

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3668
ANSWERED ON:26.04.2012
UTILISATION OF FUNDS
Annayagari Shri Sai Prathap

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether rural development funds allocated for rural development projects have not been utilized properly by some States and the funds are being diverted for some other purpose during the past three years;
- (b) if so, the details thereof;
- (c) whether any deviation has been observed by the Government pertaining to fund diversion;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the measures being taken by the Government to curtail such diversion of funds?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a)&(b): The Ministry of Rural Development has provided operational guidelines for each of the programmes namely the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Swarnjayanti Gram Swarozgar Yojana (SGSY)/National Rural Livelihood Mission (NRLM), Indira Awaas Yojana (IAY) and Pradhan Mantri Gram Sadak Yojana (PMGSY). The funds are released to the State Governments for the implementation of the rural development Programmes.

(c)&(d): District Rural Development Agencies (DRDAs)/Zila Parishads and the Implementing Agencies submit the proposals for Central assistance under the Rural Development Programmes alongwith Utilization Certificates, Audit Reports for the funds released during the previous year alongwith non-diversion and non-embezzlement certificate.

(e): In order to achieve the programmes objectives, and chek diversion/mis-utilisation of funds, the Ministry of Rural Development has adopted a comprehensive system of monitoring of the programmes, through Monthly Progress Reports, On-line reporting, Performance Review Committee Meetings, Area Officers Scheme, Utilization Certificate/Audit Reports, review by Union Ministers, Vigilance and Monitoring Committees at the State/District Level and National Level Monitors to monitor quality of works and adherence to implementation of schemes as per programme guidelines. The Ministry has advised the State Governments to adopt five pronged strategy comprising of (i) creation of awareness about the schemes, (ii) people`s participation. (iii) transparency, (iv) accountability and social-audit and (v) vigilance and monitoring of rural development programmes at all levels.