

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:3014
ANSWERED ON:30.08.2012
OPENING OF ACCOUNT IN BANKS POST OFFICES
Rajaram Shri Wakchaure Bhausahab

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the procedure and requirements for opening the accounts in Banks/Post Offices for beneficiaries under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and other customers are the same;
- (b) if so, the details thereof;
- (c) whether the Government proposes to simplify the procedure/requirements for beneficiaries under MGNREGS for opening of accounts in Banks/Post Offices in order to deposit their wages directly in their accounts;
- (d) if so, the details thereof and the time by which a final decision is likely to be taken in this regard; and
- (e) if not, the reasons therefor?

Answer

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

(a) to (e): As per Sections 3(2) & 3(3) of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), every person who has done the work given to him shall be entitled to receive wages at the wage rate for each day of work and the disbursement of daily wages shall be made on a weekly basis or in any case not later than a fortnight after the date on which such work was done. All State Governments are required to make wage payment to MGNREGA workers in accordance with the provisions of the Act. 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 accounts in Banks or Post Offices.

MGNREGA workers are entitled to open accounts either in Banks or in Post Offices with a zero balance in accounts. MGNREGA Job Card has been accepted as an officially valid document under Know Your Customer (KYC) norms of banks for opening of accounts. Other common procedures/requirements for opening of accounts in Post Offices & Banks are governed by rules and instructions issued by Reserve Bank of India from time to time.