



SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

**Report of the
Comptroller and Auditor General of India
on
Compliance Audit
for the period ended March 2023**

**Government of Gujarat
Report No. 04 of 2025
(Compliance Audit – Civil)**

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PREFACE

This Report of the Comptroller and Auditor General of India for the period ended March 2023. The Report has been prepared for submission to the Governor of Gujarat under Article 151 of the Constitution of India, for being laid before the State Legislature.

The Audit Report relates to the audit of the Food, Civil Supplies and Consumer Affairs Department and Panchayat, Rural Housing & Rural Development Department and contains the results of SSCA on “Functioning of Public Distribution System in Gujarat” and “Implementation of Pradhan Mantri Awaas Yojana-Gramin” under provisions of the Comptroller and Auditor’s General (Duties, Powers and Conditions of Service) Act, 1971 and Regulations on Audit and Accounts, 2020 issued thereunder by the Comptroller and Auditor General of India.

The instances mentioned in this Report are those, which came in the course of the test audit during the period 2022-23 as well as those which came to notice in earlier years but could not be reported in the previous Audit Reports; instances related to the period subsequent to 2022-23 have also been included wherever necessary.

The Audit has been conducted in conformity with the Auditing Standards, 2017 issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from compliance audit of government departments, autonomous bodies and public sector undertakings of the Government of Gujarat. Compliance Audit refers to the examination of the expenditure and receipts of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations, various orders and instructions issued by the authorities are complied with.

The primary purpose of this Report is to bring important results of audit to the notice of the State Legislature. The findings of audit are expected to enable the executive to take corrective actions and also to frame policies and directives that will lead to improved operational efficiency and financial management of the organisation, thus contributing to better governance.

This Report includes two chapters. **Chapter-I** includes “Introduction, Audited entity profile, Planning and conduct of audit and responsiveness of Government to Audit” and **Chapter-II** includes Audit findings on “two Subject Specific Compliance Audits (SSCAs) and one Compliance Audit Paragraph”.

A synopsis of Key findings contained in this report is presented below:

Chapter I: Introduction

There are 12 departments, 33 autonomous bodies and 35 public sector undertakings of the Government of Gujarat headed by Additional Chief Secretaries/Principal Secretaries which are audited by the Accountant General (Audit-I), Gujarat, Rajkot.

Fifty Detailed Explanations from 18 departments on 16 Audit Reports were outstanding. Action Taken Notes on 80 recommendations of Public Accounts Committee were still awaited.

Chapter II: Compliance Audits: State Government Departments

Subject Specific Compliance Audit on Public Distribution System in Gujarat

The Public Distribution System (PDS) is a government-sponsored programme to address food scarcity by providing essential items such as foodgrains, sugar, kerosene, pulses and iodized salt at affordable prices to vulnerable segments of the society. Over the time, the PDS has evolved into a crucial tool for achieving food security in the country. With the introduction of the National Food Security Act (NFSA) in 2013, there has

been a significant shift in the approach to food security, transitioning from welfare to a rights-based approach.

Under NFSA, *Antyodaya Anna Yojana* Households are entitled to receive 35 kg of foodgrains (including rice, wheat and other coarse grains) per family per month, while Priority Households are entitled to receive five kg of foodgrains per person per month at subsidised rates of ₹ three, ₹ two and ₹ one for rice, wheat and other coarse grains, respectively.

The NFSA, 2013 was implemented in the State of Gujarat from 01 April 2016. The Food, Civil Supplies and Consumer Affairs Department of the Government of Gujarat (Department) implements the PDS in the State. During 2016-23, an expenditure of ₹ 59,580 crore was incurred on procurement and distribution of foodgrains in the State.

Identification and Coverage of Beneficiaries

Implementation of the NFSA in the State resulted in improved access to foodgrains for beneficiaries at a reduced cost, indicating positive impacts on food security and affordability. By December 2023, 3.55 crore individuals in Gujarat had received benefits, representing 93 *per cent* of the 3.83 crore target population intended to be covered under the NFSA.

Although the NFSA improved access to foodgrains at lower costs, its delayed implementation by almost two years in the State limited access to affordable foodgrains for the intended beneficiaries during that period. The State Government did not carry out any such special drive to remove ineligible ration cards, where beneficiaries had become ineligible due to improvements in family income, occupation, social or housing security, between 2016 and 2023, except for the year 2018-19 when Aadhaar-based biometric authentication was introduced. There was further scope for improvement in beneficiary identification and strengthening efforts to eliminate fake or ineligible ration cards under the Scheme.

Allocation, Supply, Storage and Distribution of Foodgrains

The Department faced inventory control issues, as audit compared data of the quantity of foodgrains distributed during period 2015-23 to beneficiaries through Fair Price Shops (FPSs) and Department's monthly distribution reports. The net difference amounted to 3.47 lakh MT of foodgrains. Additionally, in April 2016 and September-October 2018, the Department irregularly treated the closing stock of 54,980 MT of foodgrains and 3,964 MT of sugar, as 'nil' at FPSs, without providing any justification. Reporting of foodgrains distribution to GoI through Utilisation Certificates lacked accuracy and reliability which needs reconciliation.

Inadequate weighing of foodgrains and accounting discrepancies at Taluka godowns raised concerns about the accuracy of stock records, the

distribution to FPSs, and the reliability of reported inventory in the books of accounts. The risks of resource wastage were evident by instances of misappropriation of foodgrains from the Taluka godowns.

Sample collection and testing of foodgrains and other commodities were inconsistent between 2015 and 2023, with no testing conducted at end-point FPSs for quality. Additionally, inconsistent adherence to FPS licensing criteria contributed to unequal distribution of FPSs across regions.

Recommendations:

- *The State Government may establish a standardised process for periodic reconciliation of stock between Taluka godowns, FPSs, and the reported distribution data. This should involve cross-checking physical stock with recorded quantities in the Department's records, ensuring that any discrepancies are promptly identified and addressed.*
- *The State Government may develop a strong and transparent foodgrains accounting system, conduct a thorough investigation into the root causes of leakages, assign responsibility for the missing stock, and implement clear accountability mechanisms to prevent and mitigate such missing stock in future.*
- *The State Government may consider establishing a comprehensive sampling framework with clear criteria for sample selection and standardised nutrition testing protocols throughout the supply chain.*

Supervision and Monitoring Mechanism

There were significant shortcomings in the supervision and monitoring of the PDS in the State. Key issues included the underperformance of Vigilance Committees at various levels, with notable deficiencies in their formation and frequency of meetings.

Inspections of Taluka godowns and FPSs were also far below required levels, with only a small percentage of the necessary inspections conducted. There were delays in issuing new licenses for FPSs.

The Social Audit mechanism, intended to improve transparency and public involvement, proved largely ineffective, with a 95 per cent shortfall in conducting social audit between 2018 and 2023.

Recommendation:

- *In order to enhance transparency and accountability in the operation of PDS, the State Government may strengthen its monitoring mechanism that includes routine inspections of godowns and FPSs, conducting Social Audits and convening regular meetings of Vigilance Committees at the State, District, Taluka and FPS levels.*

Compliance Audit Paragraph on – “Short Recovery on Price Variation”

Non-adherence to the tender conditions by Executive Engineer, Vadodara Irrigation Division resulted in the short recovery of ₹1.02 crore from the contractor towards price variation.

Subject Specific Compliance Audit on Implementation of Pradhan Mantri Awaas Yojana-Gramin

The Pradhan Mantri Awaas Yojana-Gramin (PMAY-G), launched by the Government of India on April 1, 2016, aims to provide "Housing for All" in rural areas, replacing the earlier "Indira Awaas Yojana." The scheme offers ₹1.20 lakh for constructing *pucca* houses with basic amenities for houseless households and those living in *kutcha* or dilapidated houses, targeting completion by 2022 (extended upto 2024). In addition, Government of Gujarat (GoG) provides additional incentive of ₹20,000 under Mukhya Mantri Awaas Protsahak Yojana (MMAPSY) for early completion of the house within six months from the first installment of assistance and also provides assistance of ₹5,000 per house towards the construction of bathroom under “Bathroom Sahay Yojana.”

A Subject-specific compliance audit was conducted between May and August 2023 covering the period from 2017-18 to 2022-23. Audit sampled 10 (30 *per cent*) of 33 districts, 25 Talukas (30 *per cent*) in the selected 10 districts and 125 Gram Panchayats in selected Talukas. Audit revealed that Gujarat had completed construction of 4,06,266 houses, which is 67 *per cent* of the target 6,06,040 houses. However, the review highlighted several challenges in the scheme’s implementation.

Coverage of beneficiaries

In five selected talukas, 259 eligible beneficiaries (6.88 *per cent*) were excluded from the Awaas+ Permanent Wait List due to delays in receiving Gram Sabha resolutions.

Recommendation:

- *The State Government may strengthen the existing mechanism to ensure that all eligible households are properly identified and timely included in beneficiary lists for government schemes.*

Implementation

The Audit also revealed delays in house completion, with 26 *per cent* of houses (1,07,288 out of 4,06,266) being completed one to two years or more after the expected timeline.

In selected three districts (Jamnagar, Surat and Dahod), 539 beneficiaries received double benefits under PMAY-G as well as PMAY-U and other rural housing schemes.

71 *per cent* beneficiaries (2,934 beneficiaries out of 4,104 beneficiaries) identified as eligible for incentives under Mukhya Mantri Awaas Protsahak Sahay Yojana are yet to receive assistance in selected talukas during 2017-23.

Recommendations:

- *The State Government may take effective steps for releasing of assistance under MMAPSY promptly for the completion of the houses within the prescribed time.*
- *The State Government may evolve a mechanism for sharing the data of rural and urban beneficiaries between scheme implementing agencies to prevent duplication of beneficiaries across different housing schemes.*

Financial Management

Audit highlighted that during 2017-23, first installment of ₹34.60 crore was not released to 11,533 beneficiaries (two *per cent* against the sanctioned houses) and in eight *per cent* cases final installment totaling ₹112.99 crore was not released to beneficiaries as of April 2024.

The department also withdrew ₹143.66 crore from the scheme's State Nodal Account and earned ₹51.86 crore as interest, while ₹15.02 crore was deposited to the Government of India and Government of Gujarat, ₹36.84 crore is yet to be deposited.

Audit noted that 81 *per cent* of false success cases/transactions and 97 *per cent* of false rejected cases/transactions remained unreconciled in selected talukas and also noticed cases of amount credited to wrong account/ double payments etc. under this scheme which is yet to be recovered.

Recommendation:

- *The State Government may evolve an effective mechanism to reconcile the cases of 'False success'/'False reject' transactions and to avoid incorrect/double payments to beneficiaries.*

Monitoring mechanism

Discrepancies were found in the geotagging of house photographs, including under-construction houses marked as completed and identical photos used for different stages.

Audit observed that the monitoring committee at State and District Level was not constituted for implementation of the scheme. In selected Districts

and Talukas, inspections were not documented and inspection reports were also not prepared.

Recommendation:

- *The State Government may take effective steps to ensure proper monitoring at various levels and due care needs to be taken while geotagging and regular uploading the photographs in AwaasSoft.*

CHAPTER - I

INTRODUCTION

CHAPTER-I

INTRODUCTION

1.1 About this Report

This Report of the Comptroller and Auditor General of India (C&AG) relates to matters arising from Compliance Audit of three Departments¹ of the Government of Gujarat falling under the jurisdiction of the Accountant General (Audit-I), Gujarat, Rajkot. The cluster wise list of departments, autonomous bodies and public sector undertakings audited by this office is shown in **Table 1** below:

Table 1: Cluster wise list of departments, autonomous bodies and public sector undertakings audited by this office

Name of the Cluster	AMG	Number of Departments	Number of autonomous bodies	Number of Public Sector Undertakings
Education, Skill Development and Employment	I	02	01	04
Health and Welfare	I	04	01	11
Rural Development	II	01	01	02
Urban Development	II	01	29	07
Agriculture, Food & Allied Industries	III	02	00	08
Water Resource	III	01	01	03
Culture and Tourism	III	01	00	00
Total		12	33	35

Compliance Audit refers to examination of the transactions relating to expenditure of the audited entities to ascertain whether the provisions of the Constitution of India, applicable laws, rules, regulations, various orders, instructions and guidelines issued by competent authorities are being complied with.

The primary purpose of the Report is to bring to the notice important results of Audit to the State Legislature. Auditing Standards require that the materiality level for reporting should be commensurate with the nature, volume and magnitude of transactions. The findings of Audit are expected to enable the Executive to take corrective actions and also to frame policies and directives that will lead to improved operations and financial management of the organisations, thus, contributing to better governance.

This chapter, in addition to explaining the planning and extent of Audit, provides a synopsis of the significant audit observations made during the

¹ Food, Civil Supplies and Consumer Affairs Department, Narmada, Water Resources, Water supply and kalpsar Department and Panchayat, Rural Housing & Rural Development Department.

Compliance Audit and follow-up on previous Audit Reports. **Chapter-II** of this report contains detailed findings and observations on the Compliance Audits in Government Departments.

1.2 Audited entity profile

The Accountant General (Audit-I), Gujarat conducts Audit of the expenditure under the cluster having 12 Departments in the State at the Secretariat level, 33 Autonomous bodies and 35 PSUs and 14,473 Local Bodies². The Departments are headed by Additional Chief Secretaries/Principal Secretaries/Secretaries, who are assisted by Directors/Commissioners/Chief Engineers and subordinate officers under them.

The summary of fiscal transactions during the years 2021-22 and 2022-23 is given in **Table 2** below:

Table 2: Summary of fiscal transactions

Receipts			Disbursements		
	2021-22	2022-23		2021-22	2022-23
1	2	3	4	5	6
Revenue receipts	1,66,830	1,99,408	Revenue expenditure	1,60,421	1,79,543
Tax revenue	97,678	1,24,809	General services	56,423	61,269
Non-tax revenue	14,018	18,434	Social services	68,254	75,125
Share of Union taxes	31,106	33,034	Economic services	35,332	42,672
Grants from Government of India	24,028	23,131	Grants-in-aid and Contributions	412	477
Misc. Capital receipts	00	00	Capital Outlay	28,185	35,499
Recoveries of Loans and Advances	155	254	Loans and Advances Disbursed	1,071	1,466
Public Debt receipts*	46,968	52,333	Repayment of Public Debt*	24,436	22,159
Contingency Fund	00	00	Contingency Fund	00	20
Public Account receipts	1,18,597	1,22,483	Public Account disbursements	1,13,609	1,20,935
Opening Cash Balance	15,848	20,676	Closing Cash Balance	20,676	35,532
Total	3,48,398	3,95,154	Total	3,48,398	3,95,154

(Source: Finance Accounts of the State Government for the years 2021-22 and 2022-23)

* During 2021-22, effective Public Debt receipts were ₹ 33,928 crore as the Department of Expenditure, GOI had decided that GST compensation of ₹ 13,040 crore given to the State as back-to-back loan under debt receipts would not be treated as debt of the State.

² District Panchayats-33, Taluka Panchayats-247, Gram Panchayats-14,023, Nagarpalikas-162 and Municipal Corporations-08.

1.3 Authority for Audit

The authority for Audit by the C&AG is derived from Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The C&AG conducts audit of expenditure and revenue of the departments, autonomous bodies and public sector undertakings of GoG under the provisions of the DPC Act and Regulations on Audit and Accounts, 2020 issued by the C&AG.

1.4 Planning and conduct of Audit

Audit process starts with the assessment of risks faced by various Departments of Government based on expenditure incurred, criticality/complexity of activities, level of delegated financial powers, assessment of overall internal controls and concerns of stakeholders. Previous audit findings are also considered in this exercise. Based on this risk assessment, the frequency and extent of Audit are decided.

After completion of Audit of each unit and schemes, Inspection Reports containing audit findings are issued to the heads of the Departments. The Departments are requested to furnish replies to the Audit findings within one month of receipt of the Inspection Reports. Whenever replies are received, Audit findings are either settled or further action for compliance is advised. The important Audit observations arising out of these Inspection Reports are processed for inclusion in the Audit Reports, which are submitted to the Governor of the State under Article 151 of the Constitution of India, to be caused to be laid on the table of the State Legislature.

1.5 Lack of responsiveness of Government to Audit

1.5.1 Inspection Reports outstanding

The Hand Book of Instructions for prompt Settlement of Audit Objections/Inspection Reports issued by the Finance Department in 1992 provides for prompt response by the Executive to the Inspection Reports (IRs) issued by the Accountant General to ensure rectificatory action in compliance with the prescribed rules and procedures and accountability for the deficiencies, omissions, etc., noticed during the inspections. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs, rectify the defects and omissions promptly and report their compliance to the Accountant General within four weeks of receipt of the IRs. Periodical reminders are issued to the Head of the Departments requesting them to furnish the replies expeditiously on the outstanding paragraphs in the IRs.

As of 31 March 2023, 3,742 IRs (15,303 Paragraphs) were outstanding against 18 Departments under the General and Social sectors. Year-wise details of IRs and paragraphs outstanding are given in **Appendix-I**.

1.5.2 Response of departments to the audit paragraphs

Three Compliance Audit Paragraphs were forwarded to the Additional Chief Secretaries/Principal Secretaries/Secretaries of the concerned administrative departments with a request to send their responses within six weeks.

The comments/ replies offered by the State Government during exit conference had been suitably incorporated at appropriate places in the reports.

1.5.3 Follow-up of Audit Reports

Rule 7 of Public Accounts Committee (Rules of Procedure) 1990 provides for furnishing Detailed Explanations (DEs) to the observations which featured in Audit Reports by all the Departments of Government, within 90 days of their being laid on the Table of the Legislative Assembly.

The Administrative Departments did not comply with these instructions and 18 Departments as detailed in **Appendix-II** had not submitted 50 DEs for the period 2007-08 to 2018-19 as of 31 March 2023.

1.5.4 Paragraphs to be discussed by the Public Accounts Committee

The Public Accounts Committee (PAC) and the Committee on Public Undertakings (COPU) lay down in each case, the period within which Action Taken Notes (ATNs) on its recommendations should be sent by the departments with a view to ensuring accountability of the Executive in respect of all the issues dealt with in the Audit Reports.

During 2006-07 to 2018-19, 45 PAs and 167 TAs/Focused Compliance Audits/Draft Paragraphs printed in the Audit Reports (Civil, G&SSA and Local Bodies), out of which, the PAC had discussed 16 PAs and 80 TAs/FCAs/DPs. Therefore, 29 PAs and 87 TAs/FCAs/DPs were pending as of 31 March 2023 as mentioned in **Appendix-III**. Further, 80 ATNs are pending out of total 95 ATNs (**Appendix-IV**).

1.6 Coverage of this Report

This Report contains three Compliance Audit Paragraphs including two Subject Specific Compliance Audit Paragraphs. These are discussed in succeeding **Chapter II**.

CHAPTER – II

COMPLIANCE AUDITS

CHAPTER – II

This Chapter contains two Subject Specific Compliance Audit Paragraphs on “Public Distribution System in Gujarat” of Food, Civil Supplies and Consumer Affairs Department and “Implementation of Pradhan Mantri Awaas Yojana-Gramin” of Panchayat, Rural Housing & Rural Development Department and one Compliance Audit Paragraph on “Short recovery of price variation”.

COMPLIANCE AUDITS

FOOD, CIVIL SUPPLIES AND CONSUMER AFFAIRS DEPARTMENT

2.1 Public Distribution System in Gujarat

2.1.1 Introduction

Article 38 of the Directive Principles of State Policy in the Constitution of India mandates that the State shall strive to promote the welfare of the people by securing and protecting as effectively as it may a social order for the promotion of welfare of the people. Further, Article 47 directs the State to prioritise improving nutrition, raising living standards and enhancing public health.

Historically, the Public Distribution System (PDS) established by the Government of India (GoI) addressed food scarcity by distributing essential items such as foodgrains, sugar, kerosene, pulses, iodized salt and spices at affordable prices to vulnerable sections of society. Over the time, the PDS has evolved into a crucial tool for achieving food security³ across the nation.

The National Food Security Act (NFSA) 2013, notified by the GoI in September 2013, guarantees access to high-quality food at affordable prices, aiming to provide food and nutritional security. This marks a significant shift in the approach to food security, transitioning from welfare to a rights-based approach, with PDS now operating under the provisions of the NFSA, 2013.

The NFSA legally entitles 75 per cent of the rural and 50 per cent urban population across the country to receive subsidised foodgrains through PDS. Under NFSA, the *Antyodaya Anna Yojana* (AAY)⁴ Households (HHs) are entitled to 35 kg of foodgrains per family per month, while the Priority HHs

³ As per Food and Agricultural Organisation, ‘Food Security’ is a situation when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to live an active and healthy life.” The NFSA, 2013 defines ‘Food Security’ as the supply of the entitled quantity of specified foodgrains and meals.

⁴ Launched by the GoI in December 2000, AAY aims to target the poorest of the poor among the Below Poverty Line (BPL) population in both rural and urban areas. Each eligible family is entitled to subsidised foodgrains at the rate of ₹ three per kg for rice, ₹ two per kg for wheat and ₹ one per kg for coarse grain.

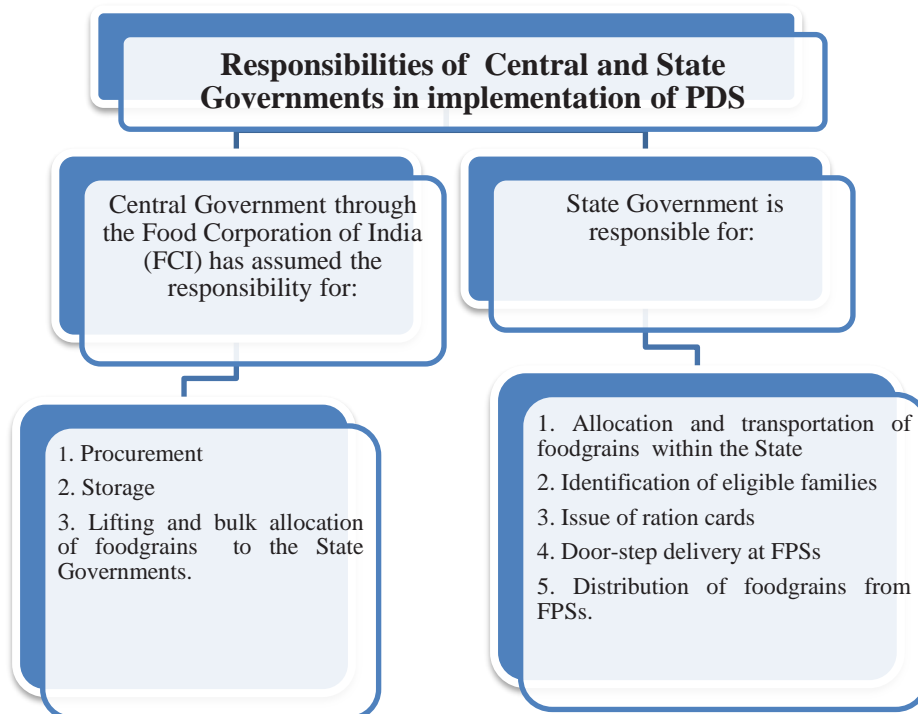
(PHHs)⁵ are entitled to five kg of foodgrains per person per month, at the subsidised rate of ₹ three, ₹ two and ₹ one for rice, wheat and other coarse grains respectively.

The comparative benefits of NFSA over the pre-NFSA schemes under PDS in the State of Gujarat are indicated in **Appendix–V**.

2.1.2 Role of Central and State Governments in Implementation of PDS

Both the Central and State Governments are responsible for the implementation of the NFSA and the PDS. The responsibilities of both the Governments from the procurement of foodgrains to their distribution through Fair Price Shops⁶ (FPSs) are depicted in **Chart-1** below:

Chart-1: Responsibilities of Central and State Governments in implementation of PDS



2.1.3 PDS in Gujarat

The NFSA, 2013 was implemented in the State of Gujarat from 01 April 2016. It is governed by the Gujarat Essential Articles (Licensing, Control and Stock Declaration) Order, 1981 as well as the Targeted Public Distribution System (Control) Order, 2015 of GoI.

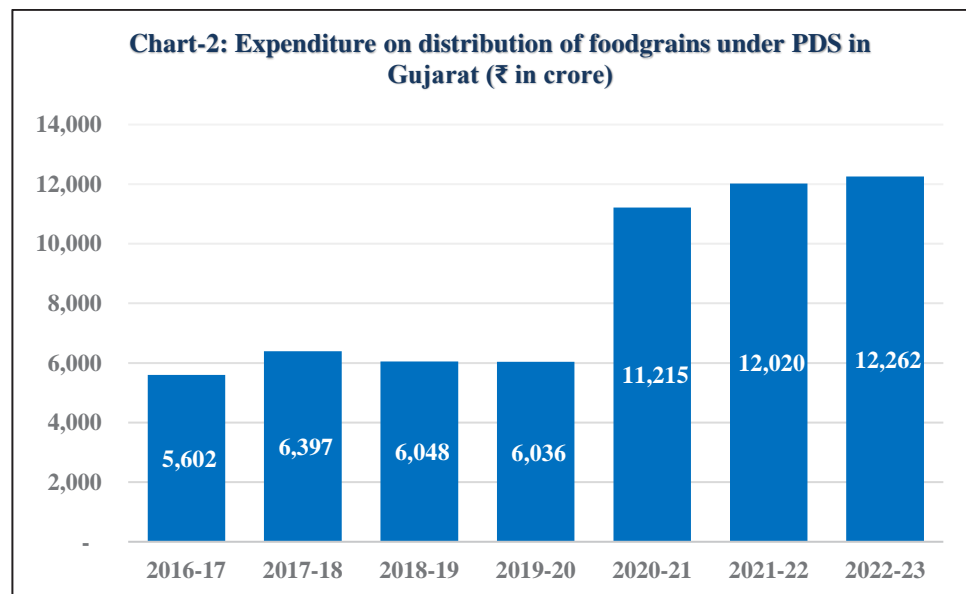
⁵ PHHs (Rural areas): All the HHs which were included in the Socio-Economic and Caste Census of 2011 were to be recognised as the PHHs, with certain exclusion criteria.

PHHs (Urban areas): All the HHs/families having deprivation and insecurity of any kind (housing insecurity, occupational insecurity and social insecurity) were to be deemed to be PHHs.

⁶ Fair Price Shops are a network of the last-mile delivery points for distributing essential commodities under PDS. They function under the administrative control of the Food, Civil Supplies and Consumer Affairs Department, and are licensed and regulated under the Targeted Public Distribution System (Control) Order, 2015.

The erstwhile Planning Commission determined the State-wise percentage of population to be covered under the NFSA, based on the 2011-12 NSSO⁷ survey on consumption expenditure. Accordingly, the NFSA, 2013 provides⁸ for an overall coverage of up to 63.40 *per cent* of the total population of Gujarat (6.04 crore)⁹. This coverage includes 74.64 *per cent* of the rural population and 48.25 *per cent* of the urban population. Following the implementation of the Act in 2016-17, the State Government identified 3.83 crore¹⁰ beneficiaries from the overall population of 6.04 crore, who were eligible under the NFSA, as of March 2017.

The Food, Civil Supplies and Consumer Affairs Department (Department) of the Government of Gujarat implements the PDS in the State. During 2016-23, an expenditure of ₹ 59,580 crore was incurred in the State on procurement and distribution of foodgrains. The trend is shown in the following **Chart 2** below:



2.1.4 Achievement of Sustainable Development Goals in Food Security

One of the targets within Sustainable Development Goal-02 (SDG-02), adopted by both the United Nations General Assembly and India, is to eradicate hunger and guarantee year-round access to safe, nutritious, and adequate food, particularly for the impoverished and those in vulnerable situations, including infants, by 2030.

The NITI¹¹ *Aayog* brought out the SDG Index for India and the States in 2018. The index gives a comparative position of the States on selected performance indicators. Based on the score, the States and UTs were

⁷ National Sample Survey Organisation.

⁸ Clause 3 of Targeted Public Distribution System (Control) Order, 2015 read with Annexure – I.

⁹ As per Census, 2011.

¹⁰ 2.80 crore rural beneficiaries + 1.02 crore urban beneficiaries + 0.01 crore others. These 3.83 crore beneficiaries also included 8.13 lakh AAY families, covering 0.42 crore beneficiaries.

¹¹ National Institution for Transforming India.

classified into four categories¹² namely, Achiever, Front Runner, Performer and Aspirant. The PDS is one of the several programmes mapped onto SDG-02 by NITI Aayog.

The progress made by the State of Gujarat *vis-à-vis* national progress on SDG-02 associated particularly with food security, is shown in **Table-1** below:

Table-1: Progress made by State of Gujarat *vis-à-vis* national progress on SDG-02

Period ¹³	Index Score		Rank of Gujarat amongst States
	India	Gujarat	
2018	48	49	20
2019-20	35	39	15
2020-21	47	46	18
2023-24	52	41	25

(Source: SDG India Index Reports of NITI Aayog)

Table-1 shows that Gujarat, with an index score between 39 and 49, remained an “Aspirant” from 2018 to 2024. During the same period, Gujarat's ranking declined from 20th place in 2018 to 25th in 2024.

2.1.5 Organisational Set-up

The Organisational setup for the administration of PDS at the Central and State levels is as under:

National level

At the national level, the Department of Food and Public Distribution under the Ministry of Consumer Affairs, Food and Public Distribution is the Nodal Department for the implementation of the PDS.

State level

Within the State's administrative structure, the Secretary, Food, Civil Supplies and Consumer Affairs Department heads the Department. The Director, Food and Civil Supplies, reports to the Secretary and oversees the implementation of the PDS. To manage these responsibilities, the Director is assisted by a team consisting of one Joint Director and five Deputy Directors.

Field Level

At the District level, except for Ahmedabad City¹⁴, the District Supply Officer (DSO) looks after the affairs of PDS. At the Taluka level, the *Mamlatdar*¹⁵ of the Taluka, assisted by the Deputy *Mamlatdar* (Supply), is

¹² (i) Achiever: Index score of 100; (ii) Front Runner: Index score between 65 and 99; (iii) Performer: Index score between 50 and 64; and (iv) Aspirant: Index score between 0 and 49.

¹³ Between 2018 and 2024, NITI Aayog published only four SDG India Index Reports.

¹⁴ For Ahmedabad City, the Food Controller is responsible for the PDS.

¹⁵ The *Mamlatdar*, appointed by the State Government under Section 12 of the Land Revenue Code, is the Head of the Revenue Administration consisting of average 50 or more groups of Villages. Like the Collector, who is the head of the District, the *Mamlatdar* is the head of the Taluka.

responsible for the overall Taluka-centric implementation of PDS. At the Village level, the distribution of commodities under PDS is administered through the FPSs.

Other Stakeholders at the State level

The Gujarat State Civil Supplies Corporation Limited (GSCSCL), a wholly owned State Government Company established in September 1980 and Headquartered in Gandhinagar, is responsible for lifting foodgrains from the godowns of FCI to its own storage facilities, procurement of other essential commodities under PDS, their storage and doorstep delivery at FPSs across the State.

Under the provisions of the NFSA, the State Government constituted (March 2017), the Gujarat State Food Commission (GSFC) to (i) monitor, evaluate and render advice to the State Government on the effective implementation of the Act, (ii) inquire into the cases of violations of entitlements of beneficiaries, (iii) hear appeals against orders of the District Grievance Redressal Officer, *etc.*

The objectives of the Compliance Audit were to assess whether:

- Identification and coverage of beneficiaries was proper;
- The system of allocation, supply, storage and distribution of foodgrains and other commodities was efficient; and
- Supervision and monitoring mechanisms for the implementation of PDS were effective.

2.1.7 Audit Criteria

The following audit criteria were adopted for the Compliance Audit:

- The National Food Security Act, 2013 and Rules and instructions issued thereunder by GoI from time to time;
- The Targeted Public Distribution System (Control) Order, 2015 of GoI and State Government Resolutions issued for implementation of the programme;
- Guidelines/Criteria issued by the GoI and the State Government for identification of beneficiaries, issuance of ration cards, allocation, procurement, lifting and distribution of foodgrains and other commodities under PDS;
- Annual Reports and data/information available on the State PDS portal; and
- Sustainable Development Goals.

2.1.8 Audit Scope and Methodology

The Compliance Audit was conducted in two phases: the first from July 2020 to December 2021 and the second from December 2023 to January 2024. During the audit, the functioning of the PDS in the State for the period 2015-16 to 2022-23 was examined in light of the implementation of the NFSA.

The compliance audit included test-check of records both at the apex and the implementing unit levels as shown below:

Apex Units

- (i) The Secretariat, Food, Civil Supplies and Consumer Affairs Department;
- (ii) The Directorate, Food and Civil Supplies;
- (iii) The Gujarat State Civil Supplies Corporation Limited; and
- (iv) The Gujarat State Food Commission.

Implementing Units

- (i) Offices of the eight out of 33 District Supply Officers;
- (ii) Offices of 13 Deputy *Mamlatdars* (Supply) in rural areas (at the Taluka level) and eight Zonal Officers in urban areas (at the Zonal Office level). Thus, 21 out of a total of 86 Deputy *Mamlatdars* (Supply)/Zonal Offices from eight Districts were selected;
- (iii) Survey of 63 Fair Price Shops (three from each of the 21 selected Taluka/Zonal Offices); and
- (iv) Inspection of 19 godowns at the Taluka level to check the adequacy of the storage facilities, security arrangements and overall functioning of the godowns.

The details of sampled units are shown in **Appendix–VI**.

An entry conference was held on 09 April 2021 wherein the audit objectives, audit scope and methodology were explained to the Director, Food and Civil Supplies. An exit conference was held with the Secretary, Food, Civil Supplies and Consumer Affairs Department on 06 May 2022. During the meeting, the audit findings, conclusions and audit recommendations were discussed. Comments offered by the representatives of the State Government during Exit Conference have been suitably incorporated in appropriate places in the Report.

The Draft Audit Report was issued to the State Government in May 2024; their reply was awaited as of January 2025.

2.1.9 Acknowledgement

Audit acknowledges the cooperation and assistance rendered by the Food, Civil Supplies and Consumer Affairs Department, Gujarat State Civil Supplies Corporation Limited, Gujarat State Food Commission and other field offices/units in the conduct of this Compliance Audit.

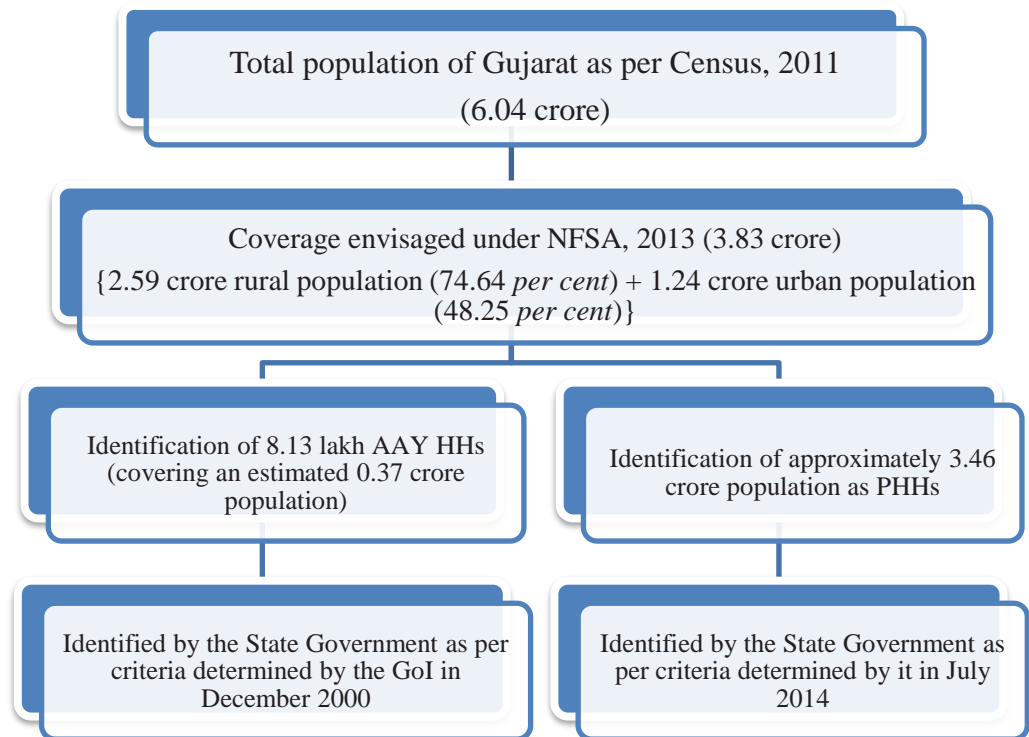
Audit findings

2.1.10 Identification and Coverage of Beneficiaries

2.1.10.1 Identification and Coverage of Beneficiaries under NFSA

Chart-3 below illustrates the framework of identification and coverage of beneficiaries (AAY HHs and PHHs) under NFSA:

Chart 3: Identification and coverage of beneficiaries under NFSA



(Source: Targeted PDS Control Order, 2015)

2.1.10.2 Coverage of beneficiaries

The State Government is responsible for identifying beneficiaries and ensuring their inclusion under the NFSA. The status of coverage of beneficiaries (AAY HHs and PHHs) from 2015 to 2023, compared to the targets set under the NFSA, is presented in **Table-2** below:

Table-2: Total coverage (urban and rural population) vis-à-vis targets set under NFSA

(Figures in lakh)

Period	Urban		Rural		Others ¹⁶	Total		Percentage of coverage to prescribed limit
	Limit prescribed in NFSA	Actual coverage (Percentage)	Limit prescribed in NFSA	Actual coverage (Percentage)	Actual coverage	Limit prescribed in NFSA	Actual coverage	
2015-16	No limit prescribed	220.83	No limit prescribed	290.73	90.42	No limit prescribed	601.98	No limit prescribed
2016-17 ¹⁷	124.06	102.19 (82)	258.78	280.15 (108)	0.60	382.84	382.94	100
2017-18	124.06	101.36 (82)	258.78	276.42 (107)	0.30	382.84	378.08	99
2018-19	124.06	88.23 (71)	258.78	243.18 (94)	0.08	382.84	331.49	87
2019-20	124.06	86.37 (70)	258.78	237.73 (92)	0.06	382.84	324.16	85
2020-21	124.06	93.56 (75)	258.78	253.29 (98)	0.05	382.84	346.90	91
2021-22	124.06	93.51 (75)	258.78	253.70 (98)	0.08	382.84	347.29	91
2022-23	124.06	91.32 (74)	258.78	257.49 (100)	0.04	382.84	348.85	91
2023-24 (Up to 12/ 2023)	124.06	92.91 (75)	258.78	261.71 (101)	0.01	382.84	354.63	93

(Source: Targeted PDS Control Order, 2015 and figures of coverage of beneficiaries as per DS portal duly confirmed by the Department)

Table-2 shows that by December 2023, 3.55 crore people received benefits, representing 93 *per cent* of the target population of 3.83 crore, set under the NFSA. Urban areas had a lower coverage of 75 *per cent*, while rural areas exceeded their target with 101 *per cent* coverage.

The coverage of beneficiaries gradually decreased from 382.94 lakh in 2016-17 to 324.16 lakh in 2019-20, primarily due to the implementation of *Aadhaar*-based biometric authentication by the State Government from 2018-19. However, in 2020-21, there was a sudden rise in coverage, increasing from 85 *per cent* in 2019-20 to 91 *per cent*. This was attributed to a partial modification in the eligibility criteria for PHH beneficiaries. Furthermore, a revision in the income criteria in March 2023 led to a further increase in coverage, reaching 93 *per cent* by December 2023. These are discussed below:

- **Exclusion of PHHs owning vehicles:** The State Government initially excluded (July 2014) PHHs in rural areas who owned mechanically propelled vehicles (three- and four-wheelers) or fishing boats from the NFSA, without considering their income status. As a result, families owning auto-rickshaws, taxis or engine-driven boats were denied benefits under NFSA. The State

¹⁶ These HHs are neither classified into urban nor rural areas.

¹⁷ NFSA in Gujarat was introduced from April 2016.

Government, however, partially modified this criterion in October 2020 to include families with engine-driven three-wheelers.

- **Income criteria discrepancy:** In urban areas, households with housing insecurity¹⁸ are eligible under NFSA as PHH beneficiaries. Further, in rural areas, the income limit for a PHH was set at ₹ 10,000 per month; but no such income criterion was established for urban areas. This disproportionately affected families such as daily wagers, small artisans, and self-employed individuals, *etc.* in urban areas, who, despite owning homes, often had insufficient incomes for a dignified living. The State Government, however, revised the income criterion in March 2023 to include both rural and urban areas, with a uniform income limit of ₹ 15,000 per month.

2.1.10.3 *Income data errors and inclusion of ineligible beneficiaries*

In July 2014, the State Government established criteria for identifying PHH beneficiaries under the NFSA, which were partially revised in October 2020 and March 2023. According to these criteria, all HHs were to be classified as PHHs, except those with a monthly income exceeding ₹ 15,000 or ₹ 1.80 lakh annually.

Audit analysed the income data of beneficiaries across eight selected Districts (**Appendix–VI**) provided by the Department for the period 2016-23. The findings are summarised in **Table-3** below:

Table-3: Status of income of PHH beneficiaries under NFSA in eight selected Districts as of December 2023

Particulars	No.	Percentage
Total ration cards issued under NFSA	22,26,070	100
Ration cards with incomplete or invalid income data (annual income of members shown as ₹ 0, 1, 2, up to ₹ 1,000)	10,35,831	46.53
Ration cards with at least one member's annual income exceeding ₹ 1.8 lakh up to ₹ 5 lakh	9,429	0.42
Ration cards with at least one member's annual income exceeding ₹ 5 lakh	2,453	0.11
Ration cards meeting the prescribed income limits	11,78,357	52.93

(Source: Data dump provided by the Department)

The analysis revealed that approximately 53 *per cent* of ration cards had beneficiaries whose incomes fell within the prescribed limits for PHHs under the NFSA. However, in 47 *per cent* of the cases, the income data were either invalid or indicated that at least one member's income exceeded the threshold of ₹ 15,000 per month. This highlights the need for further

¹⁸ Housing insecurity: A family which either has no house or has house of wall and roof of plastic or polythene, wall of grass, straw bamboo, dung, mud brick or wooden wall and one room or house less than that having roof of grass-straw, bamboo dung or wood.

verification and validation of income data to ensure the accurate identification of eligible beneficiaries.

2.1.10.4 Implementation of Reforms Envisaged in NFSA

Section 12 of the NFSA, 2013, in conjunction with the Targeted Public Distribution System (Control) Order, 2015, mandates crucial reforms in the PDS, requiring both Central and State Governments to implement measures such as eliminating bogus ration cards, and designating women as family heads, amongst others.

2.1.10.5 Lack of regular exercise to eliminate bogus ration cards

The State Government has established eligibility criteria for PHH beneficiaries under the NFSA. These criteria are based on factors such as annual family income, occupation, social and housing insecurity, among others. Further, Clause 4 of the Targeted Public Distribution System (Control) Order, 2015, mandates that State Governments actively work to eliminate fraudulent or ineligible ration cards by conducting an annual special drive before the end of each financial year.

Audit observed that the State Government did not carry out any such special drive to remove ineligible ration cards, where beneficiaries had become ineligible due to improvements in family income, occupation, social, or housing security, between 2016 and 2023, except for the year 2018-19 when Aadhaar-based biometric authentication was introduced¹⁹. The introduction of Aadhaar-based biometric authentication in 2018-19 led to the removal of 6.06 lakh fraudulent or irregular ration cards, affecting a population of 48.67 lakh. As a result, the annual distribution of foodgrains to beneficiaries decreased by 5.41 *per cent*, from 21.08 lakh metric tons (MT) in 2017-18 to 19.94 lakh MT in 2018-19. Between April 2016 and February 2018, approximately 5.15 lakh MT²⁰ of foodgrains, along with other commodities, were distributed under these bogus or ineligible ration cards over 23 months.

The Department stated (May 2024) that NFSA beneficiaries who have not yet registered for *Aadhaar* were instructed to complete the registration process by 31 March 2024, as per the Department's Notification dated 02 February 2024. Additionally, detailed instructions were issued to all District Collectors in October 2020 to verify income and other eligibility criteria, survey beneficiary data in the system, and remove ineligible HHs from the NFSA list to ensure that benefits reach only *bona fide* beneficiaries.

¹⁹ Aadhaar-based biometric authentication for beneficiaries was implemented from March 2018.

²⁰ 44.09 lakh (PHH population) × 5 kg × 23 months + 10,324 (AAY families) × 35 kg per family × 23 months = 5.15 lakh MT. Population figures have been obtained from the monthly food grain allotment records maintained by the Department.

2.1.11 Implementation of NFSA in the State

In the State of Gujarat, the NFSA was expected to be implemented by 04 July 2014²¹, one year after its deemed effective date i.e., 05 July 2013. However, it was eventually implemented from 01 April 2016, following a delay of nearly 21 months beyond the maximum allowable period of one year.

2.1.11.1 Impact of implementation of NFSA

To assess the impact of the delay in implementing the NFSA in the State, Audit compared the actual quantities of foodgrains distributed to 3.83 crore beneficiaries and the corresponding expenses incurred by them post-NFSA (2016-17), with the projected quantities of foodgrains and related expenses for the same number of beneficiaries during pre-NFSA (2015-16). The results of this comparison are presented in **Table 4** below.

Table 4: Foodgrains distributed, and cost borne by the targeted beneficiaries during pre and post years of implementation of NFSA

Period	Population covered under TPDS (crore)	Total foodgrains distributed (lakh MT)	Per capita monthly distribution (kg)	Cost collected from beneficiaries (₹ crore)	Average cost to beneficiaries (₹ per kg)
2015-16 Pre-NFSA	3.83 (Estimated)	17.30 ²² (Estimated)	3.76 ²³ (Estimated average)	860.40 ²⁴ (Estimated)	4.97 ²⁵ (Estimated)
2016-17 Post-NFSA	3.83 (Actual)	20.69 (Actual)	5 (for PHHs ²⁶ ; Actual)	460.49 (Actual)	2.23 (Actual)
Change Post-NFSA	Nil	(+) 3.39	(+) 1.24	(-) 399.91	(-) 2.74

(Source: Monthly distribution records provided by Department)

The table above shows that:

- The implementation of NFSA resulted in a substantial increase in the actual distribution of foodgrains compared to the estimated distribution in the pre-NFSA period.

²¹ The NFSA provided a cushion of one year to the State Governments for framing of criteria and identification of eligible HHs.

²² Calculated as per the entitlements of the estimated 3.83 crore beneficiaries comprising AAY, BPL and APL families in the pre-NFSA period (2015-16).

²³ Estimated quantity of food grains distributed to 3.83 crore beneficiaries = 17.30 lakh MT. Therefore, per person per month distribution = 17.30 lakh MT ÷ (3.83 crore × 12 months) = 3.76 kg.

²⁴ Calculated on the basis of foodgrains distributed to AAY, BPL and APL beneficiaries at the rates applicable in the pre-NFSA period (2015-16) i.e. at ₹ 2 per kg to ₹ 10.10 per kg for wheat and rice.

²⁵ Estimated cost of distribution = ₹ 860.40 crore; Estimated quantity; distributed = 17.30 lakh MT.

Therefore, average cost to beneficiaries = ₹ 860.40 crore ÷ 17.30 lakh MT = ₹ 4.97 per kg.

²⁶ Five kg per person per month is the entitlement fixed under Section 3(1) of NFSA, 2013 for PHHs.

- Per capita monthly distribution also improved, particularly for PHH beneficiaries, who received 5 kg of foodgrains per month under NFSA.
- The cost to beneficiaries significantly decreased in the post-NFSA period, indicating a reduction in the financial burden on beneficiaries.
- The average cost to beneficiaries per kg of foodgrains decreased notably, making food more affordable for them.

Overall, the implementation of the NFSA in the State resulted in improved access to foodgrains for beneficiaries at a reduced cost, indicating positive impacts on food security and affordability.

During the Exit Conference (May 2022), the Secretary, Food, Civil Supplies and Consumer Affairs Department attributed the delay to the complex transition of the PDS from one system to another, which required extensive deliberations, including setting criteria for the inclusion of 3.83 crore beneficiaries under the NFSA. The Secretary further stated that nearly one year was spent analysing the Socio Economic and Caste Census (SECC) 2011 data received from the GoI and conducting field surveys.

Audit is of the view that the NFSA itself provided a 12-month timeframe for various processes, including the establishment of criteria and identification of beneficiaries. However, the State exceeded the prescribed timeline for NFSA implementation by an additional 21 months, limited access to affordable foodgrains for the intended beneficiaries during that period. In contrast, 11²⁷ States/UTs completed the identification of eligible HHs and implemented the NFSA between September 2013 and March 2014, well ahead of the targeted implementation date of July 2014. Seven²⁸ other States/ UTs completed the identification and implementation process between June 2015 and October 2015.

2.1.12 Allocation, Supply, Storage and Distribution of Foodgrains

Under the NFSA, the foodgrains, *i.e.* wheat and rice are allocated and supplied at Central Issue Price (CIP²⁹) by the GoI through FCI. The allocation and supply of foodgrains to Gujarat is made from the FCI godowns situated at 38 locations across the State. Other commodities, *viz.* sugar, edible oil, iodised salt and pulses, which are distributed under PDS in the State, are procured by the State Government through Gujarat State Civil Supplies Corporation Limited (GSCSCL). All the foodgrains and other commodities are stored at the State Government godowns situated at the

²⁷ Haryana (September 2013), Rajasthan, Delhi & Himachal Pradesh (October 2013), Punjab (December 2013), Karnataka & Chhattisgarh (January 2014), Maharashtra & Chandigarh (February 2014), Madhya Pradesh & Bihar (March 2014).

²⁸ West Bengal (June 2015), Lakshadweep (August 2015), Tripura & Puducherry (September 2015), Uttarakhand, Jharkhand & Telangana (October 2015).

²⁹ CIP: ₹ two per kg for wheat and ₹ three per kg for rice.

Taluka level (Taluka godowns) under the control of the GSCSCL. From the Taluka godowns, commodities are supplied to Fair Price Shops (FPSs) on a monthly requirement basis.

The management of various functions related to the implementation of the PDS, such as beneficiary management, inventory control, oversight of godowns, and FPSs, is conducted through the State's online PDS portal.

2.1.12.1 Leakage of Foodgrains from Taluka Godowns and Fair Price Shops

The NFSA, 2013 provides for allocation of a fixed quota of foodgrains for each State, based on the number of beneficiaries to be covered under PDS. For the State of Gujarat, it was 23.95 lakh MT³⁰ per annum.

Table 5 below presents the year-wise details of foodgrains allocated by the GoI, lifted by the State Government, issued from Taluka godowns to FPSs, and distributed to beneficiaries during the period 2015-23.

Table 5: Allocation, lifting and distribution of foodgrains during 2015-23

(Quantity in lakh MT)

Period	Food grains allocated by GoI	Foodgrains lifted by State Govt. from FCI godowns and stored in Taluka godowns	Food grains issued from Taluka godowns to FPSs	Foodgrains distributed to beneficiaries through FPSs		Difference between quantities issued to and distributed from FPSs
				Actual distribution as per data captured in State PDS portal	Quantity of foodgrains reported as distributed by State Govt. through UCs	
1	2	3	4	5	6	7 (4-5)
2015-16	22.48	21.80	20.55	19.94	20.73	0.61
2016-17	21.79	21.78	21.73	20.69	21.73	1.04
2017-18	23.67	22.73	22.43	21.08	22.48	1.35
2018-19	23.79	20.65	20.48	19.94	20.48	0.54
2019-20	23.79	19.25	19.24	19.15	19.22	0.09
2020-21 ³¹	36.14	33.50	34.32	34.40	33.41	(-) 0.08 ³²
2021-22	40.60	39.54	39.50	38.82	38.83	0.68
2022-23	36.71	36.47	35.37	36.02	36.03	(-) 0.65
Total	228.97	215.72	213.62	210.04	212.91	3.58

(Source: Data collected from Utilisation Certificates and PDS Portal)

The table above indicates that during 2015-23, a total of 213.62 lakh MT of foodgrains was issued from Taluka godowns to FPSs. During the same

³⁰ As per Schedule-IV of NFSA, 2013.

³¹ This includes an additional distribution of five kg per person to NFSA beneficiaries under *Pradhan Mantri Garib Kalyan Anna Yojana* from 2020-21 onwards.

³² During 2020-21 and 2022-23, the excess distribution of foodgrains was made by the FPSs from their opening stock balances.

period, FPSs distributed 210.04 lakh MT to beneficiaries, leaving a closing balance of 3.58 lakh MT as of March 2023. However, a review of the Department's monthly distribution reports³³ revealed that the closing stock at the end of March 2023 was only 0.11 lakh MT. Consequently, after accounting for the 0.11 lakh MT closing stock, the net difference amounted to 3.47 lakh MT, which appeared to have neither been distributed to the beneficiaries nor accounted for at the FPSs.

The table above also highlights a discrepancy of 2.87 lakh MT between the foodgrains actually distributed (210.04 lakh MT) during 2015-23 and the quantity reported by the State Government in its Utilisation Certificates (UCs) to the GoI (212.91 lakh MT), raising concerns about the accuracy and reliability of the reporting mechanism. This discrepancy occurred because the Department's monthly distribution reports, generated by GSCSCL from the State PDS Portal, recorded the quantity of foodgrains issued from Taluka godowns as the distributed quantity, rather than capturing the actual quantity issued to beneficiaries from FPSs. However, from 2021-22 onwards, actual distribution data from FPSs was correctly captured and reported to the GoI through the UCs.

During Exit Conference (May 2022), the Secretary, Food, Civil Supplies and Consumer Affairs Department did not provide a specific response regarding the discrepancy between the quantities of foodgrains issued to FPSs and those actually distributed to beneficiaries. However, the Secretary acknowledged that the NFSA, 2013, does not account for transportation and storage losses within the PDS. Audit analysis revealed instances of short-weighting and foodgrains embezzlement, deficiencies in accounting, and missing closing stock, as outlined in the following paragraphs, which indicate existence of leakages in the stock.

Regarding discrepancies in quantities reported to the GoI by the State Government through UCs, the Director, Food and Civil Supplies stated (May 2022) that this could be due to a procedural issue, where distributions were accounted for after a 45-day cycle. However, this explanation is not acceptable, as the actual quantity of foodgrains distributed to beneficiaries from FPSs is recorded in real time on the State PDS Portal. Moreover, since the UCs were to be submitted annually to the GoI, the Department could have easily retrieved the actual distribution data from the PDS Portal.

2.1.12.2 Inadequacies in weighing of foodgrains

Out of a total of 252 Taluka godowns in the State, 150 (60 *per cent*) had weighbridges, and among those, 149 were operational as of January 2024. In 19 selected Taluka godowns of eight Districts, only 12 had weighbridges.

³³ Also referred to as the Monthly Distribution Offtake PDS Cycle Reports.

Among these, six were non-functional, while the remaining six were partially used solely for weighing incoming foodgrains from FCI godowns.

At Taluka godowns, foodgrains were packed into 50 kg gunny bags and transported to FPSs. At FPSs, the weight of foodgrains was determined by counting the number of gunny bags, rather than conducting actual weighing. On weighing³⁴ of 603 such bags, containing wheat and rice, at 63 selected FPSs, Audit found that 530 bags (88 *per cent*) contained less than 50 kg of foodgrains. The overall weight deficit across these 530 bags was 1.62 *per cent* (489 kg short against 30,150 kg), which remained unretrieved as of January 2024.

Additionally, a systemic flaw in the PDS Portal was observed, where foodgrains quantities marked as “issued” from Taluka godowns were automatically recorded as “received” at FPSs without any manual validation or acknowledgment by FPS operators. The combination of underweight bags issued by Taluka godowns and the absence of a verification mechanism for stock receipts at FPSs indicate lapses in governance and operational oversight within the PDS.

During Exit Conference (May 2022), the Managing Director, GSCSCL stated that the calibration of weighbridges at the Taluka godowns was underway.

2.1.12.3 Inadequacies in accounting of foodgrains

Section 12 of the NFSA provides for the application of Information and Communication Technology tools including end-to-end computerisation, to ensure transparent recording of transactions at all levels and to prevent diversion, if any, of the foodgrains. Thus, to monitor food grain stock and maintain accurate accounting, it was essential to record the real-time physical movement of commodities, including receipts and distributions, on the Supply Chain Management System (SCMS) module of the State PDS Portal.

Upon reviewing the records at 19 selected Taluka godowns, Audit observed that until December 2020, entries related to the receipt of foodgrains and other commodities at the Taluka godowns were not recorded in the SCMS module of the PDS Portal at the time of receipt. Instead, these details were first recorded manually in registers based on Transport Passes (TPs)³⁵, and then entered into the SCMS module at a later stage.

³⁴ The gunny bags were weighed by Audit at the FPSs in the presence of the FPS operators and officials from the *Mamlatdar* Offices.

³⁵ TP is issued to each vehicle at the time of dispatch of foodgrains from the FCI godown and is handed over to the in-charge of a receiving godown of the State Government, in confirmation of the receipt of same commodity and quantity as was handed over for transportation.

In contrast, the issuance of foodgrains from Taluka godowns to FPSs was managed through the same Portal, and the Godown Managers made all the relevant entries in the SCMS module in real time.

This discrepancy resulted in a mismatch between the quantities of commodities received at and issued from the Taluka godowns. Consequently, the PDS Portal displayed negative stock balances at the Taluka godowns at the end of each financial year from April 2015 to December 2020. Furthermore, manual records in Form-8³⁶ prepared by the Godown Managers and submitted to GSCSCL, also indicated negative stock balances in all the 19 selected godowns. This rendered the integrity of the physical availability of foodgrains at the Taluka godowns, issued to FPSs and reported in the books of accounts doubtful. The stock position of foodgrains as of 31 March at the Taluka godown, Gandhinagar (one of the 19 selected Taluka godowns) is illustrated in **Table 6** below:

Table 6: Status of stock of foodgrains as of 31 March in Taluka godown, Gandhinagar

(Quantity in MT)

Year	Opening balance	Receipts as recorded in SCMS	Actual issues as recorded in SCMS	Closing balance
31 March 2016	00	00	608.85	(-)608.85
31 March 2017	(-)1,512.09	88.84	972.90	(-)2,396.15
31 March 2018	(-)3,770.24	1,063.88	2,549.78	(-)5,256.14
31 March 2019	(-)13,262.32	3,466.72	4,027.25	(-)13,822.85
31 March 2020	(-)13,370.04	544.52	2,907.91	(-)15,733.43
31 March 2021	1,696.98	2,030.49	2,526.58	1,200.89

(Source: Stock Reports generated from PDS Portal)

During the Exit Conference (May 2022), the Managing Director, GSCSCL stated that since January 2021, the receipt and issuance of foodgrains at godowns have been fully managed through the SCMS module. The Managing Director further added that all negative stock balances in the SCMS module have been corrected and replaced with the actual quantity of stock available at the godowns.

Systemic and operational deficiencies in the foodgrains weighing and accounting system had significant consequences, leading to the embezzlement of foodgrains from Taluka godowns. Two test-checked cases are discussed below:

➤ **Cases of Embezzlement of foodgrains**

Examination of records at the GSCSCL, Gandhinagar disclosed a shortage of 762.40 MT in the available stock of foodgrains at the Taluka godown, Palanpur in District Banaskantha, during physical verification of stock on

³⁶ Form-8, prepared on monthly basis, is a vital document for foodgrains accounting, containing all details of receipts, issues, opening and closing stocks at a Taluka godown.

12 February 2021 jointly conducted by the District Managers of GSCSCL and the DSOs concerned.

Similarly, during verification on 19 February 2021 at the Taluka godown in Shahera, District Panchmahal, a quantity of 721.30 MT of foodgrains was found to be missing.

Following a departmental inquiry, both the Godown Managers were dismissed from service, and First Information Reports were filed (February 2021) against the transporters and representatives of Chartered Accountant (CA) Firms who had been appointed by the GSCSCL for verification of accounts.

2.1.12.4 Missing closing stock of foodgrains at the time of implementation of NFSA

Each month, the SCMS module of the PDS Portal automatically calculates the quantity of foodgrains to be issued to an FPS based on the covered population and the closing stock from the previous month.

In April 2016, the first month of NFSA implementation in the State, foodgrains were distributed to FPSs from Taluka godowns according to the monthly requirement. However, a major oversight occurred during this process. A review of allocation and supply records revealed that 6,608 MT of foodgrains remaining at FPSs in March 2016 (pre-NFSA period) was not considered as the opening stock for April 2016. Instead, the Department incorrectly recorded it as 'nil.'

Over the following years, the Department repeatedly proposed disposing of this stock, but no decision was made until March 2019. At that point, the Department concluded that there was no physical stock available anywhere in the FPSs, and consequently, no action was required. As a result, 6,608 MT of foodgrains from the pre-NFSA period was not considered as the opening stock for April 2016.

The Department replied (May 2022) that the issue would be discussed after reconciliation of figures between audit and the departmental officials.

2.1.12.5 Missing closing stock of foodgrains at the time of modification of the SCMS module

In November 2018, modifications were made to the SCMS module, introducing features like online permit generation for the FPSs, digital payments by FPSs, *etc.* However, an examination of the SCMS module and records regarding food grain allocation revealed that during the improvement of the SCMS module, the closing stock totalling 48,372 MT of foodgrains and 3,964 MT of sugar, which were present at FPSs in September 2018 (24,017 MT foodgrains and 1,164 MT sugar) and October 2018 (24,355 MT foodgrains and 2,800 MT sugar), was irregularly marked as 'nil' by the Department in the State PDS Portal, without any justification. New quantities of foodgrains were then issued to FPSs.

The correct procedure should have been to account for the closing stock of September 2018 and October 2018 as the opening stock for November 2018³⁷ (24,017 MT foodgrains and 1,164 MT sugar) and December 2018 (24,355 MT foodgrains and 2,800 MT sugar), respectively. The new stock of commodities to be issued to FPSs should have been determined accordingly.

In summary, the Department failed to carry forward the closing stock of 6,608 MT of foodgrains in April 2016 during the NFSA implementation. Similarly, the incorrect reporting of 48,372 MT of foodgrains and 3,964 MT of sugar as ‘nil’ during the SCMS module updates in 2018 revealed weaknesses in the control mechanisms for updating digital records. The Department replied (May 2022) that the issue would be discussed after reconciliation of figures between audit and the departmental officials.

2.1.13 Operations of Fair Price Shops

2.1.13.1 Distorted distribution of population among Fair Price Shops

Clause 9 of the Targeted Public Distribution System (Control) Order, 2015 entails that the State Government shall ensure that the number of ration card holders attached to an FPS is reasonable.

In August 2015, the State Government prescribed the population criteria for licensing of FPSs in rural and urban areas, as shown in **Table 7** below:

Table 7: Population criteria for licensing an FPS

Area type	Rural	Urban
Minimum population to open an FPS	3,000	7,500
Maximum population under an FPS	6,000	15,000
Population required for additional FPS	3,000	7,500
Branch FPS	If population is below 3,000	No provision for branch FPS

The status of population distribution among 63 FPSs falling under the eight selected districts as of December 2023 is given in **Table 8** below:

Table 8: Status of population distribution among FPSs falling under eight selected districts as of December 2023

Rural			Urban		
Population covered under an FPS	No. of FPSs operating	No. of FPSs to be licensed	Population covered under an FPS	No. of FPSs operating	No. of FPSs to be licensed
Below 3,000	1,765	00	Below 7,500	1,361	00
Between 3,000 and 6,000	1,216	1,216	Between 7,500 and 15000	364	364
Between 6,000 and 9,000	63	126	Between 15,000 and 22500	41	82

³⁷ At FPSs, foodgrains accounting cycle is T+1 (Transaction +1 month) basis. As such, the closing stock of September 2018 is accounted as the opening stock for November 2018, and so on.

Rural			Urban		
Population covered under an FPS	No. of FPSs operating	No. of FPSs to be licensed	Population covered under an FPS	No. of FPSs operating	No. of FPSs to be licensed
Between 9,000 and 12,000	05	15	Above 22,500	09	27
Total Branch FPSs	167 ³⁸	146	Total branch FPSs	42 ³⁹	00
Total	3,216	1,503	Total	1,817	473

(Source: Data captured from PDS Portal)

The table above shows that 55⁴⁰ per cent of FPSs in rural areas and 75⁴¹ per cent in urban areas served population barely meet the minimum criteria of 3,000 and 7,500, respectively. Conversely, approximately two⁴² per cent of FPSs in rural areas served population ranging from 6,000 to 12,000 and three⁴³ per cent of FPSs in urban areas served population more than 15,000.

Evidently, the criteria established by the State Government for licensing and operating FPSs in rural and urban areas were not consistently adhered to. This resulted in the establishment of numerous FPSs in areas with smaller population and fewer FPSs in densely populated areas.

2.1.13.2 Inadequate Quality Control Mechanism

One of the primary objectives of PDS is that the foodgrains distributed to consumers are of Fair Average Quality (FAQ) and are fit for human consumption.

In accordance with Clause 7 of the Targeted Public Distribution System (Control) Order, 2015, it is mandated that the representatives from both the State Government and the FCI must jointly conduct inspections of the stock designated for the PDS. This inspection aims to ensure that the quality of foodgrains aligns with the prescribed quality standards.

To address the issue of substandard foodgrains and other commodities in the PDS, the GSCSCL collects samples from various sources, including FCI Depots, Taluka godowns, and supplier locations. These samples are then sent to the Food Research Laboratory (FRL) in Gandhinagar for quality testing.

The status of samples of foodgrains and other commodities lifted and tested during the years 2015-23 at the State level is shown in **Table 9** below:

³⁸ Population below 3,000 = 146; Between 3,000 and 6,000 = 21.
³⁹ Population less than 7,500 = 41; Between 7,500 and 15,000 = 01.
⁴⁰ $1,765 \div 3,216 \times 100 = 55$ per cent (Rural).
⁴¹ $1,361 \div 1,817 \times 100 = 75$ per cent (Urban).
⁴² $(63 + 5) \div 3,216 \times 100 = 2$ per cent.
⁴³ $(41 + 9) \div 1,817 \times 100 = 3$ per cent.

Table 9: Status of samples of foodgrains and other commodities tested during 2015-23

Commodity	Period No. of samples	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total (%)	Samples lifted from
Wheat	Tested	62	113	802	22	04	743	323	183	2,252	FCI
	Failed	00	00	00	02	01	02	13	16	34 (1.51)	Depot/Taluka Godown
Rice	Tested	64	114	03	01	01	569	955	1952	3,659	FCI
	Failed	00	00	00	01	01	04	08	54	68 (1.86)	Depot/Taluka Godown
Sugar	Tested	511	457	392	492	456	361	492	263	3,424	Suppliers' place, Taluka Godown
	Failed	00	00	00	37	20	01	03	03	64 (1.87)	
Pulses	Tested	1,457	1,437	1,173	2,301	3,616	1,079	3,988	11,838	26,889	Suppliers' place/Taluka Godown
	Failed	262	183	142	114	183	35	305	1275	2,499 (9.29)	
Edible Oil	Tested	339	519	594	990	566	218	519	618	4,363	Suppliers' place, Taluka Godown
	Failed	00	00	00	150	01	00	26	02	179 (4.10)	
Total	Tested	2,433	2,640	2,964	3,806	4,643	2,970	6,277	14,854	40,587	
	Failed	262	183	142	304	206	42	355	1,350	2,844	
Percentage of failed samples		10.77	6.93	4.79	7.99	4.44	1.41	5.66	9.09	7.01	

(Source: Information furnished by GSCSCL)

The key findings of audit are as under:

- The State Government had not established any criteria for the specific number of samples to be lifted and tested annually. Consequently, there was a lack of uniformity in the number of samples lifted and tested across various commodities between 2015 and 2023.
- Overall, 40,587 samples of foodgrains and other commodities were tested over 2015-23. The total number of samples that failed during this period was 2,844, and the overall percentage of failed samples was 7.01.
- The failure rates varied among different commodities. The majority of the failed samples were from pulses (9.29 per cent), followed by edible oil (4.10 per cent) and sugar (1.87 per cent), and the least from wheat and rice at 1.51 per cent and 1.86 per cent, respectively.
- The location of testing varied, with some commodities tested at FCI Depots/Taluka godowns and others at Suppliers' places. However, samples of foodgrains and other commodities have never been lifted from the endpoint FPSs and tested for quality during 2015-23. The Directorate, Food and Civil Supplies, under whose administrative control the FPSs fall, failed to ensure this.

Audit also lifted samples of wheat, rice and sugar randomly from 63 selected FPSs and 19 Taluka godowns. These samples were tested for quality at FRL, Gandhinagar, and the results are summarised in **Table 10** below:

Table 10: Results of samples collected from selected FPSs and Taluka godowns

Commodity	No. samples tested	No. of samples that failed to meet the prescribed standards (%)	Reasons for failure
Wheat	42	02 (5) (one each from FPS and godown)	Weevilled grains ⁴⁴ or/and damaged grains.
Rice	42	01 (2) (from FPS)	
Sugar	38	06 (16) (three each from FPSs and godowns)	Discolouration, weight reduction, mass retention, etc.

It was observed that all the nine samples that failed to meet the standards established by the Food Safety and Standards Authority of India (FSSAI) and the GSCSCL for human consumption were still distributed to beneficiaries under the PDS, which raises concerns. Additionally, it is worth highlighting that even though sugar samples were tested at the time of procurement by the Department at Dealers' locations, 16 *per cent* of the samples failed subsequently.

Furthermore, the Department had never conducted tests to assess the nutritional value of foodgrains and other commodities distributed under PDS. The samples sent by Audit were not tested for nutritional values by FRL, Gandhinagar, as this type of testing was not within their scope.

During the Exit Conference (May 2022), the Director, Food and Civil Supplies stated that samples of foodgrains and other commodities were collected from FPSs in response to complaints.

This reply underscores the audit's perspective regarding insufficient system for regularly collecting samples from FPSs. Additionally, no clarification was provided regarding the inconsistency in the number of samples taken and tested across different commodities between 2015 and 2023.

2.1.14 Supervision and Monitoring Mechanism

2.1.14.1 Supervision and Monitoring Mechanism

The Targeted Public Distribution System (Control) Order, 2015 envisages that the State Government shall be responsible for establishing a systematic framework for reporting and monitoring at regular intervals, conducting routine inspections and organising meetings of Vigilance Committees (VCs) at various administrative levels. Additionally, Section 28(1) of the NFSA, 2013 mandates the conduct of Social Audits for FPSs.

⁴⁴ Weevilled grains are grains that have been eaten or bored into by insects, such as weevils.

➤ **Inadequate functioning of vigilance committees**

According to Section 29(1) of NFSA, 2013, to guarantee transparency and the effective operation of the PDS, as well as to ensure accountability among various officials, the State Government is mandated to establish VCs at the State, District, Taluka, and FPS levels. The VCs were to regularly supervise the implementation of all schemes under NFSA.

The State Government prescribed (August 2012 and January 2016) the framework for the constitution of VCs, including the periodicity of the meetings to be conducted by the VCs, as shown in **Table 11** below:

Table 11: Framework for constitution of VCs and meetings to be conducted by VCs

Composition/constitution of VC and their term	FPS	Taluka	District	State
Term of VC	Two years	Two years	Two years	Two years
Chairman	Sarpanch in rural area/Corporator in urban area	Taluka Panchayat Pramukh	District Panchayat Pramukh/District Collector as the Co-Chairman	Minister of Food, Civil Supplies and Consumer Affairs Department
No. of Committee members	09	09	09	12
Periodicity of meetings	Monthly	Monthly	Monthly	Quarterly
Appointment of Committee members by	Taluka Mamlatdar	Taluka Mamlatdar in consultation with the Minister in-charge of the District	District Collector in consultation with the Minister in-charge of the district	State Government

(Source: State Government's Resolution of August 2012 and January 2016)

The status of constitution of VCs at various levels in the State as well as in eight selected Districts as of March 2023 is shown in **Table 12** below:

Table 12: Status of constitution of VCs as of March 2023

Constitution of VCs	FPS level	Taluka level	District level	State level
Required	16,862	250	33	01
Formed	16,080	203	16	00
Achievement (Shortfall %)	95 (05)	81 (19)	48 (52)	00 (100)
Status of constitution of VCs in eight selected Districts				
Required	1,359	13	08	01
Formed	1,097	10	03	00
Achievement (Shortfall %)	81 (19)	77 (23)	38 (62)	00 (100)

(Source: Data provided by the Department)

The table above shows a 19 per cent shortfall in the establishment of VCs at the Taluka level and a 52 per cent shortfall at the District level in the State, with a modest shortfall of five per cent at the FPS level. Additionally,

the formation of the VC at the apex level has been pending since December 2022. In the eight selected Districts, significant shortfalls of 19 *per cent*, 23 *per cent*, and 62 *per cent* were observed in the formation of VCs at the FPS, Taluka and District levels, respectively.

Similarly, the status of the number of meetings held by the VCs at various levels in the State as well as in eight selected Districts during 2015-23 is shown in **Table 13** below:

Table 13: Status of VC meetings held during 2015-23

Status of VC meetings held at the State level				
VC meetings	FPS level	Taluka level	District level	State level
Required	16,27,057	24,043	3,140	32
Held	8,42,880	11,185	1,030	11
Achievement (Shortfall %)	52 (48)	47 (53)	33 (67)	34 (66)
Status of VC meetings held in eight selected Districts				
Required	1,28,940	1,248	768	32
Held	3,715	85	164	11
Achievement (Shortfall %)	03 (97)	07 (93)	21 (79)	34 (66)

(Source: Data provided by the Department)

The table above demonstrates shortfalls of 48 *per cent*, 53 *per cent*, and 67 *per cent* in conducting VC meetings at the FPS, Taluka, and District levels, respectively, for the entire State. In contrast, within the eight selected Districts, the shortfalls at these levels were notably higher at 97 *per cent*, 93 *per cent*, and 79 *per cent*, respectively.

Even at the apex level, it is noteworthy that only 11 out of the prescribed 32 meetings (34 *per cent*) of the VC were held during 2015-23.

➤ *Shortfalls in inspections of taluka godowns*

In March 2003, the GSCSCL issued a Circular mandating periodic inspections of Taluka godowns. These inspections were to be conducted at a rate of 384 inspections per year, involving the Quality Control Branch (204 inspections) and the Administrative and Vigilance Branches (180 inspections) of the GSCSCL.

However, during the eight-year period from 2015 to 2023, against the total of 3,072 inspections expected to be carried out, GSCSCL conducted only 292 inspections (10 *per cent*). Notably, in the years 2017-18 and 2018-19, only five and two inspections, respectively, were conducted, falling significantly short of the prescribed 768 inspections for those two years.

Furthermore, it is pertinent to highlight that, based on the records provided to Audit, there was no evidence to confirm any physical verification of stocks being conducted in the 19 selected Taluka godowns, during the period 2015-2021.

In April 2022, the Department revised the guidelines regarding inspection of godowns, assigning district authorities the responsibility of inspecting godowns. Under these guidelines, the District Supply Officers (DSOs) were required to inspect two godowns per month within their Districts, while the District Supply Managers (DSMs) were tasked with inspecting all godowns in their jurisdiction each month. However, in 2022-23, across eight selected Districts, the DSOs conducted only 110 inspections out of the required 216, and the DSMs completed just 95 inspections out of 756.

2.1.14.2 Shortfalls in inspections of fair price shops

Clause 11 of the Targeted Public Distribution System (Control) Order, 2015 provides for regular inspections of FPSs, not less than once every three months, by the designated authorities, namely the Directorate, Food and Civil Supplies; DSOs; Zonal Officers (in urban areas); *Mamlatdars* (in rural areas) and *Prant* Officers. The State Government prescribed (February 2016 and March 2018) that all FPSs should be covered for inspection every quarter and accordingly, the number of teams should be formed at all levels with a minimum target of 18 inspections per month per team.

Audit observed that in 21 Deputy *Mamlatdar* (Supply)/Zonal Offices located within eight selected Districts, necessary inspection teams were not established at any hierarchical level. Consequently, the objective of inspecting all the FPSs as part of the inspection process could not be met during the period from 2015 to 2023, as illustrated in **Table 14** below:

Table 14: Status of inspections in 21 selected Deputy *Mamlatdar* (Supply)/Zonal Offices

Particulars Year	No. of FPSs	No. of inspections required to be conducted	No. of inspections conducted	Inspections conducted (in %)	Shortfall (in %)
2015-16	1,349	5,396	187	03	97
2016-17	1,342	5,368	222	04	96
2017-18	1,349	5,396	267	05	95
2018-19	1,321	5,284	234	04	96
2019-20	1,323	5,292	535	10	90
2020-21	1,329	5,316	429	08	92
2021-22	1,366	5,464	822	15	85
2022-23	1,366	5,464	1,106	20	80
Total	10,745	42,980	3,802	09	91

(Source: Data furnished by 21 selected Deputy *Mamlatdar* (Supply)/Zonal Offices)

The table above illustrates that the annual inspection percentages varied between three *per cent* in 2015-16 and peaked at 20 *per cent* in 2022-23. However, when considering the entire period from 2015 to 2023, the overall coverage was only nine *per cent*.

2.1.15 Delay in Licensing of Fair Price Shops

Clause 10 (9) of the Targeted Public Distribution System (Control) Order, 2015 stipulates alternative measures to guarantee a continuous food grain

supply to eligible HHs in the event of a suspension or revocation of a FPS license. This involves transferring the operation of the FPS to a neighboring operator. It is pertinent to note that if a license is cancelled, a new license must be issued within one month of the cancellation. **Table 15** below provides specific information about the FPSs that were operating under an additional charge in eight selected Districts of December 2023:

Table 15: Details of FPSs working under additional charge in eight selected Districts as of December 2023

Particulars	No. of FPSs	Percentage
Total FPSs working in the eight selected District	4,615	100
Total FPSs working under the additional charge of adjacent FPS operators	606 ⁴⁵	13
FPSs working under additional charge for more than three years up to seven years	252	42
FPSs working under additional charge for one to three years	164	27
FPSs working under additional charge for less than one year	176	29

(Source: Data captured from State PDS portal)

The table above shows that 606 FPSs, which constituted 13 *per cent* of the total 4,615 FPSs, were under the additional responsibility of adjacent operators. Among these 606 FPSs, 252 (42 *per cent*) had been under this additional charge for more than three years up to seven years, while 164 FPSs (27 *per cent*) had been in this situation for a period ranging between one and three years, and 176 FPSs for less than one year.

Evidently, new licenses were not issued within the specified time limits, indicating that the Department did not adhere to the provisions of the Targeted Public Distribution System (Control) Order, 2015.

2.1.16 Shortfalls in Conduct of Social Audit

Social Audit ensures transparency, accountability, and community participation in the operation of PDS.

As per Section 28(1) and Section 40(2)(i) of the NFSA, 2013, every local authority, or any other authority or body, as may be authorised by the State Government, shall conduct or cause to be conducted, periodic Social Audits on the functioning of FPSs and the PDS and cause to publicise its findings and take necessary action, in such a manner as may be prescribed by the State Government.

The State Government introduced the Social Audit Framework in August 2018 and issued the Gujarat Social Audit (Fair Price Shops and Targeted Public Distribution System) Rules, 2018. This came more than two years after the implementation of the NFSA in the State in April 2016.

⁴⁵ Including 14 FPSs where date of additional charge was not available.

As per the framework, Social Audits must be conducted at least once every six months. The Social Audit Report, along with recommendations, is to be prepared by the respective Gram Sabha or Municipality/Ward and submitted hierarchically to the Village Vigilance Committee (VVC), Taluka Vigilance Committee (TVC), and District Vigilance Committee (DVC) for review and necessary action at each level. After examination at the District level by the District Collector, the action taken on the Report is to be forwarded to the Director, Food and Civil Supplies, for further necessary action.

Audit scrutiny of the data available on the State PDS Portal revealed a shortfall of 95 *per cent* in conducting Social Audits of FPSs under the jurisdiction of 21 selected Talukas/Zonal Offices (within eight selected Districts) between 2018 and 2023, as illustrated in **Table 16**:

Table 16: Shortfall in the conduct of Social Audits of FPSs falling under 21 selected Talukas/ ZO during 2018-23

Period	No. of FPSs	No. of Social Audits required to be conducted	No. of Social Audits conducted	Shortfall in percentage
2018-19 ⁴⁶	1,321	1,321	345	73.88
2019-20	1,323	2,646	158	94.03
2020-21	1,329	2,658	07	99.74
2021-22	1,366	2,732	00	100.00
2022-23	1,366	2,732	56	97.95
Total	6,705	12,089	566	95.32

(Source : Data available on State PDS Portal)

Further, no Reports of Social Audits, as envisaged under the Rules, were prepared by the Gram Sabhas or Municipality/Wards Committee for submission before the VCs concerned at any level *i.e.* Village, Taluka and District.

Except for one FPS operator⁴⁷, all other 62 selected FPS operators responded negatively to audit questions regarding the conduct of Social Audits, the accessibility of related Reports/records at FPSs, as well as their awareness of the mechanisms and framework for Social Audits.

Thus, the system of Social Audit, aimed at promoting transparency in the operation of PDS through people's participation, was largely ineffective.

Conclusion

By December 2023, 3.55 crore individuals in Gujarat had received benefits, representing 93 *per cent* of the 3.83 crore target population intended to be covered under the NFSA. Although the NFSA improved access to foodgrains at lower costs, its delayed implementation by almost two years in the State limited access to affordable foodgrains for the intended beneficiaries during that period. Audit observed several issues in

⁴⁶ Only one Social Audit per FPS was considered during 2018-19, as the Rules were notified in August 2018.

⁴⁷ FPS ID No. 396, Gandhinagar Zonal, District Gandhinagar.

implementations of the scheme. The Department faced inventory control issues, such as missing closing stock of foodgrains at the time of implementation of NFSA and at the time of modification of SCMS module. Inadequate weighing of foodgrains and accounting discrepancies at Taluka godowns raised concerns about the accuracy of stock records, the distribution to FPSs, and the reliability of reported inventory in the books of accounts which needs reconciliation. Sample collection and testing of foodgrains and other commodities were inconsistent between 2015 and 2023. There were shortcomings in the supervision and monitoring of the PDS in the State. The Social Audit mechanism, intended to improve transparency and public involvement, proved ineffective, with a 95 per cent shortfall in conducting social audit between 2018 and 2023.

Recommendations

- 1. To prevent the inclusion of ineligible beneficiaries, the State Government may implement strong data validation mechanisms to thoroughly verify and cross-check the income information submitted by beneficiaries.***
- 2. The State Government may establish a standardized process for periodic reconciliation of stocks between Taluka godowns, FPSs, and the reported distribution data. This should involve cross-checking physical stocks with recorded quantities in the Department's records, ensuring that any discrepancies are promptly identified and addressed.***
- 3. The State Government may develop a strong and transparent food grain accounting system, conduct a thorough investigation into the root causes of leakages, assign responsibility for the missing stock, and implement clear accountability mechanisms to prevent and mitigate such missing stock in future.***
- 4. The State Government may consider establishing a comprehensive sampling framework with clear criteria for sample selection and standardized nutrition testing protocols throughout the supply chain.***
- 5. In order to enhance transparency and accountability in the operation of PDS, the State Government may strengthen its monitoring mechanism, through routine inspections of godowns and FPSs, conducting Social Audits and convening regular meetings of Vigilance Committees at the State, District, Taluka and FPS levels.***

Narmada, Water Resources, Water Supply and Kalpsar Department

2.2 Short recovery of price variation

Non-adherence to the tender conditions resulted in the short recovery of ₹ 1.02 crore towards price variation.

Executive Engineer (EE), Vadodara Irrigation Division, Vadodara awarded (05 March 2019) work order for the work of “Engineering Procurement and Commissioning (EPC) Contract for Lift Irrigation DI K-9 Pipeline Project for Transmission of 12.27 Cusecs of Water from Narmada Main Canal to Vadatalav Tank (Pumping Station at Madar and 600 mm dia DI-K9 pipeline of total length of 15.55 kilometer)” to M/s. Krishna Construction Co. Ahmedabad (the Agency) at tendered cost of ₹ 17.60 crore against the estimated cost of ₹ 17.73 crore. The work was to be completed within 11 months *i.e.* by 04 February 2020. The Contract also included conditions for defect liability period (three years) and the operation and maintenance of project for 10 years. The Draft Tender Paper (DTP) was approved by the State Government in October 2018.

Clause 36 B of the tender related to price variation stipulates that amounts payable to the Contractor for the work done involving use of cement, steel and DI pipes, when these materials are not supplied by the Government, shall be adjusted for increase or decrease in the rates. The difference of amount payable or recoverable was to be calculated in accordance with the formula⁴⁸ prescribed in the Clause 36 B. These provisions were applicable from the date of issue of work order and up to the expiry of the original and extended time limit.

Scrutiny of records (May 2023) of the EE, Vadodara Irrigation Division revealed that the work was completed in August 2021. The extension of time limit from February 2020 to August 2021 was approved (17 January 2022) by the State Government with the condition that no rate difference or price variation shall be paid for the extended period, but recovery shall be made. As per the 13th and final interim bill, paid in January 2022, payment of ₹ 16.90 crore was made to the Agency, thereafter, no payment was made as of June 2024.

As per information furnished (June 2024) by the EE to Audit, up to 13th and final interim bill, an amount of ₹ 46,23,065⁴⁹ was recovered from the

⁴⁸ Difference of amount payable or recoverable (A) = B * $\left\{ \frac{C1}{C0} - 1 \right\}$ * D; Whereas B= star rate of respective material mentioned in the Clause 36 for the month in which star rates approved; C1= quarterly average of corresponding/respective wholesale price index (WPI) for steel, cement, MS Plate/HR Coil, published in monthly bulletin of Reserve Bank of India (RBI), for quarter under consideration *i.e.* in which consumption of quantity as defined in ‘D’ has taken place; C0=corresponding/respective WPI published in monthly bulletin of RBI for the month in which the DTP approved ; D=quantity of material actually brought by the contractor on site of work and consumed in the work during the quarter.

⁴⁹ (A) Cement-payment of ₹ 91,666 (B) Steel-recovery of ₹ 90,844 (C) DI pipes- recovery of ₹ 46,23,887 and (D) Amount of Recovery = ₹ 46,23,065. {B+C-A=D}.

Agency towards price variation for cement, steel and DI Pipes. It was observed that the amount of price variation for cement and steel was calculated as per tender clause for the whole quantity of cement (228 Metric Tonne) and steel (42.56 Metric Tonne) consumed in the work from the first instance of consumption that had taken place in the month of May 2019 and June 2019 respectively. However, in case of DI pipes, as against the total quantity of 15,587 Running Meter of DI pipes consumed in the work between April 2019 and July 2021, price variation for DI pipes of 3,704.37 Running Meter (24 *per cent*) consumed in the work between May 2020 and July 2021 was worked out and accordingly amount of ₹ 46,23,887 was recovered from the Agency. Though the clause of price variation was applicable from the date of issue of work order, price variation of 11,882.63 Running Meter of DI Pipes, consumed between April 2019 and March 2020, was neither recovered nor paid to the agency as per the clause applicable during the said period.

The recovery amounting to the tune of ₹ 1.02⁵⁰ crore is worked out towards the price variation for 11,882.63 Running Meter DI pipes consumed in the work between April 2019 and March 2020, applying the formula prescribed in the Clause 36 B of the tender. Thus, non-adherence to the tender conditions for price variation for DI pipes resulted in the short recovery of ₹ 1.02 crore from the Contractor.

The EE, Vadodara Irrigation Division and Superintendent (February 2025) replied that the Vadodara Irrigation Circle had instructed the agency periodically but it had not deposited the said amount while the department has retained the FDR of Punjab National Bank of ₹ 13.40 lakh and claiming of performance bond of ₹ 54.60 lakh is under process after receiving the amount of performance bond, the same would be intimated to Audit.

⁵⁰ Price Variation recovered by the division is ₹46,23,887. Price Variation worked out by the Audit is ₹1,48,29, 896. The differential amount to be recovered is ₹1,02,06.009.

PANCHAYAT, RURAL HOUSING & RURAL DEVELOPMENT DEPARTMENT

2.3 Implementation of Pradhan Mantri Awaas Yojana-Gramin

2.3.1 Introduction

The Government of India (GoI) launched Pradhan Mantri Awaas Yojana-Gramin (PMAY-G) on 01 April 2016 to provide “Housing for All” as an instrument for poverty alleviation in place of “Indira Awas Yojana” by addressing the gaps and restructuring the scheme. PMAY-G aimed to assist ₹1.20 lakh for the construction of a *Pucca*⁵¹ house, with basic amenities, to all houseless households and those households living in *Kutcha* and dilapidated houses by 2022 (extended up to 2024).

The Government of Gujarat (GoG) implemented PMAY-G from November 2016. The Scheme envisages the construction of quality houses by the beneficiaries themselves using locally available materials, designs and trained masons. The Government of India (GoI) and the Government of Gujarat (GoG) jointly fund the scheme at the ratio of 60:40 respectively.

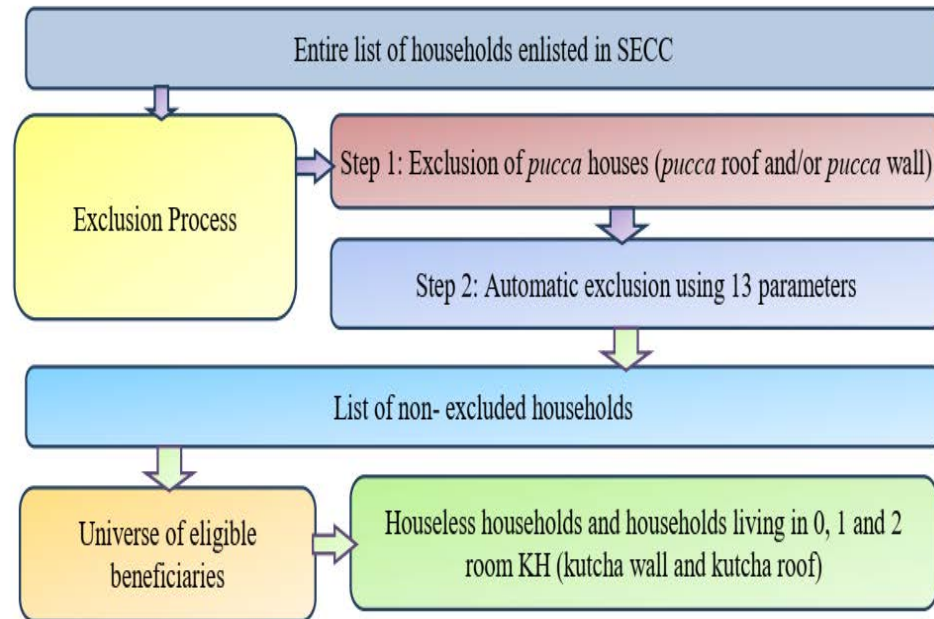
2.3.1.1 Identification and selection of beneficiaries

➤ Process for the preparation of universe of the eligible list

The process for the preparation of universe of the eligible list begins with the entire list of households enlisted in Socio Economic and Caste Census (SECC), 2011. An exclusion process is applied in two steps. In Step 1, households with pucca houses (having a permanent roof and/or walls) are excluded. In Step 2, an automatic exclusion is carried out based on 13 pre-defined parameters. (**Appendix-VII**)

After these exclusions, a refined list of non-excluded households is generated. From this list, the universe of eligible beneficiaries is identified, which includes houseless households and those living in kutcha houses with 0, 1, or 2 rooms (having kutcha walls and kutcha roofs). This process ensures that only the most vulnerable and housing-deprived households qualify for PMAY-G assistance. The illustration is given in the flow chart below (*Chart-1*).

⁵¹ A house which is able to withstand normal wear and tear due to usage and natural forces including climatic conditions, with reasonable maintenance, for at least 30 years.



(Source: PMAY-G guidelines)

➤ Permanent Wait List and targets

Then, the eligible beneficiaries are grouped into SCs, STs and Others, once the category-wise priority lists are generated from SECC data and publicised, the Gram Sabha verifies eligibility. Complaints about wrongful exclusion or ranking changes are reviewed by the Appellate Committee⁵² constituted by the State Government. After verification, the final Permanent Wait List (PWL) is published at the Gram Panchayat level and entered into AwaasSoft⁵³ at the taluka level.

The PMAY-G guidelines outlined the procedure for identification of households of those eligible beneficiaries for assistance under PMAY-G, who were not included in the PWL. The MoRD issued (July 2017) an advisory to the States to identify such left-out households and upload their information on AwaasSoft. The Government conducted Awaas+ survey during January 2018 to March 2019 to identify these beneficiaries who were left out under SECC 2011.

Annual targets under the PMAY-G are set by the MoRD based on a few key factors, including the number of eligible beneficiaries from PWL, previous year's achievements, discussions with State/UT Governments, and the proposals submitted by the respective States. The Ministry also considers the availability of funds and provides funds based on Annual Action Plan of the State. States in turn allocate targets to districts and Gram Panchayats. Beneficiaries are registered in AwaasSoft after verification of Aadhaar,

⁵² Districts Magistrate/ Collector or his nominee, another official and at least one non-official member.

⁵³ AwaasSoft, a web-based platform, manages all PMAY-G functions, from beneficiary identification to construction-linked assistance through PFMS.

bank details, land records etc. and funds are then directly transferred to the beneficiaries via Public Financial Management System (PFMS).

As per SECC 2011, the number of rural households in Gujarat was 69.20 lakh⁵⁴; out of which total no. of eligible households from SECC data (3.21 lakh) and Awas+ data (5.92 lakh) were 9.13 lakh which were included in final PWL. Under PMAY-G, the target set for Gujarat by MoRD was to construct 6.06 lakh pucca houses by 2024.

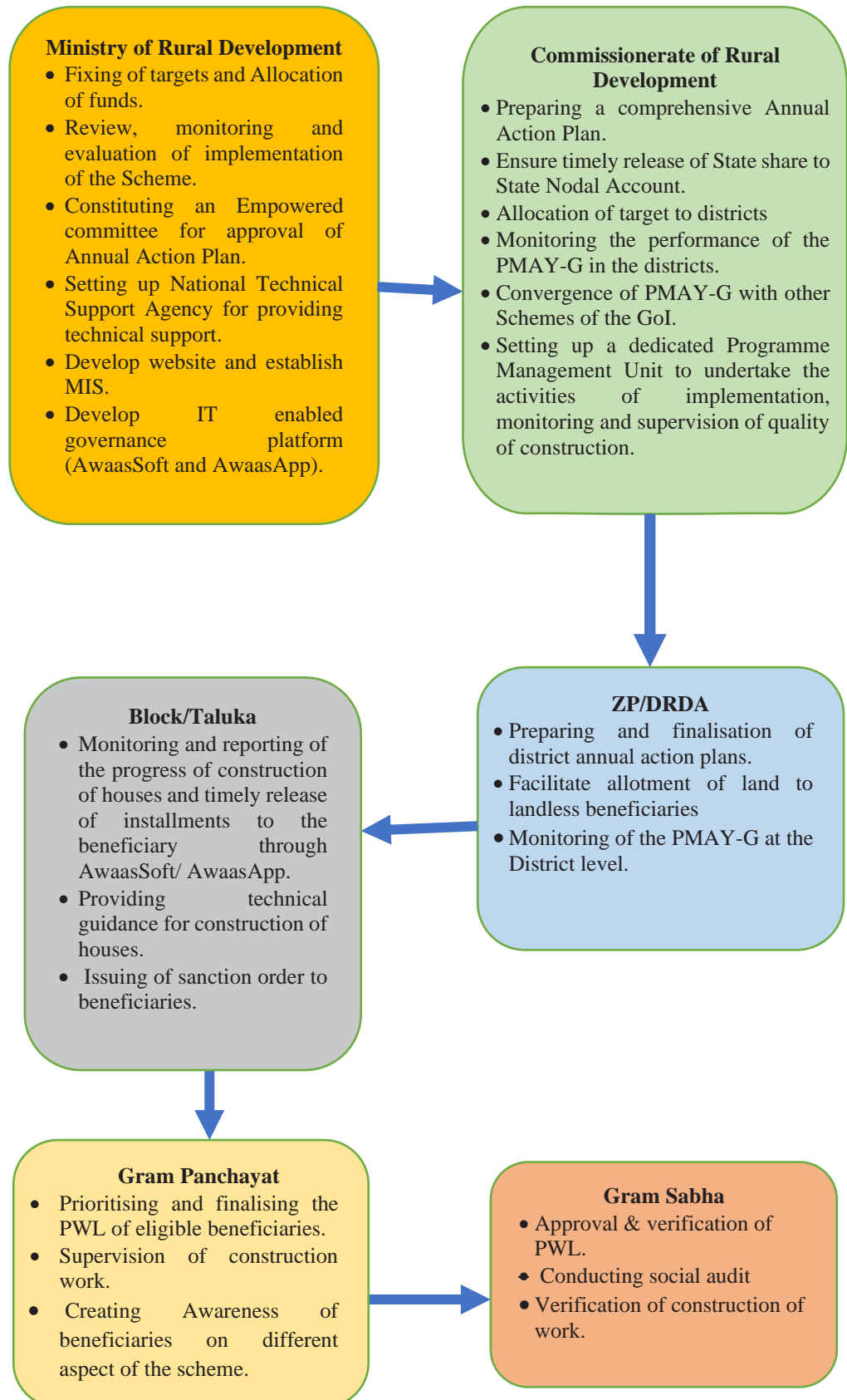
Subsequently, as of 8 April 2025, MoRD revised the target to 9.02 lakh houses to be completed by March 2029. The State Government, however, set a target of 8.49 lakh houses to be completed by the end of the financial year 2025–26. Out of this revised target, only 8.27 lakh houses were approved for construction, and 5.71 lakh houses had been completed so far.

2.3.1.2 Organisational Set-up

In the State, the Scheme is implemented by the Panchayat, Rural Housing & Rural Development (PRH&RD) Department. The Commissionerate of Rural Development (CRD), District Rural Development Agencies (DRDAs), Taluka Development Offices (TDOs) and Gram Panchayats (GPs) are responsible for implementation and monitoring of PMAY-G. The role of the various authorities at the Central level and State level in the planning, execution and Monitoring of PMAY-G is given in **Chart 2** below:

⁵⁴ <https://secc.gov.in/getSeccDataSummaryDistrictReport.htm/24/23>.

Chart 2: Organisational set up for Implementation of Scheme



2.3.1.3 Audit Objectives

SSC Audit was conducted to assess whether:

1. The scheme was efficiently planned and effectively implemented to cover eligible beneficiaries, timely achievement of physical targets, and ensuring timely release of funds to beneficiaries.
2. Adequate monitoring and evaluation mechanism were in place to provide intended benefits to beneficiaries.

2.3.1.4 Audit Criteria

Framework for Implementation of PMAY-G issued by the MoRD GoI, circulars, instructions and notifications issued from time to time by GoI and GoG were adopted as criteria for the evaluation of scheme implementation.

2.3.1.5 Audit Scope and sampling procedure

SSC Audit covered the implementation of PMAY-G during the period from 2017-18 to 2022-23. Audit sampled ten (30 *per cent*) of 33 districts, 25 Talukas⁵⁵ (30 *per cent*) in the selected ten districts and 125 Gram Panchayats⁵⁶ by the PPSWOR⁵⁷ method. Details of sample selection are given in **Appendix-VIII**. Accordingly, records maintained in the office of the CRD at the State level, DRDAs in 10 districts and 25 Talukas Panchayats were test-checked from May 2023 to August 2023.

Further, a Joint Physical Verification (JPV) of 1,240 Awaas⁵⁸ and a survey of 1,240 household beneficiaries was also conducted by the audit along with Taluka-level officials.

2.3.1.6 Audit Methodology

An Entry Conference was held on 03 January 2023 with the Commissioner and Principal Secretary (Rural Development) wherein the audit objectives, scope and methodology were discussed. An exit conference was held on 25 March 2025, in which the audit findings were discussed with the Commissioner and Secretary, Rural Development. The Government's responses during the exit conference were incorporated into the paragraph wherever necessary.

Audit Findings

2.3.2 Planning

2.3.2.1 Coverage of beneficiaries from the Permanent Waiting List

The total number of eligible households identified through SECC-2011 data and survey conducted for Awaas+ (2018-19) was 17.44 lakh in the State.

⁵⁵ Subject to a minimum of two and maximum of three Talukas from each selected district.

⁵⁶ 25 *per cent* of GPs in the selected talukas subject to a maximum of five GPs from each selected Taluka.

⁵⁷ Probability Proportional to Size Without Replacement.

⁵⁸ 10 beneficiaries per GP.

Out of this, 5.97 lakh households (HHs) were excluded during verification by applying 13 parameters of exclusion criteria. Consequently, the number of eligible households for the scheme was 11.39 lakh. Further, after rejection of 2.26 lakh households by Gram Sabha, total no. of final eligible households was 9.13 lakh.

The rejections were based on exclusion criteria such as having a pucca house, migration, death, *etc.* The details of eligible households in the final PWL are given in **Table 1** below:

Table 1: Details of eligible households in final PWL in State for 2016-24

(figures in lakh)

Data source	Number of HHs	No. of HHs excluded during verification By AwaasSoft	No. of eligible HHs	No. of HHs rejected by Gram Sabha	Total No. of Final Eligible HHs (included in PWL)
SECC 2011	11.06	5.86	5.15	1.94 ⁵⁹	3.21
Awaas+	6.38	0.11	6.24	0.32 ⁶⁰	5.92
Total	17.44	5.97	11.39	2.26	9.13

(Source: Awaas+ data and Information provided by CRD)

The MoRD initially allocated a target of 6.06 lakh houses to the State Government. As per data available on AwaasSoft (7 September 2023) the State had provided houses to 4.42 lakh beneficiaries, representing only 73 *per cent* against the given target.

The Government stated (March 2025) at exit conference that all the eligible beneficiaries have been covered under the new targets given by the MoRD to the State. Further, it was informed that the scheme has been extended for the next five years till March 2029.

Audit observed deficiencies in the finalisation of the PWL as discussed in the succeeding paragraph.

(i) Exclusion of eligible beneficiaries in Awaas+ PWL

PMAY-G guidelines provide that Gram Sabha should record a separate list for households which were otherwise eligible but not included in the system-generated priority list during the SECC Survey.

The MoRD, GoI (January 2018) laid down a procedure for the inclusion of such households, who were eligible for assistance under the scheme but not included in the final PWL uploaded on AwaasSoft and fixed the deadline to complete this task by 31 March 2018.

Audit observed in 15 GPs across five out of 25 selected talukas that out of

⁵⁹ Rejected 5,000 beneficiaries during priority setting.

⁶⁰ Rejected 3,000 beneficiaries during priority setting.

3,764 beneficiaries, 259 eligible beneficiaries⁶¹ (6.88 per cent) were identified by the respective Gram Sabhas for inclusion in PWL of PMAY-G houses. However, these eligible beneficiaries were not included by the TDOs in the Awaas+ PWL due to delay in receiving Gram Sabha resolutions from Gram Panchayats. As a result, their details could not be captured in the data within deadline of 31 March 2018 in the Awaas+ software. Consequently, these eligible beneficiaries were left out of the final PWL and did not receive assistance.

The Government stated (March 2025) that left-out beneficiaries would be covered in the recent ongoing Awaas+ survey 2024.

2.3.2.2 Inadequate Reporting of PwD beneficiaries

As per PMAY-G guidelines, States were required to ensure that a minimum of three *per cent* of total beneficiaries at the State level were persons with disabilities (PwD) which was subsequently enhanced to five *per cent* by the GoI with effect from 19 April 2017. Gram Panchayats are responsible for providing details and TDO is responsible for data entry in AwaasSoft.

However, audit scrutiny revealed that only 579 beneficiaries (0.10 *per cent*) of SECC data were registered in AwaasSoft under the PwD category out of the total 6.06 lakh houses targeted in the State, as of August 2023. Further, no PwD beneficiaries were registered in five⁶² out of 33 districts.

Audit also observed that Gram Panchayats had not recorded the details of PwD beneficiaries, therefore, TDOs could not enter PwD details in the sub-category section in AwaasSoft which was required to be done as per scheme guidelines.

During the exit conference held in March 2025, the State Government acknowledged the issue and assured that verification of PwD coverage would be carried out and necessary actions would be taken.

2.3.2.3 Provision for providing land to landless beneficiaries.

PMAY-G guidelines stipulate that landless beneficiaries should be provided land by the State from government or public land. In May 2017, the State Government issued a circular outlining provisions for granting 100-square-yard free plots to landless households in rural areas to facilitate house construction.

Each Gram Panchayat collects applications from families requiring free plots, maintains a register, and submits details to the TDO. Based on this register, the TDO forwards a village-wise list of eligible beneficiaries to the District Development Officer (DDO) and the Development Commissioner. The Taluka Land Committee reviews applications for approval or rejection,

⁶¹ Jamnagar-21, Surendranagar-19, Morbi- 181 & Bharuch -38.

⁶² Devbhumi Dwarka, Ghandhinagar, Jamnagar, Kheda & Porbandar.

while the Circle Inspector surveys the *gamtal*⁶³ area, marks plots, and prepares the '*Sanad*⁶⁴'. Approved plots are handed over to beneficiaries along with the Sanad by Gram Panchayat.

MoRD, in November 2022, instructed States to allocate land to landless households identified from the Permanent Wait List (PWL) and sanction their houses by 15 December 2022 to avoid target withdrawal. The deadline was later extended to 31 March 2023.

Audit observed that during 2017-2023, landless households were allotted land under PMAY-G across various levels as indicated in **Table 2** below:

Table 2: Status of Land Allocation to Landless Households (2017-23)

Level	Targeted Landless HHs	Land Allotted	Per cent Allotted	Land Not Allotted
State	12,500	9,135	73	3,365
10 Selected Districts	2,527	1,686	67	841

(Source: Information furnished by CRD, DRDA and TDO)

During the exit conference held in March 2025, the State Government acknowledged the shortfall in land allotment under PMAY-G and stated reasons such as non-availability of *gamtal* land, beneficiary unwillingness to shift outside their villages. It was also informed that department is planning to introduce a new policy⁶⁵ to provide land to landless beneficiaries.

(i) Sanctioning of houses without ensuring the availability of land

The State Government instructed (2017) to make immediate provision of a 100 square yard free plot if *gamtal* land was available. The proposal for allotment (*Sanad*) of free plots was to be submitted by Gram Panchayats to TDOs.

Audit observed in two selected districts (Bharuch and Surendranagar) that TDOs sanctioned houses for 96 out of 402 landless beneficiaries⁶⁶ during 2018-24 (upto July 2023) without ensuring availability of land. It was noticed that in 48 cases '*sanad*' was pending despite the approval of applications and in 32 cases, land committee meetings were not held. In remaining 16 other cases, land could not be provided due to the non-availability of land in the concerned Gram Panchayat (GP).

It was also observed that TDOs released (March 2023) the first installment of ₹ 3.00 lakh to 10 beneficiaries without ensuring land possession.

⁶³ The residential area in the village under Gram Panchayat.

⁶⁴ '*Sanad*' is a legal document for transferring the right of free plot (Government land) to the beneficiaries.

⁶⁵ In budget press note of Panchayat Rural Housing and Rural Development Department Government of Gujarat made (2025-26) provision for providing financial assistance of up to ₹ one lakh per beneficiary for purchasing plots for those landless beneficiaries covered under the PMAY-G.

⁶⁶ One house (2018-19), 11 houses (2020-21), one house (2021-22), 75 houses (2022-23) and eight houses (2023-24).

The Government stated (March 2025) that landless beneficiaries on the priority list were not overlooked, and landless households were approved. However, the first installment paid to beneficiaries will be reviewed, and action may be taken accordingly.

2.3.3 Implementation

2.3.3.1 Completion of houses under PMAY-G

PMAY-G guidelines stipulate that the State's yearly fund allocation is based on the Annual Action Plan (AAP) approved by MoRD, GoI. Targets are distributed to districts/talukas based on the approved AAP. The construction of the house is to be completed within 12 months from the date of sanction of the house. Analysis of AwaasSoft data for the year 2016-23 revealed that the State could not achieve the target in the stipulated time, the details as of 8 June 2023 are given in the **Table 3** below:

Table 3: Status of house sanctioned and completed during 2016-23

Region	Targeted Houses	Sanctioned Houses	Completed Houses	Achievement (per cent)
State	6,06,040	5,25,949	4,06,266	67
10 Test-Checked Districts	2,57,764	2,26,272	1,86,285	72

(Source: AwaasSoft data)

During the period from 2016 to 2023, a total of 6,06,040 houses were targeted for construction across the State. Out of these, 5,25,949 houses were sanctioned, and 4,06,266 houses (67 per cent) were completed.

In the 10 test-checked districts, 2,57,764 houses were targeted. Out of these, 2,26,272 houses were sanctioned, and 1,86,285 houses (72 per cent) were completed.

Audit further observed that, across the State, out of 4,06,266 completed houses, 2,98,978 houses (74 per cent) were completed on time and in 10 selected districts, total no. of 1,27,687 houses out of 1,86,285 completed houses, were constructed within the prescribed 12-month timeframe. In remaining cases delays were observed as indicated in **Table 4** below:

Table 4: Delay in completion of houses

Region	Completed Houses	Completed within 12 months	Delay for 1 to 2 years	Delay for more than 2 years
State	4,06,266	2,98,978 (74 per cent)	84,580 (21 per cent)	22,708 (Five per cent)
10 Test-Checked Districts	1,86,285	1,27,687 (69 per cent)	46,393 (25 per cent)	12,205 (Six per cent)

(Source: AwaasSoft data)

The DRDAs attributed reasons for incomplete houses are migration, financial constraints, and unwillingness to build houses and sanction houses to landless beneficiaries.

The Government stated (March 2025) that appropriate measures would be taken to ensure the timely completion of the pending houses.

2.3.3.2 Irregular dual benefits to beneficiaries

The PMAY-G guidelines provided that if the household has been allotted a house under any government scheme, the Gram Sabha would delete the name of such household from the system-generated priority list of eligible beneficiaries.

Audit observed cases where beneficiaries availed of benefits of various housing schemes in addition to the PMAY(G), as discussed below:

(i) *Benefits availed under PMAY-G and PMAY-Urban*

Out of 10 districts, in two districts (Jamnagar and Surat), 24 beneficiaries⁶⁷ under PMAY-G, were sanctioned houses under PMAY- Urban also. Out of 24 beneficiaries, seven beneficiaries⁶⁸ had availed financial assistance of ₹16.55 lakh under PMAY-U in addition to ₹3.10 lakh under PMAY-G (**Appendix-IX**) in violation of scheme guidelines.

The Government accepted the facts and stated (March 2025) that the merging of rural areas into urban areas resulted in certain beneficiaries receiving assistance under both PMAY-U and PMAY-G. The cases would now be verified, and appropriate action would be taken to recover any excess financial assistance disbursed under PMAY-U or PMAY-G accordingly.

(ii) *Benefits availed under PMAY-G with other housing schemes.*

Audit scrutiny further revealed that in three out of ten test-checked districts, 713 beneficiaries were sanctioned houses under PMAY-G as well as other Central/State Sponsored Housing Schemes implemented for rural areas in the State. 532 beneficiaries⁶⁹ were found to have received financial assistance of ₹211.70 lakh under PMAY-G and ₹240.43 lakh under other housing schemes for rural areas as shown in **Table 5** below:

Table 5: Details of the beneficiaries who got sanctioned houses in other schemes

Name of other schemes	No. of beneficiaries	Amount of Assistance (₹ in lakh)
Indira Awaas Yojana	199	89.21
Sardar Patel Awaas Yojana	325	147.62
Tribal Sub Plan	05	2.39
Pandit Deen Dayal Awaas Yojana	03	1.20
Total	532	240.42

(Source: Information provided by DRDAs)

⁶⁷ Jamnagar (six) and Surat (18).

⁶⁸ Six beneficiaries got benefit in PMAY-G first while remaining one got benefit in PMAY-U first.

⁶⁹ Dahod (529), Jamnagar (one) and Surat (two).

This indicates beneficiaries were not validated by Gram Sabha amongst various housing schemes before house sanctioning, leading to these beneficiaries receiving multiple benefits while deprivation of the deserving and needy beneficiaries.

The Government accepted the facts and stated (March 2025) that the matter would be examined, and action would be taken accordingly.

2.3.3.3 Mukhya Mantri Awaas Protsahak Sahay Yojana

The State Government introduced (June 2018) the Mukhya Mantri Awaas Protsahak Sahay Yojana (MMAPSY) to expedite house construction under PMAY-G. In addition to the standard unit assistance of ₹1.20 lakh provided by PMAY-G, this scheme provides:

- a) Interest subsidy of ₹20,000 (₹4,000 per year for five years) to beneficiaries who have availed Awaas loan for construction of house.
- b) A lumpsum additional incentive of ₹20,000 provided to beneficiaries completing construction within six months from release of first installment.

Audit found the following deficiencies in the implementation of MMAPSY:

(i) Non-utilisation of interest subsidy fund under MMAPSY

The Scheme guidelines stipulate that beneficiaries requiring additional financial support are to be facilitated to avail loan up to ₹70,000 under differential rate of interest (DRI). The State Government was to hold the meeting of State/District Level Bankers Committees (SLBC/DLBC) to discuss the modalities and terms and conditions including rate of interest and repayment period for providing loans.

The CRD allocated (December 2018) ₹3.00 crore to all DRDAs for providing interest subsidy to eligible⁷⁰ beneficiaries. However, Audit observed that no meeting was held with SLBC/DLBC and no action was taken to identify eligible beneficiaries to provide assistance in the State. Consequently, the ₹3.00 crore grant remained unused at DRDAs. As of December 2022, the funds were neither utilized nor returned to the State by the districts.

The Government accepted the facts and stated (March 2025) that no beneficiary had applied for a loan of ₹70,000 in the State. Thus, funds were not utilised by DRDA. Now, unutilised funds were being recovered from all DRDAs.

⁷⁰ beneficiaries who have availed Awaas loan up to ₹70,000 under the Yojana and were eligible for the interest subsidy of ₹4,000/-per year for five years.

(ii) Short utilisation of additional incentives under MMAPSY

Under the MMAPSY scheme, CRD released ₹45.13 crore during the period August 2022 to February 2023 to all DRDAs for providing an additional incentive of ₹20,000 to eligible⁷¹ beneficiaries.

Audit observed that at the State level, 18,211 beneficiaries were identified in May 2022 to provide additional incentive. Of these, only 8,101 beneficiaries (44 *per cent*) had received the assistance, while the remaining 10,110 beneficiaries had not been provided the benefit as of August 2022.

Further, in 25 sampled talukas, 4,104 beneficiaries were identified for the incentive during 2017-23. Of these, only 1,170 beneficiaries (29 *per cent*) were provided the incentive amounting to ₹233.60 lakh, while 2,934 beneficiaries (71 *per cent*) had not paid the incentive.

TDOs stated that proposals had been submitted to the respective DRDAs for the release of payments. However, audit observed that DRDAs had not released the payment as of May 2023.

This shows lack of coordination between district and taluka-level authorities, which adversely affected the implementation of the MMAPSY scheme.

The Government accepted (March 2025) and stated that the preparation of the final beneficiary list was the responsibility of the district authorities, and the State was dependent on them for this process. Further, MoRD had approved the addition of a dedicated MMAPSY module in AwaasSoft, which would facilitate the timely identification of beneficiaries and release of benefit under MMAPSY.

2.3.3.4 Implementation of Bathroom Sahay Scheme

The State Government introduced (July 2020) the 'Bathroom Sahay Scheme (BSS)'. Under the scheme, the beneficiary contributes ₹3,000, and the State Government provides ₹5,000 for completing bathrooms in houses sanctioned under PMAY-G.

The CRD received (March 2021) ₹50.00 crore from the department for providing assistance to the beneficiaries with a target of construction of one lakh bathrooms in sanctioned houses under PMAY-G. Of this, ₹19.04 crore (38 *per cent*) was released to DRDAs, while ₹30.96 crore (62 *per cent*) remained with CRD.

At the district level, in ten sampled districts, CRD allocated ₹407.70 lakh to the DRDAs for providing financial assistance to 8,154 eligible beneficiaries under the BSS scheme during 2020-23. However, only ₹11.85 lakh (three *per cent*) was disbursed to 237 beneficiaries in three districts. The remaining 7,917 beneficiaries across the ten districts had not received the

⁷¹ beneficiaries completing construction within six months of the first installment release.

assistance, despite ₹395.85 lakh remaining unutilised with the DRDAs. TDOs stated that proposals for assistance would be submitted to the DRDAs.

The Government accepted the audit findings (March 2025) and informed that a request had been made to include a dedicated module for the BSS scheme in AwaasSoft, to ensure smooth functioning of scheme.

This shows that due to lack of proper monitoring at the district and lackadaisical attitude of taluka-level authorities, the implementation of the BSS scheme remained highly ineffective, resulting in non-utilisation of funds and denial of benefits to a large number of eligible beneficiaries.

2.3.4 Financial Management

Assistance under PMAY-G

The PMAY-G beneficiaries are eligible for assistance of ₹1.20 lakh per house for the construction of a *pucca* house in a minimum area of 25 square meters. The GoI and GoG share the assistance payable to the beneficiary at the ratio of 60:40. Every year, based on the approved Annual Action Plan (AAP), GoI releases its share of assistance to GoG in two installments, and GoG releases GoI's share and its matching share through budget, to State Nodal Account (SNA). The SNA is registered in AwaasSoft and the Public Finance Management System (PFMS), to be operated through a Fund Transfer Order (FTO). The eligible assistance from SNA to the beneficiaries was released in three installments through Direct Benefit Transfer.

2.3.4.1 Fund utilisation under the PMAY-G Scheme

According to the scheme guidelines and General Financial Rules of GoI, central assistance to the State for PMAY-G is released based on approved AAP, utilisation certificate, audit certificate and the progress achieved. The status of allocation and utilisation of grants in the State during 2016-23 is shown in **Table 6** below:

Table 6: Status of allocation and utilisation of grants in the State during 2016-23

(₹ in crore)

Year	Grant Received			Total Expenditure	Saving /excess for the given financial year
	Central received	State received	Total available funds		
2016-17	317.95	211.97	529.92	529.92	0.00
2017-18	732.64	293.97	1026.61	601.31	425.30
2018-19	527.21	439.72	966.93	625.84	341.09
2019-20	340.05	116.19	456.24	456.24	00
2020-21	193.28	345.57	538.85	346.07	192.78
2021-22	530.67	384.43	915.10	915.10	00
2022-23	612.49	401.67	1014.16	1014.16	00
Total	3,254.29	2,193.52	5,447.81	4,488.64	

(Source: Information furnished by CRD)

Audit noticed savings in 2017-18 (₹425.30 crore), 2018-19 (₹341.09 crore), and 2020-21 (₹192.78 crore), where the Department did not utilise the entire grant received.

The CRD attributed the savings to the timing of receipt of grants at the end of the financial year, which restricted their utilization. In response, the Government stated (March 2025) that the savings under the scheme would be verified.

2.3.4.2 Non-deposit of interest into PMAY-G Account

PMAY-G mandates maintaining a single savings bank account at the State level, called the SNA, for depositing Central Allocation Funds and the matching State share. The SNA shall be electronically operated by TDOs through Fund Transfer Orders (FTOs) only.

Audit observed that the CRD withdrew an amount of ₹143.66 crore of the PMAY-G Scheme's SNA and deposited it into Gujarat State Financial Services Ltd (GSFS⁷²), as an investment during the period 2017-22.

The State earned ₹51.86 crore as interest on funds held in the SNA/GSFS during 2017-22. Of this, ₹15.02 crore was redeposited (December 2021 to June 2023) into the relevant Central and State accounts, while the remaining interest of ₹36.84 crore (accumulated up to March 2022) has not been deposited into the accounts of GoI and GoG as of May 2023.

The CRD replied (July 2023) that interest earned in the year 2022-24 was deposited in GoI and GoG accounts respectively. However, the remaining interest amounting to ₹36.84 crore during the period 2017-22 is yet to be deposited in concerned government accounts. The Government stated (March 2025) that the matter would be examined.

Thus, funds were parked in the GSFS account instead of the SNA account in violation of the PMAY guidelines.

2.3.4.3 Payment of Installment

PMAY-G guidelines prescribed a minimum of three installments for beneficiary payments. State Government (January 2017) opted to provide financial assistance of ₹ 1.20 lakh in four⁷³ installments for two years 2016-18, which was revised (May 2018) to three⁷⁴ installments for the year 2018-19 onwards.

The payment of the first installment of ₹30,000 to the beneficiary should be made within seven days after the date of sanction of houses, second

⁷² A State Public Sector Unit.

⁷³ First -₹30,000 on sanction of house, Second-₹50,000 on lintel level completion, Third ₹30,000 on roof level completion, and fourth ₹10,000 on completion of house.

⁷⁴ First ₹30,000 on sanction of house, Second ₹50,000 on lintel level completion, Third ₹40,000 on completion of house.

installment should be made after completion of lintel work, and the final installment should be paid on completion of the house.

Audit noticed that even after completion of the houses, beneficiaries were not released their due installments including final installments, as detailed below:

(i) Non-release/ delay in release of the first installment despite sanction of house

Audit observed that at the State level, during the period 2017-23, first installments amounting to ₹34.60 crore in respect of 11,533 houses⁷⁵ out of 4,92,786 sanctioned houses were not disbursed, as per data available in AwaasSoft (07 September 2023).

Further, in 25 talukas across 10 selected districts, instances of non-release of the first installment despite the sanction of houses during the same period were noticed. The year-wise details of such cases are presented in **Table 7** below:

Table 7: Details of non-release of the first installment in 25 talukas across 10 selected districts as of August 2023

Year of sanction	No. of the houses sanctioned	No. of talukas out of 25 selected talukas	No. of beneficiaries to whom the first installment not paid	Amount is yet to be released. (₹ in lakh)
2017-18	21,559	08	57	17.10
2018-19 ⁷⁶	00	00	00	00
2019-20	25,149	09	24	07.20
2020-21	17,428	21	407	122.10
2021-22	4,467	17	172	51.60
2022-23	34,154	25	2,335	700.5
Total	1,02,757		2,995	898.50

(Source: Information provided by concerned TDOs)

The above table shows that out of 1,02,757 houses sanctioned under PMAY-G, the first installment amounting to ₹8.99 crore was not disbursed in 2,995 cases as of August 2023.

Further, audit scrutiny of 1,240 test-checked cases for the period 2017-18 to 2022-23 in 25 talukas revealed that the first installment was released to 1,140 beneficiaries. However, only 144 beneficiaries (13 per cent) received the installment within the prescribed period of seven days from the date of sanction of houses. The remaining 996 beneficiaries (87 per cent) received the first installment with delays ranging from one day⁷⁷ to 1,945 days⁷⁸. The details of these delays are provided in **Table-8** below:

⁷⁵ 2017-18 (121 beneficiaries), 2018-19 (zero), 2019-20 (228 beneficiaries), 2020-21 (2,193 beneficiaries), 2021-22 (659 beneficiaries), 2022-23 (8,332 beneficiaries).

⁷⁶ No targets were set for 2018-19 by MoRD as Awaas+ survey was ongoing.

⁷⁷ One day at Kharaghoda GP in Surendranagar district (Beneficiary ID-GJ1451835).

⁷⁸ 1945 days at Sampoi GP in Dahod district (Beneficiary ID-GJ1495478).

Table 8: Duration-wise delay in payment of the first installment.

Delayed in days	Up to 60 days	61 days to 90 days	91 days to 180 days	181 days to 365 days	More than 365 days
No. of cases out of 996	587	80	208	101	20
Percentage of the total delay cases	58.94	8.03	20.88	10.14	2.0

(Source: Information received from AwasSoft/TDOs)

Scrutiny of records and replies from the concerned TDOs revealed that the delays were primarily due to beneficiary deaths, issues with Aadhaar seeding, non-verification of bank accounts through the PFMS due to the beneficiary accounts being dormant and pending issuance of 'sanad' (land ownership documents).

Thus, the TDOs had not taken timely and adequate measures to address these issues, leading to the non-disbursement of funds and depriving the eligible beneficiaries of the intended support under the scheme.

The Government accepted (March 2025) the audit finding and stated that necessary corrective action would be taken to resolve the issues and expedite disbursements.

(ii) Non-release/delay in release of final installment

Audit observed that final installment was not released to beneficiaries even after the completion of houses under the scheme. As per AwaasSoft data, at the State level, 5,13,173 houses were shown as completed. However, in the case of 41,468 completed houses (eight *per cent*), installments amounting to ₹112.99 crore had not been released to the beneficiaries as of 02 April 2024.

Further, in 25 test-checked talukas across 10 selected districts, similar instances of non-release of installments despite the completion of houses were noticed. The details of such cases are given in **Table 9** below:

Table 9: Details of non-release of installments for completed houses in 25 talukas across 10 selected districts as of April 2024

Year	No. of houses completed	No. of Talukas out of 25	No. of completed houses - installment not released	Amount Sanction (₹ in lakh)	Amount Release (₹ in lakh)	Amount to be released (₹ in lakh)
2017-18	21,172	23	1,194	1,432.80	1,103.10	329.70
2018-19	00	00	00	00	00	00
2019-20	24,481	18	1,264	1,516.80	923.70	593.10
2020-21	14,860	25	2,556	3,067.20	1,927.30	1,139.90
2021-22	3,673	19	579	694.80	428.20	266.60
2022-23	4,103	25	2,893	3,471.60	2,930.20	541.40
Total	68,289		8,486	10,183.20	7,312.50	2,870.7

(Source: AwaasSoft data)

The above table shows that installments amounting to ₹28.70 crore in respect of 8,486 houses (12 per cent) out of 68,289 completed houses were not released to the beneficiaries.

Further, audit observed that out of 1,240 test-checked beneficiaries, houses of 1,019 beneficiaries were geo-tagged as completed in the AwaasSoft system. However, the final installment was released to only 865 beneficiaries (85 per cent). The remaining 154 beneficiaries had not received their final installment despite their houses being geo-tagged as completed.

Of these 865 beneficiaries, 793 (92 per cent) were paid the last installment with a delay ranging between one day⁷⁹ and 1,536 days⁸⁰ after the actual date of completion/geo-tagged as detailed in **Table 10** below:

Table 10: Duration-wise delay payment of final installment.

Delayed in days	Up to 60 days	61 days to 90 days	91 days to 180 days	181 days to 365 days	More than 365 days
No. of cases out of 865	337	107	195	105	49
Percentage of the total delayed cases	42.49	13.49	24.59	13.24	06

(Source: Information received Awassoft/TDOs)

TDOs stated that the houses were geo-tagged as completed in AwaasSoft based on their physical progress, however, final installments were released only after completion of all components, including plastering, affixing of logo, and other finishing works. As a result, the final installment was withheld.

The reply indicates that incomplete houses were incorrectly geo-tagged and recorded as completed in the system, leading to discrepancies between the physical status and system-generated records.

The Government accepted the facts and stated (March 2025) that the installments were not released as incomplete houses were geotagged as completed. It was also stated that the matter would be examined and appropriate action would be taken.

2.3.4.4 Discrepancies related to payment made to beneficiaries

The guidelines stipulated that all payment to beneficiaries would be made to their registered Bank/Post office accounts of the beneficiaries in AwaasSoft.

⁷⁹ Delay of one day at Kherana GP in Surendranagar (Beneficiary ID-GJ1611108).

⁸⁰ Delay of 1,536 days at Lalkoi GP in Chhotaudepur district (Beneficiary ID- GJ1124566).

Audit noticed deficiencies in payment system as discussed below:

(i) Non-reconciliation of 'False Success/Reject' transaction

As per information furnished by CRD, there were cases of transactions of "False Success"⁸¹ and "False Reject"⁸². These transactions were required to be reconciled with banks. However, there were deficiencies in reconciliations at the State Level and 25 test checked talukas, as detailed in **Table 11** below:

Table:11 Status of False Success transaction

(₹ In Lakh)

	No. of False Success cases	Amount	No. of False success cases reconciled	Amount	No. of False success cases yet to be reconciled	Amount
State level	1359	647.60	61	19.90	1298	627.70
25 test checked Taluka	26	8.00	05	1.50	21	6.50

(Source: AwaasSoft Data)

It can be seen from the above table that at the State level, 1,298 cases (96 per cent) of 'false success' as of May 2023 and at 25 test checked taluka, 21 cases (81 per cent) of 'false success' remained unreconciled pending for payment to the beneficiaries as of July 2023.

Details of 'False Reject' cases is given in the **Table12** below:

Table:12 Status of False Reject transaction

(₹ In Lakh)

	No. of False Rejected cases	Amount	No. of False rejected cases reconciled	Amount	No. of False rejected cases yet to be reconciled	Amount
State level	1769	615.10	197	59.10	1572	556.00
25 test checked Taluka	358	124.60	11	3.50	347	121.10

(Source: AwaasSoft Data)

⁸¹ Where the software indicated successful transactions, but installments were not deposited in beneficiaries' bank accounts.

⁸² there were "False Reject" cases, where the software indicated rejected transactions, but installments were deposited in beneficiaries' bank accounts.

Similarly, at State level 1,572 cases (89 per cent) of "false reject" as of May 2023 and at 25 test checked taluka, 347 cases (97 per cent) of 'false reject', remained unreconciled by the Department as of July 2023.

Further, it was noticed that as of April 2025, at State level, there were 2,628 cases of False Success and 3168 cases of False Reject cases remaining for reconciliation while the number of reconciled cases were the same as were in May 2023.

The TDOs replied that payment in beneficiaries' accounts would be verified for reconciliation of the incorrect transactions.

The Government accepted the facts and stated that (March 2025) the issues regarding False success/False reject transactions had already been raised with National Informatics Centre (NIC) at GoI level.

Audit is of the view that reconciliation needs to expedite to ensure timely payment to beneficiaries under PMAY-G scheme.

(ii) *Non-recovery of amount deposited into wrong account/double payment etc.*

During the scheme implementation, if payments were mistakenly credited to the wrong account, or an installment was paid twice, or if beneficiaries not interested in constructing houses or sanctioned houses were cancelled, the recovery process was to be managed through the 'Remand module' in AwaasSoft.

Audit noticed that ₹17.10 lakh needs to be recovered from 57 beneficiaries across 25 selected talukas for various reasons⁸³ including payment errors (wrong account and double payments), lack of beneficiary interest etc.

The TDOs replied that payments would be made to the correct accounts, after recovery from wrong accounts. It was replied that double payment was made due to technical errors.

The Government stated (March 2025) the matter would be examined and action would be taken accordingly.

2.3.5 Monitoring

2.3.5.1 Monitoring by using AwaasSoft

A robust monitoring mechanism is required to be adopted to monitor performance as well as processes. PMAY-G envisaged implementing and monitoring the program through an end-to-end e-Governance model

⁸³ Wrong account payment in Jambusar (one case-₹0.30 lakh and Chotila one case ₹0.30 lakh), double payment in Kwant (two cases-₹0.60 lakh and Naswadi (12 cases-₹3.60 lakh) Mandavi-(three cases ₹0.90 lakh), beneficiaries not interested (Jamnagar 11 cases-₹3.30 lakh and Gariadhar 17 cases ₹5.10 lakh), Awaas cancelled (Bhiloda-five cases - ₹1.50 lakh and Halvad one case ₹0.30 lakh) and pucca house (four cases - ₹1.20 lakh).

utilising AwaasSoft and AwaasApp⁸⁴. MoRD has developed Performance Index Dashboard to monitor the performance of the States, Districts, Blocks and Panchayats on real time basis based on certain identified parameters and nationally rank the States, Districts and Blocks accordingly.

AwaasSoft generates many reports on different parameters based on the real time transactional data. The progress of the States under the scheme shall be monitored only through the reports generated from AwaasSoft. These IT applications assist in identifying gaps in target achievement throughout program implementation.

Monitoring at the State levels was focused on ensuring quality and timely completion of houses. Physical progress in stage-wise construction was verified through geo-referenced⁸⁵, date and time-stamped photographs⁸⁶ captured by using AwaasApp and uploaded on AwaasSoft. The photos of the old house and construction site were mandatorily captured through AwaasApp before house sanctioning, linked to subsequent inspections at various levels for releasing installments.

In 25 selected talukas, audit test-checked 1,105 cases on judgement basis in AwaasSoft to ensure the accuracy of information and uploaded photographs and noticed instances of under-construction houses shown as completed, uploading of irrelevant photos, identical photo for different houses and audit also conducted Joint Physical Verification of 1,240 houses in sampled talukas as discussed in succeeding paragraphs:

i. Under-construction houses shown as completed on AwaasSoft

In 25 selected talukas, in 132 cases out of test-checked 1,105 cases, audit found that while the uploaded photographs in AwaasSoft showed that houses were under-construction, but those houses were mentioned as completed on that day, as illustrated in **Pictures 1 and 2** below:



	
<p>Picture 1: House (GJ120334857), incomplete roof cast shown as completed in Mayurnagar GP in Morbi District. Date: 12-09-2022</p>	<p>Picture 2: House (GJ1093526) Under construction, shown as completed in Vadi GP in Umapada Taluka in Surat District. Date: 29-03-2018</p>
<p>(Source: AwaasSoft data)</p>	<p>(Source: AwaasSoft data)</p>

⁸⁴ AwaasApp is a mobile app for real-time monitoring of house construction progress, using date, time-stamped, and geo-referenced house photographs.

⁸⁵ A geo-referenced digital image is linked to a known Earth coordinate system, allowing users to pinpoint every location on the map or aerial photo accurately on Earth's surface.




⁸⁶ At proposed site, plinth level, completed house.

Further, during Joint⁸⁷ Physical Verification (JPV) of 1,240 houses in 25 talukas, audit noticed that the construction of the house of the beneficiary (ID-GJ149070953) in Bhatiwada GP, Dahod District was incomplete. However, another house was geo-tagged and shown as completed in AwaasSoft (**Pictures 3 and 4**).

	
Picture 3: Other houses in Bhatiwada GP, Dahod geo-tagged instead of the actual house Date: 17-03-2023 (Source: AwaasSoft)	Picture 4: Actual incomplete house of the beneficiary Date: 17-03-2023 (Source: Joint Physical Verification)

ii. Irrelevant photo uploaded instead of geo-referenced picture of the house

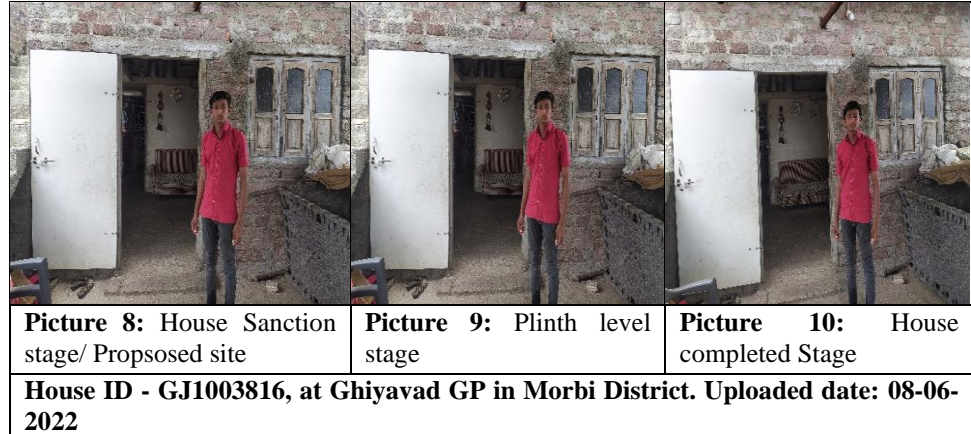
In 25 selected talukas, Audit found that in one case out of test-checked 1,105 cases, photographs of Aadhar Card were uploaded instead of uploading geo-referenced house photographs in AwaasSoft. Further, uploaded photograph of house at the plinth stage did not have date, time stamps, and geo-referencing which was required to be done by the inspecting officer, as shown in **Picture 5, 6 and 7** below:

		
Picture 5: Aadhar card uploaded instead of existing site photographs Date: 04-12-2018	Picture 6: Aadhar card uploaded instead of proposed site photographs Date: 04-12-2018	Picture 7: Plinth stage photograph uploaded without geo-referenced Date: 16-06-2023
House ID- GJ141207796, House location-Adadara GP in Ankleshwar Bharuch District		
(Source: AwaasSoft data)		

⁸⁷ Along with officials of the auditee units.

iii. Identical photograph uploaded for different stages of construction

In 35 cases (out of test-checked 1,105 cases) audit found that identical photographs with same inspection dates were uploaded on AwaasSoft for different construction phases, as depicted in **Pictures 8, 9 and 10**. Further, these images failed to portray the entire house or its predominant sections, focusing solely on a fraction, typically the doorway.



(Source: AwaasSoft data of MoRD)

iv. Different house photographs uploaded for the same house on AwaasSoft

In 11 cases (out of test-checked 1,105 cases), audit found that two different photographs of construction progress of other houses were uploaded for the same house on AwaasSoft (**Picture 11 and 12**).



v. No photographs uploaded at different stages on AwaasSoft

Real-time photographs from different construction stages (proposed site, plinth level, completion) were required to be uploaded on AwaasSoft for effective scheme monitoring, ensuring its proper implementation.

In 69 out of 1,105 test-checked houses, photographs at various stages were not uploaded in the AwaasSoft Portal, as depicted in **Table 13** below:

Table 13: Details showing stage wise photographs not uploaded on AwaasSoft

Stage wise photographs not uploaded	Number of houses
Completed	22
Proposed site, plinth, and completed stage	04
Proposed site	05
Plinth and completed	33
Plinth	03
Proposed site and plinth	02
Total	69

(Source: AwaasSoft Data)

vi. Deficiencies found in constructed houses

During JPV of 1,240 houses in 25 talukas, certain deficiencies were found in constructed houses as discussed below:

The PMAY-G guidelines stipulate that the core house design should feature designated areas for cooking, toilet, and bathing, with strong roofs and walls to withstand local climate conditions and incorporate disaster-resilient features.

Out of 1,240 houses, 1,019 houses were completed. Physical verification of selected houses revealed several deviations from scheme guidelines and discrepancies with system records. Deficiencies observed for 1,019 completed houses are shown in **Table 14** as under:

Table 14: Details of physical verification of houses

Sl. No.	Deficiencies	Number of houses
1	House was not completed even though shown as complete in the system-AwaasSoft	175
2	The roof was not permanent ⁸⁸ .	287
3	Cooking space was not constructed	552
4	House was used for commercial use or as a godown or cow shed or for storage of fodder etc.	11
5	Construction of houses in less than 25 square meters, (11 houses = 17 to 20 square meters, 29 houses = 21 to 24 square meters)	40

(Source: Joint Physical Verification)

The Government accepted the facts and stated (March 2025) that provisions for the construction of the cooking space in Awaas will be verified.

The Government also stated (March 2025) that stricter monitoring mechanism shall be set up and the field staff trained for improved reporting.

Thus, non-upload of photographs for different construction stages and identical photographs upload for various stages of construction in the

⁸⁸ Made of asbestos.

AwaasSoft, indicating a lack of monitoring by the taluka officials during various stages of construction.

2.3.5.2 State/District Level Monitoring Committee

As per the PMAY-G, the State shall constitute Committees at State and District levels for direction and oversight for implementation of the scheme as per AAP. The State level Committee shall be chaired by the Chief Secretary and the composition of the Committee to be decided by the State Government. The Committee shall meet at least twice a year.

Similarly, the District level Committees shall be chaired by the respective District Collectors and composition of the Committees at the District level may be decided by the State Government. The Committees shall meet every quarter in a year.

Audit observed that neither State Level Committee nor District Level Committees were formed to monitor the implementation of the scheme.

The Government stated (March 2025) that action would be taken to constitute the State level Monitoring Committee and instruction would be issued to districts to constitute the District Level Monitoring Committee.

2.3.5.3 Inspection of houses by District/Taluka level officials

PMAY-G guidelines envisaged the State Programme Management Unit (SPMU) to oversee implementation, monitoring, and quality control. The SPMU is responsible for monitoring scheme implementation and quality at various levels, with district and taluka officers inspecting two *per cent* and 10 *per cent* of houses respectively during construction.

Audit observed that district officials conducted inspections for 4,663 Awaas above the required 3,987 Awaas (two *per cent* of sanctioned 1,99,371) in five districts⁸⁹. However, in remaining five districts, no data regarding inspection was made available to audit.

Further, Taluka officials conducted inspections for 7,049 Awaas above the required 5,383 Awaas (10 *per cent* of sanctioned 53,829) in eight talukas⁹⁰. However, in remaining 12 talukas, no data regarding inspections was made available to audit. In remaining five talukas⁹¹, 38,140 Awaas were sanctioned for construction. Of these 37,125 Awaas geotagged by taluka officials were shown as inspected. However, inspection reports were not provided in any test-checked Districts/Talukas.

In absence of inspection reports at district/taluka offices, it remained unclear whether mandatory inspections were conducted.

⁸⁹ Arvalli, Chhotaudepur, Dahod, Gandhinagar and Surat.

⁹⁰ Bardoli, Dahod, Dasada, Jamnagar, Kwant, Mandavi, Naswadi, Umarpada.

⁹¹ Bhiloda, Dhanpur, Jhalod, Mansa and Meghraj.

DRDAs stated that the visits were done, maintaining tour diaries. However, inspection reports were not prepared.

The Government stated (March 2025) that the mechanism would be developed in AwaasSoft for inspection done by district/taluka officers.

Thus, fact remains that if the inspection were done properly, the deficiencies pointed out by Audit like incorrect geotagging, identical photographs uploaded at different stages and incomplete houses shown as completed on AwaasSoft, could have been avoided.

2.3.5.4 Social Audit

As per Scheme guidelines, Social Audit is to be conducted in every Gram Panchayat (GP) at least once in a year, involving a mandatory review of all aspects⁹². Further, Social Audit Units set up by the State Government under MGNREGS, are to be roped in to facilitate conduct of Social Audit of PMAY-G. Resource persons identified by the Social Audit Units at different levels may be involved with the Gram Sabha in conducting Social Audit.

Audit noticed that Social Audit was not conducted in any of the GPs of the State. As a result, the objective of ensuring public accountability was not facilitated. This resulted in lack of transparency in selection of beneficiaries and payments made to them while implementing the Scheme.

The Government stated (March 2025) that social audit was not conducted up to the year 2022-23. However, social audit had been conducted from the period 2023-24 and onwards.

Conclusion

The State Government constructed 67 *per cent* houses against the target of 6.06 lakhs houses as of June 2023. Audit observed several issues in the implementation of the scheme. There were 259 eligible beneficiaries which were not included in Awaas+ Permanent Wait List due to delay in receiving of Gram Sabha Resolution. Instances were noticed where the houses were sanctioned and first installment was released to the landless beneficiaries without ensuring land possession. Further, 539 beneficiaries received double benefits under PMAY-G, PMAY-U, and other rural housing schemes due to non-verification by concerned authorities while sanctioning the houses. Audit highlighted the cases, where incomplete houses were shown as complete in AwaasSoft and delay in release of first and final installments to the beneficiaries.

There were 1,298 cases (96 *per cent*) of 'false success' and 1,572 cases (89 *per cent*) of "false reject" noticed where reconciliation is yet to be done, and payment of ₹17.10 lakh needs to be recovered from 57 beneficiaries across 25 selected talukas for amount deposited into wrong account/double

⁹² With the basic objective of ensuring achievement of public accountability in PMAY-G implementation.

payment etc. Audit highlighted deficiencies while uploading photographs of houses in AwaasSoft. Audit also noticed inadequate inspections by departmental officials and non-constitution of monitoring committee, which resulted in lack of monitoring in implementation of the scheme.

Recommendations

- 1. The State Government may strengthen the existing mechanism to ensure that all eligible households are properly identified and timely included in beneficiary lists for government schemes.*
- 2. The State Government may take effective steps for releasing of assistance under MMAPSY promptly for completion of the houses within prescribed time.*
- 3. The State Government may evolve a mechanism for sharing the data of rural and urban beneficiaries between scheme implementing agencies to prevent duplication of beneficiaries across different housing schemes.*
- 4. The State Government may evolve an effective mechanism to reconcile the cases of ‘False success’/‘False reject’ transactions and to avoid incorrect / double payments to beneficiaries.*
- 5. The Government may take effective steps to ensure proper monitoring at various levels and due care needs to be taken while geo-tagging and regular uploading the photographs in AwaasSoft.*



(ANUBHAV KUMAR SINGH)
Accountant General (Audit-I),
Gujarat

Rajkot
The 28 October 2025

Countersigned



(K. SANJAY MURTHY)
Comptroller and Auditor General of India

New Delhi
The 10 November 2025

APPENDICES

APPENDIX-I

Statement showing the details of year-wise outstanding IRs/Paragraphs as of
31.03.2023

(Reference: Paragraph 1.5.1; Page 3)

Year	IRs	Paras
1993-94	04	04
1994-95	14	21
1995-96	42	72
1996-97	27	53
1997-98	34	67
1998-99	20	42
1999-2000	41	81
2000-01	52	125
2001-02	68	133
2002-03	87	171
2003-04	112	217
2004-05	71	146
2005-06	69	173
2006-07	142	411
2007-08	264	599
2008-09	233	618
2009-10	188	464
2010-11	231	658
2011-12	175	723
2012-13	150	568
2013-14	134	591
2014-15	149	803
2015-16	356	1534
2016-17	483	2312
2017-18	321	2419
2018-19	123	814
2019-20	28	224
2020-21	38	329
2021-22	29	311
2022-23	57	620
Total	3,742	15,303

APPENDIX-II

Statement showing Detailed Explanations on Audit Reports pending as of 31.03.2023

(Reference: Paragraph 1.5.3; Page 4)

Sl. No.	Department	2007-08	2008-09	2009-10	2010-11	2011-12	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Total
1	Education	--	--	--	--	--	--	--	--	01	01	-	02
2	Fisheries	--	--	01	--	--	--	--	--	--	-	-	01
3	Forest and Environment	--	--	--	01	--	--	--	--	--	-	-	01
4	General Administration	--	--	--	--	--	--	--	--	01	-	-	01
5	Health and Family Welfare	--	01	01	--	01	--	01	01	01	-	01	07
6	Home	--	--	--	--	01	--	01	--	--	-	-	02
7	Labour and Employment	--	--	--	--	--	--	01	--	01	-	-	02
8	Legal	--	--	--	--	--	--	--	01	--	-	-	01
9	Panchayats, Rural Housing and Rural Development	01	01	01	--	01	--	01	01	01	01	-	08
10	Revenue	--	--	--	01	--	--	--	--	--	-	-	01
11	Roads and Buildings	--	--	--	01	--	--	--	--	--	-	-	01
12	Science and Technology	--	--	01	--	--	--	--	--	--	-	-	01
13	Social Justice & Empowerment	--	--	--	--	01	01	--	01	--	01	-	04
14	Tribal Development	01	--	--	--	--	--	--	--	--	01	-	02
14	Urban Development and Urban Housing	--	--	--	--	01	--	02	01	01	01	01	07
15	Water Resources	01	--	01	01	--	--	--	--	--	-	-	03
16	Water Supply	--	--	--	--	--	--	--	--	01	01	-	02
17	Women & Child Development	--	--	--	--	01	--	--	--	--	-	01	02
18	Youth Services and Cultural Activities	--	--	--	01	--	--	--	--	01	-	-	02
Total		03	02	05	05	06	01	06	05	08	06	03	50

APPENDIX-III

Paragraphs pending for discussion by Public Accounts Committee as of 31.03.2023

(Reference: Paragraph 1.5.4; Page 4)

Sl. No.	Department	2006-07		2007-08		2008-09		2009-10		2010-11		2011-12		2013-14		2014-15		2015-16		2016-17		2017-18		2018-19		Total		
		C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.
1	Co-operation	04	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	04	00
2	Education	--	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	07	01
3	Fisheries	01	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	02	00
4	Forest and Environment	--	--	--	--	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	00	01
5	General Administration	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	01	--	--	--	01	--	--	--	--	--	01	00
6	Health and Family Welfare	--	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	14	07
7	Home	--	--	01	--	--	--	--	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	03	01
8	Home (Transport)	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	00	01
9	Labour and Employment	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	01	--	--	--	01	--	--	--	--	--	01	01
10	Panchayats, Rural Housing and Rural Development	01	--	02	--	01	--	02	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	13	02
11	Ports	--	--	--	--	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	01	00
12	Revenue	--	--	--	--	--	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	00	01
13	Roads and Building	01	01	--	--	--	--	--	--	02	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	03	01
14	Science and Technology	--	--	--	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	00	01
15	Social Justice & Empowerment	01	--	--	--	--	--	--	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	04	01
16	Tribal Development	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	01	01
16	Urban	01	--	--	--	--	--	--	--	--	--	01	01	01	01	01	01	01	01	01	01	01	01	01	01	01	14	05

Compliance Audit Report for the period ended March 2023

Sl. No.	Department	2006-07		2007-08		2008-09		2009-10		2010-11		2011-12		2013-14		2014-15		2015-16		2016-17		2017-18		2018-19		Total			
		C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.	C.A.	P.A.
	Development and Urban Housing																												
17	Women & Child Development	--	--	--	--	--	--	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	01	--	--	01	01	
18	Water Resources	01	--	05	01	01	01	--	01	02	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	09	02	
19	Water Supply	01	--	--	--	--	--	--	--	--	--	--	--	--	--	03	--	--	--	--	--	--	01	--	--	--	04	01	
20	Youth Services and Cultural Activities	--	--	--	--	--	--	--	--	--	01	--	--	--	--	01	--	--	--	--	--	--	--	--	--	--	01	01	
21	Legal	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	01	--	--	--	--	--	--	--	01	00	
22	General paragraphs	01	--	01	--	--	--	01	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	03	00	
	Total	12	01	09	03	02	01	06	05	06	03	04	05	00	01	08	04	12	03	17	02	05	01	06	00	87	29		

Note: Performance Audit (PA) and Compliance Audit (CA)

APPENDIX-IV
Status of Number of ATNs Pending
(Reference: Paragraph 1.5.4; Page 4)

Year of Audit Report	Name of Audit Report	PAC/COPU Report No.	Year of PAC/COPU	No. of Recommendations	Number of ATNs Awaited
1996-97	Civil (NWRWS)	Report No. 3 of 13th Gujarat Legislative Assembly	2015-16	04	04
1996--97	Civil (General)	Report No. 3 of 13th Gujarat Legislative Assembly	2015-16	01	01
1991-92	Civil (Agri)	Report No. 3 of 13th Gujarat Legislative Assembly	2015-16	01	01
1992-93	Civil (Edu)	Report No. 3 of 13th Gujarat Legislative Assembly	2015-16	01	01
1982-83	Civil (SJED)	Report No. 4 of 13th Gujarat Legislative Assembly	2015-16	02	00
2012-13	LB (PRHRD & UDUHD)	Report No. 5 of 13th Gujarat Legislative Assembly	2016-17	20	14
2008-09	Civil (Home)	Report No. 6 of 13th Gujarat Legislative Assembly	2016-17	11	11
1990-91	Civil (EDU)	Report No. 1 of 14th Gujarat Legislative Assembly	2019-20	01	01
1993-94	Civil (PRHRD)	Report No. 1 of 14th Gujarat Legislative Assembly	2019-20	01	01
1994-95	Civil (SJED)	Report No. 1 of 14th Gujarat Legislative Assembly	2019-20	01	01
1994-95	Civil (AGRI)	Report No. 1 of 14th Gujarat Legislative Assembly	2019-20	01	01
1996-97	Civil (AGRI)	Report No. 1 of 14th Gujarat Legislative Assembly	2019-20	02	02
2012-13	G&SS(Home)	Report No. 2 of 14th Gujarat Legislative Assembly	2019-20	02	00
2012-13	G&SS (SY&CA)	Report No. 2 of 14th Gujarat Legislative Assembly	2019-20	04	04
2012-13	G&SS (NWRWS)	Report No. 2 of 14th Gujarat Legislative Assembly	2019-20	02	02
2012-13	G&SS (FCS&CA)	Report No. 2 of 14th Gujarat Legislative Assembly	2019-20	05	00
2012-13	G&SS (L&E)	Report No. 2 of 14th Gujarat Legislative Assembly	2019-20	05	05
2012-13	G&SS (EDU)	Report No. 2 of 14th Gujarat Legislative Assembly	2019-20	02	02
2007-08	Civil (E&PC)	Report No. 3 of 14th Gujarat Legislative Assembly	2021-22	01	01
2007-08	Civil (WS)	Report No. 3 of 14th Gujarat Legislative Assembly	2021-22	01	01
2007-08	Civil (R&B)	Report No. 3 of 14th Gujarat Legislative Assembly	2021-22	01	01
2007-08	Civil (Transport)	Report No. 3 of 14th Gujarat Legislative Assembly	2021-22	03	03

Year of Audit Report	Name of Audit Report	PAC/COPU Report No.	Year of PAC/COPU	No. of Recommendations	Number of ATNs Awaited
2007-08	Civil (L&E)	Report No. 3 of 14th Gujarat Legislative Assembly	2021-22	01	01
2008-09	Civil (SJED)	Report No. 4 of 14th Gujarat Legislative Assembly	2022-23	01	01
2008-09	Civil (WR)	Report No. 4 of 14th Gujarat Legislative Assembly	2022-23	01	01
2008-09	Civil (EDU)	Report No. 4 of 14th Gujarat Legislative Assembly	2022-23	01	01
2008-09	Civil (F&E)	Report No. 4 of 14th Gujarat Legislative Assembly	2022-23	02	02
2013-14	G&SS (H&FW)	Report No. 5 of 14th Gujarat Legislative Assembly	2022-23	03	03
2013-14	G&SS (SJED)	Report No. 5 of 14th Gujarat Legislative Assembly	2022-23	01	01
2013-14	G&SS (WS)	Report No. 5 of 14th Gujarat Legislative Assembly	2022-23	01	01
2009-10	Civil (WR)	Report No. 1 of 15th Gujarat Legislative Assembly	2023-24	03	03
2009-10	Civil (Edu and L&E)	Report No. 1 of 15th Gujarat Legislative Assembly	2023-24	01	01
2009-10	Civil (Edu)	Report No. 1 of 15th Gujarat Legislative Assembly	2023-24	03	03
2010-11	Civil (F&E)	Report No. 2 of 15th Gujarat Legislative Assembly	2024-25	01	01
2010-11	Civil (Edu)	Report No. 2 of 15th Gujarat Legislative Assembly	2024-25	01	01
2010-11	Civil (SY&C)	Report No. 2 of 15th Gujarat Legislative Assembly	2024-25	01	01
2010-11	Civil (UD&UHD)	Report No. 2 of 15th Gujarat Legislative Assembly	2024-25	01	01
2010-11	Civil (Revenue)	Report No. 2 of 15th Gujarat Legislative Assembly	2024-25	01	01
Total				95	80

APPENDIX-V

Comparative Benefits of NFSA over Pre-NFSA Schemes under PDS in the State of Gujarat

(Reference: Paragraph 2.1.1; Page 6)

Attribute	Pre-NFSA schemes	NFSA
Right to food	No legal backing (Welfare-based approach)	Statutory backing (Right-based approach)
Coverage	120.96 lakh households covering 6.04 crore beneficiaries of the State (as of March 2016).	Targeted 75 per cent of rural and 48 per cent of urban poor population <i>i.e.</i> about 3.83 crore beneficiaries of the State, including AAY families in both rural and urban areas.
Categories	AAY, BPL, APL-1 and APL-2 HHs	AAY HHs and PHHs
Monthly entitlements	AAY HH: 35 kg food grains/family. BPL HH: 16 kg food grains/family at subsidised rate, and an additional 19 kg food grains/family at higher rate; APL HH: 2.5 kg food grains/person (Maximum 15 kg food grains/family)	AAY HH: 35 kg food grains/family. PHH: 5 kg food grains/person
Cost to beneficiaries per kg of food grains	AAY HH: ₹ 2 and ₹ 3 per kg for wheat and rice respectively. BPL HH: ₹ 2 and ₹ 3 per kg for wheat and rice respectively up to 16 kg. An additional 19 kg between ₹ 5.40 per kg and ₹ 7.70 per kg for wheat, and between ₹ 7 per kg and ₹ 10.10 per kg for rice; APL HH: Between ₹ 5.40 per kg and ₹ 7.70 per kg for wheat, and between ₹ 7 per kg and ₹ 10.10 per kg for rice.	Uniform to all beneficiaries @ ₹ 3/₹ 2/₹ 1 per kg for rice/wheat/coarse grains respectively.
Identification of beneficiaries	Centre: Prescribes the criteria for identification and the number of AAY beneficiaries to be covered under TPDS. State: Identifies the eligible HHs.	Centre: Determines the population of the eligible HHs to be covered in rural and urban areas, on the basis of the population estimates as per the latest census figures. State: Frames its own criteria and identifies the eligible beneficiaries/HHs.
Cost of intra-State transportation	Borne by the State Government.	Shared by Central and State Governments.

APPENDIX-VI

Details of Sampled Units

(Reference: Paragraph 2.1.8 & 2.1.10.3; Page 10 & 13)

Type of unit	Total No. of units in the State	No. of units selected	Description	
Apex level	04	04	1.The Secretariat (Food, Civil Supplies and Consumer Affairs Department); 2. Director, Food and Civil Supplies. 3. Gujarat State Civil Supplies Corporation Limited (GSCSCL); and 4. Gujarat State Food Commission (GSFC)	
District level	33	08	Central Zone: 02 out of 08 Districts (Ahmedabad and Anand) North Zone: 02 out of 06 Districts (Gandhinagar and Mehsana) South Zone: 02 out of 07 Districts (Bharuch and Narmada) Saurashtra and Kachchh: 02 out of 12 Districts (Jamnagar and Rajkot)	
Offices of the Deputy Mamlatdars (Supply)/Zonal Officers	297	21 out of 86	Name of eight selected Districts	Name of 21 selected Deputy Mamlatdar (Supply)/Zonal Offices
			Ahmedabad	Daskroi, Naroda zone, Sabarmati zone, Sanand and Sherkotda zone (Five)
			Anand	Anand City and Petlad (Two)
			Gandhinagar	Gandhinagar zone and Mansa (Two)
			Mehsana	Mahesana and Visnagar (Two)
			Bharuch	Bharuch City and Vagra (Two)
			Narmada	Dediapada and Nandod (Two)
			Jamnagar	Jamnagar zone-1 and Jam-Jodhpur (Two)
			Rajkot	Gondal, Paddhari, Rajkot and Rajkot zone-4 (Four)
Fair Price Shops (FPSs)	16,609	63	Three FPSs from each of the 21 selected Deputy Mamlatdar (Supply) Offices/Zonal Offices.	
Taluka Godowns	252	19	The supply of food grains and other commodities to 63 selected FPSs falling under 21 selected Deputy Mamlatdar (Supply) Offices/Zonal Offices is being made by 19 Taluka godowns.	

APPENDIX – VII

(Reference of Paragraph No. 2.3.1.1; Page no. 34)

Exclusion Process

Step 1: Exclusion of pucca houses- All households living in houses with pucca roof and/or pucca wall and households living in houses with more than 2 rooms are filtered out.

Step 2: Automatic Exclusion- From the remaining set of households, all households fulfilling any one of the 13 parameters listed below are automatically excluded:

1. Motorised two/three/four-wheeler/ fishing boat
2. Mechanised three/ four-wheeler agricultural equipment
3. Kisan Credit Card with credit limit of ₹50,000 or above
4. Household with any member as a Government employee
5. Households with non-agricultural enterprises registered with the Government
6. Any member of the family earning more than ₹.10,000 per month
7. Paying income tax
8. Paying professional tax
9. Own a refrigerator
10. Own landline phone
11. Own 2.5 acres or more of irrigated land with at least one irrigation equipment
12. 5 acres or more of irrigated land for two or more crop seasons
13. Owning at least 7.5 acres of land or more with at least one irrigation equipment.

APPENDIX-VIII

(Refer to Paragraph 2.3.1.5; Page no. 38)

Details of Sample selection in selected districts

Sl. No.	Name of Region	Name of selected districts	Name of selected talukas	Name of selected Gram Panchayats.
1.	Zone-1 Central	Chhotaudepur	Kwant	Dungargam, Kavant, Motavanta, Raipur, Sihada,
			Naswadi	Anadpuri, Haripura (N), Kandha, Lalakoi, Sankal (P)
2.		Dahod	Dahod	Bhathiwada, Doki, Kharod, Mauwalia, Tarvadiya Vaja
			Jhalod	Budhpur, Kanjeta, Nakti, Pipearo, Vasiya Dungari,
			Dhanpur	Dungri, Kharsana, Mudaheda, Sampoi,Varod,
3.	Zone -2 North	Arvalli	Bhiloda	Ambabar, Dahgamda, Karchha, Moti Bebar, Torda (Jetpur)
			Meghraj	Ged, Kunol, Moti Panduli, Rayavada, Zarda
4.		Gandhinagar	Kalol	Dhamasana, Golthara, Mulsana, Nava, Vansjada (K),
			Mansa	Anodiya, Bilodra, Khadat, Mandali (V), Samau
5.	Zone -3 South	Bharuch	Ankleshwar	Avadar, Haripura, Nangal, Sakkarpur, Taria
			Jambusar	Degam, Kahanava, Kavi, Panchakada, Zamdi,
			Netrang	Atkhol, Chandravan, Kambodiya, Mauza, Timla,
6.		Surat	Bardoli	Afva, Haripura, Manekpore, Samthan, Utara,
			Mandavi	Devgadh, Kakarpar, Luharvad, Patal, Vareth,
			Umerpada	Chimipatal, Moti Devrupam, Sarda, Umarda, Vadi
7.	Zone-4 Saurashtra and Kachchh	Bhavnagar	Gariadhar	Gujarada, Mangadh, Paldi, Samadhiyala, Timba.
			Mahuva	Bhanvadiya, Dungarpar, Karjala, Ranigam, Shevadiyadar,
			Sihor	Bhankhal, Karkoliya, Rabarika, Surka, Vavdi (Vachhani),
8.		Jamnagar	Jamnagar	Aamra, Falla, Jamvathli, Nana thavariya, Sachana,
			Lalpur	Babarzar, Haripar, Lalpur, Nana Khabda, Sanoshara
9.		Morbi	Halvad	Bhalgamda, Ghanad, Khod, Mayurnagar, Raysangpar,
			Wankaner	Ghiyavad, Kherva, Palans, Ratadiya, Vinay,
10.		Surendranagar	Chotila	Gadhechi, Kherana, Moti Moldi, Pipaliya Dhokalava, Sanosara
			Dasada	Dhama, Kharaghoda, Mulada, Sedla, Zizuwada,
			Limbdi	Bodiya, Ganshyampar, Mota Timbla, Parnala,Sauka

APPENDIX-IX

(Reference of paragraph No. 2.3.3.2; Page No. 43)

Details showing beneficiaries availed benefit under PMAY-Gramin and PMAY-Urban

Sl. No.	District	Beneficiary ID under PMAY- G	Payment made under PMAY- G (in ₹)	Beneficiary ID under PMAY- U	Name of project beneficiaries cover under PMAY-U (Sanction)	Status of house under PMAY-U	Amount paid (in ₹)
1	Jamnagar	GJ137350711	30,000	0324802518627939125	Construction of 95 DUs under BLC Sikka district Jamnagar Phase V	Plinth	75,000
2		GJ133979393	80,000	0324802516623577951	Construction of 621 DUs under BLC Kalavad district Jamnagar Phase-IX	Roof cast	2,30,000
3		GJ140044403	80,000	0324802509627821117	Construction 63 DUs under BLC in Okha Phase-06	Roof cast	2,30,000
4	Surat	GJ114476522	30,000	0324802629630666923	Construction of 85 DUs under BLC in Kudsad location in SUDA area.	Lintel	2,80,000
5		GJ114476558	30,000	0324802629630639020	Construction of 85 DUs under BLC in Kudsad location in SUDA area.	Roof cast	2,80,000
6		GJ114476459	30,000	0324802629630777653	Construction of 110 DUs under BLC in the Choryasi location in SUDA area.	Roof cast	2,80,000
7		GJ114476377	30,000	0324802629630784524	Construction of 110 DUs under BLC in Choryasi location in SUDA area.	Roof cast	2,80,000
		Total	3,10,000				16,55,000

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