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# *Chapter - 1*

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## **Chapter-1 Introduction**

### **1.1 Overview of IAY**

With a view to meet the housing needs of the rural poor, Indira Awaas Yojana (IAY) was launched in May 1985 as a sub-scheme of Jawahar Rozgar Yojana. It is being implemented as an independent scheme since 1 January 1996. IAY aims at helping rural people below the poverty line (BPL) belonging to SCs/STs, freed bonded labourers and non-SC/ST categories in construction of dwelling units and upgradation of existing unserviceable kutchra houses by providing assistance in the form of full grant. Since 1995-96, the IAY benefits have been extended to widows or next-of-kin of defence personnel killed in action also. Benefits have also been extended to ex-servicemen and retired members of the paramilitary forces as long as they fulfill the normal eligibility conditions of IAY. Out of the total allocated funds, five *per cent* is reserved for meeting the exigencies arising out of natural calamities and other emergent situations under exceptional circumstances. Three *per cent* of fund is also reserved for the disabled BPL persons in rural areas. Since 2006-07, IAY funds are also being earmarked for minorities.

Under the scheme, the Gram Sabha of each Gaon Panchayat and Village Development Council/Village Council Development Committee (in case of Sixth Scheduled districts) will prepare and approve the list of beneficiaries each year from the IAY waitlist in order of seniority, besides allocating funds and fixing targets. Zilla Parishads (ZPs)/District Rural Development Agencies (DRDAs), on receipt of funds from GoI and State Government, will release the funds to the approved beneficiaries through Blocks/GPs for construction of houses in a staggered manner based on the progress of the construction. The beneficiaries will have complete freedom as to the manner of construction of the house. ZPs/DRDAs shall help the beneficiaries in acquiring raw materials economically and providing technical guidance.

Besides, a scheme for providing homestead sites to rural BPL households having neither agricultural land nor house site was launched (August 2009) as part of IAY. The scheme is being implemented through the ZPs/DRDAs.

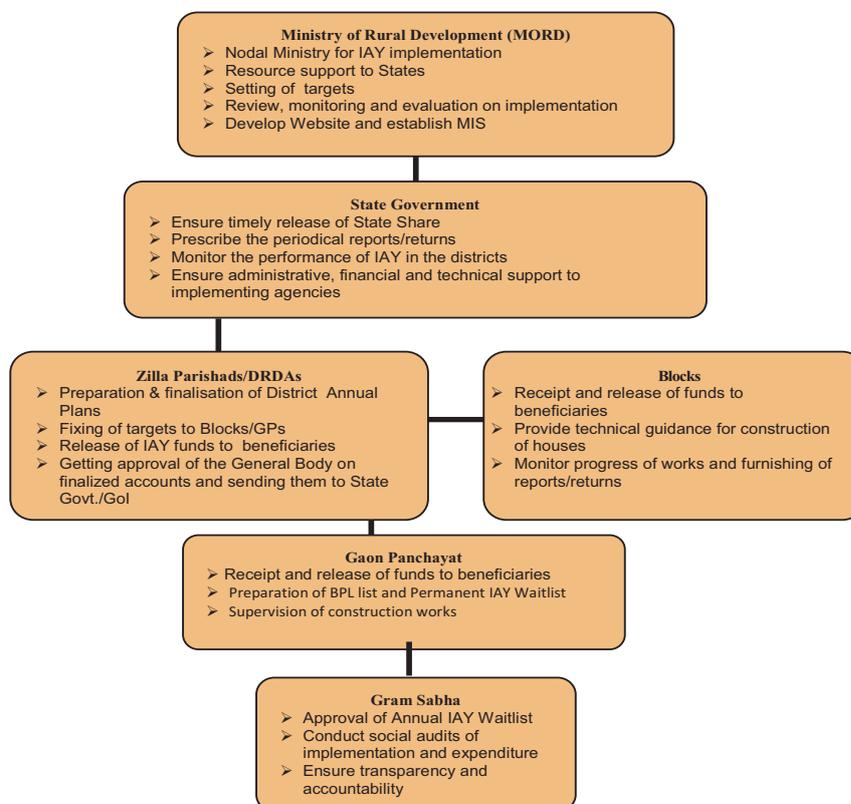
During the course of Performance Audit on the implementation of the Scheme covering the period from 2008-09 to 2012-13, a number of systemic and compliance deficiencies have been noticed which have been discussed in the succeeding chapters.

### **1.2 Framework of Audit**

#### **1.2.1 Organisational Structure**

The organisational structure alongwith functions and responsibilities at various levels for implementation of Indira Awaas Yojana (IAY) are shown in Chart 1.

**Chart 1: Organisational structure of IAY**



### 1.2.2 Scope of Audit

The Performance audit of IAY was carried out during May to October 2013 and covered the implementation of the Yojana during 2008-13. The review was carried out through detailed scrutiny of records maintained in the office of the Principal Secretary, P&RD Department, GoA; Commissioner, P&RD, Assam, Guwahati; Project Directors (PDs) of 10 out of 27 District Rural Development Agencies (DRDAs), 24 out of 218 Block Development Officers (BDOs) and 93 out of 2,643 Gaon Panchayats/Village Development Committees (VDCs)/Village Council Development Committees (VCDCs). During the course of audit, besides conducting beneficiary survey and physical verification of the houses constructed/upgraded in the selected GPs/VDCs/VCDCs, information collected from DRDAs was also cross examined/verified with the records of the respective Blocks/Gaon Panchayats.

### 1.2.3 Audit Methodology

The performance audit commenced with an entry conference with the Principal Secretary to the Government of Assam, Panchayat and Rural Development

(P&RD) Department and Commissioner, P&RD, Assam held on 30 April 2013 wherein the audit methodology, scope, objectives and criteria were explained and inputs of the departmental officers obtained. Records of the Principal Secretary, P&RD Department and Commissioner, P & RD, Assam were examined in detail. Besides, information and documents available in the selected Districts (10), Blocks (24) and GPs (93) were also examined in detail. In addition, responses to audit questionnaires during beneficiary survey were analysed. Photographic evidence and physical verification were also taken into consideration to substantiate audit observations. At the conclusion of audit, the findings were discussed in the exit conference (11 November 2013) held with the Principal Secretary, P&RD Department and Commissioner, P & RD, Assam and their views were considered while finalising the Report.

#### **1.2.4 Audit Objectives**

The objectives for the Performance Audit were to ascertain whether:

- Planning process for identification and selection of the target groups for the allotment, construction and upgradation of dwelling units were adequate and conformed to the scheme guidelines;
- Physical achievement in terms of number of units constructed and upgraded was in consonance with the planned targets and met the quality and financial parameters set out in the scheme guidelines;
- Allocation and release of funds under IAY were made in an adequate and timely manner;
- Convergence of the IAY activities with other programmes as envisaged was effectively achieved ensuring availability of a complete functional dwelling unit; and
- Mechanism for monitoring and evaluation of the outcomes of the programme was adequate.

#### **1.2.5 Audit Criteria**

The criteria for the performance audit were benchmarked against the following sources:

- Guidelines of Indira Awaas Yojana issued by MoRD, GoI;
- Outcome budget of the MoRD, GoI;
- Periodical reports/returns prescribed by the GoA;

- Circulars/instructions issued by the Department of Rural Development, GoI;
- Reports of National Level Monitors available with the Ministry/ State Government;
- Studies conducted by the Planning Commission and various agencies at Central level.

#### **1.2.6 Audit Sampling**

All the 27 districts of Assam were stratified into four strata geographically on the basis of expenditure. From the four strata, 10<sup>1</sup> districts (37 *per cent*) were selected by Probability Proportional to Size With Replacement (PPSWR) method. In each district, 20 *per cent* (minimum two) blocks were selected randomly and 30 *per cent* (maximum 10) GPs/VDCs/VCDCs in each block were selected by Simple Random Sampling Without Replacement (SRSWOR) method. Within each selected GP/VDC/VCDC, two villages by SRSWOR method and within each selected GP/VDC/VCDC, six beneficiaries from BPL list in each village (subject to a minimum 12) were selected for detailed check by Systematic Random Sampling (SRS) method.

#### **1.3 Acknowledgement**

The office of the Accountant General (Audit), Assam acknowledges the cooperation extended by the department of P&RD, GoA, Commissionerate of P&RD, DRDAs, Block Development Offices (BDOs) and GPs/VDCs/VCDCs during the course of Performance Audit conducted in the respective offices.

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<sup>1</sup> (i) Barpeta, (ii) Cachar, (iii) Dibrugarh, (iv) Karbi Anglong, (v) Karimganj, (vi) Kokrajhar, (vii) Morigaon, (viii) Nagaon, (ix) Sivasagar and (x) Sonitpur.