



SOCIAL AUDIT IMPACT



Samarthan-Centre for Development Support

Report prepared by :

Samarthan Center for Development Support, Bhopal

© Samarthan, Bhopal March 2018

The information in this publication may be reproduced or distributed in any form with due acknowledgment of the publisher.

Published by :

Samarthan-Centre for Development Support

36, Green Avenue, Chunnabhatti

Bhopal-462016, Madhya Pradesh

Tel : 0755-2467625, (O) 9893563713

E-mail : info@samarthan.org, pmu@samarthan.org

Website: www.samarthan.org

SOCIAL AUDIT IMPACT



Samarthan-Centre for Development Support

SOCIAL AUDIT IMPACT

Introduction

During the last decade or so, the term and concept of 'social audit' has gained currency in India inclusive of Madhya Pradesh. The relevance is big as it is envisaged and has emerged as a tool for the common citizens to keep tabs on and seek answers on effective spending of huge public resources allocated for their welfare.

By definition, social audit is an appraisal of delivery and spending in government funded welfare schemes conducted by the community from its own perspective. The basic objective is to narrow the gap between vision/goal of the schemes/programmes and the reality. As we all know that a significant amount of public resources are invested in the social sector programmes to bring about positive changes in lives of millions of the poor and marginalised. However, it has repeatedly come to notice that the extent of resource allocations and its objectives often do not match the outcomes. Program expenditure translates into wastage of public resources. This is despite recognition of the need of community participation in planning.

This is where the need of 'social audit' of government welfare allocations was intensely felt. Social audit is being looked upon as a transformative process where the citizens, mainly those benefitted or potential beneficiaries, are empowered to seek answers from the authorities on their rights and entitlements. It empowers the citizens, especially beneficiaries of public programmes to hold the service providers accountable. In contrast to financial audits, social audit focuses on social accountability of public institutions/public programmes and examine usefulness and relevance of public expenditures from the perspective of community. This is a paradigm shift from a typical upward accountability environment, emerging as a tool in the hands of the common citizens to ask questions and to build a culture of downward

accountability.

The term 'social audit' evolved over the past two decades. Several methods, mechanism and connotation have evolved since its initial experiments. However, Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been instrumental in bringing social audits to its current stature in the country. Later, the provision got mention in many Acts and public programmes like Food Security Act, PM Awas Yojana and others.

The process got its ground in Madhya Pradesh after the flagship scheme Mahatma Gandhi National Rural Employment Guarantee Scheme commenced the social audits in Madhya Pradesh in 2013 with support of the MP State Social Audit Society – a semi-autonomous body mandated to facilitate social audits.

Though the focus remained on the MGNREGS, the audits almost invariably took cognizance of other complaints viz. old age pensions, land records, Mid-Day Meals, School education, health etc. raised by the community.

Wherever social audits have been facilitated well by the civil society groups, community based organisations or SAS facilitators; the communities have come forward and taken active part in demanding accountability. The effectiveness of the process of social audits was varied depending on the level of community organisation and cohesiveness of the poor and disadvantaged communities. People or the rights holders provided candid feedback based on the evidences generated by the social audit facilitators in the Gram Sabha meetings.

Unfortunately the feedback of the beneficiaries were not always respected and accepted. In several cases the decisions of the Gram Sabha for holding the implementation agency accountable were not adequately responded.

In spite of odds, social audits have succeeded in initiating the process of social accountability in programs and have ignited the hope for downward accountability in future.

Samarthan as an Civil Society Organisation working on issues of social accountability and in many cases as a critical collaborator of the MP SAS, **Samarthan and its partners** facilitated social audit process in many districts of Madhya Pradesh. A plethora of experiences and examples of successes, hurdles and possible solutions were generated.

The purpose of compilation of the social audit impact cases in Madhya Pradesh – where Samarthan played a role -is to highlight the impact and potentials of the social audit process despite the challenges and difficulties. Somewhere while going through the cases one will also realize the unfortunate impediments faced by common citizens in realizing their rights in spite of social audit findings.

In many social audits, the impact has been big, where more systemic and structural issues were taken up. For instance, the issue of delayed wages of all the laborers holding post office accounts was highlighted and addressed. Similarly, discrepancies in MGNREGS portal, or FTO rejections due to incorrect bank details or practice of circumventing the Panchayats' power by administrative machinery etc. In others, the impact has been more localized, though a lot more sustainable, for instance, returning of the bribe money to beneficiaries, or providing construction material when initially only fake bills were raised instead of purchase of material and its proper use were seen. Also the discrepancies in system and hurdles faced in getting the administration to suitably respond and correct the situation also got highlighted.

Following cases are some of the examples, where the **process** social audit succeeded in making a visible impact. These cases have been picked up from various social audit campaigns facilitated by Samarthan in different districts of Madhya Pradesh. The cases presented here are not more than three year old as issues emerging out of social audits over the years have changed. A team of Samarthan verified the information later to validate the **post social audit impact.**





CASE-1

Reopening of works shown wrongly as 'completed' brings relief

Soon after social audit process was taken up in Barjhai Panchayat in Bagli block of Dewas district in June 2016, an intriguing issue was presented during the Gram Sabha. Understanding and keenness of the social audit facilitators, panchayat representatives and functionaries had been heightened by training and orientation. And this was displayed in the presentation of the problem case.

And the result of this alert action has been heartening. Barjhai Panchayat's report that an incomplete road construction work was recorded erroneously as complete' on Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) portal and therefore the fund flow for the work was stopped, led to opening of a pandora's box.

Initiative by Samarthan team showed that at least 77 such development works worth Rs 30 million had got stuck in the district due to similar erroneous reporting of status. Rigorous follow up over next few weeks ensured that complaint was registered at national level and at least 44 of these works were reopened for completion till writing of this report.

The details of the issue are complex. Entire process of MGNREGS works sanction and fund flow is managed on its web portal. The portal works in a way that if a work is shown as 'completed', then the system gets locked for incurring any further expenses, stopping all further financial allocations for the work.

This is what happened at Barjhai. Due to erroneous 'complete' status recorded on the portal, the fund flow was stopped for road construction work. The result: The road was lying incomplete and part of wages of labourers and material cost were not paid.

Further enquiry revealed that case of 'completed' incomplete road in

Barjhai was not standalone. **Similar** problematic cases where incomplete construction works including that of Kapildhara dugwells, roads, cattle sheds and others had been given completion certificate in 71 panchayats.

The matter was taken up with Assistant Project Officer (APO) of MGNREGS and then with the Chief Executive Officer (CEO) of the block. The response was that the problem was caused by a technical snag. However, there was also an unofficial indication and rumors amongst the Panchayats representatives that there had been unwritten instructions at the district administration level to randomly issue 'completion certificates' to different works in the district because of 'pressure to show the works as complete. It emerged that at block level about 77 works were randomly given completion status. Possibly to improve the tally of the completed work.

This however spelt trouble for the panchayats as construction works had been halted at different stages, many of them without making any financial expenditures. The panchayat representatives and functionaries were **getting** chased by beneficiaries on one hand to complete development work, and by the labourers and vendors for due payments, **on** other.

The situation however could not be resolved at block or district level. According to the procedure, completion status is uploaded as MIS entries at the block level after the project works are verified by a sub-



engineer and completion certificate is issued by him. Once the completion certificate is issued, its reversal is only possible at National Informatics Centre (NIC) Delhi office on the request of the MGNREGS state office of Madhya Pradesh. Therefore, the process of reversal is very complicated and normally never undertaken as it requires pursuance and perseverance.

But the Samarthan team did not give up and the matter was taken up with MIS cell in MGNREGS department and also the MGNREGS Commissioner. After an initial reluctance in accepting this anomaly, the Commissioner made a call to the Block Project Officer (BPO), who confirmed the discrepancy in the portal and in issuance of the completion certificates.

The Commissioner then directed the BPO to report the issues and discrepancies with UTTRA (Universal Transparent Tracking of Applications and Responses to Applications) and register a complaint for redressal. A new set of problems emerged with this directive.

The districts and blocks are to be issued a specific password for registering complaints on UTTARA. Shockingly, not only the BPO had no clue on the passwords for registering complaints, the block level officials did not even know of the existence of the 'UTTARA' - the complaint registering portal.

It was only after the BPO was explained about the portal and given the due password, that the complaint on erroneous projection of 'completion status' on 77 incomplete work worth about Rs 30 million was registered.

Success was finally found after regular follow up with the block NREGS cell and the State department. Individual cases were verified and as many as 44 of the reported cases were reopened from August 2016 to early 2017.

During a 'Jansunvai' (public hearing) held at Bagli block headquarter in November 2017, the APO of MGNREGS confirmed that 44 cases have been reopened and several others are being verified for the same.



CASE-2

Social audit follow up leads to completion of dream wells

Despite having marginal land holdings, Rajendra Sendhav and Rajesh Bairagi of Augurli panchayat and Manoj in Arlavada panchayat (all three in Bagli block of Dewas district) are happy farmers today. During the past year, the irrigation facility for their land has improved and naturally the agriculture productivity has increased.

However two years ago, all these three farmers were extremely flustered individuals. Their decision to get Kapildhara dugwells constructed on the farmland seemed like a catastrophe, as their fund allocation got stuck midway making them debt ridden forced to sell the jewelry and other assets to save their land . But thanks to the social audit process taken up under guidance of Samarthan team, the farmers are breathing easy now.

The fund flow under MGNREGS is managed completely electronically on the on-line portal. When a construction work is sanctioned and TS and AS for the same is granted, the material is procured by Gram Panchayat and labour is usually organised by the beneficiaries from the community. The payment for both i.e. the material vendor as well as labour is generated through e-challans and electronic muster rolls . As most of time the payment is delayed to vendor and labour , therefore as a matter of practice, either the Gram Panchayat or the beneficiary undertakes initial investment from their pockets and take it back (from the vendors or labours) when the money is received in their respective account.

They have finally received their due funds of Rs 3.47 lakh each for the constructions and enjoying the benefits of have irrigation facilities on their farmlands.

Their stories go this way: All the three farmers had gotten the necessary technical and administrative approval for construction of the wells under a sub-scheme of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and started the construction work in early 2016. But halfway through their work, the farmers realized that the funds they were expecting for the construction through their respective panchayats were not coming.

The issue was a bit complicated. Rajendra and Rajesh both got the technical and administrative approval for construction of the well at the cost of Rs 3.47 lakh each in February 2016. The fund flow under MGNREGS is managed completely electronically on the on-line portal. As the e-payments to vendors and labourers is often delayed due to this procedure, beneficiaries often undertake initial expenses from their pockets and take the money back from the material vendors and labourers when the same is received in their accounts.

The construction of wells for Rajendra and Rajesh also started in this fashion and both were confident that by and by the funds would arrive. Meanwhile, attempt of Rajendra to get an e-muster generated on the MGNREGS failed due to technical reasons. But both continued their work for about two months, incurring expenses on their own, borrowing from family and friends and even local loan sharks when the other sources dried up. It was then after incurring large debts when they were hit by a big bolt.



Repeated enquiries of the beneficiaries and panchayat functionaries at block level office of MGNREGS office revealed that erroneous work completion certificates had been generated on their respective work IDs in April 2016, which practically meant that there could be no fund allocation for their cases, even though both farmers had received not a single pie under the scheme. This is because according to procedure, the completion certificates automatically lock any further fund flow on the MGNREGS portal.

Manoj's case was just a little different as he got the approval for construction of well two more years ago in February 2014, but as he himself or the panchayat did not have enough fund or standing with the materials vendor, the construction work started later. Rs 2.4 lakh was released in his case, but then the fund flow got locked because of erroneous generation of completion certificate and remaining amount was held back.

While Rajendra and Manoj somehow managed on their own funds but faced huge financial blow, Rajesh actually had to take loan from relatives and material from vendor on the condition that he would have to pay high interest rates on the dues if he did not make the payments in three months. Consequently, Rajesh had to mortgage his wife's jewellery and house to pay off the loan.

These three farmers were in deep trouble when social audit was conducted in Bagli block. They were among the 77 cases detected in the district where erroneous completion certificates had been issued on incomplete works.

Along with others, the cases of these three farmers were forwarded to the NREGS Commissioner via UTTARA Portal (complaint redressal mechanism under MGNREGS scheme) and resolved later. Their works were 'reopened' and the funds of Rs 3.47 lakh each were finally fully released between September 2016 and August 2017. Better late than never, the relieved beneficiaries paid back all their debts.



CASE-3

Social audit brings freedom and dream homes to bonded labourer families

The families of Rukmini Bablu and Kalavati Babul would never have imagined that their dream of owning pucca houses would turn them into roofless bonded labourers. And that too because of a government scheme that should have instantly benefitted them. But this is what happened in Barjhai panchayat of Bagli block in Dewas district. Had it not been for social audit, and consequent follow up of the findings, these two families would have been reeling under big trouble yet.

Social audits led to release of necessary second installments (of Rs 35,000 each) under the Indira Aawas Yojana (housing scheme for rural poor) in December 2016, almost one and half year after they should have originally come. This managed to bring big relief to the families that got freedom from bonded labour bargained against the debts for completing the house and also roof over their heads.

The story of Rukmini and Kalavati, both from families working as agriculture labourers and extremely poor, had begun in October 2014. After, they got approval of constructing homes under the IAY after long persistence with the local panchayat. The financial assistance for the construction of the house under the scheme is Rs 75,000 each and the first installment of Rs 35,000 each was released in March 2015 for both families after due process.



This should have brought relief and happiness into their lives, but turned out to be literal nightmare. Having received the money, the families demolished their kutcha houses, shifted into makeshift shanties, and managed to construct the foundation structure of the house under the scheme.

As per procedure they got the construction photographed and uploaded on the web portal of the scheme through the panchayat secretary, so that the second installment for further construction could be released.

However their wait extended from weeks to months as they sweltered under hot summer sun in the makeshift shanties. Being extremely poor, they could not proceed with the construction.

When the situation persisted even at the commencement of monsoon, the desperate families fell back on taking loan from local moneylenders

to complete the houses. But this loan came with a dangerous clause. The families would have to work as bonded labourers with the loan sharks.

Rukmini and Kalavati's families were thus getting exploited as bonded labourers when the social audit process facilitated by Samarthan was conducted at Barjhai in June 2016. The Panchayat clarified that they had **completed** the process from their end and have pursued the cases several times with the **district/block** administration, but in vain.

The social audit facilitators followed up the case with block administration, but could not get a satisfactory reply. The matter was then communicated to the Madhya Pradesh Social Audit Society authorities to take it up with the state level authorities. Also it was simultaneously taken with the district administration and with MGNREGS Commissioner by the Samarthan team. A letter was also sent to the Rural Development Department, Madhya Pradesh.

The rigorous action bore fruits and finally, the second installments of Rs 35,000 were released to the households in December 2016. The first thing the households did with the money was to repay the loan, to buy their freedom. The remaining amount was utilized in putting **tin** roofing sheet instead of polythene sheets that was **coving** the roof of their houses due to lack of funds. They profusely thanked the social audit process for bringing their case to notice.

CASE-4

Pitawali Gram Panchayat finally gets Rajeev Gandhi Seva Kendra

Gram Panchayat Pitawali remained deprived of a modernized panchayat building and village resource centre for months despite administrative and financial approval to build one. Even court intervention did not help the cause of construction of a Bharat Nirman Rajiv Gandhi Seva Kendra under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in the village for months on.

Sustained follow up of the social audit process ensured that the bottlenecks is removed and the construction of the centre worth Rs 12.85 lakhs commences. The building is on the verge of completion now and very soon, Pitawali would be able to boast of a resource centre cum Panchayat Bhawan equipped with Information and Communication Technology (ICT) facilities.

However, the way to this success was not easy. The Rajiv Gandhi Seva Kendra was approved for Pitawali way back in 2013-14. MGNREGS was launched with the twin objective of providing livelihood and creation of durable assets in villages. The was one of the permissible assets under the scheme.

Since the centre entails modernized working facilities, Pitawali panchayat functionaries as well as residents were quite happy about the approval.

But troubles started soon. The site chosen for the construction was encroached and the households refused to vacate the site. The dispute between the households and Gram Panchayat grew and therefore the construction work could never take off. Things got complicated as the



encroachers threatened suicide when the panchayat sought the help of district administration to evict the unauthorized occupation. They also tried to frame the villagers and government authorities for using unlawful means for eviction.

The matter was taken up for a legal action, and therefore any further development on the construction was suspended. It took district administration a few months to complete the legal process and finally the court ordered for the eviction of the encroacher from the land. However, the problems were not yet over. Following the eviction, when the work was sought to be resumed, the panchayat came to know that in the MGNREGS portal the work had been listed as complete and as a result no funds could be released for the construction. While, in reality, the work had not even taken off, and only Rs 146 was booked and had been released for the Rs 12.85 lakh construction. It seemed that the entire legal action and turmoil was wasted, due to erroneous completion certification of the work on the portal. Flustered, the panchayat functionaries started making efforts for reopening of the work and approached the block level authorities.

But they were told that this could not be done at block level, but the authorities helped the panchayat by seeking a detailed report on the

proposed work and the problems faced. They submitted the report to the district authorities along with the estimated expense that would be incurred once the work is reopened.

As per the guidelines issued by the government, authorities of different level have been vested with powers to authorize reopening of work dependent on the expenditure to be incurred after the work is reopened. Any approval of over Rs One lakh could be given only at divisional commissioner level.

It was at this stage that the matter came to notice of the Samarthan team that was compiling details of MGNRGS works erroneously listed as complete on the portal as a follow up of the social Audit in Barjahi Panchayat. The issues, therefore was taken up with the MGNREGS Commissioner, to facilitate its resolution at appropriate authority. The Commissioner directed the block and district level authorities to update the grievance on the UTTARA (Universal Transparent Tracking of Applications and Responses to Applications) software.

Consequently, in September 2016 the work was reopened and the construction of the Rajeev Gandhi Sewa Kendra started after much delay and troubles. Now, the building is on the verge of completion and the functionaries and villagers are hopeful Panchayat meetings will be held in this building very soon.





CASE-5

Panchayat secretary forced to return bribe money in Mandla district

Taking bribe to get government works sanctioned is nothing unusual, but returning the bribe money worth almost **Rs. 15,000** to not one but seven beneficiaries by a government functionary is something really unusual.

This is what was achieved in Dharpuri panchayat of Nainpur block in Mandla district, thanks to the initiative of the Samarthan Social Audit facilitation team. The impact of the social audit in the Panchayat was established and results are seen even now. Nobody gives any bribe in the Panchayat to get their work done.

The matter came to light during a special social audit Gram Sabha that was held in Dharpuri panchayat on May 22, 2015. Verification process for several works conducted under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) was carried out during this special meeting.

There had been whispered talks in the village that bribe was demanded by the Panchayat Secretary for sanctioning and facilitating the Administrative Sanction (AS) of individual beneficiary centric schemes such as Kapildhara. Therefore, while facilitating the Garm Sabha, social audit facilitator initiated the discussion on the issue of bribe.

The discussion helped Jeevan Lal, a Gond tribal to gather courage and speak out.

Jeevan, a marginalized farmer had accessed MGNREGS – Kapildhara, a sub-scheme for construction of irrigation well in agriculture land. The poor farmer claimed that the Panchayat Secretary had demanded and he had paid of bribe of Rs 20000 to start the construction work in his land, which entitles him 3.7 lakh for well construction. During the meeting, the Secretary was asked to respond on the allegation. Under the pressure of Gram Sabha and watchful eyes of Social Audit facilitator, the Secretary accepted his mistake and agreed to return the bribe money the next day. The matter was recorded in Gram Sabha meeting. Jeevan Lal was hopeful and happy that he will recover the money. However, the Secretary did not return the money and rather started intimidating the farmer.

Fortunately the Jan Sunvai (public hearing) for issues in social audits was scheduled in the region on July 22 (2015). The Jury for the hearing was headed by MGNREGS Lokpal and comprised of Executive Engineer, Rural Engineering Services and Sub Divisional Magistrate of the adjoining block.

The Samarthan team mobilised the community to come for the public hearing and speak up on their issues and grievances. It also facilitated them to collect all evidences and records that will help them to establish their cases. Jeevan was also taken to the public hearing with all the required background data and adequate preparation to present his case quickly to the jury. Followed by his narration of his case in the Jan Sunvai, the Panchayat Secretary was summoned and questioned. The Secretary pleaded guilty once again and assured to return the money this time. He requested that no legal case should be initiated against him. It also transpired that the secretary had taken bribe money from many other beneficiaries. He returned the bribe money soon to seven such beneficiaries including Jeevan.





CASE-6

Panchayat Secretary compensates construction material against embezzlement

Nauhar **Maha** Singh and Ramesh Chain Singh, both poor, marginal farmers of the Gond tribe, **in** Dharpuri Panchayat in Nainpur block of Mandla district had lost any hope of getting their Kapildhara irrigation wells, **sanctioned** in 2013, completed.

But their fate took a happy turn in May 2015 as a special social audit was conducted under a block level campaign by Madhya Pradesh Society for Social Audits with the support of Samarthan. The process revealed embezzlement in funds for construction material worth Rs 1.24 lakh by the ex-Panchayat Secretary.

Rigorous follow up ensured that the functionary compensated the two farmers with construction material (worth the funds embezzled) and the wells were completed. The farmers are very happy now and thankful to the social audit process.

The story of the two farmers goes like this-

The wells had been sanctioned for both Nauhar and Ramesh under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and the poor farmers were happy that they would have irrigation facility for their agriculture land. But the construction work stopped suddenly midway.

In case of Nauhar, only five feet of well had been dug when the construction was halted apparently due to presence of hard strata and rocks. The farmer made several request with the panchayat for the work to be restarted. But weeks turned into months and then more than a year as nothing happened. The panchayat maintained that the presence of hard strata had hit the construction and Nauhar lost all hopes.

Ramesh chain singh faced a similar problem. His work of Kapildhara well was stopped after nearly half the construction was over. When the

panchayat secretary was asked about the reason for discontinuation, no satisfactory response was received. Despite repeated inquiries and persuasion by the beneficiary the work remained suspended.



May 2015 changed the lives of both these hapless farmers. Social audit process was taken up in the block and physical

verification of the MGNREGS works were taken up by Civil Society Organization (CSO) volunteers using MIS data sheets. Meetings were also held with beneficiaries, along with all other beneficiaries of the scheme.

It was revealed during the verification process that Rs 58,000 had been withdrawn from the government funds for purchase of construction material like steel and cement in case of Nauhar Singh's work. Similarly Rs 66,000 had been shows as being paid to material vendor in case of

Ramesh Singh.

Further inquiry ascertained that the former Panchayat Secretary had embezzled the funds worth Rs 1.24 lakh by using fake material purchase challans. The ex-functionary was confronted and he confessed to the embezzlement. During the special social audit Gram Sabha on May 22, a historical decision was taken and the former Panchayat Secretary was directed to provide the material – the money for which he had embezzled – to the beneficiaries.

But the functionary whiled away time and the matter was taken up again in a Jan Sunvai (public hearing) held in July. The social audit facilitators prepared all the case proceedings to be submitted for the Jan Sunvai. The culprit Panchayat Secretary pleaded at the hearing that he will compensate the construction material within a month and requested that no legal proceedings should be initiated against him. He was let off on the condition that if he doesn't provide the material as per the Gram Sabha decision, he will be jailed under section-92. As per the directives of the Gram Sabha, the functionary finally provided the beneficiaries Nauharsingh with 3.5 quintals of iron and 25 bags of cement worth Rs 58,000, and Ramesh Singh with stones for masonry work in well worth Rs 66000.



CASE-7

Social audit unearths muster rolls and material purchase fraud in Nivari

The residents of the Nivari Gram Panchayat in Nainpur block of Mandla district would perhaps never have got a whiff of how the funds meant for their development was siphoned off by elected representatives and functionaries of the block.

But the social audit process undertaken by the Samarthan team unearthed a Pandora's box of embezzlement in construction and other development works by creating fake muster rolls (for wage payments) and materials purchase.

Though the exact amount of embezzlement could not be ascertained pending inquiry, prima facie at least Rs 50,552 was siphoned off by the panchayat functionaries of Nivari in connivance with elected representative (Sarpanch) and other officials. Samarthan team's persistence in the matter saw inquiry being instituted against panchayat functionaries of Nivari and other panchayats reporting similar embezzlement under section 92 of the Panchayati Raj Act. There

was agitation and the matter went to court and the court recently ordered that the panchayat secretaries found guilty in section 92 inquiries should be divested of financial powers.

Though this might not be as tough action as expected, as the Nivari villagers during a special Gram Sabha had passed resolution to suspend the Sarpanch and Panchayat functionaries after finding the huge corruption, but it certainly comes as deterrent.

The whiff of the corruption came during the social audit process as it witnessed stiff resistance from the Gram Panchayat and Local officials. They did not cooperate in sharing the records, mobilizing the Gram Sabha or other facilitation to the process.

When the special Social Audit Gram Sabha in Nevari Gram Panchayat was conducted on May 30, 2015 serious irregularities were found. There were gross mismatch between what the community had testified on the ground and what was mentioned in the records regarding implementation of schemes related to the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

The most common discrepancies were of bogus muster roll with fake attendance and large amount siphoned off in this manner. Individual beneficiaries were made to bear the cost of the wages, while fake muster rolls were created to pocket the amount sanctioned under the schemes. Some fake musters were also in the name of dead people or those who had migrated out.

For example, Ghasiram shelled out Rs 2112 as wages for farm bunding work sanctioned to him. He was told that he would get back the money when funds were received by the panchayat. But the social audit revealed the amount had already been pocketed. The biggest embezzlement was for the levelling of the land for construction of playground worth Rs 37,000. The land was never levelled while the muster rolls were created in the name of several ghost workers like students, nurses and some relatives of powerful people. Prima facie the embezzlement came to about Rs 50,552.

But the physical verification of the several roads constructed under Panch Parmeshawar scheme of the MP Government also revealed that they were shorter than the sanctioned length and of poor quality. It was difficult for the Gram Sabha to assess the exact shortcomings in construction and consequently the amount embezzled in Road construction, or in carrying out plantation campaign. However, it was

clear that Panchayat had fraudulently siphoned off huge funds meant for wages or for development of village.

This revelation by social audit committee during the special Gram Sabha agitated the community and they passed a resolution unanimously to suspend the Sarpanch and Panchayat functionaries.

As a matter of procedure for social audit, the matter was taken up during Jan Sunvai (public hearing) on July 9, 2015 to decide on a suitable punitive action. The Panchayat representatives, beneficiaries and other stakeholders are invited and given an opportunity to clarify on the allegations leveled on them. Therefore this case was also brought up for hearing in Jansunvai.

The jury ordered a probe into the matter of embezzlement at Gram Panchayat Nevari by constitution of a special committee at the Nainpur block to make an estimate about the misappropriated funds. The Jury also ordered action against the Panchayat functionaries and elected representatives under Section 92 of the MP Panchayati Raj Act, 1993. Section 92 authorizes an enquiry for fixing a punitive action, though it is not a punitive action itself.

During the public hearing it occurred that similar embezzlements had happened at other panchayats too and similar enquires and punitive actions were ordered by the Jury against other Panchayat functionaries. Many of them were asked to refund the embezzled money while some were suspended.

This led to start of an agitation by the Panchayat functionaries on ground that they were not the only party that embezzled the funds. The officials and other seniors too were involved, and therefore all of them should be equally punished. The Panchayat secretaries in Mandla district went on strike too demanding fair and just enquiries and sought a stay on the suspension orders.

The High Court ordered a stay on the same. However, small bribes or wages embezzled fraudulently were returned by the Panchayat functionaries and elected representatives informally, not only under the fear of punitive action but also under tremendous social pressure created following the social audit Gram Sabhas.

In September 2017, the **HC court** also passed an order stating that the panchayat secretaries who were found guilty on enquiries under Section 92 should be divested of financial powers.



CASE-8

Latora of Panna finally gets his Kapildhara well completed

Latora, a poor Dalit farmer lives in the Bakhtari Panchayat in one of the most underdeveloped and feudal district Panna of Madhya Pradesh. Latora owns 2 acres of non-irrigated land and grew little bit of wheat on his land for subsistence.

He had been dreaming of getting an irrigation facility so he could grow some vegetables on the land. His dream seemed to come true when a Kapildhara well under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) worth Rs 3.41 lakh was sanctioned to him in December 2013.

But it took no time for his dream to sour as the construction stopped unexplained after 15 feet of digging and his pleadings with panchayat and then block level officials went unheeded not for weeks but more than a year.

An informal social audit by Samarthan facilitator however revealed that the funds for construction material had already been withdrawn but no material was provided to Latora – a clear case of corruption. Conduction of a Gram Sabha and then persistent follow up through public hearing of district collector, publishing of case in local dailies supported strongly by local media who published regular stories on the corruption, several visits to block and district offices led Latora to get the material for construction worth Rs one lakh after almost two and half years after the commencement of construction in 2014. His well worth Rs 3.41 lakh got finally constructed and he decided not to push for any punitive action against the persons involved in the scam. The facilitator from Samarthan also did not persist with the matter as confrontation with district administration could block way for further engagement.

The matter actually came to notice of the Samarthan facilitator in the village during an IPPE (Integrated Panchayat Planning Exercise) that was being undertaken in Panchayat. Under the IPPE, the community was

engaged by the external facilitators to prepare a labour budget and shelf of project work under MGNREGS scheme. The engagement revealed that there were several anomalies in implementation like the case of Latora.

In Latora's case, the MIS portal showed that money was withdrawn for purchase of cement, sand, stones and other material, however, he was not provide any material. He questioned the Panchayat functionaries on the material purchase, but he was only rebuked. This prompted the facilitating CSO to organize a Gram Sabha on the issues, and informal Social Audit was undertaken. The facilitators checked the MIS portal of NREGS and found that there were discrepancies. However the Panchayat functionaries including the Panchayat Secretary, sub-engineer and elected head did not join the Gram Sabha to clarify on the issue.

Latora was then encouraged to approach the weekly public hearing of district collector in March 2015. But here too despite assurances by the collector for affirmative action and action against the engineer and Panchayat functionaries, nothing happened for weeks. Rather the collectorate employees started deterring Latora for pursuing the case further as the SDO (Sub-Divisional Officer) of the Engineering Services, who is in charge of all technical verifications and approvals was retiring in few months. Any highlighting of technical discrepancies will cause problems to his retirement benefits.

However, Latora's case was taken to media that published regular stories on this case, building pressure on the department and district administration. The persuasion of Latora and perseverance of Samarthan team to follow the case finally led to an enquiry by the collector.

It was found that the fraud was committed by Sarpanch, panchayat secretary and engineer who operated the MNREGA account at Panchayat level. The money was paid in the vendor's account and a large part of it was taken back from him in cash.

Follow up action yielded recovery of cement bags and other construction material from the engineer worth Rs One lakh, which were given to Latora for construction of the well. However, none of the functionaries involved in the fraud were punished.





CASE-9

Community on the alert, Panchayat secretary faces action in Mandla

Ghanshyam is a small farmer belonging to Gond tribe living in the Mugdhara Panchayat of tribal dominated Mandla district. He never dreamt of constructing a farm pond for irrigation even in his dreams. He was taken aback when a physical verification team during a social audit campaign questioned him on a farm pond that was near completion on his land. Surprised with the question, he denied it vehemently. He had never asked the Gram Panchayat to sanction and nothing at all was being constructed on his land.

Ghanshyam's case was found to be just a tip of iceberg of schematic corruption unearthed during the social audit process at Gram Panchayat Mugdhara. The fund embezzlement under different schemes ran well over Rs 8 lakh though exact estimation of corruption amount was difficult because of non-availability of panchayat records.

And though no big punitive action could be taken at the end of the sustained follow up by Samarthan social audit team through special Gram Sabha and public hearing, the panchayat secretary was divested of financial powers. Also funds worth Rs 3.5 lakh misappropriated in construction of community hall was recovered from him and used to complete the construction. The biggest gain was probably that the community has been put on alert on corruption in schemes and they would not be duped again in future, as claimed by themselves.

The unearthing of the massive corruption came during the physical verification preceding social audit Gram Sabha. It was found that many schemes had been sanctioned only on paper, money taken out but the beneficiaries like Ghanshyam never even knew about it.

Many other community members had paid bribes of different range prima facie to the tune of Rs 43,000 to functionaries like Panchayat Secretary, Rojgar Sahayak and even the Sarpanch to get benefit of schemes such as house, toilets, wells, pensions etc. Also there was rampant misappropriation of funds in wage labour of construction work under MGNREGS. An apparent estimation showed corruption of over Rs 7 lakh. Fake names were added in the muster rolls and wage lists to siphon off wages worth Rs 1,96,930. Inclusion of fake names of dead people, a nurse of the village and others in muster roll for a 'ghost farm pond' saw siphoning off of wages worth Rs 1,01,700.

A community member Rajaram of the Chiknahi Tola identified e-muster roll as carrying names 32 fake labours and wages of Rs 21408 were 'paid' to these ghost workers. Similarly a community hall was sanctioned and the MIS revealed that Rs 3.5 lakh has been withdrawn for the construction, but the construction had not even started. There were several such anomalies in different type of construction work. The length of the road was compromised, the design was faulty or the material used was much less than mentioned in MIS portal.

The matter was taken up in a special social audit Gram Sabha held at Mugdhara on, May 27, 2015 wherein further corruption in toilet

construction work was also revealed. A total of 150 toilets were sanctioned and money withdrawn against them, but only 83 toilets existed on ground.

During the meeting, the agitated community members decided to get FIR registered against the erring functionaries and get embezzled amounts recovered from them, but the matter remained pending.

The Public hearing on the findings of the Social audits for the Nainpur block was conducted on July 9, 2016 wherein the complaint against the Mughdhara panchayat officials were brought before the jury. The Jury ordered that a committee at the block level should be constituted to investigate the matter and assess the amount and nature of frauds.

The committee in its report found the panchayat secretary guilty of withdrawing money by faking attendance of 68 labours and ordered that proceedings be initiated against him under Section 92. However the matter got embroiled in legal affairs as the panchayat secretaries facing punitive action went on strike en-masse claiming that they were only small part of the corruption racket and other government officials involved went scot free.

Several secretaries including Mughdhara secretary approached the high court against the order and obtained a stay on the matter. The matter remained in a limbo after the stay was granted with no action against the panchayat secretary.

In September 2017, the secretary was found guilty under departmental enquiries and order was passed to divest him of all the financial powers. Some recovery was also made from him but no legal punitive action was taken. The recovery was not enough to undertake all the construction. The toilets were completed later from other funds while the community building was completed with the recovery made from him.

Other wells and Ghanshayam's farm pond are still pending and likely to remain so, despite a fairly aggressive agitation by the Gram Sabha and several community members. However, the community is much more aware now. They are alert on the possibilities of corruption and have vowed not to let officials repeat the misdoings and cheat the poor community again.



CASE-10

Corruption exposed, investigations started in Jaithari Panchayat of Raisen

The villagers of Jaithari had suspected something amiss with the development works undertaken in the Panchayat, but could not place it properly. Thanks to a social audit process supported by Madhya Pradesh State Social Audit Society, corruption of over Rs 70,000 was exposed and investigations initiated against panchayat functionaries involved. Though the investigation remains in progress despite passage of long time, unfortunately being done by a low rung panchayat functionary like Panchayat inspector, the process has made the villagers very alert towards any further cheating. Following paragraphs present how funds were misappropriated in Panchayats and how Social Audit pinned the culprit.

Jaithari is a panchayat in tribal dominated Silvani block of Raisen district. Social audit process was undertaken here by team of self-help group (SHG) women trained as social audit animators with help of a district auditor, also suitably trained.

As part of the process, physical and oral verification were carried out and it was found that a playground in Duguria Village of the Panchayat was shown under construction in the MIS with an expenditure of Rs. 30,060. However, community disagreed with the expenditure, claiming very little work had actually been done. The muster rolls shown under the particular 'work Id' were bogus and material vouchers were fake. Not only this, the verification also substantiated that a cement

concrete road(from Khera Mata to Noorpura) proposed under Panch Parmeshawar scheme of the state government has not even started while an expenditure of Rs. 40,000 was already withdrawn by the panchayat.

The findings of the verification process were presented in the social audit Gram Sabha. The gram Sabha collectively verified the findings, expressed severe displeasure at the apparent corruption and demanded action on the culprits.

There was general complaint by the beneficiaries that payments from the post office are delayed inordinately. Elected representatives from the Panchayat - the Sarpanch and the Panchs stated that Panchayat secretary and Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) assistant did not share information with them and acted arbitrarily. The material issue register did not have the signature of the elected head as required and expenses were incurred by the Panchayat secretary irresponsibly.

The findings and decisions of the Gram Sabha were registered. Apart from punitive action, the Gram Sabha also demanded that culprits should also payback the embezzled funds. Since taking punitive action is the job of the administration and legal authorities, the Gram Sabha recommendation were forwarded to the social audit Jan Sunvai (public hearing).

The JanSunvai was held on August 5, 2017, and presided over by a panel comprising of District Panchayat CEO, SDM and the RES engineer. The jury in public hearing decided that the allegations made by the Gram Sabha should be investigated thoroughly within three days by Panchayat inspector or an appropriate authority.

The Panchayat was levied a fine of Rs 1000 for not displaying the details on the 'work site'. However, the matter is still under investigation and progress on the case is still awaited.



CASE-11

Labourers paid wages of MGNREGS after social audit Jan Sunvai

Sukhvati, Kamlesh, Singram, Shivdas, Pramod, Kundan, Sheela, Babulal, Lekhram, were some of the many complainants who raised the issue of inordinate delay in payment of wages under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) during a special Social Audit Gram Sabha in the Mohgaon Yadav panchayat in Kurai block in Seoni district.

These multiple complaints in delay of wages actually found echo in almost entire district. The Mohgaon villagers further decided to take it to the social audit Jan Sunvai (public hearing) in December 2014, with support of social audit facilitators of Samarthan. The jury at the hearing ordered payment of wages, pending for more than five months, at the earliest. This shook up the district administration that got into action mode and they took the issue further with the state machinery. The pending wage of the Mohgaon resident and others were finally paid subsequent to the Social Audits. The story of the wage release goes like this-

The Mohgaon villagers including the above mentioned complainants had worked in the construction of a cement concrete road in the months of April and May, 2014. The road had completed and measurements were made. However, the labourers were not paid any wages.

There were multiple reasons acting towards inordinate delay in payment of wages. It was a time of tremendous flux and confusion as the MGNREGS program. In Madhya Pradesh was, the program was moving towards e-payments (starting mid-2013). The change in process required that all the NREGS card holders get registered on the portal and their bank accounts were synchronised for e-payment – known as ‘freezing’ of accounts.

It was a mammoth task as Madhya Pradesh had decided to go ahead in all the districts in one go. Deadlines were given to the districts and Panchayats and the Rozgar Sahayaks were required to update the list of labourers with their accounts and 'freeze' them on the portal after the due verification.

Several mistakes were made in the verification process and in uploading of data. Possibly due the pressure and deadlines, all the exercises were done in a hurry. This period also coincided with irregular fund flow from the center to the states and from the states to districts. Thus, the payments were delayed more often than not, both owing to irregular fund flow and also due to the transition of NREGS to electronic fund management system.

Therefore this set of MGNREGS workers, like many other in the district, were not paid wages for several months. Therefore, throughout the social audit campaign, the issue of unpaid wages surfaced repeatedly in different Gram Panchayats.

In Mohgaon Panchayat, wages were not paid for five months and panchayat functionaries had little clue on how to resolve the matter. The social audit process once again gave a chance to these workers to claim their wages. The social audit campaign in the block brought the issue of the delayed wages to the surface and put pressure on the administration to resolve it for all the workers of the district.

After the issue surfaced during verification process in Mohgaon, it was taken up at the special social audit Gram Sabha held on November 27(2014). The Panchayat Secretary along with other important members of the Panchayat body agreed to the problems raised by the labourers and assured early payment in the Gram Sabha. However, the workers, owing to their previous experience with the Gram Panchayat, decided to carry their issue to the subsequent public hearing in the district. **The district administration that had got into action after hundreds of complaints on delayed wages shook their inertia. The pending wage of the Mohgaon resident and others were finally paid within months of the campaign and Jansunvai.**



CASE-12

Panchayat directed to provide valid job cards to labourers in Vijaypani

An interesting phenomenon was reported during the social audit process in Vijaypanipanchayat in Kurai block of Seoni district towards the end of year 2014.

A number of villagers complained to the social audit team that they were not being issued valid job cards and actually had to 'hire' them from others for a commission.

They therefore were not able to keep track of wage payments as it was deposited in bank accounts of those workers whose cards they used.

Thankfully it was resolved soon due to sustained follow up of the social audit team working in the panchayat. The matter was taken up during special social audit Gram Sabha and then the social audit Jan Sunvai (public hearing). Not only the panchayat secretary directed to issue the

cards at earliest, but also fined Rs 1000 for denying the cards to eligible workers for a long time. The issue came to the light during verification process. The story goes as follows-

Many poor labourers in the village including Bhaiylal, Kailash Uikey, Kishan Lal, Kamal, Mathura Prasad, Lotancomplained to the verification team that they were not being given valid job cards by the panchayat secretary despite several requests.

This meant that they had to 'hire' the job cards under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) from families of 'dormant' registered workers. Not only they had to pay commission for this purpose to these families, but also could not know how much money was actually paid out for them as the money was not received in their accounts.

They worked on various MGNREGS sites in the panchayat but in absence of a valid job card, their man-days were always booked on proxy job cards of dormant NREGS workers. Their own job cards – a mandatory provision under MGNREGS – would entitle to have muster rolls in their names and thus to get wage payment in their own account.

They had requested the Gram Panchayat secretary several times to issue 'Job cards' for their households so that they could get their wages directly. However, their repeated requests did not yield any result.

Social audit verification process in the Jeevan Pani Panchayat in the end of November 2014, saw this issue surface once again. The issue was noted and taken up in the Social audit Gram Sabha held on December 6, 2014.

The Gram Sabha instructed the secretary to issue them valid Job cards. Jan sunvai held on November 30 ordered a fine of Rs 1000 on the Gram Panchayat secretary for denial of demand of workers to prepare their job cards. Job cards have been issued to all these workers and others who are interested in working in NREGS.



CASE-13

Massive corruption unearthed; panchayat functionaries booked in Karthua

A surprising 'success' story of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) at Karthua panchayat in Chitrangi block of feudal and underdeveloped Singrauli district egged the Samarthan team to select it for random social audit.

The panchayat had reported completion of 100 days of work by 134 families of three villages under MGNREGS for financial year 2014-15 – an indeed surprising achievement'.

But the bubble burst almost as soon as the physical and oral verification was started by Samarthan team. All the beneficiaries recorded as having worked in the various MGNREGS work reported as having never worked for a single day. Rather machines had been used to complete the work and in some cases the works shown as done were never even started.

With help of the active community members, verification was completed and Gram Sabha was organized despite threat of violence from the panchayat functionaries involved in the corruption. Embezzlement of as much as Rs 12 lakh in three years was detected in connivance of government and bank employees.

The matter was taken to district collector and FIR was registered against the culprits. Arrest warrant was taken out, though the accused got bail from High Court. However, partial recovery of the misappropriated wages was made among other actions.

The community that had been charged and deeply angered by the huge corruption held a huge protest for early arrest of the culprits. The special success point in this case was the courage of the community to raise voice against their high and mighty in their own Panchayats, and initiative to undertake verification without much facilitation from any outside agency. Samarthan had provided support only in accessing and comprehending data from Portal and enthused confidence that it is possible to question the authority. During the verification process, list of work undertaken in the Panchayat in the last years, list of persons that had received wage employment in MGNREGS on different types of work, payment made to the labour in their respective accounts etc. as stated in the MIS were verified in oral testimonies from the community. About 200 small or big structures or works undertaken under MGNREGS in the last three years in the Panchayat as recorded in the MIS were verified. The listed work included construction of road, plantation of trees, construction of pond, construction of Anganwadi building etc. A quick examination revealed that 15 of the stated works were completely missing.

The most stunning finding of the verification was that none of the MGNREGS worker had worked on site. All the MGNREGS works were done using machines. The woman Sarpanch lived in a different town and her husband who is a school teacher was managing the Panchayat

as a proxy. The money was siphoned off in connivance with the bank and concerned block officials. The workers were quite annoyed and agitated over the denial of their right to employment.

Samarthan mobilized them to a Gram Sabha. An active Gram Sabha was organized with the support of the community leaders. As there was strong opposition from the Sarpanch and other power structures to hold a Gram Sabha, there was strong possibility of violence in a Gram Sabha meeting which was tactfully handled. The administration was informed and district collector was taken into confidence, who provided assurance and support to the community for a strict action if anyone tried to use violence or intimidation. He promised that he will look at the verification report himself.

The verification report was submitted with evidences to the Collector of Sigraulti in the beginning of November, 2014, apprising him the issues and concerned persons involved in the matter. A responsive District Collector designated a team under the leadership of the concerned Sub Divisional Magistrate to further investigate the matter.

The investigation team found gross violation of the Act and misappropriation of funds in the tune of 12 Lakh. A First Information Report (FIR) was registered against the Sarpanch, Secretary, Rojgar Sahayak, Junior and Assistant Engineers and the Branch Manager of the co-operative bank and Jiyawan Police station issued arrest warrant for them. The culprits absconded and applied for bail in the local court, which was rejected. They had filed applications in the High Court.

The culprits were quite influential, having political connections, money and muscle power. Thus in order to mount people's pressure on the administration, about 200 workers gathered on 5 December at Collector's office to protest against delayed arrest of the culprit and tactics applied for not providing copy of the FIR. However, since the matter was subjudice, no administrative action was possible then. The collector assured again that he will take it up as soon as the matter comes to him. The matter had been pending in the court for a while, however several other issues that required administrative action has been resolved.



CASE-14

Social audit ensures regular good quality mid-day meal to Ulhavadi School

Children in the Government Middle School at Ulhavadi panchayat in tribal dominated Bichhuablock of Chhindwara district never could enjoy the mid-day meal that is their entitlement under government scheme. Firstly they never got the food regularly and even if they got it, the quality was quite poor.

Not only this, the members of the self-help group (SHG) entrusted with the food distribution often ill-treated the children, discouraging them from taking benefit of the scheme. Things changed drastically after social audit campaign was undertaken by Samarthan team with support of the Madhya Pradesh Social Audit Society in September 21. Following a decision at the Gram Sabha, an inquiry cum monitoring committee of community members was constituted. They found gross irregularities in the distribution and quality and the SHG was taken to task by the Panchayat. The SHG members expressed guilty for their failings and promised to deliver best in future. A regular mid-day meal of good quality was started at the school, much to delight of children and community members. This is how it happened during the social Audit Campaign.

Bichhua is a tribal dominated block in one of the most backward districts Chhindwara of the Madhya Pradesh. The district has amongst highest malnutrition, poverty and stressful migration. Social audit campaign of the Madhya Pradesh Social Audit Society was carried in Bichhua in September, 2015. When the process was conducted at the small village Panchayat called Ulhavadi, good example of accountability and transparency was seen as the gram Panchayat presented all the expenses and accounts to the members of the Gram Sabha.

In most cases the Gram Sabha approved the accounts and expenditure presented by the Panchayat. But when it came to details of others schemes (than MGNREGS), the villagers expressed complete dissatisfaction at the implementation of the mid-day meal scheme. The community members stated that the 'MaaSheetla Devi Self Help Group' entrusted with the responsibility to cook and distribute meals was extremely irregular in doing so. The kitchen shed was locked when the verification was carried out. It was also reported by several community members that besides supplying food irregularly and of poor quality food, the SHG members also use objectionable language and ill-treat the children.

Thus, the Gram Sabha took a decision to appoint an inquiry committee of community members Sharmila, Urmila, Hariram, Varun and Raju Sahuto look into the service of mid-day meals. The committee was to monitor and inspect the distribution of the food in the future so that system of Mid-Day meal is strengthened.

The committee found that there were considerable irregularities in distribution of food and the quality when distributed was bad. The group was summoned by the Gram Panchayat and given a notice to improve their practices. They were warned that otherwise a formal complaint will be lodged against them in the department. The SHG requested to be forgiven and assured that they will not repeat this mistake. Children in the school and Anganwadi of the Ulahavadi Village now get nutritious and regular meals. The behavior of the SHG providing food has also significantly improved.

CASE-15

Needs Complete Redoing Corruption of Rs 5 lakh revealed in 'SBM'social audit in a Panchayat in Sehore

Villagers of Ghazikhedi in Ichawar block of Sehore district would probably never have gotten the whiff of huge siphoning off of funds meant for them, hadn't it been for the social audit conducted by Samarthan team.

The social audit verification process, just ahead of the August 15 Gram Sabha revealed corruption to the tune of minimum Rs 5 lakh in the toilet construction under 'Swachh Bharat Mission'-SBM, an scheme that entitles beneficiaries Rs. 12000 for construction of a household toilet in their houses. Interestingly, the panchayat has already been declared 'open defecation free'.

The social audit by a group of local youth trained by Samarthan had shown that in many cases (at least 15) the beneficiaries constructed toilets themselves, but the panchayat showed payments in their names to material vendors. In many other cases (at least 35), the families were informed that their names figured in the beneficiary list of SBM and requested the household to start construction on the promise that material for construction would be provided later. However, households never received any material and even completed toilet construction without any financial support from the Gram Panchayat. While the households continued their chase for Panchayat functionaries to claim their reimbursements, the panchayat showed payments to the vendors, apparently on the basis of fake bills, and pocketed the money between themselves and vendors. Approximately Rs 5 lakhs for 65 households was fraudulently withdrawn in connivance with the vendor or contractor, due to negligence of the block officials.

The story of massive corruption in Gazikhedi Panchayat goes as following.

Samarthan supports sanitation program in district of Sehore and saw several discrepancies in the implementation of Swachh Bharat Mission - a program primarily supporting construction of toilets in rural areas. The team therefore decided to do something about it. It trained 90 youth of 15 Panchayats on the process of social audits, so that irregularities are highlighted, culprits are taken to task, and sanitation improves in the district.

As the verification progressed, several issues started pouring in. Apart from payment of bribe of Rs 10,000 for accessing Pradhan Mantri Awas Yojana (housing scheme) benefits, villagers reported many discrepancies in SBM implementation.

Many said that they constructed toilets of their own and were neither informed of any benefits meant for them nor claimed any of it. About 15 families claimed that they have constructed toilets on their own. The motivator Jugesh Verma, who was also part of the social audit team, was familiar with the SBM portal. He facilitated the youths to cross verify the facts on the SBM portal.

The group of youths checked the data on the portal and to their surprise they found that the names of these villagers figured on the portal in the list of potential beneficiaries, eligible to construct Toilets under the scheme and claim Rs. 12000. Shockingly, money had also been withdrawn and the portal showed payment to vendor as well as beneficiaries. The beneficiaries were shocked. They had never received any money.

Similarly, approximately 30 beneficiaries claimed that they were asked by the Gram Panchayat to start the construction of toilets on promise of construction material such as cement bags, bricks, basin, toilet sheet etc. But even after passage of seven months passed, payment for material used in construction was not made.

These beneficiaries of the scheme asked the Sarpanch and Panchayat secretary several times for their material payment, but were always told that their payment was not received by Panchayat. But the social audit opened up the entire corruption game.

The password for data verification was available with the Gram Panchayat, who forged documents and siphoned off incentive money. Vendor hired by Panchayat to construct toilet was asked to construct them at residences of people connected to powerful individuals while the money to the vendor was paid in the name of other genuine beneficiaries who never got the benefit. Similarly, the material was not purchased, but false bill was raised by the vendor and paid by Panchayat. Approximately Rs 5 lakhs for 65 households was fraudulently withdrawn in connivance with the vendor or contractor.

Interestingly the block office that is supposed to verify the facts on the portal had passed responsibility on the Gram Panchayat secretary, who being a party to the misappropriation, never reported anything amiss. No one even got to know of what was happening till social audit process started.

The trained youths who had carried out social audit verification process, presented the findings of the verification to the Gram Sabha on August 15, angering the villagers and prompting them for further action. Sensing the pulse of the people, the Sarpanch and secretary decided to comply with the outcomes. They pleaded guilty and promised to return the money within few months, as they would need some time to organize the funds. Now more confident and assured, the community agreed to the same



CASE-16

Gram Sabha resolves payment confusion on its own in Mundapar

An interesting case of community members themselves resolving a suspected case of corruption at the Mundapar Panchayat in Seoni'sKurai block was recorded during a social audit process here.

During the social audit Gram Sabha on November 24, 2014, at the village, the community members accused that the Panchayat had forged a bill of water expenses incurred during construction of a culvert of Bamanatola.

A bill of Rs 3000 had been put in the name of a private water tanker vendor. However, the community members insisted during the meeting that water used for the construction was taken from an adjoining farm of VisnuRahgadle, and therefore the water bill was fake.

Answering this allegation, Sarpanch and Rojgar Sahayak clarified that water was indeed taken from the bore well on Vishnu's land. However, Vishnu had demanded payment for the use of water. As he could not give a valid bill carrying Sales Tax registration number, a bill from another vendor was 'arranged' to make payment to Vishnu.

After hearing the explanation of Gram Rojgar SahayakVikasBisen, the community members at Gram Sabha expressed satisfaction and absolved the Panchayat from the charges of supposed corruption.



CASE-17

Mangtu and 23 others get due wages after four years in Betul

MantoMangtu, a poor labourer, had worked under the Mahatma Gandhi National Rural Employment Guarantee (MGNREGS scheme) for construction of Cement Concrete Road in the Gram Panchayat Harawadi of Betul in May 2013.

He was expecting payment close to Rs 5000, but months turned into years and he got no money. Meanwhile the local panchayat authorities kept claiming that his due payment had been credited to his bank account. This was the frustrating situation with Mangtu and many other labourers of Harawadi in Chicholi block of Betul where social audit process was undertaken on May 26 in 2016.

The social audit was followed by Jan Sunvai as per the norms. The Jan Sunvai ensured that not only Mangtu got his dues worth Rs 5000 after an inordinate delay of four years, but also a total payment of almost Rs 1 lakh was released to total 23 workers of the village. Along with these MGNREGS labourers, two Swachh Bharat Mission (SBM) beneficiaries got pending motivation grant worth Rs 1200 each for construction of toilets too.

The story of this village goes like this. Mangtu and labourers like him had almost given up hope on due wage payments when the Social Audit process was taken up in Harawadi. After verifications, the issue of non-payment of MGNREGS wages was taken up at the social audit Gram Sabha.

During the meeting of the Gram Sabha, the Rojgar Sahayak claimed that the payments to the labourers had been made in their bank accounts through financial transaction orders. But the payments had not been received in the accounts of the labourers. This confusing matter was then taken up in the social audit public hearing scheduled subsequently. It became clear at the hearing that non-receipt of payment as in Harawadi was not a one off case. There were many labourers in several other Gram Panchayats who claimed that their wages have not been paid. And like the case of Mangtu, in these cases as well, the Panchayats claimed that the money has been credited to their respective bank accounts.

The special bench of Jury at the public hearing instructed the Gram Panchayat and concerned officials like Project officer of MGNREGS to look into the matter and resolve the issue of non-payment.

The investigations revealed that the account of Mangtu, and that of many more laborers, had been closed by the banks due to absence of transactions in the account. It was informed by the banks that 'KYC-Know Your Customer' process would have to be carried out once again for them to reactivate the accounts. Harawadi Gram Panchayat functionaries facilitated filling up of the KYC forms once again for all the labourers whose payments were stuck due to this problem.

In all 26 'KYC' forms were submitted from the Harawadi Panchayat after the public hearing, and the accounts were reactivated. This resulted into release of large payments to labourers. In all 23 labours got payments ranging from Rs 3000 to 5000. Mangtu also got Rs 5000 due wages after his KYC was done.

CASE-18

Sub-engineer made to pay amount siphoned off through forged bill

A campaign mode social audit in Kurai block of Seoni district in November-December 2014-15 brought to light many cases of corruption of small and big nature. And one among them was case of Gram Panchayat Mohgaon Yadav where a cement concrete road worth Rs 1.76 lakh had been constructed.

The verification process preceding the social audit Gram Sabha revealed that a fake bill of water supply worth Rs 25,000 had been presented by the panchayat during the construction work under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

The matter was presented at the Gram Sabha and then the Jan Sunvai (public hearing). An inquiry was ordered and the sub-engineer in-charge of construction was found to be involved in presenting the fake bill to siphon off Rs 25,000. The chief executive officer of the block ordered recovery of the money from him. The sub-engineer paid up Rs 18,000 but is yet to pay Rs 7000 due and continues to be posted in the block.

However, the example showed that social pressure could lead to reversing of corruption. This case was part of a special social audit in Kurai Block that was initiated by the Madhya Pradesh Society for Social Audit (MPSSA) and team from Government of India after reports of massive corruption in implementation of the MGNREGS in Seoni district.

For the campaign, social audit facilitators were selected locally and trained by the MPSSA. The trained auditors made reports of the verification process and presented the same in Gram Sabha meetings.

Special social audit Gram Sabhas were scheduled from 24th November to 3rd December, 2014.

The special campaign witnessed enthusiasm and motivated work by the facilitators, team members, as well as community. A large number of Gram Sabhas conducted under the campaign (over 75%) lasted for more than three hours indicating interest as well confidence of the community in the Gram Sabha proceedings.

The corruption case mentioned above came up during Gram Sabha proceedings in Panchayat Mohgaon Yadav on November 27, 2014. A road had been from house of Sadhulal to LokramBaghade in the village in December 2012. It was revealed that bill number 15 dated 19 December 2012 of Om Sai Traders worth Rs 25,000 was presented for providing water through tanker for the construction work.

The community however maintained that water worth Rs 25,000 was not used in the construction of the road and actually the water used was from a local source totally free of cost. Therefore the bill presented by Panchayat was forged, they said.

The gram Sabha proposed that case should be investigated and money should be recovered from whosoever was the culprit.

The public hearing on social audits was held at block headquarter of Kurai on December 6, 2014. The case of Mohgaon Yadav Panchayat was also raised in the public hearing. The jury decided that case needs to be investigated to zero-in on the culprit and fixed a deadline for completing the investigation.

The investigations revealed that sub-engineer was the culprit, who had asked the Gram Panchayat to include this bill in the total bills for the work. Based on the findings of the investigations, the CEO of the block ordered for recovery of the Rs, 25000 from the sub-engineer. The sub-engineer has paid Rs 18000 but is yet to pay the remaining Rs. 7000. He has been given two notices for the remaining recovery; however he has still not paid up and is still posted as sub engineer.



CASE-19

Corruption revealed; beneficiaries get funds to complete toilets in Belpeth

Huge misappropriation of funds in construction of toilets under Swachh Bharat Mission (SBM) was revealed during social audit at the Belpeth Gram Panchayat in Kurai block of tribal dominated Seoni district in November 2014.

The Social Audit Gram Sabha and presentation of case at public hearing led to pinpointing of the corruption in case of toilet construction of 56 beneficiaries. The public hearing jury ordered completion of the toilets and payment of due funds. Within one year of the social audit, all the incomplete toilets were completed – a big success.

The toilet construction work had been initiated in Belpeth in the year 2012-13. Fifty six beneficiaries including Ram Singh, Brij Lal, Mehjobai, were asked to start the toilet construction. They were promised refund

of the money spent on purchase of construction material and Rs 9000 to each beneficiary as motivation amount.

At the same time Gram Panchayat also initiated construction of several toilets on its own. But gradually it came to notice that neither did the promised grants or refunds came to the beneficiaries nor did the panchayat finish the toilets construction that it started on its own. Finally, many of the toilets constructed in the Panchayat remained incomplete and non-usable.

Social audit verification process began in the Gram Panchayat Belpeth in the last week of November 2014. The verification process revealed several irregularities in the toilet construction, and several beneficiaries of the scheme alleged misuse of the funds.

The special Social Audit Gram Sabha was held on November 26 and it was decided that a committee of the members of the Gram Sabha should be constituted, inclusive of Ex-Gram Panchayat secretary Mast Ram Pal (during whose tenure the construction was undertaken), to investigate the matter.

The case was also taken for Jan Sunvai on December 6, 2014. The panel of Jury ordered a probe into the matter and instructed that all the toilets should be completed and money should be to the concerned beneficiaries.

The Panchayat subsequently paid money or gave material to the beneficiaries to complete the toilets and most of the toilets were completed within a year of Social Audit.

CASE-20

Panchayat that failed to construct road regains credibility after social audit

The villagers of Jogonalai Chicholi block of Betul were a discontent lot as a proposed road to connect the village to Astri remained incomplete for six years after approval. However they had not officially voice their discontent though they held the panchayat responsible for the lapse.

Things changed during a social audit in the block in June 2016. This matter was brought up in social audit Gram Sabha and a proper discussion resolved the pending issue of six years. The panchayat was cleared of the charges of lapse and regained its credibility – thanks to the social audit process.

The case details are as following: A road connecting Village Jogonalai to Astri was sanctioned in 2010 at an estimated expenditure of Rs 5.42 lakh. The construction work was started in 2013 but got suspended after two months, though the road was still incomplete. The construction remained suspended thereafter.

Records showed that a total of Rs. 3,88,888 was spent on the construction, of which Rs. 2,49,519 was on the labour and 1,39, 783 was on the material. The road that was supposed to have completed in 2013, was never completed.

The issue of incomplete road was brought up in the social Audit Gram Sabha in June 2016. Since nearly 5 year had lapsed after start of the construction, the Panchayat officials as well as elected heads had changed. The Sarpanch, who was participating and answering to the queries of the Gram Sabha, expressed inability to explain the reason for the incomplete road as the matter pertained to the tenure of functionaries before him. He requested the Ex- Sarpanch to answer to the Gram Sabha.

The Ex-Sarpanch Rishi Kumar was summoned by the Gram Sabha. Rishi Kumar explained that the proposed road was supposed to pass through the land of one of the villagers Jagdish Talwar, but he did not give consent for use of his land. Since the road route was passing right through Talwar's land, it could not have been completed without his consent. Repeated requests had been made to Jagdish Talwar to let the road pass through his land, but he had denied.

Gram Sabha understood the argument of the Ex-Sarpanch. It also understood that Jagdish may not have wanted to give away his land, and he had all the rights to do so. The Gram Sabha decided to clear the Panchayat of the charges of not completing the road. It also instructed the Gram Panchayat that in future, it should try to avoid construction that requires use of private land and if the use was absolutely necessary, it should take prior permission from the concerned individual.



CASE-21

Labourers get wages pending for three years after social audits

About ten labourers in Hardu Village in Chicholi block of Betul District had given up hopes of receiving wages under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) that were pending since three years.

But they got happy after a social audit in April-May 2016. Following the audit, technical glitches related to the payment – mainly in the bank accounts of the workers – were cleared up and all of them got the pending wages after three years.

The village was covered in the Social Audit campaign in Betul. The oral verification in the village during the campaign found several of the MGNREGS wage laborers had not received due payments. Jangali,

Madan, Manglu, Radha, Sunil, Bal Sakharam and Dilip were some of the many laborers that complained that their wages for 3 to 6 weeks are pending.

Two of these labours, Bal Sakharam and Dilip had worked on the construction of a playground at the Middle School of the village. Both had worked for four weeks each in 2013-14 but did not get the wages even after three years. There were others like them too, though in different works, who had given up hope of receiving the wages.

When the social audit was conducted, they raised the issue once again in Gram Sabha, and the matter was subsequently taken to Jan Sunvai (public hearing) in June 2016. The Jury ordered investigation on the issue. The investigations revealed that Dilip had given details of joint bank account with his wife Radha for the payment purpose. But as the MGNREGS money was getting transferred to individual bank account only as per the fresh orders of the state Government, the payment had not been done to the joint account submitted by Dilip. The investigations forced actions from administration and Panchayat. A new bank account was opened for Dilip after the public hearing and payment was made to this account.

For Bal Sakharam, the details of bank account were not correct. Due to some numerical glitch, the account was showing as belonging to another person. The error was rectified after the investigations and subsequently the payment was made in correct account.

Other labourers of the same village too had similar problems. Their accounts were also checked in the process. Consequently, about ten odd labourers from the same village received their wages that had been pending for the last four years.

CASE-22

Lost muster rolls and bill voucher recovered after social audit probe

During the Social Audit Gram Sabha at Dhaniam Jam Panchayat in Betul District, the villagers reported about missing bills and vouchers on several development works undertaken by the Gram Panchayat.

Due to absence of bills and vouchers worth as much as Rs 4.4 lakh as well as poor and incomplete nature of work done, grant payments from government were not being received. The social audit process led to an investigation and most of the bills and vouchers were recovered, opening way for payment and completion of work after three years.

The social audit Gram Sabha in Dhaniam Jam in June 2016 reported that most of the works for which bills and vouchers were missing related to year 2013-14. (Details given in attached table).

While numerous discrepancies were found in the financial verification, the physical examination of the site found things only a little better. Most of the structures under construction were not in a good shape and did not qualify to claim the entire expenditure amounts sanctioned.

The social audit Gram Sabha passed a resolution that the matter should be taken up for investigation and forwarded to higher authorities. It was thus taken to the public hearing on the social audits in June 2016. The Janpad (Block) chief executive officer (CEO) was authorized to undertake the detailed investigation and present the report to jury of the public hearing, District Collector and CEO of the district.

During the course of the probe it was found that most of the missing vouchers have been recovered and attached with the existing vouchers. The report also found that most of the works had been done, though their quality needed improvement. This report helped in getting the payments released and works to be completed.

The Gram Panchayat and RozgarSahayak were given show cause notice to keep the 'bills and vouchers' carefully in the future. They were also warned to supervise the work execution so that good quality could be maintained.

Lessons learnt and ways forward

The experience of social audits has generated several lessons for improving the accountability mechanisms as well as to help scale up social audits in different geographical locations and programmes. The key lessons emerged around factors that influence process and outcomes in use of accountability tools for improving service delivery in social welfare programs. It was evident that local youths as well SHG women leaders have potential and huge appetite to establish social accountability mechanism provided their perspective is build and they are trained on use of portal data. However, a good verification process by the local youths has to be backed by political and administrative will to streamline the process and respond on the have the support of the district administration and other higher authorities. However, the process of verification is becoming more and more complex, and needs a lot more skill than mere interpretation of the formats. The portal data is becoming increasingly translucent and incomprehensible. There can be such a huge mismatch between portal data and findings during the verification process that it becomes difficult to connect the dots to reach to the truth. It therefore needs timely support of the skilled and experienced facilitators to support the process. The most important learning is that post social audit Jan Sunvai, and actions on the findings are most critical part of the Social Audit process. In absence of an affirmative action from the administration, the findings of social audits languish and waste away, only weakening the process. Therefore all the social audits carried in routine administrative manner, without strong administrative support to nab the culprits, weakened the spirit of facilitators, as well as community members that had gathered courage to speak against the established power structures. It was experienced that all the good verifications process and exceptionally powerful Gram Sabha faced frustration when necessary action was not taken by the higher authorities. At the same time, it was evident that social pressure exerted by community in the Social Audit Gram Sabha's and decisions of the Gram Sabha were more abiding in many settings than leaving the issues only to the administration to resolve.

In many cases, the job cards were and the payment details in the MIS portal carried the names of the households that had never worked in MGNREGS. They only lend their job cards and Bank accounts to mine wages for work undertaken, either by contractors, machines or other laborers of the village. They get a commission on using their Job card details and bank accounts. They being confidante of the Village Panchayat allow Panchayat functionaries to withdraw wages from their account , which is subsequently paid to contractors, other labour, machine vendor etc.

Interestingly during the verification process, these proxy laborers that lend job cards claim also to have worked. This confuses the facilitators, as the actual workers are never recorded on the portal.

The learnings are taken up in a little detail in the following paragraphs.

1. It is demonstrated by the local youth that they have ability to establish a sustainable process of social accountability in large social welfare programs with little support and training.. Many of the women social audit facilitators demonstrated courage, physical strength and honesty to conduct high quality verification process. Most youths, particularly women facilitators from the SHG group showed exceptional integrity and enthusiasm to undertake verification at the village level. Most of them demonstrated courage to take on the local elite and power structures. If the youths were from the village Panchayat itself, it was relatively difficult for them to challenge the local lords and the culprits. However, local youths had the advantage of carrying a fairly accurate verification process, as they knew , who had worked on a particular site, or if machines were used, or those who received the wages worked or not at a particular site. However, if supported and supervised well the young facilitators managed to dig the facts and bring the issue to Gram Sabha.

2. Mobilisation of Gram Sabha is as important as verification process. Choosing a suitable time and place, ensuring that everyone is informed and building confidence in those that have to bring-forth their grievances, support the beneficiary in organising necessary records and proofs are integral to mobilisation of meaningful Gram Sabha. There is substantial time required for Gram Sabha mobilisation. As much as it is important to undertake sincere mobilisation of Gram Sabha, skillful facilitation is equally important, where everyone is heard and responded to and given a chance to explain his or her perspective. Recording of Gram Sabha minutes is equally important. It was observed that many Gram Sabha decisions were lost and issues discussed were not forwarded for actions by the higher authority as the minutes were recorded poorly.
3. If the officials in administrative machinery at the district and block level are not sufficiently sensitized and monitored on the outcome of the social audits, the processes of social audits become weak, ineffective and delayed. Administrative buying in by the top district level officials for the social audits has significant influence on the quality of the social audit.
4. The mechanism of Jan Sunwai i.e. post social audit public hearings at the block level as designed by the Government of MP has a significant bearing on the follow up actions of the social audit findings. Decision making on the cases of discrepancies, denial of benefits, partial payments, embezzlements etc. in a transparent manner in front of the victims is found to be useful, if enabling environment for evidence verification is build. It is found that in many cases, NGOs that are dormant or have limited interest on social accountability as well as weak autonomy to speak up are invited on the panels. Similarly, officials who are part of the administrative system taking key role as jury members also influence the decision making process by diluting the issue.
5. The communities lose faith and interest in the social audit process, if the actions are not taken on the decisions emerging out of the social audits. Many officials or functionaries further exclude the genuine rights holders who raise voice during the social audits. Moreover, the arm of the implementing agency becomes least accountable and dominant to surpass the needs of the community.

6. The lower level functionaries of the Panchayati Raj system are considered culprits when social audits or public hearing takes place. The reality emerging from the cases suggest that the higher level officials concerned are also equally entrenched in the corruption. Many a times, the corrupt practices are encouraged by the higher officials and lower level functionaries are expected to respond on this.
7. With gradually greater coverage of social audits in MP by the SAS, the quality of social audits is on the decline. Sufficient follow up support and guidance is not possible by a small team of SAS. Weak follow up on the findings of the social audits leads to declining interest of the communities to participate in the social audit process.



Samarthan-Centre for Development Support

36, Green Avenue, Chunnabhatti

Bhopal-462016, Madhya Pradesh

Tel : 0755-2467625, (O) 9893563713

E-mail : info@samarthan.org, pmu@samarhan.org

Website: www.samarthan.org