

Chapter II

Identification and Selection of Beneficiaries

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This chapter analyses about the identification and selection process of beneficiaries to whom benefits was to be provided under PMAY-G.

Audit Objective: The identification and selection of beneficiaries under the Scheme was in compliance with Scheme guidelines.

Brief snapshot of the Chapter

- Permanent Wait List (PWL) with 14.47 lakh beneficiaries in the State was published in May 2016 on the basis of Socio Economic Caste Census (SECC)-2011 data. However, in a survey conducted during 2017-18, 43.89 lakh eligible beneficiaries were found to be excluded from the PWL.
- In AwaasPlus survey 2018-19, 33.64 lakh beneficiaries were identified in the State as eligible but not included in the PWL. However, only 22.29 lakh of these identified beneficiaries were subsequently included in the PWL. Exclusion of majority of households after AwaasPlus survey was indicative of either incorrect survey or exclusion of eligible households due to inconsistent data collected during survey.
- In 19 tests checked districts, 18,783 eligible beneficiaries though included in the PWL of PMAY-G were yet to be provided benefit of the Scheme due to their exclusion from AwaasSoft citing reason of “Job Card already exists”.

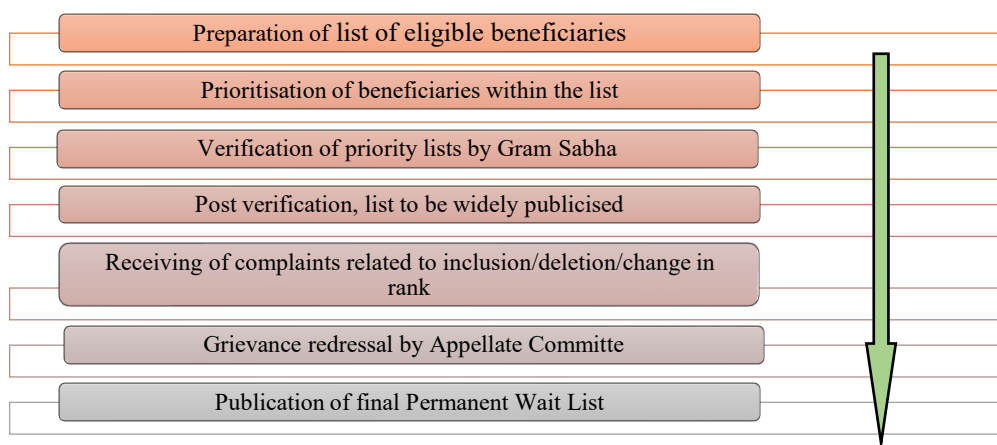
Para 4.1 of Framework for Implementation (FFI) of PMAY-G provides that the universe of eligible beneficiaries under PMAY-G would include all the houseless and households living in zero, one or two room houses with kutch wall and kutch roof as per Socio Economic Caste Census (SECC)-2011 data subject to exclusion process¹⁵ mentioned in the FFI. From the universe of beneficiaries, separate priority lists satisfying the principles of prioritisation¹⁶ were to be generated for SC, ST, Minorities and Others for each Gram Panchayat. The lists were to be circulated to the concerned Gram Panchayats for verification by Gram Sabha. Post verification, the lists were to be widely publicised within the Gram Panchayat for a minimum period of seven days. A window period of fifteen days was provided for submission of complaints regarding wrongful deletion or change in ranking without following due procedure. The competent authority, i.e., the BDO or any official designated by the State Government for the purpose, was to enquire into the complaints and submit a report to the Appellate Committee constituted by the State.

¹⁵ Step-1: Exclusion of households living in house with pucca roof and/or pucca wall and with more than 2 rooms. Step-2: Automatic exclusion of households fulfilling any one of the 13 parameters listed in Annexure -I of FFI of PMAY-G.

¹⁶ Principles of prioritisation - Automatic inclusion with (1) Households without shelter (2) Destitute/living on alms (3) Manual scavengers (4) Primitive Tribal Groups (5) Legally released bonded labourer, after which households are to be prioritized based on houselessness followed by the number of rooms- zero, one and two rooms, in that order.

After disposal of all the cases of a Gram Panchayat by the Appellate Committee, the Gram Panchayat wise final Permanent Wait List for each category with a distinct rank for each household, was to be published, advertised widely and uploaded on the website of PMAY-G. The process of selection of beneficiary household is depicted in **Chart 2.1**.

Chart 2.1: Process of selection of beneficiaries in PMAY-G



(Source: FFI of PMAY-G)

2.1 Identification and selection of beneficiaries

Audit noticed deficiencies in the process of identification and selection of beneficiaries during preparation of the PWL and also later during updation of the PWL, which have been discussed in succeeding paragraphs:

2.1.1 Preparation of Permanent Wait List

Ministry of Rural Development (MoRD) informed (April 2016) the Government of Uttar Pradesh (GoUP) about the approval of PMAY-G Scheme and its implementation from 2016-17 and emphasised that the beneficiaries of PMAY-G were to be identified at the earliest on the basis of SECC data. MoRD also provided a list of activities to be carried out by the Gram Sabha by April 2016. As per the instructions, during verification process of priority lists, Gram Sabha may delete the name if the inclusion was done based on wrong facts and if Gram Sabha had sufficient grounds, it may alter the priority list after recording the reasons. The Gram Sabha may record its opinion about names to be added to the list and forward the same along with the resolutions to the BDO or any government functionary appointed by the State Government. The GoUP issued (April 2016) directions for compliance of GoI's instructions and directed to publish final PWL by the end of May 2016.

Audit noticed that the final PWL with 14.47 lakh beneficiaries in the State was published in May 2016. However, the information collected from 18 test checked districts revealed that during the verification process of system generated beneficiary list based on SECC-2011 data, the list of such households who were not included in system generated priority list but were eligible for receiving assistance under PMAY-G was not prepared. In one test checked district¹⁷, DRDA informed (December 2023) that the lists were prepared at Block level, but three test checked Blocks of the district replied

¹⁷ Sambhal.

(December 2023) that such list was not prepared. Thus, in the test checked districts, the list of such left out beneficiaries was not prepared.

Further, in compliance of Para 4.4.4 of FFI¹⁸, CRD issued (May 2017) directions for identification of such households who fulfil the norms of PMAY-G Scheme and were eligible for assistance under the scheme but were left out from the list of beneficiaries based on SECC-2011. The survey conducted in compliance of these directions during 2017-18 identified 43.89 lakh such beneficiaries in the State. As per instructions of MoRD and provisions of FFI of PMAY-G guidelines, the process of identification of such left out beneficiaries could have been completed during the verification of priority list by the Gram Sabha in April 2016 so that they would have been identified before publishing the final PWL.

The State Government replied (September 2024) that list of such eligible beneficiaries was prepared, but MoRD provided the option of addition of names in PWL during AwaasPlus survey (2018) in which left out eligible beneficiaries found during verification of system generated list by Gram Sabha and eligible beneficiaries found in survey were added. It was further stated that as the option for addition of name was not made available by the GoI during placing of system generated list of PMAY-G based on SECC-2011 in Gram Sabha, there was no justification in publication of PWL with addition of names of such eligible beneficiaries who were left out from system generated list. During the exit conference (October 2024), it was further informed that SECC data was universal data which included all eligible beneficiaries and the question of adding name in SECC PWL-2011 did not arise.

The reply was not acceptable, as after the publication of final PWL in May 2016, the instructions for identification of such left out beneficiaries was issued in May 2017 wherein 43.89 lakh eligible beneficiaries were identified. Such list was not prepared during verification of the system generated list by Gram Sabha. Further, the instructions (April 2016) of MoRD as well as FFI of PMAY-G clearly stated that the system generated list of beneficiaries was to be further verified by the Gram Sabha and the list of such households who were not included in SECC PWL-2011 was to be prepared by the Gram Sabhas at the time of verification.

2.1.2 Updation of Permanent Wait List

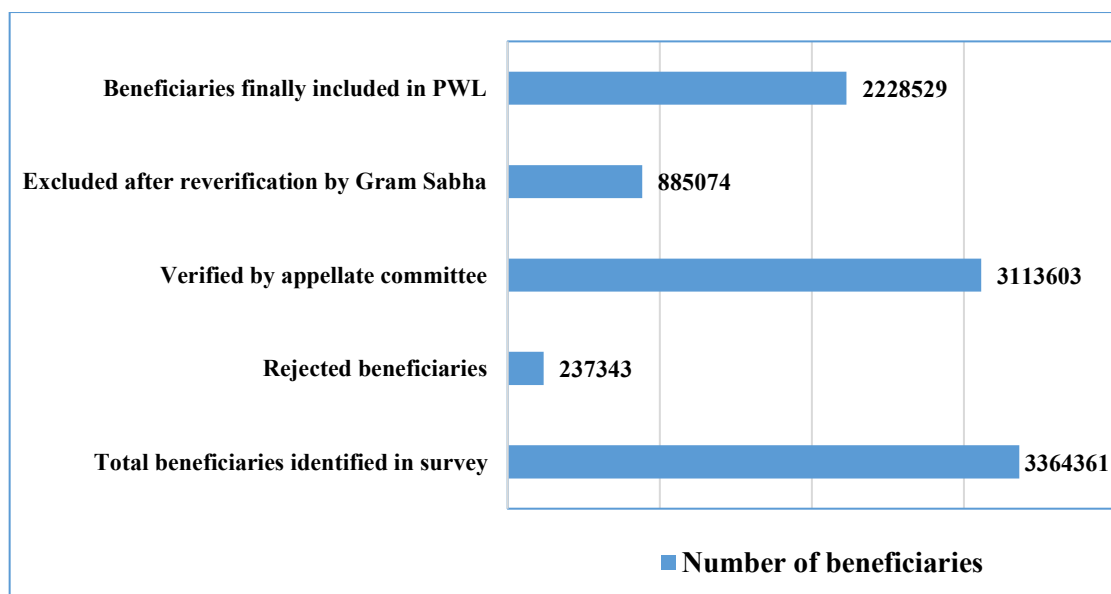
Para 4.6.1 of FFI provides that in the initial year of implementation of PMAY-G, no provision was available for adding/inclusion of names to the Permanent Wait List. However, claimants other than those endorsed by the Gram Sabha/ Village Sabha or the lowest unit of local self-government as recognised by the State Panchayat Act, for inclusion in the list, may submit their claims to the Competent Authority within a period of six months from the day of the passing of resolution by the Gram Sabha/Village Sabha or the lowest unit of local self-government as recognised by the State Panchayat Act.

¹⁸ Para 4.4.4 of FFI of PMAY-G provides that at the time of verification of priority list, Gram Sabha had to forward following lists to the BDO or any official designated by the State for the purpose for further action: - (a) list of eligible households prioritised by the Gram Sabha, (b) list of deleted households and (c) list of households not included in the system generated priority list but otherwise found eligible prepared as per Gram Sabha resolution.

MoRD advised (July 2017) to the State Government for identifying households who have not been included in the PWL though eligible for assistance under PMAY-G as per the specified parameters. MoRD also issued (January 2018) criteria for identification of such households. In compliance of MoRD directions (January 2018), CRD issued (May 2018) instructions to the District Magistrates and Chief Development Officers of all the districts for a survey through AwaasPlus application to identify such left out households. The survey was conducted during 2018-19 and the PWL of AwaasPlus survey with 22.29 lakh such beneficiaries was published in September 2020.

Audit noticed that in the survey (2018-19), 54.32 lakh households were identified in the State who were eligible but not included in the PWL prepared on the basis of SECC. These identified households included 43.89 lakh households identified earlier in 2017-18 as discussed in Para 2.1.1. However, summary of AwaasPlus survey data provided (March 2024) by the Department to Audit indicated number of such households as only 33.64 lakh. Further analysis of AwaasPlus survey summary report revealed that only 22.29 lakh beneficiaries were additionally included in PWL. Thus, all left out beneficiaries identified in AwaasPlus survey were not included in the final PWL as depicted in **Chart 2.2**.

Chart 2.2: Summary of AwaasPlus survey data



(Source: Information provided by CRD)

The exclusion of majority of beneficiaries after their identification in the survey was indicative of either incorrect survey or exclusion of eligible household due to other inconsistent data collected during survey.

Furthermore, in three¹⁹ out of 19 test checked districts, a total number of 4,884 eligible beneficiaries were identified as eligible beneficiaries under PMAY-G, but no action was initiated by the DRDAs of respective districts for their inclusion in the PWL of PMAY-G as of March 2025. In remaining test checked districts, 14 districts²⁰ provided 'Nil' data of such beneficiaries, whereas two

¹⁹ Sultanpur, Sambhal and Banda.

²⁰ Ambedkarnagar, Azamgarh, Budaun, Barabanki, Hardoi, Hamirpur, Jaunpur, Jhansi, Lakhimpur Kheri, Maharajganj, Mahoba, Moradabad, Shahjahanpur and Unnao

districts²¹ informed that lists of left out beneficiaries were prepared at Block level, however, the number of such beneficiaries or the list was not provided to Audit.

Audit further noticed that the Estimates Committee of UP Assembly had raised (June 2023) the issue of exclusion of eligible beneficiary from eligibility list of PMAY-G. Subsequently, the CRD informed (October 2023) the GoI that many cases were in notice where eligible beneficiaries have been erroneously remanded or deleted from the PWL due to various reasons²² and concerns had been consistently raised by people's representatives in this regard. CRD accordingly requested the GoI to provide the State Government with an option to correct the master data. Thus, all eligible beneficiaries were not included in the PWL for their coverage under PMAY-G.

The State Government replied (September 2024) that those eligible beneficiaries who were rejected/remanded erroneously would be included in the new survey to be taken up in 2024. During the exit conference (October 2024) it was further informed that audit observation is accepted to the extent that the quality of survey had to be upgraded so that neither to include ineligible beneficiaries nor to ignore or exclude the eligible ones.

With reference to left out beneficiaries in the test checked districts, the State Government stated that after the AwaasPlus survey in the year 2018-19, the option to add names on AwaasSoft was closed by GoI due to which the names of new eligible beneficiaries could not be added. It was further stated that names of these new eligible beneficiaries would be added in the PWL after the option is made available again in the year 2024-25 by the GoI.

The reply confirmed that the AwaasPlus survey (2018-19) was not robust enough to include all the eligible beneficiaries and to exclude only ineligible ones, as majority of identified beneficiaries were rejected. Further, the State Government was required to take up the matter of left out beneficiaries with the GoI for their inclusion in the PWL as envisaged in FFI²³.

2.2 Benefit of unskilled labour not provided

Para 5.1.2 of the Scheme provides that up to 90 person days²⁴ of unskilled labour during house construction is provided under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). This may be availed by the beneficiary himself, and in case where the beneficiary has exhausted his/her 100 days under MGNREGS, or if the beneficiary is old/disabled and for some reasons unable to work by himself/ herself, the labour may be contributed by another worker seeking work under MGNREGS.

²¹ Sitapur and Bahraich.

²² Duplicate job card, job card already exist, family with same job card number already present in AwaasPlus PWL and duplicate Aadhaar Card.

²³ Para 4.6.2 of FFI provides that the list of households proposed to be included in the universe as recommended by the Appellate Committee may be prepared, Gram Panchayat and community wise. The decision on inclusion of these households into the Permanent Wait List shall be made after receiving recommendation of the State Government for obtaining the approval of Competent Authority in the Central Government.

²⁴ 95 person days in difficult areas and Integrated Action Plan (IAP) districts.

Audit observed that in 19 test checked districts, 18,783 eligible beneficiaries who were included in the PWL were deprived of the benefit of the Scheme due to exclusion from AwaasSoft citing reason of ‘Job Card already exists’. District-wise detail is given in **Appendix 2.1**. These beneficiaries were otherwise eligible, but not been sanctioned houses under the Scheme as their job card issued under MGNREGS were already utilised under PMAY-G. The matter was in cognisance (March 2021) of the State Government and discussed with the concerned officers of MoRD, GoI. Instead of providing relief to these beneficiaries, it was decided such beneficiaries may be remanded²⁵ from PWL. Thus, 18,783 eligible beneficiaries included in the PWL of these 19 tests checked districts were yet to be provided benefit under the Scheme. Further, the number of such cases excluded in AwaasSoft on the above grounds in the entire State was not provided to Audit.

The State Government replied (September 2024) that all such beneficiaries who were left out due to reasons ‘duplicate job card, job card already exist, family with same job card number already present’ would be included in the AwaasPlus survey to be held in 2024. During the exit conference (October 2024) audit observation was accepted and it was further informed that for those cases which were rejected due to technical reason, there was a relief for them in the current survey because current survey was delinked from the legacy data in this regard.

2.3 Coverage of Persons with Disabilities

Para 3.4.6 of Framework for Implementation (FFI) of PMAY-G provides that the State to the extent possible, may ensure that three *per cent* of beneficiaries at the State Level are from among Persons with Disabilities (PwDs) which was subsequently increased to five *per cent* from March 2018 in accordance with ‘The Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1995’.

Scrutiny revealed that out of 28.99 lakh houses sanctioned under the Scheme during the period 2017-23, only 1,248 houses (0.04 *per cent*) were sanctioned to beneficiaries of PwDs category. Further scrutiny of records of 19 test checked districts revealed that only 253 houses (0.02 *per cent*) were sanctioned to PwDs category beneficiaries against 12.75 lakh house sanctioned (2017-23) under PMAY-G in these districts (**Appendix 2.2**).

The State Government replied (September 2024) that SECC 2011 PWL of PMAY-G was saturated in the year 2019-20 and AwaasPlus PWL would be saturated by 2024-25. In this situation all PwD included in the PWL were being sanctioned houses along with other beneficiaries. During the exit conference (October 2024), it was further informed that data could not be captured due to non-marking of PwD category with the name of beneficiaries in the PWL. It was also informed that PwD were not properly marked in the PMAY-G survey and might have been left out. State Government further stated that it would be ensured that all such beneficiaries may be included in the survey conducted for PMAY-G in future.

²⁵ Remanding is the process under which the eligibility of the household is re-verified by Gram Sabha at the instance of district level officer, to exclude/delete the ineligible households from the list of beneficiaries.

The reply confirms that coverage of PwDs under PMAY-G in the State as per Para 3.4.6 of FFI of PMAY-G could not be ensured due to deficient survey wherein PwD category was not properly marked either in PWL or in subsequent PMAY-G survey.

2.4 Status of beneficiaries eligible for automatic inclusion in PWL

Para 4.2.2 of FFI of PMAY-G provides that households that fulfill the criteria²⁶ of 'compulsory inclusion' as defined in SECC would be further elevated. Automatically included households shall not rank lower than other households within a priority group. Inter-se priority within the two subgroups, viz., households which are automatically included and otherwise, will be determined based on their cumulative deprivation scores.

Audit observed that data regarding automatic inclusion of beneficiaries in PWL who fulfil the criteria as households without shelter, destitute/living on alms, manual scavengers, primitive tribal groups, legally released bonded labourers was not available at the State level and in 17 test checked districts²⁷. As such, the status of inclusion of beneficiaries under these categories under the Scheme could not be ascertained which was important in view of the exclusive provision for them in the FFI.

The State Government replied (September 2024) that data of beneficiaries eligible for automatic inclusion in PWL was not available on AwaasSoft. During the exit conference (October 2024) audit observation was accepted and it was further informed that no such data was available in portal of PMAY-G and request would be sent to the MoRD, GoI to provide the status of such beneficiaries.

To sum up, the process of identification of those beneficiaries, who were eligible but not included in system generated priority list, was not carried out during the verification of system generated priority list by the Gram Sabha. As a result, such eligible beneficiaries were not included in the initial PWL published for PMAY-G. Subsequently, AwaasPlus survey carried out for inclusion of such beneficiaries proved to be inaccurate, as majority of households identified through this survey were rejected or remanded and not included in the modified PWL based on AwaasPlus survey. Further, benefit of prioritisation to PwD beneficiaries could not be assured as the PwD beneficiaries were not marked in PWL. Thus, all the eligible beneficiaries could not be provided benefit of the Scheme due to deficient preparation of PWL and a number of eligible beneficiaries were still awaited their inclusion in PWL.

Recommendation

- (1) *The State Government may ensure that all eligible beneficiaries who were erroneously deleted from the PWL are included in final permanent wait list and are provided benefit of the scheme.*

²⁶ As elaborated in Annexure -1 of FFI, criteria for Automatic Inclusion was Households without shelter, Destitute living on alms, manual scavengers, Primitive Tribal Groups and legally released bonded labourer.

²⁷ Two districts, viz., Bahraich and Unnao, did not provided the information.

