

**REPORT OF THE
COMPTROLLER AND AUDITOR GENERAL OF INDIA
ON
LOCAL BODIES**

FOR THE YEAR ENDED MARCH 2013

**GOVERNMENT OF GUJARAT
REPORT NO. 5 OF 2014**

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PREFACE

1. This Report for the year ended March 2013 has been prepared for submission to the Governor of the State of Gujarat under Article 151 of the Constitution of India.
2. The Report contains significant results of the performance audit and compliance audit of Local Bodies of the Government of Gujarat including Panchayats, Rural Housing & Rural Development Department and Urban Development & Urban Housing Department.
3. The instances mentioned in this Report are those, which came to notice in the course of test audit for the period 2012-13 as well as those which came to notice in earlier years, but could not be reported in the previous Audit Reports; instances relating to the period subsequent to 2012-13 have also been included, where ever necessary.
4. The audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

OVERVIEW

This Report contains four chapters. The first and the third chapters contain a summary of finances and accounts of Panchayati Raj Institutions (PRIs) and Urban Local Bodies (ULBs) respectively. The second chapter contains two Performance Audits, one Compliance Audit paragraph and an individual paragraph based on the Audit of financial transactions of PRIs. The fourth chapter contains two Performance Audits based on the Audit of financial transactions of ULBs. A synopsis of the findings contained in the Performance Audits and Compliance Audit are presented in this overview.

1 An overview on Finances and Accounts of Panchayati Raj Institutions

A review of finances of PRIs revealed that the spirit of the Constitutional Amendment for the PRIs to function as LSGIs was not fulfilled substantially as the State Government had not yet devolved 10 functions out of 29 functions to the PRIs as envisaged in the 11th Schedule of the Constitution. The District Planning Committees (DPCs) were constituted in 23 Districts only. Out of the 23 Districts in which DPCs were constituted, meetings of DPC were held in only six Districts. Prescribed periodicity for constitution of State Finance Commission (SFC) was not maintained and though the 3rd SFC was constituted in February 2011, the committee has not submitted its report till date (March 2014). An amount of ₹ 1.92 crore of Twelfth Finance Commission (TwFC) and ₹ 158.38 crore of Thirteenth Finance Commission (ThFC) is lying unspent. Formats of Model Accounting System (MAS) prescribed by CAG were not adopted. Long pendency of audit paragraphs and non-settlement of audit observations indicated weak internal control system in PRIs.

(Paragraph 1.1 to 1.13)

2 Implementation of Indira Awaas Yojana

The Performance Audit on implementation of Indira Awaas Yojana (IAY) revealed that :

- Central assistance of ₹ 117.20 crore could not be availed due to excess carryover of funds on account of non-utilisation of available funds and delay in transfer of surplus funds, non-submission and delay in submission of proposals for second instalment.*
- Though IAY State Supplementary scheme was discontinued (April 2010), unspent funds of ₹ 89.64 crore was not refunded by the District authorities.*
- An amount of ₹ 0.24 crore was diverted for contingent expenses in violation of scheme guideline.*
- Irregular deductions of ₹ 10.76 lakh were made from the assistance paid to beneficiaries for non-installation of smokeless chulhas and non-construction of sanitary latrines in contravention to GoI instructions.*

- *In contravention to GoI instruction, assistance was given by individual cheques instead of transferring it directly to beneficiaries' bank or post office account in eight test checked Talukas.*
- *The achievement against physical target did not represent a true picture, as figures of achievement against target fixed for each year was not maintained and the achievement reported included incomplete houses of earlier years. Though the construction of the houses were to be completed within a maximum time of two years, in test checked Talukas as on March 2013, 16,722 houses out of 35,063 houses sanctioned during 2008-11 remained incomplete.*
- *Deficiencies in identification and selection of beneficiaries were noticed as two separate permanent IAY waitlists were not maintained and beneficiaries were not selected in accordance with the prescribed priority resulting in sanction of assistance to ineligible beneficiaries and subsequent cancellation of selected beneficiaries.*
- *CRD had not identified cost effective, disaster resistant and environment friendly technologies for construction of houses. Trainings were not imparted to District and Taluka level officials or masons and others who were involved in construction of the houses.*
- *Adequate efforts were not made to identify appropriate programmes for providing all basic amenities to IAY beneficiaries by convergence with other schemes. IAY beneficiaries were not provided additional funds from Total Sanitation Campaign scheme for construction of toilets in test checked Districts in spite of GoI instruction.*
- *Instances of incorrect reporting and submission of incorrect completion certificates were noticed due to lack of technical supervision.*
- *Improper/non-maintenance of inventory of houses constructed under the scheme were noticed in some test checked Talukas and Gram Panchayats. Monitoring and grievance redressal mechanism was not effective.*

(Paragraph 2.1.1 to 2.1.14)

3 Total Sanitation Campaign

The Performance Audit on Total Sanitation Campaign (TSC) revealed that :

- *Though the guidelines provided for preparation of Project Implementation Plan (PIP) after conducting a Baseline Survey to assess the component-wise actual requirement of toilets, the PIP for Districts were prepared without conducting a Baseline Survey.*
- *The expenditure against the available funds ranged between 43 and 60 per cent during 2008-13.*
- *Award money of ₹ 6.80 crore received from GoI under Nirmal Gram Puraskar scheme were not distributed to award winning GPs to be utilised for improving and maintaining sanitation facilities.*

- *Information, Education and Communication (IEC) activities to spread awareness among public was not carried out properly as the targets set in the Annual Action Plan were not achieved.*
- *Rural Sanitary Marts opened were not operational in any of the Districts test checked and the loans provided to Non-government organisations (NGOs) for their establishment and operation was not fully recovered.*
- *The achievements of target for Individual Household Latrines (IHHL) had been inflated as the progress reports were generated on the basis of funds released to GPs instead of actual construction of toilets. As per latest Base-line survey (October 2013), the sanitation coverage in the State was only 46 per cent which was much lower when compared to the progress of individual toilets as reported by the Department.*
- *Toilets constructed at the cost of ₹ 2.80 crore could not be put to use due to inferior quality of toilet structure or non-construction of Soak pit.*
- *As against the target of 40,439 school toilets to be completed by March 2012, only 36,438 were completed. The achievement against targets in Jamnagar and Porbandar Districts were only 54 per cent and 65 per cent respectively.*
- *More than 5,000 Anganwadi centres were without toilet facilities.*
- *Though the guidelines provided for construction of Community Sanitary Complexes at public places, markets, etc., DRDA, Dang provided financial assistance to trusts/societies for construction of toilets in their training centres.*
- *Though manual scavenging is prohibited under Employment of Manual Scavengers and construction of Dry Latrines (Prohibition) Act, 1993, cases of manual scavenging were reported in the State as per census report 2011.*
- *Monitoring of the scheme was weak as State Sanitation Mission, the apex committee for monitoring did not meet as envisaged and Taluka Sanitation Committees also did not meet in any of the Districts test checked.*
- *Evaluation of the scheme and Social Audit were not carried out.*

(Paragraph 2.2.1 to 2.2.18)

4 Infrastructure and Human Resources Management in Elementary Schools run by Panchayati Raj Institutions

The Compliance Audit on Infrastructure and Human Resources Management in Elementary Schools run by Panchayati Raj Institutions revealed that the GoI and State Government's share of ₹ 2,112.68 crore under SSA was curtailed due to under-utilisation of funds on various activities such as training of teachers and construction of school buildings, toilets, boundary walls, etc. A number of elementary schools were running without buildings and basic amenities guaranteed under RTE Act though sufficient funds were available. The information of availability of separate toilets for boys and girls, drinking water facility in elementary schools was incorrectly reported. Many schools

are functioning without requisite number of teachers and 57 schools were functioning without any teacher. Shortage of teachers and head teachers was noticed in upper primary schools (UPSs). Increasing preference for private schools vis-a-vis government schools and increase in drop-outs could be attributed to inadequate infrastructural facilities, lack of basic amenities and lack of teachers. These are important areas needing urgent attention of the State Government.

(Paragraph 2.3.1 to 2.3.8)

5 Excess expenditure and loss to Government of ₹ 70.35 lakh on procurement of cement

The procurement of cement made by the Taluka Development Officer, Ahwa at higher rate in comparison to the rate of Gujarat State Civil Supplies Corporation Limited led to excess expenditure and loss to the Government of ₹ 70.35 lakh.

(Paragraph 2.4)

6 An Overview of Finances and Accounts of Urban Local Bodies

A review of finances of ULBs revealed that increase in total expenditure (57 per cent) during 2010-13 did not keep pace with increase in total available funds (65 per cent). As of March 2013, unspent grant of ₹ 251.85 crore of ThFC was lying with the NPs and Municipal Corporations (MCs). Though ThFC grants of ₹ 35.74 crore was released to 17 NPs during 2010-11 to 2012-13, no expenditure had been incurred by these NPs till date. State's municipal accounts manual has also not been finalised. The Audit of Examiner Local Fund Audit (ELFA) was found to be in arrears. The Department failed to ensure prompt and timely action by executives of ULBs to the audit objections raised by ELFA and CAG.

(Paragraph 3.1. to 3.8)

7 Management of Municipal Solid Waste in Nagarpalikas

The Performance Audit on Management of Municipal Solid Waste (MSW) in Nagarpalikas (NPs) revealed that :

- Proper assessment of quantum of solid waste generated in the NPs had not been carried out. Instances of mixing of bio-medical, horticultural and construction waste with MSW were noticed. Organised segregation of various types of waste at the point of generation and Vermicompost plants were not carried out in test checked NPs. Instances of overflowing of storage containers were found which led to accumulation of waste and creation of unhygienic conditions. Transportation of MSW in open instead of covered vehicles were noticed in test checked NPs.

- *Vermicompost Plants (VCPs) were either not being utilised at all or were not being utilised optimally, and seven Sanitary Landfill Facilities (SLFs) though completed by January 2013 had not been put to use till date (August 2013). Six other SLFs constructed (November 2006) at a cost of ₹ 2.29 crore under Gujarat Earthquake Rehabilitation and Reconstruction Programme were not operationalised due to defective designs prepared by the consultants.*
- *Out of 159 NPs in the State, 66 NPs were not having VCPs and 123 NPs had no SLFs. The absence of VCPs and SLFs led to open dumping of waste by NPs in violation of MSW Rules.*
- *Twelfth Finance Commission (TwFC) funds were utilised for inadmissible works and ₹ 61.35 crore were utilised after the award period without approval of GoI, and incorrect utilisation certificate was submitted to the GoI. Due to non-procurement of Litter Bins, ₹ 2.41 crore were refunded. Operation and Maintenance contract of VCPs were awarded by Gujarat Urban Development Company Limited (GUDC) without invitation of tenders.*
- *NPs were operating VCPs without authorisation from Gujarat Pollution Control Board (GPCB). Risks to environment and human health were not addressed due to lack of monitoring by GPCB. Carbon credit benefits of ₹ 7.42 crore could not be availed by GUDC.*

(Paragraph 4.1.1 to 4.1.12)

8 Implementation of Water Supply Projects under Urban Infrastructure Development Scheme for Small and Medium Towns

The Performance Audit on Implementation of Water Supply Projects under Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) revealed that :

- *In 97 cases, Gujarat Urban Development Mission (GUDM) retained funds aggregating to ₹ 185.97 crore for periods ranging from one to 40 months and consequently earned interest thereon of ₹ 5.78 crore.*
- *GUDM failed to claim additional assistance of five per cent of Central grant (maximum of ₹ 21.74 crore) for capacity building. GUDM failed to create a revolving fund which could have helped the NPs to leverage market funds for financing further investment in infrastructure projects.*
- *Non-inclusion of essential components in the Detailed Project Reports (DPRs) resulted in loss of central assistance of ₹ 3.27 crore in three test checked projects.*

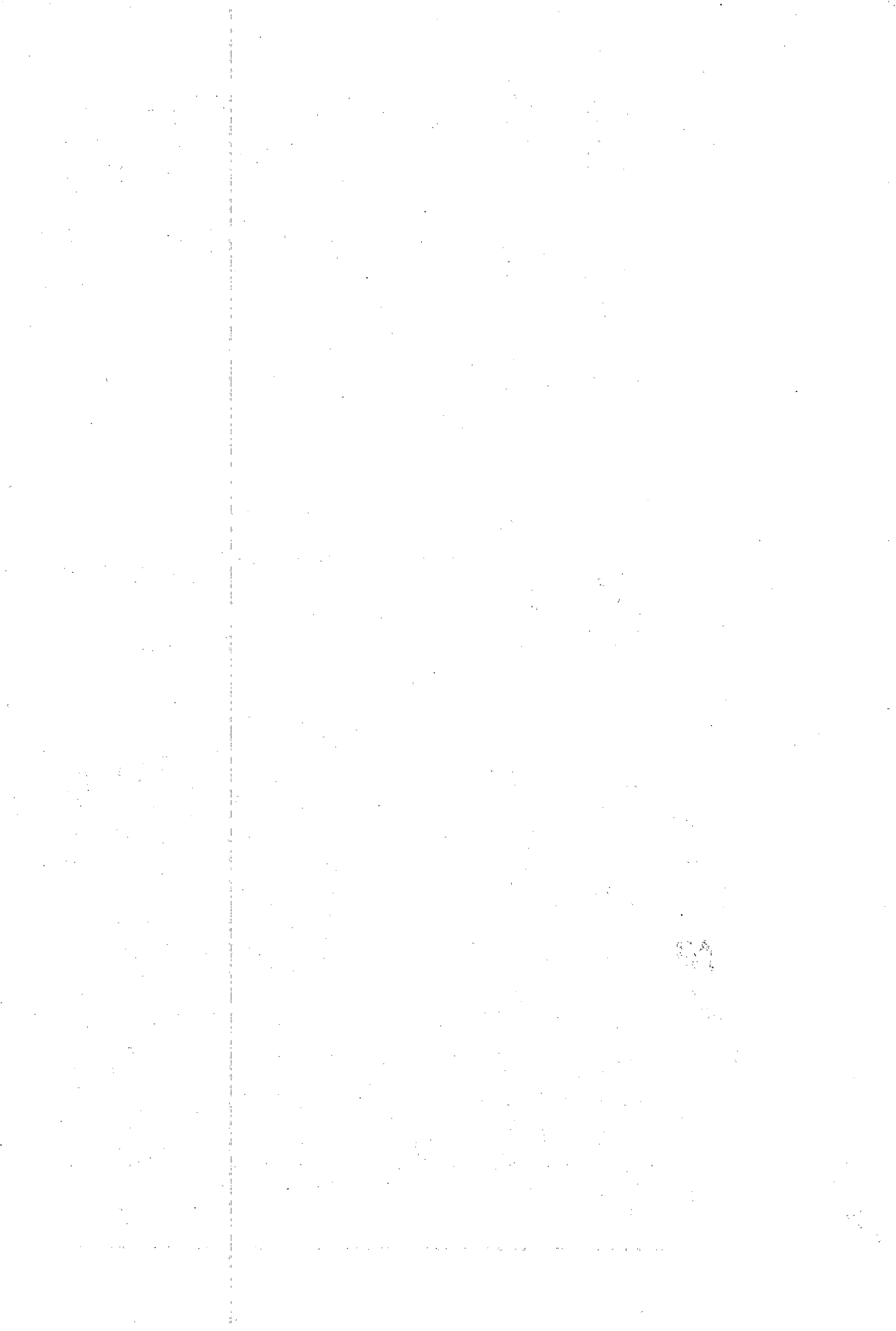
- *Delay in finalisation of tender resulted in non-completion/delay in completion of projects and consequent cost overrun of ₹ 25.63 crore in 15 test checked projects. Injudicious rejection of tenders in four projects resulted in avoidable expenditure of ₹ 5.59 crore. Instances of projects remaining incomplete or delayed completion of projects were noticed due to non-obtaining of permission/clearance from other Government agencies, non-identification of land/space, non-identification of water source, non-availability of funds, etc.*
- *In most of the test checked NPs, coverage and quantum of water supply as envisaged were not achieved. The efficiency of collection of water charges ranged from 18 to 85 per cent in the test checked NPs.*
- *Jetpur and Keshod NPs procured excess material aggregating to ₹ 2.77 crore. Valsad NP resorted to open purchase of pipes and in excess of the required quantity resulting in extra expenditure of ₹ 0.36 crore.*
- *The State Level Sanctioning Committee met only on six occasions against the minimum requirement of 21 meetings.*
- *Project Implementation Units were not formed in any of the test checked NPs.*

(Paragraph 4.2.1 to 4.2.15)

CHAPTER-I

PANCHAYATS, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT

AN OVERVIEW OF FINANCES AND ACCOUNTS OF PANCHAYATI RAJ INSTITUTIONS



CHAPTER – I

AN OVERVIEW OF FINANCES AND ACCOUNTS OF PANCHAYATI RAJ INSTITUTIONS

1.1 Introduction

The 73rd Constitutional amendment gave constitutional status to Panchayati Raj Institutions (PRIs) and established a system of uniform structure, regular elections, regular flow of funds through Finance Commissions, *etc.* As a follow up, the States are required to entrust these bodies with such powers, functions and responsibilities so as to enable them to function as local self governance institutions (LSGIs). In particular, the PRIs are required to prepare plans and implement schemes for economic development and social justice including those enumerated in the Eleventh Schedule of the Constitution.

A three-tier¹ system of Panchayats was envisaged in the Gujarat Panchayat (GP) Act, 1961. This Act was amended in April 1993 to incorporate the provisions of the 73rd Constitutional Amendment Act, 1992.

1.2 State Profile

The population growth in Gujarat during the decade (2001-2011) was 19.17 *per cent* and was more than the national average of 17.64 *per cent*. As per the 2011 census, the population of the State was 6.04 crore, of which women comprised 47.86 *per cent*. The rural population of the State was 3.47 crore (57.45 *per cent*) and urban population was 2.57 crore (42.55 *per cent*). The comparative demographic and developmental picture of the State is given in **Table 1** below:

Table 1 : Important statistics of the State

| Indicator | Unit | State value | National value |
|---|---------------------------------|-------------|----------------|
| Population | 1,000s | 60,384 | 12,10,193 |
| Population density | Sq.Km | 308 | 382 |
| Rural Population | 1,000s | 34,671 | 8,33,088 |
| Urban Population | 1,000s | 25,713 | 3,77,106 |
| Gender Ratio | Females per 1,000 males | 918 | 940 |
| Population below poverty line | <i>per cent</i> | 16.80 | 27.50 |
| Literacy | <i>per cent</i> | 79.31 | 74.04 |
| Birth rate | <i>per 1,000 Population</i> | 21.30 | 21.80 |
| Infant Mortality Rate | <i>per 1,000 live births</i> | 41 | 44 |
| Maternal Mortality Rate | <i>per 1,00,000 live births</i> | 148 | 178 |
| Gross State Domestic Product ² | ₹ in crore | 6,11,767 | 83,53,495 |
| Panchayati Raj Institutions (PRIs) | Numbers | 14,132 | 2,44,372 |
| District Panchayats (DPs) | Numbers | 26 | 594 |
| Taluka Panchayats (TPs) | Numbers | 223 | 6,326 |
| Gram Panchayats (GPs) | Numbers | 13,883 | 2,37,452 |

(Source: Socio-Economic Review 2012-13 of Gujarat and data available on the website of Ministry of Panchayati Raj, Government of India)

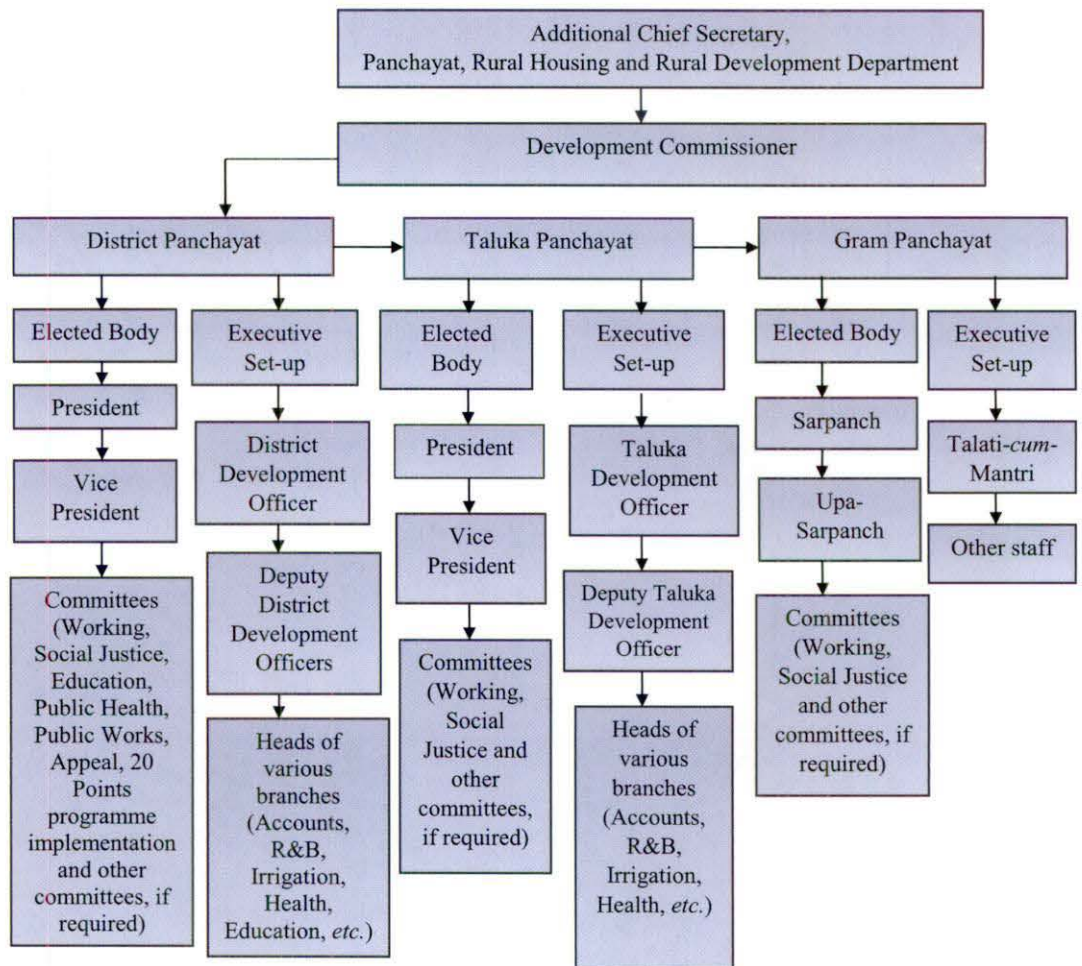
¹ District Panchayat (DP) at District level, Taluka Panchayat (TP) at intermediate level and Gram Panchayat (GP) at village level.

² At current prices

1.3 Organisational set up of the PRIs

Additional Chief Secretary, Panchayat, Rural Housing and Rural Development Department (PRHRDD) exercises administrative control over the PRIs. The PRHRDD is responsible for framing policies pertaining to formulation and implementation of developmental schemes and administration. The PRHRDD exercises administrative control through office of the Development Commissioner, Gandhinagar. The President and Vice President of the DPs and TPs are elected from the elected representatives. The Sarpanch of a GP is elected by the villages and the Upa-Sarpanch is elected from amongst the elected representatives. The GP Act envisages the functioning of the DPs, TPs and GPs through Standing Committees having elected representatives as members and chairperson. The number of Committees prescribed under the GP Act is seven, two, and two for DPs, TPs and GPs respectively. In addition, the Panchayats may, with the prior approval of the State Government, constitute Committee(s) for specific purposes. The President in respect of DPs and TPs and Sarpanch of GPs is the ex-officio Chairperson of the Standing Committees.

The organisational set up of the three tier system in Gujarat is shown below:



1.4 Powers and functions

The 73rd Amendment to the Constitution envisaged transfer of 29 functions listed in the 11th Schedule of the Constitution to the PRIs. Article 243 G of the Constitution had empowered the State Legislature to decide and confer powers and responsibilities to the PRIs. As per Section 180 (2) of the GP Act, the State Government may entrust 29 functions to the PRIs to prepare and implement schemes relating thereto for economic development and social justice. State Government has devolved (April 1993) 14 functions fully and 5 functions partially to PRIs. Ten functions have not yet been devolved (February 2014) to the PRIs (**Appendix-I**). Thus, the spirit of the Constitutional Amendment for the PRIs to function as grassroots LSGIs has not been fulfilled in substantial measure.

1.5 District Planning Committees

Article 243 ZD of the Constitution of India envisages that a District Planning Committee (DPC) shall be constituted at the district level in every State. DPC consists of such number of elected, nominated and permanent invitee members (not less than 15 and not more than 30) as determined by the Collector of the District. The Minister in-charge of the District is the Chairperson of the DPC. The tenure of DPC is five years and it is required to meet at least once in three months.

DPCs are constitutionally responsible to consolidate the plans prepared by LSGIs in the District and to prepare a Draft Development Plan (DDP) for the District as a whole for onward transmission to the Government. The DPC is to monitor the quantitative and qualitative progress, especially its physical and financial achievements in the implementation of the approved DDP. The State Government, while preparing the State plan, considers the proposal and priority included in the DDPs prepared for each District by the DPC.

The State Government had constituted (between January 2007 to November 2013) DPCs in 23 Districts and in the three remaining Districts (Anand, Porbandar and Rajkot), DPCs are yet to be constituted³ (March 2014). Out of the 23 Districts in which DPCs were constituted, meetings of DPC were held in only six Districts⁴. Further, the DDPs had not been prepared in any of the 22 Districts (which had provided⁵ information to Audit), which could have factored the aspirations and felt needs of the rural populace.

1.6 Financial Position of PRIs

1.6.1 Funds flow chart of PRIs

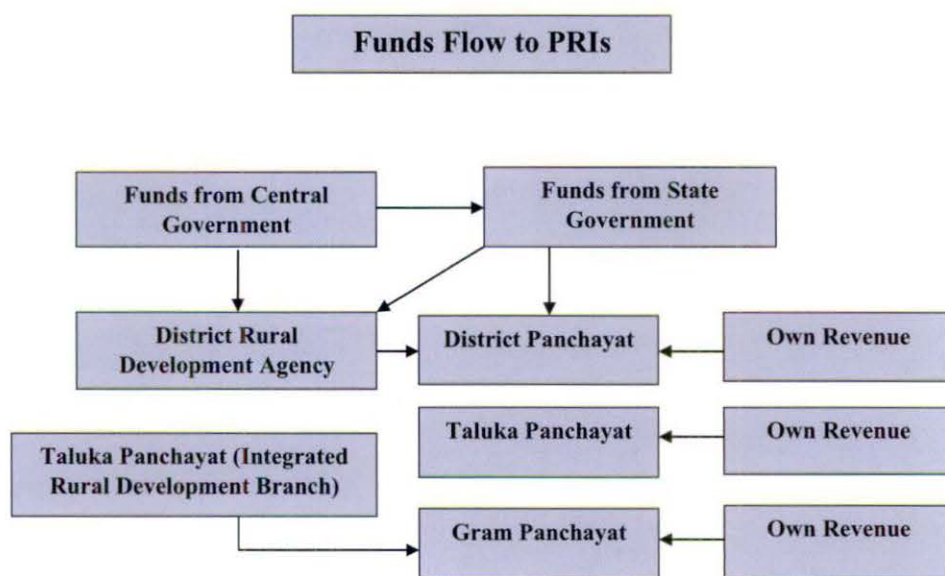
The funds of DPs and TPs are deposited in the District Treasury in Deposit Accounts, which are operated as non-interest bearing banking account. Centrally Sponsored Scheme (CSS) funds are kept in the banks/post offices in savings accounts according to guidelines of the respective schemes. The funds of GPs are kept in savings accounts at the nearest Post Office or a Scheduled Bank.

3 In absence of DPC, plan is approved by the District Development Officer and later ratified by DPC after reconstitution

4 Amreli, Dang, Narmada, Panchamahals, Sabarkantha and Valsad

5 Except Banaskantha, Bharuch, Mehsana and Navsari

The funds flow-chart of PRIs is as below -



1.6.2 Financial position of PRIs

In addition to own source of tax and non tax revenue *e.g.* fair tax⁶, building tax, fee, rent from buildings, water reservoirs, *etc.* and capital receipts from sale of land, PRIs receive funds from State Government and Government of India (GoI) in the form of grants-in-aid/loans for general administration, implementation of development schemes/works, creation of infrastructure in rural areas, *etc.* Besides, grants from State/Central Finance Commission are also received.

1.6.3 Sources of Revenue

The receipt of PRIs from all sources during the last three years ending 2012-13 is shown in the **Table 2** below –

Table 2: Sources of revenue of PRIs

(₹ in crore)

| Revenue | 2010-11 | 2011-12 | 2012-13 |
|--------------------------------------|------------------|------------------|------------------|
| Government Grants | 11,419.64 | 13,087.87 | 14,464.38 |
| Own Revenue | 133.88 | 266.61 | 268.66 |
| Thirteenth Finance Commission Grants | 230.43 | 299.02 | 322.53 |
| Total | 11,783.95 | 13,653.50 | 15,055.57 |

(Source: Budget publications and information furnished by the PRHRDD)

The above table shows that there was complete dependence of the PRIs on the Government for even carrying out their basic functions as their 'own revenue' was very low.

⁶ Tax on melas held in the jurisdiction of PRIs

1.6.4 Sectoral Receipts and Expenditure

The sectoral allocation of receipts and expenditure of PRIs during 2010-11 to 2012-13 is given in **Table 3** below -

Table 3: Sectoral receipts and expenditure of PRIs

(₹ in crore)

| Description | | General Services | Social Services | Economic Services | Total |
|-------------|------------------|------------------|-----------------|-------------------|-----------|
| 2010-11 | Budget provision | 904.80 | 7,535.03 | 3,344.12 | 11,783.95 |
| | Expenditure | 1,073.67 | 7,521.04 | 3,353.18 | 11,947.89 |
| 2011-12 | Budget provision | 1,162.29 | 7,671.39 | 2,201.24 | 11,034.92 |
| | Expenditure | 921.51 | 7,523.21 | 2,510.92 | 10,955.64 |
| 2012-13 | Budget provision | 989.55 | 9,953.00 | 2,296.70 | 13,239.25 |
| | Expenditure | 1,420.93 | 9,643.13 | 2,708.40 | 13,772.46 |

(Source : VLC data and Budget publications)

The above table shows that percentage of expenditure to total expenditure increased from nine *per cent* to 10 *per cent* under general services and from 63 *per cent* to 70 *per cent* under social services whereas it decreased from 28 *per cent* to 20 *per cent* under economic services during the period 2010-13. The increase in proportion of social service expenditure indicates an increased investment made in education, which points towards a positive development in the society.

1.7 State Finance Commission

Article 243 I of the Constitution made it mandatory for the State Government to constitute a State Finance Commission (SFC) within one year from the enactment of 73rd Constitutional Amendment and thereafter on expiry of every five years to review the financial condition of the PRIs and to make recommendations to the Governor for devolution of funds on the following aspects -

- the distribution of net proceeds of taxes, duties and fees between the State and the PRIs;
- taxes, duties, fees and tolls to be assigned and appropriated by PRIs;
- release of grants-in-aid to the PRIs from Consolidated Fund of the State; and
- measures needed to improve the financial condition of the PRIs.

1.7.1 Delayed/Non Constitution of State Finance Commission

As the Constitutional Amendment Act, 1992 came into effect on 20 April 1993, the constitution of the first SFC was due by 19 April 1994. Status of constitution of Finance Commissions by the State Government is given in **Table 4** as follows –

Table 4: Constitution of State Finance Commission

| Finance Commission | Due Date for Constitution SFC | Actual Date of Constitution | Delay in constitution | Month of submission of reports by SFC | Date of placement in Assembly |
|--------------------|-------------------------------|-----------------------------|-----------------------|---------------------------------------|-------------------------------|
| 1 st FC | 19 April 1994 | 15 September 1994 | 05 Months | October 1997 | 28 August 2001 |
| 2 nd FC | 19 April 1999 | 19 November 2003 | 55 Months | November 2006 | 30 March 2011 |
| 3 rd FC | 19 April 2004 | 02 February 2011 | 81 Months | Not Submitted | NA |
| 4 th FC | 19 April 2009 | Not constituted | -- | NA | NA |
| 5 th FC | 19 April 2014 | Not constituted | -- | NA | NA |

(Source: Information received from PRHRDD)

The above table shows that the mandatory Constitutional provisions in respect of timely constitution of the SFCs were not adhered to by the State Government and though the 3rd SFC was constituted in February 2011, the committee has not submitted its report till date (March 2014). Delayed/non-constitution resulted in non-availability of guiding principles for distributing State's financial resources among PRIs/ULBs, determination of taxes, duties, tolls and fees which are to be assigned to or appropriated by, the Panchayats or the Municipalities.

1.8 Twelfth Finance Commission Grants

On the recommendation of Twelfth Finance Commission (TwFC), GoI released ₹ 931.00 crore to the State Government during the period 2005-10. State Government released the funds to the PRIs during the same period. Of this amount, PRIs spent ₹ 264.52 crore on Water Supply and Sanitation, ₹ 264.52 crore on Solid Waste Management, ₹ 42.80 crore on Data base on finances and ₹ 352.71 crore on Other Works leaving an unspent balance of ₹ 6.45 crore (GoI share) as on March 2010. The State Government granted permission (June 2011) to PRIs to spend this unspent balance for the works recommended by TwFC.

However, it was observed that out of the unspent balance of ₹ 6.45 crore, the PRIs spent ₹ 1.48 crore on Water Supply, ₹ 1.05 crore on Sanitation and Drainage and ₹ 2.00 crore on other works. An unspent balance of ₹ 1.92 crore was still lying with them as on January 2014.

1.9 Thirteenth Finance Commission

The Thirteenth Finance Commission (ThFC) grants are divided into two components – General Basic Grant (GBG) and General Performance Grant (GPG). The GBG can be accessed by all States as per criteria laid down by the Commission. But GPG can be accessed only by those States which comply with conditions stipulated, otherwise the GPG would be forfeited. The forfeited grant would be distributed as follows -

- 50 per cent of amount forfeited by the PRIs to be distributed among all States irrespective of their compliance with the condition; and

- remaining 50 per cent to be distributed among the States which have complied with the conditions.

The State Government for the period 2010-15 was eligible to get central grant of ₹ 2,455.69 crore for PRIs, of which ₹ 1,597.54 crore was earmarked for GBG and ₹ 858.15 crore for GPG. Accordingly, State Government received GBG of ₹ 230.43 crore⁷ for the year 2010-11, ₹ 285.50 crore⁸ for the year 2011-12 and ₹ 322.53 crore⁹ for the year 2012-13. Audit observed that as against ₹ 838.46 crore received (2010-13), expenditure of ₹ 680.08 crore¹⁰ only was incurred leaving unspent balance of ₹ 158.38 crore.

Audit further observed that GPG of ₹ 93.38 crore¹¹ (2011-12) and ₹ 216.48 crore¹² (2012-13) allocated by GoI for the State was forfeited due to non-compliance of conditions stipulated by the ThFC. In accordance with the orders of the ThFC, the State Government received only ₹ 13.52 crore as GPG for the year 2011-12 from the forfeited grant. This resulted in loss of central assistance of ₹ 296.34 crore to the State Government.

1.10 Formats of Accounts

State Government decided (September 2004) to accept the Model Accounting System (MAS) prescribed by the Comptroller and Auditor General of India (CAG) which provides for four tier classification of accounts viz. major head, minor head, sub head and object head. Further, instructions were issued (March 2011) by the State Government for maintaining accounts as per double entry accrual accounting system in Gujarat Rural Accounting Management (GRAM) software along with eight formats prescribed in MAS in addition to the requirement of respective Financial Rules of PRIs. However, the formats have not been operationalised and PRIs continued with their existing accounting formats prescribed under the Gujarat Taluka and District Panchayats Financial Accounts and Budget Rules, 1963.

Further, audit observed that web based software (PRIASoft) developed by the GoI for maintenance of accounts of PRIs had not been adopted by the State Government.

DPs stated (January 2013) that GRAM software had facilities for keeping accounts in double entry accounting system. This was not correct as the format prescribed by CAG was not found in the GRAM software adopted by the PRIs. Further, the annual accounts maintained by the PRIs were on cash basis instead of double entry accrual based accounting system. The State Government stated (May 2013) that the proposal for adoption of PRIASoft is under consideration.

7 ₹ 217.24 crore (GBG) + ₹ 13.19 crore Special area basic grant

8 ₹ 272.31 crore (GBG) + ₹ 13.19 crore Special area basic grant

9 ₹ 309.34 crore (GBG) + ₹ 13.19 crore Special area basic grant

10 ₹ 228.70 crore (2010-11) + ₹ 274.10 crore (2011-12) + ₹ 177.28 crore (2012-13)

11 ₹ 86.14 crore (GPG) + ₹ 7.24 crore Special area performance grant

12 ₹ 202.06 crore (GPG) + ₹ 14.42 crore Special area performance grant

1.11 Audit arrangement and coverage

Examiner Local Fund Audit (ELFA) is the primary auditor of the accounts of local bodies under the provisions of the Gujarat Local Fund Audit (GLFA) Act, 1963. Apart from local bodies, other local funds such as Universities and other funds/local bodies are also audited by ELFA. The ELFA Department under State Finance Department is headed by Examiner and has District offices in all the Districts headed by Assistant Examiners.

State Government by a resolution (May 2005) entrusted the Technical Guidance and Supervision (TGS) over the audit of PRIs to Comptroller and Auditor General of India (CAG) under Section 20(1) of CAG's (DPC) Act¹³, 1971. The provision of laying of Audit Report of ELFA alongwith the Report of CAG before the State Legislature was made by amending (May 2011) the Gujarat Panchayats Act, 1993. Accounts of one TP and eight GPs for 2007-08, two DPs, two TPs and 16 GPs for 2008-09, seven DPs, 30 TPs and 232 GPs for 2009-10 and one TP and eight GPs for 2010-11 respectively were audited during 2012-13 under Section 20(1) of CAG's (DPC) Act, 1971.

1.11.1 Status of audit of PRIs by Examiner Local Fund Audit

The status of audit conducted by ELFA upto December 2013 is as shown in Table 5 below -

Table 5 : Status of audit by ELFA

| PRIs | Number of Auditable entities | Entities audited and period of accounts covered | Entities yet to be audited and period of accounts to be covered |
|------|------------------------------|---|---|
| DPs | 26 | 26 (upto 2010-11) | 26 (2011-12 and 2012-13) |
| TPs | 223 | 223 (upto 2010-11) 50 (upto 2011-12) | 173 (2011-12) and 223 (2012-13) |
| GPs | 13,733 ¹⁴ | 5,638 (upto 2010-11) | 8,095 (2010-11) and 13,733 (2011-12 and 2012-13) |

(Source: Information furnished by ELFA)

The above table shows that audit of GPs by ELFA was in arrears from 2010-11 onwards and for DPs and TPs, the arrears were from 2011-12 onwards.

The audit report of PRIs by ELFA for 2009-10 was placed (October 2013) before Legislature and report for the year 2010-11 was under preparation (February 2014).

13 Save as otherwise provided in section 19, where the audit of the accounts of any body or authority has not been entrusted to the CAG by or under any law made by Parliament, he shall, if requested so to do by the President, or the Governor of a State or the Administrator of a Union territory having a Legislative Assembly, as the case may be, undertake the audit of the accounts of such body or authority on such terms and conditions as may be agreed upon between him and the concerned Government and shall have, for the purposes of such audit, right of access to the books and accounts of that body or authority: Provided that no such request shall be made except after consultation with the CAG.

14 As per table 1 under paragraph 1.2 of the Report, the numbers of GPs are 13,883 whereas the GPs audited was only 13,733. The reason for the difference was non-updation of ELFA records

1.11.2 Compliance to Inspection Reports

1.11.2.1 Inspection Reports of Examiner Local Fund Audit

Gujarat Local Fund Audit (GLFA) Act 1963, provides that ELFA should conduct audit of PRIs and after the completion of the audit, not later than three months thereafter, prepare a report on the accounts audited and examined and shall send such report to the local authority concerned and copies thereof to such officers and bodies as the State Government may direct. The Examiner shall include in this report a statement of (i) every payment which appears to him to be contrary to law; (ii) the amount of any deficiency or loss which appears to have been caused by the gross negligence or misconduct of any person; (iii) the amount of any sum received which ought to have been but is not brought into account by any person; and (iv) any other material impropriety or irregularity which he may observe in the accounts. The local authority shall within four months of receipt of the report, send to the Examiner intimation of his having remedied the defects or irregularities if any pointed out in the report. The Act empowers the Examiner to recommend and give opinion to the Commissioner to surcharge or charge the person responsible for such defects or irregularities.

Information provided by ELFA showed that as on December 2013, 18,71,754 paragraphs of the report issued to the PRIs by ELFA were pending for compliance. Age-wise pendency of paragraphs is given in **Table 6** below -

Table 6: Pendency of paragraphs of ELFA

| PRIs | Outstanding paragraphs pertaining to the period up to 2002-03 | Outstanding paragraphs pertaining to the period 2003-07 | Outstanding paragraphs pertaining to the period 2007-12 | Total outstanding paragraphs |
|--------------|---|---|---|------------------------------|
| DPs | 27,662 | 8,426 | 8,192 | 44,280 |
| TPs | 79,369 | 28,758 | 28,125 | 1,36,252 |
| GPs | 9,30,572 | 2,63,261 | 4,97,389 | 16,91,222 |
| Total | 10,37,603 | 3,00,445 | 5,33,706 | 18,71,754 |

(Source: Information furnished by ELFA)

The above table shows that out of 18,71,754 outstanding paragraphs, 10,37,603 (55 per cent) paragraphs were outstanding for more than ten years due to non-compliance by PRIs. This indicated lack of prompt response on the part of officials of PRIs. The ELFA further reported that no cases of defects or irregularities liable for surcharge or charge had been reported to the Commissioner till date (March 2014).

1.11.2.2 Outstanding paragraphs of IRs of Accountant General

24,015 paragraphs of 5,426 IRs up to the year 2013-14 were outstanding for want of compliance from PRIs as on March 2014. The status of financial year-wise outstanding paragraphs is shown in **Table 7** as follows-

Table 7 : Position of pendency of paragraphs of AG

| | Up to 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 | 2012-13 | 2013-14 | Total |
|-----------------------------|------------------|---------|---------|---------|---------|---------|---------|--------|
| IRs | 2,565 | 414 | 682 | 778 | 529 | 307 | 151 | 5,426 |
| Paras | 9,952 | 1,512 | 2,448 | 3,390 | 3,491 | 2,230 | 992 | 24,015 |
| Money value (₹ in crore) | 37.47 | 1.92 | 2.44 | 0.39 | 9.68 | 6.46 | 1.19 | 59.55 |

Increasing trend of outstanding paragraphs (except 2013-14) indicated lack of efforts by concerned authorities in furnishing compliance to these paragraphs.

1.12 Response of departments to the audit paragraphs

Four¹⁵ draft performance audit reviews, one¹⁶ compliance paragraph and an individual paragraph¹⁷ on Audit of transactions were forwarded to the Principal Secretaries of the concerned administrative departments between June 2013 and October 2013 with a request to send their responses within six weeks. The replies to all four draft performance audit reports and individual paragraph featured in this Report were received. Entry and exit conferences were also held with the concerned departments on the audit findings and the replies/views expressed have been duly considered while finalising this report.

1.13 Conclusion

A review of finances of PRIs revealed that the spirit of the Constitutional Amendment for the PRIs to function as LSGIs was not fulfilled substantially as the State Government had not yet devolved 10 functions out of 29 functions to the PRIs as envisaged in the 11th Schedule of the Constitution. The DPCs were constituted in 23 Districts only. Out of the 23 Districts in which DPCs were constituted, meetings of DPC were held in only six Districts. Prescribed periodicity for constitution of SFCs was not maintained and though the 3rd SFC was constituted in February 2011, the committee has not submitted its report till date (March 2014). An amount of ₹ 1.92 crore of TwFC and ₹ 158.38 crore of ThFC is lying unspent. Formats of Model Accounting System (MAS) prescribed by CAG were not adopted. The huge number of audit paragraphs of the CAG and ELFA indicated weak internal control systems in PRIs. Efforts must be taken to clear these old outstanding audit observations.

15 Implementation of Indira Awaas Yojana, Total Sanitation Campaign, Management of Municipal Solid Wastes in Nagarpalikas and Implementation of Water Supply Schemes under Urban Infrastructure Development Scheme for Small and Medium Towns

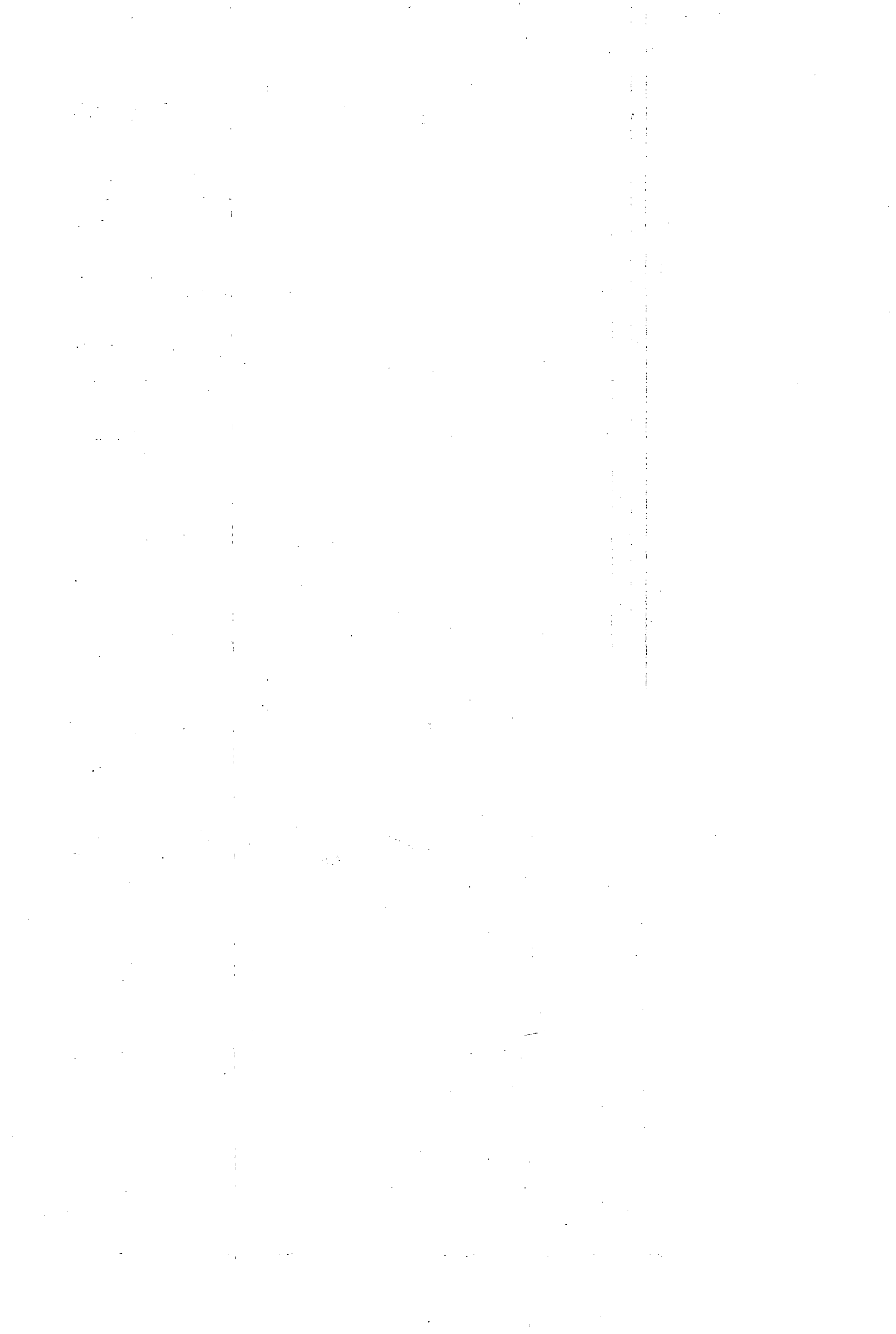
16 Infrastructure and Human Resources Management in Elementary Schools run by PRIs

17 Excess expenditure and loss to Government of ₹ 70.35 lakh on procurement of cement

CHAPTER-II

PANCHAYATS, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT

SECTION 'A' - PERFORMANCE AUDIT



CHAPTER – II

This Chapter contains findings of two Performance Audits on “Implementation of Indira Awaas Yojana” and “Total Sanitation Campaign”, one Compliance Audit paragraph on “Infrastructure and Human Resources Management in Elementary Schools run by Panchayati Raj Institutions” and an individual paragraph on Audit of transactions.

A – PERFORMANCE AUDIT

PANCHAYAT, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT

2.1 Implementation of Indira Awaas Yojana

Executive summary

GoI launched (1985-86) Indira Awaas Yojana (IAY) to help in construction/upgradation of dwelling units to the rural Below Poverty Line (BPL) households belonging to the members of Scheduled Castes (SCs)/Scheduled Tribes (STs), free bonded labourers, minorities in the BPL category and other non-SC/ST rural BPL households, widows or next-of-kin of defence personnel/paramilitary forces killed in action¹ residing in rural areas, ex-servicemen and retired members of paramilitary forces fulfilling other conditions (irrespective of their income criteria) by providing them lump sum financial assistance. State Government launched (April 2000) “IAY State Supplementary” Scheme for providing additional assistance² to IAY beneficiaries. The performance audit on “Indira Awaas Yojana” was conducted for the period 2008-13 between April 2013 and January 2014 and the following deficiencies were noticed -

- *Central assistance of ₹ 117.20 crore could not be availed due to excess carryover of funds on account of non-utilisation of available funds and delay in transfer of surplus funds, non-submission and delay in submission of proposals for second instalment.*
- *Though IAY State Supplementary scheme was discontinued (April 2010), unspent funds of ₹ 89.64 crore was not refunded by the District authorities.*
- *An amount of ₹ 0.24 crore was diverted for contingent expenses in violation of scheme guideline.*
- *Irregular deductions of ₹ 10.76 lakh were made from the assistance paid to beneficiaries for non-installation of smokeless chulhas and non-construction of sanitary latrines in contravention to GoI instructions.*
- *In contravention to GoI instruction, assistance was given by individual cheques instead of transferring it directly to beneficiaries’ bank or post office account in eight test checked Talukas.*

1 With effect from 1995-96

2 ₹ 10,000 per unit (prior to September 2008) and ₹ 8,500 from September 2008

- **The achievement against physical target did not represent a true picture, as figures of achievement against target fixed for each year was not maintained and the achievement reported included incomplete houses of earlier years. Though the construction of the houses were to be completed within a maximum time of two years, in test checked Talukas as on March 2013, 16,722 houses out of 35,063 houses sanctioned during 2008-11 remained incomplete.**
- **Deficiencies in identification and selection of beneficiaries were noticed as two separate permanent IAY waitlists were not maintained and beneficiaries were not selected in accordance with the prescribed priority resulting in sanction of assistance to ineligible beneficiaries and subsequent cancellation of selected beneficiaries.**
- **CRD had not identified cost effective, disaster resistant and environment friendly technologies for construction of houses. Trainings were not imparted to District and Taluka level officials or masons and others who were involved in construction of the houses.**
- **Adequate efforts were not made to identify appropriate programmes for providing all basic amenities to IAY beneficiaries by convergence with other schemes. IAY beneficiaries were not provided additional funds from Total Sanitation Campaign scheme for construction of toilets in test checked Districts inspite of GoI instruction.**
- **Instances of incorrect reporting and submission of incorrect completion certificates were noticed due to lack of technical supervision.**
- **Improper/non-maintenance of inventory of houses constructed under the scheme were noticed in some test checked Talukas and Gram Panchayats. Monitoring and grievance redressal mechanism was not effective.**

2.1.1 Introduction

Indira Awaas Yojana (IAY) is a Centrally Sponsored Scheme launched in 1985-86 as a component of the Rural Landless Employment Guarantee Programme. IAY became a component of Jawahar Rozgar Yojana from April 1989 and was made an independent scheme with effect from 1 January 1996. The objective of the IAY is primarily to help in construction of dwelling units for rural Below Poverty Line (BPL) households belonging to members of Scheduled Castes/ Scheduled Tribes (SC/ST), freed bonded labourers, minorities³ in the BPL category and other non-SC/ST⁴ rural BPL households, widows or next-of-kin of defence personnel/paramilitary forces killed in action⁵ residing in rural areas, ex-servicemen and retired members of paramilitary forces fulfilling other conditions (irrespective of their income criteria) and upgradation of existing unserviceable kutcha houses by providing them a lump sum financial assistance⁶. A scheme for providing homestead sites to those rural BPL households who have neither agricultural land nor a house site, was launched (August 2009) as

3 With effect from 08 February 2007

4 With effect from 1993-94 subject to condition that atleast 60 per cent of the total IAY allocation during a financial year should be utilised for construction/upgradation of dwelling units for SC/ST BPL households.

5 With effect from 1995-96

6 For New Construction - ₹ 35,000 per house from April 2008 ₹ 26,250 - GoI share and ₹ 8,750 - State share) and ₹ 45,000 per house from April 2010 ₹ 33,750 - GoI share and ₹ 11,250 - State share). For upgradation - ₹ 15,000 per house from April 2008 (₹ 12,500 per house prior to April 2008)

part of IAY by providing financial assistance of ₹ 0.10 lakh sharable⁷ between Government of India (GoI) and State Government. In Gujarat, BPL families having a score⁸ upto 16 were considered as eligible for benefit under the scheme. The IAY was implemented by District Rural Development Agencies (DRDAs) at the District level.

As the unit cost fixed by GoI for construction of new houses with basic requirements was insufficient, the State Government launched (April 2000) "IAY State Supplementary (IAY SS)" Scheme for providing additional assistance⁹ to IAY beneficiaries. The IAY SS scheme was discontinued from April 2010 as GoI had increased the assistance under the scheme from ₹ 35,000 to ₹ 45,000.

2.1.2 Organisational set-up

Principal Secretary of Panchayat, Rural Housing and Rural Development Department of the Government of Gujarat (State Government) is responsible for planning, implementation, monitoring and evaluation of the scheme. The scheme is implemented in the State under the supervision of the Commissioner, Rural Development (CRD), the Director, District Rural Development Agency (DRDA) at District level, and the Taluka Development Officer (TDO)¹⁰ at Taluka level.

2.1.3 Audit Objectives

The Performance Audit was conducted to assess (through a sample study of 2,008 beneficiaries of 18 Talukas in eight Districts by choosing 180 Gram Panchayats of selected Talukas and CRD office) whether –

- the allocation and release of funds under IAY were made in an adequate and timely manner, and utilised economically and efficiently in accordance with the scheme provisions;
- the physical performance in terms of number of units constructed was as planned and targeted and the systems and procedures were in place for identification, selection of the target groups and transfer of funds to the beneficiaries;
- the constructions conformed to the quality parameters set out in the scheme guidelines and the scheme provisions;
- the convergence of the IAY activities with other programmes as envisaged was effectively achieved and ensured availability of a complete functional dwelling unit; and
- the mechanisms were in place for monitoring and evaluation of the outcomes of the programme.

7 Sharable in ratio of 50:50

8 Households with score upto a maximum of 52 points are considered as BPL. The scores are decided on the basis of 13 characteristics each bearing scores from zero to four. The 13 characteristics are (1) Size group of operational holding of land, (2) Type of house, (3) Average availability of normal wear clothing (per person in pieces), (4) Food Security, (5) Sanitation, (6) Ownership of consumer durables, (7) Literacy status of the highest literate adult, (8) Status of household, (9) Means of livelihood, (10) Status of children (5-14 years), (11) Type of indebtedness, (12) Reason for migration from household and (13) Preference of assistance.

9 ₹ 10,000 per unit (prior to September 2008) and ₹ 8,500 from September 2008

10 Integrated Rural Development Branch

2.1.4 Audit Criteria

The performance of the scheme was assessed with reference to -

- Guidelines of IAY issued by the Ministry of Rural Development (MoRD), Department of Rural Development;
- Periodical reports/returns prescribed by the MoRD and State Government; and
- Circulars/instructions issued by the MoRD and State Government.

2.1.5 Audit Scope and Methodology

A review of Rural Housing (Indira Awaas Yojana) was incorporated in Paragraph 6.1 under Chapter - VI – (Financial Assistance to Local Bodies and Others) in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2002 (Civil), Government of Gujarat. The review was discussed in Public Accounts Committee (PAC) on 25 September 2012 and no recommendations have been offered by the PAC.

Audit test checked (April 2013 to January 2014) the records covering the period 2008-13 at the CRD, eight¹¹ out of 26 Districts of the State (selected on the basis of probability proportional to size with replacement method and size measure as total IAY expenditure during the last five years), 18 Talukas within the selected Districts and 180 Gram Panchayats (GPs) within the selected Talukas (selected on the basis of Simple Random Sampling without Replacement Method). Joint field visit¹² of maximum twelve beneficiaries in a village (where one village was selected) within the selected GP or six beneficiaries in each selected village (subject to a maximum of twelve beneficiaries within two selected villages) within the selected GP was also conducted. An Entry conference was held (1 July 2013) with the Commissioner, Rural Development to explain the audit objectives and scope. An exit conference was held (4 March 2014) with the Commissioner, Rural Development to discuss the audit findings. The views of the State Government emanating from the exit conference have been duly incorporated in the Report.

Acknowledgement

Audit acknowledges the co-operation and assistance extended by the CRD, implementing agencies and their officials at various stages during conduct of the performance audit.

¹¹ Anand, Banaskantha, Dahod, Junagadh, Porbandar, Surat, Surendranagar and Vadodara

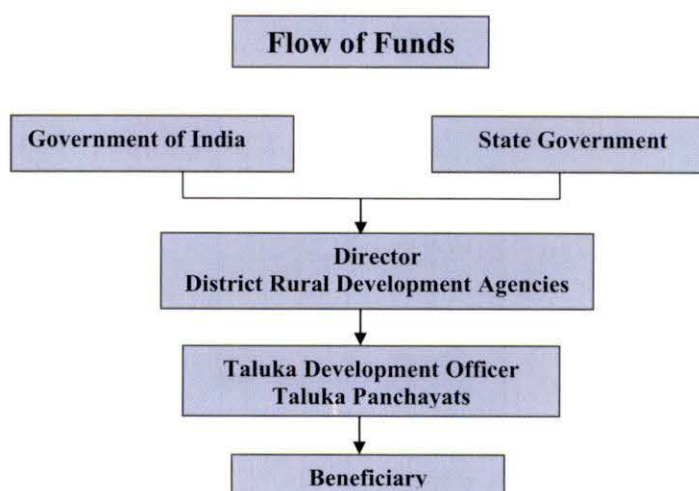
¹² Audit team alongwith the staff of the Department concerned

Audit Findings

2.1.6 Funds Management

2.1.6.1 Flow of funds

The cost under the scheme is shared between GoI and State Government in the ratio of 75:25. The Central share is released every year directly to the DRDAs and the State share is required to be released within one month from the date of release of Central share. The State Government releases its share directly to the DRDAs. A chart depicting the flow of funds is shown below –



2.1.6.2 Receipt and Expenditure

Scheme guidelines provide that Central share would be released every year in two instalments. The first instalment amounting to 50 *per cent* of the total allocation for a particular District was to be released in the beginning of the financial year and the second instalment was to be released on receipt of request from the DRDAs latest by 31 December every year. The GoI imposes a cut in release of grants in case of late receipt of proposal for second instalment. In case, aggregate balance at the beginning of the financial year exceeded 10 *per cent* of the funds available, the excess over the 10 *per cent* gets deducted from the second instalment released by GoI. A cut is imposed in case of non-submission of proposal for the second instalment as well. The details of grants received and expenditure incurred under IAY in the State during the period 2008-13 are shown in **Table 1** as follows –

Table 1 : Grant received and expenditure incurred

(₹ in crore)

| Year | Opening Balance | Grant released | | Miscellaneous income with interest | Total available fund | Expenditure | Closing Balance | Percentage of expenditure against available fund |
|-----------------------|-----------------|-----------------|---------------|------------------------------------|----------------------|-----------------|-----------------|--|
| | | Central | State | | | | | |
| 2008-09 | 60.73 | 365.70 | 89.68 | 6.73 | 522.84 | 339.12 | 183.72 | 65 |
| 2009-10 | 183.72 | 409.19 | 159.42 | 58.45 | 810.78 | 552.34 | 258.44 | 68 |
| 2010-11 | 258.44 | 608.19 | 190.47 | 119.29 | 1,176.39 | 756.89 | 419.50 | 64 |
| 2011-12 | 419.50 | 384.34 | 125.31 | 105.66 | 1,034.81 | 554.17 | 480.64 | 54 |
| 2012-13 ¹³ | 480.64 | 215.82 | 79.59 | 37.90 | 813.95 | 428.07 | 385.88 | 53 |
| Total | | 1,983.24 | 644.47 | 328.03 | | 2,630.59 | | |

(Source: Information furnished by the CRD)

The above table showed that the percentage of utilisation of funds against availability of funds under IAY ranged from 53 per cent (2012-13) to 68 per cent (2009-10). The percentage of utilisation of funds against available funds in test checked Districts ranged from zero per cent (Surat : 2012-13) to 94 per cent (Porbandar : 2010-11) (**Appendix-II**). The Government attributed (March 2014) the reasons to non-completion/slow progress of construction of houses by the beneficiaries and receipt of GoI grants in the month of March for poor utilisation of funds against availability.

Audit also observed that -

- in six out of eight test checked Districts (June 2013, July 2013 and January 2014), allocated funds of ₹ 112.83 crore were not released by GoI during 2008-13 due to (i) excess carryover of funds (₹ 96.94 crore), (ii) late submission of proposal for second instalment (₹ 12.43 crore), and (iii) non-submission of proposal for second instalment (₹ 3.46 crore) as shown in **Appendix-III**.

The Government accepted (March 2014) the facts and stated that instructions would be issued to the Districts to submit the proposal for second instalment in time. The Government further stated that the cut imposed is compensated by GoI in the subsequent allocation of funds. The reply was not acceptable as the above cuts have not been compensated by GoI till date (March 2014).

- In Junagadh District, the target of 9,346 houses (Central allocation - ₹ 18.85 crore) for the year 2009-10 was reduced (October 2009) to 5,495 houses (Central allocation - ₹ 14.42 crore) by the GoI with instruction to transfer the surplus funds for 3,851 houses to other Districts proportionately from ₹ 15.10 crore released as first instalment. However, due to delay in transfer of surplus funds (January 2010) of ₹ 6.73 crore¹⁴ (₹ 5.05 crore – Central share and ₹ 1.68 crore – State share), an amount of ₹ 4.37 crore¹⁵ was not released by GoI due to excess carryover of funds.

¹³ Provisional figure

¹⁴ 9,346 houses – 5,495 houses = 3,851 houses x ₹ 35,000 = ₹ 13.48 crore/2 (50 per cent release of first instalment by GoI)

¹⁵ ₹ 15.10 crore (GoI fund received) - ₹ 5.05 crore (GoI fund transferred) = ₹ 10.05 crore (GoI fund available).
₹ 14.42 crore - ₹ 10.05 crore = ₹ 4.37 crore receivable from GoI

The Government accepted (March 2014) the fact and stated that after transferring the funds in January 2010, correspondence was made with GoI for release of second instalment, but GoI had turned down the request.

- Audit observed that the GoI had released (March 2009 and March 2010) additional Central assistance of ₹ 28.52 crore to three test checked DRDAs (Anand - ₹ 4.69 crore, Dahod - ₹ 10.64 crore and Surat - ₹ 13.19 crore), though no new houses had been sanctioned.

The Government stated (March 2014) that as no fresh/additional target was set by the GoI, the funds are lying unutilised with the Districts. The Government further stated that clarification for utilisation of this fund would be sought from the GoI. The fact however, remained that though more than four years had elapsed, no efforts had been made by the Government to utilise the funds or sought clarification from the GoI for its utilisation.

- The IAY State Supplementary Scheme was discontinued (April 2010) by the State Government in view of the increase in unit cost of houses by GoI from ₹ 35,000 to ₹ 45,000 from 2010-11 and instructions were issued (July 2011) to District authorities to refund unspent balances of the scheme. However, an amount of ₹ 89.64 crore lying unspent as on March 2013 was not refunded to the State Government by the District authorities and no action was initiated by the CRD to recover the same (September 2013).

The Government stated (March 2014) that instructions would be issued to Districts to make sincere efforts to complete the incomplete houses of State Supplementary scheme and refund the remaining amount.

2.1.6.3 Diversion of fund

Scheme guidelines did not provide for contingent/office expenses under the scheme. However, Audit observed at seven Talukas out of 18 test checked Talukas and DRDA Surendranagar that contingent/office expenses of ₹ 24.00 lakh were booked under the scheme in violation of scheme provision as shown in **Appendix-IV**.

The Government accepted (March 2014) the fact and stated that the amount would be credited back to IAY accounts either from DRDA Administration Scheme or State Supplementary Scheme.

2.1.7 Transfer of funds to beneficiaries

2.1.7.1 Irregular deductions from assistance made to beneficiaries

The scheme guidelines provided that in case of non-construction of sanitary latrine and non-installation of smokeless chulha, recovery from the assistance given to the beneficiary be made. It further provided for display of IAY logo on completion of construction of house and the cost of logo not exceeding ₹ 30 was to be met from the interest accrued on the available funds of the scheme. Accordingly, CRD decided (April 2003) to engage Non-Government Organisations (NGOs) for construction/installation of sanitary latrine and smokeless chulha and deduct ₹ 3,050 (₹ 2,957 for sanitary latrine and ₹ 93 for smokeless chulha) from the assistance made to IAY beneficiaries for making payment to NGOs. GoI subsequently issued (April 2008) instructions that no deduction should be made for non-construction/installation of sanitary latrine/smokeless chulha/non-fixing of IAY Logo.

However, Audit observed in four test checked Talukas of two Districts that deduction of ₹ 10.76 lakh was made during 2008-13 from the final instalments of the beneficiaries towards non-installation of Smokeless chulhas (at the rate of ₹ 93), non-construction of sanitary latrine (at the rate of ₹ 2,957) and non-fixing of IAY Logo (at the rate of ₹ 30) in contravention to GoI instruction as shown in **Table 2** as below-

Table 2 : Irregular deduction from assistance

| Taluka | District | Number of houses completed during the review period | Number of cases in which amount deducted for | | | | |
|----------|----------|---|--|-----------------|-------------------------------|---------------------------------------|---|
| | | | Smokeless Chulha | Sanitary Toilet | Smokeless Chulha and IAY Logo | Smokeless Chulha and Sanitary Latrine | Smokeless Chulha, IAY Logo and Sanitary Latrine |
| Anand | Anand | 1,879 | 495 | Nil | Nil | Nil | Nil |
| Tarapur | Anand | 1,111 | 386 | Nil | Nil | Nil | Nil |
| Jalod | Dahod | 948 | 286 | Nil | 11 | 75 | 12 |
| Limkheda | Dahod | 1,264 | 220 | 02 | 575 | 04 | 192 |

(Source : Information compiled from the Instalment Register and voucher of test checked Talukas)

TDOs stated (May 2013 to July 2013) that deductions were made only in those cases where beneficiaries did not take up these activities with IAY houses. The Government stated (March 2014) that clarification would be sought from the concerned District authorities for deduction of amount from the assistance paid to the beneficiaries. The fact, however, remained that deductions were made in contravention of the GoI instructions of 2008, and no efforts have been made to refund the amounts to the IAY beneficiaries.

2.1.7.2 Non-payment of assistance

The Banks at Jalod and Limkheda Talukas of Dahod District returned (2008-13) an amount of ₹ 2.51 crore and ₹ 1.71 crore respectively on account of mis-match of account number and/or name of the beneficiaries. Audit observed that there were delays upto 291 days (Jalod) and 130 days (Limkheda) in rectifying the defects and making payment to the beneficiaries thereafter. Further, payment

to 64 beneficiaries (Jalod) and 108 beneficiaries (Limkheda) was not made till date of audit (August 2013). This resulted in non-payment of assistance to beneficiaries.

The Government accepted (March 2014) and stated that the concerned DRDA would be instructed to fix the responsibility of the concerned staff engaged in this work and instructions would be issued to take due care in future while furnishing the details of beneficiaries to the banks for payment of assistance.

2.1.7.3 Payment of assistance to beneficiaries through cheques

Scheme guidelines provide to transfer the assistance under the scheme directly into the beneficiaries' accounts in a bank or post office (May 2008)¹⁶. However, Audit observed in eight test checked Talukas of five Districts that assistance of ₹ 34.38 crore was paid to 30,966 beneficiaries by individual cheques in contravention of GoI instruction as shown in **Appendix-V**.

The Government accepted (March 2014) and stated that clarification would be sought from the concerned DRDAs for payment of assistance to beneficiaries by cheques and instructions would be issued to make payment directly to the bank accounts of the beneficiaries in future.

2.1.8 Implementation of Scheme

2.1.8.1 Physical performance

Scheme guidelines provide that the DRDAs on the basis of allocations made and targets fixed by GoI shall decide the number of houses to be constructed Taluka-wise under IAY during a particular financial year. The Taluka Panchayat in turn decides the number of houses to be constructed GP-wise. The maximum time allowed for completion of houses was two years. Audit observed that the CRD and test checked DRDAs had not maintained figures of achievement against target fixed for each year. The details of new houses constructed against houses sanctioned (2008-13) and reported by CRD to the GoI is as shown in **Table 3** below –

Table 3 : Details of new houses sanctioned and constructed

| Year | Number of new houses to be sanctioned during the year | Houses actually sanctioned during the year | Number of new houses completed as on 31 March of the respective year | Houses under construction |
|--------------|---|--|--|---------------------------|
| 2008-09 | 89,147 | 1,09,800 | 95,989 | 37,590 |
| 2009-10 | 1,82,429 | 1,78,326 | 1,54,458 | 46,343 |
| 2010-11 | 1,77,586 | 1,78,112 | 1,64,316 | 84,204 |
| 2011-12 | 1,23,168 | 1,22,555 | 1,11,999 | 86,755 |
| 2012-13 | 1,36,470 | 1,08,492 | 69,236 | 1,28,368 |
| Total | 7,08,800 | 6,97,285 | 5,95,998 | 3,83,260 |

(Source: Information compiled from the State Monthly Progress Reports)

¹⁶ As mentioned in guidelines, vide Ministry's order No: J-11012/1/06-RH(P) dated: 27.05.2008

Audit could not vouchsafe the actual number of houses constructed within the period of two years from the date of sanction due to non-maintenance of figures of achievement against the target set for each year by the test checked Districts and CRD. As the achievement included incomplete houses of earlier years, achievement did not represent the true picture. The details of new houses constructed against houses sanctioned (2008-13) by the test checked Districts was as shown in **Appendix-VI**.

Audit further observed that –

- the maximum time allowed for completion of houses was two years but in 14 test checked Talukas of seven Districts, as on 31 March 2013, 16,722 houses (48 *per cent*) out of 35,063 sanctioned during 2008-11 remained incomplete and no action was taken by the Taluka authorities to get the work completed (**Appendix-VII**). The Government attributed (March 2014) the reasons for non-completion of construction of houses by the beneficiaries due to their engagement in agricultural activities during monsoon seasons, migration to other Districts for livelihood and non-issue of completion certificate. The Government further stated that instructions would be issued to all Districts to make special efforts to get these houses completed as early as possible;
- In Tarapur Taluka of Anand District, two houses were recorded as completed up to lintel level and the beneficiaries were paid amount of assistance admissible up to lintel level. In Anand Taluka of Anand District, three houses were recorded as completed based on the completion certificate and photographs submitted and the final instalment was paid to the beneficiaries. However, in joint field visit, it was observed that the houses were not completed as recorded as shown in the **pictures below** -



Picture 1
IAY house of Shaikh Rukhshanabibi
Allahrakha, Village Moraj, Taluka
Tarapur, District Anand (29.05.2013)



Picture 2
IAY houses of Parmar Jasiben
Jinabhai, Village Moraj, Taluka
Tarapur, District Anand (29.05.2013)

Picture 3 : Photo as per office records



Picture 4 : Photo as per site visit (16.05.2013)



Parmar Divyaben Bharatbhai, Village Samarkha, Taluka Anand, District Anand

Picture 5 : Photo as per office records



Picture 6 : Photo as per site visit (16.05.2013)



Parmar Shantaben Shantilal Village: Samarkha, Taluka Anand, District Anand

Picture 7 : Photo as per Office record



Picture 8 :Photo as per site visit (16.05.2013)



Kailashben Laxmanbhai Parmar, Village Samarkha, Taluka Anand, District Anand

- in Mandvi Taluka¹⁷ of Surat District, two houses were recorded as completed and final instalments had been released to the beneficiaries. However, in joint field visit, it was observed that the beneficiaries had not started construction (August 2013).

17 (i) Shri Dineshbhai Bhikhabhai Chaudhari (BPL No. 11234954) of Puna GP sanctioned (August 2009) and paid ₹ 43,500 (18-11-2009) and (ii) Shri Chaudhari Anilbhai Mashabhai (BPL No. 3911012) of Kalamkua GP sanctioned (March 2011) and paid ₹ 45,000 (14-10-2011)

This indicated that there was lack of regular inspection and effective monitoring at the Taluka level as the certificates regarding progress of construction of houses were issued without actual site verification.

The Government stated (March 2014) that the concerned DRDAs would be instructed to fix the responsibility of officers concerned and submit clarification for such mistakes. It was further stated that concerned officials were instructed to take due care to avoid occurrence of such omission in future.

2.1.8.2 Deficiencies in identification and selection of beneficiaries

Scheme guidelines provide that the targets for the Talukas within a District and villages within the Talukas were to be decided by giving 75 per cent weightage to shortage of housing and 25 per cent weightage to rural SC/ST population in the concerned Taluka and Village. It further provides that all the Villages in a District/Taluka may be divided into three groups and each group of Villages be provided funds every year. Audit observed in test checked DRDAs that the targets allotted by the GoI for the District were distributed among the Talukas (by DRDAs) and Villages (by Taluka authorities) on the basis of number of BPL families in the concerned Talukas and Villages instead of considering the above weightage. Further, the Villages were not divided into three groups as envisaged in the scheme guideline. The following deficiencies were also noticed in the identification of beneficiaries :

- The guideline envisaged that the GP may draw out two IAY waitlists, one for SC/ST BPL families and the other for beneficiaries other than SC/ST BPL families prepared on the basis of BPL lists in order of seniority. The selection of beneficiaries for IAY was to be done from the above list strictly following the order of seniority. However, IAY waitlists were not prepared in any of the test checked GPs and the said lists were also not found available in the test checked TPs and DRDAs. The beneficiaries were identified from the BPL lists without considering the prescribed seniority.
- 324 beneficiaries¹⁸ selected by Gram Sabhas of GPs in the five test checked Talukas of two Districts were subsequently cancelled by the GP as these beneficiaries were not fulfilling the prescribed criteria i.e. were not in possession of land, were already having dwelling units constructed under IAY or other schemes, had BPL score more than 16, etc.
- The BPL beneficiaries having score upto 16 were eligible for availing benefits of the IAY. However, among test checked Districts, it was observed that in Surat District, assistance of ₹ 3.92 crore was paid during 2010-11 to 870 beneficiaries¹⁹ having BPL score between 17 and 20 in Kamrej and Mandvi Talukas. This resulted in irregular payment of scheme benefit to ineligible beneficiaries.

18 Anand District – 93 beneficiaries (Anand Taluka – 88 and Tarapur – five) and Junagadh District – 231 beneficiaries (Bhesan Taluka – 92, Junagadh Taluka – 45 and Keshod Taluka – 94)

19 ₹ 0.77 crore paid to 170 beneficiaries of Kamrej Taluka and ₹ 3.15 crore paid to 700 beneficiaries of Mandvi Taluka

This indicates that the GPs were sending the lists of selected beneficiaries to the Talukas without verifying the BPL Status, availability of land and house of the beneficiaries and by not having a wait list, prioritisation of beneficiaries in terms of seniority, *etc.*

The Government stated (March 2014) that concerned Districts would be instructed to prepare a separate IAY waitlist, ensure timely updation of the list and take due care in future in selecting the beneficiaries. The Government further stated (March 2014) that clarification on providing assistance to beneficiaries with BPL score above 16 would be sought from the concerned DRDAs.

2.1.9 Quality of construction of houses

2.1.9.1 Non-facilitation for appropriate Construction Technologies and Local Materials by implementing agency

The scheme guidelines provide that efforts should be made to utilise local materials and cost effective disaster resistant and environment friendly technologies developed by various institutions to the maximum possible extent. DRDA should contact various organisations/institutions for seeking expertise information on innovative technologies, materials, designs and methods to help beneficiaries in the construction/upgradation of durable, cost effective and disaster resistant houses. The State Governments was also to arrange to make available information on cost effective environment friendly technologies, materials, designs, *etc.*, at District/Taluka level for guidance of beneficiary.

Audit observed (April 2013 to July 2013 and January 2014) that CRD had not identified such technologies and training was not imparted to District and Taluka level officials. Further, test checked DRDA/Taluka authorities had not contacted any organisations/institutions for seeking expert information on innovative technologies, materials, designs and methods to help beneficiaries in the construction/upgradation of durable, cost effective and disaster resistant houses.

The Government accepted (March 2014) the facts and stated that appropriate construction technology and local materials, *etc.* would be provided.

2.1.9.2 Non-imparting of training to masons and others

Scheme guidelines provide that the State Government should take responsibility and train sufficient number of masons and others who are involved in execution of the construction work of the house as per the designs. However, Audit observed (April 2013 to July 2013 and January 2014) in test checked Districts and Talukas, training were not imparted at any level during 2008-13.

The Government stated (March 2014) that trainings for masons and others involved in construction of houses are being planned.

2.1.9.3 Non-providing of technical supervision

Scheme guidelines provide for technical supervision at least at foundation level and lintel level during construction of houses. Additional Assistant Engineer at Taluka level was responsible for providing technical supervision. However, Audit observed that technical supervision was not provided to the beneficiaries in test checked Districts and Talukas by the Additional Assistant Engineer. Thus, the quality of construction was not ensured by the authorities as envisaged in the scheme guideline.

The Government stated (March 2014) that supervision was not provided due to shortage of technical staff. It was further stated that planning is being made to engage third party for providing technical staff at District and Taluka levels for supervision.

Convergence with other Schemes

2.1.10 Absence of Convergence activities

2.1.10.1 Non-convergence of IAY with other schemes

As per IAY guidelines, District and Taluka level authorities should make concerted efforts to converge IAY with the Total Sanitation Campaign (TSC) for constructing sanitary latrines, Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) for providing free electricity connections, National Rural Water Supply Programme (NRWSP) for making provision of drinking water, Bima Yojana from LIC and Smokeless *chullahs*. The guideline envisages submission of Monthly Progress Report (MPR-3) by DRDAs to GoI for effective monitoring of convergence of these schemes.

During joint field visit²⁰ of 2,008 IAY beneficiaries in test checked Districts, it was observed that only 1,621 houses had sanitation facility, 1,963 had electricity facility, 1,528 had proper drinking water facility, *etc.* Out of 1,621 houses with sanitation, only 67 beneficiaries were converged with TSC, 265 beneficiaries out of 1,963 were converged with RGGVY for availing electricity facility and 314 out of 1,528 were converged with NRWSP for getting drinking water facility. This indicated that District and Taluka level authorities had not ensured concerted efforts for convergence with other schemes to provide all basic amenities to IAY beneficiaries. Further, it was observed that no mechanism was developed by the Districts and Talukas to monitor the effectiveness of convergence of all the schemes. In the absence of convergence with other schemes, utilisation of constructed houses as fully living units with facilities could not be ascertained.

The Government stated (March 2014) that as the IAY houses were scattered, convergence for providing basic amenities could not be ensured. It was further stated that efforts would be made in future by instructing the Districts to co-ordinate with different departments/agencies. Greater efforts must be made to allow for convergence of other schemes with IAY.

²⁰ Conducted by Audit jointly with State departmental staff

2.1.10.2 Non-construction of toilet under Total Sanitation Campaign to IAY beneficiaries

GoI issued (May 2011) instructions under Total Sanitation Campaign (TSC) to ensure that all IAY beneficiaries are provided additional funds under the TSC for construction of a toilet alongwith the IAY houses. However, audit observed in test checked Talukas that no action was taken to provide a toilet under TSC to each beneficiary who was sanctioned a house under IAY. Thus, the beneficiaries of IAY were deprived of additional benefit under TSC.

The Government accepted (March 2014) that assistance for cost of toilet was not paid for IAY houses and stated that the assistance for construction of toilet is now being provided under Nirmal Bharat Abhiyan (NBA). The Government further stated that the DRDAs would be instructed to ensure payment of assistance for construction of toilets to all IAY beneficiaries under NBA in future.

2.1.11 Other points of interest

(i) The CRD issued (August 2004) instructions for advance payment of instalment to the beneficiaries before starting the construction work as financial assistance for commencement of construction of house. Audit observed (August 2013) in Keshod Taluka (Junagadh District) that payments of advance was not made before commencement of construction of houses and in two cases (2009-10) there was delay in payment of advance instalment upto 1,264 days after sanction of houses for want of confirmation from Talati/Sarpanch regarding commencement of construction by beneficiaries. Further, in Jalod Taluka (Dahod District), 3,403 beneficiaries out of 16,670 were not provided advance instalment (till July 2013) due to non-availability of fund.

The Government stated (March 2014) that the reasons for non-payment of advance instalment for commencement of construction of houses would be sought from the concerned DRDAs and instructions would be issued to ensure timely payment of advance instalment to beneficiaries in future.

(ii) The TDO, Junagadh of Junagadh District sanctioned (November 2008) a house to Smt. Dodia Shantaben Savjibhai of Prabhatpur Village and drew cheques (12 November 2008) for advance instalment of ₹ 2,500 and first instalment of ₹ 12,500 (28 November 2008). The cheques were drawn based on the plinth level completion certificate issued by Additional Assistant Engineer who was responsible to inspect the construction of houses and certify the stage of construction.

Audit observed that the TDO after 23 months issued a notice (October 2010) to the beneficiary to start the construction of house. This indicated that the certificate issued by Additional Assistant Engineer for plinth level completion of construction was incorrect. Thereafter, the TDO cancelled (January 2011) the cheques and the amount was written back in the cash book stating that the beneficiary had died in May/June 2010. This highlighted the risks that arose because of the lack of adequate control mechanisms and technical supervision as discussed in Paragraph 2.1.9.3.

The TDO had not furnished (August 2013) any reasons to the audit enquiry. The Government stated (March 2014) that clarification would be sought from the DRDA.

2.1.12 Monitoring and Evaluation

2.1.12.1 Improper/Non-maintenance of inventory of houses

Scheme guidelines provide that the implementing agencies should have a complete inventory of houses constructed under IAY, giving details of the date of start and the date of completion of construction of dwelling unit, name of the Village and Taluka in which the house is located, occupation and category of beneficiary and other relevant particulars. However, Audit observed at all test checked GPs, Talukas and DRDAs that inventory of houses constructed under the scheme was not maintained at any level.

The State Government introduced the system of maintaining a data book in respect of each beneficiary to record the above information. However, Audit observed that –

- two Taluka²¹ of Surat District and two Talukas²² of Vadodara District had not maintained data book of houses sanctioned during the period 2008-13; Dabhoi Taluka of Vadodara District had not maintained the data book upto 2009-10 and the data book maintained thereafter was incomplete as all required information had not been entered; and
- the data book maintained in nine Talukas²³ of five Districts for houses sanctioned (2008-13) in test checked GPs, were also found incomplete as all required information had not been entered.

In absence of an up-to-date inventory of houses, the details of the beneficiaries would not be available for future reference and guidance for decision making.

TDOs Kamrej and Mandvi Talukas attributed (August 2013) this to shortage of staff. TDO Dabhoi stated that the data book was supplied by the DRDA only in 2010-11 and the work of filling up the details was in progress (August 2013) while the remaining TDOs stated that the data book would be maintained from 2013-14.

The Government accepted (March 2014) and stated that instructions would be issued to all DRDAs to prepare and properly maintain the data for each IAY beneficiary.

2.1.12.2 Non-inspection/field visits by supervisory functionaries from the State level to the Block level

Scheme guidelines provide that officers dealing with the IAY at the State, District and Taluka levels must closely monitor the implementation of IAY through visit of work sites. A schedule of inspection which prescribes a minimum number of field visits for each supervisory level functionary from the State level to the

21 Kamrej and Mandvi

22 Karjan and Sankheda

23 Anand and Tarapur Talukas of Anand District, Dantivada and Palanpur Talukas of Banaskantha District, Jalod and Limkheda Talukas of Dahod District, Junagadh Taluka of Junagadh District and Chotila and Sayla Talukas of Surendranagar District

Taluka level should be drawn up and strictly adhered to. The State Government should prescribe periodical reports/returns through which it should monitor the performance of IAY in the District and also get appropriate reports and returns prescribed, to be collected by the DRDAs.

Audit observed (April 2013 to July 2013 and January 2014) at CRD and test checked Districts, that no schedule for inspection was prescribed at any level and no records were available in this respect. As a result, Audit could not ascertain whether regular inspections of houses sanctioned under the scheme were carried out by the supervisory officers. This indicated that a systematic monitoring mechanism has not been developed by the State Government to ensure the satisfactory implementation of the scheme and construction of IAY houses.

The Government stated (March 2014) that schedule of inspection/field visit for supervisory functionary from State level to the Taluka level would be prescribed and circulated to Districts and Talukas.

2.1.12.3 State Level and District Level Vigilance and Monitoring Committee

Scheme guideline stipulates that the State Level Vigilance and Monitoring Committee (SLVMC) and District Level Vigilance and Monitoring Committee (DLVMC) shall be responsible for monitoring of implementation of the scheme at State level and District level. Further “Guidelines for Vigilance and Monitoring Committees at State and District Levels” issued (May 2011) by GoI provides for constitution of SLVMC and DLVMC and that it shall meet at least once in every quarter. However, audit observed (April 2013) that only two meetings of SLVMC were held (August 2011 and January 2012) during 2008-13 and the prescribed meetings of DLVMC were not held in test checked Districts as shown in **Appendix-VIII**.

The Government stated (March 2014) that efforts would be made to hold minimum number of prescribed meeting of SLVMC and all Districts would be instructed to ensure the holding of minimum number of prescribed DLVMC meeting.

2.1.12.4 Complaint Monitoring System

Scheme guidelines provide to set up an effective Complaint Monitoring System at the State level with adequate staff to deal with complaints and give a report to the implementing agencies about the short-comings/shortfalls, for effective redressal. Further, the website of the Ministry has interactive provisions for filing complaints and hosting of all Inspection reports.

However, no specific mechanism was developed in the State upto 2011-12. During 2012-13, 165 complaints were received at State level and the same were forwarded to the concerned Districts. However, action taken for disposal of these complaints was not ensured at the State level. Audit could not ascertain the status of complaints received, complaints disposed of and time taken in disposal of complaints due to non/improper maintenance of complaint registers in test checked Districts and Talukas. Further, no timeline was prescribed for disposal of complaints.

The Government accepted (September 2013) that complaint register for the period 2008-12 was not maintained. It was further stated that the same is being maintained from 2012-13. The Government further stated that cases where complainant had asked for the outcome of the complaint, the same was obtained from the District and forwarded to the complainant. The fact remains that the disposal of all the complaints received at State level are not monitored and timely disposal of complaints was not ensured either at the State or District or Taluka level.

2.1.12.5 Social Audit and Evaluation Studies not conducted

Scheme guidelines provide the system for social audit and conduct of periodic evaluation studies on the implementation and impact of the scheme. However, audit observed that no social audit and evaluation studies have been carried out by any agency at State or District level.

The Government accepted (March 2014) and stated that action would be taken in coordination with the Panchayat Department.

2.1.13 Conclusions

A Performance Audit of IAY revealed that Central assistance of ₹ 117.20 crore were denied to the scheme due to excess carryover of funds because of non-utilisation of available funds and delay in transfer of surplus funds, non-submission and delay in submission of proposal for second instalment. Though IAY State Supplementary scheme was discontinued (April 2010), unspent funds of ₹ 89.64 crore was not refunded by the District authorities. An amount of ₹ 0.24 crore was diverted for contingent expenses in violation of scheme guideline.

Irregular deduction of ₹ 10.76 lakh was made from the assistance paid to beneficiaries for non-installation of smokeless chulhas and non-construction of sanitary latrine in contravention to GoI instructions. Instances of non-payment and delayed payment of advance instalment and non-payment of assistance to beneficiaries were noticed. Payments of assistance by issue of cheques instead of making direct payment to the beneficiaries' bank or post office account were noticed.

The achievement against physical target did not represent a true picture, as figures of achievement against targets fixed for each year was not maintained and the achievements reported included incomplete houses of earlier years. Though the houses were to be completed within a maximum time of two years, in test checked Talukas as on March 2013, 16,722 houses out of 35,063 houses sanctioned during 2008-11 remained incomplete. Deficiencies in identification and selection of beneficiaries were noticed as two separate permanent IAY waitlists were not maintained and beneficiaries were not selected in accordance with the prescribed priority resulting in sanction of assistance to ineligible beneficiaries and cancellation of selected beneficiaries.

Instances of incorrect reporting and submission of incorrect completion certificates were noticed due to lack of technical supervision. CRD had not identified cost effective, disaster resistant and environment friendly technologies for construction

of houses. Trainings were not imparted to District and Taluka level officials or masons and others who were involved in execution of the houses. Adequate efforts were not made to identify appropriate programmes for providing all basic amenities to IAY beneficiaries by convergence with other schemes. Monitoring and grievance redressal mechanism was not effective. All these deficiencies need urgent attention of the State Government for remedial action.

2.1.14 Recommendations

- District authorities should be instructed to make timely submission of proposal for next instalment to the GoI to avoid any reduction/cut against the Central Fund allocated;
- District and Taluka authorities should be instructed to ensure timely payment of assistance and make the payment directly to the bank or post office account of beneficiaries as stipulated in the guidelines to avoid any instance of delay in payment of assistance and non-payment of assistance;
- Necessity of a waiting list is emphasised for identification of beneficiaries, their prioritisation and for transparency in selection;
- District and Taluka authorities should ensure that houses sanctioned in a particular year are completed by the beneficiaries within two years, by providing required training to masons and others involved in construction of houses and by conduct of regular inspections; and
- System to be strengthened for effective convergences of IAY with other programmes for facilities of sanitation, water and electricity.

2.2 Total Sanitation Campaign

Executive Summary

Government of India launched (1999) Total Sanitation Campaign (TSC) for sustainable reforms in the rural sector through a time bound campaign mode. The performance audit on “Total Sanitation Campaign” was conducted for the period 2008-13 during January 2013 to June 2013 and the following deficiencies were noticed in the implementation of the scheme –

- *Though the guidelines provided for preparation of Project Implementation Plan (PIP) after conducting a Baseline Surveys to assess the component-wise actual requirement of toilets, the PIP for Districts were prepared without conducting a Baseline Surveys.*
- *The expenditure against the available funds ranged between 43 and 60 per cent during 2008-13.*
- *Award money of ₹ 6.80 crore received from GoI under Nirmal Gram Puraskar scheme were not distributed to award winning Gram Panchayats (GPs) to be utilised for improving and maintaining sanitation facilities.*
- *Information, Education and Communication (IEC) activities to spread awareness among public was not carried out properly as the targets set in the Annual Action Plan were not achieved.*
- *Rural Sanitary Marts opened were not operational in any of the Districts test checked and the loans provided to NGOs for their establishment and operation was not fully recovered.*
- *The achievements of target for Individual Household Latrines (IHHL) had been inflated as the progress reports were generated on the basis of funds released to GPs instead of actual construction of toilets. As per latest Baseline surveys (October 2013), the sanitation coverage in the State was only 46 per cent which was much lower when compared to the progress of individual toilets as reported by the Department.*
- *Toilets constructed at the cost of ₹ 2.80 crore could not be put to use due to inferior quality of toilet structure or non-construction of Soak pit.*
- *As against the target of 40,439 school toilets to be completed by March 2012, only 36,438 were completed. The achievement against targets in Jamnagar and Porbandar Districts were only 54 per cent and 65 per cent respectively.*
- *More than 5,000 Anganwadi centres were without toilet facilities.*
- *Though the guidelines provided for construction of Community Sanitary Complexes at public places, markets, etc., DRDA, Dang provided financial assistance to trusts/societies for construction of toilets in their training centres.*

- ***Though manual scavenging is prohibited under Employment of Manual Scavengers and construction of Dry Latrines (Prohibition) Act, 1993, cases of manual scavenging were reported in the State as per census report 2011.***
- ***Monitoring of the scheme was weak as State Sanitation Mission, the apex committee for monitoring did not meet as envisaged and Taluka Sanitation Committees also did not meet in any of the Districts test checked.***
- ***Evaluation of the scheme and Social Audit were not carried out.***

2.2.1 Introduction

Individual health and hygiene is largely dependent on adequate availability of drinking water and proper sanitation. Consumption of unsafe drinking water, improper disposal of human excreta, improper environmental sanitation and lack of personal and food hygiene have been major causes of many diseases. High infant mortality rate is also largely attributed to poor sanitation.

Realising the importance of sanitation, the Government of India (GoI) launched (1999) a programme named 'Total Sanitation Campaign (TSC)' renamed (2012) as 'Nirmal Bharat Abhiyan' for sustainable reforms in the rural sector through a time bound campaign mode.

The approach to TSC was to be demand driven with increased emphasis on awareness creation and demand generation for sanitary facilities in houses, schools and for cleaner environment. The scheme envisaged payment of incentives to the households living Below Poverty Line (BPL) on construction of individual household latrine units.

The campaign is being implemented through seven identified components viz. (i) Start-up activities and Information, Education and Communication (IECs); (ii) alternate delivery mechanism; (iii) individual latrines for BPL families, households having disabled persons and community sanitary complexes; (iv) individual household latrines for Above Poverty Line (APL) families; (v) institutional toilets including Schools and Anganwadi sanitation; (vi) administrative charges²⁴, including training, staff supports, services, monitoring and evaluation etc.; and (vii) solid and liquid waste management. In Gujarat, TSC was implemented in five Districts since 2000-02 and in remaining 21 Districts since 2004-05.

2.2.2 Organisational set-up

The office of the Commissioner, Rural Development (CRD) under the Panchayat, Rural Housing and Rural Development Department of the Government of Gujarat was the nodal office for implementation of TSC in the State. The State Sanitation Mission (SSM) chaired by the Chief Secretary and State Co-ordinator as Member Secretary were responsible for providing policy guidance and evaluation of the programme. Communication and Capacity Development Unit (CCDU) was also formed at State level for taking up activities related to Human Resource Development (HRD), IECs, Project preparation, etc.

²⁴ Less than five per cent of the project cost

At the District level, District Rural Development Agency (DRDA) was the nodal agency for scheme implementation. At the Taluka level, the Taluka Development Officer (TDO) and at Gram Panchayat level, the Talati-cum-Mantri²⁵ (TCM) was responsible for the scheme implementation. District Sanitation Committee (DSC) chaired by the District Development Officer²⁶ (DDO) and Director, DRDA as Member Secretary were responsible for preparation of project and evaluation of the programme in the District. The DSCs were assisted by District Co-ordinator as well as Sanitation Committee formed at the Taluka and Gram Panchayat levels. The organisational chart is given in **Appendix-IX**.

2.2.3 Audit Objectives

The audit objectives aimed at ascertaining (through a sample study of 16 Taluka Sanitation Committees (TLSCs) in seven Districts by choosing 101 Village Sanitation Committees (VSCs) of selected TLSCs) whether –

- the planning process was efficient and effective;
- funds allocation and their management was efficient;
- programme implementation was carried out effectively to create demand and awareness among the people and the targets were achieved; and
- proper monitoring and evaluation mechanism was in place.

2.2.4 Audit criteria

The audit criteria applied for this performance audit was –

- Guidelines and circulars issued by Government of India (GoI) and State Government;
- Project implementation plans of District;
- Budget Manual and Gujarat Financial Rules;
- Decisions taken during SSM and DSC meetings; and
- Monthly Progress Reports/Annual Accounts.

2.2.5 Audit scope and methodology

The records covering the period 2008-13 at the CRD, SSM (including CCDU), seven²⁷ out of 26 DRDAs/DSCs, 16 out of 54 Taluka Sanitation Committees²⁸ (TLSCs) (selected by Simple Random Sampling without Replacement method) of selected Districts and 101 Village Sanitation Committees (VSCs) of selected TLSCs were test checked (January 2013 to June 2013) to ascertain the audit objectives enunciated above.

Field visits to individual households, schools and community sanitary complexes (CSC) were carried out jointly by the Audit team and TLSC/VSC officials. An entry conference was held with Additional Commissioner, Rural Development

²⁵ A Government officer who administers the affairs of the Gram Panchayat

²⁶ Executive head of the District Panchayat of PRI set-up

²⁷ Ahmedabad, Dang, Jamnagar, Panchmahal, Porbandar, Navsari and Sabarkantha

²⁸ Dascroi, Dholka and Ranpur Taluka of Ahmedabad, Ahwa Taluka of Dang, Dhrol, Jamnagar and Jodiya Taluka of Jamnagar, Navsari and Vandsa Taluka of Navsari, Ghoghamba, Kalol and Lunawada Taluka of Panchmahal, Porbandar Taluka of Porbandar and Bayad, Malpur and Prantij Taluka of Sabarkantha.

Department (28 December 2012) to apprise the audit objectives and an exit conference was held (11 October 2013) with Commissioner, Rural Development Department to discuss the audit findings. The views of the State Government emanating from the exit conference have been duly incorporated in the Report.

Acknowledgement

Audit acknowledges the co-operation and assistance extended by the CRD, implementing agencies and their officials at various stages during conduct of the performance audit.

Audit findings

2.2.6 Planning

For implementation of the TSC in the State, the project proposals were to be prepared by the respective DSCs for each District. These proposals were to be scrutinised by the SSM and then forwarded the National Scheme Sanctioning Committee, Ministry of Drinking Water and Sanitation, GoI for approval. The planning was to begin with start-up activities which included baseline surveys (BLSs) and preparation of the Project Implementation Plan (PIP) on the basis of survey findings. On sanction of the project and receipt of funds, TSC was to be implemented on the basis of PIP.

2.2.6.1 Irregular preparation of Project Implementation Plan

The TSC guidelines provide that the DSCs were required to conduct BLSs to assess the status of sanitation and hygiene practices, the attitude of general public towards sanitation, demand for improved sanitation, *etc.* and collect information to ascertain the actual number of BPL/APL families, schools, Anganwadi Centres and common places in need of toilets and willingness of communities to participate in the project. The preparation of PIP for each District was to be done on the basis of the BLSs findings. Audit observed that all the DSCs²⁹ had prepared PIPs without conducting BLSs and on enquiry it was stated that the PIPs were prepared on the basis of BPL list and 2001 census report. The PIP lacked authenticity and credibility, which could bring distortion in identifying the beneficiaries as they were prepared without BLSs.

Government accepted (October 2013) that PIPs were prepared without conducting BLSs, as the work of survey was time consuming and the PIPs were prepared on the basis of BPL list and census report. Government further stated that the beneficiaries who were left out in the earlier approved project would be covered under the revised project. The reply was not acceptable as in the absence of BLSs, extent of sanitation coverage in the State could not be known and any concomitant planning would result in erroneous beneficiary selection as well as scheme implementation.

²⁹ Five Districts in 2000-02 and remaining Districts in 2004

• *Wasteful expenditure on Baseline Surveys*

Ahmedabad and Porbandar DRDAs made payment of ₹ 4.19 lakh and ₹ 6.37 lakh respectively to the NGOs for BLSs during 2005-06. However, the survey results submitted were neither compiled nor collated. Instead both the DRDAs prepared the project reports on the basis of BPL list and 2001 census report. Thus, expenditure of ₹ 10.56 lakh proved wasteful. No responsibility had been fixed by the State Government in this regard.

Government stated (October 2013) that expenditure was not wasteful as the information collected can be useful in preparing the IEC plan. The reply was not acceptable as the information collected was neither compiled nor collated.

2.2.7 Financial Management

2.2.7.1 Funding pattern

Assistance for different components under the scheme was sharable between GoI, State Government and Beneficiaries as shown in the **Table 1** below –

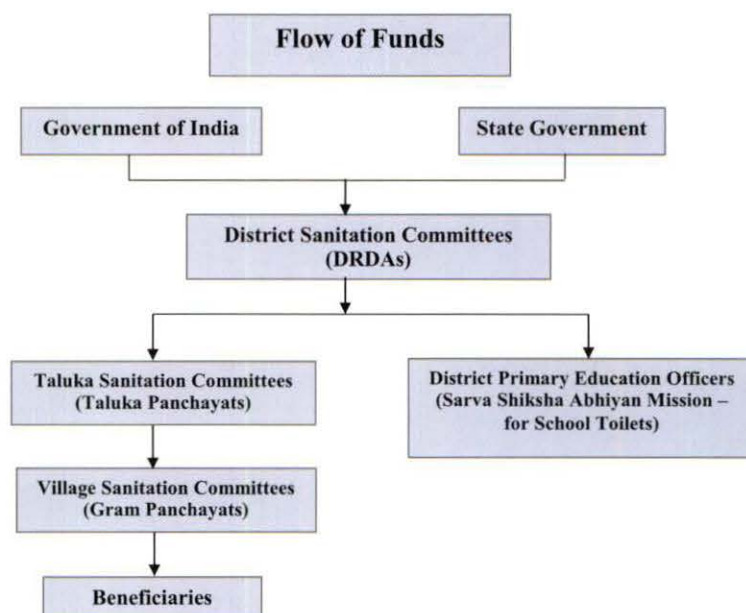
Table 1: Funding pattern

(Figures in percentage)

| Sr. No. | Components | Amount earmarked as per cent of the TSC Project outlay | Percentage share of | | |
|---------|--|--|---------------------|------------------|---------------|
| | | | GoI | State Government | Beneficiaries |
| 1. | Start-up activities and Information, Education and Communication (IEC) | Upto 15 per cent | 80 | 20 | - |
| 2. | Alternate delivery mechanism | Upto five per cent | 80 | 20 | - |
| 3. | Individual latrines for BPL families/households having disabled persons and community sanitary complexes | Actual amount required for full coverage | 60 | 20 | 20 |
| 4. | Individual household latrines for above poverty line (APL) families | NIL | - | - | 100 |
| 5. | Institutional toilets including Schools and Anganwadi sanitation | Actual amount required for full coverage | 70 | 30 | - |
| 6. | Administrative charges, including training, staff supports, services, monitoring and evaluation etc. | Less than five per cent | 80 | 20 | - |
| 7. | Solid/Liquid waste management (Capital cost) | Upto 10 per cent | 60 | 20 | 20 |

(Source : Guidelines of the scheme)

GoI and State Government released its share to SSM for onward transmission to DSCs upto June 2010 and thereafter directly to DSCs. The DSCs distributed the funds to various project implementing agencies for payment of incentives to beneficiaries and carrying out construction of institutional toilets. The fund flow chart is as follows:



2.2.7.2 Funds released and expenditure incurred

Projects worth ₹ 702.32 crore³⁰ were approved by GoI for all 26 Districts (March 2012)³¹. The details of funds released and expenditure incurred (2008-13) are shown in **Table 2** below –

Table 2 : Funds released, expenditure and savings

(₹ in crore)

| Year | Opening Balance | Funds released | | Total funds available | Expenditure | Closing Balance | Percentage of expenditure against available funds |
|--------------|-----------------|----------------|--------------|-----------------------|---------------|-----------------|---|
| | | GoI | State | | | | |
| 2008-09 | 88.24 | 9.79 | 18.03 | 116.06 | 56.52 | 59.54 | 49 |
| 2009-10 | 59.54 | 30.37 | 34.82 | 124.73 | 75.10 | 49.63 | 60 |
| 2010-11 | 49.63 | 46.92 | 5.79 | 102.34 | 53.37 | 48.97 | 52 |
| 2011-12 | 48.97 | 43.08 | 11.43 | 103.48 | 44.78 | 58.70 | 43 |
| 2012-13 | 58.70 | 39.49 | 14.62 | 112.81 | 48.62 | 64.19 | 43 |
| Total | | 169.65 | 84.69 | | 278.39 | | |

(Source: Information furnished by CRD)

Analysis of the above table showed that -

- against available funds of ₹ 342.58 crore³², only ₹ 278.39 crore (81 per cent) were spent. Thus, ₹ 64.19 crore (19 per cent of the total available funds) remained unutilised at the end of March 2013 with the DRDAs.

30 Central share - ₹ 439.25 crore; State share - ₹ 173.53 crore and beneficiary share - ₹ 89.54 crore

31 The project cost was revised based on the increase of rate of incentives and sanction of additional toilet units

32 ₹ 88.24 crore (Opening Balance) + ₹ 169.65 crore (Central share) + ₹ 84.69 crore (State share)

- the expenditure against available funds during 2008-13 ranged between 43 and 60 *per cent*. The reasons for the low expenditure were mainly attributed to lack of IEC activities and slow progress in solid and liquid waste management (SLWM) because the utilisation of funds under these components were only 65 *per cent* and 57 *per cent* respectively against the approved cost.

Government stated (October 2013) that SLWM proposals worth ₹ 257 crore for more than 2,000 GPs have been approved by the State Scheme Sanctioning Committee which would improve the expenditure under the scheme. Government further stated that the communication plan for utilisation of IEC funds is being developed jointly with UNICEF Gujarat. The fact, however, remains that with low sanitation coverage in the State, the demand for toilets always remained unmet and the Government should have made greater efforts to improve utilisation of funds.

2.2.7.3 Non-refund of unspent balances by Gram Panchayats

The CRD instructed (September 2011) all DRDAs to withdraw unspent balance of TSC grant lying with GPs to TLSCs. It was also instructed that henceforth payment of incentives to beneficiaries would be released by TLSC. It was noticed that out of 101 test checked GPs, 44 GPs had not refunded unspent balance of ₹ 37.57 lakh to TLSCs (March 2013) as shown in **Appendix-X**.

The Government stated (October 2013) that all the DRDAs had been directed to expedite the process.

2.2.7.4 Non-release of Nirmal Gram Puraskar to Gram Panchayats

The GoI launched (October 2003) an award based incentive scheme for fully sanitised and “open defecation-free” GPs, TPs and Districts called ‘Nirmal Gram Puraskar (NGP)’. The NGP received was to be utilised for improving and maintaining sanitation facilities³³.

The GoI released (2010-12) ₹ 6.80 crore to State Government for award of NGP to 611 GPs, but the amount was not released to any of the GPs (October 2013). It was also noticed that out of ₹ 4.27 crore received by State Government (2009-10) from GoI for 350 GPs, ₹ 1.70 crore was released belatedly (2012-13) to 234 GPs and ₹ 20.00 lakh was not released to concerned GPs (October 2013). Delay in release of award money by the State Government defeated the purpose for which it was released.

Government stated (October 2013) that award money could not be released due to delay in procurement process for citation and memento. Government further

³³ Maintenance of community toilets, creation of additional sanitation facilities in panchayat area not covered under any other programme, promotion of vermicomposting and other eco-friendly sanitary methods, etc.

stated that due to assembly elections in 2012, a function to felicitate the award winning GPs could not be arranged but the function would be held shortly. The reply was not acceptable as the NGP was received well before the declaration of the assembly elections.

Project Implementation

Implementation of the scheme is proposed on a project mode. The strategy for project implementation has been envisaged as 'a community-led, people-centred and demand-driven approach' with emphasis on awareness creation, demand generation and adoption of alternate delivery mechanisms to meet the common needs. Such a strategy required technological improvisation to meet customer preferences, location-specific and intensive IEC campaign involving Panchayati Raj Institutions, Co-operatives, Women's Groups, Self-help Groups (SHGs), Non-Government Organisations (NGOs), etc. The TSC strategy aimed to bring about behavioural changes towards improved sanitation and make available required sanitary hardware in an affordable and accessible manner.

2.2.8 Issues relating to Information, Education and Communication (IEC)

Information, Education and Communication (IEC) are key components to create demand for sanitary facilities in the rural areas for households, schools, Anganwadis, Balwadis and Community Sanitary complexes. Further, the IEC strategy and plan intended to motivate the beneficiaries for the continued use and maintenance of toilets so that sanitation and hygiene become an integral and sustainable part of rural life and thereby sustainable. At the District level, the mobilisation activities included audio-visual programmes, street plays, wall paintings, and honoraria to motivators, besides door to door campaigns for interpersonal communication.

2.2.8.1 Poor utilisation of funds on IEC activities

The Scheme guidelines provide that each District was to prepare an IEC Annual Action Plan (AAP) by February of the preceding financial year with defined strategies to reach all sections of the community and get the same approved from DSC. The aim of such a communication plan was to motivate rural people to adopt hygienic behaviour as a way of life and thereby develop and maintain all facilities created under the programme.

Audit observed that AAPs were not prepared till 2009-10 in any of the test checked Districts. The details of achievement of targets³⁴ set in AAPs prepared from the year 2010-11 onwards were as shown in Table 3 as follows –

³⁴ Number of IEC activities to be carried out during a year including Inter-personal communication by motivators and door to door contact, audio-visual programme, street play songs, wall painting, melas, hoardings and banners, exhibition, radio spot/TV spots, school rally, awareness-cum-inaugural workshop, distribution of IEC materials, paper publicity, explorers visit and training programme for masons.

Table 3 : Target and Achievement of number of IEC Activities

| District | 2010-11 | | 2011-12 | | 2012-13 | | Total number of activities | | Percentage Achievement |
|-------------|---------|-------------|---------|-------------|---------|-------------|----------------------------|-------------|------------------------|
| | Target | Achievement | Target | Achievement | Target | Achievement | Target | Achievement | |
| Ahmedabad | 250 | 176 | 785 | 113 | 345 | 21 | 1,380 | 310 | 22 |
| Dang | 10 | 10 | 633 | 153 | 392 | 05 | 1,035 | 168 | 16 |
| Jamnagar | 235 | 221 | 1,557 | 200 | 1,357 | 0 | 3,149 | 421 | 13 |
| Navsari | 0 | 0 | 602 | 679 | 1,301 | 392 | 1,903 | 1,071 | 56 |
| Panchmahal | 315 | 232 | 639 | 339 | 1,239 | 336 | 2,193 | 907 | 41 |
| Porbandar | 10 | 220 | 170 | 0 | 326 | 0 | 506 | 220 | 43 |
| Sabarkantha | 4,049 | 4,049 | 8,746 | 2,895 | 7,203 | 1,882 | 19,998 | 8,826 | 44 |

(Source : Information furnished by test checked DRDAs)

The above table shows that the percentage of achievement against target set (2010-13) ranged from 13 per cent to 56 per cent in the test checked Districts. The achievement of target was much less in Ahmedabad (22 per cent), Dang (16 per cent) and Jamnagar (13 per cent) Districts. Thus, awareness among people for construction and maintenance of toilets could not be spread as envisaged in TSC.

The Government stated (October 2013) that instructions have been issued to the DRDAs to carry out the IEC activities as per AAPs. It was also stated that communication strategy is being worked out on inter-personal communication at household level for effective and sustained results.

2.2.8.2 Deficiencies in implementation of IEC Annual Action Plan

The activities included in AAP were mainly songs and drama, street plays, wall writings, banners and posters, etc. Audit observed following deficiencies in the implementation of IEC AAP -

- Bhavai natak³⁵ was organised in all the test checked Districts but audio-visual programme and door to door contacts to create demands for latrine construction and ensuring their continued usage were not done.
- DRDA, Ahmedabad purchased and installed (February 2011) a Siemens toll free information system at the cost of ₹ 9.56 lakh for providing salient features of the schemes implemented by the Rural Development Department to the public. Out of ₹ 9.56 lakh, ₹ 4.78 lakh was booked under IEC³⁶ component of TSC. However, publicity of toll free number was not given to enable users to access the facilities. Further, it was also noticed that the system stopped working since July 2011. Thus, the purpose for purchase of the system for providing information to the public got defeated and expenditure of ₹ 9.56 lakh proved infructuous.



Idle toll free information system at Ahmedabad (12.06.2013)

³⁵ Street play where artists convey message in the form of a drama

³⁶ Balance amount of ₹ 4.78 lakh was booked under MGNREGA as information about various schemes including MGNREGA was to be provided through system.

The Government stated (October 2013) that negotiation for annual maintenance contract (AMC) of the system is under process and instrument would be repaired and put to use after finalisation of AMC.

- DRDA, Navsari made (December 2008) payment of ₹ 7.85 lakh to Gujarat State Road Transport Corporation (GSRTC) for hiring of buses for transportation of public for Krishi Mahotsav (a State level programme of Agriculture Department). However, the expenditure was irregularly booked under IEC component of the TSC scheme.

The Government stated (October 2013) that the buses were hired for transportation of public for Krishi Mahotsav and as awareness on sanitation and waste management was provided in the Mahotsav, the expenditure was booked under IEC activity. Government further stated that instructions are being issued to all DRDAs to utilise the IEC funds properly. The reply was not acceptable as Krishi Mahotsav is a flagship programme of Agriculture Department and booking of transportation expenditure of ₹ 7.85 lakh of Krishi Mahotsav under IEC component of TSC scheme was irregular.

The above audit findings show that IEC activities were not effective due to lack of planning, poor implementation and ineffective monitoring. Resultantly, awareness among people for construction and maintenance of toilets could not be spread as envisaged in TSC and this had its effect on the sanitation coverage in the State, which remained at 46 *per cent* as per the latest BLSs conducted (October 2013).

2.2.9 Alternate Delivery Mechanism (Rural Sanitary Marts)

2.2.9.1 Non-recovery of loans from NGOs

The scheme guidelines provide that a Revolving Fund (subject to maximum of ₹ 35 lakh) may be created for providing funds to NGOs/SHGs/Women's Organisations/Panchayats for setting up of Production Centres (PCs)/Rural Sanitary Marts (RSMs), for the production of cost effective and affordable sanitary materials needed for construction of toilets. The maximum loan admissible was ₹ 3.50 lakh per RSM/PC and was to be recovered when RSM/PC attained a level of sustainability.

As per physical progress reports of test checked DRDAs, 90 RSMs³⁷ were opened (2005-07) but were not operational (March 2013). Audit observed at Sabarkantha and Navsari DRDAs that loan amount of ₹ 5.50 lakh³⁸ and ₹ 1.25 lakh³⁹ respectively have not been recovered (October 2013) from the NGOs. Government stated (October 2013) that concept of RSM could not yield desired results as the performance of NGOs was not satisfactory. The Government further stated (October 2013) that the Taluka Development Officers (TDOs) have been directed to expedite the recovery of loan from NGOs.

37 Ahmedabad - 31, Dang - 4, Jamnagar - 13, Navsari - 5, Panchmahal - 23, Porbandar - 4 and Sabarkantha - 10

38 Vadali - ₹ 1.00 lakh, Modasa - ₹ 1.38 lakh, Dhansura - ₹ 0.73 lakh, Khedbrahma - ₹ 1.39 lakh and Vijaynagar - ₹ 1.00 lakh

39 Sadbhav Trust - ₹ 25,000; Utkarsh Foundation - ₹ 50,000 and Vikas Bharti Trust - ₹ 50,000

Audit further observed that –

- Prantij Taluka of Sabarkantha District entered (August 2009) into a Memorandum of Understanding (MOU) with an NGO⁴⁰ to distribute sanitary materials at the rate of ₹ 135. However, the NGO charged upto ₹ 190 (June 2010) from the beneficiaries in violation of the MOU terms.
- DRDA, Porbandar paid (2006-08) an advance of ₹ 8.83 lakh to four NGOs⁴¹ for purchase and supply of sanitary materials to GPs of TP Ranavav instead of releasing the amount as loan for opening of RSM. However, details of supply made by the NGOs were not available with the TP Ranavav or DRDA. During joint field visit, Audit noticed (January 2013) that sanitary materials purchased by an NGO were lying in their store at Ranavav.



Sanitary materials lying in the campus Janda Gram Vikas, Ranavav, Porbandar (23.01.2013)

Government stated (October 2013) that details of sanitary materials distributed have been obtained from two NGOs and the remaining two⁴² NGOs have been directed to furnish the details. In the event of non-receipt of details of materials distributed, recovery would be made. The reply was not acceptable as DRDA, Porbandar had made advance payment to NGOs instead of giving loan in contravention to the provision of scheme guidelines.

2.2.9.2 Non-provision of cheap finance to members of Self Health Groups and Dairy Co-operatives

The scheme guidelines provide that Revolving Fund (RF) of maximum ₹ 50 lakh could be created, which may be provided to Self Health Groups (SHGs) and Dairy Co-operative Societies for providing cheap finance to their members and APL families facing cash crunch for construction of toilets. The loan was to be recovered in 12 to 18 instalments. However, Audit observed that RF was not created in five out of seven test checked Districts (except Panchmahal and Sabarkantha Districts). The Government stated (October 2013) that since creation of RF was optional, it was created by DRDAs wherever it was required. The reply was not acceptable as the possibility of toilet construction by APL families having financial crunch could not be explored due to non-creation of RF in the other five test checked Districts.

Further, it was observed that DRDA, Sabarkantha had made payment (2007-10) of ₹ 46.73 lakh for creation of RF to 13 TPs and who, in turn, had distributed the amounts to various milk co-operative societies as loan. Though the amount was required to be recovered in 12 to 18 months, ₹ 25.64 lakh had not been recovered from the societies (October 2013) in ten TPs. Government stated (October 2013) that the process for recovery is under progress.

40 Gopaldas Patel Foundation

41 People Welfare Society - ₹ 2,41,431, Navjivan Education Trust - ₹ 1,60,650, Gyandeep Trust - ₹ 3,21,682 and Janda Gram Vikas Mandal - ₹ 1,59,148

42 Navjivan Education Trust and Gyandeep Trust

2.2.10 Issues relating to Individual household latrines (IHHL)

As per TSC guidelines (2007) the project cycle in the Project District was expected to take about four years or less for implementation and was to cover all rural families with sanitary latrines by 2012. It further provided for adoption of a demand-driven strategy and construction of toilets by the BPL households themselves. On completion of construction and use of toilets, cash incentives were to be given in recognition of this achievement. The cost was to be shared among GoI, State Government and Beneficiary in the ratio of 60:20:20. The amount of incentive was revised⁴³ from ₹ 1,200 (July 2008) to ₹ 4,600 (April 2012). Under the TSC guidelines it was assumed that APL families, through motivation, will take up the construction of household latrines on their own. No cash incentive was payable for APL households from the scheme.

2.2.10.1 Achievement of targets inflated

Against the target of construction of 20.47 lakh IHHL for BPL families to be completed by 2012, 20.18 lakh IHHL were constructed upto March 2013. Similarly, against the target of construction of 33.32 lakh IHHL for APL families to be completed by 2012, only 25.79 lakh IHHL were constructed upto March 2013. In the test checked Districts the achievements of respective DRDAs (March 2013) were 5.53 lakh and 7.27 lakh against the target of 5.53 lakh and 9.68 lakh IHHL for BPL and APL families respectively at the cost of ₹ 77.94 crore as shown in **Table 4** below—

Table 4 : Targets and achievement for construction of IHHL as on March 2013

| Sr. No | District | Approved Cost (₹ in crore) | Expenditure (₹ in crore) | | Number of IHHL to be constructed as per AAP (in lakh) | | Number of IHHL actually constructed (in lakh) | | Percentage of IHHL constructed for | |
|--------------|-------------|----------------------------|--------------------------|----------|---|--------------|---|--------------|------------------------------------|----------|
| | | | BPL | APL | BPL | APL | BPL | APL | BPL | APL |
| 1 | Ahmedabad | 19.63 | 9.37 | - | 0.80 | 1.69 | 0.80 | 1.19 | 100 | 70 |
| 2 | Dang | 5.30 | 3.81 | - | 0.28 | 0.16 | 0.28 | 0.13 | 100 | 83 |
| 3 | Jamnagar | 9.37 | 8.04 | - | 0.45 | 1.22 | 0.48 | 1.25 | 107 | 102 |
| 4 | Navsari | 12.42 | 10.21 | - | 0.75 | 0.91 | 0.75 | 0.79 | 100 | 87 |
| 5 | Panchmahal | 30.75 | 25.88 | - | 1.57 | 2.23 | 1.54 | 1.43 | 98 | 64 |
| 6 | Porbandar | 3.23 | 2.43 | - | 0.17 | 0.49 | 0.17 | 0.37 | 100 | 75 |
| 7 | Sabarkantha | 42.22 | 18.20 | - | 1.51 | 2.98 | 1.51 | 2.11 | 100 | 71 |
| Total | | 122.92 | 77.94 | - | 5.53 | 9.68 | 5.53 | 7.27 | | |
| State | | 438.03 | 246.60 | - | 20.47 | 33.32 | 20.18 | 25.79 | 99 | 7 |

(Source: Information furnished by CRD)

43 ₹ 1,200 upto July 2008, ₹ 2,200 from August 2008, ₹ 3,200 from June 2011 and ₹ 4,600 from April 2012

From the above table, it appears that the achievement against target for BPL families ranged between 98 *per cent* and 107 *per cent* and between 64 *per cent* and 102 *per cent* for APL families in test checked Districts. However, Audit observed that the achievements of targets were reported through progress report based on the grants released to GPs and not on the number of toilets actually constructed. Further, it was observed that an amount of ₹ 4.05 crore⁴⁴ was refunded by GPs of the test checked Districts to the TPs as toilets were not constructed and ₹ 37.57 lakh was lying unspent with 44 GPs (March 2013) as mentioned in Paragraph 2.2.7.3. Thus, the achievements of targets based on grants released did not represent the true picture and were thus an inflated claim as the latest BLSs (October 2013) showed that the actual sanitation coverage in the State was only 46 *per cent*.

The Directors of test checked DRDAs accepted that physical progress report generated may have been inflated by 20-25 *per cent*. Government also accepted (October 2013) that physical progress report was inflated due to generation of report on the basis of grants released to GPs instead of actual construction and stated that instructions have been issued to the DRDAs to inquire into the matter and furnish the actual achievement of construction of IHHL by BPL households.

2.2.10.2 Current status of sanitation

The Total Sanitation Campaign was renamed as 'Nirmal Bharat Abhiyan (NBA)' from April 2012. The major changes introduced in NBA were extending incentives to APL⁴⁵ households and removing beneficiaries' contribution for solid and liquid waste management component.

Ministry of Drinking Water and Sanitation, GoI issued (September 2012) instructions for BLSs for preparation of revised Project Implementation Plan under NBA. Accordingly, the State Government conducted the BLSs covering each and every household at GP by deploying Anganwadi workers and Accredited Social Health Activists. The BLSs work was monitored at District level by Director, DRDA. Requisite data were required to be uploaded on the website latest by February 2013. As per the BLSs, the status of overall actual sanitation coverage in the State as on October 2013 was only around 46 *per cent* and in the test checked Districts it ranged between 13 *per cent* to 68 *per cent* as shown in Table 5 as follows –

44 Ahmedabad - ₹ 0.16 crore, Dang - ₹ 0.06 crore, Jamnagar - ₹ 1.16 crore, Navsari - ₹ 0.48 crore, Panchmahal - ₹ 0.21 crore, Porbandar ₹ 0.76 crore and Sabarkantha - ₹ 1.22 crore

45 Marginal farmers, land less farmers, handicap, SC and ST

Table 5 : Status of overall actual sanitation coverage in the State and test checked Districts as on October 2013

| Sl. No | District | Number of GPs ⁴⁶ | Number of GPs surveyed | Number of families | Number of families with toilet | Number of families without toilet | Number of families with functional toilets | Percentage of functional toilets vis-à-vis number of families |
|--------|-------------|-----------------------------|------------------------|--------------------|--------------------------------|-----------------------------------|--|---|
| 1 | Ahmedabad | 565 | 532 | 2,45,916 | 1,67,669 | 78,247 | 1,67,669 | 68 |
| 2 | Dang | 70 | 70 | 50,339 | 42,530 | 7,809 | 6,778 | 13 |
| 3 | Jamnagar | 679 | 672 | 2,16,059 | 1,04,149 | 1,11,910 | 1,04,046 | 48 |
| 4 | Navsari | 366 | 366 | 2,09,377 | 1,39,038 | 70,339 | 1,21,452 | 58 |
| 5 | Panchmahal | 677 | 674 | 4,20,878 | 2,13,874 | 2,07,004 | 1,01,936 | 24 |
| 6 | Porbandar | 151 | 151 | 80,390 | 49,100 | 31,290 | 47,834 | 60 |
| 7 | Sabarkantha | 725 | 724 | 4,39,258 | 2,29,833 | 2,09,425 | 2,26,492 | 52 |
| Total | | 3,233 | 3,189 | 16,62,217 | 9,46,193 | 7,16,024 | 7,76,207 | 47 |
| State | | 14,298 | 13,880 | 70,14,767 | 37,19,759 | 32,95,008 | 32,15,281 | 46 |

(Source: Information furnished by CRD)

The above table shows that in Dang and Panchmahal Districts, the tribal dominated Districts, the sanitation coverage was low and ranged between 13 per cent and 24 per cent respectively, when we compare the number of functional toilets vis-à-vis the total number of families. The BLSs revealed that even after eight years of implementation of TSC scheme in the State, actual sanitation coverage in rural areas was only 46 per cent. The result of BLSs is contrary to the claim of achievement as furnished by CRD as shown in **Table 4**.

2.2.10.3 Wasteful expenditure on purchase/construction of toilets

The scheme guidelines provide that the construction of household toilet should be undertaken by the BPL household itself and on completion and use of the toilet by the BPL household, the cash incentives can be given in recognition of achievement.

In 37 GPs out of 79 test checked GPs in five Districts, Audit observed that in contravention to the provisions of scheme guidelines, GPs either purchased readymade toilets or constructed toilets for BPL beneficiaries without obtaining permission from District Sanitation Committee. During joint field visit, it was noticed that the toilets provided were either not put to use or used for a short period due to inferior quality of toilet structure⁴⁷ and non-construction of soak pit. Thus, the expenditure of ₹ 2.80 crore incurred on this account proved wasteful as shown in **Table 6** as follows –

⁴⁶ The total number of GPs shown was as per survey report whereas the total number of GPs shown in paragraph 1.2 of Chapter-I of this Report was as per Socio-Economic Review 2012-13 of Gujarat

⁴⁷ Made up of thin iron sheet or pre-cast cement

Table 6 : Wasteful expenditure on purchase/construction of toilet

| District | Audit observation | Reply of DRDA |
|-------------|---|---|
| Ahmedabad | Out of 21 test checked GPs, in 10 GPs ⁴⁸ , 1,257 readymade toilets purchased at the cost of ₹ 28.03 lakh during 2010-12 were not put to use (June 2013) by the beneficiaries due to inferior quality of toilets or incomplete construction. | The Director replied (June 2013) that due to non-inclination of BPL beneficiaries to construct toilet, option of providing readymade toilet was exercised at GPs level. It was also stated that instruction would be issued to GPs to do needful to put the toilets to use. |
| Dang | Out of 10 test checked GPs, seven GPs ⁴⁹ incurred expenditure of ₹ 41.09 lakh (2009-10) on construction of toilets for beneficiaries. However, during visit of GPs (May 2013), Audit observed that readymade toilets costing ₹ 24.90 lakh ⁵⁰ were not put to use by the beneficiaries due to inferior superstructure ⁵¹ . Further, none of the GPs maintained names and number of beneficiaries to whom toilets were given. In absence of records it could not be ensured that toilets were actually provided to the beneficiaries. | The Director replied (May 2013) that instruction would be issued to all GPs to furnish list of beneficiaries to whom toilets were provided. |
| Panchmahal | Joint field visit (April 2013) of four GPs ⁵² in Ghoghamba Taluka revealed that ₹ 10.82 lakh incurred on construction of 687 units proved wasteful, as toilets could not be put to use due to inferior and incomplete superstructures. Further, Kakachiya GP of Lunawada Taluka constructed 261 toilets (2007-08) at a cost of ₹ 3.14 lakh by using wooden pillars and gunny bags and none of the toilets were in existence (May 2013). The beneficiaries stated that the superstructure was damaged during the rain. Therefore, ₹ 13.96 lakh was a wasteful expenditure. Joint field visit of test checked GPs of Kalol and Lunawada Talukas revealed that eight GPs ⁵³ constructed (January 2011 to December 2012) 2,713 individual toilets at a cost of ₹ 72.74 lakh. However, toilets were not put to use as soak pits were not constructed. The expenditure of ₹ 72.74 lakh was thus infructuous. | The Director replied (May 2013) that soak pits would be constructed shortly under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). |
| Navsari | As per the information furnished by DRDA, Navsari, 86 GPs of Vansda Taluka constructed 14,925 toilets (2006-08) by incurring expenditure of ₹ 1.79 crore at the rate of ₹ 1,200 per toilet. Structure of the toilet was created by using wooden pillars and gunny bags. During field visit of four GPs, no such toilets were seen (June 2013). On being pointed out, the Director stated that 75 per cent of the toilets constructed at a cost of ₹ 1.34 crore ⁵⁴ during 2006-08 were not being used due to low resistance superstructure. Thus, ₹ 1.34 crore incurred on construction of these toilets could not serve the purpose. | The Director replied (June 2013) that initially a toilet constructed with wooden pillars and gunny bags were provided to beneficiaries as a makeshift arrangement and to maintain privacy. It was also stated that toilets could not last due to low climatic resistance. |
| Sabarkantha | In three GPs ⁵⁵ out of 15 test checked GPs, audit noticed that 468 toilets purchased/constructed at a cost of ₹ 5.80 lakh without being put to use or were used for one to two years became non-functional due to inferior or incomplete construction. | The Director replied (March 2013) that due to less amount of incentives, quality toilets could not be constructed. |

48 Aniyali - ₹ 1,02,400, Keirya - ₹ 54,400, Gunda - ₹ 2,55,200, Umralla - ₹ 7,39,200 of Ranpur Taluka; Kharanti - ₹ 2,44,000, Bhumbali - ₹ 1,54,000, Vataman - ₹ 5,36,800, Vautha - ₹ 2,77,000, Jalalpur - ₹ 1,54,000, Ambethi - ₹ 2,86,000 of Dholka Taluka

49 Singola - ₹ 7,01,128; Subir - ₹ 4,80,000; Chikatiya - ₹ 4,69,109; Ghoghali - ₹ 42,000; Sakarpatal - ₹ 9,86,913, Pimpri - ₹ 2,91,000 and Waghai - ₹ 11,38,535

50 Singola - ₹ 5,60,902; Subir - ₹ 4,32,000; Chikatiya - ₹ 2,34,554; Ghoghali - ₹ 25,200; Sakarpatal - ₹ 4,93,457, Pimpri - ₹ 1,74,600 and Waghai - ₹ 5,69,268

51 The toilet block was made up of thin plated iron sheet/pre-cast cement.

52 Chelavada - ₹ 2,50,800, Kharod - ₹ 2,57,000, Kantu - ₹ 4,24,000 and Paroli - ₹ 1,50,000

53 Chalali - ₹ 11,29,600, Derilgam - ₹ 6,50,000, Karoli - ₹ 10,90,200, Nandarkha - ₹ 14,62,400, Satamna - ₹ 4,97,800, Ucharpi - ₹ 5,85,518, Undra - ₹ 8,50,000 and Vyasda - ₹ 10,08,000

54 75 per cent of ₹ 1.79 crore being cost of the toilets

55 Chhaubhau - ₹ 4,50,000, Dakhaneswar - ₹ 84,000 and Vajepurkampa - ₹ 46,000

Government accepted (October 2013) that toilets were constructed in the early stage of the scheme by using wooden pillars and gunny bags, to maintain privacy but these became defunct due to low climatic resistance. The CRD directed all DRDAs during exit conference (October 2013) for taking corrective measures such as construction of soak pit at the earliest so that toilets can be put to use. The objective of providing household toilets for cleaner sanitary facilities was defeated in the test checked GPs of the above five Districts.

2.2.11 Issues relating to School Toilets

Rural school sanitation is an entry point for the wider acceptance of sanitation by the rural people. Two toilet units, one each for boys and girls, were to be constructed in each school under the scheme. The scheme guidelines provided for assistance of ₹ 20,000 (April 2006) towards the cost of toilet which was subsequently revised to ₹ 35,000 (April 2011).

2.2.11.1 Non-achievement of target

The scheme guidelines (2007) provide that toilets should be constructed in all Government schools by March 2008. Further, the scheme guideline envisages that separate toilets for girls and boys should be provided in all co-educational schools and should be treated as two separate units. As against the target of 28,617 toilet units, only 20,390 toilet units (71 per cent) were completed as on March 2008 by the Sarva Siksha Abhiyan Mission (SSAM).

The Hon'ble Supreme Court in a writ petition⁵⁶ directed (September 2011) the State Government to construct separate toilets for girls in 6,434 schools by March 2012 as there were no separate toilets for girls. Accordingly, the National Scheme Sanctioning Committee⁵⁷ revised (March 2012) the target of 28,617 toilet units to 40,439 which included toilet units for girls of 6,434 schools based on the proposal from the State Government.

Audit observed that as against the target of 40,439 toilets for the entire State, only 36,438 were completed (March 2013) at an expenditure of ₹ 90.84 crore. All test checked Districts have more or less achieved the targets, except in Jamnagar and Porbandar Districts, where achievements were 54 per cent and 65 per cent respectively (Appendix-XI). Further, Audit could not vouchsafe the details of number of toilets constructed for girls separately (other than 6,434 toilets), as the CRD and test checked Districts had not maintained any information regarding number of separate toilets for girls and boys involved in the target fixed and toilets constructed.

Government stated (October 2013) that construction of toilets in 6,434 schools have been completed and necessary follow up action for completion of remaining toilets would be taken.

2.2.11.2 Completion certificates issued without actual completion

DRDA, Panchmahal, released ₹ 4.15 crore (March 2012) to District Primary Education Officer (DPEO), for construction of 1,186 toilets against which DPEO issued completion certificate of 994 toilets (April 2013)

⁵⁶ Writ petition for providing separate toilets for girls in all schools – Civil Application Number 631 of 2004

⁵⁷ A committee constituted by the Ministry of Drinking Water and Sanitation, GoI

During joint field visit of 14 schools in respect of which completion certificates were issued, Audit observed (May 2013) that in three schools⁵⁸, work was in progress, in one school⁵⁹, work had not started and in four schools⁶⁰, minor works⁶¹ remained incomplete. The Director, DRDA accepted (May 2013) the audit observation and stated that the matter would be taken up with SSAM.

Government stated (October 2013) that the matter is viewed seriously and Director of DRDA Panchmahal has been instructed to take up the matter with top management of SSAM and verify other completion certificates as well.

2.2.12 Toilets in Anganwadi Centres

Children are more receptive to new ideas and Anganwadi Centres (AWCs) are appropriate institutions for changing the behaviour, mindsets and habits of children from open defecation. Keeping in view this perspective, provision of toilets in AWCs was made under the scheme. The unit cost of Anganwadi Toilet (AT) was revised from ₹ 5,000 (April 2006) to ₹ 8,000 (April 2011). The project target of 22,505 ATs was to be completed by March 2009 but only 20,555 ATs were completed as of March 2009. The project target was subsequently revised to 30,516 from April 2012.

Audit observed that against the overall target of 30,516 ATs, the achievement was 25,422 ATs (83 *per cent*) as of March 2013, whereas in the test checked Districts, the achievement was 5,379 ATs (79 *per cent*) against the target of 6,832 ATs (Appendix-XII). The position of ATs in Jamnagar was low and the achievement was only 47 *per cent*. Resultantly, children of Anganwadis continued to be deprived of a basic amenity due to poor implementation.

2.2.12.1 Cost escalation due to non-commencement of work

DRDA Panchmahal released ₹ 2.25 lakh (August 2009) for construction of 45 toilets in AWCs of Ghoghamba Taluka. The Taluka however, released grant to respective GPs in July 2012 after three years when the cost per toilet was ₹ 8,000 as against the sanctioned cost of ₹ 5,000. The work had not commenced (May 2013).

Government stated (October 2013) that additional grant of ₹ 3,000 per toilet would be released to get the work completed. Delay in release of grant from Taluka level resulted in cost overrun of ₹ 1.35 lakh besides depriving of facilities to Anganwadi children.

2.2.12.2 Doubtful reporting of completion

During test check, Audit observed at Dang District that 290 ATs were constructed at a cost of ₹ 14.15 lakh by respective GPs (2005-11). However, the Programme Officer, Integrated Child Development Services responsible for supervision of working of Anganwadis intimated (February 2012) the DRDA that only 166 ATs had been constructed. The Director, DRDA instructed (February 2012) the

58 Dhankaf Varg Palla, Vachali Muvadi F.V, Kantu Primary School

59 Bourni Muvadi Primary School

60 Dharamkhetar Palia, Saganamuvada, Maganpuri and Kankar na muvda

61 Painting of doors, water tank, fitting of taps, etc

TDO to enquire and report whether funds released to GPs for construction of ATs were utilised and take up the construction work of remaining ATs, without specifying any target date. However, TDO had not furnished any report (May 2013).

Government stated (October 2013) that the TDO had been directed to furnish the details. The reply was not acceptable as no action was taken by DRDA even after lapse of 18 months from the date of issue of instructions to find out the actual number of toilets constructed.

2.2.13 Community Sanitary Complexes

The TSC aimed to construct community sanitary complexes⁶² (CSCs) for landless families at common and easily accessible sites. The responsibility for the upkeep and maintenance was to be given to the respective GPs. The maximum unit cost prescribed was ₹ 2.00 lakh *per* CSC. The cost was sharable between GoI, State Government and community in the ratio of 60:20:20.

Audit observed that in seven test checked Districts, against a target of 458 CSCs, 379 had been completed (March 2013) at a cost of ₹ 2.96 crore and the target was achieved except in Sabarkantha (49 *per cent*), Jamnagar (50 *per cent*) and Ahmedabad (74 *per cent*) Districts as shown in **Appendix-XIII**. It was also observed that the expenditure exceeded the approved cost in Navsari and Panchmahal Districts due to construction of more number of CSCs than those approved in the project. DRDA Panchmahal stated that due to demand of GPs more CSCs were constructed and approval of the same would be obtained from DSC.

2.2.13.1 Incomplete Community Sanitary Complexes

During joint field visit of 35 CSCs in the test checked Districts, it was observed that five CSCs constructed at the cost of ₹ 4.51 lakh⁶³ could not be put to use due to incomplete toilet structure or non-provision of water supply. Similarly, eight CSCs⁶⁴ of four Districts were either defunct or poorly maintained.

Government stated (October 2013) that the two CSCs of Sabarkantha District are now functional whereas instructions have been issued to concerned DRDAs to do the needful to put the CSCs in use.

2.2.13.2 Irregular release of financial assistance to trusts and societies

The scheme guidelines provide that CSCs should be constructed at common and easily accessible sites for landless families and at public places, markets, *etc.* where large scale gatherings of people take place. Audit observed at DRDA, Dang that ₹ 5.40 lakh were given to various trusts/societies for construction of 30 toilets in training centres run by them in contravention to the provision of scheme guidelines.

62 Comprising toilet seats, bathing cubicles, washing platform, *etc.*

63 Pimpri and Malegaon of Dang - ₹ 1.00 lakh each, Ambava (₹ 72,276) and Kaswada (₹ 1,48,648) of Malpur Taluka of Sabarkantha and Malao GP of Kalol Taluka of Panchmahal - ₹ 30,000

64 Bhojpara, Bor, Gunesia (Panchmahal), Sabridham (Dang), Tarana, Vada, Gokulpara (Jamnagar) and Malpur (Sabarkantha)

Government stated (October 2013) that the matter had been viewed seriously as there is no provision of construction of a CSC at a private place. CRD instructed Director, DRDA, Dang during exit conference (October 2013) to look into the matter personally and physically verify to ascertain whether toilets had been constructed actually and report to CRD alongwith justification for releasing funds to trusts/societies.

2.2.13.3 Manual scavenging

The scheme guidelines provide for conversion of dry latrines to wet ones. Further, construction and maintenance of dry latrines and employing manual scavenger are prohibited under Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993.

However, as per Census 2011 report, the practice of service latrines was continuing in the State as 1,408 cases were reported where night soil was being removed by human beings and in 2,593 cases night soil was being removed by animals in various rural areas of the State. The Ministries of Drinking Water & Sanitation, and Social Justice & Empowerment, GoI expressed (May 2012) concern over this practice and directed the State Government to look into the matter.

During exit conference (October 2013), the CRD stated that DRDAs would be instructed to verify each and every case in the District. If any such case is found, immediate action would be taken to convert dry toilet into wet toilet and matter would be taken up with the District Collector and Social Justice and Empowerment Department for taking necessary action. The fact remains that the Department could not even verify the concerns of GoI on existence of the practice of manual scavenging even after a lapse of more than a year after the GoI had expressed serious concern over the matter.

2.2.13.4 Lack of initiatives on Ecological sanitation

The concept of eco-sanitation system was included (June 2010) in TSC with the objective to save large quantity of treated water and converting the waste into usable manure or fertiliser by creating separate blocks of urine and excreta. However, Audit observed that none of the test checked DRDAs had started any work on creation of ecological sanitation (March 2013).

Government stated (October 2013) that the cost of eco-sanitation toilet is quite high and its usage is cumbersome. It was further stated that it may be considered in hard rock areas and water scarce areas in the State.

2.2.14 Tardy implementation of Solid and Liquid Waste Management

One of the objectives of TSC was to bring about an improvement in the general quality of life in rural areas. This objective would not be achieved, unless general cleanliness of the villages was maintained and thus component of Solid Liquid Waste Management (SLWM) was included in the TSC guidelines (2007). Mechanism for garbage collection and disposal, construction of soak pits, low cost drainage to prevent water logging, *etc.* were to be made available in the villages. Upto 10 *per cent* of the project cost was admissible to be utilised for meeting capital cost under SLWM.

Audit observed in test checked Districts that against the permissible amount of ₹ 10.29 crore, the expenditure incurred was only ₹ 5.29 crore (51 per cent) on solid waste⁶⁵ and liquid waste⁶⁶ management. For the State as a whole, the expenditure incurred was only ₹ 24.54 crore (57 per cent) against the permissible amount of ₹ 43.10 crore as shown in **Appendix-XIV**. It was also observed that Dang and Porbandar DRDAs had not incurred any expenditure on this component which indicated that no mechanism had been evolved for solid and liquid waste management in these two Districts. Though, door to door collection of garbage were noticed in GPs of four test checked Districts⁶⁷, solid and liquid waste management treatment plant had not been established in any of the test checked Districts.

The Government stated (October 2013) that the implementation of the component was done mostly when the GPs attained 100 per cent sanitation coverage and this was a slow process. It was also stated that project proposals of SLWM for more than 2,000 GPs had been sanctioned and would be implemented during the year 2013-14. The reply was not acceptable as implementation of SLWM could have been undertaken even when GPs had not attained 100 per cent sanitation. Even after a lapse of more than six years since inclusion of this component under TSC and despite the availability of funds, the implementation of SLWM needs to be stepped up.

2.2.14.1 Irregular purchase of materials for Solid Waste Management

DRDA, Jamnagar made payment of ₹ 1.08 crore (2010-13) to two agencies⁶⁸ for supply of dust bins, hand cart containers, etc. for solid waste management. However, the suppliers were selected without inviting tenders which was in violation of Industries and Mines Department circular (November 2006). The circular provided that e-procurement process shall be implemented by all the Government Departments for contract value above ₹ 10 lakh.

The Government stated (October 2013) that due to shortage of time, orders were placed with the same suppliers as selected by Rajkot and Vadodara DRDAs and at the same rate.

The reply was not acceptable as Jamnagar DRDA had violated the Government's circular by not resorting to the e-procurement process and the opportunity of competitive bidding was lost.

2.2.15 Human Resource Management

The scheme guidelines provide that no additional posts were to be created for the implementation of TSC. The staff and engineers of Rural Development Department of the State Government were responsible for the implementation of TSC in addition to their duties. However, in order to implement the project professionally, specialist consultants (District, Taluka and Panchayat Co-ordinators)

65 Providing dust bin, containers, tri-cycle etc. to GPs

66 Construction of drainage and soak pit in GPs

67 Jamnagar, Navsari, Panchmahal and Sabarkantha

68 Kaushal Corporation (₹ 18.49 lakh) and Ghanshyam Engineering Industries (₹ 89.66 lakh)

from the field of Human Resource Development could be hired for the project period. Training for motivators, masons and teachers of primary schools were also to be organised by the respective DSCs. The Talati-cum-Mantri (TCM) was responsible for implementation of TSC work at GP level and the Cluster Co-ordinator⁶⁹ was to look after 14 to 42 GPs.

Audit observed that in test checked Districts –

- District Co-ordinators and Computer operators were hired in each District. However, Taluka Co-ordinators and Cluster Co-ordinators were hired for various Talukas from only April 2012 onwards.
- The percentage availability of TCM ranged from 38 to 58 *per cent* which was much less than the required TCM as detailed in **Appendix-XV**, due to which one TCM was having the charge of two to three GPs. Similarly, there was shortage of Cluster Co-ordinators in all test checked Districts except Porbandar (**Appendix-XV**).
- Due to shortage of staff and late hiring of Taluka Co-ordinators, maintenance of records at Taluka and GP level was not proper and inadequate.

Government stated (October 2013) that the process of filling up the post of Taluka Co-ordinators and Cluster Co-ordinators have been initiated and is likely to be completed shortly. The reply was not acceptable as the scheme was implemented without adequate staff for over eight years.

- Training programmes for Cluster Co-ordinators, GP representatives and Anganwadi workers were organised by the DRDAs in all the test checked Districts, but, training was not given to masons and teachers of Primary Schools as per the provisions of the scheme guidelines. Further, there was shortfall in achievement of target envisaged in the Annual Implementation Plan (AIP) prepared from 2010-11 onwards as shown in **Appendix-XVI**.

Government accepted (October 2013) that technical trainings have not been held and added that instructions have been issued to all DRDAs to adhere to training schedule as envisaged in AIP.

2.2.16 Monitoring and evaluation

2.2.16.1 Social audit

The scheme guidelines (2011) provide for social audit with a view to strengthen the elements of transparency and efficiency under the programme. The GPs being the lowermost recognised administrative unit was to observe ‘Swachchhata Diwas’ every month and convene periodic assemblies of ‘Gram Swachchhata Sabha’. However, none of the test checked DRDAs had started any work on Social Audit (August 2013).

⁶⁹ Number of Cluster Co-ordinators required is derived on the basis of the population of Taluka (Census 2001) as per GoI guidelines (December 2011). One Cluster Co-ordinator for population upto 70,000, Two Cluster Co-ordinators for population between 70,000 to 1.5 lakh and Three Cluster Co-ordinators for population more than 1.5 lakh.

The Government confirmed (October 2013) that social audit was included in the TSC guidelines from 2011 and the same would be taken up from 2013-14.

2.2.16.2 Inadequate meetings of Sanitation Committees

As stated in Paragraph 2.2.2, the State Government set up (April 2004) a four layer committee viz. State Sanitation Mission (SSM), District Sanitation Committee (DSC), Taluka Sanitation Committee (TLSC) and Village Sanitation Committee (VSC) for effective implementation and monitoring of the scheme. The SSM, at State level was to meet twice in a year for monitoring and evaluation of the scheme. However, only three meetings of SSM had been held during 2008-13 against 10 required meetings. Further, during joint field visit of test checked Districts, it was noticed that meeting of TLSC was not held in any of the test checked Districts during 2008-13, and where meetings were held, very few GPs recorded minutes of such meetings.

Government accepted (October 2013) that SSM met only four times since its inception and stated that top priority would be given to strengthen monitoring of the scheme at all the four levels.

2.2.16.3 Evaluation and research

As per scheme guidelines, the State Government should conduct periodical evaluation studies on the implementation of TSC by engaging reputed institutions and organisations and take remedial action on the basis of observations made. Further, the State Government may engage research institutes, organisations and NGOs with proven track record in the areas of sanitation to study the present technology of human excreta and waste disposal system in rural areas. The expenditure was to be met from the Research and Development Fund specifically earmarked for the purpose.

However, State Government did not engage any reputed organisation for evaluation and research contrary to the provisions of guidelines mentioned above during the period of review.

Government stated (October 2013) that evaluation of the scheme would be undertaken for effective implementation of the program.

2.2.17 Conclusion

Audit observed that the TSC programme was implemented in the State without conducting any BLSs for assessment of toilets required for BPL and APL families, schools, Anganwadi Centres and common places. Award money of ₹ 6.80 crore received (2010-12) from GoI under Nirmal Gram Puraskar scheme were not distributed to award winning GPs. Activities to spread awareness among the public under Information, Education and Communication (IEC) component were found deficient. Rural Sanitary Marts (RSM) opened (2005-07) were found to be non-operational and loans paid to NGOs for opening of RSM were not fully recovered. The achievements of target for Individual Household Latrines (IHHL) had been inflated as the progress reports were generated on the basis of funds released to GPs instead of actual construction of toilets. As per

latest BLSs (October 2013), the sanitation coverage in the State was only 46 *per cent*. The toilets constructed by District Sanitation Committee were not being used due to inferior quality of toilet structure and non-construction of Soak pits. CSCs constructed were either defunct or not put to use due to incomplete toilet structure, non-provision of water supply and poor maintenance. Implementation of solid and liquid waste management component was deficient as only 57 *per cent* of funds were utilised. There was shortage of staff mainly in the posts of Talati-cum-Mantri and Cluster Co-ordinators who were responsible for monitoring the implementation of scheme in GPs. Monitoring Committees did not meet as envisaged in the scheme guidelines. All these deficiencies need urgent attention of the State Government for remedial action.

2.2.18 Recommendations

- The extent of sanitation coverage in the State needs to be considerably improved if the scheme of TSC is to reach a measure of success, with special importance bestowed on two tribal dominated Districts of Dang and Panchmahal where the sanitation coverage with functional toilets was very low;
- Information, Education and Communication activities should be strengthened by the help of audio-visual programmes, street plays, wall paintings, door to door campaign, *etc.* to motivate the beneficiaries for construction of toilets, their continued use and maintenance of toilets so that sanitation and hygiene become an integral and sustainable part of rural life;
- The funds received as Nirmal Gram Puraskar should be immediately released to the respective Gram Panchayats so that the awards motivate them for improving and maintaining sanitation facilities;
- State Government should initiate action for construction of Soak-pit and improvement of defunct individual toilets. Inoperative CSCs should be put to use so as to have cleaner sanitary facilities available and prevent people from open defecation. Solid and Liquid Waste Treatment Plants are required to be established for treatment of waste generated in rural areas to improve the general cleanliness;
- Vacancies in the posts of Talati-cum-Mantri and Cluster Co-ordinators should be filled up immediately and trainings should be imparted to ensure proper implementation of the scheme at grassroots level; and
- An independent evaluation of the implementation of the scheme should be undertaken at the earliest.

CHAPTER-II

PANCHAYATS, RURAL HOUSING AND RURAL DEVELOPMENT DEPARTMENT

SECTION 'B' COMPLIANCE AUDIT AND AN INDIVIDUAL PARAGRAPH ON AUDIT OF TRANSACTIONS

2.3 Infrastructure and Human Resources Management in Elementary Schools run by Panchayati Raj Institutions

2.3.1 Introduction

The availability of educational institutions equipped with infrastructural facilities plays an important role in providing better quality education. The Right of Children to Free and Compulsory Education Act, 2009 (RTE Act) guarantees every child a right to elementary education of satisfactory and equitable quality in a formal school which satisfies certain essential norms and standards relating to buildings and infrastructure, Pupil Teacher Ratios (PTRs), *etc.* These facilities were to be provided to all the elementary schools in the State by August 2012⁷⁰.

Director of Primary Education (DPE) is in the administrative charge of schools run by Panchayati Raj Institutions (PRIs). He is assisted by the District Primary Education Officer (DPEO) at the District level. The Gujarat Council of Elementary Education (GCEE) headed by the State Project Director, Sarva Siksha Abhiyan (SSA) assisted by District Project Officer (DPO) at District level, is responsible for creation of infrastructure in the Government elementary schools in the State. In addition to SSA grant, GCEE also receives grant from DPE for creation of infrastructure in elementary schools. In the State, there were 31,545 elementary schools managed by PRIs as of 31 March 2013. These consisted of 10,188 Primary Schools (PS) with standard I to V and 21,357 Upper Primary Schools (UPS) with standard I to VIII.

Audit was conducted with the objective of deriving an assurance about the efficacy of implementation of RTE Act in relation to infrastructure and human resources. Audit test checked the records of the Head offices of GCEE and DPE and their field offices covering the period 2008-09 to 2012-13. Ten Districts⁷¹ were selected (out of 26 Districts) having 14,797 elementary schools based on stratified random sampling. Audit also undertook joint field visits of 300 elementary schools⁷² alongwith departmental officers. The field visits were conducted between February 2013 and June 2013, and the following observations are made in the sample Districts.

2.3.2 Financial Management

- *Funds received under Sarva Siksha Abhiyan*

Construction of school buildings and creation of infrastructure facilities is an important component of Sarva Siksha Abhiyan (SSA). Thirty three *per cent* of planned outlay is earmarked for the said component. The details of approved outlay, funds received from GoI and State Government (sharing ratio of 65:35)

70 Within three years from the enactment of RTE Act, 2009

71 DPEOs and DPOs at Anand, Bharuch, Dahod, Jamnagar, Junagadh, Kachchh, Sabarkantha, Surat, Vadodara and Valsad

72 56 PS and 244 UPS

and expenditure incurred during 2008-09 to 2012-13 are given in **Table 1** below –

Table 1: Funds received and expenditure under SSA

(₹ in crore)

| Year | Approved outlay | Due share as per approved outlay | | Funds received/available | | | | | Expenditure | Closing Balance |
|--------------|-----------------|----------------------------------|------------------|--------------------------|-----------------|------------------|-----------------|----------|-----------------|-----------------|
| | | GoI | State Government | Opening Balance | GoI | State Government | Interest earned | Total | | |
| 2008-09 | 461.44 | 299.94 | 161.50 | 135.91 | 241.85 | 148.90 | 8.06 | 534.72 | 325.61 | 209.11 |
| 2009-10 | 520.15 | 338.10 | 182.05 | 209.11 | 198.23 | 144.90 | 6.80 | 559.04 | 381.20 | 177.84 |
| 2010-11 | 981.64 | 638.07 | 343.57 | 177.84 | 440.65 | 190.19 | 8.09 | 816.77 | 735.50 | 81.27 |
| 2011-12 | 1,793.31 | 1,165.65 | 627.66 | 81.27 | 868.28 | 527.85 | 18.35 | 1,495.75 | 1311.78 | 183.97 |
| 2012-13 | 3,212.48 | 2,088.11 | 1,124.37 | 183.97 | 1,122.01 | 973.48 | 10.83 | 2,290.29 | 2206.26 | 84.03 |
| Total | 6,969.02 | 4,529.87 | 2,439.15 | | 2,871.02 | 1,985.32 | 52.13 | | 4,960.35 | |

(Source: Information provided by GCEE)

The above table shows that during the period 2008-13 as against the available fund of ₹ 5,044.38 crore⁷³, GCEE utilised ₹ 4,960.35 crore (98 per cent) and against the budget outlay of ₹ 6,969.02 crore, the actual funds released were only ₹ 4,856.34 crore *i.e.* there was short release of ₹ 2,112.68 crore. Consequently, even the annual plan made on the basis of plan allocation could not be translated into actual achievement due to short release and slow utilisation of funds. This low utilisation of funds was due to training of fewer teachers than targeted, continued staff vacancies in Cluster Resource Centres⁷⁴, delay in construction of class rooms due to non-availability/delay in taking over possession of land for schools, *etc.* Had the full grant been released, ₹ 697.18 crore (being 33 per cent of ₹ 2,112.68 crore) could have been utilised for creation of infrastructure for elementary education.

- **Funds received from DPE**

DPE released (2008-09 to 2012-13) ₹ 1,106.06 crore under various schemes to GCEE for creation of infrastructure facilities in the schools with direction to surrender savings on completed works to Government account. Against this amount released, expenditure of only ₹ 908.93 crore (82 per cent) was incurred, leaving a balance of ₹ 304.25 crore (including interest earned) as of March 2013 with GCEE. The low expenditure was due to slow progress of works relating to running of Seasonal Hostels and Support Schools, less expenditure on maintenance of Class Rooms, *etc.* However, savings of ₹ 3.43 crore on completed works due to lower expenditure against the estimated cost were not surrendered to Government account.

73 ₹ 135.91 crore (opening balance) + ₹ 2,871.02 crore (GoI) + ₹ 1,985.32 crore (State Government) + ₹ 52.13 crore (interest)

74 Centres of teacher empowerment, where the teachers share their experiences and innovative practices in the teaching learning processes.

2.3.3 Infrastructural Facilities

2.3.3.1 Schools without all-weather building

The RTE Act provides that a school should have an all-weather building. As per information furnished by GCEE, in the State, 48 schools (**Appendix-XVII**) did not have their own building and 56 school buildings were in dilapidated condition which needed repairs. In four out of 10 test checked Districts, 14 schools did not have their own buildings.

As per the records of GCEE, Dodhi Nes PS, Junagadh was functioning in its own school building. However, during joint field visit (February 2013), it was noticed that the school was functioning in a temporary shelter (**Picture 1**). Another school was found functioning under a tree (**Picture 2**). Thus, the students in these schools were deprived of their right to all-weather buildings and the facilities guaranteed in the RTE Act.



Picture 1
Dodhi Nes PS, Junagadh (19.02.2013)



Picture 2
Hadala Nes PS, Junagadh (19.02.13)

The GCEE stated (October 2013) that out of 48 schools functioning without all-weather buildings, rooms were being constructed in 14 schools, seven schools were running in shifts, 13 schools were functioning in private buildings and in 14 schools the buildings were not available for want of land. It was further stated that efforts were being made for construction of classrooms at such places to facilitate education for children. The fact remained that students in these schools were denied the infrastructural facilities guaranteed under the RTE Act.

2.3.3.2 Schools without adequate Class Rooms

The RTE Act provides that a school should have at least one class-room for every teacher with the provision that there would be at least two Class Rooms (CR) in PSs and three CR in UPSs. Further, the RTE Act envisages one CR for every 40 students in a PS and 35 students in a UPS.

Audit observed that though sufficient funds were available (as can be seen from Paragraph 2.3.2), due to lack of planning, 3,146 schools (10 per cent) out of 31,545 schools were functioning without adequate CR (July 2013). In 397 PSs and 181 UPSs only one CR each was available and in 2,568 UPSs only two CR per school were available. The percentage of inadequacy of CR in the State ranged from one per cent (Surat District) to 53 per cent (Jamnagar District). Further, out of 300 schools visited by Audit, in 38 schools (13 per cent) the Pupil-Class Room Ratio (PCRR) was above the norm of 40:1 provided under the RTE Act. The highest PCRR of 108:1 was observed in Shamalpur PS (Bhiloda Taluka, Sabarkantha District) among the schools inspected in Audit. This indicated the need for construction of more CRs. Thus, strength of these classes was more than that envisaged under the RTE Act, which adversely affected the quality of education.

2.3.4 Lack of Basic Amenities in Schools

The RTE Act provides that a school building should consist of basic amenities such as (i) separate toilets for boys and girls; (ii) safe and adequate drinking water facility to all children; (iii) barrier free access (Ramp and Rail); (iv) a kitchen where mid-day meals can be cooked in the school; (v) a playground; (vi) arrangements for securing the school building by boundary wall or fencing and (vii) a library providing news papers, magazines and books on all subjects, including story books. During joint field visits of 300 schools, it was noticed that there were many schools without basic amenities as discussed in succeeding paragraphs.

2.3.4.1 Schools without separate toilets for boys and girls

The RTE Act emphasises the need to develop a system to provide suitable and clean environment. Use of toilet facility creates habit of cleanliness among the students which would spread to their families.

According to the data available with GCEE, separate toilets for boys and girls were available in all the elementary schools in the State. However, during joint field visits of 300 schools, it was noticed that separate toilets for boys and girls were not available in 26 schools (nine per cent). Thus, the data maintained by the State Government was unreliable and needs investigation as this could result in students being deprived of this basic amenity as required under the RTE Act.

Further, as per the norms prescribed (May 2009) by GoI, for every 80 to 120 boys/girls students in a school, one toilet seat, separately for boys and girls, was required to be provided. However, during joint field visit, it was noticed that in 104 out of 300 schools (35 per cent) there was shortfall in the number of boys' toilet seats ranging from one to eight. Similarly, in 78 schools out of 300 (26 per cent) there was shortfall in number of girls' toilet seats ranging from one to six.

Each school was receiving maintenance grant⁷⁵ to be utilised for maintenance of Class Rooms, Drinking water facility and Toilet blocks. However, during joint field visit it was noticed that in 45 schools (15 per cent), the toilets were in unusable condition (**Picture 3**) and in 35 schools (12 per cent), water was not available in toilets as water connection was not provided to storage tank (**Picture 4**).



Picture 3
Toilet seat in Kamboi PS,
Dahod (02.04.2013)



Picture 4
Toilet in Chavaj PS, Bharuch
without water connection
(29.05.2013)

GCEE stated (October 2013) that from the year 2012-13, it was providing toilet blocks considering the strength of students in a school. It further stated that the facility of separate toilets for boys and girls were yet to be provided to some of the schools.

⁷⁵ ₹ 5,000 – for schools with three class rooms and ₹ 10,000 for schools with more than three class rooms.

- **Lack of disabled-friendly toilets**

The SSA provides for construction of toilets for Children with Special Needs (CWSN), the design and specification of which include ramp, railing and handle. However, during joint field visit, it was noticed that 246 schools (82 per cent) out of 300 schools did not have disabled-friendly toilets. In 54 schools where this facility was created, the actual construction of toilets was found defective (**Pictures 5 and 6**) and were not as per approved design, as the ramps were constructed with steps, without railing/handle. Also the doors were narrow which could not serve the purpose for which it was constructed.



Picture 5
Toilet for CWSN at Chavaj
PS, Bharuch (29.05.2013)



Picture 6
Toilet for CWSN at Malan-
pada PS, Valsad (30.04.2013)

The GCEE replied (October 2013) that this facility is provided to different schools as per availability of funds.

2.3.4.2 Schools without drinking water facility

Provision of drinking water is the basic need for the children enrolled in the schools. According to the data available with GCEE, all elementary schools in the State were having drinking water facility. However, Audit observed (February to June 2013) that drinking water facility was not available in 17 schools (six per cent) out of 300 schools jointly visited. Thus, the information available with the State Government was incorrect and could result in students being deprived of this basic facility required under the RTE Act. Further, water purifier was not provided to 105 schools (35 per cent). Among the schools where the water purifiers were provided, in 53 schools (18 per cent), they were not in working condition. Thus, availability of safe and adequate drinking water facility was not ensured for the students in 175 schools (58 per cent) out of 300 visited schools.

The GCEE replied (October 2013) that District Authorities and School Management Committee⁷⁶ (SMC) of the concerned schools have been directed to approach local WASMO⁷⁷ office to provide drinking water facility to the respective schools.

76 SMCs consist of the elected member representatives of local authority, parents or guardians of children admitted in such schools and teachers

77 Water and Sanitation Management Organisation

2.3.4.3 Schools without Barrier Free Access (ramp and hand rail)

To facilitate CWSN, free movement in the school (barrier free access) ramp and hand rail were required to be provided in each block of the school building. Design of ramp and hand rail was approved as per the design published in the publication “School Sanitation and Hygiene Education” of Ministry of Rural Development and Ministry of Human Resource Development of GoI. The design was approved by the Project Engineer and the Project Director of SSA. In addition to monitoring by SSA, a third party consultant was also appointed by SSA. However, during joint field visit of 300 schools, it was noticed that the facility of ramp and hand rail was not provided in 22 schools (seven *per cent*) and in 46 schools (15 *per cent*) the ramps were provided but without hand rail. Further, the ramp and hand rail constructed in the schools were found defective (**Pictures 7 and 8**) and the facility was not provided in each block of the school buildings. This indicated that there was a lapse in monitoring system to ensure barrier free access to the CWSN in the schools.



Picture 7
Ramp in Kamboi PS, Dahod
(02.04.2013)



Picture 8
Design of Ramp in Limkhe-
da PS, Dahod (03.04.2013)

2.3.4.4 Schools without Mid-Day-Meal Kitchen

Kitchen-cum-Store (KCS) is a vital part of the Mid-Day-Meal (MDM) scheme and the RTE Act. Absence of KCS or inadequate facilities would expose children to the risk of food poisoning, health hazards, fire accidents, *etc.* KCS should be separate from classrooms, preferably located at a safe, but accessible distance. They should be well ventilated and designed so that there is a separate storage facility with locks to check pilferage.

However, during joint field visit of 300 schools, it was noticed that 31 schools (11 *per cent*) did not have the facility of KCS and cooking was done in the open. The cooking was to be done with the lid on the utensils to avoid loss of nutrients. However, during test check, it was observed that cooking was being done in the open area without lid on the utensils (**Picture 9**) and children were seen sitting on the ground and eating their meals (**Picture 10**).



Picture 9
Mid day meal being cooked
in open at Ratia PS, Bhuj
(24.04.2013)



Picture 10
Mid day meal being served
at Ronki PS, Rajkot
(10.03.2013)

GCEE stated (October 2013) that MDM kitchens are constructed in respective schools as per availability of grant. The fact remained that the children might be exposed to the risk of food poisoning, health hazards, *etc.*

2.3.4.5 Lack of Compound Walls in schools

The school buildings were required to be provided with boundary wall/fencing for security of school children as well as school property. However, during joint field visits of 300 schools it was noticed that compound wall was not provided in 22 schools (seven *per cent*) and in another 57 schools (19 *per cent*) it was partially built or damaged. Though the SMC was responsible for repairing the damaged compound walls from the maintenance grant made available under SSA, this was not done. Thus, the objective of protecting property of the schools and enhancing the security of the students by providing boundary walls could not be achieved in these cases.

GCEE stated (October 2013) that it could not provide compound wall in all elementary schools due to non-availability of grant. The security of the school children and school properties was thus not ensured.

2.3.4.6 Schools without playgrounds

In 92 out of 300 schools (31 *per cent*) jointly visited, though playing equipment were available, playgrounds were not available which defeated the objective of physical development of the children through sports and games.

2.3.4.7 Schools without library

A library providing news papers, magazines and books on all subjects, including story books is guaranteed under the RTE Act. Though books were available, separate libraries were not available in 236 schools (79 *per cent*) out of 300 schools jointly visited.

2.3.4.8 Schools without adequate furniture for students

During joint field visits of 300 schools, it was noticed that 91 schools (30 *per cent*) had no furniture (bench and desk) for students. In these schools students were attending classes and sitting on the floor. Thus, the students of these schools were deprived of the said facility.

The GCEE stated (July 2013) that GoI had not approved their proposal (February 2013) for requirement of funds for infrastructure as per the RTE Act included in the budget for 2013-14. It was further stated that the required infrastructure would be provided as and when the funds are made available. This indicates that even after four years from the date of enactment of the RTE Act, compliance with the norms and standards prescribed in the Act was not ensured which led to denial of basic facilities guaranteed under the Act to the children of a large number of schools in the State.

2.3.5 Tardy execution of works

2.3.5.1 Incomplete work of Class Rooms

The planning for construction of Class Rooms (CRs) in schools is made by GCEE on the basis of norms prescribed under the RTE Act and the construction

work is carried out by the SMC. The construction work of CRs was to be completed in nine to 10 months time from the date of handing over of possession of land. However, construction of 407 CRs⁷⁸, for which an advance payment of ₹ 12.81 crore (75 per cent of the cost) had been made to SMCs during 2009-10 to 2011-12, were incomplete (March 2013), even after one to three years from the stipulated date of completion. This resulted in blocking of funds amounting to ₹ 12.81 crore, as well as denying the benefit of a CR to the students.

The GCEE attributed (June 2013) the delay to busy schedule of Head Masters (HMs) who head the SMC and land problems. The reply was not tenable, as this shows that advance payments were made without ascertaining the preparedness of the SMCs to construct the CRs and highlights lack of proper planning.

2.3.5.2 Delay/Non-execution of works of MDM Kitchen

The Commissioner of MDM placed (May 2009 and March 2010) with GCEE ₹ 114.69 crore⁷⁹ for construction of 13,550 MDM Kitchens (Units). However, work orders for 12,190 units⁸⁰ were issued during 2009-11 by GCEE to Village Civil Works Committees⁸¹ (VCWCs). Out of these, 10,897 units⁸² were completed (March 2013) with delay ranging from one to three years due to delays in undertaking the work by VCWCs and 1,167 units⁸³ were in progress. The work of 126 units⁸⁴ had not been taken up till date (June 2013) by the VCWCs. Thus, GCEE failed to plan and execute construction of 1,486 units⁸⁵ resulting in non-utilisation of funds to the tune of ₹ 14.51 crore (2009-10- ₹ 4.67 crore and 2010-11- ₹ 9.84 crore) besides denial of benefit of MDM kitchen to the students of these schools.

Further, as against the target of 9,303 units (2009-10) to be completed at a unit cost of ₹ 0.60 lakh, work orders were issued for only 8,534 units during 2009-10 and balance 769 units were yet to be taken up (March 2013) for construction. In the meantime, the unit cost of ₹ 0.60 lakh was increased by 232 per cent (₹ 1.39 lakh) in 2010-11 by the GoI. Audit observed that had the work of all the 9,303 units been planned and executed in 2009-10 itself, the work of 769 more units could have been completed at unit cost of ₹ 0.60 lakh as against the escalated cost of 2010-11.

The GCEE stated (January 2013) that work orders were issued to VCWCs based on the list supplied by the Education Department and some VCWCs failed to undertake the work promptly. The reply was not tenable as there were delays in execution of work, which was a result of lack of proper planning and adequate monitoring/follow up to ensure timely completion of work. This also resulted in cost escalation of some units which could not be completed in time.

78 2009-10 : 250 CRs (₹ 7.00 crore), 2010-11 : 11 CRs (₹ 0.33 crore) and 2011-12 : 146 CRs (₹ 5.48 crore)

79 ₹ 55.82 crore for 9,303 units (Unit cost - ₹ 55.82 crore/9,303 = ₹ 0.60 lakh) and ₹ 58.87 crore for 4,247 units (Unit cost - ₹ 58.87 crore/4,247 = ₹ 1.39 lakh)

80 2009-10 – 8,534 units and 2010-11 – 3,656 units

81 Sarpanch of village, Head Master of the school, a lady teacher, local mason, etc. are the members of the VCWC. The role of VCWC is a) to purchase material for construction, b) to employ skilled and unskilled labourers, c) to supervise the construction as per drawing and design, d) ensure quality of construction, e) to complete the work in six months, f) to keep the accounts of the fund received and g) to encourage community donation.

82 2009-10 – 8,252 units and 2010-11 – 2,645 units

83 2009-10 – 273 units and 2010-11 – 894 units

84 2009-10 – nine units and 2010-11 – 117 units

85 2009-10 - (9,303 units – 8,534 units = 769 units + nine units not taken up) and 2010-11 – (4,247 units – 3,656 units = 591 units + 117 units not taken up)

2.3.5.3 Non-utilisation of grant

The Commissioner of MDM placed (March 2011) an amount of ₹ 1.15 crore with GCEE for construction of 3,828 kitchen platforms for gas connection. Audit observed (January 2013) that the grant was refunded (March 2012) as the design of kitchen platform prepared and submitted by the GCEE was not approved by Deputy Commissioner (MDM). Thus, 3,828 schools were deprived of the facility.

GCEE attributed (January 2013) the non-execution of work to heavy work load and non-review of the design of platform even after five reminders. However, the fact remains that lack of proper coordination and decision making by GCEE and Deputy Commissioner (MDM) resulted in denial of kitchen platforms to 3,828 schools.

2.3.6 Issues relating to Human Resources Management

2.3.6.1 Availability of teachers/head teachers

- **Schools with fewer teachers**

As per the norms of the RTE Act, there should be at least two teachers⁸⁶ in a PS and three teachers⁸⁷ in a UPS. Audit observed that 57 PSs were functioning without even a single teacher and 383 PSs were only with a single teacher. The schools without teachers were looked after by teachers of nearby schools. Thus, the schools remained partly non-functional as teachers were not available on all working days. Similarly, 223 UPSs were functioning with a single teacher and 678 UPSs with two teachers. Non-availability of adequate teachers adversely affects the quality of education. Besides, students in these schools were denied adequate teaching staff guaranteed under the RTE Act.

- **Vacancy of Head Teachers in Primary Schools**

As per the RTE norms, a head teacher is required to be posted in schools with 151 students and above. However, Audit observed that 5,000 head teachers were posted against the requirement of 9,262 head teachers in the State. Because of the vacancies of 4,262 head teachers, as on 31 March 2013, the requirements under the RTE Act was not met.

- **Vacancy of Teachers/Head Teachers in UPSs**

As per schedule of the RTE Act, UPSs shall have at least one teacher per class so that there shall be at least one teacher each for (i) Science and Mathematics, (ii) Social Studies and (iii) Languages; atleast one teacher for every thirty-five children; and where admission of children is above one hundred (i) a full time head-teacher and (ii) part time instructors for Art Education, Health and Physical Education and Work Education.

The position of teachers as on 31 March 2013 in the State and in the test checked Districts are as shown in **Table 2** as follows -

86 Enrollment : Upto sixty students - 2 teachers, 61 to 90 students - 3 teachers, 91 to 120 students - 4 teachers, 121 to 150 students 5 teachers, 151 to 200 students - 5 teachers + 1 head teacher. Above 200 students - Pupil Teacher Ratio: 40:1 + 1 head teacher

87 At least one teacher per class so that there shall be atleast one teacher each for Science and Mathematics, Social Studies, and Language; Atleast one teacher for every 35 students and Above 100 students enrollment: a full time head teacher and part time instructors for Art, Health and Physical Education and Work Education

Table 2: Position of teachers in UPS as on 31 March 2013

| Subject Teachers | In the State (21,357 UPS) | | | In the test checked districts (9,543 UPS) | | |
|--------------------------------------|------------------------------|---------------|-------------------------|--|---------------|-------------------------|
| | Required | Posted | Vacancy (Percentage) | Required | Posted | Vacancy (Percentage) |
| Subject specific teachers | | | | | | |
| Science and Mathematics | 27,146 | 9,803 | 17,343 (64) | 11,815 | 3,893 | 7,922 (67) |
| Social Studies | 27,146 | 27,146 | 0 (0) | 11,814 | 11,814 | 0(0) |
| Language | 27,146 | 11,118 | 16,028 (59) | 11,815 | 4,536 | 7,279 (62) |
| Total | 81,438 | 48,067 | 33,371 (41) | 35,444 | 20,243 | 15,201 (43) |
| Other than subject specific teachers | 0 | 14,165 | | 0 | 5,415 | |
| Grand Total | 81,438 | 62,232 | 19,206 (24) | 35,444 | 25,658 | 9,786 (28) |
| Part time instructors | | | | | | |
| Art Education | 7,590 | 0 | 7,590 (100) | 3,002 | 0 | 3,002 (100) |
| Health and Physical Education | 7,590 | 0 | 7,590 (100) | 3,002 | 0 | 3,002 (100) |
| Work Education | 7,590 | 0 | 7,590 (100) | 3,002 | 0 | 3,002 (100) |
| Total | 22,770 | 0 | 22,770 (100) | 9,006 | 0 | 9,006 (100) |
| Head Teachers | 7,590 | 0 | 7,590 (100) | 3,133 | 0 | 3,133 (100) |

(Source: Information furnished by GCEE)

Above table shows that the vacancy of teachers for Science and Mathematics stood at 64 *per cent* and for Language at 59 *per cent*. The vacancy of teachers for Science and Mathematics in Tribal Districts namely Dahod and Panchmahal stood at 77 *per cent* and 74 *per cent* respectively. Further, no part time instructors and head teachers have been appointed as on March 2013 against the requirement of 22,770 part time instructors and 7,590 head teachers respectively. A mention was made in the Report of the Comptroller and Auditor General of India for the year ended 31 March 2006 (Civil) regarding vacancy of teachers (14,061) in UPS, however, the vacancy has increased to 19,206 in 2012-13, which indicated that no efforts have been made by the State Government to recruit adequate teachers. The State has, thus, not ensured availability of adequate teaching staff as per norms and this could adversely affect the performance and quality of education for the students.

- **Disproportionate deployment of teachers**

The RTE Act envisages one teacher for every 40 children in a PS and 35 children in a UPS. Though there was overall shortage of teachers in the State, the available teachers were also not deployed equitably. Out of 300 schools jointly visited, 30 PSs out of 56 (54 *per cent*) and 157 UPSs out of 244 (64 *per cent*) were functioning with more teachers than the prescribed norm and there was shortage of teachers in five PSs (nine *per cent*) and 41 UPSs (17 *per cent*). In 27 (nine *per cent*) schools, the Pupil Teacher Ratio (PTR) was more than 40:1, with the highest being 67:1⁸⁸. The higher PTR was noticed in schools located in interior areas and tribal District Dahod. This indicated uneven distribution of teachers in schools and needs to be reviewed and appropriate corrective measures taken by the Government.

88 Agiyol PS, Himatnagar Taluka, Sabarkantha District

The shortage of teachers coupled with inequitable deployment of teachers could adversely affect the performance and quality of education imparted to students in these schools.

2.3.7 Impact analysis

2.3.7.1 Elementary schools and enrolment

Schools for Elementary education⁸⁹ available under different management and enrolment of children in the targeted age group of 6-14 years in these schools during 2008-09 to 2012-13 were as shown in the **Table 3** below -

Table 3 : Number of Elementary schools and enrolment of students

| Year | Number of Elementary Schools | | | | Enrolment | | | |
|-------------------------|------------------------------|---------------|-----------------|--------|------------|---------------|-----------------|-----------|
| | Government ⁹⁰ | Private aided | Private unaided | Total | Government | Private aided | Private unaided | Total |
| 2008-09 | 33,182 | 843 | 5,081 | 39,106 | 60,06,939 | 2,20,337 | 14,85,067 | 77,12,343 |
| 2009-10 | 33,429 | 913 | 5,610 | 39,952 | 58,82,190 | 2,53,373 | 16,83,300 | 78,18,863 |
| 2010-11 | 33,503 | 788 | 6,403 | 40,694 | 59,17,835 | 2,14,049 | 20,13,161 | 81,45,045 |
| 2011-12 | 33,537 | 703 | 6,738 | 40,978 | 59,69,126 | 1,70,964 | 22,21,670 | 83,61,760 |
| 2012-13 | 33,619 | 908 | 7,920 | 42,447 | 61,92,645 | 2,48,625 | 27,35,163 | 91,76,433 |
| Increase during 2008-13 | 437 | 65 | 2,839 | 3,341 | 1,85,706 | 28,288 | 12,50,096 | 14,64,090 |
| Percentage | 1.32 | 7.71 | 55.87 | 8.54 | 3.09 | 12.84 | 84.18 | 18.98 |

(Source: Information furnished by GCEE)

The above table shows that while the number of private unaided schools had increased by 55.87 per cent, the number for Government schools increased by only 1.32 per cent during the period 2008-13. Similarly, in respect of enrolment, Government schools registered an increase of 3.09 per cent as against 84.18 per cent registered by the private unaided schools. Lack of all-weather buildings, classrooms, toilets, drinking water, playgrounds, compound walls, teachers, etc. were found to be responsible for children finding way to private schools. This was attributed (October 2013) by GCEE to increase in number of private unaided schools which provide attractive ambience and innovations by spending funds collected through higher fees. Therefore, the State Government should take measures to provide infrastructural facilities and appoint adequate teachers for imparting quality education, thereby making the State-run schools more attractive for enrolments.

⁸⁹ Education from first to eighth class (RTE Act)

⁹⁰ Includes all Government schools including Ashram Shala, Kasturba Gandhi Ballika Vidyalayas and schools run by Municipal Boards. Paragraph 2.3.1 states only in respect of schools run by PRIs

2.3.7.2 Retention/drop out trend of students

The number of students enrolled in Government schools in Class I to Class VIII over the review period is depicted in the **Table 4** below -

Table 4 : Class-wise enrolment in Government Schools

| Year | Class-wise number of students enrolled | | | | | | | |
|---------|--|----------|----------|----------|----------|----------|----------|----------|
| | I | II | III | IV | V | VI | VII | VIII |
| 2008-09 | 9,76,890 | 9,32,845 | 9,40,689 | 9,19,347 | 8,22,970 | 7,43,557 | 6,70,605 | - |
| 2009-10 | 9,56,913 | 8,90,411 | 8,92,312 | 8,79,312 | 8,51,250 | 7,39,346 | 6,72,495 | - |
| 2010-11 | 9,54,455 | 8,67,840 | 8,56,278 | 8,29,969 | 8,13,949 | 7,58,971 | 6,63,469 | 1,59,566 |
| 2011-12 | 9,06,952 | 8,65,505 | 8,38,812 | 8,09,219 | 7,90,383 | 7,45,302 | 7,02,763 | 3,09,571 |
| 2012-13 | 7,68,980 | 8,65,359 | 8,43,978 | 8,23,500 | 7,86,590 | 7,42,490 | 7,11,100 | 6,50,648 |

(Source: Information furnished by GCEE)

The above table shows that out of 9,76,890 students enrolled in Class I in 2008-09, 1,90,300 students had dropped out of school till 2012-13 (Class V). Though the SSA targeted 100 *per cent* student retention by 2010, out of 37.70 lakh students on rolls in Classes I to IV during 2008-09, only 28.91 lakh students could be retained in Class V to VIII upto 2012-13. Thus, 8.79 lakh students (23 *per cent*) had dropped out of elementary school during this period. Further, the enrolment in Class I showed a declining trend during this period (2008-13). The drop in the rate of enrolment in Government schools and the high drop out rate from these schools could be attributed to inadequate infrastructural facilities, basic amenities and teachers in these schools.

2.3.8 Conclusion

The GoI and State Government's share of ₹ 2,112.68 crore under SSA was curtailed due to under-utilisation of funds on various activities such as training of teachers and construction of school buildings, toilets, boundary walls, *etc.* A number of elementary schools were running without buildings and basic amenities guaranteed under RTE Act though sufficient funds were available. The information of availability of separate toilets for boys and girls, drinking water facility in elementary schools was incorrectly reported. Many schools are functioning without requisite number of teachers and 57 schools were functioning without any teacher. Shortage of teachers and head teachers was noticed in UPSs. Increasing preference for private schools *vis-a-vis* Government schools and increase in drop-outs could be attributed to inadequate infrastructural facilities, lack of basic amenities and lack of teachers. These are important areas needing urgent attention of the State Government.

The matter was reported to Government (August 2013); but reply has not been received (March 2014).

2.4 Excess expenditure and loss to Government of ₹ 70.35 lakh on procurement of cement

The procurement of cement made by the TDO, Ahwa at higher rate in comparison to the rate of Gujarat State Civil Supplies Corporation Limited led to excess expenditure and loss to the Government of ₹ 70.35 lakh

Food, Civil Supplies and Consumers Affairs Department of the Government of Gujarat (the Department) appointed (April 2004) the Gujarat State Civil Supplies Corporation Limited (GSCSCL) as nodal agency for procurement and supply of cement to various State Government Departments, Boards and Corporations. The Department issued (April 2004) instructions that the GSCSCL would arrange for supply of cement by charging ₹ 2.00 per bag (50 kilogram) as handling charge in addition to the rate negotiated and fixed by it with the cement companies at regular intervals. It further instructed that if any State Department, Board or Corporation invited tender for procurement of cement from open market instead of procurement from GSCSCL and the price offered in that tender bid was higher than the price fixed by the GSCSCL, the tender would be cancelled and indent placed with the GSCSCL.

On scrutiny of records of District Rural Development Agency, Dang, it was observed (April 2011) that the Taluka Development Officer (TDO), Ahwa (Dang District) issued (September 2009) public notice in only one local Gujarati daily newspaper inviting rates of cement to be used for construction works under Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) during the year 2009-10. Four parties from Ahwa Taluka responded to the advertisement and the lowest bid of ₹ 245 per bag was accepted and the work order issued (October 2009). The agency supplied (between October 2009 and March 2010) 1,13,475 cement bags for ₹ 2.78 crore.

Audit further observed that the rates fixed by GSCSCL for supply of cement bags during the period October 2009 to March 2010 was ₹ 183. Thus, as per the prevailing instructions of the Department, the TDO was required to cancel the bid and place the indent with the GSCSCL as the rate quoted was higher (₹ 245 *ibid*) than the rate of GSCSCL. This resulted in excess expenditure of ₹ 70.35 lakh⁹¹ which could have been avoided.

Further, the State Government introduced (November 2006) e-procurement system⁹² with effect from June 2007 in all the State Departments, Boards, Corporations and Societies under its administrative control and those funded by the State Government. It was also mandated that all procurement with a value of ₹ 10 lakh and above would necessarily be done through the process of e-procurement.

91 ₹ 245 (-) ₹ 183 = ₹ 62 x 1,13,475 cement bags

92 The tendering activity is carried out online using the internet and associated technologies after giving wide publicity in the National daily newspaper for obtaining competitive rates. It enables the user to introduce with ease and efficiency without compromising the required procedures of the organisation.

Audit observed that though the value of material to be procured exceeded ₹ 10 lakh, the TDO, Ahwa had not followed the e-procurement procedure laid down by the Government.

The Government stated (September 2013) that requests were made for supply of cement to the GSCSCL but it did not make the supply, hence, the required quantity of cement was purchased from open market. The reply was not acceptable as the TDO, Ahwa had accepted (February 2014) that no indents were placed by them with the GSCSCL between April 2009 and November 2009. Further, GSCSCL had supplied 20,760 cement bags to TDO, Ahwa between February 2010 to July 2010 at the rate of ₹ 183 for an indent submitted in December 2009 for 20,000 cement bags, proving that GSCSCL could supply the cement as and when indents were placed with it.

CHAPTER-III

URBAN DEVELOPMENT AND URBAN HOUSING DEPARTMENT

AN OVERVIEW OF FINANCES AND ACCOUNTS OF URBAN LOCAL BODIES



CHAPTER - III

AN OVERVIEW OF FINANCES AND ACCOUNTS OF URBAN LOCAL BODIES

3.1 Introduction

Consequent upon the 74th Constitutional Amendment in 1992, Articles 243 P to 243 ZG¹ were inserted in the Constitution where by the legislatures could endow certain powers and duties to the Urban Local Bodies (ULBs) in order to enable them to function as institutions of self-Government and to carry out the responsibilities conferred upon them including those listed in the Twelfth Schedule of the Constitution.

As per Census 2011, Gujarat ranks sixth after Goa, Mizoram, Tamil Nadu, Kerala and Maharashtra in the tally of most urbanised States. The urban population of Gujarat was 2.57 crore, which constituted 42.55 *per cent* of the total population (6.04 crore) of the State and 2.12 *per cent* of the total population (121.02 crore) of India. In Gujarat, there were 187 ULBs, i.e. eight Municipal Corporations (MCs), 159 Nagarpalikas (NPs) and 20 Notified Areas² (NAs) as of March 2013. The MCs were constituted under the Gujarat Provincial Municipal Corporations Act³, 1949. The NPs were constituted under the provisions of Gujarat Municipalities Act, 1963. Each MC/NP is divided into a number of wards, which is determined and notified by the State Government considering the population, dwelling pattern, geographical condition and economic status of the respective area.

3.2 Organisational set-up

3.2.1 The administrative department dealing with affairs of the ULBs is the Urban Development and Urban Housing Department. An organisational chart indicating administrative set-up of the ULBs in Gujarat is as shown below:

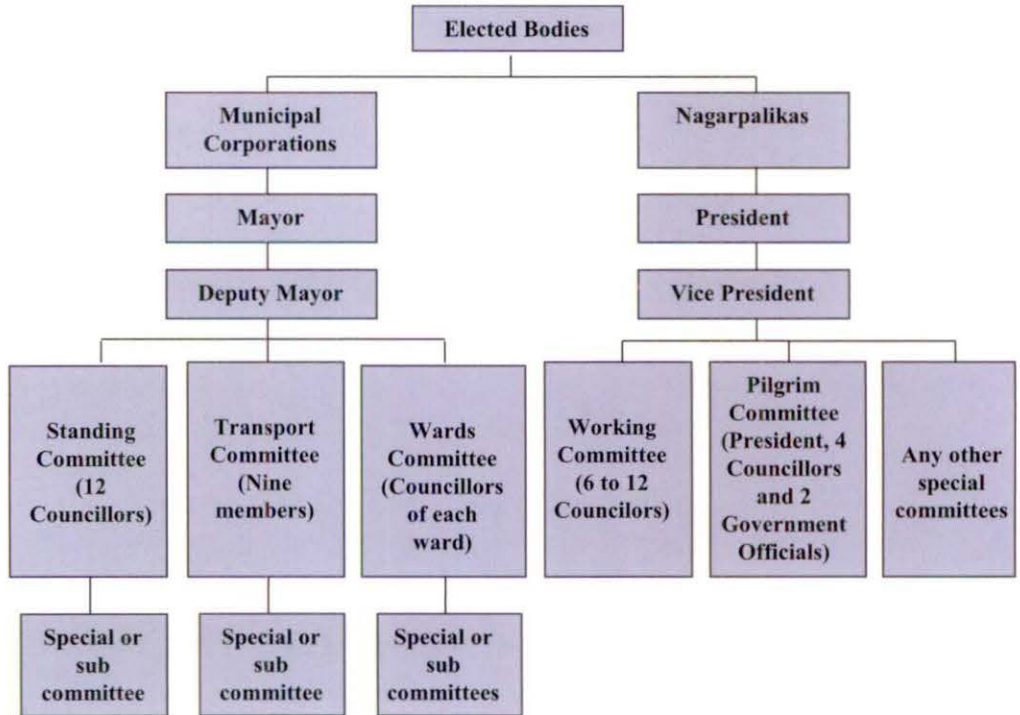


3.2.2 In order to ensure comprehensive development and to improve service delivery systems in the thickly populated and urbanised areas of the State, the State Government constituted various Boards and Authorities assigning specific functions to them as shown in the **Appendix-XVIII**.

- 1 Regarding constitution and composition of municipalities and ward committees, reservation of seats for SCs/STs, powers, authority and responsibilities of municipalities, power to impose taxes, audit of accounts, elections to the municipalities, constitution of district planning committee, etc.
- 2 Notified areas are declared by Industries and Mines Department. Every notified area shall have a committee called the Board of Management appointed by the Government and shall perform its function and duties as per Gujarat Municipalities Act, 1963.
- 3 Bombay Provincial Municipal Corporation Act, 1949 has been renamed as Gujarat Provincial Municipal Corporation Act, 1949.

3.2.3 Composition of ULBs

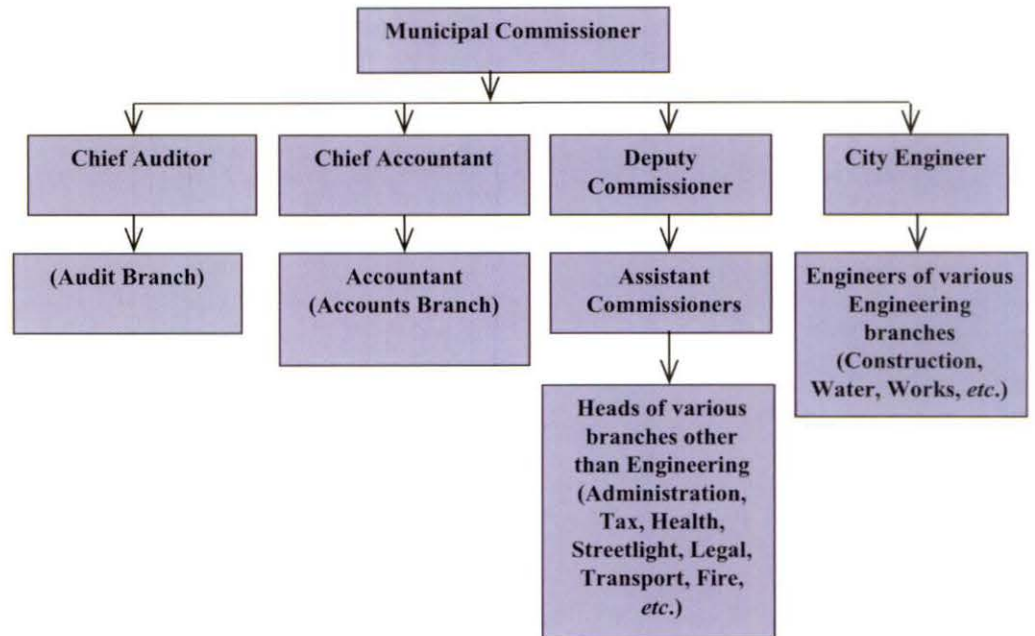
All the ULBs have a body comprising of Corporators/Councillors elected by the people under their jurisdiction. The Mayor/President who is elected by majority of the Corporators/Councillors presides over the meetings of the Council and is responsible for governance of the body. The following chart shows the set-up of elected bodies in ULBs:



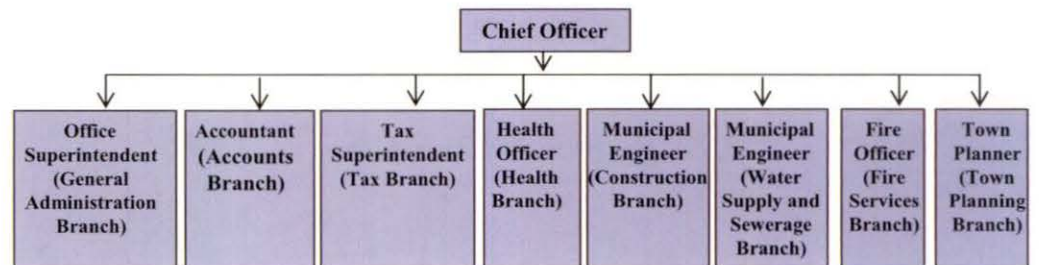
The Mayor, Deputy Mayor, President and Vice President are elected from amongst the elected councillors. The members of committees/sub-committees are elected from the elected councillors and the Chairperson of the committee is appointed from the members of the committee. The members of Transport Committee are persons with experience of Administration or transport or in engineering, industrial, commercial, financial or labour matters and who may or may not be councillors.

The Municipal Commissioner is the executive head of Municipal Corporation and Chief Officer is the executive head of Nagarpalika. The officers of ULBs exercise such powers and perform such functions as notified by the State Government from time to time. The executive set-up of MCs and NPs is shown as follows:

Executive set-up of Municipal Corporations



Executive set-up of Nagarpalikas

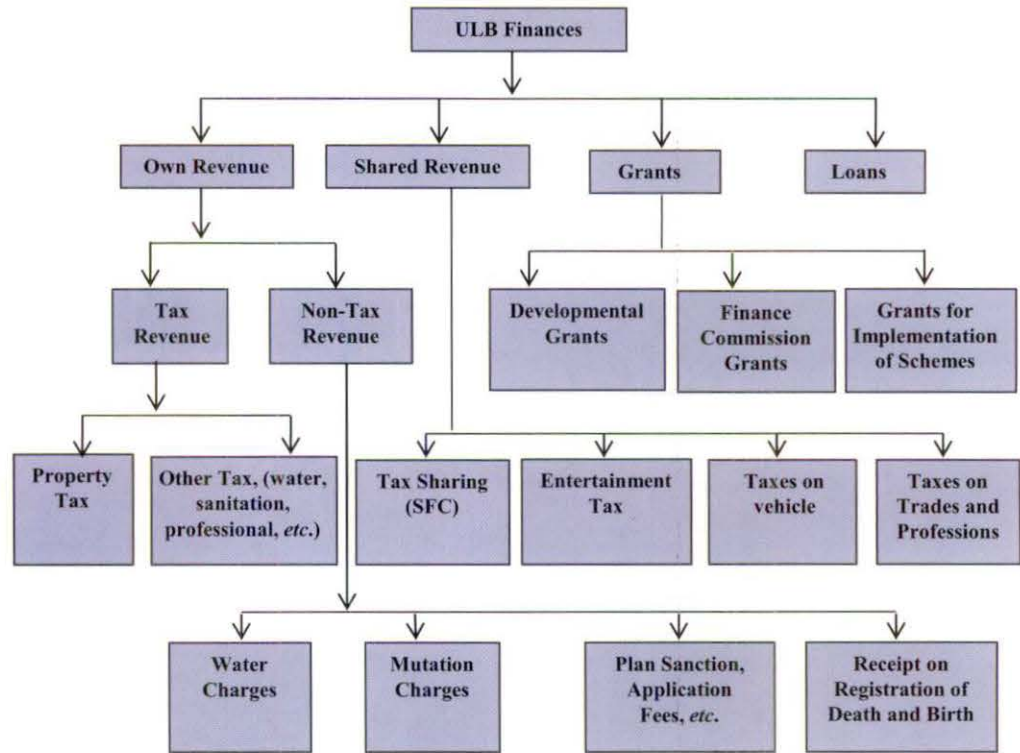


3.3 Financial management

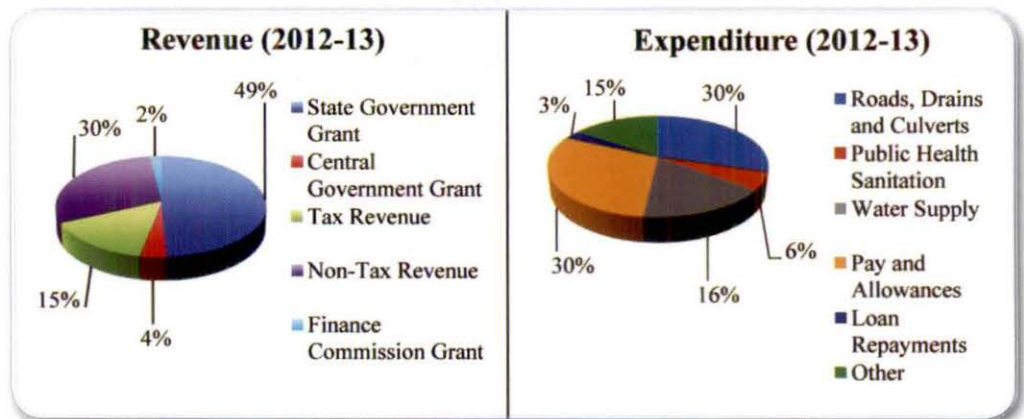
3.3.1 Sources of receipts and items of expenditure

The finances of ULBs comprise of receipts from own sources, grants and assistance from Government of India (GoI)/State Government and loans raised from financial institutions or nationalised banks. The ULBs do not have a large independent tax domain. However, compared to PRIs, who do not have any worthwhile own source of revenue, ULBs do have an identifiable and visible source of revenue like the property tax, which is difficult to evade. The property tax on land and buildings is the mainstay of ULB's own revenue. The property tax in the State is collected by the ULBs on Area Base System. The own non-tax revenue of ULBs comprises of fee for sanction of plans/mutations, water charges, etc.

Grants and assistance released by the State Government/GoI as well as loans raised from financial institutions are utilised for developmental activities and execution of various schemes. Flow chart of finances of ULBs is shown below:



3.3.2 Revenue and Expenditure of ULBs



The details of receipts and expenditure of ULBs are shown in **Table 1** below -

Table 1: Receipts and expenditure of ULBs

(₹ in crore)

| | 2010-11 | 2011-12 | 2012-13 |
|------------------------------------|------------------|------------------|------------------|
| Opening Balance⁴ | 3,349.04 | 7,919.94 | 10,631.16 |
| Receipts | | | |
| Government Grant | 5,670.71 | 3,530.41 | 5,287.16 |
| Own Revenue | 3,748.54 | 4,425.41 | 5,124.98 |
| Finance Commission grant | 121.20 | 191.00 | 191.40 |
| Total Receipts | 9,540.45 | 8,146.82 | 10,603.54 |
| Total Funds available | 12,889.49 | 16,066.76 | 21,234.70 |
| Expenditure | | | |
| Roads, Drains, Culverts | 916.11 | 783.33 | 2,317.00 |
| Public Health sanitation | 225.51 | 242.35 | 430.52 |
| Water Supply | 763.72 | 707.97 | 1,285.90 |
| Pay and Allowances | 2,011.63 | 2,198.80 | 2,332.55 |
| Loan repayment | 52.86 | 93.34 | 214.53 |
| Others | 999.72 | 1,409.81 | 1,202.41 |
| Total Expenditure | 4,969.55 | 5,435.60 | 7,782.91 |
| Closing Balance | 7,919.94 | 10,631.16 | 13,451.79 |

(Source: Information as furnished by UD&UHD)

The above position indicates that

- the total expenditure against total receipts during the period from 2010-11 to 2012-13 increased from 52 *per cent* (2010-11) to 73 *per cent* (2012-13);
- own revenue of ULBs increased by 37 *per cent* and the Government grant reduced by seven *per cent* during the period 2010-13;
- the increase in total expenditure (57 *per cent*) during 2010-13 did not match increase in total available funds (65 *per cent*) resulting in increase of closing balance to ₹ 13,451.79 crore as on 31 March 2013; and
- In order to avoid property tax from escaping tax net, various Indian cities (Bangalore, Hyderabad, Kanpur, *etc.*) have opted for Geographical Information System (GIS) mapping for listing properties. In Gujarat, GIS mapping for listing properties was implemented only in Rajkot Municipal Corporation out of four⁵ biggest Municipal Corporations (MCs) in the State. It is essential that earnest efforts are made to introduce GIS based database for property tax in other major municipalities also for identifying properties and for streamlining the assessment procedure that could lead to greater revenue mobilisation.

⁴ Opening Balance and Closing Balance has been arrived at by Audit.

⁵ Ahmedabad, Rajkot, Surat and Vadodara

3.4 Thirteenth Finance Commission

As per recommendations of Thirteenth Finance Commission (ThFC), Gujarat is eligible to get Central grant of ₹ 1,301.81 crore for ULBs (2010-15) comprising of ₹ 851.16 crore as General Basic Grant (GBG) and ₹ 450.65 crore as General Performance Grant (GPG). Against this, GoI released ₹ 120.96 crore⁶ (2010-11), ₹ 163.95 crore⁷ (2011-12) and ₹ 191.39 crore⁸ (2012-13). Grants of ₹ 120.96 crore⁹ (2010-11), ₹ 163.95 crore¹⁰ (2011-12) and ₹ 190.19 crore¹¹ (2012-13) were released to ULBs. The details of grants lying unspent as against the grants received during 2010-13 is as shown in **Table 2** below -

Table 2 : Unspent grants lying with the ULBs as of March 2013

(₹ in crore)

| ULBs | Number of ULBs | 2010-11 | | 2011-12 | | 2012-13 | | Total | |
|--------------|----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|
| | | Grant released | Unspent balance | Grant released | Unspent balance | Grant released | Unspent balance | Grant released | Unspent balance |
| NPs | 159 | 90.05 | 22.90 | 121.39 | 61.80 | 143.68 | 102.31 | 355.12 | 187.01 |
| MCs | 8 | 30.91 | 12.24 | 42.56 | 9.47 | 46.51 | 43.13 | 119.98 | 64.84 |
| Total | 167 | 120.96 | 35.14 | 163.95 | 71.27 | 190.19 | 145.44 | 475.10 | 251.85 |

(Source : Information furnished by UD&UHD)

The above table shows that an amount of ₹ 251.85 crore (53 per cent) was lying unutilised with the ULBs against the grants released during 2010-13. It was also observed that no expenditure was incurred by 17 Nagarpalikas though grant of ₹ 35.74 crore were released to them during 2010-11 to 2012-13. The purpose of release of funds under ThFC was, thus, defeated. The details of expenditure incurred by other MCs were not made available to audit.

3.5 Devolution of Functions

3.5.1 Transfer of Functions

Twelfth Schedule (Article-243 W) of the Constitution of India envisages that the State Government may, by law, endow the ULBs with such powers and authority as may be necessary to enable them to function as institutions of self-government.

As per Section 87 to 92 of the Gujarat Municipality Act 1963 and Section 63 of Gujarat Provincial Municipal Corporations Act, 1949, State Government devolved all the 18 functions envisaged in the Twelfth Schedule to the NPs and MCs to enable them to function as institutions of self-governance.

6 GBG ₹ 119.75 crore and ₹ 1.21 crore for Special Area Grant

7 GBG ₹ 153.40 crore, ₹ 1.21 crore for Special Area Grant and ₹ 9.34 crore for Performance Grant

8 GBG ₹ 172.60 crore, ₹ 1.21 crore for Special Area Grant and ₹ 17.58 crore for Performance Grant

9 ₹ 30.91 crore to seven Municipal Corporations and ₹ 90.05 crore to 159 Nagarpalikas

10 ₹ 42.56 crore to eight Municipal Corporations and ₹ 121.39 crore to 159 Nagarpalikas

11 ₹ 46.51 crore to eight Municipal Corporations and ₹ 143.68 crore to 159 Nagarpalikas

3.6. Accountability framework

3.6.1 Accounting arrangements

As per ThFC's recommendations, an accounting framework consistent with the accounting format and codification pattern suggested in the National Municipal Accounts Manual (NMAM) was to be adopted by 2011-12. All ULBs were to thus introduce accrual based double entry accounting system as per the NMAM.

The MCs and NPs have adopted the accrual based double entry accounting system since 2006-07. NMAM envisages all States to develop State specific Municipal Accounts Manual. However, Audit observed that the draft Municipal Accounts Manual was pending for approval with the Government (September 2013). Thus, the adoption of consistent accounting system by all ULBs in the State has been delayed. Further, the annual accounts for the year 2012-13 in respect of all 159 NPs have not been finalised (April 2014).

3.6.2 Audit mandate

The Examiner Local Fund Audit (ELFA) is the primary Auditor of ULBs in terms of Section 7 of the Gujarat Local Fund Audit (GLFA) Act, 1963. The Commissioner/Chief Officer is responsible for rectification of defects or compliance to the irregularities pointed out in the report of the ELFA.

The State Government entrusted (May 2005) the audit of accounts of all NPs to the Comptroller and Auditor General of India under Section 20(1) of CAG's Duties, Powers and Conditions of Service (DPC) Act, 1971 with Technical Guidance and Supervision (TGS). The State Government further entrusted (April 2011) the audit of accounts of all MCs to CAG under section 20(1) of CAG's (DPC) Act, 1971 with TGS. The provision of laying of Audit Report of ELFA alongwith the Report of CAG before the State Legislature was made by amending (May 2011) the relevant Acts.

3.6.3 Arrears in Primary Audit of ULBs

Out of total 159 NPs, Audit of accounts of 158 NPs (except Maliya Miyana NP) for the period up to 2010-11 has been completed by ELFA (December 2013). The Audit of all NPs was in arrears for the financial years 2011-12 and 2012-13. Audit of accounts of only four MCs¹² upto the period 2010-11 has been completed by ELFA (December 2013) out of total eight MCs.

3.6.4 Response to Audit observations

The Commissioners/Chief Officers are required to comply with the observations contained in the Inspection Reports (IRs) issued by ELFA and rectify the defects or omissions and report their compliance to ELFA within four months from the date of issue of IRs. The ELFA informed (February 2014) that there were 1,52,203 audit paragraphs¹³ outstanding as at the end of December 2013 relating to the period up to 2010-11. This showed that compliance to the audit observations of ELFA was poor.

¹² Bhavnagar, Gandhinagar, Jamnagar and Junagadh

¹³ Upto 2002-03 - 1,14,217 paras, 2003-04 - 4,583 paras, 2004-05 - 5,374 paras, 2005-06 - 5,684 paras, 2006-07 - 4,586 paras, 2007-08 - 4,513 paras, 2008-09 - 2,757 paras, 2009-10 - 5,799 paras and 2010-11 - 4,690 paras.

3.7 Lack of responsiveness by Government to Audit

3.7.1 Inspection Reports outstanding

The Hand Book of Instructions for prompt Settlement of Audit Objections/ Inspection Report issued by the Finance Department in 1992 provides for prompt response by the Executive to the Inspection Reports (IRs) issued by the Accountant General to ensure rectificatory action in compliance with the prescribed rules and procedures and accountability for the deficiencies, omissions, *etc.*, noticed during the inspections. The Heads of Offices and next higher authorities are required to comply with the observations contained in the IRs, rectify the defects and omissions promptly and report their compliance to the Accountant General within four weeks of receipt of the IRs. Periodical reminders are issued to the Heads of the Department requesting them to furnish the replies expeditiously on the outstanding paragraphs in the IRs.

As on 31 March 2014, 156 IRs (2,123 paragraphs) were outstanding in respect of Nagarpalikas. Year-wise details of IRs and paragraphs outstanding are given in **Table 3** below:

Table 3: Outstanding IRs and Audit paragraphs

| Year | Number of Inspection Reports | Number of Paragraphs | Money Value (₹ in crore) |
|--------------|------------------------------|----------------------|--------------------------|
| Upto 2007-08 | 20 | 289 | 25.74 |
| 2008-09 | 32 | 417 | 2.88 |
| 2009-10 | 21 | 245 | 0.52 |
| 2010-11 | 26 | 332 | 4.74 |
| 2011-12 | 23 | 359 | 0.19 |
| 2012-13 | 26 | 319 | 0.41 |
| 2013-14 | 08 | 162 | 3.83 |
| TOTAL | 156 | 2,123 | 38.31 |

3.8 Conclusion

A review of finances of ULBs revealed that increase in total expenditure (57 per cent) during 2010-13 did not keep pace with increase in total available funds (65 per cent). As of March 2013, unspent grant of ₹ 251.85 crore of ThFC was lying with the NPs and MCs. Though ThFC grants of ₹ 35.74 crore was released to 17 NPs during 2010-11 to 2012-13, no expenditure had been incurred by these NPs till date. State's municipal accounts manual has also not been finalised. The Audit of ELFA was found to be in arrears. The Department failed to ensure prompt and timely action by executives of ULBs to the audit objections raised by ELFA and CAG.

CHAPTER-IV

URBAN DEVELOPMENT AND URBAN HOUSING DEPARTMENT

PERFORMANCE AUDIT



CHAPTER - IV

This Chapter contains findings of two Performance Audits on “Management of Municipal Solid Waste in Nagarpalikas” and “Implementation of Water Supply Projects under Urban Infrastructure Development Scheme for Small and Medium Towns”.

PERFORMANCE AUDIT

URBAN DEVELOPMENT AND URBAN HOUSING DEPARTMENT AND FOREST AND ENVIRONMENT DEPARTMENT

4.1 Management of Municipal Solid Waste in Nagarpalikas

Executive Summary

Over the years, there has been a continuous increase in the proportion of population residing in urban areas and this uncontrolled growth in urban areas has left Indian cities deficient in infrastructural services such as water supply, sewerage and solid waste management. The collection and disposal of municipal solid waste is one of the pressing problems of city life. To streamline the process of collection, handling, transportation, processing and disposal of Municipal Solid Waste (MSW), GoI framed MSW (Management and Handling) Rules, 2000. The performance audit of “Management of Municipal Solid Wastes in Nagarpalikas” was conducted for the period 2008-13 during January 2013 and August 2013 and the following deficiencies were noticed -

- *Proper assessment of quantum of solid waste generated in the NPs had not been carried out. Instances of mixing of bio-medical, horticultural and construction waste with MSW were noticed. Organised segregation of various types of waste at the point of generation and Vermicompost plants were not carried out in test checked NPs. Instances of overflowing of storage containers were found which led to accumulation of waste and creation of unhygienic conditions. Transportation of MSW in open instead of covered vehicles were noticed in test checked NPs.*
- *Vermicompost Plants (VCPs) were either not being utilised at all or were not being utilised optimally, and seven Sanitary Landfill Facilities (SLFs) though completed by January 2013 had not been put to use till date (August 2013). Six other SLFs constructed (November 2006) at a cost of ₹ 2.29 crore under Gujarat Earthquake Rehabilitation and Reconstruction Programme were not operationalised due to defective designs prepared by the consultants.*
- *Out of 159 NPs in the State, 66 NPs were not having VCPs and 123 NPs had no SLFs. The absence of VCPs and SLFs led to open dumping of waste by NPs in violation of MSW Rules.*
- *Twelfth Finance Commission (TwFC) funds were utilised for inadmissible works and ₹ 61.35 crore were utilised after the award period without approval of GoI, and incorrect utilisation certificate was submitted to the GoI. Due to non-procurement of Litter Bins, ₹ 2.41 crore were refunded. Operation and Maintenance contract of VCPs were awarded by Gujarat Urban Development Company Limited (GUDC) without invitation of tenders.*
- *NPs were operating VCPs without authorisation from Gujarat Pollution Control Board (GPCB). Risks to environment and human health were not addressed due to lack of monitoring by GPCB. Carbon credit benefits of ₹ 7.42 crore could not be availed by GUDC.*

4.1.1 Introduction

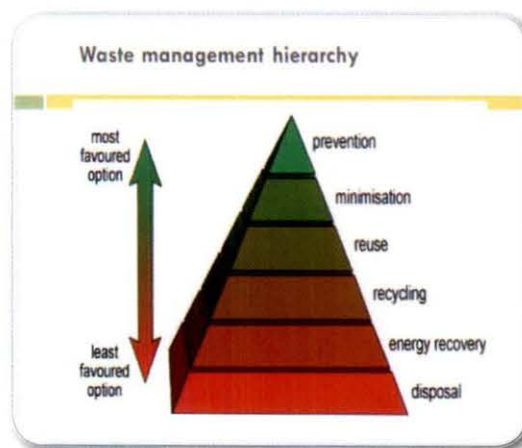
Over the years, there has been a continuous increase in the proportion of population residing in urban areas which has led to uncontrolled growth in these areas resulting in weak delivery of basic infrastructural services of water supply, sewerage and waste management.

The collection and disposal of municipal solid waste (MSW) is one of the pressing problems of city life and has assumed great importance today. With the growing urbanisation as a result of planned economic growth and industrialisation, problems are becoming acute and calls for immediate and concerted action. The proper disposal of urban waste is not only absolutely necessary for the preservation and improvement of public health, but has immense potential for resource recovery.

To streamline the process of handling, collection, transportation and disposal of MSW and to avoid any adverse impact on human health, Government of India (GoI) framed Municipal Solid Waste (Management and Handling) Rules, 2000 (MSW Rules). The objective of the rules is to make every municipal authority responsible for the implementation of the provisions of the Rules within the territorial area of the municipality.

Manual of MSW Management¹ states that Waste Management involves “collection, transportation, recovery of recyclable materials and disposal of waste, including the supervision of such operations and after care of disposal sites”.

It also provides that priority should be given to extract the maximum practical benefits from the waste, promote waste prevention and waste minimisations by adopting the strategies of “Three Rs” (reduce, reuse and recycle). The most widely accepted waste management hierarchy is depicted below –



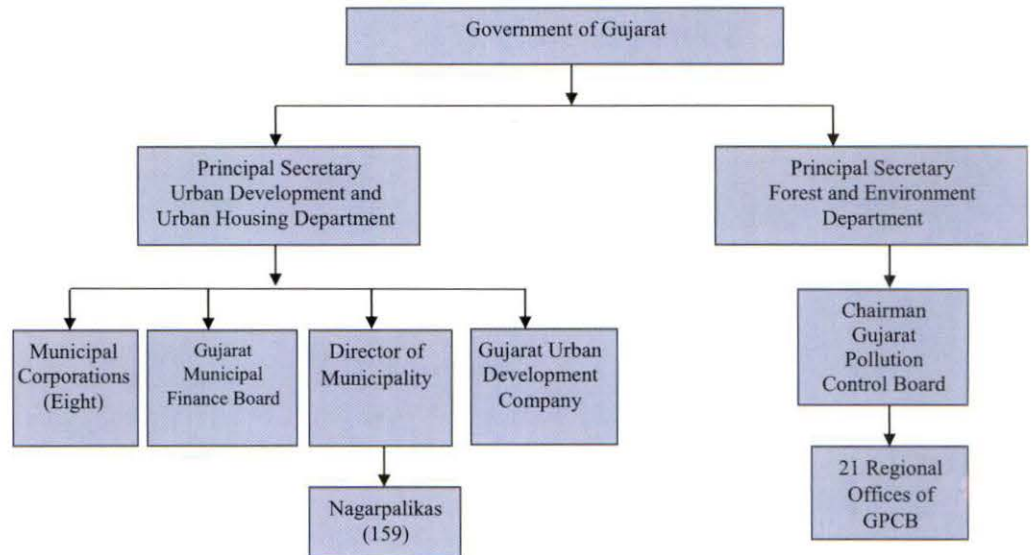
¹ Issued by Ministry of Urban Development, GOI in May 2000

Internationally, the strategies such as eco audit², life-cycle analysis³, extended producer responsibility⁴, product stewardship⁵, deposit fund schemes⁶, promoting the use of refill packs, *etc.* are initiated to reduce the quantum of MSW.

In Gujarat, there are 187 Urban Local Bodies i.e. eight Municipal Corporations (MCs), 159 Nagarpalikas (NPs) and 20 Notified Areas (NAs) as of March 2013.

4.1.2 Organisational set-up

The organisational set-up for implementation of MSW in the State is as depicted below -



Principal Secretary, Urban Development and Urban Housing Department (UD&UHD) is responsible for overall enforcement of the provisions of MSW Rules in the State. The State Government appointed (September 2005) Gujarat Urban Development Company Limited (GUDC) as nodal agency for development of infrastructure for collection, segregation, transportation, processing and disposal of MSW. The Principal Secretary, Forest and Environment Department is responsible for monitoring the compliance of the standards⁷ as prescribed under MSW Rules. He is assisted by Gujarat Pollution Control Board (GPCB) having 21 Regional Offices⁸ in the State.

4.1.3 Audit Objectives

The broad objectives of the performance audit were to ascertain (through a sample of 41 NPs and eight Regional Offices of GPCB in seven Districts, UD&UHD, GUDC and GPCB) whether -

- 2 Environmental management tool employed by businesses to facilitate better management of their environmental performance and to assess the financial benefits and disadvantages to be derived from adopting environmentally sound policy
- 3 To compare the environmental performance of products and services, to be able to choose the least burdensome one
- 4 EPR is a strategy designed to promote the integration of environmental costs associated with products throughout their life-cycles into the market price of the products. This means that firms, which manufacture, import and/or sell products, are required to be financially or physically responsible for such products after their useful life
- 5 Is a concept whereby environmental protection centres on the product itself, and everyone involved in the lifespan of the product is called upon to take up responsibility to reduce its environmental impact
- 6 Offer customers a financial incentive to return packaging for reuse
- 7 Ground water, ambient air, leachate quality and the compost quality including incineration standards as specified under Schedules II, III and IV of MSW (Management & Handling) Rules, 2000 (MSW Rules).
- 8 Ahmedabad, Anand, Ankleshwar, Bhavnagar, Bharuch, Bhuj, Gandhinagar, Godhra, Himmatnagar, Jamnagar, Junagadh, Mehsana, Nadiad, Navsari, Palanpur, Porbandar, Rajkot, Surat, Surendranagar, Vadodara and Vapi

- the quantum of waste being generated was accurately assessed; risks to environment and health were identified and adequate infrastructure was created for implementation of MSW Rules;
- adequate funding and manpower for implementation of MSW Rules were available and funds/infrastructure was used economically, efficiently and effectively; and
- the monitoring and enforcement mechanisms were effectively functioning so as to achieve the desired objectives of solid waste management system.

4.1.4 Audit criteria

In order to achieve the audit objectives, the following audit criteria were adopted-

- Municipal Solid Waste (Management and Handling) Rules 2000;
- Manual on Municipal Solid Waste Management;
- Instructions and guidelines issued by Central Pollution Control Board (CPCB)/Gujarat Pollution Control Board (GPCB) from time to time; and
- Rules, policies and directions issued by the Government on solid waste management from time to time.

4.1.5 Audit Coverage and methodology

The Twelfth Finance Commissions (TwFC) provided funds for the activities relating to development of processing and disposal site and purchase of tools and equipment. The remaining activities such as collection of waste, street sweeping, transportation to the landfill site were to be funded by the ULBs from their own revenue. In the State, GUDC is the nodal agency responsible for creation of infrastructural facilities in the Nagarpalikas for implementation of MSW Rules from the TwFC grants. Municipal Corporations were responsible for creation of infrastructural facilities and implementation of MSW Rules from their own revenue in the corporation areas.

Performance Audit covered a review of records for the period 2008-13 pertaining to management of MSW in Nagarpalikas only. Since no funds were provided to the Municipal Corporations (MCs), these were not selected for review. Seven out of 26 Districts of the State were selected using Simple Random Sampling without replacement method. Records of 41 Nagarpalikas at selected Districts (Appendix-XIX), GPCB and its eight Regional Offices⁹, GUDC and UD&UHD were test checked (between January 2013 and August 2013) to assess enforcement status of MSW Rules.

⁹ Regional Offices of GPCB Ahmedabad, Bhavnagar, Gandhinagar, Navsari, Palanpur, Surat, Surendranagar and Vadodara

An entry conference was held (3 July 2013) with Deputy Secretary of UD&UHD along with representatives of other line departments/authorities to discuss the audit objectives and methodology. Audit methodology mainly consisted of document analysis, joint field visits with officials of GPCB and Nagarpalikas (NPs), examination of reports and records (for the period 2008-13) at various levels. After the conclusion of field audit, the draft audit findings were discussed (10 October 2013) with Deputy Secretary, UD&UHD during exit conference. The views of the State Government emanating from the exit conference have been duly incorporated in the Report.

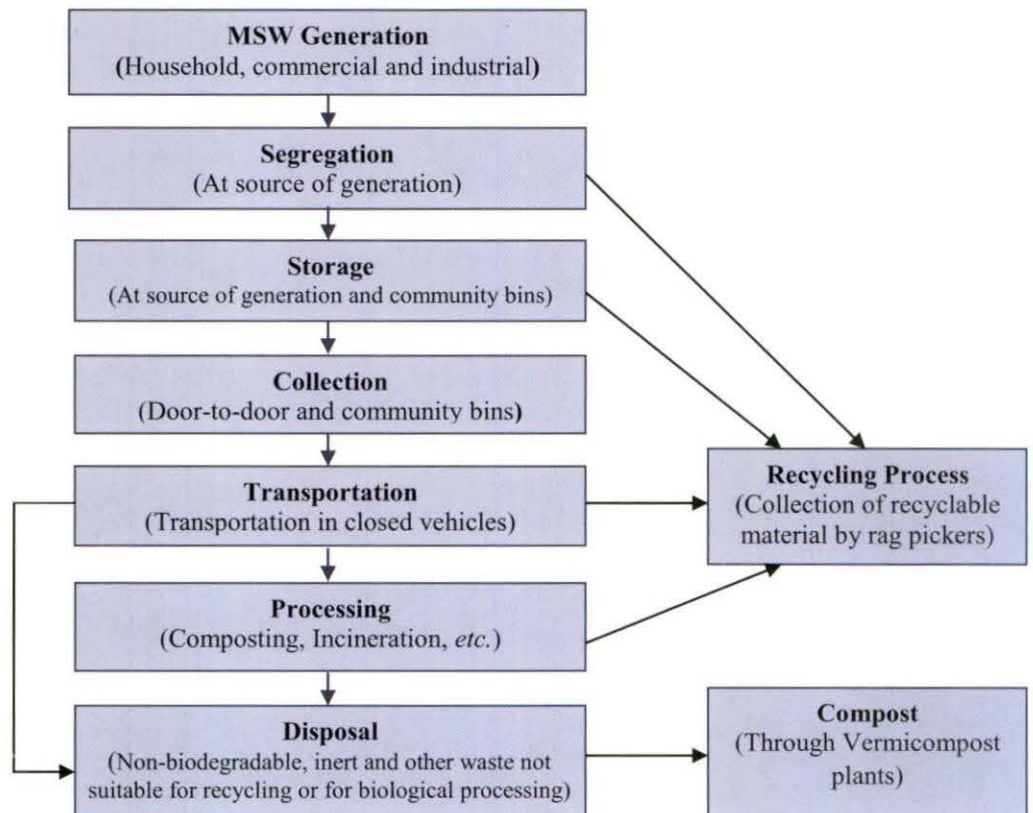
Acknowledgement

Audit acknowledges the co-operation and assistance extended by the GUDC, GPCB, NPs and their officials at various stages during conduct of the performance audit.

Audit Findings

4.1.6 Implementation of Municipal Solid Waste Rules

Schedule II of the MSW Rules provide for segregation, storage, collection, transportation, processing and disposal of municipal solid waste for proper management of MSW. The life-cycle for management of MSW is as shown below:



4.1.6.1 Assessment of waste

Every municipal authority shall, within the territorial area of the municipality, be responsible for the implementation of the provisions of MSW Rules, and for any

infrastructure development for collection, storage, segregation, transportation, processing and disposal of MSW. For implementation of these activities, every municipal authority shall have to identify the types of waste and an assessment of waste being generated in its territorial area.

- ***Incorrect reporting of generation of MSW***

The MSW Rules prescribe that every municipal authority¹⁰ shall furnish its Annual Report (AR) to the GPCB on or before the 30 June every year and GPCB, in turn, shall prepare and submit its AR to the Central Pollution Control Board (CPCB) with regard to the implementation of the MSW Rules by 15 September every year. Status of submission of ARs by NPs to GPCB is as shown in **Table 1** below –

Table 1: Status of submission of ARs

| Year | Total number of NPs | Quantum of waste shown as generated in the AR of GPCB for 159 NPs (in lakh Metric Tons) | Number of NPs who submitted ARs | Number of NPs who had not submitted ARs | Percentage of non-submission of ARs by NPs |
|---------|---------------------|---|---------------------------------|---|--|
| 2008-09 | 159 | 7.60 | 60 | 99 | 62 |
| 2009-10 | 159 | 7.87 | 37 | 122 | 77 |
| 2010-11 | 159 | 7.88 | 49 | 110 | 69 |
| 2011-12 | 159 | 8.13 | 30 | 129 | 81 |
| 2012-13 | 159 | 8.56 | 51 | 108 | 68 |

(Source: Information provided by GPCB)

The above table indicates that the percentage of non-submission of ARs by NPs ranged from 62 to 81 during the period 2008-13. Audit observed that GPCB submitted the ARs for the State as a whole to CPCB, by considering the information of previous year in respect of NPs which had not submitted their ARs in time. Thus, the ARs submitted by GPCB to CPCB reflected incorrect picture of implementation of MSW in the State.

The Government stated (December 2013) that the survey was under progress for estimating the quantity of MSW generated and reporting pattern.

- ***Quantum of Solid waste exhibited without weighing***

The MSW Rules envisage the facility of weighing scale at disposal sites in each NPs for accurate assessment of solid waste generated and its reporting in the ARs. However, during joint field visit of all 41 test checked NPs, it was noticed that the NPs were not having the facility of weighing the waste generated and the quantum of waste generated in these NPs (except Songadh NP) was determined without weighing. Thus, the figures reported in the ARs regarding quantity of MSW generated would not be correct, with consequent impact on the estimated quantity of waste to be disposed of (being bio-degradable) or the quantity to be converted as compost through biological processing.

¹⁰ Municipal Councils in the State are known as Nagarpalikas

Government stated (December 2013) that survey for requirement of weighing devices was under process and the same would be provided to the NPs by GUDC on their demand.

The review has been organised into the following sections :

4.1.6.2 Segregation of MSW

The compliance criteria under Schedule-II of MSW Rules for segregation of MSW provides that the municipal authority shall organise awareness programmes, meetings with local resident welfare associations and NGOs to encourage the citizens and community participation for segregation of various types of waste, and for promoting recycling or reuse of segregated materials. Segregation of the MSW is required for separating the recyclable material, organic waste for processing and residual inert material for disposal.

- **Non-segregation of MSW**

Audit observed that awareness programme and encouragement for segregation of waste at the point of generation was not done in any of the test checked NPs. Further, it was observed that segregation of waste at the Vermicompost plant was also not carried out in 37 out of 41 test checked NPs¹¹ (90 per cent). Thus, an organised and scientifically planned source segregation system was not developed in the test checked NPs.

The Government stated (December 2013) that best attempt was being made to follow the Rules and all NPs would be directed to carry out segregation of MSW as per Rule.

4.1.6.3 Collection of MSW

Compliance criteria under Schedule-II of MSW Rules for collection of MSW prohibit littering of MSW in cities, towns and in urban areas notified by the State Government. To prohibit littering and facilitate compliance, the municipal authority shall take steps namely (i) house to house collection of MSW through community bin collection, collection on regular pre-informed timings and schedule; (ii) devising collection of waste from slums and squatter areas or localities including hotels, restaurants, office complexes and commercial areas; (iii) wastes from slaughter houses, meat and fish markets, fruits and vegetable markets, which are biodegradable in nature, shall be managed to make use of such wastes; (iv) Bio-medical wastes and industrial wastes shall not be mixed with MSW and such wastes shall follow the rules separately specified for the purpose; (v) collected waste from residential and other areas shall be transferred to community bin by hand-driven containerised cart or other small vehicles; (vi) Horticultural and construction or demolition wastes or debris shall be separately collected and disposed of; (vii) waste (garbage, dry leaves) shall not be burnt; and (viii) stray animals shall not be allowed to move around waste storage facilities or at any other place in the city or town.

¹¹ Except Bagsara, Bardoli, Lathi and Tharad

The observations of audit in the test checked NPs in relation to MSW are discussed as follows -

- ***Non-maintenance of waste collection records***

Schedule-II of the MSW Rules specified steps for collection of waste generated in the Municipal area such as organised house to house collection, collection from slums and squatter areas or localities including hotels, restaurants, office complexes and commercial areas, *etc.* As none of the NPs test checked had maintained proper log books in respect of vehicles engaged for MSW collection or other records regarding collection of waste, audit could not verify whether the specified organised system was implemented in the NPs for collection of waste on regular basis.

The Government stated (December 2013) that the Director of Municipalities (DOM) has verified and found that the log books are being maintained by the ULBs for the vehicles engaged in MSW collection. The reply was not acceptable as during the meeting (23 July 2013) with Deputy Director of Municipalities and representatives of 41 test checked NPs, the fact of incomplete maintenance of log books for vehicles engaged for MSW collection was accepted by the Deputy Directors and all NPs were directed to strictly abide by the MSW Rules.

- ***Mixing of Bio-medical waste with MSW***

Bio-medical wastes (BMW) are required to be disposed/handled in accordance with BMW Rules 1998. Schedule-II of MSW Rules provides that BMW shall not be mixed with MSW and such wastes shall be disposed of following the Rules separately specified for the purpose. However, Audit observed during joint field visit that BMW were mixed with MSW in 24 out of 41 test checked NPs (59 per cent), which could prove harmful to the environment (**Picture 1**). Further, it was observed that BMW was found mixed with MSW in container outside the RMS Hospital, Dhandhuka (**Picture 2**) which is a hazard for patients, their family, hospital staff and visitors of the hospital.



Picture 1
BMW mixed with MSW at Chalala NP dumping site,
Amreli District (05.06.2013)



Picture 2
BMW mixed in MSW container at Dhandhuka NP, Ahmedabad
District (31.05.2013)

The Forest and Environment Department accepted (November 2013) the fact and stated that GPCB would take stern action against violators of BMW Rules and if any Health Care Unit (HCU) is found disposing BMW in MSW bins, closure order of HCU would be issued.

- *Mixing of Horticultural and Construction waste along with MSW*

Schedule-II of MSW Rules specifies that horticultural and construction/ demolition waste or debris are required to be separately collected and disposed of following proper norms. However, Audit observed during joint field visit that in 39 out of 41 test checked NPs (95 per cent) (except Songadh and Vyara), these wastes were not collected separately, thereby violating the provisions of the Rules (**Picture 3 and 4**).



Picture 3
Construction and Demolition waste dumped along with MSW at Padra NP, Vadodara District (07.05.2013)



Picture 4
Construction and Demolition waste dumped along with MSW at Bhabhar NP, Banaskantha District (17.06.2013)

Government stated (December 2013) that it has been decided to take stringent action against the builders violating the provision of the Rule.

4.1.6.4 Storage of Municipal Solid Waste

Schedule II of MSW Rules stipulate that municipal authorities shall establish and maintain storage facilities for MSW in such a manner that unhygienic and insanitary conditions were not created. Further, the storage facility was to be established by taking into account quantities of waste generation in a given area and the population densities; placed in an area that is accessible to users; and bins for storage of bio-degradable wastes shall be painted green, white for storage of recyclable wastes and black for storage of other wastes.

- *Inadequate storage facilities*

Audit observed that GUDC supplied only Green and Black containers to the NPs. Further, during joint field visit of 41 NPs, it was observed that none of the NPs placed the different coloured containers at one particular place. Further, it was seen that in 12 NPs¹² the containers were overflowing with MSW (**Picture 5 and 6**).

¹² Amreli, Babra, Barvala, Deesa, Dhandhuka, Dhanera, Dholka, Dhrangadhra, Kankpur-kansad, Karjan, Palanpur and Tharad



Picture 5
Container overflowing with MSW at Dholka NP,
Ahmedabad District (10.04.2013)



Picture 6
Container overflowing at Dhanera NP, Banaskantha
District (18.06.2013)

This indicated that the containers were not lifted regularly. Overflowing of wastes could lead to unhygienic condition, contamination of the environment and cause health problems for the nearby residents.

The Government stated (December 2013) that a survey for assessing the requirements in the NPs was under progress and the white containers would be provided to the NPs by GUDC after completion of the survey.

4.1.6.5 Transportation of MSW

According to MSW Rules, wastes transported by vehicles shall be covered, should not be visible to public or exposed to open environment to prevent their scattering.

- *Transportation of MSW in open vehicle*

Audit observed that all test checked NPs were having only open vehicles and using these for transportation of waste (**Picture 7 and 8**). This could result in littering of the wastes and the very purpose of hygienic transfer of MSW from one place to prevent foul odour, littering and unsightly conditions was defeated.



Picture 7
Uncovered vehicle used for transportation of solid waste at
Surendranagar NP, Surendranagar District (22.05.2013)



Picture 8
Uncovered vehicle used for transportation of solid waste
and stray animal grazing the waste at Bagasara NP, Amreli
District (05.06.2013)

The Government stated (December 2013) that tractors were provided by GUDC for transportation of MSW. It was further stated that the Tarpaulin Sheets would be provided to all NPs by GUDC.

4.1.6.6 Processing of Municipal Solid Waste

Schedule II of the MSW Rules provide that municipal authorities shall adopt suitable technology or combination of such technologies to make use of wastes so as to minimise burden on landfill. In this connection, the biodegradable wastes shall be processed by composting, vermicomposting, anaerobic digestion or any other appropriate processing for stabilisation of wastes and shall ensure that compost or any other end product shall comply with standards as specified in Schedule-IV. For mixed waste containing recoverable resources, the route of recycling, incineration with or without energy recovery including pelletisation was to be followed and the municipal authority or the operator of the facility shall approach the State Pollution Control Board to get the standards laid down before applying for grant of authorisation. Further, Schedule-I of the MSW Rules provided the time schedule of December 2003 or earlier for setting up of processing and disposal facilities.

The State Government adopted the technology of vermicomposting in the NPs. The deficiencies in planning for establishment of Vermicompost Plants¹³ (VCPs) and its functioning noticed in 41 test checked NPs is as discussed below -

- *Non-adherence to implementation schedule*

Schedule I of MSW Rules¹⁴ provided the time schedule of December 2003 or earlier for setting up of processing and disposal facilities. Though 159 VCPs (one for each NPs) were required in the State, the GUDC planned for only 93 VCPs in first phase (December 2006 to April 2009) and 36 VCPs in the second phase (July 2009 to December 2010) for processing of solid waste generated in all the NPs in the State. Audit observed that GUDC had completed (upto August 2013) only 93 VCPs (First phase – 70 VCPs and Second phase – 23 VCPs). The work for the remaining 36 VCPs were not taken up (**Appendix-XX**) due to non-availability of land (11 VCPs) and unsuitable land allotted for VCP (25 VCPs). Remaining 30 VCPs have not been planned by GUDC till date (August 2013).

The Government stated (December 2013) that construction work for VCPs in 93 NPs were completed and remaining were under progress and therefore, it was not an issue of non-adherence to implementation schedule. The reply was not acceptable as, though the prescribed time schedule (December 2003 or earlier) has elapsed and 66 NPs were still not having the facility of VCPs for processing and disposal of waste.

- *Non-utilisation of Vermicompost Plants*

During joint field visit of the test checked NPs, it was observed that 12 NPs¹⁵ out of 18 NPs¹⁶ having the facility of Vermicompost plants (VCPs) were not utilising these facilities for the intended purpose of compost production. Most of these facilities were being used as dumping sites and were found surrounded with haphazardly thrown MSW. Further, the MSW were not covered, which resulted in littering of the waste (**Picture 9, 10 and 11**).

13 Process of using earthworms for conversion of biodegradable waste in to compost

14 Notified in 25 September 2000

15 Bavala, Dhandhuka and Viramgam (Ahmedabad District); Chalala and Savarkundla (Amreli District); Deesa (Banaskantha District); Dhrangadhra, Surendranagar and Wadhwan (Surendranagar District); Dabhoi, Karjan and, Padra (Vadodara District)

16 Bavala, Dhandhuka and Viramgam (Ahmedabad District), Bagsara, Chalala, Lathi and Savarkundla (Amreli District); Deesa and Tharad (Banaskantha District), Bardoli (Surat District), Dhrangadhra, Limbdi, Surendranagar, Thangadh and Wadhwan (Surendranagar District), Dabhoi, Karjan and Padra (Vadodara District)



Picture 9 : VCP not being utilised and encircled with unsegregated solid waste at Surendranagar NP, Surendranagar District (22.05.2013)



Picture 10
Idle VCP at Savarkundla NP, Amreli District (04.06.2013)

Picture 11
Idle VCP at Padra NP, Vadodara District (07.05.2013)

The Government stated (December 2013) that GUDC has appointed an agency¹⁷ to carry out survey of all individual NPs to assess the requirement of prescribed equipment and attempt would be made to make VCPs self sufficient.

- **Under-utilisation of VCPs**

During joint field visit at four NPs¹⁸ it was observed that VCPs were being partially utilised, as only some of the pits constructed for processing of organic component of solid waste were being utilised for processing purpose as shown in **Table 2** below –

Table 2 : Under utilisation of VCPs

| Sr. No. | NPs | Date of joint field visit | Number of pits constructed | Number of pits utilised | Percentage of utilisation |
|---------|----------|---------------------------|----------------------------|-------------------------|---------------------------|
| 1. | Bagasara | 05.06.2013 | 22 | 04 | 18 |
| 2. | Limbdi | 23.05.2013 | 22 | 06 | 27 |
| 3. | Thangadh | 24.05.2013 | 22 | 08 | 36 |
| 4. | Tharad | 17.06.2013 | 14 | 04 | 29 |

The above table shows that the utilisation of pits in four test checked NPs ranged from 18 to 36 *per cent*. This indicated that the infrastructure created was not being fully utilised for the purpose for which it was created (**Picture 12 and 13**).

¹⁷ All India Institute of Local Self Governance an Non-Government Organisation (NGO)

¹⁸ Bagasara (Amreli District); Tharad (Banaskantha District); Limbdi and Thangadh (Surendranagar District)



Picture 12
VCP at Bagsara NP, Amreli District
(05.06.2013)



Picture 13
VCP at Thangadh, Surendranagar District
(24.05.2013)

The Government accepted (December 2013) the facts and stated that instructions would be issued to the NPs for best possible utilisation of the VCPs.

- *Dilapidated/Incomplete VCPs*

During joint field visit at three NPs¹⁹ it was observed that the construction of VCP started by GUDC at Jafrabad NP (July 2009) and Dholka NP (July 2009) were abandoned and remained incomplete (July 2013) after erection of platform and skeleton respectively (**Picture 14 and 15**). The VCP at Jafrabad NP was abandoned due to opposition by local public and the VCP at Dholka NP was not found suitable due to water logging as it was constructed in a low lying land adjacent to the dumping site. Though the construction of VCP at Songadh NP was completed (April 2009), it was observed that the same was not being utilised (July 2013) for the last 21 months as six out of the seven sheds erected over the pits were destroyed due to rains and no action was taken to re-erect the sheds for utilisation of the pits (**Picture 16**). GUDC could not provide the records relating to cost of construction of these VCPs.



Picture 14
Incomplete VCP at Jafrabad NP, Amreli District
(04.06.2013)



Picture 15
Incomplete VCP at Dholka NP, Ahmedabad District
(10.04.2013)

¹⁹ Dholka (Ahmedabad), Jafrabad (Amreli) and Songadh (Tapi)



Picture 16

The sheds of pits were absent and the VCP was lying idle at Songadh NP, Tapi District (04.07.2013)

GUDC stated (August 2013 and January 2014) that no payment had been made for VCPs at Jafrabad and Dholka NPs. The Government stated (December 2013) that tender would be floated for maintenance and repairs of existing VCPs.

- *VCP constructed at low lying area*

MSW Manual provides that the site for VCPs should be flat, not prone to flooding, readily approachable but slightly away from a main road, with sufficiently wide approach road. It further provides that areas for supply of compost should be near and easily accessible and a site for disposal of non-compostables should be available near the compost plant site.

Audit observed (May 2013) that the VCP at Limbdi NP was constructed in a low lying area near Bhogavo river which resulted in non-utilisation of VCP during rainy season due to water logging. This indicated that the site was incorrectly selected. The NP resorted to unscientific dumping of MSW in open areas near VCP during the rainy season which could lead to contamination of river water.

The Government stated (December 2013) that efforts would be made to shift the VCPs to appropriate location to avoid future problem.

- *Non-delivery of MSW by the NPs*

The NPs in the State were categorised as 'A' to 'D' based on the population of the NP. As per the State Government decision (January 2009), the operation and maintenance (O&M) of VCPs of 'C' and 'D' categories would be handled by GUDC by engaging NGOs whereas the O&M of VCPs of 'A' and 'B' categories would be handled by the respective NPs. The constructions of VCP in three NPs (under 'C' and 'D' categories) were completed at a cost of ₹ 1.00 crore and the contract of O&M was awarded to NGOs²⁰ by GUDC for processing of MSW. However, Audit observed (June 2013) that the NPs had not delivered their wastes since the completion of the VCPs resulting in non-utilisation of the VCPs till date and unfruitful expenditure on O&M incurred towards pay and allowance on watchman claimed by the NGO as shown in **Table 3** as follows—

20 Dakor NP – Deep Ganga Gramodhyog Sewa Sangh, Dhandhuka NP – Unnati Foundation for Social Development and Padra NP – Shri Ishvar Gram Vikas Trust

Table 3 : Non-delivery of MSW

| Sr. No. | Name of the NPs and their category | Quantum of MSW generated per day (in metric ton) | Date of completion of the work of VCP | Cost of the VCP (₹ in crore) | O&M expenses (₹ in lakh) |
|--------------|------------------------------------|--|---------------------------------------|------------------------------|--------------------------|
| 1. | Dakor ('D' category) | 6.40 | 31.03.2008 | 0.34 | 1.68 |
| 2. | Dhandhuka ('C' category) | 17.00 | 31.05.2008 | 0.26 | 1.68 |
| 3. | Padra ('C' category) | 7.50 | 30.04.2009 | 0.40 | 0.96 |
| Total | | 30.90 | | 1.00 | 4.32 |

(Source : Information furnished by GUDC)

GUDC agreed (August 2013) with the audit observation and stated that the matter would be taken up with UD&UHD to ensure the utilisation of the facilities by the NPs. The Government stated (December 2013) that NPs have been instructed to strictly follow the mandated Rules to keep the surrounding environment tidy.

- *Non-handing over of completed VCPs*

Out of 93 VCPs completed by GUDC, Audit observed that six VCPs constructed at a cost of ₹ 8.00 crore had not been handed over to the respective NPs (July 2013) which resulted in non-utilisation of VCPs and non-processing of 208.30 metric tonne (MT) MSW generated *per* day since their completion as shown in **Table 4** below –

Table 4: Non-handing over of VCPs

| Sr. No. | Name of the NPs and their category | Quantum of MSW generated per day (in MT) | Date of completion of the work of VCP | Cost of construction of the VCPs (₹ in crore) |
|--------------|------------------------------------|--|---------------------------------------|---|
| 1. | Godhra ('A' Category) | 46.70 | 31.03.2009 | 2.13 |
| 2. | Patan ('A' Category) | 40.00 | 31.12.2010 | 1.12 |
| 3. | Khambhat ('B' Category) | 24.30 | 30.04.2009 | 0.80 |
| 4. | Porbandar ('A' Category) | 45.00 | 31.07.2010 | 2.45 |
| 5. | Mahuwa ('B' Category) | 26.00 | 31.12.2011 | 0.75 ²¹ |
| 6. | Ankleshwar ('B' Category) | 26.30 | 30.04.2009 | 0.75 |
| Total | | 208.30 | | 8.00 |

(Source : Information furnished by GUDC)

The Government stated (December 2013) that completed VCPs would be handed over to NPs.

4.1.6.7 Disposal of Municipal Solid Waste

Schedule II of the MSW Rules provide that land filling shall be restricted to non-biodegradable, inert and other wastes that are not suitable either for recycling

21 Approximate cost

or for biological processing. Land filling shall also be carried out for residues of waste processing facilities (i.e. VCPs) as well as pre-processing rejects from waste processing facilities. It also provides that land filling of mixed waste shall be avoided unless the same is found unsuitable for waste processing and the landfill sites shall meet the specifications as given in Schedule-III of MSW Rules.

The deficiencies in planning for establishment of Sanitary Landfill Sites²² (SLFs) and their functioning are discussed below-

- ***Non-adherencetoimplementationcheduleandnon-operationalisation of SLFs***

Schedule-I of the MSW Rules provided the time schedule of December 2001 or earlier for improvement of existing SLFs and December 2002 or earlier for identification of landfill sites for future use and making site(s) ready for operation.

For disposal of solid waste, the State Government planned 36 SLF clusters to cover seven Municipal Corporations (MCs) and 159 NPs by January 2013. Seven SLF clusters were to be identified and operationalised by seven MCs covering 42 nearby NPs and its municipal area. The remaining 29 SLF clusters covering 117 NPs were to be taken up by GUDC. Audit observed that against the target of completion by December 2002, GUDC had completed (January 2013) only seven SLF clusters out of 29 SLF clusters covering 36 NPs. The works in the remaining 22 SLF clusters to cover 81 NPs were not taken up due to non-availability of land and non-viability of cluster on account of low volume of inert waste and transportation cost/distance from the NPs. Further, none of these seven SLFs had been put to use (December 2013) due to non-finalisation of tenders for engaging agencies for O&M of SLFs. This resulted in unscientific disposal of MSW by the NPs and non-implementation of the provisions of MSW Rules despite passage of more than 13 years since inception of MSW Rules.

Audit also observed that as the NPs were resorting to open dumping, stray animals were having easy access to these sites (**Picture 17 and 18**).



Picture 17
Stray animals at the open dumping site of Songadh NP, Tapi District (08.07.2013)



Picture 18
Stray animals at the open dumping site of Chotila NP, Surendranagar District (24.05.2013)

²² Disposal of non-biodegradable, inert and other waste that are not suitable either for recycling or for biological processing

Open dumping not only violated the provisions of the MSW Rules but added to the filthiness in the surroundings of the NPs coupled with health hazards.

The Government stated (December 2013) that construction works for seven SLFs were completed and remaining were under progress and therefore, it was not an issue of non-adherence to implementation schedule. The Government further stated that the tender process for allotment of O&M activities of the constructed SLFs was under progress. The reply was not acceptable as, though the prescribed time schedule (December 2002 or earlier) had elapsed, the SLFs were not put to use and work in respect of 22 SLFs was yet to begin.

- ***Unfruitful expenditure under Gujarat Earthquake Rehabilitation and Reconstruction Programme (GERRP)***

GUDC awarded (July 2005) the work for construction of six SLFs²³ to an agency²⁴ at a tendered cost of ₹ 3.14 crore under GERRP as per the design, drawing and contract documents prepared by the consultant²⁵. The work was treated as completed (November 2006) after the agency executed the work to the tune of ₹ 2.29 crore as per the scope of work awarded and the payment of ₹ 2.29 crore was made to the agency. However, the GPCB issued (November 2009) notice for non-compliance of MSW Rules as high density polyethylene (HDPE) liner, fencing, plantation, weighbridge, Safety devices, facility for leachate collection, *etc.* had not been provided at any of these SLFs. Thus, the designs prepared by the consultant for construction of the SLFs were not as per the criteria of MSW Rules. It was also observed that these SLFs were not put to use since completion of the work by the agency due to faulty design. This resulted in unfruitful expenditure of ₹ 2.29 crore besides dumping of MSW in open areas by NPs in absence of any scientific disposal facility. **Pictures 19 and 20** below shows that the SLFs were incomplete and lying unutilised.



Picture 19
Incomplete SLF developed by GUDC, under GERRP at
Bhachau, Kutch District (10.07.2013)



Picture 20
Incomplete SLF developed by GUDC under GERRP at
Wankaner, Rajkot District (21.06.2013)

The Government stated (December 2013) that necessary modifications would be carried out after obtaining suggestions from another consultant²⁶ appointed

23 Anjar, Bhachau, Gandhidham, Halwad, Morbi and Wankaner

24 Backbone Enterprise Limited

25 Tata Consulting Engineers Limited

26 Eco-Design

for the same. The GUDC stated (April 2014) that the final payment to the consultant has been withheld due to preparation of faulty design. The fact remains that though more than three years have elapsed from the date of issue of notice by GPCB, the deficiencies have not been rectified and SLFs have not been put to use.

- ***Burning of MSW***

Schedule II of MSW Rules provide that waste (garbage, dry leaves) shall not be burnt. However, Audit observed during joint field visit that MSW were being disposed by burning in the open at various places²⁷ (**Pictures 21 and 22**) in 40 out of 41 test checked NPs (98 per cent) (except Rajula NP). This reflected the indifferent attitude of the concerned authorities in managing the waste. Burning of MSW was not only a violation of MSW Rules but was also fraught with severe environmental and health risks.



Picture 21
Solid Waste being burnt at Dumping site in Dholka NP,
Ahmedabad District (10.04.2013)



Picture 22
Solid Waste being burnt at Vermicompost plant of Wadhvan
NP, Surendranagar District (21.05.2013)

The Government stated (December 2013) that efforts to adhere to MSW Rules would be followed and notice would be issued to individual NPs.

- ***Non-declaration of Buffer zone***

Schedule III of MSW Rules specifies that a buffer zone of no-development shall be maintained around landfill site and shall be incorporated in the Town Planning Department's land-use plans. However, despite developing 13 SLFs (six under GERRP and seven under the ongoing MSW Management Project) it was observed that neither any notifications were issued by the State Government nor any records were available regarding declaration of the adjoining areas of these SLFs as Buffer Zone of no-development (August 2013).

The Government stated (December 2013) that the Chief Town Planner was making best efforts to make adjoining areas of SLFs as Buffer Zone.

4.1.6.8 Non-synchronisation of processing and disposal facilities

To minimise burden on landfill sites, MSW Rules provide that biodegradable wastes shall be processed by composting, vermicomposting, anaerobic digestion

²⁷ Dumping sites, processing sites, inside and adjacent to containers, etc.

or any other appropriate biological processing for stabilisation of wastes. Non-biodegradable, inert and other waste that are not suitable either for recycling or for biological processing shall be disposed in landfill sites. Thus, the non-biodegradable, inert and other waste of VCPs are required to be disposed finally in SLFs.

As discussed in Paragraph 4.1.6.6 and 4.1.6.7, out of 159 VCPs and 36 cluster SLFs planned, only 93 VCPs and seven SLFs covering 36 NPs had been completed. Audit observed that out of 36 NPs linked with seven SLFs, only 28 NPs were having the facility of VCP. The eight NPs, which were not having VCPs will increase the burden on the seven created SLFs due to dumping of biodegradable wastes alongwith non-biodegradable, inert and other waste.

Thus, the fact remains that out of 159 NPs in the State, 123 NPs were not having any scientific disposal facility such as SLFs and 66 NPs were not having any processing facility such as VCPs even after expiry of a period of more than eleven years of the time allowed under MSW Rules. In the absence of disposal and processing facilities, NPs resorted to unscientific methods of disposal which could lead to contamination of ground water by the leachate generated from the waste dump, contamination of surface water, air pollution, generation of inflammable gas (*e.g.* methane) within the waste dump, bird menace above the waste dump, *etc.* The compliance status of mandatory activities assigned under MSW Rules in the test checked NPs are given in **Appendix-XXI**.

The Government stated (December 2013) that survey is under process by the Consultant and provision of design package of VCPs is being made to support the NPs.

4.1.7 Efforts for minimisation and utilisation of MSW

4.1.7.1 Absence of efforts for waste minimisation

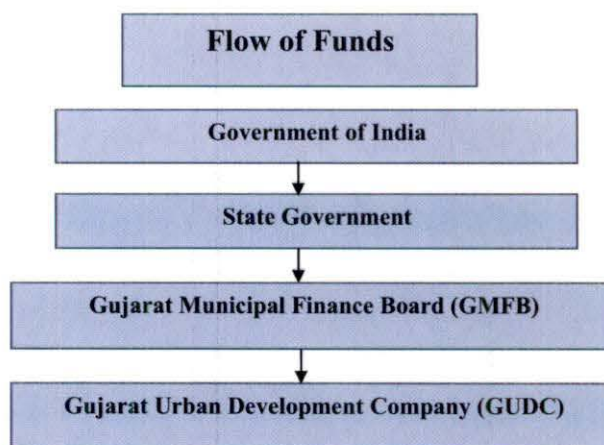
Manual of MSW Management states that priority should be given to extract the maximum practical benefits from the waste and prevent and minimise the waste by adopting the strategies of “Three Rs” (reduce, reuse and recycle). Internationally, the strategies such as eco audit, life-cycle analysis, extended producer responsibility, product stewardship, deposit fund schemes, promoting the use of refill packs, *etc.* are initiated to reduce the quantum of MSW. However, Audit observed that except construction of VCPs and SLFs for processing and disposal of waste, State Government had not initiated any strategies in the State for prevention of waste, minimising the quantum of waste, reuse of waste and recycling of waste (February 2013).

The Government accepted (December 2013) the facts and stated that the NPs are responsible for minimisation of waste and instructions in this regard would be issued to all NPs.

4.1.8 Financial Management

4.1.8.1 Flow of funds

The State Government appointed (September 2005) GUDC as nodal agency for development of infrastructure and implementation of MSW Rules in the NPs. The funds for creation of infrastructure and its O&M were provided by GoI under TwFC grant and subsequently from State Government budget to the Gujarat Municipal Finance Board (GMFB) and the GMFB in turn released grant to the GUDC. The chart depicting the flow of funds is as follows –



4.1.8.2 Funds received and expenditure incurred

Year-wise funds received and expenditure incurred by GUDC for activities related to MSW in the State is as shown in **Table 5**. The details of budget provision and expenditure incurred for management of MSW in test checked NPs are shown in **Appendix-XXII**.

Table 5: Funds received and expenditure incurred

(₹ in crore)

| Year | Opening Balance | Funds received by GUDC from GMFB | | | | Total available fund | Expenditure | | | Closing Balance | Percentage of expenditure |
|--------------|-----------------|----------------------------------|--------------------------------|---------------------------------|---------------|----------------------|-----------------------|---|---------------|-----------------|---------------------------|
| | | GoI under TwFC | State Government ²⁸ | Interest earned during the year | Total | | From TwFC grant (O&M) | Expenditure on Infrastructure from TwFC | Total | | |
| 2005-06 | 0 | 25.00 | 10.60 | 0.12 | 35.72 | 35.72 | 0 | 0.03 | 0.03 | 35.69 | 0 |
| 2006-07 | 35.69 | 57.90 | 16.00 | 4.68 | 78.58 | 114.27 | 0 | 4.10 | 4.10 | 110.17 | 4 |
| 2007-08 | 110.17 | 40.02 | 0.40 | 8.28 | 48.70 | 158.87 | 0 | 30.33 | 30.33 | 128.54 | 19 |
| 2008-09 | 128.54 | 52.50 | 1.21 | 11.79 | 65.50 | 194.04 | 1.46 | 33.03 | 34.49 | 159.55 | 18 |
| 2009-10 | 159.55 | 35.00 | 0.00 | 12.09 | 47.09 | 206.64 | 3.12 | 57.69 | 60.81 | 145.83 | 29 |
| 2010-11 | 145.83 | 0 | 2.41 | 8.26 | 10.67 | 156.50 | 2.74 | 35.40 | 38.14 | 118.36 | 24 |
| 2011-12 | 118.36 | 0 | 0 | 9.08 | 9.08 | 127.44 | 3.25 | 11.88 | 15.13 | 112.31 | 12 |
| 2012-13 | 112.31 | 0 | 0 | 9.39 | 9.39 | 121.70 | 2.99 | 19.53 | 22.52 | 99.18 | 19 |
| Total | | 210.42 | 30.62 | 63.69 | 304.73 | | 13.56 | 191.99 | 205.55 | | |

(Source: Information furnished by GUDC)

28 Major Head of Account is 2217-03-191-291

The above table showed that the percentage of expenditure ranged from zero per cent (2005-06) to 29 per cent (2009-10) against the total available fund during the years 2005-06 to 2012-13 due to non-completion of construction of Vermicompost Plants (VCPs) and Sanitary Landfill Sites (SLFs). Audit observed that GUDC and the State Government had not provided any funds to the NPs for implementation of MSW Rules during the period covered in Audit and no funds were provided for implementation of MSW Rules in the NP under the Thirteenth Finance Commission (ThFC) Grant. Further, Audit could not vouchsafe the year-wise budget provisions made and expenditure incurred by the NPs in the State due to non-availability of records or information with the UD&UHD. This indicated that there was no proper monitoring system at State level to ascertain the implementation of MSW Rules in the NPs though UD&UHD was responsible for overall enforcement of the provisions of MSW Rules in the State.

- **Submission of Utilisation Certificate without actual utilisation of funds**

The GMFB released (2005-10) TwFC grant of ₹ 210.42 crore to GUDC for implementation of MSW works in the State besides, State Government funds of ₹ 28.21 crore and interest earned thereon. GUDC could utilise only ₹ 129.76 crore (upto March 2010). However, Audit observed that State Government submitted (July 2010) Utilisation Certificate (UC) for ₹ 195.00 crore to GoI, though only ₹ 129.76 crore was actually spent by GUDC. Thus, incorrect reporting was made by the State Government to GoI in respect of utilisation of TwFC grant.

The Government stated (December 2013) that correct and timely UCs were submitted for utilisation of TwFC grant. The reply was not acceptable as the records furnished to Audit stated otherwise.

- **Utilisation of TwFC funds without approval**

GoI issued (April 2009) instructions that necessary steps be taken to speed up effective utilisation of TwFC grants by 31 March 2010, failing which the grant would lapse. However, Audit observed that GUDC utilised TwFC grant of ₹ 61.35 crore after March 2010 without obtaining approval of GoI for MSW works (**Table 6**), which was in contravention of GoI instructions –

Table 6 : Utilisation of TwFC grant after March 2010

(₹ in crore)

| Sr. No. | Name of the items | Total expenditure up to December 2012 | Expenditure upto March 2010 | Expenditure incurred after March 2010 | Percentage of expenditure after scheduled time limit |
|---------|-------------------|---------------------------------------|-----------------------------|---------------------------------------|--|
| 1 | SLF | 43.01 | 10.55 | 32.46 | 75 |
| 2 | VCP | 55.96 | 42.01 | 13.95 | 25 |
| 3 | Equipment | 83.51 | 68.57 | 14.94 | 18 |
| | Total | 182.48 | 121.13 | 61.35 | 34 |

(Source: Information furnished by GUDC)

The Government accepted (December 2013) that approval was not obtained from GoI for utilisation of ₹ 61.35 crore after March 2010, but it was claimed that most of the expenses of ₹ 61.35 crore were for the work that had started before March 2010.

- **Utilisation of TwFC funds for inadmissible work**

As discussed in paragraph 4.1.6.6, the O&M of VCPs of NPs of 'C' and 'D' category would be handled by GUDC by engaging NGOs whereas the O&M of VCPs of 'A' and 'B' category would be handled by the respective NPs. Further, as per the approved action plan for utilisation of TwFC grants, the grants released under TwFC shall be utilised only for capital expenditure including the cost of construction of SLFs and VCPs. However, Audit observed that GUDC had incurred expenditure of ₹ 13.56 crore (up to March 2013) towards O&M of VCPs in violation of provisions of TwFC.

The Government admitted (December 2013) that the TwFC grants were utilised for O&M in violation of TwFC provisions though it was to be used for capital purpose and further stated that it is assured that funds were solely used for MSW management. It is recommended that the said expenditure be recouped from the State fund instead of debiting to TwFC account and utilise towards capital expenditure for implementation of MSW.

4.1.9 Other points of interest

4.1.9.1 Award of Operation and Maintenance work of VCPs without inviting tenders and defective system of payment

GUDC awarded (from 2008) the O&M contract of VCPs managed by GUDC to NGOs based on the production capacity of the VCPs. As per the agreement, the agency shall carry out atleast 20 per cent vermicomposting of the total waste received at VCP, sell 75 per cent of the compost produced and credit ₹ 2.00 per kilogram of compost sold to GUDC. In turn GUDC would reimburse ₹ 1.00 per kilogram of compost sold to the agency towards marketing cost. The details of expenditure incurred (2008-13) on O&M of VCPs and marketing cost for sale of compost is as shown in **Table 7** below –

Table 7: Expenditure incurred on O&M

(₹ in crore)

| Year | Number of VCPs for which O&M was awarded by GUDC | Expenditure incurred on | |
|--------------|--|-------------------------|----------------|
| | | O&M | Marketing cost |
| 2008-09 | 70 | 1.46 | 0.22 |
| 2009-10 | 61 | 3.12 | 0.97 |
| 2010-11 | 62 | 2.74 | 0.92 |
| 2011-12 | 66 | 3.25 | 1.12 |
| 2012-13 | 66 ²⁹ | 2.99 | 1.02 |
| Total | | 13.56 | 4.25 |

(Source: Information furnished by GUDC)

29 During 2012-13 out of 93 VCPs, 66 VCPs of 'C' and 'D' category NPs were being maintained by GUDC (62 through NGOs and four were run by Nagarpalika through financial help from GUDC) and the remaining 27 VCPs belonged to 'A' and 'B' category NPs which were to be managed by respective NPs

Audit observed that the contracts were awarded to the NGOs without inviting tender. Further, GUDC reimbursed the marketing cost to the agencies without ascertaining the actual sale by the agencies and actual composting done based on the expected production as per the capacity of the VCP. It was also seen that the marketing cost was reimbursed from the O&M charges payable instead of collecting the sale income from the agencies and then reimbursing the marketing cost based on the sale. Audit could not vouchsafe any excess payment made to the agencies due to non-collection of details by GUDC of actual sale by the VCPs. During joint field visit of 41 NPs test checked, it was observed that important records such as MSW received and processed, compost produced and details of its sale, *etc.* were not being maintained. Further, GUDC was making payment of marketing cost in respect of 18 VCPs³⁰ managed by GUDC though they were not functioning. Thus, the payments were made without ascertaining the actual sale as stated above.

4.1.9.2 Non-utilisation of funds meant for procurement of Litter Bins

The State Government declared the year 2007 as Nirmal Gujarat Year and continued the same for the succeeding years. The objectives of the Nirmal Gujarat Abhiyan involved maintenance of public cleanliness in entire urban areas, solid waste management and public health, supply of safe drinking water, sewerage treatment facility, keeping Government building clean, on road traffic and transportation control, *etc.*

The GMFB released (December 2010) ₹ 2.41 crore to GUDC for procurement of Litter Bins for NPs under the scheme for management of MSW. GUDC invited tenders for 4,920 bins (33 litres) and 5,720 bins (55 litres) with estimated cost per unit of ₹ 2,028.20 and ₹ 2,905.00 respectively. An agency³¹ which stood lowest quoted ₹ 1,970.00 per unit for bins of 33 litres capacity and ₹ 2,675.00 per unit for bins of 55 litres capacity. Audit observed that these rates were obtained after two rounds of negotiations with the lowest bidder (August 2011 and October 2011). However, the tender was finally cancelled (March 2012) by GUDC as the agency did not agree to any further reduction. Finally, the funds were returned (March 2013) to GMFB and the NPs were deprived of the intended benefit under the scheme.

Government stated (December 2013) that at the time of inviting tenders the rates of steel were high but thereafter the rates declined by 10 to 15 *per cent.* Therefore, GUDC requested the agency to reduce the rates quoted, but as the agency had not agreed to reduce the rates, the tenders were cancelled. The reply was not acceptable as thereafter GUDC had not initiated any efforts for inviting fresh tenders resulting in non-utilisation of the funds besides depriving the NPs of the intended benefit under the scheme of having adequate storage bins for better management of waste.

30 Bavala, Dhandhuka and Virangam (Ahmedabad District), Bagsara, Chalala, Lathi and Savarkundla (Amreli District), Deesa and Tharad (Banaskantha District), Bardoli (Surat District), Dhrangadhra, Limbdi, Surendranagar, Thangadh and Wadhwan (Surendranagar District), Dabhoi, Karjan and Padra (Vadodara District)

31 Parmar Metals Private Limited

4.1.9.3 Deficient services of Consultants

GUDC engaged (January 2007) two consultants³² to administer, prepare the designs, supervise and monitor the construction of SLF in the State. Based on the designs submitted by the consultants, GUDC awarded (January 2009 to November 2009) the work of construction of seven SLFs as per details given in **Appendix-XXIII** and made payment of ₹ 0.49 crore³³ to the consultants.

The irregularities noticed in the construction of these SLFs are as follows -

- **Execution of excess quantities and extra/new items**

The designs prepared by the consultants specified the mixing of only three *per cent* bentonite in the native soil to achieve the desired permeability³⁴ at the SLF site. The contractors engaged for construction of seven SLFs executed the work by mixing three *per cent* bentonite. However, the soil test reports of SLFs (May 2009 to February 2010) indicated that the required permeability was not achieved. Further, as the designs were not prepared as per site condition, subsequently the landfill area was increased and cell-bottom³⁵ of landfill was raised. The consultants were blacklisted by the GUDC for preparation of defective designs and a new consultant³⁶ was appointed (November 2011).

Preparation of design without assessing the site condition and soil permeability led to execution of extra items such as providing and laying of PVC pipes, compound wall with barbed wire fencing, providing TMT Bars, *etc.* and excess quantities of items as against quantities put to tender such as bentonite, earthwork for embankment, providing and laying cement concrete work in foundation and plinth, cement concrete road, *etc.* in six SLFs³⁷. This resulted in excess expenditure of ₹ 9.03 crore (**Appendix-XXIII**) and unfruitful expenditure towards consultancy charges (₹ 0.49 crore).

The Government stated (December 2013) that the consultants have been blacklisted and legal advice is being sought to take further action.

- **Delay in completion of SLFs**

Defective designs prepared by the consultants and delay in appointment of new consultant resulted in delays ranging between 19 months and 39 months for completion of construction of these SLFs (**Appendix-XXIII**) which compelled the NPs to resort to unscientific methods of disposal.

- **Benefits of 'tendered rate' not received**

Contract conditions provided that agencies would be paid at the tendered cost (TC) for excess quantities executed upto 130 *per cent* of the tendered quantity and at the current SOR³⁸ for quantities executed in excess of 130 *per cent*.

32 Mahindra Acres Consulting Engineers Limited and Senes Consultants

33 Mahindra Acres Consulting Engineers Limited - ₹ 0.20 crore and Senes Consultants - ₹ 0.29 crore

34 1×10^{-7} centimetre/second. i.e. a compacted clay barrier or amended soil barrier of 1 m thickness having permeability (K) of less than 10^{-7} centimetre/second.

35 Landfills are made up of a series of cells. To build a new cell, the base of the quarry is levelled with soil to create a platform

36 Urban Management Consultant

37 Except SLF at Dhandhuka

38 Schedule of Rates for the year during which execution is done

The agency engaged for the work of SLF at Palanpur and Patan, got the soil samples tested from the Government approved laboratory as per contract conditions. The soil testing report recommended (December 2009 and February 2010) mixing of 15 *per cent* and 16 *per cent* bentonite at Palanpur and Patan SLF sites respectively as against three *per cent* specified in the designs prepared by the consultants. However, Audit observed that excess quantity of bentonite at Palanpur (34 *per cent*) and Patan (28 *per cent*) were used against the three *per cent* specified in the tender and well above the percentage recommended in the soil testing report. Thus, defective designing by consultants resulted in use of excess bentonite (beyond 130 *per cent*) that entailed an avoidable expenditure of ₹ 1.59 crore at current SOR rates (**Appendix–XXIV**).

4.1.10 Monitoring

4.1.10.1 Facilities running without authorisation

MSW Rules provide that the municipal authority or an operator of a processing or disposal facility shall make an application, for grant of authorisation for setting up waste processing and disposal facility including landfills from the State Pollution Control Board (GPCB in this case) in order to comply with the implementation programme laid down in Schedule I. The authorisations to NPs were issued by GPCB for a period of five years. The year-wise (2008-13) details of NPs having authorisation is as shown in **Table 8** below –

Table 8 : Details of NPs having authorisation

| Sr. No. | Year | Number of NPs in the State | Number of NPs having authorisation | Percentage of NPs having authorisation |
|---------|---------|----------------------------|------------------------------------|--|
| 1 | 2008-09 | 159 | 82 | 52 |
| 2 | 2009-10 | 159 | 34 | 21 |
| 3 | 2010-11 | 159 | 50 | 31 |
| 4 | 2011-12 | 159 | 65 | 41 |
| 5 | 2012-13 | 159 | 72 | 45 |

(Source: Information furnished by GPCB)

Above table shows that percentage of number of NPs having authorisation ranged from 21 *per cent* to 52 *per cent* during the period 2008-13. Further, only 11 NPs³⁹ out of 41 NPs test checked were having authorisation and the remaining 30 NPs were functioning without authorisation in violation of provisions of MSW Rules.

The Forest and Environment Department accepted (November 2013) the fact and stated that only 91 NPs have obtained authorisation as of October 2013 and GPCB would issue notice of directions shortly to such defaulting NPs.

4.1.10.2 Non-identification of risk to environment and human health

MSW Rules provide for identification of risk to environment and human health. GPCB stated that they had identified the risk. However, Audit observed (August 2013) that the required tests and periodical monitoring were not carried out by GPCB and NPs as discussed below –

39 Bardoli, Deesa, Dhanera, Dhrangdhra, Halvad, Karjan, Padra, Palanpur, Tharad, Savarkundla and Viramgam

- **Ground water, Ambient air and Leachate quality**

MSW Rules provide that GPCB shall monitor periodically the compliance of the standards regarding ground water, ambient air and leachate⁴⁰ quality in and around the MSW processing and disposal sites. Audit observed that neither tests for verifying the quality of ground water, leachate, air, *etc.* nor periodical monitoring were carried out by GPCB to verify whether these standards were followed or not. In absence of monitoring, the possibility of contamination of ground water, air pollution, *etc.* could not be ruled out.

The Forest and Environment Department stated (November 2013) that GPCB has planned for sampling and analysis of ground water, ambient air, leachate samples for quality assessment from all SLFs as soon as they are commissioned. It was further stated that the GUDC and all NPs have been instructed to submit baseline data before commissioning of the SLFs for comparison and assessment of adverse effects on the environment. The reply was not acceptable as GPCB had neither carried out tests nor periodical monitoring of VCPs though they were commissioned and operationalised.

- **Compost quality**

MSW Rules provide that to ensure safe application of compost, following specifications for compost quality shall be met, namely -

| Parameters | Concentration not to exceed (mg./kg dry basis , except pH value and C/N ratio) |
|------------|--|
| Arsenic | 10.00 |
| Cadmium | 5.00 |
| Chromium | 50.00 |
| Copper | 300.00 |
| Lead | 100.00 |
| Mercury | 0.15 |
| Nickel | 50.00 |
| Zinc | 1,000.00 |
| C/N Ratio | 20-40 |
| PH | 5.5-8.5 |

Audit observed in six⁴¹ out of 18 NPs test checked having VCP facility, the compost produced by them was sold without examining the concentration of the above parameters. Further, Audit could not verify the quantity of compost sold for growing of food crops or otherwise at the VCPs, as no records of sale in this respect were being maintained. The compost with higher concentration of above mentioned parameters would pose potential risk to the crop when applied. Therefore, checking for the quality of the compost is of paramount importance before sending it out for sale. Further, audit observed that health check-ups of waste handlers were not being done by the NPs.

40 "leachate" means liquid that seeps through solid wastes or other medium and has extracts of dissolved or suspended material from it

41 Bagasara, Bardoli, Lathi, Limbdi, Thangad and Tharad

The Forest and Environment Department stated (November 2013) that GPCB has instructed GUDC and NPs to submit Analysis Reports for the compost quality on monthly basis and also to carry out batch-wise sampling and analysis of the compost so as to ensure the compost quality criteria. The reply was not acceptable as audit observed that no analysis reports were found to have been submitted by the GUDC and NPs, and GPCB had made no efforts to obtain the same.

4.1.10.3 Non-imposition of Penalty

MSW Rules provide that the GPCB is responsible to monitor the compliance of standards set out in Schedules II, III and IV of the MSW Rules prescribing (1) Collection (2) Segregation (3) Storage (4) Transportation (5) Processing (6) Disposal (7) Authorisation of processing plants and disposal sites and (8) Submission of Annual Reports.

GPCB issued Show Cause Notices (SCNs) and Notice of Direction (NoD) to NPs for non-implementation of door to door collection, segregation and open transportation, non-submission of Annual Report by the NPs, VCPs not being operationalised and operating without authorisation, non-development of SLF, etc. Year-wise (2008-13) details of Show Cause Notices (SCNs) and Notice of Direction (NoD) issued by GPCB to NPs for violation of MSW Rules is shown in **Table 9** below –

Table 9: Details of SCNs and NoDs issued

| Year | Number of SCNs (issued by unit head) | Number of NoDs (issued by Member Secretary or chairman) |
|--------------|---|--|
| 2008-09 | 29 | 106 |
| 2009-10 | 29 | 03 |
| 2010-11 | 16 | 00 |
| 2011-12 | 15 | 99 |
| 2012-13 | 17 | 166 |
| Total | 106 | 374 |

(Source: Information furnished by GPCB)

Audit observed that no penalties have been imposed by GPCB for violation of MSW Rules and the above SCNs are yet to be adjudicated. This indicated the laxity on the part of GPCB in enforcement of MSW Rules in the State.

The Forest and Environment Department stated (November 2013) that as NPs are public bodies, the GPCB is persuading them for necessary compliance by educating them through seminars, workshops and various meetings at regional level. However, no specific remarks were given for non-imposition of penalties and non-adjudication of SCNs.

4.1.10.4 Delayed submission of Annual Reports by GPCB

MSW Rules provide that GPCB shall submit Annual Report (AR) to Central Pollution Control Board (CPCB) regarding implementation of these Rules in

the State by 15 September every year. However, GPCB failed to submit these reports in prescribed timeline as shown in **Table 10** below –

Table 10 : Delayed submission of ARs by GPCB

| Year | Actual date of Submission | Period of delay |
|---------|---------------------------|----------------------|
| 2007-08 | 07.10.2008 | 22 Days |
| 2008-09 | 02.02.2010 | 4 months and 18 days |
| 2009-10 | 13.04.2011 | 6 months and 29 days |
| 2010-11 | 25.10.2011 | 1 month and 10 days |
| 2011-12 | 05.09.2012 | Within time limit |
| 2012-13 | 12.09.2013 | Within time limit |

(Source: Information furnished by GPCB)

The Forest and Environment Department accepted (November 2013) the facts and stated that now GPCB is submitting the AR in time as the AR for the year 2012-13 have been submitted before time.

4.1.10.5 Non-availment of Carbon Credit

To save the Earth from green house gases (GHG) a number of countries including India signed the ‘Kyoto Protocol’ (Protocol), which was adopted (December 1997) in the Third Conference of Parties to the United Nations Framework Convention on Climate Change (UNFCCC). Article 3 of the Protocol targeted reduction of emission of GHG by five per cent in the developed countries. UNFCCC had set the ‘standard’ level of carbon emission allowed for a particular industry or activity. The extent to which an entity is emitting less carbon (as per standard fixed by UNFCCC), allows it to earn credit for the same. If the developed countries were unable to reduce their own carbon emissions, they could book the savings of GHG in developing countries in their account by paying some money to the concerned country. This whole system is named Clean Development Mechanism (CDM).

State Government nominated (May 2007) GUDC as Nodal agency and authorised GUDC to sign the letter of intent, negotiate and execute an Emission Reduction Purchase Agreement (ERPA) for availing carbon credit on behalf of the State for all projects run by organisations working in urban sector. The World Bank awarded (January 2007) a letter of intent (LOI) to GUDC for carbon credits. GUDC estimated (January 2007) that 130 ULBs of the State would generate 1.80 million metric tonnes (MMT) compost on processing of 5.47 MMT of MSW generated per annum. GUDC further estimated that it could earn carbon credit worth US\$ 16,50,000 (₹ 7,42,50,000) for 1.65 MMT per year if it would have entered into ERPA within the validity period of LOI (36 months).

From the information furnished by GUDC, Audit observed that GUDC had not submitted any proposal to World Bank for availing the carbon credit though more than six years have elapsed. It had also failed to negotiate and execute ERPA within 36 months from the date of issue of LOI which resulted in non-availment of estimated carbon credits worth ₹ 7.42 crore per year.

The Government stated (December 2013) that initially GUDC had made effort to avail Carbon Credits with the support of the consultant⁴², but, the same was

42 Karnataka Compost Development Corporation

kept in abeyance based on the report of the consultant. The fact remained that GUDC failed to avail the carbon credits worth ₹ 7.42 crore.

4.1.11 Conclusion

Performance audit revealed that test checked NPs did not have complete data about the quantum of waste being generated as no records were found to have been maintained in respect of waste collected. Study of compliance to MSW Rules in test checked NPs revealed that organised segregation of various types of waste at the point of generation and Vermicompost plants were not carried out, instances of mixing of bio-medical, horticultural and construction waste with MSW and overflowing of waste containers were noticed, transportation was taking place mostly in uncovered vehicles resulting in scattering of collected and stored waste. Out of 159 NPs in the State, 66 NPs were not having Vermicompost plants and 123 NPs had no Sanitary Landfill Facility even after expiry of more than nine years of the timeline framed under MSW Rules. Absence of VCPs and SLFs resulted in open dumping of wastes by NPs which could consequently lead to contamination of ground water, air pollution, etc. Funds meant for management of MSW were not utilised in a time bound manner and incorrect reporting of utilisation of funds was done by the GUDC. Audit observed that the Operation and Maintenance charges of VCPs were made to the operators by GUDC without ascertaining the quantum and quality of waste processed and compost sold by the operator in violation of contract provision. Risks to environment and human health had not been adequately addressed. Non-implementation of scientific disposal of MSW led to a loss of ₹ 7.42 crore per annum to State Government due to non-availing of carbon credits. All these deficiencies need urgent attention of the State Government for remedial action.

4.1.12 Recommendations

- GPCB should periodically carry out a comprehensive assessment of the amounts of Municipal Solid Waste being generated and maintain a comprehensive database on waste generated for aiding policy-making, intervention and effective waste management programs;
- NPs should make greater efforts to collect regularly and aim for collection of 100 *per cent* of the Municipal Solid Waste generated and should maintain proper records of collection of waste to assess the implementation of organised system of waste collection;
- The State Government should draw up a time bound plan for providing storage facility, VCPs for processing of biodegradable waste and SLFs for disposal of non-biodegradable, inert waste and other waste for all NPs;
- VCPs already constructed should be operationlised immediately for production of compost and for generation of income to the State Government. Proper records of waste processed and sale of compost should be maintained at VCPs and with GUDC to ascertain the quantity of waste processed and income generated; and
- Non-implementation of scientific disposal of MSW entailed a loss of ₹ 7.42 crore per annum to State Government due to non-availment of carbon credits. Timely action should be taken to avoid such losses in future.

4.2 Implementation of Water Supply projects under Urban Infrastructure Development Scheme for Small and Medium Towns

Executive Summary

The Government of India launched (December 2005) the Jawaharlal Nehru Urban Renewal Mission with the objective of reforms driven fast track development of cities across the country, with focus on efficiency in urban infrastructure, service delivery mechanism, community participation and accountability of ULBs/Parastatal⁴³ agencies towards citizens. The Mission consisted of two sub-missions for mission cities and two components to cater to the remaining cities and towns. Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT) is a component of the Mission. The performance audit on implementation of UIDSSMT was conducted during January 2013 to May 2013 by selecting 17 out of 52 water supply projects and the following deficiencies in the scheme implementation were noticed –

- In 97 cases, Gujarat Urban Development Mission (GUDM) retained funds aggregating to ₹ 185.97 crore for periods ranging from one to 40 months and consequently earned interest thereon of ₹ 5.78 crore.
- GUDM failed to claim additional assistance of five per cent of Central grant (maximum of ₹ 21.74 crore) for capacity building. GUDM failed to create a revolving fund which could have helped the NPs to leverage market funds for financing further investment in infrastructure projects.
- Non-inclusion of essential components in the Detailed Project Reports (DPRs) resulted in loss of central assistance of ₹ 3.27 crore in three test checked projects.
- Delay in finalisation of tender resulted in non-completion/delay in completion of projects and consequent cost overrun of ₹ 25.63 crore in 15 test checked projects. Injudicious rejection of tenders in four projects resulted in avoidable expenditure of ₹ 5.59 crore. Instances of projects remaining incomplete or delayed completion of projects were noticed due to non-obtaining of permission/clearance from other Government agencies, non-identification of land/space, non-identification of water source, non-availability of funds, etc.
- In most of the test checked NPs, coverage and quantum of water supply as envisaged were not achieved. The efficiency of collection of water charges ranged from 18 to 85 per cent in the test checked NPs.
- Jetpur and Keshod NPs procured excess material aggregating to ₹ 2.77 crore. Valsad NP resorted to open purchase of pipes and in excess of the required quantity resulting in excess expenditure of ₹ 0.36 crore.
- The State Level Sanctioning Committee met only on six occasions against the minimum requirement of 21 meetings.
- Project Implementation Units were not formed in any of the test checked NPs.

⁴³ Statutory agencies of State Government which are assigned the responsibility for delivering services e.g. water supply, sewerage, etc. In this context, the term has been used for urban agencies.

4.2.1 Introduction

Gujarat had a population of 5.07 crore (2001 census), of which approximately 1.89 crore (37 per cent) were living in urban centres. This has increased to 6.04 crore (2011) with an urban population of 2.57 crore (43 per cent) ranking Gujarat as sixth most urbanised State after Goa, Mizoram, Tamil Nadu, Kerala and Maharashtra.

The urban area was expected to contribute 65 per cent of Gross State Domestic Product (GSDP) by 2011 subject to availability of quality infrastructure (roads, water supply, mass transportation, power supply, telecommunication, etc.) coupled with civic services (sanitation, solid waste management, etc.). Growth of urban population resulted in increase of urban poor and slum dwellers with consequential requirements for infrastructure services.

The Government of India (GoI) launched (December 2005) Jawaharlal Nehru National Urban Renewal Mission (JNNURM) with the objective of reforms driven fast track development of cities across the country, with focus on efficiency in urban infrastructure, service delivery mechanism, community participation and accountability of ULBs/Parastatal agencies towards citizens. The Mission period was for seven years (2005-2012) which was extended up to March 2014. The Mission consisted of two sub-missions; (i) Urban Infrastructure and Governance (UIG) (Sub-mission I) and (ii) Basic Services to the Urban Poor (BSUP) (Sub-mission II) for mission cities⁴⁴. To cater to the remaining cities and towns, *i.e.* other than mission cities (hereinafter called non-mission cities), the JNNURM envisaged two components namely 'Urban Infrastructure Development Scheme for Small and Medium Towns'⁴⁵ (UIDSSMT)' and Integrated Housing and Slum Development Programme (IHSDP)' with same broad objectives as envisaged in UIG and BSUP. The Urban Local Body (ULB) and State Level Nodal Agency/State Government were required to execute a tripartite agreement with GoI in the form of Memorandum of Agreement (MoA) for the purpose. UIDSSMT consisted of infrastructure projects relating to water supply, sanitation, sewerage, solid waste management, road network, urban transport and redevelopment of old city areas.

4.2.2 Mission strategy

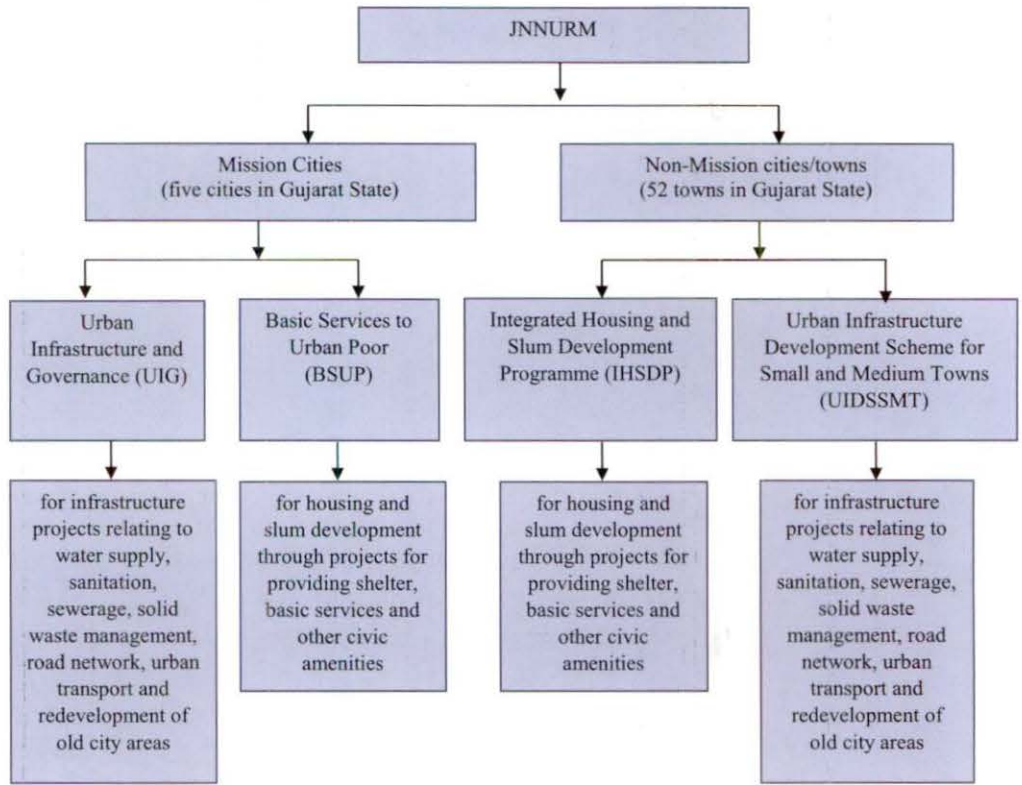
The identified cities were to prepare planned urban perspective framework for a period of 25 years (with five-yearly updates) indicating policies, programmes and strategies for meeting requirements of funds, which were to be followed by preparation of City Development Plans (CDP). Detailed Project Reports (DPRs) were to be prepared for undertaking projects in cities/towns/urban agglomerations/parastatals. The Central Sanctioning and Monitoring Committee (CSMC) was responsible for further appraising and sanctioning the proposals at the Union level.

44 Five cities – Ahmedabad, Porbandar, Rajkot, Surat and Vadodara

45 52 Non-mission cities.

4.2.3 Scope of Missions/sub-Missions and components

The JNNURM comprises of the following sub-Missions and components :



4.2.4 Organisational set-up

Principal Secretary, Urban Development and Urban Housing Department (UD&UHD) was in overall charge of implementation of UIDSSMT. The implementation was coordinated by State Level Sanctioning Committee (SLSC) headed by the Minister of Urban Development. The SLSC was also responsible to review and prioritise the proposals. The organisational chart in respect of implementation of UIDSSMT in Gujarat is given below :

Organisational Chart



The State Government constituted (January 2006) Gujarat Urban Development Mission (GUDM) to act as State Level Nodal Agency (SLNA). The GUDM was responsible to support SLSC in inviting project proposals, appraisal, management and monitoring. A Programme Management Unit (PMU) at the State level was formed to strengthen the capacity of the SLNA and to manage and implement the composite array of tasks associated with the Mission UIDSSMT.

Project Implementation Units (PIU) were to be created as operational units to supplement and enhance the skill mix of ULBs. Rather than a supervisory body, it was expected to work in tandem with the existing staff with focus on strengthening implementation of UIDSSMT and was to report the progress of implementation of projects to GUDM. The focus of PIU was to enhance the pace and quality of implementation of the Mission activities. ULBs which were technically not sound were allowed to get the work done through Project Executing Agency⁴⁶ (PEA) and the PEA was to report the progress of implementation of projects to the ULB.

4.2.5 Audit objectives

The objectives of the Performance Audit were to ascertain (through a sample study of 17 out of 52 Water Supply projects sanctioned under the scheme) whether –

- Financial management and controls were adequately exercised;
- Projects were executed efficiently and achieved their intended objectives;
- The reforms agenda under the programme had been achieved; and
- Adequate and effective mechanism for monitoring and evaluation existed.

4.2.6 Audit criteria

The findings were benchmarked against the following criteria –

- Guidelines issued by Ministry of Urban Development (MoUD) relating to implementation of UIDSSMT;
- Memorandums of Agreement and DPRs of selected projects; and
- Government orders and directions issued from time to time.

4.2.7 Audit coverage and methodology

Implementation of projects in Mission cities (Ahmedabad, Rajkot, Surat and Vadodara and non-Mission city of Jamnagar) was reviewed and audit remarks included in the Report of the Comptroller and Auditor General of India on Local Bodies for the year ended March 2012. After assessment of the existing situation of water supply in NPs and Municipal Corporations (MCs), the State Government decided (March 2006) to undertake only Water Supply (WS) projects under the UIDSSMT to improve the water distribution system. The present Audit was conducted to review implementation of the WS projects under UIDSSMT in non-mission towns.

⁴⁶ Gujarat Water Supply and Sewerage Board (GWSSB) and Gujarat Urban Development Company Limited (GUDC)

Under the UIDSSMT, the CSMC sanctioned 52 out of 62 WS projects proposed by the State Government to be located in 52 Nagarpalikas (NPs) at an aggregate project cost of ₹ 434.87 crore. Of the above, WS projects implemented in 17 NPs⁴⁷ were selected based on Simple Random Sampling Without Replacement method for detailed scrutiny covering the period from January 2006 to March 2013.

The records of the Principal Secretary, UD&UHD, GUDM and 17 selected NPs were test checked (January 2013 to May 2013) covering the period from January 2006 to March 2013 to ascertain the audit objectives enunciated above.

An Entry Conference was held (10 May 2013) with the Chief Executive Officer, GUDM to appraise the audit scope and objectives and an exit conference was held (10 September 2013) with the Additional Chief Executive Officer, GUDM after the conclusion of field audit to discuss the audit findings. The views of the State Government and GUDM have been duly incorporated in the Report.

Acknowledgement

Audit acknowledges the co-operation and assistance extended by the GUDM, NPs and their officials at various stages during conduct of the performance audit.

Audit findings

4.2.8 Financial Management

4.2.8.1 Financial Assistance

Assistance under UIDSSMT was in the form of Additional Central Assistance (ACA). The project cost was to be shared amongst the GoI, State Government and NPs in the ratio of 80:10:10. Excess expenditure, if any, over and above the approved project cost was to be borne by the NPs. The GoI releases ACA to the State Government and the State Government in turn releases the ACA alongwith matching State share to GUDM. GUDM then disburses the funds to NPs for execution of work.

GoI released the ACA of ₹ 327.70 crore (upto March 2013) to the State Government as against sanctioned amount of ₹ 347.89 crore being 80 per cent of the approved cost of ₹ 434.87 crore for 52 projects. The State Government released the ACA alongwith its matching share of ₹ 39.50 crore to GUDM and GUDM disbursed ₹ 356.12 crore to the NPs as grant-cum-loan⁴⁸. As of March 2013, the NPs had spent ₹ 378.74 crore as shown in **Appendix-XXV**. Audit observed that GUDM had not released ₹ 11.08 crore to the NPs as against the ACA received from GoI.

4.2.8.2 Delayed release of funds to ULBs and retention of interest by GUDM

The scheme guidelines did not provide for retaining the GoI funds with the SLNA (GUDM) and also there was no provision for treatment of interest earned by SLNA on Central Funds. The GoI directed (January 2013) to return the interest earned on Central Funds.

⁴⁷ Balasinor, Bardoli, Dakor, Dwarka, Gondal, Himatnagar, Jetpur, Keshod, Palitana, Petlad, Pethapur, Prantij, Radhanpur, Sutrapada,, Songadh, Umreth and Valsad

⁴⁸ The Government, however, in August 2013 decided to treat the amount released as Grant.

On scrutiny (February 2013) of records at GUDM, it was observed that in 97 cases, there was delay upto 40 months for release of ₹ 185.97 crore to NPs after receipt of ACA from GoI as shown in **Appendix-XXVI**. Further, an interest of ₹ 5.78 crore (upto March 2013) earned at four *per cent per annum* on the scheme funds was not accounted as scheme funds but was accounted in the general funds of GUDM and the same had not been returned to GoI despite its direction to do so.

The Government stated (August 2013) that the funds were released to NPs based on the progress of the work and in view of the financial status of the NPs to ensure that they did not face financial crunch. The Additional Chief Executive Officer, GUDM in exit conference (September 2013) stated that action to refund the interest to GoI was in process. The reply was not acceptable as there was no provision in the guidelines for progressive release of funds to NPs on the basis of stage-wise completion of work.

4.2.8.3 Non-creation of Revolving Fund

The scheme guidelines envisage that funds received by SLNA (GUDM) were to be released to the NPs as soft loan or grant-cum-loan or grant. The guidelines further provide that 25 *per cent* of Central and State share put together was to be recovered from the funds released to the ULBs and ploughed into a Revolving Fund (RF) to leverage market funds for financing of further investment in infrastructure projects. However, the GUDM had not created the RF of ₹ 89.03 crore⁴⁹. Thus, NPs would have to raise funds for future infrastructure projects through State Budget or from other sources after closure of UIDSSMT.

The Government stated (August 2013) that it was decided (October 2007) to treat the funds released by GUDM to NPs under the scheme as grant. However, GUDM while issuing Administrative Approval to projects, released the funds subject to creation of an RF.

During exit conference (10 September 2013) Additional Chief Executive Officer stated that Shreenidhi fund with Gujarat Municipal Finance Board (GMFB) was available for utilisation by NPs and maintenance contract for two years was included in the tender agreement. Thus, the purpose of revolving fund was served. The reply was not correct as the revolving fund was to be created for financing future infrastructure projects as envisaged in the scheme guidelines.

4.2.8.4 Non-claiming of ACA for capacity building

The UIDSSMT guidelines provide for an additional assistance of five *per cent* of Central grant (or actual requirement, whichever is less) for capacity building, *i.e.* preparation of Draft Project Reports (DPRs), training, community participation, Information, Education and Communication (IEC), *etc.* for which ULBs could engage consultants and seek reimbursement from GoI. Audit observed that GUDM had engaged consultants for capacity building, but no demand towards the expenditure was raised to GoI. The total approved project cost of the work

⁴⁹ 25 *per cent* of ₹ 356.12 crore (Central share ₹ 316.62 crore plus State share ₹ 39.50 crore) released to NPs as of March 2013

was ₹ 434.87 crore and therefore, the State was eligible for ACA of ₹ 21.74 crore (maximum) at five *per cent*. Inaction to claim the expenditure towards capacity building resulted in loss of Central assistance of ₹ 21.74 crore.

The Government stated (August 2013) that demand for getting funds from GoI was under process.

Project Management Framework

4.2.9 Planning

The objective of a public protected water supply system is to supply safe and clean water in adequate quantity, conveniently and as economically as possible. The planning of the scheme and achievement of desired objectives is primarily based on the Draft Project Report (DPR). The DPR is to be prepared carefully and with sufficient details to ensure appraisal, approval and implementation in a timely and efficient manner.

The GUDM submitted DPRs for 62 projects under the scheme in respect of towns facing water problem of which 52 DPRs were sanctioned by the GoI. The GUDM could complete 21 projects as of March 2013 while the remaining 31 projects were under various stages of completion (**Appendix-XXV**).

4.2.9.1 Loss of central assistance due to lack of planning

Audit observed that in three test checked projects, essential components were not included in the Detailed Project Reports (DPRs) submitted to CSMC by GUDM. These components were subsequently carried out by the NPs for implementation of the WS project from State Sponsored scheme⁵⁰. Thus, lack of planning while preparation of DPRs resulted in loss of central assistance of ₹ 3.27 crore as detailed in **Appendix-XXVII**.

Execution of Projects

4.2.10 Tendering

GUDM prepared flow chart for implementation of water supply scheme comprising of nine stages involving time duration of nine months starting with preparation of DPR to award of work (**Appendix-XXVIII**). GUDM also prescribed time limit of six to 24 months for completion of project which included preparation of Draft Tender Papers (DTPs), invitation of tenders by giving public notice in leading newspapers, finalisation of tenders, issue of work orders, completion of work, *etc.*

4.2.10.1 Cost overrun due to delay in finalisation of tenders

The scheme guidelines provide that the NP is entitled for ACA to the extent of 80 *per cent* of the project cost. The project cost in the DPR was worked out on the basis of the current Schedule of Rates (SOR) or of earlier period, available with the appropriate WS project executing Division of Gujarat Water Supply and Sewerage Board (GWSSB).

⁵⁰ Swarnim Jayanti Mukhya Mantri Sahri Vikas Yojna and State Scarcity Grant

Audit observed that in 15 out of 17 test checked projects, there was delay upto 33 months in issue of work order from the date of sanction of the project by the CSMC due to delay in tender processing resulting in non completion/delay in completion of projects and consequent cost overrun of ₹ 25.63 crore over the approved project cost (**Appendix-XXIX**). In four out of above 15 WS projects, Audit observed that injudicious rejection of tenders resulted in avoidable expenditure of ₹ 5.59 crore and denial of benefits to a targeted population of 2,10,507 as discussed below -

(i) The tender for Songadh NP WS augmentation project at an estimated cost (EC) of ₹ 3.00 crore was invited (May 2007). The lowest bid quoted at ₹ 3.52 crore (18 *per cent* above EC) was rejected (September 2007) by the NP on the advice of GUDM as it was 40 *per cent* above the rate received by Gujarat Water Supply and Sewerage Board (GWSSB) for similar work. There was no response to the tender on second/third occasion (September 2007) and on the fourth occasion (September 2008), the sole bidder quoted ₹ 9.56 crore. Since the NP was not financially capable to bear the extra financial burden over and above the sanctioned cost and grant, it was decided (September 2008) to get the work done through Gujarat Urban Development Company (GUDC).

The GUDC invited tender (March 2009) for the work and the work was eventually awarded (June 2009) to the lowest bidder at ₹ 5.22 crore and was due for completion in April 2010. However, the work had not been completed (August 2013) due to outstanding electricity bills, change in alignment in laying of pipes, pending permission from National Highway Authorities, *etc.* Thus, rejection of tender on first invitation which was 18 *per cent* above EC and acceptance of tender which was 74 *per cent* above EC resulted in avoidable expenditure/cost overrun of ₹ 1.70 crore, besides delay in completion of work for more than six years (August 2013) depriving benefits from the project to a targeted population of 26,515.

The Government stated (August 2013) that due to passage of time and increase in cost of material and labour, the rates received in subsequent invitations were very high. The reply was not acceptable as the rate received in the first instance which was only 18 *per cent* above the EC should have been accepted. The delay in awarding the work led to a cost escalation of ₹ 1.70 crore with a time overrun of six years and denial of benefits to the targeted population.

(ii) First part of the WS project of Radhanpur NP, consisting of rising main⁵¹, Elevated Storage Reservoir (ESR), pump house and pumping machinery, *etc.* at an EC of ₹ 1.10 crore was completed (December 2008) at a cost of ₹ 1.50 crore. Tender for second part of the project consisting of Under Ground sump, ESR and distribution network was invited (October 2009) by GWSSB (the Project Executing Agency) at an EC of ₹ 1.75 crore. The lowest bid of ₹ 2.04 crore received was eventually rejected (June 2010) by GWSSB as the tender was not finalised within the validity period (April 2010). The tender was re-invited (July 2010) and work was awarded (April 2011) to the lowest bidder at TC of ₹ 2.18 crore. Thus, failure to accept the lowest tender on first invitation resulted in avoidable expenditure/cost overrun of ₹ 0.14 crore and the work remained incomplete till date (March 2013) affecting the targeted population of 39,558.

51 The pipe through which water from an engine is delivered to an elevated reservoir

The Government stated (August 2013) that as the validity period (28 April 2010) of 180 days got exhausted in the process of submitting the tender quotations and other necessary details from the Zonal Officer to the office of Chief Engineer of GWSSB, the agency refused to work. The procedural delays could have been avoided had the Government ensured the timely issue of work order within the validity period and adhered to the time duration of 45 days prescribed in the work flow chart of GUDM for finalisation of tender as shown in **Appendix-XXVIII**.

(iii) First part of the WS augmentation project of Jetpur-Navagadh NP, consisting of construction of Water Treatment Plant, ESR, sump, pump house and pump machinery, etc. at an EC of ₹ 4.72 crore was completed (November 2011) at a cost of ₹ 5.90 crore. Tender for second part of the work consisting of providing, lowering and laying different sizes (700 mm and 800 mm diameter) of Bar Wrapped Steel Cylinder (BWSC) pipes at an EC of ₹ 12.76 crore was invited in May 2007. The lowest bidder quoted rate at ₹ 20.51 crore, but was rejected (October 2007) by GUDM considering the rates as abnormally high.

On re-tendering (October 2007), the offer was issued (July 2008) to the lowest bidder for ₹ 16.69 crore which was not accepted by the bidder on the ground that the validity period of the tender had already expired in May 2008. The second lowest bidder on negotiation agreed (September 2008) to execute the work at ₹ 17.55 crore. Accordingly, the work was awarded (December 2008) with condition to complete the work by October 2010. Thus, orders/instructions regarding award of work and post tender negotiations as stipulated by Central Vigilance Committee (CVC) were flouted as instructions of CVC forbid post tender negotiations/negotiations with any agency other than the lowest bidder. Delay in issue of offer within validity period to the lowest bidder resulted in avoidable expenditure/cost overrun of ₹ 0.86 crore and the work remained incomplete till date (March 2013) affecting targeted population of 1,18,302.

The Government attributed (August 2013) the reasons for delay in issue of offer to the lowest bidder by the Engineer in charge of the work. The Government further stated that as the validity period lapsed, the bidder refused to work. This indicated that the GUDM had not ensured the implementation of the project by NP as per the time duration prescribed in the work flow chart (**Appendix-XXVIII**), thereby delaying the project by more than 30 months.

(iv) The WS augmentation project for Sutrapada NP was split into three parts. First part of the project consisting of construction of pump house and pumping machinery, sump, ESR, etc. at an EC of ₹ 0.86 crore was completed at a cost of ₹ 1.10 crore. The NP invited (October 2007) the tender for second part of the work consisting of providing and laying pipelines of various dimensions at an EC of ₹ 4.85 crore and the lowest bid at ₹ 7.74 crore received was forwarded (March 2008) to GUDM for approval. The GUDM in turn called for certain information.⁵² However, the NP did not provide the information and the case was not further

⁵² Copy of advertisement financial and technical qualifying report of the agency whose quotation was downloaded, original documents of the bidder and clear opinion of NP for recommending the quotation

processed at NP level. The NP had no information/records relating to invitation of tenders on second to fourth occasions of second part. On the fifth invitation (September 2008), the negotiated bid of first lowest agency stood at ₹ 10.63 crore and the work was accordingly awarded (June 2009). Further, the NP had not yet initiated any action (April 2013) for construction of Water Treatment Plant under third part. Thus, failure to accept the lowest tender on first invitation resulted in avoidable expenditure/cost overrun of ₹ 2.89 crore and the work remained incomplete till date (March 2013) affecting the targeted population of 26,132.

The Government stated (August 2013) that as there was no permanent establishment with NP at that time, the tender was not processed within the validity period and hence the bidder refused to work. The reply is not acceptable as PIU was to be created to help enhance the skill mix of the ULB. As this was not done the project suffered and has been considerably delayed.

4.2.10.2 Delay in completion of projects

The administrative approval issued by the GUDM for each WS project under the scheme stipulates the time limit of 24 months for completion of the project. However, in 10 projects, it was observed that due to failure in obtaining of permission/clearances from other Government agencies, identification of land, identification of water source, non-availability of fund, *etc.*, the projects remained incomplete or were not completed within the stipulated time limit resulting in denial of benefits to a population of 4,52,703 as discussed below:

i) Failure in obtaining permission/clearances

As per technical comments of the Central Public Health and Environmental Engineering Organisation⁵³, necessary clearances/approvals for the project were to be obtained from the Railways/State/Highway Authority, wherever necessary, before implementing the scheme. Audit observed that the WS projects of Gondal NP and Petlad NP remained incomplete due to delay/non-obtaining of permission from Government agencies (**Appendix-XXX**).

ii) Failure in identification of land

The scheme guidelines for preparation of DPRs of WS Projects provide that land had to be identified for the project and earmarked in the layout plan and wherever necessary, land acquisition process be initiated well in advance to avoid undue delay and litigation in implementation of the project after its approval. Audit observed that the water supply project of Umreth NP sanctioned in September 2007 was subsequently decided by the NP (July 2011) to be dropped due to non-availability of land and the first instalment of ACA (₹ 1.72 crore) received from GUDM was refunded. Non-completion of project resulted in denial of potable water to a population of 33,762. Audit further observed that the WS project of Dwarka NP remained incomplete (August 2013) due to non-construction of pump house for want of land, resulting in supply of untreated water from the local source of Mayasar talav, thus exposing the targeted population of 38,873 to water borne diseases.

⁵³ Technical Wing of the Ministry of Urban Development, Government of India dealing with the matters related to urban water supply and sanitation including solid waste management in the country

iii) Failure in identification of water source

The scheme guidelines provide that 95 per cent dependability and reliability of selected raw water source must be established by the concerned State Department so as to ensure long term sustainability of the project for the prescribed design period. Audit observed that WS projects for Dakor NP and Radhanpur NP remained incomplete due to failure in identification of water source (**Appendix-XXX**).

iv) Non-planning of water distribution network

The WS project sanctioned (September 2007) for Bardoli NP at a cost of ₹ 5.13 crore was completed after incurring an expenditure of ₹ 6.05 crore. However, ESR constructed in the project at a cost of ₹ 0.32 crore (July 2010) could not be put to use for want of distribution network (August 2013). Audit observed that the NP had not planned for synchronisation of distribution network along with WS project resulting in denial of benefits to the targeted population of 60,821. The Government stated (August 2013) that the distribution network would be linked with the overhead tank shortly.



Idle ESR of Bardoli NP
(16.04.2013)

v) Reduction in scope of work leading to non-commissioning of projects

GoI releases ACA to the State Government and the State Government in turn releases the ACA alongwith matching State share to the GUDM. GUDM disburses the funds to NPs for execution of work. Excess expenditure, if any, over and above the approved project cost is to be borne by the NPs. Audit observed that the WS project for Balasinor NP was incomplete due to paucity of funds (**Appendix-XXX**).

vi) Work abandoned by contractors

The work of WS augmentation project sanctioned (June 2007) for Pethapur NP was awarded (October 2007) to an agency at a TC of ₹ 4.98 crore with stipulated date of completion being July 2008. Audit observed that the agency after executing work to the extent of ₹ 2.46 crore abandoned the work (January 2013). The NP approached (May 2013) the Bank for encashing the Bank Guarantee amounting to ₹ 0.25 crore. Thus, even after a lapse of six years, the project remained incomplete and resulted in denial of benefits of safe drinking water to a population of 23,497.

The Government stated (August 2013) that the Hon'ble High Court of Gujarat has granted (May 2013) stay against encashment of Bank Guarantee. The fact remained that the project could not be completed even after a lapse of six years.

vii) Work abandoned due to non-payment of bills

The work of WS augmentation project sanctioned (December 2006) for Palitana NP was divided into seven parts. Five parts⁵⁴ were completed (between January 2008 to October 2009) at a cost of ₹ 2.46 crore. The sixth part consisting of laying of rising main and distribution pipeline at town and taleti area was awarded (April 2008) to an agency at a TC of ₹ 1.51 crore. The agency had executed work to the extent of ₹ 0.17 crore till November 2008. In the meantime, an NGO Shubh Mangal Foundation, Surat (Foundation) offered (August 2008) its willingness to complete the remaining work of supplying and laying Ductile Iron (DI), Mild Steel (MS) and Polyvinyl chloride (PVC) pipelines at the same EC and was also ready to bear any excess cost. The NP accordingly awarded (January 2009) the work to the Foundation. Audit observed that the first Running Account Bill of ₹ 0.25 crore submitted (June 2010) by the Foundation was not passed by the NP due to numerous observations⁵⁵ of the Engineer-in-charge. Thereafter no bills were submitted by the Foundation. However, the NP stated (May 2013) that the work was completed, but the details of the same could not be verified in Audit from the records of the NP. Thus, the NP had not made payment for the work done by the Foundation nor refunded the unspent amount to the GUDM.

Further, it was observed that the NP enquired (November 2008) the willingness of the Foundation to take up the work of seventh part, to which no response was received. However, no efforts were made by the NP to award the work to any other agency which resulted in work remaining incomplete till date (May 2013) and denial of benefits to a population of 64,497.

4.2.10.3 Outcome

The Ministry of Urban Development had laid down (2008-09) indicators and benchmarks with respect to the water supply projects. These benchmarks require 100 *per cent* water supply connection, supply of quality water all through 24 hours, *etc.* The status of achievement against these benchmarks in test checked NPs is shown in **Table 1** as follows –

54 First part – Laying of distribution pipeline at Station area (₹ 1.26 crore), Second part – Sump, pumping machinery, *etc.* (₹ 0.18 crore), Third part – Ductile Iron rising mains (₹ 0.52 crore), fourth part – Laying distribution pipeline in OG area (₹ 0.17 crore) and fifth part – ESR at Virpur (₹ 0.33 crore)

55 Suppliers' bill for pipes not provided, date of supply of pipes not mentioned, details of measurement of excavation not authenticated, nodes number not mentioned, third-party inspection of pipes not done, *etc.*

Table 1 : Outcome of the implementation of WS projects (January 2013 to May 2013)

| Sr. No. | Name of NP | Coverage of water supply connections (in per cent) | Per capita supply of water per day (in litre) | Extent of metering of waterconnections (in per cent) | Continuity of water supply | Quality of water supplied ⁵⁶ | Efficiency in redressal of customer complaints ⁵⁷ | Efficiency in collection of WS related charges |
|--------------------|-------------|--|---|--|----------------------------|---|--|--|
| | | | | | | In per cent | | |
| National Benchmark | | 100 | 135 | 100 | 24 hours | 100 | 80 | 90 |
| 1 | Bardoli | 73 | 130 | 0 | 2 hours/day | 100 | 80 | 85 |
| 2 | Balasinor | 65 | 120 | 0 | One and ½ hour/day | Partially | 80 | 35 |
| 3 | Dakor | 70 | 146 | 0 | Two and ½ hour/day | Partially | 80 | 56 |
| 4 | Dwarka | 42 | 60 | 0 | 45 minutes/alternate day | Partially | 40 | 63 |
| 5 | Gondal | 66 | 100 | 0 | One hour/every 4th day | 100 | 40 | 68 |
| 6 | Himmatnagar | 100 | 120 | 0 | 2 hour/day | 100 | 80 | 52 |
| 7 | Jetpur | 59 | 90 | 0 | 45 minutes every 3rd day | 100 | 80 | 81 |
| 8 | Keshod | 29 | 40 | 0 | 4 hour/every 15th day | Partially | 80 | 70 |
| 9 | Palitana | 82 | 140 | 0 | One hour/day | Partially | 80 | 43 |
| 10 | Pethapur | 71 | 70 | 0 | Two hour/day | Not available | 80 | 53 |
| 11 | Petlad | 73 | 125 | 0 | Three hour/day | Partially | 80 | 38 |
| 12 | Prantij | 100 | 80 | 0 | Two and ½ hour/day | Partially | 80 | 31 |
| 13 | Radhanpur | 100 | 70 | 0 | Two hour/Alternate day | Partially | 80 | 28 |
| 14 | Songadh | 66 | 140 | 0 | One hour/day | 100 | 80 | 67 |
| 15 | Sutrapada | 0 | 40 | 0 | One hour/day | 100 | 80 | 18 |
| 16 | Valsad | 59 | 140 | 0 | Two hour/day | 100 | 80 | 67 |

(Source: Information furnished by test checked NPs)

The above table showed that out of 16 test checked NPs, only three NPs had provided 100 per cent water supply connection and none of the NPs had achieved the benchmark of supplying water for 24 hours. Metering system was also not implemented in any of the test checked NPs, supply of quality water was not ensured in nine NPs, redressal of the complaints within 24 hours was not ensured in two NPs and the efficiency in collection of water charges ranged from 18 per cent (Sutrapada NP) to 85 per cent (Bardoli NP). Thus, the 16 test checked NPs failed to achieve the performance parameters in implementation of WS projects and thereby the very purpose of providing safe and sufficient drinking water to the population was defeated.

56 If surface water is provided and cleaned in WTP then quality of water supplied is 100 per cent, if surface water provided but WTP is not constructed then presence of suspended solid would continue and if ground water is provided fully or partially then content of TDS and turbidity would be high i.e. water would not be safe

57 If complaints are redressed within 24 hours 80 per cent marks achieved. If complaints are redressed within 48 hours 40 per cent marks achieved.

The Government stated (August 2013) that in majority of the NPs water supply has been increased from 70-80 litre *per capita per day* (lpcd) to 105-110 lpcd. The reply was not acceptable as the benchmark for water supply envisaged supply of 135 lpcd *per day*.

4.2.11 Non-Implementation of Urban Reforms

With a view to providing reforms driven fast track and planned development of identified towns, UIDSSMT envisaged implementation of the mandatory and optional reforms by the State Government and NPs to access ACA for bringing about infrastructural development. The State Government and NPs were to accept implementation of the reforms and execute a tripartite Memorandum of Agreement (MoA) with GoI.

Status of implementation of urban reforms at State/ULBs level was mentioned in Para 4.1.7.4 of the Report of the Comptroller and Auditor General of India on Local Bodies for the year ended March 2012. Audit observed that there was no change in the status as of March 2013. Thus, though access to ACA was subject to implementation of Urban Reforms, there were following deficiencies in implementation of urban reforms –

- The powers for simplification of legal and procedural framework for conversion of agricultural land for non-agricultural purposes, introduction of property title certification, registration of land property and reform of rent control are still with the State Government;
- Though Public Disclosure Law was notified (May 2007), no information was uploaded by the State/Nagarपालikas on their web-sites;
- Building bye laws provide that rain water harvesting is mandatory, but except for Himatnagar NP, none of the test checked NPs have implemented this reform;
- Earmarking atleast 20-25 *per cent* of developed land in all housing projects for economically weaker sections and low income group was not done as Gujarat Town Planning and Urban Development Act provides reservation of only 10 *per cent* of developed land for the urban poor;
- Except for periodical meeting by the elected members of the ULB, no public participation in implementation of the projects was ensured;

- Except for computation of property tax and registration of birth and death (in eight out of 16 NPs test checked), e-Governance was not implemented;
- Utilisation of Geographic Information System for mapping properties and achieving 90 per cent tax collection efficiency were not achieved; and
- Recovery of user charges for water supply ranged from three per cent (Sutrapada NP) to 54 per cent (Prantij NP) in 12 out of 16 NPs test checked by Audit.

The Government stated (August 2013) that while mandatory reforms were implemented, optional reforms are at various stages of implementation in different NPs. The reply was not acceptable as UIDSSMT was a reforms driven programme and non-implementation of reforms defeated the very purpose of the scheme objectives.

4.2.12 Other points of interest

4.2.12.1 Irregular procurement of material

i) Surplus material

Audit scrutiny in the test checked NPs revealed that the ULBs, after execution of works, were holding surplus material as shown in **Table 2** as below –

Table 2 : Showing details of surplus material procured

| Sl. No. | Name of NP | Details of surplus material | Date of procurement | Remarks |
|---------|------------|--|------------------------------|--|
| 1 | Jetpur | Pipes and joints worth ₹ 1.14 crore (May 2013) | February 2011 | Due to change in alignment, there was excess procurement of material. Thus, on account of defective survey, the material were rendered surplus. |
| 2 | Keshod | Pipes and joints worth ₹ 1.63 crore (April 2013) | January 2009 to January 2010 | Estimates were made at alignments where pipeline already existed; thus the survey and estimation were defective entailing procurement of surplus material. |

(Source: Information provided by the Chief Officers of respective NPs)

The Government stated (August 2013) that surplus material would be utilised for maintenance and repair works and for laying pipelines in areas where they do not exist. The reply was not acceptable as material remaining surplus indicated defective assessment of requirement which could result in diversion for projects not connected with the Mission and ran the risk of pilferage, if not stored and accounted for.

ii) Open purchases of pipes against the advice of Nodal Agency

The WS augmentation project of Valsad NP was approved (September 2006) at a cost of ₹ 6.19 crore. The scope of the work included (i) providing and laying of Ductile Iron (DI) and High Density Poly Ethylene (HDPE) pipelines for WS distribution network at Mograwadi zone and Abrama North Zone at an EC of ₹ 1.80 crore.

Valsad NP invited tenders (September 2008) for providing and laying distribution pipeline network at Mograwadi and Abrama North. However, the tender of ₹ 3.50 crore received was rejected (December 2008) by the SLNA (GUDM) and the NP was directed to purchase pipes from rate contract (RC) holders of GWSSB. Audit observed that the NP did not purchase pipes from the RC holders of GWSSB, but purchased (February 2010) the same from the open market at a higher rate resulting in excess expenditure of ₹ 0.36 crore as detailed in Appendix-XXXI.

The NP stated (February 2013) that decision to purchase pipes from open market was taken by the water works controlling committee. However, reasons for taking such decisions were not found on record.

The Government stated (August 2013) that there was no rule requiring the NPs to procure pipes as per RC rates. The reply was not acceptable as there was no reason found on record for not adhering to the instructions of SLNA and due to violation of the same an excess expenditure of ₹ 0.36 crore was incurred.

4.2.13 Monitoring and Evaluation

4.2.13.1 Non-convening of meetings

The primary role of the State Level Sanctioning Committee (SLSC) was deciding and prioritising projects under the scheme. Its role was also to monitor the implementation of the projects and review the progress of urban reforms in the State. The SLSC was to meet as often as required, but should meet at least thrice in a year and review the progress of ongoing projects and sanction new projects.

Audit observed that only six meetings of SLSC (set up in 2006) were held upto March 2013 as against the minimum 21 required meetings. It was also seen that meeting of the SLSC had not been held since February 2009.

The Government stated (August 2013) that regular reviews have been carried out at the level of SLNA. The fact however remained that regular meetings were not held to discuss the outcome of the mission/projects being implemented in various towns/NPs.

4.2.13.2 Non-formation of supporting agencies

The UIDSSMT guidelines provided for establishment of a Programme Management Unit (PMU) at SLNA level. Similarly, the guidelines also provided for formation of Project Implementation Unit (PIU) at NP level as an operational unit supplementing organ, to enhance skills mix of the NPs and to keep the pace and quality of implementation of UIDSSMT.

Audit observed that the GUDM, being the SLNA, subsumed the role of PMU, while PIU had not been formed in any of the test checked NPs. Thus, providing of enhanced skills for the work could not be accomplished.

4.2.14 Conclusion

The Performance Audit of the scheme revealed that there was delay upto 40 months in release of funds to Nagarpalikas by State Level Nodal Agency (GUDM). Lack of planning in preparation of DPRs resulted in loss of Central assistance as essential components not included in the DPRs were subsequently carried out from State Sponsored scheme. Delay in finalisation of tender resulted in non-completion/delay in completion of projects and consequent cost overrun of ₹ 25.63 crore in 15 test checked projects. Injudicious rejection of tenders in four projects resulted in avoidable expenditure of ₹ 5.59 crore. In most of the test checked NPs, service level benchmarks for supply of sufficient quantity of quality water, as envisaged, were not achieved. Implementation of Urban Reforms was deficient. The State Level Sanctioning Committee did not meet as often as it should to review the implementation of various projects.

4.2.15 Recommendations

- PIUs should be established at each NP immediately;
- Timely release of funds to NPs should be ensured to avoid delay/non-completion of projects due to paucity of funds;

- DPRs should be prepared after conducting proper survey to include all essential components;
- Before commencement of projects, the availability of pre-requisite frame-work such as land, source of water, permission/clearances from other government agencies, availability of funds, *etc.* may be ensured;
- Tender process may be completed expeditiously and prompt action may be taken for completion of the projects sanctioned; and
- Achievement of Service level benchmarks earmarked under the scheme should be ensured.

Rajkot,
The



(BIBHUDUTTA BASANTIA)
Accountant General
(General and Social Sector Audit),
Gujarat

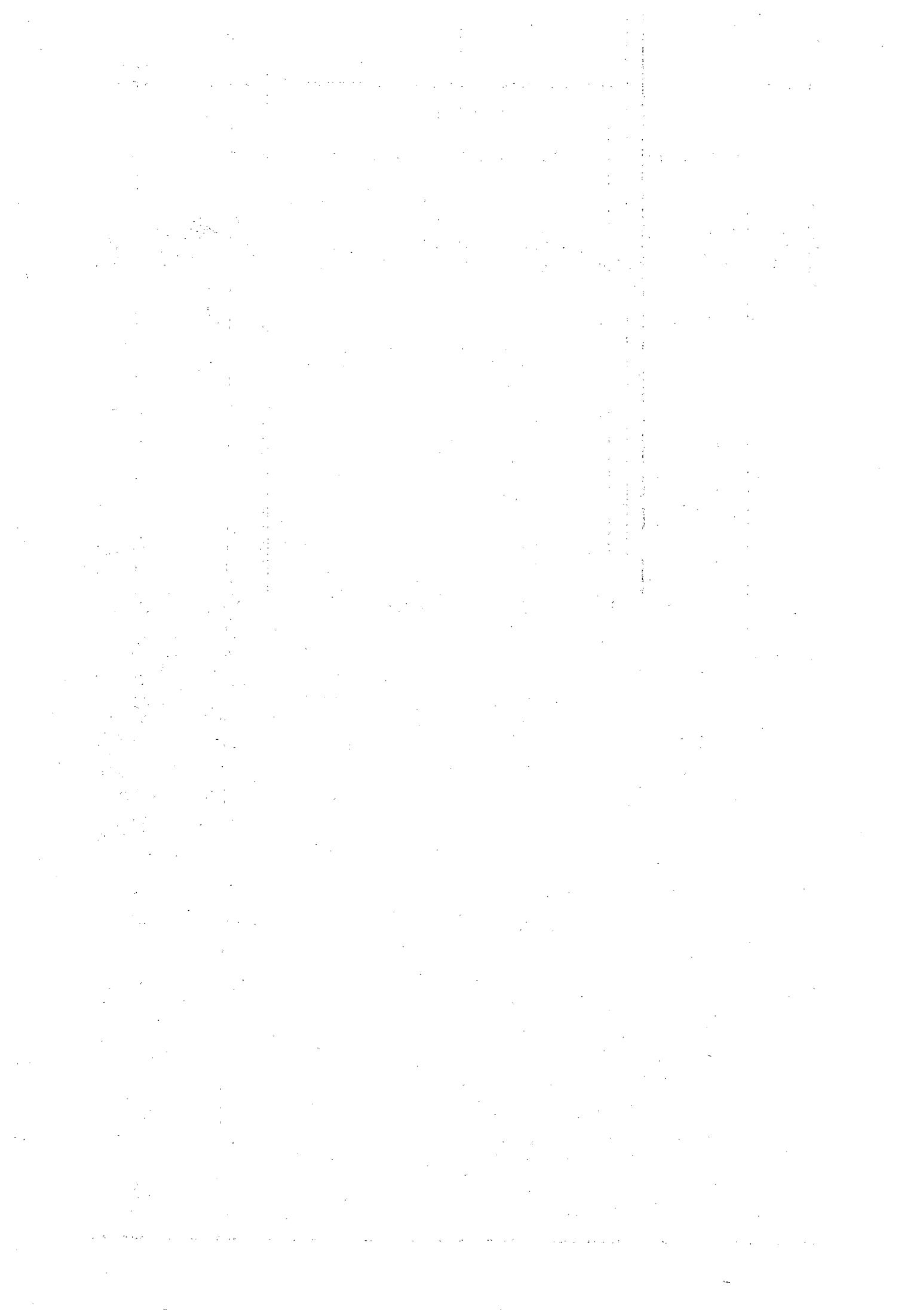
Countersigned



New Delhi
The

(SHASHI KANT SHARMA)
Comptroller and Auditor General of India

APPENDICES



APPENDIX – I

Statement showing status of devolution of functions to Panchayati Raj Institutions

(Reference : Paragraph 1.4; Page 3)

| Sr. No. | Functions as per 11 th Schedule of the Constitution | Status |
|---------|--|--------------------|
| 1. | Agriculture, including Agriculture Extension | Fully devolved |
| 2. | Minor Irrigation | Fully devolved |
| 3. | Animal husbandry | Fully devolved |
| 4. | Rural Housing | Fully devolved |
| 5. | Drinking water – water distribution | Fully devolved |
| 6. | Roads, culverts, bridges, ferries, waterways | Fully devolved |
| 7. | Fuel (Energy) and fodder | Fully devolved |
| 8. | Minor forest projects | Fully devolved |
| 9. | Poverty alleviation programmes | Fully devolved |
| 10. | Fair and markets | Fully devolved |
| 11. | Health and sanitation, including PHCs dispensaries | Fully devolved |
| 12. | Family welfare | Fully devolved |
| 13. | Women and child development | Fully devolved |
| 14. | Welfare of weaker sections particularly of the SCs and STs | Fully devolved |
| 15. | Primary and Secondary Education | Partially devolved |
| 16. | Adult and non-formal education | Partially devolved |
| 17. | Cultural activities | Partially devolved |
| 18. | Social welfare, including welfare of handicapped and mentally retarded | Partially devolved |
| 19. | Maintenance of community assets | Partially devolved |
| 20. | Land improvement, implementation of land reforms | Yet to be devolved |
| 21. | Fisheries | Yet to be devolved |
| 22. | Social forestry and farm forestry | Yet to be devolved |
| 23. | Small scale industry | Yet to be devolved |
| 24. | Khadi, village and cottage industries | Yet to be devolved |
| 25. | Rural electrification including distribution of electricity | Yet to be devolved |
| 26. | Non-conventional source of energy | Yet to be devolved |
| 27. | Technical training and vocational education | Yet to be devolved |
| 28. | Libraries | Yet to be devolved |
| 29. | Public distribution system | Yet to be devolved |

APPENDIX - II

Details of grant received and expenditure incurred under IAY scheme in the test checked Districts during the period 2008-09 to 2012-13

(Reference : Paragraph 2.1.6.2; Page 18)

(₹ in crore)

| Name of District | Year | Opening Balance ¹ | Grant Released | | Miscellaneous income with interest | Total Available Fund | Expenditure | Closing Balance | Percentage of expenditure against available fund |
|------------------|---------|------------------------------|----------------|-------|------------------------------------|----------------------|-------------|-----------------|--|
| | | | Central | State | | | | | |
| Anand | 2008-09 | 5.67 | 9.08 | 1.57 | 0.49 | 16.81 | 14.16 | 2.65 | 84 |
| | 2009-10 | 2.64 | 23.04 | 7.68 | 3.48 | 36.84 | 25.05 | 11.79 | 68 |
| | 2010-11 | 11.78 | 47.05 | 15.68 | 3.22 | 77.73 | 53.05 | 24.68 | 68 |
| | 2011-12 | 24.68 | 5.97 | 1.00 | 1.56 | 33.21 | 20.34 | 12.87 | 61 |
| | 2012-13 | 12.88 | 8.86 | 2.95 | 0 | 24.69 | 6.34 | 18.35 | 26 |
| Banaskantha | 2008-09 | 6.07 | 23.09 | 4.99 | 0.22 | 34.37 | 23.48 | 10.89 | 68 |
| | 2009-10 | 10.89 | 25.28 | 12.42 | 0.83 | 49.42 | 33.28 | 16.14 | 67 |
| | 2010-11 | 16.14 | 52.35 | 17.38 | 0.87 | 86.74 | 49.20 | 37.54 | 57 |
| | 2011-12 | 37.53 | 29.55 | 4.99 | 2.91 | 74.98 | 40.85 | 34.13 | 54 |
| | 2012-13 | 34.14 | 13.97 | 9.58 | 0.01 | 57.70 | 41.12 | 16.58 | 71 |
| Dahod | 2008-09 | 2.30 | 21.37 | 4.12 | 0.26 | 28.05 | 12.35 | 15.70 | 44 |
| | 2009-10 | 15.70 | 25.00 | 9.92 | 0.65 | 51.27 | 26.35 | 24.92 | 51 |
| | 2010-11 | 24.94 | 39.22 | 10.07 | 3.88 | 78.11 | 38.74 | 39.37 | 50 |
| | 2011-12 | 39.37 | 122.45 | 44.17 | 3.37 | 209.36 | 99.53 | 109.83 | 48 |
| | 2012-13 | 110.10 | 40.59 | 15.25 | 0.52 | 166.46 | 120.70 | 45.76 | 73 |
| Junagadh | 2008-09 | 4.84 | 18.50 | 3.32 | 0.66 | 27.32 | 14.73 | 12.59 | 54 |
| | 2009-10 | 12.59 | 11.03 | 5.65 | 5.00 | 34.27 | 23.5 | 10.77 | 69 |
| | 2010-11 | 10.77 | 0 | 0 | 0.83 | 11.60 | 6.73 | 4.87 | 58 |
| | 2011-12 | 4.87 | 3.46 | 1.15 | 0.28 | 9.76 | 3.49 | 6.27 | 36 |
| | 2012-13 | 6.26 | 0 | 0 | 0.25 | 6.51 | 3.62 | 2.89 | 56 |
| Porbandar | 2008-09 | 0.27 | 2.32 | 0.52 | 0.02 | 3.13 | 2.10 | 1.03 | 67 |
| | 2009-10 | 1.03 | 2.61 | 0.83 | 0.16 | 4.63 | 2.51 | 2.12 | 54 |
| | 2010-11 | 2.11 | 1.28 | 0.70 | 0.46 | 4.55 | 4.26 | 0.29 | 94 |
| | 2011-12 | 0.30 | 0.81 | 0.30 | 0.24 | 1.65 | 0.79 | 0.86 | 48 |
| | 2012-13 | 0.85 | 1.39 | 0.47 | 0.06 | 2.77 | 1.55 | 1.22 | 56 |
| Surat | 2008-09 | 2.46 | 38.88 | 8.92 | 0.42 | 50.68 | 45.46 | 5.22 | 90 |
| | 2009-10 | 5.22 | 46.40 | 18.65 | 0.40 | 70.67 | 56.93 | 13.74 | 81 |
| | 2010-11 | 8.50 | 40.29 | 14.29 | 1.21 | 64.29 | 29.87 | 34.42 | 46 |
| | 2011-12 | 34.42 | 3.01 | 1.00 | 1.96 | 40.39 | 11.13 | 29.26 | 28 |
| | 2012-13 | 29.27 | 0 | 0 | 1.24 | 30.51 | 0 | 30.51 | 0 |
| Surendranagar | 2008-09 | 1.76 | 9.09 | 2.05 | 0.21 | 13.11 | 9.59 | 3.52 | 73 |
| | 2009-10 | 3.52 | 13.55 | 5.36 | 0.43 | 22.86 | 15.91 | 6.95 | 70 |
| | 2010-11 | 6.95 | 13.30 | 4.72 | 2.58 | 27.55 | 20.57 | 6.98 | 75 |
| | 2011-12 | 6.98 | 7.16 | 2.04 | 0.41 | 16.59 | 12.66 | 3.93 | 76 |
| | 2012-13 | 3.93 | 7.23 | 3.54 | 0.43 | 15.13 | 6.38 | 8.75 | 42 |
| Vadodara | 2008-09 | 3.64 | 32.19 | 7.13 | 0.34 | 43.30 | 28.78 | 14.52 | 66 |
| | 2009-10 | 14.51 | 38.95 | 16.58 | 0.81 | 70.85 | 52.60 | 18.25 | 74 |
| | 2010-11 | 18.26 | 49.65 | 16.55 | 1.28 | 85.74 | 67.09 | 18.65 | 78 |
| | 2011-12 | 18.65 | 48.76 | 8.13 | 1.71 | 77.25 | 53.98 | 23.27 | 70 |
| | 2012-13 | 23.27 | 23.50 | 15.96 | 1.32 | 64.05 | 20.24 | 43.81 | 32 |

(Source : Information furnished by CRD)

1 The opening balance does not tally with the closing balance of the previous year. These figures were provided by the test checked DRDAs. Clarifications sought for the difference is awaited from the CRD and test checked DRDAs (March 2014)

APPENDIX-III

Non-release of allocated fund by GoI

(Reference : Paragraph 2.1.6.2; Page 18)

(` in crore)

| District | Year | Non- release of grant by GoI due to | | | Total Grant not released |
|--------------------|--------------|-------------------------------------|---|--|--------------------------|
| | | Excess carry over | Late submission of proposal for second instalment | Non-submission of proposal for second instalment | |
| Dahod | 2008-09 | 0.70 | Nil | Nil | 0.70 |
| | 2012-13 | 66.87 | 12.43 | Nil | 79.30 |
| | Total | | | | 80.00 |
| Banaskantha | 2008-09 | 3.21 | Nil | Nil | 3.21 |
| | 2009-10 | 6.46 | Nil | Nil | 6.46 |
| | Total | | | | 9.67 |
| Junagadh | 2008-09 | 2.57 | Nil | Nil | 2.57 |
| | 2011-12 | Nil | Nil | 3.46 | 3.46 |
| | Total | | | | 6.03 |
| Porbandar | 2008-09 | 0.21 | Nil | Nil | 0.21 |
| | Total | | | | 0.21 |
| Surendranagar | 2008-09 | 1.62 | Nil | Nil | 1.62 |
| | 2010-11 | 3.50 | Nil | Nil | 3.50 |
| | Total | | | | 5.12 |
| Vadodara | 2008-09 | 1.54 | Nil | Nil | 1.54 |
| | 2010-11 | 10.26 | Nil | Nil | 10.26 |
| | Total | | | | 11.80 |
| Grand Total | | | | | 112.83 |

(Source : Information compiled from Grant release orders)

APPENDIX – IV

Contingent/office expense booked under the scheme

(Reference : Paragraph 2.1.6.3; Page 19)

(Amount in ₹)

| Sr. No. | Name of Taluka/DRDA | Amount |
|----------------|----------------------------|------------------|
| 1 | Dantivada (Banaskantha) | 62,824 |
| 2 | Deesa (Banaskantha) | 1,50,888 |
| 3 | Limkheda (Dahod) | 1,85,687 |
| 4 | Jalod (Dahod) | 14,96,893 |
| 5 | DRDA Surendranagar | 3,18,451 |
| 6 | Chotila (Surendranagar) | 19,567 |
| 7 | Sayla (Surendranagar) | 66,121 |
| 8 | Karjan (Vadodara) | 1,00,000 |
| Total | | 24,00,431 |

(Source: Information compiled from the Cash Book of test checked Talukas and DRDA)

APPENDIX - V

Payment of assistance to beneficiaries by cheque

(Reference : Paragraph 2.1.7.3; Page 21)

(₹ in crore)

| Name of the Taluka | Name of the District | Period of payment | Number of beneficiaries to whom assistance was paid by cheque | Amount of Assistance paid |
|--------------------|----------------------|--------------------|---|---------------------------|
| Anand | Anand | 2008-09 to 2012-13 | 3,184 | 12.59 |
| Tarapur | Anand | 2008-09 to 2012-13 | 2,671 | 2.78 |
| Palanpur | Banaskantha | 2008-09 to 2012-13 | 5,822 | 5.72 |
| Jalod | Dahod | 2009-10 to 2011-12 | 2,627 | 2.17 |
| Limkheda | Dahod | 2008-09 to 2012-13 | 4,759 | 4.13 |
| Junagadh | Junagadh | 2008-09 to 2012-13 | 565 | 0.61 |
| Keshod | Junagadh | 2008-09 to 2012-13 | 435 | 0.49 |
| Kutiyana | Porbandar | 2008-09 to 2012-13 | 460 | 0.47 |
| Chotila | Surendranagar | 2008-09 to 2012-13 | 3,187 | 2.32 |
| Sayla | Surendranagar | 2008-09 to 2012-13 | 7,200 | 3.03 |
| Sankheda | Vadodara | 2008-09 to 2011-12 | 56 | 0.07 |
| | | Total | 30,966 | 34.38 |

(Source : Information compiled from the data book and cash book of test checked Talukas)

APPENDIX - VI

Physical performance in respect of construction of new houses in the test checked Districts during 2008-13

(Reference : Paragraph 2.1.8.1; Page 22)

| District | Number of new houses to be sanctioned during the year | Houses actually sanctioned during the year | Number of new houses completed as on 31 March of the respective year | Houses under construction |
|-----------------|--|---|---|----------------------------------|
| Anand | 33,598 | 33,388 | 33,846 | 2,195 |
| Banaskantha | 49,050 | 48,521 | 42,995 | 17,531 |
| Dahod | 96,777 | 98,089 | 67,784 | 94,146 |
| Junagadh | 13,949 | 10,800 | 11,817 | 11,519 |
| Porbandar | 2,745 | 2,266 | 2,945 | 4,095 |
| Surat | 34,084 | 30,779 | 31,388 | 3,065 |
| Surendranagar | 19,119 | 21,922 | 16,600 | 14,771 |
| Vadodara | 68,648 | 73,231 | 51,105 | 51,031 |

(Source : Information compiled from the State Monthly Progress Report)

APPENDIX – VII

Details of number of houses not completed as of March 2013

(Reference : Paragraph 2.1.8.1; Page 22)

| Taluka | District | Number of houses | | | Percentage of incomplete houses |
|--------------|---------------|---------------------------|---------------------------------|----------------------------------|---------------------------------|
| | | Sanctioned during 2008-11 | Completed (up to 31 March 2013) | Incomplete (as on 31 March 2013) | |
| Anand | Anand | 2,903 | 1,829 | 1,074 | 37 |
| Tarapur | Anand | 1,513 | 979 | 534 | 35 |
| Deesa | Banaskantha | 3,084 | 1,154 | 1,930 | 63 |
| Jalod | Dahod | 4,553 | 933 | 3,620 | 80 |
| Limkheda | Dahod | 4,093 | 859 | 3,234 | 79 |
| Bhesan | Junagadh | 455 | 427 | 28 | 6 |
| Junagadh | Junagadh | 322 | 215 | 107 | 33 |
| Keshod | Junagadh | 391 | 363 | 28 | 7 |
| Kutiyana | Porbandar | 294 | 179 | 115 | 39 |
| Chotila | Surendranagar | 3,044 | 1,708 | 1,336 | 44 |
| Sayala | Surendranagar | 2,174 | 1,809 | 365 | 17 |
| Dabhoi | Vadodara | 3,285 | 2,182 | 1,103 | 34 |
| Karjan | Vadodara | 3,661 | 1,954 | 1,707 | 47 |
| Sankheda | Vadodara | 5,291 | 3,750 | 1,541 | 29 |
| Total | | 35,063 | 18,341 | 16,722 | 48 |

(Source : Information furnished by the test checked Talukas)

APPENDIX - VIII

Details of DLVMC meetings held in test checked Districts

(Reference : Paragraph 2.1.12.3; Page 29)

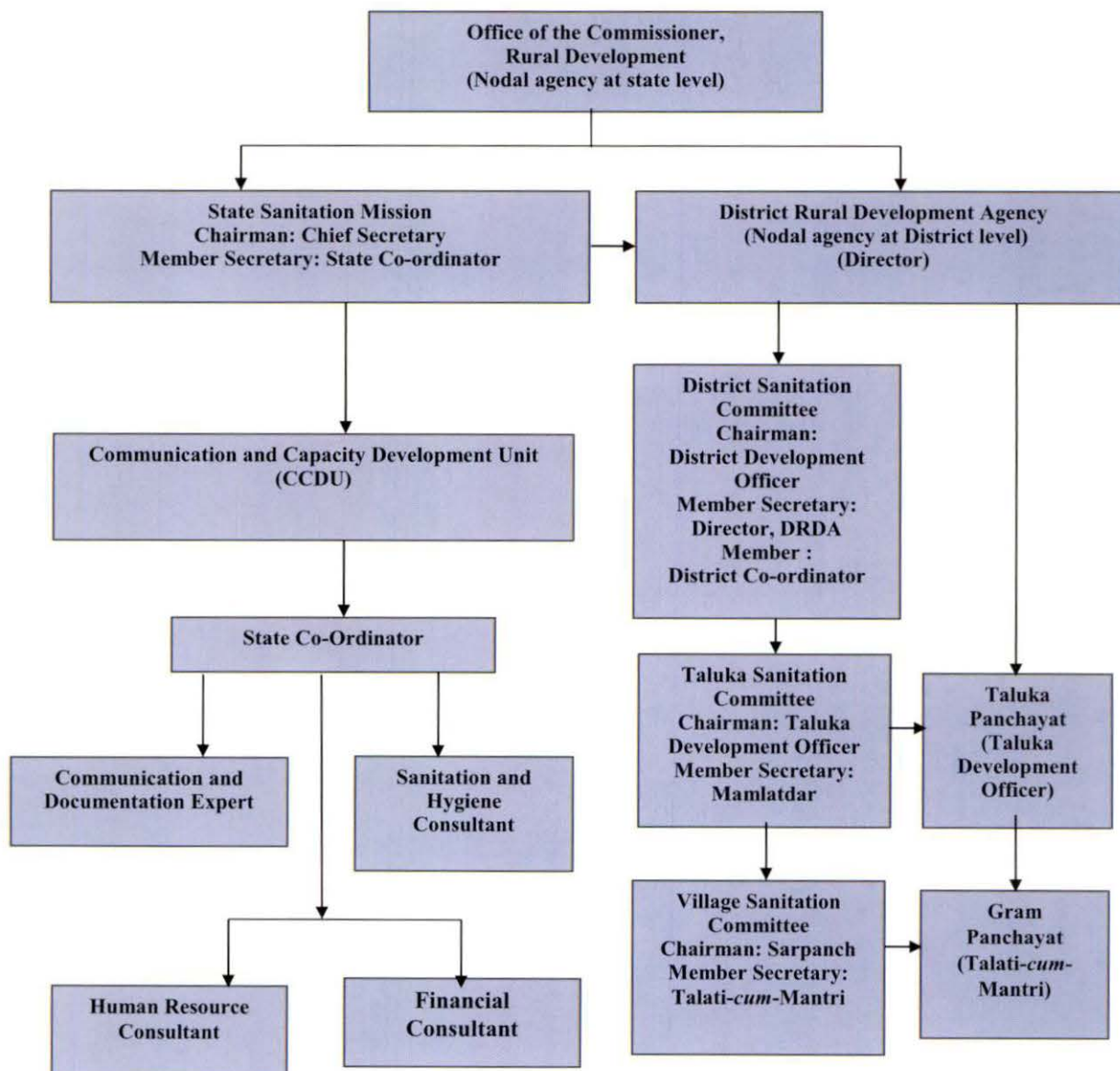
| | District | Prescribed number of meetings to be held during 2011-13 | Number of meetings held |
|--|---------------|---|-------------------------|
| | Anand | 8 | 3 |
| | Banaskantha | 8 | 5 |
| | Dahod | 8 | 7 |
| | Junagadh | 8 | 2 |
| | Porbandar | 8 | 3 |
| | Surat | 8 | 4 |
| | Surendranagar | 8 | 3 |
| | Vadodara | 8 | 2 |

(Source:- Information furnished by the test checked Districts)

APPENDIX - IX

Organisational chart

(Reference: Paragraph 2.2.2; Page 34)



APPENDIX - X

List of GPs which had not refunded unspent balance of TSC to TLSC as on 31 March 2013

(Reference : Paragraph 2.2.7.3; Page 38)

| District | Taluka | Sr. No | Name of GPs | Unspent Amount (in ₹) |
|------------|------------|---------------|---------------|-----------------------|
| Ahmedabad | Dascroi | 1. | Gamdi | 1,60,320 |
| | | 2. | Navapura | 7,800 |
| | Ranpur | 3. | Aniyali | 1,25,875 |
| | | 4. | Keira | 1,50,958 |
| | | 5. | Gunda | 8,345 |
| | | 6. | Gadhiyadareli | 10,750 |
| | | 7. | Umrala | 30,981 |
| | | 8. | Godhavata | 53,020 |
| | Dholka | 9. | Vataman | 35,693 |
| | | 10. | Vautha | 49,635 |
| Dang | Ahwa | 11. | Bheskatri | 9,767 |
| Navsari | Vansda | 12. | Limberpada | 11,208 |
| | | 13. | Kandha | 1,86,250 |
| | | 14. | Vanarsi | 36,000 |
| | Navsari | 15. | Amadpore | 1,44,860 |
| | | 16. | Jamalpore | 3,26,019 |
| | | 17. | Itarava | 9,000 |
| | | 18. | Hariapar | 27,606 |
| Jamnagar | Dhrol | 19. | Vankiya | 93,610 |
| | | 20. | Motavagudad | 8,804 |
| | Jamnagar | 21. | Vibhapar | 50,000 |
| | | 22. | Chandragadh | 54,821 |
| | | 23. | Aliya | 12,982 |
| | | 24. | Bhadara | 63,456 |
| | Jodia | 25. | Rasnal | 42,549 |
| | | 26. | Ananda | 70,084 |
| | | 27. | Ghadkan | 19,175 |
| | | Prantij | 28. | Amarapur |
| 29. | | | Aminpur | 5,000 |
| Bayad | | | 30. | Gabat |
| | 31. | Vajepurakampa | 4,000 | |
| | 32. | Chhaubhau | 1,11,316 | |
| Panchmahal | Ghoghambha | 33. | Ghoghambha | 1,11,439 |
| | | 34. | Kharod | 13,000 |
| | | 35. | Paroli | 70,573 |
| | Kalol | 36. | Satamna | 4,61,500 |
| | | 37. | Nandarkha | 80,498 |
| | | 38. | Vyasda | 71,097 |
| | | 39. | Chalali | 26,686 |
| | | 40. | Karoli | 17,594 |
| | Lunawada | 41. | Ucharpi | 2,84,748 |
| | | 42. | Thanasavli | 2,50,000 |
| | | 43. | Aagarwada | 1,85,000 |
| | | 44. | Bhalada | 2,15,726 |
| | | | TOTAL | 37,56,576 |

APPENDIX - XI

Target and achievements for construction of school toilets as of March 2013

(Reference : Paragraph 2.2.11.1; Page 47)

(₹ in crore)

| Sr. No | Name of District | Approved Cost | Expenditure incurred | Number of school toilets to be constructed | Number of school toilets actually constructed | Percentage of toilets completed |
|--------------|------------------|---------------|----------------------|--|---|---------------------------------|
| 1 | Ahmedabad | 2.14 | 2.15 | 920 | 920 | 100 |
| 2 | Dang | 0.68 | 0.69 | 216 | 216 | 100 |
| 3 | Jamnagar | 5.23 | 3.41 | 1,877 | 1,005 | 54 |
| 4 | Panchmahal | 8.39 | 7.69 | 3,272 | 3,272 | 100 |
| 5 | Porbandar | 2.23 | 1.44 | 715 | 462 | 65 |
| 6 | Navsari | 3.83 | 2.06 | 1,347 | 1,347 | 100 |
| 7 | Sabarkantha | 9.70 | 9.50 | 3,611 | 3,577 | 99 |
| Total | | 32.20 | 26.94 | 11,958 | 10,799 | 90 |
| State | | 102.07 | 90.84 | 40,439 | 36,438 | 90 |

(Source : Information furnished by CRD)

APPENDIX - XII

The details of ATs constructed and expenditure incurred in test checked Districts and at State level as of March 2013

(Reference : Paragraph 2.2.12; Page 48)

| Sr. No. | District | Approved cost (₹ in lakh) | Expenditure (₹ in lakh) | Number of ATs to be constructed | Number of ATs constructed | Percentage of ATs completed |
|---------|--------------|---------------------------|-------------------------|---------------------------------|---------------------------|-----------------------------|
| 1 | Ahmedabad | 42.85 | 23.65 | 678 | 473 | 70 |
| 2 | Dang | 14.90 | 14.15 | 290 | 290 | 100 |
| 3 | Jamnagar | 96.84 | 41.75 | 1,435 | 678 | 47 |
| 4 | Navsari | 77.85 | 55.83 | 1,369 | 1,118 | 82 |
| 5 | Panchmahal | 82.72 | 67.80 | 1,578 | 1,388 | 88 |
| 6 | Porbandar | 11.55 | 11.87 | 178 | 128 | 72 |
| 7 | Sabarkantha | 82.82 | 82.64 | 1,304 | 1,304 | 100 |
| | Total | 409.53 | 297.69 | 6,832 | 5,379 | 79 |
| | State | 1,801.39 | 1,253.71 | 30,516 | 25,422 | 83 |

(Source : Information furnished by test checked DRDAs and CRD)

APPENDIX - XIII

The details of CSCs constructed and expenditure incurred in test checked Districts and at State level as of March 2013

(Reference : Paragraph 2.2.13; Page 49)

| Sr. No. | District | Approved cost (₹ in crore) | Expenditure (₹ in crore) | Number of CSCs to be constructed | Number of CSCs con- structed | Percentage of CSCs completed |
|--------------|-------------|-------------------------------|-----------------------------|--|------------------------------------|---------------------------------|
| 1 | Ahmedabad | 0.70 | 0.32 | 35 | 26 | 74 |
| 2 | Dang | 0.31 | 0.26 | 40 | 40 | 100 |
| 3 | Jamnagar | 2.04 | 0.65 | 150 | 75 | 50 |
| 4 | Navsari | 0.45 | 0.66 | 45 | 52 | 116 |
| 5 | Panchmahal | 0.37 | 0.50 | 61 | 91 | 149 |
| 6 | Porbandar | 1.28 | 0.22 | 64 | 64 | 100 |
| 7 | Sabarkantha | 0.30 | 0.35 | 63 | 31 | 49 |
| Total | | 5.45 | 2.96 | 458 | 379 | 83 |
| State | | 19.41 | 17.45 | 1,671 | 1,774 | 106 |

(Source : Information furnished by CRD)

APPENDIX - XIV

The details of expenditure on solid and liquid waste management as of March 2013

(Reference : Paragraph 2.2.14; Page 51)

(₹ in crore)

| Name of DSCs | Approved cost | Expenditure incurred | | | Percentage of expenditure to approved cost |
|--------------|---------------|----------------------|--------------|--------------|--|
| | | Solid Waste | Liquid Waste | Total | |
| Ahmedabad | 1.77 | 0 | 0.47 | 0.47 | 27 |
| Dang | 0.64 | 0 | 0 | 0 | 0 |
| Jamnagar | 1.23 | 1.08 | 0.01 | 1.09 | 89 |
| Navsari | 1.13 | 0.32 | 0 | 0.32 | 28 |
| Panchmahal | 3.40 | 0.91 | 1.04 | 1.95 | 57 |
| Porbandar | 0.44 | 0 | 0 | 0 | 0 |
| Sabarkantha | 1.68 | 0.85 | 0.61 | 1.46 | 87 |
| Total | 10.29 | 3.16 | 2.13 | 5.29 | 51 |
| State | 43.10 | | | 24.54 | 57 |

(Source: Information furnished by test checked DRDAs and CRD)

APPENDIX - XV

The details of availability of TCM and Cluster Co-ordinators as of
March 2013

(Reference: Paragraph 2.2.15; Page 52)

| District | Number of GPs | TCM availability | | | Cluster Co-ordinators availability | | |
|--------------|---------------|------------------------|-------------------------|------------|--|---|------------|
| | | Number of TCM required | Number of TCM available | Percentage | Number of Cluster Co-ordinators required | Number of Cluster Co-ordinators available | Percentage |
| Ahmedabad | 565 | 565 | 293 | 52 | 20 | 14 | 70 |
| Dang | 70 | 70 | 36 | 51 | 07 | 05 | 71 |
| Jamnagar | 679 | 679 | 368 | 54 | 34 | 18 | 53 |
| Navsari | 366 | 366 | 180 | 49 | 13 | 09 | 69 |
| Panchmahal | 677 | 677 | 346 | 51 | 29 | 23 | 79 |
| Porbandar | 151 | 151 | 57 | 38 | 07 | 07 | 100 |
| Sabarkantha | 725 | 725 | 424 | 58 | 30 | 17 | 57 |
| Total | 3,233 | 3,233 | 1,704 | 53 | 140 | 93 | 66 |

(Source : Information furnished by test checked DRDAs)

APPENDIX - XVI

The details of Target and Achievement of number of Training Programmes as of March 2013

(Reference : Paragraph 2.2.15; Page 52)

| District | 2010-11 | | 2011-12 | | 2012-13 | | Total | | Percentage of achievement |
|--------------|-----------|-------------|------------|-------------|------------|-------------|------------|-------------|---------------------------|
| | Target | Achievement | Target | Achievement | Target | Achievement | Target | Achievement | |
| Ahmedabad | 00 | 00 | 22 | 02 | 80 | 08 | 102 | 10 | 10 |
| Dang | 00 | 00 | 00 | 00 | 74 | 02 | 74 | 02 | 03 |
| Jamnagar | 01 | 01 | 19 | 00 | 19 | 00 | 39 | 01 | 03 |
| Navsari | 00 | 00 | 16 | 00 | 17 | 00 | 33 | 00 | 00 |
| Panchmahal | 22 | 22 | 48 | 24 | 01 | 01 | 71 | 47 | 66 |
| Porbandar | 10 | 07 | 27 | 00 | 30 | 00 | 67 | 07 | 10 |
| Sabarkantha | 03 | 03 | 01 | 01 | 23 | 14 | 27 | 18 | 67 |
| Total | 36 | 33 | 133 | 27 | 244 | 25 | 413 | 85 | 21 |

(Source : Information furnished by test checked DRDAs)

APPENDIX - XVII
Schools without all-weather building
(Reference: Paragraph 2.3.3.1; Page 59)

| Sl. No. | Name of School | Village | Block | District | Cat-egory | Year Es- tablished |
|---------|---------------------------------|---------------|--------------|---------------|-----------|-----------------------|
| 1 | Baliyadev PS | Gatrad | Daseroi | Ahmadabad | UPS | 2004 |
| 2 | Branch -1 PS (Girls) | Borsad | Borsad | Anand | UPS | 1958 |
| 3 | Udeshi Goliya PS | Vadgamda | Tharad | Banaskantha | PS | 2006 |
| 4 | Shree Mavaji Goliya PS | Bhordu | Tharad | Banaskantha | PS | 2007 |
| 5 | Nakalang PS | Bhachar | Tharad | Banaskantha | PS | 2009 |
| 6 | Rambhai PS | Idhata | Tharad | Banaskantha | PS | 2009 |
| 7 | Hakamaji Goliya PS | Naroli | Tharad | Banaskantha | PS | 2012 |
| 8 | Dhedhiyonesh PS | Modpar | Bhanvad | Jamnagar | PS | 2010 |
| 9 | Sarkari Madhyamik Shala Hamusar | Hamusar | Dwarka | Jamnagar | UPS | 2011 |
| 10 | Govana Vadi Shala-4 | Govana | Lalpur | Jamnagar | PS | 2011 |
| 11 | Juna Galodar Sim Shala | Juna Galodar | Malia Hatina | Junagadh | PS | 1998 |
| 12 | Hadala Nes PS | Hadala Nesh | Una | Junagadh | PS | 2000 |
| 13 | Kerala Sim Shala | Kerala | Malia Hatina | Junagadh | PS | 2007 |
| 14 | Paldi Sim Nes Shala | Paldi | Veraval | Junagadh | PS | 2010 |
| 15 | Sheriyj PS | Sheriyaj | Mangrol | Junagadh | UPS | 2010 |
| 16 | Ukadiya Vadi Vistar Sim PS | Ukadiya | Veraval | Junagadh | PS | 2012 |
| 17 | Sidokar Kanya PS | Sidokar | Veraval | Junagadh | UPS | 2012 |
| 18 | Navjivan PS | Gandhidham | Gandhidham | Kachchh | UPS | 2006 |
| 19 | Shri Viravandh(Ratiya) PS | Ratiya | Bhuj | Kachchh | PS | 2007 |
| 20 | Dedhiya Nana (Dadhar) | Dedhiya | Bhuj | Kachchh | PS | 2009 |
| 21 | Adarji Ni Muvadi PS | Fatiyavad | Kapadvanj | Kheda | PS | 2007 |
| 22 | Madari Nagar (Taiyabpura) PS | Taiyabpura | Kapadvanj | Kheda | PS | 2012 |
| 23 | Rajgadh PS | Raska | Mahemdavad | Kheda | PS | 2012 |
| 24 | Satvirda Nes PS | Satvirda | Ranavav | Porbandar | UPS | 1985 |
| 25 | Ranavana Nes | Adityana | Ranavav | Porbandar | UPS | 2005 |
| 26 | Bhukbara Nes PS | Bhukbara Nes | Ranavav | Porbandar | UPS | 2007 |
| 27 | Boriyavaro Nes PS | Khambhala | Ranavav | Porbandar | PS | 2009 |
| 28 | Bandhno Nes PS | Khambhala | Ranavav | Porbandar | PS | 2009 |
| 29 | Fuljar Nes PS | Adityana | Ranavav | Porbandar | PS | 2009 |
| 30 | Boricha Sim PS | Adityana | Ranavav | Porbandar | PS | 2009 |
| 31 | Fuvara Nes PS | Ranavav | Ranavav | Porbandar | PS | 2009 |
| 32 | Ajamapat Nes PS | Khambhala | Ranavav | Porbandar | PS | 2012 |
| 33 | Ladhahar Nes PS | Ladhahar Nesh | Ranavav | Porbandar | PS | 2012 |
| 34 | Gondal Shala No. 4 | Gondal | Gondal | Rajkot | UPS | 1950 |
| 35 | Railway Broadgagge School | Maliya | Maliya | Rajkot | PS | 1986 |
| 36 | Bhimsar Vanth School | Maliya | Maliya | Rajkot | UPS | 2007 |
| 37 | Rakhodiya Vanth school | Maliya | Maliya | Rajkot | UPS | 2007 |
| 38 | Shree Khara Vanth PS | Maliya | Maliya | Rajkot | UPS | 2007 |
| 39 | Pushkardham PS | Jasdan | Jasdan | Rajkot | PS | 2011 |
| 40 | Sonakuba PS | Modhuka | Jasdan | Rajkot | UPS | 2011 |
| 41 | Limbdi Nagar Palika School-2 | Limbdi | Limbdi | Surendranagar | UPS | 1918 |
| 42 | Nava Vadi Vasahat | Nava | Chotila | Surendranagar | PS | 2006 |
| 43 | Dhrangadhra Para Vasa- 16 | Dhrangadhra | Dhrangadhra | Surendranagar | PS | 2007 |
| 44 | Kavadiya Sim School | Kavadiya | Halvad | Surendranagar | PS | 2009 |
| 45 | Virendragadh Vadi Vistar | Virendragadh | Dhrangadhra | Surendranagar | PS | 2009 |
| 46 | Piyava PS – 2 | Piyava | Chotila | Surendranagar | PS | 2011 |
| 47 | Shree Suryalilapur PS | Garambhadi | Sayla | Surendranagar | PS | 2011 |
| 48 | Nana Harniya Sim School | Nana Harniya | Sayla | Surendranagar | UPS | 2011 |

(Source: Information furnished by GCEE)

APPENDIX - XVIII

Boards and Authorities under the Department²

(Reference : Paragraph 3.2.2; Page 73)

| Sr. No. | Details of Boards/Authorities | Function |
|---------|--|--|
| 1. | Gujarat Municipal Finance Board | To provide grants and loans for basic and infrastructure facilities through various development schemes for ULBs. |
| 2. | Gujarat Urban Development Mission | Established as State Level Nodal Agency for the purpose of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and other State sponsored schemes. |
| 3. | Gujarat Urban Development Company Limited | To facilitate urban development by assisting state government and existing agencies in formulation of policy, institutional capacity building and project implementation, and to assist in the funding and implementation of projects. The Company is appointed as Nodal Agency for implementation of Gujarat Urban Development Projects (GUDP) programme, Municipal Solid Waste Management project for the ULBs of the state of Gujarat, Infrastructure Facilities in the Towns identified under Tribal Sub Plan and for implementing the drainage projects under Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojana (SJMMSVY). |
| 4. | Gujarat Housing Board | The Board constructs houses for Economically Weaker Section (EWS), Lower Income Group (LIG), Middle Income Group (MIG) and Higher Income Group (HIG). |
| 5. | 12 Urban Development Authorities ³ (UDA) and 13 Area Development Authorities ⁴ (ADA) | Preparation and execution of town planning schemes, acquire, hold, manage and dispose of property, executive works in connection with supply of water, disposal of sewerage and provision of other services and amenities, etc. |

² Urban Development and Urban Housing Department

³ Ahmedabad, Anand-Karamsad-Vallabhvidyanagar, Bharuch-Ankleshwar, Gandhinagar, Gujarat International Finance Tec-City, Himatnagar, Junagadh, Morbi-Wankaner, Rajkot, Surat, Surendranagar-Wadhwan and Vadodara,

⁴ Alang, Ambaji, Anjar, Bavla, Bhachau, Bhavnagar, Bhuj, Dhandhuka, Jamnagar, Khambhaliya, Rapar, Shamlaji and Vadinar

APPENDIX - XIX

Details of Audit Coverage

(Reference: Paragraph 4.1.5; Page 86)

| Sr. No. | District | Nagarपालikas |
|---------|---------------|--|
| 1 | Ahmedabad | Bareja, Barvala, Bavla, Dhandhuka, Dholka, Sanand and Viramgam |
| 2 | Amreli | Amreli, Babra, Bagsara, Chalala, Damnagar, Jafrabad, Lathi, Rajula and Savarkundla |
| 3 | Banaskantha | Bhabhar, Deesa, Dhanera, Palanpur, Thara and Tharad |
| 4 | Surat | Bardoli, Kansad, Mandvi and Tarsadi |
| 5 | Surendranagar | Chotila, Dhrangadhra, Halvad, Limbdi, Patadi, Surendranagar, Thangadh and Wadhwan |
| 6 | Tapi | Songadh and Vyara |
| 7 | Vadodara | Chhotaudepur, Dabhoi, Karjan, Padra and Savali |

APPENDIX-XX

Non-availability of Land for VCPs

(Reference: Paragraph 4.1.6.6; Page 93)

| Sr No | Name of Nagarpalika | Whether land allotted to GUDC | Whether the allotted land was encroachment free | Remarks /Issues |
|-------|---------------------|-------------------------------|---|--|
| 1 | Halvad | Yes | Yes | Land allotted was found not suitable for construction of VCP due to hard rock. A request for allotment of an alternate site is pending with the Collector. |
| 2 | Chotila | No | NA | Request for allotment of land is pending with the Collector. |
| 3 | Jetpur | Yes | Yes | Recently an alternate site had been allotted and construction of VCP would be taken up. |
| 4 | Dhoraji | Yes | Yes | Land allotted was found not suitable for construction of VCP as it was on the upstream of Bhadar dam. A request for allotment of an alternate site is pending with the Collector. |
| 5 | Mangrol | Yes | Yes | Land allotted was found not suitable for construction of VCP due to hard rock. A request for allotment of an alternate site is pending with the Collector. |
| 6 | Keshod | Yes | Yes | Land allotted was found not suitable for construction of VCP as the site was highly uneven. A request for allotment of an alternate site is pending with the Collector. |
| 7 | Kodinar | Yes | Yes | VCP could not be constructed due to public opposition. A request for allotment of an alternate site is pending with the Collector. |
| 8 | Shihor | Yes | Yes | Land allotted was found not suitable for construction of VCP due to its distance from the NP. A request for allotment of an alternate site is pending with the Collector. |
| 9 | Palitana | Yes | Yes | Land allotted was found not suitable for construction of VCP. Selection of an alternate site by the NP is under process. |
| 10 | Botad | Yes | Yes | Land allotted was found not suitable for construction of VCP as the land was in three different parts, insufficient and there was a deep valley on the site. A request for allotment of an alternate site is pending with the Collector. |
| 11 | Gandhidham | No | NA | Order pending from Collector for allotment of site. |
| 12 | Rajula | Yes | Yes | The construction would be taken up on completion of the work of cleaning of MSW dumped by NP. |
| 13 | Ranavav | No | NA | Allotment of land by the Collector is awaited. |
| 14 | Chhaya | Yes | Yes | Land allotted was found not suitable for construction of VCP as the land was regularly water logged. A request for allotment of an alternate site is pending with the Collector. |
| 15 | Mehsana | Yes | Yes | A request for allotment of an alternate site is pending with the Collector as the local public and air force had objected to the construction of VCP at the allotted site. |
| 16 | Bhuj | Yes | Yes | A request for allotment of an alternate site is pending with the Collector as the Airport Authority had objected to the construction of VCP at the allotted site. |
| 17 | Sanand | Yes | Yes | Land allotted was found not suitable for construction of VCP as the land was situated on a Deep valley. A request for allotment of an alternate site is pending with the Collector. |
| 18 | Dholka | No | NA | Allotment of land by the Collector is awaited. |
| 19 | Dhanera | Yes | Yes | Land allotted was found not suitable for construction of VCP. A request for allotment of an alternate site is pending with the Collector. |

| Sr No | Name of Nagarpalika | Whether land allotted to GUDC | Whether the allotted land was encroachment free | Remarks / Issues |
|-------|---------------------|-------------------------------|---|---|
| 20 | Dessa | Yes | Yes | Land allotted was found not suitable for construction of VCP. A request for allotment of an alternate site is pending with the Collector. |
| 21 | Lunawada | Yes | Yes | Land allotted was found not suitable for construction of VCP as the land was in hilly area, major leveling work/blasting would be required which would be costly. A request for allotment of an alternate site is pending with the Collector. |
| 22 | Santrampur | Yes | No | Site allotted has been encroached and the NP had not taken any action to remove the encroachment. |
| 23 | Gandhinagar | Yes | Yes | A request for allotment of an alternate site is pending with the Collector as the local public and air force had objected to the construction of VCP at the allotted site. |
| 24 | Mahudha | Yes | Yes | Local people have objected to spare the allotted site for VCP. |
| 25 | Nadiad | No | NA | Allocation of site by the NP is pending |
| 26 | Vallabh Vidyanagar | No | NA | Allocation of site by the NP is pending |
| 27 | Umreth | Yes | Yes | No Objection Certificate from the GPCB and the Director of Land Records is awaited. |
| 28 | Borsad | No | NA | Allocation of site by the NP is pending. |
| 29 | Petlad | No | NA | Allocation of site by the NP is pending. |
| 30 | Chhotaudepur | Yes | No | The local public had encroached the allocated site. |
| 31 | Vyara | Yes | No | Local people have objected to spare the allotted site for VCP. |
| 32 | Bilimora | Yes | No | Local people have objected to spare the allotted site for VCP. |
| 33 | Vijalpor | No | NA | Allocation of site by the NP is pending. |
| 34 | Valsad | No | NA | Nagarpalika has its own compost plant. |
| 35 | Umargam | No | NA | Allocation of site by the NP is pending. |
| 36 | Navsari | Yes | Yes | The land allotted was insufficient. A request for allotment of an alternate site is pending with the Collector. |

APPENDIX - XXI

Statement showing the status of compliance of activities under MSW Rules by test checked NPs

(Reference : Paragraph 4.1.6.8; Page 101)

| Parameter | Bareja | Barvala | Bavala | Dhandhuka | Dholka | Sanand | Viramgam | Amreli | Babra | Bagasara | Chalala | Damnagar | Jafrabad | Lathi |
|---|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 |
| Authorization | No | No | No | No | No | No | Yes | No | No | No | No | No | No | No |
| Collection | | | | | | | | | | | | | | |
| Door to door | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Slums, hotels | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Slaughter houses | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| Bio-med waste | No | Yes | Yes | No | No | Yes | No | No | Yes | No | No | Yes | Yes | Yes |
| Demolition waste | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Industrial waste | There are total 8 Treatment Stabilisation Disposal Facilities (TSDFs) and 4 Common HW Incinerators in Gujarat for disposal of Industrial Waste and Hazardous wastes. Such wastes are regulated under Hazardous waste (Management and Handling) Rules, 2008. While issuing authorization to any HW generating industrial unit, GPCB ensures that they first become member of the Common HW facilities for disposal of HWs generated by them otherwise they shall have their own captive Hazardous waste facilities. | | | | | | | | | | | | | |
| Plastic waste | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Hazardous waste | There are total 8 TSDFs and 4 Common HW Incinerators in Gujarat for disposal of Industrial Waste and Hazardous wastes. Such wastes are regulated under Hazardous waste (Management and Handling) Rules, 2008. While issuing authorization to any HW generating industrial unit, GPCB ensures that they first become member of the Common HW facilities for disposal of HWs generated by them otherwise they shall have their own captive Hazardous waste facilities. | | | | | | | | | | | | | |
| Segregation facilities | No | No | No | No | No | No | No | No | No | Partially at VCP | No | No | No | Partially at VCP |
| Storage facilities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Transportation facilities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Processing facilities | No | No | Yes | Yes | No | No | Yes | No | No | Yes | Yes | No | No | Yes |
| Disposal facilities | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping |
| Facilities at the sites | No such facilities in operation | | | | | | | | | | | | | |
| Pollution prevention | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done |
| Water quality monitoring | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done |
| Plantation at landfill sites | No such facilities in operation | | | | | | | | | | | | | |
| Closure of landfill sites and post care | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Parameter | Rajula | Savarkundla | Bhabhar | Deesa | Dhanera | Palanpur | Thara | Tharad | Bardoli | Kansad | Mandvi | Tarsadi | Chotila | Dhran-gadhra |
|---|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| Authorization | No | Yes | No | Yes | Yes | Yes | No | Yes | Yes | No | No | No | No | Yes |
| Collection | | | | | | | | | | | | | | |
| Door to door | Yes | Yes | Yes | Yes | Yes | Partially | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes |
| Slums, hotels | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Slaughter houses | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| Bio-med waste | Yes | No | No | No | No | No | No | Yes | No | No | Yes | Yes | No | Yes |
| Demolition waste | No | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Industrial waste | There are total 8 TSDFs and 4 Common HW Incinerators in Gujarat and the facilities available for disposal of Industrial Waste/Hazardous wastes. Such wastes are regulated under Hazardous waste (Management and Handling) Rules, 2008. While issuing authorization to any HW generating industrial unit. GPCB ensures that they first become member of the Common HW facilities for disposal of HWs generated by them otherwise they shall have their own captive Hazardous waste facilities. | | | | | | | | | | | | | |
| Plastic waste | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Hazardous waste | There are total 8 TSDFs and 4 Common HW Incinerators in Gujarat and the facilities available for disposal of Industrial Waste/Hazardous wastes. Such wastes are regulated under Hazardous waste (Management and Handling) Rules, 2008. While issuing authorization to any HW generating industrial unit. GPCB ensures that they first become member of the Common HW facilities for disposal of HWs generated by them otherwise they shall have their own captive Hazardous waste facilities. | | | | | | | | | | | | | |
| Segregation facilities | No | No | No | No | No | No | No | Partially | Partially | No | No | No | No | No |
| Storage facilities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Transportation facilities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Processing facilities | No | Yes | No | Yes | No | No | No | Yes | Yes | No | No | No | No | Yes |
| Disposal facilities | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping |
| Facilities at the sites | No such facilities in operation | | | | | | | | | | | | | |
| Pollution prevention | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done |
| Water quality monitoring | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done |
| Plantation at landfill sites | No such facilities in operation | | | | | | | | | | | | | |
| Closure of landfill sites and post care | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

| Parameter | Halvad | Limbadi | Patadi | S'nagar | Thangadh | Wadhwan | Songadh | Vyara | Chhota- udepur | Dabhoi | Karjan | Padara | Savali |
|---|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|--------------|--------------|--------------|--------------|
| | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 |
| Authorization | Yes | No | No | No | No | No | No | No | No | No | Yes | Yes | No |
| Collection | | | | | | | | | | | | | |
| Door to door | Yes | Yes | Yes | Yes | Partially | Yes | Yes | Yes | Yes | Partially | Yes | Yes | Yes |
| Slums, hotels | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Slaughter houses | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |
| Bio-med waste | No | No | No | No | No | No | Yes | No | Yes | Yes | No | Yes | Yes |
| Demolition waste | No | No | No | No | No | No | Yes | Yes | No | No | No | No | No |
| Industrial waste | There are total 8 TSDFs and 4 Common HW Incinerators in Gujarat and the facilities available for disposal of Industrial Waste/Hazardous wastes. Such wastes are regulated under Hazardous waste (Management and Handling) Rules, 2008. While issuing authorization to any HW generating industrial unit. GPCB ensures that they first become member of the Common HW facilities for disposal of HWs generated by them otherwise they shall have their own captive Hazardous waste facilities. | | | | | | | | | | | | |
| Plastic waste | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Hazardous waste | There are total 8 TSDFs and 4 Common HW Incinerators in Gujarat and the facilities available for disposal of Industrial Waste/Hazardous wastes. Such wastes are regulated under Hazardous waste (Management and Handling) Rules, 2008. While issuing authorization to any HW generating industrial unit. GPCB ensures that they first become member of the Common HW facilities for disposal of HWs generated by them otherwise they shall have their own captive Hazardous waste facilities. | | | | | | | | | | | | |
| Segregation facilities | No | No | No | No | No | No | No | No | No | No | No | No | No |
| Storage facilities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Transportation facilities | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Processing facilities | No | Yes | No | Yes | Yes | Yes | Yes | No | No | Yes | Yes | Yes | No |
| Disposal facilities | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping | Open dumping |
| Facilities at the sites | No such facilities in operation | | | | | | | | | | | | |
| Pollution prevention | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done |
| Water quality monitoring | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done | Not done |
| Plantation at landfill sites | No such facilities in operation | | | | | | | | | | | | |
| Closure of landfill sites and post care | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |

APPENDIX - XXII

Statement showing Budget and Expenditure on Municipal Solid Waste (MSW)
in the Nagarpalikas test checked in Performance Audit

(Reference : Paragraph 4.1.8.2; Page 102)

(₹ in lakh)

| Sr. No. | Name of District | Name of NP | Category | 2010-11 | | | 2011-12 | | | 2012-13 | | |
|---------|------------------|-------------------|----------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| | | | | Budget | Expenditure | Percentage | Budget | Expenditure | Percentage | Budget | Expenditure | Percentage |
| 1 | A'bad | Dholka | B | 136.25 | 120.82 | 89 | 213.25 | 147.28 | 69 | 313.70 | 171.40 | 55 |
| 2 | -do- | Viramgam | B | 57.50 | 57.99 | 101 | 10.00 | 5.00 | 50 | 10.00 | 5.00 | 50 |
| 3 | -do- | Sanand | C | 57.50 | 57.99 | 101 | 61.35 | 64.16 | 105 | 79.30 | 75.95 | 96 |
| 4 | -do- | Bavala | C | 57.28 | 44.00 | 77 | 50.11 | 40.03 | 80 | 83.70 | 49.83 | 60 |
| 5 | -do- | Dhandhuka | C | 55.00 | 54.80 | 100 | 48.00 | 43.24 | 90 | 48.50 | 37.82 | 78 |
| 6 | -do- | Barvala | D | 5.00 | 3.90 | 78 | 5.00 | 4.89 | 98 | 5.00 | 4.62 | 92 |
| 7 | -do- | Bareja | D | 42.02 | 36.42 | 87 | 41.44 | 22.90 | 55 | 40.07 | 13.60 | 34 |
| 8 | Amreli | Amreli | B | 244.75 | 258.76 | 106 | 285.50 | 246.39 | 86 | 327.00 | 236.75 | 72 |
| 9 | -do- | Savarkundla | B | 105.23 | 57.61 | 55 | 115.48 | 74.69 | 65 | 104.35 | 76.03 | 73 |
| 10 | -do- | Rajula | C | 76.47 | 75.57 | 99 | 84.85 | 74.87 | 88 | 81.25 | 76.99 | 95 |
| 11 | -do- | Bagasara | C | 95.65 | 81.64 | 85 | 136.60 | 72.76 | 53 | 145.80 | 83.67 | 57 |
| 12 | -do- | Jafrabad | C | 14.13 | 14.74 | 104 | 15.16 | 16.85 | 111 | 17.84 | 19.34 | 108 |
| 13 | -do- | Lathi | D | 320.00 | 31.50 | 10 | 40.50 | 34.38 | 85 | 44.00 | 41.32 | 94 |
| 14 | -do- | Babara | D | 1.34 | 0.53 | 40 | 0.32 | 0.66 | 206 | 0.39 | 0.67 | 172 |
| 15 | -do- | Chalala | D | 21.11 | 20.84 | 99 | 22.89 | 21.38 | 93 | 35.17 | 28.89 | 82 |
| 16 | -do- | Damnagar | D | 0.00 | 16.83 | - | 0.00 | 18.83 | - | 0.00 | 20.72 | - |
| 17 | Banaskantha | Palanpur | A | 52.00 | 20.58 | 40 | 84.00 | 16.52 | 20 | 32.10 | 13.01 | 41 |
| 18 | -do- | Deesa | B | 412.50 | 175.93 | 43 | 293.80 | 326.85 | 111 | 472.10 | 293.32 | 62 |
| 19 | -do- | Tharad | D | 39.00 | 31.66 | 81 | 55.80 | 32.83 | 59 | 59.00 | 34.21 | 58 |
| 20 | -do- | Dhanera | D | 73.00 | 49.00 | 67 | 78.00 | 46.43 | 60 | 86.00 | 60.00 | 70 |
| 21 | -do- | Bhabhar | D | 16.17 | 14.60 | 90 | 24.08 | 16.66 | 69 | 28.35 | 24.80 | 87 |
| 22 | -do- | Thara | D | 6.10 | 0.10 | 2 | 0.50 | 36.75 | 7350 | 3.75 | 36.70 | 979 |
| 23 | Surat | Bardoli | B | 104.56 | 94.51 | 90 | 117.00 | 111.76 | 96 | 124.00 | 120.83 | 97 |
| 24 | -do- | Tarsadi | D | 20.00 | 13.75 | 69 | 25.00 | 15.14 | 61 | 30.00 | 18.18 | 61 |
| 25 | -do- | Mandvi | D | 48.90 | 18.29 | 37 | 21.25 | 26.86 | 126 | 92.11 | 36.77 | 40 |
| 26 | -do- | Kanakpur | D | 50.00 | 42.11 | 84 | 40.00 | 36.49 | 91 | 30.00 | 23.36 | 78 |
| 27 | Tapi | Vyara | C | 0.00 | 0.00 | - | 0.00 | 0.00 | 0 | 0.00 | 1.18 | - |
| 28 | -do- | Songadh | D | 0.00 | 34.80 | - | 0.00 | 24.65 | - | 0.00 | 35.21 | - |
| 29 | S'nagar | S'nagar | A | 44.00 | 12.47 | 28 | 57.25 | 15.28 | 27 | 24.00 | 12.72 | 53 |
| 30 | -do- | Dhangadhra | B | 125.00 | 153.00 | 122 | 171.00 | 179.00 | 105 | 185.00 | 203.00 | 110 |
| 31 | -do- | Wadhwan | B | 60.00 | 69.68 | 116 | 85.00 | 82.03 | 97 | 125.00 | 56.37 | 45 |
| 32 | -do- | Limbadi | C | 141.04 | 136.06 | 96 | 148.79 | 147.04 | 99 | 184.09 | 161.74 | 88 |
| 33 | -do- | Thangadh | C | 0.95 | 0.95 | 100 | 1.15 | 1.15 | 100 | 00.00 | 00.00 | 0 |
| 34 | -do- | Halvad | D | 66.82 | 61.64 | 92 | 64.47 | 78.55 | 122 | 78.91 | 96.95 | 123 |
| 35 | -do- | Chotila | D | 2.50 | 2.94 | 118 | 3.65 | 3.50 | 96 | 5.20 | 3.06 | 59 |
| 36 | -do- | Patadi | D | 00.00 | 00.00 | -- | 00.00 | 00.00 | 0 | 00.00 | 00.00 | 0 |
| 37 | Vadodara | Dabhoi | B | 12.00 | 1.86 | 16 | 12.00 | 0.00 | 0 | 0.00 | 0.00 | 0 |
| 38 | -do- | Padra | C | 1.00 | 0.53 | 53 | 1.00 | 0.00 | 0 | 1.00 | 0.00 | 0 |
| 39 | -do- | Karjan | C | 68.75 | 37.59 | 55 | 79.50 | 49.06 | 62 | 82.40 | 68.27 | 83 |
| 40 | -do- | Chho- taudepur | D | 33.32 | 37.61 | 113 | 49.34 | 38.61 | 78 | 69.36 | 51.01 | 74 |
| 41 | -do- | Savali | D | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) | Await- ed (March 2014) |

APPENDIX –XXIII

**Deficient services of consultants
(Reference: Paragraph 4.1.9.3; Page 106)**

(₹ in crore)

| Details | SLF-01 Khambhat | SLF-02 Himmatnagar | SLF-03 Dhandhuka | SLF-04 Virangam | SLF-05 Palanpur | SLF-06 Patan | SLF-07 Godhra |
|--|--------------------|---|----------------------------------|--------------------|---|---|--------------------|
| Name of the agency | Niraj Construction | Niraj Construction | Ramky Enviro Engineering Limited | Varun Construction | Sevani Construction | Varun Construction | Varun Construction |
| Date of work order | 30.01.2009 | 21.02.2009 | 07.11.2009 | 07.11.2009 | 07.11.2009 | 07.11.2009 | 07.11.2009 |
| Stipulated date of completion | 29.10.2009 | 20.11.2009 | 06.11.2010 | 06.11.2010 | 06.11.2010 | 06.11.2010 | 06.11.2010 |
| Actual Date of Completion | 31.01.2013 | 30.06.2011 | 31.01.2013 | 31.01.2013 | 31.01.2013 | 31.01.2013 | 31.01.2013 |
| Delay in completion (in months) | 39 | 19 | 26 | 26 | 26 | 26 | 26 |
| Estimated cost | 5.29 | 3.90 | 4.14 | 4.44 | 7.74 | 6.60 | 8.96 |
| Tender Cost | 6.23 | 6.95 | 4.13 | 4.22 | 6.35 | 5.92 | 8.19 |
| Total expenditure | 9.88 | 7.00 | Final bill pending | 5.09 | 8.62 | 7.79 | 8.51 |
| Excess expenditure | 3.65 | 0.05 | Final bill pending | 0.87 | 2.27 | 1.87 | 0.32 |
| Name of the Consultants | Senes Consultants | Mahindra Acres Consulting Engineers Limited | Senes Consultants | Senes Consultants | Mahindra Acres Consulting Engineers Limited | Mahindra Acres Consulting Engineers Limited | Senes Consultants |

APPENDIX –XXIV

Benefits of 'tendered rate' not received

(Reference : Paragraph 4.1.9.3; Page 107)

| Place of SLF | Tender Items | Quantity of Earth work including bentonite (Cubic meter) | Tender Rate per cubic meter (in ₹) | Quantity of Bentonite to be used as per tender (cubic meter) {three per cent of Col. 3} | Amount payable for tendered quantity (₹ in lakh) {Col. 3 x Col. 4} | Total quantity of Bentonite used (cubic meter) | Excess Quantity of Bentonite used against tendered quantity (cubic meter) {Col.7- Col.5} | Unit cost of Bentonite per Cubic metre (in ₹) {Col.6/ Col. 5} | SOR rates for quantities above 130 per cent of tender quantity of Bentonite (in ₹) | Amount paid for excess Bentonite (₹ in crore) (Col. 8 x 10) | Extra avoidable expenditure {(Col. 10 – Col. 9) x Col. 8} (₹ in crore) |
|--------------|---|--|------------------------------------|---|--|--|--|---|--|---|--|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| Patan | Soil liner by adding three per cent Bentonite | 22,407 | 60 | 672 | 13.44 | 6,274 | 5,602 | 2,000 | 2,692 | 1.51 | 0.39 |
| Palanpur | | 28,557 | 35 | 857 | 10.00 | 9,839 | 8,982 | 1,167 | 2,500 | 2.25 | 1.20 |
| Total | | | | | | | | | | 1.59 | |

APPENDIX - XXV

Statement showing status of sanction of funds and expenditure thereagainst in the NPs covered under UIDSSMT

(Reference: Paragraph 4.2.8.1 and 4.2.9; Page 116 and 118)

(₹ in lakh)

| Sr. No. | Name of the NP | Date of approval | Approved cost | Share of | | | Amount released to GUDM | | Total amount released by GUDM to ULBs | | | ULB share | Total funds available (GoI+State Government +ULB) | Total Expenditure (Per cent) | Physical Progress (Percentage of progress) |
|---------|-----------------|------------------|---------------|-------------------|--------------------------------|-------------------|-------------------------|------------------|---------------------------------------|------------------------|----------|-----------|---|------------------------------|--|
| | | | | GoI (80 per cent) | State Government (10 per cent) | ULB (10 per cent) | GoI | State Government | GoI share | State Government share | Total | | | | |
| 1 | Amreli | 11.10.2006 | 1,041.30 | 833.04 | 104.13 | 104.13 | 833.04 | 104.13 | 833.04 | 104.13 | 937.17 | 104.13 | 1041.30 | 992.09 (95) | Completed |
| 2 | Balasinor | 26.09.2007 | 521.60 | 417.28 | 52.16 | 52.16 | 418.81 | 52.16 | 417.28 | 52.16 | 469.44 | 134.56 | 604.00 | 604.00 (100) | In progress (80) |
| 3 | Bardoli | 26.09.2007 | 512.65 | 410.12 | 51.27 | 51.27 | 410.66 | 50.89 | 407.13 | 50.89 | 458.02 | 217.51 | 675.53 | 605.13 (90) | Completed |
| 4 | Bharuch | 11.10.2006 | 1,319.21 | 1,055.37 | 131.92 | 131.92 | 1,097.58 | 131.92 | 1,055.37 | 131.92 | 1,187.29 | 338.62 | 1525.91 | 1,514.95 (99) | Completed |
| 5 | Bhavnagar | 11.10.2006 | 2,096.07 | 1,676.86 | 209.61 | 209.61 | 1,676.86 | 209.61 | 1,676.86 | 209.61 | 1,886.47 | 210.00 | 2,096.47 | 2,096.47 (100) | Completed |
| 6 | Billimora | 22.01.2007 | 806.25 | 645.00 | 80.63 | 80.63 | 645 | 80.63 | 645.00 | 80.63 | 725.63 | 0.00 | 725.63 | 474.09 (65) | In progress (40) |
| 7 | Boriavi | 22/01/2007 | 434.37 | 347.50 | 43.44 | 43.44 | 354 | 43.44 | 347.50 | 43.44 | 390.94 | 6.51 | 397.45 | 433.33 (109) | In progress (70) |
| 8 | Chaklasi | 22.01.2007 | 713.20 | 570.56 | 71.32 | 71.32 | 570.56 | 71.32 | 570.56 | 71.32 | 641.88 | 217.81 | 859.69 | 859.69 (100) | In progress (80) |
| 9 | Chalala | 22.01.2007 | 503.64 | 402.91 | 50.36 | 50.36 | 402.91 | 50.36 | 402.91 | 50.36 | 453.27 | 105.29 | 558.56 | 511.19 (92) | Completed |
| 10 | Chhotaudepur | 26.09.2007 | 371.66 | 297.33 | 37.17 | 37.17 | 297.34 | 37.17 | 297.33 | 37.17 | 334.50 | 4.99 | 339.49 | 426.11 (126) | Completed |
| 11 | Dakor | 22.01.2007 | 451.98 | 361.58 | 45.20 | 45.20 | 368.38 | 45.20 | 361.58 | 45.20 | 406.78 | 69.25 | 476.03 | 528.37 (111) | In progress (75) |
| 12 | Dhanera | 22.01.2007 | 416.35 | 333.08 | 41.64 | 41.64 | 339.33 | 41.64 | 333.08 | 41.64 | 374.72 | 12.25 | 386.97 | 338.08 (87) | Completed |
| 13 | Dhangadhara | 16.03.2007 | 1,461.04 | 1,168.83 | 146.10 | 146.10 | 584.42 | 73.05 | 584.42 | 73.05 | 657.47 | 80.36 | 737.83 | 608.83 (83) | In progress (66) |
| 14 | Dhoraji | 10.11.2006 | 809.24 | 647.39 | 80.92 | 80.92 | 647.39 | 80.92 | 647.39 | 80.92 | 728.31 | 43.28 | 771.59 | 821.50 (106) | In progress (85) |
| 15 | Dwarka | 21.01.2009 | 1,665.81 | 1,332.65 | 166.58 | 166.58 | 1,332.64 | 124.92 | 999.48 | 124.92 | 1,124.40 | 40.00 | 1,164.40 | 1,124.40 (97) | In progress (50) |
| 16 | Gandevi | 26.09.2007 | 362.94 | 290.35 | 36.29 | 36.29 | 290.36 | 36.29 | 290.35 | 36.29 | 326.64 | 119.50 | 446.14 | 409.42 (92) | Completed |
| 17 | Godhra | 18.03.2006 | 1,446.52 | 1,157.22 | 144.65 | 144.65 | 1,157.22 | 144.65 | 1,157.22 | 144.65 | 1,301.87 | 138.50 | 1,440.37 | 936.20 (65) | In progress (70) |
| 18 | Gondal | 11.10.2005 | 1,378.88 | 1,103.10 | 137.89 | 137.89 | 1103.1 | 137.89 | 1,103.10 | 137.89 | 1,240.99 | 66.92 | 1,307.91 | 1,282.18 (98) | In progress (90) |
| 19 | Himmatnagar | 18.03.2006 | 814.90 | 651.92 | 81.49 | 81.49 | 651.95 | 81.49 | 651.92 | 81.49 | 733.41 | 81.49 | 814.90 | 815.00 (100) | Completed |
| 20 | Jamnagar | 13.12.2006 | 1,973.83 | 1,579.06 | 197.38 | 197.38 | 1,550.23 | 193.80 | 1,550.24 | 193.80 | 1,744.04 | 141.00 | 1,885.04 | 2,094.47 (111) | Completed |
| 21 | Jasdan | 26.09.2007 | 337.90 | 270.32 | 33.79 | 33.79 | 270.32 | 33.79 | 270.32 | 33.79 | 304.11 | 172.83 | 476.94 | 407.42 (85) | Completed |
| 22 | Jetpur-Navagadh | 22.01.2007 | 2,384.09 | 1,907.27 | 238.41 | 238.41 | 1,907.28 | 238.40 | 1,907.20 | 238.40 | 2,145.60 | 130.52 | 2,276.12 | 2,306.21 (101) | In progress (90) |
| 23 | Junagadh | 11.10.2006 | 1,537.15 | 1,229.72 | 153.72 | 153.72 | 1,278.91 | 115.29 | 922.29 | 115.29 | 1,037.58 | 0.00 | 1,037.58 | 922.38 (89) | In progress (55) |
| 24 | Kadi | 18.03.2006 | 523.51 | 418.81 | 52.35 | 52.35 | 418.81 | 52.35 | 418.81 | 52.35 | 471.16 | 52.35 | 523.51 | 523.50 (100) | Completed |
| 25 | Kapadwanj | 11.10.2006 | 799.81 | 639.85 | 79.98 | 79.98 | 639.18 | 79.98 | 639.85 | 79.98 | 719.83 | 203.31 | 923.14 | 826.66 (90) | Completed |

| Sr. No. | Name of the NP | Date of approval | Approved cost | Share of | | | Amount released to GUDM | | Total amount released by GUDM to ULBs | | | ULB share | Total funds available (GoI+State Government+ULB) | Total Expenditure (Per cent) | Physical Progress (Percentage of progress) |
|---------|--------------------|------------------|---------------|-------------------|--------------------------------|-------------------|-------------------------|------------------|---------------------------------------|------------------------|-----------|-----------|--|------------------------------|--|
| | | | | GoI (80 per cent) | State Government (10 per cent) | ULB (10 per cent) | GoI | State Government | GoI share | State Government share | Total | | | | |
| 26 | Kathlal | 26.09.2007 | 392.44 | 313.95 | 39.24 | 39.24 | 313.96 | 39.24 | 313.95 | 39.24 | 353.19 | 0.01 | 353.20 | 282.47 (80) | In progress (75) |
| 27 | Keshod | 26.09.2007 | 1,080.97 | 864.78 | 108.10 | 108.10 | 864.76 | 108.10 | 864.78 | 108.10 | 972.88 | 616.01 | 1,588.89 | 1,313.87 (83) | In progress (90) |
| 28 | Khambhat | 26.09.2007 | 881.93 | 705.54 | 88.19 | 88.19 | 704.94 | 66.14 | 529.16 | 66.14 | 595.30 | 993.59 | 1,588.89 | 406.60 (26) | In progress (60) |
| 29 | Kheda | 18.03.2006 | 496.30 | 397.04 | 49.63 | 49.63 | 397.27 | 49.63 | 397.04 | 49.63 | 446.67 | 148.63 | 595.30 | 483.46 (81) | In progress (85) |
| 30 | Lunawada | 22.01.2007 | 477.04 | 381.63 | 47.70 | 47.70 | 381.63 | 35.78 | 286.22 | 35.78 | 322.00 | 207.00 | 529.00 | 423.14 (80) | In progress (60) |
| 31 | Mahudha | 26.09.2007 | 528.52 | 422.82 | 52.85 | 52.85 | 422.82 | 52.85 | 422.82 | 52.85 | 475.67 | 29.72 | 505.39 | 446.44 (88) | In progress (75) |
| 32 | Mehsana | 18.03.2006 | 940.74 | 752.59 | 94.07 | 94.07 | 752.59 | 94.07 | 752.59 | 94.07 | 846.66 | 94.08 | 940.74 | 940.73 (100) | Completed |
| 33 | Modasa | 21.01.2009 | 856.90 | 685.52 | 85.69 | 85.69 | 685.52 | 85.69 | 685.52 | 85.69 | 771.21 | 169.53 | 940.74 | 871.56 (93) | In progress (65) |
| 34 | Palitana | 11.10.2006 | 455.47 | 364.38 | 45.55 | 45.55 | 378.96 | 22.78 | 182.18 | 22.78 | 204.96 | 660.32 | 865.28 | 274.00 (32) | In progress (70) |
| 35 | Pethapur | 16.03.2007 | 428.20 | 342.56 | 42.82 | 42.82 | 348.98 | 42.82 | 342.56 | 42.82 | 385.38 | 0.00 | 385.38 | 282.42 (73) | In progress (60) |
| 36 | Petlad | 21.01.2009 | 1,063.28 | 850.62 | 106.33 | 106.33 | 425.31 | 26.58 | 212.66 | 26.58 | 239.24 | 152.56 | 391.80 | 365.00 (93) | In progress (30) |
| 37 | Prantij | 18.03.2006 | 279.92 | 223.94 | 27.99 | 27.99 | 223.94 | 27.99 | 223.94 | 27.99 | 251.93 | 20.00 | 271.93 | 271.93 (100) | Completed |
| 38 | Radhanpur | 18.03.2006 | 224.52 | 179.62 | 22.45 | 22.45 | 179.62 | 22.45 | 179.62 | 22.45 | 202.07 | 69.86 | 271.93 | 198.57 (73) | In progress (55) |
| 39 | Rajula | 16.03.2007 | 366.89 | 293.51 | 36.69 | 36.69 | 299.02 | 36.69 | 293.51 | 36.69 | 330.20 | 36.69 | 366.89 | 492.05 (134) | Completed |
| 40 | Savarkundla | 16.03.2007 | 555.45 | 444.36 | 55.55 | 55.55 | 452.69 | 55.55 | 444.36 | 55.55 | 499.91 | 55.55 | 555.46 | 533.51 (96) | In progress (85) |
| 41 | Shehera | 26.09.2007 | 369.72 | 295.78 | 36.97 | 36.97 | 295.78 | 36.97 | 295.78 | 36.97 | 332.75 | 231.04 | 563.79 | 513.12 (91) | Completed |
| 42 | Sojitra | 21.01.2009 | 533.45 | 426.76 | 53.35 | 53.35 | 213.39 | 5.33 | 106.69 | 5.33 | 112.02 | 401.10 | 513.12 | 0.00 (0) | Just started |
| 43 | Songadh | 22.01.2007 | 334.30 | 267.44 | 33.43 | 33.43 | 272.45 | 33.43 | 267.44 | 33.43 | 300.87 | 0.00 | 300.87 | 305.88 (102) | Completed |
| 44 | Suren- dranagar | 18.03.2006 | 765.12 | 612.10 | 76.51 | 76.51 | 612.1 | 76.51 | 612.10 | 76.51 | 688.61 | 54.00 | 742.61 | 583.37 (79) | Completed |
| 45 | Sutarpada | 26.09.2007 | 657.74 | 526.19 | 65.77 | 65.77 | 526.2 | 65.77 | 526.19 | 65.77 | 591.96 | 150.65 | 742.61 | 425.67 (57) | In progress (50) |
| 46 | Umreth | 26.09.2007 | 762.98 | 610.38 | 76.30 | 76.30 | 305.18 | 19.07 | 152.60 | 19.07 | 171.67 | 430.64 | 602.31 | 0.00 (0) | Just started |
| 47 | Unjha | 26.09.2007 | 1,699.78 | 1,359.82 | 169.98 | 169.98 | 1,359.82 | 169.98 | 1,359.82 | 169.98 | 1,529.80 | 233.76 | 1,763.56 | 1,981.46 (112) | In progress (60) |
| 48 | Upleta | 26.09.2007 | 1,450.47 | 1,160.38 | 145.05 | 145.05 | 1,160.38 | 145.05 | 1,160.38 | 145.05 | 1,305.43 | 939.66 | 2,245.09 | 1,457.47 (65) | In progress (95) |
| 49 | Valsad | 18.03.2006 | 618.59 | 494.87 | 61.86 | 61.86 | 494.87 | 61.86 | 494.87 | 61.86 | 556.73 | 1,081.24 | 1,637.97 | 507.11 (31) | Completed |
| 50 | Vijapur | 16.03.2007 | 273.04 | 218.43 | 27.30 | 27.30 | 218.44 | 27.30 | 218.00 | 27.30 | 245.30 | 411.82 | 657.12 | 272.86 (42) | Completed |
| 51 | Viramgam | 26.9.2007 | 770.22 | 616.18 | 77.02 | 77.02 | 617.78 | 77.02 | 616.18 | 77.02 | 693.20 | 0.00 | 693.20 | 693.21 (100) | In progress (80) |
| 52 | Wadhwan | 26.09.2007 | 1,539.29 | 1,231.43 | 153.93 | 153.93 | 615.71 | 153.93 | 1,231.42 | 153.93 | 1,385.35 | 2.50 | 1,387.85 | 1,086.50 (78) | In progress (80) |
| TOTAL | | | 43,487.17 | 34,789.74 | 4,348.72 | 4,348.72 | 32,770.39 | 3,949.87 | 32,770.39 | 3,949.87 | 35,612.48 | 9,880.94 | 45,493.42 | 37,874.07 (83) | |

(Source: Information furnished by Gujarat Urban Development Mission and Chief Officer of Balasinor, Palitana and Petlad)

APPENDIX - XXVI

**Statement showing details of delays in release of funds by the State Government
(Reference: Paragraph 4.2.8.2; Page 117)**

(₹ in crore)

| Period of delay (in months) | Names of the NPs | Amount |
|--------------------------------|---|---------------|
| 1-6 | Amreli, Bardoli, Bharuch, Bhavnagar, Billimora, Boriavi, Chalala, Chotaudepur, Dakor, Dhanera, Dhoraji, Dwarka, Gandevi, Gondal, Jamnagar, Jasdan, Junagadh, Kapadwanj, Keshod, Lunawada, Mahuda, Palitana, Rajula, Sahera, Songadh, Unjha (2 cases), Upleta, Vadhwani and Viramgam, (30 cases) | 68.59 |
| 6-12 | Amreli, Balasinor, Bardoli, Bharuch, Boriavi, Chaklasi, Dhanera, Dhangadhra, Dwarka, Godhra, Gondal, Himmatnagar, Jamnagar, Kadi, Kathlal, Keshod, Kheda, Mehsana, Modasa, Prantij, Radhanpur, Rajula, Shahera, Surendranagar, Sutrapada, Vadhwani, Valsad, Unjha and Viramgam (29 cases) | 59.57 |
| 12-18 | Bhavnagar, Dakor, Dhanera, Dhoraji, Gandevi, Gondal, Himmatnagar, Kathlal, Khambhat, Kheda, Mahuda, Palitana, Radhanpur, Rajula, Savarkundla, Umreth, Vijapur and Valsad (18 cases) | 25.00 |
| 18-24 | Billimora, Dwarka, Godhra, Himmatnagar, Kadi, Kapadwanj, Mehsana, Prantij (2 cases), Surendranagar and Sutrapada (11 cases) | 17.96 |
| 24-40 | Bharuch, Dakor, Dhoraji, Godhra, Junagadh, Lunawada, Pethapur, Songadh and Valsad (9 cases) | 14.85 |
| Total | 97 cases | 185.97 |

(Source: Information furnished by GUDM)

APPENDIX – XXVII

Loss of Central assistance

(Reference: Paragraph 4.2.9.1; Page 118)

(₹ in crore)

| Name of the Project | Amount of Central assistance lost | Reasons |
|---------------------|-----------------------------------|---|
| Dwarka | 0.78 | <p>The CSMC approved (January 2009) a WS project for Dwarka NP at a cost of ₹ 16.66 crore to augment the existing WS scheme. The component of construction of Elevated Storage Reservoir (ESR) was not included in the DPR as two ESRs each having a capacity of eight lakh litres constructed 10 to 15 years ago already existed in the extant WS scheme. However, it was observed that the NP awarded (June 2012) the work for construction of an ESR at a tender cost (TC) of ₹ 0.98 crore against the estimated cost (EC) of ₹ 1.11 crore under a State sponsored scheme⁵. Thus, non-inclusion of ESR component in the DPR submitted under UIDSSMT resulted in loss of Central assistance of ₹ 0.78 crore (being 80 per cent of ₹ 0.98 crore).</p> <p>The Government stated (August 2013) that at the time of survey, two ESRs existed and one of them got damaged (February 2010) after approval of the DPR. The reply was not acceptable as the ESR was constructed 10-15 years back, the strength and condition of the ESR was required to be assessed during the course of the survey and could have been included in the DPR for its repair.</p> |
| Himmatnagar | 1.83 | <p>The CSMC approved (September 2006) a WS project for Himmatnagar NP at a cost of ₹ 8.15 crore. Audit observed that the NP executed (March 2011) a WS project at a cost of ₹ 2.29 crore under State Sponsored Scheme⁶ for Sarnam Housing Society and its surrounding areas as it was not included in the DPR submitted under UIDSSMT. Thus, failure of NP to include the same in the DPR resulted in non-availing of Central assistance of ₹ 1.83 crore (80 per cent of ₹ 2.29 crore).</p> <p>The Government stated (August 2013) that Sarnam Housing Society was not developed when the DPR was prepared. The reply was not acceptable as the NP executed the WS project under UIDSSMT under the long term planning upto the absolute year 2025 and the area in question was already included in the NP records as 'residential/commercial' well before launching the UIDSSMT.</p> |
| Keshod | 0.66 | <p>The CSMC approved (October 2007) a WS project for Keshod NP at a cost of ₹ 10.81 crore. Audit observed that (i) 450mm dia DI connectivity pipeline from Dhar and Pipalia sumps to Alap Colony ESR and (ii) connectivity pipeline at Agatrai Road sump to ESR, Amrutnagar sump to ESR, Trangarsha Pir sump to Suman Society ESR and Rajmahal ESR were not included in the DPR submitted under UIDSSMT. Since, the connectivity pipelines were not laid under this WS project, the expenditure of ₹ 13.14 crore incurred under the project did not yield complete result. The NP awarded (September 2010 and February 2013) the work for the above missing components at a cost of ₹ 0.82 crore by demanding funds under State Scarcity Grant⁷. Thus, failure of NP to include the same in the DPR resulted in non-availing of Central assistance of ₹ 0.66 crore (80 per cent of ₹ 0.82 crore).</p> <p>Government stated (August 2013) that during the survey carried out by the consultant it was found that connectivity existed to fill up the tanks of Aalap colony and Agatrai road through sumps of Dhar and Pipaliya and therefore no provision for the same had been made in the DPR at the relevant time. The reply was not acceptable as taking up the work of missing components subsequently indicates that the strength and condition of existing connectivity was not as per required specification for commissioning of the WS project.</p> |
| Total | 3.27 | |

5 Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojna

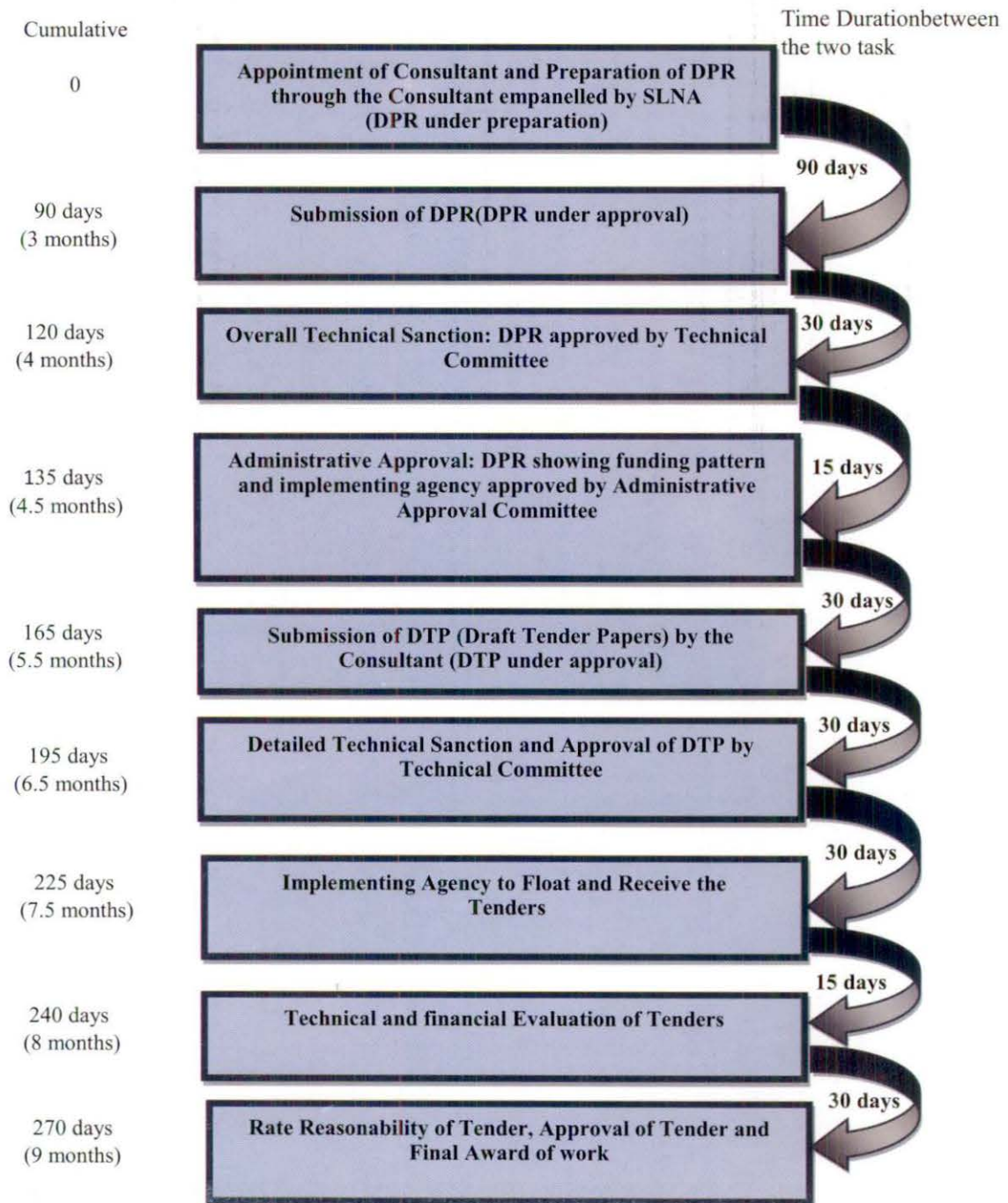
6 Swarnim Jayanti Mukhya Mantri Shaheri Vikas Yojna

7 Lack of sufficient availability of fund during special circumstances

APPENDIX – XXVIII

Flow chart for implementation of water supply scheme
(Reference : Paragraph 4.2.10 and 4.2.10.1; Page 118 and 120)

FLOW CHART FOR IMPLEMENTATION OF WATER SUPPLY SCHEME



APPENDIX - XXIX

Statement showing details of cost overrun due to delay in commencement of work

(Reference: Paragraph 4.2.10.1; Page 119)

(₹ in crore)

| Sl. No. | Name of NPs | Date of administrative approval | Scheduled date of completion as per AA | Date of work order | Time taken for issue of work order | Approved project cost | Estimated Cost put to tender | Tendered cost | Cost overrun |
|---------|--------------------------|---------------------------------|--|--------------------|------------------------------------|-----------------------|------------------------------|---------------|--------------|
| 1 | Bardoli | 05.10.2007 | 04.10.2009 | 19.12.2008 | 14 months | 5.13 | 4.73 | 7.55 | 2.42 |
| 2 | Balasinor | 05.10.2007 | 04.10.2009 | 06.10.2008 | 12 months | 5.22 | 5.02 | 8.24 | 3.02 |
| 3 | Dakor | 28.02.2007 | 27.10.2007 | 12.12.2008 | 22 months | 4.52 | 4.37 | 5.57 | 1.05 |
| 4 | Dwarka ⁸ | 22.06.2009 | 21.06.2011 | 12.06.2009 | 0 months | 16.66 | 10.91 | 10.57 | 0.00 |
| 5 | Gondal | 13.12.2006 | 12.12.2008 | 17.01.2008 | 13 months | 13.79 | 12.81 | 14.38 | 0.59 |
| 6 | Himmatnagar ⁹ | 12.09.2006 | 11.03.2008 | 27.02.2006 | 0 months | 8.15 | 8.15 | 8.19 | 0.04 |
| 7 | Jetpur | 28.02.2007 | 27.10.2007 | 10.10.2007 | 8 months | 23.84 | 19.60 | 26.04 | 2.20 |
| 8 | Keshod | 05.10.2007 | 04.10.2009 | 20.11.2008 | 13 months | 10.81 | 10.37 | 16.46 | 5.65 |
| 9 | Pethapur | 05.06.2007 | 04.02.2008 | 10.10.2007 | 4 months | 4.28 | 4.11 | 4.98 | 0.70 |
| 10 | Petlad ¹⁰ | 22.06.2009 | 21.06.2011 | 19.03.2012 | 33 months | 10.63 | 5.57 | 7.23 | 0.00 |
| 11 | Prantij | 12.09.2006 | 11.03.2008 | 15.12.2006 | 3 months | 2.80 | 2.80 | 3.15 | 0.35 |
| 12 | Radhanpur | 12.09.2006 | 11.03.2008 | 21.09.2007 | 12 months | 2.25 | 2.85 | 3.59 | 1.34 |
| 13 | Songadh | 28.02.2007 | 27.10.2007 | 22.06.2009 | 28 months | 3.34 | 3.00 | 5.29 | 1.95 |
| 14 | Sutrapada | 05.10.2007 | 04.10.2009 | 12.06.2009 | 20 months | 6.58 | 5.71 | 11.73 | 5.15 |
| 15 | Valsad | 12.09.2006 | 11.03.2008 | 15.03.2007 | 6 months | 6.19 | 6.48 | 7.36 | 1.17 |
| | Total | | | | | 124.19 | | | 25.63 |

(Source: Information furnished by the Chief Officers of selected NPs)

8 Three components are not taken up

9 The project was originally sanctioned under "Gujarat Urban Development Year" 2005 a State sponsored scheme. On launching of UIDSSMT in December 2005 the project was shifted to UIDSSMT to avail central assistance

10 Part-II of the Project is not taken up

APPENDIX – XXX

Issues relating to delay in completion of projects

(Reference : Paragraph 4.2.10.2; Page 121 and 122)

| Name of the NP and project approval date | Reasons for delay |
|---|--|
| Failure in obtaining permission/clearance | |
| Gondal (December 2006) | Audit observed that the NP had approached (March 2008) the Railway authorities for laying the pipeline across railway track after 1 ¹¹ years from the date of approval of the project and thereafter approached after six months. Though the work was completed (April 2012) by the Railways, the work remained incomplete as the work of joining the pipeline laid below the railway track with the remaining pipeline was not completed till date (April 2013) as the agency engaged for the project was relieved (May 2009) under foreclose ¹¹ condition of the contract. |
| Petlad (June 2009) | The work was divided into two parts (a) Underground sump, pumping main, distribution main, pump house and pumping machinery at an EC of ₹ 5.57 crore and (b) Water Treatment Plant (WTP), gravity main ¹² and intake well at an EC of ₹ 5.07 crore. The work of Part-I was awarded (March 2012) to an agency at Tender cost (TC) of ₹ 7.73 crore with the stipulated date of completion as March 2013. Audit observed that the NP had approached (October 2010) the Executive Engineer, Irrigation Division, Anand for drawing of water from Mahi Canal for the project. It had also approached the Executive Engineer, Roads and Buildings Division, Anand (October 2012) and Divisional Railway Manager, Vadodara (June 2012) for laying of pipeline across State Highway and Railway line respectively. However, the permission has not yet been received (March 2013). Thus, the work of Part-I remained incomplete. Further, the tenders for the work of Part-II had not been invited (March 2013). Non-completion of project resulted in deprival of potable water to the targeted population of 55,330. |
| Failure in identification of water source | |
| Dakor (February 2007) | NP applied (January 2008) to the Irrigation sub-division, Dakor for reservation of water from Shedhi Branch Canal. Irrigation sub-division Dakor offered remarks whether actual water was required or only in principal permission was sought for providing water during shut down of the canal for maintenance and repairs. Further, offered remarks for execution of agreement. However, the NP failed to comply with the remarks of the Irrigation Department for water source. This resulted in deprival of the project benefits to the targeted population of 24,396. |
| Radhanpur (March 2006) | As per the DPR, the source of water was from Santalpur Group WS Scheme (GWSS) based on Narmada Canal. However, it was observed that the NP and the State Government decided (March 2008 and September 2011) to lay separate pipeline from Ranakpur Head works to Radhanpur sump at a cost of ₹ 25.73 crore instead of from Santalpur GWSS as the water available from Santalpur GWSS was found inadequate ¹³ . This indicates that the source of water earmarked at the time of preparation of DPR was faulty resulting in delay in completion of the project besides loss of Central assistance of ₹ 20.58 crore (being 80 per cent of ₹ 25.73 crore) towards extra cost. The Government stated (August 2013) that due to development of rural areas, adequate water could not be supplied to both city and rural areas, therefore GWSSB decided to setup a new line for Radhanpur town. However, the fact remains that the long term planning was faulty which resulted in extra cost and loss of central assistance. |
| Reduction in scope of work leading to non-commissioning of project | |
| Balasinor (October 2007) | The work of the project was divided into three parts (i) Renovation of existing intake well (EC of ₹ 0.10 crore), (ii) construction of RCC sump, two ESR ¹⁴ , etc. (EC of ₹ 4.92 crore) and (iii) electrification (₹ 0.04 crore) and three per cent contingent charges (₹ 0.15 crore) for tendering. GUDM released grant of ₹ 4.69 crore. The work of first part was completed (October 2012) at a cost of ₹ 0.11 crore. The work order for second part was issued (February 2009) at a cost of ₹ 8.13 crore with stipulated date of completion being February 2010. As against the anticipated requirement of ₹ 7.73 crore, the NP could manage only ₹ 6.04 crore. Audit observed that the NP had dropped (March 2013), the construction of one pump house, chlorination plant and compound wall (EC of ₹ 0.11 crore) due to paucity of funds. It was further observed that inspite of incurring ₹ 6.04 crore (a) the pumping machinery was not put to use for want of electricity, (b) testing of rising main ¹⁵ was pending, (c) one out of two ESRs was not commissioned and (d) laying of 18 km. High Density Poly Ethylene (HDPE) distribution line was still in progress (August 2013). This resulted in deprival of benefit of the project to the targeted population of 39,330. The Government stated (August 2013) that majority of the work under the project has been completed and water is being supplied through the existing scheme. The reply was not acceptable as most of the works carried out as mentioned above could not be put to use despite an expenditure of ₹ 6.04 crore having been incurred. |

11 Means to declare the work as deemed to be completed at that stage

12 Pipeline for transmission of clear water by gravitational pull

13 As against demand of 40 lakh litre daily, only 30-32 litre water was drawn from Ranakpur Head works by three polder pumps. Further, due to tapping in existing GWSS pipeline, tail-end villages of Santalpur GWSS were getting less water.

14 RCC ESR of 6.50 lakh litre capacity at Indira Nagar and six lakh litre capacity at Kalupur

15 Supplying and laying of rising main from Umvada Filter Plant

APPENDIX - XXXI

Statement showing details of excess expenditure incurred due to purchase of pipes from open market

(Reference : Paragraph 4.2.12.1; Page 127)

| Dimension of pipe (dia in mm) | Quantity purchased in Running Metre (RMT) | Rate as per GWSSB Rate Contract in RMT (Amount in ₹) | Cost as per GWSSB Rate Contract (₹ in crore) | Cost of the actual purchase (₹ in crore) | Excess expenditure due to purchase at higher rate (₹ in crore) |
|-------------------------------|---|--|--|--|--|
| 1 | 2 | 3 | 4 (2 x 3) | 5 | 6 (5-4) |
| 200 | 7,338 | 429.77 | 0.32 | 0.50 | 0.18 |
| 160 | 3,132 | 276.40 | 0.09 | 0.13 | 0.04 |
| 110 | 10,098 | 132.21 | 0.13 | 0.21 | 0.08 |
| 90 | 13,728 | 92.90 | 0.13 | 0.19 | 0.06 |
| Total | 34,296 | | 0.67 | 1.03 | 0.36 |

(Source : Information furnished by the Chief Officer, Valsad NP and GWSSB, Gandhinagar)

