Chapter IV

Objectives, Features and Criteria of Maharashtra Employment Guarantee Scheme

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Introduction:

It is well recognized that the instrument of rural works programs (RWPs) has become an important component of strategies to alleviate poverty and hunger in many developing countries. The case for RWPs lies in the self-targeting nature of the schemes. Also, discriminations prevalent in some agricultural labor markets can be avoided in public works programs. In India, employment provision has been used extensively as a tool for protecting entitlements for centuries. Since the fourth century B.C., when Kautilya, the ancient Indian political economist, wrote his Arthasastra, India's rulers and governments have emphasized public relief works, particularly during famine.

Employment in public works later became the main element of strategies for famine prevention in India and it has proved effective. After India's independence in 1947, there were many central government-sponsored schemes, beginning with the Rural Manpower Program in 1960. The most important program at the state level is the Maharashtra Employment Guarantee Scheme (EGS), which was introduced in 1972.¹ EGS initial planning is generally done by the Revenue Department while implementation is carried out by the Technical Department.

Maharashtra Employment Guarantee Scheme:

The Employment Guarantee Scheme (EGS) introduced in Maharashtra in the early 1970s is an innovative anti-poverty intervention. The EGS provides a guarantee of employment to all adults above 18 years of age who are willing to do unskilled manual work on a piece rate basis. The scheme is self-targeting in nature. It is totally financed by the state government. The main objectives of the EGS are to improve household welfare in the short run and to contribute to the development of the rural
economy in the long run through strengthening rural infrastructure. Here we examine the costs and benefits due to EGS.²

The Maharashtra EGS is one of the most researched and discussed programs in the country. The United Nations Development Program's (UNDP) Human Development Report (1993, 43) commends Maharashtra's EGS as one of the largest public programs in the developing world. Compared to the programs in other countries, the EGS has been in existence for a long time—20 years.³ The rest of the states in India and the other countries in Asia and Africa are eager to learn from the scheme's success, particularly its sustainability over time. The EGS is an especially interesting example of a public works program for poverty alleviation because it guarantees employment at a defined wage—an unprecedented feature in a public works program. It is considered a model because of this underlying philosophy of guarantee and because of its approach toward fulfilling this guarantee. Due to constraints and backwardness, the employment provided by the agriculture sector in Maharashtra is not sufficient for laborers to earn an adequate living. Hence, employment in agriculture needs to be complemented by government intervention.

The EGS is one attempt to enlarge the scope of employment in order to alleviate poverty in the state. During the drought period 1970-73, EGS mainly operated as a relief program. By any criterion, the drought of 1970-73 in Maharashtra must have marked an all-time record for the scale and reach of public works programs in a famine relief operation. Following the drought, the government continued the EGS and used it as an antipoverty program. The EGS began in 1972; it received statutory basis in 1977 when the Maharashtra Legislative Assembly unanimously voted it a law of the land. The law became operative from January 26, 1979, with the consent of the President of India, and Maharashtra became the first state in the country to guarantee work.⁴ This law declares that every adult person in the rural
areas in Maharashtra shall have a right to work, that is, a right to get guaranteed employment in accordance with the provisions of this Act and the Scheme made hereunder.

**Importance of EGS:**

The EGS provides a guarantee of employment to all adults above 18 years of age who are willing to do unskilled manual work on a piece-rate basis. The scheme is self-targeting in nature. It is totally financed by the state government. The main objectives of the EGS are to sustain household welfare in the short run and to contribute to the development of the rural economy in the long run, through strengthening rural infrastructure. Works undertaken by the EGS have to be productive. There is an elaborate organizational setup for the 'Droughts occur repeatedly in the state. Rainfall in drought-prone districts is erratic and, consequently, agricultural production is unstable (PEO 1980). Twelve drought-prone districts namely Ahmad Nagar, Solapur, Pune, Nashik, Sangli, Satara, Aurangabad, Beed, Osmanabad, Dhule, Jalgaon, and Buldhana together accounted for about 60 percent of the state's net sown area, which highlights the fact that the bulk of the state's cultivated area is located in drought-prone area districts. If there is a breakthrough in dryland farming technology, agricultural productivity and employment prospects may improve in the state, but such a breakthrough does not seem imminent. Supplementary employment programs, therefore, may have to continue in the near future.

From a modest beginning of only 1.9 crore in 1972-73, the scheme expanded to an expenditure of Rs.578 crore in 2000-01. In 2001-02, the expenditure seems to have increased significantly to around Rs.900 crore due to drought conditions. During the 1970s and 80s, the EGS has consistently claimed from 10 to 14 per cent of the total plan expenditure of the Maharashtra state. During the Eighth Plan period, however, the EGS
share in the plan expenditure declined to around 8 per cent. The table shows that the employment created under EGS reached peak in 1985-86 (18.95 crore person days). Since 1987-88, it started declining due to various reasons. Introduction of JRY could be one of the reasons for decline in the number of person days under EGS. However, still EGS created more than 11 crore of person days in 2000-01.  

**Impact on Poverty:**

One criticism of the EGS is that, despite the scheme's existence, poverty in Maharashtra has not declined more rapidly than average. The performance of Maharashtra was better than all India in the 1990s.  It may be noted that the EGS alone cannot lead to poverty alleviation. As some calculations can show, even if workers work full time on EGS, they cannot earn enough to cross the poverty line. The problem of poverty is much wider than the coverage of EGS. The importance of EGS lies in both direct and indirect benefits. The anti-poverty record of EGS is better understood by looking at district or region level data. The macro-level poverty ratios do not fully capture the impact of EGS on the poor because EGS is concentrated in a few districts. Almost two-thirds of all EGS employment is concentrated in one-third of the districts.

Table No. 4.01

**Rural Poverty: Maharashtra and all India**

<table>
<thead>
<tr>
<th>Year</th>
<th>Maharashtra</th>
<th>All India</th>
</tr>
</thead>
<tbody>
<tr>
<td>1973-74</td>
<td>57.71</td>
<td>56.44</td>
</tr>
<tr>
<td>1993-94</td>
<td>37.93</td>
<td>37.27</td>
</tr>
<tr>
<td>1999-00</td>
<td>23.72</td>
<td>27.09</td>
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</tbody>
</table>

Wage Debate:

The dilemma to be resolved is whether it should be below or equal to market wage rate or legally fixed minimum wages (generally market wages are below minimum level). Initially the EGS wages were below the market agricultural wages. In 1988, with the doubling of the statutory minimum wage rate, the EGS piece rates were also doubled. It was revealing that higher wages led to rationing in the guarantee of employment. They argue that lower wages should be maintained in order to have wider coverage which would help the poor better as compared to the rationing due to higher wages. This issue should be resolved before replicating the EGS to other states.

There is some merit in the low wage argument if one wants to concentrate on reducing the intensity of poverty. However, if the aim is to take the poor up to the so called poverty line, obviously higher wages are needed. In recent years, the workers seem to have been shifting from EGS to JRY in Maharashtra because of the higher wages.

Indirect or Secondary Benefits:

The case for EGS relies more heavily on secondary and stabilization benefits, rather than on direct benefits. One of the second round effects of EGS is its contribution to the creation of rural assets. The EGS projects mainly relate to soil conservation, land development, percolation tanks and roads. They can have substantial impact on agricultural growth. The EGS has been criticized for neglecting the creation of durable assets and paying more attention to employment generation. There is some merit in this argument but it may not be true for all EGS assets. The related criticism is that the agricultural growth in Maharashtra was very low in the 1980s inspite of EGS. Here too one has to look at the disaggregate data i.e. trends in agricultural growth at the district level.
Secondly, EGS puts an upward pressure on agricultural wages. The guarantee part of the EGS increases unskilled labourers's bargaining strength in negotiations with an employer or landlord. There are evidences that the EGS wage rate has influenced the agricultural wage rate in Maharashtra. Thirdly, one of the important aspects of the EGS is its insurance function. In the absence of unemployment insurance in India, EGS can act as insurance for the rural workers. The existence of a form of income/employment insurance could be quite significant although the increase in employment and income is not very large as compared with the aggregate needs. The EGS also have stabilization benefit in the sense that the employment under the scheme is high in the lean season and low in the peak season. Fourthly, it is worth noting that in rural Maharashtra, the EGS is known as a programme of women.\textsuperscript{10}

**Origin and Perpetuation:**

EGS as a public employment scheme originated in 1965, when it was Designed as a state-level response to adverse economic and demographic trends in rural Maharashtra. A pilot project in Tasgaon Block of Sangli District was designed and operated as an Integrated Area Development Scheme, commonly known as a "Page Scheme," named after the late V. S. Page, the Gandhian activist who originally conceived it. Following enthusiastic public response, the pilot project was expanded to cover the entire Tasgaon Block in Sangli District. Subsequently, a modified EGS pilot project was initiated in November 1970 in all 11 districts of the state.\textsuperscript{11}

EGS at the state level was incorporated as a special program in April 1971 with an annual budget of Rs 50 million. To fulfill the election promise, the government extended the EGS to all rural areas in the state in May 1972. Soon after statewide adoption, the EGS was suspended during the peak drought period of late 1972 to early 1974. During this period, the EGS was
superseded by central government programs. A novel element in this assistance package was the Crash Scheme for Rural Employment, introduced by the late Prime Minister Indira Gandhi in 1971 as part of her garibi hatao program.12

The government of Maharashtra, however, was not happy with the state's dependence on the central government for drought relief. In 1974/75, V. P. Naik, then the chief minister, backed by opposition parties, decided to set up a permanent scheme to protect vulnerable groups in society and to create assets that would reduce effects of future droughts. Thus the government resumed EGS after two years. There are different views on how much EGS has altered the political economy in the state. By making employment an entitlement, EGS facilitates collective political action by the poor, and promotes the realization of their common interest. EGS can be viewed more as a promoter than a consequence of the poor's power. The EGS also makes rural politicians more responsive to the demands of the poor. It provides the poor with opportunities for taking effective action and encourages the mobilization of their political resources. A number of organizations of the poor have come forward to help the EGS reach the poor.

What are the reasons for the continued existence, or sustainability, of the scheme? The EGS has the support of all groups in the state: the urban population, rural rich, rural poor, and politicians. The politicians play an active role in the functioning of the scheme. They serve as members of various EGS statutory committees. A Committee of the Maharashtra Assembly inspects the EGS sites in different districts and reviews program operations. Committees made up of Members of Parliament (MPs), Members of the Legislative Assembly (MLAs), Members of Legislative Councils (MLCs), and Taluka (the administrative unit below a district) monitor and evaluate local EGS activities. Legislators see the EGS as a
"prestigious" scheme that they have supported and from which they expect political benefits. Thus, MLAs support the program and are quick to claim credit for the operating of new projects.

The presence of politicians in the EGS has both positive and negative aspects. EGS operations are aided by the sense of urgency and purpose that is conveyed by the aggressive stance of politicians. At the same time, political leaders are disruptive elements when they create trouble at work sites and when they insist that projects be opened in areas already adequately served by ongoing works. Political economy is also at work at the regional level. Relatively rich districts get EGS projects as a result of the lobbying of powerful politicians in those districts.

**Evaluation of MEGS:**

From a modest beginning of only 1.9 crore in 1972-73, the scheme expanded to an expenditure of Rs.578 crore in 2000-01. In 2001-02, the expenditure seems to have increased significantly to around Rs.900 crore due to drought conditions. In addition to this, under the Jawahar Gram Samridhi Yojana and Employment Assurance Scheme, employment of 2.10 crore mandays was provided during the current year for the period April to December, 2001. During 2001-02, from April to December, 2001, the number of persons newly registered in Employment and Self Employment Guidance Centers was 5.24 lakh as compared with 5.60 lakh in the corresponding period of 2000-01. The actual placements effected during 2001-02 from April to December, 2001, were 9 thousand as against 14 thousand placements effected during the corresponding period of the previous year. During the current year, the number of persons on live register of Employment and Self-Employment Guidance Centres as at the end of December, 2001 has increased to 44.20 lakh as compared to 43.49 lakh at the end of December, 2000.\(^{13}\)
Reforms under EGS:

The EGS has been in existence for a long period 35 years so far. There is a need for some changes which would be more effective in helping the poor without altering the basic structure of EGS. Some of them are the following.

- **Wage Rate:** The workers under EGS in Maharashtra seem to be shifting from EGS to JRY because of the higher wage rates in the latter. The data for 1995/96 shows that around 9.12 crores person days were created under JRY. This number is almost equal to that created under EGS. There is a need to have some parity between these two schemes. The wage rate must be raised in such a way that a person working 300 days a year can lift him or herself and dependents above the poverty line.

- **Resources Under EGS:** The Government may resort to employment rationing if the hike in EGS wages is not accompanied by a matching increasing in the outlay. This seems to have happened in the late 1980s. In real terms, there has not been much increase in the outlay under EGS in recent years. The resources have to be increased if the government is serious about increasing wage rates under the scheme. Apparently, there is accumulated surplus of nearly Rs.2,000 crores in the Employment Guarantee Fund. These funds can be utilized for paying higher wage rates and better infrastructure.

- **Asset Creation and Organizational Aspects:** Some organizational aspects have to be sorted out in EGS. Improper planning, inadequate project selection and design, lack of technical and organizational supervision, and finally long delays in implementation have affected the productive quality of capital constructed. The EGS has been criticized for neglecting the creation of durable assets by paying more
attention to employment generation. The initial emphasis on creation of durable assets got watered down due to public pressures for starting road works. One major weakness of the EGS is the lack of adequate planning for assets. It may be noted that volatile demands from the workers also creates problems for the projects. Droughts, natural calamities or even seasonal changes cause dramatic shifts in demand. Because of sudden increase in demand, new projects have to be undertaken which may be of little productive value.

- **Maintenance of Assets:** Maintenance and utilization of assets are observed to be far from satisfactory. The problems in ensuring adequate maintenance are two-fold. First, there has been a considerable delay in handing over completed works to the Zilla Parishads for maintenance. Second, even where the works have been handed over, the local bodies did not allocate resources for the maintenance of the EGS assets. Consequently, the maintenance of assets has been neglected. There is a need to allocate some part of the EGS funds for maintenance of the assets.

- **People's Participation:** Some evaluations have shown that the EGS plans and implementation is dominated by bureaucracy without people's participation. People's participation in selection and management would improve the productivity and sustainability of the assets.

- **More Importance to Watershed Development:** Water management is crucial for increasing agricultural production and productivity in Maharashtra. It may be noted that even after utilizing the ultimate irrigation potential, over 60 per cent of the cultivated area may have to depend on uncertain rainfall. Therefore, EGS projects should concentrate more on water conservation. Similarly, emphasis has to
be given to the promotion of horticulture. There are already models like Pani Panchayats, Ralegaon Shindi etc.

- **Involvement Of Voluntary Organizations:** Along with local people's participation, involvement of voluntary organizations would improve the working of EGS. Corruption and leakages in the EGS has been a point of major concern. A number of cases of corruption have been cited in the reports of the legislature committee on the EGS from time to time. Involvement of NGOs and local people can reduce the corruption.

**Regional Dimension of EGS:**

It is worth looking at the regional dimension for better understanding of EGS in Maharashtra.\(^{14}\)

Apart from a region specific variation, there is also a time specific variation of EGS employment. There is great variation of employment across months. The peak is usually during March to June. Thus an approach to reforming EGS could be to concentrate EGS efforts only during the lean season of the year.

Almost two thirds of all EGS employment is concentrated in one third of the districts. Among the districts which consistently figure in the “top ten” list of districts sorted by employment generated since 1979, are Ahmednagar, Aurangabad, Beed, Bhandara, Dhule, Nanded, Nasik Osmanabad, Pune and Solapur. Of these Ahmednagar has been in the top two districts in six of the past ten years in terms of EGS employment.

It is fair to say that one third of Maharashtra’s districts account for three fourth of EGS employment. Although the proper perspective would be to look at the population and in this respect EGS employment may not appear as skewed as when looked at in terms of districts. There is however
a definite bias toward Western Maharashtra, even though the number of agricultural workers is higher in the Vidarbha region of Eastern Maharashtra.\textsuperscript{15}

**Maharashtra Rural Employment Guarantee Scheme (MREGS):**

Maharashtra Rural Employment Guarantee Scheme (MREGS) which is the integrated rural employment program. MREGS is the combination of NREGS and old Employment Guarantee Scheme (EGS) which was exclusively implemented by Government of Maharashtra. In MREGS, guarantee of providing employment of 365 days in financial year per household is given, out of which up to 100 days employment is given under NREGS.\textsuperscript{16}

The expenditure incurred for the employment generation exceeding 100 days is being made from old EGS. Accordingly, a scheme formulated under Section 4 of the NREGA and known as the Maharashtra Rural Employment Guarantee Scheme, 2006 will be fully applicable to all districts from 26 January 2006 and to all other districts from the dates that will be notified from time to time. However, it will be *substantially* applicable to all remaining districts and ‘C’ Class Municipal areas from 26 January 2006 itself as mentioned below. The liability of the Central Government will be restricted to providing employment to rural households for hundred days in a financial year. The State undertakes all other liability.

**Objectives of The Scheme:**

The object of the scheme is to provide for the enhancement of livelihood security of the households in rural areas and ‘C’ class municipal areas of the Maharashtra by providing guaranteed wage employment thought-out the year to every adult person who volunteers to do unskilled manual work. The guarantee to provide work is restricted to unskilled
manual work. The fundamental objective of the scheme is that on completion of the works undertaken, some durable community assets will be generated and that the wages paid to the workers will be linked with the quantity of work done.

**Status:**

The scheme is to be implemented as a centrally sponsored scheme on cost sharing basis between the Centre and State as determined by NREG Act, 2005. The expenditure which is admissible under NREG Act, 2005 is to be done from Central Government Fund and the balance from State Government Fund.

**Salient features of the Scheme:**

1. All adult persons residing in rural and ‘C’ class Municipal council areas are covered under this scheme. However, a person who is more than 15 years old but less than 18 years can also be given employment at State cost under this scheme if there is no earning member in the family. While the cost incurred on the employment guarantee to a rural household up to 100 days in a financial year will be shared by the Central Government and the State Government in the ratio of 90:10, all costs to be incurred in ‘C’ Class Municipal areas and guarantee beyond 100 days will be borne by the Government of Maharashtra.

2. The guarantee is given at the Block level. A person demanding the work has no choice of particular work. The guarantee is to provide work anywhere, though operationally works are normally provided within the Panchayat Samiti area. As far as possible, work is provided to the employment seeker within a radius of 5 km of his residence.

3. The works will be implemented through Panchayat Raj Institutions, Local Bodies, PSUs, various Government Departments such as
Irrigation, Public Works, Agriculture, Forest and NGO in notified area. They shall be called Implementing Agencies.

Organization set-up:

There will be a State Employment Guarantee Council at the State level to advise the State Government and to monitor and evaluate the scheme. The Chief Minister will be the President of the MEGC and the members will be Minister for Rural Development, Water Conservation, Agriculture, and Forest. Secretaries for MREGS, Rural Development, Water Conservation, Agriculture, and Forest. Deputy Secretary (EGS) will be the Member Secretary. Other members will be decided by the State Government.17

At the State level Principal Secretary, MREGS will be the State Programme Coordinator. At the District level the District Collector will be the District Programme Coordinator and the Chief Executive Officer will be Joint District Programme Coordinator. At the Block level there will be a Block Programme Officer. He will be selected from among retired Tahsildars, BDOs, DPOs who have worked in rural areas. He will be responsible to the Sub Divisional Officer (Revenue) and the District Programme Coordinator.18

The necessary administrative and technical staff on deputation or on contract basis will be provided to the District Programme Coordinator. The necessary administrative and technical staff on deputation or on contract basis will be provided to the Block Programme Officers. Accounts personnel will be taken from among retired Class II Accounts service. The staff will be computer-literate. The scheme will be monitored and supervised at Division level by the Divisional Commissioner who will be assisted by the necessary staff presently made available under the erstwhile
scheme. The setup will be presently for the districts notified under the NREGA, 2005.\(^{19}\)

In all other districts the present arrangement will continue until further orders. In other words, in these districts three-tier administrative set-up to ensure close and effective liaison and continuous supervision over the programme will continue. The committees for planning, direction, control and co-ordination set up at the State, District and Panchayat Samiti level will continue. The Divisional Commissioner will control EGS works in his division. The Collector will be in overall charge of the scheme at the district level. At Panchayat Samiti level the Tahsildar will be assigned the functions of the assessment of demand for employment and deployment of labourers on different works in the Panchayat Samiti area.\(^{20}\)

At the State level, the Planning Department will be in overall charge of the programme, covering all aspects of planning, administration, provision of funds, monitoring and evaluation of the programme. For districts in Annexure-A, the Planning Department will For all other districts, the Planning Department will make a budget provision and release quarterly credit limits to the Collectors. The Collectors will make further releases to the Implementing Agencies at the district level, which in turn will release funds to their subordinates for payment of expenses incurred on implementation of the works. An account of expenditure will be maintained by the implementing agencies at the primary and district units in accordance with the normal procedure laid down by the Government.

Weekly and monthly progress reports prescribed for the EGS will be sent by the implementing agencies to the Collectors for onward transmission to the Planning Department. The information in regard to the number of works in progress, labour potential, labour attendance at the end of the week, etc is obtained in the weekly report. The category number of works
sanctioned, completed and in progress, employment potential of these works, actual mandays generated at the end of month, the total wage component of expenditure incurred during the month, etc are obtained in the monthly progress report.

**Registration and Verification:**

- **Eligibility:** MREGS will be open to all rural adult members of the household who register for work. They will need to be local residents, that is, residing within the Gram Panchayat, and willing to do unskilled manual work. Household will mean a nuclear family comprising mother, father and their children.

- **Application for Registration:** The application for registration in Form No.1 may be given on a plain paper to the local Gram Panchayat which will contain the names of those adult members of the family willing to do unskilled manual work, giving such particulars as age, sex, SC/ST. Any person may appear personally and make an oral request for registration. Even a person who is below 18 years but has attained 15 years may apply for registration if there is no able-bodied adult person in his family. All applications shall be verified by the Gram Panchayat and registered after due verification. To allow maximum opportunities to families that may migrate, registration will be open all through the year at the Gram Panchayat office during working hours.

- **Verification:** Verification of applications will be regarding local residence in the Gram Panchayat concerned and household as an entity, land the fact that applicants are adult members of the household. For this purpose voter list and BPL census will be used. The process of verification will be completed as early as possible, but not later than a fortnight after the receipt of the application in the
Gram Panchayat. After verification, the Gram Panchayat will enter all particulars in the Registration Register in the Gram Panchayat.

A Gram Sabha shall be convened for the purpose of mobilizing application, registration and verification. Door-to-door survey will be undertaken to identify the persons willing to register for employment. The survey will be undertaken by the frontline team headed by the Sarpanch of Gram Panchayat, SC/ST and women members, Gram Sevak, and Talathi, The team members be given orientation at the Block level. Every registered household will be assigned a registration number. The registration number will be assigned in accordance with a coding system as prescribed by the Central and State Government for BPL census 2002. Copies of registration will be sent to the Block Programme Officer or the Tahsildar, as the case may be, so that he has a consolidated record of demand that is likely to come to enable him to organize resources accordingly. If it is found that a false registration has been done it will be struck off

*Job Card:*

A Job Card will be issued by the Gram Panchayat to each household that has been registered. The Job Card will be issued immediately after the verification is completed and will be handed over to the applicant not later than a week after registration. Photographs of adult members who are willing to do unskilled manual work will be attached to the Job Card as early as possible after the Cards are issued. The cost of photographs to be borne as the programme cost. A copy of the Job Card will be maintained at the Gram Panchayat.

The Job Card will be valid for a period of 5 years. Deletions, if any, in any household on account of demise, or permanent change of place of a member will be reported immediately by the household concerned. Additions desired may be applied for by the household. The Gram
Panchayat will undertake an annual up gradation exercise in the same manner as registration, the time for which will be fixed Gram Panchayat keeping in mind the work and migration season of the local work force. All additions and deletions made in the Registration Register will be read out in the Gram Sabha. The Gram Panchayat will send a list of additions / deletions to the Block Programme Officer every year in the month of October so that it will be incorporated in the Labour Budget the District Collector has to make by December.

Individual identity card will be given to each registered applicant of the family. A card holder may apply for a duplicate card if the original card is lost or damaged. The application will be given to the Gram Panchayat and processed in the manner of new application with the difference that the particulars can also be verified from duplicate copy of the job card in the Gram Panchayat. If a person has a grievance against the non-issuance of job card, he may bring it to the notice of the Block Programme Officer. If the grievance is against the Block Programme Officer, he may bring it to the notice of the District Programme Co-coordinator. All such complaints will be disposed of within 15 days.

*Application for work:*

In the notified districts the procedure will be as under:

The employment seeker will have to get his name registered under this scheme with the local Gram Panchayat by filling the prescribed Form, or in person. The Gram Panchayat will have to provide work within 15 days after the receipt of application for work.

The employment seeker will have to declare that he will be available for work for a continuous period of at least 14 days. The guarantee is to provide work anywhere in the Block. But as far as possible, work will be
provided within a radius of 5 km of his residence. In case the employment is provided outside such radius the labourer shall be paid ten per cent of wage rate as extra wage to meet additional transportation and living expenses. If it is not possible for the Gram Panchayat to provide work within that distance, it will inform the Block Programme Officer, who will provide him employment within the Block before the limit of 15 days is over.

Failure to provide employment will create the liability on the State Government for payment of unemployment allowance at the rate of one fourth of wage rate for the first 30 days, and thereafter at the rate of half of the wage rate. But in no case, the unemployment allowance will be more than the wage he would have earned in a financial year for the period of the guarantee. Ordinarily the application will be in prescribed Form No.4. A plain paper may also be used instead, giving the registration number of the job card, the date from which and the number of days for which employment is required. A single application may be given for number of days in different periods during the year for which wage employment is required. A number of applicants may give a joint application also.

*Allocation of Employment Opportunities:* 

In all notified districts, the Gram Panchayat will be the Employment Allocation Authority. Hence, it has the right to allocate employment in a work to be executed by any other Implementing Agency in its jurisdiction that has already been approved of in the Annual Plan. The Implementing Agency will be bound to act upon the directive. A copy of the directive will be sent to the Block Programme Officer, who will ensure that the directive is complied with. The Block Programme Officer will also ensure that funds are released in time. In the districts not yet notified the present system as highlighted in para 9.2 will continue.
**Demand Mobilization and Assessment:**

Demand will be mobilized to facilitate assessment and planning as well as ensuring that the benefits intended are claimed by those in need of them.\(^{22}\)

**Planning:**

Planning will be such as to generate employment within 15 days. It will also ensure that the design and selection of works are such that good quality assets are developed. There will be long term, medium term, short term perspective planning.

**Development Plan:**

Every Gram Panchayat will prepare a development plan after, considering the recommendations of the Gram Sabha and maintain a shelf of works to be taken up as and when demand arises.\(^{23}\) It will forward a prioritized list of projects to the Block Programme Officer for scrutinizing and preliminary approval prior to the commencement of the year. The Panchayat Samiti will approve a Block level plan. Zilla Parishad will approve Block-wise shelf of projects.

The Block level plan will be prepared by the Block Programme Officer after consolidating Gram Panchayat Plan and proposal of Panchayat Samitis and this consolidated Block Plan will be got approved from Panchayat Samitis. The District Collector will consolidate the Block Plans and proposals of other Implementing Agencies and get the consolidated plan approved from the Zilla Parishad. The District Collector will present every year a labour budget to the Zilla Parishad for approval.
**District Development Plan:**

The District Development Plan will be a Five-year perspective plan that attempts to estimate the need for employment and the kind of works that can be taken up to meet the need, based on an analysis of previous years and the demand that comes up through a participatory process of planning that has the village / habitation as its basic unit. The Perspective Plan will also have the benchmarking and key indicators of success. The Perspective Plan made under the National Food for Work Programme (NFFWP) will be revisited so that it serves the purposes of the NREGA. The draft plan will be discussed and approved of with modifications, if need be, by the Gram Sabha, Gram Panchayats, Panchayat Samitis, and Zilla Parishads. At the village level, effort will be made to ensure the participation of the work force of the village likely to seek work. Their demand for work as well as their preference for nature and time of work will be elicited so that the Development Plan becomes an instrument to give them employment according to their need. The Development Plan will serve as a frame work of long term planning, but it will be flexible enough to respond to the new emerging needs of the area, the experience of implementation and the new areas of works approved by Central Government.

**Annual Plan:**

The size of the Plan and priority of the works will be decided annually, keeping in view the demand for employment. Every year, the Gram Panchayat shall convene a meeting of the Gram Sabha to estimate demand for labour and to propose the number and priority of works to be taken up in the next financial year. The timing of the meeting will take into consideration the work season and the migration time, in case the work force in that area tends to migrate for work. Participation of likely beneficiaries will be ensured in the Gram Sabha so that their priorities and
needs shape the Annual Plan. The time and date of the Gram Sabha meeting will be fixed well in advance and will be widely publicized so that people can participate in large numbers.

The choice of works will be based on the works identified in the Perspective Plan. The Gram Sabha may recommend additional works if the works identified in the Perspective Plan are insufficient or cannot be taken up for some reason or a new activity has been permitted by the Central Government. The Plan formulated in the Gram Sabha will be forwarded to the Gram Panchayat. Based on the recommendations of Gram Sabha and the Gram Panchayat will forward its proposals to the Block Programme Officer. The Gram Panchayat will prepare an Annual Plan and forward to the Block Programme Officer. The Annual Plan will clearly indicate the existing demand for work, the demand in previous year, the works taken up in the previous year, works on on-going and works proposed for next year, likely cost, and proposed implementing agencies. The Gram Panchayat will also identify 50 per cent of the works that it may wish to take up. The Block Programme Officer will scrutinize the Annual Plan for its technical feasibility and satisfy himself that it meets the likely demand for employment based on the registrations and previous experience. If the Block Programme Officer feels that the list is insufficient to meet the likely demand, he will ask for a supplementary list.

The Block Programme Officer will not reject the proposal received from the Gram Panchayat. If the proposal is not within the parameters of the scheme or appears technically infeasible, he will record his observations on the proposal and then submit the consolidated statement of proposals to the intermediate panchayat. The Panchayat Samiti will not reject the work proposed by the Gram Panchayat if it is within the parameters of the Act. If it is outside the parameters of the Act, then it will be returned to the Gram Panchayat for it to replace it with a valid proposal. Panchayat Samiti will
maintain the priority indicated by the Gram Panchayat. It is possible there may be need for work that involves more than one Gram Panchayat. Such works may be included by the Panchayat Samiti. In identifying such works the suggestions of elected public representatives of the area, NGOs which have been working in that area for rural development and of line departments may be considered by the Panchayat Samiti.

The District Collector will scrutinize the Plan proposal of all the Panchayat Samitis, examining the appropriateness and adequacy of work, in terms of likely demand as well as their technical and financial feasibility. While inviting and examining work proposals the Gram Panchayats will be given priority. He will consolidate all the proposals in a District Plan Proposal to be discussed and approved by Zilla Parishad. The time frame for each project will be specified in the Annual Plan. The Zilla Parishad will examine and approve the District Plan.

The District Collector will coordinate the preparation of detailed technical estimates and sanctions. The estimates will be prepared by the executing agency if they have requisite expertise or from any other technical authority specified by State Government. The estimate will be detailed. The District Collector will communicate the sanctioned Plan to the Block Programme Officer, who will then forward a copy of the Block Plan with the shelf of projects to be executed in each Gram Panchayat as well as the projects that may be inter Gram Panchayats with all details to every Gram Panchayat. The proposal will be completed by December of the preceding year. If the work is being executed by any other agency, the Gram Panchayat concerned shall be informed of the work along with the details.

*Works Under EGS:*

The following works will be permissible under the scheme in their order of priority.24

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• Water conservation & water harvesting;
• Drought proofing (including afforestation and tree plantation;
• Irrigation canal including micro & minor irrigation works;
• Provision of irrigation facility to land owned by household belonging to the SC & ST or to land beneficiaries of land reforms or that of the beneficiaries under the Indira Awaas Yojana of Government of India;
• Renovation of traditional water bodies including desalting of tanks;
• Land development;
• Flood control and protection works including drainage in water logged areas;
• Rural connectivity to provide all-weather access;
• Any other work which may be notified by the Central Government in consultation with the State Government;
• Individual beneficiary schemes (viz, Jawahar Wells, Horticulture, Sericulture, Social Forestry).
• Any other work the State Government may have taken up under its EGS.

Execution of works:

The works are implemented through various agencies called the Implementing Agencies. At least 50 per cent of the works in terms of cost in a Gram Panchayat will be allotted to Gram Panchayat for execution. This is the statutory minimum and the Block Programme Officer or the District Collector may allot more, if deemed feasible. The other executing agencies can be Panchayat Samiti, Zilla Parishad, line departments of Government, Public Sector Undertakings of Central and State Government, Cooperative Societies with majority shareholding of Central or State Government and reputed NGOs having proven track record of performance. Self Help
Groups formed under SGSY may also be considered for entrusting works. The selection of executing agency will be based on technical expertise and resources, capacity to handle work within the time-frame, reputation for work and overall interest of beneficiaries. The selection of Agency would have to be indicated in the Annual Plan.

Since the Gram Panchayat is the Employment Allotment Authority, it may direct an approved implementing agency to start a work approved on its shelf of projects. The Gram Panchayat will inform the Block Programme Officer so that if need be the Block Programme Officer may direct the implementing agency concerned to start the work and ensure that it has the necessary funds to do so.

If any executing agency including a Gram Panchayat is unable to execute the works allotted within 15 days, for some reasons, it will immediately inform the Block Programme Officer, who will entrust it to another agency, from a panel of agencies approved project wise for that Block in the Annual Plan for the District. If a Gram Panchayat does not execute a work within 15 days, the Block Programme Officer will direct the applicants to a work under execution by another implementing agency. Time for various activities must be fixed according to the migrant workers’ needs. In the districts which have not been notified the Zilla Parishads, and line departments of State Government will continue to be the Implementing Agencies until further orders.

**Measurement of work:**

The scheduled of rates prescribed for MEGS from time to time will remain applicable. The works will be invariably executed by engaging labourers on muster rolls, and not through contractors. The labourers will be paid, not according to the number of days they remain present on work but according to the quantity of work done on the basis of rates for different
items so fixed that an average person working diligently for 7 hours a day, will earn equal to the minimum wage prescribed for the agricultural labour for the area under the Minimum Wages Act until separate minimum wages are fixed for this scheme.

The wages will be paid within 15 days after closer of muster fortnightly. If the wages are delayed, the labour shall be entitled to receive payment of compensation as per the provision of Payment of Wages Act, 1936.

**Administrative Approval to the works:**

Block Programme Officer is empowered to sanction works costing upto Rs 5 lakh each. The District Collector is empowered to give administrative sanction to the works costing upto Rs 50 lakh. The Divisional Commissioner will sanction works above Rs 50 lakh and upto Rs 75 lakh. Works costing above Rs 75 lakh will be approved by the State Government. Technical approval will be given by the Implementing Agencies as per their Departmental rules.

**Conditions for starting work:**

The requirement of labour for agriculture sector as well as of planned and non-planned works of the Government or local bodies will be met first. Thereafter labour potential of existing on-going SGRY, NFFWP, and EGS works will be fully exhausted. New works can be started only thereafter. New works can be commenced if only (a) at least 50 labourers become available for the works; and (b) the workers cannot be absorbed on the on the on-going scheme works / plan or non-plan works. However, exception can be made for horticulture and for works in hilly areas.

Measurement of work will be done within two to three days after the close of fortnightly muster roll so that the total wages can be paid within a
fortnight. Numbered muster rolls will be provided by the Block Programme Officer to the Gram Panchayat and all Implementing Agencies and their record will be maintained in the prescribed registers. The test check of the measurement recorded by the agencies will be carried out by the vigilance unit of Collector or Commissioner. Contractors are not permitted for implementation of any project. As far as practicable, a task funded under the scheme shall be performed by using manual labour and not machine.

The above mentioned procedure will be applicable to notified districts only. In the remaining districts, the requirement of labour for agriculture sector as well as of planned and non-planned works of the government / local bodies will be met first. Thereafter, labour potential of existing on-going EGS works will be fully exhausted. New EGS works can be started thereafter. New works under the scheme can be commenced only if (a) at least 25 labourers become available for that work, and (b) the workers cannot be absorbed on the ongoing EGS / Plan / Non-plan works for schemes. However, exception can be made for afforestation works and for works in hilly areas.

*Employment Allowance:*

If a worker who has applied for work is not provided employment within 15 days from the date on which work is requested, an unemployment allowance shall be payable by the State Government at the rate of 25 per cent of the wage rate for first 30 days later on 50 per cent of the wage rate but not more than the wages for 100 days. The responsibility for payment of unemployment allowance shall be with the Block Programme Officer and in the notified districts. In other districts, the Tahasildar will be responsible for payment of unemployment allowance.

The Block Programme Officer will report to the District Collector about any incidence of unemployment allowance. The employment seeker
will have to report daily to the Gram Panchayat where an unemployment allowance muster will be kept. The Gram Panchayat will mark daily until employment is provided. The unemployment register will be kept fortnightly.

The corresponding entries will be made in Job Card also. As an Implementing Agency on each fortnight the Gram Panchayat will demand fund from the District Collector through the Block Programme Officer.

**Funding:**

**The Central Government will bear the costs on the following items:**

- The entire cost of wages of unskilled manual workers.
- 75 per cent of the cost of material and wages of skilled and semi-skilled workers
- Administrative expenses as may be determined by the Central Government, which will include inter alia, the salary and allowances of the Block Programme Officer and his supporting staff and worksite facilities.

**The State Government will bear the costs on the following items**

- 25% of the cost of material and wages of skilled and semi-skilled workers.
- Unemployment allowance payable in case the State Government cannot provide wage employment on time.
- Administrative expenses of the State Employment Guarantee Council.
- All other expenses not specifically covered by the NREG Act, 2005.
Employment Guarantee Funds:

The Central Government shall establish a fund to be called National Employment Guarantee Fund to be managed according to the rules made for this purpose. The Central Government will release all grants to the State Government / notified districts for implementation of this Scheme. The State Government shall establish a fund to be called the Maharashtra Employment Guarantee Fund to be managed according to the rules made for this purpose. The State Government will release all grants to the notified districts for implementation of this Scheme. Separate Bank Accounts shall be opened for funds under the scheme at the District and Block levels. The Accounts shall be opened in nationalized banks. The District Collector will be a joint holder of the Account.

Monitoring, Evaluation and Research:

- Gram Sabha will monitor all works at the village level and the employment provided to each household who is registered and requested for work. It will also monitor registration and issue of Job Cards and timely payment of wages.
- Gram Panchayat will monitor the works implemented by the other implementing agencies and the muster rolls maintained by them at work sites and the payments made.
- Panchayat Samiti and the Block Programme Officer will monitor registration, employment provided to each household, unemployment allowance paid social audit, flow of funds, timely and correct payment of wages, and quality of works.
- Block Programme Officer shall be responsible to send all reports and returns to the District Collector who in turn shall send reports to the state and the Central Government.
• The District Collector will monitor all aspects of implementation including registration, employment, unemployment allowance, social audit, funds flow, progress and quality of works and qualitative aspects of implementation timely and correct payment of wages and timely payment of unemployment allowance.

• State Government and Divisional Commissioner shall monitor the performance of all districts on the quality and pace of implementation as laid down in the National Monitoring System and the guidelines of the State Employment Guarantee Council.

• The State Government will send consolidated reports and returns to the Government of India.

• Verification and Quality Audit by external monitors will be taken up at the district, state and Central levels.

• The performance of States and Districts shall be monitored through a Comprehensive monitoring system which may be in addition to the Reports and returns specified in these guidelines. The Ministry of Rural Development will monitor the programme on the basis of monitoring system evolved by the Central Employment Guarantee Council. The Central Government will also monitor the programme through Block Programme Officers, Area Officers, district level monitors and national level monitors. A National on-line Monitoring system for key performance indicators will be evolved and all programmed implementation authorities from Block Programme Officer to district and State-level shall report regularly on this system.

• Periodic Evaluation and Research Studies on the implementation of the Programme will be conducted from time to time. National Employment Guarantee Council and State Employment Guarantee
Councils may conduct evaluation studies from time to time. Evaluation studies may be entrusted to detail the reputed institutions and organizations, on issues meriting studies. These studies may be initiated by the Centre as well as the States / UTs. Copies of the evaluation studies conducted by any State will be furnished to the Central Government.

- Remedial action shall be taken by the States / UTs on the basis of the observations made in these evaluation studies.

**Department of Rural Development, Govt. of Maharashtra:**

The department mainly deals with the promotion of a range of welfare activities designed for the betterment of the rural masses. These welfare activities are formulated to overcome the poverty line and oppression that has been a major threat to the rural areas. The beneficiary programs developed by the rural development department in Maharashtra are focused upon enhancing the potentialities of the hidden talents of the rural youths who had no scopes to explore their skills so far. The rural development programs are designed in such a way so as to boost up the confidence of the rural poor to show their skills in their respective areas of interest. Some of the major activities carried out by the Department of Rural Development, Govt. of Maharashtra are as follows:²⁵

- It has ensured organic agriculture in the rural sections of the state by implementing a range of programs pertinent to that. A large number of organic farmers in rural India formulated the first set of organic standards pertinent to the agro-climatic and agricultural practices.
- The state government also introduced bio-diversity in the rural sections of Maharashtra. Measures are taken by the rural
development department to implant some staple food crops in the rural regions.

- Organic farming was introduced in the rural regions by deeming the soil, climate, social, economic, and biodiversity of those areas.

- The department of rural development in Maharashtra also ensured vocational training facilities for the rural poor to enhance their skills for employment.

- The rural development department also set up a proper civic system in the rural section by activating various programmes comprising of national songs, government programmes of development, civic administration, rules of national flag, and other related festivals such as Republic Day and Independence Day.

- It also established a range of village clinics and health camps in the rural sections along with providing community health education among the rural masses. It provided knowledge regarding the health lifestyles that will help the rural masses to identify some common diseases along with the prevention measures.

- Enabling the community nutrition programme is a crucial activity of the rural development department in Maharashtra. The state government has also organized a range of nutrition demonstration programmes.

- The state government also ensured security for the old-aged people so that they remain independent even if not involved in any job.

- Another very important task taken up by the rural development department in Maharashtra is to ensure rural housing for the backward sections.
• Empowering the women in rural regions has also been ensured by the department of rural development in Maharashtra.

These are some of the most important welfare programmes facilitated by the Department of Rural Development, Govt. of Maharashtra. The state government is also thinking about newer and innovative schemes for the betterment of the rural section of the state and till now all the schemes carried out so far, have been highly successful in amending these backward and underdeveloped sections of the state.

References:


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