

## Chapter 3 : Identification and Selection of Beneficiaries

To address the gap between the housing shortage and the existing availability of houses, a proper assessment of the housing shortage and identification of the beneficiaries is of paramount importance.

### 3.1 Assessment of housing shortage by DRDAs

The working group under the Planning Commission on Rural Housing assessed the housing shortage as 426.90 lakh in rural areas for BPL families for XI<sup>th</sup> Five Year Plan (2007-12). Out of this, shortage of 150 lakh (30 lakh houses per year) houses was to be met under the IAY. Further, 50 lakh housing shortage was assessed for 2012-13. Thus, the working group fixed the target of construction of 170 lakh houses under the IAY for 2008-13. Against this, the Ministry fixed a target of 148.25 lakh houses to be constructed during 2008-13.

Keeping in view the annual average of 30 lakh housing shortage, Ministry allocates the Central assistance to the District *Panchayat/Zilla Panchayat*/District Rural Development Agencies (DRDA) giving 75 *per cent* weightage to rural housing shortage and 25 *per cent* weightage to poverty ratio. On the basis of allocations made and targets fixed by the Ministry (para 2.1 of the IAY guidelines), the DP/ZP/DRDA decides the number of houses to be constructed/up-graded during a financial year and identify the shelterless beneficiaries. In order to identify the beneficiaries it was important to assess the housing shortage.

We noted that the housing shortage was not assessed in 14 states *viz.* **Andhra Pradesh, Arunachal Pradesh, Goa, Haryana, Himachal Pradesh, Jharkhand, Kerala, Maharashtra, Manipur, Meghalaya, Nagaland, Uttarakhand, West Bengal and Punjab** (three districts). In three states *viz.* **Bihar, Mizoram and Odisha** no reliable data/records regarding assessment of housing shortage were available. This aspect was pointed out in the previous CAG Audit Report no. 3 of 2003 in respect of seven states, *viz.* **Andhra Pradesh, Arunachal Pradesh, Haryana, Manipur, Nagaland, Punjab and West Bengal.**

In **Jammu & Kashmir**, the details of housing shortage were available with the blocks but it was not consolidated at the district level. In **Assam**, according to BPL census 2002, housing shortage was 18.73 lakh but the state assessed the housing shortage of 22.41 lakh on the basis of census 2001. Thus, the assessment of housing shortage in the state was incorrect.

The Ministry stated (July 2014) that for allocation of funds to the states, the housing shortage as assessed by the Department of Census Operation was taken into account. This procedure was followed for fixing of physical targets at district and block/GP level. However, for identification of beneficiaries, a BPL survey was conducted by the states after every five years and a BPL list/Permanent IAY Waitlist is prepared based on the survey.

Audit noted that last survey was conducted during the year 2002 which indicates that the figures are not being updated regularly. Further, a Socio-Economic Caste Census was conducted during the year 2011, which was yet to be finalized.

Thus, the Ministry's reply indicated that the data on housing shortage utilized by it was outdated and was, thus not realistic.

### **3.2 Procedure for preparation of Permanent Waitlists and Annual Plans**

According to para 2.1 of the IAY guidelines, the targets fixed by the Ministry were to be intimated to the GP. The beneficiaries in each GP, restricted to this number, were to be selected from the permanent IAY waitlists prepared on the basis of BPL lists in order of seniority in the list. The GP were to draw out the shelterless families from the BPL list strictly in the order of ranking in the list. A separate list of SC/ST families in the order of their ranks then was to be derived from the larger IAY list to facilitate the process of allotment of 60 *per cent* of houses to these categories. Thus, at any given time, two IAY waitlists, one for SC/ST families and other for non-SC/ST families were to be available. The lists were needed to be approved by the *gram sabha* attended by a government servant as a nominee of the Collector. Selection by the *gram sabha* was to be final and no approval was required by any higher authority.

Further, according to para 4.2 b (viii) of the IAY guidelines, an annual plan was also to be prepared to ensure adherence with the permanent waitlist, in so far as selection of beneficiaries was concerned.

### 3.2.1 Permanent Waitlists were not prepared

Permanent waitlists were not prepared in selected districts of three states and one UT viz. **Andhra Pradesh, Gujarat, Meghalaya** and **Lakshadweep**. Separate waitlists for SC/ST and non-SC/ST were not maintained in three states and one UT viz. **Manipur, Tripura, West Bengal** and **Andaman & Nicobar Islands**. Audit noticed disparate practices across various states in the preparation of permanent waitlists and irregularities such as exclusion of beneficiaries, duplicacy in names and inclusion of persons belonging to general category in the SC/ST list etc. Details are given in **Annex-3.1**.

In **Uttar Pradesh**, in block Mall of district Lucknow, 13 beneficiaries of general category in BPL list were shown as Schedule Caste in waitlist of the IAY.

### 3.2.2 Approval of *Gram Sabha* was not obtained

We noted that the permanent waitlists was not approved by *gram sabha* in two states (**Uttarakhand, Uttar Pradesh**) and in 25 GPs of **Madhya Pradesh**. *Gram sabha* meetings were not attended by nominees of the Collector in three states viz. **Karnataka, Mizoram, Odisha**. In **Karnataka**, in 51 GPs, 7,212 beneficiaries were selected without *gram sabha* approval.

In **Assam**, in 10 GPs of two blocks of two selected districts Nagaon and Sonitpur, 1,383 beneficiaries were selected by GP/block/MLAs instead of *gram sabha*. In block Borkhola in district Cachar, an amount of ₹ 34.70 lakh was released to 72 beneficiaries selected by local MLA, Borkhola constituency without approval of *gram sabha*. In **Haryana**, the selection of beneficiaries was done by DRDAs instead of the *gram sabha*. In **Jharkhand**, in 14 out of 18 selected blocks, 25,424 beneficiaries were selected without approval of *gram sabha* and assistance of ₹ 92.63 crore was released to them. In **Karnataka**, in three GPs of ZP Gadag, the selection of 243 beneficiaries was done without approval of *gram sabha*. In **Tamil Nadu**, in three blocks of three selected districts, Tiruppur (Palladam), Tiruchirappalli (Thiruverambur) and Tiruvannamalai (Tiruvannamalai), 110 beneficiaries were selected without approval of *gram sabha* involving expenditure of ₹ 76.95 lakh and in block Thiruverambur, 12 beneficiaries were selected by *gram sabha* without quorum. In **West Bengal**, in none of the selected GPs of district Malda, the permanent waitlists was approved by *gram sabha*, and six beneficiaries in two blocks (Suri-II, Mayureswar-II) of district Birbhum and five beneficiaries in two GPs (Bararangras, Khangrabari) in district Cooch Behar were extended benefits of ₹ 2.10 lakh and ₹ 1.75 lakh respectively without approval of *gram sabha*.

### 3.2.3 Annual Plan were not prepared

We noted that the annual plan to ensure adherence with waitlists was not prepared in 16 states and one UT viz. **Assam, Chhattisgarh, Goa, Gujarat, Haryana, Jammu & Kashmir, Jharkhand, Madhya Pradesh, Manipur, Mizoram, Nagaland, Odisha, Punjab, Rajasthan, Tripura, Uttarakhand** and **Lakshadweep**. In **Andhra Pradesh**, while Andhra Pradesh State Housing Corporation Limited (APSHCL) stated that it had prepared the annual plan but it was not produced to audit. In **Arunachal Pradesh**, annual plan was not prepared in three selected districts (Lohit, Anjaw, Papumpare). In **Bihar**, annual plan was not prepared by any of the selected districts except Bhagalpur and Madhubani, where incomplete annual plans were prepared for two and three years respectively (Bhagalpur for 2008-10, and Madhubani for 2010-13) during 2008-13. In **Maharashtra**, in district Gondia, the annual plan was not prepared by the district. Thus, the programme was being implemented in these states/districts in an unplanned manner.

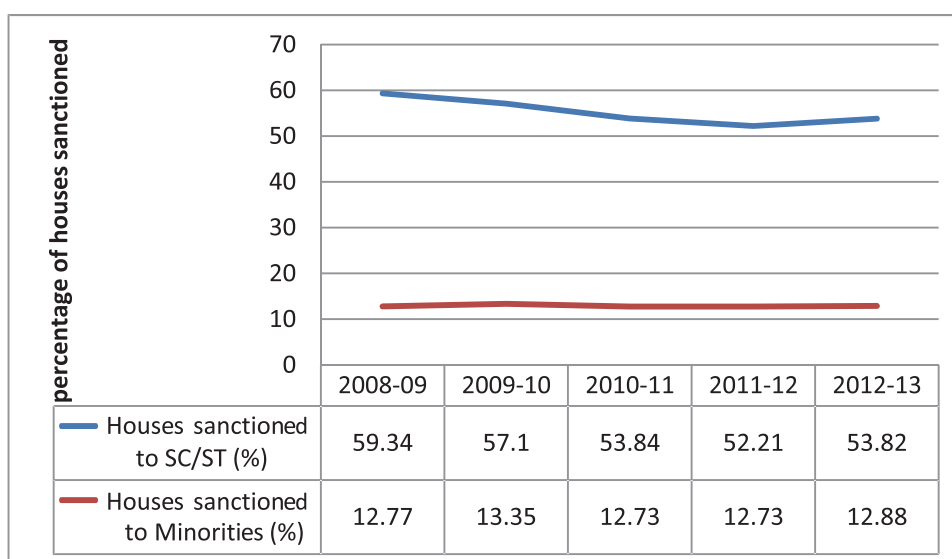
## 3.3 Selection of beneficiary

### 3.3.1 Shortfalls in selection of beneficiaries of specified categories

According to para 1.5 of the IAY guidelines, 60 *per cent* of the IAY resources were to be earmarked for SC/ST beneficiaries and 40 *per cent* for non-SC/ST BPL households. This implied that the selection of the SC/ST beneficiaries should have been 60 *per cent* of the total physical targets and for non-SC/ST it should be 40 *per cent* of the total physical targets. Further, 15 *per cent* physical targets were to be earmarked for BPL minorities and three *per cent* of the above categories for physically and mentally challenged persons.

We noted that out of 166.88 lakh houses sanctioned during 2008-09 to 2012-13 under the IAY, only 55 *per cent* (92.35 lakh) houses were sanctioned to SC/ST beneficiaries and only 12 *per cent* (21.56 lakh) were sanctioned to minorities as shown in **Chart-7**.



**Chart-7: IAY houses sanctioned to SC/ST and Minorities**

Further, in 13 states selection of beneficiaries from the specified categories was not in accordance with the provisions of the IAY guidelines as detailed in **Annex-3.2**. Other issues noted in selection of beneficiaries which are as under:-

- In **Uttarakhand**, in four selected districts, category of 131 beneficiaries was changed from general to SC/ST and category of 43 beneficiaries was changed from SC/ST to general. The facts were acknowledged by district authority which stated that the matter was being looked into.
- In **Rajasthan**, the DRDAs of districts Bhilwara, Karauli, Sikar and Udaipur stated that there was no pendency in the IAY waitlists in respect of minorities whereas as per information provided by the State Government there was pendency of 46, 165, 10 and 122 number of beneficiaries of minorities. Thus, the integrity of the information furnished by DRDA was doubtful.
- In **Nagaland**, though 2,051 physically or mentally challenged persons were stated to be covered, audit did not come across any beneficiary of such category during interview with 695 beneficiaries. The coverage of such a high number of physically and mentally challenged persons appeared to be unrealistic. The department accepted (August 2013) that beneficiaries under this category were not identified while fixing the target for the IAY.

The Ministry stated (July 2014) that the housing shortage for these categories was being exhausted. The Ministry further stated that in many states, there was negligible number of minority families whereas there was no minority population in **Meghalaya, Mizoram and Nagaland**.

The reply of the Ministry was general and did not address the state specific irregularities observed by audit. Since the ratio of minority population varies from State to State, the suitability of having common guidelines for all States was in question.

### **3.3.2 Selection of Non- BPL beneficiaries**

According to para 1.4 of the IAY guidelines, the target groups under the IAY were below poverty line (BPL) households except families/widows of personnel from defence services/para military forces killed in action living in the rural areas of the country. We noted that 36,751 non- BPL families which did not belong to defence services/para military forces were given assistance of ₹ 89.15 crore in 670 GPs of 67 blocks in 34 selected districts of 12 states. The details are given in **Annex-3.3**. Other issues are discussed below:-

- In **Kerala**, the beneficiaries were selected from the list of houseless families prepared for another state housing scheme *viz.* Elamkulam Manakkal Sankarn (EMS) housing scheme launched in 2008-09 which contained houseless families belonging to both BPL and non-BPL.
- In **Odisha**, in district Ganjam, 118 beneficiaries were relatives of BPL card holders and the IAY assistance of ₹ 34.97 lakh were released to them on the basis of BPL cards possessed by these relatives.
- In **Goa**, as per BPL list-2002 there were only 1,188 BPL persons, however, 12,255 persons were selected for construction of new houses. Similarly there were 3,917 BPL persons having *kutcha* houses, but 4,713 persons were selected for up gradation of houses.
- In **Assam**, in two districts (Karbi Anglong, Barpeta), there were 680 BPL persons, however 1,376 persons were selected against these BPL cards.
- In **Andhra Pradesh**, 164 beneficiaries in the urban areas benefitted from the IAY funds in contravention of the provision of the IAY guidelines which permit coverage of only rural households. An amount of ₹ 40.67 lakh was paid to them.

### Case study of Jharkhand

In five blocks of two districts Ranchi (Ratu, Mandar, Nagari) and Deoghar (Deoghar Sadar, Madhupur), 50 beneficiaries having '0' score in BPL list were selected and ₹ 17.79 lakh was paid to them. We noted that the selected beneficiaries had their own land for construction of houses though as per norms beneficiaries with '0' score should not be in possession of land. Further, in three districts viz., Godda, East Singhbhum and Ranchi, 474 beneficiaries were given assistance of ₹ 1.29 crore against the wrong BPL IDs and in four districts Deoghar, East Singhbhum, Garhwa and Godda, 485 beneficiaries got assistance of ₹ 1.01 crore without BPL IDs. Thus, the correctness of the BPL list was doubtful.

### 3.3.3 Selection of Ineligible beneficiaries

According to para 1.4 of the IAY guidelines, the eligible beneficiaries under the IAY are shelterless BPL households except families/widows personnel from defence services/para military forces killed in action living in the rural areas of the country. We noted that in 11 states 10,184 ineligible beneficiaries were selected and ₹ 31.73 crore was paid to them as detailed below in **Table-2**

**Table-2: Payment to ineligible beneficiaries**

Sl. No	State	District	Block	GP	Beneficiaries	Amount (₹ In lakh)	Remarks
1.	Andhra Pradesh	2	2	2	21	6.94	Payment made to 21 beneficiaries declared ineligible by project director of Andhra Pradesh State Housing Corporation Limited (APSHCL) on the basis of reports of integrated survey team.
2.	Goa	1	2	12	959	334	Affluent families were given re-construction grant.
3.	Gujarat	1	2	NA	870	391.50	Beneficiaries having BPL score 17 to 20 were given assistance.
4.	Haryana	5	10	129	470	174.00	Ineligible persons got the BPL cards by providing wrong information.
		3	3	--	15	5.45	Payment made to persons who were beneficiaries under state housing scheme.
5.	Jammu & Kashmir	2	2	2	12	3.58	Beneficiaries were from urban areas.
		5	9	--	1,154	338.10	The beneficiaries already had pucca/semi-pucca houses
		6	12	--	6,423	1,779.55	Payment to non-BPL beneficiaries
6.	Jharkhand	1	1	4	5	1.45	Two beneficiaries were allotted houses previously and three beneficiaries were selected wrongly.

7.	Madhya Pradesh	1	1	--	7	1.00	Payment to Ineligible persons
8.	Punjab	1	1	--	9	3.15	Payment to Ineligible persons
9.	Rajasthan	2	5	--	77	21.26	Payment to Ineligible persons
10.	Tamil Nadu	3	6	22	129	102.20	Beneficiaries having score more than 17.
11.	Uttar Pradesh	2	2	--	33	11.14	In Ambedkar village Khiraura Shahbajpur (block Itiathok) of district Gonda, 25 ineligible persons were paid 8.44 lakh which remained unrecovered till July 2013. Eight ineligible persons in village Purania Khurd of block Milak of district Rampur were paid ₹ 2.70 lakh 2011-12. Recovery in both the cases was pending till July 2013
	<b>Total</b>	<b>35</b>	<b>58</b>		<b>10,184</b>	<b>3,173.32</b>	

In three selected districts of **Rajasthan**, first instalment of ₹ 1.22 crore was released to 541 beneficiaries (in district Bundi ₹ 82.00 lakh to 363 beneficiaries during 2011-12, in district Sikar ₹ 34.00 lakh to 153 beneficiaries and in district Sriganganagar ₹ 6.00 lakh to 25 beneficiaries during 2008-12) who however, did not commence construction work of their houses. We noted that 363 beneficiaries in district Bundi had misutilised the financial assistance of ₹ 82.00 lakh released to them. This was proved in a departmental survey and the department had initiated action to lodge FIR for recovery of the financial assistance.

#### Case study of Maharashtra:-Minor was allotted a house under the IAY

In GP Paithan in block Akole, district Ahmednagar, one dwelling unit was allotted (March 2011) to a minor aged about 11 years and assistance of ₹ 68,045 was paid to him. The name of minor featured as head of the family in the permanent IAY waitlist prepared out of BPL list 2002 when his age was about three years, despite the fact that his parents were alive.



**Sample photos of financial assistance given to ineligible beneficiaries  
(two members of the same BPL family) in South Goa district**



Mrs. 'X' & Mrs. 'Y' in front of their existing house



New House of Mrs. 'X'



New House under construction of Mrs. 'Y'



### Case Study: Karnataka

#### (i) Assistance given to ineligible persons

According to the IAY guidelines, the plinth area of the houses should not be less than 20 sq. meter. We noted that the sanction order given to the beneficiary stipulated that the size of the house should be 40 sq. meter, although IAY guidelines was silent on the upper limit area of the house.

During joint physical inspection, in 76 cases, it was found that large houses in the range of 70 to 120 sq. meters built-up area were constructed as seen in sample pictures given below. The quality of construction as evident from these photographs would suggest that the cost of construction would not fall under the category of below ₹ 5.00 lakh. Thus, the beneficiaries did not belong to BPL families and were not eligible for assistance under the IAY.



IAY house in Hebbadi Village, Melapura GP, SR Pattana TP, Mandya ZP



IAY house in Manchanayakanahalli GP, Ramanagara TP, Ramanagara ZP



**(ii) Assistance used for extension of already built houses**

According to the IAY guidelines, the assistance was to be given for construction of new houses and up-gradation of an unserviceable *kutcha* houses in respect of free bonded labourers, SC/ST households, BPL families, etc. Contrary to the guidelines, the assistance was extended to the families who were already in possession of habitable houses.

In 45 selected GPs, We observed 89 cases of houses constructed as extensions of existing houses owned by the beneficiaries as seen in the **picture** below. Thus, the assistance provided to these beneficiaries was in contravention of guidelines.



IAY house in Banagahalli GP, Channapatna TP, Ramanagara ZP

**3.3.4 Selection of beneficiary outside waitlist**

According to para 2.1 of the IAY guidelines, the beneficiaries were to be selected from the permanent IAY waitlists in order of seniority. We noted that:-

- i) In **Assam**, in 28 blocks of four selected districts, 10,694 beneficiaries were selected outside permanent IAY waitlist and given assistance of ₹ 40.01 crore under the IAY for construction of houses;
- ii) In **Manipur**, in seven blocks of four selected districts, benefits of ₹ 9.87 crore was extended to 3,118 beneficiaries outside waitlist;
- iii) In **Mizoram**, in 25 villages under two selected districts, out of 398 beneficiaries, 53 beneficiaries were selected outside waitlist and given assistance of ₹ 23.71 lakh for construction of houses;
- iv) In **Odisha**, in three blocks of district Ganjam, 314 beneficiaries involving assistance of ₹ 88.60 lakh were selected outside waitlist;

- v) In **Uttar Pradesh**, in 17 blocks of four selected districts 19,131 beneficiaries outside the waitlist were given assistance of ₹ 86.05 crore;
- vi) In **Uttarakhand**, in Haridwar district, 156 beneficiaries were selected outside waitlist and given assistance of ₹ 72.93 lakh;
- vii) In **West Bengal**, in three<sup>1</sup> GPs of three selected districts, benefits of the IAY amounting to ₹ 23.70 lakh were extended to 70 beneficiaries who were not included in waitlist but their names were approved by ZPs of Cooch Behar (four beneficiaries, ₹ 1.23 lakh), Malda (two beneficiaries, ₹ 0.60 lakh) and Birbhum (64 beneficiaries, ₹ 21.87 lakh).

### **3.3.5 Selection of beneficiaries ignoring seniority in waitlist**

According to para 2.1 of the IAY guidelines, the beneficiaries were to be selected from the permanent IAY waitlists in order of seniority. We noted that in 236 GPs of 47 blocks in 29 districts of nine states and one UT, selection of 4,796 beneficiaries was made ignoring seniority in the waitlist as detailed in **Annex-3.4**. In **Assam**, in two selected districts (Nagaon, Sonitpur), 2,235 beneficiaries were selected against 1,083 beneficiary IDs in permanent IAY waitlists.

In **Uttar Pradesh**, in eight selected districts, the DRDAs earmarked the targets for the saturation of the Ambedkar and Lohiya villages identified by the state government out of total targets received from the Ministry. In these villages 17,752 houseless BPL families were provided assistance of ₹ 72.06 crore under the IAY irrespective of their seniority in waitlist. Thus, the state government executed its own scheme from the IAY fund without ensuring seniority in the waitlist.

In **Chhattisgarh**, in GP Narmadapur of district Sarguja, 22 BPL families not included in waitlist were given assistance of ₹ 7.70 lakh during 2009-10.

### **3.3.6 Selection of beneficiaries having *pucca* house**

As per the IAY guidelines, beneficiaries were to be selected from the permanent IAY waitlists prepared by the *gram panchayats* for shelterless families drawn out from the BPL list. Audit noticed that in 365 GPs of 39 blocks in 24 selected districts of eight states, the selection of 1,654 beneficiaries having *pucca* houses was made and assistance of ₹ 5.36 crore was given to them. The details are given in **Table-3**.

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<sup>1</sup> Shalbari-II (Cooch Behar), Sian-Muluk (Birbhum), Mashlada (Malda)

**Table-3: Payment to beneficiaries having *pucca* houses**

Sl. No.	State	District	Block	GP	Number of Beneficiaries	Amount (₹ In lakh)
1.	Bihar	4	8	22	128	46.52
2.	Haryana	6	8	21	40	15.88
3.	Jammu & Kashmir	5	9	288	1,154	338.10
4.	Karnataka	4	7	23	288	117.66
5.	Rajasthan	1	1	2	4	1.71
6.	Uttar Pradesh	2	3	4	22	9.90
7.	Uttarakhand	1	2	4	10	4.41
8.	West Bengal	1	1	1	8	2.80
	<b>Total</b>	<b>24</b>	<b>39</b>	<b>365</b>	<b>1,654</b>	<b>536.98</b>

**Sample Photo of *Pucca* House of a beneficiary (BPL ID: 4323), Dehradun, Uttarakhand, who was sanctioned IAY house during the year 2011-12**



**Sample Photo of *Pucca* House of a beneficiary (BPL ID:292), Dehradun, Uttarakhand, who was sanctioned IAY house during the year 2011-12**



### 3.3.7 Assistance to beneficiaries for up-gradation

According to para 3.1 of the IAY guidelines, the ceiling on grant of admissible assistance per unit cost for up gradation of *kutcha* house was ₹ 15,000. We noted that the assistance was provided for up-gradation at the rate prescribed for new construction (₹ 35,000 or ₹ 45,000). The state wise details are given below:-

- In **Bihar**, in block Pratapganj of district Supaul, 25 beneficiaries having *kutcha* houses were granted assistance of ₹ 10.85 lakh under the IAY for the construction of new houses.
- In **Jammu & Kashmir**, 3,764 out of 9,831 beneficiaries having *kutcha* houses in 11 (out of 12) selected blocks were given financial assistance of ₹ 6.96 crore under the IAY for construction of new houses.

The Ministry stated that it was not necessary for beneficiary having *kutcha* house to get IAY assistance only for up-gradation and it depends on the beneficiary whether he or she wanted to upgrade the exiting *kutcha* house or to construct a new house after demolishing the exiting one and the financial assistance under the IAY was given accordingly.

The reply of the Ministry was not in line with the guidelines issued by them.

### 3.3.8 Selection of beneficiaries more than once

We noted that in 700 GPs under 141 blocks in 30 selected districts of eight states, 5,824 beneficiaries were selected more than once and payment of ₹ 14.67 crore was made to them as detailed below in **Table-4**.

**Table-4: Payment to the same beneficiaries more than once**

Sl. No.	State	District	Block	GP	Beneficiaries	Amount (₹ in lakh)	Remarks
1	Andhra Pradesh	2	76	272	4,809	1,106.82	967 beneficiaries were repeated twice/thrice and an amount of ₹ 2.58 crore was paid to them; but no recovery was made from them. {Karimnagar (102): ₹ 28.22 lakh and Khammam (865): ₹ 229.94 lakh}. In Khammam, 3,842 beneficiaries were sanctioned more than one house on a single ration card involving financial implication of ₹ 8.49 crore.

2	Assam	4	28	248	513	194.18	In districts Karbi Anglong, Nagaon, Barpeta and Sonitpur, 513 beneficiaries were selected twice either in the same or subsequent year and payment of ₹ 194.18 lakh was made to them. Besides 87 cases of double allotment of houses in blocks Debitola (52) and Kachugaon (35) under district Kokrajhar were also noticed.
3	Jammu & Kashmir	5	7	19	20	5.60	In 20 cases in seven selected blocks, assistance for construction of houses was paid twice to the same beneficiary resulting in excess payment of ₹ 5.60 lakh.
4	Jharkhand	6	12	44	134	43.06	134 beneficiaries were allotted 279 houses which resulted fraudulent allotment of 145 extra houses involving expenditure of ₹ 43.06 lakh.
5	Karnataka	4	4	5	6	2.55	In five <sup>2</sup> GPs, assistance of ₹ 2.55 lakh was given to six beneficiaries twice.
6	Manipur	4	8	69	243	77.61	243 beneficiaries got assistance twice/thrice in four selected districts.
7	Uttar Pradesh	3	3	23	59	22.95	116 houses were allotted to the beneficiaries against 57 identification numbers in three districts (Varanasi, Maharajganj and Fatehpur).
8	Uttarakhand	2	3	20	40	14.54	In two selected blocks (Sahaspur and Raipur) of district Dehradun, 77 beneficiaries were selected against 38 BPL-IDs and assistance of ₹ 14.19 lakh was provided to 39 beneficiaries. In Sahaspur, three beneficiaries were selected against a single ID. Further, in block Devprayag of district Tehri, assistance of ₹ 35,000 were released to a beneficiary twice.
<b>Total</b>		<b>30</b>	<b>141</b>	<b>700</b>	<b>5,824</b>	<b>1,467.31</b>	

Thus, the IAY was implemented without proper assessment of housing shortages and there was lack of transparency in allotment of houses as discussed above.

<sup>2</sup> Nemmaru (Chikamagalur ZP), Yeliwala and Hirenathi (Dharwar ZP), Maralahalli (Koppal ZP), Harokoppa (Ramanagara ZP)



### **3.4 Allotment of houses**

#### **3.4.1 Non-preference in allotment of houses to female member**

According to para 2.4 of the IAY guidelines, allotment of dwelling units should be in the name of female member of the beneficiary household. Alternatively, it could be allotted in the name of both husband and wife. However, if there was no eligible female member in the family available/alive, house should also be allotted to the male member of a deserving BPL family. In 2005-06, the Government of India for the first time introduced Gender Budgeting which presented the magnitude of allocations for various schemes which were to benefit women. We noted that the entire allocation for the IAY was included in gender budget apparently because the houses built under the IAY were to be registered in the name of female members.

We noted that out of 166.88 lakh houses sanctioned during 2008-09 to 2012-13 under the IAY, only 61 *per cent* (101.15 lakh) houses were sanctioned in the name of females and 13 *per cent* (22.07 lakh) were sanctioned to male members of the family. Houses sanctioned in the name of both husband and wife were 26 *per cent* (43.66 lakh).

Further, in six states allotment of dwelling units in the name of female members of the household was not preferred and male members were given preference in 50 to 100 *per cent* cases and in eight states and one UT allotment of dwelling units in the name of female members of the household was preferred in 54 to 99 *per cent* cases as detailed in **Annex-3.5**. In many states, houses were not allotted in the name of female members despite presence of eligible female member in the family.

The Ministry replied (June/July 2014) that more than 80 *per cent* houses were allotted in the name of female or in the joint name of husband and wife. During 2012-13 out of 28.34 lakh houses sanctioned, 24.66 lakh houses were sanctioned in the name of female or in the joint name of husband and wife. The Ministry further added that in the revised guidelines, allotment was to be made jointly in the name of husband and wife except in case of a widow/unmarried/ separated person.

However, the Ministry's reply that more than 80 *per cent* houses were allotted in the name of female or in the joint name of husband and wife in the households as verified in audit pertained to **Uttarakhand** only; and in several cases no documents supporting allotment to women were available on record.



Further, the reply of the Ministry did not provide detailed reasons for non-compliance to the provisions of allotment of houses to the female members as pointed out in case of 15 states/UT (**Annex-3.5**). Placing the entire allocations for the IAY under gender budget entails a commitment on the part of Ministry to ensure that the IAY allocations empower women which is possible only if the allotment of the houses were made exclusively in the name of female members.

### 3.4.2 Other irregularities in allotment of houses

Irregularities of different nature were also noticed in allotment of houses which are as under:-

- In 94 GPs of 33 blocks in 11 selected districts of five states, 126 beneficiaries who were given benefits under the state housing schemes were given assistance of ₹ 46.93 lakh under the IAY as detailed in **Annex-3.6**.
- In 37 village *panchayats* in the three selected blocks<sup>3</sup> of Tiruchirappalli district in **Tamil Nadu**, 144 out of 664 beneficiaries selected under the state scheme (100 *per cent* state funded) and after completing basement stage, were transferred to the IAY afresh under the category “new construction” by adjusting the payment already made from the state funded scheme, during 2012-13 and granted Central assistance to the tune of ₹ 61.15 lakh.

## 3.5 Preparation of inventory

According to para 5.9 of the IAY guidelines the implementing agencies should have a complete inventory of houses constructed/ upgraded under the IAY, giving details of the date of start and date of completion of construction of dwelling unit, name of the village and block in which the house was located, occupation and category of beneficiaries and other relevant particulars.

We noted that the inventory of houses was not prepared in 14 states and one UT *viz.* **Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa (North-Goa), Jammu & Kashmir, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Manipur, Punjab, Rajasthan, Tripura and Lakshadweep.** **Andhra Pradesh** maintained the inventory of houses properly. This was also pointed out in previous CAG report no. 3 of 2003 in case of 12 states *viz.* **Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Jammu & Kashmir, Jharkhand, Kerala, Madhya Pradesh, Maharashtra, Manipur, Punjab and Rajasthan.** In **Mizoram**, out of four blocks only two blocks *viz.* Tlangnuam and

<sup>3</sup> Thiruverambur, Thuraiyur and Uppiliapuram.

Khawzawl maintained a complete inventory of houses. Other irregularities in maintenance of inventory were also noticed which are as under:-

- In **Gujarat**, two *talukas*<sup>4</sup> of district Surat and two *talukas*<sup>5</sup> of district Vadodara did not maintain inventory of houses while *taluka* Dabhoi of district Vadodara did not maintain the inventory up to 2009-10. The inventory maintained after 2009-10 was incomplete as all the required information was not filled in. The inventory maintained in selected GPs of six *talukas*<sup>6</sup> of districts Anand, Dahod, Surendranagar and Banaskantha were also found incomplete.
- In **Nagaland**, the records relating to issue of CGI sheets to beneficiaries was treated as inventory of houses. This rendered physical inspections meaningless as audit could not identify the actual IAY houses.
- In **Karnataka**, the software developed by RGRHCL was used to capture details relating to the houses constructed/ upgraded in GPs since 2006-07. However, it did not capture important details like date of commencement of construction, date of completion of house and date on which the beneficiary occupied the house.
- In **Uttarakhand**, complete inventory of houses for all the five years was not prepared by the DRDAs of Tehri Garhwal, U S Nagar and Dehradun. Inventory of houses sanctioned and prepared by these DRDAs during the years 2008-10 was available but the same was not being updated regularly.

### **Recommendations:**

- Periodical assessment of housing shortages in the states may be done so that the allocation of funds under IAY is linked to more realistic and current requirements.
- Selection of beneficiaries under the IAY should be made transparent by ensuring preparation of permanent wait lists in every Gram Panchayat and its regular updation.
- Updated inventory of houses with the names of beneficiaries must be maintained by all implementing agencies.

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<sup>4</sup> Kamrej and Mandvi

<sup>5</sup> Karjan and Sankheda

<sup>6</sup> Anand, Tarapur (Anand), Chotila, Sayla (Surendranagar), Dantiwada, Palanpur (Banaskantha), Limkheda, Jalod (Dahod)