

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

STARRED QUESTION NO:92  
ANSWERED ON:16.08.2012  
APPRAISAL OF MGNREGS  
Lingam Shri P.;Mani Shri Jose K.

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

- (a) whether the Government has made any appraisal of the goals set under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS);
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether the Government has taken note of alleged leakage and misappropriation of funds/resources in the implementation of the scheme;
- (d) if so, the details thereof and the corrective steps taken in this regard;
- (e) whether a study was conducted recently by the Department of Industrial Policy and Promotion on the implementation and impact of MGNREGS; and
- (f) if so, the salient features of the study on MGNREGS and the reaction of the Government thereto?

**Answer**

MINISTER OF RURAL DEVELOPMENT (SHRI JAIRAM RAMESH)

(a)to(f): A statement is laid on the Table of the House.

Statement as referred to in reply to parts (a) to (f) of Lok Sabha Starred Question No. 92 for answer on 16.08.2012

(a) & (b): Research studies conducted in the past on the impact of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) indicate that this wage employment programme, which guarantees up to 100 days of wage employment to rural households on demand, has improved water and soil conservation measures, increased cultivable land by enriching wastelands and has led to improved agricultural productivity. It has also enhanced bargaining powers of rural wage seekers and reduced distress migration from rural areas. Major suggestions/recommendations of these studies, inter alia, are removal of delays in wage payments, improvement in the quality of assets, establishment of strong demand management system, effective participatory grass-root planning, improvement in the overall monitoring of schemes etc. The Expert Committee for Revision of MGNREGA operational Guidelines under the chairmanship of Dr. Mihir Shah, Member, Planning Commission has considered these suggestions and has submitted its recommendations. The recommendations of the Expert Committee have been suitably included in the draft operational guidelines for MGNREGA.

(c) & (d): The Ministry receives references/complaints from elected representatives and general public on misappropriation of funds, corruption and financial and other irregularities under MGNREGA. All such references/complaints received in the Ministry are forwarded to the concerned State Governments for taking appropriate action as per law since implementation of schemes formulated under Section 4 of MGNREGA is the responsibility of the States/UTs. Officers of the Ministry and National Level Monitors (NLMs) are also deputed to investigate complaints of serious nature. Upon completion of their investigation, their reports are analyzed and findings are forwarded to the State Governments concerned for taking corrective measures. Some of the steps taken to eliminate the occurrence of such irregularities in the implementation of MGNREGA are as follows:

(i) In consultation with the Comptroller & Auditor General of India, MGNREGA Audit of Schemes Rules, 2011 have been notified. All States have been asked to put in place a robust Social Audit Mechanism as outlined in these Rules.

(ii) With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment, Schedule II of MGNREG Act has been amended to make wage disbursement to MGNREGA workers through accounts in Banks or Post Offices.

(iii) Information and Communications Technology (ICT) based Management Information System (MIS) has been made operational to make data available for public scrutiny including job cards, muster rolls, employment demanded and number of days worked, shelf of works, funds available/spent, social audit findings, registering grievances etc.

(iv) Instructions have been issued directing all States to appoint Ombudsman at district level for grievance redressal.

(v) The State and district level Vigilance and Monitoring Committees are entrusted with the responsibility of monitoring the schemes.

(e) & (f): No official study has been conducted by the Department of Industrial Policy and Promotion (DIPP) on implementation and impact of MGNREGA in the recent past. However, an independent study conducted by an officer employed in DIPP on 'Tradeoff of Workers between MGNREGS and Manufacturing' has brought out positive impact of MGNREGA on rural wages, distress migration and availability of unskilled jobs in a rural setup.