

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

**LOK SABHA
UNSTARRED QUESTION NO. 306
ANSWERED ON 22/07/2025**

ALLOCATION OF FUND UNDER MGNREGS

306. SHRI Y S AVINASH REDDY:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether the Government has reduced allocation for Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and if so, the details thereof and if not, the reasons therefor since 2014 to till date;**
- (b) whether this was despite implementation in recent years, experiencing wage delays and underfunding and this has also depressed demand with formal requests for work only being a portion of the actual demand and if so, the details thereof;**
- (c) whether it is a fact that Aadhaar-based payments have neither reduced corruption nor stopped wage payment delays while creating hurdles for officials and workers during implementation; and**
- (d) if so, the details thereof and the corrective steps taken by the Government till now?**

ANSWER

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

(a): The Budget allocation under Mahatma Gandhi NREGA has steadily risen over the years. The budget allocation for the financial year 2006-07 was Rs 11,300 crore which increased to Rs 33,000 crore in FY 2013-14. During the FY 2024-25 budget allocated for the scheme was Rs. 86,000 crore which was the highest ever allocation to the scheme at the BE stage. For the FY 2025-26, budget allocation at BE stage continues to stand at Rs 86,000 crore which underscores the Government's continued support to the scheme. The details of the budget allocated for the scheme since FY 2014-15 is given below:

Sl. No.	Financial Year	Budget Estimate (Rs. in crore)	Revised Estimate (Rs. in crore)
1	2014-15	34000.00	33000.00
2	2015-16	34699.00	37345.95
3	2016-17	38500.00	48220.26
4	2017-18	48000.00	55167.06
5	2018-19	55000.00	61830.09
6	2019-20	60000.00	71001.81
7	2020-21	61500.00	111500.00
8	2021-22	73000.00	98000.00
9	2022-23	73000.00	89400.00
10	2023-24	60000.00	86000.00
11	2024-25	86000.00	86000.00
12	2025-26	86000.00	-

(b): The Mahatma Gandhi National Rural Employment Guarantee Act 2005 (Mahatma Gandhi NREGA) aims at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The scheme serves as a fallback option when no better employment opportunity is available. The Ministry regularly emphasizes during interactions with the States/UTs to ensure that no demand for employment is left unmet. Under the scheme fund release to the States/UTs is a continuous process and the Central Government is committed to making funds available to States for the implementation of the Scheme as per the demand for the employment on the ground. The Ministry seeks additional funds for implementation of Mahatma Gandhi NREGS from the Ministry of Finance as and when required for meeting the demand for employment on the ground.

(c)& (d): Under Mahatma Gandhi NREGA Direct Benefit Transfer, all wage payments to the workers are to be credited into the bank accounts of the workers. The crediting of payments are done using

the Aadhar number of the beneficiary with which the account is linked.

Aadhaar Based Payment System (ABPS) conversion is a major reform process where benefits are credited directly into the bank accounts based on the Aadhaar number of the workers, cutting several layers in the delivery process. APBS helps in better targeting, increasing the efficiency of the system and reducing the delays in payments, ensuring greater inclusion by curbing leakages and thereby, promoting greater accountability and transparency.

One of the several benefits of APBS conversion is to minimize the rejection of transactions due to the frequent changing of bank accounts maximizing the performance of DBT. During a period from 1st January, 2024 to 25th February, 2025 the scale of rejected transactions for reasons such as no such account or account closed etc. has drastically come down from 8.50% (in case of earlier NACH payment mode) to a mere 0.41% in case of ABPS system. This clearly establishes the benefits of the ABPS systems for the welfare of the beneficiaries.
