

ENHANCING TRANSPARENCY

CAG to audit rural development, water supply, sanitation schemes

All rural schemes will also get a common accounting format; audit to begin with MGNREGS in 12 states

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NEW DELHI

At a time when the government is reeling under a number of corruption cases—several of these following critical reports from the Comptroller and Auditor General of India (CAG)—the ministry of rural development has roped in the statutory auditor to conduct a financial, compliance and performance audit of its schemes.

All schemes of the ministries of rural development as well as drinking water supply and sanitation will come under CAG's scrutiny. Their combined budget allocation of around ₹88,000 crore is the largest after that for defence.

The performance audit will begin in 12 states where implementation of the government's marquee jobs scheme will be analysed.

Assam, Andhra Pradesh, Bihar, Chhattisgarh, West Bengal, Jharkhand, Madhya Pradesh, Rajasthan, Gujarat, Maharashtra, Orissa and Uttar Pradesh were picked for the initial phase because expenditure on the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is high in these states.

The scheme, which promises



Performance checks: Rural development minister Jairam Ramesh.

Writing letters is only option left: Ramesh

New Delhi: Rural development minister Jairam Ramesh on Friday said writing letters is the only option left to him to persuade Uttar Pradesh chief minister Mayawati to order a Central Bureau of Investigation (CBI) probe into alleged irregularities in implementation of the Mahatma Gandhi National Rural Employment Guarantee Scheme.

Ramesh, who wrote letters to the

Uttar Pradesh government, including Mayawati, favouring a CBI inquiry into the matter, said the Centre could not conduct a CBI probe into the matter without the concurrence of the state government.

He said the state quality monitor appointed by the Mayawati government found irregularities in implementation of MGNREGS in some districts. PTI

100 days of work to each rural household every year, has a budget allocation of ₹40,000 crore this fiscal year.

A common accounting format is being devised for all rural schemes, rural development minister Jairam Ramesh said on Friday, announcing the plan.

"There was some ambiguity to begin with about which schemes would fall within the ambit of the CAG universe, but it is now decided that all schemes of the ministry of rural development and ministry of drinking water supply and sanitation can be audited by CAG.

This is an essential step to ensure accountability in public expenditure," he said.

"This is a great forward step in getting transparency and accountability," said S.L. Rao, a former director general of the National Council of Applied Economic Research. "The only thing to consider is whether CAG will be able to do it in time. But otherwise, it is a great move, especially in an area where so much corruption takes place."

The states will be grouped into eight clusters, each with its own accountant general.

"The performance audit will largely see whether the schemes are being implemented in accordance with the rules, regulations and procedures," Ramesh said.

The rural development ministry already has an internal system of social audits and other vigilance monitoring mechanisms. CAG's audit will be over and above this system.

Both the rural development and drinking water supply ministries will prepare a common accounting format for all rural schemes in consultation with CAG. This format will be used not only for internal checks and monitoring, but also for CAG's audit and eventually for presenting accounts to Parliament.

To prepare this system, the rural development ministry has constituted a group that will examine modifications needed in the existing accounting procedures and suggest ways of implementation.

PTI contributed to this story.