Executive Summary

Rural Development Department

Performance Audit on Implementation of *Pradhan Mantri Awaas Yojana-Gramin* in Jharkhand

Executive Summary

Pradhan Mantri Awaas Yojana-Gramin

The Government of India launched (November 2016) the "*Pradhan Mantri Awaas Yojana-Gramin* (PMAY-G)" to provide a *pucca* house with basic amenities to all rural houseless families and families living in *kutcha* and dilapidated houses and to meet the gaps of the erstwhile housing Scheme, *Indira Awaas Yojana* (IAY) *i.e.*, non-assessment of housing shortage, lack of transparency in selection of beneficiaries, low quality of houses constructed and lack of technical supervision, lack of convergence, loans not availed by beneficiaries and weak mechanism for monitoring *etc.*

Objectives of taking up the audit

Considering the criticality of the Scheme in achieving its intended objectives and its impact on rural beneficiaries, Performance Audit (PA) of PMAY-G (2019-24) was conducted during July 2024 to December 2024. The objectives of carrying out the PA were to evaluate whether the mechanism for identification, selection and verification of beneficiaries was transparent, adequate and in compliance with the guidelines of PMAY-G; implementation of the Scheme, including convergence with other schemes, was in compliance with the guidelines; financial management of the Scheme was in compliance with the guidelines of PMAY-G and other financial rules as applicable; and the mechanism for monitoring and evaluation of the Scheme was adequate and effective. The Performance Audit Report aims to highlight deficiencies, suggest remedial actions, and recommend measures to strengthen the outcomes of the Scheme.

Main audit conclusions

Planning under PMAY-G was deficient, as the system generated SECC-Priority List/Permanent Wait List (PWL) was not properly verified/finalised by the *Gram Sabhas* and District Appellate Committees, leading to inclusion of 2.90 lakh ineligible beneficiaries who had to be subsequently remanded/removed by the *Gram Sabhas* in the course of implementation of the Scheme (2017-18 to 2023-24). Notably, none of the selected 60 *Gram Panchayats* (GPs) in the six test-checked districts were able to furnish any records relating to the preparation of the final PWL during 2016-2024.

The State identified 22.34 lakh eligible households by November 2022 under the Scheme. However, inaccuracies in the SECC Priority List/PWL, inability of the State to utilise the targets and a two-year delay in finalising Awaas+

beneficiaries resulted in the Government of India allocating only 16.02 lakh houses. As a consequence, 6.32 lakh eligible households (28 *per cent*) could not be covered under the Scheme. Against this curtailed target, the State sanctioned 15,92,124 houses during 2016-24 and constructed 15,62,249 houses (98 *per cent*) as of January 2025. The State did not prepare and submit proposals under Special Projects to obtain additional release of funds for providing land to eligible persons residing in mining or leased areas. Further, the status of land was not verified by the GP/Block/District level authorities at the time of selection of beneficiaries/sanction of houses. Remand/removal of landless beneficiaries from the Priority List/PWL, instead of providing land for sanction of houses; non-maintenance of separate data of beneficiaries belonging to the category of Persons with Disability and non-preparation of Annual Select Lists during 2019-24, were also noticed by Audit.

(Chapter 2)

Implementation of the Scheme, including convergence with other schemes, was deficient and not fully in compliance with the Framework of Implementation (FFI) of PMAY-G. Audit noticed various shortcomings/inadequacies in implementation of PMAY-G *viz*. non-preparation of Annual Action Plan by the test-checked districts during 2019-24 resulting in ineffective plan/roadmap for time-bound completion of houses, shortcomings in registration of the test-checked beneficiaries, less sanction of houses with respect to targets leading to surrender/withdrawals of targets, significant delays in completion of houses ranging from one year to more than three years against the prescribed 12 months time-frame, releasing subsequent instalments against houses which have been categorised as 'not to be constructed', non-facilitation of supply of construction material at competitive rates for construction of quality houses, lack of initiative to construct demo houses across all districts, with the exception of two (East Singhbhum and Ranchi), to familiarise beneficiaries with applicable house designs and related costs, non-adoption of regional housing typologies and non-identification of technical institution to provide technical support to beneficiaries. Besides, Audit also noted non-adoption of green design for promoting green technologies, inadequate training of masons, non-facilitation of loans at subsidised rates for providing financial support to beneficiaries in construction of houses, shortages in provision of basic amenities *viz*, toilets, electricity, drinking water facilities, *etc.* in the constructed houses through convergence with other State/Government of India schemes, deficiencies in geo tagging *etc*. Though Jharkhand was declared Open Defecation Free in December 2018, 48 *per cent* of the houses covered by Audit in JPV (August 2024 to December 2024) lacked toilet facility while as per the information provided by the State PMU (April 2024), toilet facility was not available in eight *per cent* of the completed PMAY-G houses in the State.

(Chapter 3)

Financial management under PMAY-G was inadequate. Total expenditure under PMAY-G in the State was ₹ 14,113.07 crore (70 *per cent*) against the total available funds of ₹ 20,199.98 crore with fund utilisation ranging between 55 and 83 *per cent* during 2019-24. Audit observed delays ranging from three to 92 days beyond the stipulated period in transferring the Central share to the SNA during 2019-24. This resulted in a penal interest liability of ₹22.39 crore on the State Government. There were also delays ranging between eight and 79 days in transferring the State matching share to the SNA during 2019-24. Further, only ₹202.91 crore (40 *per cent*) of the available administrative funds of ₹503.75 crore was utilised during 2019-24, primarily due to the non-provision of support services to beneficiaries and a shortfall in training imparted to masons. Other lapses noticed included diversion of administrative funds towards inadmissible expenditure, delays in providing financial assistance to the beneficiaries, shortfall in generation of person days under Mahatma Gandhi National Rural Employment Guarantee Scheme, release of financial assistance to ineligible beneficiaries, and delays in preparation of Audit Reports by Chartered Accountants and inaccuracies in the audited accounts, indicating lack of oversight by the Rural Development Department.

(Chapter 4)

Monitoring of housing initiatives by the PMUs at the State, District and Block levels, including the desired inspections as mandated under the Framework for Implementation of PMAY-G, was not effective. *Gram Panchayats*, despite their key role, as envisaged under the Scheme, maintained no records in support of any of their monitoring and oversight activities.

Social audit was conducted on pilot basis during 2020-21 in 77 GPs of five (Dumka, Gumla, Hazaribag, Palamu and Sahibganj) out of the 24 districts. However, no social audit was carried out in the remaining GPs/blocks/districts during 2022-24 as a result of which irregularities/deficiencies in the implementation of the Scheme and difficulties faced by beneficiaries in construction of houses could not be identified / addressed timely.

Key monitoring mechanisms, such as grievance redressal, and community-based monitoring systems, were also found to be absent.

(Chapter 5)

Recommendations

- ***The State Government may ensure that all processes prescribed in the FFI of PMAY-G are strictly adhered to while selecting/prioritising beneficiaries under the Scheme in future.***
- ***The State Government may take steps to ensure that pucca houses are provided to the remaining eligible Awaas+ beneficiaries.***

- ***The State Government may prescribe and implement a Standard Operating Procedure for verification of title of the land at the time of selection of beneficiaries.***
- ***The State Government may take appropriate action against erring officials responsible for releasing instalments against houses categorised as 'not to be constructed'.***
- ***The State Government may ensure provision of all basic amenities through convergence in the completed PMAY-G houses as mandated under the FFI of PMAY-G.***
- ***The State Government may ensure that guidelines/directives regarding utilisation of Administrative funds are scrupulously followed.***
- ***The State Government may ensure monitoring of the implementation of the Scheme and quality supervision at the State, District and Block Project Management Units as envisaged in the FFI of PMAY-G.***
- ***The State Government may ensure that periodic social audit is conducted as envisaged in the FFI of PMAY-G.***
- ***The State Government may set up and operationalise a grievance redressal and monitoring mechanism at the State, District and Block levels as envisaged under the Scheme.***