



## **ABSTRACT**

MGNREGS – Revision of Schedule- I & II – Notified by Government of India – Payment of compensation for delayed payment of wages to the workers from 2013-14 to 2020-21 in compliance with the Judgment passed by the Hon'ble Supreme Court of India from the Central Government funds available with the State Employment Guarantee Fund – Permission accorded – Orders – Issued.

### **RURAL DEVELOPMENT AND PANCHAYAT RAJ (CGS.1) DEPARTMENT**

**G.O.(Ms). No.01**

**Dated: 04.01.2022**

**பிலவ, மார்ட்கழி 20**

**திருவள்ளூர் ஆண்டு 2052**

**Read:**

From the Commissioner of Rural Development and Panchayat Raj,  
Letter No.72378/2013/MGNREGS-II-1, dated 07.01.2021.

### **ORDER:**

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

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

2 stages, thus ensuring that wages are provided to the workers within the statutory limit of 15 days.

3. The Commissioner of Rural Development and Panchayat Raj has stated that the Government of India in its letter dated 26.05.2016 has communicated the directions of the Hon'ble Supreme Court of India in Judgment passed by the Hon'ble Supreme Court of India in the Writ Petition(C) No.857 of 2015 (Swaraj Abhiyan – (III) Vs Union of India & Ors) on 13<sup>th</sup> May, 2016 as under:-

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

4. Further, the Government in G.O.(Ms). No.83, Rural Development and Panchayat Raj (CGS.1) Department, dated 12.07.2016, have sanctioned the payment of delay compensation amount of Rs.3.53 Crore as on 20.06.2016 to workers under Mahatma Gandhi National Rural Employment Guarantee Scheme pending from April 2016 to June 2016 from the Central Government funds available with the State in State Employment Guarantee Fund and also accorded permission to recoup the amount required by the State Government out of its share to the State Employment Guarantee Fund. Subsequently the Commissioner of Rural Development and Panchayat Raj has issued detailed instructions to all districts to ensure timely payment.

5. The Commissioner of Rural Development and Panchayat Raj has also stated that the Government of India has instructed during the Revision of Labour Budget Meeting through Video Conference held on 06.01.2021 at Secretariat with Secretary, Government of India, Ministry of Rural Development and Joint Secretary (MGNREGA), New Delhi that Delay Compensation should be paid and timeline for Fund Transfer Order generation should be in line with the Ne-FMS guideline and all payments due shall cleared and paid fully.

6. In this regard, the Commissioner of Rural Development and Panchayat Raj has informed that as on date Rs.12,83,242/- (this value is cumulative and changes every day) from 2013-14 to 2020-21 is 'Due' as per Report Number 14.1 of NREGASoft as compensation for delay in payments and the reasons for this pendency are on the following grounds:-

- 1) Fund Constraints during April and June, 2016 due to delayed receipt of funds.
- 2) Server problem during April 2016
- 3) Due to Tamil Nadu Legislative Assembly Elections held during May, 2016, Deputy Block Development Officers (1<sup>st</sup> Signatory) and Block Development Officers (VP) (2<sup>nd</sup> Signatory) who are responsible for clearing FTOs were involved in election duty, Clearing of Fund Transfer Orders were delayed.

7. The Commissioner of Rural Development and Panchayat Raj has further stated that now steps have been taken to monitor the processing of Fund Transfer Orders on a daily basis without delay and from the financial year 2017-18 onwards, the Directorate of Rural Development and Panchayat Raj is absolutely monitoring the timely payment in NREGA Soft on a daily basis and no wage compensation is 'due' except Rs.130/- during 2020-21 in Coimbatore District made due to fault.

8. Hence, to comply with Supreme Court Order and the instructions of Secretary, Government of India, Ministry of Rural Development, the Commissioner of Rural Development and Panchayat Raj has requested orders from the Government for payment of delay compensation amount of Rs.12,83,242/- pending from 2013-14 to 2020-21 from the Central Government funds available with the State in State Employment Guarantee Fund. The amount will be later recouped by the State Government out of its share to the State Employment Guarantee Fund. Further, ratification will be obtained for these payments towards delay compensation during the next Steering Committee meeting constituted under Mahatma Gandhi National Rural Employment Guarantee Scheme.

9. The Government after careful examination, decided to permit the Commissioner of Rural Development and Panchayat Raj to sanction payment of delay compensation under Mahatma Gandhi National Rural Employment Guarantee Scheme an amount of Rs.12,83,242/- (Rupees Twelve lakhs Eighty three thousand two hundred and forty two only) pending from 2013-2014 to 2020-2021 from the State Funds.

10. The expenditure sanctioned at para.9 above shall be debited under the following new Head of Account:-

2505 - Rural Employment – 02 – Rural Employment Guarantee Scheme –  
101 – National Rural Employment Guarantee Scheme – Schemes shared  
between State and Centre – UC - Payment of compensation for Delayed  
Payment of wages to the workers under Mahatma Gandhi National Rural  
Employment Guarantee Scheme - 309 - Grants-in-Aid - 03 - Grants for specific  
schemes.

**(IFHRMS DPC 2505 02 101 UC 30903)**

11. The expenditure sanctioned in Para 9 above shall constitute an item of "New Service" and the approval of the Legislature will be obtained in due course. Pending approval of the Legislature, the expenditure may initially be met from an advance drawn from the contingency fund. Order regarding this will be issued separately in Finance (BG.I) Department. The Director of Rural Development and Panchayat Raj is requested to apply for sanctioning contingency fund in the prescribed Proforma along with the copy of this order to Government in Finance (BG-I) Department and to send necessary draft explanatory note for inclusion of this expenditure in the Supplementary Estimates for 2021-2022 without fail.

12. The Director of Rural Development and Panchayat Raj is the Estimating, Reconciling and Controlling authority for the above new head of account. The Pay and Accounts Officer / Treasury Officer concerned are directed to open the above new Head of Account in their books.

13. This order issues with concurrence of Finance Department vide it's U.O. No.56358/Fin(RD)/2021, dated 28.12.2021 with Additional Sanction Ledger No.1281 (One Thousand Two Hundred and Eighty One).

**(BY ORDER OF THE GOVERNOR)**

**P. AMUDHA,  
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Director of Rural Development and Panchayat Raj, Chennai-15.

All District Collectors (except Chennai District).

(through the DRD & PR, Chennai-15)

All Project Directors, District Rural Development Agencies

(through the DRD & PR, Chennai-15).

**Copy to:**

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

The Accountant General, Chennai-18.

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

The Finance (RD/BG.I/BG.II/W&M.I) Department, Chennai-9.

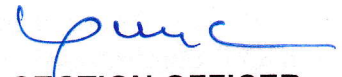
The Special Personal Assistant to Hon'ble Minister (Rural Development),  
Chennai-9.

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

The National Informatics Centre, Secretariat, Chennai-9.

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**//FORWARDED BY ORDER//**

  
**SECTION OFFICER.**

