

**राजस्थान सरकार**  
**निदेशालय कोष एवं लेखा, राजस्थान जयपुर**

क्रमांक:- एफ.2 (क) (विविध) अलेसे-1/ 2012-14

दिनांक:- 13-02-2024

**परिपत्र**

राज्य में ग्रामीण विकास मंत्रालय, भारत सरकार के अधीन संचालित केन्द्र प्रवर्तित योजनाओं की जोखिम आधारित आन्तरिक लेखा परीक्षा (ऑडिट) हेतु ग्रामीण विकास एवं पंचायतीराज विभाग, राजस्थान जयपुर को सेवानिवृत्त अधिकारियों/कर्मचारियों की आवश्यकता है।

अतः इच्छुक 62 वर्ष या कम आयु के एवं वेतन L-8 (7th CPC) ग्रेड पे 4800 अथवा इससे अधिक के सेवानिवृत्त राजस्थान अधीनस्थ लेखा सेवा के अधिकारी/कर्मचारी अपना आवेदन पत्र मय अपने नाम, पदनाम, सेवानिवृत्ति दिनांक, पते व दूरभाष नम्बर के सीधे ही वित्तीय सलाहकार, ग्रामीण विकास एवं पंचायतीराज विभाग, राजस्थान जयपुर को दिनांक 28.02.2024 तक उनके विभाग की ई-मेल pdfa.rdd@rajasthan.gov.in पर प्रेषित करते हुये एक प्रति इस निदेशालय को भिजवाया जाना सुनिश्चित करें।

उक्त आवेदन हेतु विस्तृत शर्तें, भुगतान राशि एवं प्रक्रिया आदि के बारे में विस्तृत सूचना उक्त संबंध में ग्रामीण विकास एवं पंचायतीराज विभाग से प्राप्त पत्र क्रमांक 1226-43 दिनांक 01.02.2024 के साथ संलग्न कर विभागीय वेबसाइट पर अपलोड की जा रही है।

**संलग्न:-जोखिम आधारित आन्तरिक लेखापरीक्षा गाइडलाइन।**

  
(भूपेश माथुर)

निदेशक एवं पदेन संयुक्त शासन सचिव

क्रमांक:- एफ.2 (क) (विविध) अलेसे-1/ 2012-14

दिनांक:- 13-02-2024

**प्रतिलिपि निम्नांकित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित है:-**

- 1 वित्तीय सलाहकार (ग्रावि अनुभाग-7), ग्रामीण विकास एवं पंचायतीराज विभाग, राजस्थान जयपुर को उनके पत्र क्रमांक 226-43 दिनांक 01.02.2024 के क्रम में सूचनार्थ प्रेषित है।
- 2 अतिरिक्त निदेशक, कार्मिक-11, कार्यालय हाजा।
- 3 उप निदेशक (ए.सी.पी.) कार्यालय हाजा को विभागीय वेबसाइट पर अपलोड करने हेतु।



(राजेन्द्र प्रसाद रैगर)

अतिरिक्त निदेशक (कार्मिक-1)

राजस्थान सरकार  
ग्रामीण विकास एवं पंचायती राज विभाग  
(ग्रामीण विकास अनुभाग-7)  
(Email: pdfa.rdd@rajasthan.gov.in)

पत्र क्रमांक: प.13(सामान्य)ग्रावि/गुप-7/2020/1226-43 जयपुर, दिनांक 12.02.2024

1. प्रधान महालेखाकार, राजस्थान,
2. निदेशक, कोष एवं लेखा विभाग, वित्त भवन,
3. निदेशक, निरीक्षण विभाग/पेंशन विभाग/स्थानीय निधि अंकेक्षण विभाग,
4. मुख्य अभियन्ता, सार्वजनिक निर्माण विभाग,
5. मुख्य अभियन्ता, जल संसाधन विभाग।



**विषय:**—राज्य में ग्रामीण विकास मंत्रालय, भारत सरकार के अधीन संचालित केंद्र प्रवर्तित योजनाओं की जोखिम आधारित आन्तरिक लेखा परीक्षा हेतु 240 सर्टिफाईड ऑडिटर्स का पूल तैयार करने हेतु सेवानिवृत्त अधिकारियों/कर्मचारियों की सूची उपलब्ध कराने बाबत।

महोदय,

उपर्युक्त विषयान्तर्गत निवेदन है कि ग्रामीण विकास मंत्रालय, भारत सरकार के अधीन संचालित केन्द्र प्रवर्तित योजनाओं की जोखिम आधारित आन्तरिक अंकेक्षण हेतु इच्छुक अधिकारी एवं कर्मचारी जो कि निम्न अर्हताएं पूर्ण करते हैं, को सूचीबद्ध किया जाना है।

1. भारत सरकार/राज्य सरकार/बैंक/पीएसयूएस से विगत दो वर्षों में सेवानिवृत्त अधिकारी/कर्मचारी।
2. वेतन L-8 (7<sup>th</sup> CPC) ग्रेड—पे 4800 अथवा इससे अधिक।
3. आयु 62 वर्ष या कम।
4. Accounting/Finance/Treasury Function/Internal Audit/Civil Engineering/Social Audit/Monitoring Rural Development Programme आदि का अनुभव।

उपरोक्त चयनित/सूचीबद्ध अधिकारियों/कर्मचारियों को इंदिरा गांधी पंचायतीराज एवं ग्रामीण विकास संस्थान, जयपुर में तीन सप्ताह का प्रशिक्षण दिया जावेगा। सर्टिफाईड ऑडिटर्स को भारत सरकार की गाईडलाइन में उल्लेखित दरों/राजस्थान सरकार द्वारा निर्धारित दर से ऑडिट कार्य का भुगतान देय होगा।

*pl. earliest suitable retired AD (I) the work and for be sent to RD*  
*11/2/24*  
*DD(P-I)*

*Discuss with Mr. [Signature] 02/12/24*



**Signature valid**

Digitally signed by Shri Meena  
Designation: Financial Advisor  
Date: 2024.02.11 12:11:08 IST  
Reason: Approved

*Discussed*  
*05.02.24*  
*वि.वि.वि.*

अतः आपसे निवदेन है कि आपके कार्यालय से विगत दो वर्ष में सेवानिवृत्त अधिकारियों/कर्मचारियों के नाम, पते मय दूरभाष नंबर सहित सूची विभागीय ई-मेल [pdfa.rdd@rajasthan.gov.in](mailto:pdfa.rdd@rajasthan.gov.in) पर प्रेषित कराने का श्रम करावें, ताकि इच्छुक सेवानिवृत्त अधिकारियों/कर्मचारियों से सहमति प्राप्त कर भारत सरकार द्वारा जारी दिशा-निर्देशों की अनुपालना में शीघ्रताशीघ्र जोखिम आधारित आंतरिक अंकेक्षण का वार्षिक कलेंडर अनुमोदन हेतु ग्रामीण विकास मंत्रालय, भारत सरकार को प्रेषित किया जा सकें।

**संलग्न:-जोखिम आधारित आन्तरिक लेखापरीक्षा गाइडलाइन**

**भवदीय**

**(श्रीनिवास मीना)**

**वित्तीय सलाहकार, ग्राविवि**

**प्रतिलिपि निम्न को सूचनार्थ एवं आवश्यक कार्यवाही हेतु प्रेषित है।**

1. निजी सचिव, अपर सचिव एवं वित्तीय सलाहकार, ग्रामीण विकास मंत्रालय, भारत सरकार।
2. निजी सचिव, मुख्य लेखा नियंत्रक, ग्रामीण विकास मंत्रालय, भारत सरकार।
3. निजी सचिव, अतिरिक्त मुख्य सचिव, ग्रामीण विकास एवं पंचायतीराज विभाग।
4. निजी सचिव, शासन सचिव ग्रामीण विकास विभाग।
5. निदेशक, सामाजिक लेखा परीक्षा, जवाबदेही एवं पारदर्शिता सोसायटी।
6. वित्तीय सलाहकार, ईजीएस/पंचायतीराज/सजीविका/सामाजिक न्याय एवं अधिकारिता विभाग/सार्वजनिक निर्माण विभाग।
7. एनालिस्ट कम प्रोग्रामर, ग्रामीण विकास विभाग को विभागीय वेबसाईट पर अपलोड करने हेतु।

**वित्तीय सलाहकार, ग्राविवि**

**Signature valid**

RajKaj Ref  
5473754

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Designation: Financial Advisor  
Date: 2024.02.01 15:11:08 IST  
Reason: Approved

**Guidelines for States**  
**to Setup Internal Audit Wing/Cell to Conduct Internal Audits**  
**in Rural Development Programmes sponsored by DoRD**

**1. Introduction:**

1.1. Department of the Rural Development with an outlay of more than 1.30 lakh crore of rupees carry out various programs of Rural Development like MGNREGS, DAY-NRLM, DDU-GKY, PMGSY, NSAP, PMAY(G), SPMRM etc. Besides above, State Government also contribute its share in the ratio of 60:40/ 90:10 (Center: State). These programs are encountered with complexities and associated risks which need to be addressed on continuous basis. Thus, there is a need to develop a very strong and robust accountability frame work for all its programs. Internal Audit is one of such mechanisms of accountability to improve the efficiency and effectiveness of the schemes implementation.

1.2. Internal Audit is an integral part of sound financial management systems worldwide. It should aim at looking both at the financial and non-financial aspects of the Government operations and ensuring full value for the Government money. The Internal Audit function helps in improving economy, effectiveness and transparency in the Government administration in general and financial administration in particular. It also helps in maintaining a sound record keeping systems with adequate checks and balances to ensure timely/adequate identification of risks and its mitigation. It aims at providing timely /adequate information for better decision making by the executives. Internal audit is part of nation building by way of placing strong internal control mechanism in scheme implementation.

1.3. The Expert Advisory Group on Internal Audit, constituted in MoRD, has suggested (Annexure I) that the scope of internal audit should expand from merely ascertaining compliance with rules and regulations to evaluation of achieving the objectives of the schemes. It has further recommended that, "20% of the auditee units shall be covered by MoRD, whereas 80% shall be covered by States." Therefore, States may be advised to create/strengthen Internal Audit setup for RD schemes.

1.4. Rural Development Programmes of the MoRD mainly fall under the category of Centrally Sponsored Schemes (CSSs). While programme design and overarching responsibility for monitoring and evaluation lies with the Ministry, their implementation at the grassroots level is the responsibility of the States. Programme funding and administrative costs are shared between the Central and State Governments, making both the MoRD and the State Government equally responsible for efficient and effective *implementation* and outcomes.

1.5. The office of Chief Controller of Accounts (CCA), MoRD is assigned the responsibility of conducting internal audit of the programmes of the MoRD. To provide assurance on effective utilization of funds for the purposes intended, the State governments *have to evolve their own arrangements*, wherein similar audits are conducted by their respective Directorates of Internal Audit (the set-up and the nomenclature might differ from state to state). *Accordingly, a common or agreed framework, to conduct internal audits, should be developed, so that an implementation plan for internal audit of the auditee units could take place.* However, presently, there is no arrangement for sharing of internal audit reports and their outcomes (para 4.3 of EAG).

1.6. To strengthen internal audit function, States have been advised to create/strengthen Internal Audit setup for RD schemes by availing services from a pool of certified auditors empanelled with (Internal Audit Wing (IAW) of CCA, MoRD.

1.7. A Committee headed by Additional Secretary, MoRD suggested (Annexure II) that Internal Audit should be mandated for all schemes of Rural Development. Specific instructions for the conduct of IA may be incorporated in the Schemes guidelines. Internal audit may also be included as a mandatory component for monitoring, in the Annual Action Plan of the States. States should be sensitized about IA during Labor Budget, Annual Action plan and all other review meetings. In this direction, Internal Audit was included as one of the parameters to measure the progress of the States in implementation in the "Financial Management Index for Rural Development Programmes" i.e., Preparation of Internal Audit plan, conduct of Audit, Capacity building by developing a team of certified internal auditors, Training of Trainers, Reporting of objections and Follow-up action on all objections. Reports of Internal audit should be presented quarterly by CCA (RD) to the Standing Internal Audit Committee (as stipulated in the IA Manual). While selecting a Panchayat/Block/District for audit, previous audit reports must be invariably consulted. A compendium of reports of audits conducted in Panchayats/Blocks/Districts should be prepared. There should be synergy with other audit efforts like social audit, local fund audit, internal audit of State and GoI, C&AG audit. Required proforma regarding previous audit results of Panchayats may be included in GPDP of respective panchayats.

1.8. It is also suggested that a pool of internal auditors be created with serving/retired officers with 5 years' experience in Social Sector, Accounts, Internal Audit, Rural Development Programme in Central/ State Govt. / banks/ PSUs. Not more than 1/3 of the strength may be among the persons other than serving/retired officers of Govt./PSUs with adequate experience in the field of Rural Development/ social sector/ Internal Audit/ Social Audit/ Accounts in the rural areas. For capacity building, they should be nominated and trained under three-week certificate program on Risk Based Internal Audit in RD Programmes. After successful completion of the certificate course, the participants will be empanelled with IAW, O/o Chief

Controller of Accounts, MoRD. The empanelled Certified Internal Auditors may be utilized as resources for conducting internal audit of RD programs as per the requirement of MoRD and State Governments.

1.9. As per present requirement, it is planned to create the pool of 5000 internal auditors across the country. To create such a huge pool, trainings at NIRDPR are just not sufficient. Thus, it is planned to take up the trainings in cascading mode where the Training of trainers (ToTs) are given at NIRDPR and these master trainers trained at NIRDPR will take up the trainings at identified SIRDs, INGAF and NIFM.

## 2. Institutionalization: -

2.1. As per recommendations of EAG and committee headed by AS, it is mandatory to establish Internal Audit set up in all the States/ UTs implementing RD Programmes. The States should study its human resources and training needs and specify its institutional arrangement for internal audit. Sufficient funds should be earmarked within each program for conduction of Internal Audits.

### 2.2. Establishment of Internal Audit Wing/Cell (Nomenclature may be different):-

2.2.1. The State Governments /UTs shall establish Internal Audit Wing/Cell within the State Rural Development and Panchayati Raj department for planning (annual and quarterly) and coordinating internal audits, identification of auditee units, planning of audits, assignment of audits, processing of audit reports, action taken reports and follow up action on outstanding audit paras and preparation of annual budget for the State Internal Audit Wing/Cell etc.

2.2.2. The release of funds under different programs to state may be subject to their establishment of internal audit setup for carrying out risk based internal audits as stipulated under Annual Audit Plan.

### 2.3. Organogram:-

2.3.1. The State Internal Audit Wing/Cell shall be headed by a regular officer not below than a Deputy Secretary level officer, who is accountable to the Principal Secretary, Rural Development and Panchayati Raj Department. Keeping in view the number of auditee units, the required number of staff can be engaged on contractual basis in Internal Audit Wing, headed by Deputy Secretary, if adequate regular staff, is not available. The smallest Audit wing should comprise of one Accounts/ Audit Officer, two Asst. Accounts/ Audit Officers, two Upper Division clerk /Accountant/ Auditor. As per EAG

recommendation, an audit team of five members may cover not more than eight (8) auditee units in a year. The Internal audit wing will also perform other internal activities (desk job) like processing Action taken reports, follow up for incomplete ATRs etc.

2.3.2. For a state with 10 districts, which are implementing 6 MoRD programmes, there will be 60 auditee units. 80 % (48) of the units are to be covered by state audit teams in three year cycle. Hence, every year 16 units need to be covered. This will require 2 audit teams. The audit teams may comprise of few regular officers/ staff and rest can be hired on contract basis for audit as well as desk job. Contracts may be (i) for longer duration i.e. annual / half yearly / quarterly for desk job as well as for conducting audits as per annual plan of audit (ii) on assignment basis for conducting audit tours and producing reports only. The number of audit teams and strength of Internal Audit wing may be decided as per the audit plan of the state.

2.3.3. The audit team should have a team leader who is expert in internal audit function. Other members should be mix of experts in Accounts, banking, IT/ MIS and civil engineer/ field/ subject expert in scheme implementation.

2.3.4. The officers and staff / contractual staff/ *Certified Internal Auditors* will report to the Deputy Secretary.

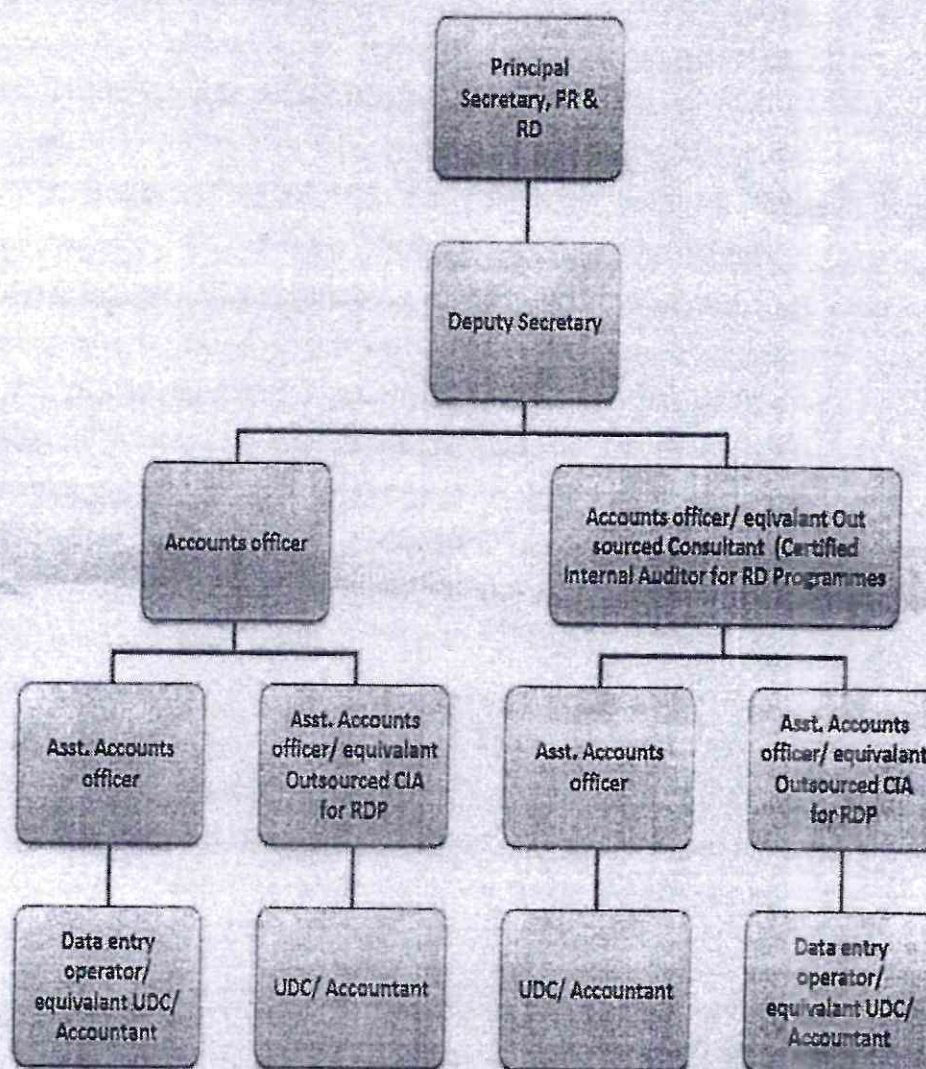
2.4. Expenditure on Internal Audit will be met from budget to be arranged by State Govt. from the Administrative component of the Scheme budget.

#### Organogram of Internal Audit Wing at State level:

#### 2.5. Roles and Responsibilities of Internal Audit Wing/Cell

2.5.1. To coordinate with the Office of CCA, MoRD for identification of schemes and districts (audit units) for conducting risk based internal audit to

## Organogram of Internal Audit Wing at State level:



## CCA/RD/IAW/Outstanding Audit Paras Meeting/2018-19

841677/2023/MoRD-CCA

cover 80% of Auditee units in three year cycle for RD schemes/ programmes sponsored by MoRD in the state.

2.5.2. Preparation of Annual Budget for conducting Internal Audits of each scheme and seeking budgetary allocation from account heads of Administrative expenditure of the concerned schemes.

2.5.3. Preparation of Annual Audit Plan consisting of details of all auditee units to be audited during a financial year. Annual Audit Plan duly approved by Pr. Secretary of the Department to be sent to Office of CCA to avoid overlapping while selection of auditee units by IAW, DoRD.

2.5.4. Selection of auditors for conduct of audit should be done from pool of certified Internal Auditors (CIAs) for RD Programmes (available on Ministry's website/ CIARD/ Internal Audit Webpage, NIRD website and SIRD website). For conducting audits and processing action taken reports (ATRs), CIAs for RD programmes can be hired on regular contract basis (monthly remuneration) or on assignment basis. In this regard, the indicative terms (OM dated 26.06.2019) has already been sent to all the States (Annexure III). However, States may decide their own terms of engagement as per the extant rules of the States.

2.5.5. Issue of Audit Memos to auditee units, well in advance.

2.5.6. Processing of Internal Audit party reports for approval; follow up action on outstanding reports/ paras; and issue of reminders to districts / auditee units for outstanding paras.

2.5.7. Audit Reports/ settlement of Audit paras will be approved by Principal Secretary of Dept. of Rural Development & Panchayati Raj or the officer so nominated by Principal Secretary.

2.5.8. Preparation of Annual Review of Internal Audit for the information of Secretary, DoRD and CIARD.

2.5.9. Preparation and submission of quarterly reports to CIARD and CCA, DoRD, New Delhi.

2.5.10. Any other matters/ assignments as decided by Higher Authorities.

### 3. Capacity Building:

This mandate is given to DoRD, Government of India. In coordination with NIRD&PR, CIARD, SIRDs, INGAF and other training institutes, capacity building is being done. State Govt. may nominate identified retired, in- service officers and self sponsored persons with working experience as per SOP for training of trainers (ToTs) and Three-week Certificate Programme on Risk Based Internal Audit in RD Programmes. Once the participant completes the training successfully, one will be awarded certificate and his/ her services can be used by DoRD and States. This certificate will be valid for a period of three years. The certificate will be renewed by CIARD after approval of IAW, DoRD based on the assessment of the work being done by the concerned certified auditor and successfully attending orientation programme(s), if any.

#### 4. Risk Based Internal Audit Process:

4.1. As per the recommendation of Expert Advisory Group(R-2.3), the risk based internal audit is to be conducted at two levels i.e., at the Central Department/ Ministry level and at state level (Department of Rural Development & Panchayati Raj). The State should come out with their respective Annual Audit Plans so that the DoRD, GoI could finalize the frame work of the audit after due consultation to avoid overlapping of Audits. The State Government shall facilitate the conducting of Risk Based Internal Audit of all Rural Development Schemes/ Programmes sponsored by DoRD considering district as unit for each Scheme/ programme separately once in 3 years.

4.2. Identify the auditee units and prepare the Annual Audit Plan in the month of January or well before the start of next financial year. Quarterly programme for audit teams should also be prepared for every quarter. Intimation shall be sent to all the units well in advance that is at least 30 days before the commencement of audit. Any change in Audit plan should be intimated to CCA, DoRD, New Delhi accordingly.

4.3. Auditee units should mandatorily provide all the relevant documents required as per the memos served by Internal Audit Team, including Social Audit reports, C&AG, CA, Local fund audit reports etc.

4.4. Internal Audit team should also review the previous Internal Audit Reports, reports / MIS available on scheme specific websites and PFMS reports related to the concerned auditee unit before proceeding for Audit.

4.5. States should plan the risk based internal audits by taking the available certified auditors into account. These certified internal auditors can be engaged on assignment

basis, with a fixed honorarium per day according to State / DoRD norms along with reimbursement of travel allowance or on monthly remuneration basis.

4.6. For the conduct of Risk Based Internal Audit for each auditee unit, normally a total of 8 days are required, where 6 working days are for conduct of audit at the unit, two days for transit or actual whichever is less. Two additional days may be provided to head of the party for fine tuning the report. A team of five auditors for audit of each RD Program unit is recommended as per need. Each audit team should comprise of mix of experts in Accounts, banking, IT/ MIS/ engineering fields / subject expert in scheme implementation and one team leader, who is an expert in audit functions. In each team opportunity should be given to women not less than 33% preferably. Opportunity (not more than one member in a team) may be given to self sponsored CIA (youth certified by CIARD). A single audit team is expected to conduct normally eight audits in a year. Taking these statistics into account, each state should plan the Internal Audit program and also train the requisite human resources/certified Auditors accordingly.

4.7. A standing arrangement for interaction between the IAW, DoRD and the concerned State will also be established by forming a committee presided over by Principal Secretary, RD and the representative from O/o CCA, DoRD, Gol.

4.8. To maintain accountability and transparency, all States should upload Annual Audit calendar, quarterly plan, all internal audit reports, and action taken reports on Upgraded Internal Audit Portal of Ministry of Rural Development.

4.9. The RBIA report should be in the prescribed format with the following components i.e., Audit report title, objective (purpose of engagement), scope (audit activities), background (Brief Synopsis of the activity), Audit Methodology, Recognition (Positive aspects), Engagement rating, Observations and Conclusion.

4.10. Each Audit Observation should contain the following components: -Criteria, Condition, Cause, Consequence and Corrective Action/ Recommendation (5 Cs).

4.11. A Model Audit Para/Report on Risk Based Internal Audit of the RD scheme is attached (Annexure-IV).

## 5. Monitoring for quality of Audits:

5.1. Accounts Officers at State IAW head quarters will assess each individual certified auditor annually based on the quality of reports submitted to State IAW and ranking will be given accordingly.

**Matrix for ranking:**

1	Number of Audits conducted during the year	20 (4 points for each audit. Not to exceed 20 points in case the auditor participates in more than 5 audits.)
2	Timely submission of audit report	8 (Average to be taken for all the audits)
3	Quality of literature of Audit report	8
4	Ability to use IT tools during internal audit process	8
5	quality of evidence gathered	8
6	Monetary value of the irregularities or amounts recovered/adjusted	8
7	Audit Paras that have contributed or has impact in implementation of the scheme concerned	8
8	Integrity and Punctuality of the individual towards internal audit work	8
9	Team work	8
10	Programmes/courses/trainings attended or delivered during the year for enhancing skills related to internal audit	16

Total points: 100

5.2. This ranking may be hosted on Internal Audit Portal of DoRD and it will be made an integral part of the pool of internal auditors maintained by the State.

**6. Estimated Budget (Indicative/ Approximate):**

**6.1. Recurring Expenditure of Internal Audit Wing for two continuous teams**

Two Accounts officer on contract basis (Rs. 50,000 per head) : 1,00,000

Four Assistant Accounts officers on contract basis

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(Rs.45,000 per head)	:	1,80,000
Four UDC/ DEO on contract basis (Rs. 30,000 per head)	:	1,20,000
One MTS on contract basis (Rs. 15000 per head)	:	15,000
Total per Month	:	<u>4,15,000</u>
Total Cost of IAW for one year (4,15,000 x 12)	:	<u>49,80,000</u>

6.1.1. (Total cost as per state Govt. /DoRD norms as deemed fit by State Govt. as this is to be borne by the State Govt.)

6.2. Estimated cost for conducting one unit of one RD program (District as a unit):

Number of internal auditors for each audit party	:	05
Honorarium per person	:	@3000/day
Lodging per person	:	@2500/day
Food charges per person	:	@900/ day
Number of days for each audit	:	06
Number of transit days	:	02
Report writing days	:	02
Total amount for honorarium (3000 x 5) 10 days	:	1,50,000
Lodging (2500x5)x 6 audit days	:	75,000
Food charges (900x5) x8 tour days	:	36,000
Travelling allowance (2000X 5) ***	:	10,000
Total cost for one unit of audit	:	<u>2,71,000</u>

6.2.1. (Total cost as per state Govt. /DoRD norms as approved by State Govt. or actual whichever is less.)

6.3. Note: (i) Honorarium, lodging, food and TA charges are indicative. Amount of Honorarium may be decided by state govt. and food, lodging and travel charges may be as per state Govt. norms as per entitlement of the officials or whatever is restricted by State Govt.

(ii) The emoluments of a consultant should not exceed 50% of one's last pay drawn. DA and TA should be restricted accordingly.

*(iii) States/UTs having 4 or less numbers of districts may conduct internal audits of DoRD programmes preferably with their regular Staff, who have undergone the certified course on Internal Audit.*

#### 6.4. Budget Resource

- The cost for conducting the internal audits depends on the total number of auditee units and the number of units, planned to be audited during that year in each State. States are advised to allocate the funds based on the above yard sticks and the cost of establishment of IAW is standard for every year. Funds shall be earmarked for internal audit within the administrative cost component of all major programs of Rural Development Ministry.
- Separate budgetary Heads may be opened for incurring expenditure *on internal audits* (EAG. R-2.4). Under administrative expenses component, a component, internal audit may be added on PFMS.

#### 7. Reporting:

- a. All the States should share *Annual Audit Plan* with O/O CCA, before commencing of financial year duly signed by Principal Secretary. Quarterly plan should be sent to IAW, O/o CCA, DoRD and CIARD.
- b. Internal Audit Wing of rural development and Panchayati raj department of State should report quarterly to the Principal Secretary of Rural Development, State and CCA, DoRD on *conducting* of Risk Based Internal Audits and follow up action of outstanding paras.

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