

STANDING COMMITTEE ON RURAL DEVELOPMENT

(2014-2015)

14

SIXTEENTH LOK SABHA

MINISTRY OF RURAL DEVELOPMENT

(DEPARTMENT OF RURAL DEVELOPMENT)

[Action taken by the Government on the recommendations contained in the Forty-Second Report (Fifteenth Lok Sabha) on 'Implementation of Mahatma Gandhi National Rural Employment Guarantee Act, 2005']

FOURTEENTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

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Presented to Lok Sabha on 12 August, 2015

Laid in Rajya Sabha on 12 August, 2015



LOK SABHA SECRETARIAT

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**COMPOSITION OF THE STANDING COMMITTEE ON RURAL DEVELOPMENT
(2014-2015)**

Dr. P. Venugopal -- *Chairperson*

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LOK SABHA**

2. Shri Sisir Kumar Adhikari
3. Shri Kirti Azad
4. Shri Harish Chandra Chavan
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RAJYA SABHA

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25. Shri Ram Narain Dudi
26. Shri Mahendra Singh Mahra
27. Shri Ranvijay Singh Judev**
28. Dr. Vijaylaxmi Sadho^{\$}
29. Shri A. K. Selvaraj
30. Shrimati Kanak Lata Singh
31. Shri Ashwani Kumar[#]

* Nominated to the Committee w.e.f. 07.10.2014.
@ Nominated to the Committee w.e.f. 13.05.2015.
** Nominated to the Committee w.e.f. 25.09.2014 vice Shri Narayan Lal Panchariya.
\$ Nominated to the Committee w.e.f. 28.11.2014 vice Shri Jairam Ramesh
Nominated w.e.f. 16. 07.2015

Secretariat

1. Shri Abhijit Kumar - Joint Secretary
2. Shri R. C. Tiwari - Director
3. Smt. B. Visala - Additional Director
4. Shri Manish Mohan Kamble - Committee Officer

INTRODUCTION

I, the Chairperson of the Standing Committee on Rural Development (2014-2015) having been authorised by the Committee to submit the Report on their behalf, present the Fourteenth Report on the action taken by the Government on the recommendations contained in the Forty-second Report (Fifteenth Lok Sabha) of the Standing Committee on Rural Development (Sixteenth Lok Sabha) on 'Implementation of 'Mahatma Gandhi National Rural Employment Guarantee Act, 2005'.

2. The Forty-second Report (Fifteenth Lok Sabha) was presented to Lok Sabha and laid in Rajya Sabha on 14 August, 2013. The replies of the Government to all the recommendations contained in the Report were received on 11 March, 2015.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 10 August, 2015.

4. An analysis of the action taken by the Government on the recommendations contained in the Forty Second Report of the Committee (Fifteenth Lok Sabha) is given in Appendix-II.

NEW DELHI;
10 August, 2015
19 Shravana, 1937 (Saka)

DR. P. VENUGOPAL
Chairperson
Standing Committee on Rural Development

REPORT
CHAPTER I

This Report of the Standing Committee on Rural Development (2014-15) deals with the action taken by the Government on the Observations/Recommendations contained in their Forty-Second Report (Fifteenth Lok Sabha) on 'Implementation of Mahatma Gandhi National Rural Employment Guarantee Act, 2005'.

2. The Forty- Second Report was presented to Lok Sabha on 14.08.2013 and was laid on the Table of Rajya Sabha on the same date. The Report contained 27 observations/recommendations.:

3. Action Taken Notes in respect of all the observations/recommendations contained in the Report have been received from the Government. These have been examined and categorized as follows: ----

- (i) Observations/recommendations which have been accepted by the Government:
Serial Nos.: 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 17, 18, 19, 20, 24, 25, 26 and 27

Total:22

Chapter-II

- (ii) Observations/recommendations which the Committee do not desire to pursue in view of replies of the Government:
Serial Nos.: Nil

Total: Nil

Chapter-III

- (iii) Observations/recommendations in respect of which replies of the Government have not been accepted by the Committee:
Serial Nos.: 11, 16, 21, 22, and 23

Total: 5

Chapter-IV

- (iv) Observations/recommendations in respect of which final replies of the Government are still awaited:
Serial Nos. : Nil
Chapter-V

Total: Nil

4. The Committee desire that Action Taken Notes on the observations/recommendations contained in Chapter-I of the Report may be furnished to the Committee within three months of the presentation of this Report.

5. The Committee will now deal with action taken by the Government on some of their observations/recommendations that require reiteration or merit comments.

A. Issues related with Job Cards

Recommendation (Serial No. 1 Para No. 2.2)

6. The Committee had recommended as under:-

"Registration and issue of job cards to rural households is basic requirement to avail right of work under MGNREGA. The Committee note that during the last 7 years of the implementation of scheme, as many as 12.46 crore rural households out of 13.83 rural households (2001 census) have been registered and issued job cards in the country by State/UT Governments. However, the Committee note that many discrepancies such as issue of fake job cards, inclusion of fictitious names, missing entry or delay in making entries in job cards, illegal custody of job cards by influential people etc. have been noticed. Similarly, complaints regarding non-issue of dated receipt to job applicants have been widely reported. The Committee are of the strong view that there is need to bring reform in the process of issue of job cards. The Committee are of the opinion that offences such as missing entries in the job cards and unlawful possession of job cards with influential people including elected representatives of PRIs or MGNREGA functionaries should be made punishable offence under section 25 of the Act. The Committee, however, welcome the proposal for registration of application for work through mobile phones and MGNREGA website. The Committee feel that such steps are progressive and need to be taken further. The Committee desire that job cards should have photograph of the holder and other details like voter ID/Adhaar No./voter list no. so as to ensure that the chances of fake duplicate/multiple job cards are reduced to minimum. The Committee also recommend the Department to conduct random inspections of job cards to weed out the fake job cards. Apart from PRIs, job cards should also be subject to social audit or audit under directions of Comptroller & Auditor General of India."

7. The Department of Rural Development (Ministry of Rural Development) in their action taken replies stated as under:-

"The MGNREGA Operational Guidelines, 2013, has detailed the process of issue of job cards. As per the provisions contained in the guidelines, the Gram Panchayat has to cause a door-to-door survey to identify eligible households for registration under the Act. The Gram Panchayat is also required to verify the following:-

- (a) Whether the household is really entitled as stated in the application.
- (b) Whether the applicant household or legal resident in the Gram Panchayat is concerned.
- (c) Whether applicants are adult members of the household.

The Guidelines mandate that the job card should contain permanent information regarding the household as well as employment details of 5 years. This inter-alia include job card members, information relating to job cardholder household, work demand and allocation, postal account number, bank account number, insurance policy number and EPIC number (voter ID), RSBY number, Aadhar number and BPL/socio-economic status.

All entries into the job cards of rural households should be duly authenticated by an officer authorised by the State. Entries pertaining to employment and wages should be up-dated from time to time. Missing entries or delay in entries in the job cards is considered as a violation and is now punishable under section 25 of the Act.

To ensure transparency and accountability, it is mandated in the guidelines that the job cards should be in the custody of the household to whom it is issued. If job cards were found in the possession of any Panchayat or MGNREGA Officer without a valid reason, it would be considered as an offence and be punishable under Section 25 of the Act.

The guidelines also mandate that the details of individual in the registered households should be verified by Panchayat Secretary with the assistance of Gram Rozgar Sevak and Data Entry Operators. After due verification, the corrections relating to job cards are to be made in the database. As per the revised Guidelines, 2013, the social audit process requires inspection and verification of various registers and records including job card register detailing the cards issued to the adult members of rural households. It is also decided to link the job cards with Aadhaar numbers so as to avoid duplication/fake cards."

8. In the context of issues related with job cards under MGNREGA, the Committee while taking note of many discrepancies like issue of fake job cards, inclusion of fictitious names, unlawful possession of job cards with influential people including elected representatives of PRIs or MGNREGA functionaries etc. had strongly emphasized the need for bringing reform in the process of issue of job cards by making these offences punishable under Section 25 of MGNREGA, conducting random inspection of job cards, linking job cards with Voter ID/Aadhar cards for minimizing chances of fake/multiple job cards and bringing job cards within the ambit of Social Audit or audit under the directions of Comptroller & Auditor General of India. The DoRD in their action taken reply have merely stated the various provisions mandated in the MGNREGA Operational Guidelines, 2013 regarding the process of issue of job cards through door-to-door survey to identify eligible households for registration, subsequent verification by Gram Panchayat, authentication of job cards, ensuring of transparency and accountability, etc. are duly followed. The DoRD has further informed that as per the Revised Operational Guidelines, 2013, the social audit process require verification of registers and records including job card register and it has also been decided to link the job cards with Aadhaar number so as to avoid duplication/false cards. The Committee are constrained to note that the action taken reply of the Department is silent on the issue of making the job cards subject to audit under the directions of C&AG of India and also

conducting of random inspection of job cards to weed out the fake job cards. The reply of the Department is also silent on the matter of the reported complaints regarding non-issue of dated receipts to job applicants. In view of the various discrepancies and complaints relating to job cards, there is serious apprehension about the authenticity of the effective implementation of the provisions mandated in the MNGREGA Operational Guidelines. The Committee are of the strong opinion that there should be proper process of actual physical verification and also there is a need for random inspections at the ground level to keep a check on the various irregularities in the issue of job cards as highlighted in the Report. The Committee, therefore, while reiterating their recommendation, desire that the Department should conduct random inspections of job cards and the job cards should also be audited under the directions of Comptroller & Auditor General of India as this process will eliminate the fake job cards.

B. Women participation under MGNREGA

Recommendation (Serial No. 3, Para No. 2.4)

9. The Committee had recommended as under:-

"The Committee find that implementation of MGNREGA has provided women in rural areas an opportunity to participate in remunerative activities thereby, empowering them financially. The Committee note that participation of women under MGNREGA works has been more than 40 percent in each of last seven years and that is more than the statutory requirement of 1/3 of the total beneficiaries. However, examination of the scheme by the Committee has revealed that participation of women in some States such as Assam, Bihar, Jharkhand, Odisha, Uttar Pradesh and West Bengal has been less than national average. The Committee also note that Assam, Bihar, Uttar Pradesh and West Bengal have failed to meet statutory requirement of providing 1/3rd employment to the women beneficiaries. The Committee in their 1st Report (15th Lok Sabha), while showing concern over low women participation in these States, had recommended the Department to analyze reasons for poor performance of these States and take corrective steps to enhance participation of women in MGNREGA. The Committee are of the firm view that success of MGNREGA will be more visible if the number of women workers is large as their income raise the standard of household more than the male workers. Apart from generation of employment, it will also help to widen the ambit of opportunities for employment to those sections of society which were so far denied equal opportunity. In this regard, it becomes imperative to enhance participation of more number of women in States which have lower Socio-economic Indicator as economic empowerment of women has been seen to enhance human development index. The Committee, therefore, recommend the Department to take steps such as awareness among women, allowing works suitable for women as per local culture, formation of self help groups etc. to encourage women to demand employment in States which have lower participation of women under MGNREGA."

10. The Department of Rural Development (Ministry of Rural Development) in their action taken reply stated as under:

"Provision to para 6 of Schedule- II of MGNREG Act provides that priority shall be given to women in such a way that at least one-third of the beneficiaries shall be women who have registered and demanded work under the Act. The overall participation of women as reported by States/UTs is about 48% during the previous four years (2008-09 to 2011-12) in terms of persondays generated. Whereas during the year 2012-13, the share of employment generation for women has increased to 51% and during the year 2013-14 has increased to 53% and further increased to 55% during the year 2014-15 (till 24/02/2015) as reported by the States. However, the coverage of women has been reported as less than one-third in the States of Assam, Arunachal Pradesh, Jharkhand, Jammu & Kashmir, Mizoram, Nagaland, Lakshadweep and Uttar Pradesh during 2013-14. The reason for low participation of women in some states could be attributed to reasons like non-revision of Schedule of Rates, Socio-cultural constraints and low awareness. High demand & limited supply of work opportunities force women to compete against men which might also have resulted in lesser participation of women workers. Some of the provisions enunciated in the Act/Operational guidelines, 2013 which would enhance women participation are as under;

- (1) Payment of equal wages for men and women.
- (2) Participation/representation of women in Panchayati Raj institutions that would ensure greater participation of women both at the planning and execution levels under MGNREGA.
- (3) Identification of widowed women, deserted women and destitute women, who qualify as a household under the Act, to ensure that they are provided job cards and are given 100 days of work.
- (4) Special works, which require less effort and those that are close to their house are to be given to pregnant women and lactating mothers.
- (5) Conduct time and motion studies to formulate gender, age, level of disability, terrain and climate sensitive Schedule of Rates (SoRs) and also accurate capturing of work done by women at worksites.
- (6) At least 50% of the worksite supervisors (Mates) at all worksites to be women. Priority is to be given to women workers who have put in maximum work in the last 3 years or their daughters.
- (7) Encourage participation of women groups, including Self Help Groups (SHGs) in awareness generation, capturing of demand, planning, implementation, monitoring and maintenance of works. SHGs can also mentor women mates.
- (8) Individual bank/post office accounts should be opened in the name of all women MGNREGA workers and their wages directly credited to their account for the number of days worked by them.
- (9) Worksite facilities such as crèches, drinking water, shade etc. are to be provided. This may also be done through convergence with Women and Child Development Schemes like Integrated Child Development Services (ICDS).
- (10) By way of an amendment in Schedule-I of MGNREG Act, construction of Anganwadi centres have been included as one of the permissible works under the scheme.

A new approach to IEC action plan has been mooted which would be a deviation from the conventional mass media driven approach in message dissemination. The new action plan would

focus on mid media and interpersonal media initiatives to ensure that the messages reach the target group in a more effective and sustainable way. This would help the illiterate women to access and understand messages of MGNREGA and thereby motivate them to be involved in MGNREGA. The states have also asked to prepare their State level IEC Annual action plans. The State-level IEC action plan would aim at facilitating dissemination of right based provisions of the Act and ensure that the workers know their right to demand wage employment and exercise their right by applying for such employment as per their need."

11. Taking note that the participation of women under MGNREGA has been less than the national average in some of the States such as Assam, Bihar, Jharkhand, Odisha, Uttar Pradesh and West Bengal and also that Assam, Bihar, Uttar Pradesh and West Bengal have failed to meet the statutory requirement of providing 1/3rd employment to the women beneficiaries, the Committee had recommended the Department to take steps such as awareness among women, allowing works suitable for women as per local culture, formation of Self Help Groups (SHGs) etc. to encourage women to demand employment in States which have lower participation of women under MGNREGA. The DoRD in their action taken reply *inter-alia* have informed the Committee that share of employment generation for women during 2012-13 has increased to 51% and has increased to 53% during the year 2013-14 and further increased to 55% during 2014-15 as reported by States. However, the coverage of women has been reported as less than 1/3rd in the States of Assam, Arunachal Pradesh, Jharkhand, Jammu & Kashmir, Mizoram, Nagaland, Lakshadweep and Uttar Pradesh during 2013-14 due to reasons like non-revision of Schedule of Rates, Socio-cultural constraints and low awareness. The Committee have also been informed that high demand and limited supply of work opportunities force women to compete against men which might also have resulted in lesser participation of women workers. In this context, DoRD has elaborated various provisions enunciated in the Act/Operational Guidelines, 2013 for enhancing women participation and stated that DoRD has come up with a new IEC action plan to focus on mid media and interpersonal media initiatives to ensure that the messages effectively reach target groups for helping illiterate women to access and understand messages of MGNREGA and have further

informed that States have been asked to prepare their State level IEC Annual Action Plan in this regard. The Committee desire that the issue of non-revision of Schedule of Rates (SORs) should be taken up expeditiously with the concerned State Governments to encourage women to demand employment in States which have lower participation of women under MGNREGA.

C. Wage: Material ratio for MGNREGA works

Recommendation (Serial No.11, Para No. 2.12)

12. The Committee had recommended:-

"The Committee note that water related works constitute majority of works (54.58 percent) undertaken in MGNREGA, while work on private lands of SC/ST/BPL/SML and IAY and Land reform beneficiaries, Land development, rural connectivity and others (Bharat Nirman Kendra) constitute the 10.38%, 11.38%, 19.47% and 3.7% respectively. The Committee take note of the fact that MGNREGA works are being criticized for poor quality of assets created under it. The Committee's examination has revealed that expenditure limit of 40 percent imposed on material component including skilled and semi-skilled workers is restricting implementing agencies to undertake works requiring material components or skilled workers. The Committee find some merit in argument of the Department that works with higher material component will invariably bring in contractor system. However, the Committee are of the considered view that adopting a uniform yardstick for wage material ratio across the country causes problems in hilly States such as Jammu & Kashmir, Himachal Pradesh etc. and other difficult areas of the country such as Andaman & Nicobar Islands and flood prone areas where cost of raw material and transportation is higher than rest of the country. The Committee, therefore, recommend the Department to allow specific relaxation in wage-material ratio in case of aforementioned hilly and difficult areas/States. Needless to emphasise that there should be in-built flexibility to meet the specific situations."

13. The Department of Rural Development in their action taken replies have stated as under:-

"The primary objective of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is to enhance the livelihood security of the rural households by providing up to 100 days of guaranteed wage employment in a year to every household on demand for doing unskilled manual work. The focus of activities under MGNREGA is on wage employment as given in Schedule-I of MGNREG Act, which list out the activities in the order of their priority.

Vide the Notification dated 21.07.2014, amendments have been made by the Government in paragraph 4 and 20 of Schedule –I of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) providing for at least 60% of the works in a district in terms of cost for creation of productive assets directly linked to agriculture and allied activities through development of land, water and trees. To ensure quality, productivity and durability of assets created under MGNREGA, cost of material component including the wages of the skilled and semi-skilled works shall not exceed 40% at the Gram Panchayat level for all the works taken up by the Gram Panchayats. For works taken up by the implementing agencies other than Gram Panchayats, the overall material component shall not exceed 40% at the district level."

14. Taking into account the specific problems being faced by the local populace in difficult terrains in the country, the Committee had recommended the Department to allow specific relaxation in wage-material ratio in these areas. In their Action Taken Reply, the Department have not responded to this recommendation of the Committee. The Committee are constrained to observe that the recommendation of the Committee for allowing specific relaxation in wage-material ratio in hilly and difficult areas/States and also to have an in-built flexibility in the system to meet the specific situations was based on the Committee's analysis of the peculiar conditions in these areas which normally tend to change the casting pattern of wage and materials. Transportation of raw material in uneven topography also involves higher cost. The Committee are of the strong opinion that adopting a uniform yardstick for wage material ratio will not be a rationale approach as it will put people living in difficult terrains in disadvantageous position. The Committee therefore reiterate their recommendation to allow specific relaxation in wage - material ratio for the hilly and difficult areas/States of the country and desire to be apprised of the action taken in this regard.

D. Delay in Payment of Wages

Recommendation (Serial No. 13, Para No. 2.14)

15. The Committee had recommended as under:

"The Committee note that section 3(3) of the Act provides for payment of wages to the workers within 15 days of date on which such work was done. However, most of the States have failed to disburse wages within time limit as laid down in the Act. At the same time, workers are also not being compensated for delay in payment of wages according to provisions of Payment of Wages Act, 1936 as provided in MGNREGA, 2005. The examination of the issue by the Committee has revealed that main reason for delay in payment of wages under MGNREGA is less availability of required administrative and technical staff in different States which leads to administrative delay such as delay in measurement of work, not adhering to strict schedule of closing of muster roll within fortnight etc. Since majority of population in rural areas are dependent on daily wages, failure of the Government to ensure timely payment of wages to workers may force people to distress migration in search of employment in other sectors or areas which could provide them daily payment. The Committee, therefore, recommend the Department to take immediate steps for recruitment of necessary manpower and required infrastructures at every level to ensure adherence to time limit for payment of wages to workers. The Committee also desire, the Department to enforce the provisions of the MGNREGA regarding payment of requisite compensation to the workers who are paid wages beyond the prescribed time frame.

16. The Department of Rural Development in their action taken replies have stated as under:-

The Ministry has initiated various steps to address concerns expressed on delay in payment of wages. Electronic Fund Management System (e-FMS) has been introduced and 23 states have since switched over to e-FMS for making payments. Roll out of e-FMS in the remaining states is

expected by March, 2014. The States have also been instructed to roll out Electronic Muster Roll (e-MR) and till last reported; e-MR has been implemented in 228950 Gram Panchayats. To enforce the payment of compensation for delay in payment of wages, the provisions in para 30 of Schedule II of the Act has been amended (notification dated 24th September, 2013). The salient features of the amendments are as under:

1. Quantum of compensation has been prescribed depending on the number of days of delay from the date of closure of the muster roll.
2. Delay in payment of compensation beyond prescribed time limit to be treated at par with that of delay in payment of wages.
3. For accountability, various processes determining the payment of wages have now been divided into various stages to facilitate fixing of responsibility.
4. Provision to be included in NREGASoft to automatically calculate the compensation payable.
5. The compensation shall be paid by the State Government and subsequently recovered from the delinquent functionaries/Agencies.
6. District Programme Coordinator/Programme Officer to ensure payment of wages and compensation, if any, and put the system in operation for calculation of wages and compensation.
7. Days of delay in payment of wages, compensation due and paid to be reflected in MIS and Labour Budget.

17. The Committee while noting that the main reason for delay in payment of wages under MGNREGA was due to less availability of required administrative and technical staff in different States, had recommended the Department to take immediate steps for recruitment of necessary manpower and required infrastructure at every level to ensure adherence to time limit for payment of wages to workers and had also desired the department to enforce the provisions of MGNREGA regarding payment of requisite compensation to the workers who are paid wages beyond the prescribed time frame. The Committee observe that the action taken reply of the Department indicate that now the States have been instructed to roll out e-FMS and e-MR for making payments and the provisions in para 30 of the Schedule II of the Act have been amended to enforce the payment of compensation for delay in payment of wages and the salient features of the amendments have been specified. The Committee are however constrained to note that the Department in their action taken reply has not elaborated about the action taken by them for recruitment of manpower and providing infrastructure to address the concerns expressed by the

Committee. The Committee, therefore, strongly desire that urgent action need to be taken by the Department for recruitment of necessary manpower and providing required infrastructure at every level to ensure timely payment of wages to workers and also for payment of compensation for delay in payment of wages.

E. Payment of Unemployment Allowance

Recommendation (Serial No.16, Para No. 2.17)

18. The Committee had recommended:-

"The Committee note that provisions under MGNREGA for payment of unemployment allowances where demanded work is not given in stipulated time is not being adhered to almost all States/UTs. The Committee are also astonished to note that so far only 4078 workers were paid unemployment allowances in 8 States during 2006-09 and Rs. 1,23,589 has been paid to eligible beneficiaries in 2010-11 in six States. The Committee also note that non-issuance of dated receipt of demanded work as pointed out by audit report of C&AG of India, prevents workers to claim unemployment allowance. The Committee are of considered view that payment of unemployment allowance is the only provision which provides legitimacy to guarantee provided in the MGNREGA and differentiates it from earlier employment schemes. The Committee, therefore, recommend the Department to impress upon the State Governments to take steps for issuance of dated receipt of demanded work so that the workers can claim unemployment allowance. The Committee would like the Government to ensure that State-wise details of payment of unemployment allowance form part of Annual Reports which are laid in Parliament/State Legislatures on the functioning of MGNREGA. The Committee also recommended that since MGNREGA is a Centrally sponsored scheme, funds for unemployment allowance under section 7 of the Act should also be met by the Central Government.

19. The Department of Rural Development in their action taken replies have stated as under:-

"Central Government meets the cost of (i) amount required for payment of wages for unskilled manual work under the Scheme (ii) Up to three-fourths of the material cost of the Scheme including payment of wages to skilled and semi-skilled workers subject to the provisions of Schedule II of the Act (iii) 6% of the total cost of the Scheme towards administrative expenses. The State Government meets the cost of (i) Unemployment allowance Payable under the Scheme (ii) One-fourth of the material cost of the scheme including Payment of Wages to skilled and semi-skilled workers subject to the provisions of Schedule II of the Act and (iii) administrative expenses of the State Council. MGNREG Act being a demand driven wage employment programme, the resource transfer from Centre to States is based on the demand for employment in each State. This provides an incentive for States to leverage the Act to meet the employment needs of the poor. Whereas the provision enunciated in Section 7 of the Act serves as a disincentive for failing to provide work on time, as the States then bear the cost of unemployment allowance. This provision which serves as a deterrent to the States for not providing employment would therefore be, in the interest of job seekers under MGNREGA. The states are required to provide details of unemployment due and paid in MIS regularly."

20. The Committee had recommended the DoRD to impress upon the State Governments to take steps for issuance of dated receipt of demanded work so that workers can claim unemployment allowances and also that since MGNREGA is a Centrally Sponsored Scheme, funds for unemployment allowances should be met by the Central Government under Section 7 of the MGNREGA Act. The DoRD in their action taken reply have *inter-alia* stated that MGNREG Act being a demand driven wage employment programme, provides an incentive for States to leverage the Act to meet the employment needs of the poor, whereas the provision enunciated in Section 7 of the Act serves as a disincentive for failing to provide work on time. It has been added that this provision which serves as a deterrent to States for not providing employment would therefore be in the interest of job seekers under MGNREGA. The Committee however note that the department has not submitted any response to the recommendation of the Committee for impressing upon the State Governments to take steps for issuance of dated receipt of demanded work so as to enable the workers to claim unemployment allowance. The Committee, therefore, while reiterating their recommendation desire the DoRD to comprehensively examine the matter in consultation with State Governments and apprise the Committee of the outcome thereof.

F. District Perspective Planning

Recommendation (Serial No.21 Para, No. 2.22)

21. The Committee had recommended as under:-

"The Committee are astonished to note that despite constitution of District Planning Committees (DPCs) in most of the States, PRIs have not been able to formulate District Perspective Plan, a necessary condition of effective utilization of funds available under MGNREGA. The Committee note that most of the States are still following top down approach of planning for MGNREGA based upon labour budget. The Committee are of the considered view that formulation of District Perspective Planning (DPP) based upon active participation of Gram Sabhas is essential for effective utilization of resources. Aim of holistic development of rural India is not possible in the absence of well laid out plan. The Committee recommend that preparation of DPP should be starting point for MGNREGA so that there could be better utilization of huge funds available under MGNREGA. The Committee, therefore, recommend the Department to initiate consultation with States and Union Territories and chalk out strategy for preparation of DPP through active participation of Gram Sabhas within a specific time frame so that there could be better utilization of resources for all-round development of rural areas."

22. The Department of Rural Development (MoRD) in their action taken reply have stated as under:

"The Schemes made by the States are required to provide for the minimum features specified in Schedule I of the MGNREG Act which lists the category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREG Act shall focus upon. Schedule I of MGNREGA has been suitably amended to include various new works which would give thrust to activities relating to Agriculture, watershed, Livestock, Fisheries, Rural Drinking Water and works in coastal areas which have scope for creation of durable assets and enhance the livelihood of the rural poor. MGNREGA Guidelines on decentralized planning envisage preparation of a District Perspective Plan, which identifies the needs and gap in the Districts in all sectors. Labour Budget (LB) entails planning, approval and funding under MGNREGA. Sub-section 6 of Section 14 of the MGNREG Act mandates that the District Programme Coordinator (DPC) shall prepare in the month of December every year, a labour budget for the next financial year containing the details of anticipated demand for unskilled manual work in the district and the plan for engagement of workers in the works covered under the programme. It is also mandated that the LBs be prepared in accordance with the process prescribed in Sections 13 to 16 of MGNREG Act. The DPCs has to ensure strict adherence to the principles of bottom-up approach from planning to approval of the selected shelf of projects by each of the Gram Sabhas (GSs) in the district. As per section 16 of MGNREGA, Gram Panchayats in the meetings of Gram Sabha and ward Sabha are to determine the order of priority of the works to be taken up under the MGNREGA. As per Section 13 of MGNREGA, the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the schemes made under this Act. The Panchayats at the district level shall finalize and approve block-wise shelf of projects to be taken up under the scheme. Bottom-up approach is being adopted to allow the local community including the MGNREGA workers to express their views by participating in the process of selection of works which would help to define the development course for the area in line with their expectations and needs."

23. **While pointing out that PRIs have not been able to formulate District Perspective Plans (DPPs) which is a necessary condition for effective utilization of funds under MGNREGA, the Committee had recommended the DoRD to initiate consultation with States/UTs and chalk out strategy for preparation of necessary DPPs through active participation of Gram Sabhas in a specific time frame for better utilization of resources for all-round development of rural areas. The Committee find that in the action taken reply, DoRD have merely informed about provisions under MGNREGA which envisage preparation of DPPs which identifies the needs and gap in the Districts in all sectors and other mandatory provisions like section 13 to 16 of MGNREGA concerning role of local bodies under MGNREGA. The Committee are unhappy to note that the action taken reply of the Government does not at all state anything about initiating a process of consultation with States/UTs and chalk out strategy for preparation of DPPs as recommended by the Committee for the intended purpose. The Committee therefore, reiterate their recommendation in this regard and desire to be apprised of the action taken in the matter.**

F. MGNREGA works during Agriculture Season

Recommendation (Serial No.22 Para, No. 2.23)

24. The Committee had recommended as under:-

"The Committee note that one of persistent complaints against MGNREGA scheme relates to less availability of labour during agriculture season. The Committee have been informed that only 47 days of employment were provided in the period for the year 2010-11 of which 12 days of employment were provided from July to November, 2010 which corresponds to the peak agriculture season. The remaining 35 days of employment were provided mostly in the lean agriculture season as supplementary employment. The Committee have also been informed that since MGNREGA Act provided for 100 days of guaranteed wage employment in a financial year, so, the guaranteed employment may be availed of by the registered households any time during the year. Hence, restricting it to any particular season would be against the spirit of the Act. The Committee are of the view that agriculture is the backbone of our rural economy and labour availability in our agricultural sector cannot be ignored as it may lead to shortfall in food production in the country. Further, aim of MGNREGA is not to substitute agriculture labour but to provide additional income support to people/household in rural areas. The Committee, therefore, are of considered view that lack of proper planning of works under MGNREGA without keeping in view of local agriculture practice is causing the problem of labour availability in agriculture sector. The problem could only be solved if there is follow up of guidelines about preparation of District Perspective Planning by District Planning Committees and annual planning by Gram Sabha clearly indicating works availability in a year while taking care of local agricultural practices. It would enable workers in rural areas to avail employment opportunity under MGNREGA in non-agricultural season while simultaneously ensuring labour availability for agriculture. The Committee also note that similar kind of initiatives have been taken by Gram Sabha and Gram Panchayat in Bikaner, Idukki, Trivandrum, West Sikkim District and Chittoor Districts in the Country. The Committee, therefore, recommend the Department to take efforts for planning of MGNREGA works for each financial year as attempted in the aforesaid Districts."

25. The Department of Rural Development (MoRD) in their action taken reply have stated as under:

"The provisions in Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are effected through Schemes formulated by States under Section 4(1) of the Act. The Schemes made by the States are required to provide for the minimum features specified in Schedule I of the Act which lists the category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREG Act shall focus upon. As per section 16 of MGNREGA, Gram Panchayats in the meetings of Gram Sabha and ward Sabha are to determine the order of priority of the works to be taken up under the MGNREGA. As per Section 13 of MGNREGA, the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the schemes made under this Act. A month-wise analysis of the persondays of employment generated under MGNREGA reveals that the majority of the work has been provided during the

lean agriculture season. For instance, during FY 2010-11 to 2012-13, around 60-70% of the persondays were generated during the lean agricultural season (January-June).

MGNREGA works by their very nature place stress on increasing land productivity, recharging ground water and increasing water availability which all have positive impact on Agricultural productivity. Recent amendment of the Act to permit MGNREGA works on individual land of small and marginal farmers who constitute a majority of the farming community, in addition to the individual land of SC/ST/BPL/IAY/ land reform beneficiaries, will augment the impact on agricultural productivity and household income. With the objective of expanding and deepening the positive synergy between MGNREGA and agriculture, especially in the context of small and marginal farmers, Ministry has permitted works under MGNREGA relating to NADEP composting, vermi-composting and liquid bio-manures, livestock related works, irrigation command related works (rehabilitation of minors, sub-minors and field channels), etc."

26. While finding less availability of labour for MGNREGA works during peak agriculture season which is due to lack of proper planning of works under MGNREGA without keeping in view the local agriculture practices, the Committee desired follow up of Guidelines about preparation of District Perspective Planning by DPCs and annual planning by Gram Sabha clearly indicating works availability in a year taking into account local agricultural practices and recommended DoRD to make efforts for planning of MGNREGA works for each financial year as attempted in other Districts. The Committee are constrained to note that instead of responding to their recommendation for follow up of Guidelines for planning MGNREGA works during agricultural season based on local agricultural practices, the DoRD has merely mentioned the provisions for PRIs under section 13 and 16 MGNREGA regarding planning and implementation of the Scheme and also mentioned about latest amendment to the Act permitting MGNREGA works on individual land of small and marginal farmers who constitute a majority of farming community. The Committee find the action taken reply of the Department as evasive on such a vital issue and reiterate their recommendation already made in this regard.

G. Convergence under MGNREGA

Recommendation (Serial No.23 Para, No. 2.24)

27. The Committee had recommended as under:-

"The Committee note that in order to optimize the desired outcome in an accelerated manner, the Department has taken steps for convergence of various schemes implemented by different Ministries and Departments as well as the programmes operated by the Department of Rural Development. The Committee also note that most of the State Governments have started convergence at planning, management and work level. However, the Committee are dismayed to note that no information is maintained by the Department on number of projects taken up in each State/UTs under MGNREGA convergence guidelines. Similarly, the Department does not maintain information on constitution of District/Block resource Groups in State/UTs which are responsible for facilitating convergence at the ground level. The Committee are of the considered view that convergence between different schemes of Central and State Government is prerequisite for optimum utilization of resources and to avoid wasteful expenditure. Therefore, it becomes imperative to give more attention towards convergence of schemes. The Committee, therefore, recommend the Department to initiate measures for bringing more programmes such as literacy mission, mid-day meal scheme, National Rural Health Mission etc. under the ambit of convergence under MGNREGA. At the same time, the Department should also explore ways for convergence of National Rural Livelihood Mission with MGNREGA. It will help to promote spirit of entrepreneurship in rural India. The Committee also desire the Department to maintain upto date information on number of convergence projects implemented in the country along with details of resource saved on these projects. The Committee also desire the Department to initiate consultation with State Governments for early constitution of District/Block resources group as it will help to enhance coordination among different Government agencies and other stake holders which are necessary for promoting convergence at the ground level."

28. The Department of Rural Development (MoRD) in their action taken reply have stated as under:

Convergence is an evolving process and therefore, while broad principles can be laid down by the Central Government, the actual contours of convergence will be determined by (i) the objective of convergence and (ii) the nature and quantum of resources available for convergence. Specific guidelines for convergence with different schemes were issued from time to time by the Ministry;

- Indian Council of Agricultural Research (ICAR) and MGNREGA convergence guidelines issued on 23.12.2008
- Ministry of Environment & Forests and MGNREGA convergence guidelines issued on 19.1.2009.
- Ministry of Water Resources and MGNREGA convergence guidelines issued on 18.2.2009.

- Integrated Watershed Management Programme (IWMP) and MGNREGA convergence guidelines issued on 29.5.2009.
- Ministry of Agriculture and MGNREGA convergence guidelines issued on 30.10.2009.
- Revised advisory for MGNREGA convergence with schemes of Ministry of Agriculture issued on 13.6.2013.
- Advisory for Bharat Nirman Rajiv Gandhi Sewa Kendra (BNRGSK) convergence with Backward Regions Grant Fund (BRGF) issued on 30.12.2009.
- Nirmal Bharat Abhiyan (NBA), Ministry of Drinking Water & Sanitation and MGNREGA convergence guidelines issued on 11.9.2012.
- Ministry of Youth Affairs and MGNREGA convergence for construction of play fields issued on 11.2.2013.
- Rubber Board (Ministry of Commerce) and MGNREGA convergence guidelines issued on 2.8.2013.

Two schemes of Ministry of Rural Development – National Rural Livelihood Mission (Aajeevika) and MGNREGA have similar mandates to reach out to the most marginalised sections of the society. The major works undertaken through MGNREGA would enhance livelihood opportunities leading to increase in income and thereby alleviating poverty and combating distress migration. Whereas, Aajeevika aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. Aajeevika Skills aims to skill rural youth who are poor and provide them with jobs having regular monthly wages at or above the minimum wages. Aajeevika Skills allows convergence with MGNREGS in the following manner:

- (1) Youth who have worked as labourers in MGNREGA worksites for at least 35 days in each of the previous three years will also be eligible even if they are not in the BPL list.
- (2) Under the new Aajeevika Skills Guidelines 2013, skilling projects are now possible for training and placement for improved Public Service Delivery, which could include MGNREGA also.

So far, State Convergence Plan (SCP) has been formulated in 21 States."

29. The Committee during the process of examination of the subject, had observed that convergence between different schemes of Central and State Government was pre-requisite for optimum utilization of resources and also to avoid wasteful expenditure. The Committee had, therefore, recommended the Department to initiate measures for bringing more programmes like literacy mission, mid-day meal scheme, NRHM within the ambit of convergence under MGNREGA. The Committee had also desired the Department to maintain upto date information on number of convergence projects implemented in the country alongwith details of resources saved on these

projects. In addition, the Department was also advised to initiate consultation with State Governments for early constitution of District/Block Resource Groups for enhancing coordination among different Government agencies and other stake holders, for promoting convergence at ground level. In their action taken reply, the DoRD has merely stated that convergence is an evolving process and therefore, while broad principles can be laid down by Central Government, the actual contours of convergence can be determined by objectives, nature and quantum of resources available for convergence. The Committee are constrained to note that DoRD has not given any specific reply to the recommendations of the Committee and instead has narrated the procedure in a routine manner. While expressing their unhappiness on the lack of seriousness on the part of the Department on this issue, the Committee reiterate their recommendations and desire that immediate necessary steps may be taken by the Department for implementation of the recommendations of the Committee.

CHAPTER II
RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED
BY THE GOVERNMENT

Recommendation (Serial No. 1, Para No. 2.2)

Registration and issue of job cards to rural households is basic requirement to avail right of work under MGNREGA. The Committee note that during the last 7 years of the implementation of scheme, as many as 12.46 crore rural households out of 13.83 rural households (2001 census) have been registered and issued job cards in the country by State/UT Governments. However, the Committee note that many discrepancies such as issue of fake job cards, inclusion of fictitious names, missing entry or delay in making entries in job cards, illegal custody of job cards by influential people etc. have been noticed. Similarly, complaints regarding non-issue of dated receipt to job applicants have been widely reported. The Committee are of the strong view that there is need to bring reform in the process of issue of job cards. The Committee are of the opinion that offences such as missing entries in the job cards and unlawful possession of job cards with influential people including elected representatives of PRIs or MGNREGA functionaries should be made punishable offence under section 25 of the Act. The Committee, however, welcome the proposal for registration of application for work through mobile phones and MGNREGA website. The Committee feel that such steps are progressive and need to be taken further. The Committee desire that job cards should have photograph of the holder and other details like voter ID/Adhaar No./voter list no. so as to ensure that the chances of fake duplicate/multiple job cards are reduced to minimum. The Committee also recommend the Department to conduct random inspections of job cards to weed out the fake job cards. Apart from PRIs, job cards should also be subject to social audit or audit under directions of Comptroller & Auditor General of India.

Reply of the Government

The MGNREGA Operational Guidelines, 2013, has detailed the process of issue of job cards. As per the provisions contained in the guidelines, the Gram Panchayat has to cause a door-to-door survey to identify eligible households for registration under the Act. The Gram Panchayat is also required to verify the following:-

- (a) Whether the household is really entitled as stated in the application.
- (b) Whether the applicant household or legal resident in the Gram Panchayat is concerned.
- (c) Whether applicants are adult members of the household.

The Guidelines mandate that the job card should contain permanent information regarding the household as well as employment details of 5 years. This inter-alia include job card members, information relating to job cardholder household, work demand and allocation, postal account number, bank account number, insurance policy number and EPIC number (voter ID), RSBY number, Aadhar number and BPL/socio-economic status.

All entries into the job cards of rural households should be duly authenticated by an officer authorised by the State. Entries pertaining to employment and wages should be up-dated from time to time. Missing entries or delay in entries in the job cards is considered as a violation and is now punishable under section 25 of the Act.

To ensure transparency and accountability, it is mandated in the guidelines that the job cards should be in the custody of the household to whom it is issued. If job cards were found in the possession of any Panchayat or MGNREGA Officer without a valid reason, it would be considered as an offence and be punishable under Section 25 of the Act.

The guidelines also mandate that the details of individual in the registered households should be verified by Panchayat Secretary with the assistance of Gram Rozgar Sevak and Data Entry Operators. After due verification, the corrections relating to job cards are to be made in the database.

As per the revised Guidelines, 2013, the social audit process requires inspection and verification of various registers and records including job card register detailing the cards issued to the adult members of rural households.

It is also decided to link the job cards with Aadhaar numbers so as to avoid duplication/fake cards.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 8 of Chapter I of the Report)

Recommendation (Serial No. 2, Para No. 2.3)

The Committee note that Implementation of MGNREGA has created large scale opportunity for employment in rural areas of the country. The Committee note that 1348.89 crore person days employment has been generated during the last seven years of implementation of MGNREGA works. However, claim of the Government to provide employment to 29.94 crore households out of 30.34 crore households who demanded employment during the aforesaid period seems to be unbelievable in the absence of authentic data regarding number of days of employment demanded by households. The Committee are also concerned over decreasing trend of employment generation after the peak of 283.59 crore persondays in 2008-09. The Committee also observe that year-wise average persondays employment generation during 2006-07, 2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13 (as on 31.01.2013) were 43, 42, 48, 54, 47, 43 and 36 days respectively. The Committee are further dismayed to note that average number of persondays of employment provided per household in States with significant BPL population like Bihar (22 to 38 days) and West Bengal (14 to 35 days) were less than national average. The Committee are at loss to understand the logic of poor demand for work in States which have significant BPL population with less employment opportunities as compared to comparatively developed States. The Committee are of the considered view that bottleneck in implementation of MGNREGA works such as delay in payment of wages and alleged corruption in registration and giving actual work are distracting people in demanding work under MGNREGA. The Committee, therefore, recommend the Department to analyse reasons for poor performance of all States and take corrective steps so that people in rural areas in across the country find it easy to gain employment under MGNREGA as per the objectives of the scheme.

Reply of the Government

The responsibility of implementation of the provisions of MGNREGA 2005 vests with the States/UTs. As reported by the States/UTs, the volume of wage-employment has grown from a meagre 90.5 cr. person-days in 2006-07 to 229.86 cr. person-days in 2012-13. Being a drought year, the

employment demand peaked (283.59 cr.) in 2009-10. [Hence, 2009-10 may be considered an atypical year for MGNREGA performance.] The Average person-days per Household ranged between 42 days (2008-09) and 54 days (2009-10). The physical progress of MGNREGA in terms of employment generation, women and SC/ST participation is indicated in the following Table.

Physical Progress under MGNREGA since inception										
No	Indicator	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15*
1	2	3	4	5	6	7	8	9	10	11
1	Person-days (No. in Cr.)	90.5	143.59	216.32	283.59	257.15	218.76	230.41	220.35	137.96
2	Average person-days per Household (in No.)	43	42	48	54	47	43	46	46	36
3	Women Participation Rate to total (%)	40	43	48	48	48	48	51	53	55
4	SC/ST participation rate	61	56	54	51	52	40	40	40	40

*Till 24/02/2015

The Mahatma Gandhi NREGA is a self-selecting wage-employment programme, with high participation from marginalised groups including women, Scheduled Castes (SCs) and Scheduled Tribes (STs). The women participation rate and SC/ST participation rate ranged between 40 (2006-07) and 51 (2012-13) and 40 (2012-13) and 61 (2006-07), respectively. While lack of robust demand management system under MGNREGA has an adverse impact on the perspective workers to turn to MGNREGA works, the decline in the demand of rural households under MGNREGA could be due to a myriad of factors external to programme management viz. available of alternative and remunerative employment opportunities outside MGNREGA, rain fall pattern, prevailing unskilled wage rate in rural, semi-urban/urban areas, better connectivity to semi-urban/peri-urban/Urban areas etc.

To ensure effective implementation of the provisions of MGNREGA, 2005, Operational Guidelines have been issued from time to time. The last revision was made w.e.f. 1st April, 2013. The revised guidelines 2013 give detailed procedures of all aspects of the programme. As per these procedures, the states are required to do the following for ensuring adequate participation of rural household in MGNREGA:

- § initiate appropriate IEC campaigns including wall writings for wide dissemination of the provisions of the Act;
- § Special high level teams are being appointed for States with high poverty levels – Jharkhand, Bihar, Uttar Pradesh, Odisha and Madhya Pradesh;
- § carry out of door-to-door survey to identify needy and eligible households for registration under MGNREGA;
- § expand scope and coverage of the demand registration system to ensure that demand for work under MGNREGA do not go unregistered;

- § organise Rozgar Divas periodically to capture latent demand under the programme and to disseminate awareness about other provisions of the Act;
- § prepare development plans and shelf of projects by adhering to the timelines as defined in the Guidelines; and
- § Ministry has issued detailed Guidelines/Framework for “Planning for work and preparation of Labour Budget” under MGNREGA for the financial year 2015-16. As a part of the LB exercise, it has been decided that there should be a greater focus on the backward Blocks while conducting the LB exercise. For this purpose, an intensive participatory planning exercise (IPPE) has been prescribed to be conducted in 2,500 backward Blocks in the country.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 3, Para No. 2.4)

The Committee find that implementation of MGNREGA has provided women in rural areas an opportunity to participate in remunerative activities thereby, empowering them financially. The Committee note that participation of women under MGNREGA works has been more than 40 percent in each of last seven years and that is more than the statutory requirement of 1/3 of the total beneficiaries. However, examination of the scheme by the Committee has revealed that participation of women in some States such as Assam, Bihar, Jharkhand, Odisha, Uttar Pradesh and West Bengal has been less than national average. The Committee also note that Assam, Bihar, Uttar Pradesh and West Bengal have failed to meet statutory requirement of providing 1/3rd employment to the women beneficiaries. The Committee in their 1st Report (15th Lok Sabha), while showing concern over low women participation in these States, had recommended the Department to analyse reasons for poor performance of these States and take corrective steps to enhance participation of women in MGNREGA. The Committee are of the firm view that success of MGNREGA will be more visible if the number of women workers is large as their income raise the standard of household more than the male workers. Apart from generation of employment, it will also help to widen the ambit of opportunities for employment to those sections of society which were so far denied equal opportunity. In this regard, it becomes imperative to enhance participation of more number of women in States which have lower Socio-economic Indicator as economic empowerment of women has been seen to enhance human development index. The Committee, therefore, recommend the Department to take steps such as awareness among women, allowing works suitable for women as per local culture, formation of self help groups etc. to encourage women to demand employment in States which have lower participation of women under MGNREGA.

Reply of the Government

Provision to para 6 of Schedule- II of MGNREG Act provides that priority shall be given to women in such a way that at least one-third of the beneficiaries shall be women who have registered and demanded work under the Act. The overall participation of women as reported by States/UTs is about 48% during the previous four years (2008-09 to 2011-12) in terms of persondays generated. Whereas during the year 2012-13, the share of employment generation for women has increased to 51% and during the

year 2013-14 has increased to 53% and further increased to 55% during the year 2014-15 (till 24/02/2015), as reported by the States. However, the coverage of women has been reported as less than one-third in the States of Assam, Arunachal Pradesh, Jharkhand, Jammu & Kashmir, Mizoram, Nagaland, Lakshadweep and Uttar Pradesh during 2013-14. The reason for low participation of women in some states could be attributed to reasons like non-revision of Schedule of Rates, Socio-cultural constraints and low awareness. High demand & limited supply of work opportunities force women to compete against men which might also have resulted in lesser participation of women workers. Some of the provisions enunciated in the Act/Operational guidelines, 2013 which would enhance women participation are as under;

- (1) Payment of equal wages for men and women.
- (2) Participation/representation of women in Panchayati Raj institutions that would ensure greater participation of women both at the planning and execution levels under MGNREGA.
- (3) Identification of widowed women, deserted women and destitute women, who qualify as a household under the Act, to ensure that they are provided job cards and are given 100 days of work.
- (4) Special works, which require less effort and those that are close to their house are to be given to pregnant women and lactating mothers.
- (5) Conduct time and motion studies to formulate gender, age, level of disability, terrain and climate sensitive Schedule of Rates (SoRs) and also accurate capturing of work done by women at worksites.
- (6) At least 50% of the worksite supervisors (Mates) at all worksites to be women. Priority is to be given to women workers who have put in maximum work in the last 3 years or their daughters.
- (7) Encourage participation of women groups, including Self Help Groups (SHGs) in awareness generation, capturing of demand, planning, implementation, monitoring and maintenance of works. SHGs can also mentor women mates.
- (8) Individual bank/post office accounts should be opened in the name of all women MGNREGA workers and their wages directly credited to their account for the number of days worked by them.
- (9) Worksite facilities such as crèches, drinking water, shade etc. are to be provided. This may also be done through convergence with Women and Child Development Schemes like Integrated Child Development Services (ICDS).
- (10) By way of an amendment in Schedule-I of MGNREG Act, construction of Anganwadi centres have been included as one of the permissible works under the scheme.

A new approach to IEC action plan has been mooted which would be a deviation from the conventional mass media driven approach in message dissemination. The new action plan would focus on mid media and interpersonal media initiatives to ensure that the messages reach the target group in a more effective and sustainable way. This would help the illiterate women to access and understand messages of MGNREGA and thereby motivate them to be involved in MGNREGA. The states have also asked to prepare their State level IEC Annual action plans. The State-level IEC action plan would aim at facilitating dissemination of right based provisions of the Act and ensure that the workers know their right to demand wage employment and exercise their right by applying for such employment as per their need.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 11 of Chapter I of the Report)

Recommendation (Serial No. 4, Para No. 2.5)

The Committee have been informed that Mihir Shah Committee constituted for revision in guidelines for implementation of MGNREGA works has suggested for creation of special condition to facilitate inclusion of disabled persons in MGNREGA works. However, the Committee note that as against 2.1 crore person with disabilities (census 2001) in the country only 19,67,315 have been provided work since inception of the Scheme. The Committee are unhappy to note that implementing agencies have failed to create proper environment for working of disabled persons in MGNREGA works. The Committee are of considered view that identification of proper work as per needs of disabled persons and creation of proper work environment are imperative for encouraging disabled persons to participate in MGNREGA works as per MGNREGA, 2005 guidelines. The Committee, therefore, desire the Department to take steps for identification of special works as per specific needs of disabled persons, issue special job cards, and appointment of dedicated officers etc. so as to increase the participation of persons with disabilities in the MGNREGA works.

Reply of the Government

The prime objective of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is to enhance the livelihood security of the poor households in rural areas of the Country. For holistic fulfillment of this objective, special attention is focused upon the vulnerable section of rural society including differently-abled persons. The MGNREGA Operational Guidelines has dedicated a separate chapter entitled "Strategy for Vulnerable Groups" wherein detailed procedure has been outlined to facilitate inclusion of differently-abled persons in MGNREGA. The MGNREGA Operational Guidelines – 2013 has however emphasized the following with a view to create special conditions for active participation of such differently-abled persons under MGNREGA:

- (1) States to identify specific works which can be done by differently-abled persons;
- (2) differently-abled persons can be grouped together as a fixed group to accomplish the works proposed for them;
- (3) services of a facilitator/Mate can be utilized to mobilize differently-abled workers for MGNREGA works;
- (4) works could be opened specifically for the disabled;
- (5) Differently abled persons should be given preference for appointment as Mates for MGNREGA works and as workers for providing drinking water, to manage crèches etc., at the work site.
- (6) Suitable institutions should be identified for making modified tools/assisted devices for use at worksite;
- (7) Differently-abled workers to be treated with respect and with due care.

The total number of persons with disabilities in the country is 2.19 crores (Census: 2001). While the share of disabled in the rural areas is 1.63 crore, the total number of disabled persons who have registered under MGNREGA since inception as reported by the States is 14.27 lakhs. The disabled beneficiaries provided employment on demand under MGNREGA since inception is indicated below:

2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
146401	336698	204772	297215	294490	395200	455307	485687	382988*

* Till 24.02.2015

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 5, Para No. 2.6)

The Committee are satisfied to find that share of SCs and STs in persondays employment provided under MGNREGA works is more than their share in total population of most of the States except Maharashtra. The Committee are of the opinion that since majority of SCs and STs constitute bulk of rural poor, there is a need to promote awareness among them so that they can further be encouraged to demand more employment under MGNREGA. The Committee, therefore, recommend the Department to take steps for awareness generation in SCs/STs across the country.

Reply of the Government

The responsibility of implementation of provisions of MGNREGA 2005 is vested with the States/UTs. The matter of provision of work to Scheduled Castes and Scheduled Tribes has been taken up as a priority area in the Ministry for review with the States. To ensure adequate participation of prospective MGNREGA workers, the Ministry has instructed, through the revised MGNREGA Operational Guidelines, 2013, the States/UTs to adhere to the following:

- (a) Initiate appropriate IEC campaigns including wall paintings for wide dissemination of the provisions of the Act.
- (b) Carry out door-to-door survey to identify needy and eligible households for registration under MGNREGA.
- (c) Expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA do not go unregistered.
- (d) Organize 'Rozgar Diwas' periodically to capture latent demand under the programme and to disseminate awareness about the provisions of the Act.
- (e) Formulation of a specific plan to include special categories of vulnerable people viz. persons with disabilities, primitive tribal groups, nomadic tribal groups, de-notified tribes etc.
- (f) Adoption of appropriate programme flexibility to ensure reaching of benefits of MGNREGA to the primitive tribal groups, de-notified tribes and nomadic tribes.

Organisation of workers into labour groups to ensure powerful demand-side pull for improving performance of MGNREGA.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 6, Para No. 2.7)

The Committee note that the significant portion of budget of the Department of Rural Development is allocated for implementation of MGNREGA. The Committee find that even though Rs. 2,07,679.87 crore were available for implementation of MGNREGA works from 2005-06 to 2012-13, implementing agencies could utilise Rs. 1,95,321.03 crore during these years. The Committee also note that the trend of expenditure pattern has been uneven and huge unspent balance has been reported in each financial year. The Committee are astonished to note that there is a trend of increasing unspent balances over the years which was as high as 27.31% in the financial year 2010-11. Examination by the Committee has revealed that huge unspent balances were lying with some big States such as Uttar Pradesh, Bihar, Madhya Pradesh, Rajasthan etc. The Committee in their earlier reports had repeatedly drawn attention of the Department towards this trend and had recommended to analyse reasons and take steps to enhance utilization of funds allocated to the States. However, the Committee note that the Department is yet to take

effective steps to solve this problem. There are reports which suggest that in some of the States successful implementation of MGNREGA has reduced the migration of unskilled workers to urban areas. The Committee, therefore, recommend the Department to analysis reasons of increasing unspent balances and take immediate steps for effective utilization of funds available under MGNREGA.

Reply of the Government

The MGNREGA is a demand-driven wage employment programme and no allocation is made under this programme. Central share is released to the States/UTs on the basis of agreed to Labour Budgets prepared by the programme implementing agencies under the Act. MGNREGA is a demand-driven programme and hence utilization of funds depends on the actual demand for works.

An Electronic Fund Management System (e-FMS) is being implemented to do away with unspent balance at sub-state level. The system is made operational in 23 states and the remaining states will come over to e-FMS by March, 2015.

Implementation of MGNREGA/utilization of funds by the States/UTs under MGNREGA is periodically reviewed in various National and State level performance review meetings and regional review meetings. Among others, States/UTs are requested to follow bottom up approach and realistic estimation of labour demand through household survey of job card holders, reinforcement of demand registration processes so that all those who wish to apply for work under MGNREGA are facilitated and appropriate planning of works and their execution to ensure adequate worker participation rate in MGNREGA. State Government is obliged to provide upto 100 days of guaranteed wage employment in a financial year to every rural household and there is also an obligation to make payment within a specified time as per the provisions of the Act. The state is therefore required to maintain adequate funds at different levels of the implementing agencies and unspent balances with the States/UTs serve this purpose. These unspent balances with the states are also adjusted while making subsequent releases by the Central Government on the basis of the agreed to labour budget. However, in pursuance of persistent instructions to the States on realistic labour budget projection, there has been a downward trend in the unspent balance available with the states as reported during the last 3 years as indicated below:

Financial Year	Unspent Balance
2010-11	Rs.1545013.27
2011-12	Rs. 1000909.35
2012-13	Rs. 501215.99
2013-14	Rs. 231936.82
2014-15 (till 18.02.2015)	Rs. 771040.86

As per the recommendations of the Standing Committee on Rural Development, the Ministry instituted a study through National Institute of Public Finance and Policy (NIPFP), Delhi to find out the reasons for unspent balances under various rural development programmes including MGNREGA. The study report on MGNREGA has been submitted to the Ministry.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 7, Para No. 2.8)

On the issue of administrative expenditure, the Committee note that States/UTs have been allowed to incur up to 6% of annual allocation under MGNREGA on salary and allowances of the Programme Officers and their supporting staff, the administrative expenses of the Central Council and facilities to be provided under schedule-II and other items as decided by the Central Government. The Committee note that expenditure of Rs. 6380.21 crore (as on 31.01.2013) has been incurred under different heads of administrative expenditure. The Committee note that States/UTs have not been able to utilise funds available under the head of administrative expenditure. The effect of which could be seen on availability of requisite manpower and other infrastructure necessary for execution of MGNREGA works. The Committee also find that several instances of improper or disproportionate use of funds available under administrative expenditure like booking of salaries of ineligible categories of employees, diversion of funds to other programmes, payment of ex-gratia etc. have been reported to the Department. The Committee are of the view that planning for effective and proper use of funds available for administrative expenditure for manpower and other infrastructure be made available to PRIs and other agencies which is essential for implementation of MGNREGA. Efforts should be made for provision of assistance of Engineers and Accounts Assistants to PRI for effective implementation of work. The Committee desire the Department to work out strategy in consultation with State Governments for effective utilization of these funds. The Committee also recommend the Department to take steps to initiate action against Officials found guilty of improper use of funds made available under MGNREGA.

Reply of the Government

As per the recommendations of the Standing Committee on Rural Development, the Ministry instituted a study through National Institute of Public Finance and Policy (NIPFP), Delhi to find out the reasons for unspent balances under various rural development programmes including MGNREGA. The study report on MGNREGA has been submitted to the Ministry.

As per the provision of Section 18 of MGNREG Act 2005, the State Government is required to make available to the District Programme Coordinator and the Programme Officers, necessary staff and technical support as may be necessary for effective implementation of the Scheme. To enable the States/UTs for augmenting human resources and developing capacity for critical activities Central Government provides upto 6% of the total expenditure on MGNREGA in a Financial Year as administrative expenses. This Central financial assistance is provided to States/UTs under section 22 (1) (c) of MGNREGA, 2005. State governments are advised to supplement this, if required, for effective implementation of the provisions of MGNREGA. The 6 per cent cap on administrative expenses shall operate at the State level. At least two-thirds of this 6% should be spent at the block-level and below. Panchayats, in accordance with their needs and requirements may utilize the administrative expenses for approved activities. The Central Government has issued advisories to the State Governments suggesting deployment of dedicated staff at various levels for the implementation of MGNREGA. The Staff that should be put in place at the Block and Gram Panchayat level includes a full time Employment Guarantee Assistant (EGA) or Gram Rozgar Sahayak, Engineers, Programme Officer, Data Entry operator and Accountant. To facilitate the implementing agencies, the new Operational guidelines, 2013 specifically indicate the activities whose expenses can be met from the Administrative Expenses. The guidelines also

clearly indicate the activities which cannot be booked under the Administrative expenditure. The Administrative expenditure incurred by the States since 2006-07 to 2009-10 were in the range of 2.52% and 3.48%. The Administrative expenditure incurred, as reported by the States during the last three years is indicated as under:

Financial Year	Total Expenditure	Administrative Expenses	% of Administrative Expenses
2010-11	3937727.05	179965.15	4.57
2011-12	3707282.22	211612.15	5.71
2012-13	3977828.72	219477.83	5.52
2013-14	3873602.25	236908.78	6.11
2014-15 (till 18.02.2015)	2977006.50	185475.96	6.23

There is a comprehensive system of monitoring and review of the implementation of MGNREGA, which inter-alia include Periodic Progress Report, Performance Review Committee, Quarterly Regional Reviews, Area Officers' Scheme, National Level Monitors and Vigilance & Monitoring Committees at the State and District levels. Independent Monitoring and verification by National Level Monitors (NLMs) and Area Officers are also carried out in cases of specific complaints. The findings and reports of such review meetings and visits are shared with the concerned States/UT Governments for follow up action. Inquiry reports on specific complaints are analyzed at the central level and suitable advisory are issued to the State Governments for initiation of departmental inquiry, proceedings for disqualification/termination in respect of elected officials, lodging of FIR against the delinquent official(s) in case prima-facie a criminal intent is established, recovery of amount misappropriated etc. Detailed instructions by way of Standard Operating Procedure (SOP) for dealing with complaints have also been issued to all States/UTs and have been displayed on website www.nrega.nic.in.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 8, Para No. 2.9)

The Committee note that creation of durable assets emphasizing on sustainable development is one of the stated objective of MGNREGA, 2005. The Committee also note that the Government has allowed new categories of works such as agricultural related works, livestock related work, rural sanitation etc. under list of permissible works that could be taken up by implementing agencies apart from 8 types of works that were initially provided under MGNREGA, 2005. The Committee note that Act also provides for notification of any other works by the Central Government in consultation with State Governments. The Committee find that demand for inclusion of new works under the category of permissible work has been made by many State Governments. The Committee are of the view that States/UTs in the country are at different stages of socio-economic development and at the same time, depending upon various geographical conditions, their functional requirement for development may be different. The Committee, therefore, recommend the Department to provide flexibility to the State Governments/UTs to undertake works under MGNREGA that could fulfill functional requirements in rural areas across the country. This will help in utilization of funds along with creation of assets/ developmental works.

Reply of the Government

I. Category (A): PUBLIC WORKS RELAITNG TO NATURAL RESOURCES MANAGEMENT.

- (i) *Water conservation and water harvesting structures to augment and improve groundwater like underground dykes, earthen dams, stop dams, check dams with special focus on recharging ground water including drinking water sources;*
- (ii) *Watershed management works such as contour trenches, terracing, contour bunds, boulder checks, gabion structures and spring shed development resulting in a comprehensive treatment of a watershed;*
- (iii) *Micro and minor irrigation works and creation, renovation and maintenance of irrigation canals and drains; Renovation of traditional water bodies including desilting of irrigation tanks and other water bodies;*
- (iv) *Afforestation, tree plantation and horticulture in common and forest lands, road margins, canal bunds, tank foreshores and coastal belts duly providing right to usufruct to the households covered in Paragraph; and*
- (v) *Land development works in common land.*

II. Category (B): COMMUNITY ASSETS OR INDIVIDUAL ASSETS FOR VULNERABLE SECTIONS (ONLY FOR HOUSEHOLDS IN PARAGRAPH)

- (i) *Improving productivity of lands of households specified in Paragraph 5 through land development and by providing suitable infrastructure for irrigation including dug wells, farm ponds and other water harvesting structures;*
- (ii) *Improving livelihoods through horticulture, sericulture, plantation, and farm forestry;*
- (iii) *Development of fallow/waste lands of households defined in Paragraph 5 to bring it under cultivation;*
- (iv) *Unskilled wage component in construction of houses sanctioned under the Indira Awaas Yojana or such other State or Central Government Scheme;*
- (v) *Creating infrastructure for promotion of livestock such as, poultry shelter, goat shelter, piggery shelter, cattle shelter and fodder troughs for cattle; and*
- (vi) *Creating infrastructure for promotion of fisheries such as, fish drying yards, storage facilities, and promotion of fisheries in seasonal water bodies on public land;*

III. Category (C): COMMON INFRASTRUCTURE INCLUDING FOR NRLM COMPLIANT SELF HELP GROUPS

- (i) *Works for promoting agricultural productivity by creating durable infrastructure required for bio-fertilizers and post-harvest facilities including pucca storage facilities for agricultural produce; and*
- (ii) *Common work-sheds for livelihood activities of self-help groups.*

IV. Category D: RURAL INFRASTRUCTURE:

- (i) *Rural sanitation related works, such as, individual household latrines, school toilet units, Anganwadi toilets either independently or in convergence with schemes of other Government Departments to achieve 'open defecation free' status. and solid and liquid waste management as per prescribed norms*

- (ii) *Providing all-weather rural road connectivity to unconnected villages and to connect identified rural production centres to the existing pucca road network; and construction of pucca internal roads/streets including side drains and culverts within a village;*
- (iii) *Construction of play fields;*
- (iv) *Works for improving disaster preparedness or restoration of roads or restoration of other essential public infrastructure including flood control and protection works, providing drainage in water logged areas, deepening and repairing of flood channels, chaur renovation, construction of storm water drains for coastal protection;*
- (v) *Construction of buildings for Gram Panchayats, women self-help groups' federations, cyclone shelters, Anganwadi centres, village haats and crematoria at the village or block level.*
- (vi) *Construction of Food Grain Storage Structures for implementing the provisions of The National Food Security Act 2013 (20 of 2013);*
- (vii) *Production of building material required for construction works under the Act as a part of the estimate of such construction works.*
- (viii) *Maintenance of rural public assets created under the Act; and*
- (ix) *any other work which may be notified by the Central Government in consultation with the State Government in this regard.*

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 9, Para No. 2.10)

The Committee are unhappy to find that there is delay in completion of works under MGNREGA scheme, and the implementing agencies have not been able to complete works within time limit of six months. The Committee note that implementing agencies were able to complete only 98.36 lakh works out of 296.13 lakh works undertaken during first seven years (as on 30.01.2012) of implementation of MGNREGA. The Committee's examination has revealed that performance of smaller States such as Kerala, Manipur and Mizoram was better than the bigger States like Uttar Pradesh, Bihar, Tamil Nadu, Madhya Pradesh and Maharashtra. The Committee find it difficult to understand that factors such as time lag between project completion and uploading of information on website, non-feasibility of some projects etc. could be reasons for bad performance of implementing agencies. In this regard, the Committee find some merit in findings of Working Groups on MGNREGA for 12th Five Year Plan which *inter-alia* has pointed out that reasons such as cost escalation of projects due to revision of wage rate and material rate are affecting timely completion of projects. The Committee are of the view that factors such as design of project, technical expertise of implementing agencies/PRIs, lack of proper planning as reflected in various research studies on MGNREGA etc. might be reason for large number of incomplete work. The Committee, therefore, recommend the Department to analyse reasons for increasing number of incomplete works in different States/UTs and take remedial steps to improve capabilities of implementing agencies to complete projects within given time limits.

Reply of the Government

The provisions in Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are effected through Schemes formulated by States under Section 4(1) of the Act. The Schemes made by the States are required to provide for the minimum features specified in Schedule I of the Act which lists the

category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREG Act shall focus upon. Schedule I of MGNREGA has been suitably amended to include various new works which would give thrust to activities relating to Agriculture, watershed, Livestock, Fisheries, Rural Drinking Water and works in coastal areas which have scope for creation of durable assets and enhance the livelihood of the rural poor. As per section 16 of MGNREGA, Gram Panchayats in the meetings of Gram Sabha and ward Sabha are to determine the order of priority of the works to be taken up under the MGNREGA. As per Section 13 of MGNREGA, the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the schemes made under this Act. The Panchayats at the district level shall finalize and approve block-wise shelf of projects to be taken up under a programme under the scheme. The updated data in MIS reveal that 251 lakh works started since inception, 163 lakh (65%) works have been completed has reported by the States. Delay in completion of works can be attributed to reasons such as execution of works spanning more than one year, revision of wages and material cost midway of completion of the work, beginning of new works before completion of ongoing work etc. The Central Government has issued 'MGNREGA Operational Guidelines, 2013 (4th Edition) which has discussed in detail every aspect of the implementation of the scheme including 'Strategy to address incomplete works'. Measures suggested to address the issue are;

- (1) Splitting of works into annual work elements with each annual segment given a distinct work identity.
- (2) Re-estimation of value of project by the District Programme Coordinator (DPC) on a suo-moto basis, post revision of wages and material cost.
- (3) No sanction to be given for beginning new works in cases where Programme Implementing Agency (PIA) have incomplete works for more than one fiscal year/capping the number of works than can be opened up in any Gram Panchayat (GP) at a given time while there are incomplete works in the same GP.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 10, Para No. 2.11)

Regular supervision and inspection of works is necessary to ensure quality of work undertaken in MGNREGA. The Committee note that para 14 of Schedule I of the MGNREGA, 2005 provide for regular inspection and supervision of the works. Surprisingly, the Department does not have any information regarding number of works supervised in each States/UTs. The Committee are astonished to find that Department is not serious to implement guidelines issued in this regard. The Committee are of the view that inspection and supervision of works not only pinpoint irregularities in execution of projects, but also bring out difficulties being faced by the implementing agencies. Thus, regular supervision and monitoring will help the Government to take steps to bring improvement in project modules and implementation process of projects. The Committee, therefore, recommend the Department to take up the issue with the State Governments concerned to ensure supervision and inspection of the works as laid out in the Act. At the same time, the Department should make provision for uploading of information of monitoring and supervision on MGNREGA website.

Reply of the Government

Schedule-I of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), as amended from time to time, lists the category of works that any Scheme prepared by a State Government under Section 4(1) of MGNREG Act shall focus upon. To improve the quality of works under MGNREGA following steps/action has been prescribed by the Ministry:

1. The targets are fixed for internal verification of works at the field level by the official functionaries – 100% of works at the Block Level, 10% of works at the District level and 2% of the works at the State level.
2. Technical Manuals on Watershed, Natural Resource Management (NRM), Forestry and MGNREGA Works Field Manual have been prepared and circulated to all the States.
3. For gap filling and value addition, Joint Convergence Guidelines of Mahatma Gandhi NREGA with the ongoing schemes of different Ministries have been prepared and are being implemented.

The Ministry of Rural Development has set up internal and external systems to closely monitor Mahatma Gandhi NREGA both physical and financial performance of States. These mechanisms also assess the pace and quality of Mahatma Gandhi NREGA processes and procedures and identify critical issues that need to be addressed on priority. The monitoring mechanism involves;

- (i) Internal Monitoring through fully functional Management Information System (MIS).
- (ii) External Monitoring through Statutory Institutional Mechanisms like Central Employment Guarantee Council (CEGC) and through field visits of National Level Monitors and Area Officers.
- (iii) Review with States: Feedback on programme implementation is discussed and analyzed with State Governments through quarterly Performance Review Committee meeting and periodic state level reviews.
- (iv) Social Audit.
- (v) Vigilance and Monitoring Committees.

To reduce implementation deficiencies under MGNREGA, the Ministry has taken following initiatives for better implementation of the scheme:

1. On the basis of the committee constituted under the chairmanship of Dr. Mihir Shah, Member, Planning Commission the MGNREGA Operational Guidelines were revised and came into effect from on 1.4.2013.
2. Schedule-I of MGNREG Act was amended to include various new works which would give thrust to activities relating to Agriculture, watershed, Livestock, Fisheries, Rural Drinking Water and works in coastal areas which have scope for creation of durable assets and enhance the livelihood of the rural poor. Construction of Anganwadi Centres and Playgrounds has also been subsequently included as permissible works.
3. To reduce delay in payment of wages, Ministry has initiated "Electronic Fund Management system (e-FMS)" in all States. The system is at present functional in 18 states and is expected to be rolled out across country by March, 2014.
4. The States have also been instructed to roll out Electronic Muster Roll (e-MR) and till last reported; e-MR has been implemented in 202421 Gram Panchayats.
5. Ministry has also issued circular on Certification of Accounts and Financial Audit of MGNREGA Accounts at Gram Panchayats Level by Chartered Accountant of 10 % GP of highest spending districts in all states.
7. Ministry has constituted a Programme Advisory Group (PAG) and has also set up National Resource

Groups (NRG) on thematic areas namely Demand Capture and Unemployment Allowance, Planning and Quality of Works, delay in payment: Fund flow systems, Organisation of workers and worksite management, MIS and IT systems and Transparency and Accountability.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 12, Para No. 2.13)

The Committee note that a special leave petition challenging the order posted by the Hon'ble High Court of Karnataka on validity of section 6(1) of MGNREGA, 2005 that empower Central Government to fix wage rates for the purpose of the Act, notwithstanding anything contained in the Minimum Wages Act, 1948 is pending before the Hon'ble Supreme Court of India. On this issue, the Committee have been informed that the wage rate in respect of all State Governments/UTs has been fixed under a settled wage policy of the Government of India based on indexation to Consumer Price Index for Agriculture Labour. It has led to a situation where MGNREGA wage rate was less than minimum wage rate for agricultural labourers in 6 States. The Committee, therefore, would like the Department to initiate consultation with the Ministry of Labour & Employment and State Governments to solve vexing problem of incongruence of wage rate for MGNREGA and provisions of the Minimum Wages Act, 1948. Needless to point out that it should be revised periodically based on a fixed formula that takes care of increased price/consumer index.

Reply of the Government

The Hon'ble Supreme Court has granted an interim stay to the orders of the High Court of Karnataka (dated 23.9.2011) accepting the plea of the petitioner in WP No.30619/2009 challenging the constitutional validity of Section 6 of MGNREG Act to issue notification specifying wage rate. Since the matter is sub-judice, the final view of the Government need to take into account the orders of the apex court on the pending Special Leave Petition. The Government of India has also constituted a committee under the chairmanship of Dr. Pronab Sen, then Principal Adviser, Planning Commission to develop a mechanism to evolve a framework to create a separate index for updation of MGNREGA wages. The issue is being pursued with the committee for submission of its report. The Central Government has also decided that till such time a satisfactory index is proposed by Dr. Sen committee and accepted by the Government, the Government could index the wages with the Consumer Price Index for Agricultural Labourers (CPIAL) and accordingly issued a notification on 14.1.2011 revising MGNREGA wages by linking it to the CPIAL. It has also been decided to increase the wage rate annually. The wages rates have been last revised w.e.f. 1st April, 2013.

The Government of India has also constituted a committee under the Chairmanship of Prof. S. Mahendra Dev to suggest a proper index for revising MGNREGA wage rates every year by protecting the wages against inflation. The expert Committee constituted under the Chairmanship of Prof. S. Mahendra Dev has recommended to reset the base wage rate by considering the existing MGNREGA wage rate as in 2014, or the Minimum Wage prescribed under the Minimum Wages Act whichever is higher. The Committee has also recommended adopting Consumer Price Index (Rural) instead of the Consumer Price Index (Agricultural

Labour) for indexing the wage rate to inflation. The recommendations are under examination at the Government level.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 13, Para No. 2.14)

The Committee note that section 3(3) of the Act provides for payment of wages to the workers within 15 days of date on which such work was done. However, most of the States have failed to disburse wages within time limit as laid down in the Act. At the same time, workers are also not being compensated for delay in payment of wages according to provisions of Payment of Wages Act, 1936 as provided in MGNREGA, 2005. The examination of the issue by the Committee has revealed that main reason for delay in payment of wages under MGNREGA is less availability of required administrative and technical staff in different States which leads to administrative delay such as delay in measurement of work, not adhering to strict schedule of closing of muster roll within fortnight etc. Since majority of population in rural areas are dependent on daily wages, failure of the Government to ensure timely payment of wages to workers may force people to distress migration in search of employment in other sectors or areas which could provide them daily payment. The Committee, therefore, recommend the Department to take immediate steps for recruitment of necessary manpower and required infrastructures at every level to ensure adherence to time limit for payment of wages to workers. The Committee also desire, the Department to enforce the provisions of the MGNREGA regarding payment of requisite compensation to the workers who are paid wages beyond the prescribed time frame.

Reply of the Government

The Ministry has initiated various steps to address concerns expressed on delay in payment of wages. Electronic Fund Management System (e-FMS) has been introduced and 23 states have since switched over to e-FMS for making payments. Roll out of e-FMS in the remaining states is expected by March, 2014. The States have also been instructed to roll out Electronic Muster Roll (e-MR) and till last reported; e-MR has been implemented in 228950 Gram Panchayats. To enforce the payment of compensation for delay in payment of wages, the provisions in para 30 of Schedule II of the Act has been amended (notification dated 24th September, 2013). The salient features of the amendments are as under:

1. Quantum of compensation has been prescribed depending on the number of days of delay from the date of closure of the muster roll.
2. Delay in payment of compensation beyond prescribed time limit to be treated at par with that of delay in payment of wages.
3. For accountability, various processes determining the payment of wages have now been divided into various stages to facilitate fixing of responsibility.
4. Provision to be included in NREGASoft to automatically calculate the compensation payable.
5. The compensation shall be paid by the State Government and subsequently recovered from the delinquent functionaries/Agencies.

6. District Programme Coordinator/Programme Officer to ensure payment of wages and compensation, if any, and put the system in operation for calculation of wages and compensation.
7. Days of delay in payment of wages, compensation due and paid to be reflected in MIS and Labour Budget.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 17 of Chapter I of the Report)

Recommendation (Serial No. 14, Para No. 2.15)

The Committee note that 8.67 crore Banks/Post Office accounts have been opened in the country to make payment of wages to the MGNREGA workers. However, the Committee note that many problems like delay in fund transfer, insufficient cash limit of Post Offices, distance of Banks/Post Offices, single man working branch etc. have been noticed which causes delays in payment of wages. The Committee also note that initiative such as appointment of banking correspondents is yet to become fully operational in majority of the States. The Committee, therefore, desire the Department to consult States to enhance cash and line limit of Post office, so that they do not face problem of cash while making payment to MGNREGA workers.

Reply of the Government

The Ministry has been following up with the Department of Posts to facilitate the process of operationalization of timely and adequate disbursement of wages through Post Offices to MGNREGA workers. The issue relating to adequate Cash limit and line limit of Branch Post-offices and Sub-Post Offices has been taken up with the Department of Post. That Department has now authorized the Chief Post Master Generals (CPMGs) to enhance the maximum cash limits of Branch Post Offices and Sub-Post offices and line limits wherever required. In this context, the States have been advised by the Ministry to identify Branch Post-offices and sub-post offices requiring adequate cash and line limits and take up the matter with the CPMGs concerned.

In accordance with these guidelines, it has been reported that in the state of Andhra Pradesh, the Post Offices are disbursing wages in 70% of the Blocks. The Department of Posts has increased the lime limit of post offices to Rs.50,000.

With reference to covering Gram Panchayats (GPs) which do not have a branch post office, the matter has been taken up with Department of Posts to permit opening of branches on a franchise model.

Department of Financial Services has informed that there are 2.65 lakh banking correspondents in the country appointed by various banks. Out of these, the banking correspondents are disbursing wages in the state of Andhra Pradesh (full), Karnataka, Jharkhand and Maharashtra (partly). The policy of Ministry of Rural Development is to fully operationalize the disbursement of wages at GP level using biometric authentication through banking correspondents before June, 2014.

The Ministry has advised the States to roll-out Electronic Fund Management System (e-FMS) by March, 2015. Besides, Banks, the post offices are using e-FMS platform to remit the wages of the MGNREGA workers directly to their accounts. The aim of rolling out e-FMS is to maintain transparency and reduce delays in wage payments under MGNREGA.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 15, Para No. 2.16)

On the issue of use of information and Communication Technology for timely payment of wages, the Committee note that Government have proposed many steps such as of Electronic Fund Management System (e-FMS), Electric Muster Roll (e-MR), Electronic Transfer of Data Files, Biometric based authentication for payment to workers etc. to speed up formalities associated with payment of wages. The Committee appreciate efforts of the Department taken in this regard and recommend fast track implementation of these proposals which are intended to benefit workers across the country.

Reply of the Government

The Ministry has also initiated various steps to address areas of concern relating to delay in payment of wages. Electronic Fund Management System (e-FMS) has been introduced and 23 states have since started making payments through e-FMS. Roll out of e-FMS in the remaining states is expected by March, 2015. The States have also been instructed to roll out Electronic Muster Roll (e-MR) and till last reported; e-MR has been implemented in 228950 Gram Panchayats. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), along with pension schemes of National Social Assistance Scheme (NSAP) has been identified for Direct Benefit Transfers. For the roll out of DBT, the Ministry is required to digitize its beneficiary database and seed them with Aadhaar numbers. To speed up the process of seeding with Aadhaar numbers and its authentication, it is also proposed to enlist the services of Centre for Development of Advanced Computing (CDAC), Ministry of Information Technology for authentication, door-to-door survey by Gram Rozgar Sahayaks (GRS) for seeding Aadhaar numbers and deployment of mobile module by UID in the mobiles of GRS.

Follow-up action as under has been taken to expedite the roll-out of e-FMS by the States:

- (a) The Ministry vide its Office Memorandum dated 23.09.2013 has set up a task force for implementation of e-FMS in all districts under MGNREGA. Andhra Pradesh has fully switched over to e-FMS for payment of wages, Material and Administrative expenses.
- (b) The States of Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Tripura, Andhra Pradesh, Telangana, Uttar Pradesh, Uttarakhand, West Bengal and Puducherry have switched over to e-FMS Time-lines have been fixed for the states to switch over to e-FMS. For the purpose, the states have been divided into five groups with time lines fixed separately depending on the type of payments viz. Wages, Material Administrative expenses. These time lines range from November, 2013 to March, 2014.
- (c) Time-lines have been fixed for the States to switch over to e-FMS. All States to be on e-FMS from 1st April, 2015 onwards.

(d) In some locations VSATS are to be provided (477 blocks), all there will be converted to e-FMS once VSATS are operationalized.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 17, Para No. 2.18)

The Committee note that National level monitors are deployed by the Ministry of Rural Development to ensure effective implementation of rural development programmes in a transparent manner. The NLMs are deployed for regular and special monitoring of scheme/programme of the Ministry and to enquire into complaints regarding mis-utilization of funds, irregularities etc. The Committee note that 1910 visits have been undertaken by the NLMs and findings of 404 complaints as inquired by NLMs have been shared with States concerned for taking corrective action. The Committee also note that 116 cases of complaints related to MGNREGA have been investigated by the NLMs. The Committee regard NLM as an important mechanism for monitoring of Scheme/programmes of rural Development including MGNREGA. However, there is need to enhance the frequency of regular and special monitoring as it will help the Ministry to gather information on implementation of programmes at the ground level that may help the Ministry to intervene if any irregularities are detected. At the same time, the Ministry should ensure that corrective action is taken by State concerned on report of the NLMs.

Reply of the Government

The monitoring of RD programmes including MGNREGA through the National Level Monitors (NLM) help to identify lacunae and discrepancies on a regular basis by developing a set of performance indicators for each of the Rural Development programmes. Information collected on these indicators through various mechanism help the programme managers to carry out mid-course corrections as and when necessary. The NLM scheme provides for covering all the districts in the country in a year by NLMs for regular monitoring. The irregularities detected during regular monitoring are required to be furnished by the NLMs in the prescribed proforma. The NLMs are also deputed for special monitoring and enquiry on specific complaints. The number of visits by NLMs has considerably increased in the recent past. During the year 2012-13, the NLMs had made 591 visits covering an equal number of districts for monitoring the implementation of various Rural Development programmes. During this period, 16 cases of complaints pertaining to the implementation of MGNREGA were investigated by the NLMs.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 18, Para No. 2.19)

The Committee note that social audit are not being held at regular interval of six months in most of the States. The Committee note that 2,91,776 Social audits have been conducted during 2011-12 in 1,72,852 Panchayats out of 2,48,204 Gram Panchayats in the country. Also there is negligible participation of Gram Sabhas during social audits due to lack of awareness and failure of administration to ensure

regular meetings of Gram Sabhas. The Committee also observe that performance of MGNREGA is better in those States which have a healthy tradition of social audit. The Committee are of the considered view that apart from ensuring quality of works, regular social audit has the potential to strengthen the spirit of grass root democracy. The Committee, therefore, recommend the Department to take steps for mandatory holding of social audit at a regular interval of six months. The Committee also desire the Department to designate a nodal officer in each District who should be given responsibility to ensure regular social audit in the District. The Committee are happy to note that Department have amended the MGNREGA Audit of Schemes rules to establish Social Audit Units in each State as independent organisation who would be responsible for facilitating social audit by Gram Sabhas. In Committee's view establishment of such independent organisation in the States would go a long way to strengthen the spirit of participative democracy through social audit.

Reply of the Government

The Ministry has, in consultation with the Comptroller & Auditor General of India, notified on 30th June, 2011, the Mahatma Gandhi National Rural Employment Guarantee Audit of Schemes Rules, 2011. The laying down of above rules is a major step in making social audit the principal instrument for transparency and accountability in the implementation of Mahatma Gandhi NREGA. It aims to encourage public participation and put in place an independent institutional mechanism to increase the awareness of the labourers about their rights and entitlement under MGNREGS.

The salient features of the Audit of Scheme Rules 2011 are:-

- Every Gram Panchayat to have at least one social audit every six months;
- Social Audit Unit to be independent of implementing agencies to facilitate social audit by Gram Sabha;
- Social Audit Unit to be responsible for building capacities of Gram Sabhas for conducting social audit by identifying, training and deploying suitable resource persons at village, block, district and state level;
- Social Audit Unit to create awareness amongst the labourers about their rights and entitlements under the Act;
- Social Audit Unit to facilitate verification of records with primary stakeholders and work sites;
- Resource persons to be drawn from primary stakeholders and other civil society organizations having knowledge and experience of working for the rights of the people;
- Resource persons to be deployed for facilitating social audit in a Panchayat not to be residents of the same Panchayat;
- Resource persons to inform the labourers and the village community about the Gram Sabha conducting social audit;
- All elected members of Panchayats and implementing staff to be present and respond to queries at the Gram Sabha;
- Social audit report to be prepared in local language and displayed on the notice board of the Gram Panchayat;
- Summary of findings of social audit to be submitted by the State Government to the Comptroller & Auditor General of India.

Establishment of Social Audit Directorate/Society: Independent Social Audit Units (either Society or Directorate) have been set up in 10 States; viz. Andhra Pradesh, Haryana, Karnataka, Madhya Pradesh, Mizoram, Odisha, Rajasthan, Uttar Pradesh, Tamil Nadu and West Bengal. 6 States namely Gujarat,

Himachal Pradesh, Nagaland, Punjab, Sikkim and Tripura have outsourced facilitation of Social Audit in the State to external agencies. Cabinet approval for setting up Directorate in Maharashtra and Society in Manipur has since been accorded.

Appointment of Director (Social Audit): 14 States viz. Andhra Pradesh, Haryana, Karnataka, Himachal Pradesh, Madhya Pradesh, Odisha, Rajasthan, Sikkim, Mizoram Tamil Nadu, Jammu & Kashmir, Uttar Pradesh, Nagaland and West Bengal have appointed Director (Social Audit) and selection process has been completed in the states of Bihar and Chhattisgarh.

Pilot Social Audit: 17 states namely Andhra Pradesh, Chhattisgarh, Jharkhand, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Odisha, Punjab, Rajasthan, Tamil Nadu, Sikkim, Uttar Pradesh and West Bengal have already conducted pilot social audit in identified Blocks.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 19, Para No. 2.20)

On the issue of formulation of Grievance Redressal Rules, the Committee note that only 8 States/UTs namely, Andaman & Nicobar islands, Haryana, Kerala, Meghalaya, Mizoram, Rajasthan, Sikkim and Uttar Pradesh have framed grievance redressal rules. The Committee desire the Department to take the matter for framing of Grievance Redressal Rules by rest of the States also. The Committee also note that Department do not have any provision for compilation of data related to complaints received by the Grievance Redressal Authorities. The Committee, therefore, recommend the Government to initiate measures for compilation and uploading of information related to number of cases received and resolved by the Grievance Redressal Authorities in each State on MGNREGA MIS.

Reply of the Government

In compliance with Section 19 of MGNREGA, the State Governments shall, by rules, determine appropriate grievance redressal mechanisms at the Block level and the district level for dealing with any complaint by any person in respect of implementation of the Scheme and lay down the procedure for disposal of such complaints. The matter regarding issuance of various rules governing the implementation of MGNREGA was recently reviewed during the PRC meeting held on 24-25 September, 2013. It was reported that 17 states namely; Andhra Pradesh, Chhattisgarh, Karnataka, Madhya Pradesh, Punjab, Maharashtra, Meghalaya, Bihar, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Kerala, Odisha, Rajasthan, West Bengal and Sikkim have since notified/framed Grievance Redressal Rules. The recommendation of the Committee regarding notification of rules in the remaining states and compilation and uploading of information related to cases received and resolved have also been taken up with the states for compliance.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 20, Para No. 2.21)

The Committee note that the Ministry have proposed for appointment of ombudsman in each District for grievance redressal for the issues related to MGNREGA. The Committee also note that so far 263 Ombudsman have been appointed in 22 States. The Committee while appreciating efforts of the Government for appointment of ombudsman would like the Department to take steps for early appointment of ombudsman in remaining Districts. The Committee also desire the Department to take steps for generating awareness about the institution of ombudsman, so that, more people could be encouraged to lodge their complaints/grievances.

Reply of the Government

Appointment of Ombudsman is reviewed from time to time and as reported during the recent PRC meeting, 408 districts of 24 states have been covered by appointment of Ombudsman. Appointments of Ombudsman in the remaining states/districts are also being expedited. The job card holders are made aware of the services of the Ombudsman through the new approach in IEC strategy. The new IEC strategy for MGNREGA focus on mid media and interpersonal media initiatives to ensure that the key messages reach the target group in a more effective and sustainable way. This would help the illiterate MGNREGA workers to access and understand these key messages. The state-level IEC action plan would aim at facilitating dissemination of right based provisions of the Act and ensure that the workers know the procedure to exercise these rights for redressal of their grievances.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 24, Para No. 2.25)

The Committee observe that PRIs have been given a lot of responsibilities for implementation of MGNREGA including formulation of District Perspective Plan. The Committee also note that majority of Schemes of the Ministry of Rural Development are being carried out through PRIs. However, the Committee observe that no separate funds have been earmarked by the Ministry for capacity building of PRIs. The Committee feel that in order to achieve the objective of democratic decentralization, it is necessary to provide adequate funds for arranging manpower and other necessary infrastructure. At the same time, there must be provision for regular training of elected representatives of panchayats and personnel rather than one time training for single day so that, they can successfully carry out responsibilities entrusted to them. The Committee, therefore, recommend the Ministry to carve out a reasonable fund out of funds earmarked for rural development programmes for capacity building of Panchayati Raj Institutions.

Reply of the Government

Training of functionaries engaged in the implementation of MGNREGA is one of the permissible activities under the Administrative expense (6%). States in collaboration with SIRD prepares training calendar and modules for training of functionaries. Under the major head of MGNREGA, there is a minor head for Capacity Building and Technical Support. For the current financial year, Rs 6.00 crore has been earmarked for it. This budget is primarily used for conducting capacity building programme at the national level, for example during this year Ministry in association with NIRD is organizing a three days Training of Trainers for State Resource Team on MGNREGA Operational Guidelines, 2013. Under this TOTs ten TOTs will be conducted and from each State minimum ten officials/ experts will be trained. The trained officials/ experts in turn will conduct TOTs for District Team and District team in turn will conduct TOT for Block Team. To apprise the State and district level officers about the recent initiatives taken by the Ministry for the effective implementation of MGNREGA Ministry organises regional workshops, conferences (Project director conference), Performance Review Committee meeting etc.

The revised Operational Guidelines 2013 has a dedicated chapter on Capacity Building and Awareness Generation. The chapter provides in detail training structure at different levels, national, state and district. It also provides indicative training session plan and modules for different MGNREGA functionaries. In respect of adequate functionaries at each level the revised MGNREGA Operational Guidelines suggest that at least one GRS be deployed in every GP except in GPs where demand for work under MGNREGA is almost non-existent. More than one GRS may be deployed in GPs that have high labour potential and GPs with scattered habitations and tribal areas, Cluster Facilitation Teams (CFTs) for a cluster of GPs in those blocks that require a more intensive approach to be adopted for successfully meeting the objectives of MGNREGA, a full-time Additional DPC exclusively appointed for MGNREGS to look into the day-to-day operations of MGNREGS and provide leadership in programme implementation at the district level etc.

In order to strengthen the Panchayati Raj system across the country, a centrally sponsored scheme namely Rajiv Gandhi Panchayat Sashaktikaran Abhiyan (RGPSA) approved in March, 2013 is being implemented by this Ministry of Panchayati Raj. Under the scheme the States have to submit their Perspective Plans and Annual Plans for assessing financial assistance for the identified activities under the scheme. The proposals for Perspective and Annual Plans are considered and examined by Central Executive Committee (CEC) constituted under this scheme and the financial assistance is provided to States for the activities (and the quantum of those activities) approved by CEC. The States themselves have to choose the activities that they want to implement in their States under RGPSA. The activities for which the funds are provided to States include provision of manpower at the Gram Panchayat level and Capacity Building and Training. Under the component of manpower, the funds under the Scheme are admissible for administrative, accounting and data entry support to Gram Panchayats and technical assistance at a modest level for blocks. As regards the component of Capacity Building and Training intention is to ensure that all the Elected Representatives as well as functionaries of Panchayats have appropriate knowledge and skills to discharge their functions. These activities will be funded as per the National Capability Building Framework. The total plan allocation available for the RGPSA, including for the administrative support at the level of Gram Panchayat and activities relating to Capacity Building and Training, during the current financial year is Rs. 655 Crore.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 25, Para No. 2.26)

The Committee find that most of the States have failed to meet the target set for recruitment of dedicated staff for implementation of MGNREGA. So far, the States have been able to recruit only 2,12,586 dedicated personnel as against the target of 2,64,085 for implementation of MGNREGA upto the year 2010-11. The Committee find that absence of required administrative and technical staff results in delay of preparation of muster roll, estimation and evaluation of works etc. which ultimately affects generation of employment and delay in payment of wages to workers. The Committee, therefore, recommend the Department to pursue with the all States/UTs to ensure recruitment of qualified manpower for implementation of the MGNREGA. The Committee also desire the Department to allow recruitment of one technical assistant for each Panchayat so that PRIs do not face any problem in planning of schemes under MGNREGA and the Department should also ensure availability of adequate funds in this regard.

Reply of the Government

As per Section 18 of the MGNREG Act, it is the responsibility of the State Government to make available to the District Programme Coordinator and the Programme Officers necessary staff and technical support as may be necessary for the effective implementation of the Scheme. The Central Government has issued advisories to the State Governments suggesting deployment of dedicated staff at various levels for the implementation of MGNREGA. The Staff that should be put in place at the Block level includes a full time Engineers/Technical Assistants, Programme Officer, Data Entry operator and Accountant. Whereas, Employment Guarantee Assistant (EGA) or Gram Rozgar Sahayak and Mates are required to be deployed at Gram Panchayat Level. It is for the State Government to ensure that full time dedicated personnel, wherever required, are in place for implementing MGNREGA. The Ministry has issued MGNREGA Operational Guidelines, 2013 wherein detailed guidelines for deployment of dedicated personnel are explained in Chapter 4 therein on 'Institutional Architecture and Human Resources'. The States have been instructed to upload the status of deployment of staff in MIS every month. Permissible administrative expenditure limit has already been enhanced from 4% to 6% for deployment of dedicated staff. Minimum Institutional Architecture – deployment of necessary staff and technical personnel was one of the focus issues deliberated during the recent MGNREGA Performance Review Committee meeting held on 30-31st January, 2014. The MGNREGA Operational guidelines also indicate in detail the training requirements of various stakeholders, trainers who will provide these requirements and suggested training modules. The training modules and trainers have been suggested depending on the level of the stakeholders involved.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Recommendation (Serial No. 26, Para No. 2.27)

The Committee are concerned to note that targets for training programme for Elected Panchayat Representatives (EPRs) in many States are not being met. The Committee note that, only 4,67,222 EPRs have been trained against the target for training of 6,37,484 during the year 2011-12. Similarly, targets for

training for dedicated personnel under MGNREGA schemes have not been achieved. The Committee also find that present system of one day or one week training programme for PRIs functionaries do not serve the purpose to acquaint EPRs about administrative machinery and process related to work assigned to them. The Committee feel that unless PRIs representatives and staff are adequately trained it would not be possible to achieve the targets of MGNREGA. The Committee, therefore, recommend the Department to chalk out a detailed programme in consultation with National Institute of Rural Development and State institutes of Rural Development for providing comprehensive training programmes for EPRs and other dedicated personnel under MGNREGA. The Committee also desire that the Department should coordinate training programmes in consultation with the Ministry of Panchayati Raj.

Reply of the Government

The MGNREGA Operational Guidelines 2013 has a dedicated chapter on Capacity Building which covers all aspects of training at every level of implementation of the programme. The State Governments may incur the expenditure on training from the Administrative expenses. These guidelines indicate in detail the training requirements of various stakeholders, trainers who will provide these requirements and suggested training modules. The training modules and trainers have been suggested depending on the level of the stakeholders involved i.e. District Programme Coordinator (DPC)/other district level officers, District Trainer team, Programme Officer/Assistant Programme Officer, Junior Engineer/Cluster Facilitation Teams/ Technical Assistant, Programme Implementation Agency (PIA) team, Gram Rozgar Sahayak or Employment Guarantee Assistant/Mates, Gram Panchayat Leaders and MGNREGA workers. Thus the training involves District level functionaries /Implementing agencies and upto the actual beneficiaries of the scheme.

To acquaint the State MGNREGA functionaries and faculty members of State Institute of Rural Development (SIRD) with the new provisions of MGNREGA Operational Guidelines-2013, the Ministry through NIRD propose to conduct a three-day Training of Trainers (ToT) programme. The prime objective of this training is to develop a cadre of identified trainers/ experts in the subject matter of MGNREGA implementation in respective States. This ToT programme has been designed for mid-level to senior-level MGNREGA implementing officers in the State and faculty members of the State Institute of Rural Development. From each State following staff/experts will be trained:

- i. Commissioner/ Director in charge of MGNREGA (1)
- ii. Finance/ Accounts (1)
- iii. Engineer (1)
- iv. MIS (1)
- v. Social Mobilisation (1)
- vi. Social Audit (1)
- vii. State Quality Monitor (1)
- viii. SIRD Faculty (3)

These trained staff/experts will function as a State Resource Team (SRT). These trained functionaries will in turn create District Resource team and in turn Block Resource Team.

The Ministry of Rural Development has a full-fledged training division which caters to the training requirements of all rural development programmes being implemented by the Ministry. Training imparted

during the last 3 years by the training division through the State Institutes of Rural Development (SIRDs)/ Extension Training Centres (ETCs) are given as under;

Year	Training Programmes conducted	Participants
2010-11	41030	1764209
2011-12	23878	1144213
2012-13	24763	1399911

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development (Ministry of Rural Development)]

Recommendation (Serial No. 27, Para No. 2.28)

The Committee note that many positive as well as negative trends have been observed in the implementation of MGNREGA Scheme since 2006. Keeping in view of these trends, it becomes imperative to take steps for revamping of MGNREGA in order to realize the objectives of world's largest employment guarantee programme. The Committee are of the view that capacity building of PRIs for proper planning should be the priority area towards efforts for revamping of MGNREGA. Further, success in engaging PRIs and Gram Sabha for formulation of District Perspective Plan (PPP) will lead to effective utilization of resources allocated for implementation of MGNREGA. Secondly, there is need for giving more emphasis on semi-skilled and skilled works as it will help rural population to acquire skill. The Committee, therefore, recommend the Department to devise ways to bring more synergy with MGNREGA and National Rural Livelihood Mission (NRLM)-Ajeevika. Monitoring and Vigilance of MGNREGA works is another area which require attention. The Committee observe that present system of vigilance & Monitoring viz. Social audit, National level monitor, supervision & inspection of works etc. has not been able to prevent misappropriation of funds, violation of guidelines etc.. The Committee, therefore, desire the Department to take steps to strengthen mechanism for monitoring & vigilance. The Committee also recommend the Department to establish vigilance cell at State and District level and Vigilance and Monitoring Committee at the local level as proposed by Mihir Shah Committee on revision of guidelines of MGNREGA.

Reply of the Government

An important goal of MGNREGA is to deepen democracy at the grassroots and bring about greater transparency, responsiveness and accountability in local governance. MGNREGA provides a powerful, legal entitlement and opportunity to realise the objectives of the 73rd Amendment of the Constitution. The Act formally declares the Panchayats at the three levels as "principal authorities for planning and implementation of the Schemes made under this Act" and this provision is backed up by substantial guaranteed resources. Capacity building and technical support of State/District/Block level rural development functionaries/agencies and Panchayat Raj Institutions (PRIs) officials and awareness generation of potential and existing workers forms the most strategic aspect in effectively implementing rural development schemes, policies and plans of the government. Detailed guidelines in this regard have been shared with the States/UTs through the revised MGNREGA Operational Guidelines.

The mandate of MGNREGA is to provide guaranteed wage employment upto 100 days to every rural household whose adult members volunteer to do unskilled manual work and thereby enhance livelihood

opportunities. National Rural Livelihood Mission (Aajeevika) and MGNREGA have similar mandates to reach out to the most marginalised sections of the society. Aajeevika Skills aims to skill rural youth who are poor and provide them with jobs having regular monthly wages at or above the minimum wages. Aajeevika Skills allows convergence with MGNREGS to the extent that Youth who have worked as labourers in MGNREGA worksites for at least 35 days in each of the previous three years will also be eligible even if they are not in the BPL list. Under the new Aajeevika Skills Guidelines 2013, skilling projects are now possible for training and placement for improved Public Service Delivery, which could include MGNREGA also.

All States are required to make arrangements for a three-tier vigilance mechanism to proactively detect irregularities in the implementation of the Act and to follow up detected irregularities and malfeasance including those identified during Social Audit and ensure that the guilty are punished and recoveries made. Vigilance Cells are to be set up at the State and District level and Vigilance & Monitoring Committees at the local level. Specific duties and responsibilities have also been assigned to these Vigilance Cells and Vigilance & Monitoring Committees.

To operationalize the new Mahatma Gandhi NREGA Operational Guidelines and to analyze the policy planning and implementation issues and provide support to State Government for effective implementation of the programme, a Programme Advisory Group (PAG) on Mahatma Gandhi NREGA has been constituted. The PAG would identify policy and implementation issues related to Mahatma Gandhi NREGA at the local, state and national level for focusing entitlements and livelihoods, covering processes and procedures, systems and institutions, techniques and technologies. PAG has decided to set up National Resource Groups (NRGs) on the six thematic areas and identified core resource persons for each group i.e. NRG on Demand Capture and Unemployment, NRG on Planning and Quality of Works, NRG on delays in payment: Fund flow system, NRG on Organization of works and Worksite Management, NRG on MIS and IT systems, NRG on Transparency and Accountability. Other important measures in place to ensure transparency and accountability are:

- Provisions in MGNREG Act entails Employment within 15 days of application for work, failing which unemployment allowance will have to be paid.
- Compensation for delayed payment of wages is admissible if the payment is not made within 15 days of closure of the Muster Roll. The process will be closely monitored through MIS and responsibility fixed.
- The Ministry has notified MGNREGA Audit of Schemes Rules 2011 in consultation with the Comptroller and Auditor General of India.
- With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment, Schedule II of MGNREG Act was amended to ensure wage disbursement to MGNREGA workers through institutional accounts in Banks or Post Offices (unless specifically exempted).
- To reduce time required in payment of wages, State Governments have been instructed to roll-out electronic Fund Management System (e-FMS). 23 States have since switched over to e-FMS. Time lines have been fixed for states to switch over to e-FMS by March, 2015.
- To strengthen the institutional outreach for wage disbursement, State Governments have been instructed to roll out the Business Correspondent Model to make wage payment through Banks with Biometric authentication at GP/village level.
- Permissible administrative expenditure limit was enhanced from 4% to 6% for deployment of dedicated staff for MGNREGA, strengthening management and administrative support structures for social audit, grievance redressal and Information and Communication Technology (ICT) infrastructure.

- ICT based MIS has been made operational to make data available to public scrutiny including job cards, muster rolls, employment demanded and number of days worked, shelf of works, funds available / utilised, social audit findings, registration of grievances, etc. Uploading of Photographs of works has been instructed.
- Instructions have been issued for affixing photographs to the existing job cards.
- States have been instructed to switch to e-Muster Rolls to check instances of tampering and misuse of muster rolls.
- Instructions have been issued directing all States to appoint Ombudsman at district level for grievance redressal.
- The State and district level Vigilance and Monitoring Committees have been established for monitoring of the scheme.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF REPLIES OF THE GOVERNMENT

-NIL-

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 11, Para No. 2.12)

The Committee note that water related works constitute majority of works (54.58 percent) undertaken in MGNREGA, while work on private lands of SC/ST/BPL/SML and IAY and Land reform beneficiaries, Land development, rural connectivity and others (Bharat Nirman Kendra) constitute the 10.38%, 11.38%, 19.47% and 3.7% respectively. The Committee take note of the fact that MGNREGA works are being criticized for poor quality of assets created under it. The Committee's examination has revealed that expenditure limit of 40 percent imposed on material component including skilled and semi-skilled workers is restricting implementing agencies to undertake works requiring material components or skilled workers. The Committee find some merit in argument of the Department that works with higher material component will invariably bring in contractor system. However, the Committee are of the considered view that adopting a uniform yardstick for wage material ratio across the country causes problems in hilly States such as Jammu & Kashmir, Himachal Pradesh etc. and other difficult areas of the country such as Andaman & Nicobar Islands and flood prone areas where cost of raw material and transportation is higher than rest of the country. The Committee, therefore, recommend the Department to allow specific relaxation in wage-material ratio in case of aforementioned hilly and difficult areas/States. Needless to emphasise that there should be in-built flexibility to meet the specific situations.

Reply of the Government

The primary objective of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is to enhance the livelihood security of the rural households by providing up to 100 days of guaranteed wage employment in a year to every household on demand for doing unskilled manual work. The focus of activities under MGNREGA is on wage employment as given in Schedule-I of MGNREG Act, which list out the activities in the order of their priority.

Vide the Notification dated 21.07.2014, amendments have been made by the Government in paragraph 4 and 20 of Schedule –I of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) providing for at least 60% of the works in a district in terms of cost for creation of productive assets directly linked to agriculture and allied activities through development of land, water and trees. To ensure quality, productivity and durability of assets created under MGNREGA, cost of material component including the wages of the skilled and semi-skilled works shall not exceed 40% at the Gram Panchayat level for all the works taken up by the Gram Panchayats. For works taken up by the implementing agencies other than Gram Panchayats, the overall material component shall not exceed 40% at the district level.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 14 of Chapter I of the Report)

Recommendation (Serial No. 16, Para No. 2.17)

The Committee note that provisions under MGNREGA for payment of unemployment allowances where demanded work is not given in stipulated time is not being adhered to almost all States/ UTs. The Committee are also astonished to note that so far only 4078 workers were paid unemployment allowances in 8 States during 2006-09 and Rs. 1,23,589 has been paid to eligible beneficiaries in 2010-11 in six States. The Committee also note that non-issuance of dated receipt of demanded work as pointed out by audit report of C&AG of India, prevents workers to claim unemployment allowance. The Committee are of considered view that payment of unemployment allowance is the only provision which provides legitimacy to guarantee provided in the MGNREGA and differentiates it from earlier employment schemes. The Committee, therefore, recommend the Department to impress upon the State Governments to take steps for issuance of dated receipt of demanded work so that the workers can claim unemployment allowance. The Committee would like the Government to ensure that State-wise details of payment of unemployment allowance form part of Annual Reports which are laid in Parliament/State Legislatures on the functioning of MGNREGA. The Committee also recommended that since MGNREGA is a Centrally sponsored scheme, funds for unemployment allowance under section 7 of the Act should also be met by the Central Government.

Reply of the Government

Central Government meets the cost of (i) amount required for payment of wages for unskilled manual work under the Scheme (ii) Up to three-fourths of the material cost of the Scheme including payment of wages to skilled and semi-skilled workers subject to the provisions of Schedule II of the Act (iii) 6% of the total cost of the Scheme towards administrative expenses. The State Government meets the cost of (i) Unemployment allowance Payable under the Scheme (ii) One-fourth of the material cost of the scheme including Payment of Wages to skilled and semi-skilled workers subject to the provisions of Schedule II of the Act and (iii) administrative expenses of the State Council. MGNREG Act being a demand driven wage employment programme, the resource transfer from Centre to States is based on the demand for employment in each State. This provides an incentive for States to leverage the Act to meet the employment needs of the poor. Whereas the provision enunciated in Section 7 of the Act serves as a disincentive for failing to provide work on time, as the States then bear the cost of unemployment allowance. This provision which serves as a deterrent to the States for not providing employment would therefore be, in the interest of job seekers under MGNREGA. The states are required to provide details of unemployment due and paid in MIS regularly.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 20 of Chapter I of the Report)

Recommendation (Serial No. 21, Para No. 2.22)

The Committee are astonished to note that despite constitution of District Planning Committees (DPCs) in most of the States, PRIs have not been able to formulate District Perspective Plan, a necessary condition of effective utilization of funds available under MGNREGA. The Committee note that most of the States are still following top down approach of planning for MGNREGA based upon labour budget. The Committee are of the considered view that formulation of District Perspective Planning (DPP) based upon active participation of Gram Sabhas is essential for effective utilization of resources. Aim of holistic development of rural India is not possible in the absence of well laid out plan. The Committee recommend that preparation of DPP should be starting point for MGNREGA so that there could be better utilization of huge funds available under MGNREGA. The Committee, therefore, recommend the Department to initiate consultation with States and Union Territories and chalk out strategy for preparation of DPP through active participation of Gram Sabhas within a specific time frame so that there could be better utilization of resources for all-round development of rural areas.

Reply of the Government

The Schemes made by the States are required to provide for the minimum features specified in Schedule I of the MGNREG Act which lists the category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREG Act shall focus upon. Schedule I of MGNREGA has been suitably amended to include various new works which would give thrust to activities relating to Agriculture, watershed, Livestock, Fisheries, Rural Drinking Water and works in coastal areas which have scope for creation of durable assets and enhance the livelihood of the rural poor. MGNREGA Guidelines on decentralized planning envisage preparation of a District Perspective Plan, which identifies the needs and gap in the Districts in all sectors. Labour Budget (LB) entails planning, approval and funding under MGNREGA. Sub-section 6 of Section 14 of the MGNREG Act mandates that the District Programme Coordinator (DPC) shall prepare in the month of December every year, a labour budget for the next financial year containing the details of anticipated demand for unskilled manual work in the district and the plan for engagement of workers in the works covered under the programme. It is also mandated that the LBs be prepared in accordance with the process prescribed in Sections 13 to 16 of MGNREG Act. The DPCs has to ensure strict adherence to the principles of bottom-up approach from planning to approval of the selected shelf of projects by each of the Gram Sabhas (GSs) in the district. As per section 16 of MGNREGA, Gram Panchayats in the meetings of Gram Sabha and ward Sabha are to determine the order of priority of the works to be taken up under the MGNREGA. As per Section 13 of MGNREGA, the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the schemes made under this Act. The Panchayats at the district level shall finalize and approve block-wise shelf of projects to be taken up under the scheme. Bottom-up approach is being adopted to allow the local community including the MGNREGA workers to express their views by participating in the process of selection of works which would help to define the development course for the area in line with their expectations and needs.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 23 of Chapter I of the Report)

Recommendation (Serial No. 22, Para No. 2.23)

The Committee note that one of persistent complaints against MGNREGA scheme relates to less availability of labour during agriculture season. The Committee have been informed that only 47 days of employment were provided in the period for the year 2010-11 of which 12 days of employment were provided from July to November, 2010 which corresponds to the peak agriculture season. The remaining 35 days of employment were provided mostly in the lean agriculture season as supplementary employment. The Committee have also been informed that since MGNREGA Act provided for 100 days of guaranteed wage employment in a financial year, so, the guaranteed employment may be availed of by the registered households any time during the year. Hence, restricting it to any particular season would be against the spirit of the Act. The Committee are of the view that agriculture is the backbone of our rural economy and labour availability in our agricultural sector cannot be ignored as it may lead to shortfall in food production in the country. Further, aim of MGNREGA is not to substitute agriculture labour but to provide additional income support to people/household in rural areas. The Committee, therefore, are of considered view that lack of proper planning of works under MGNREGA without keeping in view of local agriculture practice is causing the problem of labour availability in agriculture sector. The problem could only be solved if there is follow up of guidelines about preparation of District Perspective Planning by District Planning Committees and annual planning by Gram Sabha clearly indicating works availability in a year while taking care of local agricultural practices. It would enable workers in rural areas to avail employment opportunity under MGNREGA in non-agricultural season while simultaneously ensuring labour availability for agriculture. The Committee also note that similar kind of initiatives have been taken by Gram Sabha and Gram Panchayat in Bikaner, Idukki, Trivandrum, West Sikkim District and Chittoor Districts in the Country. The Committee, therefore, recommend the Department to take efforts for planning of MGNREGA works for each financial year as attempted in the aforesaid Districts.

Reply of the Government

The provisions in Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are effected through Schemes formulated by States under Section 4(1) of the Act. The Schemes made by the States are required to provide for the minimum features specified in Schedule I of the Act which lists the category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREG Act shall focus upon. As per section 16 of MGNREGA, Gram Panchayats in the meetings of Gram Sabha and ward Sabha are to determine the order of priority of the works to be taken up under the MGNREGA. As per Section 13 of MGNREGA, the Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the schemes made under this Act. A month-wise analysis of the persondays of employment generated under MGNREGA reveals that the majority of the work has been provided during the lean agriculture season. For instance, during FY 2010-11 to 2012-13, around 60-70% of the persondays were generated during the lean agricultural season (January-June).

MGNREGA works by their very nature place stress on increasing land productivity, recharging ground water and increasing water availability which all have positive impact on Agricultural productivity. Recent amendment of the Act to permit MGNREGA works on individual land of small and marginal farmers who constitute a majority of the farming community, in addition to the individual land of SC/ST/BPL/IAY/ land reform beneficiaries, will augment the impact on agricultural productivity and household income. With the objective of expanding and deepening the positive synergy between MGNREGA and agriculture, especially in the context of small and marginal farmers, Ministry has permitted works under MGNREGA

relating to NADEP composting, vermi-composting and liquid bio-manures, livestock related works, irrigation command related works (rehabilitation of minors, sub-minors and field channels), etc.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 26 of Chapter I of the Report)

Recommendation (Serial No. 23, Para No. 2.24)

The Committee note that in order to optimize the desired outcome in an accelerated manner, the Department has taken steps for convergence of various schemes implemented by different Ministries and Departments as well as the programmes operated by the Department of Rural Development. The Committee also note that most of the State Governments have started convergence at planning, management and work level. However, the Committee are dismayed to note that no information is maintained by the Department on number of projects taken up in each State/UTs under MGNREGA convergence guidelines. Similarly, the Department does not maintain information on constitution of District/Block resource Groups in State/UTs which are responsible for facilitating convergence at the ground level. The Committee are of the considered view that convergence between different schemes of Central and State Government is prerequisite for optimum utilization of resources and to avoid wasteful expenditure. Therefore, it becomes imperative to give more attention towards convergence of schemes. The Committee, therefore, recommend the Department to initiate measures for bringing more programmes such as literacy mission, mid-day meal scheme, National Rural Health Mission etc. under the ambit of convergence under MGNREGA. At the same time, the Department should also explore ways for convergence of National Rural Livelihood Mission with MGNREGA. It will help to promote spirit of entrepreneurship in rural India. The Committee also desire the Department to maintain upto date information on number of convergence projects implemented in the country along with details of resource saved on these projects. The Committee also desire the Department to initiate consultation with State Governments for early constitution of District/Block resources group as it will help to enhance coordination among different Government agencies and other stake holders which are necessary for promoting convergence at the ground level.

Reply of the Government

Convergence is an evolving process and therefore, while broad principles can be laid down by the Central Government, the actual contours of convergence will be determined by (i) the objective of convergence and (ii) the nature and quantum of resources available for convergence. Specific guidelines for convergence with different schemes were issued from time to time by the Ministry;

- Indian Council of Agricultural Research (ICAR) and MGNREGA convergence guidelines issued on 23.12.2008
- Ministry of Environment & Forests and MGNREGA convergence guidelines issued on 19.1.2009.
- Ministry of Water Resources and MGNREGA convergence guidelines issued on 18.2.2009.
- Integrated Watershed Management Programme (IWMP) and MGNREGA convergence guidelines issued on 29.5.2009.

- Ministry of Agriculture and MGNREGA convergence guidelines issued on 30.10.2009.
- Revised advisory for MGNREGA convergence with schemes of Ministry of Agriculture issued on 13.6.2013.
- Advisory for Bharat Nirman Rajiv Gandhi Sewa Kendra (BNRGSK) convergence with Backward Regions Grant Fund (BRGF) issued on 30.12.2009.
- Nirmal Bharat Abhiyan (NBA), Ministry of Drinking Water & Sanitation and MGNREGA convergence guidelines issued on 11.9.2012.
- Ministry of Youth Affairs and MGNREGA convergence for construction of play fields issued on 11.2.2013.
- Rubber Board (Ministry of Commerce) and MGNREGA convergence guidelines issued on 2.8.2013.

Two schemes of Ministry of Rural Development – National Rural Livelihood Mission (Aajeevika) and MGNREGA have similar mandates to reach out to the most marginalised sections of the society. The major works undertaken through MGNREGA would enhance livelihood opportunities leading to increase in income and thereby alleviating poverty and combating distress migration. Whereas, Aajeevika aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial services. Aajeevika Skills aims to skill rural youth who are poor and provide them with jobs having regular monthly wages at or above the minimum wages. Aajeevika Skills allows convergence with MGNREGS in the following manner:

- (1) Youth who have worked as labourers in MGNREGA worksites for at least 35 days in each of the previous three years will also be eligible even if they are not in the BPL list.
- (2) Under the new Aajeevika Skills Guidelines 2013, skilling projects are now possible for training and placement for improved Public Service Delivery, which could include MGNREGA also.

So far, State Convergence Plan (SCP) has formulated in 21 States.

[O. M.No. H.11013/17/2011-MGNREGA -II (Vol. II) dated: 03 March, 2015 Department of Rural Development
(Ministry of Rural Development)]

Comments of the Committee

(Please see Paragraph No. 29 of Chapter I of the Report)

CHAPTER V

**RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE
GOVERNMENT ARE STILL AWAITED**

--NIL--

NEW DELHI;
10 August, 2015
19 Shravana, 1937 (Saka)

DR. P. VENUGOPAL
Chairperson
Standing Committee on Rural Development

STANDING COMMITTEE ON RURAL DEVELOPMENT (2014-2015)

**MINUTES OF THE TWENTY THIRD SITTING OF THE COMMITTEE HELD ON MONDAY,
THE 10 AUGUST, 2015**

The Committee sat from 1530 hrs. to 1545 hrs. in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Dr. P. Venugopal - **Chairperson**

Members

Lok Sabha

2. Shri Kirti Azad
3. Shri Harish Chandra Chavan
4. Shri Manshankar Ninama
5. Shri Prahlad Singh Patel
6. Dr. Ramesh Pokhriyal "Nishank"
7. Shri Gokaraju Ganga Raju
8. Smt. Butta Renuka
9. Dr. Yashwant Singh
10. Shri Ladu Kishore Swain
11. Shri Ajay Misra Teni
12. Adv. Chintaman Navasha Wanaga
13. Shri Vijay Kumar Hansdak

Rajya Sabha

14. Shri Gulam Rasool Balyawi
15. Shri Ram Narain Dudi
16. Shri Mahendra Singh Mahra
17. Shri Ranvijay Singh Judev
18. Dr. Vijaylaxmi Sadho
19. Shri A. K. Selvaraj
20. Smt. Kanak Lata Singh
21. Shri Ashwani Kumar

SECRETARIAT

1. Shri Abhijit Kumar - Joint Secretary
2. Shri R.C. Tiwari - Director
3. Smt. B. Visala - Additional Director

2. At the outset, the Chairperson welcomed the members to the Sitting of the Committee. Thereafter, the Committee took up for consideration the following draft Action Taken Reports:-

- | | | | | |
|-------|---|-----|-----|-----|
| (i) | XXX | XXX | XXX | XXX |
| (ii) | XXX | XXX | XXX | XXX |
| (iii) | XXX | XXX | XXX | XXX |
| (iv) | XXX | XXX | XXX | XXX |
| (v) | Draft Report on Action Taken by the Government on the recommendations contained in the Forty Second Report (Fifteenth Lok Sabha) on 'Implementation of Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA)'; and | | | |
| (vi) | XXX | XXX | XXX | XXX |

3. After detailed discussions, the Committee adopted the Reports without any modifications. The Committee then authorized the Chairperson to finalize the aforesaid Reports and present the same to the Parliament.

The Committee then adjourned.

[Vide para 4 of Introduction of Report]

**ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE
RECOMMENDATIONS CONTAINED IN THE FORTY SECOND REPORT (15TH LOK SABHA) OF THE
STANDING COMMITTEE ON RURAL DEVELOPMENT**

I.	Total number of recommendations:	27
II.	Recommendations that have been accepted by the Government :	
	Serial Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 17, 18, 19, 20, 24, 25, 26 and 27.	
	Total:	22
	Percentage:	81.48 %
III.	Recommendations which the Committee do not desire to pursue in view of the Government's replies :	
	Total:	00
	Percentage:	00 %
IV.	Recommendations in respect of which replies of the Government have not been accepted by the Committee :	
	Serial Nos. 11, 16, 21, 22 and 23.	
	Total:	05
	Percentage:	18.52 %
V.	Recommendations in respect of which final replies of the Government are still awaited :	
	Serial Nos. NIL.	
	Total:	00
	Percentage:	00 %