

Executive Summary

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To address the gaps in the erstwhile rural housing schemes and in view of commitment of Government of India (GoI) to provide ‘Housing for All’ by 2022, Indira Awaas Yojana (IAY) was re-structured (November 2016) into Pradhan Mantri Awaas Yojana – Gramin (PMAY-G). PMAY-G aims to provide a pucca house with basic amenities to all the houseless families and families living in kutchha and dilapidated houses in rural areas by 2022. The timeline was extended upto March 2024.

In Uttar Pradesh, construction of 36.15 lakh houses were targeted up to March 2024 under PMAY-G. The financial assistance of ₹ 1.20 lakh for construction of house was to be paid to the beneficiaries in three instalments linked with progress of construction of the house. The cost of unit assistance was to be shared between Government of India (GoI) and State Government in the ratio of 60:40. Rural Development Department of the State Government was entrusted with the responsibility of implementation of the scheme.

The Performance Audit on ‘Implementation of PMAY-G in Uttar Pradesh’ was conducted covering the period from April 2017 to March 2023, to ascertain whether identification and selection of beneficiaries under the Scheme was in compliance of Scheme guidelines; allocation and release of funds were made in an adequate and timely manner; scheme was implemented effectively to ensure timely achievement of physical targets and as per required quality; convergence was made with other schemes to provide basic amenities; monitoring and evaluation of the Scheme was in compliance with the Scheme guidelines. The replies of the State Government (September 2024) and further information received up to April 2025 have been suitably incorporated in the Report.

The Performance Audit revealed that State has achieved significant progress with completion of construction of 34.18 lakh (98.47 *per cent*) PMAY-G houses by March 2024, out of 34.71 lakh PMAY-G houses sanctioned in the State during the period of 2016-17 to 2022-23. However, deficiencies were observed in implementation of the scheme.

The priority list of beneficiaries under PMAY-G was drawn by Ministry of Rural Development, GoI from the Socio Economic Caste Census (SECC), 2011 using the defined housing deprivation parameters. Audit noticed that the State published (May 2016) the final permanent wait list (PWL) with 14.47 lakh beneficiaries. In July 2017, Ministry of Rural Development (MoRD) advised the State Government for identifying households who were excluded from the PWL though eligible for assistance under PMAY-G as per the specified parameters. The summary of AwaasPlus survey data provided (March 2024) by the Department indicated number of such households as 33.64 lakh, of which only 22.29 lakh beneficiaries were additionally included in PWL. The exclusion of a large proportion of beneficiaries after their identification in the survey was indicative either of inaccuracies in the survey or of the exclusion of eligible households on account of inconsistencies in the data collected. Rural Development Department of the State Government accepted (October 2023) that many eligible beneficiaries were erroneously excluded from the PWL.

Out of total available fund of ₹ 40,231 crore under PMAY-G during 2017-23, State Government utilised ₹ 37,984 crore (94.41 *per cent* of available programme funds) for construction of houses and ₹ 157 crore (40 *per cent* of administrative funds) for administrative expenses. The underutilisation of Administrative funds by the State Government resulted in less release of Central share amounting to ₹ 357.29 crore during 2017-23. The State Government also delayed the transfer of Central share of Programme Fund received from GoI to State Nodal Account with delay ranging between 74 and 105 days. There was delay, beyond the stipulated seven working days, in release of the first instalment in case of 79 *per cent* beneficiaries. The assistance of ₹ 20.18 crore was yet to be released in case of 11,031 beneficiaries (0.38 *per cent* of completed houses) as of August 2024, though construction of their PMAY-G houses were completed. Due to lack of due diligence in verification of beneficiaries in test-checked districts, ₹ 9.52 crore was released to 1,838 ineligible beneficiaries, out of which ₹ 2.62 crore remained unrecovered till September 2024. In 159 cases, instalment amount (₹ 86.20 lakh) was transferred during 2017-20 to the accounts of other persons instead of intended beneficiaries due to suspected cyber-crime, but the issue remained unresolved (October 2024). Besides, wage compensation of ₹ 28.70 crore was pending as of October 2024 for payment to 50,771 trainees of Rural Mason Training programme who were imparted training by Deen Dayal Upadhyay State Institute of Rural Development during 2018-23.

Out of 34.71 lakh houses sanctioned under PMAY-G during 2016-23, 20,215 (0.58 *per cent*) PMAY-G houses were incomplete as of March 2025 despite exceeding the prescribed timeline of 12 months for their completion from the date of sanction and release of ₹ 134.51 crore as financial assistance to the beneficiaries. In case of landless beneficiary, the State had to ensure that the beneficiary was provided land from the government land or any other land including public land. However, State Government could not provide data of the total number of landless beneficiaries identified in the State and included in the PWL. Further, efforts to provide bank loan facility to PMAY-G beneficiaries by holding meetings with bankers and other lending institutions was not evident in test-checked districts.

To address the critical question of construction of quality houses on sustainable basis, Ministry of Rural Development, GoI published (November 2016) a compendium (PAHAL) of housing prototypes based on the climatic conditions, disaster risk factors, local materials and traditional skills. As per the directions (December 2017) of the Government of Uttar Pradesh, demo house was to be constructed in each block of the districts to the extent feasible based on PAHAL design. However, demo houses were constructed in only 49 *per cent* blocks as of September 2024, though it was targeted to be completed in all blocks by September 2018 as per PMAY-G Annual Action Plan 2018-19 of the State Government. Further, demo houses were not constructed as per design suggested for respective zones which defeated the objective to construct demo houses. Thus, an important exercise to ensure quality in construction of PMAY-G houses by demonstrating demo houses to the beneficiaries was not given priority by the Department.

In the Joint Physical Verification of 2,079 completed PMAY-G houses, it was observed that 77 (3.70 *per cent*) houses out of 2,079 reported as completed were

found to be incomplete. Further, 74 *per cent* of houses were without plaster of walls; 54 *per cent* were without a dedicated place for hygienic cooking; 58 *per cent* were without a bathing area; 44 *per cent* did not have a proper drainage system resulting in water logging and unhygienic living conditions, and 82 *per cent* were found without logo of PMAY-G.

PMAY-G envisages for providing basic amenities in convergence with existing schemes related to construction of toilet under *Swachh Bharat Mission-Grameen* (SBM-G), access to safe drinking water under *National Rural Drinking Water Programme* (NRDWP) or any other schemes, electricity connection under *Deen Dayal Upadhyaya Gram Jyoti Yojana* (DDUGJY), LPG connection under *Pradhan Mantri Ujjwala Yojana* (PMUY) for clean and more efficient cooking fuel. In the Joint Physical Verification of 2,079 completed PMAY-G houses, deficiencies in providing basic amenities such as toilets (29 *per cent*), cooking gas connections (39 *per cent*), electricity connections (30 *per cent*) and piped drinking water connections (89 *per cent*) through convergence with other schemes for PMAY-G houses were noticed.

PMAY-G envisaged setting up of a dedicated State Programme Management Unit (PMU) to undertake the tasks of implementation, monitoring and supervision of quality construction. Similar arrangements was to be followed for the District and Block level PMUs. State Government constituted PMUs at the State level, however, out of 75 districts in the State, PMU was sanctioned for constitution in only five districts. Thus, implementation and monitoring of PMAY-G scheme was not being carried out as per the scheme guidelines. Moreover, required level of inspections of the houses during construction by district and block levels officers as envisaged in the Scheme guidelines was not ensured. Most of the issues (53 *per cent*) reported in Social Audit of PMAY-G during 2017-23 were unresolved even after lapse of more than one to six years of reporting.

Some major recommendations

In the light of audit observations, State Government may ensure:

- *all eligible beneficiaries who were erroneously deleted from the PWL are included in final permanent wait list and are provided benefit of the scheme.*
- *timely transfer of Central share in SNA.*
- *utilisation of administrative funds on all activities included in the Framework for Implementation of the PMAY-G.*
- *due diligence in verification of beneficiaries to avoid release of assistance to ineligible beneficiaries.*
- *recovery of amount involved in cases of suspected cyber-crime and payment of due amount to the intended beneficiaries.*
- *active monitoring of the completion of 20,215 incomplete houses.*
- *adequate and effective convergence with the specified social sector schemes as envisaged in the PMAY-G scheme guidelines to provide all the basic amenities, like toilets, cooking gas connections, electricity connections, piped drinking water connections, in houses.*

- *inspection of PMAY-G houses during construction by district and block level officers, as per prescribed percentage, to improve implementation, monitoring and quality supervision under the scheme.*
- *Social Audit is conducted as per periodicity prescribed in the guidelines and the issues raised in the Social Audit are duly attended and resolved.*
- *promptly setting up of dedicated Programme Management Units (PMUs) at district and block levels for implementation and monitoring of the schemes.*