

GOVERNMENT OF INDIA  
MINISTRY OF RURAL DEVELOPMENT  
DEPARTMENT OF RURAL DEVELOPMENT

**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 598**  
TO BE ANSWERED ON 07/02/2024

**GRANTS AND WAGES UNDER MGNREG SCHEME**

598 PROF. MANOJ KUMAR JHA:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether it is a fact that budget allocated under MGNREGS for the year 2023-24 is insufficient to meet the actual demand of providing grants to all those who worked in the current year, if so, the details thereof;
- (b) whether Government is considering to increase the minimum wage amount as current wages are less than statutory minimum agricultural wages in 27 States & UT, if so, the details thereof; and
- (c) whether it is a fact that the wage payments to States were delayed beyond the set guideline of 7 days, if so, the details of such cases?

**ANSWER**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT  
(SADHVI NIRANJAN JYOTI)

(a): Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand driven wage employment Scheme and funds are released State/UT on the basis of “agreed to” Labour Budget and performance of the States during the year. Ministry seeks additional funds from Ministry of Finance as and when required for meeting the demand for work on the ground. Fund release to the States/UTs is a continuous process and Central Government is committed for making funds available to States for the implementation of the Scheme.

Government of India has allocated Rs.60,000 crore in Budget Estimate 2023-24 under Mahatma Gandhi NREGA. Further the budgetary allocation has been enhanced upto Rs.74,524.29 crore in 1<sup>st</sup> Supplementary Demand for Grant.

(b): As per Section 6(1) of Mahatma Gandhi NREGA, the Central Government may by notification specify the wage rate for its beneficiaries. Accordingly, the Ministry of Rural Development notifies Mahatma Gandhi NREGA wage rate every financial year for States/UTs. To compensate the Mahatma Gandhi NREGA workers against inflation, the Ministry of Rural Development revises the wage rate every financial year based on change in Consumer Price Index for Agricultural Labour (CPI-AL). The wage rate is made applicable from 1st April of each financial year. However each State/UT can provide wage over and above the wage rate notified by the Central Government.

(c): As per the provisions mentioned in Schedule-II of the Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), wage seekers shall be entitled to receive payment of compensation for the delay, at the rate of 0.05% of the unpaid wages per day of delay beyond the sixteenth day of closure of muster roll.

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