

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:1154
ANSWERED ON:12.12.2013
AUDIT UNDER MGNREGS
Viswanathan Shri P.

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the details of provisions laid down in regard to audit the funds under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and the role of Comptroller and Auditor General therein;
- (b) whether the Government proposes to conduct audit of funds released to Gram Panchayats by an independent agency;
- (c) if so, the details thereof;
- (d) whether the Government proposes to amend the provisions of Section 16(5) of Mahatma Gandhi National Rural Employment Guarantee Act, 2005 to provide more percentage of the work in terms of cost under the Scheme; and
- (e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN `ADITYA`)

(a) The Central Government has notified the Mahatma Gandhi National Rural Employment Guarantee (MGNREG) Audit of Schemes rules, 2011 on 30th June, 2011 in exercise of the powers conferred by sub-section (1) of Section 24 of the MGNREG Act, 2005. In accordance with the provisions enunciated therein, the audit of accounts of a scheme under the Act for each district as well as of the State Employment Guarantee fund shall, for each year, be carried out by the Director, Local Fund Audit or equivalent authority or by Chartered Accountants. The authority, as the case may be, is required to submit accounts of the scheme together with the audit report thereon to the State Government. The accounts of the scheme of every State Government as certified together with the audit report thereon is to be forwarded to the Comptroller and Auditor General of India and the Central Government by the State Government. The Comptroller and Auditor General or any person appointed by him in this behalf, shall have the right to conduct audit of the accounts of schemes at such intervals as he may deem fit.

(b)&(c) The MGNREG Audit of schemes Rules, 2011 mandates the State Government to facilitate conduct of social audit of the works taken up under the Act in every Gram Panchayat, at least once in six months through an independent organisation called as `Special Audit Unit`. The Social Audit Unit, inter-alia, verifies records with all primary stake holders of MGNREGA and facilitates the audit through smooth conduct of gram Sabhas.

(d) No, Madam.

(e) Does not arise.