

## CHAPTER-IV FOLLOW UP OF SOCIAL AUDIT

### 4.1 Follow up

Social Audit would not be complete unless there is a time bound follow up action on the grievances that were identified. Time bound follow up is the responsibility of the State Government towards all the people who have participated in the Social Audit in the State. Section 7 (4) of the Rules provides that State Government shall be responsible to take follow up action on the findings of Social Audit.

### 4.2 Follow up at District and Block level

Para 25 (c) (vii) Schedule I of Section 4(3) of MGNREGS Act 2005 and Para 13.3.15 OG provides that after *Gram Sabha* meeting, a Social Audit public hearing should be held in the block headquarter in the presence of MGNREGS workers, elected representatives and officials to discuss the Social Audit findings and ensure that orders are issued in open on Social Audit findings. Further, on conclusion of the Social Audit public hearing at the block level, district level consultations may be organized for *Pramukh* and members of Block *Panchayat* for reviewing the follow up on grievances raised.

We, however, noted that in 11 states<sup>41</sup> public hearing after Social Audit was not held at block level. Further,

- In **Sikkim**, out of 1053 issues pointed out by the Social Audit for 2014-15, 584 issues were resolved by POs and DPCs.
- In **Uttar Pradesh**, in seven cases First Information Report (FIR) were lodged while 444 cases in 16 test check districts were pending as on March 2015. No punitive action was taken in these cases.
- In **Odisha**, out of 88 public hearing meetings to be conducted in 44 blocks test checked during 2014-15, only 45 meetings were conducted.
- In **Maharashtra**, in five test checked districts<sup>42</sup> where public hearing was held, no action was taken on ATRs submitted by the blocks.

Non- holding of the public hearing at block level after conduct of Social Audit to discuss the follow-up action and not resolving the issue and lack of monitoring of action taken on Social Audit at district level was detrimental to the objectives of Social Audit.

41 Assam, Goa, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Punjab, Tamil Nadu, Tripura, West Bengal and in other state information was not available

42 Nagpur, Nanded, Nashik, Palghar and Wardha

Ministry replied (December 2015) that it would issue model rules on action to be taken based on findings of Social Audit.

### 4.3 Recovery of misappropriated amount

Section 7(3) (c) of the Rules provides that every DPC or any official on his behalf shall take steps to recover the amount embezzled or improperly utilised and maintain a separate bank account for the amounts so recovered.

We, however, noted that significant portion of the misappropriated amount pointed out in Social Audit, as tabulated below, was yet to be recovered:

(₹in crore)

Sl. No.	State	Amount misappropriated	Amount recovered	Balance	percentage of recovery
1.	Andhra Pradesh	54.41	19.55	34.86	36
2.	Telangana	54.01	16.35	37.66	30
3.	Uttar Pradesh	3.44	0.03	3.41	1

Further, no separate bank account for amount so recovered was maintained.

### 4.4 Follow up at State Level

Section 7(4) of the Rules provides that the State Government shall be responsible to take follow up action on the findings of the Social Audit. Further, as per section 7(5) of the Rules, the State Employment Guarantee Council (SEGC) shall monitor the action taken by the State Government and incorporate in the Annual Report to be laid before the State Legislature by the State Government.

We noted that out of 25 states reviewed, SEGC was not constituted in five states<sup>43</sup>.

SEGC, though constituted in 18 states<sup>44</sup>, did not monitor the action taken by the State Governments on SARs and only in two states viz. **Rajasthan** and **Sikkim**, SEGC duly monitored the follow up on the SAR by the State Government.

This indicated poor monitoring of action taken on SARs at state level.

### 4.5 Submission of summary of findings of Social Audit to C&AG

Section 3(2) of the Rules provides that summary of findings of Social Audit conducting during the financial year shall be submitted by the State Government to the C&AG.

We noted that in all selected States summary of findings of the Social Audit was not submitted to C&AG.

43 Andhra Pradesh, Bihar, Chhattisgarh, Himachal Pradesh and Telangana.

44 Assam, Goa, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Meghalaya, Mizoram, Odisha, Punjab, Tamil Nadu, Tripura, Uttar Pradesh, Uttarakhand and West Bengal

#### **4.6 Submission of Action Taken Report on Social Audit to the State Legislature and Parliament**

Para 13.4.5 and 13.4.7 of the OG provides that action taken on the SARs shall be incorporated in the Annual Report to be laid before the State Legislature and Parliament. We, however, noted that action taken on the SARs was not incorporated in the Annual Report to be laid before the State Legislature and Parliament.

Ministry replied (December 2015) that States would be asked for strict compliance of the provisions of Rules. However, Ministry remained silent about incorporation of ATR in Annual Report to be laid before the Parliament.


#### **4.7 Conclusion**

Social Audit block level public hearings were not organized to take follow up actions. District Programme Coordinators did not review the action taken on SARs. State Employment Guarantee Council did not monitor the action taken on SARs. State Governments also failed to submit the summary of findings of SARs to Comptroller and Auditor General of India. Neither the State Governments nor the Central Government incorporated the action taken on SARs in the Annual Reports to be laid before respective State Legislature and Parliament.

#### **4.8 Recommendation**

Follow up action at all levels as per provisions of the Rules may be ensured.

New Delhi  
Dated: 04 March 2016

  
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Central Expenditure

Countersigned

New Delhi  
Dated: 04 March 2016

  
(SHASHI KANT SHARMA)  
Comptroller and Auditor General of India