

538221/2020/Dir(F&A)

No. NRRDA-021(11)/3/2020- FA
National Rural Infrastructure Development Agency
5th Floor, 15 NBCC Tower,
Bhikaji Cama Place, New Delhi-110066

Date: 22.04.2020

The Financial Controller of all SRRDAs.

Subject: Submission of monthly report on verification of amount of interest credited in Bank accounts of PMSGY.

Sir / Madam,

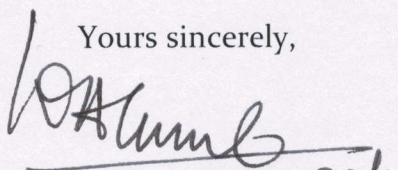
Reference is invited to AS, MoRD & DG, NRIDA's letter No. NRRDA-A021(11)/3/2020-FA/370840 dt. 16/3/2020 (copy enclosed) wherein it was requested to complete the interest verification exercise for FY 2019-20, as per procedure outlined in the letter, within one month, and report the findings of the same to F&A Division of NRIDA. A similar exercise was also to be done for the previous 10 financial years, going back in reverse order month after month and reports submitted to this office along with a verification certificate by the Empowered Officer and the FC of the state.

2. It is noted that your state has not sent the monthly report for FY 2019-20 to this office till date despite the lapse of the stipulated time limit.

3. It is therefore requested that the report of findings of the exercise along with the verification certificate for FY 2019-20 may be sent to this office at the earliest. Thereafter, a similar exercise of verification of interest for previous 10 FYs may also be taken up without any further delay & report of the findings may be submitted to this office as per the timelines laid down in the above letter.

Encl: as above

Yours sincerely,


(Deepak Ashish Kaul) 22/4/20
Director (F&A)

Copy to:

CEOs/Empowered Officers / CEs of all SRRDAs
PS to AS, MoRD & DG, NRIDA, Krishi Bhawan, New Delhi
Shri. Vijay Ingle, Programmer, NRIDA for uploading on the website



ग्रामीण विकास मंत्रालय
ग्रामीण विकास विभाग
भारत सरकार
कृषि भवन, नई दिल्ली-110001
Ministry of Rural Development
Deptt. of Rural Development
Government of India
Dokri (Bh) 2020, New Delhi-110001

No.NRRDA-A021(11)/3/2020-FA

To

Secretaries/CEOs/CEs of SRRDAs of PMGSY in all States

**Sub:Verification of amount of Interest credited in the PMGSY Programme,
Administrative and Maintenance bank accounts.**

Reference is invited to Director (F&A) NRIDA's letter dated 3rd Jan 2020 on the subject cited above (copy enclosed.) In this connection it is once again reiterated that all states complete the interest verification exercise as detailed below, for the current financial year (2019-20) within one month and report to the F&A division of NRIDA about the findings of the same. Thereafter, the verification exercise for previous 10 financial years shall be completed one by one, going backwards, and the entire verification process for each financial year shall be completed within a period of one month respectively and a month wise report submitted to F&A division of NRIDA.

Procedure for conduct of interest verification:

1. Each SRRDA should prepare a quarterly statement clearly showing the date of funds credited in their bank account and the date on which the funds were converted to FD/MOD by the bank as per the provisions of the signed MoU. Thereafter, the delay in conversion to MoD by the bank may be calculated and the loss of interest, if any, shall be worked out at applicable rate and the matter taken up with the bank for its recovery in order to avoid any financial loss to the Government. In case the interest amount is found to be correct after verification, the Empowered Officer and Finance Controller would submit a joint certificate to this effect to F&A division of NRIDA regularly along with all detailed calculations and copies of relevant documents. Further, from FY 2019-20 onward the balance sheet shall be accompanied with the statement mentioned in the para 1 above along with the interest verification certificate jointly signed by FC and EO.
2. The Empowered Officer and FC of the State would be jointly responsible for timely conduct of this verification exercise and should submit a monthly report of their findings to the F&A division of NRIDA along with all calculations and authenticated copies of their bank statement etc. For the current year onwards quarterly reports supported with the detailed calculations would be submitted by the 1st of the month succeeding the quarter. For example, the report for the quarter April – June would be submitted by 1st of July.
3. If required, the SRRDAs may temporarily engage a Chartered Accountant for this work and carry out the exercise with his assistance on top priority.

All states are requested to immediately initiate action on this important matter to prevent any financial loss to GoI / State on account of short credit of interest by the bank.

Yours sincerely,

Encl: As above

(Alka Upadhyaya)

Additional Secretary, MoRD & DG NRIDA



राष्ट्रीय ग्रामीण अवसंरचना विकास एजेंसी
(ग्रामीण विकास मंत्रालय, भारत सरकार)

National Rural Infrastructure Development Agency
(Ministry of Rural Development, Govt. of India)

5th Floor, 15-NBCC Tower, Bhikaji Cama Place, New Delhi-110066

File No. NRRDA-G021(11)/11/2019-Dir(FA)

Dated: 03.01.2020

To

All CEO's/CE's of SRRDAs of PMGSY of all States.

Subject: Regular verification of the amount of interest credited by Banks.

Dear Sir,

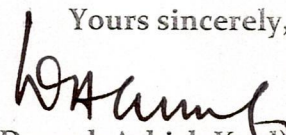
According to Para 18.8 of PMGSY, Programme Guidelines (As amended vide MoRD letter no. P-17017/9/2012-RC dated 29th May, 2014, interest accrued on Programme and Administrative funds released by the Ministry for implementation of PMGSY projects in the States shall be considered as part of unspent balance available as on 1st April of every financial year and shall be used as programme and Administrative fund respectively. Such interest accruals shall be adjusted against the first release of funds due to State/UT Government during the financial year".

2. It has been observed that SRRDAs are not verifying the amount of interest being credited by banks in the saving bank accounts as well as on Corporate Liquid Term Deposits (CLTDs) despite the auditors comments in this regard. It is further noted that as per Para 13.1.4 of the operations manual, all funds over and above Rs. 0.50 crores in the Programme and Administrative Expenses Fund are not transferred as fixed deposit by the bank at an interest rate not below that of 91 days treasury bills which resulted loss of interest. There are instances where banks delayed transfer of PMGSY funds to CLTDs accounts and have credited less interest than what was due in the SRRDA account. All such cases need to be checked and loss shall be recovered from bank for the period of delay. Non-verification of the amount of interest being credited by the banks is an important matter as this may lead to a loss of revenue if not checked meticulously.

3. In view of the above and to ward off any potential threat of loss of any revenue, you are requested to bestow your personal attention to this important matter of monitoring the timely transfer of funds to FDs/CLTD Account as per the extant guidelines and verify the interest earned thereon in the bank accounts of Programme, Administrative Expenses and Maintenance Funds regularly on a quarterly basis. In case any discrepancy is found in the calculation of the amount of interest, the matter may be taken up with the bank and the requisite amount recovered from it.

4. It is requested that priority may be accorded to this important item of work.

Yours sincerely,


(Deepak Ashish Kaul)
Director (F&A)

Copy to:-

1. PPS to AS, MoRD & DG, NRIDA, Krishi Bhawan, New Delhi