to NGOs.

In response to the deficiencies pointed out in conducting social audits, the Ministry stated that it had issued a detailed advisory on social audit of MGNREGA works for all North-Eastern states in July 2012. Also the Ministry had written to all states/UTs in August 2012 for establishing social audit units.

11.8.2 Shortfall in Conducting Social Audits

As noted, the gram sabha was to conduct regular social audits of all projects/works under the Scheme within the GP. It was noticed in Audit that in 11 states and one UT, social audit was not conducted as per norms resulting in shortfall. The details are given in **Annex- 11G**.

The Ministry replied that it had permitted states/UTs (August 2012) to spend up to one *per cent* within six *per cent* permissible limit for administrative charge under MGNREGA for setting up social audit unit.

11.8.3 Non Adherence to the Provisions for Social Audit Forum Meetings

As per para 12.5.2 of the Operational Guidelines, the social audit forum must select a person from outside the panchayat to chair its meetings which must not be chaired by the panchayat president or ward member. The secretary of the forum was to be an official from outside the GP.

During audit, it was noticed that these provisions were not observed in respect of 34 GPs in Kerala and one GP (Ketuapal) in Odisha.

11.8.4 Action Taken on Social Audits

As per para 11.5 of the Operational Guidelines, a copy of all Audit Reports including social audit reports were to be sent to the state government concerned, to ensure speedy action.

It was observed that in 163 GPs in two states and one UT namely Haryana, Odisha and Andaman & Nicobar Islands, action taken reports were not available. Moreover, in Haryana and Andaman & Nicobar Islands, in all test checked GPs, action taken report on social audit was not available.

Case Study: Action taken on Social Audit in Jharkhand

Scrutiny of records of social audit of DRDA, West Singhbhum revealed that in the course of social audit held during July and August 2009, charges of preparation of bogus muster rolls and non payment of wages were levelled against different officers. Subsequently, these charges were proved by the Special Investigation Team (SIT) constituted by District Programme Coordinator. Further, after receipt of report of SIT penalties amounting to ₹ 1,000 were levied on each of three erring officers. The DPC also recommended suspension of two concerned officers. However, the amount had not been recovered from erring officers. Further, Format K (required for framing charges) was not furnished to the concerned controlling department. This indicates lackadaisical follow up on the matter. On being pointed out by Audit, District Development Commissioner, West Singhbhum stated (June 2012) that action had been initiated to recover the amount from persons concerned.

11.8.5 District Internal Audit Cell

As per para 11.3.6 of the Operational Guidelines, in order to process reports of social audit by the gram sabha, a District Internal Audit Cell in the office of the District Programme Coordinator (DPC) was to be constituted to scrutinize the reports of the gram sabha and to conduct a special audit, if necessary.

In 32 *per cent* test checked districts in nine states and two UTs, internal cell for examining social audit records was not constituted as detailed in **Annex -11H**. It was also observed that in none of the test checked districts of four states and two UTs (Bihar, Jharkhand, Manipur, Odisha, Andaman & Nicobar Islands and Puducherry), had internal audit cell been constituted.

Non-compliance with provisions by these states/UTs as indicated above posed a serious limitation to the role of social audit as a means of continuous public vigilance and ensuring transparency and accountability.

11.9 Grievance Redressal Mechanism

As per section 19 of the Act, the state governments have to determine appropriate grievance redressal mechanisms at the district and block levels. The Operational Guidelines require the Programme Officer (PO) and the District Programme Coordinator (DPC) to be the Grievance Redressal Officers at the block and district levels respectively. The grievances are to be acknowledged and disposal intimated to the petitioner. Details of grievance redressal are to be uploaded on the Internet on a weekly basis. Further, in September 2009, GoI directed all state/UT governments to establish, within three months, offices of Ombudsmen as an independent mechanism for redressal of MGNREGA-related grievances.

11.9.1 Delays in Disposal of Complaints

Audit observed that in seven states, Assam, Bihar, Chhattisgarh, Karnataka, Madhya Pradesh, Punjab and Uttar Pradesh, 17 per cent of total complaint cases received were pending for settlement as detailed in **Annex-11I**. Further, in Andhra Pradesh two cases of year 2009 and 64 cases of year 2010 were still pending and in Punjab delays in disposal of complaints ranging from 1 to 673 days was observed.

11.9.2 Non-appointment of Ombudsman

The Ministry under section 27 of the Act, had directed (September 2009) the states/UTs to appoint one or more person, but not more than three persons, as the Ombudsman in a district, within three months from the date of the order. The Ombudsman was to be an independent grievance enquiry authority empowered to issue directions for conducting spot investigations, lodge FIRs against the erring parties as well as direct redressal, disciplinary and punitive action.

Audit observed that Governments of two states and two UTs, Arunachal Pradesh, Uttar Pradesh, Dadra & Nagar Haveli and Puducherry had not appointed Ombudsmen. Ombudsmen in 12 out of 27 districts of Assam, seven out of 21 districts of Haryana and one out of seven districts of Meghalaya were not appointed. In Jammu & Kashmir, in Poonch district Ombudsman was not appointed. Similarly in Bihar, the state government had appointed Ombudsmen, in only 13 out of 38 districts. The Government of Kerala and Tripura appointed Ombudsmen in May and June 2012 respectively. Non appointment/delayed appointment of Ombudsman in the above states/UTs adversely affected the grievance redressal mechanism and disposal of complaints pertaining to the Scheme implementation.

The Ministry replied (November 2012) that Assam had appointed Ombudsmen in 22 out of 27 districts but it was observed that as per notification dated 15 November 2011, Ombudsmen were appointed in only 12 districts.

11.10 Citizens' Charter

As per para 11.6 of the Operational Guidelines, a model Citizens' Charter was to be developed covering all aspects of the duties of panchayats and officials under the Act. The citizens' charter

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 however, revealed that the state governments of eight states and one UT viz. Assam, Haryana, Jharkhand, Manipur, Odisha, Punjab, Sikkim, West Bengal, and Dadra & Nagar Haveli had not developed the citizens' charter and as a result MGNREGS in these states had been implemented without specific duties and time frames for execution.

Good Practice: Andhra Pradesh

Government of Andhra Pradesh had issued (January 2012) a circular, specifying the timelines for completion of various tasks, the responsible functionaries, and the method for calculating starting and ending dates for computation of delay. In the case of delay beyond the specified periods, 0.3 *per cent* of wages delayed per day was to be recovered from the functionaries and automatically transferred to the labourers' account; recoveries were to be approved by Project Director, District Water Management Agency within 24 hours of receipt of the list of deductions.

11.11 Impact Assessment

According to para 10.4 of the Operational Guidelines, the outlays for MGNREGS had to be transformed into certain outcomes. Regular evaluations and sample surveys of specific MGNREGS works were to be conducted to assess the outcomes. The broad guidelines for evaluation studies, including MGNREGS assessment criteria, were to be framed by SEGC. Further, SEGC was to develop its own evaluation system in collaboration with research Institutions of repute and review evaluations conducted by other agencies (para 10.4.4 of Operational Guidelines). Evaluation through agencies on parameters approved by the CEGC was to be undertaken. The findings of the evaluation studies were to be used by SEGC, the district panchayats and other institutions for initiating corrective action. Further, the Council was to prepare an Annual Report on the implementation of the MGNREGS in the state to be presented to the State Legislature.

As discussed earlier (para 11.2.1) at the Central level, the CEGC was responsible not only for setting up a central monitoring and evaluation mechanism but also to actually monitor the implementation of the Scheme. It was noticed that the Council in spite of its six years of existence had not taken steps to establish a central evaluation and monitoring system. The CEGC did not take any steps to fix parameters for conducting the evaluation studies, as required in the Operational Guidelines.

The Ministry replied that it had impact assessment/evaluation studies conducted through reputed Institutions and forwarded a list of 50 such studies.

However, the Central evaluation and monitoring system by CEGC was to have a national perspective and none of the studies covered the entire country nor did they have a uniform objective or even uniform criteria to judge the impact of the Scheme. Also, these studies were commissioned by the Ministry and not by CEGC.

It was also seen during audit that in none of the states was a regular system of evaluations put in place by the SEGCS. Also, very few states had carried out evaluation studies and most of them were restricted to a few districts. It was seen that in eight states and one UT, namely, Arunachal Pradesh, Assam, Haryana, Himachal Pradesh, Odisha, Punjab, Uttar Pradesh, West Bengal, and Puducherry, the concerned SEGCS had not commissioned evaluation studies to gauge the impact and implementation of the Scheme in the state.

Recommendations:

- ***The CEGC and the Ministry need to ensure intensive monitoring of the Scheme for its proper implementation. They need to design a system for verification and audit of work.***
- ***The Ministry or CEGC may consider undertaking a national level, comprehensive, independent evaluation of the Scheme.***