

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5862
ANSWERED ON:08.09.2011
PAYMENT UNDER MGNREGS
Tandon Annu

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government proposes to make payment of wages under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) through mobile banking services and UID card;
- (b) if so, the details thereof;
- (c) whether States have started implementing direct transfer of wages to bank branches and post offices; and
- (d) if so, the details thereof?

Answer

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

(a) & (b): With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Schedule II of MGNREGA Act has been amended and wage disbursement to MGNREGA workers through individual or joint accounts of the workers in Banks or Post Offices is a statutory requirement. State Governments have been advised to make use of Information Communication and Technology enabled models like Business Correspondent, Rural ATM, handheld devices, smart cards, bio- metrics, mobile banking etc., for easy wage payments to MGNREGA workers. To strengthen the institutional outreach for MGNREGA wage disbursement, it has also been decided that State Governments will 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).

(c) & (d): Under MGNREGA, it is the responsibility of State Governments to make wage payment to beneficiaries in accordance with the provisions of the Act. States have started making payment of wages of MGNREGA workers directly to their individual or joint accounts with Banks or Post Offices. As per reports from States/UTs, during 2010-11, a total amount of Rs. 20,292.66 crore was disbursed as wages through 88025344 individual and 10800731 joint accounts of MGNREGA workers with Banks/Post Offices.