

**GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT**

**LOK SABHA
UNSTARRED QUESTION NO. 4052
ANSWERED ON 25/03/2025**

DELAY IN WAGE PAYMENT

4052. SHRI K C VENUGOPAL:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government is aware of the recent study published in the Indian Journal of Labour Economics, which revealed that the Union Government owes Rs. 39 crore in delayed wages to Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) workers;**
- (b) whether the Government acknowledges the findings of study that the Aadhaar-Based Payment System (ABPS) and caste-based wage distribution have inadvertently contributed to these delays rather than expediting payment disbursement;**
- (c) the specific remedial measures have been implemented or are being planned to address the operational challenges in the ABPS and the issues arising from caste-based wage distribution; and**
- (d) the timeline and mechanisms has put in place to ensure the prompt clearance of all outstanding wage dues to MGNREGS workers?**

ANSWER

**MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI KAMLESH PASWAN)**

(a): Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand driven wage employment Scheme. Under Mahatma Gandhi NREGS, wage payments are directly credited by the Central Government to the account of beneficiaries through the Direct Benefit Transfer protocol.

During the financial year 2024-25 (as on 19.03.2025), a total amount of Rs. 84,114.70 crore has been released under the

Mahatma Gandhi NREGS, which includes Rs. 62,660.45 crore for the wage component and Rs.21,454.25 crore for material and administrative components.

Regarding the delayed wages it is stated that 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. The State Government shall pay the compensation upfront after due verification within the time limits specified above and recover the compensation amount from the functionaries or agencies responsible for the delay in payment.

(b) & (c): To ensure timely payment of wages to the beneficiaries under Mahatma Gandhi NREGS and to address the issues arising due to frequent changes in bank account numbers of the beneficiaries and subsequent non-updation, it was decided to implement Aadhar Payment Bridge System (APBS). This has been made mandatory with effect from 1st January 2024. Currently, against total of 13.58 crore active workers Aadhaar seeding of 99.50% have already been completed. State/UTs are continuously being monitored by the Central Government for achieving 100% Aadhaar Seeding and APBS conversion in NREGASoft. As and when any issue is flagged by the State/UT or any other stakeholders, the same is resolved on priority basis.

The category-wise (SC, ST, and Others) wage payment system under Mahatma Gandhi NREGS has been introduced as per policy decision taken by Government to keep record of the benefits delivered under scheme to the beneficiaries belonging to weaker Sections of Society. It also helps in tracking participation, preventing discrimination, and enabling better policy decisions for financial planning and budget allocation.

(d): Fund release to the States/Union Territories is a continuous process and Central Government is committed for making funds

available to States/UTs for the implementation of the Scheme as per demand for work on the ground.

As per the provision of the Mahatma Gandhi National Rural Employment Guarantee Act, the beneficiaries are entitled to get wage payment within 15 days of closure of Muster Roll of the work. Government of India has also issued a detailed Standard Operating Procedure (SOP) to the States to ensure timely wage payment. The Ministry in coordination with the States/UTs has been making concerted efforts for improving the timely payment of wages. States/UTs have been advised to generate pay orders in time. The Ministry has taken various steps to ensure timely payment of wages to workers under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). These include:

(i) Upscaling of National Electronic Fund Management System (Ne-FMS)

(ii) Intensive consultation with State Governments and other stakeholders to strategise timely payment of wages, verification of pending compensation claims etc.

(iii) Formulation of Standard Operating Procedure for monitoring of timely payment and payment of compensation.

(iv) During various meeting with States/UTs, which includes, Meeting for finalisation of Annual Action Plan, Mid-Term Review meeting, Monthly Review Meeting and visit of senior officers to States/UTs, matter regarding the timely payment of wages and payment of delay compensation is regularly reviewed.
