



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

**Report of the
Comptroller and Auditor General of India
on Welfare of Building and
Other Construction Workers
for the year ended 31 March 2022**



उत्तराखण्ड शासन

**Government of Uttarakhand
Report No. 6 of 2024
(Performance Audit - Civil)**

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Comptroller and Auditor General of India
on Welfare of Building and
Other Construction Workers
for the year ended 31 March 2022**

**Government of Uttarakhand
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Table of Contents			
Sl. No.	Description	Reference	
		Paragraph	Page No.
1.	Preface		v
2.	Executive Summary		vii
Chapter-1: Introduction			
3.	Organizational set-up	1.1	2
4.	Audit Objectives	1.2	2
5.	Audit Criteria	1.3	3
6.	Audit Scope and Methodology	1.4	3
7.	Constraints/Limitations	1.5	4
8.	Structure of the Report	1.6	4
Chapter-2: Registration of Establishments and Workers			
9.	Registration of Establishments (Construction Works)	2.1	5
10.	Low registration of Establishments	2.1.1	5
11.	Delay in registration of establishments	2.1.2	6
12.	Loss of revenue due to non-registration of establishments	2.1.3	7
13.	Registration of Construction Workers	2.2	7
14.	Inclusion of ineligible beneficiaries	2.2.1	7
15.	Exclusion of genuine construction workers	2.2.2	8
16.	System for registration of migrant labourers	2.2.3	8
17.	Registration services	2.2.4	8
18.	Quality of beneficiaries database	2.2.5	9
19.	Conclusion	2.3	9
20.	Recommendations	2.4	9
Chapter-3: Cess Collection, Transfer and Assessment			
21.	Cess Collection	3.1	11
22.	Cess not collected	3.1.1	11
23.	Short collection of cess	3.1.2	11
24.	Collection of cess in test checked cases	3.1.3	12
25.	Cess not deducted	3.1.4	12
26.	Comprehensive and updated rates not adopted for calculation of cess	3.1.5	12
27.	Delay in the transfer of cess by the development authorities	3.2	13
28.	Diversion of cess fund	3.3	13
29.	Cess fund of ₹ 1.49 crore diverted to Government Revenue	3.3.1	14
30.	Cess fund of ₹ 13.80 lakh diverted to UHUDA	3.3.2	14
31.	Cess fund of ₹ 1.76 crore diverted by MDDA	3.3.3	14
32.	Cess Assessment	3.4	14
33.	Non-compliance with the BOCW Act and Rules made thereunder in the performance of duties as assessing officers	3.4.1	14
34.	Recovery after Assessment	3.4.2	15
35.	Assessment after 05 to 10 years from completion of construction	3.4.3	15

Sl. No.	Description	Reference	
		Paragraph	Page No.
36.	Inaccurate and short assessment	3.4.4	16
37.	Poor maintenance of cess records	3.5	17
38.	Conclusion	3.6	17
39.	Recommendations	3.7	18
Chapter-4: Compliance with Health, Safety Norms and Inspection			
40.	Occurrence of incident on construction site	4.1	19
41.	Reporting of incidents and provision of financial assistance in case of onsite injury and loss of life	4.1.1	19
42.	Failure to provide medical facility	4.2	20
43.	Establishment inspections	4.3	20
44.	Inspection System	4.4	20
45.	Absence of compliance regarding working conditions, health and safety norms on construction site	4.5	21
46.	Conclusion	4.6	23
47.	Recommendations	4.7	23
Chapter-5: Implementation of Welfare Measures			
48.	Details of expenditure on schemes	5.1	25
49.	Deficient implementation of welfare schemes	5.2	26
50.	Marriage Assistance Scheme	5.2.1	26
51.	Excess payment of ₹ 7.19 crore	5.2.1.1	26
52.	Benefits provided without ensuring eligibility	5.2.1.2	27
53.	Delay in delivering benefits	5.2.1.3	27
54.	After Death Assistance	5.2.2	27
55.	Maternity Benefit (Prasuti Scheme)	5.2.3	27
56.	Cycle Scheme	5.2.4	28
57.	Toolkit Scheme	5.2.5	29
58.	Ration Kit Scheme	5.2.6	29
59.	Old Age Pension & Disability Pension	5.2.7	31
60.	Other issues in the implementation of schemes	5.3	31
61.	Household items provided against the order of GoI	5.3.1	31
62.	Distribution of articles even after restriction	5.3.1.1	32
63.	Scheme benefits of ₹ 240.82 crore provided without using DBT framework	5.3.2	32
64.	Benefits against the Hon'ble Supreme Court Order	5.3.3	33
65.	Conclusion	5.4	33
66.	Recommendations	5.5	33
Chapter-6: Governance and Management Issues			
67.	Receipt and Expenditure of cess	6.1	35
68.	Budget, Accounts and Audit	6.2	35
69.	Budget expended without sanction	6.2.1	35
70.	Improper maintenance of Books of Accounts	6.2.2	35
71.	Annual Accounts	6.2.3	36
72.	Accounts were not audited	6.2.4	36
73.	Social Audit not conducted	6.2.5	36
74.	Irregular Expenditure	6.3	37
75.	Irregular expenditure of ₹ 28.61 crore on GIS Survey	6.3.1	37

Sl. No.	Description	Reference	
		Paragraph	Page No.
76.	Wasteful expenditure on Identity Card	6.3.2	38
77.	Rules framed against the spirit of the Act	6.4	38
78.	Inconsistency of Rules with the spirit of BOCW Act	6.4.1	38
79.	Government Order (GO) inconsistent with the Act	6.4.2	38
80.	Limited Resources of Manpower	6.5	39
81.	Ineffective Grievances redressal system	6.6	40
82.	Non-functional Committees	6.7	40
83.	Other Issues	6.8	40
84.	Irregular expenditure on Workers Facility Centre	6.8.1	40
85.	Discharge of mandated roles and responsibilities	6.9	41
86.	Conclusion	6.10	42
87.	Recommendations	6.11	43

Appendices			
Appendix No.	Particulars	Reference	
		Paragraph	Page No.
1.1	Uttarakhand Building and Other Construction Workers Welfare Board	1.1	45
1.2	Records that were not produced by the entities	1.5	46
2.1	Joint Inspection list of 19 establishment conducted by Audit	2.2.2, 2.2.3, 4.5	47
2.2	Analysis of data of registered workers during 2017-22 in Dehradun and Udham Singh Nagar	2.2.5	49
3.1	Details of approved building plans having covered area zero	3.1.1	51
3.2	Details of scrutiny of test checked approved Map	3.1.3	52
3.3	Details of plinth area rate for computation of cess as per Uttarakhand GO (December 2016)	3.1.5	53
3.4	Details of diverted cess fund of ₹ 1.49 crore to Government revenue	3.3.1	54
6.1	Details of officer and officials appointed at UKBOCW Board	6.5	55
6.2	Details of Workers Facilitation Centre not established within scheduled period	6.8.1 (v)	56

Preface

This Report of the Comptroller and Auditor General of India for the year ended 31 March 2022 has been prepared for submission to the Governor of the State of Uttarakhand under Article 151 (2) of the Constitution of India.

The Report contains significant results of Performance Audit of **“Welfare of Building and Other Construction Workers”** in Uttarakhand conducted in terms of the Comptroller and Auditor General of India (Duties, Powers and Conditions of Services) Act, 1971.

The audit has been conducted in conformity with the Auditing Standards issued (March 2017) by the Comptroller and Auditor General of India.

Executive Summary

Executive Summary

About this Report

This Report has been prepared keeping in view of the implementation of both the Acts 'Building and Other Construction Workers Act (the BOCW Act)' and 'BOCW Welfare Cess Act, 1996' in Uttarakhand State. The performance audit of the Welfare of Building and Other Construction Workers in Uttarakhand has been carried out during 2022-23, covering the period 2017-22.

Why have we prepared this Report now?

Building and Other Construction Workers cover a huge segment of the unorganised labour in India. Their work is of a temporary nature, the relationship between the employer and the employee is temporary and working hours are uncertain. Risk to life and limb is also inherent. Given the circumstances, the Building and Other Construction Workers Act (the BOCW Act) was enacted in 1996 to regulate employment, safety, health, welfare and conditions of service. To ensure sufficient funds for welfare measures, the cess was provided in the Building and Other Construction Workers Welfare Cess Act 1996.

In this context, we conducted the performance audit to assess whether the Uttarakhand Building and Other Construction Workers (UKBOCW) Welfare Board and its implementing agencies in the State were discharging their responsibility effectively and efficiently toward the welfare and safety of registered building construction workers under the provision of the Act and Rules made thereunder.

What has been covered in this audit?

To examine the implementation of the Welfare of Building and Other Construction Workers, we have covered district offices of the Labour Department which have been given the responsibility of registration of establishment and workers, collection and assessment of cess and inspection of establishment. The Board, which is responsible for administration, investment of funds, formulation of schemes and disbursement of benefits to beneficiaries; the cess deductors who deduct the BOCW Welfare Cess at source from the running bills of the contractors and the cess collectors who collect cess at the time of passing of the building plans have also been covered.

What have we found and what do we recommend?

We found lapses, in the registration of establishments and construction workers, collection of cess and implementation of welfare schemes, as detailed below:

- ❖ On review of records and conducting joint physical verification, Audit observed that the registration of establishments was grossly incomplete. No mechanism existed for regular monitoring of construction activities going on in the State.

(Paragraph 2.1)

- ❖ After examining the records and conducting joint physical verification as well as beneficiary survey, Audit observed that the registration of the construction workers was incomplete and had errors of wrong exclusion and inclusion. The Board did not carry out any exercise for the identification of construction workers.

(Paragraph 2.2)

- ❖ To augment funds for welfare measures, the department failed to formulate a comprehensive and updated formula for the collection and assessment of cess.

(Paragraph 3.1.5)

- ❖ The Board failed to provide periodical status of cess details due to non-reconciliation of cess with involved agencies in the State.

(Paragraph 3.6)

- ❖ District offices of the Labour Department did not conduct the inspection of the construction sites regarding wages, working conditions, safety, health and welfare of building workers.

(Paragraphs 4.2, 4.3 & 4.5)

- ❖ Implementation of scheme was deficient owing to excess payment, benefits without ensuring eligibility, delay in delivery of benefits and without using DBT and irregular procurement and distribution of articles without requisite approval of the State Government.

(Paragraph 5.2.1 to 5.2.6)

- ❖ The Board did not prepare the database of the registered beneficiaries regarding Old Age Pension fulfilling the eligibility of 10 years' registration & Disability Pension in case of disability due to accident. No registered workers were covered under both the pension schemes in the State.

(Paragraph 5.2.7)

- ❖ Poor financial management of the Board was noticed as it did not prepare and submit its budget showing estimated receipt and expenditure for the financial year between 2017-18 and 2021-22. As a result, the Board expended ₹ 607.09 crores during the said period without consent of the Government.

(Paragraph 6.2.1)

- ❖ The Board had no organizational structure for different levels of posts and their mode of recruitment. Overall 42 to 54 *per cent* posts in the district offices of the labour department, for enforcement of the BOCW welfare scheme smoothly in the State, were continuously vacant. It adversely affected the registration of establishments, registration of construction workers and implementation of the schemes.

(Paragraph 6.5)

Recommendations

To improve the implementation of the scheme, the State Government may consider the following recommendations:

- 1. Government should ensure registration of all Government construction works through mechanism whereby award of contract or payment of first bill is carried out after confirming the registration. Suitable action should be taken in cases of non-compliance.***

2. *The Board should ensure to cross-verify the registration of workers based on affidavit/self-declaration.*
3. *The Board should ensure that its beneficiaries' database includes authenticated aadhaar number and validated bank account number and this database should be periodically updated to maintain accuracy.*
4. *Government should formulate a comprehensive and updated rate for deriving cost of construction and cess as accurately as possible.*
5. *Recovery of outstanding cess by concerned authorities and timely transfer of collected cess to the Welfare Board should be ensured through proper monitoring.*
6. *The Board may establish a mechanism whereby the cess amount is directly credited into its bank accounts by the Development Authority and ensure the submission of monthly reconciliation statements by the Development Authorities.*
7. *The UKBOCW Welfare Board should devise a procedure for reporting of occurrence of accidents at construction sites and provide immediate assistance to workers in case of loss of life or injury.*
8. *The Labour Department should conduct effective and comprehensive inspections to ensure health, safety and working conditions at construction sites with adequate and prompt follow-up. Penalty for non-compliance need to be imposed on employers.*
9. *The Board should deliver benefits as per the existent orders with requisite approvals and using DBT.*
10. *The government should ensure proper coverage of registered workers under social security schemes of health and life insurance. Convergence with the schemes of other departments can also be explored.*
11. *The Board should focus on spreading awareness about welfare schemes among construction workers through Information, Education and Communication (IEC) activities.*
12. *The UKBOCW Welfare Board should submit its annual accounts timely and ensure to get it audited.*
13. *The ID cards issued by the Board to registered workers should contain Unique Identification Number integrated with Aadhaar linked bank account to facilitate effective delivery of welfare measures.*
14. *Government should initiate suitable action against officials who failed to discharge mandated roles and responsibilities in accordance with the Acts and rules made thereunder.*
15. *Government should ensure proper reconciliation of financial statements of the Board and fix the responsibility for financial irregularities due to non-reconciliation of account transaction between the Bank and the Board.*

Chapter-1

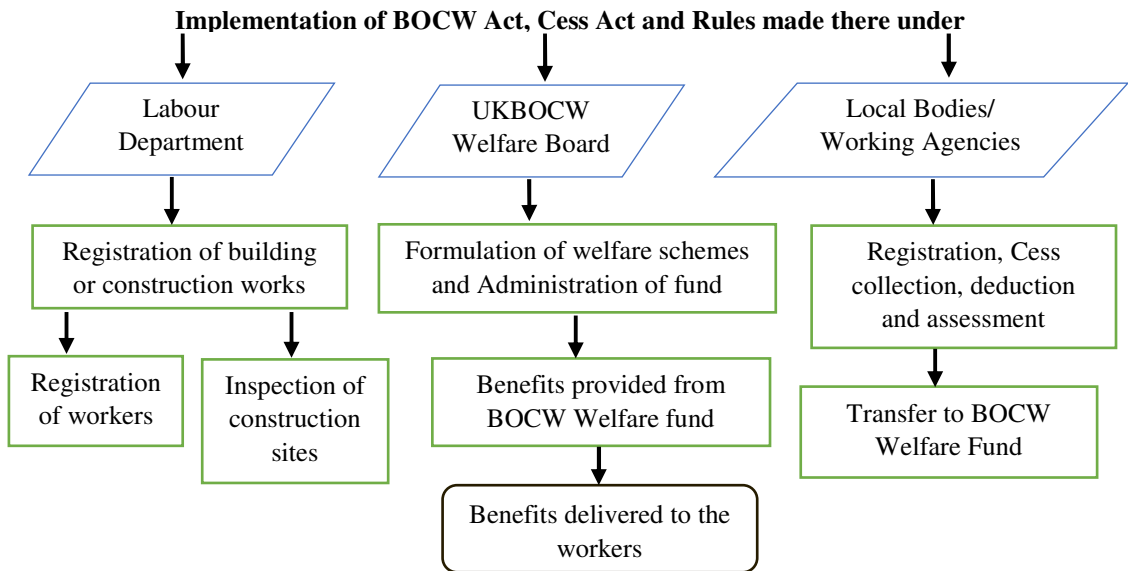
Introduction

Chapter-1

Introduction

The Building and Other Construction Workers (Regulation of Employment and Condition of Service) Act (the BOCW Act) came into existence in 1996 to regulate workers' employment, their safety, health and welfare measures and for other matters connected therewith or incidental thereto. In October 2005, the Uttarakhand Government constituted the Building and Other Construction Workers (BOCW) Welfare Board to implement welfare schemes for construction workers in the State. The Board provided benefits under 17 welfare schemes between 2017-22, however, a composite Model Scheme¹ was formulated under the directions of the Hon'ble Supreme Court in March 2018. According to the order of the Hon'ble Supreme Court, only workers employed in registered establishments are entitled to get any benefits under the BOCW Act.

Process Chart



To ensure availability of sufficient funds for welfare measures, the cess is levied at one *per cent* on the cost of construction incurred by an employer as per the provision of the Building and Other Construction Workers Welfare Cess Act 1996 (the BOCW Welfare Cess Act). The exception made for the collection of cess is only in respect of individual residential houses² with a construction cost not exceeding ₹ 10 lakh. Further, every employer³ shall make an application to registration authorities⁴ for registration of construction work within 60 days of its commencement.

¹ Model Scheme consists of seven schemes with defined financial criteria and a time frame for delivery of benefits. These schemes are Life and disability cover, health and Maternity cover, Education, Housing, Skill Development, Awareness Programme and Pension.

² Not for commercial and Government construction works.

³ Employing 10 or more workers on any day during construction.

⁴ As depicted in Table-1.1.

Besides this, every building worker engaged in building and construction work for at least 90 days in the preceding 12 months and falling within the age range of 18 to 59 years is eligible for registration with the Board for obtaining any benefit of welfare schemes. Once registered, a building and construction worker will contribute to the cess fund with an amount per month as prescribed by the State Government until reaching the age of 60 years. Further, as per Model Welfare guidelines, registered workers are entitled to get pension in case they have been registered for at least 10 years in the Board.

1.1 Organizational set-up

The Secretary Labour is the administrative head of the Department and is responsible for the due implementation of the BOCW Act. The administrative department has the responsibility to oversee the activities of the BOCW Welfare Board and to ensure that the accounts are finalized and adopted by the Board within the stipulated period.

The State Government has constituted a Board to be known as the Uttarakhand Building and Construction Workers (UKBOCW) Welfare Board to exercise the powers conferred on and perform the functions assigned to it under BOCW Act. The Board consists of 12 members, including the Chairman. The Board appoints Secretary who acts as the Chief Executive Officer of the Board. The Board Secretary also exercises administrative and financial powers delegated by the Board. The organizational structure concerning the function of the Board in the State is given in *Appendix-1.1*.

Details of designated authorities for implementation of the BOCW Act, the Cess Act and Rules made thereunder are given in **Table-1.1**.

Table-1.1: Details of designated authorities

Authority	Department	Functions of the Authority
Deputy Labour Commissioner, Assistant Labour Commissioner	Labour Department	(i) Registration of beneficiaries and establishment (ii) Assessing Officers (iii) Responsible for Welfare of beneficiaries and delivery of benefits (iv) Cess collecting authority (iv) Inspecting authority
Secretary Development Authority	Development Authority	(i) Cess collector (ii) Cess assessing authority
Assistant Engineer	Development Authority	Registration of Establishments
Executive Engineer	Working Agencies	Cess deductor
Assistant Engineer	Working Agencies	Registration of Establishments

1.2 Audit Objectives

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

- i. There was an effective system for registration of establishments and beneficiaries.
- ii. The Government implemented a transparent and effective system of inspections to check evasion of Labour cess and compliance with health and safety norms by Employers.

- iii. Cess assessment, collection and transfer of collected cess to the Fund as well as administration and utilization of funds for the implementation of the welfare scheme was efficient and effective as per the Act and Rules made thereunder.
- iv. The Rules notified by the Government under the Act are consistent with the spirit of the BOCW Act.

1.3 Audit Criteria

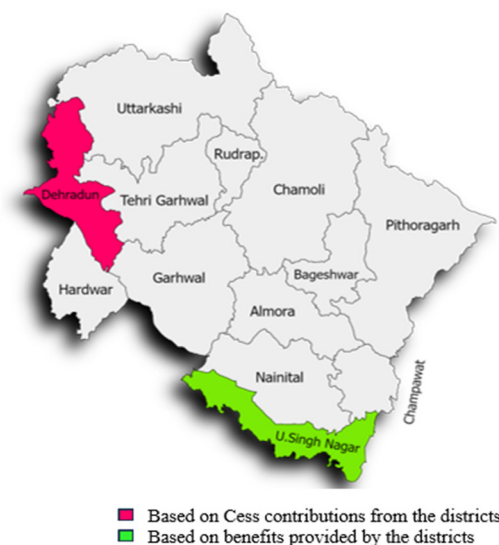
To evaluate the subject matter in pursuit of the above-mentioned Audit objectives, the criteria are sourced from various Acts and Rules issued by the Government of India and the Government of Uttarakhand. The source of audit criteria was:

- i. Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Act 1996;
- ii. Uttarakhand Building and Other Construction Workers' (Regulation of Employment and Conditions of Service) Rules 2005;
- iii. Building and Other Construction Workers' Welfare Cess Act 1996 and Cess Rules 1998;
- iv. Uttarakhand Financial Rules;
- v. Resolutions passed by the Board;
- vi. National Building Code of India 2016 titled Construction Management, Practices & Safety and
- vii. Inspection Policy notified by Uttarakhand Government.

1.4 Audit Scope and Methodology

The performance audit commenced with an Entry Conference held on 12 October 2022 with the Secretary, Uttarakhand Building and Other Construction Workers Welfare Board, Government of Uttarakhand wherein the audit objectives, scope and audit criteria were discussed and the inputs of the Department were obtained. Out of 13 districts, Dehradun and U.S. Nagar⁵ were selected for performance audit.

Records of the Deputy Labour Commissioner, Dehradun and Assistant Labour Commissioner, U.S. Nagar were scrutinized.



⁵ Uttarakhand State has 13 districts which are divided into two regions i.e., Garhwal (seven districts) and Kumaon (six districts). Dehradun and U.S Nagar, these two out of 13 districts were selected as Dehradun in Garhwal region had maximum contribution in cess fund and U S Nagar in Kumaon region disbursed maximum amount of benefits under welfare schemes.

Records of four⁶ Working Agencies and two⁷ Development Authorities in the selected districts were test checked. Besides, a total of 10 welfare schemes were also selected by applying Stratified Random Sampling.

The performance audit was conducted from October 2022 to March 2023 covering a period of five years from 2017-18 to 2021-22.

The methodology included scrutiny of documents, issue of questionnaires and audit observations and physical inspection of various work sites at Dehradun and Udham Singh Nagar.

The findings and recommendations of the performance audit were discussed with the Secretary, Department of Labour in an Exit Conference on 10 October 2023 and the views of the Government have been suitably included in the report.

1.5 Constraints/Limitations

The audit was constrained due to the non-production of records/documents by various authorities (Board, working agencies, MDDA as detailed in *Appendix-1.2*).

In addition to the above, the Board also furnished records/documents/data to Audit with delay. Further, the Board/MDDA furnished replies with delays/furnished partial replies/ did not give replies to audit queries and observations.

1.6 Structure of the Report

The Performance Audit Report has been structured in five themes: Registration of establishments and beneficiaries; Cess collection, transfer, and assessment; Compliance of Health and safety measures and inspections; Implementation of welfare measures and Governance & Management Issues.

⁶ 1-Executive Engineer, Construction Division, Dehradun, 2-Executive Engineer, Temporary Division, Rishikesh, 3- Executive Engineer, Construction Division, Khatima, 4- Project Manager, Construction Division, Peyjal Sansadhan Nigam, Rudrapur.

⁷ Mussoorie Dehradun Development Authority, Dehradun and District Development Authority, U.S. Nagar.

Chapter-2
Registration of Establishments and
Workers

Chapter-2

Registration of Establishments and Workers

BOCW registration offers a multitude of benefits to both construction workers and their employers. Workers gain access to social security measures, including health insurance, pension schemes and accident compensation. Employers benefit from a legal framework that prioritizes worker safety and health, reducing the risk of accidents and legal consequences. In the chapter, the consequences of non-registration of Building or construction works are discussed *viz.* failure to achieve the purpose of enactment of the BOCW Act, loss of revenue to the Government, evasion of BOCW Welfare Cess, fake registration of beneficiaries, inability to provide benefits/financial assistance to legitimate beneficiaries and lack of monitoring of active beneficiaries.

2.1 Registration of Establishments (Construction Works)

2.1.1 Low registration of Establishments

As per Section 7 of BOCW Act, every employer, undertaking construction work¹, would make an application to the registering officer for registration of the work (establishment) within 60 days from the commencement of the work.

In test checked entities of sampled districts, it was noticed that out of 17,655 establishments/construction works², only one work was registered with the Labour Department in the period 2017-22 as detailed in **Table-2.1**.

Table-2.1: Details of establishments in test checked entities

Sl. No.	Test checked entities	Number of establishments/ construction works ³	Number of works registered under the BOCW Act 1996
1.	Ex. En., Construction Division PWD Dehradun	208	0
2.	Ex. En., Temporary Division PWD Rishikesh Dehradun	325	0
3.	Ex. En., Construction Division PWD Khatima, U S Nagar	215	0
4.	Project Manager Construction Unit Uttarakhand Pey Jal Nigam, U S Nagar	153	0
5.	MDDA, Dehradun	15,104	1
6.	DDA, U S Nagar	1,650	0
	Total	17,655	1

Source: Working Agencies and Development Authorities.

Audit noticed the following reasons for the low registration of establishments:

i. Registration of construction works

Assistant Engineer of working agencies was notified (May 2012) as Registration Officer for registration of Government construction works under the BOCW Act.

However, the said Assistant Engineers largely failed to perform their assigned duties as none of the establishment /construction work in the test checked working agencies was found registered under the Act. Further, out of 193 total registered establishments

¹ Where 10 or more workers employed on any day during construction.

² Includes 901 Government Construction works and 16,754 non-Government works.

³ Having estimated cost of more than 10 lakh.

in the State only 37 (19 *per cent*) were government projects. On this being pointed out, entities replied that as of now this mechanism is not in practice and in future this will be ensured.

ii. Approval of Map by Development Authorities without ensuring registration

According to applicable Government Order (GO) (December 2016) registration slip of establishment, issued by Labour Department, was to be produced for approval of building plan. However, this was not being followed by the test checked Development Authorities.

District Development Authority (DDA), Udham Singh Nagar stated in its reply that receipt was not taken since effective mechanism was not in place and it will be complied in future. No reply was received from Mussoorie Dehradun Development Authority (MDDA).

iii. Penalty not imposed

As per Section 50 of the BOCW Act, whoever contravenes any other provision of this Act shall be punishable with a fine which may extend to one thousand rupees for every such contravention.

On review, Audit observed that employers violated Section 7 of the Building and Other Construction Workers (BOCW) Act by failing to register their establishments with the Labour Department. Despite this breach, no penalties were imposed upon them.

During the Exit Conference (October 2023), Secretary Labour Department conveyed that necessary instructions from the Chief Secretary would be issued to working agencies, development authorities and concerned higher authorities of the engineering department. They would take necessary steps to ensure registration of Government construction works. Board replied (November 2023) that robust mechanism is being developed for registration of works.

2.1.2 Delay in registration of establishments

According to Rule 24 of UKBOCW Rules 2005, the Registering Officer, after receiving the application shall register the establishment and issue a certificate of registration to the applicant within 15 days of receipt of the application.

On review of data on Uttarakhand Labour Management Information System (UKLMIS) portal, Audit observed following deficiencies in 41 establishment of the sampled districts:

- i. Eighteen establishments were registered after 17 to 557 days from the date of application for registration of establishment.
- ii. Twenty registered establishments⁴ applied for registration after 63 days to 1,746 days from commencement of work while it was to be done within 60 days from date of commencement of work.

⁴ Dehradun-17, US Nagar-03.

iii. In district Dehradun, three out of 32 establishments were registered before application date. It indicates that the online registration through UKLMIS portal did not have effective checks /validation controls.

iv. Twenty eight applications⁵ were pending for registration from the date of the application⁶ till the date of audit. No reason for non-registration of the said establishments and any communication in this regard was furnished to the Audit.

In this context, the Board replied (November 2023) that effective procedure is being developed and compliance of the rules will be ensured.

2.1.3 Loss of revenue due to non-registration of establishments

Rule 27(1) of Uttarakhand BOCW Rules 2005 stipulates fees to be paid for registration of the establishment depending upon number⁷ of construction workers to be employed.

In the test checked entities in the sampled districts, 17,654 establishments were found unregistered, as depicted in **Table-2.1**. Consequently, there was a minimum revenue loss of ₹ 88.27 lakh⁸ to the Board between 2017-18 and 2021-22.

On this being pointed out, the Board stated (November 2023) that as system for registration of construction works is being established, receipt of fees for registration will be ensured.

2.2 Registration of Construction Workers

As per UKLMIS database, maintained by the Board, a total of 3,66,352 construction workers were registered between 2017-18 and 2021-22.

2.2.1 Inclusion of ineligible beneficiaries

i) Registration based on affidavit without cross verification

As per various guidelines/orders⁹, the Board may also allow registration of construction workers based on self-certification/affidavit in prescribed format. However, the self-certification should contain full details of the sites, employer and number of days of work performed in the passbook/ID of the worker so that the eligibility of the construction worker could be verified at a later date /stage.

On review of 20 sample cases¹⁰ of registered workers, Audit observed that the said self-certification/affidavit did not contain information regarding their employers and work sites. Accordingly, eligibility of the registered workers would be difficult to verify at later stage.

⁵ Dehradun-10 & US Nagar-18.

⁶ Between 13 July 2017 and 21 November 2021.

⁷ If the number of workers is up to one hundred: Five hundred rupees.; Exceeds hundred but does not exceed five hundred: One thousand five hundred rupees; Exceeds Five hundred: Two thousand five hundred rupees.

⁸ 17,654 X ₹ 500 calculated at a minimum fee (₹ 500) for registration.

⁹ As per point D of machinery for registration of workers given in the model welfare scheme for building and other construction workers and action plan for strengthening implementation machinery issued by the Government of India (2019).

¹⁰ Ten cases in each selected district.

On being pointed out, Deputy Labour Commissioner, Dehradun replied that registration was based on documents provided by beneficiary while Assistant Labour Commissioner (ALC), US Nagar gave evasive reply. Above replies of the district level functionaries of the Labour Department failed to justify lack of compliance with extant guidelines regarding furnishing of information in affidavit based registration.

ii) *Results of Beneficiary survey of registered construction workers*

Audit conducted joint beneficiary survey of 237 construction workers who were registered with the Board and who had availed benefits of the welfare schemes of the Board. The survey showed that only 121 (51 *per cent*) out of 237 beneficiaries were construction workers.

In Exit Conference (October 2023), Secretary Labour Department acknowledged that, in addition to registered construction workers, individuals under the MGNREGA scheme were initially enrolled and listed as beneficiaries with the Board. The Secretary, BOCW Welfare Board also emphasized the need for implementation of random checks to identify and weed out ineligible beneficiaries.

2.2.2 *Exclusion of genuine construction workers*

Audit conducted site visits of 19 sampled construction sites and conducted beneficiary survey of 400 construction workers. Only 10 *per cent* of 400 workers present in 19 sampled construction worksites in Dehradun and U S Nagar district were found to be registered with the Welfare Board (*Appendix-2.1*).

During Exit Conference (October 2023), Secretary, Labour Department replied that camps will be organized at major construction sites to ensure the inclusion of genuine construction workers.

2.2.3 *System for registration of migrant labourers*

To facilitate the registration of building and other construction migrant workers, the committee constituted under the directions of the Hon'ble Supreme Court (March 2018) recommended to the States that the domicile status of a worker should not prevent the worker from getting registered outside his/her State of origin. Further, Model Welfare Scheme guidelines require to organise awareness programme around construction sites.

On joint inspection of 19 sampled construction worksites, 54 *per cent* workers at worksites were found to be migrant workers and unregistered (*Appendix-2.1*).

Secretary, Labour Department stated in Exit Conference that camps would be organised in the big construction sites for inclusion of genuine construction workers.

2.2.4 *Registration services*

An online registration facility for construction workers was introduced in 2015 by the Board. However, a walk-through of the portal revealed that there was no facility available for self-registration. Instead, the worker was directed to visit Jan Seva Kendra (CSC) for registration. In the absence of facility for online registration, workers had to face challenges including travelling from distant locations, taking time off work and waiting in a big queue for their turn.

The Labour Department replied that Workers Facilitation Centre provides the facility for any type of updation and registration. The reply is not satisfactory as the online registration facility was not available for workers.



Applicant standing in front of Worker Facilitation Centre (01 February 2023)



Long queue at DLC office Rudrapur (01 February 2023)

2.2.5 Quality of beneficiaries database

According to UKLMIS database, 3,66,352 workers were registered as beneficiaries under UKBOCW Welfare Board during 2017-22 and were availing benefits under welfare schemes. On review, Audit found said database to be deficient on following grounds viz. bank account not captured, bulk registration of single mobile number, double registration etc. (details provided in **Appendix-2.2**). This shows that the UKLMIS portal lacked validation controls to ensure completeness of data as well as prevention of duplicate records.

The Labour Department replied that it was done as per the affidavit given by beneficiary. The reply was not satisfactory as the observation pertained to the lack of necessary controls in the UKLMIS portal, not to affidavits submitted by the beneficiaries.

2.3 Conclusion

The registration process for construction works was significantly deficient. This inadequacy led to a revenue loss of at least ₹ 88.27 lakh on account of registration fee not received from unregistered establishments. The registration of construction workers was riddled with errors, including wrong exclusions and inclusions of workers. Those registered based on affidavit/self-declaration were not subjected to cross-verification. Instances of registration of ineligible workers and the poor quality of the beneficiaries' database were also observed.

2.4 Recommendations

In order to have efficient and effective registration of establishment and beneficiaries following recommendation may be considered:

- 1. The Government should ensure registration of all Government construction works through a mechanism whereby payment of first bill or award of contract is carried out after confirming the registration. Suitable action should be taken in cases of non-compliance;*
- 2. The Board should ensure to cross-verify the registration of workers based on affidavit/self-declaration;*
- 3. The Board should ensure that its beneficiaries' database includes authenticated Aadhaar number and validated bank account number and this database should be periodically updated to maintain accuracy.*

Chapter-3
Cess Collection, Transfer and Assessment

Chapter-3

Cess Collection, Transfer and Assessment

The BOCW Welfare Cess Act provides for the levy and collection of a cess on the construction costs incurred by employers to augment the resources of the UKBOCW Welfare Board constituted under the BOCW Act, 1996. The chapter highlights concern such as non-collection and short collection of cess, an incomprehensive and outdated formula for cess collection, delays in cess transfer, lack of assessment and inaccurate and short assessments.

3.1 Cess Collection

3.1.1 Cess not collected

As per Rule 4 (4) the Cess Rules 1998, where the approval of construction work by a local authority is required, every application for such approval shall be accompanied by a crossed demand draft in favour of the Board for an amount of cess payable. The estimated cess was to be collected in advance by Development Authorities as per Government Order (December 2016).

Scrutiny of data (April 2017 to August 2019) provided by MDDA revealed that cess amounting to ₹ 13.73 crore in respect of 909 approved building plans was not collected. **Table-3.1** below has the details.

Table-3.1: Details of non-collection of cess

(₹ in crore)

Category	Number of approved building Plans	The sum of approved covered area (in sq. mtr.)	The sum of labour cess paid to MDDA	Cess leviable as per extant orders
Layout Plan	11	23,574.80 ¹	0	Not computable as per GO
Non-Residential	124	1,91,999.33	0	3.42
Residential	774	5,73,812.94	0	10.31
Grand Total	909	7,89,387.07	0	13.73

Source: Data provided by MDDA.

The computation of cess is tied to the covered area² of the building. Audit observed that the covered area for 14 approved building plans was captured as zero in the database and accordingly no cess was collected from these building plans. However, the ground coverage³ of these buildings ranged from 44.56 to 72.03 *per cent*⁴ of ground area, therefore, their covered area could not have been zero. Details are given in **Appendix-3.1**.

3.1.2 Short collection of cess

On review of MDDA data for the period from September 2019 to February 2023, Audit noticed short collection of cess amounting ₹ 13.04 crore in respect of 15,381 approved building plans. Details are given in **Table-3.2**.

¹ Sum of three plans out of 11.

² For non-residential = Covered area x 177.90 and for residential = Covered area x 179.70.

³ The Ground coverage area is the ratio of the maximum allowed build-up area on ground level to the total area of the plot.

⁴ Ground coverage *per cent* = (approved area of ground floor) x 100/ (Plot Area).

Table-3.2: Details of short collection for approved building plans

(₹ in crore)				
Category	Number of Building plans	Sum of Labour cess paid to MDDA	Sum of Cess to be paid as per GO	Short Collection
Mixed Use	119	3.03	3.30	0.27
Non-Residential	1,510	25.89	31.16	5.27
Residential	13,752	48.63	56.13	7.50
Grand Total	15,381	77.55	90.59	13.04

Source: Data provided by MDDA.

On being pointed out, the concerned authority (MDDA Dehradun) gave no reply. However, in Exit Conference (October 2023) Secretary, Labour Department assured that the replies will be furnished soon after meeting with the Vice Chairman of MDDA.

3.1.3 Collection of cess in test checked cases

Scrutiny of ten test checked cases in MDDA Dehradun revealed that in one case ₹ 119.89 lakh of cess was not collected and in another case ₹ 48.60 lakh amount of cess was less collected at the time of approving the building plan (*Appendix-3.2*).

On being pointed out, the concerned authority (MDDA Dehradun) gave no reply. However, in Exit Conference (October 2023) Secretary, Labour Department assured that the replies will be furnished soon after meeting with the Vice Chairman of MDDA.

3.1.4 Cess not deducted

As per Rule 4(3) of Cess Rules 1998, where the levy of cess pertains to building and other construction work of a Government or of a Public Sector Undertaking, such Government or the Public Sector Undertaking shall deduct or cause to be deducted the cess payable at the notified rates from the bills paid for such works.

During scrutiny of records in one of the working agencies (Ex. En., Construction Division PWD, Dehradun), Audit observed that the said Division had not deducted cess amounting to ₹ 31.01 lakh from the paid bills of the construction works. In this context, EE while admitting facts replied (December 2022) that the cess was not deducted due to non-provision of cess in the work estimate. The reply confirms that the statutory provision for deducting cess was not complied with.

3.1.5 Comprehensive and updated rates not adopted for calculation of cess

Uttarakhand GO (December 2016) provides a methodology for the calculation of the estimated cost of building. It further envisaged that the plinth area rates will be revised from time to time to assess the cost of construction.

On review of the provisions of the said Government Order, Audit observed that the said order did not cover all types of buildings as detailed in *Appendix-3.3*. The lack of inclusion of certain types of buildings (Colleges, Hospitals, Schools, Mall, etc.) would impact the collection of appropriate amount of cess.

Further, it was noticed that the order was not revised after December 2016 even as cost of construction has gone up. For instance, CPWD⁵ has revised the cost of

⁵ PWD Uttarakhand issued an order dated 20 August 2015 wherein it is instructed that the Plinth area rates of the building will be taken based on DPAR available on the website cpwd.gov.in.

construction through revision of plinth area rates in 2019, 2020 and 2021. In view of lack of cognizance of revision of plinth rate by CPWD and lack of revision of aforesaid GO, MDDA Dehradun and DDA US Nagar continued to use plinth rates as per GO of 2016. This resulted in short levy of cess amounting to ₹ 28.77 crore.

Table-3.3: Details of difference in rates between Uttarakhand GO and CPWD

Year	Rates adopted by MDDA for RCC framed structure as per GO (December 2016) (₹ per square meter)		Rates ⁶ as per CPWD for RCC framed structure (₹ per square meter)	
	Non residential	Residential	Non residential	Residential
2019	17,790	17,970	25,500	19,500
2020	17,790	17,970	25,800	19,700
2021	17,790	17,970	27,090	20,685
Estimated Cost of Construction = Rate x Covered Area Cess = Estimated Cost of Construction x .01				

In the Exit Conference (October 2023), the Secretary, Labour Department stated that GO would be reviewed and frequently used categories of construction works would be incorporated, since the inclusion of all categories would make the formula complicated.

3.2 Delay in the transfer of cess by the development authorities

Under Section 5(3) of the Cess Rules 1998, the cess collected shall be transferred to the Board within thirty days of its collection. Audit noticed that:

- Cess was transferred annually to the Board instead of monthly by the test checked development authorities.
- As per the information provided by MDDA, cess of ₹ 24.29 crore collected till 2021-22 was not transferred to the UKBOCW Welfare Board till the date of audit (February 2023). Similarly, as per information provided by DDA US Nagar cess amount of ₹ 4.32 crore was parked till 2022-23.
- Moreover, it was seen that there was continuous growth in the closing balance of non-transferred cess in the accounts of collecting authorities ranging from four *per cent* in 2018-19 to 100 *per cent* in 2019-20 of cess received in respective years.

The DDA US Nagar replied (December 2022) that being a new organization and due to shortage of manpower, the cess could not be deposited to the Board in timely manner. The reply was not acceptable as the authority did not adhere to the time frame under the cess rules. No response was received from MDDA Dehradun on the observation. However, in the Exit Conference (October 2023) Secretary, Labour Department assured that the replies will be furnished soon after meeting with the Vice Chairman of MDDA.

3.3 Diversion of cess fund

Under Rule 5(3) of the Cess Rules 1998, the cess collected shall be transferred to the bank account of the Board within thirty days of its collection.

⁶ These rates are exclusive of building additionalities such as electrification, drainage etc.

3.3.1 Cess fund of ₹ 1.49 crore diverted to Government Revenue

Records of test checked working agencies revealed that ₹ 1.49 crore amount of cess was deposited in government accounts⁷ in place of Board's accounts. Details are provided in *Appendix-3.4*.

It was stated by the working agencies (December 2022) that before implementation of Integrated Financial Management System (IFMS) in April 2019, deducted cess was being directly transferred to the government accounts (Labour and Employment Receipt Head of Account "023000106000000") and was being deposited now in the Board's account from the year 2019-20.

3.3.2 Cess fund of ₹ 13.80 lakh diverted to UHUDA

Scrutiny of records of District Development Authority, Udham Singh Nagar (DDA, US Nagar) revealed that in the earlier stage of its working ₹ 13.80 lakh was deposited by them in the account of Uttarakhand Housing and Urban Development Authority (UHUDA).

On being pointed out, the DDA, US Nagar responded (February 2023) that all fees charged by the authority at the time had been transferred to UHUDA, including the cess amount and that the audit would be intimated after an analysis of whether the cess amount had been sent to the UKBOCW Welfare Board or not. The response of the Authority admitted initial diversion as well as ignorance of the latest status of the diverted cess fund.

3.3.3 Cess fund of ₹ 1.76 crore diverted by MDDA

Scrutiny of the bank statement relating to labour cess of MDDA Dehradun revealed that it was not clear that an amount of ₹ 1.76 crore, (involving eight entries) had been transferred to the Board or not. In view of lack of reconciliation between the MDDA and the Board, there was no assurance the said amount had been deposited with the Board.

On this being pointed out MDDA neither provided details of the actual recipients of funds worth ₹ 1.76 crore nor any response to the observation.

In the Exit Conference (October 2023) the Secretary, Labour Department stated that he would ensure the replies will be furnished soon after meeting with the Vice Chairman of MDDA.

3.4 Cess Assessment

3.4.1 Non-compliance with the BOCW Act and Rules made thereunder in the performance of duties as assessing officers

Under Section 5 of the Cess Act, the final assessment be collected at a uniform rate as may be prescribed based on the quantum of the building or other construction work involved. As per para 4 (B) of Labour Cess GO 2016, development authorities and Assistant Labour Commissioners (ALC) in districts have been appointed as Assessing Officers/Authorities for the assessment of cess. On review Audit observed as under:

⁷ Transferred and remitted to the departmental head of "Major Head 0230" Labour & Employment Department.

Deputy Labour Commissioner (DLC), Dehradun carried out assessment of 16 cases (against 15,104 building plans approved by MDDA Dehradun) while ALC U S Nagar did not conduct any assessment (against 1,650 building plans approved by DDA U S Nagar). Further, in 16 assessment cases of DLC, Dehradun, it was found that final assessment of cess was not computed on the actual cost of construction. Still further, cess due, cess paid and balance amount payable, if any, were to be calculated at the time of assessment, which was not done.

During Exit Conference (October 2023), Secretary, Labour Department assured that assessment exercise would be increased.

3.4.2 Recovery after Assessment

As per Section 5 of the BOCW Welfare Cess Act, an Assessing Officer shall assess the amount of cess payable by the employer and specify the date within which the cess shall be paid by the employer.

Audit reviewed 16 assessment cases in DLC Dehradun and found that cess amounting to ₹ 6.96 crore was due to be collected from two builders as on March 2023. Details are depicted in **Table-3.4**.

Table-3.4: Details of cess to be recovered

					(₹ in lakh)
Sl. No.	Name of Construction or Building Work/Firm	Cost of Construction	Cess due	Cess Paid	Balance Cess Payable
1.	Imperial Heights	6,497	64.97	38.47	26.50
2.	Windlass Developers	69,793.78	697.94	28.93	669.01
	Total		762.91	67.4	695.51

Source: Labour Department.

DLC, Dehradun stated (March 2023) that an order has been issued (06 February 2023) to firm for acknowledging the details about the remittance of the cess. However, the fact remain that the recovery is still pending.

3.4.3 Assessment after 05 to 10 years from completion of construction

As per Rule 6 of the BOCW Welfare Cess Rules 1998, every employer will furnish the return to assessing officer within thirty days of commencement of work.

Audit observed that three out of 16 test checked cases were assessed 05 to 10 years after completion of construction works. This was due to lack of furnishing of return despite statutory requirement. Details are depicted in **Table-3.5** below:

Table-3.5: Details of delayed cases

Sl. No.	Name of Employer	Completion Date/Year	Assessment order date
1.	M/s Red Fox/Westend	2016-17	16 February 2022
2.	M/s Hotel Saffron Leaf	2010-11	20 August 2022
3.	M/s Hotel Forest Avenue	2011-12	28 February 2022

Source: Labour Department.

On this being pointed out, DLC Dehradun stated that it was a matter of inspection and whenever it was noticed, action was taken immediately. The reply is not satisfactory as it is against the statutory provision.

3.4.4 Inaccurate and short assessment

According to Rule 7 (6) of the Cess Rule 1998, the assessment was to be done to get the cost of construction as accurate as possible. Audit noticed that the assessment carried out was inaccurate and short. Reasons for inaccurate and short assessment are elaborated below:

i. Building additionalities not taken into consideration for assessment

As per Uttarakhand GO (February 2014), definition of “Building and other Construction Work” also include sewage and plumbing work, installation of fire equipment, electric work, installation and repair of fire equipment along with 18 other specified works.

Audit observed that the Assessing Authorities assessed the construction cost solely based on declaration furnished by the employers and did not consider building additionalities such as sewage and plumbing work, electric work etc in the actual cost of construction resulting in short assessment of cess.

In his reply, DLC Dehradun stated (March 2023) that action was taken in accordance with relevant Hon’ble Supreme Court Order⁸. The reply is not acceptable because said judgment of Supreme Court was related to generation, transmission and distribution of power, electric lines, pipelines etc. and not for the building/ construction works. Further, Hon’ble Supreme Court clarified that construction of aforesaid additionalities in relation to building construction work are amenable for cess.

ii. Assessment without physical verification and taking measurement

As per rule 10 of the Cess Rules 1998, Assessing officer may exercise following powers to assess the cost of construction:

1. Enter any establishment where building and other construction work is going on;
2. Take measurement, notes or photographs;
3. Exercise such other powers considered necessary for reasonable assessment of cost of construction etc.

Audit observed that assessment was finalised without physical verification and measurements. Further, the Assessing Officer did not exercise any power except to call for certain documents and declaration from the employer, to assess the cost of construction as accurate as possible.

In this context, DLC, Dehradun contended (March 2023) that departmental officers are not technically equipped and skilled to take measurements. The reply is not acceptable because Department was to acquire capabilities to enforce BOCW Act effectively.

iii. Assessment based on area less than approved area

In one case, DLC, Dehradun under assessed an establishment/construction work by 13,813 square metres by relying on self-declaration of the builder rather than

⁸ SLP(C) N. 8630 of 2020.

documentary evidence⁹ of the MDDA. This shows lackadaisical approach of assessing authority which resulted in under assessment of ₹ 26.82¹⁰ lakh of cess.

On this being pointed out, DLC, Dehradun stated (March 2023) that MDDA was authorised for approval related work. The reply is not acceptable as the audit observation related to under assessment, not for the approval of the building.

3.5 Poor maintenance of cess records

i. By UKBOCW Welfare Board

Scrutiny of records of the Board revealed that the cash book/records of cess transactions were not being maintained properly and reconciliation of cess collection and expenditure was not being conducted either with the bank or the collecting/deducting agencies. In this context, the Audit selected 88 cases of cess collection and shared the list with the Board to confirm whether the amounts were being deposited into the Board's bank account or not. However, the Board could not confirm this due to poor maintenance of records related to cess collection.

ii. By MDDA

Audit observed variation of ₹ 42.50 lakh during 2019-20 and ₹ 40.07 lakh during 2020-21 in the party ledger¹¹ and General Ledger. Similarly, there was a difference of ₹ 0.45 lakh in the General Ledger of Cess Payable between Closing Balance of 2020-21 (₹ 6.01 lakh) and Opening Balance of 2021-22 (₹ 5.56 lakh). Such variations indicate ineffective accounting system of the MDDA. No reply of the MDDA on this issue has been received. In the Exit Conference (October 2023) the Secretary, Labour Department stated that he would ensure the replies soon after meeting with the Vice Chairman of MDDA.

iii. By DDA US Nagar

It was noticed that cess was being received by DDA US Nagar in multiple bank accounts. However, debit and credit from these accounts were not reconciled. Moreover, Cess deducted, received and pending recovery related records were also not maintained.

On this being pointed out, DDA replied that due to shortage of manpower in DDA, required records could not be maintained and it will be complied in future. Secretary, UKBOCW Welfare Board stated in Exit Conference (October 2023) that a software is being prepared in collaboration with the Banks to track and reconcile the cess receipts.

3.6 Conclusion

Adherence to the Cess Rules was not followed in the collection of cess, resulting in non-collection or short collection of cess. Moreover, assessing officers appointed by

⁹ Imperial Heights on covered area of 37,784.70 Sqm with a total cost of construction ₹ 64.97 crore, as declared by the employer. However, the assessing authority, contained MDDA approved map, which showed covered area of the building plan as 51,597.80 Sqm.

¹⁰ (₹ 9,179 lakh - ₹ 6,497 lakh) x 0.01 = ₹ 26.82 lakh.

¹¹ It shows the amount collected from map approval by Development Authority and transferred to the Board.

the notified authorities displayed non-compliance with government orders in the execution of their duties, undermining the intended goal of ensuring ample funds for welfare measures. The absence of a proper mechanism of cess collection resulted in the inability to confirm the accuracy of cess amounts with collectors/deductors, and transparency in cess collection was diluted due to poor maintenance of cess records.

The rates used for cess collection at the time of approving building plans were not comprehensive and not updated in accordance with government rules. This led to the collection of insufficient cess amounts.

3.7 Recommendations

Following recommendations may be considered for cess collection and assessment:

- 1. The Government should formulate a comprehensive and updated rate for deriving cost of construction and cess as accurate as possible;*
- 2. Recovery of outstanding cess by concerned authorities and timely transfer of collected cess to the Welfare Board should be ensured through proper monitoring;*
- 3. The Board may establish a mechanism whereby the cess amount is directly credited into its bank accounts by the Development Authority and ensure monthly reconciliation statements are submitted by the Development Authorities.*

Chapter-4
**Compliance with Health,
Safety Norms and Inspection**

Chapter-4

Compliance with Health, Safety Norms and Inspection

The Building and Other Construction Workers (BOCW) Act aimed at safeguarding the safety, health, and working conditions of building and construction workers at construction sites. The absence of a mechanism for reporting incidents at site, failure of the Board to provide financial assistance in case of injury or loss of life, not conducting of inspections and non-compliance of health and safety norms are the shortcomings that are highlighted in the chapter.

4.1 Occurrence of incident on construction site

4.1.1 Reporting of incidents and provision of financial assistance in case of onsite injury and loss of life

According to Rule 210 (1) of the BOCW Rules 2005, notice of any accident on the construction site which either causes loss of life or disables a building worker shall forthwith be sent by the employer to the Assistant Labour Commissioner/Deputy Labour Commissioner/Additional Labour Commissioner having jurisdiction in the area in which the establishment is located, and to the Board with which the building worker involved in the accident was registered as a beneficiary. Under Section 22(1) of the Act, the Board may provide immediate assistance to a beneficiary in case of an accident.

During the audit of the UKBOCW Welfare Board, Audit noticed that no incident was reported on construction sites between 2017-18 and 2021-22 and consequently, no financial assistance was provided to any worker for onsite injury or death. However, as per reports published in major media publications, there have been instances of onsite death and injury in Uttarakhand between 2017-22 as detailed in **Table-4.1**.

Table-4.1: Details of accidents/incidents at construction sites as per media publications

Source	Date	News Headline	Deaths	Injuries
ANI tweet and Times of India ¹	21 Dec 2018	According to Rudra Prayag DM, seven bodies have been recovered from the site and five labourers have been critically injured.	7	5
NDTV	07 Mar 2019	Two Construction Workers from Bihar Buried Alive in Uttarakhand Landslide	2	NA
The Hindu	24 Aug 2020	Three earth moving machine operators killed in a landslip on Uttarakhand highway	3	NA
Newsday Express	23 Feb 2022	There are still traces of the Rishi Ganga accident. Two bodies were found in cleaning tunnels	2	NA
Total			14	5

The Board stated (May 2023) that due to the absence of monitoring of construction activities and the absence of a robust reporting mechanism, incidents could not be reported. However, in the Exit Conference (October 2023), the Secretary, Labour Department replied that they could go for group insurance in case of an accident at work site.

¹ Corroborated by First Information Report of the Police.

4.2 Failure to provide medical facility

Section 22 (1) (f) of the BOCW Act mandates that the UKBOCW Welfare Board may meet such medical expenses of a beneficiary or such dependent as prescribed by Rules made by State Government/ Central Government.

During scrutiny of records, it was noticed that the UKBOCW Welfare Board made provision of medical facilities on the pattern of Employees State Insurance (ESI) which was not in consonance with the BOCW Rules made by the State Government. However, this scheme was against the BOCW Act.

The Board replied (May 2023) that it is an autonomous body and works as per BOCW Act. The reply is not acceptable as the Board has to take approval from the Government before making new welfare provisions.

4.3 Establishment inspections

As per Rule 298(2), an Inspector of Labour Department, at a construction site of a building or other construction work within local limits for which he is appointed, can issue a show-cause notice or warning to employers regarding the safety, health, or welfare of building workers.

Audit of test checked entities² revealed that in US Nagar district, only 16 inspections were carried out against 2,018 construction works while in Dehradun district no inspection (Inspection details discussed in *paragraph 4.4*) was conducted against 15,637 construction works during the period 2017-22, to ensure safety measures and facilities for workers at construction sites.

On this being pointed out, the Deputy Labour Commissioner, Dehradun justified its inaction on the basis of Government Order³ in 2018. The response is not justified as the order pertains to inspections of industries and is not applicable to inspections of construction works under BOCW Act/Rules. The sites where construction work is ongoing should have been inspected to ensure wages, working conditions, safety, health, and welfare measures of the building construction workers.

4.4 Inspection System

Audit reviewed 16 inspection notes and found following deficiencies:-

- i. Incomprehensive inspection notes:** Inspection notes did not contain the information about assurance of available facilities, condition of service and medical facilities prescribed under Sections 28 to 37 and 44 to 46 of the BOCW Act. Further, inspection notes were not comprehensive enough to give details of the establishment, estimated cost, cess and facilities provided to workers.
- ii. No information regarding registration of workers:** Total 248 workers were deployed in these inspected construction works. No comment was found in the inspection notes regarding the status of worker's registration.

² As per table no 2.1.

³ Uttarakhand Government had issued GO (November 2018) regarding surprise inspections based on complaints received and subject to approval from the Labour Commissioner/Chief Tnspector of factories, Uttarakhand.

- iii. **Non-maintenance of records:** No employer had maintained related records i.e. wage register, pay slip and attendance register which was also a violation of the BOCW Act.
- iv. **Evasion of cess:** Point regarding non submission of cess was mentioned only in one case.
- v. **Non-registration:** None of these construction works got registered as establishments even after inspection.
- vi. **No penalty levied:** Despite multiple contraventions under the BOCW Act and Rules made thereunder, no penalty was imposed on any establishment.
- vii. **Refusal to produce records:** Under Section 49(2) of the BOCW Act, whoever wilfully refuses to produce any register or other document as per the demand of an Inspector, in pursuance of this Act shall be punishable with imprisonment for a term which may extend to three months, or with a fine which may extend to one thousand rupees, or with both. In Inspection note number 629, it was mentioned that records were not produced on demand which violates section 49(2) of the BOCW Act i.e., wilful refusal to produce documents on demand of the Inspector. No action was initiated against the employer as per the BOCW Act.
- viii. **Compliance of inspections not monitored:** Neither the recovery of cess nor the registration of 16 inspected construction works was done. Further, no action was taken on any observations mentioned above, which indicated the absence of a mechanism for follow-up of inspection notes.

In response to above, no justified reasons were furnished by the auditee entities.

4.5 Absence of compliance regarding working conditions, health and safety norms on construction site

A joint inspection of 19 establishments (*Appendix-2.1*) was conducted by Audit with test checked working agencies⁴ and the Labour Department to check the compliance with the BOCW Act and Rules made thereunder. The observations of the joint inspection are provided in **Table-4.2** below.

Table-4.2: Details of compliance with health and safety norms

Particulars	Description	Compliance (Out of 19)
Registration	Registration of construction or building works as establishment was to be done as per Section 7 of the Act.	None ⁵
Abstract of the Act	The abstract of the Act and Rules made there under in English, Hindi and Language understood by most workers was to be displayed at the work site. [As per Rule 241 (5)]	None
Notice	A copy of the notice mentioned above was to be sent to the Inspector concerned. [As per Section 46 and Rule 238 (2)]	Only in one case such notice was sent.

⁴ Except MDDA.

⁵ Only one applied for registration but not registered till the date of joint inspection.

Particulars	Description	Compliance (Out of 19)
Service Certificate	Service certificate was to be issued to building workers on termination of their services in form XXIV. [As per Section 30 and Rule 241 (2) (b)]	None
Annual Return	Return regarding establishment [As per Rule 242]	None
Registers	The employer had to maintain a register of building workers in Form XV. [As per Section 30(1) and Rule 240]	Seventeen establishments (89.47 per cent) did not maintain registers, while records of two establishments (10.53 per cent) were not available on site.
Latrine and Urinals	The employer had to provide latrines and urinals at the prescribed scale or the prescribed type. [As per Section 33 Rule 243]	The facility was not available in eight (42.10 per cent) establishments. Other establishments had the facility but not as prescribed under the Rules.
Residential Accommodation	The employer had to provide residential accommodation free of cost and within the work site to building workers as prescribed. [As per Sec 34(1) & 34(2)]	Seven establishments (36.84 per cent) did not provide residential accommodation to building workers.
Drinking Water	The employer had to provide wholesome drinking water [As per Sec 32(1)]	Five establishments (26.31 per cent) did not provide wholesome drinking water.
Medical Examination	The workers were to be medically examined periodically. [As per Section 40(1)& 40(2)(u) and Rules 223 (a) (II) & (iii) and 223(c)]	In 17 (89.47 per cent) establishments, workers were not examined periodically.
First Aid Boxes	A sufficient number of first aid boxes equipped with articles specified in schedule III of the Rules are maintained/provided. [As per Section 40(1)& 40(2)(t) and Rule 231 (a)]	First aid boxes were not found available in two (10.52 per cent) establishments, while 17 (89.48%) establishments had first aid boxes but not as specified.
Protective Apparel	The employer provided the head protection and other protective apparel as prescribed. [As per Section 40(1) & 40(2) (u) and Rule 46(1) & 46(2)]	Eight (42.11 per cent) employers did not provide head protection
Health and Safety Policy	Fifty or more building workers are employed in the establishment, the employer has prepared Health and Safety Policy duly approved by the Chief Inspector. [As per Section 40(1) & 40(2) (r) and Rule 39].	Three (15.79 per cent) establishments had 50 or more building workers employed but none of them prepared a health and safety policy duly approved by the Chief Inspector.

Source: OIOS DCTK-994.



Unhygienic Drinking Water facilities at work site



Accommodation provided lacked prescribed minimum facilities such as separate bed, storage for each worker etc.



Workers working without safety equipment



Defunct Latrine and urinals at worksite

In view of deficiencies pointed in photographs /joint inspections, penalty was required to be imposed on the concerned employers. However, the Labour Department did not impose any penalty on any employer for non-compliance of health and safety norms and did not conduct sufficient inspections.

In its reply, working agencies admitted that prescribed norms could not be complied because adequate mechanism was not devised for implementation of the BOCW Act.

4.6 Conclusion

The inadequate inspections conducted by the Labour Department to enforce health and safety norms at work sites is a significant shortcoming. Further, the failure to ensure compliance with inspections pertaining to working conditions, health, and safety norms underscores a systemic issue that jeopardizes the welfare of workers on construction sites. No penalties were imposed on employers for non-compliance with these essential norms. This lack of enforcement not only undermines the credibility of the Labour Department but also sets a precedent that may encourage negligence by the employers in the implementation of the statutory norms.

4.7 Recommendations

Following recommendations may be adopted:

- 1. The UKBOCW Welfare Board should devise procedure for reporting of occurrence of incidents at construction sites and provide immediate assistance to workers in case of loss of life or injury;*
- 2. Labour Department should conduct effective and comprehensive inspections to ensure health, safety and working conditions at construction sites with adequate and prompt follow up. Penalty for non-compliance needs to be imposed on employers.*

Chapter-5
Implementation of Welfare Measures

Chapter-5

Implementation of Welfare Measures

The welfare measure of construction workers vastly depends on efficient and effective implementation of the welfare schemes. Excess payment, delay in benefit transfer, irregular procurement, benefits without ensuring eligibility and non-operation of pension and disability schemes, were the irregularities noticed in the implementation of schemes.

5.1 Details of expenditure on schemes

Details of expenditure and the number of beneficiaries under sampled schemes along with the trend are provided in **Table-5.1** and **Table-5.2** respectively.

Table-5.1: Expenditure details of selected schemes

S. N.	Name of Scheme	2017-18	2018-19	2019-20	2020-21	2021-22	Trend
1	Marriage Assistance	10.02	13.31	28.47	10.99	4.3	
2	After death Assistance	10.33	11.12	12.57	8.48	5.44	
3	Scholarship Assistance	3.85	3.71	5.08	0.11	2.02	
4	Maternity Benefit	0.21	0.09	0.72	0.12	0.04	
5	Blanket Assistance	0	0	9.09	0	0	
6	Toolkit Assistance	0.62	0	27.34	0	0	
7	Cycle Scheme	0.8	0.48	22.83	1.65	4.56	
8	Ration Kit (Covid-19)	0	0	0	42.44	0	
9	Old Age Pension	0	0	0	0	0	
10	Disability Pension	0	0	0	0	0	
	Total	25.83	28.71	106.10	63.79	16.36	

(₹ in crore)

Source: UKBOCW Welfare fund.

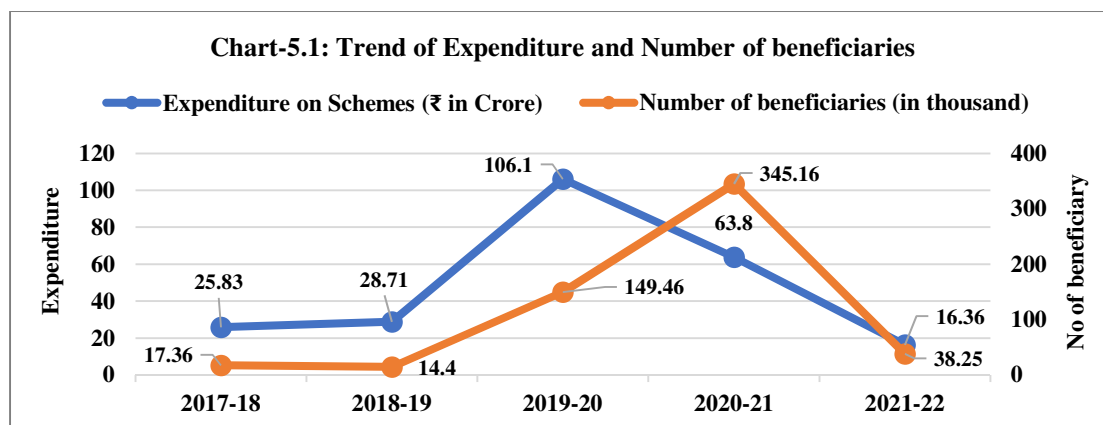
Table-5.2: Number of beneficiaries under selected schemes

S.N	Name of Scheme	2017-18	2018-19	2019-20	2020-21	2021-22	Trend
1	Marriage Assistance	2,714	4,256	5,896	1,492	980	
2	After death Assistance	378	463	395	349	262	
3	Scholarship Assistance	5,756	7,836	7,214	390	4,884	
4	Maternity Benefit	238	570	218	90	79	
5	Blanket Assistance	-	-	44,447	500	20,053	
6	Toolkit Assistance	6,170	-	26,001	12,999	-	
7	Cycle Scheme	2,100	1,270	65,293	4,342	11,995	
8	Ration Kit (Covid-19)	-	-	-	3,25,000	-	
9	Old Age Pension	0	0	0	0	0	
10	Disability Pension	0	0	0	0	0	
	Total	17,356	14,395	1,49,464	3,45,162	38,253	

Source: UKBOCW Welfare Board.

Note: Restrictions on procurement and distribution of articles in-kind attributed to a sudden decline in expenditure and number of beneficiaries in 2021-22.

The trend of expenditure and number of beneficiaries under selected schemes between 2017-18 and 2021-22 is shown in **Chart-5.1**.



5.2 Deficient implementation of welfare schemes

Overview of irregularities of 10 selected schemes in test-checked districts are as follows:

Table-5.3: Overview of irregularities under selected schemes

Sl. No.	Name of Scheme	Excess Payment	Violation Procurement Rules	Benefits without ensuring eligibility	Without the Approval of the Government
1	Marriage Assistance	Yes	No	Yes	No
2	After death Assistance	Yes	No	No	No
3	Scholarship Assistance	No	No	No	No
4	Maternity Benefit	Yes	No	No	No
5	Blanket Assistance	No	No	No	No
6	Toolkit Assistance	No	Yes	Yes	No
7	Cycle Scheme	No	Yes	Yes	No
8	Ration Kit (Covid-19)	No	Yes	Yes	Yes
9	Old Age Pension	No	No	No	No
10	Disability Pension	No	No	No	No

*Old Age Pension and Disability Pension Schemes were inoperative between 2017-18 and 2021-22.

5.2.1 Marriage Assistance Scheme

Uttarakhand Government Labour and Employment notification (February 2015) prescribed financial assistance of ₹ 51,000 for the marriage of the daughters of such construction workers who have completed the membership period of three months after registration, or for the marriage of the woman construction worker herself.

5.2.1.1 Excess payment of ₹ 7.19 crore

Section 22(1)(h)¹ of the BOCW Act states that the functions of the Board include making provision and improvement of such other welfare measures and facilities as may be prescribed by rules made under this Act by the Central Government or, as the case may be, the State Government.

Audit observed that the UKBOCW Welfare Board decided (December 2018) to increase the financial assistance amount from ₹ 51,000 to ₹ one lakh under the marriage assistance scheme by itself without any approval of the state government which was against the provisions. In test-checked districts, this decision of the Board led to an excess payment of ₹ 7.19 crore to 1,468 beneficiaries from December 2018 to November 2021.

¹ Read together with the definition of 'prescribed' given in point 'm' the BOCW Act.

In the Exit Conference (October 2023), the Secretary UKBOCW Welfare Board stated that the previous order had been amended and the increased amount has been reverted (November 2021) to the prescribed amount as per Act/Rules.

5.2.1.2 Benefits provided without ensuring eligibility

Under Section 14 of the BOCW Act, a registered beneficiary shall cease to be as such when he attains the age of 60 years or when he is not engaged in building or other construction work for not less than 90 days in the preceding 12 months.

Test checks of records of 41 beneficiaries for the period 2017-22 under the Marriage Assistance Scheme in sampled districts² revealed that none of the beneficiary's applications contained information or documents related to establishments where these beneficiaries were employed or engaged in building or other construction work for not less than 90 days. In the absence of these records, genuineness of beneficiaries could not be ensured.

5.2.1.3 Delay in delivering benefits

It was observed that no timeline was framed for delivering the benefits to workers in the State. Accordingly, in 90 per cent³ of the 41 test checked cases for the period 2017-22, average duration for payment was 321⁴ days from the date of application.

In Exit Conference (October 2023) the Secretary, UKBOCW Welfare Board replied that timeline for delivering benefits is being framed.

5.2.2 After Death Assistance

The committee constituted in pursuant to the Hon'ble Supreme Court directives, suggested (October 2018) to States that compensation should be disbursed in a definite time frame not exceeding 60 days from the date of death of the beneficiaries.

Audit scrutinized 49 cases in both the selected districts for the period 2019-20 to 2021-22 and found that in all the examined cases, benefits were not provided within the prescribed time frame. Further, the average time from receiving the application to payment to the beneficiary was 140 days.

In Exit Conference (October 2023) the Secretary, UKBOCW Welfare Board replied that the timeline for delivering benefits is being framed. The reply is not acceptable as the timeline is already framed under the Model Welfare Scheme; the Board needs to adhere to the timeline.

5.2.3 Maternity Benefit (Prasuti Scheme)

As per State Government order (October 2016) maternity benefit of ₹ 10,000 is admissible to eligible beneficiary. In contravention to the said GO, the UKBOCW Welfare Board unilaterally decided (December 2018) to raise maternity benefit assistance from ₹ 10,000 to ₹ 15,000 for male child and ₹ 25,000 for female child, which resulted in excess payment of ₹ 19.75 lakh in 225 cases from December 2018 to November 2021.

² U S Nagar and Dehradun.

³ Excluding 10 percent (Four cases) of highest delay.

⁴ Excluding four cases of highest durations.

In Exit Conference (October 2023), the Secretary, UKBOCW Welfare Board stated that the previous order had been amended and the increased amount has been reverted (November 2021) to prescribed amount as per Act/Rules.

5.2.4 Cycle Scheme

Uttarakhand GO (February 2015) stated that a cycle was to be provided to the BOCW registered workers on their application to reach the workplace on time. This facility was to be made available only once. During 2017-22, 85,000 (23 per cent) out of 3,66,352 registered workers were provided cycles. Audit noticed the following deficiencies in implementation of the scheme:

i. Irregular procurement of ₹ 32.78 crore

As per Rule 35 of Uttarakhand Procurement Rules, procurement of more than ₹ 2.5 lakh will be done through e-procurement through Public Procurement Portal (www.uktenders.gov.in). Audit noticed that in violation of this provision, the Board nominated M/s ITI Limited (August 2019) and M/s TCIL (October 2018) for procurement of 83,560 cycles worth ₹ 32.78 crore during 2018-22. Further, M/s ITI and M/s TCIL Ltd. were empanelled for doing information technology related work and not for non-IT related supplies. In addition, M/s TCIL Limited and M/s ITI Limited claimed ₹ 1.67 crore as centage/service charge for procurement of cycles which was avoidable. In this context, Board replied (November 2023) that future procurements will be carried out as per Uttarakhand Procurement Rules.

ii. No whereabouts of 31,645 cycles worth of ₹ 10.82 crore

As per information provided by the Board, 37,665 cycles were supplied to district Dehradun, whereas only 6,020 cycles were received and distributed by DLC Dehradun during 2017-22.

On this being pointed out Board replied (November 2023) that scrutiny by department is under process.

iii. Excess distribution of cycle to workers

Audit reviewed list of beneficiaries under cycle scheme in district U S Nagar during 2017-22 and found that 216 beneficiaries were distributed cycle two times, 28 beneficiaries were distributed cycle three times, and six beneficiaries were distributed cycle four times. Thus, total 290 cycles worth of ₹ 9.91 lakh⁵ were disbursed extra to workers.

ALC, U S Nagar replied (December 2022) that articles were distributed in pursuance of instructions of the Board. The reply is not acceptable as the cycle was to be provided only once as per GO.

iv. Receipt not taken from beneficiaries

It was noticed that the receipt of distributed cycle was not taken from any of the 20 test checked beneficiaries in sampled districts Dehradun and U S Nagar during 2017-22. In absence of receipt, distribution of cycle could not be ascertained.

⁵ Minimum amount @ ₹ 3,418.57 per cycle.

Board replied (November 2023) that articles were distributed through camps (2017 to 2022) therefore records could not be maintained.

v. Distribution without receiving application

It was found that applications were not received from beneficiaries for the distribution of cycles in district Dehradun during 2017-22.

Board replied (November 2023) that articles were distributed through camps (2017 to 2022) therefore records could not be maintained.

5.2.5 Toolkit Scheme

Uttarakhand Labour and Employment Department issued a notification (September 2013) that toolkits were to be made available to the registered construction workers on their application. Audit noticed following deficiencies in implementation of scheme:

i. Irregular procurement

In violation of the Uttarakhand Procurement Rules, the Board nominated M/s TCIL (October 2018) for procurement of toolkits worth ₹ 33.23 crore during 2018-21. Further, M/s TCIL was empanelled for doing information technology related work and not for non-IT related supplies. In addition, M/s TCIL Limited claimed ₹ 0.97 crore as centage/service charge for procurement of toolkits during 2018-22, which was avoidable.

In this context, Board replied (November 2023) that future procurements will be carried out as per Uttarakhand Procurement Rules.

ii. No whereabouts of 22,255 toolkits

As per information provided by the Board, 22,426 toolkits were supplied in district Dehradun, whereas only 171 toolkits were received and distributed by DLC Dehradun during 2018-22.

Board replied (November 2023) that scrutiny by department is under process.

iii. Receipt not taken from beneficiaries

In test checked cases during 2018-22, it was noticed that the receipt of distributed toolkits was not taken from 20 beneficiaries in district Dehradun. In absence of receipt, distribution of toolkits could not be ascertained.

iv. Distribution without receiving application

It was found that applications were not received from 20 test checked beneficiaries for the distribution of toolkits in district Dehradun during 2017-22.

In this context, the Board replied (November 2023) that articles were distributed through camps therefore records could not be maintained.

5.2.6 Ration Kit Scheme

According to the Board office order (May 2020), door-to-door ration kits were to be distributed to registered construction workers to provide relief due to difficulties in lockdown. Audit noticed following deficiencies in implementation of scheme:

i. Ration kits distributed to common public

Section 11 of the BOCW Act provides that every building worker registered as a beneficiary under this Act shall be entitled to the benefits provided by the Board from its fund under the Act.

It was observed that during 2020-21, 75,000 ration kits worth of ₹ 9.36 crore were procured and distributed to public who were not registered as worker with the Board. Board was also not able to provide the list of these beneficiaries along with the assurance of them being a construction worker. Thus, fund meant for welfare measure of registered workers was used for common public.

The Board replied (November 2023) that in future fund will be expended only for registered workers.

ii. Creation of scheme without approval of the Government

Scrutiny of records revealed that the Board made provision for a ration kit scheme in the year 2020-21 without approval from the Government. Any provision and improvement of welfare measures cannot be made by the Board until it has been approved by the Government and laid before the State Legislature⁶. At same time, the Central Government also provided ration to 80 crore population during and after lockdown under Pradhan Mantri Garib Kalyan Package.

The Board replied (November 2023) that scheme was created to provide benefits to workers during pandemic.

iii. Irregular procurement of ₹ 53.58 crore

In violation of the Uttarakhand Procurement rule, the Board nominated M/s ITI Ltd. (May 2020) for procurement of ration kits worth ₹ 53.58 crore during 2020-21. M/s ITI Ltd. was empanelled for doing information technology related work and not for non-IT related supplies. Further, M/s ITI Ltd. claimed ₹ 3.51 crore for the said work as centage charge which was avoidable.

The Board replied (November 2023) that procurement was carried out in pandemic and procured through available resources in view of emergency.

iv. Ration Kit provided to public representatives

During the test check of the hard copy of the list, it was noticed that the bulk of ration kits were received by Gram Pradhan and political representatives in Dehradun while ration kits were to be delivered door to door by the M/s ITI Ltd. as per agreement with this firm for procurement and distribution of ration kit.

The Board replied (November 2023) that it had to provide benefits in remote areas, therefore, kits were distributed with the help of Labour Enforcement Officers and public representatives.

v. Unavailability of receipt from beneficiaries

In test checked cases, it was noticed that the receipt of distributed ration kits during 2020-21 was not taken from any of 20 test checked beneficiaries in districts Dehradun

⁶ As per Section 62 and 22(1)(h) of the BOCW Act.

and U S Nagar. Lists of beneficiaries that were provided to audit in hard copy contained only name, registration number and address. These details did not confirm the receipt of articles by these beneficiaries.

The Board replied (November 2023) that receipts is being sought from M/s ITI Ltd.

5.2.7 Old Age Pension & Disability Pension

As per guidelines, the pension should be admissible to only those registered workers who have remained registered for a minimum of 10 years. The amount to be awarded to beneficiaries above 60 years was ₹ 1,000 per month and after 65 years ₹ 1,500 per month. Further, rule 275 of UKBOCW Rules states that the Board may sanction an amount of ₹ 1,000 per month as disability pension to a beneficiary who is permanently disabled due to paralysis, leprosy, TB, accident etc.

Test check of records revealed that no registered worker had applied for the old age pension scheme and disability pension scheme due to accident at worksites during 2017-22. Moreover, the mechanism related to timely notification of any accident of a construction worker was not in operation. This has resulted in no registered worker being covered by any of the pension schemes in the State.

The Board replied that no beneficiary was found eligible for the old age pension scheme. However, their response was unsatisfactory, as Board neither conducted awareness programs among registered workers nor developed any mechanism to select qualified workers for the pension scheme.

5.3 Other issues in the implementation of schemes

5.3.1 Household items provided against the order of GoI

The Ministry of Labour and Employment had directed⁷ the State Welfare Boards (SWBs) not to distribute articles and household items but instead, provide welfare measures like life insurance, health insurance, disability cover, maternity benefits and old-age pensions to the BOC workers.

In 10 test checked schemes, it was noticed that 44,460 (08 per cent) workers were provided welfare measures such as marriage assistance, after-death assistance, scholarship assistance and maternity benefit while 5,20,170 (92 per cent) workers were provided household items under four schemes. The scheme-wise details of the welfare measures and household items provided to the workers/beneficiaries are given in **Table-5.4**.

Table-5.4: Details of the welfare measure and household items

Sl. No.	Welfare measures			Household items		
	Name of Scheme	No. of workers	Exp. (₹ in lakh)	Name of Scheme	No. of workers	Exp. (₹ in lakh)
1.	Marriage Assistance	15,338	6,710.31	Blanket Assistance	65,000	909.19
2.	After death Assistance	1,847	4,795.37	Toolkit Assistance	45,170	2,795.58
3.	Scholarship Assistance	26,080	1,476.86	Cycle Scheme	85,000	3,032.59
4.	Maternity Benefit	1,195	118.28	Ration Kit	3,25,000	4,243.97
5.	Disability Pension	NA	NA			
6.	Pension (60+ Years)	NA	NA			
	Total	44,460	13,100.82		5,20,170	10,981.33

Source: UKBOCW Welfare Board.

⁷ According to PIB 1707562 dated 25 March 2021.

As evident from the table above, no beneficiaries received benefits under the old pension and disability pension schemes, which are social security measures designed to protect workers from unforeseen risks, losses, and financial uncertainties a primary objective of the BOCW Act. Further, UKBOCW Welfare Board did not explore convergence of above stated schemes with other State Government Departments.

The Board replied (November 2023) that procurement and distribution of articles in kind at present had been stopped by the Board.

5.3.1.1 Distribution of articles even after restriction

According to an order dated 25 March 2021, issued by the Ministry of Labour and Employment, Government of India, the distribution of articles in kind to building and other construction workers has been prohibited under authority vested in it by Section 60 of BOCW Act.

Table-5.5: Details of article distributed and expenditure incurred (2021-22)

Scheme	Workers benefitted	Expenditure ⁸ (in ₹ crore)
Blanket	20,053	NA
Cycle	11,995	4.56
Total	32,048	4.56

Source: UKBOCW Welfare Board.

However, in test checked schemes, it was found that 32,048 articles were distributed in the year 2021-22 in violation of the aforesaid order as depicted in **Table-5.5**.

The Board replied (November 2023) that procurement and distribution of articles in-kind at present had been stopped by the Board.

5.3.2 Scheme benefits of ₹ 240.82 crore provided without using DBT framework

An advisory was issued by the Ministry of Labour, Government of India (March 2020) to the States to provide financial assistance through DBT to Building and Other Construction Workers. Further, Government of India instructed that DBT not only encompasses direct transfer of cash benefits, but also in kind benefit transfers. However, audit observed that the process adopted by the Board for delivering benefits in different schemes was not compliant with the SOP of DBT payment formulated by Central Government. Disadvantage of non-adoption of DBT framework is depicted in **Table-5.6**.

Table-5.6: Disadvantage of non-adoption of DBT framework

Sl. No.	Advantages of DBT	Disadvantages of process adopted by the Board
1.	Assurance of delivering benefits to targeted beneficiary due to validation process in the DBT framework	Competent authority has to confirm from the Bank for every benefit delivered to the beneficiary
2.	Quick delivery of benefits	Delay in payment because of sending beneficiaries' list to bank for payment
3.	Minimum levels involved in benefit transfer	Multiple levels involved in benefit transfer
4.	Curb duplicity	Duplicity cannot be traced due to manual process
5.	Articles in-kind may be delivered through biometric authentication using Aadhar enabled POS devices	No such process exists

Thus, the process adopted by the Board was not consistent with the spirit of the DBT framework. As a result, the UKBOCW Welfare Board provided benefits of

⁸ Year wise Expenditure on Blanket scheme was not provided by the Board.

₹ 240.82 crore between 2017-18 and 2021-22 and was still providing benefits through cheque instead of using DBT.

The Board replied (November 2023) that DBT framework is being developed in collaboration with the HDFC bank.

5.3.3 Benefits against the Hon'ble Supreme Court Order

As per para 29 of Hon'ble Supreme Court Judgement Dated 19 March 2018 “Unless a construction worker is registered under the provisions of the BOCW Act and is employed by a registered establishment, that construction worker will not be entitled to any benefits that may accrue under the provisions of the BOCW Act or any other law that can benefit a construction worker”.

During the analysis of registered establishments, it was noticed that only 101 establishments were registered between 2018-19 and 2021-22 and 4,073 workers were deployed in these registered establishments. Moreover, UKBOCW Welfare Board did not provide information about registration status of aforesaid 4,073 workers. Further, 5,47,274⁹ beneficiaries were provided benefits of ₹ 215 crore under 10 selected schemes between 2018-19 and 2021-22. These 5,47,274 beneficiaries¹⁰ were not eligible to get benefits as they were not employed by registered establishments.

The Board replied (November 2023) that in future, benefits will be provided in accordance with the Hon'ble Supreme Court.

5.4 Conclusion

Implementation of schemes was deficient which included irregularities such as excess payment without requisite approval, delay in delivery of benefits, benefits provided without ensuring eligibility, irregular procurement and distribution of articles, benefits against directions of GoI and non-operation of old age pension and disability pension scheme. Scheme benefits of ₹ 240.82 crore were provided without using DBT framework.

5.5 Recommendations

For efficient implementation of welfare measures following recommendation may considered:

- 1. The Board should deliver benefits as per the extant orders with requisite approvals and through DBT;*
- 2. The government should ensure proper coverage of registered workers under social security schemes of health and life insurance. Convergence with the schemes of other departments can also be explored;*
- 3. The Board should focus on spreading awareness about welfare schemes among construction workers through Information, Education and Communication (IEC) activities.*

⁹ Some beneficiaries were benefitted under multiple schemes.

¹⁰ These beneficiaries were being registered on behalf of self-declaration and detail of working in a registered establishment was not mentioned in any of the application.

Chapter-6
Governance and Management Issues

Chapter-6

Governance and Management Issues

Before implementation of BOCW Schemes, the Board will draft projected income and expenses and present its budget to the Government for approval. Adequate personnel are to be assigned by the Board to ensure effective enforcement of the BOCW Act and its accompanying regulations. However, Audit revealed several deficiencies, including unauthorized spending, lack of financial audits, inadequate accounting practices and insufficient human resources.

6.1 Receipt and Expenditure of cess

As per information provided by the UKBOCW Welfare Board, details of receipt and expenditure of cess and its investment during 2017-22 are given in **Table-6.1**.

Table-6.1: Details of receipt and expenditure

Year	Opning Balance	Receipt	Investment	Expenditure	Closing Balance
2017-18	50.31	82.06	5.15	37.84	89.38
2018-19	89.38	127.20	23.18	90.96	102.44
2019-20	102.44	153.67	0.02	191.04	65.05
2020-21	65.05	225.66	20.07	196.92	73.72
2021-22	73.72	163.97	0.07	90.33	147.29
Total		752.56	48.49	607.09	

(₹ in crore)

Source: UKBOCW Welfare Board.

The Board maintained this information in an Excel sheet, however, the Audit was unable to verify/reconcile it due to the absence of bank statements¹ and other pertinent documents.

6.2 Budget, Accounts and Audit

6.2.1 Budget expended without sanction

As per Section 25 of the BOCW Act, the Board shall be responsible for submission of annual budget to Government for sanction.

Audit noticed that Board did not prepare and submit its budget showing estimated receipt and expenditure for the next financial year between 2017-18 and 2021-22 to the State Government. Consequently, Board spent ₹ 607.09 crore between 2017-18 and 2021-22 without sanction of the Government. It was also noticed that no mechanism was devised to assess the cess receivable. The physical and financial targets of the schemes were also not fixed.

The Board replied (November 2023) that in future, budget will be expended after approval from the Government.

6.2.2 Improper maintenance of Books of Accounts

As per Section 27 (1) of the BOCW Act, The Board shall maintain proper accounts and other relevant records.

¹ As per excel sheet provided by the Board, total 15 to 28 bank accounts were being maintained by the Board during 2017-22 for cess transactions.

Audit noticed that UKBOCW Welfare Board did not prepare and maintain Asset accounts, Investment accounts, Cash book, Register of Cheque issued, Register of Valuables, Bank reconciliation statement and other relevant records. These are mandatory for proper maintenance of accounts. Due to improper maintenance of accounts, a true and fair view of the financial position could not be ascertained.

During the scrutiny of records of the Board, it was observed that all types of receipts had been clubbed under the receipt of cess without categorization. Also, the Board did not carry out reconciliation of the financial statements.

Further, an account of Oriental Bank of Commerce (A/c No 6902191017628) was being maintained by the Board for the receipt and expenditure of cess fund. In the scrutiny it was found that as per the excel sheet of the bank account for the year 2020-21 maintained by the Board, the closing balance showed ₹ 1.24 crore, while as per calculation closing balance should have been ₹ 9.34 crore. Thus, an amount of ₹ 8.10 crore was missing, which could not be verified due to unavailability of authorised bank statement of the account.

In the Exit Conference (October 2023), the Secretary of the Labour Department stated that it is a matter of concern, and it would be examined. Necessary action would be taken in case of any financial irregularity.

Upon reviewing the matter, the Secretary (July 2024) provided documents, which clarified that the discrepancy arose due to lack of reconciliation and improper record maintenance. With the records and now updated bank passbook, the discrepancy has been resolved. The fact confirms that the Board neither maintained records properly nor carried out the reconciliation with the bank.

6.2.3 Annual accounts

According to Section 26 of the BOCW Act, an annual account should be prepared and periodically furnished to the State and Central Government. During scrutiny, it came to light that no annual accounts had been prepared and furnished to the State and Central Government since the inception of the Board.

The Board admitted the facts (May 2023) in its reply and stated that in future annual account will be maintained in prescribed format.

6.2.4 Accounts were not audited

The Accounts of the Board shall be audited by the Comptroller and Auditor-General of India annually as per Section 27(3) of the BOCW Act. Board did not furnish its accounts to the office of Comptroller and Auditor General of India since establishment (2005). Subsequently, Accounts of the Board were not audited, which indicates breach of provisions of the Act.

In the exit conference (October 2023) Secretary, UKBOCW Welfare Board accepted the facts and assured necessary action in future.

6.2.5 Social Audit not conducted

As per point 75 of the directions of the Hon'ble Supreme Court², it would be worthwhile and relevant for the State Governments and the Welfare Boards in every

² WP (c) No.318 of 2006 on 19 March 2018.

State and Union Territory to conduct a social audit. No records were provided by the Board regarding social audit conducted in respect of implementation of the BOCW Act in Uttarakhand.

The Board replied (November 2023) that social audit will be conducted as per the Hon'ble Supreme Court order.

6.3 Irregular Expenditure

6.3.1 Irregular expenditure of ₹ 28.61 crore on GIS³ Survey

During the scrutiny of records, it was observed that Secretary, UKBOCW Welfare Board signed two MOUs with M/s TCIL Ltd. on 07 September 2018 and 13 December 2019 worth ₹ 33.45 crore for assessment and facilitation of collection of cess in four districts⁴ from 2005 to 2018 through GIS survey. Payment of ₹ 28.61 crore was made to M/s TCIL Ltd. for said work. On review following deficiencies were noticed:

- i. Assessment and collection of cess were to be done by the authorities⁵ (as depicted in Table-1.1) notified under the BOCW Act and not by the UKBOCW Welfare Board. Accordingly, award of assessment and collection work to M/s TCIL was out of purview of the Board.
- ii. It was also noticed that expenditure of ₹ 28.61 crore on aforesaid work was incurred without approval of the Government. Rule 291 of UKBOCW Rule 2005 provides that the fund shall not, without the previous approval of Government, be expended for any purpose other than those mentioned in the BOCW Act and the Rules.
- iii. **GIS Survey within development authorities' limits:** Scope of work included GIS survey of area within the jurisdiction of development authorities. Since development authorities already had data of building plans and constructions within their area so the work of GIS survey within limits of development authorities was redundant.
- iv. **Mandatory data not obtained in GIS Survey:** As per MOU, information including Construction date was to be provided by M/s TCIL Ltd. in the prescribed format. However, as per sample database provided by the Board, construction date was not captured for assessment and collection of cess for the period between 2005 and 2018. Therefore, it was not possible to calculate reasonable cost of construction in the absence of construction date as Consumer Price Index (CPI) changes over time.

The Board replied (November 2023) that after GIS Survey, challans/notices were issued to concerned Project/Establishment and persons by cess collector and assessment officers. Recovery was in progress as per the cess Act and

³ Geographical Information System (GIS) are computer based tools to capture, store, analyze and interpret geographical data.

⁴ Haridwar, Dehradun, Nainital & U S Nagar.

⁵ For collection and assessment of cess, cess collector and assessment authorities were notified by the Uttarakhand Government.

Rules. Reply is not acceptable because the aforesaid exercise was out of the purview of the Board and carried out without approval of the Government. Further, recovery details were also not furnished by the Board.

6.3.2 Wasteful expenditure on Identity Card

As per Section 13 of BOCW Act, every registered worker must be provided with an identity card (ID) by the Board including his photograph duly affixed thereon and with enough space for entering the details of the building or other construction work done by him.

During scrutiny of records Audit noticed that the registered beneficiaries' identity cards were incomplete and did not contain record of their prior construction work. In absence of details of previous construction work, the eligibility of beneficiary could neither be identified nor cross-verified (as discussed in point (i) of *paragraph 2.2.1*). Further Audit noticed that during 2017-18, ID cards were issued in the form of plastic card where no space was provided to fill up the work and scheme related data. As a result, expenditure incurred on procurement of plastic ID cards worth ₹ 78.95 lakh was a wasteful expenditure.

The Board accepted the facts and replied (May 2023) that plastic card was not as per rules.

6.4 Rules framed against the spirit of the Act

6.4.1 Inconsistency of Rules with the spirit of BOCW Act

Section 12 (1) of the BOCW Act states that every building worker who has completed 18 years of age, but has not completed 60 years of age, and who has been engaged in any building or other construction work for not less than 90 days during the preceding 12 months shall be eligible for registration as a beneficiary under this Act. Also, Section 16 (1) of the Act states that a building worker who has been registered as a beneficiary shall, until he attains the age of 60 years, contribute to the fund at such rate per month, as may be specified by the Government. Further, Section 17 of the Act states that if a beneficiary has not paid his contribution under 16 (1) for a continuous period not less than one year, he shall cease to be a beneficiary.

However, as per the Rules framed by the Government of Uttarakhand (February 2015), a construction worker has to pay contribution once in three years. If worker fails to pay contribution before the lapse of three years, he will be ceased to be a beneficiary. Further, his registration may be renewed if he paid his contribution for next three years with a late fee of ₹ 10.

The Act was framed with monthly contribution and annual monitoring of subscription so that it could be assured that the worker is regularly engaged in construction work. However, by making this subscription for the three years such monitoring was defeated. Hence, the said Rule was inconsistent with the BOCW Act.

No reply was furnished by the Board.

6.4.2 Government Order (GO) inconsistent with the Act

According to Uttarakhand GO (December 2016), a cess was to be collected for both residential and non-residential works having construction cost more than ₹ 10 lakhs.

However, as per section 2(j) of the BOCW Act, cess was also to be collected from non-residential works less than ₹10 lakhs. Hence, the said GO was inconsistent with the BOCW Act. As a result, there was less collection of ₹ 6.49 lakhs⁶ as cess in test checked Development Authorities during 2018-22.

The Board replied (November 2023) that the aforesaid GO is being reviewed, updated order will be forwarded to audit.

6.5 Limited Resources of Manpower

Human Resource Management is necessary for the successful implementation of any project/scheme and to maximize the efficiency of the overall organization.

To enforce the BOCW Act and Welfare Cess Act, the Labour Department has assigned Deputy Labour Commissioner (DLC), Assistant Labour Commissioner (ALC) and Labour Enforcement Officer (LEO). Person in position in these posts are listed in **Table-6.2**.

Table-6.2: Details showing filled posts in the Labour Department in the state

Details of posts in the Labour Department for enforcement of BOCW Welfare scheme						
Post	Sanctioned post	2017-18 PIP ⁷	2018-19 PIP	2019-20 PIP	2020-21 PIP	2021-22 PIP
DLC/ALC	16	14	14	14	11	11
LEO	32	14	14	14	14	11
Total (per cent)	48 (100)	28 (58)	28 (58)	28 (58)	25 (52)	22 (46)

Source: Departmental data.

As can be seen, 42 to 54 *per cent* posts were continuously vacant, which impacted the registration of establishments, registration of construction workers and implementation of the schemes.

Further, UKBOCW Welfare Board had no organizational structure indicating the level of posts and their mode of recruitment to implement the welfare scheme in the State. Still further, the UKBOCW Welfare Board had uneven human resources during 2017-22 as shown in **Table-6.3**.

Table-6.3: Structure of uneven human resource of UKBOCW Welfare Board

Year	Persons posted at UKBOCW Welfare Board
2017-18	15
2018-19	21
2019-20	34
2020-21	40
2021-22	19

Source: Departmental data mentioned in Appendix-6.1.

Deficient and uneven human resources impacted the efficient functioning of the UKBOCW Welfare Board.

In Exit Conference (October 2023), Secretary, UKBOCW Welfare Board stated that working on organizational structure of the Board is under process. Secretary, UKBOCW Welfare Board further added that DLC/ALC and LEO posts are commissioned posts of the Labour Department.

⁶ As per the covered area of non-residential 62 works of DDA US Nagar (₹ 4.02 lakh) and 31 works of MDDA (₹ 2.47 lakh).

⁷ Person in position (PIP).

6.6 Ineffective Grievances redressal system

Uttarakhand Government order (February 2019) specified 36 days⁸ time limit for resolving public complaints. The CM helpline portal was created for redressal of complaints. It was observed that none of the 10 test checked complaints were resolved. Complaints were closed without resolution after 83 to 966 days from date of complaint as depicted in **Table-6.4**.

Table-6.4: Details of randomly selected complaints

Sl. No.	Complaint			Duration of closure (in days)	Redressal Status	
	No.	Nature	Received on			Closed on
1.	86511	Financial Assistance not received	14.07.2020	14.06.2022	700	Not Resolved
2.	85608		10.07.2020	01.10.2020	83	
3.	83314		04.07.2020	29.11.2020	148	
4.	83211		03.07.2020	26.12.2020	176	
5.	47045		29.12.2019	29.08.2020	244	
6.	44716		12.12.2019	25.06.2022	926	
7.	55785		22.02.2020	23.04.2022	791	
8.	97012		11.08.2020	30.06.2022	688	
9.	103706		05.09.2020	29.06.2022	662	
10.	39009		02.11.2019	25.06.2022	966	

Source: UKBOCW Welfare Board.

On this being pointed out, the Board replied (May 2023) that delay occurred due to shortage of staff. The reply is not tenable as no complainant was provided due benefit even after 83 to 966 days from date of receiving complaint. Thus, purpose of CM Portal was defeated with the inaction of the Board.

6.7 Non-functional Committees

As per Rule 253 of UKBOCW Rule 2005, the Board shall ordinarily meet once in two months. Similarly, Rule 20(1) provides that the State Advisory Committee shall meet at least once in six months. As per Section 4(1) of the BOCW Act Advisory Committee will advise the State Government on such matters arising out of the administration of this Act as may be referred to it.

Records revealed that both the constituted bodies i.e., Board and State Advisory Committee had not conducted regular meetings which was against the provisions of the BOCW Act.

In Exit Conference (October 2023), Secretary, Department of Labour stated that the Board would hold regular meeting as per the Act.

6.8 Other Issues

6.8.1 Irregular expenditure on Workers Facility Centre

UKBOCW Welfare Board had entered into an agreement (August 2019) with M/s ITI Ltd. for opening of Workers Facility Centre (WFC) at different locations at a cost of ₹ 2,18,300 per month per WFC. These WFC were engaged for providing services like fresh registration, renewal of worker's registration, receipt and uploading of beneficiary applications on the portal and printing of the BOCW worker's Identity cards. An amount of ₹ 13.61 crore was paid to M/s ITI Ltd. during October 2019 to January 2023 for running 19 WFCs.

⁸ Total days for redressal from L-1 to L-4 are 36 days (15+7+7+7).

On review, Audit observed following deficiencies /financial irregularities:

- i. M/s ITI Limited was originally empanelled solely for information technology related projects following evaluation and approval from the Government of Uttarakhand. However, the Board nominated M/s ITI Ltd. for the establishment of the WFC, a task unrelated to Information Technology. This action also contravened Rule 35 of the Uttarakhand Procurement Rules 2017, which stipulates that procurement exceeding ₹ 2.5 lakh must be conducted via e-procurement through www.uktenders.gov.in portal. As a result, payment of ₹ 13.61 crore to M/s ITI Ltd. without resorting to e-procurement was irregular.
- ii. The Board approved 60 *per cent* advance to M/s ITI Ltd. against permissible limit of 40 *per cent* under the Rule 18(2) (b) of the Uttarakhand Procurement Rules.
- iii. M/s ITI Ltd. was relieved from the primary task of worker registration. However, M/s ITI Ltd. was paid according to original payment conditions which included worker registration. This resulted in undue benefit to M/s ITI Ltd.
- iv. Payments were made without assurance of service quality as the Board did not devise any mechanism to monitor quality of services rendered at WFCs.
- v. Out of 19 WFCs, 11 were not established within scheduled period of two months of the date of the agreement and became operational with a delay of 25 to 749 days. As a result, payment of ₹ 91.68 lakh for non-operational period of 11 WFCs was an undue benefit to the contractor as detailed in **Appendix-6.2**.
- vi. An AMC for the maintenance of UKBOCW Welfare Board software, named Labour Management Information System (LMIS), was carried out since December 2015 through M/s MARG Software Solution, which was renewed on yearly basis. The validity of this agreement was expiring in December 2019. Meanwhile, the Board entered into a new agreement⁹ (22 August 2019) with M/s ITI Ltd., through which the AMC of the LMIS was handed over to M/s ITI Ltd. for a period from October 2019 to September 2024. Audit noticed that on 04 March 2020 the Board had paid an amount of ₹ 3.95 lakh against AMC to M/s MARG Software Solution for the period from December 2019 to December 2020, even after entering a new agreement with M/s ITI Ltd., which reflects a repetition of payment for the same service. An additional burden of ₹ 3.95 lakh incurred because of the Board's negligence.

During Exit Conference (October 2023), Secretary, Department of Labour stated that it is a matter of concern and it would be examined and if irregularities found necessary action would be initiated.

6.9 Discharge of mandated roles and responsibilities

The details of mandated roles & responsibilities and status of their discharge are provided below in **Table-6.5**.

⁹ Specification of costs in the agreement were domain, web hosting, software for data entry and other charges of old customized LMIS software AMC. This agreement was for five years, period starting from October 2019 to September 2024.

Table-6.5: Details of mandated roles and responsibilities

Authority/Body	Mandated Roles and Responsibilities	Whether discharged?	Audit observations
UKBOCW Welfare Board	Implementation of Welfare Measures Administration of fund	Partially	<ul style="list-style-type: none"> ➤ Implementation of scheme was deficient owing to excess payment, benefits without ensuring eligibility, delay in delivery of benefits and without using DBT, irregular procurement and distribution of articles instead of social security welfare measures while no one was benefitted under pension and disability scheme. <i>(Para 5.2.1 to 5.2.8)</i> ➤ Administration of fund was poor as it included irregularities such as budget expended without sanction, improper maintenance of books of accounts, accounts were not submitted and audited as well. <i>(Para 6.2.1 to 6.2.4)</i>
Deputy/Assistant Labour Commissioner, Labour Department	Registration of establishment	No	Registration authorities failed to discharge their responsibility effectively as only one out of 17,655 establishments were found registered in test checked entities. <i>(Para 2.1.1)</i>
Labour Commissioner Deputy/Assistant Labour Commissioner, Labour department	Inspecting authority	No	Enforcement was very weak because no inspection was conducted in district Dehradun while only 16 inspections were conducted in U S Nagar. Further, poor working conditions, health and safety norms were noticed during joint inspection of 19 work sites. <i>(Para-4.3 and 4.5)</i>
Deputy/Assistant Labour Commissioner Labour Enforcement Officer	Registration of building & other construction workers	Partially	Registration of beneficiaries is being done but includes instances of inclusion of ineligible workers, exclusion of eligible workers and absence of mechanism for registration of migrant workers. <i>(Para-2.2.1 to 2.2.3)</i>
Secretary, Development Authority	Cess collector	Partially	Lack of efforts from cess collecting authority led to non-collection of cess, short collection of cess, cess not transferred timely to Welfare Board and cess collection based on outdated rates. <i>(Para-3.1)</i>
Executive Engineer, Working Agencies	Cess deductor	Partially	In one out of 20 test checked cases, ₹ 31.01 lakh amount of cess was not deducted. <i>(Para-3.1.4)</i>
Deputy/Assistant Labour Commissioner, Labour Department Secretary, Development Authority	Cess assessing authority	No	Assessment was very low as only 16 assessments were carried out in district Dehradun while no assessment was carried out in U S Nagar. Further, cess assessment was short, inaccurate and recovery of ₹ 6.96 crore was still pending. <i>(Para-3.4.1,3.4.2 and 3.4.4)</i>

6.10 Conclusion

The Board failed to ensure the annual auditing and submission of its accounts to the Government. Despite the obligation to formulate an annual budget for each financial year, outlining the projected receipts and expenditures and submitting it to the

Government, the Board failed to fulfil this requirement throughout the coverage period from 2017-18 to 2021-22. Inadequate staffing at both the Board and district offices of the Labour Department, coupled with insufficient monitoring at the Board level, significantly contributed to the ineffective execution of welfare schemes.

6.11 Recommendations

Following recommendations may be considered:


1. *The UKBOCW Welfare Board should submit its annual accounts in a timely manner and ensure to get them audited;*
2. *The ID cards issued by the Board to registered workers should contain Unique Identification Number integrated with Aadhaar linked bank account to facilitate effective delivery of welfare measures;*
3. *The Government should initiate suitable action against officials who failed to discharge mandated roles and responsibilities in accordance with the Acts and rules made thereunder;*
4. *The Government should ensure proper reconciliation of the financial statements of the Board and fix the responsibility for financial irregularities due to non-reconciliation of transactions between the Bank and the Board.*

Dehradun
The 16 November 2024


(PRAVINDRA YADAV)
Principal Accountant General (Audit),
Uttarakhand

Countersigned

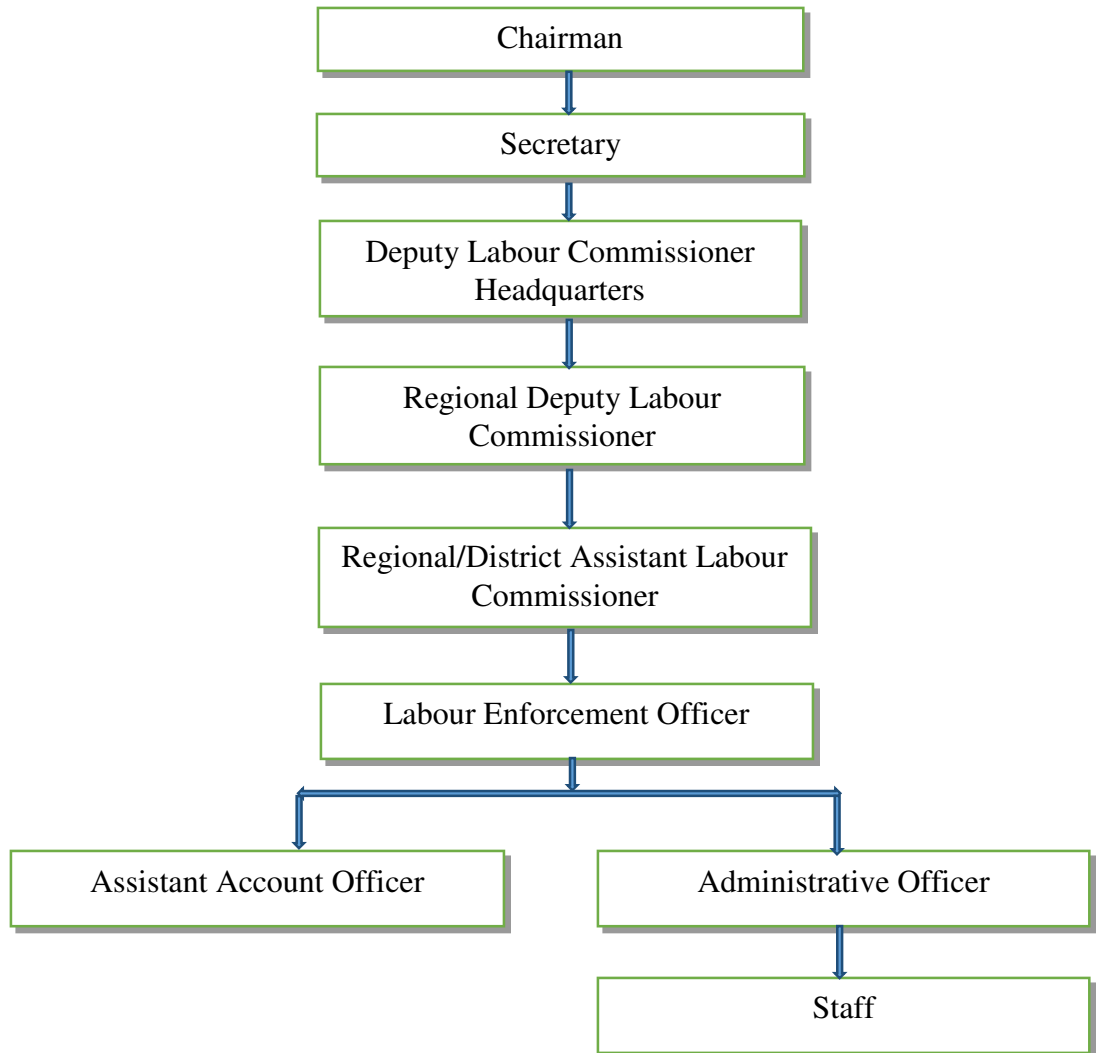
New Delhi
The 23 November 2024


(GIRISH CHANDRA MURMU)
Comptroller and Auditor General of India

Appendices

Appendix-1.1
(Reference: Paragraph 1.1, Page-2)

Uttarakhand Building and Other Construction Workers Welfare Board



Appendix-1.2

(Reference: Paragraph 1.5, Page-4)

Records that were not produced by the entities

Sl. No	Name of the entity	Records not produced
1	Uttarakhand Building and Other Construction Workers Welfare Board	1-Statement of all Bank Accounts of UKBOCW Board. 2-Copies of Fixed Deposit Receipts 3-Records related to the procurement of cycle, toolkit and ration kits- (a) Publication of tender (b) Documents of bidder (c) Evaluation of bids (d) Comparative statement 4- Sample of Online Form for registration of beneficiaries and establishments 5- Number of challans issued and details of recoveries on account of GIS Survey
2	Peyjal Sansadhan evam Vikas Nigam, Rudrapur	Compiled record of year-wise cess collected and remitted to the Board
3	Labour Department	Information regarding intimation of commencement of work by the employer under section 48 of the BOCW Act.

Appendix-2.1

(Reference: Paragraph 2.2.2, 2.2.3 & 4.5, Page-8, 8 & 21)

Joint Inspection list of 19 establishment conducted by Audit

Sl. No.	Name of sampled worksites	Number of construction workers employed at worksites			Registration Status of workers
		Number of workers from outside the State	Number of workers from the State	Total number of workers	
1	2	3	4	5	6
1	Construction work of commerce block at degree college, Rudrapur, U S Nagar	08	04	12	00
2	Auditorium Hall, Dineshpur, Rudrapur, U S Nagar	00	11	11	00
3	Library and Digital Library Building at Tharu GIC Building, Khatima, U S Nagar	08	00	08	00
4	Mansik Rogiyo ka Punarwas Griha, Phoolsunga, Rudrapur U S Nagar	15	10	25	00
5	Interface Microsystem, Pantnagar, Rudrapur, U S Nagar	20	00	20	00
6	Archit Panel Industries Pvt Ltd., SIDCUL industrial area, Sitarganj, U S Nagar	20	40	60	15
7	Canteen Block of Hospital, Bagwara, Rudrapur, U S Nagar	06	05	11	00
8	Venus Avenue Complex, Rudrapur, U S Nagar	05	20	25	00
9	Mukhyamantri Ghoshna (Vanchetna Maidan se Ramesh Chandraji ke Makan Tak) U S Nagar	00	10	10	00
10	Pachauriya mein kache marg ka interlocking tiles nirman, Pachauriya U S Nagar	00	12	12	00
11	Construction of Tehsil Building in Sitarganj, U S Nagar	00	08	08	00
12	Road widening of Katapathar judo motor marg, Vikas nagar, Dehradun	40	15	55	15
13	Construction of road and drainage in ward 89 and 90 of Dharampur Legislative Assembly, Harbhajwala, Dehradun	17	05	22	00

Sl. No.	Name of sampled worksites	Number of construction workers employed at worksites			Registration Status of workers
		Number of workers from outside the State	Number of workers from the State	Total number of workers	
1	2	3	4	5	6
14	Construction of Dhuttu Gandhakpani motor road, Akhandwali Bhilang Dehradun	00	18	18	00
15	Widening and renovation of Jogiwala-Raipur-Sahastradhara Crossing Road near Khairi Maan Singh, Mayur Vihar Sahastradhara Road, Dehradun	50	00	50	00
16	Construction of 240 M Vidalna Bridge, Vidalna Bridge Thano Bhogpur KM 3, Rishikesh, Dehradun	13	08	21	00
17	Upgradation of athletic pavilion building at Maharana Pratap Sports College, Dehradun, Raipur, Dehradun	00	05	05	00
18	Road Widening and Car parking	00	12	12	08
19	Construction of 200 bedded hostel at MPSC, Raipur, Dehradun	13	02	15	00
	Total	215	185	400	38

Appendix-2.2
(Reference: Paragraph 2.2.5, Page-9)

Analysis of data of registered workers during 2017-22 in Dehradun and Udham Singh Nagar

- Aadhaar number was not captured for 30,945 (16.5 per cent) beneficiaries.
- Bank Account number not captured.

Bank account number was not present in 4,034 (2.15 per cent) registered workers and certain bank account was linked to more than one beneficiary. Details mentioned below.

Sl. No.	District	Account Number	Registered workers attached
1	Dehradun	886000100289136	48
2		16042121017797	55
1	U S Nagar	5947220009	51

- Single Bank account number shows its existence in two different banks

A single bank account number showing its existence in more than one bank and linked to more than one registered worker

Sl. No	District	Account Number	Single Bank account number shows its existence in two different banks.
1	Dehradun	3907000103165770	SBI and PNB
2		1168104000012870	IDBI and BOB
3		16032121001568	UCO and OBC
4		30586649056	Union Bank and SBI
5	U S Nagar	17450100011728	BOB and SBI

- Bulk registration of single mobile number

Mobile number was not present in 14,936 (7.95 per cent) registered workers while some mobile numbers were registered against employees in bulk. Details mentioned below:

Sl. No.	District	Phone Number	Registered workers attached
1	Dehradun	6395533053	57
2		8630662958	61
3		9756469291	110
4		9536807803	118
5		8630564246	116
6		9999999999	185
7	U S Nagar	9012796500	54
8		9865321478	64
9		7535007097	87
10		9690852124	77

- Overlooking the Age-criteria

Registered workers were found above 60 years of age while some were still minor i.e., less than 18 year old. Table below shows age wise ineligible workers registered.

Sl. No.	District	Year	Beneficiary above 60	Total above 60
1	DDN	2017-18	1,262	2,233
2	U S Nagar	to 2021-22	971	
	District	Year	Beneficiary Below 18	Total Below 18
1	Dehradun	2017-18	7	12
2	U S Nagar	to 2021-22	5	

- **Double registration of worker**

A single beneficiary was registered twice and having two registration numbers. Test checked cases mentioned below:

Sl. No.	District	Enrolment number	How many times registered
1	Dehradun	05076090599569 05076090008313	2
2		05076090008316 05075990601074	2
3		05075990655486 05075990655489	2
4		05076190633399 05076190617239	2
5	U S Nagar	05031193126327 05031193173089	2
6		050311299318006 050311299320265	2
7		05031193132284 05031193174051	2
8		05031193137816 05031193174636	2
9		05031193128590 050311599319845	2
10		05032393147220 05031193147218	2
11		05031193131867 05032493176127	2

Appendix-3.1
(Reference: Paragraph 3.1.1, Page-11)

Details of approved building plans having covered area zero

Sl. No.	Application No.	Total Covered area (Sqm)	Net plot area (Sqm)	Ground coverage (per cent)	Labour cess paid to MDDA (in ₹)
1	MAP/P/R/1972/19-20	0	0	72.03	0
2	MAP/P/R/2053/19-20	0	16.38	54.15	0
3	MAP/P/C/1657/19-20	0	0	58.55	0
4	MAP/P/R/2441/19-20	0	142.42	69.6	0
5	MAP/P/R/2501/19-20	0	241.31	47.59	0
6	MAP/P/R/2525/19-20	0	7.37	53.38	0
7	MAP/P/C/1728/19-20	0	0	63.51	0
8	MAP/P/R/3477/19-20	0	412.63	38.29	0
9	MAP/P/R/3809/19-20	0	103.98	64.55	0
10	MAP/P/R/3853/19-20	0	87.45	67.26	0
11	MAP/P/R/1097/20-21	0	0	65.01	0
12	MAP/P/R/1183/20-21	0	0.09	74.15	0
13	MAP/P/C/0455/21-22	0	900.11	44.56	0
14	MAP/P/R/5350/21-22	0	1028	44.62	0
	Total	0	2,939.74		0

Appendix-3.2
(Reference: Paragraphs 3.1.3, Page-12)

Details of scrutiny of test checked approved Map

(₹ in lakh)

Application No.	MAP/P/C/2000/19-20	MAP/P/R/2039/16-17
The total covered area as per database (Sq.m)	40,416.38	67,389.50
Cess as per the adopted formula	72.63	119.89
Cess deposited	24.03	0
Cess due	48.60	119.89

Appendix-3.3
(Reference: Paragraphs 3.1.5, Page-12)

Details of plinth area rate for computation of cess as per Uttarakhand GO (December 2016)

Sl. No.	Type of building	Type of plot	Equivalent Plinth area	Category equivalent to Public Works Department	Plinth area rate per sq. m (Load Bearing Structure)		Plinth area rate per square meter (RCC Frame Structure)	
					in the hilly region	in the plains	in the hilly region	in the plains
A. Residential building								
1	Weak Income Group	Plots up to 50 sq. m.	42.95 sq. m	Type-I	17,210	-	-	-
2	Low Income Group	More than 50 sqm and up to 100 sqm	From 57.70 sqm to 79.00 sqm	Type—II	17,210	-	-	-
3	Middle Income Group	More than 100 sqm and less than 200 sqm	From 125 sqm to 178 sq m	Type-IV	18,870	15,900	21,320	17,970
4	High Income Group	More than 200 sqm	225 sq. m	Type-V	20,530	17,300	21,320	17,970
B Non-residential building								
1	Moderate non-residential	Up to 200 sq. m			19,440	15,380	21,110	17,790

Appendix-3.4
(Reference: Paragraph 3.3.1, Page-14)

Details of diverted cess fund of ₹ 1.49 crore to Government revenue

(₹ in lakh)

Year	PWD, TD Rishikesh, Dehradun		PWD, CD, Dehradun		PWD, Khatima, U S Nagar	
	Cess collected	Remitted to Head	Cess collected	Remitted to Head	Cess collected	Remitted to Head
2017-18	NA	-	58.33	023000106000000	16.37	023000106000000
2018-19	17.74	023000106000000	56.95	023000106000000	NA	-
Total	17.74		115.28		16.37	
Grand Total- 149.39						

NA=Not Available.

Appendix-6.1
(Reference: Paragraph 6.5, Page-39)

Details of officer and officials appointed at UKBOCW Board

Name of Post	Sanctioned	2017-18	2018-19	2019-20	2020-21	2021-22
Chairman UKBOCW	According to BOCW Act	1	1	1	1	1
Secretary UKBOCW	According to BOCW Act	1	1	1	1	1
Deputy Labour Commissioner	No approved Human Resource Structure	-	-	-	1	-
Assistant Labour Commissioner	No approved Human Resource Structure	-	-	1	1	-
Senior Administration Officer	No approved Human Resource Structure	-	1	1	-	-
Administration Officer	No approved Human Resource Structure	-	1	1	-	1
Medical Officer	No approved Human Resource Structure	-	-	1	1	-
Senior Executive	No approved Human Resource Structure	-	-	1	1	-
Senior Assistant	No approved Human Resource Structure	1	1	1	1	1
Coordinator	No approved Human Resource Structure	-	1	1	1	-
Accountant (UPNL)	No approved Human Resource Structure	-	-	-	-	1
DEO (UPNL/PRD)	No approved Human Resource Structure	10	10	17	26	6
Peon (PRD)	No approved Human Resource Structure	2	3	4	2	4
Driver (PRD)	No approved Human Resource Structure	-	2	4	4	4
Total		15	21	34	40	19

Appendix-6.2

(Reference: Paragraph 6.8.1 (v), Page-41)

Details of Workers Facilitation Centre not established within scheduled period

Sl. No.	Location of WFC	Date of scheduled operation of WFC as per agreement	Date of actual operation of WFC	Delay in days	Amount paid before operation of WFC
1	U.S. Nagar (Rudrapur)	22 October 2019	19 November 2019	28	2,03,747
2	U.S. Nagar (Kashipur)	22 October 2019	09 November 2021	749	54,50,226
3	Nainital (Bhimtal)	22 October 2019	16 November 2019	25	1,81,917
4	Pauri garhwal (Kotdwar)	22 October 2019	16 November 2019	25	1,81,917
5	Haridwar	22 October 2019	28 December 2019	67	4,87,537
6	Nainital (Haldwani)	22 October 2019	05 December 2019	44	3,20,173
7	Nainital (Ramnagar)	22 October 2019	24 December 2019	63	4,58,430
8	Dehradun (Ajabpur)	22 October 2019	17 December 2019	56	4,07,494
9	Dehradun (Rishikesh)	22 October 2019	24 December 2019	63	4,58,430
10	Haridwar (Roorkee)	22 October 2019	23 December 2019	62	4,51,154
11	Pauri Garhwal (Srinagar)	22 October 2019	08 January 2020	78	5,67,580
Total					91,68,605

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