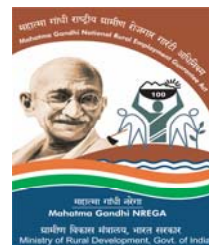


MGNREGS UPDATE

News for Internal Circulation No. 5 / May 1 – May 15, 2011
Foundation for Ecological Security



NREGS proves to be nemesis of textile sector

Staff Reporter/ May 02, 2011



One of the most successful employment generation schemes from the government has put the textile sector in disarray.

Whether it is Ludhiana or Surat, the businessmen from these cities are wring their hands in despair as workers from far-flung states are leaving their jobs and not returning back from their home-towns.

The main reason for the flight of these workers is National Rural Employment Guarantee Scheme or NREGS, which pays between Rs. 100-150 for just seven hours work.

On the other hand, these workers toil for 12 hours a day in the textile factories and earn between Rs 8,000-10,000 per month. But their living conditions are pitiable and also end up spending a considerable amount on housing, food and medicines.

Despite the low wages paid by the NREGS compared to what they earn in the textile sector, the workers prefer the former as it lets them stay with their families as well as work in their own farms.

Most of these migrant workers hail from states like Uttar Pradesh, Bihar and Orissa, where the scheme has been implemented very well.

http://www.fibre2fashion.com/news/textile-news/newsdetails.aspx?news_id=98358

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BJP leader rallies for NREGA whistleblower

Staff Reporter/ May 05, 2011

Sambalpur: Former BJP state president Suresh Pujari has opposed the arrest of a NREGA whistleblower in Jharsuguda district. Pujari said Gunanidhi Barik, former sarpanch of Lakhanpur block, has been falsely implicated by police and demanded a probe into it.

Barik had tried to stop the block supervisor from taking signature of the NREGA beneficiaries without releasing the money and warned him of dire consequences if the rest amount is not paid. The supervisor lodged a complaint with police against Barik and Gajapati Rajhans, the beneficiary, for forcefully taking away the muster roll. Gajapati and his son Arakhit were also arrested. "We arrested them after receiving complaints of them stealing the muster roll register from the block supervisor", police officer of Lakhanpur police station said.

But Gunanidhi kept the register as an evidence of the bungling. "We never intended to steal the register. We have kept it as an evidence of misappropriation. We have also circulated the photostat copies of the muster roll to expose the corrupt practices going on in the block in NREGA work", Gunanidhi said. He said there were signatures of many persons who are already dead. Contacted, BDO of Lakhanpur P C Bhoi expressed ignorance about misappropriation. "I have never received any such complaint. The scheme is being implemented as per rule", he said.

http://articles.timesofindia.indiatimes.com/2011-05-05/bhubaneswar/29512330_1_nrega-beneficiaries-complaint-block

State set to introduce uniform Form 6 for NREGA workers

Staff Reporter/ May 10, 2011, 02.42am IST

Jaipur: In a bid to ensure that those who are not provided work within the stipulated 15 days under the MGNREGA get the unemployment benefit, the

government is about to introduce a uniform Form 6 across the state. The Form 6, where requisition is filled for work under NREGA, will also have a receipt attached which would be handed over to the worker as proof of when the work was sought.

The decision was taken at the monthly meeting of NREGA at the Indira Gandhi Panchayati Raj bhawan on Monday. It was attended by rural development minister Bharat Singh, Principal Secretary C S Rajan and members of Mazdoor Kishan Shakti Sangathan (MKSS).

Currently, various modifications of Form 6 are doing the rounds of the state, among which many do not have a receipt attached to it. The state plans to strictly implement the issuance of job receipts, and those found not adhering to it will have to pay a fine of Rs 1000. Efforts are on to ensure that these forms can be deposited six days a week and not just Thursday.

The state is also looking at granting the authority to the ward panch to accept the forms. At present, the NREGA only empowers the BDO, sarpanch and the Rozgar Sevaks to accept such forms. "But most of the time, these people are not around and as a result, people are not able to get work," said Nikhil Dey of MKSS.

Despite provision of funds, the number of workers employed under the NREGA is at its lowest this time.

MGNREGA work site management will also feature prominently on the state government's agenda in the coming months. Members of the MKSS expressed their ire at the non-implementation of group measurement practices at work sites and threatened to launch an agitation by June 1 if such a system was not in place by then.

However, they were assured by the rural development department officials that within 45 days, and before July 1, the government would try to ensure such a system was being followed.

The officials of the department also assured to follow a uniform system for preparing a muster roll as well as ensure that job cards are distributed to every worker. A close watch will also be kept on wall paintings in the panchayats and omission or priting of wrong facts will be dealt with strictly.

http://articles.timesofindia.indiatimes.com/2011-05-10/jaipur/29527893_1_nrega-workers-job-cards-mgnrega

Audit report not needed to file cases under NREGA

Staff Reporter/ May 10, 2011

Jaipur: The police will have to register FIRs over irregularities in works done under the Mahatma Gandhi National Rural Employment Guarantee Scheme even if the complaints are not accompanied by audit reports. Panchayati raj minister Bharat Singh clarified this in a written communication to the state's director general of police Harish Chand Meena. Following the minister's instructions the top policeman has directed the district superintendents of police not to reject the complaints.

The police in certain districts were declining to register reports pertaining to irregularities in the government employment scheme citing lack of evidences like an audit report. In March this year, Sirohi district's superintendent of police Vipul Chaturvedi passed written orders to all police station in-charges under his command to not entertain any irregularity complaint about the scheme unless the complainant carried an audit report to support the allegations. Social activists working on the scheme objected to the police move arguing that a number of irregularities committed under the rural employment scheme could never be detected through audits.

"This cannot be allowed; not all works get audited. Also, some irregularities just cannot be detected in audits," the panchayati raj minister told TOI on Monday, confirming that he wrote to the director general of police on April 27.

Initiative towards Energizing MGNREGA.

http://articles.timesofindia.indiatimes.com/2011-05-10/jaipur/29527536_1_audit-report-employment-scheme-irregularities

Eleven NREGA officials suspended

PTI/ May 10, 2011

Salem: Eleven officers responsible for implementing the Central government's National Rural Development Employment Guarantee Scheme here were suspended by the District Collector for alleged misappropriation of funds to the tune of Rs 40 lakh, police said. The suspended officials, which includes a Panchayat president and three Block Development Officers, have also been booked under criminal cases, Attur DSP Krishnaraja said. He added the suspended officials, including Panchayat president Kalavathy and BDOs Selvaperumal, Pavayee and Rajendran, had allegedly been swindling funds for the past three years. Salem District Collector J Chandrakumar had ordered their suspensions following a report from District Project Officer Varadarajan into the irregularities, Krishnaraja said.

<http://ibnlive.in.com/generalnewsfeed/news/eleven-nrega-officials-suspended/678420.html>

UN report hails NREGA urges other nations to emulate feat

Pradeep Thakur/ May 11, 2011

Geneva: At home, the government is facing a barrage of allegations over corruption in public affairs, but here the Congress-led UPA-II was hailed for embracing an inclusive scheme like National Rural Employment Guarantee Act (NREGA).

On Tuesday, the United Nations released a Global Assessment Report (GAR), praising NREGA and asked other nations to emulate the programme that has helped empower millions of marginalized.

In a power-point presentation made during the release of the report, a special mention was made of the NREGA's "effective decentralized planning and implementation" and its benefits reaching out to millions of poor across the country through "proactive disclosures and mandatory social audits of all projects". In India, the employment programme has already benefitted 41 million households till date, GAR said.

India's political establishment and its top bureaucracy that has to contend with several corruption cases being investigated under strict monitoring of the Supreme Court came in for praise as the UN report gave credit to the success of the NREGA programme to "the impetus provided by strong political will and a committed high-level bureaucracy".

The second edition of the GAR, which was released after two years, is a vital resource document used for understanding and analyzing global disaster risk and how communities worldwide can be strengthened to cope with natural calamities such as earthquakes, floods, drought and cyclones.

Drawing on new data, the latest report explores trends in disaster risk for each region and for countries with different socio-economic development.

UN secretary general Ban Ki-moon endorsed employment programmes and cash transfer to marginalized section of the society as important strategies that have the potential to reduce disaster risk and achieve the Millennium Development Goals. The endorsement of cash transfer scheme to poor will certainly help the UPA-II to ward off any criticism as it prepares to roll out yet another ambitious programme before the next parliamentary elections in 2014. "Seriously addressing disaster risk will be one of the hallmarks of good governance," Ki-moon said.

However, the report called for more transparent approach to be adopted by the governments in implementing these schemes. "Whereas such laws are

important, but they do not necessarily strengthen actual accountability unless they are supported by penalties and effective performance based rewards," the report said.

Ever since NREGA has been launched, the government has drawn flak for not maintaining a proper account of how the money is being spent.

The Comptroller and Auditor General had raised doubts a few years ago about the misuse of funds and huge unspent amount lying idle in bank accounts of local implementing agencies and NGOs, rendering the programme ineffective.

The Central Bureau of Investigation has started investigation into alleged misappropriation and diversion of funds in Orissa, amounting to more than Rs 500 crore. The agency is probing funds misuse in Bolangir, Nuapada, Kalahandi, Rayagada, Koraput and Nabarangpur districts in Orissa.

http://articles.timesofindia.indiatimes.com/2011-05-11/india/29531994_1_disaster-risk-nrega-ki-moon

NREGA: Govt to look into FIR filed in Re 1 wage

Staff Reporter/ May 11, 2011

Jaipur: The state government on Tuesday assured that it will examine the First Information Report filed for paying extremely low wages to MGNREGA workers in Gudliya village in Tonk district. The FIR had charged six village mates for paying just Re 1 as wages to about 99 workers.

However, after protests by members of various organisations during the monthly meeting of NREGA, minister for rural development Bharat Singh assured that the department will find out as to why just the village mates had been named as accused and not any government official.

About 99 labourers from Gudliya village in Tonk district had toiled hard for 11 days to dig a check-dam under the MGNREGS. However, they were paid just Rs

11 for the work. That is, Re 1 for each day's labour. After the incident came to light, the government ordered a special inquiry into it.

The inquiry not only brought to fore large scale anomalies but had also indicted several officials. However, none of these persons have been named in the FIR.

"In the report, the assistant engineer had accepted the fact that though the total expense of the work in the village was worth only Rs 60,810, payments were made to the tune of Rs 40,80,472. This clearly exposes the fact that false measuring books were filed and payments were made in the village. So it is not just the village mates but even the engineer who even accepted his fault should be named in the FIR," the members told the minister during the meeting.

The report had also said that the engineer who endorsed payments of Re 1, 7, 12 and 19, had visited the spot on May 19, 2011 and found that the register recorded the presence of 150 persons when only 69 were working. Meaning, there were 44 persons whose names were falsely recorded. "The question is that when the assistant engineer was present and he saw that the names were falsely recorded, why he did not initiate action immediately. This clearly proves even his as well as the village mates' involvement," the members said.

Later the workers, as a mark of protest, gave the money to the chief minister's relief fund.

Officials of the rural development department said the FIR naming the village mates could just be the first in the series of action. However, the members were not willing to take any of this.

http://articles.timesofindia.indiatimes.com/2011-05-11/jaipur/29531491_1_mgnrega-workers-rural-development-village

NREGS scam in Tapi: Woman sarpanch in dock

Express News Service/ May 11 2011

Surat: In the second such case Vyara taluka of Tapi district, a woman sarpanch of Kumbhia village has been accused of forging signatures of NREGS workers and including ghost names of beneficiaries in the roll muster to siphon off Rs 4.18 lakh. A complaint in this connection has been made to Taluka Development Officer and District Development Officer by the aggrieved workers.

The fund was meant for construction of roads and three ponds, the work on which had been going on for the last two years. Sarpanch Induben Chaudhary and her husband Jaysinh had engaged around 150 youths for the job.

On Monday evening, over 50 of them contacted District Development Officer Shalini Agrawal and Taluka Development Officer P J Patel and complained about the misappropriation of funds.

Fatehsingh Chaudhary, a job card-holder, said, "The labourers were asked to sign documents and paid wages of Rs 50-60 per day by the sarpanch and her husband, who siphoned off the remaining amount by forging the signature in the muster rolls. Induben included 27 names in the list that never worked but have been paid. These names include sarpanch and her husband, deputy sarpanch and her husband, former sarpanch and her husband and others."

Subhash Chaudhary, another job card-holder, said, "The digging work was carried out with the help of JCB machines, and not manually. We have demanded a fair probe into the work and that job card-holders should get the remaining amount for their work."

Patel promised an inquiry and strict legal action against those found guilty. In the first such incident in Phatakwadi village in Vyara taluka, a woman sarpanch, her husband and a postmaster were similarly accused of

duping workers of their wages. They were later arrested and are currently in judicial custody.

<http://www.indianexpress.com/news/nregs-scam-in-tapi-woman-sarpanch-in-dock/788767/>

States not sure about receiving funds under MNREGA on time

Devika Banerji/ May 12, 2011

New Delhi: States are not sure if they will receive funds under the government's flagship rural employment programme on time this year.

Glitches in government-developed software last year had delayed the digitised submission of progress reports by states, which is mandatory for sanction of funds under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA). The ensuing delay in sanction of funds stalled ongoing work and affected implementation of new ones.

The rural development ministry, which calls these issues teething troubles, has called a meeting with states on May 23 to discuss the matter.

"The system was imposed on us last year, but most of the states were not able to upload all the data due to server and software problems," said a state-level official.

In 2010-11, the number of households that had completed 100 days of work under the scheme fell 24% to 53 lakhs.

Management Information System (MIS), web-enabled software, was introduced by the government to make data on NREGA transparent and available in the public domain. The government also sees it as an effective tool to monitor the scheme.

The data is used as a parameter for release of funds in the second half of the fiscal - which is the peak season of demand under MGNREGA.

In 2010-11, MIS was made mandatory by the rural development ministry, but it had to be dropped in

January as states were unable to meet the requirement. The ensuing delay in sanction of funds led to states having around 17, 000 crore in unspent money, as only 60% had been utilised, against 76% in 2009-10.

"Most states had received the money after the peak season was over, and the primary reason was the inefficiency of the MIS and it being made mandatory," said an official in the rural development ministry of a southern state.

The period from November - February is the peak season for the scheme.

The system requires project and worker data to be uploaded for around 2.5 lakh gram panchayats, 6465 blocks, 619 districts and 34 states and union territories. The data flow often leads to server crashes and overloading.

<http://economictimes.indiatimes.com/news/economy/finance/states-not-sure-about-receiving-funds-under-mnrega-on-time/articleshow/8256229.cms>

SC orders CBI probe into irregularities in Orissa NREGA

ET Bureau/ May13, 2011

New Delhi: The Supreme Court has directed the Central Bureau of Investigation to probe misappropriation of funds from the National Rural Employment Guarantee Scheme in 100 villages in Orissa, in 2006-07.

The court asked the Centre to tell it within eight weeks the plan it proposes for states to prevent recurrence of irregularities in the scheme.

"It will be useful for concerned authorities in the Central Government to ponder over the entire matter and propose such directions or measures which the state government should take in order to prevent recurrence of the events that have taken place in number of states and particularly in the state of Orissa," said a bench comprising Chief Justice SH Kapadia, Justice KS

Radhakrishnan and Justice Swatanter Kumar in its order on Thursday.

"We also direct the Central Government to consider the entire matter objectively within the framework of the provisions of the statute and place on record of this court, before the next date of hearing, the directions or measures which it proposes to issue to all the states to prevent recurrence of what has happened in the state of Orissa."

The bench said the Central Government on receipt of complaints is vested with the power to stop release of the funds to NREGA scheme and institute appropriate remedial measures for its proper implementation.

The Central government has full power to refer complaints to CBI for investigation, pointed out Chief Justice Kapadia writing the order for the bench.

The court also expressing concern over the persistent default by a large number of state governments in implementing the provisions of the act and Central government's NREGA Operational guidelines of 2008. It was issued for the proper implementation of the scheme by the state governments. "We hereby direct all the state governments to file affidavits stating whether they have accepted and are duly implementing the Operational Guidelines issued by the government of India, within six weeks," the court ordered.

<http://economictimes.indiatimes.com/news/politics/nation/sc-orders-cbi-probe-into-irregularities-in-orissa-nrega/articleshow/8283528.cms>

Rural employment programme sees participation by Ambleshwar women

ANI/ May 11, 2011

Ambleshwar (Chhattisgarh): Stung by rampant poverty, scores of women in a village near Raipur, Chhattisgarh, are actively participating in the government's flagship Mahatma Gandhi Rural Employment Guarantee Act scheme, to financially support their households.

Facing problems of unemployment and rising prices, women in Ambleshwar have broken the deep-rooted ideological shackles of gender bias to gain financial independence for the first time in their lives.

The MGNREGA aims at creating an effective safety net in rural India by providing a measure of protection against natural calamities or market-induced vulnerability.

The programme was launched by the ruling United Progressive Alliance (UPA) government, led by Prime Minister Manmohan Singh, with an objective to provide each family in the villages with a job for at least 100 days during each financial year, failing which an equivalent of wages have to be paid.

Since its inception, the programme has primarily attracted male workers, considering the rigorous nature of the jobs, which are basically labour-oriented.

However, participation of women in the programme mark a tectonic shift in rural tradition, where they are supposed to be restricted to their homes, taking care of household chores.

"All women here can neither travel to the cities and the capital in search of work nor can they work till late nights. If they can work here in the village, it is a boon for them. This is a part-time engagement. They work from early morning to afternoon, so they are left with ample time to take care of their households. So, they get good benefits from the welfare programme," said Man Singh, secretary of the Ambleshwar village council.

Sweating it out under the sweltering sun, these women have been matching shoulders with their male counterparts, digging up fields and carrying baskets of mud and dirt on their backs.

"People everywhere work to take care of their basic necessities. Our main aim is to get food to eat and not remain hungry and for this we need to work. We need money, it is our necessity and we have to work wherever we are required," said Vimla Devi, one of the women labourers.

The flagship anti-poverty plan, started three years ago, provides 100 days of employment every year to tens of millions of rural poor, a move that partly helped the Congress party-led coalition return to power in the last general elections.

About 70 percent of works under the NREGA are "green jobs" such as water harvesting, afforestation and land development.

The government last year had allotted a sum of 400 million rupees for the programme.

<http://www.dailyindia.com/show/439300.php>

D R A F T

(Notification will be posted on the website shortly)

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II, SECTION 3, SUB-SECTION (i)]

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT

NOTIFICATION

New Delhi, the 23rd March , 2011

G.S.R. (E).—The following draft of certain rules which the Central Government, in consultation with the Comptroller and Auditor General of India, proposes to make in exercise of the powers conferred by the sub-section (1) of section 24 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (Central Act 42 of 2005), is hereby published as required by sub-section (1) of section 32 of the said Act, for information of all persons likely to be affected thereby and notice is hereby given that the said draft rules will be taken into consideration after the expiry of a period of thirty days from the date on which copies of the Gazette in which this notification is published, are made available to the public;

Objections or suggestions, which may be received from any person in respect of the said draft rules within the period specified above, will be considered by the Central Government;

The objections and suggestions, if any, may be addressed to the Under Secretary, Ministry of Rural Development, Government of India, Room No. 366-A, Krishi Bhawan, Dr. Rajendra Prasad Marg, New Delhi-110001(Tel. 23073787, Fax 23388431, E-mail rk.sood@nic.in).

DRAFT RULES

1. Short title and commencement.— (1) These rules may be called the Mahatma Gandhi National Rural Employment Guarantee Audits of Schemes Rules, 2011.

(2) They shall come into force on the date of their final publication in the Official Gazette.

2. Audit of accounts.—The audit of the accounts of a Scheme under the Act for each district for each year shall be carried out by either by the Director, Local Fund Audit or equivalent authority or by Chartered Accountants to be appointed by the State Government from amongst the list of Chartered Accountants or Chartered Accountant firms empanelled with the Comptroller and Auditor

General of India and the Controller Auditor General of India may specify from time to time such criteria and terms and conditions for selection and appointment of the Chartered Accountants.

(2) The Comptroller and Auditor General of India shall issue directions and instructions to the Chartered Accountants regarding the conduct of audit and the format, structure and contents of the audit report thereon.

(3) The Chartered Accountant or the Director, Local Fund Audit, as the case may be, shall submit copies of the Audit Report to the State Government and the State Accountant General (Audit), may comment upon such Audit Report.

(4) The Comptroller and Auditor General of India or any person appointed by him in this behalf shall have the right to conduct audit of the accounts of Schemes at such frequency as they may deem fit.

3. Social audit facilitation.—(1) The State Government shall establish a Directorate of Audit of Schemes under MGNREGA (hereinafter referred to as the Directorate of Audit) to facilitate and oversee the process of audit of accounts including the social audits throughout the State and act as a co-coordinator between the Comptroller and Auditor General and State Accountant General (Audit).

(2) The Directorate of Audit shall select the resource persons from community and other civil society organisations at district level and at State level who are having knowledge and experience of working on strengthening and establishing the rights of people at the grassroots and provide training in social audit processes, scrutiny and analysis of documents, physical verification of sites or stock of materials, preparation of reports, recording of proceedings of social audit.

(3) The Directorate of Audit also function as facilitator to review ongoing requirements of each Scheme implemented in the State, prepares estimates of required entitlements of workers, monitors proper utilization of funds at grassroots and also provided the following, namely:—

(a) capacity building of village community to conduct continuous social audit;

(b) vigilance, monitoring and other associated activities which facilitate transparency and accountability;

(c) resource material, guidelines and manuals in respect of the social audit process;

(d) impart training to the members of the Social Audit Committee by the resource persons;

(4) The Directorate of Audit shall monitor the action taken by the State Government on Social Audit and shall host the information in the public domain.

(5) The costs of establishing the Directorate of Audit shall be met by the Central Government as a Central assistance as per Government of India guidelines.

4. Social Audit Process. – (1) The Social Audit shall be a process independent of any process undertaken by the agency implementing the Scheme.

(2) The implementing agency at no time, whether prior to, during or after the conduct of social audit, interfere with the Social Audit.

(3) Notwithstanding anything contained in sub-rule (2), the agency implementing the Scheme shall provide requisite information to the Directorate of Audit or conducting the Social Audit.

5. Procedure for conducting Social Audit.—(1) The Directorate of Audit shall frame an annual calendar to conduct at least one audit in every six months and a copy of the calendar shall be sent to all the District Programme Coordinators and to the State Accountant General (Audit) for information and necessary arrangements.

(2) The social audit resource persons trained by the Directorate of Audit shall facilitate the social audit along with the representatives of the Directorate of Audit in Gram Panchayats other than their own Gram Panchayats. The formats for the audit report of the resource persons may be specified by the Directorate of Audit.

(3) Social Audit Gram Sabha will provide an opportunity to review compliance with ongoing requirements of transparency and accountability, fulfillment of the entitlements of labourers (including payment of unemployment allowance), and proper utilisation of funds at the grassroots level, as well as serving as an institutional Gram Sabha for conduct of a detailed public audit of all Schemes under the Act that have been carried out in their area.

(4) It shall be the responsibility of the Programme Officer to ensure that all the required information and records are properly collated in the requisite formats and provided, along with photocopies of all related records, to the Gram Sabha conducting social audit and Social Audit resource persons at least fifteen days in advance of the scheduled date of meeting of the Gram Sabha conducting social audit. This information should also be publicly available at the same time, and photocopies available at nominal cost.

(5) All public representatives and staff involved in implementing the Schemes under the Act (including the staff of the Non-Governmental Organisations the Self Help Groups, etc., if any, involved in implementing Schemes shall be present at the Gram Sabha to respond to queries. The Gram Sabha will provide a platform to all villagers to seek and obtain further information and responses from the resource persons, public representatives and officials.

(6) The person appointed by the Comptroller and Auditor General may be present at the Gram Sabha conducting social audit and may provide information and clarifications (including details of audit findings and observations) relating to the implementation of the Schemes at the Gram Sabha and he may also facilitate the social audit process.

(7) The Social Audit Gram Sabha shall be an open and inclusive Gram Sabha to encourage broad based public participation.

(8) The Gram Sabha conducting the Social Audit shall be presided over by a person, who is not

directly or indirectly, involved in implementation of the Scheme under the Act.

(9) District Programme Co-ordinator shall nominate an official of an appropriate level to attend the Social Audit Gram Sabha meeting and such officer may ensure that the Gram Sabha takes place in true democratic spirit in an atmosphere where everyone can speak and testify without fear. The officer will be responsible for filing a report with the District Programme Coordinator, as per the prescribed format.

(10) The Social Audit Reports in the local language shall be posted on the notice board of the Gram Panchayat, and action taken on these Reports shall also be updated and indicated regularly on the notice boards. Persons found involved in irregularities shall be named in these reports, and action taken or under process against them clearly indicated.

(11) The action taken report relating to the previous social audit shall be read out at the beginning of the meeting of each social audit.

(12) All action taken reports shall be filed by the concerned authority within a month of convening of the social audit to the Directorate of Audit.

6. Obligation of certain persons in relation to Audit. – Every District Programme Coordinator or any Official on his behalf, shall, -

- (a) as far as possible, attend the Social Audit Public Meetings;
- (b) ensure corrective action is taken on the Social Audit findings;
- (c) take steps to recover the moneys, received or used other than the purpose of the Act, or, embezzled;
- (d) issue receipts or acknowledgement for moneys received under clause (c);
- (e) pay, within seven days of the receipt of the money for the wages due to the wage seekers under the provisions of this Act;
- (f) record the entry in respect of the money recovered during the Social Audit process under a separate head in the Mahatma Gandhi NREGS account;
- (g) ensure that the appropriate action (including initiating criminal and civil proceedings or termination of services of the concerned employees) is initiated against any individual or class of individuals or persons who received or used other than the purposes of the Act or embezzled the moneys meant for the Schemes under the Act.”

7. Scope and Coverage of Social Audit.—The Gram Sabha and the resource persons facilitating the social audit shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers in connection with the implementation of the Schemes.

(2) While conducting the social audit, along with all other material records placed before them, the Gram Sabha and the resource person shall verify,—

(i) the muster rolls, entry and payments made in the time period specified, if necessary by contacting the wage seekers whose names are entered in such muster rolls;

(ii) the work site and assess the quantity and quality of work done;

(iii) the cash book, bank statements and other financial records to verify the correctness and reliability of financial reporting;

(iv) the invoices, bills, vouchers or other related records used for procurement of materials to testify such procurement was economical, fully utilised, etc.

(3) The labourers and village community shall be informed about the Gram Sabha conducting Socialial Audit by the social audit resource persons as well as the Administration to ensure full participation; creating of awareness amongst the labourers about their rights and entitlements under the Act will be an important part of the Social Audit Facilitation.

(4) The accounts of the Schemes of every State Government as certified by the Comptroller and Auditor General or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government.

(5) The Central Government shall cause the audit report and the annual report to be laid, as soon as may be after they are received, before each House of Parliament.

[F. No. K-11033/50/2010-MGNREGA]

(Amita Sharma)
Joint Secretary to the Government of India
23385027

D R A F T

NREGA: Transparency and Public Accountability Rules

Part 1: Transparency Rules

Part 2: Grievance Redressal

Part 3: Social Audit Rules

Part I: Transparency Rules

Preamble

Commitment to transparency and accountability runs throughout the National Rural Employment Guarantee Act (NREGA). This commitment also flows from the Right to Information Act 2005, which will be followed as a minimum standard in all matters relating to NREGA. In keeping with the spirit of the RTI Act 2005 and the special transparency needs of the NREGA, the Rules prescribed below will seek to create an effective, appropriate and citizen-friendly transparency regime for the NREGA 2005.

Definitions

For all terms in these Rules, unless otherwise specified, the definitions outlined in the NREGA 2005 and RTI Act 2005 applies. The access to information will be as open as possible, and records will be defined as in RTI Act 2005:

“Record” includes (i) any document, manuscript or file; (ii) any microfiche and facsimile copy of a document; any reproduction of image or images embodied in such microfilm (whether enlarged or not); and any other material produced by a computer or any other device. Apart from these, the NREGA specific records (fax, copy of a document; (iii) any reproduction of image or images such as photographs, maps, sketches etc; (iv) any other material produced by a computer or any other device).

I. General Transparency of NREGA-related Information

1. All NREGA-related information is in the public domain.
2. The pro-active disclosure will be by providing copies of records at no more than cost of making copies, and mandate the providing of copies applied for as soon as possible, but ordinarily in any case within 15 days
3. The pro-active disclosure will include (a) display in summary form (including boards and notice boards), (b) reading out aloud (c) displaying on the website. All records in the “Minimum List of Documents for Pro-active Disclosure” given in Annexure 1 will be available for verifications under the permissible norms of RTI.
4. Pro-active disclosure will include the processing of records in a manner that a lay person can understand the information in a consolidated and summarized form. The process will ordinarily include the following modes of pro-active disclosure:
 - 1) The reading out aloud of essential information as per the prescribed formats of these Rules. (Annexure 2).

- 2) The establishment of painted boards at prescribed locations and in the prescribed formats (Annexure 2).
 - 3) The publishing of information through newspaper advertisements, press releases, or the printing of leaflets and reports ordinarily or as permissible under the RTI.
 - 4) By making announcements through the audio-visual media, such as community radio, radio, and television.
 - 5) Through hanging information on notice boards at the Gram Panchayat, Block, and District levels.
 - 6) Key records should also be made available on the Internet. There shall be free and open access to the website of the NREGA where as much of the information as prescribed in these Rules, including summaries and consolidated information, will be uploaded regularly. Every State Government and the Central Government shall work towards maintaining an online status of information, related to expenditures and disbursements.
5. Updated data on registration, number of job cards issued, demand for work received, list of people who have demanded work and the number of days of employment provided, details of funds received and spent, details of payments made, accounts, list of works sanctioned and their order of priority within the Gram Panchayat, works started, cost of works and details of expenditure on it, duration of work, person-days generated, reports of local vigilance committees, and consolidation of muster rolls and bills of each work completed, should be made public in the prescribed format of all offices and agencies involved in implementing NREGA.

II. Copies

6. Requests for copies of NREGA related documents made under the NREGA Transparency Rules must be complied within 15 working days. No request should be refused under any circumstances. Copies of NREGA related documents should generally be sought “at source”, e.g. from the Gram Panchayat in the case of GP level documents such as muster rolls. The Gram Rozgar Diwas should be chosen to collect the “demand applications” for the copies of the documents.
7. The State Government will establish all necessary infrastructures, at the Gram Panchayat, required for expediting the issuance of copies as per demand.
8. People should know who to apply to for information and for gaining access to records. The names and positions of key persons responsible should be made known to the public and painted on display boards outside every office.
9. Applications for information should be made exclusively in person or by post, enclosed with verifiable details of the applicant. Fees chargeable in advance for copies of

NREGA related documents should be reasonable and in any case not exceed the costs of photocopying. It will also include the costs of commuting to the nearest station/ place where the facility is available.

10. In case this request is not complied within prescribed time limit, it shall be a deemed refusal. If the applicant fails to receive the information within the prescribed days, he/she can file a complaint under Section 23(6) of the NREGA, with the Programme Officer. In addition to taking necessary under Section 23(6), the Programme Officer shall procure the copies applied for, from the Gram Panchayat and provide it to the applicant on payment of due fees within seven days of receiving the complaint.

Annexure 1:
Minimum List of Documents for Pro-active Disclosure

Pro-active disclosure of key NREGA-related documents is an important aspect of the NREGA's commitment to transparency and the right to information. An initial list of such key documents is given below. The list is not exhaustive and should be interpreted as an essential minimum.

The pro-active disclosure in the context of NREGA are: (1) notice boards; (2) publication; (3) display or presentation at the Social Audit Forums of the Gram Sabha; (4) display or presentation on "employment guarantee day" at the Gram Panchayat level; and (5) posting on the Internet. The appropriate means of pro-active disclosure will have to be specified for each type of document.

(1) Pro-active Disclosure at the Gram Panchayat Level

- Summary of the Registration Applications
- Summary of the Job Card Register
- Summary of the Employment Register
- Abstracts of the Muster rolls due for payment
- Unemployment Allowance lists
- List of Assets
- List of works of all Implementing Agencies
- Summary of Work orders
- Summary of Weekly reports
- District Schedule of Rates
- List of members of the Vigilance and Monitoring Committee
- Measurement Book summaries
- Work allocation lists
- Current roster of work applications
- Summary sheet of individual measurements

(2) Pro-active Disclosure at Other Levels

1. Abstract of the Labour Budget prepared by the District Programme Co-ordinator
2. Abstracts of the Shelf of Projects with technical and administrative estimates
3. Abstract of Annual Plan
4. Perspective Plans on NREGA Website
5. Employment Guarantee Fund account statement
6. Abstract of the Annual Work Plan and Budget Proposal (AWPB)
7. Abstract of Financial Audit Reports (and Action Taken Reports)
8. Abstract of the Social Audit Report (and Action Taken Reports)
9. Utilization Certificate
10. Completion Certificate
11. Summary of the Monthly accounts
12. List of Technical Estimates
13. Summary of the Grievance Redressal Register
14. Summaries of Bills and Material
15. List of Enquiries Conducted
16. Tenders and all documents related to purchasing
17. Summary of the Evaluation reports
18. Summary of the Inspection reports

Part II. Grievance Redressal

10. **Complaint:** Any matter referred directly or indirectly, written, signed and enclosed with complete identity, to the Programme Officer suggesting a shortcoming in the implementation of the NREGA, including any grievance communicated to him/her through writing, Complaint Register, Helpline, Social Audit or other modes, will be deemed a “complaint” under Section 23(6) of the Act. Any reported contravention of the Transparency and Accountability Rules shall also be deemed to be a complaint under Section 23(6).
11. **Complaint register:** All complaints shall be immediately entered in the Complaints Register and dated and numbered receipts issued for intimation to the complainant.
12. **Complaint disposal:** Complaints that fall within the jurisdiction of the Programme Officer (PO), including any complaints concerning the implementation of the Act by a Gram Panchayat, shall be disposed off by the PO within 30 days, as prescribed under Section 23(6) of the Act. In case a complaint relates to a matter to be resolved by any other authority, the Programme Officer shall conduct a preliminary enquiry and refer the matter to such authority within 7 days under intimation to the complainant. (This needs an amendment in the Act)
13. **Failure to dispose:** Failure to dispose of a complaint within the prescribed time will be considered a contravention of the Act by the Programme Officer, punishable under Section 25. Complaints against such failure will be lodged with the Appellate Authority.
14. **Action on corruption:** If a complaint concerns corruption, defalcation or forgery, the Programme Officer shall be responsible for having a preliminary enquiry completed within 7 working days, and if there is prima facie evidence of such irregularities, he or she shall initiate proceedings for recoveries and the filing of a First Information Report (FIR).
15. **Criminal offences:** If a complaint concerns other violations of the IPC (such as any form of intimidation, violence or discrimination), the Programme Officer shall be responsible for having a preliminary enquiry completed within 7 working days, helping the complainant to file an FIR and ensuring that the matter is promptly dealt with by the appropriate authorities.
16. **Appeals:** Appeals by the complainants against the orders of the Programme Officer will lie with the District Project Coordinator, the Divisional Commissioner-NREGA or the State Commissioner-NREGA.
17. **Disposal of appeals:** The Appellate Authority shall be responsible for disposing of appeals made by a complainant and “references” made by the Programme Officers. Based on an appeal or “reference”, the Appellate Authority shall issue a charge sheet and give an opportunity for a hearing to the person concerned. All appeals and references shall be disposed off within one month.
18. **Due process:** While disposing off an appeal or reference the Appellate Authority shall

follow due process, including, giving an opportunity to be heard to both the complainant the person against whom the complaint is being made.

19. **Fines:** While disposing off any 'reference' or appeal, if the Appellate Authority finds any person guilty of contravention under section 25 of the Act, it shall impose a fine which may extend to Rs. 1,000. If the person concerned is a government official, the fine shall be deducted from the official's salary.
20. **Additional grievance redressal mechanisms:** Within the normal chain of command of the NREGA, any complaint related to the Gram Panchayat can be made to the Programme Officer, any complaint related the Block can be made to the District Programme Coordinator and any complaint related to the District can be made to the Commissioner NREGA. In addition, the administrative machinery (SDMs, ADMs, etc.) will have a duty to act on any complaint received by them and dispose of the complaints within 15 days. It will be the responsibility of the District Programme Coordinator to put in place a "Dedicated Transparency Cell", within the District such as help-lines, facilitation centers, legal aid, web-based complaint systems, special grievance redressal drives or "grievance redressal days", Rozgar Melas, to ensure that there are quick and effective internal grievance redressal mechanisms.
21. The "Dedicated Transparency Cell" will have 1 Officer and 1 Assistant. These officers will not be drawn from those who are responsible for the implementation of NREGA. The expenses of the "Dedicated Transparency Cell" will be met out from the administrative expenses.

Annexure 1:

Specific Contraventions of NREGA under Section 25

The following irregularities shall automatically be treated as contraventions of the Act under Section 25:

- Refusal to accept an application for registration.
- Refusal to providing a job card to an eligible household.
- Refusal to providing a receipt for a work application.
- Refusal to providing work on time
- Refusal to payment of the wages on time (within a fortnight of the date on which work was done).
- Refusal to the payment of unemployment allowance as per provisions of the Act.
- Refusal to making requisite Job Card entries at the time of wage payment.
- Refusal to adhering to the Transparency and Accountability Rules.
- Refusal to providing mandatory worksite facilities as per Schedule II of the Act.
- Refusal to conducting statutory social audit.
- Refusal to adhering to the Gram Sabha's list of priorities in the selection of works.
- Refusal to registering a complaint.
- Refusal to adhering to any Rules made under the Act.

The State Government shall fix responsibility for each of these duties. Any complaint made by any worker that establishes any of these contraventions shall be referred by the Programme Officer or any other enquiring authority to the Appellate Authority, as per the Grievance Redressal Rules.

Part III: Social Audit Rules for Gram Sabha

Preamble

Section 17 of the NREGA, 2005 provides for regular ‘Social Audits’ so as to ensure transparency and accountability in the Scheme. In this regard, Sub-section (2e) of Section 31 of the NREGA 2005 mandates that the Central Government can make rules of “any other matter which is to be, or may be, prescribed, (wherein “prescribed” means prescribed by rules made under this Act) or in respect of which provision is to be made by the Central Government by rules”.

Where it is intended that Social Audits be conducted in an impartial and objective manner and that the findings of the same be presented without any dilution and action would be taken to address the gap there of with an aim to strengthen the scheme.

It is the responsibility of the State Government to conduct the Social Audit. The State Government will conduct the Social Audit according to the pre designed “Schedule of Social Audit”.

The State Government will ensure that the agencies for conducting Social Audits are trained.

1. Steps for conducting the Social Audit

i. Preparation for Social Audit

- a. The Program Officer has to ensure that regular Social Audits of all works within the jurisdiction of the Gram Panchayat are carried out by the Gram Sabha and that prompt action is taken on the objections raised in the Social Audit
- b. The Program Officer shall design a “Social Audit Calendar”. A date for the Social Audit Forum (Gram Sabha) will be set at the beginning of the Social Audit exercise jointly by the administration and the social audit teams.
- c. The Program Officer shall notify in writing all the Public Representatives and also concerned staff implementing the NREGA well in advance to ensure that they are kept informed about the process and are present at the Social Audit Forum.
- d. The labourers and village community shall be informed about the Social Audit Forum by the Social Audit teams as well as the administration to ensure full participation.
- e. The Programm Officer has to ensure that the Social Audit is convened on the given date.
- f. However, if the Program Officer is unable to do so within the prescribed time, the Village Vigilance Committee will take charge.

ii. Social Audit process in the village:

Social Audit shall be conducted on all works done by the Gram Panchyats and payments made in the period specified by interaction directly with the labourers. It will include,

- a. Door to Door verification of Muster Rolls and payments made in the time period specified for Social Audit.
- b. Work site verification.
- c. Focussed group discussions and holding of Ward Sabhas/ habitation meetings with the primary stake holders including special meetings in the SC/ST localities on the various aspects of the implementation of the NREGA, 2005.
- d. Recording the written statements of the labourers on any issue as well as filling of the Social Audit formats will be done (Format in Social Audit Manual).
- e. Holding the Social Audit Forum, presided by a worker and not an implementer, in the Gram Panchayat to elicit information as well as read the findings of the Social Audit.
- f. Corrective action shall be taken to the extent possible.

Creating awareness amongst the labourers about their rights and entitlements under the Act will be an important part of the Social audit.

iii. Social Audit Forum

The Social Audit Forum in NREGA refers to periodic assemblies convened by the Gram Sabha as part of the process of Social Audit.

- a. Social Audit reports will be read out in the Social Audit Forum in presence of the labourers, political representatives, the official functionaries of the NREGA and the media.

Where ever required the public will be encouraged to testify and the official functionaries shall be required to be present and respond.

- b. Senior officials such as the DPC as well as the Program officer shall on each finding of the social audit exercise in cases of gaps, lapses or deviations fix responsibility and take immediate corrective action. In case of doubt or dispute on any issue, the matter shall be referred to the Programme Officer, who shall treat it as a complaint under Section 23(6), and dispose off the matter within 7 days. In case of a Social Audit finding of a violation of workers' entitlements, such finding shall be disposed off as per Grievance Redressal Rules.

5. Frequency of the Social Audit to be conducted

- (i) Social Audits shall be conducted every 6 months.
- (ii) Action taken report shall be filed by the Program Officer within a month of the Social Audit Forum being held and the same shall be communicated to the Gram Sabha.

8. Role of Administration in the Social Audit Process

Complete cooperation shall be extended to the persons conducting Social Audits for trainings, publicity, ensuring attendance of officers, ensuring no disruption and production of action taken reports for disclosure.

(i) Information

- a. When applications are filed for information of works and other documents pertaining to works undertaken as part of the NREGA, 2005 photocopies of the same shall be provided ordinarily within 7 working days of filing the application by the Programme Officer.
- b. Information regarding the Social Audit process and date of the Social Audit Forum shall be communicated in writing by the PO as detailed in Sub Section vi (a) of Section (4).
- c. The last audit report of the local fund audit/audit department of the Gram Panchayat shall be placed before the Social Audit Forum before the Social Audit. Audit objections shall be read out aloud, along with compliance.

(ii) Action on the Social Audit findings

Representatives of the implementing agency shall mandatorily be present in the Social Audit Forum and shall ensure that corrective action is taken on the findings and shall implement the decisions taken at the Social Audit Forum without fail and with utmost sincerity.

Any Social Audit findings or any item in the Social Audit report that indicates a contravention of the Act or a shortcoming in the implementation of NREGA should automatically be interpreted as a "complaint" under the Grievance Redressal Rules.

Where there is a dispute in the findings of the Social Audit the administration shall cause enquiry and shall decide on the issue at the earliest and not later than one month; the dispute shall also be treated as a complaint under the Grievance Redressal Rules.

Wherever, in the course of a Social Audit findings in the Social Audit reports and the evidence, through written and oral testimonies are established against those who have deviated money in a Gram Sabha or a public assembly, the official or functionary shall initiate action for recovery. This action for recovery shall be without prejudice to action to be taken against the person under the relevant laws; provided that wherever it is established that these irregularities / extractions have had a direct relation to wage payments under NREGA, the amount shall be paid back to workers within a period of a week.

The responsibility of various levels of functionaries is detailed in the Social Audit Manual.

9. Financial Audit taking cognizance of Social Audit

While certifying accounts of the NREGS the Government Auditor shall take cognizance of any complaint raised through a Social Audit Forum before certifying the accounts.

10. Budget for the Social Audit Process:

In addition to the items of cost to be met by the Central Government as listed in Section 22, the Central Government shall meet the costs of establishing and running a Social Audit cell at the State level as well as the activities undertaken for supporting/conducting social audit in the field.

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



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