

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

RAJYA SABHA
UNSTARRED QUESTION NO. 939
TO BE ANSWERED ON 06/02/2026

**EFFECTS ON PANCHAYATI RAJ INSTITUTIONS DUE TO DISCONTINUATION OF
MGNREGA**

939 Shri RamjiLalSuman:

Will the Minister of Rural Development be pleased to state:

- (a) whether the powers vested in Panchayati Raj Institutions under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme have been adversely affected due to the discontinuation of the scheme, thereby weakening the authority of Panchayats;
- (b) the shortcomings in MNREGA that remained unaddressed by Government and the steps taken to ensure that the new scheme is free from such flaws; and
- (c) in the context of the powers conferred upon Panchayati Raj Institutions under the Seventy-third Constitutional Amendment Act, 1992, the current status of steps taken during the last five years for decentralization or enforcement of these powers?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI KAMLESH PASWAN)

(a) & (c): The primary objective of the Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin): VB—G RAM G Act, 2025, is to align the rural development framework with the national vision of Viksit Bharat @2047 by providing an enhanced statutory wage employment guarantee of one hundred and twenty-five days in each financial year to such rural households whose adult members volunteer to undertake unskilled manual work, thereby enabling them to participate more effectively in the expanded livelihood security framework. Under VB G RAM G Act, the role of Panchayats has been immensely strengthened in various aspects such as planning, execution of works, social audit etc.

In section 16 of the Act, role of the Panchayat Raj Institutions in planning and implementation of VB-G RAM G Schemes has been clearly defined, which are as follows: -

- (1) The Panchayats at the district, intermediate and village levels shall be the principal authorities for planning, implementation and monitoring of the Scheme made under the Act.
- (2) The Panchayat at the district level, shall oversee and coordinate implementation of the Scheme in the district, including finalisation and approval of the aggregate district level plan, supervision and monitoring of works, ensuring convergence, and perform such other functions as may be assigned to it by the State Government.

(3) The Panchayat at the intermediate level, shall prepare and finalise the aggregate Block level plan, support Gram Panchayats in planning and implementation, supervise works at Gram Panchayat and Block levels, and facilitate convergence with line departments.

(4) The Gram Panchayat shall register households, receive and process applications for work, prepare the Viksit Gram Panchayat Plans, execute the works assigned to it, maintain such records as may be specified by the State Government, and discharge such other responsibilities as may be entrusted to it under the Scheme.

Additionally, the Gram Panchayat is the primary village-level authority for planning, implementation, and execution of works under the Scheme. It is responsible for registering rural households and issuing GraminRozgar Guarantee Cards, receiving and processing applications for work, and maintaining all related records.

The Gram Panchayat prepares the Viksit Gram Panchayat Plan through a participatory process based on recommendations of the Gram Sabha and Ward Sabhas, ensuring saturation-based and convergence-oriented planning.

It executes works allotted by the Programme Officer and may take up any sanctioned work from the approved Viksit Gram Panchayat Plan within its jurisdiction, with at least fifty percent of the total works (in cost terms) to be implemented through Gram Panchayats.

Gram Panchayat is required to maintain muster rolls and other prescribed records, ensure that works meet required technical standards and measurements, and follow digital and transparency requirements. It must place all relevant documents, including muster rolls, bills, vouchers, measurement books, sanction orders, and geo-tagged and digital records before the Gram Sabha to enable regular social audits and public scrutiny, thereby supporting transparency, accountability, and grievance redressal in implementation.

Overall, the Act positions the Gram Panchayat as the principal grassroots institution responsible for demand registration, participatory planning, decentralised execution, worker engagement, and public accountability under the Scheme framework. The experience gained through implementation of Mahatma Gandhi NREGS has also been taken into account while framing the new Act.

(b): Since its enactment in 2005, the MGNREGS has provided wage employment offering at least 100 days of guaranteed unskilled work to rural households. Over the years, a range of administrative and technological interventions were made to enhance the effectiveness of implementation of the scheme. However, despite various efforts made in this regards, during the course of the Monitoring of the scheme, various gaps in implementation at ground level were observed such as work not being done on the ground, expenditure not matching physical progress, the use of machines in labour-intensive work, inordinate delay in completion of the works and frequent bypassing of digital attendance systems. In order to address these issues, in the Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin) (VB–G RAM G), one of the most comprehensive transparency and accountability architectures has been put in place, which is briefly reproduced below.

(i) In the new Act, transparency is the most significant operating principle.

(ii) One of the most important features of the new framework is mandatory weekly public disclosure. Information on works, muster rolls, payments, sanctions, inspections, and grievances

will be placed in the public domain on a continuous basis through digital and physical platforms. This enables proactive disclosure and real-time oversight by citizens, Panchayats, and institutions alike.

(iii) One of the transformative features of the Act is the integration of planning and monitoring systems to eliminate duplication of works. Through GIS-based planning, unified MIS architecture, and convergence with national digital platforms, assets to be mapped, tracked, and validated across line departments. By eliminating duplication, institutionalizing disclosure, and embedding accountability in law, VB-G RAM G sets a new national benchmark. This ensures that the same work is not repeated under multiple schemes, while public resources are directed toward genuinely unmet local needs.

(iv) VB-G RAM G also introduces a statutory grievance redressal framework with time-bound, multi-tier mechanisms and dedicated grievance desks. Complaints to be legally recognized, digitally tracked, and resolved within enforceable timelines—making accountability operational rather than aspirational.

(v) The social audit system has been substantially strengthened with mandatory processes, fixed timelines, and rule-based compliance. Gram Sabha-led audits, supported by digital tools, combine community participation with institutional rigor, ensuring that feedback leads to corrective action.

(vi) Biometric authentication, including face-based attendance and transaction verification, will ensure benefits reach genuine workers. Mandatory e-KYC and Aadhaar-Based Payment Systems will reinforce payment integrity. Electronic measurement of work links wages directly to verified outputs. AI-enabled monitoring supports planning, will detect anomalies, and flag potential fraud, while mobile-based applications and real-time dashboards will strengthen field supervision.

(vii) All MIS data will flow into the public domain, enabling continuous scrutiny by citizens, media, and oversight bodies. This architecture moves governance from reactive audits to proactive transparency.
