

Executive Summary

Executive Summary

The Government of India enacted the National Rural Employment Guarantee Act, 2005 in September 2005, subsequently renamed (October 2009) as the Mahatma Gandhi National Rural Employment Guarantee Act. The mandate of the Act is to enhance the livelihood security of the households in rural areas of the country by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work on demand. Under the Act, Government of Rajasthan notified 'Rajasthan Rural Employment Guarantee Scheme' in July 2006 and renamed as "National Rural Employment Guarantee Scheme" in May 2007.

This Performance audit covering the period from 2019-20 to 2023-24 was conducted with the objective to review the adequacy of planning process and financial management practices, employment generated, creation and maintenance of durable and useful assets while ensuring convergence with other programmes/schemes. The Performance Audit also assessed the adequacy of monitoring, social audit and grievance redressal system.

Audit examined the records in five out of 33 districts in the State, 10 Panchayat Samitis (PSs) and 40 Gram Panchayats (GPs). Besides, in each selected Gram Panchayat, seven works for Joint Physical Verification (total 280 works) and 10 Beneficiaries for Survey (total 400 beneficiaries) were also selected.

Major Audit Observations

Planning and Financial Management

The baseline survey was not conducted in any of the test checked GP during 2019-24 due to which the nature, quantum and timing of the demand of work for employment could not be ascertained and a realistic development plan could not be prepared at the grass root level.

District Perspective Plan was also not prepared in any of the test-checked districts due to which needs and gaps of all the sectors in the districts could not be identified. Further, Annual work plans of the selected 16 GPs of seven selected PSs were prepared without determining the priorities of works in Gram Sabha in different years during 2019-24.

Block Resource Centre (BRC) was required to be set up for providing technical inputs for planning, maintaining database for planning, ensuring convergence between MGNREGS and other production-oriented schemes of the government. Non-setting up of BRC in any of the selected block had left the GPs without any support system required for planning.

Shortage of manpower in the State at all levels *i.e.* State, Districts, Panchayat Samitis and Gram panchayats level, ranging between 3 *per cent* to 64 *per cent* in regular staff and 31 *per cent* to 80 *per cent* in contractual staff adversely affected the implementation of the scheme. Vacancy in regular trained staff for conducting social audit affected the efficiency in conducting social audit as 100 *per cent* posts of regular Block Resource Persons (BRPs) and Village Resource

Persons (VRPs) were vacant at State level as of July 2024 and *Mate/Sathins* were performing the social audit work in place of these BRPs/VRPs.

During 2019-20 to 2023-2024, the State Government delayed the release of fund received from GoI for material component and administrative expenses and its corresponding matching share by 3 to 169 days due to which interest liability amounting to ₹ 9.08 crore pertaining to the years 2019-20 and 2020-21 was created. The pending liability of the State for wages and material component for the period 2019-24 was ₹ 2014.39 crore as on September 2025, of which liability for material component was ₹ 1892.67 crore.

Employment Generation

During the years 2019-24, job cards issued to registered households ranged between 97.73 *per cent* and 99.20 *per cent* in the State. However, it was noticed that door to door survey for identification of eligible households who have been missed out and wish to be registered was not conducted in any of the test checked GP. Deficiencies in maintenance of job cards were observed such as incomplete entries of dates of work done and details of payment, signature columns kept blank, absence of photographs of all the members of HHs *etc.*

During 2019-24, only 58.71 *per cent* to 70.58 *per cent* job card holder HHs demanded employment under the scheme. Though employment was offered to more than 99.96 *per cent* of job card holders who demanded employment, 89.88 *per cent* to 94.77 *per cent* of these HHs availed employment and employment of 100 days were provided to only 7.15 *per cent* to 16.33 *per cent* of the HHs which availed employment. Further, on an average 27.90 lakh households (42.36 *per cent*) availed employment of less than 50 days, while 8.08 lakh households (12.26 *per cent*) availed employment of 100 days and above during 2019-20 to 2023-24.

The representation of women in employment under the scheme in all the districts in the State was more than one-third of the total employment generated and ranged between 49.59 *per cent* and 80.53 *per cent*.

During 2019-24, employment ranging between 29.53 *per cent* and 42.98 *per cent* was provided to registered differently abled persons in the State and average employment days during those years ranged between 38 to 44 days. The data of differently abled persons who demanded work during 2019-24 was neither depicted in the NREGASoft nor was any corroborative physical record maintained due to which the percentage of differently abled persons who demanded employment could not be ascertained in audit.

During the period 2019-24, no IEC plan was prepared at the State level and 72 *per cent* of the test checked GPs did not organise any *Rozgar Diwas* during that period.

As of September 2025, 2.82 *per cent* transactions of wage payment amounting to ₹ 948.54 crore was made with a delay ranging from 16 days to more than 90 days beyond the prescribed time limit during 2019-24 in the State. Instances of non-providing employment to all the beneficiaries within 15 days of their

applications were noticed as unemployment allowance of ₹ 52.91 lakh for the period 2019-24 at State level was pending as of July 2025.

80 *per cent* of the compensation computed on account of delayed payment of wages was rejected citing random reasons such as natural calamity and compensation not due which raises concern regarding adopting casual approach in compensation disbursement.

Execution of works

21 *per cent* of the works approved (19.74 lakh) in the State during 2019-20 to 2023-24 were incomplete and 5 *per cent* works were not started as of September 2025. 8 *per cent* of these incomplete works in the State were pending completion for more than three years.

Durable assets as intended were not created as instances were noticed where in works such as construction of road, modern *talab/ talai nirman* were executed without any use of material, though material was provisioned for in the estimates. Irregularities in muster rolls like missing signature/thumb impression of workers on the muster roll, rectification/overwriting in the muster roll were also noticed.

Convergence of works under the MGNREGS is allowed for the creation of durable assets. 88 *per cent* of the total 11.36 lakh works approved under convergence during 2019-24 were incomplete as of September 2025.

At least 60 *per cent* of the works were to be taken up in a district under agricultural and allied activities for creation of productive assets directly linked to agriculture and allied activities which was ensured in only two to five districts in the State. Further, mandatory 65 *per cent* of expenditure on Natural Resource Management (NRM) work was not incurred in any of the year during 2019 to 2024 in the test checked blocks, which fall under the NRM block.

Monitoring, Grievance Redressal and Social Audit

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. Thus, the intended purpose of real-time inspection and evidence based reporting of the scheme was not achieved.

Maintenance of the prescribed registers under the scheme was not ensured in 60 *per cent* of the test-checked GPs. Further, 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 and substantial number of observations raised during social audit were outstanding at the state as well as

at test checked districts level for want of corrective action.

Recommendations

1. *The State Government may take appropriate action to conduct baseline survey at GP level and preparation of District perspective plan at district level so that nature, quantum and timing of the demand for employment could be ascertained and needs and gaps of all the sectors in the districts could be identified.*
2. *The State Government should ensure that adequate number of staff with requisite skills are provided for the smooth functioning of the Scheme, especially adequate numbers of trained Village Resource Persons (VRPs) and Block Resource Persons (BRPs) may be appointed for conducting social audit.*
3. *The State Government should ensure timely release of the State's matching share and may take appropriate steps to reduce pending liabilities.*
4. *The State Government may issue directions to all the GPs for conducting door to door survey annually for registration of households and ensure that job cards are maintained and completed in all respect.*
5. *The State Government may issue directions for stepping up IEC activities besides organising Rozgar Diwas on a regular basis.*
6. *The State Government may ensure timely payment of wages to the workers, review the reasons for rejection of huge amount of compensation for non-timely payment of wages and take time bound action to disburse unemployment allowance.*
7. *The State government may review the position of incomplete works and devise a plan to complete the works in a time bound manner and also expedite the works sanctioned under convergence of other schemes under MGNREGS.*
8. *The State Government may take action to strengthen the monitoring mechanism for ensuring proper maintenance of muster rolls.*
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.*