

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

LOK SABHA
UNSTARRED QUESTION NO. 2567
ANSWERED ON 02/08/2022

CORRUPTION UNDER MGNREGS

2567. DR. MOHAMMAD JAWED:
SHRI ANTO ANTONY:
ADV. ADOOR PRAKASH:
SHRI K. MURALEEDHARAN:
DR. A. CHELLAKUMAR:
SHRI BENNY BEHANAN:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether misappropriation of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) funds has been revealed in social audits conducted in many States and if so, the details thereof, State-wise;
- (b) the details of action taken by the Government against such misappropriation of funds;
- (c) the estimation of the amount allegedly embezzled from the MGNREGS funds by bureaucrats in the country, State-wise;
- (d) the action taken by the Government to address the rising cases of corruption involving bureaucracy in the MGNREGS funds; and
- (e) the reasons behind reducing the budget for MGNREGS from Rs. 78,000 crore to Rs. 73,000 crore, despite an increase in issues like fake job cards, corruption, late uploading of muster rolls, and huge pending payments are on a rise?

ANSWER

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

(a) & (b): State/UT-wise details of Social Audit findings on financial misappropriation and action taken by Government of States/UTs (as on 30.07.2022) is given at **Annexure**.

The Ministry has taken various steps to strengthen the Social Audit system under Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) in States/UTs, some of which are given below:

- i. Auditing Standards for Social Audit have been issued and States/UTs have been advised to establish independent Social Audit Units (SAU), conduct Social Audit as per Audit of Scheme Rules, 2011 and training of village resource persons for conducting Social Audit. States/UTs have been advised to recruit adequate manpower under SAU to ensure the rigour and quality of social audit.
- ii. For bringing significant improvement in the implementation of the Scheme, it was decided to, set few pre-requisite for taking up Annual Action Plan and Labour Budget of States/UTs for financial year 2022-23 i.e. (i) independent SAU under an independent Director to be created (ii) all the Gram Panchayats which have not been socially audited in financial year 2019-20 to be audited and (iii) at least 50 % of the recoveries due, as brought under Social Audit to be made. Labour budgets of States/UTs have been approved keeping their performance on Social Audit.

- iii. The States/UTs have also been asked to fully comply with the stipulation of placement of annual report of social audit as vetted by the State Employment Guarantee Council before their Legislative Assembly or such other fora, as appropriate and ensure that the entire staff for the social audit is in place and appropriate training has been provided. An indicative format has also been provided for placement of annual report before the State Legislative Assembly. State Employment Guarantee Council has also been asked to review the Annual Report of Social Audit before its placement to Assembly.
- iv. Separate budget line for funds for Social Audit has been made. Fund is released to Social Audit Unit Society directly to ensure their independence.

(c) & (d): The Ministry, under Mahatma Gandhi NREGS receives complaints of irregularities/corruption and embezzlement including large scale diversion of funds, under/non-payment of wages, lack of transparency etc. Since the responsibility of implementation of Mahatma Gandhi NREGS is vested with the State/UT Governments, all complaints received in the Ministry are forwarded to the concerned State/UT Governments for taking appropriate action including investigation, as per law.

Steps have been taken to strengthen transparency and accountability which include geo-tagging of assets, Direct Benefit Transfer (DBT), National electronic Fund Management System (NeFMS), Aadhar Based Payment System (ABPS), Software for Estimate Calculation using Rural rates for Employment (SECURE) and establishment of independent social audit units and appointment of Ombudspersons in the States/UTs. State specific reviews are also undertaken from time to time. Officers of the Ministry and National Level Monitors also visit various districts to oversee the performance of Mahatma Gandhi NREGS.

(e): In the current financial year 2022-23 the budget provision at Budget Estimate (BE) stage is Rs. 73,000 crore under Mahatma Gandhi NREGS.

Fund release to States/UTs is a continuous process and Central Government is committed in making funds available to States/UTs for the implementation of the Scheme, keeping in view the demand for work on ground. 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.

Annexure referred in reply to parts (a) & (b) of Lok Sabha Unstarred Question No.2567 dated 02.08.2022

State/UT-wise detail of financial misappropriation amount reported by Social Audits Units and Action Taken by Government of States/UTs (as on 30.07.2022)							
Sl. No.	State/UT	Total number of Cases Reported by SAU (in no.)	Corresponding Financial Misappropriation Amount (Rs. in Lakhs)	Total number of decided Cases (ATR Uploaded) (in no.)	No. of decided Cases for which Financial misappropriation amount needs to be recovered (in no.)	Final Recoverable Amount to be recovered (Rs. in Lakhs)	Total amount recovered, so far (Rs. in Lakhs)
1	ANDHRA PRADESH	1,59,570	33,743	1,11,570	10,218	624	624
2	ARUNACHAL PRADESH	0	0	0	0	0	0
3	ASSAM	206	84	136	39	6	6
4	BIHAR	3,175	1,599	2,210	169	50	50
5	CHHATTISGARH	14,972	6,887	4,120	590	121	118
6	GOA	0	0	0	0	0	0
7	GUJARAT	10	0	10	2	0	0
8	HARYANA	19	7	15	0	0	0
9	HIMACHAL PRADESH	10,289	663	8,824	6,165	96	87
10	JAMMU AND KASHMIR	338	48	198	135	12	12
11	JHARKHAND	18,704	5,170	18,553	6,337	1,032	1,012
12	KARNATAKA	59,290	18,417	38,809	13,740	1,827	1,815
13	KERALA	0	0	0	0	0	0
14	LADAKH	0	0	0	0	0	0
15	MADHYA PRADESH	2,366	353	1,641	914	116	100
16	MAHARASHTRA	300	200	291	55	13	11
17	MANIPUR	49	9	42	32	8	8
18	MEGHALAYA	79	9	75	3	3	3
19	MIZORAM	180	115	179	45	5	5
20	NAGALAND	513	165	481	8	2	2
21	ODISHA	1,645	534	1,378	698	115	111
22	PUNJAB	3,592	2,933	2,944	998	112	112
23	RAJASTHAN	8	3	0	0	0	0
24	SIKKIM	537	234	521	190	47	40
25	TAMIL NADU	1,59,027	24,622	1,23,116	74,508	6,640	6,156
26	TELANGANA	40,562	8,538	40,505	10,240	155	154
27	TRIPURA	1,250	1,535	1,015	239	129	108
28	UTTAR PRADESH	10,888	3,675	5,507	1,397	234	228
29	UTTARAKHAND	1,851	501	1,635	155	17	17
30	WEST BENGAL	3,358	249	1,671	39	3	3
31	ANDAMAN AND NICOBAR	0	0	0	0	0	0
32	DN HAVELI AND DD	0	0	0	0	0	0
33	LAKSHADWEEP	0	0	0	0	0	0
34	PUDUCHERRY	0	0	0	0	0	0
	Total	4,92,778	1,10,296	3,65,446	1,26,916	11,367	10,780

(as per NREGASoft)