

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:4442

ANSWERED ON:03.05.2012

DIVERSION OF FUNDS UNDER MGNREGS

Adhalrao Patil Shri Shivaji; Adsul Shri Anandrao Vithoba; Yadav Shri Ranjan Prasad

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

(a) whether Government is aware that funds under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) are being used for works of a non- permanent nature and divert Government spending from more productive sectors of the economy;

(b) if so, the details thereof and the reaction of the Government thereto;

(c) whether there has been a demand to recast the job scheme as some quarters insist the programme embodies non-productive expenditure; and

(d) if so, the details thereof and the steps taken by the Union Government in this regard?

**Answer**

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

(a)&(b): The primary objective of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is to enhance the livelihood security of the rural households by providing up to 100 days of guaranteed wage employment in a year to every household on demand for doing unskilled manual work. Creation of durable assets and strengthening the livelihood resource base of the rural poor is also an important objective of the Act. The choice of works suggested in the Act addresses causes of chronic poverty like drought, deforestation and soil erosion, so that the process of employment generation is maintained on a sustainable basis and durable assets are created in rural areas by strengthening the natural resource base. Implementation of schemes formulated under Section 4 of MGNREGA is the responsibility of the States/ UTs. Para 1B of Schedule-I of MGNREGA lists the category of works that any Scheme prepared by a State Government under Section 4 (1) of MGNREG Act shall focus upon. These primarily include water and soil conservation works, afforestation, works relating to augmenting natural resource base for improving rural economy, rural connectivity etc.

(c)&(d): Suggestions for inclusion of various kinds of works under MGNREGA are received from different quarters. Since creation of durable assets is also an important objective of the Act, works involving non productive expenditure cannot be included under MGNREGA.