

Chapter VI

Conclusion and Recommendations

6.1 Conclusion

The ULBs did not follow the procedure prescribed for conducting the survey for assessing the demand for housing. The improper survey carried the risk of exclusion of eligible beneficiaries as only 13.72 lakh prospective beneficiaries were identified homeless as against 20.35 lakh projected in KAHP. The demand survey was also not completed within the prescribed cut-off date as 6.72 lakh out of 13.72 lakh beneficiaries were identified subsequently making it an ongoing exercise which affected strategic planning, prescribing targets and allocating resources for achieving the goals of the scheme.

Out of 5.17 lakh beneficiaries approved under 2472 projects, only 3.43 lakh beneficiaries were attached after due validation using unique identification such as Aadhaar number. This resulted in 206 beneficiaries who were attached under BLC vertical getting benefits under AHP verticals without validation. Non-validation of spouse details during attachment resulted in spouses of 21 BLC beneficiaries receiving benefits under AHP vertical. Comparison of beneficiaries under approved DPR and list of actual recipients of scheme benefits revealed that only 12 *per cent* of original beneficiaries in approved DPRs were provided benefits under the scheme and 44 *per cent* were not even part of the prospective beneficiary list derived through demand survey. Selection of such beneficiaries bypassing the prescribed procedure resulted in extension of scheme benefits to ineligible beneficiaries such as those having annual income more than rupees three lakh, those having pucca houses etc. During joint inspection audit noticed that 41 *per cent* of the houses constructed under PMAY (U) were high cost multi storey buildings having carpet area more than 30 square metre underscoring the irregularities in selection of beneficiaries.

HFAPoA which was the strategic plan document was finalised in 2020 after 5 years from the commencement of the scheme. The mandatory reforms prescribed to ease the administrative and regulatory bottleneck in facilitating growth of affordable housing sector were yet (September 2021) to be fully complied by the State Government.

In AHP projects, there was shortfall in aggregating financial resources as GoI withheld an amount of ₹ 1003.55 crore due to non-fulfilment of prescribed conditions and due to short collection of beneficiary contribution and ULB share to the tune of ₹ 8360.78 crore. The objective of the scheme to provide group housing with infrastructural facilities under AHP vertical was not accomplished as only 14 *per cent* of the houses taken up by KSDB were group houses and rest of the houses were taken up individually in a scattered manner. This facilitated irregularities by contractors who instead of executing the works as per tender agreement, released money and material to the beneficiaries who constructed the houses on their own. The AHP projects were undertaken without providing basic civic infrastructure such as water supply, UGD, roads, electricity etc.

GOI withheld release of first instalment under BLC projects amounting to ₹ 569.56 crore due to shortfall in attachment of beneficiaries to the projects. The delay in release of payments to BLC beneficiaries in spite of achieving the prescribed progress of construction resulted in stoppage of works causing

hardship to the beneficiaries who had demolished their existing houses anticipating release of funds for construction. BLC beneficiaries who were released financial assistance amounting to ₹ 87.16 crore as first and second instalments were yet (March 2021) to claim the balance instalments despite lapse of two to four years rendering the expenditure unfruitful as the houses remained incomplete. Payments amounting to ₹ 172.64 crore were made to 12,757 out of 62,648 BLC beneficiaries without the prescribed validation through unique ID resulting in duplication of payments. In 111 cases multiple beneficiary codes were generated and double payments amounting to ₹ 1.30 crore was made to such beneficiaries.

Lapses in manual monitoring of payments made under CLSS vertical resulted in 471 beneficiaries who had availed assistance under CLSS duplicating benefits under BLC and AHP verticals. The geo-tagging of BLC beneficiaries were not carried out through the mandated Bhuvan application resulting in unnecessary duplication of the process at an extra cost of ₹ 0.97 crore. The geo-tagging of AHP projects taken up by KSDB was carried out through KSDB PMS application, instead of the stipulated Bharat application which failed to meet the required technical specifications. The deficiencies in the functioning of TPQMA and CLTC besides absence of social audit/evaluation studies rendered ineffective monitoring of the scheme.

As of March 2021, projects were taken up only for 5,17,531 beneficiaries out of the 13,71,592 prospective beneficiaries (38 per cent) identified through demand survey. As against the approved 5,17,531 DUs, only 88,395 DUs (17 per cent) were completed as of March 2021. The construction of 3,28,499 DUs (63 per cent) were yet (March 2021) to be commenced indicating that achieving the mission goal of 'Housing for All' by 2022 was a difficult prospect.

6.2 Recommendations

State Government

- *The State Government should take urgent steps to firm up the demand for housing in the State and focus on assigning targets for completion of the houses well within the target year of 2022.*
- *The State Government should ensure that various implementing agencies prepare strategic plan and annual plans within the prescribed timeframe to ensure that targets were fixed, and resources allocated to achieve the mission goals*
- *The State Government should adhere to the conditions prescribed for release of Central assistance and ensure that consent obtained from beneficiaries and ULBs regarding contribution of their share before approving projects under the scheme.*
- *The State Government should complete mandatory reform conditions prescribed for encouraging private sector participation in affordable housing sector.*
- *The State Government should ensure that projects approved under AHP vertical conformed to the group housing concept envisioned under scheme guidelines.*

Nodal and Implementing agencies

- *The State Level Nodal Agency should take urgent action to attach all the approved beneficiaries to the projects and ensure that benefits under the scheme were extended to beneficiaries only after completion of the attachment process.*
- *The implementing agencies should avoid delay in commencement of approved projects to avoid cost escalation and reduce the financial burden of the beneficiaries.*
- *State Level Nodal Agency should ensure timely release of payments to BLC beneficiaries as per the progress of construction attained to prevent hardship to beneficiaries.*
- *State Level Nodal Agency should fix responsibility for duplicate payments under DBT and ensure that control mechanism was in place to avoid generation of multiple beneficiary codes to avoid such instances in future.*
- *State Level Nodal Agency should conduct prescribed scrutiny of list of CLSS beneficiaries to preclude chances of their duplication under AHP and BLC verticals.*
- *The SLNA and KSDB should follow standard procedures prescribed by Government of India for geo-tagging all grounded projects.*
- *The social audit of the scheme as prescribed in the guidelines should be taken up and the monitoring through TPQMA and SLTC strengthened.*

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