



## Direct Benefit Transfer under MGNREGS

To streamline the fund flow mechanism and bring down delay in payment of wages, the Ministry of Rural Development has implemented the National Electronic Fund Management System (NeFMS) in 24 States and 1 Union Territory.

- This process reduces the delay in allocation of funds for payment of wages to the States and removes parking of funds at various levels.
- As per NREGA Soft, around 99% of the wages are being paid electronically (as on 24.07.2018) into the Bank/Post Office accounts of MGNREGA workers through Electronic Fund Management System (eFMS). Whereas in 2013-14, only 37% of the wages were paid electronically.
- The Ministry along 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.
- This has resulted in considerable improvement in the status of timely generation of pay order and leading to improvement in actual time taken to credit wages in the workers account. In 2018-19 (as on 23.07.2018), 92% pay orders have been generated within 15 days.

### Electronic Fund Management System (e-FMS)

- In order to streamline the system of fund releases and to avoid multiple levels of fund release and thereby do away with the delays and corruption, an electronic Fund Management System (e-FMS), has been introduced in MGNREGA.
- Under this system, funds are held in one account at the State level (e-FMS Debit account) which is electronically linked to all implementing levels.
- The implementing agency (Gram Panchayat/ Block), after due verification of the work and the muster rolls, generates an electronic Fund Transfer Order (FTO) to transfer the wages direct into the beneficiary accounts.
- This electronic device allows transfer of wages within 2 working days into the accounts of the beneficiaries.
- Although the funds are held centrally at State level, the decision to spend is taken at the field level.

#### **NREGA Soft**

- NREGA Soft envisions implementing e-Governance across State, District and three tiers of Panchayati Raj Institutions.
- It empowers the common man using the information technology as a facilitator.
- NREGA Soft provides information to citizen in compliance with the right to information Act (RTI Act).
- It makes available all the documents like Muster Rolls, registration application register, job card/employment register/muster roll issue register, muster roll receipt register which are hidden from public otherwise.

### Major Reasons for Delay in Generation of Pay Orders

- Delay in filling of attendance sheet on account of delayed submission of filled in Muster Roll

by the Gram Rozgar Sahayak (GRS) or non-entry of attendance by Data entry operator within 2 days of closure of muster roll.

- A **“muster roll”** is essentially a labour attendance register, pertaining to a particular worksite and a particular period (e.g. two weeks). It is also used as a receipt, to claim funds from the Programme Officer for the payment of wages.
  
- **Gram Rozgar Sahayak (GRS) or the Employment Guarantee Assistant** assists the Gram Panchayat in executing MGNREGA works at Gram Panchayat level.  
Other Functions:
  - Overseeing the process of registration, distribution of job cards, provision of dated receipts against job applications, allocation of work to applicants etc. c. Facilitating Gram Sabha meetings and social audits.
  - Recording attendance of labour every day either himself/ herself or through the mate in the prescribed Muster Rolls at the work site.
  
- Delay in measurement of work due to inadequate number of technicians.
- Delay in generation of wage list by data entry operator.
- Lack of IT infrastructure at gram panchayat level.
- Inadequate Core Banking Solution (CBS) based banking facility.
- Mismatch of wage seekers account information due to wrong entry of account particulars in NREGA Soft.

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