

GOVERNMENT OF INDIA  
MINISTRY OF RURAL DEVELOPMENT  
DEPARTMENT OF RURAL DEVELOPMENT

**LOK SABHA**  
**UNSTARRED QUESTION NO. 3220**  
ANSWERED ON 22/03/2022

**REDUCED ALLOCATION UNDER MGNREGS**

3220. SHRIMATI NUSRAT JAHAN RUHI:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether it is a fact that the Government has reduced the allocated expenditure in the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) by 25.2 per cent;
- (b) if so, the details thereof along with the amount of reduced and allocated expenditure separately;
- (c) whether it is a fact that unemployment in rural sector has increased massively during the last two years due to Covid situation; and
- (d) if so, the details thereof along with the likely impact of this decision in rural employment sector?

**ANSWER**

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

(a) & (b) Under Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS), States/UTs submit funds release proposals to the Government of India. Fund release to the States/UTs is a continuous process and Central Government is committed to making funds available to States/UTs for the implementation of the Scheme. The Ministry release funds periodically in two tranches with each tranche consisting of one or more installments, keeping in view the “agreed to” Labour Budget, demand for works, opening balance, pace of utilization of funds, pending liabilities, overall performance and subject to submission of relevant documents by the State/UTs.

The Central Government had enhanced the financial allocation under Mahatma Gandhi NREGS for previous financial year 2020-21 from Rs. 61,500 crore at Budget Estimate (BE) stage to Rs.1,11,500 crore at Revised Estimate (RE) stage.

In the current financial year 2021-22, the budget provision at Budget Estimate (BE) stage was Rs. 73,000 crore. The Ministry had requested for additional budget allocation which has been enhanced to Rs. 98,000 crore at the Revised Estimate (RE) stage as per the requirement of funds. The Ministry seeks additional funds under Mahatma Gandhi NREGS from Ministry of Finance as and when required for meeting the demand for work on the ground.

(c) & (d) As per the Annual Reports on Periodic Labour Force Survey (PLFS) conducted during July 2017 – June 2018, July 2018 – June 2019 and July 2019 – June 2020, estimates of Unemployment Rate (UR) in usual status (ps+ss) in rural areas of India are given in Table below:

<b>Unemployment Rate (UR) according to usual status (ps+ss) in rural areas of India</b>	
<b>Period</b>	<b>UR (in percent)</b>
July 2017 – June 2018	5.3
July 2018 – June 2019	5.0
July 2019 – June 2020	4.0

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. In the current financial year 2021-22 (as on 17.03.2022), 7.93 crore households have been offered employment under the Mahatma Gandhi NREGS and 341.97 crore person-days of work has been provided.

\*\*\*\*\*