

# **The Mahatma Gandhi National Rural Employment Guarantee Act, 2005**

**(42 of 2005)**

*with*

**Schedules**

***as amended in 2017***

*and*

- **The National Rural Employment Guarantee (Central Council) Rules, 2006**
- **The National Employment Guarantee Fund Rules, 2006**
- **The Mahatma Gandhi National Rural Employment Guarantee Audit of Schemes Rules, 2011**
- **Notification regarding the wage rates payable to the Unskilled Workers in different States and Union Territories**

# **THE MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT, 2005**

## **INTRODUCTION**

For rural development major focus of planning had been productive absorption of under-employed and surplus labour force of the rural sector. In order to provide direct supplementary wage-employment to the rural poor through public works, many programmes were initiated by the Government of India, namely, National Rural Employment Programme, Rural Landless Employment Guarantee Programme and Jawahar Rozgar Yojna. Currently, Sampoorna Gramin Rozgar Yojna is being implemented all over the country. Though this Yojna is providing some relief to the rural poor, its reach has been inadequate in view of the dimension of the unemployment in rural areas. Therefore, an urgent need was felt to ensure at least some minimum days of employment in the shape of manual labour to every household in the rural areas. Accordingly the Government resolved to enact a suitable Act which will provide legal guarantee for at least 100 days of employment every year at minimum wages for at least one able-bodied person in every rural poor household. To achieve this objective the National Rural Employment Guarantee Bill was introduced in the Parliament.

## **STATEMENT OF OBJECTS AND REASONS**

Productive absorption of under-employed and surplus labour force in the rural sector has been a major focus of planning for rural development. In order to provide direct supplementary wage-employment to the rural poor through public works, many programmes were initiated by the Government of India, namely, National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP) and Jawahar Rozgar Yojana (JRY). Currently, Sampoorna Gramin Rozgar Yojana (SGRY) is being implemented all over the country with the objective to provide supplementary wage employment in rural areas, create durable rural infrastructure and to ensure food security. Though the SGRY is providing some relief to the rural poor, its reach has been inadequate in view of the dimension of the unemployment in rural areas. It has been observed that the scale of employment generation under SGRY in 2002-03 and 2003-04 was barely adequate to provide on an average 20 days of employment to each Below Poverty Line (BPL) household in the rural areas. Secondly, there is no guarantee that employment will be available to the rural households on demand as SGRY is an allocation-based programme. The situation of unemployment has been compounded by the absence of any social security mechanism. There is, therefore, an urgent need to ensure at least some minimum days of employment in the shape of manual labour to every household in the rural areas. Recognizing the urgent need to ensure a certain minimum days of wage-employment, the United Progressive Alliance (UPA) Government has declared in its National Common Minimum Programme (NCMP) that it ".....will immediately enact a National Employment Guarantee Act. This will provide a legal guarantee for at least 100 days of employment, to

begin with, on asset-creating public works programmes every year at minimum wages for at least one able-bodied person in every rural, urban poor and lower middle class household." It is also necessary to empower the poor in the rural areas by appropriate enactment so that they can demand work on the strength of this legal entitlement.

2. The proposed legislation constitutes a pioneering endeavour to secure wage employment for the poor households in the rural areas as a guaranteed entitlement on this scale. It takes into account the experience gained under the Employment Guarantee Scheme in Maharashtra. Considering that a programme of this kind is being contemplated on such a massive scale for the first time, it has to be necessarily implemented in phases so as to eventually cover all the rural areas of the country, subject to the economic capacity of the Central and State Governments.

3. In view of the above, it is proposed to enact a new legislation through the National Rural Employment Guarantee Bill, 2004. The salient features of the proposed legislation are the following:—

- (i) The objective of the legislation is to enhance the livelihood security of the poor households in rural areas of the country by providing at least one hundred days of guaranteed wage employment to every poor household whose adult members volunteer to do unskilled manual work.
- (ii) The State Government shall, in such rural areas in the State and for such period as may be notified by the Central Government, provide to every poor household guaranteed wage employment in unskilled manual work at least for a period of one hundred days in a financial year in accordance with the provisions made in the legislation.
- (iii) Every State Government shall, within six months from the date of commencement of this legislation, prepare a scheme to give effect to the guarantee proposed under the legislation.
- (iv) The one hundred days of employment under the legislation will be provided at the wage rate to be specified by the Central Government for the purpose of this legislation. Until such time a wage rate is specified by the Central Government for an area, the minimum wage rate fixed by the State Government under the Minimum Wages Act, 1948 for agricultural labourers shall be considered as the wage rate applicable to that area.
- (v) If an eligible applicant is not provided work as per the provisions of this legislation within the prescribed time limit, it will be obligatory on the part of the State Government to pay unemployment allowance at the prescribed rate.
- (vi) A Central Employment Guarantee Council at the Central level and State Employment Guarantee Councils at the State level in all States where the legislation is made applicable will be constituted for review, monitoring and effective implementation of the legislation in their respective areas.

- (vii) The Standing Committee of the District Panchayat, District Programme Coordinator, Programme Officers and Gram Panchayats have been assigned specific responsibilities in implementation of various provisions of the legislation at the Gram Panchayat, Block and District levels.
  - (viii) The Central Government shall establish a fund to be called 'National Employment Guarantee Fund' for the purposes of this legislation. Similarly, the State Governments may constitute State Employment Guarantee Funds.
  - (ix) Provisions for transparency and accountability, audit, establishment of grievance and redressal mechanisms and penalty of non-compliance are also envisaged.
  - (x) Provisions for Minimum features of Rural Employment Guarantee Scheme and conditions for guaranteed Rural Employment under a scheme and minimum entitlements of labourers have been laid.
4. The Notes on clauses explain in detail the various provisions contained in the Bill.
5. The Bill seeks to achieve the above objects.

#### **ACT 42 OF 2005**

The National Rural Employment Guarantee Bill having been passed by both the Houses of Parliament received the assent of the President on 5th September, 2005. It came on the Statute Book as The National Rural Employment Guarantee Act, 2005 (42 of 2005). By section 2 of the National Rural Employment Guarantee (Amendment) Act, 2009 (46 of 2009) nomenclature of the Act has been substituted with retrospective effect from 2nd October, 2009. Now it stands as THE MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GURANTEEE ACT, 2009 (42 of 2009) (*Came into force on 1-4-2007 in different areas in the different states*).

#### **AMENDING ACT**

1. The National Rural Employment Guarantee (Extension to Jammu and Kashmir) Act, 2007 (23 of 2007).
2. The National Rural Employment Guarantee (Amendment) Act, 2009 (46 of 2009) (w.r.e.f. 2-10-2009).

# THE MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT, 2005

(42 of 2005)

[5th September, 2005]

*An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work and for matters connected therewith or incidental thereto.*

BE it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:—

## CHAPTER I PRELIMINARY

**1. Short title, extent and commencement.**—(1) This Act may be called <sup>1</sup>[the Mahatma Gandhi National Rural Employment Guarantee Act], 2005.

(2) It extends to the whole of India <sup>2</sup>[\*\*\*].

(3) It shall come into force on such date<sup>3</sup> as the Central Government may, by notification in the Official Gazette, appoint; and different dates may be appointed for different States or for different areas in a State and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision in such State or, as the case may be, in such area:

Provided that this Act shall be applicable to the whole of the territory to which it extends within a period of five years from the date of enactment of this Act.

1. Subs. by Act 46 of 2009, sec. 2, for "the National Rural Employment Guarantee Act" (w.r.e.f. 2-10-2009).
2. The words "except the State of Jammu and Kashmir" omitted by Act 23 of 2007, sec. 2(2).
3. Came into force on 1-4-2007, vide S.O. 453(E), dated 26th March, 2007, in different areas in the States as specified in the Schedule given below:

### SCHEDULE

State	Areas in the State (Districts)	State	Areas in the State (Districts)
(1)	(2)	(1)	(2)
Andhra Pradesh	Nellore East Godavari Srikakulam Kurnool Prakasam Guntur	Bihar	Sheikhpura Siwan Khagaria Madhepura Saharsa Sitamarhi West Champaran
Arunachal Pradesh	Changlang		Banka
Assam	Lohit Marigaon Darrang Nalbari Barpeta Hailakandi Cachar		Bhagalpur East Champaran Begusarai Gopalganj Buxar Saran Arwal

## COMMENTS

This section gives the short title of the Act and the area to which it extends. Sub-section (3) provides that the proposed legislation shall come into force on such date as the

*Contd. from previous page*

(1)	(2)	(1)	(2)
Chhattisgarh	Korba Janjgir-Champa Mahasamund Raipur	Mizoram	Champhai Lunglei
Gujarat	Valsad Bharuch Navsari	Nagaland	Kohima Mokokchung Tuensang Wokha
Haryana	Ambala Mewat	Orissa	Bargarh Anugul Balasore Bhadrak Jaipur Nawanshahr Jalandhar Amritsar
Himachal Pradesh	Kangra Mandi	Punjab	Tonk Swai Madhopur Chittorgarh Barmer Jalor Jaisalmer East Sikkim South Sikkim South Tripura West Tripura Thanjavur Thiruvavur Triunelveli Karur Udham Singh Nagar Haridwar Cooch Behar Nadia Bardhaman Medinipur (East) North 24 Parganas Hooghly Darjeeling
Jharkhand	Singhbhum East Deoghar	Rajasthan	
Karnataka	Bellary Hassan Chikmagalur Belgaum Shimoga Kodagu	Sikkim	
Kerala	Idukki Kasargod	Tripura	
Madhya Pradesh	Chhindwara Harda Panna Katni Dewas Guna Rewa Datia Damoh Rajgarh Anuppur Ashok Nagar Burhanpur Chandel Churachandpur East Khasi Hills Jaintia Hills Ri Bhoi	Tamil Nadu	
Manipur		Uttarakhand	
Meghalaya		West Bengal	

Came into force on 15-5-2007, vide S.O. 764(E), dated 15th May, 2007, in different areas in Uttar Pradesh as specified in the Schedule given below:

## SCHEDULE

State	Areas in the State (Districts)	State	Areas in the State (Districts)
(1)	(2)	(1)	(2)
Uttar Pradesh	Jhansi Kanpur Dehat Mau Sultanpur Ambedkar Nagar Basti Sant Kabir Nagar Maharajganj		Siddharthnagar Bahraich Balrampur Shrawasti Gonda Ballia Budaun Etah Farrukhabad

*Contd. on next page*

Central Government may, by notification in the Official Gazette, appoint; and different dates may be appointed for different States or for different areas in a State and any reference in any such provision to the commencement of the proposed legislation shall be construed as a reference to the coming into force of that provision in such State or, as the case may be, in such area. *[Notes on Clauses]*

*Contd. from previous page*

Came into force on 6-6-2007, *vide* S.O. 943(E), dated 4th June, 2007, in different areas in the State of Jammu and Kashmir as specified in the Schedule given below:

**SCHEDULE**

State	Areas in the State (Districts)	State	Areas in the State (Districts)
(1)	(2)	(1)	(2)
Jammu & Kashmir	Doda Kupwara		Poonch Anantnag Jammu

Came into force on 1-4-2008, *vide* S.O. 1684(E), dated 28th September, 2007, in different areas in the States and the Union territories as specified in the Schedule given below:

**SCHEDULE**

States	Areas in the States (Districts)	States	Areas in the States (Districts)
(1)	(2)	(1)	(2)
Andhra Pradesh	1. West Godavari 2. Krishna 3. Visakhapatnam		8. Kachchh 9. Gandhinagar 10. Bhavnagar 11. Jamnagar 12. Vadodara 13. Porbandar 14. Rajkot 15. Surat 16. Ahmedabad
Arunachal Pradesh	1. Upper Siang 2. West Kameng 3. Lower Subansiri 4. Tirap 5. Dibang Valley (Upper) 6. West Siang 7. Tawang 8. East Siang 9. East Kameng 10. Papum Pare 11. Lower Dibang Valley 12. Kurung-Kumey	Haryana	1. Fatehabad 2. Rewari 3. Bhiwani 4. Kaithal 5. Jind 6. Jhajjar 7. Gurgaon 8. Sonapat 9. Hisar 10. Kurukshetra 11. Karnal 12. Rohtak 13. Yamunanagar 14. Panipat 15. Panchkula 16. Faridabad
Assam	1. Karimganj 2. Golaghat 3. Sibsagar 4. Sonitpur 5. Dhubri 6. Nagaon 7. Jorhat 8. Dibrugarh 9. Tinsukia 10. Kamrup 11. Kamrup (Metro) 12. Baska 13. Udalguri 14. Chirang	Himachal Pradesh	1. Kinnaur 2. Lahaul & Spiti 3. Bilaspur 4. Hamirpur 5. Kullu 6. Una 7. Solan 8. Shimla
Chhattisgarh	1. Durg	Jammu & Kashmir	1. Rajauri 2. Kargil 3. Pulwama 4. Badgam
Gujarat	1. Kheda 2. Patan 3. Mahesana 4. Amreli 5. Surendranagar 6. Anand 7. Junagadh		

*Contd. on next page*

**2. Definitions.**—In this Act, unless the context otherwise requires,—

- (a) “adult” means a person who has completed his eighteenth year of age;

*Contd. from previous page*

(1)	(2)	(1)	(2)
	5. Kathua		9. Jalgaon
	6. Udhampur		10. Kolhapur
	7. Baramula		11. Parbhani
	8. Leh Ladakh		12. Solapur
	9. Srinagar		13. Nashik
Karnataka	1. Chamarajanagar		14. Pune
	2. Mandya	Manipur	15. Nagpur
	3. Koppal		1. Senapati (Excluding 3 Sub-Divisions)
	4. Udupi		2. Ukhrul
	5. Tumkur		3. Imphal East
	6. Haveri		4. Bishnupur
	7. Bangalore Rural		5. Thoubal
	8. Bijapur		6. Imphal West
	9. Kolar	Meghalaya	1. West Khasi Hills
	10. Uttara Kannada		2. East Garo Hills
	11. Bagalkot	Mizoram	1. Mamit
	12. Gadag		2. Serchhip
	13. Mysore		3. Kolasib
	14. Dakshina Kannada		4. Aizawl
	15. Dharwad	Nagaland	1. Phek
Kerala	16. Bangalore		2. Zunheboto
	1. Malappuram		3. Dimapur
	2. Pathanamthitta		4. Kiphire
	3. Kottayam		5. Longleg
	4. Kollam		6. Paren
	5. Thrissur	Orissa	1. Nayagarh
	6. Alappuzha		2. Kendrapara
	7. Thiruvananthapuram		3. Jagatsinghapur
	8. Kozhikode		4. Puri
	9. Ernakulam		5. Cuttack
Madhya Pradesh	10. Kannur		6. Khordha
	1. Narsimhapur	Punjab	1. Moga
	2. Sehore		2. Mansa
	3. Raisen		3. Gurdaspur
	4. Shajapur		4. Muktsar
	5. Mandsaur		5. Firozpur
	6. Vidisha		6. Fatehgarh Sahib
	7. Morena		7. Sangrur
	8. Bhind		8. Bathinda
	9. Neemuch		9. Roopnagar
	10. Sagar		10. Kapurthala
	11. Ratlam		11. Patiala
	12. Hoshangabad		12. Faridkot
	13. Ujjain		13. Ludhiana
	14. Jabalpur	Rajasthan	1. Dausa
	15. Gwalior		2. Rajsamand
	16. Indore		3. Alwar
	17. Bhopal		4. Baran
Maharashtra	1. Sindhudurg		5. Nagaur
	2. Ratnagiri		6. Dhaulpur
	3. Satara		7. Bundi
	4. Bid		8. Bharatpur
	5. Jalna		9. Hanumangarh
	6. Latur		10. Bhilwara
	7. Raigarh		11. Jhunjhunu
	8. Sangli		

*Contd. on next page*

(b) "applicant" means the head of a household or any of its other adult members who has applied for employment under the Scheme;

(c) "Block" means a community development area within a district comprising a group of Gram Panchayats;

*Contd. from previous page*

(1)	(2)	(1)	(2)
	12. Sikar		11. Shahjahanpur
	13. Pali		12. Etawah
	14. Ganganagar		13. Bulandshahr
	15. Churu		14. Bijnore
	16. Jodhpur		15. Allahabad
	17. Bikaner		16. Jyotiba Phule Nagar
	18. Ajmer		17. Rampur
	19. Jaipur		18. Muzaffarnagar
	20. Kota		19. Saharanpur
Sikkim	1. West Sikkim		20. Mathura
Tamil Nadu	1. Ariyalur		21. Aligarh
	2. Dharmapuri		22. Firozabad
	3. Perambalur		23. Moradabad
	4. Pudukkottai		24. Bareilly
	5. Ramanathapuram		25. Gautam Buddha Nagar
	6. Namakkal		26. Varanasi
	7. Vellore		27. Agra
	8. Thoothukkudi (Tuticorin)		28. Meerut
	9. Virudhunagar		29. Ghaziabad
	10. Salem		30. Lucknow
	11. Erode		31. Kanpur Nagar
	12. Tiruchirappalli	Uttaranchal	1. Rudraprayag
	13. Kancheepuram		2. Bageshwar
	14. Theni		3. Uttarkashi
	15. Thiruvallur		4. Almora
	16. Madurai		5. Garhwal
	17. The Nilgiris		6. Pithoragarh
	18. Kanniyakumari		7. Nainital
	19. Coimbatore		8. Dehradun
	20. Krishnagiri	West Bengal	1. Howrah
Tripura	1. North Tripura	Goa	1. North Goa
Uttar Pradesh	1. Ghazipur		2. South Goa
	2. Deoria	Union Territories	
	3. Sant Ravidas Nagar (Bhadohi)	A&N Island	1. Andamans
	4. Faizabad		2. Nicobars
	5. Auraiya	D & N Haveli	1. D & N Haveli
	6. Mainpuri	Daman & Diu	1. Daman
	7. Kannauj		2. Diu
	8. Pilibhit	Lakshadweep	1. Lakshadweep
	9. Baghpat	Puducherry	1. Puducherry
	10. Hathras	Chandigarh	1. Chandigarh

Came into force on 1-4-2008, *vide* G.S.R. 3(E), dated 31st December, 2007, in different areas in the States and the Union territory as specified in the Schedule given below:

#### SCHEDULE

States	Areas in the States (Districts)	Union Territory Areas in the Union Territory (Districts)	
(1)	(2)	(1)	(2)
Karnataka	1. Ramanagara	Andaman and Nicobar Islands	1. South Andaman
	2. Chikkaballapura		2. North and Middle Andaman
Punjab	1. SAS Nagar		
	2. Taran Taran		
	3. Barnala		

*Contd. on next page*

- (d) "Central Council" means the Central Employment Guarantee Council constituted under sub-section (1) of section 10;
- (e) "District Programme Coordinator" means an officer of the State Government designated as such under sub-section (1) of section 14 for implementation of the Scheme in a district;
- (f) "household" means the members of a family related to each other by blood, marriage or adoption and normally residing together and sharing meals or holding a common ration card;
- (g) "implementing agency" includes any department of the Central Government or a State Government, a Zila Parishad, Panchayat at intermediate level, Gram Panchayat or any local authority or Government undertaking or non-governmental organisation authorized by the Central Government or the State Government to undertake the implementation of any work taken up under a Scheme;
- (h) "minimum wage", in relation to any area, means the minimum wage fixed by the State Government under section 3 of the Minimum Wages Act, 1948 (11 of 1948) for agricultural labourers as applicable in that area;
- (i) "National Fund" means the National Employment Guarantee Fund established under sub-section (1) of section 20;
- (j) "notification" means a notification published in the Official Gazette;
- (k) "preferred work" means any work which is taken up for implementation on a priority basis under a Scheme;
- (l) "prescribed" means prescribed by rules made under this Act;
- (m) "Programme Officer" means an officer appointed under sub-section (1) of section 15 for implementing the Scheme;
- (n) "project" means any work taken up under a Scheme for the purpose of providing employment to the applicants;

*Contd. from previous page*

Came into force on 1-4-2008, *vide* G.S.R. 93(E), dated 11th February, 2008, in the different areas in the States/Union territories as indicated in the Schedule given below:

**SCHEDULE**

States	Areas in the States (Districts)	States	Areas in the States (Districts)
(1)	(2)	(1)	(2)
Gujarat	1. Tapi	Arunachal Pradesh	1. Anjaw

Came into force on 1-4-2008, *vide* S.O. 818(E), dated 4th April, 2008, in the different areas in the States/Union territories as indicated in the Schedule given below:

**SCHEDULE**

States	Areas in the States (Districts)
(1)	(2)
Rajasthan	Pratapgarh

- (o) "rural area" means any area in a State except those areas covered by any urban local body or a Cantonment Board established or constituted under any law for the time being in force;
- (p) "Scheme" means a Scheme notified by the State Government under sub-section (1) of section 4;
- (q) "State Council" means the State Employment Guarantee Council constituted under sub-section (1) of section 12;
- (r) "unskilled manual work" means any physical work which any adult person is capable of doing without any skill or special training;
- (s) "wage rate" means the wage rate referred to in section 6.

## CHAPTER II

### GUARANTEE OF EMPLOYMENT IN RURAL AREAS

**3. Guarantee of rural employment to households.**—(1) Save as otherwise provided, the State Government shall, in such rural area in the State as may be notified by the Central Government, provide to every household whose adult members volunteer to do unskilled manual work not less than one hundred days of such work in a financial year in accordance with the Scheme made under this Act.

(2) Every person who has done the work given to him under the Scheme shall be entitled to receive wages at the wage rate for each day of work.

(3) Save as otherwise provided in this Act, the disbursement of daily wages shall be made on a weekly basis or in any case not later than a fortnight after the date on which such work was done.

(4) The Central Government or the State Government may, within the limits of its economic capacity and development, make provisions for securing work to every adult member of a household under a Scheme for any period beyond the period guaranteed under sub-section (1), as may be expedient.

#### COMMENTS

This section provides the guarantee of employment to poor rural households. The State Government shall provide to every poor household whose adult members volunteer to do unskilled manual work not less than one hundred days of such work in a financial year. It further provides that every person who has done the work given to him under the Scheme shall be entitled to receive wages at the wage rate for each day of work on a weekly basis or in any case not later than a fortnight after the date on which such work was done.

**[Notes on Clauses]**

## CHAPTER III

### EMPLOYMENT GUARANTEE SCHEMES AND UNEMPLOYMENT ALLOWANCE

**4. Employment Guarantee Schemes for rural areas.**—(1) For the purposes of giving effect to the provisions of section 3, every State Government shall, within <sup>1</sup>[one year] from the date of commencement of this Act, by notification, make a Scheme, for providing not less than one hundred days of guaranteed employment in a financial year to every household in the rural areas covered

1. Subs. by S.O. 14(E), dated 4-1-2006, for "six months".

under the Scheme and whose adult members, by application, volunteer to do unskilled manual work subject to the conditions laid down by or under this Act and in the Scheme:

Provided that until any such Scheme is notified by the State Government, the Annual Action Plan or Perspective Plan for the *Sampoorna Grameen Rozgar Yojana* (SGRY) or the National Food for Work Programme (NFFWP) whichever is in force in the concerned area immediately before such notification shall be deemed to be the action plan for the Scheme for the purposes of this Act.

(2) The State Government shall publish a summary of the Scheme made by it in at least two local newspapers, one of which shall be in a vernacular language circulating in the area or areas to which such Scheme shall apply.

(3) The Scheme made under sub-section (1) shall provide for the minimum features specified in Schedule I.

#### COMMENTS

This section provides that for the purposes of giving effect to the provisions of section 3, every State Government shall, by notification, make a Scheme, for providing not less than one hundred days of guaranteed employment in a financial year to every household in the rural areas covered under the Scheme and whose adult members, by application, volunteer to do unskilled manual work. **[Notes on Clauses]**

**5. Conditions for providing guaranteed employment.**—(1) The State Government may, without prejudice to the conditions specified in Schedule II, specify in the Scheme the conditions for providing guaranteed employment under this Act.

(2) The persons employed under any Scheme made under this Act shall be entitled to such facilities not less than the minimum facilities specified in Schedule II.

#### COMMENTS

This section provides that the State Government may, without prejudice to the conditions specified in Schedule II, specify in the Scheme the conditions for providing guaranteed employment. The persons employed under any Scheme made under the Act shall be entitled to such facilities not less than the minimum facilities specified in Schedule II. **[Notes on Clauses]**

**6. Wage rate.**—(1) Notwithstanding anything contained in the Minimum Wages Act, 1948 (11 of 1948), the Central Government may, by notification, specify the wage rate for the purposes of this Act:

Provided that different rates of wages may be specified for different areas:

Provided further that the wage rate specified from time to time under any such notification shall not be at a rate less than sixty rupees per day.

(2) Until such time as a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum Wages Act, 1948 (11 of 1948) for agricultural labourers, shall be considered as the wage rate applicable to that area.

#### COMMENTS

This section defines the wage rate and also provides that notwithstanding anything contained in the Minimum Wages Act, 1948, the Central Government, may, by

notification, specify the wage rate for the purposes of the Act, which may be different for different areas. Until such time as a wage rate is fixed by the Central Government in respect of any area in a State, the minimum wage fixed by the State Government under section 3 of the Minimum Wages Act, 1948 for agricultural labourers shall be considered as the wage rate applicable to that area. **[Notes on Clauses]**

**7. Payment of unemployment allowance.**—(1) If an applicant for employment under the Scheme is not provided such employment within fifteen days of receipt of his application seeking employment or from the date on which the employment has been sought in the case of an advance application, whichever is later, he shall be entitled to a daily unemployment allowance in accordance with this section.

(2) Subject to such terms and conditions of eligibility as may be prescribed by the State Government and subject to the provisions of this Act and the Schemes and the economic capacity of the State Government, the unemployment allowance payable under sub-section (1) shall be paid to the applicants of a household subject to the entitlement of the household at such rate as may be specified by the State Government, by notification, in consultation with the State Council:

Provided that no such rate shall be less than one-fourth of the wage rate for the first thirty days during the financial year and not less than one-half of the wage rate for the remaining period of the financial year.

(3) The liability of the State Government to pay unemployment allowance to a household during any financial year shall cease as soon as—

- (a) the applicant is directed by the Gram Panchayat or the Programme Officer to report for work either by himself or depute at least one adult member of his household; or
- (b) the period for which employment is sought comes to an end and no member of the household of the applicant had turned up for employment; or
- (c) the adult members of the household of the applicant have received in total at least one hundred days of work within the financial year; or
- (d) the household of the applicant has earned as much from the wages and unemployment allowance taken together which is equal to the wages for one hundred days of work during the financial year.

(4) The unemployment allowance payable to the household of an applicant jointly shall be sanctioned and disbursed by the Programme Officer or such local authority (including the Panchayats at the district, intermediate or village level) as the State Government may, by notification, authorise in this behalf.

(5) Every payment of unemployment allowance under sub-section (1) shall be made or offered not later than fifteen days from the date on which it became due for payment.

(6) The State Government may prescribe the procedure for payment of unemployment allowance under this Act.

#### COMMENTS

This section lays down the terms and conditions for payment of unemployment allowance. If an applicant for employment under the Scheme is not provided employment

as per the provisions of the Act within fifteen days of receipt of his application seeking employment or from the date on which the employment has been sought in the case of an advance application, whichever is later, he shall be entitled to a daily unemployment allowance in accordance with this section. The unemployment allowance payable shall be paid to the applicants of a household subject to the entitlement of the household provided that no such rate shall be less than one-fourth of the wage rate for the first thirty days during the relevant financial year and not less than one-half of the wage rate for the remaining period of the financial year. **[Notes on Clauses]**

**8. Non-disbursement of unemployment allowance in certain circumstances.**—(1) If the Programme Officer is not in a position to disburse the unemployment allowance in time or at all for any reason beyond his control, he shall report the matter to the District Programme Coordinator and announce such reasons in a notice to be displayed on his notice board and the notice board of the Gram Panchayat and such other conspicuous places as he may deem necessary.

(2) Every case of non-payment or delayed payment of unemployment allowance shall be reported in the annual report submitted by the District Programme Coordinator to the State Government alongwith the reasons for such non-payment or delayed payment.

(3) The State Government shall take all measures to make the payment of unemployment allowance reported under sub-section (1) to the concerned household as expeditiously as possible.

**9. Disentitlement to receive unemployment allowance in certain circumstances.**—An applicant who—

- (a) does not accept the employment provided to his household under a Scheme; or
- (b) does not report for work within fifteen days of being notified by the Programme Officer or the implementing agency to report for the work; or
- (c) continuously remains absent from work, without obtaining a permission from the concerned implementing agency for a period of more than one week or remains absent for a total period of more than one week in any month,

shall not be eligible to claim the unemployment allowance payable under this Act for a period of three months but shall be eligible to seek employment under the Scheme at any time.

#### CHAPTER IV

#### IMPLEMENTING AND MONITORING AUTHORITIES

**10. Central Employment Guarantee Council.**—(1) With effect from such date as the Central Government may, by notification specify, there shall be constituted a Council to be called the Central Employment Guarantee Council to discharge the functions, and perform the duties, assigned to it by or under this Act.

(2) The headquarters of the Central Council shall be at Delhi.

(3) The Central Council shall consist of the following members to be appointed by the Central Government, namely:—

- (a) a Chairperson;
- (b) not more than such number of representatives of the Central Ministries including the Planning Commission not below the rank of Joint Secretary to the Government of India as may be determined by the Central Government;
- (c) not more than such number of representatives of the State Governments as may be determined by the Central Government;
- (d) not more than fifteen non-official members representing Panchayati Raj Institutions, organisations of workers and disadvantaged groups:

Provided that such non-official members shall include two chairpersons of District Panchayats nominated by the Central Government by rotation for a period of one year at a time:

Provided further that not less than one-third of the non-official members nominated under this clause shall be women:

Provided also that not less than one-third of the non-official members shall be belonging to the Scheduled Castes, the Scheduled Tribes, the other Backward Classes and Minorities;

- (e) such number of representatives of the States as the Central Government may, by rules, determine in this behalf;
- (f) a Member-Secretary not below the rank of Joint Secretary to the Government of India.

(4) The terms and conditions subject to which the Chairperson and other members of the Central Council may be appointed and the time, place and procedure of the meetings (including the quorum at such meetings) of the Central Council shall be such as may be prescribed by the Central Government.

**11. Functions and duties of Central Council.**—(1) The Central Council shall perform and discharge the following functions and duties, namely:—

- (a) establish a central evaluation and monitoring system;
- (b) advise the Central Government on all matters concerning the implementation of this Act;
- (c) review the monitoring and redressal mechanism from time to time and recommend improvements required;
- (d) promote the widest possible dissemination of information about the Schemes made under this Act;
- (e) monitoring the implementation of this Act;
- (f) preparation of annual reports to be laid before Parliament by the Central Government on the implementation of this Act;
- (g) any other duty or function as may be assigned to it by the Central Government.

(2) The Central Council shall have the power to undertake evaluation of the various Schemes made under this Act and for that purpose collect or cause to be

collected statistics pertaining to the rural economy and the implementation of the Schemes.

**12. State Employment Guarantee Council.**—(1) For the purposes of regular monitoring and reviewing the implementation of this Act at the State level, every State Government shall constitute a State Council to be known as the..... (name of the State) State Employment Guarantee Council with a Chairperson and such number of official members as may be determined by the State Government and not more than fifteen non-official members nominated by the State Government from Panchayati Raj institutions, organizations of workers and disadvantaged groups:

Provided that not less than one-third of the non-official members nominated under this clause shall be women:

Provided further that not less than one third of the non-official members shall be belonging to the Scheduled Castes, the Scheduled Tribes, the Other Backward Classes and Minorities.

(2) The terms and conditions subject to which the Chairperson and members of the State Council may be appointed and the time, place and procedure of the meetings (including the quorum at such meetings) of the State Council shall be such as may be prescribed by the State Government.

(3) The duties and functions of the State Council shall include—

- (a) advising the State Government on all matters concerning the Scheme and its implementation in the State;
- (b) determining the preferred works;
- (c) reviewing the monitoring and redressal mechanisms from time to time and recommending improvements;
- (d) promoting the widest possible dissemination of information about this Act and the Schemes under it;
- (e) monitoring the implementation of this Act and the Schemes in the State and coordinating such implementation with the Central Council;
- (f) preparing the annual report to be laid before the State Legislature by the State Government;
- (g) any other duty or function as may be assigned to it by the Central Council or the State Government.

(3) The State Council shall have the power to undertake an evaluation of the Schemes operating in the State and for that purpose to collect or cause to be collected statistics pertaining to the rural economy and the implementation of the Schemes and Programmes in the State.

#### COMMENTS

This section provides that the State Government shall, by notification, constitute a State Employment Guarantee Council for the purposes of regular monitoring and reviewing the implementation of the Act at the State level. It further provides for the composition of the State Council.

**[Notes on Clauses]**

**13. Principal authorities for planning and implementation of Schemes.—**

(1) The Panchayats at district, intermediate and village levels shall be the principal authorities for planning and implementation of the Schemes made under this Act.

(2) The functions of the Panchayats at the district level shall be—

- (a) to finalise and approve blockwise shelf of projects to be taken up under a programme under the Scheme;
- (b) to supervise and monitor the projects taken up at the Block level and district level; and
- (c) to carry out such other functions as may be assigned to it by the State Council, from time to time.

(3) The functions of the Panchayat at intermediate level shall be—

- (a) to approve the Block level Plan for forwarding it to the district Panchayat at the district level for final approval;
- (b) to supervise and monitor the projects taken up at the Gram Panchayat and Block level; and
- (c) to carry out such other functions as may be assigned to it by the State Council, from time to time

(4) The District Programme Coordinator shall assist the Panchayat at the district level in discharging its functions under this Act and any Scheme made thereunder.

**14. District Programme Coordinator.—**(1) The Chief Executive Officer of the District Panchayat or the Collector of the district or any other district level officer of appropriate rank as the State Government may decide shall be designated as the District Programme Coordinator for the implementation of the Scheme in the district.

(2) The District Programme Coordinator shall be responsible for the implementation of the Scheme in the district in accordance with the provisions of this Act and the rules made thereunder.

(3) The functions of the District Programme Coordinator shall be—

- (a) to assist the district Panchayat in discharging its functions under this Act and any Scheme made thereunder;
- (b) to consolidate the plans prepared by the Blocks and project proposals received from other implementing agencies for inclusion in the shelf of projects to be approved by the Panchayat at district level;
- (c) to accord necessary sanction and administrative clearance, wherever necessary;
- (d) to coordinate with the Programme Officers functioning within his jurisdiction and the implementing agencies to ensure that the applicants are provided employment as per their entitlements under this Act;
- (e) to review, monitor and supervise the performance of the Programme Officers;

- (f) to conduct periodic inspection of the works in progress; and
- (g) to redress the grievances of the applicants.

(4) The State Government shall delegate such administrative and financial powers to the District Programme Coordinator as may be required to enable him to carry out his functions under this Act.

(5) The Programme Officer appointed under sub-section (1) of section 15 and all other officers of the State Government and local authorities and bodies functioning within the district shall be responsible to assist the District Programme Coordinator in carrying out his functions under this Act and the Schemes made thereunder.

(6) The District Programme Coordinator shall prepare in the month of December every year a labour budget for the next financial year containing the details of anticipated demand for unskilled manual work in the district and the plan for engagement of labourers in the works covered under the Scheme and submit it to the district panchayat.

**15. Programme Officer.**—(1) At every Panchayat at intermediate level, the State Government shall appoint a person who is not below the rank of Block Development Officer with such qualifications and experience as may be determined by the State Government as Programme Officer at the panchayat at intermediate level.

(2) The Programme Officer shall assist the Panchayat at intermediate level in discharging its functions under this Act and any Scheme made thereunder.

(3) The Programme Officer shall be responsible for matching the demand for employment with the employment opportunities arising from projects in the area under his jurisdiction.

(4) The Programme Officer shall prepare a plan for the Block under his jurisdiction by consolidating the project proposals prepared by the Gram Panchayats and the proposals received from intermediate panchayats.

(5) The functions of the Programme Officer shall include—

- (a) monitoring of projects taken up by the Gram Panchayats and other implementing agencies within the Block;
- (b) sanctioning and ensuring payment of unemployment allowance to the eligible households;
- (c) ensuring prompt and fair payment of wages to all labourers employed under a programme of the Scheme within the Block;
- (d) ensuring 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;
- (e) dealing promptly with all complaints that may arise in connection with the implementation of the Scheme within the Block; and
- (f) any other work as may be assigned to him by the District Programme Coordinator or the State Government.

(6) The Programme Officers shall function under the direction, control and superintendence of the District Programme Coordinator.

(7) The State Government may, by order, direct that all or any of the functions of a Programme Officer shall be discharged by the Gram Panchayat or a local authority.

#### COMMENTS

This section provides that for every Block, the State Government shall appoint a person as the Programme Officer for implementing the Scheme in that Block.

#### [Notes on Clauses]

**16. Responsibilities of the Gram Panchayats.**—(1) The Gram Panchayat shall be responsible for identification of the projects in the Gram Panchayat area to be taken up under a Scheme as per the recommendations of the Gram Sabha and the Ward Sabhas and for executing and supervising such works.

(2) A Gram Panchayat may take up any project under a Scheme within the area of the Gram Panchayat as may be sanctioned by the Programme Officer.

(3) Every Gram Panchayat shall, after considering the recommendations of the Gram Sabha and the Ward Sabhas, prepare a development plan and maintain a shelf of possible works to be taken up under the Scheme as and when demand for work arises.

(4) The Gram Panchayat shall forward its proposals for the development projects including the order of priority between different works to the Programme Officer for scrutiny and preliminary approval prior to the commencement of the year in which it is proposed to be executed.

(5) The Programme Officer shall allot at least fifty per cent. of the works in terms of its cost under a Scheme to be implemented through the Gram Panchayats.

(6) The Programme Officer shall supply each Gram Panchayat with—

- (a) the muster rolls for the works sanctioned to be executed by it; and
- (b) a list of employment opportunities available elsewhere to the residents of the Gram Panchayat.

(7) The Gram Panchayat shall allocate employment opportunities among the applicants and ask them to report for work.

(8) The works taken up by a Gram Panchayat under a Scheme shall meet the required technical standards and measurements.

**17. Social audit of work by Gram Sabha.**—(1) The Gram Sabha shall monitor the execution of works within the Gram Panchayat.

(2) The Gram Sabha shall conduct regular social audits of all the projects under the Scheme taken up within the Gram Panchayat.

(3) The Gram Panchayat shall make available all relevant documents including the muster rolls, bills, vouchers, measurement books, copies of sanction orders and other connected books of account and papers to the Gram Sabha for the purpose of conducting the social audit.

#### COMMENTS

This section provides that the Gram Sabha shall monitor the execution of works within the Gram Panchayat and conduct regular social audit of all projects under the scheme.

#### [Notes on Clauses]

**18. Responsibilities of State Government in implementing Scheme.**—The State Government shall make available to the District Programme Coordinator and the Programme Officers necessary staff and technical support as may be necessary for the effective implementation of the Scheme.

**COMMENTS**

This section provides that the State Government shall make available to the District Programme Coordinator and the Programme Officers necessary staff and technical support as may be necessary for the effective implementation of the Scheme.

**[Notes on Clauses]**

**19. Grievance redressal mechanism.**—The State Government shall, by rules, determine appropriate grievance redressal mechanisms at the Block level and the district level for dealing with any complaint by any person in respect of implementation of the Scheme and lay down the procedure for disposal of such complaints.

**CHAPTER V**

**ESTABLISHMENT OF NATIONAL AND STATE EMPLOYMENT  
GUARANTEE FUNDS AND AUDIT**

**20. National Employment Guarantee Fund.**—(1) The Central Government shall, by notification, establish a fund to be called the National Employment Guarantee Fund for the purposes of this Act.

(2) The Central Government may, after due appropriation made by Parliament by law in this behalf, credit by way of grants or loans such sums of money as the Central Government may consider necessary to the National Fund.

(3) The amount standing to the credit of the National Fund shall be utilised in such manner and subject to such conditions and limitations as may be prescribed by the Central Government.

**COMMENTS**

This section provides that the Central Government shall establish National Employment Guarantee Fund. The Central Government may credit by way of grants or loans such sums of money to the National Fund. It further provides that the amount standing to the credit of the National Fund shall be utilized in such manner and subject to such conditions and limitations as may be prescribed by the Central Government, by rules.

**[Notes on Clauses]**

**21. State Employment Guarantee Fund.**—(1) The State Government may, by notification, establish a fund to be called the State Employment Guarantee Fund for the purposes of implementation of the Scheme.

(2) The amount standing to the credit of the State Fund shall be expended in such manner and subject to such conditions and limitations as may be prescribed by the State Government for the purposes of implementation of this Act and the Schemes made thereunder and for meeting the administrative expenses in connection with the implementation of this Act.

(3) The State Fund shall be held and administered on behalf of the State Government in such manner and by such authority as may be prescribed by the State Government.

## COMMENTS

This section provides that the State Government may establish State Employment Guarantee Fund for the purposes of the implementation of the Scheme. It further lays down the conditions for operationalisation and functioning of the State Employment Guarantee Fund. **[Notes on Clauses]**

**22. Funding pattern.**—(1) Subject to the rules as may be made by the Central Government in this behalf, the Central Government shall meet the cost of the following, namely:—

- (a) the amount required for payment of wages for unskilled manual work under the Scheme;
- (b) up to three-fourths of the material cost of the Scheme including payment of wages to skilled and semi-skilled workers subject to the provisions of Schedule II;
- (c) such percentage of the total cost of the Scheme as may be determined by the Central Government towards the administrative expenses, which may include the salary and allowances of the Programme Officers and his supporting staff, the administrative expenses of the Central Council, facilities to be provided under Schedule II and such other item as may be decided by the Central Government.

(2) The State Government shall meet the cost of the following, namely:—

- (a) the cost of unemployment allowance payable under the Scheme;
- (b) one-fourth of the material cost of the Scheme including payment of wages to skilled and semi-skilled workers subject to the provisions of Schedule II;
- (c) the administrative expenses of the State Council.

**23. Transparency and accountability.**—(1) The District Programme Coordinator and all implementing agencies in the District shall be responsible for the proper utilisation and management of the funds placed at their disposal for the purpose of implementing a Scheme.

(2) The State Government may prescribe the manner of maintaining proper books and accounts of employment of labourers and the expenditure incurred in connection with the implementation of the provisions of this Act and the Schemes made thereunder.

(3) The State Government may, by rules, determine the arrangements to be made for the proper execution of Schemes and programmes under the Schemes and to ensure transparency and accountability at all levels in the implementation of the Schemes.

(4) All payments of wages in cash and unemployment allowances shall be made directly to the person concerned and in the presence of independent persons of the community on pre-announced dates.

(5) If any dispute or complaint arises concerning the implementation of a Scheme by the Gram Panchayat, the matter shall be referred to the Programme Officer.

(6) The Programme Officer shall enter every complaint in a complaint register maintained by him and shall dispose of the disputes and complaints within seven days of its receipt and in case it relates to a matter to be resolved by any other authority it shall be forwarded to such authority under intimation to the complainant.

**24. Audit of accounts.**—(1) The Central Government may, in consultation with the Comptroller and Auditor General of India, prescribe appropriate arrangements for audits of the accounts of the Schemes at all levels.

(2) The accounts of the Scheme shall be maintained in such form and in such manner as may be prescribed by the State Government.

## CHAPTER VI

### MISCELLANEOUS

**25. Penalty for non-compliance.**—Whoever contravenes the provisions of this Act shall on conviction be liable to a fine which may extend to one thousand rupees.

**26. Power to delegate.**—(1) The Central Government may, by notification, direct that the powers exercisable by it (excluding the power to make rules) may, in such circumstances and subject to such conditions and limitations, be exercisable also by the State Government or such officer subordinate to the Central Government or the State Government as it may specify in such notification.

(2) The State Government may, by notification, direct that the powers exercisable by it (excluding the power to make rules and Schemes) may, in such circumstances and subject to such conditions and limitations, be exercisable also by such officer subordinate to it as it may specify in such notification.

**27. Power of Central Government to give directions.**—(1) The Central Government may give such directions as it may consider necessary to the State Government for the effective implementation of the provisions of this Act.

(2) Without prejudice to the provisions of sub-section (1), the Central Government may, on receipt of any complaint regarding the issue or improper utilisation of funds granted under this Act in respect of any Scheme if *prima facie* satisfied that there is a case, cause an investigation into the complaint made by any agency designated by it and if necessary, order stoppage of release of funds to the Scheme and institute appropriate remedial measures for its proper implementation within a reasonable period of time.

**28. Act to have overriding effect.**—The provisions of this Act or the Schemes made thereunder shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of such law:

Provided that where a State enactment exists or is enacted to provide employment guarantee for unskilled manual work to rural households consistent with the provisions of this Act under which the entitlement of the households is not less than and the conditions of employment are not inferior to what is guaranteed under this Act, the State Government shall have the option of implementing its own enactment:

Provided further that in such cases the financial assistance shall be paid to the concerned State Government in such manner as shall be determined by the Central Government, which shall not exceed what the State would have been entitled to receive under this Act had a Scheme made under this Act had to be implemented.

**29. Power to amend Schedules.**—(1) If the Central Government is satisfied that it is necessary or expedient so to do, it may, by notification, amend Schedule I or Schedule II and thereupon Schedule I or Schedule II, as the case may be, shall be deemed to have been amended accordingly.

(2) A copy of every notification made under sub-section (1) shall be laid before each House of Parliament as soon as may be after it is made.

**30. Protection of action taken in good faith.**—No suit, prosecution or other legal proceedings shall lie against the District Programme Coordinator, Programme Officer or any other person who is, or who is deemed to be, a public servant within the meaning of section 21 of the Indian Penal Code (45 of 1860) in respect of anything which is in good faith done or intended to be done under this Act or the rules or Schemes made thereunder.

#### COMMENTS

This section provides for protection of action taken in good faith by the District Programme Coordinator, Programme Officer or any other person who is, or who is deemed to be, a public servant within the meaning of section 21 of the Indian Penal Code.

#### [Notes on Clauses]

**31. Power of Central Government to make rules.**—(1) The Central Government may, by notification, and subject to the condition of previous publication, make rules to carry out the provisions of this Act.

(2) In particular, and without the prejudice of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the number of representatives of the State Governments under clause (e) of sub-section (3) of section 10;
- (b) the terms and conditions subject to which the Chairman and other members of the Central Council may be appointed, and the time, place and procedure of the meetings (including the quorum at such meetings) of the Central Council, under sub-section (4) of section 10;
- (c) the manner in which and the conditions and limitations subject to which the National Fund shall be utilized under sub-section (3) of section 20;
- (d) the rules relating to funding pattern to meet the cost of certain items under sub-section (1) of section 22;
- (e) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the Central Government by rules.

**32. Power of State Government to make rules.**—(1) The State Government may, by notification, and subject to the condition of previous publication, and consistent with this Act and the rules made by the Central Government, make rules to carry out the provisions of this Act.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) the terms and conditions upon which eligibility for unemployment allowance may be determined under sub-section (2) of section 7;
- (b) the procedure for payment of unemployment allowance under sub-section (6) of section 7;
- (c) the terms and conditions subject to which the Chairperson and members of the State Council may be appointed, and the time, place and procedure of the meetings (including the quorum at such meetings) of their appointment to the State Council, under sub-section (2) of section 12;
- (d) the grievance redressal mechanism at the Block level and the District level and the procedure to be followed in such matter under section 19;
- (e) the manner in which and the conditions and limitations subject to which the State Fund shall be utilised under sub-section (2) of section 21;
- (f) the authority who may administer and the manner in which he may hold the State Fund under sub-section (3) of section 21;
- (g) the manner of maintaining books of account of employment of labourers and the expenditure under sub-section (2) of section 23;
- (h) the arrangements required for proper execution of Schemes under sub-section (3) of section 23;
- (i) the form and manner in which the accounts of the Scheme shall be maintained under sub-section (2) of section 24;
- (j) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by the State Government by rules.

**33. Laying of rules and Schemes.**—(1) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both the Houses agree that the rule should not be made, the rule shall have thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

(2) Every rule or Scheme made by the State Government under this Act shall, as soon as may be after it is made, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.

**34. Power to remove difficulties.**—(1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty:

Provided that no order shall be made under this section after the expiry of three years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

<sup>1</sup>[SCHEDULE I]

[See section 4(3)]

**MINIMUM FEATURES OF A RURAL EMPLOYMENT GUARANTEE SCHEME**

1. The Scheme notified under section 4 by all States shall be called the Mahatma Gandhi National Rural Employment Guarantee Scheme" and all documents pertaining to the said Scheme shall have a mention of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (42 of 2005).

2. The Mahatma Gandhi National Rural Employment Guarantee Scheme shall hereinafter be referred to as "Mahatma Gandhi NREGS" and any reference in the said scheme to the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 shall be referred to as "Mahatma Gandhi NREGA".

3. The core objectives of the Scheme shall be the following:—

- (a) Providing not less than one hundred days of unskilled manual work as a guaranteed employment in a financial year to every household in rural areas as per demand, resulting in creation of **productive assets** of prescribed quality and durability;
- (b) Strengthening the **livelihood resource** base of the poor;
- (c) Proactively ensuring social inclusion; and
- (d) Strengthening Panchayat Raj institutions:

Provided that the said objectives are applicable where the adult members volunteer to do unskilled manual work subject to the conditions laid down by or under this Act and in the Scheme.

4. (1) The focus of the Scheme shall be on the following works as categorised below:

**I. Category: A: PUBLIC WORKS RELATING TO NATURAL RESOURCES MANAGEMENT**

- (i) **Water conservation** and water harvesting structures to augment and improve groundwater like underground dykes, earthen dams, stop dams, check dams with special focus on recharging ground water including drinking water sources;
- (ii) **Watershed management** works such as contour trenches, terracing, contour bunds, boulder checks, gabion structures and spring shed development resulting in a comprehensive treatment of a watershed;
- (iii) Micro and minor irrigation works and creation, renovation and maintenance of irrigation canals and drains;
- <sup>2</sup>[(iv) renovation of **traditional water bodies** including desilting of irrigation tanks and other water bodies and *conservation of old step wells or baolis*];
- (v) **Afforestation**, tree plantation and horticulture in common and forest lands, road margins, canal bunds, tank foreshores and coastal belts duly providing right to usufruct to the households covered in Paragraph 5; and
- (vi) Land development works in common land.

1. Subs. by S.O. 19(E), dated 3rd January, 2014, for *Schedule I* (w.e.f. 3-1-2014). Earlier *Schedule I* was amended by S.O. 323(E), dated 6th March, 2007; by S.O. 88(E), dated 14th January, 2008; by S.O. 1489(E), dated 18th June, 2008; by S.O. 3000(E), dated 31st December, 2008; by S.O. 1824(E), dated 22nd July, 2009; by S.O. 1860(E), dated 30th July, 2010; by S.O. 1484(E), dated 30th June, 2011; by S.O. 2202(E), dated 22nd September, 2011; by S.O. 2423(E), dated 21st October, 2011; by S.O. 1022(E), dated 4th may, 2012; by S.O. 2754(E), dated 21st November, 2012; by S.O. 164(E), dated 14th January, 2013; by S.O. 867(E), dated 1st April, 2013; by S.O. 1770(E), dated 20th June, 2013; by S.O. 3423(E), dated 11th November, 2013.

2. Subs. by S.O. 973(E), dated 27th March, 2017, for sub-item (iv).

**II. Category B: <sup>1</sup>[COMMUNITY ASSETS OR INDIVIDUAL ASSETS] FOR VULNERABLE SECTIONS (ONLY FOR HOUSEHOLDS IN PARAGRAPH 5)**

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

**III. Category C: COMMON INFRASTRUCTURE <sup>2</sup>[INCLUDING FOR NRLM] COMPLIANT SELF HELP GROUPS**

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

**IV. Category D: RURAL INFRASTRUCTURE**

- (i) Rural sanitation related works, such as, individual household latrines, school toilet units, Anganwadi toilets either independently or in convergence with schemes of other Government Departments to achieve 'open defecation free' status, and solid and liquid waste management as per prescribed norms;
- (ii) Providing all-weather rural road connectivity to unconnected villages and to connect identified rural production centres to the existing pucca road network; and construction of pucca internal roads or streets including side drains and culverts within a village;
- <sup>3</sup>[(iii) construction of *play fields and compound walls for Government run schools in the villages*].
- (iv) Works for improving disaster preparedness or restoration of roads or restoration of other essential public infrastructure including flood control and protection works, providing drainage in water logged areas, deepening and repairing of flood channels, chaur renovation, construction of storm water drains for coastal protection;
- (v) Construction of buildings for Gram Panchayats, women self-help groups' federations, cyclone shelters, Anganwadi centres, village haats and crematoria at the village or block level;
- (vi) Construction of Food Grain Storage Structures for implementing the provisions of The National Food Security Act, 2013 (20 of 2013);
- (vii) Production of building material required for construction works under the Act as a part of the estimate of such construction works;
- (viii) Maintenance of rural public assets created under the Act; and
- (ix) any other work which may be notified by the Central Government in consultation with the State Government in this regard.

1. Subs. by S.O. 1888(E), dated 21st July, 2014, for "INDIVIDUAL ASSETS".

2. Subs. by S.O. 1888(E), dated 21st July, 2014, for "FOR NRLM".

3. Subs. by S.O. 973(E), dated 27th March, 2017, for sub-item (iii).

(2) The order of priority of works shall be determined by each Gram Panchayat in the meetings of the Gram Sabha keeping in view potential of the local area, its needs, local resources and in accordance with the provisions of Paragraph 9:

<sup>1</sup>[Provided that the District Programme Coordinator shall ensure that at least 60% of the works to be taken up in a district in terms of cost shall be for creation of productive assets directly linked to agriculture and allied activities through development of land, water and trees.]

(3) Works which are non-tangible, not measurable, repetitive such as, removing grass, pebbles, agricultural operations, shall not be taken up.

5. Works creating individual assets shall be prioritised on land or homestead owned by households belonging to the:

- (a) Scheduled Castes
- (b) Scheduled Tribes
- (c) nomadic tribes
- (d) denotified tribes
- (e) other families below the poverty line
- (f) women-headed households
- (g) physically handicapped headed households
- (h) beneficiaries of land reforms
- (i) the beneficiaries under the Indira Awaas Yojana
- (j) beneficiaries under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (2 of 2007), and

and after exhausting the eligible beneficiaries under the above categories, on lands of the small or marginal farmers as defined in the Agriculture Debt Waiver and Debt Relief Scheme, 2008 subject to the condition that such households shall have a job card with at least one member willing to work on the project undertaken on their land or homestead.

6. The State Government shall take concrete steps to achieve effective inter-departmental convergence till the last mile implementation level of the works under the Scheme with other Government Schemes/programmes so as to improve the quality and productivity of assets, and bring in synergy to holistically address the multiple dimensions of poverty in a sustainable manner.

7. There shall be a systematic, participatory planning exercise at each tier of Panchayat, conducted between August to December month of every year, as per a detailed methodology laid down by the State Government. All works to be executed by the Gram Panchayats shall be identified and placed before the Gram Sabha, and such works which are to be executed by the intermediate Panchayats or other implementing agencies shall be placed before the intermediate or District Panchayats, along with the expected outcomes.

8. Demand for work, either oral or written, shall be registered as and when required by any job card holder and in the Rozgar Diwas which is to be conducted at every Ward and Gram Panchayat level at least once a month, leading to provision of work as per demand.

9. (1) Adequate shelf of works shall be maintained by every Gram Panchayat to meet the expected demand for work in such a way that at least one labour intensive public work with at least one work which is suitable for Particularly Vulnerable Groups especially the aged and the disabled which shall be kept open at all times to provide work as per demand.

(2) The details of the said work(s) shall be prominently displayed through writings on the walls of the village.

10. While opening works in the public works category, it shall be ensured that the ongoing or incomplete works should be completed first.

1. Ins. by S.O. 1888(E), dated 21st July, 2014.

11. Work shall be provided within fifteen days, from the date of registration of the demand for work or the date from which work has been demanded in case of advance applications, whichever is later.

12. (1) In case work could not be provided as per demand within the specified time limit, unemployment allowance shall be paid, as calculated automatically by the computer system or the Management Information System and as provided under the Act. The programme officer can reject the unemployment allowance only on grounds of *force majeure*.

(2) In cases where unemployment allowance is paid, or due to be paid, the Programme Officer shall inform the concerned District Programme Coordinator in writing the reasons for not providing employment to the applicants.

(3) The District Programme Coordinator shall, in his Annual Report to the State Council explain as to why employment could not be provided in cases where payment of unemployment allowances is involved.

13. Every work under the Scheme shall have a technical estimate duly sanctioned by an authority authorised by the State Government. While sanctioning the estimates, the following are required to be considered:

- (a) For all works involving construction, cost effective, labour intensive technologies and usage of local materials shall be employed as far as possible;
- (b) The Bill of quantities (used in the estimate) is stated in common terminology for easy understanding of all stakeholders;
- (c) Each work shall have a summary of the estimate, design and a technical note that indicate the expected outcomes from implementing the work.

14. The works finalised at the Gram Panchayat level and consolidated at the Block or District level shall be given Block-wise administrative or financial sanction by the competent authority within thirty days from the date of finalisation of the works at the Gram Panchayat level only after confirming that the shelf of works in any Gram Panchayat is not less than two times the labour budget approved for that Gram Panchayat.

15. The muster rolls for works taken up under the scheme shall be maintained as follows, namely:

- (a) each muster roll shall be in English or local language and have a unique identity number electronically generated by the computer System (e-Muster) along with the list of workers applied for work. Every Muster roll shall be signed by the authorised person of the Gram Panchayat or by the Programme Officer; and shall contain such mandatory information as may be specified by the Central Government;
- (b) muster rolls shall be maintained at the worksite by marking attendance daily by a person authorised under the Scheme, details of which shall be made available in public view on a daily basis using the computer system.
- (c) the muster roll shall be periodically checked by officials in the manner prescribed in the Scheme;
- (d) the muster roll shall be closed on the last given day, counter-signed by every worker who has worked, and shall be handed over to the technical personnel for measurement;
- (e) a detailed record of muster rolls shall be maintained in the registers as specified from time to time;

(f) when a work is in progress, the workers engaged in that work may select from amongst themselves not less than five workers on a weekly rotational basis to verify and certify all the bills or vouchers of their worksite at least once in a week;

(g) any person shall have access to muster rolls on the worksite on demand all days during all working hours;

16. Payment shall only be made based on the measurements taken at the worksite by the authorised personnel within three days of closure of the muster roll. The State Government shall ensure that adequate technical personnel are deployed to complete this work within the stipulated period. Suitable persons from the families of workers may be trained or skilled and deployed as barefoot engineers with appropriate delegation of technical powers and paid wages as skilled workers.

17. The State Government shall link the wages, without any gender bias, with the quantity of work done and it shall be paid according to the rural schedule of rates fixed after time and motion studies for different types of work and different seasons and revised periodically.

18. A separate Schedule of rates shall be finalised for women, the elderly, people with disabilities and people with debilitating ailments so to improve their participation through productive work.

19. (a) The schedule of rates of wages for various unskilled labourers shall be fixed up so that an adult person worked for eight hours which include an hour of rest will earn a wage which is equal to the stipulated wage rate;

(b) The working hours of an adult worker shall be flexible but shall not spread over more than twelve hours on any day.

<sup>1</sup>[20. For all works taken up under the Scheme, by the Gram Panchayat and other implementing agencies, the cost of the material component including the wages of the skilled and semi-skilled workers, shall not exceed forty percent at the district level.]

21. The works executed shall be done without engaging any contractor. Implementing agencies under the Scheme shall execute the works in conformity with the processes specified under the Act and after complying with the mandatory proactive disclosures and social audit.

22. As far as practicable, works executed by the programme implementation agencies shall be performed by using manual labour and no labour displacing machines shall be used.

23. All material required for the works shall be procured by the Gram Panchayat or the implementing agency using a transparent tender process as specified by the State Government.

24. Out of the administrative costs allowed under the Scheme, at least one-third (1/3rd) shall be utilised at the Gram Panchayat level to employ and pay the Gram Rozgar Sahayak, other technical personnel as per the work done and for other administrative expenses.

25. Every Scheme to contain adequate provisions for ensuring transparency and accountability at all levels of implementation shall consist of the following measures, namely:—

(a) Mandatory Proactive disclosure of basic information to all common people and stakeholders using a 'Janata Information System' consisting of:

1. Subs. by S.O. 2182(E), dated 22nd June, 2016, for paragraph 20. Earlier paragraph 20 was substituted by S.O. 1888(E), dated 21st July, 2014.

- (1) **Display at each worksite** the 'Janata' estimate of the work - showing the details of the work, estimated labour days, quantities of materials to be used in local terminology and item-wise cost of the estimate.
  - (2) **Display on prominent walls** or public boards in the village: job cards list, number of days of work provided and the wages paid to each job card holder; and entitlements provided under the Act.
  - (3) **Display through boards at the Gram Panchayat Office:** shelf of projects approved, year-wise works taken up or completed by Gram Panchayats and Line Departments, employment provided, funds received and expenditure, list of materials with quantities used in each work, rates at which the material was procured.
  - (4) **Display on the website:** The Ministry of Rural Development and the State Departments of Rural Development shall ensure that their websites are updated to fully comply with all the seventeen provisions of section 4(1)(b) of the Right to Information Act (22 of 2005) and all information about the Act is available in public domain, through free downloadable electronic form.
- (b) **Concurrent social audit** shall be done for all works every month. For this purpose, Programme Officer shall make available free of cost, details of works done and expenditure made during the past one month to the Bharat Nirman Volunteers, village social auditors, self-help groups, youth organisations and such other village level organisations for verification and report deviations if any.
- (c) **Social audit:** Implementation of all conditions for guaranteed rural employment under the Scheme and provision of minimum entitlements of labourers, including all expenditure under the Act shall be subjected to social audit in the manner prescribed by Central Government at least once in every six months consisting of the following:
- i. Identification, training of local youth as social auditors; and formation of trained social auditor teams for each Gram Panchayat with youth from outside the Gram Panchayat to conduct social audit, provided that at least 25% of village social auditors are from SC/ST groups. For services rendered by such youth, each one of them shall be paid an honorarium at a rate not less than the remuneration payable to the skilled labour under MGNREGA.
  - ii. Provision of records (muster rolls, M-Books, pay orders) to the social audit teams free of cost.
  - iii. Verification of every work site to cross-check the measurements in the field with that on M-Books; and to assess the utility and outcomes of the work so executed.
  - iv. Verification of every disbursement on record with the concerned beneficiaries.
  - v. Verification of outcomes with that of estimated outcomes.
  - vi. Verification of provision of entitlements in the field.
  - vii. Review the implementation of MGNREGA for vulnerable groups.
  - viii. Conduct of Public hearings by the social auditors at the Ward/Gram Panchayat and Block level to read out the findings.
  - ix. Systematic follow up action on the reports of the social audit and completing recovery of amounts found misappropriated, and completing suitable disciplinary/criminal action on the irregularities brought out in social audits within 6 months from the date of conduct of social audit.

26. Any misappropriation of amounts spent under the Act shall be recoverable under the Revenue Laws for recovery prevailing in the State.

27. Provisions for regular inspection and supervision of works by quality control teams to ensure proper quality of work as well as to ensure that the total wages paid for the completion of the work is as per the quality and quantity of work done.

28. The State Government shall take steps to organize, either through its own machinery or working with Civil Society Organisations, the workers into formal groups/ labour collectives to improve their participation in implementation and to ensure provision of entitlements provided under the Act.

29. Establish an effective grievance redressal mechanism consisting of:

- (a) Institutional mechanisms for receiving grievances as and when they arise, while fixing one day each week during which all officials shall be necessarily present for receiving grievances at Ward/GP/Block and District level;
- (b) Issuance of dated receipt to complaints accepted in writing, phone, internet and orally by all personnel authorized to receive complaints;
- (c) Enquiry through spot verification, inspection and disposal to be completed within 7 working days;
- (d) On completion of the enquiry, immediate steps shall be taken by the concerned authority to redress the grievance within 15 days;
- (e) Failure to dispose of a complaint within seven days shall be considered as a contravention as per section 25 of the Act;
- (f) In case of a *prima facie* evidence regarding financial irregularities are noticed after preliminary enquiry of the complaint or of findings in the social audit report, the District Programme Coordinator after obtaining legal advice will ensure that a First Information Report is lodged;
- (g) The concerned authority shall be responsible for informing the person or party aggrieved of the conclusion of enquiry and steps being taken for the redressal of his/her grievance, in writing;
- (h) The action taken on the complaints received by all agencies shall be placed before the meetings of the intermediate Panchayat and the District Panchayat respectively,
- (i) Appeals against the orders of the Gram Panchayat shall be made to the Programme Officer; those against the orders of the Programme Officer shall be made to District Programme Coordinator; those against the District Programme Coordinator shall be made to State Commissioner (NREGS), Divisional Commissioner (NREGS) and State Grievance Redressal Officer.
- (j) All Appeals shall be made within forty-five days from the date of the issuance of the order.
- (k) All Appeals shall be disposed off within one month.
- (l) There shall be a system of escalation of the grievances registered at ward/ GP/Block/District level if not resolved within 15 days to the next higher level; and monitoring the same electronically.

30. Ombudsperson: There shall be an Ombudsperson for each District for receiving grievances, enquiring into and passing awards as per guidelines issued.

31. State Government shall coordinate the activities of Programme Officer, District Programme Coordinator, Ombudsmen, Social Audits Units, call centres or help Lines, Vigilance and Monitoring Committees, National Level Monitors, Rozgar Sahayata Kendras and any other entity authorised by the appropriate Government for an effective monitoring of the programme and redressal of grievances.

32. Wherever contravention of the provisions of the Act has been proved after due enquiry by the State Government or the District Programme Coordinator or the Programme Officer or the Ombudsperson or any other authority authorized by the State Government, action in accordance with the provisions of section 25 of the Act shall be taken.

33. The District Programme Coordinator, the programme officer and the Gram Panchayat shall prepare a report annually containing the facts and figures and achievements relating to the implementation of the scheme within his or its jurisdiction and a copy of the same shall be made available to the public on demand on payment of such fee as may be specified in the Scheme.

34. All accounts and records including muster rolls relating to the scheme shall be made available for public scrutiny free of cost. Any person desirous of obtaining a copy or relevant extracts therefrom may be provided such copies or extracts on demand not later than three working days from the date of receipt of application.

35. There shall be a Capacity Building Plan, Information Education Communication plan and a plan for strengthening Panchayats as a part of the scheme.]

#### <sup>1</sup>[SCHEDULE II

(See section 5)

#### CONDITIONS FOR GUARANTEED RURAL EMPLOYMENT UNDER A SCHEME AND MINIMUM ENTITLEMENTS OF LABOURERS

##### Job cards:—

1. The adult member of every household residing in any rural area and willing to do unskilled manual work may submit the names, age and the address of the household to the Gram Panchayat at the village level, in whose jurisdiction they reside, for registration of their household for issuance of a job card. If the job seeker is a single woman or disabled person or aged person or released bonded labour or belonging to Particularly Vulnerable Tribal Group, they must be given a special job card of a distinct colour which will ensure them a special protection in providing work, work evaluation and work site facilities, as the case may be.
2. It shall be the duty of the Gram Panchayat, after making such enquiry, as it deems fit, to issue a job card within fifteen days from the date of receipt of such application, containing therein a unique job card number with details of the registered adult members of the household, their photos, Bank or Post office account number, insurance policy number and the Aadhaar numbers if any.
3. The job card issued shall be valid for atleast five years after which, it may be renewed after due verification.
4. No job card can be cancelled except where it is found to be a duplicate, or if the entire household has permanently migrated to a place outside the Gram Panchayat and no longer lives in the village.
5. The State Government shall make arrangements for updating the following details in the job card regularly while mentioning the key entitlements under the Act are clearly listed as follows:—
  - (i) number of days for which work was demanded;

1. Subs. by S.O. 19(E), dated 3rd January, 2014, for *Schedule II* (w.e.f. 3-1-2014). Earlier *Schedule II* was amended by S.O. 324(E), dated 6th March, 2007; by S.O. 802(E), dated 2nd April, 2008; by S.O. 2188(E), dated 11th September, 2008; by S.O. 2999(E), dated 31st December, 2008; by S.O. 513(E), dated 19th February, 2009; by S.O. 2266(E), dated 30th September, 2011; by S.O. 1022(E), dated 4th May, 2012 (w.e.f. 4-5-2012); by S.O. 2901(E), dated 24th September, 2013.

- (ii) number of days of work allocated;
- (iii) description of the work allocated along with the muster roll number;
- (iv) measurement details;
- (v) unemployment allowance, if any, paid;
- (vi) dates and number of days worked;
- (vii) date-wise amount of wages paid;
- (viii) delay compensation paid if any.

**Demand for work:—**

6. Every adult member of a registered household whose name appears in the job card shall be entitled to apply for unskilled manual work under the Scheme; and every such application shall be compulsorily registered, and a receipt issued with the date, which shall be entered in the computer system.
7. The State shall proactively verify the requirements of the Vulnerable Groups and provide them work.
8. Application for work can be oral or written and made to the Ward member or to the Gram Panchayat or to the Programme Officer or any person authorised by the State Government or through a telephone or mobile or Interactive Voice Response System or through a call centre or through web site or through a kiosk set up for this purpose or through any other means authorised by the State Government.
9. Applications for work can be filed individually or for a group together.
10. There shall be no limit on the number of days of employment for which a person may apply, or on the number of days of employment actually provided to him subject to the aggregate entitlement of the household.
11. Normally, applications for work must be for at least fourteen days of continuous work, other than the works relating to access to sanitation facilities, for which application for work shall be for at least six days of continuous work.
12. Provision shall be made in the Scheme for advance application, that is, application which may be submitted earlier than the date from which employment is sought.
13. Provision shall be made in the Scheme for submission of multiple applications by the same person provided that the corresponding periods for which employment is sought do not overlap.

**Allocation of work:—**

14. The Gram Panchayat and Programme Officer shall ensure that every applicant shall be provided unskilled manual work in accordance with the provisions of the Scheme within fifteen days of receipt of an application or the date from which he seeks work in case of advance application, whichever is later.
15. Priority shall be given to women in such a way that at least one-third of the beneficiaries shall be women who have registered and requested for work. Efforts to increase participation of single women and the disabled shall be made.
16. Applicants who are provided with work shall be so intimated in writing, by means of a letter sent to him at the address given in the job card or by a public notice displayed at the office of the Panchayats at district, intermediate or village level.
17. A list of persons who are provided with the work shall be displayed on the notice board of the Gram Panchayat and at the office of the Programme Officer and at such other place as the Programme Officer may deem necessary and the list shall be open for inspection by the State Government and any interested person.

18. As far as possible, the employment shall be provided within a radius of five kilometres of the village where the applicant resides at the time of applying.
19. A new work under the Scheme can be commenced if atleast ten labourers become available for work, provided that this condition shall not be applicable for new works, as determined by the State Government, in hilly areas and in respect of afforestation works.
20. In case the employment is provided outside the radius specified in Paragraph 18, it shall be provided within the Block, and the labourers shall be paid ten percent of the wage rate as extra wages to meet additional transportation and expenses for living.
21. A period of employment shall be for atleast fourteen days continuously with not more than six days in a week.

**Work site management:—**

22. For the purpose of transparency at the work site, the following shall be ensured:—
  - (i) there shall be a project initiation meeting in which various provisions of the work shall be explained to the workers;
  - (ii) a copy of the sanction work order shall be available for public inspection at the worksite;
  - (iii) measurement record of each work and details of the workers shall be available for public inspection;
  - (iv) a Citizens' Information Board shall be put up at every worksite and updated regularly in the manner specified by the Central Government;
  - (v) The vigilance and Monitoring Committee setup according to the instructions of the Central Government may check all works and its evaluation report will be recorded in the Works Register in the format specified by the Central Government and submitted to the Gram Sabha during the Social Audit.
23. The facilities of safe drinking water, shade for children and periods of rest, first aid box with adequate material for emergency treatment for minor injuries and other health hazards connected with the work being performed shall be provided at the work site.
24. In case the number of children below the age of five years accompanying the women working at any site is five or more, provisions shall be made to depute one of such women workers to look after such children. The person so deputed shall be paid wage rate. The most marginalized women in the locality, women in exploitative conditions or bonded labour or those vulnerable to being trafficked or liberated manual scavengers should be employed for providing child care services.

**Welfare:**

25. If any personal injury is caused to any person employed under the Scheme by any accident arising out of and in the course of his employment, he shall be entitled to such medical treatment as required, free of cost.
26. Where hospitalisation of the injured worker is necessary, the State Government shall arrange for such hospitalisation including accommodation, treatment, medicines and payment of daily allowance which is not less than half of the wage rate.
27. If a person employed under the Scheme meets with death or becomes permanently disabled by accident arising out of and in the course of employment, he or his legal heirs, as the case may be, shall be paid by the implementing agency

an *ex gratia* as per entitlements under the *Aam Aadmi Bima Yojana* or as may be notified by the Central Government.

28. If any personal injury is caused by accident to a child accompanying a person who is employed under the Scheme, such person shall be entitled to medical treatment free of cost; and in case of death or disablement of the child due to the said accident, *ex gratia* shall be paid to the legal guardians as determined by the State Government.

**Wage payment:—**

29. (1) In case the payment of wages is not made within fifteen days from the date of closure of the muster roll, the wage seekers shall be entitled to receive payment of compensation for the delay, at the rate of 0.05% of the unpaid wages per day of delay beyond the sixteenth day of closure of muster roll.

(a) Any delay in payment of compensation beyond a period of fifteen days from the date it becomes payable, shall be considered in the same manner as the delay in payment of wages.

(b) For the purpose of ensuring accountability in payment of wages and to calculate culpability of various functionaries or agencies, the States shall divide the processes leading to determination and payment of wages into various stages such as—

- i. measurement of work;
- ii. computerising the muster rolls;
- iii. computerising the measurements;
- iv. generation of wage lists; and
- v. uploading Fund Transfer Orders (FTOs),

and specify stage-wise maximum time limits along with the functionary or agency which is responsible for discharging the specific function.

(c) The computer system shall have a provision to automatically calculate the compensation payable based on the date of closure of the muster roll and the date of deposit of wages in the accounts of the wage seekers.

(d) The State Government shall pay the compensation upfront after due verification within the time limits as specified above and recover the compensation amount from the functionaries or agencies who is responsible for the delay in payment.

(e) It shall be the duty of that District Programme Coordinator or Programme Officer to ensure that the system is operationalised.

(f) The number of days of delay, the compensation payable and actually paid shall be reflected in the Monitoring and Information System and the Labour Budget.

(2) Effective implementation of sub-paragraph (1) shall be considered necessary for the purposes of the section 27 of the Act.

30. The payment of wages shall, unless so exempted by the Central Government, be made through the individual savings accounts of the workers in the relevant Banks or Post Offices.

31. In case of employment provided under the Scheme, there shall be no discrimination solely on the ground of gender and the provisions of the Equal Remuneration Act, 1976 (25 of 1976), shall be complied with.

**Record maintenance and grievance redressal system:—**

32. The Gram Panchayat shall prepare and maintain or cause to be prepared and maintained such registers, vouchers and other documents in such form and in such manner as may be specified in the Scheme containing particulars of job cards and pass books issued, name, age and address of the head of the household and the adult members of the households registered with the Gram Panchayat.
33. The Gram Panchayat shall send such list or lists of the names and addresses of households and their adult members registered with it and supply such other information to the concerned Programme Officer at such periods and in such form as may be specified in the Scheme.
34. (1) Notwithstanding anything contained in this Schedule, in the event of any national calamity such as flood, cyclone, tsunami and earthquake resulting in mass dislocation of rural population, the adult members of rural households of areas so affected may—
  - (a) seek for registration and get job card issued by the Gram Panchayat or Programme Officer of the area of temporary relocation;
  - (b) submit written or oral applications for work to the Programme Officer or the Gram Panchayat of the area of temporary relocation; and
  - (c) apply for re-registration and re-issuance of job card in the event of any loss or destruction.
  - (2) The details of such job cards shall be intimated to the District Programme Coordinator.
  - (3) In the event of restoration of normalcy, the job card so issued shall be re-endorsed at original place of habitation and clubbed with the original job card on being retrieved.
  - (4) The number of days of employment so provided shall be counted while computing 100 days of guaranteed employment per household.
35. Every worker shall have an opportunity of being heard and register any grievance either orally or in writing, at all implementation levels for disposal as per the provisions of the Grievance Redressal Mechanism under the scheme.]

# THE NATIONAL RURAL EMPLOYMENT GUARANTEE (CENTRAL COUNCIL) RULES, 2006<sup>1</sup>

Whereas the draft of certain rules to be called the National Rural Employment Guarantee (Central Council) Rules, 2006 were published, in exercise of the powers conferred by sub-section (1) read with clauses (a) and (b) of sub-section (2) of section 31 of the National Rural Employment Guarantee Act, 2005 (42 of 2005), vide notification of the Government of India in the Ministry of Rural Development (Department of Rural Development) number G.S.R. 175(E), dated the 21st March, 2006 in the Gazette of India, Extraordinary, Part II, Section 3, sub-section (i), dated the 23rd March, 2006 inviting objections and suggestions from persons likely to be affected thereby before the expiry of a period of thirty days from the date of publication of the said notification in the Official Gazette;

And whereas the copies of the Gazette containing the said notification were made available to the public on the 23rd March, 2006;

And whereas no objections or suggestions on the said draft rules were received by the Central Government;

Now, therefore, in exercise of the powers conferred by sub-section (1), read with clauses (a) and (b) of sub-section (2) of section 31 of the National Rural Employment Guarantee Act, 2005 (42 of 2005), the Central Government hereby makes the following rules, namely:—

**1. Short title and commencement.**—(1) These rules may be called the National Rural Employment Guarantee (Central Council) Rules, 2006.

(2) They shall come into force from the date<sup>2</sup> of their publication in the Official Gazette.

**2. Definitions.**—In these rules, unless the context otherwise requires,—

- (a) "Act" means the National Rural Employment Guarantee Act, 2005 (42 of 2005);
- (b) "Central Council" means the Central Employment Guarantee Council constituted under sub-section (1) of section 10;
- (c) "Chairperson" means the Chairperson of the Central Council;
- (d) "District Panchayat" means an institution (by whatever name called) of self-government constituted under Article 243B of the Constitution, for the rural areas at the district levels in accordance with the provisions of Part IX of the Constitution;
- (e) "Executive Committee" means the Executive Committee of the Central Council constituted under sub-rule (1) of rule 9;
- (f) "Member-Secretary" means the Member-Secretary of the Central Council;
- (g) "section" means a section of the Act;

1. Vide G.S.R. 311(E), dated 25th May, 2006, published in the Gazette of India, Extra., Pt. II, Sec. 3(i), dated 25th May, 2006.

2. Came into force on 25-5-2006.

- (h) "Scheme" means a scheme notified by a State Government under sub-section (1) of section 4;
- (i) "Technical Secretariat" means the Technical Secretariat of the Central Council;
- (j) words and expressions used but not defined in these rules shall have the meanings respectively assigned to them in the Act.

**3. The Central Council.**—(1) Subject to the provisions of sub-rule (2), the Central Council constituted under sub-section (1) of section 10 shall consist of the following, namely:—

- (a) Union Minister for Rural Development.....Chairperson, *ex officio*;
- (b) (i) Secretary to the Government of India, Department of Rural Development-member-*ex officio*;
- (ii) a nominee of the Ministry of Women and Child Development not below the rank of Joint Secretary to the Government of India.....member;
- (iii) a nominee of the Ministry of Agriculture not below the rank of Joint Secretary to the Government of India.....member;
- (iv) a nominee of the Ministry of Environment and Forest not below the rank of Joint Secretary to the Government of India.....member;
- (v) a nominee of the Ministry of Statistics and Programme Implementation not below the rank of Joint Secretary to the Government of India.....member;
- (vi) a nominee of the Ministry of Panchayat Raj not below the rank of Joint Secretary to the Government of India.....member;
- (vii) a nominee of the Ministry of Tribal Affairs not below the rank of Joint Secretary to the Government of India.....member;
- (viii) a nominee of the Ministry of Social Justice and Empowerment not below the rank of Joint Secretary to the Government of India.....member;
- (ix) one representative of Planning Commission not below the rank of Advisor in the Planning Commission.....member;
- <sup>1</sup>[(x) one representative of the Prime Minister's Office not below the rank of Joint Secretary.....member;]
- <sup>1</sup>[(xi) one representative of the Ministry of Law and Justice not below the rank of Joint Secretary.....member;]
- <sup>1</sup>[(xii) one representative of the Ministry of Labour and Employment not below the rank of Joint Secretary.....member;]
- (c) six representatives of the department of rural development of the State Governments who shall not be below the rank of Secretary to the concerned State Government to be nominated by the Central Government.....members;
- (d) twelve members to be nominated by the Central Government from Panchayati Raj Institutions, organisations of workers and disadvantaged groups, of whom four shall be women, and shall include—
  - (i) two representatives to be nominated by the Central Government from the Scheduled Caste, one representative each from Scheduled Tribes, Other Backward Classes and minorities;

1. Ins. by G.S.R. 309(E), dated 5th May, 2009 (w.e.f. 5-5-2009).

- (ii) Chairpersons of two District Panchayats nominated by the Central Government by rotation for a period of one year at a time;
- <sup>1</sup>[(e) eight members representing the States to be nominated by the Central Government of whom—
  - (i) one shall be an expert in areas of works such as water conservation, land development, afforestation and plantation and rural engineering and any other work, listed or notified under Schedule I of the Act;
  - (ii) one shall be an expert in social audit;
  - (iii) one shall be an expert in wage employment;
  - (iv) one shall be an expert in print or electronic media;
  - (v) one shall be an expert in climate change;
  - (vi) one shall be an expert in convergence;
  - (vii) one shall be an expert in law; and
  - (viii) one shall be an expert in communication and information technology;
- (f) Joint Secretary to the Government of India in the Ministry of Rural Development in charge of the National Rural Employment Act, 2005.....Member-Secretary.

(2) Not less than one-third of the total number of non-official members of the Central Council shall be women.

**4. Terms and conditions of appointment of Members.**—(1) The members representing the Ministries or Departments of the Government of India shall hold their offices as long as they are serving in their respective Ministries or Departments or till the concerned Ministry or Department nominates any other officer.

(2) The term of office of the official members representing the State Governments shall be for a period of one year.

<sup>2</sup>[(3) Every non-official member of Central Council nominated under sub-clause (i) of clause (d) and clause (e) of sub-rule (1) of rule 3 shall hold his office for a term of one year at a time from the date of publication of his appointment in the Official Gazette.

(4) The non-official members nominated under sub-clause (i) of clause (d) and clause (e) of sub-rule (1) of rule 3 shall be eligible for re-nomination:

Provided that no person referred to in this sub-rule and in sub-rule (3) shall hold office for more than three years in any case.]

1. Subs. by G.S.R. 309(E), dated 5th May, 2009, for clause (e) (w.e.f. 5-5-2009). Clause (e), before substitution, stood as under:

“(e) three members representing the States to be nominated by the Central Government of whom—

(i) one shall be an expert in any of the areas of works, such as water conservation, land development, afforestation and plantation and rural engineering, listed or notified under Schedule I of the Act;

(ii) one shall be an expert in social audit; and

(iii) one shall be an expert on wage employment;”.

2. Subs. by G.S.R. 309(E), dated 5th May, 2009, for sub-rules (3) and (4) (w.e.f. 5-5-2009). Sub-rules (3) and (4), before substitution, stood as under:

“(3) The term of office of the non-official members nominated under clause (d) of sub-rule (1) of rule 3 shall be appointed for a period of one year.

(4) A non-official member nominated under clause (e) of sub-rule (1) shall be appointed for a period of two years or till any other member is appointed in his place takes charge, whichever is earlier.”.

(5) The non-official members nominated under clauses (d) and (e) of sub-rule (1) shall be entitled to receive travelling allowance and dearness allowance for attending the meetings of the Central Council or the Executive Committee, as the case may be, at the rates admissible to the Central Government servants of the highest grade.

(6) The non-official members shall also be entitled to receive honorarium at the rate of one thousand rupees per day for the days of the meeting of the Central Council or its Executive Committee or any other official work for which they attend to at the headquarters at New Delhi or at any other place on invitation by the Central Council.

**5. Resignation, etc. of non-official members.**—(1) Any non-official member may,—

- (a) by writing under his hand addressed to the Chairperson resign his office at any time;
- (b) be removed from his office in case he incurs any disqualification mentioned in sub-rule (2).

(2) The Central Government may, remove from office a non-official member if he,—

- (i) has been adjudged as an insolvent; or
- (ii) has been convicted of an offence which, in the opinion of the Central Government, involves moral turpitude; or
- (iii) has become physically or mentally incapable of acting as a member; or
- (iv) has acquired such financial or other interest as is likely to affect prejudicially his functions as a member; or
- (v) has so abused his position as to render his continuance in office prejudicial to the public interest; or
- (vi) remains absent for three consecutive meetings of the Central Council except for reasons beyond his control or without permission of the Chairperson.

(3) Any vacancy caused in the Central Council due to resignation, death, removal or otherwise of a non-official member shall be filled from the same category to which such member was representing and the person newly nominated shall hold office so long as the member whose place he fills would have been entitled to hold office, if the vacancy had not occurred.

**6. Meetings of the Central Council and its quorum.**—(1) The Central Council shall meet at least two times in a year or more frequently as it may consider necessary, at such place and at such time, as may be decided upon by the Chairperson:

Provided that six months shall not intervene between two consecutive meetings of the Central Council.

(2) The Chairperson shall preside at every meeting of the Central Council at which he is present, and in his absence, the Secretary to the Government of India, Department of Rural Development shall preside.

(3) Not less than one-third of the members shall constitute the quorum for the meetings of the Central Council.

**7. Procedure of the meetings.**—(1) The Member-Secretary shall give at least fourteen clear days notice for a meeting of the Central Council, giving therein the date, time and place of the meeting.

(2) If the quorum in the meeting is not present, the Chairperson may postpone the meeting to another date and the Chairperson and the members present at the postponed meeting shall constitute the quorum.

(3) Every question brought before any meeting of the Central Council shall be decided upon by a majority of the members present and voting at the meeting before which the matter is brought and no member shall be allowed to vote by proxy.

(4) In the case of an equality of votes on any resolution or question, the Chairperson shall have a casting or a second vote.

(5) The Member-Secretary shall, within thirty days of a meeting, circulate the minutes of that meeting duly approved by the Chairperson.

**8. Functions of the Central Council.**—(1) The Central Council shall perform the duties and discharge the functions assigned to it under section 11.

(2) The Central Council may, subject to such control and directions, authorise the Member-Secretary to deal with such financial and administrative matters for the day-to-day functioning.

(3) The Central Council shall lay down the systems and procedures for maintenance of its accounts and other records.

(4) The Member-Secretary shall be responsible for the custody and maintenance of the minutes book and other records of the Central Council and those of the Executive Committee.

**9. Executive Committee.**—(1) The Central Council shall constitute a Committee to be called the Executive Committee to assist it to discharge the duties and perform the functions assigned to it.

(2) The Executive Committee constituted under sub-rule (1) shall consist of the following, namely:—

(i) Secretary to the Government of India, Department of Rural Development. President;

(ii) The Financial Advisor, Ministry of Rural Development; representative of the Ministry of Panchayati Raj and two Members who are Secretaries of State Governments nominated by the Chairperson of the Executive Committee. Members;

(iii) Four non-official members of the Central Council to be nominated by the Chairperson of the Central Council. Members.

(3) The Member-Secretary shall be the Member-Secretary of the Executive Committee.

**10. Functions of the Executive Committee.**—(1) Subject to the general superintendence and directions of the Central Council, the Executive Committee shall perform the following duties and functions, namely:—

(a) take steps to give effect to the decisions of the Central Council;

(b) manage the administrative and financial affairs of the Central Council;

(c) sanction expenditure in connection with the affairs of the Central Council;

(d) appoint expert groups for technical support and advice to improve the quality of implementation of the Act;

(e) exercise such powers and performs such functions as may be entrusted to it by the Central Council.

(2) The Executive Committee shall meet at least once in three months or more frequently, if required by the Central Council.

**11. Technical Secretariat.**—(1) The Central Council and the Executive Committee shall be assisted by a Technical Secretariat, which may be set up by the Central Government in accordance with these rules to provide logistic and technical support for the implementation of the provisions of the Act.

(2) The Technical Secretariat shall be headed by the Member-Secretary and persons of professional services enlisted on the basis of procedures, norms and terms decided by the Executive Committee.

(3) The persons of professional services engaged for the Technical Secretariat shall pertain to services in functional areas specified in section 11.

**12. Funds of the Central Council.**—(1) The Central Council shall meet its expenses in connection with its affairs and the functions entrusted to it under the Act or these rules from the annual grants released to it by the Ministry of Rural Development out of the National Employment Guarantee Fund.

(2) The funds of the Central Council shall be operated through a scheduled bank as approved by the Central Council.

## THE NATIONAL EMPLOYMENT GUARANTEE FUND RULES, 2006<sup>1</sup>

WHEREAS certain draft rules namely, the National Employment Guarantee Fund Rules, 2006, were published in exercise of the powers conferred by sub-section (1) read with clause (c) of sub-section (2) of section 31 of the National Rural Employment Guarantee Act, 2005 (42 of 2005), vide notification of the Government of India in the Ministry of Rural Development number G.S.R. 590(E), dated the 21st September, 2006 in the Gazette of India, Extraordinary, Part II, Section 3, sub-section (i), dated the 22nd September, 2006 inviting objections and suggestions from persons likely to be affected thereby before the expiry of a period of thirty days from the date of publication of the notification in the Official Gazette;

AND WHEREAS Gazette copies of the draft rules in which they were published were made available to the public on 22nd September, 2006;

AND WHEREAS no objection or suggestion has been received from any person in this regard.

Now, therefore, in exercise of the powers conferred by sub-section (1) read with clause (c) of sub-section (2) of section 31 of the National Rural Employment Guarantee Act, 2005 (42 of 2005), the Central Government hereby makes the following rules, namely:—

**1. Short title and commencement.**—These rules may be called the National Employment Guarantee Fund Rules, 2006.

(2) They shall come into force on the date<sup>2</sup> of their publication in the Official Gazette.

**2. Definitions.**—In these rules, unless the context otherwise requires,—

- (a) "Act" means the National Rural Employment Guarantee Act, 2005 (42 of 2005);
- (b) "Central Government" means Central Government in the Ministry of Rural Development;
- (c) "National Fund" means the National Employment Guarantee Fund established under sub-section (1) of section 20;
- (d) all other words and expressions used herein and not defined but defined in the Act shall have the meanings respectively assigned to them in the Act.

**3. Account of the National Fund.**—The National Fund shall be maintained by the Central Government in a Public Account.

**4. Usage of the National Fund.**—The National Fund shall be used by the Central Government to meet the Central Government share of expenditure on implementation of the Act including the grants to the State Governments and Union territories and the expenses of the Central Employment Guarantee Council.

1. Vide G.S.R. 3(E), dated 2nd January, 2007, published in the Gazette of India, Extra., Pt. II, Sec. 3(i), dated 3rd January, 2007.

2. Came into force on 3-1-2007.

**5. Release of grants from the Fund to the State Governments and Union Territory Administrations.**—(1) Before the beginning of each financial year on or before 31st January, all Secretaries of the State Governments and Union territories concerned with the implementation of the Act and the State Employment Guarantee Schemes shall present their annual work plan and labour budget to the Ministry of Rural Development.

(2) The State Governments and Union territories may also in their annual work plan and labour budget submit proposals for any work other than those specified in Schedule I of the Act

(3) The Ministry of Rural Development may examine the proposals received by it on or before the 31st of January of each financial year and review the performance of the States and Union territories with respect to the implementation of the Act and estimate the amount to be released to the State Governments and Union Territory Administrations from the National Fund.

(4) Release of funds to the State Governments and Union Territory Administrations shall be made in accordance with the directions issued by the Ministry of Rural Development from time to time.

(5) The Ministry of Rural Development may, in order to meet emergent needs and to meet the temporary shortage of funds on account of non-completion of prescribed formalities, give advances as it may consider necessary to the districts, States and Union territories pending regular release of funds and such advances shall be adjusted against regular releases.

(6) The sanctioned amount may be released directly from the National Employment Guarantee Fund to the State Employment Guarantee Fund under sub-section (1) of section 21.

(7) The rules for State Employment Guarantee Fund and the fund-flow from State Employment Guarantee Fund to the Districts, Block and Gram Panchayat may be notified by the concerned State Government.

(8) The State Employment Guarantee Fund shall be maintained in a separate bank account which shall be non-lapsable.

(9) The State Employment or any other authority shall not create any encumbrance on the grants released by the Ministry either through the State Employment Guarantee Fund or directly to the districts or any other agency.

(10) The sanctioned amount may also be released directly from the National Fund to a separate bank account at the district level for the implementation of the Act, which shall be non-lapsable.

(11) The decision in regard to release of funds shall be taken by the Ministry of Rural Development in consultation with the concerned State Government and Union territory.

**6. Release of grants from the National Fund to the Central Employment Guarantee Council.**—(1) The Central Employment Guarantee Council shall be given a grant every year with an initial corpus of five crores of rupees in order to meet the expenses in connection with the functions assigned to the Council.

(2) The Council shall maintain a bank account in a Scheduled Bank for the funds so given.

(3) The grants shall be given to the Council after audit report for the previous year and the utilization certificate for at least sixty per cent. of the amount already released are furnished.

<sup>1</sup>[7. **Contribution to National Fund for implementation of Schemes.**—The Central Government shall contribute to the National Fund such sum of money as considered necessary for the implementation of the Schemes.]

**8. Audit.**—The grants released from the National Fund to the State Governments and Union Territory Administrations shall be audited by the Comptroller and Auditor-General through respective Accountant-Generals. The internal audit shall be done on behalf of the Head of the Department (Secretary) to the Government of India and shall be supervised and monitored by the office of Chief Controller of Accounts.

---

1. Subs. by G.S.R. 27(E), dated 12th January, 2012, for rule 7 (w.e.f. 17-1-2012). Rule 7, before substitution, stood as under:

"7. **Balance budgeted grant.**—The balance budgeted grant of each financial year shall be transferred to the National Fund before the close of the financial year and shall constitute the reserve in the National Fund."

## THE MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE AUDIT OF SCHEMES RULES, 2011<sup>1</sup>

*In exercise of the powers conferred by sub-section (1) of section 24 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (42 of 2005), the Central Government, in consultation with the Comptroller and Auditor General of India, hereby makes the following rules, namely:—*

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

(2) For the purposes of these rules, audit of schemes shall include social audit.

(3) They shall come into force on the date<sup>2</sup> of their publication in the Official Gazette.

**2. Audit of accounts.**—(1) The audit of the accounts of a scheme under the Act for each district as well as of the State Employment Guarantee Fund shall, for each year, be carried out by the Director, Local Fund Audit or equivalent authority or by Chartered Accountants.

(2) The Director, Local Fund Audit, or equivalent authority, or the Chartered Accountant, as the case may be, shall submit accounts of the scheme together with the audit report thereon to the State Government.

(3) The accounts of the schemes of every State Government as certified together with the audit report thereon shall be forwarded to the Comptroller and Auditor General of India and the Central Government by the State Government. The Central Government shall cause the audit report to be laid, as soon as may be after they are received, before each House of Parliament.

(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 intervals as he may deem fit.

**3. Social audit to be part of audit of schemes.**—(1) The State Government shall facilitate conduct of social audit of the works taken up under the Act in every Gram Panchayat at least once in six months in the manner prescribed under these rules.

(2) A summary of findings of such social audits conducted during a financial year shall be submitted by the State Government to the Comptroller and Auditor General of India.

**4. Social audit facilitation.**—(1) The State Government shall identify or establish, under the Act, an independent organisation (hereinafter referred to as Social Audit Unit) to facilitate conduct of social audit by Gram Sabhas.

---

1. Vide G.S.R. 495(E), dated 30th June, 2011, published in the Gazette of India, Extra., Pt. II, Sec. 3(i), dated 30th June, 2011.

2. Came into force on 30-6-2011.

(2) The Social Audit Unit shall be responsible for the following, namely:—

- (a) build capacities of Gram Sabhas for conducting social audit; and towards this purpose, identify, train and deploy suitable resource persons at village, block, district and state level, drawing from primary stakeholders and other civil society organisations having knowledge and experience of working for the rights of the people;
- (b) prepare social audit reporting formats, resource material, guidelines and manuals for the social audit process;
- (c) create awareness amongst the labourers about their rights and entitlements under the Act;
- (d) facilitate verification of records with primary stakeholders and work sites;
- (e) facilitate smooth conduct of social audit Gram Sabhas for reading out and finalising decisions after due discussions;
- (f) host the social audit reports including action taken reports in the public domain.

**5. Social audit pre-requisites.**—(1) The Social Audit shall be a process independent of any process undertaken by the implementing agency of the scheme.

(2) The implementing agency shall at no time interfere with the conduct of social audit.

(3) Notwithstanding anything contained in sub-rule (2), the implementing agency of the Scheme shall provide requisite information to the Programme Officer for making it available to Social Audit Unit at least fifteen days prior to the date of commencement of the social audit.

(4) The resource persons deployed for facilitating social audit in a Panchayat shall not be residents of the same Panchayat.

**6. Process for conducting social audit.**—(1) The Social Audit Unit shall, at the beginning of the year, frame an annual calendar to conduct at least one social audit in each Gram Panchayat every six months and a copy of the calendar shall be sent to all the District Programme Coordinators for making necessary arrangements.

(2) For facilitating conduct of social audit by Gram Sabha, the resource persons deployed by Social Audit Unit, along with primary stakeholders shall verify —

- (i) the muster rolls, entry and payments made in the specified time period, by contacting the wage seekers whose names are entered in such muster rolls;
- (ii) the work site and assess the quantity with reference to records and also 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 as per the estimate, as per procedure laid down and was economical;

- (v) any other payment made by the implementing agency from the funds of the scheme.

(3) The labourers and the village community shall be informed about the Gram Sabha conducting social audit by the resource persons as well as the Programme Officer to ensure full participation.

(4) To conduct social audit process, a Gram Sabha shall be convened to discuss the findings of the verification exercise and also to review the compliance on transparency and accountability, fulfilment of the rights and entitlements of labourers and proper utilisation of funds.

(5) All elected members of Panchayats and staff involved in implementing the schemes under the Act (including the staff of the Non-Governmental Organisations, the Self Help Groups, and disbursing agencies) shall be present at the Gram Sabha and respond to queries.

(6) The Gram Sabha shall provide a platform to all villagers to seek and obtain further information and responses from all involved in the implementation. It will also provide a platform to any person who has any contribution to make and relevant information to present.

(7) The District Programme Coordinator shall attend the Gram Sabha meeting or nominate an official of appropriate level for smooth conduct of the Gram Sabha.

(8) The social audit reports shall be prepared in local language by the Social Audit Unit and displayed on the notice board of the Gram Panchayat.

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

**7. Obligation of certain persons in relation to social audit.—**(1) The Programme Officer shall ensure that all the required information and records of all implementing agencies such as, Job card register, Employment register, Work Register, Gram Sabha Resolution, Copies of the sanctions (Administrative or Technical or Financial), Work Estimates, Work Commencement Order, muster-roll issue and receipt register, muster Rolls, Wage Payment Acquittance & order, Materials - Bills and vouchers (for each work), Measurement Books (for each work), Asset Register, Action Taken Report on previous social audits, grievance or complaints register, any other documents that the Social Audit Unit requires to conduct the social audit process are properly collated in the requisite formats; and provided, along with photocopies, to the Social Audit Unit for facilitating conduct of social audit at least fifteen days in advance of the scheduled date of meeting of the Gram Sabha conducting social audit.

(2) The information referred to in sub-rule (1) shall be publically available at the same time and the photocopies shall be available at nominal cost.

(3) Every District Programme Coordinator or any official on his behalf, shall,—

- (a) ensure that all records for conduct of social audit are furnished to the Social Audit Unit by implementing agencies through the Programme Officer;
- (b) ensure that corrective action is taken on the social audit report;

- (c) take steps to recover the amount embezzled or improperly utilised; and issue receipts or acknowledgement for amount so recovered;
- (d) pay wages found to be misappropriated, within seven days of the recovery of such amount, to the wage seekers;
- (e) maintain a separate account for amounts recovered during the social audit process;
- (f) ensure that the appropriate action (including initiating criminal and civil proceedings or termination of services) is initiated against individual or class of individuals or persons who misutilised or embezzled the amount meant for the schemes under the Act.

(4) The State Government shall be responsible to take follow up action on the findings of the social audit.

(5) The State Employment Guarantee Council shall monitor the action taken by the State Government and incorporate the Action Taken Report in the annual report to be laid before the State Legislature by the State Government.

(6) The costs of establishing the Social Audit Unit and conducting social Audit shall be met by the Central Government as a central assistance in accordance with the instructions issued in this regard.

## NOTIFICATION

### REGARDING THE WAGE RATES PAYABLE TO THE UNSKILLED MANUAL WORKERS IN DIFFERENT STATES AND UNION TERRITORIES<sup>1</sup>

In exercise of the powers conferred by sub-section (1) of section 6 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (42 of 2005), and in supersession of the notification of the Government of India in the Ministry of Rural Development, number S.O. 578(E), dated the 23rd March, 2012, except as respects things done or omitted to be done before such supersession, the Central Government hereby specifies the wage rate payable to the unskilled manual workers under column (3), in respect of the State or the Union territory mentioned in column (2), of the Schedule given below, working on various schemes under the said Act, with effect from 1st day of the April, 2013, namely:—

#### <sup>2</sup>[SCHEDULE

#### State-wise Wage rate for Unskilled Manual Workers

(Rupees per Day)

Sl. No.	Name of State/Union territory	Wage rate in Rupees per day
(1)	(2)	(3)
1.	Andhra Pradesh	Rs. 197.00
2.	Arunachal Pradesh	Rs. 177.00
3.	Assam	Rs. 183.00
4.	Bihar	Rs. 168.00
5.	Chhattisgarh	Rs. 172.00
6.	Goa	Rs. 240.00
7.	Gujarat	Rs. 192.00
8.	Haryana	Rs. 277.00
9.	Himachal Pradesh	Non-scheduled Areas-Rs. 179.00 Scheduled Areas-Rs. 224.00
10.	Jammu and Kashmir	Rs. 179.00
11.	Jharkhand	Rs. 168.00
12.	Karnataka	Rs. 236.00
13.	Kerala	Rs. 258.00
14.	Madhya Pradesh	Rs. 172.00
15.	Maharashtra	Rs. 201.00
16.	Manipur	Rs. 204.00

1. Vide S.O. 463(E), dated 26th February, 2013, published in the Gazette of India, Extra., Pt. II, Sec. 3(ii), No. 427, dated 26th February, 2013.
2. Subs. by S.O. 666(E), dated 28th February, 2017, for SCHEDULE (w.e.f. 1-4-2017). Earlier Schedule was amended by S.O. 400(E), dated 13th February, 2014, by S.O. 2118(E), dated 22nd August, 2014, by S.O. 890(E), dated 31st March, 2015 (w.e.f. 1-4-2015) and by S.O. 1205(E), dated 23rd March, 2016 (w.e.f. 1-4-2016).

(1)	(2)	(3)
17.	Meghalaya	Rs. 175.00
18.	Mizoram	Rs. 194.00
19.	Nagaland	Rs. 177.00
20.	Odisha	Rs. 176.00
21.	Punjab	Rs. 233.00
22.	Rajasthan	Rs. 192.00
23.	Sikkim	Rs. 177.00
24.	Tamil Nadu	Rs. 205.00
25.	Telangana	Rs. 197.00
26.	Tripura	Rs. 177.00
27.	Uttar Pradesh	Rs. 175.00
28.	Uttarakhand	Rs. 175.00
29.	West Bengal	Rs. 180.00
30.	Andaman and Nicobar	Andaman District
		Rs. 236.00
		Nicobar District
		Rs. 249.00
31.	Chandigarh	Rs. 265.00
32.	Dadra and Nagar Haveli	Rs. 218.00
33.	Daman and Diu	Rs. 195.00
34.	Lakshadweep	Rs. 237.00
35.	Puducherry	Rs. 205.00]

...