

Chapter V
Monitoring, Grievance redressal
and Social Audit

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MGNREGA Operational Guidelines specifies the aspects of quality management and quality monitoring mechanisms. Quality management has three distinct aspects such as quality control at site, quality supervision and quality monitoring. Besides quality management, other aspects such as State Employment Guarantee Council, Social Audit, transparency and accountability through grievance redressal mechanism, system of ombudsperson also forms the part of monitoring of MGNREGS.

Substantial funds involved in the implementation of MGNREGS coupled with its implementation across the State in 11037 GPs, make the monitoring and evaluation of the Scheme challenging. It was thus, imperative to have robust and efficient monitoring, evaluation and review of the mechanism of the Scheme.

The audit findings in respect of monitoring, system of grievance redressal mechanism and social audit under MGNREGS are discussed below:

5.1 Functioning of State Employment Guarantee Council

As per section 12 (2) of NREG Act, 2005 (amended up to November 2009), State Employment Guarantee Council (SEGC) was to be constituted in each state to advise the State Government on all matters concerning the scheme, to review the monitoring and redressal mechanism and to give recommendations for improvement and to prepare the annual report to be laid before the State Legislature. The SEGC was required to meet every six months.

Audit observed that Government of Rajasthan constituted State Employment Guarantee Council (SEGC) in March 2006, which was reconstituted¹ in July 2010. However, it was noticed that no meeting of SEGC was held during 2019-2024 due to delay in nomination of non-government members on completion of their term (March 2022) and constitution of new government after State Assembly Election in 2023. Last meeting of SEGC was held on 5 July 2016.

Commissioner, EGS accepted (July 2024) that meetings were not held and no suggestions were given by the Council. However, Annual Reports were being laid before the State Legislature timely.

The State Government stated (September 2025) that due to completion of two years of previously nominated non-official members and recent formation of the 16th Legislative Assembly, the meetings could not be done and nomination of non-official members in the Rajasthan SEGC is under process.

The fact remains that SEGC's meetings are an important mechanism to monitor and advise the State Government on matters relating to the scheme and that mechanism was not utilized in the state.

¹ SEGC was reconstituted under the Chairmanship of Chief Minister of Government of Rajasthan and comprising of 24 members and 10 nominated members.

5.2 Appointment of State and District Quality Monitors

As per paragraphs 14.10.4 of Operational Guidelines, 2013 the State Quality Monitor (SQM) will inspect at least five *per cent* of work while they are still in progress, so as to assess process quality aspects. Further, as per para 7.12.1 of Annual Master Circular 2019-20, District Quality Monitoring (DQM) cell will monitor and evaluate at least 10 *per cent* of the work executed in the concerned district under the scheme.

Audit noted that State Government established State Level Technical and Quality Monitoring Cell comprising six members and District Level Technical and Quality Monitoring Cell in districts comprising five members in February 2025 i.e. after more than 11 years of the issue of Operational Guidelines 2013.

Thus, due to delay in establishment of State Level Technical and Quality Monitoring Cell, quality of ongoing works could not be assessed. Further, due to delay in establishment of District Level Technical and Quality Monitoring Cell, the officials at district level did not monitor and evaluate the quality of the works completed under the scheme during 2019-24.

The reasons for delay in constitution of the Quality Monitoring Cell was not furnished by the State Government.

5.3 Establishment of Ombudsman at district level and redressal of grievances

Para 13.14 of the Operational Guidelines, 2013 provides that the State Government will establish the office of Ombudsman in all districts for expeditious redressal of grievances regarding implementation of the scheme.

Ombudsmen shall have power to receive complaints from MGNREGA workers and others on specified matters, consider such complaints and facilitate their disposal in accordance with law. The Ombudsman is to pass the award within 30 days from the date of receipt of complaint.

The State Government appointed ombudsman in all the 33 districts. Scrutiny of the MIS report of MGNREGA portal revealed that 159 complaints were pending with ombudsman at state level as of February 2025, out of which 136 (85.53 *per cent*) complaints were pending for more than six months including 99 (62.26 *per cent*) which were pending from more than one year.

Audit also observed that 23 complaints were pending at ombudsman in the test checked four districts² as of February 2025, out of which 20 complaints³ were pending for more than one year. Pendency of complaints from a long time shows that the department has not evolved an effective complaint disposal mechanism.

During beneficiary survey conducted in test checked 40 GPs audit noticed

² Naguar: 10 complaints, Jaisalmer: 10 complaints, Banswara: one complaint and Kota: two complaints.

³ Naguar: 10 complaints, Jaisalmer: nine complaints and Banswara: one complaint.

that only 5 *per cent* (20 out of 400) beneficiaries were aware that there is an Ombudsman at the District level for Grievance Redressal.

State Government stated (September 2025) that 43 out of the 159 pending complaints have been resolved by the respective Lokpals as of May 2025. Reminders have been issued to all Lokpals from time to time for redressal of complaints.

5.4 Appellate Authority for grievances redressal

As per paragraph 13.4 of Revised Guidelines issued (August 2017) by GoI, a three-member Appellate Authority, consisting of an academician, a retired civil servant and a civil society representative, was to be set up to consider representation by any party aggrieved by the awards of the Ombudsman.

It was observed that the State Government did not set up an Appellate Authority at the state level as required in the guidelines.

State Government stated (September 2025) that three members (academician, retired civil servant and civil society organization category) of the State Level Lokpal Appellate Authority have been appointed and the Lokpal Appellate Authority has been constituted in the State.

The fact remains that the Appellate Authority has been appointed with a delay of eight years from the issue of the guidelines.

5.5 Disposal of Complaints

As per para 13.13.1 of Operational Guidelines, 2013 the State Government shall, by rules, determine appropriate grievance redressal mechanisms at the Block level and the District level for dealing with any complaint by any person in respect of implementation of the Scheme and lay down the procedure for disposal of such complaints.

Scrutiny of information provided by Commissioner, EGS revealed that 915 complaints were received at Commissioner, EGS during 2019-24, out of which, 502 complaints were resolved and 413 complaints⁴ (45.14 *per cent*) were pending as of August 2024, in which 65 pending complaints (7.10 *per cent*) were pertaining to period 2021-22 and 2022-23.

Audit observed that in test checked five districts' complaints regarding wage payment to labourers, use of sub-standard material in construction works, use of JCB machines in works, etc., were received. The details of disposal of complaints in test-checked districts is as mentioned below:

- All the 76 complaints received during 2019-24 in Banswara district were disposed off by the Additional District Program coordinator (ADPC) as on July 2024.

⁴ 2019-20: 22 complaints received and all resolved, 2020-21: 69 complaints received and all resolved, 2021-22: 107 complaints received and 10 outstanding, 2022-23: 227 complaints received and 55 outstanding, 2023-24: 490 complaints received and 348 outstanding.

- Two complaints out of eight received in the year 2023-24 were pending (July 2024) in Chittorgarh district.
- The complaint register was not maintained in Kota district for the period 2019-23 due to which it cannot be ascertained as to how many complaints were received. However, all the 31 complaints received during the year 2023-24 were disposed off.
- In Nagaur district, 108 out of 197 complaints received during 2019-23 were still pending as of September 2024.
- In Jaisalmer district, no complaint was received during the audit period.

During beneficiary survey conducted in the test-checked 40 GPs audit noticed that 67 *per cent* (268 out of 400 beneficiaries) beneficiaries were not aware about the grievances redressal mechanism.

State Government stated (September 2025) that only 77 complaints received during 2019-24 are pending which pertained to the year 2023-24 only. Instructions have been issued to Chittorgarh, Kota and Nagaur districts for compliance.

5.6 Constitution of Vigilance Cell

Para 13.6.2, 13.6.3 and 13.6.4 of Operational Guidelines, 2013 provide that a Vigilance Cell consisting of a Chief Vigilance Officer (CVO) at the State level, a District Vigilance Cell under the district level authority at the district level and a Vigilance and Monitoring Committee at local level are to be set up after approval of Gram Sabha. These cells are required to be set up to receive complaints about the implementation of the scheme for conducting regular field visits to detect irregularities, and for taking *suo-moto* action based on reports appearing in the media, visiting the work sites and interacting with workers.

Audit observed that vigilance cell at state level was constituted in February 2025 after more than 11 years from the issue of Operational Guidelines 2013.

Audit also observed that Vigilance & Monitoring Committee was not constituted at local level in Chittorgarh district. Information related to constitution of Vigilance cell in Banswara, Chittorgarh, Jaisalmer, Kota and Nagaur district were not provided to audit though called for (July-December 2024).

State Government stated (September 2025) that in Nagaur districts vigilance committee has been constituted. However, date of constitution of vigilance committee in Nagaur district was not informed and no reply was furnished for the other selected districts.

5.7 Periodical inspection

The Ministry of Rural Development, GoI has launched (May 2021) the Area Officer Monitoring visit Application. The purpose of the app is to make real-time inspection and evidence based reporting of Rural Development Schemes.

The provision to view the field visit outcome report by the senior officials is also available in the application.

Scrutiny of report 'Target vs Worksite Visit Report' available on 'Area Officer Application' revealed that work site visits against targets given to DPC, ADPC, Executive Engineer, AE, JE were very low during 2021-22 to 2023-24 as shown in **Table 5.1** below:

Table 5.1: Work site visits against targets during 2021-22 to 2023-24

Year	DPC		ADPC		Executive Engineer		AE		JE	
	Target	WS Visited	Target	WS Visited	Target	WS Visited	Target	WS Visited	Target	WS Visited
2021-22	3960	235	3960	1403	3960	301	3960	239	3960	0
2022-23	3960	2105	3960	3439	3960	2064	3960	370	3960	0
2023-24	3960	1472	3960	2968	3960	3506	3960	573	3960	0
Total	11880	3812 (32%)	11880	7810 (66%)	11880	5871 (49%)	11880	1182 (10%)	11880	0

(Source: Area Officer App data)

The above table depicts that the percentage of work site visit conducted by DPC, ADPC, Executive Engineer, AE, JE was 32 per cent, 66 per cent, 49 per cent, 10 per cent and 0 per cent respectively during 2021-22 to 2023-24. Reports related to the years 2019-20 to 2020-21 were not uploaded on Area officer App.

Further, in the test-checked five districts work site visits against targets were significantly very low during 2021-22 to 2023-24. Work site visits were not done by JE in any of the test-checked district and in Chittorgarh district the work site visit was conducted by AE only, which was only 24 per cent against the target. Status of work site visit against targets in the test-checked five districts is shown in **Appendix 5.1**.

Commissioner, EGS replied (April 2025) that less inspection were carried out in the years 2021-22 to 2023-24 due to Covid 19 pandemic and State elections.

State Government stated (September 2025) that District Collector and District Program Coordinator, Banswara, Chittorgarh and Kota have been directed to send compliance. ADPC, Nagaur stated that efforts will be made to increase inspections and ADPC, Jaisalmer has issued directions to BDOs.

5.8 Maintenance of mandatory records

GoI issued (October 2016) instructions for proper maintenance of records for the effective implementation of the scheme and provided simplified formats of the seven Registers⁵. These registers are designed with a view to ease the functioning of the field level personnel and reduce duplication of work without

⁵ I - Register for Job Card (Application, Registration, Job Card Issue) and Household Employment Reports; II-Gram Sabha Register; III-Demand for Work, Allocation of Work and Payment of Wages Register; IV-Register for work; V-Fixed Asset Register; VI-Complaint Register; and VII-Material Register.

compromising the quality of information, especially those relating to entitlements of workers.

During the scrutiny of records (July to November 2024) of the test-checked 40 GPs audit noted that all seven registers are being maintained only in 16 GPs. Eight⁶ GPs did not maintain complaint register, one⁷ GP did not maintain asset register, 14⁸ GPs maintained these seven registers partly and one⁹ GP did not maintain any register.

State Government stated (September 2025) that directions have been issued to all the districts to maintain the prescribed registers.

5.9 Recovery of financial misappropriations pointed out in Social Audit

Section 7(3)(c) of the MGNREGA Audit Rules 2011 provides that every District Program Coordinator (DPC) or any official on his behalf shall take steps to recover the amount embezzled or improperly utilized and shall maintain a separate account for the amount so recovered.

Scrutiny of information provided by Director, Society for Social Audit Accountability and Transparency (SSAAT) (Januray 2025) revealed that financial misappropriation amounting to ₹ 3.91 crore in MGNREGA works were identified in 140 cases during social audit at state level during 2021-22 to 2023-24, of these only ₹ 92.23 lakh (23.58 *per cent*) were recovered in 41 cases as of January 2025 as per the details given in **Table 5.2** below.

Table 5.2: Status of recovery of financial misappropriations pointed out in social audit

					(₹ in lakh)
Year	No. of cases for which financial misappropriation amount was to be recovered	Amount to be recovered	No. of cases in which amount was recovered	Total Amount recovered	Percentage of recovery
2021-22	01	0.12	01	0.12	100
2022-23	51	122.27	18	76.13	62.26
2023-24	88	268.77	22	15.98	5.95
Total	140	391.16	41	92.23	23.58

(Source: Information provided by SSAAT)

It was further observed that cases of financial irregularities of ₹42.77 lakh pointed out in Social Audits from the year 2007-08 to 2019-20 remained unrecovered at the districts level even after lapse of 3 to 15 years as of April 2023.

⁶ Jagpura, Doliya, Rangpur, Mandana, Kasar, Kisanpura, Bashyahedi and Shyampura.

⁷ Maska Mahudi.

⁸ Toga, Mandai, Fathegarh, Uttam Nagar, Chakuda, Chhapri, Mungana, Roliya, Balsamand, Dhingsari, Tanwra, Jusri, Safed badi, Sarnavda.

⁹ Mahudi.

In the test-checked five districts, financial irregularities of ₹ 2.83 crore were pointed out during 2021-24 of these, only ₹ 0.20 lakh were recovered in Chittorgarh district only as of December 2024 as per details given in **Table 5.3** below:

Table 5.3: Status of recovery of misappropriated amount pointed out in test checked districts in Social Audit

(₹ in lakh)

S. No.	Name of District	Amount misappropriated	Amount recovered	Balance amount
1.	Chittorgarh	112.88	0.20	112.68
2.	Banswara	27.05	00	27.05
3	Nagaur	50.80	00	50.80
4	Kota	29.88	00	29.88
5	Jaisalmer	62.50	00	62.50
Total		283.11	0.20	282.91

(Source: Information provided by SSAAT)

In addition to above, separate bank account for amount so recovered was not maintained in any of the test-checked districts. Only ADPC, Jaisalmer furnished reply (November 2024) and stated that the amount pointed out in social audit will be recovered and separate accounts will be maintained.

State Government stated (September 2025) that instructions have been issued to the concerned Zila Parishads to take necessary action for recovery of the remaining amount of ₹2.99 crore pointed out in Social Audit during 2021-24 and for recovery/adjustment of outstanding amount of financial irregularities pointed out during 2007-08 to 2019-20.

5.10 Status of pendency of corrective measures on observations pointed out in Social Audit

Para 13.4.2 of Operation Guidelines, 2013 provides that the DPC shall ensure that time bound corrective action is taken on the social audit report.

As per information provided (November 2024) by Director, SSAAT, status of outstanding observations raised in social audit during 2019-24 are given in **Table 5.4** below:

Table 5.4: Status of outstanding social audit observations

Year	No. of observations raised in Social Audit	No. of observations settled	No. of outstanding observations	Percentage of outstanding observations
2019-20	571	80	491	85.99
2020-21	40	35	05	12.50
2021-22	55	28	27	49.09
2022-23	474	429	45	09.49
2023-24	1391	154	1237	88.93
Total	2531	726	1805	71.32

(Source: Information provided by SSAAT)

Above table shows that out of total 2531 observation raised in social audit during 2019-24, 71.32 per cent observations were outstanding for want of corrective measures. 85.99 per cent of the observations raised in 2019-20 were outstanding as of November 2024 even after a lapse of more than four years.

Further, in the test-checked five districts, 50 per cent to 97.72 per cent observations raised in social audit during 2019-24 were outstanding as of November 2024 (Banswara: 50 per cent, Chittorgarh: 97.50 per cent, Kota: 97.72 per cent, Nagaur: 79.59 per cent and Jaisalmer: 72.94 per cent).

State Government stated (September 2025) that 916 out of 2531 objections issued by social audit teams pertaining to years 2019-20 to 2023-24 have been settled/adjusted by the concerned districts. Instructions have been issued to all the districts from time to time for settlement and adjustment of pending objections raised in social audit.

5.11 Concurrent social audit

As per para 10.1.12 of Master Circular 2019-20, concurrent social audit shall be done for all works every month. For this purpose, Self-Help Groups, Village Social Auditors, Village Monitoring Committees (VMC) and other village level organizations will have the right to inspect all records of works done and expenditure made in the GP on a fixed day of the week. Copies of records, where needed, will be provided by the Programme Officer at a nominal cost. The VMC may visit each active worksite once a month. The VMC shall sign its report and submit the same to the Programme Officer.

Scrutiny of records and information collected from all the selected blocks revealed that neither the VMC was formed for each selected GP in any selected Panchayat Samitis, nor the concurrent social audit was conducted. PS Ghatol, Fathegarh and Makrana accepted the facts and remaining seven PSs did not furnish reply though called for (September-January 2025).

State Government stated (September 2025) that concurrent audit does not come under the purview of the SSAAT, but did not reply as to whether VMC were formed and concurrent audit was conducted by VMC or other village level organisation.

5.12 Registration of MGNREGA workers in e-Shram portal and Pradhan Mantri Shram Yogi Maandhan Yojana (PM-SYM)

As per order issued (December 2021) by Rural Development Department, GoR all beneficiary families under the MGNREGS were to be registered in the e-Shram portal so that labourers can also get the benefit of the accident insurance scheme of ₹ 2 lakh under the Prime Ministers' Security Insurance Scheme. Further, Commissioner, EGS directed (October 2022) to District Programme Coordinators to encourage and register the labourers registered under the MGNREGS in the Pradhan Mantri Shram Yogi Mandhan Yojana¹⁰ (PM-SYM).

¹⁰ It is a voluntary and contributory pension scheme of GoI, under which the subscriber would receive minimum assured pension of ₹ 3000/- per month after attaining the age of 60 years and also have a provision of family pension to spouse.

Scrutiny of the MIS report revealed that out of the 1.24 crore active labourers of MGNREGS at State level, only 46.70 lakh (37.66 *per cent*) labourers were registered in the e-Shram portal and 14.29 lakh (11.52 *per cent*) labourers were registered in PM-SYM as of February 2025.

In the test checked five districts, 17.99 *per cent* to 79.17 *per cent* labourers were registered on e-Shram portal and 2.03 *per cent* to 22.05 *per cent* labourers were registered on PM-SYM as of February 2025. Highest 79.17 *per cent* labourers were registered on e-Shram portal in Kota district. Position of Nagaur district was poor as 17.99 *per cent* labourers were registered on e-Shram Portal and 2.03 *per cent* labourers were registered on PM-SYM. Details are given in Table 5.5 below:

Table 5.5: Position of registration of labourers on e-Shram portal and PM-SYM as on February 2025

Name of district	Active Workers	No. of Beneficiary who has registered on e-shram portal	No. of Beneficiary who has registered on PM-SYM
Banswara	717039	300007 (41.84%)	21470 (2.99%)
Chittorgarh	259142	72552 (28.00%)	15684 (6.05%)
Jaisalmer	233628	61925 (26.51%)	51513 (22.05%)
Kota	184720	146239 (79.17%)	10128 (5.48%)
Nagaur	756859	136194 (17.99%)	15381 (2.03%)

(Source: MIS report of NREGA soft)

Due to laxity of the department in registration on e-Shram portal and PM-SYM, labourers were deprived from benefit of schemes to that extent.

The State Government stated (September 2025) that monitoring has been done after issue of directions at State level for maximum registration of MGNREGA labours on e-Shram portal/PM SYM time to time. The fact remains that only 37.66 *per cent* and 11.52 *per cent* of MGNREGA labours at State level have been registered on e-Shram Portal and PM-SYM respectively as of February 2025.

5.13 Conclusion and recommendations

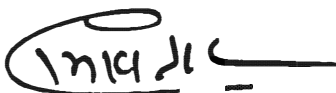
The mechanism for monitoring and grievance redressal under the MGNREG scheme are not well established and functional in the State. The State Level and District Level Technical and Quality Monitoring Cell were established after more than 11 years of the issue of Operational Guidelines 2013. The Appellate Authority, to be formed for considering appeal against the awards of ombudsman, has been appointed with a delay of eight years leaving the aggrieved person deprived of the right to appeal against the awards to ombudsman. Periodic inspections of the works executed under the scheme by the district and block level officers was in the range of 0 to 66 *per cent* during 2021-22 to 2023-24. Maintenance of essential records under the Scheme was not ensured in 60 *per cent* of the test-checked GPs.

Recovery of financial irregularities pointed out during the social audit of works executed under the scheme was only to the extent of 23.58 *per cent* at state level. Further, substantial number of observations raised during social audit were outstanding at the state as well as test checked districts level for want of corrective action.

Recommendations:

9. *The State Government may ensure that periodical inspections are carried out by the officers for effective monitoring of the works being executed under the Scheme and GPs may maintain all the mandatory registers.*

JAIPUR,
The 24 February 2026


(RAMAWATAR SHARMA)
Accountant General
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Countersigned

NEW DELHI,
The 26 February 2026


(K. SANJAY MURTHY)
Comptroller and Auditor General of India