

**GOVERNMENT OF WEST BENGAL**  
**Panchayats & Rural Development Department**  
**63, N.S. Road, Kolkata – 700 001**

Memo No. 235/Comm./NREGS

Dated: 16 April 2013

From: Dibyendu Sarkar  
Commissioner, MGNREGS & Joint Secretary  
Panchayats & Rural Development Department  
Government of West Bengal

To: The District Magistrate & District Programme Coordinator (All)  
The Principal Secretary, GTA & District Magistrate, Darjeeling  
Additional Executive Officer, Siliguri Mahakuma Parishad

Sub: Audit of MGNREGA accounts

Madam/Sir,

It is expected that by now most of districts have initiated the process of conducting annual audit of accounts of MGNREGA at the District, Block & PIA levels. From a perusal of the previous audit reports received from the districts it is observed that practice widely varies across the districts. While some of the districts like Purba Midnapur, Burdwan obtained details figures from the all PIAs, some other districts mostly report the balance sheet of the district MGNREGA Cell only. Such varying practices result in reflection of incomplete picture so far as implementation of the programme in the field is concerned.

This year the Ministry of Rural Development, Govt. of India has indicated certain aberrations in programme implementation which should be reported to the Central Government for the purpose of accounting actual expenses in the field. The following issues are to be comprehensively addressed and reported to the Ministry:

1. Instances where expenses have been made against inadmissible items in terms of work, material payment and administrative expenses.
2. Instances where minimum 60% of total expenditure incurred at the Gram Panchayat level could not be expended for the purpose of payment of wages to unskilled job card holders.
3. Instances where a job seeker has been paid in excess of stipulated approved wage rate of Rs.136.00 for a day's work.
4. Instances where more than 100 days' employment has been provided to job card holding households during the financial year

5. Instances where, due to paucity of fund, payment could not be made to the job seekers or against material bills raised during the financial year and shown as payment due.

In cases mentioned against Sl. Nos. 1 to 4, Government of India will deduct the amount paid in excess or against inadmissible items from the central allocation and it will be the responsibility of the State Government to make good the deficits. In case of Sl. No. 5, it is expected that the additional liabilities will be calculated for arriving at the central liabilities for the year 2013-14, provided all details of such dues are reflected in the audit statement.

Considering all these it is advised that a relatively uniform pattern of audit is followed by all the districts. Instead of going into a detailed prescription for audit by the districts, the following broad suggestions are given for appropriate follow up.

1. Instead of auditing only the district accounts, the accounts of the POs and all the PIAs including the Gram Panchayats and the line departments should be audited.
2. While auditing the accounts of PIAs , all unpaid muster rolls and bills against the activities in financial year 2012-13 should be enumerated with the following details:

Sl. No.	MR/voucher No. with date	Work details	Quantity in respect of bill/ total person-days in respect of MR	Amount

3. In respect of the Gram Panchayats, wage: material ratio should positively be assessed and reflected, Gram Panchayat-wise, in the audit report. In specific cases where the wage: material ratio has not been adhered to, inadmissible payment in terms of non-wage items should be clearly specified.
4. In cases where the PIAs paid to the job seekers in excess of the stipulated wage rate for a day's labour, such payment should be marked as excess and appropriately reflected in the audit report.
5. In cases, where the job card holding households have been engaged beyond 100 days during the financial year, such excess engagement should be assessed and reflected in the audit report.

After incorporating all these details and taking into consideration the liabilities due to such aberrations, a statement should be prepared indicating the liability of the State Government against the audited expenditure for 2012-13 financial year. Like-wise, the additional payment due for the year in question which could not be met from the fund received during the year, should also be clearly indicated in the audit report. Considering all these, we look for some kind of a statement like this:

Name of the District:

Financial year: 2012-13


Details of accounts:

SL	Name	Level	Total available fund	Total expenditure	Inadmissible expenditure	Net expenditure (5-6)	Payment due
1	2	3	4	5	6	7	8

This statement, however, will be a sequel to the initial accounts statement involving all the agencies which may be in the traditional reporting format used by the districts.

We would expect the districts to follow this set of guidelines at the time of conducting audit of accounts of the Districts and agencies down below for 2012-13 financial year.

Yours faithfully

  
Commissioner, MGNREGS  
West Bengal

16/04/2013