

**Report of the  
Comptroller and Auditor General of India  
on  
Social, Economic and General Sectors  
for the year ended 31 March 2022**



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

**Government of Assam**  
*(Report No. 2 of 2024)*



**REPORT OF THE  
COMPTROLLER AND AUDITOR  
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**FOR THE YEAR ENDED 31 MARCH 2022**

**GOVERNMENT OF ASSAM**  
*(Report No. 2 of 2024)*



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## ***PREFACE***





## *Preface*

1. This Report of the Comptroller and Auditor General of India has been prepared for submission to the Governor under Article 151 of the Constitution of India for laying on the floor of the State Legislature.
2. This Report presents the results of the audit of the Departments of the Government of Assam under Social, Economic and General Sectors.
3. The cases mentioned in this Report are those, which came to notice in the course of test audit during the year 2020-21 and 2021-22 as well as those, which came to notice in earlier years, but could not be dealt with in the previous Reports.
4. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.
5. The Reports of the Comptroller and Auditor General of India containing the observations on State Finances, findings of Performance Audit and Compliance Audit under Revenue Sector and observations arising out of audit of Statutory Corporations, Boards, Government Companies are presented separately.



## ***OVERVIEW***



## Overview

This Audit Report has been prepared in four chapters. Chapters I to III deal with Social, Economic and General Sectors. Chapter IV deals with general paragraphs.

This Report contains Performance Audits on “Direct Benefit Transfer”, “Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme” and “Functioning of Guwahati Metropolitan Development Authority”. The Report also contains 10 paragraphs including two Subject Specific Compliance Audit Paragraphs, eight Compliance Audit Paragraphs and three general paragraphs. The draft Performance Audit Report and draft audit paragraphs were sent to the Principal Secretary/ Commissioner of the Departments concerned with a request to furnish replies within four weeks. The views of the Government were incorporated wherever appropriate. The audit findings were also discussed in exit conferences held with the representatives of Government of Assam and their views were duly acknowledged in the Report. A synopsis of the important findings contained in the Report is presented below.

## SOCIAL SECTOR

### Performance Audit

#### *Performance Audit on ‘Direct Benefit Transfer’*

Direct Benefit Transfer (DBT) was a major reform initiative of Government of India (GoI) to ensure better and timely delivery of benefits from Government to the people. DBT in Assam started with the constitution of a DBT Cell in August 2017. The State DBT portal is hosted by the Department of Information and Technology and its onsite technical support is being maintained under Finance Department, the nodal department for DBT. There are 94 schemes (17 Departments) registered under State DBT portal. Audit reviewed four DBT schemes (two Centrally Sponsored Schemes, one Central Sector Scheme and one State Sector Scheme) for the period from 2017-18 to 2019-20 namely, Pre-matric scholarship of SC, ST and Minority students and Deen Dayal Divyangjan Pension Scheme. Audit examined five sampled districts and covered 101 Institute Nodal Officers across the sampled districts.

#### **Highlights:**

The State DBT Cell did not create adequate IT infrastructure and robust database for seamless implementation of various Central and State schemes under DBT.

*(Paragraphs-1.2.8.1, 1.2.8.2, 1.2.8.3 & 1.2.8.4)*

During 2018-19 to 2019-20, audit noted 2,424 cases where the same beneficiaries had claimed pension in multiple districts under Deen Dayal Divyangjan Pension Scheme.

*{Paragraph-1.2.9.1.1 (iii)}*

There were instances of excess payment being made to duplicate beneficiaries. Excess payment of ₹ 1.90 crore was made to 1,901 beneficiaries under Deen Dayal Divyangjan

Pension Scheme while 451 students had availed scholarship under Pre-matric Scholarship for ST more than once resulting in excess payment of ₹ 10.22 lakh.

*{Paragraphs-1.2.9.1.1 (iv), 1.2.9.3.2(i)}*

Payment of scholarships at hostel rates was made to students of such schools where there was no hostel facility. During test-check of 101 schools, audit witnessed fraudulent payment of ₹ 5.92 crore in 86 such schools on account of scholarship payment to minorities students towards hostel charges.

*{Paragraph-1.2.9.2.2(iii)}*

In sampled districts, fake payment of scholarship amounting to ₹ 2.98 crore was made to 3,138 students who were not enrolled in schools.

*{Paragraph-1.2.9.2.2(vi)}*

### **Recommendations:**

- *State DBT Cell should be made fully functional in terms of all its components and effective co-ordination ensured with the State Government Departments. Integration with scheme-specific MIS with the State DBT Cell should be done to exhibit complete and reliable data.*
- *Steps should be taken by the State DBT Cell to enroll the beneficiaries with a Unique ID and the Unique ID number should be linked with the bank account number of beneficiaries. The use of Unique Biometric Identification Number would obviate the need for multiple documents to prove one's identity and would bring in transparency and efficiency for beneficiary's selection and benefits conveniently.*
- *Social Welfare Department may migrate Deen Dayal Divyangjan Pension Scheme to a suitable IT platform with proper enrolment and validation procedures so that instances of beneficiaries claiming pension from multiple districts under the Scheme no longer recurs.*
- *Government may undertake a thorough review of the implementation of Pre-Matric Scholarship Scheme for Minorities and examine the systemic issues which led to such widespread fraudulent claims of hostel rate scholarship on non-existing hostels and fake beneficiaries and fix accountability for the same. Government may also ensure that the Unique ID based demographic authentication of the Institute/ District Nodal officers of the Scheme is completed at the earliest.*
- *The Institute Nodal Officers, District Nodal Officers and State Nodal Officer should ensure that eligibility criteria is thoroughly verified before the list of beneficiaries is finalised.*
- *The Welfare of Plain Tribes and Backward Classes Department may address the critical issue of low enrolment of students in the scholarship schemes meant for SC and ST students, and take required steps to cover all eligible SC and ST students within the State in a time-bound manner.*

*(Paragraph 1.2)*

## Compliance Audit

Director of Welfare of Plain Tribes & Backward Classes and Director of Scheduled Castes incurred excess expenditure to the tune of ₹7.28 crore in procurement of water filters due to defective bid evaluation and award of work through 'Rate Contract' without verifying the market rate.

*(Paragraph 1.3.1.1)*

Director, Welfare of Scheduled Castes, and Director, Welfare of Plains Tribes and Backward Classes, Assam incurred excess expenditure to the tune of ₹ 5.09 crore on procurement of agricultural kits because of approval of higher rate without verification of the Maximum Retail Price and prevailing market rate. Also, procurement was made without assessing requirement of beneficiaries through field level offices resulting in idle procurement. In test-checked four districts alone, cost of such idle procurement was ₹1.20 crore.

*(Paragraph 1.3.1.2)*

Welfare of Plains Tribes & Backward Classes (WPT & BC) Department procured agricultural seed kits for ₹ 17 crore without assessing any requirement from the field offices resulting in expiry of seeds worth ₹ 2.37 crore in the test-checked 14 field offices.

*(Paragraph 1.3.2)*

## ECONOMIC SECTOR

### Performance Audit

#### *Performance Audit on 'Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme'*

Government of Assam (GoA) is implementing PM-KISAN, a 100 *per cent* Government of India (GoI) funded scheme, to provide income support for meeting expenses related to agriculture and allied activities as well as for domestic needs. The responsibility of identifying the landholder farmer family eligible for benefit under the scheme was vested with the State Government.

A Performance Audit on '**Implementation of PM-KISAN Scheme**' revealed that the State Government did not maintain a database of landholding farmer families to identify potential beneficiaries. Emphasis was given to uploading of a large number of beneficiaries' data within a short period of time instead of ensuring eligibility of the beneficiaries as per the provisions of the guidelines. Lack of monitoring by Supervisory Officers also adversely affected implementation of the scheme. As a result, there were flaws in data entry causing rejection of large number (25 *per cent*) of data by PM-KISAN portal and PFMS during first and second level validation. Besides, 37 *per cent* beneficiaries were found ineligible during the enquiry conducted (May-July 2020) by the State Government. A mere 0.24 *per cent* of the funds released to ineligible beneficiaries was received back till October 2021.

***Highlights:***

No uniform criteria was adopted in opening user IDs as in 11 selected districts, data uploaded per user IDs ranged between 774 and 83,647.

Injudicious decision of the Deputy Commissioners of uploading the data within very short period of time instead of ensuring eligibility of beneficiaries under the guidelines led to uploading unverified data through unauthorised user IDs.

***(Paragraph-2.2.5.3.1)***

State Nodal Office (SNO)/District Nodal Office (DNO) did not upload the data (10,66,593) rejected by PM-KISAN portal and PFMS afresh after carrying out necessary correction in violation of Standard Operating Procedure (SOP) issued by GoI. There was mismatch in entry of bank account numbers in the portal vis-à-vis account numbers as per the copies of the bank passbooks found appended with the application forms.

***(Paragraph-2.2.5.6)***

There were flaws in data entry of village/block names in the selected samples as well as subsequent validation to remove the errors in violation of the SOP of GoI.

***(Paragraph-2.2.5.6.1)***

In 753 out of 953 sampled beneficiaries, benefits were released though the land was in others' name as per land document found attached with application forms.

In 96 out of 953 cases, benefits were released without the land document.

In 91 out of 953 cases, benefits of the scheme were released to multiple beneficiaries with the same land documents.

In 747 out of 953 cases, application forms were not countersigned by the BNOs.

In 637 out of 953 cases, application forms were not countersigned by the LMs concerned in support of their verification.

In 654 out of 990 selected beneficiaries, names of the beneficiaries were not available in the land records maintained by Revenue and Disaster Management Department.

Out of the 990 selected beneficiaries, against 258 beneficiaries declared by GoA as ineligible, audit scrutiny revealed 654 beneficiaries as ineligible based on the land records maintained by Revenue and Disaster Management Department.

***(Paragraph-2.2.5.7.2)***

Analysis of SNO database revealed that ₹300.98 lakh was released to 3,577 fake registration numbers created by adding zero(s) at the beginning of bank account number(s) in 16 out of 33 districts.

***(Paragraph-2.2.5.9)***

Mandatory five *per cent* physical verification by Supervisory Officers was largely ineffective in the State as DAOs conducted the physical verification, but no supporting records/document was furnished.

***(Paragraph-2.2.5.14)***



Utilisation Certificates for ₹140.51 lakh out of ₹217.51 lakh received towards administrative cost was not furnished yet (October 2021) for reason not on record.

*(Paragraph-2.2.5.15 (B))*

**Recommendations:**

- *GoA should take effective steps to ensure all the anomalies in the data entry are corrected and data rejected during first and second level of validation by PM-KISAN portal and PFMS are verified for fresh uploading after carrying out necessary correction as per the provisions of relevant SOP of GoI.*
- *GoA should ensure that database of land holding farmer families is created and all eligible land holding farmer families receive the benefit of the scheme.*
- *GoA should initiate steps to ensure that an effective monitoring mechanism is put in place and activities of the State Level Review, Monitoring and Grievance Redressal Committee (SLRM&GRC) are documented properly.*
- *GoA should ensure benefits released to ineligible beneficiaries are recovered and refunded to GoI without further delay.*

*(Paragraph 2.2)*

## Compliance Audit

### **Compliance Audit on “Projects sanctioned by Ministry of Development of North-Eastern Region”**

The Ministry of Development of North-Eastern Region (MDoNER) has been sanctioning projects to eight States in the North Eastern Region (NER) to fill up gaps in infrastructure through block grants of Non-Lapsable Central Pool of Resources (NLCPR) through 90 *per cent* Central funding and 10 *per cent* contributed by the States. The identified projects under the NLCPR schemes are executed by the State Government agencies.

The new Central scheme of North-East Special Infrastructure Development Schemes (NESIDS), fully funded by the GoI, was taken up to fill up gaps of infrastructure in certain identified sectors of the Region. NESIDS was implemented for three years from 2017-18 to 2019-20. Funds were also provided for the ongoing projects under NLCPR so that they could be completed by 2019-20.

During 2015-16 to 2020-21, a total of 33 projects at an estimated cost of ₹ 1,133.83 crore were sanctioned *i.e.*, 15 projects during 2015-18 at an estimated cost of ₹ 526.41 crore under NLCPR and 18 projects during 2018-21 at an estimated cost of ₹ 607.42 crore under NESIDS under Public Works Department (PWD) (Roads & Bridges), Sports, Health, and Irrigation Departments.

Out of the 33 projects, audit test-checked 13 projects involving approved cost of ₹ 517.13 crore (reported expenditure of ₹ 325.20 crore as of June 2022) implemented by the State PWD. Out of 13 projects, seven projects had been completed and five were

in progress with physical achievement of 60 to 84 *per cent* as of September 2022, while one project was foreclosed.

During test-check, audit noted irregularities in selection of contractor, cases of extending undue financial benefit to contractors and extra expenditure, *etc.*, highlighting financial mismanagement.

Besides, audit also noted execution of works violating the technical specifications which was fraught with the risk of damage to the work so executed.

*(Paragraph 2.3)*

### **Compliance Audit on Flood Management of River Ranganadi in North Lakhimpur**

Critical flood control and river management works are covered under the Flood Management Programme (FMP). These works include river management, flood control, anti-erosion, drainage development and flood prone area development programme in critical regions. It also includes restoration of damaged flood control/management works. FMP was sanctioned by Government of India (GoI) in November 2007 during the Eleventh Five Year Plan (XI Plan) (2007-12). Spill over works of on-going Central plan schemes of Tenth Five Year Plan (X Plan) were supported under this scheme during XI Plan and spill over works of XI Plan were also supported during Twelfth Five Year Plan (XII Plan) (2012-17). Funding pattern under FMP was in the ratio of 70:30 between the Centre and the State.

GoI sanctioned (November 2013) the project ‘Flood management of river Ranganadi along with river training works on both bank embankments’ (FMP Package code: AS-131) at an estimated cost of ₹ 361.40 crore with targeted date of completion as June 2016. Government of Assam (GoA) accorded (August 2014) administrative approval to the work for ₹ 361.42 crore and the Chief Engineer (CE), Water Resource Department (WRD), technically sanctioned (October 2014) the project at a cost of ₹ 361.41 crore. The execution of work started in January 2015 with stipulated time to complete the earth work within 45 days and supplying of geo-materials including filling and laying within 180 days. However, the project was delayed due to various reasons<sup>1</sup> and achieved 100 *per cent* of physical progress only in September 2020 at a cost of ₹ 361.41 crore.

Departmental Tender Committee allotted works amongst a number of bidders by relaxing the technical eligibility selectively at its discretion without recording any justification. Criteria for distribution of works was also not specified in the bid documents and therefore, the method adopted by DTC was non-transparent and subjective. All such decisions of DTC were arbitrary and against the CVC guidelines.

*(Paragraph 2.4.2.1)*

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<sup>1</sup> Clearing of encroachments, delay in removal of electric poles, length of embankments at both sides was 60 km which took time for earthwork, *etc.*

Executive Engineer, North Lakhimpur prepared the estimates with overstated rate of geo bags. The Chief Engineer, WRD also approved the rates by ignoring the lowest rate in other works executed at the same time which paved the way for the bidders to bid higher rates as compared to the prevailing market rate resulting in extension of undue financial benefit of ₹ 7.31 crore to contractor.

*(Paragraph 2.4.2.2)*

Due to non-adoption of extant SoR rate and non-review of rate after completion of initial contract period, the Department incurred avoidable expenditure of ₹9.53 crore on procurement of geo-mat resulting in financial benefit to the contractor.

*(Paragraph 2.4.2.3)*

Failure of the Department in handing over the site and the drawings to the contractor for construction of ITI building and releasing timely payment within the agreed time schedule led to avoidable payment of ₹ 52.90 lakh as compensation to the contractor. Besides, an expenditure of ₹ 1.70 crore incurred towards construction of the building remained unproductive due to non-completion of the work over a period of eight years.

*(Paragraph 2.5)*

Executive Engineer, PWD Sorbhog and Jania Territorial Division, Barpeta Road, allowed price adjustment claim of ₹90.25 lakh for High Tensile steel to the contractor although the same item was not covered under the contract agreement for the purpose and the calculation process was arbitrary.

*(Paragraph 2.6)*

Two contractors submitted fake forest permit for ₹66.98 lakh to avoid deduction at source of forest royalty and the Executive Engineer did not verify the same in violation of due procedures stipulated under Government's instruction.

*(Paragraph 2.7)*

## GENERAL SECTOR

### Performance Audit

#### *Performance Audit on 'Functioning of Guwahati Metropolitan Development Authority'*

The Guwahati Metropolitan Development Authority (GMDA) under the administrative control of the Department of Housing and Urban Affairs, was established in 1992 as per the GMDA Act, 1985. As per the Act, the function of the GMDA was to promote and secure the development of Guwahati Metropolitan Area according to the Master Plan.

The Performance Audit (PA) on "Functioning of GMDA" revealed that except for executing some development activities under the State's Own Priority Development Schemes, GMDA was not functioning as per the spirit of the provisions/bye-laws of

the GMDA Act, 1985. The Government engaged GMDA in functions like water supply, building permission, provision of urban amenities and facilities such as parks, gardens, playgrounds, street lighting, parking lots and public conveniences which were entrusted to the Guwahati Municipal Corporation (GMC) as per the 74<sup>th</sup> Constitutional Amendment Act.

GMDA was manned with very few technical staff and all senior posts were either filled by contractual staff or on deputation from other departments. Apart from inadequate human resources to handle major projects, GMDA also lacked commitment in complying with the important decisions taken in the Authority's meetings. Although GMDA had prepared the Master Plan, it has not monitored the achievement of targets set in the Plan. The accounts of GMDA pertaining to the years from 2014-15 to 2019-20 were submitted for audit to Principal Accountant General (Audit) only in July 2021 due to delayed approval of accounts by the Authority.

An amount of ₹ 27.90 crore released as advances for different purposes from the National Games Village (NGV) Phase-1 account remained outstanding without any adjustment even after finalisation of accounts in 2014-15. Due to lack of monitoring by the Project Management Consultant (PMC) in respect of South Guwahati (West) Water Supply Project (SGWSP), 13,776.40 meters of pipes not laid by the contractor remained undetected resulting in overpayment of ₹ 6.98 crore. Instead of engaging the consultant selected after observing procurement formalities, another firm was irregularly engaged (November 2021) as consultant by GMDA on nomination basis for managing the SGWSP. An amount of ₹ 6.20 crore expended on construction of Central Library Archive-Cum-Auditorium at Amingaon remained idle for a period of over four years due to lackadaisical approach of the Executive Agency GMDA and PWD (Building), Assam. Expenditure of ₹6.38 crore on Detailed Project Report (DPR) for Guwahati Metro Rail Project was rendered unfruitful as it was rejected by GoI for non-compliance to the guidelines for setting up Metro Rail.

***Highlights:***

The capacity of GMDA was not adequate to handle major projects as it was manned with very few technical staff. It was seen that barring few development works allotted under State's Own Priority Development (SOPD) schemes, the GMDA had either failed to complete all major projects or it was completed after huge delays and incurring additional expenditure due to cost escalations.

***(Paragraph-3.2.7.5)***

Due to lack of monitoring of revenue collection as well as lack of commitment in complying with CA as well as AG's observations an amount ₹17.67 lakh remained outside GMDA's account.

***(Paragraph-3.2.8.1)***

₹35.17 crore was released as advances for different purpose from the National Games Village (NGV) account remained as outstanding without any adjustment, though the

accounts were finalised in 2014-15. Further scrutiny of unadjusted advances revealed that outstanding amount of ₹78.20 lakh remained unadjusted against one individual from March 2015.

***(Paragraph-3.2.9.2)***

The South Guwahati West Water Supply Project which was to be completed in 30 months (September 2011), remained incomplete even after 11 years of start of the Project, mainly due to defects in the DPR, non-completion of major components of the Project viz., Water Treatment Plant, Semi Under Ground Reservoirs, Elevated Service Reservoir, Pre Settlement Tank, Distribution Grid lines and Intake Well.

***(Paragraph-3.2.10.1.1)***

It was found that out of 1524.27 meter pipes to be laid by the contractor, only 1179.41 meter pipes of various diameter were laid by the contractor resulting in less execution of 344.86 meter of pipes of various diameter. However, payment was made to the contractor without verifying the actual execution of work, resulting in overpayment of ₹4.09 crore.

***(Paragraph-3.2.10.1.9)***

Scrutiny of the individual RA Bills revealed that the ‘up-to-date cumulative payment’ figure in RA Bill no. 78 was understated by ₹3.22 crore in ‘payment cleared up to previous bill’ column in RA Bill no.79, based on which the payment to the contractor was made till RA Bill 135 and the contractor was paid ₹173.16 crore instead of allocated amount of ₹170.72 crore against procurement of DI and MS pipes resulting in excess payment of ₹3.22 crore.

***(Paragraph-3.2.10.1.10)***

₹1.65 crore was irregularly paid as interest to the contractor for delayed payment of bills ignoring the additional conditions for payment mentioned in the General Condition of Contract wherein it was clearly mentioned that “After certification by the engineer payment can be arranged within 28 days but shall not be construed for any compensation in case of any delay beyond 28 days.

***(Paragraph-3.2.10.1.11)***

Due to lack of monitoring by the CEO, GMDA and lack of co-ordination between CEO, GMDA and PD, un-authorised expenditure of ₹4.33 crore was done by MD, Guwahati Jal Board for staff salary, payments to vendors, etc., violating the agreement clause. Further, the payments made against the bills submitted by the contractor were neither certified by the PMC for JNNURM Project nor the bills were jointly signed by the CEO, GMDA.

***(Paragraph-3.2.10.1.14)***

***Recommendations:***

- *GMDA should focus on promoting and securing the development of GMA in accordance with the Master Plan, so that the key problems confronting civic life in Guwahati viz. flash floods, traffic congestion, etc. are addressed.*

- *The Government should provide adequate infrastructure to GMDA to enable it to achieve the targets proposed in the Master Plan.*
- *Rules for Conduct of Business of GMDA should be framed for its smooth functioning.*
- *The Advisory Council as envisaged in the GMDA Act may be constituted and Annual Action Plan should be prepared for implementation of the Master Plan with coordination with the concerned departments.*
- *GMDA should take immediate follow up actions to comply with the decisions taken in the Authority meetings.*
- *The Authority should strictly follow the Financial Rules for managing revenue collection including maintenance of Cash Book.*
- *The Annual Budget of GMDA must be prepared regularly and submitted to the Government for approval.*
- *The Assam Financial Rules must be scrupulously followed and all outstanding advances should be recovered immediately.*
- *The accounts of GMDA should be finalised annually in time with the closure of the financial year and approved by the Authority so that it may be audited and proposed corrective measures, if any, are taken in time.*

*(Paragraph 3.2)*

## **Compliance Audit**

Procurement of tarpaulin sheets by DC, Charaideo at higher rate than the MRP resulted in excess expenditure of a minimum of ₹ 73.00 lakh. Besides, payment of ₹ 14.88 lakh made on fictitious bill and challan was suspected to be fraudulent.

*(Paragraph 3.3.1)*

Keeping untied fund in current bank account by the Deputy Commissioner (DC), Majuli and DC, Biswanath in violation of Government orders and Schematic guidelines resulted in loss of interest as well as revenue to the extent of ₹ 3.11 crore.

*(Paragraph 3.3.2)*

***CHAPTER-I***

***SOCIAL SECTOR***





# CHAPTER-I

## SOCIAL SECTOR

### 1.1 Introduction

This Chapter contains findings based on audit of State Government departments/offices under the Social Sector.

During 2020-22, against a total budget provision of ₹ 1,07,693.31 crore<sup>1</sup>, 17 departments, including three Autonomous District Councils (ADCs) viz., Bodoland Territorial Council (BTC) under Welfare of Plains Tribes and Backward Classes (WPT&BC) Department; North Cachar Hills Autonomous Council (NCHAC) and Karbi Anglong Autonomous Council (KAAC) under Hill Areas Department (HAD) incurred an expenditure of ₹ 93,759.76 crore<sup>2</sup>. **Table 1.1** and **Appendix-1.1** give details of Department-wise budget provision and expenditure incurred thereagainst by these departments.

**Table 1.1: Department-wise budget provision and expenditure during 2020-22**

Department	Grant No. and Name	Budget provisions		Expenditure	
		2020-21	2021-22	2020-21	2021-22
Co-operation	43-Co-operation	222.48	169.72	130.94	117.76
Cultural Affairs	27-Art and Culture	193.24	295.66	89.82	123.83
	28-State Archives	2.07	1.97	1.44	1.59
Higher Education	26-Education (Higher Education)	3,213.65	3,128.32	2,476.07	2,510.88
Food, Civil Supplies and Consumer Affairs	46-Weights and Measures	29.26	20.45	12.9	13.65
	37-Food Storage, Warehousing	1,366.35	1,407.61	638.20	995.75
Health and Family Welfare	29-Medical and Public Health	8,441.82	9,454.94	6,041.02	7,156.74
	24-Aid Materials	0.009	0.009	--	--
Labour and Employment	36-Labour and Employment	277.37	300.04	157.28	203.41
Public Health Engineering	30-Water Supply and Sanitation	2,930.57	1,584.48	2,020.55	1,215.63
Social Welfare	39-Social Security, Welfare & Nutrition	3,111.76	2,831.01	2,133.80	2,280.83
	40-Social Security and Welfare (Freedom Fighter)	38.04	54.39	20.99	48.01
Minorities Welfare and Development	42-Other Social Services	256.37	153.56	162.44	101.48
Sports and Youth Welfare	74-Sports and Youth Services	192.47	178.17	100	136.64
Welfare of Plains Tribes & Backward Classes (BC)	38-Welfare of SC, ST and OBC	1,932.06	1,499.29	417.27	1,079.43
	78-Welfare of Plains Tribes and BC	3,225.50	3,066.03	2,543	2,444.14
Welfare of Tea Tribes	38-Welfare of SC, ST and OBC	73.83	40.40	12.13	21.26
Guwahati Development	73-Urban Development (GDD)	1,130.15	1,156.49	168.04	791.83
Elementary Education	71-Education (Elementary, Secondary etc.)	15,092.7	16,320.98	11,868.15	13,953.89
Secondary Education					
Pension & Public Grievance	23-Pension	9,652.22	9,643.8	10,323.35	17,214.05

<sup>1</sup> 2020-21: ₹ 53,946.24 crore and 2021-22: ₹ 53,747.07 crore.

<sup>2</sup> 2020-21: ₹ 41,447.72 crore and 2021-22: ₹ 52,312.04 crore.

Department	Grant No. and Name	Budget provisions		Expenditure	
		2020-21	2021-22	2020-21	2021-22
Hill Areas	70-Hill Areas	27.82	31.76	1.71	12.89
	76-Hill Areas Department (KAAC)	1,735.7	1,697.23	1,496.09	1,306.62
	77-Hill Areas Department (NCHAC)	800.8	710.76	632.53	581.73
<b>Total (includes Charged)</b>		<b>53,946.24</b>	<b>53,747.069</b>	<b>41,447.72</b>	<b>52,312.04</b>

Source: Appropriation Accounts 2020-21 & 2021-22

### **1.1.1 Planning and conduct of audit**

Performance Audit and Compliance Audit are conducted as per the Annual Audit Plan (AAP). Auditable entities for Compliance Audit are selected following risk assessment methodology of Apex Units, Audit Units and Implementing Units involving matters of financial significance, past audit coverage, findings of previous Audit Reports, media reports, etc. In case of Performance Audit, criteria are framed on the basis of financial significance, major policy announcements/initiatives of Government included in the Budget Speech, budget allocation, etc. Inspection Reports are issued to the heads of units after completion of audit. Based on the replies received, audit observations are either settled or further action for compliance is advised. Important audit findings are processed further as Compliance Audit Paragraphs for inclusion in the Audit Report of the Comptroller and Auditor General of India.

During 2020-22, out of 1,746 auditable entities<sup>3</sup> under the Social Sector, 156 auditable units<sup>4</sup> were audited involving an expenditure of ₹ 23,776.84 crore<sup>5</sup> (including expenditure incurred in earlier years). This chapter contains a Performance Audit on **Direct Benefit Transfer** and three Compliance Audit Paragraphs.

## **Performance Audit**

### **Welfare of Minorities & Development Department and Women & Child Development Department**

#### **1.2 Performance Audit on Direct Benefit Transfer (DBT)**

Direct Benefit Transfer (DBT) was a major reform initiative of Government of India (GoI) to ensure better and timely delivery of benefits from Government to the people. DBT in Assam started with the constitution of a DBT Cell in August 2017. The State DBT portal is hosted by the Department of Information and Technology and its onsite technical support is being maintained under Finance Department, the nodal department for DBT. There are 94 schemes (17 Departments) registered under State DBT portal. Audit reviewed four DBT schemes (two Centrally Sponsored Schemes, one Central Sector Scheme and one State Sector Scheme) for the period from 2017-18 to 2019-20 namely, Pre-matric scholarship of SC, ST and Minority students and Deen Dayal

<sup>3</sup> 2020-21: 835 and 2021-22: 911

<sup>4</sup> 2020-21: 99 and 2021-22: 57

<sup>5</sup> 2020-21: ₹ 12,835.09 crore and 2021-22: ₹ 10,941.75 crore.

Divyangjan Pension Scheme. Audit examined five sampled districts<sup>6</sup> and covered 101 Institute Nodal Officers across the sampled districts.

**Highlights:**

*The State DBT Cell did not create adequate IT infrastructure and robust database for seamless implementation of various Central and State schemes under DBT.*

*(Paragraphs-1.2.8.1, 1.2.8.2, 1.2.8.3 & 1.2.8.4)*

*During 2018-19 to 2019-20, audit noted 2,424 cases where the same beneficiaries had claimed pension in multiple districts under Deen Dayal Divyangjan Pension Scheme.*

*{Paragraph-1.2.9.1.1 (iii)}*

*There were instances of excess payment being made to duplicate beneficiaries. Excess payment of ₹ 1.90 crore was made to 1,901 beneficiaries under Deen Dayal Divyangjan Pension Scheme while 451 students had availed scholarship under Pre-matric Scholarship for ST more than once resulting in excess payment of ₹ 10.21 lakh.*

*{Paragraphs-1.2.9.1.1 (iv), 1.2.9.3.2(i)}*

*Payment of scholarships at hostel rates was made to students of such schools where there was no hostel facility. During test-check of 101 schools, audit witnessed fraudulent payment of ₹ 5.92 crore in 86 such schools on account of scholarship payment to minorities students towards hostel charges.*

*{Paragraph-1.2.9.2.2(iii)}*

*In sampled districts, fake payment of scholarship amounting to ₹ 2.98 crore was made to 3,138 students who were not enrolled in schools.*

*{Paragraph-1.2.9.2.2(vi)}*

## **1.2.1 Introduction**

### **1.2.1.1 Background**

Direct Benefit Transfer (DBT) was a major reform initiative of GoI to ensure better and timely delivery of benefits from the Government to the people. This marked a paradigm shift in the process of delivering benefits like wage payments, fuel subsidies, food grain subsidies, etc. directly into the bank accounts of beneficiaries and aimed to remove leakages and enhance financial inclusion.

### **1.2.1.2 Vision of Direct Benefit Transfer**

Rule 87 of General Financial Rules, 2017 regarding DBT stipulates that:

(1) Transfer of benefits should be done directly to beneficiaries under various Government schemes and programmes using Information and Communication

<sup>6</sup> Kamrup (Rural), Dibrugarh, Dhubri, Cachar & Nagaon

Technology (ICT). Necessary process reengineering to minimise intermediary levels and to reduce delay in payments to intended beneficiaries with the objective of minimising pilferage and duplication should be done for all Government schemes and programmes. The process for implementation of DBT as prescribed should be adopted.

(2) DBT should include in-kind and cash transfers to beneficiaries as well as transfers/honorarium given to various enablers of government schemes like community workers, etc. for successful implementation of schemes.

(3) Transfer of cash benefits from Ministries/Departments should be done (a) directly to beneficiaries from Ministries/Departments; (b) through State Treasury Account; or (c) through any Implementing Agency as appointed by the Centre/State Governments.

### **1.2.1.3 Pre-requisites of DBT**

The principal objective of DBT is to facilitate direct processing and credit of payments to legitimate beneficiaries in the right account and at the right time *i.e.*, without undue delay.

The pre-requisites of DBT are:

- Digitisation of database of beneficiaries;
- Opening of bank accounts of beneficiaries;
- Enrolment of beneficiaries for seeding of Aadhar (Unique Biometric Identification Number).

### **1.2.1.4 Status of DBT in the State**

In Assam, the State DBT cell was constituted on 22 August 2017 with Chief Secretary to Government of Assam (GoA) as the Chairperson. The State DBT portal is coordinated by the Department of Information and Technology and its onsite technical support is being maintained under the Finance Department, the nodal Department for DBT. As on 18 September 2020, the State has registered 94 schemes implemented by 17 Departments in DBT Bharat portal.

### **1.2.1.5 Population of SC, ST, Minority and Differently abled persons in the state**

The population of SC, ST, Minorities and Differently abled persons in Assam as per Census 2011 is shown in *Table 1.2*.

**Table 1.2: Category wise Population**

<b>Population Group</b>	<b>Population as per census 2011 (in lakh)</b>	<b>Percentage of State population (in per cent)</b>
Scheduled Castes (SCs)	22.31	7.15
Scheduled Tribes (STs)	38.84	12.45
Minorities	119.47	38.29
Differently abled	4.80	1.54

### 1.2.2 Audit Scope and Methodology

Audit reviewed four DBT schemes for the period from 2017-18 to 2019-20 as detailed in *Table 1.3*.

**Table 1.3: Selected DBT Schemes**

Sl. No.	Name of the scheme	Ministry/Department	Mode of Transfer of Funds	Type-Ownership/Sponsor
1	Deen Dayal Divyangjan pension	Social Welfare Department	NEFT/ RTGS	State Sector
2	Pre-Matric Scholarship of minority students	Welfare of Minorities & Development	PFMS	Central Sector
3	Pre-Matric scholarship of ST students	Welfare of Plain Tribe and Backward Classes	PFMS	Centrally Sponsored
4	Pre-Matric scholarship of SC students	Welfare of Plain Tribe and Backward Classes	PFMS	Centrally Sponsored

Public Financial Management system (PFMS) is a web-based online software application developed and implemented by the Office of the Controller General of Accounts (CGA). PFMS was initially started during 2009 as a Central Sector Scheme of the Planning Commission with the objective of tracking funds released under all Plan schemes of GoI, and real time reporting of expenditure at all levels of programme implementation. Further, from 01 April 2015, PFMS has been made mandatory for payment accounting and reporting under DBT.

National Electronic Funds Transfer (NEFT) is a secured, economical, reliable and efficient system of funds transfer between banks while Real Time Gross Settlement (RTGS) is a continuous and real-time settlement of fund transfers.

It can be seen from the table above that Deen Dayal Divyangjan Pension Scheme had not migrated to the PFMS platform.

Audit reviewed three broad areas of enquiry:

- Audit of scheme—involving collection of granular IT data on beneficiaries' eligibility, payment calculation and authorisation, *etc.* from the scheme management software.
- Audit of IT platform being used for DBT in-cash transfer to the beneficiaries.
- Audit of transfer of grants to beneficiaries-whether and to what extent beneficiaries have received the benefits.

An Entry Conference was held (December 2020) with the Additional Secretary of Finance, Deputy Director of Social Welfare Department, Additional Commissioner of Panchayat and Rural Development Department and others<sup>7</sup> wherein the audit approach, scope and coverage were explained. The draft Report was issued to the Government on 10 May 2022 and an Exit Conference was held on 20 May 2022 wherein views expressed by the Department in respect of the audit findings were discussed. Departmental replies, wherever received, have been appropriately incorporated in the Report.

<sup>7</sup> Director, Finance (Institutional Finance) Department, Joint Secretary, Panchayat and Rural Development Department (P&RD) Senior Finance and Account Officer (FAO), P&RD, State Project Manager, P&RD

### 1.2.3 Audit Objectives

The Performance Audit was taken up to assess whether:

- i. required infrastructure for DBT had been created;
- ii. process of identification and authentication of beneficiaries was adequate; and
- iii. DBT payment process was efficient.

### 1.2.4 Audit Criteria

The main source of audit criteria was derived from the following:

1. Documents, circulars, orders, instructions, and notification issued by DBT Mission, Central Ministries and State Government.
2. Standard Operating Procedures, Handbook on DBT and Guidelines for State DBT Cell issued by DBT Mission.
3. Guidelines, documents, circulars, orders and instructions of selected schemes.

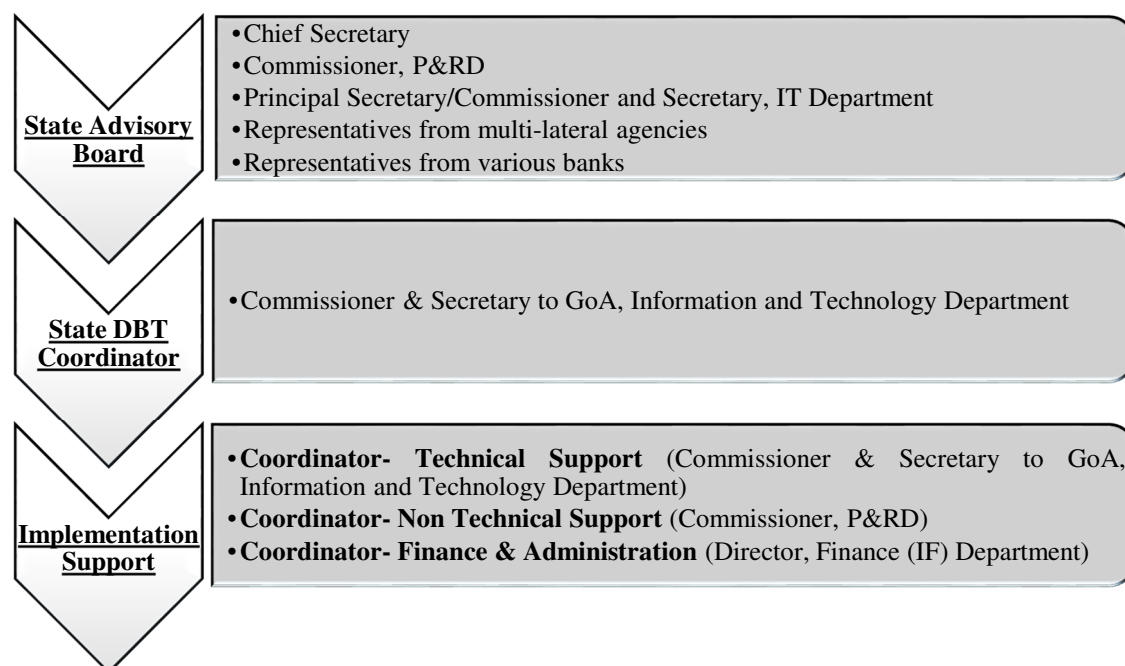
### 1.2.5 Sampling and Audit coverage

Considering the prevailing Covid-19 situation which placed restrictions on free and easy travel, the samples for the PA were selected by applying judgmental sampling. The selection of districts was done based on approachability *i.e.*, either the neighbouring districts of Guwahati or those accessible by direct means of transport. On this basis, five districts were selected *viz.*, Kamrup (Rural), Dibrugarh, Dhubri, Cachar and Nagaon.

### 1.2.6 Organisational set up

Organisational set up of DBT Cell in Assam is depicted below:

**Chart 1.1: Organisational chart**



Source: Guidelines for State DBT Cell issued by the DBT Mission, Cabinet Secretariat.

### 1.2.7 Fund position

The fund disbursement position of the selected schemes through DBT is as shown in **Table 1.4**.

**Table 1.4: DBT under the four Selected Schemes**

(₹ in crore)				
Name of the scheme	2017-18	2018-19	2019-20	Total
Deen Dayal Divyangjan Pension Scheme	Nil*	167.79	176.66	<b>344.45</b>
Pre-Matric Scholarship for Minority Students	109.44	60.89	161.16	<b>331.49</b>
Pre-Matric Scholarship for ST Students	2.03	0.65	0.98	<b>3.66</b>
Pre-Matric Scholarship for SC Students	0.70	0.008	0.06	<b>0.768</b>

*Source: NSP data collected centrally from NIC.*

\* The scheme was implemented from FY 2018-19

### 1.2.8 Audit Findings

#### 1.2.8.1 DBT Infrastructure

According to guidelines issued by DBT Mission, GoI, each Ministry/Department has to create a DBT Cell which shall be headed by an officer not below the rank of Joint Secretary and comprise of officials handling the schemes. DBT Cell shall identify DBT schemes or DBT component of the schemes. It shall study the existing process flow and fund flow under each scheme and reengineer the same wherever necessary. The Cell shall be responsible for liaising with all stakeholders for seamless transitioning of schemes to DBT. The Cell shall act as a nodal point for all activities and matters related to DBT operations in the State.

Records showed that to fulfil the responsibilities, a State Advisory Board was constituted (September 2016) under the chairmanship of the Chief Secretary to GoA. The Commissioner and Secretary, IT Department was the State DBT Coordinator and acted as nodal officer for all DBT related matters of the State.

As per orders, the Advisory Board should meet once in a quarter or at any regular interval. The function of the State DBT Coordinator was to support different departments to work towards DBT implementation across schemes. The Implementation Support layer consisted of three coordinators who were responsible for technical, non-technical and finance & administrative support. The function of technical support was to facilitate all kinds of technical support for implementing DBT in various schemes, collecting and analysing data received from various departments.

Records further showed that GoA through addendum order (August 2017) shifted the responsibility for implementation of DBT to Finance Department from IT Department and nominated Principal Secretary/Commissioner and Secretary, Finance as DBT coordinator and Convener of the State Advisory Board. Accordingly, the State DBT Cell was set up (August 2017) under the Chairmanship of Chief Secretary to GoA and DBT Project Management Unit was set up (December 2021) under the Finance Department.

Audit found that no data regarding beneficiaries has been aggregated by the State DBT Cell in any of the four selected schemes. Also, no scheme/Department specific ICT

application has been developed in the selected schemes, to enable effective data capture by the DBT Cell.

Further, as per DBT cell guidelines of GoI, there was a provision for training of staff and exposure visits for the State/district officials in DBT progressive states for familiarising them with model practices were to be initiated by the State DBT coordinator. However, no initiative to impart training of staff and exposure visits for the State/district officials were found on record nor were such details made available to audit. During physical verification of 101 institutes in the sampled districts as a part of the audit of one of the DBT schemes<sup>8</sup>, 82 sampled institutes stated that no training had been given either at district or State level regarding DBT and no workshop had been arranged by the DBT cell regarding verification of beneficiaries while the remaining 19 sampled institutes have not disbursed any scholarships. Thus, in the absence of any record of usage of any scheme specific ICT application and training/support by the DBT Cell, functioning of implementation support layer was found not compliant with the extant provisions.

#### **1.2.8.2 Non-functional State DBT Portal**

As per the DBT mission guidelines, every State needs to develop their own State DBT portal with provision to add data of DBT schemes being implemented by their departments. It was required to provide aggregated real time view of DBT applicable scheme running in Center and State and get aggregated dashboard and information. Once State DBT portal gets data from the departments and generate aggregated report, aggregated data of scheme from State DBT portal will be shared on monthly basis to DBT Bharat Portal.

Although, the DBT portal<sup>9</sup> for the State was developed to facilitate beneficiaries to apply directly to avail benefit of the schemes implemented by GoA through ICT-enabled DBT application, audit, however found that the so called DBT Portal was non-functional and no data was found uploaded in the State DBT portal as well as DBT Bharat Portal.

Thus, in the absence of any data in State DBT portal and non-integration of scheme-specific MIS with the State DBT portal, the integrity of data available with the respective departments remained unreliable which was also indicative of poor internal control and monitoring.

#### **1.2.8.3 Failure to achieve the objectives of setting up of the State DBT Cell**

As per the Guidelines for State DBT Cell, the State DBT Cell was expected to achieve the following objectives:

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<sup>8</sup> Pre-matric scholarship for minorities

<sup>9</sup> Department provided two portal links to Audit viz., <https://www.dbt.assam.gov.in> and <https://assamfinanceloans.in/>



- i. Coordinating with Centre/Ministries and disseminating the directives to the respective departments in the States.
- ii. Developing scheme/department-specific ICT applications to capture data pertaining to DBT more effectively.
- iii. Closely monitoring and evaluating the progress of various departments on DBT-related indicators vis-à-vis expected outcomes.
- iv. Incorporating best practices and international experiences to enhance the effectiveness of benefits delivery.
- v. Partnering with multi-lateral agencies and consulting firms to piggyback on their technological and industry knowledge.

However, the State DBT Cell in Assam did not play the envisaged role in implementation of DBT enabled schemes as no aggregate data of the schemes being implemented in the State was available with them.

#### 1.2.8.4 Non-classification of schemes as DBT schemes

As per DBT Mission Guidelines, use of PFMS is mandatory for payment accounting and reporting under DBT *w.e.f.*, 01 April 2015. DBT Cell has the responsibility to identify DBT schemes or DBT components of schemes and classify them.

However, audit scrutiny revealed the following:

- A total of 94 schemes under 17 departments have been brought under the ambit of DBT in the State. However, it was observed that out of the four schemes covered by Audit, funds under Deen Dayal Divyangjan Pension scheme were transferred to beneficiaries through NEFT/RTGS in violation of the guidelines. As such, tracking of funds released under the scheme, and real time reporting of expenditure at all levels of programme implementation remained unknown.
- Further, guidelines/norms/instructions formulated by the State DBT Cell for classifying a scheme as a DBT scheme was neither found on record nor could be provided to audit, though called for.

### 1.2.9 Scheme Implementation

#### 1.2.9.1 Deen Dayal Divyangjan Pension Scheme

In pursuance of the Persons with Disability Act, 1995 (Right of Persons with Disability Act, 2016) the State Government launched (2018-19) State Sector Scheme 'Deen Dayal Divyangjan Pension Scheme' with the objective to provide monthly pension of ₹ 1,000 to differently-abled persons for taking care of their health needs. The Scheme is being implemented by Social Welfare Department.

As per the scheme guidelines, beneficiaries' eligibility criteria, identification, assistance and process of transfer of funds are as below:

- **Eligibility Criteria and Components of Assistance:** The applicant must be a resident of Assam, and have a Disability Certificate issued by the competent authority of the health services of the district confirming more than 40 *per cent* disability. The

applicant must have a bank account in a nationalised bank or have joint bank account with father/ mother/ legal guardians in special cases, such as of minor/mentally challenged/ill beneficiaries, etc.

• **Beneficiaries' identification:** District Social Welfare Officer (DSWO), being the nodal officer for implementation of the scheme, collects application forms in the prescribed format. After scrutiny of application forms and verification of contents, the DSWO convenes a meeting of District Level Selection Committee (DLSC), constituted and notified by the Government, which finalises the list of beneficiaries and forwards the same to the Social Welfare Directorate for financial sanction and release of funds directly to the accounts of beneficiaries through electronic mode of transfer. DLSC may send additional lists any number of times as and when new beneficiaries are verified by it.

• **Process of transfer of fund:** The application form for enrolment is circulated through Anganwadi workers under Child Development Project Officer (CDPO). CDPOs compile the beneficiary list of eligible persons who submit their applications along with required documents<sup>10</sup> and transmit it to the DSWO in hard copy. At district level, all the reports collected from various CDPOs are compiled in MS Excel format for submission to Social Welfare Directorate for payment purpose. The Director, after compilation of records received from various districts, submits the proposal to Government for sanction. On receipt of funds from the Government as Grants-in-Aid, the fund is kept in a separate bank account maintained for the scheme and payment to selected beneficiaries is made through NEFT/RTGS.

• Since inception of the scheme (2018-19), payment of ₹ 344.45 crore was made to 2,91,580 beneficiaries during 2018-19 to 2019-20 as shown in **Table 1.5**.

**Table 1.5: Expenditure during audit period**

Year	No. of beneficiaries	Expenditure (₹in crore)
2018-19	1,40,848	167.79
2019-20	1,50,732	176.66
<b>Total</b>	<b>2,91,580</b>	<b>344.45</b>

*Source: Database provided by Director, Social Welfare Department.*

### **Audit Findings:**

Audit findings on implementation of the scheme are discussed in the succeeding paragraphs:

#### **1.2.9.1.1 Beneficiary identification and enrolments in Scheme Management**

The Department did not put any IT based system in place for beneficiary lifecycle management, payments and generation of reports for monitoring and evaluation of scheme implementation process in compliance with DBT guidelines. Instead, the beneficiary identification and enrolment activities were being carried out manually using MS-Excel application and pension disbursement to beneficiaries was made

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<sup>10</sup> Disability certificate, photograph, bank account details along with IFSC, address proof.

through NEFT/RTGS. In absence of a system-based mechanism, audit observed the following irregularities:

**(i) Beneficiary Digitisation & Management Mechanism**

Beneficiary database creation is one of the foremost steps for setting up a scheme under DBT framework. While implementing the scheme, agencies should identify the beneficiaries and prepare digitised database comprising name, address, date of birth, percentage of disability, bank account number, IFSC code and mobile number. Subsequently mapping of bank account/postal account, Unique ID and mobile number of each beneficiary was also essential in the process.

Audit observed that in the database prepared by the Directorate, Unique ID, Father's Name, Age, Disability percentage and mobile number was not available. Further, the Directorate was maintaining data sets manually (MS Office tools) after collecting data from districts. For instance, none of the beneficiaries had their mobile number recorded in the database and also no systemic solution existed in the database to detect duplicate beneficiaries or ineligible beneficiaries. Instances of fraudulent payment to ineligible beneficiaries were noticed as discussed in *Paragraph 1.2.9.1.1 (iii)*.

While accepting the audit observation, GoA stated (May 2022) that the database of selected beneficiaries has been prepared in MS Excel and presently beneficiaries are mapped with their mobile numbers after necessary field verification. However, MS Excel is an office productivity tool, with limited data security and data validation features, and therefore preparation of database in MS Excel format does not address the audit observation on lack of proper database to manage the beneficiary database. Since MS Excel is not a relational database utility, the Government should adopt any PFMS or centralised database tool to avoid beneficiary duplication.

**(ii) Absence of Unique identifier**

In Assam, unique identifier like Unique Biometric Identification Number adoption has not yet been completed. In absence of Unique Biometric Identification Number, a unique ID should have been adopted in order to uniquely identify the beneficiaries. As a result, benefits were found to have been transferred to 2,424 duplicate beneficiaries<sup>11</sup> as discussed in *Paragraphs 1.2.9.1.1 (iii) and (iv)*.

While accepting the audit observation, GoA stated (May 2022) that mapping of beneficiaries with Unique Biometric Identification Number is under process.

**(iii) Multiple payment to same beneficiary accounts**

On scrutiny of pension disbursement data provided by the Directorate, it was noticed that during 2018-19 to 2019-20, the account number of more than one beneficiary was found to be the same during the same period payment file in 2,424 cases. The same account number was being credited with disability pension in multiple districts also as if these were separate beneficiaries. The district-wise number of beneficiaries whose

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<sup>11</sup> 2018-19: 1,617 and 2019-20: 807

account number and IFSC was found to be the same is given in **Appendix-1.2**. The abstract of cases where payment was made more than once for the same period is given in **Table 1.6**.

**Table 1.6: No. of cases paid more than once for the same period**

2018-19				2019-20			
No. of times the bank account was credited	Total no. of beneficiaries involved	Total	Amount involved (₹)	No. of times the bank account was credited	Total no. of beneficiaries involved	Total	Amount involved (₹)
7	1	7	33,000	24	2	48	1,92,000
6	205	1,230	49,20,000	9	2	18	72,000
4	57	228	11,26,000	6	6	36	1,44,000
2	76	152	13,68,000	3	1	3	9,000
				2	351	702	21,12,000
<b>Total</b>		<b>1,617</b>	<b>74,47,000</b>	<b>Total</b>		<b>807</b>	<b>25,29,000</b>

*Source: Database, Director of Social Welfare, GoA.*

For instance, two beneficiaries had claimed pension from two districts each in 2018-19 and eight districts each in 2019-20 respectively. Further verification by audit revealed that a contractual worker at Social Welfare Directorate, who was responsible for compilation of data at Directorate level, had fraudulently claimed the pension for self, from two and three districts<sup>12</sup> during 2018-19 and 2019-20 respectively. After pointing out the issue to the Director, Social Welfare, the worker refunded<sup>13</sup> an amount of ₹ 60,000. This indicated lack of input and processing controls as the system had not flagged the duplicate entries at the time of data entry, thereby leading to multiple payment to the same beneficiaries.

On this being pointed out, GoA stated (May 2022) that a letter was issued (15 February 2021) to various DSWOs for verification and recovery of excess payments made to beneficiaries under the scheme for the years 2018-19 and 2019-20. Accordingly, recovery of excess payments against two beneficiaries had already been done in Cachar district. Payments to all other bank accounts are currently on hold as the beneficiaries were unable to return the excess payment. Further, in the case of the contractual employee, GoA stated that the employee has been released from the Directorate. However, no record related to any further legal action against the contractual employee was furnished to audit.

Since this was a case of fraudulent withdrawal/misappropriation of Government money, the Department may initiate legal action by registering First Information Report (FIR) against the contractual employee.

#### **(iv) Excess payment**

The objective of the scheme is to provide monthly pension of ₹ 1,000 to each of the differently-abled persons for taking care of their health. During audit scrutiny, it was noticed that payment was made in three/four instalments for the whole year instead of making monthly payments. Instances of payment exceeding ₹12,000 in a year was also

<sup>12</sup> Lakhimpur and Barpeta in 2018-19; Lakhimpur, Barpeta and Dhubri in 2019-20.

<sup>13</sup> vide Cheque number 173065 dated 15 February 2021 in favour of 'Director, Social Welfare, Deen Dayal Divyangjan Pension'

noticed, leading to excess payment of ₹ 1.90 crore involving 1,783 and 118 beneficiaries during 2018-19 and 2019-20 respectively. Use of an IT-based platform and validation controls could have prevented such instances.

While accepting the audit observation, GoA stated (May 2022) that excess payments from two beneficiaries has already been recovered and payments to all other bank accounts are currently on hold as the beneficiaries were unable to return the excess payment.

**(v) Shortcomings of Scheme Guidelines**

For successful implementation of any scheme, it is pertinent that the guidelines are drafted with utmost care, taking into account a holistic approach right from the stage of policy making to delivery of services to the intended beneficiaries. Yet, in the case of the scheme, there were several shortcomings in the guidelines itself, which are discussed below:

- No provision had been made in the scheme guidelines to ascertain instances such as cases of death of beneficiaries, through periodic verification.
- The scheme guidelines were silent about the entitlement of pension to a beneficiary getting disability pension from other departments. The guidelines do not explicitly deny pension to government employees.
- No income criteria is mentioned in the scheme guidelines. Consequently, people with high income may also avail the benefit.

**Conclusion:** There is no system-based mechanism to verify the data of beneficiaries. The database of selected beneficiaries had been manually prepared and maintained in MS Excel by the Department in which beneficiary data was vulnerable to manipulation. This resulted in the same beneficiaries claiming pension from multiple districts, fraudulent withdrawal at Directorate level, *etc.* In Assam, unique identifier like Unique Biometric Identification Number adoption has not yet been completed. In absence of Unique Biometric Identification Number, a unique ID should have been adopted in order to uniquely identify the beneficiaries. As a result, benefits had been transferred to 2,424 duplicate beneficiaries.

**Recommendation:** *Social Welfare Department may review the guidelines of Deen Dayal Divyangjan Pension Scheme including introduction of income criteria, periodic verification to exclude/weed out ineligible beneficiaries and denial of any other similar pensionary benefits by the beneficiaries of this scheme. The Department may also migrate this scheme to a suitable IT platform with proper enrolment and validation procedures so that instances of beneficiaries claiming pension from multiple districts can be avoided. Legal action needs to be taken against persons preferring fraudulent claims.*

## 1.2.9.2 Pre-Matric scholarship of Minorities

### 1.2.9.2.1 Introduction

Pre-matric scholarship of Minorities was announced (June 2006) under Central Sector Scheme with the aim to encourage parents from minority communities to send their child(ren) to school, lighten their financial burden due to school education and sustain their efforts to support their children to complete school education. It is being implemented by Assam Minorities Development Board (AMDB). Scholarship is being provided to the meritorious students from minorities communities from Class I to Class X. As per scheme guidelines, the eligibility criteria, selection procedure and procedure of payment are as follows:

- **Eligibility criteria:** the beneficiary must secure not less than 50 *per cent* marks in the previous final examination and annual income of their parents/guardian from all sources should not exceed ₹ one lakh.

- **Selection procedure:**

**Fresh** –For selection of fresh students, apart from meeting the eligibility criteria for marks secured in the previous final examination, as the number of scholarships for minorities available in a year is fixed and limited, a merit list up to the available number of scholarships is generated with *inter-se* weightage to poverty (income certificate is given) and in case of same income, based on ‘Date of Birth’ (Senior preferred).

**Renewal** –Renewal does not go through the merit list process. The only requirement is that one has obtained 50 *per cent* in his/her previous year’s examination (at the same Institute and in the same course) and his/her application is verified by all authorities (as designated by Ministry of Minority Affairs) and approved by the State Government.

- **Rate of Scholarship:** The quantum of financial assistance provided for admission/ tuition fee and maintenance allowance (as per Paragraph 9 of the guidelines) during 2017-18 to 2019-20 was as given in **Table 1.7**.

**Table 1.7: Rate of Scholarship**

Item	Rate of Scholarship
Rate of Scholarship (Admission <i>plus</i> Tuition Fee)	Admission Fee for Class VI to X: ₹500 per <i>annum</i> subject to actuals (both Hostel dwellers & Day Scholars)
	Tuition Fee for Class VI to X: ₹350 per month subject to actuals (both Hostel dwellers & Day Scholars),
Maintenance Allowance	For Class I to V*: ₹100 per month for Day Scholars
	For Class VI to X*: ₹600 per month for Hostel dwellers and ₹100 per month for Day Scholars

\*For 10 months in an academic year

- **Procedure of payment:** Eligible minority students have to fill an online application form on National Scholarship Portal (NSP), providing the basic details, bank details, *etc.* These applications are to be verified at institute level and District level and forwarded to the Ministry of Minority Affairs (MoMA) through NSP after verification.

MoMA examines the fulfilment of criteria and generates the merit list. On finalisation of the merit list, and after e-signing the PFMS file for payment by the State Nodal Officer<sup>14</sup>, the scholarship amount is transferred directly to the bank account of the beneficiary through PFMS.

During the period covered in audit, expenditure amounting to ₹ 331.49 crore was made against 6,13,667 beneficiaries as shown in **Table 1.8**.

**Table 1.8: Year wise Expenditure**

Year	Fresh	Renewal	Total No. of beneficiaries	Expenditure (₹ in crore)
2017-18	1,69,314	52,622	2,21,936	109.44
2018-19	97,426	18,653	1,16,079	60.89
2019-20	2,37,884	37,768	2,75,652	161.16
<b>Total</b>			<b>6,13,667</b>	<b>331.49</b>

Source: NSP data collected centrally from NIC.

### **Audit Findings:**

Audit findings on implementation of the scheme are discussed in succeeding paragraphs:

#### **1.2.9.2.2 Beneficiary Identification and Enrolment**

Scheme guidelines specifically mentioned some criteria for identification and selection of beneficiaries for enrolment in the scholarship programme. However, audit noticed non-compliance of the scheme guidelines leading to selection and payment of scholarship to ineligible beneficiaries as discussed in the following paragraphs.

##### **i) Ineligible students whose parents' annual income exceeded ₹1.00 lakh**

As per Paragraph 4 of the guidelines, "Scholarship will be awarded to the students who have secured not less than 50 *per cent* marks in the previous final examination and annual income of their parents/guardians from all sources does not exceed ₹ one lakh".

During scrutiny, it was noticed that scholarship was given to 64 students whose parents' stated annual income was more than ₹ 1.00 lakh. Total amount paid in such cases was ₹ 2.00 lakh as shown in **Table 1.9**.

**Table 1.9: Ineligible students whose parents' annual income exceeded ₹1.00 lakh**

Year	Number of applicants	Amount Paid (in ₹)
2017-18	28	67,870
2018-19	11	35,600
2019-20	25	96,600
<b>Grand Total</b>	<b>64</b>	<b>2,00,070</b>

Source: NSP data collected centrally from NIC.

On this being pointed out, Director, AMDB stated (December 2020) that selection of beneficiary was done by MoMA. The reply is not acceptable as the scheme guidelines clearly mention that Institute Nodal Officer (INO) of the school has to check and verify the application of students and forward the same to District Nodal Officer (DNO) for approval. DNO, after verification, shall forward the same to MoMA for payment.

<sup>14</sup> Director, AMDB

**ii) Selection of beneficiaries was not document based**

As per Paragraph 4 of the guidelines, “Scholarship will be awarded to the students who have secured not less than 50 *per cent* marks in the previous final examination and annual income of their parents/guardians from all sources does not exceed ₹ one lakh”. Further as per Paragraph 11(ii) of the guidelines, ‘an income certificate, issued from a competent authority in the State Government, is required in respect of parent/guardian of the student.’”

Since limited number of students are selected for fresh scholarships, the criterion of annual family income plays a vital role to determine the eligibility of the student under the scheme.

Scrutiny showed that out of 6,13,667 students, 2,53,408 students had stated that their parent’s annual income from all sources was less than ₹ 20,000, out of which the annual family income of 7,245 students were stated to be even below ₹ 5,000. The stratified family income of students is given in **Table 1.10**.

**Table 1.10: Stratified Family Income of students (in ₹)**

Year	0-5,000	5,000-10,000	10,000-20,000	20,000-50,000	Above 50,000	Total
2017-18 (F)	2,313	6,924	61,562	98,198	317	<b>1,69,314</b>
2017-18 (R)	382	694	7,133	40,302	4,111	<b>52,622</b>
2018-19 (F)	998	7,466	31,746	50,036	7,180	<b>97,426</b>
2018-19 (R)	103	809	4,703	12,029	1,009	<b>18,653</b>
2019-20 (F)	3,212	9,795	1,04,299	1,18,052	2,526	<b>2,37,884</b>
2019-20 (R)	237	1,668	9,364	22,791	3,708	<b>37,768</b>
<b>Total</b>	<b>7,245</b>	<b>27,356</b>	<b>2,18,807</b>	<b>3,41,408</b>	<b>18,851</b>	<b>6,13,667</b>

Source: NSP data collected centrally from NIC.

It is evident from **Table 1.10** that the annual family income stated by around 41 *per cent* of the beneficiaries were less than ₹ 20,000. However, no documentary evidence had been submitted along with the application to ascertain the genuineness of the parent’s annual income. Analysis of the data revealed that the merit list preparation was influenced primarily by the stated income, which was not supported by any income certificate. Thus, there was a possibility of selection of ineligible beneficiaries denying the legitimate applicants with comparative higher family income (within ₹ one lakh) for want of proof of income.

In response to the survey of the sampled schools during physical verification, INOs of 43 out of 101 schools in five sampled districts, stated that no income certificate verification was carried out at their level before forwarding the same to the higher level.

While accepting the observation, the Director, AMDB stated (May 2022) that uploading of income certificate is not mandatory. The justification provided by the Director was not acceptable as the INO was required to maintain physical copies of supporting documents submitted by students/applicants and verify the correctness of details in the application forms as per Standard Operating Procedure (SOP) of NSP.



**iii) Fraudulent claim and disbursement of Maintenance Allowance at Hostel rates**

Minority scholarship is provided against two separate items—a variable amount of scholarship on account of Admission Fee and Tuition Fee (based on actuals subject to a maximum) and a fixed sum as maintenance allowance at the rate of ₹ 1,000 per *annum* for day scholars of classes I to X and ₹ 6,000 per *annum* in case of hostel dwellers of classes VI to X.

**Table 1.11** shows the maximum amount of eligible scholarship per *annum*:

**Table 1.11: Maximum outgo of admission fee, tuition fee and hostel rate**

Student Class	Maximum allowed for any student		Maximum outgo per student as scholarship	
	Admission Fee plus Tuition Fee	Maintenance Allowance	Day Scholar	Hostel dweller
Class I to V	Not applicable	₹1,000	₹1,000	Not applicable
Class VI to X	₹4,700	₹6,000	₹5,700	₹10,700

As can be seen from the Table above, the difference of ₹ 5,000 in maintenance allowance for a day-scholar and a hostel dweller studying in classes VI to X is significant and leads to almost doubling of the total outgo on minority scholarship between a day scholar and a hostel dweller.

During field visit to 101 sampled schools, it was found that 87 schools had claimed scholarship at hostel rates for many of their students. However, only one school<sup>15</sup> was having a hostel in the school. In the case of the remaining 86 schools, existence of hostel was not found during field visit. This was further verified with the Unified District Information System for Education (UDISE) database where all the 86 institutes are registered without any residential facility. Thus, 86 of these schools falsely claimed scholarship at hostel rates for many of their students as detailed in **Table 1.12**.

**Table 1.12: District-wise number of cases against which hostel charges paid during audit period**

District	No. of schools sampled	No of schools which had claimed hostel rate scholarship	No. of schools eligible for hostel rates	No of ineligible cases	Amount disbursed (₹)
Cachar	8	6	0	160	8,00,000
Dhubri	9	7	0	1,884	94,20,000
Dibrugarh	20	20	0	1,120	56,00,000
Kamrup (R)	21	15	0	4,375	2,18,75,000
Nagaon	43	39	1	4,305	2,15,25,000
<b>Total</b>	<b>101</b>	<b>87</b>	<b>1</b>	<b>11,844</b>	<b>5,92,20,000</b>

Source: NSP data collected centrally from NIC. (Details are in Appendix-1.3)

Thus, falsely filed online claims (by 99 *per cent* schools) for scholarship with hostel rate maintenance allowance and false verification of the same led to additional disbursement of scholarship to 11,844 students in 86 of 101 schools leading to fraudulent claim of ₹ 5.92 crore.

Year-wise comparison of the scholarship disbursement data for 2017-18 with 2019-20 for these 86 schools showed a significant increase in the number and percentage of

<sup>15</sup> Moulana Masaddar Ali Vidyapith, Nagaon

students who were being provided hostel rate maintenance allowance. The percentage of students being fraudulently provided hostel rate maintenance allowance jumped from 53 per cent in 2017-18 to 76 per cent in 2019-20. The data indicates that the practice of such fraudulent claims and its approval by the School Principal and its subsequent disbursement was spreading at a fast rate, with no effective checks being exercised by the District Elementary Education Officer or the State Nodal Officer.

**iv) Analysis of minority scholarship data across the State**

Audit examined the minority scholarship data across the State and noted a sharp increase in the percentage of students being provided maintenance allowance at hostel rate from 40 per cent in 2017-18 to 59 per cent in 2019-20. Noting the widespread irregularity as discussed in the preceding paragraph, it is highly likely that such irregularities may have happened across the State.

On this being pointed out, the Director, AMDB, while accepting the audit observation, stated (May 2022) that due to receipt of huge fraudulent claims of scholarship since 2017-18 onwards, AMDB has filed cases (CID PS case No. 23/2018 for the year 2017-18 and CID PS case No. 20/2020 for the years 2018-19 and 2019-20) before Criminal Investigation Department (CID), Assam and the CID investigation is in progress.

However, it is observed that the FIRs filed as stated by the Department above were not related to fraudulent claims made against hostel rates. The FIR were mainly about fake beneficiaries detected in schools, through false applications and verification done by CSPs and INOs. Further, there exists a lack of accountability at INO and DNO levels on verification and scrutiny of records of students which led to such fraudulent claims in the scholarship scheme.

*The Department may establish a system of periodic physical verification of presence of operational schools and hostels in the State to assess the genuineness of beneficiaries as well as presence of hostels in the Institutes. Further, Unique Biometric Identification Number based KYC may be implemented for all INOs and DNOs for verification of applications in the NSP portal to establish accountability on the respective verifying authorities.*

*The Department may investigate the extent of fraudulent withdrawals being made at hostel maintenance rates across the State and initiate immediate redressal steps to stop the fraudulent claims.*

**v) Survey of Heads of Institutes and Students**

As a part of the Audit examination, audit carried out a survey of the Heads of Institutes (Headmaster/Principal) and students from sampled schools included in the selected districts.

**• Survey of Head of Institutes**

The survey revealed the following:

A total of 101 institutes were physically verified in the sampled districts. The Headmasters of 42 schools stated that the students to whom the scholarships were shown as paid were not students of the concerned schools which indicated that these were cases of fake beneficiaries as discussed in *Paragraph 1.2.9.2.2 (vii)*. Out of the remaining 59 schools, 42 headmasters (71 per cent) were not aware about the difference in obtaining scholarship as fresh and renewal cases; 28 headmasters (47 per cent) were not aware of their own user ID and password; 49 headmasters (83 per cent) did not take income certificates from their students; and 39 headmasters (66 per cent) did e-verification of the applications either from the computer centre or customer service point (CSP) while 30 headmasters (51 per cent) stated to have faced difficulties in the online verification process, as detailed in **Table 1.13**.

**Table 1.13: Institutes surveyed in five sampled districts**

District	No. of institutes surveyed	No. verified by Headmaster	Headmasters not aware about			Income certificate not verified	e-verification done from other places	Difficulties faced in e-verification
			Fresh or renewal cases	User id and password	e-verification			
Kamrup (R)	21	00	12	06	07	17	16	07
Cachar	08	02	06	03	05	06	04	05
Dhubri	09	01	04	04	02	05	03	03
Nagaon*	43	19	20	15	13	21	16	15
Dibrugarh*	20	20	--	--	--	--	--	--
<b>Total</b>	<b>101</b>	<b>42</b>	<b>42</b>	<b>28</b>	<b>27</b>	<b>49</b>	<b>39</b>	<b>30</b>

Source: Physical verification report.

- **Survey of beneficiaries in sampled districts**

The survey revealed that no student out of 132 students in Kamrup Rural District had enrolled for Unique ID. In other districts (except Dhubri), the percentage of Unique ID linkage was less than 50 per cent. It was stated that scholarship was supplied through CSPs which indicated absence of requisite IT infrastructure with school for processing the applications of students as detailed in **Table 1.14**.

**Table 1.14: Beneficiaries surveyed in four\* Sampled Districts**

District	No. of beneficiaries surveyed	Unique Biometric Identification Number linked	Applied through CSP	Facing problems viz., Computer, internet connectivity	Fee paid	Hosteller
Kamrup (R)	132	0	100	132	0	0
Dhubri	50	39	27	0	22	10
Cachar	75	21	0	0	0	0
Nagaon	245	103	95	33	0	0
<b>Total</b>	<b>502</b>	<b>163</b>	<b>222</b>	<b>165</b>	<b>22</b>	<b>10</b>

\*In Dibrugarh district, Head Masters of all 20 schools surveyed had stated that the students to whom the scholarships were shown as paid were not students of the concerned schools.

**vi) Fake beneficiaries availing scholarships**

In the sampled districts, it was found that in 42 schools, the process of verification was not carried out at INO level, as stated by the INO during physical verification, but scholarships were credited to the accounts of 3,138 students amounting to ₹ 2.98 crore. Headmasters of all the 42 schools where 3,138 students have been paid scholarships, stated that 3,138 beneficiaries were not the students of the schools concerned which indicated that the disbursements made to 3,138 students were cases of fake

beneficiaries. District-wise number of cases where scholarships were shown as disbursed but the beneficiaries were not enrolled at the schools concerned, are shown in **Table 1.15** and details thereof are given in **Appendix-1.4**:

**Table 1.15: District wise number of fake students in sampled schools**

District	No of schools	No of student	Amount (₹in lakh)
Nagaon	19	1,659	143.17
Dibrugarh	20	1,156	121.13
Dhubri	1	188	20.12
Cachar	2	135	13.44
<b>Total</b>	<b>42</b>	<b>3,138</b>	<b>297.86</b>

From the aforesaid facts in the table and further enquiry of instant cases in Nagaon District, audit observed the following:

a) In Dhing Demoluguri Girls Middle English Madarsa, visited by audit where 135 beneficiaries had availed scholarships amounting to ₹ 10.36 lakh, mobile number of the Headmaster attached with the school in the data provided to audit by the Mission Director (MD), Sarva Siksha Abhiyan (SSA), was that of a CSP owner of Bank of Baroda, Haibargaon, Nagaon. Besides, the concerned Head of Institutions (HoI) stated to audit that no scholarship verification was done by the HoI for any of the students.

b) The Gyanam school, Nagaon was running in the name of GFS Jatiya Vidyapith (UDISE Code: 18100704808), prior to academic year 2018-19. However, payment of scholarship was made in the name of GFS Jatiya Vidyapith in 2018-19 also. The Headmaster stated that no application was submitted by students of GFS Jatiya Vidyapith between 2017-18 and 2019-20. On enquiry, it was found that the mobile number mentioned in the data provided by MD, SSA was in the name of one Jakir Husain, who was not the Institute Head, as verified by Audit.

The above instances indicated failure on the part of different levels (INO level, DNO level, and State level) in exercising necessary checks before finalisation of merit list resulting in fraudulent payments amounting to ₹ 2.98 crore against the 3,138 fake beneficiaries.

While accepting the audit observation, the Director, AMDB stated (May 2022) that due to receipt of huge fraudulent claims of scholarship since 2017-18 onwards, AMDB has filed cases (CID PS case No. 23/2018 for the year 2017-18 and CID PS case No. 20/2020 for the years 2018-19 and 2019-20) before the CID, Assam and the investigation is in progress.

**vii) Payment made to the wards of Government servant**

As per guidelines, scholarship should be awarded to those students whose parent's annual income is not more than ₹ 1.00 lakh. Further, Paragraph 11(X) of the guidelines provided that if a student was found to be obtaining scholarship by false statement, his/her candidature should be cancelled forthwith and the amount of the scholarship paid should be recovered.

On comparison of beneficiary data received from AMDB with the salary data received from Finance Department during audit, it was noticed that an amount of ₹ 30.38 lakh

worth of scholarship was paid to wards/children of 548 salaried persons during the period 2017-20 as detailed in **Table 1.16**.

**Table 1.16: Salaried persons against whom scholarship paid**

Year	No. of cases	Amount (in ₹)
2017-18	108	4,20,660
2018-19	84	3,45,140
2019-20	356	22,72,070
<b>Total</b>	<b>548</b>	<b>30,37,870</b>

*Source: Employee data provided by Finance Department, Assam*

These scholarships are inadmissible as all Assam Government employees draw a salary in excess of ₹ 1.00 lakh in a year, since the 7<sup>th</sup> Assam Pay and Productivity Pay Commission recommendations, implemented from 01.04.2017 had raised the minimum salary of an employee to ₹15,900 per month.

Instances of payment of scholarship to wards of salaried people are indicative of deficiency in verification of eligibility of the beneficiaries.

While accepting the audit observation, the Director, AMDB stated (May 2022) that due to receipt of huge fraudulent claims of scholarship from 2017-18 onwards, AMDB has filed cases before the CID, Assam and the investigation is in progress.

#### **viii) Lack of age validation**

On analysis of data of students studying from class I to class X who had received the scholarship, it was observed that the age mentioned was unrealistic in many cases.

For instance, as per the data relating to the students studying in class 10, the minimum age found was three years and maximum age was found as 49 years, while for students studying in class-1, the minimum age was found to be three years and maximum age was found to be 18 years.

**Table 1.17: Details of age-wise Class X student during various years**

Age Group	2017-18	2018-19	2019-20
<b>0-10</b>	6	21	13
<b>10-20</b>	20,991	9,112	20,148
<b>20-30</b>	231	247	247
<b>30-40</b>	2	6	8
<b>40-50</b>	2	0	2
<b>Total</b>	<b>21,232</b>	<b>9,386</b>	<b>20,418</b>

*Source: Database provided by CDMA*

In terms of fresh beneficiaries, the number of cases where the applicant's age was less than 10 years was 06, 20 and 12 during 2017-18, 2018-19 and 2019-20 respectively. This raises questions about veracity of data entry as well as the extent of verification of the scholarship application forms submitted by the beneficiaries, done at various levels.

While accepting the audit observation, the Director, AMDB stated (May 2022) that lack of responsibility and accountability on the part of the Institute Heads/INO levels and DNOs have made the verification work very difficult at SNO level.

### 1.2.9.3 Pre-Matric Scholarship for Scheduled Tribes (ST) Students (Class IX & X)

#### 1.2.9.3.1 Introduction

Pre-Matric Scholarship for ST Students is a Centrally Sponsored scheme started (July 2012) with the objective to support parents of ST children for education of their wards studying in classes IX and X so that the incidence of drop-out, especially in the transition from the elementary to the secondary stage is minimised and to improve participation of ST children in classes IX and X of the pre-matric stage, so that they perform better and have a better chance of progressing to the post-matric stage of education. As per guidelines, eligibility criteria, rate of scholarship and procedure of payment are as under:

- **Eligibility criteria:** Students belonging to Scheduled Tribes whose parents' annual income do not exceed ₹2.00 lakh per *annum* based on the certificate issued by the Circle Officer/ Sub-Divisional Officer concerned. Students should not be getting any other Centrally funded scholarship and should be a regular, full-time student in a Government school or in a school recognised by a Central/State Board of Secondary Education. Scholarship for studying in any class will be available for only one year. If a student has to repeat the class, she/he would not get scholarship for that class for a second (or subsequent) year.

- **Rate of scholarship**

Table 1.18: Rate of scholarship

Item	Day scholars	Day scholars rate w.e.f. 01.12.2019	Hostel rate	Hostel rate w.e.f. 01.12.2019
Scholarship for 10 months (₹ per month)	150	225	350	525
Books and <i>ad-hoc</i> grant (₹ per <i>annum</i> )	750	750	1,000	1,000
<b>Total per annum</b>	2,250	3,000	4,500	6,250

- **Procedure of payment:** Students applying for scholarship for the first time (Fresh Students) need to register on the NSP portal as fresh applicant by providing accurate and authenticated information as printed on their documents in the “Student Registration Form”. After submitting the application, the default Login ID and Password to log in to NSP portal will be provided to the mobile number of the applicant. After submission of application, INO shall do the first stage verification of the correctness of details in the application form and documents submitted by the applicant. After completion of verification by INO, the SNO shall do the second stage verification of the correctness of details in the application form and documents submitted by the applicant as per guidelines of the scheme. The SNO shall ensure that the applications are scrutinised well in time by the Institute, thus avoiding the last-minute rush to verify the applications. After verification of SNO, the data is to be sent to PFMS through NSP for generation of payment file.

As and when the payment file is generated in the PFMS, the Department sanctions the funds and sends it to the treasury for remitting the same to the designated bank account of the Directorate. Thereafter, the Directorate makes e-payment to the validated bank

account of beneficiaries from the same PFMS portal where beneficiary details have already been captured.

### 1.2.9.3.2 Coverage of the Scheme

The coverage of pre-matric scholarship for ST students in the State was extremely low, which was not in keeping with the significant ST population at 12.45 *per cent* in the State. The number of students availing the scholarship *vis-à-vis* the total enrolled ST students in Class-IX/X in Assam is detailed in **Table 1.19**:

**Table 1.19: Percentage of students benefitted against total enrolled ST students**

Year	Total students	No. of students who applied for scholarship	Students found eligible by Department/INO	Students benefitted	Percentage benefitted (in <i>per cent</i> )
(1)	(2)	(3)	(4)	(5)	{(6)=(5) ÷ (2)}
2017-18	1,65,483	NA*	NA*	6,284	3.80
2018-19	1,65,765	3,434	2,992	2,864	1.73
2019-20	1,65,626	6,232	3,362	3,046	1.84

Source: [dashboard.udiseplus.gov.in/#/reportDashboard/sReport](https://dashboard.udiseplus.gov.in/#/reportDashboard/sReport) (Report:4004).

\*NB: In 2017-18 applications were processed in offline mode

Significantly, the coverage for scholarships in 2018-19 and 2019-20 was only around 1.8 *per cent* of the total enrolled ST students in the State. Even among the 2,864 students who availed the scholarship during 2018-19, 2,746 students (96 *per cent*) were from Dhemaji district alone. During 2019-20, Dhemaji once again had the single largest share of beneficiaries, but this time constituting 57 *per cent* of the beneficiaries (1,722 beneficiaries out of 3,046 beneficiaries). Though the highest proportion of ST population of the State is present in the Sixth Schedule districts of Karbi Anglong and North Cachar Hills, no student from these districts applied for pre-matric scholarship for STs during 2018-19. However, during 2019-20, a small number of students - 74 and five students got the benefit of scholarship in Karbi Anglong and NC Hills respectively. Funds received and number of beneficiaries during 2015-16 to 2019-20, under the scheme are detailed in **Table 1.20**.

**Table 1.20: Year-wise number of beneficiaries and expenditure on scholarship**

(₹ in lakh)

Year	Budget Provision	Fund received from GoI	No. of beneficiaries finalised for payment	Amount disbursed	Mode of receiving application	Year of payment
2015-16	NA <sup>16</sup>	Nil	5,522	124.24	SDWO	2015-16
2016-17	257	321.33	2,740	Nil	NSP	2017-18
2017-18	260	Nil	6,284	203.04	SDWO	2017-18
2018-19	260	Nil	2,864	64.53	NSP	2018-19
2019-20	260	Nil	3,046	98.10	NSP	2019-20

Source: Information furnished by Director, WPT&BC

It was stated by the Department that during 2016-17, online applications were invited through NSP and applications of 2,740 students were finalised for awarding scholarship

<sup>16</sup> The Department had furnished only the total budget figure for Schemes for Education of ST Students which amounted to ₹ 333.33 crore without providing the separate budget figure for the “Pre-Matric scholarship for ST students” for the year 2015-16.

after necessary scrutiny. But as stated by the Director, WPTBC, because of non-receipt/non-generation of payment file from NSP, scholarship was awarded in the subsequent year *i.e.*, during 2017-18. Payments for 2016-17 and 2017-18 were made through NEFT. During 2017-18, applications were also received through Sub Divisional Welfare Officer (SDWO) in offline mode instead of through NSP.

It was noticed that during the years 2018-19 and 2019-20, the number of beneficiaries compared to the years 2015-16 and 2017-18 had reduced. This was also confirmed by the Department where, in response to the audit observation on the same, the Director WPT & BC stated that invitation of application as well as payment through NSP was done for the first time during 2018-19 for which lack of awareness among students to apply through online mode would have resulted in reduction of number of beneficiaries. The Director further informed that the number of applicants were 7,274 and 7,827 in 2020-21 and 2021-22 respectively, which was an increase over the previous years. However, even with the increase in applicants in subsequent years, the percentage of ST students in the State applying for the scheme remained below five *per cent*.

Despite very low coverage, the Department did not make adequate effort to create awareness among the target population, and no awareness programmes were initiated apart from the annual advertisement published in newspapers and the official website.

***Audit findings:***

**i) Duplicate beneficiaries**

PFMS provides for validation of beneficiaries' bank/post office account reducing the risk of misdirected payments. Government of Assam, Finance Department notified (September 2016) that the DBT Coordinator will be responsible for linking of all financial transactions under different schemes on to PFMS platform. However, payment of pre-matric scholarship for Classes IX and X during the year 2017-18 were made through RTGS/NEFT instead of PFMS. Thus, there was lack of input validation control in the application to reject more than one entry for the same student in the same academic year. Audit observed that 444 beneficiaries during 2017-18 with the same bank account number were given the scholarship amount twice, resulting in excess payment amounting to ₹ 10.06 lakh.

During 2018-19 also, when payment was made through PFMS, seven beneficiaries with the same bank account number but with different application ID were found to have been paid twice involving a sum of ₹ 0.16 lakh. Although the instance of double payment had reduced significantly after using the PFMS platform, but the system was still not able to stop such irregularities.

The above observation indicated lapses on the part of INO and SNO while verifying the applications and forwarding them for payment.

While accepting the audit observation, GoA (May 2022) stated that seven beneficiaries have been made payment more than once during 2018-19 as beneficiaries themselves have applied twice with different application IDs.



## ii) Irregularities in verification of documents

As per guidelines, scholarship was to be paid to students whose parents'/guardians' income from all sources does not exceed ₹2,00,000 per *annum*. As per guidelines issued (September 2017) by GoI, application were to be accompanied with some enlisted certificates (caste certificate, family income certificate, *etc.*) duly authenticated by the appropriate authority and the Head of Institute after scrutiny.

Audit however, noticed that to assess the genuineness of applicants, necessary verification was not carried out, in absence of which, declarations submitted by the applicants appeared unrealistic which was evident from the following facts:

- i) During 2018-19 and 2019-20, 69 students had stated their annual family income as less than ₹ 20,000. Of these, 15 students had annual family income less than ₹ 5,000 while six beneficiaries had annual family income below ₹ 100.
- ii) During 2018-19, the minimum age of the students was found to be four years and seven students were of below 10 years of age studying in classes IX and X. A large number of students (2,377) were found to be below the age of 15 years.

While accepting the audit observation, GoA stated that it may be a mistake on the part of applicants. The reply confirms the audit contention regarding absence of necessary verifications as per the scheme guidelines.

### 1.2.9.4 Pre-Matric scholarship for Scheduled Caste (SC) Students

#### 1.2.9.4.1 Introduction

Pre-Matric scholarship for SC students studying in Classes IX and X was introduced during 2012-13 as a Centrally Sponsored Scheme and implemented through the State Government with the objective to support parents of SC children for education of their wards studying in classes IX and X, so that the incidence of drop-out, especially in transition from the elementary to the secondary stage is minimised and to improve participation of SC children in classes IX and X of the pre-matric stage, so that they perform better and have a better chance of progressing to the post-matric stage of education. Further, the Scheme is available for studies in India only and is awarded by the Government of the State/Union Territory to which the applicant belongs *i.e.*, where he/she is domiciled. As per guidelines, eligibility criteria, rate of scholarship and procedure of payment are as under:

- **Eligibility criteria:** Students should belong to Scheduled Caste and their parents' annual income should not be more than ₹ 2.50 lakh and they should not be getting any other Centrally-funded pre-matric scholarship. Students should be a regular, full-time student studying in a Government school or in a school recognised by a Central/State Board of Secondary Education. Scholarship for studying in any class will be available for only one year. If a student has to repeat a class, she/he would not get scholarship for that class for a second (or subsequent) year.

- **Rate of Scholarship:** The rate of scholarship is detailed in **Table 1.21:**

**Table 1.21: Rate of scholarship**

Item	Day Scholars	Hostel dwellers
Scholarship (₹ per month) (for 10 months)	225	525
Books and <i>Ad hoc</i> Grant (₹ per annum)	750	1,000
<b>Total (₹ per annum)</b>	<b>3,000</b>	<b>6,250</b>

- **Procedure of payment:** Procedure of payment of scholarship of pre-matric students of SC is the same as that of pre-matric scholarship of ST students.

#### 1.2.9.4.2 Coverage of the scheme

Pre-matric scholarship scheme for SCs is implemented through NSP since December 2018. However, during 2018-19 and 2019-20, the number of beneficiaries were only 22 out of 98,581 and 224 out of 97,667 total enrolled students respectively which indicated very low coverage in the State resulting in target population being deprived of the intended benefits.

In reply, the Department of Welfare of SCs accepted the figure and stated (May 2022) that the number of beneficiaries availing benefits were very low due to “non-submission of authenticated documents such as Caste Certificate, Bank details, *etc.*, by the applicants”. As a result, payment could be made only to 22 out of 257 applicants in 2018-19 and to 224 out of 2,311 applicants in 2019-20.

This is an extremely low number of beneficiaries covered under the scholarship scheme, when judged against the significant SC population of 7.15 *per cent* (22.31 lakh) in the State as per Census 2011.

The Department had made no effort to advertise widely or create awareness about the scheme. The only publication that the Department made was the notifications for scholarship each year. There was nothing on record to show that efforts had been made to reduce the high rate of errors in application forms. It was only in February 2020 that the Department issued directive to SDWOs to personally visit educational institutions under their respective jurisdictions and monitor online submission of applications.

The awareness program was of greater significance in view of the shifting over of the scholarship to the DBT mode through the National Scholarship Portal from 2018-19, with online registration of students being a pre-requisite for availing the scholarship. This is one of the likely reasons for the extremely low number of beneficiaries availing scholarship and the steep drop in the numbers from 3,091 beneficiaries of pre-matric scholarship for SCs in 2017-18 to 22 in 2018-19 – a reduction in excess of 99 *per cent*.

Further, during the years 2014-15 to 2017-18, offline applications were received from SC students for awarding scholarship and since 2018-19, applications were invited through NSP. Thus, it was noticed that during the year 2018-19 and 2019-20, the number of beneficiaries compared to the years between 2014-15 and 2017-18 had dropped drastically as shown in **Table 1.22**.

Table 1.22: Year wise breakup of beneficiaries

(₹ in lakh)

Year	Total No. of SC students (Class IX & X)	No. of applications received	No. of students found eligible	No. of beneficiaries	Total amount spent	Mode of payment
2014-15	98,095	Not available	Not available	17,057	383.78	NEFT/ RTGS
2015-16	97,960	Not available	Not available	8,810	198.23	
2016-17	96,913	Not available	Not available	7,636	171.81	
2017-18	94,886	Not available	Not available	3,091	69.55	
2018-19	98,581	257	23	22	0.78	PFMS
2019-20	97,667	2,311	232	224	5.52	

Source: Information furnished by Directorate of Scheduled Castes, Assam

It is clear that the Directorate had failed to raise awareness which is a prerequisite for successful implementation of the scheme.

Thus, in a State with Scheduled Caste population of 22.31 lakh (7.15 per cent of the population) lack of awareness amongst the target population and lack of initiative on the part of the Department had resulted in very low number of applicants and very high rejection rate of applications during the period covered by Audit.

On this being pointed out, GoA stated (May 2022) that during verification of documents, majority of students of pre-matric level did not possess the caste certificate, annual income certificate, bank accounts, etc. and accordingly applications were rejected. The reply does not address the issue of delay in the verification of applications.

#### 1.2.10 Poor coverage of beneficiaries due to shortfall in verification of applications

National Scholarship Portal (NSP) of India contains data of applications received and applications verified in case of all the States. However, it does not contain information regarding the number of applications that are not verified-whether these are deficient or rejected or pending for verification at various levels. Payment of scholarship to the students is done after the applications are verified. On analysis of data on NSP<sup>17</sup>, it was seen that during 2019-20, 2,311 and 6,232 applications were received for SC and ST category, out of which only 232 (10.04 per cent) and 3,362 (53.95 per cent) applications were verified respectively.

Since payment of scholarship to the students is done after the applications were verified, less verification resulted in poor coverage of scholarship payments to the SC/ST students of the State as compared to States like Kerala, Karnataka, Gujarat and Maharashtra.

#### 1.2.11 Conclusion

The Performance Audit showed that the implementation of DBT in Assam was not being carried out efficiently and effectively. The required infrastructure had not been created. While the State DBT Cell had been constituted, the State DBT Cell in Assam did not comply with or meet the objectives of the guidelines issued by the DBT Mission. For instance, no scheme-specific ICT application has been developed to capture data,

<sup>17</sup> Assam 2019-20

no guidelines/norms/instructions was specified for classifying a scheme as DBT scheme, no scheme-specific MIS was integrated with the State DBT portal and no reconciliation of data was being done by the State DBT Cell, resulting in incomplete and unreliable data.

Further, the management of DBT Cell in the State was non-functional in terms of co-ordination with the State Government Departments implementing the DBT schemes. There is no system-based mechanism to verify data of beneficiaries and data entry is being done manually. There is no platform developed by the State Government to view the progress of the schemes. Thus, there is no scope for systemic internal controls and monitoring.

Consequently, implementation was marred with poor selection of beneficiaries, duplication of beneficiaries, excess payment to beneficiaries and payment made to beneficiaries more than once. Moreover, as per data furnished to Audit, coverage of many of the schemes was very low thereby defeating the purpose of the schemes. The coverage of pre-matric scholarships for SC students and pre-matric scholarships for ST students was very low. Falsely filed online claims for scholarships with hostel rate maintenance allowance and false verification of the same had led to additional disbursement of scholarships under pre matric scholarship for minority students.

Thus, the objective of DBT to achieve accurate selection of beneficiaries, maximising coverage and curbing pilferage and duplication could not be achieved in Assam.

### **1.2.12 Recommendations**

Government of Assam may implement the following recommendation for proper implementation of DBT:

- *State DBT Cell should be made fully functional in terms of all its components and effective co-ordination ensured with the State Government Departments. Integration with scheme-specific MIS with the State DBT Cell should be done to exhibit complete and reliable data.*
- *Steps should be taken by the State DBT Cell to enrol the beneficiaries with a Unique ID and the Unique ID number should be linked with the bank account number of beneficiaries. The use of Unique Biometric Identification Number would obviate the need for multiple documents to prove one's identity and would bring in transparency and efficiency for beneficiary's selection and benefits conveniently.*
- *Social Welfare Department may migrate Deen Dayal Divyangjan Pension Scheme to a suitable IT platform with proper enrolment and validation procedures so that instances of beneficiaries claiming pension from multiple districts under the Scheme no longer recurs.*
- *Government may undertake a thorough review of the implementation of Pre-Matric Scholarship Scheme for Minorities and examine the systemic issues which led to such widespread fraudulent claims of hostel rate scholarship on non-existing hostels and fake beneficiaries and fix accountability for the same. Government may*

*also ensure that the Unique ID based demographic authentication of the Institute/ District Nodal officers of the Scheme is completed at the earliest.*

- *The Institute Nodal Officers, District Nodal Officers and State Nodal Officer should ensure that eligibility criteria is thoroughly verified before the list of beneficiaries is finalised.*
- *The Welfare of Plain Tribes and Backward Classes Department may address the critical issue of low enrolment of students in the scholarship schemes meant for SC and ST students, and take required steps to cover all eligible SC and ST students within the State in a time-bound manner.*

## **Compliance Audit Paragraphs**

### **1.3.1 Excess, wasteful expenditure and procurement without requirement**

Rule 466 (1) of Assam Financial Rules, 1939, as amended in 2017 stipulates that every public officer should exert the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money.

Government of Assam (GoA) instructed (August 2010) all the departments to follow the laid down procedure of Purchase Committee including normal competitive bidding process for purchase/procurement of goods and services and also to assess the market rate from Commissioner of Taxes or local Superintendent of Taxes in case of any doubt on the reasonableness of rate.

Further, Section 4(1) (c) of the Assam Public Procurement Act, 2017 stipulates that in relation to a public procurement, the procuring entity shall have the responsibility and accountability to ensure professionalism, economy and efficiency from the official involved in the process.

Moreover, GoA instructed (July 2018) all the departments to resort to e-procurement of all goods, services and works for all tenders of value ₹ 50.00 lakh and above.

## **Welfare of Tribal Affairs (P) Department**

### **1.3.1.1 Excess Expenditure**

**Director of Welfare of Plain Tribes & Backward Classes and Director of Scheduled Castes incurred excess expenditure to the tune of ₹7.28 crore in procurement of water filters due to defective bid evaluation and award of work through 'Rate Contract' without verifying the market rate.**

Director of WPT&BC and Director of Welfare of Scheduled Castes (SC) invited (03 November 2018) two bids separately from dealers/manufacturers through e-tender system for entering into Rate Contract for procurement of 30 litres capacity Drinking Water Filter for the years 2018-19 and 2019-20. The water filters were for the purpose of providing safe drinking water to poor Scheduled Tribes (STs), Other Backward Classes (OBCs) and Scheduled Caste (SCs) families/schools/ socio-economic groups. Two pre-bid meetings with the bidders were held by both the Directors on the same day

*i.e.*, on 21 November 2018. During the pre-bid meetings, both the Directors subsequently revised the capacity of the drinking water filter from 30 litres to 20 litres. The two Directors, however, did not specify any reason for change of the capacity of the water filter. Out of 19 bidders<sup>18</sup> (10 bidders were common who participated in the bidding process of both the Directorates) who participated in the bidding processes, the same three bidders<sup>19</sup>, quoting for the same product–‘*Puro Water Filter*’, were declared technically qualified by both the Technical Evaluation Committees concerned. The lowest (L1) bidder for the two Directorates was the same supplier who quoted the lowest rate of ₹ 1,370 per water filter (including two candles) and the same was approved by both the Directorates.

On completion of the tendering process, financial sanction amounting to ₹17.00 crore<sup>20</sup> was accorded by Government of Assam for 2018-19 and 2019-20 under one-time special grant for development of SC, ST and OBC communities. On receipt of financial sanctions (February 2019 and November 2019) from the Government, Director, WPT&BC and Director, Welfare of SC issued six supply orders (February, March and December 2019; February 2020) to the L1 bidder at the approved rate for procurement of 1,24,084 water filters of 20 litre capacity for 2018-19 and 2019-20. The Directorate-wise quantities of procurement are shown in **Table 1.23**.

**Table 1.23: Year-wise procurement**

Year	Director of Welfare of SC	Director of WPT&BC	Total
2018-19	29,196	29,196	58,392
2019-20	29,197	36,495	65,692
<b>Total</b>	<b>58,393</b>	<b>65,691</b>	<b>1,24,084</b>

On submission of six bills (March 2019 to March 2020) by the supplier, payment of ₹ 17 crore was made to him during the same period.

Scrutiny of records (August-December 2020) showed that 16 bidders were disqualified on the ground of improper test reports for water filter and sample. No further details regarding reasons for technical disqualification were found on record. Test reports for water filter and samples were certified in the name of the dealer or brand name but not in the name of the bidders, as was required in the bid document. No other significant shortcomings (except NABL accreditation for few) was found in the test report but the bid evaluation committee disqualified all these bids, including the bidders quoting to supply nationally known brands like Eureka Forbes and Kent, and other brands submitted by other bidders, restricting the competition within three bidders only.

The three bidders who were declared technically qualified had shown remarkable similarities in their proposals, leading to doubts on the integrity of their bids, and the possibility of collusive bidding due to the following facts:

<sup>18</sup> 16 and 13 bidders in the bidding process of WPTBC Directorate and SC Directorate respectively.

<sup>19</sup> (i) Shree Siddha Manglam, (ii) MRK Associates, and (iii) JKF Trading Centre.

<sup>20</sup> SC:-₹ four crore each in 2018-19 and 2019-20; WPT&BC:-₹ four crore and ₹ five crore in 2018-19 and 2019-20 respectively.

1. The samples of Drinking Water Filter for testing were submitted by three qualified bidders to the same laboratory (Envirocheck) on the same day (26 November 2018) and test reports were also issued on the same date (28 November 2018). This laboratory was Kolkata-based, while all the three bidders were Guwahati-based.
2. These three bidders submitted quotes for the same product *i.e.*, Puro Water filter.
3. The technical bid submitted by these three bidders included an identically formatted covering document - Checklist for Technical Bid (Annexure-G) – which even had the same spelling mistake<sup>21</sup> leading to the conclusion that these bids were likely prepared by the same person.

The bid evaluation committee ignored the above facts which raises doubts on the whole procurement process which was not need-based (substantial quantities remained to be distributed as discussed in the succeeding paragraphs) and designed to extend benefit to the selected supplier.

Audit further noted that tendering was done on ‘Rate Contract’<sup>22</sup> basis for making supply for 2018-19 and 2019-20. However, the market price was not verified by the Directorates to assess the reasonableness of the bid price offered by the L1 bidder in contravention of the instructions issued vide OM (August 2010) before approving the rates. Audit collected the market price from the Additional Commissioner of Taxes (ACT) for 20 litre capacity of water filter of same make and specification and found that the approved rate of ₹ 1,370 was much higher than the communicated market price. This led to an estimated excess expenditure to the tune of ₹ 7.28 crore as shown in

**Table 1.24:**

**Table 1.24: Estimation of excess expenditure**

Year	Market rate furnished by ACT (₹)	Printed rate of two candles (MRP) (₹)	Total estimated market price including two candles (₹)	Total quantity supplied	Difference with approved rate of ₹ 1,370 (₹)	Estimated excess expenditure (₹)
2018-19	400	378	778	58,392	592	3,45,68,064
2019-20	410	378	788	65,692	582	3,82,32,744
<b>Total</b>						<b>7,28,00,808</b>

Audit also directly ascertained the maximum retail price (MRP) of water filter from the open market. Audit found that although 20 litre water filter of same make and specification was not available in the market, a drinking water filter of 21 litre capacity of same make and specification was available at an MRP of ₹ 775<sup>23</sup> (September 2020), which, along with two candles made the total purchase cost ₹ 1,153<sup>24</sup> only.

<sup>21</sup> ‘Performance’ was wrongly spelled as ‘Perfomence’ at Sl. No. 17 of Annexure-G, though the Tender document had correctly spelt this word while specifying the format of Annexure-G

<sup>22</sup> The Rate Contract is a contract under which, during the period of its currency, the contractor engages to supply materials on demand, irrespective of quantity, at fixed unit rates or prices, within a given period of receipt of such demand.

<sup>23</sup> Additional Commissioner of Taxes stated the market rate of ₹ 520 for 21 litre for 2019-20.

<sup>24</sup> Filter ₹775 plus cost of two additional candle ₹ 378.

Audit further noted that supply of the items to the destination were delayed ranging from three to eight months even after making the advance payment to the supplier. As such, the Department also did not ensure supply of materials before making payment in contravention of the condition of supply which stipulated release of payment only on satisfactory completion of delivery of materials to the destination. This also pointed towards extending undue financial benefit to the supplier by the Department.

Audit also conducted physical verification (July 2022) of six Sub-Divisional Welfare Office<sup>25</sup> (SDWO) where the materials were delivered, to assess the actual utilisation of water filters and found that out of 11,978 water filters received during 2018-20 by those six SDWOs, 2,943 water filters (24.6 per cent) were yet to be distributed to the beneficiaries. The Directorates did not maintain any record to keep watch on the actual requirement/distribution/utilisation of materials procured and supplied by them. This indicated procurement without assessing the actual requirement thereby placing needless financial burden on the State exchequer.

Thus, due care was not taken to ensure professionalism, economy and efficiency in procurement resulting in excess expenditure to the tune of ₹ 7.28 crore besides giving financial benefit to the supplier to that extent.

The matter was forwarded (November 2022) to the Government and discussed in an exit meeting (November 2022) held with the Department. During the meeting, the Principal Secretary, Department of Tribal Affairs (P) assured that the matter would be reviewed and a detailed reply along with all the necessary documents will be forwarded to audit, which is awaited (April 2023).

*Government may consider for fixing accountability at the appropriate level for the above lapses in public procurement.*

### **1.3.1.2 Excess expenditure and procurement without requirement**

**Director, Welfare of Scheduled Castes, and Director, Welfare of Plains Tribes and Backward Classes, Assam incurred excess expenditure to the tune of ₹ 5.09 crore on procurement of agricultural kits because of approval of higher rate without verification of the Maximum Retail Price and prevailing market rate. Also, procurement was made without assessing requirement of beneficiaries through field level offices resulting in idle procurement. In test-checked four districts alone, cost of such idle procurement was ₹1.20 crore.**

In the course of audit (October-December 2020) of records of the Director of Welfare of Scheduled Castes (DWSC) and Director, WPT&BC, it was noticed that two Directors invited (November 2019 and July 2019 respectively) tenders from manufacturers or their duly authorised dealers through e-tendering in two bid system for supply of agricultural kits for the development of Scheduled Caste (SC), Scheduled Tribes (ST) and Other Backward Class (OBC) communities under the scheme 'One-time special grant for Development of SC/ST/OBC Families'. The agricultural kits

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<sup>25</sup> Tamulpur, Barpeta, Kajalgaon, North Salmara, Guwahati, Kaliabor



consisted of 07 items viz., torch, rain coat, hand spray machine, ankle boot, kit bag, foldable umbrella and tarpaulin.

The participating bidders (13 bidders<sup>26</sup>) quoted individual item-wise rate and then rate of each individual item was added up for arriving at the rate of one kit. A rate of ₹ 9,515 per kit so worked out, offered by two bidders, was found to be the lowest and was got approved.

Government of Assam accorded (March 2020) financial sanction amounting to ₹ 24 crore (rounded<sup>27</sup>) for 2019-20 under the Scheme on the basis of proposals submitted by the Directors. Two Directors issued (March 2020) supply orders for 25,220 kits<sup>28</sup> to six suppliers<sup>29</sup> at the approved rate and based on the bills of the suppliers, made a payment of ₹ 24 crore<sup>30</sup>.

Audit scrutiny and physical verification of a sample of items supplied showed that the MRP of two items printed on the body of the sample were lower than that of offered and approved rate as given in **Table 1.25**.

**Table 1.25: Comparison of rate quoted and MRP**

Sl. No.	Item	Rate quoted by J.N Trading (in ₹)	Rate quoted by K.B.S Commercial (in ₹)	MRP (in ₹)
1.	Torch	2,215	2,220	895
2.	Hand Spray Machine	2,250	2,250	2,050

Considering the MRP of two items viz., Torch and Hand Spray Machine, the excess amount paid in procurement for these two items alone amounted to ₹ 1,520 per Agricultural kit<sup>31</sup>, leading to a total excess cost in procurement of ₹ 3.83 crore.

In case of the remaining five items whose MRP was not found printed, the prevailing market rates during 2019-20 were collected by audit from the ACT. A comparison showed that the approved rate differed from the MRP and market rate furnished by ACT as shown in **Table 1.26**.

**Table 1.26: Comparison of approved rate and market rate**

Sl. No.	Item	Rate quoted by J.N Trading (in ₹)	Rate quoted by K.B.S Commercial (in ₹)	Market price inclusive of tax (in ₹)
1	Rain Coat	890	870	810
2	Ankle Boot	1,180	1,190	1,180
3	Kit Bag	950	950	571

<sup>26</sup> 12 bidders in SC Directorate and 11 in WPTBC Directorate participated in the bidding process of which 10 bidders were common for two Directorates. All 12 bidders for SC Directorate and 10 of WPTBC were qualified in technical bid. The lowest offered rate was ₹ 9,515 and the maximum rate was ₹ 9,970. Each bidder offered same rate for both the Directorates.

<sup>27</sup> ₹ 2,399.68 lakh.

<sup>28</sup> Directorate of SC: 9,458 kits and Directorate of WPT&BC: 15,762 kits.

<sup>29</sup> (1) J. N Trading (16,682 kits) (2) D-Fashion (1,865 kits) (3) Santana Enterprise (2,927 kits) (4) M/s S.S Enterprise (2,921 kits) (5) M/s. Abhishek Marketing (524 kits) and (6) Indranuj Kashyap (301 kits).

<sup>30</sup> Welfare of SC Bill No. 331 & 332 dtd.26.03.2020-₹ 899.93 lakh; WPT&BC- Bill No.291-296 dtd.26.03.2020-₹1,499.75 lakh.

<sup>31</sup> ₹2,215 + ₹2,250 - ₹895 - ₹2,050=₹1,520.

Sl. No.	Item	Rate quoted by J.N Trading (in ₹)	Rate quoted by K.B.S Commercial (in ₹)	Market price inclusive of tax (in ₹)
4	Foldable Umbrella	280	285	280
5	Tarpaulin <sup>32</sup>	1,750	1,760	1,711
<b>Total</b>		<b>5,050</b>	<b>5,055</b>	<b>4,552</b>

From the above, it can be seen that on five items an excess amount of ₹ 1.26 crore was incurred compared to the market rate (₹ 498 X 25,220 kits).

Audit observed the following deficiencies which resulted in such excess expenditure:

1. Market rate was not verified by the purchase committees before finalising the rates.
2. As per tender condition, affidavit was to be provided by participating suppliers stating that the quoted price shall not exceed MRP, which was overlooked while approving the quoted rates.
3. Supply order was split among six bidders, but as per the approved lowest rate of ₹ 9,515 per agricultural kit. The selection of these six bidders was arbitrary – among the two L1 bidders, only one was awarded a part of the supply order, with the remaining order being split among five other bidders who had quoted higher amounts. The basis for selection of six suppliers ignoring one of the lowest bidders and ground of acceptance by the highest bidders to supply at the lowest rate was not found recorded and was thus arbitrary. Awarding supply orders by splitting up the quantities among the participating bidders irrespective of their offered rate vitiated the bidding process which is designed to elicit the best response and awarding the work to such L1 bidder and encouraged future instances of non-competitive and collusive bidding.

Further, procurement of agricultural kits was made neither by ascertaining requirement from the field level offices nor had the Directorates pursued for any progress of distribution to beneficiaries with the field level offices. In a subsequent period, Audit physically visited (July 2022) seven SDWOs located in five different districts to verify actual status of distribution of kits. Such exercise showed that though three SDWO<sup>33</sup> had completed distribution, the remaining four SDWOs<sup>34</sup> could not distribute 1,263 kits out of 3,274 kits received by them involving purchase cost of ₹ 1.20 crore, either due to lack of interested beneficiaries or due to want of approved list of beneficiaries. Such idle expenditure on account of undistributed kits is likely to be present in the other 27 districts too where these items had been supplied for distribution.

The matter was forwarded (September 2022) to the Government and discussed in an exit meeting (November 2022) held with the Department. During the meeting, the Director, Tribal Affairs (P) Department stated that the approved rate was inclusive of transportation to different locations, storage, loading unloading, *etc.* in addition to MRP. Further, in case of distribution, the beneficiaries were selected by board members of SC and OBC. However, in many of the districts, the boards were not formed at that

<sup>32</sup> 200GSM fitted with eyelet, Size 15ftX8ft.

<sup>33</sup> Darrang, Morigaon and Kaliabor.

<sup>34</sup> Rangia, Nalbari, Nagaon and Hojai.

time. The Department assured that a detailed reply along with all the necessary documents would be forwarded to audit, which is awaited (April 2023).

The reply is not acceptable as the MRP itself is inclusive of all charges. Further, the reply established the audit contention that the procurement was made without assessing the requirement and was not need-based with prior identification of beneficiaries leading to huge amount of idle investment.

### Welfare of Tribal Affairs (P) Department

#### 1.3.2 Wasteful and excess expenditure

**Welfare of Plains Tribes & Backward Classes (WPT & BC) Department procured agricultural seed kits for ₹ 17 crore without assessing any requirement from the field offices resulting in expiry of seeds worth ₹ 2.37 crore in the test-checked 14 field offices.**

Government of Assam accorded (February 2019 and January 2020) sanction for ₹ 17 crore<sup>35</sup> for procurement and distribution of Hybrid and Open Pollinated (OP) vegetable seed based on three proposals sent by the Director, WPT&BC. Accordingly, the Director procured 22,197 vegetable seed kits<sup>36</sup> containing twelve different types of seeds<sup>37</sup> for 2018-19 and 2019-20 through e-tender system (January 2019) and incurred (March 2019 and March 2020) an expenditure of ₹ 17 crore as shown in **Table 1.27**.

**Table 1.27: Expenditure incurred on procurement of Seed Kits**

Year	Community	Quantity	Expenditure incurred (₹ in crore)
2018-19	ST	6,371	5.00
2018-19	OBC	6,416	5.00
2019-20	OBC	9,410	7.00
<b>Total</b>		<b>22,197</b>	<b>17.00</b>

The vegetable seeds were to be distributed to Scheduled Tribes (STs) and Other Backward Classes (OBCs) beneficiaries under the scheme 'One-time special grant for Development of ST/OBC Families' through 48 SDWOs, two Autonomous Councils (AC)<sup>38</sup> and 20 Integrated Tribal Development Projects (ITDP). As per records, the seeds were supplied (March 2019-July 2020) by eight suppliers to different SDWOs, ACs and ITDPs.

Audit visited (August-October 2020 and August-September 2022) eight districts<sup>39</sup> covering 14 SDWOs/ITDPs to assess the status of distribution of seeds to beneficiaries. It was seen that large quantities of seeds were not distributed mainly because of non-selection of beneficiaries or beneficiaries not being interested in collecting seed kits. Altogether 6,907 seed kits involving cost of ₹ 5.27 crore were delivered to those 14 test-checked units for distribution to beneficiaries, of which, 3,116 seed kits

<sup>35</sup> 2018-19: ST = ₹5.00 crore, OBC = ₹5.00 crore and 2019-20: OBC = ₹7.00 crore.

<sup>36</sup> 2018-19 = 12,787; 2019-20 = 9,410.

<sup>37</sup> 1. Bitter Gourd, 2. Chilli, 3. Tomato, 4. Pea, 5. Water Melon, 6. Cucumber, 7. Okra, 8. Bottle Gourd, 9. Sponge Gourd, 10. Muskmelon, 11. Carrot and 12. Radish.

<sup>38</sup> Karbi Anglong and NC Hills.

<sup>39</sup> Morigaon, Kamrup (M), Kokrajhar, Hojai, Goalpara, Bongaingaon, Nalbari and North Salmara.

involving cost of ₹ 2.37 crore got expired/damaged due to non-distribution. Details are shown in *Appendix-1.5*.

Further, 3,791 kits were shown to have been distributed among beneficiaries. In this regard, audit observed the following:

1. Actual Payee Receipt (APR) and distribution records for 259 kits by two units<sup>40</sup> could not be shown to audit. Thus, distribution of 259 kits involving ₹ 19.21 lakh could not be vouchsafed.
2. In SDWO and ITDP, Kamrup (M), 588 seed kits were stated to have been handed over to District Agriculture Officer (DAO) for onward distribution to beneficiaries. However, they failed to furnish records of receipt of kits by DAO, Kamrup. During cross-verification by audit, DAO denied receipt of any such seed kits. Thus, distribution of 588 seed kits worth ₹ 43.54 lakh seems doubtful.

Test-check of records relating to utilisation of seeds worth ₹ 5.27 crore (31 per cent of total procurement of ₹ 17 crore) in 14 units revealed expiry of seeds worth ₹ 2.37 crore (45 per cent) and doubtful utilisation of seeds worth ₹ 0.63 crore (₹ 19.21 lakh plus ₹ 43.54 lakh) i.e., 12 per cent. Thus, more than 50 per cent of seeds had been misutilised.

During audit, it was observed that the Director procured agricultural seeds without assessing any requirement from field level offices. The SDWOs/ITDPs stated (September 2022) that the Directorate had neither asked for requirement from field level nor were beneficiaries selected for distribution of seeds. This indicated lack of planning and coordination prior to procurement of huge quantities of seeds. Also, the Directorate had not monitored actual utilisation of seeds procured centrally and supplied to field offices for onward distribution to beneficiaries. These lapses resulted in wasteful and doubtful expenditure discussed above.

The matter was forwarded (October 2022) to the Government and discussed in an exit meeting (November 2022) held with the Department. During the meeting, the Director, Tribal Affairs (P) Department stated that the Assam Seeds Corporation Limited follows this procedure for the specified variety of seeds. The Department assured that a detailed reply along with all the necessary documents would be forwarded to audit, which is awaited (April 2023).

*Government may review the status of utilisation of agricultural seeds in the remaining districts and consider fixing responsibility at appropriate level for procuring such huge quantities of seeds without following due procurement procedure for maintaining economy in public procurement, and without making any plan for its utilisation which led to wastage and misutilisation of government money.*

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<sup>40</sup> SDWO, Nagaon – 238 kits and ITDP, Kokrajhar – 21 kits.

## ***CHAPTER-II***

### ***ECONOMIC SECTOR***



## CHAPTER-II ECONOMIC SECTOR

### 2.1 Introduction

The findings based on audit of the State Government departments/offices under Economic Sector feature in this chapter.

During 2020-22, against a total budget provision of ₹ 82,504.38 crore<sup>41</sup>, 18 departments incurred an expenditure of ₹ 56,362.65 crore<sup>42</sup>. **Table 2.1** and **Appendix-2.1** gives Department-wise details of budget provision and expenditure incurred there against by 18 departments under Economic Sector.

**Table 2.1: Department-wise budget provision and expenditure during 2020-22**

(₹ in crore)					
Department	Grant No. and Name	Budget provision		Expenditure	
		2020-21	2021-22	2020-21	2021-22
Agriculture	48-Agriculture	2407.37	2412.56	1437.03	1778.44
	67-Horticulture	255.81	259.37	93.28	123.69
Finance	10-Other Fiscal Services	2.28	2.62	1.83	2.11
	5-Sales Tax & other taxes	469.22	857.95	335.14	676.3
	13-Treasury & Accounts Administration	129.41	118.69	90.16	94.39
	66-Compensation and Assignment to LBs and PRIs	594.41	846.92	376.95	306.13
	7-Stamps and Registration	188.74	100.85	51.25	79.74
	8- Excise and prohibition	85.75	72.54	62.24	61.76
	<i>Public Debt and Servicing of Debt</i>	<i>8310.98</i>	<i>11045.85</i>	<i>7447.16</i>	<i>10024.26</i>
68-Loans to Govt. Servant	--	0.91	--	--	
Fishery	54-Fisheries	153.45	131.01	83.82	126.33
Water Resources	63- Water Resources	1048.62	1047.61	646.69	779.76
Forest and Environment	55- Forestry and Wild Life	1022.08	773.38	568.59	598.34
Handloom, Textiles and Sericulture	59- Village, Small Industries, Sericulture and Weaving	309.71	382.09	187.91	210.3
Industries and Commerce	58-Industries	181.56	560.31	79.41	483.23
	60-Cottage Industries	75.8	56.63	50.24	46.17
Irrigation	49- Irrigation	1719.65	1402.4	791.25	842.35
Mines and Minerals	61- Mines and Minerals	74.21	63.38	12.79	53.27
Power	62- Power (Electricity)	4430.81	12922.67	1685.27	5072.7
Public Works Roads	64- Roads Bridges	11424.84	11564.51	8354.15	9709.29
Science and Technology	69- Scientific Services and Research	76.12	37.3	33.73	32.63
Soil Conservation	51- Soil and Water Conservation	332.12	246.69	261.58	99.86
Transport	9-Transport Services	644.98	783.29	414.18	629.06
Tourism	65- Tourism	162.07	80.99	54.27	46.24

<sup>41</sup> 2020-21: ₹35,259.53 crore and 2021-22: ₹47,244.85 crore.

<sup>42</sup> 2020-21: ₹23,733.93 crore and 2021-22: ₹32,628.72 crore.

Department	Grant No. and Name	Budget provision		Expenditure	
		2020-21	2021-22	2020-21	2021-22
Animal Husbandry and veterinary	52-Animal Husbandry	432.49	511.73	276.75	320.17
	53- Dairy Development	33.85	85.09	22.19	22.86
Information Technology	75-Information and Technology	83.9101	33.51	44.36	27.35
Public Works Building and National Highway	17-Administrative and Functional Buildings	529.34	777.28	248.65	351.73
	21-Guest Houses, Government Hostels etc.	74.23	58.88	20.05	29.01
	33-Residential buildings	5.72	7.84	3.01	1.25
<b>Total (includes Charged)</b>		<b>35,259.53</b>	<b>47,244.85</b>	<b>23,733.93</b>	<b>32,628.72</b>

Source: Appropriation Accounts 2020-21 & 2021-22

### 2.1.1 Planning and conduct of Audit

During 2020-22, out of 1,509 auditable units<sup>43</sup> under Economic Sector (excluding SPSUs), 88 units<sup>44</sup> (including 11 certification audits) were audited based on risk analysis involving an expenditure of ₹36,969.91 crore<sup>45</sup> (including expenditure of earlier years). This Chapter contains one Performance Audit (PA) on ‘**Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme**’ and five Compliance Audit Paragraphs.

## Performance Audit

### Agriculture Department

### 2.2 Performance Audit on Implementation of Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) Scheme

Government of Assam (GoA) is implementing PM-KISAN, a 100 *per cent* Government of India (GoI) funded scheme, to provide income support for meeting expenses related to agriculture and allied activities as well as for domestic needs. The responsibility of identifying the landholder farmer family eligible for benefit under the scheme was vested with the State Government.

A Performance Audit on ‘**Implementation of PM-KISAN Scheme**’ revealed that the State Government did not maintain a database of landholding farmer families to identify potential beneficiaries. Emphasis was given to uploading of a large number of beneficiaries’ data within a short period of time instead of ensuring eligibility of the beneficiaries as per the provisions of the guidelines. Lack of monitoring by Supervisory Officers also adversely affected implementation of the scheme. As a result, there were flaws in data entry causing rejection of large number (25 *per cent*) of data by PM-KISAN portal and PFMS during first and second level validation. Besides, 37 *per cent* beneficiaries were found ineligible during the enquiry conducted

<sup>43</sup> 2020-21: 617 and 2021-22: 892

<sup>44</sup> 2020-21: 32 and 2021-22: 56

<sup>45</sup> 2020-21: ₹11,118.66 crore and 2021-22: ₹25,851.25 crore.



(May-July 2020) by the State Government. A mere 0.24 per cent of the funds released to ineligible beneficiaries was received back till October 2021.

**Highlights:**

*No uniform criteria was adopted in opening user IDs as in 11 selected districts, data uploaded per user IDs ranged between 774 and 83,647.*

*Injudicious decision of the Deputy Commissioners of uploading the data within a very short period of time instead of ensuring eligibility of beneficiaries under the guidelines led to uploading unverified data through unauthorised user IDs.*

*(Paragraph-2.2.5.3.1)*

*The State Nodal Office (SNO)/District Nodal Office (DNO) did not upload the data (10,66,593) rejected by PM-KISAN portal and PFMS afresh after carrying out necessary correction in violation of the Standard Operating Procedure (SOP) issued by GoI.*

*There was mismatch in entry of bank account numbers in the portal vis-à-vis account numbers as per the copies of the bank passbooks found appended with the application forms.*

*(Paragraph-2.2.5.6)*

*There were flaws in data entry of village/block names in the selected samples as well as subsequent validation to remove the errors in violation of the SOP of GoI.*

*(Paragraph-2.2.5.6.1)*

*In 753 out of 953 sampled beneficiaries, benefits were released though the land was in others' name as per land document found attached with application forms.*

*In 96 out of 953 cases, benefits were released without the land document.*

*In 91 out of 953 cases, benefits of the scheme were released to multiple beneficiaries with the same land documents.*

*In 747 out of 953 cases, application forms were not countersigned by the BNOs.*

*In 637 out of 953 cases, application forms were not countersigned by the LMs concerned in support of their verification.*

*In 654 out of 990 selected beneficiaries, names of the beneficiaries were not available in the land records maintained by Revenue and Disaster Management Department.*

*Out of the 990 selected beneficiaries, against 258 beneficiaries declared by GoA as ineligible, audit scrutiny revealed 654 beneficiaries as ineligible based on the land records maintained by Revenue and Disaster Management Department.*

*(Paragraph-2.2.5.7.2)*

*Analysis of SNO database revealed that ₹300.98 lakh was released to 3,577 fake registration numbers created by adding zero(s) at the beginning of bank account number(s) in 16 out of 33 districts.*

*(Paragraph-2.2.5.9)*

***Mandatory five per cent physical verification by Supervisory Officers was largely ineffective in the State as DAOs of has conducted the physical verification, but no supporting records/document was furnished.***

***(Paragraph-2.2.5.14)***

***Utilisation Certificates for ₹140.51 lakh out of ₹217.51 lakh received towards administrative cost was not furnished yet (October 2021) for reason not on record.***

***(Paragraph-2.2.5.15 (B))***

## **2.2.1 Introduction**

The PM-KISAN scheme aims to provide income support to all eligible farmers' families for supplementing their financial needs to meet both their farm related and domestic requirements. A landholder farmer's family is defined as "a family comprising of husband, wife and minor children, who own cultivable land as per land records of the State". Only one person from the defined farmer family is entitled to the scheme benefits, provided that the person is the landowner as per records.

The scheme was launched in February 2019. It is a Central sector scheme with 100 per cent Government of India (GoI) funding, operated under Direct Benefit Transfer (DBT) mode. Under the scheme, income support of ₹ 6,000 per annum is provided to all eligible farmer families across the country with specified exclusions<sup>46</sup>, in three equal instalments of ₹ 2,000 every four months each year. The responsibility of identifying the landholder farmer family eligible for benefit under the scheme rests with the State Government.

As of March 2021, 41,87,023 applications were uploaded in Assam, out of which 10,66,593 applications were rejected by PM-KISAN portal/Public Financial Management System (PFMS). Subsequently, GoA declared 11,72,685 out of 31,20,430 beneficiaries ineligible through an enquiry conducted (May–July 2020) across the State.

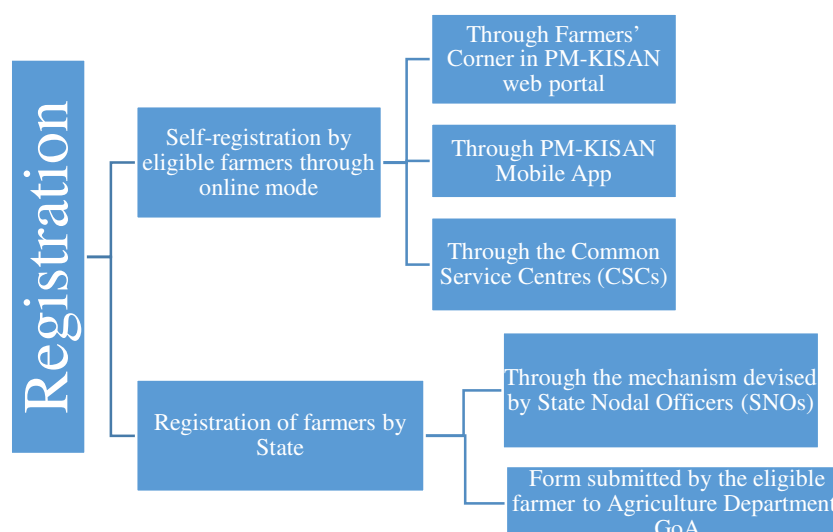
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<sup>46</sup> All Institutional Land holders; and Farmer families in which one or more of its members belong to: (i) Former and present holders of constitutional posts; (ii) Former and present Ministers/State Ministers and former/present Members of Lok Sabha/Rajya Sabha/State Legislative Assemblies/State Legislative Councils, former and present Mayors of Municipal Corporations, former and present Chairpersons of District Panchayats; (iii) All serving or retired officers and employees of Central/State Government Ministries/Offices/Departments and its field units Central or State PSEs and Attached offices/ Autonomous Institutions under Government as well as regular employees of the Local Bodies (Excluding Multi-Tasking Staff (MTS)/Class IV/Group D employees); (iv) All retired pensioners whose monthly pension is ₹10,000 or more (Excluding MTS/Class IV/Group D employees); (v) All Persons who paid Income Tax in last assessment year; (vi) Professionals like Doctors, Engineers, Lawyers, Chartered Accountants, and Architects registered with Professional bodies and carrying out profession by undertaking practices; and (vii) Non-resident Indians (NRIs) in terms of the provisions of the Income Tax Act, 1961.

### 2.2.2 Process of the scheme

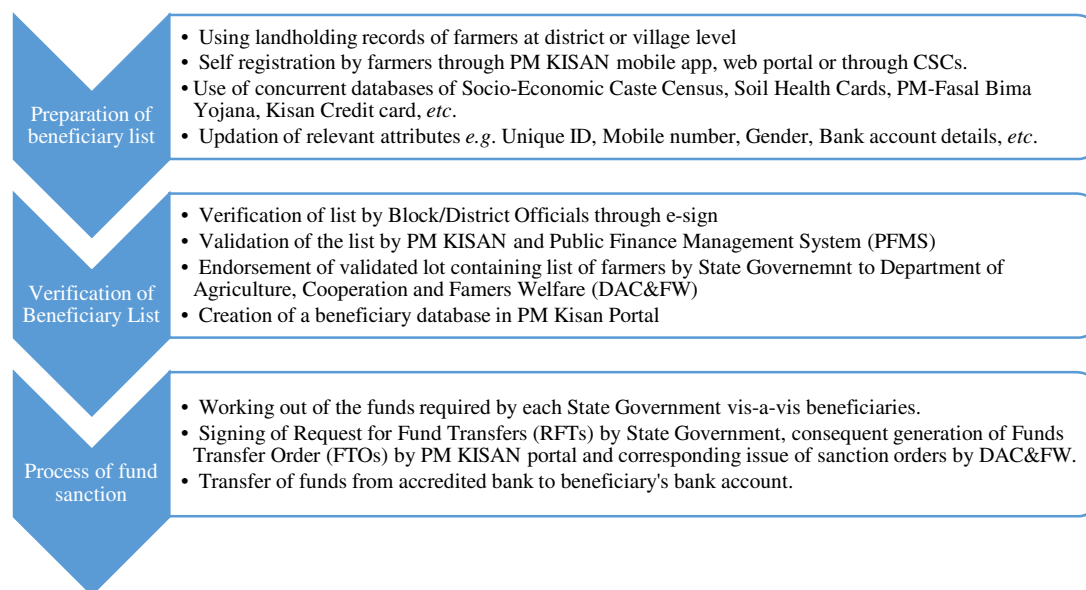
- Identification of the beneficiaries is to be based on the existing land ownership systems in the States and payment is to be released only to those families whose names figure in the land records.
- Responsibility of identification of beneficiaries and of ensuring correctness of beneficiaries' details lies entirely with the State Government.
- Apart from the list of farmers directly uploaded by the State Government, eligible farmers seeking scheme benefits may also directly register both through off-line mode *i.e.*, by submitting a form to Agriculture Department, GoA and online modes *i.e.*, through PM-KISAN web portal, mobile app and through Common Service Centres (CSCs). The method of registration process under PM-KISAN is shown in **Chart 2.1**.

**Chart 2.1: Methods of registration process under PM KISAN**



- However, payments were to be released only after verification of farmers' details by the Block Nodal Officers (BNOs)/District Nodal Officers (DNOs)/State Nodal Officers (SNOs).
- Beneficiary information/data uploaded by the State is validated at the first stage by the PM-KISAN portal and then forwarded for uploading on the PFMS for beneficiary account validation.
- State Government is required to designate a Nodal Department for implementation of the scheme. In Assam, Director of Agriculture, Assam, District Agriculture Officers (DAOs) and Agriculture Development Officers (ADOs) were designated as SNO, DNOs, and BNOs respectively.
- The process of preparation and verification of beneficiary list and fund sanction is shown in a nutshell in **Chart 2.2**.

Chart 2.2: PM KISAN process in a nutshell

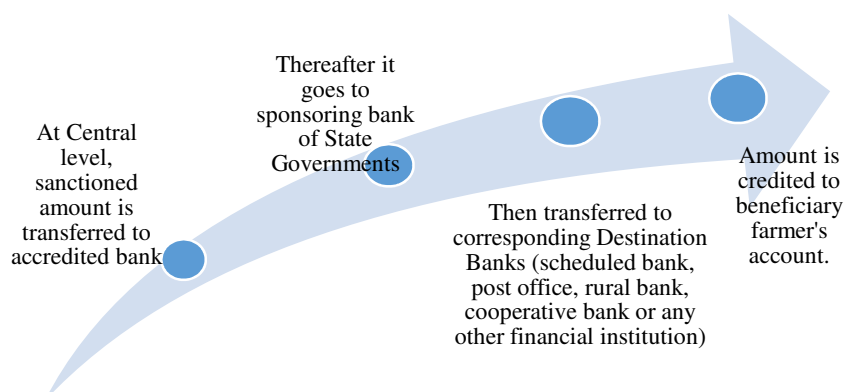


### 2.2.3 Financial Management

- After successful validation of beneficiary information by PFMS, the beneficiaries are combined in 'lots'<sup>47</sup> by the PM-KISAN Central team. These lots are then 'opened' to the State for verification and subsequent 'closure' on the PM-KISAN portal *i.e.*, the State verifies the beneficiary data and closes the lots on the portal itself. For every successful closure of one 'lot', one 'Request for Fund Transfer' (RFT) is generated by the State after these are digitally signed.
- RFTs are processed as per the category of the beneficiary farmers *i.e.*, under General, Scheduled Castes and Scheduled Tribes corresponding with budgetary allocations. States may, at times, also exercise the 'stop payment' option in respect of deceased/ineligible farmers.
- Once the RFTs are signed by the State authorities, Fund Transfer Orders (FTOs) are generated through PM-KISAN portal. Finally, the Programme Division of the Ministry issues sanction orders authorising payment and funds are transferred through DBT mode to the beneficiary account. The process of fund flow till destination is shown in **Chart 2.3**.

<sup>47</sup> Consisting of a variable number of beneficiaries, as per requirement.

Chart 2.3: Process of fund flow till destination



- SNO, Assam operates an account in the Sponsoring Bank viz., State Bank of India for the purpose of PM KISAN.
- In Assam, ₹ 2,554.42 crore was released under PM-KISAN during the period from December 2018 to March 2021. Period-wise fund released to the beneficiaries under the scheme is shown in **Table 2.2**.

Table 2.2: Period-wise fund release

Sl. No.	Period	No. of beneficiaries who received payments	Fund released (Amount in ₹)
1.	December 2018 to March 2019	11,53,660	2,30,73,20,000
2.	April 2019 to July 2019	26,59,946	5,31,98,92,000
3.	August 2019 to November 2019	22,65,240	4,53,04,80,000
4.	December 2019 to March 2020	20,08,964	4,01,79,28,000
5.	April 2020 to July 2020	18,92,275	3,78,45,50,000
6.	August 2020 to November 2020	12,16,293	2,43,25,86,000
7.	December 2020 to March 2021	15,75,703	3,15,14,06,000
<b>Total</b>			<b>25,54,41,62,000</b>

Source: Departmental records/information.

Audit selected 11 districts<sup>48</sup> for field audit. In 10 of the selected districts, total ₹ 584.99 crore was released. DAO, Barpeta did not furnish period-wise release of funds as the same was not available with the DAO. Details are shown in **Appendix-2.2**.

## 2.2.4 Audit Framework

### 2.2.4.1 Audit Objectives

The audit objectives for the Performance Audit on implementation of PM-KISAN were to assess the following:

1. Efficiency and effectiveness of the system put in place for identification and verification of beneficiaries, importantly the identification of beneficiaries by the State Governments.
2. Effectiveness of the refund mechanism adopted to recover the funds released to ineligible beneficiaries.

<sup>48</sup> 1. Baksa, 2. Barpeta, 3. Bongaigaon, 4. Darrang, 5. Dibrugarh, 6. Goalpara, 7. Jorhat, 8. Kamrup Metro, 9. Kokrajhar, 10. Jorhat and 11. Sonitpur.

3. Efficiency and effectiveness of the monitoring mechanisms for the scheme.

#### **2.2.4.2 Audit Criteria**

The sources for audit criteria included the following:

1. Operational Guidelines of the scheme,
2. Guidelines and SOPs on fund transfer, refund mechanism, reimbursement of expenses, *etc.* pertaining to the scheme.
3. Correspondence and instructions issued by the Ministry of Agriculture.
4. Minutes of the Monitoring Committee meetings at District, State and Apex level

#### **2.2.4.3 Audit Scope and Methodology**

An entry conference was held (02 November 2020) with the representatives of the State Government, Department of Agriculture, wherein the audit methodology, scope of audit, audit objectives and audit criteria were explained.

Test-check of records for the period December 2018 to March 2021 was carried out between November 2020 and October 2021 at the offices of the Director of Agriculture, Assam and offices of District Agriculture Officers of 11 selected districts.

The draft PA was discussed (17 February 2022) with the Government in an exit meeting and the views expressed by the representatives of GoA have suitably been incorporated at appropriate places.

#### **2.2.4.4 Sampling and audit coverage**

For coverage of implementation of scheme at State level, records maintained by the office of the State Nodal Officer *i.e.*, Director of Agriculture, Assam for implementation of the scheme was checked.

- 10 districts<sup>49</sup> were selected based on saturation level of beneficiaries *i.e.*, number of operational land holding as per Agriculture Census 2010-11<sup>50</sup> *vis-à-vis* beneficiaries covered. In addition to these 10 districts, one additional district, Barpeta was selected considering the largest number of ineligible beneficiaries in the State.
- 22 Blocks *i.e.*, two each from the 11 selected districts, were selected on random basis.
- Three villages each from 22 selected Blocks were selected.
- 15 beneficiaries' records each from the selected villages (totalling 990) were selected.
- Details of samples selected up to village level are shown in **Appendix-2.3**

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<sup>49</sup> Baksa, Bongaigaon, Darrang, Dhubri, Dibrugarh, Goalpara, Jorhat, Kamrup Metro, Kokrajhar and Sonitpur.

<sup>50</sup> Data as per Agriculture Census 2010-11 was considered for determining saturation level as data of Agriculture Census 2015-16 was not available in respect of Assam.

#### 2.2.4.5 Audit Constraints

Audit exercise was adversely affected due to lack of co-operation towards furnishing records/information by the Director of Agriculture, Assam. Details of information/records not furnished are shown in *Appendix-2.4*.

#### 2.2.5 Audit Findings

##### 2.2.5.1 Absence of updated land records

As per paragraph 4.3 of PM-KISAN operational guidelines, the existing land-ownership system in the concerned State/UT will be used for identification of beneficiaries. It also added that the State Government would expedite the progress of digitisation of the land records. Accordingly, it is of utmost importance that the land records are clear and updated.

**A.** Although digitisation of land records commenced in the State from the year 2001, the process is yet to be completed. Revenue and Disaster Management Department (RDMD), GoA stated that as on July 2021, 24 *per cent* of land records of the State have not yet been fully digitised as parts of land records of seven districts *viz.*, Cachar, Hailakandi, Dima Hasao, Karbi Anglong, West Karbi Anglong, Udalguri and Baksa were not fully digitised yet. However, audit found that in the selected Chandrapur Block located in Kamrup Metro district, land records were not digitised till October 2021, contrary to the claim of the Department.

**B.** Though the RDMD, GoA had informed that 100 *per cent* digitisation of mutation of land records had been completed in the State, however, non-updation of land records was noticed during a recent verification process (July 2021) of the Agriculture Department as a result of which, a large number of farmers were declared ineligible despite being in possession of agriculture land and engaged in cultivation due to non-updation of the land records for years.

In reply, the Additional Chief Secretary to GoA, Agriculture Department stated (February 2022) that the matter has been taken up with Revenue Department.

##### 2.2.5.2 Validation of actual beneficiaries

As per paragraph 2.2 of PM-KISAN operational guidelines, land holding farmer's families are eligible for benefit under the scheme. As the State Government did not maintain any land holding farmers' database, the number of operational land holdings as per Agriculture Census, 2010-11 was taken as the base.

It was noticed that against the total number of operational land holdings of 27,20,223 farmers as per Agriculture Census 2010-11, the SNOs/DNOs received 41,87,023 applications. Audit noticed huge inter-district variations in uploading of data as the data uploaded in 12 out of 33 districts ranged between 28 to 97 *per cent* of the operational land holding in the districts concerned as per Agriculture Census 2010-11. District-wise details are shown in *Appendix-2.5*.

The reason for less receipt of applications over the operational land holdings was neither found available on record nor furnished to audit. Audit however, noticed that

the SNO/DNOs did not take up Information, Education and Communication (IEC) activities to create awareness about the scheme benefits among the land holding farmers, as discussed in **Paragraph 2.2.5.13 A**, leading to non-submission of applications by 4,45,893 beneficiaries.

While accepting the audit observation, GoA stated (February 2022) that 100 *per cent* re-verification of land records is being conducted in accordance with Notification dated 12 August 2021, which relaxed the land holding criteria to include all farmers, who are engaged in cultivation and also persons *prima-facie* eligible under Assam Land Policy, 2019.

### **2.2.5.3 Adoption of process of validation/verification of records**

As per GoI letter dated 26 February 2019, the SNO needed to direct concerned agencies<sup>51</sup> to carry out cross-check to remove all errors and discrepancies in the data at the district/block level and upload them through digital signatures. Uploaded data needs to be verified by the District Agricultural Officers (DAOs) concerned and approved through digital signatures.

As per the information furnished by SNO, on receipt of applications in the prescribed form along with address proof, ID proof, land documents, bank account details, *etc.*, the same were verified by the Agriculture Extension Assistant (AEA). The land records were also verified by the AEA and *Lat Mandals*<sup>52</sup> (LMs). Finally, the documents were approved by the Agriculture Development Officer before uploading the same in PM-KISAN portal based on the certificate of AEA and LMs.

Scrutiny of records made available by DAOs of the selected districts, however, revealed that Common Service Centres (CSCs) were engaged by the DCs concerned to upload data. AEA were asked to collect the application forms from the applicants and LMs were to verify the land records of the applicants and sign on the application forms accordingly.

As the field level functionaries *viz.*, AEA and BNOs (ADOs), were already engaged in National Register for Citizens (NRC) duties, they expressed (February 2019) their constraints in verification of large number of application forms in a short period of time as *Gaon Panchayat*-wise target of 1,000 beneficiaries, as fixed by the DC concerned, was to be met before launch of the Scheme on 24 February 2019.

Irregularities noticed in implementation of the scheme in the State are discussed in the following paragraphs:

#### **2.2.5.3.1 Opening of large number of user IDs**

The procedure to be adopted in opening user IDs is not mentioned in the operational guidelines of PM-KISAN. Besides, Standard Operating Procedure (SOP) in this regard

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<sup>51</sup> Block and District level functionaries *viz.*, Agriculture Development Officers, District Agriculture Officers, *etc.*

<sup>52</sup> Lat Mandals are field level functionaries from the Department of Land Records, GoA



was not received from GoI, and GoA, on its part, also failed to adopt any mechanism to exercise checks against indiscriminate opening of user IDs as a proactive measure.

As a result, a total of 873 user IDs were operated in the State to upload data. Seven hundred eighty eight out of the 873 user IDs were, however, deactivated subsequently as per the SOP<sup>53</sup> (June 2021) of GoA leaving 85 user IDs active. On being asked about the reason for opening such large number of user IDs, the SNO stated (October 2021) that huge number of data had to be entered in the portal in a very short period of time during the initial phase of the scheme. As such, multiple data entry operators were involved in the process and therefore more access was needed at that time.

Selected district-wise position of active and inactive user IDs as of October 2021 is shown in **Table 2.3**.

**Table 2.3: District-wise position of active and inactive user**

Sl. No.	District	Total user ID opened	Total data uploaded	Active ID	Data uploaded through Active ID	Inactive ID	Data uploaded through inactive ID	Ratio (User ID: data uploaded)
1	Kamrup Metro	1	8,364	1	8,364	Nil	Nil	1:8,364
2	Darrang	5	1,14,527	1	NA	4	45,753	1:22,905
3	Dibrugarh	1	61,518	1	61,518	Nil	Nil	1:61,518
4	Jorhat	1	83,647	1	--	Nil	Nil	1:83,647
5	Sonitpur	1	63,304	1	--	Nil	Nil	1:63,304
6	Goalpara	14	80,659	1	NA	13	NA	1:5,761
7	Bongaigaon	27	56,088	1	25,037	26	31,051	1:2,077
8	Kokrajhar	77	59,625	1	24,139	76	38,948	1:774
9	Baksa	16	1,21,815	1	NA	15	NA	1:7,613
10	Barpeta	40	4,81,979	1	6,692	NA	NA	1:12,049
11	Dhubri	27	2,03,906	1	NA	26	NA	1:7,552
<b>Total</b>		<b>210</b>	<b>13,35,432</b>	<b>11</b>				

Source: Departmental records/information.

NA:-Not Available

As can be seen from **Table 2.3**, in four (Sl. No. 2 to 5) out of the 11 districts, data uploaded per ID ranged between 22,905 and 83,647 records whereas in the rest seven districts, data uploaded per user ID ranged between 774 and 12,049 records. Thus, no uniform criteria was adopted for opening user IDs for uploading data. Besides, opening of user IDs was not proportional to the number of data to be uploaded, contrary to the SNO reply.

Further, the operational guidelines/SOPs did not set any target as regard to uploading of data in PM-KISAN portal within a certain period of time. Instead, emphasis was given mainly on identification and selection of beneficiaries, who were eligible as per the operational guidelines, by the BNOs/DNOs/SNOs.

Injudicious decision of the Deputy Commissioners of uploading the data within a very short period of time for reasons unknown, especially when the field level officers/officials were engaged in updation of NRC in the State, may have led to uploading of unverified data through unauthorised user IDs.

<sup>53</sup> One user ID for SNO and one user ID per district

The SNO also found that unauthorised user IDs were opened to upload data. A report (August 2019) of the PM-KISAN cell indicated that 55 unauthorised user IDs<sup>54</sup> were opened in four districts during February 2019 to August 2019. As per the report, a total of 7,32,373 records were uploaded from these unauthorised user IDs. Out of these 7,32,373 records, 5,60,632 records were also accepted for release of payment.

Similarly, as per the information furnished by the DAOs of the selected districts, 22 unauthorised user IDs<sup>55</sup> were opened in four selected districts. In Darrang, a total of 45,753 records were uploaded through four unauthorised user IDs. As per the payment details furnished to audit, ₹ 4.37 crore was released to 12,010 out of the 45,753 beneficiaries. As the beneficiaries were untraceable during enquiry conducted by the State Government with the help of village Headman, the DAO requested (June 2020) the Lead District Manager (LDM) for Know Your Customer (KYC) verification of the beneficiaries. Report of the KYC verification was awaited till the date of audit (September 2021).

Thus, there was no control over opening of user IDs and password to upload beneficiaries' data. Besides, no mechanism could be evolved for prompt detection of any malpractices as regard to data entry through unauthorised user IDs.

While accepting the audit observation, GoA stated (February 2022) that action is being taken for more transparency and proper validation of fresh applications received under the scheme. It was also stated that district level user IDs have been updated based on SOP dated 30 June 2021 and presently, 33 district level user IDs and one SNO user ID are active in the portal.

#### **2.2.5.4 Release of benefits to ineligible beneficiaries**

As complaints were received from different quarters regarding anomalies in beneficiaries list of PM-KISAN, an enquiry was initiated (May 2020) under the supervision of the Additional Chief Secretary, Home & Political, Revenue & Disaster Management, Environment & Forest, Social Welfare Departments on the order of the Chief Minister.

As per the report of verification across the State conducted during May to July 2020, 15,59,286 beneficiaries were found ineligible. Category-wise number of ineligible beneficiaries are shown below:

##### **2.2.5.4.1 Untraceable beneficiaries**

As per the verification report, 11,31,152 (72.54 per cent) out of the 15,59,286 ineligible beneficiaries were found to be untraceable. As per the report, the main reason for such proportion of ineligible beneficiaries being untraceable was non-availability of father's/husband's name as at the time of data entry as , 'father's/husband's name' was not a mandatory field.

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<sup>54</sup> West Karbi Anglong: 22, Barpeta: 30, Dhubri: two and Morigaon: one.

<sup>55</sup> Darrang: four, Baksa: 11, Barpeta: two and Dhubri: five.

#### 2.2.5.4.2 Ineligible beneficiaries under exclusion criteria

It was also noticed that total count of ineligible beneficiaries under exclusion criteria of PM-KISAN operational guidelines was 2,76,137 (Non-farmer beneficiaries: 2,61,487 and Government Employees & Pensioners of Government/Local Bodies: 14,650).

#### 2.2.5.4.3 Ineligible beneficiaries of other categories

In addition to the above, there were 1,51,997 beneficiaries who were also found to be ineligible (Multiple entries: 1,27,388 and Other exclusion category<sup>56</sup>: 24,609).

Information furnished by the SNO, however showed that the total count of ineligible beneficiaries in the State was 11,72,685 as on 31 March 2021.

On this being pointed out, it was stated during the exit meeting (February 2022) that another verification was being conducted and as such, the figure was dynamic.

#### 2.2.5.5 Ineligible beneficiaries in selected districts

Category-wise ineligible beneficiaries of selected districts as per information furnished to audit by the DAOs concerned are shown in *Table 2.4*.

**Table 2.4: Selected district-wise ineligible beneficiaries of different category**

Sl. No.	District	Govt. employee/pensioner	Landless	Untraceable	Holder of constitutional posts/ Income taxpayers/ Non-farmer	Multiple entries/ same family	Minor & deceased person	Total
1.	Baksa	1,014	NA	28,065	13,696	10,379	227	53,381
2.	Barpeta	249	NA	1,13,565	15,799	2,981	450	1,33,044
3.	Bongaigaon	284	399	2,145	1,708	3,660	482	8,678
4.	Darrang	1,472	6,777	23,226	6,846	3,072	528	41,921
5.	Dhubri	155	912	93,936	0	3,474	389	98,866
6.	Dibrugarh	857	0	3,070	1595	1,400	219	7,141
7.	Goalpara	658	1,793	2,033	2,495	5,418	276	12,673
8.	Jorhat	648	0	7,739	665	2,984	0	12,036
9.	Kamrup Metro	153	Nil	176	939	328	41	1,637
10.	Kokrajhar	448	1,536	16,430	2,510	1,994	223	23,141
11.	Sonitpur	261	1,730	0	2,187	1,537	173	5,888
	<b>Total</b>	<b>6,199</b>	<b>13,147</b>	<b>2,90,385</b>	<b>48,440</b>	<b>37,227</b>	<b>3,008</b>	<b>3,98,406</b>

Source: Departmental record/information.

Release of benefits to large number of ineligible beneficiaries highlighted the absence of proper verification measures.

#### 2.2.5.6 Flaws in data entry

A. As per information furnished by SNO, data of 41,87,023 applicants were uploaded in PM-KISAN portal. Out of 41,87,023 records so uploaded, 10,66,593 records were rejected by PM-KISAN portal/PFMS due to flaw in bank account and IFSC code as well as inappropriate data entry through unauthorised user IDs as stated by the SNO. Besides, district-wise count of such rejected data were not furnished as

<sup>56</sup> Holder of constitutional posts/Income taxpayers/death/minors/member of same family, etc.

the same were inaccessible to the SNOs/DNOs and kept separately by the Central server of PM-KISAN portal.

- B.** Further, as per SOP of GoI (25 February 2019), rejected data after validation by PM-KISAN portal and PFMS are returned to the states through the portal for fresh upload, if required. The rejected data were, however, not uploaded afresh after carrying out necessary correction.

In order to ascertain the cause of rejection of such a large (25 per cent) proportion of data in PM-KISAN portal/PFMS, requisition was placed to the DAOs of selected districts to furnish application forms and records of beneficiaries out of the rejected lists in respect of the selected villages. Out of the total 281 forms and records called for, 87 applications were furnished by the DAOs concerned.

On being asked about the reason for not furnishing the forms and records, the DAOs stated that the same were untraceable.

Scrutiny of the available application forms and records and PM-KISAN database revealed that there was mismatch in entry of the bank account numbers in the portal *vis-à-vis* the account numbers as per the copies of the bank passbooks found appended with the application forms. Besides, mismatches in bank names in PM-KISAN database *vis-à-vis* bank pass books were also noticed.

As fresh entries after carrying out necessary corrections in compliance with the SOP were not done, 87 applicants were deprived of the benefits (worth ₹ 12,18,000<sup>57</sup>) of the scheme till 31 March 2021. Similar consequences in respect of other rejected applications could not be ruled out.

While accepting the audit observation, GoA stated (February 2022) that 100 per cent re-verification is being conducted to identify the eligible beneficiaries through the revenue officials under the supervision of Deputy Commissioners and Principal Secretaries of Sixth Schedule areas. Besides, new registrations is also being done to include all the *bona-fide* beneficiaries.

#### **2.2.5.6.1 Flaws in data entry in selected districts**

GoI SOP (26 February 2019) *inter alia* included that supervisory officials were required to cross-check the uploaded beneficiaries' information with the original forms before submitting the same for Request for Fund Transfer (RFTs) to correct any error as well as to ensure that no junk data is submitted.

On scrutiny of records of the 11 selected districts, audit observed the following:

- In Kokrajhar district, though no revenue village named 'Adabari' existed, the same was entered in the PM-KISAN database. All the selected beneficiaries of 'Adabari' were actually residents of nearby Dhubri district as was confirmed through KYC verification from the banks concerned.

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<sup>57</sup> ₹2,000 x 7 x 87

- In Balachari village of selected Goalpara district, all the selected beneficiaries are residents of other villages.
- The village –‘Chulkani Para’ of Goalpara was wrongly entered in the PM-KISAN database as ‘Chunari Char’.
- The Soulmari Pt II village of Dhubri district is actually under Gauripur Block. In the database, it was wrongly entered under the selected Golakganj Block.

The observations above indicated that there were flaws in data entry as well as in subsequent validation to remove errors in compliance with the SOP of GoI.

### 2.2.5.7 Findings on coverage of selected districts

Audit scrutiny of records of selected beneficiaries revealed the following:

#### 2.2.5.7.1 Non-furnishing of records of selected beneficiaries

As per paragraph 9.1 of the operational guidelines (March 2020) of PM-KISAN, beneficiaries under the scheme are to be identified by the respective State and Union Territory. The details of farmers are being maintained by the States/UTs either in electronic form or in manual register.

- A.** During the course of audit, it was noticed that no record/register showing details of farmers were maintained in the selected districts. Moreover, 11 selected villages of six selected districts had to be replaced by other villages due to non-availability of application forms and beneficiaries’ records of beneficiaries pertaining to the selected villages.
- B.** Besides, out of 990 (15 beneficiaries each of six villages per district) selected beneficiaries in 11 selected districts, application forms and records of 37 beneficiaries (Bongaigaon: 10, Goalpara: three and Kokrajhar: 24) were not furnished as the same were unavailable. As a result, the records could not be verified in audit.

#### 2.2.5.7.2 Findings on verification of records furnished

On verification of records of the selected districts, following issues were noticed (District-wise details are shown in *Appendix-2.6*).

(i) As per paragraph 2.3 of the operational guidelines, the benefit of the scheme is to be provided to all small and marginal landholder farmer families who collectively own cultivable land as per land records of the concerned State, subject to certain exclusions.

Audit, however, observed that in 753 (79 *per cent*) out of 953 cases, the beneficiaries were not the owner of the land as the land was in others’ name as per the land document attached with the application forms. Beneficiaries without land in their names ranged between 66 (Dhubri) and 92 (Barpeta) *per cent* in the selected districts.

(ii) In 96 (10 *per cent*) out of 953 cases, land document was not attached with application forms.

(iii) In 91 out of 953 cases, benefits of the scheme were released to multiple beneficiaries with the same land documents.

(iv) GoA SOP (13 February 2019) envisaged that the BNOs would get the eligibility of the farmers verified in the field and collect the required information of beneficiary farmers *viz.*, details of bank account, land holding, *etc.* through the AEAs.

Scrutiny of records, however, revealed that in 747 (78 *per cent*) out of 953 cases, the application forms were not verified by the BNOs concerned through countersignature. In five districts (Baksa, Barpeta, Bongaigaon, Goalpara and Kokrajhar), BNOs did not verify any of the application forms, whereas in the remaining six districts, the shortfall in verification of application forms and records by the BNOs concerned ranged between 06 and 99 *per cent*.

(v) In 83 out of 953 cases, the application forms were accepted despite not filling the self-declaration part of the application forms. In Dhubri district, maximum 33 *per cent* of the sampled beneficiaries were released benefits though they did not fill the self-declaration part of the application forms.

(vi) As per GoA SOP dated 13 February 2019, eligibility of the applicant was to be verified by LMs through countersignature.

Scrutiny of records, however, revealed that in 637 (67 *per cent*) out of 953 applications furnished to audit, the application forms were not countersigned by the LMs concerned in support of their verification. While the LMs did not verify beneficiaries application forms and records in four districts (Baksa, Goalpara, Kamrup Metro and Kokrajhar), shortfall in verification in respect of the other seven districts ranged between seven and 99 *per cent*.

(vii) As per paragraph 2.3 of the operational guidelines, operational land holding farmer families as per the land records of GoA were eligible for the benefit of the scheme subject to certain exclusion criteria.

Scrutiny of records, however revealed that in 654 (66 *per cent*) out of 990 selected beneficiaries, names of the beneficiaries were not available in the land records maintained by the RDMD. Thus, 40 to 92 *per cent* of the selected beneficiaries in the selected districts received benefits despite their names not being available in the land records maintained by RDMD.

(viii) Comparative study of ineligible beneficiaries declared by GoA as reflected in PM-KISAN database *vis-à-vis* actual number of ineligible beneficiaries based on the land records of GoA detected by audit revealed that out of the 990 selected beneficiaries, GoA declared a total of 258 beneficiaries ineligible whereas as per audit scrutiny 654 beneficiaries were actually ineligible.

In Darrang district, though GoA did not declare any of the selected beneficiaries ineligible, 71 out of the 90 selected beneficiaries were found ineligible in audit.

In Jalah block of Baksa district, the status of operational land holding in respect of 45 selected beneficiaries remained un-ascertained due to non-digitisation of land records in the block as well as non-receipt of reply from the Circle Officer concerned.

The irregularities mentioned above indicated that there were lapses in verification to ascertain eligibility of the beneficiaries before releasing benefits of the scheme.

While accepting the audit observations pertaining to selected districts, GoA stated (February 2022) that 100 *per cent* re-verification including that of untraceable beneficiaries is being conducted since June 2021 through revenue officials under the supervision of DCs and Principal Secretary of the Sixth Schedule areas.

#### 2.2.5.8 Release of benefits to beneficiaries with non-agricultural land

Among the sampled beneficiaries, audit found that 11 beneficiaries, whose land was used for purposes other than agriculture, were released benefits of ₹ 1.24 lakh till 31 March 2021 as detailed in *Appendix 2.6*.

#### 2.2.5.9 Multiple registration of same beneficiaries

On analysis of SNO database, audit found that fake registration numbers were created by adding zero(s) at the beginning of the bank account number(s). As a result, multiple benefits were credited into the same bank account against multiple registrations. Audit found 3,577 such registrations in 16 out of 33 districts against which a total of ₹ 3.01 crore was released. District-wise funds released to beneficiaries with fake registrations is shown in *Appendix 2.7*.

#### 2.2.5.10 Duplicate registration with same bank account

On analysis of PM-KISAN database, it was noticed that multiple registrations were done using the same bank account number in respect of 3,104 beneficiaries in 10 districts as shown *Table 2.5*.

**Table 2.5: District-wise duplicate registrations detected in audit**

Sl. No.	Name of District	Number of duplicate registration
1.	Baksa	116
2.	Bongaigaon	1726
3.	Darrang	674
4.	Dhubri	498
5.	Dibrugarh	24
6.	Goalpara	10
7.	Jorhat	14
8.	Kamrup Metro	4
9.	Kokrajhar	10
10.	Sonitpur	28
<b>Total</b>		<b>3104</b>

Although no benefits were released to the beneficiaries, multiple registration using the same bank account indicated that necessary verification was not done.

#### **2.2.5.11 Beneficiaries with names of jumbled letter/special character**

Analysis of PM-KISAN database also revealed that in Barpeta district, an amount of ₹ 10.86 lakh was released to 274 applicants with names containing jumbled letters/special characters.

This also indicated that there were flaws in data entry as well as verification of beneficiaries' records.

#### **2.2.5.12 Refund of funds**

Out of ₹ 567.41 crore released to 8,44,672 ineligible beneficiaries, refund of ₹ 1.37 crore (0.24 *per cent*) was so far (March 2021) received from 2,233 ineligible beneficiaries in 31 districts of the State. District-wise details of refund is shown in *Appendix-2.8*.

No refund was received from ineligible beneficiaries of Dibrugarh and West Karbi Anglong Districts though ₹ 3.55 crore and ₹ 11.56 crore were released to 3,831 and 25,799 ineligible beneficiaries respectively.

The refund of ₹ 1.37 crore so received from 2,233 ineligible beneficiaries was, however not refunded to the Ministry of Agriculture and Farmers Welfare. Instead, the same was retained in the bank account operated for administrative expenses as per the refund module communication dated 20 April 2021.

For receiving refund of benefits released to the ineligible beneficiaries, notification was published in local dailies requesting them to voluntarily refund the benefits through the DAOs concerned.

Considering recovery of mere 0.24 *per cent* of ₹ 567.41 crore released to ineligible beneficiaries even after 16 months from completion (July 2020) of the enquiry by the State Government, the recovery mechanism adopted remained largely ineffective.

GoA did not offer (February 2022) any specific reply to the audit observation.

#### **2.2.5.13 Exploring and mobilising the actual beneficiaries of the scheme**

**A.** As per paragraph 6.3 of the operational guidelines of PM-KISAN Scheme, a project monitoring unit (PMU) on the lines of Central level was to be constituted at State level. The activities of the PMU *inter alia* include publicity campaign *i.e.*, information, education and communication (IEC) activities to create awareness among the landholding farmers to avail the benefits of the scheme.

In Assam, a four-member State-level Review, Monitoring and Grievance Redressal Committee under the chairmanship of SNO was constituted in August 2019 *i.e.*, after release of 2<sup>nd</sup> instalment totalling ₹ 762.72 crore.

Records such as Minutes of meeting, decisions taken by the Committee, execution of the same and follow-up by the Committee for proper implementation of the scheme in the State, *etc.* was neither found available on record, nor furnished to audit. As a result,



effectiveness of the Committee in monitoring implementation of the scheme in the State remained unascertained.

As per information furnished by SNO, total expenditure of ₹ 33.98 lakh<sup>58</sup> was incurred towards inauguration ceremony at State and district levels. However, no IEC activities to create awareness among the land holding farmer families were undertaken. As a result, publicity campaigns, which are due to be taken up through IEC activities, remained largely ineffective which resulted in non-receipt of applications in 12 districts as discussed in **Paragraph 2.2.5.2**.

While accepting the audit observation, GoA stated (February 2022) that a State level PMU was formed (June 2021) to look into the IEC activities as well as progress of ongoing 100 *per cent* re-verification of beneficiaries.

**B.** Further, as per GoI order (26 February 2019), SNO/DNOs were to ensure that proper and prominent display of names of the beneficiaries who have received payments under the Scheme and of those whose names were registered for the next lots from the State, in every village panchayat so that the actual beneficiaries left out/not registered could know the same and register themselves for availing benefit of the Scheme.

During the course of field visit, audit did not notice names of the beneficiaries being displayed in compliance with the GoI order. Besides, no such record was also maintained by the DAOs. Thus, there was laxity in exploring and mobilising the actual beneficiaries of the scheme.

While accepting the audit observation, GoA stated (February 2022) that 100 *per cent* re-verification of PM-KISAN beneficiaries as well as steps to register all the *bona-fide* beneficiaries are being taken simultaneously.

#### **2.2.5.14 Five per cent physical verification of beneficiaries**

As per paragraph 8.2 of the operational guidelines, Supervisory Officers were to randomly check five *per cent* beneficiaries to ensure their eligibility every year.

While reiterating the need for undertaking physical verification of the beneficiaries who have received benefits under PM-KISAN, by the District Collector/Magistrate under the supervision of SNO on a regular basis, GoI communicated (August 2019) the following prescribed procedure:

- The district-wise list of villages will be identified on random selection basis to cover approximately 2.5 *per cent* of the beneficiaries at the Central level providing the list to SNO separately.

<sup>58</sup> Towards opening ceremony – (i) Block level: ₹21.90 lakh (219 Blocks @ ₹10,000 each), (ii) District level: ₹8.25 lakh (33 Districts @ ₹25,000 each), (iii) State level: ₹0.50 lakh and (iv) Advertisement in local dailies at State level: ₹3,33,102.

- 100 *per cent* verification needs to be done in the villages identified covering the beneficiaries who have received the benefit and not just identified as eligible beneficiary.
- The verification process should be completed within 45 days from the receipt of the letter and the verification report should be furnished to GoI immediately.
- Expenditure to be incurred in the exercise was to be met out of the administrative costs received. Besides, external monitors/agency can be engaged, if felt necessary.

Although the SNO stated (October 2021) that five *per cent* physical verification of beneficiaries was done by District Agriculture Officers (DAOs), but no record showing the process adopted, list of beneficiaries verified, verification report, result of such verification and action taken, if any, was furnished.

In the selected districts, although DAO, Sonitpur stated (October 2021) that the physical verification of beneficiaries was conducted, no supporting record/document was furnished.

Thus, the exercise of physical verification of beneficiaries by the Supervisory Officers was not given due importance in the State, which not only violated the provision of operational guidelines, but also pointed towards ineffective monitoring and supervision in implementation of the Scheme in the State.

GoA, while accepting the audit observations, stated (February 2022) that 100 *per cent* re-verification including untraceable beneficiaries is being conducted since June 2021 through revenue officials under the supervision of DCs and Principal Secretary of the Sixth Schedule areas.

#### **2.2.5.15 Payment of administrative expenses**

A. Paragraph 6.3 of the operational guidelines *inter alia* provides that 0.25 *per cent* (revised to 0.125 *per cent*<sup>59</sup>) of the amount earmarked for the first instalment and 0.125 *per cent* for the subsequent instalments can be transferred by GoI to State Governments to cover the expenditure on their PMUs, if established, and for meeting other related administrative expenses including cost to be incurred for procurement of stationary, field verification, filling of prescribed formats, their certification and its uploading as well as incentive for field functionaries and publicity.

Administrative cost receivable *vis-à-vis* actually received as per the provisions of the guidelines indicated that during December 2018 to March 2021, ₹ 1.23 crore was short-received by SNO as shown in **Table 2.6**.

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<sup>59</sup> Vide revised operational guidelines dated 20 June 2019.

Table 2.6: Less receipt of administrative cost by the SNO

Year	No. of beneficiaries who received payment	Payment released (₹)	Administrative costs receivable (₹)	Total administrative costs received (₹)	Release {Excess (-) Less (+)} (₹)
2018-19	27,33,864	5,46,77,28,000	68,34,660	Nil	68,34,660
2019-20	65,00,200	13,00,04,00,000	1,62,50,500	2,17,51,000	-55,00,500
2020-21	43,78,579	8,75,71,58,000	1,09,46,448	Nil	1,09,46,448
<b>Total</b>	1,36,12,643	27,22,52,86,000	3,40,31,608	2,17,51,000	1,22,80,608

Source: Departmental records/information.

SNO, however, did not place any demand with GoI for release of administrative cost.

Administrative costs totalling ₹ 1.19 crore was released to 33 districts in four instalments as shown in **Appendix-2.9**. Besides, expenditure of ₹ 32.87 lakh was incurred towards procurement of air conditioners and accessories<sup>60</sup> (₹ 8,05,515), furniture<sup>61</sup> (₹ 69,768), printing of leaflets<sup>62</sup> (₹ 21,00,000), advertisement in local dailies<sup>63</sup> (₹ 3,11,514). The details of the remaining ₹ 65.84 lakh could not be ascertained as the SNO, Assam did not furnish bank statements.

Further, out of the total expenditure of ₹ 32.87 lakh, ₹ 29.76 lakh was spent towards activities like procurement of air-conditioner and accessories, furniture and printing of leaflets for creating awareness on Farm Bills passed by Parliament, *etc.* which are not permissible under the relevant provision of operational guidelines of the Scheme.

**B.** Scrutiny of records further revealed that out of ₹ 2.18 crore received towards administrative expenses, the SNO submitted utilisation certificate (UC) of only ₹ 77 lakh to GoI. UCs for the balance ₹ 140.51 lakh was not furnished yet (October 2021). District-wise UCs received from the DAOs was, however, not furnished as the same was not being maintained by the SNO.

Selected district-wise expenditure incurred and UCs submitted in respect of administrative costs is shown in **Appendix-2.10**.

- Out of the administrative costs amounting to ₹ 46.35 lakh received in 11 selected districts, an expenditure of ₹ 17.25 lakh was incurred by eight districts and UCs for ₹12.13 lakh were furnished by six districts.
- DAO, Barpeta did not furnish any information about the expenditure incurred and UC furnished for ₹ 11.16 lakh received as administrative costs.
- DAO, Baksa incurred an expenditure of ₹ 4.12 lakh out of ₹ 5.13 lakh received as administrative cost, but did not furnish details of expenditure and UC was submitted to SNO.

<sup>60</sup> One ton Split A.C., Stabilisers, Two ton A.C., stabiliser, 65 inch Full HD Smart LED TV, HP Desktop, UPS, Antivirus For Computer, HP Laser Jet Printer, HP Toner, Xerox Paper, Legal Paper.

<sup>61</sup> Executive Revolving Chair, Visitors Chair, File Cabinet, Stationery items.

<sup>62</sup> Printing of Leaflets for creating Awareness (7,00,000 nos.) on farm bills passed by Parliament.

<sup>63</sup> Expenditure incurred for dispatching PM-KISAN leaflets to DAOs for creation of awareness about the scheme, Newspaper Advertisement.

- DAO, Dhubri incurred an expenditure of ₹ 3.95 lakh and UC was submitted to SNO, Assam, but the purpose of expenditure was not furnished.
- DAO, Goalpara did not submit UC for expenditure of ₹ 1.00 lakh incurred towards uploading beneficiaries' data.
- DAOs, Jorhat and Kamrup did not incur any expenditure as the funds were received by the respective Deputy Commissioners.

GoA did not offer (February 2022) any specific reply to the audit observation.

### **2.2.6 Conclusion**

GoA is implementing the PM-KISAN scheme to provide income support to eligible landholder farmer families for meeting expenses related to agriculture and allied activities as well as for domestic needs. As of March 2021, 41,87,023 applications were uploaded in PM-KISAN portal in the State. Out of 41,87,023 applications, 10,66,593 applications were rejected by PM-KISAN portal/PFMS. Subsequently, GoA declared 11,72,685 out of 31,20,430 beneficiaries ineligible through an enquiry conducted (May-July 2020) across the State.

Audit observed that emphasis was given on uploading large number of applicants' data on the portal within a short period of time rather than ensuring eligibility of the beneficiaries under the scheme. No uniform criteria was adopted in opening user IDs as in the 11 selected districts, data uploaded per user ID ranged between 774 and 83,647. There were flaws in data entry as well as laxity in subsequent validation to remove the anomaly.

Benefits were released to beneficiaries without land documents, multiple beneficiaries with same land documents, beneficiaries with land in others' name and beneficiaries whose names were not found available in the land records maintained by the State Government. Verification of application forms by the Block Nodal Officers as well as land records authority was not done. Action taken by the State Government to receive back the benefits released to ineligible beneficiaries was largely ineffective.

The findings highlighted the fact that implementation of the scheme in the State failed to achieve the desired objective.

### **2.2.7 Recommendations**

- ❖ *GoA should take effective steps to ensure all the anomalies in the data entry are corrected and data rejected during first and second level of validation by PM-KISAN portal and PFMS are verified for fresh uploading after carrying out necessary correction as per the provisions of relevant SOP of GoI.*
- ❖ *GoA should ensure that database of land holding farmer families is created and all eligible land holding farmer families receive the benefit of the scheme.*
- ❖ *GoA should initiate steps to ensure that an effective monitoring mechanism is put in place and activities of the State Level Review, Monitoring and Grievance Redressal Committee (SLRM&GRC) are documented properly.*

- ❖ GoA should ensure benefits released to ineligible beneficiaries are recovered and refunded to GoI without further delay.

## Compliance Audit Paragraphs

### Public Works (Roads) Department

#### 2.3 Compliance Audit on “Projects sanctioned by Ministry of Development of North-Eastern Region”

##### 2.3.1 Introduction

The Ministry of Development of North-Eastern Region (MDoNER) has been sanctioning projects to eight States in the North Eastern Region (NER) to fill up gaps in infrastructure through block grants of Non-Lapsable Central Pool of Resources (NLCPR) through 90 *per cent* Central funding and 10 *per cent* contributed by the States. The identified projects under the NLCPR schemes are executed by the State Government agencies.

The new Central scheme of North-East Special Infrastructure Development Schemes (NESIDS), fully funded by the GoI, was taken up to fill up gaps of infrastructure in certain identified sectors of the Region. NESIDS was implemented for three years from 2017-18 to 2019-20. Funds were also provided for the ongoing projects under NLCPR so that they could be completed by 2019-20.

During 2015-16 to 2020-21, a total of 33 projects at an estimated cost of ₹ 1,133.83 crore were sanctioned *i.e.*, 15 projects during 2015-18 at an estimated cost of ₹ 526.41 crore under NLCPR and 18 projects during 2018-21 at an estimated cost of ₹ 607.42 crore under NESIDS under Public Works Department (PWD) (Roads & Bridges), Sports, Health, and Irrigation Departments.

Out of the 33 projects, audit test-checked 13 projects<sup>64</sup> (*Appendix-2.11*) involving approved cost of ₹ 517.13 crore (reported expenditure of ₹ 325.20 crore as of June 2022) implemented by the State PWD. Out of 13 projects, seven projects had been completed and five were in progress with physical achievement of 60 to 84 *per cent* as of September 2022, while one project<sup>65</sup> was foreclosed<sup>66</sup>.

During test-check, audit noted irregularities in selection of contractor, cases of extending undue financial benefit to contractors and extra expenditure, *etc.* highlighting financial mismanagement.

<sup>64</sup> Nine projects (₹ 134.47 crore) and four projects (₹382.66 crore) under NLCPR and NESIDS respectively.

<sup>65</sup> Construction of Road from NH-31 to Kashipur Suplekuchi via Purbaharati under Nalbari district.

<sup>66</sup> CE, PWD (Roads) foreclosed the project due to slow progress of work after achieving 37 *per cent* physical progress at an expenditure of ₹0.80 crore against the approved cost of ₹5.60 crore. However, remaining work had been taken up (February 2021) under PMGSY-III 2020-21 at ₹3.31 crore.

Besides, audit also noted execution of works violating the technical specifications which was fraught with the risk of damage to the work so executed. Project-wise significant audit findings are discussed in the succeeding paragraphs.

**2.3.2 Name of project: Construction of RCC Bridge over river Aie at Aie Powali including approach & protection work in Chirang District**

**i) Delay in completion of project and irregularity in selection of contractor**

MDoNER conveyed administrative approval (AA) (February 2019) to the work under NESIDS for ₹ 69.74 crore. Additional Chief Engineer (ACE) cum Director, Public Works Department (PWD), Bodoland Territorial Council (BTC), Kokrajhar allotted (February 2019) the work to Shri Achinta Narzary being the lowest bidder at ₹ 69.74 crore<sup>67</sup> against the estimated cost of ₹ 69.74 crore. The project was to be executed by the Executive Engineer (EE), R&B, Chirang Division. The work was stipulated to be completed within 30 months *i.e.*, by August 2021. However, the work remained incomplete till August 2022 after a lapse of 12 months from the stipulated date of completion with physical progress of 70 *per cent* and financial progress of ₹ 43.07 crore.

The Department, during the exit meeting (February 2023), stated that the work achieved overall progress of 80 *per cent* and the delay was caused because of Covid-19 pandemic and due to inaccessible site condition. Audit, however, noted the following irregularities in selection of the contractor due to which capability of the contractor for timely completion of the work was doubtful.

Clause 4.5.7 of the tender document stipulated for assessment of the contractor's financial soundness from the audited balance sheet of the contractor for the last five years. While evaluating the bid, financial position of the contractor was assessed from the value of bill received as depicted in the trading, profit and loss account of the balance sheet submitted by the contractor. Audit, however, noted that the balance sheet for the year 2013-14 belonged to another person (Sukumar Brahma). Further, the balance sheet showing financial position submitted by the contractor for another work<sup>68</sup> under NLCPR 2016-17 had different figures with less amount compared to the figures submitted for the instant work as shown in **Table 2.7**.

**Table 2.7: Differences in financial position of the contractor**

(₹ in lakh)

Year	Financial position as per documents submitted by the contractor	
	Construction of road from Subhajibhar to Uttar Ballamguri under NLCPR 2016-17	Construction of RCC Bridge over river Aie at Aie Powali under NESIDS 2018-19
2013-14	755.54	1,671.32
2014-15	1,492.70	2,256.69
2015-16	1,118.42	2,840.59
2016-17	Did not furnish as not required	3,940.59
2017-18		5,416.29

<sup>67</sup> The L2 bidder (Babita Basumatary) quoted ₹72.59 crore.

<sup>68</sup> Construction of road from Subhajibhar to Uttar Ballamguri via Kumarshali at Bijni under NLCPR 2016-17.

Clause 4.7 of the tender document prescribed that the bid capacity of the contractor would be assessed based on a formula<sup>69</sup>, where the value of existing commitments and on-going works was to be subtracted from twice the product of- (i) maximum value of civil works executed in any one year during the last five years and (ii) number of years prescribed for completion of works for which bids are invited. Audit noted that while evaluating the financial capacity of the bidder according to this clause, the tender committee did not consider the existing commitments towards two ongoing projects viz., (i) Improvement of Udalguri Sapekhaity Bhaktapara Road in Udalguri District under NLCPR at a cost of ₹ 31.03 crore and (ii) Construction of road from Subhaijhar to Uttar Ballamguri via Kumarshali at Bijni under NLCPR 2016-17 at ₹ 14.35 crore. Both the works were on-going at the time of bid evaluation (January 2019) with physical progress of 48 *per cent*. As such, the bid capacity of the bidder was not properly assessed. It may be mentioned here that as per the submitted records, the other technically qualified bidder (L2)<sup>70</sup> did not have any such existing commitments towards on-going projects and the bid evaluation committee also certified the same.

The works mentioned above allotted by the ACE without proper check facilitated the contractor with less financial soundness and bidding capacity to get the work. This would have an adverse impact on timely completion of the work.

During the exit meeting (February 2023), the Department did not furnish any suitable reply on the above aspects.

***ii) Undue favour of ₹0.63 crore to the contractor besides creation of financial liability of ₹0.87 crore***

In terms of the contract, the scope of work included (i) collection of hydraulic data and carrying out confirmatory sub-soil investigation; (ii) preparation of General Agreement Drawing (GAD) of Bridge Proper in consultation with Indian Institute of Technology (IIT), Guwahati prior to preparation of detailed design and drawing; and (iii) preparation of detailed design and drawings of the foundation, sub-structure, super structure, and bearing based on approved GAD and as per Indian Road Congress (IRC) and Ministry of Road Transport and Highways (MoRT&H) guidelines and specifications in consultation with Kokrajhar Engineering College or IIT Guwahati. The contractor was also supposed to pay the consultancy charges to Kokrajhar Engineering College or IIT Guwahati, as the case may be.

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<sup>69</sup> **A x N x 2 - B** where, **A**: maximum value of civil works executed in any one year during the last five years, **N**: number of years prescribed for completion of works for which bids are invited, and **B**: the value of existing commitments and on-going works.

<sup>70</sup> Out of three participating bidders, two were technically qualified including the ineligible L1 bidder.

Audit noticed that ACE issued (February 2019) three work orders worth ₹ 86.65 lakh<sup>71</sup> to M/s Desnil Engineer for survey, sub-soil investigation (SSI), design and consultancy. M/s Desnil Engineer submitted three bills amounting to ₹ 86.65 lakh against the executed work. Since these works were to be done by the contractor (Achinta Narzary) as per the defined scope of work incorporated in the agreement being the terms of the contract, allotment of a separate work order to another firm was not in order. Audit also noted that the EE paid (January 2020) ₹ 62.54 lakh<sup>72</sup> to the contractor for the same purpose against his claim, although work in this regard carried out by the contractor, if any, was not found on record.

Audit further observed that payment to M/s Desnil Engineer against his bills had not been made by the Division. As a result, the firm filed a writ petition before the Hon'ble Gauhati High Court and the Hon'ble HC ordered (09 March 2021) the Division to clear the outstanding bills, which were yet to be paid (October 2022). Thus, additional financial liability of ₹ 86.65 lakh remained on the Division due to non-deducting the item from the scope of work and because of floating tender without deducting the cost for these items. This has also extended undue financial benefit of ₹ 62.54 lakh to the contractor against works which were not executed by him.

During the exit meeting (20 February 2023), the Department accepted the facts and stated that recovery of ₹0.63 crore has been made from the contractor and ₹ 0.87 lakh has also been paid to M/s Desnil Engineers and the Court case has also been withdrawn.

**2.3.3 Name of project: “Construction of three lane Road over Bridge in replacement of Railway LC gate No. ST-58 on Naali during 2018-19 at Jorhat Town under NESIDS”**

**i) Excess payment ₹ 3.73 crore**

General Principles applicable to contracts in the Annexure A of Assam Financial Rules (AFR) stipulate that in a lump sum contract, the contractor is engaged to execute the work with all its contingencies for a fixed sum and a schedule of rates should be agreed upon to regulate the price to be paid or to be deducted for additions and alterations not covered by the contract.

The Ministry of Development of North Eastern Region (MoDNER) conveyed administrative approval (AA) (August 2018) and Government of Assam administratively approved (February 2019) the work of construction of three lane Road over Bridge (ROB) in replacement of Railway LC gate No. ST-58 at Jorhat at ₹ 67.76 crore under NESIDS 2018-19. The Chief Engineer (CE), PWD (Roads) Assam

<sup>71</sup>

Item of work	Value of work (in ₹)	Bill submitted (in ₹)
Survey Works for Approaches & Bridge	25,11,500	25,11,500
Sub-Soil Investigation Work	15,93,724	15,93,724
Consultancy Works for Bridge Proper	45,60,000	45,60,000
<b>Total</b>	86,65,224	86,65,224

<sup>72</sup> Vide voucher No.01 dated 22.01.2020.



accorded (February 2019) technical sanction to the work at ₹ 67.76 crore and the work was awarded (27 February 2019) to Shri M.P Agarwalla at tendered value of ₹ 81.28 crore with the stipulation to complete the work by 26 February 2021. The contract value included ₹ 60.20 crore for ROB proper on lump sum basis (22 *per cent* above the estimated cost) and ₹ 21.08 crore for construction of solid slab approach including other ancillary works<sup>73</sup> on item rate basis. The work was executed through Executive Engineer (EE) Jorhat, Dergaon and Titabor Territorial Road Division.

The sanctioned estimate had a provision of 27 pier locations for casting of 265 RCC bored piles of 1.2 m diameter for a total pile length of 6,680.30 running meters (RM). As per interim payment schedule of the contract, pro-rata payment on casting of piles was 30 *per cent* of total value, thus, the pro-rata cost for the 265 RCC bored piles stood at ₹ 18.06 crore (30 *per cent* of ₹ 60.20 crore). Variation schedule of the lump sum contract of the ROB had provision for payment of extra ₹ 20,000 per RM for increase in depth and rebate of ₹ 7,500 per RM for decrease in depth of pile foundation.

However, the design was subsequently modified and got approved by IIT, Guwahati (December 2019), Director of Design, PWD in (January 2020), and NF Railway (June 2020) for railway portion. As per the modified drawing, the contractor executed 108 piles of total length of 2,434 RM at 15 pier locations and the EE paid ₹ 18.06 crore to the contractor against 100 *per cent* pile foundation work as per payment schedule.

Since the contract for ROB portion was on lump sum basis with the provision of price variation, for the reduced pile length of 4246.30 RM<sup>74</sup>, deduction of ₹ 3.18 crore at the rate of ₹ 7,500 per RM should have been done in terms of contract agreement. However, the EE did not deduct the amount resulting in an extra payment of ₹ 3.18 crore to the contractor.

Similarly, as per the scope of work of the contract agreement, overall length of the ROB including Span over Railway track (railway portion) and Viaduct portion (both side remaining portion beyond the railway portion) was 803.11 RM. Audit, however, noted that as per the approved design, the length of ROB was 444.832 RM (railway portion 62 RM and viaduct portion 382.832 RM) and length of the solid approach at both end of the bridge was 330.89 RM<sup>75</sup>. Thus, overall length of the ROB as per design on which the work was executed stood at 775.722 RM only leading to short execution of length by 27.388 RM.

<sup>73</sup> Construction of Service Road & Utility area, Construction of diversion of road work during construction, Construction of Cross Drain, Shifting of Electricity line, Shifting of Water Supply line & Bridge Illumination work *etc.*

<sup>74</sup>

Item of work	As per sanctioned estimate	As per actual execution	Reduced depth of Pile	Rate of recovery per RM (in ₹)	recoverable amount (in ₹)
Depth of Pile	6,680.30 m	2,434 m	4,246.30 m	7,500	3,18,47,250

<sup>75</sup> The working estimate prepared (February 2020) after framing the approved design had also mentioned the length of approach of 330.89 m. As such, the length of ROB excluding approach was 472.22 m. (803.11-330.89)m

The variation schedule of the lump sum contract agreement of ROB provided for extra length of bridges at ₹ 5.00 lakh per RM and for reduction in the length at ₹ 2.00 lakh per RM beyond the length shown in GAD. As mentioned earlier, the contractor quoted lump sum rate for ROB and item rate for construction of solid slab approach, hence, deduction towards short execution of length of ROB at the rate of ₹ 2.00 lakh per RM should have been done.

Thus, non-deduction of ₹ 54.78 lakh at the rate of ₹ 2.00 lakh per RM for the reduced length of 27.388 RM led to undue financial benefit to contractor.

In reply, the EE stated that the spanning arrangement of the piers were modified to facilitate early execution and for utilising maximum areas below the ROB for future parking as shorter span between the piers creates unnecessary traffic congestion. The EE further stated that due to longer spanning arrangement, T-Beam girder and TMT reinforcement were replaced by costlier PSC girder and pre-stressed cable. Longer span also required higher grade of M-40 concrete in super-structure, instead of M-35 concrete. The difference of cost between TMT bar reinforcement and pre-stressed cable, M-35 and M-40 grade concrete partly compensated the extra payment as observed in audit.

The reply of EE established the facts observed in audit. Moreover, in the lump sum contract, only provision for variation in quantities was made and there was no provision for price compensation. Furthermore, even if the reply of EE is considered, EE showed (November 2022) extra cost of ₹ 10.62 crore towards execution of new items of work stated above. However, the decrease of 4,246.30 RM of pile alone had led to non-execution of works worth ₹ 11.48 crore<sup>76</sup>. As such, the contractor was benefited by ₹ 0.86 crore<sup>77</sup> rather than compensating the extra payment of ₹ 3.73 crore.

**ii) Undue financial benefit of ₹ 2.95 crore towards permanent steel liner**

Section 5 of the Assam Public Procurement Act, 2017 specified that all procurement should be initiated after determining the need for the subject matter of procurement and while assessing the need, the procuring entity should take into account the estimated cost of procurement and also ensure that the need was neither artificially created nor exaggerated with the intention to channel benefits to certain individual(s) or organisation(s).

As per the specification for roads and bridges published by Indian Road Congress (IRC), when concreting is carried out for a pile, a temporary casing should be installed to sufficient depth so as to ensure that fragments of soil from the sides of the hole do not drop into the concrete as it is placed. When the bore hole is stabilised using drilling mud, the temporary casing is not required except near the top. A minimum of 2 m length of top of bore shall invariably be provided with casing to ensure against loose soil

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<sup>76</sup> ₹ 18.06 crore divided by 6,680.30 RM and multiplied by 4,246.30 RM

<sup>77</sup> ₹ 11.48 crore minus ₹ 10.62 crore

falling into the bore. The IRC further stipulates that permanent steel liner with minimum thickness of 6 mm should be provided at least up to maximum scour<sup>78</sup> level.

It is to be mentioned here that permanent steel liner cannot be removed while temporary casing done up to 2 m of top level can be removed and re-used. The sanctioned estimate had a provision of permanent mild steel (MS) liner worth ₹ 2.95 crore against the pile foundation work for 6,680.3 Rm piling work.

During verification of records<sup>79</sup>, audit noticed that permanent steel liner was not used and only the temporary steel liner were used in piling works. In this regard, EE stated (December 2021) that permanent MS liner was not utilised but temporary steel liner of 9 mm was utilised which were removed immediately after casting of pile.

It was further noticed in audit that EE paid (March 2022) ₹ 42.22 crore up to RA Bill-12 on the basis of Interim Payment Schedule which included payment for completed foundation work.

EE stated (December 2021) that non-requirement of MS liner could not be ascertained and hence it was incorporated in the DPR. However, the work being a lump sum contract, the payment was made based on interim payment schedule for ROB part mentioned in the contract agreement.

The reply was not tenable as the contract price of lump sum contract was agreed based on DPR with the provision of permanent MS liner worth ₹ 2.95 crore. Further, variation schedule for regulating the price of the lump sum contract for any alteration had not been incorporated in the contract as stipulated in the AFR. Also, the provision of Assam Procurement Act mentioned above had not been complied with while framing the DPR to check the exaggeration. As such, scope of work put to tender and agreement was defective leading to financial benefit of ₹ 2.95 crore to the contractor.

**2.3.4 Name of project: “Construction of Double Lane Road from Lanka to Umrangso via Diyungmukh, Haflong Tiali and Panimur under NESIDS”**

Rule 248 of Assam Financial Rules provides that the estimates for a work will consist of report, a specification, a detailed statement of measurements, quantities and abstract showing the total estimated cost of each item. The estimated rates should generally agree with the Schedule of Rates (SoR). CVC guidelines stipulates that as the estimated rate is a vital element in establishing the reasonableness of prices, the estimated rate should be worked out in a realistic manner on the basis of prevailing market rates, last purchases, etc.

MoDNER conveyed administrative approval (AA) (September 2019) to the work and GoA administratively approved (January 2020) the project at ₹ 188.79 crore. After obtaining (February 2020) technical sanction from the Chief Engineer PWD, Roads

<sup>78</sup> Scour means erosion around the bridge pier due to water flow current.

<sup>79</sup> Bar Bending Schedule, and Pile Register.

(CE), the work was awarded (February 2020) to a contractor, M/s Bhartia Infra Projects Limited, at ₹ 169.12 crore on turnkey basis.

In terms of Clause 13.2 (ii) of the turnkey contract agreement, in case a required change to the scope of work is determined, the contractor is to propose change of scope request with relevant details to the authority not later than 90 days from the appointed date. The total value of all changes of scope orders shall not exceed 10 *per cent* of the contract price.

Audit noticed that the EE prepared (January 2021) a revised estimate of ₹ 281.17 crore (with 48.93 *per cent* hike in cost) after achieving 15 *per cent* of works on the ground of reassessment of traffic volume from five msa<sup>80</sup> to 10 msa. However, traffic density on the neighbouring road was considered. The cost of the turnkey contract was revised (September 2021) to ₹ 250.69 crore with 32.78 *per cent* hike.

Audit observed the following irregularities:

- ❖ Revision of estimate on the plea of increase in traffic movement based on traffic density of the neighbouring road was not justifiable.
- ❖ Increase of turnkey contract cost by 32.78 *per cent* against the stipulated ceiling of 10 *per cent* was in violation of the clause of turnkey contract agreement.
- ❖ The Department did not go for re-tendering despite huge variation of cost including scope of works. Thus, the Department lost the opportunity of getting competitive price on the revised estimate.

During the exit meeting (February 2023), the Department submitted a written reply stating that the traffic survey of the neighbouring road was mistakenly written. The stipulated ceiling of 10 *per cent* was for contracts without any change in scope of work. However, in view of the facts of the case, the reply appears to be an afterthought. Further, the following irregularities were also noticed in audit:

**(a) Extra cost of ₹ 27.97 crore**

IRC: 81-1997 guidelines provide for evaluating the strengthening requirement of existing flexible road pavements using the Benkelman Beam Deflection Technique (BBDT) test. This test would assess the existing thickness and help to calculate additional thickness required to improve or strengthen the existing road pavement. The width of the existing road pavement was 5.50 m. It was increased to seven meters by adding 0.75 m each at both sides of the existing road. However, during preparation of the revised estimate, the EE did not deduct the quantum of crust available in the existing road (as considered in the originally sanctioned estimate). Thus, non-deduction of the existing crust inflated the revised estimate as well as the cost of the turnkey contract. This led to extra cost of ₹ 27.97 crore on construction of Granular Sub Base (GSB) and Wet Mix Macadam (WMM) as detailed in *Appendix-2.12*.

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<sup>80</sup> Million Standard Axels.

On this being pointed out, the Department stated (February 2023) that the existing road was constructed in 2010 and had been damaged badly during the monsoon season of 2020-21. The reply is not acceptable as the revision was done after a lapse of 11 months from the date of awarding the work and after execution of 15 *per cent* of work which was beyond the scope of the contract. Further, the Special Committee Report on the requirement of revision of scope of the work considered change in pavement design and increase in quantity of drain works but did not mention deterioration of existing crust. This raises doubt of a deliberate attempt on the part of the Department to provide undue financial benefit of ₹ 27.97 crore to the contractor by not deducting the cost of the existing crust.

**(b) Undue benefit of ₹ 2.81 crore**

Assam Public Works Department (APWD) Schedule of Rates (SoR) 2018-19 for State Highway and Major District Roads provides for 10 *per cent* premium over the scheduled item rate for construction works in hill districts of West Karbi Anglong and Dima Hasao.

Out of the total road length of 68.915 Km, a portion of 8.6 Km passes through plain terrain of Hojai district and the remaining length of 60.315 Km passes through the hilly terrain of West Karbi Anglong and Dima Hasao. As such, premium was applicable only for the stretch of 60.315 Km and no premium was applicable for 8.6 Km of road length which passes through plain terrain of Hojai district.

The original estimate was prepared allowing 10 *per cent* hill premium for the entire road length including 8.6 Km of road length of Hojai district. The tender was invited on this inflated estimate. Audit noted that in the revised estimate also 10 *per cent* hill premium was allowed for the entire road length including the portion of Hojai district.

Based on the rates quoted by the contractor (10 *per cent* below the tendered cost), the revised cost for 8.6 Km of road length in Hojai district was ₹ 28.14 crore excluding applicable taxes, Labour Cess, Contingency, *etc.* (detailed in *Appendix-2.13*). This revised cost included hill premium of ₹2.81 crore.

On this being pointed out, the Department stated (February 2023) that the length of 8.6 km of Hojai district is in the foothills of Borail hill range. However, the reply is not appropriate as the hill premium is applicable only for Karbi Anglong and Dima Hasao districts. Thus, the revised estimate was designed to extend financial benefit to the contractor to the tune of ₹ 2.81 crore.

**2.3.5 Name of project: “Construction of alternate road to Kamakhya Temple at Guwahati in Kamrup (Metro) District (Phase-I: Restricted to Hill cutting & Retaining wall) under NLCPR for the year 2013-14”**

**i) Extra expenditure and undue financial aid to contractor**

Government of Assam (GoA) administratively approved (June 2017) and Chief Engineer (CE), PWD (Roads) technically sanctioned (August 2017) the work at

₹ 13.85 crore at 90:10 ratio of Central and State share (Central share ₹ 12.47 crore and State share ₹ 1.39 crore).

The CE invited (June 2017) short notice tender and awarded (September 2017) the work to M/s SHASS Engineers at the agreed cost of ₹ 13.85 crore (at par with the estimated cost on item rate contract) with the stipulation to complete the work by 31 August 2019. The work commenced in September 2017 and was completed in July 2020 at an expenditure of ₹ 13.85 crore<sup>81</sup>.

In the Bill of Quantities (BoQ) of the agreement, the items of ‘excavation of ordinary rocks’ and ‘excavation of hard rocks’ had provisions of 55,503.46 cum and 7,929.07 cum at the rates of ₹ 220 and ₹ 616 respectively. During execution, huge rock was exposed at the site of work, and after blasting, excavation of ordinary and hard rock exceeded the original provisions. Against the estimated provision of ordinary rock of 55,503.46 cum and hard rock of 7,929.07 cum, 75,599.83 cum of ordinary rock and hard rock of 18,560.72 cum were excavated with an additional expenditure of ₹ 109.70 lakh<sup>82</sup>.

To mitigate the additional expenditure, the CE, PWD (Border Roads), Assam approved (February 2020) a working estimate with a provision of stone masonry retaining wall instead of RCC<sup>83</sup> retaining wall by reusing 35 *per cent* of the blasted rock obtained from cutting of hill within the sanctioned amount. Accordingly, CE modified the agreement with the inclusion of supplementary item of stone masonry work @ ₹ 3,766.85 based on extant APWD SoR 2018-19. GoA accorded (August 2018) a revised administrative approval on the working estimate at ₹ 13.85 crore.

While analysing the rate of the supplementary item ‘Stone masonry work’, it was observed that the components of 10 *per cent* Overhead Charge and 10 *per cent* contractor’s profit were added to the rates of SoR. This was irregular as the scheduled rates already included those two components. In doing so, the rate of stone masonry work was inflated as ₹ 3,766.85 against admissible rate of ₹ 3,113.10 as shown in **Table 2.8**.

**Table 2.8:-Details of stone masonry work**

*(Considering output of 5 cum; Amount in ₹)*

Description	Quantity	Unit	Rate	Cost analysed	Cost due	Remarks
Stone	5.50	Cum	nil	nil	nil	Material collected from hard blasted boulder
Through and bond stone	0.79	Cum	nil	nil	nil	
Loading and unloading	6.29	Cum	159.00	1,000.11	1,000.11	SoR 2018-19 rate
Cement Mortar	1.55	Cum	4,904.00	7,601.20	7,601.20	
Mate	0.62	Day	356.65	221.12	221.12	
Mason	6.00	Day	458.55	2,751.30	2,751.30	
Majdoor	9.00	Day	244.56	2,201.04	2,201.04	
<b>Sub Total</b>				<b>13,774.77</b>	<b>13,774.77</b>	

<sup>81</sup> Final payment was made in March 2021.

<sup>82</sup>  $(75,599.83 - 55,503.46) \times ₹ 220 + (18,560.72 - 7,929.07) \times ₹ 616 = ₹ 1,09,70,297.80$

<sup>83</sup> Reinforced Cement Concrete.

Description	Quantity	Unit	Rate	Cost analysed	Cost due	Remarks
10% Overhead Charge				1,377.48	0.00	Overhead charges and contractor's profit are added extra which are already included in SoR.
<b>Sub Total</b>				<b>15,152.25</b>	<b>13,774.77</b>	
10% Contractor's profit				1,515.23	0.00	
<b>Sub Total</b>				<b>16,667.48</b>	<b>13,774.77</b>	
Add 13% (GST and LC)				2,166.77	1,790.72	
<b>Grand Total (for 5 cum)</b>				<b>18,834.25</b>	<b>15,565.49</b>	
<b>Rate per cum</b>				<b>3,766.85</b>	<b>3,113.10</b>	

The division executed 6,624.028 cum of stone masonry work @ ₹ 3,766.85 and incurred an extra expenditure of ₹ 43.30 lakh<sup>84</sup> against that item.

In reply, the Executive Engineer (EE) stated that the payment was made as per tender and supplementary tender. The reply was not plausible as the modified estimate was not put to any competitive bidding and the addition of inadmissible extra charges by the Department benefited the contractor.

**Conclusion:** Preparation of working estimates with change in scope of works was indicative of improper survey and investigation. Revised estimates were found inflated and after awarding of the work it did not have any scope of competitiveness. The lump sum contract reduced the scope for maintaining economy either due to non-compliance of variation schedule or non-inclusion of the same. The bid evaluation lacked transparency and the capacity of the contractors to execute the projects was not ensured before allotment of works due to defective contract management. All these lacunae resulted in undue financial benefit to contractors and increasing the cost of project. The Department needs to strengthen the monitoring mechanism including fixing accountability for deviation from the terms of the contract and for non-compliance to the Financial Rules.

## Water Resources Department

### 2.4 Compliance Audit on Flood Management of River Ranganadi in North Lakhimpur

#### 2.4.1 Introduction

Critical flood control and river management works are covered under the Flood Management Programme (FMP). These works include river management, flood control, anti-erosion, drainage development and flood prone area development programme in critical regions. It also includes restoration of damaged flood control/management works. FMP was sanctioned by Government of India (GoI) in November 2007 during the Eleventh Five Year Plan (XI Plan) (2007-12). Spill over works of on-going Central plan schemes of Tenth Five Year Plan (X Plan) were supported under this scheme during XI Plan and spill over works of XI Plan were also supported during Twelfth Five Year Plan (XII Plan) (2012-17). Funding pattern under FMP was in the ratio of 70:30 between the Centre and the State.

<sup>84</sup> (₹3766.85-₹ 3113.10) x 6624.028 = ₹43,30,458

GoI sanctioned (November 2013) the project ‘Flood management of river Ranganadi along with river training works on both bank embankments’ (FMP Package code: AS-131) at an estimated cost of ₹ 361.40 crore<sup>85</sup> with targeted date of completion as June 2016. Government of Assam (GoA) accorded (August 2014) administrative approval to the work for ₹ 361.42 crore and the Chief Engineer (CE), Water Resource Department (WRD), technically sanctioned (October 2014) the project at a cost of ₹ 361.41 crore. The execution of work started in January 2015 with stipulated time to complete the earth work within 45 days and supplying of geo-materials including filling and laying within 180 days. However, the project was delayed due to various reasons<sup>86</sup> and achieved 100 *per cent* of physical progress only in September 2020 at a cost of ₹ 361.41 crore.

Test-check (August 2020) of records of the Executive Engineer (EE), North Lakhimpur, Water Resource Division and collection of additional information showed that the CE split the work costing ₹ 331 crore into 12 packages<sup>87</sup> as shown below:

- **Package No. 1 to 9:** Earthwork in embankment by truck carriage and turfing with grass sods<sup>88</sup> in different chainages on both the banks of river Ranganadi;
- **Package No. 10 to 12:** Works of Supply of non-woven geo-textile bags, geo-mattress and gabion box including other ancillary works for filling and laying of geo-materials<sup>89</sup>.

The Departmental Tender Committee (DTC)<sup>90</sup> evaluated the technical bids on 26 June 2014 and financial bids on 08 December 2014.

#### **2.4.2 Audit Findings**

The major audit findings are discussed in the succeeding paragraphs.

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<sup>85</sup> Central Share: ₹ 252.98 crore and State Share: ₹ 108.42 crore.

<sup>86</sup> Clearing of encroachments, delay in removal of electric poles, length of embankments at both sides was 60 km which took time for earthwork, *etc.*

<sup>87</sup> ₹ 108.12 crore for packages 1 to 9 and ₹ 222.88 crore for packages 10 to 12.

<sup>88</sup> Estimated quantities of earthwork and turfing with grass sods were 55,63,226.50 cum and 10,43,620 sqm respectively.

<sup>89</sup> Package 10 in the left bank and Package 11 and 12 in the right bank.

<sup>90</sup> Comprised of three members *viz.*, Secretary to GoA, Water Resources Department; Chief Engineer, Water Resources and Financial Advisor, Water Resources.



### 2.4.2.1 Arbitrary selection and award of work to bidder

**Departmental Tender Committee allotted works amongst a number of bidders by relaxing the technical eligibility selectively at its discretion without recording any justification. Criteria for distribution of works was also not specified in the bid documents and therefore, the method adopted by DTC was non-transparent and subjective. All such decisions of DTC were arbitrary and against the CVC guidelines.**

As per Central Vigilance Commission (CVC) order<sup>91</sup>, qualification criteria and method of evaluation should be made explicit at the time of inviting tenders so that the basic concept of transparency and interests of equity and fairness are satisfied. The acceptance/rejection of any bid should not be arbitrary but on justified grounds as per the laid down specifications and evaluation/exclusion criteria.

Further, CVC circular<sup>92</sup> specified that post-tender negotiations could often be a source of corruption and there should be no post-tender negotiations with the lowest (L1) bidder, except in certain exceptional situations. However, any negotiations/counteroffer thereafter to second lowest (L2), third lowest (L3) bidders, *etc.* (at the rates accepted by L1) in case of splitting of quantities shall not be deemed to be a negotiation.

The qualifying criteria mentioned *inter alia* for technical bid in respect of packages from 1 to 12 were:

- i. Liquid assets or availability of credit facility should be 50 *per cent* of the estimated cost of package value (*Clause-4.1 (i) of ITB*<sup>93</sup>).
- ii. In case of joint venture, the joint venture agreement should be registered in India and should clearly mention the scope of services to be provided by each party (*Clause-4.4 of ITB*).
- iii. Minimum annual financial turnover in any one year during the last five years should not be less than one & a half times of the value of their respective packages. The bidder should have completed satisfactorily (not less than 100 *per cent* of the contract value) as prime contractor of at least one similar work of value not less than 25 *per cent* of the estimated value of the present contract amount (*Clause-4.5 A (a)&(b) of ITB*).
- iv. Construction work involving river training for at least 25 *per cent* of bid value (*Clause-4.5A (b) of ITB*).
- v. Earnest money would be two *per cent* of the value of work (one *per cent* in case of SC/ST/OBC/MOBC) (*Clause 16.1 (a) of ITB*).

On scrutiny of records, Audit observed the following:

<sup>91</sup> O.O. No.33/7/03 dated 09 July 2003.

<sup>92</sup> Circular dated 03 March 2007.

<sup>93</sup> Instruction to Bidder.

#### 2.4.2.1.1 Irregular selection of bidder and award of work under package No. 1 to 9

During scrutiny of bids received for the nine packages with package size ranging from ₹ 3.62 crore to ₹ 23.67 crore, audit observed that:

- Only seven bidders out of the participating 45 bidders were found qualified. However, DTC declared 36 bidders as qualified for package No. 1 to 9. Audit noted that DTC relaxed the eligibility criteria (Earnest Money, Turnover, Liquid Asset, etc.) for 26 bidders without maintaining uniformity, as the same was not relaxed for three bidders<sup>94</sup> who were declared disqualified. Details of evaluation made by DTC are shown in **Appendix-2.14**.
- DTC finalised the rates for 'Earthwork @ ₹ 183' (L1) and 'Turfing @ ₹ 8' (L2<sup>95</sup>) and allocated the works to 26 bidders though they bid at higher rates becoming L2 to L6<sup>96</sup>.
- While awarding, DTC allotted works<sup>97</sup> to 26 of the 36 qualified bidders by splitting the nine packages into 28 segments<sup>98</sup> (**Appendix-2.15**) without recording either the reasons for splitting of packages into segments after receiving the bids or the criteria adopted for allotting the work of 28 segments across the qualified bidders.
- Out of 28 work orders, nine work orders valued ₹ 16.45 crore<sup>99</sup> were allotted to nine contractors, who did not participate in the bidding for the corresponding packages.
- Though two bidders<sup>100</sup> emerged as L1 in the packages they had participated in, they were not allotted any work.

Thus, it was seen that the work was almost evenly divided, one segment each among 26 bidders, without recording any reason for either splitting of work into 28 segments or for non-allotment of any work to the remaining 10 bidders.

The aforementioned facts suggests that the manner in which the Department finalised the bids were anti-competitive and encouraged non-competitive behaviour as the decision as to who got the work and how much of it, was left to the discretion of the Department. Further, splitting of packages into segments after receipt of bids, so that it could be distributed among a large number of bidders irrespective of their participation and ranks in the bidding process, went against the spirit of competitive bidding. Thus, the whole process of tendering was vitiated. In the absence of competitive bids, the loss to the Government cannot be estimated.

<sup>94</sup> Lakhiram Borah (Pkg No. 6), Bimal Dutta (Pkg No. 8) & Tapas Saha (Pkg No. 9).

<sup>95</sup> The lowest rate of ₹7.15 for Turfing, quoted by a technically qualified bidder M/s Yuma Builders Private Limited, was rejected on the ground that the bid value was beyond 10 per cent below the estimated rate which consisted of 10 per cent contractor's profit.

<sup>96</sup> Kandarpa Kumar Pegu (Pkg No.1).

<sup>97</sup> 55,63,226.50 cum of earth work and 10,43,320 sqm of turfing with grass sods

<sup>98</sup> 24 contractors were given single work order while two contractors allotted two work orders each

<sup>99</sup> Earthwork: 8,90,929 cum @ ₹183= ₹16.30 crore and Turfing: 1,77,237.50 cum @ ₹8= ₹0.14 crore

<sup>100</sup> Harichand Sah under Pkg. No. 6 and Shivam Transcon Pvt. Ltd. under Pkg. No.8.

The matter was reported to the Government in September 2022 and also discussed in a meeting in September 2022. The Department in their reply (October 2022) stated that the works were allotted at absolute lowest rates against all packages and no financial benefit was given to any bidder. It was further added that the existing process has been thoroughly revised as per the Assam Public Procurement Rules, 2020. The reply establishes the contention of audit.

#### 2.4.2.1.2 Irregularity in selection of bidders under Package No. 10, 11, and 12

Packages 10, 11, and 12 mainly dealt with supply of Geo-materials along with their filling and laying, with an estimated cost of ₹ 95.57 crore, ₹ 90.06 crore and ₹ 37.17 crore respectively.

Among 13 bids received for these three packages (five each for Packages 10 and 11, and three for Package 12), only four bids fulfilled the technical criteria. But DTC declared 10 bids (including four qualified bidders and six unqualified bidders) as technically viable by relaxing the eligibility criteria<sup>101</sup> of clause 4 of ITB without recording any justification.

DTC selectively relaxed the eligibility criteria without keeping any uniformity as shown in **Appendix-2.16**. The criteria (Earnest Money, Turnover, Liquid Asset, etc.) which were relaxed in the case of three bidders viz., ‘EKM-Ras Will PDA JV’, ‘Flexituff- SA Enterprise JV’, ‘M/s Samco Constructions Co’, were not relaxed in case of ‘Bhartia-Shivam JV’ and ‘M/s Fibertex Nonwovens- M/s Geo Source-M/s Abhinav Engineer JV’. Audit analysed the recommendations of DTC, which is summarised in **Table 2.9**:

**Table 2.9: Summary of recommendation of DTC**

Name of Bidder	Package No.-10			Package No.-11			Package No.-12		
	Declared qualified by DTC (Yes/No/ Did Not Bid (DNB))	Rank	Qualified (Yes/No) as per conditions of contract	Declared qualified by DTC (Yes/No/ DNB)	Rank	Qualified (Yes/No) as per conditions of contract	Declared qualified by DTC (Yes/No/ DNB)	Rank	Qualified (Yes/No) as per conditions of contract
Bhartia-Shivam JV	No	--	No	No	--	No	DNB	--	--
Brahmaputra Infrastructure Ltd.	Yes	L4	Yes	DNB	--	--	DNB	--	--
EKM-Ras Will PDA JV	Yes	L3	No	Yes	L3	No	DNB	--	--
Yojaka (India) Pvt. Ltd	Yes	L2	Yes	Yes	L2	Yes	Yes	L2	Yes
Flexituff- SA Enterprise JV	Yes	L1	No	Yes	L1	No	Yes	L1	No
M/S Fibertex Nonwovens, M/S Geo	DNB	--	--	No	--	No	DNB	--	--

<sup>101</sup> Minimum annual turnover during last five years (1.5 times of the Package value) (ii) Value of similar work executed as prime contractor in any year of last three years (25 per cent of the Package value) & (iii) Liquid assets or availability of credit facility (50 per cent of the Package value)

Name of Bidder	Package No.-10			Package No.-11			Package No.-12		
	Declared qualified by DTC (Yes/No/ Did Not Bid (DNB))	Rank	Qualified (Yes/No) as per conditions of contract	Declared qualified by DTC (Yes/No/ DNB)	Rank	Qualified (Yes/No) as per conditions of contract	Declared qualified by DTC (Yes/No/ DNB)	Rank	Qualified (Yes/No) as per conditions of contract
Source, M/S Abhinav Engineer JV									
M/S Samco Constructions Co.	DNB	--	--	DNB	--	--	Yes	L1	No

From the above-mentioned facts, audit observed the following:

- Against package No. 10 (value of work: ₹ 95.57 crore), out of the five bidders, only two bidders (*i.e.*, Brahmaputra Infrastructure Ltd., and Yojaka India Pvt. Ltd.) fulfilled all the qualifying criteria of technical bid. But DTC declared four bidders as technically qualified though ‘EKM-Ras Will PDA JV’ did not satisfy clauses 4.1 and 4.4 of ITB, and ‘Flexituff-SA Enterprise JV’ did not fulfil the technical criteria as per clause 4.5 A (b) of ITB.
- Against package No. 11 (value of work: ₹ 90.06 crore), out of the five bidders, only Yojaka India Pvt. Ltd. fulfilled all the qualifying criteria of technical bid. But DTC declared three bidders as technically qualified though ‘EKM-Ras Will PDA JV’ did not satisfy clauses 4.4 and 4.5 A(b) of ITB and Flexituff-SA Enterprise JV did not fulfil the technical criteria as per clause 4.5A(b) of ITB.
- Against package No. 12 (value of work: ₹ 37.17 crore), DTC declared all three bidders as qualified though only ‘Yojaka India Pvt. Ltd.’ fulfilled the qualifying criteria of the technical bid. DTC declared M/s Samco Constructions Co. who did not satisfy clauses 4.5 A (a) and 16.1(a)<sup>102</sup> of ITB and on the other hand, Flexituff-SA Enterprise JV did not fulfil the technical criteria of clause 4.5A (b) of ITB.
- EKM-Ras Will PDA JV submitted two different amounts for availability of credit facility or liquid assets of ₹ 28.70 crore and ₹ 56.92 crore for package No. 10 and 11 respectively. However, DTC ignored these facts.

From the preceding paragraphs, it is clear that the DTC had taken arbitrary decisions in evaluating the technical eligibility the bidders.

The matter was reported to the Government in September 2022 and also discussed in a meeting in September 2022. The Department stated (October 2022) stated that the DTC has relaxed the turnover criteria in order to have more competitive bidding. The reply established the contention of audit relating to disparity in awarding works amongst the bidders having equal capacity.

<sup>102</sup> Bank Guarantee from any scheduled Indian Bank or reputed foreign bank approved by the RBI.

**2.4.2.1.3 Arbitrary decision in award of work delayed the project completion**

DTC arbitrarily allotted (December 2014) works under packages 10, 11 and 12 to four contractors, after determining the L1 rate for items from the individual bids submitted by the bidders and accordingly work orders was issued (December 2014, January 2015) as detailed in **Table 2.10**.

**Table 2.10: Allotted rate and quantity of items ordered**

Package No.	Name of Bidder	Allotted rate and quantity			
		Geo bag (in numbers) (@ ₹170)		Geo Mat (in m <sup>2</sup> ) (@ ₹1377)	
		Estimated	Ordered	Estimated	Ordered
10	Brahmaputra Infrastructure Ltd. (L4)	<b>20,40,846</b>	1,99,186	<b>10,62,006</b>	2,31,809.50
	Flexituff- SA Enterprise JV (L1)		3,12,963		3,16,650
11	EKM-Ras Will PDA JV (L3)		5,07,778		5,13,454
12	M/s Samco Constructions Co. (L1)		10,20,920		--
<b>Total quantity</b>			<b>20,40,847</b>		<b>10,61,913.50</b>

In this regard audit noted that:

- Although DTC declared the 'Flexituff-SA Enterprise JV' as L1 in all three packages (10 to 12), only part work of package No. 10 was awarded to this bidder and no work was awarded to it under packages No. 11 and 12.
- The bidder 'M/s Yojaka (India) Pvt. Ltd.' was declared technically qualified in all three packages (10 to 12) by DTC and emerged as L2 but was not awarded any works.
- In Package No. 12, although two bidders<sup>103</sup> matched the L1 price, but only one bidder was considered for award of work without recording any justification for the same.
- Allotment of work to L3 and L4 contractors was done by splitting up the quantities unevenly highlighting arbitrariness of the DTC.
- Three bidders viz., 'M/s Flexituff- SA Enterprise JV', 'M/s EKM-Ras Will PDA JV' and 'M/s Samco Constructions Co.' were allotted the work order of 68.74 per cent of Geo bags<sup>104</sup> and 80.16 per cent of Geo Mats<sup>105</sup>, who could not qualify technically, as analysed by Audit.

Thus, allotment of works was done without justifying the grounds for selection of bidders. Such discretionary distribution of works is always prone to litigation. Also, post-bid consent of higher bidders at the lowest rate were not guaranteed to lead to successful accomplishment of the contract. Such apprehension was also borne out by subsequent events, as discussed below:

- M/s Bhartia-Shivam JV, a technically disqualified bidder, filed writ petitions<sup>106</sup> in Hon'ble Gauhati High Court (HC) challenging the technical qualification of

<sup>103</sup> Flexituff- SA Enterprise JV and M/s Samco Constructions Co.

<sup>104</sup> 14,09,503 out of 20,50,467.

<sup>105</sup> 8,52,023 out of 10,62,913.

<sup>106</sup> WP(C) 572/2015; WP(C) 612/2015; WP(C) 629/2015 and WP(C) 3643/2015.

EKM-Ras Will PDA JV. The Hon'ble HC in its judgement viewed (29 April 2015) that selective relaxation of clauses of ITB and award of contract was discriminatory as well as arbitrary and was not done in a fair and transparent manner. The Hon'ble HC directed (25 April 2016) to explore resolution of the dispute through mediation. In view of the direction, the Chief Engineer, WRD negotiated with 'M/s EKM-Ras Will PDA JV' to give up one part of the work of package No. 11 (valued ₹ 20 crore) and allotted (13 May 2016) that part of work to 'M/s Bhartia-Shivam JV'.

- M/s Brahmaputra Infrastructure Ltd. (L4)' expressed (June 2017) their inability to supply the remaining quantity of 77,959.50 sqm of geo mats<sup>107</sup> against the allotment issued (December 2014) by DTC. The supplier also did not complete the supply of geo bags<sup>108</sup>. As such, the CE issued (June 2017) a work order to 'M/s Flexituff-SA Enterprise JV (L1)' for supply of balance quantity of 9,620 geo bags and 45,336 sqm of geo mats against package No. 10.
- Similarly, 'M/s EKM-Ras Will PDA JV' failed to supply 1,86,184.40 m<sup>2</sup> geo mat as of May 2017, the CE withdrew the supply for balance quantity from the firm and allotted (March 2018) the same to 'M/s Flexituff-SA Enterprise JV'.
- The CE further allotted supply of 20,826 sqm geo mat (June 2019) and 1,000 sqm geo mat (February 2020) to M/s Flexituff-SA Enterprise JV.

The financial bid was evaluated of such bidders who did not satisfy the qualifying criteria of technical bid as per clause 4 of ITB. There was arbitrariness in award of work which resulted in alterations and reallocation of the works consequent to the court order and incapability of contractors to execute the allotted works. This caused delay in completion of the project by over five years, besides litigation.

It was evident from the aforementioned facts that the criteria for distribution of orders were not specified in the bid documents and therefore, the methods adopted by DTC were non-transparent and subjective. All such decisions of DTC were arbitrary in absence of justification on record and against the CVC guidelines. The decision of the DTC negates the spirit of competition and serves as a disincentive for vendors.

On this being pointed out, the CE stated (October 2021) that the work order for package No. 10 was split up and awarded to M/s Brahmaputra Infrastructure Ltd. considering early completion of work and to avoid over burdening M/s Flexituff-SA Enterprise JV as per their verbal request. M/s Yojaka (India) Pvt. Ltd. was not considered as another FMP work was awarded to them in the same district.

As regards reallocation, the CE stated that as M/s Brahmaputra Infrastructure Ltd., expressed their inability to supply geo-mattress, the Department issued work orders for the balances under package No. 10 and 11 to M/s Flexituff-SA Enterprise JV who participated in bidding for package No.11.

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<sup>107</sup> After supplying 1,53,850 m<sup>2</sup> Geo Mats (out of 2,31,809.50 m<sup>2</sup>).

<sup>108</sup> Supplied 1,87,853 geo bags against allotted 1,99,186 number.

The CE further added that though M/s Bharatia Shivam JV was qualified for package No. 8 but technically disqualified by DTC for packages 10 and 11, however, as per verdict (25 April 2016) of Hon'ble HC, the technical bid was reconsidered.

The replies of CE are in the line with the audit observation on non-transparent and subjective decision taken by DTC for allotment of work without any justification and splitting up the quantities of a particular package among more than one bidder in contravention of the conditions stipulated in the NIT. The Hon'ble HC had also termed the award of contract as discriminatory as well as arbitrary.

**2.4.2.2 Undue benefit to the contractor due to inflated estimation of rate for geo bag**

**Executive Engineer, North Lakhimpur prepared the estimates with overstated rate of geo bags. The Chief Engineer, WRD also approved the rates by ignoring the lowest rate in other works executed at the same time which paved the way for the bidders to bid higher rates as compared to the prevailing market rate resulting in extension of undue financial benefit of ₹ 7.31 crore to contractor.**

Rule 248 of Assam Financial Rules provides that the estimates for execution of works were to be prepared most economically adopting basic cost of materials as per Schedule of Rates (SoR) or on the basis of prevailing market rate for the materials which were not included in the SoR.

The Executive Engineer (EE), North Lakhimpur, Water Resource Department (WRD) prepared estimates for the above scheme on the basis of Schedules of Rates (SoR) 2011-12 of WRD and SoR 2010-11 of Public Works Department (PWD), Assam. Against the component supply of geo material, the rate for filling and laying of geo materials was adopted from SoR of 2011-12. EE analysed the rate of supply of geo bags @ ₹ 180/bag as the rate for the same was not available in SoR 2011-12 of WRD.

Against call for tender (February 2014), seven bidders<sup>109</sup> quoted their rates for supply of geo bags ranging from ₹ 158.99 to ₹ 180 against the estimated cost of ₹ 180 per bag. The Department finalised (December 2014) the rate of ₹ 170 per bag as the lowest bidder, who quoted the rate of ₹ 158.99/bag, was disqualified by the Department on technical grounds and procured 20,40,846 geo bags<sup>110</sup> @ ₹ 170 (as per physical progress up to September 2020).

Audit noticed that while geo bags were supplied for the project at ₹ 170/bag, it was procured by FREMAA<sup>111</sup> at rates ranging from ₹ 109 to ₹ 122 per bag (inclusive all taxes) in the months of June-November 2015. It was also noticed that geo bags procured

<sup>109</sup> Bhartia-Shivam JV: ₹176; Brahmaputra Infrastructure Ltd.: ₹173; EKM-Ras Will PDA JV: ₹180; Yojaka (India) Pvt. Ltd.: ₹170; Flexituff- SA Enterprise JV: ₹178; M/S Fibertex Nonwovens, M/S Geo Source, M/S Abhinav Engineer JV: ₹158.99; and M/S Samco Constructions Co.: ₹180

<sup>110</sup> Contractor's bill for 19,34,601 geo bags were produced till the date of audit (August 2020).

<sup>111</sup> Flood and River Erosion Management Agency of Assam (FREMAA) (an organisation of WRD, GoA)

by FREMAA were of higher specification (400 GSM, size 103 cm x 70 cm) than the bags (specification: 300 GSM, size 103 cm x 70 cm) supplied for the instant FMP work.

The technical sanction of both the projects (FREMAA and FMP) was accorded by CE, WRD, and hence the CE was well aware of the market rate which was ignored while accepting the higher rate of ₹170.

Audit estimated the loss to the Government on account of this non-competitive purchase of the item geo-bags at ₹ 7.31 crore<sup>112</sup> based on the following assumptions:

- Base supply rate at Guwahati: ₹ 109 and ₹ 122
- Allowed additional profit for supply in remote areas: 10 per cent.
- Hence, estimated competitive price at this project considering the higher rate of ₹ 122: ₹ 134.20 (₹122 plus 10 per cent).
- Actual supply rate at this project: ₹ 170
- Loss to the Government per geo bag: ₹ 35.80.

Thus, the inflated estimated rate of geo bag had paved the way for the bidders to bid at par or higher rates. The rates were finalised by the Department at higher side ignoring the available market rate as fixed for other projects during the period. This had resulted in undue financial benefit of ₹ 7.31 crore to contractors and loss to the exchequer.

The matter was reported to the Government in September 2022 and also discussed in a meeting in September 2022. The Department in their reply (October 2022) mainly stated that the rates adopted for this project should not be compared with the procurement rates of FREMAA as FREMAA procured polypropylene or polyester fabric geo-bags. Polyester fabric is much cheaper, and for this project, it was specifically mentioned that the geo bags must be made with polypropylene fabric. The reply is not tenable as the estimate was prepared mentioning the supply of polypropylene or polyester fabric sheets of geo-bags and, FREMAA also procured polypropylene (PP) geo bags.

#### **2.4.2.3 Excess payment of ₹9.53 crore on procurement of Geo-Mat**

**Due to non-adoption of extant SoR rate and non-review of rate after completion of initial contract period, the Department incurred avoidable expenditure of ₹9.53 crore on procurement of geo-mat resulting in financial benefit to the contractor.**

Rule 248 of AFR provides that the estimates for execution of works were to be prepared most economically adopting basic cost of materials as per Schedule of Rates (SoR) or minimum rate should be taken on the basis of prevailing market rate for the materials which were not included in the SoR. Further, as per CVC guidelines, the estimated rate is a vital element in establishing the reasonableness of prices. Therefore, the estimated

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<sup>112</sup> Supplied Geo bags: 20,40,864 bags x ₹35.80 per bag = ₹7.31 crore.



rate should be worked out in a realistic and objective manner on the basis of prevailing market rates, last purchases, *etc.*

Clause 13.4 of the Bidding document provided that the rate and price quoted by the bidder shall be fixed for the duration of the contract and shall not be subject to adjustment on any account (for contracts up to 12 months period); or the rate and price quoted by the bidder are subject to adjustment during the performance of the contract in accordance with the provision of Clause 47 of the Conditions of contract (for contracts more than 12 months period).

The estimates were prepared on the basis of rates of the items of SoR 2011-12 of Water Resources Department (WRD) and SoR of Assam PWD 2010-11. The Executive Engineer analysed rate of geo-mat (sand filled double layered) at ₹ 1,450 per sqm (including customs duty) on quotations from two Malaysia-based firms<sup>113</sup> due to non-availability of the rates in the said SoR, although there were other Indian manufacturers of geo materials. Framing the estimate on the basis of the rate of a Malaysian company, which included customs duty without assessing the prevailing market rate was in violation of extant CVC guidelines regarding establishing the reasonableness of prices.

Six contractors quoted the rates for geo mats against the NIT (February 2014) and the quoted rates of geo mats varied between ₹ 1,375 and ₹ 1,450 per sqm. The CE accepted the rate of ₹ 1,377 per sqm, as quoted (for package 10) by 'M/s Brahmaputra Infrastructure Ltd'.

Meanwhile, the Department collected (September 2017) the rates from manufacturers/ authorised dealers/suppliers for supply of geo materials, wherein the lowest rate of geo-mat was ₹ 918.40 (without customs duty quoted by one bidder<sup>114</sup>) and ₹ 1,550 (with customs duty @ 29 per cent quoted by two bidders<sup>115</sup>). The Department, accordingly, incorporated the rate of double layer geo mat as ₹ 918.40 (without customs duty) and ₹ 1,550.00 (with customs duty) in the WRD SoR of 2017-18 and the rate was retained in SoR 2018-19.

After the inclusion of rates in the SoR, Flexituff- SA Enterprise JV supplied 2,07,825.90 sqm of geo mats against the CE's re-allocation of 2,08,010.40 sqm at the rate of ₹ 1,377 per sqm made between March 2018 and February 2020 as some contractors expressed their inability to complete the supplies. Significantly, though 'M/s Flexituff- SA Enterprise JV' itself quoted the rate @ ₹ 918.40 per sqm for geo-mat for SoR of 2017-18, the CE allocated 2,08,010.40 sqm of geo mats to the firm at the rate of ₹ 1,377 per sqm, finalised three years ago.

In view of the allocation made by the CE from March 2018, Audit observed that when bidders expressed their inability for part-work, the CE should have awarded the remaining supply either at the scheduled rate, or rate obtained through retender, when it was known that the item rate available in SoR was far lower than the tendered rate

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<sup>113</sup> KIARATEX Exports Pvt Ltd and KEKAL ALAM SDN BHD

<sup>114</sup> Flexituff International Ltd, Guwahati

<sup>115</sup> V.J. Enterprise, Guwahati & Ras-WILL representative Pte Ltd, Singapore

discovered three years ago (*i.e.*, December 2014) and there was no contractual agreement in place with the bidder for the packages concerned for the remaining supply.

Thus, issue of supply orders for geo-mat at ₹ 1,377 per sqm to the contractor who quoted ₹ 918.40 per sqm in September 2017 was not financially prudent, especially when the existing SoR rate for the item was significantly lower. This had resulted in an excess expenditure of ₹ 9.53 crore<sup>116</sup> on procurement of geo-mat which could have been avoided.

The matter was reported to the Government in September 2022 and also discussed in the exit meeting in September 2022. The Department, while accepting the audit contention, stated (October 2022) that the works allotted to the supplier were inclusive of custom duty and if the supplier could not produce any documents regarding payment of custom duty, the same would be deducted from the pending bills of the supplier. However, as per records, audit noted that the supplier was an Indian firm and recovery needs to be done.

*Responsibility needs to be fixed on the DTC for haphazard selection of bidders and CE for violation of financial rules leading to extension of undue financial advantage to the contractor.*

## **Public Works (Building and National Highway) Department**

### **2.5 Avoidable and unproductive expenditure**

**Failure of the Department in handing over the site and the drawings to the contractor for construction of ITI building and releasing timely payment within the agreed time schedule led to avoidable payment of ₹ 52.90 lakh as compensation to the contractor. Besides, an expenditure of ₹ 1.70 crore incurred towards construction of the building remained unproductive due to non-completion of the work over a period of eight years.**

Rule 304 of Assam Public Works Department Manual envisages that “no work should be commenced on land, the possession of which has not been duly delivered by responsible civil (revenue) authorities”.

Government of Assam accorded (April 2013) Administrative Approval (AA) for the work of Construction of ITI Building at Kathapara in Nagaon District at an estimated cost of ₹ 4.30 crore. The Chief Engineer (CE), PWD (Building) technically sanctioned the work for the same amount and the work was awarded (August 2013) to a

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Work order date	Quantity as per supply order (in m <sup>2</sup> )	Up-to-date supply as of March 2020	Allotted rate (in ₹)	Rate as per SoR of 2017-18 & 2018-19	Difference in rate (in ₹)	Amount involved (in ₹)
28-03-2018	1,86,184.40	1,86,184.40	1,377	918.40	458.60	8,53,84,166
01-06-2019	20,826.00	20,641.50	1,377	918.40	458.60	94,66,192
21-02-2020	1,000	1,000	1,377	918.40	458.60	4,58,600
<b>Total</b>	<b>2,08,010.40</b>	<b>2,07,825.90</b>				<b>9,53,08,958</b>

contractor<sup>117</sup> at a tendered cost of ₹ 3.64 crore with the stipulation to complete the work by August 2014 *i.e.*, 12 months.

Extension of time beyond the intended completion date was forbidden in the agreement and the tender agreement provided for handing over the entire site of the project including supply of working drawings for all project components to the contractor by 13 August 2013. Further, the terms of agreement provided for compensation to the contractor if the payment was delayed by 56 days or more from the date of submission of a Running Account (RA) Bill.

Scrutiny (August 2022) of records of the Executive Engineer (EE), PWD, Nagaon, Raha, Dhing and Batadrava Territorial Building Division showed that entire site was not handed over to the contractor as the district administration did not hand over the site of construction till the date of expiry of the contract. Only the site for the administrative building was handed over on 24 October 2013 *i.e.*, after 79 days against the stipulated seven days from date of award of the work. All the drawings were required to be provided for smooth progress of work but only two drawings for column and footing layout plans were provided to the contractor in October 2013.

In absence of any provision in terms of the contract agreement for extension of time, and delayed supply of drawings, the contractor stopped (February 2014) the work after achieving physical progress of 46 *per cent*. The Division paid ₹ 1.70 crore<sup>118</sup> to the contractor against three RA bills, however, there was delay beyond the stipulated time of 56 days from the date of submission of the bill. As such, the contractor claimed compensation for delay in payment.

As the issue remained unresolved due to inaction by the Department in handing over the site and the drawings, the contractor filed (24 July 2015) a writ petition in the Hon'ble Gauhati High Court. The Chief Engineer (CE), PWD (Building), Assam constituted (25 October 2016) a three member<sup>119</sup> Dispute Review Board (DRB) based on the order of the Hon'ble High Court. The DRB concluded the proceedings on 27 March 2017 and recommended (17 August 2017) award of compensation<sup>120</sup> to the

<sup>117</sup> Shri Ramawtar Agarwala

<sup>118</sup>

RA Bills	Date of submission	Date of payment	Amount (₹)
RA I	29.01.2014	23.06.2014	41,30,849
RA II	12.02.2015	18.04.2017	1,06,85,146
RA III	25.06.2015	19.04.2017	21,38,601
<b>Total</b>			<b>1,69,54,596</b>

<sup>119</sup> 1. Presiding Member - Shri Khagendra Choudhury, Retired Secretary, PWD; 2. Member - Shri Bhuban Sarma, Retired Chief Engineer and 3. Member - Shri Mumtaz Uddin Ahmed, Retired Chief Engineer.

<sup>120</sup> (a) **Compensation for delayed payment of RA Bills:** At the rate of 10 *per cent* interest *per annum* after 56 days from the date of certification/submission of 2<sup>nd</sup> and 3<sup>rd</sup> RA Bill amount respectively till the dates of payment on 18 and 19 April 2017 and interest @ 18 *per cent per annum* against the total interest amount.

(b) **Compensation towards loss of profit:** At the rate of 10 *per cent* for loss of profit on balance work with effect from the date of expiry of the contract period *i.e.*, 12 August 2014 or within 56 days of due dates *i.e.*, 9 October 2014 and interest @ 18 *per cent per annum* against the total amount.

(c) **Cost of proceedings:** Compensation and interest @ 18 *per cent per annum* against the total interest amount.

contractor. Besides, the DRB recommended that the Department would refund all the deposits including the security deposit (SD) and release the performance security of the contractor.

As per available records, the contractor preferred claim of ₹ 57.57 lakh (₹ 10.17 lakh as SD and ₹ 47.40 lakh as compensation) in November 2017, however, the Division did not pay the amount. Subsequently, ₹ 60.64 lakh (₹ 10.17 lakh as SD and ₹ 50.47 lakh as compensation) was claimed on 16 February 2018. As the Department did not make any payment against the claims, the contractor preferred (16 March 2019) further claim of ₹ 73.18 lakh which included compensation of ₹ 63.01 lakh along with interest @ 18 per cent from 13 October 2017 to 15 March 2019. The Department accepted the claim of the contractor without seeking any counter claim or relief from the DRB and paid (28 March 2019) ₹ 52.90 lakh as final settlement and released the SD of ₹ 10.17 lakh to the contractor.

Thus, failure of the Department in handing over the site and the drawings to the contractor in violation of codal provisions and timely payment within the agreed time schedules had invited an avoidable litigation process leading to an avoidable expenditure of ₹ 52.90 lakh as compensation to the contractor.

Besides, the remaining work was not re-awarded by foreclosing the earlier contract and due to this, the entire expenditure of ₹ 1.70 crore remained unproductive for more than eight years.

The matter was reported to the Government in January 2023. The Department, while accepting the audit observation, stated (February 2023) that a part of land was under the possession of a *patta* holder who did not agree to vacate the same. The reply proves that the construction work was taken up without ensuring the availability of land which rendered expenditure unfruitful.

## **Public Works (Roads) Department**

### **2.6 Inadmissible recoverable payment**

**Executive Engineer, PWD Sorbhog and Jania Territorial Division, Barpeta Road, allowed price adjustment claim of ₹90.25 lakh for High Tensile steel to the contractor although the same item was not covered under the contract agreement for the purpose and the calculation process was arbitrary.**

Government of India (GoI) approved (23 September 2011) the work “Improvement and up-gradation of road along with five major bridges<sup>121</sup>” under Asian Development Bank assisted North-Eastern State Roads Investment Programme (NESRIP) Project for ₹ 292.57 crore<sup>122</sup>. Government of Assam (GoA) accorded (May 2014) Administrative

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<sup>121</sup> Tamulpur to Paneri (AS-02: 43 Km) and Paneri to Udalguri (AS-03: 18.60 Km) along with five Major Bridges

<sup>122</sup> Central share: ₹279.55 crore and State Share: ₹13.02 crore.

Approval (AA) to the work for the same amount. GoI revised (December 2014) the AA to ₹ 319.29 crore<sup>123</sup>. Subsequently, GoA revised (December 2019) the AA to ₹ 421.86 crore<sup>124</sup>.

Chief Engineer (CE), Public Works Department (Border Roads and NEC Works) awarded (February 2015) the work to a contractor<sup>125</sup> at a tendered cost of ₹ 289.16 crore with the stipulation to complete the work by 14 May 2019. The work commenced in May 2015 and was completed in June 2020 with a financial progress of ₹ 404.44 crore (as of July 2021).

Clause 13.8.1 of Particular Conditions of Contract provided for price adjustment amount payable to the contractor in respect of rise or fall in the indexed costs/ Current indices<sup>126</sup> for Labour, General Materials, Petroleum, Oil and Lubricants (POL), Specified Materials (Steel and Cement under Clause 13.10), Plants and Equipment and Foreign inputs, if any to the works, by addition or subtraction of the amounts determined by the formulae prescribed in this clause.

During scrutiny (November-December 2020) of records of Executive Engineer, PWD Sorbhog and Jania Territorial Division, it was seen that a sum of ₹ 17.04 crore had been paid to the contractor (against the claim of ₹ 18.46 crore) as of July 2022 towards price adjustment of different components. Audit noted that out of ₹ 17.04 crore, the contractor had claimed ₹ 90.25 lakh<sup>127</sup> as price adjustment against ‘High Tensile Steel wire/HT Strand’ against use of 268.48 MT of High Tensile Steel wire/HT Strand valuing ₹457.77 lakh (@ ₹1,70,500 per MT) for construction of five major bridges and the Division paid the amount accordingly.

In this regard audit observed that:

- The contract agreement contained provision for ‘General Materials’ which was to be calculated taking the ‘*cost index for all commodities*’ released by the Economic Adviser, GoI. However, separate provision for POL and two other items viz., ‘steel’ and ‘cement’ under the category of ‘specified materials’ were also made in the contract agreement. The item ‘steel’ referred here was further specified in the supplementary information vide Section 6 of the bidding document as Tata make TMT reinforcement bar<sup>128</sup>.
- Neither any separate provision was made for the item “High Tensile Steel/HT Strand” nor was the same included under ‘specified materials’ like TMT bar. Further, base price (price prevailing 28 days prior to last date of submission of bid)

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<sup>123</sup> Central Share: ₹279.55 crore and State Share: ₹39.74 crore.

<sup>124</sup> Central share: ₹409.39 crore and State Share: ₹12.47 crore.

<sup>125</sup> DRA – SGCCL – ANPL (JV).

<sup>126</sup> Current indices or price shall be those ruling on the date 28 (twenty-eight) days prior to the last day of the period to which a particular Interim Payment Certificate is related.

<sup>127</sup> Interim Payment Certificate (IPC) No. 43 (₹50,41,514) and IPC No. 45 (₹39,83,734).

<sup>128</sup> TMT CRS (Fe-500) reinforcement bar (Tata make).

of HT steel was also not mentioned in the contract agreement as was mentioned for 'steel' and 'cement'.

*A photographic presentation of TMT bar and HT steel wire (symbolic)*



*Image of TMT bar with usage*



*Image of HT steel wire with usage*

- Price adjustment for HT steel wire/strands was considered arbitrarily during payment of claim submitted by the contractor. Such payment was made against the used quantity of material on the difference of base price and purchase prices which were provided by the contractor along with his claims submitted from time to time. Even, base price indices and current indices released by Economic Advisor, GoI were not considered as was stipulated in the contract agreement.
- Since the “High Tensile Steel/HT Strand” was not included in the contract agreement for price adjustment, payment of ₹ 90.25 lakh towards price adjustment for High Tensile Steel/HT was not admissible to the contractor and was thus recoverable.

The matter was reported to Government (August 2022); and discussed in the exit meeting (September 2022). In reply (October 2022), the Department stated that HT steels/strands are considered under 'specified materials' like reinforcement bars, cement and bitumen.

The reply, however, could not be accepted on the ground that the contract agreement did not provide for price adjustment for HT steel and 'specified materials' in the contract agreement specifically mentioned for two items viz., steel<sup>129</sup> and cement only. Further, even if the 'HT steel' is considered under the same category of 'steel' as stated by the Department, the formula<sup>130</sup> for price adjustment of 'steel' stipulated in the contract agreement was not applied for HT steel. By applying the formula as stipulated in the contract agreement, excess payment of ₹ 71.68 lakh at the price indices of HT steel and ₹ 81.37 lakh at the price indices of 'steel' were found to have been made to the contractor as shown in **Table 2.11**.

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<sup>129</sup> TMT CRS (FE-500) reinforcement bar (Tata make) with the base price of ₹46,892 per tonne.

<sup>130</sup> Formula for Steel as per agreement:  $V_c = \{S \times (M - M_c) \times T\} \div M_c$ ; where  $V_c$  = Amount of Price adjustment,  $S$  = Basic price of steel,  $T$  = Total quantity of steel,  $M$  = Current cost index,  $M_c$  = Base cost index.

Table 2.11: Calculation of excess payment made to the contractor

(₹ in lakh)

Types of inputs considered	Amount paid	Amount admissible	Excess payment	Remarks
1. Base price of <i>HT steel</i> as per claim i.e., ₹ 54,438.46/MT	90.25	18.57	71.68	<i>Admissible amount has been calculated adopting the formula prescribed for steel in the contract agreement</i>
2. Base price index of <i>HT steel</i> released by GoI (117 as on April 2014)				
3. Current price indices of <i>HT steel</i> as released by GoI (monthly basis)				
4. Base price of <i>HT steel</i> as per claim i.e., ₹54,438.46/MT	90.25	8.88	81.37	<i>Base price of steel at ₹46,892/MT (as taken by the Department) was even lesser and at which the admissible amount would have been ₹ 7.65 lakh only</i>
5. Base price index of <i>steel</i> released by GoI (101.8 as on April 2014) as used by the Department.				
6. Current price indices of <i>steel</i> as released by GoI (monthly basis)				

Accountability may be fixed on the Division for making such inadmissible payment.

## 2.7 Fraudulent payment to contractors

**Two contractors submitted fake forest permit for ₹66.98 lakh to avoid deduction at source of forest royalty and the Executive Engineer did not verify the same in violation of due procedures stipulated under Government's instruction.**

Government of Assam, Environment & Forest Department issued (September 2009) notification regarding schedule of rates of royalty leviable on forest produce including general terms and conditions governing the issue of permits of sand, stone, etc. for the departments under the State/Central Government on prior payment of royalty. Schedule 20 (B) of the notification *ibid* stipulated that the Department would write to concerned Divisional Forest Officer (DFO) for issuance of permit against departmental work along with name of contractors, name of quarry, copies of estimate, etc. The notification further provided that the Department concerned, on receipt of bills from the contractors/agencies, would inform the DFO about the quantity billed for and request the DFO to confirm the quantity lifted. All Government Departments including Corporate Bodies shall obtain permit only from Forest Department for their requirement on full payment of forest royalty, etc. in advance. The rates of royalty were revised (June 2015) and the applicable rate was ₹ 200 per cum for stone and ₹ 140 per cum for sand.

During scrutiny (May-June 2022) of records related to five works<sup>131</sup> on construction and development of roads under EE, Morigaon District Territorial Road Division, audit observed the following:

<sup>131</sup> (i) Development of Nagaon Dhing Bhuragaon road under Signature Project {Date of Completion (DOC): 03.12.2019}; (ii) Construction of Helipad Approach Road (DOC: 20.04.2021); (iii) Improvement of road from Barbhugia-Mikirbheta-Dhing Road under SOPD (DOC: 17.11.2020); (iv) Construction of road from Tetelia Tinali to Jengeragaon Shyam Nagar (ongoing); (v) Construction of road from Kacharibari NREP to Buwalguri PWD road (ongoing).

- Two contractors<sup>132</sup> were engaged for execution of five works, of which three works were shown to have been completed (December 2019 to April 2021) and two works were ongoing as of June 2022.
- However, records relating to correspondences made with DFO for obtaining permit, forwarding of relevant documents regarding the work allotted and name of contractor, *etc.* and payment of forest royalty by the Division in advance were not found on record.
- The said two contractors submitted seven forest permits<sup>133</sup> along with their bills showing lifting and utilisation of ‘32,510 cum of stone’ and ‘1,402 cum of sand’ in the five allotted works. The permits were shown to have been issued by two Range offices *viz.*, Kathiatoli Range and Amsoi Range of DFO Nagaon.
- The EE did not verify the billed quantity of forest produce (sand and stone) with the DFO in compliance with the Government notification *ibid* and passed the bills without confirming the authenticity of the permits submitted by the contractors and reimbursed (October 2019 to February 2021) ₹ 66.98 lakh of forest royalty claimed to have been paid by the contractors.

Because of the above deviation, Audit cross verified (May 2022) the permits submitted by these two contractors with the concerned DFO. The DFO stated (June 2022) to audit that:

- there was no Range office named ‘Amsoi Range’ under DFO Nagaon; and
- the submitted permits were not issued by Kathiatoli Range office.

In view of the above, the forest permits submitted to EE, Morigaon District Territorial Road Division were fake. Thus, the contractors falsified the documents by fraudulently putting stamps and signature of Range Officers to escape payment of royalty and thus caused loss to the public exchequer by getting the reimbursement of royalty which had not been paid in the first place. Further, the source from which the forest produce was obtained by the contractor also remained undisclosed.

On this being pointed out, the EE recovered (July-September 2022) ₹ 66.98 lakh as forest royalty from the contractors.

The matter has been reported to Government (January 2023); their reply is awaited (March 2023).

*The Government may fix responsibility for non-compliance with the notification relating to mining and royalty on forest produce, which has led to temporary misappropriation of government revenue. Also, Government may lodge FIR against the contractors for falsifying records with mala-fide intention. Further, the Government needs to verify this aspect in all other divisions of the State as this may not be the only case where fake royalty challans had been submitted.*

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<sup>132</sup> M/s Premdhan Construction Co. and Md Sirajul Islam.

<sup>133</sup> Permit Nos. 2190, 2191, 2194, 2195, 2134, 2131, 2182;



***CHAPTER-III***

***GENERAL SECTOR***



## CHAPTER-III GENERAL SECTOR

### 3.1 Introduction

The findings based on audit of State Government Departments/offices under General Sector feature in this Chapter.

During 2020-22, against total budget provisions of ₹ 68,698.66 crore<sup>134</sup>, 17 departments incurred an expenditure of ₹40,580.84 crore<sup>135</sup>. **Table-3.1** and **Appendix-3.1** gives details of budget provisions and expenditure incurred thereagainst by these departments.

**Table 3.1: Department-wise budget provision and expenditure during 2020-22**

(₹ in crore)					
Department	Grant No. and Name	Budget provision		Expenditure	
		2020-21	2021-22	2020-21	2021-22
Administrative Reforms and Training	22-Administrative Training	36.15	29	13.89	15.32
Border Protection and Development	50-Other Special Areas Programme	71.28	77.43	57.34	73.9
Election	4-Election	399.45	174.1	371.35	147.78
General Administration	12-District Administration	652.34	685.89	388.85	539.33
	25-Miscellaneous General Services	7,285.44	7,939.59	2,466.11	6,333.66
	47-Trade Adviser	1.34	1.3	0.68	1.55
Home and Political	14-Police	5,202.56	5,332.48	4,137.88	4,459.31
	15-Jails	116.41	113.16	71.87	92.44
	18-Fire Services	236.36	208.29	172.05	181.27
	19-Vigilance Commission & others	734.4	440.95	324.19	330.5
	20-Other Administrative Services	292.52	305.2	256.66	268.2
Judicial	3-Administration of Justice	588.82	630.06	427.99	445.08
Legislative	1-State Legislature	143.04	178.05	91.11	136.72
Governor's Secretariat	Head of State	11.82	11.68	7.38	8.81
CM Secretariat	2-Council of Ministers	14.83	17.84	5.41	9.5
Panchayat and Rural Development	56-Rural Development (Panchayat)	2218.4	3,018.41	1,608.66	1,935.44
	57-Rural Development	6,432.37	8,020.14	3,543.21	3,593.86
Printing and Stationery	16-Printing and Stationery	46.91	42.89	29.43	25.55
Revenue and Disaster Management	6-Land Revenue and Land Ceiling	373.98	426.13	292.54	372.94
	41-Natural Calamities	2,646.68	2,557.75	1,250.59	1,246.47
	72-Social Security and Welfare	19.02	15.21	11.87	14.71
Secretariat Administration	11-Secretariat and Attached Offices	1,228.32	986.53	981.29	696.75
Information and Public Relations	35-Information and Publicity	99.08	130.78	76.15	109.28
Personnel	Public Service Commission	20.81	23.95	14.66	16.56

<sup>134</sup> 2020-21: ₹33,135.89 crore and 2021-22: ₹35,562.77 crore.

<sup>135</sup> 2020-21: ₹17,706.98 crore and 2021-22: ₹22,873.86 crore.

Department	Grant No. and Name	Budget provision		Expenditure	
		2020-21	2021-22	2020-21	2021-22
Transformation and Development	45-Census, Surveys and Statistics	57.65	47.18	33.53	32.58
	44-North Eastern Council Schemes	1,914.65	1386.7	219.04	502.35
Urban Development	31-Urban Development (Town & Country Planning)	780.19	946.38	490.02	605.62
	32-Housing Schemes	6.51	5.67	4.91	5.46
	34-Urban Development (Municipal Admn)	1,504.56	1,810.03	358.32	672.92
<b>Total (Including Charged)</b>		<b>33,135.89</b>	<b>35,562.77</b>	<b>17,706.98</b>	<b>22,873.86</b>

*Source: Appropriation Accounts 2020-21 & 2021-22*

### **3.1.1 Planning and conduct of audit**

During 2020-22, out of 292 auditable entities<sup>136</sup> under General Sector, 85 entities<sup>137</sup> were audited involving an expenditure of ₹ 6,508.82 crore<sup>138</sup> (including expenditure of earlier years). This Chapter contains a Performance Audit on “Functioning of Guwahati Metropolitan Development Authority” and two Compliance Audit Paragraphs as discussed in the succeeding paragraphs.

## **Performance Audit**

### **Department of Housing and Urban Affairs**

### **3.2 Performance Audit on Functioning of Guwahati Metropolitan Development Authority**

The Guwahati Metropolitan Development Authority (GMDA) under the administrative control of the Department of Housing and Urban Affairs, was established in 1992 as per the GMDA Act, 1985. As per the Act, the function of the GMDA was to promote and secure the development of Guwahati Metropolitan Area according to the Master Plan.

The Performance Audit (PA) on "Functioning of GMDA" revealed that except for executing some development activities under the State's Own Priority Development Schemes, GMDA was not functioning as per the spirit of the provisions/bye-laws of the GMDA Act, 1985. The Government engaged GMDA in functions like water supply, building permission, provision of urban amenities and facilities such as parks, gardens, playgrounds, street lighting, parking lots and public conveniences which were entrusted to the Guwahati Municipal Corporation (GMC) as per the 74<sup>th</sup> Constitutional Amendment Act.

GMDA was manned with very few technical staff and all senior posts were either filled by contractual staff or on deputation from other departments. Apart from

<sup>136</sup> 2020-21: 130 and 2021-22: 162

<sup>137</sup> 2020-21: 30 and 2021-22: 55

<sup>138</sup> 2020-21: ₹ 4,752.21 crore and 2021-22: ₹ 1,756.61 crore.

inadequate human resources to handle major projects, GMDA also lacked commitment in complying with the important decisions taken in the Authority's meetings. Although GMDA had prepared the Master Plan, it has not monitored the achievement of targets set in the Plan. The accounts of GMDA pertaining to the years from 2014-15 to 2019-20 were submitted for audit to Principal Accountant General (Audit) only in July 2021 due to delayed approval of accounts by the Authority.

An amount of ₹ 27.90 crore released as advances for different purposes from the National Games Village (NGV) Phase-1 account remained outstanding without any adjustment even after finalisation of accounts in 2014-15. Due to lack of monitoring by the Project Management Consultant (PMC) in respect of South Guwahati (West) Water Supply Project (SGWSP), 13,776.40 meters of pipes not laid by the contractor remained undetected resulting in overpayment of ₹ 6.98 crore. Instead of engaging the consultant selected after observing procurement formalities, another firm was irregularly engaged (November 2021) as consultant by GMDA on nomination basis for managing the SGWSP. An amount of ₹ 6.20 crore expended on construction of Central Library Archive-Cum-Auditorium at Amingaon remained idle for a period of over four years due to lackadaisical approach of the Executive Agency GMDA and PWD (Building), Assam. Expenditure of ₹6.38 crore on Detailed Project Report (DPR) for Guwahati Metro Rail Project was rendered unfruitful as it was rejected by GoI for non-compliance to the guidelines for setting up Metro Rail.

**Highlights:**

***The capacity of GMDA was not adequate to handle major projects as it was manned with very few technical staff. It was seen that barring few development works allotted under State's Own Priority Development (SOPD) schemes, the GMDA had either failed to complete all major projects or it was completed after huge delays and incurring additional expenditure due to cost escalations.***

***(Paragraph-3.2.7.5)***

***Due to lack of monitoring of revenue collection as well as lack of commitment in complying with CA as well as AG's observations an amount ₹17.67 lakh remained outside GMDA's account.***

***(Paragraph-3.2.8.1)***

***₹35.17 crore was released as advances for different purposes from the National Games Village (NGV) account remained as outstanding without any adjustment, though the accounts were finalised in 2014-15. Further scrutiny of unadjusted advances revealed that outstanding amount of ₹78.20 lakh remained unadjusted against one individual from March 2015.***

***(Paragraph-3.2.9.2)***

***The South Guwahati West Water Supply Project which was to be completed in 30 months (September 2011), remained incomplete even after 11 years of start of the Project, mainly due to defects in the DPR, non-completion of major components of***

*the Project viz., Water Treatment Plant, Semi Under Ground Reservoirs, Elevated Service Reservoir, Pre Settlement Tank, Distribution Grid lines and Intake Well.*

*(Paragraph-3.2.10.1.1)*

*It was found that out of 1524.27 meter pipes to be laid by the contractor, only 1179.41 meter pipes of various diameter were laid by the contractor resulting in less execution of 344.86 meter of pipes of various diameter. However, payment was made to the contractor without verifying the actual execution of work, resulting in overpayment of ₹4.09 crore.*

*(Paragraph-3.2.10.1.9)*

*Scrutiny of the individual RA Bills revealed that the ‘up-to-date cumulative payment’ figure in RA Bill no. 78 was understated by ₹3.22 crore in ‘payment cleared up to previous bill’ column in RA Bill no.79, based on which the payment to the contractor was made till RA Bill 135 and the contractor was paid ₹173.16 crore instead of allocated amount of ₹170.72 crore against procurement of DI and MS pipes resulting in excess payment of ₹3.22 crore.*

*(Paragraph-3.2.10.1.10)*

*₹1.65 crore was irregularly paid as interest to the contractor for delayed payment of bills ignoring the additional conditions for payment mentioned in the General Condition of Contract wherein it was clearly mentioned that “After certification by the engineer payment can be arranged within 28 days but shall not be construed for any compensation in case of any delay beyond 28 days.*

*(Paragraph-3.2.10.1.11)*

*Due to lack of monitoring by the CEO, GMDA and lack of co-ordination between CEO, GMDA and PD, un-authorized expenditure of ₹4.33 crore was done by MD, Guwahati Jal Board for staff salary, payments to vendors, etc. violating the agreement clause. Further, the payments made against the bills submitted by the contractor were neither certified by the PMC for JNNURM Project nor the bills were jointly signed by the CEO, GMDA.*

*(Paragraph-3.2.10.1.14)*

### **3.2.1 Introduction**

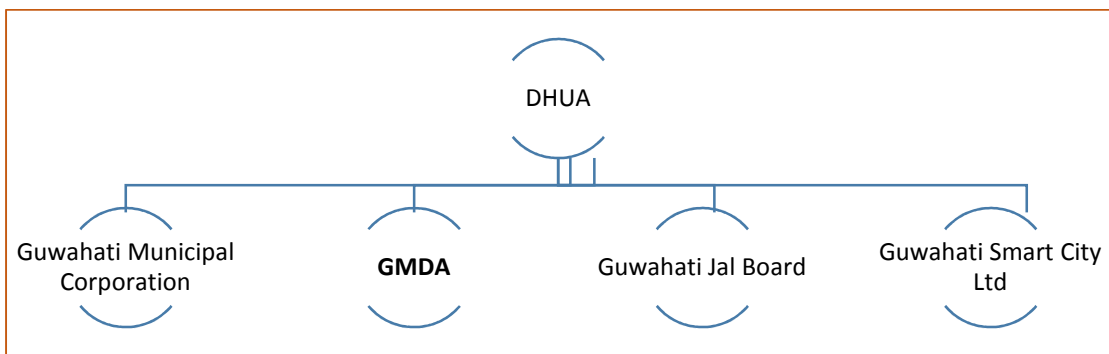
The Guwahati Metropolitan Development Authority (GMDA), under the administrative control of the Department of Housing and Urban Affairs, was established in 1992 as per Guwahati Metropolitan Development Authority Act, 1985. It replaced the erstwhile Guwahati Development Authority constituted in 1962 under the Town and Country Planning Act, 1959 (as amended). As per the GMDA Act, the function of the Guwahati Metropolitan Development Authority was to promote and secure development of the Guwahati Metropolitan Area according to the Master Plan. GMDA has adopted the Master Plan 2025 and Zoning Regulations prepared by the Town and Country Planning Department, Government of Assam, in 1992. GMDA’s jurisdiction extends over an area of 262 sq. km covering the entire Guwahati Municipal Corporation area, entire North Guwahati Town Committee area and

revenue village of Silasundari Ghopa Mouza, Pub Barsar Mouza, Dakhin Rani Mouza Ramcharani Mouza and Beltola Mouza.

### 3.2.2 Organisational Structure

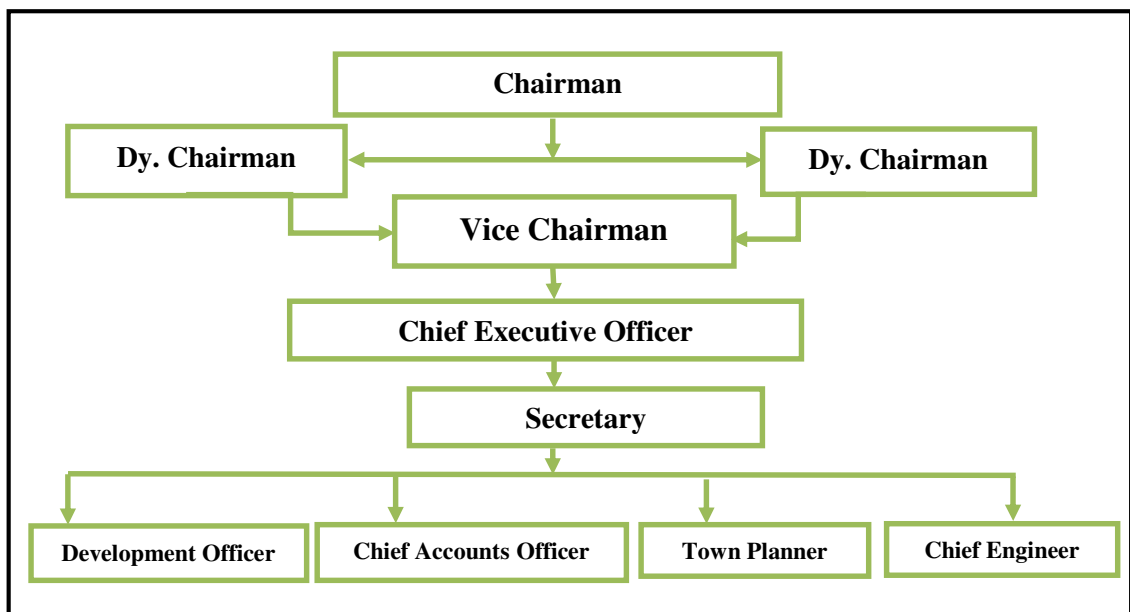
The Guwahati Development Department (GDD), (merged with Urban Development Department and renamed as Department of Housing and Urban Affairs (DHUA) in July 2021) was created in January 1994 to facilitate proper and coordinated development of Guwahati urban area. DHUA oversees the all-round development of Guwahati City through the development works carried out by its Divisions/Field Offices. GMDA is an autonomous body under DHUA and functions as one of the Division/Field Offices of the DHUA as depicted in **Chart 3.1**.

**Chart 3.1: Autonomous Bodies under DHUA**



**Chart 3.2** depicts the organisational set-up of GMDA:

**Chart 3.2: Organisational structure of GMDA**



The Chief Minister of Assam or any other eminent person as the State Government may deem fit, is appointed by the State Government as the Chairman of GMDA. Two posts of Deputy Chairman of GMDA are filled up by the State Government, by nomination. The Secretary to the Government of Assam, DHUA acts as *ex-officio* Vice Chairman of GMDA to run the administration of the Authority subject to the overall control and

supervision of the Chairman or Deputy Chairman as the case may be and shall discharge such functions and exercise such powers as may be delegated to him by the Chairman or Deputy Chairman. The Chief Executive Officer (CEO), appointed by the State Government (*ex-officio*) acts as Drawing and Disbursing Officer (DDO) for all financial matters of GMDA. The Secretary of the Authority, appointed by the State Government, shall exercise such powers and perform such duties as may be prescribed by regulations or delegated to him by the Authority or the Chairman. Besides, the Development Officer, the Chief Accounts Officer, the Town Planner, the Chief Engineer and officers from other departments are also members of GMDA as per the GMDA Act (Section 5).

### **3.2.3 Finances of GMDA**

As per Section 77 of GMDA Act, GMDA shall have and maintain its own fund to which shall be credited all money received by the Authority *viz.*, a) all moneys received from the State Government by way of grants, loans, advances or otherwise; b) all development charges or other fees received under this Act, Rules or Regulations made thereunder; and c) all moneys received from any other sources.

#### **3.2.3.1 Own Funds of GMDA**

Own funds of GMDA comprise of parking fee, permit fee, building permission fee, land sale permission fee, interest, *etc.* The receipts and expenditure from own sources of GMDA for the period 2016-17 to 2020-21 are depicted in **Table 3.2**.

**Table 3.2: Receipt and Expenditure from own sources of GMDA**

<b>Year</b>	<b>Receipts</b>	<b>Expenditure</b>	<b>(+)Excess/(-)Shortage</b>
<b>2016-17</b>	17.59	18.00	(-) 0.41
<b>2017-18</b>	19.05	16.51	2.54
<b>2018-19</b>	26.84	17.30	9.54
<b>2019-20</b>	23.25	29.58	(-) 6.33
<b>2020-21</b>	16.11	11.41	4.70

*Source: Annual accounts of GMDA*

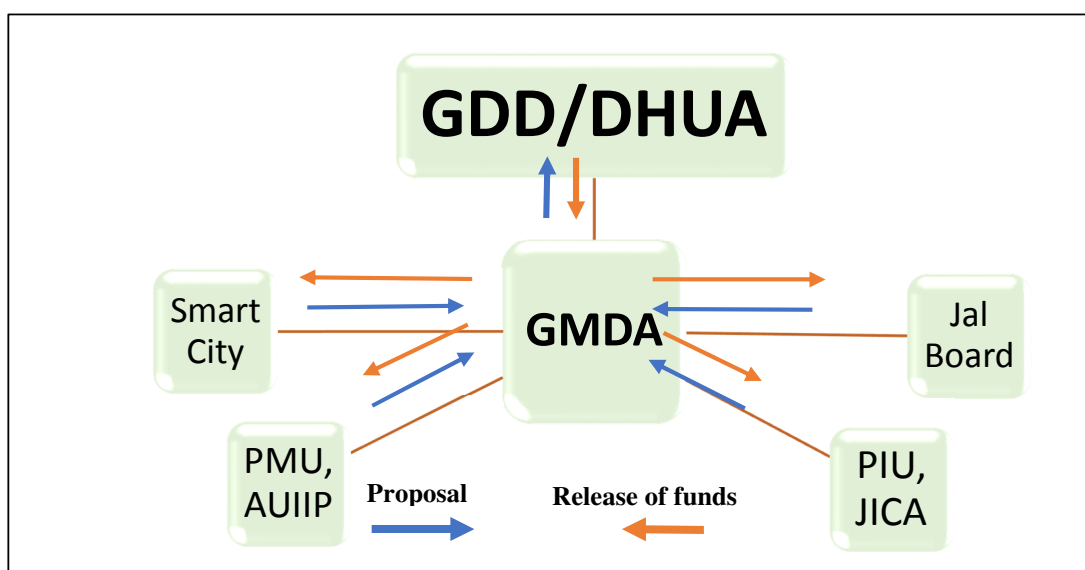
#### **3.2.3.2 Budgeted funds received from State Government**

DHUA receives proposals from Guwahati Jal Board, Guwahati Smart City Limited and two externally aided projects *viz.*, Project Implementing Unit of Japan International Cooperation Agency (JICA) assisted Guwahati Water Supply Project and Project Management Unit of Asian Development Bank (ADB) assisted Assam Urban Infrastructure Investment Program (AUIIP). Accordingly, administrative approvals and funds were released to GMDA with the instructions to transfer the amount through treasury to the implementing agencies. Respective agencies after receipt of funds incur expenditure through their bank accounts.

The process of budget proposal, financial sanction and release of funds is depicted in **Chart 3.3**.



Chart 3.3: Process of budget proposal, financial sanction and release of funds



The grants received by GMDA from the Government and released to various implementing agencies for implementation of specific projects for which these agencies are constituted and fund utilised by GMDA itself on project implementation for the period from 2016-17 to 2020-21, are shown in **Table 3.3**.

Table 3.3: Details of receipt and utilisation of Government grants by GMDA

(₹ in crore)

Year	For Schemes implemented by GMDA			For schemes implemented by other Agencies			Total (4+7)
	Budget allotted	FOC* received	Fund utilised	Budget allotted	FOC received	Fund released	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2016-17	357.55	119.67	116.01	567.76	560.76	560.76	676.77
2017-18	473.18	243.43	243.44	291.99	97.99	97.99	341.43
2018-19	177.39	110.46	110.41	359.82	106.09	106.09	216.50
2019-20	271.92	97.43	97.45	303.80	297.21	297.21	394.66
2020-21	127.00	18.39	18.39	527.02	74.39	74.39	92.78
<b>Total</b>	<b>1,407.04</b>	<b>589.38</b>	<b>585.70</b>	<b>2,050.39</b>	<b>1,136.44</b>	<b>1,136.44</b>	<b>1,722.14</b>

Source: Information provided by GMDA

\*Fixation of Ceiling<sup>139</sup>

Against the budget allocation of ₹ 1,407.04 crore, GMDA received ₹ 589.38 crore and utilised ₹ 585.70 crore on the schemes implemented by it. Short release of budgeted fund affected implementation of schemes planned by GMDA. Though Government funds amounting to ₹ 1,136.44 crore were released through the CEO, GMDA to various implementing agencies for implementation of specific projects, the CEO, GMDA had no control over these implementing agencies.

### 3.2.4 Audit Objectives

The main objectives of the performance audit were to assess:

<sup>139</sup> Fixation of ceiling is a tool to ensure that the departments do not incur expenditure in excess of the authorised provisions and the Government cash flow position is kept balanced all through the year and the expenditure at any time does not exceed the inflow of receipts as far as practicable

- (i) Whether activities of GMDA was planned adequately and effectively;
- (ii) Whether financial management of GMDA was prudent and revenue realisation was effective and efficient; and
- (iii) Whether implementation/execution of various schemes by GMDA was effective and efficient.

### **3.2.5 Audit Criteria**

The audit was conducted based on the following criteria:

- (i) Guwahati Metropolitan Development Authority Act, 1985;
- (ii) Master Plan/Development Plans for Guwahati Metropolitan Area;
- (iii) Budget and Annual Accounts of GMDA;
- (iv) DPRs, estimates *etc.*, and agreements with different agencies; and
- (v) Documents, circulars, orders, instructions, and notifications issued by State Government from time to time.

### **3.2.6 Scope and Methodology of Audit**

The Performance Audit (PA) covering the period April 2016 to March 2021 was carried out for assessment of functioning of GMDA and the efficiency and effectiveness of development schemes being implemented by GMDA *viz.*, Water supply schemes, development of parks, parking lots and city roads, Guwahati Ropeway Project, construction of Central Library and Construction of community halls, *etc.* Audit attempted to assess the overall functioning of GMDA in implementation of the projects undertaken by GMDA. Further, the components of revenue where share of collection was over 25 *per cent* of the overall revenue collection of GMDA were also selected for scrutiny.

The audit objectives were explained to the Management during Entry Conference (09 March 2022) with the Commissioner and Secretary, DHUA, GoA and the CEO, GMDA. The audit was carried out between November 2021 and June 2022.

The draft PA Report was issued (November 2022) to the Authority and to the Government seeking their comments on the draft report. The Authority furnished its reply in December 2022. The Exit Conference was held on 13 December 2022 in which the Management accepted the audit observations and recommendations. The reply of the Government is still awaited (March 2023).

### **3.2.7 Audit Findings**

#### **3.2.7.1 Institutional mechanism**

GMDA is one of the field offices of DHUA. The CEO, GMDA was also the Drawing and Disbursing Officer (DDO) for Plan funds and Government funds were routed through GMDA for the field offices *viz.*, Guwahati Jal Board (GJB), Guwahati Smart City Limited (GSCL) and two Project Implementing Units (PIUs) for Guwahati Water Supply project *i.e.*, JICA funded North Guwahati and South Guwahati Central Water Supply Project and ADB funded South Guwahati East Zone Water Supply Project

under AUIIP. Since these units directly report to DHUA, the role of the CEO, GMDA is limited to transfer of Government funds.

Audit is of the opinion that release of Government funds to the implementing agencies may not be routed through an autonomous body (GMDA) if it has no supervisory control over those agencies.

### 3.2.7.2 Functions of GMDA

GMDA was constituted mainly for the enforcement and execution of the Master Plan; formulation and execution of schemes for the planned development of Guwahati Metropolitan Areas and for coordination and supervision of execution of such plans and schemes. However, it was seen that GMDA was engaged more in services and functions like improvement of city roads and by-lanes, street-lighting, development of parks, *etc.*, which were assigned functions of the Guwahati Municipal Corporation (GMC) as per 74<sup>th</sup> Constitutional Amendment Act.

### 3.2.7.3 Overlapping functions of GMDA

Besides assignment of functions to Urban Local Bodies (ULBs) by the 74<sup>th</sup> Amendment of Constitution, the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) had also stressed on convergence of planning, delivery of urban infrastructure development and management functions to ULBs in order to strengthen institutional convergence.

Audit observed that the Government involved GMDA in the following functions which were mandated functions of GMC in terms of 74<sup>th</sup> Constitutional Amendment Act (CAA).

Sl. No.	Functions assigned to GMC as per the 12 <sup>th</sup> schedule of the Constitution of India (amended vide 74 <sup>th</sup> CAA)	Status
1	<b>Water Supply</b>	GMDA was involved in implementation of South Guwahati West Water Supply Project funded by JNNURM which was within the jurisdiction of GMC area.
2	<b>Building Permission</b>	GMDA was supposed to issue permission for land use and building construction for the Master Plan Areas beyond the notified GMC area. However, GMDA was issuing Building permission in the notified GMC area also. The CEO, GMDA stated (December 2022) that since amendment of Guwahati Building Construction (Regulation) Act in 2014, GMDA is issuing only the planning permit based on which GMC and other local bodies are issuing building permits within the Master Plan Areas. However, it was seen from the Annual Accounts of the GMDA that both building permission as well as planning permit fee was being continuously collected by GMDA.
3	<b>Parks and Parking Lots</b>	GMDA was also involved in construction of Multilevel Car Parking in different parts of Guwahati under NLCPR (Central Share). Further, all the parks earlier maintained by GMC were also handed over from time to time to GMDA by the State Government.

#### **3.2.7.4 Planning**

As per Section 11 of the GMDA Act, GMDA shall constitute an Advisory Council for the purpose of advising the Authority on preparation of Master Plan and on such other matters relating to the planning and development, or arising out of, or in connection with the administration of this Act, as may be referred to it by the Authority. Further, as per Clause 14.11.2 of the Master Plan 2025, an Expert Group was to be formed for different sectors for review and implementation of the Master Plan.

The Master Plan 2025 prepared by GMDA covered the period from July 2009 to July 2025. However, it was noticed that GMDA had neither constituted the Advisory Council, nor was the Expert Group formed for advising the authority in planning and review of implementation of Master Plan. The CEO, GMDA stated (December 2022) that various Expert Groups were formed from time to time to examine the suggestions for modification of the Master Plan 2025 and the recommendations<sup>140</sup> contained in Clause 14(11) (3) of Part-II of Master Plan has been complied with.

Audit observed following shortcomings in the implementation of the Master Plan:

As per paragraph 14.11 of the Master Plan, the plan should be monitored at five year intervals to update the socio-economic changes. Monitoring helps in evaluating the achievements of physical targets proposed in the Plan. However, GMDA neither monitored the achievements of physical targets proposed in the Plan at five year intervals nor could it furnish any information in respect of achievement of physical targets proposed in the Plan. The CEO, GMDA stated that the Master Plan is primarily a vision document and the targets of the proposed plan cannot be measured in physical terms of achievement. The CEO further added that land use pattern so envisaged in the proposed land use plan may not achieve the proposed target as the authority cannot force the public, if they do not develop their own land. However, the reply was not tenable since land use pattern so envisaged in the proposed land use plan was in respect to the new development schemes.

Further, GMDA could not achieve the physical targets proposed in the plan in respect of the following sectors:

#### **A Transport**

- (i) As per paragraph 5.4.2 of the Master Plan, an additional 194 km of road network was proposed in the Master Plan 2025 to be developed over and above the existing road network. However, the Town Planner stated (July 2022) that due to multiplicity of authorities and non-availability of information, it was difficult to ascertain actual development of road network.
- (ii) The Traffic Engineering and Management Unit (TEMU) in GMDA/GMC, as proposed in the Master Plan 2025 (*vide* paragraph 5.4.8), was to be responsible

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<sup>140</sup> Finalisation of new Town-I & II, preparation of DPR for upgradation of transport sector, water supply, sewerage and drainage, creation of land bank, amendment of Building byelaws, *etc.*

for preparation of Transport System Management Plans (TSMP) for optimising the usage of the system capacity. Neither the TEMU was formed in GMDA nor was the TSMP prepared. The Town Planner stated (July 2022) that GMDA has submitted Unified Metropolitan Transport Authority (UMTA) Bill, 2022 to GoA for legislation. Though the same was enacted in October 2022, the UMTA is yet to be formed (March 2023).

- (iii) As per paragraph 4.5.2 of the Master Plan 2025, 'Guwahati Integrated Freight Complex Company (GIFCC)' was to be set up with equity contribution by GMDA for planning and promoting development of Integrated Freight Complex (IFC). However, this was yet to be done by GMDA. The Town Planner stated (July 2022) that three modern Freight Terminus have been proposed for development in PPP mode but necessary approval is awaited from GoA.
- (iv) A three tier conceptual model was suggested in the Master Plan 2025 (vide Paragraph 5.5) which included GMDA at the apex level, the Guwahati Integrated Transport Board (GITB), to be newly set up, at the next level and the functional agencies like Guwahati City Roads Authority, Guwahati Transport Authority, Guwahati City Bus Companies, Guwahati Light Rail Transport Corporation, Guwahati Integrated Freight Complex Company, *etc.* at the third level reporting to GITB. However, nothing in this regard was found on record to show compliance of the Master Plan. The Town Planner stated (July 2022) that the three tier multi-modal transport system was not in place but instead UMTA is going to be established after approval by the Government.

### **B Housing:**

As per paragraph 8.3.2 of the Master Plan 2025, GMDA needs to provide for about 2.8 lakh new housing units to be distributed in the existing and new developments in the next 20 years. However, except for undertaking the housing project of Games Village Phase I and II consisting of 1,390 residential units, no initiative was found to have been taken by GMDA in this regard. The Town Planner stated (July 2022) that as GMC has developed EWS housing, Assam State Housing Board has also built LIG/ MIG flats, and many Government Organisations have made housing for their employees - all this will lead to meet the housing stock requirement projected in the Master Plan. However, the exact figures could not be provided by the Town Planner as the GIS-based Master Plan is under preparation and the shortfall would be known after it is finalised, though the preliminary report has projected a shortfall of 6,911 units.

### **C Urban Renewal:**

As the Central City *i.e.*, Unit 1, has congested residential and commercial areas, which have high building density on land and high occupancy within buildings, Master Plan 2025 recommended immediate urban renewal in these areas. The basic objective of the urban renewal plans was to upgrade the living and working environment by implementing schemes considering the existing physical and

socio-economic conditions of the area. The schemes for urban renewal are to be prepared after a comprehensive study, which should be in the form of a project report and a number of maps and plans.

However, no Urban Renewal Plan was prepared by GMDA for initiating urban renewal in the congested residential areas within GMA.

The CEO, GMDA stated (December 2022) that provisions regarding Town Planning Scheme (TPS) and Local Area Plans (LAP) has been included (October 2022) in the amended GMDA Act, 1985 to facilitate their implementation.

### **3.2.7.5 Human resource management**

It was observed that the capacity of GMDA was not adequate to handle major projects as it was manned with very few technical staff and all senior posts were either filled by contractual staff or through deputation from other departments. The manpower position of GMDA is shown in **Appendix-3.2**. Out of the total 170 sanctioned posts, 158 staff (99 regular and 59 contractual) under different categories were available in GMDA, of which 69 staff (66 regular and three contractual) were grade IV employees which constituted 44 *per cent* unskilled employees in GMDA whereas the number of technical staff of GMDA was only 24 (15 *per cent*) depicting poor capacity of GMDA in handling major developmental projects. It was seen that barring a few development works allotted under the State's Own Priority Development (SOPD) schemes, GMDA had either failed to complete all major projects or these were completed after huge delays and cost escalation.

### **3.2.7.6 Compliance of decisions taken by the Authority**

Apart from inadequate human resources to handle major projects, audit observed that GMDA was also unable to comply with important decisions taken in the Authority's meetings. A few instances are mentioned below:

<b>Sl. No.</b>	<b>Decision taken by the Authority</b>	<b>Action taken by GMDA</b>	<b>Remarks</b>
1	In the 17 <sup>th</sup> Authority meeting held in June 2014 regarding Water Supply Projects of Guwahati City, the Authority noted with concern the tardy progress of the water supply projects of Guwahati city and it was resolved that a detailed technical enquiry into the design, DPR and implementation of the water supply projects will be conducted by the Chief Engineer, Public Health Engineering (PHE) Department and the Assam Urban Water Supply and Sewerage Board (AUWSSB).	No step was found to have been taken by GMDA for conducting the technical enquiry and no enquiry into the design, DPR and implementation of the water supply projects was conducted by the Chief Engineer, PHE and AUWSSB.	The water supply projects undertaken by GMDA have been delayed by more than 11 years which could have been addressed had GMDA initiated steps to conduct the technical enquiry and acted on the result of the enquiry in time.
2	In the 17 <sup>th</sup> Authority meeting, the Authority decided to take action against the delinquent consultant M/s Tahal, and other consultants for preparing defective DPRs for Storm Water Drainage Project for Guwahati City and	No action was found initiated against the delinquent consultants for submission of defective DPR.	It was found that the same consultant M/s Tahal was supervising the South Guwahati West Water Supply Project which remained incomplete even after 11 years

Sl. No.	Decision taken by the Authority	Action taken by GMDA	Remarks
	Multi Level Car Parking at Ganeshguri & Pan bazar, utilising GMDA's funds, which was rejected by MoUD.		of scheduled date of completion.
3	In the 18 <sup>th</sup> Authority meeting of the GMDA held on 02 April 2015, the Authority decided to approach the Government for handing over of all vacant land within the GMA to GMDA for its planning and development and also decided to identify the land which earlier belonged to the Guwahati Development Authority (GDA) and submit a proposal to the Guwahati Development Department for handing over those lands to GMDA.	Neither any step was found to have been taken by GMDA to approach the Government for handing over of all vacant land within GMA nor had GMDA submitted any proposal to the Government for handing over those land which earlier belonged to GDA. The CEO, GMDA stated that they have no information relating to land available with the Guwahati Development Department.	It was observed that GMDA lacked interest in taking over the vacant land and involving itself in the Land development schemes as envisaged in the GMDA Act.
4	Since GMDA does not have any rules for conduct of business for more than 25 years since its inception, it was decided in the 21 <sup>st</sup> Authority meeting (July 2017) that draft Rules for Conduct of Business of GMDA would be prepared and placed before the Government at the earliest for approval.	No action was found initiated by GMDA for preparation of draft business rules till date.	In absence of effective business rules, GMDA lacked direction on how to manage its activities ensuring that the organisation abided by local, state, and federal regulatory requirements.
5	In the 21 <sup>st</sup> Authority's meeting the CEO, GMDA proposed that a consultant be appointed to undertake a detailed review of the Service Bye-Laws of GMDA, GMDA's structure, manpower in place, etc. and formulate the incorporation of Employees' Promotion Plan, Pension Plan, VRS Plan, etc. It was resolved in the meeting, that a comprehensive study by Omeo Kumar Das Institute of Social Change and Development (OKDISCD) would be initiated for manpower planning and amendment of Bye-Laws in a time bound manner before considering <i>ad-hoc</i> basis promotions, appointments, VRS, etc.	No initiative was found to have been taken by GMDA in this regard and the relevant Service Bye-Laws were also not amended since 2014.	It was found that though there was no provision for the post of Superintending Engineer (SE), in the GMDA Service Bye-Laws, 2014, one SE was appointed by GMDA on contractual basis in November 2015. The validity of service agreement had expired in January 2021 but the SE was continuing his service and drawing pay without any valid agreement. The CEO, GMDA stated that the matter being under the purview of the Hon'ble Gauhati High Court, GMDA was not in a position to initiate any action in this regard.

**Recommendation:** *GMDA should primarily focus on promoting and securing the development of GMA according to the Master Plan. The most important hazard of civic life in Guwahati viz., flash floods and traffic congestion should be immediately addressed for improvement of civic life in GMA. Further, the Government should also provide adequate infrastructure to GMDA to enable it to achieve the targets proposed in the Master Plan. Moreover, Rules for Conduct of Business of GMDA should be framed for its smooth functioning. The Advisory Council as envisaged in the GMDA Act, may be constituted and Annual Action Plans should be prepared for*

implementation of the Master Plan. GMDA should take immediate follow up actions to comply with the decisions taken in the Authority meetings.

### **3.2.8 Revenue Management**

GMDA generates its revenue mainly from Building Permission Fees, Land Sale Permission Fees, Fees from Parks & Parking and Planning Permit Fees. GMDA also receives capital grants from the State Government for approved projects. Receipts are utilised for establishment and administrative expenses and development activities. Year-wise details of major sources of revenue receipts during the period from 2016-17 to 2020-21 is shown in **Table 3.4**.

**Table 3.4: Major sources of revenue of GMDA during the period from 2016-17 to 2020-21**  
(₹ in lakh)

Sl. No.	Source of receipts	2016-17	2017-18	2018-19	2019-20	2020-21	Total
1	Planning Permit Fees	319.49	377.73	517.14	608.28	766.37	2,589.01
2	Land sale permission fees	336.65	400.67	188.05	202.24	209.80	1,337.41
3	Building Permission Fees	428.05	313.87	312.57	276.51	299.47	1,630.47
4	Received from Parks and Parking	172.18	144.81	206.33	147.34	103.67	774.33
5	Guwahati Ropeway Project	0	0	0	0	124.13	124.13
6	Received from DS Hospitality Group	0	61.25	28.75	28.75	28.75	147.75
<b>Total</b>		<b>1,256.37</b>	<b>1,298.33</b>	<b>1,252.84</b>	<b>1,263.12</b>	<b>1,532.19</b>	<b>6,603.1</b>

*Source: Information furnished by GMDA*

Guwahati city has large eco-sensitive areas like hills and water bodies, but very few developed parks and playgrounds are available. As 5,299 hectare area was earmarked in the CMP-2025 for recreational activity at city level, there is ample scope for developing parks and recreational spaces thereby increasing GMDA's revenue through it. The maintenance of parks constructed by GMDA is done by GMDA and NGOs/Societies. The maintenance of parks was done from the revenue collection from parks. Collection from all the parks was ₹ 84 lakh (*approximately*) annually. However, audit observed that though development and maintenance of parks was an assigned function of GMC as per 74<sup>th</sup> CAA, all the parks within GMA areas were maintained by GMDA.

#### **3.2.8.1 Non-deposit of revenue**

Scrutiny of the records in respect of Shradhanjali Kanan Park covering the period from 2014-15 to 2020-21 revealed that ₹ 3.70 crore (including opening balance of ₹ 18.63 lakh as on 01 April 2014) was collected as revenue from the park but only ₹ 3.53 crore was deposited in the bank account indicating irregular retention of ₹ 17.67 lakh in cash by park officials as detailed in **Appendix-3.3 (A) & (B)**.

The retention of heavy cash balance was repeatedly pointed out by the Chartered Accountant and non-deposit of revenue of the Park was reported in the Inspection Reports for the period 2013-14 issued by the Principal Accountant General (Audit). However, no action was found to have been taken by the GMDA authority to rectify



the system till August 2021. In September 2021, GMDA authority had initiated recovery of ₹ 5,000 per month from the salary of one of the officials involved in collection of revenue from the park. Further, an enquiry was initiated and it was recommended to recover the retained amount @ 50 per cent of basic pay from the delinquent employee along with eight per cent interest on the outstanding money from his salary. The CEO, GMDA accepted the audit observation and stated (December 2022) that legal action will be initiated based on the outcome of the ongoing disciplinary proceedings against the delinquent official.

Audit observed that due to lack of monitoring of revenue collection as well as lack of commitment in complying with CA as well as AG's observations, an amount of ₹ 17.67 lakh remained outside GMDA's account.

**Recommendation:** *The Authority should strictly follow the Financial Rules for managing revenue collection including maintenance of Cash Book. The internal control mechanisms are to be enhanced for proper monitoring of collection of deposit of the same into the concerned bank account and monthly reconciliation is to be done to avoid such incidence in future.*

### 3.2.9 Maintenance of Accounts

As per Section 83 of the GMDA Act, GMDA shall maintain proper accounts and other relevant records and prepare an annual statement of account including the balance sheet in such form as may be approved by the State Government. The accounts of the Authority shall be subject to audit annually by the Accountant General (Audit), Assam. Further, the Annual Accounts of the Authority along with the Audit Report shall be placed before the State Legislature.

The status of preparation and submission of Annual Accounts of GMDA is shown in **Table 3.5**.

**Table 3.5: Status of preparation and submission of Annual Accounts by GMDA**

Sl. No.	Annual Accounts (AA) for the year	Date of closure of Accounts	Date of submission of AA by CA	Date of approval of AA by the Authority	Date of Submission of AA	
					to AG	along with the AR to State Legislature
1	2014-15	31.03.2015	31.10.2015	05.01.2021	09.07.2021	Yet to be placed
2	2015-16	31.03.2016	20.09.2016	05.01.2021	09.07.2021	Yet to be placed
3	2016-17	31.03.2017	15.03.2018	05.01.2021	09.07.2021	Yet to be placed
4	2017-18	31.03.2018	28.09.2018	05.01.2021	09.07.2021	Yet to be placed
5	2018-19	31.03.2019	30.09.2018	05.01.2021	09.07.2021	Yet to be placed
6	2019-20	31.03.2020	02.01.2021	05.01.2021	09.07.2021	Yet to be placed

*Source: Information furnished by GMDA*

It can be seen from **Table 3.5** that the Annual Accounts of GMDA was submitted by the Chartered Accountant with a delay of six to 12 months and the same was never approved by the Authority in time except for the period 2019-20. As a result, the accounts of GMDA from 2014-15 to 2019-20 were not submitted for audit to the Pr. Accountant General till 2020-21. The CEO, GMDA stated (December 2022) that GMDA being an assessee under the Income Tax Act, Tax Audit, computation and filing of income tax return was required to be done for finalisation of accounts for

which sufficient time was required. However, no reason was furnished for delay in getting Authority's approval even after submission of accounts by the CA. The reply was not acceptable as there are time limits prescribed under the Income Tax Act, 1961, as amended from time to time, for each of these activities. Moreover, the GMDA Act specifically provides for submission of accounts annually.

### **3.2.9.1 Budget of the Authority**

As per Section 82 of the GMDA Act, the Authority shall prepare every year in such form as provided, budget of the Authority in respect of the next financial year, showing the estimated receipts and expenditure under revenue head and capital head separately, and submit it to the State Government not later than 15<sup>th</sup> of February each year or as may be directed by the State Government, for approval.

It was however, seen that the Annual Budgets for FYs 2017-18 and 2018-19 were approved by the Authority in October 2020. Further, the Annual Budgets from FY 2019-20 onwards were yet to be approved. The CEO, GMDA stated that the budget process for the period 2019-20 to 2021-22 could not be completed due to the Covid-19 pandemic. Thus, GMDA had failed in timely preparation and approval of the Annual Budget for the periods covered under audit indicating lack of financial control over its income and expenditure.

### **3.2.9.2 Non-adjustment of advance**

As per the Assam Financial Rules<sup>141</sup> (AFR), an imprest is a standing advance of a fixed sum of money given to an individual in the Public Works Department to enable him to make certain classes of payments which may be entrusted to his charge by the Divisional Officer or the Sub-Divisional Officer. As per AFR, the holder of an imprest is also responsible for the safe custody of the money placed in his hands and he must at all times be ready to produce the total amount of the money in vouchers or/and in cash. Further, as per the Rules *ibid*, in the case of temporary subordinates, the amount of the imprest should not, without the special sanction of Government, exceed the amount of security furnished by the subordinate.

During scrutiny of accounts in respect of National Games Village (NGV) Phase 1, it was found that ₹ 27.90 crore released as advance for different purposes from the NGV account remained un-adjusted, though the accounts were finalised in 2014-15. Further, ₹ 7.27 crore was also given as advances after the finalisation of accounts by the CA, till 2021-22. As such, total unadjusted advance given out of NGV accounts till date (December 2022) was ₹ 35.17 crore. However, it was mentioned by the Accounts branch that the advances remain unadjusted due to non-closure of NGV Account and reconciliation of main account with GMDA. The advances were given from the NGV accounts and almost all the advances were given for different works outside the NGV accounts and shown as Loans and Advances in the NGV account.

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<sup>141</sup> Rule 82, 274, 275, 377 of Assam Financial Rules

However, GMDA had neither taken any initiative to recoup the outstanding advances from the respective works nor did it reconcile the NGV account with the GMDA's main account to adjust the outstanding advances.

Further scrutiny of unadjusted advances revealed that an amount of ₹ 70.55 lakh was outstanding against one individual till 31.03.2015. He was further given an advance of ₹ 7.65 lakh during 2015-2022 *i.e.*, after finalisation of NGV accounts in gross violation of financial rules. The total unadjusted advances given to him till date was ₹ 78.20 lakh. The CEO, GMDA, while accepting the audit observation, stated (December 2022) that the process of finalisation of accounts of NGV is being initiated by their Chartered Accountant.

### 3.2.9.3 Annual Reports

Section 84 of the GMDA Act envisages that as soon as may be after the close of a year, the Authority shall prepare a report of each activity during the preceding year and submit it to the State Government.

It was however, seen that GMDA had not prepared any Annual Report for the period covered under audit except for the year 2020-21. The CEO, GMDA accepted the audit observation and stated that the Annual Administrative Report for 2021-22 is under preparation. However, reasons for non-preparation of Annual Reports for previous years was not furnished.

### 3.2.9.4 Response to Audit

To ensure satisfactory compliance with the prescribed rules and procedures prompt response is required by the executives to the Inspection Reports (IRs) issued by the AG. The authorities of the offices and the departments concerned are required to examine the observations contained in the IRs and rectify the defects/omissions promptly with prescribed rules and procedures and report their compliance to the Pr. AG.

The Pr. Accountant General (Audit), Assam conducted audit of the accounts of GMDA on three occasions and issued the IRs to the CEO, GMDA with copies marked to the Government as detailed in **Table 3.6**.

**Table 3.6: Details of audit conducted by the Principal Accountant General**

Year of Accounts	Date of issue of IR	No. of paragraphs <sup>142</sup>	
		Part-II (A)	Part-II (B)
2004-05 to 2008-09	November 2011	3	14
2009-10 to 2011-12	May 2014	7	9
2012-13 to 2013-14	January 2015	5	9
<b>Total</b>		<b>15</b>	<b>32</b>

*Source: Inspection Reports*

<sup>142</sup> Audit findings are included in Part-II of the Inspection Report which is further divided into Part-II (A) and Part-II (B). Part-II (A) contains significant audit findings relating to evaluation of the regularity and propriety related subject matter(s)/ specific subject matter(s) which are further analysed for inclusion in the Audit Report, if found material, and are also reported to the State Government. Part-II (B) contains other incidental findings.

However, out of 47 audit observations, follow up action against 10 observations was initiated by GMDA whereas replies against 37 audit observations were still awaited.

**Recommendation:** *The accounts of GMDA should be finalised immediately after the closure of the financial year and approved by the Authority so that it may be audited and the proposed corrective measures, if any, are taken in time. The Annual Budget of GMDA must be prepared regularly and submitted to the Government for approval. The Assam Financial Rules must be followed strictly while dealing with advances and all outstanding advances should be recovered immediately. GMDA may initiate action to promptly settle all outstanding audit observations.*

### **3.2.10 Implementation of projects by GMDA**

#### **3.2.10.1 The South Guwahati West Water Supply Project**

GMDA is supervising South Guwahati West Water Supply Project (SGWSP) with the Project Management Consultant (PMC), M/s Tahal Consulting Engineers Limited. The first Detailed Project Report (DPR), prepared by the PMC, was submitted (December 2007) to Ministry of Urban Development (MoUD) for clearance under Jawaharlal Nehru National Urban Renewal Mission (JNNURM) programme for ₹ 398.48 crore. However, due to shortage of funds under the JNNURM programme, MoUD cleared the project for ₹ 280.94 crore in 2008. The design and construction of Water Supply Project for South-West Guwahati was awarded to M/s Gammon Engineers and Contractors Private Ltd. (GECPL), a construction company, on turnkey basis for an amount of ₹ 349.70 crore. Subsequently, the project cost of SGWSP was revised (February 2016) to ₹ 389.53 crore<sup>143</sup> from ₹ 355.31 crore<sup>144</sup> primarily due to non-inclusion of certain vital items viz., additional valves for disaster control, change of diameter of pipes and valves as per site requirement, way leave charges of Northern Frontier Railway for drawal of 33 KV power lines, etc. Audit observed that besides delay in completion of the project, there were various irregularities in implementation of the project as discussed below:

##### **3.2.10.1.1 Delay in completion of the project**

The proposed capacity of this project was 107 MLD (million litres per day). The project was started in March 2009. It was supposed to be commissioned in September 2011 i.e., 30 months from the date of start of the project. The date for commissioning the project was changed several times. Nevertheless, the commissioning deadlines were missed in 2016, 2017, 2018, and also in 2019. Finally, only partial commissioning of four out of 54 District Metering Areas<sup>145</sup> (DMAs) was done in November 2020.

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<sup>143</sup> Including PMC fees amounting to ₹8.60 crore

<sup>144</sup> Including PMC fees amounting to ₹5.62 crore

<sup>145</sup> **DMA** - A District Metering Area is defined as a discrete part of a water distribution network. It is usually created by closing boundary valves or by permanently disconnecting pipes in neighbouring areas. Water flowing in and out of the DMA is strictly controlled and metered in order to calculate the accurate water balance in each DMA.

The project was to provide 24 × 7 water supply to 5.83 lakh population in South West Guwahati by 2025. However, after 11 years of start of the project, only 1,517 households were provided water supply connection as GECPL could release only two MLD of water out of the proposed 107 MLD water for the project. Further, Audit observed that 75 per cent of the area in the four DMAs were not covered under the project and as such, providing 24 × 7 water supply to all the households of South-West Guwahati would not be possible under the current project design/scope.

Audit observed that the project could not be completed mainly due to defects in the Detailed Project Report (DPR), non-completion of major components viz., WTP, SUGR, ESR, PST<sup>146</sup>, Distribution Grid lines and Intake Well as discussed below.

#### **3.2.10.1.2 Defective Detailed Project Report**

As per the DPR and the Inception Report prepared by the PMC, M/s Tahal Consulting Engineers Limited, the project was to be completed within 30 months. Accordingly, the Work Plan was prepared on the basis of which the components of the works in the project were to be completed. To complete the project within the scheduled timeline of 30 months, all hindrances like acquisition of land, Right of Way for laying of pipes through lands belonging to other departments/organisations, etc. were to be anticipated/assessed and appropriate steps should have been planned in advance for smooth execution of the project. However, audit observed that the Work Plan was prepared without ascertaining the availability of land for the said project and without obtaining requisite permissions from other departments prior to start of work. There was no mention in the DPR or in the Inception Report regarding the availability of land and permissions required to be taken from different departments viz., Forest Department, Railways, National Highway Authority of India (NHAI), etc. It was found that the Right of Way (ROW) permission from Railways and NHAI were taken very late (four years after the work was allotted to the contractor). This adversely affected the timely laying of pipes by the contractor and consequent delay in completion of the project.

#### **3.2.10.1.3 Extension of Time given to the contractor without imposing any penalty for failing to complete the work within the targeted date**

As per Clause 39 of the General Conditions of Contract, if the contractor fails or neglect to commence the execution of the work, the development Authority shall, without prejudice to any other right or remedy, be at liberty to forfeit the security deposit absolutely.

Scrutiny of records showed that the contractor had sought 13 Extension of Time (EoT). EoTs were also endorsed by the PMC and were accordingly approved by the Government on recommendation of GMDA. Audit observed that GMDA repeatedly failed to fulfil the requirement for which the extension of time was granted to the contractor. Also, the EoTs were granted without ascertaining whether the reasons/

<sup>146</sup> WTP – Water Treatment Plant; SUGR – Semi Underground Reservoir; ESR – Elevated Service Reservoir; PST – Pre-Settlement Tank

problems for which previous EoT was sought was genuine and were resolved and other terms and conditions were duly complied with by the contractor. This was evident from the following:

**3.2.10.1.4 Non-completion of Water Treatment Plant, Semi Under-Ground Reservoir and Elevated Service Reservoir**

As per EOTs sought by GECPL till 05 February 2013, the first targeted date of completion of the project *i.e.*, September 2011 could not be met mainly due to delay in handing over site for WTP at Jalukbari, Hilltop SUGR at Ganeshpara East, West and Central SUGR and ESR at Borjhar and Mirzapur. However, even after 10 years of handing over the site (March 2010 to March 2012), the works of all the reservoirs were yet to be completed till the date of audit, as can be seen from the photographs below; taken during joint physical verification:

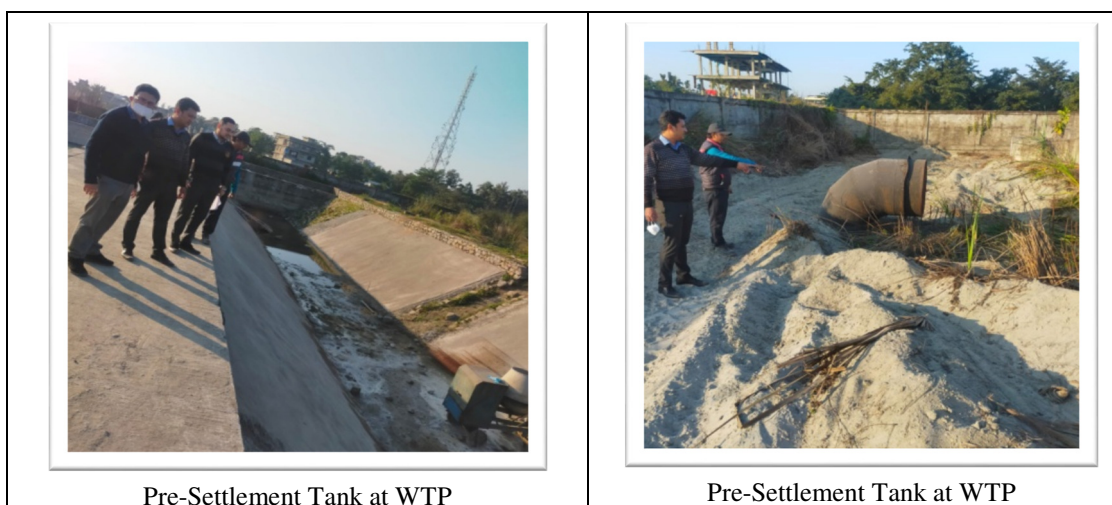


Similarly, at WTP site, it was found that out of two modules for WTP, only one module was completed. Status Report (April 2022) of the new PMC, NJS Engineers India Private Limited, mentioned that out of 33 components (including Civil Works), 19 components were yet to be completed and Module-2 as a whole was non-functional.

During the period of ten years, many extensions of time were sought by GECPL and allowed by GMDA without ascertaining the completion of the aforesaid works by the Contractor. The CEO, accepting the audit observation, stated that extensions were granted anticipating that the contractor would complete the project within the timeline proposed in the EoT. However, it was seen that neither the project was completed in time nor was any penalty imposed upon the contractor.

### 3.2.10.1.5 Non-completion of Pre-Settlement Tanks<sup>147</sup> (PST)

One of the causes for delay in completion of the project as highlighted in the 8<sup>th</sup> & 9<sup>th</sup> interim Extension of Time (EOT) sought by GECPL, was delay in getting permission for collecting silt. As per the 8<sup>th</sup> EOT, after receipt of the necessary permission, GECPL would take four months to complete the said works. As per 9<sup>th</sup> EOT, the permission for collecting silt (approx. 35,000 cum) from Brahmaputra River was accorded in June 2018 by the departments concerned viz., Forest Department & Environment Department. However, during joint physical verification in December 2021, it was found that out of eight PSTs, civil works was pending in four PSTs and works in the remaining four PSTs had not been started by the contractor. Following photographs shows the incomplete state of PSTs:



Though it was assured by the contractor that PST will be completed within four months from getting the approval from the Department concerned, the same was not completed even after four years (June 2018). However, repeated extensions were given to the contractor without initiating any action for non-completion of works.

### 3.2.10.1.6 Non-completion of Distribution Grid lines

In the 8<sup>th</sup> EoT sought by GECPL (December 2017), it was informed by the contractor that the total length of Distribution Grid pipeline (comprising of 100 mm dia to 600 mm dia Ductile Iron (DI) pipes and 700 mm to 900 mm Mild Steel (MS) pipes) to be laid by the contractor was 429.52 kms, out of which 364.33 kms pipes were actually laid by the contractor leaving a balance of 65.19 kms yet to be laid. Non-completion of the work was mainly attributed to non-availability of Right of Way (RoW) and non-release of outstanding payments to the contractor by GMDA.

Records however showed that out of the total Running Account (RA) Bills submitted by GECPL till November 2017 amounting to ₹ 349.55 crore, the PMC had certified RA Bills amounting to ₹ 345.05 crore (till September 2017) out of which,

<sup>147</sup> Pre-settlement tank is a rectangular shaped tank to retain the raw water before it is released to the treatment plant

₹ 343.22 crore was paid (till September 2017) by GMDA. As such, out of the total certified amount by the PMC, only a meagre amount of ₹ 1.83 crore (0.53 per cent) remained unpaid to the contractor. Thus, the reason cited by the contractor for non-completion of distribution grid was not justified. Further, the first RoW permission was sought by the contractor only after three years of start of work.

Further, in the 9<sup>th</sup> EoT (January 2019), it was informed by the contractor that the total length of pipes laid was 372.80 kms. Thus, during the year 2018, total pipes laid by the contractor was only 8.47 kms indicating very slow execution of work by the contractor. However, instead of initiating any action as per the contract agreement, GMDA granted EoT to the contractor.

### **3.2.10.1.7 Non-completion of Intake Well**

Records showed that during construction, the Intake Well No.-3 in river Brahmaputra at Pandu, Maligaon was washed away by floods in June 2012. Subsequently, the location for the 3<sup>rd</sup> well was changed by the contractor. Based on soil investigation and review of the design, it was concluded that there was a need to change the founding Riverbed Level (RL) of the well. The contractor informed that the sinking shall be completed by April 2018 and after that it would take 180 days to complete the entire work *i.e.*, October 2018. However, joint physical verification (March 2022) showed that the work of Intake Well is yet to take place, as can be seen from the photograph placed alongside.



Audit observed that though extensions were sought by GECPL and granted by the GMDA, the contractor did not utilise the extended time for completion of the project.

### **3.2.10.1.8 Doubtful expenditure of ₹ 3.33 crore on Water Supply Information Management System**

As per the estimates of SGWSP, an amount of ₹ 7.37 crore was allocated for developing a Water Supply Information Management System (WIMS). The water management software was required to analyse data collected in the system regarding pressure and flows, thus allowing water balance to be set up to relate flows, pressure and consumption with regard to billing.

Scrutiny of the RA bills revealed that an amount of ₹ 6.42 crore was paid to M/s GECPL for setting up of a computerised distribution centre, WIMS. As no bifurcation or any supporting documents related to the payments made for WIMS were found with the Running Account Bills, audit requested the CEO, GMDA to furnish



component-wise bifurcation of expenditure. Accordingly, the Project Engineer, GMDA for SGWSP furnished the component-wise bifurcation of expenditure related to WIMS.

The contractor (M/s GECPL) stated (July 2022) that the items were sub-divided into 20 locations scattered in all 54 DMAs including Supervisory Control and Data Acquisition (SCADA) system. The contractor stated that to execute the entire work, they had to purchase numerous equipment, instrumentations including Programmable Logic Controller (PLC) system from various vendors and accordingly payment was made for material, installation, commissioning, set up and services in the project.

However, during joint physical verification, the components installed and commissioning of WIMS were found at only six out of the total 20 locations. Moreover, as per the bifurcation details provided by the Project Engineer (PE), GMDA for SGWSP, many components against which expenditure were incurred were yet to be installed at site. At the instance of audit, a joint physical verification of the store of M/s GECPL was conducted by the officials of GMDA, the present PMC *i.e.*, NJS and Guwahati Jal Board but no component was found in the store of M/s GECPL. Report of testing and commissioning of WIMS was also not produced to audit during the joint physical verification.

Thus, audit observed that expenditure of ₹ 3.33 crore (Component: ₹ 2.85 crore; Testing and Commissioning: ₹0.10 crore and Installation: ₹0.38 crore) as detailed in **Appendix-3.4** on those components and its installation was doubtful. At the instance of audit, the CEO, GMDA initiated action and recovered/adjusted (January 2023) ₹ 3.33 crore from the contractor out of the security deposit amount of ₹ 17.48 crore.

**Recommendation:** *Proper verification of bills and stocks should be done by the PMC and there should be regular monitoring by GMDA.*

#### 3.2.10.1.9 Overpayment of ₹4.09 crore

Scrutiny of records revealed that an amount of ₹ 14.84 crore was allotted for laying of pipes by ‘Adopting Trenchless technology device’ for a total length of 1,524.27 meters of pipes of various diameters, against which ₹14.12 crore was already paid to the contractor up to RA Bill No. 135.

However, as per the information furnished by GMDA (July 2022) and verification of Measurement Book, it was found that instead of laying 1,524.27 meters of pipe, only 1,179.41 meter of pipes of various diameter was laid by M/s GECPL by “Adopting Trenchless technology device”. Thus, value of works actually executed by the contractor was ₹ 10.03 crore only as detailed in **Table 3.7**.

**Table-3.7: Statement showing value of work against actual laying of pipes of various diameter by “Adopting Trenchless technology device”**

DIA of pipes	Pipe laid as per RA Bill (in metre)	Rate per metre (in ₹)	Value of work done (in ₹)
1,600 mm dia	112	1,42,222.20	1,59,28,886
1,400 mm dia	555.91	1,08,888.88	6,05,32,417
1,200 mm dia	90	80,000	72,00,000
1,000 mm dia	214	55,555.54	1,18,88,885

DIA of pipes	Pipe laid as per RA Bill (in metre)	Rate per metre (in ₹)	Value of work done (in ₹)
900 mm dia	20	55,555.54	11,11,110
800 mm dia	106.5	22,500	23,96,250
700 mm dia	58	21,000	12,18,000
600 mm dia	23	1,000	23,000
	<b>1,179.41</b>		<b>10,02,98,548</b>

Source: As per the records of GMDA/GECPL

Scrutiny of Running Account Bills showed that a total payment of ₹ 14.12 crore<sup>148</sup> was already made to the contractor till RA Bill No. 135. However, because of making payment without verifying the actual execution of work, there was an overpayment of ₹ 4.09 crore to the contractor.

At the instance of audit, a joint physical verification (July 2022) of two of the locations by GMDA and M/s NJS Engineers India Pvt. Ltd. was conducted which also confirmed non-execution of work as detailed in **Table 3.8**.

**Table-3.8: Result of Joint Physical Verification of two of the locations by GMDA and NJS**

Sl. No.	Location	Status	Remarks
1.	Rangia Railway line (700 mm dia)	Not found at site	Non-completion of the said work will affect the completion of the project as per design.
2	Primary Grid line crossing at Satmile Chawk (700 mm dia)		As per the work execution detail (Measurement Book), it was found that the work was shown to have been executed (22 meter of 700 mm dia pipe laying by Jack Pushing method) in the said location by M/s GECPL. [Ref: Running Account Bill No.-29]

Source: Joint Physical Verification Report

On this being pointed out, GMDA recovered an amount of ₹ 3.54 crore from the contractor.

Though at the instance of Audit an amount of ₹ 3.54 crore had been recovered from the contractor by the GMDA, the matter may be investigated and the balance amount of ₹ 0.55 crore may also be recovered.

**Recommendation:** *The internal control mechanism may be enhanced for proper scrutiny of bills to avoid such incidences in future.*

### **3.2.10.1.10 Excess payment of ₹ 3.22 crore by manipulating the RA bills**

As per the Original Technical Sanction (TS), the total cost of SGWS project was ₹ 355.31 crore, out of which an amount of ₹ 205.58 crore was allocated for purchase/ supply of DI and MS pipes. The allocation for supply of DI and MS pipes was revised (February 2016) to ₹222.23 crore in the revised estimates. As per the payment mechanism for the original estimates, 75 per cent of the RA bills were to be paid to the contractor and 25 per cent was to be adjusted against the mobilisation advance paid whereas the difference in the original and revised estimates was to be paid in full. A

<sup>148</sup> 25 per cent of the estimated cost being ₹ 3.71 crore paid at the beginning of the project as advance and ₹ 10.41 crore paid till RA Bill 135

summary of the total estimated payment to be made to the contractor for supply/ procurement of pipes is detailed in **Table 3.9**.

**Table 3.9: Summary of the total estimated payment to be made to the contractor**

(₹in crore)

Particulars		As per Original Estimates (₹ 355.31 crore)	As per Revised Estimates (₹ 389.53 crore)
DI pipes		175.11	180.17
MS pipes		30.47	42.16
<b>Total (DI and MS pipes)</b>		205.58	222.33
Payment to be made (subject to execution of work in full)	75 per cent of original estimates	154.18	
	Difference of allocation in original and revised estimates	16.75	
	<b>Total</b>	170.93	

Source: Records of GMDA

During scrutiny of RA bills, it was found that in RA bill Nos. 70-78 (consolidated RA bills) up to date cumulative payment for supply/procurement of DI & MS pipes (original estimate) was ₹ 150.43 crore which was carried forward as ₹ 147.99 crore in the 'payment cleared up to previous bill' column in RA bill No. 79. Similarly, up to date cumulative payment for supply/procurement of DI & MS pipes (revised estimates) as per RA bill No. 78 was ₹ 13.79 crore which was carried forward as ₹ 13.01 crore in RA bill No. 79 as shown in **Table 3.10**.

**Table 3.10: Statement showing discrepancy in Running Account Bills (for the portion of supply of DI and MS pipes only)**

(₹in crore)

RA Bills	Details in RA Bills	Amount certified		Cumulative payment up to this bill	Remarks
		up to previous bill	in this bill		
69	Original <sup>#</sup>	161.51	0	161.51	No supply/ procurement was made since RA Bill 68
71	Original estimates	150.43	0	150.43	The bill was not paid but was certified by the PMC
	Revised estimates	10.57	3.22	13.79	
	<b>Total</b>	<b>161.00</b>	<b>3.22</b>	<b>164.22</b>	
70 to 78	Original estimates	148.91	1.53	150.43	There is a difference of ₹ 12.60 crore as compared to RA 69 and ₹ 1.52 crore as compared to RA 71
	Revised estimates	13.79		13.79	There is a difference of ₹ 3.22 crore (up to previous bill) as compared to RA 71 and procurement made for this RA Bill should not be less than certified procurement worth ₹ 3.22 crore as per RA 71
	<b>Total</b>	<b>162.70</b>	<b>1.53</b>	<b>164.22</b>	
79 to 83	Original estimates	147.99		147.99	There is an excess payment of ₹ 78.05 lakh as compared to RA 70-78 and ₹ 2.44 crore as compared to RA 71
	Revised estimates	13.01	4.75	17.75	There is an excess payment of ₹ 78.05 lakh as compared to RA 70-78 and ₹ 2.44 crore as compared to RA 71

RA Bills	Details in RA Bills	Amount certified		Cumulative payment up to this bill	Remarks
		up to previous bill	in this bill		
	<b>Total</b>	<b>161.00</b>	<b>4.75</b>	<b>165.74</b>	
135 (bill paid till the date of Audit)	Original estimates	148.96	0	148.96	₹ 96.49 lakh was paid b/w RA 79 to 83 and RA 135
	Revised estimates	21.77	0	21.77	₹ 4.02 crore was paid b/w RA 79 to 83 and RA 135
	<b>Total</b>	<b>170.73</b>	<b>0</b>	<b>170.73</b>	

#Revised estimates were administratively approved in February 2016

It is evident from **Table 3.10** that the procurements made out of original provisions up to RA bill 69 were manipulated and a part of it was shown to have been made out of revised estimates with an intent to get extra payment as only 75 per cent of the bills raised under original estimates was payable to the contractor whereas 100 per cent of the bills raised was payable for the revised estimates. Audit noted that the amount of cumulative payment in the current bill was shown in such a manner that it remains within the revised payable amount of ₹ 170.93 crore<sup>149</sup> as shown in **Tables 3.9** and **3.10**. This points towards the intent of providing financial advantage to the contractor.

Interestingly, in all the cases, the bills were certified by the PMC leading to payment of the bills. There was nothing in record to justify non-payment of RA bill 71 although the same was certified for its accuracy and genuineness by the PMC and submission of combined RA bill 70 to 78 and 79 to 83 as one bill and its payment by the GMDA. It is worth mentioning here that in the application for 8<sup>th</sup> EoT, the contractor itself mentioned submission of RA bills from 70 to 83 individually, at different dates, and also complained about payment made against those RA bills with delays ranging from 183 to 427 days from the date of submission of RA bills.

Thus, the unauthorised changes in the ‘amount certified up to previous bill as well as quantity executed for this bill’ led to undue advantage of ₹ 3.22 crore to the contractor.

On these being pointed out, CEO, GMDA sought clarification from M/s TAHAL (then Project Management Consultant who had certified the bills). However, no clarification was received from the PMC (July 2022). In the meantime, GMDA recovered an amount of ₹ 3.22 crore from the contractor. Further update on the remaining observations is awaited.

**Recommendation:** *Internal control mechanism should be strengthened to avoid such situations in future and responsibility may be fixed upon the PMC for certifying the bill without verification.*

#### **3.2.10.1.11 Irregular payments of ₹ 1.65 crore as interest**

As per additional conditions (Paragraph D-4 payment) mentioned in the General Conditions of Contract, the employer shall pay the contractor the amounts certified by the engineer subject to statutory deductions. After certification by the engineer,

<sup>149</sup> Up to date payment in the current bill was shown as ₹ 170.72 crore.

payment can be arranged within 28 days but shall not be construed for any compensation in case of any delay beyond 28 days.

However, it was noticed that the contractor raised (April 2021) a claim of ₹ 1.83 crore as interest for delayed payment of bills under Clause 60<sup>150</sup> of the “General Conditions of Contract” which was also certified by the CA.

Audit observed that GMDA, while ignoring the additional conditions referred above, paid (October 2021) ₹ 1.65 crore (90 *per cent* of the claim so raised) as interest, which was irregular.

On this being pointed out, GMDA recovered (January 2023) the amount of interest paid irregularly to the contractor.

#### **3.2.10.1.12 Under-execution in laying of pipes in Kamakhya Distribution Zone**

As per the revised estimates for the SGWS project, an amount of ₹ 180.17 crore was allocated for purchase/supply of 4,67,319.17 meters of DI and MS pipe from reservoir to distribution grid, against which full payment was made to the contractor.

Out of the total length of 467.32 kms of pipeline for the said project, it was found that the length of pipes required to be laid in 13 DMAs under Kamakhya Distribution Zone (KDZ), as per the distribution network map, was 118 kms (Details in *Appendix 3.5*).

On scrutiny of records related to Kamakhya Distribution Zone, audit observed that:

1. Prior to commissioning of DMA-1 to 4 under Kamakhya Distribution Zone, Indian Institute of Technology (IIT), Guwahati had given an interim certificate (February 2020) that the total length of pipes laid for the said DMAs was 33 kms, though total length of the said DMAs was supposed to be 34.29 kms as detailed in *Appendix 3.5*.
2. Further, it was also confirmed by the Project Engineer, GMDA that no pipes were being laid in DMA-1 to 4 under Kamakhya Distribution Zone after it was certified by IIT, Guwahati in February 2020.
3. As per the scope of work provided by the PMC (M/s NJS Engineers India Pvt. Ltd.), the total length of pipes required for DMA-5 to 13 under Kamakhya Distribution Zone was 70.11 kms which suggested that the total length of the pipe to be laid in 13 DMA of KDZ was only 104.43 kms. As such, the estimates were inflated by 13.75 kms having a financial implication of ₹6.98 crore.

As full payment of the estimated amount of ₹ 180.17 crore was made to the contractor for supply/procurement of DI and MS pipes for the KDZ, audit observed that 13.75 kms of pipes were procured in excess of actual requirement.

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<sup>150</sup> “Payments to the contractor of the amount due under each of the interim payment certificate issued by the Engineer shall be made by the Development Authority within 45 days if such certificate being delivered” otherwise interest for delayed payment have to be made at 6 *per cent per annum*.

In response, the CEO, GMDA stated (December 2022) that the actual length of the pipe stated to have been laid by the contractor could not be ascertained in the absence of 'As-Built drawing' which was not submitted by the contractor.

Thus, due to lack of monitoring by the then PMC, M/s Tahal Consulting Engineers Ltd., under-execution of 13.75 kms of pipeline remained undetected resulting in overpayment of ₹ 6.98 crore (detailed in *Appendix 3.5*).

#### **3.2.10.1.13 Irregular Appointment of Consultant**

Scrutiny of records showed that the PMC (M/s Tahal Consulting Engineers Ltd.) left the project half-way in April 2019. Thereafter GMDA tried to engage a new PMC by calling tenders several times from June 2019 to September 2019 but a new PMC could not be selected.

GMDA floated a Short Notice inviting Request for Proposal (RFP) in July 2019 for engagement of a fresh PMC for the Water Supply Project through the e-procurement system of Government of Assam. However, as no bids were received the Tender Notice was re-issued in August and September 2019 but no bidder could be selected as against the first tender only one bid was received and against the second tender though two bids were received but both the bidders were found non-responsive.

In December 2019, WAPCOS Ltd, a Govt. of India Undertaking, submitted their Expression of Interest (EoI) for PMC for the SGWSP at a cost of ₹ 23.46 lakh plus GST per month. Considering the importance of PMC service and the competence of the firm, the then Chairman of GMDA negotiated the price offered and settled it at ₹ 22 lakh plus GST (the rate being paid to M/s Tahal Consulting Engineers Ltd. was ₹ 23.75 lakh per month). The letter of acceptance was issued to WAPCOS Ltd in March 2020 and approval for the same was sought from the Government in May 2020. However, the Government suggested that the matter may be re-examined in the light of CVC guidelines as the firm had not participated in the bidding process.

GMDA, instead of pursuing the matter with the Government, floated a fresh tender (in October 2020) and after observing formalities, the offered bid (₹ 14.46 lakh) of the lowest bidder (M/s MSV International Inc.) was considered by the Authority in May 2021. However, the contract was not signed.

It was further seen that another firm viz., M/s NJS Engineers India Pvt. Ltd. was engaged (November 2021) as PMC @ ₹28 lakh per month by GMDA on nomination basis for managing the SGWSP. However, neither any correspondence in this regard was available in the records of GMDA nor could the authority explain why M/s NJS Engineers India Pvt. Ltd. was engaged instead of engaging M/s MSV International Inc. which was selected after following due process. In this case also, the Government's suggestion to follow the CVC guidelines was ignored and M/s NJS Engineers India Pvt. Ltd. was engaged at approximately double the price offered by M/s MSV International Inc., which was irregular.

#### 3.2.10.1.14 Un-authorised payment of ₹4.33 crore

As per the minutes of the meeting held (September 2021) regarding South Guwahati West and Central Water Supply Projects, it was decided that “Efforts will be made by M/s GECPL to open an escrow account for the GMDA project, however, in case of inordinate delay in opening the account, it is agreed that the CEO, GMDA will also be a signatory in the escrow account already opened in the name of M/s Gammon Engineers for the Japan International Cooperation Agency (JICA) Project. GMDA shall make all payments relating to South Guwahati West Water Supply Project to the contractor through this account alone. All outward remittances from the escrow account to the extent of payments made by GMDA shall be made through this account under the joint signature of the contractor and the CEO, GMDA. It was also decided that M/s GECPL will prepare a bar chart with specific timelines for the purpose of completing the balance work as per the original terms and conditions of the contract. The bar chart prepared by M/s GECPL will be approved by MD, Guwahati Jal Board and all parties will be required to comply with the deadlines.

Accordingly, a Supplementary Agreement was signed (September 2021) between the contractor (GECPL) and GMDA in order to complete the balance work against an accepted bar chart with specific timelines. As per the agreement, GMDA would make a payment of ₹ 9.00 crore to M/s GECPL for purchase of material worth ₹ 12.00 crore within a period of 60 days. Accordingly, GMDA transferred an amount of ₹ 7.70 crore as advance to GECPL in the escrow account operated jointly by MD, Guwahati Jal Board and GECPL. Out of the advance of ₹ 7.70 crore, GMDA recommended MD, Guwahati Jal Board to release only ₹ 3.37 crore to be used strictly against execution of works and procurement of materials for JNNURM project only.

However, it was found that the balance amount of ₹4.33 crore was released by MD, Guwahati Jal Board for staff salary, payments to vendors, *etc.* which was in violation of the supplementary agreement. Further, the payments made against the bills submitted by the contractor were neither certified by the PMC for JNNURM project nor were the bills jointly signed by the CEO, GMDA as resolved in the meeting held on 01.09.2021.

Audit observed that lack of monitoring by the CEO, GMDA and lack of co-ordination between CEO, GMDA and Project Director, JICA resulted in unauthorised expenditure of ₹ 4.33 crore.

The Department did not offer any comments.

#### 3.2.10.1.15 Other irregularities

- (i) M/s GECPL had informed (November 2020) GMDA that the work of DMA-5, 6 and 7 was completed in all respect including flushing, disinfection and commissioning. Accordingly, CEO, GMDA, without verifying the works executed, requested (December 2020) MD, Guwahati Metropolitan Drinking Water & Sewerage Board (GMD&SB) to make necessary arrangements for providing House Service Connection in DMA -5, 6 & 7. However, during joint physical verification

(December 2021) it was found that pipe laying works was still ongoing in DMA-5 as can be seen from the photographs below:



The MD, GMD&SB stated (January 2022) that pipe laying, hydro-testing<sup>151</sup> and flushing work was going on in the aforesaid DMAs and house connections can be provided only after completion of all the works.

Further, as per information furnished by NJS Engineers India Pvt. Ltd., it was found that 4,519.23 meter out of 27,691.5 meter of pipes were yet to be laid in DMA-5, 6 & 7. It was also found that only 16,949.54 meters out of 23,172.27 meter of pipes laid were hydro-tested *i.e.*, only 73 *per cent* of the pipes laid were hydro-tested.

However, without execution of the complete work, M/s GECPL had submitted false information regarding completion of the work. No action was taken against the contractor as GMDA appeared to be unaware of the false claim made by the contractor.

- (ii) As per the Tender Agreement, a minimum cover of 1.00 meter shall be maintained above the pipe top. However, joint physical verification in 10 different locations under Kamakhya Distribution Zone, Jalukbari Distribution Zone and Ganeshpara Distribution Zone revealed that the maximum depth at which pipes were laid was less than 1.0 meter (0.6 meter only).

Due to non-adherence of the minimum cover of 1.00 meter to be maintained above the top, there is a possibility of DI pipes getting damaged.

- (iii) During joint physical verification in DMA-5 it was found that the joints of the main distribution pipe were faulty and not properly aligned as can be seen from the photographs below:

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<sup>151</sup> Hydro-testing – Hydro-testing of pipes, pipelines and vessels is performed to expose defective materials that have missed prior detection, ensure that any remaining defects are insignificant enough to allow operation at design pressure, expose possible leaks and serve as a final validation of the integrity of the constructed system.





Due to faulty alignment of pipes and absence of hydro-testing, there was every possibility of contaminated water entering the pipes and making the water unfit for drinking. Moreover, as a result of such faulty connection, the joints of the pipes may not be able to withstand the pressure when water is released. The CEO, GMDA, accepting the audit observation, stated that necessary thrust blocks, *etc.* would be constructed at pipe joints to make the line stable. Audit recommends that all such faulty connections may be detected and repaired at the earliest to ensure supply of quality drinking water to the people and take suitable action against the contractor and the PMC for sub-standard execution as well as certification of works.

- (iv) During joint physical verification, it was found that GI pipes were laid instead of DI pipes in different locations of DMA-1 under Kamakhya Distribution Zone. Due to this, Guwahati Jal Board (GJB) did not provide house connections as providing connections through GI pipes was not in the scope of the agreement.

Thus, due to sub-standard execution of works by the contractor and certification of the same by the PMC, house connection to the intended beneficiaries could not be provided.

GMDA needs to take necessary steps to change the scope of the agreement with the GJB and ensure that house connections are provided to the intended beneficiaries

- (v) During joint physical verification, pipes with stamping of PHED, Assam were found at different locations of Kamakhya Distribution Zone, Jalukbari Distribution Zone and in the stock yard of GECPL as shown in the photographs placed below. It is reiterated here that on the certificate issued by the PMC, the contractor was paid for procurement of the entire quantity (467.32 kms as per estimates) of pipes.



In reply to the audit query, the Chief Engineer (PHE) W, Assam stated that PHED had not supplied any pipes to GECPL for use in the said project. The source from where these pipes were acquired by the contractor was not disclosed though asked for which suggests that the contractor had not supplied the estimated quantity of pipes.

**Recommendation:** *The PMC should exercise strict vigilance on the execution of the project by the contractor and GMDA should conduct field visits to ensure proper implementation of the scheme.*

### **3.2.10.2 Construction of Central Library, Archive Cum Auditorium**

Guwahati Development Department (GDD), GoA accorded (January 2014) administrative approval of ₹ 35.00 crore for Construction of Central Library, Archive-cum-Auditorium at Amingaon. The work was awarded (June 2014) to M/s Brahmaputra Infrastructure Ltd. on turnkey basis at ₹ 34.67 crore with stipulated period of completion of work within 30 months.

However, after incurring expenditure of ₹ 6.20 crore on construction of Central Library, Archive-cum-Auditorium at Amingaon, the contract was rescinded (November 2017) by GMDA blaming the contractor for unsatisfactory progress whereas the contractor blamed the GMDA for delay in providing land and for changes in the design.

It was seen from the records that out of 16 bigha land required for the project, only 12 bigha was allotted to the contractor in October 2014. Subsequently, after two and a half years in February 2017, another plot of land measuring two bigha was added to the project land. The design and drawing of the project was handed over by the contractor to GMDA in May 2016 but after several revisions, and subsequent additional allotment of land (two bigha in February 2017), the final working drawing was approved on 28 February 2017. Thereafter, piling at site was commenced and a total of 223 piles were driven till May 2017.

In March 2017, the contractor sought time extension for a period of 30 months reckoned from 01 May 2017 for the project due to delay in finalisation in handing over of plot and shifting of location of the building from its original layout plan and asked (February 2017) for a revised layout plan taking into account the additional area of land.

Further, the contractor also sought (July 2017) technical review of the project as behavioural changes in soil caused frequent collapse of soil in pile bore due to water logging with apprehension of failure of piles in future.

The extension sought by contractor was considered as unreasonable by the CEO, GMDA and the contract was rescinded (November 2017) as per clause 3.2 of the contract agreement with physical progress of 22 *per cent* with forfeiture of earnest money ₹ 66.60 lakh. The aggrieved contractor countered the allegations and approached the Hon'ble District Court and obtained a stay order. By this time, a meeting was held on May 2018 where the contractor was requested to withdraw the court case subject to reduction of forfeiture of earnest money from two *per cent* to one *per cent*. The incomplete final bill was prepared at an up-to-date bill value of ₹ 7.21 crore.

Further, it was seen that as per instructions of the Hon'ble Minister, PWD, all records related to this work was handed over to CE, PWD (Bldg) in September 2019 to take up the work at their end. Till December 2020 no initiative was taken from PWD (Bldg) to re-start the work. However, the Chief Engineer, PWD (Bldg) stated (March 2022) that the project was not taken over by PWD (Building) till date.

Audit observed that:

- (i) No feasibility study was done prior to obtaining the technical sanction. Since the site of the project was a very low lying land and prone to water logging throughout the year a proper feasibility study was essential prior to taking up the work.
- (ii) Prior approval of the estimate by a technically competent authority<sup>152</sup> as well as views of PWD was not obtained. Subsequently on query (5 September 2013) received from Finance Department, GoA on the same, the countersignature of the Chief Engineer PWD (Building) was obtained on the estimate and forwarded to DHUA in December 2013. It was seen that the Technical Sanction was obtained in May 2014, but the tender for the work was issued in March 2014 itself before obtaining the Technical Sanction.
- (iii) GMDA failed to allot the land in full to the contractor while issuing the work order; as a result the drawing had to be changed later causing delay.
- (iv) Though the GMDA handed over the records of the project to PWD (Bldg), the Chief Engineer stated that the project was not yet taken over by PWD (Bldg). As such, the project status appears uncertain with no clarity on who would be responsible for completing the project.

The Project Engineer, GMDA could neither provide any reason for transferring the project to the PWD (Bldg) nor could he produce any formal handing over report (both physical and financial) to audit. Further, approval of the authority to hand over the project to PWD (Bldg) was also not found on record.

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<sup>152</sup> The Chief Engineer, GMDA

Thus, expenditure of ₹6.20 crore on construction of Central Library Archive-cum-Auditorium at Amingaon remained idle for a period of over four years from rescindment of the contract due to lackadaisical approach of the Executive Agency, GMDA.

### **3.2.10.3 Mass Rapid Transport System**

For implementation of Mass Rapid Transport System (MRTS), MoUD, Govt. of India instructed that proposals identified on the basis of the Comprehensive Mobility Plan (CMP) will only be considered for approval for MRTS. Therefore, the Metro Rail proposals need to emanate out of CMP. As prior approval of Central Government was essential before initiating any Metro Rail/Mono Rail projects in States/UTs, a concept paper for rail-based MRTS was forwarded to MoUD, GoI in March 2013.

The Governor of Assam notified GMDA as the Nodal Agency for implementation of Rail based MRTS in Guwahati city in June 2013. However, MoUD, GoI advised (June 2013) to form a company/corporation as a Special Purpose Vehicle (SPV) rather than assigning the work to GMDA for implementation of rail-based MRTS in Guwahati City. After inviting an open tender (October 2013) and bid evaluation, work order was allotted to M/s RITES Limited in May 2014 for feasibility study and DPR preparation for the 1<sup>st</sup> phase of 64.5 km at a cost of ₹6.07 crore (₹2.20 crore for feasibility study and ₹3.87 crore for preparation of DPR exclusive of taxes). The feasibility study was formally approved in May 2015 and payment of ₹6.38 crore was made to M/s RITES Limited during September 2014 to January 2018.

Feasibility study and DPR for MRTS in Guwahati was approved by the State Cabinet in February 2016 and submitted (May 2016) to MoUD, GoI for approval. However, MoUD, GoI did not approve the DPR stating that the Metro Rail proposals need to emanate out of CMP, since the CMP identifies the major corridors in the city requiring MRTS in consonance with the overall transport and land use planning of the city.

Audit observed the following irregularities in the process:

- (i) **Un-notified area was covered in concept paper to ensure assistance from MoUD/GoI:** The Concept Paper prepared for the Metro Rail Project mentioned that the newly delineated Guwahati Metropolitan Region was spread over 2205 Sq. Km with population of two million plus and hence qualifies for Central assistance and referred to the Master Plan covering an area of 2205 Sq. Km. However, such area had neither been notified yet as Guwahati Metropolitan Region nor mentioned in the Master Plan. CMP as well as Master Plan for Guwahati Metropolitan Area covers an area of 328 sq. km and population of 1.2 million which does not meet criteria for assistance from GoI.
- (ii) **Non-alignment of Concept Paper with Comprehensive Mobility Plan (CMP) 2008:** The Concept Paper mentioned that it was based on the CMP prepared for rail-based MRTS in Guwahati. The proposal identified the corridors and three phases of execution of MRTS in Guwahati City, with a total length of corridor in three phases of 196.3 Km. It was mentioned that CMP also indicated that the city

needs high capacity metro rail systems, with estimated 1.9 lakh rider per day per direction in 2011. However, CMP 2008 prepared by Wilbur Smith Associates mentioned that by the year 2031, the population within the Guwahati Metropolitan Area will be approximately 2.7 million and a bus rapid transit system would be desirable. A monorail may be installed by 2016. Thus, the Concept Paper did not portray the correct picture given in CMP 2008. CMP did not recommend metro rail for any corridor till 2031 which was proposed in the Concept Paper referring to CMP 2008.

- (iii) **CMP, Alternative Analysis Report and Unified Metropolitan Transport Authority (UMTA) was not formed before preparation of feasibility report and DPR:** Metro Rail Policy, 2017 directed all State Governments to set up and operationalise UMTA in the city within a year. This authority would prepare CMP for the city. As per National Urban Transport Policy 2006 as well as 2014, all States need to set up a dedicated UMTA for all million plus cities. Further, in respect of proposal for Guwahati city, the Secretary, MoUD mentioned in January 2013 that Ministry of Finance and the Planning Commission would ask for alternatives feasible to the Metro system and an alternative Feasibility Survey under revised CMP should be done before finalisation of the DPR. The process of notification of UMTA for Guwahati Metropolitan Area should also be expedited. However, neither was a revised CMP and alternative analysis prepared nor was UMTA formed before allotting the work of feasibility report and DPR.

Thus, due to non-compliance with the guidelines and provisions for setting up Metro Rail Project and presenting wrong information, the DPR was not approved by the GoI resulting in unfruitful expenditure of ₹6.38 crore. During the exit conference (December 2022) the CEO, GMDA stated that the feasibility study was required to consider the feasibility of Metro Rail as it was ascertained after the feasibility study only that the Metro Rail project was not feasible. The UMTA has also been constituted (September 2022). However, no comment was offered by the CEO against the observations made above.

#### **3.2.10.4 Bus Rapid Transit System**

In August 2008, Government of Assam engaged M/s Urban Mass Transit Company Limited (UMTCL), New Delhi for preparation of a DPR of Bus Rapid Transit System (BRTS) for Guwahati City (Phase-I) *i.e.*, East West Access from Jalukbari to Chandmari for a distance of approximately 20 kms at a total cost of ₹1.60 crore (excluding tax). GMDA was nominated as the Nodal Agency of the Government for overseeing the preparation of DPR. Accordingly, an agreement was made between GMDA and UMTCL in September 2008. M/s UMTCL completed the work successfully and ₹1.77 crore was paid to M/s UMTCL by GMDA from GMDA's own fund.

It was observed that GMDA did not obtain GoA's approval before making payment from its own funds to M/s UMTCL. After incurring the expenditure, GMDA requested (06 August 2010) the State Government to arrange for reimbursement of ₹1.77 crore.

However, an amount of ₹44.00 lakh only was reimbursed (29 September 2011) to GMDA by Government of India. Thereafter, neither any response from the Government was found on record nor was any follow-up action made by GMDA in this regard. More than ten years had passed since submission (February 2010) of the final DPR, but no action was found initiated by GMDA/GoA towards implementation of the BRTS project so far.

As the city has gone through rapid changes in the last ten years, the DPR for BRTS prepared in 2010 may have lost much of its relevance in the present scenario resulting in unfruitful expenditure of ₹1.77 crore. The CEO, GMDA stated (December 2022) that the DPR on BRTS was only an exercise to explore the best possible action for an effective and viable public mass transport system for Guwahati. However, no comment was offered regarding recoupment of ₹1.33 crore expended by GMDA from its own source.

### **3.2.11 Conclusion**

GMDA was not functioning in keeping with the spirit of the provisions/bye-laws of the GMDA Act, 1985. The Government engaged GMDA in functions which were entrusted to the Guwahati Municipal Corporation (GMC) as per the 74<sup>th</sup> Constitutional Amendment Act. Due to inadequate human resources and lacunae in monitoring and supervision, all major projects were either incomplete or delayed in completion. GMDA also lacked commitment in complying with the important decisions taken in the Authority's meetings. Annual Action Plans for implementation of the Master Plan were not prepared. Further, GMDA had failed in timely preparation and approval of the Annual Budget. The South Guwahati West Water Supply Project remained incomplete even after 11 years from the due date of completion mainly due to lack of monitoring and extending undue benefit to the contractor by way of repeated extension of time. Besides, instances of under-execution, doubtful payment, excess payment, irregular payment and unauthorised payments were also noticed in implementation of the water supply project.

### **3.2.12 Recommendations**

- ❖ *GMDA should focus on promoting and securing the development of GMA in accordance with the Master Plan, so that the key problems confronting civic life in Guwahati viz. flash floods, traffic congestion, etc. are addressed.*
- ❖ *The Government should provide adequate infrastructure to GMDA to enable it to achieve the targets proposed in the Master Plan.*
- ❖ *Rules for Conduct of Business of GMDA should be framed for its smooth functioning.*
- ❖ *The Advisory Council as envisaged in the GMDA Act may be constituted and Annual Action Plan should be prepared for implementation of the Master Plan with coordination with the concerned departments.*

- ❖ *GMDA should take immediate follow up actions to comply with the decisions taken in the Authority meetings.*
- ❖ *The Authority should strictly follow the Financial Rules for managing revenue collection including maintenance of Cash Book.*
- ❖ *The Annual Budget of GMDA must be prepared regularly and submitted to the Government for approval.*
- ❖ *The Assam Financial Rules must be scrupulously followed and all outstanding advances should be recovered immediately.*
- ❖ *The accounts of GMDA should be finalised annually in time with the closure of the financial year and approved by the Authority so that it may be audited and proposed corrective measures, if any, are taken in time.*

## Compliance Audit Paragraphs

### Revenue and Disaster Management Department

#### 3.3.1 Excess expenditure and fraudulent expenditure

**Procurement of tarpaulin sheets by DC, Charaideo at higher rate than the MRP resulted in excess expenditure of a minimum of ₹ 73.00 lakh. Besides, payment of ₹ 14.88 lakh made on fictitious bill and challan was suspected to be fraudulent.**

Rule 466 (I) of Assam Financial Rules, 1939 stipulates that every public officer should exercise the same vigilance in respect of public expenditure and public funds generally as a person of ordinary prudence would exercise in respect of expenditure and the custody of his own money. Section 4(I)(c) of the Assam Public Procurement Act, 2017 stipulates that in relation to a public procurement, the procuring entity shall have the responsibility and accountability to ensure professionalism, economy and efficiency from the official involved in the process. The Legal Metrology (Packaged Commodities) Rules, 2011 stipulates that no retail dealer or person including manufacturer, packer, importer and wholesale dealer shall make any sale of any commodity in packed form at a price exceeding the retail sale price thereof. “Retail sale price” means the maximum price at which the commodity in packaged form may be sold to the consumer and the price shall be printed on the package.

Further, Rule 192 of Assam Financial Rules, 1939 stipulates that all materials received should be examined, counted, measured or weighed, as the case may be, when delivery is taken, and they should be kept in charge of a responsible Government servant who should be required to give a certificate that he actually received the materials and recorded them in the appropriate stock registers.

(A) Deputy Commissioner (DC), Charaideo procured (April 2020 and January 2021; September and November 2021) 11,500 tarpaulin sheets<sup>153</sup> (12 ft x 15 ft, 90 GSM) for

<sup>153</sup> In 2020-21: 8000 and in 2021-22: 3500

2020-21 and 2021-22 with a view to provide temporary relief to flood-affected people. The procurement was made in anticipation of future requirement in emergent situations in case of any upcoming natural disaster. Payment of ₹ 1.76 crore was made to five suppliers at the approved rates of ₹ 1,550 and ₹ 1,500 per tarpaulin sheet for 2020-21 and 2021-22 respectively as detailed in **Table 3.11**.

**Table 3.11: Stock position of Tarpaulin**

Tarpaulin delivered to	Quantity supplied		Quantity issued to Circle Office (CO) by DC office	Revised total stock	Quantity issued to beneficiaries	Present stock position as on December 2021
	2020-21	2021-22				
DC office	2,000	-	-	1,000	-	1,000
Sonari CO	2,000	1,000	398	3,398	158	3,240
Sapekhati CO	2,000	1,500	0	3,500	883	2,617
Mahmora CO	2,000	1,000	602	3,602	896	2,706
<b>Total</b>	<b>8,000</b>	<b>3,500</b>	<b>1,000</b>	<b>11,500</b>	<b>1937</b>	<b>9,563</b>

During joint physical verification of available stock conducted (December 2021) by audit along with departmental officials, it was noticed that printed MRP of the supplied tarpaulin sheets (12 ft x 15 ft, 90 GSM) ranged from ₹ 720 to ₹ 900 as shown in the following photographs. As such, the approved rates were on the higher side which resulted in excess expenditure to the extent of ₹73.00 lakh<sup>154</sup> considering the highest MRP of ₹ 900.



*Photograph of tarpaulins with printed MRP of ₹900 and ₹720 taken (December 2021) during JPV of stores of Circle Offices.*

Audit observed that DC, Charaideo invited two quotations during 2020-21 and 2021-22 without specifying the quality (GSM was not mentioned during 2020-21 but was found mentioned during 2021-22). In response, 20 bidders (eight in 2020-21 and 12 in 2021-22) responded with different rates. Lower quoted rates of ₹ 500, ₹ 580, ₹ 680 and ₹ 690 were rejected on various grounds viz., non-submission of documents, bidder was not a local supplier (from Guwahati) and the rates were below the market rate<sup>155</sup> of ₹720 as furnished by the Inspector of Food and Civil Supplies, Charaideo. DC, Charaideo

<sup>154</sup> 2020-21: (₹1,550-₹900) x8000=₹52,00,000: 2020-21: (₹1,500-₹900) x3500=₹21,00,000

<sup>155</sup> ₹720 to ₹1,520 based on quality during 2021-22.



distributed the works to four (2020-21) and three (2021-22) suppliers as shown in **Table 3.12**.

**Table 3.12: Arbitrariness in awarding the supply order**

Year 2020-21			
Name of supplier	Bid price quoted by the supplier (in ₹)	Price at which supply order was issued (in ₹)	Quantity supplied
Debajit Sengupta	350/800/1,050/1,350/1,500/1,850	1,550	1,200
Shamanta Gogoi	1,490		800
Raktupal Gogoi	<i>Did not participate in quotation</i>		4,000
Bhupen Baruah			2,000
Year 2021-22			
Sri Satya Gohain	1,650	1,500	500
Sri Raktupal Gogoi	1,500		2,000
Debajit Sengupta	1,550		1,000

From **Table 3.12**, it can be seen that two suppliers were allotted supply order although they had not participated in the bidding process. As such, their eligibility with valid documents, if any, remained unascertained, though on this same ground, other bidders with lower quoted price were rejected. DC, Charaideo distributed supply orders at discretionary rates rather than identifying the eligible lowest bidder. Further, suppliers were awarded work at rates higher than their quoted rates. Similarly, supply orders were also issued to bidders who had quoted higher prices. Moreover, the supplier 'Bhupen Baruah' belonged to Guwahati and was not a local supplier. Thus, there was no justified basis for rejecting the lower rates and the process of competitive price discovery along with selection of suppliers appeared as an arbitrary exercise.

On this being pointed out, DC, Charaideo furnished (May 2022) few copies of cash memos for tarpaulin at the rate of ₹ 1,040 to ₹ 1,650 to indicate the variation of rates depending on quality. The DC also raised doubt on the MRP of tarpaulin observed in audit stating that NGOs and other charitable institutions also donate relief materials. But the reply is not factually correct as audit collected MRP of procured tarpaulin lying in the stock of concerned Circle Offices (COs) and the COs specifically stated that no other tarpaulin stock was received by them from any other source. Also, no such record of stock was found maintained. Further, as on December 2021, total stock at DC office was certified as 1,000 with MRP of ₹869 only.

**(B)** In addition to the above, the Additional Deputy Commissioner (ADC) issued (May 2020) supply order<sup>156</sup> for supplying another 1,000 tarpaulin sheets of best quality<sup>157</sup> at the rate of ₹ 1,550 per piece. The tarpaulin sheets were to be delivered at DC office and the supplier was asked to submit the bills in duplicate along with receipt challans for payment.

<sup>156</sup> Supplier: Sri Bhupen Boruah.

<sup>157</sup> 12ft x15ft.

Subsequently, the contractor submitted (June 2020) the bill amounting to ₹ 15.50 lakh<sup>158</sup> for supplying 1000 tarpaulins. The net amount of ₹ 14.88 lakh was paid<sup>159</sup> to the supplier. The ADC issued one receipt challan on plain white paper without recording any date and stock entry. The materials were also not found recorded in the stock register. The Circle Officers of all the three COs also stated that they had not received any tarpaulin apart from the said 11,500 Tarpaulin sheets shown in **Table 3.12**.

In this regard, the present ADC also stated (December 2021) that no additional tarpaulin was purchased in 2020-21. As such, in absence of any recorded data regarding receipt of additional 1,000 tarpaulin sheets, actual procurement could not be established, and payment of ₹ 14.88 lakh is suspected to be fraudulent.

On this being pointed out, DC, Charaideo stated (May 2022) that these tarpaulins were distributed among beneficiaries affected by storm, security forces, and in quarantine centres during Covid pandemic, and during elections. However, the reply is not acceptable as the receipt of such tarpaulins was not found recorded in the stock register. Further, there were already unutilised stock both with DC office and circle offices and additional procurement was not required.

The audit finding was forwarded (October 2022) to the Government and discussed in an exit meeting (October 2022) held with the Department. During the meeting, the Secretary, Revenue and Disaster Management Department assured that on receipt of required documents from DC, Charaideo, a detailed reply along with all necessary documents will be forwarded to audit, which is awaited (April 2023).

*Government may fix accountability for non-compliance to Government Rules resulting in avoidable excess expenditure out of the State exchequer. Appropriate action may be initiated against the concerned ADC for the suspected fraud of ₹14.88 lakh.*

## **Transformation and Development Department**

### **3.3.2 Loss of revenue in terms of interest to the extent of ₹3.11 crore**

**Keeping untied fund in current bank account by the Deputy Commissioner (DC), Majuli and DC, Biswanath in violation of Government orders and Schematic guidelines resulted in loss of interest as well as revenue to the extent of ₹ 3.11 crore.**

Untied fund is an earmarked fund for the purpose of encouraging local level planning which is placed at the disposal of every district/sub-Division with a view to provide the Sub-Divisional Planning & Development Committee a certain measure of financial freedom and to encourage them to plan some schemes at their discretion. The Transformation and Development Department (T&DD), GoA, instructed (August 2017) the Deputy Commissioners (DC) of the districts for opening and

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<sup>158</sup> Including tax.

<sup>159</sup> From the DC's bank account No. xxxx4067, SBI, Sonari.

maintenance of savings bank account for Non-Lapsable funds like Untied Fund. It was also instructed that the interest earned and accrued from the balances in the account shall be the revenue of the State and would be deposited into Government Account within seven days from the day of credit of interest by the bank. Further, GoA, Finance (Budget) Department instructed (May & September 2013) to close all current bank accounts maintained by the Drawing and Disbursement Officers (DDOs) with effect from 01 October 2013.

Audit (January 2022 and March 2022) of records of two DC offices (out of test-checked 12 DC offices) viz., the DC, Majuli and DC Biswanath showed that the said two DCs operated current bank accounts, which are non-interest bearing, for Untied Fund. DC Majuli and DC, Biswanath operated a bank account with United Bank of India (UBI), Garmur Branch from 15 June 2017 and State Bank of India (SBI), Biswanath Chariali Branch from 26 March 2018 respectively. The account of DC, Majuli is now under Punjab National Bank (PNB<sup>160</sup>), Garmur Branch, after merger (April 2020) of UBI with PNB.

DC, Majuli received ₹48.76 crore<sup>161</sup> for implementation of Untied Fund Schemes from T&DD, GoA during June 2017 to December 2021. As per the bank statement, DC utilised ₹ 36.39 crore during the period leaving a balance of ₹ 12.37 crore as on 10 January 2022.

Similarly, DC, Biswanath received ₹ 30.41 crore during March 2018 to March 2022 for implementation of schemes under Untied Fund of which ₹ 22.78 crore was utilised leaving a balance of ₹ 7.63 crore as of March 2022.

As per Reserve Bank of India (RBI) mandate, simple interest on savings account is calculated on a daily basis based on the closing amount and the interest accumulated is credited on a quarterly basis. Since the amount were kept in current bank account instead of savings bank account in violation to the instructions of the Government and the Guidelines of the Untied Fund, the two DCs could not earn any interest against the unutilised amount. This resulted in loss of revenue to the Government in terms of interest to that extent of ₹ 3.11 crore<sup>162</sup> calculated on daily closing balances and at the rates of interest applicable from time to time. Circumstances and reasons for non-conversion of the current bank account into savings bank account in keeping with the Government instruction was not found recorded.

The audit finding was forwarded (October 2022) to the Government and discussed in an exit meeting (October 2022) held with the Department. The Joint Secretary, T&DD submitted an action taken report forwarded by the DC, Majuli and stated that the current account has been closed and a new savings bank account has been opened in October 2022, after being pointed out by audit.

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<sup>160</sup> Account No. xxxxxxxx0596

<sup>161</sup> Excluding ₹15.29 crore kept in the same account in respect of other schemes viz. Axom Adarxo Gram Yojana, MLA SUHRID scheme, Assam Darshan scheme and CM's Relief Fund.

<sup>162</sup> ₹2.26 crore by DC Majuli and ₹0.85 crore by DC, Biswanath.

Although corrective action has been taken by DC, Majuli but due to delayed action, Government has already suffered a substantial financial loss. The revised audit observation incorporating the position of DC, Biswanath had been forwarded (December 2022) to Government and their comment is awaited (January 2023).

***CHAPTER-IV***

***GENERAL***



## **CHAPTER-IV**

### **General**

#### **4.1 Follow up on Audit Reports**

##### ***Non-submission of suo-moto Action Taken Notes***

In terms of the resolution (September 1994) of the Public Accounts Committee (PAC), administrative departments are required to submit *suo-moto* Action Taken Notes (ATNs) on paragraphs and Performance Audits (PAs) included in the Audit Reports, within three months of presentation of the Audit Reports to the Legislature, to the PAC with a copy to the Principal Accountant General (Audit) (PAG), without waiting for any notice or call from the PAC, duly indicating the action taken or proposed to be taken. The PAC, in turn, is required to forward the ATNs to the PAG for vetting before giving their comments and recommendations. The State Level Apex Committee in a meeting (August 2001) chaired by the Chief Secretary to Government of Assam also instructed all departments to submit replies on paragraphs and PAs included in the Audit Reports as soon as the Audit Reports are presented to the Legislature. Assam Legislative Assembly reiterated the instructions in September 2014 and October 2018.

However, only seven *suo-moto* replies/explanatory notes were received against 1,842 paragraphs and PAs included in the Audit Report on Social, Economic (Non-PSUs) and General Sectors up to 2018-19 from the respective departments.

As of March 2022, PAC discussed 1,250 out of 1,842 paragraphs and PAs pertaining to the years 1983-84 to 2018-19. Consequently, 645 audit observations/comments included in those paragraphs/PAs were yet to be discussed by the PAC.

#### **4.2 Action Taken on Recommendations of the PAC**

The PAC made 605 recommendations in its 55<sup>th</sup> to 171<sup>st</sup> Reports with regard to 52 departments. The PAC settled 283 paragraphs based on action taken by the respective departments on the recommendations made by the PAC and as such, no further action was required to be taken against those paragraphs. The remaining 322 recommendations were pending for settlement as of March 2022 due to non-receipt of ATNs/Reports from various departments.

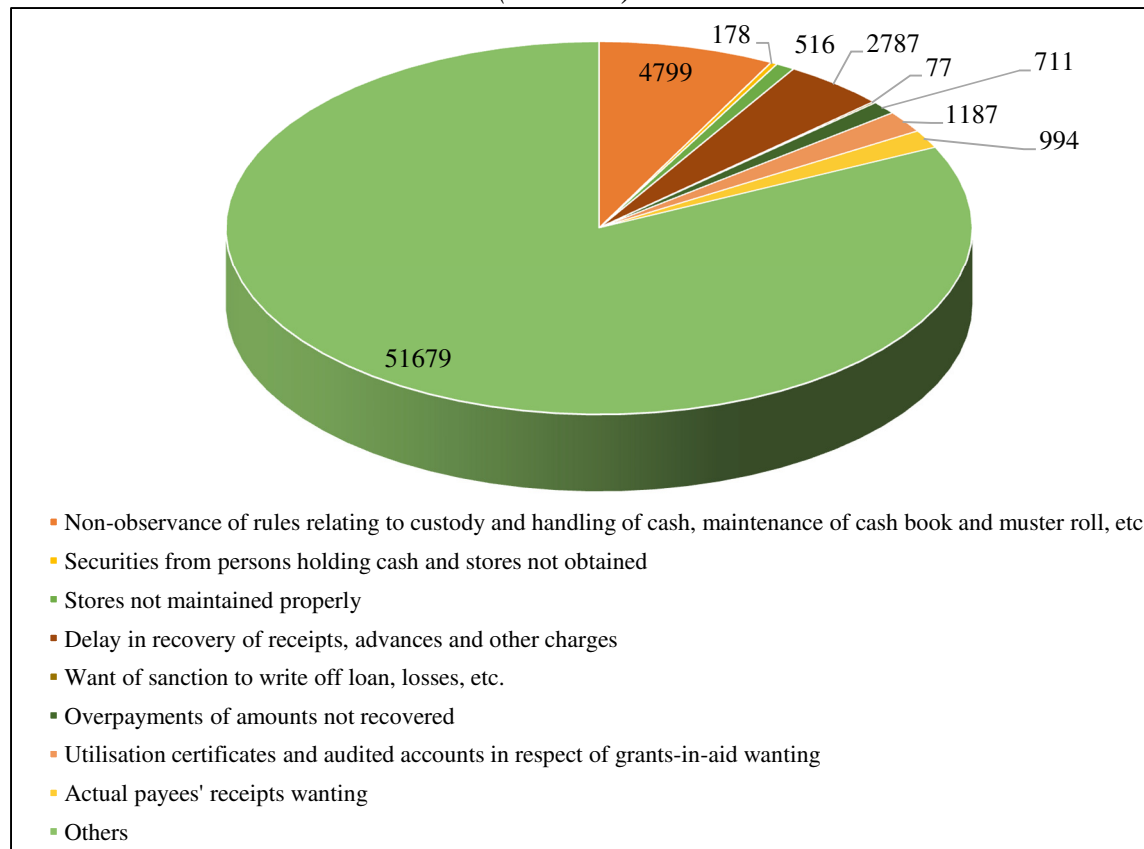
#### **4.3 Response to Audit Observations and Compliance thereof by Senior Officials**

The PAG arranges to conduct periodical inspection of Government departments to test-check the transactions and verify the maintenance of significant accounting and other records according to prescribed rules and procedures. When important irregularities detected during inspection are not settled on the spot, Inspection Reports (IRs) are issued to the Heads of the concerned offices with a copy to the next higher authority. The State Government (March 1986) had advised departments to provide prompt response to the IRs issued by the PAG and to ensure that remedial action is taken in compliance with the prescribed rules and procedures. The authorities of the offices and departments concerned were required to examine the observations

contained in the IRs in light of the audit findings. They were also required to rectify the defects and omissions promptly wherever called for and report their compliance to the PAG. The PAG sends half-yearly report of pending IRs to the Commissioners and Secretaries of the departments concerned from time to time. This report is sent to facilitate monitoring of the audit observations contained in pending IRs.

Out of the IRs issued up to December 2021, 62,949 paragraphs pertaining to 11,421 IRs were pending for settlement at the end of June 2022, pertaining to Civil Departments/ Public Health Engineering Department/Public Works Department/Water Resource Department/Irrigation and Inland Water Transport Department. Of these, 2,809 IRs containing 10,360 paragraphs had not been replied to/settled for more than 10 years. Even the initial replies, which were required to be received from the Heads of Offices within four weeks from the date of issue, were not received from 52 departments in respect of 3,890 IRs containing 27,308 paragraphs issued between 1994-95 and 2021-22. As a result, irregularities commented upon through 62,928 paragraphs, had not been addressed as of June 2022, as shown in **Chart 4.1**:

**Chart-4.1**  
(in number)



Non-receipt of replies to the outstanding IRs in respect of 52 Departments were indicative of the failure on the part of the Heads of departments (Directors/Executive Engineers) to initiate action with regard to defects, omissions and irregularities pointed out by Audit. The Commissioners and Secretaries of the departments concerned, who were informed of the position through half-yearly reports, also failed to ensure prompt and timely action by the officers of the departments concerned.



The above-mentioned facts also indicated inaction against the defaulting officers thereby facilitating continuation of serious financial irregularities and potential loss to the Government though these were pointed out in Audit.

An Audit Objection Committee (AOC) is constituted by the Government every year at State level for consideration and settlement of outstanding audit observations relating to Civil and Works Departments. Altogether, 12 meetings (Social Sector: six; Economic Sector: four; and General Sector: two) of the Committee were held on different dates up to March 2022. The AOC discussed a total of 128 IRs and 556 paragraphs, of which three IRs and 205 paragraphs were settled.

It is recommended that the Government should review the matter and ensure that an effective system exists for (a) action against defaulting officials who fail to send replies to the paragraphs as per the prescribed time schedule; (b) action to recover loss/ outstanding advances/overpayments in a time bound manner; and (c) revamp the system to ensure prompt and timely response to the audit observations.



(KUMAR ABHAY)

Accountant General (Audit), Assam

Guwahati  
The 25 April 2024

*Countersigned*



(GIRISH CHANDRA MURMU)

Comptroller and Auditor General of India

New Delhi  
The 6 May 2024



## ***APPENDICES***



**Appendix-1.1**  
(Reference to paragraph-1.1)

**Department-wise details of budget provision and expenditure during 2020-22 in respect of Social Sector**

Sl. No.	Department	Grant No. and Name	2020-21				2021-22			
			Budget provision		Expenditure		Budget provision		Expenditure	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
1.	Co-operation	43 – Co-operation	154.89	67.59	93.30	37.64	116.93	52.79	100.53	17.23
2.	Cultural Affairs	27 – Art and Culture	133.57	59.67	83.88	5.94	229.79	65.87	93.81	30.02
		28 – State Archives	2.03	0.04	1.44	--	1.89	0.08	1.55	0.04
3.	Higher Education	26 – Education (Higher Education)	3106.55	107.10	2444.20	31.87	2884.18	244.14	2435.64	75.24
4.	Food, Civil Supplies and Consumers Affair	46 – Weights and Measures	28.74	0.52	12.90	--	19.83	0.62	13.43	0.22
		37 – Food Storage, Warehousing	1356.25	10.10	638.03	0.17	1405.01	2.60	994.25	1.50
5.	Health and Family Welfare	29 – Medical and Public Health	7215.24	1226.58	5536.10	504.92	8013.90	1441.04	6237.29	919.45
		24 – Aid Materials	0.009	--	--	--	0.009	--	--	--
6.	Labour and Employment	36 – Labour and Employment	247.10	30.27	145.31	11.97	239.01	61.03	188.12	15.29
7.	Public Health Engineering	30 – Water Supply and Sanitation	662.86	2267.71	474.93	1545.62	522.96	1061.52	446.81	768.82
8.	Social Welfare	39 – Social Security, Welfare & Nutrition	3107.63	4.13	2133.80	--	2766.33	64.68	2280.23	0.60
		40 – Social Security and Welfare (Freedom Fighter)	38.04	--	20.99	--	54.39	--	48.01	--
9.	Minorities Welfare and Development	42 – Other Social Services	256.37	--	162.44	--	152.94	0.62	101.48	--
10.	Sports and Youth Welfare	74 – Sports and Youth Welfare	147.67	44.80	83.52	16.48	107.41	70.76	83.78	52.86
11.	Welfare of Plain Tribes & Backward Classes	38 – Welfare of SC, ST and OBC	1847.82	84.24	386.17	31.10	1444.41	54.88	1052.70	26.73
		78 – Welfare of Plain Tribes and BC (BTC)	3008.29	217.21	2306.96	236.04	2880.17	185.86	2246.86	197.28
12.	Welfare of Tea Tribes	38 – Welfare of SC, ST and OBC	72.83	1.00	12.02	0.11	34.10	6.30	19.33	1.93
13.	Guwahati Development	73 – Urban Development (GDD)	442.05	688.10	50.46	117.58	393.44	763.05	210.32	581.51
14.	Secondary Education	71 – Education (Elementary, Secondary <i>etc.</i> )	14737.96	354.74	11850.05	18.10	15641.27	679.71	13512.64	441.25
15.	Elementary Education									

Sl. No.	Department	Grant No. and Name	2020-21				2021-22			
			Budget provision		Expenditure		Budget provision		Expenditure	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
16.	Pension and Public Grievances	23 – Pension	9652.22	--	10323.35	--	9643.80	--	17214.05	--
17.	Hill Areas	70 – Hill Areas	24.54	3.28	1.71	--	29.73	2.03	11.01	1.88
		76 – Hill Areas Department (KAAC)	1402.06	333.64	1128.67	367.42	1448.38	248.85	1122.57	184.05
		77 – Hill Areas Department (NCHAC)	727.34	73.46	551.56	80.97	636.16	74.60	520.52	61.21
<b>Total</b>			<b>48372.059</b>	<b>5574.18</b>	<b>38441.79</b>	<b>3005.93</b>	<b>48666.039</b>	<b>5081.03</b>	<b>48934.93</b>	<b>3377.11</b>
<b>Grand Total (Includes Charged)</b>			<b>53946.24</b>		<b>41447.72</b>		<b>53747.07</b>		<b>52312.04</b>	

**Appendix-1.2***{Reference to paragraph-1.2.9.1.1 (iii)}***Multiple payment to same beneficiaries**

<b>District</b>	<b>2018-19</b>	<b>2019-20</b>
Baksa	93	28
Barpeta	70	28
Biswanath	-	7
Bongaigaon	11	8
Cachar	27	10
Chirang	21	9
Darrang	76	35
Dhemaji	78	55
Dhubri	19	11
Dibrugarh	75	31
Dima Hasao	2	1
Goalpara	21	7
Golaghat	25	11
Hailakandi	25	6
Jorhat	42	17
Kamrup	134	56
Kamrup (M)	262	118
Karbi Anglong	24	15
Karimganj	15	69
Kokrajhar	76	27
Lakhimpur	20	10
Morigaon	65	43
Nagaon	120	74
Nalbari	56	35
Sivasagar	75	31
Sonitpur	78	31
Tinsukia	12	4
Udalguri	95	30
<b>Grand Total</b>	<b>1,617</b>	<b>807</b>

### Appendix-1.3

{Reference to Paragraph-1.2.9.2.2 (iii)}

#### District wise number of cases against which payment of hostel charges paid

District	School Name	Number of beneficiary	Excess Paid (in ₹)
Cachar	Ambikacharan High School	21	105,000
Cachar	Bhairabpur Pre-Sr Madrassa	64	320,000
Cachar	Fulbari Girls Pre-Sr.Madrassa	66	330,000
Cachar	Jalalpur Boys & Girls Model Senior Madrassa & Other Castes Model Middle High School	1	5,000
Cachar	Janata High School	7	35,000
Cachar	National Mes	1	5,000
	<b>Cachar Total</b>	<b>160</b>	<b>800,000</b>
Dhubri	Dhirghat M.E. School	388	1,940,000
Dhubri	Hatidhura High Madrassa	177	885,000
Dhubri	Kathulipara Sr. Madrassa	739	3,695,000
Dhubri	Pramathesh Barua College	116	580,000
Dhubri	Pub Bania Para Me School	104	520,000
Dhubri	Town Girls' High School	172	860,000
Dhubri	Uttar Futkibari Mes	188	940,000
	<b>Dhubri Total</b>	<b>1,884</b>	<b>9,420,000</b>
Dibrugarh	Aadhar Jatiya Vidyalaya	2	10,000
Dibrugarh	Dillinagar Hs	26	130,000
Dibrugarh	Nachani Hs	78	390,000
Dibrugarh	Nahar Para Borbil High School	63	315,000
Dibrugarh	Nakhat Hs	78	390,000
Dibrugarh	Naliapool Bengali High School	21	105,000
Dibrugarh	Namrup Hs	78	390,000
Dibrugarh	Nemupather Hs	129	645,000
Dibrugarh	Panibill High School	38	190,000
Dibrugarh	Pragati Hs	58	290,000
Dibrugarh	Rangali Pather Hs	62	310,000
Dibrugarh	Rongpur K. Borah Mes.	17	85,000
Dibrugarh	Rose Bud High School	41	205,000
Dibrugarh	Sepon Hatipati Hs	71	355,000
Dibrugarh	Shyama Prasad Hs(R)	76	380,000
Dibrugarh	Sologuri Hs	70	350,000
Dibrugarh	Sri Sri Madhabdev Hs	70	350,000
Dibrugarh	St. Dominic'S High School	25	125,000
Dibrugarh	Tiloi Nagar Hs	67	335,000
Dibrugarh	Tinthengia Industrial Hs	50	250,000
	<b>Dibrugarh Total</b>	<b>1,120</b>	<b>5,600,000</b>
Kamrup	Adarsha Jatiya Vidyalaya, Adhiarpara	319	1,595,000
Kamrup	Adarsha Sishu Bidyalaya, Tupamari	422	2,110,000
Kamrup	Adarsha Sishu Niketan,Rangapani	403	2,015,000
Kamrup	B.S.S. Mem	8	40,000
Kamrup	Bandes Ali Memorial Academy	244	1,220,000
Kamrup	Barsoli Anchalik Jatiya Vidyalaya	319	1,595,000
Kamrup	Dekachang Anchalik Hs	704	3,520,000
Kamrup	Diamond Academy	460	2,300,000
Kamrup	Dr. Apj Abdul Kalam Academy , Dekachang	72	360,000
Kamrup	Hassen Ali Memorial Islamic Academy	193	965,000
Kamrup	Ismail Hussain High School, Rangapani	436	2,180,000
Kamrup	Natun Ramdia Sastarghat Psm	239	1,195,000
Kamrup	Rangapani Senior Madrassa	232	1,160,000
Kamrup	Siddique Ali Jatiya Vidyalaya	11	55,000



District	School Name	Number of beneficiary	Excess Paid (in ₹)
<b>Kamrup</b>	Tupamari Hms	313	1,565,000
	<b>Kamrup Total</b>	<b>4,375</b>	<b>21,875,000</b>
<b>Nagaon</b>	Barpam Rustam Ali Mem	36	180000
<b>Nagaon</b>	Buha Gohain Sada Siva Hs	60	300000
<b>Nagaon</b>	Dakhin Kathalguti Girls Mem	87	435000
<b>Nagaon</b>	Dewri Gaon Mvs	35	175000
<b>Nagaon</b>	Dhing Demoluguri Girls Mem	60	300000
<b>Nagaon</b>	Dhingburi Chapori Mem	181	905000
<b>Nagaon</b>	Dighaliati Adarsha Mem	5	25000
<b>Nagaon</b>	Gfs Jatiya Vidyapith	556	2780000
<b>Nagaon</b>	Gosaibori Girls Hs	1	5000
<b>Nagaon</b>	Gosaibori Mes	59	295000
<b>Nagaon</b>	Gyan Bikas Bidyapith	50	250000
<b>Nagaon</b>	Gyan Kamal Jatiya Bidyalaya	242	1210000
<b>Nagaon</b>	Hasan Raja Laskar Pre Sr Madrassa	257	1285000
<b>Nagaon</b>	Hatichong Kasturba Girl'S Mvs	20	100000
<b>Nagaon</b>	Hatichung Girls Hs	14	70000
<b>Nagaon</b>	Hazi Abdul Suban Pre Senior Mad	41	205000
<b>Nagaon</b>	Jajari Hss	308	1540000
<b>Nagaon</b>	Jamuguri Swahid Monbornath Mvs	7	35000
<b>Nagaon</b>	Jamunamukh Girsl Me	66	330000
<b>Nagaon</b>	Jogendra Nath Deka Me	23	115000
<b>Nagaon</b>	Kachamari Mv	30	150000
<b>Nagaon</b>	Kachari Gaon Girls M.E.M.	107	535000
<b>Nagaon</b>	Kacharigaon Farajibari Me Madrassa	70	350000
<b>Nagaon</b>	Kachua Markaz Academy	279	1395000
<b>Nagaon</b>	Kachua Mes	137	685000
<b>Nagaon</b>	Kalani Jalah Pr Sr Madrassa	49	245000
<b>Nagaon</b>	Lachit Barphukan Hs	9	45000
<b>Nagaon</b>	Lalung Gaon Mes	201	1005000
<b>Nagaon</b>	Maj Gaon Bhomoraguri Mvs	38	190000
<b>Nagaon</b>	Maj Jajari Bpc Girls Hs	12	60000
<b>Nagaon</b>	Modern Academy	296	1480000
<b>Nagaon</b>	Mohammodia Pre Sinior Madrassa	261	1305000
<b>Nagaon</b>	No. Lalung Gaon Girls Mem	87	435000
<b>Nagaon</b>	Palashtal Kachamari Hs	41	205000
<b>Nagaon</b>	Pub Chatian A.K. Girls Mem	158	790000
<b>Nagaon</b>	Pub Chatian Tinsukia Hs	100	500000
<b>Nagaon</b>	Sarupather Jatiya Bidyalaya	280	1400000
<b>Nagaon</b>	Tarabari Jatiya Vidyalaya	32	160000
<b>Nagaon</b>	Tinisukia High Marassa	10	50000
	<b>Nagaon Total</b>	<b>4305</b>	<b>21525000</b>
	<b>Grand Total</b>	<b>11,844</b>	<b>59,220,000</b>

**Appendix-1.4**

{Reference to Paragraph-1.2.9.2.2 (vi)}

**List of beneficiary from where fake students had taken claim**

SI No.	School Name	Number of beneficiary	Amount Involved (in ₹)
<b>CACHAR</b>			
1	Bhairabpur Pre-Sr Madrassa	64	653,440
2	Fulbari Girls Pre-Sr.Madrassa	71	690,960
	<b>Cachar Total</b>	<b>135</b>	<b>1,344,400</b>
<b>DHUBRI</b>			
1	Uttar Futkibari Mes	188	2,011,600
	<b>Dhubri Total</b>	<b>188</b>	<b>2,011,600</b>
<b>DIBRUGARH</b>			
1	Aadhar Jatiya Vidyalaya	4	26,000
2	Dillinagar Hs	42	369,400
3	Nachani Hs	81	847,000
4	Nahar Para Borbil High School	63	674,100
5	Nakhat Hs	78	834,600
6	Naliapool Bengali High School	22	221,600
7	Namrup Hs	78	834,600
8	Nemupather Hs	136	1,420,200
9	Panibill High School	39	412,300
10	Pragati Hs	58	585,800
11	Rangali Pather Hs	62	663,350
12	Rongpur K. Borah Mes	17	181,900
13	Rose Bud High School	41	437,500
14	Sepon Hatipati Hs	72	765,400
15	Shyama Prasad Hs(R)	77	818,900
16	Sologuri Hs	70	732,600
17	Sri Sri Madhabdev Hs	71	751,700
18	St. Dominic'S High School	25	267,100
19	Tiloi Nagar Hs	67	716,900
20	Tinthengia Industrial Hs	53	552,100
	<b>Dibrugarh Total</b>	<b>1,156</b>	<b>12,113,050</b>
<b>NAGAON</b>			
1	Buha Gohain Sada Siva Hs	60	389,000
2	Chamua Gaon Lps	10	10,000
3	Dewri Gaon Mvs	35	357,000
4	Dhing Demoluguri Girls Mem	135	1,036,400
5	Gfs Jatiya Vidyapith	612	5,339,170
6	Gosaibori Girls Hs	40	144,700
7	Gosaibori Mes	68	638,600
8	Hasan Raja Laskar Pre Sr Madrassa	258	2,612,600
9	Hatichong Kasturba Girl'S Mvs	20	204,000
10	Hatichung Girls Hs	14	148,600
11	Hazi Abdul Suban Pre Senior Mad	159	1,031,800
12	Jamuguri Swahid Monbornath Mvs	8	76,600
13	Jamunamukh Girsl Me	76	725,200
14	Jogendra Nath Deka Me	24	247,100
15	Kachamari Mv	31	311,200
16	Lachit Barphukan Hs	16	133,000
17	Maj Gaon Bhomoraguri Mvs	39	396,400
18	Maj Jajari Bpc Girls Hs	12	92,350
19	Palashtal Kachamari Hs	42	423,400
	<b>Nagaon Total</b>	<b>1,659</b>	<b>14,317,120</b>
	<b>Grand Total</b>	<b>3,138</b>	<b>29,786,170</b>

**Appendix-1.5**  
(Reference to paragraph-1.3.2)  
**Value of expired seed kits**

Sl. No	Unit	year	No of seeds received	No of seeds distributed	APR not provided	Doubtful Distribution	Balance seed	Value per kit	Total kit value	Expiry value
1	SDWO Nagaon	2018-19	238	238	238	0	0	7404	1762150	0
		2019-20	375	0	0	0	375	7588	2845448	2845448
2	SDWO Hojai	2018-19	190	190	0	0	0	8086	1536340	0
		2019-20	254	254	0	0	0	7588	1927316	0
3	SDWO, Kaliabor	2018-19	280	0	0	0	280	8086	2264080	2264080
		2019-20	375	0	0	0	375	7380	2767500	2767500
4	SDWO, Mangaldoi	2018-19	190	190	0	0	0	7796	1481240	0
		2019-20	254	254	0	0	0	7380	1874520	0
5	SDWO, Goalpara	2018-19	202	0	0	0	202	7860	1587720	1587720
		2019-20	266	0	0	0	266	7380	1963080	1963080
6	ITDP, Dudhnoi	2018-19	453	453	0	0	0	7860	3560580	0
7	SDWO, Bongaigaon	2018-19	210	165	0	0	45	7498	1574580	337410
		2019-20	278	167	0	0	111	7380	2051640	819180
8	SDWO, Abhayapuri	2018-19	210	210	0	0	0	7498	1574580	0
		2019-20	278	0	0	0	278	7380	2051640	2051640
9	ITDP, Kokrajhar	2018-19	64	64	21	0	0	7550	483200	0
		2018-19	504	504	0	0	0	7860	3961440	0
10	ITDP, Kamrup(M)	2018-19	350	350	0	350	0	7404	2591397	0
11	SDWO, Kamrup(M)	2018-19	238	238	0	238	0	7404	1762150	0
		2019-20	334	334	0	0	0	7588	2534345	0
12	SDWO, Rangia	2018-19	238	0	0	0	238	7404	1762150	1762150
		2019-20	399	0	0	0	399	7588	3027556	3027556
13	SDWO, Morigaon	2018-19	190	180	0	0	10	8086	1536340	80860
		2019-20	254	0	0	0	254	7588	1927316	1927316
14	ITDP, Morigaon	2018-19	283	0	0	0	283	8086	2288338	2288338
<b>Total</b>			<b>6907</b>	<b>3791</b>	<b>259</b>	<b>588</b>	<b>3116</b>		<b>52696646</b>	<b>23722278</b>

**Appendix-2.1**

(Reference to paragraph-2.1)

**Department-wise details of budget provision and expenditure during 2020-22 in respect of Economic Sector**

Sl. No.	Department	Grant No. and Name	2020-21				2021-22			
			Budget provision		Expenditure		Budget provision		Expenditure	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
1.	Agriculture	48 – Agriculture	2043.85	363.52	1256.35	180.68	2183.64	228.92	1570.66	207.78
		67 – Horticulture	249.57	6.24	93.28	--	258.28	1.09	123.69	--
2.	Finance	10 – Other Fiscal Services	2.28	--	1.83	--	2.62	--	2.11	--
		5 – Sales Tax & other taxes	457.06	12.16	326.99	8.15	820.73	37.22	653.56	22.74
		13 – Treasury & Accounts Administration	118.20	11.21	87.00	3.16	107.85	10.84	92.20	2.19
		66 – Compensation and Assignment to LBs and PRIs	594.41	--	376.95	--	846.92	--	306.13	--
		7 – Stamps and Registration	188.74	--	51.25	--	100.85	--	79.74	--
		8 – Excise and prohibition	84.80	0.95	62.24	--	70.94	1.60	61.76	--
		Public Debt and Servicing of Debt	6162.98	2148.00	5299.18	2147.98	7509.62	3536.23	6497.37	3526.89
		68 - Loans to Government Servants	--	--	--	--	--	0.91	--	--
3.	Fishery	54 – Fisheries	97.43	56.02	74.73	9.09	108.93	22.08	104.72	21.61
4.	Water Resources	63 – Water Resources	387.92	660.70	277.54	369.15	352.51	695.10	301.88	477.88
5.	Forest and Environment	55 – Forestry and Wild Life	995.27	26.81	561.95	6.64	756.74	16.64	597.22	1.12
6.	Handloom, Textiles and Sericulture	59 – Village, Small Industries, Sericulture and Weaving	298.58	11.13	186.05	1.86	372.98	9.11	206.92	3.38
7.	Industries and Commerce	58 – Industries	62.74	118.82	17.38	62.03	450.16	110.15	424.22	59.01
		60 – Cottage Industries	75.22	0.58	49.90	0.34	56.47	0.16	46.01	0.16
8.	Irrigation	49 – Irrigation	576.16	1143.49	467.60	323.65	697.27	705.13	466.75	375.60
9.	Mines and Minerals	61 – Mines and Minerals	21.30	52.91	12.62	0.17	20.18	43.20	12.50	40.77
10.	Power	62 – Power (Electricity)	1960.05	2470.76	1354.84	330.43	1343.60	11579.07	1305.07	3767.63
11.	Public Works Roads	64 – Roads Bridges	1600.57	9824.27	1031.15	7323.00	1637.42	9927.09	947.70	8761.59
12.	Science and Technology	69 – Scientific Services and Research	39.24	36.88	24.53	9.20	20.61	16.69	17.90	14.73

Sl. No.	Department	Grant No. and Name	2020-21				2021-22			
			Budget provision		Expenditure		Budget provision		Expenditure	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
13.	Soil Conservation	51 – Soil and Water Conservation	226.28	105.84	210.00	51.58	185.87	60.82	59.63	40.23
14.	Transport	9 – Transport Services	481.72	163.26	368.46	45.72	431.03	352.26	332.67	296.39
15.	Tourism	65- Tourism	76.02	86.05	43.78	10.49	54.51	26.48	30.22	16.02
16.	Animal Husbandry and veterinary	52 – Animal Husbandry	380.33	52.16	262.56	14.19	453.04	58.69	286.90	33.27
		53 – Dairy Development	31.27	2.58	21.59	0.60	77.62	7.47	21.24	1.62
17.	Information Technology	75 – Information Technology	83.91	0.0001	44.36	--	33.11	0.40	27.35	--
18.	Public Works Building and National Highway	17 – Administrative and Functional Buildings	246.90	282.44	165.39	83.26	248.74	528.54	153.03	198.70
		21 – Guest Houses, Government Hostels <i>etc.</i>	74.23	--	20.05	--	58.88	--	29.01	--
		33 – Residential buildings	2.87	2.85	0.88	2.13	4.29	3.55	0.67	0.58
<b>Total</b>			<b>17619.9</b>	<b>17639.6301</b>	<b>12750.43</b>	<b>10983.5</b>	<b>19265.41</b>	<b>27979.44</b>	<b>14758.83</b>	<b>17869.89</b>
<b>Grand Total (includes charged):</b>			<b>35259.53</b>		<b>23733.93</b>		<b>47244.85</b>		<b>32628.72</b>	

**Appendix-2.2**

(Reference to paragraph-2.2.3)

**Period-wise fund released to selected districts**

Sl. No.	District	Period	No. of beneficiaries received payments	Fund released (₹in lakh)
1.	Baksa	December 2018 to March 2019	64,408	1,288.16
		April 2019 to July 2019	40214	804.28
		August 2019 – November 2019	12270	245.40
		December 2019 to March 2020	7733	154.66
		April 2020 – July 2020	622	12.44
		August 2020 – November 2020	Nil	Nil
		December 2020 – March 2021	1	0.02
2.	Barpeta	December 2018 to March 2019	NA	-
		April 2019 to July 2019	NA	-
		August 2019 – November 2019	NA	-
		December 2019 to March 2020	NA	-
		April 2020 – July 2020	NA	-
		August 2020 – November 2020	NA	-
		December 2020 – March 2021	NA	-
3.	Bongaigaon	December 2018 to March 2019	19,079	381.58
		April 2019 to July 2019	46,622	932.44
		August 2019 – November 2019	60,145	1202.90
		December 2019 to March 2020	76,981	1539.62
		April 2020 – July 2020	27,191	543.82
		August 2020 – November 2020	Nil	Nil
		December 2020 – March 2021	41,288	825.76
4.	Darrang	December 2018 to March 2019	12,1669	2,433.38
		April 2019 to July 2019	68,020	1,360.40
		August 2019 – November 2019	31,117	622.34
		December 2019 to March 2020	31,078	621.56
		April 2020 – July 2020	405	8.10
		August 2020 – November 2020	384	7.68
		December 2020 – March 2021	350	7.00
5.	Dhubri	December 2018 to March 2019	71640	1,432.80
		April 2019 to July 2019	27170	543.40
		August 2019 – November 2019	127	2.54
		December 2019 to March 2020	26593	531.86
		April 2020 – July 2020	Nil	Nil
		August 2020 – November 2020	Nil	Nil
		December 2020 – March 2021	261	5.22
6.	Dibrugarh	December 2018 to March 2019	61,518	1,230.36
		April 2019 to July 2019	61,518	1,230.36
		August 2019 – November 2019	61,518	1,230.36
		December 2019 to March 2020	54,377	1,087.54
		April 2020 – July 2020	54,377	1,087.54
		August 2020 – November 2020	54,377	1,087.54
		December 2020 – March 2021	54,377	1,087.54
7.	Goalpara	December 2018 to March 2019	30,706	614.12
		April 2019 to July 2019	1,29,733	2594.66
		August 2019 – November 2019	79,359	1587.18
		December 2019 to March 2020	31,449	628.98
		April 2020 – July 2020	1,17,428	2348.56
		August 2020 – November 2020	65,864	1317.28
		December 2020 – March 2021	26,475	529.50
8.	Jorhat	December 2018 to March 2019	63,555	1,271.10
		April 2019 to July 2019	63,520	1,270.40

Sl. No.	District	Period	No. of beneficiaries received payments	Fund released (₹in lakh)
		August 2019 – November 2019	63,501	1,270.02
		December 2019 to March 2020	63,347	1,266.94
		April 2020 – July 2020	60,775	1,215.50
		August 2020 – November 2020	58,645	1,172.90
		December 2020 – March 2021	58,429	1,168.58
9.	Kamrup Metro	December 2018 to March 2019	2,696	53.92
		April 2019 to July 2019	8,355	167.10
		August 2019 – November 2019	8,353	167.06
		December 2019 to March 2020	8,318	166.26
		April 2020 – July 2020	7,219	144.38
		August 2020 – November 2020	6,707	134.14
		December 2020 – March 2021	6,704	134.08
10.	Kokrajhar	December 2018 to March 2019	34,890	697.80
		April 2019 to July 2019	59,801	1697.04
		August 2019 – November 2019	59,724	1195.72
		December 2019 to March 2020	58,714	1180.14
		April 2020 – July 2020	48,503	977.60
		August 2020 – November 2020	36,472	964.66
		December 2020 – March 2021	35,970	723.50
11.	Sonitpur	December 2018 to March 2019	31,484	629.68
		April 2019 to July 2019	65,271	1,305.42
		August 2019 – November 2019	66,112	1,322.24
		December 2019 to March 2020	66,003	1,320.06
		April 2020 – July 2020	65,819	1,316.38
		August 2020 – November 2020	60,019	1,200.38
		December 2020 – March 2021	59,871	1,197.42
<b>Total</b>				<b>58,499.3</b>

Source: Departmental record/information.

**Appendix-2.3**

(Reference to paragraph 2.2.4.4)

**Selected samples up to Village Level**

Sl. No.	District	Block	Villages
1.	Baksa	Baska	Ahopa
			Allia
			Bhogpara
		Jalah	Kurobaha NC
			Jala Gaon
2.	Barpeta	Chenga	Ghogapar
			Bohari (Ct)
			Chagbandha N.C.
		Mandia	Kashimpur
			Mouri Gaon
3.	Bongaigaon	Srijangram	Satra Kanara N.C.
			2 No. Chachara
			Golapara Pt Iv
		Tapattary	Kakila Pt I
			Balarchar Pt I
4.	Darrang	Dalgaon-Sialmari	Nasatra
			Tapattary
			New Piradhara
		Pachim-Mangaldai	Bagichakash
			No.5 Arimari
5.	Dhubri	Debitola	3 No. Golandikash
			Niz-Rangamati
			Ramhari Chuba
		Golakganj	Sareng Chuburi
			Alomganj Pt Ix
6.	Dibrugarh	Barbaruah	Alomganj Pt.Iv
			Debottar Raipur Pt.I
			Alokjhari
		Panitola	Barundanga
			Pub Konuri
7.	Goalpara	Lakhipur	Kolkhowa Gazai Gaon
			Changmai Gohain Gaon
			Chakoi Pathar Gaon No.1
		Rongjuli	Chakali Bharali
			Dinjoy Satra
8.	Jorhat	Jorhat	Rajabari Gaon
			Balachari
			Chunari Char
		North West Jorhat	Baida Pt I
			Garuchatka Pt-I
9.	Kamrup Metro	Dimoria	Kayashthapara
			Fakirpara
			Charingia
		North West Jorhat	Dahotia Baruah
			Jokaichuk Gaon (Jakaichuck)
Dimoria	Aliamukhia		
	Khangia Gaon		
	Kalbari Gaon		
Dimoria	Kamrup Metro	Dimoria	Barkuchi
			Dakhin Dimoria
			Kachutali Pathar



Sl. No.	District	Block	Villages
		Chandrapur	Chandrapur
			Dhipuji Pathar
			2 No.Dhamkhunda
10.	Kokrajhar	Kokrajhar	Adabari
			Bhadiaguri
			Daloabari Pt I
		Mahamaya-BTC	Angarkata Pt.-II
			Baniamari Pt.-II
			Chataguri Pt.-II
11.	Sonitpur	Balipara	Baghchong Gaon
			Barpakhia Jhar
			Khanamukh
		Dhekiajuli	Raikash Mari
			Panbari Gaon
			Saikia Chuburi

*Source: Departmental record/information.*

**Appendix-2.4**

(Reference to paragraph-2.2.4.5)

**Details of records/information/reply not furnished by the SNO, Assam**

Sl. No.	Requisition No. and date	Documents/information wanting
1.	PM-KISAN/Selection/3 Dated: 19.11.2020	Reply
2.	PM-KISAN/GR/5 Date: 19.11.2020	Reply
3.	PM-KISAN/Annex/4 Dated: 15.7.2021 PM-KISAN/Annex/5 Dated: 15.7.2021	Reply
4.	PM-KISAN/AO 2/2 Dated 14.07.2021	Sanction of fund by GoI, Copies of RFTs
5.	PM-KISAN/AO 3/3 Dated 14.07.2021	Appendix I, Appendix C, Appendix E, Appendix G, Appendix H,
6.	PM-KISAN/User-Id/07 Dated: 16/7/2021	Appendix B
7.	PM-KISAN/data upload/08 Dated: 16/7/2021	Category-wise and period-wise lots created
8.	PM-KISAN/Sampling/10 Dated: 12.08.2021	District-wise position of total data entered in the PM-KISAN portal
9.	PM-KISAN/Misc/12 Dated: 31.08.2021	1. Enrolment out of existing database of GoA 2. District-wise break-up of 10,66,593 applicants rejected by the portal and PFMS before releasing any instalment

**Appendix-2.5***(Reference to paragraph-2.2.5.2)***Upload of data vis-à-vis operational land holding as per Agri Census 2010-11**

Sl. No.	District	Operational land holding as per Agri census 2010-11	Data uploaded	Less registration	Less registration in percentage
(1)	(2)	(3)	(4)	(5)	(6)
1.	Biswanath	99,455	44662	54,793	55
2.	Bongaigaon	78,953	73141	5,812	7
3.	Dibrugarh	1,08,651	76141	32,510	30
4.	Hojai	80,963	22392	58,571	72
5.	Jorhat	1,10,219	83647	26,572	24
6.	Kamrup Metro	30,060	9950	20,110	67
7.	Kokrajhar	1,24,625	68921	55,704	45
8.	Nagaon	2,29,383	221508	7,875	3
9.	Sivasagar	95,789	70885	24,904	26
10.	Sonitpur	2,17,282	77637	1,39,645	64
11.	Tinsukia	92,982	84068	8,914	10
12.	Udalguri	1,01,447	90964	10,483	10
<b>Total</b>		<b>13,69,809</b>	<b>9,23,916</b>	<b>4,45,893</b>	

*Source: Departmental record/information.*

**Appendix-2.6**

(Reference to paragraphs 2.2.5.7.2 and 2.2.5.8)

**District-wise audit findings on test-check of records of the selected districts**

Sl. No.	District	Number of application forms and records not furnished	No. of beneficiaries wherein land was in others' name (%)	Land document was not furnished	No. of application forms not countersigned by the BNOs (%)	Application forms were accepted despite unfilled/unsigned self-declaration	Application forms not countersigned by land records authority (%)	No. of beneficiaries not operational land holder as per land records of GoA (%)	No. of cases where benefits were released to multiple beneficiaries with same land document (%)	No. of beneficiaries declared ineligible by GoA	No. of ineligible beneficiaries as per Land records of GoA	Release of benefits to beneficiaries with non-agricultural land	
												No.	Amount (₹)
1	Baksa	Nil	73 (81)	2	90 (100)	8	90 (100)	37 (41)	20 (22)	22	37	-	-
2	Barpeta	Nil	83 (92)	33	90 (100)	3	56 (62)	57 (63)	8 (9)	23	57	-	-
3	Bongaigaon	10	65 (81)	5	80 (100)	19	79 (99)	65 (81)	2 (3)	19	65	-	-
4	Darrang	Nil	60 (67)	0	5 (6)	7	7 (8)	71 (79)	4 (4)	0	71	-	-
5	Dhubri	Nil	59 (66)	1	78 (87)	30	6 (7)	57 (63)	14 (16)	28	57	-	-
6	Dibrugarh	Nil	81 (90)	4	89 (99)	1	46 (51)	83 (92)	12 (13)	20	83	02	20,000
7	Goalpara	3	75 (86)	4	87 (100)	3	87 (100)	33 (55)	18 (21)	24	33	-	-
8	Jorhat	Nil	69 (77)	3	53 (59)	0	37 (41)	74 (82)	6 (7)	40	74	01	10,000
9	Kamrup Metro	Nil	60 (67)	2	60 (67)	10	90 (100)	36 (40)	2 (2)	38	36	-	-
10	Kokrajhar	24	51 (77)	9	66 (100)	0	66 (100)	59 (66)	Nil	39	59	-	-
11	Sonitpur	Nil	77 (86)	33	49 (54)	2	73 (81)	82 (91)	5 (6)	5	82	08	94,000
<b>Total</b>		<b>37</b>	<b>753 (79)</b>	<b>96</b>	<b>747 (78)</b>	<b>83</b>	<b>637 (67)</b>	<b>654 (66)</b>	<b>91 (10)</b>	<b>258</b>	<b>654</b>	<b>11</b>	<b>1,24,000</b>

**Appendix-2.7***(Reference to paragraph-2.2.5.9)***District-wise fund released to beneficiaries with fake registrations**

<b>Sl. No.</b>	<b>District</b>	<b>No. of registrations</b>	<b>Payment made till date (₹in lakh)</b>
1	Barpeta	964	38.76
2	Bongaigaon	1768	215.04
3	Charaideo	2	0.32
4	Darrang	186	7.44
5	Dhubri	426	19.24
6	Dibrugarh	12	1.62
7	Golaghat	10	1.26
8	Hailakandi	4	0.52
9	Kamrup (R)	123	9.36
10	Lakhimpur	14	1.82
11	Morigaon	28	1.92
12	Nagaon	2	0.24
13	Nalbari	4	0.64
14	Sivasagar	2	0.28
15	South Salmara	28	2.12
16	Tinsukia	4	0.40
<b>Total</b>		<b>3,577</b>	<b>300.98</b>

*Source: Data furnished by SNO, Assam.*

**Appendix-2.8**

(Reference to paragraph-2.2.5.12)

**District-wise refund of benefits by ineligible beneficiaries**

Sl. No.	District	Number of ineligible beneficiaries received fund	Fund released to ineligible beneficiaries (₹)	Numbers of ineligible beneficiaries refunded PM-KISAN benefits	Refund amount (₹)	Refund in percentage
1.	Baksa	30,671	25,94,70,000	88	644322	0.25
2.	Barpeta	2,03,839	79,78,48,000	408	1478000	0.19
3.	Biswanath	4,896	4,19,70,000	11	74000	0.18
4.	Bongaigaon	7,949	6,96,30,000	112	620027	0.89
5.	Cachar	7,864	6,91,48,000	6	48000	0.07
6.	Charaideo	2,466	2,57,40,000	35	338000	1.31
7.	Chirang	21,574	21,56,54,000	76	493000	0.23
8.	Darrang	17,347	6,61,34,000	12	46000	0.07
9.	Dhemaji	6,731	5,67,00,000	84	512000	0.90
10.	Dhubri	68,318	24,75,06,000	45	178028	0.07
11.	Dibrugarh	3,831	3,54,74,000	Nil	Nil	-
12.	Dima Hasao	3,573	3,21,88,000	63	388100	1.21
13.	Goalpara	11,400	9,81,84,000	120	644000	0.66
14.	Golaghat	23,074	19,18,00,000	91	662000	0.35
15.	Hailakandi	11,347	9,93,74,000	20	130000	0.13
16.	Hojai	2,055	1,74,92,000	8	36000	0.21
17.	Jorhat	4,418	3,88,66,000	58	472000	1.21
18.	Kamrup	63,113	50,11,42,000	99	759090	0.15
19.	Kamrup Metro	4,667	5,84,54,000	19	112102	0.19
20.	Karbi Anglong	16,810	6,78,60,000	29	72000	0.11
21.	Karimganj	12,021	10,04,22,000	37	282000	0.28
22.	Kokrajhar	20,300	18,09,80,000	98	704404	0.39
23.	Lakhimpur	46,410	38,88,78,000	79	536000	0.14
24.	Majuli	1,913	1,84,64,000	61	453000	<b>2.45</b>
25.	Morigaon	30,389	10,24,56,000	23	107000	0.10
26.	Nagaon	1,16,068	1,03,93,28,000	38	243500	<b>0.02</b>
27.	Nalbari	26,895	31,42,72,000	305	2059522	0.66
28.	Sivasagar	6,952	7,93,42,000	98	792000	1.00
29.	Sonitpur	6,741	6,49,78,000	42	333000	0.51
30.	South Salmara	14,540	9,13,58,000	20	130000	0.14
31.	Tinsukia	17,453	15,94,98,000	23	194000	0.12
32.	Udalguri	3,248	2,79,38,000	25	186000	0.67
33.	West Karbi Anglong	25,799	11,55,98,000	Nil	Nil	-
<b>Total</b>		<b>8,44,672</b>	<b>5,67,41,46,000</b>	<b>2,233</b>	<b>₹1,37,27,095</b>	<b>0.24</b>

Source: Departmental record/information.

## Appendix-2.9

{Reference to paragraph-2.2.5.15(A)}

## District-wise release of administrative costs by SNO, Assam till 31 March 2021

(Amount in ₹)

Sl. No.	District	1st instalment	2 <sup>nd</sup> instalment	3 <sup>rd</sup> instalment	4 <sup>th</sup> instalment	Total release
1.	Baksa	100000	170000	142500	100000	512500
2.	Barpeta	100000	750000	166000	100000	1116000
3.	Biswanath	100000	45000	89000	40000	274000
4.	Bongaigaon	100000	99000	46000	40000	285000
5.	Cachar	100000	135000	195000	40000	470000
6.	Charaideo	50000	57000	15000	20000	142000
7.	Chirang	50000	100000	19000	40000	209000
8.	Darrang	100000	180000	66000	100000	446000
9.	Dhemaji	100000	87000	64000	40000	291000
10.	Dhubri	100000	190000	105000	100000	495000
11.	Dibrugarh	100000	118000	131000	20000	369000
12.	Dima Hassao	50000	34000	13000	20000	117000
13.	Goalpara	100000	86000	140000	40000	366000
14.	Golaghat	100000	160000	71000	80000	411000
15.	Hailakandi	100000	93000	79000	40000	312000
16.	Hojai	100000	20000	172000	20000	312000
17.	Jorhat	100000	100000	48000	20000	268000
18.	Kamrup Metro	50000	7000	23000	20000	100000
19.	Kamrup Rural	100000	200000	150000	150000	600000
20.	Karbi Anglong	50000	147000	89000	80000	366000
21.	Karimganj	100000	48000	100000	60000	308000
22.	Kokrajhar	100000	90000	94000	80000	364000
23.	Lakhimpur	100000	100000	122000	120000	442000
24.	Majuli	50000	55000	16000	20000	141000
25.	Marigaon	100000	132000	66000	120000	418000
26.	Nagaon	100000	193000	290500	150000	733500
27.	Nalbari	100000	100000	32000	120000	352000
28.	Sivasagar	100000	90000	71000	20000	281000
29.	Sonitpur	100000	91000	83000	40000	314000
30.	South Salmara	50000	35000	44000	40000	169000
31.	Tinsukia	100000	100000	65000	60000	325000
32.	Udalguri	100000	80000	74000	20000	274000
33.	West Karbi Anglong	50000	108000	19000	120000	297000
<b>Total</b>		<b>29,00,000</b>	<b>40,00,000</b>	<b>29,00,000</b>	<b>20,80,000</b>	<b>118,80,000</b>

Source: Departmental record/information.

**Appendix-2.10**

{Reference to paragraph-2.2.5.15(B)}

**Selected district-wise administrative costs received from the SNO, Assam and UCs submitted**

Sl. No.	SNO, Assam/ Selected Districts	Administrative costs received (₹)	Expenditure incurred (₹)	Purpose	UCs submitted
1.	Baksa	5,12,500	4,12,000	NA	NA
2.	Barpeta	11,16,000	NA	NA	NA
3.	Bongaigaon	2,85,000	2,45,000	Payment of wages to DEOs for uploading beneficiaries' data	2,45,000
4.	Darrang	4,46,000	1,00,000	Procurement/printing of application and declaration forms	1,00,000
5.	Dhubri	4,95,000	3,95,000	-	3,95,000
6.	Dibrugarh	3,69,000	14,670	Printing	14,670
7.	Goalpara	3,66,000	1,00,000	Paid to M/s Ganapati Enterprise, Goalpara for uploading beneficiaries' data in the PM-KISAN portal.	Nil
8.	Jorhat	2,68,000	Nil	-	Nil
9.	Kamrup Metro	1,00,000	Nil	-	Nil
10.	Kokrajhar	3,64,000	2,84,000	Cost of uploading beneficiaries' data	2,84,000
11.	Sonitpur	3,14,000	1,74,000	NA	1,74,000
<b>Total</b>		<b>46,35,500</b>	<b>17,24,670</b>		<b>12,12,670</b>

Source: Departmental record/information.



**Appendix-2.11**  
{Reference to paragraph-2.3.1}

**Status of work for the 13 test-checked project**

Sl. No.	NESIDS	Name of the Division	Estimated cost (₹in crore)	Contract cost (₹in crore)	Date of work order	Stipulated date of completion	Physical Progress (in per cent)	Up-to-date payment (₹in crore)	Status of work
1	Construction of Double Lane Road from Lanka to Umrangso via Diyungmukh, Haflong Tinali and Panimur	Umrangso NEC Division,	227.17	250.69	15.02.2020 08.10.2021 (Revised)	14.02.2022 31.07.2022 (Revised)	60	124.46	Work in progress
2	Construction of RCC Bridge No. 3/1 over River Dikhow at Chiripuria Ghat along with road from Chiripuria via Ajanpeer Dorgarh road to NH-37 in Assam	Sivasagar & Thowra Territorial Road Division	17.99	16.90	25.02.2020	24.08.2021	69	11.04	Work in progress
3	Construction of RCC Bridge over river Aie Powali including approach and protection work	Chirang (R&B) Division	69.74	69.74	22.02.2019	12.09.2021	70	43.07	Work in progress
4	Construction of three lane Road over Bridge at Jorhat in replacement of Railway LC Gate No. ST-58 on Naali during 2018-19	Jorhat Titabor & Dergaon Territorial Road Division	67.76	81.28	27.02.2019	26.02.2021	78	42.63	Work in progress
<b>NLCPR</b>									
5	Construction of Digheeripar Bardoulguri Barachuba road from Ch 0.00 Km to Ch.4.120 Km and from Ch. 4.560 Km to 10.100 Km (Length 9.660 Km) including Cross Drainage Works Under NLCPR in Assam.	Sipajhar & Kalaigaon TRD, Sipajhar	11.42	11.11	14.02.2019	13.02.2021	100	10.28	Completed
6	Construction of two lane RoB in between Barpeta Railway Station and Sarupeta Railway Station replacing L.C. gate No.SK-37 at Barpeta District under NLCPR	Sorbhog & Jania TRD, Barpeta Road	35.40	42.11	29.10.2018	31.10.2020	84	15.71	Work in progress
7	Construction of Road from NH-31 to Kashipur Suplekuchi via Purbaharati	Nalbari Dist. TRD, Nalbari	5.63	4.87	25.10.2017	24.10.2019	37	0.80	Foreclose

Sl. No.	NESIDS	Name of the Division	Estimated cost (₹in crore)	Contract cost (₹in crore)	Date of work order	Stipulated date of completion	Physical Progress (in per cent)	Up-to-date payment (₹in crore)	Status of work
8	Improvement of Udalguri Sapekhaity Bhakatpara Road in Udalguri Rural Road Division Under NLCPR in Assam	Udalguri (R&B) Division	31.03	31.03	23.06.2017	22.06.2019	100	27.85	Completed
9	Construction of RCC Bridge No. 9/1 on Mancotta Khamtighat road along with approaches and Protection work and strengthening of damaged road pavement from Ch. 8308.00 m to Ch 32600.00 m via Saraighat Bridge up to Bamunbari Tiniali connecting Moran Naharkatia Road (SH-27) under PWD, Dibrugarh Rural Road Division.	Dibrugarh, Lahowal, Moran & Tingkhong Territorial Road Division, Dibrugarh	13.87	15.24	21.09.2017	21.09.2019	100	13.84	Completed
10	Construction of Alternative Road to Kamakhya Temple at Guwahati in Kamrup (Metro) District (Phase-1 restricted to Hill cutting and retaining wall) under NLCPR in Assam	Jalukbari & Hajo Territorial Road Division, Amingaon	13.85	13.85	01 09.2017	31.08.2019	100	13.85	Completed
11	Construction of Road from Subhajibhar to Uttar Ballamguri via Kumarshali at Bijni	Chiorang (R&B) Division, Kajalgaon	14.35	14.35	27.04.2017	27.04.2018	100	14.35	Completed
12	Construction of RCC Bridge No. 2/1 on the Road from NH-52 to Kuwaripukhuri via Fakirpara and RCC Bridge No. 7/1 on Nimtoli Kachomari Road including approach and protection work.	Mangaldoi & Dalgaon Territorial Road Division, Mangaldoi	4.96	4.85	16.11.2016	15.11.2018	100	3.87	Completed
13	Construction of Road from Bijni Subhajibhar road at village Nayapara No.2 to Kathalguri via Sanyasiguri including construction of RCC Bridge No. ½ over River Chara.	Chiorang (R&B) Division, Kajalgaon	3.96	3.45	12.07.2016	11.07.2018	100	3.45	Completed
<b>Total:</b>			<b>517.13</b>					<b>325.2</b>	

**Appendix-2.12**

{Reference to paragraph-2.3.4(a)}

**Extra cost on construction of Granular Sub Base (GSB) and Wet Mix Macadam (WMM)**

Items	As per Original sanctioned estimate/Turnkey Contract Agreement			As per revised estimate/Modified Turnkey Contract Agreement			Additional excess quantity considered (in cum)	Rate by allowing 10 per cent below the estimated rate (₹)	Amount of avoidable extra expenditure (₹)
	Chainage	Dimension (in m)	Quantity (in cum)	Chainage	Dimension (in m)	Quantity (in cum)			
GSB	Ch. 1,200.00m to Ch. 12,700.00m (Bridge Gap - 38.50m)	2 x 11,461.50 m x 0.750 m x 0.210 m	3,610.37	For entire Chainage excluding Bridge Gap	1 x 67,342.5 m x 7.7 m x 0.200 m	<b>1,03,707.45</b>	78,643.69	3,384.819	26,61,94,656
	Ch. 12,700.00m to Ch. 16,000.00m	1 x 3,300 m x 7 x 0.210 m	4,851.00						
	Ch. 16,000.00m to Ch. 68,915.00m (Bridge Gap - 208.40m)	2 x 52,706.00 m x 0.750 m x 0.210 m	16,602.39						
	<b>Total:</b>		<b>25,063.76</b>						
WMM	For entire Chainage excluding Bridge Gap	1 x 67,321.1 m x 7.00 m x 0.250 m	1,17,811.93		1 x 67,342.5 x 7.20 x 0.250	1,21,216.50	3,404.57	3,955.212	1,34,65,796
<b>Total avoidable extra expenditure:</b>									<b>27,96,60,452</b>

**Appendix-2.13**

{Reference to paragraph-2.3.4(b)}

**Cost for 8.6 Km of road length in Hojai District**

Item description	Amount as per revised estimate for 68.915 Km (in ₹)	Item description	Amount as per revised estimate for 8.6 Km (Hojai District portion) (in ₹)
Site Clearance	41,44,783	Site Clearance	5,17,233
Earth work in Formation	13,62,09,529	Earth work in Formation	1,69,97,779
Sub Bases & Bases (Non-Bituminous)	113,30,08,755	Sub Bases & Bases (Non-Bituminous)	14,13,89,760
Bases and Surface Courses (Bituminous)	60,91,35,625	Bases and Surface Courses (Bituminous)	7,60,14,893
Miscellaneous Items (traffic Signage)	6,20,87,572	Rotary wall at Lanka Bazar	2,59,465
		RCC Road lane Divider at Ch 0.00 m to Ch.1,500.00 m (at Lanka Bazar)	2,56,02,000
Slope Protection Works and Side Drain	16,11,28,528	900 m RCC open drain at Forest Bazar @₹9,898 Per RM	89,08,200
		RCC covered drain 1,000 m @₹11,646 Per RM	1,16,46,000
		40 m retaining wall @₹25,663 Per RM	10,26,520
Cross Drainage Works	6,22,38,532	2 RCC Box Cell Culvert of size 1 x 2.0 m x 2.0 m @₹27,60,6850	55,21,370
		One RCC Box Cell Culvert of size 1 x 3.0m x 3.0m @₹42,67,312	42,67,312
		One Hume pipe Culvert 1,000 mm Dia	2,76,626
Bridge Works	6,03,46,147	RCC Bridge 12.00 m at Ch. 6,569 m	1,01,93,577
		RCC Bridge 12.00 m at Ch 8,523.00m	1,01,25,774
Cost for Panimur Tourist Area Development	1,24,94,053		0
<b>Total:(A)</b>	<b>224,07,93,524</b>		<b>31,27,46,509</b>
		<i>Bare cost as per contractor's bid i.e., 10 per cent below</i>	28,14,71,858
<b>Add Hill Premium @ 10 per cent on Total (A)</b>	<b>22,40,79,352</b>		<b>3,12,74,651</b>
		<i>Effective Hill Premium as per contractor's bid i.e., 10 per cent below</i>	2,81,47,186
<b>Total:(B)</b>	<b>2,46,48,72,876</b>		<b>34,40,21,160</b>
GST (12 per cent)	29,57,84,745		4,12,82,539
Labour cess (1 per cent)	2,46,48,729		34,40,212
Preparation of RCC bridge design	1,23,744	RCC bridge 02 nos. (12x2x@2,400)	57,600
<b>Total:(C)</b>	<b>2,78,54,30,094</b>		<b>38,88,01,511</b>
Quality control 0.5 per cent on Total (B)	1,23,24,364		17,20,106
<b>Total:(D)</b>	<b>2,79,77,54,458</b>		<b>39,05,21,617</b>
Contingency 0.5 per cent on Total (D)	1,39,88,772		19,52,608
<b>Revised Project Cost</b>	<b>2,81,17,43,230</b>		<b>39,24,74,224</b>
Less Contractor quoted 10 per cent below	27,85,43,009		3,92,47,422
<b>Revised Tender Cost</b>	<b>250,68,87,085</b>		<b>35,32,26,801</b>

**Appendix-2.14**  
{Reference to paragraph-2.4.2.1.1}

**Technical bid evaluation of Package 1 to 9**

(₹ in lakh)

Pkg No.	Name of the contractor	Package Value	Earnest Money/ Bank Guarantee (2% of the Package value)	Earnest Money/ Bank Guarantee deposited	Minimum annual turnover during last five years (1.5 times of the Package value)	Annual turnover submitted by Contractor	Value of similar work executed as prime contractor in any year of last 3 (three) years (25% of the Package value)	Value of similar work executed as prime contractor in any year of last 3 (three) years submitted by Contractor	Liquid assets or availability of credit facility (50% of the Package value)	Liquid assets or availability of credit facility submitted by Contractor	Evaluation made by DTC and declared Qualified/ Unqualified	Whether Qualified/ unqualified as per ITB (Condition of Contract)
1	Arunudoy Construction Co. (P) Ltd.	2,367.42	47.35	47.42	3,551.13	7,618.08	591.85	4,048.15	1,183.71	10,000.00	Qualified	Qualified
1	Bhartia Infra Projects Ltd.	2,367.42	47.35	47.42	3,551.13	27,082.52	591.85	10,291.00	1,183.71	5,900.00	Qualified	Qualified
1	Kandarpa Kr. Pegu	2,367.42	47.35	25.00	3,551.13	3,704.55	591.85	649.20	1,183.71	1,200.00	Qualified	Unqualified
1	M/S N.E. Agency	2,367.42	47.35	47.42	3,551.13	1,558.48	591.85	3,817.89	1,183.71	10,000.00	Qualified	Unqualified
1	M/S Yuma Builders Pvt. Ltd.	2,367.42	47.35	50.00	3,551.13	589.71	591.85	589.71	1,183.71	1,200.00	Qualified	Unqualified
1	Ramsagar Prashad	2,367.42	47.35	25.00	3,551.13	533.86	591.85	571.10	1,183.71	1,200.00	Qualified	Unqualified
1	Subrata Ghosh	2,367.42	47.35	240.00	3,551.13	100.01	591.85	19.75	1,183.71	120.00	Qualified	Unqualified
2	Arunudoy Construction Co. (P) Ltd.	2,357.54	47.15	47.42	3,536.31	7,618.08	589.39	4,048.15	1,178.77	10,000.00	Qualified	Qualified
2	M/S M.P. Agarwalla	2,357.54	47.15	47.42	3,536.31	4,811.89	589.39	1,652.00	1,178.77	1,200.00	Qualified	Qualified
2	M/S N.E. Agency	2,357.54	47.15	47.42	3,536.31	1,558.48	589.39	3,817.89	1,178.77	10,000.00	Qualified	Unqualified
2	M/S Samco Constructions Co.	2,357.54	47.15	47.42	3,536.31	3,575.21	589.39	866.81	1,178.77	2,000.00	Qualified	Qualified

Pkg No.	Name of the contractor	Package Value	Earnest Money/ Bank Guarantee (2% of the Package value)	Earnest Money/ Bank Guarantee deposited	Minimum annual turnover during last five years (1.5 times of the Package value)	Annual turnover submitted by Contractor	Value of similar work executed as prime contractor in any year of last 3 (three) years (25% of the Package value)	Value of similar work executed as prime contractor in any year of last 3 (three) years submitted by Contractor	Liquid assets or availability of credit facility (50% of the Package value)	Liquid assets or availability of credit facility submitted by Contractor	Evaluation made by DTC and declared Qualified/ Unqualified	Whether Qualified/ unqualified as per ITB (Condition of Contract)
2	Srinath Builders & Housing Co. (P) Ltd.	2,357.54	47.15	47.00	3,536.31	3,920.71	589.39	953.00	1,178.77	10,000.00	Qualified	Unqualified
3	Arunudoy Construction Co. (P) Ltd.	1,208.04	24.16	24.12	1,812.05	7,618.08	302.01	4,048.15	604.02	10,000.00	Qualified	Unqualified
3	Ashok Kumar Agarwalla	1,208.04	24.16	24.00	1,812.05	1,161.96	302.01	1,158.78	604.02	650.00	Qualified	Unqualified
3	M/S N.E. Agency	1,208.04	24.16	28.37	1,812.05	1,558.48	302.01	3,817.89	604.02	10,000.00	Qualified	Unqualified
3	Murarilal Bansal	1,208.04	24.16	25.00	1,812.05	1,519.05	302.01	696.89	604.02	610.00	Qualified	Unqualified
3	Ramsagar Prasad	1,208.04	24.16	12.20	1,812.05	533.86	302.01	571.10	604.02	650.00	Qualified	Unqualified
3	Srinath Builders & Housing Co. (P) Ltd.	1,208.04	24.16	24.00	1,812.05	3,920.71	302.01	953.00	604.02	10,000.00	Qualified	Unqualified
4	M/S Northern Gases	637.35	12.75	12.60	956.03	2,114.80	159.34	1,720.98	318.68	2,500.00	Qualified	Unqualified
4	Muhi Borgohain	637.35	12.75	6.32	956.03	102.06	159.34	108.53	318.68	350.00	Qualified	Unqualified
4	Rudra Pegu	637.35	12.75	6.32	956.03	960.46	159.34	608.22	318.68	350.00	Qualified	Unqualified
4	Rupam Gogoi	637.35	12.75	6.30	956.03	NA	159.34	79.54	318.68	700.00	Unqualified	Unqualified
4	S.A. Enterprise	637.35	12.75	12.60	956.03	657.08	159.34	430.00	318.68	Bank certificate	Qualified	Unqualified
4	Srinath Builders & Housing Co. (P) Ltd.	637.35	12.75	12.60	956.03	3,920.71	159.34	953.00	318.68	10,000.00	Qualified	Unqualified
4	Subu Tachang	637.35	12.75	6.30	956.03	2,145.88	159.34	199.71	318.68	800.00	Qualified	Unqualified
5	Anil Saikia	362.41	7.25	3.62	543.62	208.90	90.60	268.67	181.21	500.00	Qualified	Unqualified
5	Kushal Das	362.41	7.25	3.62	543.62	NA	90.60	54.00	181.21	NA	Unqualified	Unqualified
5	M/S Northern Gases	362.41	7.25	7.20	543.62	2,114.80	90.60	1,720.98	181.21	2,500.00	Qualified	Unqualified
5	Muhi Handique	362.41	7.25	3.62	543.62	27.87	90.60	NA	181.21	180.63	Unqualified	Unqualified

Pkg No.	Name of the contractor	Package Value	Earnest Money/ Bank Guarantee (2% of the Package value)	Earnest Money/ Bank Guarantee deposited	Minimum annual turnover during last five years (1.5 times of the Package value)	Annual turnover submitted by Contractor	Value of similar work executed as prime contractor in any year of last 3 (three) years (25% of the Package value)	Value of similar work executed as prime contractor in any year of last 3 (three) years submitted by Contractor	Liquid assets or availability of credit facility (50% of the Package value)	Liquid assets or availability of credit facility submitted by Contractor	Evaluation made by DTC and declared Qualified/ Unqualified	Whether Qualified/ unqualified as per ITB (Condition of Contract)
5	Pranjal Gautam Paul	362.41	7.25	3.60	543.62	93.16	90.60	89.63	181.21	200.00	Qualified	Unqualified
5	Sidananda Kaman	362.41	7.25	3.62	543.62	162.94	90.60	85.05	181.21	500.00	Qualified	Unqualified
5	Ashok Choudhury	362.41	7.25	3.62	543.62	299.38	90.60	172.15	181.21	500.00	Qualified	Unqualified
6	Dianath Prasad	421.89	8.44	4.22	632.84	53.48	105.47	NA	210.95	100.00	Unqualified	Unqualified
6	Dilip Missong	421.89	8.44	4.22	632.84	58.53	105.47	12.01	210.95	211.00	Qualified	Unqualified
6	Harichand Sah	421.89	8.44	4.22	632.84	977.33	105.47	414.71	210.95	800.00	Qualified	Unqualified
6	Lakhiram Borah	421.89	8.44	4.40	632.84	163.30	105.47	507.42	210.95	100.00	Unqualified	Unqualified
6	Nip Konwar	421.89	8.44	4.20	632.84	89.06	105.47	125.75	210.95	211.11	Qualified	Unqualified
7	B.K. Todi	512.78	10.26	11.40	769.16	3,101.68	128.19	NA	256.39	142.00	Unqualified	Unqualified
7	B.N. Garodia	512.78	10.26	11.40	769.16	1,892.03	128.19	529.00	256.39	800.00	Qualified	Qualified
7	Bitupon Doley	512.78	10.26	5.69	769.16	45.03	128.19	146.99	256.39	290.00	Qualified	Unqualified
7	Karli Gamli	512.78	10.26	5.69	769.16	NA	128.19	NA	256.39	800.00	Unqualified	Unqualified
7	Khagen Konch	512.78	10.26	5.69	769.16	293.85	128.19	658.50	256.39	285.00	Qualified	Unqualified
7	Lalit Kumar Agarwalla	512.78	10.26	11.40	769.16	1,363.93	128.19	283.92	256.39	285.00	Qualified	Qualified
8	Anil Borgohain	2,011.16	40.22	21.00	3,016.74	1,002.98	502.79	1,576.73	1,005.58	850.00	Qualified	Unqualified
8	Arunudoy Construction Co. (P) Ltd.	2,011.16	40.22	39.49	3,016.74	7,618.08	502.79	4,048.15	1,005.58	10,000.00	Qualified	Unqualified
8	Bimal Dutta	2,011.16	40.22	20.00	3,016.74	493.30	502.79	976.96	1,005.58	950.00	Unqualified	Unqualified
8	Punyadhar Kalita	2,011.16	40.22	19.75	3,016.74	468.32	502.79	218.53	1,005.58	1,000.00	Qualified	Unqualified
8	Shivam Transcon Pvt. Ltd.	2,011.16	40.22	39.00	3,016.74	7,753.63	502.79	10,291.21	1,005.58	1,000.00	Qualified	Unqualified
8	Someswar Das	2,011.16	40.22	20.00	3,016.74	617.99	502.79	227.08	1,005.58	1,000.00	Qualified	Unqualified
8	Srinath Builders & Housing Co. (P) Ltd.	2,011.16	40.22	39.00	3,016.74	3,920.71	502.79	953.00	1,005.58	10,000.00	Qualified	Unqualified

Pkg No.	Name of the contractor	Package Value	Earnest Money/ Bank Guarantee (2% of the Package value)	Earnest Money/ Bank Guarantee deposited	Minimum annual turnover during last five years (1.5 times of the Package value)	Annual turnover submitted by Contractor	Value of similar work executed as prime contractor in any year of last 3 (three) years (25% of the Package value)	Value of similar work executed as prime contractor in any year of last 3 (three) years submitted by Contractor	Liquid assets or availability of credit facility (50% of the Package value)	Liquid assets or availability of credit facility submitted by Contractor	Evaluation made by DTC and declared Qualified/ Unqualified	Whether Qualified/ unqualified as per ITB (Condition of Contract)
9	Ajoy Kr. Barman	933.17	18.66	9.22	1,399.76	19.45	233.29	90.00	466.59	Bank certificate	Qualified	Unqualified
9	Lalbabu Mahatu	933.17	18.66	10.00	1,399.76	159.66	233.29	118.55	466.59	500.00	Qualified	Unqualified
9	Muhi Borgohain	933.17	18.66	9.23	1,399.76	102.06	233.29	108.53	466.59	480.00	Qualified	Unqualified
9	Promod Borah	933.17	18.66	9.22	1,399.76	262.30	233.29	900.00	466.59	500.00	Qualified	Unqualified
9	Rupam Gogoi	933.17	18.66	9.00	1,399.76	NA	233.29	79.54	466.59	700.00	Unqualified	Unqualified
9	Satho Basumatary	933.17	18.66	9.30	1,399.76	418.96	233.29	118.48	466.59	922.18	Qualified	Unqualified
9	Srinath Builders & Housing Co. (P) Ltd.	933.17	18.66	18.00	1,399.76	3,920.71	233.29	953.00	466.59	10,000.00	Qualified	Unqualified
9	Tapas Saha	933.17	18.66	9.23	1,399.76	76.01	233.29	120.05	466.59	260.00	Unqualified	Unqualified

Source: Departmental records.



## Appendix-2.15

{Reference to paragraph-2.4.2.1.1}

## Technical bid evaluation Report of Package 1 to 9

Sl No.	Name of Contractor	Awarded Work_ Yes or No	Qty Awarded (turfig)	Qty Awarded (Earthwork)
1.	Ajoy Kr. Barman	No		
2.	Anil Bargohain	Yes	11400	52,863
3.	Anil Saikia	Yes	23262	1,04,663
4.	Arunudoy Construction Co. (P) Ltd.	No		
5.	Ashok Choudhury	Yes	8950	53,250
6.	Ashok Kumar Agarwalla	Yes	85937.5	5,14,725
7.	B.N. Garodia	No		
8.	Bhartia Infra Projects Ltd.	No		
9.	Bitupon Doley	Yes	9937.5	51,813
10.	Dilip Missong	Yes	10925	50,288
11.	Harichand Sah	No		
12.	Kandarpa kr. Pegu	Yes	126254	6,49,983
13.	Khagen Konch	No		
14.	Lalbabu Mahatu	Yes	31075	1,70,425
15.	Lalit Kumar Agarwalla	Yes	10125	53,463
16.	M/S M.P. Agarwalla	Yes	65725	3,89,663
17.	M/S N.E. Agency	Yes	43975	2,59,300
18.	M/S Northern Gases	No		
19.	M/S Samco Constructions Co.	Yes	29200	1,53,888
20.	M/S Yuma Builders Pvt. Ltd.	No		
21.	Muhi Borgohain	Yes	65858.5	3,64,126
22.	Murarilal Bansal	No		
23.	Nip Konwar	Yes	12440	61,760
24.	Pranjal Gautam Paul	Yes	31812.5	1,58,475
25.	Promod Borah	Yes	33237	1,55,650
26.	Punyadhar Kalita	Yes	26100	1,27,813
27.	Ramsagar Prashad	Yes	64425	4,13,188
28.	Rudra Pegu	Yes	31490	1,57,035
29.	S.A. Enterprise	Yes	46580	2,23,705
30.	Satho Basumatary	Yes	22337.5	1,06,425
31.	Shivam Transcon Pvt. Ltd.	No		
32.	Sidananda Kaman	Yes	30680	1,86,658
33.	Someswar Das	Yes	91187.5	4,36,125
34.	Srinath Builders & Housing Co. (P) Ltd.	Yes	80800	4,10,563
35.	Subrata Ghosh	Yes	17450	1,02,225
36.	Subu Tasang	Yes	32150	1,55,163

**Appendix-2.16**

{Reference to paragraph-2.4.2.1.2}

**Technical bid evaluation as per CS of Pkg. No.10, 11 and 12**

(₹ in crore)

Package No./ value of work	Name of contractor	Earnest Money/ Bank Guarantee (2% of the Package value)	Minimum annual turnover during last five years (1.5 times of the Package value)	Value of similar work executed as prime contractor in any year of last 3 (three) years (25% of the Package value)	Liquid assets or availability of credit facility (50% of the Package value)	Status of Technical qualification as per DTC	Value quoted by bidder	Status of final selection as per DTC	Eligibility as per conditions of contract
Package-10/ ₹95.57	<b>Qualifying Criteria</b>	<b>1.91</b>	<b>143.35</b>	<b>23.89</b>	<b>47.78</b>				
	Bhartia-Shivam JV	1.91	77.54	102.91	50.00	Not qualified	93.72	Not qualified	Not qualified
	Brahmaputra Infrastructure Ltd.	1.91	452.29	109.55	47.83	Qualified	95.66	L4	Qualified
	EKM-Ras Will PDA JV	1.91	143.46	USD 40,000	28.70	Qualified	95.33	L3	Not qualified#
	Yojaka (India) Pvt. Ltd	1.91	2,239.35	70.30	50.00	Qualified	93.09	L2	Qualified
	Flexituff- SA Enterprise JV	1.91	966.25	2.90	4,00.00	Qualified	92.93	L1	Not qualified
Package-11/ ₹90.06	<b>Qualifying Criteria</b>	<b>1.80</b>	<b>135.09</b>	<b>22.51</b>	<b>45.03</b>				
	Yojaka (India) Pvt. Ltd	1.80	2,239.35.	70.30	50.00	Qualified	87.63	L2	Qualified
	M/S Fibertex Nonwovens, M/S Geo Source, M/S Abhinav Engineer JV	1.80	1,650.00	3.11	2.00	Not qualified	87.57	Not qualified	Not qualified
	Bhartia-Shivam JV	1.80	77.53	102.91	50.00	Not qualified	88.21	Not qualified	Not qualified
	Flexituff- SA Enterprise JV	1.80	966.25	2.90	400.00	Qualified	87.42	L1	Not qualified
	EKM-Ras Will PDA JV	1.80	143.46	USD 40,000	56.92	Qualified	89.74	L3	Not qualified##

Package No./ value of work	Name of contractor	Earnest Money/ Bank Guarantee (2% of the Package value)	Minimum annual turnover during last five years (1.5 times of the Package value)	Value of similar work executed as prime contractor in any year of last 3 (three) years (25% of the Package value)	Liquid assets or availability of credit facility (50% of the Package value)	Status of Technical qualification as per DTC	Value quoted by bidder	Status of final selection as per DTC	Eligibility as per conditions of contract
	<b>Qualifying Criteria</b>	<b>0.74</b>	<b>55.76</b>	<b>9.29</b>	<b>18.59</b>				
Package-12/ ₹37.17	Yojaka (India) Pvt. Ltd	0.74	2,239.35	70.30	50.00	Qualified	38.81	L2	Qualified
	M/S Samco Constructions Co.	0.37	35.75	8.66	20.00	Qualified	37.17	L1	Not qualified
	Flexituff- SA Enterprise JV	0.74	966.25	2.90	400.00	Qualified	37.17	L1	Not qualified

# Bank Guarantee was not from Indian nationalised Bank and no joint venture registered agreement was submitted with bid document.

## Bank Guarantee was not from Indian nationalised Bank and no joint venture registered agreement was submitted with bid document.

**Appendix-3.1**

(Reference to paragraph-3.1)

**Department-wise details of budget provision and expenditure during 2020-22 in respect of General Sector**

Sl. No.	Department	Grant No. and Name	2020-21				2021-22			
			Budget provision		Expenditure		Budget provision		Expenditure	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
1.	Administrative Reforms and Training	22 – Administrative Training	15.93	20.22	10.97	2.92	18.73	10.27	10.27	5.05
2.	Border Protection and Development	50 – Other Special Areas Programme	5.83	65.45	1.15	56.19	3.33	74.10	1.42	72.48
3.	Election	4 – Election	363.70	35.75	347.59	23.76	161.54	12.56	137.12	10.66
4.	General Administration	12 – District Administration	545.17	107.17	332.70	56.15	528.54	157.35	448.86	90.47
		25 – Miscellaneous General Services and others	6907.94	377.50	2255.72	210.39	6278.24	1661.35	4819.68	1513.98
		47 – Trade Adviser	1.34	--	0.68	--	1.30	--	1.55	--
5.	Home and Political	14 – Police	4973.19	229.37	4102.59	35.29	5155.46	177.02	4317.16	142.15
		15 – Jails	97.41	19.00	71.09	0.78	93.05	20.11	77.25	15.19
		18 – Fire Services	161.99	74.37	139.17	32.88	163.67	44.62	152.37	28.90
		19 – Vigilance Commission & others	715.40	19.00	317.19	7.00	424.15	16.80	313.73	16.77
		20 – Other Administrative Services	287.54	4.98	256.46	0.20	295.59	9.61	265.68	2.52
6.	Judicial	3 – Administration of Justice	465.59	123.23	359.51	68.48	548.92	81.14	383.23	61.85
7.	Legislative	1 – State Legislature	89.19	53.85	67.32	23.79	100.36	77.69	93.81	42.91
8.	Governor's Secretariat	Head of State	11.82	--	7.38	--	11.68	--	8.81	--
9.	CM Secretariat	2 – Council of Ministers	14.83	--	5.41	--	17.84	--	9.50	--
10.	Panchayat and Rural Development	56 – Rural Development (Panchayat)	2217.45	0.95	1608.66	--	3016.81	1.60	1933.84	1.60
		57 – Rural Development	6394.37	38.00	3543.21	--	8020.14	0.00	3593.86	--
11.	Printing and Stationery	16 – Printing and Stationery	44.03	2.88	29.43	--	41.14	1.75	24.04	1.51
12.	Revenue and Disaster Management	6 – Land Revenue and Land Ceiling	370.18	3.80	291.16	1.38	422.13	4.00	369.62	3.32
		41 – Natural Calamities	2646.68	--	1250.59	--	2557.75	--	1246.47	--
		72 – Social Security and Welfare	19.02	--	11.87	--	15.21	--	14.71	--

Sl. No.	Department	Grant No. and Name	2020-21				2021-22			
			Budget provision		Expenditure		Budget provision		Expenditure	
			Revenue	Capital	Revenue	Capital	Revenue	Capital	Revenue	Capital
13.	Secretariat Administration	11 – Secretariat and Attached Offices	1204.47	23.85	981.20	0.09	981.73	4.80	696.75	--
14.	Information and Public Relations	35 – Information and Publicity	99.08	--	76.15	--	130.78	0.00	109.28	--
15.	Personnel	Public Service Commission	20.81	--	14.66	--	23.95	--	16.56	--
16.	Transformation and Development	45 – Census, Surveys and Statistics	54.80	2.85	33.53	--	45.98	1.20	31.38	1.20
		44 – North Eastern Council Schemes	4.79	1909.86	2.28	216.76	4.32	1382.38	--	502.35
17.	Urban Development	31 – Urban Development (Town and Country Planning)	780.19	--	490.02	--	946.38	--	605.62	--
		32 – Housing Schemes	6.51	--	4.91	--	5.67	--	5.46	--
		34 – Urban Development (Municipal Administration)	1500.35	4.21	358.32	0	1807.07	2.96	672.82	0.10
<b>Total</b>			<b>30019.6</b>	<b>3116.29</b>	<b>16970.92</b>	<b>736.06</b>	<b>31821.46</b>	<b>3741.31</b>	<b>20360.85</b>	<b>2513.01</b>
<b>Grand total (includes Charged)</b>			<b>33135.89</b>		<b>17706.98</b>		<b>35562.77</b>		<b>22873.86</b>	

### Appendix-3.2

(Reference to paragraph-3.2.7.5)

#### Manpower Position of GMDA

Sl. No.	Category of Post	Sanctioned Strength	Men in Position	Vacancy
1	Executive Engineer/Project Engineer	3	0	3
2	Assistant Town Planer	2	0	2
3	Assistant Executive Engineer	6	6	0
4	Accounts Officer	1	0	1
5	Assistant Accounts Officer	1	1	0
6	Administrative Officer	1	0	1
7	Assistant Engineer	18	2	16
8	Assistant Architect	2	0	2
9	Town Planning Assistant	3	3	0
10	Junior Engineer	15	1	14
11	Junior Engineer (Architecture)	3	0	3
12	Superintendent	0	1	(-) 1
13	Sr. Assistant	6	2	4
14	Jr. Assistant	25	7	18
15	Accounts Supervisor	1	0	1
16	Stenographer Grade-III	2	1	1
17	Supervisor Kanango	1	0	1
18	Mandal	5	0	5
19	Sectional Assistant	5	0	5
20	Driver	9	8	1
21	Daftary	1	1	0
22	Grade-IV	60	66	(-) 6

Source: Departmental records

**Appendix-3.3 (A)***(Reference to paragraph-3.2.8.1)***Details of collection and deposit of fees in respect of Shradhanjali Kanan Park w.e.f April 2014 to 09 January 2017**

Month	Opening balance	Total collection	Deposit	Balance
<b>Apr-14</b>	<b>1863389.00</b>	407300.00	0.00	2270689.00
May-14	2270689.00	381500.00	204400.00	2447789.00
Jun-14	2447789.00	367500.00	447300.00	2367989.00
<b>Jul-14</b>	2367989.00	651800.00	701351.00	2318438.00
Aug-14	2318438.00	412500.00	393900.00	2337038.00
<b>01-09-2014 (from 1/9/14 to 18/9/14)</b>	2337038.00	248500.00	1797603.00	787935.00
<b>01-10-2014 (from 19/9/14 to 31/10/14)</b>	787935.00	453500.00	508800.00	732635.00
Nov-14	732635.00	464000.00	409400.00	787235.00
Dec-14	787235.00	694000.00	600200.00	881035.00
<b>Jan-15</b>	881035.00	929694.00	914600.00	896129.00
Feb-15	896129.00	460700.00	400400.00	956429.00
Mar-15	956429.00	515320.00	411250.00	1060499.00
Total		<b>5986314.00</b>	<b>6789204.00</b>	<b>1060499.00</b>
<b>Apr-15</b>	1060499.00	392695.00	398700.00	<b>1054494.00</b>
May-15	1054494.00	389300.00	394300.00	1049494.00
Jun-15	1049494.00	343800.00	334500.00	1058794.00
<b>Jul-15</b>	1058794.00	665800.00	566800.00	1157794.00
Aug-15	1157794.00	473000.00	378900.00	1251894.00
Sep-15	1251894.00	393000.00	429200.00	1215694.00
<b>Oct-15</b>	1215694.00	348700.00	258100.00	1306294.00
Nov-15	1306294.00	459300.00	409500.00	1356094.00
Dec-15	1356094.00	602300.00	519800.00	1438594.00
<b>Jan-16</b>	1438594.00	700300.00	557000.00	1581894.00
Feb-16	1581894.00	579500.00	667740.00	1493654.00
Mar-16	1493654.00	467200.00	395100.00	1565754.00
Total		<b>5814895.00</b>	<b>5309640.00</b>	<b>1565754.00</b>
<b>Apr-16</b>	1565754.00	383200.00	308300.00	1640654.00
May-16	1640654.00	440100.00	542300.00	1538454.00
Jun-16	1538454.00	360800.00	334600.00	1564654.00
<b>Jul-16</b>	1564654.00	738200.00	596700.00	1706154.00
Aug-16	1706154.00	497300.00	474500.00	1728954.00
Sep-16	1728954.00	376400.00	512600.00	1592754.00
<b>Oct-16</b>	1592754.00	342600.00	341500.00	1593854.00
Nov-16	1593854.00	367700.00	368600.00	1592954.00
Dec-16	1592954.00	626000.00	579500.00	1639454.00
<b>01-01-2017 (up to 09/01/2017)</b>	1639454.00	371400.00	413200.00	1597654.00
Total		<b>4503700.00</b>	<b>4471800.00</b>	<b>1597654.00</b>
<b>Grand Total</b>		<b>18168298.00</b>	<b>16570644.00</b>	<b>1597654.00</b>

**Appendix-3.3 (B)**

(Reference to paragraph-3.2.8.1)

**Details of collection and deposit of fees in respect of Shradhanjali Kanan Park w.e.f 10 January 2017**

Month	Total Collection	Deposit as per GMDA register	Discrepancy
Jan-2017 (w.e.f 10/1/17)	312400	294800	
Feb-17	562500	585000	
Mar-17	399500	400500	
Apr-17	309100	265100	
May-17	360700	399200	
<b>Total</b>	<b>19,44,200</b>	<b>19,44,600</b>	<b>-400</b>
Jun-17	339900	338900	
Jul-17	851600	859100	
Aug-17	379900	374600	
Sep-17	331700	327000	
Oct-17	344090	262900	
Nov-17	348660	377030	
Dec-17	453650	462560	
Jan-18	505645	512640	
Feb-18	503840	521015	
<b>Total</b>	<b>40,58,985</b>	<b>40,35,745</b>	<b>23240</b>
Mar-18	556670	416420	
Apr-18	526890	652100	
May-18	482760	514080	
Jun-18	473710	475630	
Jul-18	855950	875060	
Aug-18	490290	370600	
Sep-18	365710	455370	
Oct-18	292340	303010	
Nov-18	357400	347920	
Dec-18	563250	483190	
Jan-19	674510	588930	
Feb-19	454180	688240	
Mar-19	456760	511810	
Apr-19	387080	385020	
May-19	327040	371720	
Jun-19	488010	419060	
Jul-19	876560	918020	
Aug-19	483900	521820	
Sep-19	321060	259440	
Oct-19	275020	219090	
Nov-19	307360	284170	
Dec-19	256850	0	
Jan-20	640480	278930	
Feb-20	320630	818460	
Mar-20	171150	265820	
Nov-20	108230	70240	
Dec-20	293320	502950	
Jan-21	393480	312410	
Feb-21	398000	251881	
Mar-21	262550	153380	
<b>Total</b>	<b>1,28,61,140</b>	<b>1,27,14,771</b>	<b>1,46,369</b>
<b>Grand Total</b>	<b>1,88,64,325</b>	<b>1,86,95,116</b>	<b>1,69,209</b>



### Appendix-3.4

(Reference to paragraph-3.2.10.1.8)

#### Details of component wise break-up of work stated to have been installed and actual position found at site

Sl. No.	Description of item as per break-up schedule	Found/not found at site
<b>Central Scada System for Water Supply</b>		
1.	PLC system with standalone with required DI, DO, AI – 1 no.	Found at site
2.	Control Panel with all Switch gear for PLC	Found at site
3.	Vehicle – 2 nos.	Not purchased
4.	Monitoring Screen	Found at site
5.	Operating System Software	
6.	Installation	All the items found at site were installed.
7.	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>Intake Pump House</b>		
1.	PLC system with standalone with required DI, DO, AI – 1 no.	Found at site
2.	Control Panel with all Switch gear for PLC	Found at site
3.	Communication system RTU for Flowmeter – 1 no.	Found at site
4.	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	Found at site
5.	Cable for data transfer & connection set	Found at site
6.	Ph analyser – 1 no.	Found at site
7.	Pressure Transmitter – 1 no.	Found at site (found in working condition) (reading-0.838kg/m <sup>2</sup> )
8.	Turbidity meter – 1 no.	Found at site (reading-115)
9.	Installation	All the items found at site were installed.
10.	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>Water Treatment Plant</b>		
1.	PLC system with standalone with required DI, DO, AI – 8 nos.	4 found at site (MODULE-1)
2.	Control Panel with all Switch gear for PLC	Found for 4 PLC system (MODULE-1)
3.	Open Channel Flowmeter – 2 nos.	1 no. found
4.	Rate of flow at filter bed – 16 nos.	8 nos. found
5.	Loss of head at Filter bed – 16 nos.	8 nos. found
6.	Ultrasonic level Transmitter – 1 no.	Not found at site
7.	Cable for data transfer & connection set	found at site
8.	Turbidity analyser – 1 no.	Found at site (Reading-6.9) (faulty reading as there was huge variation with the reading at Intake Well)
9.	Chlorine analyser – 1 no.	1 no. found at site
10.	Installation	All the items found at site were installed.
11.	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>WTP Clear Water Pump House</b>		
1	Ultrasonic Level Transmitter -1 no. at Sump	Found at site
2.	Pressure Transmitter – 3 nos.	Found at site
3.	Scanner for RTD signals – 6 nos.	Found at site
4.	Cable for data transfer & connection set	Found at site
5.	Communication system RTU for Flowmeter – 3 nos.	Found at site
6.	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	Found at site
7.	Turbidity analyser – 1 no.	Found at site (not working)
8.	Ph analyser – 1 no.	Found at site (not working)
9.	Installation	All the items found at site were installed.

Sl. No.	Description of item as per break-up schedule	Found/not found at site
10.	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>West Kamakhya Main Reservoir - 1</b>		
(a)	Communication system RTU for Flowmeter – 2 nos.	Not found at site
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	Found at site
(c)	Cable for data transfer & connection set	Not found
(d)	Ultrasonic Level Transmitter -1 no.	Found at site
(e)	Chlorine analyser – 1 no.	Not found
(f)	Pressure Transmitter – 2 nos.	Found at site. Not working
(g)	Installation	Complete installation yet to be done.
(h)	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>West Kamakhya Booster Pumping Station - 1</b>		
1.	PLC system with standalone with required DI, DO, AI – 1 no.	Required DI, DO, AI not found at site
2.	Control Panel with all Switch gear for PLC	Found at site
3.	Communication system RTU for Flowmeter – 1 no.	Found at site
4.	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	Found at site
5.	Cable for data transfer & connection set	Not found at site
6.	Pressure Transmitter – 1 no.	Not found at site
7.	Installation	Complete installation of all the items is yet to be made.
8.	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>Junction 3 Reservoir (Kamakhya Distribution Reservoir)</b>		
(a)	Cable for data transfer & connection set	Not found at site
(b)	Ultrasonic Level Transmitter -1 no.	Found at site
(c)	Installation	Complete installation is yet to be made.
(d)	Testing & Commissioning	No Report of testing and commissioning could be produced.
<b>Junction 4 (At Jalukbari Chariali)</b>		
(a)	Communication system RTU for Flowmeter – 2 nos.	None of the components as mentioned in Sl. No. (a) to (d) was found at Junction 4 (At Jalukbari Chariali).
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 2 nos.	
(e)	Installation	
(f)	Testing & Commissioning	
<b>Junction 5 (At Gotanagar Near NH)</b>		
(a)	Communication system RTU for Flowmeter – 2 nos.	None of the components as mentioned at Sl. No. (a) to (d) was found at site.
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 2 nos.	
<b>Junction 8 (At Satmile Near NH)</b>		
(a)	Communication system RTU for Flowmeter – 2 nos.	None of the components as mentioned at Sl. No. (a) to (d) was found at site.
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 2 nos.	
<b>Junction 10 (Near Godhuli Bazar)</b>		
(a)	Communication system RTU for Flowmeter – 2 nos.	

Sl. No.	Description of item as per break-up schedule	Found/not found at site
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	None of the components as mentioned at Sl. No. (a) to (d) was found at site.
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 2 nos.	
<b>Borjhar ESR J12</b>		
(a)	Communication system RTU for Flowmeter – 1 no.	None of the components as mentioned at Sl. No. (a) to (f) was found at site.
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 1 no.	
(e)	Chlorine Analyser – 1 no.	
(f)	Ultrasonic Level Transmitter -1 no.	
<b>Hill Top Kamakhya Reservoir (Bhubaneswari)</b>		
(a)	Communication system RTU for Flowmeter – 1 no.	None of the components as mentioned at Sl. No. (a) to (f) was found at site.
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 1 no.	
(e)	Chlorine analyser – 1 no.	
(f)	Ultrasonic Level Transmitter -1 no.	
<b>Ganeshpara Central-Durga Sarovar J-16</b>		
(a)	Communication system RTU for Flowmeter – 1 no.	There is no access to reach the reservoir as there is no approach road. However, as the grid line is not connected with the reservoir, thus installation of flow meter or the components as detailed in Sl. (a) to (f) does not arise.
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 1 no.	
(e)	Chlorine Analyser – 1 no.	
(f)	Ultrasonic Level Transmitter -1 no.	
<b>Ganeshpara East Boosting Pump Station-15</b>		
(a)	PLC system with standalone with required DI, DO, AI – 1 no.	None of the components as mentioned at Sl. No. (a) to (f) was found at site.
(b)	Control Panel with all Switch gear for PLC	
(c)	Communication system RTU for Flowmeter – 1 no.	
(d)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(e)	Cable for data transfer & connection set	
(f)	Pressure Transmitter – 1 no.	
<b>Junction 7 (Ganeshpara East Reservoir)</b>		
(a)	Communication system RTU for Flowmeter – 1 no.	None of the components as mentioned at Sl. No. (a) to (f) was found at site.
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	
(d)	Pressure Transmitter – 1 no.	
(e)	Chlorine Analyser – 1 no.	
(f)	Ultrasonic Level Transmitter – 1 no.	
<b>Distribution Main</b>		
(a)	Communication system RTU for Flowmeter – 33 nos.	The location of the components/items could not be located by official of M/s GECPL, as the locations were not specifically
(b)	Communication System UPS with 1 phase in/1 phase out for back up of above RTU	
(c)	Cable for data transfer & connection set	

Sl. No.	Description of item as per break-up schedule	Found/not found at site
(d)	Pressure Transmitter – 33 nos.	mentioned in the schedule of beak-up submitted by GMDA.
(e)	Installation	
(f)	Testing & Commissioning	
<b>For Distribution System</b>		
(a)	Communication System RTU at outlet of various SUGRS & ESRs for distribution network – 8 nos.	During Joint Physical Verification it was found that none of the components as mentioned in Sl. No. (a) and (b) is installed in Jalukbari SUGR, Ganeshpara Central SUGR, Ganeshpara East SUGR, Ganeshpara West SUGR, Bhubaneshwari, Borjhar ESR & Mirzapur ESR.

**Appendix-3.5**

(Reference to paragraph-3.2.10.1.12)

**Details of differences in length of pipes required, as per the distribution network map for the Kamakhya Distribution Zone and report of IIT, Guwahati PMC (M/s NJS)**

As per Design Drawing				Kamakhya Distribution Zone as per As-per report of IIT, Guwahati PMC (M/s NJS)					
Dia	Total length (meter)	Rate	Amount	Dia	Total length (meter) as per NJS and M/s GECPL (DMA-5 to 13)	Total length (meter) as per IIT Guwahati (DMA-1 to 4)	Total length (DMA-1 to 13) under Kamakhya Distribution Zone	Rate	Amount
100 mm	58391.93	1481.16	86487850.6	100 mm	38182.92	20965.95	59148.87	1481.16	87609000.58
150 mm	14235.43	2171.88	30917711.7	150 mm	9130.13	1320.35	10450.48	2171.88	22697236.95
200 mm	6019.47	2777.34	16718129.1	200 mm	4693.64	4281.48	8975.12	2777.34	24926981.06
250 mm	4301.96	3673.28	15802283.9	250 mm	258.51	274.54	533.05	3673.28	1958039.459
300 mm	16199.79	4676.14	75752445.5	300 mm	7798.95	3224.87	11023.82	4676.14	51548898.07
350 mm	7900.72	5881.31	46466583.6	350 mm	4122.52	92.09	4214.61	5881.31	24787427.95
400 mm	2835.95	7057.50	20014719.6	400 mm	2736.34	0.00	2736.34	7057.50	19311721.92
450 mm	538	8469.30	4556484.11	450 mm	0.00	0.00	0.00	8469.30	0
500 mm	974.49	9910.00	9657193.16	500 mm	1131.61	0.00	1131.61	9910.00	11214251.92
600 mm	1746.61	12907.04	22543569.8	600 mm	1777.70	0.00	1777.70	12907.04	22944849.75
700 mm	4861.75	12748.27	61978888.5	700 mm	280.38	3942.36	4222.74	12748.27	53832618.24
800 mm	96.08	14705.46	1412900.48	800 mm	0.00	103.00	103.00	14705.46	1514662.25
900 mm	80	19380.35	1550428.06	900 mm	0.00	88.44	88.44	19380.35	1713998.225
	<b>1,18,182.18</b>		<b>39,38,59,188</b>		<b>70,112.70</b>	<b>34,293.08</b>	<b>1,04,405.78</b>		<b>32,40,59,686.4</b>
<b>Difference</b>									<b>6,97,99,501.61</b>

Out of 34.29 kms, it was informed by IIT, Guwahati that only 33 kms were taken for verification due to some pending works in the pipes laid.





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