

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:2674

ANSWERED ON:12.03.2015

NATIONAL EMPLOYMENT GUARANTEE FUND

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether new technologies including smart card based Electronic/Direct Benefit Transfer (EBT) system have been introduced to disburse wages to the beneficiaries under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), if so, the details thereof;

(b) whether hilly and inaccessible areas lacking post office facilities are proposed to be covered under such new technologies for payment of wages, if so, the details thereof and the time by which the system is likely to be operative;

(c) whether the Government also proposes to set up a National Employment Guarantee Fund to facilitate the transfer of wages directly to the accounts of beneficiaries under MGNREGS, if so, the details thereof; and

(d) whether the said procedure will reduce the instances of delayed payments under the scheme and prevent leakages, if so, the details thereof indicating the other benefits likely to accrue thereby?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI SUDARSHAN BHAGAT)

(a) to(d): Yes Madam. Since 2011, a system of electronic Fund Management System (eFMS) is being implemented, in phases, for direct deposit of wages in the accounts of the wage-seekers. From April 2015 onwards, it has been decided to link the payments under MGNREGA to Aadhaar number in 300 districts where Aadhaar penetration has been high.

(b) This system is made operational wherever there is IT connectivity including the hilly areas. In such areas where there is no IT connectivity, connectivity is being established using satellite communication system 'Very Small Aperture Terminal (V-SAT)' in convergence with the Department of Information Technology. This facility is expected to be commissioned before August 2015.

(c) Currently, the funds for implementation of MGNREGS are being released to the State treasuries. Some States like Madhya Pradesh demanded setting up of a National electronic Fund Management System for payment of wages since it can reduce delays in payment of wages. If there is similar demand from other States, it can be operationalised after due consultation with the Ministry of Finance.