

Chapter-IV

Ministry of Electronics and Information Technology

4.1 Unfruitful expenditure on project for providing broadband connectivity in North East Region and other Inaccessible Regions

Deficient planning, delayed implementation and non-resolution of issues relating to a project for providing broadband connectivity to Common Services Centres (CSCs) in North East Region and other inaccessible region of the country, led to sub-optimal use and idling of equipment. As a consequence, expenditure incurred on installation of Very Small Aperture Terminal (VSAT) equipment of ₹ 8.63 crore and of ₹ 26.46 crore on “OPEX” by NICS I for the project was rendered unfruitful.

In December 2008, Ministry of Electronics and Information Technology (MeitY) accorded administrative approval for a project for broadband connectivity to 2,500 Common Services Centres (CSCs) in the North East and other inaccessible regions⁶¹ not covered by BSNL, using Very Small Aperture Terminal (VSAT). The project was to be implemented through National Informatics Centre Services Incorporated (NICS I). The approved outlay for the project was ₹ 49.88 crore of which contribution of MeitY as Grants-in-aid to NICS I was ₹ 24.94 crore. The balance ₹ 24.94 crore was to be released as Assured Central Assistance (ACA) to 12 States. The approved project duration was four years.

The proposal for the project was approved by the Empowered Committee for CSCs (Committee) in its fifth meeting (December 2008). The project comprised provision of a VSAT Hub and bandwidth infrastructure by National Informatics Centre (NIC) for which it would be paid a monthly bandwidth charge by the CSCs. VSAT equipment for CSCs was to be procured directly from empaneled vendors⁶² by Service Centre Agencies (SCAs)/ Village Level Entrepreneurs (VLEs) functioning as CSC operators. In addition, these operators were to arrange after sales service support from the vendor.

The Committee in its 7th meeting held in September 2010 i.e. 21 months after approval of the project, made a key change in the project’s implementation strategy. In view of the original proposal’s cost implications⁶³ for SCAs/ VLEs, it approved use of project funds for procurement and maintenance of VSAT equipment. This task was entrusted to CSC e-Governance Services India Limited (CSC-SPV)⁶⁴ which was required to follow due process for selection of vendors. To implement the above change, ₹ 9.32 crore was sanctioned (May 2011) from within the approved project cost, as Grants-in-aid (GIA) to CSC-SPV. CSC-SPV selected M/s Hughes Communication Limited as the vendor for supply and maintenance of VSATs.

⁶¹ Himachal Pradesh, Uttarakhand and Jammu & Kashmir.

⁶² At prices fixed as part of the empanelment process.

⁶³ Investment in VSAT equipment and payment of bandwidth charges.

⁶⁴ A Special Purpose Vehicle floated by MeitY.

After sanctioning funds to CSC-SPV, the balance project funds of ₹ 40.56 crore were equally distributed as GIA to NICS I from MeitY, and as ACA to be released by Ministry of Finance (MoF). From the GIA released to NICS I, the CSC -VSAT Hub was set up in November 2011. In January 2015 through an addendum, interest earned by NICS I was adjusted from its share of GIA and allocation of ACA between states which had still not been disbursed, was given. In the meantime, the project completion date was first extended from December 2012 to December 2013 and then from November 2013 to March 2017⁶⁵.

Audit examination of records relating to the project, disclosed the following:

- a) The project was beset with delays throughout. NICS I obtained a VSAT Operating License required for providing VSAT service, only in November 2009 i.e. 11 months after the project was approved. Thereafter, the change in implementing strategy delayed the actual initiation of the project by two and a half years. As a result, project completion was shifted in stages, up to March 2014 for execution and up to March 2017 for maintenance. Against planned installation of 2,500 VSATs at CSC sites, CSC-SPV placed orders only for 2,488 VSATs and WPC clearance⁶⁶ was obtained for only 2,384 CSC sites. Though project execution was to be completed by March 2014, installation at several sites had spilled beyond this deadline, and even after a lapse of three years i.e. by March 2017, only 1,981 VSATs had been installed. It was noted that the vendor viz. M/s Hughes Communications Limited had not delivered VSAT equipment in the case of 507 CSCs.
- b) VSAT equipment installed and commissioned at CSCs were not being optimally utilized. An assessment done by NIC/ NICS I for March 2017, showed that only 33 *per cent* of the total installed VSATs were online⁶⁷ in that month. An analysis of day wise performance showed that only 11-22 *per cent* of VSATs were online per day during March 2017. The low level of utilization of VSAT infrastructure was ascribed to demand for data speed by VLEs and CSCs having access to alternate mode of connectivity as BSNL and other private operators had since increased their reach in these inaccessible regions. This shows that the Ministry had not adequately considered other options for providing connectivity while approving the project, and in the 7th Meeting of the Committee (September 2010) specifically ruled out possibility of BSNL providing connectivity in these areas. Further, the long delay in implementing the project when technology in this field was evolving rapidly, would itself have proved detrimental to utilization of VSATs as more preferred options became available in the meantime.
- c) MeitY released the due GIA of ₹ 20.28 crore to NICS I which was utilized for procurement and installation of the VSAT hub and for other supplies

⁶⁵ Time line for completing execution upto March 2014 and for maintenance upto March, 2017.

⁶⁶ Clearance from Wireless Planning & Coordination Wing of Department of Telecommunications (DoT) for citing of wireless installations.

⁶⁷ VSATs that came online at least once during the period.

(₹ 9.65 crore), and for payment of license fees, spectrum charges and satellite charges. However, out of the ₹ 20.28 crore earmarked as ACA, NICS I received only ₹ 5.83 crore due to non-furnishing of Utilisation Certificates (UCs) by states and change in funding pattern of the scheme from 2015-16. It was noted (May 2017) that two states had not even transferred ACA amounting to ₹ 49 lakh released to them by the Ministry in 2014-15, to NICS I. ACA payments were required to compensate NICS I for expenditure on providing bandwidth infrastructure such as VSAT license fee, satellite bandwidth charges to ISRO and for maintenance of the VSAT hub. As a result of pending ACA payments NICS I faced a shortage of funds, which affected its capacity for ensuring timely payment of regulatory charges to DoT and satellite bandwidth charges to ISRO and overall made it difficult for NICS I to run the project. Though the problems with funds was highlighted in successive review meetings, ACA payments were still (November 2020) outstanding.

- d) The project duration had been extended to March 2014 for execution and March 2017 for maintenance. Even though by March 2017 installation had been undertaken only in 1,981 CSCs and that too with delays, it was decided not to extend the project beyond this date. This decision was attributed to NICS I's decision to surrender its VSAT license due to anticipated increase in license fees payable to DoT, introduction of CSC-Digital Seva and low utilization of installed VSATs. However, fund constraints due to non-release of ACA was also flagged as creating difficulties in running the project and ensuring timely payments for opex for the bandwidth infrastructure.
- e) Project Review and Steering Group (PRSG) (May 2017), while recommending discontinuance of the project, decided that States should take over project inventories and that MeitY would extend support to States for smooth transition to hubs of other suitable service providers. Ministry however, intimated (November 2020), that while States were making efforts to take over the VSAT assets, these cannot be used anymore as the NICS I hub had become non-operational after surrender of VSAT license to DoT. As regards support to States, it was stated that after surrender of the VSAT license, States had been asked to use the project assets suitably for which CSC-SPV was asked to coordinate with the State Governments. It also added that with the introduction of CSC-2.0 project, CSCs were to arrange Information and Communication Technology (ICT) infrastructure including connectivity through available Internet Service Providers (ISPs). Data provided by Ministry with respect to the status of the 1,981 CSCs where VSAT was installed under the project, shows that only 1,645 CSCs were functional but were using connectivity provided under CSC 2.0 project. The remaining 336 CSCs were not functional. Thus, in the absence of a clear alternate roadmap for utilization of VSAT assets, none of the equipment installed in the 1,981 CSCs under the project, were being used since May 2017.

MeitY attributed the delays in the Project to time taken for getting mandatory DoT clearances and severe delays on the part of the vendor viz. M/s Hughes Communications Limited. The vendor in turn cited constraints such as difficult terrain, natural calamities, erratic power supply, law and order issues and re-orientation of CSC VSATs. The discontinuation of the project was ascribed to issues relating to NICSIs VSAT license and policy changes under Digital India programme. In a subsequent reply (March 2019) on idling of equipment, MeitY stated that States had been advised to “adopt a suitable methodology or draw a roadmap” for “continuing O&M and bandwidth after closure of the project”, and hence the matter of idling of VSAT equipment after project closure, “comes under the purview of the concerned States”.

The reasons given for delays do not explain the initial delay due to revision in implementation strategy 21 months after the start of the project, though this indicated that the project was taken up without adequate consultation with stakeholders such as SCAs/ VLEs and even States. Further, reasons cited for subsequent delays in procurement and installation, were well known and could have been catered to in the planning and execution process. As regards discontinuance of the project besides the reasons given in the reply, reasons such as low level of utilization of the equipment and funds shortage were also responsible for the decision. All these issues could have been addressed through better planning and coordination with other Departments and the States, and by proactively pursuing alternatives that could use the extensive VSAT infrastructure created. The stand of MeitY that post closure of the project use of the equipment was in the purview of the States, is not tenable as the changed implementation strategy clearly made MeitY responsible both for procurement and maintenance of bandwidth infrastructure on payment of bandwidth charges. Alternatively, it should have actively helped the States prepare a clear road map and monitor its execution to prevent idling of equipment.

Thus, due to inadequate planning and coordination the project objective of providing broadband connectivity in remote areas by 2012 was not achieved. VSAT equipment procured at a total cost of ₹ 8.63 crore and installed in 1,981 CSCs located in remote regions of the country under the project, were not used optimally, and were idle since discontinuance of the project in March 2017. In addition, due to the low level of utilization of the VSAT equipment in the CSCs till March 2017, expenditure incurred by NICSIs on bandwidth infrastructure of ₹ 26.46 crore⁶⁸, was also largely infructuous.

4.2 Injudicious Cancellation of Tender

Cancellation of tender by C-DAC at the insistence of MeitY and its subsequent retendering led to avoidable increase in project cost of ₹ 5.37 crore.

Indian Computer Emergency Response Team (CERT In), Ministry of Electronics and Information Technology (MeitY) entered into a Memorandum of Understanding (MoU) with Centre for Development of Advanced Computing, Thiruvananthapuram

⁶⁸ GIA : ₹ 20.28 crore less ₹ 9.65 crore towards cost of HUB and supplies : ₹ 10.63 crore ; ACA : received by NICSIs ₹ 5.83 crore plus claims by NICSIs ₹ 10.00 crore: ₹ 15.83 crore: Total : ₹ 26.46 crore

(C-DAC-T) (November 2015) for implementing a project related to cyber-security⁶⁹. Administrative approval for the project was issued on 01 December 2015 for ₹ 38.50 crore with project completion by 30 November 2016. Ministry released ₹ 35.00 crore in two tranches upto December 2017, to C-DAC-T for project execution.

C-DAC-T invited (January 2016) tenders for the project inter-alia covering supply, installation, implementation and commissioning of necessary hardware and software for the project. Four companies viz. M/s HCL Comnet Limited, M/s SIFY Technologies Limited, M/s Wipro Limited and M/s Dimension Data India Private Limited responded. The Project Technical Committee⁷⁰ did not accept the bid of M/s Dimension Data India Private Limited as they did not submit the Earnest Money Deposit (EMD) in the form of Demand Draft/ Bank Guarantee from a nationalized bank and short listed the remaining three vendors. The Commercial Bid Evaluation Committee for the project, provisionally identified (19 May 2016) M/s Wipro Limited with a quote of ₹ 25.93 crore as the L1 bidder.

After conclusion of all tender formalities, Ministry on the advice of its Integrated Finance Division (IFD), directed (June 2016) C-DAC-T to retender the project. This was done on the grounds that there were complaints about the tender process and as funds for the project were yet to be allotted by the Ministry of Finance (MoF).

The project was retendered by C-DAC-T in October 2016 and only two companies viz. M/s Wipro Limited and M/s Dimension Data India Private Limited participated in the tender. M/s Dimension Data India Private Limited emerged as the L1 bidder in the tender with a bid of ₹ 34.49 crore, and a Purchase Order (PO) was issued (March 2017) to it for executing the project. Audit noted that there was an increase of ₹ 8.56 crore (₹ 34.49 crore - ₹ 25.93 crore) in the lowest quoted cost of the project as compared to the original tender. After factoring the impact of changes in the quantities and items included in the PO (as compared to the original tender), the net increase in the cost of the project due to retendering worked out to ₹ 5.37 crore.

Based on an audit examination (August, 2018) of records relating to the project, the following were observed:

- a.** After the completion of technical evaluation and opening of commercial bids in the original tender, CERT-In submitted the status of the tender and certain issues raised by bidders/ Original Equipment Manufacturers (OEMs) in the original tender, for information to the Ministry (18 May 2016). The Ministry based on the advice of its IFD, sought retendering of the project on the ground that there were complaints with regard to the tendering process and also “to avoid legal complications at a future date”.
- b.** In response, C-DAC-T provided a detailed report on the complaints and explained the entire tendering process. All the issues raised in the complaints

⁶⁹ Testbed for Cyber Threats and Situational Awareness Project (TSAP).

⁷⁰ Technical Committee comprised Scientist F (Chairman), Scientist E and Project Engineer and Representatives-Finance and Purchase (all from C-DAC) and Representative of CERT-In

were addressed and it was contended that the process had been conducted with transparency, fairness and equity and that all procedures had been followed. Director General, CERT-In endorsed the report in his submission to the Ministry (08 June 2016). IFD however, cited two new grounds viz. that there were complaints that technical specifications were changed after opening of the commercial bids and funds were yet to be allotted by MoF and reiterated its advice to retender the project.

- c. On the issue of technical specifications being changed post opening of commercial bids, DG, CERT-In clarified (11 July 2016) that no such changes had been made after bid submission. He intimated that none of the complaints received by C-DAC and CERT-In, are related to this aspect. The Ministry however, persisted with its decision based on the advice of IFD, to retender the project.
- d. While directing retendering of the project, the Ministry and IFD neither analysed the issues raised in various complaints nor the explanations provided by C-DAC-T and CERT-In. Instead, both its examination and conclusions were summary in nature, and primarily based on general concerns about violation of transparency and possible future legal complications. It was noted that though IFD had advised retendering at the initial stage, it had also flagged the non-availability of sufficient documentation for it to be able to appreciate the position of both CERT-In and the complainants. In addition, the clarification of CERT-In referred at 'c' above, was not accepted without assigning any reason.
- e. On the aspect of non-allotment of funds by MoF, it was observed that the Ministry had already released ₹ 15.00 crore for the project during December 2015 and provision for funds existed for cyber security in the Budget Estimates for 2016-17. The position with regard to allotment of funds had remained unchanged when the project was later retendered in October 2016.
- f. Retendering held within a period of seven months resulted in an increase in project cost by ₹ 5.37 crore though there was no difference between the two tenders except for inclusion of a few additional items in the second tender which has been netted out, to arrive at the cost increase.

On the above being pointed out by Audit, MeitY (February 2019) replied that the project was highly technical and complex and retendering had led to a better understanding of the requirements of the project by bidders. MeitY also cited issues flagged in two of the complaints with respect to tendering for the project, as a result of which the IFD had advised retendering to avoid future legal complications and for ensuring transparency.

The Ministry's reply is not acceptable as the Request for Proposal (RFP) for the project had been firmed up after taking into account queries and clarifications sought by the bidders during the pre-bid stage. Further, the Project Technical Evaluation Committee had held several meetings with the bidders for ensuring a better understanding of project

requirements. As such the reply that retendering resulted in better understanding of the requirement of TSAP by bidders is not acceptable, as even in the original tender process the concerned agencies had taken steps to ensure that all the bidders met Request for Proposal (RFP) requirements. As regards the complaints received on the tender process, both C-DAC-T and CERT-In had submitted explanations and details of steps taken to address issues raised in the complaints. The Ministry had also in its reply stated that in the original tender, GFR provisions had been complied with.

Thus, due to inadequate consideration of issues while examining complaints the Ministry took a summary decision to retender the project which led to an avoidable increase in project cost of ₹ 5.37 crore in comparison to the original tender. Further, an important project was delayed by three years from the original schedule and could be delivered to CERT-In only in April 2020.

4.3 Non-recovery of web hosting charges by the NIC

NIC State Centres at Patna, Jammu, Raipur and Delhi failed to bill the Public Sector Undertakings and Autonomous Bodies for web hosting charges resulting in non-recovery of ₹ 2.69 crore for the services rendered.

National Informatics Centre (NIC) vide its Circular dated 12 February 2009 issued consolidated clarifications with respect to “NIC Paid Services” wherein Ministries/ Departments not to be charged⁷¹ and Organisations to be charged for providing services were identified. In terms of the circular web hosting charges were to be recovered from Public Sector Undertakings (PSUs); Autonomous Bodies (ABs) not fully funded by Central/ State Government and Autonomous/ Statutory bodies under Central/ State Governments and Societies generating internal revenue apart from grants they receive. The circular also notified applicable charges for various services including web hosting charges, and procedure for billing and recovery of charges.

Audit examination of application of the above mentioned circular with respect to recovery of web-hosting charges was carried out in 21 out of 36 NIC State Centres across the country. This examination revealed that the State NIC Centres at Patna, Jammu, Raipur and Delhi had provided web hosting services to various PSUs and non-exempt ABs but did not raise bills for web hosting services provided resulting in non-recovery of these charges. Audit found that total amount recoverable amounted to ₹ 4.41 crore. A summary of state/ centre wise recoverable web hosting charges is given in **Table 4.3.1**.

⁷¹ Ministries/ Departments/ Attached Offices of Central Government, Subordinate Offices of Central Government having no source of income, Ministries/Departments and Offices of the State Government, Statutory bodies fully funded by the Central/State Governments with no internal revenue generation resources

Table 4.3.1: Details of recoverable web hosting charges

NIC State Centre		Period	Recoverable Amount (in ₹)
1	NIC, Patna	July 2009 to March 2019	13,26,919
2	NIC, Jammu	October 2003 to March 2019	23,71,500
3	NIC, Raipur	April 2008 to March 2019	44,26,344
4	NIC, Delhi	April 2014 to March 2019	3,59,40,748
Total			4,40,65,511

MeitY in its reply (May 2019) covering various State Centres mentioned above, stated that in the case of NIC Centres at Jammu and Raipur, the matter of payment for web services is being pursued with the concerned PSUs/ ABs. In the case of NIC, Delhi it has intimated that during 2014-15, NIC felt that its infrastructure was not sufficient to provide Information and Communication Technology (ICT) service support to PSUs and ABs and hence it had discontinued services for most PSUs from the NIC servers. It also intimated that on the basis of actual usage of services, NIC was in the process of recovery of charges for the services provided from the users as per the circular dated 12 February 2009. Subsequently, during an audit check in January 2020, Audit was informed that an amount of ₹ 1.72 crore had been recovered based on the audit observation.

Ministry's reply however, does not explain why the NIC Centres included in the Table above have not raised bills towards hosting charges despite clear instructions in the matter. Its explanation with respect to its Delhi Centre that it had discontinued web hosting services of most of the PSUs during 2014-15 is also not tenable as available data shows that these services were continued to 111 entities and no written orders had been issued for discontinuance of services. Audit also noted that though NIC has commenced the process of recovery at the instance of Audit, an amount of ₹ 1.87 crore remains unrecovered in its Delhi Centre. Other centres had also raised claims only after Audit had pointed out non-compliance of orders of NIC of 2009.

Thus, failure of NIC Centres to comply with instructions on billing for charges for services provided by NIC to PSUs and certain categories of ABs, led to non-recovery of web hosting charges of ₹ 2.69 crore from the Public Sector Undertakings and Autonomous Bodies whose websites were being hosted by NIC.

4.4 Avoidable payment of Agency Commission

Failure of NeGD to ensure adherence to Government of India instructions regarding release of print media advertisement through DAVP resulted in avoidable payment of ₹ 1.21 crore (₹ 1.06 crore agency commission plus ₹ 0.15 crore on service tax) to agencies other than DAVP.

In terms of extant orders⁷² of the Government of India, all Ministries/ Departments, Public Sector Undertakings (PSUs) and Autonomous Bodies (ABs) are mandated to

⁷² New Advertisement Policy (June 2006) of DAVP subsequently revised in the Print media Advertising Policy (June 2016), Ministry of Information & Broadcasting order no. 1/9/2009-MUC

route all print media advertisements through the Directorate of Advertising and Visual Publicity (DAVP) under the Ministry of Information and Broadcasting for which 15 *per cent* agency commission is ploughed back to the Ministry/ Department concerned by DAVP.

Audit Scrutiny of records revealed that National e-Governance Division (NeGD), an independent business division under Digital India Corporation (a Public Sector Undertaking under MeitY), violated Government instructions and engaged agencies other than DAVP for placing advertisements during the period 2015-16 and 2016-17 resulting in avoidable expenditure of ₹ 1.21 crore (₹ 1.06 crore agency commission *plus* ₹ 0.15 crore on service tax).

MeitY (February 2019) stated that communication regarding launch of Digital India Week on 01 July 2015 was received only on 19 June 2015 and approval for release of advertisement was received on 26 June 2015. DAVP takes minimum five working days for submission of media plans and release of advertisements and there were less than five working days to the launch. Given the enormous volume of work and limited time available for carrying out these tasks, the work was entrusted to one agency. Ministry has further stated that since 2016 onwards, the Government orders have been fully complied and all newspaper advertisements have been routed through DAVP only.

The Ministry's reply is not convincing because of the following reasons:

- a. The detailed project report of the Digital India launch week was prepared in March 2015 and administrative approval for the event was given by the Ministry on 28 March 2015. Thus NeGD had more than three months to plan for the event.
- b. NeGD's reply that approval was received on 26 June 2015 is not tenable as it was merely an internal approval by CEO, NeGD as the administrative approval was given by the Ministry much earlier. Internal approvals/ procedures were required to be completed in time and release of advertisements could be ensured as per extant instructions through DAVP.
- c. Also, the communication regarding launch of the event on 01 July 2015 was received by NeGD on 19 June 2015. From 19 June 2015 to 01 July 2015, NeGD had seven clear working days to release the advertisement through DAVP.
- d. Ministry's reply that since 2016, instructions in this regard have been scrupulously followed is also not correct because it has been seen that subsequent to launch of digital India Week event during July 2015 to February 2017, NeGD has awarded the work of advertisements to agencies other than DAVP.

dated 13 June 2013 and Cabinet Secretary D.O. letter no. 331/2/2014-CA III/CA V, dated 30 September 2016 to Secretary, Department of Electronics and Information Technology.

Thus, failure on the part of NeGD to release print advertisement through DAVP led to avoidable payment of ₹ 1.21 crore on agency commission including service tax thereon to private agencies.

4.5 Irregular payment of ad-hoc bonus by C-DAC to its employees

Irregular payment of ad-hoc bonus of ₹ 97.70 lakh by C-DAC to its employees for the years 2015-16 and 2016-17 without extension of the order by the Ministry of Finance for payment of ad-hoc bonus to Autonomous Bodies (ABs), needs to be recovered from the concerned employees.

Every year the Ministry of Finance (MoF), Government of India, issues orders for payment of ad-hoc bonus to eligible Central Government employees. Further, separate orders were issued upto 2014-15, extending the payment of ad-hoc bonus to employees of ABs subject to conditions⁷³. No orders were issued after 2014-15 extending payment of ad-hoc bonus to employees of ABs.

Center for Development of Advanced Computing (C-DAC) is an Autonomous Society, under the Ministry of Electronics and Information Technology (MeitY), Government of India. Audit scrutiny of records of 11 centres of C-DAC⁷⁴, revealed that ad-hoc bonus of ₹ 97.70 lakh was disbursed to all the Group “B” and “C” employees of these centres for the years 2015-16 and 2016-17, even though no orders had been issued by MoF for payment of ad-hoc bonus to employees of ABs for these two years.

In its reply (September 2019/ September 2020), MeitY confirmed payment of ad-hoc bonus for the years 2015-16 and 2016-17, and stated that payments for subsequent years were withheld due to the audit observations. It justified the payments on the ground that as an Autonomous Society funded by the Government of India, ad-hoc bonus applicable to Government of India employees was adopted in terms of its bye-laws. It also *inter-alia*, stated that this payment to eligible employees were being made each year as a matter of practice and withdrawing the same could have caused employee unrest.

The reply of the Ministry is not acceptable as ad-hoc bonus was payable to employees of ABs like C-DAC, only based on the orders of MoF extending payments to employees of ABs. As no orders were issued for extending payment of ad-hoc bonus to ABs from 2015-16 onwards, payment by C-DAC was irregular. MoF has also confirmed (August 2020) that no order has been issued extending the payment of ad-hoc bonus to employees of ABs from 2015-16 onwards, and that such orders were not required as no decision had been taken to extend ad-hoc bonus to employees of ABs. Further, representations for payment of ad-hoc bonus received from employee federations, ICAR and Ministry of Health & Family Welfare by MoF, have not been agreed to by them.

⁷³ ABs partly or fully funded by the Central Government which have a pay structure and emoluments identical to that of the Central Government and do not have any bonus, ex-gratia or incentive scheme in operation.

⁷⁴ C-DAC centres at Bengaluru, Chennai, Delhi, Noida, Hyderabad, Mohali, Kolkata, Silchar, Mumbai, Pune and Thiruvananthapuram.

It is also pointed out that most other similarly placed ABs under the same Ministry, did not make payments of ad-hoc bonus in the absence of specific orders of MoF. It was also noted that C-DAC had stated that it had sent a proposal for regularization to the Ministry. However, neither was any action taken to regularize the payment nor has any recovery been made.

Thus, payment of ad-hoc bonus of ₹ 97.70 lakh by C-DAC to its employees for the years 2015-16 and 2016-17 without extension of the order by the Ministry of Finance for payment of ad-hoc bonus to ABs, was irregular and needs to be recovered or regularized.

