

Where did our money go?

Rajiv Gandhi, former Prime Minister, once said that only 15% of the funds reach the beneficiaries. Millions of rupees meant for development and people's benefit are lost because they are diverted to things they were never meant to support or wrongly used or just stolen through corruption. The ordinary citizen of India and the poor person are not expected to ask for an account of where money has been spent. So when they do there is much surprise, anger and resistance from the bureaucracy and politicians.

A social audit was conducted by Parivartan, a citizen's initiative, along with the local residents of two resettlement colonies of North East Delhi, namely Sundernagri and New Seemapuri for development works undertaken by the Engineering Department of the Municipal Corporation of Delhi (MCD) in these two resettlement colonies between April 1, 2000 and March 31, 2002. Only works pertaining to construction of roads, lanes and drains and installation of handpumps were taken up for this social audit - a total of 68 contracts worth about Rs 1.42 crores.

On 14th December, a public hearing (jan sunwai) was organized in Sundernagri by Parivartan along with the National Campaign for People's Right to Information (NCPRI) and Mazdoor Kissan Shakti Sangathan (MKSS) of Rajasthan to discuss publicly the works audited. The public hearing was attended by almost 1000 people including local residents of the area, journalists and eminent personalities such as Justice P B Sawant, Aruna Roy, Prabhash Joshi, Vinod Mehta, Bharat Dogra, Shekhar Singh, Arundhati Roy and Harsh Mander. In the public hearing, the contracts were read out and local residents testified as to whether or not the work was undertaken, and if it was undertaken whether it was done fully or was left incomplete.

Out of the 68 works audited and discussed in the public hearing, calculations of estimated misappropriation of funds have been done for 64 works worth Rs 1.3 crore. In these 64 works, the total amount of embezzlement found on account of missing items/works is approximately Rs 70 lakhs (i.e. items or works worth about 70 lakhs do not physically exist at all in these 64 works). This figure does not include the amount embezzled on account of quality issues like the quantity of cement used etc.

Some examples of missing items are as follows:

- 29 handpumps with electric motors were supposed to be installed under 10 contracts. However, residents of this area reported that only 14 handpumps had actually been put. The rest of the handpumps were not installed at all, according to the residents. Electric motors have not been installed in even a single case. Loss on account of missing handpumps and missing motors is roughly estimated at Rs 7,85,965.
- Whenever a new street is made, new iron gratings are also put on the drains going across the street. Out of a total of 253 iron gratings weighing 27,557 kg, for which payments have been made, only 30 iron gratings weighing 3,136 Kgs were actually put, according to the residents. The loss on account of this is roughly estimated at Rs 7,30,952.
- Whenever a new street is made, the drains on both sides of the street are also supposed to be demolished and remade afresh. However, this is rarely done. Either no work is done on the drains or at best, the level of the existing drains is raised by just one brick.

Out of a total of 35 cases examined, payment has been made by MCD for construction of fresh drains in all these cases, however fresh drains were not made even in a single case. In 19 cases, the level was raised by one brick while in the rest of the cases, no work was done at all on the drains. Loss on account of this has been roughly estimated at Rs 13,85,175

- The thickness of cement concrete layer in the streets should be 10 cm, according to the bills. However, the thickness, in most of the cases was found to be 5 cm, as found after digging. This is the most expensive item in such contracts. Loss on this account has been roughly estimated at Rs 8,33,935 .
- There are some roads and streets, which exist only on paper. The residents of these areas informed that these streets/roads have not been made at all. In some cases, measurements have been shown in excess of the actual work done. Loss on account of missing roads and streets is roughly estimated at Rs 12,92,398.
- In two instances, it was discovered that payments have been made twice for the same work i.e. the work was done once but the bills were raised twice for the same work.
- Two layers of stone aggregate are supposed to be put before bitumen mix is laid in the construction of premix roads. However, out of 8 cases of road construction, in 6 cases only one layer of stone aggregate was put and in the other two cases, not even a single layer was put.
- A layer of red bajri is supposed to be put in the construction of roads. This has never been done in any of the roads.

It would require elaborate tests to make comments on quality issues. Such tests are quite expensive. Two such tests were done for two works at Shriram Institute –one for a cement concrete lane and the other for a bitumen premix road. The cement content was found to be one fourth of the contracted amount (it was in the ratio of 1:5:15 against the prescribed ratio of 1:2:4, where one part is of cement, two parts are for coarse sand and 4 parts are for stone aggregate). The bitumen content was found to be 20% less than the contracted quantity. The results of these tests are eye-openers and a sufficient reason for the government to order tests for the rest of the works.

During jan sunwai, the supporters of local political leaders including the MLA tried to disrupt the proceedings at least thrice. But the public support to the jan sunwai process was so overwhelming that their efforts did not succeed.

Effects of jan sunwai:

This social audit was done for works carried out by just one department of the MCD over only a two-year period in a geographical area, which is smaller than one ward. Delhi has 134 wards. The embezzlement of Rs 67 lakhs, thrown up by the social audit and the public hearing, is therefore a very small fraction of the total amount of funds misappropriated in the name of 'development' in Delhi.

The jan sunwai at Sundernagari has demonstrated the proportion of embezzlement and the urgency with which, the issue needs to be tackled. It clearly demonstrates that most of the time, it is not the inadequacy of funds but leakages, which are responsible for poor development.

The jan sunwai has had tremendous impact on the psyche and morale of the people of Sundernagari and Seemapuri. The people are now aware of the amount of money that was supposed to be used, the works that were supposed to have been executed and what exists in reality. The community, for the first time witnessed, that it is possible to hold the government accountable in full public glare in this manner.

Mohalla Samitis (Local Area Committees) are now being formed in Sundernagari for each block. These would contain representatives from each street in that block. These Samitis would then monitor the execution of any civil work in their block by obtaining relevant documents from MCD. It was also seen during the process of social audit that a number of such works had been executed, which had no utility for the community. The Samitis, would therefore, also decide the requirements of their blocks and communicate it to the government at regular intervals, so that the funds could be used for works useful for the community. It is important that public actively participates in deciding which works should be carried out in their area and they also monitor the execution of these works. It will go a long way in ensuring proper utilization of funds.

The jan sunwai has also had great impact on the local bureaucracy. After the jan sunwai, the officials have realized that the records could be scrutinized by the public any time and it would not be easy for them to swindle funds any more. The officials are also quite scared of the consequences that would follow this jan sunwai once the detailed report of social audit is presented to the government. The officials are far more responsive and courteous in their dealings with the public of this area now.

It is strongly felt that if people start holding the government accountable in their local areas by holding such jan sunwais on a large scale, it would mean the beginning of an effective anti-corruption civil society movement. Parivartan's immediate efforts would be directed towards spreading it to every nook and corner of Delhi.

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