

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5758
ANSWERED ON:08.09.2011
PAYMENT UNDER MGNREGS
Choudhry Smt. Shruti

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government has devised new method and opened new terminals for payment of wages under Mahatma Gandhi National Rural Employment Guarantee Scheme; and

(b) if so, the details thereof, State-wise including for the State of Haryana?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a) & (b): No sir. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is demand based and is applicable in all notified rural areas of the country. All State Governments are required to provide employment and make wage payment to the beneficiaries in accordance with the provisions of the Act. With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment under MGNREGA, Schedule II of MGNREG Act has been amended to make wage disbursement to workers through institutional accounts in Banks or Post Offices a statutory requirement. 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). All the State Governments has been advised to identify unserved areas where the BC model may be required and roll out the Business Correspondent Model as per procedure detailed above.