

जयराम रमेश
JAIRAM RAMESH



ग्रामीण विकास मंत्री
भारत सरकार
कृषि भवन, नई दिल्ली-110114
MINISTER OF RURAL DEVELOPMENT
GOVERNMENT OF INDIA
KRISHI BHAVAN, NEW DELHI-110 114

D. O. No. 16...../VIP/OG/M(RD)

12th September 2011

My dear Prithvi -

1. You may recall that on August 25th, 2011, Secretary, Ministry of Rural Development Shri B.K.Sinha along with other senior officials of my Ministry called on you to discuss various issues relating to the implementation of MGNREGA in Maharashtra. Shri Jayant Patil, Minister of Rural Development, Government of Maharashtra had also called on me on 6th September, 2011 along with officials of his Ministry and I had an occasion to mention to him my concerns in regard to implementation of MGNREGA in Maharashtra.

2. You are very well aware that panchayats have been accorded a pivotal role in the planning for and implementation of MGNREGA. I have been informed both by my officials as well as by Shri Jayant Patil and his officials that one reason for Maharashtra lagging behind in MGNREGA is that its implementation has been entrusted to the Department of Water Conservation and EGS, whereas the administration of panchayats lies with the Rural Development and Panchayati Raj Department. **It has been suggested to me that MGNREGA would pick up momentum in Maharashtra significantly if its responsibility is entrusted to the Department of Rural Development and Panchayati Raj.**

4. I thought I should put forward this suggestion to you for your consideration. I am also attaching a note that highlights our concerns on the implementation of MGNREGA in Maharashtra. Needless to add, I expect Maharashtra to be a pace-setter in MGNREGA like Andhra Pradesh and I am sure that under your personal leadership this expectation will be fulfilled soon.

With regards,

from personal

Yours sincerely,

Jairam Ramesh
(Jairam Ramesh)

Shri Prithviraj Chavan
Chief Minister
Government of Maharashtra

Encl: as above

Maharashtra—Areas of concern in MGNREGA

1. *Inconsistencies between Central and State Act:*
Maharashtra has exercised the option under Section 28 of MGNREGA and chosen to continue its own Act. While it has made necessary amendments in 2006, it needs to revisit its Act and Rules and ensure that there is no inconsistency, which would make it ineligible to receive funds from Centre. Schedules I and II which are a key part of the Central Act have been substantially amended since 2006 and are at times, modified, being delegated legislation. A perusal of the Maharashtra Act reveals that the Schedules are not in place.
2. *Notification of State Employment Guarantee Council and other rules:*
It appears that Maharashtra has not notified the rules for the State Employment Guarantee Council nor fully constituted it as required under Section 12 of the Central Act. Further various rules prescribed under Section 32 of Central Act (method of payment of unemployment allowance, grievance redressal rules) seems not to have been notified. These become important in context of a recent Supreme Court case (the Orissa case)
3. *Creation of State Fund*
Time and again the Ministry of Rural Development has requested the State Government to constitute the State Fund. In the meeting on 5th August when the revised labour budget was approved, the State Government has been directed to constitute the State Fund by end September 2011, to which the Principal Secretary has agreed. The State Government may sort out the bottlenecks in creation of State Fund for release of Central funds in future
4. *Creation of Directorate of Social Audit:*
The Centre has framed the Audit Rules, which has come into force from 1.7.2011. It provides, inter alia for creation of an independent Directorate of Social Audit . The Directorate may be created immediately.
5. *Schedule of Rates:*
Most states have framed a rural Schedule of Rates for MGNREGS. It is learnt that Maharashtra has started a time and work study. However it appears that the State has yet to notify the revised Schedule of Rates. This would help in strengthening MGNREGS in the State.

6. MIS:

The State is lagging much behind in reporting through MIS. There is a huge backlog. The State needs to take necessary steps in prompt, accurate reporting through MIS. The Secretary has committed to bring its MIS reporting on par by end-October 2011

7. Quality of structures and assets creation:

The state should focus on individual benefit schemes provided for under Schedule I (iv). The quality of the assets needs to be improved and a quality control mechanism should be put in place

8. Organisational Structure:

While it is the prerogative of the State Government to go for any organizational structure, it appears that the present organizational arrangements in the State are inadequate for implementing a programme of this magnitude. Most major States have created a separate branch under its existing Commissioner of Rural Development. In Maharashtra however, the entire programme is being coordinated, monitored and implemented from the State Secretariat without any backup organizational structure. The State Government may like to review this aspect.

9. Wage Rate:

The notified wage rate for Maharashtra is Rs.127 from February 2011. The average wage earned by the worker fluctuates widely between Rs.80 to Rs.300. Such variations need review. It may however, be noted that daily wage rate beyond Rs.127 has to be met from the State funds

10. Incomplete works:

There are a huge number of incomplete works in the State. The State should take concerted efforts to complete these works, and review the reasons for keeping them incomplete

11. Focus on quality and systemic issues

While it is gratifying that the State has substantially improved its performance in the last few months resulting in approval of the revised labour budget on August 5, 2011, it is necessary that the State focus more on quality issues. The programme must be demand-driven and it must be ensured that labourers are paid on time.
