

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3156
ANSWERED ON:30.08.2012
NON-UTILISATION OF FUNDS UNDER MGNREGS
Jakhar Shri Badri Ram

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether a large amount of funds allocated under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is lying unutilized in various States of the country;
- (b) if so, the details thereof during each of the last three years and the current year indicating the reasons therefor, State-wise;
- (c) whether the Government has taken any action in the matter as non-utilization of funds is affecting the implementation of the Scheme adversely; and
- (d) if so, the details thereof?

Answer

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

(a) & (b): The details of unspent funds available with States/UTs under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) during the last three years and current year as reported by States/UTs are given in Annexure. MGNREGA is a demand driven wage employment programme backed by legislation. State Governments are obliged to provide up to 100 days of guaranteed wage employment in a financial year to every rural household for doing unskilled manual work, if demanded, at any time of the year, as mandated in the Act. All State Governments are required to provide employment and make wage payment to the beneficiaries in accordance with the provisions of the Act. Section 3(3) of MGNREG Act provides that the disbursement of wages shall be made on weekly basis or in any case not later than a fortnight after the date on which such work was done. As employment is to be provided on demand and payment made as specified in the Act, it would be required to maintain adequate funds at different levels of the implementing agencies and unspent balances with States/UTs serve this purpose.

(c) & (d): As employment is provided on demand, households provided employment under MGNREGA and expenditure incurred depends on demand for employment. Demand for employment under MGNREGA is dependent upon several factors including availability of alternate employment opportunities.