



ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee Scheme – Payment of delay compensation amount to Mahatma Gandhi National Rural Employment Guarantee Act workers pending from April 2016 to June 2016 from the Central Government funds available with the State in State Employment Guarantee Fund – Permission accorded – Orders issued.

Rural Development and Panchayat Raj (CGS.1) Department

G.O.(Ms) No. 83

Dated 12.07.2016

Read :

From the Director of Rural Development and Panchayat Raj Letter No.72378/13/MGNREGS.2-1 Dated 20.06.2016.

ORDER:

The Director of Rural Development and Panchayat Raj, in letter read above, has stated that as per the MGNREG Act any worker, who is working under Mahatma Gandhi National Rural Employment Guarantee Scheme shall be paid with wages within 15 days from the date of closure of Nominal Muster Roll (NMR).

Para 29 of the revised Schedule-II of Mahatma Gandhi National Rural Employment Guarantee Act states as follows:-

29(1) In case the payment of wages is not made within 15 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 15 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 State shall divide the process leading to determination and payment of wages into various stages such as-
- measurement of work;
 - computerizing the muster rolls ;
 - computerizing the measurements ;
 - generation of wage lists; and
 - uploading of 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 wage seekers.
- d) The State Government shall pay the compensation upfront after due verification within the time limits as specified as 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 the 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.

29(2) Effective implementation of sub-paragraph(1) shall be considered necessary for the purposes of the Section 27 of the Act.

As per MGNREGA Act 2005, section 27 states as follows:

S.27(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 utilization 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.

2. The Director of Rural Development and Panchayat Raj has also stated that thus, Para 29(1) of revised Schedule II of Mahatma Gandhi National Rural Employment Guarantee Act depicts the details of payment of compensation for delay when the payment of wages is not made within 15 days of closure of Muster Roll. It is also indicated that wage seeker is entitled to receive payment of compensation for the delay at the rate of 0.05% of the unpaid wages. Maintenance of Muster Roll, Execution of work, Measurement of work, Entry of Muster Roll into the website, Generation of Pay Order/Fund Transfer Order, and Payment of wages are major and regular weekly activities that are being carried out in the implementation of MGNREGS. Based on these activities, fixing of accountability and time limit for execution of work by each functionary are described below :

1. Stage-wise Accountability for Payment of Wages:

In the implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme, the Programme Officer (Block Development Officer (Village Panchayat)) is the officer responsible for the implementation of Mahatma Gandhi National Rural Employment Guarantee Scheme at the Block Level. The various functionaries like Technical Officers, Computer Assistant etc., individually responsible for their duties have been fixed as follows :

1) Measurement

1.a. Measurement of Work

1. Overseer in case where the value of work is not more than Rs.1 lakh or any other limit prescribed by the Government from time to time.
2. Assistant Engineer/Junior Engineer in case where the value of work is more than Rs.1 lakh or any other limit prescribed by the Government from time to time.

1.b. Check Measurement

1. Assistant Engineer/Junior Engineer in case where the value of work not more than Rs.1 lakh or any other limit prescribed by the Government from time to time.
2. Assistant Executive Engineer in case where the value of work is Rs.1 lakh or more or any other limit prescribed by the Government from time to time.

2) Maintenance of Muster Roll

- a. Maintaining the Muster Roll during the Execution of Work - Worksite Supervisor
- b. Closure of Muster Roll- Worksite Supervisor
- c. Handing over of Muster Roll to Technical Persons - Secretary, Village Panchayat

- d. Handing over the Muster Roll to Computer Assistant after the measurement - Technical Person Concerned (Panchayat Union Overseer / Assistant Engineer / Junior Engineer)

3) MIS Entries

- a. MIS Entry of Muster Roll and Measurement- Computer Operator

4) Pay Order/Fund Transfer Order

- a. Verification and Generation of Pay Order/Fund Transfer Order - Deputy Block Development Officer (MGNREGS)
b. Submission of Pay Order/FTO - Block Development Officer (Village Panchayats)

5) Payment of Wages

- a. Payment of Wages to the workers - Village Panchayat / Bank / Post Office / Co-operative Banks, or any institution fixed from time to time by the Government

2. Time Limit for various activities :

Stage No	Different Stages of Wage Payment	Time Limit for each of the sub process	Actual Days	Cumulative Days (Period)	Designation of the Person Responsible
1.	Closure of Muster Roll (MR)	-	Day 0	0	Worksite Supervisor
2.	Handing Over of Muster Roll to Technical Person	Next Day of the Closure of Muster Roll	Day 1	1	Secretary Village Panchayat
3.	Measurement of Works	3 Days from the receipt of Filled NMR from Village Panchayat Secretary	Day 2 Day 3 Day 4	4	Union Overseer/ Assistant Engineer
4.	Check Measurement	2 Days from the closure of Measurement by Panchayat Union Overseer/Asst. Engineer.	Day 3 Day 4 Day 5 Day 6	6	Assistant Engineer/ Executive Engineer Asst.
5.	MIS entry of Muster Roll and Measurement Details (M. Book)	3 Days from the closure of Check Measurement	Day 6 Day 7 Day 8	8	Computer Assistant
6	Generation of Pay Order (non-e-FMS)/Fund Transfer order (e-FMS)	1 Day	Day 9	9	1. Deputy Block Development Officer (MGNREGS)-1 st Signatory 2. Block Development Officer (VP) - 2 nd Signatory

The time limit has been fixed as 9 days in the above table with the basic objective of processing and crediting the wages to the workers accounts within the next 6 days, thus, ensuring that wages are provided to the workers within the statutory 15 days limit.

3. The Director of Rural Development and Panchayat Raj has also stated that in file No. B-18015/9/2016–MGNREGA–VI, dated 16.5.2016 G.O.I has communicated the directions of the Hon'ble Supreme Court of India in the Writ Petition(C) No.857 of 2015 (Swaraj Abhiyan – (III) Vs Union of India & Ors) on 13.5.2016 as under:-

“The Government of India is directed to ensure that compensation for delayed payment is made over to the workers whose wages have been delayed beyond 15 days as postulated by paragraph 29 of Schedule II of the NREG Act and the Guidelines for Compensation formulated pursuant thereto”.

4. The Director of Rural Development and Panchayat Raj has further stated that in file No. B-18015/9/16 – MGNREGA-IV, dated 7.6.2016, the Government of India has informed that the direction of Hon'ble Supreme Court is clear that compensation for delayed payment is made over to the workers and requested to ensure that all delay compensation due is paid by 30th June 2016 out of the funds available with the State.

5. The Director of Rural Development and Panchayat Raj has also informed that as on date Rs.3.53 Crore (this value is cumulative and changes every day) is due as compensation for delay in payments and the reason for this pendency is due to the fact that Deputy Block Development Officers (1st Signatory) and Block Development Officers (VP) (2nd Signatory) who are responsible for clearing FTOs were involved in election duty of Tamil Nadu Legislative Assembly elections held during May, 2016 and hence, clearing of Fund Transfer Orders were delayed.

6. The Director of Rural Development and Panchayat Raj has further stated that steps have been taken to monitor the processing of FTOs on a daily basis without delay. Para 29(1) (d) of revised Schedule-II of MGNREGA states that “The State Government shall pay the compensation upfront after due verification within the time limits as specified as above and recover the compensation amount from the functionaries or agencies who is responsible for the delay in payment”.

7. The Director of Rural Development and Panchayat Raj has therefore requested the orders of the Government on the following:

- a) To permit the payment of delay compensation amount to workers pending from April 2016 to June 2016 (Rs.3.53 Crore as on 20.6.2016) from the Central Government funds available with the State in State Employment Guarantee Fund (SEGF).
- b) To permit to recoup the amount required by the State Government out of it's share to the State Employment Guarantee Fund.

- c) To permit to formulate guidelines later for the payment of delay compensation detailing the stage-wise accountability of payment of wages by various functionaries and also to formulate time limit of clearance by each later.
- d) To permit to place the proposal to ratify these payments towards delay compensation during the next Steering Committee Meeting under Mahatma Gandhi National Rural Employment Guarantee Scheme.

8. The Government, after careful examination of the proposal of the Director of Rural Development and Panchayat Raj issue following orders :

- a) Permission is accorded for the payment of delay compensation amount to workers pending from April 2016 to June 2016 (Rs.3.53 Crore as on 20.6.2016) from the Central Government funds available with the State in State Employment Guarantee Fund (SEGF).
- b) Permission is accorded to recoup the amount required by the State Government out of it's share to the State Employment Guarantee Fund.
- c) Permission is accorded to formulate guidelines later for the payment of delay compensation detailing the stage-wise accountability of payment of wages by various functionaries and also to formulate time limit of clearance by each later.
- d) Permission is accorded to place the proposal to ratify these payments towards delay compensation during the next Steering Committee Meeting under Mahatma Gandhi National Rural Employment Guarantee Scheme.

9. This order issues with the concurrence of Finance Department vide it's U.O. No. 155/S(E)(i/c)Fin(RD)/16, dated 5.07.2016.

(BY ORDER OF THE GOVERNOR)

HANS RAJ VERMA
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Director of Rural Development and Panchayat Raj, Chennai-15
All District Collectors (except Chennai District)
(through the Director of Rural Development and Panchayat Raj, Chennai-15)

All Project Directors, District Rural Development Agencies
(through the DRD & PR, Chennai-15)

Copy to:

The Secretary,

Ministry of Rural Development, Government of India,
Krishi Bhavan, New Delhi.

The Accountant General, Chennai-18

The Pay and Accounts Officer (South), Chennai-35

Finance (RD/BG.I/BGII) Department, Chennai-9

The Special Personal Assistant to Hon'ble Minister (MA & RD,
Impn. Spl.Prog.) Chennai-9.

Principal Private Secretary to Principal Secretary to Government,
Rural Development and Panchayat Raj Department, Chennai-9

National Informatics Centre, Secretariat, Chennai-9

SF/SC

//Forwarded by order//

K. Saravanan

SECTION OFFICER

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