

Social Audit: A Monitoring Tool for the Schemes of Panchayati Raj Institutions in India

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ABSTRACT

Panchayati Raj institutions, constitutional units of local self-government, have been seen as instruments of socio-economic transformation in rural India. Panchayat Raj institutions have been involved in the implementation of schemes and form the core of decentralized planning development and its implementation in rural India. Social audit is a never-ending process that involves the potential beneficiaries and other stakeholders of an activity or project from planning to monitoring and evaluation of that activity or project both in the community and in the governing agency. It thus seeks to ensure that the activity or project is designed and implemented in a manner that best suits the prevailing conditions, appropriately reflects the priorities and preferences of those concerned, and serves the public interest as effectively as possible. The main objective of this study is to assess the level of effective functioning of Panchayati Raj in different states of India, with special reference to major programs for poverty alleviation and rural development in different geographical areas such as rural and tribal areas by collecting statistics on the results of PRIs in India. The researcher used both primary and secondary data for the research. Primary data was collected from 110 respondents from different rural areas of Jaipur district through structured questionnaire and interview method with gram panchayats officials. The main source of secondary data was Panchayati Raj & Rural Development and official website of Ministry of Panchayati Raj & Rural Development of India and also Rajasthan. The collected data is analyzed using the percentage method. The expected result has helped to improve the planning and implementation of various programs in related areas by Panchayati Raj institutions.

Keywords: Self-government, socioeconomic, social audit, monitoring.

I. CONCEPT OF SOCIAL AUDIT

"Social audit is a process in which details of the resource, financial and non-financial, used by public agencies for development initiatives are shared with the people, often through a public platform. Social audits enable people to enforce accountability and transparency, providing end-users with an opportunity to audit development initiatives." Social audit can be considered the extreme end of the spectrum of audit functions. Over the centuries, auditing functions have grown and evolved from the earliest type, which can be called vigilance auditing. Then came, more or less chronologically, the regularity audit, the propriety audit, the value for money audit, the performance audit and finally the social audit. The last three of these audit functions can be considered the audit of economy, efficiency and effectiveness. As for government audit, it examines the internal areas of government agencies as part of value for money audits and performance audits. In social auditing, it goes beyond these areas and examines the impact of specific government activities on certain sections of society that are in contact with state authorities.

A social audit could be comprehensive, nationwide and could also be localized to the community level. The aim is to effectively implement and control irregularities. The administrative apparatus should provide full support in the implementation of the social audit by the community.

Social auditing is a tool for government departments to plan, manage and measure non-financial activities and monitor the internal and external consequences of an organization's social and

business operations. It is a tool of social responsibility of the organization. In other words, social audit can be defined as an in-depth inspection and analysis of the functioning of any public service from the point of view of its social significance. Social Audit gained importance especially after the 73rd Amendment to the Constitution regarding Panchayat Raj Institutions.

In a welfare state, the government has an absolute duty for the welfare of the people. This translates in practice into an interest in improving the 'quality of life' through improving the standard of living, health, education, earning capacity etc. for people. While each individual welfare program has its own specific goals, it should also ensure that it does not stand in the way of government efforts in other areas. Thus, no social welfare programs can succeed in isolation, but can only do so as part of the overall package of social activities undertaken by the government as a result of its interest in improving the quality of people's lives.

II. REVIEW OF LITERATURE

N. Sukumar, L. David Lal, Vinod Kumar Mishra (2019) conducted a study "Inclusiveness in Panchayati Raj Institutions" published in Journal of Social Inclusive studies. This study focuses on the ongoing discrimination against disadvantaged groups (caste, gender and tribe) in Panchayati raj Institutions (PRIs). The paper analyzes both enabling and disabling factors that influence the performance of elected representatives (ERs) belonging to Scheduled Castes, Scheduled Tribes and women from seven states. Findings (both qualitative and quantitative) of the study highlighted enabling and disabling factors that influence ER performance in PRIs.

Prof. Ravindranath N. Kadam (2017) conducted research on "Panchayat Raj Institutions and Rural Development in India - Structural and Functional Dimensions" to highlight the Panchayat Raj system, role of Panchayat Raj institutions in implementation. government programs for poverty alleviation and rural development, various government programs etc.

Honnappa, S. (2017) conducted a study "Empirical study on the role of panchayat raj on rural development of Karnataka state" placed in this context to examine the role of panchayat raj systems in rural development of Karnataka state and also to suggest suitable measures for effective functioning of the institutions panchayat raj in improving the socio-economic conditions of the rural population. The study is based on both primary and secondary data. Primary data were collected from a field survey in a sample of seven districts of Karnataka state. It was found that there were certain facilities provided by the gram panchayats which were inadequate like the quality of roads and sanitation. However, rural people in certain districts of the sample showed satisfaction with some services such as education, provision of drinking water and street lighting. As has been seen, due to the successful intervention of panchayat raj institutions in poverty alleviation programmes, some structural changes are taking place in the villages.

Krupa, V.D. (2016) conducted a study "Role of Social Audit in Rural Development through PRI – A Case Study of Shimoga Region". This study analyzed the performance of PRIs through social audit practice in Malnad region i.e. Shimoga districts. It is purely based on primary data which uses convenience sampling method. The result has contributed to the development of the social audit practice through gramsabha in the rural area, but there is still a need for effective implementation of the social audit practice.

Ritesh Dwivedi, Krishna Mohan Poddar, PSI, Tehari, (2013) conducted a study on "Functioning of Panchayati Raj Institutions in India: A Status Paper". In this study, various structural and functional aspects related to panchayats at grass root level have been analyzed. Village development strongly depends on Panchayati Raj institutions and their effective functioning, therefore five better considered states in terms of PRI functioning were selected and a comparative analysis was done based on various parameters. The findings show that panchayats are functioning inefficiently and there is a complete lack of people's participation.

Rishi Pal (2002) conducted a study on the finances of PRIs in Haryana to analyze among other things the devolution of powers to panchayats in Haryana and based on this the researcher suggested some measures to increase the financial resources of panchayats. The study is mainly based on secondary data collected from various sources. However, some income and expenditure information was also collected from Kurukshetra, Kamal, Kaithal and Jind Zila Parishads. The findings of the study include, among others: the only source of revenue that panchayats depend on is the land revenue of Shamlat; the trend of subsidies and other resources is only nominal and the grant does not increase every year; The Haryana Panchayati Raj Act, 1994 does not empower the Panchayati Raj Act to mobilize adequate resources. Even some taxes and duties levied earlier were abolished; downward trend of own income. Based on the findings of the study, it suggested that there is a need to give clear powers to the panchayats to enable them to levy taxes and fees at their level besides restructuring the administrative set-up of the Panchayati Raj System and proper maintenance of resources of common property. It is clear from the surface that neither the power of taxation given by the Haryana Panchayati Raj Act has been utilized nor the common property resources available to them have been properly maintained by these institutions. None of the reviewed studies addressed the aspect of keeping accounts by these authorities.

Annamalai (2000) concluded a study on resource mobilization of Gram Panchayats through pooled resources in the state. For this purpose he chose Sandhir Gram Panchayat (GP) which falls under Nilokheri block in Kamal district. The study revealed that out of the total common land of Kamal district, about 4% was encroached upon by the villagers, causing great loss of revenue and other benefits to the Gram Panchayats. Out of the total 2580 acres of total land of the municipality, the general land was Rs. 300200.00 during 1997. The study further states that 8 acres of land has been encroached upon by a family in the village. This land was vacated by the GP collectively under the dynamic leadership of the Sarpanch. However, the same effort has not been made for other common resources. For example, ponds were contracted for a paltry sum of Rs. 5000.00 per annum, which would otherwise yield an amount of Rs. 2.50 crore per annum. This is a case of insufficient use of common property resources in the village. As a recommendation, the study suggested that local initiative and participation could ensure that Panchayats regained control over common property resources.

Previous researchers have covered many aspects of PRIs in relation to various areas i.e. resource mobilization by gram panchayat, finance of PRIs in Haryana, functioning of Panchayati Raj institutions, role of panchayat raj on rural development in Karnataka state, Inclusiveness in Panchayati Raj Institutions and so on. One of them studies the role of social audit in rural development through PRI - a case study of Shimoga region, but I found the social audit of Panchayati Raj Institution schemes with reference to Jaipur district of India to be revealing. So here I tried to focus on the effective functioning of rural development programs.

III. RESEARCH METHODOLOGY

The methodology of this study will be both descriptive and exploratory. The research is aimed at making accessible the level of effectiveness of functioning and implementation of GRAM SABHA in various states of India by social audit of various schemes from the beneficiary's perspective with the motive of identifying best practices on how to make Gram Sabhas & Panchayati Raj vibrant institutions for people empowerment. I have used secondary data for my research. Primary data was collected from the respondents through a structured questionnaire and interview method was used with gram panchayats officials. The main source of secondary data would be Panchayati Raj & Rural Development and official website of Ministry of Panchayati Raj & Rural Development of India and also Rajasthan. 100 respondents were selected from different rural areas of Jaipur district. The collected data is analyzed using the percentage method.

Objectives of the study:

Social audit is important as it helps in creating awareness, monitoring implementation, impact on processes, redressal of grievances and monitoring of corrective actions in Panchayati Raj institutions. A social audit can be carried out at any time during the planning and implementation of the scheme/programme.

1. Assess the performance of the organization's social, environmental and community objectives from the perspective of the beneficiaries.
2. Ensure that the Gram Panchayat plan is needs based, covering productivity/investment and developed in consultation with the community serving the poor.
3. Ensure that estimates are correct and in accordance with the approved amount of work.
4. To study the funds provided by the government to the Panchayat Raj institutions for rural development in the study area.
5. To state some suggested ways and means to help improve the planning and implementation of various schemes in the related areas of Panchayati Raj Institutions.

Problem Statement:

The investment of thousands of crores of rupees by the Government of India and various national and international agencies after independence in social development programs was not justified by the impact it had. The huge gap between desired impact and actual impact will occupy anyone in government. or otherwise think deeply about failures. It is high time that planners get involved in finding the real cause and correcting such failures. Hence, the researcher is inspired to continue her study on "Social Audit: A Tool for Monitoring Panchayati Raj Institution Schemes in India" to help assess the difference between the "role played" and the "role expected" of the Gram Sabha. in another development program.

IV. ANALYSIS AND INTERPRETATION OF DATA:

Q1- Profile of respondents based on gender and occupation.

GENDER

	No. of Respondents	Percentage (%)
Male	59	54
Female	51	46
Total	110	100
OCCUPATION		
Agriculture	44	40
Industrial Labor	7	8
Self- employment	41	36
Other	18	16
Total	110	100

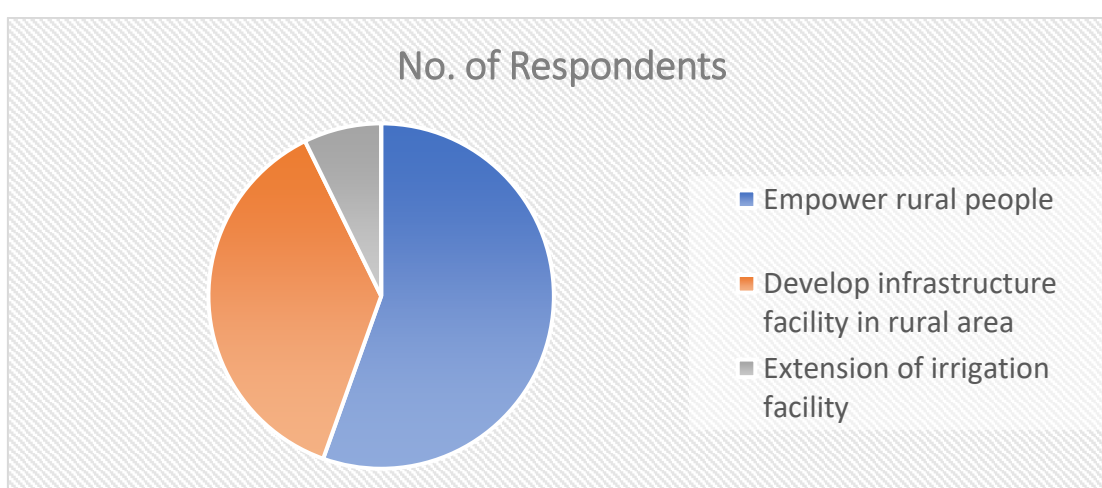
Source: Questionnaire Survey Result

The above table shows that out of 110 respondents 54% were male and 46% were female and majority of the respondents were engaged in agriculture while few were engaged in industrial work or self-employed like kirana shop, wood work, painting work etc.

Q2- How are PRIs useful in rural development?

Particulars	No. of Respondents	Percentage
Empower rural people	61	56
Develop infrastructure facility in rural area	41	37
Extension of irrigation facility	8	7
Total	110	100

Source: Questionnaire Survey Result



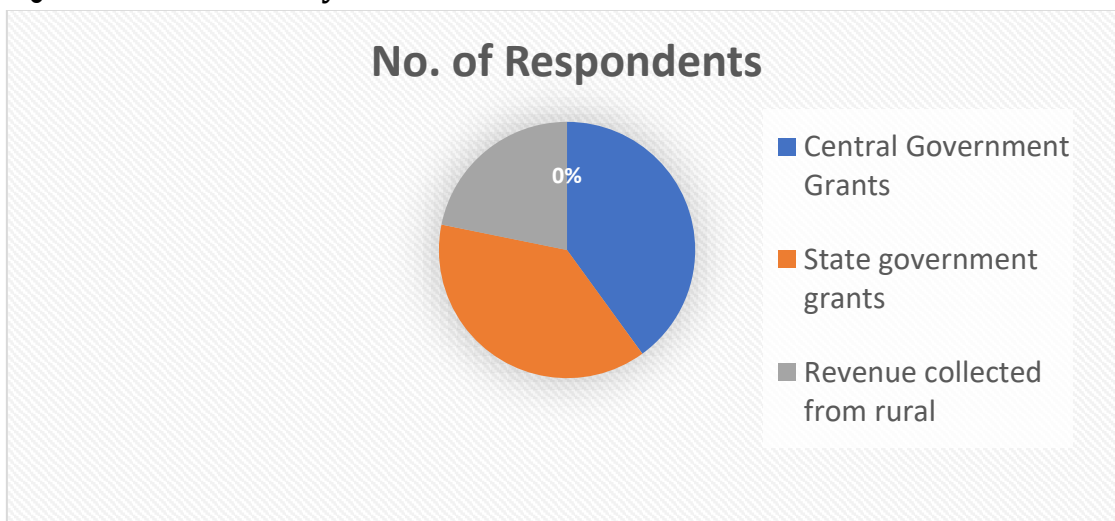
The above table shows that most of the respondents agreed that PRIs are essential which receive various grants from the state and central government to empower the rural people.

Q3- How is revenue collected for PRIs for rural development?

Particulars	No. of Respondents	Percentage
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Central Government Grants	44	40
State government grants	42	38
Revenue collected from rural	24	22
Total	110	100

Source: Questionnaire Survey Result

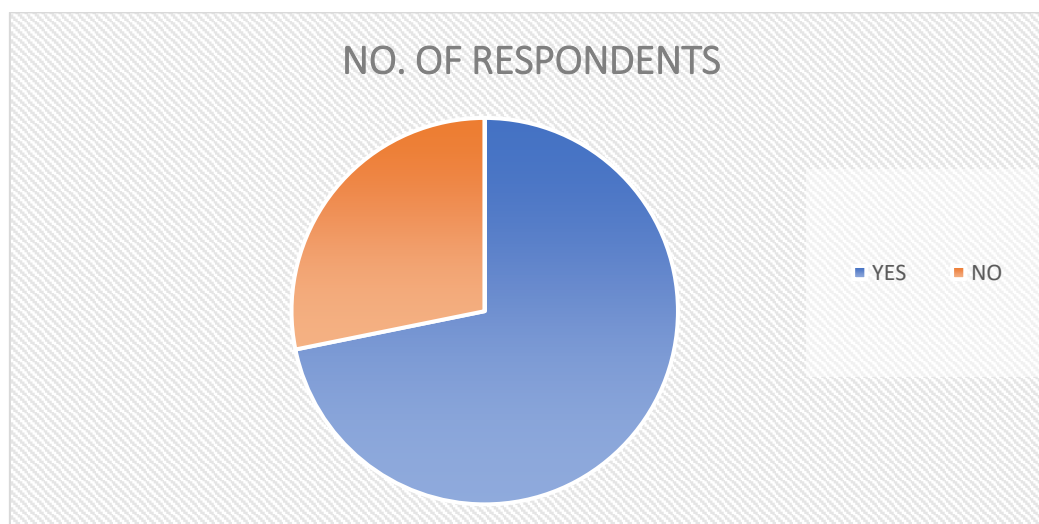


The above table shows the major portion of the grant received from the central government, as the central government acts as a regulatory body, thus providing a good source of income to the PRIs.

Q4: Do you think Gram Panchayat grants are essential for rural development.

Particulars	No. of Respondents	Percentage (%)
Yes	79	72
No	31	28
Total	110	100

Source: Questionnaire Survey Result

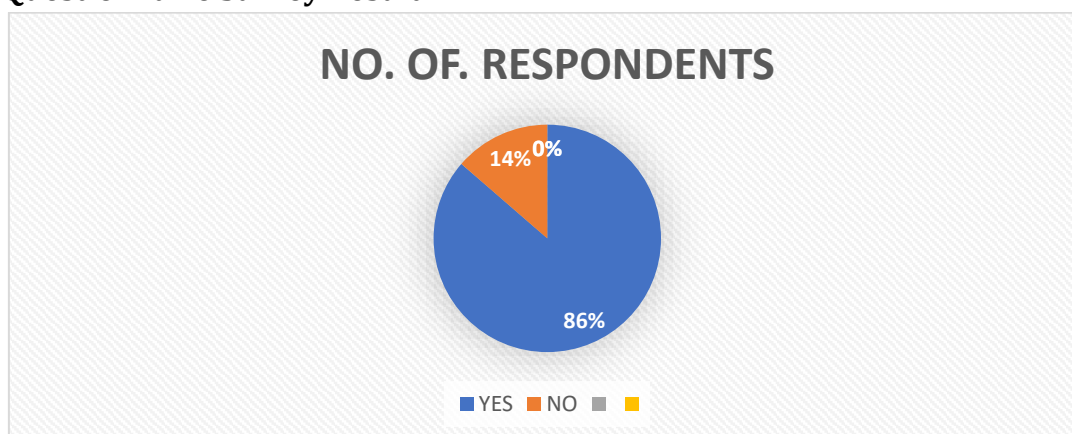


The above table shows that most of the respondents agree that Gram Panchayat provides sufficient funds for rural development to some extent as Central Government and State Government provide necessary funds to Gram Panchayat through various schemes.

Q5: Are you aware about the social audit practices in PRIs.

Particulars	No. of Respondents	Percentage (%)
Yes	95	86
No	15	14
Total	110	100

Source: Questionnaire Survey Result

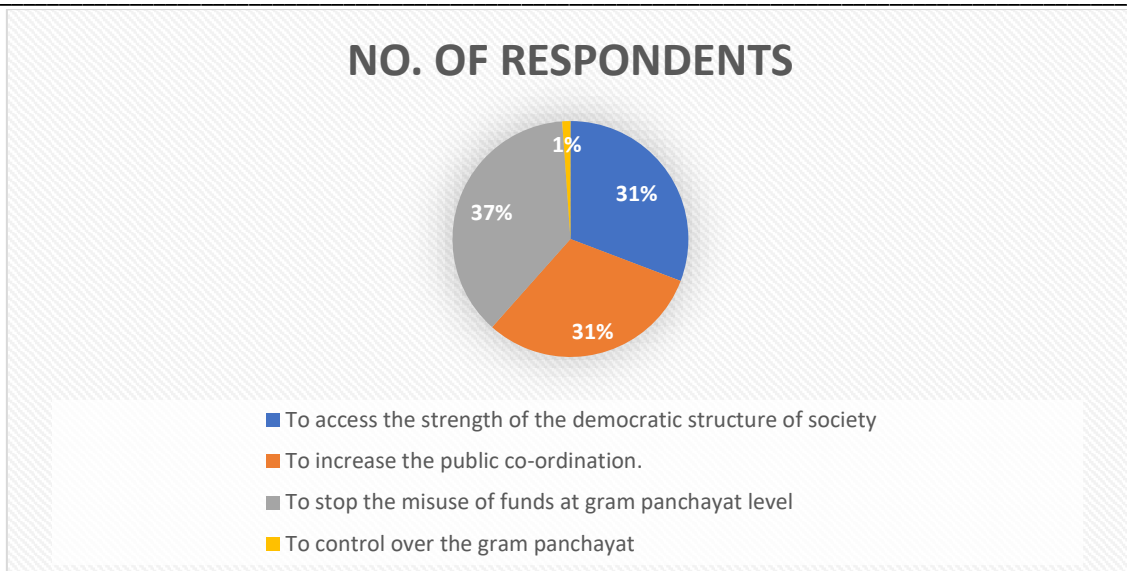


The above table shows that most of the respondents are aware of social audit practices in PRIS as they spread the knowledge about the schemes through Gram Sabha.

Q6How social audit practices in PRIS lead to rural economic development?

Particulars	No. of Respondents	Percentage (%)
To access the strength of the democratic structure of society	33	30
To increase the public co-ordination.	33	30
To stop the misuse of funds at gram panchayat level	40	36
To control over the gram panchayat	4	4
Total	110	100

Source: Questionnaire Survey Result



The table above shows that the majority of respondents had the goal that the practice of social audit in VÚ leads to the economic development of the countryside, because it provides honest data to higher authorities, helps in a systematic way of expanding funds, maximum savings can be saved, provides legal sanction and ensures transparency in fund management.

V. OBSERVATIONS: -

From the survey it was found that majority of the respondents strongly agree that the implementation of rural development programs and projects are effectively carried out by the Panchayat Raj institutions and agree that this reduces poverty, inequality and exploitation. Central and State Governments provide funds to Panchayat Raj Institutions for rural development by empowering rural people, developing infrastructure etc. under various schemes. In each respondent's family, at least two to four members are receiving benefits from various government schemes through the panchayat. The practice of social audit is being carried out and has proven to be the most effective method in the gram panchayat to stop misuse of funds at the gram panchayat level. social audit provides fair data for rural economic development.

VI. MEASURES FOR IMPROVING SOCIAL AUDIT IN PANCHAYATI RAJ INSTITUTIONS

The key to a successful social audit is knowing which techniques to use and in which order. A social auditor can choose different methods to obtain both quantitative and qualitative information from the respondent.

Use of RTI Act for Social Audit: One of the basic and critical requirements for conducting social audits is the availability of all relevant information and decision-making processes that are completely transparent. The origins of social audit owe much to access to information, particularly accounts, vouchers and lists relating to the expenditure of panchayats and other government institutions. Initially, this information had to be made available despite stiff opposition from the officials concerned and without legal support. The original RTI laws in some states, while relatively weak and ineffective, provided some legal basis for access to these documents.

Fortunately, a very strong and comprehensive national law was passed in 2005. The Right to Information (RTI) Act, 2005 greatly facilitates the process of conducting social audits. There are

many provisions in the RTI Act which directly support public scrutiny of schemes and programmes.

In addition, § 4 paragraph 1 letter (c) of the VTI Act requires that every public authority "when formulating important policies or announcing decisions that have an impact on the public, 'make public all relevant facts'" (emphasis added). This ensures that the public has the opportunity to evaluate public policy proposals during their creation. They also have the opportunity to evaluate all decisions in terms of the facts on which they were based.

Similarly, § 4 paragraph 1 letter d) requires all public authorities to "provide the persons concerned with reasons for their administrative or quasi-judicial decisions". Every public authority is therefore obliged to justify all decisions made in connection with the implementation of any plan or project to all affected persons according to the Act on VZP. This makes it much easier to conduct a social audit.

The RTI Act also allows anyone to access information about the working of a scheme or project even after its completion by making a specific request. People responsible for implementing schemes and projects are therefore aware that their records can be publicly scrutinized at any time, even years after the event. This is a major deterrent to those who might tamper with a pure official audit, believing that once the formal audit is over they are safe from public scrutiny.

The RTI Act guarantees people that they can always conduct a social audit themselves of any plan or program they feel needs scrutiny, even if the public authority concerned has not organized a social audit. They can independently access this information and seek clarification from the government. Given that the VZP Act allows them to do so, it is futile for public authorities to avoid formal social audits or conduct them only on paper.

Public Information Officer for NREGS: Public Information Officer (PIO) is appointed by the State Government. Under the Act, an illustrative provision at various levels is as follows:

Although the main responsibility to ensure that all these measures are properly and faithfully implemented would be primarily on the Panchayati Raj institutions, with the Gram Sabha being involved in all decision-making and planning, monitoring and evaluation, the people will have to ensure that the PRIS do, what is necessary. Sarpanch, Gram Sewak and Gram Panchayat Secretary will be critical functionaries. The Assistant Engineer, Project Officer and EG Officer (as and when appointed) would also share part of the responsibility.

It is equally important to ensure the follow-up action taken on the basis of the social audit report and the willingness of departments/organizations to accept the recommendations made in the social audit report. Social auditors should suggest ways to improve its performance based on feedback received from various stakeholders.

Social auditors must determine a detailed work plan and it should be implemented as soon as possible.

VII. SUGGESTION

Social audit is a basic tool of transparency in accounting. It is suggested that there should be a technology-based system for transparency of accounts. If anyone wants to examine the Income and Expenditure accounts of a local authority, it should be available with a single click. This is possible when all transactions are recorded online. The cash book and other accounts of the local authority should be generated through the portal.

- The purity of the social audit process must be maintained at all times. It should not be

politicized.

- The roles and responsibilities of government/administration and social audit teams must be clearly defined and each should respect the other's pace.
- There should be no official or political pressure on the social audit process.
- Regardless of which institution or organization the person conducting the social audit may belong to, he is only a social auditor during the process. They must not bring their personal or organizational agenda into the social audit process.
- All records relating to the works to be audited must be available to the social audit team before the process begins.
- The social auditor must be an impartial observer of facts. There is no room for personal opinions or likes and dislikes during the social audit process or at the time of writing the report. Only hard facts should be reported.
- Deficiencies in village program implementation should be reported on an “as is, where is” basis with evidence. Social audit reports must necessarily contain evidence of the issues mentioned.
- All aspects of the system must be thoroughly examined during the social audit process.
- You can't jump to conclusions based on talking to a few people. These matters must be discussed with all wage claimants and program beneficiaries before a decision is made.
- There must be no scope for any discrimination on the basis of race, caste, religion or occupation in the social audit process.

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