



SOCIAL AUDIT AS A TOOL FOR ENHANCING ACCOUNTABILITY IN MGNREGA: A REVIEW

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ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee Scheme, the aim is to make the people of rural areas economically self-reliant and prosperous by providing them employment opportunities. Under this scheme, every adult member of a rural household is guaranteed 100 days of unskilled labor employment annually. Social audits are considered a crucial mechanism for the effective implementation of MNREGA. Under this scheme, all works undertaken under MNREGA in each Gram Panchayat are examined and evaluated with public participation. The objective of a social audit is to ensure that the scheme's provisions, rules, financial management, and operations are transparent and in accordance with established standards. In social audits, rural citizens themselves review the scheme's work, and if any irregularities, corruption, or financial irregularities are found, necessary corrective and disciplinary action is taken. Thus, this process is conducted by the people, for the people, and in public interest. Therefore, social audits are an effective means of ensuring transparency, accountability, public participation, and control of corruption in MNREGA.

KEYWORDS: MNREGA and Social Audit.

INTRODUCTION

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a landmark rights-based social security law enacted by the Government of India. Its primary objective is to provide livelihood security to every eligible household in rural areas and to accelerate rural development. While the Government of India has implemented numerous public welfare schemes aimed at rural development, poverty alleviation, and social security, the MNREGA stands apart from others in its nature, purpose, and legal structure. It is considered the world's largest rights-based public employment program, providing a statutory guarantee of a minimum of 100 days of employment per financial year to every adult member of a rural household willing to perform unskilled manual work. If employment is not provided within the stipulated period, the Act provides for the revocation of employment; thus, MNREGA is not just an employment scheme but an Act that provides legal protection to the right to employment for rural citizens. MNREGA has led to increased employment opportunities in rural areas, leading to increased income, self-reliance, and social and economic empowerment for the poor and the disadvantaged.

The role of social audits is crucial in ensuring the effectiveness of MNREGA. A social audit is a participatory, transparent, and democratic process through which the rural community itself verifies and evaluates the works, expenditures, assets, records, and beneficiaries under the scheme. The objective of this process is not only to identify financial irregularities but also to institutionally strengthen transparency, accountability, public participation, and responsibility in scheme implementation. Through social audits, all scheme-related records are made public before the Gram Sabha, and beneficiaries

and local citizens are provided an opportunity to present their objections, suggestions, and complaints. This enables the identification of fake job cards, fictitious muster rolls, irregular payments, substandard construction work, and other administrative and financial irregularities. It also ensures the accountability of the concerned officials and implementing agencies and enables the necessary corrective and disciplinary actions to be taken. Through social audits, all scheme-related records are made public before the Gram Sabha, and beneficiaries and local citizens are provided an opportunity to present their objections, suggestions, and complaints. This makes it possible to identify fake job cards, fictitious muster rolls, irregular payments, substandard construction work, and other administrative and financial irregularities in the MGNREGA. It also ensures the accountability of the concerned officials and implementing agencies, enabling the necessary corrective and disciplinary actions to be taken. The importance of social audits is growing in the context of good governance, transparency, accountability, and citizen participation. Particularly in a large public welfare scheme like MNREGA, social audit not only enhances the quality and effectiveness of the scheme but also plays a crucial role in the proper use of public resources, protection of beneficiaries' rights, and strengthening rural democracy. Therefore, social audits have been recognized as an essential and powerful democratic mechanism for the successful and effective implementation of MNREGA.

OBJECTIVES

1. To Study of social audit is tools in MNREGA.
2. To study the challenges related to social audit under MNREGA.



METHODOLOGY

This study conducted a descriptive analysis of various currently available materials and information, making extensive use of secondary data. This study primarily included articles from various magazines, newspapers, discussions with intellectuals, and websites that directly or indirectly addressed the challenges facing the issue. After carefully reviewing and studying the information, data, and MIS available on important newspapers and websites, relevant and factual information was downloaded and compiled. In this study, no primary data were used.

REVIEW OF LITERATURE

The literature review covers studies conducted by several researchers, various institutions, and NGOs, which provide insights into the policy implementation of MNREGA on various aspects such as employment generation, poverty alleviation, food security, overall rural migration development, and implementation issues or shortcomings. This study reviews the theoretical orientation and availability of evidence relating to social audit in the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), the extent of democratic decentralization, participation, transparency, accountability, etc., and those directly relevant to the subject, including those directly relevant to development policies.

A study by Rajashekar, D. (2025) analyzed the extent to which the National Rural Employment Guarantee Scheme (NREGS) benefited families belonging to the Scheduled Caste (SC) and Scheduled Tribe (ST) categories in major states of the country, using secondary data on the scheme provided by the Ministry of Rural Development.

Chinnadurai and Sakthivel (2025) found that income stability improves access to food, healthcare, and education, thereby improving quality of life and reducing social conflict. The research is supported by a review of the literature, field data, and secondary sources to assess the implementation and outcomes of the scheme.

Bhumi Ram and Sharma (2023) conducted a study in the tribal areas of Himachal Pradesh and concluded that social audits significantly improved transparency, community participation, and accountability in MGNREGA implementation. The authors recommend regular audits supported by independent institutions.

Singh, Modi, and Maurya (2023) Their research in Madhya Pradesh reported that social audits and capacity-building programmes enhanced beneficiary awareness and improved accountability among implementing officials. However, insufficient follow-up action and a shortage of trained auditors remain major challenges.

Prabha and Kanniammal (2024) conducted a study in Kerala and found that social audits reduced corruption, improved timely wage payments, and strengthened community participation. The authors recommend strengthening Social Audit Units with better technical and financial support.

Kumar and Parihar (2022) argue that the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has improved the income and consumption levels of vulnerable and

poor families in the country. By providing employment opportunities in villages, it has successfully raised the consumption levels of poor families. MNREGA has significantly contributed to the economic and social empowerment of rural families, particularly women.

Dhaktode and Kumar (2020) evaluated the Andhra Pradesh social audit model and found that independent Social Audit Units significantly improved grievance redressal, transparency, and accountability. Their study suggested replicating this model in other Indian states as well.

Institute for Social and Economic Change (ISEC) (2023) The Karnataka-based study observed that while social audits successfully identified irregularities, weak enforcement of audit findings limited their overall effectiveness. The study recommends stronger institutional mechanisms to ensure the implementation of audit recommendations.

ANALYTICAL STUDY REVIEW

From the analysis of the available literature, research papers, dissertations, the Ministry of Rural Development (Government of India), State Social Audit Units, and various institutional studies, it is clear that social audit has brought about widespread positive changes in the implementation of various rural development schemes, including MNREGA.

1. Significant increase in transparency:

As a result of social audits, works approved under MNREGA, approved budgets, expenditure statements, muster rolls, job cards, measurement books, and payment records are now publicly presented to the Gram Sabha. This has increased transparency in scheme implementation and provided rural communities with information about the actual status of the scheme. This system of public verification has played an important role in reducing the opacity of the process.

2. Increased public participation and community ownership

The most important feature of social audits is their participatory nature. Workers, beneficiaries, Gram Sabha members, self-help groups, public representatives, and officials from relevant departments participate jointly. This fosters a sense of ownership within the community and empowers citizens to become active participants in the decision-making process.

3. Improving the quality and effectiveness of schemes:

Social audits provide public evaluation of constructed assets and work undertaken. As a result, implementing agencies and relevant officials have become more accountable for delivering quality work in accordance with established standards. This has improved the quality, utility, and long-term effectiveness of schemes.

4. Reduction in misuse of public funds and financial irregularities:

Social audits involve public verification of financial records, payment details, and expenditures. This has enabled the identification of fraudulent payments, fictitious beneficiaries, irregular expenditures, and financial irregularities. Consequently, misuse of public funds has been reduced and financial discipline has been promoted.

5. Timely and transparent payment of wages to workers:



Social audits under MNREGA ensure that only actual workers receive the prescribed wages. Verification of muster rolls, attendance, and bank payments has reduced fraudulent entries and the role of middlemen, making the wage payment system more transparent.

6. Positive impact on creation and preservation of community assets:

The quality and maintenance of ponds, water conservation structures, tree plantations, check dams, drains, village roads, and other public assets constructed under MNREGA have improved. Social audits have made communities more aware of the need to preserve these assets, enhancing their utility and sustainability.

7. Improvement in agricultural infrastructure and road development:

Social audits provide public evaluation of agricultural roads, village roads, and other rural infrastructure projects. This has improved the quality of work and helped resolve local disputes over land and road access. As a result, farmers' mobility and agricultural activities have benefited positively.

8. Protection of the rights of beneficiaries and workers:

Social audits have played a key role in effectively ensuring the statutory rights enshrined in MNREGA, such as timely employment, timely wage payments, job cards, workplace facilities, and grievance redressal. This has strengthened the protection of beneficiaries' rights.

9. Improvement in Records Management and Documentation:

Due to social audits, gram panchayats and related departments have systematically maintained job cards, muster rolls, measurement books, administrative and financial approvals, and payment records. This has improved the reliability, availability, and verification of records.

10. Promotion of good governance and accountability:

Social audits have strengthened the fundamental principles of good governance, such as transparency, accountability, participation, and the rule of law. This has made the administrative system more accountable and increased trust and cooperation between the public and the administration.

11. Disclosure of fake job cards, muster rolls and other irregularities:

During social audits, job cards, muster rolls, work sites, beneficiaries, and payment details are physically and documentary verified. This process helps identify fake job cards, fictitious workers, fake muster rolls, incomplete work, and other irregularities. This paves the way for action against those found guilty and effectively controls such irregularities in the future.

CONCLUSION

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA) aims to empower people in rural areas by providing them with employment opportunities, making them economically self-reliant and prosperous. Under this scheme, every adult member of a rural family is provided with 100 days of work each year. Guarantee of unskilled labor based employment is provided. Social audit is considered an important system in the effective implementation of MNREGA. Under this, all the works done under MNREGA in every Gram

Panchayat are tested and evaluated with public participation. The objective of social audit is to ensure that the provisions, rules, financial management and operations of the scheme are transparent and as per the prescribed standards. In social audit, rural citizens themselves review the works of the scheme.

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