Chapter-III: Execution of Works under BADP

A Snapshot

There were various issues in execution of works which were in deviation from the BADP Guidelines. There was deviation from the suggested share of funds for various Sectors under BADP. As a result, Health Sector and Social Sector (Capacity Building and Skill Development, and Sanitation) continuously remained neglected during the Annual Action Plan (AAP) period 2016-17 to 2019-20. Majority of works planned under BADP could not be completed within the stipulated timeline. No work was undertaken in 2020-21 and 2021-22 due to Government restriction.

There were several instances of violation of various statutory norms like execution of inadmissible works, execution of works without inviting open tenders, excess/ irregular payment to contractors. The Department cancelled 133 works aggregating to ₹ 20.09 crore included in the approved Annual Action Plan (AAP) and sanctioned 50 new works aggregating to ₹ 22.93 crore in lieu thereof, without obtaining approval from the Government of India (GoI). The Department executed 20 works involving expenditure of ₹ 8.87 crore during AAP 2016-17 to 2019-20 which were inadmissible as per the BADP Guidelines. Seven works aggregating to ₹ 6.43 crore, having approved outlay of ₹ five lakh and above, were executed without following instructions regarding open tendering. Liquidated Damages amounting to ₹ 37.93 lakh were not recovered at the time of making payment of Running Account/ Final bills to the contractors. In the training courses on computers and tourism and hospitality sector, Audit observed duplicate candidates and duplicate trainers. Further, there were excess payments to the contractor for works not executed.

The Department had not developed an inventory of assets created under BADP which was fraught with risk of expending the BADP funds on maintenance of non-BADP assets. Utilisation Certificates (UCs) worth ₹ 54.07 crore pertaining to the years 2017-18 to 2019-20 were pending for submission to the GoI. Delayed completion of works and consequent delayed/ non-submission of UCs deprived State Government funds of ₹ 6.28 crore as Central share during 2017-18.

Introduction

After approval of AAP by the GoI, the Department issues Resolution in respect of approved works and sends it to the jurisdictional District Collector as well as the DPO for implementation thereof. The DPO concerned seeks Technical Sanction (TS), including detailed estimates of the works, from the proposing line Department and accords Administrative Approval (AA) on the TS so received. After AA, grant is released by DPO to the implementing agency, who in turn, issues work order to eligible contractor/ supplier. After completion of work, the implementing agency furnishes work completion certificate to DPO concerned. The DPO sends the utilisation certificate (UC) to the Department.

One of the objectives of the Performance Audit was to ascertain whether the works were executed under the programme with due regard to provisions of the BADP Guidelines and other statutory norms. Audit scrutinised relevant records at the offices of the DPOs and implementing agencies to analyse various aspects of programme implementation; which *inter-alia* included adherence to the time limit prescribed for completion of works planned in AAP for the respective years, weightage given to various Sectors prescribed in BADP Guidelines, approval of competent authority before execution of works, admissibility of works as per BADP Guidelines, transparency in execution of works, adherence to the conditions of work contracts and submission of Utilisation Certificates by the district authorities. Detailed audit observations may be seen in the following paragraphs.

3.1 Share of various Sectors in implementation of the BADP

The BADP Guidelines 2015 prescribe that the State Government should ensure that no single Sector gets disproportionately large share of the allocation of the State. The Guidelines, therefore, prescribed maximum/ minimum limit[1] for various Sectors in terms of percentage of total funds available under the Programme, *viz.* Infrastructure-I (maximum 35), Health (minimum 10), Agriculture (maximum 10), Social Sector (Capacity building and skill development: minimum 10, Sanitation: minimum 05, Others: maximum 15), Education (minimum 10), Sports Activities (minimum 05), Special/ Specific area schemes (minimum 10) and Schemes suggested by BGFs (maximum 10). The Guidelines further state that if the State Government feels that a particular Sector has already been developed and there is no scope for further development in that Sector, it may utilize the funds meant for that particular Sector on permissible scheme under the BADP for development of any other under-developed Sector under intimation to the GoI.

Share of various Sectors in terms of funds allocated during AAP 2016-17 to 2019-20 is depicted in the following Table:

Table 3.1: Share of various Sectors under which works were approved during 2016-17 to 2019-20[2]

Sector	Percentage of allocation prescribed in the Guidelines	2016-17		2017-18		2018-19		2019-20	
		Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*	Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*	Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*	Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*
Infrastructure-I[3]	35 (Max.)	26.29	---	14.76	---	47.03	*(+) 12.03*	62.86	*(+) 27.86*
Health	10 (Min.)	3.98	*(-) 6.02*	1.67	*(-) 8.33*	1.40	*(-) 8.60*	0	*(-) 10.00*

[1] In respect of Infrastructure-II (Safe drinking water supply), no minimum/ maximum limit has been prescribed in the BADP Guidelines.

[2] Due to various reasons, the GoI did not release funds/ grants during 2020-21. As a result, no work could be undertaken during the year and the AAP for 2020-21 was carried forward to AAP 2021-22 which was approved only in January 2022. Hence, details of expenditure incurred on various Sectors is not available with Audit for 2020-21 and 2021-22.

[3] Link roads, bridges, culverts, footpaths, helipads in hilly and inaccessible areas having no road connectivity.

Sector	Percentage of allocation prescribed in the Guidelines	2016-17		2017-18		2018-19		2019-20	
		Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*	Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*	Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*	Actual percentage of fund allocation	*Excess (+)/ Shortage (-)*
Agriculture	10 (Max.)	10.70	*(+) 0.70*	18.10	*(+) 8.10*	9.35	---	1.78	---
Social Sector									
Capacity building and skill development	10 (Min.)	3.33	*(-) 6.67*	3.38	*(-) 6.62*	4.02	*(-) 5.98*	0	*(-) 10.00*
Sanitation	05 (Min.)	0.69	*(-) 4.31*	3.31	*(-) 1.69*	0	*(-) 5.00*	0	*(-) 5.00*
Others	15 (Max.)	7.83	---	8.48	---	4.29	---	2.55	---
Education	10 (Min.)	8.95	*(-) 1.05*	11.46	---	14.20	---	25.75	---
Sports activities	05 (Min.)	4.27	*(-) 0.73*	7.21	---	0.10	*(-) 4.90*	0	*(-) 5.00*
Special /specific area schemes including tourism	10 (Min.)	10.64	---	18.25	---	7.20	(-) 2.80	5.52	*(-) 4.48*
Schemes suggested by BGFs	10 (Max.)	8.26	---	2.32	---	1.20	---	1.12	---

Source: Resolutions issued by the Home Department in respect of approved AAP for the respective year.

It can be seen from the Table above that Health Sector and Social Sector (Capacity building and skill development and Sanitation) continuously remained neglected areas during the period 2016-17 to 2019-20.

Third party inspection[4] also pointed out (February 2020) deficiencies in the above two Sectors as discussed in Paragraph 5.3. Deviation from the suggested share for various Sectors under the BADP was not justified.

The Department stated (January 2023) that allocation of funds to various sectors as per the prescription in the BADP Guidelines was not mandatory and the annual plans were prepared based on requirements of border areas.

Reply of the Department is not convincing. Though the minimum/ maximum limit prescribed are not mandatory, the Department was required to intimate the GoI that particular sectors had already been developed and there was no scope for further development in those sectors, before utilising the funds meant for those particular sectors for development of other sectors. However, no such intimation in support of the deviations from the suggested share was found on record.

Recommendation 4: The Department may ensure that funds are allocated to various Sectors as per the prescribed norms, with deviations duly justified, so that border areas could be developed in a balanced manner, with particular regard to Health and Sanitation.

[4] The Department got third party inspection for 2013-14 to 2018-19 conducted in August 2019 through AFC India Ltd., New Delhi in accordance with the BADP Guidelines 2015. The details are discussed in Paragraph No. 5.3 of the Report.

3.2 Timely completion of works

Works planned in a particular AAP were targeted to be completed by 31st March of the respective AAP year. However, Audit observed that some works were not completed within the AAP tenure as detailed below:

Table 3.2: Delayed completion of BADP works during 2016-22

AAP year	Total no. of works undertaken	Works completed during the currency of AAP	Works completed with delay up to one year	Works completed with delay of one to two years	Works completed with delay of more than two years
2016-17	190	47 *(25%)*	83 *(44%)*	41 *(21%)*	19 *(10%)*
2017-18	416	57 *(14%)*	204 *(49%)*	116 *(28%)*	39 *(9%)*
2018-19	340	137 *(40%)*	165 *(49%)*	22 *(06%)*	16 *(05%)*
2019-20	12	00 *(00)*	02 *(16%)*	05 *(42%)*	05 *(42%)*
2020-21	Not Applicable[5]				
2021-22	Not Applicable[6]				
Total	958	241 *(25%)*	454 *(48%)*	184 *(19%)*	79 *(08%)*

Source: Information provided by the Home Department, GoG.
* Figures in parenthesis are *percentage* of works.

Thus, only 25 *per cent* of the sanctioned works could be completed during the currency of the respective AAP during 2016-22. Further, 48 *per cent* works were completed in the tenure of next AAP while 19 *per cent* works were completed after one year since the closure of the respective AAP. The remaining eight *per cent* works were completed after two years of end of the AAP. Audit further observed that out of the above completed works, 338 works (35 *per cent* of the sanctioned works) of Banaskantha and Kachchh districts commenced after end of the respective AAP tenure. Thus, the majority of works could not be completed within the stipulated timeline. One illustrative case of delayed initiation of work, involving an amount of ₹ 11.99 crore, among the test-checked works in audit is mentioned hereunder.

Work of construction of 80 quarters[7] for primary school teachers of Kachchh district (AAP 2019-20) was initially entrusted (December 2019) to the District Primary Education Officer (DPEO), Bhuj for which the funds of ₹ 8.96 crore were released by the DPO in March 2020. Subsequently, the Tender Committee

[5] Due to non-submission of UCs, not opening bank account linked with PFMS and high unspent balances with the State, the GoI did not release any grant during 2020-21, As such, the State Government could not undertake any work for the year and AAP was carried forward to 2021-22.
[6] AAP approved in January 2022 and grants received in March 2022. Hence, no works could be undertaken in the year.
[7] 20 each at three villages ((i) Balasar, (ii) Ghaduli (iii) Khavda) and four each at five villages ((i) Bela (ii) Dhordo, (iii) Haroda (iv) Kapurashi (v) Narayan Sarovar).

decided (July 2020) to change the implementing agency to the Executive Engineer (EE), R&B (Panchayat), Bhuj since the work involved construction and civil works. This was done after almost one year in June 2021. Therefore, the work could not be started for one and a half years after initial entrustment of work.

Though the EE issued work order in respect of 40 quarters in December 2021, funds of ₹ 11.99 crore (additional ₹ 3.03 crore released by DPO *plus* ₹ 8.96 crore transferred by the DPEO) were made available to the EE only in February/ March 2022, i.e. after another three months. The work of construction of 20 quarters each at village Ghaduli and Khavda could be completed only in November 2022 and March 2023, respectively.

Thus, construction of quarters was completed after more than two and a half year after end of AAP period 2019-20. The tender for the remaining 40 quarters was yet to be finalised as of July 2022. Thus, there were substantial delays at various stages of execution of work.

During the Exit Conference (July 2023), the Department agreed with the observation.

3.3 Execution of works under BADP

3.3.1 Cancellation of works approved in AAP and execution of new works without approval of the GoI

As per the BADP Guidelines 2015 and 2020, schemes/ projects for a particular AAP, once approved by the GoI, shall ordinarily not be changed except with the prior approval of the GoI on account of operational difficulties/ special circumstances.

Audit observed that out of 1,094 works as approved by the GoI for AAP 2016-17 to 2019-20, the Department cancelled 133 works[8] (12.16 *per cent*) without obtaining approval from the GoI. The details are as under:

Table 3.3: Works cancelled by the Department without obtaining approval from the GoI

AAP	District	Number of works	Amount (₹ in lakh)
2016-17	Patan	02	108.77
2017-18	Banaskantha	14	177.88
	Kachchh	54	423.76
	Patan	11	240.11
2018-19	Banaskantha	05	35.00
	Kachchh	43	911.00
	Patan	03	21.38
2019-20	Kachchh	01	91.00
	Total	**133**	**2,008.90**

Source: Records furnished by the Department.

[8] Out of the remaining 961 (1,094-133) works, the Department cancelled three more works subsequently as informed in August 2023. Thus, 958 works were undertaken by the Department during 2016-17 to 2019-20. The analysis of these 958 works is given in Table 3.2.

The above cancelled works included 78 works aggregating to ₹ 7.31 crore which were cancelled by the District Collector, Kachchh (68 works: ₹ 5.01 crore) and District Collector, Patan (10 works: ₹ 2.30 crore) without even seeking approval from the Department.

In lieu of the 133 cancelled works, the Department sanctioned 50 new works at various points of time, aggregating to ₹ 22.93 crore without obtaining approval from the GoI. These 50 new works included 18 works in Kachchh district aggregating to ₹ 1.49 crore which were already completed (by December 2020), for which *post-facto* approval was obtained (February 2021) from the Department. Audit noticed that the Department did not take prior approval for the above deviations from the GoI as required under the BADP Guidelines. The Department subsequently submitted (February 2022) details of works cancelled by it and new works sanctioned in lieu thereof, to the GoI for according *post facto* approval, which was still awaited (July 2023).

The Department stated (July 2022) that proposal from district authorities regarding cancellation of works approved in AAP and sanction of new works in lieu thereof are approved at the Department level. The Department further stated that in such cases, proposal with detailed justification, is made to the GoI for *post facto* approval.

The reply of the Department confirmed that the works approved in AAP were being changed without prior approval of the GoI, which was in violation of the provisions of the BADP Guidelines.

3.3.2 Execution of inadmissible works

During 2016-17 to 2021-22, a total of 958 works were executed under the BADP. Of these, Audit scrutinised records of 282 works, which revealed deficiencies/ lacunae, *viz.* works executed without approval and execution of inadmissible works in 20 works involving ₹ 8.87 crore. These have been discussed in the following Table:

Table 3.4: Execution of inadmissible works during AAP 2016-17 to 2019-20

1. Works rejected by the GoI while approving AAP			
AAP	**No. of works**	**Expenditure incurred (₹ in lakh)**	**District**
2017-18	02	15.00	Kachchh[9]
2018-19	03	56.00	Banaskantha[10] Kachchh[11]
2019-20	01	35.00	Patan[12]
The BADP Guidelines 2015 and 2020 provide a list of admissible and inadmissible works under the programme. Audit observed that the GoI had rejected six works			

[9] (i) Construction of Fair Price Shop, (ii) Tractor and Trolley for Waste Collection.
[10] (i) Construction of Rain Shelter with Toilets for border guarding force at 02 Nos. BOPs under district Banaskantha, (ii) Construction of Rain Shelter for 10 persons with Toilets at firing range at Nadabet.
[11] Construction of Bhunga (Rooms) at Dholavira Tourism Government Resort (Nos.-6).
[12] Construction and development of allied facility of Integrated Cattle Development Programme (ICDP) at Datrana Sub Centre.

during 2016-22 stating that these works were inadmissible as per the BADP Guidelines. However, the Department took up these six works which were completed between June 2019 and February 2023. This was against the provisions of the BADP Guidelines.

The DPO, Kachchh stated (June 2022) that in future, it would be ensured that inadmissible works are neither included in AAP nor executed. Reply of the Department is awaited (April 2024).

2. Construction of infrastructure inside the Border Out Posts (BOPs)

AAP	No. of works	Expenditure incurred (₹ in lakh)	District
2016-17	10	54.95	Kachchh[13]
2017-18	03	99.50	Banaskantha[14] Patan[15]

The BADP Guidelines 2015 specifically prohibited construction of any type of infrastructure inside the BOPs, including construction of barracks, *machan*, watch tower, residences, common infrastructure, *etc*.

Audit observed that the DPOs of the three districts had executed 13 works, involving different construction activities, inside the BOPs as part of the AAPs for the years 2016-17 and 2017-18. This was in violation of the provisions of the BADP Guidelines.

The DPO, Kachchh and DPO, Banaskantha stated (June/ July 2022 and November 2022) that in future, it would be ensured that no such works are executed in BOPs. Reply in respect of DPO, Patan was awaited (April 2024).

3. Irregular expenditure on Sarahad Vistar Vikasotsav

The BADP Guidelines 2015 and 2020 provide a list of admissible and inadmissible works under the programme. Audit observed (May 2022) that an exhibition was organised at Dhorado, Kachchh in November 2020. Various event management agencies, resorts and line Departments were involved in organising the exhibition. The major items of expenditure were *mandap-samiyana* and associated facilities, lighting, DG sets, sound system, hiring of buses and vehicles, boarding and lodging of guests, *etc*. Though the Home Department, GoG requested (January 2021) the GoI to provide the funds spent in the exhibition, the same was rejected (February 2021) stating that civic action programmes were not permitted under the BADP. Further, the GoI suggested that the expenditure may be borne by the State Government. However, the Department made payments of ₹ 3.07 crore and ₹ 3.20 crore during 2020-21 and 2022-23 respectively aggregating to ₹ 6.27 crore to the various agencies/ departments from the State share of the BADP.

During the Exit Conference (July 2023), the Under Secretary (Law and Order-I) stated that separate funds were provided by the State Government for the function though the BADP Account head was used to book the expenditure incurred. Reply of the Department is not correct as no additional funds were provided by the State under the BADP head to incur the expenditure against it.

[13] (i) Providing/ suppling of HDPE tank at lakhpat army camp (ii) Nine works of construction of Water Sump with Motor and Hydrant.
[14] (i) Construction of Underground Sump & Pumping Machinery at Benap for Nadabet/ Radosan/ Meghapura /32 BOP, (ii) B.O.P Toilet Block.
[15] Nala work from BSF to Check post.

During further discussions in the Exit Conference, the ACS directed the officials concerned to check the facts and send revised reply. However, no further reply in this regard has been received from the Department thereafter (April 2024).

These works resulted in irregular utilisation of BADP funds.

3.3.3 Expenditure on trainings without adhering to prescribed norms regarding women participation

The Guidelines of 2015 provided for allocation of 10 *per cent* of the total funds allocated under the programme for 'Capacity building and skill development including tourism and hospitality, etc.' provided that a minimum of 50 *per cent* of the beneficiaries are women.

Audit observed (between May and August 2022) that in case of 10 works[16] (₹ 3.36 crore) executed in Banaskantha[17] and Kachchh[18] Districts, women participation ranged between zero to 40 *per cent*. Thus, the condition of ensuring minimum 50 *per cent* women participation was not adhered to during execution of these 10 works.

The DPO, Kachchh and the DPO, Banaskantha accepted (between July and November 2022) the above facts in respect of nine works while reply in respect of one work of Banaskantha District was awaited (April 2024).

3.3.4 Levy of Liquidated Damages

At the time of making payment of Running Account/ Final Bills to the contractors, the statutory and other dues (as per tender document) are to be recovered at prescribed rates, wherever applicable.

As per terms and conditions of the tender document Liquidated Damages (LD) at the rate of 0.1 *per cent* per day of the tendered cost for delay in completion of the work or a particular stage of work, subject to maximum LD of 10 *per cent* of the estimated cost, was to be levied.

Audit observed that in case of 26 works[19] executed in Banaskantha (22 works) and Kachchh (four works) Districts, the implementing agencies either did not recover (12 cases) or short recovered (14 cases) the applicable LD. Thus, the terms and conditions of the tender document were not being adhered to, which resulted in non/ short recovery of liquidated damages of ₹ 37.93 lakh.

The DPO, Kachchh issued (July/ August 2022) demand notices in respect of three works while he agreed (November 2022) to issue demand notice in another

[16] 2016-17: 02 (₹ 20 lakh), 2017-18: 02 (₹ 20 lakh), 2018-19: 06 (₹ 296 lakh).

[17] 2016-17 (Two works) and 2017-18 (Two works): (i) Skill Development competitive examination training, (ii) Training for Police, Army, BSF recruitment *etc*. 2018-19 (Three works): (i) Training for Computer & Job Works, (ii) Training for Motor Driving & licences, (iii) Training for Police, Army, BSF recruitment *etc*.

[18] 2018-19 (Three works): (i) Employment Training, (ii) Training of hotel management and tourism for the unemployed youth, (iii) Capacity building and skill development including tourism and hospitality *etc*.

[19] AAP 2016-17: 06 works, AAP 2017-18: 11 works, AAP 2018-19: 08 works, AAP 2019-20: 01 work.

case. The DPO, Banaskantha agreed (November 2022) to issue demand notices in respect of 12 cases and in one case stated (May 2023) that the issue was noted for future compliance. Reply in respect of remaining nine works under the jurisdiction of the DPO, Banaskantha was awaited (April 2024).

3.3.5 Execution of works without tendering

Rule 139 (iv) of General Financial Rules (GFR), 2017 stipulates for inviting open tenders for works costing between ₹ five lakh to ₹ 30 lakh.

Audit observed that seven works aggregating to ₹ 6.43 crore, pertaining to AAP 2016-17 and 2017-18, and having an approved outlay of ₹ five lakh and above in each case, were executed without following instructions regarding open tendering. The irregularities noticed in the above cases are discussed below:

Table 3.5: Execution of works without tendering in AAP 2016-17 and 2017-18

AAP	No. of works	District
2016-17	01	Banaskantha
Audit observed that the work of 'Providing & Fixing of LED Street Light' with a tendered cost of ₹ 10 lakh was executed in two villages[20]. Though open tendering was required to be adopted to execute the work in accordance with the GFR provisions, the implementing agency, i.e. Taluka Development Officer (TDO), Suigam allotted the work on nomination basis to a private contractor, without adopting tendering process. The DPO, Banaskantha accepted (November 2022) the audit observation and assured to follow tendering process in future.		
AAP	**No. of works**	**District**
2017-18	03	Banaskantha: 01 Kachchh: 02
Audit observed that the implementing agencies allotted the work of providing (i) sports and exercise instruments in Primary school of 90 villages and (ii) education ceramic tiles chart in *Anganwadi* in 75 villages of Kachchh District with tendered cost of ₹ 3.95 crore and ₹ 1.50 crore, respectively. These works were awarded (May 2018) to private contractors (who had earlier executed the works with District Sports Training Centre, Vyara and Assistant Commissioner, Scheduled Tribes Development, Surat respectively), without following the tender process. Audit further observed that in case of the latter work related to ceramic tiles, the DPO, Kachchh issued (May 2018) the AA based on the estimates given by the contractor without involving the jurisdictional line Department, i.e. DPEO. As such, the Technical Sanction (TS) of the work was also not obtained from the DPEO. In another case, the TDO, Vav, Banaskantha allotted (October 2018) the work (Construction of C.C. Road) with tendered cost of ₹ 12 lakh to a Cooperative Society on nomination basis. Thus, these three works were done on nomination basis, without following the tendering process, which was in violation of the GFR. DPO, Banaskantha and DPO, Kachchh accepted (November 2022 and January 2023) audit observation in respect of two works and stated that in future, work would be		

[20] (i) Padan, (ii) Radosan.

awarded after following due process of tendering. In respect of work relating to ceramic tiles in *Anganwadis*, reply of DPO, Kachchh was awaited (April 2024).

AAP	No. of works	District
2016-17 2017-18	03	Banaskantha

Audit observed that the Industries and Mines Department (IMD) instructed (May 2016) all the State Government Departments, Head of the Departments and other offices, not to purchase anything from 'Kendriya Bhandar'[21] or the suppliers having rate contract with 'Kendriya Bhandar', without tender process.

In spite of the above instructions, TDO, Vav and TDO, Suigam entrusted (November 2016, June 2017, and January & March 2018) three works[22] with approved outlay of ₹ 76 lakh to a supplier having rate contract with Kendriya Bhandar, though the works required inviting of open tenders. Thus, the action of the implementing agencies was in violation of the instructions of the IMD.

DPO, Banaskantha accepted (November 2022) audit observation and stated that in future, works would be awarded after following due process of tendering.

From the above instances, it can be seen that the provisions of the GFR regarding open tendering and the instructions of the IMD were not complied with in the above seven cases.

3.3.6 Excess/ irregular payment to contractors

3.3.6.1 Construction of Community Hall and Shed

During joint site inspection (August/ November 2022) with Additional Assistant Engineer (AAE) of TDO, Suigam, Audit observed that as against envisaged four works[23] planned during AAP 2016-17 and 2018-19 at village Nadabet of taluka Suigam of Banaskantha district, the implementing agency (TDO, Suigam and TDO, Vav) constructed only two assets[24]. Even in the case of two assets created, the physical measurements done by AAE in the presence of Audit, revealed that some of the items of the works were either not executed or quantity executed was less than that claimed in the bills. This resulted in excess payment of ₹ 11.43 lakh. Details are narrated in **Appendix-IV**.

Audit observed that as per the records, all procedures like preliminary approval, technical sanction, administrative approval, release of grant, tendering process, issue of work order, measurement of work items, payment of R.A./ final bills, etc. were done separately for all the four works. However, neither proposal from any level was submitted, nor approval of the competent authority was

[21] Central Govt. Employees Consumer Cooperative Society Ltd. functioning under aegis of Ministry of Personnel, Public Grievances & Pensions, Government of India which supplies stationery, office equipment, machines of office use and other items required by the Government Departments/ Offices/ Subsidiary organizations set up by the Government and other customers.

[22] (i) Purchase of RO plants for primary schools of five villages (₹ 16 lakh) (ii) 81 numbers of LED street lights for nine villages (₹ 45 lakh) and (iii) Computer lab with all infrastructure for primary schools of three villages (₹ 15 lakh).

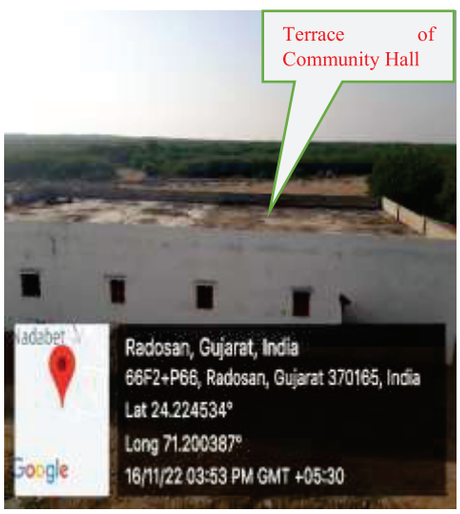
[23] (i) Construction of Community Hall with all relevant facilities, (ii) Construction of Auditorium for Visitors (iii) Construction of Waiting Shed with Garden, Paver Block & Toilet Block and (iv) Construction of Shed.

[24] (i) Community Hall (with only electric connection, lights and fans) and (ii) Construction of Shed.

obtained, to alter the scope of approved works for constructing only two assets instead of four.

The deficiencies in execution of works indicated lack of supervision and monitoring of the BADP works by the district authorities/ DLC.

Photograph 3.1: Deficiencies in construction of Community Hall



China Mosaic flooring not done

Interlocking concrete blocks not laid

Source: Photographs taken during joint site inspection done in November 2022.

Reply of DPO, Banaskantha was awaited (April 2024).

3.3.6.2 Training courses on computers, and tourism & hospitality sector

The BADP Guidelines 2015 permit works relating to 'Capacity building and skill development including tourism and hospitality *etc*.' The District Employment Officer (DEO), Bhuj submitted (July 2019) a proposal for conducting 33 training courses relating to computers, tourism and hospitality sector at an estimated cost of ₹ 1.91 crore. DPO, Kachchh granted AA in March 2020 and the Work Order was issued (October 2020) by the DEO, Bhuj to National Institute of Computer Training (NICT), Bhuj. Payment of ₹ 1.91 crore was made between October 2020 and July 2021, and the completion certificate for the work was issued by the DEO, Bhuj in June 2021.

Audit test-checked the records of candidates on the basis of Aadhaar numbers. It was observed that out of total 970 candidates enrolled in the training courses, 266 candidates appeared two to seven times, spanning over all the 33 training courses, on the 'same dates at the same time but at different locations'. These 266 candidates represented 688 of the enrolled candidates. Therefore, the expenditure of ₹ 77.25 lakh[25] shown as incurred on training of these candidates was not supported by records. Incidentally, DEO, Bhuj had also certified presence of these candidates in different courses on same date and time simultaneously.

[25] Audit assumed that these 266 candidates genuinely attended one of the training courses involving highest per head training cost. Audit worked out the amount by considering expenditure involved in duplicity of candidates in other training courses (which had lesser per head cost).

Similarly, Audit observed that 10 trainers imparted training in 26 different training courses on the 'same dates, at the same time and at different location'. Expenditure involved in these instances amounted to ₹ 74.39 lakh[26].

The DPO, Kachchh stated (September 2022) that in future, it would be ensured that there is no duplicity of trainees/ trainers; and actual presence of the trainees will be ensured.

3.4 Inventory of Assets created under BADP

As per the BADP Guidelines 2015 and 2020, the State Government shall maintain an inventory of assets created under the programme in border villages/ habitations. Guidelines 2015 prescribed that the State Government shall communicate such details to the GoI with a write-up on important works/ projects (with photographs). Further, the Guidelines 2020 prescribed that all projects taken up under the BADP during last 10 years should be geo-mapped and uploaded on specific thematic layers on the *Bhuvan*[27] Platform/ BADP-OMS.

During the AAPs for the years 2016-17 to 2019-20[28], a total of 958 works were completed under the BADP. However, neither the Department nor any of the jurisdictional DPO of three districts (Banaskantha, Kachchh, Patan) had developed any inventory of assets created under the BADP. Moreover, the Department did not geo-map and upload the completed projects on BADP-OMS/ *Bhuvan* as required in the Guidelines 2020.

In the Exit Conference (July 2023), the Department confirmed that inventory of assets created under the BADP was not prepared. It was also assured to prepare sector-wise and year-wise inventory of assets, indicating their cost, since the implementation of the programme. Subsequently, the DPO, Kachchh and DPO, Patan furnished (August 2023) copies of inventory register indicating the details of assets created during the AAPs for the years 2015-16 to 2019-20 and 2009-10 to 2019-20, respectively.

Preparation of inventory of assets created under the BADP would have helped the Department to ensure maintenance of those assets. Non-preparation of inventory was fraught with risk of expending the BADP funds on maintenance of non-BADP assets. In an illustrative case, Audit noticed that Piprala-1 *Anganwadi* and Piprala-3 *Anganwadi* were constructed in Patan district in 2003-04 under 14th Finance Commission grant and 2010-11 under Sarva Shiksha Abhiyan, respectively. However, the DPO, Patan without ascertaining whether these assets were created under the BADP or not, granted administrative

[26] Audit assumed that these 10 trainers genuinely imparted training at one of the training courses involving highest cost. Audit worked out the amount by considering expenditure involved in duplicity of trainers in other training courses (which had lesser cost).

[27] *Bhuvan* is a web-based utility which allows users to explore a set of map-based content prepared by Indian Space Research Organisation (ISRO). The content includes thematic maps related to disasters, agriculture, water resources, land cover and also processed satellite data of ISRO. Bhuvan has since its inception enabled Government to host public geospatial data as information layers for visualisation and public consumption.

[28] AAP for 2020-21 was carried forward to 2021-22. AAP for 2021-22 was approved in January 2022 and grant received in March 2022. Hence, no works could be undertaken in the year.

approval for repairing of these two *Anganwadis*. These were repaired (2019-20) at a total cost of ₹ four lakh by TDO, Santalpur from the grants for AAP 2018-19. Since, these *Anganwadis* were not constructed under the BADP, maintenance of these was not eligible to be done from the BADP funds. Thus, expenditure of ₹ four lakh from the BADP funds was in violation of BADP Guidelines. This irregularity could have been avoided had the DPO, Patan maintained an inventory of the assets created under BADP.

DPO, Patan stated (March 2023) that in future, care would be taken to ensure that the BADP funds are used for maintenance of assets created under the BADP only.

Recommendation 5: The Department may develop an inventory of assets created since implementation of the BADP in border villages/ habitations and geo-map the same for use in future planning and ensuring upkeep of these assets.

3.5 Utilization Certificates

As per the BADP Guidelines 2015 and 2020, funds were to be released to States in two installments. First installment of 90 *per cent* of the allocation of the State, was to be released only after receipt of Utilization Certificates (UCs) for the amount released in previous years except the immediately preceding year. If there was any shortfall in furnishing UCs, the same was to be deducted at the time of release of first installment. Further, second installment of the remaining 10 *per cent* was to be released in the month of October, only after furnishing of UCs to the extent of not less than 50 *per cent* of the amount released during the preceding year, and furnishing of Quarterly Progress Reports (Physical and Financial) up to the quarter ending September. The State Government will not have any claim on the remaining amount after 30th September of the financial year and amount thus saved due to non-furnishing of relevant UCs by State Government, will be treated as 'savings' under the BADP and will be released to other States/ UTs.

Audit observed that as of October 2022, UCs worth ₹ 54.07 crore pertaining to the AAP years 2017-18 to 2019-20[29] were pending for submission to the GoI as detailed below:

Table 3.6: Pendency of AAP-wise UCs as of October 2022

(₹ in crore)

AAP Year	Central share	State share	Total amount	Amount of UCs submitted to the GoI	Amount of pending UC *(Percentage)*
2017-18	31.72	20.00	51.72	44.63	7.09 *(13.71)*
2018-19	56.23	37.49	93.72	66.20	27.52 *(29.36)*
2019-20	14.00	34.33	48.33	28.87	19.46 *(40.26)*
Total	**101.95**	**91.82**	**193.77**	**139.70**	**54.07** ***(27.90)***

Source: Information furnished by the Department.

[29] No Central share was received for AAP 2020-21. For AAP 2021-22, no funds were released to DPOs. Hence, no comments have been made for these two AAP years.

As can be seen from the above Table, UCs to the extent of 13.71 *per cent*, 29.36 *per cent* and 40.26 *per cent* of the total funds for the AAP years 2017-18, 2018-19 and 2019-20 respectively were yet to be submitted to the GoI even after lapse of 18 to 42 months beyond the prescribed time limit for submission (till 31 March of the next Financial Year).

3.5.1 Deduction of amount from funds allocated due to non-submission of UCs

Audit observed that out of Central share of ₹ 38.00 crore for AAP for 2017-18, an amount of ₹ 6.28 crore was deducted by the GoI for not submitting UCs for the year 2015-16. The said amount was also not released subsequently by the GoI. Thus, delayed completion of works and consequent delayed/ non-submission of UCs deprived the State Government of funds amounting to ₹ 6.28 crore.

The Department stated (July 2022) that due to local and other issues, delay occurs in completion of works and sending UCs.

3.5.2 Submission of UCs for works not taken-up/ cancelled subsequently

As per the Rule 212 (1) of the General Financial Rules (GFR) 2005 and the Rule 238 (1) read with Rule 239 of the GFR 2017, the UCs are to be submitted within 12 months from closure of the financial year after actual utilisation of the money for the purpose for which it was sanctioned.

Audit observed (May and September 2022) that the District Authorities were not following the above provision. A few instances noticed during test-check in audit are narrated below:

- UCs were being submitted by the DPOs on the basis of grants released to the implementing agencies, though the money was still to be utilised. This was established from the fact that though two works[30] aggregating to ₹ 35 lakh of Banaskantha district (AAP 2017-18) and one work[31] of ₹ 5.25 lakh of Patan district (AAP 2016-17) were cancelled (September 2021/ August 2018), UCs for these works had already been submitted previously (March 2019/ February 2017).

- As per the statement attached with the UC (February 2019) for the funds utilised up to the end of December 2018 submitted by District Collector, Kachchh, utilization of grant for 2017-18 was ₹ 15.53 crore. Contrary to this, as per the Quarterly Progress Report (QPR) of works submitted by the District Collector to the Department, utilization of grant for the works undertaken up to end of December 2018 for the AAP of 2017-18 was only ₹ 12.30 crore. Thus, there was mismatch of ₹ 3.23 crore between the two statements submitted by the same authority. This indicated that UCs were

[30] (i) Damar road of connecting road from Aakoli village of Vav Taluka to Kundaliya village (₹ 20 lakh); and (ii) Damar Road of Mavsari bus stand to Bakharsar Rajasthan Greep road and two drainage works (₹ 15 lakh).

[31] PVC water pipeline 90mm dia/ pumping machinery/ pump room.

being submitted on the basis of funds released to the implementing agencies instead of on actual utilisation.

The DPOs stated (November 2022) that in future, the UCs would be submitted only after completion of the work.

3.6 Achievement of BADP under indicators of various Sectors

The GoI directed (December 2017/ January 2018/ June 2018) the Department to furnish information regarding output and outcome indicators for the year 2018-19 for submission to the National Institution for Transforming India (NITI) Aayog.

Audit observed that the Department furnished (August 2018) the requisite information to the GoI which *inter alia* mentioned output and outcome indicators *vis-à-vis* proposed targets (number of villages intended to be covered) for 2018-19, covering four Sectors namely Health, Education, Infrastructure (road and water supply) and Social Sector (others-electricity), as mentioned in the GoI directions. Subsequently, the Department furnished (February 2019) to the GoI, the status of achievement against the proposed targets, in terms of percentage of border villages covered, under each of the above four Sectors. Audit analysed the achievement of the BADP in these four Sectors considering the percentages communicated by the Department to the GoI *vis-à-vis* number of targeted villages. The details are as under:

Table 3.7: Status of achievement of various outcome indicators in villages covered under BADP as on February 2019

Sl. No.	Outcome indicator	Sector covered	Target in terms of number of villages to be covered	Villages actually covered	*Percentage* of achievement
(1)	(2)	(3)	(4)	(5)	(5)/ (4)x100
1	Health facilities	Heath	117	19	16
2	Education facilities	Education	147	88	60
3	Road connectivity	Infrastructure	124	33	27
4	Water supply		116	87	75
5	Electrification	Social-others	116	74	64

Source: Letter dated 01 August 2018 and 21 February 2019 of the Department addressed to the GoI.

Thus, only 16 *per cent* of the targeted villages could be provided with the health facilities. Similarly, only 27 *per cent* of the targeted villages were provided with road connectivity. Moreover, in its communication (April 2023) addressed to Audit, the BSF too had mentioned the need for providing road linkages in certain 'strategic' villages identified by them. This indicated that specific focus on road infrastructure in border villages was required.

Recommendation 6: The Department may ensure timely achievement of the targets envisaged under the BADP.