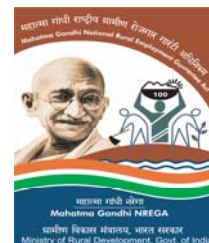


# MGNREGS UPDATE

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Foundation for Ecological Security



## Health insurance smart card may be used for NREGS

Vikas Dhoot/ May 18, 2011

New Delhi: The government is exploring whether it can use the biometric smart cards issued for its flagship health insurance scheme to stop misappropriation of funds under its rural employment scheme.

The rural development ministry is in talks with the labour ministry to use the biometric smart cards issued for the Rashtriya Swasthya Bima Yojana (RSBY) for identifying beneficiaries of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

"I have seen truck drivers come up to claim MGNREGS wages. A biometric identification card could eliminate such abuses," Rural Development Secretary BK Sinha told ET.

There are about 11 crore job cardholders under MGNREGS. The scheme, launched in 2005, has improved rural incomes but is plagued by scandals and frauds. Beneficiaries often get paid without having worked. Last week, the Supreme Court asked federal investigators to probe misappropriation of scheme funds in 100 villages in Orissa.

To prevent duplication, the ministry hopes to ride the RSBY platform; under which 2.34 crore smart cards have been issued to poor households. If implemented, this could pave the way for using RSBY smart cards as a general service delivery tool.

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The Orissa government has already begun using RSBY cards to identify public distribution system (PDS) beneficiaries. The state is now examining how the PDS subsidies could be delivered through the same smart cards.

Part of the push for the convergence comes from a government decision to provide health insurance cover to all beneficiaries under MGNREGS who have worked for at least 15 days under the scheme in a year.

But all job cardholders must have an RSBY card for it to be an effective identification tool, pointed out Sinha, who attended a workshop on RSBY in Raipur earlier this month.

The ministry is talking to the Unique Identification Authority of India, led by Nandan Nilekani, which has started issuing 'Aadhar' numbers to the poor after capturing their biometrics in a central database. A convergence is also being sought with the Census Commissioner's office, which is collating citizens' data in a new National Population Register, on the basis of which I-cards will be issued.

"There are certain technical issues to be sorted out. The RSBY is not Aadhar-compliant," Sinha said. "We have to proceed cautiously before taking a final decision," he added. So a technical group is being set up under the rural development ministry to examine the technology convergence required for the use of RSBY cards in MGNREGA.

In the labour ministry, a separate group is seeking to harmonise different biometric technologies used for RSBY cards and UID numbers.

"To include the UID number in RSBY cards, we are changing the software to accommodate the UID data on our smart card chips," a government official in charge of RSBY told ET.

Officials at the Unique Identification Authority of India and RSBY are also looking to co-ordinate their capture of citizens' biometrics in villages, so as to save citizens

the bother of having to repeat the exercise on different days.

[http://articles.economictimes.indiatimes.com/2011-05-18/news/29555949\\_1\\_smart-cards-biometric-rsby](http://articles.economictimes.indiatimes.com/2011-05-18/news/29555949_1_smart-cards-biometric-rsby)

### **‘Threatened’ by talati, Bhuj NREGS worker immolates self**

Express news service/ May 16, 2011

Rajkot: A middle-aged man in Kodki village of Bhuj died hours after he set himself ablaze on Sunday morning, allegedly following threats from the talati, said the police. This is the second such incident of self-immolation in the state allegedly due to the high-handedness and apathy of the local administration.

The deceased has been identified as Mujli Veera. According to the police, Veera was reportedly threatened by the talati, Lavji Patel, for submission of an old NREGS job card.

An officer said: "In his dying declaration from the hospital, he (Veera) alleged that the talati had been threatening him to submit his expired NREGS card or face dire consequences. He said he set himself ablaze as he could not find the card."

Patel had reportedly asked Veera to submit the old job card for issuing a new one in its place.

Sources said Veera doused himself in kerosene and set himself ablaze at his home today morning. He was alone that time.

The Maankuva police have now lodged a complaint of abetment of suicide against Patel on the basis of a complaint lodged by Veera's brother Lalji. The officer added: "We have begun the process to arrest the talati, but since he is a government servant we need official permission from the concerned state department for his arrest."

Earlier this March, Jobardan Gadhvi (45) set himself ablaze at the local mamlatdar office in full public view after he was denied information of his land records under the RTI Act, despite several applications for the same in the last one year.

<http://www.indianexpress.com/news/threatened-by-talati-bhuj-nregs-worker-immolates-self/791337/>

## **Shrink PDS & rework NREGA, World Bank tells India**

Sharad Raghavan / May 19 2011

New Delhi: A World Bank review of India's social sector programmes has suggested a smaller public distribution system with more cash transfer, reworking of NREGA as a public works programme for urban areas and finally, a social security package including health care for those without regular employment.

The report titled 'Social Protection for a Changing India' was commissioned by the Planning Commission. The bank said the three-pillar approach should be combined with social protection block grants by the Centre to state governments that are "more tailored to the poverty and vulnerability profile of the individual state(s)". The report says the number of poor is sharply increasing in urban areas but not enough plans are being made to help them as social protection programmes are more suitable for rural areas.

The report shows India is spending a good amount for centrally sponsored social schemes which at around 2 per cent of gross domestic product, is higher than what developing countries like China and Indonesia spend. However, it makes the point that while this is large; it tends to be regressive, underlining problems like targeting and capacity constraints within states. It is the first comprehensive review of the performance of India's main anti-poverty and social protection programmes, with the focus naturally falling on big-budget programmes like the National Rural

Employment Guarantee Scheme and the Public Distribution System. The main findings of the report, released here on Wednesday, were presented by John Blomquist, the World Bank's lead economist for social protection in India.

<http://www.indianexpress.com/news/Shrink-PDS---rework-NREGA--World-Bank-tells-India/792905/>

## **Funds freeze on two districts**

Amit Gupta/ May 21, 2011

Ranchi: The Centre has held back Mahatma Gandhi National Rural Employment Guarantee Scheme funds earmarked for Latehar and Bokaro in light of recent murders of a labourer and activist, but agreed to release dues for 2011-12 fiscal for other districts of Jharkhand, a state already under the scanner for poor implementation of the flagship job scheme.

State MGNREGS commissioner Ajoy Kumar Singh, who is in Delhi to pursue the matter, told The Telegraph today that Union rural development ministry officials categorically refused to release funds meant for the two districts citing a pending request for a CBI inquiry into the killings.

Ten districts are still to get a single rupee of MGNREGS funds meant for the 2011-12 fiscal, which should have been released by the first week of April. The districts are Bokaro, Latehar, Chatra, Lohardaga, Hazaribagh, Koderma, Ranchi, Seraikela-Kharsawan, West Singhbhum and Ramgarh.

Both Niyamat Ansari and Subal Mahto were associated with the flagship programme. While Ansari, the activist, was killed on March 2 for trying to free the scheme from clutches of middlemen in Latehar, Mahto, the labourer, died in Bokaro on February 18.

"The Union ministry officials agreed to release funds for eight districts within the next fortnight, but refused to consider Bokaro and Latehar," said Singh, speaking over phone from Delhi.

As part of the next instalment, Rs 200 crore would be made available in a week or fortnight for the remaining eight and other districts. The eight districts were not given money so far due to technical reasons related to data update.

For the 2011-12 fiscal, Rs 1,532 crore was approved for the state, which is 90 per cent of the total MGNREGS budget for Jharkhand. The remaining 10 per cent will be borne by the state. So far, the Centre has released Rs 347 crore for the scheme.

Earlier, the Centre had asked the state to have the CBI probe Ansari and Mahto's death. Ansari, a close aide of MG NREGS architect and member of National Advisory Council Jean Dreze, was killed in Latehar allegedly by Maoists at the behest of contractors.

Mahto, on the other hand, was thrashed by contractors in a Bokaro village and succumbed to his injuries later. However, the state is yet to heed the Centre's request on the probe.

A central team led by social activist and member of National Advisory Council Aruna Roy visited the state early this week to advise the state on proper implementation of the scheme. The team's visit followed that of Union rural development secretary B.K. Sinha's in March. Sinha had criticised the poor implementation of the scheme, while hinting at a contractor-mafia nexus.

One of the points raised by Roy's team was delayed payment of wages. The MGNREGS commissioner accepted that timely payment was still an issue and the department was working towards improving things.

"The delay occurs because of payments being made through post-offices. We are trying to switch to banks," he said.

To make the scheme more transparent and efficient, the MGNREGS commissioner added that panchayat secretariats would be provided computers, which would be connected with the headquarters through VSAT.

Where there was no power, the authorities would put up solar panels.

In order to minimise the role of middlemen and contractors, "participatory planning" was being envisaged.

[http://www.telegraphindia.com/1110522/jsp/frontpage/story\\_14013860.jsp](http://www.telegraphindia.com/1110522/jsp/frontpage/story_14013860.jsp)

### **Road from Taj to Red Fort, thanks to NREGS fraud**

Ravish Tiwari/ May 22, 2011

New Delhi: "Agra ke Taj Mahal se Dilly ke Lal Kila tak Sampark Marg." According to records, this is one of the projects undertaken under NREGS, for which over Rs 1 crore was spent during the last financial year. But inquiries have revealed that there is no such project on the ground.

The matter came up during Minister of State for Rural Development Pradeep Jain Aditya's recent visit to Varanasi.

According to the Management Information System (MIS), which records all activities under NREGS almost on real-time basis, there were 10 job cards issued under this project, which was being executed in Corute village that falls under Arajilina block in Varanasi district.

The MIS records said the work was sanctioned on April 1, 2010, with "as-6/2010" as the sanction code. Those who were engaged in the project were listed under seven different muster rolls (259140, 259141, 259143, 259144, 259145, 259147 and 259148). Interestingly, the 10 names listed under each muster roll are almost the same.

While workers under six of the muster rolls were paid Rs 1,600 each (equivalent to 16 days of work), workers under one muster roll (259145) were paid Rs 1,500 each.

According to the muster rolls maintained on the NREGS website, the payments were made on June 17,

July 3, July 19, August 4, August 19, September 4 and September 20 last year.

Although the bank account numbers have been mentioned alongside each job card holder, the records suggest that the workers were paid in cash.

The job cards are suspected to have been forged as only two names in the muster rolls match those of two villagers from Corute village.

But the two villagers have not worked on the project, neither do the job cards mentioned in the records match those that they hold.

“The issue was brought to my notice during a review meeting in Varanasi,” Jain told The Sunday Express, after a meeting with top

officers of the Rural Development Ministry where he discussed corrective measures.

Besides ordering the ministry to send a high-level team to look into the discrepancy, Jain has also sought to take up the issue with the state government.

“The officials offered several excuses, saying that it was a mistake by the data entry operator who did it wilfully because of a tiff with the local block development officer. But there are reasons to be suspicious as there were several such data discrepancies in MIS regarding works undertaken in nearby villages. In most cases, the expenditure incurred was more than expected, and the officers failed to provide supporting documents for the cost.

All of it cannot be the mischief of a data entry officer,” said Jain.

But while admitting the discrepancy, the officials engaged with the implementation of the scheme at the local level said it was just “mischief”.

“Yes, there was an entry of that kind in the MIS. That was some kind of mischief. No expenditure has been incurred. We have filed an FIR against the data entry operator. We have also recommended the suspension of the Block Development Officer,” said Chief

Development Officer of Varanasi, Sharad Kumar, an IAS officer of 1999 batch.

“It was a lapse. We are getting the entire database checked now,” he added.

Sources in the Ministry confided that officials at the local level feed MIS data. “This is only an instance of systemic malaise in the execution of NREGS at the local level,” confided one official.

Significantly, the NREGS database claims to have undertaken over 53 lakh works across the country, with work in about 47 lakh projects still underway. In fact, it is on the basis of this MIS data that Prime Minister Manmohan Singh and Congress president Sonia Gandhi released the NREGS performance card in February this year.

<http://www.expressindia.com/latest-news/Road-from-Taj-to-Red-Fort-thanks-to-NREGS-fraud/794114/>

### **NREGS job card holders**

The Sangai Express/ May 23, 2011

Ukhrul: After the opening of two new bank branches—SBI Somsai and UBI Mini Secretariat Hamleikhong—in Ukhrul recently, the BDO Office, Ukhrul TD Block has started the campaign to open individual bank accounts for the entire job card holders under the MGNREGS scheme so that the wage earners receive their wages directly into their account.

All the three bank branches in Ukhrul district headquarters are extending full co-operation in the bank-linkage of MGNREGS scheme to empower the wage earners.

Further, to educate the job card holders and all beneficiaries, a weeklong Special Training and Workshop on "Bank Linkage and Financial Inclusion and Literacy" is being organised in all localities of Ukhrul and Hungpung village by the BDO, Ukhrul Office in association with the bank officials of UBI, Ukhrul wherein, the beneficiaries would be enlightened



about the benefits and procedure of opening of a bank account, other banking facilities available in the banks, importance of financial planning in life and other aspects of financial literacy.

Giving details about the campaign, the SDO/BDO of Ukhrul, Rajan Vishal IAS informed that the bank linkage will go a long way in bringing efficiency, transparency and accountability in the implementation of Government welfare schemes as it would reduce the cash handling and empower the beneficiaries as they would be able to withdraw the money from any of the three ATMs in the town in their convenience.

He also thanked the branch managers and the staff of UBI, Viewland; UBI, Mini Secretariat, Hamleikhong and SBI, Somsai for their co-operation and assistance in this campaign.

<http://www.e-pao.net/GP.asp?src=6..240511.may11>

### **Machines replace men in NREGS Work**

Express News Service / May 24, 2011

Koraput: Even as irregularities in the implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) have been making headlines, a discrepancy in the scheme was reported from Dumuriput village under Padampur panchayat in Koraput block.

Vehicles have been put to use and only a minimum number of job card-holders engaged in the construction work of approach road to the village from the old national highway.

The work started a few weeks back at an estimated cost of Rs 3 lakh.

Though the site is just about 12 km from the district headquarters, the irregularity, it is alleged, has gone unnoticed by the higher authorities. Only about 15 card-holders have been engaged at the site while over 80 other job card-holders await work. Villagers were kept

in the dark because this was the first MGNREGS work in the village, a former Naib Sarpanch Subodh Chetty said.

Moreover, tractor and excavator are being used to transport the soil from a distance of even 20 metres while the rules under the scheme state the vehicles can't be used for a distance of less than a kilometre. Koraput BDO Narayan Murmu admitted to the use of tractor at the site.

The locals have urged the district collector to inquire into the matter.

<http://ibnlive.in.com/news/machines-replace-men-in-nregs-work/153925-60-117.html>

### **Delink Aadhaar from NREGA, say activists**

Jaideep Deogharia/ May 26, 2011,

Ranchi: Those responsible for the framing and implementation of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) have once again protested the linking of Aadhaar number (Unique Identification UID) with the job guarantee scheme for the rural masses.

In a letter sent to the Union rural development secretary, B K Sinha, they have expressed dissatisfaction over the decision to make UID compulsory for extending NREGA benefits in Mysore saying that the decision is unfair, illegal and dangerous. The letter signed by developmental economist and member, national advisory council, Jean Dreze, along with members of the committee appointed by the Union rural development ministry to look into the implementation of NREGA in Bokaro and Latehar, has drawn the attention of the department to the fact that NREGA work is a universal entitlement, subject to a broad eligibility criteria. Aruna Roy, Nikhil Dey and national activists Abhay Kumar of Grameen Coolie Karmikara Sangathan, Karnataka, Reetika Khera of IIT

Delhi and R Balasubramanyam of Swami Vivekananda Youth Movement, Mysore, were the other signatories.

"The criteria cannot be modified arbitrarily. Innocuous as it may seem, restricting eligibility to UID holders would create a dangerous precedent, aside from being objectionable in itself," the letter read.

The activists had raised similar concerns in December 2010 when the Union rural development ministry invited tenders. The tender issued by the ministry on October 11, 2010, had invited applications to engage service providers for MGNREGA under the PPP model. Khara said the scope of tender and provisions of contract included UID-compliant enrollment of job card holders for MNREGA.

The letter further pointed out the dangers of a hasty imposition of UID on NREGA.

[http://articles.timesofindia.indiatimes.com/2011-05-26/ranchi/29585690\\_1\\_unique-identification-uid-nrega-job-card-holders](http://articles.timesofindia.indiatimes.com/2011-05-26/ranchi/29585690_1_unique-identification-uid-nrega-job-card-holders)

### **CBI teams visit villages**

Express News Service / May 26, 2011

Jeypore: Three CBI officers on Wednesday headed for Laxmipur and Bandhugaon villages in Koraput district. They are to probe the alleged irregularities in NREGS works during 2006-07.

It was on Tuesday that a seven-member CBI team fanned out to Koraput, Rayagada and Nabarangpur districts. The team met the district collectors for relevant files and held talks with the nodal officers of the respective districts. Though the CBI officials are tight-lipped on the ongoing inquiry, it is learnt that they would visit about 300 villages in these districts and verify over 5,000 NREGS cards.

Nabarangapur: The CBI team is expected to visit 16 villages spread over five gram panchayats under Tentulikhunti block of the district.

Sources said, the CBI team would scan through NREGS-related documents in Koneimuda, Lokiguda and Lamtaguda of Lamtaguda gram panchayat, Porajabarangpadar, Paikabarangapadar, Porojadeopali, Chakadapas and Goudodeopali of Gododeoplai gram panchayat, Pujarigua and Janniguda of Pujariguda gram panchayat, Manchagam and Kenduguda of Manchagam gram panchayat and Bijapadar, Tobhapadar, Meratoni and Tentulikhunti of Tentulikhunti gram panchayat.

While Inspector K P Tripathy has reached Nabarangpur and initiated probe, another two members are expected to join him soon.

Meanwhile, District Collector Sivabrata Dash called a press meet on Wednesday and categorically stated that the CBI probe was confined only to the financial year 2006-07 and limited to Tentulikhunti block.

Bhawanipatna: The CBI team will begin its field visit as a part of the inquiry in Kalahandi on Thursday.

Headed by Senior Inspector Manoranjan Das, the team reached the district on Tuesday. They interacted with Additional District Magistrate Chudamani Seth on Wednesday and collected documents pertaining to the scheme.

The team will visit 17 villages under seven gram panchayats under Bhawanipatna, Narla and Thuamul Rampur blocks for field assessment.

Earlier, the Centre for Environment and Food Security, Comptroller and Auditor General of India and National Institute of Rural development, Hyderabad, had reported irregularities in the implementation of the MGNREGS in these villages.

<http://ibnlive.in.com/news/cbi-teams-visit-villages/154502-60-117.html>

## **BJP seeks SIT probe into corruption cases in Odisha**

Staff Reporter/ May 27, 2011

Bhubaneswar: The Bharatiya Janata Party on Thursday demanded a thorough probe by a Special Investigation Team (SIT) into all corruption cases in Odisha.

All scams that have taken place during the 11-year-rule of Naveen Patnaik should be investigated thoroughly by SIT, BJP's national secretary Kirit Somaya told reporters after releasing a charge-sheet against the state government, at the party state headquarters office here.

The 32-page booklet is titled Bhraastacharinka Aparadh O Durnitira Kalankita Pharda contains the charges against the state government.

SIT should be formed to probe scams relating to MGNREGA, dal scam, mining, water, cheating of farmers, diversion of funds meant for tribals and other issues, he said, adding that inquiry should be conducted preferably under monitoring and supervision of the Odisha High Court .

On CBI probe into MGNREGA scam being conducted in six districts, senior party leader Bijoy Mohapatra said all the 30 districts of the state and all the years from 2006-07 to 2010-11 should be included within purview of the investigation.

Since irregularities were rampant throughout the state, a comprehensive inquiry is required in all the districts instead of confining it to six districts, he said.

Referring to the multi-crore scam in purchase of dal for mid-day meal and other schemes, Somaya claimed that probe by the State Vigilance wing had virtually been stopped as it was feared that many officers, ministers and the chief minister himself would have to be dragged into its purview.

The charge-sheet was prepared by a taskforce headed by BJP national executive member Bijay Mohapatra, who said that the party has listed the 10 charges of corruption against in the first phase.

He said that the state government was facing a CBI probe for irregularities in utilisation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREG).

Similarly, corruption in the mining sector, purchase of dal under mid-day meal (MDM) scheme, favoritism to multi-national companies like Posco and Vedanta Resources, over payment to contractors in water resources department, indiscriminate water linkage to industries, diversion of funds meant for tribal area developments are some of the charges levelled against the state government, he said, adding that the law and order situation was deteriorating.

Giving details of the charges involving the BJD government, Mohapatra said that it was for the first time that the Supreme Court took cognizance of the corruption in MNREGA in Odisha and ordered for a CBI probe while observing huge misappropriation of funds.

The direction of the Supreme Court was a major setback to the state government.

If the state government believed in transparency, it should recommend the CBI to extend the purview of the probe into the MNREGA scam be extended to all the 30 districts and the entire implementation period from 2006 to April 2011, he said.

He alleged that that Rs 700 crore out of Rs 2,100 crore meant for the NREGA had been diverted for some other purposes in clear violation of the Central guidelines.

He said that the observation of the Odisha High Court in the multi crore dal scam had established the prima-facie and alleged that the State Vigilance which was inquiring into the multi-crore pulses scam had stopped the probe at the instance of the chief minister following the exposure of the involvement of some of his Council of Ministers, party leaders and senior officials and he himself in the case.



Present on the occasion, BJP state president Jai Oram said that his party would move to all the 72,000 villages in the state to make people aware about the corruption in the government and the real face of chief minister Naveen Patnaik by organising Bhastachar Hatao Samavesh.

The BJP would come out with more and more charge-sheets against the state government in coming days, he added.

Among others, party's national general secretaries, Dharmendra Pradhan and Surama Padhi, Santosh Gangwar, in-charge of Odisha BJP, former ministers KV Singhdeo, Biswabhusan Harichandan, and former state president Suresh Pujari were present.

<http://orissadiary.com/Shownews.asp?id=26916>

### **Modi wants an urban NREGS**

Prasad Nichenametla/ May 28, 2011

New Delhi: Gujarat Chief Minister Narendra Modi wants an urban job scheme on the lines of the MGNREGS, started in 2006 through legislation and the budgetary allocation for which each year is around Rs 40,000 crore. The proposal, sent by his urban development department, is with the ministry of urban development and poverty alleviation.

"We are urbanising very fast and migration to cities is creating a huge employment gap. An NREGA-like programme would come to the rescue of the less advantaged urban poor," said additional Chief Secretary BK Sinha in his letter.

The Jawaharlal Nehru Urban Renewal Mission deals chiefly with urban infrastructure and has no job creation plan worth the name.

Gujarat, which is going through a phase of urban makeover, wants to utilise job schemes for "renewal and revitalisation projects" like the Sabarmati

Riverfront", an infrastructure and reality project in Ahmedabad.

Ahmedabad and Surat have large slums, mostly inhabited by Muslims. It is this "risk of urban decay" and "low quality of life" the state wants to correct through the job scheme.

"The proposal is good (but) it requires more than a job guarantee scheme to address the issue of urban poverty," said sociologist Shiv Visvanathan.

<http://www.hindustantimes.com/Modi-wants-an-urban-NREGS/Article1-703114.aspx>

### **UPA targets poll 2014 with rural livelihood mission**

Prasad Nichenametla/ May 29, 2011

New Delhi: With Mahatma Gandhi NREGA providing rich political dividends and letting the government stay in course, the UPA-2 is stepping on the gas to multiply the mileage. On June 3, UPA chairperson Sonia Gandhi will launch the National Rural Livelihoods Mission, a massive self-empowerment programme for rural India with focus on women, from a tribal district in Rajasthan, Banswara. But unlike the NREGS providing sustenance to rural India, the NRLM is to make 'Bharat self reliant, economic engine of its own'. The mission implementation starting with 15% of blocks will cover the entire country within seven years.

NRLM would cover 6.96 crore BPL households with women members united as a SHG. It gives assistance of Rs.1 lakh (90% bank loan) per family to start own business and targets creation of 60 lakh micro-entrepreneurs by 2017.

The programme with major role of the states will focus on Bihar and UP, where Congress scion Rahul Gandhi wanted the self-help groups developed on Andhra model.

In Andhra, Chandrababu Naidu's concept of SHG movement saw the TDP retain power in 1999, with the

women support. In Gujarat, with project Mangalam's Sakkhi mandals, Narendra Modi is preparing for 2012 polls.

The results of NRLM are expected to appear by 2014 elections.

Officials estimate the fund requirement in form of grants to be Rs. 30,000 crore during 12th Plan with each BPL family getting Rs10,000 as assistance.

The individual and SHG programme will also replace the SGSY — a self-employment scheme of the Atal Bihari Vajpayee government.

“NREGA provides basic sustenance; the need now is to adapt rural India to self-reliant livelihoods, decreasing dependence on farming,” officials said.

<http://www.hindustantimes.com/UPA-targets-poll-2014-with-rural-livelihood-mission/Article1-703446.aspx>

### **NREGA-Related Deaths: J'khand Cong Welcomes Probe**

PTI/ May 29, 2011

Ranchi: Jharkhand PCC today welcomed the Union Rural Development Ministry's recommendation for CBI probe into two cases of murder, apparently related to corruption and wage demands in MGNREGA scheme.

"There are numerous instances of corruption cases in MGNREGA schemes and the CBI probe will unearth them," PCC General Secretary-cum-spokesman Sailesh Sinha said here.

"The recommendation has come as a deterrent to the authorities, who are responsible to implement schemes under MGNREGA," he added.

The first case pertained to the killing of Niyamat Ansari, a key aide of noted civil rights activist and a former member of Central Employment Guarantee Council (CEGC) Jean Dreze.

Dreze had complained to the union ministry that Ansari was murdered in Latehar district after he exposed siphoning of MGNREGA funds in Rankikala gram

panchayat.

The second case was murder of one Subal Mahato, who was allegedly lynched by his employer for demanding revised wages in accordance with MGNREGA in Bokaro district.

Both the incidents took place in February/March this year.

<http://news.outlookindia.com/item.aspx?723461>

### **EC to use NREGA to update records**

Lalmani Verma/ May 30 2011

The state Election Commission will crosscheck its electoral roll data with the database of the National Rural Employment Guarantee Act (NREGA) as part of its target of 100 per cent Photo Electoral Roll (PER) in Uttar Pradesh.

The details of NREGA beneficiaries and their photographs in the database, wherever available, will be used for updating the PER.

The EC recently sent a letter to the Chief Electoral Officer of Uttar Pradesh expressing concern over the delay in achieving the 100 per cent coverage of PER and Electors Photo Identity Card (EPIC).

The EC has suggested the chief electoral officer to update the PER with help of NREGA records and job cards.

Umesh Sinha, Chief Electoral Officer, Uttar Pradesh, has now directed the district magistrates to follow the instructions.

He said: "District Magistrates have to conduct this exercise. District authorities have the database - like the address and photographs of NREGA beneficiaries. These photographs could be used to update the PER."

According to EC authorities, 91.13 per cent voters in UP have been covered under PER, while 92.98 per cent have been issued EPIC so far. The EC has directed Sinha to achieve 100 per cent coverage of PER and EPIC in UP by the year-end.

Sinha said: "Not only NREGA, but database of people benefited under different welfare schemes are also available with the districts authorities that can be use to update the PER. The district magistrates will have to coordinate with the departments concerned."

For summary revision of electoral roll this year, about 1.28 lakh Booth Level Officers (BLOs) and 350 Electoral Registration Officers (EROs) will be given training before September 30.

Summary revision of electoral roll will start from October. From November, the EC will start the exercise for management of the Assembly poll, scheduled in 2012.

Sinha's office has now directed the district magistrates to organise EPIC Day with Tehsil Diwas in every district. On a Tehsil Diwas, organised fortnightly, district administration officials camp at one place and redress public complaints.

"In the same tehsil diwas, booth level officers will collect the application of voters for addition of their name in electoral roll and issue EPICs," said an official.

<http://www.indianexpress.com/news/ec-to-use-nrega-to-update-records/797078/2>

### **Wife hails CBI probe into NREGA worker's death**

Staff Reporter/ May 31, 2011

Bokaro: Babli Devi can finally hope for justice if the CBI inquiry into her husband's death comes to fruition. The wife of the MGNREGA worker Subal Mahto, allegedly killed for asking for his wages after digging a well, has welcomed the proposal of a CBI inquiry by the Centre.

The 50-year-old resident of Bhatua village of Bokaro had died on February 19 after being thrashed by his contractor Bhagirath Rajwar and his family when he went to ask for his wages for digging a well at his village under the MGNREGA.

The Union rural development ministry on Sunday had recommended a CBI probe into the alleged murder, sensing wrongdoing in the case. The ministry has also recommended the CBI probe into the Niyamat Ansari killing in Latehar.

On March 13, the Union rural development secretary B K Sinha had inquired into both the cases, while visiting Bokaro and Latehar and meeting the workers' family members. Sinha had said he was highly "dissatisfied" with irregularities in implementation of the MGNREGA.

Recently, the ministry's two-member committee, comprising Sinha and deputy secretary Rohit Kumar, recommended the CBI investigation. The agency should also probe into the attempt to suppress the case, misrepresentation of records and injury and postmortem reports, the ministry said. Mahto's wife said although police had arrested Rajwar and two of his relatives, the action were not enough.

[http://articles.timesofindia.indiatimes.com/2011-05-31/ranchi/29603830\\_1\\_cbi-probe-cbi-inquiry-cbi-investigation](http://articles.timesofindia.indiatimes.com/2011-05-31/ranchi/29603830_1_cbi-probe-cbi-inquiry-cbi-investigation)

## **Social audit: A corruption layer**

IBNS/ May 15, 2011

Amid incessant controversy that continues to riddle the Lokpal Bill significant questions on how to ensure downward accountability to eliminate vicious and rampant hold of corruption at the micro level - are still not being effectively raised or discussed. While macro level corruptions, like a 2G scam, may be harrowing for the economy, it is micro level corruption that impairs lives of people directly. If India is serious about containing corruption it must not only concentrate at the macro level policy making process but also raise pertinent debate on the processes, structures and policies that need to be implemented at village level institutions to mitigate unbridled corruption that prevails there.

Without undermining the importance of the Bill, the million dollar questions, waiting for a response therefore are, "Can an anti-corruption Bill alone eliminate corruption across all echelons of democracy?" If not, "how must one tackle widespread grassroots level corruption affecting lives and livelihood of people?"

The answers maybe lying in successful initiatives like mobile-aid-transfer in Kenya, (a system by which cash aid is delivered directly to beneficiaries via mobile phones) or social audits, in Afghanistan (where villagers trace the money trail of developmental aid, detect corruption immediately and hold their leaders accountable for any misappropriation).

India with an integrity score of 3.3 (considered one of the "highly corrupt") has admittedly a very tough challenge ahead. As per the Corruption Perception Index, CPI, 2010, issued by Transparency International, India is 87 out of 178 countries, indicating a serious corruption problem. At the micro level endemic corruption puts a spanner in the development process itself, further aggravating the matter. "Of the Rupee

spent for development programmes in the rural areas, only 15 paisa reaches the beneficiary", Rajiv Gandhi had once said. Today it would be even less, considering corruption in the form of bribery has increased exponentially in the last decade or so.

Marred with corruption, the governance system at Panchayat level in India is very dismal and crying for appropriate policies to ward off this scourge. A glimpse of the ground situation emerges from a recent government-sponsored study on the National Rural Employment Guarantee Act (NREGA). It is the biggest poverty alleviation programme in the world, with a Central government outlay of 40,000 crore (US\$8.88 billion) in FY 2010-11. The report has unearthed large-scale corruption and irregularities in the implementation of the NREGA programme. In several states, authorities have been found "misappropriating central funds and threatening workers to keep their mouth shut."

If India needs any consolation, unstable governments like Afghanistan with a legacy of conflict, continue to dominate the bottom rungs of the CPI with a score of 1.1. That is precisely why it makes an interesting study to see how a war-torn nascent, democracy like Afghanistan has proactively introduced strong initiatives in tackling micro level corruption lately. Incidentally, Afghanistan imported the concept of social audit from no other country but India. This tool failed to culminate into a mass movement here, remaining largely localized in Rajasthan where it was introduced by Mazdoor Kisan Shakti Sangathan, MKSS. In Afghanistan, however, more than 900 such audits in 5 major provinces have created a national stir.

This remarkable initiative spearheaded by Aga Khan Foundation, AKF, is now being replicated countrywide at the behest of the World Bank and ministry of rural development. It has been hailed for the significant level of transparency it has achieved at the village level governance, in a short a short span of time, and

mandatory, for every village accessing public fund. "Initiatives to strengthen local governance, such as the social audit program, will be key in helping to build a modern democracy in Afghanistan", says John Dempsey, a legal expert with the United States Institute of Peace, a think tank.

It is ironic to find an Indian experience reaping such large scale benefits in a remote country like Afghanistan. It is at the same time heartening to see serious Indian professionals contributing to the changing landscape of Afghanistan. Sujeet Sarkar, regional advisor with AKF, instrumental in introducing the concept of social audit in Afghanistan, claims that there is far less corruption in Afghanistan today compared to Panchayat in India.

While decentralization of power is essential in devolution of high-level corruption, it invariably leads to decentralization of corruption as well, reminds Sarkar. The concept of social audit is an empowering and participatory process, whereby the power to hold the government accountable for vanishing development money lie with the aid beneficiaries themselves.

Citizens assemble in a common platform to scrutinize the performance of their immediate agencies (NGOs/Gram Panchayat) on wide range of issues - from the quality of development services extended to the benefits trickling to the community. "It fixes downward accountability of local institution, elected by the community and goes a long way in contributing significantly towards promoting good governance," says Sarkar.

Among all the people-centric tools available, social audits provide stakeholders an opportunity to raise common concerns and collectively look for solution. It is something India desperately needs to promote if India wants to make a difference in the life of the ordinary people. With the RTI constituted there is tremendous scope to advance social audit and other people-centered

techniques to promote transparency at the grassroots level. As recently as Jan 2011, in the MKSS program area, an embezzlement of Rs 56 lakh was exposed in a social audit of MGNREGA in Todgarh panchayat, Ajmer district. Such excellent citizenry effort needs to receive robust media support to galvanize them into mass movements, spurring a countrywide commitment to eliminate corruption. But rarely do they make it to the headlines.

With discussions rife on how to contain the corruption conundrum it is a perfect moment to assess grassroots situations. Specific laws and policies at the macro level are essential in creating the right environment for taking processes forward. A simultaneously effort in formulating and implementing systems and mechanisms to fix downward accountability will ensure the issue of corruption is addressed and attacked from all sides.

Enabling institutions like national bureaus to tackle corruption, strong measures against corrupt officials, an efficient judicial system with speedy trial of corruption cases, tough policies and popularization of e-governance, all will contribute to preparing the perfect backdrop to corruption-free society. The final actors in containing corruption, according to Sarkar, must however be the people themselves. Such process which makes the local development agencies accountable to the common citizens will not only yield high governance dividend but also make the system corruption-free. Time the biggest democracy learnt a lesson or two from the youngest democracy, to take its crusade forward.

<http://www.sify.com/news/social-audit-a-corruption-slayer-news-community-lfppQcgbhhf.html>

## **The other side of food inflation: Farm labour costs rise 50% in two years**

Harish Damodaran/ May 15, 2011



New Delhi: Everyone knows how much food prices have risen in the last few years. Not everyone, however, knows how much costs have spiralled for those who produce the food you and I eat.

Data on daily wage rates for agricultural operations, compiled by the Labour Bureau at Shimla, show huge increases to have taken place in most States during 2009 and 2010.

Andhra Pradesh, for instance, has seen farm wage rates – the average taken for ploughing, sowing, weeding, transplanting and harvesting operations – going up 40.3 per cent in 2009 and 27.8 per cent in 2010.

It is no different in other States, where, in the last year alone, the price of agricultural labour surged 15 to 20 per cent in Haryana, Bihar, West Bengal and Assam, 32 per cent in Punjab, and 43 per cent in Orissa.

### **MSP policy implications**

“The Labour Bureau figures are an eye-opener, though they conform to what farmers themselves say. And if you add soaring energy costs as well, protecting the margins of farmers becomes a real challenge,” noted Dr Ashok Gulati, Chairman of the Commission for Agricultural Costs and Prices, which advises the Centre on fixing minimum support prices (MSP) for various crops.

The Labour Bureau's data, compiled on a monthly basis, are based on primary information collected from 600 sample villages over 20 States. They cover wage payments both in cash as well as kind, with the latter valued at the prevailing local retail prices.

Dr Gulati admitted that incorporating the entire increases in labour and energy costs in official MSP computations is not easy, “more so in a scenario of already high food inflation”.

### **Tweaking NREGA**

According to him, the time has come to re-orient schemes such as the National Rural Employment Guarantee Act (NREGA), where “you get Rs 125 or so for two-three work”. That makes a scheme with 70-80 per cent welfare and 20-30 per cent productive component.

There is a case to extend NREGA to work on private farms.

“Why cannot we have a system, where rural labourers are paid Rs 250 for working eight hours on farmers' fields? Out of the Rs 250, Rs 125 can be underwritten by NREGA, with the balance coming from farmers. We are, then, able to dovetail welfare schemes with productive activity and raise the latter component to 70-80 per cent,” Dr Gulati added.

<http://www.thehindubusinessline.com/industry-and-economy/agri-biz/article2021595.ece?homepage=true>

### **Under nutrition, Poverty & NREGS**

Raghubandra Jha, Raghav Gaiha & Manoj K Pandey

In the hue and cry over minimum wages under NREGS, battle lines have been drawn between those who favour central government hiking minimum wage rates to the state minimum, and others asserting that the two must be delinked. While the former invoke ‘a right to livelihood’, the latter point to the NREGS being ‘the employer of the last resort and the imperative of better targeting’. While these views have some merit, both



sides seem to gloss over why benefits to the poor remain so low despite frequent wage hikes. Our analysis, for example, shows that (net) transfer benefits under NREGS (net of opportunity cost of time)/household income were barely over 7% in Maharashtra, about 10% in Rajasthan and under 17% in Andhra Pradesh. The roots of the malady lie in its design and implementation aberrations. Under nutrition is not just an effect of poverty but also its cause. In an agrarian economy with surplus labour and efficiency wages, nutrition-poverty traps tend to exclude the undernourished from remunerative employment and perpetuate their poverty. Rationing of employment favours those with physical dexterity and stamina. NSS and NCAER agricultural wage and employment data over 1993-94 to 2004-05 reveal a grim story of pervasiveness of nutrition-poverty traps that foreclose an easy exit from poverty.

Does this reasoning apply to NREGS? Our research (including that with Shylashri Shankar of CPR, Delhi) confirms that the undernourished were less likely to participate in it, work for long spells and earn substantial amounts. These findings are based on a survey of about 500 households in Rajasthan in 2009-10. As the work under this scheme is physically strenuous and (mostly) a piece-rate system — analogous to efficiency wages — is used to determine wages, those endowed with greater stamina and dexterity has a clear advantage. Using the body mass index (BMI) as a nutritional criterion, the individuals are classified into underweight, normal and overweight. Cross-classifying them by poverty status — acutely poor, moderately poor, moderately non-poor and others — the proportion of underweight fell while that of normal rose across these groups. More generally, the BMI rose with income/expenditure but at a diminishing rate.

Over 81% of the male and about 71% of the female participants in NREGS were normal while most of the

remaining were underweight. Our analysis shows that the higher the NREGS wage relative to agricultural wage rate at the village level, the higher was the participation rate and correspondingly the share of normal participants. Two distortions showed up consistently: one was exclusion of the poor and, related to that, of the underweight/undernourished. If these findings have general validity — similar findings of unsatisfactory targeting are obtained from surveys in Andhra Pradesh, Tamil Nadu, Maharashtra, and Madhya Pradesh — the NREG minimum of .100 per day is already much too high, relative to slack period market wage rate. Far too many poor and undernourished are ‘crowded out’.

The number of days worked in a year was considerably higher among normal participants compared to the underweight. Not just the mean number of days worked was higher among the former but also significantly higher proportions worked for 50 days or more.

In a piece-rate system, the earnings are likely to be much higher for normal participants even if the days worked do not vary much. The mean earnings were, in fact, substantially higher (about. 3,100 per normal participant, compared with about. 2,700 per underweight participant). Besides, the proportions of normal participants in the upper ranges of earnings (>. 5,200 per annum) were considerably higher.

A policy insight is that to the extent that acutely poor overlap with the underweight, as they do, their prospects of climbing out of poverty are bleak.

While the piece-rate system allows flexibility to female participants, and is meant to ensure more productive employment, assessment of work is fraught with corruption and delays. Non-existent worksites and large-scale embezzlement of wages were rife in our surveys. Although a time-rate system has its own difficulties — especially high supervision costs — it is not self-evident that it would be necessarily far worse.

Indeed, if supervision capacity exists, a more flexible mode of wage payments may work better.

The current debate on wage hikes seems misplaced, especially when the benefits to the poor and undernourished are so small. Legislating higher wages risks greater distortions. Whatever the verdict of the Andhra Pradesh High Court, careful attention to enhancing awareness of some components of NREGS (e.g., wage payments), proper maintenance of muster rolls, and social audits may do more to transform the lives of the poor than misguided social activism.

<http://epaper.timesofindia.com/Default/Scripting/ArticleWin.asp?From=Archive&Source=Page&Skin=ETNEW&BaseHref=ETD/2011/05/17&PageLabel=16&EntityId=Ar01601&ViewMode=HTML>

ALERT

FAKE JOB OFFER LETTER

It is brought to the notice of all concerned that a fake Offer letter(copy enclosed) is under wide circulation, which is purportedly issued by the "Project Director, Sh. Indu Sharma, Project Director, New Delhi" on the letter head carrying the National Emblem and the Emblem and the name of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005, Ministry of Rural Development, Government of India.

2. **It may please be noticed that the Ministry of Rural Development, Government of India has nothing to do with the aforesaid letter offering the position as an Organizer at the starting salary and Daily Allowance stated therein on contract basis for a period of four years.** Smt. Indu Sharma, Director(MGNREGA) in the Ministry has been receiving a large number of phone calls, both on the official landline as well as on her personal mobile, from the individuals based in South India, especially from the State of Andhra Pradesh, who are in receipt of such Offer letter via e-mail, enquiring about the Offer letter. On enquiring from one such individual, it has come to the light that they are receiving phone calls on which a demand of Rs. 20,000/- is being made in lieu of such Offer Letter/Job.
3. **Someone is trying to conduct a fraud in the name of the MGNREGA by making an offer in the name of the Ministry of Rural Development and is designed to make the prospective job seekers believe that it is the Ministry that has issued a legitimate advertisement.** The demand for Rs. 20,000/- shows that there is intention to make a wrongful gain to those who have issued the advertisement and a wrongful loss to the prospective job seekers. This is a clear case of misrepresentation, fraud and cheating punishable under different provisions of the IPC and other laws.
4. **All concerned, especially those who have received such letters are advised to seek redressal through police and/or other means.**

*Sharma*

(Indu Sharma)  
Director(MGNREGA)  
Ministry of Rural Development  
Telfax: 23388431



**The Mahatma Gandhi National Rural Employment Guarantee Act 2005**  
**Ministry of Rural Development**  
**Government of India**



**OFFER LETTER**

Date : 03-05-2011

Dear Sir / Madam,

We are happy to offer you a position as a **organizer**.

Your starting salary would be **Rs. 11,578-00** (Rupees Eleven thousand Five Hundred and Seventy Eight only) per month and Daily Allowance Rs. 200/- per day on contract basis for period of 4 (Four) years.

Your formal appointment letter will be issued to you with in a week of your joining date. Please let us know your exact joining date. You will be on probation for a period of 6 (six) months.

You will be required to carry out such duties and job functions in which you may be instructed from time to time by the organization or person acting on behalf of the organization and you may be required to be transferred from one section / department, at the discretion of the organization.

You must native of the respective district. Your appointment will be subject to verification references.

Kindly bring along with you necessary certificates in original to enable us to check, date of birth, qualifications, 2 passport size one stamp size photograph. Submit a copy of all the above documents at the time of joining.

If you require any additional information please feel free to contact Mr. Rajeswara Rao, Project Officer (A.P.), Cell No. 95022 26030.

With Regards  
For **MGNREGA**

Project Director,  
Sh. Indu Sharma,  
New Delhi.

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**This information bulletin is a part of our initiative towards energizing NREGA. This initiative is supported by Concern World Wide, India.**



FOUNDATION FOR ECOLOGICAL SECURITY

*The Foundation for Ecological Security works towards the ecological restoration and conservation of land and water resources, in the uplands and other eco-fragile, degraded and marginalized Zones of the country and to set in place the processes of coordinated human effort and governance to this end.*