

Chapter 6: Management of Welfare Fund and Implementation of Welfare Schemes

6.1 Financial Management

6.1.1 High administrative expenditure incurred by the Board

Section 24(1) and 24(2) of the BOCW Act provides that the Board's fund was to be constituted from the contributions made by the beneficiaries and the amount of cess received by the Board. The fund so constituted was to be utilised for meeting expenses of the Board in discharge of its functions¹. Section 24(3) of the Act provides that the administrative expenditure was to be kept within a limit of five *per cent* of the total expenditure. Details of income and expenditure as well as administrative expenses are given in **Table 6.1**.

Table 6.1: Details of receipts and expenditure of the Board for the period 2017-22

(₹ in lakh)

Year	Receipts			Expenditure			Percentage of Admin exp. to total exp.
	Cess collected	Other/ misc. receipt	Total	Admin Expenditure	Expenditure on schemes	Total expenditure	
2017-18	3472.24	7.27	3479.51	19.56	00.08	19.64	99.59
2018-19	3051.23	8.58	3059.81	78.33	00.05	78.38	99.93
2019-20	3117.60	27.76	3145.36	65.99	111.98	177.97	37.08
2020-21	4087.20	6.60	4093.80	55.64	656.93	712.57	7.81
2021-22	6070.24	9.49	6079.73	53.68	299.35	353.03	15.21
Total	19798.51	59.70	19858.21	273.20	1068.39	1341.59	20.36

(Source: Information provided by the Board)

It could be seen from the above table, that as against the income of ₹ 198.58 crore, an expenditure of ₹ 13.42 crore was incurred during 2017-22.

Audit observed that the administrative expenditure during 2017-22 ranged between 7.81 and 99.93 *per cent* against the ceiling of five *per cent*. It was also noticed that a meagre share (5.38² *per cent*) was incurred on welfare schemes and a huge amount of ₹ 184.57 crore remained unutilised. Further, in 2022-23 also, against the total cess collection of ₹ 84.60 crore, only a meagre expenditure of ₹ 3.76 lakh (0.04 *per cent*) was made on Scheme implementation.

¹ Welfare measures for the benefit of construction workers and salaries, allowances and other remuneration of the members, officers and other employees of the Board.

² ₹ 1,068.39 lakh spent on welfare schemes / ₹ 19,858.21 lakh collected on account of cess and other receipts during 2017-18 to 2021-22 * 100 = 5.38 *per cent*.

The issue of idling of cess fund was also pointed out in the Inspection Report of GBOCWWB for the period April 2014 to October 2020 but no corrective measures were initiated by the Board.

The Government accepted (April 2024) the observation and stated that the Board shall increase the registration of building workers so that more and more beneficiaries receive the benefits under all the welfare schemes. Further, it was stated (April 2024) that the Board has also revised the amount of benefits under different schemes, to ensure that expenditure on different schemes allows the permissible limit of five *per cent* administrative expenditure.

Thus, the Board failed to prioritize workers' welfare and utilization of funds for essential benefits, such as health and safety measures, skill development, housing and financial assistance which defeated the purpose of setting up the Fund.

6.1.2 Non-preparation of annual statement of accounts and annual reports

Section 26 of the BOCW Act stipulates that the Board shall prepare an annual report, giving a full account of its activities during the previous financial year and submit a copy thereof to the State Government and the Central Government.

Section 27 of the BOCW Act stipulates that the Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts in such form as may be prescribed in consultation with the Comptroller and Auditor General of India (CAG). The CAG audits the accounts of the Board under Section 19(2) of the CAG's DPC Act read with Section 27(3) of the BOCW Act, 1996 and prepares a Separate Audit Report which is placed in the State Legislature.

Audit observed that annual accounts of the Board were prepared only till the year 2017-18 and accounts had not been prepared since 2018-19. Further, even the annual accounts up to 2017-18, were not furnished to the CAG for audit. Thus, Separate Audit Reports were neither prepared nor laid in the State Assembly till date.

Further, it was also observed that the Board decided (October 2021) to appoint an Internal Auditor from Directorate of Accounts, Government of Goa, however, Internal Auditor was not appointed.

Annual reports on the functioning of the Board had not been prepared since the constitution of the Board.

The Government replied (April 2024) that the Board had engaged a Chartered Accountant (CA) who failed to complete the task. The same will be taken up

for completion by availing the services of any other reputed CA and it will be ensured that annual statement of accounts and annual report will be prepared.

The reply is not acceptable as non-preparation of accounts since 2018-19, not ensuring their timely audit and non-preparation of annual reports on the functioning of the Board contravened the provisions of the Act and diluted the accountability of the Board.

Further, the Government replied (April 2024) that request for Internal Auditor was made to Directorate of Accounts in December 2021. Further it was informed (December 2024) by the Board that a reminder has been issued (June 2024) to the Directorate of Accounts in this regard.

Reply is not tenable as follow up action was not taken up by the Board with Directorate of Accounts after three and half years of initial request.

6.1.3 Loss of revenue due to parking of funds in saving bank accounts

The Board in its 8th meeting (27 April 2016) discussed about the huge amount (₹ 8.21 crore) accumulated in its savings bank account³ and observed that it incurred considerable revenue loss by way of difference of interest rates in savings bank accounts *vis-a-vis* fixed deposit accounts. To avail optimum benefit by way of interest it was decided to adopt auto sweep facility in the above-mentioned account whereby any amount above ₹ five lakh lying in the savings bank account is automatically transferred to the fixed deposit account.

During scrutiny of records and bank statements of the two bank accounts⁴ held by the Board, it was observed that there was a balance of ₹ 15.12 crore in the Canara Bank account as of 30 June 2022 and auto sweep/FD from this account was not initiated since opening of the account. FDs were initiated only in July 2022. Further, in another saving account held by the Board (Union Bank), there was a balance of ₹ eight crore as of May 2023.

The Government replied (April 2024) that presently the Board is availing the auto sweep facility from Indian Overseas Bank-Taleigao Branch. Further it was stated (April 2024) that due to higher rate of interest the money is being put in Term Deposit Receipt in the said bank presently.

The reply is not tenable as bank statements relating to Indian Overseas Bank were not produced to audit for verification. Further, the reply is silent about the balances in saving bank accounts held in Canara Bank of India.

³ A/c No. 324902010019535 of Union Bank of India, Patto, Panaji

⁴ Board opened another savings accounts no. 110024727359 in Canara Bank on 25/11/2021.

Thus, the Board was unable to effectively monitor its idle funds and issue timely instructions to banks for transferring the surplus amount (above threshold limit) to fixed deposits, losing higher interest income.

6.1.4 Shortage of staff

Section 19 of the BOCW Act provides that the Board shall appoint a Secretary and such officers and employees as it considers necessary for the efficient discharge of its functions under this Act. The terms and conditions of appointment and the salary and allowances payable to the Secretary and the other officers and employees of the Board shall be such as may be prescribed.

Audit observed that appointments of a Chief Accounts Officer and an Accountant were approved in Board's meeting held in July 2018, however, these key positions remained unfilled. This resulted in serious deficiencies such as non-maintenance of accounts, non-preparation of annual accounts, non-realization of time barred cheques/DDs and parking of funds in savings accounts as discussed in previous paragraphs.

Board in its 14th meeting held in November 2019 decided for automation and strengthening of account section by installing Tally ERP software to reduce the burden of managing the manual accounts.

Further, in the 18th Board meeting (March 2023) a resolution was passed to formulate recruitment rules for both existing and newly created positions. Accordingly, a proposal was submitted to the Government seeking approval for the formulation of recruitment rules. However, recruitment rules have not yet been approved/notified by the Government.

The Government replied (April 2024) that order has been placed to install Tally software but the concerned officials have not been trained to operate the system. Regarding framing of recruitment rules it was replied that the draft recruitment rules for existing as well as new posts has been framed (February 2024) and is under approval.

The reply has to be viewed against the fact that without the required training to staff, the automated accounting tool would serve no purpose.

The Government's reply was silent about the vacancies of accounts staff, though its functioning had been impacted by the absence of key functionaries like Chief Accounts Officer and Accountant.

Key positions of Chief Accounts Officer and Accountant required to manage the fund effectively, remained vacant and the recruitment rules for various posts are yet to be notified by the Government.

6.2 Implementation of welfare schemes

Section 22 of the BOCW Act, 1996 stipulates various social security and welfare schemes for the benefit of building and other construction workers. In pursuance to the Act, the State Government notified Goa BOCW Rules, 2008 read with amendment Rules 2018, which prescribed 11 welfare schemes *viz.* (i) Financial assistance for education of children (ii) Death benefit (iii) Funeral assistance (iv) Financial assistance for marriage (v) Maternity benefit (vi) Pension benefit (vii) Grant for purchase of house (viii) Disability Pension (ix) Grant for purchase of tools (x) Medical assistance to beneficiaries (xi) Family Pension.

Further, State Government notified eight additional welfare schemes *viz.* (i) Subsistence allowance for mentally challenged and spastic children of building workers (2018) (ii) Interim relief to beneficiaries affected by disaster (2018) (iii) Menstrual hygiene scheme (2018) (iv) Mobile health dispensary scheme (2018) (v) Setting up of women's hostel scheme (2018) (vi) Mobile toilet scheme (2018) (vii) GBOCWWB Assistance scheme Covid-19 (2020) (viii) Covid-19 Procurement of ration items under BOCWW fund (2020).

6.2.1 Non-implementation of major schemes prescribed under the Act since inception

Out of 19 welfare schemes, only nine were being implemented in the State as discussed in para 6.2.2. Out of 10 unimplemented schemes, five were more crucial welfare and security schemes for construction and building workers which were never implemented by the Board. The detail of these five unimplemented schemes is given in **Table 6.2**.

Table 6.2: Details of five major unimplemented schemes

Sl. No.	Name of Scheme	Rule/provision (Read with Amendment Rule 2018)	Eligibility & Benefit
1	Maternity benefit	GBOCW Rule 276	The Board may on application made by the women beneficiaries, sanction ₹ 10,000 each as maternity benefit during the period of maternity, provided that this benefit shall not be allowed more than twice.
2	Pension benefit	GBOCW Rule 277	A member of the Fund who has been working as a building worker for not less than one year after the commencement of these rules shall on completion of 55 years of age for men and 50 years of age for women be eligible for pension.
3	Grant for repair and interest rebate for the construction of new house	GBOCW Rule 279	The Board may on application by a member, grant an amount of ₹ One lakh for repairs of existing house and an amount up to ₹ five lakh towards the interest rebate on loans sanctioned to beneficiary by bank, financial institutions, <i>etc.</i>
4	Disability pension	GBOCW Rule 280	The Board may sanction an amount of ₹ 2,000 per month for partial disability and ₹ 5,000 per month for total disability to the beneficiary who got disabled due to paralysis, leprosy, TB, accident, <i>etc.</i> In addition to the pension, he will be eligible for an ex-gratia payment of not more than ₹ One lakh depending upon the percentage of disability and subject to such conditions as may be fixed by the Board.
5	Medical assistance to beneficiaries	GBOCW Rule 285	The Board may sanction financial assistance to the beneficiaries who are hospitalized for five or more days due to accident or any disease. This assistance shall also be given to beneficiaries who met with accidents. If disability is due to accident, the worker shall be eligible for financial assistance up to a maximum of ₹15,000 depending upon the percentage of disability.

These five crucial schemes like maternity benefit, pension benefit, grants for housing repairs, disability pension and medical assistance to beneficiaries were not implemented by the Board since the inception.

Further, the Board in its meeting decided (November 2019) to pay 100 *per cent* contribution on behalf of beneficiaries for registration under Pradhan Mantri-Shram Yogi Maan-Dhan Scheme. However, it was observed that this decision was not implemented.

The Government replied (April 2024) that out of the five schemes benefits were given to some of the beneficiaries under medical assistance, maternity benefit, pension and disability schemes. As regards Grant for repair and interest rebate for the construction of new house, it was stated that there was no beneficiary meeting the eligibility criteria for availing benefit of Scheme.

Reply is not tenable because, as per the records produced to audit, no beneficiary was given benefit under these schemes. In case of Grant for repair and construction of new house scheme, there was no eligibility criteria for the members of the fund as per amendment of Rule 279 (2018). Thus, Board was unaware of amendments to the rules and failed to implement major schemes in the State, consequently deprived the BOCWW fund members from availing intended benefits of the scheme.

Regarding implementation of Pradhan Mantri-Shram Yogi Maan-Dhan Scheme it was replied (April 2024) that the scheme would be implemented after getting administrative approval from the Chairman.

The reply is not tenable as even after lapse of four years, the decision taken by the Board is yet to be implemented.

6.2.2 Deficient implementation of welfare schemes by the Board

The basic purpose of collecting cess was to finance various social security and welfare measures for the intended beneficiaries. The number of beneficiaries of welfare schemes during 2017-22 are given in **Table 6.3**.

Table 6.3: Beneficiaries of welfare schemes during the period 2017-22⁵

Sl. No.	Name of welfare schemes	Total number of beneficiaries
1	Financial assistance for education	159
2	Death benefit	2
3	Funeral benefit	2
4	Subsistence allowance for mentally challenged child	2
5	Financial assistance for marriage	1
6	Grant for purchase of toolkits	5000 ⁶
7	Covid-19 procurement of ration under BOCW fund	11360 ⁷
8	Assistance scheme Covid-19	7304
9	Menstrual hygiene scheme	Not specified ⁸
	Total	23830

(Source: Information provided by the Board)

Audit observed that 11,360 beneficiaries under Covid-19 procurement of ration under BOCW fund were unregistered workers and benefits were provided during Covid-19 pandemic. Further, database for 5,000 beneficiaries benefited under Grant for purchase of toolkits was not maintained by the Board. Beneficiaries under Menstrual hygiene scheme were not specified as beneficiaries data was not available with the Board.

Year-wise data of remaining 7,470 registered beneficiaries benefited under various welfare schemes is given in **Table 6.4**.

⁵ In 2022-23, 17 more beneficiaries were benefited under two schemes.

⁶ Database of beneficiaries not maintained by Board

⁷ These are unregistered workers and benefits were provided during Covid-19 pandemic.

⁸ Under this scheme, sanitary pad dispensers and the incinerators were installed at 50 locations on rental basis for a period of two years to provide awareness and access to the female BOC workers and their daughters studying from Class VII onwards regarding use of eco-friendly sanitary pads and disposal methods.

Table 6.4: Registered beneficiaries benefited under the welfare schemes

Year	Total number of registered beneficiaries at end of the year	Number of beneficiaries benefited during the year	Number of schemes in which beneficiaries got benefit	Name of schemes where benefits were delivered to registered beneficiaries (no. of beneficiaries)
2017-18	1934	01	01	Financial assistance for education (1)
2018-19	4014	01	01	Financial assistance for education (1)
2019-20	16005	424	04	Financial assistance for education (157), Death benefit (2), Funeral benefit (2) and Assistance scheme Covid-19 (263)
2020-21	17994	7025	01	Assistance scheme Covid-19
2021-22	18045	19	03	Subsistence allowance for mentally challenged child (2), Assistance scheme Covid-19 (16) and Financial assistance for marriage (1)
Total		7470		

(Source: Information provided by the Board)

It can be seen from the above table that number of beneficiaries who availed the benefits from the Board under various schemes was quite low.

Thus, Board did not prepare any long-term plan or annual plan to ensure maximum registration of beneficiaries and provide benefits for their welfare. Also, there was no system for monitoring/reporting the total number of applications received for assistance under various schemes.

Accepting the audit observation, the Government replied (April 2024) that the Board was in the process to authorize all Gram Panchayats, Municipalities, Junior Engineers/Assistant Engineers from various work executing departments as Registering Officers under the Act to carry out registration of BOC workers. Further, it would also be ensured that a long-term plan and annual plan is prepared to augment the registration of construction workers as beneficiaries under the welfare schemes.

6.2.3 Non-publicity of welfare schemes among workers

As per the Hon'ble Supreme Court's directive on 18 January 2010, the States were required to effectively use media, All India Radio and Doordarshan, for creating awareness about the registration of building workers and benefits available under the BOCW Act.

Audit observed that no regular efforts⁹ were made for publicizing the welfare schemes among the target population by the Board. It indicated an inactive approach of the Board towards registration of beneficiaries and creation of awareness among the intended beneficiaries to avail the benefits available under the various schemes.

6.2.4 Irregularities observed in implementation of Training of BOC workers and Purchase/Distribution of toolkits

In pursuance to guidelines of the Ministry of Labour and Employment, the Board initiated a Skill Development Programme which had to identify Recognition of Prior Learning and Training to the BOC workers. These guidelines mandated that during such training period, the worker should be given financial assistance in the form of stipend and training expenses.

Rule 281 of GBOCW Rules, 2008 read with amendment notification dated 28 September 2018, stipulates that an amount of ₹ 5,000 would be sanctioned as grant to the member of the Workers' Welfare fund for purchase of tools who have regularly contributed to the fund for a minimum period of three months.

Subsequently, the above rule was modified by the Board for its better implementation with approval (August 2019) of the Chairman. The Board decided (November 2019) to procure and distribute safety and common toolkit¹⁰ worth ₹ 5,000 to the beneficiaries instead of grant of ₹ 5,000 as cost of purchase of toolkit to the trained beneficiary as per his own choice and work requirement.

For Training of BOC Workers, an MoU on January 2019 was signed between M/s Labournet and Board to train the workers to whom the safety and common toolkit was to be distributed. Further, for procurement of toolkits, Board entered into an MoU (February 2020) with M/s Labournet Service India Pvt. Ltd. Bangalore (M/s Labournet) for supply, delivery and distribution of safety and common toolkits for the registered and trained workers of GBOCW. As per MoU, it was the responsibility of the Board to provide details of sites and list of eligible registered workers to M/s Labournet to carry out the distribution of toolkits among these workers. Audit observed some

⁹ One-time special drive (October 2018) which was conducted (02 October 2018) at two locations (Porvorim and Ponda) for launching of new schemes and special registration drive for BOC workers' registration.

¹⁰ Safety shoes, safety jacket, safety helmet, cotton hand gloves, safety goggles, nose mask, ear plug, tool bag, safety harness, combination pliers, claw steel hammer, screwdriver, pointed trowel, brick trowel, measuring tape, hacksaw frame, magnetic line tester.

irregularities in training of BOC workers and purchase/distribution of toolkits as discussed in subsequent paras.

6.2.4.1 Irregular payment in Training of BOC Workers

Scrutiny of bills/invoices and payment approval note provided by Board, it was revealed that expenditure incurred on training of BOC workers amounted to ₹ 3,08,54,400 (₹ 309 lakh). As per Board's statement, the number of trained workers were 10,699 but after scrutiny of invoices/bills of training following irregularities were revealed:

- i. These bills consist of invoices for training of 6,985 workers, assessment of 714 workers and registration and generation of ID for 3,000 workers. Therefore, actually trained workers were 6,985 only. As per MoU there was a clause stating that successful completion of training of minimum 10,000 construction workers had to be done, failing which MoU would be treated as null and void. However, payments were made by Board in violation of this clause.
- ii. As per MoU for training, Regional Director of Apprenticeship Training (RDAT) was the authority for assessment of candidates. However, Board irregularly paid an amount of ₹ 7,14,000 @ ₹ 1,000 per candidate to M/s Labournet for assessment of 714 candidates.
- iii. Bill no. LNKAINV20000017 dated 22/07/2019 amounting to ₹ 4.50 lakh was charged towards registration and generation of ID for 3,000 candidates @ ₹ 150 per candidate which was not a part of the MoU and irregularly paid by the Board.
- iv. As per MoU, bills were to be submitted along with training attendance sheet and assessment results declared by the assessing body RDAT. However, audit observed that assessment details were not found attached with the paid bills.
- v. Only 49 out of 201 attendance sheets were produced to audit. On examination of these attendance sheets, it was found that out of approved six skills *i.e.* bar bending, carpentry, masonry, plumbing, painting & scaffolding, training on only one skill *i.e.* masonry was imparted.

6.2.4.2 Non-payment of wage loss compensation to BOC Workers

The MoU provided for payment of wage loss compensation to workers to be given to the each worker @ ₹ 35 per hour in lieu of getting training and losing their daily wages.

During scrutiny of records, it was observed that wage loss compensation was not paid to the workers. Board stated that matter was kept on hold.

Thus, non-payment of wage loss compensation was in violation of provision of MoU as well as extant guidelines¹¹ of Ministry of Labour and Employment.

6.2.4.3 Irregularities in procurement and distribution of toolkits

Board had procured (June 2020) 5,000 toolkits @ ₹ 4,909 amounting to ₹ 2,45,45,000 (₹ 245 lakh) and an amount of ₹ 7.20 lakh was spent towards distribution and lab test charges of toolkits. The Board acquired identical toolkits for all categories of construction workers in contravention to Rule 281 of GBOCW Rules. Distribution of identical toolkits to different categories of workers was injudicious and the expenditure made from the fund for the procurement and distribution of toolkits was in violation of the rule mentioned *ibid*.

Toolkits were distributed to the workers without ensuring the registration of beneficiary as the applications submitted by the workers were not supported by registration ID. Further, the Board did not maintain database/register and registration details of beneficiaries to whom toolkits were distributed. In the absence of these details, audit could not verify whether the beneficiaries were actually construction workers and bonafide members of the Fund.

It indicated the deficiencies in implementation of scheme and poor monitoring by the Board. Possibility of generation of fake bills without training of BOC workers and ineligible individuals availing benefits under the scheme cannot be ruled out.

The Board replied (July 2023) that the entire process of registration and distribution was handled by the outsourced partner and the Board was in the process of getting the application forms from the outsourced partner and will be uploaded in the system to generate registration ID.

The Government replied (April 2024) that the issues of irregularities will be taken up in the next Board meeting and appropriate action would be taken.

The reply has to be viewed against the fact that no corrective measures were taken by the Government to avoid recurrence of such irregularities by GBOCW in future. Instead, the Government referred the matter to GBOCW, which itself was involved in the irregularities. No reasons were

¹¹ Ministry of Labour and Employment guidelines mandated that during RPL training period, the worker should be given financial assistance in the form of stipend and training expenses.

offered for implementation of the toolkit distribution scheme without Government notification by the Board.

6.3 Non-conduct of social audit

Social audit is the verification of the implementation of a programme/scheme and its results by the community, with the active involvement of the primary stakeholders and helps strengthen the scheme by deterring corruption and improving implementation.

Specific direction was given (March 2018) by the Hon'ble Supreme Court in response to a writ petition¹² to conduct a social audit on the implementation of the Act so that in future there is better and more effective implementation of the Act. However, social audit was never conducted for welfare schemes for construction and other building workers.

During the exit conference, the CLE assured (March 2024) that necessary steps would be taken to conduct social audit.

6.4 Beneficiary Survey for Impact Assessment

Section 22 of the BOCW Act empowers the Board to provide welfare measures and facilities for beneficiaries. Accordingly, the Board formulated 19 welfare schemes for registered workers till March 2022. The Board had extended benefits to workers in nine schemes during the audit period 2017-22.

Audit conducted joint survey¹³ of 200 beneficiaries who received benefits during the period 2017-22 under four schemes (Covid-19 Cash Assistance, Children Education Benefit, Death Benefit and Marriage Benefit). 182 beneficiaries under Covid-19 cash assistance, 15 under education scheme, one under marriage scheme and two under death scheme were surveyed to test-check the receipt of benefits, mode of payment, awareness about the welfare schemes and labour welfare card, present occupations of the beneficiaries, etc.

Following cases were noticed:

- i. **Non-receipt of benefits:** Forty-nine beneficiaries (24.50 *per cent*) out of 200 surveyed stated that they did not receive the benefits (**Appendix III**).

Board replied (July 2024) that on verification of bank details, 44 out of the 49 beneficiaries had received the benefit. It also assured that five cases of non-receipt of benefit would be taken up with the bank appropriately.

¹² WP No 318 of 2006

¹³ Beneficiary survey was conducted during April-May 2023

- ii. **Benefit to ineligible non-construction workers:** Out of 200 beneficiaries, 94 (47 *per cent*) were not found to be engaged in building and other construction work during the survey period. They were engaged in other activities/ occupations such as tailoring, working at factories/labs, farmers, vegetable vendors, shopkeepers, housewives, *etc.* Thus, the authenticity of employment certificates submitted at the time of registration was doubtful (details of beneficiaries in **Appendix IV**). The Board agreed (July 2023) that authenticity of employment certificates was not verified by the concerned LIs at the time of registration. It was also stated in July 2023 and July 2024 that LIs were instructed to re-verify the employment certificates of the 94 cases identified by Audit.
- iii. **Lack of awareness of the schemes:** Out of 200, 176 beneficiaries were not aware of any of the schemes run by the Board. The remaining 24 workers were aware of three to four schemes. Out of 200 surveyed, only 16 beneficiaries were aware about the purpose of labour welfare card.

Board replied (July 2024) that an OM has been issued to LIs to improve registration and also stated that sensitization programme and camps would be initiated for raising awareness among beneficiaries.

The reply is to be seen against the fact that majority of the beneficiaries surveyed were unaware of the schemes run by the Board.

Conclusion:

The Board did not prepare annual statement of accounts from 2018-19 and annual report on the functioning of the Board was not prepared since inception. No Internal Auditor was appointed. Board incurred financial loss due to parking of funds in savings accounts which indicated ineffective financial management. Non-receipt of benefit was reported by the beneficiaries and lack of awareness about the welfare schemes was observed during beneficiary survey. Key positions of Chief Accounts officer and Accountant required to manage the fund effectively, remained vacant and the recruitment rules for various posts are yet to be notified by the Government. Social and welfare schemes for the intended beneficiaries were not implemented adequately. Five major welfare schemes were not implemented by the Board since inception. In other schemes also, the number of beneficiaries who availed benefit was quite low. Instances of distribution of identical toolkits among workers were observed. Social audit of the schemes as directed by the Hon'ble Supreme Court was not conducted.

Recommendation 10: The Government may fix responsibility for non-preparation of accounts, instruct the Board to finalise all pending accounts and submit the same for Audit.

Recommendation 11: The Board may ensure the appointment of the Internal Auditor in a time bound manner.

Recommendation 12: A report on the functioning of the Board may be prepared and submitted to the Government annually as per the provisions of the Act.

Recommendation 13: The Government may expedite the notification of recruitment rules and accordingly, the Board may take immediate steps to appoint the required personnel to enable its effective functioning.

Recommendation 14: The Board may institute a mechanism for carrying out periodic evaluation of scheme implementation and take prompt corrective action as required to improve implementation.

Recommendation 15: The Board may implement social audit mechanism to enhance transparency and accountability in the implementation of schemes.

Panaji
The **17 MAR 2025**


(ETISHUKLA)
Accountant General

Countersigned

New Delhi
The **24 MAR 2025**


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