Chapter-I

Social, General and Economic Sectors (Non-PSUs)

CHAPTER-I

Social, General and Economic Sectors (Non-PSUs)

1.1 Introduction

1.1.1 Budget Profile

There are 62 Government Departments and 41 Autonomous Bodies in the State. The position of budget estimates and expenditure by the State Government during 2014-19 is given in **Table-1.1.1** below:

Table-1.1.1: Budget and Expenditure of the State Government during 2014-19

(*₹in crore*)

Particulars	2014-15		2015-16		2016-17		2017-18		2018-19	
	Budget Estimates	Expenditure	Budget Estimates	Expenditure	Budget Estimates	Expenditure	Budget Estimates	Expenditure	Budget Estimates	Expenditure
Revenue Expenditure										
General Services	8,157.61	7402.28	8,910.83	8,409.98	11,129.62	9,934.09	12,300.01	12,408.50	14,292.08	13,524.87
Social Services	10,555.22	9,223.69	11,386.47	9,926.69	14,217.69	10,528.57	12,493.03	10,929.44	13,987.92	12,209.34
Economic Services	4,271.41	3,856.47	4,394.41	3,983.21	5,648.75	3,902.66	5,020.83	4,276.21	5,493.68	5,002.49
Grant-in-aid and contributions	807.79	681.27	1,046.63	766.56	1,254.33	906.18	1,736.94	1,468.54	1,853.63	1,459.32
Total (1)	***23,792.03***	***21,163.71***	***25,738.34***	***23,086.44***	***32,250.39***	***25,271.50***	***31,550.81***	***29,082.69***	***35,627.31***	***32,196.02***
Capital Expenditure										
Capital Outlay	4,591.37	4,939.01	4,004.85	4,217.38	5,744.36	4,954.22	5,514.37	5,914.37	6,583.79	6,184.42
Loans and advances disbursed	212.59	150.97	172.67	83.15	395.22	165.05	252.35	76.83	191.98	183.48
Repayment of Public Debt	1,757.79	893.89	2,776.79	1,996.56	2,032.23	1,127.40	2,640.23	1,720.72	3,182.00	2,057.51
Contingency Fund	180.00	194.15	175.00	385.46	205.00	227.70	375.00	481.50	400.00	107.08
Public Accounts disbursements	15,683.06	33,534.94	16,247.59	36,536.73	6,602.72	26,607.34	6,521.46	35,366.30	7,173.61	39,947.18
Closing Cash balance	-	1,772.02	-	1,462.80	0.00	2,785.95	--	2,733.60	--	2,583.08
Total (2)	***22,424.81***	***41,484.98***	***23,376.90***	***44,682.08***	***14,979.53***	***35,867.66***	***15,303.41***	***46,293.32***	***17,531.38***	***51,062.75***
Grand Total (1+2)	***46,216.84***	***62,648.69***	***49,115.24***	***67,768.52***	***47,229.92***	***61,139.16***	***46,854.22***	***75,376.01***	***53,158.69***	***83,258.77***

Source: Annual Financial Statements and Finance Accounts.

1.1.2 Application of resources of the State Government

The total expenditure[1] of the State increased from ₹ 26,254 crore to ₹ 38,564 crore during 2014-15 to 2018-19. The revenue expenditure of the State Government increased by 52 *per cent* from ₹ 21,164 crore in 2014-15 to ₹ 32,196 crore in 2018-19.

The revenue expenditure constituted 81 to 84 *per cent* of the total expenditure during the period 2014-15 to 2018-19 whereas the capital expenditure in the same period was between 15 and 19 *per cent*. During this period, the revenue expenditure increased at an annual average rate of 15 *per cent* whereas the revenue receipts grew at an annual average rate of 13 *per cent* during 2014-15 to 2018-19.

[1] Total expenditure includes revenue expenditure, capital expenditure, loans and advances.

1.1.3 Funds transferred directly to the State implementing agencies

The Government of India (GoI) had transferred significant funds directly to the State Implementing Agencies for implementation of various schemes/programmes in the past years. However, despite the Government of India's decision to release all assistance pertaining to Centrally Sponsored Schemes/Additional Central Assistance to the State Government and not to implementing agencies, out of total funds of ₹1,778.24 crore transferred directly by Government of India to implementing agencies (including Central Bodies and other organisation outside the purview of the State Government) in the State, an amount of ₹701.50 crore (*i.e.* 39 *per cent)* was transferred directly to various State Implementing Agencies during the year 2018-19.

1.1.4 Grants-in-Aid from Government of India

Grants-in-aid received by the State from GoI during 2014-15 to 2018-19 are depicted in **Table-1.1.2** below:

Table-1.1.2*:* Trends in Grants-in-aid receipt from GoI

(*₹in crore*)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19
Non-Plan grants	944	1,043	824	714	-
Grants for State Plan schemes	4,083	1,173	1,532	1,621	-
Grants for Central Plan schemes	99	609	843	76	-
Grants for Centrally Sponsored Plan schemes	1,879	2,479	3,035	4,391	-
Grants for Centrally Sponsored Scheme	-	-	-	-	4,966
Finance Commission Grants	-	-	-	-	485
Other Transfer/Grants to States (GST Compensation)	-	-	-	1,283	2,256
Total	***7,005***	***5,304***	***6,234***	***8,085***	***7,707***
Percentage of increase/decrease over previous year	*38*	*(-) 24*	*18*	*30*	*(-) 5*
Percentage of Revenue Receipts	*35*	*25*	*25*	*30*	*25*

The Grants-in-aid from GoI at ₹7,005 crore in 2014-15 decreased to ₹5,304 crore (24 *per cent*) in 2015-16 but it increased by ₹930 crore (18 *per cent*) during 2016-17 over the previous year. In 2017-18, receipts under Grants-in-aid from GoI increased by ₹1,851 crore (30 *per cent*) over the previous year. However, the Grants-in-aid decreased by ₹378 crore (five *per cent*) during the current year 2018-19.

1.1.5 Planning and conduct of Audit

The audit process starts with a risk assessment of various departments, autonomous bodies, schemes/projects that includes assessing the criticality/complexity of their activities, the level of delegated financial powers, internal controls and concerns of stakeholders besides taking into account the previous audit findings as well as media reports. Based on this risk assessment, the frequency and extent of audit are decided and an Annual Audit Plan is formulated.

After completion of audit, Inspection Reports containing audit findings are issued to the heads of the audited entities with request to furnish reply within one month. Whenever replies are received, audit findings are either settled or further action for compliance is advised. The important audit observations arising out of these IRs are processed for inclusion in the Audit Reports which are submitted to the Governor of Uttarakhand under Article 151 of the Constitution of India.

During 2018-19, compliance audit of 24 departments comprising of 528 drawing and disbursing officers of the State and two units of autonomous bodies was conducted by the Office of the Principal Accountant General (Audit), Uttarakhand.

1.1.6 Significant audit observations and response of Government to Audit

In the last few years, audit has reported on several significant deficiencies in the implementation of various programmes/activities as well as on the quality of internal controls in selected departments which have had negative impact on the success of programmes and functioning of the departments. The focus was on auditing specific programmes/schemes and offering suitable recommendations to the Executive for taking corrective action and improving service delivery to the citizens.

As per the Comptroller and Auditor General of India's Regulations on Audit and Account, 2007, the departments are required to send their response to draft performance audit reports/draft paragraphs proposed for inclusion in the Comptroller and Auditor General of India's Audit Reports within six weeks. It is also brought to the attention of the concerned Heads of Department that in view of likely inclusion of such paragraphs in the Report of the Comptroller and Auditor General of India to be placed before the Uttarakhand Legislature, it would be desirable to include their comments in the matter. The draft reports and paragraphs proposed for inclusion in the Report are also forwarded to the Additional Chief Secretaries/Principal Secretaries/Secretaries concerned for seeking their replies. Seven draft paragraphs[2] for the Audit Report for the year ended 31 March 2019 were forwarded to the concerned administrative Secretaries. However, formal reply of the Government was received in only three cases (December 2020).

1.1.7 Recoveries at the instance of Audit

Audit findings involving recoveries that came to notice in the course of test-audit of accounts of the departments of the State Government were referred to various departmental Drawing and Disbursing Officers for confirmation and further necessary action under intimation to audit. Recovery of ₹ 1.95 crore was made during the year 2018-19 at the instance of audit.

1.1.8 Responsiveness of Government to Audit

The Principal Accountant General (Audit), Uttarakhand, conducts periodical inspection of Government departments by test-check of transactions and verifies the maintenance of important accounting and other records as per prescribed rules and procedures. These inspections are followed by issue of Inspection Reports (IRs). The Heads of offices and higher authorities are required to report their compliance to the Principal Accountant

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[2] In one case Government accepted the fact and made recovery of labour cess and recovered amount has been included in the amount mentioned in **paragraph 1.1.7**.

General (Audit) within one month of receipt of the IRs. Serious irregularities are also brought to the notice of the Heads of the Departments by the Office of the Principal Accountant General (Audit), Uttarakhand through a half yearly report on pending IRs.

Based on the results of the test-audit, 8,347 audit observations contained in 3,186 IRs were outstanding as on 31 March 2019, details of which are given in **Table-1.1.3** below:

Table-1.1.3: Outstanding Inspection Reports/Paragraphs

Sl. No.	Name of Sector	Inspections Reports	Paragraphs	Amount involved (*₹ in crore*)
1.	**Social Sector**	2,039	5,953	23,335.24
2.	**General Sector**	66	152	105.95
3.	**Economic Sector (Non-PSUs)**	1,081	2,242	9,636.32
	Total	***3,186***	***8,347***	***33,077.51***

The Government sets up audit committees to monitor and expedite the progress of the settlement of the IRs and of the paragraphs in the IRs. During 2018-19, 30 meetings of audit committee were held in which 265 paragraphs were settled. The departmental officers failed to take timely and adequate action on observations contained in IRs resulting in erosion of accountability.

It is recommended that the Government may take timely and adequate corrective action on the audit paragraphs and submit its replies to the office of the Principal Accountant General.

1.1.9 Follow-up on Audit Reports

1.1.9.1 Submission of suo-motu Action Taken Notes (ATNs)

According to the Rules of Procedure for Committee on Public Accounts, administrative departments should initiate *suo-motu* action on all audit paragraphs featuring in the Comptroller and Auditor General's Audit Reports regardless of whether these are taken up for examination by the Public Accounts Committee. The departments are also required to furnish detailed notes, duly vetted by audit, indicating the remedial action taken or proposed to be taken by them within three months of the presentation of the Audit Reports to the State Legislature.

It was, however, noticed that out of 307 audit paragraphs featuring in the Civil Chapters of Audit Reports from 2000-01 to 2016-17, *suo-motu* ATNs in respect of 94 audit paragraphs involving 42 Departments had not been received (as detailed in ***Appendix-1.1.1***) upto 31 March 2019. The Audit Report for the year 2017-18 was placed before the Legislative Assembly on 10 December 2019. The related action taken explanatory notes are yet to be received (December 2020).

1.1.9.2 Action taken on recommendations of the PAC

Action Taken Notes, duly vetted by the Principal Accountant General (Audit), on the observations/recommendations made by the PAC in respect of the audit paragraphs discussed by them are to be furnished to the Committee within six months from the date of such observations/recommendations. Out of 307 audit paragraphs featuring in the Civil Chapters of Audit Reports for the years from 2000-01 to 2016-17, only 193 audit paragraphs had been discussed by the PAC up to 31 March 2019. Recommendations in respect of 102 audit paragraphs were made by the PAC. ATNs on the recommendations of the Committees are pending from the State Government in respect of five paragraphs.

1.1.10 Status of placement of Separate Audit Reports of autonomous bodies in the State Assembly

Several autonomous bodies have been set up by the State Government. A large number of these bodies are audited by the Comptroller and Auditor General of India and their transactions, operational activities and accounts, regulatory issues and internal control, *etc.* are scrutinised. The audit of accounts of one autonomous body (Uttarakhand Jal Sansthan) in the State was entrusted (September 2016) to the Comptroller and Auditor General of India for a period of five years (*i.e.* 2015-16 to 2019-20) whereas audit entrustment (March 2016) of one autonomous body (Real Estate Regulatory Authority *i.e*. RERA) is permanent. Separate Audit Report of Uttarakhand Jal Sansthan issued (06 March 2019) by Audit for the year 2017-18 is yet to be placed before the State Legislature. Separate Audit Reports of RERA issued (25 April 2019 and 22 January 2020) for the years 2017-18 and 2018-19 respectively are also yet to be placed before the State Legislature.

1.1.11 Year-wise details of performance audits and paragraphs that appeared in Audit Reports

The year-wise details of performance audits and paragraphs that appeared in the Audit Reports for the last two years along with their money value are given in **Table-1.1.4** below:

Table-1.1.4: Details regarding performance audits and paragraphs that appeared in Audit Report during 2016-18

Year	Performance Audit		Paragraphs		Replies received	
	Number	Money value (*₹ in crore*)	Number	Money value (*₹ in crore*)	Performance Audit	Paragraphs
2016-17	02	127.24	10	23.85	Nil	01
2017-18	01	1,153.29	11	98.17	01	04

Five audit paragraphs involving money value of ₹ 28.62 crore have been included in this Chapter. Replies, wherever received, have been suitably incorporated at appropriate places.

COMPLIANCE AUDIT

PUBLIC WORKS DEPARTMENT

1.2 Indo Nepal Border Road Project, Uttarakhand

1.2.1 Introduction

Border roads are of strategic and operational significance to the Border Guarding Forces (BGFs) namely *Sashastra Seema Bal* (SSB)[3] and Border Security Forces (BSF) deployed on the borders of India. India and Nepal share an open border of 1,751 km, out of which the State of Uttarakhand has border of 263 km with Nepal. SSB battalions are deployed on this border and operate from 28 Border Outposts (BOPs), out of which only seven BOPs were connected by roads. The lack of road infrastructure had severe limitations on the mobility of the troops.

Map-1: Indo-Nepal Border Road Project

The main objectives of Indo-Nepal Border Road (INBR) project are to enable the SSB to dominate the sensitive border effectively; provide connectivity to BOPs by roads thereby adding to the mobility of the SSBs; and meet the requirements of the border population and catalyse better implementation of development initiative in border areas.

The Ministry of Home Affairs (MHA), Government of India (GoI) is the nodal agency responsible for the INBR project. A High Level Empowered Committee[4] (HLEC) of MHA was authorised to take appropriate decision and approve the Detailed Project Report (DPR) of the project. A Memorandum of Understanding (MoU) was signed on 24 April 2014 between MHA and Public Works Department, Uttarakhand for implementation of the project. The MoU provided the following:

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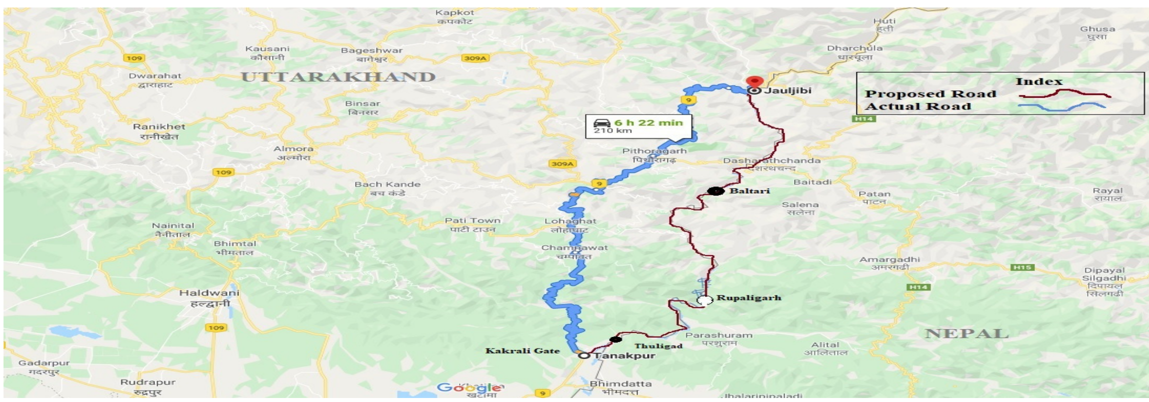
3 SSB was mandated to guard the Indo-Nepal border in June 2001 and was given added responsibility of guarding Indo-Bhutan border in March 2004.

4 HLEC is headed by Home Secretary with Secretary, Border Management, Defence secretary, Foreign Secretary, Secretary, Department of Expenditure and Director General (works) CPWD among others as Members.

- ➢ The work will be executed by PWD, Uttarakhand as Deposit work and it will be paid agency charges of seven *per cent* of the actual cost of work.
- ➢ The capital expenditure for construction of the proposed road project will be borne by MHA, GoI.
- ➢ The expenditure on maintenance of roads after construction shall be borne by PWD, Uttarakhand from its own resources.

In Uttarakhand, only one road namely Tanakpur-Jauljibi Marg, with length of about 173 km had been proposed against the open border of 263 km. However, after detailed survey it was found that the actual length of the proposed road was only 135.475 km. The DPR of road from km 55.000 to km 101.850 was yet to be approved by Government of India (08.09.2020) as Pancheswar Dam on river Mahakali is affecting km 55.000 to km 135.475 stretch of Tanakpur-Jauljibi road. Further, road from km 101.850 to km 135.475 was either existing or under construction under State sector[5].

Map-2: Tanakpur Jaulgibi Road



For construction of the above road in Uttarakhand, the Public Works Department (PWD) received an amount of ₹ 209.14 crore during 2012 to 2019. Out of this, an amount of ₹ 73.64 crore was spent leaving a balance of ₹ 135.50 crore[6] as on 31 March 2020. Year-wise details of fund received and expenditure incurred is given in **Table-1.2.1** below:

Table-1.2.1: Statement of year wise fund received and expenditure incurred

(₹ in crore)

Year	Opening Balance	Fund released by GoI	Total Fund Available	Expenditure	Closing balance
2011-12	-	-	-	-	-
2012-13	-	1.14	1.14	0.93	0.21
2013-14	0.21	-	0.21	-	0.21
2014-15	0.21	0.50	0.71	0.49	0.22
2015-16	0.22	7.50	7.72	1.94	5.78
2016-17	5.78	200.00	205.78	17.78	188.00
2017-18	188.00	-	188.00	32.54	155.46
2018-19	155.46	-	155.46	5.25	150.21
2019-20	150.21	-	150.21	14.71	135.50
	Total	***209.14***		***73.64***	

Source: Public Works Department, Uttarakhand.

5 This part of the Road is being constructed under state sector and not from INBRP Funds.

6 This does not include an amount of ₹ 10.40 crore being interest earned on keeping the fund in bank.

1.2.2 Audit Coverage

Scrutiny of records in the office of the Executive Engineer, Project Implementing Unit (PIU), PWD, Thulighar, Tanakpur was carried out during February to May 2019 and November 2019 covering the period from 2010-11 to 2018-19. Besides, information was also collected from Executive Engineer, Provincial Division, PWD, Champawat and Bridge, Ropeway, Tunnel and Other Infrastructure Development Corporation of Uttarakhand Limited (BRIDCUL).

1.2.3 Audit findings

The audit findings relating to the different stretches are discussed below:

1.2.3.1 Kakrali Gate to Thuligad (Stretch km 0 to 12)

The stretch from km 0 to 12 of the INBR was an existing road and required only upgradation. HLEC accorded (4 July 2011) administrative approval and sanction of ₹ 12.30 crore for up-gradation of 12.00 kilometre Kakrali Gate-Thuligad road under the project. Chief Engineer (Kumaon Region) of State PWD, Almora accorded (26 September 2011) Technical Sanction for the work. As per initial agreement of this stretch, the scheduled completion date was 15 May 2013. After termination of this agreement, a new agreement was executed on 25 March 2015. The work which was scheduled to be completed on 24 September 2016 under the new agreement was actually completed on 20 June 2017 at a cost of ₹ 9.12 crore. As such, there was a delay of more than four years (initial scheduled completion date: 15 May 2013) in upgrading the 12 km stretch of the road. The following deficiencies were observed.

1.2.3.2 Delay in execution of work due to non-obtaining of forest clearances

Clause 378 of Financial Hand Book Volume VI, Uttarakhand stipulates that no work should be commenced on land which has not been duly made over by the responsible civil officers. Further, clause 4.4 of Forest (Conservation) Act, 1980 provides that if a project required forest as well as non-forest land, work should not be started on non-forest land till approval of the Government of India for release of forest land under the Act has been obtained.

Audit observed that in contravention of above provisions, PWD Division, Champawat without obtaining forest clearance entered into (November 2011) an agreement with the contractor M/s Hillways Construction Company Private Limited for improvement and strengthening of the road from 0 to 12 km for ₹ 9.10 crore. As per agreement, the scheduled dates of start and completion of the work were 16 November 2011 and 15 May 2013 respectively. As the work had started (November 2011) without obtaining forest clearance, and as the contractor found the worksite not encumbrance free, he requested (January 2012) the Division for making available a clear site.

Further, the Forest Department also informed (March 2012) the Division about the loss of trees due to the work being carried out and stopped (25 June 2012) the contractor from carrying out the work. The contractor again approached (February 2013) the Division to expedite the forest clearance. In the meantime, the Division started (March 2012) the process of obtaining forest clearance, which could only be obtained from Government of India in July 2015. Meanwhile, the contractor intimated (27 May 2013) the Division that he was unable to work on the agreed rates as passage of time had led to an increase in rates and that he would work only on the current rate (rates prevalent in May 2013). On the request (October 2013) of the contractor, the Department cancelled (December 2013) the agreement[7] without levy of any penalty on the contractor and ordered (December 2013) for appointment of an Arbitrator. The Arbitrator ordered (10 April 2016) the Department to pay the claimed amount of ₹ 1.32 crore[8] along with interest to the contractor. The Department appealed (08 July 2016) against the Arbitrator's order in the District Court, Champawat but the court dismissed (15 June 2017) the petition in favour of the contractor. On dismissal of the appeal, the Department filed appeal (14 September 2017) in the High Court of Nainital and the High Court also gave ruling (June 2019) in favour of the contractor. After that, the Department filed Special Leave Petition in the Supreme Court, which dismissed (October 2019) the appeal and ordered that the decision of the High Court would stay.

In the meanwhile, in anticipation of obtaining the forest clearance, the Department again floated (September 2014) the tender for the remaining work and executed (March 2015) an agreement with M/s Kumar Infratech, for ₹ 7.88 crore, with the scheduled date of completion as 24 September 2016. The work was finally completed in June 2017 at a total cost of ₹ 10.53 crore[9].

The Department, therefore, did not comply with the extant rules and failed to provide clear site to the first contractor which resulted in delayed completion of part of the strategic road besides an extra burden of ₹ 1.92 crore[10] on the State Government.

The Division stated (March 2019) that the sanction of the forest land in respect of the existing motor road from 0 to 12 km was already received in 1987 and accordingly the bond was entered into and the work was awarded.

The reply of the Division was not acceptable as the clearance obtained in 1987 was accorded by Uttar Pradesh Government and not by Government of India. In fact, the agreement had to be terminated in absence of acquisition and clearance of forest land; and the Department had to acquire 3.8 hectare forest land at a cost of ₹ 0.74 crore to obtain (July 2015) forest clearances from Government of India. Besides, the Department

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7 Against the agreement value of ₹ 9.10 crore, work valuing ₹ 1.41 crore was executed by the contractor for which he was paid this amount.

8 ₹ 1.32 crore consisted of ₹ 62.91 lakh being overhead charges @ 10 % of the unexecuted work and ₹ 69.20 lakh as contractor's profit for unexecuted work.

9 ₹ 10.53 crore = ₹ 1.41 crore first agreement + ₹ 9.12 crore second agreement.

10 The High court awarded ₹ 1.92 crore {₹ 1.32 crore (Principal) + ₹ 43.34 lakh (Interest) + ₹ 15.85 lakh (GST)}.

had also accepted in the Arbitration (December 2013) that the forest clearance had not been obtained and, therefore, it had to cancel the bond without levying any penalty on the contractor.

1.2.3.3 Improper Tendering Process

As per clause 13.1 of the Uttarakhand Procurement Rule (UPR) 2008, as amended from time to time, goods/works of estimated value of ₹ 25 lakh and above should be through invitation to tender. Further, sub clause V of the UPR envisages that the minimum time to be allowed for submission of bids should be three weeks from the date of publication of the tender notice or availability of the bidding document for sale, whichever is later.

Audit observed that, in contravention of the above provisions, during tendering (01 October 2011) for improvement and strengthening of the road stretch from 0 to 12 km of the projected road, the division prescribed only 11 days as against 21 days for sale and submission of bids by the aspirants/bidders. It was noticed that four bids were received. Also, due to termination (7 December 2013) of the earlier bond, the division floated tender (29 September 2014) for rest of the work for the same stretch of the projected road, wherein only 12 days were given for submitting bids as against prescribed 21 days and only three bids were received.

The PWD Division stated (March 2019) that in both cases, the action was taken after appropriate circulation of tender notice. The reply is not acceptable as only 11 and 12 days were given for submission of bids as against the prescribed 21 days.

1.2.3.4 Deficient designing of road

Note on Cabinet Committee on Security (21 September 2010) finalised the requirement of strategic road along the Indo-Nepal border and provided that these works were proposed to be carried out as per Indian Road Congress (IRC) codes and Ministry of Road Transport and Highways (MoRTH) specifications. The quality of road held special strategic significance as it was meant for movement of troops and defence equipment.

Section 3.2.3 of the guidelines for the design of flexible pavements (IRC-37-2001) provides that using the simple input parameters like design traffic *in terms of cumulative number of standard axles known as* Million Standard Axle (MSA[11]) and California Bearing Ratio[12] (CBR) value of sub-grade, appropriate designs could be chosen for the given traffic and soil strength. IRC-37-2001 further envisaged that thickness of crust of road of painted surface should be 540 mm to 660 mm for 10 MSA and CBR value varying from 5 *per cent* to 10 *per cent*.

[11] It is used for the designing of the pavement. It tells us about the number of commercial vehicles that would be occupying the road at the end of the design life of road.

[12] The California Bearing Ratio (CBR) test is penetration test meant for the evaluation of subgrade strength of roads and pavements. The results obtained by these tests are used with the empirical curves to determine the thickness of pavement and its component layers.

It was observed that no traffic census was conducted before preparing DPR for 0-12 km road. However, survey was conducted (10 to 16 June 2012) before preparing DPR for the 12 to 55 km stretch. It was concluded that traffic density worked out to 10 MSA on the basis of 969 CVPD[13] after conducting traffic census at Kakrali Gate (km 0.00) which is the starting point of road (km 0-12). Also, the CBR value of the road was between 5 *per cent* and 10 *per cent.*

As the Division prepared DPR for 0-12 km road without conducting survey, it failed to consider data on parameters like traffic census and CBR value of sub-grade in preparation of DPR. This led to non-compliance with IRC norm resulting in construction of crust with lesser thickness (340 mm). Further, non-adopting of IRC specification of thickness (540 mm) for the above mentioned 10 MSA and CBR (5-10 *per cent*) resulted in laying of inferior binding course as well as wearing course for construction of pavement of road. As a result, instead of using Dense Bituminous Macadam and Bituminous Concrete as Binding and Wearing Course, Bituminous Macadam (BM) and Semi Dense Bituminous Concrete (SDBC) were used. Hence, the quality of road, which was of strategic importance meant for movement of troops and defence equipment, did not meet the required IRC specifications.

The Division stated (March 2019) that the road was designed under provisions for Other District Road/Village Road (ODR/VR) as well as on the instructions of Senior Officers. It further added that the DPR was vetted by HLEC.

The reply of the Division was not acceptable as it failed to conduct traffic census in advance and incorporate the right parameters[14] for the design of the road. Moreover, the reply of the Division that the road was designed as per provisions of ODR/VR was also not correct as IRC-SP-20-2002, meant for designing ODR/VR, did not permit designing of road if CVPD was beyond 450. It also did not provide design for crust thickness (340 mm) with CBR value varying from 5 *per cent* to 10 *per cent* and laying of BM and SDBC.

1.2.4 Thuligad to Rupaligad (Stretch: km 12 to 55)

1.2.4.1 Delay in preparation and finalization of DPR

The Department submitted (04 October 2013) DPR of 123.475 kilometre to Ministry of Home Affairs (MHA), Government of India. The DPR was revised incorporating the current rates and re-submitted (27 August 2014) to MHA. However, following the meeting (21 October 2014) of HLEC and subsequently 2 meetings were held between HLEC & MHA to discuss the effect of submergence of proposed road on upstream of

[13] Commercial Vehicle per Day.

[14] As per MOU between MHA and PWD, Uttarakhand, proposed roads of the Project shall be of two lane configuration as specified for State Highways with 12 metre formation width, 7 metre carriage way width and right of the way as per IRC and all these works shall be carried out as per IRC and MORTH specifications.

proposed Pancheswar Dam on river Mahakali, later it was decided (28 January 2016) to start the work in the unaffected length (km 12 to 55) and consequently fresh DPR for 43 kilometer was prepared and submitted (26 February 2016) to GoI as the level of submergence could not be communicated in earlier meetings due to non-finalization of DPR for the dam. After meeting queries of MHA and after several rounds[15] of discussion, the HLEC accorded final approval on 28 July 2016. The first DPR for km 0 to 12 was approved in July 2011. It, therefore, took five years for obtaining approval of DPR for km 12 to 55 resulting in much delay in start of the work. Besides, the work has suffered because of multiple reasons as discussed below.

1.2.4.2 Stretch: km 12 to 29.875

Under Package-1, an agreement[16] for km 12.000 to km 29.875 was entered on 30 December 2016 at a cost of ₹ 67.58 crore. The due date of completion was 29 June 2018. However, extension of time for the work had been accorded up to December 2018 due to delay in according permission of Crusher by District Administration, heavy rainfall, accidents *etc.* Further extension up to June 2020 had been recommended (10 October 2019) by Executive Engineer due to heavy rainfall, accidents and delay in submission of drawing of bridge spanning 90 meter. The work is under progress and the contractor has sought for further extension upto March 2021 (August 2020) due to non-availability of labour in view of Covid-19 Pandemic and heavy rain fall in monsoon season.

1.2.4.3 Stretch: km 29.875 to 30.565 (690 meter span bridge over Chalthi River)

For construction of 690 meter bridge over Chalthi river from km 29.875 to km 30.565 of Tanakpur-Jauljibi Road under INBR project, an agreement was entered by the implementing agency BRIDCUL on 14 December 2017 at a cost of ₹ 27.78 crore excluding GST. As the work of construction of bridge could not be started by the contractor till January 2019 despite several reminders[17] by BRIDCUL. The contract for construction of bridge was terminated by BRIDCUL in February 2019. After termination of the bond, the contractor filed petition in High Court against the termination and the High Court stayed the re-tendering process on 01 March 2019 and ordered (08 August 2019) the Principal Secretary, PWD, Government of Uttarakhand to take a decision on the matter as early as possible and the parties to invoke the arbitration case thereafter. The Additional Chief Secretary, PWD, Government of Uttarakhand had issued the orders (December 2019) for revival of the contract with the same contractor on same rates, time schedule and terms and conditions of the contract. The delay in completion of bridge may lead to approximate cost overrun by 15-20 *per cent* as estimated by the Department.

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[15] 22 March 2016, 04 May 2016 and 09 June 2016.
[16] Agreement was entered with M/s R. G. Buildwell Engineers Private Limited.
[17] 03 November 2018, 11 December 2018, 13 December 2018 and 02 January 2019.

1.2.4.4 Stretch: km 30.565 to 55.000

An agreement[18] was entered (3 January 2017) for ₹ 123.27 crore for construction of Tanakpur-Jauljibi two lane motor road from km 30.565 to km 55.000. The scheduled completion date of work was 2 July 2018. The Department on finding irregularities[19] in experience certificate of the contractor, terminated the agreement on 25 August 2017 after a payment of ₹ 6.08 crore was made to the contractor against the work done. No work was carried out thereafter as the case went into court and was subjudice till date (November 2019). The failure of the Tender Advisory Committee (TAC)[20] to verify the authenticity of the documents submitted by bidders, therefore, led to cancellation of contract and a court case. As a result, the work had come to a standstill on this stretch and the fund released for the work was lying unspent. The delay on this stretch is also likely to result in cost overrun. Further, the contractor has claimed ₹ 104.44 crore as compensation as its loss due to cancellation of agreement by the Department.

The Department agreed (November 2019) that it was not able to complete the work due to the ongoing court case and estimating likely date of completion of the work was not possible.

1.2.5 Rupaligarh to Baltari (Stretch km 55 to 101.850)

DPR of this stretch was sent (May 2018) to MHA and its approval was awaited (December 2019), as height of Pancheswar dam was yet to be finalised by Government of India (8 September 2020). The dam is a bi-national hydro power project to be developed on Mahakali river bordering India and Nepal.

1.2.6 Connectivity to Border Out Posts of SSB

The objective of constructing road parallel to border under INBR project was to enable the Border Guarding forces to dominate the sensitive border more effectively and for providing connectivity to BOPs and mobility to SSBs.

There are 28 BOPs on the border of proposed road. It was also proposed to establish six more BOPs on this stretch of road. The aerial distance of BOPs from the proposed road alignment in Uttarakhand is given in **Table-1.2.2** below:

Table-1.2.2: Aerial Distance of SSB BOPs from Alignment

Distance from alignment	0 Km	Up to 0.25 km	0.25-0.5 Km	0.5-1 Km	1-1.25 Km	1.25-1.5 Km
No. of BOPs	16	5	7	2	3	1

Source: PWD Division, Thuligad.

As seen from the above table, all the BOPs were within aerial distance of 1.5 km of the proposed road. However, as only 12 km of the proposed road had been completed as on

[18] Agreement was entered into with M/s Dilip Singh Adhikaari.

[19] It was found that incorrect experience certificates were enclosed.

[20] TAC comprises of Chief Engineer, Superintending Engineer and Executive Engineer.

date and there was only one BOP in this stretch. Thus, the objective of providing connectivity to BOPs and mobility to SSBs could not be ensured.

1.2.7 Others Points

1.2.7.1 Diversion of Funds

➢ As per clause 23 of MoU entered on 24 April 2014 between MHA and PWD, Uttarakhand, the PWD, Uttarakhand was required to bear the cost on following items:

- Acquisition of land for construction / upgradation / widening of road.
- Net Present Value of Land; compensatory afforestation.
- Clearance from utility authorities including shifting of utilities.

In contravention of above provisions, the Division paid an amount of ₹ 7.04 crore and ₹ 1.29 crore to Forest Department and Van Vikas Nigam respectively as Net Present Value towards 49.70 hectare of forest land from the Central Fund. Further, an amount of ₹ 43.24 lakh was also paid for utility shifting.

The Division replied (November 2019) that the amount was not paid from central fund but out of 7 *per cent* agency charge recoverable from the fund. The reply was not acceptable as the agency charges of 7 *per cent* as per the clause 11 of MoU will be paid as last installment after all requirements including submission of project completion report are fully complied with by the executing agency.

➢ As per clause 3 of MoU, the capital expenditure for construction of the proposed road was to be borne by MHA, whereas the expenditure on maintenance had to be borne by PWD Uttarakhand from their own resources. It was observed that in contravention of above provisions of MoU, the Division incurred (October 2016 to December 2016) an expenditure of ₹ 45 lakh on the reconstruction and essential repair of causeways falling on the road stretch from 0 to 12 km, which got damaged during disaster that occurred in June 2013. It was observed that the Division did not get the approval of MHA before incurring the expenditure.

The Division replied (November 2019) that for the smooth transportation on the road, the repair of the causeway was required and on the instructions of Chief Engineer, Pithoragarh, the work was executed. The reply of the Division was not acceptable in view of the provisions of the MoU.

1.2.7.2 Third party inspection

Third Party inspection to ensure quality of work was required as per suggestion of the Department of Expenditure, GoI. It was observed that third party inspection to ensure quality of construction work was not conducted. However, quality tests were being conducted in approved testing laboratory.

1.2.8 Conclusion and Recommendations

The construction of 0-12 km road was completed in June 2017 with a delay of four years. Further, the work on the 12-55 km stretch was either delayed or was held up due to termination of the contract and the matter going to the Court. Besides, only one Border Out Post could be linked with the alignment of Indo-Nepal Border Road as road up to only 12 km was completed. The delay and uncertainty in execution of project will lead to cost overrun which will have to be borne out of INBR Project fund released by Government of India.

There were instances of award of work without ensuring transfer of forest land; preparation of faulty Detailed Project Report; and adoption of improper tendering process. Besides, the 0 to 12 km road was constructed in contravention of provisions of Indian Road Congress Code. Also, cases of diversion of funds were noticed.

The Government should make vigorous efforts to ensure speedy completion of project in view of its strategic and operational significance to Border Guarding Forces and also to avoid resultant cost overrun besides deterioration in the quality of the road due to delay and consequent re-laying leading to additional cost; issue instructions for adherence to IRC and MoRTH specification while preparing DPRs and for following the prescribed tendering process; obtain all necessary statutory clearances before commencing the work; and put in place a mechanism for third party inspection of the road for ensuring quality of the work done.

1.3 Avoidable Expenditure

Higher rates of hill side cutting incorporated in tender documents without having administrative, financial and technical sanctions and without conducting detailed survey of the site, resulted in an avoidable expenditure of ₹1.04 crore.

Paragraph 375(a) of Financial Hand Book Vol.-VI provides that no work shall be commenced unless a properly detailed design and estimate has been sanctioned, allotment of funds made, and orders for its commencement issued by the competent authority. Further, Rule 29 and 30 of Uttarakhand Procurement Rules, 2008 provides that call of tenders and award of work should be made after the due process of getting the administrative, financial and technical sanction (TS).

Government of Uttarakhand (GoU) accorded (May 2014) administrative and financial sanction of ₹ 26.62 crore for conversion/widening of 19.80 km long Vijaynagar-Tailla Motor Road of district Rudraprayag from single lane to 1.5 lane and renewal of surface by Bituminous Macadam (BM)/Semi Dense Bituminous Concrete (SDBC). Out of a total length of 19.80 km of road work, some items of work[21] in 8.80 km intermediate road length (chainage km 9.00 to km 17.80) were already sanctioned/taken up by another working agency[22] under the Pradhan Mantri Gramin Sadak Yojana (PMGSY). Accordingly, partial TS of ₹ 17.03 crore[23] for widening and renewal of 11 km[24] road length was accorded (September 2014) by the Chief Engineer (CE), Public Works

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21 Hill side cutting work, Granular Sub-Base, Inter and Top coat, cross drainage and construction of *naali*.

22 PMGSY Division, Jakholi, Rudraprayag.

23 ₹ 15.86 crore for civil work and ₹ 1.17 crore for other works like contingency expenditure, land acquisition, compensation, survey, drawing & design and maintenance of road during the construction.

24 Chainage- 0.00 km to 9 km and Chainage-17.80 km to 19.80 km.

Department (PWD). The PMGSY division transferred (June 2017) 8.80 km road to the Executive Engineer (EE), Provincial Division (PD), PWD, Rudraprayag for items of work[25] not completed. The TS of ₹ 6.09 crore was accorded (October 2018) by CE, PWD to complete the pending items of work for this 8.80 km road length.

Scrutiny of records (February 2019) of the EE, PD, PWD, Rudraprayag revealed that tender for widening and renewal of entire 19.80 km road length was invited (February 2014) under two jobs[26] without having administrative, financial and TS for the work, which was contrary to the provision of aforesaid financial rules. Further, single financial bid of a contractor was received/accepted for both the jobs which was also contrary to the extant financial rule[27]. Subsequently, in view of the partial work completed by PMGSY, the bids were evaluated afresh, but retaining the same unit wise rates quoted by the contractor for stretch of 19.80 km and LS rate of ₹ 3.80 crore for hill side cutting. The contracts of these two jobs with revised scope of work for 11 km were awarded to the contractor at a cost of ₹ 16.16 crore[28] (December 2014 and January 2015) which was inclusive of ₹ 2.03 crore negotiated rate for LS item of hill side cutting.

Audit observed that the lump-sum item of hill side cutting in the tender documents was kept for ₹ 3.80 crore[29] (for entire road length of 19.80 km) without conducting detailed survey of the site/preparing of detailed estimate of the work. The contractor's bid for this item of work was ₹ 3.25 crore (14.47 *per cent* less). The cost as per Bill of Quantity (BoQ) in the detailed estimate for LS item was estimated at ₹ 98.80 lakh (September 2014), but the Department did not consider for retendering, and retained the same rates of February 2014. The work of hill side cutting was, therefore, awarded to the contractor for more than double the estimated cost as per BoQ in the detailed estimate. Thus, not only the invitation and finalization of tender for this work was irregular but it also resulted in an extra expenditure of ₹ 1.04 crore[30] which was avoidable if it was retendered based on detailed estimate (September 2014).

On being pointed out, the Government stated (June 2020) that the road was damaged during June 2013 disaster and to provide better road facility to pilgrims as well as to general public, tenders were invited on 6 February 2014 to avoid enforcement of Model Code of Conduct due to ensuing Lok Sabha Election. The reply of the Government is not

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25 Partial G-3 work for improvement of layer, BM/SDBC, *Kachi evam Pakki Nali,* masonry work in sliding zone, construction of parapet *etc*.

26 Job-1: 1 km to 10 km and Job-2: 11 km to 19.80 km.

27 Procurement Rule does not permit consideration/opening of single bid in first tender invitation.

28 Job-1: ₹ 13.04 crore and Job-2: ₹ 3.12 crore.

29 Job-1: ₹ 2.00 crore and Job-2: ₹ 1.80 crore.

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	Particulars	**Job-1 (*in* ₹)**	**Job-2 (*in* ₹)**	**Total (*in* ₹)**
1.	Cost of the job put in tender documents	2,00,00,000	1,80,00,000	3,80,00,000
2.	Rates quoted by the contractor against departmental rates	1,65,00,000	1,60,00,000	3,25,00,000
3.	Estimated/sanctioned cost of the LS job as per TS	83,27,609	15,52,837	98,80,446
4.	Cost of LS work/payment to contractor	1,65,00,000	38,00,000	2,03,00,000
	Excess expenditure over sanctioned cost (Sl. 4-3)	***81,72,391***	***22,47,163***	***1,04,19,554***

acceptable as the purpose of calling tender in February 2014 before getting TS was defeated as work was awarded only in December 2014/January 2015. Had the tender been invited as per prescribed procedure and on receipt of proper sanctions, the extra expenditure of ₹ 1.04 crore could have been avoided.

1.4 Non-imposition of damages

The Department failed to recover damages of ₹1.39 crore from the contractors which was recoverable as per the terms and conditions of the contracts.

The Uttarakhand Public Works Department (PWD) is responsible for maintenance of all the existing National Highways (NH) and its Bridges situated in Uttarakhand on behalf of the Ministry of Road Transport & Highways (MoRTH), Government of India (GoI).

Scrutiny of records (May 2019) of the Chief Engineer (CE), NH & Bridges (Garhwal Region), PWD, Dehradun showed that 16 contracts of NH & Bridges for strengthening and improvement of roads, were awarded to various contractors under Engineering Procurement & Construction (EPC) mode[31]. Article 7.1 of these contracts stipulates that the contractor shall provide Performance Security (PS) to the Authority (CE, NH) within 10 days of the date of signing of contract. In the event of a contractor failing to provide the PS within 10 days of the signing of contract, he may seek extension of time for a period not exceeding 30 days on payment of damages[32] at the rate of 0.01 *per cent* of the contract price for each day until the PS is provided. Further, scrutiny of these contracts revealed that there was delay[33] ranging between 2 and 133 days in submission of PS by the contractors in case of six contracts, for which, the contractors were liable to pay damages amounting to ₹ 1.39 crore (***Appendix-1.4.1***) at the specified rates in accordance with the contracts, but the Department did not impose any damages on the above contractors.

On this being pointed out, the CE while accepting the audit observation replied (May 2019) that in four out of six cases, 21 days time limit was given to the contractors for providing the PS, and therefore, the calculation of damages should be made accordingly. The CE further added that action was being taken for recovery of damages from the concerned contractors. Further, the department withheld (February 2020) an amount of ₹ 36.87 lakh for recovery of damage from the bill of one of the contractors.

The reply of the CE regarding giving 21 days time limit to four contractors for providing the PS, was against the stipulations issued (September 2015) by the MoRTH for finalisation of the EPC contracts and also against Article 7.1 of the respective contracts. The Department, therefore, failed to impose damages of ₹ 1.39 crore on the contractors in contravention of the terms and conditions of the contracts.

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31 Engineering, Procurement and Construction (EPC) mode is a particular form of contracting arrangement used in some industries where the EPC contractor is made responsible for all the activities from design, procurement, construction, commissioning and handover of the project to the end-user or owner.

32 Damages means penalty.

33 Beyond 10 days of signing of contracts by the contractors.

Audit recommends that the Department may fix the responsibility for non-deduction of penalty/damages in accordance with extant clause of the contract.

The matter was referred to the Government (July 2019 and May 2020); Reply was awaited (December 2020).

1.5 Unauthorised payment of ₹41.16 lakh

The division released royalty against e-forms 'J' and 'MM-11' submitted by the contractor pertaining to other districts which resulted in unauthorised payment of ₹41.16 lakh. Besides, the contractor was also liable for payment of penalty of ₹14.08 crore.

As per the notification no. 1578/VII-1/158 kh/04 TC-II dated 30 September 2016 of Industrial Development Section-1, Uttarakhand Government, e-ravanna[34] system was introduced in Uttarakhand for transportation of minerals. Accordingly, for regular monitoring of revenue receipt, the Government has prescribed the e-form 'J', for the effective transport/transit of minerals from storage/crusher/screening plant, and e-form 'MM-11', for transport of the sub-minerals from mines to any place of the State. Further, as per sub-rule (2) and (5) of Section 21 of Mines and Minerals (Development and Regulation) Act, 1957, in addition to fine amounting to ₹ 30,000 per truck, an amount of five times the royalty on the quantity of illegal mined mineral/illegal minerals being transported/illegal mineral stored will be charged from illegal miner.

Scrutiny of records (September 2018) of Executive Engineer (EE), Construction Division (ADB), PWD, Rudrapur (Udham Singh Nagar) revealed that the Division entered into an Addendum[35] with M/s Woodhill Infrastructure Ltd. (Contractor) for construction of three motor roads[36] in Udham Singh Nagar District. Audit observed that the Division deducted (March 2018) ₹ 1.38 crore as royalty[37] from the bills of the contractor for sand, stone dust, grit, *etc*., used on the said works and this amount was kept in the form of deposit. However, the Division released (August 2018) ₹ 1.10 crore to the contractor against the submitted e-forms ('J' and 'MM-11'). Audit observed (May 2019) that the above e-forms submitted by the contractor included 4,007 such e-forms which pertained to other work

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[34] Registration of approved mining lease holders/stone crushers/screening plants/retail storehouses under the state's territory is done by the District Mining Officer in the e-Ravanna web application (dgmappl.uk.gov.in). An automatically generated login id and password is communicated to the registered mining entrepreneur on his registered mobile number. The registered mining entrepreneur, by login into the e-Ravanna web application, generates e-Ravanna after registering the necessary information regarding approved capacity/available capacity/ton, on the approved online form.

[35] Supplementary Agreement being an Addendum No.-1 was made on 18.03.2017 under the Contract Agreement No. 13/PD/PMU/ADB/2013 dated 23.01.2014.

[36] Maseet-Saikenia Motor Road (from km 0.000 to km 5.370), Gadarpur-Gularbhoj Motor Road (from km 0.000 to km 9.575), and Gularbhoj - Roshanpur Motor Road (from km 0.000 to km 5.327).

[37] While paying the bill for the construction works, the royalty is calculated on material consumed on the basis of material consumption statement, by the Assistant Engineer/Additional Assistant Engineer. Royalty is recovered from the bill if e-Ravanna is not submitted by the contractor and if e-Ravanna is submitted, no royalty is deducted from the bill.

sites[38] of Almora and Nainital Districts and were not valid for the work site of Udham Singh Nagar (Gadarpur/Gularbhoj, *etc.*). Out of ₹ 1.10 crore released by the Division, ₹ 41.16 lakh[39] pertained to royalty against these 4,007 e-forms. It was also noticed that out of these e-forms, the contractor had fraudulently claimed royalty against 875 e-forms 'J' twice, 454 e-forms 'J' thrice and four e-forms 'J' four times in Rudrapur Division. Besides, the contractor was also liable for payment of penalty of ₹ 14.08 crore[40] as per rule, for which the matter should have been taken up with Mining Department[41].

On being pointed out by the audit, the EE, Rudrapur Division stated (September 2018) that due to large number of forms 'J' submitted by the contractor, the said amount was released after getting affidavit from the contractor, and necessary action would be taken after getting clarification from the contractor. The reply of the division is not acceptable as the Division should have checked and verified the e-forms before releasing the royalty since it is the responsibility of the Divisional Officer to ensure that all the e-forms submitted by the contractor were valid and related to the work carried out by the Division. These e-forms are issued electronically can be printed multiple times, therefore, some of these e-forms were used multiple times for release of royalty. Hence it is recommended that the Department may take up the issue with Mining Department to enforce such a mechanism that e-forms issued once may not be used multiple times.

The Division, therefore, released royalty against e-forms 'J' and 'MM-11'submitted by the contractor pertaining to other districts which resulted in unauthorised payment of ₹ 41.16 lakh. Besides, as per rule, the contractor was also liable for payment of penalty of ₹ 14.08 crore.

The matter was referred to the Government (January 2020 and May 2020); Reply was awaited (December 2020).

SOCIAL WELFARE DEPARTMENT

1.6 Irregular expenditure

The Department paid ₹57.20 lakh as one time assistance under National Family Benefit Scheme to 286 ineligible Non-Below Poverty Line beneficiaries in contravention of the Scheme Guidelines.

Government of India introduced (August 1995) 'National Social Assistance Programme' (NSAP) targeting the destitutes, to be identified by the State Government, with the objective of providing a basic level of financial support. NSAP includes five

38 Ramnagar/Betalghat quarry and Betalghat/Lalkuan mines for transportation of minerals to Dwarahat Machhali, Veerbhati, *etc*.

39 34,612.68 MT/1.48 = 23,386.95 cum of minerals @ ₹ 176 per cum= ₹ 41,16,103.20.

40 ₹ 14.08 crore = ₹ 205.81 lakh (₹ 41,16,103.20 x 5) + ₹ 1,202.10 lakh (4,007 x ₹ 30,000).

41 Rule 13 (2) (f) of Uttarakhand Minerals (prevention of illegal mining, transportation and storage) Rules, 2005 authorises the mining officer/senior mining officer/deputy director mining and chief mining officer/joint director mining for imposition of fine and penalty on the vehicles related to illegal mining/illegal storage.

sub-schemes[42] as its components. The assistance under sub-schemes is applicable only for persons belonging to Below Poverty Line (BPL) category. BPL identification of a family in the State was based on the survey[43] conducted in 2002 by Rural Development Department. Under the sub-scheme of National Family Benefit Scheme (NFBS), one time assistance of ₹ 20,000 will be given to the bereaved household in the event of death of the bread winner. A woman in the family, who is a home maker, is also considered as a "bread winner" for this purpose. The death of such a bread winner should have occurred whilst he/she is more than 18 years and less than 60 years of age. The family benefit will be paid to such surviving member of the household of the deceased poor, who after local enquiry, is found to be the head of the household.

Scrutiny of records (January and August 2018) of the District Social Welfare Officers (DSWOs), Nainital and Dehradun revealed that out of ₹ 95.60 lakh paid to 478 beneficiaries, ₹ 57.20 lakh was paid to 286 ineligible non-BPL beneficiaries[44] on the basis of income certificate given by Tehsildar as assistance during 2016-17 and 2017-18 under NFBS in contravention to the scheme guidelines of NSAP.

On this being pointed, the Government stated (November 2019) that after the matter was brought to its notice by audit, assistance was not being given to Non-BPL families.

The Department, therefore, disbursed ₹ 57.20 lakh as one time assistance to 286 ineligible non-BPL beneficiaries under NFBS in contravention of the guidelines of the Scheme.

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42 (1) Indira Gandhi National Old Age Pension Scheme (2) Indira Gandhi Widow Pension Scheme (3) Indira Gandhi National Disability Pension Scheme (4) National Family Benefit Scheme (5) Annapurna Scheme.

43 This survey was based on 13 parameters: such as area of the land, type of houses, availability of clothes, food security, sanitation, consumer goods, literacy, job status, source of livelihood, children status, debt status, migration from home and priority of assistance. The surveyed families were to be given a score from 0 to 4 for each parameter. Thus the maximum score was 52. In Uttarakhand the upper limit of score for identifying a BPL family was capped at 25 out of 52.

44

Name of the District	Year	Number of beneficiaries	Expenditure (₹ *in lakh*)	Number of Non-BPL beneficiaries	Expenditure (₹ *in lakh*)
Dehradun	2017-18	216	43.20	186	37.20
Nainital	2016-17	262	52.40	100	20.00
	Total	***478***	***95.60***	***286***	***57.20***