

Executive Summary

Background

Mahatma Gandhi National Rural Employment Guarantee Audit of Scheme Rules, 2011 (Rules) were enacted with the objectives to promote transparency and accountability in the implementation of programme, inform and educate people about their rights and entitlements, provide platform for people to express their needs and grievances, promote people's participation in all stages of the implementation and strengthening the scheme by deterring corruption and improving implementation. Rules provide nature of infrastructure and procedure to conduct the Social Audit.

The Audit of implementation of Rules was conducted to assess the establishment of Social Audit Units, planning and conduct of Social Audit. For this purpose we covered 1140 *Gram Panchayats* in 25 states where Social Audits were conducted during 2014-15.

The important findings of the audit are given below:

Social Audit Unit and Resource Persons

- Social Audit Units were not set up in **Arunachal Pradesh, Goa, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Kerala, and Uttarakhand.**

(Para 2.1)

- In **Assam, Bihar, Haryana, Maharashtra, Nagaland, Punjab, Rajasthan** and **West Bengal**, Social Audit Units were functioning as a cell within the department of Rural Development of the State Governments.

(Para 2.1)

- In **Madhya Pradesh, Manipur** and **Mizoram**, though societies have been set up as Social Audit Units but these were headed by departmental officers as additional charge. In **Odisha**, post of Director had been lying vacant since March 2014.

(Para 2.1)

- Shortage of resource persons to support and carry out Social Audits was observed. In 14 states where independent Social Audit Units had been established, the shortage of 43 (22 *per cent*) State Resource Persons, 358 (24 *per cent*) District Resource Persons and 1957 (57 *per cent*) Block Resource Persons were observed. In five states assessment of Village Resource Persons was not done whereas in nine states, Village Resource Persons were adequately identified/deployed.

(Para 2.3.1)

- States did not take the advantage of the Special Project launched by the Ministry to support the conduct of Social Audit and also failed to strengthen the resources for Social Audit.

(Para 2.5)

Planning and Execution of Social Audit

- Annual Calendar to conduct the Social Audit was not prepared in majority of States.

(Para 3.1.1)

- Out of 2,34,594 GPs to be covered for Social Audit in 25 States during 2014-15, only 1,20,841 GPs (51 *per cent*) were covered. Audit selected 1124 GPs where Social Audit was conducted during 2014-15. In 368 GPs Social Audit was conducted twice whereas in 756 GPs once.

(Para 3.1.2) & (Para 3.2)

- Instances of non-requisition/non-production of records in large number of cases were noted. In some cases evidence in support of requisition/verification of records were not enclosed with Social Audit Reports.

(Para 3.2.1)

- In **Assam, Bihar, Haryana, Gujarat, Punjab, Tripura** and **Uttar Pradesh**, door to door visits were not carried out to meet beneficiaries and share relevant information with them.

(Para 3.2.1)

- **Assam, Bihar, Gujarat, Maharashtra, Tripura** and **Uttar Pradesh** did not have any evidence of physical verification of work sites. In **Punjab** and **Haryana**, physical verification of work sites was not carried out.

(Para 3.2.1)

- Instances of non-convening of *Gram Sabha* meetings, low participation of village community, non-discussion of Social Audit findings, non-preparation of Social Audit Reports in local language and prescribed format, non-video recording and uploading of proceedings of *Gram Sabha* and Social Audit Reports on website, etc. were observed.

(Para 3.3)

Follow up of Social Audit

- In **Assam, Goa, Haryana, Himachal Pradesh, Gujarat, Jharkhand, Karnataka, Punjab, Tamil Nadu, Tripura** and **West Bengal**, block level public hearings were not held to discuss Social Audit findings and to ensure that the orders were issued in open.

(Para 4.2)

- **Andhra Pradesh** and **Telangana** did not constitute State Employment Guarantee Council after April 2013. In **Gujarat, Haryana, Madhya Pradesh, Odisha** and **Punjab**, State Employment Guarantee Council did not monitor action taken by the State Governments on Social Audit Reports.

(Para 4.4)

- Summary of findings of the Social Audit was not submitted to Comptroller and Auditor General of India by the States and action taken on the Social Audit Reports was not incorporated in the annual report to be laid before the State Legislature and Parliament.

(Para 4.5) & (Para 4.6)

Summary of Recommendations

- Ministry may fix a time frame and impress upon the State Governments to establish an independent SAU.
- Ministry may impress upon the State Governments to ensure availability of adequate trained resource persons at all levels.

- Effective steps may be taken to ensure the preparation of Annual Calendar and its implementation shall also be monitored.
- Record management may be improved at all levels to facilitate credibility of Social Audit.
- Social Audit Team may ensure verification of project sites and conduct door to door visit in compliance with the extant provisions.
- Awareness amongst the stakeholders for full participation in the *Gram Sabha* meetings on Social Audit may be ensured.
- Conducting of Social Audit meetings and reporting mechanism, as per the provisions of Rules may be ensured.
- Follow up action at all levels as per provisions of the Rules may be ensured.