

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

UNSTARRED QUESTION NO:1740  
ANSWERED ON:01.12.2011  
PAYMENT UNDER IAY AND MGNREGS  
Reddy Shri Anantha Venkatarami

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

- (a) whether under the Indira Awas Yojana and the Mahatma Gandhi National Rural Employment Guarantee Scheme cash transferred through post offices has often not reached the intended beneficiaries among the poor;
- (b) if so, the details thereof;
- (c) whether the Union Government is considering to transfer the cash from account to account mode as launched by the Odisha Government; and
- (d) if so, the reaction of the Government in this regard?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN 'ADITYA')

(a) & (b): No specific report of cases of cash transferred through post offices not reaching the intended beneficiaries under Indira Awas Yojana (IAY) have been received in the Ministry. The Ministry receives large number of complaints of all types about implementation of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in the country, 49 such complaints under MGNREGA related to Banks/Post offices have been received in the Ministry as on 10.11.2011. As implementation of the Act is done by the State Governments in accordance with the Schemes formulated by them as per the provisions of the Act, all complaints received in the Ministry are forwarded to the concerned state Governments for taking appropriate action, including investigation, as per law, The Ministry has been reminding State Governments about their duty under the Act to have the serious complaints investigated and take necessary action and to ensure that in cases of mis-appropriation and embezzlement of Government funds not only disciplinary action should be taken against the guilty official but simultaneously criminal prosecution should also be initiated under Indian Penal Code and Prevention of Corruption Act, besides recovering the amount involved from the persons concerned in accordance with law

(c) & (d): Under MGNREGA, it is the responsibility of State Governments to make wage payment to beneficiaries in accordance with the provisions of the Act. With a view to ensuring timely payment, infusing transparency and enhancing the integrity of wage payment, Schedule II of MGNREG Act has already been amended to make wage disbursement to MGNREGA workers through institutional accounts in Banks or Post Offices a statutory requirement unless specifically exempted. States have started making payment of wages of MGNREGA workers directly to their individual or joint accounts with Banks or Post Offices. As per reports from States/UTs, during 2010-11, a total amount of Rs. 20,292.66 crore was disbursed as wages through 88025344 individual and 10800731 joint accounts of MGNREGA workers with Banks/Post Offices.