

ग्रामीण विकास मंत्रालय
ग्रामीण विकास विभाग
भारत सरकार
कृषि भवन, नई दिल्ली-110001

Amita Sharma
Joint Secretary (NREGA)
Phone : 2338 5027

Ministry
of Rural Development
Dept. of Reral Development
Government of India
Krishi Bhavan, New Delhi-110001

D.O. No. V-28012/3/05-06/NREGA

10th January, 2006.

The NREG Act, will be launched in identified districts in various States on 2nd February, 2006. As you are aware, out of the identified 200 districts, 150 districts are those districts which are covered under NFFWP at present. Under the NFFWP, 1% of the programme cost is towards administrative expenses. Once the NREG Act comes into force, the NFFWP would get merged into it and the funds available under the programme will also be taken as the funds under the Act in the current financial year. Thus, the 2% of the budget allocation under NFFWP may be treated as allocation for the administrative expenditure under NREG Act for the 150 districts. For the additional 50 districts to be covered under the NREG Act, Rs. 5.00 crores have already been released to each of the districts for implementation of the Act, out of which 2% can be incurred as administrative expenditure. The enhancement of the administrative expenditure is under consideration of the Government and the decision as and when taken, will be conveyed to you. A suggested model for administrative expenditure is enclosed. The State Government within the limits prescribed may modify the same to suit their requirements. The expenses of the Programme Officer, his staff, Technical and Administrative Support of Gram Panchyats and staff in district office will be allowed only if additional hands are provided.

With regards,

Yours sincerely,
Amita Sharma

Shri K.K. Sinha
Rural Development Department
Government of Uttar Pradesh
Lucknow, U.P.

Model for 2% administrative expenditure limit for a districts

A	Gram Panchayat [GP]	Amount [in Rupees]
	1. Administrative Assistant for every GP @Rs. 2000 per month for 400 GP of a district	800,000x12=9,600,000
	2. One Technical Assistant for every 10 Panchayats @ Rs. 4000 per month [average 4 Technical Assistant per	160,000x12=1,920,000
	TOTAL	Rs. 11,520,000
B	Project Officer's [PO] Office	Amount [in Rupees]
	1. Salary of Project Officer @ Rs. 20,000 per month	240,000
	2. Salary of One computer Assistant @ Rs. 8000 per month	96,000
	3. Salary of one Account Assistant @ Rs. 8000	96,000
	4. Salary of one technical assistants @ Rs. 8000	96,000
	TOTAL	Rs. 528,000
		Rs. 5,280,000 for a district of 10 Blocks
	GRAND TOTAL	Rs. 16,800,000
	Allotment of National Employment Guarantee council at the National Level	Rs. 5,000,000

3. The non-recurring expenditures such as provisioning for at least two computers with essential peripheral for the Programme Officer's office, printing of essential stationary such as job card, registration record and even expenditure to be incurred on communication drive and training of personnel, would have to be undertaken from NFFWP's 1% provisioning made for administrative expenses.