

CHAPTER-III
Functioning of Social Audit
Unit of Assam

Chapter-III

Thematic Audit of Panchayati Raj Institutions

Functioning of Social Audit Unit in Assam for the period from 2017-18 to 2023-24

3.1. Introduction

Social Audit is a process by which the grassroots level beneficiaries of any scheme, programme, policy or law, are empowered to audit such schemes, programmes, policies or laws. Through social audit, the beneficiaries and other stakeholders of any scheme get involved in monitoring and evaluation of that activity or project executed under the scheme. Social audits focus on the performance of a programme in fulfilling its intended social objectives and assess the social impact of specific programmes and policies.

Section 17 of the National Rural Employment Guarantee Act, 2005 (MGNREGA) has mandated social audit of all works executed under the MGNREGA. In exercise of the powers conferred by the MGNREG Act, 2005, Ministry of Rural Development, Government of India notified the MGNREG Audit of Schemes Rules, 2011. Under these rules, audit of schemes shall *inter alia* include Social Audit with the following features:

- Social Audit Unit (SAU), under MGNREG Act, is to be identified/ established by each State Government as an independent organisation to facilitate conduct of social audit in close association with Gram Sabhas.
- SAU Resource Persons (RPs) are identified and engaged by Social Audit Unit to facilitate in the process of social audit. They may be State Resource Persons (SRPs) / District Resource Persons (DRPs) / Village Resource Persons (VRPs).
- The District Programme Coordinator (DPC)⁸ is to ensure furnishing of records to SAU by implementing agencies through the Programme Officer (PO)⁹ and to ensure corrective action.

However, SAU, though conceptualised and created under the umbrella of MGNREGA, was gradually assigned with audit/ evaluation of other schemes as well (e.g. National Social Assistance Programme, Pradhan Mantri Awas Yojana – Gramin, etc.).

3.2. Objectives of Social Audit:

As per Auditing Standards for conducting social audits issued by MoRD, GoI (December 2016), following are the objectives of social audit:

- Promote Transparency and accountability in the implementation of a programme.

⁸ An officer of the State Government is designated as the District Programme Coordinator under sub-section (1) of section 14 of MGNREG Act, 2005 for implementation of the scheme in a district

⁹ Programme Officer (POs) means an officer appointed under sub-section (1) of section 15 of MGNREG Act, 2005 for implementing the scheme

- Inform and educate people about their rights and entitlements under the Law in course of conducting social audits.
- Provide a collective platform such as Gram Sabha for people to express their needs and grievances.
- Promote people's participation in all stages of implementation.
- Improve capacity of local stakeholders who participate in the social audit.

3.3 Formation and Mandate of the Social Audit Unit in Assam

The Assam Society for Social Audit/ Social Audit Unit, Assam (SAU), registered under the Societies Registration Act, 1860 in December 2016. It established by the Government of Assam for functioning of the MGNREGS Audit of Scheme Rules 2011 under section 17(1) of the MGNREG Act, 2005-

The main objective of the SAU is to work towards strengthening and deepening the social audit process in Assam through capacity building and training of different stakeholders and systematic awareness building and dissemination of information etc. among rural masses. The Social Audit is to become an integral part of the governance process in the state and should remain independent from mainstream government in the administration including scheme implementing agencies.

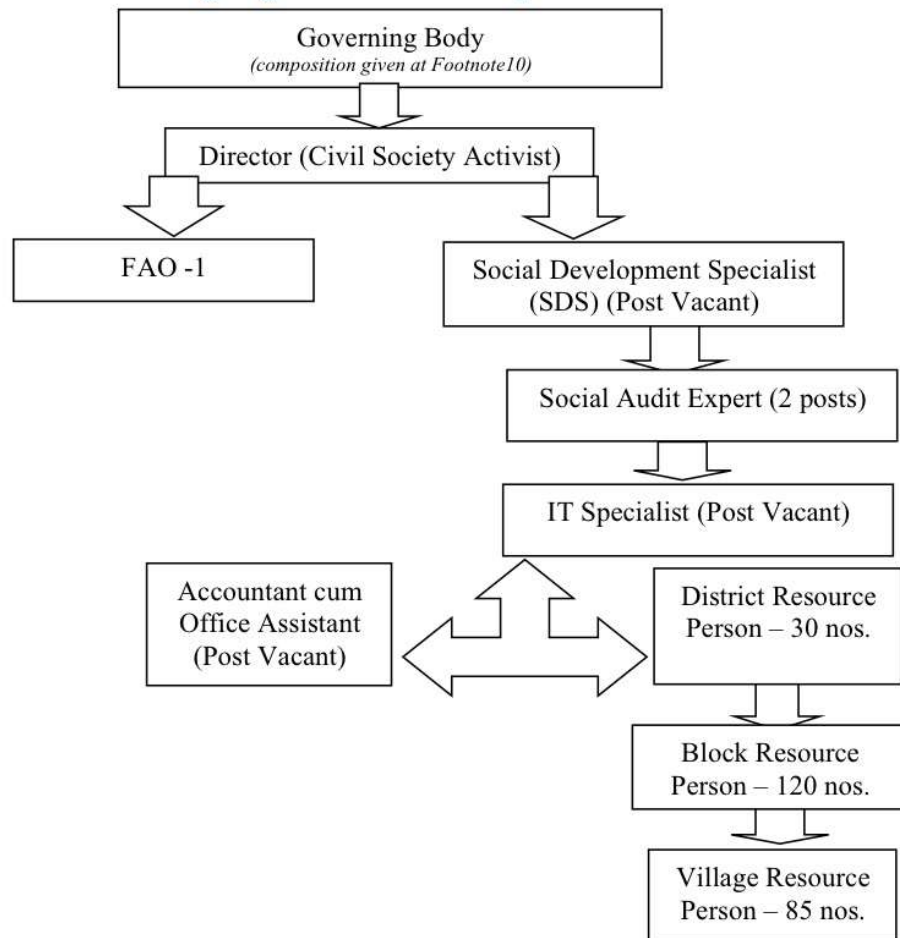
The SAU has an independent Director and is governed by a Governing Body (GB)¹⁰ headed by the Chief Secretary, Government of Assam. The Director, Social Audit is the Member Secretary of the GB.

The Assam Society for Social Audit has completed seven years of its existence and has been facilitating social audits of the MGNREGA and other social welfare schemes such as Mid-Day Meal, National Social Assistance Programme (NSAP), Prime Ministers Awas Yojana-Grameen (PMAY-G) and the 14th & 15th Finance Commissions, based on the requests made by the respective departments. Each Department funds the social audit exercise of their schemes.

¹⁰ Composition of GB: 1. Chief Secretary, Government of Assam (GoA), Chairman; 2. Senior most Secretary to GoA, Finance and P&RD, Member; 3. Principal Accountant General/ nominee, office of Assam, Member; 4. Principal Secretary to GoA, Finance Department/ nominee, Member; 5. Commissioner, GoA P&RD/ nominee, Member; 6. Director State Institute of Rural Development, Assam, Member; 7. Director, Social Unit, Assam, Member Secretary; 8. State Mission Director, NRLM, Assam, Member; 9. Director, Welfare of Plain Tribes and Backward Class Department, GoA, Member; 10. PCCF, Forest Department, Special invitee; 11. Director, Agriculture Department, Special invitee; 12. Director, Horticulture Department, Special invitee; 13. Chief Engineer, PHED (Sanitation), Special invitee; 14. Tezpur University, Department of Sociology, Member; 15. Assam University, Silchar, Department of Rural Development, Member; 16. Dibrugarh University, Department of Sociology, Member and 17. Renowned and recognized individual / Civil Society Organisations of the state or outside, having long time experience in working with issues related to transparency and public accountability, Member.

3.4 Organisational Structure:

Chart 3.1: Organogram of Assam Society for Social Audit



The Director of the Social Audit Unit (SAU) oversees its daily operations, ensuring that all social audits are conducted in accordance with the Audit of Schemes Rules, 2011 and the approved audit calendar. The Director also coordinates the development of guidelines, capacity building initiatives, and mass awareness campaigns. The State Resource Person (SRP) supports the Director in these functions, with a focus on training design, process evaluation, and data analysis. District Resource Persons (DRPs) are responsible for district-level awareness campaigns, Information, Education and Communication (IEC) activities, and for anchoring the social audit teams. Block Resource Persons (BRPs) identify, train, and guide Village Resource Persons (VRPs) during the verification process. The VRPs then conduct the actual social audits at the grassroots level in collaboration with primary stakeholders.

3.5. Financial position:

The SAU (ASSA) received its funds mainly from the P&RD Department under MGNREGA. However, it also started receiving funds under MDM, NSAP, etc. from the respective line Departments. The expenditure mainly relates to payment of salaries to the State / District /

Block Resource Persons, wages payment to Village Resource Persons, maintenance of State Office, etc.

The funds received under different heads & expenditure incurred there against during the years from 2017-18 to 2023-24 were as under: -

Table 3.1: Receipt and Expenditure of Funds by SAU

| Year | Opening Balance | Receipt | | Total fund available | Expenditure | Closing Balance |
|---------|-----------------|-----------------------------------|----------|----------------------|-------------|-----------------|
| | | Grants received from MGNREGA Fund | Interest | | | |
| 2017-18 | 0.00 | 520.23 | 9.63 | 529.86 | 135.17 | 394.69 |
| 2018-19 | 394.69 | Nil | 7.19 | 401.88 | 348.63 | 53.25 |
| 2019-20 | 53.25 | 451.55 | 0.85 | 505.65 | 345.85 | 159.80 |
| 2020-21 | 159.80 | 248.01 | 1.82 | 409.63 | 311.93 | 97.70 |
| 2021-22 | 97.70 | 397.06 | 1.89 | 496.65 | 195.52 | 301.13 |
| 2022-23 | 301.13 | 518.53 | 6.35 | 826.01 | 457.27 | 368.74 |
| 2023-24 | 368.74 | 448.26 | 8.21 | 825.21 | 442.04 | 383.17 |

Source: Records of Assam Society for Social Audit

Steep fall in expenditure during the year 2021-22 was attributable to the outbreak of Covid-19, for which the regular social audit was conducted in GPs *w.e.f.* November 2021. The TA/DA was not provided to the BRPs as there was no field activity for the period from April to October 2021. Moreover, during the FY-2021-22, the Social Audit timeline was reduced to two days¹¹.

3.6. Objective and Scope of audit

Audit attempted to assess the performance of the ASSA pertaining to the period from 2017-18 to 2023-24 in terms of compliance to the MGNREG Act 2005, MGNREG Audit of Scheme Rules 2011, Auditing Standards for Social Audit brought out by the Ministry of Rural Development (MoRD) and annual Master Circulars brought out by the MoRD. The Audit aimed to analyse the coverage and effectiveness of the Social Audit exercise in Assam.

Audit findings

Though the concept of Social Audit had been introduced by Ministry of Rural Development (MoRD) in 2010, the MoRD started stringently linking the SAU structure, social audit findings and subsequent follow up action to the release of funds to the State with effect from 2016-17. In every Performance Review Committee Meeting and Empowered Committee Meeting¹², compliance reports and adherence to the Auditing Standards of Social Audit, with an emphasis

¹¹ Normally it was six days. During the year 2020-21, to clear the back log arising out of CIVID 19, it was reduced to 2 days to cover the audit target.

¹² The Performance Review Committee Meeting (chaired by the Additional Chief Secretary, P&RD Department evaluates detailed scheme progress, including wage payments, asset creation, and resolving local implementation issues under MGNREGA. The Empowered Committee Meeting, chaired by the Secretary, Ministry of Rural Development, finalise the annual Labour Budget (work allocations) for states and approves state-specific action plans and fund releases, ensuring macro-level oversight and resource flow.

on the structure of the SAU, staffing, findings and follow up, including recovery and disciplinary action based on Social Audit Reports are sought from the States.

3.7 Constitution and composition of Social Audit Unit

Sub-para (i) of Para 2.1 of the Auditing Standards for Social Audit provides that the institution of SAU is to be incorporated as a society under the Societies Registration Act and would be responsible for planning social audits, technically supporting the particular audits, collating and consolidating reports and following up persuasively on the results of audit. Assam Society for Social Audit Unit (SAU) had its registration validity up-to 02 December 2019. Audit observed that, till date (May 2024), the renewal of the registration has not been done, which was attributable to non-holding of regular Governing Body (GB) Meeting.

3.7.1 Governing Body meeting of the SAU

Sub-para (ii) (d) of Para 2.1 of the Auditing Standards for Social Audit provides that the Governing Body (GB) of the SAU should meet at least once on quarterly basis. The report of the grievance redressal officer of SAU will be presented in the quarterly meetings of the GB by the Director of SAU. Audit observed that the GB met only two times during the period from 2017-18 to 2023-24 as against 28 meetings stipulated. The last meeting was held in October 2023 and thereafter no GB meeting was held. Discussions in these meetings *inter alia* encompassed constitution of Social Audit Compliance Cell at State Level, framing HR policies including welfare schemes, promotional policies, formulation of Social Audit Rules, constitution of Executive Committee, notification of VRP Guidelines, approval of Social Audit budget, submission of Social Audit Report, etc. Thus, in the absence of requisite number of GB meetings, monitoring and decision making at the apex level were inadequate, as elaborated in the subsequent paragraphs.

3.7.1.1 Prolonged absence of GB meetings affecting budget preparation process

Audit observed that, though SAU prepared the budget proposals, the same was not submitted to the Governing Body for approval during the years 2018-19 to 2022-23. Such non-submission during 2018-19 to 2022-23 could be attributed to the fact that the Governing Body had not met for more than four years, the 2nd and last meeting was held in October 2023 where the Governing Body conveyed ex-post facto approval to the Annual Budget of SAU prior to the Financial Year 2022-23 and approved the Annual Budget of SAU for the Financial Year 2023-24. Thus, the Annual Budget of SAU for the Financial Year 2022-23 remained unapproved till date (May/2024).

3.7.1.2 Annual Accounts of SAU and Audit thereof

Annual accounts of the SAU were prepared by Chartered Accountants from time to time (2017 to 2022-23). However, the annual accounts were not approved by the GB in a timely manner due to non-holding of GB meetings by the Government within the time frame fixed by the Ministry of Rural Development.

In accordance with the Auditing Standards (Para 2.1. Sub Para (iv) and Sub-Sub Para (d)), the accounts of the SAU were required to be audited annually by CA firm selected from a panel maintained by CAG of India. A certified copy of the audited accounts was required to be submitted by the Director, SAU to the Governing Body for its acceptance. After acceptance of the certified accounts, the same was to be forwarded to the State Government for further submission to the Central Government. Further, the CA firm was to be changed every three years.

Audit observed that due to non-holding of Governing Body (GB) Meetings (as specified in the Auditing Standards at least once in every quarter of each financial year), certified copies of the audited accounts could not be submitted by the Director, SAU to the Governing Body (GB) for its acceptance and thus, the accounts remained un-approved.

Audit also observed that, the SAU engaged the same CA firm since 2017-18 to 2021-22 (consecutive five years) for audit of its accounts.

3.7.2 Constitution of Executive Committee

As per resolution 7 of the 1st GB meeting of the SAU held on 23 February 2018, the GB suggested to constitute an Executive Committee with members from NIRDPR, WPTBC, Financial Adviser, Commissioner and Director, Assam Society for Social Audit. However, the Executive Committee of the SAU is yet to be constituted (May 2024) even after passage of more than six years from the said resolution.

3.7.3 Grievance redressal

Sub-para (v)(a) of Para 2.1 of the Auditing Standards for Social Audit provides that the SAU should, for grievance redressal, designate a Grievance Redressal Officer for accepting complaints from citizens about the staff and practices of the SAU. The Grievance Redressal Officer shall report to the GB. Audit observed that till May 2024, no Grievance Redressal Officer was appointed. This may be attributable to non-holding of Governing Body Meetings on regular basis, as the decision for the GB for the appointment of the Grievance Redressal Officer is still awaited.

3.7.4 State Rules and Policies for Social Audit

In the first meeting of GB (February 2018), the GB suggested for making Draft Social Audit Rules for the State through a third party like National Institute of Rural Development & Panchayati Raj (NIRDPR) or others for placement before GB. Audit observed that, as of May 2024 the preparation of draft Social Audit Rules/ Policies of Assam is yet to be materialised.

3.8 Manpower availability and functional competence of SAU personnel

Audit observed that a Draft Human Resource Policy was forwarded by the P&RD Department to Finance Department in August 2017 for approval. The Finance Department made certain observations thereon and sought for some further clarifications, which was forwarded (March 2018) by the P&RD Department to the SAU. However, the SAU was yet to send their response

to P&RD/ Finance till date. As a result, the SAU continues to function without any approved manpower policy.

The position of deployment of human resources under the SAU as on 30th April 2024 are given in **Table 3.2** below:

Table 3.2: Position of Sanctioned Strength and Person in Position under SAU

| Category of Post | Name of position | Sanctioned strength (in Number(s)) | Men in position as on date (in Number(s)) | Vacancy position (in Number(s)) | Shortfall (per cent) | Remarks |
|--------------------------------|---------------------------------|------------------------------------|---|---------------------------------|----------------------|---|
| State Resource Persons (SRP) | Director | 1 | 1 | 0 | 67% | Proposals for posting of resource persons were submitted by the Director of SAU to the Government of Assam from time to time. However, GoA is yet to take any action thereon. |
| | Social Development Specialist | 1 | 0 | 1 | | |
| | State Audit Expert | 5 | 2 | 3 | | |
| | IT Expert | 1 | 0 | 1 | | |
| | Accountant cum Office Assistant | 1 | 0 | 1 | | |
| <i>Sub Total of SRPs</i> | | 9 | 3 | 6 | | |
| District Resource Person (DRP) | DRPs | 35 | 30 | 5 | 14% | |
| Block Resource Person (BRP) | BRPs | 219 | 120 | 99 | 45% | |
| Overall total | | 272 | 156 | 116 | 43% | |

The functioning of the SAU is handicapped by substantial shortage of manpower especially State Resource Persons (SRPs) and Block Resource Persons (BRPs), thereby overburdening the available staff. The State Government did not appoint the SRPs, DRPs and BRPs despite the regular allocation of funds made by the MoRD and a substantial fund remaining unspent from the year 2021-22 to 2023-24. However, a Standard Operating Procedure (SOP) for engagement of VRPs under the SAU has been prepared and notified (March 2022) by the Commissioner, P&RD, Government of Assam.

3.8.1 Non-sanctioning of requisite number of VRPs

As per SoP issued by MoRD (GoI) (September 2017), for roll out of SHG, VRP training program, the requirement of VRPs in Assam was assessed at 3,441. Against this, the State Government approved engagement of 100 VRPs on a per day wage basis. Audit observed that only 85 VRPs were deployed for conducting social audit and thereby shortfall of 15 VRPs (15

per cent) compared to sanctioned strength and 3,356 (98 per cent) as per MoRD's SoP *ibid* respectively.

Due to shortfall in the manpower, the SAU could not conduct social audit of all units in six monthly basis as stipulated in Auditing Standards for Social Audit. Further, the post of Accountant cum Office Assistant at the SAU was lying vacant till date of audit (May 2024). However, the District Resource Person of Cachar District had been engaged for discharging the duties of Accountant cum Office Assistant in the Establishment of the Directorate of SAU office at Guwahati since April 2018 till date.

The Director, in reply, stated that six Block Resource Persons (BRPs) conducting social audit at GP level of 16 GPs (notified by the P&RD, Assam) out of total 162 GPs in Cachar District. The DRP of Cachar District discharging duties of District Programme Co-ordinator (DPC) by visiting monthly basis which consequently hampers the social audit process in Cachar District.

3.9 Social Audit Planning and Execution by the SAU

As stipulated under clause 6 of MGNREG Audit of Scheme Rules 2011 read with Sub-Para i of Para 1.7 and Sub-Para 3110 of Para 3.1 of Auditing Standards for Social Audit issued by the Ministry of Rural Development (GoI) vide OM dated 19 December 2016, the SAU needs to prepare an annual social audit calendar to cover every GP in six months and make the plan available to the DPCs for facilitation. For consolidation of the plan, the calendar for Social Audit in each district was being prepared by the respective District Resource Persons and forwarded to SAU for approval. In this respect the following were observed by audit:

3.9.1 Target, Plan and Coverage of Social Audit:

The following table illustrates the achievements of the SAU in auditing their planned units during the period from 2017-18 to 2023-24:

Table 3.3: Units under jurisdiction, units planned and units covered by SAU

| Year | Total Nos. of units under the jurisdiction of SAU | Units planned for Social Audit by the SAU | Units covered | Remarks |
|---------|---|---|---------------|---|
| 2017-18 | 2661 | 1111 | 418 | <ul style="list-style-type: none"> 62% shortfall from the planed units 84% shortfall from the total units |
| 2018-19 | 2661 | 1740 | 1378 | <ul style="list-style-type: none"> 21% shortfall from the Planed units 48% shortfall from the total units |
| 2019-20 | 2661 | 1584 | 1542 | <ul style="list-style-type: none"> 3% shortfall from the Planed units 42% shortfall from the total units |
| 2020-21 | 2661 | 702 | 542 | Reduction in the number of planned units and non-coverage of 160 units (23% shortfall from the Planed units for the year) and 2119 units shortfall (80% shortfall from the total units under the SAU for the year) was attributable to Covid 19 pandemic. |
| 2021-22 | 2661 | 1626 | 1626 | <ul style="list-style-type: none"> No shortfall vis-à-vis plan during the year. |

| Year | Total Nos. of units under the jurisdiction of SAU | Units planned for Social Audit by the SAU | Units covered | Remarks |
|--------------|---|---|---------------|--|
| | | | | <ul style="list-style-type: none"> • However, 39% shortfall from the total units under the SAU during the year. |
| 2022-23 | 2661 | 2661 | 2661 | <ul style="list-style-type: none"> • No shortfall during the year |
| 2023-24 | 2661 | 2661 | 2593 | <ul style="list-style-type: none"> • Shortfall attributable to enforcement of model code of conduct for General (Lok Sabha) election 2024 |
| Total | 18627 | 12085 | 10760 | <ul style="list-style-type: none"> • 1325 units shortfall from the planned units • 7867 units shortfall from the total units |

Source: Records of Assam Society for Social Audit

It may be seen that there have been improvements in terms of number of units covered under Social Audit, however, conduct of Social Audit Gram Sabha meeting annually in place of six monthly, diluted the effective follow up mechanism of Social Audit observations.

3.9.2 Uploading of Social Audit Reports

Out of 8,167 MGNREGA units covered under Social Audit during 2018-23, only 4,275 Social Audit Reports (SARs) were uploaded in NREGASoft MIS. The uploading of SARs in NREGASoft MIS was started by SAU only from the year 2021-22 onwards. Thus, the SAU did not upload the SARs for the period of four years from 2017-18 to 2020-21.

3.9.3 Inadequate awareness on Social Audit

As per MGNREG Audit of Schemes Rules 2011 (Para 4 (2) (c) and Auditing standards for Social Audit (Para 3.3), for effective conduct of Social Audit, it was crucial that the beneficiaries of various social sector schemes are made aware of the existence and purpose of the Social Audit. For generating awareness, the guidelines envisaged¹³ awareness programs through theme song, short video, banner & poster, bulk SMS, wall painting, street drama, website design, etc. The awareness generation should aim at making stakeholders understand individual entitlements and attached conditionalities under various schemes.

Audit observed that the IEC activities for creating awareness of Social Audit were ineffective and inadequate as the SAU is yet to implement the abovementioned awareness programs in Assam. Though the Social audit reports were discussed in Gram Shabha in GP level, the organising of public hearing at block/ district headquarters during the period from 2017-18 to 2022-23 was almost nil (*further elaborated at para 6.4.3*) and thus, the objectives of accountability and transparency remained unmet to that extent.

¹³ GoI, Ministry of RD Notification dated 30-06-2011 vide Para 4(2)(c), and Point 3305 of Para 3.3 of the Auditing Standard for Social Audit

3.9.4 Code of ethics

Though the Auditing Standards for Social Audit (Para 2.1, Point 2110) stipulated for development and deployment of “*Code of ethics*” for the social audit facilitators and other personnel of SAU, the SAU did not develop any “*Code of ethics*” for the social audit facilitators and other personnel of the SAU.

3.9.5 Miscellaneous deficiencies:

- Though proposals were made by SAU for the entrustment of delegation of financial power to the Director of SAU, a draft Rule was also placed before the GB for necessary approval. However, till date (May 2024), the same is yet to be approved by the Government.
- Photographs of Social Audit of Gram Sabha were not uploaded in MIS.
- Some PRIs¹⁴ did neither provide their documents nor show their works to Social Audit.

The non-compliance to the stipulations prescribed for process of Social Audit resulted in the objective of ensuring transparency and accountability not being achieved.

3.10 Follow up action on social audit observations

Social Audit Guidelines stipulated that there should be follow up meetings at GP, Block, District and State level, including conduct of monthly review meetings to monitor and pursue of recovery amounts under objections by Social Audit. However, out of 8,167 units covered under Social Audit, the amount of total MGNREGA money identified as misappropriated/recoverable at the instance of the Social Audit was ₹254.80 lakh during the last six years. However, out of the amount recoverable, the actual recovery effected at the instance of social audit stood at ₹9.76 lakh only. Thereby recovery percentage for the last six years was less than four *per cent* indicating lack of effective efforts of the authorities concerned and absence of monitoring by the Governing Body and the State Government.

3.10.1 Lack of monitoring by the State Government

There was lack of monitoring by the State Government as evident from the extent of recovery effected and absence of periodical meetings of the Governing Body. The State Employment Guarantee Council (SEGC) at the State level had not monitored the action taken by the State Government on Social Audit Reports. Action Taken Reports (ATRs) were not incorporated in the Annual Report to be laid before the State Legislature. In fact, the SEGC had met only twice August 2022 and May 2023 during the period covered under audit (2017-23). The status of preparation and submission of Annual report is shown in **Table 3.4** below:

¹⁴ 39 No. Uttar Baligaon Parbatia GP, 40 No. Uttar Parbatia Janjati GP, 41 No. Madhya Parbatia GP under North West Jorhat AP of Jorhat District; Baruah Ali GP, Bhuvanhat GP, Borbam GP under Amguri AP of Sivasagar District

Table 3.4: The status of preparation and submission of Annual report of SAU

| Year | Whether Annual report prepared | Whether Annual Report placed before LA | Reason for non-preparation and non-submission |
|---------|--------------------------------|--|---|
| 2017-18 | No | No | Annual Reports were not prepared in 2017-18 to 19-20 due to lack of manpower. However, reason for non-submission of Annual Report was not furnished by SAU. |
| 2018-19 | No | No | |
| 2019-20 | No | No | |
| 2020-21 | Yes | No | |
| 2021-22 | Yes | No | |
| 2022-23 | Yes | No | |
| 2023-24 | Yes | No | |

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

The Government of Assam also did not hold any Performance Review Committee Meeting and Empowered Committee Meeting on the SAU structure and follow up action on social audit findings till date (May/2024).

In accordance with the Master circulars issued every year by MoRD, the Additional Chief Secretary/ Principal Secretary/ Secretary, RDPR shall conduct a monthly review of Social Audit wherein irregularities identified in the SARs and status of progress on action taken reports (ATRs) by the implementing agencies on redressing the same shall be reviewed. However, the monthly reviews of SARs were not conducted in the State.

3.10.2 Public hearings

Public hearing in the form of reading out of the Social Audit Report at Gram Sabha for ratification by the residents of the GP forms the most critical component of the Social Audit process. This would enable a collective platform to hold the implementing functionaries of a project accountable. Audit observed that public hearings were done at village level in Gram Sabhas organised in the GPs. However, excepting two Blocks (Chayagaon and Boko) of Kamrup District where public hearings were organized during 2018-19, neither the POs nor DPCs had arranged for public hearing at block/district headquarters during the period from 2017-18 to 2022-23. It was observed that the SAU had insisted (belatedly only in June 2023) the POs/ DPCs to scrupulously follow the prescribed procedure. Absence of the public hearing at block level after conduct of Social Audit to discuss the follow-up action and lack of monitoring of action taken on Social Audit at district level, go against the objective of transparency and accountability of the Social Audit process.

3.10.3 Quarterly Report to Accountant General

Government of India, Department of Rural Development (MGNREGA) Division requested Head of the Rural Development Department and State SAUs of all State to submit Quarterly Reports to the Accountant Generals of the respective State in a prescribed format. The format includes information on the status of Social Audit Unit and its functionaries, the expenditure incurred by the Social Audit Unit in the reporting quarter and the status of the schedule and conduct of the social audits as per Calendar in the reporting quarter. Audit observed that no such quarterly reports were submitted by the SAU (ASSA) to the Principal Accountant General/ Accountant General, Assam during the period 2017-24.

3.11 Conclusion

The Social Audit mechanism in Assam is yet to receive desired priority as would be evident from the following

- The Registration of the SAU under Societies Act remained invalid for almost five years since December 2019;
- Gross shortfall in holding of Governing Body Meetings implies the deficiency in monitoring at the Government level.
- The manpower policy of SAU is yet to be firmed up even after the same had been proposed (August 2017) and reviewed by the Finance Department. The SAU continues to function with insufficient manpower affecting the coverage and impact of Social Audit. Code of ethics were not introduced though required under the Auditing Standards of Social Audit.
- The State Employment Guarantee Council (SEGC) at state level had not monitored the action taken by the State Government on Social Audit Reports and Action Taken Reports.
- The SAU did not submit Quarterly Reports in the format specified by MoRD to Principal Accountant General / Accountant General.
- The impact of the Social Audit is diluted by deficient follow up mechanism like insufficient public hearings at Block and District level, poor recovery of amounts objected in Social Audit Report. Some Gaon Panchayats have not provided records to social audit teams indicating lack of sensitisation on Social Audit among PRIs.

3.12 Recommendations

- *Governing Body Meetings of the SAU should be held at stipulated intervals, to ensure approval of Budget and Annual Accounts of the SAU and to facilitate effective monitoring of the activities.*
- *The manpower policy should be finalised and initiative should be taken for recruitment of resource persons in requisite numbers.*
- *Code of ethics should be developed and deployed by the SAU for social audit facilitators.*
- *Follow up actions on Social Audit Reports should be strengthened through holding of Public Hearings at all levels, pursuing recovery of objected amounts, etc.*