



**Report of the
Comptroller and Auditor General of India
Compliance Audit
for the year ended March 2021**



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



**Government of Odisha
Compliance Audit Observations
*Report No.4 of the year 2022***

**Report of the
Comptroller and Auditor General of India
Compliance Audit Report**

for the year ended March 2021

Government of Odisha

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Preface

This Report for the year ended March 2021 has been prepared for submission to the Governor of Odisha under Article 151 of the Constitution of India for being laid before the State Legislature.

The Report contains significant results of the Compliance Audits of the Departments of Rural Development, Women & Child Development and Water Resources.

The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2020-21 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports. Instances relating to the period subsequent to 2020-21 have also been included, wherever necessary.

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

Chapter 1

Overview

Chapter 1: Overview

1.1 Introduction

This Report covers matters arising out of the Compliance Audit of some State Government Departments and their Autonomous Bodies. The primary purpose of this Report is to bring to the notice of the Legislature the important results of Audit. The findings of audit are expected to enable the Executive to take corrective action as also to frame policies and directives that will lead to improved financial management of the organisations contributing to better governance.

The Report comprises the following five chapters:

- **Chapter 1** contains the profile of the Auditee Departments with a brief profile of the receipt/ expenditure for the last five years, the authority for Audit, planning and conduct of Audit, response of the Government to various Audit products, namely Inspection Reports, Detailed Compliance Audit Paragraphs, follow up action on Audit Reports, etc.
- **Chapter 2** of this Report contains observations relating to Detailed Compliance Audit on Implementation of Biju Setu Yojana.
- **Chapter 3** contains observations relating to Detailed Compliance Audit on Functioning of Working Women's Hostels in the State.
- **Chapter 4** contains observations relating to Detailed Compliance Audit on Functioning of Child Care Institutions in the State.
- **Chapter 5** contains observations relating to Detailed Compliance Audit on Execution of Construction Projects by Odisha Construction Corporation Limited.

1.1.1 Profile of the Auditee Departments and Audit Universe

As per the Budget documents of the State, the Government of Odisha releases 43 grants related to various departments. The Audit universe under the office of the Principal Accountant General (Audit-I), Odisha (PAG), comprises 12,432 units related to 24 Grants and 24 Departments. The audit purview of the Office also includes 144 bodies/ authorities which are either substantially financed from the Consolidated Fund of the State or audit of which has been entrusted by the Government under various sections of the Comptroller and Auditor General's (CAG's) DPC (Duties, Powers and Conditions of Service) Act, 1971. List of Departments and Autonomous Bodies/ Authorities/ Corporations under the audit jurisdiction of the office of the Principal Accountant General (Audit-I), Odisha is shown in **Appendix 1.1**.

Trend of expenditure in major Departments under the audit jurisdiction of the Office of the PAG (Audit-I), Odisha during 2016-21 is shown in **Table 1.1**.

Table 1.1: Trend of expenditure of major Departments*(₹ in crore)*

Sl. No.	Name of the Department	2016-17	2017-18	2018-19	2019-20	2020-21
1	Co-operation	1,646.25	887.00	1,435.06	1,572.39	1,690.49
2	Skill Development and Technical Education	548.98	618.45	592.08	704.47	681.50
3	Finance	7,213.97	10,520.15	12,351.26	16,438.34	16,260.98
4	Health and Family Welfare	4,817.09	4,928.42	5,800.46	6,378.67	7,923.25
5	Higher Education	1,973.94	1,792.21	2,009.55	2,069.42	2,181.59
6	Water Resources	7,749.65	8,834.70	7,495.25	6,127.89	5,384.69
7	Panchayati Raj and Drinking Water	8,345.96	9,302.11	15,426.37	16,856.22	15,595.04
8	Planning and Convergence	785.32	992.12	987.37	707.84	991.76
9	Revenue and Disaster Management	3,291.03	1,992.70	931.75	1,013.64	973.95
10	Rural Development	7,276.61	7,392.33	7,289.79	3,325.78	3,880.11
11	School and Mass Education	9,774.15	12,058.59	14,161.88	15,292.46	15,123.72
12	ST and SC Development, Minorities and Backward Classes Welfare	2,542.57	2,851.83	3,220.68	2,764.93	2,779.80
13	Women and Child Development & Mission Shakti	2,109.05	2,266.84	3,163.51	3,229.68	3,398.29

*(Source: Appropriation Accounts of Government of Odisha for 2016-17 to 2020-21)***1.2 Mandate for Audit**

Authority for Audit by the CAG is derived from Articles 149 and 151 of the Constitution of India and the CAG's (Duties, Powers & Conditions of Service) Act, 1971 (DPC Act). CAG conducts audit of expenditure of State Government Departments under Section 13 of the CAG's DPC Act. CAG is the sole auditor in respect of Autonomous Bodies, which are audited under sections 19 (2), 19 (3) and 20 (1) of the DPC Act. In addition, CAG also conducts audit of other Autonomous Bodies which are substantially financed by the Government under Section 14 of DPC Act. Section 16 of the CAG's DPC Act authorises the CAG to audit all receipts (both revenue and capital) of the Government of India and of Government of each State and of each Union territory having a legislative Assembly. Principles and methodologies for various audits are prescribed in the Regulations on Audit and Accounts, 2020 and Auditing Standards issued by the Indian Audit and Accounts Department.

1.2.1 Planning and conduct of Audit

Compliance Audits are conducted as per the Annual Audit Plan (AAP). Units for Compliance Audit are selected on the basis of risk assessment of the Apex units, Audit units and Implementing agencies involving matters of financial significance, social relevance, internal control systems, past instances of defalcation, misappropriation, embezzlement, etc., as well as findings of previous Audit Reports.

Inspection Reports are issued to the heads of units after completion of audit. Based on replies received, audit observations are either settled or further action for compliance is advised. Important audit findings are processed further as Draft Paragraphs for inclusion in the Audit Report. Detailed Compliance Audit Paragraphs are prepared on issues of significance and selection of issues is done following the analogy explained above.

Formal replies furnished by Departments are carefully considered while finalising the materials for inclusion in the Audit Report. Audit Reports are laid before the State Legislature under Article 151 of the Constitution of India.

1.2.2 Lack of response of Government to Audit

Response of the Government to Inspection Reports

Principal Accountant General (Audit-I), Odisha, conducts audit of Government Departments to check for compliance to rules and regulations in transactions and to verify the regularity in maintenance of important accounting and other records as per the prescribed rules and procedures. After these audits, Inspection Reports (IRs) are issued to the Heads of Offices inspected, with copies to the next higher authorities. Important irregularities and other points detected during inspection, which are not settled on the spot, find place in IRs. Serious irregularities are brought to the notice of the Government by the Office of the PAG (Audit I).

On intimation of any serious irregularity by Audit, the Government shall undertake *prima facie* verification of facts and send a preliminary report to Audit confirming or denying facts within three weeks of receipt of intimation. Where the fact of major irregularity is not denied by the Government in the preliminary report, the Government shall further send a detailed report to Audit within two months of preliminary report indicating the remedial action taken to prevent recurrence and action taken against those responsible for the lapse.

Besides above, the Finance Department of Government of Odisha has also issued instructions from time to time for prompt response by the executive to IRs issued by the PAG to ensure timely corrective action in compliance with the prescribed rules and procedures and also to ensure accountability for the deficiencies, lapses, etc., observed during audits.

A six monthly report showing the pendency of IRs is sent to the Principal Secretary/ Secretary of the respective department to facilitate monitoring and settlement of outstanding audit observations in the pending IRs.

The status of IRs issued up to March 2021 relating to 12,432 offices under 24

departments showed that 50,769 paragraphs relating to 12,265 IRs remained outstanding. Department-wise and year-wise break-up of the outstanding IRs and Paragraphs are detailed in **Appendix 1.2**.

The unsettled IRs contained 982 paragraphs involving serious irregularities like theft, defalcation, misappropriation, *etc.*, of Government money, loss of revenue and shortages, losses not recovered/ written off amounting to ₹ 2,091.29 crore. The Department-wise and nature-wise analysis of the outstanding paragraphs of serious nature are showed in **Appendix 1.3**.

Audit Committees, comprising representatives of the respective administrative Departments, Finance Department and Audit, held 19 meetings in respect of nine¹ out of 24 Departments under Office of the PAG (Audit-I) for expeditious settlement of outstanding IRs/ Paragraphs. Audit Committee meetings were not held for the remaining 15 Departments². Of the nine Departments where Audit Committee meetings were held during April 2020 to March 2021, 689 paragraphs and 91 IRs were settled.

It is recommended that Government should ensure that a procedure is put in place for (i) action against officials failing to send replies to IRs/ paragraphs as per the prescribed time schedule, (ii) recovery of losses/ outstanding advances/ overpayments, *etc.*, in a time-bound manner and (iii) holding at least one meeting of each Audit Committee every quarter.

1.2.3 Response of the Departments to Detailed Compliance Audit Paragraphs

Regulations on Audit and Accounts, 2020 stipulate that responses to Draft Audit Paragraphs proposed for inclusion in the Report of the Comptroller and Auditor General of India should be sent within the specified period.

Government of Odisha in the Finance Department, in its order dated August 2021, directed all the Departments to submit their responses to proposed Draft Audit Paragraphs within four weeks.

Draft Paragraphs and Detailed Compliance Audit Paragraphs are forwarded to the Principal Secretaries/ Secretaries of the concerned Departments as well as to the Finance Department, drawing attention to the audit findings and requesting them to send response within prescribed time frame. It is also brought to their personal attention that in view of the likely inclusion of such paragraphs in the Audit Reports of the Comptroller and Auditor General of India which are placed before the Legislature, it would be desirable to include their comments on these audit findings.

Between December 2021 and February 2022, four Detailed Compliance Audit Paragraphs proposed for inclusion in this Report were forwarded to the

¹ Health and Family Welfare, Excise, Panchayati Raj and Drinking Water, Rural Development, Water Resources, School & Mass Education, Fisheries and Animal Resources Development, Co-operation and Food Supplies & Consumer Welfare

² Revenue and Disaster Management, Electronics & Information Technology, ST&SC Development, Social Security and Empowerment of Persons with Disabilities, Women and Child Development, Finance, Planning & Convergence, Higher Education, Skill Development and Technical Education, Sports & Youth Services, Agriculture and Farmers Empowerment, Labour & Employees' State Insurance, General Administration and Public Grievance, Information and Public Relations, and Parliamentary Affairs

Principal Secretaries/ Secretaries of the concerned Departments and to the Finance Department through Official/ Demi-official letters addressed to them by name. The concerned Departments had not sent replies to any of the Detailed Compliance Audit Paragraphs featuring in the present Audit Report.

Responses of Departments as well as the replies to initial audit memos, wherever received, have been suitably incorporated in the Report.

1.2.4 Follow up on Audit Reports

After tabling of the Reports of the C&AG of India in the State Legislature, the State Government Departments are required to submit *suo motu* replies to the audit observations within three months. Review of outstanding replies on paragraphs included in the CAG's Reports on the General and Social Sector and Local Bodies on the Government of Odisha up to 2018-19 showed that replies relating to 51 paragraphs involving 11 Departments remained outstanding as of September 2021 (**Appendix 1.4**). Out of 588 paragraphs pertaining to the years 2007-08 to 2018-19, 190 paragraphs were selected for discussion by the Public Accounts Committee (PAC)/ Committee on Public Undertakings (COPU).

As stipulated in the Rules of Procedure of the PAC and COPU, Administrative Departments were required to take suitable action on recommendations made by these Committees in the Reports presented by them to the State Legislature. Comments on the action taken or proposed to be taken on those recommendations were to be submitted within a period of four months.

Action Taken Notes on 29 paragraphs contained in four Reports of the PAC, presented to the Legislatures between 2018-19 and 2020-21 had not been submitted by three Departments to the Legislative Assembly as of September 2021. These Reports of the PAC had recommended action related to recovery, disciplinary action, etc. A few significant cases are elaborated in **Appendix 1.5**.

1.3 Significant Audit Observations in this Report

The present Report contains four Detailed Compliance Audit Paragraphs. The significant observations therein are presented in brief in the following paragraphs:

1.3.1 Implementation of Biju Setu Yojana

In October 2011, the Government of Odisha (GoO) in the Rural Development (RD) Department launched Biju Setu Yojana (BSY) for construction of new bridges in rural areas to provide all-weather connectivity in rural areas. The primary objective of BSY is to bridge missing links so as to provide effective road network across the length and breadth of the State. Detailed Compliance Audit of the Implementation of BSY revealed the following deficiencies:

- The utilisation efficiency of the budgeted amount during 2017-21 ranged between 76 and 98 *per cent*. However, there was still scope for increasing spending efficiency by avoiding delays in completion of bridge projects by timely finalisation of tenders, timely settlement of land issues, avoiding revision of drawings and designs by conducting proper survey and investigations, etc.

- There was no documentation available to show that any overarching survey/ study had been carried out by the RD Department to identify missing links in the State and prioritise the same under the shelf of projects to be covered as part of BSY, based on population served or flood prone and backward areas. Instead, projects had been selected on a random basis, without any long-term plan in place, based on recommendations of Hon'ble MLAs/ MPs.
- Works on 48 bridge projects remained incomplete after incurring expenditure of ₹ 184.84 crore due to non-acquisition of land required for the bridge or for approach roads to the bridge.
- In 82 bridge projects, provision for manual excavation instead of mechanical excavation resulted in extra expenditure of ₹ 4.82 crore.
- In 19 bridge projects, provision to source stone material from distant quarries resulted in avoidable expenditure of ₹ 1.87 crore.
- In 40 bridge projects, non-provision for use of excavated earth resulted in avoidable expenditure of ₹ 2.15 crore.
- A High Level bridge over river Suktel on Tamia Mudalsar road in the district of Bolangir was completed in September 2015 with an expenditure of ₹ 7.58 crore. Due to execution of very poor and porous concrete in the deck, cracks were developed in Span-4 of the bridge and was recommended for demolition. The bridge collapsed (April 2020) while dismantling work was going on and caused two casualties.
- The field officers of Rural Works Division and independent State Quality Monitors (SQM) form the first and second-tier quality assurance mechanism, respectively. SQM did not inspect 105 (96.33 *per cent*) bridge works due to which the two-tier mechanism, envisaged in the guidelines to ensure quality of bridge works, failed to work.

1.3.2 Functioning of Working Women's Hostels in the State

Government of India (GoI) introduced the "Scheme for Working Women's Hostel" as well as issued guidelines thereunder in 1972-73 to promote availability of safe and conveniently located accommodation for working women, with day care facility for their children, in urban, semi urban or even rural areas. Under the scheme, GoI provided financial assistance to States for construction of new Working Women's Hostels (WWH) or expansion of existing ones. Detailed Compliance Audit of functioning of WWHs revealed the following:

- There were 36 WWHs with combined bed strength of 2,622 in the State as of March 2021. Of this, only 12 WWHs with bed strength of 859 (32.76 *per cent*) were functional.
- Women and Child Development Department released ₹ 44.19 crore, between February 2014 and November 2020 for construction of eight WWHs of which only five WWHs had been completed as of November 2021. However, none of the completed WWHs were made functional as of November 2021.

- During 2016-21 the average percentage of occupancy in WWHs was only 42 *per cent*. The reason for low occupancy can be attributed to the fact that most of the WWHs were constructed long back (between 1974 and 2014) and in absence of regular repair and maintenance of these buildings, there were fewer takers for these hostels. Further, low occupancy in WWHs was also attributable to absence of modern amenities/ basic facilities and lack of awareness as no public advertisements or awareness campaigns were undertaken by the State to make women, aware of the existence of such facilities.
- Lack of inspection and monitoring on the part of the District Social Welfare Officers (DSWOs) of the concerned districts was noted in Audit. The DSWOs did not participate in the management of the WWHs, although they were one the constituent members of the Hostel Management Committees.

1.3.3 Functioning of Child Care Institutions in the State

GoI enacted the Juvenile Justice (Care and Protection of Children) Act, 2000 (JJ Act), amended in 2006, which, *inter alia*, provides for constitution of Child Protection Units at both State and District levels. A centrally sponsored scheme *viz.*, Integrated Child Protection Scheme (ICPS) was introduced in 2009 which aimed at building a protective environment for children in difficult circumstances, as well as other vulnerable children, through Government-Civil Society Partnership. A Detailed Compliance Audit of Functioning of Child Care Institutions (CCI) in Odisha revealed the following:

- The percentage of utilisation of available funds was continually decreasing from 70.47 *per cent* in 2016-17 to 31.60 *per cent* in 2020-21.
- Baseline surveys for identification of vulnerable children and their institutionalisation were not conducted by seven out of eight test checked districts. Further, only two *per cent* of the vulnerable children identified in the surveys were put in CCIs. However, the criteria used for selecting children for institutionalisation were not shared with Audit.
- Inadequacies in physical infrastructures *viz.*, dormitories, dining halls, kitchen, open space, *etc.*, were noticed. Security measures in the CCIs, particularly, perimeter security walls were not proper. Escape of children from CCIs through broken perimeter wall was noted in Audit.
- Out of the 3,181 children (boys: 1,695 and girls: 1,486) in the CCIs of the eight test checked districts, only 48 children (1.51 *per cent*) were identified for foster care and of these, only 11 (23 *per cent*) were actually placed under such care.
- Although the State Level Monitoring Committee had been formed, the Department had not developed State specific indicators against which the implementation of the ICPS scheme could be evaluated. Further, no information was made available to Audit on the number of review meetings conducted by the Committee and on whether annual review

of the implementation of ICPS at the level of the Chief Secretary had been conducted during the period 2016-17 to 2020-21.

1.3.4 Execution of Construction Projects by Odisha Construction Corporation Limited

Odisha Construction Corporation Limited (OCCL) is a wholly owned Company of Government of Odisha (GoO) under the administrative control of the Department of Water Resources (DoWR). The main objective of the Company is construction and development of works such as dams, spillways, hydraulic gates, barrages, reservoirs, canals, *etc.* OCCL executes construction contracts allotted to the Company or by participating in the tendering process of various Departments of GoO, including DoWR.

A Detailed Compliance Audit on Execution of Construction Projects by the Company revealed the following:

- OCCL had neither prepared any three-year Corporate Plan nor Annual Plans for submission to the DoWR. In the absence of such plans, there was a high risk that the Company did not have a clear cut, well documented strategy in place to achieve its aims and objectives *vis-à-vis* the mandate assigned to it when it was set up by the administrative department.
- During the last five years *i.e.*, from 2016-21, OCCL did not achieve turnover targets in three years, *i.e.*, 2017-18, 2018-19 and 2020-21. The actual turnover decreased by 52 *per cent* from ₹874 crore in 2016-17 to ₹422 crore in 2020-21.
- Cost estimates of the projects were not prepared as per the Schedule of Rates. Due to inflated cost of dredger and pipelines in the estimates, undue benefit of ₹ 7.72 crore was extended to the contractor in case of one project, “Removal of Shoal in the upstream side of Mahanadi Barrage”.
- The company incurred avoidable expenditure of ₹ 4.74 crore due to adoption of excess hire charges of machineries for compaction of earth in six test checked projects.
- Undue benefit of ₹ 5.61 crore was extended to job workers in two projects due to payment of inadmissible conveyance charges on stones issued from the worksite itself.
- Advances of ₹ 3.66 crore relating to 138 works remained outstanding against suppliers for more than 12 months. Further, advances of ₹ 1.10 crore pertained to seven defunct works, where chances of recovery were remote.
- Advances amounting to ₹ 3.53 crore against 446 staff/ officers (both on deputation and own staff) were lying outstanding as of March 2021. Of this, a sum of ₹ 3.34 crore was outstanding against 333 staff/ officers who had expired, left service, retired *etc.*

Chapter 2

Implementation of Biju Setu Yojana

Rural Development Department

Chapter 2: Implementation of Biju Setu Yojana

2.1 Introduction

Roads provide connectivity in physical term and also become vehicles for access to markets of goods and services and improved delivery of social services. Odisha has 2,50,086 km length of roads owned and maintained by multiple agencies/ departments of which 39,137 kms of roads are under the ownership of the Rural Development (RD) Department. Further, the State has a number of roads with unbridged nullahs/ rivers on them, thereby depriving villages of not only all-weather connectivity but also access to economic opportunities and basic services.

In October 2011 the Government of Odisha (GoO) in the RD Department launched a scheme called the Biju Setu Yojana (BSY) for construction of new bridges in rural areas¹ and to provide all-weather connectivity in rural areas. The primary objective of BSY is to bridge missing links so as to provide effective road network across the length and breadth of the State. The RD Department issued (October 2011) guidelines for the implementation of the scheme which broadly outlined factors to be considered in selection of sites, preparation of Detailed Project Reports (DPR) and quality assurance in construction of bridges. The guidelines were revised in May 2017, which, *inter alia*, provided that the location of the bridge would be such that there would be no alternative bridge within 5 km upstream or downstream and bridge width could be either 5.5 metre or 7.5 metre depending upon the projected traffic volume.

The overall responsibility for implementation of the BSY scheme lies with the RD Department, headed by a Secretary level officer. The Department is responsible for construction and maintenance of rural roads in the State as well as for implementation of various Central and State level rural connectivity programs like Pradhan Mantri Gram Sadak Yojana (PMGSY), Mukhya Mantri Sadak Yojana (MMSY) and Biju Setu Yojana (BSY).

Rural Works Organisation (RWO), under the RD Department is the implementing agency for the BSY and is headed by an Engineer-in-Chief (EIC). The EIC in turn is assisted by three Chief Engineers (CEs) at Heads of the Department level, 15 Superintending Engineers (SEs) at circle level and 65 Executive Engineers (EEs) at Division level.

Audit of BSY was conducted in two phases (November 2020 - March 2021 and September 2021 - November 2021) to assess efficiency and economy in implementation of the scheme in terms of compliance with the scheme guidelines in selection of work-sites and contractors, execution of construction works including preparation of estimates of works as well as inspection and monitoring. Activities/ transactions pertaining to the period 2017-18 to 2020-21 were examined in audit through test check of records at the RD

¹ Roads coming under the administrative control of the RD Department and Panchayat Samitis

Department, the EIC office and 14 out of 60 Rural Works (RW) Divisions. The sampled 14 RW Divisions were selected through Stratified Random Sampling (IDEA Software Tool), based on expenditure data. In these 14 sampled Divisions, Audit test checked records relating to 211 bridges executed during 2017-21 under BSY. In addition, two other bridge projects were also examined, which included one bridge² that collapsed during April 2020 and another bridge³ which featured in a media report during February 2021. Entry conference was held (17 February 2021) with the Additional Chief Secretary and other senior officers of the RD Department to discuss audit objectives, scope, sampling and methodology of Audit. Joint physical inspections (JPI) of bridges were carried out and Non-Destructive Tests (NDT) were conducted at 12 selected bridges in the presence of Audit, as agreed upon in the Entry Conference.

The audit findings related to the above-mentioned examination are presented in the succeeding paragraphs.

Audit Findings

2.2 Funds management for bridge projects

At the time of the inception of the BSY scheme (in 2011), the State Government planned to take up 300 bridges initially, of which 55 bridges were to be funded by National Bank for Agriculture and Rural Development (NABARD). However, since 2015-16 onwards, 100 *per cent* of BSY works are funded from the Rural Infrastructure Development Fund (RIDF) operated by NABARD. A loan agreement was signed by the State Government with NABARD in order to avail funding for the BSY scheme. As per the terms stipulated by RIDF, the estimated expenditure for the works is at first provisioned for in the annual budget of the State and subsequently, claims for reimbursement are furnished to NABARD based on the actual expenditure. Audit analysed budgetary provisions made *vis-à-vis* utilisation and claim of reimbursements preferred during 2017-21 and found the following:

2.2.1 Non-utilisation of budgetary provision

A total budgetary provision of ₹ 2,570 crore was made for BSY during 2017-21, against which the actual utilisation stood at ₹ 2,255.62 crore (88 *per cent*) and ₹ 314.38 crore remained unutilised, as detailed in **Table 2.1**:

Table 2.1: Budgetary provision vis-à-vis expenditure during 2017-21

Year	Allotment	Expenditure	Unutilised (Savings/ Surrender)	Percentage of utilisation
	(₹ in crore)			
2017-18	500.00	457.51	42.49	92
2018-19	650.00	494.67	155.33	76
2019-20	560.00	550.74	9.26	98
2020-21	860.00	752.70	107.30	88
Total	2570.00	2255.62	314.38	88

(Source: Information furnished by EIC, Rural Works)

² High Level Bridge over river Suktel on Tamia Mudalsar road, RW Division, Bolangir

³ High Level Bridge over river Baitarani at 1.500 km on Patuakudar-Basantpur road, RW Division-II, Keonjhar

The utilisation efficiency of the budgeted amount during the years from 2017-18 to 2020-21 ranged between 76 and 98 *per cent*. However, there was still scope for increasing spending efficiency by avoiding delays in completion of bridge projects by timely finalisation of tenders, timely settlement of land issues, avoiding revision of drawings and designs by conducting proper survey and investigations, *etc.*, as noticed during audit and discussed in subsequent paragraphs.

2.2.2 Non-submission of reimbursement claim to NABARD

It was noted that while the RD Department expended ₹ 2,255.62 crore for BSY during 2017-21, it submitted reimbursement claim for ₹ 1,016.05 crore (45 *per cent*) only to NABARD, as shown in **Table 2.2**:

Table 2.2: Expenditure incurred claims submitted to NABARD

Year	Expenditure	Reimbursement claim submitted	Balance not submitted	Percentage of claim not submitted
	(₹ in crore)			
2017-18	457.51	356.79	100.72	22.01
2018-19	494.67	233.76	260.91	52.74
2019-20	550.74	135.61	415.13	75.38
2020-21	752.70	289.89	462.81	61.49
Total	2,255.62	1,016.05	1239.57	54.95

(Source: Information furnished by EIC, Rural Works)

The pending reimbursement claims not submitted to NABARD included significant amounts of expenditure incurred during 2017-18, 2018-19 and 2019-20 as well, resulting in overall pending balance of ₹1,239.57 crore up to March 2021. Balance reimbursement claims were not submitted on the ground of non-receipt of Statement of Expenditure from the implementing units (RW Divisions).

2.3 Physical Targets and achievements

Under the BSY, the State Government planned to complete 793 bridge projects during the period 2017-18 to 2020-21. The year-wise number of bridges targeted for completion and number of bridges actually completed during 2017-21 are shown in **Table 2.3**:

Table 2.3: Targets and achievements in completion of construction of bridges during 2017-21

Year	Completion target ⁴	Completed	Completion <i>per cent</i>
	<i>In number</i>		
2017-18	125	121	96
2018-19	211	78	37
2019-20	181	89	49
2020-21	276	185	67
Total	793	473	59

(Source: Information furnished by EIC, Rural Works)

Out of the 793 bridges targeted for completion during 2017-21, only 473 bridges (59 *per cent*) were completed and 318 remained incomplete. Besides

⁴ Including spill over incomplete bridges from previous years

this, one bridge⁵ sanctioned in March 2013 still remained at the tendering stage only while the other⁶ was transferred to the Works Department as of March 2021.

It can be seen from the table above that while in 2017-18, 96 *per cent* of the targeted completion was met, the rate of completion fell significantly to 37 and 49 *per cent* in the next two years as the targeted progress could not be achieved due to issues related to availability of land, change in design, non-shifting of utilities and slow progress by the contractors.

In the 14 divisions test checked by Audit, 211 bridges were taken up for construction during 2017-21 and were stipulated to be completed by March 2021. Of these 211 bridges, only around half (51 *per cent*) i.e., 107 bridges were completed while 104 bridges remained incomplete (49 *per cent*) as of March 2021. Of these 107 completed bridges, only 11 were completed on time (10 *per cent*) while the remaining 96 bridges were completed with delays ranging between three and 73 months. Delay in finalisation of tender, deficiencies in initial survey resulting in subsequent changes in design, failure in sorting out land issues as well as overall slow pace of works by contractors were the primary reasons for non-achievement of targets for completion of bridge projects. Thus, the State Government could not provide all weather connectivity to targeted rural population as 318 bridge works remained incomplete against targeted completion of 793 bridges.

2.4 Selection of bridge projects

2.4.1 Selection of bridge projects in deviation from the guidelines

BSY guidelines, 2011 provided for selection of bridge projects with due importance to backward and flood prone areas and prioritisation in order of total population served. The EIC instructed (November 2017) to maintain a shelf of projects, keeping in view feasibility of the project by taking into account missing links/ unbridged crossings, non-existence of any bridge within 5 Km⁷ upstream or downstream of the proposed site and construction of bridges that will provide single basic all-weather connectivity. Guidelines further specified that only bridge projects with minimum span of 25 meters were to be taken up under the scheme. Bridges and culverts proposed by Hon'ble MPs and MLAs are also to be given due consideration as per the guidelines for selection.

Scrutiny of available records revealed the following:

- There was no documentary evidence available to show that any overarching survey/ study had been carried out by the RD Department to identify missing links in the State and prioritise the same under the shelf of projects to be covered under BSY, based on population served or flood prone and backward areas. Instead, projects had been selected on a random basis, based on recommendation of Hon'ble MLA/ MP and approval of same by the RD Department. Thus, Audit was unable

⁵ Penjwara Nallah on Nalababar – Sartha Muhan Road, RW Division-I, Balasore

⁶ High Level Bridge over river Subarnarekha at 1st Km on Churmara-Chaughari Road, RW Division-Jaleswar

⁷ Modified guidelines (May 2017) provided non-existence of alternative bridge within 5 km upstream or downstream of proposed site

to derive assurance that the provisions in the scheme guidelines related to planning and prioritisation of bridge projects, had been complied with. As a result, there was lack of clarity on the overall requirement of number of bridges to provide all-weather connectivity to all citizens in the State, and on the prioritisation to determine the sequence of execution of bridge projects, to ensure that flood prone and backward areas were given due consideration.

- In case of five bridges in three RW Divisions, in contravention of BSY guidelines, sites for bridges were selected and approved despite the existence of alternate bridges within 5 km (**Appendix 2.1**). The concerned EEs of the Divisions stated (December 2020 and March 2021) that the sites had been selected on the basis of recommendations made by Hon'ble MLAs/ Ministers. The responses were not tenable, since the scheme guidelines clearly specified the minimum distance from an existing bridge required for selection of site for a new bridge. Further, taking up a new bridge within 5 km distance from an existing bridge defeated the objective of covering and prioritising missing links under BSY.
- In case of 27 bridge projects, the lengths of the bridges taken up were found to be ranging between 8.77 metres and 22.35 metres *i.e.*, less than 25 metres (**Appendix 2.2**), as specified in BSY guidelines. Thus, these bridge projects were not eligible for being considered under BSY, instead those should have been taken up under other schemes, like Integrated Action Plan, Western Odisha Development Council or Pradhan Mantri Gram Sadak Yojana (PMGSY) as recommended under the scheme guidelines. This would have, thus, allowed other potentially eligible, left out bridge projects to be included under BSY and fulfilled the objective of bridging missing links in rural areas. The concerned EEs of the Divisions stated (December 2020 and March 2021) that the bridges with length less than 25 metres had been approved on the basis of recommendations made by Hon'ble MLAs/ Ministers. The responses were not tenable, since the scheme guidelines had clearly specified the minimum span requirement for construction under BSY, and there was no provision for relaxations on the basis of recommendations.

2.5 Survey, investigation and design of bridge projects

As per the provisions in the Odisha Public Works Department (OPWD) Code (Paragraph 3.2.3), administrative approval to the estimate of a work shall be extended in two stages; first for preparation of DPR and the second after land acquisition, forest clearance, preparation of general alignment drawing (GAD) and detailed estimate. In addition, Paragraph 3.7.4 also stipulates that no work should be commenced on land which has not been duly handed over to the executing department.

Audit analysed records relating to survey and investigation, cost estimate and design of 211 selected bridge works in 14 divisions and found that the surveys were largely defective since requirement of land for bridge projects had not been correctly assessed. Audit also noted that technical specifications arrived at for bridge projects underwent subsequent changes since the surveys on

which these specifications were initially based, were found to be defective or incomplete during construction. Thus, deficient surveys led to revision of technical specifications for projects and ultimately delayed completion of bridge projects.

2.5.1 Non-assessment of requirement for land during finalisation of projects

Audit noted that works on 48 bridge projects remained incomplete after incurring expenditure of ₹ 184.84 crore due to non-acquisition of land required for the bridge or for approach roads to the bridge. Audit found that requirement of land had either not been correctly assessed at the time of survey and investigation of sites or had been arrived at only after construction had started. Due to non-completion of bridges, the expenditure so incurred would be rendered idle which indicates negligence of RW Organisation.

Some of the instances of delays in construction works due to persisting land issues are discussed below:

(I) Non-completion of bridge project due to absence of forest clearance and non-acquisition of land

To provide all-weather connectivity to the villagers of Patuakudar and Basantpur connecting Joda Block in Keonjhar district, the construction of a bridge over river Baitarani on Patuakudar-Basantpur road in the district of Keonjhar was sanctioned (September 2015) at an estimated cost of ₹9.12 crore by EIC, RW. The stipulated date of completion of work was April 2018, as per the agreement drawn up with the contractor (April 2016). The requirement of private land, forest clearance and shifting of utilities were not identified during survey and investigation of the site, as the details regarding private land required for approach road and valuation towards acquisition could not be made available by the Revenue authorities. The evaluation of private land required for right side approach was still pending with the Land Acquisition Officer, Keonjhar (February 2020), even after almost six years of sanction of work. Further, Audit noticed that the targeted progress could also not be achieved due to significant delay in obtaining forest clearance that was granted only in September 2020 i.e., 29 months after the stipulated date of completion (April 2018). The work was lying incomplete after expenditure of ₹4.07 crore (41 per cent) as of November 2021.

(II) Defective assessment of land requirement

A bridge over river Lanth on Badipada PMGSY road was awarded (January 2016) at contract value of ₹12.95 crore for completion by May 2018. The scope of work included construction of 306.30 m bridge with an approach road of 2,150 m. The sanctioned estimate provided for construction of bridge proper on Government land without assessing if there was any requirement of private land either for the bridge or for the approach road.

Audit noted that requirement for private land measuring 4.59 acres for the project was arrived at only in August 2018, i.e., three months after targeted completion date. A proposal for acquisition of the said land was moved during August-September 2018. However, the EE requested (September 2019) EIC, RW for provision of ₹ 1.41 crore towards land acquisition cost. Accordingly, the cost estimate of the work was also revised to ₹ 14.64 crore (September

2020). However, the required private land had not been acquired as of November 2021. At the time of Joint Physical Inspection (JPI), Audit noticed that only five of the ten spans of the superstructure of the bridge were completed and the work was lying incomplete with an expenditure of ₹ 7.53 crore (December 2021). Meanwhile, the RD Department rescinded (April 2021) the work with the contractor on the grounds of slow progress.

Thus, required land for the bridge project could not be made available despite

lapse of

six years of award of the work. Lapses during survey and investigation in correctly projecting land requirement led to non-completion of the project besides, depriving intended beneficiaries of all-weather road connectivity. Further, expenditure amounting to ₹ 7.53 crore incurred on the project remained idle.



Incomplete bridge over river Lanth on Badipada PMGSY road

(III) Non-assessment of land required for approach road to bridge

Construction of a bridge over Sapua Nallah at 2.4 km on Katakiasahi Balisahi road in the district of Cuttack was awarded (January 2014) at ₹ 8.37 crore with January 2016 as the stipulated date of completion. The scope of work included construction of bridge and an approach road of 3,200 meters. It was noted that no requirement of private land for construction of approach road was projected at the time of survey.

Audit found (17 December 2020) that while the bridge was completed in September 2016 at an expenditure of ₹ 4.94 crore, the same failed to become functional as the construction of the approach road to the bridge could not commence due to non-availability of land .



Non-construction of approach road to bridge over Sapua Nallah

Audit noted that requirement of private land (1.86 acres) was finalised, two years after the award of work in January 2016. The proposals for land acquisition were submitted in different phases by the EE to the Land

Acquisition Officer, Cuttack during January 2016-September 2017, i.e., after the stipulated date of completion (January 2016). Though the District Compensation Advisory Committee approved (November 2021) purchase of land directly from the land owners, purchase had not been done as of December 2021.

The above indicated the fact that there were lapses in survey and investigation in terms of clearly assessing requirements of land for the bridge projects which led to targeted locals being deprived of benefits of a well-connected road network, despite outflow of ₹ 4.94 crore from the State exchequer.

(IV) Idle expenditure of ₹ 14.44 crore due to non-acquisition of private land

Construction of a bridge over river Tel at 8 km on Badacherigaon-Themera-Manning Road was awarded (April 2016) at ₹15.94 crore with October 2018 as the targeted date of completion. The scope of work included, *inter alia*, an approach road of 2,300 m. Although the requirement of private land was assessed during the survey and ₹ 15 lakh was provided in the sanctioned estimate towards cost of land acquisition, no acquisition had been made to make the bridge fully functional. As of March 2021, an expenditure of ₹ 14.44 crore was incurred on completion of the bridge proper and left side approach road of 810 m. However, 1.47 acre of private land needed for the construction of the right side approach road was not acquired even after a lapse of more than three years from the stipulated date of completion.

Audit conducted (1 November 2021) JPI and noticed that the right side approach road had not been started as could be seen in the picture.

As such, all-weather connectivity could not be established even after lapse of more than three years of stipulated date of completion of bridge. Thus, expenditure of



₹14.44 crore incurred on the bridge project has remained unfruitful.

(V) Deficient survey led to unfruitful expenditure of ₹1.28 crore

The work 'Construction of the bridge over Jahala Nallah near Bhanraj village on Chahapada Kanpur road' was taken up in 2015-16 with a contract value of ₹ 2.10 crore. The due date of completion was December 2016. The project details provided for the construction of the bridge of 32.94 m length and approach road on both sides admeasuring 1,200 m.

It was noted (March 2020) that while the bridge was completed with an expenditure of ₹1.28 crore, the approach roads on both sides remained incomplete due to non-acquisition of required private land. The requirement of

private land for approach roads was not assessed at the time of survey (June 2015). Audit noted that revised estimate was prepared (October 2019) and length of approach road was reduced to 400 m due to non-availability of land.

Audit conducted JPI (18 December 2020) of the bridge project and noticed that there was no scope to complete the right side approach road for connecting Mallipur-Jahala RD road unless the existing *kutchha* houses of 'Das Sahi of Jahala village' coming across the alignment of the right side approach were acquired.



As such, the expenditure of ₹1.28 crore already incurred on the project was rendered unfruitful due to non-establishment of connectivity between the targeted villages after more than four years from the stipulated completion date.

(VI) Non-completion of works due to non-acquisition of private land, rendering expenditure of ₹ 0.70 crore unfruitful

The construction of bridge over local Nallah at 2nd km on Masanibandha to Bhamarmal Chhaka road was awarded (March 2019) at ₹ 2.23 crore with March 2020 as the targeted date of completion. The sanctioned estimate provided for construction of bridge (53.85 m), and approach road of 1,000 m on both sides. As per the sanctioned estimate, only government land was required for the bridge project. Subsequently, the RW Division, Kesinga corresponded (30 September 2020) with Tahasildar, Kesinga and raised a requirement of private land for 0.83 acres⁸ for construction of piers, abutment and approach roads. Although the private land needed for the bridge was demarcated (October 2020) by revenue authorities, the same had not been acquisitioned (November 2021) as the land was under



⁸ 0.14 acres for left approach and 0.69 acres for right side pier, abutment and approach road

ST category. Audit noticed that the work was lying incomplete after an expenditure of ₹ 0.70 crore (31.55 *per cent* of project cost) even after lapse of 20 months from the stipulated completion date.

During JPI (24 September 2021) Audit noticed that the bridge work was lying incomplete with construction of only three (out of the five) spans, left abutment and three piers. Construction of approach roads to both the right and left abutment could not be started due to non-acquisition of required private land. Audit further noticed that there was no work force at the site since the execution of bridge work had been suspended since February 2021.

Thus, due to non-acquisition of land for approach road, the bridge project could not be completed and expenditure of ₹ 0.70 crore on this project was rendered unfruitful. Besides, the intended beneficiaries continued to remain deprived of road connectivity even after 20 months of due date of completion.

Audit observed that in some cases correspondence was made to Revenue Authorities for demarcation of required land for bridge projects, whereas in others the process was under negotiation with the private land owners. However, the updated status in this regard was not furnished to Audit. Due to delay in land acquisition, part of the bridges already constructed may degrade with passage of time.

2.5.2 *Changes in design and scope of work due to deficiencies in site survey, investigation and pre-approvals*

Paragraph 3.2.3 of OPWD code stipulated that Administrative Approval for a work should be accorded only after preparation of a DPR taking into account requirement of land acquisition, general alignment drawings, *etc.* Further, BSY guidelines (October 2011 and May 2017) also specified that DPRs were to be prepared for bridge projects after conducting necessary survey, investigation and designs.

Audit noticed in 211 BSY bridge projects taken up during 2017-21 in 14 Divisions that no specific DPRs had been prepared by RW divisions. Instead of a DPR, the estimates for the bridge works were prepared on the basis of surveys and preliminary investigations undertaken by RW divisions. Further, there were a number of cases where there were lacunae in the initial surveys and investigation, indicating improper planning by the department. This led to preparation of incorrect estimates, frequent changes in design and scope of work, ultimately contributing to overall time and cost overruns.

Absence of DPRs and deficiencies in surveys impacted timely completion of bridge projects under BSY. This is evident from the fact that out of the test checked 211 bridge projects taken up during 2017-21, completion of 96 bridges was delayed by 3 to 73 months and 104 bridges remained incomplete even after lapse of 2 to 85 months due to incorrect/ incomplete assessment of land requirement, pending statutory clearances from the Forest Department and Inland Waterways Authority of India (IWAI), shifting of utilities, subsequent changes in design/ scope of work, *etc.*, all of which had not been previously clearly identified and documented *via* detailed surveys and DPRs.

Out of 104 incomplete bridges, there was escalation of cost by ₹ 24.47 crore in respect of 12 bridges, as summarised in **Table 2.4**.

Table 2.4: showing division-wise escalation in cost of bridge projects

Name of the Division	No. of works	Revised estimated cost (₹ in lakh)	Agreement cost (₹ in lakh)	Scheduled period of completion	Status as of December 2021	Expenditure as of December 2021 (₹ in lakh)	Additional cost involved (₹ in lakh)
Balasore-1	3	1872.98	1026.91	March 2014 to November 2020	Ongoing	1249.66	846.07
Cuttack-II	1	695.86	678.43	December 2018	Ongoing	663.41	17.43
Dharmgarh	2	3009.38	2482.54	January 2017 and October 2018	Ongoing	2338.83	526.84
Jaleswar	3	2039.85	1173.77	March 2017 to August 2020	Ongoing	621.92	866.08
Karanja	2	1307.49	1134.42	April 2020 and May 2020	Ongoing	608	173.07
Kesinga	1	496.17	478.63	October 2017	Ongoing	235.16	17.54
Total	12	9421.73	6974.70			5716.98	2447.03

(Source: Compiled from the concerned bridge project files)

(i) Delay in execution due to changes in design necessitated due to deficiencies in initial survey and absence of DPR

Paragraph 4 of the BSY guidelines required that the DPR would be framed by the respective field functionaries and to take up the works after making necessary survey, investigation and designs.

Audit noticed in case of 25 bridge projects out of 211 examined that works had remained incomplete after incurring expenditure of ₹ 56.62 crore, due to subsequent changes in design necessitated due to deficiencies in initial survey and absence of DPR (**Appendix 2.3**).

Case Study 1

Deficient survey led to idle expenditure and extra cost

The work of construction of a bridge over river Jalaka on Badadhanadi-Koilisahi road in Balasore district was awarded (December 2016) at a cost of ₹3.50 crore with stipulation to complete the project by June 2018. Even after 33 months from the targeted completion date, Audit noted that the work was lying incomplete (March 2021) after an expenditure of ₹1.96 crore, due to frequent modifications in the scope of work.

Audit observed that between June 2013 and May 2020, the general alignment drawing (GAD) of the project was frequently revised for modification of (i) length of the bridge from 65.25 to 79.762 m (ii) type of foundation (Raft to Well to Pile) (iii) no. of spans (6 nos. to 2 nos. to 3 nos.) (iv) sizes of spans (10.77m/ 30.63m/19.35m/24.13m), etc. With these frequent changes in the scope of work, the estimated cost of the project also escalated from ₹2.32 crore (November 2013) to ₹7.12 crore as of February 2021.

Besides the above, during JPI (29 January 2021), Audit also noticed that private land on both sides of the bridge was required for the construction of

abutment and approach road as well. However, the same had not been acquired although the proposal for acquisition had been submitted by the EE to the Tahasildar, Basta in February 2018.

Thus, due to repeated modification of GAD as well as non-acquisition of private land, the work could not be completed even after lapse of 33 months from the stipulated completion date as of March 2021. As a result, ₹1.96 crore spent on the work remained idle and intended benefits of the project could not be achieved. Further, there was cost overrun of ₹ 3.47 crore due to revision of estimates on the basis of modified GAD.



2.5.3 Designing bridge projects overlooking norms of IWAI

Inland Waterways Authority of India (IWAI), GoI is empowered with regulation and development of inland waterways for shipping and navigation as per Section 14 (1) (g) of the Inland Waterways Authority of India Act, 1985.

IWAI declared (April 2009) Coast Canal and Subarnarekha river system as National Waterways (NW) and stated that the construction of all bridges/ other structures across the NWs could commence only after obtaining its concurrence on horizontal and vertical clearance of the bridges/ other structures.

Audit noticed that specifications for bridges across NWs as specified by IWAI had not been adhered to in case of two bridge projects, as follows:

- Construction of a bridge⁹ on Coast Canal was awarded in April 2016, at a cost of ₹ 3.80 crore with March 2017 as the stipulated completion date. However, after incurring an expenditure of ₹ 0.29 crore, work was stopped (May 2018) on the instructions of EIC, RW due to absence of concurrence of IWAI. It was noted that concurrence of IWAI had not been obtained at the time of initial sanction of the project and the same was belatedly applied for in January 2019. Approval was obtained from IWAI in August 2019. Based on the approval obtained from IWAI (August 2019), a revised cost estimate of the project was prepared for ₹ 11.50 crore (May 2020). Thus, due to delay in obtaining concurrence of IWAI, construction of the bridge could not be completed till December 2021 even after lapse of four years from the schedule date of completion i.e., March 2017.
- The work for construction of a bridge¹⁰ across the Subarnarekha river was awarded in March 2019 at a cost of ₹ 23.61 crore with July 2021

⁹ Bridge over Coast Canal Nallah at 2.0 km on Kullhachhada-Badtalpada road, RW Division, Jaleswar

¹⁰ Bridge over river Subarnarekha at 1st km on Churmara-Chaughari road, RW Division, Jaleswar

as the targeted date of completion. Post signing of the agreement and after confirmation of the fact that the bridge was going to be across NW-96, the EIC, RW sought (15 March 2019) clearance from the IWAI for the construction work. No amount was spent as the RD Department instructed the RW Division (28 March 2019) not to start the work since clearance from IWAI had not been obtained. Pending receipt of clearance from IWAI, the Department closed (10 December, 2019) the contract and subsequently the bridge project was handed over (September 2021) to the Works Department for execution.

As a result of non-compliance with the IWAI norms at the outset, the commencement of the bridge was delayed by 27 months as of March 2021 and the targeted rural population was deprived of all-weather connectivity guaranteed under the scheme.

The concerned EEs stated that the inclusion of Coast Canal and the stretch of River Subarnarekha under National Waterways recognised by IWAI was not known to them. The responses were not tenable, since EIC RW had clearly instructed (February 2014) all RW Divisions to adhere to the IWAI norms at the time of preparing proposals for construction of bridges across National Waterways.

2.6 Preparation of estimates

In order to achieve economy in construction of civil works, Paragraph 3.4.10 (i) of the OPWD Code provides that estimates should be prepared in the most economical way. Audit examined, on test check basis, estimates prepared for bridge projects and observations thereon are presented in the succeeding paragraphs.

2.6.1 *Extra expenditure due to provision of manual excavation instead of mechanical excavation*

The Analysis of Rates (AoR), 2006 prepared by the Works Department of GoO provides for excavation, loading and transportation through mechanical means to achieve economy.

Manual excavation is not desirable since it is a costlier alternative besides being time consuming. Audit noticed in 82 out of 211 bridge projects that estimates included provision for manual excavation instead of mechanical excavation. As a result, the estimated cost across these 82 bridge projects increased by ₹ 4.82 crore. Audit further noticed that there was no documentary evidence in the form of muster rolls, etc., maintained by the Divisions, to support that excavation had indeed been done manually. Thus, Audit was unable to derive assurance that manual excavation was actually carried out in these projects, since there was a material risk that work was carried out through mechanical means but the payments had been made on the basis of higher rates applicable for manual excavation.

2.6.2 *Provision of excess carriage on stone products and steel, resulting in inflated project cost*

Para 3.4.16(a)(vii) of the OPWD code stipulates that the approved quarry lead is to be provided judiciously for the purpose of the cost estimate. Besides, para

3.4.10 of the code stipulated preparation of estimates providing the most economical way for executing the work.

Audit noticed that in case of 19 bridge projects, provision for sourcing 0.51 lakh cubic metre of stone was made from distant quarries instead of nearby ones despite the fact that lead had been provided in previously completed and ongoing works from nearby quarries. Thus, making provision for sourcing stone products from more distant quarries instead of closer ones, led to overall inflation of cost of these projects by ₹ 1.87 crore.

Similarly, in case of 29 bridge projects, the estimates of works provided for sourcing of steel from places farther from the work sites (*viz.*, Bhubaneswar/Rourkela) instead of nearby location though the same brand/ standard of steel materials were available nearby. This inflated the project cost by ₹1.84 crore towards carriage of 77,096.67 quintal steel, across these 29 projects.

Audit noted that the Divisions did not maintain any documentary evidence in support of the claim that the stone products had indeed been sourced from the distant quarries and not the nearby ones. Likewise, in case of steel also, there was no documentary evidence to support sourcing of steel from more distant locations.

In case of both stone and steel, the concerned EEs stated that adequate quantity of material was not available at the nearby quarries/ locations and therefore, lead had been provided from quarries or locations where adequate quantity of material was available.

The responses were not tenable as there was no documentary evidence in support of the statement that there was inadequate quantity of material available at the nearby quarries/locations.

2.6.3 Non-inclusion of provision for use of earth excavated from the project sites

In terms of Section - 301.3.4 of specification for rural roads by Ministry of Rural Development (MoRD), GoI, the materials for embankments shall be obtained from approved sources with preference given to materials becoming available from nearby roadway excavation or any other excavation under the same contract.

Audit noted that in case of 40 sample bridge projects, the work components, *inter alia*, involved excavation of earth for laying foundations. The work components also included sourcing earth from borrow areas located within five kilometres from the work sites for formation of road embankments in the same work. The cost estimates of the projects, however, did not provide for utilisation of the excavated earth in the projects. Thus, the cost estimates were not economical. In 40 sampled works, 1.71 lakh cum earth had been excavated. At the same time, 3.50 lakh cum earth was used for construction of road embankments, which was sourced from a distance of five kilometres.

Had the excavated earth of 1.71 lakh cum been utilised in the same works, additional expenditure of ₹ 2.15 crore towards sourcing earth from the other places, could have been saved.

In response, the EEs stated that the excavated cutting earth could not be utilised for road embankment as there was no provision for the same in the sanctioned estimates.

The reply indicates the fact that the cost estimates of the 40 bridge projects were not prepared to achieve economy.

2.7 Tendering and selection of bidder

2.7.1 Delay in finalisation of tender

As per para 3.5.18 (iv) of the OPWD code, the currency period of any tender should not be more than three months from the last date prescribed for receipt of the tenders. Further, Paragraph 3.5.18 (vii) envisaged that the order to commence work should be given within 15 days from the date of acceptance of tender in the Divisional Office, provided the contract agreement, complete in all respect, has been duly executed.

Audit noted in case of 30 bridge works with awarded cost of ₹ 275.46 crore that award of contracts was delayed as the tenders could not be finalised within the currency period of 90 days. The delay in finalisation of tender ranged from 25 to 275 days beyond the prescribed period.

Similarly, in case of 47 works with awarded cost of ₹ 294.92 crore, the agreements were executed with delays ranging from 10 to 142 days beyond the prescribed period of 15 days from the acceptance of tender. The concerned EEs stated that the delays were attributable to prolonged negotiation period, delay in submission of bank guarantee towards initial security deposit and additional performance security, outbreak of rainy season, imposition of modal code of conduct, etc.

Delayed finalisation of tenders and delays in execution of agreements led to deferment in commencement of construction work and overall delay in completion of these bridge projects.

2.7.2 Award of work without inviting tender

Rule 6 of Appendix VII of OPWD Code provided different financial powers to PWD officers to award works without calling for tenders. An Executive Engineer was authorised to award work costing up to ₹ 10,000 without calling tender.

A number of techno-feasibility surveys are undertaken either by RW Divisions themselves or *via* an outsourced agency, before sanction of bridge works. Audit noticed that EEs awarded 62 survey works¹¹ worth ₹ 0.32 crore for 10 bridge projects without calling for tenders. As the estimated cost of individual survey work awarded by the EEs on this basis varied from ₹ 0.17 lakh to ₹ 3.80 lakh, this was in contradiction of the prescribed financial limit of ₹ 10,000. Besides contravention of rules, the objective of ensuring competitive bidding also could not be achieved as works were awarded without invitation of tenders.

The concerned EEs stated that survey works had been taken up without tenders due to urgency in order to submit DPRs within the stipulated time.

¹¹ Hydrology survey, Geo-technical survey and Sub-soil investigation

The responses were not tenable, since the OPWD Code provisions had not been complied with and no DPRs had been prepared for the bridge projects.

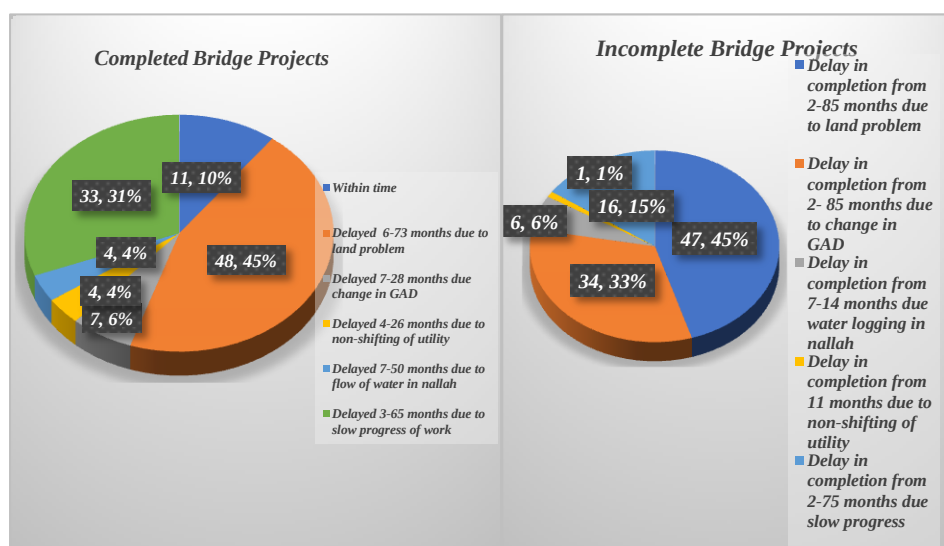
2.8 Timeliness in completion of bridge projects

2.8.1 Delays in execution of BSY projects

Out of 793 bridges taken up for execution under BSY scheme during 2017-21, only 473 were completed. Of the remaining 320 incomplete bridges, one was under tender process¹² and the remaining ones had been transferred¹³ to Works Department as of March 2021. In the test checked 14 divisions, Audit examined 211 bridges which had been taken up for construction having schedule completion period between July 2012 and March 2021. Of these, construction of only 107 bridges (51 per cent) was completed and 104 (49 per cent) bridges remained incomplete as of March 2021.

The 107 completed bridges, with awarded value of ₹ 404.66 crore, were completed after incurring expenditure of ₹ 410.15 crore. Of these, only 11 bridges were completed on time. The delays in case of the remaining 96 bridges ranged from three to 73 months from the stipulated completion date. The incomplete 104 bridges with award value of ₹ 675.70 crore were still under construction on which an expenditure of ₹ 304.64 crore had been incurred as of March 2021. The delays in construction of these 104 bridges ranged from two to 85 months from the stipulated completion date.

The delays in execution were mainly attributable to formulation of incorrect/incomplete assessment of requirement of land, pendency in statutory clearances (from Forest Department, IWAI, etc.), modification of drawings/design due to deficiencies in initial survey, absence of DPR, not anticipating requirements related to shifting of utilities, etc.



The concerned EEs stated that efforts were being made to complete all the incomplete bridges on priority basis.

¹² Penjwara Nallah on Nalabhar – Sartha Muhan Road, RW Division-I, Balasore was under tender process

¹³ Bridge over river Subarnarekha at 1st Km on Churmara-Chaughari road, RW Division, Jaleswar transferred to Works Department

2.8.2 Delay in execution due to water logging

Paragraph 3.2.3 of OPWD code stipulated that Administrative Approval for a work should be obtained after preparation of DPR, taking into account requirement of land acquisition, detailed alignment drawings, statutory clearances, coordination with line Departments, etc.

Audit noticed that in case of six out of 211 test checked bridge projects, works had remained incomplete after incurring expenditure of ₹ 5.21 crore, due to water logging in the irrigation canals over which the bridges were being constructed (**Appendix 2.4**). The works were lying incomplete even after lapse of 16 to 62 months since stipulated dates of completion (October 2016 to September 2020). The water logging in the canals was mainly due to absence of coordination with the local authorities of the Department of Water Resources, GoO regarding stoppage of either water flow in canal during off season or maintenance to facilitate execution of bridge works.

The concerned EEs stated that the flow of water released in canals could not be stopped during crop season.

The responses were not tenable, as the concerned EEs had not carried out any correspondence with the local Irrigation Divisions seeking co-ordination to sort out the water logging issue to facilitate timely completion of works.

Case Study 2

Infructuous expenditure of ₹ 7.58 crore on demolition of a newly constructed bridge

A bridge over river Suktel on Tamia Mudalsar road in the district of Bolangir was taken up during February 2014 and completed (September 2015) at an expenditure of ₹ 7.58 crore. The EE informed (February 2020) the EIC regarding cracks developed in the Span-4 girder of the bridge. Further, one of the bridge experts, while confirming (March 2020) shear cracks and structural distress in Span-4, attributed this to execution of very poor and porous concrete in the deck. The Expert also recommended complete demolition of the badly distressed super-structure in Span-4 and reconstruction of the same. Besides, EIC also attributed the cracks and deflection to the substandard execution in super-structure of Span-4. The bridge collapsed (April 2020) while dismantling work was going on causing two casualties.

During JPI of the bridge audit evidenced the collapsed superstructure Span-4 and consequential failure to provide connectivity to the targeted rural habitations.

Further, it was noted that the survey done in April 2013 for the



project at the initial stage, was deficient, since soil investigation was carried out only in four bore holes, against the requirement of seven bore holes as per the provisions in IRC¹⁴. Moreover, as the bridge was put to use for four to five years, no remedial measures for the cracks were taken by the Division/Department. As such, the expenditure of ₹7.58 crore incurred for the construction of the bridge was rendered unfruitful. A fresh tender was invited for reconstruction of Span-4 in July-August 2021; the finalisation of tender was under process (October 2021) at Chief Construction Engineer, RW Circle, Bolangir.

2.9 Contract Management

2.9.1 Excess provision and payment towards GST

Examination of sanctioned estimates of three completed bridge projects¹⁵, completed with expenditure of ₹ 17.74 crore, Audit noticed that GST at a rate of 5 to 24 *per cent* had already been included in the item wise Analysis of Rate (AoR), 2006 against nine items. Despite inclusion of GST, a further 12 *per cent* GST was added to the total cost of work. As a result, there was excess provision and payment of GST on these items, resulting in undue benefit of ₹ 0.38 crore to the contractor.

In reply, the EE stated that the excess amount would be recovered.

2.9.2 Excess payment due to non-recovery of hard rock

As per AoR, 2006, useful stones obtained from the item of work ‘excavation in foundation in hard rock’ are to be utilised in the said work in the respective stone related items.

In case of 14 bridge projects, Audit noticed that the cost of excavated hard rock of 8,840.12 cum. worth ₹ 0.20 crore had not been recovered from the contractors (**Appendix 2.5**).

In reply, the EEs stated (September-November 2021) that the excess amount would be recovered.

2.9.3 Excess payment due to adoption of higher item rate in agreement, compared to sanctioned estimates

Paragraph 2.2.26 of OPWD Code Vol-I stipulates that any variation in sanctioned estimates should be promptly set right and brought to the notice of higher authorities to get the defect remedied before execution of work.

A bridge work¹⁶ awarded in November 2018 at a contract value of ₹ 17.30 crore was lying incomplete since eight months from the stipulated completion date (March 2021) after incurring expenditure of ₹ 8.41 crore due to revision of GAD during execution of the work. Audit noticed that excess rates against 33 items were incorporated in the Bill of Quantity (BoQ) of the agreement as

¹⁴ Clause 6.1.2 of IRC SP 54-2000 Manual for bridges

¹⁵ Construction of HL bridge over Ghensali Nallah at 1st Km on Buromunda to Haldipadar road, Construction of HL bridge over Sonegarh river at 1st Km on Jarasingha to PWD Chhaka and Construction of Bridge over Kharkhadinallah at 1st Km on Sargipali to Tambipadar road in the district of Bolangir

¹⁶ HL bridge over river Under on MDR-40 to Limpara, RW Division, Titilagarh

compared to the rate approved in the sanctioned estimate. This inflated the cost of the work by ₹ 0.86 crore. Of this, a sum of ₹ 0.45 crore had already been paid to the contractors as of November 2021.

In reply, the EE stated that BoQ rate had been taken as per the revised sanctioned estimates which was not traceable in the Division.

The response was not tenable, since the rate adopted was higher than the one indicated in the sanctioned estimates available on record.

2.9.4 Non-recovery of penalty of ₹ 7.06 crore

As per clause 2b(i) of agreement, 20 *per cent* of the value of left-over work will be realised from the contractors as penalty in case of rescission of contract.

In case of eight bridge projects with awarded cost of ₹ 55.12 crore, rescission proposals were approved/recommended under due to slow progress of work. Work valued at ₹ 28.13 crore was completed, leaving balance work worth ₹ 26.59 crore, which should have resulted in levy of 20 *per cent* penalty amounting to ₹ 5.32 crore (**Appendix 2.6**). However, this amount had not been demanded or recovered from the contractors.

The EEs stated that the contracts had been closed under clause 2(b)(i) of the agreement as per instruction of EIC RW. However, the responses made no mention of the recovery of penalty. The RD Department should fix responsibility on officials for non-imposition of penalty on erring contractors and should also take steps to recover the penalty amount.

2.10 Inspection and Quality Monitoring

2.10.1 Absence of quality monitoring by SQM

Paragraph 7 of BSY Guidelines prescribes a two-tier quality assurance mechanism to be followed for bridge projects. The field officers of RW division form the first-tier while independent State Quality Monitors (SQMs) form the second-tier. As per BSY guidelines of 2011, the SQMs were made up of retired engineers of repute and not below the rank of Superintending Engineers. Further, EIC instructed (December 2019), SE of one RW circle to function as SQM of another circle for quality checking of works executed under different schemes with frequency of five days in a month and submit their reports to the State Quality Coordinator (SQC).

Audit noted that only four bridge works¹⁷ were inspected by the Departmental SEs. As such, SQM did not inspect 105 (96.33 *per cent*) bridge works due to which the two-tier mechanism, envisaged in the guidelines to ensure quality of bridge works, failed to work.

¹⁷ H.L.Bridge over Guasulnallah (RW Divn, Jaleswar); 16.01.2020, H.L.Bridge over river Sono (RW Division, Baleswar-I); 14.01.2020 , H.L.Bridge over Kansabansa Br. (RW Division, Balasore-II); 23.02.2021 & Bridge over Reba nallah (RW Division, Balasore-II); 23.02.2021

2.10.2 Inadequate Inspection by the Third-Party Quality Monitoring (TPQM)

RD Department instructed (November 2015) that Third Party Quality Monitors (TPQM) would inspect all the bridge projects valued at ₹ 2 crore and above. As per this criterion, there were 166 BSY bridges that were eligible for inspection by TPQM. However, only 33 bridges (20 per cent) were inspected by TPQM during 2017-21. Of these, 17 were noted as 'Satisfactory', 12 were 'Satisfactory Requiring Improvement' and four were 'Unsatisfactory'. As such, TPQM did not inspect 80 per cent of bridge works despite standing instructions.

2.10.3 Non-Destructive Test (NDT) of bridge projects

As per Indian Standard (IS 456: 2000), non-destructive tests adopting methods like Ultrasonic Pulse Velocity (UPV)¹⁸ and Rebound Hammer¹⁹ (RH) tests are conducted to obtain estimation of the properties of concrete in the structure. Non-destructive tests also provide for estimating the strength and quality of concrete. As agreed upon in the Entry Conference (17 February 2021) NDT was taken up to assess the quality of concrete in bridge works.

UPV test was jointly conducted at 61 locations of five bridges by the Audit team and the RW Divisions. Out of 61 locations, in 38 locations (62 per cent) the results were Excellent/ Good and in 23 locations (38 per cent) the results of the test were Poor/ Doubtful.

RH test was also conducted by Audit with support from the divisions at 248 locations of 12 bridges. Out of 248 locations, the compressive strength was found to be of required strength in 187 locations (75 per cent) and in case of 61 locations (25 per cent), the compressive strength was found to be lower than required.

As an instance, in all 10 locations of the bridge over Dantia Nallah at 1st Km on Rinbachan to Budhisindol road, RW Division Bolangir, the results of UPV test were Poor/ Doubtful. Similarly, in 4 out of 10 locations of the same bridge, the compressive strength was found to be lower than required after the RH test.

2.10.4 Non-conduct of check measurement

As per OPWD Code Volume-II (Appendix-II-D), the Divisional Officer (EE) must check/measure 10 per cent of the measurements of important and costly items (judged by their money value) in respect of works costing more than ₹ 2 lakh. The Sub-Divisional Officer should check not less than 50 per cent of measurements of items made by Junior Engineer/ Sub-Assistant Engineer, in respect of works costing ₹ 2 lakhs. This check should cover both running payments and final bills.

Audit noticed that in case of 21 bridge projects, check measurement of important/ costly items worth ₹1.80 crore against execution amounting to ₹ 18 crore was not done by the EEs. Similarly, in one Division, the Sub-Divisional

¹⁸ Ultrasonic Pulse Velocity Test is conducted to assess homogeneity/quality of concrete in addition to trace presence of cracks, voids and other imperfections in the concrete

¹⁹ Rebound hammer test is conducted to assess the compressive strength/ uniformity of concrete in addition to quality relating standard of requirements

Officer had not checked 50 *per cent* running as well as final bills of ₹ 0.82 crore paid against two works. Due to absence of check measurement, Audit was unable to derive assurance on the adequacy of the authentication of execution and related payments.

2.10.5 Non-inspection of completed bridge projects

EIC instructed (July 2020) all EEs to conduct routine inspection of all completed bridges twice a year *i.e.*, before and after monsoon to avoid high maintenance and repair cost in future. The directions also asked for principal inspection to be conducted as per IRC guidelines, before expiry of defect liability period but not later than six months after completion of the bridge opening to traffic. During 2017-21, 107 bridges with expenditure of ₹ 436.53 crore were completed. Audit observed that no such inspections were conducted against any of the 107 completed bridges. During JPI of a few completed bridges, Audit noticed physical deficiencies as can be visualised from the below photographs.



In the absence of inspection of the completed bridges, Audit was unable to derive assurance that safety and maintenance aspects of the bridge projects had been adequately monitored by the Divisions and the Department.

In reply, the EEs stated that schedule for inspection of bridge could not be prepared but assured to take up the same.

2.11 Conclusion and Recommendations

2.11.1 Conclusion

There are significant deficiencies in planning for bridge projects under BSY, due to absence of an overall survey to identify bridge projects required for closing missing links in the State. Projects were randomly selected and there was absence of criteria for prioritisation of projects especially for flood prone and backward areas.

There was non-compliance with scheme guidelines related to aspects such as selection of project site, minimum length and width of bridges to be constructed under BSY. In case of all the 793 bridge projects taken up during the period 2017-21, only surveys had been undertaken and no DPRs as such had been prepared. Due to absence of DPRs, potential risks to execution such as, incorrect/ incomplete assessment of land acquisition requirement, subsequent changes to design due to deficient initial surveys, list of statutory clearances necessary to be obtained, coordination with other line Departments,

etc., could not effectively be mitigated. As a result, there were numerous cases of delays in project execution.

Out of 793 bridges taken up for execution during 2017-21, only 473 were completed while 318 bridges remained incomplete. In the test checked 14 divisions, of 211 bridges that had been taken up for construction, only 107 bridges were completed and 104 remained incomplete. Out of 107 completed bridge projects, only 11 bridge projects were completed within the stipulated time and rest 96 projects were completed with delay ranging from three to 73 months. In respect of 104 incomplete bridge projects, the stipulated date had already expired by two to 85 months as of November 2021. Delay in completion of projects was attributed to non-acquisition land/ encumbrance free sites on time, changes in design during execution, non-shifting utilities, water logging in nallahs and slow progress of work.

There were excessive provisions in the estimates on account of adopting manual excavation rates instead of mechanical excavation rates and provision of excess lead for materials. These carried the risk of avoidable inflation of project cost and excess payments to contractors.

Joint Physical Inspection of the incomplete bridges indicated that expenditure incurred so far had been rendered unfruitful due to unconnected piers, incomplete works and lack of approach roads.

Inspection and monitoring was not adequate as evident from the fact that State Quality Monitor, which forms the second-tier quality monitoring mechanism, did not inspect 96.33 *per cent* completed bridge works. Third Party Quality Monitors inspected only 33 completed bridge projects (20 *per cent*) against 166 bridge projects due for inspection. Further, inspection of bridges before expiry of defect liability period but not later than six months after completion had not been conducted.

2.11.2 Recommendations

Government may consider to:

- prepare a list of projects in accordance with the provisions of the BSY guidelines and with an aim to bridge missing links in the State.
- follow provisions in the OPWD Code scrupulously which requires sorting out land, forest and other issues before granting administrative approval for timely completion of bridge projects.
- start construction works only after Detailed Project Reports are prepared based on actual site condition and complete and proper survey.
- strengthen inspection and monitoring to ensure desired quality is maintained in the bridge projects.

Chapter 3

Functioning of Working Women's Hostels in the State

Women & Child Development Department

Chapter 3: Functioning of Working Women's Hostels in the State

3.1 Introduction

With progressive changes in the socio-economic fabric of the country and enhancement in the ratio of education of the girl child, there has been an increase in the percentage of women seeking employment. This has led to increased mobility of women from rural work force to urban areas and *vice versa*, thus, creating an enhanced need for safe, secure, conveniently located and affordable institutional accommodation for women living away from home. As per the reports of the National Sample Survey on Periodic Labour Force, 2017-18, regular women wage workers in rural Odisha increased from 3.3 *per cent* in 2011-12 to 9.5 *per cent* in 2017-18. In urban areas, the same increased from 27.1 *per cent* in 2011-12 to 46.5 *per cent* in 2017-18.

Government of India (GoI) introduced, the “Scheme for Working Women Hostel” and issued guidelines thereunder in 1972-73 to promote availability of safe and conveniently located accommodation for working women, with day care facility for their children, in urban, semi urban or even rural areas. Under the scheme, GoI provided financial assistance to States for construction of new Working Women's Hostels (WWH) or expansion of existing ones. The revised guidelines for the Scheme were issued by GoI in 2017. As per the Guidelines of 2017, 60 *per cent* of the project cost for construction, are to be borne by GoI, while the State Government and the implementing agencies (*i.e.*, municipality or development authority) will bear 15 and 25 *per cent* of the cost respectively. In addition to this, cost of furniture and furnishings are to be shared by GoI and the State Government in the ratio of 60:40. Further, rent received from the inmates is to be utilised for maintenance of the building, house-keeping, security service, office establishment, expenditure towards water and electricity charges and other support services.

Through Women & Child Development (W&CD) Department, GoO also established WWHs from its own resources from time to time. Audit observed that despite the fact that Government run WWHs were in existence since the 1970s, the W&CD Department issued guidelines for functioning, operation and management of WWHs as late as March 2021.

As of 31 March 2021, there were 36 WWHs in Odisha with a combined bed-strength of 2,622. Of these, only 12 WWHs were operational, as detailed in the **Appendix 3.1**. Status of functioning of WWHs in Odisha is summarised in the **Table 3.1**:

Table 3.1: Status of WWHs in Odisha as of March 2021

Status	No. of WWHs	Bed-strength
Functional	12	859
Non-functional	6	517
Incomplete	7	493
Construction not-started	3	250
Used for other purposes	8	503
Total	36	2,622

(Source: Information furnished by W&CD Department, IDCO/DSWO¹)

As can be seen from the table above, only one third of the 36 WWHs in the State were functional and against a targeted bed strength of 2,622 for accommodation of working women, only 859 (32.76 per cent) were actually available for the intended beneficiaries. The construction of seven WWHs remained incomplete from 1999 to 2021.

Management of WWHs rested with State Government/ its subordinate bodies or NGOs, as decided by the W&CD Department. Management of WWH denotes managing both the accommodation matters as well as upkeep/ repair and maintenance of WWH building/ premises. Thus, both functional and non-functional WWHs require management. Of the 36 WWHs, while 18 WWHs were managed by the State Government or its subordinate bodies², 11 WWHs were managed by NGOs. In respect of remaining seven WWHs³, managing agencies had not been finalised due to these hostels being non-functional, incomplete or being used for other purposes.

As per the scheme for WWH, working women with monthly gross income not exceeding ₹ 35,000 are eligible to stay in WWH. A girl child up to the age of 18 years and a boy up to the age of five years can stay with their working mothers in WWH. No working woman is allowed to stay in a WWH for more than three years.

In order to assess availability and functioning of WWHs and quality of accommodation provided at affordable cost, audit was conducted during July to October 2021 covering the period from 2016-17 to 2020-21. Audit test-checked records at W&CD Department of GoO and at seven sampled districts⁴. Out of 30 districts in the State, sampled districts were drawn on judgmental basis considering existence of functional, non-functional and under-construction WWHs in these areas. Audit also conducted joint physical inspection (JPI) of 34 WWHs⁵. The audit findings have been forwarded (January 2022) to Government; replies are awaited.

Findings based on Audit are discussed in the following paragraphs.

¹ IDCO: Odisha Infrastructure Development Corporation (a State Public Sector Undertaking); DSWO: District Social Welfare Officer

² State Social Welfare Board, Odisha/ Municipal Corporations/ Municipalities

³ Non-functional: 3, Not started: 2, Incomplete: 2

⁴ Cuttack, Dhenkanal, Ganjam, Khurda, Mayurbhanj, Puri and Sundargarh

⁵ GoI funded (26): Functional: 11, Non-functional: 2, Other purpose: 7, Incomplete: 6 and GoO funded (8): Functional: 1, Non-functional: 4, Other purpose: 1 and Incomplete: 2

Audit Findings

3.2 Availability of WWHs

As noted above, there were 12 functional WWHs in the State (January 2022) and GoO further planned construction of eight new WWHs during 2016-21. Audit examined availability of WWHs with reference to the occupancy rate in the functional hostels as well as the status of the newly planned eight WWHs and found the following:

3.2.1 Construction of new WWHs by GoO

In pursuance of the provisions in the Odisha State Policy for Girls and Women, 2014, W&CD Department decided (February 2014 and September 2016) to establish eight new WWHs⁶ which would encourage them to work in the formal sector away from their homes. The areas selected for the hostels were industrialised areas and rapidly urbanising areas where employment opportunities for women were aplenty and safe accommodation for women working away from home was needed. Accordingly, W&CD Department released (between February 2014 and November 2020) ₹ 44.19 crore to the Mahila Vikash Samabaya Nigam (MVSN), a GoO undertaking, to get the works executed. MVSN, in turn, released (between May 2014 and September 2020) ₹ 30.82 crore to the executing agencies⁷. Status of construction of eight WWHs is indicated in the **Table 3.2** below:

Table 3.2: Status of construction of WWHs as of November 2021

Sl. No.	Location of the WWH	Expenditure (₹ in crore)	Schedule date of completion	Status as of November 2021	Period of delay in completion	Remarks
1	Rourkela	3.71	16-02-2019	Completed on 14-11-2019	Seven months	Hostel was not handed over to the district administration and was, being used as COVID centre
2	Jajpur	3.96	30-04-2019	Completed on 30-09-2020	16 months	Not handed over and not made functional
3	Jharsuguda	3.49	09-02-2019	Completed on 06-03-2021	12 months	Handed over to district administration on 03-06-2021. Not yet made functional.
4	Dhenkanal	2.23	03-02-2019	Completed	27 months	Not handed over and not made functional
5	Sambalpur	1.84	11-09-2019	Construction halted midway to land dispute.	--	Completion date extended up to 30-12-2021

⁶ Kalinga Nagar, Ganganagar (Bhubaneswar), Jharsuguda, Sambalpur, Berhampur, Rourkela, Dhenkanal and Rayagada

⁷ Works Department in case of WWH, Ganganagar and IDCO in case of the remaining seven WWHs

Sl. No.	Location of the WWH	Expenditure (₹ in crore)	Schedule date of completion	Status as of November 2021	Period of delay in completion	Remarks
6	Rayagada	0	NA	Under process of tender	--	--
7	Berhampur	0	NA	Land allotted in Aug 2021, construction not started	--	--
8	Ganganagar (Bhubaneswar)	4.65	03-06-2019	Completed on 21-06-2021	24 months	Not functional - not yet handed over to the district administration.
Total		19.88				

(Source: Information furnished by Works Department and IDCO, Bhubaneswar)

In context of the above, Audit noted the following:

- Out of the released amount of ₹ 30.82 crore, the executing agencies had utilised ₹ 19.88 crore (64 per cent) only, as of November 2021. Audit noted that constructions of only five out of eight WWHs were completed with delays ranging from seven to 27 months.
- Of the five completed WWHs, only one WWH (Jharsuguda) was handed over to the district administration but the same was not made functional as of November 2021. The other four completed WWHs (Dhenkanal, Rourkela, Jajpur and Ganganagar) were not handed over to the district administrations concerned even after lapse of five to 24 months from the dates of completion.
- The Sambalpur WWH, where the contract was awarded in January 2019 also had a time-overrun and is yet to be completed. The due date of completion was extended for this project from 11 September 2019 to 30 December 2021. The reason for the non-completion of these projects was land dispute.
- In case of the remaining two WWHs (Rayagada and Berhampur), work had not started (November 2021) despite release of ₹4.57 crore by MVSN to the executing agency (IDCO) in March 2020. As the funds remained with IDCO without any utilisation, there is accumulation of interest of ₹ 31.85 lakh (at the rate of 4 per cent per annum) up to November 2021, which resulted in undue favour to the implementing agency. Further, the Department had not taken any concrete steps to expedite the execution of the works.

The above-mentioned cases of delay and non-functioning of hostels indicated the apathetic approach of the Government towards the WWH scheme, resulting in non-achievement of the intended benefits of the scheme.

3.2.2 Extra burden of ₹3.08 crore for construction of WWHs at Ganganagar

As per Guidelines of Scheme for WWHs of GoI, construction of hostel building should be completed as soon as possible and in any case, not later than 24 months from the date of receipt of 1st instalment of the grant-in-aid sanctioned unless, extension is granted by Ministry of Women and Child Development (MWCD), GoI.

Audit noted that W&CD Department decided (February 2014) to construct a 100-bedded WWH at Jagamara, Bhubaneswar at an estimated cost of ₹ 4.51 crore. However, due to non-allotment of land at Jagamara, the proposed site was shifted after a delay of 32 months to Ganganagar (October 2016). The W&CD Department took possession of the land on 25 October 2016. The EE (R&B) Division-II prepared (November 2017) a revised estimate of ₹6.55 crore with escalation of ₹2.04 crore (₹ 6.55 crore - ₹ 4.51 crore) and submitted the same to the W&CD Department for administrative approval. The Department accorded the administrative approval (December 2017) for ₹ 5.95 crore with scheduled date of completion as 03 June 2019.

Audit noted that the work on the WWH could not be completed in time due to flaws in the construction site. Work had to be stopped when it was noticed that the upper floors of the proposed building would come in proximity with the passing 33 KV electric cables which could not be shifted. This indicated that before preparation of the estimate, building plans and selection of the site, the feasibility of construction of the building on that site had not been properly assessed by the executing agency. Finally, the EE (R&B)-II submitted (July 2020) a revised estimate of ₹7.59 crore for completion of the hostel. Thus, Government spent an additional amount of ₹3.08 crore (₹7.59 crore - ₹4.51 crore) due to improper site survey before taking up the construction. Further, such lapse in survey led to delay in completing the construction by six years.

On JPI of the WWH, it was noticed that the hostel was inaugurated by the Hon'ble Chief Minister on 8 March 2021. However, the hostel had not been made functional and admission of working women had not started till February 2022. It is indicative of the fact that W&CD Department or District Social Welfare Officer (DSWO) was not closely monitoring the functioning of these WWHs. On this being pointed out, the W&CD Department stated (September 2021) that the required information had been sought for from the R&B Division concerned for compliance.

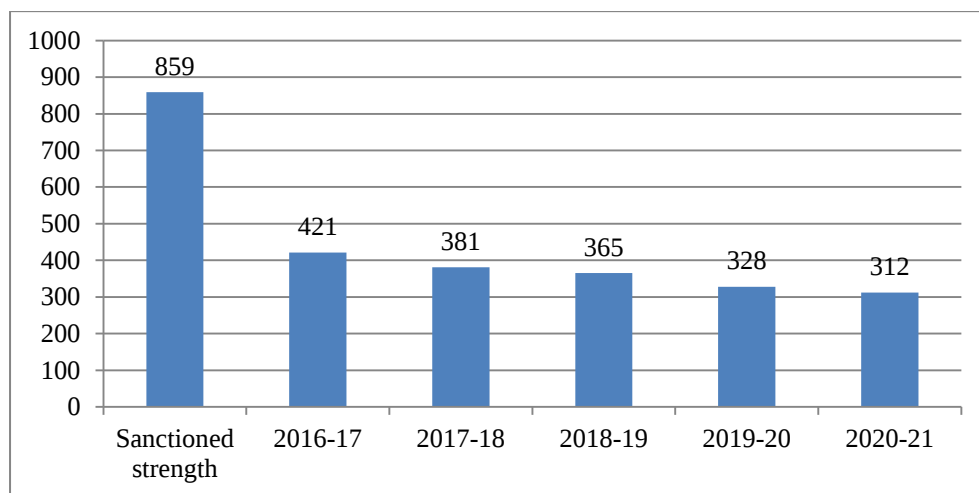
3.2.3 Low occupancy in WWHs

Under the WWH scheme, 12 hostels with total bed strength of 859 were constructed to provide residential facilities to working women in cities, smaller towns and also in rural areas where employment opportunities for women exist. Audit examined the year-wise occupancy rate of these 12 functional WWHs during 2016-17 to 2020-21 and found the following:

In three WWHs, average percentage of occupancy during 2016-21 was more

than 70 *per cent*, while in six⁸ WWHs, the average rate of occupancy remained below 50 *per cent*. Occupancy data in respect of one WWH at Cuttack run by Utkal Mahila Samiti was not furnished to Audit. Average occupancy in the WWHs during 2016-21 was 42.07 *per cent* only. While partly the low occupancy can be attributed to low demand, there were other contributing factors also. Most of the WWHs were constructed long back (between 1974 and 2014) and in absence of regular repair and maintenance of these buildings, there were fewer takers for these hostels. Further, low occupancy in WWHs was also attributable to absence of modern amenities/basic facilities and lack of awareness as no public advertisements or awareness campaigns were undertaken by the State to make public, especially women, aware of the existence of such facilities. In spite of low occupancy, the W&CD department was going ahead with construction of new WWHs. The reasons for low occupancy need to be examined to address the issue. The following Chart shows downward trend in occupancy of WWHs during 2016-17 to 2020-21:

Chart 3.2: Occupancy trend in 12 functional WWHs during 2016-17 to 2020-21



3.2.4 Utilisation of WWHs for other purposes

As per Clause-8 (xv) of the Guidelines of Scheme for WWH of GoI, the grantee organisation/ agency/ individual shall, on its application being sanctioned under this scheme, furnish a bond in the approved form, to the effect that the hostel for which assistance is being provided, shall not be used for any other purpose apart from a WWH, without the written permission of the MWCD, GoI.

Audit observed that in addition to the low occupancy in 63 *per cent* of the functional WWHs (12 out of 19 WWHs) in the test checked districts, eight WWHs across the State were being utilised for other purposes without getting permissions from the MWCD (**Appendix 3.2**). Of these, only one WWH at Gajapati was constructed by GoO, while the other seven were constructed from funds provided by GoI under the scheme as shown in **Table 3.3** below.

⁸ Berhampur (Bhanja Vihar: 4 *per cent*, VIP Colony: 23 *per cent*); Cuttack (Kala Vikas: 30 *per cent*, Orissa Women Voluntary Services: 34 *per cent*); Dhenkanal: 34 *per cent*; Baripada: 46 *per cent*

Table 3.3: WWHs used for other purposes as of March 2021

District/ (Year of construction)	No. of WWHs	Used as	Bed- strength
Khurda (1987-88)	2	1. BMC Ward office at Mancheswar WWH 2. Functioning of 10 Government Offices at Khurda WWH	192
Kalahandi (1987-88)	1	The Central Armed Police Force occupied the hostel with a monthly rent of ₹30,000	60
Keonjhar (1989-90)	1	The land site was leased out to Regulated Market Committee, Keonjhar to build a market complex	66
Gajapati (2013-14)	1	The hostel was constructed by Collector, Gajapati from Backward Region Grant Fund of GoI. Now functioning as ANM Centre	100
Phulbani (1989-90)	1	Being utilised as District Human Resources Development Centre as per orders of Collector and District Magistrate, Kandhamal	48
Puri (1988-89)	1	WWH was handed over to the Principal, SCS College Puri to utilise as a Ladies' hostel on monthly rental basis	80
Sambalpur (1985-86)	1	The hostel building is now used by the District Social Security Officer, Sambalpur for District Disability Rehabilitation Centre	57
Total	8		603

(Source: Information furnished by DSWOs/ JPI)

In case of seven WWHs constructed under the Scheme for WWH, approval of the MWCD, GoI had not been obtained to utilise WWH buildings for other purposes, which was irregular. Besides divergence of hostels for other purposes, it denied benefits to the targeted beneficiaries.

In reply, the DSWO, Keonjhar stated that the asset would be taken up for converting into a functional WWH. DSWOs of Kalahandi, Sambalpur, Phulbani and Puri while confirming the facts did not offer any comments.

Photographs showing the hostels being used for purposes other than for WWH



WWH at Khurda used by District offices of Khurda district



WWH at Mancheswar is used as BMC Office, Ward No.10, Northern Circle



WWH site at Keonjhar was leased to Regulated Market Committee for converting into a vending zone



WWH at Puri was handed over to the Principal SCS College, Puri for utilisation by girl students of the college. Now it was damaged after cyclone 'FANI'

Audit observed that the decision to construct eight new WWHs was not backed by any survey for demand of hostels, as no such documents were found from the records of W&CD Department. It is pertinent to mention that average occupancy in 12 WWHs was only 42.07 *per cent* during 2016-21 (**Paragraph 3.2.3**). Further, due to lack of demand WWHs were being utilised for other purposes as discussed above. Thus, due to non-conduct of survey for demand of WWHs, the construction of new WWHs may result in wasteful expenditure.

3.3 Wasteful Expenditure of ₹ 1.18 crore in construction of WWHs

As per Clause 8 (xvii) of Guidelines of Scheme for WWH of GoI, construction of hostel building should be completed as soon as possible and in any case not later than 24 months from the date of receipt of first instalment of the Grant-in-aid sanctioned unless, extension is granted by GoI. As per Clause 13.1 of the guidelines, the district authorities are responsible for monitoring of the functioning of the hostels constructed under the aforesaid Scheme. Further, the MWCD, GoI had directed (October 2016 and April 2018) the Chief Secretary, GoO to carry out an inspection regarding the status of construction of hostels which were funded under the GoI scheme on recommendation of the State Government. The State Government was also directed to lodge FIRs against defaulting implementing agencies and to recover the Government Grants as arrear of land revenue in cases where the hostels had not been completed.

From the scrutiny of records for construction of WWHs furnished to Audit by W&CD Department, GoO, it was noticed that MWCD had sanctioned funds in favour of six agencies during the period from 1986-87 to 2001-02 to construct WWHs at six places⁹ (which are also included in **Table 3.1**).

In this regard, Audit found the following:

- In respect of WWH, Bolangir, after initial release of ₹ 3.59 lakh, the work was stopped after construction up to plinth level due to non-release of further funds. Bolangir Municipality decided (March 2007) to construct a community centre (Kalyan Mandap) on the site instead of a hostel. However, no further progress in construction of Kalyan Mandap was made thereafter, as noticed during the JPI (October 2021). Thus, expenditure of ₹3.59 lakh made from GoI and GoO funds, turned wasteful besides needs of intended beneficiaries not being met.
- For the WWH at Jeypore, GoI sanctioned ₹7.86 lakh and the Jeypore Municipality was entrusted with the construction work of the hostel. Jeypore Municipality received a total amount of ₹10.58 lakh¹⁰ out of which an amount of ₹8.21 lakh was utilised till 1998-99. No further funds were released thereafter. During JPI (October 2021), it was observed that there was no sign of any structure at the designated site and the place was also inaccessible as there was no connecting/approach road to the site. Hence, Audit is unable to give any assurance on whether the amount of ₹8.21 lakh was incurred for the construction of the hostel building.

⁹ Kendrapara, Jeypore, Paradeep, Jajpur Road, Koraput and Bolangir

¹⁰ GoI: ₹7.86 lakh, GoO: ₹1.53 lakh and Implementing Agency ₹1.19 lakh

- GoI sanctioned ₹8.13 lakh for construction of WWH at Koraput in 1989-90 and released ₹ 1.83 lakh but the Koraput Municipality, the executant of the project, did not take any step to start the work due to paucity of funds. Ultimately, in November, 2014 the W&CD Department requested the MWCD, GoI to communicate appropriate head of account for refund of the fund. The Executive Officer of Koraput Municipality could not produce any information regarding status of refund of ₹1.83 lakh to Audit (October 2021).
- For construction of the WWH at Gualsingh, Kendrapara, GoI released ₹27.84 lakh in the year 1997-98. The implementing agency (IA) of the project was an NGO, i.e., the Cuttack Zilla Harijan Adivasi Seva Sanskar Yojana. During the period 1997-2000, the IA incurred total expenditure of ₹37.38 lakh¹¹ to complete construction up to the lintel level of the 1st floor. However, during the super cyclone in October 1999, materials of the IA worth ₹6.66 lakh were damaged. Subsequently, for completion of the hostel, a revised estimate for ₹80.39 lakh was submitted by the IA to the MWCD, GoI through DSWO, Kendrapara (2003) with a request to release the additional amount of ₹43.01 lakh¹². However, no additional funds were provided by the GoI. Meanwhile, the IA received ₹5 lakh under MPLAD¹³ fund through the BDO, Kendrapara, the details of which were not made available to Audit. Thus, due to inability of the Government to provide additional funds of ₹43.01 lakh to complete the construction and lack of monitoring by the Department, the hostel could not be finalised and the amount of ₹ 37.38 lakh incurred on construction became wasteful.
- GoI released ₹32.71 lakh during 1998-99 for the construction of a WWH at Chorda, Jajpur. It was noticed during JPI (September 2021) that the building was constructed up to roof level and not completely finished. The hostel building was in a dilapidated condition and the rooms were filled with ant hills. Thus, despite an expenditure of ₹ 32.71 lakh, the intended purpose of the WWH could not be fulfilled and the entire amount became wasteful.
- For construction of the WWH at Udaybata, Paradeep, GoI released ₹23.85 lakh during 2001-02, against estimated cost of ₹ 35.83 lakh. The IA¹⁴, utilised ₹36.52 lakh and constructed the building up to 2nd



Incomplete building filled with ant hill in Jajpur

¹¹ ₹27.84 lakh from GoI and ₹9.54 lakh of IA

¹² ₹80.39 lakh - ₹37.38 lakh = ₹43.01 lakh

¹³ Member of Parliament Local Area Development Fund (MPLAD Fund)

¹⁴ Cuttack Zilla Ambedkar Memorial Organisation is an NGO and the Implementing Agency for construction of the WWH

floor (in 2001-02). To complete the hostel, a revised estimate of ₹47.59 lakh was submitted to the MWCD, GoI by the IA through the W&CD Department, GoO in 2005-06 but no additional funds were sanctioned. Subsequently, in January 2017 the Collector, Jagatsinghpur requested the Indian Oil Corporation Limited to provide ₹7.5 lakh for completion of the building under Corporate Social Responsibility. This amount was released (March 2017) to the BDO, Kujang to complete the left over works of the WWH building. However, the BDO informed DSWO, Jagatsinghpur that they were unable to execute the work as the previous executants occupied the building due to non-payment of their final bill. During JPI (September 2021), it was seen that only the roof casting was done up to the second floor of the hostel building. Doors and windows were not fixed and there were no bathrooms or toilets in the entire building. It was further noticed that two families are staying in the partially completed building for watch and ward as deployed by the IA.

Hence, the above stated six hostel buildings were not completed even after a period of 20 to 31 years of sanction by GoI. This resulted in wasteful expenditure of ₹1.18 crore.

The above indicates that action of the district authorities in taking remedial measures for early construction of hostel or recovery of the financial assistance given to the implementing agencies was either lacking or delayed. As a result, the hostels remained incomplete even after a period of 20 to 35 years of release of funds by GoI. This resulted in wasteful expenditure of ₹1.18 crore and deprivation of economic and affordable accommodation to working women.

3.4 Quality of accommodation

As per Guidelines of the Scheme for WWH of GoI, there shall be common provisions in hostels for the benefit of the inmates/ staff and to provide quality accommodation to working women using these accommodation facilities. These common provisions include recreation room, dining room/ hall, kitchen and store, toilets and bathrooms, modern installations and amenities. The guidelines further make it mandatory to make the WWH infrastructure disabled friendly.

The shortcomings in infrastructure/ facilities noticed during JPI of WWHs and based on information furnished by 12 functional hostels¹⁵ are summarised below:

Table 3.4: Summary of shortcomings in infrastructures in WWHs

Nature of shortcomings	No. of WWHs
Absence of recreation rooms in the Hostels	3
Absence of dining hall	3
Absence of kitchen store	2
Absence of Warden's quarters	4
Absence of boundary wall	1
Absence of day care centres	3
Absence of CCTV for security	6

¹⁵ 12 include 11 hostels funded by GoI and one (Nivedita-II, Bhubaneswar) funded by GoO

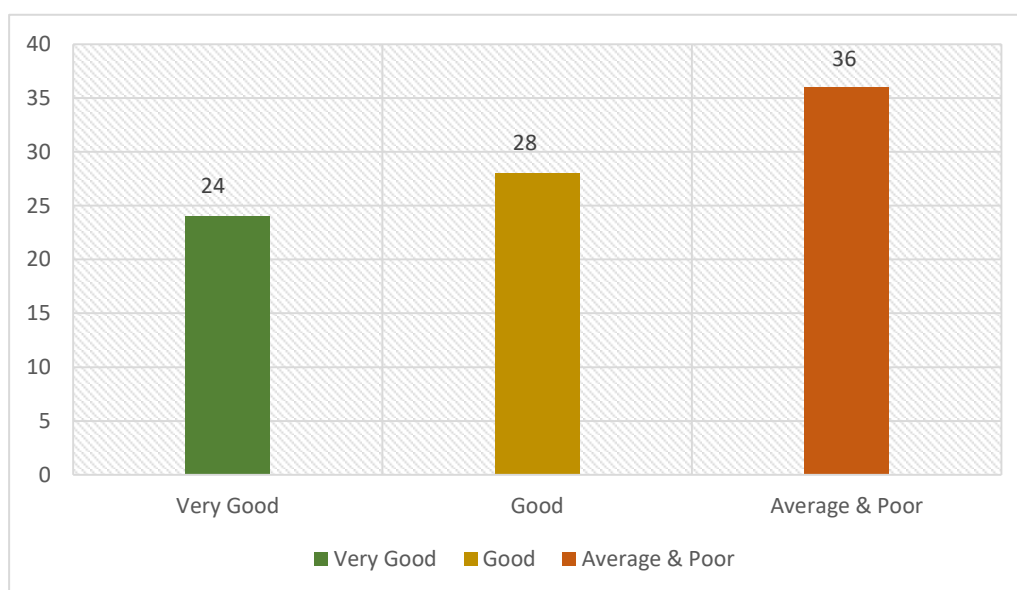
Nature of shortcomings	No. of WWHs
Absence of washing machine	12
Absence of sick rooms	6
Absence of refrigerator	7
Absence of power back up facility	10
Absence of disabled friendly infrastructure	11

(Source: Information furnished by WWHs and feedback given by 88 inmates of functional WWHs)

Despite provisions in the guidelines of GoI, Audit found that only one WWH (Nivedita-II, Bhubaneswar) had disabled friendly infrastructure and the remaining 11 hostel buildings did not have such facilities, i.e., ramp, elevator, wheel chair, etc. Further, Odisha is a flood/ cyclone prone area, however, in spite of this, no power backup facility was available in 10 out of 12 inspected WWHs.

In addition to the above, in order to ascertain the quality of accommodation provided, Audit solicited feedback from 88 inmates of 12 WWHs to gauge their level of satisfaction with the available facilities in the WWHs. Findings of the same are reflected in the Chart below:

Chart 3.3: Response of inmates on overall satisfaction (in numbers)



While 27 per cent of the respondents hailed the facilities in WWHs as very good, 41 per cent felt that the facilities were average to poor in quality. The response obtained highlights that, there is wide scope available for improving on the basic facilities provided in the WWHs. As stated earlier, the standard and quality of the facilities provided also has a bearing on the low occupancy noticed in a number of these functional hostels for working women across the State.

3.4.1 Inadequate maintenance of Hostels

As per Paragraph 8 (xxix) of the guidelines of GoI, regular maintenance, repairs, upkeep, etc. of WWHs should be done by the implementing agency (NGO/ Municipality) to ensure that the building/ hostel remains in good condition. Reasonable amount for the purpose should be computed and kept

aside from the receipts/ revenues by the Management Committee of the hostel. Further, as per Paragraph 8 (v) of the guidelines, the rent received from the inmates shall be utilised for maintenance, house-keeping, security service, office establishment, expenditure towards water and electricity charges and any other support services other than mess.

Audit conducted JPI of 13 WWHs (12 functional and one non-functional) and instances of inadequate maintenance of WWHs noticed during JPI are discussed below:

- **WWH at Olatpur (Cuttack district):** The hostel at Olatpur is very old (constructed in 1984-85) and cracks were found in the building. This WWH with a capacity of 49 beds, registered average occupancy rate of 77 per cent only during 2016-21. It was noted that the rent generated was insufficient to carry out repair and maintenance required and the Secretary of the NGO maintaining the WWH, expressed a desire for additional funds for renovating the building.



WWH at Olatpur: Two bedded room. Sidewall is soaking and needed renovation



Water purifier fitted in the courtyard. The window of the kitchen is broken and required immediate repairs

- **WWH, Balasore District Nari Sangh:** During audit, it was seen that rooms of the hostel were in a damaged condition due to which, no women preferred to stay in the hostel. As ascertained from the President of the NGO managing the WWH, modern facilities as per the demand of the working women were not available in the hostel due to lack of Government grants. The last grant was sanctioned for the hostel in 1990 and as a result of subsequent fund crunch, the NGO could not modernise the facilities for the inmates.



WWH, Balasore: Rooms of the first floor in damaged condition



Outer condition of the first floor



Roof of the day care centre at WWH, Balasore damaged

- **Nivedita WWH, Rourkela:** The capacity of the WWH was 50 beds. During the period 2016-21, annual average occupancy ranged from 33 to 42 per cent. Despite such occupancy, five rooms and roof of one room of the WWH was in severely damaged condition, as noticed during the JPI. Similarly, kitchen slab of another room was also in damaged condition.



Nivedita WWH, Rourkela Damaged roof slab of a room



Damaged kitchen slab

- **WWH at Bhanjavihar, Berhampur University:** The WWH, functioning since November 2000, was being managed by Berhampur University. Audit found the building in dilapidated condition due to lack of repair and maintenance.



WWH at Bhanjavihar in dilapidated condition

Thus, as seen from cases above, most of the WWHs in the State were poorly maintained due to lack of periodical maintenance by the IAs concerned, who attributes the same to lack of adequate funds. Unhygienic and dilapidated conditions of buildings could be one of the major factor for low occupation in the WWHs. The conditions of these WWHs shows the lackadaisical attitude of the Government due to which they were unable to provide a clean, modern and hygienic accommodation facility to the working women. In addition, there was also lack of inspection and monitoring on the part of the DSWOs of the concerned districts. The DSWOs did not participate in the management of the WWHs, although they were one the constituent members of the Hostel Management Committees.

3.5 Inadequate staff in WWHs

As per the Guidelines of Scheme for WWH of GoI, for management of a hostel, adequate manpower like hostel warden, cook, security guard and housekeepers, etc., shall be deployed by the Hostel Management Committee (HMC). Based on information furnished by IAs, Audit noticed absence of key personnel in WWHs as shown in the table below:

Table 3.5: Inadequate staff in WWHs as of March 2021

Sl. No.	Type of staff	No. of WWHs having no staff	Names of WWHs
1	Hostel warden	3	1) Trupti Ghosh WWH, Cuttack. 2) Dipali WWH, Dhenkanal 3) Nivedita, WWH-I, Bhubaneswar.
2	Cook	5	1) Trupti Ghosh WWH, Cuttack. 2) WWH, Olatpur, Cuttack 3) WWH, VIP Colony, Berhampur 4) Nivedita, WWH-II, Bhubaneswar. 5) Nivedita WWH, Udit Nagar, Rourkela.

(Source: Information furnished by WWHs)

W&CD Department may review the quality of accommodation provided and may examine the possibility of a one-time grant to upgrade all the amenities as per the scheme guidelines in order to increase occupancy and ensure decent standards of living for inmates.

3.6 Monitoring

The GoO prepared guidelines for the operation and functioning of WWHs only in March 2021. Till then, the State Government was guided by the

guidelines issued by GoI for these hostels. Guidelines for WWHs of GoI provide for regular monitoring and management mechanism in hostels in order to ensure smooth operations and provision of quality services to intended beneficiaries. Audit found following shortcomings in monitoring of functioning of WWHs.

- **Shortfall in Hostel Management Committee (HMC) meetings:** As per Clause 13.1 of Guidelines of Scheme for WWH of GoI, the HMC shall comprise Residence Superintendent, official from the district administration/ DSWO, Probation Officer, Protection Officer/ Rehabilitation Officer of that area, two senior residents and prominent social worker/ representative from prominent organisation in that area. The HMC should meet once on a fortnightly basis or in case an issue arises for immediate resolution.

Scrutiny of records in 12 WWHs highlighted that out of 1,440 meetings¹⁶, only 305 meetings were conducted in these hostels during the period 2016-21. It was also observed that four hostels¹⁷ did not hold any such meetings in the last five years. Not holding of regular meetings, impacted the efficient, smooth functioning of these WWH besides leading to poor quality of facilities and infrastructure, as discussed in paragraphs above. Further, as HMC were not being regularly convened, grievances of inmates were not being timely addressed. Further, HMCs were also not sending their recommendations and quarterly reports to the District Administration/ DSWO due to which lack of monitoring on the part of district authorities was exacerbated.

- **Non-inspection of WWHs by DSWO:** As per Clause 8(xxviii) of Guidelines of Scheme for WWH of GoI, inspection of the hostel premises should be done by the District Administration as and when it was felt necessary. However, as per information made available to Audit, none of the DSWOs carried out any inspections in the 12 functional WWHs during 2016-17 to 2020-21. Due to non-inspection of the WWHs, the DSWOs were unaware of their present status as well as lacunae in their operations and management.
- **Non-submission of Reports to GoI:** As per Clause 13.1 of Guidelines of Scheme for WWH of GoI, regular monitoring of the functioning of the hostels under this scheme shall be the responsibility of the District Administration. Half-Yearly report on the implementation of the scheme as prescribed in the scheme shall be sent to the MWCD, GoI by the District Administration, with a copy to the State Government. However, as per the information made available to audit, no such half-yearly report was submitted by the seven DSWOs in respect of 12 sample WWHs to Government during audit coverage period on implementation of the scheme. Further, there was no action by either the GoI or the State Government with regard to the non-submission of these returns by WWHs, highlighting their apathy towards the functioning of this scheme.

¹⁶ Two meetings per month

¹⁷ Two WWH in Khurda, one WWH in Ganjam district and one in Sundargarh districts

- **Non-submission of quarterly reports by Hostel Management Committee:** Clause 13 of the Guidelines of Scheme for WWH of GoI stipulates that monitoring hostels on a day-to-day basis, shall be done by the HMCs, which shall send its recommendations and quarterly reports to the District Administration. Officials from the district administration/ DSWO would also be members¹⁸ of the HMC. In this regard Audit scrutiny revealed that no DSWOs/ District administration were members of any HMC in the WWHs highlighting poor monitoring on their part of the functions and activities of these hostels.

3.7 Conclusion and Recommendations

3.7.1 Conclusion

As of March 2021, there were only 12 WWHs with a total bed strength of 859 i.e., 33 per cent of the targeted bed strength of 2,622, functional in Odisha. Besides eight WWHs (22 per cent) were found to have been used for purposes other than intended use by working women. Average occupancy in the WWHs during 2016-21 was 42.07 per cent only. The reason for low occupancy were inadequate maintenance of hostel buildings, infrastructural shortcomings as well as inadequate service staff. Critical infrastructure/ facilities like perimeter wall, dining hall, washing machine, refrigerator, power backup, disabled friendly facilities were found to be absent in one to 12 WWHs test checked. Besides, essential service staff in WWHs were found missing in three to five WWHs. Construction of six WWHs taken up during 1986-87 to 2001-02 were not completed as of March 2021 and there was no sign of resumption of work also. Thus, an amount of ₹ 1.18 crore spent for construction turned out to be wasteful. Inspection and monitoring of WWHs by the Department as well as the district authorities, to assess the shortcomings for taking remedial measures were found inadequate.

3.7.2 Recommendations

The Government may consider to:

- carry out regular repair and maintenance of the WWHs and provide basic facilities not only for optimal utilisation of hostel capacities but also to assure quality accommodation for working women.
- examine the need for construction of new WWHs especially in view of the existing low occupancy.
- take steps to complete construction of WWHs funded by GoI that have remained incomplete for a prolonged period and also take punitive measures against agencies who have failed to construct WWHs despite receiving government grant.
- ensure adequate staff in WWHs and regular monitoring for proper maintenances and management of WWHs.

¹⁸ Other members are Resident Superintendent, Probation Officer, Protection Officer/ Rehabilitation Officer of the area and two of the Senior Residents

Chapter 4

Functioning of Child Care Institutions in the State

Women & Child Development Department

Chapter 4: Functioning of Child Care Institutions in the State

4.1 Introduction

An orphanage is an institution dedicated to caring for children who have lost their parents, or for children believed to be abused, abandoned, or generally neglected. Largely seen as an inferior alternative to foster-care and adoption, orphanages may be privately or publicly funded, or may be run by religious organisations. The effective management of orphanage institutions requires innovative solutions to many complex problems that arise from a child's abandonment or desertion. To ensure well-being of orphans 'The Orphanages and Other Charitable Homes (Supervision and Control) Act 1960' was enacted by Government of India (GoI) with the primary objective of supervision and control of homes through the constitution of a Board of Control.

GoI also enacted the Juvenile Justice (Care and Protection of Children) Act, 2000 (JJ Act), amended in 2006, which, *inter alia*, provides for constitution of Child protection Units at both State and District level. Subsequently, the Act was replaced by the Juvenile Justice Act, 2015.

A centrally sponsored scheme *viz.*, Integrated Child Protection Scheme (ICPS) was introduced in 2009 which aimed at building a protective environment for children in difficult circumstances, as well as other vulnerable children, through Government-Civil Society Partnership. GoI issued (March 2014) guidelines for the Revised Integrated Child Protection Scheme outlining, *inter alia*, objectives including guiding principles, output and outcome indicators.

Government of Odisha (GoO) framed the Juvenile Justice (Care and Protection of Children) Odisha Rules, 2002 which was amended in 2009 and 2018. The Rules, *inter alia*, provided for establishment of Child Care Institutions (CCI) for accommodation of children. As of March 2021, there were 238 CCIs functioning in the State. Types of CCIs and nature of juveniles housed therein are indicated in the table below:

Table 4.1: Types of CCIs and nature of Juveniles housed

Types of CCI	Nature of juveniles housed
Open Shelter (OS)	Meant for children, irrespective of age, in need of residential support, on short term basis, with the objective of protecting them from abuse or weaning them or keeping them away from a life on the streets. A child can be housed in an OS for not more than one year.
Children Home (CH)	Meant for children aged between six and 18 years in need of care and protection for their care, treatment, education, training, development and rehabilitation.
Special Adoption Agency (SAA)	Meant for adoptable children below six years of age. (An adoptable child is one who is permanently separated from biological parents because his/ her parents have died or have abandoned or surrendered him/ her).
Observation Home (OH)	Meant for the temporary reception of any juvenile alleged to be in conflict with law during the pendency of any inquiry.
Special Home (SH)	Meant for juveniles who are confirmed to be in conflict with law.

(Source: Juvenile Justice Act, 2015)

In Odisha, ICPS is implemented through the Odisha State Child Protection Society (OSCPS) at the State level and by the District Child Protection Units (DCPU) at district level. OSCPS functions under the administrative control of Women & Child Development (W&CD) Department, GoO. The Director of W&CD is also the Director of OSCPS and is responsible for supervisions and monitoring of functioning of DCPU. Each DCPU is headed by a District Child Protection Officer (DCPO). The DCPU in each district is to function as a fundamental unit for the implementation of the scheme. The DCPU is to coordinate and implement all child rights and protection activities at the district level.

The functioning of the CCIs in the State are regulated as per the Operational Guidelines for these institutions issued by the W&CD Department in 2012.

Audit was conducted during January to April 2021 and July to September 2021 covering the period from 2016-17 to 2020-21 in order to assess the functioning of CCIs, with a focus on status of infrastructure, services and monitoring mechanism. During the course of Audit, records were examined at the W&CD Department, OSCPS and 8 out of 30 DCPUs¹. The eight DCPUs were selected on judgemental sampling basis. Besides, Audit also examined records and conducted joint physical inspection of 60 out of 93 CCIs in the test checked Districts. The test checked CCIs comprised 43 Children Homes, two Observation Homes, eight Open Shelters and seven Specialised Adoption Agencies. Audit findings are discussed in the following paragraphs:

4.2 Receipt and utilisation of funds

ICPS is implemented in Odisha with financial assistance both from the GoI and GoO. The share of central assistance varies from 35 to 90 per cent depending upon the project components². Receipt and utilisation of funds by OSCPS during the five years from 2016-17 to 2020-21 are shown in **Table 4.2** below:

Table 4.2: Receipt and utilisation of funds by OSCPS during 2016 to 2021

(₹ in crore)								
Year	OB	Received from		Interest and other receipts	Total funds available	Utilisation	Percentage of utilisation	CB
		GoI	GoO					
2016-17	40.00	22.79	16.07	3.07	81.93	57.74	70.47	24.19
2017-18	24.19	18.15	13.73	6.40	62.47	29.47	47.17	33.00
2018-19	33.00	41.22	34.38	2.33	110.93	49.82	44.91	61.11
2019-20	61.11	35.41	27.57	5.19	129.28	47.52	36.76	81.76
2020-21	81.76	37.64	27.56	23.80	170.76	53.96	31.60	116.80
Total	--	155.21	119.31	40.79	--	238.51		--

(Source: Information furnished by OSCPS)

¹ Cuttack, Ganjam, Jharsuguda, Kalahandi, Khurda, Koraput, Mayurbhanj and Puri

² 90 per cent: Open shelters run by NGOs; 75 per cent: All structural components of State Project Support Unit, State Child Protection Society, State Adoption Resource Agency and District Child Protection Units, all Homes/ Specialised Adoption Agency (SAA) run by Government, all Homes/ SAA run by NGOs; 35 per cent: Regulatory bodies provided for under JJ Act

As can be seen from the above table, the percentage of utilisation of available funds was continually decreasing from 70.47 *per cent* in 2016-17 to 31.60 *per cent* in 2020-21. Audit found that the unutilised balance in 13 components were more than ₹ one crore in each component, as shown in **Appendix 4.1**. The non-utilisation of funds available with the OSCPS was not justified, especially in view of the persistent inadequacies in infrastructure and human resources in CCIs as well as shortcomings in service delivery, as noticed during audit and discussed in succeeding paragraphs.

4.3 Planning for implementation of ICPS in the State

The ICPS guidelines issued in March 2014 lay down the objectives of the scheme as well as output and outcome indicators. The broad objectives of ICPS were to strengthen structures for emergency outreach, institutional care, family and community-based care, counselling and support services, creation of database and knowledge base for child protection services, to undertake research and documentation, educate public on child rights and protection, *etc.* The guidelines also require mapping of needs and services for children and families at risk and preparation of child protection plans at district and state levels which would be gradually extended to block and community levels. Audit found the following deficiencies in planning for implementation of ICPS in the State.

4.3.1 Non-conduct of baseline survey and situational analysis of children

In the National Charter for Children, 2003, responsibilities of the State and community towards children are declared, as follows:

- (a) Ensuring Survival, Life and Liberty;
- (b) Promoting High Standards of Health and Nutrition;
- (c) Providing Supplementary Nutrition, sanitation and hygiene to the children belonging to the economically backward groups;
- (d) Basic Minimum Needs and Security (Social and Physical);
- (e) Play and Leisure;
- (f) Early Childhood Care for Survival, Growth and Development;
- (g) Free and Compulsory Primary Education; and
- (h) Protection from Economic Exploitation and All Forms of Abuse

A child deprived of all or one of the above is considered as a vulnerable child. The ICPS guidelines state that baseline surveys should be carried out by DCPUs in districts selected by the W&CD Department, GoO. These surveys would identify vulnerable children and assess the requirements for their care and development. Such surveys could also be used for impact assessment and course correction by the State and district authorities.

Status of conducting baseline surveys by test checked DCPUs including identification of vulnerable children and their institutionalisation, is shown in **Table 4.3**.

Table 4.3: Statement showing the baseline survey conducted by test checked districts

Sl. No.	Name of the districts	Vulnerable children identified in the baseline survey					Total no. of children identified	Total no. of children institutionalised
		2016-17	2017-18	2018-19	2019-20	2020-21		
1	Cuttack	-	-	-	12,347	-	12,347	4
2	Ganjam	-	-	-	1,728	-	1,728	6
3	Jharsuguda	66	95	90	480	4281	5,012	312
4	Kalahandi	-	-	-	16,574	-	16,574	13
5	Khurda	-	-	-	7,534	-	7,534	14
6	Koraput	21,375	-	-	19,034	-	40,409	545
7	Mayurbhanj	-	-	-	3,838	-	3,838	905
8	Puri	-	-	-	6,271	152	6,423	174
	Total						93,865	1,973

(Source: Information furnished by the respective DCPUs)

Audit found that:

- W&CD Department was not regularly identifying districts for conducting baseline surveys in the State. During three years from 2016-17 to 2018-19, none of the districts had been identified for this purpose. Only one DCPU (Jharsuguda) conducted surveys on its own during 2016-17 to 2020-21. DCPU, Koraput conducted survey in 2016-17 and identified 21,375 vulnerable children. It was only in September 2019 that the Department directed all districts to conduct the survey, as a result of which all the eight test checked DCPUs conducted the survey during 2019-20. Thus, the guidelines of ICPS related to planning for identification of vulnerable children and impact assessment by way of such annual surveys, were not adhered to by the Department.
- Further, out of the total number of 93,865 children identified as vulnerable in these baseline surveys, only 1,973 children (two per cent) were put in different CCIs by the DCPUs. Specific criteria used to select children to be cared for in CCIs, out of the larger number of identified vulnerable children were not intimated to Audit.
- As per the ICPS guidelines, one of the functions of the DCPUs is to assess the number of children in difficult circumstances and create district specific databases to monitor trends and patterns of children in difficult circumstances. However, Audit observed that no such databases were created in the test checked districts during 2016-17 to 2020-21, based on the surveys that had been conducted.
- As per ICPS guidelines, the Protection Officer (PO) under each DCPU has to ensure effective implementation of child protection programs and policies. These POs are responsible for carrying out situational analysis of children in difficult circumstances, collecting and compiling data on different dimensions of child protection problems in terms of number of children requiring support, number of children in institutions and the kind of services they need. The OSCPS received ₹ 1.20 crore during 2016-17 to 2020-21 for conducting situational analysis and mapping of vulnerable children. This was, however, not done. Due to non-conduct of situational analysis, outcome indicators

such as increased availability and accessibility of a variety of child protection services, knowledge base of children and families at risk could not be built up. Further, better and more focussed child protection services in the districts could not be provided.

In reply, the DCPOs stated (August/ September 2021) that analysis on difficult situation of the children on the basis of collected data during baseline survey was already done and is a continuous process.

The reply is not acceptable since all the test checked districts had not conducted annual baseline survey, as is evident from the facts given in the above table. Further, only two *per cent* (1,973) of the vulnerable children identified in the surveys were institutionalised in CCIs.

4.3.2 Non-implementation of need-based research and awareness activities for child protection

As per Paragraph 1.1 of Chapter IV, Revised ICPS guidelines, 2014, the specific functions of the State Child Protection Society shall include carrying out need based research and documentation activities at the State level for assessing the number of children in difficult circumstances and creating State specific databases to monitor trends and patterns. Further, it is obligatory on the part of OSCPS to disseminate information and raise awareness regarding child rights and child protection issues, from time to time through different modes of print and electronic media.

Audit examined records and information furnished by OSCPS and noticed that:

- No major research and documentation activity at the State level had been carried out on the issue of protection of children.
- No State specific database had been created to monitor trends and patterns on protection of children, as envisaged.
- During the period 2016-17 to 2020-21, it was only on one occasion that OSCPS had developed a short video film for creating awareness on child protection issues. The film titled “Shishu Yatna” was prepared during 2020-21 by an empanelled agency of the Information and Public Relations Department of GoO viz. M/s Eleenora Images at a cost of ₹2.89 lakh. It was noted by Audit that the total available funds for creating awareness on children’s rights and protection issues were ₹22.50 lakh³ out of which ₹19.61 lakh had remained unspent as of March 2021.
- No other campaigns to disseminate information and raise public awareness regarding child rights and child protection issues at periodic intervals through print and electronic media was undertaken by OSCPS during 2016-17 to 2020-21.

³ 2018-19, 2019-20 & 2020-21 @ ₹7.50 lakh each

Reasons for lack of research and documentation, non-maintenance of State specific database and for not undertaking campaigns to disseminate information and raise public concern were not furnished to Audit.

OSCPS stated (January 2022) that multiple campaigns had been undertaken at State and district levels which included *Operation Pari*, *Pari paeen kathatie* (i.e., a word for *Pari*), installation of hoardings/ poster banners, panel discussion on Doordarshan, etc. The reply was not tenable, as OSCPS could not provide any documentary evidence in support of conducting such campaigns.

4.3.3 Non-implementation of innovative projects despite availability of budget provision

As per the Revised ICPS guidelines, 2014, the State Governments shall initiate innovative projects on issues/ risks/ vulnerabilities of children. The State Child Protection Society shall have a general grant-in-aid fund of ₹ 30 lakh under which such projects can be supported.

Audit reviewed records and information furnished by the OSCPS and noticed that:

- During 2016-21, provision of ₹30 lakh had been made every year in the Annual Budget Plan of OSCPS for implementation of innovative projects/ issues not covered under regular programme components of ICPS. The MWCD, GoI released ₹1.20 crore during the 2016-21 (except 2019-20), in favour of OSCPS to implement these projects. However, OSCPS utilised only ₹ 27 lakh on innovative projects/ issues, during 2020-21.
- In order to enhance the computer proficiency of children residing in CCIs, a project called “E-Shikshya” for implementation of Smart Education System was approved by the MWCD during the year 2019-20. The project was to be implemented for children in CCIs in 30 districts of Odisha, at a total cost of ₹30 lakh (₹1 lakh per district). For implementing this project, a service provider named Convegenious EDU Solutions, Noida was selected (November 2020) through tender process by OSCPS. The Work Order was issued to the service provider in December 2020. The service provider was paid ₹ 27 lakh (90 per cent) in June 2021. However, the details of completion of the project were not furnished to Audit.

Thus, despite planning for implementation of innovative projects every year and receiving Government funds for this purpose, OSCPS neither utilised the received funds for the intended purpose nor did they deposit the unutilised funds (with interest thereon) from 2016-17 onward into the Union Government Account. The unutilised fund amounting to ₹ 0.93 crore (₹ 1.20 - 0.27 crore) was parked in saving bank accounts.

Responses from OSCPS on reasons for not utilising the Government funds for the intended purpose, including the “E-Shikshya” project as well as for not depositing the unutilised balance of funds along with interest into Union Government Account are awaited (February 2022).

Care, support and rehabilitation services extended to children

4.4 Functioning of Child Care Institutions

4.4.1 Physical Infrastructure and childcare services at CCIs

As per ICPS guidelines, all protection services, whether public or privately provided, should adhere to prescribed standards pertaining to physical infrastructure and human resource requirements, as well as protocols, methodological instructions and guidelines for services and operational manuals for functioning of statutory bodies.

Audit visited 60 CCIs which included 43 Children Homes (CH), seven Special Adoption Agencies (SAA), eight Open Shelters (OS) and two Observation Homes (OH). The details of facilities available at the CCIs as per the parameters are given in **Table 4.4** below:

Table 4.4: Statement showing inadequate infrastructure in CCIs

Sl. No.	Parameter	Number of CCIs examined ⁴	Number of CCIs not meeting required parameter
1	Dining Room	60	11
2	Dorms/ Bedrooms	60	1
3	Toilets/ Bathrooms	60	2
4	Periodic Medical Exam	60	2
5	Preparation of diet chart and adherence thereof	60	4
6	Physical exercise	45	1
7	Vocational training	45	23
8	Children Committee	45	1
9	Grievance Redressal/ Complaint Box	45	3
10	Specialised care for drugs and substance abuse and other chronic health disorders (Children Homes)	43	43
11	Security- Guards, CCTV, etc.	60	4

(Source: Information furnished by the CCIs)

From the above, Audit noticed that:

- Out of 60 CCIs, two CCIs did not have adequate number of functional toilets/ bathrooms leading to unhygienic living conditions.
- Out of 60 CCIs, 11 CCIs did not have dining rooms. Due to absence of dining rooms in 11 CCIs, the children were subjected to unsanitary dining conditions.
- Out 45 CCIs, 23 CCIs did not have vocational training for children above 14 years of age. Lack of vocational training for the desirable/ eligible children, limited their livelihood options for future.
- In none of the 43 Children Homes, facilities for specialised care for drugs and substance abuse and other chronic health disorders were

⁴ Where the total number of CCIs taken as 45, it implies that the parameter is not applicable/ required in 15 CCIs (SAA-7 and OS-8). In Sl.No.10, the parameter is applicable for 43 CCIs only.

available. Since these are at risk-children in vulnerable circumstances, the provision of such facilities in CCIs was of vital importance.

Case Study
Maa Mangala Balashram, Mayurbhanj District

GoO issued revised guidelines (March 2015) for Grants in aid for CCIs. As per Clause 4 of the Guidelines, there are two components for GIA; (A) Non recurring expenditure and (B) Recurring expenditure. The non-recurring expenditure included:

- i. Structural Changes, up-gradation of accommodation facilities and maintenance
- ii. Up-gradation of facilities like purchase/ maintenance of television, computers, books, furniture and fixtures, kitchen equipment, *etc.*

Audit found that a CCI namely, Maa Mangala Balashram, Mangalpur of Mayurbhanj district sent a proposal to DCPO, Mayurbhanj (through its Annual Budgets 2016-17 and 2018-19) for construction of a new building at ₹ 7.50 lakh and upgradation of facilities like purchase/ maintenance of televisions, computers, books, furniture and fixtures, *etc.*, for ₹ 11.90 lakh. However, no financial assistance was given to the CCI despite the fact that there was an amount of ₹ 33.02 crore as closing balance in the accounts of OSCPS as of March 2021 under the head NGO-run children's home. Thus, the available funds were not utilised for the welfare of the children in need. In the absence of funds, basic facilities like kitchen, dining space of the CCI could not be upgraded/ completed to adhere to the prescribed standards of physical infrastructure envisaged for such facilities. Photographs of incomplete building and kitchen/ dining hall are given below:



***Incomplete Kitchen-cum- dining room
at CCI, Mangalpur***



Dining Space of CCI, Mangalpur



Kitchen room of CCI, Mangalpur

4.4.2 Delay in construction of dormitory and other civil infrastructure

As per the ICPS guidelines, accommodation in each institution shall be separately provided for girls and boys. Besides this, different age-groups *i.e.*, 7-11 years, 12-16 years and 16-18 years would also need to be separately accommodated.

Audit found that the Executive Engineer, Ganjam (R&B) Division No.1 had submitted (May 2019) an estimate for construction of two dormitories and one library room inside the premises of Observation Home and Special Home for boys at Berhampur at ₹ 73.66 lakh to the Superintendent, Observation Home and Special Home for boys at Berhampur. W&CD Department sanctioned ₹ 109.27 lakh⁵ in March 2020 for construction of the aforesaid work as well as for repair and renovation of perimeter wall, plinth protection and drain. The works, however, had not commenced till January 2022.

Due to non-commencement of the works, classification and segregation of juveniles according to their age group could not be implemented as 132 children were staying in a limited number of four dormitories available. As per the ICPS norm, for accommodating 110 children, the required size of dormitory is 4,400 sqft. However, it was found that 132 children were staying in dormitories of area 3,022 sqft, instead of required area of 5,280 sqft. Besides violation of guidelines, lack of adequate infrastructure negatively impacted the living conditions of vulnerable children.

In reply, the Superintendent of Observation Home and Special Home for boys, Berhampur stated (January 2022) that the construction work would be started in near future.

4.4.3 Idling of newly constructed CCI at Bhawanipatna

The Juvenile Justice Committee⁶ in its meeting on 18 March 2015 recommended construction of a CCI at Bhawanipatna to house the needy children belonging to the district of Kalahandi. W&CD Department instructed (April 2015) the District Collector to identify suitable land for the purpose. Identification, alienation and demarcation of land was completed in September 2018. The, Executive Engineer, Kalahandi (R&B) Division was entrusted with the responsibility for execution of the work. An amount of ₹3.85 crore was released in favour of the executing agency between October 2018 and December 2020. The constructed CCI with capacity of housing 50 children was handed over to the district administration in January 2021.

⁵ ₹ 73.66 lakh for dormitories and library room and ₹ 35.61 lakh for repair and renovation of perimeter wall, plinth protection and drain

⁶ A committee comprising of Hon'ble judges of Orissa High Court to oversee implementation of JJ Act



Newly constructed CCI at Bhawanipatna



Inside view of the newly constructed CCI at Bhawanipatna

On scrutiny of records of the DCPO, Bhawanipatna, Audit found the newly constructed CCI, constructed at a cost of ₹ 3.85 crore, was lying vacant till March 2022 mainly due to lack of furniture in the building and absence of dedicated personnel. Audit noted that 12 children belonging to Kalahandi district had been accommodated in the Observation Home at Berhampur. Audit also noted that 132 children had been put in the said Observation Home against its capacity of 110. Despite overcrowding at the Observation Home at Berhampur, no steps were taken to identify and re-house children belonging to Kalahandi district to the newly built CCI at Bhawanipatna. Thus, intended benefit from the newly constructed CCI at Bhawanipatna could not be realised.

4.4.4 Inadequate security measures in the CCIs

As per Rule 60 of Odisha JJ (CPC) Rules, 2018, adequate number of security personnel shall be engaged in every CCI keeping in mind the category of children housed, age group of children, purpose of the institutionalisation and the risk factors applicable to the CCI.

On test check of records and information furnished to Audit by eight sampled districts, it was noticed that 234 (Boys- 166 and Girls- 68) children in the age group of 6 to 18 years were missing from 93 CCIs during the period 2016-17 to 2020-21. Of these, 130 (Boys – 82 and Girls- 48) were rescued during the above period but the whereabouts of the remaining 104 children were unknown as of date of audit (October 2021). The concerned CCIs had filed FIRs in the respective Police Stations. The details of missing children are as under:

Table 4.5: Details of Missing children in CCIs during 2016-21 in sampled districts

Sl. No.	Name of district	No. of CCIs	No. of missing children			No. of children rescued			No. of children not rescued		
			Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
1	Cuttack	19	26	7	33	19	4	23	7	3	10
2	Ganjam	11	32	26	58	18	19	37	14	7	21
3	Jharsuguda	4	3	1	4	3	1	4	0	0	0
4	Kalahandi	10	6	4	10	3	3	6	3	1	4
5	Khurda	18	74	27	101	20	18	38	54	9	63

Sl. No.	Name of district	No. of CCIs	No. of missing children			No. of children rescued			No. of children not rescued		
			Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
6	Koraput	11	1	2	3	0	2	2	1	0	1
7	Mayurbhanj	11	1	1	2	0	1	1	1	0	1
8	Puri	9	23	0	23	19	0	19	4	0	4
	Total	93	166	68	234	82	48	130	84	20	104

(Source: Information furnished by the CCIs)

Audit observed that in Utkal Balashram at Berhampur, Ganjam district, 26 girl children of 15 to 18 years were reported to have left the CCI during 2016 to 2020. Audit was unable to derive assurance as to whether the children reported as missing had left the CCIs on their own due to inadequate care and facilities at the CCIs or whether they had become victims of crime.

On missing of children from Utkal Balashram, Berhampur, the DCPO, Ganjam stated that 20 out of 26 children had been subsequently traced/ had returned voluntarily to the CCIs. However, six children continued to remain missing as of January 2022.

In case of the 104 missing children in the eight test checked districts, OSCPS stated that 50 children were traced/ had returned voluntarily as of January 2022. The total missing children across the State (all 30 Districts) was 135 as of January 2022.

The absence of required security measures such as high-rise boundary walls, absence of security personnel and lack of adequate surveillance resulted in children being able to leave the CCIs on their own, even though the CCIs had a fiduciary responsibility to care for the children until they became adults.

4.5 Preparation of Individual Care Plans

Individual Care Plan (ICP) is a comprehensive development plan for a child based on his/ her age and gender specific needs and case history of the child, prepared in consultation with the child, in order to restore the child's self-esteem, dignity and self-worth and nurture him into a responsible citizen and accordingly the plan shall address the following, including but not limited to, needs of a child, namely:- (a) health and nutrition needs, including any special needs; (b) emotional and psychological needs; (c) educational and training needs; (d) leisure, creativity and play; (e) protection from all kinds of abuse, neglect and maltreatment; (f) restoration and follow up; (g) social mainstreaming; and (h) life skill training.

As per ICPS guidelines, an ICP shall be developed for each child in institutional care (i.e., Children Home, Open Shelter, Observation Home, Special Home, etc.) by the concerned agency in consultation with the DCPU within a month. Once agreed upon by the DCPU, the individual care plan shall be forwarded within a fortnight for approval to the CWC/ JJB. The concerned agency shall report to the DCPU on the execution of the individual child care plan within six months of the care plan being approved by the CWC/ JJB. The individual care plan shall be reviewed every six months.

Audit reviewed preparation of ICP in respect of children put in 60 out of 93 CCIs in eight sample districts. The 60 test-checked CCIs comprised Open Shelter (8), Children's Home (43), SAA (7) and Observation Home (2).

Audit noted that while ICPs had been prepared for most CCIs, care plans had not been prepared for all children put up in Open Shelters (OS). Status of preparation of ICP by the OSs, review of these plans in the sampled districts (except Mayurbhanj where no OS was established) are shown in **Table 4.6** below:

Table 4.6: Preparation and review of ICP during 2016-21

Name of the District	Name of the Open Shelter	No. of Children in need of care and protection residing in OS	No. of children for which ICP prepared	No. of children for which ICPs prepared have been reviewed	No. of children for which ICP not prepared
Kalahandi	Nehru Seva Sangh, Bhawanipatna	625	439	439	186
Cuttack	Basundhara	1030	315	66	715
Khurda	Biswajiban Sevasangh	1745	772	675	973
	Ruchika	2813	2380	1250	433
Ganjam	Divyajyoti	458	458	458	0
Jharsuguda	Daniel	426	422	422	04
Puri	Sarvodaya Nagar	1091	32	0	1059
Koraput	Sova	385	144	62	241
	Total	8573	4962	3372	3611

(Source: Information of DCPOs)

As revealed from the table above, 8,573 children in need of care and protection got admitted in the OSs during 2016-21. Out of these, ICP was prepared for only 4,962 (58 per cent) children and review of ICP was done in respect of 3,372 children (68 per cent). As ICP was not prepared and reviewed for each child, the CCIs could not take necessary steps, based on requirements/needs of each child for their subsequent rehabilitation including adoption, foster care, etc.

4.6 Implementation of foster care programme

As per Section 44 (1) of JJ (CPC) Act, 2015 read with Rule 88 of Odisha (CPC) Rules, 2018, the children in need of care and protection may be placed in foster care, including group foster care⁷ for their care and protection through orders of the Sponsorship and Foster Care Approval Committee (SFCAC), after following the procedure as may be prescribed in this regard, in a family which does not include the child's biological or adoptive parents or in an unrelated family recognised as suitable for the purpose by the State Government, for a short or extended period of time.

Rule 75 of the Odisha, JJ Rules 2018, states that children above six years of age, though legally available for adoption, are not successfully adopted, are eligible to be placed in Foster Care. As per GoI's Foster Care Guidelines, 2016, DCPUs shall identify families who are willing to take children in foster

⁷ Group Foster Care means a family like care for children in need of care and protection who are without parental care with the aim to provide personalised care and fostering a sense of belonging and identity, through family like and community based solutions

care along with their preference of the child. For this purpose, DCPUs shall float advertisements in local newspapers periodically calling for applications for family foster care.

Audit examined records in eight Districts and noticed that there were 3,181 children aged up to 18 years, housed in 93 CCIs during 2016-17 to 2020-21. District-wise details of number of CCIs as well as number of children therein, number of children identified for foster care, etc., pertaining to the period 2016-17 to 2020-21 are indicated in the **Tables 4.7 and 4.8** below:

Table 4.7: Implementation of foster care of Children in test checked districts

Sl. No.	Name of the district	No. of CCIs	No. of children in CCIs	No. of children identified for foster care	No. of advertisements made for foster care	No. of applications received for foster care	No. of children placed under foster care
1	Puri	09	307	17	1	3	0
2	Khurda	18	690	10	1	3	1
3	Kalahandi	10	359	9	1	0	2
4	Mayurbhanj	11	378	6	1	2	1
5	Jharsuguda	04	62	3	0	0	5
6	Ganjam	11	377	2	1	2	1
7	Koraput	11	274	1	1	2	1
8	Cuttack	19	734	NA	1	3	0
	Total	93	3181	48	7	15	11

(Source: As per information furnished by the concerned DCPOs)

Table 4.8: Details of foster-care of Children in CCIs

Sl. No.	Name of the district/ No of CCIs	No. of children in CCIs	No. of children				Total
			Identified for foster care	Identified for adoption	Adopted	Not eligible for foster care/adoption	
1	2	3	4	5	6	7 (3-4-5)	8 (4+5+7=3)
1	Puri (9)	307	17	58	46	232	307
2	Khurda(18)	690	10	94	94	586	690
3	Kalahandi(10)	359	9	88	40	262	359
4	Mayurbhanj (11)	378	6	65	56	307	378
5	Jharsuguda(4)	62	3	9	9	50	62
6	Ganjam(11)	377	2	43	27	332	377
7	Koraput(11)	274	1	127	51	146	274
8	Cuttack(19)	734	NA	140	120	594	734
	Total (93)	3181	48	624	443	2509	3181

(Source: As per information furnished by the concerned DCPOs)

As can be seen from the above table, only 48 of the 3,181 children (Boys 1695 and Girls 1,486) in these CCIs (i.e., 1.51 per cent) were identified for foster care and of these, only 11 (23 per cent) were actually placed under such care. Audit found delay in floating advertisements by DCPUs concerned soliciting willingness of public for giving foster care to the identified children. Some of the instances are discussed below:

- In Puri district, two children each in 2016-17 and 2017-18, three children in 2018-19 and five children each in 2019-20 and 2020-21 were identified as eligible for foster care. The DCPO, Puri floated advertisement only in 2020-21 for foster care. In response, only three applications were received but none could be placed under foster care due to unwillingness of the applicants, as reported (August 2021) by the DCPO to Audit.
- In Kalahandi district, all the nine children were identified in 2019-20 and accordingly advertisement was floated in the same year but no response was received. However, two children were placed under Group Foster Care run by one NGO. In case of remaining seven children, advertisement was not floated again during 2020-21.

The DCPO, Kalahandi stated (September 2021) that necessary steps were being taken through advertisements for placing the children under foster care. The fact, however, remains that no advertisements had been floated in 2020-21 in respect of seven children in wait list for foster care.

- In Ganjam district, two children were identified for foster care in 2017-18, but advertisements were floated as late as November 2020 and only one child could be placed under foster care.

The DCPO, Ganjam stated (September 2021) that reluctance of the identified child for foster care as well as discouragement by parents/guardians/ claimant of children concerned are hindering factors towards foster care. The assertion of the DCPO is indicative of improper identification of children for foster care which raises question on appropriateness of the individual care plan chalked out.

The fact remains that the Government needs to step up its efforts to place more children in foster care beginning with formulation of more focused individual specific care plans for vulnerable children and further towards identification of suitable foster care homes/ families.

4.7 Functioning of After Care Programme

As per Section 46 of JJ (CPC) Act, 2015 any child leaving a CCI on completion of 18 years of age may be provided with financial support in order to facilitate child's re-integration into the mainstream society. Further, as per Rule 90 of JJ (CPC), Rules, 2018, the State Government shall prepare a programme for children who have to leave CCIs on attaining 18 years of age by providing for their education, giving them employable skills and placement as well as providing them places for stay to facilitate their re-integration till the child attends age of 21 years. As per Paragraph 6.2 of ICPS guidelines, DCPU shall identify suitable voluntary organisations that will run such After Care Programme (ACP). The selected voluntary organisations shall formulate ACPs for each such child for a period of three years.

Audit noted that OSCPS had received ₹ 1.20 crore during 2016-21 for implementation of ACP out of which no expenditure had been incurred during the same period. Audit also noted that 660 children (302 girls and 358 boys) had left CCIs in the sample districts on attaining age of 18 during 2016-21 and

none of them had been covered under ACP. Year-wise number of children who left CCIs in the test checked districts on attaining age of 18, during 2016-21 is shown in **Table 4.9** below:

Table 4.9: Table showing non implementation of After Care Programme

Sl. No.	Name of the district	No. of children moved out after the age of 18 years from CCIs					Total
		2016-17	2017-18	2018-19	2019-20	2020-21	
1.	Cuttack	56	38	51	21	21	187
2.	Ganjam	17	17	35	13	23	105
3.	Jharsuguda	0	0	2	0	0	2
4.	Kalahandi	9	8	11	12	5	45
5.	Khurda	34	37	37	43	50	201
6.	Koraput	3	5	2	14	8	32
7.	Mayurbhanj	14	7	9	8	11	49
8.	Puri	10	8	10	8	3	39
	Total	143	120	157	119	121	660

(Source: Information furnished by DCPUs)

Audit found that DCPUs in eight test checked districts had not identified any suitable voluntary organisation in their respective districts which would run ACPs despite availability of funds. As a result of this inaction on the part of DCPUs, there was idling of funds and more significantly, one of the crucial objectives of ICPS of mainstreaming children leaving CCIs, remained unachieved.

It was further noted that the W&CD Department, GoO had also not intervened in the matter to ensure that ACP is in place to cover all children moving out of CCI for mainstreaming them. This indicated lackadaisical attitude of the functionaries of the W&CD Department, OSCPS and DCPUs.

In reply the DCPOs of Khurda, Kalahandi and Jharsuguda stated (August/September 2021) that due to non-availability of proper guidelines from the Government, the required facilities had not been provided. The reply is not convincing since the DCPUs are entrusted with the responsibility of identifying voluntary organisations to run ACP as per the ICPS guidelines, hence, no further guidance was required on the matter. Two other DCPOs (Cuttack and Ganjam) stated (August- September 2021) that implementation of ACP was under process.

4.8 Shortfall in number of care-giver personnel at the State, District and CCI levels

4.8.1 Shortfall in number of personnel in the State level agencies (OSCPS and SARA)

OSCPS is the State level agency for implementation of ICPS in Odisha. State Adoption Resource Agency (SARA) is a constituent of OSCPS having the mandate to support Central Adoption Resource Agency (CARA) in promoting in-country adoption and regulating inter-country adoption as well as to coordinate, monitor and develop the work of adoption. SARA is to liaison with DCPUs and provide technical support to the Child Welfare Committees (CWCs) in carrying out the process of rehabilitation and social reintegration of all children through sponsorship, foster-care, in-country and inter-country adoption.

Against the required staff of 13 persons, only 10 persons were available in OSCPS. Out of the three vacant posts, one key post of a Programme Manager (Training, IEC and Advocacy) remained vacant. Vacancy in this post raises the risk of shortfall in the number of training programmes conducted in test checked districts.

Similarly, in SARA, out of four posts, two key posts *i.e.*, Programme Officer and Programme Assistant remained vacant. The Programme Officer and Programme Assistant perform the key function of coordinating between the State level and District level for child adoption activities and hence filling up these vacancies on priority basis is essential.

4.8.2 Shortfall in number of care-giver personnel at the District level

As per Paragraph 2.1 of Chapter 3 of ICPS guidelines, a DCPU is a fundamental unit for the implementation of ICPS. The DCPU shall coordinate and implement all child rights and protection activities at district level.

In the eight selected Districts, Audit examined the availability of personnel, compared to the ICPS guidelines (Annexure-I of the guidelines), as per which a total of 12 persons are required to manage the DCPU. It was seen that in these eight districts, there were vacancies in the range of 17 to 58 *per cent* with the vacancy position being highest in Jharsuguda. Due to the shortage of personnel, the day-to-day functioning of the DCPUs was affected besides adversely impacting planning and monitoring of CCIs in the district.

Further, as per Paragraph 2.2, Chapter 3 of ICPS guidelines, the Counsellor at the DCPU will be responsible for supervising counsellors in the institutions and also for providing counselling support to children and families coming in contact with the DCPU.

As per information furnished to Audit, the post-wise, Persons-in-Position (PIP) in all the 30 DCPUs of the State as of March 2021 was as follows:

Table 4.10: Table showing Staff position of all the districts in the State

Sl. No.	Particulars	PIP required	PIP available	Shortfall in PIP	Percentage of shortfall
1	DCPO	30	28	2	7
2	Protection Officer (Institutional care)	30	21	9	30
3	Protection Officer (Non-Institutional care)	30	21	9	30
4	Legal-cum-Probation Officer	30	18	12	40
5	Counsellor, Social Worker, Out-reach worker, Community Volunteer	150	92	58	39
6	Accountant, Assistant & DEO	60	37	23	38
	Total	330	217	113	34

(Source: Information furnished by OSCPS)

Role of counsellors is to provide counselling services to children in need of care and protection as well as to their families. Similarly, Social Workers are responsible for coordinating field level activities in their respective cluster of sub-divisions as assigned by the DCPO. The Outreach Workers are

responsible for developing networking and linkages with Anganwadi workers and Panchayat/ local bodies at community/ block levels. While Protection Officers (Institutional Care) are responsible for effective implementation of child protection programs and policies at the district and local levels, Protection Officer (Non-Institutional Care) ensure effective implementation of the non-institutional components of ICPS relating to sponsorship, foster-care, adoption, after-care, etc. Staff position in the test checked districts are given in **Appendix 4.2**.

Audit noted that there were significant shortfalls of care-giving personnel in the key roles of Protection Officers for both institutional and non-institutional care (30 per cent) and Counsellors (39 per cent). Thus, there were inadequate number of personnel in place, to provide care and counselling to vulnerable children as well as to ensure effective implementation of the ICPS scheme and its institutional and non-institutional components.

4.8.3 Shortfall of care-givers personnel at CCIs

As per Rule 39 of Odisha JJ (CPC), Rules, 2018 the personnel strength of a CCI shall be determined according to the duty, posts, hours of duty and category of children that the staff is meant to cater to. There shall be 15 categories of posts to manage a CCI. Further, as per Rule 39(9) of the aforesaid Rule, the security personnel shall be deployed as per nature and requirement of the CCI, taking into consideration strength of the children, age groups, physical and mental status, segregation facility based on the nature of offence and structure of the Institution.

Audit reviewed the status of care-giver personnel in 45 CCIs⁸ in the State and a summarised position is shown in the **Table 4.11** below:

Table 4.11: Staff position of test checked CCIs

Sl. No.	Name of the post	Persons required in 45 CCIs	PIP available	Shortfall in PIP	Percentage of shortfall
1	Superintendent	45	43	2	4
2	Counsellor	90	45	45	50
3	P O/ Child Welfare Officer/ Case worker	135	50	85	63
4	House Mother/ House Father	180	94	86	48
5	Paramedical staff	45	17	28	62
6	Store Keeper-cum-Accountant	45	32	13	29
7	Cook	90	52	38	42
8	Helper	90	46	44	49
9	Housekeeper	90	42	48	53
10	Educator	90	66	24	27
11	Part time Doctor	45	18	27	60
12	Part time Art & Craft-cum-music Teacher	45	31	14	31
13	Part time Instructor cum Yoga trainer	45	16	29	64
14	Gardener (Part time)	45	0	45	100
	Total	1080	552	528	49

(Source: Information furnished by CCIs)

⁸ Out of 60 CCIs, 43 were Children Homes and 2 were Observation Homes. The remaining 15 CCIs (SAA and OH) do have specific staff patterns. So, these 15 CCIs were not taken into account in the para.

From the above table, it was apparent that there were significant shortfalls in key care-giver roles such as Counsellors (50 *per cent*), Child Welfare Officers (63 *per cent*), House Mother/ Father (48 *per cent*), Paramedical Staff (62 *per cent*), Cooks (42 *per cent*) and Helpers (49 *per cent*). Due to the shortage of personnel, the day-to-day functioning of the CCIs was adversely impacted and wellbeing of these at-risk children could not be sufficiently catered to. The significant shortage especially of Child Welfare Officers and Counsellors further adversely impacted the running of various schemes like the Foster Care, After Care Programme, Sponsorship Programme, *etc.*

4.9 Shortfall in training programmes for care-giver personnel

As per Rule 106 of Odisha JJ (CPC), Rules, 2018, the State Government through the OSCPS or any other institution as deemed suitable shall provide training to personnel appointed under the Act and each category of staff, keeping in view their statutory responsibilities and specific jobs requirements.

Audit reviewed year-wise data related to Annual Action Plan & Training conducted by OSCPS during 2016-17 to 2020-21.

It was observed that the overall achievement in conducting training programmes by OSCPS at State level stood at 94 *per cent*. However, important training programmes like, Training of trainers for child protection, Induction training for newly recruited DCPU personnel, Orientation training for outreach workers and Orientation programme for Superintendents of CCIs on maintaining standard of care, had not been conducted during 2016-17 and 2017-18.

While achievement in conducting training programmes at State level by OSCPS stood at 94 *per cent*, achievement in the test checked districts during the same period was only 46 *per cent*.

Audit observed that a total of 855 training programmes were to be imparted to different care-giver personnel of the test checked districts during 2016-17 to 2020-21. However, District authorities conducted only 394 (46 *per cent*) training programmes on different subjects during the above period, which resulted in shortfall of 461 (54 *per cent*).

The DCPOs stated that the training programmes were not conducted as per the plan due to shortages of facilitators and due to the Covid-19 outbreak. The fact, however, remains that out of five years, only 2020-21 was hit by the pandemic when only 63 training programmes could be conducted against plan of 122, registering shortfall of 59 (48 *per cent*).

4.10 Oversight Mechanism

4.10.1 State Level Monitoring Committee

As per ICPS guidelines, a State Level Monitoring Committee shall be formed with the State Principal Secretary/ Secretary, W&CD Department to supervise implementation of ICPS with the help of the State Child Protection Committee (SCPC). Such a Committee under the Chairpersonship of the State Principal Secretary/ Secretary shall include members from the concerned government departments like health, education, labour, housing, judiciary, home, railways and members of the local bodies like PRIs, ULBs, voluntary organisations and

members of the civil society. The SCPC shall monitor the implementation of ICPS on the basis of the state specific indicators, which have been developed. The Chief Secretary of the concerned State/ UT shall conduct an annual review of the implementation of the ICPS at State level.

Audit noted that although the State Level Monitoring Committee had been formed, the Department had not developed State specific indicators against which the implementation of the ICPS scheme could be evaluated. Further, no information was made available to Audit on the number of review meetings conducted by the Committee and on whether annual review of the implementation of ICPS at the level of the Chief Secretary, as envisaged in the guidelines, had been conducted during the period 2016-17 to 2020-21.

4.10.2 District/ Block and Panchayat Level Monitoring Committees

As per ICPS guidelines, the Chairperson of Zilla Parishad and District Magistrate, assisted by the District Child Protection Committee (DCPC), supervise the activities of the DCPU as well as the overall implementation of ICPS. The DCPC shall monitor the implementation of ICPS on the basis of district-specific indicators, which are to be developed in the process of implementation of the scheme.

As per section 100(xxvii) of Odisha JJ (CPC) Rules 2018, DCPO shall ensure functioning of the District, Block and Panchayat Level Child Protection Committees (PLCPC) for effective implementation of the provisions of the Act, Rules, Adoption Regulations and other programmes connected with welfare and rehabilitation of the children.

Audit noticed that the District and Block Level Child Protection Committees had been formed in all the test-checked districts. However, out of 2,366 Gram Panchayats (GPs) of eight selected districts, 2,285 Panchayat Level Child Protection Committees were formed. In the remaining 81 GPs of three⁹ districts, the same had not been formed.

Due to non-formation of committees in 81 GPs, the objective of ensuring effective monitoring of implementation of the provisions of the Act, Rules, Regulations and other programmes connected with welfare and rehabilitation of the children in Panchayat level in the districts could not be achieved.

In reply, the DCPOs of Jharsuguda, Koraput and Khurda stated (August/ September 2021) that due to shortage of human resources and non-provision of funds, PLCPC could not be formed.

4.10.3 Shortfall in conducting inspections by District Inspection Committee

As per Section 54 of JJ (CPC) Act, 2015, and read with Rule 53(10) of Odisha JJ (CPC), Rules, 2018, the District Inspection Committee (DIC), headed by Additional District Magistrate (ADM) shall inspect each CCI in the district on quarterly basis to access the facilities available for children therein.

Audit noticed that 1,720 quarterly Inspections were conducted by the DIC against 1,860 that were required to be carried out, during the period 2016-21.

⁹ Kalahandi, Khurda and Koraput

Due to shortfall in inspections by DIC, proper functioning of CCIs in the district could not be assessed adequately by the district authorities.

4.11 Conclusion and Recommendations

4.11.1 Conclusion

Expenditure efficiency of Odisha Child Care Protection Society decreased over the period from 2016-17 to 2020-21. The percentage of utilisation of available funds continually decreased from 70.47 *per cent* in 2016-17 to 31.60 *per cent* in 2020-21. Out of the total number of 93,865 children identified as vulnerable in the baseline surveys, only 1,973 children (two *per cent*) were put in different CCIs by the DCPUs. No State specific database had been created to monitor trends and patterns on the subject matter of protection of children, as envisaged in the ICPS guidelines. No innovative projects were undertaken despite availability of budget provisions of ₹1.20 crore during 2016-21. Newly constructed CCI at Bhawanipatna at a cost of ₹ 3.85 crore remained unused. The DCPUs had not identified any suitable voluntary organisation in their respective districts which would run ACPs despite availability of funds. Available physical infrastructure as well as human resources were not adequate and as per the norm to provide effective child care and protection services. As such, the inmates of the Child Care Institutions had not been provided with desired level of basic facilities and required amenities.

Further, security measures at CCIs were not adequate despite cases of missing children being reported. Functioning of the CCIs were not being monitored adequately by the District Inspection Committees, indicating apathy of the Department.

4.11.2 Recommendations

It is recommended that:

- baseline surveys should be conducted periodically to identify vulnerable children in each district.
- physical infrastructure should be improved and required number of staff should be posted in CCIs.
- individual Care Plan in respect of each child should be prepared and suitable NGOs should be identified and engaged for implementation of the same.
- efforts to put children in foster care should be stepped up and After Care Programmes for each child should be prepared and implemented.
- innovative projects may be undertaken for the welfare of the vulnerable children.
- adequate security measures may be provided in the CCIs to ensure safety of the children.
- W&CD Department may closely monitor the functioning of the OSCPS to ensure that funds provided for welfare of children are spent fully and timely and other measures contemplated for welfare of children in CCIs are taken scrupulously.

Chapter 5

Execution of Construction Projects by Odisha Construction Corporation Limited

Department of Water Resources

Chapter 5: Execution of Construction Projects by Odisha Construction Corporation Limited

5.1 Introduction

Odisha Construction Corporation Limited (OCCL) with its Registered Office at Bhubaneswar was incorporated on 22 May 1962 as a wholly owned company of Government of Odisha (GoO) under the administrative control of the Department of Water Resources (DoWR). The main objective of the Company is construction and development of works like dams, spillways, hydraulic gates, barrages, reservoirs, canals, *etc.* of DoWR. OCCL obtains works either allotted by DoWR or by participating in the tenders floated by DoWR or other departments of GoO.

The Company had finalised accounts for the year ended March 2020 and prepared provisional accounts for the year ended March 2021. As per the provisional accounts, the paid-up capital of the Company stood at ₹ 17.50 crore and accumulated surplus was ₹ 185.29 crore. At the same time, the non-current liabilities and current liabilities stood at ₹ 860.98 crore and ₹ 468.84 crore respectively. The net worth of the Company worked out as ₹ 202.79 crore as of March 2021. The turnover of the Company decreased from ₹ 874 crore in 2016-17 to ₹ 422 crore in 2020-21 and net profit after tax decreased from ₹ 35 crore to ₹ 34 crore during the same period.

The Management of the OCCL is vested in a Board of Directors (BoD) with the Secretary, DoWR as the ex-officio Chairman and 11 Directors, appointed by GoO. The Managing Director, the Chief Executive of the Company, is assisted by one Director (Mechanical), four General Managers (Civil), one General Manager (Mechanical), one Financial Advisor-cum-Chief Accounts Officer, one Administrative Officer and one Company Secretary who look after the day-to-day operations of the Company. The Company functions through four Regional Offices and 24 Project Offices¹ (POs) headed by General Managers (GMs) and Senior Managers (SMs) respectively.

Audit was conducted between July 2021 and January 2022 covering the period from 2016-17 to 2020-21 to assess planning for execution of projects by OCCL for their timely completion and achieving economy, efficiency in execution of works as well as utilisation of funds and other resources of the Company. Audit also examined the adequacy and effectiveness of the internal control system and the monitoring mechanism of the Company. Audit scrutinised records and documentation of OCCL at its Corporate Office and five selected Project Offices, where 48 projects out of a total of 526 projects were selected for examination on judgemental basis². Besides, Joint Physical Inspections (JPI) of works/ assets were carried out by Audit along with Company personnel. The audit findings are presented in the subsequent paragraphs.

¹ 17 civil project offices, six mechanical project offices and one construction consultancy division

² Selected considering the materiality of contract value and financial and physical progress

Audit Findings

5.2 Planning for construction projects

5.2.1 Absence of Corporate Plan and Annual Plans

Department of Public Enterprises, GoO had developed (November 2009) a Corporate Governance Manual (CGM) for State owned Public Sector Undertakings (PSUs) to govern their operations and strengthen their operational framework. As per Paragraph 1.5 of the CGM, every State PSU was to prepare and submit to its administrative department, a Corporate Plan by January, for a three-year period commencing from April. The Corporate Plan would provide a detailed description of how the PSU intends to deliver its long-term goals and objectives. Based on the Corporate Plan, a budget would be prepared that would integrate the resource requirements with the achievement of financial and non-financial targets. Subsequently, Annual Plans are to be prepared and submitted in January every year to the administrative department concerned, based on financial targets and resource requirements.

The Company was to prepare Corporate Plan and obtain approval of BoD for submission to DoWR. While the management of the Company was to ensure that the Corporate Plan is implemented, the Secretary of DoWR was to oversee the extent to which the Board guides the management of the Company in achieving aims and objectives and also to review the progress against performance targets.

Audit noted that OCCL had neither prepared the three-year Corporate Plan nor the Annual Plans during 2016-21. Despite the fact that during the period 2016-21, 21 meetings of the BoD were held, the issue of non-preparation and non-submission of Corporate and Annual plans were not discussed in these meetings. Further, the Secretary, DoWR, who was Chairperson of the BoD did not issue any instruction for preparation and submission of the same.

In absence of a Corporate plan, the business strategy, priority order of action points identified and risk mitigation measures adopted by the Company remained missing. Moreover, in the absence of annual plans, the aims and objectives of the Company could also not be translated into targets, progress against which could be periodically reviewed.

5.2.2 Targets specified in MoU with DoWR vis-à-vis achievements

The Company signs a Memorandum of Understanding (MoU) annually with DoWR wherein targets and commitments on the part of the Company on turnover, profitability, etc., are fixed. Targets for turnover and net profit after tax for the five years ending March 2021 are summarised in **Table 5.1** below:

Table 5.1: Target vis-à-vis achievement in turnover and net profit after tax by OCCL during 2016-21

(₹ in crore)						
Particulars	Target/ Achievement	2016-17	2017-18	2018-19	2019-20	2020-21
Turnover	Target	700	800	800	500	500
	Achievement	874	728	451	522	422
	Percentage of achievement	125	91	56	104	84

Particulars	Target/ Achievement	2016-17	2017-18	2018-19	2019-20	2020-21
Net Profit after tax	Target	6.93	28.64	20.47	19.17	17.13
	Achievement	35.45	67.16	50.13	49.03	34.21
	Percentage of achievement	512	234	245	256	200

(Source: Information furnished by OCCL)

Audit noticed that:

- OCCL did not achieve turnover targets in three out of five years (except 2016-17 and 2019-20) and the achievement registered a decreasing trend during 2017-18 to 2020-21. The turnover target of the Company was also substantially revised downwards from ₹ 800 crore during 2017-19 to ₹ 500 crore during 2019-20. The actual turnover decreased by 52 *per cent* from ₹ 874 crore in 2016-17 to ₹ 422 crore in 2020-21. During these years, the value of works allotted to OCCL reduced from ₹ 1,183 crore in 2016-17 to ₹ 202 crore in 2019-20 as DoWR did not allot committed value of work to the Company. At the same time, the number of works that the Company could secure by participating in tenders also went down leading to an overall fall in achievement of turnover targets.
- During 2016-21, out of total value of works of ₹ 3,148.42 crore received by the Company, only 18 works valued at ₹ 260.46 crore were secured by participating in open tender, which was just 8.27 *per cent*. There was no analysis carried out by the Company to identify measures that could be taken to improve performance of OCCL in winning contracts *via* bidding in the open market. Although the BoD had directed the Company management to secure at least 20 *per cent* of works through participation in tenders, the same had not been achieved. In the absence of Corporate Plan and Annual Plans, there was no clarity on long and short-term measures to be adopted or time-based targets specified for this purpose, by the Company.
- OCCL, however, achieved targets for net profit after tax in all the years during 2016-21 and the achievement surpassed the targets by 200 to 512 *per cent*.

Audit observed that though the Company had not achieved turnover targets in three out of five years and the turnover was also in decreasing trend during 2016-21, volume of profit earned during the same period, however, remained almost unchanged. Also the profit earned far exceeded target fixed. This indicated that the targets fixed for turnover and profit were not realistic. Achieving targets for profit without achieving turnover targets requires a relook at strategy of setting targets.

5.3 Status of execution of works

The year-wise positions of receipt and execution of works for the period 2016-21 were as under:

Table 5.2: Receipt and execution of works in OCCL during the period 2016-21

Year	Spill over from previous year		Projects received during the year		Completed (No.)	Value of works executed/ completed (₹ in crore)	Incomplete (No.)	Value of incomplete works (₹ in crore)
	No.	Value (₹ in crore)	No.	Value ³ (₹ in crore)				
	a	b	c	d	e	f	g (a+c-e)	h (b+d-f)
2016-17	225	1014.56	70	1412.57	117	874.03	178	1553.10
2017-18	178	1553.1	32	568.92	77	727.83	133	1394.19
2018-19	133	1394.19	58	164.22	47	451.01	144	1107.40
2019-20	144	1107.4	60	438.7	98	521.64	106	1024.46
2020-21	106	1024.46	81	564.01	60	421.69	127	1166.78

(Source: Information furnished by OCCL)

OCCL executed works valued at ₹ 2,996.20 crore during 2016-21. Execution of projects during a year ranged between 27 and 36 *per cent* of the total value of projects available with the Company during the period. The Company completed only 399 (76 *per cent*) out of 526 projects in hand during 2016-21. Of the 127 incomplete projects, works on 21 projects had not started as of March 2021 and 106 projects were under execution. In respect of 54 on-going projects, the delay in completion ranged from seven months to almost eight years as of December 2021. Delay was attributed to reasons such as adverse site conditions (3 projects), pending approvals for Detailed Project Report/ drawing/ design (10 projects), pending forest land clearance (14 projects), non-availability of labour during Covid-19 outbreak (7 projects) and pending land acquisition and rehabilitation of occupants (20 projects).

Of the 21 projects that had not yet commenced, the works did not start for periods ranging from nine months to almost nine years (as of December 2021) due to various reasons, such as adverse site conditions⁴ (1 project), pending approval of drawing/ design⁵ (4 projects), non-availability of labour during Covid-19 outbreak⁶ (10 projects) and other reasons⁷ (6 projects).

Audit test checked records of 48 projects, selected on the basis of judgemental sampling and the observations are presented in the following paragraphs.

5.4 Execution of works allotted by DoWR

Works Department, GoO issued (September 2012) guidelines for award of works to be executed through Public Sector Undertakings of the State. As per the procedure, the executing PSU shall prepare cost estimates for government projects on the basis of the prevailing Schedule of Rates (SoR), issued by the Works Department. Further, overhead charges and contractor's profit at a rate of 7.5 *per cent* each of the estimated cost is added, to arrive at the total estimated cost, as per the procedure outlined by the Works Department in October 2013. Thus, the total estimated cost of a project prepared by a PSU comprises material, labour and other expenses as well as overhead charges and

³ Including revision of value of contracts made subsequently

⁴ Nine months

⁵ 10 months to 9 years

⁶ 9 months to 11 months

⁷ 9 months to 12 months

contractor's profit. The PSU shall then put the work to tender for selection of job workers for execution of the work indicating estimated cost of the project. Thus, cost estimates prepared by OCCL influences the price quoted by the job workers.

OCCL is entitled to 10 *per cent* on the value at which it awards work to the job worker towards 'overhead charges' from the DoWR. Thus, for DoWR, cost of a project executed through OCCL, is valued at a cost at which the work is awarded by OCCL to the job worker and 10 *per cent* thereon.

Audit, however, noticed deficiencies in preparation of cost estimate and execution of works through job workers, which resulted in excess expenditure, as discussed in the subsequent paragraphs.

5.4.1 Preparation of estimate

Paragraph 3.4.10 (i) of OPWD Code stipulates that estimate should be prepared on the basis of prevailing SoR and provision for item rates in estimates should be made in an economical manner. Rule 132 of Odisha General Financial Rules (OGFR), also state that for any cause if SoR is not considered sufficient, the deviation should be explained in detail on the estimate showing the manner in which the rate used was arrived at. Audit noticed the following deficiencies in preparation of estimates:

5.4.2 Undue benefit of ₹ 7.72 crore to the contractor due to increase in cost of dredger and pipelines

DoWR proposed (October 2015) execution of the work of "Removal of Shoal in the upstream side of Mahanadi Barrage" by OCCL at a provisional estimated cost of ₹ 222.19 crore for the project. The scope of work included desiltation by dredging river bed by one to seven metres and disposing the silt extracted at a distance of 2.5 km through a pipeline. As the SoR prepared (November 2014) by the Works Department did not include unit cost of dredging, the cost incurred by DoWR for dredging in a previously executed (2014-15) work was taken as the basis for preparing the estimates. Accordingly, the hire charge of dredger and accessories at a rate of ₹ 113.63 per cubic metre (cum) was included in the provisional estimated cost.

As per the guidelines issued by the Works Department in September 2012, OCCL prepared the cost estimate for the work (February 2016) valued at ₹ 298.44 crore. The cost estimate included ₹ 65.96 crore towards hire charges of dredger and accessories, calculated at a rate of ₹ 126.26 per cum as against ₹ 113.63 per cum adopted by the DoWR based on the cost incurred in an earlier work of same nature. Thus, the cost estimate was inflated by ₹ 12.63 per cum for dredging works.

Audit observed that in the absence of rates for hire charges of dredger and accessories in the SoR, DoWR, in pursuance of Rule 132 of OGFR, had adopted (August 2015) dredging charges at ₹ 113.63 per cum on the basis of cost incurred for dredging in an earlier work. OCCL also prepared an estimate for the work in December 2015 taking dredging charges as ₹ 113.63 per cum. In the revised estimate prepared by OCCL in February 2016, OCCL increased the dredging cost to ₹ 126.26 per cum without mentioning any justification for such increase. Deviation from a reasoned rate without any justification was in violation of the provisions of OGFR and, therefore, arbitrary. The DoWR also

accepted (December 2019) the higher rate without seeking any details from OCCL and signed the agreement with OCCL.

OCCL awarded the dredging work as a job work during February 2019 to December 2019 at a tender cost of ₹ 148.93 crore. The job worker executed 55.40 lakh cum as of July 2021 on which an extra expenditure of ₹ 7.72 crore was incurred due to adoption of higher rate for dredging (**Appendix 5.1**).

5.4.3 Adoption of uneconomical rate for spreading of dredged materials

As per SoR, 2014, the rate for spreading the dredged materials using dozers with output capacity of 200 cum per hour and 300 cum per hour was ₹ 7.96 and ₹ 7.30 per cum respectively. Thus, use of dozer with output capacity of 300 cum per hour was economical.

Audit noted that OCCL instead of using a higher capacity dozer (300 cum) at lower rates (₹ 7.30 per cum), considered use of 200 cum capacity dozer for preparing the cost estimate of a work “Removal of Shoal in the upstream side of Mahanadi Barrage” and accordingly used the rate of ₹ 7.96 per cum. Based on SoR, it is clear that provision for use of higher capacity machines would have been more economical by ₹ 0.66 per cum. Thus, by using a 200 cum dozer for execution of 38.78 lakh cum of work, OCCL and ultimately the Department, incurred an extra expenditure of ₹ 28.29 lakh.

5.4.4 Undue benefit to contractor of ₹ 1.62 crore due to inclusion of inflated cost in the cost estimate

In case of one test checked Project⁸, OCCL incorporated (March 2016) a rate of ₹ 302 per cum towards the work of excavation of soil from approved borrow area including stripping and transporting the same to the project site. Audit noted that the rate provided in the SoR for the same work of excavation was ₹ 272.78 per cum.

Audit noted that OCCL while arriving at the rate of excavation (based on the SoR) for the work, had also included additional cost for stripping in the estimate. This was despite the fact that the rate for excavation included in the SoR was inclusive of stripping charges and no further additions were thus necessary. Further, while the SoR provided a depreciation charge for tyres and tubes at ₹ 9 per hour, OCCL adopted the same as ₹ 24 per hour. As a result, the cost estimate of the work was inflated by ₹ 29.22 per cum.⁹

Based on this inflated estimate, work was awarded to a contractor in June 2016 by OCCL at a tender cost of ₹ 134.71 crore. Due to the inflated estimate, an undue benefit of ₹ 1.62 crore was extended to the contractor (M/s D. D. Builders) for excavation and transportation of 5.63 lakh cum of earth.

The Senior Manager (SM) stated (September 2021) that the cost of stripping of borrow area had not been considered by Audit and depreciation cost of tyres and tubes had been taken as per the prevailing market rate. The reply is not acceptable as the SoR was inclusive of the stripping charges. Further, the rate of depreciation fixed at ₹ 9 per hour, as was prevailing at the time of preparation of cost estimate, should have been considered.

⁸ Construction of Spillway of Haldia dam in Subarnarekha Irrigation project (HSP 127:04)

⁹ ₹ 302.00 - ₹ 272.78 = ₹ 29.22

5.4.5 **Undue benefit of ₹ 1.27 crore to the contractors, due to adoption of higher rate for Z-Type Sheet Pile and Stone**

Works Department issued (September, 2012) working procedure for execution of works through PSUs which *inter alia* stipulated that the estimates should be prepared by the PSUs on the basis of prevailing SoR.

In case of three projects allotted by DoWR to OCCL, Audit noticed that the latter had prepared estimates at rates higher than applicable as per the SoR. Tenders for selection of executants for these works were invited on the basis of these increased estimates. As a result, there was an extra expenditure of ₹ 1.27 crore, in cases as discussed below:

i) In respect of “Driving and Fixing of Z-type sheet piles” of two projects¹⁰, the rates adopted by OCCL were excess by ₹ 1,522.57¹¹ and ₹ 4,340.15¹² of what was mentioned in the SoR. The works were awarded to the contractor during January 2016 to November 2020 at a total cost of ₹ 74.30 lakhs. Inclusion of excess item cost, thus, resulted in extra expenditure of ₹ 98.08 lakh.

The SMs of the Projects stated (October 2021) that prevailing market rate had been adopted for preparing the cost estimate. The fact, however, remained that any rate beyond SoR was not admissible for preparing cost estimates as per the procedures outlined by the Works Department in September 2012.

ii) In another project “Construction of Earth Dam of Deo Irrigation Project from RD 183.50 M to RD 1280.00 M including Right Head Regulator (balance work)”, allotted by DoWR, OCCL prepared estimates for stone (including carriage and royalty) at rates higher than those mentioned in the SoR by ₹ 108.22 per cum to ₹ 290.22 per cum. OCCL awarded (July 2014 to May 2015) these works to job workers at these higher rates. Due to provision of higher rates in the estimates, OCCL incurred an extra expenditure of ₹ 29.40 lakh for execution of 10,949.91 cum stone works by the job workers (**Appendix 5.2**).

The SM stated that (November 2021) necessary steps would be taken after verifying the estimate and agreement with the contractor.

Audit observed that the procedures outlined by the Works Department in September 2012 for preparing cost estimates had been overlooked by OCCL. As a result, DoWR was made to incur excess expenditure of ₹ 1.27 crore in three works and the job workers of the works were benefitted to that extent.

5.4.6 **Provision of excess lead**

Para 3.4.16(a)(vii) of the OPWD Code provides that the approved lead is to be provided judiciously for the purpose of estimate.

Audit noticed in four test checked projects in Mayurbhanj district, stone

¹⁰ Construction of Instream Barrage across river Baitarani near Saptamatruka Temple in Jajpur District (Right Arm) (CRW 102:28) and Development of Barahapitha on River Baitarani left (JPR 123:17)

¹¹ Rate as per SoR: ₹ 8,241.98; taken in the estimate: ₹ 9,764.55

¹² Rate as per SoR: ₹ 8,619.65; taken in the estimate: ₹ 12,959.80

quarries were available at a distance of 20 kms to 85 kms from the work sites as was evident from the District Survey Report on Minor Minerals available on the website of the Mayurbhanj district. Thus, required quantity of quarry for project works could have been sourced from the nearby quarries. OCCL, however, identified another quarry viz., Bagudi stone quarry at Soro Block of Balasore district which is situated at a distance of 105 km to 151 km from the work sites, for sourcing stones for the projects. OCCL prepared cost estimates between March 2016 and October 2016 accordingly. Thus, ignoring nearby quarries for sourcing stones, lead was increased by 20 km to 131 km, as explained in **Table 5.3**.

Table 5.3: Calculation for excess lead taken in the estimate and volume of stone used

Sl. No.	Name of the project	Distance from nearby quarry (km)	Distance from quarry taken in the estimate (km)	Excess lead (km)	Volume of stone used (lakh cum)	Excess expenditure incurred (₹ in crore)
1	Construction of Spillway of Haldia Dam	25	130	105	1.13	9.77
2	Construction of Baisingha Feeder-cum-link canal	35	107	72	0.75	4.14
3	Restoration of Subarnarekha Main Canal	20	151	131	0.31	2.69
4	Bank protection on right bank of river Subarnarekha from Berhampur to Tambakhuri	85	105	20	0.56	0.69
Total volume of stones sourced from quarries other than nearby quarries (lakh cum)					2.75	17.29

(Source: Work records of OCCL and Audit analysis)

Audit noted that the reason for ignoring nearby quarries for sourcing stone products were not documented by OCCL nor was there any evidence in support of the claim that the stone products had indeed been sourced from the distant quarries. Audit observed that provision of excess lead resulted in additional lead charges ranging from ₹ 130 to ₹ 932.50 per cum in the estimates. Based on the inflated estimate, work was awarded to contractors during June 2016 to December 2016 for ₹ 294.46 crore. As a result, transportation of 2.75 lakh cum stone products was undertaken at an extra expenditure of ₹ 17.29 crore (**Appendix 5.3**). Due to unjustified excess lead, the job workers were extended undue benefit.

The SM stated (September 2021) that the lead had been ascertained on the basis of the location of nearest quarry and availability of materials. The reply is not acceptable as the District Survey Report on Minor Minerals available on the website of Mayurbhanj district indicated that a nearby quarry namely Jaggannath Khunta quarry at Bangriposi block of Mayurbhanj was active during 2015-16 to 2019-20.

5.5 Award and execution of works through job workers

OCCL executed works projects through job workers or contractors engaged by it. Based on the turnover, works experience, etc., of the applicants, they are categorised into four Groups i.e., I to IV¹³. Audit examined the aspects relating

¹³ Category I: ₹50 lakh and above, Category II: ₹20 lakh to ₹50 lakh, Category III: ₹5 lakh to ₹20 lakh and Category IV: Less than ₹5 lakh

to award of works to job workers and observations thereon are presented in the succeeding paragraphs.

5.5.1 *Avoidable expenditure of ₹ 4.74 crore due to adoption of excess hire charges of machineries for compaction of earth*

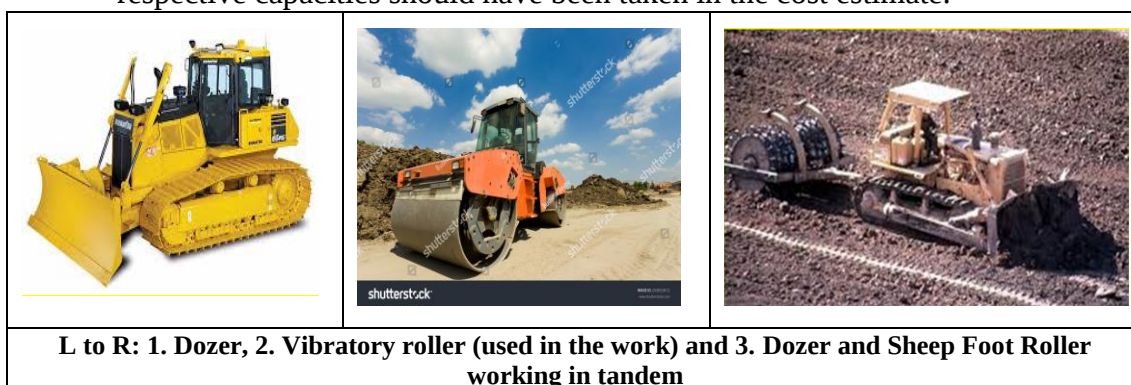
SoR 2014 provided hire charges of one dozer with a capacity of 300 cum per hour, for spreading of earth at ₹ 2,463.50 till 30 June 2017 and ₹ 2,141.79 thereafter. For the same periods, hire charges of one vibratory roller having compaction capacity of 100 cum per hour were ₹ 994 and ₹ 864.35 respectively.

Audit noticed in the cost estimates of six test checked projects prepared during February 2014 to June 2021, that OCCL had considered capacity of dozer and vibratory roller at 100 cum per hour each. The reason attributed by the Company for considering capacity of both the machines as 100 cum per hour was that the machines worked in tandem.

The rate prescribed in the SoR for 300 cum outturn capacity dozer was ₹ 2,463.50/ ₹ 2,141.79 per hour. SoR, however, did not prescribe any rate for 100 cum outturn capacity dozer. Thus, one-third of the rate prescribed for 300 cum dozer should have been taken in the estimate. As proportional reduction was not done, the compaction charges got increased by ₹ 4.74 crore (*Appendix 5.4*).

The SMs stated (September 2021) that the works involved simultaneous spreading of earth using dozer and compacting the same by vibratory roller. It was added that the machineries should be operated in tandem. Therefore, hire charges of dozer were not reduced proportionately. It was also stated that had the dozer been used only for spreading earth, the hire charges could have been reduced proportionately.

The reply is not acceptable because dozer and roller work in tandem only when a particular type of roller i.e., Sheep Foot Roller is used, as shown in the representational image below. However, in these works, vibratory roller had been used instead, as confirmed in the reply, which works independent of the dozer. Since both the machineries work independently, rate as per their respective capacities should have been taken in the cost estimate.



5.5.2 *Excess payment of ₹ 2.72 crore due to inclusion of contractor's profit on cement*

As per OPWD Code 3.4.1 read with the instructions of the Works Department issued in September 2012 and October 2013, estimate of a work is prepared on the basis of quantity of material to be used and rates of those materials as

prescribed in SoR. The estimated cost includes overhead charges and contractor's profit at the rate of 7.5 per cent each.

Audit noted that in projects where OCCL would supply material to the job worker, overhead charges and contractor's profit on the value of such material so supplied is not admissible to the job worker. Accordingly, OCCL had not paid overhead charges and contractor's profit to the job worker in case of a test checked project¹⁴, executed during 2017-21.

In two test checked Projects¹⁵ under execution since 2015-16 through one job worker, Audit noticed that the agreements with the job worker stated that OCCL would provide cement as per the requirement of the Cement Concrete (CC) works. Thus, the job worker was not entitled to overhead charges and contractor's profit on the value of cement to be provided by OCCL. Contrary to this, OCCL included ₹ 620 per quintal towards cement cost and ₹ 46.50 towards contractor's profit thereon and deducted ₹ 620 only towards cement cost to derive final rate of CC works. As a result, ₹ 46.50 per quintal towards contractor's profit on cement was allowed to the contractor irregularly. On execution of above work, 5,84,328.65 quintals of cement was used as of October 2021, on which a sum of ₹ 2.72 crore towards contractor's profit was paid to the contractor (M/s D.D. Builders), which was irregular.

The SM assured (November 2021) to take necessary steps after verifying the estimate and agreement with the contractor.

5.5.3 Undue benefit of ₹ 5.61 crore to contractors due to payment of inadmissible conveyance charges on stones issued from the work-site itself

The Tender Committee of the DoWR, while examining the offer of OCCL for the work of Construction of Earth Dam of Deo Irrigation Project decided (November 2012) that cost of useful stones obtained from excavation shall be recovered at ₹ 195 per cum. DoWR awarded (December 2012) the above-mentioned work to OCCL as two projects¹⁶. OCCL entered into agreements with two job workers (during July 2014 to January 2016) in respect of these two projects for execution of the works. As per the terms of the agreements, excavated hard rock would be dumped by the executing contractor in the dumping yard situated within the work sites and the ownership of excavated hard rock would be with OCCL. The agreements further provided that the usable excavated hard rock shall be issued to the job workers, if required, at the issue rate, as would be fixed by the Department i.e., DoWR. Further, as per the terms of the agreement, the job workers would be paid cost of hard rock at

¹⁴ Excavation of Narasinghpur branch canal under SM, OCCL, Dhenkanal

¹⁵ Construction of spillway, left head Regulator and Earth Dam portion from RD0.00M to RD183.50M of Deo Irrigation Project (Balance work) (DES 119:04) and Construction of Earth Dam of Deo irrigation from RD183.50M to RD1280.00M including Right Head Regulator (Balance work) (DED 118:04)

¹⁶ (i) Supply of labour, production/ supply of construction materials & hire and running charges of machineries for construction of Spillway, left Head Regulator and Earth Dam portion from RD 0.00 M to RD 183.50 M of Deo Irrigation Project (balance work) (Reach-IX) (DES 119:04) and – (ii) Supply of labour, production/ supply of construction materials & hire and running charges of machineries for construction of Earth Dam of Deo Irrigation Project from RD 183.50M to RD 1280.00M (Balance Work) (DED 118:04)

a rate of ₹ 900 per cum including transportation charges for a distance of 31 km to bring them to the work site.

Audit noticed that DoWR fixed issue rate of the excavated hard rock at ₹ 195 per cum. The job workers were issued 1.42 lakh cum usable excavated hard rock and a sum of ₹ 2.76 crore was deducted from their RA bills as of June 2021. Entire quantity of issued hard rocks was used in the works by the job workers and they were paid the agreed rate of ₹ 900 per cum.

Audit observed that:

- There was a wide variance of ₹ 705 per cum between the issue rate of hard rock (₹ 195 per cum) and supply rate as per the agreement (₹ 900 per cum). In absence of basis for arriving at the issue rate and supply rate, Audit could not vouchsafe reasonableness of the rates thus adopted by OCCL.
- The agreed supply rate of ₹ 900 per cum was inclusive of ₹ 395.60 per cum¹⁷ towards transportation cost for 31 km. Since 1.42 lakh cum of hard rock excavated from the work sites were used by the job workers in the same works, there was no involvement of lead. Therefore, agreed rate should have been reduced accordingly for the quantity of hard rock used in the works.

Thus, due to allowing inadmissible transportation cost on the quantum of stones issued from the work site itself, the job workers were extended an undue benefit of ₹ 5.61 crore¹⁸.

The SM while accepting the Audit observation stated (November 2021) that the excavated hard rocks were stacked at a distance of one kilometre from the work site from where the job workers transported the same to the work site as and when required and therefore, transportation charges at a rate of ₹ 156.40 per cum, as per the SoR was payable. The fact remains that excess payment made at a rate of ₹ 239.20 per cum amounting to ₹ 3.39 crore had not been recovered.

5.6 Contract Management

The works allotted by DoWR or received through open tender by OCCL are executed through the enlisted job workers. Profitability of the Company largely depends upon the economy and efficiency achieved in execution through the job workers. The Company is, thus, a principal contractor who remains responsible for any issues arising with regard to quality and quantity of executed works. Audit noticed the following deficiencies in management of contracts entered into with the job workers.

5.6.1 Poor execution of works by job worker

OCCL awarded (December 2017) a work¹⁹ to a job worker (M/s Guru Maharaj Engicon Pvt. Ltd.) for ₹ 95.34 crore. The scope of the work included, *inter*

¹⁷ @ ₹156.40 for first 5 kms then @ ₹9.20 per km for 26 kms (Schedule of Rates 2014)

¹⁸ Conveyance cost for 141823.906 cum stone

¹⁹ Driving of two rows of Z-type of steel sheet piles and tying with 50 mm diameter tie bar welding with flange along with construction of bank protection from RD 600M to RD 2100 M & Bathing Ghat of 400 M length at right side upstream of Mahanadi Barrage (JFP 117:22)

alia, supply of 6,267 numbers of GI crates and stitching and tying of the same filled with granite stones for protection of river bank. The agreed rate for such work was ₹ 1,607 per GI crate.

- Audit noted that the job worker had been paid ₹ 38.69 lakh for supplying, stitching and tying of 2,408 numbers of GI crates as of June 2021. Audit conducted (18 August 2021) a Joint Physical Inspection (JPI) of the site along with the SM of the concerned project i.e., Mahanadi-Birupa Group of Projects, Cuttack. In the JPI, it was observed that the GI crates were damaged and boulders were washed into the river, even while the bank protection work was still ongoing, as against the stipulated date of completion by February 2021.



Unstitched and untied GI crates

Due to poor execution of the work the objective of bank protection work was not only defeated but also the expenditure of ₹ 38.69 lakh was rendered wasteful.

- The scope of work also included painting of two coats of black anti-corrosive paints over surface area of 32,722.80 sqm at a rate of ₹ 178 per sqm. Audit noted that a sum of ₹ 58.20 lakh had been paid to the



Rusted sheet piles with faded paintings

job worker for painting 32,694.19 sqm as of June 2021. In the JPI, conducted on 18 August 2021, Audit observed that exposed part of the sheet piles spreading over 2.76 kilometers were rusted and only light traces of paint were found with only two months of the work reported to have been executed. Further, the piling work had not yet been completed despite stipulated completion date of February 2021. However, the full amount of ₹58.20 lakh had been paid to the job workers.

5.6.2 Premature release of defect liability amount to the job worker

The terms of the agreement (February 2019) entered into by OCCL with the job worker for execution of a project²⁰ envisaged, *inter alia*, that job worker would be paid 90 per cent of the total cost after completion of the work in all

²⁰ Construction of canal lining of Rengali Right Canal in two difficult patches of 630 M length (from 68.200 km to 68.450 km & from 72.730 km to 73.110 km) by using Cementious Composite Geo Tex Carpet (CCGC) technology (DKL 30:52)

respects and the balance 10 *per cent* after defect liability period of five years from the date of the completion of the work.

Audit noted that the work for canal lining by using cementious composite geo tex carpet was completed in all respects in June 2020 with an expenditure of ₹ 3.52 crore. However, the job worker was paid full amount on 30 June 2020 without retaining 10 *per cent* towards defect liability amounting to ₹ 35.23 lakh. Non-retention of amount towards defect liability indicated lack of Company's control over the contractor to safeguard the constructed structure from occurrence of any future defects. Further, the Company also deprived itself from earning potential interest of ₹ 1.30 lakh (at a rate of 2.70 *per cent* simple interest) as of October 2021.

Accepting the fact, the SM stated (November 2021) that security deposit of ₹ 17.60 lakh deducted from the bills of the contractors at a rate of 5 *per cent* would be retained till completion of defect liability period. The fact, however, remained that the defect liability remained uncovered to the extent of remaining ₹ 17.63 lakh.

5.7 Funds management for construction projects

The Company has finalised its annual accounts up to 2019-20 and prepared provisional accounts for the year 2020-21. The summarised working results of the Company for the years from 2016-17 to 2020-21 are shown in **Table 5.4** below:

Table 5.4: Summarised working results of OCCL for the period 2016-21

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21 (Unaudited)
A. Income					
Revenue from operation	867.46	763.35	470.45	474.22	408.40
Other receipts	34.12	38.74	46.39	51.93	42.18
Total-A	901.58	802.09	516.84	526.15	450.58
B. Expenditure					
Works expenses	102.02	67.37	35.51	20.23	32.34
Employees cost	38.04	40.76	33.11	37.12	34.46
Depreciation and other expenses	707.30	589.78	370.86	392.49	329.33
Total-B	847.36	697.91	439.48	449.84	396.13
C. Profit for the year (A-B)	54.21	104.18	77.36	76.31	54.45

(Source: Financial Statements of OCCL for the years 2016 - 2021)

It would be observed that due to lower allotment of works and inability to secure tenders, the revenue from operations decreased from ₹ 867.46 crore in 2016-17 to ₹ 408.40 crore in 2020-21 and at the same time other receipts increased from ₹ 34.12 crore to ₹ 42.18 crore. Other receipts comprised interest earned from term deposits, security deposits with DoWR, *etc.* and made up 4 to 10 *per cent* of the total income during 2016-21.

Audit noticed the following lapses in funds management by the Company.

5.7.1 Non-recovery of work advances

As per OPWD code 3.7.21 (Vol.I) advances to contractors are as a rule prohibited, and every endeavour should be made to maintain a system under

which no payment is made except for work actually done.

Audit noted that a sum of ₹ 34.20 crore were given as advances to the job workers relating to 203 projects and were lying outstanding/ unadjusted as of March 2021 for more than 12 months. In case of a sample project²¹, OCCL engaged (March 2008) a job worker to execute the Right Flank of Earth Dam from RD 650 to 1200 m. The job worker, after executing works valuing ₹ 4.41 crore had left the work (March 2018). As per the accounts of the SM of the project, advances amounting to ₹ 1.64 crore²² were outstanding against the job worker. The left-over work was carried out by another job worker of the project, who had agreed to assume the liabilities, if any, arising out of the previous contract. Despite this, OCCL adjusted only ₹ 1.07 crore out of the outstanding advances of ₹ 1.64 crore from the bills of the job workers, leaving balance of ₹ 57.17 lakh unrealised²³ as of March 2021. The work has been completed since 2018-19.

Accepting the fact, the SM (December 2021) assured to recover the balance amount of advance from the subsequent bills of the second job worker. However, the fact indicated mismanagement in adjustment of outstanding advances against the job workers.

5.7.2 Outstanding advances against suppliers: ₹ 3.66 crore

OCCL follows provisions in the Odisha Public Works Department (OPWD) Code, issued by the Works Department, GoO on matters relating to works executed by it. Para 3.7.21 of the OPWD Code (Vol-I) prohibits sanction of advances to contractors except in exceptional cases where Divisional Officer may sanction advances up to an amount not exceeding 75 *per cent* of the value of such materials of imperishable nature and when a formal agreement is drawn up with the contractor under which Government secures a lien on the materials and is safeguarded against losses. Recoveries of advances so made must not be postponed until the whole of the work entrusted to the contractor is completed.

Audit noted that as of March, 2021, advances of ₹ 3.66 crore relating to 138 works remained outstanding against suppliers for more than 12 months. This included advances of ₹ 1.10 crore pertaining to 78 projects which have already been completed and the project offices have also been closed. Thus, chances of recovery are remote.

In test checked projects, Audit scrutiny revealed that as of 31 March 2021, an amount of ₹ 2.43 lakh remained pending against eight suppliers of cement, steel, other materials/ services, etc., for more than 2 to 10 years. Audit observed that since purchase orders were placed by SMs, it was the responsibility of the latter to monitor cases of outstanding advances. However, there was complete failure on the part of these Managers of the concerned projects in correctly monitoring and adjusting the advance amounts from bills of the suppliers as per the codal provisions leading to non-realisation of dues.

The SMs of the projects concerned assured (November and December 2021) of recovering the amount.

²¹ Construction of earth dam of Telengiri Irrigation Project

²² Advances against Store- ₹ 85.38 lakh + Cash Advance- ₹ 78.99 lakh

²³ Advances against Store -₹ 55,24,099 + Cash Advance- 1,92,929

5.7.3 **Outstanding advances against staff - ₹ 3.53 crore**

The Company framed (July 1997) guidelines to deal with amounts in the form of advances lying with its own employees. It was stated therein that no staff/officer on deputation to the Company would be relieved unless the advance amount is fully adjusted. In case, such staff/ officer is relieved, the amount of advance shall be reflected in his/ her Last Pay Certificate (LPC). The guidelines were, however, silent on modality of recovering advance reflected in the LPC.

Audit noted that advances amounting to ₹ 3.53 crore against 446 staff/ officers (both on deputation and own staff) were lying outstanding as of March 2021. Of this, a sum of ₹ 3.34 crore was outstanding against 333 staff/ officers²⁴ who had either expired, left service, retired, *etc.* As OCCL did not have a centralised database that would indicate purpose and age of advances and correlate these to employment status of the personnel, the adjustment of advances could not be duly monitored and a significant amount remained outstanding.

5.7.4 **Loss due to non-conversion of performance securities into interest bearing deposits - ₹ 78.64 lakh**

In respect of works allotted by DoWR, an amount at the rate of two *per cent* of the value of the Running Account (RA) bill is deducted by DoWR from the RA bills of OCCL towards Performance Security (PS). Upon completion of work, the amount towards PS along with interest, if any, is refunded to OCCL. DoWR, in January 1998, decided to park the amount deducted towards PS in interest bearing term deposits. The objective of such a decision was to allow OCCL to earn interest on PS deposited with DoWR.

Audit noted that an amount of ₹ 27.13 crore towards PS was deposited in interest bearing term deposits as of March 2021. However, a sum of ₹ 41.88 crore deducted from RA bill of the Company had not been deposited in interest bearing deposits for more than 12 months, as of March 2021. In 48 test checked works, Audit reviewed information furnished by the Senior Managers (SM) and noticed that PS of ₹ 6.60 crore relating to seven works was retained by DoWR in government accounts without being converted or partially converted to interest bearing deposits even after lapse of one to 90 months as of March 2021.

The permission to convert the PSs deducted from different running bills of OCCL to interest bearing deposits in the shape of Term Deposit Receipt/ Special Term Deposit Receipt (TDR/ STDR) are given by Divisional Officers. In this regard, Audit noted that although concerned SMs had requested the Divisional Officers of DoWR time and again to allow for such conversions, no response from those Officers was received as of March 2021, resulting in loss of interest of ₹ 78.46 lakh²⁵ to the Company.

This issue was also not addressed by the Managing Director or by the Board of Directors in their meetings during the period 2016-21. Despite the fact that the

²⁴ Retired: 300, Left service: 15, Deputationists repatriated to their parent departments: 13, Expired: 1, Suspended: 2 and Absconded: 2

²⁵ Calculated at the annum interest rate of four *per cent* up to 2019-20 and at 2.7 *per cent* for 2020-21

Principal Secretary, DoWR was the Chairperson of the Company, the issue of non-conversion of PS into interest bearing deposits had not been resolved. As a result of inaction on this matter, the profitability of the Company at the project level as well as overall profits of OCCL were adversely impacted.

5.8 Asset Management

5.8.1 Non-implementation of Asset Management System

In order to ascertain physical status and location of assets lying at different Project Offices as well as at Corporate Office, OCCL engaged (2 May 2014) a private firm viz., M/s TMC Solutions (P) Limited (TMC) for physical verification of assets and preparation of a fixed asset register for the period ending March 2014 as well as supply and installation of a web-based asset management system viz., Total Asset Management Solutions for a price of ₹ 7.08 lakh inclusive of service tax.

The Financial Adviser-cum-Chief Accounts Officer certified (January 2017) that the web-based asset management system had been installed²⁶. The firm was paid (August 2016 and January 2017) full payment of ₹ 7.22 lakh (including service tax). In this context, Audit observed the following:

- The asset management software had been installed in the server of the vendor only but not in the server of OCCL where it was required for functional purposes. The software was therefore, not accessible to the Company and hence, remained unusable. Despite this, full payment was released to M/s TMC. Release of full payment without ensuring proper receipt of the software indicated inherent financial control lapses of the Company.
- Audit further noted that M/s TMC in its report submitted on 18 April, 2015 noted that while gross value of assets as per the books of accounts (as of March 2014) stood at ₹ 31.88 crore, the same as per the physical verification stood at a lower figure of ₹ 28.10 crore, leading to a discrepancy of ₹ 3.52 crore.
- The Audit Committee of OCCL directed the Company's management (29 July 2016) to reconcile the unmatched assets valued ₹ 3.52 crore, but the same had not been done as of March 2020. Thus, the Company continued to finalise its asset value based only on its unreconciled book data. Reconciliation for missing assets was not conducted, resulting in material non-compliance with the Company's Audit Committee recommendations. Thus, despite directions from the Audit Committee and expenditure of ₹ 7.22 lakh, the Asset Management System was not implemented, as of December 2021. Reply from the Company is awaited.

5.8.2 Loss due to non-revision of hire rates of machineries

OCCL lets out tools, plant and machineries, vehicles, etc. to job workers at rates approved by the Board of Directors.

Audit test-checked the Machinery Hire Charge book/ register maintained at Central Store and Machinery Project of OCCL and noticed that hiring charges

²⁶ http://demo.urinternational.com/AMS_occ/modules/central/FmsMainFrame.html

levied for different machineries were based on rates approved by the Company during January 2010 to May 2014, without any further revision. However, in comparison, during the same period, based on enhancement of labour cost and market rates, the Works Department, GoO had revised its SoR four times. Audit further observed that nomenclature of eight numbers of machineries/ vehicles belonging to the Company was the same as items prescribed in SoR, 2014 published by the Works Department. Audit compared the rental rates levied by OCCL with those of SoR, 2014 for these eight machineries/ vehicles and noticed that the prevailing hiring charge rates of the Company were less than those fixed in the SoR by 21 to 78 per cent.

Non-revision of hire charges by the Company and use of lower rates for letting out these eight types of machineries, resulted in loss of ₹ 82.79 lakhs to the Company during the last five years (**Appendix 5.5**).

5.9 Monitoring and Internal Control

5.9.1 Deficiencies in the internal control mechanism

As per Section 143 of the Companies Act 2013, every Company should adopt internal financial controls which are commensurate with the scale, size and nature of operations. The internal financial controls are intended to prevent material misstatements in the accounts of the Company as well as to protect the financial interest of the Company.

Audit reviewed the internal financial controls adopted by the Company and noticed significant deficiencies, which have also been highlighted by the Statutory Auditors of the Company for the accounting periods 2018-19 and 2019-20.

- Differences between book balance and physical balance for Fixed Assets of the Company had not been reconciled, as mentioned at **Paragraph 5.8.1**. Fixed Assets had not been allotted unique IDs and affixed with marks to enable physical control.
- The Company had not maintained party-wise, period-wise details of payables (such as amounts withheld from contractors and suppliers) in the accounts for several years even in case of defunct/ closed projects.
- The Company had not maintained project-wise, period-wise details of receivables (such as Performance Security withheld by Client Departments) that it has accounted for, with amounts rolling over in the accounts for several years even in case of defunct/ closed projects. As a result, there is no assurance on the completeness and correctness of the amounts receivable by the Company. The Company had not reviewed each instance of receivables and made provisions for doubtful debts, resulting in non-compliance with its own Accounting Policy as well as the applicable Accounting Standard.
- Obsolete/ unserviceable stock and stores at project sites had not been disposed-off or utilised, even in case of defunct/ closed projects.
- The Company had not maintained project-wise, period-wise details of Term Deposits at Banks along with Bank Balance Confirmation Certificates. Bank Guarantee Register had also not been maintained,

with details of beneficiaries to whom Bank Guarantees had been sanctioned by the Company.

- The Company did not have adequate controls to derive assurance on completeness of revenue recognised as interest income, since reconciliation with Form 26 AS of Income Tax has not been carried out.

There were serious deficiencies in internal control system which indicated that adequate measures did not exist to safeguard financial interests of the Company. An instance of misappropriation of funds involving an amount of ₹ 3.10 crore by a Senior Manager of the Company had been detected in the Internal Audit of the Company during 2018-19. FIR had been lodged by the Company and the matter was under investigation as of March 2021. In view of the significant deficiencies in internal controls, the Statutory Auditors issued a Qualified Opinion on the accounts of the Company for 2018-19 and 2019-20.

5.9.2 Non appointment of dedicated Central Vigilance Officer

The Corporate Governance Manual (CGM) on State PSUs required appointment of a Central Vigilance Officer (CVO) in exclusive charge of all aspects of vigilance. The functions of CVO included preventive and punitive vigilance. Under the Whistle Blower Policy specified in the CGM, the CVO should also function as the Compliance Officer to alert the Management of any issues which indicate violation of laws or ethical standards.

Audit noted that the Company had not appointed a dedicated CVO. Instead, the General Manager (Civil) at the Corporate Office was given the additional charge as CVO. Audit also observed that three vigilance cases were initiated by the Company during June 2018 to June 2020 and had remained pending as of December 2021. Also, there was no formal mechanism or prescribed procedure to register receipt and disposal of concerns/ questions received by the Compliance Officer, under the Whistle Blower Policy.

In view of the size and scale of operations of the Company and the inherent risks associated with the nature of operations of the Company, Audit is of the view that appointment of a dedicated CVO is an essential internal control.

5.10 Conclusion and Recommendations

5.10.1 Conclusion

The Company has not prepared Corporate Plan and Annual Plans, resulting in non-compliance with the provisions of the Corporate Governance Manual for State PSUs. Due to the absence of these Plan documents, the long term business strategy of OCCL, achievement against identified targets, fulfilment of the mandate of the Company, etc., remain unclear and unspecified. Security Deposits to the tune of ₹ 41.88 crore deducted from running bills of the Company had not been converted into interest bearing security deposits for more than 12 months as of March 2021. Outstanding advances of ₹ 3.53 crore to staff and ₹ 3.66 crore to suppliers had not been adjusted for more than 12 months, as of March 2021.

Instances of inflated cost estimates of projects prepared by Company were noticed in audit. Since the Company invites tenders for selection of job workers, bid prices tended to be higher resulting in higher project cost and

consequential excess expenditure burden on DoWR and also undue benefit to the job workers. The Company had not implemented an Asset Management System as of December 2021, even though the Audit Committee of the BoD had recommended its implementation in March 2014.

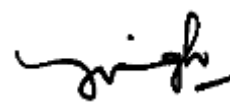
The Company had significant deficiencies in its internal control mechanism, which has resulted in issue of Qualified Opinion by the Statutory Auditors on its accounts for 2018-19 and 2019-20. The internal controls adopted by the Company are not commensurate with the size, scale and nature of operations.

5.10.2 Recommendations

It is recommended to:

- ✓ prepare a Corporate plan along with detailed annual plans as outlined in the Corporate Governance Manual.
- ✓ prepare cost estimates as per the applicable Schedule of Rates issued by the Works Department of the State from time to time.
- ✓ expedite approvals required at the level of DoWR for conversion of all security deposits into interest bearing term deposits in order to strengthen the financial management of OCCL.
- ✓ recover/ adjust outstanding advances with staff and suppliers.
- ✓ make functional, the asset management system and revise hire charges of machinery periodically in line with revisions of the SoR.
- ✓ strengthen Internal Control System to act upon the error signals raised either by the DoWR, BoD, Statutory Auditors, *etc.*

Bhubaneswar
The 11 JUL 2022

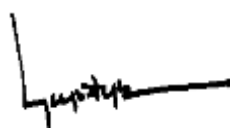


(RAJ KUMAR)

Principal Accountant General (Audit-I)
Odisha

Countersigned

New Delhi
The 22 JUL 2022



(GIRISH CHANDRA MURMU)

Comptroller and Auditor General of India

Appendices

Appendix 1.1
(Refer Paragraph 1.1.1)

Audit jurisdiction of Principal Accountant General (Audit-I), Odisha during 2020-21

Sl. No.	Names of the Departments	Sl. No.	Public Sector Undertakings ¹ Under Section 19(1)
1.	Agriculture and Farmers Empowerment	1.	Odisha Pisciculture Development Corporation Limited
2.	Co-operation	2.	Odisha State Civil Supplies Corporation Limited
3.	Electronics and Information Technology	3.	Odisha State Medical Corporation Limited
4.	Excise	4.	Agricultural Promotion and Investment Corporation of Odisha Limited
5.	Finance	5.	Orissa Agro Industries Corporation Limited
6.	Fisheries and Animal Resources	6.	Orissa State Cashew Development Corporation Limited
7.	Food Supplies and Consumer Welfare	7.	Orissa State Seeds Corporation Limited
8.	General Administration and Public Grievance	8.	Odisha Sports Development Promotion Company
9.	Health and Family Welfare	9.	Odisha State Beverages Corporation Limited
10.	Higher Education	10.	Orissa Construction Corporation Limited, Bhubaneswar
11.	Information and Public Relations	11.	Odisha Lift Irrigation Corporation Limited, Bhubaneswar
12.	Labour & Employees' State Insurance		PSUs Under Section 19(2)
13.	Panchayati Raj and Drinking Water	1.	Odisha State Warehousing Corporation
14.	Planning and Convergence		Autonomous Bodies Under Section 19(1)
15.	Revenue and Disaster Management	1.	Odisha Building and Other Construction Workers Welfare Board
16.	Rural Development	2.	Lokayukta, Odisha
17.	School and Mass Education		
18.	Skill Development and Technical Education		
19.	Social Security and Empowerment of Persons with Disabilities		
20.	Sports and Youth Services		
21.	Scheduled Tribes and Scheduled Castes Development, Minorities & Backward classes Welfare		
22.	Water Resources		
23.	Women and Child Development		
24.	Parliamentary Affairs		

¹ Excluding 130 bodies/ authorities substantially financed by the State Government and audited under Section 14.

Appendix 1.2

(Refer Paragraph 1.2.2)

Department-wise and year-wise breakup of the outstanding Inspection Reports (IRs) and Paragraphs up to June 2021

Sl. No.	Name of the Department	Up to 2017-18		2018-19		2019-20		2020-21		Total	
		No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No of Paras
1.	Agriculture and Farmers Empowerment	381	1240	28	179	57	359	3	28	469	1806
2.	Co-operation	72	230	14	74	13	123	1	11	100	438
3.	Electronics and Information Technology	8	75	2	22	1	6	1	10	12	113
4.	Excise	191	444	30	160	19	99	0	0	240	703
5.	Finance (Including CT&GST)	733	1705	53	231	33	148	17	45	836	2129
6.	Food Supplies and Consumer Welfare	117	304	0	0	8	54	2	22	127	380
7.	Fisheries and Animal Resources Development	482	1749	37	249	35	259	3	22	557	2279
8.	General Administration and Public Grievance	19	79	6	42	1	4	2	13	28	138
9.	Health and Family Welfare	492	1,706	13	248	7	110	0	0	512	2064
10.	Higher Education	414	2314	25	254	0	0	1	13	440	2581
11.	Information and Public Relations	68	206	1	12	0	0	0	0	69	218
12.	Labour and Employees' State Insurance	51	252	14	136	0	0	0	0	65	388
13.	Panchayati Raj and Drinking Water	3252	14522	32	446	166	1295	20	183	3470	16446
14.	Planning and Convergence	36	147	1	8	1	5	3	2	41	162
15.	Revenue and Disaster Management (Registration)	2,111	6,088	118	991	62	443	5	42	2,296	7,564

Sl. No.	Name of the Department	Up to 2017-18		2018-19		2019-20		2020-21		Total	
		No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras	No. of IRs	No. of Paras
16.	Rural Development	214	515	18	175	8	91	3	41	243	822
17.	Parliamentary Affairs	15	43	0	0	2	13	0	0	17	56
18.	School and Mass Education	949	3,397	18	373	10	160	2	20	979	3,950
19.	Social Security and Empowerment of Persons with Disabilities	16	128	12	133	10	97	4	48	42	406
20.	Skill Development and Technical Education	169	689	7	49	24	131	5	39	205	908
21.	ST and SC Development, Minorities and Backward Classes Welfare	276	1,397	13	133	18	177	4	37	311	1,744
22.	Sports and Youth Services	34	135	0	0	0	0	0	0	34	135
23.	Water Resources	288	544	68	288	87	574	1	12	444	1,418
24.	Women and Child Development and Mission Shakti	664	3,272	46	483	18	166	0	0	728	3291
Total		11,052	41,181	556	4,686	580	4,314	77	588	12,265	50,769

Appendix 1.3
(Refer Paragraph 1.2.2)
Outstanding paragraphs on serious irregularities up to June 2021

(₹ in lakh)

Sl. No.	Name of the Department	Cases of theft/ defalcation/ misappropriation		Loss of revenue		Shortage/ losses neither recovered nor written off		Total	
		No. of Para	Amount	No. of Para	Amount	No. of Para	Amount	No. of Para	Amount
1.	Panchayati Raj and Drinking Water	418	15,679.00	2	167.48	0	0	420	15,846.48
2.	Women and Child Development and Mission Shakti	4	676.47	10	7.25	0	0	14	683.72
3.	Scheduled Tribes and Scheduled Castes Development, Minorities and Backward Classes Welfare	3	2.96	4	8.13	4	390.73	11	401.82
4.	Rural Development	0	0	26	4,033.39	14	401.64	40	4,435.03
5.	Social Security and Empowerment of Persons with Disabilities	2	1.73	9	9.03	2	2.82	13	13.58
6.	Higher Education	10	127.19	4	580.51	14	5,411.60	28	6,119.30
7.	School and Mass Education	22	377.98	12	839.42	33	2,001.20	67	3,218.60
8.	Health and Family Welfare	16	79.05	3	85.23	4	5.49	23	169.77
9.	Electronics and Information Technology	0	0	2	1,185.00	3	1354.27	5	2,539.27
10.	General Administration and Public Grievance	0	0	13	8,341.10	10	886.33	23	9,227.43
11.	Information and Public Relations	0	0	1	783.00	0	0	1	783.00
12.	Water Resources	0	0.00	39	130573.62	5	1,179.29	44	131752.91
13.	Planning and Convergence	0	0	1	138.00	0	0	1	138.00
14.	Revenue and Disaster Management	22	626.18	139	18011.59	120	12389.57	281	31027.34
15.	Skill Development and Technical Education	1	0.11	0	0	1	0.72	2	0.83
16.	Parliamentary Affairs	0	0	0	0	2	12.62	2	12.62
17.	Food Supplies and Consumer Welfare	0	0	0	0	7	2,759.22	7	2,759.22
	Total	498	17,570.67	265	1,64,762.75	219	26,795.5	982	2,09,128.92

Appendix 1.4

(Refer Paragraph 1.2.4)

Departments which did not submit suo-motu replies with number of paragraphs/ reviews involved

Sl. No.	Name of the Department	No. of Paragraphs/ Reviews involved in the Report for the years		
		2017-18	2018-19	Total
1.	Finance (CT & GST)	0	10	10
2.	Revenue and Disaster Management	3	7	10
3.	Excise	0	7	7
4.	Agriculture	5	0	5
5.	Electronics and Information Technology	1	0	1
6.	Rural Development	2	1	3
7.	Panchayati Raj and Drinking Water	3	2	5
8.	Health and Family Welfare	0	2	2
9.	Labour and Employees' State Insurance	0	1	1
10.	General Administration and Public Grievance	0	1	1
11.	Water Resources	0	6	6
	Total	14	37	51

Appendix 1.5
(Refer Paragraph 1.2.4)

**Significant recommendations of Public Accounts Committee (PAC) against which
Action Taken Notes (ATNs) were outstanding from Departments as of September 2021**

Year of Audit Report with para No.	PAC report number/ Recommendation No.	Name of the Department	Gist of the Audit para	Recommendation of PAC
7.11 of 1993-94	17 th Report (15 th Assembly)/304	Panchayati Raj and Drinking Water	Unfruitful expenditure on incomplete water harvesting structure.	Department should collect the information on audit objections and submit it to the Committee.
4.14 of 1983-84	17 th Report (15 th Assembly)/310	Rural Development	Supply of drinking water to problem villages.	Department should initiate departmental proceeding against the concerned errant officials for not furnishing the required ATNs.
5.4 of 1985-86	17 th Report (15 th Assembly)/311	Rural Development	Non-receipt of Departmental materials due to non-arrival/missing of Railway wagons	Department should initiate departmental action against the erring officers to give exemplary punishment for failure to submit Action Taken Notes on the observations of the Committee.
4.30 of 1990-91	17 th Report (15 th Assembly)/362	Rural Development	Doubtful execution of work.	Action should be taken against the concerned officers for not furnishing the report of high level enquiry or State Vigilance.
4.20 of 1991-92	17 th Report (15 th Assembly)/372	Rural Development	Extra expenditure due to delay in finalisation of designs.	Criminal proceeding should be initiated against the concerned retired Chief Engineer, Superintending Engineer and Executive Engineer for failure to discharge their duties causing extra expenditure.
4.10.08 (b) of 1995-96	17 th Report (15 th Assembly)/417	Rural Development	Other point of interest - Theft or loss of materials.	Disciplinary action should be taken to punish the errant officials and to recover the Government money of ₹ 45.45 lakh from them.
3.5.4.1of 2013-14	6 th Report (16 th Assembly)/4	Rural Development	Delay in finalisation of tender.	Adequate steps should be taken for improvement in the system to avoid delays.
3.2.3.1(a) of 2013-14	7 th Report (16 th Assembly)/1	Rural Development	Execution of work without prior acquisition of land.	Department should form district-wise committees to sort out land problems of PMGSY.

Year of Audit Report with para No.	PAC report number/ Recommendation No.	Name of the Department	Gist of the Audit para	Recommendation of PAC
3.2.3.1(c) of 2013-14	7 th Report (16 th Assembly)/1	Rural Development	Execution of work without prior acquisition of land.	The Department should clarify on the cost overrun and time overrun on construction of approach road.
3.2.3.8 of 2013-14	7 th Report (16 th Assembly)/8	Rural Development	Short recovery of penalty after rescission of agreement.	Department should furnish the detailed compliance regarding action taken to recover the amount.
3.2.3.12 of 2013-14	7 th Report (16 th Assembly)/12	Rural Development	Non- recovery of mobilisation advance.	Department should make “mobilisation advance procedural guidelines” and instruct the Executive Engineer and Divisional Accountant to recover the mobilisation advance at the time of final running advance bill.
3.2.4 of 2013-14	7 th Report (16 th Assembly)/14	Rural Development	Monitoring and supervision.	The Department should issue guidelines for proper supervision.
2.1.8.4 of 2014-15	8 th Report (16 th Assembly)/9	School and Mass Education	Extra expenditure in construction of Girls’ Hostel	The Department should submit the status report of all Girls’ hostel.

(Source: Reports of Public Accounts Committee)

Appendix 2.1

(Refer Paragraph 2.4.1)

Bridge projects taken up at locations within five kilometres of existing bridges

Sl. No.	Division	Name of Projects	Award value (₹ in crore)	Stipulated date of completion	Expenditure as of March 2021 (₹ in crore)	Remarks
1	Cuttack-II	H.L.Bridge over river Rana at 3.200 Km on Haladipada to Karabara Road	5.73	31 December 2019	1.68	Incomplete as of March 2021. Existing bridge within 5 Km as per the feasibility report.
2	Cuttack-II	H.L.Bridge over river Sapua on Regadapada to Gudupada road for the year 2015-16	6.78	8 December 2018	6.44	Completed. Nearest bridge within 5 Km upstream at Ichhapur.
3	Cuttack-I	Construction of bridge over Sukanai on Triveniswar Mouda	1.92	15 May 2015	1.76	Completed. Existence of bridge within 5 Km as noticed during JPI.
4	Balasore-II	Construction of bridge over Kanhei nallah on Kishori nagar to Kalyani road	1.85	28 May 2020	1.10	Incomplete as of March 2021. Existence of bridge within 400 metre upstream as noticed during JPI.
5	Balasore-II	Construction of HL bridge over Kansabansa Nallah at 3 rd km on Bhatapada to Bauripada Via-Kasimpur & Taranga road	5.61	6 October 2019	3.88	Incomplete as of March 2021. Existence of bridge within 200 metre downstream as noticed during JPI.
Total			21.89		14.86	

(Source: Compiled from the records of the test checked works and JPI)

Appendix 2.2

(Refer Paragraph 2.4.1)

Construction of bridges with length less than 25 metres

Sl. No.	Name of District	Name of Division	Name of Projects	Length (in metres)	Status
1	Cuttack	Cuttack-II	HL bridge over Dampatipur nallah at 0.580 Km on Sanatanibati - Mahuria road	10.77	Incomplete as of October 2020
2	Cuttack	Cuttack-II	Construction of bridge over Local nallah at 2nd Km. on Baghei to Hadisahi via Madhupalli road	17.54	Incomplete as of October 2021
3	Balasore	Balasore-II	Construction of bridge over Khandadhar at 1 st km on PWD road to Chaka-Mahasampur road	21.54	Incomplete as of January 2021
4	Balasore	Balasore-II	Construction of bridge over Reba nallah at 2 nd km on Thallo-Kochiakoili road	19.35	Incomplete as of January 2021
5	Balasore	Balasore-II	Bridge over Local Nallah at 2 nd km on Khaira to Oupada via-Kukudia road	19.34	Completed
6	Mayurbhanj	Karanjia	Construction of bridge over Chutia Nalla on at 8.83 km of Tingiria Purunia road	21.54	Completed during 2017-18
7	Kalahandi	Kesinga	Construction of bridge over local Nallah on NH-201 to Limgaon road	21.54	Completed and expenditure as of September 2021
8	Angul	Angul	Bridge over Sana Nallah at 1.500km on Balanda - Gobara road	21.54	Completed
9	Gajapati	Mohana	Bridge over local nallah at 0/0 Km on Nuagada Keradanga road	17.54	Completed
10	Gajapati	Mohana	Bridge over local nallah on R.Udayagiri Sambalpur road at 2/260 Km	21.54	Completed
11	Gajapati	Gajapati	HL bridge over Local nallah on Dhepa to Abeda P.S. road	21.54	Completed
12	Ganjam	Ganjam-II	HL bridge over Bahana nallah at 2nd km on Bhabinipur main road to Laxminarsingha Nagar 2nd lane	12.00	Completed
13	Ganjam	Ganjam-II	HL bridge over Pilli Nallah at 2.9 km on Khajaplli Kanchudu via-Mahanaplli road	17.54	Completed
14	Ganjam	Ganjam-II	Bridge over local nallah at 1st km of Sheragada PWD road to Ramakrishnapur road	17.54	Completed
15	Ganjam	Ganjam-II	Construction of bridge over Bahana nallah on Nilanchal nagar to Bidyut Puri Colony road	21.54	Completed
16	Ganjam	Ganjam-II	Bridge over Local Nallah at 2nd Km on PWD road to Dhobadi Sahapur via Hantosh road	8.77	Completed
17	Ganjam	Bhanjanagar	Construction of Bridge over Mahanadi canal at 1.00 Km on Kendupadar-Paillipada Road	21.54	Incomplete as of December 2020
18	Ganjam	Bhanjanagar	Bridge over Kaliamba nallah at 2.00 Km on Bhanjanagar- Bhaliakhai RD Road to Jilundi via Agajhola road	17.54	Incomplete as of December 2020
19	Ganjam	Bhanjanagar	Bridge over Sorisamuli canal at 6.00 Km on Baruda-Buduli road	17.54	Incomplete as of December 2020
20	Ganjam	Ganjam-II	HL bridge over R.C. Canal at 1.200km on Langaladei - Mahurikalua road	21.54	Incomplete as of December 2020
21	Ganjam	Ganjam-II	Bridge over Local Nallah at 0/0 Km on Gothagaon to Marudi Jagannathpur road via Nilakantheswar road	17.54	Incomplete as of December 2020

Sl. No.	Name of District	Name of Division	Name of Projects	Length (in metres)	Status
22	Ganjam	Ganjam-II	Bridge over Local Nallah at 4th Km on Purnakhandi to Sasanamgaon via Saru road	17.54	Incomplete as of December 2020
23	Jajpur	Jajpur-II	H.L. bridge over Rahasola Nallah on the Nuasunguda Khetrapal road at 0.50 km	21.54	Incomplete as of December 2020
24	Kendrapara	Kendrapara-II	Bridge over Hansua Creek on Sidhamula- Baunsanali road	22.35	Incomplete as of December 2020
25	Nabarangpur	Nabarangpur-I	Bridge over local nallah on Aunli to Dhepaguda road	21.54	Incomplete as of December 2020
26	Nabarangpur	Nabarangpur-I	Bridge over local nallah on Marliamba to Khajuri road	21.54	Incomplete as of December 2020
27	Kalahandi	Dharmagarh	Construction of minor bridge over local nallah at 3.5km on parla to berhera guda road	13.7	Completed

(Source: Compiled from the records of the test checked works)

Appendix 2.3
(Refer Paragraph 2.5.2(i))

Delayed execution due to change in design

Sl. No.	Name of District	Name of Division	Name of projects	Awarded cost (₹ in lakh)	Date of commencement of work	Scheduled date of completion of work	Expenditure (₹ in lakh)	Reason of Delay
1	Balasore	Jaleswar	HL Bridge over river Subarnarekha at 1st km. on Churmara-Chaughari road. (12 span of 30.63m.)	2644.77	02-03-2019	01-07-2021	0	Closed due to change in Design as coming under IWAI
2	Balasore	Jaleswar	Construction of Bridge Over Hatia nallah at 3.00km on Bhograi hat to Kumbhirigadi road(4x8.77mtr.)	311.44	24-06-2019	23-06-2020	233.68	Due to change Design. Revised GAD received Feb 2020
3	Balasore	Jaleswar	Construction of Bridge Over Guhira nallah at 16.30 th km on Kaliko to Bazarsole Pherighat road (2x22.35mtr.)	609.50	16-09-2019	15-03-2021	177.48	Due to change in Design. Original GAD 8142 of January 2019 & Revised GAD No. 1942 December 2019.
4	Balasore	Jaleswar	Construction of H.L Bridge Over Guasul nallah on Gandhi maidan to Chirkula near Barbatia road (2span of 12.50m) RIDF -NABARD-XXIV 2018-19	719.11	02-03-2019	01-11-2020	223.56	Due to change in Design and non-acquisition land for approach road and Revised GAD approved in June 2020 by EIC (1 span for 25.35 mtrs to 2 span for 12.5 mtrs)
5	Mayurbhanj	Rairangpur	Bridge over Guria nallah at 3rd Km on Anandapur to Gunduria road (Span -3 X25.35 m)	705.81	12-06-2019	11-02-2021	232.80	Delay due change in GAD and non-acquisition of land. (GAD No. 9227 January 2020)
6	Bolangir	Titlagarh	HL bridge over Under nallah at 1.5km on MDR 40 (Kholan) to Limpada road (Span - 12 X30.63 m)	1730.4	20-11-2018	19-03-2021	942.24	Delay due to change in GAD and delay in approval plugging proposal. Non-shifting of utility
7	Bolangir	Titlagarh	Construction of bridge over Tangjore nallah on Ranipur Malkasada-Themra road	666.96	04-09-2019	03-05-2021	336.12	Delay due to change in GAD and delay in approval plugging proposal. Non-shifting of utility
8	Bolangir	Titlagarh	Construction of bridge over Jamuna nallah on Udepur to Katerkela road (Span - 3 X 25.35 m)	604.43	08-03-2019	07-11-2020	351.38	Delay due to change in GAD

Sl. No.	Name of District	Name of Division	Name of projects	Awarded cost (₹ in lakh)	Date of commencement of work	Scheduled date of completion of work	Expenditure (₹ in lakh)	Reason of Delay
9	Bolangir	Titlagarh	HL bridge over Kankadajore Nallah at 0.5km on Lenjha - Bhatipada road (Span - 3 X25.35 m)	352.07	02-05-2018	01-01-2020	229.13	Delay due to change in GAD
10	Balasore	Balasore-II	Construction of Bridge over river Kansabansa water source at 2nd km on Tentei to Biripada II road (Revised span 5x10.77m)	371	08-03-2019	07-06-2020	93.17	Delay due of detail design
11	Balasore	Balasore-II	Construction of Bridge over Reba Nallah at 2nd km on Thala-Kochiakoili road (1x19.35m)	231.06	08-03-2019	07-02-2020	143.3	Delay due to finalisation of design, revised design
12	Balasore	Balasore-II	HL Bridge over Kansabansa Nallah at 3rd km on Bhatapada to Bauripada via-Kasimpur & Taranga road (2x 25.35m span)	561.23	07-03-2018	06-10-2019	388.33	Delay due to non-handling over of site & design
13	Balasore	Balasore-II	Construction of Bridge over river Reba Nalla at 1st km on Hatuari to Iswarpur road (Revised span 3x10.77m)	332.18	08-03-2019	07-06-2020	218.63	Delay due to non-handling over of site & design, change in design
14	Balasore	Balasore-II	Construction of Bridge over river Khandadhar at 1st km on PWD road to Chaka-Mahasampur road (revised span-2x10.77m)	268.69	02-08-2019	01-08-2020	50.69	Delay due to non-handling over of site & design, revision of design
15	Balasore	Balasore-II	Construction of Bridge over river Kanhei on Kishorinagar to Kalyani road (3x8.77m)	184.75	29-06-2019	28-05-2020	110.19	Delay due to non-handling over of site & design
16	Cuttack	Cuttack-I	H.L Bridge over Gandha Nadi at 3rd Km on Agrahat Bisinahakani Road to Petkarandi Road Via- Purohitpur and Talapada.	1834.06	20.09.2018	19-01-2021	136.5	Change of design
17	Cuttack	Cuttack-I	H.L Bridge over River Birupa at 7th Km on Souri Rameswar Road.	1386.68	20.09.2018	19-09-2020	178.34	Change of design
18	Cuttack	Cuttack-I	Construction of Bridge over Malia Nallah at 0.30Km on R.D Road to Aitalanga Road.	203.58	27.12.2019	26-10-2020	27.81	Change of design
19	Cuttack	Cuttack-I	Construction of Bridge over River Gobari near Mogalpatna on Mahanga Bagasarpur Road.(5 spans of 10.77 C/C of expansion joint & raft foundation)	295.54	12.06.2019	11-06-2020	0.28	Change of design
20	Cuttack	Cuttack-I	Birdge over Kendrapara Canal near Barbodia (Jena Sahi) under Madhyakachha G.P	219.82	21.06.2019	20-05-2020	41.46	Change of design

Sl. No.	Name of District	Name of Division	Name of projects	Awarded cost (₹ in lakh)	Date of commencement of work	Scheduled date of completion of work	Expenditure (₹ in lakh)	Reason of Delay
21	Mayurbhanj	Baripada	H.L Bridge over river Jambhira on Musamari-Sanmanida Road at 4th km(6x30.63 span instead of 4 span of 30.63m on well foundation), RIDF-XXVI.	754.91	01.06.18	31-05-2020	294.00	Change of design due to change in span from 4x 30.63m to (6x30.63m
22	Mayurbhanj	Baripada	H.L bridge over river Budhabalanga at 9.75km on NH-5-Budhikhamari-Jamdapal Road. (8 span of 30.63m on well foundation), RIDF-XXIII.	1172.4	26.06.18	25-06-2020	857.30	Dsign change due to change in foundation level.
23	Mayurbhanj	Baripada	Construction of H.L Bridge over Nalua Nallah at 3/500 km on Surkuna to Balijorha Road (3x30.63m span of well foundation).	583.57	02.07.19	01-03-2021	184.35	Design change
24	Mayurbhanj	Baripada	Construction of Bridge over Gangahar river at Suhagpur G.P on Gajadi-Athalagadi Road (3x30.63m span of well foundation).	628.09	10.07.19	09-03-2021	148.72	Change in design (due to inclusion of cladding plate in revised drawing)
25	Mayurbhanj	Baripada	Construction of Bridge over River Budhabalanga on Bhaliadiha to Gendapokhari Road (8x30.63m span of well foundation).	1125.09	03.02.20	02-02-2022	62.62	Design change
Total		6 divisions	25 projects	18,497.14			5,662.08	

(Source: Compiled from the records of the test checked works)

Appendix 2.4

(Refer Paragraph 2.8.2)

Delayed execution due to water logging

Sl. No.	Name of District	Name of Division	Name of projects	Awarded cost (₹ in lakh)	DOC/SDOC	lying incomplete since-months as of Dec 2021	Expenditure (₹ in lakh)	Reason of Delay
1	Cuttack	Cuttack-II	Const. of Bridge over Puri main Canal on Ratagarh Godisahi Road.	301.77	08-10-2015 /07.10.2016	62	87.09	Flow of water in canal
2	Cuttack	Cuttack-I	Bridge over Dudhia Nallah on Agrahat G.P office road to Bharandi Road.	141.77	13.11.2019 /12.09.2020	16	65.12	Water logging in nallah, Covid-19 & water flow in Canal
3	Cuttack	Cuttack-I	Bridge over Taladanda Canal Near Biribati.	248.76	02.07.2019 /01.06.2020	19	103.13	Water logging in nallah, change of design , Covid -19 & permission awaited from DoWR
4	Cuttack	Cuttack-I	Bridge over Machhagaon Canal Near Biribati.(1 span of 25.35 C/C of expansion joint)	197.74	02.07.2019 /01.06.2020	19	75.19	Water logging in nallah, change of design & Covid -19
5	Cuttack	Cuttack-I	Bridge over Kendrapara Canal on Padmapur Veterinary to Pirabazar Road.	234.97	20.09.2019 / 18.08 2020	16	76.48	Water logging in nallah, change of design, Covid -19 & flow of water in main canal
6	Cuttack	Cuttack-I	Bridge over Kendrapara Canal near Dihasahi (Paschimakachha) under Paschimakachha G.P	236.03	14.10.2019 /13.09.2020	16	113.97	Water logging in nallah, change of design & Covid -19
Total		2 Divisions	Six projects	1361.04		16-62 months	520.98	

(Source: Compiled from the records of the test checked works)

Appendix 2.5

(Refer Paragraph 2.9.2)

Non-recovery of hard rock

Sl. No.	Name of the District	Name of the Division	Name of the Projects	Executed Quantity (Cum)	Material cost as per lead statement/ Cum (In ₹)	Amount (₹ in lakh)
1	Bolangir	Bolangir	Construction of Bridge of Laxmijore (Angarijore) Nallah at 3/100 Km on Budhisindhol to Jagmohan road	36.212	201.75	0.07
2	Bolangir	Patnagarh	Construction of Bridge over Jamjuri Nallah on Kuhabauns to Deodhara road	182.63	221.83	0.41
3	Bolangir	Patnagarh	HL bridge over Kharkhadi nallah at 1st km on Sargipali - Tambipadar road	1331.32	201.75	2.69
4	Bolangir	Patnagarh	Construction of HL Bridge over Jamjuri nallah at 1st KM on Ghasian-Ainlatunga via Chhelkhai road	45.12	201.75	0.09
5	Bolangir	Titlagarh	Construction of Bridge over Khagsa nallah on Khagsa to Salepada road	1502.75	221.83	3.33
6	Bolangir	Titlagarh	Construction of Bridge over Nagamanijore at 3rd Km on Temra to Lebda - Sudra road	550.68	241.90	1.33
7	Mayurbhanj	Karanjia	Bridge over Asana Nallah on Kasipani Approach Road (3x10.77m each)	469.25	246.00	1.15
8	Mayurbhanj	Karanjia	HL Bridge over river Deo at 2.200km on PWD road to Baikala via Bhanraposi Road (5x30.63m each)	2235.76	246.00	5.50
9	Mayurbhanj	Karanjia	HL Bridge over river Salandi at 1st km on SH-53 to Bagdafa road	1364.21	195.00	2.66
10	Mayurbhanj	Karanjia	Bridge over Ekta Nallah at 7.17 km on Bisoi Mahubhandar road	496.13	246.00	1.22
11	Mayurbhanj	Karanjia	Bridge over Dodhibahali Nallah	225.06	246.00	0.55
12	Kalahandi	Dharamgarh	Bridge over Chanchal Nallah- Jaipatna- Talgud Road of Mukhiguda GP	183.1	245.41	0.45
13	Kalahandi	Dharamgarh	HLB over River Kamal at 1 st KM on Ainly to Kusumal Road	77.625	281.00	0.22
14	Kalahandi	Dharamgarh	Bridge over Gaidhoras Nallah on Udeshrang to Dudkel Road	140.27	245.41	0.34
Total		5 Divisions	14 works	8840.12		20.02

(Source: Compiled from the records of the test checked works)

Appendix 2.6
(Refer Paragraph 2.9.4)
Non recovery of penalty

Sl. No.	Name of District	Name of Division	Name of projects	Awarded cost (₹ in lakh)	Expenditure (₹ in lakh)	Value of balance work (₹ in lakh)	Status of projects	Penalty realisable @20% on balance work value (₹ in lakh)
1	Cuttack	Cuttack-II	Construction of bridge over Puri Main Canal on Ratagarh Godisahi Road	301.77	87.09	214.68	Incomplete and recommended for rescission	42.94
2	Bolangir	Patnagarh	Construction of HL bridge over river Lanth on Badipada PMGSY road	1294.69	753.33	541.36	Incomplete and expenditure as of December 2020; the work was rescinded in April 2021	108.27
3	Mayurbhanj	Karanjia	HL bridge over Sarangada Ballijodi Nallah at 3 rd km on Nuagaon to Jhalkiani road	302.73	78.08	224.65	Incomplete and expenditure as of April 2021; work rescinded	44.93
4	Balasore	Balasore-I	Bridge over river Sono on Sajanagarh Ayodhya Tindesh road	923.19	585.83	337.36	Incomplete as of audit; recommended for rescission	67.47
5	Balasore	Balasore-I	Bridge over river Gangahar Remuna-Palasia Road	346.65	325.53	21.12		4.22
6	Balasore	Balasore-I	Bridge over river Budhabaranga on Kasimpur Haldia Road	1031.48	658.86	372.62		74.52
7	Mayurbhanj	Baripada	Bridge over river Jambira on Chitrada Golmuhan Khuntapal road	832.99	231.98	601.01		120.20
8	Kalahandi	Kesinga	Bridge over Mangalijore Nallah on Jogipal to Sahajpati	478.63	91.92	346.71	Incomplete as of audit; penalty imposed	69.342
Total		6 divisions	Total	5512.13	2812.62	2659.51		531.89

(Source: Compiled from the records of the test checked works)

Appendix 3.1

(Refer Paragraph 3.1)

Details of WWHs in the State

Sl. No.	Year of Sanction	Name & Location of WWH	Name of the District	Sanctioned by	Name of the managing agency	Status of the managing agency (NGO/ Govt.)	Whether functional/ non-functional/ Other purpose/ Incomplete	Bed Strength
1.	1974-75	Nivedita-I, Bhubaneswar	Khurda	GoI	State Social Welfare Advisory Board	Govt.	Functional	100
2.	1977-78 & 1987-88	Trupti Ghosh ,WWH, Cuttack	Cuttack	GoI	Kala Vikas Kendra	NGO	Functional	116
3.	1978-79	WWH, Cuttack	Cuttack	GoI	Utkal Mahila Samiti	NGO	Functional	100
4.	1978-79	Nibedita WWH, Rourkela	Sundargarh	GoI	Nivedita Kalyan Samiti	NGO	Functional	50
5.	1982-83 & 1993-92	Swagatika WWH, Mayurbhanj	Mayurbhanj	GoI	Kalyani Mahila Society	NGO	Functional	90
6.	1984-85	WWH, Olatpur	Cuttack	GoI	Women's Voluntary Services, Odisha	NGO	Functional	49
7.	1984-85	Dipali WWH, Dhenkanal	Dhenkanal	GoI	Dhenkanal Municipality	Govt.	Functional	72
8.	1985-86	WWH, Berhampur	Ganjam	GoI	Berhampur Municipal Corporation	Govt.	Functional	50
9.	1985-86	WWH, Sambalpur	Sambalpur	GoI	Sambalpur Municipal Corporation	Govt.	Other purpose	57
10.	1986-87	WWH, Bolangir	Bolangir	GoI	Bolangir Municipality	Govt.	Incomplete	45
11.	1986-87	WWH, Jeypore	Koraput	GoI	Municipality, Jeypore	Govt.	Incomplete	55
12.	1987-88	WWH, Kalahandi	Kalahandi	GoI	Indian Red Cross Society, Kalahandi	Govt.	Other purpose	60
13.	1987-88	Balasore District Nari Sangh WWH, Balasore	Balasore	GoI	Balasore District Nari Sangh	NGO	Non functional	75
14.	1987-88	WWH, Mancheswar, Bhubaneswar	Khurda	GoI	Bhubaneswar Municipal Corporation	Govt.	Other purpose	96
15.	1988-89	WWH, Angul	Angul	GoI	Talcher Angul Meramandali Regional Improvement Trust	Govt.	Non functional	42
16.	1988-89	WWH, Puri	Puri	GoI	Indian Red Cross Society, Puri	Govt.	Other purpose	80
17.	1989-90	WWH, Cuttack	Cuttack	GoI	Orissa Women's Voluntary Services	NGO	Functional	62
18.	1989-90	WWH, Phulbani	Phulbani	GoI	Phulbani Municipality	Govt.	Other purpose	48

Sl. No.	Year of Sanction	Name & Location of WWH	Name of the District	Sanctioned by	Name of the managing agency	Status of the managing agency (NGO/ Govt.)	Whether functional/ non-functional/ Other purpose/ Incomplete	Bed Strength
19.	1989-90	WWH, Keonjhar	Keonjhar	GoI	Keonjhar Municipality	Govt.	Other purpose	66
20.	1989-90	WWH, Khurda	Khurda	GoI	Bhubaneswar Development Authority	Govt.	Other purpose	96
21.	1989-90	WWH, Koraput	Koraput	GoI	Koraput Municipality	Govt.	Not started	50
22.	1994-95	WWH, Kanas	Puri	GoI	Nilachal Seva Pratishthan, Kanas	NGO	Functional	66
23.	1996-97	Berhampur University, Bhanja Bihar, Berhampur	Ganjam	GoI	Berhampur University	Govt.	Functional	30
24.	1997-98	Guhalsing, Tinimuhani	Kendrapara	GoI	Cuttack Zilla Harijana Adibasi Seva Sanskar Yojana	NGO	Incomplete	66
25.	1998-99	WWH, Chorda, Jajpur Road	Jajpur	GoI	Orissa Social Rural Technology Institute, Garajanga, Marshaghai	NGO	Incomplete	65
26.	2001-02	WWH, Udayabata, Paradeep	Jagatsinghpur	GoI	Cuttack Zilla Ambedkar Memorial Organisation, Kujanga	NGO	Incomplete	62
27.	2013-14	Nivediata-II, Bhubaneswar	Khurda	GoO	State Social Welfare Advisory Board	Govt.	Functional	74
28.	2013-14	WWH, Paralakhemundi	Gajapati	GoO	Paralakhemundi Municipality	--	Other purpose	NA
29.	2015-16	WWH, Jharsuguda	Jharsuguda	GoO	*Not finalised	--	Non functional	100
30.	2015-16	WWH, Rayagada	Rayagada	GoO	*Not finalised	--	Not started	100
31.	2015-16	WWH, Berhampur	Ganjam	GoO	*Not finalised	--	Not started	100
32.	2015-16	WWH, Kalinga Nagar	Jajpur	GoO	*Not finalised	--	Non functional	100
33.	2015-16	WWH, Rourkela	Sundargarh	GoO	Association for Voluntary Action	NGO	Non functional	100
34.	2015-16	WWH, Dhenkanal, Mahisapat	Dhenkanal	GoO	*Not finalised	--	Incomplete	100
35.	2015-16	WWH, Ganganagar, Bhubaneswar	Khurda	GoO	*Not finalised	--	Non functional	100
36.	2015-16	WWH, Sambalpur	Sambalpur	GoO	*Not finalised	--	Incomplete	100
	Total							2622

(Source: Compiled from the records of W&CD Department)

Appendix 3.2
(Refer Paragraph 3.2.4)
Details of WWHs utilised for other purposes

Sl. No.	Year of Sanction	Name & Location of WWH	Name of the District	Name of Implementing Agency(IA)	Sanctioned by	Year of completion of construction	Utilisation of the Site/ Buildings	Year from which the building is used for Other Purpose and Approved by which authority
1	1989-90	Working Women Hostel at Keonjhar	Keonjhar	Keonjhar Municipality	GoI	Started in the year 1999 but not completed yet	The land site was leased out to Regulated Market Committee (RMC), Keonjhar to build a market complex.	Utilised since 8 th August 2013 and approved by NAC, Keonjhar
2	1987-88	WWH, Kalahandi	Kalahandi	Indian Red Cross Society, Kalahandi	GoI	Completed in November 1990	The building was given on rent to some organisation by the IA. Now the Central Armed Police Force (CAPF) is in occupation with a monthly rent of ₹30,000.	Utilised since 2010 and approved by Indian Red Cross Society, Kalahandi
3	1985-86	WWH at Sambalpur	Sambalpur	Municipal Council Sambalpur	GoI	Not Available	The hostel building is now used by the District Social Security Officer (DSSO), Sambalpur for District Disability Rehabilitation Centre.	Approved by Sambalpur Municipality
4	1989-90	WWH at Phulbani	Phulbani	Notified Area council Phulbani	GoI	Completed in 2017	District Human Resources Development Centre (DHRDC) as per orders of Collector and District Magistrate, Kandhamal.	Utilised since 2017 and approved by NAC Phulbani

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Sl. No.	Year of Sanction	Name & Location of WWH	Name of the District	Name of Implementing Agency(IA)	Sanctioned by	Year of completion of construction	Utilisation of the Site/ Buildings	Year from which the building is used for Other Purpose and Approved by which authority
5	2013-14	WWH for 100 seated, Paralakhemundi	Gajapati	Municipality Paralakhemundi	GoO	Completed in May 2018	The hostel was constructed from BRGF fund by Collector, Gajapati. Now functioning as ANM training centre	Running as ANM centre since October 2018 and approved by Paralakhemundi Municipality
6	1987-88	WWH at Mancheswar	Khurda	BMC	GoI	Not Available	BMC used as own Ward office at Mancheswar	Approved by Bhubaneswar Municipal Corporation.

(Source: Compiled from the records of W&CD Department)

Appendix 4.1

(Refer Paragraph 4.2)

Unutilised balances in different project components as of March 2021

Sl. No.	Particulars of Head	Purpose	Closing Balance (₹ in crore)
1.	NGO run Children's Home	For maintenance of CCIs run by NGOs	33.02
2.	District Child Protection Units	For expenditure to be made by DCPUs	18.49
3.	Construction Grant by GoO	Funds to be utilised for construction and maintenance of CCIs run by Government.	11.69
4.	Non-GIA Children's Fund	The fund to be given to Non-GIA CCIs of their utilisation.	11.50
5.	Juvenile Justice Boards	For expenditure on JJB	7.95
6.	Observation and Special Home (Govt. run Home)/ Utkal Balashram (Govt. run Children's Home)	Funds for OH and SH and Utkal Balashram	4.52
7.	Odisha State Child Protection Society	Funds to be utilised by OSCPS	3.85
8.	Received from Others	No specific	3.29
9.	Specialised Adoption Agencies(SAAs)	For management of SSA	1.68
10.	Child Welfare Committees	For expenditure in Child Welfare committees in CCIs	1.45
11.	Biju Surakshya Yojana	It is fund to be utilised for "Biju Surakshya Yojana" to provide support to the vulnerable children.	1.16
12.	Interest received from Bank	Due to parking and accumulation of fund in the savings bank without utilisation.	13.75
13.	Received from Flexi Fund	Interest earned from bank deposits	3.44
	Total		115.79

(Source: Records of OSCPS)

Appendix 4.2
(Refer Paragraph 4.8.2)
Details of Staff Position at District level

Sl. No.	Designation	PIP required in a district	Cuttack		Ganjam		Jharsuguda		Kalahandi		Koraput		Khurda		Mayurbhanj		Puri	
			A	S	A	S	A	S	A	S	A	S	A	S	A	S	A	S
1	District Child Protection Officer	1	1	0	1	0	1	0	1	0	1	0	1	0	1	0	1	0
2	Protection Officer (Institution care)	1	0	1	1	0	1	0	1	0	0	1	1	0	1	0	1	0
3	Protection Officer (Non-Institution care)	1	1	0	1	0	0	1	1	0	1	0	1	0	1	0	1	0
4	Legal cum Probation Officer	1	0	1	0	1	0	1	0	1	1	0	1	0	0	1	1	0
5	Counsellor	1	1	0	1	0	1	0	1	0	1	0	1	0	1	0	1	0
6	Social Worker	2	2	0	2	0	0	2	2	0	2	0	2	0	2	0	2	0
7	Accountant	1	1	0	0	1	1	0	1	0	0	1	1	0	1	0	0	1
8	Data Analyst	1	0	1	0	1	1	0	1	0	0	1	1	0	0	1	1	0
9	Assistant & DEO	1	1	0	0	1	0	1	1	0	0	1	1	0	1	0	1	0
10	Out-reach worker	2	0	2	1	1	0	2	1	1	0	2	0	2	2	0	1	1
	Total	12	7	5	7	5	5	7	10	2	6	6	10	2	10	2	10	2

(Sources as per information furnished by CCIs)

A= Available

S= Shortfall

Appendix 5.1
(Refer Paragraph 5.4.2)

Excess expenditure due to excess rate taken for hire charge of dredging and its accessories

Sl. No	Work	Agmt. Value (₹ in crore)	Date of comment	Stipulated date of completion	Agmt. quantity of dredging in cum	Executed quantity of dredging in cum	Excess expenditure per cum due to excess rate taken for hire charge of dredging and its accessories	Total excess expenditure (in ₹)	Tender Premium (per cent)	Total excess after tender premium (In ₹)
1	Dredging & Removal of Shoal No.2 at upstream of Mahanadi Barrage and Disposal of Dredged materials within 2.5 km through pipeline	68.91	12.2.2019	11.8.2020	2161400	2477005.6	14.52	35966121.00	0.52% less	35779097.20
2	Dredging & Removal of Shoal No.3,4,5(A), 5(B), 6(A) & 6 (B) at upstream of Mahanadi Barrage and Disposal of Dredged materials within 2.5 km through pipeline	31.11	04.10.2019	03.04.2021	1304989	1304989	14.52	18948440.30	14.99 % less	16108069.10
3	Dredging & Removal of Shoal No.1 at upstream of Mahanadi Barrage and Disposal of Dredged materials within 2.5 km through pipeline	48.91	31.12.2019	29.06.2021	1757910	1757910	14.52	25524853.20	0.77% less	25328311.80
	Total	148.93			5224299	5539904.6		80439414.50		77215478.10

(Source: Work records of OCCL and Audit analysis)

Appendix 5.2 (i)
(Refer Paragraph 5.4.5)
Quantity of stone used

Sl. No.	Name of the Work	Agreement no./ Year	Agreement cost (₹ in crore)	Date of commencement	Stipulated date of completion	Stone used in Item No 13				Stone used in Item No. 15	Stone used in Item No. 16	Total Boulder stone used (col. 11+ col.12) (in cum)	Remarks
						Total work in (in cum)	40 mm metal @ 50 % of col.8 (in cum)	20 m chips @ 0.25 % of col.8 (in cum)	10 mm chips @ 0.25 % of col.8 (in cum)	Boulder (in cum)	Boulder (in cum)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M (Balance work)(Reach-I)	02/14-15	0.98	06.07.14	31.03.15	1420.55	710.275	355.1375	355.1375	1495.94	299.52	1795.46	Executed Quantity including Agreement No 03/14-15
2	Construction of Earth dam of DEO Irrigation Project from RD 850.00 M to RD 1100.00M(Balance work) (Reach-II)	03/14-15	0.99	06.07.14	31.03.15	0	0	0	0	0	0.00	0.00	Executed Quantity included in Agreement No 02/14-15
3	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M(Balance work)(Reach-IV)	08/14-15	0.95	03.02.15	02.03.15	317.7	158.85	79.425	79.425	1025.02	349.44	1374.46	Executed Quantity including Agreement No 10/14-15
4	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M (Balance work (Reach-V)	09/14-15	0.93	03.02.15	02.03.15	494.71	247.355	123.6775	123.6775	199.12	1299.36	1498.48	Executed Quantity including Agreement No 11/14-15

Sl. No.	Name of the Work	Agreement no./ Year	Agreement cost (₹ in crore)	Date of commencement	Stipulated date of completion	Stone used in Item No 13				Stone used in Item No. 15	Stone used in Item No. 16	Total Boulder stone used (col. 11+ col.12) (in cum)	Remarks
						Total work in (in cum)	40 mm metal @ 50 % of col.8 (in cum)	20 m chips @ 0.25 % of col.8 (in cum)	10 mm chips @ 0.25 % of col.8 (in cum)	Boulder (in cum)	Boulder (in cum)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
5	Construction of Earth dam of DEO Irrigation Project from RD 850.00 M to RD 1100.00M(Balance work) (Reach-VI)	10/14-15	0.98	03.02.15	02.03.15	0	0	0	0	0	0	0.00	Executed Quantity included in Agreement No 08/14-15
6	Construction of Earth dam of DEO Irrigation Project from RD 850.00 M to RD 1100.00M(Balance work) (Reach-VII)	11/14-15	0.98	03.02.15	02.03.15	0	0	0	0	0	0	0.00	Executed Quantity included in Agreement No 09/14-15
7	Construction of Earth dam of DEO Irrigation Project from RD 850.00 M to RD 1100.00M(Balance work) (Reach-X)	12/14-15	0.99	23.03.15	24.04.15	0	0	0	0	0	816.25	816.25	
8	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M (Balance work) (Reach-XIV)	20/15-16	0.99	02.05.15	01.06.15	553.6	276.8	138.4	138.4	76	835.20	911.20	
9	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M (Balance work) (Reach-XV)	21/15-16	0.99	02.05.15	01.06.15	226	113	56.5	56.5	0	0	0.00	

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Sl. No.	Name of the Work	Agreement no./ Year	Agreement cost (₹ in crore)	Date of commencement	Stipulated date of completion	Stone used in Item No 13				Stone used in Item No. 15	Stone used in Item No. 16	Total Boulder stone used (col. 11+ col.12) (in cum)	Remarks
						Total work in (in cum)	40 mm metal @ 50 % of col.8 (in cum)	20 m chips @ 0.25 % of col.8 (in cum)	10 mm chips @ 0.25 % of col.8 (in cum)	Boulder (in cum)	Boulder (in cum)		
1	2	3	4	5	6	7	8	9	10	11	12	13	14
10	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M (Balance work) (Reach-XVIII)	24/15-16	0.99	12.05.15	11.06.15	0	0	0	0	0	1179.30	1179.30	
11	Construction of Earth dam of DEO Irrigation Project from RD 430.00 M to RD 850.00M (Balance work) (Reach-XX)	26/15-16	0.61	12.05.15	11.06.15	0	0	0	0	0	362.20	362.20	
	Total		10.38			3012.56	1506.28	753.14	753.14	2796.08	5141.27	7937.35	
	Total stone used(1506.28+ 753.14+ 753.14+ 7937.35)=											10949.91	

(Source: OCCL records)

Appendix 5.2(ii)

(Refer Paragraph 5.4.5)

Calculation of difference between stone cost as per SoR and the cost adopted by OCCL in the estimate

Sl. No.	Item	Unit	Lead	Calculation for stone cost as per SoR (in ₹)			
				Cost As per SoR 2013 ²	Carriage ³ as per SoR 2013	Royalty per cum	Total (col.5+ col.7+ col.8)
1	2	3	4	5	6	7	8
1	H.G. Boulder	cum	31	167.00	344.00	98.78	609.78
2	Chips 40 mm	cum	31	679.00	344.00	98.78	1121.78
3	Chips 20 mm	cum	31	991.00	344.00	98.78	1433.78
4	Chips 10 mm	cum	31	1057.00	344.00	98.78	1499.78

(Source: OCCL records, SOR 2013 and Audit analysis)

Appendix 5.2 (iii)

(Refer paragraph 5.4.5)

Excess expenditure due to excess cost of stone taken in the estimate (in ₹)

Sl. No.	Type of stone	stone used (in cum)	Price as per estimate	Price as per SoR 2013 (as per Appendix 5(ii))	Difference (col.4-col.5)	Total difference	Prime difference after adding 7.5 % contractor's profit
1	2	3	4	5	6	7	8
1	H.G. Boulder	7937.35	900	609.78	290.22	23,03,577.72	24,76,346.05
2	Chips 40 mm	1,506.28	1,230	1,121.78	108.22	1,63,009.62	1,75,235.34
3	Chips 20 mm	753.14	1,630	1,433.78	196.22	1,47,781.13	1,58,864.72
4	Chips 10 mm	753.14	1,660	1,499.78	160.22	1,20,668.09	1,29,718.20
Total		10,949.91				27,35,036.56	29,40,164.30

(Source: OCCL records and Audit analysis)

² The estimate was prepared in May 2014, that time SOR 2013 in force

³ Lead calculation- Charge for first 5 km is- ₹ 136.00 + charge for next 26 km (26*8)- ₹ 208= ₹ 344

Appendix 5.3
(Refer Paragraph 5.4.6)

Excess expenditure due to taking of higher lead on stone

SL No	Name of the work	Agreement No	Agreement Value (in Crore)	Estimate value (in crore)	Item No	Name of the Work	Stone product used	Rate provided in estimate	Agreement rate	Excess/ less tender premium on Item (in percentage) ((col.10-col.9)/col.9*100)	Excess given in lead	Total Excess amount as per estimate (col.8xcol.12)	Total excess amount after tender premium (in ₹) {col.13+(col.13*col.11)/100}
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	Construction of Spillway of Haldia dam in Subarnarekha Irrigation project"	03/ 16-17	134.4	134.71	17	CC M- 15 grade with 40 mm and Granite	32243.14	4899.92	5834.70	19.08	750.00	24182351.55	28795728.62
					18	CC M- 20 grade with 40 mm and Granite	52960.09	5540.78	6300.00	13.70	750.00	39720065.85	45162669.31
					20	PCC M- 25 grade with 20 mm and Granite	16266.14	6273.14	7803.00	24.39	750.00	12199603.05	15174777.32
					21	RCC M- 30 grade with 20 mm and Granite	1572.80	6306.43	7902.00	25.30	750.00	1179601.65	1478048.95
					49	collection and supplying granite of size 40 mm	2762.00	2503.90	2430.00	-2.95	750.00	2071500.00	2010361.84
					53	collection and supplying granite	4209.10	1644.76	1602.00	-2.60	750.00	3156825.00	3074754.77
					54	collection and supplying granite	2743.20	1736.80	1701.00	-2.06	750.00	2057400.00	2014991.59
2	Construction of Baisingha Feeder-cum-link canal off taking at RD17910 mtr. of	15/ 16-17	88.8	85.68	13	Graded Filter of Hard crusher stone 20 Mm	8015.75	2584.80	2502.00	-3.20	508.00	4072001.00	3941560.86
					19	PCC M- 15 ,A20 d/g Linig	18923.51	5582.30	6030.00	8.02	508.00	9613142.06	10384115.27
					20	PCC M- 15 ,A40 d/g	26955.82	4490.50	5040.00	12.24	508.00	13693556.05	15369228.93

SL No	Name of the work	Agreement No	Agreement Value (in Crore)	Estimate value (in crore)	Item No	Name of the Work	Stone product used	Rate provided in estimate	Agreement rate	Excess/ less tender premium on Item (in percentage) ((col.10-col.9)/col.9*100)	Excess given in lead	Total Excess amount as per estimate (col.8xcol.12)	Total excess amount after tender premium (in ₹) {col.13+(col.13*col.11)/100}
	Betanati branch Canal including all structures with cement concrete lining and service road				21	PCC M- 15 A20 d/g	2850.26	4894.10	5400.00	10.34	508.00	1447929.54	1597601.09
					22	PCC M- 20 A20 d/g	2183.16	5368.10	6210.00	15.68	508.00	1109043.76	1282979.40
					23	PCC M- 25 A20 d/g	7416.44	5778.60	7200.00	24.60	508.00	3767552.03	4694281.42
					29	Rough stone dry packing	499.80	1669.60	801.00	-52.02	508.00	253898.40	121809.19
					30	Grouting aprons, 1:4: 8 A20	49.98	206.50	207.00	0.24	508.00	25389.84	25451.32
					34	WBM Gr-I	4583.15	2542.25	2502.00	-1.58	508.00	2328241.88	2291380.15
					35	WBM Gr-II	3437.37	2688.15	2502.00	-6.92	508.00	1746182.94	1625262.63
3	Bank Protection and Improvement of Embankment on Right Bank of River Subarnarekha	8/ 16-17	10.62	11.29	4	Graded Filter of Hard crusher stone 20 Mm	7903.19	1705.00	1500.00	-12.02	130.00	1027414.70	903883.90
					5	Stone	47846.86	2080.62	2008.00	-3.49	130.00	6220091.80	6002991.58
4	Restoration of Subarnarekha Main Canal from RD 7950m. to RD 8840m. with cement concert Lining	09/ 16-17	60.64	58.41	11	CC M- 10 grade with 40 mm and Granite	2298.92	4595.80	2205.00	-52.02	932.50	2143745.51	1028538.85
					12	CC M- 15 grade with 40 mm and Granite	2408.45	5050.40	5040.00	-0.21	932.50	2245883.36	2241258.54
					13	CC M- 15 grade with 20 mm and Granite	3572.38	6033.40	6030.00	-0.06	932.50	3331243.42	3329366.16
					14	CC M- 15 grade with 20 mm and Granite	5679.32	5472.10	5490.00	0.33	932.50	5295969.63	5313293.48

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SL No	Name of the work	Agreement No	Agreement Value (in Crore)	Estimate value (in crore)	Item No	Name of the Work	Stone product used	Rate provided in estimate	Agreement rate	Excess/ less tender premium on Item (in percentage) ((col.10-col.9)/col.9*100)	Excess given in lead	Total Excess amount as per estimate (col.8xcol.12)	Total excess amount after tender premium (in ₹) {col.13+(col.13*col.11)/100}
					15	CC M- 20 grade with 20 mm and Granite	1299.97	5981.90	6003.00	0.35	932.50	1212221.09	1216496.97
					17	collection and supplying granite of size 40 mm	13615.47	2641.70	2700.00	2.21	932.50	12696425.78	12976624.75
					21	Rough Stone dry Packing	2423.79	1971.00	702.00	-64.38	932.50	2260184.18	804997.10
	Total						2,74,720.05						17,28,62,453.96

(Source: OCCL work records & Audit analysis)

Appendix 5.4
(Refer Paragraph 5.5.1)

Extra expenditure due to adoption of outturn capacity of dozer and lower side

Sl. No.	Name of the Work	Agreement no	Agreement cost (₹ in crore)	As per BOQ quantity of earth compacted (in cum)	Rate of compaction provided per cum in estimate (in ₹)	Rate of compaction as per AoR and SoR per cum (in ₹) (appendix 7(i))	Difference per cum (Col.6-Col.7) (in ₹)	Inflated estimate (Col.5*Col.8) (in ₹)	Agreement rate of compaction	Excess/less tender premium on Item (in percent age)	Executed Quantity (in cum)	Total excess amount as per estimate (in ₹) (Col.12*Col.6)
1	2	3	4	5	6	7	8	9	10	11	12	13
1	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-III)	39/13-14	0.98	50000.00	28	21.75	6.25	312500.00	27.00	-3.57	50000.00	312500.00
2	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-IV)	40/13-14	0.98	50000.00	28	21.75	6.25	312500.00	27.00	-3.57	50000.00	312500.00
3	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. (working RD 950 M to 1100 M) Phase- III (Reach-I)	19/14-15	0.98	19050.00	28	21.75	6.25	119062.50	27.00	-3.57	19050.00	119063.00
4	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-V)	22/14-15	0.98	50000.00	28	21.75	6.25	312500.00	27.00	-3.57	50000.00	312500.00
5	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-VI)	23/14-15	0.98	50000.00	28	21.75	6.25	312500.00	27.00	-3.57	50000.00	312500.00
6	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XI)	02/15-16	0.98	50000.00	28	21.75	6.25	312500.00	27.00	-3.57	50000.00	312500.00
7	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XII)	03/15-16	0.98	70000.00	28	21.75	6.25	437500.00	27.00	-3.57	70000.00	437500.00

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Sl. No.	Name of the Work	Agreement no	Agreement cost (₹ in crore)	As per BOQ quantity of earth compacted (in cum)	Rate of compaction provided per cum in estimate (in ₹)	Rate of compaction as per AoR and SoR per cum (in ₹) (appendix 7(i))	Difference per cum (Col.6-Col.7) (in ₹)	Inflated estimate (Col.5*Col.8) (in ₹)	Agreement rate of compaction	Excess/less tender premium on Item (in percent age)	Executed Quantity (in cum)	Total excess amount as per estimate (in ₹) (Col.12*Col.6)
8	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XIII)	06/15-16	0.92	37500.00	28	21.75	6.25	234375.00	27.00	-3.57	37500.00	234375.00
9	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XIII)	07/15-16	0.83	19363.00	28	21.75	6.25	121018.75	27.00	-3.57	19363.00	121019.00
10	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-IX)	11/15-16	0.98	70000.00	28	21.75	6.25	437500.00	27.00	-3.57	70000.00	437500.00
11	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XV)	12/15-16	0.48	49705.00	28	21.75	6.25	310656.25	27.00	-3.57	49705.00	310656.00
12	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XVII)	13/15-16	0.98	70000.00	28	21.75	6.25	437500.00	27.00	-3.57	21832.07	136450.00
13	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. Execution of Balance work from RD. 490 M to 950 M and 1100 M to 1410 M (working RD 400 M and 1100 M to 1410 M) Phase- II (Reach-XVI)	15/15-16	0.98	70000.00	28	21.75	6.25	437500.00	27.00	-3.57	70000.00	437500.00
14	Earth Dam from RD 490 M to 1410 M of Lower Suktel Irrigation project, Bolangir. (Balance work)	11/17-18	9.07	325000.00	38	21.75	16.25	5281250.00	37.00	-2.63	28608.45	464887.00
15	Construction of earth dam from RD490M to 1410M of Lower Suktel irrigation, Balanr (Execution of Balance work left portion Rd 490 M to Rd 710M)	09/21-22	9.92	241239.32	33.8	18.88	14.92	3599290.65	33.10	-2.07	102799.55	1533769.00
16	Construction of earth dam from RD490M to 1410M of Lower Suktel irrigation, Balanr (Execution of Balance work right portion Rd 710 M to Rd 1410M & Dyke)	10/21-22	9.42	221239.32	33.8	18.88	14.92	3300890.65	33.10	-2.07	154199.78	2300661.00
17	Construction of Earth Dam of Telengiri Irrigation Project. (Left Flank, balance works phase-I)	120	4.99	14000.00	30	21.75	8.25	115500.00	28.00	-6.67	244419.60	2016462.00

Sl. No.	Name of the Work	Agreement no	Agreement cost (₹ in crore)	As per BOQ quantity of earth compacted (in cum)	Rate of compaction provided per cum in estimate (in ₹)	Rate of compaction as per AoR and SoR per cum (in ₹) (appendix 7(i))	Difference per cum (Col.6-Col.7) (in ₹)	Inflated estimate (Col.5*Col.8) (in ₹)	Agreement rate of compaction	Excess/less tender premium on Item (in percent age)	Executed Quantity (in cum)	Total excess amount as per estimate (in ₹) (Col.12*Col.6)
18	Construction of Earth Dam of Telengiri Irrigation Project. (Left Flank, balance works phase-I)	121	1.80	52000.00	30	21.75	8.25	429000.00	28.00	-6.67	50270.30	414730.00
19	Construction of Earth Dam of Telengiri Irrigation Project. (Right Flank, balance works phase-I)	122	3.09	75000.00	30	21.75	8.25	618750.00	28.00	-6.67	147415.52	1216178.00
20	Construction of Earth Dam of Telengiri Irrigation Project. (Left Flank, balance works phase-I)	123	6.33	205000.00	30	21.75	8.25	1691250.00	28.00	-6.67	203692.69	1680465.00
21	Construction of Earth Dam of Telengiri Irrigation Project. (Left Flank, balance works phase-II)	124	9.67	206456.00	41	21.75	19.25	3974278.00	32.50	-20.73	448010.32	8624199.00
22	Construction of Baisingha Feeder-cum-link canal off taking at RD17910 mtr. of Betanati branch Canal including all structures with cement concrete lining and service road	15/16-17	88.80	586257.65	41.35	21.75	19.6	11490649.90	50.04	21.02	795004.10	15582080.00
23	Renovation of 1 Main Distributary of Jajpur main canal from RD 0.00 to 6.600 Km	32/17-18	32.44	98822.87	41.35	21.75	19.6	1936928.25			115919.00	2272012.00
24	Bank Protection including Improvement of Embankment on Right Bank of River Subarnarekha from Berhampur to Tambakhuri	08/2016-17	10.62	37434.81	41.35	21.75	19.6	733722.27		-7.50	36651.16	718363.00
25	Restoration to CE No.-5A on Budha Kharasuan left from Mangalpur to Budhaghat	12/16-17	8.85	325302.00	41.35	21.75	19.6	6375919.20		2.77	346962.00	6800455.00
	Total		207.03					43645041.50			3281402.53	4,74,20,837.00

(Source: OCCL work records and Audit analysis)

Appendix 5.5

(Refer Paragraph 5.8.2)

Comparison of OCCL rate with SoR 2014 and resultant loss on hiring of test checked machineries

Sl. No.	Name of the Machinery	Hours/ Km ran during 2016-17	Hours/ Km ran during 2017-18 (April to June)	Hours/ Km ran during 2017-18 (July to March)	Hours/ Km ran during 2018-19	Hours/ Km ran during 2019-20	Hours/ Km ran during 2020-21	Total Hours/ KMs ran during 2016-21	Hire rate fixed by OCCL per Hour/ Km	Total hire charges collected	Hire rate as per SoR 2014 (pre GST)	Hire rate as per SoR 2014 (post GST)	Total hire charges could have been collected	Hire charges collected less in comparison to SoR 2014	OCC rate percentage less from the SoR (pre GST)	OCC rate percentage less from the SoR (post GST)
1	250 KVA DG Set	209.50	43.50	79.00	203.23	244.15	73.58	852.96	413.34	352562.49	1125.00	978.26	871541.87	518979.38	63.26	57.75
2	Diesel Air Compressor CPS 370	209.15	115.84	689.00	51.00	0.00	0.00	1064.99	368.87	392842.86	711.00	618.26	688580.29	295737.43	48.12	40.34
3	40 KVA DG Set	1154.86	453.92	213.00	442.89	8.50	415.26	2688.43	266.05	715256.80	425.00	369.57	1082737.75	367480.95	37.40	28.01
4	Transit Mixer (4.5/hr)	5656.40	1559.10	0.00	3341.16	2293.85	71.25	12921.76	409.88	5296370.99	600.00	521.74	7306484.09	2010113.10	31.69	21.44
5	Road roller 26134	380.45	112.66	24.63	528.73	296.45	0.00	1342.92	294.93	396067.40	738.00	641.74	909272.25	513204.85	60.04	54.04
6	125 KVA DG set	137.00	106.00	58.00	116.50	342.50	0.00	760.00	467.85	355566.00	905.00	786.96	626773.32	271207.32	48.30	40.55
7	Tipper	6353.00	1595.00	392.00	0.00	0.00	0.00	8340.00	5.26	43868.40	24.00	20.87	198933.04	155064.64	78.08	74.80
8	Truck	70633.00	33565.00	76842.69	79995.00	12273.50	40211.00	313520.19	5.03	1577006.56	20.00	17.39	5724072.88	4147066.33	74.85	71.08
TOTAL:														8278854.01		

(Source: OCCL records, SoR and Audit analysis)

GLOSSARY

Glossary of abbreviations

ACP	After Care Programme
ADM	Additional District Magistrate
AIR	All India Radio
AoR	Analysis of Rates
BDO	Block Development Officer
BoD	Board of Directors
BoQ	Bill of Quantity
BSY	Biju Setu Yojana
CAG	Comptroller and Auditor General
CARA	Central Adoption Resource Agency
CC	Cement Concrete
CCI	Child Care Institution
CE	Chief Engineer
CGM	Corporate Governance Manual
CH	Children Home
CNCP	Children in Need of Care and Protection
CVO	Central Vigilance Officer
CWC	Child Welfare Committee
DCPC	District Child Protection Committee
DCPO	District Child Protection Officer
DCPU	District Child Protection Unit
DEO	Data Entry Operator
DIC	District Inspection Committee
DoWR	Department of Water Resources
DPC	Duties, Power and Conditions of Service
DPR	Detailed Project Report
DSWO	District Social Welfare Officer
DWO	District Welfare Officer
EE	Executive Engineer
EIC	Engineer in Chief
GAD	General Alignment Drawing
GIA	Grants-in-aid
GM	General Manager
GoI	Government of India
GoO	Government of Odisha
GP	Gram Panchayat
GST	Goods and Services Tax
HL	High Level
HMC	Hostel Management Committee
IAP	Integrated Action Plan
ICPS	Integrated Child Protection Scheme
IDCO	Odisha Industrial Infrastructure Development Corporation
IEC	Information, Education and Communication
IRC	Indian Road Congress
IWAI	Inland Waterways Authority of India
JCL	Juvenile in Conflict with Law
JJ Act	Juvenile Justice (Care and Protection of Children) Act
JPI	Joint Physical Inspection
KV	Kilo Volt
MMSY	Mukhya Mantri Sadak Yojana

MoRD	Ministry of Rural Development
MoU	Memorandum of Understanding
MPLAD	Member of Parliament Local Area Development
MVSN	Mahila Vikash Samabaya Nigam
MWCD	Ministry of Women and Child Development
NABARD	National Bank for Agriculture and Rural Development
NDT	Non-Destructive Tests
NGO	Non-Government Organisation
NW	National Waterways
OCCL	Odisha Construction Corporation Limited
OGFR	Orissa General Financial Rules
OH	Observation Home
OPWD	Odisha Public Works Department
OS	Open Shelter
OSCPS	Odisha State Child Protection Society
OSCSCSCL	Odisha State Civil Supplies Corporation Limited
PAG	Principal Accountant General
PLCPC	Panchayat Level Child Protection Committees
PMGSY	Pradhan Mantri Gram Sadak Yojana
PR&DW	Panchayati Raj and Drinking Water
PS	Performance Security
PSU	Public Sector Undertaking
R&B	Roads and Buildings
R&DM	Revenue and Disaster Management
RA	Running Account
RD	Rural Development
RH	Rebound Hammer
RW	Rural Works
RWO	Rural Works Organisation
SAA	Specialised Adoption Agency
SARA	State Adoption Resource Agency
SCPC	State Child Protection Committee
SE	Superintending Engineer
SFCAC	Sponsorship and Foster Care Approval Committee
SH	Special Home
SM	Senior Manager
SME	School and Mass Education
SOP	Standard Operating Procedure
SoR	Schedule of Rates
SQC	State Quality Coordinator
SQM	State Quality Monitor
SSD	ST and SC Development
TPQM	Third Party Quality Monitor
UPV	Ultrasonic Pulse Velocity
W&CD	Women and Child Development
WWH	Working Women's Hostel

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