

Chapter-II Performance Audit

This Chapter presents the Performance Audit of ‘Pradhan Mantri Awaas Yojana-Gramin’.

Rural Development and Panchayati Raj Department

2.1 Pradhan Mantri Awaas Yojana-Gramin

Executive Summary

Pradhan Mantri Awaas Yojana – Gramin (PMAY-G) was launched on 1st April 2016 with the aim of providing a pucca house with basic amenities to all houseless households and households living in kutcha and dilapidated house by 2022. A financial assistance worth ₹ 1.20 lakh was to be paid to the beneficiaries in three instalments linked with progress of construction of the house. 6.87 lakh houses were targeted for the State in three years from 2016-17 to 2018-19.

Performance audit of the implementation of PMAY-G in selected districts, blocks and gram panchayats revealed that though the progress in construction of houses was good, however, various shortcomings with regard to implementation of the scheme were noticed. The failure to upload the data pertaining to 7.15 lakh beneficiaries resulted in refusal by the GoI to include them in Permanent Wait List depriving them of a Pucca house. Assistance for the Landless beneficiaries and ‘Persons with Disabilities’ was not provided to the mandated extent. Among the sampled completed houses, 31.02 per cent houses were not being used for residential purpose by the beneficiaries and 2.37 per cent houses shown ‘Completed’ in AwaasSoft, were incomplete. The objective of convergence with other schemes to ensure availability of basic amenities like toilets, electricity, clean drinking water and clean cooking fuel in the completed houses could not be achieved to the stipulated level. Interestingly, 49.15 per cent of the sampled completed houses were without toilets even though the State has been declared Open Defecation Free.

Instances of delayed transfer of Central and State shares to the State Nodal Account, delayed release of first instalment to beneficiaries, double payment of same instalment to beneficiaries, False Success/Reject cases of Direct Benefit Transfer, delay in submission of Audit Reports were also noticed.

Monitoring and Inspection of the scheme implementation was inadequate. Grievance redressal mechanism remained deficient.

2.1.1 Introduction

Public housing programme has been a major focus area of the Government as an instrument of poverty alleviation. Rural housing programme, as an independent programme, started with Indira Awaas Yojana (IAY) in January, 1996. Although IAY addressed the housing needs in the rural areas, certain identified gaps like lack of transparency in selection of beneficiaries, low quality of house, lack of technical supervision, lack of convergence and weak mechanism for monitoring were limiting the impact and outcomes¹ of the programme.

In view of the Government's commitment to provide 'Housing for All' by 2022 and to address the gaps identified in the implementation of rural housing programme, IAY was restructured into *Pradhan Mantri Awaas Yojana-Gramin* (PMAY-G) with effect from 1st April 2016.

The objective of the Scheme was to provide a *Pucca* houses with basic amenities to all the houseless households and those households living in *kutcha* and dilapidated houses in rural areas by 2022. To achieve the objective of "Housing for All", the overall target number of houses to be constructed by the year 2021-22 was 2.95 crore. The immediate objective was to cover one crore households in rural areas of India in three years from 2016-17 to 2018-19, out of which 6.87 lakh houses were targeted for the State of Rajasthan.

The key features of PMAY-G are:

- The minimum unit (house) size is 25 square meters including a dedicated area for hygienic cooking.
- Unit assistance of ₹ 1.20 lakh in three instalments² linked with progress of construction of the house. The cost of unit (house) assistance is to be shared between Central and State Governments in the ratio of 60:40.
- Provision of assistance (₹ 12,000) for toilets through convergence with Swachh Bharat Mission-Gramin (SBM-G), Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) or any other dedicated source of funding.
- Provision of 90 person-days of unskilled labour wages under MGNREGS for construction of house over and above the unit assistance.

¹ The object of the habitat approach was to achieve adequate shelter for all, especially the deprived urban and rural poor through an enabling approach leading to development and improvements in access to basic facilities like infrastructure, safe drinking water, sanitation, electricity etc.

² State Government decided three instalments of ₹ 30,000, ₹ 60,000 and ₹ 30,000 in the ratio of 25: 50: 25 for the year 2016-17. From 2017-18 onwards ratio was changed to 25:40:35 i.e. ₹ 30,000, ₹ 48,000 and ₹ 42,000.

- All payments to the beneficiary to be made electronically to their Bank/ Post office accounts that are linked to Aadhaar/Bhamashah Card.
- Convergence with other Government schemes for provision of basic amenities viz. drinking water, electricity, LPG connection etc.
- If the beneficiary so chooses, he/she will be facilitated to avail loan of up to ₹ 70,000 from Financial Institutions.

One of the most important features of PMAY-G is the selection of beneficiaries to ensure that assistance is targeted at those who are genuinely deprived and that the selection is objective and verifiable. Beneficiaries of the scheme are selected using housing deprivation parameters in the Socio Economic and Caste Census (SECC), 2011 data which was to be verified by the *Gram Sabhas*. The Permanent Wait List generated on the basis of SECC data also ensures that the states have a ready list of households to be covered under the scheme in the coming years (through Annual Select Lists) leading to better planning for implementation. To address grievances in beneficiary selection an appellate process has also been put in place.

Further, in PMAY-G, programme implementation and monitoring is being executed through an end to end e-Governance model “*AwaasSoft*”, which is a web based transactional electronic service delivery platform. All the functions of PMAY-G like the identification of beneficiaries from SECC, fixing of targets, the release of funds, issue of sanction order to the beneficiary, monitoring of the progress of stages of house construction by the beneficiary, and release of the assistance amount to the beneficiary, etc., are done through *AwaasSoft*.

The Rural Development and Panchayati Raj Department (RD&PRD) is the nodal department for implementation of the Scheme in the State. The complete details of functions and responsibilities of the Authorities at various levels for the implementation of the PMAY-G are given in **Appendix 2.1**.

2.1.2 Audit Objectives

The main objectives for the Performance Audit were to ascertain whether:

- (i) *the mechanism for identification and selection of beneficiaries under the Scheme was transparent and adequate;*
- (ii) *physical progress and houses constructed including convergence with other amenities were in compliance with the targets and provisions as per Scheme guidelines;*
- (iii) *financial management and the mechanism for monitoring and evaluation of the Scheme were in compliance with the Scheme guidelines.*

2.1.3 Audit criteria

The audit criteria for the Performance Audit (PA) were derived from the following documents:

- Framework for Implementation of PMAY-G issued by Ministry of Rural Development³ (MoRD), Govt. of India (GoI) (November 2016);
- Notifications, circulars and orders issued by GoI and Government of Rajasthan (GoR) from time to time;
- Rajasthan Panchayati Raj Act, 1994 & Rajasthan Panchayati Raj Rules, 1996;
- Accounting procedure for District Rural Development Agencies (DRDA), 2001;
- Socio Economic Caste Census-2011 (SECC-2011).

2.1.4 Audit coverage and Methodology

Performance Audit (PA) covered the various activities carried out under the PMAY-G Scheme since its inception i.e. 1st April 2016 to 31st March, 2019.

The Scheme is being implemented in all the thirty-three districts distributed across seven administrative divisions⁴ of the State. For this PA, a sample comprising of seven districts⁵ (one district from each division), 9 Panchayat Samitis⁶ (10 *per cent* of the total Panchayat Samitis (PS) within each selected district) and 59 Gram Panchayats (GPs) (20 *per cent* of the total Gram Panchayats in each selected Panchayat Samiti) was selected on the basis of Simple Random Sampling Without Replacement (SRSWOR) using IDEA software. The details of the sample selected are given in **Appendix 2.2**.

Further, 590 beneficiaries who completed their houses with assistance under PMAY-G (one *per cent* of total beneficiaries from each selected GP subject to a minimum of ten) were selected for joint physical verification with the departmental officials. In addition, 69 cases of incomplete houses were also checked in the selected GPs. Hence, the overall size of the sample for physical verification was 659 houses. Audit assumed a percentage response distribution of 50 *per cent* i.e. the most conservative or worst-case scenario indicating that there is equal chance of positive or negative response to a question. Consequently, the 50 *per cent* distribution response gives the largest sample size. Based on the statistical analysis it can be claimed with 95 *per cent* certainty (confidence level) that this sample chosen gives the results within +/- 3.8 *per cent* (confidence interval) of the actual results from the whole population of 6,86,262 sanctioned houses.

³ MoRD is the nodal Ministry for implementation of the scheme at Central level.

⁴ Ajmer, Bharatpur, Bikaner, Jaipur, Jodhpur, Kota, Udaipur.

⁵ Tonk, Bharatpur, Bikaner, Dausa, Jodhpur, Baran, Udaipur.

⁶ Niwai, Kumher, Nokha, Dausa, Mandore, Phalodi, Baran, Girwa, Salumber.

Audit scrutiny of records in selected units and at various levels i.e. State, District and Block level and Joint physical verification of selected complete/incomplete houses were conducted from July 2019 to October 2019.

An Entry Conference was held with the RD&PRD on 16th October 2019 in which the audit methodology, scope, objectives and criteria were discussed. The draft report was issued to the State Government on 06 March 2020 and the reply was received on 20 March 2020. The Exit Conference was held on 13th May 2020 with RD&PRD wherein the findings of the Performance Audit were discussed and responses of the State Government incorporated wherever necessary.

2.1.5 Good Practices

State Government intimated (February 2020) the following good practices in the implementation of the scheme:

- (i) Well-planned colonies are now being developed for nomadic households in PSs Banswara (District Banswara) and Makrana (District Nagaur) with all the basic amenities like road, drain, electricity connection, community center, park and solar street lights *etc.* (Chart 1)

Chart 1



- (ii) During the year 2019-20, house warming functions (“*Grihapravesh*”) were organised on *Awaas Divas* by the department for the beneficiaries with the participation of public representatives for encouraging other beneficiaries to complete their houses.
- (iii) In Kota district, beneficiaries were encouraged to use the bricks made of fly-ash for environment friendly disposal of the fly-ash generated from the thermal power plants.

Audit Findings

Audit Objective 1: Whether the mechanism for identification and selection of beneficiaries under the Scheme was transparent and adequate

2.1.6 Identification of beneficiaries

2.1.6.1 Preparation and Updation of Permanent Wait List

Paragraph 4 of framework for implementation of PMAY-G envisages that identification and prioritization of the beneficiaries will be done on the basis of housing deprivation parameters in the SECC-2011 data. Priority will be assigned across four categories i.e. SC, ST, Minorities and Others. To begin with, households will be prioritized based on 'houselessness' followed by the number of existing rooms i.e. zero, one and two rooms, in that order.

Once the category wise priority lists are generated from SECC data and suitably publicized, a Gram Sabha will be convened. The Gram Sabha will verify the facts based on which the household has been identified as eligible. Complaints regarding wrongful deletion/changed ranking are examined by an Appellate Committee⁷ constituted by the State Government. Thereafter, Gram Panchayat (GP) wise final Permanent Wait List (PWL) for each category will be published on the notice board of GP and also entered on the website of PMAY-G and AwaasSoft.

A total of 27,21,925 beneficiaries figured in the system generated list for the State based on SECC-2011 data. The *Gram Sabhas*, on the basis of housing deprivation parameters, identified (up to November 2016) 16,99,039 eligible beneficiaries (62.42 per cent) for PMAY-G and proposed 10,22,886 beneficiaries (37.58 per cent) for deletion based on which PWL of the State was published in January 2017.

Even after the *Gram Sabhas* had identified 16,99,039 eligible beneficiaries, the PWL for the State was published for 16,86,984 beneficiaries leaving out 12,055 eligible beneficiaries. Details are given in **Appendix 2.3**. The State government stated (May 2020) that there were only 6,615 such beneficiaries as on date who still remained out of PWL due to shifting of some of GPs to Urban local bodies and inclusion of some villages under wrong Gram Panchayats in SECC 2011 database (41 GPs). It was also stated that these beneficiaries will be included in the targets for 2020-21.

Paragraph 4.4.4 of the Framework requires that the list of households not included in the system generated priority list but otherwise found eligible was

⁷ District Magistrate/ Collector or his nominee, another official and at least one non-official member.

to be prepared by the *Gram Sabhas* at the time of verification of system generated list. This was to be done before the PWL is published so that such beneficiaries could be included in the PWL. However, Audit observed that such list was not prepared in any of the test checked *Gram Sabhas*. The State Government replied (May 2020) that even though information for inclusion of such beneficiaries was collected by *Gram Sabhas*, they did not have the authorization to include such names in the PWL due to lack of clear guidelines in this regard from GoI. The reply needs to be viewed in the light of the PMAY-G framework published by MoRD in November 2016 which authorized the inclusion of such beneficiaries in the PWL. This indicates that the process for identification of eligible beneficiaries and their inclusion in the PWL was not completed at the time of publishing of PWL in January 2017.

MoRD issued advisory (July 2017) to all the States/UTs regarding capturing the details of beneficiaries who were eligible for assistance under the scheme but were not included in the list of eligible beneficiaries and upload their details on *AwaasSoft* for updation of PWL as per Paragraph 4.6 of the framework. MoRD issued letter to States detailing the procedure for the same on 24 January 2018. MoRD fixed the deadline for completing this process by 31 March 2018 which was subsequently extended to 30 June 2018, 30 September 2018, 30 November 2018 and finally to 07 March 2019 based on the requests received from States.

By 26th June 2018, the Department had identified 14.63 lakh additional beneficiaries to be included in the PWL. The process to identify eligible beneficiaries still remained incomplete as the State Government informed (March 2020) that many potential beneficiaries could not participate in the special *Gram Sabhas* organized for the purpose. Hence, a further 8.95 lakh eligible beneficiaries were identified by 5th March 2019 taking the total of additional beneficiaries to be included in the PWL to 23.58 lakh. Out of this, the department could only upload the data of 16.43 lakh beneficiaries by the deadline of 7 March 2019, thus leaving out 7.15 lakh eligible beneficiaries.

The State Government attributed (February 2020) the inability to upload the data of 7.15 lakh beneficiaries to technical problems due to which the data was sent offline (19 March 2019) to MoRD. The MoRD was also requested (6 March 2019) to extend the deadline to 31 March 2019. The failure to meet the deadline to upload the data of these eligible beneficiaries resulted in refusal by the GoI to include these beneficiaries in PWL (MoRD letter dated 17 Dec 2019) thus depriving them of the scheme benefits.

The *Gram Sabhas* did not prepare the list of eligible beneficiaries and only carried out the changes in the SECC list of 2011. Thus, only 16.99 lakh beneficiaries were identified initially (January 2017) and another 23.58 lakh were identified later (March 2019). Thus, the scheme catered to only 41.88 *per cent* of the intended beneficiaries.

2.1.6.2 Preparation of Annual Select Lists

As envisaged in para 4.7 of Framework for implementation, after targets are communicated by the Ministry to the State, the State shall distribute the category wise targets to the districts and enter the same on *AwaasSoft*. An Annual Select List was to be prepared based on targets assigned to the four categories and wide publicity of the same was to be done through print, electronic media and wall paintings in the village. Para 5.3.1 further stipulates that the Annual Select List drawn from the Permanent Wait List of the beneficiaries as per the target allocated, will be registered on MIS-AwaasSoft.

Audit observed that none of the test checked blocks prepared the year wise Annual Select Lists during 2016-19. Sanctions for assistance under PMAY-G were issued only on the basis of final PWL.

While accepting the fact about non-preparation of Annual Select List, the State Government stated (May 2020) that sanctions were being issued from the PWL and the sanctions could be issued on AwaasSoft only in the order of priority.

In absence of the year wise Annual Select Lists, Audit could not ascertain whether or not the individual sanctions were issued as per the set priority. Further, wide publicity to the Annual Select lists would have increased the transparency and accountability in the implementation of the scheme by making the beneficiaries aware about their Annual ranking and thus ensuring that the sanctions are issued in the order of priority. Preparation of Annual select list also leads to better planning of implementation of the scheme in the State.

2.1.6.3 Reservation of Persons with Disabilities

The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act 1995, provides for social security for persons with disabilities. Therefore, in PMAY-G while deciding the inter-se priority among the beneficiaries who are to be provided assistance, households (HHs) with any disabled member and no able-bodied adult member have been accorded additional deprivation score. Keeping in view the provisions of the Persons with Disabilities Act, 1995, paragraph 3.4.6 of Framework for implementation, envisaged that the States to the extent possible, may ensure that 3 *per cent* of beneficiaries at the State Level are from among the Persons with Disabilities (PwD). The reservation for persons with benchmark disabilities under PMAY-G was further extended⁸ (March 2018) to 5 *per cent* with effect from 19 April 2017 by GoI.

Information in respect of HHs belonging to PwD included in final PWL was not provided by the department, though called for (November 2019).

⁸ Due to passing of the Rights of Person with Disabilities Act, 2016 by the Parliament.

Audit observed that of the total 6,86,262 sanctions issued from the PWL during 2016-19, only 1,080 beneficiary HHs⁹ (0.16 *per cent*) were included from among the PwDs. Further, out of the total 6,50,903 houses completed during 2016-19, only 1,031 HHs¹⁰ (0.16 *per cent*) belonged to the households having PwDs.

State Government informed (May 2020) that there was no provision for a separate list of PwDs for giving scheme benefits and a request in this regard was made to the GoI (June 2019). GoI had directed (November 2019) for re-verification of PWL in the identified Gram Panchayats to prioritise the disabled households. The State Government also stated that sufficient number of eligible beneficiaries among the PwDs to meet the prescribed criteria were not available, however, assured that no eligible PwD beneficiary would be denied scheme benefits this year.

The reply needs to be viewed in the light of the fact that there were 3,26,622¹¹ eligible households having PwDs in the State as per the information available in SECC-2011 data exceeding the 29,311¹² beneficiaries needed to meet the prescribed norms of the scheme during 2016-19.

2.1.6.4 Availability of land for landless beneficiaries

Paragraph 5.2.2 of the Framework for implementation provides that in case of a landless beneficiary the State shall ensure that the beneficiary is provided land from the government land or any other land including public land (Panchayat common land, community land or land belonging to other local authorities). The State will ensure that the provision of land to the landless beneficiary is accomplished once the Permanent Wait List is finalized.

Audit observed that there were 55,405 landless beneficiaries in the State as per approved PWL. Out of these, 34,439 beneficiaries were provided land and 20,966 beneficiaries (37.84 *per cent*) remained landless as of November 2019. Further, in eight out of 9 test checked blocks, Audit found 754 landless beneficiaries¹³ for whom houses were not sanctioned (November 2019).

The State Government accepted the facts and stated (May 2020) that 14,503 beneficiaries remained landless.

⁹ FY 2016-17: 442; 2017-18: 403; 2018-19: 235; Total 1,080.

¹⁰ FY 2016-17: 428; 2017-18: 383; 2018-19: 220; Total 1,031.

¹¹ Disabled member households with *Kutcha* houses having 0, 1 or 2 rooms in Rajasthan as per SECC 2011 data.

¹² For the Year 2016-17: 3 *per cent* and for the Years 2017-19: 5 *per cent* of total beneficiaries.

¹³ Blocks- Salumber: 16 cases, Phalodi: one case and Mandore: 158 cases, Girwa: 535 case, Dausa: 18 case, Baran: 12 case, Nokha: eight case and Niwai: six case.

Recommendation 1:

The State Government may pursue the issue regarding non-inclusion of 7.15 lakh eligible beneficiaries with GoI so that these eligible beneficiaries are not deprived of Pucca houses in the future.

Recommendation 2:

The State Government may ensure that land is allotted to the landless beneficiaries on priority.

Audit objective 2: *Whether physical progress and houses constructed including convergence with other amenities were in compliance with the targets and provisions as per Scheme guidelines*

2.1.7 Physical Progress of the Scheme in the State

2.1.7.1 Target and Achievement

Paragraph 3.2.2 of Framework for Implementation provides that the Annual allocation of funds and physical targets of houses to the States shall be based on the Annual Action Plan (AAP) approved by the Empowered Committee of the Ministry of Rural Development, Government of India. The State may propose the annual target within the overall number of houses that have to be completed in three years as communicated by the Ministry. After communication of the Ministry, the State was to finalize district wise and category wise targets and upload the same on the *AwaasSoft*.

Further, as per para 5.6.2 of the Framework, the construction of houses was to be completed within 12 months from the date of sanction. The status of year wise targets of construction of houses under PMAY-G and achievement, based on *AwaasSoft* report as of 9th November 2019 is given in **Table 1**.

Table 1: Target and Achievement

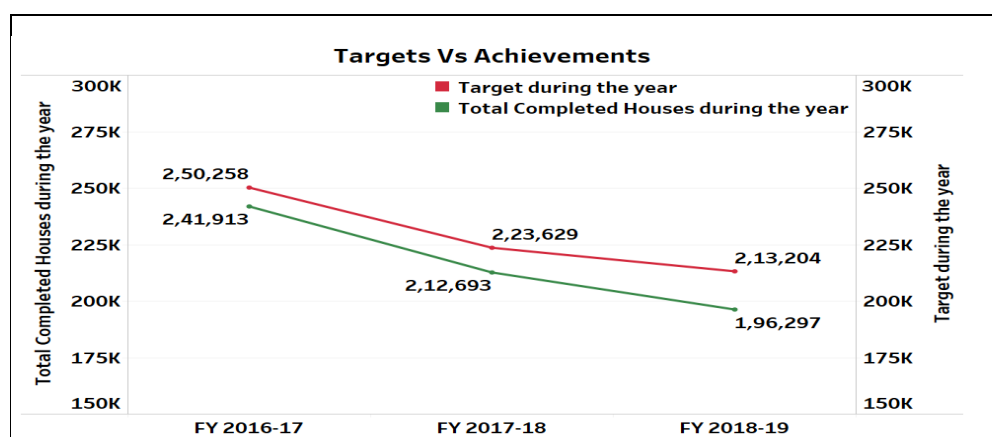
Year	Target during the year for houses to be constructed	Number of houses sanctioned	Total Completed Houses	Percentage of Completion	Number of incomplete houses
1	2	3	4	5	6(3-4)
2016-17	2,50,258	2,50,087	2,41,913	96.73	8,174
2017-18	2,23,629	2,23,081	2,12,693	95.34	10,388
2018-19	2,13,204	2,13,094	1,96,297	92.12	16,797
Total	6,87,091	6,86,262	6,50,903	94.85	35,359 (5.15 per cent)

Source: *AwaasSoft* Information provided by the department

It is evident from the above table that:

- During the period 2016-19, against a target of 6,87,091 houses, sanctions for construction in respect of 829 beneficiaries were not issued. The State government stated (May 2020) that sanctions were not issued for those beneficiaries in the PWL who came under the 13-point Automatic exclusion criteria of the scheme and the number of such cancelled/sanctions not issued cases had increased to 913.
- Against sanctions of 6,86,262 houses, construction of 6,50,903 houses (94.85 per cent) was completed during 2016-19. In this regard, it is worth mentioning that the State received National Award for securing first position under the category ‘Number of houses completed’¹⁴ given by MoRD, GoI for the years 2017-18 and 2018-19. However, the percentage of completion of houses consistently declined from 96.73 in 2016-17 to 92.12 in 2018-19 (Chart 2). Due to the declining completion percentage, as of November 2019, number of incomplete houses increased to 35,359 which constituted 5.15 per cent of the total houses to be completed during 2016-19, as given in Table 1.

Chart 2



2.1.7.2 Incomplete Houses

(i) Year wise details of incomplete houses are given below in Table 2.

Table 2: Incomplete Houses

Year	Incomplete houses	Instalment not issued	First Instalment	Second Instalment	Third Instalment
2016-17	8,174	206	2,846	5,122	-
2017-18	10,388	368	3,280	6,532	208
2018-19	16,797	456	4,661	10,843	837
Total	35,359	1,030	10,787	22,497	1,045

Source: AwaasSoft report as of 09 November 2019

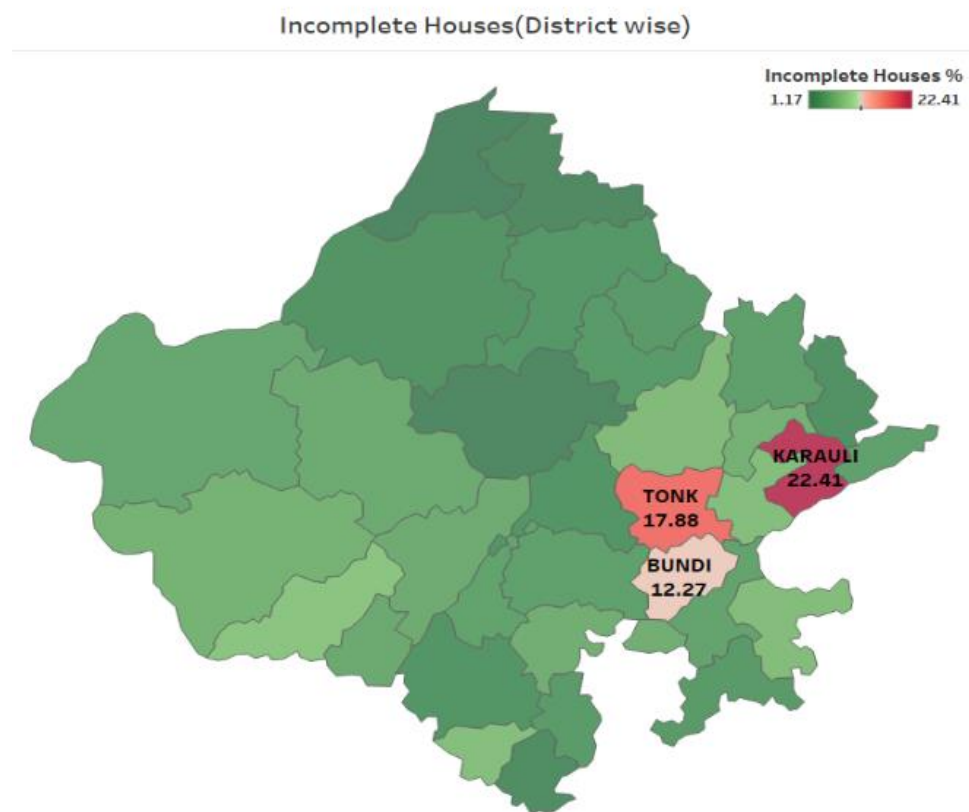
From Table 2, it can be seen that in 1,030 cases, though sanctions were issued for construction of houses but instalment of assistance was not released to the

¹⁴ The houses constructed under PMAY-G are considered complete on the construction of the roof and painting of scheme logo on the house.

eligible beneficiaries. The reasons for non-release of instalment was not found on records. Further in 33,284 cases, first and second instalment and in 1,045 cases third /final instalment have been released but houses are still incomplete (November 2019). No comments were offered by the State Government in this regard.

(ii) Further analysis of *AwaasSoft* data (November 2019) revealed that the percentage of incomplete houses across districts in Rajasthan varied from 1.17 per cent to 22.41 per cent. Detailed analysis also revealed that districts of Karauli (22.41 per cent), Tonk (17.88 per cent) and Bundi (12.27 per cent) had the highest percentage of incomplete houses (**Chart 3**).

Chart 3



While accepting the facts, the State Government stated that as of May 2020, 21,588 houses remained incomplete. Out of these 21,588 incomplete houses, construction work of only 12,187 houses was under progress. The State Government stated that the remaining houses could not be completed due to various reasons like death of the lone member of family, beneficiary not willing to receive the benefit, issue of wrong sanctions, house construction started but the beneficiary migrated without completing the house etc. The State Government has also requested (May 2020) MoRD to remove 1,705 cases from *AwaasSoft* in which the instalments have been recovered.

No specific reason was given by the GoR however, it was stated (May 2020) that directions had been issued to the District Collectors of Karauli, Tonk and Bundi for taking necessary action.

Recommendation 3:

The State Government may take necessary corrective actions to further improve the implementation of the scheme in certain districts with high percentage of incomplete houses.

2.1.7.3 Physical verification of Completed houses

The results of the Joint physical verification of the sampled 590 completed houses are given below in **Table 3**:

Table 3: Status of Test Checked Completed Houses

Districts	No. of GPs	Completed Houses as per AwaasSoft	Houses in use	Houses Not in Use		
				House not used for residential purpose	Incomplete Houses	Construction of structure other than residential house
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Baran	5	50	33	16	1	0
Bharatpur	7	70	47	23	0	0
Bikaner	7	70	53	15	2	0
Dausa	6	60	57	3	0	0
Jodhpur	13	130	86	42	0	1
Tonk	8	80	41	38	0	1
Udaipur	13	130	74	46	11	0
Total	59	590	391	183	14	2
<i>Per cent</i>			66.27	31.02	2.37	0.34

It is evident from the above table that,

- (i) 391 (66.27 per cent) beneficiaries were living in the *Pucca* houses constructed under the scheme.
- (ii) 183 (31.02 per cent) houses were not being used for residential purpose by the beneficiaries. An illustrative case is given as **Case study 1**.

Case study 1

Joint physical verification in PS Nokha (District Bikaner), revealed that house of a beneficiary of GP Siniyala (**ID RJ2213340**) was completed on 09 February 2018, but the beneficiary was residing in old Kutcha House.



Date of Physical verification:
27 August 2019

Kutcha house of the beneficiary

State Government in its reply (March 2020) stated that out of these 183 cases, 36 beneficiaries had started living in their houses constructed under the scheme.

Recommendation 4:

In view of the large number of vacant houses (31.02 per cent), the Government should analyse the reasons for such vacancy and aid the beneficiaries to occupy the vacant houses.

(iii) 14 houses (2.37 per cent) which were shown as ‘Completed’ in AwaasSoft were actually incomplete. 12 of these houses were found without roofcast and one house was constructed only till the plinth level. In these 13 cases, houses were incomplete even after availing all the three instalments. It was observed that five¹⁵ of these houses were shown ‘Completed’ on AwaasSoft using misleading geo-tagging. An illustrative case is given as **Case study 2**. This indicates the lack of due diligence in uploading the data and over reporting of physical progress to that extent. The State Government replied (May 2020) that these cases will be investigated.

Case study 2

Joint physical verification in PS Salumber (District Udaipur) revealed that the house of beneficiary (ID RJ2382042) in GP Bedawal was shown completed on AwaasSoft (15 June 2018) whereas house was constructed up to plinth level only but was shown as completed by geo-tagging the house of beneficiary’s brother constructed under Chief Minister Below Poverty Line Scheme.



Date of Physical verification:
26 September 2019

Geo-tagging of other’s house

(iv) Two beneficiaries (0.34 per cent) constructed shops instead of house and photographs of shops have been uploaded. The State Government (May 2020) accepted the facts and directed the districts concerned to take action against the responsible officials. A case is illustrated in **Case study 3**.

¹⁵ (i) District-Udaipur, Block Salumber, GP-Bedawal- ID RJ2427138,
(ii) District-Udaipur, Block Salumber, GP-Bedawal- ID RJ 2382042,
(iii) District-Jodhpur, Block Phalodi, GP Padiyal- ID RJ1107415,
(iv) District-Jodhpur, Block Phalodi, GP Padiyal- ID RJ1025670
(v) District-Bikaner, Block Nokha, GP Gajsukhdesar- ID RJ3194489.

Case study 3

Joint physical verification in PS Phalodi (District Jodhpur) revealed that beneficiary (**ID RJ2053944**) in GP Dhadhoo constructed a shop (11 April 2019) instead of residential house and the same was shown on AwaasSoft.



Date of Physical verification:
17 October 2019

Photo uploaded on AwaasSoft on
completion of house

It was also noticed that out of total of 590 completed houses checked, 131 houses (22.20 per cent) were completed after the stipulated period of 12 months.

Audit observed that delays were caused due to various reasons like delay in release of assistance, health problems, hilly terrain etc., many of which were beyond the control of the beneficiary. Hence, the Government also needs to look into cases across the state where completion of houses can be facilitated through sustained administrative efforts.

2.1.7.4 Physical verification of incomplete houses

The results of the Joint physical verification of **69 incomplete houses** are given below in **Table 4**:

Table 4: Status of Test Checked Incomplete Houses

District	Block	GP	No. of test checked incomplete houses	Work in progress	Found 'not eligible' by Audit ¹⁶	Death	Migration	Other Reasons ¹⁷
Bikaner	Nokha	4	11	4	2	1	1	3
Bharatpur	Kumher	3	3	0	0	1	0	2
Udaipur	Girwa	4	10	0	1	2	1	6
	Salumber	5	15	0	2	3	4	6
Jodhpur	Phalodi	5	18	0	6	0	5	7
	Mandore	4	6	2	0	1	0	3
Dausa	Dausa	4	6	2	0	0	0	4
Total		29	69	08	11	08	11	31
Percentage				11.59	15.94	11.59	15.94	44.93

It is evident from the above table that,

- (i) Construction work was under progress only in eight cases (11.59 per cent).

¹⁶ House already constructed under Chief Minister Below Poverty Line Scheme, person already having Pucca house etc.

¹⁷ Reasons like dispute of land, non-availability of sand, shortage of fund, unwillingness of beneficiary to construct house either due to illness or family problems etc.

- (ii) 11 beneficiaries (15.94 per cent) who were provided an assistance of ₹ 4.86 lakh were not eligible for house under PMAY-G as either they already had a *pucca* house or a house constructed under Chief Minister Below Poverty Line Scheme. Of the total assistance, an amount of ₹ 4.56 lakh was still to be recovered as of October 2019. This also indicates that selection of beneficiaries was not transparent to that extent. An illustrative case is given as **Case study 4**.

The State Government accepted the facts (March 2020) and stated that necessary directions had been issued to the districts concerned for appropriate action against the responsible officials.

Case study 4

In PS Phalodi (District Jodhpur), construction of the house of beneficiary (ID-**RJ1107412**) in GP Padiyal had not started as of 15-10-2019 even after payment of 1st instalment of ₹ 30,000 on 09-05-2017. Further, the beneficiary was already living in a *Pucca* house with more than three rooms and thus was ineligible to get assistance under PMAY-G.



Pucca house of the beneficiary with more than three rooms.

Photo of the site geo-tagged as 'Proposed site' for house of the beneficiary on AwaasSoft.

- (iii) Houses of 19 beneficiaries who were provided an assistance of ₹ 11.82 lakh could not be completed due to permanent migration (11 cases) and death (8 cases) of the beneficiaries. The State Government accepted the facts (March 2020) and stated that actions were being taken as per directions of GOI.
- (iv) 31 beneficiaries did not construct their houses due to reasons such as dispute of land, non-availability of sand, shortage of fund, unwillingness of beneficiary to construct house etc.

The State Government accepted the facts (March 2020) and stated that one house was completed (ZP Bikaner), construction work had started in six houses (ZP Jodhpur: 04 and ZP Bikaner: 02) and efforts were being made for remaining cases. Even though the State Government claimed that material banks were not set up due to abundant availability of construction material/minerals in the State, there were two cases (2.9 per cent) in PS Dausa where the beneficiaries stated that they were unable to construct their houses due to non-availability of sand.

Thus, the crucial finding of the physical verification is that a significant percentage of people are not living in the *Pucca* houses constructed under the scheme (31.02 *per cent*). This points to a lack of behavioral change among the people as well as failure of the State Government to ensure desired change in social behavior through IEC¹⁸ activities.

Recommendation 5:

As the deficiencies pointed out during Audit are illustrative and based on test check of records of selected units, there is a need for the Government to check for such deficiencies across the State and ensure that all landless beneficiaries are provided houses as envisaged in the scheme.

2.1.8 Convergence with other Schemes

To provide basic amenities, in addition to the assistance for house construction, convergence of existing schemes of both Centre and State needs to be ensured which includes construction of a toilet, support of 90 person-days under MGNREGS, drinking water, electricity connection, clean and more efficient cooking fuel etc.

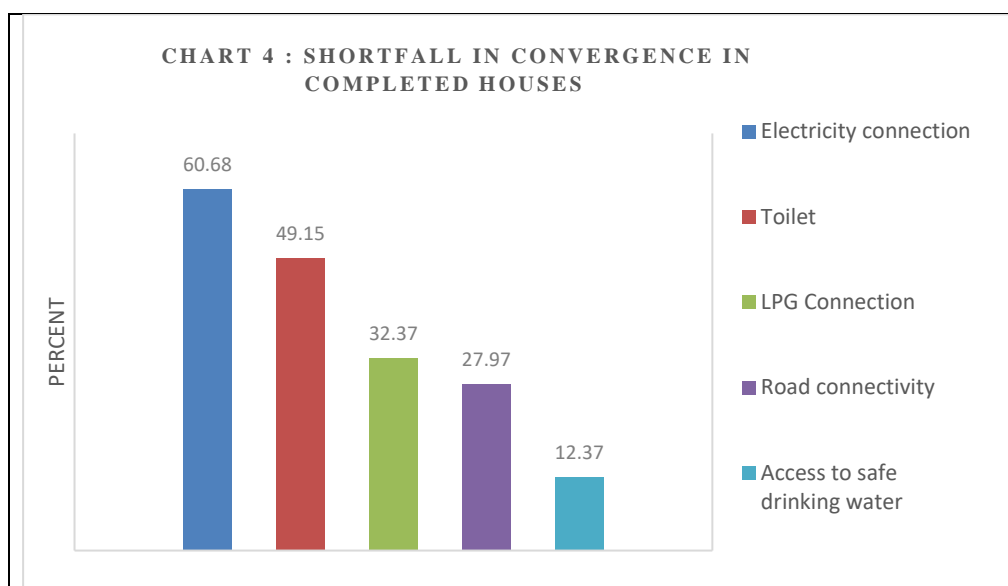
The status of various basic amenities found available in completed houses during joint physical verification is given in the **Table 5**.

Table 5: Status of Convergence in Test Checked Completed Houses

District	Blocks	No. of GPs	No. of Completed HHs surveyed	HHs with Toilet	Access to safe drinking water	Electricity connection	LPG Connection	Other Amenities (Road connectivity) in convergence with other schemes
Baran	Baran	5	50	40	42	17	33	48
Bikaner	Nokha	7	70	22	63	32	49	40
Bharatpur	Kumher	7	70	41	68	33	50	68
Dausa	Dausa	6	60	36	60	27	50	34
Jodhpur	Phalodi	6	60	10	42	25	43	33
	Mandore	7	70	17	59	21	39	42
Tonk	Niwai	8	80	65	67	28	58	71
Udaipur	Girwa	7	70	40	61	33	47	50
	Salumber	6	60	29	55	16	30	39
Total		59	590	300	517	232	399	425
Requirement				590	590	590	590	590
Shortfall (in %)				49.15	12.37	60.68	32.37	27.97

Source: Information collected through Survey formats

¹⁸ Information, Education and Communication



The issues related to convergence of PMAY-G with other schemes are discussed in the succeeding paragraphs.

2.1.8.1 Non-Construction of toilet

Construction of a toilet has been made an integral part of the PMAY-G house. The toilet shall be provided to beneficiaries through funding from *Swachh Bharat Mission-Gramin* (SBM-G), MGNREGS or any other dedicated financing source.

The Department informed (July 2019) that out of 6,36,192 houses completed, only 36,794 (5.78 per cent) beneficiaries were provided assistance under SBM or MGNREGS for construction of toilets.

In the joint physical verification of 590 completed houses under PMAY-G, Audit observed that 290 houses (49.15 per cent) were without toilet even when these houses were shown as ‘completed’ (see **Table 5**).

As per the Framework, the house shall be treated as ‘complete’ only after the toilet has been constructed. Incidentally, Rajasthan was declared an ‘Open Defecation Free’ (ODF) State on 12 April 2018. A significant percentage of ‘completed’ *pucca* houses lacking toilets raises doubts over the ODF status of the State as well as the accuracy of the data. During the exit conference the Department informed that toilet coverage is being increased through SBM.

2.1.8.2 Access to safe drinking water

The beneficiary of PMAY-G should be provided access to safe drinking water in convergence with the National Rural Drinking Water Programme (NRDWP) of the Ministry of Drinking Water and Sanitation or any other similar schemes.

As per the information provided by the department, out of 6,52,619 completed houses, only 2,26,031 (34.63 per cent) beneficiaries were provided access to safe drinking water as of November 2019.

A joint physical verification of 590 completed houses also revealed that 517 houses (87.63 per cent) had access to safe drinking water either from convergence or by their own arrangement¹⁹, of which only 26 houses had piped water supply. Remaining 73 houses (12.37 per cent) were facing difficulty in accessing clean drinking water (see **Table 5**).

2.1.8.3 Electricity connection to beneficiary houses

Convergence with Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY) of Ministry of Power and other related schemes²⁰ was proposed in the framework to provide electricity connection to the beneficiary houses under PMAY-G.

As per the information provided by the department, out of 6,52,619 completed houses, only 2,98,361 (45.72 per cent) beneficiaries were provided electricity connection as of November 2019.

However, a joint physical verification of 590 completed houses revealed that only 232 houses (39.32 per cent) had electricity connection either through convergence or through their own arrangement²¹. Thus, 358 houses (60.68 per cent) constructed remained without electricity connection. (see **Table 5**)

Thus, a huge percentage of *pucca* houses being without electricity connection shows a lack of convergence and the need for better implementation of the Rural electrification schemes.

2.1.8.4 Clean and Efficient cooking fuel to the beneficiaries

To provide clean and more efficient cooking fuel to the beneficiaries of PMAY-G, the State should strive to get LPG connections for them under *Pradhan Mantri Ujjwala Yojana* (PMUY) of Ministry of Petroleum and Natural Gas.

As per AwaasSoft data 6,82,495 houses completed above Lintel Level were eligible for LPG connection out of which 3,12,029 beneficiaries (45.72 per cent) had LPG connection and remaining 3,70,456 beneficiaries (54.28 per cent) were yet to get LPG connections.

The joint physical verification of 590 completed houses also confirmed that only 399 houses (67.63 per cent) were provided with LPG connections and 191 (32.37 per cent) houses did not have LPG connections (see **Table 5**).

Provision of clean and efficient cooking fuel for the remaining households is imperative from the point of view of women empowerment and to avoid the

¹⁹ Tube well, Hand pump, Public Stand post (PSP), Water tankers and Tanka etc.

²⁰ Schemes implemented by Ministry of New and Renewable Energy (MNRE) including for Solar Lanterns, Solar Home Lighting Systems, Solar Street-lighting Systems, the benefits from National Bio-Mass Cook stoves Programme (NBCP) for cleaner cooking energy solutions for the beneficiary family and bio gas unit under National Biogas and Manure Management Programme.

²¹ Electrical connections taken without availing benefit under Government schemes like DDUGJY/Saubhagya scheme.

health and environmental hazards associated with burning of wood, cow dung cakes, fossil fuels, etc. and thus should be given due priority.

2.1.8.5 Development of group/individual amenities

States may, through convergence with MGNREGS, develop group/individual amenities like development of house sites, bio-fencing, paved pathways, approach roads or steps to the house, soil conservation and protection works etc., for the beneficiaries of PMAY-G.

The joint physical verification of 590 completed houses revealed that 425 houses (72.03 per cent) had road connectivity however, 165 houses (27.97 per cent) still required road connectivity as of November 2019 (see Table 5).

The State Government stated (May 2020) that benefits under convergence were being given on the basis of entitlement under the schemes concerned and the districts have been directed from time to time in this regard.

The reply of State Government needs to be viewed from the fact that convergence is an important feature of PMAY-G and significant shortcomings of convergence were observed during the audit.

2.1.8.6 Person-days of unskilled labour under MGNREGS

As per para 8.1(b) of Framework for implementation, it is mandatory to provide support of 90 person-days unskilled wage employment at the current rates to a PMAY-G beneficiary for construction of his/her house in convergence with MGNREGS. Server to server integration between two MIS–AwaasSoft of PMAY-G and NREGASoft of MGNREGS has been developed so that work for construction of house is generated on NREGASoft automatically once the sanction of house is issued on AwaasSoft.

The position of man-days provided and wages paid under MGNREGS during the period 2016-19, is given in Table 6.

Table 6: Position of Man-days and Wages

Year	Houses sanctioned	Request sent for work creation	No of Work Created	Beneficiaries whose man-days initiated	No. of Man-days to be provided as per norms	No. of Man-days actually provided	Beneficiaries whose wages initiated	Wages Paid (₹in crore)
(A)	(B)	(C)	(D)	(E)	(F)= (E)x90	(G)	(H)	(I)
2016-17	2,50,087	2,50,080	2,48,284	2,41,033	2,16,92,970	1,83,70,005	2,40,502	335.24
2017-18	2,23,081	2,23,066	2,09,559	2,12,112	1,90,90,080	1,61,21,895	2,10,888	299.75
2018-19	2,13,094	2,13,043	2,13,040	1,96,364	1,76,72,760	1,42,75,223	1,95,777	268.23
Total	6,86,262	6,86,189	6,70,883	6,49,509	5,84,55,810	4,87,67,123	6,47,167	903.22

Source: AwaasSoft website data dated 21 November 2019

It is evident from the above table that:

- Out of total 6,86,262 houses sanctioned to beneficiaries, request for work creation was sent in respect of 6,86,189 beneficiaries only.

- Against total 6,86,189 requests for work creation under MGNREGS, work was created for 6,70,883 beneficiaries, of which the actual work was provided to 6,49,509 beneficiaries. Thus, 36,680 (5.34 per cent) beneficiaries were not provided work through MGNREGS for the construction of PMAY-G houses.
- Further, out of total 6,49,509 beneficiaries for whom work was provided; wages were paid in respect of 6,47,167 beneficiaries. Thus, wages in respect of 2,342 beneficiaries (E-H) were yet to be initiated as of November 2019.

Audit analysed that against a provision of 90 days, on average 75.08 man-days (487.67 lakh man-days/6,49,509 beneficiaries) were provided to PMAY-G beneficiaries for construction of a house, which resulted in an average shortfall of 14.92 man-days per beneficiary. This also deprived the beneficiaries of opportunity to earn livelihood to the extent of 96.89 lakh²² additional man-days.

The State Government stated (May 2020) that the BDOs and other officials concerned are now being held accountable for any shortfall in provision of the mandated man-days. Audit would examine the follow up action taken on the issue of not providing mandated man-days of MGNREGS to the beneficiaries.

The State of Rajasthan received a Certificate of Appreciation from Ministry of Rural Development for securing 2nd rank in the category **Convergence** for the year 2017-18. However, Audit is of the opinion that convergence with other Government Schemes for provision of basic amenities viz. drinking water, electricity, LPG connection etc. are the key features of the PMAY-G and also the fact that lack of convergence was one of the limiting factors for effective implementation of IAY. Further, the Department did not have consolidated information related to the lack of amenities among the beneficiaries included in the PWL and thus could not provide the necessary convergence of the schemes to the mandated extent.

Recommendation 6:

The State Government may make concerted efforts to provide basic amenities in all the houses constructed under PMAY-G through convergence with other Government Schemes/Programmes.

2.1.9 Lack of Implementation Support Mechanism

As per paragraph 7.3.1 of the Framework for Implementation, it is the responsibility of the State to ensure that beneficiary is provided requisite guidance in the process of construction of house and also closely monitored to ensure that the construction of houses is completed. The States / UTs shall set up a dedicated Programme Management Unit (PMU) to undertake the tasks of

²² Number of beneficiaries= 6,49,509
 Number of mandays mandated under norms per beneficiary house= 90
 So normative mandays for 6,49,509 beneficiaries (A)= 5,84,55,810
 Number of mandays actually provided (B) = 4,87,67,123, Difference (A-B)= 96,88,687

implementation, monitoring and supervision of quality of construction. The PMUs were envisaged to be set up at the State, District and Block levels.

Audit noticed that State Programme Management Unit (SPMU) in the State was set up in May 2018 after a delay of two years, while district/block level PMUs were not established in any of the seven test checked districts and nine test checked blocks.

The State Government stated (February 2020) that SPMU and District Programme Management unit (DPMU) were established. However, the reasons for delay in setting up of SPMU were not intimated. It also informed (May 2020) that DPMUs were functioning with regular departmental staff, however, relevant records corroborating the establishment of DPMUs were not provided due to which Audit could not verify the establishment and proper functioning of DPMUs. While accepting the facts for non-setting up of Block Programme Management Units, the Department stated that the work was being discharged by the permanent staff engaged in the implementation of other schemes.

Shortcomings in setting up the Programme Management Units contributed to deficiencies in the implementation of the scheme such as non-preparation of Annual Select Lists from the PWL, shortfall in convergence with other schemes, lack of initiatives for sensitization of beneficiaries, insufficient allotment of land to landless beneficiaries etc.

Audit objective 3: Whether Financial management and the mechanism for monitoring and evaluation of the Scheme were in compliance with the scheme guidelines

2.1.10 Financial Management

The central allocation to the State was to be released in two instalments of 50 per cent each. This will also include 4 per cent allocation towards Administrative expenses. The details of total funds received under PMAY-G and expenditure incurred in the State during 2016-19 are given in **Table 7**.

Table 7: Position of Funds for Construction of Houses

Year	Programme Fund					Administrative Fund			
	Central Share	State Share	Other receipt (interest)	Total funds received	Expenditure	Central Share	State Share	Total funds received	Expenditure
1	2	3	4	5 (2+3+4)	6	7	8	9 (7+8)	10
2016-17	1,801.86	96.15	14.80	1912.81	346.43	72.08	3.85	75.93	4.02
2017-18	1,610.14	1,641.80	10.05	3261.99	4200.38	32.20	54.13	86.33	11.25
2018-19	1,535.06	1,048.40	6.58	2590.04	3163.50	0	11.54	11.54	21.93
Total	4,947.06	2,786.35	31.43	7,764.84	7,710.31 <i>(99.30 per cent)</i>	104.28	69.52	173.80	37.20 <i>(21.40 per cent)</i>

Source: Information provided by the Department

It can be seen from the table that:

- Under programme fund (meant for construction of houses), out of total available amount of ₹ 7,764.84 crore State disbursed assistance of ₹ 7,710.31 crore (99.30 *per cent*) to the beneficiaries, which is appreciable.
- Under the administrative fund, an amount of ₹ 37.20 crore (21.40 *per cent*) was incurred in the State as of March 2019. This resulted in non-disbursal of second instalment of 2017-18 and both the instalments of 2018-19 from both the Central (₹ 93.61 crore) and the State Governments (₹ 62.40 crore).

The underutilization of the Administrative funds adversely affected the implementation of the scheme as discussed in earlier *paragraphs 2.1.7.3, 2.1.7.4 and 2.1.9*.

The State Government accepted the facts (May 2020).

Besides this, Audit also noticed the following issues with regard to Financial Management.

- There were delays ranging from 20 to 143 days in transferring the central share to the State Nodal Account by the State Government beyond the stipulated limit of 3 days, as specified in the sanctions issued by GoI. The funds so received were kept in the State Consolidated Fund till the transfer to State Nodal Account.
- During 2016-19, against a prescribed timeline of 15 days as mandated *ibid* paragraph 10.6 of the Framework for implementation of PMAY-G, State Government released its corresponding full share with delays ranging between 59 to 287 days after receipt of the Central share.

The State Government informed (May 2020) that funds are transferred on the directions of the Finance department from the PD account to the SNA based on requirement. However, the fund transfer to the SNA should be done within the stipulated time period for both the Central and the State share as any delay in this regard contributes to delays in release of instalments to beneficiaries and hinders scheme implementation.

- Against a norm of seven working days, of the 590 test checked beneficiaries, 407 (68.98 *per cent*) beneficiaries were provided the first instalment with delays of 2 to 332 days. In one particular case²³, a delay of 778 days was noticed. Duration wise delay involved in such cases is given in **Table 8**.

²³ GP-Ugras: (Beneficiary ID RJ1803965), sanctioned dated 10 April 2017 first instalment was released on 04 June 2019.

Table 8: Delayed payment

Delayed in days	Up to 30 days	31-90 days	More than 90 days	Total cases
No. of cases	201 (49 per cent)	158 (39 per cent)	48 (12 per cent)	407

Thus, the delays involved in transferring/releasing the Central Share and State Share also contributed to delayed release of due instalments to beneficiaries, which in turn affected the timely completion of houses as discussed in earlier *paragraph 2.1.7.3*.

The State Government stated (March 2020) that information in this regard was being obtained from the concerned ZPs.

- The administrative funds were being kept in non-interest bearing Personal Deposit (PD) account at the State level instead of the separate Savings bank account. Additionally, the funds from this account were being transferred to the districts through the treasuries instead of FTO in contravention of the scheme guidelines.

The State Government informed (February 2020) that opening of the savings bank account for keeping the administrative fund was in process.

- There was a difference of (-) ₹ 95.02 crore between opening balance of the scheme fund (₹ 0.99 crore²⁴) as per balance sheet and as depicted in AwaasSoft (-₹ 94.03 crore) as on 01 April 2018. Similarly, there was a difference of ₹ 61.07 crore between closing balance of scheme fund (₹ 70.61 crore²⁵) as per balance sheet and as depicted in AwaasSoft (₹ 131.68 crore) as on 31 March 2019. Moreover, a difference of ₹ 33.06 crore between closing balance (₹ 131.68 crore) of 2018-19 and opening balance (₹ 98.62 crore) of 2019-20 was also noticed in AwaasSoft.

The State Government while accepting the facts (March 2020) stated that in *AwaasSoft* application payments of both IAY and PMAY-G are being done from one account which makes reconciliation difficult as FTOs of IAY and PMAY-G are not reflected separately. Further, non-availability of report regarding payments under process at the end of year and cutoff date wise report of false success/false reject cases also makes the reconciliation impossible.

2.1.11 Double payment of same instalment to beneficiaries

Audit scrutiny revealed that there were 439 instances where beneficiaries were paid the same instalment twice, which resulted in double payment of ₹ 2.24 crore. The details of such cases are given in **Table 9**.

²⁴ Programme fund: nil (maintained in SNA) and Administrative fund: ₹ 0.99 crore (kept in PD account).

²⁵ Programme fund: ₹ 54.53 crore (maintained in SNA) and Administrative fund: ₹ 16.08 crore (kept in PD account).

Table 9: Double payment

Year	(₹ in lakh)							
	First instalment paid twice		Second instalment paid twice		Third instalment paid twice		Total amount paid twice	
	No. of Beneficiaries	Excess Amount paid	No. of Beneficiaries	Excess Amount paid	No. of Beneficiaries	Excess Amount paid	No. of Beneficiaries	Excess Amount paid
2016-17	20	6.00	302	181.20	90	27	412	214.20
2017-18	18	5.40	0	0	0	0	18	5.40
2018-19	01	0.30	8	3.84	0	0	09	4.14
Total	39	11.70	310	185.04	90	27	439	223.74

Source: Information collected from AwaasSoft on 9th Nov 2019

While accepting the facts the State Government stated (May 2020) that recovery under 175 out of 439 cases had been made and the recovery in remaining cases was under process.

2.1.12 False Success/Reject cases of Direct Benefit Transfer to Beneficiaries under PMAY-G

The payments to PMAY-G beneficiaries are being made through State Nodal Account linked to Public Finance Management System (PFMS). Audit scrutiny of the information available in PFMS reports on AwaasSoft revealed that there were cases of 'False Success' of transactions in which the software was showing successful transaction whereas the instalment was not deposited in beneficiary bank account. Similarly, there were 'False Reject' cases in which software was showing rejected transaction whereas instalment was deposited in beneficiary bank account.

Audit noticed that there were 19,188 False success²⁶ cases involving an amount of ₹ 89.20 crore, of which only 9,369 (48.8 per cent) cases could be reconciled by the Department. Thus, 9,819 unreconciled cases of False success involving an amount of ₹42.98 crore were pending for payment to the beneficiaries as of January 2020.

Similarly, there were 15,597 unreconciled cases of False reject²⁷ involving possible overpayment of ₹ 63 crore to the beneficiaries, of which only 30 cases (0.19 per cent) could be reconciled and 15,567 cases involving possible overpayment of ₹ 62.83 crore remained pending as of January 2020.

The State Government stated (May 2020) that currently there are only 61 pending cases of False Success and 786 pending cases of False Reject. The higher figures being displayed in AwaasSoft have been wrongly registered and a request for their removal has been made to MoRD. This reply needs to be viewed in the light of the fact that 9,763 cases of False success and 17,344 cases of False reject remain unreconciled as per AwaasSoft report of 21 May 2020.

²⁶ False success identified = 19,188 (Amount = ₹ 89.20 crore)
Correct response received = 9,369 (Amount = ₹46.22 crore)

²⁷ False Reject identified = 15,597 (Amount = ₹63 crore)
Correct response received = 30 (Amount = ₹ 0.17 crore)

Further, attention is also drawn to the fact that instances of False success/False reject and the corresponding significant unreconciled amounts were not flagged in the CA Audit Reports of the scheme for the corresponding years.

The State Government stated (March 2020) that there was no effect of the False Success and False Reject cases on the CA Audit Report as the accounts were prepared on cash basis.

The reply is not justifiable as the occurrence of such cases and their significantly inadequate reconciliation represent failure of Internal Controls.

2.1.13 Irregularities in CA Audit Reports

(i) Delay in submission of Audit Reports

The State was to ensure that the account of PMAY-G at the State level and the Administrative fund account at the State and District level were to be audited by Chartered Accountants selected from a panel approved by the C&AG. The auditing was also to be completed before 31 August of the next financial year.

Scrutiny of records revealed that:

- **At State level:** Audit Report for the year 2016-17 was prepared in April 2018 with a delay of 218 days. The Audit Reports for the years 2017-18 and 2018-19 were finalised, however, no date was mentioned on the reports by the Chartered Accountant.

While accepting the facts, the State Government informed (March 2020) that CA audit report for 2016-17 was delayed due to preparation of the report for housing and administrative funds separately. Further, it was informed that CA audit report for the year 2017-18 was prepared on 28 September 2018 and for the year 2018-19, the date of finalisation of the CA audit report was not intimated. It further stated that report was not prepared in time due to calling of tender for CA firms as per the decision of departmental committee.

- **At District level:** In seven test checked districts, the delay in preparation of account for the financial years 2016-19 ranged between 20 and 266 days.

(ii) The CA firm which finalised the Audit report 2016-17 at the State level was not empaneled by the C&AG. It was also observed that CA firms which audited the accounts of the seven test checked districts for all the three years were not empaneled with C&AG.

The State Government stated (May 2020) that now empaneled firms are being employed for audit.

(iii) It was also observed that the CA firms conducting the Internal Audit of the scheme failed to highlight irregularities like significant lack of reconciliation of False Success/ False Reject cases, reconciliation of balances of the scheme accounts with AwaasSoft, PD account being maintained for administrative funds instead of savings bank account etc.

Recommendation 7:

The State Government may ensure timely release of its share and higher utilization of administrative funds so as to achieve better quality and maximum utilization of houses constructed under the scheme.

2.1.14 Monitoring and Inspection**2.1.14.1 Inspection by District/Block level officers**

As per paragraph 9.3.2 of the Framework, the State shall monitor the scheme implementation and quality supervision at different levels.

Due to the absence of relevant records, Audit could not ascertain whether the mandated inspections were carried out in any of the 7 districts and 9 blocks which were test checked.

The State Government stated (May 2020) that Inspections are being carried out and the information flow regarding inspections is taking place through *WhatsApp* groups made for the purpose, hard copies are not being maintained. The reply of the State government is not tenable as in the absence of official authorization for such practice and the lack of relevant records, Audit could not ascertain whether inspections were conducted to the extent as mandated in the framework and shortcomings in the implementation were identified.

Thus, due to the shortcomings in the number and quality of Inspections, the deficiencies pointed out by Audit like shortfall in convergence, incomplete houses shown as completed on AwaasSoft, people not living in the houses, construction of structures other than house etc., remained unnoticed.

Recommendation 8:

The State Government may ensure timely and regular conduct of the mandated inspections by different levels of officers to improve scheme implementation and address any shortcomings.

2.1.14.2 Social Audit

As per paragraph 9.6 of the Framework, Social Audit is to be conducted in every Gram Panchayat at least once in a year, involving a mandatory review of all aspects with the basic objective to ensure achievement of public accountability in PMAY-G implementation.

- (i) Audit observed that overall shortfall in conducting of social audits in respect of PMAY-G was 7.47 per cent during the period 2016-19 as given in **Table 10**.

Table 10: Position of Social Audit

Year	No. of GPs	Social Audit conducted in no. of GPs	Shortfall (percentage)
2016-17	9,894	9,361	533(5.39)
2017-18	9,894	9,244	650 (6.57)
2018-19	9,894	8,859	1,035 (10.46)
Total	29,682	27,464	2,218 (7.47)

Source: Information provided by the department

- (ii) Some of the deficiencies pointed out by Audit in the test check of houses constructed under PMAY-G such as non-provision of amenities like electricity, cooking gas, access to safe drinking water etc. are not being captured in the Social Audit reports.
- (iii) **Non-uploading of Gram Sabha proceedings on website:** The entire proceedings of Gram Sabha should be video graphed, suitably compressed and uploaded on the website as mandated in the Framework. However, in the test checked 46 GPs, Social Audit was conducted but Gram Sabha proceedings were not being video graphed. PS Mandore and Phalodi stated that no Social Audit was conducted in the block.

The State Government stated (February 2020) that the information in this regard was being sought from Social Audit Department.

2.1.14.3 Grievance Redressal Mechanism

As per the framework, there shall be a grievance redressal mechanism set up at different levels of administration viz. Gram Panchayat, Block, District and the State.

- (i) **At State level:** A total 3,264 complaints were received at the State level during the period 2016-19, out of which 1503 complaints were disposed of and 1,761 complaints (53.95 per cent) were pending for disposal. Further, pendency period of aforesaid complaints ranged between 6 months and 32 months till 27 September 2019.
- (ii) **At District/ Block/GPs:** In all the test checked districts and blocks complaint registers were not being maintained in respect of PMAY-G except in PS Niwai. In the test checked 52 GPs out of 59, GPs complaint registers were not being maintained.

While accepting the facts the State Government stated (March 2020) that districts had been instructed (December 2019) for constituting Grievance Redressal Cells at the levels of districts and blocks. Regarding pendency of complaints at the State level, the State Government informed (May 2020) about the practical difficulties being faced in the disposal of all the complaints as majority of the complaints were related to inclusion of names in the list which was not possible immediately.

2.1.15 Conclusion

Pradhan Mantri Awaas Yojana – Gramin (PMAY-G) was launched on 1st April 2016 with the aim of providing a pucca house with basic amenities to all houseless households and households living in kutcha and dilapidated house by 2022. Financial assistance worth ₹ 1.20 lakh was to be paid to the beneficiaries in three instalments linked with progress of construction of the houses.

Due to deficiencies in identification of beneficiaries, only 16.99 lakh of the 40.57 lakh beneficiaries were identified in time. As such, the scheme catered to only 41.88 per cent of the intended beneficiaries depriving many of the benefits

of the scheme and undermining the vision of 'Housing for All'. As against the target of 6.87 lakh houses during 2016-17 to 2018-19, 6.50 lakh (95 per cent) homes were completed as of November 2019. Though the State Government could achieve target to a great extent, the implementation of the scheme was fraught with many shortcomings. Test check of the utilization of the constructed house revealed that 31.02 per cent of the constructed houses remained vacant. Further, socio-economically deprived beneficiaries belonging to 'Landless' and 'Persons with Disabilities' categories could not be provided benefits of the scheme to the stipulated extent. Deficiencies were also observed in the area of convergence with other schemes and the mandated basic amenities like toilets, electricity connection, clean cooking fuel etc., could not be provided in the completed houses. Lack of Monitoring and Inspections by Departmental officials resulted in failure to detect these lacunae in implementation.

As the deficiencies pointed out during Audit are illustrative and based on test check of records of selected units, there is a need for the Government to check for such deficiencies across the State and ensure that all landless beneficiaries are provided houses as envisaged in the scheme.

Thus, there is a need to improve the implementation of the scheme based on the shortcomings identified in the Audit.