## **Report of the Comptroller and Auditor General of India**

**Performance Audit** 

on

Implementation of Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)/ Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)

> Government of Karnataka Report No. 5 of the year 2022

## Table of contents

Paragraph No.	Contents	Page Number			
	Preface	V			
	Executive Summary	vi-x			
Chapter – I					
Introduction		1			
1.1	Deendayal Upadhyaya Gram Jyoti Yojana	1			
1.2	Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)	1-2			
1.3	Cost sharing pattern	2			
1.4	Organisation setup	2			
1.5	Audit objectives	3			
1.6	Audit criteria	3			
1.7	Audit scope and methodology	3-4			
1.8	Audit findings	4			
1.9	Acknowledgement	4			
	Chapter II				
	Planning and Financial Management				
	Planning	5			
2.1	Field survey	5-7			
2.2	Cost re-allocation in the DPRs	7-8			
2.3	Preparation of DPRs under RGGVY	8-9			
2.4	Statutory clearances	9			
	Conclusion	9			
	Recommendations	10			
2.5	Financial Management	10-11			
2.6	Fee fixed to PMA without inviting tenders	11-12			
2.7	Additional expenditure on PMA	12-13			
2.8	Extra expenditure on procurement of materials	13-14			
2.9	Additional financial burden	14-16			
2.10	Non-fulfilment of conditions for receipt of additional grant	16-17			
2.11	Deduction of taxes	17-18			
	Conclusion	18			
	Recommendation	18			

Paragraph No.	Contents	Page Number			
Chapter III					
	Implementation of projects under the schemes	19			
3.1	Status update	19-20			
	Execution of projects under DDUGJY	20			
3.2	Award of contracts in deviation from KTPP Act	20			
3.3	Award and completion of projects	20-21			
3.4	Works execution	21-22			
3.5	Feeder segregation works	22-23			
3.6	Metering	23			
3.6.1	Non-completion of feeder metering led to opting out of the scheme	23-24			
3.6.2	Metering of Distribution Transformers	24-25			
3.7	Foregone energy savings	26			
3.7.1	Due to deficient planning	26-27			
3.7.2	Due to non-availability of breakers	27-28			
3.8	Extension of contract	28-30			
3.9	Quality Assurance Mechanism	30-31			
3.10	Execution of works under SAUBHAGYA	31			
3.10.1	Completion of works	31-32			
3.10.2	Execution of works without sanctioned estimates	32-33			
3.10.3	Discrepancies in material inspection at contractor's stores	33			
3.10.4	Excess payment to contractor	33-34			
3.11	Execution of works under RGGVY XII Plan	34			
3.11.1	Deficiencies in execution	35			
3.11.2	Electrification of BPL households at higher cost	36-37			
3.11.3	Loss of subsidy due to non-completion of works	37-38			
3.11.4	Shortage of materials and loss of subsidy	38-39			
3.12	Execution of works under DDG	39			
3.12.1	Award of contract to ineligible firm	39-41			
3.12.2	Abnormal delay in electrification of households due to lack of forest clearance	41-42			
3.12.3	Non-levy of liquidated damages for ₹ 69.90 lakh	42			
	Conclusion	42			
	Recommendations	43			

Parag	raph	Contents	Page Number			
Chapter IV						
Survey findings and Monitoring issues			45			
4	.1	Survey findings	45			
4.	1.1	Beneficiary survey	45-46			
4.	4.1.2 Village survey			46-47		
4.2 &	4.2 & 4.2.1 Violation of conditions of standard bid document			47-48		
4.2	4.2.2 Discrepancies in consumer service connections		ns	48-49		
		Conclusion		49		
Recommendation			49			
4	4.3 Monitoring issues		50			
4.	3.1	Monitoring by various authorities		50-52		
	Conclusion			52		
	Recommendation			53		
	55					
No.		Contents	Paragraph			
1	Detai DDU	etails of audit sampled projects under 1 DUGJY/SAUBHAGYA, RGGVY		55		
2		Details of Grant and Expenditure under 2.5		56		
3		ls of electrification of BPL Households DDUGJY/SAUBHAGYA/RGGVY/DDG	57			
4	Details of tender premium paid on award of grojects 3.2		58			

## Preface

- 1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Government for laying before the State Legislature of Karnataka under the provisions of Section 19A of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.
- 2. The Report contains the results of Implementation of Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY)/Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) covering the period 2014-15 to 2020-21.
- 3. The audit was conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.