SAMPOORNA GRAMEEN ROZGAR YOJANA (SGRY)

The Sampoorna Grameen Rozgar Yojana (SGRY) was launched on 25th September 2001 by merging the on-going schemes of Jawahar Gram Samridhi Yojana (JGSY) and Employment Assurance Scheme (EAS).

2. OBJECTIVES

The objectives of the SGRY are as under:

(a) **Primary Objective**:- The primary objective of the Scheme is to provide additional and supplementary wage employment and thereby provide food security and improve nutritional levels in all rural areas.

(b) **Secondary Objective**:- The secondary objective is the creation of durable community, social and economic assets and infrastructural development in rural areas.

3. STRATEGY

The Scheme is exclusively implemented by the Panchayti Raj Institutions (PRIs). Programme was implemented in two streams till 2003-04. The First Stream was implemented at the District and Intermediate Panchayat levels. 50% of the funds and foodgrains were available under the First Stream, which were further distributed between the District Panchayat and the Intermediate Panchayats in the ratio of 40:60 respectively. The Second Stream was implemented at the Village Panchayat level, and 50% of the funds and foodgrains were earmarked for the Village Panchayats and distributed among them through DRDAs/District Panchayats. Now, from 2004-05 the programme is implemented as one integrated Scheme. The programme resources are shared by all the three tiers viz District Panchayat, Intermediate Panchayat and the Village Panchayat in the proportion of 20:30:50. Each level of Panchayat is an independent unit for formulation of Action Plan and executing the scheme. The details of activities/works taken up by the PRIs are as under:

(i) **District Panchayats** - 20% of the resources are reserved at the District level and are to be utilized by the District Panchayats/ DRDAs preferably in the areas suffering from endemic labour exodus/areas of distress as per the Annual Action Plan approved by the District Panchayats/DRDAs.

(ii) **Intermediate Level Panchayats** - 30% of the resources are allocated among the Intermediate Level Panchayats. While allocating the resources, equal weightage is to be given to the proportion of SC/ST population and of rural population of the respective Intermediate Level Panchayat areas to those of the Districts. The workers will be taken as per their own Annual Action Plan approved by the Intermediate Level Panchayats. However, while selecting the works, to be taken up, preference will be given to the Areas, which are backward, Calamity Prone or face migration of labour.

(iii) **Village Panchayats** - 50% of the resources are allocated among the Village Panchayat for generation of supplementary wage employment and creation of demand driven community village infrastructure, which includes also durable assets to enable the rural poor to increase opportunities for sustained employment.

4. SPECIAL SAFEGUARDS FOR THE WEAKER SECTIONS AND WOMEN OF THE COMMUNITY

(i) 22.5% of the annual allocation (inclusive of foodgrains) allocated both at the level of District and Intermediate Panchayats shall be earmarked for Individual/ group beneficiary Schemes of SC/ST families living below the Poverty Line (BPL).

(ii) Minimum 50% of the Village Panchayat allocation (inclusive of foodgrains) shall be earmarked for the creation of need based village infrastructure in SC/ST habitations/wards.

(iii) Effort would be made to provide 30% of employment opportunities for women.

(iv) A specified percentage, as indicated by Ministry of Rural Development, of the annual allocation (inclusive of foodgrains) allocated both at the District and Intermediate Panchayats shall be earmarked for individual/ group beneficiary schemes for minority community families living below the Poverty Line.

5. SALIENT FEATURES OF THE SGRY

(i) The Sampoorna Grameen Rozgar Yojana (SGRY) is Centrally Sponsored Scheme (CSS). It envisaged for creation of additional wage employment of 100 crores mandays with an yearly outlay of Rs.10,000 crores.

(ii) Under the Scheme, foodgrains is being provided every year, free of cost, to the State Governments and Union Territory Administrations.

(iii) The cost of the cash component of the Programme is shared by the Centre and State in the ratio of 75:25.

(iv) The payment of foodgrains is made by the Ministry of Rural Development to the Food Corporation of India (FCI) directly.

(v) About 100 crore mandays of employment are envisaged to be generated every year in the rural areas.

(vi) Every worker seeking employment under the SGRY will be provided minimum 5 kgs. of foodgrains (in kind) per manday as part of wages. However, from 1.1.2005 to 31.3.2006, foodgrains has been provided 3 kgs instead of 5 kgs to the labourers due to shortage of foodgrains. Again for the same reason, foodgrains will be provided 3 kgs per manday during 2006-07.

(vii) The balance of wages will be paid in cash so that they are assured of the notified minimum wages.

(viii) The State Governments and UT Administrations will be free to calculate the cost of foodgrains (paid as part of wages) at either BPL rates or APL rates or anywhere between the two.

(ix) Panchayati Raj Institutions (PRIs) can take up works as per the felt need of the areas.

(x) 200 notified districts have been subsumed into the National Rural Employment Guarantee Act (NREGA) with effect from 1.4.2006. During the year 2006-07, SGRY is being implemented to remaining 388 districts except Chandigarh and Delhi. SGRY in remaining districts will subsume into NREGA within a period of vie years in phased manner.

6. SPECIAL COMPONENT OF THE SGRY

There is a provision of Special Component under the SGRY for augmenting food security through additional wage employment in the calamity affected rural areas. The main features of the Special Component are as under:

(i) Special Component of the SGRY is in operation w.e.f. 1st April, 2002.

(ii) It is demand driven and allocated to the States on the basis of the requirement to deal with the calamities such as drought, earthquake, cyclone, flood etc.

(iii) Only foodgrains are provided free of cost to the States to take up employment-oriented works. Cash Component for the Scheme is provided by the State Governments either from State Sector or Centrally Sponsored Scheme.

7. PAYMENT OF WAGES UNDER THE SGRY

The wages under the Programme are to be paid partly in foodgrains and partly in cash. Foodgrains should be given under the SGRY to the rural poor at the rate of 5 Kg per manday. State Government wish to give more than 5 Kg of foodgrains per manday, it may do so within the existing State allocation (subject to a minimum of 25% of the wages to be paid in cash). However, from 1.11.2005 to 31.3.2006, foodgrains has been provided 3 kgs instead of 5 kgs to the labourers. During he year 2006-07, foodgrains will also be provided 3 kg instead of 5 kg per manday. The State Governments and UT Administrations will be free to calculate the cost of foodgrains paid as part of wages, at a uniform rate which may be either BPL rate or APL rate or anywhere between the two. The workers will be paid the balance of wages in cash, so that they are assured of the notified Minimum Wages.

In the event of non-availability/inadequate availability of foodgrains, wages in kind may be less than 5 kg/ 3 kg of foodgrains per manday and the remaining portion may be would be nominated from amongst the social workers, retired civil, defence or private sector officers, other retired employees like teachers, well-educated persons and will include an SC/ST and a women's representative. This committee would be apprised by the implementing agency about the estimate of the work, time-frame and quality parameters. The final report of the committee would be attached along with the completion certificate of the work and would also be placed in the next meeting of the Gram Sabha of the Panchayat where work has been executed and also before the general assembly of the Intermediate/District Panchayat if the work has been sanctioned by it.

(iii) Schedule For Inspection of Works – For effective implementation of the programme, the officers at the District, Sub-Division and Block levels are required to closely monitor all aspects of the programme through visits to work sites in the interior areas. A schedule of inspection, which prescribes the minimum number of field visits for each supervisory level functionary from District to Block level, are required to be drawn up by the District Panchayats/DRDAs, and strictly adhered to. A copy of the inspection schedule drawn should be sent to State and Central Governments for information.

(iv) The officers dealing with the SGRY at the State headquarters shall visit Districts regularly and ascertain through field visits that the programme is being implemented satisfactorily and that execution of works is in accordance with the prescribed procedures and specifications.

(e) During the course of inspection, if any official comes across any irregularities, he/she should immediately bring it to the notice of the CEO, District Panchayat and the Project Director, DRDA so that appropriate action is taken.

14. REPORTS AND RETURNS

The following reports and returns are to be submitted to the State/UTs by the District Panchayats/DRDAs:-

(i) A monthly progress report by the 10^{th} of every succeeding month;

(ii) A detailed annual report to be submitted by 25^{th} of April of the succeeding year.

15. WORKS TO BE TAKEN UP

The works to be taken up must be labour intensive, leading to the creation of additional wage- employment, durable assets and infrastructure, particularly those which would assist in drought-proofing such as soil and moisture conservation works, watershed development, promoting of traditional water resources, afforestation and construction of village infrastructure and link roads, primary school buildings dispensaries, veterinary hospitals, marketing infrastructure and Panchayat Ghars. The works taken up should in a manner that they are capable of giving a boost to the rural economy besides creating additional employment opportunity as well.

given in cash but in no case the payment of wages be kept pending. In case of non availability of foodgrains, the wages can paid in cash. In the reverse case of less availability of cash, the wages in cash may be less than 25% and the remaining portion may be given in kind as foodgrains. However, the norm of minimum 5 kg/3 kg of foodgrains and minimum of 25% wages in cash should be maintained as far as possible.

8. QUALITY CONTROL OF FOODGRAINS

The normal procedure by way of joint sampling, as is done for the PDS, is applicable to the SGRY. In case of any complaint, the sample from the field will be compared with the sample packet retained at the FCI Depot and action initiated against all responsible, if any discrepancy is established.

9. BAN ON CONTRACTORS

No contractors are permitted to be engaged for execution of any of the works and no middle men / intermediate agencies employed for executing works under the Scheme. The full benefit of wages to be paid should, at all times, reach the workers.

10. BAN ON USE OF MACHINERY

Use of Machinery, which may displace manual labour, is also not permissible with a view to create maximum possible additional employment opportunities.

11. WORKSITE FACILITIES

Facilities like drinking water, rest sheds for the workers and crèches for the children coming with working mothers should be provided.

12. ANNUAL ACTION PLAN (AAP)

Each District Panchayat/DRDA, Intermediate Panchayat and Village Panchayat is independently prepare and approve, before the beginning of each financial year, an Annual Action Plan equivalent in value of about 125 per cent of its share of funds allocated in the preceding year. No work can be taken up unless it forms part of the Annual Action Plan. The exercise of approval of Annual Action Plan should be completed by the end of February of the preceding financial year.

13. MONITORING AND VIGILANCE

(i) Vigilance & Monitoring Committees at the State, District & Block levels have been constituted for overseeing the various programmes of the Ministry of Rural Development are also responsible to monitor the implementation of the works under the SGRY.

(ii) For every work sanctioned by District Panchayat/Intermediate Panchayat/Village Panchayat, there is to be a monitoring committee of the villagers of the area belonging to the locality/village where the work is undertaken to closely monitor the progress and quality while the work is in progress. Every such committee shall have five to nine members who

16. WORKS PROHIBITED

(i) Buildings for religious purposes and the like.

(ii) Monuments, Memorials, Statues, Idols, Arch Gates/Welcome Gates, etc.

(iii) Big buildings and big bridges.

(iv) Buildings for Higher Secondary Schools and Colleges.

17. PHYSICAL & FINANCIAL PERFORMANCE DURING THE FIRST FOUR YEARS OF 10TH PLAN

The Central allocation, Central Release, Utilisation by States/UTs and mandays generated under SGRY during first four years of Tenth Plan are as under:-

(Rs. in crore) (Mandays in lakh)

Year	Central allocation	Central release	Total available funds*	Amount spent by State/UT	Mandays generated
1	2	3	4	5	6
2002-03	3532.53	3684.64	6414.39	5000.01 (77.95%)	74.83
2003-04	4120.25	4121.03	6966.15	5957.74 (85.52%)	85.60
2004-05	4495.25	4496.18	7214.84	6018.12 (84.27)	84.31
2005-06	5396.50	5497.43	8416.62	7052.21 (83.79%)	82.18
Total	**17544.53**	**17799.28**	**29012.00**	**24028.08**	**326.92**

* Includes Central share + State share+ Opening balance+ Misc. receipts

18. COVERAGE OF WEAKER SECTIONS DURING FIRST FOUR YEARS OF 10TH PLAN

Mandays generated for SCs, STs and women during 2002-03 to 2005-06 is as under. Mandays generated for handicapped and minorities are not monitored.

Year	Mandays for SCs	Mandays for STs	Mandays for women
2002-03	2638.83 lakh	1507.30 lakh	1954.14 lakh
2003-04	2827.23 lakh	2025.03 lakh	2276.12 lakh
2004-05	2990.72 lakh	1631.96 lakh	2151.23 lakh
2005-06	2910.59 lakh	1606.93 lakh	2098.37 lakh

19. FOODGRAINS AUTHORIZED DURING LAST FOUR YEARS UNDER SPECIAL COMPONENT IS AS UNDER:-

Sl. No.	Year	No. of calamity affected States	Foodgrains autho- rised (in lakh MT)
1.	2002-03	15	63.40
2.	2003-04	12	65.83
3.	2004-05	13	25.92
4.	2005-06	11	15.65

20. STATEWISE PERFORMANCE DURING 2005-06

(i) During 2005-06, the B.E. for SGRY was Rs. 5500 crore. Out of the total allocation of Rs. 5500 crore, Rs. 5396.50 crore was allocated to the States/ UTs under cash component. The funds released during the year was Rs. 5497.43 crore. In addition, about 37.30 lakh tonnes of foodgrains were authorized to the States/UTs.

(ii) Against the total funds of Rs. 8416.62 crores available with the States/UTs (including OB, Central share & State share), the utilization of funds was Rs. 7052.29 crore as reported by States/UTs. The employment generation was 82.18 crore mandays as reported by the States/UTs.

(iii) The following States have spent more than 80% of total available funds in 2005-06, which can be stated to be satisfactory. :

Andhra Pradesh, Chhattisgarh, Goa, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Meghalaya, Mizoram, Nagaland, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttaranchal, Uttar Pradesh.

(iv) The average performance has been in respect of the following States who have spent between 60% to 80% of total available funds :

Assam, Bihar, Himachal Pradesh, Punjab, Orissa, West Bengal, Pondicherry

(v) The performance in respect of the following States has been poor with the utilisation below 60% of the total available funds :

Arunachal Pradesh, Manipur, A&N Islands, Lakshadweep, Dadra & Nagar Haveli, Daman & Diu.

21. THE DETAILS OF PERFORMANCE UNDER SGRY DURING THE YEAR 2006-2007

(i) During the current financial year 2006-07, the B.E. for SGRY is Rs. 3000 crore. Out of the total allocation of Rs. 3000 crore Rs. 2911.54 crore has been allocated to the States/

UTs under cash component. The funds released till 31st December 2006 is Rs. 2068.72 crore. In addition, about 17 lakh tonnes of foodgrains have also been authorized to the States/UTs.

(ii) Against the total funds of Rs. 3383.21 crores available with the States/UTs (including OB, Central share & State share), the utilization of funds is Rs. 2031.18 crore as reported by States/UTs upto November, 06. The employment generation is 22.00 crore mandays upto November 2006 as reported by the States/UTs

22. **SPECIAL COMPONENT DURING THE YEAR 2006-07**: About 4.44 lakh tonnes of foodgrains have been released to 3 calamities hit States, namely Jharkhand, Karnataka and Tamil Nadu upto December, 2006.

23. FINDINGS OF EVALUATION STUDIES

(A) The concurrent evaluation of SGRY for 2002-03 done by the Ministry of Rural Development during 2003-04 through the Centre for Management Development, Thiruvanthapuram.

Findings:-

(i) 94.69% Respondents received benefit of wage employment.

(ii) About 90% of respondent beneficiaries expressed their satisfaction with the scheme and wanted it to continue in its present form.

(iii) About 95% of the total respondent beneficiaries have found the scheme to be very useful and feel that the Scheme has contributed towards improvement in their quality of life.

(iv) Assets created are reported to be utilized fully in about 78% cases of the districts.

(v) Involvement of contractors has been found nominal i.e. in 14.34% of works under SGRY.

(vi) Only 20 States provided workers with 5 kg or more foodgrains per manday. On an average, 3.10 kg of rice and 4.18 kg of wheat were provided as part of wages.

(vii) Average wage for male workers at Rs.59.66 a day while Rs.50.12 per day provided to women workers.

(viii) Average 28.81 days wage employment provided per person per year.

(ix) More than 74 % beneficiaries provided upto 30 days of wage employment.

(B) A Quick Evaluation of beneficiary oriented component of SGRY was conducted through Organization for Applied Socio Econ0mic Systems, New Delhi in 15 States for 2002-03 and 2004-05.

Findings:-

(i) 32.82% of respondent beneficiaries acquired non-economic assets ie. Dwelling units, sanitary latrines etc. Most beneficiaries got dwelling units followed by land development.

(ii) More than 89% of respondents reported no increase or negligible increase in income as the majority had acquired assets for development of allotted surplus land.

(iii) Of the about 11% of respondents who affirmed increase in income, maximum respondents (47%) reported increase in income up to Rs.500 per annum only through economic assets like ponds excavation for pisciculture, sewing machines, rickshaws, cattle, open irrigation wells, floriculture, horticulture plantations etc.

(iv) In Maharashtra, Gujarat and Orissa land development was done on common land instead of on individual lands of BPL SCs and STs.

(v) Overall unit cost of assets provided under the scheme was Rs.21,721.83 for individual beneficiaries. The average value of assets created in Chhattisgarh was lowest at Rs.2,167.09 while the average value of assets created in Tamil Nadu was highest at Rs.51,139.36.

24. AREAS OF CONCERN UNDER SGRY

The SGRY programme along with foodgrain component was launched in September, 2001 when there was sufficient foodgrains stock available to meet the requirement under the programme. The programme became fully operational from 2002-03 – the first year of the 10th Plan. Accordingly, the programme envisaged to provide food security and payment of wages to labourers in the form of cash and kind (foodgrains). In the initial stages, the programme was envisaged for an annual allocation of Rs.5000 crore as cash component and 50 lakh MTs of foodgrains for entire country to generate employment of 100 crore mandays in a year.

During the first three years of the 10th Plan, the foodgrains were being provided as per the requirement. However, the last two years of the 10th Plan i.e. 2005-06 and 2006-07, there has been acute shortage of foodgrains in FCI godowns particularly wheat. In 2005-06, against the allocation of 50 lakh tonnes only 37.30 lakh tonnes could be allocated and released to the States and UTs under SGRY. Similarly, in 2006-07, the requirement was of the order of 28 lakh MTs (excluding the requirement of 200 notified districts under NREGA), only 17 lakh MTs has been provided by the Ministry of Food. Due to limited availability of foodgrains stock, this Ministry decided to reduce the distribution of foodgrains per manday from 5 kg. to

3 kg. Accordingly, this Ministry moved the proposal to the Planning Commission and the Ministry of Finance to provide cash compensation in lieu of reduced quantity of foodgrains. It has now been decided to provide additional allocation of Rs.1318 crore for reduced foodgrain in 2005-06 and 2006-07.

Further, despite the fact, the allocation of foodgrains was below the required level, FCI is not able to ensure proper supply of foodgrains in the NE States, Bihar and Jharkhand due to logistical and managerial problems. The States like Uttar Pradesh are also facing the similar problems of short supply of foodgrains through FCI and as per the recent communication received from the Commissionr (RD), Government of U.P. the districts could not lift the allocated quantity of foodgrailns during the current year. Due to short supply of wheat, M.P. was allocated and released rice instead of wheat which is being preferred by the wage earners in most part of the State. In case of Kerala, State R.D. Secretary informed that the boiled rice in the State is available inadequate quantity through other programmes like public distribution system etc. and that the wage earners wanted that raw rice to be given under SGRY. However, FCI is not in a position to provide raw rice as preferred by the wage earners in the State of Kerala. Similar problems have also be reported by the other States.

The SGRY programme has been shrinking in the States/districts where foodgrains are in short supply.

Further due to inadequate budgetary provision for payment to FCI against foodgrains supplied by them, the accumulated liability against outstanding FCI Bills is of the order of Rs.31,189 crores. The Government of India has decided to allow FCI to raise Special Securities to Rs.16,200 crores in 2006-07 to liquidate liabilities against pending bills. To liquidate the balance liabilities (Rs.14,989 crores) adequate budgetary provision is to be made by the Ministry of Finance.

The other areas of concern relates to the provisions in the SGRY guidelines. The SGRY guidelines did not provide the procedural aspects to be followed as registration of workers, issuance of job cards etc. leading to improper maintenance of important records, such as muster rolls etc. Further, the guidelines also did not specify material and wage ratio leading to material intensive works being undertaken under SGRY programme.

Further, the SGRY is an allocation-based programme. For this reason, adequate number of mandays could not be created per worker per year. The average number of mandays generation per worker per year comes to around 28.81 days.

It may be pointed out that 22.5% annual allocation of District and Intermediate Panchayat has been earmarked for extending benefits to individual/group BPL SC/ST families. In addition, specified percentage of District and Intermediate Panchayat has also been earmarked for BPL minorities. However, no objective criteria for selection of beneficiaries was detailed in the SGRY guidelines.

Further, some States have been providing dwelling units and sanitary latrines in large scale under earmarked provision for BPL SC/ST, which are not income generating assets.

The above points have been major cause of concern for implementation of SGRY. Accordingly, this Ministry has taken steps to rectify these discrepancies, which are briefly discussed in the following paragraph.

25. INITIATIVES TAKEN

(a) SGRY Guidelines have been simplified and made more flexible for easy and smooth implementation with effect from 1st April, 2004:-

(i) To ensure people's participation and more transparency in the implementation of the schemes, Monitoring Committees of villagers will be formed by the Gram Sabha which will keep a tap on the implementation of the projects.

(ii) District Panchayat can utilize upto Rs.1 lakh for training/ capacity building of officials/ non-officials of PRIs was introduced.

(iii) Provision has been made for Administrative contingency at Intermediate Panchayats upto 2% of resources.

(iv) Summary of Inspections conducted by State Officials is to be attached with proposal for release of second instalment.

(b) Provision of providing houses under 22.5% reserve for individual beneficiary scheme for SCs/STs has been deleted to ensure distribution of more income generating assets for sustainable income generation.

(c) On account of logistical or infrastructure problems affecting foodgrains availability, it has been decided as a special case that foodgrains be given to the labourers under the SGRY at the rate of 3 kg instead of 5 kg per manday as part of wages from Ist November, 2005 and till 31st March, 2006 which has been continued during 2006-07.

(d) The State Governments have been urged to pass on necessary instructions to all concerned for timely payment of wages and timely and adequate supply of foodgrains. If the foodgrains are not available, wages should be paid in cash and in no case, the payment of wages is delayed.

(e) Additional grants will be provided for reduced quantity of foodgrains provided funds are made available under the Supplementary Grants.

(f) A specified percentage of allocation of District and Intermediate Panchayats has been earmarked for BPL Minority families for extending assistance under individual beneficiary scheme of SGRY.

(g) Instructions have been issued to the State Governments to take BPL List as a basis for selection of BPL SC/ST and BPL Minority families for extending assistance under earmarked provision for individual beneficiary scheme under SGRY.

(h) Procedural aspects of SGRY are being addressed now in NREGA in which this programme would subsume.

26. 11th Plan Indications

As per the decision of the Government of India, SGRY programme is to subsume entirely into NREGA in a phased manner within 5 years from notification of the NREG Act on 5th September, 2005. Thus, the SGRY is to discontinue before the targeted date i.e. 5th September, 2010.

With the launch of NREGA in its first phase on 2.2.2006, the SGRY programme in 200 notified districts has already subsumed into NREGA. SGRY programme in around 50 districts is to subsume into SGRY in the 2nd phase from 2007-08.

Keeping in view the problems relating to foodgrains as detailed in the preceding paragraphs, the problem may continue in coming years during the 11th Plan period. Therefore, a reduced allocation of 15 lakh MTs has been made in 2007-08, which would lead to shrinking of the programme.

Under Special Component of SGRY only foodgrains are provided to the natural calamity affected areas. No allocation of foodgrains has so far been made under Special Component of SGRY for the year 2007-08.