
UNIT 24 LIVELIHOOD PROTECTION AND SOCIAL SECURITY MEASURES WITH SPECIAL REFERENCE TO MGNREGA

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24.0 OBJECTIVES

After going through this unit, you will be able to:

- state the meaning of social protection and social security;
- explain the theoretical framework relating to social protection;
- analyse the different programmes launched by Government of India and different state governments on social protection;

- describe the objectives and features of MGNREGA;
- analyse the functioning of the different programmes related to livelihood and social protection;
- reviewing the strength and weakness of the programmes;
- suggest the policy measures.

24.1 INTRODUCTION

Uncertainties on account of unemployment, illness, disability, death and old age are experienced by all the people across the world. These inevitable facets of life are said to be threats to one's economic security. In a society, the livelihood of an individual is made up of very diverse elements which taken together constitute the physical, social, cultural and political universe where he lives. Whenever an individual who lives in the society and faces the situation threatening the bare necessity to sustain a minimum livelihood, he needs some help from the society, may it be the family, or any government or private institutions. The term "social security" refers to any programme that aims to help individuals faced with such situations. Such people includes the poor, the elderly, anybody who was physically disabled, and the mentally challenged. The International Labour Organisation (ILO) defines Social Security as "the security that society provides through appropriate organisation against certain risks to which its members are perennially exposed. "These risks are essentially contingencies against which an individual cannot effectively provide by his own ability or foresight alone or even in private combination with his fellows."

Information and awareness are the vital factors in widening the coverage of Social Security schemes. Social protection refers to 'the public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given polity or society.'

24.2 SOCIAL PROTECTION AND SOCIAL SECURITY : CONCEPT

In common parlance, the terms social protection and social security are used interchangeably. However, in development literature the two terms are defined differently, although with some common characteristics.

Social protection is a broader concept and includes both protective and promotional measures. Protective measures are those measures which are directed towards providing safety against risk and vulnerability. Promotional measures are those measures which are aimed at increasing well-being and livelihood conditions of the people. The policies and procedures included in social protection involve five major kinds of activities:

- i) labour market policies and programmes,
- ii) social insurance programmes,
- iii) social assistance,
- iv) micro and area-based schemes, and
- v) child protection.

In a nut shell, the social protection hovers around the promotion of economic strength, protect the deprived, prevention to the subjects from external shocks and diminishing people's exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption/loss of income. On the other hand Social security is a traditional concept and includes measures aimed at providing safety protection during risk and vulnerability against poverty, old age, disability, sickness, orphanage etc.

The ILO has defined social security in World Social Security Report 2010-11, to include all measures providing benefits both in cash and kind to secure protection, from

- a) Lack of work-related income (or insufficient income) caused by sickness, disability, maternity, employment injury, unemployment, old age, or death of a family member;
- b) Lack of access or unaffordable access to health care;
- c) Insufficient family support, particularly for children and adult dependents;
- d) General poverty and social exclusion.

Thus, Social security confine to financial protection in the case of illness and loss of income from work.

Within the ILO framework, social protection includes:

- i) Protective measures: to provide relief from deprivation,
- ii) Preventive measures: to avert deprivation as a result of livelihoods shocks, and
- iii) Promotive measures: to enhance income and capabilities, as well as asset formation

These aim to prevent a decline in living standards, enhancement of general living standards, and expansion of basic capabilities of the population.

24.3 PURPOSE OF SOCIAL PROTECTION

The primary objectives of social protection are to:

- 1) generate confidence among individuals and families that their level of living and quality of life will not erode by social or economic eventuality;
- 2) provide medical care and income security against consequences of defined contingencies;
- 3) facilitate the victims' physical and vocational rehabilitation;
- 4) prevent or reduce ill health and accidents in the occupation;
- 5) protect against unemployment by maintenance and promotion of job creation;
- 6) provide benefit for the maintenance of children.

24.4 SOCIAL PROTECTION LEGISLATION IN NATIONAL CONTEXT

Social protection interventions can be categorised under protective, preventive, promotive and transformative measures. A legislation provides the general welfare by establishing a clear cut system. It extends the rights and obligations of its own

nationals relating to social security. Each country made its own law/advisory to protect its citizen through legislative enactment.

The social protection legislation in India derives its strength and spirit from the Directive Principles of the State Policy (DPSP) and the subjects enlisted in the Concurrent List.

The following social issues are mentioned in the Concurrent List (List III in the Seventh Schedule of the Constitution of India) –

Item No. 23: Social security and insurance, employment and unemployment.

Item No. 24: Welfare of Labour including conditions of work, provident funds, employers' liability, workmen's compensation, invalidity and old age pension and maternity benefits.

Besides above the different articles in the constitution which relates to social security are as under:

Article 38: *State to secure a social order for the promotion of welfare of the people*

- 1) The State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order in which justice, social, economic and political, shall inform all the institutions of the national life.
- 2) The State shall, in particular, strive to minimise the inequalities in income, and endeavour to eliminate inequalities in status, facilities and opportunities, not only amongst individuals but also amongst groups of people residing in different areas or engaged in different vocations.

Article 39: 'The state shall direct its policy towards securing that the citizens, men and women equally, have the right to an adequate means of livelihood'.

Article 41: *Right to work, to education and to public assistance in certain cases*

The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement, and in other cases of undeserved want.

Article 42: *Provision for just and humane conditions of work and maternity relief*

The State shall make provision for securing just and humane conditions of work and for maternity relief.

Article 43: *Living wage, etc., for workers*

The State shall endeavour to secure, by suitable legislation or economic organisation or in any other way, to all workers, agricultural, industrial or otherwise, work, a living wage, conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities and, in particular, the State shall endeavour to promote cottage industries on an individual or co-operative basis in rural areas.

Drawing from the Constitution of India and ILO Convention on Social Security,

some of the legislations that have been enacted for social security in India are as follows:

- a) **The Employees' State Insurance Act, 1948** provides benefit to workers, in the event of sickness, maternity and employment injury, in the form of payment of sick leave, hospitalisation, etc. The scheme provides two types of social security cover namely - (a) Medical Care and (b) Cash Benefits. Medical care is provided to the insured persons and their family members through a vast network of panel clinics, ESI dispensaries and hospitals generally within the vicinity of their residential areas. The cash benefits on the other hand include Sickness benefits, Maternity benefits, Disablement benefit, Benefits after retirement, Dependents' benefits, Funeral Expenses, Rehabilitation allowance and Standard benefits.
- b) **The Employees' Provident Funds and Miscellaneous Provisions Act, 1952:** This Act provides for the institution of compulsory provident funds for employees in factories and other establishments, employing 20 or more workers. Three schemes are in force under this Act: (a) Employees' Provident Fund Scheme, 1952; (b) Employees' Pension Scheme, 1995, and (c) Employees' Deposit Linked Insurance Scheme, 1976.
- c) **Employees' Provident Fund Scheme, 1952:** This scheme provides for financial assistance by allowing partial withdrawals to subscribers in situations like illness, invalidation, etc., and to finance such of their requirements as marriage or higher education of children or construction of dwelling house.
- d) **The Workmen's Compensation Act, 1923:** The Workmen's Compensation Act is the oldest of the social security legislations intended for the welfare of workers. This Act makes it obligatory for the employers to provide compensation to workmen or their survivors in case of injuries and occupational diseases sustained during the course of employment and resulting in disablement or death.
- e) **The Maternity Benefit Act, 1961** provides maternity protection before and after childbirth, through payment of wages for up to 12 weeks during the absence of maternity, of which not more than 6 weeks before delivery and remaining period after delivery, as also certain other benefits.
- f) **The Payment of Gratuity Act, 1972** applies to every factory, mine, oilfield, plantation, port and railway company and every shops or establishments having a minimum of 10 employees, and provides for gratuity of payments at the end of service. To be eligible for gratuity the employees should have a minimum continuous service of 5 years. This Act provides for payment of a lump sum gratuity to the employees. Under the Scheme, Gratuity is payable @ 15 days wages for every completed year of service subject to monetary ceiling of Rs.3.50 lakh.
- g) **Mahatma Gandhi National Rural Employment Guarantee Act, 2005** aims at curbing unemployment or unproductive employment in rural areas. It focuses on enhancing livelihood security to rural people by guaranteeing productive wage employment for at least 100 days in a year. The details of this Act has been discussed later on in this unit.
- h) **Unorganised Workers' Social Security Act, 2008** targets at extending social security measures to unorganised sector workers. The law aims at

extending benefits to workers in informal sector similar to that of formal sector workers. The Act broadly covers life and disability, health and maternity benefits, old age protection, any other benefit as may be determined by the Central Government.

- i) **Domestic Workers Act, 2008** aims at regulating payment and working conditions of domestic workers and entitles every registered domestic worker to receive pension, maternity benefits and a paid weekly leave.

24.5 SOCIAL PROTECTION MEASURES IN INDIA

The support led policy on social protection measures of the government can be divided into three broad categories i.e. promotional, protective and preventive. However, we cannot have a water tight compartment among these three categories. **Promotional measures** aims at improving endowments, real incomes and social consumption. Asset provision, investment in human capital and provision of basic needs are considered to be promotional. On the other hand **preventive measures** seek more directly to avert deprivation in specific ways. The **protective measures** are the measures which guarantee relief from deprivation. Employment guarantee works, minimum wages and food subsidies as well as conventional social security such as compensation against sickness, injury etc. are the **protective measures**. The programmes such as old age pensions, widow pensions, survivor benefits etc., provide a certain degree of financial support to poor or destitute persons facing specified adverse contingencies. Another potential advantage of protective schemes is simplicity and relatively low administrative costs if appropriately designed.

Protective social security measures include are national level and state level schemes to provide a financial cushion against contingent poverty that seriously affects the poor, such as sickness, accidents, old age and maturity.

Promotional social security measures include as follows:

- i) Wage employment programmes such as EGS, JRY
- ii) Self Employment programmes such as IRDP and SGSY, NREGA
- iii) Provision of basic needs: primary education, basic health services, etc.
- iv) Public Distribution System (PDS) and nutrition programmes such as Integrated Child Development Services (ICDS) and mid-day meal schemes
- v) Reducing Social Exclusion: Reservations for certain classes is part of an attempt to reduce social exclusion

It may be noted that some of the promotional measures listed above can also be protective

The protective measures includes

- i) National Old Age Pension Scheme (NOAPS)
- ii) National Family Benefit Scheme (NFBS)
- iii) National Maternity Benefit Scheme (NMBS).

The promotional social security measures can be divided into different components as follows: (a) food and nutrition security, (b) Health Security, (c) Educational Security and (d) Employment security whereas the protective social security

measures can be Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit Scheme (NFBS) and Annapurna.

24.5.1 Food Security

Food security means the easy availability and access of food at all times in sufficient quantity in a safe and nutritious form to meet the dietary requirements and food preferences for an active, healthy and productive life. This should also be adequate in terms of quantity, quality and variety and is acceptable to culture. Food security is one of the pre requisite for economic and social stability of a nation. The availability, access and stability are three important indicators which should be analysed in the context of food security.

There are four main dimensions of food security: the physical availability of food; economic, social and physical access to food; food utilisation; and the stability of the other three dimensions over time. The definition is the result of important advances in the meaning and common understanding of food security. The food security debate mainly concentrates on the physical availability of food. But physical availability itself does not guarantee household level food security. Hence high physical food availability in a particular region may not necessarily means there is no hunger in that region and vice-à-versa.

The National and State governments implement different food security schemes to tackle food insecurity and malnutrition. These are related to various government sectors, since they seek to support agricultural production, distribution, purchase and use, as well as to ensure the provision of health and nutritional services, sanitation and others. Initiatives include subsidised food sales, school meals for targeted vulnerable citizens. They include longstanding schemes such as the Integrated Child Development Service (ICDS), which has been in place since 1975 and seeks to provide education, nutrition and health services to women and children; and recent initiatives such as the National Food Security Mission, launched in 2007, which aims to increase crop productivity, and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) of 2005, which offers rural households a minimum of 100 days of guaranteed employment per year.

The most widely implemented food security scheme is the Public Distribution System (which later formed as Targeted Public Distribution System with some modification in its content, scope and objectives). Under the scheme, the government provides distribution of cereals, as well as sugar and Kerosine oil through fair price shops at subsidised price. The other important scheme on food security is the Antodaya Anna Yojana (AAY) which caters to the poorest of the poor section of population. Under these schemes, all the households are divided into Above Poverty Line (APL) and Below Poverty Line (BPL) based on the planning commission cut off income. These two groups are treated separately in terms of price and quantity of food grain.

The targeted PDS has not been effective in ensuring food security to the needy. It suffers from several weaknesses: First, targeting has led to the large-scale exclusion of genuinely needy persons from the PDS. Secondly, targeting has affected the functioning and economic viability of the PDS network adversely and led to a collapse of the delivery system. Thirdly, TPDS has failed to achieve the objective of price stabilisation through transfer of cereals from surplus to deficit regions of

the country. Lastly, there are reports of large-scale leakages from the PDS, that is, of grain being diverted and not reaching the final consumer.

The other two major food security programmes in India include the mid-day meal scheme (MDM) and Integrated Child Care Development Scheme (ICDS). While the PDS provides indirect nutritional support, the MDM and ICDS provide direct targeted nutritional support by providing cooked food to the vulnerable among poor especially children. With a view to enhance enrolment, attendance and retention and also improving the child health by increasing nutrition levels among children, the National Programme of Nutritional Support to Primary Education known as Mid-Day Meal (MDM) Programme was launched in India as a Centrally Sponsored Scheme. The ICDS Scheme represents one of the world's largest and most unique programmes for early childhood development. ICDS provide pre-school education on one hand and breaking the vicious cycle of malnutrition, morbidity, reduced learning capacity and mortality, on the other. The details of the programmes have been given in Annexure of this unit.

24.5.2 Health Security

Ensuring Health security is a challenge for India, given its huge population and high levels of poverty and malnutrition. In India About 40 per cent of children under the age of 3 are underweight, around half of pregnant women are anaemic, and the majority of women do not have access to toilet facilities and safe drinking water. As per NFHS III, 2005-06, the infant mortality rate in India is 57 as compared to 11 in Sri Lanka and 27 in China. On the other hand only 44 per cent of children are fully immunised. It is very important to note that 79 per cent of children within the age group of 6-35 months suffer from anemia in India. Per cent of women and men within the age of 15-49 years having anemia is 55 and 24 respectively in India. These figures indicate the deteriorating health condition in India.

Some scholars have focussed on economic instruments to health care security emphasising initiatives such as insurance markets and community based health insurance as an adjunct to a public health service system of varied strengths across the Indian states. India faces multiple health security challenges. Good health status and health care is necessary to bring much of this to fruition, not just for individuals but for the nation at large. The World Health Organisation focuses on investment in health to build a safer future. It focussed on humanitarian emergencies and public health emergencies such as emerging diseases, health risks from effects of climate change or environmental degradation, and other acute health threats.

Health insurance is one of the important components of health security in India. India does not have a comprehensive health insurance programme which is commonly accessed by the poor who cannot afford for the insurance premium. In a country like India where public health care suffers from poor management, low service quality, weak finances, and lack of responsiveness to patients' needs and demands, development of health insurance is likely to bring improvement in public health care system. Ideally, certain basic health services, including patient care, must be made available to every member of the society. These services must be paid through insurance, which means that every member must have health insurance cover or at least have *access* to health insurance, with government subsidising insurance premium, in full or in part, for those who cannot afford it. Community based health insurance (CBHI) is more suited than alternative arrangements to provide health insurance to the low-income people living in developing countries.

Two form of CBHI found in India, the first, where an NGO acts as an intermediary between a formal insurance provider and the insured community and secondly, where the NGO itself provides insurance to the target community. However, these insurance systems has a limited spread in India.

Despite a plethora of health related programmes, the performance of public health care system is far from satisfactory. The development of community based health financing schemes focusing on health need of poor, reforms on health insurance, planning, designing and capacity development are the measure issues in health programmes in India.

24.5.3 Income/Employment Security

For achieving a minimum standard of living (a minimum food, shelter and clother) a reasonable level of productive employment/income is needed at each household level.

Although high labour intensive pattern of economic growth is important for creating productive employment. However, the private enterprise and capital cannot provide gainful work for all due to distortions in the labour and other market. Hence public intervention is necessary to ensure adequate opportunities and also enable the labour force to access these opportunities. The question is how to make employment productive apart from creating more jobs. Gainful work accompanied by job creation should be the important strategy for employment security.

As we have learnt in Unit 12 that in India more than 90 per cent of the working population is engaged in unorganised sector characterised by low earnings, poor working condition and lack of social security protection. Hence it can be clearly visualised that the poverty among casual labour in India is extremely high.

The employment and income generating programmes can be divided into

- wage employment, and
- self employment programmes

The labour intensive public works can play an important role to tackle the problem in rural India. They are easy to administer as they are based on self targeting mechanism. They help in increasing income of participating households, and has an impact on agricultural growth and increase in wage rate. These public works programmes are also helpful during natural calamities like flood and drought. The Jawahar Rojagar Yojana (JRY) and Employment Assuarance Scheme are the examples of such kind.

The other type of employment security programme is the self employment programme. The self employment programme aims to improve the skill of the workers. The details of the programme on SGRY and SGSY have been provided in Annexure of this unit.

Check Your Progress 1

- 1) What is the distinction between Social Security and Social Protection?

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- 2) Mention the important articles of the Constitution of India giving force for enactment of various legislations relating to social security.

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- 3) State the various dimensions of food security.

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- 4) Why health security is a challenge for India?

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24.6 THE MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA) 2005*

24.6.1 Objectives of the Act

- i) providing a right based 100 days employment in a year to strengthen the subsistence livelihood support, enhancing the rural households purchasing power and capacity to alleviate hunger; and
- ii) directing the colossal amount of wages towards creating productive and durable assets of irrigation, drought proofing, land and water conservation, horticulture and connectivity to general prosperous livelihood support system. The ultimate objective was to benefit the entire community by providing employment; raising agricultural productivity and increasing natural resource base, particularly water. The process envisaged to attain the objectives would result in strengthening the grassroots processes of democracy and infusing transparency and accountability in governance.

24.6.2 Features of the Programme

- i) The adult members of the rural households apply to the local panchayats seeking registration for employment;
- ii) issue of job cards by the panchayat within 15 days from the date of application;

*By virtue of being MGNREGA as job guarantee scheme, it is also mentioned as MGNREG Scheme (MGNREGS)

- ii) written application by the job card holders to the panchayat seeking employment;
- iv) issue of dated receipt of written application for employment;
- v) provision of employment within 15 days of application for work failing which payment of unemployment allowance;
- vi) provision of work within a radius of 5 km from the village (payment of extra wages of 10 per cent, if the work provided is beyond 5 km);
- vii) payment of wages as per the minimum wages act;
- viii) provision of equal wages for men and women;
- ix) disbursement of wages on a weekly basis;
- x) women should constitute one-third of the workers;
- xi) provision of facilities at the work site;
- xii) shelf of project as recommended by the Grama panchayat and approved by Zilla parishad;
- xiii) permissible works are predominantly soil and water conservation, afforestation and land development;
- xiv) wage material cost ratio should be 60 : 40 (no room for machine and contractors);
- xv) social audit has to be undertaken by the Grama Sabha;
- xvi) institution of grievances redressal mechanism for ensuring responsive implementation process; and
- xvii) all accounts are subject to public scrutiny resulting in accountability and transparency of the scheme.

24.6.3 Working of the Programme

MGNREGA is the first tangible commitment to the poor that they can expect to earn a living wage without loss of dignity and demand this as a right. MGNREGA has benefited the people especially the marginalised and the poor on several counts. Evidences from the field and the analysis of the macro data have brought to light the various merits of the scheme and its impact on the target beneficiaries. The scheme has certain drawbacks / shortcomings too. They are not related to the scheme as such but the way in which it is implemented or executed. We would discuss the benefits of the scheme to the target groups. The benefits listed here are based on the field reports/studies conducted across the country.

24.6.4 Status of Implementation

The good part of the programme in implementation is that majority of beneficiaries belongs to the target groups like SC, ST, lower OBCs, Landless and nearly landless, casual labour in agriculture and migrant workers as would be seen from Figure 24.1.

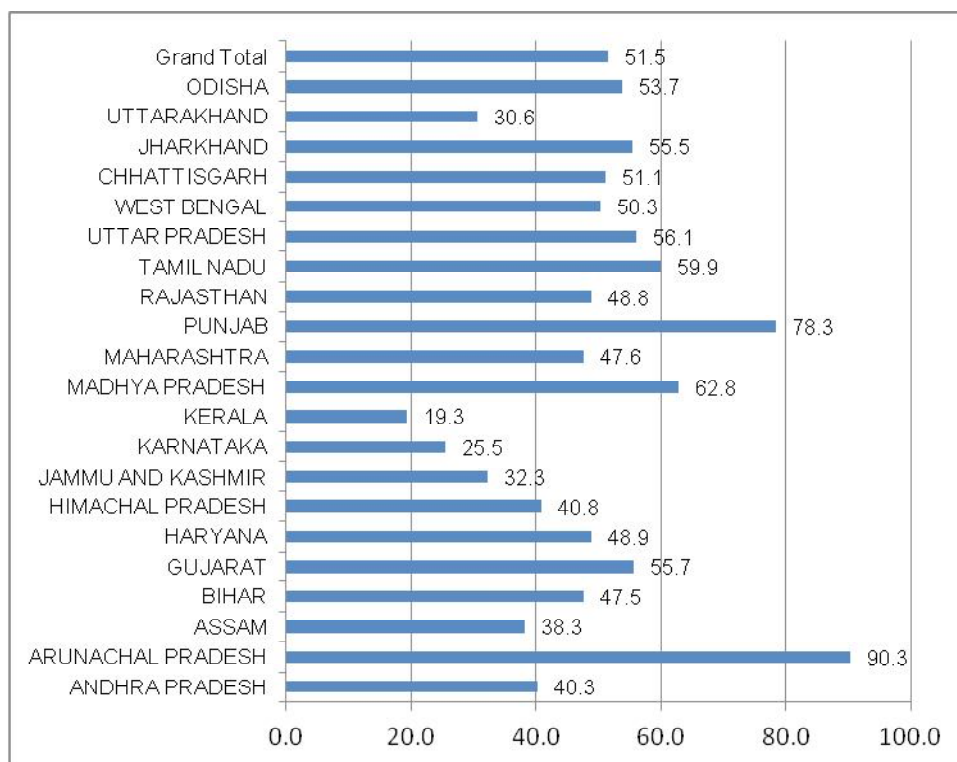


Fig. 24.1: Share of SC/ST in total employment generated under MGNREGA, 2010-11

Source: Source: Calculated from <http://nrega.nic.in>

The basic aim of this programme is to provide 100 days of employment for every household who demand work under NREGA. Out of the total number of households who demanded employment, only 14 per cent in 2010-11 of households got 100 days of employment whereas in 2008-09 the figure was 10 per cent. One important point derived from the Figure 24.2 is that the per centage of households that got 100 days of employment has increased from. The statewise analysis shows that Rajasthan has scored over all other states on this parameter.

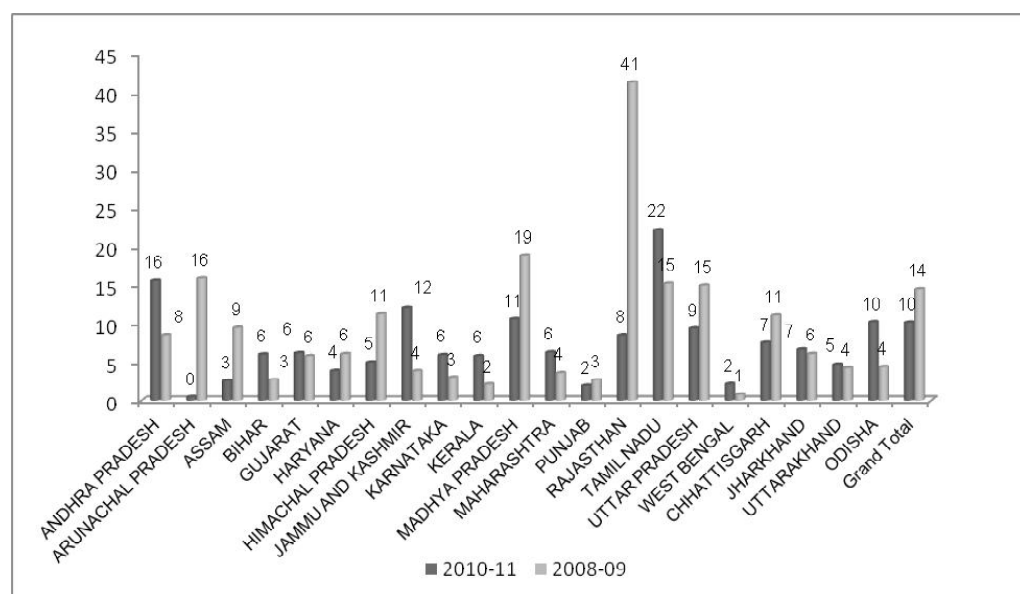


Fig. 24.2 : Percentage of Households Availed 100 days of Employment (2008-09 and 2010-11)

Source: Calculated from <http://nrega.nic.in>

The Schedule II, Para 6, of MGNREGA defined that “Priority” should be given to women in the allocation of work in such a way that at least one-third of the beneficiaries shall be women. In a broad analysis, NREGA reduces the wage inequality between gender and at the same time empower women. It committed that 33 per cent of workers must be women. At an all-India level, women’s employment as a per centage of total employment in MGNREGA works was 47.73 per cent in 2010-11. Kerala has the highest proportion of women participation in MGNREGA work, whereas in Jammu and Kashmir the corresponding figure is the lowest.

Table 24.1 : Share of women in total person days, 2008-09 and 2010-11.

States	2008-09	2010-11
Andhra Pradesh	58.2	57.1
Arunachal Pradesh	26.1	33.2
Assam	27.2	26.5
Bihar	30.0	28.5
Gujarat	42.8	44.2
Haryana	30.6	35.6
Himachal Pradesh	39.0	48.3
Jammu and Kashmir	5.8	7.5
Karnataka	50.4	46.0
Kerala	85.0	90.4
Madhya Pradesh	43.3	44.4
Maharashtra	46.2	45.9
Punjab	24.6	33.8
Rajasthan	67.1	68.3
Tamil Nadu	79.7	82.6
Uttar Pradesh	18.1	21.4
West Bengal	26.5	33.7
Chhattisgarh	47.4	48.6
Jharkhand	28.5	33.5
Uttarakhand	36.9	40.3
Odisha	37.6	39.4
India	47.9	47.7

Source: Calculated from <http://nrega.nic.in>

24.6.5 Critical Evaluation of the Programme

24.6.5.1 Achievements

Some of the major socio-economic achievements of NREGA which have been brought out in major research and evaluation studies are as follows:

- Hike in Wage Rates:** One of the significant economic impacts of NREGA is its contribution in increasing the wage rate in the rural areas which was not only low but stagnant as well. There was also a wide gap in the male-female wage rates. The minimum wage rate of Rs. 100 as envisioned in MGNREGA ensures payment irrespective of the sex. It increased the wage level across the private sector benefiting both the families that could not avail MGNREGA work and families that had completed NREGA quota of 100 days work. It provided the poor with required support in the labour market by not letting them below a certain level. It has increased the bargaining power of the poor people in the labour market. The voiceless workers now can bargain better wage.

- ii) **Assured Income:** Though MGNREGA guarantees only 100 days of employment, it has been found that during the lean season of work, it becomes only source of assured income. The scheme has improved the lives of the people and has brought stability and assured income to the families that were until recently desperately poor. A study by IAMR revealed that the low earning level of a number of beneficiaries declined and the number of households reporting marginally higher income has increased.
- iii) **Transformed Spending Pattern:** It has been found that there is a major shift in the expenditure pattern in both food and non-food items. A study revealed that many households have purchased livestock like sheep and goat.
- iv) **Attitudinal Shift:** Other than the economic achievements, MGNREGA have also brought many social transformations. It has impacted on the social structure of the villages. Cases have been found when land owning upper caste groups working in the farms of SC/ST households. People are reported to have said that they will all work together as a group and not on caste basis. It is a common sight in many of the states that petty shop owners, stone cutters, people of different caste groups and land owners of different types (marginal, small and big) participate and work together under MGNREGA.
- v) **Curb on Rural Emigration:** There has been many cases of “distress migration” in rural areas especially when an area was struck by drought, famine, flood or other natural calamities. Empirical study reports that the people / beneficiaries no longer have to move places to places looking for work. The migration has fallen sharply. The rural to urban migration reduced drastically due to this programme.
- vi) **Women Empowerment:** Work Participation Rate of women which has been low has increased drastically. In many states female work participation rate surpassed men’s participation. A sense of independence and security has been perceived by many women working under MGNREGA. Wages earned under MGNREGA has helped women pay the debt and retrieve the pawned gold; helped them in taking care of children’s education; enabled them to meet the day-to-day household expenses and facilitated them to save money.
- vii) **Strengthening of Panchayats:** The functioning of MGNREGA has strengthened the Gram Panchayat. The entire implementation process is in the hands of panchayat. Identification of work, implementation of work, disbursement of wages and social auditing has become the responsibility of Gram panchayat. This has provided a vast scope for strengthening Gram sabhas and the panchayat which in turn helps building participatory democracy.
- viii) **Social capital created:** MGNREGA has helped in creating productive assets. This provides a great deal of opportunities for frequent interaction resulting in mutual trust and social capital. Nurkse, the economist said that, capital starved over populated countries could build social capital in a big way by employing the surplus labour on a variety of projects. The massive effort in building social capital through MGNREGA could trigger higher productivity of land and labour, diversification of agriculture and foster industrial growth. It would mitigate the sufferings inflicted by chronic drought and flash flood.
- ix) **Transparency and Corruption Free Arrangements:** The internalisation of social audits in MGNREGA facilitates disclosure and transparency. It is intended to identify and plug pilferages and corruption which in turn helps

building awareness and confidence in beneficiaries who learn over the time, to become vigilant and assertive. As a result, the village people had fully internalised their rights and entitlements. Transparency safeguards to prevent corruption in MGNREGA is to keep muster rolls at the worksite, displaying it at the panchayat office and reading it out in public at the time of wage payments. Employment and wage details have to be recorded in the job cards to enable the workers to check and verify the records for themselves. No contractors are allowed. Certain States like Andhra Pradesh have been making rapid strides in this direction through strict record keeping, institution of social audit and payment of wages through post offices. A survey conducted in Orissa revealed that 95 per cent of the wages paid according to the muster-roll had actually related the labourers concerned. This is a major achievement especially in contrast with the situations two years ago, where a similar study in the same area had uncovered evidences of massive fraud in National Food for Works Programme.

24.6.5.2 Drawbacks

Having discussed the major achievements of MGNREGS, let us also discuss some of its drawbacks which is largely related to the implementation process. These are:

i) **Partial Fulfillment of the Objectives:**

There are two major objectives of MGNREGA: i) provision of 100 days of unskilled employment in a financial year; and ii) creation of productive and durable assets that would enhance agricultural productivity. Between the two, the first objectives gets greater emphasis whereas the second objective is suffering. Even social audit lays emphasis on matters related to the registration, issue of job cards, allocation of work, timely wage payment and worksite facilities rather than the utilisation of works completed, increase in production, multiplier effects of income generation, issue of ownership, operationalisation and maintenance of assets created on the public land. An alarming fact is that during the last three and half years (till August 2009) 19.49 lakh works have been taken up, out of which, only 2.69 lakh (13.69 per cent) works are reported to have been completed.

ii) **Prolonged Delay in wage payment:** The provision of the Act makes it mandatory to make the payment within 15 days. However, studies from the field have reported a prolonged delay in the payment of wages. The blame largely rests at the bank and post offices which are unable to handle large mass of payment. Some other important reasons are delay in issuing payment order to the banks and post offices by the panchayat, delay in work measurement, bottlenecks in flow of funds and irresponsible record keeping.

iii) **Inadequate Human Resource:** Shortage of adequate staffs to implement the NREGS is another drawback which is hindering its proper implementation. Currently, in many of the states, implementation of MGNREGS has been assigned to the already overburdened administrative staff. MGNREGS is being an “additional charge”, staff generally do not devote themselves. As a result, delays and poor quality output is usually the outcome. Attempts to “piggyback” a radically new people-centered programme on to a moribund bureaucratic structure of implementation simply does not work. For smooth functioning and monitoring the MGNREGA programme, a full time officer need to be appointed. But the Comptroller and Auditor General (CAG)

report 2007 finds that 19 States had not appointed these officers in 70 per cent of the blocks surveyed. Here an important point to keep in mind that the MGNREGA is not a programme that can work on “additional charge”. Besides, one Employment Guarantee Assistant (ESA) was to be appointed in each Gram panchayat. According to the CAG Report, 52 per cent of the 513 Gram panchayats surveyed had not appointed the ESA. As a consequence of shortage of staff, there were delays in execution of works and payment of wages on account of lack of measurements.

- iv) **Delay in issue of job cards:** MGNREGS guarantee a worker’s job within 15 days of application. However, in reality, it is far from being achieved. A study by the Institute of Applied Manpower Research indicated that 80 per cent of the households are yet to get job within 15 days of their demand for work and worse still they were not given unemployment allowance either.
- v) **Withholding job cards:** Possession of job card provides a legal entitlement and guarantee to seek job from the Panchayat. The job card should be with the households. However, some evidence from the field shows that the village panchayats withhold the job cards with them. This is likely to result in non-payment of statutory minimum wages, fudging of musterrolls leading to large scale corruption in the scheme. This sets a very bad precedent tarnishing the very image of the noble scheme and should be nipped in the bud in order to make the scheme a success.
- vi) **Far from 100 days of Employment:** 100 days of guaranteed employment is a statutory requirement of the Act. However, majority of the households work only for an average of 50 days. For instance, the average person days employed per household was less than 50 in 24 out of 34 states. This clearly shows that a lot need to be done to ensure 100 days of work to all the rural households in all the states.
- vii) **Irregular Meeting of Gram Sabha:** Grama Sabha has a very crucial role in implementing MGNREGS. The preparation of projects; appraisal of projects and conducting social audit etc. requires regular meeting of the Grama Sabha. The proper implementation either gets fudged or delayed if the Sabha does not take an active interest.
- vii) **Lack of Proper Monitoring:** In the era of information technology, proper monitoring is easily facilitated. MGNREGA has developed a good management information system. However, not using the information technology in updated manner kills the very purpose of monitoring. In a study, it is pointed out that it is not able to raise an alert on delays in wage payments because data are normally updated post-facto, thus undermining the very basis of monitoring.

MGNREGA is a one of the important legislation which provide legal guarantee to all rural household to provide employment opportunity. The outcome of the scheme is quite encouraging as it has started yielding dividends in terms of improved wages, improved income, and marginal improvement in living standards and so on. The scheme has come across certain hurdles or shortcomings which include delayed payment of wages, instances of fudging of muster rolls, corruption, more emphasis on employment rather than long-term interest such as ownership and maintenance of assets, shortage of dedicated human resources at the Panchayat level, failure to provide employment within 15 days of demand for work, non-convening of Gram Sabha meetings, uneven performance within the state and across the states

and so on. Despite all these shortcomings, the scheme, which is described unprecedented in the history of employment programme throughout the world, has been slowly and steadily picking up. Steps are being taken to position the safeguard mechanism related to transparency and accountability at all levels. The success of the scheme largely depends on the state, local bodies, and civil society organisations.

24.7 NATIONAL SOCIAL ASSISTANCE PROGRAMME

The National Social Assistance Programme (NSAP) which came into effect from 15th August, 1995 represents a significant step towards the fulfillment of the Directive Principles contained under Article 41 of the Constitution. The programme introduced a National Policy for Social Assistance for the poor and aims at ensuring minimum national standard for social assistance in addition to the benefits that states are currently providing or might provide in future.

NSAP at present, comprises of the following programmes:

24.7.1 National Social Assistance Programme (NSAP), 1995

The NSAP, a 100 per cent centrally sponsored programme is designed to provide protective social security to the very poor citizens. This is the first nationwide programme of cash transfer. This programme intends to provide social assistance benefits to poor households in case of old age, death of main breadwinner and maternity. The programme ensured that Central assistance does not displace States' own expenditure in this respect and that the States/UTs may expand their own coverage of social assistance independently, wherever they wish to do so. The NSAP is implemented by panchyats and municipalities so as to make it more responsive and cost effective. The panchyats and municipalities are encouraged to play an active role in identifying the poor households.

The NSAP will include, for the time being, three benefits as its components, viz.,

- i) National Old Age Pension Scheme (NOAPS)
- ii) National Family Benefit Scheme (NFBS)
- iii) National Maternity Benefit Scheme (NMBS).

a) National Old Age Pension Scheme (NOAPS):

The applicant, who is more than 65 years of age, should be a destitute having little or no regular means of subsistence from his/her own source of income or through the support of family members or other sources. A financial assistance of Rs. 75 p.m. per beneficiary was given earlier, which has now been increased to Rs. 200 p.m. thereby providing half the amount required for crossing the officially determined poverty line per person per month. The coverage under this scheme was 72.8 lakh in 2005-2006.

b) National Family Benefit Scheme (NFBS):

This scheme targets households below poverty line (BPL) after the death of the primary breadwinner in each of these families. The death of such a primary breadwinner should have occurred while he or she is in the age group of 18 to 64 years. The Central assistance under the scheme will be Rs.10,000/- in the case of death of the primary breadwinner. The family benefit will be paid to such

surviving member of the household of the deceased who, after due local inquiry, is determined to be the head of the household.

c) National Maternity Benefit Scheme (NMBS):

The maternity benefit will provide a lumpsum cash assistance of Rs. 500 to pregnant women of households below the poverty line. The benefit will be given for the first two live births provided they are of 19 years of age and above. The maternity benefit will be disbursed in one installment 12-8 weeks prior to the delivery. However, the benefit can be made even after the delivery of child subject to the sanctioning authority being satisfied about the genuineness of the case. The scheme has been transferred from the Ministry of Rural Development to the Department of Health and Family Welfare from 2000-01 and has been redesigned as the *Janani Suraksha Yojana* in which the targeted women in BPL households are provided cash benefits of up to Rs. 1300 in rural areas and up to Rs. 800 in urban areas for ante-natal care and institutional deliveries.

In addition to above, the Central Government has added two more Pension Schemes: these are Indira Gandhi National Widow Pension Scheme (IGNWPS) and Indira Gandhi National Disability Pension Scheme (IGNDPS). Government of India has approved pension to widows in the age group of 40-64 years @ Rs. 200 p.m. per beneficiary for BPL persons with severe or multiple disabilities between the age group of 18-64 years @ Rs. 200 p.m. per beneficiary

Check Your Progress 2

1) State three important features of NREGA.

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2) Which state has performed best in providing 100 days employment under NREGA?

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3) List the important achievements of MGNREGA.

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4) State the drawbacks of MGNREGA.

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- 5) State the various components of National Social Assistance Programme.

24.8 LET US SUM UP

Social Security is one of the important security for a person who is in need of security that may be a short term need or a long term need. With the modernisation/urbanisation and with the break of joint family system, the role of institutions in providing social security has increased day by day. The private institutions have their own limitations. Hence, the need for public institutions in getting out people from the trap of poverty, and insecurity is highly felt. Old age is important. Again in the countries like India where about 92 per cent of workers work in unorganised sector they do not enjoy the benefits of social security, fail to demand for social security like minimum wage rate, accidental benefit and so on. It is also seen in various studies that the awareness about the provision of various schemes on social security, particularly in rural areas, is very low. In view of the foregoing facts, it is encouraging to note that the past decade witnessed an unprecedented revival in the social security scenario of India. Some of these interventions and initiatives invite more informed discussions at the national and international level. A welcome aspect of these new initiatives is the visible efforts of the government towards designing and implementing right-based social security systems, along with enabling governance structures, which *inter alia* seek more participation from all other stakeholders, including the targeted beneficiaries themselves.

24.9 EXERCISES

- 1) What is the distinction between social security and social protection? Why social protection has become the need of hour? Which constitutional provisions provide force for enactment of different social security measures?
- 2) Distinguish between protective measures and promotional measures of social security. Evaluate the promotional measures of social security in India.
- 3) What do you mean by food security? State its various dimensions. Evaluate the various measures adopted by Govt. of India towards food security.
- 4) What do you understand by health security? State the various sources of health insecurity. Evaluate the various steps initiated towards health security.
- 5) State the objectives of MGNREGA as a protective measure of employment security. Evaluate the performance of MGNREGA in terms of its achievements and failures. Suggest the measures towards better performance of MGNREGA.

24.10 SOME USEFUL BOOKS

Andy Norton, Tim Conway, Mick Foster (February 2001): *Social Protection Concepts and Approaches: Implications For Policy and Practice In Interantional Development* Overseas Development Institute, London SE1 7JD, UK.

Radhakrishna R (2005): “Food and Nutrition Security of the Poor: Emerging Perspectives and Policy Issues”, *Economic and Political Weekly* April 30: 1817

Nikhil Dey, Jean Dreze & Reetika Khera (2006): *Employment Guarantee Act: A Primer*, New Delhi, NBT. *Employment Guarantee Act: A Primer*, New Delhi, NBT

Ahmad, Ehtisham, Jean Dreze, John Hills and A. Sen (1991): *Social Security in Developing Countries*, Oxford, Clarendon Press.

Mahendra Dev, S. (1995): *Government Interventions and Social Security for Rural Labour*, *Indian Journal of Labour Economics*, Vol.38, No.3.

Puja Dutta, Rinku Murgai, Martin Ravallion, Dominique van de Walle (2012): Does India’s Employment Guarantee Scheme Guarantee Employment? April 21, 2012 vol XLVII no 16 *Economic & Political Weekly*.

Khera, Reetika, ed. (2011): *The Battle for Employment Guarantee* (New Delhi: Oxford University Press).

Shah, Mihir (2008): ‘Radicalism of MGNREGA: *Economic and Political Weekly*’. VOL 43 No. 23 June 07 - June 13, 2008.

Bhatia, B & Dreze, J (2006): “Employment Guarantee in Jharkhand: Ground Realities”, *Economic and Political Weekly*, July 22.

Pankaj, Ashok and Rukmini Tankha (2010): Empowerment Effects of the NREGS on Women Workers: A Study in Four States, *Economic and Political Weekly*, Vol. 44, no. 30, July 24, pp. 45-55.

24.11 KEY WORDS

BPL and APL Household : Below Poverty Line is an economic benchmark used by Government of India to identify the disadvantaged households. It is determined using various parameters which vary from state to state and within states. The present criteria are based on a survey conducted in 2002 by taking 13 socio-economic variables. The households above the benchmark are known as APL households

Food and Agriculture Organisation (FAO) : The Food and Agriculture Organisation (FAO) was founded in October 1945 with a mandate to raise levels of nutrition and standards of living, to improve agricultural productivity, and to better the condition of rural populations. FAO has worked to alleviate poverty and hunger by promoting agricultural development, improved nutrition and the pursuit of food security.

- International Labour** : The ILO is the international organisation responsible for drawing up and overseeing international labour standards. The ILO shape policies and programmes promoting Decent Work for all with the involvement of representatives of governments, employers and workers. The ILO aims to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues.
- Social Capital** : Social Capital aims at emphasising the importance of social contacts between groups and within groups. It primarily means that social networks have a value associated and that they are not always detrimental in nature as previously thought of. The concept of social capital also stresses that social networks lead to increased productivity in individuals, teams and organisations.
- Universal Declaration of Human Rights (UDHR)** : The UDHR adopted by United Nations General Assembly on 10th December 1948. The document they considered is known as Universal Declaration of Human Rights (UDHR). UDHR is the foundation of international human right law and a common standard of achievement for all people and all nations.

24.12 ANSWERS OR HINTS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- 1) See Section 24.2
- 2) See Section 24.4
- 3) See Sub-section 24.5.1
- 4) See Sub-section 24.5.2

Check Your Progress 2

- 1) See Sub-section 24.6.2
- 2) See Sub-section 24.6.4
- 3) See Sub-section 24.6.5
- 4) See Sub-section 24.6.6
- 5) See Section 24.7

ANNEXURE 1

Programme and Schemes relating to Social Security and Social Protection in India.

A) Public Distribution System (PDS)

It is well recognised that the availability of food grain is not the sufficient condition to ensure food security for the poor. It is also necessary that the poor has sufficient purchasing power. This can be realized by two ways. First is increasing in income so that poor can afford to purchase and second is supplying food grain at a subsidised price. While the employment generation programme answer the first option the Public Distribution System answer the second option. The PDS is the key component of overall food security arrangement of the country. Over the year the PDS has played an important role in moderating the market prices and ensuring food security at household level by providing foodgrain and other essential commodities at low price. In the past few decades the mounting pressure on food subsidy coupled with limited effectiveness in targeting poor households force the government to streamline the system. The PDS system also criticized on the ground of its urban bias, negligible coverage in the states with the highest concentration of the rural poor and lack of transparent and accountable arrangements for delivery. The Targeted Public Distribution System (TPDS) replaced the erstwhile PDS from June 1997. Under the new system a two tier subsidised pricing system was introduced to benefit the poor. The essential features of TPDS are: Government of India is committed to making available foodgrains to the States to meet the requirement of foodgrains at the scale of 10 kg per month per family at specially subsidised prices to population falling below the officially estimated poverty line (BPL families).

The main features of TPDS has been the introduction of targeting or specifically, the division of the entire population into below poverty line (Below Poverty Line) and above poverty line (APL) categories based on the poverty line defined by the Planning Commission. Food grains are now allotted at two sets of prices, a highly subsidised price for the poor and near open market price for others. The targeting it was hoped could play a more meaningful role by translating the macro level self-sufficiency in food grains achieved by the country into macro level by ensuring food availability to the poor households (Ministry of Civil Supplies, 1997).

B) Antyodaya Anna Yojana Scheme

Antyodaya Anna Yojana has been launched on the 25th December, 2000. This scheme reflects the commitment of the Government of India to ensure food security for all create a hunger free India in the next five years and to reform and improve the Public Distribution System so as to serve the poorest of the poor in rural and urban areas. It is for the poorest of poor that the Antyodaya Anna Yojana has been conserved. It is estimated that 5 per cent of population are unable to get two square meals a day on a sub stained basis through out the year. Their purchasing power is so low that they are not in a position to buy food grains round the year even at BPL rates. It is this 5 per cent of population constitutes the target group of Antyodaya Anna Yojana.

Under Antyodaya Anna Yojana, families who would be provided food grains at the rate of 35 kg per family per month. The food grains will be issued by the Government of India @ Rs.2/- per kg for wheat and Rs. 3/- per kg for rice.

C) Annapoorna Scheme

Under this scheme, 10 kg of rice is distributed free of cost to the old indigent citizens of 65 years of age and above who are not getting benefit under Indira Gandhi National Old Age Pension Scheme. The role of PRIs in implementation of this scheme are identification of beneficiary, distribution of cards, and dissemination of information in regard to the procedure for securing benefits under the Scheme.

D) Integrated Child Development Scheme (ICDS)

The ICDS programme was launched on 2nd October 1975. The ICDS Scheme represents one of the world's largest and most unique programmes for early childhood development. ICDS provide pre-school education on one hand and breaking the vicious cycle of malnutrition, morbidity, reduced learning capacity and mortality, on the other. The basic objectives of the programme defined as

- i) to improve the nutritional and health status of children in the age-group 0-6 years;
- ii) to lay the foundation for proper psychological, physical and social development of the child;
- iii) to reduce the incidence of mortality, morbidity, malnutrition and school dropout;
- iv) to achieve effective co-ordination of policy and implementation amongst the various departments to promote child development; and
- v) to enhance the capability of the mother to look after the normal health and nutritional needs of the child through proper nutrition and health education.

The basic services the ICDS played includes

- i) **Nutrition including Supplementary Nutrition:** Children below the age of six and pregnant and nursing mothers are provided with supplementary nutrition providing supplementary feeding, the Anganwadi attempts to bridge the caloric gap between the national recommended and average intake of children and women in low income and disadvantaged communities.
- ii) **Immunisation:** Immunisation of pregnant women and infants protects children from six vaccine preventable diseases-polio, diphtheria, pertussis, tetanus, tuberculosis and measles. These are major preventable causes of child mortality, disability, morbidity and related malnutrition. Immunisation of pregnant women against tetanus also reduces maternal and neonatal mortality.
- iii) **Health Check-ups:** This includes health care of children less than six years of age, antenatal care of expectant mothers and postnatal care of nursing mothers. The various health services provided for children by anganwadi workers and Primary Health Centre (PHC) staff includes regular health check-ups, recording of weight, immunisation, management of malnutrition, treatment of diarrhoea, de-worming and distribution of simple medicines etc.
- iv) **Referral Services:** During health check-ups and growth monitoring, sick or malnourished children, in need of prompt medical attention, are referred to the Primary Health Center or its sub-center.
- v) **The Non-formal Pre-school Education (PSE)** component of the ICDS may well be considered the backbone of the ICDS programme, since all its services essentially converge at the anganwadi — a village courtyard. Anganwadi Centre (AWC) – a village courtyard – is the main platform for delivering of these services. These AWCs have been set up in every village in the country.

vi) **Nutrition and Health Education**

The mothers are to be trained so that they can look after their own health, nutrition and development needs as well as that of their children and families.

The finding by Radhakrishna *et al.* (1998) shows that ICDS had been successful in reducing malnourishment among pre-school children in India. This programme is also cost effective as compared to other schemes like PDS and MDM.

E) Indira Awaas Yojana

The minimum shelter is one of the three basic requirement of human survival. Owning a house is a significant economic status and security in the society. Getting a house adds social change in the existence of a person. In India a large number of persons are having inadequate house or no house. With the increasing population the number of shelterless also increasing day by day. According to 2001 census 1943766 population are having no shelter. The per centage of shelterless in urban area (1.39 per cent) is higher than that of the rural area (0.85 per cent). Indira Awaas Yojana (IAY) is a flagship scheme of the Ministry of Rural Development to provide financial assistance to the BPL households in rural areas for construction of a dwelling unit. The objective of the scheme is to primarily help the weaker sections in rural areas who belong to Below Poverty Line (BPL) category by granting financial assistance for construction of a pucca house. The funding of the IAY is shared between the Centre and State, in the ratio of 75:25 and in the case of UTs, 100 per cent funding is done by the Government of India. In addition to the financial assistance under IAY, an IAY beneficiary can borrow up to Rs. 20,000/- from any Nationalised Bank at 4 per cent interest per annum to top up the IAY unit assistance under Differential Rate of Interest (DRI) Scheme. The ceiling on construction assistance under the Scheme is Rs. 45,000/- per unit in the plain areas and Rs. 48,500/- in hilly/difficult areas w.e.f. 1.4.2010. Thereafter, the beneficiaries are selected from the Permanent IAY Waitlists prepared with the approval of respective Gram Sabha. At least 60 per cent of the total IAY funds and physical targets should be utilised for construction/upgradation of dwelling units for SC/ST BPL households. A maximum 40 per cent for non-SC/ST BPL rural households. The construction of the houses is the sole responsibility of the beneficiary.

Sampoorna Grameen Rozgar Yojana (SGRY)

The objectives of the SGRY is to provide additional employment in the rural areas as also food security, alongside the creation of durable community, social and economic infrastructure in the rural areas. The programme is self-targeting in nature with special emphasis to provide Wage Employment to women, SCs, STs and parents of children withdrawn from hazardous occupations. This Programme is being implemented into two streams :-

- The First Stream of the Programme will be implemented at the District and Intermediate level Panchayats. 50 per cent of the funds are earmarked out of the total funds available under the SGRY and distributed between the District Panchayat and the Intermediate Panchayats in the ratio of 40:60.
- The Second Stream of the Programme will be implemented at the Village Panchayat level. 50 per cent of the SGRY funds are earmarked for this Stream. The entire funds are released to the Village Panchayats through the DRDAs/District Pachayats.