



No. L12053/36/2011-MGNREGA-I(FTS13449)
Government of India
Ministry of Rural Development
Department of Rural Development
(MG NREGA-I Division)

Krishi Bhavan, New Delhi
Dated 17th October, 2011

To,

All Principal Secretary/Secretary of State Rural Development Departments

Subject: Clarification on the provision of 'payment of compensation' under Mahatma Gandhi NREGA.

Sir,

I am directed to state that few references from State Governments were received on the provision of 'payment of compensation' under Section 26 of Mahatma Gandhi NREGA. The matter was examined in the Ministry in consultation with Integrated Finance Division and advice was also taken from Department of Legal Affairs. Based on the advice of Department of Legal Affairs and recommendation of Integrated Finance Division, following clarifications are made in this regard:

1. Compensation under the Workmen's Compensation Act cannot be claimed over and above the amount of ex-gratia payment provided under MGNREGA.
2. Payment of ex gratia payment in case of death or becoming permanently disabled by accident arising out of and in the course of employment under this scheme shall be met within the fund availability of 6% for administrative expenses.

All the State Rural Development Departments are advised to bring to the notice of all the concerned agencies for information and necessary action.

Yours sincerely,

(PN Shukla)

Under Secretary to the Government of India

1. PPS to JS (MGNREGA-J)/JS (MGNREGA-M) for information please.
2. All Deputy Secretary, Joint Director & Directors of MGNREGA Division for information please.