



## CAG Audit Report on Assam's NRC

**For Prelims:** National Register of Citizens, CAG

**For Mains:** NRC – Significance and Challenges, Status of NRC in Northeast Indian states,

### Why in News?

Recently, the [Comptroller and Auditor General of India \(CAG\)](#) has detected large-scale anomalies in the updating of the [National Register of Citizens \(NRC\)](#) in Assam.

### What are the CAG's Concerns?

- **Irregularities in the Utilisation of Funds:**
  - At the time, **the process to update the NRC was started in December 2014 with a deadline for completion in February 2015** and the project cost was pegged at Rs. 288.18 crores.
  - There was, however, a **five-fold increase in the cost by March 2022** due to additional time to complete it and changes in the update software.
  - As for irregularities, the **CAG found that the number of wages paid to the outsourced staff was 45.59%-64.27% less** than what was approved by the NRC coordination committee.
- **Lack of Secure and Reliable Software:**
  - In the NRC update process, a **highly secure and reliable software was required to be developed**, however, lack of proper planning was observed in this regard to the extent of 215 software utilities were added in a haphazard manner to the core software.

### What has the CAG Recommended?

- The **country's top auditor sought penal measures against Wipro Limited** for violating the provisions of the **Minimum Wages Act, 1948** and for paying data operators less than minimum wages.
  - Information technology firm Wipro Limited was entrusted with **one of the prime software installation companies** by the NRC Directorate.
- Secondly, the report **recommended action against the State Coordinator of National Registration (SCNR)** for “excess, irregular and inadmissible payments”.
- The **CAG also recommended fixing accountability of the SCNR** as the principal employer for “not ensuring compliance with the Minimum Wage Act”.

### What is the NRC Exercise?

- An NRC was **first created in 1951 in Assam** to identify those born in India and migrants from erstwhile East Pakistan, now Bangladesh.
- In 2013, the **Supreme Court issued directions to the Centre and State to initiate an exercise in Assam** to update the 1951 register.

- The order was based on a petition filed by an NGO named Assam Public Works.
- The first draft was released in 2018.
- The final list, published in 2019, included those **who could establish their Indian citizenship by being residents or descendants of people** living in Assam before March 25, 1971 (the cut-off date for deportation of foreigners as per the [Assam Accord](#) of August 1985).
- As many as 19.06 lakh people out of 3.3 crore applicants were excluded due to a lack of adequate documents to prove their citizenship. Several parties dismissed the final list as “faulty”.
- Three years later, the process is on pause as the [Registrar General of India \(RGI\)](#) is yet to notify the final list.

## UPSC Civil Services Examination Previous Year Question (PYQ)

### Prelims

**Q. In India, other than ensuring that public funds are used efficiently and for intended purpose, what is the importance of the office of the Comptroller and Auditor General (CAG)? (2012)**

1. CAG exercises exchequer control on behalf of the Parliament when the President of India declares national emergency/financial emergency
2. CAG reports on the execution of projects or programmes by the ministries are discussed by the Public Accounts Committee.
3. Information from CAG reports can be used by investigating agencies to press charges against those who have violated the law while managing public finances.
4. While dealing with the audit and accounting of government companies, CAG has certain judicial powers for prosecuting those who violate the law.

**Which of the statements given above is/are correct?**

- (a) 1, 3 and 4 only  
 (b) 2 only  
 (c) 2 and 3 only  
 (d) 1, 2, 3 and 4

**Ans: (c)**

### Mains

**Q. Exercise of CAG’s powers in relation to the accounts of the Union and the States is derived from Article 149 of the Indian Constitution. Discuss whether audit of the Government’s policy implementation could amount to overstepping its own (CAG) jurisdiction. (2016)**

**Source: TH**