

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:146
ANSWERED ON:22.11.2012
BANK ACCOUNT OF WORKERS UNDER MGNREGS
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether all workers under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) have an account in Bank/Post Office;
- (b) if so, the details thereof State-wise;
- (c) the number of workers who do not have their accounts in Bank/Post Office, State-wise;
- (d) the manner in which their wages are paid under the Scheme; and
- (e) the steps taken by the Government for opening their accounts in order to credit their wages in their accounts so as to infuse transparency and enhancing the integrity of wage payment?

Answer

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

(a)to(e): With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment, Schedule II of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), has been amended to provide for wage disbursement to MGNREGA workers through accounts in Banks or Post Offices. MGNREGA workers are entitled to open accounts 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. The details of cumulative number of Bank/Post Office accounts opened for MGNREGA workers as reported by State/UTs in MIS for MGNREGA are given in Annexure. Keeping in view the limited institutional outreach of Banks & Post offices as well as special circumstances prevailing in the areas like in IAP Districts, it was decided to allow the State Governments to make MGNREGA wage payments through cash in IAP districts subject to certain conditionalities. Government is continuously striving to improve the efficiency of payment under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) by exploring all new technologies including mobile banking, smart cards, electronic transfer, UID based authentication etc. To strengthen the institutional outreach for wage disbursement, it has been decided that State Governments should roll out the Business Correspondent (BC) Model to make wage payment at village level with Bio-metric authentication.