

COMMITTEE ON THE WELFARE OF  
SCHEDULED CASTES AND  
SCHEDULED TRIBES  
(2018-2019)

(SIXTEENTH LOK SABHA)

TWENTY-FOURTH REPORT

ON

MINISTRY OF RURAL DEVELOPMENT

**Action taken by the Government on the recommendations contained in the Twenty-Eighth Report (15<sup>th</sup> Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on the subject "Examination of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with particular reference to Scheduled Castes and Scheduled Tribes".**

Presented to Lok Sabha on 09.08.2018

Laid in Rajya Sabha on 09.08.2018



LOK SABHA SECRETARIAT  
NEW DELHI

August, 2018/ Sravana, 1940 (Saka)

## CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE .....	(iii)
INTRODUCTION .....	(v)
CHAPTER - I      Report .....	
CHAPTER - II      Recommendations/Observations which have been accepted by the Government .....	
CHAPTER - III      Recommendations/Observations which the Committee do not desire to pursue in view of the replies of the Government.....	
CHAPTER - IV      Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration.....	
CHAPTER - V      Recommendations/Observations in respect of which final replies of the Government have not been received.....	

## APPENDICES

I.	Minutes of the sitting of the Committee held on 07.08.2018.....
II.	Analysis of the Action Taken by the Government on the Recommendations contained in the Twenty-Eighth Report (Fifteenth Lok Sabha).....

**COMPOSITION OF THE COMMITTEE ON THE WELFARE OF SCHEDULED CASTES  
AND SCHEDULED TRIBES (2018-2019)**

**Dr. Kirit P. Solanki - Chairperson**

**MEMBERS - LOK SABHA**

2. Smt. Anju Bala
3. Dr. Pandula Ravindra Babu
4. Shri Kantilal Bhuria
5. Shri Parayamparambil Kuttappan Biju
6. Shri B.N. Chandrappa
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14. Shri Ram Charitra Nishad
15. Shri Ramchandra Paswan
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17. Shri Vishnu Dayal Ram
18. Shri Krupal Balaji Tumane
19. Shri Vikram Usendi
20. Shri Bhanu Pratap Singh Verma

**MEMBERS - RAJYA SABHA**

21. Shri Shamsheer Singh Dullo
22. Shri Ahamed Hassan
23. Shri P.L. Punia
24. Shri D. Raja
25. Shri Amar Shankar Sable
26. Mahant Shambhuprasadji Tundiya
27. Shri Ramkumar Verma
28. Shri Veer Singh
29. Shri Tiruchi Siva
30. Smt. Wansuk Syiem

## **INTRODUCTION**

I, the Chairperson, Committee on the Welfare of Scheduled Castes and Scheduled Tribes having been authorised by the Committee to finalise and submit the report on their behalf, present this Twenty-Fourth Report (Sixteenth Lok Sabha) on action taken by the Government on the recommendations contained in their Twenty-Eighth Report (Fifteenth Lok Sabha) on the Ministry of Rural Development regarding "Examination of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with particular reference to Scheduled Castes and Scheduled Tribes".

2. The draft Report was considered and adopted by the Committee on 7<sup>th</sup> August, 2018 (Appendix I).

3. The Report has been divided into the following chapters:-

- |     |  |
|-----|--|
| I   | Report   |
| II  | Recommendations/ Observations, which have been accepted by the Government.   |
| III | Recommendations/Observations which the Committee do not desire to pursue in view of replies of the Government.                                     |
| IV  | Recommendations /Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration. |
| V   | Recommendations / Observations in respect of which final replies of the Government have not been received.   |

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

New Delhi  
9<sup>th</sup> August, 2018  
Sravana, 1940 (Saka)

**DR. KIRIT P. SOLANKI**  
Chairperson,  
Committee on the Welfare  
of Scheduled Castes and  
Scheduled Tribes.

## **CHAPTER I**

### **Report**

1.1 This Report of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes deals with the Action Taken by the Government on the recommendations contained in their Twenty-Eighth Report (Fifteenth Lok Sabha) on the subject "Examination of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with particular reference to Scheduled Castes and Scheduled Tribes" pertaining to the Ministry of Rural Development.

1.2 The Twenty-Eighth Report was presented to Lok Sabha on 7 August, 2013. It contained 21 recommendations/observations. Replies of the Government in respect of all these recommendations/observations have been examined and may be categorized as under:-

- (i) Recommendations/observations which have been accepted by the Government (Sl Nos. 2, 7, 10, 11, 13, 17, 18, 20, 21)
- (ii) Recommendations/observations which the Committee do not desire to pursue in the light of the replies received from the Government (Sl. Nos. 8, 12, 14 & 16)
- (iii) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration (Sl. Nos. 1, 3, 4, 5, 6, 9, 15 & 19)
- (iv) Recommendations/observations in respect of which final replies have not been received (Nil)

1.3 The Committee will now deal with the Action Taken by the Government on some of the recommendations which need reiteration or comments:-

#### **Recommendation (Sl.No.1 Para No.2.4)**

1.4 The Committee note that NREGA is a demand driven scheme and is uniformly applicable to all rural households irrespective of their castes. Also that NERGA guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. The Committee feel that SCs/STs living in rural areas are poorer of the poor and therefore, deserve priority employment under NREGA. The Committee recommend that the Centre must prepare village wise/Panchayat wise/District wise list of target beneficiaries and those who are SCs/STs should be given priority in employment under NREGA. The Committee also recommend that NERGA should be amended to guarantee at least 150 days of employment per household of SCs/STs in a financial year instead of the existing provision of 100 days. The Committee strongly feel that on the lines of NERGA, the Government should also bring a piece of legislation to guarantee employment to urban poor, particularly SCs/STs. The Committee would like to know the response of the Government in this regard.

#### **Reply of the Government**

1.5 The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005 provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and

overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand.

1.6 At the national level, the share of SC/ST in employment generation under MGNREGA has been high at 40-50 per cent across each of the years of the Scheme's implementation. In the case of both SCs and STs, the participation rate exceeds their share in the total population. However, as per the revised Operational Guidelines-2013, States have been asked to take assistance from credible, local grass-roots Civil Society Organizations in the conduct of door to door survey and special efforts to reach disadvantaged groups including Primitive Tribal Groups, Nomadic Tribal Groups, SCs and STs. Volunteers should not only get them registered and facilitate obtaining job cards but also enable them to actually get suitable work.

1.7 As per Section 3(1) of MGNREGA, the State Governments shall provide to every household, work not less than one hundred days in accordance with the Scheme to be made under the Act. However, Section 3 (4) has the enabling provision for creating wage employment beyond the stipulated period of 100 days of work per household in a financial year. Section 3 (4) reads, *"The Central Government or the State Government may, within the limits of its economic capacity and development, make provisions for securing work to every adult member of a household under a Scheme for any period beyond the period guaranteed under sub-section (1), as may be expedient"*. This enabling provision is exercised by the Central Government in special circumstances like natural calamities etc. Thus, additional employment beyond the stipulated 100 days and up to 150 days per rural household under MGNREGA was allowed as a special dispensation for the notified drought affected Talukas/Blocks in various States in 2012-13 and notified flood/landslide affected rural areas in Uttarakhand in 2013-14.

1.8 The mandate of MNREGA is to enhance the livelihood security of the rural people through guaranteed wage employment. Rural area as defined under the notified Act means any area in a State except those areas covered by any urban local body or a Cantonment Board established or constituted under any law for the time being in force.

#### **Comments of the Committee**

1.9 The Committee note from the reply of the Ministry that additional employment beyond the stipulated 100 days and up to 150 days per rural household under MGNREGA was allowed as a special dispensation for the notified drought affected Talukas/Blocks in various States in 2012-13 and notified flood/landslide affected rural areas in Uttarakhand in 2013-14. The Committee would like to be apprised about the notified drought affected Talukas/Blocks in various States in the year 2012-2013, 2013-2014, 2014-2015, 2015-2016 & 2016-2017 in which additional employment provided to the SCs/STs people under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was allowed as a special dispensation. The Committee urge the Ministry to popularize the MGNREGA scheme by giving wide publicity in local and national dailies and through popular electronic media for generating awareness among the targeted SC/ST population so that they may take full benefits of the scheme. The Committee also urge the Ministry to issue necessary instructions to State Governments for bringing out study material in regional languages and to circulate among rural masses including SCs/STs so that the beneficiaries are educated about the planning and implementation of the schemes made under this Act. The Committee reiterate their earlier recommendation that on the lines of MGNREGA, the Government should also bring a piece of legislation to guarantee employment to urban poor, particularly Scheduled Castes and Scheduled Tribes. The Committee strongly urge that the Government should amend



**the said Act (MGNREGA) to the effect that additional employment beyond the stipulated 100 days to 150 days per rural household may be provided to SC/ST as a special measure, keeping in view their social and economic backwardness.**

**Recommendation (Sl.No.2, Para No.2.10)**

1.10 The Committee note that Section 13 of MGNREGA makes the Panchayats at district, intermediate and village levels the principal authorities for planning. The power to make recommendations on the works to be taken up under NREGA rests with the Gram Sabha and the power to prepare a development plan comprising a shelf of projects on the basis of these recommendations of the Gram Sabha is with the Gram Panchayats. The Committee note that the Operational Guidelines of NREGA stipulate the preparation of a five year District Perspective Plan (DPP) to facilitate advance planning and provide a development perspective for the District. The aim is to identify the types of REGS (Rural Employment Guarantee scheme) works to be encouraged in the district and the potential linkages between these works and long term employment generation and sustained development. The Committee recommend that for ensuring a long term shelf of projects, and ensuring timely preparation of Annual Plans, all Districts should be directed to prepare District Perspective Plan (DPPs) primarily on the works which can be undertaken for the welfare of SCs/STs. The Committee also recommend that more and more works should be included under NREGA so that while preparing District Perspective Plan, a holistic view of the development of the District can be taken and simultaneously to generate more employment avenues.

**Reply of the Government**

1.11 Apart from guaranteeing wage employment on demand to every rural household, creation of durable assets and thereby strengthening the livelihood resource base of the rural poor are also important objectives of the MGNREGA. Schedule-I of MGNREGA as

amended from time to time lists the category of works that any Scheme prepared by a State Government under Section 4 (I) of MGNREG Act shall focus upon. Based on the suggestions and feedback received from various stakeholders including State Governments, changes and modifications to Schedule-I are carried out from time to time and this is a continuous process. Schedule-I has accordingly been substantially expanded 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 resources of the rural poor.

1.12 The following activities included in Schedule-I shall be allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes or below poverty line (BPL) families or the beneficiaries of land reforms or the beneficiaries under the Pradhan Mantri Awas Yojana (PMAY) or that of the small or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008 or the beneficiaries under the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of forest Rights) Act, 2006 (2 of 2007);

- (i) provision of irrigation facility, dug out farm pond, horticulture, plantation, farm bonding and land development;
- (ii) agriculture related works, such as, NADEP composting, vermi-composting, liquid bio-manures;
- (iii) livestock related works, such as, poultry shelter, goat shelter, construction of pucca floor, urine tank and fodder trough for cattle, a zolla as cattle-feed supplement;
- (iv) works in coastal areas, such as, fish drying yards, belt vegetation;
- (v) rural drinking water related works, such as, soak pits, recharge pits;
- (vi) rural sanitation related works, such as, individual household latrines etc.

1.13 The above works shall be taken up subject to the condition that; (i) the households shall have the job card and (ii) the beneficiaries shall work on the project undertaken on their land or homestead.

1.14 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. MGNREGA Guidelines on decentralized planning envisage preparation of a District Perspective Plan, which identifies the needs and gap in the Districts in all sectors. As per these guidelines, the projects to be taken up as part of the Labour Budget should emerge from an integrated plan for local development with focus on Natural Resource Management especially on a micro watershed basis so that sustainable livelihoods are created. Instructions on selection of shelf of projects issued through the MGNREGA operational guidelines have specified that needs of the people may be identified through consultations at the habitation level which have to be noted down in the order of priority. Also in large Village Panchayats, consultations are to be held with different stakeholders like MGNREGS workers, SHGs, small and marginal farmers, Watershed Committees and agricultural labourers and their needs identified and prioritized. Special efforts should be taken to include the priorities suggested by SCs and STs.

#### **Comments of the Committee**

**1.15 The Committee note from the reply of the Government that 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. As the Gram Panchayat is the key authority for planning, identification of work, and for implementing the MGNREGA. The Committee are of the view that a team should be constituted at the district level to monitor and identify the work plans in rural areas made under this Act. It is to be ensured that a social accountability and responsibility on the part of the Government to be answerable to the citizens for its action of plans in implementing the MGNREGA. It is essential to understand the concept of social accountability and its principles to improve the efficiency of social programmes of Government of India including Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Pradhan Mantri Awas Yojana (PMAY) and others.**

**Recommendation (Sl.No.3, Para No.3.9)**

1.16 The Committee note that the Central Government monitors and review the implementation of the Act. The State Governments are primarily responsible for the implementation of the schemes under NREGA. The Committee also note that while preparing annual action plan and shelf of projects at Gram Panchayat level under NERGA, it is ensured that the works undertaken do not overlap with the works of the SCSP and TSP Plans. Also that separate records are maintained for NERGA schemes in SCSP and TSP areas so that funds enumerating from SCSP and TSP for SCs/STs beneficiaries do not overlap. The Committee, however, are apprehensive that despite mechanism, a possibility of overlapping of works and distribution of funds between NERGA and other programmes for the development of SCs/STs cannot be refuted. The Committee, therefore, recommend the Central Government to monitor that funds meant for different schemes for the

development and welfare of SCs/STs are not diverted and are fully utilized on the allocated works only. The Committee would like to be apprised about the effective steps taken by the Government to avoid possibility of overlapping of works and distribution of funds between NREGA and other programmes.

### **Reply of the Government**

1.17 MGNREGA is demand driven programme and hence the Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. Hence, no specific earmarking of funds is made under SCSP and TSP component under MGNREGA. However, empowerment of socially disadvantaged sections including the Scheduled Castes and Scheduled Tribes through the processes of the right based legislation is one of the goals of MGNREGA.

1.18 Certain activities included in Schedule-I are allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes and other specific categories. The priorities of the works to be taken up are to be identified on the basis of the specific needs of the people through consultations at the habitation level. By preparing annual action plan and shelf of project at Gram Panchayat level under MGNREGA, it is ensured that the works undertaken do not overlap with the works allowed on land or homestead of the identified disadvantaged groups. There are separate formats designed under MNREGS in which records are maintained by the Rozgar Sahayak at every Gram Panchayat level. This is ensured by the supervisory staff i.e. Project Officer at Intermediate

Panchayat level and inspection by the District Programme Coordinator at District Panchayat level. As per operational guidelines, works taken up under convergence projects for which funds are not pooled, both the schemes will maintain separate accounts for the project and will have separate project IDs. In respect of the project, in which funds are dovetailed from the schemes to meet the cost of an identifiable part of the project, a complete project proposal including all project activities and budget should be prepared. To avoid duplication in reporting, MGNREGA and other schemes should use the same cost sheet and project ID for their project approval and reporting. Similarly, assets created are to be shown in respective assets registers with required explanatory notes. The Memorandum of Understanding (MoU) was signed on 24.06.2016 between the Ministry of Rural Development and Indian Space Research Organisation (ISRO), Department of Space for Geo-tagging the assets under the MGNREGS in each Gram Panchayat. The MoU addresses specific components of geo-tagging the assets and creation of data base for online recording and monitoring.

### **Comments of the Committee**

**1.19 The Committee have been apprised that the MGNREGA is demand driven programme and hence the Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. Hence, no specific earmarking of funds is made under SCSP and TSP component under MGNREGA. The Committee feel that these exercises will be futile if the Ministries are not able to convince the**

State Governments to pay more attention towards maintenance and full/optimum utilization of funds for already existing schemes before initiating new schemes under MGNREGS. The Committee, are now more concerned by the fact that some State Governments have not been earmarking adequate funds for MGNREGA according to the guidelines and, in fact, has reduced the funds in recent years. Moreover, it is also a fact that a large amount of funds allocated for MGNREGS have remained unutilized. The Committee would like to have a copy of the Memorandum of Understanding (MoU) which was signed on 24.06.2016 between the Ministry of Rural Development and Indian Space Research Organisation, Department of Space for Geo-tagging the assets under the MGNREGS in each Gram Panchayat. The Committee may be apprised about the State-wise utilisation of funds earmarked under MGNREGS and status of shortage of funds in SC and ST prone areas including efficacious efforts made by the Government to cope with poor utilization of funds under the scheme.

#### **Recommendation (Sl.No.4, Para No.3.17)**

1.20 The Committee note that the personnel working in the various Implementing Agencies for implementation of NREGA are appointed by the State Governments. They are also imparted training for smooth and effective implementation of the Act. The Committee desire that for effective working of NREGA Scheme, the training should also be imparted to the members of Village Panchayats and Gram Sabha. The Committee further recommend that with a view to safeguarding the interest and welfare of SCs/STs, it is essential that the personnel appointed by the various Implementing Agencies should also include SCs/STs in large numbers. The Government may also take up the matter with the State Governments to ensure inclusion of SC/ST members in implementing agency, even if

it entails amendment of the existing provisions for such appointments. The Committee may also be apprised of the existing provisions governing appointment of personnel with the various implementing agencies.

### **Reply of the Government**

1.21 The Central Government had issued advisories to the State Governments suggesting deployment of dedicated staff at various levels in accordance with the provisions in Section 18 of MGNREG Act. 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. The Central Government has also suggested that the States can deploy core professional staff namely Panchayat Development Officer and Junior Engineer in Gram Panchayat of Integrated Action Plan (IAP) districts.

1.22 As per the MGNREGA operational guidelines, State Employment Guarantee Council shall determine salaries, job description, minimum qualification and process through which MGNREGA employee are to be appointed and evaluated. In the recruitment process, the reservation policy of the State for contractual employment should be followed. The MGNREGS staff should be adequately represented by women, SCs, STs etc. Instructions have also been issued for adequate representation of Scheduled Castes and Scheduled Tribes in Vigilance and Monitoring Committees in proportion to their population.

1.23 The 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.

### **Comments of the Committee**

**1.24 The Committee have been apprised that the Central Government had issued advisories to the State Governments suggesting deployment of dedicated staff at various levels in accordance with the provisions in Section 18 of MGNREG Act. 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. The Central Government has also suggested that the State Governments can deploy core professional staff namely Panchayat Development Officer and Junior Engineer in Gram Panchayat of Integrated Action Plan (IAP) districts. The Committee desire that adequate employment may be provided to Scheduled Castes & Scheduled Tribes so that more SC/ST people may be benefitted under the MGNREGA. The Committee feel that the Government should have more focus on the inclusion of socially excluded groups and to ensure that MGNREGA work is benefitting all community members.**

### **Recommendation (Sl.No.5, Para No.3.19)**

**1.25 The Committee are concerned to note that no separate allocations have been earmarked for SCs/STs under the Act. The Committee, therefore, recommend that separate allocation should be made for SCs/STs in the annual budget plan under NREGA scheme. The funds earmarked for SCs/STs should also be utilized on priority basis during the same year and should not lapse or diverted to other schemes.**

### **Reply of the Government**

1.26 MGNREGA is demand driven programme and hence the Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. The requirement of funds and employment generation will depend on demand for work which are required to be projected by the State Governments. Hence, no specific earmarking of funds is made under SCSP and TSP component under MGNREGS. However, Schedule-I of the Act includes permissible works which are allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes and other specific disadvantaged groups. The persondays generated for Scheduled Castes since inception were in the range of 22% to 31% whereas, the share of Scheduled Tribes were 18% to 36% depending on their demand for employment.

### **Comments of the Committee**

**1.27 The Committee are not convinced by the reply given by the Ministry of Rural Development that MGNREGA is demand driven programme and hence the Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. The Committee observe that due to their low status in society socially**

excluded groups such as SCs/STs are often not included in the MGNREGA Planning Process and so resulting MGNREGA projects in the annual plans do not benefit them. The Committee, therefore, reiterate their earlier recommendation that a separate allocation should be made for SCs/STs in the annual budget plan under MGNREGA scheme. The funds earmarked for SCs/STs should also be utilized on priority basis during the same year and should not lapse or diverted to other schemes, the Committee would also like to know the steps taken by the Ministry to ensure that the funds are properly utilised for the schemes for which these are earmarked.

#### **Recommendation (Sl.No.6, Para No.3.24)**

1.28 The Committee take a serious note on the findings of the C&AG on performance of NREGA Scheme in various States of the country and therefore recommend that Job cards should be issued within a fortnight of the application for registration and in order to ascertain that intended benefits of the Scheme, SCs/STs applications should be screened on priority. The Committee also insist that Employment Register to indicate employment demanded and Asset Register should be maintained to achieve transparency and accountability and to minimize fictitious/duplicate entries, besides providing a basis for verifications.

#### **Reply of the Government**

1.29 The Central Government has issued guidelines indicating that if a household is found to be eligible for registration, the Gram Panchayat will, within a fortnight of the application, issue a Job Card to the household. Job Card should be handed over to one of the members of the applicant's household in the presence of a few other residents of the Gram Panchayat.

1.30 The Gram Panchayat or Programme Officer, as the case may be, shall be bound to accept valid applications for work and to issue a dated receipt to the applicant. Refusal to accept work applications and provide dated receipts will be treated as a contravention under Section 25 of MGNREGA. District Programme Coordinator (DPC) and State Governments will ensure that the details for application of work are entered in the NREGASoft MIS from the Gram Panchayat data entry page or from Block data entry page.

1.31 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, Asset Register, Employment Register etc. The guidelines issued in this regard list the check list for Audit of MGNREGA accounts of Gram Panchayat. It is the responsibility of the Programme Officer (PO) to ensure that all relevant records and registers are made available for Social Audit.

1.32 The steps are being taken to seed the Aadhaar number of the MGNREGA workers into the programme database (NREGASoft) after seeking their consent. As of now 9.97 crore Aadhaar numbers of the active MGNREGA workers have been seeded in the MIS.

#### **Comments of the Committee**

**1.33 The Committee have been apprised that the Central Government has issued guidelines that if a household is found to be eligible for registration, the Gram Panchayat will, within a fortnight of the application, issue a Job Card to the household. Job Card should be handed over to one of the members of the applicant's household in the presence of a few other residents of the Gram Panchayat. The Committee desire that a responsibility may be fixed of the Block Office/Gram Panchayat to ensure that job card holders get employment within 15 days of demand application. If the administration fail to provide employment within**

this time period, job card holders should be eligible unemployment allowance till when he/she does not get employment. The Committee recommend, the worker should be allocated the work preferably within 5 Km. of his/her residence. If the work is allocated to a worker beyond 5 Km. of his/her residence, the worker must be a right to get a travel allowance. The Committee also recommend, priority should be given to the women under the Scheme preferably single and disabled women. The participation of women must be increased through raising awareness about MGNREGA. The Committee urge the Government to develop a mechanism to deal with the various types of complaints relating to job cards more particularly relating to unlawful possession of job cards with elected PRI representatives. Moreover, MGNREGA functionaries should be made punishable under the Act specially for the complaints made by the SC/ST household.

**Recommendation (Sl.No.8, Para No.3.26)**

1.34 The Committee are concerned to note in the Audit Report that in Tripura the user Rolls were not maintained in the prescribed format as a result of which SC/STs population provided with employment could not be ascertained in audit. The Committee in an another case further observed that in Chhattisgarh summary of Muster Roll (MRs) and classification of labour viz men and women, total number of workers, SCs/STs etc. was not recorded/drawn to verify exact representation of these sections. Improper maintenance of MRs makes identification of genuine beneficiaries difficult, especially in the absence of bank/postal payments. The Committee, therefore, strongly recommend that State Governments should ensure compliance with the necessary rules and procedure so as to ensure proper maintenance of MRs. To ensure unique identity of the MRs across the Block, merely using serial numbers as printed on the MRs is not enough. A MR must be serially

numbered for the entire block with the Block code enfaced on it. The Committee further desire that full efforts should be made to ensure that Muster Rolls are entered on line and are thus available publicly. Further a hard copy may also be displayed both at the Panchayat offices and Gram Panchayat offices particularly in rural areas. Further Committee would like to know out of 100 days guaranteed employment under the NREGA Scheme how many eligible persons have got 100 days work and less and details of payment made to the targeted persons for 100 days in each of the States.

### **Reply of the Government**

1.35 Guidelines issued to the States indicate that the muster rolls are required to be authorized by the Programme Officer (PO) and issued to Gram Panchayats (GPs) and other implementing agencies within three days from the date they declare their intent to start works. Only those musters that are signed/certified by PO are considered authentic for generation of pay orders. Necessary steps should be taken to avoid fake musters. A record of muster rolls issued by the Block & muster rolls received by the GP shall necessarily be maintained and strictly monitored. A detailed record of Muster Rolls will be maintained in the registers in the prescribed format. Currently, there are two distinct processes adopted for issue of muster viz. e-muster and paper muster. Instructions have been issued to all States/UTs to switch over to e-muster and only in exceptional and unavoidable circumstance, paper muster can be issued. Only numbered muster rolls will be maintained on the work site. No kachha Muster Roll (a document which is not authorized or issued by the PO) can be used at the worksite for recording attendance. It is the responsibility of the District Programme Coordinator (DPC) to arrange for the verification of muster rolls. Muster Rolls should be available and maintained at the worksite. Gram Rozgar Sahayaks are responsible for capture of attendance in muster rolls which can also be arranged to be done

through Mates. The Muster should indicate the (i) Work code (ii) Muster roll Number (iii) Date from (iv) Date to (v) Daily attendance and (vi) Work start date (one time).

1.36 Electronic Muster Rolls (e-MRs) are pre-printed muster rolls digitally populated with the names of the workers who demand works under MGNREGA. e-MRs are generated through NREGASoft. Besides reducing processing time for payment of wages, e-MRs help in eliminating fake muster rolls, reducing ghost workers and improving data entry into NREGASoft.

1.37 For facilitating conduct of social audit by Gram Sabha, the resource persons deployed by Social Audit Unit along with primary stakeholders shall verify the muster roll issue and receipt register, muster rolls, entry and payments made in the specified time period, by contacting the wage seekers whose names are entered in such muster rolls. Copies of Muster Rolls are also required to be made public in a pre-designated format outside all offices of all agencies involved in implementing of MGNREGA and should also be placed by the Gram Panchayat before the Gram Sabha once in every quarter.

1.38 As per Section 3 (1) of the Act, it is for the concerned State Government to provide to every household whose adult members volunteer to do unskilled manual work up to one hundred days of such work in a financial year in accordance with the Scheme made under the Act. During the previous three years the persondays of employment generated were 166.21 crore in 2014-15, 235.15 crores in 2015-16 and 235.69 crore in 2016-17 and the average persondays of employment generated per household during these three years were 46 days, 49 days and 40 days respectively. The total number of households who were provided employment on demand, number of households who have completed 100 days of employment and expenditure incurred on wages during the previous three years is indicated in the **Annexure**.

### **Comments of the Committee**

**1.39** The Committee note that the Ministry have not furnished the reply in the Audit Report that in Tripura the user Rolls were not maintained in the prescribed format as a result of which SCs/STs population provided with employment could not be ascertained in audit. The Committee in an another case had further observed that in Chhattisgarh summary of Muster Roll (MRs) and classification of labour viz men and women, total number of workers, SCs/STs etc. were not recorded/drawn to verify exact representation of these sections. Besides, there are some reports for using fake muster roll and manipulation in the job cards under MGNREGA in some States. The Committee observe that a Muster Roll is essentially a labour attendance register and used as receipt of payments of wages therefore, its fudging could be a means for embezzlement in MGNREGA fund. The Committee feels that it is a sorry state of affairs and therefore would like to be apprised of the action taken by the Government to dealt with such kinds of affairs.

#### **Recommendation (Sl. No.9, Para No. 3.30)**

**1.40** The Committee are surprised to note that the figures relate to the mandays of employment generated for SCs/STs beneficiaries has been decreased. The Committee recommend that state should ensure more publicity at the grass root level through radio, television, local newspapers by displaying notice board in their vernacular language at Panchayat Ghars and implementing agencies. For effective and meaningful operation of this Scheme, the Committee desire that the Government should utilize services of the NGOs and voluntary organizations for creating awareness among the people about NREGA and also to make use of the print and the audio-visual media for campaigning the cause of the programme. In view of the negligible or no participation of SCs/STs persons in various



States mentioned above for implementation of NREGA Scheme, the Committee desire that an Assessment Committee be constituted by the Government to know the reasons as to why beneficiaries of SCs/STs persons under NREGA Scheme are decreased in various States mentioned above.

#### **Reply of the Government**

1.41 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.

1.42 The Government is actively engaged with the State Government in establishing systems that ensure provision of work as per demand. To generate awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under MGNREGS, all States/UTs have been requested to (i) initiate appropriate Information Education and Communication (IEC) campaigns including wall paintings for wide dissemination of the provisions of the Act, (ii) expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA does not go unregistered, (iii) prepare plans in a participatory mode and approve them in the Gram Sabha, and (iv) prepare realistic labour budget by the State.

1.43 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.

### **Comments of the Committee**

**1.44** The Committee note that 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 Committee also note that the Government is actively engaged with the State Governments in establishing systems that ensure provision of work as per demand. In order to generate awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under MGNREGS, the Committee reiterate their earlier recommendation that States should ensure more publicity at the grass root level through project initiation meetings, radio, television, local newspapers by displaying notice board in their vernacular language at Panchayat Ghars and implementing agencies. For effective and meaningful operation of this Scheme, the Committee desire that the Government should also utilize services of the NGOs/SHGs, door to door contact programmes, help lines and common service centre and voluntary organizations for creating awareness among the people about NREGA and also to make use of the print and the audio-visual media for campaigning the cause of the programme. Moreover, services of Bharat Nirman Volunteers (BNV), Nehru Yuva Kendra (NYK) and such other organisation can be utilized for optimum utilisation of the scheme.

**Recommendation (Sl. No. 12, Para No. 3.45)**

1.45 The Committee note that various studies have been made on economic, social and environmental impacts of the Act. The Committee desire that findings of the studies should be analysed and appropriate action thereon may be taken. The Committee would like to be apprised in this regard.

**Reply of the Government**

1.46 The Ministry of Rural Development had conducted a number of Independent studies to assess the impact of MGNREGA in rural areas by engaging various institutions including Indian Institute of Science, Bangalore, Indian Institute of Management (IIMs), Indian Institutes of Technology (IITs), National Institute of Rural Development (NIRD), National Sample Survey Organization (NSSO) and other professional institutions. Findings of the studies on economic, social and environmental impacts of the Act are as under:-

**Economic Impact**

- (i) Creating supplementary income and augmenting income.
- (ii) Increase in Agriculture wages and enhanced bargaining power of rural poor.
- (iii) Reduction in migration.

**Social Impact**

- (i) Effective Targeting of Disadvantaged Groups

**Environmental Impact**

- (i) Creation of environmental friendly jobs.
- (ii) Reduction in soil erosion and enhancement in soil organic matter
- (iii) Improvement in ground water table, agricultural productivity and cropping intensity.
- (iv) Reduction in water vulnerability index, agriculture vulnerability, livelihood vulnerability index.

1.47 MGNREGA is generating multiple environmental and socio-economic benefits; leading to improved water availability and soil fertility resulting in increased crop production. Increased area under plantations and orchards potentially contributing to alternate incomes, increased employment generation and reduced migration. Further, the implementation of MGNREGA works has contributed to reducing vulnerability to climate risks.

1.48 Women's workforce participation ratio surpassed the statutory minimum 33 percent all years, reaching 51% in the financial year 2012-13 at the national level. Independent studies point towards positive trends and women empowerment as a result of economic opportunities under MGNREGA. To increase women participation in the Scheme, major initiatives are being suggested including, opening individual bank/post office accounts for all women workers, identifying and providing Job Cards to widowed, deserted and destitute women, who qualify as a household under the Act.

1.49 Similarly, more than 50% of persondays generated have been the result of SC/ST participation. In most States the ST workforce participation ratio has been higher than the ST share in the State's population. New works have been added to the existing list of permissible works under MGNREGA with a focus to strengthen synergy between MGNREGA and rural livelihoods, particularly in agriculture. Besides ensuring durable quality assets, the expansion of MGNREGA works is likely to improve the socio-economic condition of marginalised section of the society [viz. SC/ST/Small and Marginal farmers/IAY beneficiaries/Forest Right Act beneficiaries etc.] as most of the new works are now permitted on the land or homestead of specified individual beneficiaries.

1.50 Since disabled and other vulnerable persons have specific needs, the States have been advised to create an enabling environment for their inclusion in MGNREGA activities. The State are to conduct a Work and Time Motion Study and prepare a separate Schedule of Rates (SoR) for physically challenged and other vulnerable sections of the society.

### **Comments of the Committee**

**1.51 The Committee have been apprised that the Ministry of Rural Development got conducted a number of Independent studies to assess the impact of MGNREGA in rural areas by engaging various institutions including Indian Institute of Science, Bangalore, Indian Institute of Management (IIMs), Indian Institutes of Technology (IITs), National Institute of Rural Development (NIRD), National Sample Survey Organization (NSSO) and other professional institutions. The Committee desire to know the basic findings/recommendations of these evaluation studies and recommends to implement expeditiously the said recommendation by the Ministry in consultation and coordination with the State Governments/UTs, so that more and better deserving SC/ST people may be able to avail themselves of the optimum benefits under the scheme in future.**

### **Recommendation (Sl. No. 15, Para No. 3.58)**

1.52 The Committee note that under the NREGA scheme, there are no predetermined targets because NREGA is demand based and employment is provided to job card holding household when it demands work. Demand for work varies from State to State and from district to district within a State. The Committee feel that there may be compelling reasons as to why people are not demanding work even when the job cards have been issued. One of the basic reasons in this regard may be people preferring for wage employment elsewhere, where the wages may be much more. The Committee desire that the Department have to analyse the reasons State-wise for families not demanding work after getting the job cards ready. The Committee may be kept apprised about the concrete action taken in this regard.

### **Reply of the Government**

1.53 Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is demand driven programme under which State Governments are obliged to provide up to at least 100 days of guaranteed wage employment to every household on demand. The objective of MGNREGA is to supplement the income of a rural household and it is not intended to be the sole means of earning livelihood for the rural population. Mere issuance of a job card does not entitle a household to receive employment. Under Para 9 of Schedule II of the Act, the household also has to submit application for work to be entitled to receive employment.

1.54 Being a self-selecting wage-employment programme, the increase or the decline in the demand for labour under MGNREGA may arise due to a myriad of factors external to the 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.

1.55 The Government is actively engaged with the State Government in establishing systems that ensure provision of work as per demand. To generate awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under MGNREGS, all States/UTs have been requested to (i) initiate appropriate Information Education and Communication (IEC) campaigns including wall paintings for wide dissemination of the provisions of the Act, (ii) expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA does not go unregistered, (iii) prepare plans in a participatory mode and approve them in the Gram Sabha, and (iv) prepare realistic labour budget by the State.

### **Comments of the Committee**

**1.56 The Committee appreciate that the Government is actively engaged with the State Government in establishing systems that ensure provision of work as per**

demand. To generate awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under MGNREGS. The Committee reiterate their earlier recommendation that there may be compelling reasons as to why people are not demanding work even when the job cards have been issued. One of the basic reasons in this regard may be people preferring for wage employment elsewhere, where the wages may be much more. The Committee desire that the Government have to analyse the difference between minimum agriculture wages and MGNREGA wages State-wise. The Committee may be apprised about the findings of that study and concrete action taken by the Union Government in consultation with State Governments in this regard.

#### **Recommendation (Sl. No.19, Para No. 4.10)**

1.57 The Committee note that at present there is no proposal under consideration of the Govt. to further amend/modify the Act. The Committee, however, are of the view that Ministry on the basis of its own experience, study reports and feedback received from the State Government, implementing agency, NGOs and common persons covered under the NREGA Scheme since 2006 should make assessment and see possibility to amend the NREGA Act so that intended benefits under the NREGA could yield desired results in realistic manner. The Committee desire that the Centre must take necessary steps to amend the NREG Act to make it more beneficial for SCs/STs with a view to ensure that benefits under the Act must reach to SCs/STs beneficiaries directly.

#### **Reply of the Government**

1.58 Schemes under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are notified by the implementing States under Section 4(1) of MGNREG Act, 2005 to give effect to the provisions of Section 3 of the Act i.e. guaranteeing rural

employment to households. However, the powers to amend the MGNREG Act is vested with the Central Government and is exercised as and when the need arises.

1.59 Some of the amendments carried out in the MGNREG Act listed below, are intended to enhance the availability of permissible works especially in the context of empowerment of the underprivileged and MGNREGA workers in general.

(a) As per a notification dated 4.5.2012, the following activities included in Schedule-I are allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes or below poverty line (BPL) families or the beneficiaries of land reforms or the beneficiaries under the Pradhan Mantri Awas Yojana (PMAY) or that of the small or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008 or the beneficiaries under the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of forest Rights) Act, 2006 (2 of 2007);

- (i) provision of irrigation facility, dug out farm pond, horticulture, plantation, farm bunding and land development;
- (ii) agriculture related works, such as, NADEP composting, vermi-composting, liquid bio-manures;
- (iii) livestock related works, such as, poultry shelter, goat shelter, construction of pucca floor, urine tank and fodder trough for cattle, azolla as cattle-feed supplement;
- (iv) works in coastal areas, such as, fish drying yards, belt vegetation;
- (v) rural drinking water related works, such as, soak pits, recharge pits;
- (vi) rural shall sanitation related works, such as, individual household latrines etc.

1.60 The above works shall be taken up subject to the condition that; (i) the households shall have the job card and (ii) the beneficiaries work on the project undertaken on their land or homestead.



(b) 'Construction of Play Fields' included as permissible activity in Schedule-I of MGNREG Act vide notification dated 14.1.2013.

(c) 'Construction of Anganwadi centres' included as permissible activity in Schedule-I of MGNREG Act vide notification dated 17.1.2013.

(d) Notification dated 26.2.2013 specifying wage rate payable to the unskilled manual workers effective from 1.4.2013.

(e) Paragraph 30 of Schedule-II of MGNREG Act was amended vide notification dated 24.9.2013 relating to payment of compensation for delayed payment of wages to MGNREGA workers.

1.61 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:

- Initiate appropriate IEC campaigns including wall paintings for wide dissemination of the provisions of the Act.
- Carry out door-to-door survey to identify needy and eligible households for registration under MGNREGA.
- Expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA do not go unregistered.
- Organize 'Rozgar Diwas' periodically to capture latent demand under the programme and to disseminate awareness about the provisions of the Act.
- 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.
- 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.

### **Comments of the Committee**

**1.62 The Committee had recommended the Government to take necessary steps to amend the MGNREG Act to make it more beneficial for SCs/STs with a view to ensure that benefits under the Act must reach to SCs/STs beneficiaries directly. The Committee note from the reply of the Ministry that schemes under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are notified by the implementing States under Section 4(1) of MGNREG Act, 2005 to give effect to the provisions of Section 3 of the Act i.e. guaranteeing rural employment to households. However, the powers to amend the MGNREG Act is vested with the Central Government and is exercised as and when the need arises. The Committee, therefore, reiterate their earlier recommendations that the Government must take necessary steps to amend the MGNREG Act as per recommendations received from various sources and analyzed by the Government to make it more beneficial for all the householders and more particularly to SCs/STs.**

## **CHAPTER II**

### **Recommendations/Observations which have been accepted by the Government**

#### **Recommendation (Sl.No.2, Para No.2.10)**

2.1 The Committee note that Section 13 of NREGA makes the Panchayats at district, intermediate and village levels the principal authorities for planning. The power to make recommendations on the works to be taken up under NREGA rests with the Gram Sabha and the power to prepare a development plan comprising a shelf of projects on the basis of these recommendations of the Gram Sabha is with the Gram Panchayats. The Committee note that the Operational Guidelines of NREGA stipulate the preparation of a five year District Perspective Plan (DPP) to facilitate advance planning and provide a development perspective for the District. The aim is to identify the types of REGS (Rural Employment Guarantee scheme) works to be encouraged in the district and the potential linkages between these works and long term employment generation and sustained development. The Committee recommend that for ensuring a long term shelf of projects, and ensuring timely preparation of Annual Plans, all Districts should be directed to prepare District Perspective Plan (DPPs) primarily on the works which can be undertaken for the welfare of SCs/STs. The Committee also recommend that more and more works should be included under NREGA so that while preparing District Perspective Plan, a holistic view of the development of the District can be taken and simultaneously to generate more employment avenues.

#### **Reply of the Government**

2.2 Apart from guaranteeing wage employment on demand to every rural household, creation of durable assets and thereby strengthening the livelihood resource base of the rural poor are also important objectives of the MGNREGA. Schedule-I of MGNREGA as amended from time to time lists the category of works that any Scheme prepared by a State

Government under Section 4 (I) of MGNREG Act shall focus upon. Based on the suggestions and feedback received from various stakeholders including State Governments, changes and modifications to Schedule-I are carried out from time to time and this is a continuous process. Schedule-I has accordingly been substantially expanded 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 resources of the rural poor.

2.3 The following activities included in Schedule-I shall be allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes or below poverty line (BPL) families or the beneficiaries of land reforms or the beneficiaries under the Pradhan Mantri Awas Yojana (PMAY) or that of the small or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008 or the beneficiaries under the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of forest Rights) Act, 2006 (2 of 2007);

- (i) provision of irrigation facility, dug out farm pond, horticulture, plantation, farm bonding and land development;
- (ii) agriculture related works, such as, NADEP composting, vermi-composting, liquid bio-manures;
- (iii) livestock related works, such as, poultry shelter, goat shelter, construction of pucca floor, urine tank and fodder trough for cattle, a zolla as cattle-feed supplement;
- (iv) works in coastal areas, such as, fish drying yards, belt vegetation;
- (v) rural drinking water related works, such as, soak pits, recharge pits;
- (vi) rural sanitation related works, such as, individual household latrines etc.

2.4 The above works shall be taken up subject to the condition that; (i) the households shall have the job card and (ii) the beneficiaries shall work on the project undertaken on their land or homestead.

2.5 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. MGNREGA Guidelines on decentralized planning envisage preparation of a District Perspective Plan, which identifies the needs and gap in the Districts in all sectors. As per these guidelines, the projects to be taken up as part of the Labour Budget should emerge from an integrated plan for local development with focus on Natural Resource Management especially on a micro watershed basis so that sustainable livelihoods are created. Instructions on selection of shelf of projects issued through the MGNREGA operational guidelines have specified that needs of the people may be identified through consultations at the habitation level which have to be noted down in the order of priority. Also in large Village Panchayats, consultations are to be held with different stakeholders like MGNREGS workers, SHGs, small and marginal farmers, Watershed Committees and agricultural labourers and their needs identified and prioritized. Special efforts should be taken to include the priorities suggested by SCs and STs.

#### **Comments of the Committee**

**2.6 Please see Para 1.15 of Chapter - I**

**Recommendation (Sl.No.7, Para No.3.25)**

2.7 The Committee in order to ensure transparency and fairness in the working of NREGA Scheme strongly recommend that State Governments should take up a time bound programme to ensure affixing of photographs to the exiting job cards and under no condition Job Cards should be retained by Gram Panchayats and other departmental officials for any purpose.

**Reply of the Government**

2.8 As per Operational Guidelines photographs of adult members who are applicants or are interested in seeking work under MGNREGA have to be attached to the job cards. To ensure transparency and accountability, directions have been given to ensure that the Job Card is always in custody of the household to whom it is issued. If for any reason, i.e. updation of record, it is taken by implementing agencies it should be returned on the same day after the updates. Job Cards found in the possession of any Panchayat or MGNREGA functionary, without a valid reason, will be considered as an offence punishable under Section 25 of the Act.

**Recommendation (Sl.No10, Para No.3.43)**

2.9 The Committee note that the personnel working with the various implementing agencies for implementation of NREGA are appointed by the State Governments. The Committee in view of nature of work transacted under NREGA Scheme, urge the Ministry to take up the matter with the State Governments to assess the staffing requirements for implementation of NREGA so as to synchronise the working at the grass root level i.e. Panchayat Offices at each Block and supporting staff and EGAs for each Gram Panchayats.

### **Reply of the Government**

2.10 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. The Central Government has also suggested that the States can deploy core professional staff namely Panchayat Development Officer and Junior Engineer in Gram Panchayat of Integrated Action Plan (IAP) districts. 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.

### **Recommendation (Sl. No. 11, Para No. 3.44)**

2.11 The Committee appreciate the steps taken by the Department for payment of wages either through Banks or Post Offices. This system is more transparent and less prone to irregularities. The Committee desire that these steps should be taken up in all the States for payment of wages through Post Offices or Banks. However, the Department should take up

the matter with Banks and Post Offices for ensuring that wages are paid on weekly basis as provided in the Act.

### **Reply of the Government**

2.12 Efforts have been made by the Ministry to reduce the delay in payment of wages to the MGNREGA workers viz., timely release of funds, payment through National Electronic Fund Management System (NeFMS) for direct payment of wages into workers account, issued guidelines for monitoring of timely payment and payment of delay compensation, enabling appropriate provisions in NREGASoft to monitor timely payment of wages and payment of delay compensation. The Ministry is in constant engagement with the State Governments/ UTs through review meetings, video conferences, Mid Term Review, SMS based monitoring etc.

2.13 MGNREGA worker are entitled to open accounts with a zero balance in accounts. MGNREGA Job Card has been accepted as an officially valid document under know Your Customer (KYC) norms of banks for opening of accounts. Keeping in view the limited institutional outreach of Banks & Post offices as well as special circumstances prevailing in the areas like in IAP Districts, the State Governments concerned were allowed to make MGNREGA wage payment through cash in IAP districts subject to certain conditionalities. Government is continuously striving to improve the efficiency of payment under MGNREGA by exploring all new technologies including mobile banking, smart cards, electronic transfer, UID based authentication etc. To strengthen the institutional outreach for wage disbursement upto the village level State Governments have been instructed to roll out the Business Correspondent (BC) Model to make wage payment with Bio-metric authentication. Ministry has also developed an Electronic Fund Management System (e-FMS) to ensure timely availability of funds at all levels and transparent usage of MGNREGS funds. 18



States have since switched over to e-FMS. Regular review and discussions are also held with senior officials of Dept. of Financial Services and Dept. of Post for timely payment of wages through banks and Post Offices, respectively.

**Recommendation (Sl. No. 13, Para No. 3.51)**

2.14 The Committee recommend that State Governments should ensure timely release of their share and issue necessary directions to ensure that NREGA funds are not diverted or misutilised. The Committee further recommend that in order to guard against manipulation, the State Governments should ensure that monthly squaring of accounts is regularly conducted.

**Reply of the Government**

2.15 The Central Government has prescribed certain pre-requisites for release of Central funds to States/UTs. Check list on pre-requisites for release of 1<sup>st</sup> tranche of Central release require the States to indicate whether the state share during the previous financial year has been released in full to the districts. The Utilisation Certificate on the basis of which releases are made requires the states to indicate the total available funds which include the opening balance, central share, state share and other receipts. The states are also required to certify that no programme fund has been diverted and there has been no misappropriation of funds under MGNREGA. The State Governments are responsible for ensuring efficient fund management not only at the State level, but also at the district/GP/PIA level. The 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 and appropriate advisories are issued from time to time.

2.16 Monthly squaring of accounts was earlier also prescribed in the MGNREGA Operational Guidelines, to reduce the risk of financial irregularities and to promote

transparency and accuracy in fund management. With the introduction of Electronic Fund Management System (e-FMS), provisions have been suitably customized in the recently revised Operational Guidelines, 2013 for daily squaring and monthly squaring of FTOs and day-wise squaring of e-FMS Account. The Ministry has now advised all States/UTs to ensure payments under MGNREGA through institutional accounts frozen in the e-FMS. The universal application of e-FMS will ensure transparent flow of funds to the ultimate agency of implementation leading to real time reconciliation and squaring of accounts.

**Recommendation (Sl. No.14, Para No. 3.52)**

2.17 The Committee strongly recommend that the Government should make all out efforts to ensure that the outlay earmarked for the NREGA scheme in a particular year are used only for the specific programmes so that the possibility of having unspent funds are minimized. The Government should gear up and streamline the existing implementing machinery at the field level so as to ensure 100% utilization of available funds. The fund spending agencies should be held accountable for lapses pertaining to the expenditure incurred by them under NREGA scheme.

**Reply of the Government**

2.18 The Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. Being a self-selecting scheme, utilization of funds depends on the actual demand for work. As employment is to be provided on demand and payment made as specified in the Act, it would be required to maintain adequate funds at different levels of the implementing agencies and unspent balances with States/UTs serve this purpose. Un-utilized funds are

also adjusted while making subsequent releases by the Central Government. Instructions have been issued to the States/UTs 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 are ensured to assure adequate worker participation rate in MGNREGA.

2.19 Social Audit, Establishing Vigilance & Monitoring Committee at local level, proactive disclosure of information for transparency at worksites/Gram Sabha, Grievance redressal, establishment of the office of ombudsman at district level etc. have induced transparency and accountability in the implementation of the scheme. Instructions have also been issued to switch over to Electronic Fund Management (e-FMS) by December, 2013. As implementation of the Act is done by the State Governments in accordance with the Schemes formulated by them as per the provisions of the Act, all complaints on lapses received in the Ministry are forwarded to the concerned State Governments for taking appropriate action against the erring officials as per Standard Operating Procedure communicated by the Central Government.

**Recommendation (Sl. No. 17, Para No.4.7)**

2.20 The Committee feel that the existing system of acknowledging applications is not foolproof. The Ministry should devise machinery that ensures transparency and roots out irregularities in the receipt of applications. The Ministry should look into the possibility of entrusting the task of receipt of applications also to any other Department of the State Government or active NGOs of the area who can forward the applications to the concerned Gram Panchayat or Officers.

### **Reply of the Government**

2.21 The Operational Guidelines have been issued that the provision for submitting applications for work must be kept available on a continuous basis through multiple channels so designated by Gram Panchayats who should empower, ward members, anganwadi workers, school teachers, Self Help Groups, village-level revenue functionaries, Common Service Centres and Mahatma Gandhi NREGA Labour Groups to receive applications for work and issue dated receipts on their behalf. Joint work applications may also be submitted by several applicants, either on their own or by NGOs/entities authorized for the purpose by the DPC on their behalf.

2.22 NREGA soft has a facility whereby, demand for work can also be registered by kiosks (such as community Service Centres) etc. that State Government(s) may identify and this is fed directly in NREGASoft. In addition, provision is required to be made for workers to register applications for work through telephones including mobile phones and this is fed directly into NREGASoft. The system is required to be made convenient to illiterate workers and should include Interactive Voice Response System (IVRS) and voice-enabled interactions. This option automatically registers the demand for work and keeps date and time stamp of such demand. All such applications for work will be reported back by NREGASoft to the relevant GP without loss of time. DPCs and POs should ensure that such demands registered through kiosks/ telephones are duly taken note of by the GPs and applicant workers are provided employment following due processes.

### **Recommendation (Sl. No.18, Para No. 4.8)**

2.23 The Committee note that the NREGA is a Central legislation, and the Ministry, as the nodal agency for NREGA, bears overall responsibility for co-ordinating and monitoring the administration of NREGA and ensuring that the funds provided by the Government of India are economically, efficiently and effectively utilized by the implementing agencies. The

Committee also desire that the Ministry should direct the States/UTs to release its share of funds immediately along with the Centre's share. The Committee, therefore, recommend that a special cell should be created in the Ministry of Rural Development at the Centre to monitor the utilization of funds. The Committee are of strong opinion that all the reports of irregularities in implementations/misutilisations of NREGA funds received directly by the Central Government must, at any cost be investigated by the Central Government itself as it is felt that the ultimate accountability of the NREGA funds lies with the Centre. The Committee also desire that though the guidelines are suggestive and needed to be followed in letter and spirit as these have been intended to facilitate to achieve the objective of NREGA Scheme through its effective and efficient implementation. The Committee also recommend that the Ministry should carry out investigation in the cases of non-payment of wages and to take action against the defaulting officers instead of just withholding the grants to the concerned States, as ultimately it is the common man including SCs/STs who is the sufferer. The Committee, therefore urge the Ministry to take stringent action against the defaulting officers.

### **Reply of the Government**

2.24 The Mahatma Gandhi National Rural Employment Guarantee (MGNREG) Programme is a demand-driven wage employment programme and 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 and taking into account the performance of the States as reflected in the authenticated Utilisation Certificate submitted by the States. The states are required to ensure that immediately after receipt of Central share, the State share of the MGNREGS budget is provisioned for and released into the SEGF in the beginning of the financial year so that it can be used as a revolving fund. Check list on pre-requisites for release of 1st tranche of Central release require the States to indicate whether

the state share during the previous financial year has been released in full to the districts. The Utilisation Certificate on the basis of which releases are made requires the states to indicate the total available funds which include the opening balance, central share, state share and other receipts and its utilisation. The Ministry has assigned the task of monitoring of utilisation of funds in respect of all States/UTs in a centralized manner to a particular section in the Ministry and advisories are issued to the States from time to time on specific issues concerning releases and utilisation of funds.

2.25 Since the implementation of the Act is vested with the State Governments in accordance with the Schemes formulated by them as per the provisions of the Act, all complaints received in the Ministry are forwarded to the concerned state Governments for taking appropriate action including investigation as per law. Enquiry reports received from the States are analyzed at the central level and suitable advisories 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](http://www.nrega.nic.in).

2.26 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. Implementation of MGNREGA/Utilization of funds by the States/UTs is periodically reviewed in various National and State level performance review meetings and regional review meetings.

### **Comments of the Committee**

**2.27 The Committee note that the Ministry have issued advisories to the States from time to time on specific issues concerning releases and utilization of MGNREGA funds. The Committee desire that the Ministry should constantly ensure that the funds allocated for completion of all the schemes under the MGNREGA are fully utilized within the expected period. The problems identified in implementation of the schemes and solutions thereto should be brought to the noticed of all the State Government which are lagging behind in implementation. The Committee also desire that in future the Ministry not only should ensure that the funds allocated for various schemes are utilized but also devise effective steps to improve its monitoring over the respective schemes so that needy common man including SCs/STs may be benefited. Progress made in this regard may be communicated to the Committee.**

### **Recommendation (Sl. No. 20, Para No. 4.18)**

2.28 The Committee note that the officials of the Ministry as Area Officers and National Level Monitors (NLM) are deputed by the Ministry from time to time to visit various districts including those where part IX of the Constitution does not apply to oversee the status of implementation of the Act. The Committee are of the view that on the basis of Monthly Progress Reports submitted by the NREGA Districts, Performance Review Committee meeting should also be held monthly basis instead of quarterly basis so that discrepancies, if any pointed out can be rectified simultaneously in a same month and responsibility can also be fixed against the erring officers. The Committee are seriously concerned to note

from the reply of the Ministry that no co-ordination exists between members of the Central Employment Guarantee Council and those of State Employment Guarantee Council (SEGC). The Committee strongly recommend that all out efforts should be made by the Ministry to have a good coordination and synergy in the working of the NREGA Scheme otherwise basic purpose of the Scheme would be defeated. The Committee would like to be apprised of the progress made by the Government in this regard. The Committee also recommend that the Local Vigilance and Monitoring Committees should have the SCs/STs representatives. The Committee further recommend that State Governments should be directed to ensure the requisite level of inspection by different levels of officials. The Committee desire that some members of the Central Employment Guarantee Council and the State Employment Guarantee Council should be appointed from people belonging to SC/ST Category.

### **Reply of the Government**

2.29 The monitoring of RD programmes including MGNREGA through the National Level Monitors (NLM) and Area Officers 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. 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. Similarly senior officers of the Ministry are assigned states where they are required to visit under the Area Officers scheme. The Performance Review Meetings are held on quarterly basis so as to give the States adequate time to rectify any lacunae in



implementation of MGNREGA. However, the MGNREGA division also conducts Regional Review Meetings, workshops on specific issues like convergence etc., to monitor the implementation of the scheme.

2.30 The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) provides for Central Employment Guarantee Council (CEGC) and the State Employment Guarantee Council (SEGC) and their duties and functions defined in the Act. Though the Act does not provide for specific linkage between CEGC and SEGC, the CEGC advise the Central Govt. on all matters concerning the implementation of the Act and the SEGC advise the State Govt. on all matters concerning the scheme and its implementation in the State.

2.31 Section 10(3)(d) of MGNREGA Act provides that CEGC shall consist of not more than fifteen non-official members representing Panchayati Raj Institutions, organizations of workers and disadvantaged groups: Provided also that not less than one-third of the non-official members shall be belonging to the Scheduled Castes, the Scheduled Tribes, the other Backward Classes and Minorities. Section 12 of MGNREGA Act provides that not more than fifteen non-official members nominated by the State Govt. from Panchayati Raj Institutions, organizations of workers and disadvantaged groups: Provided further that not less than one third of the non-official members shall be belonging to the Scheduled Castes, the Scheduled Tribes, the other Backward Classes and Minorities.

#### **Recommendation (Sl. No. 21, Para No. 4.21)**

2.32 The Committee note that NIRD Hyderabad has commissioned a study during 2009-10 to assess the impact of Mahatma Gandhi NREGA on SC/ST. This study would cover the States of Rajasthan, Maharashtra, UP, Tamil Nadu, Odisha and Jharkhand. Report of the study is awaited. However, a number of studies by other institutions have also been

undertaken to assess the overall impact of the Act in rural areas. These studies have also evaluated the impact of Mahatma Gandhi NREGA on SC/ST population. The Committee recommend that a list of SCs/STs beneficiaries should be prepared and separate allocation of resources be done for these target groups. The Committee desire to know the outcome of the study of NIRD Hyderabad during 2009-10 and other studies to assess the impact of Mahatma Gandhi NREGA on SCs/STs.

### **Reply of the Government**

2.33 Brief findings of the studies on impact of MGNREGA on Scheduled Castes and Scheduled Tribes in selected states are given below:

1. Study Conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled '*Impact of Mahatma Gandhi NREGS on Scheduled Castes in Tamilnadu(Tiruvannamalai, Sivaganga)*' has found that the Mahatma Gandhi NREGS has gained importance as a source of off-farm works and is becoming the major source of income. During the lean period employment provided under MGNREGS has ranged between 24–30 days. The intervention of MGNREGS has proved to be a solid coping mechanism to overcome the adverse consequences of drought in Tamil Nadu in general and the SCs and the poor in particular. Implementation of MGNREGS has led to reduction in the debt bondage and Child labour.
2. Study conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled '*Impact of Mahatma Gandhi NREGS on Scheduled Tribe in Chhattisgarh (Dantewada, Koriya)*' has found that the implementation of MGNREGS has led to reduction in migration by average of 15 days and led to increase in the access to informal credit.
3. Study conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled '*Impact of MGNREGS on Scheduled Castes in Uttar Pradesh (Gorakhpur and Chandauli)*' has revealed that there is a reduction in poverty levels after the initiation of the wage employment programme, by an average of 8 percent and that is a significant increase in the incomes. About 13 percent of the workers responded that MGNREGS has enabled an increase in expenditure on children and 26 percent informed to have an increased expenditure on aged people. It was found that the wages from the wage employment was mainly used for

food, education and health. It was also found that land value has increased by 30-40 percent where roads have been formed under MGNREGS.

4. Study conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled Impact of MGNREGS on Scheduled Castes in Rajasthan (Sirohi and Karauli), has found that the Work like ponds or irrigation wells taken up on individual lands have led to increase in water availability in respective lands and most important it has reduced their dependence on big farmers for irrigation facility. In a State like Rajasthan where drought like situation is a common phenomenon, the Mahatma Gandhi NREGA has acted as a safety net during drought for the marginalized section of the rural society. Works implemented under the Mahatma Gandhi NREGA on the SC lands have brought change in cropping system and cropping pattern. There was a shift from dry land crops to irrigated ones.
5. Study conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled Impact of MGNREGS on Scheduled Castes in West Bengal (Purulia and Jalpaiguri) has found that the incidence of poverty had slightly reduced with the advent of MGNREGS. Poverty was reduced by about 2 percent in Purulia and 13 percent in Jalpaiguri. With the implementation of MGNREGS the workers have gained better wage negotiation capacity, and have been demanding higher wages. Better access to credit is one of the major benefits accrued after the inception of the scheme. About 60 percent of the MGNREGS wage income was consumed for food, 10 percent for education and another 10 percent for health care.
6. Study conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled Impact of MGNREGS on Scheduled Tribes in Mizoram (Lunglei and Saiha) has found that the MGNREGA has contributed to household welfare. Maximum share of MGNREGA wage has gone to food followed by education, clothing and health care. MGNREGA has benefited the worker community by facilitating investments in human resource development. In respect of spending for betterment of children and aged, there was positive impact of MGNREGS. About 50 per cent of farmers recognised it as an issue to reckon with and reported that MGNREGS has been able to reduce migration substantially.
7. Study conducted by the National Institute of Rural Development (NIRD) Hyderabad entitled impact of MGNREGS on Scheduled Tribes in Orissa (Kandhamal and Koraput) has found that Migration declined in the sample households by 72.5 % among males and 45.5 % among females, the

additional income accruing from MGNREGA has been spent largely on food followed by health and education. A small proportion of households reported incurring expenditure on the old and the children. The study also revealed that that MGNREGA has potential to improve the livelihood security of the poor if 100 days of guaranteed employment is assured.

8. The Study entitled, “Socio-Economic Impacts of Implementation of Mahatma Gandhi NREGA” (2010) by Council for Social Development, with focus on socially disadvantaged groups i.e., scheduled castes or scheduled tribes in 23 selected districts (from 200 backward districts) in the States of AP, Bihar, Chhattisgarh, Rajasthan, Jharkhand, Karnataka, MP, Maharashtra, Orissa, Gujarat, TN, UP and WB has noted that the beneficiaries have been able to construct house on their own land. The proportion of such Households was as high as 21.7% in Chitradurga and 21.67% in Malkangiri. In the districts Gaya, Dang, Chitradurga, Gumla, Gondia, Lalitpur and Sonbhadra about 60 to 98% of the money earned was used for food grains and other consumable items.
9. A study conducted by the Institute of Human Development in Bihar and Jharkhand, districts Rohtas, Gaya, Nalanda, Araria, Supaul, Samastipur, Purbi, Singhbhum, Pakur and Palamu, has noted that the majority of beneficiaries in both the states belonged to the most vulnerable and marginalized groups. More than ninety percent of the beneficiaries in Bihar (out of the sample coverage) belonged to SCs and OBCs, who were invariably landless or landless and most of them were casual labour in agriculture and non-agriculture. Similarly, in Jharkhand, STs, SCs, and OBCs constituted about 95 percent of the beneficiaries, and in terms of land category, more than 90 percent of the beneficiaries belonged to the landless and to households with upto to 2.5 acres of land.

Some of the recommendations are as below:

- (a) Self Help Groups (SHGs) should be roped in to the process of awareness generation and social mobilization to facilitate assertion of ‘rights and entitlements’ by the SCs.
- (b) Replication of some good practices like convergence with SGSY should be taken up in order to enable the workers to form SHGs. During the lean period, more so in rainy season, an individual from households who have participated for more than 75 days during the last two years could be given training under SGSY in allied activities, which can ultimately enable them to opt for self employment.

- (c) Convergence should be encouraged, so as to enhance the quality and durability of the assets created. For this, capacity building of the functionaries is needed in order to execute the programme successfully.

2.34 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 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.

## **CHAPTER-III**

### **Recommendations/observations which the Committee do not desire to pursue in the light of the replies received from the Government**

#### **Recommendation (Sl.No.8, Para No.3.26)**

3.1 The Committee are concerned to note in the Audit Report that in Tripura the user Rolls were not maintained in the prescribed format as a result of which SC/STs population provided with employment could not be ascertained in audit. The Committee in an another case further observed that in Chhattisgarh summary of Muster Roll (MRs) and classification of labour viz men and women, total number of workers, SCs/STs etc. was not recorded/drawn to verify exact representation of these sections. Improper maintenance of MRs makes identification of genuine beneficiaries difficult, especially in the absence of bank/postal payments. The Committee, therefore, strongly recommend that State Governments should ensure compliance with the necessary rules and procedure so as to ensure proper maintenance of MRs. To ensure unique identity of the MRs across the Block, merely using serial numbers as printed on the MRs is not enough. A MR must be serially numbered for the entire block with the Block code enfaced on it. The Committee further desire that full efforts should be made to ensure that Muster Rolls are entered on line and are thus available publicly. Further a hard copy may also be displayed both at the Panchayat offices and Gram Panchayat offices particularly in rural areas. Further Committee would like to know out of 100 days guaranteed employment under the NREGA Scheme how many eligible persons have got 100 days work and less and details of payment made to the targeted persons for 100 days in each of the States.

### **Reply of the Government**

3.2 Guidelines issued to the States indicate that the muster rolls are required to be authorized by the Programme Officer (PO) and issued to Gram Panchayats (GPs) and other implementing agencies within three days from the date they declare their intent to start works. Only those musters that are signed/certified by PO are considered authentic for generation of pay orders. Necessary steps should be taken to avoid fake musters. A record of muster rolls issued by the Block & muster rolls received by the GP shall necessarily be maintained and strictly monitored. A detailed record of Muster Rolls will be maintained in the registers in the prescribed format. Currently, there are two distinct processes adopted for issue of muster viz. e-muster and paper muster. Instructions have been issued to all States/UTs to switch over to e-muster and only in exceptional and unavoidable circumstance, paper muster can be issued. Only numbered muster rolls will be maintained on the work site. No kachha Muster Roll (a document which is not authorized or issued by the PO) can be used at the worksite for recording attendance. It is the responsibility of the District Programme Coordinator (DPC) to arrange for the verification of muster rolls. Muster Rolls should be available and maintained at the worksite. Gram Rozgar Sahayaks are responsible for capture of attendance in muster rolls which can also be arranged to be done through Mates. The Muster should indicate the (i) Work code (ii) Muster roll Number (iii) Date from (iv) Date to (v) Daily attendance and (vi) Work start date (one time).

3.3 Electronic Muster Rolls (e-MRs) are pre-printed muster rolls digitally populated with the names of the workers who demand works under MGNREGA. e-MRs are generated through NREGASoft. Besides reducing processing time for payment of wages, e-MRs help in eliminating fake muster rolls, reducing ghost workers and improving data entry into NREGASoft.

3.4 For facilitating conduct of social audit by Gram Sabha, the resource persons deployed by Social Audit Unit along with primary stakeholders shall verify the muster roll issue and receipt register, muster rolls, entry and payments made in the specified time period, by contacting the wage seekers whose names are entered in such muster rolls. Copies of Muster Rolls are also required to be made public in a pre-designated format outside all offices of all agencies involved in implementing of MGNREGA and should also be placed by the Gram Panchayat before the Gram Sabha once in every quarter.

3.5 As per Section 3 (1) of the Act, it is for the concerned State Government to provide to every household whose adult members volunteer to do unskilled manual work up to one hundred days of such work in a financial year in accordance with the Scheme made under the Act. During the previous three years the persondays of employment generated were 166.21 crore in 2014-15, 235.15 crores in 2015-16 and 235.69 crore in 2016-17 and the average persondays of employment generated per household during these three years were 46 days, 49 days and 40 days respectively. The total number of households who were provided employment on demand, number of households who have completed 100 days of employment and expenditure incurred on wages during the previous three years is indicated in the **Annexure**.

#### **Comments of the Committee**

**3.6 Please see Para 1.39 of Chapter I.**

#### **Recommendation (Sl. No. 12, Para No. 3.45)**

3.7 The Committee note that various studies have been made on economic, social and environmental impacts of the Act. The Committee desire that findings of the studies should



be analysed and appropriate action thereon may be taken. The Committee would like to be apprised in this regard.

### **Reply of the Government**

3.8 The Ministry of Rural Development had conducted a number of Independent studies to assess the impact of MGNREGA in rural areas by engaging various institutions including Indian Institute of Science, Bangalore, Indian Institute of Management (IIMs), Indian Institutes of Technology (IITs), National Institute of Rural Development (NIRD), National Sample Survey Organization (NSSO) and other professional institutions. Findings of the studies on economic, social and environmental impacts of the Act are as under:-

#### **Economic Impact**

- (iv) Creating supplementary income and augmenting income.
- (v) Increase in Agriculture wages and enhanced bargaining power of rural poor.
- (vi) Reduction in migration.

#### **Social Impact**

- (ii) Effective Targeting of Disadvantaged Groups

#### **Environmental Impact**

- (i) Creation of environmental friendly jobs.
- (ii) Reduction in soil erosion and enhancement in soil organic matter
- (iii) Improvement in ground water table, agricultural productivity and cropping intensity.
- (iv) Reduction in water vulnerability index, agriculture vulnerability, livelihood vulnerability index.

3.9 MGNREGA is generating multiple environmental and socio-economic benefits; leading to improved water availability and soil fertility resulting in increased crop production. Increased area under plantations and orchards potentially contributing to alternate incomes,

increased employment generation and reduced migration. Further, the implementation of MGNREGA works has contributed to reducing vulnerability to climate risks.

3.10 Women's workforce participation ratio surpassed the statutory minimum 33 percent all years, reaching 51% in the financial year 2012-13 at the national level. Independent studies point towards positive trends and women empowerment as a result of economic opportunities under MGNREGA. To increase women participation in the Scheme, major initiatives are being suggested including, opening individual bank/post office accounts for all women workers, identifying and providing Job Cards to widowed, deserted and destitute women, who qualify as a household under the Act.

3.11 Similarly, more than 50% of persondays generated have been the result of SC/ST participation. In most States the ST workforce participation ratio has been higher than the ST share in the State's population. New works have been added to the existing list of permissible works under MGNREGA with a focus to strengthen synergy between MGNREGA and rural livelihoods, particularly in agriculture. Besides ensuring durable quality assets, the expansion of MGNREGA works is likely to improve the socio-economic condition of marginalised section of the society [viz. SC/ST/Small and Marginal farmers/IAY beneficiaries/Forest Right Act beneficiaries etc.] as most of the new works are now permitted on the land or homestead of specified individual beneficiaries.

3.12 Since disabled and other vulnerable persons have specific needs, the States have been advised to create an enabling environment for their inclusion in MGNREGA activities. The State are to conduct a Work and Time Motion Study and prepare a separate Schedule of Rates (SoR) for physically challenged and other vulnerable sections of the society.

#### **Comments of the Committee**

**3.13 Please see Para 1.51 of Chapter I.**

**Recommendation (Sl. No. 16, Para No. 4.6)**

3.14 The Committee note that NREGA gives a central role to “social audits” as a means of continuous public vigilance. Social audit and Social Audit Forum in Gram Sabha are important means of ensuring transparency and accountability at the Gram Panchayat level. The Committee recommend that Social Audit Forums must be held twice a year at the Gram Sabha level for all works done during the preceding year. All States should also be persuaded to put in place effective grievance redressal mechanisms so as to ensure that the purpose of NREGA to provide 100 days employment as a matter of right is not diluted.

**Reply of the Government**

3.15 Establishment of Social Audit Directorate/Society: Independent Social Audit Units have been set up in 26 States. The Ministry has been pursuing recruitment of minimum core staff and training for the resource persons recruited.

3.16 Based on the recommendations of the Joint Task Force, the Ministry introduced Auditing Standards prepared by Office of Comptroller and Auditor General for conducting social audits. The Auditing Standards were communicated to all the States vide OM No. L-11033/40/2016-RE-VII dated 19th December 2016.

3.17 Capacity Building: The Ministry of Rural Development has initiated a capacity building initiative based on the recommendations of the Joint Task Force for Social Audits. The Ministry in collaboration with NIRD&PR and Tata Institute of Social Science, Mumbai has developed a 30-day certification course on social audits. This certification course is mandatory for all SAU personnel (SRP, DRP and BRP) to conduct social audits. As of now trainings have been completed in 18 States and as on 19.02.2018, more than 4000 resource persons at the State, District and Block level have been trained.

3.18 Social Audit MIS: The Ministry has recently taken up initiatives to restructure Social Audit MIS. The objective of restructuring is to ensure compliance with the Auditing Standards

for Social Audits, by adopting best practices followed by various States Social Audit Units. On the newly developed MIS portal, Social Audit team can upload their findings and issues. The new MIS system facilitates the Social Audit Unit to forward /assign the issues to the concerned State /District /Block /Gram Panchayat level officials handling MGNREGS for follow up actions.

3.19 SHG-VRP Training: In order to strengthen the conduct of social audits in the Gram Panchayats, the Ministry has initiated a 4 day training programme of women SHG members wherein 55,215 women SHG members have been trained across 11 States.

## **CHAPTER IV**

### **Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration**

#### **Recommendation (Sl.No.1 Para No.2.4)**

4.1 The Committee note that NREGA is a demand driven scheme and is uniformly applicable to all rural households irrespective of their castes. Also that NERGA guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. The Committee feel that SCs/STs living in rural areas are poorer of the poor and therefore, deserve priority employment under NREGA. The Committee recommend that the Centre must prepare village wise/Panchayat wise/District wise list of target beneficiaries and those who are SCs/STs should be given priority in employment under NREGA. The Committee also recommend that NERGA should be amended to guarantee at least 150 days of employment per household of SCs/STs in a financial year instead of the existing provision of 100 days. The Committee strongly feel that on the lines of NERGA, the Government should also bring a piece of legislation to guarantee employment to urban poor, particularly SCs/STs. The Committee would like to know the response of the Government in this regard.

#### **Reply of the Government**

4.2 The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005 provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi

National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand.

4.3 At the national level, the share of SC/ST in employment generation under MGNREGA has been high at 40-50 per cent across each of the years of the Scheme's implementation. In the case of both SCs and STs, the participation rate exceeds their share in the total population. However, as per the revised Operational Guidelines-2013, States have been asked to take assistance from credible, local grass-roots Civil Society Organizations in the conduct of door to door survey and special efforts to reach disadvantaged groups including Primitive Tribal Groups, Nomadic Tribal Groups, SCs and STs. Volunteers should not only get them registered and facilitate obtaining job cards but also enable them to actually get suitable work.

4.4 As per Section 3(1) of MGNREGA, the State Governments shall provide to every household, work not less than one hundred days in accordance with the Scheme to be made under the Act. However, Section 3 (4) has the enabling provision for creating wage employment beyond the stipulated period of 100 days of work per household in a financial year. Section 3 (4) reads, *"The Central Government or the State Government may, within the limits of its economic capacity and development, make provisions for securing work to every adult member of a household under a Scheme for any period beyond the period guaranteed under sub-section (1), as may be expedient"*. This enabling provision is exercised by the Central Government in special circumstances like natural calamities etc. Thus, additional employment beyond the stipulated 100 days and up to 150 days per rural household under MGNREGA was allowed as a special dispensation for the notified drought affected Talukas/Blocks in various States in 2012-13 and notified flood/landslide affected rural areas in Uttarakhand in 2013-14.

4.5 The mandate of MNREGA is to enhance the livelihood security of the rural people through guaranteed wage employment. Rural area as defined under the notified Act means any area in a State except those areas covered by any urban local body or a Cantonment Board established or constituted under any law for the time being in force.

#### **Comments of the Committee**

**4.6 Please see Para 1.9 of Chapter I.**

#### **Recommendation (Sl.No.3, Para No.3.9)**

4.7 The Committee note that the Central Government monitors and review the implementation of the Act. The State Governments are primarily responsible for the implementation of the schemes under NREGA. The Committee also note that while preparing annual action plan and shelf of projects at Gram Panchayat level under NERGA, it is ensured that the works undertaken do not overlap with the works of the SCSP and TSP Plans. Also that separate records are maintained for NERGA schemes in SCSP and TSP areas so that funds enumerating from SCSP and TSP for SCs/STs beneficiaries do not overlap. The Committee, however, are apprehensive that despite mechanism, a possibility of overlapping of works and distribution of funds between NERGA and other programmes for the development of SCs/STs cannot be refuted. The Committee, therefore, recommend the Central Government to monitor that funds meant for different schemes for the development and welfare of SCs/STs are not diverted and are fully utilized on the allocated works only. The Committee would like to be apprised about the effective steps taken by the Government to avoid possibility of overlapping of works and distribution of funds between NREGA and other programmes.

### **Reply of the Government**

4.8 MGNREGA is demand driven programme and hence the Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. Hence, no specific earmarking of funds is made under SCSP and TSP component under MGNREGA. However, empowerment of socially disadvantaged sections including the Scheduled Castes and Scheduled Tribes through the processes of the right based legislation is one of the goals of MGNREGA.

4.9 Certain activities included in Schedule-I are allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes and other specific categories. The priorities of the works to be taken up are to be identified on the basis of the specific needs of the people through consultations at the habitation level. By preparing annual action plan and shelf of project at Gram Panchayat level under MGNREGA, it is ensured that the works undertaken do not overlap with the works allowed on land or homestead of the identified disadvantaged groups. There are separate formats designed under MNREGS in which records are maintained by the Rozgar Sahayak at every Gram Panchayat level. This is ensured by the supervisory staff i.e. Project Officer at Intermediate Panchayat level and inspection by the District Programme Coordinator at District Panchayat level. As per operational guidelines, works taken up under convergence projects for which funds are not pooled, both the schemes will maintain separate accounts for the project and will have separate project IDs. In respect of the project, in which funds are dovetailed from the schemes to meet the cost of an identifiable part of the project, a complete project



proposal including all project activities and budget should be prepared. To avoid duplication in reporting, MGNREGA and other schemes should use the same cost sheet and project ID for their project approval and reporting. Similarly, assets created are to be shown in respective assets registers with required explanatory notes. The Memorandum of Understanding (MoU) was signed on 24.06.2016 between the Ministry of Rural Development and Indian Space Research Organisation (ISRO), Department of Space for Geo-tagging the assets under the MGNREGS in each Gram Panchayat. The MoU addresses specific components of geo-tagging the assets and creation of data base for online recording and monitoring.

### **Comments of the Committee**

**4.10 Please see Para 1.19 of Chapter I.**

### **Recommendation (Sl.No.4, Para No.3.17)**

4.11 The Committee note that the personnel working in the various Implementing Agencies for implementation of NREGA are appointed by the State Governments. They are also imparted training for smooth and effective implementation of the Act. The Committee desire that for effective working of NREGA Scheme, the training should also be imparted to the members of Village Panchayats and Gram Sabha. The Committee further recommend that with a view to safeguarding the interest and welfare of SCs/STs, it is essential that the personnel appointed by the various Implementing Agencies should also include SCs/STs in large numbers. The Government may also take up the matter with the State Governments to ensure inclusion of SC/ST members in implementing agency, even if it entails amendment of the existing provisions for such appointments. The Committee may

also be apprised of the existing provisions governing appointment of personnel with the various implementing agencies.

### **Reply of the Government**

4.12 The Central Government had issued advisories to the State Governments suggesting deployment of dedicated staff at various levels in accordance with the provisions in Section 18 of MGNREG Act. 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. The Central Government has also suggested that the States can deploy core professional staff namely Panchayat Development Officer and Junior Engineer in Gram Panchayat of Integrated Action Plan (IAP) districts.

4.13 As per the MGNREGA operational guidelines, State Employment Guarantee Council shall determine salaries, job description, minimum qualification and process through which MGNREGA employee are to be appointed and evaluated. In the recruitment process, the reservation policy of the State for contractual employment should be followed. The MGNREGS staff should be adequately represented by women, SCs, STs etc. Instructions have also been issued for adequate representation of Scheduled Castes and Scheduled Tribes in Vigilance and Monitoring Committees in proportion to their population.

4.14 The 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.

### **Comments of the Committee**

**4.15 Please see Para 1.24 of Chapter I.**

### **Recommendation (Sl.No.5, Para No.3.19)**

4.16 The Committee are concerned to note that no separate allocations have been earmarked for SCs/STs under the Act. The Committee, therefore, recommend that separate allocation should be made for SCs/STs in the annual budget plan under NREGA scheme. The funds earmarked for SCs/STs should also be utilized on priority basis during the same year and should not lapse or diverted to other schemes.

### **Reply of the Government**

4.17 MGNREGA is demand driven programme and hence the Ministry releases funds to the States on the basis of agreed to Labour Budget (LB), opening balance, pending liabilities of the previous year for the financial year, if any, and overall performance. The fund release to States/UTs for implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a continuous process and Central Government is making funds available keeping in view the demand. The requirement of funds and employment generation will depend on demand for work which are required to be projected by the State Governments. Hence, no specific earmarking of funds is made under SCSP and TSP component under MGNREGS. However, Schedule-I of the Act includes permissible works which are allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes and other specific disadvantaged groups.

The persondays generated for Scheduled Castes since inception were in the range of 22% to 31% whereas, the share of Scheduled Tribes were 18% to 36% depending on their demand for employment.

### **Comments of the Committee**

**4.18 Please see Para 1.27 of Chapter I.**

### **Recommendation (Sl.No.6, Para No.3.24)**

4.19 The Committee take a serious note on the findings of the C&AG on performance of NREGA Scheme in various States of the country and therefore recommend that Job cards should be issued within a fortnight of the application for registration and in order to ascertain that intended benefits of the Scheme, SCs/STs applications should be screened on priority. The Committee also insist that Employment Register to indicate employment demanded and Asset Register should be maintained to achieve transparency and accountability and to minimize fictitious/duplicate entries, besides providing a basis for verifications.

### **Reply of the Government**

4.20 The Central Government has issued guidelines indicating that if a household is found to be eligible for registration, the Gram Panchayat will, within a fortnight of the application, issue a Job Card to the household. Job Card should be handed over to one of the members of the applicant's household in the presence of a few other residents of the Gram Panchayat.

4.21 The Gram Panchayat or Programme Officer, as the case may be, shall be bound to accept valid applications for work and to issue a dated receipt to the applicant. Refusal to accept work applications and provide dated receipts will be treated as a contravention under Section 25 of MGNREGA. District Programme Coordinator (DPC) and State Governments

will ensure that the details for application of work are entered in the NREGASoft MIS from the Gram Panchayat data entry page or from Block data entry page.

4.22 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, Asset Register, Employment Register etc. The guidelines issued in this regard list the check list for Audit of MGNREGA accounts of Gram Panchayat. It is the responsibility of the Programme Officer (PO) to ensure that all relevant records and registers are made available for Social Audit.

4.23 The steps are being taken to seed the Aadhaar number of the MGNREGA workers into the programme database (NREGASoft) after seeking their consent. As of now 9.97 crore Aadhaar numbers of the active MGNREGA workers have been seeded in the MIS.

#### **Comments of the Committee**

**4.24 Please see Para 1.33 of Chapter I.**

#### **Recommendation (Sl. No.9, Para No. 3.30)**

4.25 The Committee are surprised to note that the figures relate to the mandays of employment generated for SCs/STs beneficiaries has been decreased. The Committee recommend that state should ensure more publicity at the grass root level through radio, television, local newspapers by displaying notice board in their vernacular language at Panchayat Ghars and implementing agencies. For effective and meaningful operation of this Scheme, the Committee desire that the Government should utilize services of the NGOs and voluntary organizations for creating awareness among the people about NREGA and also to make use of the print and the audio-visual media for campaigning the cause of the programme. In view of the negligible or no participation of SCs/STs persons in various

States mentioned above for implementation of NREGA Scheme, the Committee desire that an Assessment Committee be constituted by the Government to know the reasons as to why beneficiaries of SCs/STs persons under NREGA Scheme are decreased in various States mentioned above.

### **Reply of the Government**

4.26 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.

4.27 The Government is actively engaged with the State Government in establishing systems that ensure provision of work as per demand. To generate awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under MGNREGS, all States/UTs have been requested to (i) initiate appropriate Information Education and Communication (IEC) campaigns including wall paintings for wide dissemination of the provisions of the Act, (ii) expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA does not go unregistered, (iii) prepare plans in a participatory mode and approve them in the Gram Sabha, and (iv) prepare realistic labour budget by the State.

4.28 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.

### **Comments of the Committee**

**4.29 Please see Para 1.44 of Chapter I.**

### **Recommendation (Sl. No. 15, Para No. 3.58)**

4.30 The Committee note that under the NREGA scheme, there are no predetermined targets because NREGA is demand based and employment is provided to job card holding household when it demands work. Demand for work varies from State to State and from district to district within a State. The Committee feel that there may be compelling reasons as to why people are not demanding work even when the job cards have been issued. One of the basic reasons in this regard may be people preferring for wage employment elsewhere, where the wages may be much more. The Committee desire that the Department have to analyse the reasons State-wise for families not demanding work after getting the job cards ready. The Committee may be kept apprised about the concrete action taken in this regard.

### **Reply of the Government**

4.31 Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is demand driven programme under which State Governments are obliged to provide up to at least 100 days of guaranteed wage employment to every household on demand. The objective of MGNREGA is to supplement the income of a rural household and it is not intended to be the

sole means of earning livelihood for the rural population. Mere issuance of a job card does not entitle a household to receive employment. Under Para 9 of Schedule II of the Act, the household also has to submit application for work to be entitled to receive employment.

4.32 Being a self-selecting wage-employment programme, the increase or the decline in the demand for labour under MGNREGA may arise due to a myriad of factors external to the 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.

4.33 The Government is actively engaged with the State Government in establishing systems that ensure provision of work as per demand. To generate awareness about the provisions of the Scheme and to provide adequate employment opportunities to rural households under MGNREGS, all States/UTs have been requested to (i) initiate appropriate Information Education and Communication (IEC) campaigns including wall paintings for wide dissemination of the provisions of the Act, (ii) expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA does not go unregistered, (iii) prepare plans in a participatory mode and approve them in the Gram Sabha, and (iv) prepare realistic labour budget by the State.

#### **Comments of the Committee**

**4.34 Please see Para 1.56 of Chapter I.**

#### **Recommendation (Sl. No.19, Para No. 4.10)**

4.35 The Committee note that at present there is no proposal under consideration of the Govt. to further amend/modify the Act. The Committee, however, are of the view that Ministry on the basis of its own experience, study reports and feedback received from the State Government, implementing agency, NGOs and common persons covered under the



NREGA Scheme since 2006 should make assessment and see possibility to amend the NREGA Act so that intended benefits under the NREGA could yield desired results in realistic manner. The Committee desire that the Centre must take necessary steps to amend the NREG Act to make it more beneficial for SCs/STs with a view to ensure that benefits under the Act must reach to SCs/STs beneficiaries directly.

### **Reply of the Government**

4.36 Schemes under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) are notified by the implementing States under Section 4(1) of MGNREG Act, 2005 to give effect to the provisions of Section 3 of the Act i.e. guaranteeing rural employment to households. However, the powers to amend the MGNREG Act is vested with the Central Government and is exercised as and when the need arises.

4.37 Some of the amendments carried out in the MGNREG Act listed below, are intended to enhance the availability of permissible works especially in the context of empowerment of the underprivileged and MGNREGA workers in general.

(a) As per a notification dated 4.5.2012, the following activities included in Schedule-I are allowed on land or homestead owned by households belonging to the Schedules Castes and Scheduled Tribes or below poverty line (BPL) families or the beneficiaries of land reforms or the beneficiaries under the Pradhan Mantri Awas Yojana (PMAY) or that of the small or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008 or the beneficiaries under the Scheduled Tribes and other Traditional Forest Dwellers (Recognition of forest Rights) Act, 2006 (2 of 2007);

- (i) provision of irrigation facility, dug out farm pond, horticulture, plantation, farm bunding and land development;
- (ii) agriculture related works, such as, NADEP composting, vermi-composting, liquid bio-manures;

- (iii) livestock related works, such as, poultry shelter, goat shelter, construction of pucca floor, urine tank and fodder trough for cattle, azolla as cattle-feed supplement;
- (iv) works in coastal areas, such as, fish drying yards, belt vegetation;
- (v) rural drinking water related works, such as, soak pits, recharge pits;
- (vi) rural shall sanitation related works, such as, individual household latrines etc.

4.38 The above works shall be taken up subject to the condition that; (i) the households shall have the job card and (ii) the beneficiaries work on the project undertaken on their land or homestead.

(b) 'Construction of Play Fields' included as permissible activity in Schedule-I of MGNREG Act vide notification dated 14.1.2013.

(c) 'Construction of Anganwadi centres' included as permissible activity in Schedule-I of MGNREG Act vide notification dated 17.1.2013.

(d) Notification dated 26.2.2013 specifying wage rate payable to the unskilled manual workers effective from 1.4.2013.

(e) Paragraph 30 of Schedule-II of MGNREG Act was amended vide notification dated 24.9.2013 relating to payment of compensation for delayed payment of wages to MGNREGA workers.

4.39 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:

- Initiate appropriate IEC campaigns including wall paintings for wide dissemination of the provisions of the Act.
- Carry out door-to-door survey to identify needy and eligible households for registration under MGNREGA.
- Expand scope and coverage of demand registration system to ensure that demand for work under MGNREGA do not go unregistered.
- Organize 'Rozgar Diwas' periodically to capture latent demand under the programme and to disseminate awareness about the provisions of the Act.
- 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.
- 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.

#### **Comments of the Committee**

**4.40 Please see Para 1.62 of Chapter I.**

**CHAPTER V**

**Recommendations/observations in respect of which final replies have not been received**

**- NIL -**

**New Delhi  
9<sup>th</sup> August, 2018  
Sravana, 1940 (Saka)**

**DR. KIRIT P. SOLANKI  
Chairperson,  
Committee on the Welfare  
of Scheduled Castes and  
Scheduled Tribes.**

**APPENDIX - I**

**COMMITTEE ON THE WELFARE OF SCHEDULED CASTES  
AND SCHEDULED TRIBES  
(2018-2019)**

**(SIXTEENTH LOK SABHA)**

**SIXTH SITTING  
(07.08.2018)**

**MINUTES**

The Committee sat from 1500 hrs. to 1600 hrs. in the Hon'ble Chairperson's Office, Room No. 137,  
Third Floor, Parliament House, New Delhi

**PRESENT**

Dr. Kirit P. Solanki - Chairperson

**MEMBERS - LOK SABHA**

2. Smt. Anju Bala
3. Dr. Pandula Ravindra Babu
4. Shri Parayamparambil Kuttappan Biju
5. Dr. (Prof.) Ajmeera Seetaram Naik
6. Shri Ram Chandra Paswan
7. Shri Vishnu Dayal Ram
8. Shri Krupal Balaji Tumane
9. Shri Bhanu Pratap Singh Verma

**MEMBERS - RAJYA SABHA**

10. Shri Shamsheer Singh Dullo
11. Shri P.L. Punia
12. Shri D. Raja
13. Shri Ramkumar Verma

**SECRETARIAT**

1. Shri D. R. Shekhar, Director
2. Shri V.K. Shailon, Deputy Secretary
3. Shri Mukesh Kumar, Under Secretary

At the outset, the Chairperson welcomed the Members of the Committee. The Committee then considered the following draft reports:

- (i) Action taken by the Government on the recommendations contained in the Twenty-Eighth Report (15<sup>th</sup> Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes on the subject "Examination of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) with particular reference to Scheduled Castes and Scheduled Tribes".

- (ii) Draft Report "Monitoring of Scheduled Castes Sub Plan (SCSP) by the Ministry of Social Justice and its implementation for development and welfare of Scheduled Castes".
- (iii) Draft Report "Monitoring of Scheduled Tribes Sub Plan (TSP) by the Ministry of Tribal Affairs and its implementation for development and welfare of Scheduled Tribes".

After due consideration, the Committee adopted the above mentioned reports with minor corrections. The Committee also authorized the Chairperson to present these reports to both the Houses of Parliament in the current session of the Parliament.

**APPENDIX - II**

(Vide Para 4 of Introduction)

Analysis of action taken by the Government on the recommendations contained in the Twenty-Eighth Report (Fifteenth Lok Sabha) of the Committee on the Welfare of Scheduled Castes and Scheduled Tribes.

1.	Total number of recommendations	21
2.	Recommendations/observations which have been accepted by the Government ( <u>vide</u> recommendations at Sl. Nos. 2, 7, 10, 11, 13, 17, 18, 20 & 21)	
	Number	09
	Percentage to the total	43%
3.	Recommendations/observation which the Committee do not desire to pursue in view of the Government replies ( <u>vide</u> recommendations at Sl. Nos. 8, 12, 14 & 16)	
	Number	4
	Percentage to the total	19%
4.	Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration ( <u>vide</u> recommendations at Sl. Nos. 1, 3, 4, 5, 6, 9, 15 & 19)	
	Number	8
	Percentage to the total	38%
5.	Recommendations/observations in respect of which final replies of the Government have not been received	NIL