

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

LOK SABHA
UNSTARRED QUESTION NO. 270
ANSWERED ON 30/11/2021

NEGATIVE NET BALANCE SHEET UNDER MGNREGS

270. SHRI MANICKAM TAGORE B.:
SHRI ARVIND GANPAT SAWANT:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether it is a fact that the Mahatma Gandhi National Rural Employment Guarantee scheme has negative balance sheet and run out of funds half way particularly through the current fiscal and shows a negative net balance of Rs.8686 crore;
- (b) whether it is also true that many States show a negative net balance forcing the State Governments to close down halfway through the year;
- (c) whether the Government is aware that the MGNREGS is a demand driven scheme, if so, whether the Government anticipate funds required for the scheme and allocate the funds to all States;
- (d) whether the MGNREGS workers are getting late payments due to the shortage of funds and that a good percentage of households who demanded work under the scheme were not provided work and many States were not able to pay the wages for the work completed; and
- (e) if so, the steps taken by the Government in this regard?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SADHVI NIRANJAN JYOTI)

(a) to (e): Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand driven wage employment programme which provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work.

There are enough funds with the scheme to fulfill all the liabilities of the scheme for the States which have met the entire requirement for release of second tranche of funds . The Ministry has already sought additional resources for the scheme.

The Audit Report and Audited Utilization Certificates are required to be submitted within 6 months of the close of the preceding Financial Year. If the proposal for second tranche is submitted after 1st October, then the Audit Report and Audited Utilization Certificates (UCs) of the previous financial year along with other documents are also required. The funds can only be released after receipt of Audited UC and report of previous financial year. Some of the States are delaying the submission of Audit reports and other required documents for funds release resulting in overall delay of fund release.

Fund release to States/UTs is a continuous process and Central Government is committed in making funds available keeping in view the demand for work. The Ministry seeks additional funds as and when required for meeting the demand for work on the ground.
