

- (ii) With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment, Schedule-II of MGNREG Act has been amended to make wage disbursement to MGNREGA workers through institutional accounts in Banks or Post Offices a statutory requirement unless specifically exempted.
- (iii) To strengthen the institutional outreach for wage disbursement, it has been decided that State Governments should roll out the Business Correspondent Model to make wage payment through Banks with Bio-metric authentication at village level on competitive bid basis from Banks by inviting Expression of Interest (EOI)/Request for Qualification (RFQ).
- (iv) Permissible administrative expenditure limit was enhanced from 4% to 6% for deployment of dedicated staff for MGNREGA, strengthening management and administrative support structures for social audit, grievance redressal and Information and Communication Technology (ICT) infrastructure.
- (v) States have been instructed to establish State Employment Guarantee Funds for greater flexibility in management of funds for MGNREGA.
- (vi) ICT based MIS has been made operational to make data available to public scrutiny including job cards, muster rolls, employment demanded and number of days worked, shelf of works, funds available/spent, social audit findings, registering grievances etc.
- (vii) Instructions have been issued directing all States to appoint Ombudsman at district level for grievance redressal.
- (viii) The mechanism of State and district level Vigilance and Monitoring Committees is available for monitoring of the scheme.
- (ix) Central share of funds under MGNREGA in a financial year is released to States/Union Territories subject to settlement of accounts of previous financial year and scrutiny of utilization certificates.

**CBI enquiry into embezzlement of MGNREGS  
funds in Uttar Pradesh**

155. SHRIMATI KUSUM RAI:  
SHRI RASHEED MASOOD:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the details of funds allocated and released to Uttar Pradesh during 2010-11 and 2011-12 so far;
- (b) whether serious irregularities and embezzlement of huge funds have been reported/found in MGNREGS in Uttar Pradesh;

- (c) if so, the details thereof, district-wise;
- (d) whether national level monitors appointed to monitor MGNREGS works have also reported grave irregularities in MGNREGS in Uttar Pradesh in their 22 reports;
- (e) if so, the details thereof;
- (f) whether Government proposes for CBI inquiry into the matter; and
- (g) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN): (a) Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a demand driven programme and is not allocation based. Under MGNREGA, the Ministry of Rural Development has released to the State Employment Guarantee Fund of Uttar Pradesh an amount of Rs.5266.59 crore in the year 2010-11 and Rs.2349.06 crore in 2011-12 as on 17.11.2011.

(b) and (c) there have been complaints about implementation of MGNREGA in Uttar Pradesh. Out of about 999 complaints pertaining to Uttar Pradesh received from various individuals and agencies in the Ministry as on 10-11-2011, 419 complaints have been disposed off. The districts-wise details of complaints received to relating to Uttar Pradesh in the Ministry are given in the Statement (See below).

(d) and (c) In complaints of serious nature, the Ministry deposes National Level Monitors (NLMs) to investigate the complaints. Reports of the NLMs are shared with the concerned State Governments for taking corrective action. 26 such NLM reports pointing out grave irregularities have been referred to the State Government of Uttar Pradesh for taking corrective action.

The State Government has informed that complaints are inquired into and penal action is taken against the guilty. Recently, the State has asked the Economic Offences Wing (EOW) to investigate the complaints in procurement of material in district Balrampur, Gonda and Mahoba. EOW has also been requested to investigate complaints regarding work by an implementing agency in districts of Chitrakoot, Sultanpur and Mathura. The State Government has informed that the State is constantly making endeavours for speedy disposal of complaints and severe penal action has been ensured against guilty officials

(f) and (g) As implementation of the Act is done by the State Governments in accordance with the Schemes formulated by them as per the provisions of the Act, all complaints received in the Ministry are forwarded to the concerned State Governments for taking appropriate action, including investigation, as per law. As per Section 18 of the Act, it is the responsibility of the concerned State Governments to make available to the District Programme Coordinator and the Programme Officers necessary staff and technical support as may be necessary for the effective

implementation of the Scheme. Therefore, the concerned State Government is the appropriate authority to take action against officers or agencies responsible for misdeeds or embezzlement.

The matter has been taken up at the highest level with the State Government of Uttar Pradesh to expedite the disposal of complaints and to take corrective action on investigation reports of National level Monitors. The Ministry of Rural Development has also requested for consent of the State Government for enquiry by the Central Bureau of Investigation (CBI) into the irregularities to uncover any systemic and large scale misuse or misappropriation of MGNREGA funds in the State.

**Statement**

*District -wise details of complaints about implementation of  
MGNREGA in Uttar Pradesh*

| Sl.<br>No. | District       | Number of Complaints |
|------------|----------------|----------------------|
| 1          | 2              | 3                    |
| 1.         | Aligarh        | 05                   |
| 2.         | Agra           | 05                   |
| 3.         | Azamgarh       | 12                   |
| 4.         | Allahabad      | 17                   |
| 5.         | Auraiya        | 04                   |
| 6.         | Ambedkar Nagar | 03                   |
| 7.         | Banda          | 07                   |
| 8.         | Basti          | 09                   |
| 9.         | Barabanki      | 09                   |
| 10.        | Bagpat         | 01                   |
| 11.        | Baharaich      | 16                   |
| 12.        | Barailly       | 13                   |
| 13.        | Balram Pur     | 06                   |
| 14.        | Bijnaur        | 06                   |
| 15.        | Bulandsahar    | 12                   |
| 16.        | Balia          | 14                   |
| 17.        | Badayun        | 04                   |

| 1   | 2               | 3  |
|-----|-----------------|----|
| 18. | Chitrakoot      | 10 |
| 19. | CMS Nagar       | 03 |
| 20. | Chandauli       | 16 |
| 21. | Deoria          | 06 |
| 22. | Etah            | 05 |
| 23. | Etawa           | 03 |
| 24. | Farukhabad      | 02 |
| 25. | Faizabad        | 04 |
| 26. | Fatehpur        | 05 |
| 27. | Firozabad       | 01 |
| 28. | Ghaziapur       | 11 |
| 29. | Ghazibad        | 05 |
| 30. | Gorakhpur       | 09 |
| 31. | Gonda           | 10 |
| 32. | Hardoi          | 12 |
| 33. | Hamirpur        | 03 |
| 34. | Jaunpur         | 05 |
| 35. | Jyotiba Phule   | 03 |
| 36. | Jalaun          | 07 |
| 37. | Jhansi          | 06 |
| 38. | Kanpur          | 08 |
| 39. | Kannauj         | 04 |
| 40. | Kaushambi       | 02 |
| 41. | Kanshiram Nagar | 07 |
| 42. | Kushinagar      | 10 |
| 43. | Lucknow         | 10 |
| 44. | Lakhimpur Khiri | 11 |

| 1   | 2                   | 3  |
|-----|---------------------|----|
| 45. | Lalitpur            | 08 |
| 46. | Moradabad           | 08 |
| 47. | Mirzapur            | 12 |
| 48. | Muzaffarnagar       | 07 |
| 49. | Mau                 | 17 |
| 50. | Merrut              | 03 |
| 51. | Mainpuri            | 07 |
| 52. | Mahamaya Nagar      | 03 |
| 53. | Maharajganj         | 03 |
| 54. | Mahoba              | 03 |
| 55. | Mathura             | 13 |
| 56. | Pilibhit            | 04 |
| 57. | Pratapgarh          | 11 |
| 58. | Rampur              | 02 |
| 59. | Ramabai Nagar       | 10 |
| 60. | Raibailly           | 13 |
| 61. | Sitapur             | 13 |
| 62. | Sidharth Nagar      | 15 |
| 63. | Sultanpur           | 16 |
| 64. | Sonbhadra           | 17 |
| 65. | Shahjahanpur        | 07 |
| 66. | Sant Kabir Nagar    | 07 |
| 67. | Sant Ravi Das Nagar | 06 |
| 68. | Saharanpur          | 01 |
| 69. | Unnao               | 11 |
| 70. | Varanasi            | 12 |
|     | General/Common      | 30 |

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