

Sampoorna Grameen Rozgar Yojana (SGRY)

There were two major Programmes of this Ministry for Wage-Employment Generation in the rural areas, one dedicated to wage-employment itself namely the Employment Assurance Scheme (EAS) and the other for Infrastructure creation at the village level known as the Jawahar Gram Samridhi Yojana(JGSY). The EAS was basically meant for creation of additional employment opportunities during the period of acute shortage of wage employment through manual work for the rural poor living below the poverty line and the JGSY aimed at creation of need based rural infrastructure at the village level. These programmes contributed to a great extent in alleviating rural poverty and in improving

quality of rural life. To meet an unusual high demand for wage-employment and food security due to occurrence of calamities, the Food For Work Programme was introduced in January 2001 and was also continued in the year 2001-2002.

The need was felt that the different programmes for wage-employment in the rural areas be merged and one ambitious programme be introduced which would take care of food security, additional wage-employment and village infrastructure at the same time. With this noble idea, a new Wage-Employment Programme namely the Sampoorna Grameen Rozgar Yojana (SGRY) was announced by the Hon'ble Prime Minister from the ramparts of the Red Fort on 15th



Gainful Employment, food security and strengthening of infrastructure through SGRY

August 2001. The new programme was launched on 25th September 2001 with an annual outlay of Rs.10,000 crores. Under the Scheme, 50 lakh tonnes of foodgrains amounting to Rs.5,000 crores (at economic cost) will be provided every year free of cost to the State Governments and Union Territory Administrations. The remaining funds will be utilized to meet the cash component of wages and the material cost. The expenditure of the scheme will be shared by Centre and States in the ratio of 87.5 : 12.5. Under the Scheme, about 100 crore mandays of wage-employment is envisaged to be generated every year. Even though the EAS and the JGSY have been merged with this new Scheme, in order to avoid confusion, these two Schemes will be implemented as a part of the SGRY during the remaining part of the year 2001-2002.



Generating wage employment under SGRY

Salient Features of the Sampoorna Grameen Rozgar Yojana (SGRY).

- The Sampoorna Grameen Rozgar Yojana (SGRY) has been launched w.e.f. September 25, 2001 to provide Wage Employment in the rural areas.
- Under the Scheme, 50 lakh tonnes of foodgrains amounting to Rs. 5,000 crore (at economic cost) will be provided every year, free of cost, to the State Governments and Union Territory Administrations.
- The remaining funds (Rs. 5,000 crores), will be utilized, to meet the cash component of wages and material cost.
- The expenditure of the scheme will be shared by the Centre and State in the ratio of 87.5:12.5. However the Cash Component is shared between centre and state in the ratio of 75:25.
- The payment of foodgrains will be made by the Ministry of Rural Development to the Food Corporation of India (FCI) directly.
- About 100 crore mandays of employment are envisaged to be generated every

year in the rural areas through the SGRY.

- The SGRY will be implemented in two streams. First Stream will be implemented at the District and Intermediate Panchayat levels and the Second Stream, will be implemented at the Village Panchayat Level.
- The basic objective of the first stream would be to provide additional Wage-Employment while the second stream would primarily aim at creation of need based rural infrastructure.

Though, the EAS and the JGSY have been merged with the Sampoorna Grameen Rozgar Yojana (SGRY), but for the convenience of implementation and accounting, the funds are being released under the EAS and the JGSY separately as earlier during the current year i.e. 2001-02. The programme will be implemented as a single unit from 2002-03. However, the component of food security has been added in the EAS and the JGSY during the current year itself as envisaged under the SGRY. The details of these two programmes are as follows:

Employment Assurance Scheme (EAS)

The Employment Assurance Scheme

(EAS) was introduced w.e.f. 2nd October, 1993 in the rural areas of 1778 blocks of the country situated in drought prone areas, desert, tribal and hill areas. Over the years the Scheme was extended to all the Rural Blocks of the country. Prior to 1.4.99 the Scheme was a demand driven scheme. With effect from 1.4.99 it became an allocation-based Scheme.

Objective

The primary objective of the EAS is creation of additional employment opportunities during the period of acute shortage of wage employment through manual work for the rural poor living below the poverty line. The secondary objective is the creation of durable community, social and economic assets for sustained employment and development. The Scheme is open to all rural poor who are in need of wage employment. Since the programme is self-targeting in nature and only the



Construction of Minor Irrigation Project under EAS

minimum wages are paid, it is expected that only persons below the poverty line would come for the unskilled work.

Main Features of the Employment Assurance Scheme (EAS)

- Resources under the Scheme are shared between the Centre and States in the proportion of 75:25.
- The Central Assistance under the Scheme is released directly to the District Rural Development Agency (DRDA).
- DRDAs release 70% of funds to the Panchayat Samitis, 30% of the funds are reserved at the Zilla Parishad level and utilized in areas affected by endemic labour exodus/ areas of distress.
- Diversion of funds from one district to another and, similarly, from one Panchayat

Samiti to another is not permitted.

- The Zilla Parishad is the 'Implementation Authority' for the funds released to both Zilla Parishad & Panchayat Samitis.
- The Zilla Parishad has to prepare an Annual Action Plan every year.
- All works under the EAS are executed departmentally only by the respective Implementing Agencies and in no case any contractor is engaged for the execution of these works.
- All works started under the EAS have to be labour intensive and have a wage material ratio of 60:40.
- Priority is to be accorded to the works of soil and moisture conservation, minor irrigation, rejuvenation of drinking water sources and augmentation of ground water,



A Bridge constructed under Employment Assurance Scheme

traditional water harvesting structures, works related to watershed schemes (not watershed development), formation of Rural Roads (linking villages with other villages/block headquarters) and roads linking the villages with agricultural fields, drainage works, forestry etc.

- Zilla Parishads/Panchayat Samitis are permitted to spend upto a maximum of 15% on maintenance of the assets created under the Scheme.
- The Zilla Parishad has to maintain the Employment Register for the entire District.
- Minimum equal wages fixed by the State authorities are paid in cash under the EAS, both for unskilled and skilled labour.

The following works are not allowed under the EAS.

- (1) Building for religious purposes.
- (2) Monuments, Memorials, Statues, Idols,

Arch Gate/Welcome gate.

- (3) Big Bridges.
- (4) Government Office buildings, Panchayat Buildings and compound walls.
- (5) Building for higher secondary schools and colleges.

Budgetary Allocation During 2001-02

The budgetary provision under the EAS for the current year (2001-02) at the Budgetary Estimate stage was Rs. 1600 crore. Consequent upon the launching of the SGRY w.e.f. 25.9.2001, allocation for the EAS (SGRY Ist stream) has been enhanced to Rs. 1875 crore. In addition, foodgrains worth Rs. 2500 crore have also been earmarked for releases to the States/UTs.

Performance of EAS

The performance of the EAS during 2000-01 and the current year 2001-02 is as follows:

A. Financial Performance

(Rs. in crore)

Year	OB	Total allocation (Centre+ State)	Total release (Centre+ State)	Other Receipts	Total available funds	Expenditure	%age exp.
1	2	3	4	5	6	7	8
2000-01	688.74	1682.27	1522.23	37.66	2248.63	1861.11	82.77
2001-02 (upto Nov.)	391.73	2496.74	1232.71*	11.42	1635.86	707.15	43.23

* Includes Central Releases upto 15.01.02

B. Physical Performance

(Lakh Mandays)

Year	Scheduled Caste	Scheduled Tribes	Others	Total	Women	Works Completed (Nos.)	Works in Progress (Nos.)	Foodgrains Authorised (Thousand Tonnes)
1	2	3	4	5	6	7	8	9
2000-01	751.21	483.76	948.95	2183.92	595.99	137722	85596	-
2001-02 (upto Nov.)	302.39	211.37	443.35	964.69	294.66	60073	83003	1406.98

State-wise statement indicating physical and financial performance during the last year and the current year (2001-02) are in Annexure III –IV.

Jawahar Gram Samridhi Yojana (JGSY)

Jawahar Gram Samridhi Yojana (JGSY) was launched w.e.f. 1.4.99 to ensure development of rural infrastructure at the village level by restructuring the erstwhile Jawahar Rozgar Yojana (JRY). The Jawahar Rozgar Yojana was one of

the major wage employment programmes launched in the year 1989 by merging the two wage employment programmes namely National Rural Employment Programme (NREP) & Rural Landless Employment Guarantee Programme (RLEGP). It was the single largest wage employment programme implemented in all the villages of the country through the Panchayati Raj

Institutions. It also, to a great extent, contributed in creating durable rural infrastructure, which is of critical importance in the development of the village economy thereby improving the standard of living of the rural poor. Both Jawahar Rozgar Yojana and Employment Assurance Scheme resulted in the creation of durable assets in the form of school buildings, roads



Strengthening of Village infrastructure under JGSY

and other infrastructure. Under these programmes, the generation of wage employment was getting overriding priority and the effort was to see that in the process of creating employment, durable assets were created.

It was, however, felt that a stage had come when the development of village infrastructure had to be taken up in a planned manner. This could best be done by the Village Panchayats who are closest to the ground realities and can effectively determine their local needs. Accordingly, JRY was restructured and renamed as the Jawahar Gram Samridhi Yojana. The new programme is entirely dedicated to the development of rural infrastructure at the village level and is being implemented by the Village Panchayats. This programme came into effect from 1st April 1999.

Objectives of JGSY

The primary objective of JGSY is creation of demand driven community village infrastructure including durable assets at the village level and assets to enable the rural poor to increase the opportunities for sustained employment.

The secondary objective is generation of wage employment for the unemployed poor in the rural areas.

Main Features of JGSY

- The main emphasis of the Jawahar Gram Samridhi Yojana (JGSY) is to create rural infrastructure at the village level.
- Implementation of the JGSY is done entirely by the Village Panchayats.
- 100% of funds (both Central & State

shares) are released directly to the Village Panchayats through the District Rural Development Agencies (DRDAs)/ Zilla Parishads (ZPs).

- Village Panchayats are the sole authority for preparation of Annual Action Plan and its implementation with the approval of the Gram Sabha.
- The Gram Sabha has been empowered to approve the schemes/works.
- Village Panchayats can execute individual works/schemes costing up to Rs. 50,000/- without technical or administrative approval. However, the Gram Sabha's approval is a must.
- 22.5% of JGSY funds have been earmarked for individual beneficiary schemes for SCs/STs.
- 3% of annual allocation would be utilized for creation of barrier free infrastructure for the disabled.
- Wage employment under the programme shall be given to Below Poverty Line families.
- 30% of the employment opportunities are reserved for women.
- Wages under the JGSY will either be the minimum wages notified by the States or higher wages fixed by States through the prescribed procedure.
- Panchayats can suitably relax 60:40 wage-material ratio for building demand driven rural infrastructure.
- 15 per cent of funds can be spent on maintenance of assets.

- Social Audit by is to be undertaken the Gram Sabha.
- Village level Monitoring & Vigilance Committee are to oversee and supervise the works/schemes undertaken.
- DRDA/ZP is responsible for overall guidance, coordination, supervision, monitoring and periodical reporting.
- Central assistance is provided for training of personnel including elected representatives involved in the implementation of JGSY.

Works Not Allowed To Be Taken Up:

- i. Buildings for religious purposes such as temple, mosque, gurudwara, church etc.
- ii. Monuments, Memorials, Statues, Idols, Arch Gate/Welcome Gate.



A Drinking water well constructed under JGSY

- iii. Bridges.
- iv. Building for higher secondary schools.
- v. Building for colleges.
- vi. Desiltation of tanks.
- vii. Black topping of roads.

Following Works Should Be Given Priority:

- i. Infrastructure for SCs/STs habitations.
- ii. Infrastructure support for SGSY.
- iii. Infrastructure required for supporting agriculture activities in the Village Panchayats.
- iv. Community infrastructure for education and health, and roads
- v. Other social, economic and physical infrastructure

Earmarking Of Resources

There is no sectoral earmarking of resources under JGSY, except the following:

- (a) 22.5% of the annual allocation must be spent on individual beneficiary schemes for SCs/STs as per JGSY Guidelines. Diversion of funds meant for SCs/STs to other works is not permitted.
- (b) 3% of annual allocation would be utilized for creation of barrier free infrastructure for the disabled. In case, funds are not utilized under this Head, the Village Panchayat may utilize the funds for other works under JGSY.
- (c) The State Government are provided an amount of Rs.10.00 lakh or 1% of the

annual allocation, whichever is less, to meet the training expenses of officials and non-officials (elected Panchayat Functionaries) involved in the implementation of JGSY provided at least 75% of this is spent on the training of non-officials (Panchayat Functionaries).

Estimates stage was Rs.1650 crore. Consequent upon the launching of the SGRY w.e.f 25.9.2001 after merging JGSY and EAS, allocation for JGSY (SGRY 2ND stream) has been enhanced to Rs. 1875 crore. In addition, foodgrains worth Rs. 2500 crore have also been earmarked for release to the States/UTs.

Budgetary Allocation During 2001-02

The budgetary provision under the JGSY for the current year (2001-02) at the Budgetary

Review Of Performance

The performance of the JGSY during 2000-01 and the current year 2001-02 is as follows:

A. Financial Performance (Rs. in crore)

Year	OB	Total allocation (Centre+ State)	Total release (Centre+ State)	Total available funds	Expenditure	%age exp.
1	2	3	4	5	6	7
2000-01	592.66	2192.96	1770.09	2362.75	2217.69	93.86
2001-02 (upto Nov.)	359.42	2493.01	1494.77*	1854.19	793.30	42.78

* Includes Central Releases upto 15.01.02

B. Physical Performance (in nos.)

Year	Works completed	Works under Progress	Total Works (2+3)	Works exclusively for SC/STs	Mandays Generated (in lakh)	Foodgrains Authorized (Thousand Tonnes)
1	2	3	4	5	6	7
2000-01	884652	279681	1164333	342819	2683.17	-
2001-02 (upto Nov.)	320462	407334	727796	119599	975.17	1337.25

The State-wise statement indicating physical and financial performance during the last year and the current year (2001-02) are in Annexure V –VI