

J-11012/1/2018-MGNREGA-V
Government of India
Department of Rural Development
Ministry of Rural Development
MGNREGA Division

Krishi Bhawan, New Delhi
Dated the 01.03.2018

To

Principal Secretary/Secretary/Commissioner
Rural Development Department
(In charge of MGNREGA)
All States/UTs.

Sub: Release of 1st Tranche of Central share under Mahatma Gandhi NREGA during FY 2018-19.

Sir/Madam,

This is regarding release of 1st tranche of Central share under Mahatma Gandhi NREGA during FY 2018-19.

2. It is proposed to release the 1st tranche of Central share under MGNREGA in two instalments in accordance with the agreed to anticipated labour demand for FY 2018-19 which is as under:

First Instalment of 1st Tranche

A. From FY 2018-19, State/UTs under Ne-FMS need to submit **separate Utilization Certificate** for :

- i. **Wages &**
- ii. **Material & Administrative expenses.**

B. No change for Non- Ne-FMS State/UTs.

C. Proposal for release of 1st Tranche 1st Instalment for FY 2018-19 should be submitted to the Ministry by **2nd April 2018.**

D. The Proposal should be submitted along with Annexure A & B along with the requisite documents mentioned in Ministry's letter no. J-11012/2/2015-MGNREGA-V dated 15.09.2016 & J-11012/1/2017-

MGNREGA-V dated 27.03.2017. The below documents should also be part of proposal:

- i. District-wise pending liabilities, if any for FY 2017-18.
- ii. Entry of District-wise and Month-wise approved Labour Budget for FY 2018-19 in MIS.
- iii. Settlement of MGNREGA accounts up to FY 2016-17.
- iv. Consolidated State/UT-wise **Opening Balance (OB)** figures as on **01.04.2018** duly authenticated by the State/UTs.

3. It is therefore requested to submit the proposal with all relevant documents by 2nd April 2018 to enable the Ministry to process the proposal for timely release of funds to the State/UTs. A soft copy of the proposal along with relevant documents may also be emailed at a.sarangi@nic.in and ak.sumbly@nic.in

End. As above

Yours faithfully,



A.K. Sumbly

Deputy Secretary (MGNREGA)

011-23070129

No. J-11012/2/2015-MGNREGA-V
GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT
(Mahatma Gandhi NREGA Division)

Krishi Bhavan, New Delhi
Dated: 15.09.2016

To

The Addl. Chief Secretary/Pr. Secretary /Secretary,
Department of Rural Development,
(Incharge MGNREGA)
All States/UTs

**Subject: Fund release - submission of complete proposal including modified Checklists
(Annexure - A, Annexure - B and Annexure - C) under Mahatma Gandhi
NREGA-reg.**

Sir,

MGNREGA is a wage employment programme and Central share of programme funds is released, based on the agreed to anticipated labour demand and the performance of the State during the year. Release of funds also depends upon satisfactory compliance of pre-requisite conditions and furnishing of reply by the State on the clarifications sought by the Ministry from time to time.

To facilitate the States in submission of proper and complete proposal and for smooth flow of funds from Ministry to the States/UTs, it has been decided to request States to submit proposal for release of funds along with information as per modified Annexure-A, Annexure-B and Annexure-C (copies enclosed). **For first tranche release, proposal will be submitted with Annexure 'A' & 'B' and for second tranche, the proposal will be submitted with Annexure-'A', 'B' & 'C'.**

Proposals and UCs, there in, will be duly signed by Pr. Secretary/Secretary/Commissioner (incharge MGNREGS) with official seal. No signature of any other official will be accepted.

Yours faithfully,


(Aparajita Sarangi)

Joint Secretary to the Government of India

Encl: As above.

15/9/16

Status of receipt and expenditure of funds by the State – Annexure – A

(For release of first and second tranche)

Sl. No.	Particulars	Amount (Rs. in lakh)	Supporting documents (with page number)
1	Closing balance as on 31 st of March of the year before last financial year 1. as per UC (consolidated from all districts) 2. as per MIS 3. as per bank statement		
2.	Opening Balance as on 1 st of April of the previous financial year 1. as per UC (consolidated from all districts) 2. as per MIS 4. as per bank statement		
3.	Closing balance of the previous financial year 1. as per UC (consolidated from all districts) 2. as per MIS 3. as per bank statement		
4.	Opening balance of current FY as on 1 st April 1. as per UC (consolidated from all districts) 2. as per MIS 3. as per bank statement		
5.	Expenditure incurred by State during previous FY for funding components like CFT, BFT, IPPE II, MMS, Social Audit, etc. (Give breakup component-wise separately) if included in UC.		
6.	Expenditure incurred by State during current FY for funding components like CFT, BFT, IPPE II, MMS, Social Audit, etc. (Give breakup component-wise separately) if included in UC.		
7.	Unspent balance with NeFMS States as on the date of submission of proposal for release of funds: (i) Unskilled wage component (ii) Material cost and Administrative cost component		
8.	Total State share released during 1. Previous FY: 2. Current FY:		
9.	No. of person days achieved during the financial year 2015-16 as per UC (attach district wise performance)		
10.	No. of person days achieved during the financial year 2015-16 as per MIS data (attach district wise performance)		

NB: Attach Physical and Financial statement from MIS as on date of UC with the proposal.

Permissible Activities under Administrative Expenditure

S. No.	Items	2015-16	2016-17 (Till the date for which UC furnished)
1	Training		
2	Information Education Communication (IEC) activities		
3	MIS		
4	Quality Management		
5	Setting up of grievance redressal system		
6	Professional/ Technical services		
7	Operational expenses		
8	ICT facilities in GPs		
9	Additional staff deployment		
10	Social Audits		
11	Worksite facilities		
12	Evaluation and Research		
13	Contingency Expenditure a) Ex-gratia Payment b) Medical Treatment c) Hospitalization		

Signature: _____

Name: _____

Designation: _____

Office Stamp: _____

ANNEXURE – B

**CHECK LIST ON PREREQUISITES/DOCUMENTS FOR RELEASE OF
1st/2nd TRANCHE**

(For Release of Funds to State with State Employment Guarantee Fund)

Sl. No.	Indicator		Remarks
1.	How many audit paras/observations (CAG/Internal Audit/CA Audit) pending for action by the districts? 1. Number: 2. Amount:		
2.	Was there any diversion of funds from the MGNREGA account during the previous FY or during earlier years? If yes, amount diverted: Amount Recouped	Yes/No Rs. _____ Rs. _____	
3.	Was there any embezzlement/misappropriation of MGNREGA funds reported through any source (VIP Complaints, complaints referred by MoRD etc.) during the previous FY or in earlier years? 1. Number of cases: 2. Amount involved:	Yes/No Rs. _____	
4.	Is there any complaints/VIP references pending against the District for resolution? 1. Number of complaints:	Yes/No _____	Status note be submitted separately
5.	Were there any specific conditions mentioned in the Sanction order while releasing the last installment of central share? If yes, Number of conditions:	Yes/No _____	Status note be submitted separately
6.	Implementation of State specific strategy in reducing the delay in wage payment	Yes	Status note has been submitted separately

It is certified that the relevant documents have been signed by Principal Secretary/ Secretary/ Commissioner (incharge MGNREGA) or equivalent officers indicating clearly the name and designation of the signing authority with office stamp.

Signature: _____
Name: _____
Designation: _____
Office Stamp: _____

ANNEXURE – C

**CHECK LIST ON PREREQUISITES/DOCUMENTS FOR RELEASE OF
2nd TRANCHE
(For Release of Funds to State with State Employment Guarantee Fund)**

It is certified that

Sl. No.	Indicator		Remarks
1	The expenditure in the current Financial Year (FY) is more than 60 % of Total Available Fund	Yes	
2	The updated physical progress incorporating employment generated (person days) and number of House Hold covered is provided with the proposal	Yes	
3	The consolidated Utilization Certificate (UC) for the current FY (provisional updated) been furnished in the prescribed format (Annex. 25)	Yes	
4	The State Govt. examined the UCs and Audit Reports (ARs) received from all the districts before sending the proposal to the Ministry seeking release of funds	Yes	
5	A certificate to the effect that 'UCs/ARs for the year ...(previous FY) from all the districts have been received, examined and found to be in order' submitted with this proposal	Yes	
6	AR indicates balances if any, available with the Districts and other Implementing Agencies and the same have been included in the Closing Balance in the UC Closing balance:	Yes Rs. _____	
7	The AR for the SEGF for the previous year been submitted with the proposal for release of 2nd installment	Yes	
8	Number of job card verified/updated- with photographs	____(No.)	
9	Number of completed works out of the list of incomplete works as on the last days of the previous financial year	____(No.)	
10	Number of Aadhar seeding into data base and conversion of bank account into Aadhar Based Payment account	____(No.)	
11	Number of assets Geo-tagged in line with Geo MGNREGA framework	____(No.)	
12	Number of Farm ponds/Aanganwadi Centres/IHHL/Vermi Compost/NADEP tanks/ Roadside Plantation (Km.) done against the target taken by State during the current Financial Year		
13	Implementation of State specific strategy in reducing the delay in wage payment.	Yes	Status note has been submitted separately

14	The cost per person-day employment generation is equal or less than the upper cap cost	Yes	
15	Wage and material ratio maintained within the prescribed ratio of 60:40 at the District level	Yes	
16	Number of household been provided employment more than 100 days/entitled number of days	____(No.)	
17	The excess expenditure (i.e. excess wage payments, material and administrative expenses) estimated and has been recouped to the MGNREGA account by the State Amount:	Yes Rs. _____	
18	The wages paid in excess of the notified wage rate and the excess expenditure estimated and recouped to MGNREGA account.	Yes	
19	The wage payment consistent with the work output as per SoR under MGNREGA	Yes	
20	The State Share in the current FY has been released in full Amount:	Yes Rs. _____	
21	Proof (certificate from bank where MGNREGA a/c is maintained) of such transfer of State share is submitted with the proposal	Yes	
22	The social audits are held regularly	Yes	
23	The findings of such social audits uploaded on to the MIS	Yes	
24	Ombudsmen have been appointed in all the districts	Yes	

It is also certified that the relevant documents have been signed by Principal Secretary/Secretary/Commissioner (incharge MGNREGA) or equivalent officers indicating clearly the name and designation of the signing authority with office stamp.

Signature: _____
Name: _____
Designation: _____
Office Stamp: _____

Extract from Annual Master Circular (FY 2016-17)

7. Financing Mahatma Gandhi NREGA

7.1. Release of Funds

Section 22 of the Mahatma Gandhi NREGA provides the framework for the funding pattern under Mahatma Gandhi NREGA.

- 7.1.1. Funds are released to the States/UTs normally in two tranches on the basis of agreed to Labour Budget and performance of the States/UTs during the year. Each tranche may consist of more than one instalment
- 7.1.2. First tranche is released to States/districts in the month of April. The quantum of 1st tranche is based on the number of persondays projected by the States/UTs for the first six months of the year (up to September) in the Labour Budget. The first tranche is released after adjusting unspent balance available with the districts/States and considering the pending liabilities, if any. First instalment of the first tranche would be based on the provisions of the Vote on Account.
 - 7.1.2(a) If the States require additional funds for implementation of MGNREGA, the same would be considered based on performance during the period from April to the date of submission of the proposal.
- 7.1.3. 1st Tranche
 - 7.1.3.1. Once Labour Budget of a State is examined and agreed to by the Ministry and State Government, the State Government shall prepare district-wise and month-wise projections of the labour demand. NREGA Soft will estimate the requirement of funds under Mahatma Gandhi NREGA based on this information.
 - 7.1.3.2. The 1st tranche is estimated on the basis of funds required for initial six months of a financial year (FY) minus the opening balance of the State/UT as per MIS. Pending liability shall be also considered.
 - 7.1.3.3. As MIS reports form the basis of fund release, it is necessary that all expenditure is entered in the NREGASoft. Expenditure not entered in the NREGASoft will result in larger opening balance than what is available and the 1st tranche would be lower by an equivalent amount.
 - 7.1.3.4. Details of works proposed in the Labour Budget need to be entered into the software and should be from amongst the approved shelf of projects.

whole and compliance of the prerequisites as laid down under Mahatma Gandhi NREGA.

7.1.5.2. A certificate stating that no programme fund has been diverted during the FY is required to be given. It should also be certified that there has been no embezzlement or misappropriation of funds under Mahatma Gandhi NREGA and in cases where this has happened, adequate steps have been taken to punish the guilty and recover the embezzled or misappropriated amount.

7.1.5.3. In case State becomes eligible for release of 2nd tranche after 30th September in a FY, the State will submit a certificate stating that Audit Reports (AR) and Utilisation Certificates (UCs) from all the districts in the State have been received and found to be in order in all respects. A consolidated Audit Report will also be submitted with the proposal.

7.1.5.4. If there are pending liabilities at the end of the previous financial year, the same should be reflected as liability in the balance sheet of the Audit Report of the previous financial year.

7.1.5.5. Advance State share or loans taken by the State may also be reflected as pending liability in the Utilisation Certificate attached to the proposal.

7.1.5.6. A certificate stating that all pending audit observations by the auditor have been complied with should be provided along with the fund release proposal.

7.1.5.7. The Check list on prerequisites/documents for release of 2nd Tranche of Central share (Annexure -27 of the Operational Guidelines, 2013).

7.1.6. Up to 6% of the total expenditure under Mahatma Gandhi NREGA in a financial year can be utilized for administrative expenses.

No. J-11012/1/2017-MGNREGA-V
Government of India
Ministry of Rural Development
Department of Rural Development
(Mahatma Gandhi NREGA Division)

Krishi Bhavan, New Delhi

Dated: 27.03.2017

To

Principal Secretary/Secretary
Rural Development Department
(In-charge of MGNREGA)
All States/UTs.

Subject: Release of 1st Tranche of Central share under Mahatma Gandhi NREGA during FY 2017-18.

Sir/Madam,

This is with reference to the release of 1st tranche of central share of funds under MGNREGA during the FY 2017-18.

2. It is proposed to release the 1st tranche of central share of funds under MGNREGA in two instalments in accordance with the agreed to anticipated labour demand for FY 2017-18.

(A) First Instalment of 1st Tranche

The fund requirements for the first quarter i.e. April to June 2017 would be calculated on the basis of month wise projection of labour demand to be provided by the States/UTs and after adjusting pending liability of FY 2016-17 and Opening Balance as reported by States/UTs (as on 01.04.2017). These funds will be released as first instalment of 1st Tranche. This release is subject to submission/fulfilment of the following information/conditionality by the States/UTs:

- (i) District-wise and month-wise projections of agreed to anticipated labour demand (person days) to be provided employment.
- (ii) Proposal with annexure A & B alongwith supporting documents mentioned in the annexures vide letter dated 15th September 2016.
- (iii) Consolidated State-wise Opening Balance (OB) figures as on 01.04.2017 duly authenticated by the States/UTs.
- (iv) Pending liabilities, if any, as on 01.04.2017 in the prescribed format. - Both UC & MIS will be tallied
- (v) Settlement of MGNREGA accounts upto FY 2015-16.

(B) Second instalment of 1st tranche (July to September)

[The fund requirements for the 2nd quarter of the FY-2017-18 (July to September) would be calculated on the basis of month wise projection of labour demand to be provided by the

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(87)

States/UTs and after adding pending liability for FY 2016-17, if any, and after deducting the (i) unspent balance as reported by States/UTs in their respective UC for FY 2016-17 (provisional) funds released in 2017-18 as first instalment of 1st tranche and (iii) Short fall of State share, if any. Details of pending liabilities, if any, should be reflected in the provisional UC for FY 2016-17. Pending liability and excess State share, if any in the UC will be tallied with the MIS. This release is subject to submission/fulfilment of the following information/conditionalities:

(a) **Financial Requirements:**

- (i) Submission of Utilisation Certificate (Provisional) for FY 2016-17 in prescribed format annexure-25 (including details of pending liability, if any).
- (ii) Proposal with annexure A & B alongwith supporting documents mentioned in the annexures vide letter dated 15th September 2016.
- (iii) Settlement of MGNREGA accounts up to the FY 2015-16.
- (iv) Satisfactory reply/ clarifications on the information sought by the Ministry while releasing the last instalment during the FY 2016-17, if any.
- (v) Point wise reply/clarification on the issues raised in the minutes of the Empowered Committee meeting on Labour Budget for FY 2017-18.

(b) **Physical performance:**

- (i) Adherence to the time line for the commitments given by the State in the EC Minutes for 2017-18.
- (ii) Progress on focus areas
- (iii) Performance in Mission Water Conservation blocks/GPs.
- (iv) Substantial progress in timely payment. 7

3. It is therefore requested to **submit the proposal with all relevant documents by 2nd April 2017** to enable the Ministry to process the proposal for timely release of the funds to the State. A soft copy of the proposal along with relevant documents may also be emailed at a.sarangi@nic.in and gaya.prasad@nic.in.

Yours faithfully,



(Gaya Prasad)
Director (MGNREGA)
011-23388431
Email: gaya.prasad@nic.in

Copy to:

- (i) Commissioner, MGNREGA of all the States/UTs for information and necessary action.
- (ii) PPS to Secretary, RD
- (iii) PPS to AS (RD)
- (iv) PS to JS (RE)

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