



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

**Report of the
Comptroller and Auditor General of India
on
Welfare of Building and Other Construction
Workers
for the period ended March 2022**

**Government of Gujarat
Report No. 02 of 2025
(Performance Audit – Civil)**

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Comptroller and Auditor General of India
on
Welfare of Building and Other Construction Workers
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**Government of Gujarat
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Preface

This Report pertaining to the State of Gujarat has been prepared for submission to the Governor under Article 151 of the Constitution of India for being laid before Legislature of the State.

The Report contains the results of Performance Audit on ‘Welfare of Building and Other Construction Workers’ covering period 2017-22.

This Report focuses on the issues relating to institutional arrangements established in the State for implementation of the BOCW Act, 1996 and the Cess Act, 1996; registration of establishments and BOC workers; assessment, collection and deposit of the cess; and measures taken for safety, health and welfare of BOC workers.

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

EXECUTIVE SUMMARY

Executive Summary

Performance Audit on “Welfare of Building and Other Construction Workers”

Building and Other Construction (BOC) workers are one of the most numerous and vulnerable segments of the unorganised labour in India. The building and other construction works are characterised by their casual nature, temporary relationship between employer and employee, uncertain working hours, lack of basic amenities, inadequacy of welfare facilities and inherent risk to the life and limb of the workers.

To regulate the employment and conditions of service of BOC workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto, Government of India (GoI) enacted (August 1996) the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996 (the BOCW Act, 1996). Section 18 of the BOCW Act, 1996 stipulates for constitution of the State Welfare Board (the Board) to provide financial assistance or loan to the eligible registered workers. The GoI also enacted (August 1996) the Building and Other Construction Workers Welfare Cess Act, 1996 (the Cess Act, 1996) with a view to augmenting the resources of the Board. The Cess Act, 1996 provides for levy and collection of a cess at such rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer.

The Government of Gujarat (GoG) notified (August 2003) the Gujarat Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2003 (GBOCW Rules, 2003). For implementation of the BOCW Act, 1996 and the Cess Act, 1996, GoG (i) constituted (December 2004) the Board for registration of BOC workers and implementation of the welfare schemes for BOC workers, (ii) appointed (January 2005) Cess collectors and Assessing Officers and (iii) appointed Director Industrial Safety and Health (DISH) for registration of establishments and inspection thereof.

The Performance Audit on “Welfare of Building and Other Construction Workers” is aimed at assessing the effective implementation of both the BOCW Act, 1996 and the Cess Act, 1996 and focuses on the issues relating to the institutional arrangements established in the State for implementation of the BOCW Act, 1996 and the Cess Act, 1996; registration of establishments and BOC workers; assessment, collection and deposit of the cess; and measures taken for safety, health and welfare of BOC workers.

The performance audit has brought out many areas of concern and issues requiring needful intervention of the State Government as discussed below:

Significant Audit findings

Chapter II: Institutional arrangements for implementation of the BOCW Act, 1996 and the Cess Act, 1996

- Section 18 (1) of the BOCW Act, 1996 provides for constitution of State Building and Other Construction Worker’s Welfare Board (Board). As per the Act, the Board shall consist of a Chairperson, a person to be nominated by the Central Government and such number of other members, not exceeding fifteen, as may be appointed to it by the State Government provided that the Board shall include an equal number of members representing the State Government, employers and the Building Workers.

Initially, the Board was constituted by the State Government in December 2004, and thereafter it was re-constituted from time to time. Audit observed that in November 2017, the State Government constituted a single member Board, headed by the Principal Secretary, Labour, Skill Development and Employment Department (LSD&ED), as a chairman, until the Board was duly constituted. However, despite lapse of about five years from November 2017, a single member board had been functioning without representatives of the employers and the workers as of March 2022.

- Section 4 (1) of the BOCW Act, 1996 provides that the State Government shall constitute State Advisory Committee (SAC) to advise the State Government on such matters arising out of the administration of this Act.

Audit observed that the State Government had not constituted SAC since 2011.

- Section 24 of the BOCW Act, 1996 stipulates that the Board shall constitute a Building and Other Construction Workers’ Welfare Fund (Welfare Fund). Audit observed that Board had not constituted the Welfare Fund. In absence of the Welfare Fund, cess collected by the Cess Collectors in the State is deposited in the Government Account.
- As of March 2022, 72 *per cent* regular posts of Board and 42 *per cent* posts of the Senior Inspector/Inspector of DISH were vacant. State Government had not sanctioned a separate post of Nirikshak at district Board offices who is responsible for registration of BOC workers and processing of applications of various welfare Schemes being implemented by the Board.

Chapter III: Registration of Establishments and BOC workers

- Number of registration of establishments increased from 668 in 2017 to 4,087 in 2022. However, Audit observed that a formal mechanism ensuring linkage between the Registration Authority with the Government authorities engaged in undertaking and authorising

construction activities was not established to ensure registration of all eligible establishments. The GoI instructions for mapping of constructions activities and forwarding copies of the allotment of work orders in regard to construction activities undertaken by the Government departments/Local Bodies, *etc* to the registration authority were not adhered to.

- The Board had not conducted a State level survey for identification of BOC workers.
- Board had not prescribed time-limit for disposal of applications received for registration of construction workers.
- The control mechanism for registration of workers was found deficient as applicants engaged in professions other than building and construction workers were found registered.
- Out of grant of ₹ 20 crore provided for spreading awareness among the workers during 2017-22, the Board could utilise only ₹ 2.82 crore (14 *per cent*) as of March 2022. The GoI instructions for grassroots level awareness programmes *viz.* (i) broadcasting videos of welfare schemes on the smart phones of the workers, (ii) communication to workers through SMS, (iii) involving Local Bodies in awareness campaign, *etc* were not implemented by the Board.

Chapter IV: Assessment, Collection and Transfer of Cess

- Rule 5 of the Cess Rules, 1998 stipulates that the proceeds of the Cess collected shall be transferred by the Government Office, Public Sector Undertakings, Local Authority or Cess Collector to the Board within thirty days of collection.

Audit observed that due to non-constitution of Welfare fund, the proceeds of the cess collected by the Cess Collectors in the State were being deposited in the Government Account prescribed by the State Government (January 2006).

- During 2006-07 to 2022-23, an amount of ₹ 4,787.60 crore towards cess was deposited in the Government Account. As of March 2023, out of ₹ 4,787.60 crore, the State Government released grant of ₹ 2,544.81 crore (53 *per cent*) to the Board and the remaining ₹ 2,242.79 crore (47 *per cent*) was lying with the State Government.
- Section 3 (1) of the Cess Act, 1996 stipulates for levy and collection of a cess for the purpose of the BOCW Act, 1996 at such rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer. The State Government had issued instructions (June 2006) to collect cess at the rate of ₹ 30 per square metre of super built-up area. In September 2013, the State

Government revised instructions to collect cess at the rate of one *per cent* of the actual construction instead of ₹ 30 per square metre.

Audit observed that instructions issued by the State Government in September 2013 to collect Cess at the rate of one *per cent* of the cost of constructions were either not complied with or complied with belatedly by the selected Cess Collectors of five selected districts.

- Ahmedabad Municipal Corporation had not deposited cess amounting to ₹ 72.06 crore, collected between March 2021 and March 2022 into the Government Account. Further, Gandhinagar Municipal Corporation (GMC) had neither accounted for the collected cess separately nor deposited into the Government Account since its establishment (March 2010). At the instance of Audit (May 2023), as of September 2024, GMC accounted Cess collected for the year 2018-23 and deposited ₹ 27.52 crore into the Government Account.
- Scrutiny of records at 20 units in five selected districts, pertaining to the period 2017-22, revealed delay of one to 16 months in deposit of cess into the Government Account in eight selected units.

Chapter V: Safety, Health and Welfare Measures for BOC workers

- Rule 69 of the GBOCW Rules, 2003 stipulates that every establishment employing fifty or more building workers shall prepare a written statement of policy in respect of safety and health of building workers.

Joint field visits of 50 selected establishments revealed that six of 19 establishments that had employed 50 or more building workers did not prepare written statements of policy, whereas policy prepared by remaining 13 establishments was deficient as all information prescribed under the Act was not incorporated in the policy.

- Joint field visits of the 50 selected construction sites revealed several deficiencies in compliance of norms related to health, safety and welfare measures for workers *viz.* (i) non-availability of overhead protection (66 *per cent*), eye protection (60 *per cent*), head protection (28 *per cent*), Fire extinguishing equipment (64 *per cent*), (ii) Lack of preparedness to handle medical emergency (22 to 88 *per cent*), (iii) non-providing of temporary living accommodation (38 *per cent*).
- Number of inspections of registered establishment increased from 799 in 2017 to 3,378 in 2022. However, at least 2,146 (15 *per cent*) of 14,295 registered establishment were never inspected by the BOC Inspectors.

Chapter VI: Financial Management and Implementation of Welfare Schemes

- Against the grant of ₹ 2,544.81 crore provided to the Board, by the State Government, the Board could utilise ₹ 808.49 crore (32 *per cent*) on welfare schemes (₹ 782.03 crore) and administration (₹ 26.46 crore). As of March 2023, ₹ 1,736.32 crore was lying unutilised with the Board.
- Of the 31 welfare schemes being operated by the Board during 2017-22, 13 welfare schemes (42 *per cent*) were closed or put on hold by the Board/State Government during 2017-22.
- One of the Board's major functions is to provide old age pension to beneficiaries completed sixty years of age. However, Old Age Pension scheme was kept on hold since May 2019.
- During 2017-2022, benefits of Shramik Annapurna Yojana scheme (providing nutritious and quality meal to construction workers and their family members at a concession rate) were extended in nine districts of the state and remaining 24 districts were not covered under the scheme. As of June 2024, benefits of the scheme were extended to 19 districts.
- To assist the registered workers to have their own houses, the Board provided assistance under two schemes namely Shree Nanajee Deshmukh Awas Yojana (NDAY) and Housing Subsidy Scheme (HSS). However, during 2017-2022 only 37 beneficiaries were extended benefits of NDAY and no beneficiary was covered under HSS.
- Instances of inordinate delay in approval of benefits, injudicious rejection of applications, exclusion of eligible beneficiaries, *etc.* were noticed in selected welfare schemes.
- The Board released (October 2020) ₹ 52 crore to seven Municipal Corporations (MCs) under "Corona Surakhsha Kavach Yojana" for providing protective measures to the workers. As of March 2023, utilisation certificate for ₹ 36 crore was not furnished by four MCs and no action was taken to recover the unutilised grant of ₹ 12.50 crore from the other three MCs.
- With a view to provide free of cost basic medical services for treatment of common diseases, injuries, *etc.*, to the construction workers at construction sites, the State Government introduced (September 2013) *Dhanvantari Aarogya Rath* (DAR) Yojana. During beneficiary survey of 50 workers across five selected districts, all workers reported receiving treatment through the DAR. Further, of 42 beneficiaries who were prescribed medication, 35 confirmed that all medicines were provided at DAR.

Recommendations

Chapter II: Institutional arrangements for implementation of the BOCW Act, 1996 and the Cess Act, 1996

- *State Government may take appropriate action for constitution of a full-fledged Board, as envisaged in the BOCW Act, 1996.*
- *State Government may establish BOC Workers’ Welfare Fund and evolve a mechanism for transferring the cess, collected by the Cess Collectors, directly to the Board.*
- *State Government may expedite the filling up of all the sanctioned posts for the Board and DISH and may sanction posts for Nirikshaks in the Board.*

Chapter III: Registration of Establishments and BOC workers

- *To ensure registration of all eligible establishments, State Government may establish a mechanism ensuring linkage between the Registration Authority with the Government authorities engaged in undertaking and authorising construction activities. It may also make it mandatory for all local bodies/ development authorities and work executing agencies to intimate the registering authority while granting development permission/ work order for each construction activity.*
- *State Government may ensure implementation of the GoI instructions for mapping of constructions activities.*
- *To restrict the registration of ineligible persons as BOC workers, the Board may strengthen the procedure for verification of applications and prescribe timeline for processing the applications by the district level offices of the Board.*

Chapter IV: Assessment, Collection and Transfer of Cess

- *State Government may establish a mechanism for final assessment and collection of cess at the rate not less than one per cent of actual cost of construction of buildings for which building permits are granted by Local Bodies/ Local Authorities.*
- *State Government and Board may evolve a mechanism to ensure timely transfer of cess by each Cess Collector in Government Account and reconciliation of cess collected and deposited.*

Chapter V: Safety, Health and Welfare Measures for BOC workers

- *State Government may strengthen the mechanism for conducting the regular inspection of all establishments.*
- *State Government may ensure that every establishment employing 50 or more building workers prepares a written statement of policy in*

respect of safety and health of building workers as stipulated in GBOCW Rules, 2003.

- *State Government may ensure compliance with norms related to health, safety and welfare measures for workers, as provided in GBOCW Rules 2003.*

Chapter VI: Financial Management and Implementation of Welfare Schemes

- *The Board may take necessary action in co-ordination with the State Government to provide old age pension to the eligible workers as envisaged in the BOCW Act, 1996.*
- *The Board may take efforts for implementing the Shramik Annapurna Yojana in the remaining 14 districts of the State.*
- *The Board may analyse the reasons behind less receipt of applications in Shree Nanajee Deshmukh Awas Yojana and Housing Subsidy Scheme intended for providing assistance for construction of house and take corrective measures for effective implementation of these schemes.*
- *The Board may strengthen the existing process for verification of applications of welfare schemes received by the district level offices and prescribe a time-limit for processing the applications.*

CHAPTER-I

Introduction

1.1 Background

Building and Other Construction (BOC) workers are one of the most numerous and vulnerable segments of the unorganised labour in India. The BOC works are characterised by their casual nature, temporary relationship between employer and employee, uncertain working hours, lack of basic amenities, inadequacy of welfare facilities and inherent risk to the life and limb of the workers.

The Government of India (GoI) enacted (August 1996) the Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Act, 1996 (the BOCW Act, 1996) with an aim to regulate wages, working conditions, safety and health, welfare measures *etc.* of the BOC workers. It stipulates that every State Government shall constitute a Building and Other Construction Workers' Welfare Board (the Board).

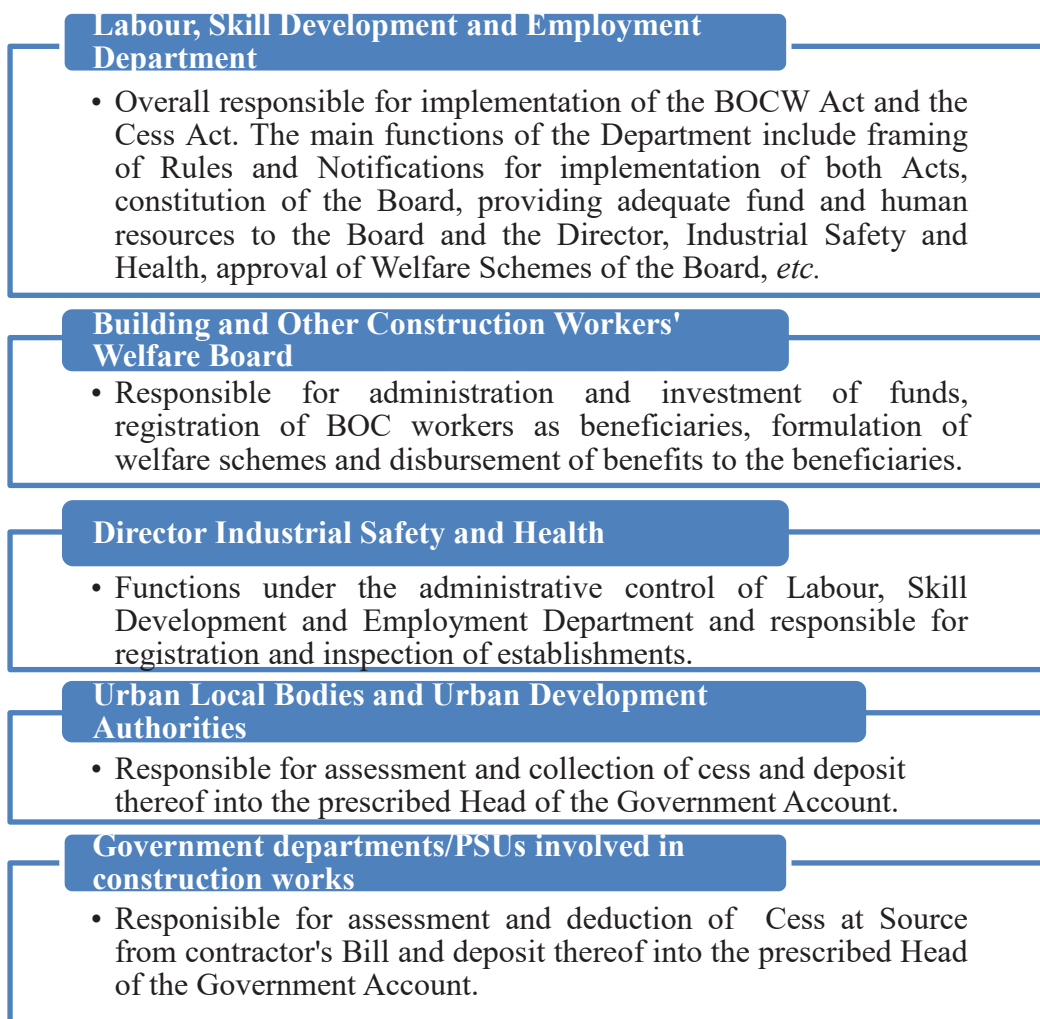
The GoI also enacted (August 1996) the Building and Other Construction Workers Welfare Cess Act, 1996 (the Cess Act, 1996) to provide for the levy and collection of cess on the cost of construction with a view to augmenting the resources of the Board. For implementation of the Cess Act, 1996, GoI notified (March 1998) The Building and Other Construction Workers' Welfare Cess Rules, 1998 (the Cess Rules, 1998).

The Government of Gujarat (GoG) notified (August 2003) the Gujarat Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2003 (GBOCW Rules, 2003) and issued notification (January 2006) for the collection of Cess at the rate of one *per cent* on the cost of construction incurred by employers. The GoG constituted (December 2004) the Board for implementation of the welfare schemes for the BOC workers.

1.2 Framework for implementation of the BOCW Act, 1996 and the Cess Act, 1996

Details of various agencies involved in implementation of the BOCW Act, 1996 and the Cess Act, 1996 in the State and their roles and responsibilities are depicted in **Chart 1** below:

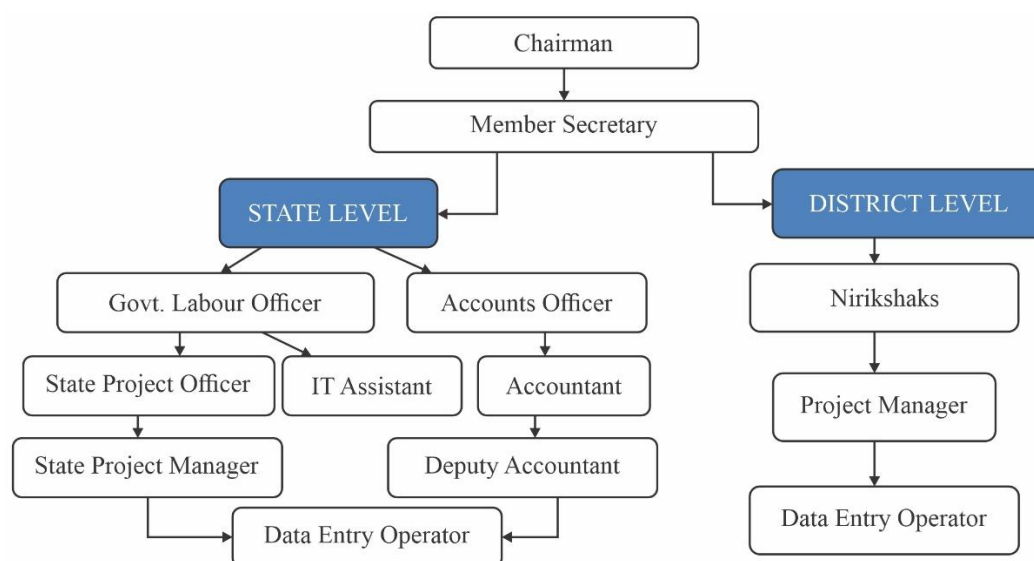
Chart 1: Agencies and their roles in implementation of the BOCW Act, 1996 and Cess Act, 1996



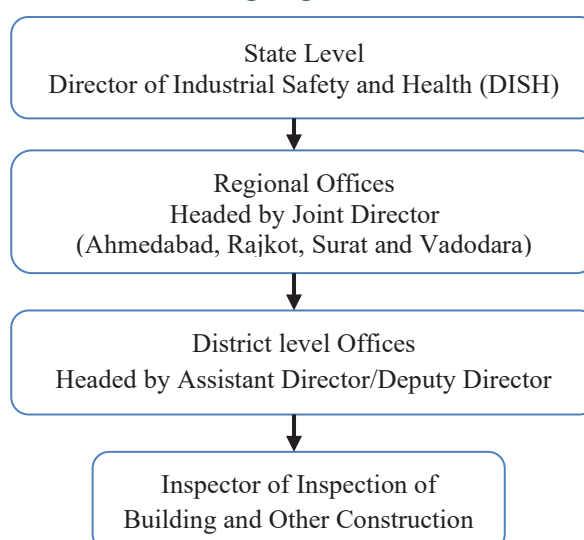
1.3 Organisational Structure

The Labour, Skill Development and Employment Department (LSD&ED), headed by the Principal Secretary (PS), is overall responsible for implementation of the BOCW Act, 1996 and the Cess Act, 1996 in the State. The Principal Secretary is assisted by the Deputy Secretary, Under Secretary and Section Officer.

The Board consists of the Principal Secretary, LSD&ED as ex-officio Chairman. The Chairman is assisted by the Member-Secretary who in turn is assisted by the Government Labour Officers, Accounts Officers and Project Managers. State level Office of the Board is responsible for administration of funds, formulation of welfare schemes and disbursement of benefits to the beneficiaries. District level offices of the Board are headed by the *Nirikshaks* (Inspectors) who are mainly responsible for registration of BOC workers and implementation of welfare schemes at district level. Organogram of the Board is given in **Chart 2** below:

Chart 2: Organisational set-up of the Board

The Director of Industrial Safety and Health (DISH) is appointed as Chief Inspector of Inspection of Building and Other Construction (Chief Inspector) assisted by the Joint Director of four regional Offices (Ahmedabad, Rajkot, Surat and Vadodara) who in turn is assisted by the Deputy/Assistant Director of district level offices of DISH. The Deputy/Assistant Director is assisted by the Inspector of Inspection and responsible for registration and inspection of establishment. The Organogram of the DISH is given in **Chart 3** below:

Chart 3: Organogram of DISH

1.4 Audit Objectives

The broad objectives of the performance audit were to assess whether:

- the rules notified by the State Government were consistent with the spirit of the BOCW Act, 1996 and the Cess Act, 1996 and existing set up was adequate for compliance of provision of the Acts;
- the system established for registration of establishments and BOC workers was effective;
- Cess assessment, Collection and transfer of collected cess to the Fund was efficient;
- Government prescribed appropriate health and safety norms and could ensure an environment of compliance with those norms by Employers; and
- Administration and utilisation of fund on implementation of welfare schemes by the Board was efficient and effective and as per Act and rules framed by the State Government.

1.5 Audit Criteria

Criteria, against which the audit findings were benchmarked, were derived from the following sources:

- The Building and Other Construction Workers’ (Regulation of Employment and Conditions of Service) Act, 1996;
- The Gujarat Building and Other Construction Workers’ (Regulation of Employment and Conditions of Service) Rules, 2003;
- The Building and Other Construction Workers’ Cess Act, 1996 and Cess Rules, 1998;
- Notifications, Guidelines, Government Resolutions, Orders, Instructions, *etc.* issued by the GoI/State Government/Board in respect of implementation of the BOCW Act, 1996 and the Cess Act, 1996;
- Model Scheme for Building and Other Construction Workers and Action Plan for strengthening Implementation Machinery issued by the GoI in September 2018.

1.6 Audit Scope and Methodology

The Performance Audit commenced with an ‘Entry conference’ held in March 2023 with the Principal Secretary (PS), LSD&ED, Officers of the Board, Director of Industrial Safety and Health (DISH) and other functionaries. Audit Objectives, Audit Criteria, Audit Scope and Methodology were discussed and inputs on implementation of the BOCW Act, 1996 and the Cess Act, 1996 were obtained in the Entry conference. The audit involved scrutiny of records pertaining to the period 2017-22, maintained at the Office of the PS (LSD&ED),

the Board, the DISH and district offices, involved in implementation of the Acts, of selected districts.

For comprehensive and holistic coverage of implementation of both the Acts, five¹ of 33 districts of the State having maximum amount of benefit disbursed under welfare schemes as well as having maximum contribution of Cess were selected for audit. In each selected district, records of district level office of the Board (for assessing the efficacy of registration of BOC workers and implementation of welfare schemes) and district level office of the DISH (for assessing the registration and inspection of establishments) were test-checked. Further, with a view to ascertain assessment, collection and deposit of Cess into the Government Account, records of Municipal Corporation, Urban Development Authority, Road and Building (R&B) Division and Public Health Works Division of Gujarat Water Supply and Sewerage Board (GWSSB) were also test-checked in each selected district. Details of the units selected are given in **Appendix I**.

For evaluation of welfare schemes, five schemes with maximum amount of financial assistance disbursed, three schemes with moderate amount of financial assistance disbursed and two schemes having no coverage of beneficiaries were selected (**Appendix II**). To gather feedback from BOC workers regarding welfare schemes, Audit conducted a joint telephonic/physical survey of 10 beneficiaries from each selected scheme in each district.

To ascertain compliance of norms prescribed under the BOCW Act, 1996 for welfare, safety and health of BOC workers at worksites, joint physical inspection of ten establishments² in each selected district was conducted. District-wise details of establishments selected for physical inspection are given in **Appendix III**.

Audit findings of the Performance Audit were discussed with the Secretary, LSD&ED in the Exit conference held in November 2024. The replies and views of the Department have been suitably incorporated in the report.

1.7 Structure of the Report

This report is structured in a manner that focuses on status of compliance of norms prescribed under the BOCW Act, 1996 and the Cess Act, 1996 for the welfare of the BOC workers. Audit findings related to the Audit Objectives are discussed Chapter-wise in the succeeding five Chapters. Labour, Skill Development and Employment Department

Audit findings in respect of “Institutional Arrangements for implementation of the BOCW Act, 1996 and the Cess Act, 1996” are included in Chapter-II, “Registration of Establishments and BOC Workers” in Chapter-III, “Assessment, Collection and Transfer of Cess” in Chapter-IV, “Safety, health

¹ Ahmedabad, Gandhinagar, Rajkot, Surat and Vadodara.

² Four registered, four un-registered and two establishments where fatal incidents occurred.

and welfare measures for BOC workers” in Chapter-V and “Financial Management and Implementation of Welfare Schemes” are included in Chapter-VI.

1.8 Acknowledgement

Audit acknowledges the co-operation extended by the LSD&ED, the Board, the DISH and the concerned officials of Municipal Corporations, Urban Development Authorities, R&B Divisions and Public Health Works Divisions of GWSSB of the selected districts in conduct of this Performance Audit.

1.9 Constraints in Audit

With a view to assess compliance to the provisions of the Cess Act, 1996 related to assessment, collection and transfer of Cess into Government Account, Municipal Corporations of five selected districts were selected. Of the five selected MCs, Rajkot MC had not furnished any records to Audit even after repeated requests.

CHAPTER-II

Institutional Arrangements for Implementation of the BOCW Act, 1996 and the Cess Act, 1996

Chapter - II

Institutional Arrangements for Implementation of the BOCW Act, 1996 and the Cess Act, 1996

2.1 Consistency of Rules with the Act

Section 14 of the Cess Act, 1996 empowers the Central Government to make rules for carrying out the provisions of the Act. Section 62 of the BOCW Act, 1996 empowers the State Government to make rules for carrying out the provisions of the BOCW Act, 1996. Further, Section 40 of the BOCW Act, 1996 empowers the State Government to make rules for ensuring safety, health and protection of BOC workers in the course of their employment.

Audit observed that the GoG notified the Gujarat Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Rules, 2003 (the GBOCW Rules, 2003) in August 2003 *i.e.* after a lapse of more than seven years from the enactment of the BOCW Act, 1996. Similarly, for ensuring the enforcement of the Cess Act, GoG notified the appointment of Cess Collecting and Cess Assessing Authorities in January 2005 *i.e.* after lapse of about seven years from the enactment of the Cess Rule, 1998 by GoI in March 1998.

Audit observed instances where the rules notified by the State Government were not consistent with the spirit of the BOCW Act, 1996 as discussed below:

2.1.1 Constitution of State Building and Other Construction Workers' Welfare Board

Section 18 (1) of the BOCW Act, 1996 provides that every State Government shall constitute a State Building and Other Construction Worker's Welfare Board (Board). Further, Section 18 (3) provides that the Board shall consist of a Chairperson, a person to be nominated by the Central Government and such number of other members, not exceeding fifteen, as may be appointed to it by the State Government, provided that the Board shall include an equal number of members representing the State Government, employers and the BOC workers. Rule 44 of the GBOCW Rules, 2003 provides that the Board shall meet at least once in two months and as may be necessary.

Rule 36 of the GBOCW Rules, 2003 stipulates the constitution of Board as per the BOCW Act, 1996. Further, Rule 37 stipulates that for any reason, it appears to the State Government that it is not in a position to constitute a Board in accordance with the Rule 36 and considers it expedient to do so, the State Government may appoint a person who shall hold office until the Board is duly constituted. Thus, Rule 37 of GBOCW Rules, 2003 regarding the constitution of Board consisting of one person is not consistent with the Section 18 (3) of the BOCW Act, 1996, which provides for constitution of Board with members representing the State Government, employers and the BOC workers.

Initially, the Board was constituted by the State Government in December 2004, and thereafter it was re-constituted from time to time. In December 2014, the State Government constituted the Board having 14 members³ for a period of three years. However, in November 2017, in pursuance of the power conferred under Rule 37 of the GBOCW Rules, 2003, the State Government constituted a single member Board, headed by the Principal Secretary, LSD&ED, as a chairman, until the Board was duly constituted. Despite the lapse of about five years, a single member board had been functioning without representatives of the employers and the workers as of March 2022. As a result, no meetings have been held since November 2017.

Reasons for non-constitution of the full-fledged Board were called for (December 2022). However, the replies furnished (June 2024) by the Additional Chief Secretary, LSD&ED were silent about the reasons for non-constitution of the full-fledged Board since November 2017.

Audit is of the view that one member board and non-holding of Board’s meeting is not in accordance with the spirit of the BOCW Act, 1996.

2.2 Compliance to the provisions of the Acts/Rules

The BOCW Act, 1996 and the GBOCW Rules, 2003 provide for the constitution of the Committees, Welfare Fund and human resources for effective implementation of the BOCW Act, 1996 and the Cess Act, 1996. Audit observations on the compliance of the provisions of the Act/Rules related to institutional arrangement are discussed below:

2.2.1 Delay in constitution of State Building and Other Construction Workers’ Advisory Committee

Section 4 (1) of the BOCW Act, 1996 provides that the State Government shall constitute State Building and Other Construction Workers’ Advisory Committee (SAC) to advise the State Government on such matters arising out of the administration of the Act. The GBOCW Rules, 2003 provide that SAC shall consist of Minister of Labour as Chairperson and 15 members⁴ including representatives of employers’ association, building workers association, architect associations, civil engineers association and nationalised insurance company, *etc.* The GBOCW Rules, 2003 also provided that the term of the SAC shall be three years and it shall meet at least once in six months.

Audit observed that State Government had constituted the SAC in July 2008. The term of the SAC expired in June 2011. However, the SAC was not re-constituted thereafter till March 2022. Details of the SAC meetings held

³ Five members representing the State Government and nine non-governmental members.

⁴ (i) Two Members of the State Legislature; (ii) Secretary of the LSD&ED; (iii) one member to be nominated by the Central Government; (iv) Chief Inspector of Factories; (v) Chief Inspector for inspections, Labour Commissioner; (vi) three representatives of employers association representing employers connected with BOC work; (vii) three representatives of building workers association; (viii) one representative of architect association; (ix) one representative of civil engineers association; and (x) one representative of nationalised insurance company.

between July 2008 and June 2011 were also not made available to Audit by LSD&ED.

The Additional Chief Secretary, LSD&ED stated (June 2024) that matter of constitution of SAC was under consideration.

2.2.2 Non-constitution of Building and Other Construction Workers' Welfare Fund

Section 24 of the BOCW Act, 1996 stipulates that the Board shall constitute a Building and Other Construction Workers' Welfare Fund (Welfare Fund) and there shall be credited thereto: (a) any grants and loans made to the Board by the Central Government; (b) all contributions made by the beneficiaries; and (c) all sums received by the Board from such sources as may be decided by the Central Government. The fund shall be used for meeting (a) expenses of the Board in the discharge of its functions under Section 22; (b) for payment of salaries, allowances and other remunerations of the members, officers and other employees for the Board and (c) expenses on objects and for purposes authorised by this Act.

Audit observed that Board had not constituted the Welfare Fund. In absence of the Welfare Fund, cess collected by the Cess Collectors in the State is deposited in the Government Account. Every year the State Government provides funds to the Board in form of grant. Thus, the Board has no financial autonomy for administration and management of cess and depends on the State Government grants for discharging the functions conferred on the Board under the BOCW Act, 1996.

The Additional Chief Secretary, LSD&ED stated (June 2024) that cess deposited in the Government Account is utilised solely for the welfare of the BOC workers through Board.

The reply is not tenable as cess collected from the private and the public establishments deposited in Government account, was partly transferred to the Board and a huge amount of cess remained in Government account only.

2.3 Human Resource

2.3.1 Non-appointment of functionaries in the Board

Rule 43 of the GBOCW Rules, 2003 stipulates that Secretary, Other Officers and employees of the Board may be taken on deputation from the State Government. In case where these functionaries are not drawn from amongst the services of the State Government, the Board may make appointments, subject to the approval of the State Government.

Audit observed that as of March 2022, the State Government had sanctioned (between September 2007 and November 2020) 58 posts of various cadres. Of these, 18 regular posts were to be filled up on deputation from the State

Government, whereas 40 temporary posts were to be filled through outsourcing. However, as of March 2022, 13 of 18 Regular Posts (72 *per cent*) and 15 of 40 temporary posts (38 *per cent*) were vacant (**Appendix IV**). The status of vacancy of functionaries in the Board, which were to be filled up on regular basis, as of March 2022 is shown in **Table 2.1** below:

Table 2.1: Availability of functionaries against the sanctioned regular posts in the Board

Sl No.	Name of Posts	Date of Sanction	No. of Sanctioned regular posts	No. of posts filled	No. of Posts vacant	Vacant since
1.	Member Secretary	25-09-2007	01	00	01	October 2021
2.	Accounts officer (Class-I)	25-09-2007	01	01	00	-
3.	Regional Project officer	05-11-2020	01	00	01	November 2020
4.	Additional Project officer	05-11-2020	04	00	04	November 2020
5.	Govt. Labour officer	17-05-2012	04	04	00	-
6.	Additional Govt. Labour officer	17-05-2012	02	00	02	May 2012
7.	Account Officer (Class-II)	05-11-2020	01	00	01	November 2020
8.	Accountant	05-11-2020	04	00	04	November 2020
	Total		18	05	13	

(Source: Information furnished by the Board)

The post of Member Secretary, being responsible for functioning of the Board, was held by a Class I Officer of the State Government as additional charge since October 2021. Other posts were vacant since their date of sanction between May 2012 and November 2020.

Further, at district level Nirikshak is mainly responsible for registration of BOC workers and processing of applications of various welfare Schemes being implemented by the Board. The State Government had not sanctioned separate post of Nirikshak. The charge of Nirikshaks was being held by the Government Labour Officers⁵ (GLOs) and Inspectors of BOC works, working under the administrative control of DISH in district level office of the DISH, in addition to their existing charge of multiple districts.

2.3.2 Shortage of Inspecting Staff

Section 42 of the BOCW Act, 1996 provides that State Government may appoint, Chief Inspector of Inspection of Building and Construction (Chief Inspector) for effectively carrying out the provisions of this Act in the State and for exercising the powers of an Inspector under this Act in relation to establishments. Section 42 further provides for appointment of Inspectors under the control of Chief Inspector.

⁵ These GLOs are working at district level offices of Commissioner of Labour department under LSD&ED.

Audit observed that State Government appointed (March 2004) Director of Industrial Safety and Health (DISH) as Chief Inspector and sanctioned (between September 2011 and May 2018) 24 posts of Inspector for carrying out the provision of the BOCW Act, 1996. The Chief Inspector is overall responsible for registration and inspection of establishment, *etc.* while the Inspectors, within the local limits for which they are appointed, examine the construction site of a building or other construction work and may issue show cause notice or warning to employers regarding the safety, health or welfare of BOC workers provided under the BOCW Act, 1996. Availability of Inspectors against the sanctioned posts in the State as of March 2022 is shown in **Table 2.2** below:

Table 2.2: Availability of Inspectors against the sanctioned posts as of March 2022

Sl. No.	Name of Post	Date of Sanction	Number of Posts sanctioned	Number of Posts filled	Number of Posts vacant	Vacant since
1	Senior Inspector	11.02.2016	04	00	04	11.02.2016
2	Inspector	30.09.2011	19	13	06	17.10.2017
		30.05.2018	01	01	00	-
		Total	24	14	10	

(Source: Information furnished by the DISH)

The above table shows 100 *per cent* shortage in the cadre of Senior Inspector and 30 *per cent* shortage in the cadre of Inspector. Shortage of inspecting staff coupled with additional charge of Nirikshak, head of the district level office of the Board adversely affected registration and inspection of establishments as discussed under **Paragraph 3.1 of Chapter III** and **Paragraph 5.4 of Chapter V** respectively.

The DISH replied (September 2023) that request for filling of vacant posts of Senior Inspectors and Inspectors has been submitted to the Government in March 2023 and May 2023 respectively.

The reply indicates that concerted efforts for filling of vacant posts had not been taken by the DISH, as request for filling of vacant posts was submitted to the Government after more than five years from the date of vacancy and after May 2023, no correspondence was made with the Government.

In the Exit conference (November 2024), the Secretary, LSD&ED stated that efforts were being made to equip the Board, DISH and their district level offices with adequate manpower. It was further stated that proposal for increasing sanctioned strength was under active consideration.

2.4 Conclusion

Audit observed that the State Government, while re-constituting the Board in November 2017, appointed Principal Secretary of Labour, Skill Development and Employment Department as a Chairman of the Board to hold office of the Board until the Board was duly constituted. Since November 2017, the Board has been functioning without representative of the employers and workers

which is not consistent with the provisions of the BOCW Act, 1996. The State Government had not constituted SAC since 2011. Due to non-constitution of BOC Workers’ Welfare Fund, the cess collected by the Cess Collectors in the State is deposited in the Government Account instead of transferring it to the Board directly. As of March 2022, 72 *per cent* regular posts of Board and 42 *per cent* posts of Senior Inspector and Inspector of DISH were vacant. State Government had not sanctioned separate post of Nirikshak who is responsible for registration of BOC workers and processing of applications of various welfare Schemes being implemented by the Board at district level Board offices.

2.5 Recommendations

- *State Government may take appropriate action for constitution of a full-fledged Board, as envisaged in the BOCW Act, 1996.*
- *State Government may establish BOC Workers’ Welfare Fund and evolve a mechanism for transferring the cess, collected by the Cess Collectors, directly to the Board.*
- *State Government may expedite the filling up of all the sanctioned posts for the Board and DISH and may sanction posts for Nirikshaks in the Board.*

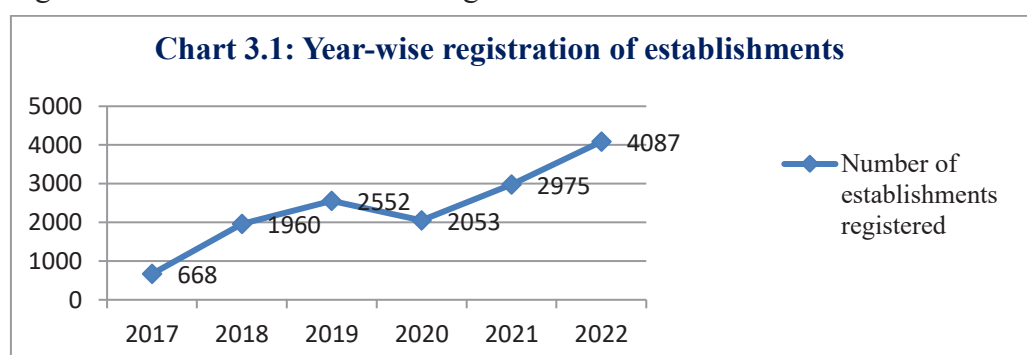
CHAPTER-III
Registration of Establishments
and BOC Workers

3.1 Registration of Establishments

The BOCW Act, 1996 applies to every establishment⁶ which employs, or had employed on any day of the preceding twelve months, ten or more building workers in any building and other construction work. Section 6 of the BOCW Act, 1996 provides that State Government shall appoint Registering Officer and define the limits within which a Registering Officer shall exercise the powers conferred on him by or under this Act. Section 7 of the BOCW Act, 1996 stipulates that every employer, undertaking construction work, shall make an application to the Registering Officer for registration of the establishment.

The State Government appointed (March 2004) Officers⁷, who are the heads of the district level offices of Director of Industrial Safety and Health (DISH) as Registering Officers within the local limits for which they are appointed. Every employer, undertaking BOC work, requires to submit an online application through a portal⁸ only, to the Registering Officer, having jurisdiction in the area where proposed construction work is to be executed, along with the documents and fees prescribed under the BOCW Rules, 2003. While making application, the employer is required to mention the details such as name and location of establishment where BOC work is to be carried out, nature of work, maximum number of building workers proposed to be employed on any day, date of commencement and completion of work, *etc.*

As per information furnished by the DISH, during calendar years 2017-22, 14,295 establishments were registered with the DISH in the State. Year-wise registration of establishments during 2017-22 is shown in **Chart 3.1** below:



(Source: Information furnished by the DISH)

Chart 3.1 shows continuous increase in number of registrations during the period 2017-22, except in the year 2020. Audit analysed district-wise number

⁶ “Establishment” means any establishment belonging to, or under the control of Government, any body corporate or firm, an individual or association or other body of individuals which or who employs building workers in any building or other construction work; and includes an establishment belonging to a contractor, but does not include an individual who employs such workers in any building or construction work in relation to his own residence the total cost of such construction not being more than rupees ten lakhs.

⁷ Deputy Director, Assistant Director, and Industrial Safety and Health Officer.

⁸ <https://ifp.gujarat.gov.in>

of establishments registered during the period 2017-22 (**Appendix V**) and observed the following:

- Out of 14,295 registered establishments, 7,385 establishments (52 *per cent*) were registered in five districts⁹ whereas remaining 6,910 establishments (48 *per cent*) were registered in remaining 28 districts.
- No establishment was registered in two districts (Mahisagar and Narmada). However, as per information furnished by the Public Health Works Division of GWSSB, and Road and Building Division of these two districts, 153 construction works¹⁰ were executed by them during 2017-22. This clearly indicates that all eligible establishments were not registered with DISH.

With a view to ascertain extent of registration of establishments, Audit analysed number of Development Permissions¹¹ (DP) granted by the Municipal Corporation (MC) and Urban Development Authority (UDA) of the selected districts and number of establishments registered in the selected districts during 2017-22 as shown in **Table 3.1** below:

Table 3.1: Number of DPs issued *vis-a-vis* number of establishments registered in the selected district during 2017-22

District	Number of DPs issued	Number of establishments registered	Percentage of registration against DPs
Ahmedabad	12,866	3,458	27
Gandhinagar	925	768	83
Rajkot	5,270	682	13
Surat	19,614	1,473	08
Vadodara	16,893	1,004	06
Total	55,568	7,385	13

(Source: Information furnished by the DISH and selected MCs and UDAs)

The above table shows that number of total registrations done in the selected district fall short of the number of DPs issued by the MCs and UDAs of these districts.

Analysis of reasons for low registration of establishments indicated the following:

In pursuance of Honourable Supreme Court’s direction (July 2018), the Director General (Labour Welfare), GoI formulated (September 2018) “Model Scheme for Building and Other Construction Workers and Action Plan for strengthening Implementation Machinery” (Action Plan) and all the States were directed to follow the measures suggested in the Action Plan for strengthening the implementing machineries involved in registration of establishment,

⁹ Ahmedabad-3,458; Gandhinagar-768; Rajkot-682; Surat-1,473 and Vadodara-1,004.

¹⁰ PH works divisions of GWSSB (Narmada-11 works, Mahisagar-16 works); Road and Building divisions (Narmada-information not furnished to audit about works), Mahisagar-126 works).

¹¹ As per Gujarat Comprehensive Development Control Regulations, 2017, it is mandatory for employers to obtain Development Permission (DP) from the Competent Authorities concerned (MCs/UDAs) prior to commencement of building or developmental activity.

registration of workers, collection of cess, etc. However, audit observed non-compliance of the Action Plan and absence of a formal mechanism to identify prospective establishments and inadequate linkage between registering authorities and authorities granting development permissions/ work orders as discussed below:

- i. Absence of mapping of construction activities:* The Action Plan stipulates that State Government should develop a mechanism for regular monitoring of construction activities ongoing in the State and make use of Geographic Information System (GIS) technology/mapping etc. The State Government accorded approval (March 2018) for developing a GIS based software and released (March 2018) ₹ one crore to the Board.

Audit observed that for implementing GIS based cess calculation, assessment and collection system across the Gujarat State, the Board issued (March 2018) a letter of intent to an agency (n) Code Solutions to work as a Total Solution Provider and to deliver End to End solution on turnkey basis. The agency made (January 2019) a presentation on progress of software in the Board Office. Thereafter, no further progress was made due to which the GIS based mapping system could not be developed (March 2023).

Member Secretary of the Board accepted (February 2024) that the system could not be developed and stated that no expenditure was incurred for this purpose.

However, specific reasons for not developing the GIS based mapping system were not offered by the Member Secretary. Further, the Board had not made any concerted effort after January 2019, despite availability of funds.

- ii. Intimation of work order and development permission:* The Action Plan stipulates that State Government should issue directions to Departments/State Undertakings/ Local Bodies in their jurisdiction for timely forwarding a copy of the work orders issued by them to a contractor/private agency for carrying out construction activities on behalf of them, to the relevant registering authorities. The DISH requested (November 2018 and January 2021) the departments/agencies involved in execution of BOC works to furnish a copy of work orders issued by them to the concerned registering authorities. However, Audit observed that the works executing authorities¹² of five selected districts did not forward the copies of the work orders issued by them with registering authorities. The Executive Heads of the selected work executing authorities confirmed (between May 2023 and July 2023) that

¹² 1. Road and Building Divisions; 2. Public Health Works divisions of Gujarat Water Supply and Sewerage Board; 3. Urban Development Authorities and Municipal Corporations of five selected districts.

the copy of work orders were not forwarded to the registering authorities as no such instruction was received. The replies furnished by the works executing authorities are not tenable, as the DISH had requested (November 2018 and January 2021) to furnish the copy of work orders issued by them with registering authorities concerned.

The DISH had requested (November 2018 and January 2021) Urban Local Bodies and Urban Development Authorities to insert a condition for registration of establishment with DISH and furnishing a copy of the Development Permission to the concerned registering authorities. Audit observed that all the selected ULBs/UDAs of five¹³ selected districts had inserted the condition for registration of establishment; however, they did not share the details of DP issued by them with the respective registering authority.

The above facts indicated that efficient mechanism was not developed to establish linkage between the registering officer and authorities granting permission for BOC works and issuing work orders which could have ensured registration of all eligible establishments.

Audit test-checked 10 case files of inspection of those establishments where accidents occurred in selected districts and found that 26¹⁴ (52 per cent) out of 50 establishments were not registered at the time of accidents. Further, during joint physical verification of 50 construction sites in selected districts, Audit found that 10 of these 50 construction sites were not registered at the time of physical verification. This indicates substantive gap between the establishments due to be registered and actually registered.

In the Exit conference (November 2024), the Secretary, LSD&ED stated that efforts would be made to strengthen the system of identification of un-registered establishments by issuing necessary instructions to various authorities involved in execution of building and other construction works and responsible for issuing development permission for building and other construction works.

3.1.1 Delay in submission of application for registration of establishment

Section 7 of the BOCW Act, 1996 stipulates that every employer shall in relation to establishment to which this act applies on its commencement, make an application to the registering officer for the registration of such establishment within a period of sixty days from such commencement. Further, Section 50 of the BOCW Act, 1996 provides that whoever contravenes or fails to comply with any provision of the act shall be punishable with fine.

¹³ Rajkot Municipal Corporation had not furnished any information.

¹⁴ Ahmedabad-08, Gandhinagar-06, Rajkot-04, Surat-03 and Vadodara-05.

Scrutiny of information regarding registration of establishments furnished by the district level offices of DISH in five¹⁵ selected districts revealed delay in submission of applications by employers as given in **Table 3.2** below:

Table 3.2: Delay in submission of applications for registration by the employer

Name of selected district	Number of Registered Establishments	Number of Applications received in prescribed time (in percentage)	Number of applications received beyond prescribed time (in percentage)	Range of delay				
				Up to 6 months	6 months to one year	One year to two years	Two years to five years	More than five years
Ahmedabad	3,458	1,158 (34)	2,300 (66)	1,137	500	439	216	08
Gandhinagar	768	310 (40)	458 (60)	208	87	106	55	02
Rajkot	682	206 (30)	476 (70)	247	114	86	28	01
Surat	1,473	822 (56)	651 (44)	386	124	88	51	02
Vadodara	1,004	298 (30)	706 (70)	325	183	135	57	06
Total	7,385	2,794 (38)	4,591 (62)	2,303	1,008	854	407	19

(Source: Information furnished by the selected DISH offices)

The above table shows that 2,794 out of 7,385 registered establishments (38 *per cent*) had submitted application for registration within prescribed time of 60 days from the date of commencement of construction work mentioned in the application. Of the remaining 4,591 registered establishments, applications for registration of 426 establishments (nine *per cent*) were submitted after lapse of more than two years from the due date. Further, none of the registering authorities in selected districts had taken any action against the Employer for delayed submission of applications for registration of establishments.

Joint/Deputy Director of the district level offices of DISH of selected districts stated (between June 2023 and July 2023) that due to lack of awareness among the employer regarding registration, in above cases, applications for registration were submitted beyond prescribed time.

3.1.2 Delay in issuance of certificate of Registration

Rule 24 of the GBOCW Rules, 2003 stipulates that the registering authority shall register the establishment and issue a certificate of registration to the applicant within fifteen days of receipt of application.

Scrutiny of information regarding registration of establishments, furnished by the DISH offices of five selected districts revealed delay in issuance of certificates of registration as given in **Table 3.3** below:

¹⁵ Ahmedabad-November 2017 to December 2022; Gandhinagar- November 2017 to December 2022; Rajkot-December 2017 to March 2023; Surat- November 2017 to December 2022 and Vadodara- April 2017 to March 2023.

Table 3.3: Delay in issuance of Registration Certificates by the registering authorities

Name of selected district	Number of Registered Establishments	Number of Certificate issued within prescribed time (in percentage)	Number of Certificate issued beyond prescribed time (in percentage)	Range of delay after prescribed time of 15 days				
				Up to one month	One to three months	Three to six months	Six months to one year	More than one year
Ahmedabad	3,458	2,411 (69)	1,074 (31)	782	220	52	19	01
Gandhinagar	768	615 (80)	153 (20)	99	36	11	07	00
Rajkot	682	436 (64)	246 (36)	177	44	20	05	00
Surat	1,473	1,228 (83)	245 (17)	185	43	10	06	01
Vadodara	1,004	651 (65)	353 (35)	239	71	31	12	00
Total	7,385	5,341 (72)	2,071 (28)	1,482	414	124	49	02

(Source: Information furnished by the selected DISH office)

The above table shows that delay occurred in issuance of certificates of registration in case of 2,071 out of 7,385 registered establishments (28 *per cent*).

Inordinate delay in issuance of certificates by the registering authorities indicates the absence of robust mechanism for registration of establishments.

The Additional Chief Secretary (LSD&ED) stated (June 2024) that from September 2022 onwards, if application for registration is not processed within thirty days from the date of receipt of the application, the application is deemed to have been granted.

Audit is of the view that department may ensure the issuance of certificate of registration within prescribe time as envisaged in the GBOCW Rules, 2003.

3.2 Registration of Building and Other Construction Workers

The BOCW Act, 1996 provides that every BOC worker who has completed eighteen years of age but has not completed sixty years of age and who has been engaged in any BOC work for not less than ninety days during the preceding twelve months shall be eligible for registration as a beneficiary. Every such beneficiary shall be entitled to the benefits provided by the Board.

Up to May 2021, registration of workers had been done manually through district level offices of the Board, Common Service Centers¹⁶ located at district level and identity cards were being issued to the registered workers. To provide the facility for making application for registration by workers themselves online and through other modes¹⁷ for registration, the Board rolled out a new-portal¹⁸ (e-nirman portal) in June 2021. From June 2021, all the applications are processed through e-nirman portal and identity cards in form of a card (commonly known as e-nirman card) are issued to the registered workers with

¹⁶ Common Service Centers are physical facilities for delivering [Government of India](#) e-Services to the citizens. They are multiple-services-single-point model for providing facilities for multiple transactions at a single geographical location. CSCs are the access points for delivery of essential public utility services, social welfare schemes, healthcare, financial, education and agriculture services, etc. to citizens.

¹⁷ (i) Common Service Centres (CSC) (ii) Mobile user (through mobile App) (iii) Self registration through web-portal (iv) E-gram (v) Dhanvantri Arogya Rath (vi) user agency and (vii) e-shram Seva Kendra.

¹⁸ <https://enirmanbocw.gujarat.gov.in>

the approval of the Nirikshak¹⁹ of the district concerned. For making an application through e-nirman portal, applicant is required to upload the documents prescribed²⁰ by the Board. Validity of registration in pre and post launching of e-nirman portal was three years from the date of registration. After expiry of validity the workers are required to get the validity of registration renewed through e-nirman portal. On renewal of validity, renewed e-nirman card with extended validity is issued to the registered worker.

Status of registration of BOC workers in the State as of March 2022 is given in **Table 3.4** below:

Table 3.4: Status of registration of BOC workers as of March 2022 in the State

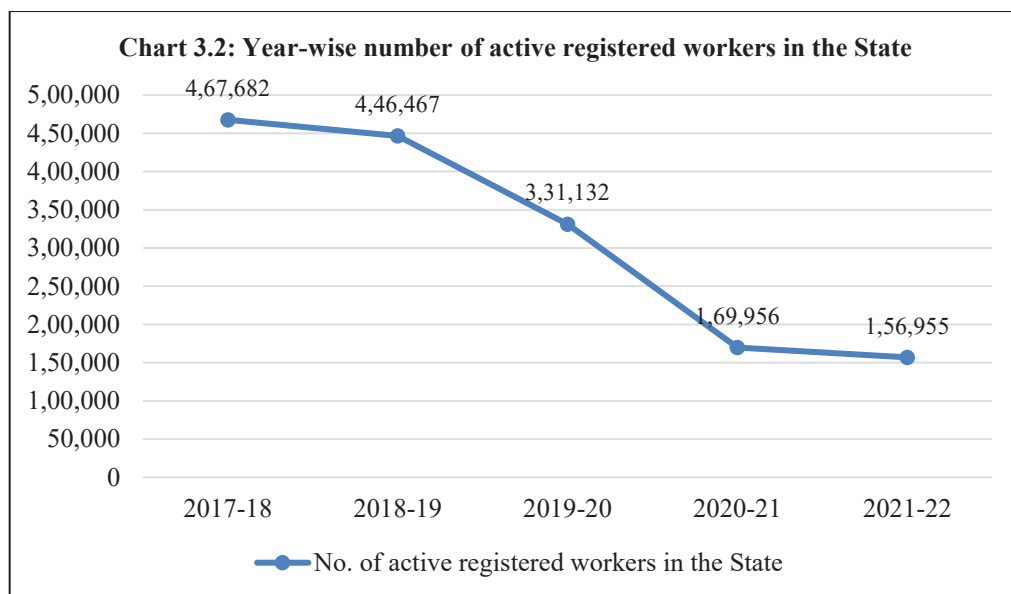
Period	No. of registered workers at the beginning of the year	No. of workers whose registration due for renewal during the year	Out of Col.3, No. of workers who got their registration renewed during the year (in percentage)	No. of workers registered during the year (including figures of Col.4)	No. of workers whose registration expired (out of Col.3) or inactivated during the year	No. of active registered workers at the end of the year (Col.2+Col. 5-Col.6)
1	2	3	4	5	6	7=2+5-6
2017-18	2,97,561	10,830	1,744 (16)	1,79,207	9,086	4,67,682
2018-19	4,67,682	1,47,792	4,497 (03)	1,22,080	1,43,295	4,46,467
2019-20	4,46,467	1,58,877	12,758 (08)	30,784	1,46,119	3,31,132
2020-21	3,31,132	1,94,933	16,146 (08)	17,611	1,78,787	1,69,956
2021-22	1,69,956	1,39,891	17,782 (13)	1,09,108	1,22,109	1,56,955
Total		6,52,323	52,927 (08)	4,58,790	5,99,396	

(Source: Information furnished by the Welfare Board)

As can be seen from the above table, during 2017-22, three to 16 *per cent* of registered workers whose registration was due for renewal during the year, got their registration renewed. Further, in all the years except 2017-18, number of workers whose registration expired or got inactivated was more than the number of workers registered during the year and number of active registered workers at the end of each year during 2017-22 showed a decreasing trend. Thus, the number of active registered workers which stood at 4,67,682 in March 2018 slumped to 1,56,955 in March 2022. District-wise number of active registered workers as of March 2022 is given in **Appendix VI**. Year-wise number of active registered workers in the State during 2017-22 is depicted in **Chart 3.2** below:

¹⁹ In case of registration through Dhanvantri Arogya Rath, approval for registration is given by Labour Counsellor.

²⁰ (i) Aadhaar Card (Mandatory), (ii) Ration Card, (iii) voter identity card, driving license, PAN card *etc.* for proof of age and identity, (iv) self-certified certificate for income, occupation and details of BOC works carried out during preceding 12 months (Mandatory), (v) Bank Passbook/cancelled cheque, *etc.*



The Member Secretary of the Board stated (August 2023) that responsibility of renewal of registration rests with the registered workers. It was further stated that the data base of workers registered before launching of e-nirman portal has been uploaded on e-nirman portal and district level offices of the Board have been instructed to contact the workers for registration through e-nirman portal.

3.2.1 Deficiencies in identification of unregistered BOC workers

The Action plan issued (September 2018) by the GoI, inter alia suggested following measures for strengthening the implementing machineries involved in registration of BOC workers.

- The Board may delegate/appoint officers at Municipality/Panchayat level for the purpose of registration of BOC workers in their respective jurisdictions.
- The State Government may consider authorising District Collectors to administer and facilitate implementation of the BOCW Act in their area.

Further, a Committee of Secretaries of various Administrative Departments of the State Government, constituted under the chairpersonship of Hon'ble Chief Minister of the State for recommending relief/welfare measures amid Covid-19 estimated (31st March 2020) existence of about 15 lakh BOC workers in the State. The Committee suggested to conduct a State level Survey of BOC workers.

Audit observed neither the measures suggested in the Action plan were implemented nor the survey suggested by the Committee was conducted by the Board as of July 2023. Against estimation of 15 lakh, active registration of 1.57 lakh BOC workers indicates that large number of BOC workers are yet to be registered in the State.

During joint physical inspection of 10 construction sites in each of the five selected districts, beneficiary survey of 10 workers at each construction site

(total 500 workers) was conducted. During survey, it was observed that of the 500 surveyed workers, 90 workers (18 *per cent*) were registered with the Board, while 410 workers (82 *per cent*) were not registered with the Board. This also indicates that large number of BOC workers are yet to be registered.

The Member Secretary of the Board stated (September 2024) that for identification of eligible BOC workers various Information, Education and Communication (IEC) activities such as placing of hoardings at *Kadiyanakas*, construction sites, bus stands, *etc.* are carried out. In respect of appointment of officers at Municipalities/Panchayat level for registration of BOC workers and authorising District Collectors to administer and facilitate implementation of the BOCW Act, the Member Secretary stated that since these are policy matters, the Department would be requested in this regard.

The reply is not tenable as these measures for identification and registration of BOC workers were issued by the GoI in September 2018 and no action has been taken by the Board in this regard even after the lapse of about six years.

3.2.2 Time-limit for disposal of application not prescribed

Audit observed that the Welfare Board had not prescribed time-limit for disposal of applications received for registration as a construction worker. Audit analysed time taken in approval of applications of workers registered on e-nirman portal during June 2021 and March 2022²¹, and observed huge gap between date of application and date of registration as shown in the **Table 3.5** below:

Table 3.5: Time taken in approval of applications during 2021-22

Period	No. of workers registered	No. of days between approval of registration and application			
		On same day (in percentage)	1-10 days (in percentage)	11-100 days (in percentage)	More than 100 days (in percentage)
08-06-2021 to 31-03-2022	1,08,829	33,452 (31)	59,590 (55)	12,822 (11)	2,965 (30) (101 to 738 days)

(Source: Analysis of e-nirman portal data)

As can be seen from the above table that 86 *per cent* applications were approved within 10 days from their submission, of which 31 *per cent* applications were approved on same day. Further, three *per cent* applications were approved after a huge gap ranging between 101 and 738 days from the date of applications.

Approval of registration on the date of submission of application indicates that these applications might not have been scrutinised properly, as the instances of wrong approval of applications were observed by audit as discussed in the succeeding para.

²¹ Physical records of registration of BOC workers for the period before June 2021 was not made available to Audit.

The Member Secretary of the Board accepted (August 2023) that time-limit for disposal of application has not been prescribed by the Board. However, explanations in those cases where applications were not disposed-off within thirty days have been called for from the district level authorities.

3.2.3 Discrepancies in verification/rejection of applications for registration

Rule 34 of the GBOCW Rules, 2003 provides that the application for registration as beneficiary shall be, *inter alia*, accompanied with proof of status as a building worker for at least ninety days during the preceding one year, which would be a certificate to that effect issued by the employer or contractor for whom the applicant has been working. Section 12 of the BOCW Act, 1996 stipulates that no application for registration shall be rejected without giving the applicant an opportunity of being heard.

The State Government by amending the GBOCW Rules, 2003 allowed (September 2014) “self-certificate by a building worker” in appropriate case as a proof of status as a building worker for at least ninety days during the preceding one year.

Audit observed following discrepancies in verification/rejection of applications

- During June 2021 and 31 March 2022, total 1,20,455 applications for registration as construction worker were received on e-nirman portal. Disposal of these 1,20,455 applications as of July 2023 is shown in **Table 3.6** below:

Table 3.6: Disposal of applications received for registration

No. of applications received	Number of applications approved	Number of applications sent back to applicants for compliance	Number of applications pending at district level offices of the Board	Number of applications rejected
1,20,455	1,08,829	8,732	76	2,818

(Source: Analysis of e-nirman portal data)

Analysis of data of e-nirman portal in respect of 2,818 rejected applications revealed that 308 applications (11 *per cent*) were rejected by the CSC/Project Manager/Nirikshak mentioning the reasons on e-nirman portal that during verification, it was found that applicant was not a construction worker and/or engaged in other activities such as tailor, driver, farming, maid, computer operator, having shop, barber *etc.*

- It was further revealed that out of 1,08,829 workers registered on e-nirman portal as of March 2023, 116 applicants having e-nirman card with worker-type mentioned such as tailor, driver, farming, maid, computer operator, shopkeeper, fruit-seller, vegetable seller, security guard, name of applicant itself *etc.* were registered as construction workers.

- As on 18 July 2023, 115 registrations were found inactivated in the portal. The reasons cited in the portal was that these workers were not construction workers. Of these 115 registrations, 55 registrations (48 *per cent*) were inactivated on the same day of registration. Remaining 60 registrations were cancelled after one to 694 days of registration.

Above facts indicated that registration of BOC workers on e-nirman portal was done without proper verification resulting in inactivation of registration at later stages.

The Member Secretary of the Board stated (August 2023) that a Standard Procedure for verification of application is being prepared. In respect of inactivation of 55 registrations on the same day of registration, explanation from district level offices concerned has been called for. In respect of 116 applicants having e-nirman card with worker-type mentioned such as tailor, driver, farming, maid, computer operator, shopkeeper, fruit-seller, vegetable seller, security guard, name of applicant itself *etc.*, the Member Secretary stated (September 2024) that process of cancellation of these registrations has been initiated.

The Additional Chief Secretary (LSD&ED) stated (June 2024) that district level offices of the Board did not have regular staff and all the Nirikshaks were in charge, which made it difficult to verify each and every application.

The reply is not acceptable, as the LSD&ED itself is responsible for providing adequate staff to the Board.

3.3 Lack of Information, Education and Communication programme

The “Model Welfare Scheme for Building and Other Construction Workers and Action Plan for strengthening Implementation Machinery” (Action Plan) issued (September 2018) by GoI emphasised for spreading of awareness about the welfare schemes for workers by way of grassroots level awareness programmes *viz.* (i) broadcasting videos of welfare schemes on the smart phones of the workers, (ii) communication to workers on mobile phone through Short Message Service (SMS) in respect of the welfare schemes, registration/ renewal process, regularly, (iii) painting awareness message on the walls of the Government building in rural areas, (iv) involvement of Local Bodies in conducting awareness programmes.

Audit observed that, of the grant of ₹ 20 crore provided to the Board during 2017-22 for spreading awareness among the workers, the Board could utilise ₹ 2.82 crore (14 *per cent*) as of March 2022. The expenditure of ₹ 2.82 crore was incurred mainly on printing pamphlets, banners, hoardings *etc.* The Board did not implement any of the suggested measures stipulated in the Action Plan for spreading awareness among the workers.

In Exit conference (November 2024), Secretary, LSD&ED stated that efforts would be made to accelerate IEC activities.

3.4 Conclusion

Audit observed that a formal mechanism ensuring linkage between the Registration Authority with the Government authorities engaged in undertaking and authorising construction activities was not established to ensure registration of all eligible establishments. The GoI instructions for mapping of construction activities and forwarding copy of the allotment of work order in regard to construction activities undertaken by the Government departments/Local Bodies, etc to the registration authority were not adhered to. The Board had not conducted a State level survey for identification of BOC workers. The Board had not prescribed any time limit for disposal of the applications for registration of workers. The control mechanism for registration of workers was found deficient as applicants engaged in professions other than building and construction workers were found registered. The GoI instructions for grassroots level awareness programmes were not implemented by the Board.

3.5 Recommendations

- *To ensure registration of all eligible establishments, State Government may establish a mechanism ensuring linkage between the Registration Authority with the Government authorities engaged in undertaking and authorising construction activities. It may also make it mandatory for all local bodies/ development authorities and work executing agencies to intimate the registering authority while granting development permission/ work order for each construction activity.*
- *State Government may implement the GoI instructions for mapping of constructions activities.*
- *To restrict the registration of ineligible persons as BOC workers, the Board may strengthen the procedure for verification of applications and prescribe time-line for processing the applications by the district level offices of the Board.*

CHAPTER-IV
Assessment, Collection and
Transfer of Cess

4.1 Assessment, collection and transfer of cess

With a view to augment the resources of the Building and Other Construction Workers' Welfare Board (the Board), the GoI enacted (August 1996) the Building and Other Construction Worker's Welfare Cess Act, 1996 (the Cess Act, 1996) to provide for the levy and collection of a cess on the cost of construction incurred by employers²². For implementation of the Cess Act, 1996, GoI notified (March 1998) the Building and Other Construction Workers' Welfare Cess Rules, 1998 (Cell Rules, 1998).

The Cess Rules, 1998 provide that every employer shall pay the cess to the Cess Collector²³ within 30 days of completion of the construction project or within thirty days of the date when assessment of cess payable is finalised by the Assessing Officer²⁴, whichever is earlier. Where the levy of cess pertains to BOC work of Government or of a Public Sector Undertaking (PSU), such Government or PSU shall deduct or cause to be deducted the cess payable at the notified rates from the bill paid for such work. Further, where the approval of a construction work by a local authority is required, every application for such approval shall be accompanied by a demand draft in favour of the Board for an amount of cess payable at the notified rates on the estimated cost of construction.

4.1.1 Mechanism for Assessment and collection of cess

The State Government appointed (January 2005 and June 2007) all Heads/Executive Heads of the Government departments, Public Sector Undertakings (PSUs), Local Authorities, District Development Officers, *etc.* as Cess Collector and Assessing Officer (Cess Collector). Thus, the role of Assessing Officer and Cess Collector are performed by the same Authority in the State.

The State Government issued (January 2006) an instruction to Cess Collectors to deposit the proceeds of cess into the Government Account²⁵. In case of BOC works where an approval of BOC works is required by Local Authorities, the Cess Collectors (Executive Heads of the Local Authorities concerned) assess and collect cess from the employers at the time of issuance of Development

²² "employer", in relation to an establishment, means the owner thereof, and includes (i) in relation to a building or other construction work carried on by or under the authority of any department of the Government, directly without any contractor, the authority specified in this behalf, or where no authority is specified, the head of the department; (ii) in relation to a building or other construction work carried on by or on behalf of a local authority or other establishment, directly without any contractor, the chief executive officer of that authority or establishment; and (iii) in relation to a building or other construction work carried on by or through a contractor, or by the employment of building workers supplied by a contractor, the contractor.

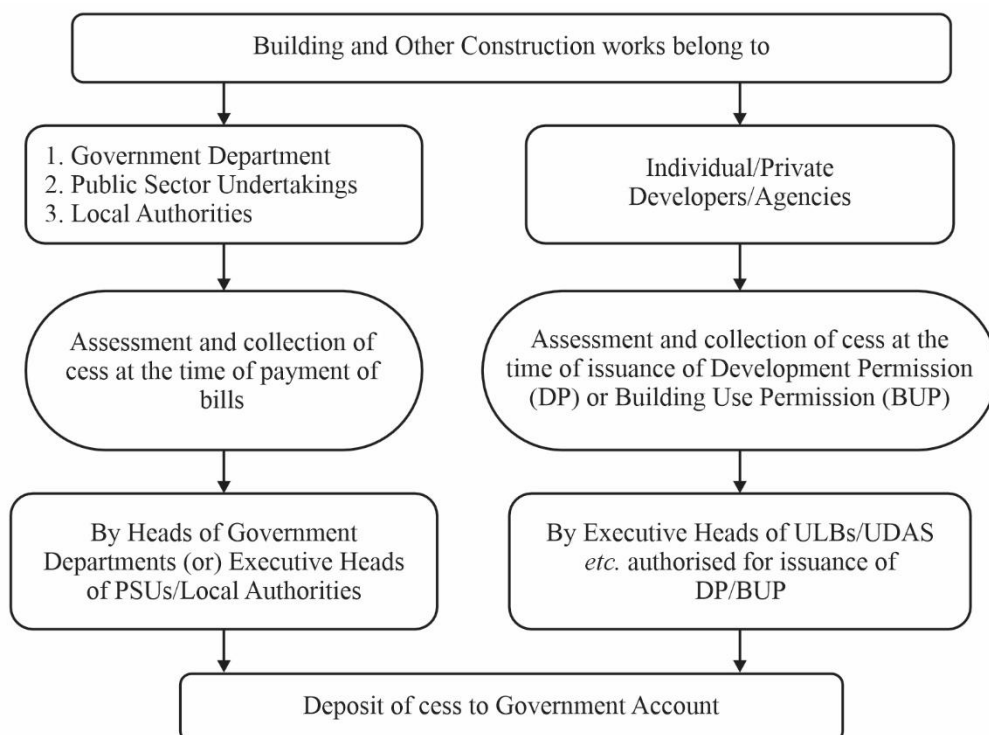
²³ An officer appointed by the State Government for collection of cess under the Act.

²⁴ A gazetted officer of the State Government or an officer of a local authority appointed by the State Government for assessment of cess under the Act.

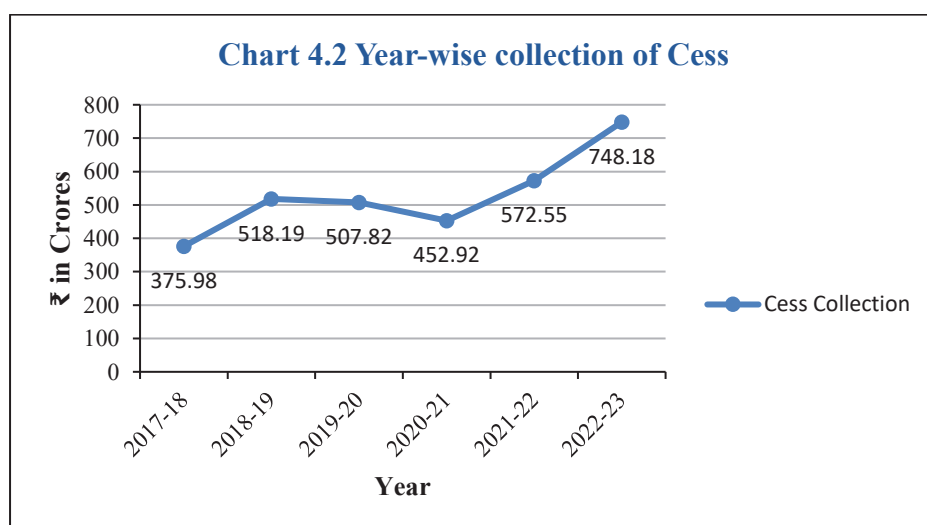
²⁵ Major Head: 0230- Labour & Employment; Minor Head: 106- Fee under Contract Labour (Regulation & Abolition Rules and Sub-Head (04)- Income from Cess levied under Gujarat Building & Other Construction Workers' Welfare Cess Act, 1996).

Permission or Building Use Permission and in case of BOC works of Government/PSUs/Local Authorities, the Cess Collectors (Heads of Government Departments, Executive Heads of PSUs/Local Authorities) assess and collect the cess from the bills of contractors executing BOC works. The Cess Collectors deposit proceeds of cess into the prescribed Head of the Government Accounts. Mechanism of cess assessment, collection and transfer thereof is depicted in **Chart 4.1** below:

Chart 4.1: Mechanism for assessment, collection and transfer of Cess



During 2017-23, an amount of ₹ 3,175.64 crore towards cess was deposited in the Government Account. Year-wise amount of cess deposited in the Government Account during 2017-23 is given in **Chart 4.2** below:



(Source: Information furnished by the Board)

The above chart shows that during 2017-23, annual cess collection in the State increased from ₹ 376 crore in 2017-18 to ₹ 748 crore (99 *per cent*) in 2022-23. The cess collection increased continuously except for the years 2019-20 and 2020-21. Selected Municipal Corporations²⁶, Urban Development Authorities, Road and Building Divisions and Public Health Works divisions of Gujarat Water Supply and Sewerage Board of five selected districts had collected ₹ 804.42 crore during 2017-23 as detailed in **Appendix-VII**.

4.1.2 Mechanism for Transfer of cess

Model Welfare Scheme for BOC workers and the Action Plan for strengthening implementation machinery issued (September 2018) by GoI emphasised to take suitable steps and use of technology like Geographic Information System (GIS) mapping to optimise cess collection.

Rule 5 of the Cess Rules, 1998 provides that the proceeds of the cess collected shall be transferred by the Cess Collectors to the Board along with the form of Challan within 30 days of its collection.

Audit observed that since the Board had not constituted the Welfare Fund, the proceeds of the cess collected in the State was being remitted into the head of Government Account, prescribed by State Government in January 2006. However, neither the State Government nor the Board had evolved any mechanism to ensure that cess collected by each Cess Collector was deposited in the Government Account in prescribed time. Further, none of the Cess Collectors had shared details of cess collected, transferred into the Government Account and copies of Challans with the Board.

In five selected districts, Audit observed instances where the selected Cess Collectors had not deposited the collected cess into the Government Account as discussed in **Paragraph 4.3.2** of this Chapter.

4.2 Levy and collection of cess

Section 3 (1) of the Cess Act, 1996 stipulates for levy and collection of a cess for the purpose of the BOCW Act, 1996 at such a rate not exceeding two *per cent* but not less than one *per cent*, of the cost of construction incurred by an employer.

Shortcomings in levy and collection of cess are discussed in succeeding paragraphs.

4.2.1 Delay in implementation of Government instruction for collection of cess @ one per cent of cost of construction

The State Government estimated (June 2006) cost of construction per square metre at ₹ 3,000 and issued instructions to collect cess at the rate of ₹ 30 per square metre (being one *per cent* of the cost of construction) of Super Built Up

²⁶ Rajkot Municipal Corporation had not furnished any information.

Area²⁷ of construction. In September 2013, the State Government superseded the instructions issued in June 2006 and issued instructions to collect cess at the rate of one *per cent* of cost of construction.

Scrutiny of records of selected Cess Collectors (Municipal Corporations (MCs), Urban Development Authorities (UDAs), Road and Building division and public health works division of GWSSB) in five selected districts revealed that Road and Building divisions and public health work divisions of GWSSB in all the five selected districts were collecting the cess at the rate of one *per cent* of cost of construction while making the payments to the Contractors/Agencies engaged for carrying out construction works. However, instructions issued by the State Government in September 2013 to collect cess at the rate of one *per cent* of the cost of constructions were either not complied with or was complied belatedly by the MCs and UDAs as shown in **Table 4.1** below:

Table 4.1: Status of compliance to Government instructions in selected MCs/UDAs

Sl. No	Name of the MCs/UDAs	Month of implementation	Delay in compliance after September 2013
1	Ahmedabad Municipal Corporation (AMC)	May 2018	Four years seven months
2	Gandhinagar Municipal Corporation (GMC)	May 2022	Eight years seven months
3	Surat Municipal Corporation (SMC)	Not implemented till June 2023	-
4	Vadodara Municipal Corporation (VMC)	Not implemented till July 2023	-
5	Ahmedabad Urban Development Authority (AUDA)	April 2019	Five years six months
6	Gandhinagar Urban Development Authority (GUDA)	January 2021	Seven years three months
7	Rajkot Urban Development Authority (RUDA)	Not implemented till April 2023	-
8	Surat Urban Development Authority (SUDA)	June 2023	Nine years eight months
9	Vadodara Urban Development Authority (VUDA)	January 2021	Seven years three months

(Source: Information furnished by MCs/UDAs of the selected districts)

The above table shows that-

- SMC, VMC and RUDA, three of the nine selected MCs/UDAs (who furnished information to Audit) had not implemented the Government instructions of September 2013 even after lapse of more than nine years from the date of issuance of instructions.
- The SMC and VMC continued to collect cess at the rate of ₹ 30 per square metre till date of Audit (June-July 2023).
- The RUDA collected cess at the rate of ₹ 30 per square metre till May 2018 and thereafter at the rate of ₹ 100 per square metre till date of Audit (April 2023).

²⁷ Total area built on the plot of land, including common areas such as elevators, staircases, lobbies, and other areas shared by multiple occupants.

- In Vadodara district, VMC was collecting the cess at the rate of ₹ 30 per square metre of Super Built Up Area, while VUDA was collecting cess at the rate of one *per cent* of the estimated cost of construction. Thus, the cess was being collected at different rates in the Vadodara district.

The above findings show that cess was not being collected at a uniform rate across the State.

In the Exit conference (November 2024), the Secretary, LSD&ED stated that instructions would be issued to those MCs/UDAs who are assessing and collecting the cess at fixed rates.

4.2.2 Collection of cess on the basis of estimated cost of construction instead of actual cost of construction

Audit observed that six MCs/UDAs that implemented the instructions, as discussed in preceding para, were collecting cess at the rate of one *per cent* of the estimated cost of the construction certified by the employer instead of the actual cost of construction.

In response to audit queries, Municipal Commissioner of MCs concerned (AMC and GMC) and Chief Executive Authority of UDAs concerned (AUDA, GUDA, SUDA and VUDA) confirmed (between June and July 2023) that actual cost of construction was not assessed.

In the Exit conference (November 2024), the Secretary, LSD&ED stated that efforts would be made to develop a mechanism for ensuring assessment of cess on the basis of actual cost of construction.

Audit is of the view that a mechanism should be developed to ensure final assessment of cess is done by these assessing authorities i.e. heads of local bodies/authorities on the basis of actual cost of construction after the completion of construction work.

4.2.3 Short collection of cess

Audit observed that estimated cost taken for collection of cess was less than the estimated cost furnished by the employer in respect of three of 36 test-checked cases in GMC and in respect of two of 28 cases test-checked in VUDA. As a result, there was short collection of cess of ₹ 12.82 lakh in GMC and ₹ 8.56 lakh in VUDA.

The Chief Executive Authority (CEA) of VUDA stated (July 2023) that instructions would be issued to the employers concerned to pay the differential amount.

The Municipal Commissioner, GMC stated (January 2024) that recovery of ₹ 12.82 lakh as pointed out by the Audit has since been made from the employers concerned.

4.2.4 Exemption to Gram Panchayat/Nagar Panchayat from levy of Cess

Section 3 (1) of the Cess Act provides for levy and collection of Cess at such a rate not exceeding two *per cent* but not less than one *per cent* of the cost of construction incurred by an employer. Further, Section 6 of the Cess Act stipulates that Central Government may exempt any employer or class of employer in a State from the payment of Cess payable under the Act where such cess is already levied and payable under any corresponding law in force in that State.

Audit observed that for the purpose of collection and assessment of Cess, State Government appointed (January 2005) Executive Heads of Local Authorities as Cess Collector and Assessing Officer. However, Gram Panchayats (GPs) and Nagar Panchayats (NPs) were exempted. Granting exemption by the State Government to Gram Panchayats and Nagar Panchayats from levy of Cess was not consistent with the Section 6 of the Cess Act.

Audit is of the view that these Gram Panchayats and Nagar Panchayats should come under purview for levy and collection of cess as several construction activities are carried out in these areas and BOC workers are engaged in them.

4.3 Deposit of cess

4.3.1 Non-transfer of proceeds of the Cess to the Board

Rule 5 of the Cess Rules, 1998 stipulates that the proceeds of the cess collected shall be transferred by the Cess Collectors to the Board within thirty days of its collection along with the prescribed form of challan.

Audit observed that the State Government issued Notification (January 2005) for appointment of Cess Collector and Assessing Officer for the purpose of collection of Cess. Subsequently, the State Government issued instructions (January 2006) to Cess Collectors to deposit the collected Cess into the Government Account²⁸. Accordingly, Cess collectors deposit collected Cess into the Government Account and State Government provide funds to the Board in form of grants to meet the expenses on objects and purposes authorised under the BOCW Act, 1996.

Details of cess deposited in Government Account, grants released to the Board up to 2022-23 is shown in **Table 4.2** below:

²⁸ Major Head: 0230- Labour & Employment; Minor Head: 106- Fee under Contract Labour (Regulation & Abolition Rules and Sub-Head (04)- Income from Cess levied under Gujarat Building & Other Construction Workers' Welfare Cess Act, 1996).

Table 4.2: Details of cess deposited in Government Account up to 2022-23**(₹ in crore)**

Year	Opening balance of cess with the State Government	Total Cess Deposited into Government Account during the year	Grant released to the Board	Cumulative Cess lying with State Government at the end of the year
1	2	3	4	5
2006-07 to 2016-17	-	1,611.96	863.04	748.92
2017-18	748.92	375.98	748.93	375.97
2018-19	375.97	518.19	236.60	657.56
2019-20	657.56	507.82	165.28	1,000.10
2020-21	1,000.10	452.92	115.84	1,337.18
2021-22	1,337.18	572.55	209.55	1,700.18
2022-23	1700.18	748.18	205.57	2,242.79
Total		4,787.60	2,544.81	

(Source: Information furnished by the Board)

As can be seen from the above table that during 2006-07 to 2022-23, an amount of ₹ 4,787.60 crore towards cess was deposited in the Government Account. As of March 2023, out of ₹ 4,787.60 crore, the State Government released grant of ₹ 2,544.81 crore (53 *per cent*) to the Board and the remaining ₹ 2,242.79 crore (47 *per cent*) was lying with the State Government.

The Additional Chief Secretary, LSD&ED stated (June 2024) that the decision for transfer of proceeds of the cess to the Board is a policy matter falling under the purview of the Finance Department. The Finance Department has been requested in this regard, but affirmative decision is yet to be taken.

Audit is of the view that as non-transfer of cess to the Board is in contravention to the provisions of the BOCW Act, 1996, it needs to be followed up with Finance Department on priority.

4.3.2 Non-deposit of cess

Audit observed that during 2017-22, seven of the nine selected MCs/UDAs had deposited collected cess into the Government Account, while two MCs (Ahmedabad and Gandhinagar) did not deposit collected cess as discussed below:

- Ahmedabad Municipal Corporation (AMC) had collected cess amounting to ₹ 238.42 crore during 2017-22. Of this, ₹ 72.06 crore collected between March 2021 and March 2022 were not deposited into Government Account as of April 2023. Chief Accountant of AMC stated (September 2024) that due to Covid pandemic cess could not be deposited into Government Account. It was also stated that process for deposit of un-deposited cess into Government Account has been started and from March 2024 onward, cess is being deposited in Government Account on regular basis.

- Gandhinagar Municipal Corporation (GMC) was collecting cess from the employers along with other applicable fee²⁹ at the time of issuance of Development Permission/Building Use Permission. However, the cess collected was neither accounted separately nor deposited into the Government Account since the establishment of GMC (March 2010).

At the instance of Audit, GMC deposited (May 2023) ₹ 20.84 crore into the Government Account. As regard non-deposit of cess collected prior to 2022-23, the Deputy Municipal Commissioner of GMC stated (June 2023) that process of working out amount of cess collection for the period prior to 2022-23 has been initiated and remaining amount of cess would be credited into the Government Account.

As per information furnished (September 2024) by the GMC, cess amounting to ₹ 6.68 crore³⁰ for the period 2018-19 to 2021-22 has been accounted and deposited into the Government Account.

Audit however, noted that the GMC had not accounted and deposited the cess collected between March 2010 and March 2018.

In the Exit conference (November 2024), the Secretary, LSD&ED stated that specific instruction would be issued to the MCs/UDAs concerned.

4.3.3 Delay in deposit of cess

Scrutiny of records at MCs, UDAs, R&B divisions and PH works divisions of GWSSB in five selected districts, pertaining to the period 2017-22 (60 months), revealed delay in deposit of cess into the Government Account in eight out of 20 selected units, as detailed in **Table 4.3** below:

Table 4.3: Delay in deposit of cess into Government Account

Sl. No.	Name of the selected Units	Number of months in which delay noticed out of 60 months	Range of delay (in month)
1	AMC	15	1-4
2	AUDA	08	1-4
3	GUDA	28	1-16
4	RUDA	19	1-3
5	SUDA	28	2-10
6	VUDA	10	1-2
7	PH works division of GWSSB, Ahmedabad	05	1-4
8	PH works division of GWSSB, Gandhinagar	02	1-2

(Source: Information furnished by selected units)

The above table shows that GUDA, SUDA and RUDA had deposited cess into Government Account belatedly.

²⁹ Amenities fee, Development Charges, Betterment Chargers, etc.

³⁰ 2021-22- ₹ 6.49 crore in March 2024; 2020-21- ₹ 5.44 lakh in September 2024; 2019-20- ₹ 6.41 lakh in September 2024; 2018-19- ₹ 7.35 lakh in September 2024.

The Accounts Officer concerned stated (between April and July 2023) that due care would be taken for timely deposit of cess into the Government Account.

It indicated that the Board or State Government had not evolved a mechanism for timely deposit of cess and ensuring the reconciliation of cess collected and deposited into Government Account, resulting into cases of non-deposit and delayed deposit of cess into Government Accounts.

In the Exit conference (November 2024), the Secretary, LSD&ED stated that efforts would be made to evolve a mechanism in consultation with the various departments, involved in assessment and collection of cess.

4.4 Conclusion

Provisions of the Cess Act, 1996 regarding levy and collection of cess at the rate not less than one per cent of the cost of construction and instructions issued by the State Government in September 2013 thereof, were either not complied or complied belatedly by the selected Cess Collectors of five selected districts. The State Government and the Board had not evolved any mechanism to ensure that cess collected by each Cess Collector had been deposited in the Government Account in prescribed time. The Cess Collectors, responsible for issuance of Development Permission/Building Use Permission for BOC works in selected districts were collecting the cess at fix rate or rate of one *per cent* of the estimated cost of the construction certified by the employer instead of the actual cost of constructions. During 2006-07 to 2022-23, an amount of ₹4,787.60 crore towards cess was deposited in the Government Account, of which the State Government released grant of ₹ 2,544.81 crore (53 per cent) to the Board and the remaining ₹2,242.79 crore (47 per cent) was lying with the State Government. Cess collected by the Gandhinagar Municipal Corporation (GMC) was neither accounted separately nor deposited into the Government Account since establishment of GMC (March 2010).

4.5 Recommendations

- *State Government may establish a mechanism for final assessment and collection of cess at the rate not less than one per cent of actual cost of construction of buildings for which building permits are granted by Local Bodies/ Local Authorities.*
- *State Government and Board may evolve a mechanism to ensure timely transfer of cess by each Cess Collector in Government Account and reconciliation of cess collected and deposited.*

CHAPTER-V

**Safety, Health and Welfare
Measures for BOC Workers**

5.1 Safety and health of workers

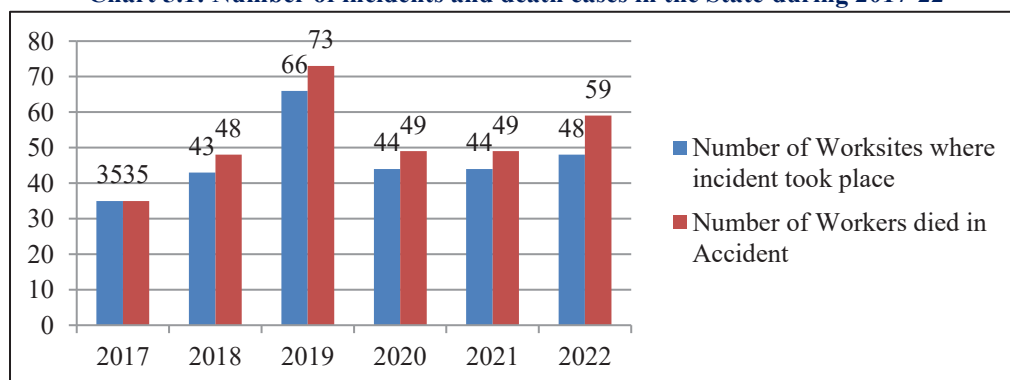
Safety and health of workers is one of the main objectives of the BOCW Act, 1996. Audit observed non-compliance or partial compliance of the safety and health norms prescribed under the BOCW Act, 1996 and GBOCW Rules, 2003 by the employers as discussed in succeeding paragraphs:

5.1.1 Compliance with safety and health rules

The GBOCW Rules, 2003 stipulate measures to be taken for the safety and health of building workers in the course of their employment and the equipment and appliances necessary to be provided to them for ensuring their safety, health and protection during such employment.

As per information furnished by the Director Industrial Safety and Health (DISH), fatal incidents occurred at 280 worksites, causing loss of life of 313 workers during calendar years 2017-22 as shown in **Chart 5.1** below:

Chart 5.1: Number of incidents and death cases in the State during 2017-22



(Source: Information provided by DISH)

Scrutiny of 50 case files of fatal incidences (10 cases in each of the five selected districts) revealed that death of workers occurred due to incidence of falling of workers from height, falling of structure/objects on workers, breaking of mechanical lifts, electrocution *etc.*

This indicates omissions in compliance of safety rules at construction sites as discussed in succeeding paras.

5.1.1.1 Formulation of health and safety policy

Rule 69 of GBOCW Rules, 2003 stipulates that every establishment employing fifty or more building workers shall prepare a written statement of policy in respect of safety and health of building workers. The policy shall contain (i) the intentions and commitment of the establishment regarding health, safety and environmental protection of building workers; (ii) organisational arrangements made to carry out the policy; (iii) responsibilities of the employer or other agencies involved in the work; (iv) techniques and method for assessment of

risk to safety, health and environment and remedial measures therefor; (v) arrangements for training of workers, trainers, supervisors *etc.*

During joint visits of 50 establishments³¹ of five selected districts, it was observed that 19 establishments had employed 50 or more building workers and thus were required to prepare safety and health policy. However, six³² (32 *per cent*) of the 19 establishments had not prepared the safety and health policy. Audit further observed that the policy made by the remaining 13 establishments was incomplete as it contained only the intentions and commitments of the establishments regarding health, safety and environmental protection of building workers.

5.1.1.2 Availability of protective measures at selected establishments

The GBOCW Rules 2003 stipulate that employer shall ensure availability of protective measures at worksites to ensure safety and health of workers. Status of availability of the prescribed protective measures at 50 selected construction sites is shown in **Table 5.1** below:

Table 5.1 Availability of protective measures at selected construction sites

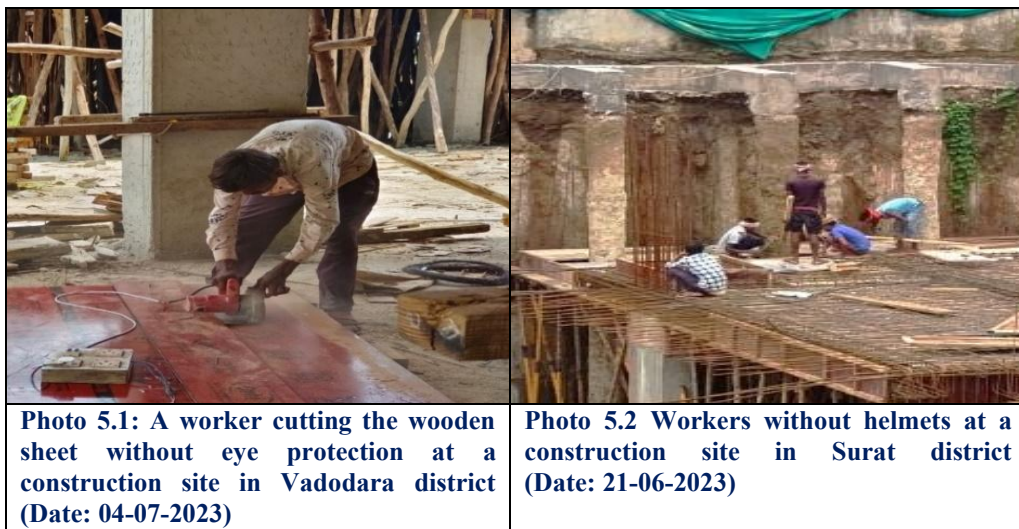
Sl. No	Type of protection	Number of construction sites out of 50 selected for joint visits		
		required to have the facility	having facility	without facility (In percentage)
1	Overhead protection for building having height more than 15 metre	38	13	25 (66)
2	Eye protective equipment	50	20	30 (60)
3	Head protective equipment	50	36	14 (28)
4	Fire extinguishing equipment	50	18	32 (64)
5	Fencing of motors	28	14	14 (50)
6	Testing of lifting appliances	46	18	28 (61)

(Source: Joint visits of 50 selected construction sites)

The above table shows that majority of employers had not taken adequate protective measures to ensure safety of the works. Some of the instances where workers were seen working without adequate protective measures are shown in **Photographs 5.1 and 5.2** below:

³¹ Four registered, four un-registered and two where incident taken place in each selected district.

³² Four registered and two un-registered.



5.1.1.3 Preparedness to handle emergency cases

The GBOCW Rules, 2003 stipulate that employer shall ensure availability of (i) ambulance room at construction site or arrangement with a nearby hospital for providing round the clock services to workers; (ii) ambulance van at construction site or arrangement with a nearby hospital for providing ambulance van for transportation of serious cases of accident or sickness of workers; (iii) sufficient number of stretchers at construction site so as to be readily available in an emergency; (iv) sufficient number of first aid boxes at construction site and (v) essential lifesaving aides and appliances required to handle head injuries, spinal injuries, bleeding, shocks, insect bite *etc.*

Joint field visits of 50 selected construction sites revealed lack of facilities to handle emergency cases as shown in **Table 5.2** below:

Table 5.2 Availability of facilities to handle emergency cases at 50 selected sites

Sl. No.	Facilities	Number of sites having facility	Number of sites without facility	Percentage of sites where facility was not available
1	Ambulance Room	06	44	88
2	Ambulance Van or arrangement with nearby hospital	08 ³³	42	84
3	Stretchers	09	41	82
4	First aid box	39	11	22
5	Lifesaving aides and appliances	10	40	80

(Source: Joint visits of 50 selected construction sites)

The above table shows that majority of the selected sites were not well equipped to handle medical emergency.

³³ Six construction sites had ambulance van while two were not having ambulance van but made arrangement with nearby hospital.

5.2 Welfare facilities

The BOCW Act, 1996 stipulates that for welfare of building workers, employer shall provide facilities of drinking water, temporary living accommodation, separate latrines and urinals for male and female workers, crèches (if number of female workers is more than fifty), canteens (if number of workers is more than two hundred fifty) *etc.*

Status of availability of welfare facilities at selected establishments is shown in **Table 5.3** below:

Table 5.3 Availability of welfare measures at selected establishments

Sl. No.	Type of Facilities	Number of sites required to have the facility	Number of sites having facility	Number of sites without facility (In percentage)
1	Drinking water	50	50	00 (0)
2	Living accommodation	50	31	19 (38)
3	Separate latrines and urinals	50	29	21 (42)
4	Creches	06	05	01 (17)
5	Canteen	06	05	01 (17)

(Source: Joint visits of 50 selected construction sites)

The above table shows that employers of 19 establishments (38 *per cent*) had not provided facility of living accommodation to their workers whereas facility of separate latrine and urinals were not found available at 21 establishments (42 *per cent*). Further, accommodations provided by two employers were apparently not suitable to live in as shown in **Photograph 5.3** and **Photograph 5.4**:



Photo 5.3: Workers' Accommodation without separate cooking, bathing and washing facilities at a construction site in Rajkot district (Date:25-04-2023)

Photo 5.4: Workers' Accommodation without separate cooking, bathing and washing facilities at construction site in Rajkot district (Date:25-04-2023)

5.3 Maintenance of records

The GBOCW Rules, 2003 stipulates that employer shall (i) display at the conspicuous place of an establishment showing the rate of wages, hours of work, wage periods, date of payment of wages, name and address of Inspector having jurisdiction to such establishment; (ii) maintain records *viz.* Muster Roll, Register of Wages, Register of Deduction, Register of Overtime, *etc.* and (iii) issue of Wage Books and Service Certificates to the workers. Audit observed

deficiencies in maintenance of prescribed records by employers of selected 50 worksites as shown in **Table 5.4** below:

Table 5.4 Status of maintenance of records at selected sites

Sl. No.	Norms	Number of worksites where records were maintained	Number of work sites where records were not maintained	Percentage of sites where records were not maintained
1	Display of requisite information	14	36	72
2	Maintenance of:			
	a. Muster Roll	35	15	30
	b. Register of Wages	20	30	60
	c. Register of Deduction for damages/losses	13	37	74
	d. Register of Overtime	12	38	76
	e. Register of Building workers employed	13	37	74
3.	Issue of:			
	a. Wage Books	14	36	72
	b. Service Certificates	07	43	86

(Source: Joint visits of 50 selected construction sites)

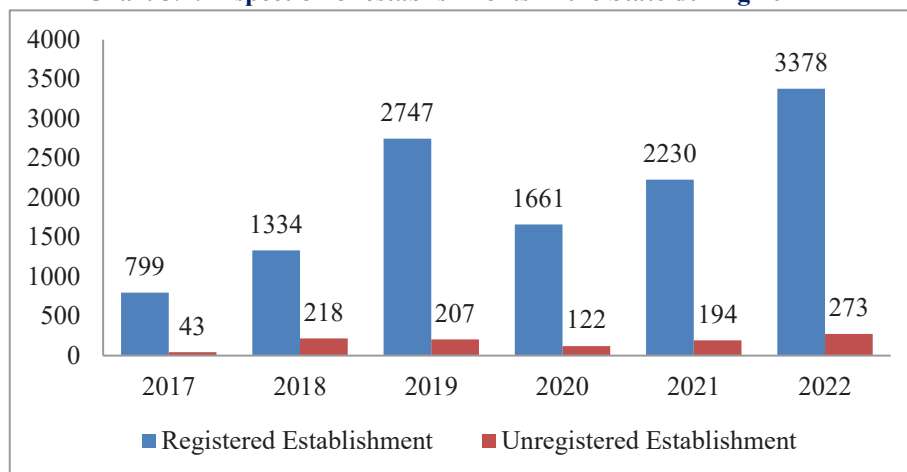
In respect of deficiencies/discrepancies observed by the Audit in compliance to the provisions of the BOCW Act, 1996 and GBOCW Rules, 2003 related to health, safety and welfare measures at selected construction sites in the five selected districts, the Secretary in Exit conference (November 2024) stated that necessary instructions have been issued to the employer concerned by the district level office of the DISH concerned.

5.4 Inspection of establishments

Rule 265 of the GBOCW Rules, 2003 stipulates that an Inspector may, at a construction site of a building or other construction work, examine such construction site or place or premises used or to be used for construction works. Further, an Inspector may issue show cause notice or warning to employers regarding the safety, health or welfare of building workers. Such inspections would also help in identifying the unregistered employers.

As per information furnished by DISH, inspection of 12,149 of 14,295 registered establishments (85 *per cent*) and 1,057 unregistered establishments were done during calendar years 2017-22 in the State as shown in **Chart 5.2** below:

Chart 5.2: Inspection of establishments in the State during 2017-22



(Source: Information furnished by DISH)

The above chart shows an increase in number of establishments inspected except in 2019-20. Further scrutiny of information revealed shortcomings in inspection of establishment as discussed below:

- During 2017-22, 14,295 establishments were registered in the State. Of this, at least 2,146 establishments (15 per cent) were not inspected.
- During 2017-22, inspections of 1,057 unregistered establishments were done in the State. Of these, inspections of 602 unregistered establishments (57 per cent) were done in five selected districts³⁴. None of the unregistered establishments was inspected in eight of 33 districts of the State (24 per cent). This indicates that drive to identify unregistered establishment was confined mainly to the major cities of the State.

In the Exit conference (November 2024), the Secretary, while attributing the reasons for shortfall in inspection to shortage of staff, stated that efforts would be made to fill all the vacant posts of Inspector/Senior Inspector.

5.4.1 Non-initiation of action against non-complying establishments

The BOCW Act, 1996 provides that whoever contravenes the provisions of the Act or any rules made thereunder shall be punishable with imprisonment, fine or both. Scrutiny of 50 inspections reports at district level office of DISH in five selected districts revealed non-initiation of action against non-complying establishments as shown in **Table 5.5** below:

³⁴ Ahmedabad- 241, Gandhinagar-80, Rajkot-45, Surat-143 and Vadodara-93.

Table 5.5: Non-initiation of action against non-complying establishments

Sl. No.	Name of selected districts	Number of Inspection Reports test-checked	Number of Establishments who furnished the compliance	Number of Establishment against which the case was filed	Number of Establishment where no action was taken.
1	Ahmedabad	50	00	25	25
2	Gandhinagar	50	01	20	29
3	Rajkot	50	02	08	40
4	Surat	50	10	33	07
5	Vadodara	50	12	20	18
	Total	250	25	106	119

(Source: Test-checked inspection reports)

The above table shows that 225 of 250 employers (90 *per cent*) had not furnished compliance of observations raised by the Inspectors concerned in respect of inspection of the establishment. However, cases were filed against 106 employers (47 *per cent*). Thus, no action was taken against 119 non-complying employers.

The Deputy/Joint Directors of district level office of DISH in five selected districts stated (between May and July 2023) that in most of the cases the employers/owners of the construction sites were not aware of the provisions of the BOCW Act/Rules. Considering this, no action was taken against those employers who subsequently applied for registration and made provisions of safety and welfare measures after prescribed time limit given in the inspection notes.

5.5 Conclusion

The number of inspections of registered establishment increased from 799 in 2017 to 3,378 in 2022. However, at least 2,146 (15 *per cent*) of 14,295 registered establishment were never inspected by the Inspectors. Joint field visits of 50 selected establishments revealed that six of 19 establishments who had employed 50 or more building workers, had not prepared written statements of policy, whereas policy prepared by remaining 13 establishments was deficient as all information prescribed under the Act was not incorporated in the policy. Joint field visits also revealed several deficiencies in compliance with norms related to health, safety and welfare measures for workers *viz.* non-availability of overhead protection (66 *per cent*), eye protection (60 *per cent*), head protection (28 *per cent*), Fire extinguishing equipment (64 *per cent*), lack of ambulance vans or arrangement with nearby hospital to handle medical emergency (84 *per cent*), non-providing of temporary living accommodation (38 *per cent*).

5.6 Recommendations

- *State Government may strengthen the mechanism for conducting the regular inspection of all establishments.*
- *State Government may ensure that every establishment employing 50 or more building workers prepares a written statement of policy in respect of safety and health of building workers as stipulated in GBOCW Rules, 2003.*
- *State Government may ensure compliance with norms related to health, safety and welfare measures for workers, as provided in GBOCW Rules 2003.*

CHAPTER-VI

**Financial Management and
Implementation of Welfare
Schemes**

Chapter - VI

Financial Management and Implementation of Welfare Schemes

6.1 Financial Management

Every year the State Government provides funds in the form of grants to the Board to meet the expenses on objects and for purposes authorised under the BOCW Act, 1996. The Board prepares its annual budget, showing the estimated expenditure of the Board, and forwards the same to the State Government for inclusion in the State budget.

Year-wise details of grant released by the State Government to the Board and utilisation of cess by the Board up to 2022-23 in the State is shown in **Table 6.1** below:

Table 6.1: Details of utilisation of Cess

(₹ in crore)

Year	Opening balance of grant with the Board	Grant released to the Board during the year	Expenditure Incurred by the Board			Cumulative grant lying with Board at the end of the year
			On Welfare Schemes	On Administration	Total	
1	2	3	4	5	6	7
2006-07 to 2016-17	-	863.04	65.87	5.4	71.27	791.77
2017-18	791.77	748.93	93.08	1.58	94.66	1,446.04
2018-19	1,446.04	236.60	62.85	3.98	66.83	1,615.81
2019-20	1,615.81	165.28	61.44	3.26	64.70	1,716.39
2020-21	1,716.39	115.84	333.97	3.53	337.50	1,494.73
2021-22	1,494.73	209.55	64.62	3.60	68.22	1,636.06
2022-23	1,636.06	205.57	100.20	5.11	105.31	1,736.32
Total		2,544.8	782.03	26.46	808.49	

(Source: Information furnished by the Board)

The above table shows that during 2006-23, against the grant of ₹ 2,544.81 crore provided to the Board, by the State Government, the Board could utilise ₹ 808.49 crore (32 *per cent*) on welfare schemes (₹ 782.03 crore) and administration (₹ 26.46 crore). As of March 2023, ₹ 1,736.32 crore was lying unutilised with the Board.

Audit observed that the Board deposited unutilised grant with the Gujarat State Financial Services Limited (GSFSL³⁵), a Government of Gujarat Undertaking. As of March 2023, the outstanding balance of the Board with GSFSL was ₹ 2,447.03 crore.

³⁵ GSFSL, a Non-Banking Financial Company (NBFC), mandated by the State Government to manage the surplus funds of various Government of Gujarat controlled organisations and PSUs of the State.

It was further observed that during 2017-23, an interest of 489.49 crore³⁶ was accrued on the deposit made with the GSFSL.

6.2 Deficiencies in maintenance of records

6.2.1 Annual Report

Section 26 of the BOCW Act, 1996 read with Rule 47 of the GBOCW Rules, 2003 stipulates that the Board shall submit an Annual Report giving a full accounts of its activities during the previous financial year to the State Government and the Central Government as soon as may be after the 1st of April every year and not later than 31 October. Audited copy of accounts together with an Auditor’s Report was also to be submitted with the Annual Report.

Audit observed that the Board did not prepare Annual Report during 2017-2022.

In the Exit conference (November 2024), the Secretary, LSD&ED assured that Annual Reports would be prepared in due course.

In absence of Annual Report, evaluation of activities carried out by the Board could not be done by the State and Central Governments.

6.2.2 Accounts and Audits

Section 27 of the BOCW Act, 1996 stipulates that the Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts. The accounts of the Board shall be audited by the Comptroller and Auditor General (C&AG) of India annually. The Board shall furnish audited copy of accounts together with the auditor’s report to the State Government to lay before the State Legislature.

Annual Accounts prepared by the Board for the period 2017-20 have been audited by the C&AG. However, the Board did not prepare the annual accounts for the year 2020-24 as of September 2024. As such, audit of accounts of the Board could not be undertaken by the C&AG for the period 2020-24.

The Member Secretary of the Board accepted (September 2024) prolonged delay in preparation of accounts and stated that efforts are being made for early preparation of accounts.

³⁶ 2017-18 - ₹ 50 crore; 2018-19 - ₹ 85.70 crore; 2019-20 - ₹ 101.17 crore; 2020-21 - ₹ 82.31 crore; 2021-22 - ₹ 78.94 crore; and 2022-23 - ₹ 91.37 crore.

6.3 Implementation of Welfare Schemes

The Cess collected was required to be spent on the welfare schemes run by the Board for registered workers under the BOCW Act, 1996.

Based on the functions as envisaged in BOCW Act 1996, Board drew up, 31 welfare schemes during 2017-22. Of these 31, 13 welfare schemes (42 *per cent*) were closed or put on hold by the Board/State Government during 2017-22. Remaining 18 schemes were operational during 2017-22.

6.3.1 Status of Welfare Schemes which were closed or put on hold

Details of these 13 schemes and the number of beneficiaries covered thereunder during 2017-22 are given in **Appendix VIII**.

Functions of the Board

Section 22 of the BOCW Act, 1996 stipulates 10 functions of the Board:

- (i) providing immediate assistance to a beneficiary in case of accidents;
- (ii) payment of pension to the beneficiaries who have completed the age of sixty years;
- (iii) sanctions of loans and advances to a beneficiary for construction of a house;
- (iv) payment in connection of premia for Group Insurance Scheme of the beneficiaries;
- (v) financial assistance for the education of children of the beneficiaries;
- (vi) meet medical expenses for treatment of major ailments of a beneficiary or such dependent as may be prescribed;
- (vii) payment of maternity benefit to the female beneficiaries;
- (viii) make provision and improvement of such other welfare measures and facilities;
- (ix) grant loan or subsidy to a local authority or an employer in aid of any scheme approved by the State Government for the purpose connected with the welfare of building workers in any establishment; and
- (x) payment of grant-in-aid to a local authority or to an employer who provides to the satisfaction of the Board welfare measures and facilities of the standard specified by the Board for the benefit of the building workers and the members of their family.

6.3.1.1 Findings on implementation of closed or put on hold Welfare Schemes

As envisaged in BOCW act 1996, one of the major functions of the Board is the payment of pension to the beneficiaries who have completed the age of sixty years and there was only one scheme for executing this function, but it had been kept on hold since May 2019.

The State Government accorded approval (April 2017) for launching of “**Old Age Pension Scheme**” to provide monthly pension of ₹ one thousand to the registered workers who have completed 60 years of age on or after 01 April 2017. The approval was given on the condition that the Board would formulate rules and methods for payment of pension. However, any change in the amount of pension and norms would be done only after getting approval of the State Government.

Audit observed that the Board decided (June 2017) to disburse monthly pension of ₹ 800 to the workers who have completed 60 years of age and were registered for at least three out of five preceding years. However, approval for change in amount of pension and eligibility condition was not obtained from the State Government. Only 40 beneficiaries were paid monthly pension between May 2017 and April 2019. Payment of pension had not been given to any of the workers since May 2019 despite allocation of grant by the State Government. As against the grant of ₹ 27 crore³⁷ released by the State Government during 2017-23 for implementation of the Old Age Pension Scheme, the Board incurred an expenditure of only ₹ 2.85 lakh. Remaining amount of ₹ 26.97 crore was lying unutilised with the Board as of March 2023.

The Member Secretary of the Board stated (August 2024) that the Board had submitted a proposal to the Government for amendment in the terms and conditions of payment of pension in June 2017 and issued reminders in November 2020, December 2020 and April 2022; however, approval was not accorded till date.

The Additional Chief Secretary, LSD&ED agreed (June 2024) that the proposal was submitted by the Board in June 2017, seeking approval of the Department, was still pending. However, the reasons for pendency of the proposal were not mentioned in the reply.

Audit is of the view that payment of pension to eligible workers, is one of the major functions, therefore, department should expedite its process to take decision on the proposal submitted by the Board.

6.3.2 Status of ongoing Welfare Schemes

Details of remaining 18 on-going welfare schemes and number of beneficiaries covered therein during 2017-22 are given in **Table 6.2** below:

³⁷ ₹ 10 crore in 2017-18; ₹ 10 crore in 2018-19; ₹ 5 crore in 2019-20; ₹ 0.5 crore in 2020-21; ₹ 0.5 crore in 2021-22 and ₹ 1 crore in 2022-23.

Table 6.2: Details of ongoing welfare schemes

Sl. No	Name of Scheme	Month and Year of Commencement	Number No. of beneficiaries covered under the Scheme					
			2017-18	2018-19	2019-20	2020-21	2021-22	Total
1	Akasmik Mrityu Sahay Yojana	January 2008	16	20	132	51	88	307
2	Shikshan Sahay Yojana	January 2008	48,277	33,495	45,546	31,439	24,138	1,82,895
3	Antyeshti Sahay Yojana	January 2008	177	49	299	44	287	856
4	Prasuti Sahay Yojana	January 2008	1,299	713	1549	785	2,093	6,439
5	Assistance in Occupational Disease	September 2014	18	09	85	104	81	297
6	Shree Nanaji Deshmukh Awas Yojana	September 2014	21	00	16	00	00	37
7	MAA Amrutam / MAA Vatsalay Yojana ³⁸	September 2014	00	00	00	00	00	00
8	Free Legal Aid Scheme	September 2014	00	00	00	00	00	00
9	Bhagyalakshmi Bond Scheme	September 2015	264	37	685	431	611	2,028
10	Ujjwala Yojana ³⁹	May 2018	NA	00	00	00	00	00
11	Hostel Assistance for Children of BOC Workers (New)	October 2019	00	00	5,010	00	1,440	6,450
12	Housing Subsidy Scheme	June 2020	NA	NA	NA	00	00	00
13	Shramik Parivahan Yojana	June 2020	NA	NA	NA	282	917	1,199
14	Atmanirbhar Yojana (Tribal Housing Subsidy Package) ⁴⁰	August 2020	NA	NA	NA	00	00	00
15	Go-Green Shramik Yojana	December 2020	NA	NA	NA	NA	59	59
16	Dhanwantari Arogya Rath	September 2013	During 2017-22, total 33.44 lakh OPD cases were registered by the DARs in the State. When a worker visits the DAR for treatment, an OPD number is generated. However, the total no. of beneficiaries who availed the facility was not available with the Board.					
17	Shramik Annapurna Yojana	May 2017	During 2017-22, total 1.15 crore meals were distributed in the State. A registered worker on production of e-nirman card at food counter can get up to six meals every day. However, the total no. of beneficiaries who availed the facility was not available with the Board.					
18	Corona Kavach Yojana	September 2020	Funds were provided to Municipal Corporations (MCs) for providing protection measures viz. face mask, sanitizer, testing, arrangement of shelter, quarantine home, etc. to construction workers and their families but the total no. of beneficiaries who availed the facility was not available with the Board.					
Total								2,00,567

(Source: Information furnished by the Board)

As can be seen from the **Appendix VIII** and **Table 6.2**, no beneficiary availed the benefits in respect of seven Schemes⁴¹, while in respect of three Schemes (Dhanvantri Aarogya Rath Yojana, Shramik Annapurna Yojana and Corona

³⁸ Board stated (August 2023) that the MA Yojana has since been discontinued.

³⁹ Board submitted proposal in April 2023 to LSD&ED for closure of scheme due to non-receipt of application from beneficiaries.

⁴⁰ Rural Development department expressed (in April 2022) its inability for implementation of scheme.

⁴¹ (i) Rashtriya Suraksha Bima Yojana for construction workers, (ii) Stainless Steel Utensil Scheme, (iii) MAA Amrutam/MAA Vatsalya Yojana, (iv) Free Legal Aid Scheme, (v) Ujjwala Yojana, (vi) Housing Subsidy Scheme and (vii) Atmanirbhar Yojana (Tribal Housing Subsidy Package).

Suraksha Kavach Yojana), the number of beneficiaries who availed the benefits was not available with the Board.

In the remaining 21 Schemes, 6.86 lakh beneficiaries were extended benefits during 2017-2022 and the Board incurred an expenditure of ₹ 615.96 crore on implementation of welfare schemes during 2017-2022.

6.3.2.1 Findings on implementation of ongoing Welfare Schemes

Significant audit findings in implementation of ongoing **welfare schemes selected by Audit** are discussed below:

(i) Mukhyamantri Amrutam (MA) Yojana

The State Government accorded (September 2014) approval for launching of Mukhyamantri Amrutam (MA) Yojana for BOC workers. The scheme envisaged to provide cashless treatment to registered workers and their families for major ailments related to heart, brain, kidney, cancer, burns *etc.* up to a maximum limit of ₹ two lakh. The scheme was to be implemented in coordination with the Health and Family Welfare Department (H&FWD).

Audit observed that H&FWD intimated (January 2016) the Board that to extend the benefit under the Scheme, MA Vatsalya Card (a Quick Response Card), is required to be issued to the workers.

During 2014-22, grant of ₹ 84.48 crore was released to the Board for implementation of the scheme. Out of ₹ 84.48 crore, ₹ 11 crore⁴² was provided (between November 2015 and March 2018) to the State Nodal Cell, MA Yojana, to extend the benefit of the scheme to the eligible workers. However, as per information furnished by the Board, benefit of the cashless treatment was not extended to any of the registered workers or their families till March 2023.

The Member Secretary of the Board stated (August 2023) that the MA Yojana had since been discontinued and funds given to the H&FWD were returned to the Board. It was also stated that the proposal for inclusion of BOC workers in Pradhan Mantri Jan Aarogya Yojana (PMJAY), being implemented by the Health and Family Welfare Department of the State, was proposed in the budget of the Board for the year 2023-24.

The Additional Chief Secretary, LSD&ED stated (June 2024) that MoU has been signed (July 2023) with Gujarat State Health Society for providing cashless health assistance to registered BOC workers irrespective of their income limits. A grant of ₹16.55 crore has been given (March 2024) to the Health and Family Welfare Department and 64,131 BOC workers have been covered.

However, fact remains that despite having sufficient funds during 2014-22, Board could not implement the scheme and provide cashless health treatment to the eligible workers. Audit is of the view that implementation of cashless scheme needs to be monitored on regular basis.

⁴² ₹ five crore on 24-11-2015, ₹ five crore on 31-03-2017 and ₹ one crore on 31-03-2018.

(ii) Corona Suraksha Kavach Yojana

The State Government accorded approval (September 2020) for launching of “Corona Surakhsha Kavach Yojana”. The scheme envisaged to provide grant-in-aid of ₹ 60 crore to seven Municipal Corporations⁴³ (MCs) for providing protection measures viz. face mask, sanitizer, testing, arrangement of shelter, quarantine home, etc. to construction workers and their families. The MCs were to maintain separate accounts for this grant and to furnish Utilisation Certificates (UCs) to the Board. On the basis of proposal submitted by the MCs, Board released (October 2020) grant of ₹ 52 crore to these seven MCs⁴⁴. Audit observed that-

- As of March 2023, four MCs (Ahmedabad, Jamnagar, Surat and Vadodara) had neither furnished details of expenditure nor submitted UCs in respect of grant of ₹ 36 crore released to them.
- As per UCs submitted by Rajkot MC (in November 2022) and Junagadh MC (in August 2021), no expenditure was incurred and grant of ₹ 10 crore and ₹ one crore was lying unutilised with the respective MCs.
- As per UCs submitted (October 2022) by Bhavnagar MC, out of grant of ₹ five crore, ₹ 3.5 crore was utilised and remaining ₹ 1.5 crore was lying unutilised with the MC.

Thus, the Board was not aware about the utilisation of ₹ 36 crore given to the four MCs (Ahmedabad, Jamnagar, Surat and Vadodara), whereas no action was taken to recover the unutilised grant of ₹ 12.50 crore from three MCs (Bhavnagar, Junagadh and Rajkot) as of March 2023.

The Member Secretary of the Board stated (August 2023) that letters had been issued to the MCs at regular interval to furnish UCs. As regard refund of unspent balance, it was stated that demand for refund of unspent balance, lying with the MC, was not made in view of occurrence of wave of Covid-19 repeatedly.

The reply is not tenable as the grant was given to the MCs for providing protective measures for Covid outbreaks during 2020-21. However, the Board had not issued any letter after February 2022 to MCs for UCs or surrender of the fund.

(iii) Shramik Annapurna Yojana

With a view to provide nutritious and quality meal⁴⁵ to construction workers and their family members at *Kadianaka*⁴⁶ at a concession rate⁴⁷ of ₹ 10, State

⁴³ Ahmedabad, Bhavnagar, Jamnagar, Junagadh, Rajkot, Surat and Vadodara.

⁴⁴ 1. Ahmedabad- ₹ 15 crore, 2. Bhavnagar- ₹ 5 crore, 3. Jamnagar- ₹ 1 crore, 4. Junagadh- ₹ 1 crore, 5. Rajkot ₹ 10 crore, 6. Surat- ₹ 10 crore and 7. Vadodara ₹ 10 crore.

⁴⁵ Total quantity of meal is 700 grams, which includes pulses, vegetable, Roti, Rice, pickles, jaggery. Sweet is also included in the meal on every Thursday.

⁴⁶ A place where labourers gather every day in the morning in search of work.

⁴⁷ Rate of ₹ 10 reduced to ₹ five in May 2023.

Government approved *Shramik Annapurna Yojana* (Scheme) in May 2017. The Scheme was discontinued between March 2020 and June 2020 (due to Covid pandemic) and from April 2021 to October 2022 (due to non-renewal of contract of the agencies empanelled for providing the meal) and resumed it again in October 2022. Under the Scheme, meals are served between 07:00 hrs and 11:00 hrs. every day, except public holidays, through a food counter established by the Board at *Kadianakas*. A registered worker on production of e-nirman card at food counter can get up to six meals every day. Further, an un-registered BOC worker, on production of documents prescribed by the Board, can also avail the benefit up to 15 days. To avail the benefit beyond 15 days, the BOC workers are required to get themselves registered with the Board. The Welfare Board had engaged two agencies in the State for supplying the meal to the food counters for distribution.

As per information furnished by the Board, as of March 2023, of the 295 identified *Kadianakas* in 33 districts of the State, the benefits of the Scheme had been extended to only 114 *Kadianakas* of nine Districts⁴⁸. Thus, 181 *Kadianakas* (61 per cent) of remaining 24 districts (73 per cent) had not been covered under the Scheme. During 2017-22, total 1.15 crore meals were served in the State.

As per the conditions of the Memorandum of Understanding signed between the Board and two agencies engaged for supply of meal to the food counters, the agencies were to get the meal tested from NABL authorised laboratories once in a year and testing reports were to be submitted to the Welfare Board. Further, Welfare Board had reserved the right to get the meal tested any time.

However, it was observed that the Board neither ensured the testing of meal by the agencies, nor made any effort to get the meal tested by itself between October 2022 and March 2023. Thus, the quality of meal being served to the workers was not ensured.

In five selected districts, Audit selected 18 of 90 *Kadianakas* where Yojana was in implementation for joint physical verification to assess the facilities available at the food counter and to conduct beneficiaries survey⁴⁹ to obtain the responses the of workers about the quality and availability of meal. Audit observed the following:

- During beneficiary survey of 90 beneficiaries, 12 beneficiaries (13 per cent) stated that at intermittent occasions they could not get the meal as it was finished when they reached at the food counter.
- Basic facilities like potable water, facility for handwash were not available in any of the 18 selected food counters. The staff engaged for distributing the meal were found without wearing gloves and head mask in all the food counters.

⁴⁸ Ahmedabad-47, Gandhinagar-04, Mahesana-07, Navsari-03, Patan-08, Rajkot-09, Surat-18, Valsad-06 and Vadodara-12 districts.

⁴⁹ Beneficiaries survey of five workers at each of the 18 selected *Kadianakas* was conducted.

The Additional Chief Secretary, LSD&ED stated (June 2024) that presently, the Scheme has been extended to 19 districts. It was further stated that letters have been issued (April 2023) to the Urban Local Bodies concerned for providing drinking water at each food counter.

Best Practice

Dhanvantari Aarogya Rath Yojna

With a view to providing free of cost basic medical services for treatment of common diseases, injuries, etc., to the construction workers at construction sites/Kadianakas, etc., the State Government approved (September 2013) *Dhanvantari Aarogya Rath (DAR) Yojana*. The *Dhanvantari Aarogya Rath* (Mobile van) also provides diagnose facility to carryout blood, urine, pregnancy test etc. Each Mobile van is equipped with one Medical Officer, Nurse, Laboratory Technician, Pharmacist and labour counsellor.

The Board entered (December 2015) into a Memorandum of Understanding and appointed GVK Emergency Management and Research Institute (GVK-EMRI) as implementing agency. Further, to disseminate awareness about the welfare schemes of the Board among the construction workers and to register the un-registered workers, a labour counsellor in each *Dhanvantari Arogya Rath* was appointed (March 2022) by the Board. As of March 2022, 54 *Dhanvantari Aarogya Raths* were in operation in the State. During 2017-22, total 33.44 lakh OPD cases were registered by the DARs in the State.

During beneficiary survey of 50 workers in five selected districts, all workers stated that treatment was provided by the *Dhanvantari Aarogya Rath*. Further, out of 42 beneficiaries to whom drugs were prescribed, 35 beneficiaries stated that all medicines were provided at DAR whereas five beneficiaries stated that some of the medicines were purchased from outside.

The responses of the beneficiaries, obtained during beneficiaries' survey, indicate that DARs are serving the intended beneficiaries to their satisfaction.

(iv) Shree Nanajee Deshmukh Awas Yojana (NDAY) and Housing Subsidy Scheme (HSS)

To assist the registered workers to have their own house, the Board provided assistance under two schemes namely (i) Shree Nanajee Deshmukh Awas Yojana (NDAY), launched in September 2014 and (ii) Housing Subsidy Scheme (HSS), launched in June 2020. The NDAY envisaged to provide ₹ 1.60 lakh per house to the authorities⁵⁰ implementing Pradhan Mantri Aawas Yojana or Mukhya Mantri Aawas Yojana in case the registered workers were allotted houses in urban areas under these Schemes. The HSS envisaged to provide assistance of ₹ one lakh (through Direct Benefit Transfer) in five instalments (₹ 20,000 per year) into the loan account of the registered worker who availed loan up to ₹ 15 lakh for house.

⁵⁰ Municipal Corporations, Urban Development Authorities, Nagarpalikas, Gujarat Housing Board.

Audit observed that only 37 beneficiaries were extended benefit of NDAY during 2017-22. As a result, out of the grant of ₹ 3.01 crore, the Board could utilise only ₹ 0.67 crore (22 per cent). Under HSS, the grant of ₹ 3.50 crore, could not be utilised as no beneficiary covered during 2020-22.

The Member Secretary of the Board stated (August 2023) that targeted beneficiaries were mainly migrant workers; hence there were less receipt of applications under NDAY. As regards to less number of applications under HSS, it was replied that apart from awareness activities, various financial institutions were also requested to extend the benefit to the targeted beneficiaries.

The Additional Chief Secretary, LSD&ED stated (June 2024) that various housing schemes were being implemented by the State and Central Government. The Board's schemes were there to plug the gap among those schemes.

(v) Prasuti Sahay Yojana (Maternity Assistance Scheme)

The State Government accorded (January 2008) approval for launching *Prasuti Sahay Yojana* for providing financial assistance to registered female workers for first two deliveries. Under the scheme, assistance of ₹ 37,500 is given to female workers in two instalments⁵¹. Assistance of ₹ 6,000 is given to a male worker for his wife's delivery.

During 2017-22, assistance under the scheme was provided to 6,439 workers in the State (involving expenditure of ₹ 6.31 crore) and to 1,106 workers in five selected districts as shown in **Table 6.3 below:**

Table 6.3: Status of applications received during 2017-22 in five selected districts

Name of selected District	Total number of applications			
	Received	Approved	Rejected	Pending
Ahmedabad ⁵²	73	29	08	36
Gandhinagar	410	180	57	173
Rajkot	335	321	14	00
Surat	261	238	04	19
Vadodara	354	338	12	04
Total	1,433	1,106	95	232

(Source: Information furnished by the district level offices of the Board of five selected districts)

Out of 1,433 applications received in five selected districts, Audit test-checked 295 applications⁵³ (257 approved and 38 rejected). Scrutiny of these 295 applications revealed the following:

⁵¹ The first instalment of ₹ 17,500 (₹ 2,500 for nutritional supplement and ₹ 15,000 as wages of three months) is given at pre-delivery stage whereas second instalment of ₹ 20,000 (₹ 5,000 as maternity assistance and ₹ 15,000 as wages of three months) is given after delivery.

⁵² Information for the year 2017-18 and 2018-19 not available with the District Office.

⁵³ Ahmedabad-37, Gandhinagar-34, Rajkot-100, Surat-66 and Vadodara-58.

- Two applications in Gandhinagar district and two applications in Vadodara district were received within prescribed time limit, however, these were rejected on the ground of belated receipt of application.

The Nirikshaks of district level office of the Board accepted (July 2023) that these applications were rejected inadvertently.

- State Government did not prescribe the timeline for disposal of the application. Of the 257 approved applications selected by Audit, date of approval of eight applications were not made available to Audit. The remaining 249 applications were approved after 15 to 854 days from the date of receipt of application as shown in the **Table 6.4** below:

Table 6.4: Time taken in approval of applications

Time taken in approval after receipt of application	Number of applications
15 to 30 days	01
31 to 90 days	64
91 to 180 days	78
181 to 365 days	81
366 to 854 days	25
Total	249

(Source: Information furnished by the district level offices of Board in selected districts)

As can be seen from the above table, of the 249 applications, 106 applications (43 *per cent*) were approved after six months from the date of receipt of applications.

Thus, the objective of providing nutritional supplement during pre-delivery stages and wages during pre and post-delivery remained largely unachieved.

- Of the 38 rejected applications selected by Audit, reasons for rejection, such as application received after prescribed time-limit, validity of registration expired, it being third delivery, *etc.* were not intimated to eight applicants (21 *per cent*) in Vadodara and Surat Districts. While in remaining three districts (Ahmedabad, Gandhinagar and Rajkot), applicants were intimated after 13 to 909 days from date of receipt of application. Non-intimation of the reasons of rejection to the applicants indicates that the applicants were not given opportunity of representation before rejection of their application.
- During beneficiary survey of 50 beneficiaries of Prasuti Sahay Yojana in five selected districts, 14 of 17 beneficiaries (82 *per cent*) whose applications were rejected stated that they were not informed of the reasons for rejection of their application.

(vi) Antyeshti Sahay Yojana (Funeral Assistance Scheme)

The State Government approved (January 2008) *Antyeshti Sahay Yojana*. Under this Scheme, in case of death of a registered worker, assistance of ₹ 10,000 is provided to the legal heir of the deceased worker.

During 2017-22, assistance under the scheme was provided to the legal heirs of 856 deceased workers in the State. In five selected districts, out of 195 applications, 167 applications were approved, 23 were rejected and five were under process as shown in **Table 6.5** below:

Table 6.5: Status of applications received during 2017-22 in five selected districts

Name of selected district	Total number of applications			
	Received ⁵⁴	Approved	Rejected	Pending
Ahmedabad	37	25	12	00
Gandhinagar	47	45	02	00
Rajkot	59	56	01	02
Surat	22	20	00	02
Vadodara	30	21	08	01
Total	195	167	23	05

(Source: Information furnished by the district level office of the Board of five selected districts)

Test-check of records of selected districts revealed following observations-

- The State Government prescribed (September 2015) that the applications should be disposed within 30 days from the date of receipt of the application. Scrutiny of 158 of 167 approved applications⁵⁵ revealed that, 25 applications (16 *per cent*) were approved by the Board within the prescribed time limit. While of the remaining 133 applications, 115 applications were approved after a delay ranging from 15 to 760 days beyond the prescribed time limit.
- Of the 23 rejected applications, three applications were rejected in Ahmedabad District without assigning any reason whereas in Vadodara district despite having a valid registration, one application was rejected on the ground that at the time of the death of worker, validity of registration was not active. The Nirikshaks of Vadodara district accepted (July 2023) that the application was rejected inadvertently, while the Nirikshak of Board's Office of Ahmedabad district had not furnished any reason for rejection of the applications.
- Reasons for rejection of application were not intimated to any of the 11 applicants in Gandhinagar, Rajkot and Vadodara Districts. Thus, the applicants were not given opportunity to correct the deficiencies found in application or to offer their representation.
- Legal heirs of 50 deceased workers were surveyed telephonically. During beneficiary survey, eight of 11 beneficiaries (73 *per cent*) whose applications were rejected stated that they were not informed the reasons for rejection of their application.

(vii) Akasmik Mrityu Sahay Yojana (Accidental Death Assistance Scheme)

The State Government approved (January 2008) *Akasmik Mrityu Sahay Yojana* (Accidental Death Assistance Scheme) to provide financial assistance in case of

⁵⁴ Information in respect of 2017-18 not made available to Audit by the district level offices of the Board in Ahmedabad and Vadodara districts.

⁵⁵ Nine applications were not provided to Audit by the district level office of the Board in Vadodara district.

death/permanent disability due to accident of a worker at the worksite. Under the scheme, assistance of ₹ three lakh is given in case of death or permanent disability to the worker.

During 2017-22, assistance under the scheme was provided to the legal heirs of 307 deceased workers in the State. In the selected districts, out of 170 applications, 99 applications were approved, 63 applications were rejected and eight applications were under process as shown in **Table 6.6** below:

Table 6.6: Status of applications received during 2017-22 in five selected districts

Name of selected District	Total number of applications			
	Received	Approved	Rejected	Pending
Ahmedabad ⁵⁶	42	16	22	04
Gandhinagar	33	16	17	00
Rajkot	51	38	13	00
Surat	30	19	07	04
Vadodara	14	10	04	00
Total	170	99	63	08

(Source: Information furnished by the district level offices of the Board of five selected districts)

Test-check of records of selected districts revealed following observations-

- The Action Plan recommended that compensation should be disbursed in a definite time frame. However, State Government had not prescribed the time-limit for disposal of the applications. Of the 99 approved applications, 71 applications were approved within one year while remaining 28⁵⁷ applications (28 *per cent*) were approved after one year from the date of receipt of the applications.
- Of the 63 rejected applications, 31 applications (49 *per cent*) were rejected on the ground of delayed submission. On the other hand, it was noticed that 26⁵⁸ out of 99 approved applications were approved despite being submitted after the prescribed period.
- Though the condition of the accidental site being registered in case of death of worker was revoked in May 2019, two applications submitted by the legal heirs of deceased workers whose death occurred in the month of September 2019 and November 2019, respectively were rejected in Vadodara district on the ground that the construction sites where accident occurred were not registered.

The Additional Chief Secretary, LSD&ED stated (June 2024) that time limit of 10 days for processing the application of Akasmik Mrityu Sahay Yojana had been prescribed in September 2023. It was further stated that now applications for various welfare schemes are processed through sanman portal⁵⁹ and whenever any application is rejected, the applicant is intimated through text

⁵⁶ Information for the year 2017-18 not furnished.

⁵⁷ Ahmedabad-04, Gandhinagar-08, Rajkot-07, Surat-05 and Vadodara-04.

⁵⁸ Gandhinagar – 03, Rajkot – 14, Surat – 05 and Vadodara – 04 cases.

⁵⁹ <https://sanman.gujarat.gov.in>

SMS on registered mobile number and the applicant could view the reasons for rejection at the portal.

6.4 Social Audit

Social Audit is an assessment of how well a Programme, Project or Activity is performing from the beneficiary point of view. Social Audit focusses more on issues such as awareness, physical verification, grievance redressal and feedback about the programmes. The Hon’ble Supreme Court, in March 2018, directed that all State Governments and Union Territories should conduct Social Audit by adopting CAG’s guidelines for conducting Social Audit so that there is a better and meaningful implementation of BOCW Act.

As per information furnished by the Board, Social Audit for only one Scheme namely Shramik Annapurna Scheme was conducted by an agency “Mahatma Gandhi Labour Institute” engaged by the Board in the year 2023. Social audit report mainly highlighted the issues related to (i) underperformance of some food counters, (ii) timing of the meal distribution, (iii) quantity and quality of food, (iv) cleanliness around the food counters, *etc.*

The Member Secretary of the Board stated (August 2024) that efforts would be made for conducting Social Audit for other welfare scheme being implemented by the Board.

Thus, even after a delay of more than six years, the directions of Hon’ble Supreme Court were not complied with for all the welfare schemes being implemented by the Board.

6.5 Conclusion

During 2017-23, grant of ₹ 2,545 crore was released by the State Government to the Board for discharging functions conferred on Board under the BOCW Act, 1996. Of this grant of ₹ 2,545 crore, the Board could utilise only ₹ 808 crore (₹ 782 crore on welfare activities and ₹ 26 crore on administrative expenses). Board had not prepared Annual Report on functioning of the Board during 2017-22. Board had also not prepared annual accounts for the year 2020-24 as of September 2024, thereby, audit of accounts of the Board could not be undertaken by the C&AG for the period 2020-24. During this period, total 31 welfare schemes were in existence. Out of which 13 welfare schemes were either closed or put-on hold by the Board/State Government and remaining 18 welfare schemes were on-going. Further, in respect of seven welfare schemes, benefits were not extended to any BOC worker. Board’s major function is to provide old age pension to beneficiaries who have completed sixty years of age. However, Old Age Pension scheme was kept on hold since May 2019. During 2017-2022, benefits of Shramik Annapurna Yojana scheme were extended in nine districts of the state and remaining 24 districts were not covered under the scheme. As of June 2024, benefits of the scheme were extended to 19 districts of the state. To assist the registered workers to have their own house, the Board provided assistance under two schemes namely Shree Nanajee Deshmukh Awas Yojana (NDAY) and Housing Subsidy Scheme (HSS). However, during 2017-2022 only 37 beneficiaries were extended benefits of NDAY and no beneficiary

was covered under HSS. Instances of inordinate delay in approval of benefits, injudicious rejection of applications, exclusion of eligible beneficiaries, etc. were noticed in the selected welfare schemes. During beneficiary survey of 50 workers across five selected districts, all workers reported receiving treatment through the *Dhanvantari Aarogya Rath* introduced by the State Government in September 2013. Directives of Hon'ble Supreme Court regarding conduct of Social Audit were not complied with for all the welfare schemes being implemented by the Board.

6.6 Recommendations

- *The Board may take necessary action in co-ordination with the State Government to provide old age pension to the eligible workers as envisaged in the BOCW Act, 1996.*
- *The Board may take efforts for implementing the Shramik Annapurna Yojana in the remaining 14 districts of the State.*
- *The Board may analyse the reasons behind less receipt of applications in Shree Nanajee Deshmukh Awas Yojana and Housing Subsidy Scheme intended for providing assistance for construction of house and take corrective measures for effective implementation of these schemes.*
- *The Board may strengthen the existing process for verification of applications of welfare schemes received by the district level offices and prescribe a time-limit for processing the applications.*



(ANUBHAV KUMAR SINGH)

Accountant General (Audit-I), Gujarat

Rajkot

The 10 June 2025

Countersigned



(K. SANJAY MURTHY)

Comptroller and Auditor General of India

New Delhi

The 13 June 2025

Appendices

Appendix-I

Statement showing the name of units selected for Performance Audit at State and five selected districts (Reference: Paragraph 1.6, Page no. 5)

State level Offices	
1	Labour, Skill Development and Employment Department, Gandhinagar
2	Director Industrial Safety and Health (DISH), Ahmedabad
3	Gujarat Building and Other Construction Workers Welfare Board (GBOCW), Ahmedabad
District level Offices	
1	O/o the Dy. Director Industrial Safety and Health, Ahmedabad
2	O/o the Dy. Director Industrial Safety and Health, Gandhinagar
3	O/o the Dy. Director Industrial Safety and Health, Rajkot
4	O/o the Dy. Director Industrial Safety and Health, Surat
5	O/o the Dy. Director Industrial Safety and Health, Vadodara
6	O/o the Nirikshak Gujarat Building and Other Construction Workers Welfare Board (GBOCW), Ahmedabad
7	O/o the Nirikshak Gujarat Building and Other Construction Workers Welfare Board (GBOCW), Gandhinagar
8	O/o the Nirikshak Gujarat Building and Other Construction Workers Welfare Board (GBOCW), Rajkot
9	O/o the Nirikshak Gujarat Building and Other Construction Workers Welfare Board (GBOCW), Surat
10	O/o the Nirikshak Gujarat Building and Other Construction Workers Welfare Board (GBOCW), Vadodara
11	O/o the Municipal Commissioner, Municipal Corporation, Ahmedabad
12	O/o the Municipal Commissioner, Municipal Corporation, Gandhinagar
13	O/o the Municipal Commissioner, Municipal Corporation, Rajkot
14	O/o the Municipal Commissioner, Municipal Corporation, Suart
15	O/o the Municipal Commissioner, Municipal Corporation, Vadodara
16	O/o the Chief Executive Authority, Urban Development Authority, Ahmedabad
17	O/o the Chief Executive Authority, Urban Development Authority, Gandhinagar
18	O/o the Chief Executive Authority, Urban Development Authority, Rajkot
19	O/o the Chief Executive Authority, Urban Development Authority, Surat
20	O/o the Chief Executive Authority, Urban Development Authority, Vadodara
21	O/o the Executive Engineer, Road and Building (R & B) Division, Ahmedabad
22	O/o the Executive Engineer, Road and Building (R & B) Division, Gandhinagar
23	O/o the Executive Engineer, Road and Building (R & B) Division, Rajkot
24	O/o the Executive Engineer, Road and Building (R & B) Division, Surat
25	O/o the Executive Engineer, Road and Building (R & B) Division, Vadodara
26	O/o the Executive engineer, Public Health Works Division, Gujarat Water Supply and Sewerage Board (GWSSB), Ahmedabad
27	O/o the Executive engineer, Public Health Works Division, Gujarat Water Supply and Sewerage Board (GWSSB), Gandhinagar
28	O/o the Executive engineer, Public Health Works Division, Gujarat Water Supply and Sewerage Board (GWSSB), Rajkot
29	O/o the Executive engineer, Public Health Works Division, Gujarat Water Supply and Sewerage Board (GWSSB), Surat
30	O/o the Executive engineer, Public Health Works Division, Gujarat Water Supply and Sewerage Board (GWSSB), Vadodara

Appendix-II

Statement showing the name of selected welfare schemes

(Reference: Paragraph 1.6, Page no. 5)

Category	Sl. No.	Name of selected Schemes
Scheme having highest Expenditure	1	Shikshan Sahay Yojana
	2	Shramik Annpurna Yojana
	3	Corona Surakhsha Kavach Yojana
	4	Dhanvantari Aarogya Rath
	5	Special Coaching Class Scheme
Scheme having moderate expenditure	1	Akasmik Mrityu Sahay Yojana
	2	Prasuti Sahay Yojana
	3	Antyeshti Sahay Yojana
Scheme having zero expenditure	1	Free Legal Aid Scheme
	2	Go Green Scheme

Appendix-III
Statement Showing the district wise details of selected establishments
(Reference: Paragraph 1.6, Page no. 5)

Sl. No	Name of selected districts	Name of selected establishments	Details of establishment
1	Ahmedabad	Rajshree Elenza	Registered
2	Ahmedabad	Archaway, Adani Infra.	Registered
3	Ahmedabad	Naranpura Sports Complex	Registered
4	Ahmedabad	Gujarat Metro, AFCONS Infra.	Registered
5	Ahmedabad	Malabar Exotica	Fatal Incident occurred
6	Ahmedabad	Signature Infinity	Fatal Incident occurred
7	Ahmedabad	Shiv Sidhi Heights	Unregistered
8	Ahmedabad	Shyam Atulyam	Unregistered
9	Ahmedabad	Shyam 46, Lambha	Unregistered
10	Ahmedabad	Swam Symphony	Unregistered
11	Gandhinagar	Crown 140, Krishna Infrastructures	Registered
12	Gandhinagar	Ranjit Buildcon Ltd	Registered
13	Gandhinagar	VIDA-46, PSP Projects	Registered
14	Gandhinagar	Altezza Infrastructures	Registered
15	Gandhinagar	Kavyaratna Sankruti	Fatal Incident occurred
16	Gandhinagar	Atishay Sky	Fatal Incident occurred
17	Gandhinagar	Sahajanand Sentosa	Unregistered
18	Gandhinagar	Stavya Buildcon	Unregistered
19	Gandhinagar	Shree Khodiyar Constructions	Unregistered
20	Gandhinagar	Meera Belevue	Unregistered
21	Rajkot	Atal Sarovar	Registered
22	Rajkot	Sharanam Heights	Registered
23	Rajkot	The View	Registered
24	Rajkot	Atulyam Prime	Registered
25	Rajkot	Women Hospital	Fatal Incident occurred
26	Rajkot	Haridwar Habitat	Fatal Incident occurred
27	Rajkot	RB Elements	Unregistered
28	Rajkot	RK Trade Tower	Unregistered
29	Rajkot	Sunrise Platinum	Unregistered
30	Rajkot	Sunflower Heights	Unregistered
31	Surat	PSP Project Limited	Registered
32	Surat	Hitech Engineers, Surat	Registered
33	Surat	The Centrum	Registered
34	Surat	Excellence Business Hub	Registered
35	Surat	Laxmi Homes	Fatal Incident occurred
36	Surat	Cantilla Business Centre	Fatal Incident occurred

Sl. No	Name of selected districts	Name of selected establishments	Details of establishment
37	Surat	KSB Trident	Unregistered
38	Surat	AR Mall	Unregistered
39	Surat	Oxygen House	Unregistered
40	Surat	Namah Reality, Medicine hub	Unregistered
41	Vadodara	Smart City Zonal Transport hub	Registered
42	Vadodara	Alpha Vector	Registered
43	Vadodara	Samanvay Campus	Registered
44	Vadodara	Shree Balaji Wind	Registered
45	Vadodara	Nest Harmony	Fatal Incident
46	Vadodara	Platinum Sky	Fatal Incident
47	Vadodara	Sidharth Crest II	Unregistered
48	Vadodara	Anantam Samanvay	Unregistered
49	Vadodara	Saket Constructions	Unregistered
50	Vadodara	Param Solitaire	Unregistered

Appendix-IV
Statement showing the details of temporary posts sanctioned and filled in
the Board at state level
(Reference: Paragraph 2.3.1, Page no. 10)

Sl No.	Name of Posts	No. of Sanctioned Temporary posts	No. of temporary post filled through outsourcing	No. of vacant Posts
1.	IT officer	01	00	01
2.	IT Assistant	04	02	02
3.	Head Clerk	04	00	04
4.	Stenographer (Gr.-2)	01	01	00
5.	Project Manager	07	07	00
6.	Jr. Clerk	08	00	08
7.	Data Entry operator	11	11	00
8.	Clerk/Data entry operator	01	01	00
9.	Additional Angat	01	01	00
10.	Group-D	02	02	00
	Total	40	25	15

(Source: Information furnished by the Board)

Appendix-V

Statement showing district-wise number of Establishments registered during 2017-22

(Reference: Paragraph 3.1, Page no. 14)

Sl. No.	Name of districts	Number of Establishments registered during the calendar year					
		2017	2018	2019	2020	2021	2022
1	Surat	96	189	345	194	257	392
2	Tapi	04	07	08	10	19	20
3	Valsad	15	56	142	78	103	177
4	Daang	00	01	00	01	00	01
5	Navsari	17	17	56	38	46	46
6	Bharuch	24	131	138	106	146	311
7	Narmada	00	00	00	00	00	00
8	Vadodara	10	59	196	149	244	346
9	Chota Udaipur	00	00	04	01	01	01
10	Godhra	03	12	30	17	36	41
11	Dahod	02	02	04	01	01	02
12	Nadiad	47	34	40	52	47	59
13	Mahisagar	00	00	00	00	00	00
14	Anand	13	77	60	32	59	30
15	Ahmedabad	192	581	518	438	667	1,062
16	Gandhinagar	21	54	72	93	187	341
17	Arvali	01	02	01	07	05	03
18	Banas katha	08	07	10	17	28	61
19	Mahesana	13	42	20	23	52	102
20	Patan	06	11	07	08	05	22
21	Sabarkantha	03	05	06	02	14	26
22	Rajkot	17	112	125	102	152	174
23	Amreli	12	48	63	71	86	77
24	Morbi	14	26	40	100	69	64
25	Surendra Nagar	11	16	28	12	52	58
26	Jamnagar	36	98	109	87	134	140
27	Dwarka	13	32	48	16	39	35
28	Somnath	03	30	44	22	68	27
29	Bhavnagar	30	121	134	90	84	93
30	Botad	01	05	09	11	10	04
31	Junagadh	12	53	96	77	92	83
32	Porbandar	03	12	27	20	39	18
33	Kutchh	41	120	172	178	233	271
Total		668	1,960	2,552	2,053	2,975	4,087

(Source: Information furnished by the DISH)

Appendix-VI
Statement showing district-wise number of active registered BOC worker as of March 2022

(Reference: Paragraph 3.2, Page no. 19)

Sl. No.	Name of District	Number of Active Registered Workers
1	Ahmadabad	3,620
2	Amreli	2,839
3	Anand	8,485
4	Arvalli	2,819
5	Banaskantha	8,107
6	Bharuch	4,608
7	Bhavnagar	8,756
8	Botad	6,139
9	Chhotaudepur	5,343
10	Dahod	9,673
11	Dangs	1,626
12	Devbhumi Dwarka	2,401
13	Gandhinagar	4,961
14	Gir Somnath	4,958
15	Jamnagar	2,354
16	Junagadh	5,034
17	Kachchh	1,922
18	Kheda	2,436
19	Mahesana	2,450
20	Mahisagar	5,063
21	Morbi	1,847
22	Narmada	4,001
23	Navsari	6,271
24	Panchmahals	4,688
25	Patan	3,102
26	Porbandar	2,757
27	Rajkot	7,472
28	Sabarkantha	4,456
29	Surat	8,150
30	Surendranagar	4,524
31	Tapi	3,084
32	Vadodara	5,620
33	Valsad	7,389
	Total	1,56,955

Appendix-VII

Statement showing the amount of cess collected by the selected Cess Collectors in five selected districts during 2017-23

(Reference: Paragraph 4.1.1, Page no. 27)

Sl. No.	Name of selected districts	Name of Cess Collectors	Cess Collected during the Year 2017-23 (₹ in crore)
1	Ahmedabad	Municipal Corporation	311.13
		Urban Development Authority	90.55
		Road and Building (R & B) Division	16.44
		Public Health Works Division of GWSSB	2.64
2	Gandhinagar	Municipal Corporation	3.77
		Urban Development Authority	21.21
		Road and Building (R & B) Division	3.78
		Public Health Works Division of GWSSB	2.24
3	Rajkot	Municipal Corporation	Information not furnished to Audit
		Urban Development Authority	39.71
		Road and Building (R & B) Division	12.16
		Public Health Works Division of GWSSB	3.39
4	Surat	Municipal Corporation	141.88
		Urban Development Authority	18.92
		Road and Building (R & B) Division	9.74
		Public Health Works Division of GWSSB	6.03*
5	Vadodara	Municipal Corporation	82.90
		Urban Development Authority	18.17
		Road and Building (R & B) Division	11.53
		Public Health Works Division of GWSSB	8.23*
		Total	804.42

(Source: Information furnished by the selected Cess Collectors)

* Figures pertain to 2018-23.

Appendix-VIII

Statement showing selected Welfare schemes closed or put on hold by the Board/State Government during 2017-22

(Reference: Paragraph 6.3.1, Page no. 45)

Sl. No	Name of Scheme	Month-Year of Commencement	Status of the Scheme	Number of no. of beneficiaries covered under the Scheme					
				2017-18	2018-19	2019-20	2020-21	2021-22	Total
1	Medical Assistance Scheme	January 2008	Closed (January 2018)	13	02	NA	NA	NA	15
2	Skill Training and Equipment Assistance	January 2008	On Hold (from 2020)	5,764	7,027	1,005	NA	NA	13,796
3	RSBY for Construction Workers	September 2011	Closed (February 2020)	00	00	00	NA	NA	00
4	Balwadi/ Anganwadi	August 2014	Closed (May 2019)	5,447	12,295	00	NA	NA	17,742
5	Special Coaching Class Scheme	September 2014	Closed (January 2019)	29,510	NA	NA	NA	NA	29,510
6	Temporary Housing Scheme	September 2014	On Hold (from 2019)	8,300	8,460	NA	NA	NA	16,760
7	Hostel Assistance for Children of BOC Workers	October 2014	Closed (November 2020)	366	257	65	NA	NA	688
8	Health and Safety Training Scheme	May 2015	Closed (September 2018)	25,985	3,950	NA	NA	NA	29,935
9	Kadiya Naka Mitra Scheme	February 2016	On Hold (from 2018)	29	NA	NA	NA	NA	29
10	Health Screening Camp for Women BOC Workers	August 2016	On Hold (from 2020)	2,901	00	00	NA	NA	2,901
11	Old Age Pension Scheme	April 2017	On Hold (June 2017)	06	30	04	NA	NA	40
12	Stainless Steel Utensils Scheme	May 2018	Closed (August 2018)	NA	NA	NA	NA	NA	00
13	Annabrahma Yojana ⁶⁰	April 2020	Closed (One time assistance)	NA	NA	NA	374398	NA	3,74,398
Total									4,85,814

(Source: Information furnished by the Board)

⁶⁰ Health and Family Welfare Department was the nodal department for implementing this Scheme.

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